UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 87th CONGRESS
FIRST SESSION

VOLUME 107—PART 8

JUNE 8, 1961, TO JUNE 22, 1961
(PAGES 9769 TO 11166)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1961

J
11
.R
v.107
pt.8

DEPOSITED BY THE
UNITED STATES OF AMERICA

United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 87th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 8, 1961

The House met at 12 o'clock noon.

Rabbi Morton M. Kanter, Sinai Reform Temple, Bay Shore, N.Y., offered the following prayer:

Zohar II, 47a: *The acts of the leader are the acts of the nation. If the leader is just, the nation is just; if he is unjust, the nation too is unjust and is punished for the sins of the leader.*

Our God who art our Defender and Redeemer, we thank Thee for our bountiful land, but most of all, we thank Thee for this new race of men who have come out of lands of tyranny and oppression, to begin life anew on these shores that are blessed with the spirit of freedom.

We penitently acknowledge that America's promise of freedom still reaches toward fulfillment and we are confident that equal rights will soon be extended to all our fellow citizens.

As we affirm our belief in equality for all, let us remember that this includes the opportunity to rise to leadership. Let us keep in mind that great human advances are not brought about by average men and women. They are brought about by distinctly uncommon people with a God-given spark of leadership.

Thou who gives dominion and sovereignty to leaders, be Thou with the President of the United States, his counselors and advisers and all those who have been called to serve our Nation. Give them an abundant portion of Thy spirit and endow them with discernment. Direct their heads and hands that they may govern with perfect justice and equality. May their every act find favor in Thy sight. Bless our country with peace and give our leaders the courage and wisdom to lead our Nation in the ways of justice and righteousness. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6345. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1962, and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HAYDEN, Mr. RUSSELL, Mr. MCCLELLAN, Mr. KEFAUVER, Mr. BIBLE, Mr. MUNDT, and Mr. YOUNG of North Dakota to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 751. An act to amend the Indian Claims Commission Act.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the Joint Select Committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the U.S. Government," for the disposition of executive papers referred to in the report of the Archivist of the United States No. 61-9.

GENERAL GOVERNMENT MATTERS, DEPARTMENT OF COMMERCE, AND RELATED AGENCIES

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on the general Government matters, Department of Commerce, and related agencies appropriation bill for 1962.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. FENTON reserved all points of order on the bill.

AUTHORIZING ARMED FORCES APPROPRIATIONS

Mr. VINSON submitted a conference report and statement on the bill (S. 1852) to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. SMITH of Virginia. Mr. Speaker, on behalf of the gentleman from North Carolina [Mr. BONNER], I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight tonight to file a report on the bill (H.R. 6775).

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

TAX RATE EXTENSION ACT OF 1961

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 330 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7446) to provide a one-year extension of the existing corporate normal-tax rate and of certain excise-tax rates. After general debate, which shall be confined to the bill and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN], and I yield myself such time as I may consume.

The SPEAKER. The gentleman from Virginia is recognized.

CALL OF THE HOUSE

Mr. SMITH of California. Mr. Speaker, the gentleman from Virginia is making a very important speech. I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 73]

Anderson, Minn.	Fountain	O'Konski
Beermann	Grant	O'Neill
Blitch	Gray	Pilcher
Broomfield	Holifield	Powell
Buckley	Hosmer	Roberts
Celler	Karth	Roosevelt
Coad	Kilburn	Slack
Curtis, Mo.	Kirwan	Thompson, La.
Davis, Tenn.	Knox	Tupper
Diggs	Magnuson	Utt
Fallon	Mason	Walter
Feighan	Michel	Willis
Fino	Miller, George P.	Wilson, Calif.
Fogarty	O'Brien, N.Y.	Wilson, Ind.
		Zelenko

The SPEAKER. On this rollcall, 391 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TAX EXTENSION ACT OF 1961

The SPEAKER. The gentleman from Virginia is recognized.

Mr. SMITH of Virginia. Mr. Speaker, we are here today, I regret to say, to perform our annual function of extending the taxes that were imposed to help liquidate the Korean war. Year after year we have come in and had to extend those taxes. If we do not extend them the already extended budget will be increased by something over $3 billion.

I know a lot of people want taxes reduced; all of us do. But what I want to say this morning, and I hope I may have the attention of the House because I think I can give you some figures that may surprise you and in which certainly you should be interested, if you will look to the fiscal situation of this country. We have continually been compelled to increase appropriations and raise the debt limit by reason of the action of the Congress in the large expenditures for old and new programs that we have been making over the years—and I have gone to considerable trouble to get some figures which I consider to be authentic that may throw some little highlight into your minds on the urgency of our giving serious thought to the question of how we are going to reduce these expenditures, or at least hold them down. Our military expenditures approximate half of the budget, around $42 billion. The main place where we have got to stop, look, and listen is on our domestic expenditures, our foreign aid, and what we term, to the displeasure of many of our colleagues, the maintenance of the welfare state, our Central Government.

Of course, I am for this rule; and, of course, I am going to vote for the bill to continue these taxes. You cannot keep on spending on every welfare program that somebody thinks up and sends down here and not break this Government. Your people are taxed now to the extent I think that if you try to put any more taxes on them you will reach the point of diminishing returns, if you have not already done so. The magnitude of the tax evasions in this country is very great. We have a lot of smart people trying to evade these taxes in legitimate ways, but the evasion of taxes that happens by reason of the heavy burden placed on the people could be more than enough, many times over, to balance this budget and place us on a more even keel.

But I want to bring to your attention some figures this afternoon, and I am going to read some highlights of the budgetary situation that I hope the Members of this House will at least think about with some degree of respectful attention.

SPENDING, REVENUES, AND DEBT

Let us take our spending. In the first place, our spending is at an alltime high in the peacetime history of this country. Next year, 1962, it is going up, roughly speaking, at least $5 billion above the current fiscal year. It is going up—not down—and that is without considering any further increases by the Congress over the administration requests.

Our revenues are at a record alltime high, yet they are not keeping up with the expenditures that the Congress votes.

Our debt is at a record alltime high—in war or peace. Remember we have had 15 years in which to get our house in order since the last world armed conflict which always throws things out of kilter. It is now about $290 billion.

The expenditures that are pending now and proposed by the administration before this year is out are going to necessitate very shortly a resolution being presented by the Ways and Means Committee to once again, as we now do every year, increase the debt limit so that further expenditures can be made and a greater debt placed upon generations yet to come.

INTEREST ON DEBT

Think of the interest on our debt. Let me give you a couple of figures that to me are very startling. It now costs as much for annual interest on the debt as it took to run the entire Government only 21 years ago; in other words, the figures show that 21 years ago, we were paying to run the whole Government, all the operations of the Federal Government, what it costs today to pay merely the annual interest on the debt. And did you know that the annual interest cost is nearly $17,000 every minute of the day and night, every day and night of the year?

Does that not make some of us feel like stopping, looking, and listening, and giving some serious consideration to this problem?

AUTHORITY TO COMMIT THE GOVERNMENT

Let us see what we have coming up in the near future under administration proposals. I will start with authority to commit the Government. We have, so far this session, been asked to enact new authority to obligate and commit the Treasury in the 2 fiscal years, 1961 and 1962, by $11,813 million above the Eisenhower budget. That is an astounding sum and it does not even include the very large proposal we may expect later for expenditures for civil defense.

You will find in this report on the pending bill it is estimated that civil defense will be $100 million in fiscal 1962, but that is the mere beginning. The program as proposed, if carried out, is not going to stop at the $100 million. It will doubtless run to billions of dollars if we go into the kind of civil defense program that is now evidently under consideration.

And here is an important fact: It does not count what is now asked for a number of years beyond fiscal 1962 in new expenditures for such things as housing, foreign aid loans, highways, and other things that extend over several years. No one has been able as yet to even make a worthwhile overall estimate of the cost of all those things.

DEFICIT FORECASTS

Now, the Eisenhower budget sent up in January showed a combined surplus of $1.5 billion for the 2 fiscal years 1961 and 1962. The official figures from the new administration for the 2 years combined already, up to this point, show a deficit of $5.9 billion, and, as the gentleman from Arkansas [Mr. MILLS], chairman of the Committee on Ways and Means, yesterday indicated before the Committee on Rules, it will probably be much worse than that. I am told that just the other day, the Secretary of the Treasury indicated, in a speech downtown, that the deficit for fiscal 1961, ending this month, would be about $3 billion. That is $800 million more than the official figure of $2.2 billion previously submitted, and the $3.7 billion now shown for fiscal 1962 will go about $750 million higher if the postal rate bill is not enacted.

Now, let me explain that the present figures given us include in the revenue the things that are expected to materialize. One of them is the postal rate increase bill, which is supposed to produce about $750 million a year. Well, now, anybody that thinks that Congress is going to add $750 million to the postal revenues this year is a whole lot more optimistic than I am, because I have seen those bills come and go, and it just is not, in my opinion, going to happen. So, unless that bill is enacted, which I think is very unlikely, you must add to the deficit figure of $3.7 billion for 1962 the $750 million.

On top of that, there is pending the bill which this House passed the other day—and I think passed without a rollcall—a bill from the Committee on Ways and Means, with a deferral in taxes in the face of the figures I am giving you now, which is known as the Keogh bill. Now if that goes through, that is going to add further to the deficit next year, because for part of the first year it is estimated to cause a reduction in tax take and therefore an increase in the budget deficit of about $125 million, and thereafter it is estimated to cost the Treasury, in deferred taxes, about $350 million a year. So there is another item to be added to the $3.7 billion deficit figure. Now, I am not discussing the merits of that bill; but how are you going to vote for all of these welfare bills that come in here and still vote to reduce or defer taxes?

BACKDOOR SPENDING

Now, my friends, I want to talk a few minutes about the hidden expenditures on the taxpayers, and that is commonly

called backdoor spending. For those who are not familiar with back-door spending, that consists of bills which provide that certain amounts of money may be used by an agency, and it does not authorize or require any appropriation in the regular way. Then there is also the contract authority provision, where the bill authorizes the agency to make binding contracts, and then when they come in to the Appropriations Committee, the appropriation to pay the contracts off must be granted.

The first one I referred to is known as the public debt transaction under which the agency just goes over to the Secretary of the Treasury, demands the money, and the Secretary of the Treasury must hand over the money. It is as simple as that. But to get it, the Treasury must sell bonds and that indebtedness is added to the public debt under the Second Liberty Loan Act. How much that has amounted to in recent years in which the practice has been in vogue in the Congress is difficult to say with absolute precision. I do not think any precise estimate has ever been made. I have not been able to get any accurate estimate of what that amounts to, but I have been told that back-door expenditures up to now, when liquidated, will amount to something like $90 billion, because they are coming in every day. We have a new housing bill coming in, and I am going to talk about it in a minute, a housing bill calling for between $8 and $9 billion in back-door financing, under which it is proposed, just in one section of the bill, that we build houses that people will buy, and will do the unprecedented thing of not paying a nickel down on it and have 40 years in which to liquidate the mortgage. And if these houses are like some of the houses I have seen, they are going to fall down in 20 years.

I think it is time for us to look at some cold facts, and I want to go along further and give you some illustrations. I have spoken of expenditures that come directly through the Secretary of the Treasury without actual appropriation in the regular way by the Congress. Those are direct expenditures, money taken from the Treasury but never carried in the regular appropriation bills.

Then we have what may be considered as contingent expenditures, and probably the largest example of that is also in the housing area where we, in effect, guarantee all of these loans on houses, where a fellow does not pay anything down and gets 40 years to pay for a house that probably will not last that long. In effect, in those instances, we endorse the note, and if the buyer does not pay for the house, the Government picks up the check under its guarantee. How much that will be, nobody can say with accuracy.

We have some more of these back-door bills yet to come. You are going to have to vote on some in a few days, and I am going to talk about them. We have already, in the House, passed four or five back-door bills.

PRESIDENT URGES FISCAL RESTRAINT

I would like to quote briefly from the last message of the President on May 25 to a joint session of the Congress. I know you are going to pay close attention to it right now, but please pay some attention to it when some of these bills come up that will further unbalance this budget. Think about what the President said. This is what he said:

> If we are to preserve our fiscal integrity and world confidence in the dollar, it will be necessary to hold tightly to prudent fiscal standards; and I must request the cooperation of the Congress in this regard—to refrain from adding funds to programs, desirable as they may be, to the budget.

It looks like we have not been paying too much attention to that admonition of the President, if I can judge by the authorization bills that are now awaiting your attention in the Committee on Rules; and you will have them in a few days, do not worry, and you will have to make the determination in your own conscience whether you are going to vote for them or whether you are going to think something about the fiscal situation of your country, and the advice of your President.

HOUSING BILL—MOSTLY BACK DOOR

In the housing bill, the one that is waiting for you now, you are probably going to have it in 10 days, and you are going to have to vote on it, you are going to have to consider it. The responsibility is not going to be the President's, it is going to be yours. It includes some $8.8 billion of back-door spending, and there is also $248 million authorized for appropriation in the regular way, where you will go through the regular channels of the Appropriations Committee—$248 million. That is up to a total, overall, of something like $9 billion. And that stretches out many years into the future.

Here is what we have. Urban renewal, where we build cities all over again. In the new bill that is down for $2 billion, and you are not going to make a dent in that program with $2 billion. The pressure is going to be very great on every man in this Congress who has a city in his district, and all of us have, to authorize some more of this easy money out of the back door for urban renewal every year. And when you go to urban renewalize the cities of the United States that are going to be on your back, I do not know how many billions it is going to be.

Now, it also includes public housing. Public housing is where we feel that certain elements of our citizenry are not living in the kind of houses to which they would like to become accustomed, and they are not able to do that themselves. My sympathy is all with them. I wish they could. But you are putting on the backs of the American taxpayers a subsidy to pay the difference between the rent that the person is paying and the rent in the house that we are going to build for him to which he wants to become accustomed. That program runs about 40 years. That is going to be in this bill to the tune of $3,146 million.

I include a résumé of the housing bill you will be asked to vote on in the next week or two:

Financial impact of H.R. 6028, the Housing Act of 1961, as reported by the House Banking and Currency Committee

[In millions of dollars]

Program	Grants	Loans
Urban renewal capital grants	[1] 2,000	
Urban planning grants	[2] 30	
Permanent open land acquisition	[2] 100	
FNMA special assistance		[3 4] 1,550
Direct loans for elderly housing		[2] 100
New authorizations for public housing and additional subsidies for elderly tenants	[1 5] 3,146	
Public works planning advances		[2] 10
Community facilities		[3] 500
Hospital grants	[2] 7.5	
College housing		[3] 1,200
Farm research grants	[2] 1	
Farm housing		[3] 407
Total	5,284.5	3,767
Total, loans and grants	9,051.5	

[1] Authorizes contracts pledging faith of U.S. Government. Congress is legally bound to appropriate money in future years.

[2] Appropriation by Congress necessary before contractual obligation effective.

[3] Not appropriated; Treasury withdrawals are noted as "public debt transactions."

[4] Computed as follows:
$750,000,000 direct authorization plus
$200,000,000 authorized and unexpended from 1958 program 10 plus
$600,000,000 representing 4 years of repayments from FNMA liquidations portfolio of pre-1954 mortgages.

[5] Based on HHFA estimates projected over 40-year subsidy period. See pp. 118–119, House hearings, April–May 1961.

DEPRESSED AREAS BILL—MOSTLY BACK DOOR

Then there is the depressed areas bill. We are going to take care of the cities in urban renewal, and now we are going to take care of our rural and urban depressed areas. Since that bill got here, it looks like we have more depressed areas in the United States than there could be in China. Everybody is depressed now, and they are all hoping for a handout. I do not blame them, because they are going to have to pay for it and want their share. So we have the depressed areas bill, and that is $300 million, and that is backdoor spending, and that is just a start, just a teaser.

Then there is in the depressed areas bill $94 million in authorization through the regular appropriations. The program operates out of a revolving fund, so that in order that none of it may ever come back to the Treasury, it is provided that it shall be a revolving fund, so if somebody does happen to pay something off on it, it will go back into the pot and can be allocated over again.

FOREIGN AID

Now we come to foreign aid. This year there is being proposed for foreign aid for a period of 5 years $8,800 million in back-door spending. We started out on foreign aid with the idea that we were just going to rehabilitate these folks a little bit and get them on their feet. Now foreign aid has been going on for 15 years and it gets bigger all the time. This program on foreign aid is now to be made a permanent program—that is what some people have been after all the time. If you pass that bill, as it is presented, it will be for a period of 5 years on the foreign

loans part of it and you will not be able to stop it after 1 year, as we could do now—and it will involve $8,800 million additional taxes on the backs of your constituents. And through the back door. That will be discussed later on so I will not go into the question of foreign aid or the desirability of it. I am informed that in addition to the $8.8 billion back door, there is another $4 or $5 billion that they want appropriated in the regular way through the Committee on Appropriations.

PUBLIC LAW 480—BACK-DOOR SPENDING

Here is, I think, another pretty good illustration. We recently passed a bill amending Public Law 480 permitting the Department of Agriculture to sell $2 billion more of agricultural commodities this year for soft foreign currencies—that is a kind of money that you cannot spend or buy anything with and it looks like our American dollars are going to be the same thing and maybe when we are all in the same boat as a result of all these programs and our money will not be of any more account than these foreign currencies, maybe we can balance the budget in that way. But we passed this bill to appropriate the $2 billion for the Commodity Credit Corporation. Now what happened on that? They are authorized to do that, and they will doubtless do it because the Congress said that they should do it. But by doing that, they will impair the capital of the Commodity Credit Corporation. So, following out this program that the Congress has authorized them to get into, they will be back to the Congress and say—here is the tab for what we have spent that you told us to spend and we have to have our capital restored. So we will then be asked for the $2 billion to restore their capital. We have to appropriate those dollars and they are real sure enough dollars.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield with pleasure to the distinguished chairman of the Committee on Agriculture.

Mr. COOLEY. I would just like to say to the gentleman from Virginia and to the Members of the House that that was brought about because the administration committed in one transaction $2,200 million to India alone and that depleted the fund and it was necessary for us to ask for this additional $2 billion.

Mr. SMITH of Virginia. The valuable contribution offered by the distinguished chairman of the Committee on Agriculture graphically illustrates to you how loosely our affairs are being operated. Why there is not a little old corner grocery man in the country who could live and survive and remain solvent if he ran his business like we run the business of this country. The gentleman from North Carolina has given you a perfect illustration of the iniquities of our fiscal operations.

AIRPORT GRANTS—BACK-DOOR SPENDING

We are going to have another airport bill. I do not know how much it is, but it is hanging around here and airports are very popular. We are going to help everybody to build airports. I do not know how many there are going to be, but there will be a good many millions of dollars involved. This is another one of these things that you want to look out for. We get one pill today and swallow that pill and we forget about the big pill that is going to be handed to us tomorrow. So keep all these figures in mind.

HIGHWAY PROGRAM—BACK-DOOR SPENDING

Then we have the direct veterans loan bill. That bill is for $1,200 million, although, as I recall, there was no precise figure recommended by the administration.

The SPEAKER pro tempore (Mr. HARRIS). The gentleman from Virginia has consumed 30 minutes.

Mr. SMITH of Virginia. Mr. Speaker, may I ask the gentleman from Ohio if he is going to use all his time.

Mr. BROWN. Mr. Speaker, I yield the gentleman from Virginia 5 minutes of my time.

The SPEAKER pro tempore. The gentleman from Virginia is recognized for 5 additional minutes.

HIGHWAY PROGRAM—BACK-DOOR SPENDING

Mr. SMITH of Virginia. Then we come to the Federal highway program. We started out on the idea it was going to be pay as you go, but it looks like we are going to spend about $150 million a year out of the depleted General Treasury to help get that back on an even keel, although the President asked Congress not to let the highway program trespass on the General Treasury.

STREAM POLLUTION

Then, let us take stream pollution. I never heard until a few years ago that it was the function of the Federal Government to give every town in the United States a sewage disposal plant. When you talk about stream pollution you are talking about my town and your town putting our sewage into the creeks. That is what stream pollution is about. That is not a function of the Federal Government, but if you are going to do those things somebody has got to pay. We passed a bill recently doubling the annual figure or authorization from $50 million to $100 million.

I wish I had a little more time to discuss these things. I had no idea I was using so much time, because there are some very practical figures you should consider.

I ask unanimous consent, Mr. Speaker, to revise and extend my remarks and to include other matters.

The SPEAKER pro tempore. Without objection it is so ordered.

There was no objection.

AID TO EDUCATION BILLS

Mr. SMITH of Virginia. There are pending three bills for aid to education.

Let us take the higher education bill, H.R. 7215. There is not only one but there are three separate and distinct Federal education bills, a subject which under the Constitution the Federal Government has not any business messing with in the first place, but we have it; it is very popular. People like to get their children educated. So we have a higher education bill, we have a lower education bill, and then we have a defense education bill. All three of them are going to be around here to visit you very shortly, and you are going to have to consider what you are going to do about it. And when they visit you, do not forget the President's urging about fiscal restraint.

I understand the pending higher education bill will cost $1,800 million. The elementary school bill, H.R. 7300, the lower education bill, I am told, has a price tag of $2,484 million for construction or salaries over a 3-year period; $310 million for fiscal year 1962 for the so-called impacted areas, and something on the order of about the same amount for impacted areas for fiscal years 1963 and 1964. I have not had an opportunity to examine the figures in detail, but I got those figures informally this morning.

The third education bill, which is for defense education, is not yet reported from the committee, so we do not know what that will amount to.

I wish I had time to comment on something I saw in the paper the other day; it is a new theory to me. I would not have read it if it had not come from a very high authority. But this high authority says we must pass a lower education bill because the Constitution of the United States gives to every person the right to vote, and the right to vote is not any good unless you know how to vote, and you have got to be educated so you know how to vote; therefore, under the Constitution, the Federal Government—now, what are you laughing at? That comes from a very high authority. I am not talking about some little puny fellow, I am talking about this big fellow who states that under the Constitution of the United States, the 15th amendment gives everybody the right to vote, that if he has the right to vote he ought to know how to vote, and that he has the right under the 15th amendment to an education so that he may know how to vote; therefore, it is a constitutional liability upon this Congress to pass the lower education bill.

And I suppose you are going to do just that because it is popular. I suppose you are going to do it.

Mr. BROWN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. BROWN. Can the gentleman from Virginia give me the total amount of spending he has outlined?

Mr. SMITH of Virginia. No; I have not got the totals right here. I did not have time to come up with all the totals.

Mr. BROWN. If we can find an adding machine with enough columns on it, we will try to add them up.

Mr. SMITH of Virginia. I will tell the gentleman, a lot of that you cannot add up because in connection with much of this spending you do not know what it is going to be, and you will not know for 20 years, when these little houses have all fallen down.

Mr. BROWN. Mr. Speaker, I yield myself 15 minutes.

Mr. Speaker, before I discuss this bill, or rule, I wish to congratulate the gentleman from Virginia, the Chairman of the Rules Committee, Mr. SMITH of Virginia,

for his scholarly discourse, and his rather amazing statements made here today, statements which should alarm all of us.

This rule on which we will vote in a few minutes makes in order consideration of a bill extending for another year the so-called Korean war emergency taxes, and also makes in order continuation of certain transportation and communications taxes, under 4 hours of general debate, under a "gag" or closed rule, which will permit the offering of no amendments except those proposed by the Committee on Ways and Means, or on its order, with one motion to recommit with instructions. I understand there will be offered a motion to recommit, with instructions that the committee report back the bill striking out the transportation tax proposal so as to bring that tax to an end, and perhaps also to strike out the communications tax.

I have been, and am, opposed to closed or "gag" rules. I recognize the fact, however, that the House usually votes in favor of a closed rule on tax legislation on the theory it is impossible to consider tax legislation in an orderly manner in the House of Representatives, although over in the other body any Member of that body can offer any amendment he or she may wish, and it will be considered, although it may not even be germane to the tax bill under consideration.

Undoubtedly, once this bill clears the House and reaches the other body, there will be a series of amendments offered and considered, and perhaps adopted. Then it will be the responsibility of the representatives of the House on the conference committee to see what can be done to protect the action of the House.

We find ourselves in a rather serious situation today. There are many Members of this House who are getting quite tired of continuously passing emergency tax bills. The taxes included in this particular bill, which we are extending for another year, were levied on the American people because of a great war emergency, the Korean war, under more or less of a pledge on the part of the Congress that once the emergency was over these taxes would be permitted to expire. Yet the Korean war has been over for 8 long years, and once more we are extending these taxes.

I have noted in the years I have served in this House, nearly a quarter of a century now, that somehow or other tax bills and tax levies, while always introduced and passed because of some emergency, either a real emergency or an alleged emergency, never come to an end. They are always continued from year to year.

And, I am aware of the fact that if we vote against this bill and a continuation of these taxes, we will increase heavily, by $3 billion to $3.5 billion, the deficit for fiscal 1962. That deficit, we have been told by testimony before the Committee on Rules, even if this tax is continued, is already standing at approximately $3.5 billion to $4 billion and, in my opinion, will go much higher, because we have all sorts of spending proposals now before this Congress.

I sat here the other day, as you did, and listened to the President of the United States, in one breath, tell us that we must be prudent in our expenditures; that we must hold down taxes, and then later on, in the same address, call upon us to spend huge sums of the American people's tax money, and called upon us to pay higher taxes. That, of course, is a good trick if you can do it. Now, I have admiration for him and respect him, because he is our President. I also heard the President of the United States talk about landing a man on the moon; not only stopping there but going out into space, not only into this universe but into other universes as well. Yet I am not unmindful of the fact, as many of you know, that some of the top scientists of this country tell us that to land a man on the moon, which might actually be worth little to us, would cost at least $40 billion or even more. I said to the press at that time I was fearful our national debt might reach the moon before the President's astronaut landed there.

Mr. Speaker, today the U.S. Government owes more money in direct obligations—not to count the indirect obligations discussed by the gentleman from Virginia [Mr. SMITH]—than any other government in the world. In fact, we owe more money today than all the other nations of the world put together; many of whom have been benefiting from our largess, from our generosity, from our aid and from our help.

Now, we have reached the point where the American dollar, as the result of these huge spending programs, is worth only about 45 cents in purchasing power compared to what it was just a few short years ago.

In the past 30 years we have had deficit financing for 24 years and have had a balanced budget for only 6 years. Believe it or not. So, I say to you in all sincerity that in my opinion, and in the opinion of many Americans, this generation, your generation and my generation, has failed to meet its obligations and to meet its problems. Whether due to ignorance, or lack of interest or selfishness, we have built up this huge national debt and these burdens of taxation for our children, our grandchildren, and children yet unborn, to carry. Any prudent person should realize that it is entirely possible that the generations of tomorrow may have problems of their own to meet. Yet, we have been going gayly on our way, spending money as if we had it.

But, you know, I have watched some rather peculiar things here in this House. Just this week we passed two appropriation bills through this body, one for the Department of Agriculture, and one called the independent offices appropriation bill. Now, those funds were for civil activities; and not tied in any way with our national defense or our national security as such.

The total carried in these two appropriation bills was $14,300 million—believe it or not. And we will have here before long a Department of Defense Appropriation bill which will run somewhere close to $42 billion. And there is no sign that any of these huge spending bills will be stopped or reduced by any material amount.

Just a day or two ago in this House I saw an attempt to cut one item in one appropriation bill by $100 million. And that item in that bill was $200 million above that which had been requested by President Eisenhower, and $100 million above the budgetary request which had been submitted by President Kennedy. It was defeated and yet you and I are prone, as Members of Congress, to blame the executive branch, or someone else, for all the heavy spending. It is true the President and his administration too often propose these huge spending programs, and too often they spend too much money. But I am not unmindful of the fact that it is the Congress which appropriates.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. BROWN. I yield to the gentleman from Mississippi.

Mr. COLMER. Mr. Speaker, in that connection I wonder if the gentleman would not agree with me that if we are going to do anything about stopping deficit spending that the way to do it is to stop some of these new authorizations that we are piling up one on the other.

Mr. BROWN. I fully agree with the distinguished gentleman from Mississippi. In my opinion we, as good Americans, as fathers and grandfathers, as mothers and grandmothers, if you please, should not vote for a single piece of legislation that will cost a single penny that we have to go out and borrow because, when we do that, we are betraying our children and our children's children, and future generations. If we would just take that position I believe we could support it before the country.

Mr. BECKER. Mr. Speaker, will the gentleman yield?

Mr. BROWN. I yield to the gentleman.

Mr. BECKER. In line with what the gentleman from Mississippi [Mr. COLMER] said, if we continue to extend these taxes, we would be giving support to those who want to approve the programs mentioned by the gentelman from Virginia [Mr. SMITH].

Mr. BROWN. Of course, there are two sides to this.

Mr. BECKER. I know that.

Mr. BROWN. The difficulty is, if we do not continue taxes, if we do not try to meet expenses as we go along, we increase the inflationary pressures.

I want to talk about that for a minute, if I may. Here we are, owing more gold to foreign countries than we have gold in this country to meet those foreign claims. Yet we have a proposal floating around this Congress now, and which will be brought up at the proper time, I presume—when somebody thinks it can be slipped through this Congress—that we do away with the requirement that we support the currency in circulation by a 25-percent gold reserve so that instead America will be on a managed currency. I would like to remind you the records show that since 1790 20 different nations have tried that same sort

of arrangement, to do away with any gold or silver supported currency and instead have a managed currency. In every instance it has brought on monetary chaos, and ultimately brought financial ruin to the nations involved.

Mr. Speaker, I should like to say one other thing, if I may. We hear a great deal from, we have listened and we have watched, our President, as he has addressed us, regarding his visits to Vienna and the other nations in his quest for peace. God strengthen him in that effort. We all pray he may be successful.

But I am not unmindful of the fact, and I am sure most of you are not, that the leaders of communism throughout the years have consistently said the way to destroy free government and free people is to get them to spend their way into bankruptcy. I leave it to you as to whether we have not been making good progress down that road toward national bankruptcy, and if we have not been making progress down the road toward state socialism?

We have seen the people taught to turn to the Federal Government to meet their every need and their every demand. They say, "Oh, just go to Washington. There is some magic source from which the Federal Government gets the money and from which Congress gets the money it is appropriating or spending." There is no such magic source. There is never a single penny paid out of the Federal Treasury for any purpose that has not first been paid in, either through the hard work and earnings of the taxpayer, or as a result of some loan that has been floated and the money borrowed.

If you will forgive me, I want to use an incident which occurred earlier this week as an illustration of what I mean by how people think all the answers can be found in Washington, and how too many public officials feel that the solution to any problem is to spend more money. Just spend more money, dump it out, add to it, and you solve your problems.

I sit on a committee that has been considering the question of creating a Department of Urban Affairs. I have said that if such a department does for the city people what the Department of Agriculture has done for the rural people, God save the city people. Yet one of the witnesses, in making his plea for the creation of this new department, listed all the different things he felt the Federal Government should do to help the cities, and many of them are of course having difficulty. One of his many complaints was that on the evening before the recent Presidential inaugural it took him 4 hours, because of the heavy snow, to get from the Capitol down to the Statler Hotel. He claimed that the Federal Government, the great national Government, had not taken care of the needs of the city of Washington. Then he went further and told us that a week or so later in his own community, in his own home city, he was snowed in for 3 or 4 days, and could not get his car out of his garage because the city had not had the proper Federal support. He was indicating, evidently, that the Federal Government could support his city in its efforts to take care of his snow removal problems. So now we are being asked not only to control the weather, but also to take care of the snow when it falls.

May I say, to the credit of one of the Members of this House—of the feminine sex—that when queried on the same subject she said that in her area her people had enough sense to go out and buy snow shovels and enough energy to clean the snow off their own sidewalks, which indicates what some of us have well known, that sometimes the women have more judgment than the men. I tell you that because it is a perfect illustration of how too many of us want the Federal Government to solve our problems.

I want to say one other thing in conclusion. Unless we do something to stop this reckless spending, and to put our economy on a sound basis, to protect the value of the American dollar, we are going to see this Nation crash financially. That will mean some form of state socialism, because the American people have been taught, for the last 25 years or a little more, to turn to the Federal Government for everything, to demand what they want, thinking they can get it for nothing if they just put the pressure on Washington. When that day comes we will learn what real pressure means here in the Congress of the United States.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. BROWN. I yield to the gentleman from Ohio.

Mr. ARENDS. Let me say to the gentleman, I thoroughly enjoyed what the gentleman has to say. He has talked a lot of commonsense this afternoon. I just want to ask this question. I wonder why the Congress is doing all the things we are doing at this present time. The demands from the people back home are not for the Congress to do one thing after another the way we have in these legislative proposals that are coming from one pressure group after another. The rank and file of the American people today are not asking Uncle Sam to be doing all these things. Why are we doing them?

Mr. BROWN. I will answer the gentleman by saying this, and I am not talking partisan politics—that I have noticed in the recent elections, that those Members of the Congress who have been a little bit more conservative than some of their colleagues when it comes to spending the public's money have done the best at the polls and have obtained the greatest majorities.

I believe, perhaps, the American people are ahead of us in recognizing the dangers which threaten us from these huge spending programs in their desire to have us, as their representatives under our system of government, because we are a Republic, trying to protect and preserve some of the things they know must be protected and preserved, if we are to continue as a free people.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BROWN. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, on the subject of taxes and foreign aid which have been discussed this afternoon, I noted in a local paper under date of June 5 of this year that a top Government official of Iran, the deputy director for economic affairs of that oil and mineral rich country, which has already obtained more than $1 billion from the United States, says that his government must have another $40 million from us and it must have it within a week or the government will collapse. This official of the Iranian Government says Iran must have a grant, in other words a gift, and not a loan of $40 million. The newspaper article also says that both Iranian and U.S. officials here (that is in Teheran), appeared optimistic that the funds would be provided. I think that is probably the understatement of the year—I have no doubt that the $40 million will be handed over and will, of course, add to the burdens of the taxpayers of America, who will continue to be soaked for such purposes under the tax bill to be considered under a gag rule this afternoon.

Then, Mr. Speaker, I also noted in a paper of the issue of June 4 that one of the liberals of this country, Supreme Court Justice William O. Douglas, says that, and I quote:

> The main impact of American foreign aid was to widen the gulf between rich and poor, helping to create the vacuum into which the Communists easily move.

This liberal in the Supreme Court went further and said:

> We have been possessed with the idea that if we fill the underdeveloped nations with refrigerators, bathtubs, and tractors, the battle against communism will somehow be won. The results have been tragic.

Mr. Speaker, when an ultraliberal such as Douglas says the results of the multibillion dollar foreign give-away program "have been tragic," and when an official of a foreign government says we must hand over $40 million within a week "or else," I have reached the point where I can no longer vote to levy taxes on the American people for such purposes.

Mr. Speaker, I yield back the balance of my time.

Mr. BROWN. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, never in my experience and I doubt in the experience of any Member of this House have we listened to two more sound and eloquent statements than those made by the gentleman from Virginia [Mr. SMITH] and the gentleman from Ohio [Mr. BROWN].

Mr. BROWN. Mr. Speaker, I yield the gentleman from Michigan 1 additional minute.

Mr. HOFFMAN of Michigan. I agree with much of what the gentleman from Virginia and the gentleman from Ohio said but reach a different conclusion. They contend that if we continue on our present way the United States is due for inflation and bankruptcy. Undoubtedly that is true. However, they support the bill. My conclusion as to

a remedy is a little different than the one they reach. Thoroughly convinced, as I am, and I think they are, that the administration, the House, and the Congress will continue to spend until we reach that goal, my suggestion is that we switch to the red light, the stop signal. Economic ruin being inevitable, my preference is that we take immediate action, just as when the doctor tells me I must have an extraordinarily serious operation, I say: "All right, let's have it now;" convinced that the spending will continue, never stop until we cut off the dollars, which the Government has to spend; I will not vote to give them new money except as it must be had for national defense.

Mr. BROWN. Mr. Speaker, I yield the gentleman from Texas [Mr. ALGER] 1 minute.

Mr. ALGER. Mr. Speaker, in view of the statement made by the gentleman from Michigan [Mr. HOFFMAN], the gentleman from Virginia [Mr. SMITH], and the gentleman from Ohio [Mr. BROWN], I simply want the membership to know that there is opposition to this bill both in committee and here on the floor, and I intend to speak out at the proper time against the continuation of this tax program which provides the money for the big spenders. Some of us are tired of it; and I, for the first time, intend to do nothing of the sort. I think we must assert ourselves and show some sign of fiscal responsibility. Later in the debate I intend to point out some of the reasons why I think we have reached the point of diminishing returns in saddling taxes on our industries. We can provide more money by cutting taxes rather than increasing them.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

PERMISSION TO SIT DURING GENERAL DEBATE IN THE HOUSE

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent on behalf of the Committee on Interstate and Foreign Commerce that the committee may have permission to sit today during general debate in the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

MILITARY CONTRUCTION AUTHORIZATION FISCAL YEAR 1962

Mr. VINSON submitted a conference report and statement on the bill (H.R. 5000) to authorize certain construction at military installations, and for other purposes.

PARLIAMENTARY INQUIRY

Mr. GROSS. Mr. Speaker, is it in order and proper at this time to submit a highly privileged motion?

The SPEAKER pro tempore (Mr. HARRIS). If the matter to which the gentleman refers is highly privileged, it would be in order.

Mr. GROSS. Then, Mr. Speaker, under the provisions of section 205(a) Public Law 109, the Reorganization Act of 1949, I submit a motion.

CALL OF THE HOUSE

Mr. DELANEY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. MILLS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 74]

Adair	Dingell	O'Brien, N.Y.
Albert	Fallon	O'Konski
Andersen, Minn.	Fino	O'Neill
	Fogarty	Pilcher
Anfuso	Ford	Powell
Ayres	Grant	Roberts
Bass, Tenn.	Gray	Roosevelt
Beermann	Hébert	Thompson, La.
Blitch	Hosmer	Thompson, N.Y.
Boland	Jones, Ala.	Utt
Bromwell	Keogh	Van Pelt
Broomfield	Kilburn	Walter
Broyhill	Knox	Willis
Buckley	McCormack	Wilson, Calif.
Burke, Mass.	Mason	Wilson, Ind.
Coad	Miller, George P.	Zablocki
Curtis, Mo.		Zelenko
Davis, Tenn.	Miller, N.Y.	
Diggs	Morgan	

The SPEAKER pro tempore. On this rollcall 383 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

REORGANIZATION PLAN NO. 2

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HALLECK. As I understand, there is a motion pending to call up what is known as Reorganization Plan No. 2.

The SPEAKER pro tempore. The chair would state that the gentleman from Iowa indicated he would submit such a motion, but it has not been reported.

Mr. HALLECK. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HALLECK. The majority leader, the gentleman from Massachusetts [Mr. MCCORMACK], talked to me yesterday about scheduling this matter for the consideration of the House of Representatives and indicated to me that it would be scheduled in due time upon agreement between the majority and the minority Members. In view of this I would like to inquire whether or not we could have any assurance from the leadership on the Democratic side, including the acting majority leader and the chairman of the Committee on Government Operations, as to when this matter might be called, if this motion now does not prevail.

Mr. BOGGS. Mr. Speaker, in reply to the gentleman, in the absence of the majority leader, I can only say that I can give the assurance that the plan will be called up. It is my understanding that the chairman of the committee has indicated that he will confer with the majority leader on calling it up next Thursday. In the absence of the majority leader I cannot give a date positive, but I can give assurance that it will be called up.

Mr. HALLECK. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HALLECK. I wonder if the chairman of the committee could give us his intention in respect to when this matter might be called up. Again, may I say that the majority leader and other Members on the Democratic side are unavoidably detained at the moment, and I wish that I might be able to confer with them, but in any event, I want to, so far as I can, keep my word with them as they have kept their word with me in respect to bringing up matters on the floor of the House.

Mr. DAWSON. Mr. Speaker, as chairman of the Committee on Government Operations of the House, I would like to say that I have always kept faith with the committee and with the leadership. Under the law this matter has been acted upon in committee. We have a certain number of days under the law in which to present it, and we have agreed that this matter would be brought up in apt time with the gentleman from Ohio [Mr. BROWN]. The gentleman from Ohio talked with the leadership. The gentleman from Ohio [Mr. BROWN] is the ranking member of this committee, and I think every Member knows that we will carry out the instruction of the committee, which is to present the disapproval resolution to the Congress in apt time. That will be done. We have agreed with the committee. I have brought it to the attention of the leadership of the Congress, and they have scheduled it.

I would be the first man to object if it were not scheduled within the required time. But we have agreed that it will be.

Mr. BROWN. Mr. Speaker, will the gentleman yield to me?

Mr. HALLECK. I yield to the gentleman from Ohio.

Mr. BROWN. Mr. Speaker, as the ranking minority member of the subcommittee which handled this legislation and other reorganization plans, and as a member of the full committee which approved the adoption of the resolution to reject Reorganization Plan No. 2, an agreement was made that a vote thereon was to be scheduled by the majority leadership for a vote next week or within a few days thereafter, but in plenty of time for its proper consideration. That was the pledge made to me by the gentleman from Illinois, the chairman of the committee, Mr. DAWSON; and by the majority leader, Mr. MCCORMACK. I have no reason to believe that the resolution will not be called up in plenty of time for consideration before the time limit has expired.

Mr. HALLECK. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HALLECK. If the pending motion is voted down, would it still be in order at a subsequent date to call up a motion rejecting plan No. 2 for another vote? I ask that because I am opposed to plan No. 2. The committee has reported adversely in respect to plan No. 2. I am going to vote against that plan and in support of the resolution of the committee. But under my responsibility as the minority leader and under my agreement with the majority leader, I do not see how I could vote today unless, under the situation as it exists, that vote today would be conclusive as to plan No. 2.

Mr. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. BOGGS. If we were to vote today, there is no Member of this body who would have been on notice that this plan was to have been called up and we would actually not be keeping the agreement with either side of the aisle.

Mr. HALLECK. Mr. Speaker, I would like to get an answer to the parliamentary inquiry.

The SPEAKER pro tempore. In the opinion of the Chair, under the Reorganization Act, it could be called up at a subsequent date.

Mr. HALLECK. In other words, the action that would be taken today would not be final?

The SPEAKER pro tempore. The gentleman is correct.

Mr. HALLECK. In view of the fact that there was no notice to the membership of the House of Representatives on either side that this matter would come on for action today, if plan No. 2 is not voted on today it would subsequently be voted on?

The SPEAKER pro tempore. The gentleman is correct.

Mr. BROWN. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BROWN. As I understand the parliamentary situation the motion would be to take up the resolution of rejection; is that correct?

The SPEAKER pro tempore. The Chair would like to state that the motion has not yet been reported; but the Chair understands that the motion is for the House to go into Committee of the Whole House for the consideration of it.

Mr. BROWN. If that should be defeated, of course, we would not have the resolution of rejection before us.

The SPEAKER pro tempore. The gentleman is correct.

Mr. BROWN. And therefore the vote would be simply on whether we want to take it up today or take it up later?

The SPEAKER pro tempore. The gentleman is correct.

Mr. HALLECK. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HALLECK. Could I have some assurance from the chairman of the committee that this matter would be called on Thursday of next week?

Mr. DAWSON. I shall endeavor to get the leadership on this side to agree to that date. I will do all in my power. The gentleman can appreciate that in the absence of the leadership I could not bind them by anything I say here. But I can assure this House that it is my intention, as chairman of the committee, to do all in my power to bring it before the House at that time. I am hoping we will be able to get a date next week. But I cannot talk with them in their absence. I cannot say positively, but I will do all in my power, and you do all in your power, and I am sure we will be able to get them to do it. Both sides usually agree when they are going to schedule these matters. Why should we break that agreement they have made? I do not think the Congress wants to do that.

Mr. HOFFMAN of Michigan. I wonder how much time we are getting on this one point of order, and whether subsequently someone else will be recognized.

Mr. HALLECK. I had just addressed a parliamentary inquiry to the chair.

Mr. HOFFMAN of Michigan. I will withdraw my question.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Arkansas.

Mr. HARRIS. I should like to state for the information of the membership that on yesterday I had a discussion with the majority leader, after consultation with the gentleman from Michigan [Mr. HOFFMAN] about it, and the Speaker, with reference to this reorganization plan. It was tentatively agreed, giving, of course, an opportunity for the majority leader to discuss it with the minority leader, the gentleman from Indiana, that it would be called up not later than Tuesday week, that is, a week from next Tuesday. There was very little discussion about late next week or some time next week, as the gentleman from Ohio indicated. Although I could not commit the leadership because we have not discussed it, I have the feeling that we probably could reach an agreement to take it up next Thursday, but I would have to wait until they get back.

Mr. HALLECK. I want to be perfectly honest about it. The gentleman from Massachusetts [Mr. MCCORMACK], the Democratic leader, called me yesterday. I told him I knew of no effort on our side to call the matter up by individual motion. He did suggest to me a week from next Tuesday. I looked over the time table of the schedules on these various reorganization plans, and I concluded that that would give plenty of time. However, it has been indicated here that we might accelerate that consideration to Thursday of next week, or possibly earlier. As far as I am concerned, we all understand that the gentleman from Iowa certainly is operating within his rights as a Member of the House. But also having regard to the fact that any program of matters on the floor of the House in which Members have a great interest and would like to be notified in advance so they could be present to vote if they want to, I would very respectfully request the gentleman from Iowa not to press the matter further at this time, in view of the fact that these indications have been given that in all probability the matter can be disposed of by Thursday of next week or earlier, and not later than a week from next Tuesday.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. HOFFMAN of Michigan. Am I correct in understanding the gentleman in the well of the House [Mr. HARRIS] to say that yesterday in a conversation we had in the corridor there, the majority leader, the gentleman in the well, and myself, I agreed upon a date?

Mr. HARRIS. No, the gentleman from Arkansas did not indicate that. The gentleman from Arkansas said, following the conversation with you, the majority leader and I had proceeded then with a discussion with the Speaker regarding a program date.

Mr. HOFFMAN of Michigan. That you intended to hold hearings beginning next Tuesday and that some time later the matter would come up?

Mr. HARRIS. Of course, I told the gentlemen of the committee, who are not here, that I would consider legislation and introduce it in the regular way. That has been done, and our committee has scheduled hearings on it for next week.

Mr. HOFFMAN of Michigan. That is right. That is the way I understood it. And for once I did not say anything, did I?

Mr. HARRIS. I did not want to put it that way, but I want to say the gentleman was very nice.

Mr. HOFFMAN of Michigan. But I did not make any agreement.

Mr. HARRIS. No; the gentleman did not make any agreement, and I will join with the chairman of the Committee on Government Operations, the gentleman from Illinois, that I agreed that it could be taken up next week. I do not know what the program next week will be; therefore, I could not say with any certainty.

Mr. HALLECK. Mr. Speaker, I again renew my request to the gentleman from Iowa that he withdraw his request for action at this time.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore (Mr. HARRIS). The gentleman will state the parliamentary inquiry.

Mr. GROSS. Mr. Speaker, did the Chair hear any firm date as to the consideration of the resolution—has anyone who has addressed the House given any firm date for consideration?

The SPEAKER pro tempore. That is not a matter that the Chair can answer at this time.

Mr. GROSS. Would it be within the rules of the House for me to ask the chairman of the House Committee on Government Operations if he can provide the Members of the House of Rep-

resentatives with a firm date for the consideration of this matter?

Mr. BOGGS. Mr. Speaker, as acting majority leader, it seems to me the gentleman from Illinois and the Speaker pro tempore and the chairman of the Committee on Interstate and Foreign Commerce and the chairman of the Committee on Government Operations and the acting majority leader have given every possible assurance to the gentleman, but it is not possible to give a date certain because we are unable to give a date certain and you know we are not able to do so. The majority leader is unavoidably detained on official business, but I certainly take the word of the distinguished chairman of the committee and the distinguished Speaker pro tempore.

Mr. GROSS. Mr. Speaker, a further parliamentary inquiry. The gentleman from Louisiana spoke a few moments ago about the House not being on notice. I would ask the chairman if it is not true that Public Law 109, section 205(a) provides that any Member may at any time, after the committee has reported, offer a motion to resolve the House into the Committee of the Whole for the consideration of a reorganization resolution; is that not true? Therefore, should not the House of Representatives under those circumstances be on notice that this motion could be made at any time?

Mr. BOGGS. Mr. Speaker, I have no desire to engage in a controversy with the gentleman. This is the well established practice here on both sides of the aisle so that Members on both sides, the minority and the majority, may have some notice of the legislative program. This is only a courtesy which is due to each Member of the House of Representatives.

The SPEAKER pro tempore. The Chair feels that this matter has probably gone far enough.

The Clerk will report the motion offered by the gentleman from Iowa.

The Clerk read as follows:

Mr. GROSS moves that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of H. Res. 303 introduced by Mr. MONAGAN disapproving Reorganization Plan No. 2 transmitted to the Congress by the President on April 27, 1961.

The SPEAKER pro tempore. The question is on the motion.

Mr. HOFFMAN of Michigan. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HOFFMAN of Michigan. Mr. Speaker, if I vote to postpone this; am I then on record as approving the plan?

The SPEAKER pro tempore. Of course, that is not a parliamentary inquiry.

Mr. ROGERS of Colorado. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. ROGERS of Colorado. Mr. Speaker, is a motion to lay this motion on the table in order?

The SPEAKER pro tempore. It would not be in order at this time.

The question is on the motion offered by the gentleman from Iowa [Mr. GROSS].

The motion was rejected.

TAX RATE EXTENSION ACT OF 1961

The SPEAKER pro tempore. The Chair recognizes the gentleman from Arkansas [Mr. MILLS].

Mr. MILLS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7446) to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 7446, with Mr. DELANEY in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Arkansas [Mr. MILLS] will be recognized for 2 hours and the gentleman from Wisconsin [Mr. BYRNES], for 2 hours.

Mr. MILLS. Mr. Chairman, I yield myself 30 minutes.

The CHAIRMAN. The gentleman from Arkansas is recognized.

Mr. MILLS. Mr. Chairman, the membership of the Committee on Ways and Means is submitting to the House for its consideration, H.R. 7446, providing for another 1-year extension of the termination date of certain taxes that would drop to a lower rate or be repealed on June 30 without this legislation. I believe that this is the ninth time we have extended these rates.

Mr. Chairman, the membership of your Committee on Ways and Means does not relish its position on this occasion and the last eight such occasions of suggesting an extension of these taxes. The Committee on Ways and Means, Mr. Chairman, recognizes some very practical facts that force us to bring this bill to the House in spite of the fact that the committee is as acutely aware as any committee of the House of the desire on the part of the American people for some degree of relief from the burdens of taxation they are presently bearing.

Mr. Chairman, the committee took occasion this year to have a public hearing with respect to these taxes. In that public hearing those who desired to bring their views for or against these extensions were heard. We heard the Secretary of the Treasury, we heard the Director of the Bureau of the Budget, we heard other Government witnesses; and we also heard many interested taxpayers. After having evaluated all the factors that went into this consideration, the committee reported the bill without any change or without any of these taxes being permitted to drop or lapse. Some of the factors the committee considered I want you to consider also.

The first factor is the fiscal situation that we are in. When President Eisenhower submitted his budget to Congress on January 16, 1961, among the recommendations contained in that budget request was a request for the extension of the date of these expiring taxes for another year. It was his thought in submitting his budget that if we did that, and if his estimates of revenues and expenditures proved to be correct, it might be possible for us to have a balanced budget by fiscal year 1962.

Events have occurred, since the development of that budget, indicating that revenues that will be developed under the provisions of existing law will be lower due to the unemployment that has occurred and the downturn that has taken place in economic activity. Because of my concern as to whether or not the estimates of revenue submitted by President Eisenhower in his budget of the case for an extension of these rates to the committee, I asked the staff of the Joint Committee on Internal Revenue Taxation to speed up the time when it would have available for us the estimates that are annually prepared by that group for our benefit. I asked them to have the estimates in my hands by not later than the 1st of April, if possible.

On the basis of the factors then in existence on March 29, 1961, the staff of the committee submitted to me its best estimate of revenues for the fiscal year 1961 and for the fiscal year 1962. The staff reached the conclusion that the net budget receipts for our present fiscal year would approximate $77.7 billion, the net budget receipts for the fiscal year 1962 would approximate $79 billion. The estimate just submitted by the present Treasury on net budget receipts for 1962, as set forth in the report of your committee accompanying this bill, page 4, shows revenue estimates of $81.4 billion. This, as I say, is quite recent and our economic outlook has changed considerably.

Mr. Chairman, that is a difference of $2 billion in revenues. Either the $81.4 billion figure is high or the $79 billion older estimate of the staff is low. Perhaps the real amount that will develop can be somewhere in between.

Since the submission of this budget request by President Eisenhower on January 16, we have received a revised estimated budget of needs by President Kennedy. That revision submitted to us on March 28, 1961, raised the spending level of Government for the fiscal year 1962 from that submitted by President Eisenhower to $84.3 billion.

On page 5 of the report is set forth a breakdown in each of the categories, each department, as to where those increases occur.

On May 25, 1961, the President submitted additional requests for expenditure programs that amount to $724 million in the fiscal year 1962. That raised the total of estimated spending under our budget to approximately $85 billion. That does not take into consideration the additional request of $100 million for the fiscal year 1962 for civil defense.

If that amount is added, we get the figure that we use in the report on page 4 for expenditures in fiscal 1962 of $85.1 billion. That leaves a deficit on the basis of the higher estimates of revenue of $3.7 billion and on the basis of the

earlier estimates of revenue prepared by the staff of the joint committee some $5.7 billion, which, of course, did not reflect the recent upward revisions in expenditures.

Mr. Chairman, this situation is not basically any different—it has not improved, at least; is not any better, let me say—from the situation that we had about this time last year, in 1960. At that time the House was called upon to vote an extension of the present program before us for 1 additional year, and the House did that. We were told then that if we did provide for this extension, in all probability we could have a balanced budget at the end of the year. We are not to have that balanced budget at the end of the present fiscal year, Mr. Chairman, but had we not extended these taxes at that time, we would have increased by about $2.5 billion the amount of the deficit that has been called to your attention for fiscal year 1961.

There are included also in the budget figures, as has been pointed out during the consideration of the rule, certain actions that the Eisenhower budget and the Kennedy budget both requested the Congress to take that either affected revenues on the plus side or would reduce expenditures on the other side, such as the program for the increase in the postal rates that was recommended last year and again recommended this year. I leave to your own good judgment whether or not the House or the Congress will provide $750 million additional revenue to the Post Office Department, for if it does not, this prospective deficit that we are speaking about in fiscal 1962 will have to be increased by the amount of $750 million.

It has already been stated in the consideration of the rule that when we passed the highway program we did take from the general fund of the Treasury approximately $143 million and transferred it to the highway trust fund, beginning in the fiscal year 1962. That also has to be added to this prospective deficit if the Congress finally enacts that provision.

The situation today from the point of view of the budget is thus more compelling, Mr. Chairman, for a continuation of this present rate of taxation, without exceptions, than it was even in the year 1960 when a Democratic Congress at the request of a Republican President went right along and granted those extensions in accordance with his request. I know of nothing, Mr. Chairman, that has improved the situation in the meantime that would justify the House of Representatives today in deciding all of a sudden that we could forgo revenues now that we could not forgo in the calendar year 1960. Look up the record.

If we are to be fiscally responsible, therefore, Mr. Chairman, until we can put the brakes on the spending programs that were so aptly described during the consideration of the rule, then can we say that we are now at a point when we can reduce the revenues that are coming to the Federal Government. I do not believe that we can say that. Oh, I have had people tell me that the way to cut down on spending is to cut down on the take on the revenue side. Mr. Chairman, had the Committee on Ways and Means believed in that doctrine, do you not realize that we would, since World War II, every year have reduced the burdens of taxation in order to have reduced the spending level of the Federal Government? Let us be realistic. Just look at the history over the years of Government expenditures.

Since the end of World War II we have on different occasions reduced taxes. We did it in the 80th Congress, you will recall, when the minority was in the majority. We did it again in the 83d Congress when you folks were in the majority; as well as immediately after World War II when we were in the majority and let the excess profits tax expire and certain other of the taxes that we had levied in World War II. But did those reductions actually develop a reduction in spending at the same time? Look at the record.

All you have to do is to go to the history of the public debt, which is set forth in this "Federal Budget of 1962 in Brief," on page 54, to disillusion yourselves of the thought that the amount of revenue that Government receives has a controlling effect on the amount that is spent in a fiscal year; for I want to call your attention to the fact again that in the last 30 fiscal years, beginning with the fiscal year 1931 and ending with the one of 1960, on only six occasions did we develop as much revenue through our Federal tax system as we developed on the expenditure side throughout our appropriations in the Congress of the United States. I do not believe it is as good a record as we should have made over those years, but let us not be duped into thinking that we can improve that record by taking the first step in reducing taxes.

The first step is to reduce spending. And I call your attention to what one of your very able Secretaries of the Treasury under President Eisenhower used to tell the Committee on Ways and Means—and I certainly agree—that the time to reduce taxes as such is when you can foresee a surplus out of which those tax reductions can be made; and that you do not as a general principle reduce taxes in order to increase deficit spending. That was Secretary Humphrey, one of the very able Secretaries, in my opinion, since I have been here in the Congress.

So we looked at that factor and we decided that the fiscal side of this picture would not permit us to be responsible and not report to you a program providing for this continuation of taxes.

Then in addition, Mr. Chairman, we were concerned also over the question whether or not there is anything at the moment within our economy that justifies a reduction in taxes. There have been those who would lead us to believe earlier this year that the Congress should have reduced taxes in order to provide an impetus to the economy, to get it out of the rut it was in and to go back uphill. Mr. Chairman, from all indications there is an upward turn in the economy at the moment. The economy is going back uphill. It may not be going uphill as fast as we would like it, but, Mr. Chairman, as our economy begins to go back uphill we must become immediately aware of our fiscal responsibility; for it is very easy, as you begin to go back uphill, to take actions that so inflate your economy as to result in the inflation of your prices and immediately precipitate a decline in your economy just about the time you want to continue to go forward.

Mr. Chairman, let me say this to my good colleagues on my side and on the other side of the aisle. I think the worst thing Congress can do, first of all, is not to go through these requests that are on our table, sent to us by President Eisenhower, supplemented by President Kennedy in some cases, with the greatest of care, to see if it is not possible for us somewhere along the line to take out some deadwood in expenditures that have been with us for years, if we are to take on any new spending.

Let us hold the level of spending as much as we can, to as low a point as possible. Then let us determine after that level is arrived at by the Congress to see that we are not going to make in the next few years through a reckless type of fiscal policy a contribution to the inflation of prices in the economy that none of us wants to condone and none of us wants to have or experience here in the United States.

There were other factors that went into our consideration, Mr. Chairman, in bringing this matter to your attention. There did not seem to be much argument within the committee about these items as we took them up individually. Let me refer to them individually, just what we are talking about.

As a matter of description, the tax rates involved in this bill have come to be known as the Korean war rates. In fact the name is quite deceptive. While these rates were in effect during the Korean war, there were other higher excise tax rates also in effect as well as higher individual income tax rates, along with the excess profits tax on corporations. Following the Korean war in 1954 we did make substantial rate adjustments, some of which were automatic and were allowed to go into effect. Since the Korean war, as is well known, we have been committed to a program of defense expenditures considerably higher than we have known in any peacetime period in our past, certainly far higher than was in effect during the period between World War II and the Korean war. The tax rates we are talking about now are part of the structure that we have maintained in part for paying for the kind of defense program that has been continued since Korea.

Mr. Chairman, the first revenue producer in this bill is the difference in the normal tax on corporations which under this bill remains at 30 percent, and without this bill would revert to 25 percent. The normal tax is paid by a corporation on every dollar of its earnings. If we brought that normal tax from 30 to 25 percent, in a full year there is better than $2 billion of revenue lost.

Mr. Chairman, there are some nine excise taxes that are involved in this extension.

There is the excise tax on distilled spirits that would revert from $10.50 to $9 per proof gallon.

There would be a decline in the tax on beer per barrel of $1, from $9 to $8.

There would be approximately an 11-percent reduction in the tax on wines.

There would be a decline in the tax on cigarettes of 1 cent a pack, from 8 to 7 cents.

There would be a drop in the manufacturer's tax on automobile passenger cars from 10 percent to 7 percent.

There would also be a drop in the excise tax on automobile parts and accessories from 8 to 5 percent.

There would be the elimination of the 10 percent tax on general telephone service. That is what we have referred to as local telephone service.

There would be a decline in the transportation tax on persons from 10 to 5 percent.

Those things altogether add up to about $3.7 billion in a full year. They add up to about $2.5 billion in revenue for the fiscal year 1962.

The committee decided that it would extend all these taxes. Although all of them were thoroughly discussed, there was significant argument about two of them.

One was the tax on automobiles. The gentlemen from Michigan [Mr. MACHROWICZ and Mr. KNOX] were both concerned about that tax. The committee spent considerable time on the other of the two, the question of what to do about the transportation tax on persons.

Neither the transportation-of-persons tax nor the tax on telephone service is a so-called Korean tax. In connection with these two in 1959 the Senate adopted two amendments. As a result of those two amendments the taxes would have dropped. Then on both of these amendments, when the matter went to conference we prevailed upon the Senate conferees to take out the termination date and put these two taxes in the same category as the Korean taxes, an extension of them with an expiration date 1 year hence. It was so worked out that the transportation tax would drop from 10 percent to 5 percent. The local telephone tax would drop off entirely, that is, the 10 percent tax. Continuation of these two rates at the 10 percent level is in here.

We had a lot of discussion about the transportation-of-persons tax. I guess most of the concern arose because of representations to the committee by certain representatives of Government agencies—the ICC and the CAB looking only at the industries affected as they are supposed to do—and by witnesses on the outside that the airline industry is in bad shape financially and that something should be done to rid the transportation industry of these taxes.

Mr. Chairman, there is no one more interested than I am in getting these taxes off as soon as we can.

The transportation industry, Mr. Chairman, in what I consider a manner fully appreciating our fiscal problems has approached me on an idea which did not involve the complete elimination of the transportation tax on persons. I read to the committee in executive session a letter that had been presented to me by the heads of the four groups in the transportation industry wherein they had come forward with a plan that would have left the tax on the airlines themselves at 5 percent along with imposing a 1-percent tax on airfreight; which would have eliminated the tax on buses and railroads. They wanted us to accept that, in lieu of the Treasury recommendation and what is in existing law, as a user tax. The airline industry spokesmen in a responsible manner along with spokesmen for Government and otherwise agree there should be imposed on the airlines some type of a user tax to compensate the Federal Government for the tremendous amount of money we appropriate each year to maintain facilities and build new ones so as to maintain safety in the air. I think the amount for this year is between $500 million and $600 million.

Until we can resolve the question of how to apply a fair user tax to this airline industry, we are asking the Congress to go along and not terminate this tax. Give us a chance to get the benefit of coordinated studies that we have directed the executive branch to give us in the hope that we can come up with some type of a user tax that the industry itself will consider to be fair and that the public will consider to be fair to help meet the cost of services to air travel. So, therefore, we ask you to go along with the majority of the committee.

As I remember, when I was instructed to introduce this bill, there were only three votes against it. There were only 3 votes against it out of 25 in the committee when I was instructed by the committee to introduce it. It does not seem to me, Mr. Chairman, that that is a material division although the three members who voted against it are very, very fine members and carry a great deal of weight in the committee. But, a vote of 23 to 3 is a rather sizable majority, I would believe, for legislation. I trust the House will accept it in the same spirit that the committee brings it to you, as something we do not like to have to do but something that we view as an absolute necessity.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I am glad to yield to my colleague.

Mr. COHELAN. The distinguished chairman of the committee will recall in the 86th Congress, when I inquired into this matter, he indicated that there was going to be a study of this whole group of taxes based on the idea that the excise tax inherently has some weakness in it when considered in the light of the theory of taxation, and that we would be hearing from the committee on alternative proposals. I wonder if the gentleman would be able to bring us up to date?

Mr. MILLS. Yes, you will be hearing from the committee.

We were not satisfied with the recommendations that were made following consideration of this user charge by the Eisenhower administration and the Kennedy administration. The Eisenhower administration proposed a similar tax, the Kennedy administration proposed it also as a user tax. Objection is made within the industry to that particular form of user tax. So it is a matter that requires a great deal more study before we can find a solution. I think it indispensable that there be further study and have the administration report back to us, say, within 3 to 6 weeks from our discussions in committee so we may possibly incorporate their recommendation in the tax bill presently being considered by the committee. Then we can bring more mature judgment to bear in making our decision. I know the gentleman is smarter than I. The gentleman may have a solution but I have not at the moment. We have not yet come up with the proper answer to this user tax problem.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. PELLY. I would like to ask the distinguished chairman of the Committee on Ways and Means as to whether it is not a fact that where there have been tax reductions it has proved an incentive and has actually increased revenue in that area to the Treasury?

Mr. MILLS. I do not know that you can say that in every instance. We have taken cognizance of certain instances where we have reduced taxes that it caused an increase of economic activity in that area. This may be true of every one of these taxes. My friend from Washington will agree with me, I am sure, that there is nothing in the world that puts a brake on the economy any more than excessively high tax rates. That is true throughout all of the economy.

Mr. PELLY. Yes. I think, for instance, that the 52-percent normal tax on corporations, taking more than half their profits, is entirely too high.

Mr. MILLS. My question is whether we shall do this thing piecemeal or get together a program that will develop some degree of tax equality. Should we not do it in one operation rather than piecemeal as we have done in the past?

I do not know what the rate ought to be. Many feel that the rate of 52 percent is too high, that it should be some figure less than that, but that is of no more concern to me, I must say, than are certain of the income tax rates which I think are also excessively burdensome and I think may well be inflicting some injustice on some of our people. So I say we will have to take into consideration a number of matters including taxation on the individual.

Mr. PELLY. But, Mr. Chairman, I think the extra 5 percent that was added onto corporations was a piecemeal tax.

Mr. MILLS. Oh, we did that for revenue purposes, and we are still doing

it for revenue purposes and only for revenue purposes just as is true in many other areas.

Mr. MONAGAN. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. MONAGAN. Although, like many Members, I might be constrained to go along with this proposal as I did last year on the belief that it is necessary, I would like to ask the gentleman if it is not his feeling that these taxes are the type of taxes which should be given attention first when the time comes to make a reduction?

Mr. MILLS. I am not certain that the taxes that are involved in what we now call the Korean taxes are entitled to preferential treatment over certain other taxes we have.

Mr. MONAGAN. Have these not been put in on an emergency basis?

Mr. MILLS. I suppose any recent tax was put in on an emergency basis; and it does not seem to make any difference, they all start as temporary matters but become permanent taxes. I cannot say that these so-called Korean taxes should be the first to be reduced; there may be some other rates not involved in this bill that would provide greater relief or are more in need of revision. It is a matter in which the committee is always interested and we have a study underway to look into it.

Mr. MONAGAN. The committee is presently making a study of these questions.

Mr. MILLS. The committee presently is engaged in the consideration of a tax program submitted to us by the President, and we are concluding tomorrow 5 weeks of hearings.

Mr. MONAGAN. I appreciate the gentleman's remarks about the spending aspect because it is at the point where the taxes have to be raised, and we appreciate there will have to be some discrimination about certain proposals that come along.

Mr. MILLS. Certainly. We have to or we will get ourselves definitely into a continual deficit spending position.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, I rise to support favorable consideration of the bill H.R. 7446, the Tax Rate Extension Act of 1961.

During the course of my remarks it will be my purpose to speak fundamentally in favor of the general principle of extending these taxes which will expire on June 30; and, also, Mr. Chairman, to speak in favor of a motion to recommit with instructions that will be offered at the appropriate time by an able and esteemed minority member of the Committee on Ways and Means, the gentleman from Texas [Mr. ALGER].

Today we are engaged in our annual exercise of voting to extend certain tax rates that are scheduled to be reduced or terminated on July 1.

As was pointed out by the committee chairman, I think this demonstrates there is no such thing as a temporary tax or a temporary increase in taxes. The taxes involved have been enumerated and described by the distinguished chairman of the committee. They are the corporate normal tax rate and certain excise tax rates.

The revenue involved in this legislation for fiscal year 1962 is about $2.5 billion, and for fiscal 1963 the effect of this legislation is a revenue increase of approximately $1.3 billion. The full effect, including the deferment of floor stock refunds that would be necessary in the absence of this legislation, is in the neighborhood of $3,800 million. That is the amount of money involved in this particular bill as it comes to you from the committee.

This legislation would have been necessary, quite frankly, under the budget that was submitted to the Congress on January 16, this year, by President Eisenhower. That budget called for an expenditure level of approximately $80.9 billion and an anticipated surplus in 1962 of $1.5 billion on the assumption that the taxes presently under consideration would be continued at their existing rate level.

Mr. Chairman, if this tax rate extension was necessary under the Eisenhower budget, it is certainly even more necessary under our present budgetary situation because approximately 4 months after the advent of the new administration we find that the administration has decided that approximately $81 billion is not sufficient by way of expenditures. They have proposed additional spending amounting to an increase of over $6½ billion for the current fiscal year and the fiscal year 1962. As far as the fiscal year we are basically concerned with in this bill, the increase amounted to about $4.2 billion.

It is significant to note that only a small part of the additional spending advocated under the Kennedy administration is for defense. It is also significant to note this increased spending is just the beginning, because the increases are for programs that call for recurring expenditures, usually at increasing levels over the years to come.

In the session of the Committee on Ways and Means where we considered the reporting of this legislation, I endeavored to learn from the administration spokesmen what the expenditure projections for these programs were going to be for fiscal 1963, for instance, or 1964 or 1965. In other words, I inquired of the representatives from the Bureau of the Budget, the agency that is supposed to be primarily concerned with sound fiscal management, and serves as the spokesman for the President as to what our fiscal posture is, where we are going and what do we have in the Nation's future according to the costs of these new and expanded spending programs that the administration was advocating the Congress enact. I asked for these projections so that the committee, the Congress, and the American people would know where we were going, not only this year or next year but in 1964, 1965, and 1966. Such considerations are vital because when we start these programs today we can be sure they are going to be going propositions at that time. It seemed to me that as Members of the Congress we had to have that information if we were going to act intelligently on the programs as they come before us each day during this session of the Congress.

It also seemed to me, Mr. Chairman, that the American people were entitled to that information. They are entitled to know where we are going, where we are headed. But, it was to my amazement that I learned that the administration and the Bureau of the Budget have made no such projection. They apparently have been sending legislation up here without any concern for what it is going to cost and what tax burden it is going to place on our economy and on our taxpayers in 1963, 1964, and 1965. They said, "Well, we are in the process of making those projections now." How, I ask you, can any responsible person advocate new programs for this Government without knowing where the proposals are going to take us and what our situation is going to be in the future? We have got to know where we are going if we would stay out of even greater fiscal trouble.

We have heard talk, and we know it is true, that this international threat and the cold war is not a matter of momentary concern; that it is going to be with us for some considerable period of time. We know it and we have been told it. We have been told it by the President himself as recently as just a few days ago. If we are going to gird ourselves properly for the long range, how can we act here today on spending bills and other bills with only a narrow vision of how it is going to affect us this year or next year? We better see how some of these things are going to affect us in the years to come and the future burdens that they are going to place on us.

As I say, I was amazed to find out that no projection has been made and they are just in the process of doing it now. Frankly, I derive small reassurance from the fact that they are now, at least, getting underway with the process of projection and finding out what some of these things are going to cost in the years ahead. But, in the face of our budgetary expectation and our spending commitments and plans, there is little doubt that we must have this tax rate extension basically in the form proposed in the legislation before the House.

However, Mr. Chairman, while I support the legislation, I also support an amendment which was offered in the committee during the consideration of the bill. That amendment would have repealed the 10 percent Federal excise tax applicable to the transportation of persons.

Under present law the 10-percent rate is scheduled to be reduced to 5 percent effective this July 1. The bill as reported by the committee would continue the 10-percent rate until July 1, 1962. The amendment which I supported would have repealed the tax effective this coming July 1 and it is that amendment that will be the basis of a motion to recommit with instructions.

My support of the repeal of the transportation tax was predicated not on an

effort to provide tax reduction as such but was instead predicated on my recognition of the serious plight of our transportation industry and the urgent need for remedial action. My support of this amendment was based on testimony presented to the Committee on Ways and Means by the spokesmen of those executive agencies most directly familiar with the needs of our transportation industry.

For a brief reference to the testimony of the Chairman of the Interstate Commerce Commission and the Chairman of the Civil Aeronautics Board I refer you to the minority views contained in the committee report which accompany this legislation to the floor. On page 14 of these minority views the Chairman of the Interstate Commerce Commission is quoted. This is the Chairman of the independent, bipartisan agency, established to look after the welfare of and to maintain a proper transportation system basically, as it relates to the railroads in this instance and bus transportation. Here is what he said:

> We believe that the loss of revenue resulting from the repeal of this tax—

That is the 10-percent passenger transportation tax—

> would be offset to a considerable extent by additional income tax receipts resulting from increased public use of common carriers and the public interest in strengthening and preserving a transportation system capable of meeting adequately our country's need for service both in peacetime and during emergencies in conformity with the national transportation policy, as declared by the Congress. * * *
>
> The Commission strongly urges that your committee give favorable consideration to the repeal in its entirety of the 10-percent excise tax on the transportation of passengers.

That is the Interstate Commerce Commission speaking. Then on page 15 of the minority views the Chairman of the Civil Aeronautics Board—the Board having jurisdiction and responsibility over the airlines transportation system of this country—says this:

> In view of the substantial financial problems facing the airline industry today, it is clear that the industry is not capable of absorbing a tax increase at this time. * * * It is the Board's view that the continuaion of the 10-percent excise tax on passenger transportation will aggravate the critical financial situation facing the airline industry today.

Let me repeat, this is the Civil Aeronautics Board with respect to the tax that we shall propose to be repealed, and its Chairman said:

> It is the Board's view that the continuation of the 10-percent excise tax on passenger transportation will aggravate the critical financial situation facing the airline industry today.

These two witnesses made it clear that our transportation industry needs help now and they both indicated that repeal of the 10-percent transportation tax would be the right kind of help.

Nobody is going to suggest, and I do not, that the repeal of this tax is going to solve all of the problems of the railroads, the buses, or the airlines. It is not. But at least we can take that important step now. It is certain to be a step in the right direction.

Mr. Chairman, a very valid question can be asked as to whether or not it is fiscally responsible to reduce Government revenue to a significant extent by the repeal of this tax at a time when our fiscal direction seems to be for deficit financing in this and the next fiscal year. I am sure that that is the question my friends on the other side are going to ask, "How can you do this and be fiscally responsible?"

First of all, let me say that this is not the first time that a tax adjustment has been advocated and in fact has been in effect in the face of a budgetary deficit where the tax adjustment was designed to help a distressed industry. I refer to some specific instances which are in the memory of most of the Members here where the Congress reduced, repealed or restricted taxes where an industry had a special tax on it, and that industry was in trouble; and we acted therefore to remove the burden. Instances of such action are the cabaret tax, the tax on the employment of entertainers; the motorcycle excise tax, the tax on the motion picture industry, and the tax on transportation of property, which the Congress repealed.

The Congress has acted, and I think acted properly, in the past to adjust the aforementioned taxes because it found merit in the adjustments after consideration of all the relevant factors. A consideration of the relevant factors concerning the transportation tax and the industry on which it is imposed leaves no doubt that the Congress should act to repeal the tax even though it reduces revenue.

A second factor that tends to justify the repeal of this tax in the face of a budgetary deficit is the fact that a substantial portion of the revenue loss from the excise tax repeal will be offset by an increase in income tax receipts as a result of the elimination of a deductible expense item insofar as business travel is involved, as well as improved earnings position of the carriers and the elimination of the pyramiding of the tax.

The Congress has recently voted $451 million, including $300 million in back-door spending for depressed area relief. What we are proposing in the repeal of the transportation tax is considerably less expensive relief for a distressed industry, and the form of relief we propose is not Government subsidy, but instead reduced cost to the consumer in the form of tax reduction.

Talking about back-door spending, it is also significant to note that the Congress is presently considering a multi-billion-dollar housing bill that may involve as much as $8.8 billion in back-door spending, and there are numerous other spending proposals that will add billions to the tax burden imposed on the American taxpayer.

I am becoming very alarmed, Mr. Chairman, of the growth of the idea that the only way we can meet the problems and burdens of our people is by Federal handouts and spending of Federal dollars and that we have to ignore the use of giving some tax relief where it is needed to solve some problems. Why do we have to consider that it is wrong or immoral to do anything in the way of giving relief from a burdensome tax to an industry that is depressed? Why do we have to say to one, "You cannot do it in the form of tax relief." But if we came up here with a bill to subsidize them, to hand out money, then we would probably have all kinds of support from the other side of the aisle? I say this proposal to repeal the transportation tax should stand on its merits, as any spending program should stand on its merits, or any tax program should stand on its merits.

I believe the responsibility of the Congress should be to spend less and not more so that we can tax less and not more. But, regardless of what the Congress may do with regard to increased spending, I think our top priority is for maintenance of a strong transportation system for military security and economic progress. We must have a sound transportation system not only for our economic welfare but also for our military strength and security.

Let us remember that the two agencies of Government responsible for maintaining a sound transportation system say that this transportation tax should be repealed. For that reason, I urge my colleagues to support the motion to recommit and vote to repeal the tax on the transportation of persons.

The CHAIRMAN. The gentleman from Wisconsin has consumed 19 minutes.

Mr. MILLS. Mr. Chairman, I yield 10 minutes to the gentleman from Florida [Mr. HERLONG].

Mr. HERLONG. Mr. Chairman, I am confident that there is no Member of this House who has greater concern than I have for tax reform and for tax rate reduction. This matter is not academic so far as I am concerned because I have introduced bills on the subject, and I have actively worked for the passage of those bills for the past several years.

At the same time, Mr. Chairman, I am also confident that there is no Member of this body who is more concerned than I am of the need for maintaining the Federal Government on a fiscally responsible course. I have, on many occasions, expressed my opposition to continued inflation-producing deficit spending and in behalf of a balanced budget.

At times we all find ourselves in a situation which seemingly involves a choice between two courses of action, each of which is in itself desirable, but which seem inconsistent with each other. However, in supporting the committee bill, and in opposing the motion to recommit which I understand will be offered, I do not believe I am being inconsistent with these two objectives which I have heretofore supported in committee and on the floor of this House.

The committee bill, to me, is the more fiscally responsible course to take. By taking this position I am not implying that those who disagree with me are not fiscally responsible. We just do not happen to see this particular issue the same way. I do think there are degrees of fiscal responsibility and I believe the position taken by the majority of the

committee, in which I join, in urging the continuation of the existing normal corporate tax rate and the existing excise tax rates is the more responsible course of action to take today, under the current budgetary situation.

Repeal of the excise tax on transportation of persons, which I understand will be in the motion to recommit, as has already been indicated, in a full year of operation will cost the Federal Government around $300 million in revenue. I do not believe, under the current budget situation and with the limited information as to its impact which we now have, that the Government is in a position to single out this one particular tax, as onerous as it is, and say that its repeal is of overriding importance to the extent of adding an additional $300 million today to the deficit side of the ledger.

As I have indicated, my interest in these matters has not been academic; it has been very real. For example, in the last Congress I introduced H.R. 6366, to repeal the tax on the transportation of persons. In this very Congress I have bills pending on the subject of excise taxes, as well as other areas of the Internal Revenue Code.

As strong as is my desire to accomplish the repeal of what I regard and what others regard as an admittedly onerous tax on the travel of individuals, I cannot bring myself to support a move to repeal this tax at a time when the administration advises us, and when our own staff of experts and our own best information indicate that a revenue loss of $300 million would be incurred in the face of an admittedly precarious budgetary situation, without more information as to its economic impact than we now have at our disposal.

I am one of those who believe that we must get rid of this tax as soon as we can possibly and soundly do so. Goodness knows, being from the State of Florida, I am acutely aware of the deterring effect this tax has on the travel of persons, whose visits to our great State are so appreciated and are so important to our economy. Unfortunately, today we cannot, in a responsible manner, act to repeal this tax, in my judgment. I, therefore, albeit reluctantly, must oppose the move to repeal this tax at this particular time. In taking this position today, I must emphasize that the course being recommended by the Committee on Ways and Means by no means precludes action sometime in the near future to accomplish a modification of this tax. The committee report makes it clear that the committee wants full information on the impact of this tax on the various segments of the transportation industry, and we expect the executive branch to make this report speedily and without delay.

Our committee is going into executive session next Monday on the President's tax recommendations, and it is my understanding that the committee expects the report of the executive branch on this subject to be submitted during the present session and possibly before our executive sessions on the tax program are concluded so that we may again review the situation in the light of the study which we have directed.

Mr. Chairman, I have heard the argument that if we reduce this tax today and incur this revenue loss, it will deter spending at the Federal level. If I thought that it would have the slightest effect on spending I would join those who want to take this tax off today. But it will not. I have never seen much concern evidenced by so-called spenders as to whether or not there was money in the Treasury to cover the spending. So, as a practical matter, all the elimination of this tax today will do will be to widen the breach in an already unbalanced budget, and the obvious result can only be more deficit spending and more inflation. To be a party to further inflation would be a greater disservice to the people I have the honor to represent than to fail to remove this onerous tax.

Mr. MACHROWICZ. Mr. Chairman, will the gentleman yield?

Mr. HERLONG. I yield.

Mr. MACHROWICZ. Mr. Chairman, I also wish to express my opposition to the motion which I understand will be offered, and I would like to call attention to the fact that the motion is very discriminatory in that it retains the tax on automobiles, yet the automobile industry today is one of the most distressed industries in the country. The motion would completely repeal the tax on one item but leave all the others untouched. In that respect alone the motion is very discriminatory.

Mr. HERLONG. I believe the gentleman will recall that I pointed out in my remarks that to single out this one particular tax would be discriminatory.

Mr. MACHROWICZ. And I join with the gentleman and with the chairman of the committee in saying that this entire question is one that ought to be studied and that there should be no piecemeal repeal at this time but that the entire matter should be brought to the House at the time when the committee is in a position to make some more sound recommendations than now.

Mr. HERLONG. I thank the gentleman.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. HERLONG. I yield.

Mr. MILLS. Is it not true that the ICC has, at least on two occasions in the past few years, in connection with the extension of these taxes, and particularly with reference to the tax on the transportation of persons, made the same recommendation then that it makes today?

Mr. HERLONG. That is perfectly true.

Mr. MILLS. Is it the gentleman's opinion that the situation of the airline industry and the situation of the transportation industry as a whole is materially different today from what it was last year when we extended this tax?

Mr. HERLONG. Not to my knowledge.

Mr. MILLS. Last year we were told that it would be evidence of fiscal responsibility by those who spoke in behalf of this extension. If we extend the tax, does the gentleman feel that there is any evidence that one can be unmindful of the fiscal situation today when he was mindful of it last year?

Mr. HERLONG. I may say to the gentleman I am more mindful of the fiscal situation today than I have ever been. I think our situation is more precarious than at any time, in my opinion.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. MILLS. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HERLONG. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Am I correct in my understanding that the gentleman said if he thought taking off the tax would result in less spending he would be for it?

Mr. HERLONG. That is right.

Mr. HOFFMAN of Michigan. Does that not lead to the conclusion, in the gentleman's opinion, you cannot stop the administration's spending program?

Mr. HERLONG. All I have to say in that regard is they are not going to spend it with my vote. I am going to do everything I can to hold it down.

Mr. HOFFMAN of Michigan. I realize that, but that does not answer the real question as to whether, in your opinion, they are going to stop.

Mr. HERLONG. Of course, my opinion is that of one man. I would hope that we could stop spending, unnecessary spending. I do not mean all spending, and, of course, the gentleman does not either.

Mr. HOFFMAN of Michigan. I may say that I hope the administration will listen to the gentleman's counsel.

Mr. DEROUNIAN. Mr. Chairman, will the gentleman yield?

Mr. HERLONG. I yield to the gentleman from New York.

Mr. DEROUNIAN. The gentleman stated he is not in favor of the recommittal motion because it would lose revenue at a time when we needed it. Why is it that the gentleman has introduced a bill which reduces corporate taxes and reduces individual income taxes? That will lose revenue too, will it not?

Mr. HERLONG. I am glad the gentleman asked that question. I introduced that bill which provides a gradual decrease of 1 percent a year in the corporate rate for the purpose of attempting to create an expansion in our economy in this country. I have stated in every remark I have made about that bill it would not work unless we held Federal spending down to the present level. I am afraid from what has been happening here that we are not going to hold Federal spending down to the present level.

Mr. DEROUNIAN. I am glad to hear the gentleman say that, because we are not going to have a balanced budget next year or the year after.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. HERLONG. I yield to the gentleman from Washington.

Mr. PELLY. I wonder if the gentleman would not verify the fact that when

the cabaret tax was cut from 20 to 10 percent there was a general encouragement of business; the number of people, the culinary workers and musicians, and so forth, were increased so that actually the revenue to the Treasury was as much as it was before the tax reduction went into effect.

Mr. HERLONG. I may say to the gentleman I supported that reduction. I thought that would happen, and it did help. I do not think it can happen in every case. If I thought I could get back $300 million in additional revenue by cutting this tax, of course, that would be the wise thing to do. But I do not see that at this time. That is my assumption.

Mr. PELLY. I believe that would be the result if his own bill were passed and there was a gradual reduction in taxes.

Mr. HERLONG. This is five times that reduction.

Mr. PELLY. I think it would encourage it five times.

Mr. HERLONG. I would hope the gentleman is right in the long run, but I cannot agree with him as to its happening at this particular time.

Mr. BAKER. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Chairman, I am taking this time merely to say why I shall vote for the recommittal motion. The question has been asked as to what impact this legislation has on industry. The best way to find out what the impact is going to be is to cut out this transportation tax on persons, and we can find out. We have been studying and listening to the experts for years without results.

Now, let me give you some figures about the airlines. Last year the trunk airlines did a business of $2 billion and on that business they made a net profit of a little more than $1 million. They sold 56 million tickets. The combined profit of all of the trunk airlines equalled 2 cents on each ticket. The Federal Government collected in transportation tax from the airlines, gas tax, corporate tax, and so forth the equivalent of $4 per ticket; $4 per ticket when that industry only made 2 cents on each ticket.

Now, we have come to a point, members of the committee, where you have a typical example of the power of taxation to destroy, and if we continue in this field, you are going to destroy the transportation industry, in my opinion. That is why I am going to vote for the recommittal motion. I think we ought to test out whether or not a reduction of this tax will reduce the total income or whether we will have the same income or more income from other sources. The best way to test it out is to take some action, not continue a study over a period of years by the Ways and Means Committee which, to date, has rendered no report.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. YOUNGER. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The gentleman will recall the statement of the President that we should not look to the Government for everything; that it was not what the Government could do for us but what we could do for the Government. The airlines to which you refer contributed how much? What was the amount, $5 a ticket?

Mr. YOUNGER. Four dollars collected by the Government for every ticket sold.

Mr. HOFFMAN of Michigan. And kept 2 cents for themselves?

Mr. YOUNGER. That is right.

Mr. HOFFMAN of Michigan. Then that branch of private endeavor has done a very good job for the Government, would you not say?

Mr. YOUNGER. Yes, they have.

Mr. HOFFMAN of Michigan. You would not criticize them for that, would you?

Mr. YOUNGER. No, I would not criticize them for that.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. YOUNGER. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. The question of further study and so forth has been brought up. My understanding is that the agency of Government whose responsibility it is to study the problems of the railroads, the bus lines, and general transportation is the Interstate Commerce Commission. We have another agency of Government, the CAB, whose responsibility it is to study and see what the situation is and keep on top of the problem as far as the airlines are concerned. I am correct in that, am I not?

Mr. YOUNGER. That is correct.

Mr. BYRNES of Wisconsin. It is my understanding that both of these agencies have been studying the problem that lies within their jurisdiction, and they have come up with a recommendation, and their recommendation is that the 10 percent tax that we are talking about today be repealed. So I do not know what more studying we need.

Mr. YOUNGER. That is correct. These agencies that you mentioned come under our Committee on Interstate and Foreign Commerce, which has legislative jurisdiction. The chairman of the Interstate Commerce Commission was before our committee yesterday and I asked him specifically about this matter, and he again verified his testimony before the Committee on Ways and Means that this transportation tax should be repealed.

Mrs. CHURCH. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Mrs. CHURCH. Mr. Chairman, I very much wish that the proposed motion to recommit could have included a long-needed provision to eliminate the tax still existing on telephone service. There is practically no tax, Mr. Chairman, which more cruelly bites into the family income, even among those of so-called low incomes. Nor can the American people, to whom the telephone has become not a luxury nor a crutch, but an intimate tool of daily life, understand why this particular form of family and occupational service has been singled out for perpetuation.

In fact, I would add that the apparently continual perpetuation of all of these "wartime," "emergency" excise taxes is inequitable and an unjustifiable substitute for the complete, long overdue revision of our tax system. It is also—and this concerns me even more—an equally unjust substitute for the adoption of the stringent government economy that our national situation demands.

Merely to continue present taxes is to evade, not accept, fiscal responsibility. Fiscal responsibility demands immediate elimination of the reckless spending that so threatens the well-being of this country. Indeed, the best step toward lower taxes is to cut spending.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 15 minutes to the gentleman from Texas, [Mr. ALGER].

Mr. ALGER. Mr. Chairman, I suppose I am cast in the role of sort of enlivening things a little bit here. I should like to address myself to this subject for several minutes before yielding, but I certainly invite questions on anything that I say.

Mr. Chairman, I find as I spend time in Congress, how surprising in some ways it is that I can admire and respect men with whom I differ so very much, and that would include my chairman today, and that would include some members on my side. So I hope that what I say will in good conscience be received in the same way.

Mr. Chairman, I am going to reach an entirely different conclusion, using some of the same arguments of those of my colleagues who have preceded me on the floor, because I am going to take a position going even beyond the motion to recommit, which I am happy to present to the House today, by saying that I am going to oppose this whole package. Let me see if I can make any sense out of that.

Mr. Chairman, I want to address myself to what is best. Is it best for us to keep strangling our business with taxation, or is it better, perhaps, to relieve them so that we do not bankrupt them, at which time they would be paying no tax at all and, by relieving them, obtain a greater tax revenue? Our whole history proves this course to be true, but we are afraid, those of little courage, to test it out. It has been proven twice before at least, to my knowledge, that tax cuts result in increased tax revenue.

In any event, the statement that I make today I base on the statment that I made last year, when I took a contrary position. Today for the first time in 7 years I announce I am not picking up the tab any further for the big spenders, wherever they may be, or whoever they may be politically. On the contrary, I am going to try to do something about it. I had hoped that the Appropriations Committee in its wisdom would exercise the fiscal self-discipline that the gentleman from Wisconsin has pointed out to us that we lack. I had

hoped that our Committee on Ways and Means would not have to continue to try to raise the money to cover the amounts asked of us by the big spenders. But since the Appropriations Committee are not, then I think we must take action. What I say today is certainly in good conscience and with conviction.

I am totally convinced that I am right and the men who take a contrary position I feel are terribly, terribly wrong. I cannot say it more positively.

Last year I said this:

> I intend to vote for taxes as long as the bills are high because I intend to be responsible. Deficit financing is irresponsible.

Gentlemen, I restate that, but I am going to redefine "responsible." I refuse to admit that this Congress today is being fiscally responsible because we are not being responsible in our spending. I hold that two wrongs will not make a right. I know of no way to prevent the Government from spending money, that is true. But if it is true that we have got to raise this money in order to make both ends meet, to be responsible, then I merely tell you that these taxes will not make both ends meet. We are spending money hand over fist. What else are we going to do, then? Are you going to kill the goose that lays the golden egg? Are you going to be "responsible" by imposing heavy taxes on business so that they will go bankrupt and then cannot pay any taxes?

The Members do not have the hearings before them, because these are part of the full tax hearings, the larger tax hearings. You should know that we have had industry after industry come before our committee to say, "We are suffering, we have got to have help; our taxes are too heavy."

I am referring particularly to industries such as lumber, some of the rubber industries, the railroads, the airlines, and many others who have said, "We are in desperate shape." The airlines have said for the last 5 years—and the CAB bears them out—that they are in terrible trouble. Yet we think of them as a big and prosperous industry.

I say that you are going too far. I say that this is the straw that breaks the camel's back. I say that you cannot continue this kind of burdensome wartime emergency tax and expect the companies to remain solvent and strong enough in this country, strong enough to produce enough tax money to make both ends meet, for us to be fiscally responsible. On the contrary too heavy taxation is fiscal irresponsibility.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that a quorum is not present.

Mr. ALGER. Will the gentleman withdraw it?

Mr. HOFFMAN of Michigan. Mr. Chairman, in view of the wise counsel of the chairman of the policy committee, I withdraw my point of order, much against my better judgment.

Mr. ALGER. The formula I am trying to present is such a simple one that I hope my colleagues will at least think about it. I do not ask them to follow me, rather this logic. I do want the viewpoint kept alive. I hold that if we will reduce taxes we will permit industry to reinvest money and make more money, and out of more money as profits there will be more taxes. I defy anybody to contradict me on that score.

As far as my voice can be heard across this country, I am going to suggest tax cuts. I warn you now that I am going to win that debate, because the people of this Nation are sick of high taxes. When you vote against the recommital motion you are voting against every man, woman, and child that travels to this Capitol, or elsewhere. I think they are going to rise up and say, "We have had enough taxation."

I am worried about American industry, as they testified to us because of taxation already being too heavy. I fear that we are going to have recurring taxation recessions—to coin a phrase, if you will. A taxation recession is what we have come through. We are going to have more. You can talk about gross national product and the foreign balance of trade exports, imports, employment, and other economic factors but that does not remove the fact that the burden of taxation is so heavy our industries are burdened beyond the point of diminishing returns. This is my point. If my point is well founded, that the burden of taxation is so heavy as to be beyond the point of diminishing returns on taxation, then the Congress, I submit, today is the only one responsible for it. I am redefining fiscal responsibility in voting against a continuation of this wartime emergency tax, by saying you are forcing our industries paying taxes beyond the point of diminishing returns. In other words, you are getting less taxes than you could get, because taxes are too heavy and are stifling business profits.

I refer you to the tax cut of the Congress in 1954, when after that we had increased revenue. I think that is the lesson and the pattern we should follow. When I speak, as the gentleman from Wisconsin and others have, for the future of this country, I intend to vote that way too. That is why I oppose this bill. I intend to vote against fiscal irresponsibility, which I lay to the heavy burden of taxation. It is true, we ought to stop this wasteful spending, but when my chairman and others say we must wait till the spenders stop spending, and then they turn around and say regardless of this tax the spenders will not reduce spending, I say we must take this step. Others may do as they like.

Soon the vote on raising the debt limit will come up. I agree that once we have contracted to spend we cannot stop raising the debt limit. That is like charging things at the store and then not expecting to pay for them. True, you have to hold down spending, but where do you start in this chicken-or-the-egg situation? Are we going to start with revenue or appropriations? I say for my part I am going to start with revenue and my colleagues can do as they like. I am a supporter of the Baker-Herlong bill. I would like to add ALGER to that name. True, it relates to a balanced budget.

I believe tax reform is what we really need, not a hodgepodge such as extending wartime taxes. As the committee said, as they did on page 6, these taxes might not be the most desirable to repeal if we studied all the taxes. I concede this, but I say we are not taking action based on the studies we already have had. A year ago last November we came back to Washington and had hearings. We failed to follow up at all along the lines of those hearings by taking action. Today we are passing another 1-year extension for the 9th time but no tax reform. Why not start by repealing taxes now on the same basis we put them on? What is wrong in repealing a wartime emergency tax as a first step? As you will notice on page 3, it will benefit almost all strata of our society alike; not one group. So let us start by repealing wartime emergency taxes.

There will be a motion to recommit which I will offer, and this will repeal the 5-percent transportation tax that goes into effect on the first. It is a small amount.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Tennessee.

Mr. BAKER. The gentleman from Texas said:

> Repeal the 5-percent transportation tax.

I am sure the gentleman meant 10 percent.

Mr. ALGER. Ten percent. It is now 10 percent and will become 5 percent on July 1.

Mr. BATTIN. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I yield.

Mr. BATTIN. I am sorry the hearings are not available, but the chairman of the committee in his opening statement said there were some people from the Government who came in and testified regarding the need for the continuation of this tax. Could I inquire as to who those people were?

Mr. ALGER. If I may respond to the gentleman, some of the railroad industry was represented and the airlines, as I recall.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I yield to my chairman.

Mr. MILLS. I think the gentleman is referring to the testimony before the committee by the Secretary of the Treasury and the testimony of the Director of the Bureau of the Budget and those Government officials who testified for a continuation. I also pointed out, as perhaps the gentleman heard, that the ICC representative and the CAB representative suggested that this tax ought to be discontinued. The Federal Aviation authorities supported a continuation of it; is that not correct?

Mr. ALGER. That is correct—so you have testimony on both sides.

Mr. BATTIN. Was there anybody who appeared before the committee from the traveling public or any citizens' group that asked that the tax be continued?

Mr. ALGER. Not to my knowledge, there was no testimony from such a group as that.

Mr. MILLS. I do not recall any such testimony either.

Mr. BATTIN. Would it be a fair statement, to say that the people interested in seeing the tax continued are those who are planning the present spending?

Mr. ALGER. Yes, I think that is fair; but I must call to the gentleman's attention the fact that the representatives of the people who travel are we, the Members of Congress. We represent the people who use all the transportation means, I suppose. If we do not think of them at this time, no testimony is going to influence us further, I suspect.

Mr. BATTIN. I would hate to get political about it, but referring to tax reduction, under what Congresses were those tax reductions?

Mr. ALGER. The tax reductions to which the gentleman referred were in the 80th and 83d Congresses, as I recall, drawing on our past experience, and proves my suggestion, that tax reduction results in increasing business profit which gives us more tax revenue. That is the basic elementary formula that I want to leave with my colleagues to think about when we hear talk of fiscal responsibility because I recognize, and I said earlier, that I can be accused as others on this floor today have said, that to vote against this tax extension is fiscal irresponsibility. Gentlemen, I say it is just the contrary and whoever wants to meet me on this battleground elsewhere, if not here in the Halls of Congress, I will gladly accept that challenge and I do so willingly. I believe the course of fiscal responsibility is not only the reduction of spending, gentlemen, which is all we are talking about, but it is taking off the tax burden so that businesses can pay more taxes and in that way you have money to spend in other fields if that is what you want, and at the same time build these tremendous free enterprise industries that have been carrying the tremendous tax burden of the Government.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. So far as I am concerned, the gentleman made a very convincing and sound talk. Going back, as so often happens with me, to my earlier days—is this an example of what you are trying to say? You recall the story of the baby and the nursing bottle from which it drew nourishment until it finally got to where the baby was full and in trouble with its stomach or the bottle was empty and it was just sucking wind and mama had to take it away from him?

Mr. ALGER. Yes, that is the point of diminishing returns.

Mr. HOFFMAN of Michigan. And the question is—if you do not take away some of this money that we have been giving the spenders they will continue to spend and give us an ever greater debt—a higher interest charge.

Mr. ALGER. I must say to the gentleman, I agree but further than that, we have already conceded and it has been conceded on this floor that nothing is going to stop spending. May I remind you of the fact that people during the political campaigns were told by both candidates that the budget was going to be balanced and it was only after several months that I began to hear about the administration's cyclicly balanced budget. I am talking about the same old-fashioned dictum of a yearly balanced budget and not a cyclicly balanced budget. I am talking of a yearly balanced budget. I think we need a constitutional amendment on that score. I recognize the danger here in the lack of constitutional limitation on the extent of the Government's authority to borrow, but if we few watchdogs around here gang up and defeat this tax bill right here, politically we would have something on our hands which would be very attractive to the people of this Nation and they would finally have an opportunity to say that we want reduced spending because they know that they do not want inflation. They are ahead of us here in Congress. I have the idea that if we put the feet to the fire of a number of men who have been responsible for big spending, but do not want to face up to the taxes before the public, by saying first we ought to cut taxes, we would see the people force us to reduce spending.

Mr. HOFFMAN of Michigan. One further question, if the gentleman will yield?

Mr. ALGER. I yield.

Mr. HOFFMAN of Michigan. You mean if we were to reject this bill we would be doing what the people wanted, place on them less taxation?

Mr. ALGER. I think so.

Mr. HOFFMAN of Michigan. A little less spending. You are making a political argument now.

Mr. ALGER. I was not; the gentleman from Michigan is, but I join him.

Mr. HOFFMAN of Michigan. Yes, I want to speak on your behalf to see that you are reelected.

Mr. ALGER. You are always welcome in my district.

Mr. HOFFMAN of Michigan. I hope you never grow old.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I yield.

Mr. LINDSAY. I want to ask this question based on the hypothesis that the gentleman and I firmly believe in the balanced budget. I think we must operate with that as the base of our system. I believe further that the Congress ought to have the courage to pay for the programs it enacts. On that basis what I am concerned about is whether or not the transportation industry is in such dire distress that in the absence of the relief proposed in the motion to recommit it will virtually sink under before the Ways and Means Committee through its able chairman can come up with its allover idea of a review of the whole use tax system; in other words, giving higher priorities to railroads than to other distressed industries.

Mr. ALGER. And the response to the gentleman's question is that, of course, we do not know they will go under, but before they do go under Congress would subsidize them. I would suggest that we feel this is a better means of taking care of a crippled industry—that is a tax cut—than to turn right around and subsidize them. So, specifically, I say again we should definitely pass this recommittal motion to relieve the traveling public from that small tax which will be of great moment to the railroad people and the transportation industry of the country.

Mr. LINDSAY. The gentleman in his earlier remarks indicated there were other industries in just as much trouble financially and economically, generally speaking, as transportation. My question, then, is: Is there any special reason why we should single out the transportation industry over some of these others he has been referring to?

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. POFF. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. POFF. Mr. Chairman, on January 3, 1961, I introduced H.R. 532 which is designed to repeal the 10-percent tax on passenger transportation. As you know, this tax currently is being paid by all passengers riding on "for-hire" rail, bus, air and water carriers.

During the war, the Federal Government levied excise taxes on many commodities and services loosely described as "luxuries." Many of these taxes were imposed not so much as revenue measures but as regulatory devices. Taxes on products made of materials which were of strategic importance to the mobilization effort were designed to discourage the purchase and thus the manufacture of such products. Because of troop movements and the transportation of the munitions, weapons and hardware of warfare, it became necessary to curtail all but essential civilian transportation. Remember the question, "Is this trip necessary?" screaming from posters in bus, railroad and airplane terminals? It was decided that a tax on transportation would discourage nonessential civilian transportation, and in 1943 a tax of 15 percent was imposed on passengers. In 1954 the tax on passengers was reduced to 10 percent. Under Public Law 86–564, the rate is scheduled to drop to 5 percent on July 1, 1961.

Now that the wartime transportation crisis is gone, the justification for these taxes is gone. Instead of a policy of restriction, our Government must adopt a policy of stimulation for the transportation industry which is now threatened with a crisis of its own.

Always, the first objection to a proposal to repeal a tax is the loss of revenue. In fiscal year 1960, revenue from

the passenger tax totaled $255.5 million, and it is argued that the Treasury cannot afford a revenue loss of that magnitude. The answer to that argument is that repeal would not involve a revenue loss of that magnitude.

It has been clearly demonstrated that of the $255.5 million passenger tax revenue, $119 million is revenue from business travel. The expense of business travel is tax-deductible. Assuming that the travelers were in the 50-percent tax bracket—and most business travelers are employees of corporations in the 52-percent bracket—this would mean a $60 million income revenue loss to the Federal Government. This brings the revenue loss on repeal of the passenger tax down to $195 million.

Repeal of the 10-percent passenger tax would unquestionably result in an increase in taxable income to the carriers by reason of (a) stimulation of more use of public carriers, or (b) substitution of fare increases for the excise tax, or (c) some combination of both. If we assume that the increase in gross income would be 5 percent and the increased cost of carrying the additional passengers would be 10 percent, the increase in taxable income would be somewhere in the neighborhood of $117.5 million. At an average income tax rate of 50 percent, this would yield the Federal Treasury an additional $58.7 million in revenue. This reduces the estimate of loss of revenue from repeal to $136.3 million.

The costs which the carriers bear in the collection of the passenger taxes are deductible for income tax purposes. These costs average about $12 million a year. Elimination of this deduction would increase revenue from the income tax by about $5.2 million. It has also been estimated that repeal would reduce the Government subsidies to which certain carriers are entitled by approximately $2.4 million. These two items reduce the repeal revenue loss estimate to $128.7 million.

It is impossible to assess the potential expansion of the entire economic spectrum which repeal of the passenger transportation tax would stimulate. However, it is elementary that travelers require food, lodging, luggage, special clothing, entertainment, and a variety of personal services away from home. Consumer demand generates supplier prosperity and supplier prosperity broadens the tax base and increases the Government's revenue.

Mr. Chairman, public carriers, so vital to the Nation's economic and military postures, are in critical financial straits. Between 1946 and 1960, rail passenger volume, measured in passenger-miles, dropped from 59 billion to 17 billion, and the passenger deficit averaged $585 million a year. In the same period, bus passenger volume dropped from 32 billion passenger-miles to 24 billion. Air carriers, which had a combined profit of only $4 million last year, are heavily obligated in a $3 billion reequipment and modernization program which will further increase passenger carrying capacity.

In summary, I favor repeal of the passenger excise tax because I am convinced first, that the original justification for the tax no longer exists; second, that continuation of the tax is discriminatory; third, that the tax stifles the natural growth of the transportation industry; and fourth, that repeal of the tax would stimulate economic activity, help to relieve the unemployment problem and, over the long run, would increase rather than decrease Government revenue.

Mr. MILLS. Mr. Chairman, I yield 3 minutes to the distinguished majority whip, the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Chairman, I have the pleasure of advising the House of a signal honor which has been bestowed today upon one of our most illustrious Members.

It was my privilege this afternoon to be present along with Mrs. McCormack, lovely lady of our distinguished majority leader, with colleagues from the House, and with Mrs. Thomas Morgan and Mrs. Albert, when the gentleman from Massachusetts [Mr. MCCORMACK] became the recipient from His Excellency, Ambassador Alexis S. Liatis of Greece, acting on behalf of His Majesty the King of Greece and of the Greek Government, of a decoration known as the Grand Commander of the Royal Order of the Phoenix with Star.

This is the highest honor given by the Greek Government to any person below the rank of head of a state.

In making this presentation Ambassador Liatis stated that normally such honors are accompanied by a recitation of specific accomplishments on the part of the recipient. In this case, however, the Ambassador said the decoration was not given for a single heroic or historic act, but for a long and brilliant career of public service on behalf of mankind.

This, of course, is just one among a long series of honors which have come to the great floor leader of this House in the course of his legislative service.

I know that every Member of this House shares my pride that the Government of a great and friendly people whose roots go back to the dawn of history and whose contribution to the science of government is second to none among the nations of the world, should also recognize his distinguished career in this very appropriate manner.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, I was present at the ceremony honoring our distinguished majority leader a few moments ago at the Embassy of Greece, where the Order of the Grand Commander of the Royal Order of the Phoenix was conferred upon the majority leader. It was a very auspicious and moving occasion. The honor was given in the name of the King and Queen of Greece through the distinguished Greek Ambassador, Mr. Liatis, because of the great service the gentleman from Massachusetts [Mr. MCCORMACK] has rendered to the State, to the Nation, and to the world in the long years he has served in public life—33 years here in the House of Representatives, 4 years in the Massachusetts Senate, 3 years in the Massachusetts House, and 2 years in the constitutional convention, for a total of 42 long years the gentleman from Massachusetts [Mr. MCCORMACK] has etched a record of public service that can be matched by few.

All during those years he has performed a magnificent service to his own community of Boston, to our great State of Massachusetts, to our beloved Nation, and the world itself.

Coming as it does from the mother of democracy, the country of Greece, this is one of the great honors that can be received by any man. It is conferred upon one of the most distinguished Members of this body.

The decoration of Commander of the Royal Order of Phoenix with Cross was established in 1936 by the Government of Greece to be given to those who have performed distinguished service to mankind. It is one of the highest honors that Greece can bestow upon those who have contributed to the cause of liberty, freedom, and understanding of the great country of Greece.

Mr. Chairman, the honor that our distinguished colleague and majority leader received this afternoon is but another star in the brilliant firmament of public service within which he has moved during his long and illustrious career. His citations, honors, and awards have been many. Honorary doctorates in law from Boston University, Boston College, College of the Holy Cross, Georgetown University, Suffolk University, Tufts College, Stonehill College, Villanova College, Providence College, and Staley College—citations from foreign governments including Commander, Legion of Honor from the Republic of the Philippines; Grand Officer, Order of Al-Marito, Della Republica of Italy; Titular De La Cruz De Aloy Alfaro from Panama; religious awards of the Order of Malta; First Class and Knight Commander of the Order of St. Gregory with Star; the Peace Medal of the Third Order of St. Francis and the Cardinal Bellarmine Medal in 1957—all of these great and distinguished honors the gentleman from Massachusetts [Mr. MCCORMACK] wears with pride and a deep sense of humility. All of these honors, and the one he received this afternoon from the people of Greece, he has earned by a truly remarkable dedication to the commonweal.

Mr. Chairman, the esteem and the regard that crosses party lines was no better exhibited to the Honorable JOHN W. MCCORMACK by the membership of this great legislative body when it rose to a man a few moments ago as Congressman ALBERT announced this citation. I know I bespeak the deep and sincere congratu-

lations of this House as it tips its hat to our beloved majority leader. To his wonderful and devoted wife, herself honored many times, Mrs. McCormack and to the Honorable JOHN W. MCCORMACK, I extend my congratulations and that of the people of my congressional district of Massachusetts.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Illinois.

Mr. ARENDS. May I say to my good friend from Oklahoma, I am pleased he has so quickly brought to the attention of the House the occasion that brought such a signal honor to the majority leader, our good friend from Massachusetts [Mr. MCCORMACK]. I am sure I speak on behalf of all of the Members on our side, as well as the Members on your side, when I say we all rejoice that our majority leader has been so honored by this outstanding country, Greece. It is indeed a deserved honor for the gentleman from Massachusetts.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. DEROUNIAN].

Mr. DEROUNIAN. Mr. Chairman, I will not unduly delay the committee, for we are about to come to a vote. But coming probably from the greatest commuter area in the United States, I feel I ought to give you some of my impressions on this motion to recommit, with instructions to take off the transportation tax once and for all. With my colleague, the gentleman from New York [Mr. BECKER], on the south side of Nassau County, N.Y., we have lived with this commuter problem for a long time.

I know the situation in the railroad industry. We do not need any more investigations of railroad problems. As a member of the Committee on Interstate and Foreign Commerce for 8 years, that is all we did. When the majority said in committee the other day that perhaps before voting to knock out the transportation tax we ought to have an investigation, may I say that is useless. Investigations up to now have done nothing to repeal this onerous tax, and I say to our friends in the suburban areas and in the cities, you are not going to have another chance to vote squarely on the issue, whether you are for relief of the commuters and the railroads or you are not. This places it squarely up to you. You can in good conscience and with good reason vote to repeal this tax which has done so much to put the railroad industry and the airline industry in the doldrums.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. DEROUNIAN. I yield to the gentleman from Kansas.

Mr. AVERY. Will the gentleman from New York advise the House as to whether or not the commuter pays this excise tax?

Mr. DEROUNIAN. Yes. The commuter pays a tax over a certain amount.

Mr. AVERY. Can the gentleman tell us what that amount is?

Mr. DEROUNIAN. 60 cents.

Mr. AVERY. Is that about the price of the average commuter ticket?

Mr. DEROUNIAN. Well, where I come from the average commuter ticket runs from about $1 to $1.25.

Mr. AVERY. I thank the gentleman.

Mr. DEROUNIAN. Therefore, I plan to vote for the motion to recommit with instructions. I hope it will prevail so that we can try to do our level best without substituting the judgment of a government bureau or a government bureaucrat for the judgment of the man who runs the railroad or the man who runs the airline.

Mr. MILLS. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. O'HARA].

Mr. O'HARA of Michigan. Mr. Chairman, the present system of permanent and temporary excise taxes is a vivid demonstration of the pressing need for a total revision of the Internal Revenue Code.

It is indisputable that excise taxes now provide revenues essential to the great tasks before us and for that reason must be extended. At the same time, it must be recognized that our present system of excise taxes is discriminatory, economically unsound, and in many cases an unfair burden on manufacturers, tradesmen, and consumers alike.

It is for this reason that I have today introduced H.R. 7558, a bill to amend the Internal Revenue Code with respect to the application of the automobile manufacturers' excise tax. My bill, which I would offer today as an amendment if it were possible under the rule, is designed to alleviate the depressing effect of this provision upon automobile production and sales during periods of slack demand. It would furnish an incentive to new auto purchases during such periods by giving the President authority to rebate to the ultimate purchaser an amount equal to the excise tax paid on the automobile he has bought during periods of high unemployment in the automobile industry. "A period of high unemployment" is defined as any period of calendar months designated as such by the President after average unemployment in the automobile industry has been at or above 8 percent for 4 or more consecutive months.

I am not unalterably committed to the proposition that the tax rebate should be made available only when unemployment in the automobile industry has reached a precise level of 8 percent; nor am I absolutely certain that selection of a 4-month period was necessarily the best choice. I submit this bill as a model which might be used as a starting point. Further, I am not proposing that my formula should be applied to automobiles alone. Quite the contrary, if it is considered necessary in the future to continue excise taxes on consumer durables, I believe that further study will convince the Congress of the necessity of applying a similar formula to all such products.

We are accustomed to thinking that the level of economic activity is affected only by the level of Government expenditures and by business investment. Similarly, Government surpluses or deficits and increased or decreased business investment have been considered to be prime factors in cyclical movements of the economy. Increasingly, however, there is evidence to show that the level of consumer investment plays an important role in the Nation's economic health.

In the first place, consumer durables are important in the sheer magnitude of the purchases that take place. The value of automobiles and other durable goods owned by the consumer are almost as great in value as all business investment in plant and machines. The size of the investment in consumer durables has increased because of the higher level of economic welfare our society has attained. It can be expected to continue to increase substantially in the years to come.

Secondly, they are important because the time of purchase is increasingly discretionary with the buyer. The purchase of an automobile or washing machine can be postponed or advanced depending upon the consumer's attitude. The increasing use of consumer credit has given wider latitude to the consumer in his decision as to the timing of his expenditure.

For these reasons, the consumer, as such, has had a greater impact on the level of economic activity. Evidence indicates that consumer thinking and consumer behavior in recent years have had a substantial and moderating influence on cyclical changes in the economy.

As a Representative of a district that has suffered from substantial and persistent unemployment for a number of years, I am well aware of the need to encourage investment in the business side of the economy. However, it is time, I think, that we recognize, too, the importance of consumer investment on our total economy. I am sympathetic to and will support fiscal and monetary policies designed to encourage business investment, to promote economic growth and to provide a higher standard of living for all the American people or to moderate the effects of the business cycle. It is time, however, that we give greater attention to the consumer sector of the economy and in particular to the impact of the excise tax on our economic health.

If the President's program to promote economic growth is successful, and I have every reason to believe that it will be, the level of Federal revenues can be expected to grow rapidly. As that growth develops, serious consideration should, I think, be given to the gradual elimination of excise taxes. But, so long as such excises are needed and used, the excise program should be formulated so as to be economically sound.

For the benefit of my colleagues who may be interested in my proposal, I am inserting in the RECORD a copy of a speech entitled "Consumer Investment and Business Investment," by Prof. George Katona, of the Survey Research Center of the University of Michigan. Professor Katona is an internationally recognized authority on consumer attitudes and an extremely able economist.

I recommend this article very seriously to all who are interested:

CONSUMER INVESTMENT AND BUSINESS INVESTMENT

(By George Katona)

On April 20, 1961, President Kennedy sent a special message to Congress. In order "to stimulate the expansion and growth of our economy" and "to strengthen our anti-recession program," the President proposed to grant tax benefits to business firms which invest money in new plants and equipment.

The character of the business cycle has changed greatly since World War II. It is my purpose today to show that this change is closely related to the growing importance consumers, and especially consumer investment expenditures, play in our economy. At present, growth and expansion of the American economy are dependent on consumer investment as well as business investment. I shall argue therefore that Government measures intended to stimulate the economy should be extended to consumer investment as well.

THE GROWING ROLE OF CONSUMERS

The theory of the business cycle which is reflected in the Government proposal can be stated simply. Of the three major sectors of the economy, Government, business, and consumers, only the first two are believed to generate income. The consumer sector receives its income from business and Government and, spending a fairly constant proportion of its income, is nothing but a transmitter of trends. New trends, then, arise exclusively through increased or decreased business investment and Government surpluses or deficits.

The situation in the late 19th and the early 20th centuries may have corresponded to this type of theorizing. In those times business expenditures were the only substantial postponable expenditures on nonperishable goods. But doing the last few decades something that has often been called an income revolution occurred: Today instead of a few rich people and masses of people near the subsistence level, we have a broad middle and upper-middle income group which spends some of its income for discretionary purposes rather than on minimum necessities. Secondly, due to a technological revolution, consumer expenditures on durable goods, which are postponable, have increased. Thirdly, an institutional revolution reflected in the availability and popularity of installment buying has raised consumers' discretion in timing their expenditures.

Today, then, consumers have great latitude of action. Ability to buy represents but one of the determinants of consumer demand. In addition, as 15 years of research by the Survey Research Center of the University of Michigan has shown, consumers' willingness to buy determines whether they step up or reduce the rate of their discretionary purchases. Consumers are an autonomous factor in the business cycle because their investment expenditures on housing and durables do not necessarily follow changes in their incomes. Changes in willingness to buy—in attitudes of confidence or uncertainty, in optimistic or pessimistic expectations, and the like—proved to be measurable, often in advance of changes in consumer demand. Progress is also being achieved in understanding the origin of changes in attitudes and expectations. We know by now much about the kind of news and information which led to improvement in consumer optimism in 1954 and deterioration as early as the first half of 1957 and the first half of 1960. Thus fluctuations in consumer demand for durable goods are no longer shrouded in uncertainty.

THE NEW BUSINESS CYCLE

The four postwar recessions were all fairly short and mild. The change as against pre-World War II conditions is sometimes attributed to automatic stabilizers. Because of the currently prevailing high income tax rates, in prosperous years only part of the income increase accrues to individuals and corporations, and in recession years reduction of consumer income and of business profits is partly borne by the Government. In addition, unemployment insurance benefits also exert an anticyclical influence.

Yet the changes in the tax situation are not the only new factors that influence the business cycle. Evidence can be marshalled in support of the proposition that an economy in which millions of middle-income consumers influence timing and rate of upswing and downswing is more stable than an economy in which cyclical fluctuations depend on the actions of a few hundred or a few thousand business leaders. Specifically, it can be shown that during the past 15 years American consumers have exercised a stabilizing influence and contributed greatly to making cyclical fluctuations short and mild.

STABILIZING INFLUENCE OF CONSUMERS

Some major features of consumer thinking which led consumers to behave so as to exercise a stabilizing influence during the past few years will be summarized here briefly: [1]

1. Reactions to Price Movements: During the last decade of creeping inflation most people believed that inflation was an unfavorable development which detracted from the enjoyment of the fruits of their labor. They resented price increases and reacted to them by reducing some of their discretionary purchases. Contrariwise, stable prices were considered the right prices and stimulated buying. These behavior patterns have helped to keep price advances in check.

2. Diversification: Consumers, on the whole, are not inclined toward excessive behavior. During the last few years, most people tended to back their beliefs and notions with some rather than all their means. Thus people with inflationary expectations kept some money in savings accounts and even added to them. People who expected income increases and good times in the economy did not go all out in their purchases, and pessimistic people reduced rather than cut out their discretionary purchases.

3. Use of credit: Confidence and optimism raised the rate of purchases on the installment plan, and occasionally (e.g., in 1955) the increase in these purchases was very rapid indeed. Yet most people calculated carefully the monthly payments they thought they could afford to make. The first charges on income served as an effective budgetary device which restrained impulse buying.

4. Rising levels of aspiration: Achievement does not fully satisfy people. A person who finally achieved his cherished goal and became an executive in his firm with a salary which just a few months ago seemed to him ideal, is not saturated with success; he will soon raise his sights and strive for further advancement. Similarly, after having bought a house, a car, a washing machine, or clothes dryer, our desires are not satiated; other previously suppressed needs and desires arise. This dynamics of need satisfaction is a major feature of prosperous times. Does it necessarily lead to excesses?

[1] For a more extensive discussion, see George Katona, "The Powerful Consumer" (McGraw-Hill, New York; 1960), and also "The Consumer and the New Business Cycle," a report issued by the Foundation for Research on Human Behavior in 1960.

While it is true that we raise our sights following accomplishment, and lower them following failure or frustration, it appears that we raise our sights only slightly above the actual accomplishment level. We want a little more income, a few additional goods, and a somewhat better house than we have. Even our desires and fancies are reality bound and reality tested.

5. Satiation with news: For more people, only what is new is news. In the winter of 1954–55, for instance, rising production and sales were news; but when over the next 2 years production, sale, or profit figures continued to show increases, this news tended to become less and less salient. People get accustomed to a certain type of news, do not notice it, and do not react to it. Furthermore, after a few years of continuous good news people are apt to notice slight divergent tendencies and watch out for them. Similarly in the recession. When the tempo of decline no longer accelerates and unemployment stops growing, many people get accustomed to the bad news and are sensitized to good news.

Most businessmen are constantly in touch with other businessmen and are influenced by the opinions and attitudes of other members of the group to which they belong. Therefore, very many businessmen may become overexuberant or overcautious at the same time. The unorganized consumers, on the other hand, are influenced to a much lesser extent by the opinions and behavior of other consumers. At certain times, they may become the victims of rumors and propaganda, but most of the time they do not lose their sanity. During the last decade, in good times many consumers thought that "trees don't grow to heaven," and in bad times derived satisfaction from the fact that their income was well maintained (as has been the case for the great majority of American families during each of the postwar recessions).

THE CURRENT SITUATION

The features of consumer thinking briefly summarized during the past few minutes help us understand the trend of consumer expenditures in 1949, in 1954, in 1957–58, and again in 1960–61. We shall refer to most recent developments only. Consumers' attitudes and expectations deteriorated substantially by the summer of 1960. At that time, relatively few people reported hearing good business news, uncertainty as to whether the fast pace of the economy could be maintained increased greatly, and dissatisfaction with prices was substantial. But pessimism did not grow much in the fall and winter of 1960, even though consumers were well aware of the growing unemployment. For most people the big news was not the recession, but the election of Kennedy to the Presidency (and also the worsening of the international situation, symbolized by Khrushchev's taking off his shoe in the United Nations). Many people believed that the new President would act to overcome the recession, and long-range expectations, in contrast to expectations about the next few months, remained fairly optimistic. Inflationary fears weakened and satisfaction with compact cars—in sharp contrast to dissatisfaction with the automobile models offered in the fall of 1957—likewise strengthened potential consumer demand. Thus it was possible to predict on the basis of the Survey Research Center's findings on consumer attitudes obtained in the fall of 1960 that this recession would again be fairly short and mild.

Yet there is another side to the picture. The prevailing patterns of consumer thinking and consumer behavior contribute to making recessions short and mild, as well as to bringing about short and mild growth periods. That consumer attitudes did not continue to deteriorate in the winter of 1960–61 gives cause for some satisfaction.

On the other hand, consumer attitudes did not improve either, and the consumer still remains hesitant. A vigorous and enduring upturn is not assured. The consumer is receptive to favorable stimuli, but such stimuli are greatly needed.

CONSUMER INVESTMENT AND BUSINESS INVESTMENT

It appears that the analysis of the current economic conditions by the experts of the Federal Government has resulted in a similar conclusion, namely, that action is needed to stimulate the economy. Yet, as I reported at the beginning of my paper, the Government proposes to stimulate the economy through promoting business investment alone. Today, however, business investment and consumer investment are equally important forces which either stimulate or retard the economy. Action on one front alone is one sided; action on both fronts promises success to a much greater degree. To explain this point it is not necessary to discuss the frequently mentioned argument that acceleration of business investment may result in too rapid automation and therefore, temporarily at least, in increased unemployment. We may rest our case on quoting a few well-known figures. The annual expenditures business makes on producers' durable equipment are much smaller than the expenditures consumers make on the purchase of durable goods and newly built houses.

Expenditures in billion dollars

Nonfarm producers' plant and equipment:	
1958	33.7
1959	36.7
1960	41.3
Consumer durable goods:	
1958	37.3
1959	43.4
1960	43.6
Nonfarm residential construction:	
1958	18.0
1959	22.3
1960	21.1

(NOTE.—These data, compiled and published by the U.S. Department of Commerce, are not exactly what we would need. Expenditures on consumer durable goods are, for our purposes, somewhat overstated because they include expenditures on many small, not discretionary purchases (e.g., tires). The extent of residential construction is likewise overstated because it includes apartment houses; it is understated insofar as it does not include expenditures for additions to and modernization or repair of homes, which are estimated at close to $10 billion a year.)

Over 60 percent of American families live now in homes they own, and the current market value of owner-occupied, one-family houses is estimated at $400 billion. The value of automobiles and other durable goods owned by consumers may be set at close to $200 billion after depreciation. In contrast, business investment in plant and machinery has been valued at approximately $300 billion. The net stock of consumer durables declined from 1929 to 1945 due to the depression and the unavailability of goods during World War II. From 1946 to 1955 the net stocks per household more than doubled (in constant dollars). This increase accounted for much of the prosperity during those years. During the last 5 years, however, the rate of increase in consumer possessions slowed down.[2] Consumer investment fluctuated even more sharply than business capital expenditures and changes in the latter often lagged behind shifts in the former.

The geographical areas in which industry producing consumer durable goods is located are not the same as those in which producers' equipment is manufactured. There are good reasons to locate the targets for stimulating economic growth in as many regions of the country as possible. Then incentives for business and consumer investment will complement each other.

Speedy reactions on the part of those to whom incentives are granted are likewise of some importance. Our knowledge in this respect is rather limited. Yet it appears that the planning period of consumers who buy durable goods is shorter than the planning period of business firms which build new plants or purchase new equipment. Thus, again, it is improbable that the spark would spread faster from business investment than from consumer investment.

In order to stimulate business expenditures on new plants and equipment, the President recommends a tax credit amounting to 6 to 15 percent of some of these expenditures. We shall not discuss the question whether consumer investment expenditures should be stimulated in an analogous manner or in a different manner. Tax credits could be given to buyers of houses, automobiles, and large appliances, as well as to families undertaking additions to and repairs of their homes. Alternatively, some stimulation could be achieved through reducing automobile excise taxes. The first task is to gain acceptance of the general principle that investment tax incentives must encompass both business and consumer investment. Form and extent of the tax incentive are problems for later deliberation. At this juncture, however, it is important to discuss a major argument raised against tax incentives.

Some skeptics argue that all that may be achieved through granting tax incentives to buyers of durable goods is that some purchases which would have been made next year, or 2 years hence, are made this year. In other words, we would borrow from the future and would only postpone the day of reckoning. Naturally, this argument, if correct, applies equally to the stimulation of business investment. But the argument is correct only if we assume that technological progress is nonexistent and the automobiles, or machine tools, offered for sale in 1962 or 1963 will not be more desirable than the 1961 models.

Extensive studies have shown that people who replace their car or refrigerator do not do so primarily because their article is worn out or does not perform satisfactorily. Most commonly we trade in what we own when we consider it still in satisfactory condition, but are attracted by something new. This attraction emanating from a new product may be impaired or reinforced by price considerations; if the tax incentive plan is adopted, adidtional price attraction is created. As a consequence of a success of the plan, the proportion of newer products in the possession of American households and business firms would increase and the proportion of older products decline. The age distribution of stock is, however, not the crucial factor determining demand. The change in the composition of stock would dampen future demand significantly only if in future years buyers are not attracted by the products offered.[3]

INVESTMENT IN HUMAN CAPITAL

Our discussion is still incomplete. We have spoken of two types of investment while, in fact, there are three. In addition to business investment in plants and machinery and consumer investment in housing and durable goods, there is investment in human capital. The sum total of skills and education of the American people, as well as their health, represent economic assets—even though their significance goes far beyond economics. If the Government undertakes steps which increase or stimulate investment in human capital, it contributes to the growth of the economy. Therefore, not only the constructon of school buildings, but also grants to students for college education represent measures which in many respects serve the same purposes as the proposed tax incentive for business investment. The same is true of Government action which serves to improve the health standards prevailing in the country. A similar argument may be applied to the elimination of slums and even to the building of highways and parks, because the availability and use of better recreational facilities adds to the well-being of people and therefore to human capital.

As is well known, the Kennedy administration has proposed measures which are intended to promote education and health. The discussion of these measures does not belong in this paper. Yet investment in human capital has been mentioned here not only to round out the picture, but also to discuss a frequently voiced argument which deplores the influence of consumers in our society. I refer to Galbraith's thesis about private opulence and public poverty. The affluent society has become in the hands of a popular writer an overabundant society, and consumer goods that represent the high American standard of living and provide middle-class comforts have been equated with gadgetry and waste. We all agree that we want more schools, more hospitals, and fewer slums. Yet we disagree about how to achieve our goal. One recipe is: change the allocation of resources; cut down on consumer investment expenditures in order to increase public investments. In contrast, this author believes that wanting and striving for improved private living standards is the basis of our prosperity. Only if the so-called private opulence increases further can we hope to overcome public poverty. The question is not one or the other, it is both or none.

Ours is a middle-class society, aiming at middle-class comforts. The few very rich play a much smaller role in today's economy than 30 or 50 years ago. The poor—still far too numerous and in urgent need of innumerable goods—do not generate sufficient demand to keep the economy on an even keel. It is the people in the middle and upper-middle classes, much more numerous today than 10 or 15 years ago, whose standard of living has risen greatly and who brought about the prosperous postwar years. Having more than before, these people desire still more and better goods and services, and strive for them. Should we deplore this? Or should we recognize that in people's wanting more and better things lies one of the most powerful incentives to work hard and to stimulate production, efficiency, and economic growth? Economists teach that consumption is a function of income. Today, to a large extent, income is a function of expenditures; because we need more and better things, we strive to earn more.

It has been said that wealth blunts economic incentives. Recent studies of the Survey Research Center indicate, however, that in the last decade of growing affluence, our wants and desires for new goods and services have not become less insistent. Survey studies of the American people's felt needs show that a variety of things are desired today which were hardly known 10

[2] For data on the value of consumer investments, see the book, 1960 Survey of Consumer Finances, published by the Survey Research Center of the University of Michigan in 1961, and the article "Consumer Durables" by William F. Butler in Consumer Behavior in 1961, a report issued by the Foundation for Research on Human Behavior in 1961.

[3] Of course, if and when a tax incentive is abolished, a sharp adverse effect might arise. Tax incentives once granted can be abolished only in a period of prosperity or pronounced inflation. Then the cancellation may serve as a deflationary instrument. In this respect, again, there is no difference between business and consumer investment.

years ago. Owners of fairly new houses want a larger house, or a house in a better neighborhood, a second car, diverse new appliances, a summer house, a boat—and yes also hi-fi music and books. (Increased private opulence made the shares of book publishers a favorite investment at the New York Stock Exchange.) The more we have, the more we are willing to spend individually on books, lectures, and concerts, and collectively for defense as well as for schools and hospitals. The reason for our not having enough schools, hospitals, and parks is not that we have too many consumer goods, but that the rate of growth of our economy has been too slow (and that we have had to spend heavily for national defense).

It follows, then, that our economy must grow at a faster pace than it has during the last few years. Action is needed not only to stimulate business investment, but also to stimulate consumer investment and investment in human capital. In his message of April 20, President Kennedy argued that tax benefits for business investment and better tax collections (withholding taxes on dividends and interest, and reduced business expense accounts), represent a set of proposals which should be considered as a unit. Is it not correct to argue that stimulation of business investment, of consumer investment, and of investment of human capital should be considered as a unit? If tax benefits are needed to stimulate growth and employment, they should be divided among the three types of investment, all of which are essential for our economy and society.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. WEAVER].

Mr. WEAVER. Mr. Chairman, this tax bill we are talking about here today is another temporary extension of a program that was supposed to have expired at the end of World War II. These excise taxes and luxury taxes were imposed to help pay for the war effort. The implied promise of the administration in office then and the Congress was that as soon as the emergency ended, the taxes would end.

Well, we know now that this promise just was not kept and from year to year these taxes have been extended. Some of the taxes are charged on what really amounts to luxury items. Others of these taxes, however, have been kept on items which by no stretch of the imagination can be considered luxuries in today's world. I refer specifically to transportation and telephones.

In the business world of today a telephone cannot be considered a luxury. It is a necessary part of the normal office equipment found in any store or office. The telephone is a necessity in order to speed up the business transactions of day-to-day operations.

The telephone is also a necessity on the farms of this Nation. It has meant a tremendous saving of time and effort by our farmers and ranchers who live far from town, far from their markets and far from their sources of supply. The daily operation of a modern farm could not be possible without use of the telephone.

In the millions of American homes where telephones have been installed, they have become a necessity rather than a luxury. They save time and, in many cases, make it possible for the normal operation of the home to run smoothly.

In almost every case, the telephone is a real necessity and not a luxury. It is ridiculous, therefore, to impose a luxury tax on the telephone service of the country.

As for transportation, the tax here has caused almost immeasurable damage. Our railroads are suffering drastically because of the decline in passenger traffic. More and more trains are being taken off by the railroads. The day is fast approaching when passenger service will be nonexistent. The 10 percent tax on rail fares has done more to destroy railroad passenger service than any other single thing in our recent history.

Many bus lines, too, have suffered because of it. I am told that without their charter service even some of the big bus lines would be losing money.

All of this has come about because of what I consider to be a most unfair and unjust tax.

I hope my colleagues will join in defeating these tax extensions.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CHAMBERLAIN].

Mr. CHAMBERLAIN. Mr. Chairman, for the fifth time in as many years I rise to record my protest against the extension of the 10-percent automobile manufacturers' excise tax. As you know, this discriminatory tax was increased from 7 percent to 10 percent in November 1951 as a temporary measure, and has been extended annually since 1954. On June 30, this tax will automatically revert to 7 percent unless this House takes affirmative action to extend it for the eighth time.

Ten years ago, in order to channel our industrial production in support of the Korean war, the proponents of this tax were frank in stating that the increased tax was designed to curb, to slow down, to curtail, to put the emergency brake on the production of automobiles by increasing their price and at the same time raising needed revenue. To be sure, the need for revenue still exists. But I believe there are more equitable ways to raise revenue than through penalizing the Nation's No. 1 industry at a time when it needs incentives, not penalties. After all the discussion and debate we have heard during the past few months about the recession—and when the workers in the automotive industry have felt that recession more than the workers in any other segment of our economy—I submit that the time has come for the Federal Government to remove the emergency brake which the 10 percent excise tax imposes on automotive manufacturing.

By Executive and legislative action, both the administration and the Congress have expressed their deep concern over the effects of the recession and the unemployment which followed in its wake. We have enacted the depressed areas legislation, we have extended unemployment compensation benefits, we have shown our concern in many other ways. But all of these actions have been designed to cope with effects rather than causes. We have not attacked the real problem. We need to stimulate production rather than retard it by depressive taxation and then appropriate more funds to buy our way out.

It is high time that we take off the 1951 emergency brake that has been slowing down the automotive industry and creating problems of unemployment for its workers. Automotive manufacturing is, after all, the Nation's number one employer. With its related industries, the automotive industry employs more than 10,500,000 workers, or 1 out of every 7 workers in the United States. One of every six businesses is automotive, and 22 percent of all retail sales are automotive, and this just begins to indicate the magnitude of the situation.

I recognize the need for Federal revenue, as well as any of my colleagues. With billion dollar authorization and appropriation bills commonplace in the Congress today, I think all of us realize that the Government must tax someone or something—or perhaps more accurately, everyone, and everything. But I protest again the inequality of this tax, which singles out one industry and its workers—and levies a discriminatory 10 percent tax. The automotive excise tax does violence to the fundamental concept of taxation requiring uniformity of treatment. If we must have huge Federal revenues—and I regret I see no lessening of our budgetary requirements—I submit that it is time for the Congress to give serious thought to tax revision. Ever since I have been a Member of this body, I have heard talk of tax revision, but as yet I have seen no action. The time has come for us to stop talking about tax revision and start revising.

While I am not a member of the distinguished Ways and Means Committee and I am not fully informed as to the many complexities involved, it is my sincere belief that serious consideration should be given to the enactment of a general manufacturers' excise tax which would fairly and equitably distribute the tax burden on all manufacturing rather than making the automobile pull the whole excise tax load. Such a broadening of the tax base would permit a much lower tax rate as well as insure greater stability in annual revenues.

The only justification that I have heard for the continuation of the automotive excise is that "We need the money." However, because the extension of the Korean increase has become almost automatic, there is danger that both the Congress and the administration may forget that motor vehicles are almost the only major manufactured products subjected to increased rates during the Korean emergency which subsequently have not received either outright tax cancellation or at least substantial reduction.

Mink coats, diamond rings, golf clubs and many other luxury items are no longer taxed at their maximum rates. But we are asked today to extend the 10 percent automotive excise tax for another year.

A general excise tax would not penalize one industry in favor of others. It would not favor the workers in some industries, while it was raising prices and reducing demand for the products made by other workers. Because automotive sales distribution reaches down to the crossroads in every section of the country, the economic benefits to the purchasers and users of cars would be national in scope. Today, motor vehicles are manufactured—in whole or in part—in all sections of the country. As I told the Committee on Ways and Means when I was afforded an opportunity to testify on this legislation on May 10, the auto industry purchases 20 percent of all steel, 46 percent of all lead, 47 percent of all malleable iron, 63 percent of all rubber, 63 percent of all upholstery leather and 69 percent of all plate glass produced in the United States. Contrary to the concept of many, it is readily apparent that the automobile industry does not belong solely to the State of Michigan. It belongs to practically every State in the Union. And what happens to the automobile industry influences the economy of every part of the United States.

Any economist worth his charts and graphs will tell you that he watches the automobile with the same alertness as a weatherman watches his barometer. He well knows that what happens to the automobile industry happens to the rest of the economy. It is true that much of the automotive industry and its management are centered in Michigan, but in more recent years there has been a decentralization in the assembly and automobile parts of the industry which are now located in 41 States. More than half of the automotive manufacturing employment and payroll is outside Michigan. Here are the States producing some of the products used in the manufacture of automobiles: Glass comes principally from Ohio, Illinois, West Virginia, Texas and California. The top steel States are Pennsylvania, Ohio, Indiana, Maryland, West Virginia, and Alabama. Leather manufacture is concentrated in Massachusetts, New York, Pennsylvania, Illinois, Wisconsin and Kansas. Synthetic rubber States are chiefly Kentucky, Louisiana, Texas, West Virginia, Ohio, California, Connecticut, and Pennsylvania. And I could go on naming the top six States in the production of other products used in the complete automobile—products such as textiles, paints, plastic, petroleum and so forth.

It is fundamental that price plays the leading role in an individual's decision whether or not he should buy an automobile, or any other item for that matter. A high price may well discourage the man who needs a new car, a lower price may well encourage him to purchase one. In past years, there has been expert testimony on this subject of price as it relates to automobile buying. Economists have testified about the elasticity of demand—that is, the effect of price changes on sales—as it relates to the automobile.

There have been varying estimates of the actual amount of elasticity. The most conservative estimate I have found is 1.2 percent meaning that a 1 percent decrease in the price of an automobile will stimulate the sale of 1.2 percent more automobiles. It follows, of course, that greater reductions would stimulate greater sales.

It is also important to note that, when I speak of automobile purchasers, I am not discussing a small, elite, high-income group. According to the Federal Reserve System's survey, covering automobile purchases in the third quarter of 1960, more than half—actually 57 percent—of all new cars were bought by persons with annual incomes below $7,500. These persons bear an extra burden of taxation because they find it necessary to use cars going to and from work, or for other essential travel, as 65 percent of all trips are connected directly with earning a living or with other basic vital activity.

The customer spending $2,500 on a new car in Michigan, for example, will pay 26 percent of the total in excises, with the excise tax taking the biggest single bite. Therefore, it is clear that the automobile excise tax places a special burden on the lower income groups.

While I have pointed out that the automobile excise tax discriminates against the production worker, the manufacturer, and the purchaser, there is another important segment of our economy that is also affected adversely—the retail automobile dealer. The statement to the Ways and Means Committee last month by the National Automobile Dealers Association underscored this problem with the following facts:

> Last year the industry lost 2,500 dealers; nearly 300 dealers failed; 22 percent of dealers operated at a loss; and average operating profit before taxes as a percentage of sales was five-tenths of 1 percent for the franchised dealer. In the first quarter of this year, nearly 40 percent of all franchised dealers operated at a loss; and the combined operating results before taxes for all franchised dealers averaged out to a loss of two-tenths of 1 percent on total sales.

These are shocking figures, but I do not suggest a program of Federal aid to help these dealers. Rather, I submit the answer is a reduction in the excise tax to permit them to help themselves.

In conclusion, let me say it is my intention to vote against this bill on final passage because, with the closed rule under which it is being considered, this is the only way in which I can voice my protest against extension of this discriminatory 10 percent automobile excise tax. However, I want to make it clear that my vote against the bill should not be construed as a vote favoring the reduction of the alcohol, tobacco, or corporate taxes. I recognize that this tax will no doubt be extended again, as it has been in the past. Nonetheless, I am grateful for this opportunity to call attention to the basic injustices inherent in the tax. I shall continue to point out these injustices so that, with the passage of time, the automobile excise tax will not become an integral part of our tax structure and our taxpayers conditioned to accept it in perpetuity.

May I urge my colleagues who share my views with respect to the inequities of our automobile excise tax to join me in opposing this extension.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. CHAMBERLAIN. I am glad to yield to the distinguished gentleman from Tennessee.

Mr. BAKER. Mr. Chairman, for the past 4 years and longer than that the gentleman from Michigan [Mr. CHAMBERLAIN] has discussed with me as one member of the Committee on Ways and Means each year when this matter comes up what we can do to eliminate this unfair tax which is doing so much to retard the automotive industry. He has appeared before our committee every time the matter has come up and has testified. I compliment him for his zeal and his ability in pursuing this matter, and I feel we will solve the problem soon.

Mr. CHAMBERLAIN. I thank the gentleman from Tennessee.

Mr. MACHROWICZ. Mr. Chairman, will the gentleman yield?

Mr. CHAMBERLAIN. I yield to the gentleman.

Mr. MACHROWICZ. Mr. Chairman, I would like to say that I join the gentleman in his concern over the fact that nothing is being done about the automobile excise tax. I want to call his attention to the fact that I expressed concern in committee and opposed the extension of the automotive excise tax in this legislation. However, I notice the gentleman says that he opposes this bill because it singles out one industry and levies on it a discriminatory 10 percent tax.

I wonder how the gentleman feels about a motion to recommit which seeks out only one tax and atempts to repeal that and leaves the tax on automobiles as it is. Does the gentleman not feel as we do that this matter should be given more serious study and that if any relief is needed it also should be given in the area of the automobile excise tax and maybe others rather than by now repealing one tax, and leaving on the very discriminatory automobile excise tax?

Mr. CHAMBERLAIN. I would say I am terribly concerned that this motion to recommit does not also contain a provision with respect to the automotive excise tax. I am against all these excise taxes because I think they are all discriminatory. I am going to vote against an excise tax every chance I get. I hope that we can come back here next year and say, "You have taken care of everything else, but you have not taken care of the automobiles. Now we must do something about that."

Mr. MACHROWICZ. The motion to recommit was prepared by a gentleman on the minority side, and it did not include the automobile excise tax.

Mr. CHAMBERLAIN. I regret that it was excluded.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY of Indiana. Mr. Chairman, although I shall vote in favor of extending the corporate normal-rate tax and certain excise-tax rates, as provided

in H.R. 7446, I should like to make some pertinent observations concerning this matter.

I would much rather not have an extension of these taxes; however, I find it necessary to support the extension if only to prevent greater deficit spending. Although the extension of these taxes does not afford me any assurance that our national debt will not be increased, I know that the debt will be greatly increased without the tax extension.

Deficit spending will most certainly bring about the downfall of America—sooner than Khrushchev has planned—unless the Federal Government adopts a more sane attitude toward governmental spending programs. Unless fiscal responsibility once again becomes a national goal instead of an outmoded phrase to be laughed at by the starry-eyed, free-spending liberals, we may soon see the day when we shall find the U.S. Government borrowing money in order to pay interest on a much more fantastic debt than we have at present.

The extension of these nuisance taxes in H.R. 7446 are a source of irritation, as well as being a burden, to our businessmen. Not only do the nuisance taxes cause irritation between businessmen and the Government, but the businessmen must bear the brunt of criticisms by the buying public which feels that somehow the businessmen are to blame for high prices when the high prices partially result from a multiplicity of taxes at all levels of Government.

It is my opinion that if the Congress persists in extending these nuisance taxes year after year, the people are one day going to bring such pressure to bear upon us that we shall have no choice except to find a way to operate proper Government functions with a minimum of revenues extracted from the people. These nuisance taxes do not affect just one segment of the public; these taxes affect taxpayers in all income brackets.

In brief, I do not find it to my liking to vote in favor of extension of these taxes. I cast my vote in this manner only to preclude the increase in our national debt which has reached a ridiculous sum.

I know that the American people are strong enough and willing to withstand most anything; however, I fear that their patience is reaching the limit. I hope that my colleagues in the Congress will exert extra efforts in the future to see that fiscal responsibility once again becomes reality, else the liberal concept of fiscal stability being an unachievable myth will bring about our ultimate downfall as a Nation.

The American people do not object to making monetary sacrifices to place our Treasury on a sound basis once again, but they do object to making such sacrifices for spending our country into obscurity.

Mr. BYRNES of Wisconsin. Mr. Chairman, I ask unanimous consent that the gentlewoman from Washington [Mrs. MAY] may extend her remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mrs. MAY. Mr. Chairman, I am very much in accord with the views of the minority Members, as stated in the report accompanying H.R. 7446. I have long supported the position that the 10-percent Federal excise tax on transportation of persons should be repealed. In this regard, I point out to the Congress that both houses of the Washington State Legislature, in March of this year, adopted identical resolutions petitioning the Congress of the United States to remove the unfair and inequitable tax upon transportation services and communications during the current session of Congress.

The transportation tax was orginally imposed in World War II to deter travel. There is no place, at the present time, for a deterrent to travel. What the tax now does is to make the price to the public 10 percent higher than the established carrier fare. Removal of the tax would enhance the opportunities for the rail, bus, and air travel industry to stimulate additional transportation revenues through special promotional fares aimed at particular markets.

It has been estimated, as the minority views point out, that a substantial portion of the excise tax revenue loss from repeal of the transportation tax will be offset by revenue gain from the elimination of a deductible expense and that the revenue offset would be further enhanced by the likelihood of a more profitable transportation industry.

Retention of this tax is not in the national interest, and I urge its prompt repeal.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Chairman, I oppose this legislation because I do not believe this continual extension of these "temporary" taxes keeps faith with the American people and they are discriminatory. I think if it is necessary to impose a temporary tax for a specific period the taxes should be allowed to expire at the end of that period.

I am particularly opposed to the tax on telephone service and on transportation. Surely these so-called temporary taxes should be removed in the interest of fairness to the American people.

Of course, if a majority did not continually vote for more and bigger spending programs we would have been able to remove these unfair taxes long ago. One way to reduce waste and Government spending is to vote against this bill which I intend to do.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. LINDSAY].

Mr. LINDSAY. Mr. Chairman, I am deeply troubled by the point in question. Which of two desirable goals has the highest priority: the need to keep ourselves on a pay-as-you-go system and to balance the budget, or the relief of a distressed industry, to the extent of $300 million in tax money?

I take the position that a balanced budget is a highly desirable and necessary objective. The cost of defense, of national and of international security are staggeringly high. We have domestic programs, furthered by two administrations, that are not cheap. Therefore, if we, as elected representatives, have any obligation it is certainly this: to recognize that we cannot be all things to all men, that we cannot have it both ways, and that the Congress must have the courage to pay for the programs it enacts.

I remember that in the 86th Congress there were efforts made to repeal or reduce the transportation tax in order to give relief to the transportation industry. The Eisenhower administration vigorously opposed these efforts. The Eisenhower Treasury Department argued that the loss of revenue far outweighed the economic value to the industry in taking this singular action. Certainly, the transportation industry is in economic difficulty. But so are others. I have heard arguments on the floor today from those who would support the proposed motion to recommit, which would remove the total transportation tax, to the effect that there are other industries or segments of industries which are in just as great difficulty and suffering under just as heavy burdens as the transportation industry. If this is the case, why do we single out transportation?

I should like to see an end of all of the Korean taxes imposed as temporary measures during a period of emergency. Indeed, the tax on transportation was designed in part to discourage transportation under wartime conditions. Hence, the need for a thorough overhaul of the entire problem and of the whole structure of excise and use taxes. Such a study and overhaul the Ways and Means Committee has promised, and I take it from the remarks of the gentleman from Texas [Mr. IKARD] that the Treasury Department has promised its report in respect of the transportation industry within 30 days.

The motion to recommit the bill with instructions to bring it back with the removal of the transportation tax calls for the repeal of the full 10-percent tax. This is even more than the industry has asked for. The industry, as I understand it, has suggested that 5 percent be retained in the form of a use tax. As I understand it, further, the revenue loss by this motion would be $300 million in the first fiscal year. How can we stand for such a proposition and at the same time commit ourselves to the defense and space exploration program that lies ahead of us?

For these reasons I shall vote against the motion to recommit, and I do so, Mr. Chairman, with the full knowledge that intelligent and not piecemeal relief must be given to certain segments of our economy lest they are to become totally subsidized by the Government. For the same reasons, of course, I shall vote for final passage of the bill in the event the motion to recommit fails.

I have listened with as close attention to the debate this afternoon as any matter since I have been a Member of Congress. The questions that I asked of members of the Ways and Means Committee were designed to discover which

need should take priority—the need for fiscal responsibility or the need for special relief. I am persuaded it is the former. In good conscience I cannot support a tax reduction to this extent under the circumstances in which our Nation finds itself today.

Mr. BYRNES of Wisconsin. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. KNOX] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KNOX. Mr. Chairman, again the House is being called upon to vote for continuing high taxes to finance, at least in part, continued high spending. One of the taxes that would be continued at an excessively high level is the 10-percent manufacturers tax applicable to passenger cars and the 8-percent manufacturers tax applicable to automotive parts and accessories.

Mr. Chairman, there is little question that these two taxes have an adverse impact on the economic well-being of the entire automotive industry which affects my State of Michigan, but indeed have an adverse impact nationwide because of the great importance of automotive transportation to our general economic activity. I am convinced that the outright repeal of these taxes or their substantial reduction could have the effect of producing a revenue gain rather than a revenue loss. But even if such were not the revenue consequence, I am of the firm conviction that these two automotive excises should be repealed. The automobile is an essential and necessary part of our American way of life and it should not be subject to a discriminatory excise tax, the revenues from which go into the general fund and are an addition to the other heavy highway user taxes that go into the highway trust fund, plus the income taxes that our highway users pay.

It has been estimated that highway users in 1960 paid Federal, State, and local automotive taxes in excess of $10.5 billion. There can be no question that such an onerous excise burden has impaired the vitality of this major U.S. industry. I have in the past, and I do today express my support of sound efforts to bring proper tax relief to the automotive industry.

I regret that the rule under which this bill is being considered does not permit us the opportunity to vote separately on the automotive tax. The only alternative available to the minority is to offer a motion to recommit. It has been decided that that motion to recommit should be with instructions calling for the repeal of the 10 percent Federal excise on transportation of persons. This excise has been selected for this consideration because of the testimony presented to the Committee on Ways and Means by the Chairman of the Interstate Commerce Commission and the Chairman of the Civil Aeronautics Board that the repeal of this transportation excise was urgently necessary for the maintenance of a strong domestic common carrier system. While I would personally like to see the House have the opportunity to vote on the automotive excise, I am of course also interested in maintaining an adequate transportation system in America because of its importance to national defense and economic growth. The people of my State of Michigan have a great stake in the automotive industry, but they also have a great stake in our Nation's transportation system in general. For that reason I will support the motion to recommit today in hopes that we can succeed this year in taking care of the uneconomic transportation tax and then next year we can direct our endeavors to obtaining relief for the automotive industry in connection with the excises imposed on that industry.

Mr. Chairman, we have heard a great deal today about spending, taxing, deficits, and fiscal responsibility. I believe that fiscal responsibility implies the avoidance of unnecessary spending and also the avoidance of unwise taxation. I do not believe in deficit financing. As a consequence it will be my course of action to support government economy and also wise tax adjustments that promise the betterment of our economic strength and economic potential. I urge my colleagues to support the motion to recommit.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. BELL].

Mr. BELL. Mr. Chairman, I have consistently voted against what I have felt were irresponsible spending programs and unnecessary authorization projects involving huge sums of money.

I will vote for the recommittal of H.R. 7446—as it is my belief that continuation of the transportation tax is no less than confiscatory and may result in a possible Federal Government subsidy for some of our major transportation systems.

Mr. Chairman, if the motion to recommit fails passage, I will vote for final passage of H.R. 7446 on the basis of fiscal responsibility.

I shall continue fighting, Mr. Chairman, for responsible Government and opposing excessive spending programs. It is my belief that a Representative should and can serve his constituency and Nation best by working to reduce the large authorizing projects, and not by random cuts of revenue. Cutting revenue and not expenditures puts the cart before the horse.

The history of public debt, as shown in past Federal budgets, shows that the amount of revenues received is not a controlling factor on expenditures.

According to statements made by Secretary Humphrey and other very able Secretaries of the Treasury: Our first step is to reduce spending.

Mr. MILLS. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Chairman, I regret very much that the parliamentary situation is such that an amendment will not be in order to remove the telephone tax. Of all the mail we receive on excise taxes, we are all aware that this is the tax that carries the greatest degree of criticism, and deservedly so. This excise tax on telephone service has a wide impact. It should be repealed as soon as possible. I am aware of the great difficulty the committee has in trying to deal with this problem but I hope the committee will in its next bill give consideration to repeal of the telephone tax. Although the rate of return on the present telephone tax is $500 million and contributes toward our national defense, I hope that we can ultimately look to the time when this tax will be removed and some other way found to provide this needed revenue.

Mr. MILLS. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. IKARD].

Mr. IKARD of Texas. Mr. Chairman, it is never an easy matter to defend the extension of taxes, particularly this one, as has been pointed out by almost every speaker. These taxes were imposed, or at least most of them were imposed during the Korean conflict, and it was envisioned at that time that they would be temporary in nature. Since that time they have been extended, as has already been pointed out, and I think this is the ninth time. Most people who have considered the question, recognize as the chairman of our committee mentioned in his opening remarks that no doubt a very valid case can be made for the elimination of each single one of these excise taxes and, particularly, if you take them individually. I do not feel, however, that it is at all equitable to take one tax or to single out one tax and say we are going to do a job to give relief in this case when we ignore the matter of automobiles, for example, with reference to which the distinguished member of our committee from Michigan [Mr. MACHROWICZ] has to my certain knowledge for the last 5 or 6 years made every effort in the committee to see that the tax on automobiles was removed. And there are other situations about which there can be no question that the tax constitutes a burden on the industries.

With respect to this transportation tax on persons, I think it is important that the Committee of the Whole understand the situation in the Committee on Ways and Means. There are a number of us on that committee who have a great deal of concern about the whole sector of our economic life that is represented by the transportation industry. The railroads are in terrible economic condition. The combined earnings of the airlines during the last year were probably not as much as any major line should earn. The trucking industry has an operating differential, if my memory serves me right of something like 97.5 percent which means their profit margin is very low. But the point is this: Those concerned in our committee prompted the committee to direct the executive departments and agencies to make a study of this whole area on the question of use taxes that the airline industry should pay, if

any, and the transportation tax on persons in general.

The Department of the Treasury has assured us that a study will be made and a report submitted to us on this not at some time in the future, but this month and before the month is out, we will have this whole question up in our committee for a complete examination and a complete review. It is my hope that as a result of that study that is being made, there will be an attempt to coordinate the ideas of the independent agencies which the gentleman from Wisconsin [Mr. BYRNES] mentioned, and the departments of our Government so that we can develop some meaningful responsible tax policy with reference to the whole transportation industry on these taxes. That report should be up here and we will be considering it before we finish, or during the time that we are considering matters which were in the President's tax message. If we were today to adopt the motion to recommit, it would absolutely preclude any action on the part of our committee to equalize the tax load among and between the different elements of the transportation industry because we simply could not do both jobs. So the question here really is whether or not you want to remove this tax without any real coordinated study of the question and when there is a great difference of views and opinions between the departments and agencies of Government about it or whether you want to wait 2 or 3 weeks until this information can be coordinated and an effective program which will do a good job for the transportation industry can be developed.

Mr. MILLS. Mr. Chairman, will the gentleman from Texas yield?

Mr. IKARD of Texas. I yield.

Mr. MILLS. It has been suggested this tax should be eliminated now because of the argument that the relief from tax on most any industry would permit it to grow. You and I cannot take issue with an argument of that sort, but we can take issue with an argument of that nature that says that at the moment we know enough about this present situation to single this one group out and suggest that their burdens are greater than anyone else's and that they should be relieved of this burden of tax before anyone else is relieved. Is that not true?

Mr. IKARD of Texas. That is absolutely true.

Mr. MILLS. Is it not also true that the same argument was made by the same departments and agencies of the Government in behalf of many of these taxes and in particular the transportation tax in the last few years by the way of submission of letters to me as chairman of the committee?

Mr. IKARD of Texas. That is true.

Mr. MILLS. Is it not also true that it is accepted by the airline industry itself that some of this passenger tax will be retained by the Congress, perhaps in the form of or in lieu of a user tax on the airline industry?

Mr. IKARD of Texas. I am just coming to that point, Mr. Chairman, and I think it is a very important one.

Mr. MILLS. It is. So who is it that it asking for the elimination of this tax in its entirety?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MILLS. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. IKARD of Texas. Mr. Chairman, on the point just raised about the possibility that a part of the transportation tax might be continued, as a use tax: That is what I was leading up to a moment ago when I said that an affirmative action today on a motion to recommit will prevent an orderly consideration of this problem in the Committee on Ways and Means.

There has been proposed, as all of you know, in the message that the President sent up here, a beginning rate of 2 cents on jet fuel. The airlines have said, and I think as far as I am concerned with a good deal of justification, that this tax would make it impossible for them to make any profit whatsoever. The FAA tells us that they should be required to pay some use tax for the use of the airways of this country. They regulate the air industry as far as safety is concerned. The CAB tells us that the transportation tax should come off. The ICC tells us it should come off. As the gentleman from Wisconsin [Mr. BYRNES] said, Chairman Hutchinson wrote our committee. Other departments have expressed themselves otherwise.

What we are trying to do is to coordinate this information to where we of the committee can find out: One, what use tax we should impose on the airlines; should it be a tax on jet fuel? Or should it be a continuation of part or all of the passenger tax that would be dedicated to the development of our airways? This is the question; and let us not lose sight of that fact and hurriedly vote for a motion to recommit which would destroy this passenger tax and really preclude proper and meaningful relief to the transportation business which they say is so badly off.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. IKARD of Texas. I yield.

Mr. BYRNES of Wisconsin. The gentleman realizes that if we were to take off the general transportation tax on persons it would apply to airline tickets as well as to railroad tickets. Is there any reason why if we take action with respect to the repeal of the general transportation tax that we cannot tomorrow give consideration to a use tax on the airlines, consider any form of use tax that we want? This will not foreclose us; and the gentleman's suggestion that we keep penalizing, let us say, the railroads, because there is a possibility we may want to put some kind of passenger tax on airline tickets, to me just makes no sense.

Mr. IKARD of Texas. I think the gentleman, who in my judgment is one of the most astute men in this House, and there is no man for whom I have greater respect—I think he knows as a practical proposition that if we repeal the tax today—and he has had much longer experience on the Committee on Ways and Means than I—that as a practical matter it would be extremely difficult to reimpose it. All I am saying is I hope that out of this study, so far as I am personally concerned, we will be able to recommend to the House of Representatives that we possibly could repeal the transportation tax on persons, those persons who travel by rail or bus, and we could continue perhaps as a use tax some sort of a tax on air travel. I have not reached that conclusion. None of us can make a firm judgment on that until the facts are in and the contradictions up town are resolved.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. IKARD of Texas. I yield to the gentleman from Arkansas.

Mr. MILLS. Is it not a fact that the airline industry itself, above all things least prefers this tax, or at least of the things that have been suggested, this tax on jet fuel. We did not include the tax on jet fuel out of deference to the arguments made by that industry, but until we can come up with a solution to what the industry should pay and how it should pay it, we were not willing to foreclose this particular tax. If we did it today, acording to what our friend from Wisconsin is saying, we might come in next month and reimpose it under the name of a use tax. It would be on the same people who are paying it today, namely the folks who travel, whether we call it a tax on air travelers or a use tax on airlines.

Mr. IKARD of Texas. If this motion to recommit is adopted, we will be back here with the necessity of imposing an additional excise tax on this or other items.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MILLS. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. IKARD of Texas. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. It seems to me when we were considering this legislation the Chairman said it would not be in order to consider as a part of the extension of these taxes the general use tax on airplanes, such as consideration of a tax on jet fuel, or anything else, therefore we were not going to consider in committee the question of a use tax, it was to be a separate item. Now that is all I am suggesting.

Mr. MILLS. I think my friend understands I have not made up my mind that the jet fuel tax is a proper way to tax airplanes. I did not want it included in the business then before the committee because I did not think the members of the committee, as well as the chairman, was prepared to pass judgment on that as a proper use tax. It was for that reason I wanted the study of 3 or 4 weeks made and a further report to the Congress.

Mr. BYRNES of Wisconsin. This has nothing to do with the jet fuel tax. This relates to transportation taxes generally,

and one of them is the passenger tax on air travelers.

Mr. MILLS. I have the greatest respect and admiration for the gentleman from Wisconsin, but what my friend is asking me to do is to join him in marching up the hill, repeal a tax by his own admission, and a month or two later pass a use tax applying to the same people, go up the hill and come down again. I cannot follow my friend's logic in repealing a tax and recommending to us that we do it because later on we may want to reestablish it or to reimpose it as a use tax. The people who pay the tax are not going to know the difference, whether it is a transportation tax or a use tax.

Mr. BYRNES of Wisconsin. The gentleman still seems to want to forget the fact that this is a general tax, not applying exclusively to the airlines. It applies to all forms of transportation.

Mr. MILLS. The gentleman knows that it is all the same and the biggest share of the tax comes from air travel.

Mr. CLEM MILLER. Mr. Chairman, will the gentleman yield

Mr. IKARD of Texas. I yield to the gentleman from California.

Mr. CLEM MILLER. I am unable to understand if the situation is as desperate as it seems to me to be why the elimination of one or any of the taxes would not be helpful. It has been charged here it is discriminatory in some way. If we should eliminate one, we may be able to eliminate others. I am not able to understand, if the situation is so desperate, why a start cannot be made.

Mr. IKARD of Texas. You speak, I assume, of all the excise taxes.

Mr. CLEM MILLER. Yes.

Mr. IKARD of Texas. Well, I think you only have to look at the fiscal situation to get the answer to that. As has been pointed out here many times today, we are in a deficit situation; we will continue to be, and I do not think under those circumstances we can, with any responsibility, in the face of a deficit say that we must lose a source of some $300 million or $350 million a year revenue, to add to that deficit. That is, at least, my answer to that.

Mr. CLEM MILLER. As it applies to transportation alone?

Mr. IKARD of Texas. As it applies to transportation. The question that has occurred here is the suggestion in the President's message that there be additional taxes applied, as the gentleman from Wisconsin [Mr. BYRNES] pointed out, only to the airline industry. I want to make that clear. I am not suggesting it is anywhere else but there. Some of us feel that they already have a burdensome tax problem, and that there should be some serious consideration given to how this use tax, if any, is applied, and to this point, at least, as far as I am concerned, as one member of the committee, the departments of Government have not been able to supply sufficient information; in fact, there is a great deal of contradiction in the views within the independent agencies and the executive branch. We have simply asked that they coordinate their views and bring a consolidated report to our attention and to do that by the middle of this month. And, that is the situation, as I understand it.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. BAKER].

Mr. BAKER. Mr. Chairman, I would call the attention of the membership to the fact that this is a direct tax on the individual passenger of 10 percent and not a tax upon the airlines, railroads, or buses. Therefore, if this motion to recommit prevails, we will remove from the individual passenger a 10 percent tax. If we cannot repeal all of these excise taxes at once, let us repeal them one at a time.

Mr. Chairman, I recommend a vote for the motion to recommit.

Mr. HEMPHILL. Mr. Chairman, I am opposed to H.R. 7446. I fully recognize the necessity of raising revenue, but I also recognize the fact that we will never cut taxes if we take the easy annual-extension method of continuing taxes that were promised as temporary taxes.

A Congress of which I was not a Member promised certain reduction in taxes here considered. I did not participate in the promise but I would participate in keeping that promise, or those promises, and my vote today is keeping that promise.

This legislation came to us under a rule that allows no amendments. This method of cutting off the power of a member to assert his rights has been practiced time after time. The American people suffer.

We could allow part of the promised reduction and offset the loss of revenue by cutting off part, if not all, of our wasteful and nonproductive foreign aid.

I have just heard of more trouble in Laos. What good did all our money do? It did no good.

If that money had not been spent, we could take off the entire telephone excise tax and absorb any difference.

Someone must protest the continuing of these taxes. I now protest. I voted against the bill in protest. I did not expect to win. I do expect to continue to voice my objection and to fight for reduction of these taxes.

I am not concerned with the taxes on distilled spirits, beer, wine, and cigarettes. They are not necessities.

I protest the taxes on telephone calls, transportation, automobiles, and automobile parts and accessories. We do not have here any attempt at reduction, not even an attempt at gradual reduction. How hopeful we could be if we reduced even 25-percent per year. When are we going to start?

This administration, and this Congress, should set some goal in the effort at tax reduction and work toward that goal. This legislation proposes no goal, promises no relief, reneges on promises made to the American people.

Are our abilities to be measured in terms of how much we can spend? I would rather have mine measured in how much I can save the American taxpayer, and that is my philosophy.

We should know now that we cannot spend our way to prosperity, at home or abroad. Would not our domestic and world image be much better if we could say that this Congress reduced taxes. How happy would our people be to hear such welcome, overdue, news.

The American people must speak, through their Congressmen, for tax reduction. I stand today to do my part. I shall continue my efforts to carry out the wishes of the people in this field.

Someone has to say no. I look forward to the time when the number and strength of the "no" is so loud as to force relief.

Mr. WHITENER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WHITENER. Mr. Chairman, I join my colleague from the neighboring State, the gentleman from South Carolina [Mr. HEMPHILL] in opposing the pending legislation. He has well stated his position and I associate myself with his remarks.

Mr. Chairman, I have been committed for some time to vote against further extension of the tax upon the use of telephones. The pending legislation thwarts the efforts which many of us have been making to abolish this inequitable tax. For that reason, along with other reasons too numerous to mention at this time, I cannot in good conscience support the continuation of this tax.

I have a similar feeling with reference to the further extension of so-called wartime taxation upon transportation, automobiles, and automobile parts and accessories. It seems to me that the taxes now imposed on these services and commodities should be thoroughly reexamined rather than take such action as we are now asked to take—merely extending taxes imposed during time of military conflict.

Then, too, Mr. Chairman, under the closed rule under which we consider this legislation the House is not permitted to work its will upon the various tax proposals contained in the bill. Had we had that opportunity and lost, my views as to how I should vote on final passage might be different.

While I realize the absolute necessity for raising revenue for the operation of Government I cannot by my vote countenance the philosophy and procedure now being employed in our current consideration of this legislation.

I also express the hope that we might give greater consideration in the future to expenditures authorized by Congress. This would obviate the frantic efforts that we must contend with in our legislative taxing problems.

Mr. PHILBIN. Mr. Chairman, I fully appreciate the position of those who support this bill in order to insure adequate revenues, but I am not persuaded

that this bill is a fair, equitable solution of the problem.

In my opinion there are other ways and means by which this Congress can perform its constitutional duty of raising necessary revenues without continuing these arbitrary, vexatious, wartime nuisance taxes.

I do not believe in the kind of discriminatory, repressive taxes this bill would continue.

It is obvious to me that Congress should and must radically revise and basically overhaul our entire tax structure, if we are to prevent further deterioration of our free enterprise system and check the marked decline which present taxes are promoting in the living standards of the American people.

Every segment of our business system, every segment of our people, from top to almost the very bottom, are being unduly burdened by excessive taxation. The rank and file of the people, businessmen at every level, especially small business, professional groups, farmers, workers, practically all the gainfully employed people of the Nation are being penalized and handicapped by current taxes. There must be some relief for them. It should start now.

In truth, we have become a tax-ridden people, and it is time for Congress to call a halt upon taxes that threaten further dire and harmful consequences to our economic system and the well-being prosperity and happiness of an overwhelming number of American working and business people.

I cannot support this bill and hope the committee will continue to give increasing and most careful attention to early appropriate readjustment of the tax structure to promote initiative, encourage enterprise, create new jobs and opportunities and relieve the American people as a whole from many of the unsound and unwise, heavy, tax burdens from which they now suffer.

Given the will and the attention we should have no difficulty developing proper measures of taxation to meet all our needs in these dangerous times, and this task can and should be accomplished by ridding the Nation of excessive, discriminatory taxes, and providing a tax system that will raise adequate revenues without smothering the creative impulses and initiatives of our fellow citizens, and that will be fair and equitable to those who must toil for a living, upon whom the heaviest tax burdens invariably seem to fall.

The strongest America will be a Nation free to move forward unfettered by oppressive taxes that strangle the best efforts of its citizens.

Mr. VAN ZANDT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Chairman, it is my understanding that upon completion of debate and reading the bill H.R. 7446 an effort will be made to recommit the bill with instructions to report same back to the House with an amendment to delete from the bill the ten percent excise tax on the transportation of persons.

For the past several years I have been active in trying to repeal the 10 percent passenger tax. During previous Congresses since the close of World War II and in the present Congress, I introduced bills designed to repeal the 10 percent passenger tax. It was a source of disappointment in 1958 when the House conferees found it necessary to refrain from concurring in the action of the Senate in repealing the 10 percent tax on the transportation of persons.

Again in 1959 Congress voted to reduce the passenger tax to five percent effective July 1, 1960. This action was later nullified solely for budgetary reasons, when the House by a narrow margin voted to extend the ten percent passenger tax another year. The Senate disregarding the vote of the Senate Finance Committee for complete repeal of the ten percent passenger transportation tax voted against either repeal or the scheduled reduction of the tax on July 1, 1960. As a result, under Public Law 86–564, the effective date of the 5 percent reduction was postponed to July 1, 1961.

There is no doubt that the 10 percent passenger tax paid by users of for-hire airlines, bus, rail and water carriers is proving a detriment to for-hire carriers of all modes of public transportation.

The transportation tax on passengers was levied in 1941 at 5 percent. It was increased in 1942 to 10 percent and raised again to 15 percent in 1944. It was decreased to 10 percent in 1954 and as previously mentioned its outright repeal was favored by the Senate in 1958 but failed to win the approval of both Houses of Congress.

It is common knowledge that the passenger tax was enacted during World War II and applied to travel at home and abroad. It was levied as an emergency measure designed to curb civilian travel on the then overburdened public transportation facilities. The tax on foreign travel has since been repealed.

Purely a wartime measure, the passenger tax is now regarded as a means of revenue despite the fact that it is highly instrumental in discouraging the use of the now under-utilized modes of public transportation.

It is recalled that a similar tax on passengers was levied in 1917 during World War I, but it was repealed effective January 1, 1922 or shortly after the end of the war.

It is also of significance that Canada in 1949 repealed its 15-percent World War II passenger tax. Meanwhile we continue to tax domestic travel but exempt travel to foreign countries. This is a form of rank discrimination and serves as a source of discouragement to those who wish to heed the oft-repeated admonition, "See America First." Thus it is proving detrimental not only to public carriers but to the resort and recreational industry of our Nation. The 10 percent passenger tax affects in an adverse manner all forms of public transportation at whose expense private means of transportation and private carriers not subject to the tax become the sole beneficiaries.

Revenues from passenger transportation are practically the only source of revenues for bus companies and the main source of revenue for the scheduled airlines.

It has been estimated that about 80 percent of the bus carriers are small businesses. These small carriers have been especially hurt by the impact of increased costs and the financial condition of many of them is cause for grave concern.

The financial situation facing many bus companies is further aggravated by decreasing patronage which is threatening the continuance of many bus services. In studies conducted in various States by State legislative committees since 1957 confirm the fact that a material amount of passenger traffic was being diverted from the common carriers by bus to private transportation resulting in the abandonments of bus routes and failures of bus companies. The present Federal excise tax of 10 percent on passenger travel discriminates in favor of private transportation and encourages it over essential public transportation. This is directly contrary to the recommendations of the reports filed by the various State legislative committees.

The intercity bus industry has experienced a steady decline in its volume of passenger traffic since the end of World War II. During this period there has been a decline from 32 billion passenger-miles to about 24 billion—a decrease of 25 percent—in a growing domestic market. While the total bus fleet has decreased about 30 percent during this period, the bus industry is still operating under 50 percent of its capacity. Since the majority of users of intercity buses comprise persons in the low-income level, the 10 percent passenger tax imposes a much heavier relative burden on them.

According to the recent report titled "National Transportation Policy" released by a special study group for the Senate Commerce Committee, all of the domestic common carriers of passengers have found the number of empty seat-miles increasing since 1946. The rate of increase has been most pronounced in railroad service causing the passenger deficit to climb from less than $200 million in 1946 to over $700 million in 1957.

The report states "although bus service has improved in terms of seats and speed, the number of passenger-miles in regular route service has declined since 1951."

With regard to the Nation's airlines the Senate study group found that, "while the available seat-miles for domestic trunk and local airlines from 1946 to 1959 increased from 7,490 million to 45,793 million, or almost 6 times, the revenue passenger-miles increased from 5,910 million to only 29,151 million or a little over 5 times. The result has been an increase of empty seats from 1,580,000 to 16,642,000 or by an increase of 15,062,000 empty seat-miles."

In addition to the findings by the special study group for the Senate Commerce Committee the national trade associations for all three of the major public carriers—air, bus, and rail—report that they are currently operating below their capacity for handling passenger traffic. Both the buslines and railroads are operating well below 50 percent of capacity while the current load factor of the airlines of 59.5 percent is at the lowest level in 10 years.

Since I represent a congressional district in Pennsylvania that percentagewise has one of the largest railroad populations in the country, I have firsthand knowledge of the financial plight of the Nation's railroads.

The marked decrease in rail passenger travel is revealed by the fact that the volume dropped from 59 billion passenger miles in 1946 to 17 billion in 1960, a decrease of over 70 percent. This rail passenger deficit since 1946 has averaged $585 million a year and because freight revenues have had to absorb it there has been a steady decline the past 5 years of the overall railroad rate of return from 4.22 percent in 1955 to 2.13 percent in 1960. As long as freight revenue must absorb passenger traffic losses the need to seek increases in freight rates is not lessened.

Our Nation as a whole is the chief beneficiary of a financially sound railroad system. With the vast investment in railroad passenger facilities and the heavy demands made upon the industry for such services in World War II, the constant decline in the railroads' percentage of passenger business handled by all classes of public carriers is of national concern. The 10-percent passenger tax is a detriment to the efforts by the railroads to increase passenger revenues and thereby avoid further curtailment of service and poorer facilities. On the other hand, constantly rising passenger deficits are a dire threat to the railroad industry and will eventually result in rendering the Nation's railroad system wholly unprepared for emergencies of peace and war.

Speaking of the ill effects of the passenger tax, the Treasury Department stated in December 1947:

> The prewar history of railroad rates indicates that coach travel is rather sensitive to changes in passenger fares. Accordingly, under normal conditions, the profits of railroads may be affected substantially by the existence of the tax. Because of large fixed costs a small decrease in passenger revenue can have an important effect on profits from passenger operations.

It is not my contention that repeal of the 10-percent passenger tax will serve as the sole remedy for the passenger deficit on our Nation's railroads. I do contend, however, that repeal of the 10-percent passenger tax will have a stimulating effect and aid immeasurably in securing an increase in the volume of passenger traffic which is sorely needed by the Nation's railroads in their battle for economic survival. We should not lose sight of the fact that during World War II we relied upon the Nation's railroads for 97 percent of all organized military travel needs. Today the future of the railroad industry is threatened by operating deficits of over $700 million a year.

We cannot afford to ignore the plight of the Nation's railroads because to do so we are turning a deaf ear to the needs of a strong arm of our national defense. In fact, we should take affirmative action to strengthen our essential public carriers by recognizing that the current 10-percent passenger tax is not only discriminatory and regressive but it tends to undermine our national defense at a time when world tensions and the threat of an all-out war were never more prevalent.

One of the strongest recommendations for repeal of the excise tax on passengers is contained in the following excerpt from the Report of the Interstate Commerce Commission on Railroad Passenger Train Deficit, May 18, 1959:

> The excise tax on passengers was designed primarily to discourage unnecessary wartime travel and only secondarily as a revenue measure. Obviously the reasons for its imposition no longer exist. More important, however, it is harmful to our transportation system and is highly discriminatory.
>
> Without repeating all of the reasons advanced for the repeal of the transportation tax, we wish to emphasize that it is having a serious effect upon the passenger train service of the railroads. Since the tax on passenger travel tends to discourage the public from using common carriers, it thereby aggravates the ever-mounting passenger deficit. While we recognize that the repeal would not provide a cure-all for the passenger deficit problems, such action would remove a serious deterrent to a greater use by the traveling public.
>
> In strongly urging that the Congress take action to repeal the tax outright, we are not unaware of the efforts which various Members of the Congress have made and are presently making in this regard. We are also not unmindful of the revenue needs of the Government. We are, however, convinced that any possible loss of revenue would be more than offset by the public interest in strengthening and preserving a transportation system capable of meeting adequately the country's need for service both in peacetime and during emergencies in conformity with the national transportation policy as declared by the Congress.

One of the chief stumbling blocks against outright repeal of the 10-percent tax on passengers is the assumption that such action would result in a loss of tax revenues. There has been no consideration of the effect of the repeal on the increased business in the resort, recreational, hotel and restaurant industries which would result in an increase in tax revenues.

Nor has there been any consideration given to the beneficial effect from the standpoint of aiding in alleviating unemployment that would result by making it possible for the airlines, bus, railroad, and ship industries to stabilize their employment.

Finally, an increase in passenger traffic on the public transportation system of the nation would result in a tax yield that would compensate for any decrease in revenues occasioned by the repeal of the 10-percent passenger tax.

According to information available for the fiscal year 1960, the Government collected a total of $255 million, nearly half of which—or $119 million—represented a tax-deductible expense because it involved business travel.

There is little doubt that if the $119 million in tax-deductible expense for travel had not been allowable it would have increased the taxable income of business firms. Assuming these firms were in the average 50 percent income bracket the Government would have collected nearly $60 million in additional tax revenue. In addition it has been estimated that a 5-percent increase in passenger revenues would have increased public carriers taxable net income by about $114 million.

In conclusion, it is apparent that repeal of the 10-percent passenger tax would not necessarily result in a heavy loss of tax revenues. The effect would be one of considerable return in the form of higher income taxes resulting from the greater volume of passenger traffic generated and from elimination of many tax-deductible expenses.

Therefore, it is my sincere hope that favorable action will be taken with respect to the repeal of the 10-percent transportation tax on persons.

Mr. RANDALL. Mr. Chairman, in connection with H.R. 7446 which provides for a 1-year extension of certain excise taxes and in particular the excise tax on general telephone service, I wish to state for the record that I have been, and am now, opposed to an extension of this telephone tax. This tax was instituted as a war measure, but apparently it is felt we are always facing an emergency of one type or another, because it is continued year after year.

I don't think anyone in the House would argue that today the telephone is anything but a necessity. It is almost as necessary to modern living as our electric lights, refrigeration and running water. It is not simply a convenience, it is necessary to the earning of a livelihood by its users. Yet year after year the Congress imposes this extra burden on the users of this particular utility—singling it out separate and apart from other utilities.

In both 1959 and 1960, my mail was heavy in protest against the continuance of this particular excise tax. I think people all over the country are aware that in 1959 the Congress voted to eliminate the tax, effective July 1, 1960. They also will remember that the House on June 8, 1960, to put it very generously, had a change of heart; or to put it more bluntly, did a complete right about face and dashed the hopes of those who had waited patiently for almost a year for the elimination of the tax on July 1, 1960.

Again this year, the Tax Extension Act of 1961, H.R. 7446, comes to the floor under the parliamentary description of a closed rule. What this means is that it is served up to the House in a package arrangement in which you must take all or none. In other words, were an amendment not prohibited, I am confident that one would be offered and this particular tax would be stricken from this Extension Act and laid to rest on June 30, 1961.

I am opposed to a rule which does not permit at least some measure of choice as to the imposition or extension of the several excise taxes. Accordingly, today I opposed the rule because of its limitation against amendment.

Mr. Chairman, I have been in favor of many of the programs voted during the past year; and I realize that, in order to pay for these programs, revenues must be forthcoming. But I submit that the telephone excise tax represents only a fraction of the total excise taxes levied against corporations, liquor, tobacco, motor vehicles, and the transportation of persons.

Having voted against the rule there remained only one more parliamentary approach and that was through a motion to recommit. The right of a motion to recommit always goes to the minority side of the aisle and the motion today was to recommit the bill to the committee with instructions that the excise tax on transportation of persons be discontinued. Nothing was contained in the motion to recommit concerning the telephone excise tax. By prescribing instructions for the elimination of only the one excise tax, the motion created another inequitable situation because the transportation of persons may be for business reasons and certainly a lot of the time it is otherwise, while the telephone excise strikes at a use which, as we have suggested, is a necessity for business purposes, as well as in all manner of personal emergencies.

We voted against the motion to recommit, since it singled out only one of the excise taxes and in our opinion, left unnoticed the one most deserving of attention—the telephone excise tax.

Mr. Chairman, we think the House should have been given a chance to select between these excise taxes. We will vote for the bill on final passage, but only after we have exhausted every means available to a Member on the floor to discontinue the telephone tax. We recognize the need for revenue. We would be irresponsible if we were to be against all excise taxes, but the general telephone tax is one which should be eliminated and we hope the extension bill will come to the House next year in a way that the House can exercise its will on each of these different taxes.

Mr. GOODELL. Mr. Chairman, I shall vote against this tax bill. All the Members of this great body are aware of my strong view that we should give some of this Federal tax revenue back to the States rather than authorize brand new spending programs that take the responsibility for local programs away from local authorities. As an example, the Federal cigarette tax, the liquor tax, or the telephone tax if made available to support our schools would do more good than any of the general Federal aid to education proposals and relieve the taxpayers at the same time.

Mr. MILLS. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. Under the rule the bill is considered as having been read for amendment. No amendments are in order to the bill except amendments offered by direction of the Committee on Ways and Means. Are there any committee amendments?

Mr. MILLS. There are no committee amendments, Mr. Chairman.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DELANEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7446) to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, pursuant to House Resolution 330, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. ALGER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ALGER. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ALGER moves to recommit the bill (H.R. 7446) to the Committee on Ways and Means with instructions to report the same back to the House forthwith with amendments as follows:

Page 2, strike out lines 18 and 19, and renumber the remaining paragraphs of section 3(a) of the bill accordingly.

Page 4, after line 6, insert the following:

"SEC. 4. REPEAL OF TAX ON TRANSPORTATION OF PERSONS.

"(a) REPEAL OF TAX.—Subchapter C of chapter 33 of the Internal Revenue Code of 1954 (relating to tax on transportation of persons) is hereby repealed.

"(b) TECHNICAL AND CONFORMING AMENDMENTS.—

"(1) The table of subchapters for chapter 33 of such Code is amended by striking out 'Subchapter C. Transportation of persons.'

"(2) Section 4291 of such code (relating to cases where persons receiving payment must collect tax) is amended by striking out 'sections 4231 and 4264(a)' and inserting in lieu thereof 'section 4231'.

"(3) Section 4292 of such code (relating to State and local governmental exemption) is amended by striking out 'or 4261'.

"(4) Section 4293 of such code (relating to exemption for United States and possessions) is amended by striking out 'subchapters B and C' and inserting in lieu thereof 'subchapter B'.

"(5) Section 4294(a) of such code (relating to exemption for nonprofit educational organizations) is amended by striking out 'or 4261'.

"(6) Section 6103(a)(2) of such code (relating to publicity of returns and lists of taxpayers) is amended by striking out 'subchapters B, C, and D of chapter 33' and inserting in lieu thereof 'subchapters B and D of chapter 33'.

"(7) Section 6415 of such code (relating to credits or refunds to persons who collected certain taxes) is amended by striking out '4261,' each place it appears therein.

"(8) Section 6416(b)(2)(H) of such code (relating to credits or refunds in the case of certain taxes on sales and services) is amended—

"(A) by striking out 'tax-exempt passenger fare revenue' and inserting in lieu thereof 'commutation fare revenue'; and

"(B) by striking out '(not including the tax imposed by section 4261, relating to the tax on transportation of persons).'

"(9) Section 6421(b) of such code (relating to gasoline used for certain nonhighway purposes or by local transit systems) is amended—

"(A) by striking out 'tax-exempt passenger fare revenue' each place it appears and inserting in lieu thereof 'commutation fare revenue'; and

"(B) by striking out '(not including the tax imposed by section 4261, relating to the tax on transportation of persons)' each place it appears.

"(10) Section 6421(d)(2) of such code (relating to definition of tax-exempt passenger fare revenue) is amended to read as follows:

"'(2) COMMUTATION FARE REVENUE.—The term "commutation fare revenue" means revenue attributable to the transportation of persons and attributable to—

"'(A) amounts paid for transportation which do not exceed 60 cents,

"'(B) amounts paid for commutation or season tickets for single trips of less than 30 miles, or

"'(C) amounts paid for commutation tickets for one month or less.'

"(c) EFFECTIVE DATE.—The repeal made by subsection (a) and the amendments made by subsection (b) shall apply only with respect to amounts paid on or after July 1, 1961."

Mr. MILLS (interrupting the reading of the motion to recommit). Mr. Speaker, I ask unanimous consent to dispense with the further reading of the motion and that it be printed in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. BYRNES of Wisconsin. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 189, nays 196, not voting 51, as follows:

[Roll No. 75]

YEAS—189

Abbitt	Boykin	Devine
Abernethy	Bray	Dole
Adair	Breeding	Dominick
Alford	Brewster	Dooley
Alger	Bromwell	Dorn
Anderson, Ill.	Brooks, La.	Dowdy
Andrews	Brown	Durno
Arends	Bruce	Dwyer
Ashbrook	Byrnes, Wis.	Ellsworth
Ashmore	Cahill	Fenton
Auchincloss	Cannon	Findley
Avery	Chamberlain	Flynt
Ayres	Chenoweth	Ford
Baker	Chiperfield	Frelinghuysen
Baring	Church	Fulton
Barry	Clancy	Garland
Bates	Collier	Gavin
Battin	Conte	Goodell
Becker	Corbett	Goodling
Beckworth	Cramer	Gross
Belcher	Cunningham	Gubser
Bell	Curtin	Hagen, Calif.
Bennett, Mich.	Dague	Haley
Berry	Delaney	Hall
Betts	Dent	Halleck
Bolton	Derounian	Halpern
Bow	Derwinski	Harrison, Wyo.

Harsha
Harvey, Mich.
Hays
Hechler
Hemphill
Henderson
Hiestand
Hoeven
Hoffman, Ill.
Hoffman, Mich.
Horan
Huddleston
Inouye
Jensen
Johansen
Jonas
Judd
Keith
King, N.Y.
Kornegay
Kunkle
Kyl
Laird
Langen
Latta
Lipscomb
Loser
McCulloch
McDonough
McFall
McIntire
McMillan
McSween
McVey
MacGregor
Mack
Mailliard
Martin, Mass.
Martin, Nebr.
Mathias
May
Meader
Merrow
Michel
Miller, Clem
Millikin
Minshall
Moore
Moorehead, Ohio
Morse
Nelsen
Norblad
Pelly
Pike
Pillion
Pirnie
Poff
Quie
Ray
Reece
Reifel
Rhodes, Ariz.
Riehlman
Riley
Robison
Rogers, Colo.
Rogers, Fla.
Rousselot
Saylor
Schadeberg
Schenck
Scherer
Schneebeli
Schweiker
Schwengel
Scott
Scranton
Seely-Brown
Short
Shriver
Sibal
Siler
Smith, Calif.
Springer
Stafford
Staggers
Taber
Teague, Calif.
Thomson, Wis.
Tollefson
Tuck
Tupper
Van Zandt
Wallhauser
Weaver
Westland
Whalley
Wharton
Whitener
Whitten
Widnall
Williams
Wilson, Ind.
Winstead
Younger

NAYS—196

Addabbo
Addonizio
Albert
Alexander
Ashley
Aspinall
Bailey
Baldwin
Barrett
Bass, N.H.
Bennett, Fla.
Boggs
Boland
Brademas
Brooks, Tex.
Burke, Ky.
Burke, Mass.
Burleson
Byrne, Pa.
Carey
Casey
Celler
Chelf
Clark
Coad
Cohelan
Cook
Cooley
Corman
Curtis, Mass.
Daddario
Daniels
Davis, John W.
Dawson
Denton
Diggs
Dingell
Donohue
Downing
Doyle
Dulski
Edmondson
Elliott
Everett
Evins
Farbstein
Fascell
Feighan
Finnegan
Fisher
Flood
Forrester
Fountain
Frazier
Friedel
Garmatz
Gary
Gathings
Giaimo
Gilbert
Granahan
Gray
Green, Oreg.
Griffin
Griffiths
Hagan, Ga.
Hansen
Harding
Hardy
Harris
Harrison, Va.
Harvey, Ind.
Healey
Hébert
Herlong
Holifield
Holland
Holtzman
Horan
Hull
Ichord, Mo.
Ikard, Tex.
Jarman
Jennings
Joelson
Johnson, Calif.
Johnson, Md.
Johnson, Wis.
Jones, Ala.
Jones, Mo.
Karsten
Karth
Kastenmeier
Kearns
Kee
Kelly
Kilday
Kilgore
King, Calif.
King, Utah
Kirwan
Kitchin
Kluczynski
Kowalski
Landrum
Lane
Lankford
Lennon
Lesinski
Libonati
Lindsay
McCormack
McDowell
Macdonald
Machrowicz
Madden
Magnuson
Mahon
Marshall
Matthews
Meader
Miller, George P.
Miller, N.Y.
Mosher
O'Brien, N.Y.
O'Konski
Natcher
Nix
Norrell
O'Brien, Ill.
O'Hara, Ill.
O'Hara, Mich.
Olsen
Passman
Patman
Perkins
Peterson
Pfost
Philbin
Poage
Price
Pucinski
Rabaut
Rains
Randall
Reuss
Rhodes, Pa.
Rivers, Alaska
Rivers, S.C.
Rodino
Rogers, Tex.
Rooney
Rostenkowski
Rutherford
Ryan
St. Germain
Santangelo
Saund
Selden
Shelley
Shipley
Sikes
Sisk
Slack
Smith, Iowa
Smith, Miss
Smith, Va.
Spence
Steed
Stephens
Stratton
Stubblefield
Sullivan
Taylor
Teague, Tex.
Thomas
Thompson, N.J.
Thompson, Tex.
Thornberry
Toll
Trimble
Udall
Ullman
Vanik
Vinson
Watts
Westland
Wickersham
Wright
Yates
Zablocki

CVII——621

NOT VOTING—52

Andersen, Minn.
Anfuso
Bass, Tenn.
Beermann
Blatnik
Blitch
Bolling
Bonner
Broomfield
Broyhill
Buckley
Cederberg
Colmer
Curtis, Mo.
Davis, James C.
Davis, Tenn.
Fallon
Fino
Fogarty
Gallagher
Glenn
Grant
Green, Pa.
Hosmer
Keogh
Kilburn
Knox
Mason
Miller, George P.
Miller, N.Y.
Mosher
O'Brien, N.Y.
O'Konski
O'Neill
Pilcher
Powell
Roberts
Roosevelt
Roudebush
St. George
Sheppard
Thompson, La.
Utt
Van Pelt
Walter
Weis
Willis
Wilson, Calif.
Young
Zelenko

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Fogarty for, with Mr. Buckley against.

Mr. James C. Davis for, with Mr. Bonner against.

Mr. Miller of New York for, with Mr. Roosevelt against.

Mr. Glenn for, with Mr. Keogh against.

Mrs. St. George for, with Mr. Anfuso against.

Mr. Knox for, with Mr. George P. Miller against.

Mr. Utt for, with Mr. Pilcher against.

Mr. Mason for, with Mr. Zelenko against.

Mrs. Weis for, with Mr. Young against.

Mr. Hosmer for, with Mr. Green of Pennsylvania against.

Mr. Wilson of California for, with Mr. Walter against.

Mr. Roudebush for, with Mr. Gallagher against.

Mr. Fino for, with Mr. Blatnik against.

Mr. Cederberg for, with Mr. Davis of Tennessee against.

Mr. Broomfield for, with Mr. Fallon against.

Mr. Curtis of Missouri for, with Mr. O'Neill against.

Mr. Kilburn for, with Mr. Sheppard against.

Mr. Van Pelt for, with Mr. Thompson of Louisiana against.

Until further notice:

Mr. O'Brien of New York with Mr. Mosher.

Mr. Grant with Mr. O'Konski.

Mr. Roberts with Mr. Andersen of Minnesota.

Mr. HARVEY of Michigan changed his vote from "nay" to "yea."

Mrs. KEE and Mr. FISHER changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. MILLS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 295, nays 88, not voting 52, as follows:

[Roll No. 76]

YEAS—295

Abbitt
Adair
Addabbo
Addonizio
Albert
Alexander
Anderson, Ill.
Arends
Ashley
Ashmore
Aspinall
Auchincloss
Avery
Bailey
Baker
Baldwin
Barrett
Barry
Bass, N.H.
Bates
Beckworth
Belcher
Bell
Bennett, Fla.
Bennett, Mich.
Berry
Betts
Boggs
Boland
Bolton
Bow
Boykin
Brademas
Bray
Breeding
Brewster
Brooks, Tex.
Brown
Burke, Ky.
Burke, Mass.
Burleson
Byrne, Pa.
Byrnes, Wis.
Cannon
Carey
Celler
Chelf
Chenoweth
Chiperfield
Clancy
Clark
Coad
Cohelan
Conte
Cook
Cooley
Corbett
Corman
Cramer
Curtis, Mass.
Daddario
Daniels
Davis, John W.
Dawson
Delaney
Dent
Denton
Derounian
Diggs
Dingell
Donohue
Dooley
Dowdy
Downing
Doyle
Durno
Dwyer
Edmondson
Elliott
Ellsworth
Everett
Evins
Farbstein
Fascell
Feighan
Fenton
Finnegan
Fisher
Flood
Ford
Forrester
Fountain
Frazier
Frelinghuysen
Friedel
Garland
Garmatz
Gary
Gathings
Gavin
Giaimo
Gilbert
Granahan
Gray
Green, Oreg.
Griffin
Griffiths
Hagan, Ga.
Hagen, Calif.
Halleck
Halpern
Hansen
Harding
Hardy
Harris
Harrison, Va.
Harsha
Harvey, Ind.
Harvey, Mich.
Hays
Healey
Hébert
Hechler
Henderson
Herlong
Hoeven
Holifield
Holland
Holtzman
Horan
Hull
Ichord, Mo.
Ikard, Tex.
Inouye
Jarman
Jennings
Joelson
Johnson, Md.
Johnson, Wis.
Jones, Ala.
Jones, Mo.
Judd
Karsten
Karth
Kastenmeier
Kearns
Kee
Kelly
Keogh
Kilday
Kilgore
King, Calif.
King, Utah
Kirwan
Kitchin
Kluczynski
Kornegay
Kowalski
Kunkel
Laird
Lane
Langen
Lankford
Latta
Lennon
Lesinski
Libonati
Lindsay
McCormack
McCulloch
McDowell
McFall
McIntire
McSween
Macdonald
MacGregor
Machrowicz
Mack
Madden
Magnuson
Mahon
Mailliard
Marshall
Mathias
Matthews
May
Meader
Mills
Minshall
Moeller
Monagan
Montoya
Moorehead, Ohio
Moorhead, Pa.
Morgan
Morris
Morrison
Morse
Moss
Moulder
Multer
Murphy
Murray
Natcher
Nelsen
Nix
Norblad
Norrell
Nygaard
O'Brien, Ill.
O'Hara, Ill.
O'Hara, Mich.
Olsen
Ostertag
Patman
Perkins
Peterson
Pfost
Pike
Pirnie
Poff
Price
Pucinski
Quie
Rabaut
Rains
Randall
Reece
Reifel
Reuss
Rhodes, Pa.
Riehlman
Riley
Rivers, Alaska
Rivers, S.C.
Rodino
Rogers, Fla.
Rooney
Rostenkowski
Ryan
St. Germain
Santangelo
Saund
Schenck
Scherer
Schneebeli
Schwengel
Scranton
Seely-Brown
Selden
Shelley
Shipley
Shriver
Sibal
Sikes
Sisk
Slack
Smith, Iowa
Smith, Miss.
Smith, Va.
Spence
Springer
Stafford
Staggers
Steed
Stephens
Stratton
Stubblefield
Sullivan
Taber
Taylor
Teague, Calif.
Teague, Tex.
Thomas
Thompson, N.J.
Thompson, Tex.
Thomson, Wis.
Thornberry
Toll
Trimble
Tuck
Udall
Ullman
Vanik
Van Zandt
Vinson
Wallhauser
Watts
Westland
Whalley
Wickersham
Widnall
Wright
Yates
Younger
Zablocki

NAYS—88

Abernethy
Alford
Alger
Andrews
Ashbrook
Baring
Battin
Becker
Bromwell
Brooks, La.
Bruce
Cahill
Casey
Chamberlain
Church
Collier
Cunningham
Curtin
Dague
Derwinski
Devine
Dole
Dominick
Dorn
Dulski
Findley
Flynt
Fulton
Goodell
Goodling
Gross
Gubser
Haley
Hall
Harrison, Wyo.
Hemphill
Hiestand
Hoffman, Ill.
Hoffman, Mich.
Huddleston
Jensen
Johansen
Jonas
Kilgore
King, N.Y.
Kyl
Lipscomb
Loser
McDonough
McMillan
McVey
Martin, Mass.
Martin, Nebr.
Merrow

Michel	Robison	Smith, Calif.
Miller, Clem	Rogers, Colo.	Tollefson
Millikin	Rogers, Tex.	Tupper
Moore	Roudebush	Weaver
Osmers	Rousselot	Wharton
Passman	Rutherford	Whitener
Pelly	Saylor	Whitten
Philbin	Schadeberg	Williams
Pillion	Schweiker	Wilson, Ind.
Poage	Scott	Winstead
Ray	Short	
Rhodes, Ariz.	Siler	

NOT VOTING—52

Andersen, Minn.	Fallon	O'Konski
Anfuso	Fino	O'Neill
Ayres	Fogarty	Pilcher
Bass, Tenn.	Gallagher	Powell
Beermann	Glenn	Roberts
Blatnik	Grant	Roosevelt
Blitch	Green, Pa.	St. George
Bolling	Hosmer	Sheppard
Bonner	Johnson, Calif.	Thompson, La.
Broomfield	Keogh	Utt
Broyhill	Kilburn	Van Pelt
Buckley	Knox	Walter
Cederberg	Landrum	Weis
Colmer	Mason	Willis
Curtis, Mo.	Miller, George P.	Wilson, Calif.
Davis, James C.	Miller, N.Y.	Young
Davis, Tenn.	Mosher	Zelenko
	O'Brien, N.Y.	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Buckley for, with Mr. James C. Davis against.

Mr. Roosevelt for, with Mr. Miller of New York against.

Mr. Fogarty for, with Mr. Van Pelt against.

Mr. Keogh for, with Mr. Utt against.

Mr. Green of Pennsylvania for, with Mr. Broomfield against.

Mr. Walter for, with Mr. Glenn against.

Mr. Anfuso for, with Mr. Cederberg against.

Mr. Fallon for, with Mr. Wilson of California against.

Mr. Zelenko for, with Mr. Beermann against.

Mr. George P. Miller for, with Mr. Mason against.

Mr. O'Neil for, with Mr. Fino against.

Until further notice:

Mr. Bonner with Mrs. St. George.

Mr. Johnson of California with Mr. Mosher.

Mr. Landrum with Mr. Hosmer.

Mr. Pilcher with Mrs. Weis.

Mr. Roberts with Mr. Broyhill.

Mr. Sheppard with Mr. Ayres.

Mr. Thompson of Louisiana with Mr. O'Konski.

Mr. Young with Mr. Knox.

Mr. Willis with Mr. Kilburn.

Mr. Powell with Mr. Andersen of Minnesota.

Mr. O'Brien of New York with Mr. Curtis of Missouri.

Mr. FOUNTAIN changed his vote from "nay" to "yea."

Mr. LOSER changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. MILLS. Mr. Speaker, I ask unanimous consent that those Members desiring to do so may be permitted to extend their remarks in the RECORD prior to the vote on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

ADJOURNMENT FROM TODAY UNTIL MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALENDAR WEDNESDAY BUSINESS DISPENSED WITH

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, may I inquire of the majority leader the program for next week?

Mr. McCORMACK. On Monday a conference report on the bill S. 1852, aircraft, missiles, and naval vessels will be called up for consideration.

After that the bill H.R. 6775 to amend the Shipping Act, to provide for the operation of steamship conference will be called up. The gentleman from North Carolina, chairman of the Committee on Merchant Marine and Fisheries [Mr. BONNER] will ask unanimous consent in connection with that bill.

Mr. HALLECK. I understand on our side there is no objection.

Mr. McCORMACK. I understand it has been cleared with the leadership on the other side, but I wanted to announce it for the benefit of the Members of the House.

Monday is District Day, and there are five bills to be considered, as follows:

H.R. 7052, responsibility for criminal conduct.

H.R. 7053, admission of evidence.

H.R. 5486, ministers, communication privileges.

H.R. 7154, to regulate the keeping and running at large of dogs.

H.R. 7218, authorization, strength of the Metropolitan Police Force.

I understand that one or two of those bills may be controversial.

Following disposition of business in order on District Day, General Government matters, Department of Commerce, and related agencies appropriation bill for 1962 will be called up for consideration, and if that is not disposed of on Monday, consideration will continue on Tuesday.

On Wednesday there will be consideration of the Roush-Chambers election case.

I understand some colloquy took place today in relation to reorganization plans, so on Thursday of next week Reorganization Plan No. 2 will be brought up, and also 1, 3, and 4, because I have been advised by the gentleman from Michigan [Mr. HOFFMAN] that he intends to call them up.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. What I did say was that ultimately it was my intention to call up resolutions asking for the rejection of the Reorganization Plans 1, 3, and 4. Later, 5.

Mr. HALLECK. As I understand it, the majority leader simply indicates he has been put on notice they would be called up by the gentleman from Michigan if he did not program them. So he has programed them for Thursday, and, so far as I am concerned, that is satisfactory.

Mr. HOFFMAN of Michigan. May I call attention to the fact that under the Reorganization Act any Member of the House may call them up at any time.

Mr. McCORMACK. The gentleman from Michigan is correct, and I think every Member of the House is aware of the rule. But I would expect that any Member intending to call up any matter in a preferential status would do me the courtesy of conferring with me. The gentleman from Michigan advised me today that he intends to call up 1, 3, and 4. Ordinarily I would not have programed them until some Member served notice on me that he is going to call them up because of the action of the House committee in rejecting resolutions is tantamount to action of the committee approving the three plans. So I would not program them unless some Member indicated he was going to call them up.

The next proposition is in connection with the day they will be called up, and while the gentleman from Michigan has not committed himself to Thursday, I have had a talk with the minority leader, and as a result of that talk I am programing the four rejection plans for Thursday next in the order of first, 2, then 1, 3, and 4.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Iowa.

Mr. GROSS. I should like to say to the distinguished majority leader that it will be my purpose on next Tuesday to offer a privileged motion, or to seek recognition in order to offer a privileged motion to bring up Reorganization Plan No. 2.

Mr. HALLECK. I might say to the gentleman just so there will be no misunderstanding about my position, it is true that under the rules of the House there are many, many times when an in-

dividual Member can call something up for consideration. Rules may be called up for consideration on the individual action of a member of the Committee on Rules. But, it has also been my belief that the orderly business of the House of Representatives, to carry on the business of the House and, certainly, to serve the convenience of the Members, is best served by a determination as to when matters will be called, and thereby following that pattern.

Now, the gentleman from Iowa without any warning to any of us undertook to call up for consideration plan No. 2 today. That motion on his part failed. And, I would assume from that that if he undertakes in violation of what has been agreed upon here, which is in the orderly process of the House, to call the matter up on Tuesday next, probably that motion will again fail. If it is programed for Thursday and everybody is on notice, it will come up on Thursday and the Members can be here to vote whichever way they wish to vote. Personally, I am against plan No. 2 and against plans Nos. 1, 3, and 4. But, they will be considered, and we will all be entitled to vote, and we will have notice that they will come up, and I think that is sufficient.

DEPARTMENT OF URBAN AFFAIRS AND HOUSING

Mr. TOLL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. TOLL. Mr. Speaker, I have been informed that this afternoon while I was off the House floor checking with my committee on the completion of some hearings, the gentleman from Ohio [Mr. BROWN] made some remarks about my testimony before the Subcommittee on Executive and Legislative Reorganization of the House Committee on Government Operations. This subcommittee conducted hearings Wednesday in connection with the bill to establish a Department of Urban Affairs and Housing.

I understand that the gentleman referred to an illustration which I used relating to snow removal involving the severe storms of this past winter, particularly in my home city of Philadelphia. During the testimony I did not present this illustration as a Federal problem but merely used it to illustrate some of the problems which affect great numbers of people who live in congested areas and particularly those people who are housed in public projects.

In view of the fact that the testimony which I gave before the subcommittee has not yet been printed, I shall supplement these remarks in an additional statement by reference to the actual testimony which was given orally. This statement will be included in the CONGRESSIONAL RECORD after the testimony is available. I shall also attach a copy of the formal statement which I presented to the subcommittee in support of the bill to establish a Department of Urban Affairs and Housing.

BROOKLYN-QUEENS SUNDAY SCHOOL UNION PARADES TODAY

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KEOGH] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. KEOGH. Mr. Speaker, unhappily, freedom of conscience is repressed and human dignity under God debased today in many blemished areas of a world disrupted by the perverse drives of hate, greed, and heedless ambition. The essential strength of our own Nation, however, flows from its constitutional and ideological respect for the God-given freedom of the human spirit.

On this day, I am proud to remind the House that the 132d anniversary day parade of the Brooklyn-Queens Sunday School Union is taking place in Brooklyn, where members of all religious faiths not only live and worship in peace and mutual respect but may make public and prideful profession of their varying beliefs.

Today's parade will be a heartening sight for all in attendance. How inspiring it would be if the picture of this spectacle of faith could be seen by the millions of unhappy, God-fearing people whose hopes have been so harshly battered by the shows of force and doubt-stimulating propaganda techniques of those who scorn the Almighty, and strive to control the beautiful world of His creation.

INVESTIGATION INTO MALPRACTICES AT MISSILE SITES

The SPEAKER. Under previous order of the House, the gentleman from Nebraska [Mr. MARTIN] is recognized for 15 minutes.

Mr. MARTIN of Nebraska. Mr. Speaker, I would like to announce that this speech has been delivered to the chairman of the Committee on Education and Labor, of which I am a member. It was delivered to his office this morning.

Mr. Speaker, I received written authorization from ADAM CLAYTON POWELL, chairman of the Education and Labor Committee, to conduct an investigation into malpractices at missile sites in connection with Offutt Air Force Base and Lincoln Air Force Base in Nebraska, and Warren Air Force Base in Wyoming.

This authorization is dated Thursday, May 25, 1961. I left my office on Friday morning at approximately 10 a.m., May 26, 1961, and proceeded by air to Omaha, Nebr., arriving that afternoon. Upon arrival at Omaha the following telegram was awaiting me at the hotel:

Inasmuch as the President has just signed the Executive order establishing program for resolving disputes at missile and space sites, I withdraw any designation for any investigation by our committee of this particular item.

ADAM CLAYTON POWELL,
Chairman.

When the letter of authorization was delivered to my office from Mr. POWELL, I was also given a round-trip airline ticket to Omaha. Since my authority to investigate was withdrawn by the time I reached Omaha, I continued the investigation at my own expense. This I am most happy to do, as I feel most sincerely that there is a real need for these investigations and I feel that my 5 days spent on these three bases will result in substantial savings to the taxpayers.

Since this investigation was arranged in advance with the Air Force, I attended a conference with Maj. Gen. James Knapp at Offutt Air Force Base on Monday morning, May 29, at 8 a.m. I explained the situation to General Knapp, and advised him that, as a Congressman and as a member of the Labor Committee, I intended to proceed with my investigation. I received the fullest cooperation from everyone concerned and proceeded immediately upon the investiagtion.

By way of explanation, missile site work is composed of two phases. First, the construction phase, and secondly, the installation and checkout of the missile itself. Among some of the malpractices I found in the construction phase are these:

First. Included in the construction at Offutt are automatic gas boilers and air conditioners, at each missile site. After these were installed, the stationary engineers insisted that they should have a man on duty at each boiler and each air conditioner at each missile site 24 hours a day, 7 days a week. There was nothing for them to do except sit on a chair and put in their time. This involved a total of 48 men for a period of 12 months from April 1960 until March 1961. Total wages paid during this period to these men amounted to over one-half million dollars. When the missile is installed and checked out, it is then turned over to SAC and SAC at the present time is operating these Offutt missile sites with only a handful of men. Testimony by both civilians and service personnel assured me that there was absolutely no need for these stationary engineers to watch the automatic boilers and the air conditioners. Union rules required this.

Second. J. Hilding Johnson, of Cleveland, was a subcontractor in 1958 and 1959 on construction work at the Offutt missile site. The contract was approximately $2 million. His qualifications: operator of a steak house and assets of $150,000. His work was unsatisfactory.

Third. The Malan Construction Co. of New York was awarded a contract of approximately $12 or $13 million at Offutt missile site. This company had little equipment and was not knowledgeable in missile construction. The work was constantly behind schedule and a tremendous waste of the taxpayers'

money resulted from this contract. The workmanship was unsatisfactory and according to testimony this firm was caught redhanded doing work which did not meet the specifications. They were ordered to tear out the work done and redo it. At the present time I am told that this firm has a claim against the Government in the amount of approximately $4½ million, whereas testimony from all sides clearly indicates that the entire job was not done in a satisfactory manner. It was charged that bribe offers were made in the amount of $50,000 to a Mr. Rex Breese, who was employed by the George A. Fuller Co., a nationwide general contracting firm, who were employed by the Corps of Engineers to help assure that this project would be completed at the earliest possible date.

Fourth. In the delivery of liquid nitrogen from the transport trucks to the tanks at each missile site, the following men were required to handle this delivery under union regulations: one truckdriver who drives the truck, one laborer who handles the hose from the truck to the tank, one engineer who stands on duty during the unloading operation, two pipefitters who connect the hose from the truck to the tank, one electrician who pushes the button that operates the electrical equipment on the pumping operation, one electrician's helper.

This involved a total of 63 men over a period of 120 days whereas, according to testimony, a total of 18 men could efficiently have handled the operation. This resulted in a waste in wages of over $75,000.

Fifth. Wasteful practices of both labor and management resulted in increasing the cost of the Offutt installation by over $10 million, according to testimony received.

Sixth. The present electrician's union contract at both Offutt and Lincoln Air Force Base calls for straight pay between the hours of 8 a.m. and 4:30 p.m.; from 4:30 p.m. until 8 a.m., time and a half. Because there are several thousand connections to be made in missile work and many electricians are employed, this union contract has greatly increased the cost to the taxpayers of these missile sites. According to testimony received, the electrician's union is the only one that has this unreasonable type of contract.

Seventh. Overtime at Offutt averaged about 13 percent. Six thousand, three hundred and sixty-two man-days were lost because of work stoppages at a total estimated impact cost of $237,500. At Warren Air Force Base, 23,073 man-days have been lost due to work stoppages, at a total estimated impact cost of over $580,000.

Eighth. In April 1961, a lump-sum contract was issued at Warren Air Force Base for a paving project, totally within the base. The contractor hired union workers, but subbed-out part of the work and the subcontractor in turn hired four cement finishers who were nonunion. This resulted in a labor walkout, not only on this job but at the missile sites which were many miles away and even though the missile site contractor had absolutely nothing to do with the paving job. The Catalytic Construction Co. lost 7 days—235½ man-days; the Martin K. Ebby Co. lost 14⅛ man-days and at the site in Colorado there was a 2-day walkout and a total of 196 man-days of work lost. These were all sympathy strikes at the missile sites because four nonunion men were hired on the paving job at Warren Air Force Base.

Ninth. The payroll period ending May 2, 1961, for electricians at Warren Air Force Base showed pay from $157.20 for the week up to as high as $343.04. One man on the payroll the week ending December 13, 1960, who put in 80 hours received a check for $440.16; others received $362.88, $354.20, $330.12.

Tenth. At the Lincoln Air Force Base the original contract for construction of nine missile sites totaled $17,400,000; the original contract has since been increased to total 12 missile sites and the total cost is now estimated for construction at over $35 million. The work here is behind schedule.

Eleventh. Since the missile sites under the Lincoln Air Force Base cover a large area, five local carpenter unions are necessary to be contacted to hire carpenters and each has a a different wage scale. Grand Island local: $2.80 per hour; Omaha, $3.20 per hour; Beatrice, $3.10 per hour; Columbus, $3.15 per hour; Lincoln, $3.37½ per hour subject to settlement of a local strike on at the present time.

Twelfth. Some contracts are let by the Air Force on a cost-plus basis. Lease-rental equipment is charged by the contractor against the cost of the job at exorbitant rates. One hundred scaffolding planks 7 feet long are being charged at Warren II at $1 per month each. These are 2 by 12, 7 feet long, and would cost outright between $1.54 and $1.68 each. At Warren III, 43 1961 cars and pick-ups at a cost of from $159 to as high as $252 per month are charged to the Government. Three trailers were included at a total cost of $20,000. Electric typewriters at $25 per month. One helicopter and pilot, $7,980 per month. One IBM electric typewriter, $493 for a year. I was told that the Air Force pays this rental for a 12-month period, when the total cost of the equipment is then paid for. No bookkeeping, however, is available as to the original cost and a depreciation schedule as to how much rental is still due is not kept. This is left up to the contractor. It appears that the Air Force is paying for some of this equipment more than once. A correction in the method of bookkeeping for these items is long overdue.

Thirteenth. Because of the Davis-Bacon Act, the craft unions, who are primarily concerned with construction work only, insist on carrying their work up to the point of the actual installation and checkout of the missile. I saw at one of the missile sites, out of Warren, on June 1, by actual inspection, two craft union electricians connecting cables at the final point where they carried their work. From that point on, the electricians of the Convair installation crew worked with the cables. I saw two electricians connecting these cables with four Convair men standing over their shoulders directing the work, but yet none of the Convair men were allowed to touch the cables at that point. This is most inefficient and results in thousands of dollars of increased cost to the taxpayers. The Davis-Bacon Act should be amended to include, on missile site jobs, only the actual construction of the buildings themselves, and the necessary wiring for lights, and the piping for heat and air conditioning. All electrical work and piping from that point on should be done by the installation crews and this work should be excluded specifically from the jurisdiction of the Davis-Bacon Act. The Davis-Bacon Act was written back in the thirties and at that time missile construction was not conceived. This has resulted in jurisdictional disputes between the craft and industrial unions which can only be corrected by excluding from the Davis-Bacon Act the complete installation and checkout of the missile.

The recent Executive order of the President establishing an 11-man commission to deal with malpractices at missile sites will not accomplish the job. They might have some influence where jurisdictional disputes are involved between craft and industrial unions, but they would have no influence on other types of work stoppages. Out of 20 work stoppages which occurred at Offutt, 4 were jurisdictional, 8 grievances, 3 road conditions, 3 contract negotiations, and 2 sympathy strikes. Consequently, you can see that only 20 percent of the work stoppages at Offutt were due to jurisdictional disputes.

Unfair labor practices are involved in most of these work stoppages and this commission will have little or no effect in regard to this item.

I have introduced a bill H.R. 7036, which would prohibit all strikes, work stoppages and slowdowns at any defense installations. This, I believe, is the only way that this problem can be entirely solved.

There are many missile sites throughout the United States and I agree with the minority members of the Senate committee who have been investigating this subject that a continuing investigation of this work should be authorized by the Congress. Results of a continuing investigation would be far reaching and would result in a more efficient operation of our missile site construction with the resultant savings of millions of dollars to the taxpayers. The personal greed apparent in our missile work by both labor and management is appalling. It is a condemnation of the moral fiber of our people. These malpractices must be stopped now—our very survival is at stake.

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Nebraska. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. I would like to congratulate the gentleman from Nebraska. He did a beautiful job under arduous circumstances.

Mr. MARTIN of Nebraska. I thank the gentleman.

COMMUNIST SUBVERSION OF THE UNITED STATES FROM WITHIN

The SPEAKER. Under the previous order of the House, the gentleman from Ohio [Mr. SCHERER] is recognized for 10 minutes.

Mr. SCHERER. Mr. Speaker, more and more every day it seems that we are literally falling over ourselves to help the Communists subvert this Nation from within and to win the cold war.

I have been shocked and sickened by what has happened in the case of Edward Yellin, whose conviction for contempt of Congress for refusal to testify concerning his Communist activities within basic industry was recently affirmed by the U.S. Circuit Court of Appeals.

In recent years the Communist apparatus in the United States has secretly placed highly educated, dedicated, young Communists on the assembly lines of industrial plants in this country for the purpose of promoting Communist activities in labor and converting working people to the Communist cause. These young Communists, when applying for a job at the factory level, fail to disclose their educational training and qualifications in order not to arouse the suspicion of the employer or of the man who works next to them on the assembly line whom it is their job to indoctrinate. This Communist program is referred to as the colonization of industry.

In February of 1958 I was one of the members of the Committee on Un-American Activities which was holding hearings at Gary, Ind. The purpose of the hearings was to reveal the colonization practices by the Communist Party taking place in defense plants in this highly industrialized area.

Edward Yellin was called as a witness. He had been previously identified under oath by at least two persons as a member of the Communist Party. Some years before he had made application for employment at the Carnegie-Illinois Steel Corp. In his application, on the basis of which he was subsequently employed as an electrician's helper, he followed the colonizing plan of the Communist apparatus and failed to disclose the fact that he had received a rather extensive education at both the City College of New York and the University of Michigan. In the application he falsely contended that he had been employed in menial capacities with a number of other companies during the time that he was attending these two universities.

During the hearings in February of 1958 Yellin refused to answer questions of the committee. In April of 1960 he was convicted by the Federal court in Hammond, Ind., for contempt of Congress for failure to answer questions concerning his part in the colonization activities of the Communist apparatus. This was the conviction which has been recently affirmed.

Now we come to a series of events which it will be difficult for the average American to believe could happen.

Following the disclosures in the hearings at Gary, the tax-exempt Ford Foundation gave Yellin a grant under which he enrolled in the University of Illinois to further his engineering studies. He had already received his bachelor of science degree in mechanical engineering from Colorado State University. It was while at the University of Illinois under this Ford Foundation grant that he was tried and convicted for his conduct during the hearings of the Committee on Un-American Activities in Gary, Ind., in 1958.

Yellin was suspended by the Graduate School of the University of Illinois for only 10 days at about the time of his trial in Federal court. However, in spite of his conviction, a board made up of professors in the graduate school reinstated him. One of the officials of the university, in justifying his reinstatement, said that the conviction in the Federal court for contempt of Congress for failure to tell about his Communist colonization activities was only a misdemeanor and compared it to a traffic violation for which no suspension from the university could be justified.

The next disclosure was the straw that broke the camel's back. The National Science Foundation, which is a Federal agency created by the Congress for the purpose of promoting the progress of science in the interests of national defense and for other purposes, less than 3 months ago, on March 15, 1961, awarded Yellin a total of $3,800 in taxpayer's money to continue his studies at the University of Illinois. This fellowship award was made just 11 months after his conviction in the Federal court.

It must be kept in mind that the University of Illinois has Federal funds of approximately $2.5 million for scientific research in highly secret and classified fields for the U.S. Government. While Yellin is not participating in these research projects, he does have close association with those who are engaged in this work.

While the representatives of the National Science Foundation contend that it was not until recently that they had knowledge of Yellin's record, it is inconceivable that these fellowships should be awarded with practically no investigation of the applicant's background. The slightest inquiry into Yellin's record should have revealed to any agency seriously attempting to evaluate an applicant's background, his testimony before a congressional committee, his trial and conviction in a Federal court, and the current affirmation of that conviction by the U.S. Circuit Court of Appeals. Furthermore, all of this was known to the officials of the University of Illinois, who did make recommendations that Yellin be granted this fellowship for further study at the University of Illinois.

Apparently there was a conspiracy of silence and an unwillingness to take even the most casual look at Yellin's background. Is this not rather appalling when one considers that persons, particularly women, have been discharged from Federal employment because they misrepresented their age or marital status on their employment applications?

It is significant that the National Science Foundation, a Federal agency, has up to this point refused on instructions from the White House to furnish for the record of the Committee on Un-American Activities, which is investigating this matter, the recommendations of the officials from the University of Illinois that Yellin be granted this fellowship. It is contended that these recommendations were made in confidence and, therefore, Congress, which created the National Science Foundation and whose duty it is to make any necessary changes in the law, cannot have the files of persons who are granted taxpayer's money.

It is astounding that such a position should be taken when these recommendations have been reviewed for the National Science Foundation by committees of professors selected to evaluate the applicant's qualifications for a grant. These professors are not Government employees; they are no more part of the executive branch than the man in the moon.

ACCENT ON THE POSITIVE

The SPEAKER. Under the previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 10 minutes.

Mr. STAGGERS. Mr. Speaker, a close friend and associate of mine was in the House galleries on May 25 when the President addressed Congress. After discussing with me the purpose and meaning of the President's message, he has written out some of his impressions of the occasion. I find myself in substantial agreement with most of his sentiments, and I hope they may be of sufficient general interest to justify inclusion in the RECORD:

ACCENT ON THE POSITIVE

And who in time knows whither we may vent
The treasure of our tongue? To what strange shores
This gain of our best glory shall be sent
T'enrich unknowing nations with our stores?

—*Samuel Daniels.*

To anyone normally sensitive to times, places, and events, the occasion was dramatic. The President had requested permission to address the Congress. This happens only on extraordinary occasions; it has happened only a few times in all the Nation's history. It is true that the President said the times are extraordinary. But how can conditions which have perisisted for several decades be classed as much beyond the usual? No new crisis was known to be in the making, and no spectacular achievement merited glorification. The President did not give advance notice of what he wished to talk about. Probably more money to pour down the drain, surmised the cynical.

The scene was the south wing of the Capitol, where the House of Representatives of

the United States has assembled since the time the Capitol was first completed. The history of the Chamber is more impressive than its appearance. How many fate-weighted assemblages have gathered here through the century and a half of its existence. How many sages and statesmen have lifted up their voices within its confines. But it is only a large room—no colosseum or football stadium—paneled mostly in dark wood, and only austerely decorated. Around the border of the ceiling are inlaid the several great seals of the States forming the Union. High above the floor a gallery completely surrounds the room. The 22 doors leading to the gallery are capped with the statues of 22 immortal lawmakers, chosen from all ages and peoples. In the place of honor, the marble visage of Moses gazes sternly toward the Speaker of the House in front.

The seats of the Members curve around the rostrum in rows. Nearly every one of the 437 Members, plus the 100 Senators from the north wing, seemed to be present. The greatest deliberative body on earth. With the exception of the British Commonwealth and some of its constituent members, probably the only truly deliberative body in the world. In its hands rests the power to unleash the dogs of war around the globe, to lure the dove of peace from her frenetic flight, to fashion rules and laws which spell the difference between prosperity and penury for multimillions. Yet they seem quite ordinary men and women as they lounge in their seats, quietly reading or conversing with a neighbor, waiting for the appearance of their guests. Under circumstances only slightly different in the various sections of the Nation from which they come, almost any one of us might have been sitting in the seat of some Senator or Congressman. No man on earth rules this body. The individuals are severally responsible to Deity, to the Constitution, to their consciences, and no further. They rule by rational adjustment of conflicting interests and ideals, knowing that if their solutions do not meet the needs of the time, they will be replaced at predetermined intervals through prescribed legal processes.

The galleries are also packed with people. Admission was by ticket only, and it was necessary to issue tickets not only for the seats, but for places on the steps and for standing room. As the holders filed through the long passageways leading to the galleries, each ticket was somewhat casually checked by guards stationed at intervals. This was the only open evidence of security measures necessary to protect such an assembly. Yet, to judge by the attitude of the guards, we might have been merely spectators at a football game. With uniform courtesy they directed us to our places or issued an occasional request to please stand aside to some visitor who lacked proper credentials. So great was the press inside the galleries that to one standing on the topmost step it seemed inevitable that one more push would plunge him over the dizzy rim onto the floor below.

The guests of the Congress began to arrive in groups, each announced by the Sergeant at Arms; representatives of foreign governments accredited to the United States; members of the Supreme Court; members of the President's Cabinet. Each group was greeted with applause and escorted to its place. Lastly, the Sergeant at Arms announced: "The President of the United States." At the rap of the gavel, all arose as a line of men filed informally into the Chamber. In the glare of floodlights, it was difficult to pick out the President in that casual-looking line. Only as they approached the speaker's stand was it possible to identify the Chief Executive. He appeared in a simple light-colored business suit. No robes of office, no uniforms, no insignia of preeminence.

Thus was completed the congregation of the mighty. In one small enclosure was packed the representatives of the power, the prestige, and the influence of an advanced, a flourishing, and a puissant empire of almost 200 million enlightened people. But as for the traditional trappings of imperial power, they were conspicuous by their absence. This is democracy in the United States.

The President began to speak. His real message to Congress was placed in the first few sentences. Our role in history "is a great positive adventure. We stand for freedom. That is our conviction for ourselves; that is our only commitment to others. * * * We are not against any man or any nation or any system except as it is hostile to freedom. * * * I am here to promote the freedom doctrine." The revolution of the rising peoples of the globe, "the greatest in human history, is one of peace and hope—for freedom and equality, for order and independence. They seek an end to injustice, tyranny, and exploitation. More than an end, they seek a beginning * * * a chance to live and to be more than just alive."

The President's words were interrupted at intervals with generous, but not tumultuous, applause. There was a curious feeling that people were thinking rather than applauding. What was the President driving at? The remainder of his speech dealt with specifics to promote the freedom doctrine: a strong and growing national economy; military forces strong enough and versatile enough to serve our national purposes; help for those nations which share our aspirations and which willingly and actively associate themselves with efforts to advance the cause of freedom; extension of the frontiers of science and the arts; employment of all existing means of communication to clarify our purposes and our ideas before all peoples of the earth.

There is little that is novel in any of these specifics. The novelty lies in the attitude from which they are to be applied. "We are not against any man or any nation or any system." We are for a purpose and a program of our own. We believe in freedom. We intend to extend freedom for ourselves and for any others who join in the effort to achieve it. We have vast resources—we have material means, we have military capabilities, we have techniques, we have social ideals, we have a wealth of culture. All of these we intend to use actively in promoting our program. No more pallid reaction to circumstances and events. Doctrines of containment and massive retaliation are no longer enough. We must stop saying that we will only resist and never attack. Since the beginning of World War I the United States has had no positive program of its own that the world could recognize. We resisted Kaiser Bill; we resisted Hitler; we resisted Hirohito; we have been resisting Stalin and Khrushchev. All of them were assured that we had no purpose to attack, only to resist. Now things must be different. We will actively attack when our purposes require it. We have no intention to force our system or our assistance on anybody. "* * * no one nation has the power or the wisdom to solve all the problems of the world or manage all its revolutionary tides. * * *" But we do have the responsibility of advancing freedom and economic progress wherever these are deliberately chosen by the people to whom they are available. Also, we have the guns and the money. We mean to use them.

There is as yet little indication that the American people have fully grasped the import of the President's formula. The press has reacted somewhat gingerly to the specific proposals, being concerned mainly with their costs and their probable adequacy. There is little point in discussing the usefulness of the specifics in and of themselves. They are like the parts of a huge machine. The parts must be of high quality to perform their assigned work. But their individual effectiveness is wasted unless the whole machine is designed to do a specific thing and is operated to accomplish its purpose. Hence the relative importance of the President's introductory words. What he is asking is an acceptance of a whole new attitude. Regarding one of the specifics in his program he said: "I am asking the Congress and the country to accept a firm commitment to a new course of action. * * * If we were to go only half way, or reduce our sights in the face of difficulty, it would be better not to go at all." The injunction applies equally to the whole attitude.

A degree of difficulty, some slowness, in absorbing this concept may be responsible for the paucity of press comment. There is this sense of public pondering, a period of thinking prior to reaction. Are we as a people ready to commit ourselves to the new concept? Have we the discipline to put it into effect, the willingness to devote time, energy and material resources to its prosecution? Will it work any better than the old program of passivity?

The President is a positive man. It is doubtful that he can bring himself to comprehend any idea of waiting for things to happen. His personal life is all to the contrary. As a youth he had no intention of entering the field of politics. Circumstances changed his purpose. He went actively to work and was chosen successively for local and national offices. His efforts in the field of journalism gained merited recognition. Four years ago, the odds against his residence at the White House in 1961 must have been rated as prohibitive. But that was his purpose, and he pursued it with every resource he could muster. In the process he opposed no one; he promoted himself. In the end he left no trail of bitter antagonism behind him. His late rivals became his enthusiastic allies. That is the road to success, and he traveled it consistently.

It is also the original and traditional road chosen by this Nation. Our forefathers founded a new nation dedicated to the proposition that all men are created free and equal. They looked to no nation or system for a pattern. They utilized their own resources of mind and spirit and material means to advance the realization of their own goal. For more than a hundred years they adhered sternly to that purpose. They labored consciously and energetically to build up appropriate domestic institutions, to promote knowledge, to improve health and enjoyment of life, to spread abundance among many both home and abroad, to inculcate ideals worthy of a great people. Suddenly we emerged at the dawn of the 20th century as the most powerful and influential nation on earth.

"Let us resume that measured pace toward the ideal of freedom and opportunity," says Mr. Kennedy. History approves his choice of method.

A BILL FOR THE RELIEF OF MIKE H. KOSTELAC

Mr. KYL. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I have today reintroduced private legislation for the relief of Mike H. Kostelac. This measure was passed by the House of Representatives in the last Congress under the number H.R. 6709 and House Report No. 1964 refers to it. Time did not permit action on it in the other body during the last Congress.

Mr. Kostelac's claim arises from alleged false representations made to him at the time he entered into a contract for services to the U.S. Government. As a result of these alleged misrepresentations, Mr. Kostelac bid on and undertook performance of a contract to remove kitchen wastes at Fort Lewis, Wash. This bill would recompense Mr. Kostelac for the losses arising from this situation.

A BILL FOR THE RELIEF OF DARIO TACQUECHEL

Mr. KYL. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I have today introduced a bill for the relief of Dario Tacquechel, a Cuban national and son of a former Cuban Ambassador to the United Nations. Mr. Tacquechel entered this country in 1953 and in 1958 established permanent residence for the purpose of obtaining American citizenship. The bill which I have introduced would refer this date of lawful admission for permanent residence back to the earlier date, making Mr. Tacquechel eligible for immediate citizenship.

The reason that I have introduced this bill and ask that the Congress give it full consideration is so that Mr. Tacquechel will be able to qualify for entrance into the flight training programs of our military services. He would be able, by waiting a few years, to receive his citizenship without this special bill, but at that time he would be beyond the age at which our military will accept flight trainees. Mr. Tacquechel is highly motivated to serve the country he has chosen to be his own and comes highly recommended as an individual. He has completed six semesters of work at Parks College of Aeronautical Technology and has basic pilot skills.

I believe that it would be in the interests of the United States to give Mr. Tacquechel his citizenship at such a time as he will be able to serve his new country as best he is able.

AMENDMENT TO H.R. 3516

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, earlier in this session I introduced a bill to provide for further permissible writing on third- and fourth-class mail. This bill was designed to allow instructions to accompany medicine sent through the mails without requiring it to be mailed other than third or fourth class. As I noted at the time I introduced H.R. 3516, many of our older people purchase their medicine through the mail and the higher postage cost of first-class mail is a real cost item in the health field for many of these people.

The Post Office Department has reported on H.R. 3516 suggesting that the principle of the proposal be extended to include, besides medicine, other items which would be able to be mailed third or fourth class but for the necessary instructions which accompany them. Among those mentioned were blood specimens, laboratory samples and geological specimens. I believe that this would be a sound extension for the proposal which I have offered and I have, for this reason, introduced a new bill incorporating the amendments which the Post Office Department has suggested.

TRACTORS FOR PRISONERS

Mr. KYL. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HIESTAND] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HIESTAND. Mr. Speaker, this tractors-for-prisoners blackmail scheme is getting deeper than any mechanized plowshare we might give Fidel Castro to build airstrips and missile bases. The Indianapolis News certainly was properly disturbed when it editorialized:

> What in heaven's name goes on here in the home of the free and the land of the brave?

This whole affair has just about reached the last straw and the straw is being snapped over a clear-cut law which has been enacted by this very same Congress of the United States. I am referring to the Logan Act, which prohibits a U.S. citizen from indulging in governmental relations with a foreign country.

The tractors-for-prisoners blackmail has reached precisely that point. The American committee, headed by Walter Reuther, Mrs. Eleanor Roosevelt, and Milton Eisenhower, reached the point where it—a citizens committee—had set a deadline on the deal and the bearded dictator had better reply. Is this not violating the Logan Act?

But the curtain has not come down on this grim playlet. Castro, who must be as gleeful as the rest of the Communist bloc with his efforts to blackmail the great United States, has now demanded that this tractor committee send representatives to Havana to negotiate. He has even named the representatives he wants, saying, "preferably Mrs. Franklin D. Roosevelt or Milton Eisenhower."

At any rate, the committee is considering Castro's latest demand and presumably will shuttle off to Cuba to negotiate the ransom plot. This is dangerous meddling by American citizens, a position prohibited under the Logan Act.

I have introduced a resolution, House Resolution 327, asking the House to express its feeling that the tractor committee is violating set law. I hope it receives swift attention—before every petty tyrant threatens blackmail and the State Department gives up its job of handling U.S. foreign policy.

I ask the tractor committee and Members of Congress to read the Logan Act:

> Any citizen of the United States, wherever he may be, who, without authority of the United States, directly, or indirectly commences or carries on any correspondence or intercourse with any foreign government or any officer or agent thereof, with intent to influence the measures or conduct of any foreign government or of any officer or agent thereof, in relation to any disputes or controversies with the United States, or to defeat the measures of the United States, shall be fined not more than $5,000 or imprisoned not more than 3 years, or both.

AMERICAN AGRICULTURE HURT BY FOREIGN COMPETITION

Mr. KYL. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. LANGEN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LANGEN. Mr. Speaker, I have today proposed legislation which I feel to be of great importance and significance to the farm people of this Nation, and to the problems of agricultural surpluses and falling income with which they are faced. It is, as well, of importance to the entire Nation, for each of us have a vital interest in seeking solutions to the difficulties presently being experienced by American agriculture. Costs of farm surpluses to the taxpayer are high, and farm purchasing power is low. When answers to these problems can be found, it will mean not only a more prosperous American agriculture, but a more prosperous America, as well.

The bill which I have introduced today deals with a part of the agricultural situation which is oftentimes overlooked, yet which, in my humble opinion, must be dealt with if we hope to arrive at a real and lasting solution to the overall problem. The particular situation to which I refer is that of the importation of agricultural commodities which are already in surplus.

Under present law, and the administration of present law, we are importing several agricultural commodities, already in surplus, in such large quantities that thse imports are, in effect, being placed in storage. The taxpayer, of course, must pay the storage costs for these imports, and the American farmer must bear the burden of reduced prices for his production.

To cite examples of this:

From 1949 to 1959, we imported twice as much barley as our surplus grew during that period. In fact, we imported more during that period than we had on hand as surplus at the end of 1959.

In oats, we imported over four times as much from 1949 to 1959 as our surplus grew during the same period—imports which approximately equaled the surplus on hand at the end of 1959.

The situation in rye is even more vivid. From 1949 to 1959, American farmers produced 46.5 million less bushels than the amount of the total disappearance of this crop. Yet, during this same period, our surplus increased by 4.5 million bushels, due to the fact that we imported 52.7 million bushels.

To cite another example, the Department of Agriculture is presently engaged in a lamb-buying program to improve prices. As of March 24, they had acquired 4½ million pounds of lamb at a cost of $1¾ million. At the same time, we have imported over 14 million pounds of lamb at a cost of over $3½ million during the past 13 months. The way the program is operating, the Department is buying lamb at about the same rate it is being imported. The latest purchase, as of March 24, was 1,700,000 pounds, and we imported 1,600,000 pounds in January.

Several other examples could be given. Looking at the lamb and mutton import problem from another angle, for example, we note that in 1957 this country imported 3.5 million pounds of these commodities. In 2 years, these imports had increased to 56.8 million pounds—a very drastic increase, and one which has been severely felt by our domestic industry.

In 1959, we imported 709,000 head of cattle and calves, 626 million pounds of beef and veal, 175 million pounds of pork, and 76,000 head of sheep and lambs.

I believe any attempt to improve our present agricultural situation must take into account this tremendous traffic in farm imports. By this I do not mean to say that imports alone are the only and complete solution to the agricultural problem, or that we should close our doors completely to imports. I do think, however, that it is unreasonable to propose or request that American farmers curtail their production of certain commodities which are in surplus, and at the same time make no effort to control the imports which have played such a large part in creating many of the surpluses. As I have already exemplified, in three of the grain crops—barley, oats, and rye—the American farmer's production has not been the cause of the surpluses which have been costly to the taxpayer, while at the same time he has had to pay the penalty of the reduced price available to him.

In this connection, another situation has developed which could threaten to place flax in the same inequitable import position that has plagued barley, oats, and rye farmers. The Department of Agriculture recently raised the price support on flax, and the President, after receiving a recommendation from the U.S. Tariff Commission that the special import fees on flaxseed and linseed oil be reduced from 50 percent ad valorem to 15 percent ad valorem, eliminated these fees altogether. It seems obvious to me that an importer, given the chance to sell flaxseed and linseed oil at a higher price and being allowed to bring these commodities in free of the special import fees, will certainly seize upon this opportunity. Flax production in Argentina and Canada has been increasing, offering further potential for expanded imports of this commodity into the United States.

The results of this situation could be every bit as detrimental to the American taxpayers and flax producers as are the aforementioned barley, oats, and rye import policies, and I am sure that if the U.S. Tariff Commission had taken the increased price support for flax into consideration it would not have recommended a reduction in the import fees to the President. This is a further example of the need for a closer examination and more thorough coordination of our present farm import policies.

I supported the recent actions which increased price supports on various grain crops, as I will any proposal which offers the opportunity for an improvement in farm income and a reduction in taxpayer costs. But I am apprehensive about the effect which increased price supports will have on imports if a more realistic import policy is not developed. Put in its simplest terms, if price supports are increased and the import situation is not altered, it is obvious that the resultant higher prices will likewise mean increased imports.

Another benefit of a more enlightened import policy should be mentioned briefly here also. If imports of livestock and meat were reduced, greater land utilization would result not only from increased domestic production of livestock, but also from increased domestic production of feed grains.

So this is the import situation, and it is one which I feel must be dealt with if we hope to make a beginning on finding a real and lasting solution to the problems of American agriculture. The bill which I have proposed today is designed to do this. It provides that the President shall call for an investigation by the U.S. Tariff Commission in the case of any agricultural commodity which is in surplus and is being imported. This will make possible a determination of the facts regarding imports of such commodities, and will provide a solid basis on which realistic approaches and decisions can be made. Such decisions, it is my hope, would result in more reasonable and equitable fees and quotas and farm legislation which is of benefit to both the farmer and the Nation. It is my firm belief that until we deal with these imports, our efforts at improving the agricultural economy will not be fully successful.

I respectfully urge the prompt consideration of this bill.

FEDERAL AID TO EDUCATION

Mr. KYL. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. LIPSCOMB] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LIPSCOMB. Mr. Speaker, a recent publication of the U.S. Office of Education, produced and printed at the expense of the taxpayers, should emphatically and completely put at rest any doubts that wheels are turning—and turning fast—in the direction of Federal control over education.

Whether the enactment of Federal aid to education legislation such as is pending before the Congress would result in Federal control over education generally throughout the Nation, is a question that has repeatedly been raised here in the Congress and by many concerned individuals nationwide.

Always the claim goes up from proponents of massive Federal aid grants for education that no Federal control would ensue from the enactment of such legislation.

We have even seen provisions included in proposed legislation righteously asserting that the Federal Government could in no way usurp the authority of the States and localities and exercise control over education.

Notwithstanding these protestations and provisions, it is apparent that few actually believe that Federal control over education would not result from the kind of aid program proposed.

The Office of Education publication not only underscores this view but emphasizes the seriousness of the problem and the zealousness and determination of those dedicated to imposing stringent controls over American education.

The very title of the Office of Education report is revealing. It is "A Federal Education Agency for the Future." The report is dated April 1961, bears the designation OE–10010, and was printed by the Government Printing Office.

According to the remarks contained in the foreword, the report was produced over the last 5 months through the efforts of a group known as a Committee on the Mission and Organization of the Office of Education. The committee consists of members of the career staff of the Office of Education.

It is stated in the foreword that the committee was charged by the former Commissioner of Education with developing "a clearcut and balanced statement of the mission proper to the Office of Education over the next decade, and a reasonably detailed outline of an organizational structure that would be most conducive to the effective and efficient accomplishment of that mission."

The report itself is in my opinion nothing short of amazing. It can only be labeled a proposed blueprint for Federal takeover of education, a blueprint for Federal thought control in America. Its recommendations range far and wide and cover every meaningful facet of education in America.

The report repeatedly stresses a necessity for Federal action in formulating educational policies; it recommends review of teacher preparation, curriculums, and textbooks; it states that we must implement international education proj-

ects in the United States, indicating future closer relationships with UNESCO, ministries of education abroad and others; it advocates social scientists as advisers in the Office of Education; it recommends an enlarged Office of Education.

Mr. Sterling M. McMurrin, Commissioner of Education has commended the committee for what he terms its "well-considered recommendations," and went on to say that it is his conviction that the spirit and purpose of the report deserve the hearty endorsement of the Office of Education, and the Department of Health, Education, and Welfare.

Commissioner McMurrin continued:

I anticipate that much of this activity will take place through normal administrative processes within the Office and the Department.

In order to bring to the attention of the House various of the recommendations contained in the publication, "A Federal Education Agency for the Future," bearing on the subjects to which I have referred, I will set forth various sections of the report itself, accompanied by page references as to where the quotations may be found in the report. These quotations speak most eloquently, and ominously, for themselves concerning the plan to impose Federal control over education.

The first group of quotations, which follows, pertains to the recommendations generally in regard to the assumption of greater Federal control over education:

Page 31: In summary the committee on mission and organization recommends a new and significant role for the Federal education agency in the 1960's. This agency must, over the next decade, not only perform its traditional functions of data gathering, analysis, and dissemination; research; and services to organized education. It must also prepare itself to assume larger responsibilities in carrying out Federal policy through the administration of operating programs. It must assume a new role, speaking within the Federal Government for the long-term interests of education. And it must render assistance in the development of public educational policy.

In the following quote it is of interest to note that a self-serving assumption is made that there has been a change in public conviction, so-called, for an enlarged role for the Federal Government in the field of education:

Page 3: New responsibilities have fallen to the Office of Education during the past decade, supplementing but not replacing those that emerge from its more historic role. These new responsibilities reflect nothing more or less than a change in public conviction as to the role of the Federal Government in the area of education. We have said that responsibility for the conduct of American education—at all levels—remains and will remain outside the Federal Government. But the American people have come to use the one government they have in common to augment and strengthen the activities of the several governments they have separately. The reasons for this are perhaps better analyzed by economists and political scientists; this committee acknowledges it as a fact. The committee foresees an extension of the active Federal role in education.

The following far-reaching statement relates generally to the type of role the Office of Education seeks in formulating education policies and objectives:

Page 43: In the fulfillment of its educational leadership responsibilities at the Federal level, the Office must establish such rapport and mutual understandings as to merit and achieve confidence in its representation of the educational profession in national policymaking, thus rendering more effective its assistance to the policymaker through reports, recommendations, and proposals to the administration.

Along with these responsibilities should be included that of stimulating and participating activity in the process of formulation, examination, and reformulation of the goals of our national society in terms of educational objectives.

The Office of Education seeks to be a striking force ready to move along the educational problem front at home and abroad:

Page 42: Having identified an area of need, moreover, the Office must have the strategic mobility to bring to bear upon education problems of high priority the resources required. The dissemination of educational information, although an important function in itself, must be capable of meshing with the more substantive measures which may from time to time be needed. In other words, the Office must be a striking force ready to move along the educational problem front at home and abroad. The action program may range in scope from the rendering of professional counsel to the administering of major financial grant programs.

As viewed by the Office of Education, its educational duties would be practically all-embracing, and apparently would extend from cradle to grave:

Page 7: More specifically, the popular foundations of American education argue for the treatment of educational problems in the larger context of American life. Questions of educational finance cannot be studied without regard to public finance and taxation generally; the problems of juvenile delinquency cannot be disregarded simply because they are only partially of educational origin; nor can the educational needs of Americans be neglected simply because the individuals have matured beyond the traditional school years. They argue, too, for a staff that is broadly concerned with and sensitive to all aspects of American life. Finally, the popular nature of American education argues for the creation of a national lay advisory body in the field of education.

Great emphasis, under the goal of the Office of Education, is to be placed on international aspects of education, ranging from assessing the international deficiencies of our domestic educational system to bringing about maximum effectiveness to the total international educational effort.

Pertinent quotations from the publication "A Federal Education Agency for the Future" relating to proposed internationalization of education follow:

Page 5: The responsibilities of the Federal Government in this effort are marked. Not only is it the constitutional responsibility of the Federal Government to conduct the foreign affairs of the Nation; it is almost equally evident that national observers are especially well qualified to assess the international deficiencies of our domestic educational system. The modern foreign language development program authorized by the NDEA is an instance of Federal identification of an international need imperfectly acknowledged by local and State educational agencies. It seems to the Committee axiomatic that intimate involvement of the United States in international affairs will lead to the identification of other educational needs that could hardly be so readily seen by local, State, and institutional authorities. And for precisely the reason that the Federal Government feels these deficiencies most acutely, it has a unique responsibility to sponsor and subvene their remedies.

Page 43: The Office of Education, as the primary Federal agency in the field of education, must look forward to a greater role in planning the Nation's relationships with educational programs, educational institutions, students, and faculty members in other countries, in implementing international educational projects in the United States, and in bringing maximum effectiveness to the total international educational effort.

Under the grandiose plan of the Office of Education for internationalization of education, close relationships with education agencies abroad and with international organizations such as UNESCO are envisioned. The following sections discuss these goals:

Page 40: No aspect of the educational task of the 1960's surpasses in significance the fact that education is basic to the effort to bring about an enduringly peaceful world.

The developing nations of the world are seeking desperately to raise their standards of living and improve their economic social conditions. They recognize that education is the key to this advancement, and they will continue to look increasingly to the United States for aid.

The next decade will bring closer and multiple relationships with ministries of education abroad and international organizations, such as UNESCO, the Organization of American States, International Bureau of Education, and others working in the field of education, as problems in education are attacked bilaterally and multilaterally on a worldwide basis.

The Office of Education seeks the posture; in other words, sufficient money and authority to exert leadership in the stimulation, encouragement, development, and strengthening of professional leadership in education in this country and in other countries:

Page 42: Concurrently and continuously, the Office must have the willingness and the posture to exert its leadership in the stimulation, encouragement, development, and strengthening of professional leadership in education throughout this Nation and in other nations with like goals and aspirations. It must help to provide to educational leaders, the informational resources essential to the exercise of professional leadership in the identification and solution of their educational problems, in the constant improvement of educational programs, and in securing understanding, cooperation, and support of their respective publics.

No significant facet of education appears to be overlooked in the sweeping recommendations for Federal action in the field of education. Following are sections of the report relating to proposals on curriculums and textbook revision, and concerning teacher preparation:

Page 40: During the coming decade, new means must be developed for identifying and releasing student potential; curriculums will have to undergo continual reshaping and

upgrading; and new techniques and tools of instruction will have to be developed.

At home, greater attention to the study of comparative education, history, languages, geography, economics, and comparative government must be given in order to prepare students to understand the world of tomorrow. Likewise, teacher preparation, textbooks, and the curriculum in these subject fields must be improved in the decade ahead.

It would seem only logical, in connection with an ambitious plan to assume control over education in the United States and work toward internationalization of education, that economists, sociologists, and other social scientists would be required in the Office of Education as policy advisers.

A recommendation along these lines naturally is included in the publication "A Federal Education Agency for the Future." It is included in the following quoted section of the report:

Page 47: Correspondingly, the development of the professional staff for this more comprehensive aspect of the Office's mission must include a broadening of the areas of competence represented. Economists, sociologists, and other social scientists will be needed on the staff to assist in dealing with educational problems in their total context. The relationships of the Office in these larger concerns may well extend beyond the boundaries of organized education, particularly as they affect such multiphase areas as adult education.

To accomplish the goals set forth in the report, it is not at all surprising that an enlarged Office of Education is proposed. A recommendation along these lines is included in the report. Under that recommendation the Office would become the U.S. Education Agency, and would be headed by a U.S. Commissioner of Education. That the Office envisions educational policymaking authority is also made abundantly clear once again:

Page 9: The committee recommends that the name of the Office of Education be changed to the U.S. Education Agency. This step should be taken at once to reflect the more active role of this unit of Government, and to acknowledge the importance attached to education by the Government of the United States. We recognize that consistent application of Federal terminology, in accord with recommendations of the Hoover Commission, might argue for the term "Service" rather than "Agency." We feel, however, that the term "service" has connotations in the context of the traditional activities of the agency that would give a misleading impression of the nature of the organization contemplated. As vital as service is in the traditional sense, the committee feels that it now constitutes but one of the major functions of the agency.

The committee recommends that the U.S. Education Agency be headed by a Commissioner, authorized to use the title "U.S. Commissioner of Education."

Much of the intended thrust of the report appears to be touched on in the final section I am setting forth. The following statement appears on page 41 of the report under a heading entitled "The Role of the Federal Government." It is contained in a section devoted to discussing the so-called challenges to education in the 1960's:

Page 41: The Federal Government carries a heavy responsibility in connection with these challenges. Its trusteeship of the general welfare places upon it an obligation to assist in the development of equality of educational opportunity, to promote the fullest development of the abilities and aspirations of its citizens, and to preserve a system of education that will enhance democratic values. The Federal Government can and should reflect a growing sense of educational nationhood—an awareness that the implications of education are indisputably national, however local may be the control of education.

Practically speaking, this obligation is reinforced by a realistic consideration of public finance—the substantial revenue resources available to the Federal Government as opposed to those available to the States and localities.

The Federal Government must be prepared in the coming decade not only to continue and, where appropriate, expand existing programs of aid to education; it must also develop new avenues of assistance and patterns of educational leadership. It must do all that is necessary to support the pluralistic educational system of the Nation. In the area of international education cooperation, in particular, it must play the major role, since only the Federal Government can enter into agreements with other governments.

It will be noted, in this last section of the report reproduced, that the Office of Education took it upon itself to assess the relative financial resources available to the Federal Government and to the States and localities, respectively, in the field of education. It attempts to pass off as gospel truth the claim that the Federal Government is better able to make expenditures for education.

I wonder if the authors of the report are aware of the fact that the Federal Government has amassed a national debt of over $290 billion? I wonder if they are aware that it is already known that the Federal Government will incur a large deficit this fiscal year and next, and possibly for years to come?

What is the basis for the assumption concerning resources available to State and local governments? States and localities are in actuality making very encouraging progress both in advancing teachers salaries and in classroom construction.

I view with grave concern the far-reaching implications of the proposals for Federal control of education contained in the publication "A Federal Education Agency for the Future." And the various sections of the report I have referred to are only a few of the many it contains along these lines.

It is a matter of concern to me also that taxpayers' money should be used to propagandize the Congress and the public with claims, many based on mere assumptions, that there is need for centralization of education.

I would like to recall, too, the fact, mentioned earlier, that the Commissioner of Education extolled the recommendations as "well considered," and has indicated much of the activity will take place through administrative processes.

I believe everyone concerned with preserving freedom in America should be completely aware of the significance of the plans being formulated to centralize control over education in Washington. This report is must reading for every Member of Congress.

POLITICAL QUALIFICATIONS OF DISTRICT OF COLUMBIA COMMISSIONERS

Mr. KYL. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. MATHIAS] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. MATHIAS. Mr. Speaker, the government of the District of Columbia is one of the serious problems and responsibilities of the United States. For a number of years that government has been entrusted to a board of three Commissioners who administer the affairs of the District of Columbia. During substantial portions of its history, the District Board of Commissioners has been bipartisan in its composition. This was notably true during the administration of President Franklin D. Roosevelt, when Commissioner J. Russell Young, a Republican, served several terms. Under President Eisenhower, Commissioner Camalier, a Democrat, was retained in office.

The bipartisan principle is one well established in the administrative agencies of the Government. The District of Columbia governmental body has been compared to a Federal independent agency, and most such agencies are required by Congress to be bipartisan.

With both the custom which has been followed in the District as a precedent and the general policy of the Congress with respect to bipartisan agencies before us, I have introduced a bill to require that the two civilian Commissioners of the District of Columbia shall be of opposite political parties. I believe that in this way the affairs of the District of Columbia will be the subject of participation by both major political parties in Washington. I believe that it will help to produce more interest in public affairs and will increase the political maturity of District residents as they approach their first opportunity to exercise the right to vote in nearly a century.

SMALL TOWNS SHOULD BE REPRESENTED IN CABINET DEPARTMENT OF URBAN AFFAIRS AND HOUSING

Mr. O'HARA of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. PATMAN. Mr. Speaker, a few days ago, June 6, I testified in favor of the bill concerning a Cabinet Department of Urban Affairs.

An amendment was suggested in my testimony, providing for a position of equal status for smaller towns and communities.

My testimony was as follows:

Mr. Chairman, on last April 26 I stated on the floor of the House that I favor President Kennedy's proposal to create a Cabinet Department of Urban Affairs and Housing. I do so with a sincere expression of my concern for the Nation's smaller communities and a reminder that they are just as urban as the major metropolitan areas of our country. If such a department is approved by this committee and the Congress, the smaller communities of our Nation must have equal status, equal treatment and equal consideration with our large cities. The smaller communities have been and are the backbone of our Nation. Their educational and religious institutions, their independent business firms, and their community life generally must be protected against any partiality in our solicitude for the great cities.

POPULATION WELL DIVIDED

Much has been said about the concentrations of population in the large cities, yet only 42.4 percent of our population lives in cities with 25,000 or more population. The Census Bureau reported that there are but 676 cities in the United States with 25,000 or more population. There are not that many standard metropolitan statistical areas listed by the Census Bureau because many of these cities listed individually are parts of metropolitan area complexes. Described another way, the Census Bureau reported that 111,590,000 persons live in metropolitan areas of 50,000 or more while 66 million live outside metropolitan areas. That means 59 percent of the population resides in metropolitan areas.

Of the total population, 15.6 million live on farms. This represents 8.7 percent of the population. It is a substantial reduction from the 16.8 percent of the 1950 census, but the biggest change is caused by a difference in definition. Formerly a farm residence was determined by the occupant's opinion of whether or not his dwelling was located on a farm. For the 1960 census estimate, farm residence was determined on the basis of land acreage and the value of farm products sold.

With this division of population, I know the committee will give equal consideration to the fact that small towns are urban, too. The big cities, with their sophistication in municipal management and their close associations with the Nation's Capital, will court attention from a Department of Urban Affairs from the very first. I dare say they even now are watching the progress of this proposed legislation and hope to help shape its destiny and purpose. This was what happened when Congress passed the Housing Act in 1949 and added refinements in 1954. The major cities were on the bandwagon immediately while the understaffed, underbudgeted smaller communities trailed far in their wake in seeking the opportunities and benefits of this legislation providing grants, construction and planning loans, Federal mortgage insurance, and community facilities.

SMALLER COMMUNITY DIVISION

For that reason, Mr. Chairman, I urge the subcommittee to add to the bill a section creating a separate Division for Smaller Community Development within the Department of Urban Affairs. I also urge adding language recognizing that smaller communities are urban areas, and shall be accorded comparable treatment with standard and major metropolitan areas.

The plight of the smaller communities cannot be overemphasized. It is recognized by many colleges and universities that are making special studies of small town problems and possible corrective measures. Congressman SMITH probably is familiar with the project being undertaken by the University of Iowa to stem the deterioration in smaller communities and reinvigorate community life. This deterioration is in residential areas and commercial districts. It is in lack of adequate revenue to provide schools and the public improvements necessary for the normal future life and growth of every community. Some say smaller communities should hire professional municipal managers. But how can they do so when they lack sufficient revenue for street paving and lighting, adequate police and fire protection, school construction, and park and recreational facilities?

WALL STREET RUNS MAIN STREET

What has caused the plight of the smaller communities? Some say it is the gradual demise of the single family farm. Others say there are more attractive employment opportunities in the larger cities. The House Small Business Committee has found that another very serious cause is the siphoning of financial resources from the smaller communities by the giant corporations in industry and merchandising. The simplest way I have found to say it is this: Main Street is being run by Wall Street. The stores on the main streets of this country are largely owned and operated by a few nationwide corporations. Behind the new glass fronts on Main Street there are local men and women who appear to be in charge, but actually they are working for absentee owners. Decisions are not made locally but in the board rooms of Wall Street. The receipts of the local stores do not go to the local bank to provide "seed" for loans to create new businesses and new community growth, but are transferred to the distant banks and investment houses of the big corporations. Saving local business institutions will help save smaller communities by providing the vigor and revenue every community must have.

Congress has approved legislation and provided many millions of dollars in an effort to help farmers. It has assisted larger cities through urban renewal programs and interstate highway construction. Now, we have an opportunity—we have an urgent responsibility—to give deserved recognition to the problems of our smaller communities.

Referring to the bill itself, I have just two suggestions, but urgent ones in my opinion, for clarifying purposes to make certain that equal status, equal treatment for smaller communities is protected:

1. The words "urban area," "urban affairs," and "metropolitan area" are used frequently throughout the bill without defining the word "urban." I suggest adding a paragraph "(c)" to section 2 worded something like this:

"(c) The meaning of urban, suburban, and metropolitan areas in this Act is defined as including any and all communities and areas which are not specifically designated as rural, and which are recognized as a political division or entity within the framework of the State's government."

2. Further protect the status of smaller communities by adding language—probably to section 3—providing for establishment of a Division for Smaller Community Development, headed by an official of equal rank and status to any official whose attention would be directed primarily to problems of larger urban areas.

Thank you, Mr. Chairman.

FEDERAL AID TO EDUCATION

Mr. O'HARA of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ZELENKO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ZELENKO. Mr. Speaker, on yesterday, I restated my position on the Federal aid-to-education bill which as you know is about to be brought to the floor for a vote. It was necessary for me to review my record as a leading figure in bringing about the early passage of this bill. This I did because of an editorial which appeared in the New York Times on June 6, 1961. The editorial comment inferred that I was attempting to delay this important legislation in order to obtain a commitment on another school bill.

Today, June 8, 1961, the following editorial appeared in the New York Times:

Representative ZELENKO (Manhattan Democrat) is, as we stated Tuesday, a principal lieutenant of Majority Leader MCCORMACK, of Massachusetts, in the fight to extend Federal aid to private (parochial) schools. However, we accept his word that our editorial was mistaken in inferring that he has been attempting to delay the public school bill until commitments could be obtained on private school aid.

I commend the New York Times for its forthright statement. As I said yesterday, my confidence in this great newspaper will not waiver despite my personal aggrievement. Today's editorial is worthy of the Times and its fine tradition of fairplay and accuracy. I extend my sincere thanks to its editor and his staff.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to:

Mr. CEDERBERG (at the request of Mr. HALLECK), on account of official business as a representative of the United States, for the duration of the International Labor Organization Conference.

Mr. BECKER, from June 8 to June 15, 1961, on account of official business.

Mr. WALTER (at the request of Mr. FLOOD), for the balance of the week, on account of sickness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. SCHERER, for 10 minutes today.

Mr. STAGGERS (at the request of Mr. O'HARA of Michigan), for 10 minutes today, and to revise and extend his remarks and include extraneous matter.

Mr. FLOOD, for 1 hour on June 14, 1961.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. O'HARA of Michigan the remarks he made in Committee of the Whole today, and to include extraneous matter.

Mr. MULTER and include extraneous matter, notwithstanding it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $182.25.

Mr. LANKFORD.

(The following Members (at the request of Mr. O'HARA of Michigan, and to include extraneous matter:)

Mr. TOLL.

Mr. ASPINALL.

Mr. ANFUSO.

Mr. OLSEN.

(The following Members (at the request of Mr. KYL) and to include extraneous matter:)

Mr. CEDERBERG.

Mr. WEAVER.

Mr. LINDSAY.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 215. An act for the relief of Ennis Craft McLaren;

S. 546. An act for the relief of In Fil Chung, In Ae Chung, In Sook Chung, and In Ja Chung;

S. 751. An act to terminate the existence of the Indian Claims Commission, and for other purposes;

S. 949. An act for the relief of John G. Tiedemann; and

S. 1064. An act for the relief of Samuel Pisar.

ADJOURNMENT

Mr. O'HARA of Michigan. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 9 minutes p.m.), under its previous order, the House adjourned until Monday, June 12, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1003. A letter from the Director, Legislative Liaison, Department of the Air Force, relative to the Air Force Reserve and their assignment to the new mission of postattack recovery, and relating to their assistance to the Regular Air Force; to the Committee on Armed Services.

1004. A letter from the Chairman, Federal Communications Commission, transmitting a draft of a proposed bill entitled "A bill to amend the Communications Act to provide for summary judgment procedure in the consideration of license applications, in appropriate cases"; to the Committee on Interstate and Foreign Commerce.

1005. A letter from the Comptroller General of the United States, transmitting a report on examination of the air-travel policies of selected defense contractors with respect to savings available to the Government through increased use of accommodations less costly than first-class accommodations; to the Committee on Government Operations.

1006. A letter from the Assistant Secretary of the Interior, relative to the State of Hawaii applying for a loan of $4,514,000 to be used for the completion of the Molokai project, pursuant to the Small Reclamation Projects Act of 1956; to the Committee on Interior and Insular Affairs.

1007. A letter from the Secretary of the Interior, requesting legislation which would authorize an appropriate judicial official of the United States to exercise the power and authority of a naturalization court in American Samoa; to the Committee on the Judiciary.

1008. A letter from the Secretary of the Interior relative to requesting that section 308(2) of the Immigration and Nationality Act be amended, in regard to persons born in a foreign country and acquiring American nationality; to the Committee on the Judiciary.

1009. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in cases of certain aliens who have been found admissible to the United States under the law, pursuant to the Immigration and Nationality Act; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. VINSON: Committee of conference. S. 1852. An act to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes (Rept. No. 462). Ordered to be printed.

Mr. VINSON: Committee of conference. H.R. 5000. A bill to authorize certain construction at military installations, and for other purposes (Rept. No. 469). Ordered to be printed.

Mr. ANDREWS: Committee on Appropriations. H.R. 7577. A bill making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes; without amendment (Rept. No. 497). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H.R. 6775. A bill to amend the Shipping Act, 1916, as amended, to provide for the operation of steamship conferences; with amendment (Rept. No. 498). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. H.R. 1336. A bill for the relief of Anna Catania Puglisi, without amendment (Rept. No. 463). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H.R. 1337. A bill for the relief of Amelia Andreoli D'Attorre; without amendment (Rept. No. 464). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 1390. A bill for the relief of Jung Ngon Woon; without amendment (Rept. No. 465). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H.R. 1391. A bill for the relief of Mrs. Wong, Lau Sau Kam; with amendment (Rept. No. 466). Referred to the Committee of the Whole House.

Mr. FEIGHAN. Committee on the Judiciary. H.R. 1459. A bill for the relief of En2c. Hideo Chuman, U.S. Navy; without amendment (Rept. No. 467). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 3863. A bill for the relief of Woody W. Hackney of Fort Worth, Tex.; with amendment (Rept. No. 468). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 32. An act for the relief of Jeno Becsey; without amendment (Rept. No. 470). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 68. An act for the relief of Kay Addis; without amendment (Rept. No. 471). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 70. An act for the relief of Mah Ngim Hay (Joe Mah); without amendment (Rept. No. 472). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 71. An act for the relief of Mah Ngim Bell (Bill Mah); without amendment (Rept. No. 473). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 186. An act for the relief of Dr. William Kwo-Wei Chen; without amendment (Rept. 474). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 219. An act for the relief of Dr. Nobutaka Azuma, without amendment (Rept. No. 475). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 268. An act for the relief of Hok Yuen Woo, without amendment (Rept. No. 476). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 304. An act for the relief of Anna Lekos; with amendment (Rept. No. 477). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 395. An act for the relief of Fausto Lavari; without amendment (Rept. No. 478). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 400. An act for the relief of Mrs. Keum Ja Asato (Mrs. Thomas R. Asato); without amendment (Rept. No. 479). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 441. An act for the relief of Rodopi Statherou (Statheron); without amendment (Rept. No. 480). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 485. An act for the relief of Charles Edward Pifer; without amendment (Rept. No. 481). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 746; an act for the relief of Yee Mee Hong; without amendment (Rept. No. 482). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 759. A act for the relief of Sadako Suzuki Reeder; without amendment (Rept. No. 483). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 865. An act for the relief of Wieslawa Barbara Krzak; without amendment (Rept. No. 484). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 921. An act for the relief of Martha Uchacz Barras; without amendment (Rept. No. 485). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1093. An act for the relief of Sze-Foo Chien; without amendment (Rept. No. 486). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1343. An act for the relief of Dr. Tung Hui Lin; with amendment (Rept. No. 487). Referred to the Committee of the Whole House.

Mr. SHRIVER: Committee on the Judiciary. H.R. 1338. A bill for the relief of William W. Stevens; without amendment (Rept. No. 488). Referred to the Committee of the Whole House.

Mr. SHRIVER: Committee on the Judiciary. H.R. 1507. A bill for the relief of Capt. Jacob Haberle; with amendment (Rept. No. 489). Referred to the Committee of the Whole House.

Mr. MOORE: Committee on the Judiciary. H.R. 1903. A bill for the relief of Mrs. Amina Youssif Cosino (nee Simaan); with amendment (Rept. No. 490). Referred to the Committee of the Whole House.

Mr. ASHMORE: Committee on the Judiciary. H.R. 2656. A bill for the relief of Capt. Leon B. Ketchum; with amendment (Rept. No. 491). Referred to the Committee of the Whole House.

Mr. MacGREGOR: Committee on the Judiciary. H.R. 3132. A bill for the relief of Lucille Collins; without amendment (Rept. No. 492). Referred to the Committee of the Whole House.

Mr. MacGREGOR: Committee on the Judiciary. H.R. 3862. A bill for the relief of Lt. Col. Edward C. Campbell; with amendment (Rept. No. 493). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 4381. A bill for the relief of Walter H. Hanson; with amendment (Rept. No. 494). Referred to the Committee of the Whole House.

Mr. PETERSON: Committee on the Judiciary. H.R. 5501. A bill for the relief of Mrs. David Ishmael, Manhattan, Kans.; with amendment (Rept. No. 495). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 6158. A bill for the relief of Adolphe C. Verheyn; with amendment (Rept. No. 496). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. O'HARA of Michigan:

H.R. 7558. A bill to amend the Internal Revenue Code of 1954 to provide that an amount equal to the manufacturers excise tax on passenger automobiles shall be paid to persons who purchase such automobiles during periods of high unemployment; to the Committee on Ways and Means.

By Mr. CURTIS of Missouri:

H.R. 7559. A bill to amend title 39 of the United States Code to provide for additional writing or printing on third- and fourth-class mail; to the Committee on Post Office and Civil Service.

By Mr. HAGAN of Georgia:

H.R. 7560. A bill to authorize the Public Housing Administration to sell and convey to the mayor and aldermen of the city of Savannah, Ga., or Housing Authority of Savannah, Ga., all right, title, and interest of the United States in certain property located in the city of Savannah, Ga.; to the Committee on Banking and Currency.

By Mr. JOHNSON of California:

H.R. 7561. A bill for the relief of certain counties, cities, and other political subdivisions of the State of California; to the Committee on the Judiciary.

By Mr. KING of Utah:

H.R. 7562. A bill to create the Freedom Commission and the Freedom Academy; to research and develop an integrated, operational science to win the nonmilitary part of the global struggle between freedom and communism; and to train Government personnel, private citizens, and foreign students in this science; to the Committee on Un-American Activities.

By Mr. LANGEN:

H.R. 7563. A bill to amend the Agriculture Marketing Agreement Act of 1937, as amended; to the Committee on Agriculture.

By Mr. MATHIAS:

H.R. 7564. A bill to amend section 2 of the act of June 11, 1878, so as to provide that not more than one of the two persons appointed from civil life as Commissioners of the District of Columbia shall be from the same political party; to the Committee on the District of Columbia.

By Mr. MULTER:

H.R. 7565. A bill to amend the Bank Holding Company Act of 1956; to the Committee on Banking and Currency.

By Mr. ROSTENKOWSKI:

H.R. 7566. A bill to amend title II of the Career Compensation Act of 1949 so as to provide that certain members of the uniformed services shall not be entitled to receive any pay or allowances from the United States after engaging in any activity or conduct, while a prisoner of war, which results in the giving of aid or comfort to an enemy of the United States; to the Committee on Armed Services.

By Mr. BASS of New Hampshire:

H.R. 7567. A bill for the relief of the State of New Hampshire; to the Committee on the Judiciary.

By Mr. DORN:

H.R. 7568. A bill to provide for the establishment of the Old Ninety-six Star Fort National Park in the State of South Carolina; to the Committee on Interior and Insular Affairs.

By Mr. McSWEEN:

H.R. 7569. A bill to amend the Railroad Retirement Act of 1937 to permit an annuitant to receive his annuity even though he renders compensated service for an outside employer by whom he was last employed before his annuity began to accrue; to the Committee on Interstate and Foreign Commerce.

H.R. 7570. A bill to amend section 2(h) of the Civil Service Retirement Act with respect to employees of the agricultural stabilization and conservation county committees, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 7571. A bill to amend the Internal Revenue Code of 1954 with respect to the deduction for medical and dental expenses in the case of the disabled; to the Committee on Ways and Means.

By Mr. PUCINSKI:

H.R. 7572. A bill to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower; to the Committee on Foreign Affairs.

By Mr. THOMPSON of Louisiana:

H.R. 7573. A bill to amend the Shipping Act, 1916, to provide for licensing independent foreign freight forwarders, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. VANIK:

H.R. 7574. A bill to amend section 303 of the Defense Production Act of 1950, as amended, by providing for access to contractors' records by the Comptroller General; to the Committee on Banking and Currency.

By Mr. HARRIS:

H.R. 7575. A bill to amend the Natural Gas Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HOLIFIELD:

H.R. 7576. A bill to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. ANDREWS:

H.R. 7577. A bill making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes.

By Mr. RHODES of Pennsylvania:

H.R. 7578. A bill to assist in the reduction of unemployment through the acceleration of capital expenditure programs of State and local public bodies; to the Committee on Education and Labor.

By Mr. CELLER:

H.J. Res. 443. Joint resolution authorizing the creation of a commission to consider and formulate plans for the construction in the District of Columbia of an appropriate permanent memorial to the memory of Woodrow Wilson; to the Committee on House Administration.

By Mr. FLYNT:

H. Res. 332. Resolution to create a select committee to investigate personnel and procedures in the Department of State of the United States; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to provide that the United States cease all trade with the Republic of Cuba; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States relative to requesting passage of H.R. 6168 and S. 1571 proposing a curb on the excessive import of shrimp; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Oklahoma, memorializing the President and the Congress of the United States to retain the 27½ percent depletion provision on oil and gas production in income tax laws; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause I of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALFORD:

H.R. 7579. A bill for the relief of Virgil Dean Bewley; to the Committee on the Judiciary.

By Mr. BALDWIN:

H.R. 7580. A bill for the relief of Mariano Cabanilla; to the Committee on the Judiciary.

By Mr. CURTIS of Missouri:

H.R. 7581. A bill for the relief of Mike H. Kostelac; to the Committee on the Judicary.

H.R. 7582. A bill for the relief of Dario Tacquechel; to the Committee on the Judiciary.

By Mr. HOLTZMAN (by request):

H.R. 7583. A bill for the relief of Robert Dryland; to the Committee on the Judiciary.

By Mr. KOWALSKI:

H.R. 7584. A bill for the relief of Guido Rubbo; to the Committee on the Judiciary.

By Mr. McSWEEN:

H.R. 7585. A bill to provide for the conveyance of certain real property of the United States to John R. Lincecum, et al.; to the Committee on Agriculture.

By Mr. RABAUT:

H.R. 7586. A bill for the relief of Vinicio Ferretti; his wife, Lubiana Vivette Ferretti; and their minor child, Maria Cristina Janette Ferretti; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

176. By Mr. KOWALSKI: Petition of the Connecticut Public Utilities Commission relative to activities of the General Services Administration; to the Committee on Interstate and Foreign Commerce.

177. By Mr. SHRIVER: Petition of the Wichita Real Estate Board of Wichita, Kans., expressing its urgent feeling that the proposal contained in President Kennedy's tax message, to limit application of long term capital-gains tax to only that part of real estate investment growth not created by depreciation, will be a dire hardship to owners and investors, depressing on real estate values and the national economy in general; to the Committee on Ways and Means.

SENATE

THURSDAY, JUNE 8, 1961

The Senate met at 12 o'clock noon, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou whose approval we seek above the hollow applause of men, at noonday we pause in the midst of thronging duties and vital issues that, in our darkness, Thou mightest lift upon us the light of Thy countenance.

Amid all the tinsel of material things deliver us from any camouflaged selfishness which shrinks the soul, from unreasoned hatred which eats like a canker, from any impurity which blinds the inner eyes to Thee and the godlike about us, and from the cynicism of unbelief which dims the splendor of the glory life may hold.

Save us from the distorted vision which magnifies the speck in our neighbor's eye and ignores the splinter in our own, leading us to condemn in others the faults we condone in ourselves.

May those who stand in this holy place of public trust, as daily they ascend this Hill of solemn responsibility, come with clean hands and pure hearts and a passion to serve the present age.

We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 7, 1961, was dispensed with.

MESSAGE FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 7445) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1962, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore.

S. 215. An act for the relief of Ennis Craft McLaren;

S. 546. An act for the relief of In Fil Chung, In Ae Chung, In Sook Chung, and In Ja Chung;

S. 751. An act to terminate the existence of the Indian Claims Commission, and for other purposes;

S. 949. An act for the relief of John G. Tiedemann; and

S. 1064. An act for the relief of Samuel Pisar.

HOUSE BILL REFERRED

The bill (H.R. 7445) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1962, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

APPOINTMENT BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair appoints the Senator from Montana [Mr. METCALF] to be a member of the United States-Canadian Interparliamentary Group to succeed the Senator from Montana [Mr. MANSFIELD].

TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar, beginning with the new reports.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Samuel D. Berger, of New York, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Korea;

Dr. Walter Adams, of Michigan, to be a member of the U.S. Advisory Commission on Educational Exchange;

Dr. Mabel M. Smythe, of New York, to be a member of the U.S. Advisory Commission on Educational Exchange;

Anthony B. Akers, of New York, to be Ambassador Extraordinary and Plenipotentiary to New Zealand; and

Erle Cocke, Jr., of Georgia, to be U.S. Alternate Executive Director of the International Bank for Reconstruction and Development.

EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mr. RUSSELL. Mr. President, from the Committee on Armed Services, I report favorably the nominations of 17 major generals and 15 brigadier generals for appointment in the Regular Army. I ask that these names be placed on the Executive Calendar.

The VICE PRESIDENT. The nominations will be placed on the Executive Calendar.

The nominations were placed on the Executive Calendar, as follows:

Gen. Thomas D. White (major general, Regular Air Force), U.S. Air Force, to be placed on the retired list in the grade of general;

Gen. Curtis E. LeMay (major general, Regular Air Force), U.S. Air Force, for appointment as Chief of Staff, U.S. Air Force; and

Maj. Gen. Hugh Pate Harris, Army of the United States (brigadier general, U.S. Army), and sundry other officers, for appointment in the Regular Army of the United States.

Mr. RUSSELL. In addition, I report favorably 1,886 nominations in the Regular Air Force in the grade of lieutenant colonel and below, and 198 nominations in the Regular Army in the grade of major and below. All of these names have already appeared in the CONGRESSIONAL RECORD. In order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The VICE PRESIDENT. Without objection, it is so ordered.

The nominations are as follows:

Robert R. Carper, and sundry other officers, for promotion in the Regular Army of the United States; and

Julian R. Abernathy, Jr., and sundry other officers, for promotion in the Regular Air Force.

The VICE PRESIDENT. If there be no further reports of committees, the nominations under the new reports on the Executive Calendar will be stated.

DEPARTMENT OF THE INTERIOR

The Chief Clerk read the nomination of Clarence F. Pautzke, of Washington, to be Commissioner of Fish and Wildlife, Department of the Interior.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

COAST AND GEODETIC SURVEY

The Chief Clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The Vice President laid before the Senate the following letters, which were referred as indicated:

REPORT ON RESEARCH AND DEVELOPMENT OF ENGINES FOR CENTAUR AND SATURN C–2 VEHICLES

A letter from the Administrator, National Aeronautics and Space Administration, Washington, D.C., reporting, pursuant to law, on research and development work on the engines for the second stages of the Centaur and the Saturn C–2 vehicles; to the Committee on Aeronautical and Space Sciences.

APPROPRIATIONS FOR NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

A letter from the Administrator, National Aeronautics and Space Administration, Washington, D.C., transmitting a draft of proposed legislation to authorize appropriations to the National Aeronautics and Space Administration for salaries and expenses, research and development, construction of facilities, and for other purposes (with an accompanying paper); to the Committee on Aeronautical and Space Sciences.

REPORT ON PRIME CONTRACT AWARDS TO SMALL AND OTHER BUSINESS FIRMS

A letter from the Assistant Secretary of Defense, Installations and Logistics, transmitting, pursuant to law, a report on Army, Navy, and Air Force prime contract awards to small and other business firms, covering the period July 1960–March 1961 (with an accompanying report); to the Committee on Banking and Currency.

AMENDMENT OF COMMUNICATIONS ACT, RELATING TO CONSIDERATION OF CERTAIN LICENSE APPLICATIONS

A letter from the Chairman, Federal Communications Commission, transmitting a draft of proposed legislation to amend the Communications Act to provide for summary judgment procedure in the consideration of license applications, in appropriate cases (with accompanying papers); to the Committee on Commerce.

REPORT ON EXAMINATION OF AIR-TRAVEL POLICIES OF SELECTED DEFENSE CONTRACTORS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination of the air-travel policies of selected defense contractors with respect to savings available to the Government through increased use of less costly than first-class accommodations, dated June 1961 (with an accompanying report); to the Committee on Government Operations.

PROJECT PROPOSAL UNDER SMALL RECLAMATION PROJECTS ACT OF 1956

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, on a project proposal in Klamath County, Oreg., under the Small Reclamation Projects Act of 1956; to the Committee on Interior and Insular Affairs.

JOE KAWAKAMI

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Joe Kawakami (with an accompanying paper); to the Committee on the Judiciary.

ADMISSION INTO THE UNITED STATES OF CERTAIN DEFECTOR ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the Vice President:

A resolution of the Legislature of the State of Florida; to the Committee on Finance:

"SENATE MEMORIAL 618

"Memorial to the Congress of the United States to pass House of Representatives bill No. 6168 and Senate bill No. 1571 proposing a curb on the excessive import of shrimp

"Whereas there have been introduced in the Congress of the United States bills seeking to curb excessive imports of shrimp and to bring some measure of stability to the domestic shrimp market, such bills being exemplified by House of Representatives bill No. 6168 and Senate bill No. 1571; and

"Whereas the shrimp fishery of the State of Florida constitutes one of its most important industries and provides a wise utilization for this valuable natural resource; and

"Whereas the shrimp fishery of the State of Florida has been adversely affected and financially crippled by unstable market conditions brought about in whole or in part by uncontrolled foreign imports of shrimp; and

"Whereas it is the sense of this legislature that it is unable to cope with the problem and afford to the shrimp fishery protection which it needs, but that such remedial measures are within the power and the purview of the Federal Congress and the Executive: Now, therefore, be it

"Resolved by the Legislature of the State of Florida, That the Senate and the House of Representatives of the State of Florida, assembled in regular biennial session in Tallahassee, Fla., do hereby memorialize and petition the Congress of the United States and the departments of the executive branch of the Federal Government to exert their best efforts to bring about a measure of stability to the domestic shrimp market by a regulation of imports of shrimp so that the domestic shrimp industry may survive and prosper, giving employment to Americans, utilizing fully this valuable natural resource, and preserving and maintaining the individual and independent seamen and producers who wrest their living dangerously from the sea; and be it further

"Resolved, That copies of this memorial be dispatched to the President of the United States; to the President of the U.S. Senate; to the Speaker of the U.S. House of Representatives; to the ablest congressional delegation in the U.S. Congress, the Florida delegation; and to the Governor of the great State of Florida."

A resolution of the Legislature of the State of Florida; to the Committee on Foreign Relations:

"HOUSE MEMORIAL 1693

"Memorial to the Congress of the United States to provide that the United States cease all trade with the Republic of Cuba

"Whereas the Republic of Cuba, located within 90 miles of the United States, has been led by its leaders into the bloc of Communist nations whose avowed purpose is to destroy the United States and its form of government; and

"Whereas the Republic of Cuba has intentionally attempted to discredit the United States in the eyes of the world; and

"Whereas untold hundreds of millions of dollars of property owned by Americans have been confiscated by the Republic of

Cuba without due process of law or just compensation; and

"Whereas Americans and freedom-loving Cubans have been felled by bullets which well might have been purchased from Communist nations, with dollars earned by trading with the United States; and

"Whereas the Government of the United States has deemed it proper to sever diplomatic relations and curtail trade with the Republic of Cuba; and

"Whereas to continue any trade whatsoever, and thereby contribute to the economy of a country who with each new day humiliates the United States by any means available, is an absurdity of the highest degree; and

"Whereas the people of Florida join with all other freedom-loving people in feeling that the relatively small amount of trade left with the Republic of Cuba should not be used to finance the purchase of arms for the continuation of the Cuban bloodbath: Now, therefore, be it

"Resolved by the Legislature of the State of Florida, That the Congress of the United States be and it is requested to take the appropriate steps necessary to cease all American trade with the Republic of Cuba so long as diplomatic relations between the two nations do not exist; and be it further

"Resolved, That copies of this memorial be dispatched to the President of the United States; to the President of the U.S. Senate; to the Speaker of the House of Representatives of the United States; and to each Member of the Florida congressional delegation."

Two joint resolutions of the Legislature of the Territory of American Samoa; to the Committee on the Judiciary:

"HOUSE JOINT RESOLUTION 12

"Joint resolution requesting the Congress to amend section 308(2) of the Immigration and Nationality Act to provide that persons born in a foreign country of parents, one of whom is a national of the United States, shall acquire American nationality at birth under certain circumstances

"Whereas section 308(2) of the Immigration and Nationality Act provides that a person born in a foreign country of parents, both of whom are noncitizen nationals of the United States and had a residence in the United States or in one of its outlying possessions prior to such birth, shall be a noncitizen national of the United States; and

"Whereas because of the proximity to American Samoa of Western Samoa, which is a foreign territory, many American Samoans who are nationals of the United States have married persons who are Western Samoans; and

"Whereas many such married couples, of which only one spouse is an American Samoan and a national of the United States, are permanently residing in American Samoa; and

"Whereas under existing law, any children of such parents who are born in American Samoa are noncitizen nationals of the United States and any children which are born to such parents while they may be temporarily in Western Samoa would have the status of aliens, even though the parents had prior thereto and they and all their children subsequently reside permanently in American Samoa; and

"Whereas such differences in nationality among the children in a family is divisive and not conducive to family harmony and all members of such families living permanently in American Samoa strongly desire the blessings of American nationality because of their strong bonds with the United States: Now, therefore, be it

"Resolved by the Seventh Legislature of American Samoa, That the Congress of the United States is hereby requested to amend section 308(2) of the Immigration and Nationality Act so that its provisions will confer American nationality at birth upon any person born in a foreign area of parents who have, prior to the birth, had a residence in the United States or one of its outlying possessions, if any of his parents is a noncitizen national of the United States; and be it further

"Resolved, That certified copies of this joint resolution shall be sent to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States; the Attorney General of the United States; the Commissioner of Immigration and Naturalization; the Secretary of the Interior; the Director of the Office of Territories, and the Governor of American Samoa.

"RAPI SOTOA,
"President of the Senate.
"MUAGUTUTI'A F. TUIA,
"Speaker, House of Representatives."

"HOUSE JOINT RESOLUTION 10

"Joint resolution memorializing the Congress of the United States to enact legislation authorizing an appropriate judicial official to exercise authorities of a naturalization court in American Samoa in naturalization cases under section 329 of the Immigration and Nationality Act of June 27, 1952, as amended

"Whereas section 329 of the Immigration and Nationality Act makes special provisions for the naturalization of noncitizen nationals of the United States who have served honorably in the armed services of the United States during World War I and World War II; and

"Whereas that provision of law requires that 'the petition in naturalization may be filed in any court having naturalization jurisdiction regardless of the residence of the petitioner'; and

"Whereas there is now no naturalization court in American Samoa and there is now no official in American Samoa who is designated to perform the functions of a naturalization court and the nearest such court is located more than 2,000 miles away in Hawaii; and

"Whereas there are in American Samoa many nationals of the United States who have served honorably in the Armed Forces of the United States during World War I and World War II and who are eligible to apply for citizenship under section 329 of the Immigration and Nationality Act; and

"Whereas these veterans are anxious to become citizens of the United States but cannot avail themselves of this desired status under the provisions of said section 329 because they cannot afford to travel the long distance to Hawaii or elsewhere in order to appear before a naturalization court: Now, therefore, be it

"Resolved by the Seventh Legislature of American Samoa, That the Congress of the United States be, and it is hereby respectfully requested to enact legislation authorizing an appropriate judicial official of the United States to exercise the power and authority of a naturalization court in American Samoa for the purpose of receiving, hearing and acting upon petitions for citizenship filed by veterans of World War I and World War II under the provisions of section 329 of the Immigration and Nationality Act; and be it further

"Resolved, That certified copies of this joint resolution shall be sent to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, the Attorney General of the United States, the Secretary of the Interior, the Director of the Office of Territories, and the Governor of American Samoa.

"RAPI SOTOA,
"President of the Senate.
"MUAGUTUTI'A F. TUIA,
"Speaker, House of Representatives."

Two resolutions adopted at a meeting of the First Congregational Church, Washington, D.C., relating to Federal aid to education; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ELLENDER, from the Committee on Agriculture and Forestry, without amendment:

S. 848. A bill to authorize the Secretary of Agriculture to convey a certain parcel of land to the town of Tellico Plains, Tenn. (Rept. No. 356).

By Mr. PROXMIRE, from the Committee on Agriculture and Forestry, without amendment:

S. 302. A bill to amend the act of June 22, 1948, as amended, relating to certain areas within the Superior National Forest, in the State of Minnesota, and for other purposes (Rept. No. 359).

By Mr. HART, from the Committee on Agriculture and Forestry, without amendment:

S. 650. A bill to amend the Watershed Protection and Flood Prevention Act to permit certain new organizations to sponsor works of improvement thereunder (Rept. No. 357).

By Mr. HOLLAND, from the Committee on Agriculture and Forestry, with an amendment:

S. 1040. A bill to abolish the Federal Farm Mortgage Corporation, and for other purposes (Rept. No. 358).

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. 1440. A bill to amend the act approved July 14, 1960 (74 Stat. 526), relating to the establishment of a register in the Department of Commerce of certain motor vehicle operators' licenses (Rept. No. 360); and

S. 1668. A bill to authorize the imposition of forfeitures for certain violations of the rules and regulations of the Federal Communications Commission in the common carrier and safety and special fields (Rept. No. 361).

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL EMPLOYMENT AND PAY

Mr. BYRD of Virginia. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal employment and pay for the month of April 1961. In accordance with the practice of several years' standing, I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, APRIL 1961 AND MARCH 1961, AND PAY, MARCH 1961 AND FEBRUARY 1961

PERSONNEL AND PAY SUMMARY

(See table I)

Information in monthly personnel reports for April 1961 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures is summarized as follows:

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In April numbered—	In March numbered—	Increase (+) or decrease (−)	In March was—	In February was—	Increase (+) or decrease (−)
Total [1]	2,377,684	2,365,230	+12,454	$1,197,066	$1,043,874	+$153,192
Agencies exclusive of Department of Defense	1,339,938	1,330,095	+9,843	661,900	579,575	+82,325
Department of Defense	1,037,746	1,035,135	+2,611	535,166	464,299	+70,867
Inside the United States	2,216,632	2,204,863	+11,769			
Outside the United States	161,052	160,367	+685			
Industrial employment	563,118	564,393	−1,275			
Foreign nationals	171,116	171,993	−877	25,488	[2] 22,283	3,205

[1] Exclusive of foreign nationals shown in the last line of this summary.

[2] Revised on basis of later information.

Table I breaks down the above figures on employment and pay by agencies.

Table II breaks down the above employment figures to show the number inside the United States by agencies.

Table III breaks down the above employment figures to show the number outside the United States by agencies.

Table IV breaks down the above employment figures to show the number in industrial-type activities by agencies.

Table V shows foreign nationals by agencies not included in tables I, II, III, and IV.

TABLE I.—*Consolidated table of Federal personnel inside and outside the United States employed by the executive agencies during April 1961, and comparison with March 1961, and pay for March 1961, and comparison with February 1961*

Department or agency	Personnel				Pay (in thousands)			
	April	March	Increase	Decrease	March	February	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	88,993	88,110	883		$43,014	$36,928	$6,086	
Commerce [1]	29,268	29,441		173	17,495	15,564	1,931	
Health, Education, and Welfare	67,937	66,987	950		36,215	31,425	4,790	
Interior	52,998	51,915	1,083		29,099	25,449	3,650	
Justice	30,390	30,464		74	19,730	17,335	2,395	
Labor	7,197	7,252		55	4,306	3,647	659	
Post Office	573,503	569,154	4,349		259,101	228,587	30,514	
State [2 3]	37,880	37,678	202		18,664	16,802	1,862	
Treasury	83,038	81,420	1,618		46,120	39,699	6,421	
Executive Office of the President:								
White House Office	408	403	5		254	220	34	
Bureau of the Budget	457	456	1		395	360	35	
Council of Economic Advisers	36	37		1	36	24	12	
Executive Mansion and Grounds	70	70			36	36		
National Aeronautics and Space Council	3	1	2		(4)			
National Security Council	60	61		1	51	45	6	
Office of Civil and Defense Mobilization	1,791	1,788	3		1,285	1,122	163	
President's Committee on Fund Raising Within the Federal Service	3	4		1	3	3		
Independent agencies:								
Advisory Commission on Intergovernmental Relations	19	14	5		9	6	3	
Alaska International Rail and Highway Commission	3	3			2	2		
American Battle Monuments Commission	447	433	14		84	72	12	
Atomic Energy Commission	6,871	6,832	39		4,938	4,299	639	
Board of Governors of the Federal Reserve System	592	[5] 598		6	399	344	55	
Civil Aeronautics Board	750	752		2	557	487	70	
Civil Service Commission	3,716	3,677	39		2,280	1,965	315	
Civil War Centennial Commission	7	7			5	5		
Commission of Fine Arts	6	6			5	4	1	
Commission on Civil Rights	78	76	2		48	38	10	
Development Loan Fund	150	151		1	110	98	12	
Export-Import Bank of Washington	247	239	8		173	152	21	
Farm Credit Administration	236	235	1		169	151	18	
Federal Aviation Agency	41,522	40,937	585		26,697	22,537	4,160	
Federal Coal Mine Safety Board of Review	7	7			4	4		
Federal Communications Commission	1,355	1,361		6	912	795	117	
Federal Deposit Insurance Corporation	1,251	1,246	5		814	704	110	
Federal Home Loan Bank Board	1,091	1,087	4		708	622	86	
Federal Mediation and Conciliation Service	341	343		2	299	258	41	
Federal Power Commission	865	870		5	607	530	77	
Federal Trade Commission	808	810		2	604	528	76	
Foreign Claims Settlement Commission	55	53	2		39	35	4	
General Accounting Office	4,836	4,866		30	3,075	2,682	393	
General Services Administration	29,602	29,577	25		14,080	12,314	1,766	
Government Contract Committee [6]		25		25	18	15	3	
Government Printing Office	6,658	6,620	38		3,612	3,061	551	
Housing and Home Finance Agency	11,194	11,133	61		7,011	6,061	950	
Indian Claims Commission	15	15			15	13	2	
Interstate Commerce Commission	2,370	2,366	4		1,595	1,375	220	
National Aeronautics and Space Administration	16,560	16,499	61		12,395	10,977	1,418	
National Capital Housing Authority	392	376	16		165	143	22	
National Capital Planning Commission	40	45	4		34	29	5	
National Capital Transportation Agency	20	13	7		8	8		
National Gallery of Art	324	326		2	138	119	19	
National Labor Relations Board	1,775	1,783		8	1,215	1,054	161	
National Mediation Board	116	118		2	98	92	6	
National Science Foundation	685	719		34	446	374	72	
Outdoor Recreation Resources Review Commission	42	47		5	34	28	6	
Panama Canal	14,129	14,378		249	4,856	4,769	87	
President's Committee on Equal Employment Opportunity [7]	25		25					
Railroad Retirement Board	2,171	2,185		14	1,184	1,032	152	
Renegotiation Board	274	278		4	214	202	12	
St. Lawrence Seaway Development Corporation	162	163		1	97	83	14	
Securities and Exchange Commission	1,048	1,048			725	623	102	
Selective Service System	6,585	6,545	40		2,126	1,835	291	
Small Business Administration	2,426	2,385	41		1,569	1,308	261	
Smithsonian Institution	1,094	1,094			549	482	67	
Soldiers' Home	1,030	1,022	8		331	311	20	
South Carolina, Georgia, Alabama, and Florida Water Study Commission	50	49	1		37	32	5	
Subversive Activities Control Board	27	27			23	21	2	
Tariff Commission	267	264	3		192	169	23	

See footnotes at end of table.

TABLE I.—*Consolidated table of Federal personnel inside and outside the United States employed by the executive agencies during April 1961, and comparison with March 1961, and pay for March 1961, and comparison with February 1961*—Continued

Department or agency	Personnel				Pay (in thousands)			
	April	March	Increase	Decrease	March	February	Increase	Decrease
Independent agencies—Continued								
Tax Court of the United States	149	147	2		$117	$104	$13	
Tennessee Valley Authority	15,996	15,473	523		9,312	7,847	1,465	
Texas Water Study Commission	50	49	1		35	30	5	
U.S. Information Agency	10,826	10,804	22		4,471	3,905	566	
Veterans' Administration	173,518	173,610		92	76,658	67,435	9,223	
Virgin Islands Corporation	1,024	1,068		44	198	160	38	
Total, excluding Department of Defense	1,339,938	1,330,095	10,682	839	661,900	579,575	82,325	
Net increase, excluding Department of Defense			9,843				82,325	
Department of Defense:								
Office of the Secretary of Defense	1,919	1,955		36	1,495	1,296	199	
Department of the Army	385,259	382,674	2,585		193,689	166,551	27,138	
Department of the Navy	344,700	344,256	444		184,568	160,827	23,741	
Department of the Air Force	305,868	306,250		382	155,414	135,625	19,789	
Total, Department of Defense	1,037,746	1,035,135	3,029	418	535,166	464,299	70,867	
Net increase, Department of Defense			2,611				70,867	
Grand total, including Department of Defense [8]	2,377,684	2,365,230	13,711	1,257	1,197,066	1,043,874	153,192	
Net increase, including Department of Defense			12,454				153,192	

[1] April figure includes 165 seamen on the rolls of the Maritime Administration and their pay.
[2] April figure includes 14,256 employees of the International Cooperation Administration, as compared with 14,155 in March, and their pay. These ICA figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The April figure includes 3,512 of these trust fund employees and the March figure includes 3,509.
[3] April figure includes 87 employees of the Peace Corps as compared with 29 in March and their pay.
[4] Less than $500.
[5] Revised on basis of later information.
[6] Abolished by Executive Order 10925 dated Mar. 7, 1961.
[7] New agency created pursuant to Executive Order 10925 dated Mar. 7, 1961.
[8] Exclusive of personnel and pay of the Central Intelligence Agency and the National Security Agency.

TABLE II.—*Federal personnel inside the United States employed by the executive agencies during April 1961, and comparison with March 1961*

Department or agency	April	March	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	87,982	87,109	873	
Commerce [1]	28,686	28,877		191
Health, Education, and Welfare	67,466	66,522	944	
Interior	52,524	51,442	1,082	
Justice	30,059	30,130		71
Labor	7,111	7,178		67
Post Office	572,205	567,866	4,339	
State [2 3]	9,561	9,458	103	
Treasury	82,460	80,842	1,618	
Executive Office of the President:				
White House Office	408	403	5	
Bureau of the Budget	457	456		1
Council of Economic Advisers	36	37		1
Executive Mansion and Grounds	70	70		
National Aeronautics and Space Council	3	1		2
National Security Council	60	61		1
Office of Civil and Defense Mobilization	1,791	1,788	3	
President's Committee on Fund Raising Within the Federal Service	3	4		1
Independent agencies:				
Advisory Commission on Intergovernmental Relations	19	14	5	
Alaska International Rail and Highway Commission	3	3		
American Battle Monuments Commission	12	12		
Atomic Energy Commission	6,835	6,797	38	
Board of Governors of the Federal Reserve System	592	[4] 598		6
Civil Aeronautics Board	749	751		2
Civil Service Commission	3,713	3,674	39	
Civil War Centennial Commission	7	7		
Commission of Fine Arts	6	0		
Commission on Civil Rights	78	76	2	
Development Loan Fund	150	151		1
Export-Import Bank of Washington	247	239	8	
Farm Credit Administration	236	235	1	
Federal Aviation Agency	40,552	39,974	578	
Federal Coal Mine Safety Board of Review	7	7		
Federal Communications Commission	1,353	1,359		6
Federal Deposit Insurance Corporation	1,249	1,244	5	
Federal Home Loan Bank Board	1,091	1,087	4	
Federal Mediation and Conciliation Service	341	343		2
Federal Power Commission	865	870		5
Federal Trade Commission	808	810		2
Foreign Claims Settlement Commission	53	52	1	
General Accounting Office	4,765	4,795		30
General Services Administration	29,602	29,577	25	
Government Contract Committee [5]		25		25
Government Printing Office	6,658	6,620	38	
Housing and Home Finance Agency	11,049	10,988	61	

Department or agency	April	March	Increase	Decrease
Independent agencies—Continued				
Indian Claims Commission	15	15		
Interstate Commerce Commission	2,370	2,366	4	
National Aeronautics and Space Administration	16,551	16,491	60	
National Capital Housing Authority	392	376	16	
National Capital Planning Commission	49	45	4	
National Capital Transportation Agency	20	13	7	
National Gallery of Art	324	326		2
National Labor Relations Board	1,746	1,755		9
National Mediation Board	116	118		2
National Science Foundation	680	714		34
Outdoor Recreation Resources Review Commission	42	47		5
Panama Canal	270	398		128
President's Committee on Equal Employment Opportunity [6]	25		25	
Railroad Retirement Board	2,171	2,185		14
Renegotiation Board	274	278		4
St. Lawrence Seaway Development Corporation	162	163		1
Securities and Exchange Commission	1,048	1,048		
Selective Service System	6,428	6,392	36	
Small Business Administration	2,394	2,353	41	
Smithsonian Institution	1,085	1,085		
Soldiers' Home	1,030	1,022	8	
South Carolina, Georgia, Alabama, and Florida Water Study Commission	50	49	1	
Subversive Activities Control Board	27	27		
Tariff Commission	267	264	3	
Tax Court of the United States	149	147	2	
Tennessee Valley Authority	15,993	15,470	523	
Texas Water Study Commission	50	49	1	
U.S. Information Agency	2,818	2,811	7	
Veterans' Administration	172,474	172,557		83
Total, excluding Department of Defense	1,280,942	1,271,122	10,513	693
Net increase, excluding Department of Defense			9,820	
Department of Defense:				
Office of the Secretary of Defense	1,878	1,916		38
Department of the Army	334,411	331,991	2,420	
Department of the Navy	322,429	322,035	394	
Department of the Air Force	276,972	277,799		827
Total, Department of Defense	935,690	933,741	2,814	865
Net increase, Department of Defense			1,949	
Grand total, including Department of Defense	2,216,632	2,204,863	13,327	1,558
Net increase, including Department of Defense			11,769	

[1] April figure includes 165 seamen on the rolls of the Maritime Administration.
[2] April figure includes 2,041 employees of the International Cooperation Administration, as compared with 2,002 in March.
[3] April figure includes 87 employees of the Peace Corps as compared with 29 in March.
[4] Revised on basis of later information.
[5] Abolished by Executive Order 10925 dated Mar. 7, 1961.
[6] New agency created pursuant to Executive Order 10925 dated Mar. 7, 1961.

TABLE III.—*Federal personnel outside the United States employed by the executive agencies during April 1961, and comparison with March 1961*

Department or agency	April	March	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1,011	1,001	10	
Commerce	582	564	18	
Health, Education, and Welfare	471	465	6	
Interior	474	473	1	
Justice	331	334		3
Labor	86	74	12	
Post Office	1,298	1,288	10	
State [1]	28,319	28,220	99	
Treasury	578	578		
Independent agencies:				
American Battle Monuments Commission	435	421	14	
Atomic Energy Commission	36	35	1	
Civil Aeronautics Board	1	1		
Civil Service Commission	3	3		
Federal Aviation Agency	970	963	7	
Federal Communications Commission	2	2		
Federal Deposit Insurance Corporation	2	2		
Foreign Claims Settlement Commission	2	1	1	
General Accounting Office	71	71		
Housing and Home Finance Agency	145	145		
National Aeronautics and Space Administration	9	8	1	
National Labor Relations Board	29	28	1	
National Science Foundation	5	5		
Panama Canal	13,859	13,980		121
Selective Service System	157	153	4	
Small Business Administration	32	32		
Smithsonian Institution	9	9		
Tennessee Valley Authority	3	3		
U.S. Information Agency	8,008	7,993	15	
Veterans' Administration	1,044	1,053		9
Virgin Islands Corporation	1,024	1,068		44
Total, excluding Department of Defense	58,996	58,973	200	177
Net increase, excluding Department of Defense			23	
Department of Defense:				
Office of the Secretary of Defense	41	39	2	
Department of the Army	50,848	50,683	165	
Department of the Navy	22,271	22,221	50	
Department of the Air Force	28,896	28,451	445	
Total, Department of Defense	102,056	101,394	662	
Net increase, Department of Defense			662	
Grand total, including Department of Defense	161,052	160,367	862	177
Net increase, including Department of Defense			685	

[1] April figure includes 12,215 employees of the International Cooperation Administration, as compared with 12,153 in March. These ICA figures include employees who are paid from foreign currencies deposited in a trust fund for this purpose. The April figure includes 3,512 of these trust fund employees and the March figure includes 3,500.

TABLE IV.—*Industrial employees of the Federal Government inside and outside the United States employed by the executive agencies during April 1961, and comparison with March 1961*

Department or agency	April	March	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	3,547	3,541	6	
Commerce	5,634	5,598	36	
Interior	8,021	7,977	44	
Post Office	235	234	1	
Treasury	5,126	5,103	23	
Independent agencies:				
Atomic Energy Commission	239	241		2
Federal Aviation Agency	1,795	1,776	19	
General Services Administration	1,405	1,400	5	
Government Printing Office	6,658	6,620	38	
National Aeronautics and Space Administration	16,560	16,499	61	
Panama Canal	7,002	7,221		219
St. Lawrence Seaway Development Corporation	128	128		
Tennessee Valley Authority	13,153	12,638	515	
Virgin Islands Corporation	1,024	1,068		44
Total, excluding Department of Defense	70,527	70,044	748	265
Net increase, excluding Department of Defense			483	
Department of Defense:				
Department of the Army:				
Inside the United States	[1] 137,400	[2] 136,441	959	
Outside the United States	[1] 4,600	[2] 4,600		
Department of the Navy:				
Inside the United States	198,949	198,773	176	
Outside the United States	474	473	1	
Department of the Air Force:				
Inside the United States	149,634	152,515		2,881
Outside the United States	1,534	1,547		13
Total, Department of Defense	492,591	494,349	1,136	2,894
Net decrease, Department of Defense			1,758	
Grand total, including Department of Defense	563,118	564,393	1,884	3,159
Net decrease, including Department of Defense			1,275	

[1] Subject to revision.

[2] Revised on basis of later information.

TABLE V.—*Foreign nationals working under U.S. agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of April 1961 and comparison with March 1961*

Country	Total		Army		Navy		Air Force		National Aeronautics and Space Administration	
	April	March	April	March	April	March	April	March	April	March
Australia	1	1							1	1
Canada	32	32					32	32		
Crete	50	50					50	50		
England	3,317	3,321			19	18	3,298	3,303		
France	21,730	21,862	17,884	17,922	6	6	3,840	3,934		
Germany	80,204	80,487	67,406	67,621	58	58	12,740	12,808		
Greece	276	273					276	273		
Japan	55,669	56,120	20,081	19,881	15,076	15,206	20,512	21,033		
Korea	6,263	6,243	6,263	6,243						
Morocco	2,895	2,906			856	858	2,039	2,048		
Netherlands	44	43					44	43		
Norway	24	24					24	24		
Saudi Arabia	5	5					5	5		
Trinidad	606	626			606	626				
Total	171,116	171,993	111,634	111,667	16,621	16,772	42,860	43,853	1	1

STATEMENT BY SENATOR BYRD OF VIRGINIA

Executive agencies of the Federal Government reported civilian employment in the month of April totaling 2,377,684. This was a net increase of 12,454 compared with employment reported in the preceding month of March.

Civilian employment reported by the executive agencies of the Federal Government, by months in fiscal year 1961, which began July 1, 1960, follows:

Month	Employment	Increase	Decrease
July 1960	2,382,549		125
August	2,384,933	2,384	
September	2,364,636		20,297
October	2,360,534		4,102
November	2,360,667	133	
December	2,356,737		3,930
January 1961	2,352,837		3,900
February	2,358,141	5,304	
March	2,365,230	7,089	
April	2,377,684	12,454	

Total Federal employment in civilian agencies for the month of April was 1,339,938, an increase of 9,843 as compared with the March total of 1,330,095. Total civilian employment in the military agencies in April was 1,037,746, an increase of 2,611 as compared with 1,035,135 in March.

Civilian agencies reporting the larger increases were Post Office Department with 4,349, Treasury Department with 1,618, Interior Department with 1,083, Department of Health, Education, and Welfare with 950, Agriculture Department with 883, Federal Aviation Agency with 585, and Tennessee Valley Authority with 523. Increases in the Departments of Agriculture and Interior were largely seasonal.

In the Department of Defense, increases in civilian employment were reported by the Department of the Army with 2,585, and the Department of the Navy with 444. The Department of the Air Force reported a decrease of 382.

Inside the United States civilian employment increased 11,769, and outside the United States civilian employment increased 685. Industrial employment by Federal agencies in April totaled 563,118, a decrease of 1,275.

These figures are from reports certified by the agencies as compiled by the Joint Committee on Reduction of Nonessential Federal Expenditures.

FOREIGN NATIONALS

The total of 2,377,684 civilian employees certified to the Committee by Federal agencies in their regular monthly personnel reports includes some foreign nationals employed in U.S. Government activities abroad, but in addition to these there were 171,116 foreign nationals working for the U.S. agencies overseas during April who were not counted in the usual personnel reports. The number in March was 171,993. A breakdown of this employment for April follows:

Country	Total	Army	Navy	Air Force	National Aeronautics and Space Administration
Australia	1				1
Canada	32			32	
Crete	50			50	
England	3,317		19	3,298	
France	21,730	17,884	6	3,840	
Germany	80,204	67,406	58	12,740	
Greece	276			276	
Japan	55,669	29,081	15,076	20,512	
Korea	6,263	6,263			
Morocco	2,895		856	2,039	
Netherlands	44			44	
Norway	24			24	
Saudi Arabia	5			5	
Trinidad	606		606		
Total	171,116	111,634	16,621	42,860	1

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MCNAMARA:

S. 2042. A bill to subject to Federal income taxes the interest on State and local bonds issued to provide facilities for private business; to the Committee on Finance.

(See the remarks of Mr. MCNAMARA when he introduced the above bill, which appear under a separate heading.)

By Mr. PASTORE:

S. 2043. A bill to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

(See the remarks of Mr. PASTORE when he introduced the above bill, which appear under a separate heading.)

By Mr. MCCARTHY:

S. 2044. A bill to clarify the authority of the Secretary of Agriculture to require reasonable bonds from packers in connection with the livestock purchasing operations; to the Committee on Agriculture and Forestry.

S. 2045. A bill to amend the Internal Revenue Code of 1954, as amended; and

S. 2046. A bill to amend the Internal Revenue Code of 1954 to allow a dependency exemption in the case of a physically handicapped grandchild, although such grandchild has income in excess of $600; to the Committee on Finance.

(See the remarks of Mr. MCCARTHY when he introduced the first above-mentioned bill, which appear under a separate heading.)

By Mr. MUNDT (for himself, Mr. YOUNG of North Dakota, and Mr. CASE of South Dakota):

S. 2047. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Finance.

(See the remarks of Mr. MILLER when he introduced the above bill, which appear under a separate heading.)

By Mr. MILLER (for himself and Mr. HICKENLOOPER):

S. 2048. A bill to authorize the Secretary of the Army to pay fair value for improvements located on the railroad rights-of-way owned by bona fide lessees or permittees; to the Committee on Public Works.

(See the remarks of Mr. MILLER when he introduced the above bill, which appear under a separate heading.)

By Mr. EASTLAND:

S.J. Res. 100. Joint resolution to provide for recognition of the centennial of the establishment of the Department of Agriculture, and for other purposes; and

S.J. Res. 101. Joint resolution to provide for recognition of the centennial of the establishment of the national system of land-grant universities and colleges; to the Committee on the Judiciary.

REPEAL OF TAX-EXEMPT STATUS OF CERTAIN MUNICIPAL BONDS

Mr. MCNAMARA. Mr. President, I introduce, for appropriate reference, a bill to subject to Federal income taxes the interest on State and local bonds issued to provide facilities for private business.

The PRESIDING OFFICER (Mr. MCGEE in the chair). The bill will be received and appropriately referred.

The bill (S. 2042) to subject to Federal income taxes the interest on State and local bonds issued to provide facilities for private business, introduced by Mr. MCNAMARA, was received, read twice by its title, and referred to the Committee on Finance.

Mr. MCNAMARA. Mr. President, the bill I introduce today would repeal the tax-exempt status of municipal bonds, issued for the purpose of industrial development.

The intent here, simply, is to end a situation of grossly unfair economic competition between the States—competition that is, in effect, subsidized by the Federal Government and its taxpayers.

Industrial piracy, the luring of business from one location to another with unfair concessions, is bad enough, without having such practices underwritten by the taxpayers in the very area from which the industry was stolen.

That is just what occurs when a municipality issues tax-exempt bonds, to finance construction of industrial facilities, which are in turn offered to a company on a lease basis.

The company thus gets a brandnew plant, with little or no capital outlay. Through no mere coincidence, these deals usually are in areas where wage rates are below standard. Since the municipality usually retains title, the company frequently pays no property taxes.

And to add insult to this injury, the company itself may buy a large portion of the tax-exempt bonds, thus getting a double-barreled tax advantage.

At the present time, at least 15 States permit municipalities to issue such bonds. The practice is growing, creating a serious abuse of an already questionable tax advantage.

The authority for Federal tax exemption on State and local government securities stems from the original Income Tax Act of 1913. Originally it was believed that the securities received the exempt status on constitutional grounds.

However, recent decisions of the Supreme Court have convinced many constitutional authorities that these securities no longer enjoy immunity from Federal taxation.

But questionable though the status may be, that is not really the point in this argument.

The issuance of State or local bonds, free from Federal taxation for legitimate public purposes, is one thing. The building of schools, community improvements, and the like, through bond issues, is a financial necessity in many municipalities. It can be argued that tax exemption certainly makes the bonds more attractive.

However, issuing such bonds for the specific purpose of promoting industrial development, should not qualify for tax exemption.

The real result of these bonds is to provide private businessmen with the chance to earn a larger profit.

Furthermore, in most States legalizing this practice, the bonds are not even backed up by the full faith and credit of the issuing government agency.

They are, instead, revenue bonds payable out of the rental fees paid by the occupant industrial firms.

Under such circumstances, the securities are really nothing but commercial bonds, with a fictional "public" veneer.

A recent example is a $25 million industrial bond issue by Cherokee, Ala., under which Armour & Co. will acquire a new chemical plant with 26 years to pay.

According to Business Week magazine, these bonds will carry 4¾ percent interest, free from Federal taxation, with interest and principal payments coming solely from Armour's lease payments.

Noting that this issue will add to the controversy over the tax-exempt status of such bonds, Business Week concludes:

> If the Cherokee issue were an industrial borrowing—under normal circumstances it would be fully taxable. But because Cherokee—rather than Armour—is doing the borrowing—it is tax exempt.

Another example affects my own State of Michigan which is losing the Norge Division of Borg-Warner Corp. to Greenwood, Ark.

The new plant is financed by a $7.5 million bond issue, tax exempt, of course.

The real tragedy here is that the company will leave behind in Michigan 1,400 workers who have been given no opportunity to move with the plant.

Yet, these very workers, as taxpayers, are helping to subsidize the company's move.

Still another example is the Gemmer Manufacturing Co., which has been doing business in Detroit since 1907.

It has announced it will move to Lebanon, Tenn., which reportedly has floated a $2.4 million bond issue to build a plant for the company.

In this situation, 750 employees whose average age is 48 and who have spent an average of 20 years with the company, will not be permitted even an opportunity to move with the firm.

An editorial in the Detroit News calls this harsh and unjust and notes that the loyalty expected of the employees should be matched by the loyalty of the employer.

These workers will have a difficult time finding new employment, and the shattering effect on their lives and that of their families is the most insidious part of this industrial piracy.

By extending tax-exempt privileges to these bonds, the Federal Government actually is engaging in a discriminatory tax policy, since it forces the rest of the taxpayers to shoulder an inequitable share of the Federal tax burden.

Further, by thus assisting local governments in subsidizing private industry at the expense of other areas of the country, the Federal Government engages in unfair economic practices.

In addition to the improprieties of these bond transactions, a word of caution might also go to the communities which practice them.

There have been many instances where municipalities lent their credit to private business, only to be forced to default on their own securities, when business conditions worsened and the business went bankrupt.

Also, a company which is crafty and profit hungry enough to become a willing party to this industrial piracy, may not be easily trusted to remain a good neighbor.

Once initial commitments of the firm to a community are fulfilled, and it is then forced into the proper role of a local taxpayer, there is nothing really to prevent that company from moving on to the next town to obtain new tax concessions and even a free brandnew plant.

There is nothing wrong with healthy competition between the States. Michigan has had many companies move in because of its skilled work force, its relations to market areas, and other advantages. These advantages are widely advertised.

By the same token, some firms have moved out because another location best suited their particular business needs. Over the long haul, I am happy to note, Michigan has gained many more jobs than it has lost.

But no one is complaining of this kind of competition.

What is at issue is the unfair competion, what might be called the loss-leader approach to lure industry, with taxpayers elsewhere in the Nation footing the bill.

I believe this is a moral issue, and the Government of the United States cannot permit itself to be used in this fashion.

The way to curb this abuse is to remove the tax-exemption privilege from municipal bonds used for these purposes.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2042

A bill to subject to Federal income taxes the interest on State and local bonds issued to provide facilities for private business.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 103 of the Internal Revenue Code of 1954 (relating to exclusion from gross income of interest on certain governmental obligations) is amended by redesignating subsection (c) as subsection (d), and by inserting after subsection (d) the following new subsection:

"(c) EXCEPTION; CERTAIN STATE AND LOCAL OBLIGATIONS.—

"(1) Proceeds used to provide private business facilities.—Subsection (a)(1) shall not apply to interest on any obligation issued after the date of the enactment of this subsection if any part of the proceeds realized from the issuance of such obligation is used, directly or indirectly, for the construction, reconstruction, erection, installation, or acquisition of land, buildings, machinery, equipment, or other facilities to be used by any person, other than the government issuing such obligations, in the conduct of any trade or business for profit.

(b) The heading of 103(b) of such Code is amended by striking out "Exception" and inserting in lieu thereof "Exception; Certain United States Obligations".

(c) The amendments made by subsections (a) and (b) shall apply to taxable years beginning after the date of the enactment of this Act.

AUTHORIZATION OF APPROPRIATIONS FOR ATOMIC ENERGY COMMISSION

Mr. PASTORE. Mr. President, I introduce, for appropriate reference, a bill to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes. I ask unanimous consent that the bill may be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2043) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, introduced by Mr. PASTORE, was received, read twice by its title, referred to the Joint Committee on Atomic Energy, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled,

SEC. 101. PLANT OR FACILITY ACQUISITION OR CONSTRUCTION.—There is hereby authorized to be appropriated to the Atomic Energy Commission in accordance with the provisions of section 261a(1) of the Atomic Energy Act of 1954, as amended, the sum of $226,440,000 for acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, as follows:

(a) SPECIAL NUCLEAR MATERIALS.—

Project 62-a-1, modifications to production and supporting installations, $7,500,000.

Project 62-a-2, fission product recovery, phase II, Hanford, Washington, $1,500,000.

Project 62-a-3, modifications for improved natural fuel elements, Savannah River, South Carolina, $3,950,000.

Project 62-a-4, solvent purification installation, Savannah River, South Carolina, $500,000.

Project 62-a-5, additional reactor confinement, Savannah River, South Carolina, $3,000,000.

Project 62-a-6, electric energy generating facilities for the new production reactor, Hanford, Washington, $95,000,000.

(b) SPECIAL NUCLEAR MATERIALS.—

Project 62–b–1, relocation of Clinch River pumping station, Oak Ridge, Tennessee, $1,425,000.

Project 62–b–2, feed vaporization building, Paducah, Kentucky, $585,000.

Project 62–b–3, permanent Gallaher Bridge, Oak Ridge, Tennessee, $1,265,000.

(c) ATOMIC WEAPONS.—

Project 62–c–1, weapons production, development, and test installations, $7,500,000.

Project 62–c–2, specialized plant addition and modification, Oak Ridge, Tennessee, $3,500,000.

Project 62–c–3, Tandem Van de Graaff facility, Los Alamos, New Mexico, $3,500,000.

(d) REACTOR DEVELOPMENT.—

Project 62–d–1, test plant for project SNAP, Santa Susana, California, $3,375,000.

Project 62–d–2, experimental beryllium oxide reactor, National Reactor Testing Station, Idaho, $6,000,000.

Project 62–d–3, fuels recycle pilot plant, Hanford, Washington, $5,000,000.

Project 62–d–4, high radiation level analytical laboratory, Oak Ridge National Laboratory, Tennessee, $2,000,000.

Project 62–d–5, improvements to radioactive liquid waste system, Oak Ridge National Laboratory, Tennessee, $1,700,000.

Project 62–d–6, experimental organic cooled reactor loops, National Reactor Testing Station, Idaho, $6,000,000.

Project 62–d–7, ultra-high temperature reactor experiment building, Los Alamos Scientific Laboratory, New Mexico, $3,500,000.

(e) REACTOR DEVELOPMENT.—

Project 62–e–1, additional transient housing, Argonne National Laboratory, Illinois, $300,000.

Project 62–e–2, technical services building, National Reactor Testing Station, Idaho, $1,500,000.

Project 62–e–3, instrumentation and health physics building, Brookhaven National Laboratory, New York, $2,000,000.

(f) PHYSICAL RESEARCH.—

Project 62–f–1, modifications to CP–5 reactor and low energy accelerator installations, Argonne National Laboratory, Illinois, $1,650,000.

Project 62–f–2, accelerator and reactor additions and modifications, Brookhaven National Laboratory, New York, $1,875,000.

Project 62–f–3, accelerator improvements, Cambridge and Princeton accelerators, $500,000.

Project 62–f–4, accelerator improvements, Lawrence Radiation Laboratory, California, $550,000.

(g) PHYSICAL RESEARCH.—

Project 62–g–1, high energy physics laboratory, Argonne National Laboratory, Illinois, $6,900,000.

Project 62–g–2, chemistry laboratory, Brookhaven National Laboratory, New York, $6,000,000.

Project 62–g–3, cosmotron laboratory addition, Brookhaven National Laboratory, New York, $525,000.

Project 63–g–4, mechanical shops building, Lawrence Radiation Laboratory, California, $2,640,000.

Project 62–g–5, physics building, University of Chicago, Illinois, $800,000.

(h) BIOLOGY AND MEDICINE.—

Project 62–h–1, laboratory for mixed fission product inhalation studies, Lovelace Foundation, Albuquerque, New Mexico, $2,000,000.

(i) BIOLOGY AND MEDICINE.—

Project 62–i–1, cell physiology laboratories, Oak Ridge National Laboratory, Tennessee, $500,000.

Project 62–i–2, mammalian genetics laboratories, Oak Ridge National Laboratory, Tennessee, $760,000.

Project 62–i–3, controlled environment laboratory, Brookhaven National Laboratory, New York, $1,000,000.

Project 62–i–4, animal bioradiological laboratory, Lawrence Radiation Laboratory, California, $700,000.

(j) COMMUNITY.—

Project 62–j–1, additional junior high school construction, Los Alamos, New Mexico, $1,750,000.

Project 62–j–2, additional elementary school construction, Los Alamos, New Mexico, $700,000.

Project 62–j–3, Mesa public library addition, Los Alamos, New Mexico, $70,000.

Project 62–j–4, real estate development, Los Alamos County, New Mexico, $410,000.

(k) GENERAL PLANT PROJECTS.—$34,510,000.

SEC. 102. LIMITATIONS.—(a) The Commission is authorized to start any project set forth in subsections 101 (a), (c), (d), (f), and (h), only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for that project.

(b) The Commission is authorized to start any project set forth in subsections 101 (b), (e), (g), (i), and (j), only if the currently estimated cost of that project does not exceed by more than 10 per centum the estimated cost set forth for that project.

(c) The Commission is authorized to start a project under subsection 101(k) only if it is in accordance with the following:

1. For community operations, the maximum currently estimated cost of any project shall be $100,000 and the maximum currently estimated cost of any building included in such project shall be $10,000.

2. For all other programs, the maximum currently estimated cost of any project shall be $500,000 and the maximum currently estimated cost of any building included in such a project shall be $100,000.

3. The total cost of all projects undertaken under subsection 101(k) shall not exceed the estimated cost set forth in that subsection by more than 10 per centum.

SEC. 103. ADVANCE PLANNING AND DESIGN.—There are hereby authorized to be appropriated funds for advance planning, construction design, and architectural services, in connection with projects which are not otherwise authorized by law, and the Atomic Energy Commission is authorized to use funds currently or otherwise available to it for such purposes.

SEC. 104. RESTORATION OR REPLACEMENT.—There are hereby authorized to be appropriated funds necessary to restore or to replace plants or facilities destroyed or otherwise seriously damaged, and the Atomic Energy Commission is authorized to use funds currently or otherwise available to it for such purposes.

SEC. 105. CURRENTLY AVAILABLE FUNDS.—In addition to the sums authorized to be appropriated to the Atomic Energy Commission by section 101 of this Act, there are hereby authorized to be appropriated to the Atomic Energy Commission to accomplish the purposes of this Act such sums of money as may be currently available to the Atomic Energy Commission.

SEC. 106. SUBSTITUTIONS.—Funds authorized to be appropriated or otherwise made available by this Act may be used to start any other new project for which an estimate was not included in this Act if it be a substitute for a project or portion of a project authorized in subsections 101 (a), (b), and (c) and the estimated cost thereof is within the limit of cost of the project for which substitution is to be made, and the Commission certifies that—

(a) the project is essential to the common defense and security;

(b) the new project is required by changes in weapon characteristics or weapon logistic operations; and

(c) it is unable to enter into a contract with any person, including a licensee, on terms satisfactory to the Commission to furnish from a privately owned plant or facility the product or services to be provided in the new project.

SEC. 107. AMENDMENT OF PRIOR YEAR ACTS.—(a) Section 101 of Public Law 86–457 is amended by striking therefrom the figure "$211,476,000" and substituting therefor the figure "$338,476,000".

(b) Section 101(f) of Public Law 86–457 is amended by striking therefrom "Project 61–f–7, design and engineering, linear electron accelerator, $3,000,000" and substituting therefor "Project 61–f–7, linear electron accelerator, $114,000,000".

(c) Section 101(d) of Public Law 86–457 is amended by striking therefrom the figure "$24,000,000" for project 61–d–9, advanced test reactor, and substituting therefor the figure "$40,000,000".

SEC. 108. PROJECT RESCISSIONS.—(a) Public Law 86–457 is amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 61–b–2, high velocity test truck, Sandia Base, New Mexico, $2,100,000.

(b) Public Law 86–50, as amended, is further amended by rescinding therefrom authorization for projects, except for funds heretofore obligated, as follows:

Project 60–a–2, prototype installation, gaseous diffusion plants, $1 million.

Project 60–b–1, cylinder storage area, Paducah, Kentucky, $500,000.

(c) Public Law 85–590, as amended, is further amended by rescinding therefrom authorization for projects, except for funds heretofore obligated, as follows:

Project 59–c–9, test assembly building, $510,000.

Project 59–d–1, reprocessing pilot plant, Oak Ridge National Laboratory, Tennessee, $3,500,000.

Project 59–d–3, fast reactor safety testing station, Nevada test site, $1,367,000.

(d) Public Law 85–162, as amended, is further amended by rescinding therefrom authorization for a project, except for funds heretofore obligated, as follows:

Project 58–b–6, additions to gaseous diffusion plants, $6,600,000.

(e) Public Law 84–506, as amended, is further amended by rescinding therefrom authorization for projects, except for funds heretofore obligated, as follows:

Project 57–a–6, charging and discharging system, Hanford, Washington, $3,450,000.

SEC. 109. COOPERATIVE POWER REACTOR DEMONSTRATION PROGRAM.—

(a) Section 111 of Public Law 85–162, as amended, is further amended by striking out the date "June 30, 1961," in clause (3) of subsection (a) and inserting in lieu thereof the date "June 30, 1962."

(b) There is hereby authorized to be appropriated to the Atomic Energy Commission the sum of $7,000,000 to be available, in addition to the funds heretofore authorized, for carrying out the Commission's power reactor demonstration program in accordance with the terms and conditions provided in sections 110 and 112 of Public Law 86–50. The maximum amount of the program authorization, specified in subsection 110(b) of Public Law 86–50 and Section 109 of Public Law 86–457, is increased by $12,000,000. In addition to the amounts authorized under subsection 110(c) of Public Law 86–50 and section 109 of Public Law 86–457, the Commission is authorized to use funds not to exceed $7,000,000 in the aggregate, to provide research and development assistance in support of unsolicited proposals from the utility industry to construct nuclear power plants.

(c) Funds appropriated to the Commission pursuant to the authorization contained in subsection (b) and (d) of Section 110 of Public Law 86–50 shall be available to the Commission, notwithstanding the provisions of Section 111(f) of Public Law 85–162, for a cooperative arrangement in accordance with the basis for an agreement described in the Program Justification Data for Arrangement No. 60–110–2, a cooperative power reactor project designated as the La-Crosse Boiling Water Reactor.

SEC. 110. DISPOSITION OF ELECTRIC ENERGY.—

(a) Electric energy produced during the operating life of the electric generating facilities constructed under section 101(a) shall be delivered by the Commission at the site of said generating facilities to, and pursuant to agreement with the Secretary of the Interior who shall transmit and dispose of such energy under the terms prescribed by section 44 of the Atomic Energy Act of 1954, as amended.

(b) Allocation of costs to the production of such electric energy shall be made jointly by the Commission and the Secretary of the Interior, and, in the event of disagreement, shall be made by the President. Costs so allocated shall be returned to the Treasury from revenue derived by the Secretary from the disposition of electric energy marketed through the Bonneville Power Administration.

REQUIREMENT OF BONDS FOR PACKERS IN LIVESTOCK PURCHASING OPERATIONS

Mr. McCARTHY. Mr. President, I introduce, for appropriate reference, a bill to clarify the authority of the Secretary of Agriculture to require reasonable bonds from packers in connection with their livestock purchasing operations.

The purpose of the bill is to extend financial protection to sellers of livestock. It would require bonding of packers who are subject to jurisdiction under the Packers and Stockyards Act of 1921, as amended.

Since 1924 the Department of Agriculture has required bonds of the great majority of agents purchasing livestock from producers. At present about 11,000 market agencies and dealers are registered with the Department and post bonds. However, the question of whether packers can be required under the act to furnish bonds has remained uncertain as a result of litigation and court decisions. This bill would clarify the authority of the Department of Agriculture.

In the past the exemption of packers from bonding requirements was less important since packers purchased almost all of their livestock through terminal stockyards which were bonded and the farmer producers were protected. The trend has been toward purchases by packers directly from producers and a substantial amount of all livestock purchases are now made in this way. This leaves the seller at the risk of heavy financial loss if packer is unable to meet his obligations and fails in business.

The bill which I am introducing has been recommended by the Department of Agriculture, and the major farm organizations have given their support to legislation of this kind. My bill is identical with H.R. 4831, introduced in the House of Representatives by Representative KING, of New York.

I ask unanimous consent to include with my remarks excerpts from the testimony of Mr. Roy Lennartson which provide background information for the position of the Department on this bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the excerpts will be printed in the RECORD.

The bill (S. 2044) to clarify the authority of the Secretary of Agriculture to require reasonable bonds from packers in connection with their livestock purchasing operations, introduced by Mr. McCarthy, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The excerpts presented by Mr. McCARTHY are as follows:

EXCERPTS FROM STATEMENT BY ROY W. LENNARTSON, DEPUTY ADMINISTRATOR, AGRICULTURAL MARKETING SERVICE, U.S. DEPARTMENT OF AGRICULTURE, AT A HEARING ON H.R. 4831 BEFORE THE HOUSE COMMITTEE ON AGRICULTURE, APRIL 21, 1961.

It has been the experience of the Department that the bonding of market agencies and dealers as provided for by the Packers and Stockyards Act has contributed significantly to the financial stability of the livestock marketing industry with resulting protection to livestock producers. All market agencies and dealers except packer buyers, operating at stockyards posted under the Packers and Stockyards Act, have been bonded since 1924. At present, over 11,000 market agencies and dealers registered with the Department have on file with the Department bonds totaling approximately $70 million. These bonds range in size from a minimum of $5,000 to more than $500,000. Livestock producers have suffered only slight losses due to the insolvency of commission firms and dealers, but in recent years these firms have suffered sizable losses due to the failure of some packers to pay for livestock purchased.

In the early years of the administration of the act, nearly all livestock was sold through public terminal stockyards posted under the act and most livestock producers received the protection of the bonds carried by the market agency through whom they sold the livestock. However, during the past 30 years, an increasing proportion of the livestock sold has been sold direct to packers, to dealers, or through auction markets. With the amendment to the act in 1958 and the subsequent posting of approximately 1,600 auction markets and the registration of several thousand country dealers, bond protection has been extended to cover nearly all sales made by producers except those made directly to meatpackers. The increase in direct buying of livestock by packers takes away from these producers the protection previously afforded them by the required bonding of commission firms and dealers. It places them face to face with the risk of serious financial loss if the packer fails to pay for livestock purchases.

The Department has become increasingly concerned with losses incurred by livestock sellers, producers as well as dealers and market agencies, in connection with their sales to meatpackers. Although the Department does not maintain a complete file showing all meatpackers failures, the information it does have indicates that some of the packers that have ceased operation in the last few years owed substantial sums of money for livestock purchased. For example, the failure of a Pennsylvania packer and a District of Columbia packer in 1958, of two California packers, a New York packer, and a Michigan packer in 1959, and an Illinois packer in 1960 resulted in losses to livestock sellers of approximately $1½ million. In addition, information received by the Department indicates that an increasing number of packers appear to be operating under voluntary bankruptcy arrangements with creditors. Illustrative of this situation are five packers, two from Pennsylvania, and one each from Oregon, Texas, and Massachusetts which have tied up more than $800,000 of livestock sellers' funds for periods extending to more than 2 years.

AMENDMENT AND EXTENSION OF SUGAR ACT OF 1948

Mr. MUNDT. Mr. President, on behalf of myself, the Senator from North Dakota [Mr. YOUNG], and my colleague, the junior Senator from South Dakota [Mr. CASE], I introduce, for appropriate reference, a bill to amend and extend the provisions of the Sugar Act of 1948, as amended.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2047) to amend and extend the provisions of the Sugar Act of 1948, as amended, introduced by Mr. MUNDT (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Finance.

Mr. CASE of South Dakota. Mr. President, a companion bill to the bill just introduced by the senior Senator from South Dakota [Mr. MUNDT] was introduced in the House of Representatives by Representative BENJAMIN REIFEL, of the First Congressional District of South Dakota. The bill makes possible the production of sugarbeets by farmers who are now engaged in the production of other crops by affording them an opportunity to produce a crop which is in short supply in the United States.

I commend the initiative taken by our colleague in the House, who represents the First District of South Dakota, and I am proud to be associated with the distinguished senior Senator from South Dakota in the introduction of the bill in the Senate.

RED ROCK RESERVOIR PROJECT

Mr. MILLER. Mr. President, I introduce, for appropriate reference, a bill which would authorize the payment of the fair value for improvements located on the railroad rights-of-way owned by bona fide lessees or permittees in connection with the construction of the Red Rock Reservoir on the Des Moines River. The policy therein established conforms to that previously established by Congress in connection with other similar situations.

The PRESIDING OFFICER (Mr. HART in the chair). The bill will be received and appropriately referred.

The bill (S. 2048) to authorize the Secretary of the Army to pay fair value for improvements located on the railroad rights-of-way owned by bona fide lessees or permittees, introduced by Mr. MILLER, was received, read twice by its title, and referred to the Committee on Public Works.

ESTABLISHMENT OF NATIONAL WILDERNESS PRESERVATION SYSTEM—AMENDMENTS

Mr. ALLOTT submitted amendments, intended to be proposed by him, to the bill (S. 174) to establish a National Wilderness Preservation System for the permanent good of the whole people, and for other purposes, which were referred to the Committee on Agriculture and Forestry and ordered to be printed.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Ernest Morgan, of Texas, to be U.S. attorney, western district of Texas, term of 4 years, vice Russell B. Wine.

Harold Barefoot Sanders, Jr., of Texas, to be U.S. attorney, northern district of Texas, term of 4 years, vice William B. West III.

William W. Justice, of Texas, to be U.S. attorney, eastern district of Texas, term of 4 years, vice James Crawford, Jr.

Woodrow B. Seals, of Texas, to be U.S. attorney, southern district of Texas, term of 4 years, vice William B. Butler.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Wednesday, June 14, 1961, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

NOTICE OF HEARINGS ON CERTAIN NOMINATIONS BY COMMITTEE ON THE JUDICIARY

Mr. McCLELLAN. Mr. President, as chairman of the Standing Subcommittee on Patents, Trademarks, and Copyrights of the Committee on the Judiciary, I wish to announce that a public hearing will be held at 11 a.m. on Monday, June 12, 1961, in room 2228, New Senate Office Building, at which time persons interested in the following nominations will appear and testify:

Mr. Edwin L. Reynolds, of Maryland, to be First Assistant Commissioner of Patents.

Mr. Horace B. Fay, Jr., of Ohio, to be an Assistant Commissioner of Patents.

Mr. Arthur W. Crocker, of Maryland, to be an Examiner-in-Chief, U.S. Patent Office.

The subcommittee consists of the senior Senator from South Carolina [Mr. JOHNSTON], the junior Senator from Michigan [Mr. HART], the senior Senator from Tennessee [Mr. KEFAUVER], the senior Senator from Wisconsin [Mr. WILEY], the junior Senator from New Hampshire [Mr. COTTON], and myself, as chairman.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. DODD:

Commencement Day address entitled "Freedom to Choose," delivered by him at the University of Dallas, in Dallas, Tex., on June 4, 1961.

By Mr. RANDOLPH:

Introduction of Speaker RAYBURN as commencement speaker at Woodward School for Boys and excerpts from address by Speaker RAYBURN.

A SUMMER RECESS

Mr. McGEE. Mr. President, I ask unanimous consent to have printed in the RECORD a letter and a petition received from the Democratic Congressional Wives Forum and the Republican Congressional Wives Forum. The letter and the petition bear upon a proposal that is being rather widely discussed in the Capitol these months; namely, the proposition of a summer recess.

There being no objection, the letter and the petition were ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C., *June 5, 1961.*

Hon. GALE W. MCGEE,
U.S. Senate, Washington, D.C.

DEAR SENATOR MCGEE: At your request, we are submitting the enclosed material.

We would appreciate it if you would release the letter upon receipt; the petition has already been published.

We are coordinating this activity in the House and in the Senate.

Sincerely,

DEMOCRATIC CONGRESSIONAL WIVES FORUM.
REPUBLICAN CONGRESSIONAL WIVES CLUB.

WASHINGTON, D.C., *June 5, 1961.*

We respectfully submit the following petition as an expression of our desire to see the matter of summer recess discussed in the committees of Congress and in Congress itself. We do not presume to suggest how this may best be legislated, but after looking into the problems entailed by the session as it now stands, we are most hopeful that some sound solution can be reached.

The proposed summer recess would give more, rather than less time to legislative effort in Washington, since it is contemplated that Congress would reconvene in the autumn for such time as proves necessary. We recognize, of course, that this schedule would be subject to some change in election years.

At the request of Senator GALE MCGEE, Democrat of Wyoming, and Congressman ROBERT R. BARRY, Republican of New York, we are submitting the following petition, in accordance with the bipartisan nature of this petition, for their use in committee hearings in the Senate and in the House.

DEMOCRATIC CONGRESSIONAL WIVES FORUM.
REPUBLICAN CONGRESSIONAL WIVES CLUB.

Mrs. E. Ross Adair, Mrs. Gordon Allott, Mrs. George W. Andrews, Mrs. Robert T. Ashmore, Mrs. Wayne N. Aspinall.

Mrs. Robert R. Barry, Mrs. E. L. Bartlett, Mrs. Perkins Bass, Mrs. William H. Bates, Mrs. James F. Battin, Mrs. J. Glenn Beall, Mrs. Page Belcher, Mrs. Alphonzo Bell, Mrs. Charles E. Bennett, Mrs. John B. Bennett, Mrs. Wallace F. Bennett, Mrs. E. Y. Berry, Mrs. Alan Bible, Mrs. John A. Blatnik, Mrs. Richard Bolling, Mrs. Herbert C. Bonner, Mrs. J. Floyd Breeding, Mrs. Daniel B. Brewster, Mrs. Overton Brooks, Mrs. William S. Broomfield, Mrs. Quentin Burdick, Mrs. Prescott Bush.

Mrs. Howard Walter Cannon, Mrs. John A. Carroll, Mrs. Charles E. Chamberlain, Mrs. Frank Cheif, Mrs. Frank Church, Mrs. Joseph S. Clark, Mrs. Merwin Coad, Mrs. Jeffery Cohelan, Mrs. Silvio O. Conte, Mrs. John Sherman Cooper, Mrs. James C. Corman, Mrs. William C. Cramer.

Mrs. Emilio A. Daddario, Mrs. Clifford Davis, Mrs. James C. Davis, Mrs. John W. Davis, Mrs. Charles C. Diggs, Jr., Mrs. John D. Dingell, Mrs. Thomas J. Dodd, Mrs. Peter H. Dominick, Mrs. Henry Dworshak, Mrs. Thaddeus J. Dulski.

Mrs. Ed Edmondson, Mrs. Clair Engle, Mrs. Joe L. Evins.

Mrs. Ivor D. Fenton, Mrs. Paul Findley, Mrs. Hiram L. Fong, Mrs. Gerald R. Ford, Jr., Mrs. James B. Frazier, Jr., Mrs. Peter Frelinghuysen, Jr., Mrs. J. William Fulbright.

Mrs. Peter A. Garland, Mrs. Milton W. Glenn, Mrs. Charles E. Goodell, Mrs. Robert P. Griffin, Mrs. Ernest Gruening.

Mrs. Harlan Hagen, Mrs. Ralph R. Harding, Mrs. Philip A. Hart, Mrs. James Harvey, Mrs. John Joseph Hickey, Mrs. Chet Holifield, Mrs. Spessard Holland, Mrs. Craig Hosmer, Mrs. Hubert H. Humphrey.

Mrs. Richard Ichord, Mrs. Harold T. Johnson, Mrs. Olin D. Johnston, Mrs. B. Everett Jordan.

Mrs. Robert W. Kastenmeier, Mrs. Estes Kefauver, Mrs. Hastings Keith, Mrs. Carleton J. King, Mrs. David S. King.

Mrs. Melvin R. Laird, Mrs. Odin Langen, Mrs. Richard Lankford, Mrs. Glenard P. Lipscomb, Mrs. Edward V. Long, Mrs. Oren Long, Mrs. J. Carlton Loser.

Mrs. Eugene J. McCarthy, Mrs. Gale McGee, Mrs. Clifford G. McIntire, Mrs. John L. McMillan, Mrs. Patrick V. McNamara.

Mrs. Clark MacGregor.

Mrs. Thaddeus M. Machrowicz, Mrs. William S. Mailliard, Mrs. Michael J. Mansfield, Mrs. Fred Marshall, Mrs. Lee Metcalf, Mrs. Clem Miller, Mrs. Jack R. Miller, Mrs. William E. Miller, Mrs. John S. Monagan, Mrs. A. S. Monroney, Mrs. Arch A. Moore, Jr., Mrs. Tom V. Moorehead, Mrs. William S. Moorhead, Mrs. Thomas E. Morgan, Mrs. Thomas G. Morris, Mrs. Wayne Morse, Mrs. Charles A. Mosher, Mrs. Frank E. Moss, Mrs. John E. Moss, Mrs. Edmund S. Muskie.

Mrs. Ancher Nelsen, Mrs. Walter Norblad, Mrs. Hjalmar C. Nygaard, Mrs. James G. O'Hara, Mrs. Arnold Olsen, Mrs. Harold C. Ostertag, Mrs. Wright Patman, Mrs. Claiborne Pell, Mrs. Thomas M. Pelly, Mrs. M. Blaine Peterson, Mrs. Richard H. Poff, Mrs. William Proxmire.

Mrs. Albert H. Quie, Mrs. William J. Randall, Mrs. Henry S. Reuss, Mrs. John J. Rhodes, Mr. R. Walter Riehlman, Mrs. Howard W. Robison, Mrs. James Roosevelt, Mrs. Richard L. Roudebush, Mrs. John H. Rousselot.

Mrs. Leverett Saltonstall, Mrs. Gordon Scherer, Mrs. Richard D. Schweiker, Mrs. Hugh Scott, Mrs. William W. Scranton, Mrs. Armistead I. Selden, Jr., Mrs. Harry R. Sheppard, Mrs. George E. Shipley, Mrs. Don L. Short, Mrs. Garner E. Shriver, Mrs. Eugene Siler, Mrs. John M. Slack, Jr., Mrs. George Smathers, Mrs. Frank E. Smith, Mrs. Neal Smith, Mrs. William L. Springer, Mrs. Robert T. Stafford, Mrs. Harley O. Staggers, Mrs. Tom Steed, Mrs. Samuel S. Stratton, Mrs. Frank A. Stubblefield, Mrs. Stuart Symington.

Mrs. John Taber, Mrs. Roy A. Taylor, Mrs. Charles M. Teague, Mrs. Olin E. Teague, Mrs. Vernon W. Thompson, Mrs. Thor C. Tollefson, Mrs. Stanley R. Tupper.

Mrs. Charles A. Vanik, Mrs. James E. Van Zandt, Mrs. George M. Wallhauser, Mrs. Phil Weaver, Mrs. Jack Westland, Mrs. Jamie L. Whitten, Mrs. Bob Wilson, Mrs. Jim Wright, Mrs. Ralph Yarborough, Mrs. J. Arthur Younger.

Mr. McGEE. Mr. President, here on the Senate side we have a recess resolution which involves some 33 cosponsors, as well as myself. There have been some misunderstandings about the purpose of the resolution. As one of those who had a hand in initiating the idea, I can say that this is not a go-home resolution. It is a get-to-work proposal. It is designed

to face a simple truth in our legislative life at the present time, namely, that given world conditions as they are and the tensions which surround us, we in this body might just as well face the fact that we shall be in session longer and longer as time passes, and perhaps we should be; and there is no use deluding ourselves with the thought that if we would only work faster in the winter, we would get out by the end of June or, in any case, by the end of July.

This proposal suggests that we should continue as a Congress on a year-round basis, and, as the times and the crises permit, recess from moment to moment. We are asking only that the taking of such a recess be arranged to coincide with the summer vacation schedules of our children, from the public schools and the private schools. As the situation now stands, we are in session until late August or September, throughout the period when our children are out of school; and we return home at the time when our children have to return to school generally here in Washington. If it is possible to integrate the two calendars—that of the Congress and that of the schools—we would like to have that proposal receive some consideration.

However, the burden of the proposal is that the Congress stay in session.

I ask unanimous consent to have printed in the RECORD an editorial entitled "Hot-Weather Revolt," published in the Washington Post of May 13; and also an article, published today in the Washington Post, summarizing a Congressional Quarterly poll on the summer vacation proposition. I would point out that the Congressional Quarterly poll was answered by only 55 percent of the Members of Congress, and that they still have the distaff side of the congressional household to answer to.

We are told that, on the Senate side, there will be a day of hearings on this proposal, relatively soon. The distinguished majority leader has assured us of that, and also that the Senate will have a chance to act on it. We hope it will receive full consideration by the Congress before the summer expires.

Mr. MANSFIELD. Mr. President, will the Senator from Wyoming yield?

Mr. McGEE. I yield.

Mr. MANSFIELD. I assure the distinguished Senator from Wyoming that it is the intention of the chairman of the Rules Committee, to which this proposed legislation has been referred, to hold hearings on the proposal before this session of Congress adjourns.

Mr. McGEE. I am delighted to receive that assurance from the distinguished majority leader.

The PRESIDING OFFICER. Without objection, the editorial and the article submitted by the Senator from Wyoming will be printed in the RECORD.

The editorial and article are as follows:

[From the Washington Post, May 13, 1961]

HOT WEATHER REVOLT

Bachelor SAM RAYBURN's response to the revolt of congressional wives against summers in Washington is not likely to be typical. "It's the greatest nonsense I've ever heard," said Mr. SAM of the proposal for a recess during July, August, and September. "If we come back in the fall we may never get away from here." Well, that is possible. But Mr. SAM, having no wife or children, may not fully sense the pressure that can build up in other households against summer sessions.

As we see it, the question at issue is simply one of serving the convenience of a majority of Congressmen. In the absence of an emergency demanding continuous congressional sessions, a recess taken in July, August, and September would be just as compatible with the public interest as a recess in September, October, November, and December. Indeed, Congress would have a better opportunity to catch up with its work if it took a vacation in the hot months and sat throughout the fall in nonelection years. And this would greatly ease the problem of all legislators with children in school.

Our sympathies are with the housewives. They may have some difficulty in making Mr. SAM understand that what may seem to be nonsense to a bachelor may actually be wisdom to the father—or mother—of a family. But that is no reason to give up their crusade. Meanwhile others may be able to help by pointing out that Congress now has a full-time job which demands its presence in Washington throughout the year—except for a reasonable vacation period and time enough to refresh contacts with constituents.

[From the Washington Post, June 8, 1961]

SUMMER VACATION FOR CONGRESSMEN REJECTED IN POLL BY A COOL MAJORITY

Why can't Congressmen have summer vacation just like everybody else?

A number of Senators and Representatives especially the younger ones with children, have submitted proposals that Congress take a summer recess instead of adjourning when their year's work is through, which usually drags them through the long, hot Washington summer.

Congressional Quarterly polled all Members of Congress on the subject and the majority say they want things to remain as they are.

Of the 294 Members who answered the poll, 175 favored this answer: "I think the present custom of adjourning when congressional work is finished is satisfactory."

A total of 109 Members checked this reply: "I would prefer a summer recess."

Ten Members made alternative suggestions.

The Congressional Reorganization Act of 1946 sets "not later than" July 31 as the adjournment date. But the "national emergency" called at the time of the Korean war in 1950, and still in effect, permits Congress to ignore this date. The average date of adjournment in the last 10 years has been Aug. 30.

To the summer recess suggestion, Speaker SAM RAYBURN, Democrat, Texas, replied at a May 9 press conference: "This is the greatest nonsense I ever heard of. If we recess and come back in the fall we may be here forever."

Many Members favoring the present system commented on the ballots that Congress could easily adjourn by midsummer if it planned its work efficiently and was more diligent about getting it done.

Here are some of the comments made on the poll:

"I quit on August 1 each year anyway"—Representative NOAH M. MASON, Republican, Illinois.

"Congress' work is like women's work—it is never done"—Representative J. ERNEST WHARTON, Republican, New York.

One Member who did not sign his name said: "Great guns. Who wouldn't prefer a nice summer recess? But who in the world gets elected to Congress with the idea it is an institution which can meet and adjourn simply to suit a Congressman's pleasure and preference?"

THE JOHN BIRCH SOCIETY

Mr. McGEE. Mr. President, I submit, for printing in the RECORD, a letter in connection with a question of widespread national interest at the present time; namely, the John Birch Society. The letter was addressed to the editor of the Sacramento, Calif., Bee, and reads as follows:

HOW'S THAT AGAIN?

SIR: I recently came upon the CONGRESSIONAL RECORD, which I understand is an official Government publication. In that publication was a vicious article attacking the John Birch Society. When a magazine can attack a patriotic organization like the John Birch Society that is carrying freedom of the press too far. I think the CONGRESSIONAL RECORD should be investigated and if it is found to be un-American it should be suppressed.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, an article, by Robert S. Allen and Paul Scott, describing how membership in the John Birch Society cost a lobbyist a $35,000 a year job; and I also ask unanimous consent to have printed in the RECORD a bit of literary endeavor by Richard Armour, reprinted from the Nation, and entitled "The Ivan Birchkov Society," as it looks from the other side of the Iron Curtain.

There being no objection, the article and the poem were ordered to be printed in the RECORD, as follows:

MEMBERSHIP IN BIRCH SOCIETY COSTS LOBBYIST $35,000 JOB

(By Robert S. Allen and Paul Scott)

WASHINGTON.—Membership in the John Birch Society is apparently a big handicap in landing a job as a high-salaried Washington lobbyist.

That was the sad experience of an aspirant for a $35,000-a-year-plus prize.

Robert Welch proudly told a nationwide TV audience that the controversial organization he heads is booming in membership and funds. But that proved no help to his ardent follower in getting the juicy lobbying job.

Everything went along smoothly until, at the last moment, it was discovered he belonged to the Birch Society. Whereupon he was dropped like a hot potato, even though arrangements had been made to announce his selection at an elaborate dinner for more than 500, including prominent Members of Congress.

Details of this extraordinary affair that has backstage Washington buzzing are:

The American Retail Federation, representing large department and other stores throughout the country, has long been active on the Washington scene, particularly concerning legislation, such as the wage-hour bill which it opposed. For 12 years its president and chief executive officer was Rowland Jones, Jr., one-time South Dakota druggist.

WHITE HOUSE VISITOR

A Republican with influential southern ties, Jones rated high during the Eisenhower administration. He was welcome at the White House, and during the 1960 election he headed a delegation that assured President Eisenhower all was well with the national economy.

But after President Kennedy took office and Congress enacted his wage-hour bill, the Retail Federation's board of directors, decided the time had come to change their "Washington representation."

Jones was informed he would be sidelined. That is, he would be moved into the background and someone else would replace him as the federation's spokesman (lobbyist).

The directors named a special committee, headed by a Detroit merchant, to recommend this successor. After weighing a number of possibilities, a dynamic official of a manufacturers' association in an eastern border State was proposed.

Following an appearance before the full board, he was unanimously approved and preparations were made to announce his appointment as the federation's new vice president and executive officer. For that purpose it was decided to give a big dinner, which would also serve as a farewell to Jones.

Some 800 invitations were sent out, including every Member of Congress.

But several days before this lavish party, which cost around $15,000, the board was told that its choice not only was a member of the Birch Society, but one of its high officials.

CONTINUES ALLEGIANCE

Summoned before a hurriedly called meeting, he readily admitted this. More than that, he declared he ardently believed in the society's principles and objectives and firmly intended to continue "preaching and working for them."

His candor was appreciated, but his views were not. He was told the federation could not afford to have him as its Washington representative.

That ended that, but not the dinner. It went off on schedule, although few of the large throng were aware of what had happened. Jones was lauded and sent into limbo, and nothing was said about his successor. That just wasn't mentioned, although there was much conjecture among the guests.

Later, Charles Boyd, Detroit, was quietly designated as acting executive officer.

[From the Nation, Apr. 29, 1961]

THE IVAN BIRCHKOV SOCIETY

In Russia today, one of the most exciting
developments, we are told,
Is the Ivan Birchkov Society.
It is dedicated to rooting out by whatever
route,
As its founder states in the Red Book, the
Bible (figuratively) of the organization:
"Capitalists in our midst, who subversively
Have infiltrated our government and our
schools
And may even be found on the staffs of our
institutes of higher atheism."
It is the personal opinion of the founder,
Privately expressed to a mere handful of a
hundred thousand personal friends,
That Lenin was a card-carrying capitalist
And Stalin, the weakling, was a tool of
Roosevelt, Stettinius, and Stassen.
As for Khrushchev, he was so dazzled at
Camp David
By Eisenhower's personality
That ever since then he has been giving
away secrets of the Russian space program
Through coded messages sent to America via
Mikoyan and Gromyko,
And these, without doubt, are responsible for
the current lag
In the Soviet missile program.
Khrushchev, in fact, has become so dangerous to the State
That he is even now,
Behind drawn blinds in the Kremlin,
Perfecting his putting, against the day of
the Capitalist Revolution.
Indeed, he is said to be thinking of doing
away with Mrs. Khrushchev
And marrying into the Kennedy family.
There are those in Russia who deplore the
irresponsible statements
And questionable methods of the Ivan Birchkov Society,
But, after all, it is anti-capitalist.

—*Richard Armour.*

PRESIDENT KENNEDY'S REPORT TO THE NATION

Mr. McGEE. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Washington Post of today and an article written by Walter Lippmann. Both of them bear up on the widely applauded reception accorded President Kennedy's report to the Nation on his trip to Europe. The editorial is the lead editorial from the Washington Post, and in it the impact of Mr. Kennedy's sobering remarks is measured in very careful tones. In the article, Walter Lippmann evaluates in similar sober tones the meaning of President Kennedy's report to the country and the significance of the President's brilliant performance in this connection.

There being no objection, the editorial and the article were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 8, 1961]

WORK TO DO

Mr. Kennedy was at his best in his report to the people Tuesday night. It was a splendid account of his conversations in Europe—stark without being pessimistic and reassuring without being naive. The President's informality and the lack of staging enhanced his earnestness. He was wise to speak candidly of the sobering circumstances of his talks with Mr. Khrushchev, thereby allaying any false suspicions. And he capitalized astutely on the somber setting to make an urgent appeal on behalf of foreign aid.

Some persons have commented that the trip was a step in the education of Mr. Kennedy. No doubt it was. The President scarcely needed education in the basic issues with Mr. Khrushchev, but the experience of personal confrontation was highly desirable. More important, however, was the necessity for a new sounding as the basis for national policy. Not until a new effort was made could the Kennedy administration be sure that the Soviet position was as obdurate as it seemed.

It is indeed a grim proposition that was laid out to the President—war by every other means except direct military conflict. Even the one area of general agreement—a settlement in Laos—seems in serious doubt, possibly because of Chinese and Viet Minh back-pressure on Mr. Khrushchev. But the apparent mutual wish to open channels of communication, to define positions and to illustrate the dangers of overstepping had a certain value. It is as if some of the electricity had been discharged from the storm; the elements are still perilous but the chance of accidental fire has been reduced.

One may hope, at the same time, that Mr. Kennedy did not delude himself about the extent of the unity that exists in the West. His tribute to the greatness of President De Gaulle was necessary and proper; and if the frank discussion of differences has brought greater understanding and agreement on larger purposes, there has been a distinct gain. But there would be no point in hiding the fact that there have been basic differences among the allies on Laos and on Asian policy generally. It would be surprising if there were not similar differences in the approach to other problems.

The counterpart, of course, is that differences among free nations can create greater ultimate strength—with the recognition of common dangers and leadership in developing the means of attaining common objectives. As Mr. Kennedy noted, the exchanges in Vienna demonstrated "how much work we in the free world have to do." Mr. Khrushchev's challenge must be accepted because there is no other course consistent with freedom; and the great need is to shoulder the challenge realistically and confidently without discouragement.

Adequate and effectively administered economic aid is one of this country's and the free world's most useful tools. Mr. Kennedy's plea was the more persuasive because he recognized that not all troubles are Communist-created; that there is no substitute for the will of developing nations to determine their own future. Economic help is not a guarantee of free institutions, but it is indispensable to the flourishing of free institutions in such countries.

The other necessity, in the often difficult choices before the United States, is the recognition that in a revolutionary world the democratically inclined leftish forces are often far better bets than the "safe" but stodgy groups who tell us what we want to hear.

[From the Washington Post, June 8, 1961]

THE PRESIDENT'S REPORT

(By Walter Lippmann)

In talking to the Nation the President tried to do a very difficult thing, which was not so much to tell a story or to give an accounting of facts but to convey a mood. He was sobered, he said, by the somber experience of being made to realize directly the dimensions of the danger which threatens the world.

"Both of us," he said, were in Vienna "because we realized that each nation has the power to inflict enormous damage upon the other, that such a war could and should be avoided, if at all possible, since it would settle no dispute and prove no doctrine, and that care should thus be taken to prevent our conflicting interests from so directly confronting each other that war necessarily ensued."

There the President spoke the quintessential truth which rests on the fact that neither of the two men at Vienna could "dictate a settlement" or "convert the other to a cause" or could "concede" his "basic interests."

The President saw clearly that the crucial issue, the issue to which all others are secondary and subordinate, is not Laos, not nuclear testing and disarmament, not the troika principle, but Germany and Berlin. That is the focal point of the danger of an irreparable war, and the working out of a tolerable and honorable accommodation is the supreme business of statesmanship. This business is difficult and dangerous and it will require moral and intellectual political courage and great perseverence. But I do not believe that the business is impossible.

In fact, we are now at the beginning of diplomatic conversations, which will take a long time, and will engage Washington and Moscow, London, Paris, and Bonn.

It is, I believe, clear enough from the President's broadcast that there was no ultimatum from Mr. Khrushchev on the time and the character of a Berlin settlement, and that there was no counterultimatum from Mr. Kennedy to the effect that the status and future of Berlin are unmentionable subjects of discussion.

In fact Berlin is going to be discussed because it is inconceivable that the democratic peoples of the Western World would fight a suicidal war for the right to refuse to talk about Berlin. "Mr. Khrushchev," said the President, "presented his views in detail." And his presentation will be the subject of further communications.

What is not going to be discussed as a negotiable subject is the right of the two and a half million people of West Berlin "to choose their own future," to be protected in their own self-government and in their physical access, and in their cultural and spiritual contact, with the non-Communist world. What can be discussed, and indeed what should be discussed, is whether better guarantees of these fundamental rights can be negotiated.

They are many who are convinced that nothing better can be negotiated and that any negotiation, any willingness to negotiate, will be regarded as the abandonment of Berlin. There are others, of whom I am one, who think that the existing guarantees of Berlin are fragile and precarious. For the guarantees depend on the willingness of the Western Powers to threaten a world war if West Berlin is interfered with.

That this is a precarious guarantee is shown by two facts. One is that the Berliners and the West Germans come to us about three times a year asking us to declare once again our willingness to fight for Berlin. This repeated demand for renewed declarations reveals their own doubt as to whether such an arrangement is durable for a long period. The second reason why the guarantees are unsatisfactory is that the situation in Berlin provides the Soviet Union with a gadget by which it can divert attention from any other part of the world simply by closing a bridge or losing some papers.

Any negotiation with the Soviet Union is difficult and tedious. But there was bound to be negotiation, or strictly speaking conversation, about the guarantees for Berlin. My view is that instead of acting as if any negotiation is a concession, we should persuade Bonn and Paris to join us in demanding a new, precise, and more durable guarantee for Berlin—a guarantee that will allay the present condition of chronic crisis.

My one criticism of the President's report is that in the light of the grim dimensions of the worldwide Communist challenge, his concluding plea that Congress should pass his foreign aid bill was something of an anticlimax. He should not have told the people that foreign aid, as we now have it, is "a burden." He should have told them that it is a rather meager first installment of what this country will have to do in Latin America, in Asia, and in Africa, to arrest and reverse the expansion of communism. He should have summoned the Nation to expand its resources and devote them to the ideals and objectives we profess.

THE AMERICAN THEATER

Mr. JAVITS. Mr. President, everybody loves the theater, and the question is, Will everybody do something about it? The theater to which I refer is heavily concentrated in my home city of New York, and yet it is really a national facility and a natural cultural expression, because practically everybody in the United States who comes to New York makes as one of his principal entertainments a visit to some of our shows.

The theater is in a grave economic crisis, so much so that the Dramatists Guild the other day—on May 24, to be exact—came forward with a proposal to cut the writers' royalties. The Guild is composed of some of the most costly writing talent in the world. Their purpose was to help the theater.

Congress will have an opportunity to do something about the problem, because an effort is being made to eliminate the 10 percent tax on theater admissions. Also, I, the Senator from Minnesota [Mr. HUMPHREY], the Senator from Pennsylvania [Mr. CLARK], the Senator from Rhode Island [Mr. PELL], and Members of the other body, are doing our utmost to interest our country, in one way or another, in backing our cultural expressions like the theater, in terms somewhat analogous to the efforts of the Canadian and British Arts Councils. I very much hope we shall have hearings on all of those measures.

So it is extremely important, as we can and should do something about it, that we understand the crisis. For that purpose I ask unanimous consent that a series of articles in the New York Times, seven similar ones having already been published, be made a part of my remarks and printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, June 5, 1961]

THEATER VIEWS ITS CRISIS A YEAR AFTER THE BLACKOUT

(By Arthur Gelb)

PRODUCERS

In the year and 3 days since an Actors Equity dispute blacked out Broadway, focusing attention on the economic plight of the theater, there have been many suggestions for salvation but nothing much has been saved—not even face.

Although the Dramatists Guild recently offered to make some concessions on minimum royalties in its new contract, the hoped-for tax relief has not been forthcoming. Production and labor costs have continued to climb, and Broadway is reeling from the most disastrous season—both financially and artistically—it has ever known.

Of the 46 shows this season—a record low—only 6 to 8 are expected to return their investment. This means that at least 83 percent will be failures. An estimated total of $4,500,000 of investors' money will be lost.

By comparison, of the 636 Broadway shows produced in the 12 seasons preceding the current one, 74 percent were financial failures.

There is off-Broadway, of course. Its costs are lower, its audiences much smaller. It produces new writers and revives masters, introduces young performers and takes a chance on novel ideas. However, it is regarded as a supplement to Broadway and not a replacement.

Is Broadway itself doomed? After all these years of ups and downs, are we really in danger of losing it—scalper, theater party, rude box-office attendant, glittering opening night, radiant-heated sidewalks, "My Fair Lady," and all?

Robert Whitehead, president of the League of New York Theaters, led a delegation of producers to City Hall last month to demand immediate revocation of the city admission tax on the ground that any additional financial burden would "bring about the extinction of the living theater as we have known it, perhaps as early as next season."

David Merrick, who was Broadway's most prolific producer this season (four musicals, two plays), echoed Mr. Whitehead's sentiment until his most recent production "Carnival" became a smash box office hit.

He sees a renaissance

He said the other day: "I think Broadway is entering a renaissance. We are on the verge of a boom. The theater is like vintage wine. It has its good years and its bad years and there is no explanation why. From the advance smell of things, I predict that next season will be a healthy theater year."

So the answer, as it often is on the Rialto, is absolutely yes—definitely no.

These divergent views illustrate graphically why it is difficult to ferret out the truth about Broadway's economic condition. The highly competitive, manic-depressive, anarchistic nature of the business has made producers reluctant to pool financial data.

Enough samplings have been made available by individual producers, however, to attempt a diagnosis of Broadway's malaise.

One thing is certain: The theater has always been founded on economic lunacy. It flouts every law of good sense.

Perhaps the best illustration of this is that a humdrum play like "The World of Suzie Wong" can make a net profit of close to $400,000 while a Pulitzer Prize and Critics Award play like "All the Way Home" can't make a nickel.

Another example is that a sleeper like "Oklahoma," after raising its $80,000 production budget in 1943 with enormous difficulty, has since distributed $35 for every $1 invested. ("Life With Father" probably holds the record for profit distribution—$66 for every $1 invested.)

The record of "Oklahoma"

There is, however, no question that Broadway is in the midst of nonlunatic financial difficulties, which have worsened in the year since the Actors Equity dispute shut all the Broadway theaters for 10 days.

Television and the movies, especially adult foreign films, have hurt. The off-Broadway boom has siphoned off a good percentage of the young theater audience.

Production and operating costs have risen out of proportion to the rise in ticket prices. The exact ratio is not known, but many producers and general managers have been able to prove that costs on their productions have risen four to five times since World War II, while ticket prices have only a little more than doubled.

Producers who have studied the whole picture maintain that the main threat to Broadway is rising costs within the industry and inefficient and sometimes unethical practices in the ranks of the producers themselves.

Inside costs cited

They report sloppy management, cutthroat competition for new properties, kickbacks, lack of artistic imagination in producing a show with inexpensive scenery and costumes, "featherbedding" by stagehands and musicians, and lack of a strong, united lobby to fight against the city's 5 percent admission tax and the Federal Government's 10 percent tax.

Despite these liabilities for investors, the fact is that Broadway can still be a pretty good place for a business gamble—especially in the case of musicals—if the investor bets his money consistently on a clever, experienced and lucky producer.

Howard S. Cullman, honorary chairman of the Port of New York Authority and president of Cullman Bros., an investment concern, has earned, in partnership with his wife, about $2 million in profit on 300 productions since 1938.

Arthur Cantor, who was a coproducer of "The 10th Man" and "All the Way Home," has invested in 41 shows since the 1957 season, of which 25 have been hits. He estimates that when the final accounting is in, he will have a 50 percent profit on his investment of $103,000.

Some of the better returns have come from David Merrick productions and presentations by Robert E. Griffith and Harold S. Prince.

Mr. Griffith and Mr. Prince, who produced "The Pajama Game" with Frederick Brisson, so far have paid their investors 342.5 percent profit on this musical. On "Damn Yankee" they have paid 200 percent; "New Girl in Town," 24.08 percent; on "West Side Story," 140 percent; on "Fiorello," 50 percent.

Where the money goes

To understand the economic structure of a production, it is necessary to see how the grosses and profits are distributed. Producers point out that in any other business the cost of operation is deducted from gross sales to determine the net profit. But in a theatrical venture there are as many as five persons to whom a percentage of the gross is distributed before any profit can be reckoned.

The theater owner usually gets 30 percent as his rental up to a certain negotiated gross and usually 25 percent above it.

An established author and star usually receive 10 percent each.

The director usually gets 3 percent and the producer often gets 1 percent.

When the percentages for a specific production have been fixed the accountant and the general manager work out for the producer what is called a break-even point—the amount needed to operate the production without profit on a weekly basis.

Take a hypothetical play capitalized at the prevailing price of $150,000. It needs to take in $25,000 a week to break even.

Assuming it succeeds in selling $25,000 worth of tickets, the theater owner takes 30 percent of the gross up to $20,000 and 25 percent of the remaining $5,000, totaling $7,250; the star and author take $2,500 each; the director, $750, and the producer, $250. This comes to $13,500, but $11,750 in fixed operating expenses (expenses that do not fluctuate with the gross, such as salaries, advertising, and the producer's office expense of $300 a week) bring the total to $25,000.

If the hypothetical play is a sellout, the capacity gross in its theater is $42,000 a week. This is likely to be distributed as follows: The theater owner's share is $11,500; the star gets $4,200; the author, $4,200; the director, $1,260, and the producer, $420. The total percentages thus distributed come to $21,580. This figure, added to the fixed costs of $11,750, equals $33,330. When this total is deducted from the $42,000 gross the balance is the net profit of $8,670.

Pays off in 18 weeks

This profit goes to pay back the investors. If the play draws capacity audiences it will pay off its $150,000 investment in 18 weeks. If it continues at capacity after paying off—and only then—the producer begins to collect big money. The $8,670 profit is now split by the investors and the producer.

Thus under ideal, hit-play circumstances, the producer eventually can earn $4,335 a week plus $420, or $4,755. In today's theater, however, he is often obliged to share his profits with a writer, star, or director who will not work for just a salary and a percentage of the gross. Some producers, in fact, give up half or even more of their profits in this manner.

This is not to say producers do not become rich men if they have a smash hit and take advantage of capital gains tax rates.

Herman Levin, for example, sold 23.5 percent of his 30 percent producer's interest in "My Fair Lady" for $450,000. He paid a 25 percent capital gains tax of $112,500, leaving him a total of $337,500.

But the sort of profit Mr. Levin has drawn from his musical is rarely to be made with a straight play anymore. The producers believe Broadway is on its way to becoming a musical theater. Musicals run longer even if they receive lukewarm reviews.

Mr. Griffith and Mr. Prince, who have done extremely well in the musical field, are leery of doing straight plays. Their play "A Call on Kuprin" was capitalized at $150,000 but by the time it reached Broadway last month the cost was $175,000. The play closed Saturday.

"This is the kind of big-scale play that has become virtually prohibitive to do on Broadway anymore," Mr. Griffith said. "Ticket prices for such a play must be lower than musical prices, even when the production cost (in this case there were eight sets) is almost the same as for a musical."

The league believes most of the problems can be solved by eliminating the city and Federal taxes.

Mr. Cantor, for example, described how the elimination of the taxes plus the already waived percentages could put "All the Way Home" in the black.

The play was capitalized at $150,000 but was brought to New York for only $106,000, leaving a capital balance of $44,000. Statistics available for the first 22 weeks of the play's run show that income from the sale of tickets totaled $427,900. With admission taxes deducted, the total income was $380,775. The expenditures for the period totaled $405,450, leaving an operating loss of $24,675.

Taxes were $47,125

Mr. Cantor stressed that the taxes during this period amounted to $47,125, enough to have offset the operating loss and pay back a part of the production cost.

Most producers also grudgingly concede that a thorough house cleaning on their part would help revive the theater. Some of them are attempting a cleanup.

The experts in this field appear to be Mr. Griffith and Mr. Prince, both former stage managers.

In an era when most musicals are produced at $300,000 to $500,000, they have never spent more than $260,000.

Show designed early

"We try to have the show designed early enough so that we can give the costume and scene building companies 6 months for the jobs," Mr. Griffith said. "In this way, we eliminate costly overtime payments."

Saga of the shoes

Not much gets past their eagle eyes. When a bill arrived for $28 for each pair of shoes for the women in the "Damn Yankees" cast, Mr. Prince examined the shoes, peeled off the shipper's label on the instep of one pair and discovered the label of a mass-producer of shoes beneath. A check with the manufacturer confirmed Mr. Prince's suspicion that it was an inexpensive shoe—$6.90 a pair—and $6.90 a pair was what the shipper got.

Kermit Bloomgarden believes that a change in the philosophy of stage design could be a major cost-cutting factor.

"In the last few years," he said, "there has been a growing tendency to use heavier sets for the sake of realism. Many of our designers are not keeping up with the times. They should all be going in for lighter scenery, with more emphasis on lighting. The sets for 'Toys in the Attic' could have cost $17,500 to build if Howard Bay had designed a realistic interior; instead, he came up with a living room without walls or ceiling and it cost only $10,000."

Mr. Merrick, who has often produced on a lavish scale, said he learned an important lesson this season. Last December he brought in the musical, "Do Re Mi" for $480,000. Four months later he brought in "Carnival" for $200,000.

"There is too much overproduction," he said. "I've been guilty of it myself. But I now realize that ultimately it's the words and music that count and not the sets. 'Do Re Mi' was so expensive that I got furious. The whole thing got out of hand. I, too, generously gave everyone what they wanted.

"When I started on 'Carnival' I was determined to hold costs down. I treated it as though we were all starving and didn't have a dollar to spend. We got a young designer, Will Armstrong, who took the set order to a small company that charged less than the bigger companies.

"I could have raised $400,000 to do the show, but I knew Griffith and Prince have regularly shown it could be done for half. I think my tendency in the past has been to spoil the baby, sometimes to the detriment of the project. From now on I intend to do everything with lighter sets."

Lawrence Langer said that in the future producers should decentralize to build scenery and make costumes.

"New York has become highly inflated for this work," he said. "Existing centers out of town should be used and new ones should be created. We used a union shop in Palm Beach to build the sets for the three plays now touring for the State Department abroad. The total cost was $45,000. If they had been constructed here, the cost would have been at least doubled."

Other costs found

A number of producers agree that they also must keep a frugal eye on other costs.

The first is advertising. Mr. Cantor, who is head of the League of New York Theaters' advertising committee, maintains that the cost of theatrical advertising has increased "so enormously over the past two decades that even the cost of listing the barest essentials of information in the theatrical directory is over $600 a week for the average show in just seven daily newspapers."

Next is the kickback. This practice is not believed to be prevalent, but many producers admit that it is practiced from time to time. The producer arranges with suppliers to bill him, say, $20,000 for work that can be done for $15,000. The producer sends a check for $20,000 (which becomes a part of the production cost) and the supplier then returns the $5,000 in cash, which the producer (or his manager) pockets.

One item that no producer seems to plan to do anything about is the competition among producers themselves. With few good scripts available, the competitive bidding for the likely ones has skyrocketed. A number of the producers single out Mr. Merrick as the man who started the costly tug of war over promising properties.

Particularly bitter is Alexander H. Cohen, who maintains that he will barely be able to break even on his new property because of Mr. Merrick's bidding against him. Mr. Cohen, producer of "An Evening With Mike Nichols and Elaine May," said he had been negotiating for a revue called "Beyond the Fringe" for 3 months before it recently opened to rave notices in London.

His profit is reduced

"I was just about to close the deal, which was a fair one for all concerned," he said, "when the production's agent informed me that Merrick had offered to top any price I would pay. I retaliated by offering to top his price. The price continued to go up and Merrick finally dropped out. But I am now left with a property on which I will make substantially less than I'm entitled to."

Mr. Bloomgarden said that Mr. Merrick had offered Lillian Hellman a high percentage for "Toys in the Attic" but that she had declined it. (Miss Hellman says she was al-

ready committed to Mr. Bloomgarden for a high percentage.)

"Up to 4 or 5 years ago," Mr. Bloomgarden said, "a producer never fought like this to get a play—certainly not in terms of 'I'll pay more than he will.' The producer may have told the author that he might do a better artistic job.

"It's very easy to go out and pay a lot for a script and get two or three stars and not pay off the investors. What's difficult is to do a play properly and not give everything away in percentages. I will not do a play unless I can keep at least 25 percent of the producer's share. Merrick is willing to keep as little as 12.5 percent."

Sitting in his office on West 44th Street—where he oversees his four current productions—Mr. Merrick said, "I know that venom is now hip deep on 44th Street. Last year it was only ankle deep. They're angry—the other producers—because I do a lot and have been successful."

THEATER OWNERS

(By Lewis Funke)

Whenever a Broadway theater owner or operator wishes to stress the riskiness of his business he explains that it is just about impossible to finance the construction of new theaters here by a regular bank mortgage.

Although building construction has enjoyed a tremendous boom since the war, not a single theater building has gone up in Manhattan. The last existing playhouse to rise here was the Ethel Barrymore. Built for approximately $1 million, it would cost about 2½ times that sum to replace today. The first production at the Barrymore was in 1928.

This illustrates part of the riskiness of the Broadway theater in general, the part that pinches the operators first.

Meanwhile, the theater's physical plant has diminished from an average of 54 houses in the period from 1931 to 1940, to 37 from 1941–50, to 31 in 1951–60. There were 66 theaters in New York in 1931; there now are 33.

Today 18 theaters are owned by the Shubert organization, headed by J. J. Shubert. They are the Ambassador, Barrymore, Belasco, Booth, Broadway, Broadhurst, Cort, Lyceum, Music Box (with Irving Berlin), Majestic, Golden, Royale, Plymouth, Imperial, Shubert, Winter Garden, 54th Street, and Longacre.

Lotito operates four

The City Investing Co., through City Playhouses, Inc., headed by Louis Lotito, operates four: the Martin Beck, Morosco, Helen Hayes, and ANTA.

Lester Osterman controls the Eugene O'Neill and 46th Street; Billy Rose controls the Billy Rose; the Castle Bros. (Irving and Steven) along with Vincent Cerow, control the Playhouse; Cy Feuer and Ernest Martin, the Lunt-Fontanne; the Stahls, father and son, the Mark Hellinger and the Alvin; Michael Myerberg, the Brooks Atkinson; the Jujamcyn Corp., the St. James; Gilbert Miller, Henry Miller's; and Herman Bernstein, the Hudson.

Theater owners figure that over a 5-year period they should be able to realize a 4 or 5 percent return, which is what they would get if the money were in bonds. They do not apologize for being businessmen nor do they see how they can be otherwise, being ruled by the law of supply and demand.

They are stagestruck

Yet while they yearn for the stability of Government bonds and blue chip securities, they also confess they are stagestruck. They also are quick to admit that they enjoy the gamble that is inherent in their daily activity.

Nor does anyone deny that a winner—the smash hit—provides financial rewards in fantastic degree.

Obviously, the most advantageous position in the business is occupied by the Shubert organization. The Shuberts, operating theaters for almost half a century, now own all their properties free and clear.

Most of their competitors, however, still have mortgages. Some are rather recent—like those on the O'Neill and the Forty-sixth Street. The Martin Beck Theater, owned by the Martin Beck Corp., is mortgage-free. However, it is operated by City Playhouses, Inc., which is obligated to pay an annual rental of $85,000.

Regardless of the Shubert position, a standard set of terms does prevail. When a producer seeks a house he knows that the accepted starting point will be 70-30, that is, 70 percent of the gross receipts (not including Federal and local admission taxes) for his production, 30 percent to the theater owner.

If the producer has a star, he is likely to arrive at a deal whereby the house will agree to take 30 percent of the first $20,000 and 25 percent of everything over that figure. Should the producer have a star with great theater-party potential, he is likely to be able to negotiate a straight 75-25 deal, usually with a stipulation that these percentages operate when a specified weekly gross is achieved.

He shares in expenses

Since the theater operator in a sense regards himself as the producer's partner—he has read the script and thinks it has a chance—he shares in expenses, usually in proportion to the percentages in the basic deal. He might provide 30 percent of advertising budget up to a specific figure; he might share in paying stagehands beyond those he normally provides; in the cost of musicians beyond the normal number, and he also is likely to participate in the cost of the number of man-hours required to bring a show to his theater or take it out.

How much the producer can wring from the theater operator (extra stagehands or an extra musician) will depend upon assorted factors.

How much the theater owner wants a show enters into his figuring; as does the producer's record for pushing his shows and keeping costs down. How steady a customer the producer is also affects a deal. So does the time of year.

Let us look now at a weekly statement for a hypothetical one-set straight play in a small theater, as prepared by John Shubert, son of J. J. Shubert:

One house manager, $181.92; one treasurer, $130; two assistant treasurers, $220; one mail clerk, $60; one main doorman, $58; two stage doormen, $128; ten ushers, $343.20; one matron, $46.61; two porters, $143.74; four cleaners, $192.89; one head carpenter, $160.18; one head property man, $160.18; one head electrician, $160.18; and one curtain man, $132.08.

His general expenses

The Shubert statement also lists under general expenses a total of $594.83 a week. This sum is paid for stationery, $4.50; electricity, $93; steam, $50; tickets, $60; porter supplies, $22; telephone, $16; hardware, etc., $13; rubbish carting, $10; water filter, $3; time clock system, $9; lamps, $6; exterminator, $2; and miscellaneous, $59. Also, payroll tax (1 percent of $2,116.98), $190.53; business tax (0.004 percent on a $17,000 gross), $6.80; Actors Equity Pension Fund (1 percent of the acting company's $5,000 salaries), $50.

In addition, funds have to be allocated to provide vacations for those on the house staff at the rate of two-fiftieths of the theater's weekly payroll each week.

For weekly newspaper advertising there would be the theater's 30 percent share of $1,300 and $191 toward outdoor advertising costs.

The theater operator's share of $4,000 for preliminary advertising for the play, amortized over a 10-week period, comes to $400.

In addition, there are the city real estate tax, insurance charges, press representative, water tax, permit fees and license charges (a sign permit from the city, a marquee permit and an air-conditioning permit among others), also $50 dues to the League of New York Theater when the house is lit.

$5,100 guarantee needed

Thus, the Shuberts require an average guarantee of $5,100 weekly to meet costs on a nonmusical in a small theater.

Every contract between a theater operator and a producer contains a "stop clause." Should the gross receipts for a given period fall below a certain figure, the theater owner has the right to close the show.

The stop clause is often requested by the producer for his protection, since at a certain point it usually is no longer profitable for him to operate. The stop clause in many cases is left open until after the show's opening when the producer can better gage his weekly costs.

Let us look at what can happen to a theater operator should he be shrewed enough and lucky enough to draw a smash hit, one that will play at least a year to capacity.

Suppose the theater is the Martin Beck, and the attraction is a musical. The Martin Beck has a seating capacity of 1,280—666 seats in the orchestra, 142 mezzanine, 448 balcony, and 24 boxes. The scale for the theater's present tenant, "The Happiest Girl in the World," ranges from $4.05 to $8.60 for evening performances, Monday through Thursday, Friday and Saturday evenings the range is $4.60 to $9.60; Wednesday matinees, $2.30 to $5; Saturday matinees, $2.90 to $5.75.

Thus the Martin Beck could gross, at capacity, $62,000 a week.

The deal with the producer is 70–30 on the first $20,000 and 75–25 after that, giving the house at capacity $16,500 as its share. The way the Martin Beck statement is set up, including the $2,000 weekly rental, computed on the trade's practice of assuming a theater is open 40 or 42 weeks a year, the theater needs approximately $12,000 for its break-even figure. Hence, at capacity, it would enjoy a weekly net profit of $4,500, which for 52 weeks would clear $234,000 for City Playhouses, Inc.

Has never hit figure

"The Happiest Girl in the World" needs a gross of $44,000 a week for the Martin Beck to receive the $12,000 it needs to cover operating expenses and rental. The production has not hit that figure, the best it did being $43,618.02 the week of April 22.

Fifty-two-week capacity hits are, of course, infrequent. This season's continuing entrants have not yet run the course. Of the 46 productions this season less than half a dozen promise bonanza returns.

Most theater operators are joyous when they entertain just nice plain hits of which the average ratio is one in four or five. They are even content on occasion with productions that manage to hang around, pay general operating costs including rent, leaving a modest profit on the books. Better a lit house than a dark one.

Dark theaters, too, have basic costs. The Martin Beck, including the $2,000 it requires for rent, needs about $800 more for maintenance weekly.

The drama of the O'Neill

What a beating a theater operator can take is illustrated by what happened to the Eugene O'Neill in the 1959–60 season.

The season opened hopefully with the Phoenix Theater's "The Great God Brown," which managed to hang on for 4 weeks. Then Mr. Osterman, as producer, confidently opened William Inge's "A Loss of Roses," which turned out to be Mr. Inge's first box-office failure. It ran 4 weeks.

Subsequently, "A Distant Bell" lasted a week, as did "Cool World," another production by Mr. Osterman. "A Second String" did better—3 weeks.

Altogether, the O'Neill was open 13 weeks earning $49,052.44. Subtract this from the total expenses of $163,365.33 and you find the O'Neill a $114,312.89 loser for the period.

Mr. Osterman is looking for a smash hit for the O'Neill and if in 5 years he doesn't get one he will be nowhere in sight of that 4 or 5 percent.

He may, however, be lucky enough to have happen to him what happened to the Castles and the Playhouse.

The Castles purchased the Playhouse from Ben Marden in 1956. Mr. Marden had not been an especially lucky picker of plays. Mr. Cerow recalled that after nothing but failures in 1956 and 1957, the Castles put additional funds into their investment. In 1958, however, "Blue Denim" came along and then "Make a Million." Neither of these were worldbeaters. But they helped the Playhouse break even more or less.

With the opening of "The Miracle Worker" in 1960 the Playhouse hit the jackpot and now, after 6 years, is a more comfortable venture.

The Playhouse also represents prospects for smaller theaters.

Consider its small capacity. With its 994 seats, the theater is scaled for its present tenant, "The Miracle Worker," so that it can gross $37,000 a week. High budget shows with big stars would not find that figure practical. This is hardly a favorable situation considering the paucity of productions. Mr. Cerow said that the 46 plays this year represented the "absolute minimum beyond which there is little chance for survival for a small theater."

Space for cars, not plays

Mr. Cerow cited a sad indicative fact: When the Castles bought the Playhouse they also bought the land a few hundred feet west where there now is a parking lot. At the time of purchase the theater was worth 175 percent of the value of the parking lot. Today it is worth 125 percent. Mr. Cerow said that if land on West 48th Street appreciated in the next 5 years as it has in the last 5, the parking lot land could be worth more than the land with the theater on it. Only love of the theater would then keep the Playhouse alive.

All of which indicates some of the advantages enjoyed by the Shuberts.

Although the bookkeeping for the Shubert houses varies, the source to which all moneys flow is the same. Hence, it is justifiable to assume that a smash hit like "Carnival" in the Imperial will help offset not only any earlier troubles at the Imperial, but also any debacle in another Shubert house.

The Shuberts also profit by being able to make purchases in volume. And they have maneuverability.

Aid not unusual

Aid to producers in difficulties is not unusual. When early in the 1960–61 season it was evident that Leo Kerz was having trouble getting funds for "Rhinoceros," the Shuberts, who had given him the Longacre, stepped in.

"We figured," John Shubert said, "that this looked like a good bet. We found Mr. Kerz a reasonable fellow and so we guaranteed his costume bill, also his advertising bill. Altogether, I think we guaranteed about $26,000. We figured this show would run long enough for us to get our money back from the first funds that could be spared by Mr. Kerz during the early weeks of the run."

The most dramatic aid this season was rendered to "All the Way Home," when figuratively, John Shubert "tore up the contract."

The terms were conventional 70–30 up to $20,000 and 75–25 thereafter, with the guarantee at $5,000. From the time the show opened until the week ending May 13—24 weeks—the Belasco received the guarantee or more for 14 weeks. During the others the Shuberts took less, one week as little as $3,512.94.

In show business as in politics, altruism and self-interest often go hand in hand. Nevertheless, the salient point for the theater owner and operator as well as for everyone else in the theater is the need for more productivity. More productivity would bring greater employment to actors, musicians, stagehands and everyone else in the industry, as well as greater surety for the men who own the theaters. The big question to be resolved is how.

[From the New York Times, June 6, 1961]

SHOWMEN CRY "FEATHERBEDDING" BUT THEATER UNIONS DISAGREE

(By A. H. Raskin)

"You've got to holler and howl in your most unladylike voice, 'Unfair!'" This is the advice the youthful La Guardia gives the striking employees at the nifty shirtwaist factory in the first act of "Fiorello!"

His maxim has become the guidepost of labor-management relations on Broadway these days, but with a reverse twist: It is the employers, not the unionized theatrical crafts, who are doing most of the hollering.

Producers, convinced that a leaner diet for all elements in the theater represents a cure for its financial infirmities, hope that the unions of stagehands, musicians, and other workers on both sides of the footlights will accept a touch of austerity in their work rules and manning requirements.

However, little of this clamor for less onerous union rules is aimed at Actors Equity, the pivotal group in the 10-day blackout that punctuated four decades of labor peace on Broadway a year ago.

True, the producers want the stars, all of whom hold Equity cards, to take a less lofty place in the economic firmament, but complaints are rare that the rank-and-file actor or his union encrusts theatrical budgets with ill-justified exactions or balks at sharing the misery when a show gets into trouble. Most of the management grumbling is over charges of "featherbedding" or "nuisance" requirements by other Broadway unions.

Thus far the prospects for any voluntary surrender of labor practices built up over 75 years seem little brighter than they proved to be in the steel industry, where the companies' efforts to wipe out rules they regarded as brakes on economical operation touched off a 116-day strike 2 years ago. The workers went back to their jobs with nothing changed on the rules front.

The response of theatrical-union leaders, when the finger is pointed at their organizations as citadels of featherbedding, can most decorously be paraphrased in the single word "hogwash."

The two groups most often accused of loading payrolls with unneeded manpower—the stagehands and the musicians—insist that they have leaned over backward to cooperate in holding down costs and that they could not make concessions now without depriving their members of essential safeguards.

The producers acknowledge that the unions have made a substantial contribution to preserving the theater by their vigor in suppressing wildcat strikes and in mobilizing to seek the abolition of special tax burdens.

They acknowledge, too, that many abuses are the fault of producers whose eagerness to avoid union trouble has caused them to give in too readily, thus saddling the industry with unshakable precedents.

FEARS ARE WIDESPREAD

But this recognition does not abate the fear widespread, though far from universal, among producers that the theater may eventually bleed to death through a pile-up of extra charges resulting from the unions' refusal to allow producers the flexibility they feel they ought to have. The producers cite rigidity on stage crews, the designation of men with nominal skills as key technicians entitled to premium pay and the enforcement of standby mandates for the payment of wages for work never performed by men who, in many cases, are never even there.

To observers steeped in the labor-management traditions of more orthodox industries, everything about Broadway's labor side is likely to seem as bizarre as a play by Ionesco or Jean-Paul Sartre. Even the satellite world of off-Broadway, which this series does not deal with, offers no parallel.

To achieve a particular effect, designers may lay out a scene in such a way that a half dozen extra stagehands are required for as little as 10 seconds in an entire performance. The bill for their services will come to more than $700 a week for less than a minute and a half of actual work time, and yet the director and producer feel the expense will be worth while to create a desired mood.

It is assignments of such brevity, ordered by the employer to enhance the quality of his production, that make it hard to differentiate between what is featherbedding and what is the flowering of the creative spirit.

THE LONG PARADE

Take "An Evening with Mike Nichols and Elaine May" at the Golden Theater. The show has 2 performers, 15 stagehands. This stirs memories of the parade of 11 carpenters, electricians, property men, and grips Victor Borge used to call out for a bow at the final curtain of his one-man show of comedy and piano improvisations in 1953 to 1956. The procession of unionists never failed to send the audience home chuckling but also vaguely disquieted.

Alexander H. Cohen, producer of the Nichols and May show, sees nothing either funny or excessive about his 15-man stage crew. He says he considers every man necessary from the standpoint of artistic integrity. This conviction is not undermined by his acknowledgment that eight men could readily have been dropped if the settings had been laid out differently.

His conception called for a pull-across curtain, with a smaller curtain attached, to isolate parts of the stage for small-focus scenes. He believed the scenes would have a heightened dramatic impact because of the interplay of the two drapes. This required four extra men and a supervisor at a cost of $753.32 a week.

Unfazed by this outlay, Mr. Cohen insisted on two special spotlights to beam on the stars' faces. This added $357.08 to the labor bill. An extra prop man at $132.08 rounded out the reinforcements that Mr. Cohen deemed desirable for the basic crew.

FOUR MUSICIANS, TOO

As a further contribution to togetherness, four musicians occupy the orchestra pit at the Golden. Again Mr. Cohen is perfectly content with the arrangement. He is sure the evening would drag without the music the four men provide, and he has no regrets about paying them $770.71 a week.

He was somewhat less cheerful a year earlier when he put on another show in the same theater, and found himself obliged to pay $877.50 a week for four musicians he could not use. The stars then were the British comedians Michael Flanders and Donald Swann, in "At the Drop of a Hat." A basic ingredient of its chatty format was the interpolation of songs, with Mr. Swann pounding away at the piano.

There was no practical way to use the four musicians so Mr. Cohen instructed them to stay home. Each week for the 32 weeks of the show's run they drew their $877.50 without ever playing a note. The most ironic aspect was that the invisible, inaudible musicians were being paid for not giving eight performances a week, even though the show was giving only seven performances, one under the usual union standard.

However, the only time Mr. Cohen felt justified in registering a protest was when he was asked to pay the quartet for pre-Easter week, when the show was closed. It took a little arguing, but Local 802 of the American Federation of Musicians went along with his protest and waived the payment.

Far from being irate over the whole episode, Mr. Cohen found a silver lining.

"On the surface," he said, "this would appear to be featherbedding but, facing reality, in a way it's not. After all, the League of New York Theaters has negotiated a contract with local 802. One of the things to which we agreed was that when we had an attraction needing music, we would have a certain minimum number of men.

"Actually, the union could have insisted on classifying the Flanders-Swann show as a musical revue and held us to employing 12 more men. The fact that they didn't is a sign of their basic reasonableness. In general, the whole question of so-called featherbedding in the theater is vastly exaggerated, just as the financial plight of the theater is exaggerated."

Mr. Cohen's basic conviction is that the producers have no right to groan when the union asks them to live up to contracts containing rules for hiring musicians, whether they are used or not. He feels this is an issue to be fought out in negotiations if the employers really consider the rules arbitrary.

His own view is that a good many of the conditions that appear illogical to outsiders are not so silly when Broadway's special circumstances are understood. He notes that when the Flanders-Swann team went on the road the regulations in effect elsewhere specified as many as 11 musicians in some cities and none in others.

SOME FOUND IRKSOME

Those less resigned than Mr. Cohen to paying musicians for not playing find several union rules particularly irksome. One is local 802's requirement that where recorded music is an integral part of a play's development, four standby musicians must be hired. Another is that certain theaters are contractually obliged to employ at least four musicians whenever they are lit, even though the play has no music of any kind.

This requirement stems from a dual pay system. At the beginning of each season, the owners of Broadway's 33 theaters notify local 802 whether they want to operate their houses on a contract or penalty basis. The contract houses commit themselves to employ four musicians whenever they have a show; the noncontract houses pay musicians only when the rules governing the show require them.

The advantage for the contract houses is that their musicians' pay scale is $170 a week for a musical comedy and $119.50 for a drama; the noncontract houses have to pay $213.20 for a musical and $159.90 for a drama.

Since the union demands that a musical employ a minimum of 26 men in a house with more than 1,100 seats and 16 in one with 1,000 to 1,099 seats, booking a revue or comedy into a contract house can cut the music bill by upward of $1,000 a week.

WORKS THE OTHER WAY

The rub comes when a show that needs no musicians finds it has no place to go except a contract house.

Thus Leland Hayward found himself compelled to carry four standby musicians for the 3-year run of "Mister Roberts." It had been booked into the Alvin, which was a contract house the year of the opening, and the theater was not allowed to exercise its annual option of shifting its category because it had a continuing attraction. The instrumentalists never showed up at the theater, got their checks by mail, and qualified for union vacation benefits.

Another irritant to many producers is that every time musicians are hired, one of them must function as the contractor. This means that he gets 50 percent above the union scale, in return for which he acts as hiring agent and liaison man in relations between the show, the musicians, and the union.

Often the producers, unwilling to entrust the choice of men to a regular house contractor, pay another musician of their own selection $85 or $90 a week extra to do the actual hiring.

The contractor gets the premium even when he is one of the four unwanted men in a combination that does no playing. If a show has only one musician for incidental off-stage music, he must be paid 50 percent extra for serving as his own contractor. When Julie Harris starred in "Little Moon of Alban," the flutist hired to blow a few notes from the wings at each performance got $120 a week on top of his regular $240.

FEW WORK ON BROADWAY

Oppressive as some of these conditions may appear, two factors keep them from becoming too crushing a burden. One is that, for all the reports of unneeded men, there are relatively few musicians employed on Broadway. The other is that the executive board of local 802 does everything it can, short of being impeached by its own jobless members, to minimize the load of extra charges.

Even those who cry featherbedding loudest are prompt to concede that the music bill would be much higher if the union held every producer to the letter of its contract with the theater league.

Only 309 of the local's 29,000 members now hold jobs in the legitimate theater, and most of these are in a half dozen high-budget musical comedies. Despite the fact that the decline of live music has made unemployment a way of life for a big chunk of its membership, the union encourages producers to drop recorded music and thus avoid the need to hire standbys.

The original script for Sunrise at Campobello called for a taped version of the "Sidewalks of New York" in a scene depicting a political rally at Madison Square Garden. After a conference with the union, a record containing cheers and applause was substituted and the local scrapped its demand that four musicians be put on the payroll.

"We were perfectly agreeable to the change," Al Manuti, the local's stocky, voluble president, said. "We don't like this standby business. We beg them to take out the recorded music or to use the men they pay for. We don't want people to be paid for nothing."

BETTER SHOWS ASKED

In an interview the day after the Dramatists Guild had offered to take a cut in the playwright's share of the gross, Mr. Manuti made it plain that he did not believe any parallel moves toward belt tightening could rightfully be expected of his members.

"We have often made concessions to keep shows running, but we don't feel more concessions are the answer to the theater's problems," he said. "The answer lies in better shows, bigger and more modern theaters, and the elimination of discriminatory amusement taxes."

Warming to his theme, he asserted that overall labor costs were no handicap when a show was good and that no amount of sacrifice by the unions could save it when it was bad. He said that some producers would like to do a musical with two pianos and that there would soon be no union if local 802 gave in to requests of that kind.

On the other hand, he noted, he had just come from an executive board meeting at which "the Billy Barnes people" had been authorized to cut in half a complement of 16 musicians the union could have required when the revue goes into the Royale next week. The reduction to eight musicians was sanctioned after Mr. Barnes had told the board that he would have only eight performers in his show.

"If the theater dies, we die with it," Mr. Manuti said. "We are not going to cut off our nose to spite our face, but we can't reduce our salaries and we certainly expect the employers to abide by the commitments they made in the 3-year contract we signed just last September."

HELP TO THEATER CITED

An equally frosty view of any likelihood of backtracking by labor is taken by Solly Pernick, head of the city's 1,500 unionized stagehands. The president of Theatrical Protective Union, Local 1, of the International Alliance of Theatrical Stage Employees said that his organization had done all it could to help the theater—and then some.

His air of injury at suggestions that the high cost of stagehands was compounding the theater's woes was sharpened by the fact that local 1 is negotiating for a new contract with the League of New York Theaters. It is seeking wage, welfare, and pension gains that would entail a package increase of 20 percent after the present 3-year pact runs out July 31.

Mr. Pernick's desk overflows with tributes from show-business luminaries to the union's work in lobbying for repeal of theater taxes and shunning strikes through all its 75 years. Virtually all the producers were the local's guests at a dinner celebrating its diamond jubilee May 14, and many took full-page ads at $300 in its souvenir journal to extend their best wishes.

Despite all this praise, the men who put on shows have a long list of private grievances against practices in local 1. Few of the complaints are major, but cumulatively they may increase production costs by several hundred dollars a week.

Typical is the charge that business agents are often adamant in demanding that a man who turns a winch or pulls a switch be classified as a keyman, rather than as an ordinary extra hand. The change in title makes his weekly pay $132.08 instead of $105.80.

The producers say that the "yellow card," established at out-of-town tryouts to determine how many men will be needed to take a show into New York and run it, is often inflated. There seems to be general agreement however, that this is more often a matter of inadequate vigilance by the producer than of union intransigence.

"I tell them to go jump in the lake when they try to stick me with too many men," Herman Bernstein, Mr. Hayward's general manager, said. He is one of Broadway's most seasoned experts in mounting a show. Victor Samrock, general manager for Roger

L. Stevens, is no less emphatic in saying that the producers who get hurt are usually those who are negligent in determining their needs and then resisting any overload.

HE HELD HIS LINE

Kermit Bloomgarden discovered the benefit of standing up against overexuberant business agents when he was producing "The Lark" 6 years ago. After the Joan of Arc play had been on 10 weeks, the stagehands notified Mr. Bloomgarden that the actors who played the parts of soldiers would have to stop carrying their spears on stage.

Each spear had a flashlight in its tip so that in the final scene the spears could be alined to simulate a cathedral on the darkened stage. This led local 1's business agent to rule that two electricians were required to carry on the spears. When the producer ridiculed the demand as alien to the show's artistic concept, the reply was that the two electricians would have to be put on anyway to clear the spears at the end of each performance.

Mr. Bloomgarden insisted that this chore could be performed by his regular company electrician. He took his protest to the parent union and won. He also won a tussle with local 802 over whether the use of a recording in which a cappella voices were substituted for instrumental music in another scene of "The Lark" necessitated the employment of four standby musicians. The final decision was that the eight Equity members who made the record should get a royalty of $10 a week each for the run of the play.

Both episodes have confirmed Mr Bloomgarden's belief that there would be much less to grumble about on Broadway if every producer took a resolute stance against "these petty annoyances that hurt the theater."

The kind of charges the employers would like to get rid of was typified by David Merrick's experience when he was moving "Becket" from the St. James to the Royale to make way for "Do Re Mi," another Merrick production. He said that the spotlights that had been installed on the balcony rail at the St. James should stay in place for the second show and that another set should be put up at the Royale.

This, he hoped, would save the expense of ripping out the "Becket" lights and replacing them with an identical installation for its successor. The union pointed out that its rules required removing all lights, scenes, and properties after one production closed and putting in new fittings for the next show. However, it said it would give Mr. Merrick "a break" by leaving the "Becket" lights where they were—provided that all 33 men in the moving crew got 4 hours of Sunday pay in lieu of the money they would have earned.

The impost applied not solely to the electricians but to the carpenters, prop men, and all other members of the crew. The $592.80 bill was paid under protest, with the understanding that the rule would come up for discussion in the present contract negotiations.

What galls the producers most about such payments for work not done is that local 1, unlike local 802, has no unemployment problem. Since the advent of television, it has had more jobs than members and the almost universal complaint among the employers is that "moonlighting"—the practice of holding two or three jobs at the same time—is widespread.

GROUPINGS ATTACKED

The producers say they would feel less outraged about this if the union did not maintain such a tight rein on the admission of new members or if it were less restrictive in its insistence that departmental groupings remain inviolate.

This means that a man whose sole function is to push a light button once an evening cannot be used to move a chair off stage in another scene a half hour later. If he has anything to do with lights, he is an electrician and cannot also serve as a prop man. For topnotch men, whose regular attendance a producer deems essential, so-called pink contracts have to be signed. These call for salaries of $225 to $350 a week, double or triple the basic scale.

Extra charges ranging from $15 to $50 pile up for such tasks as mopping the stage, moving a piano for rehearsals, or turning on the lights for photographs. So much of the regular worktime is devoted to playing cards or going out for a walk (often at the insistence of stars who object to too many people in the wings) that actors often voice envy. One dancer in "West Side Story" put it this way as she came panting offstage:

"We dance our feet off for $111 a week and the crew gets twice that much for standing around watching."

All such complaints bring a pained look to Mr. Pernick's normally bland face. He says local 1 is the soul of reasonableness when it comes to considering requests for a reduction in manning schedules. All shows have 2 weeks after they come to Broadway to adjust the size of their stage crews, but he says few even raise the question of revising their yellow cards.

SOME MEN DROPPED

He recalled that when "Advise and Consent" had run several months and was edging into the red, the union agreed to eliminate men as part of a retrenchment program that involved scrapping some of the scenery and props. He derided the charges of featherbedding and moonlighting, and insisted that the only time men held two jobs at the same time was when they were pitching in to keep a show open during a big snowstorm or other emergency.

As for the squawks about the union's compartmentalization, he asked whether the producers would be happier if local 1 recast itself as three separate unions and they had to conduct individual negotiations for the electrical, carpentry, and property departments. He said the union's structure and policies had worked out beneficially for everyone and added:

"If they did it any other way, they never could run a show. The legitimate theater is our baby. We are doing everything we know how to keep it alive. We could make many beefs about the producers, but we don't want to wash any dirty linen. We want to cooperate, and we are cooperating."

A great peace seems to have settled over relations between Equity and the producers since their epic battle a year ago. Committees representing the actors and the league hold luncheon meetings every month or two to chew over mutual problems along with their food.

The second round of wage increases went into effect last Thursday under the 4-year contract that ended the blackout. It brought the minimum pay for actors and chorus members up from $111 a week to $112.50. Stage managers got a $5 increase, bringing their rate to $245 for musicals and $195 for dramas. Rehearsal pay went up from $82.50 to $87.50 and the 1-percent pension contribution, instituted a year ago, was doubled.

Equity has nothing to say about how many or how few actors appear in a play and all arrangements for salaries above the minimum represent the producer's own decision on whether they represent a good investment. The problem that gives Equity the most trouble is keeping its members from giving away too many of their own rights in their eagerness to keep before the public.

It is common for actors getting more than the minimum to agree to take pay cuts when a show's business begins to sag in contrast with most unions, which have contract provisions forbidding any reductions in pay during the life of an agreement. Equity has a three-member cuts board that takes polls of a show's cast to determine whether the actors are willing to give up part of their wages to help extend the run.

HOURS IN DISPUTE

The cast of "Rhinoceros" has been on cuts of 15 to 33⅓ percent since March 25. The casts of "Big Fish, Little Fish," "The Devil's Advocate" and "Advise and Consent" also sacrificed part of their pay in the hope of keeping them open a little longer.

Not everything is idyllic, however, in Equity's relations with the producers. One of the infrequent friction points grew out of the road tour of "The Music Man." The company had to leave Birmingham early on the last day of its run there to be at its next stop on time. A week before the final matinee, notices were posted that the show would go on at 1:45 p.m., a half-hour ahead of time.

After the performance had been given Equity informed the producer, Mr. Bloomgarden, that part of the fine print in its 77-page rule book required that actors receive an extra payment of one-quarter of a week's salary for any show that started before 2 p.m. or after 11 p.m. Mr. Bloomgarden complained that he had never known of the rule and that no one had brought it to his attention during the week of advance notice. He plans to fight the $3,500 penalty charge in arbitration.

The other theatrical unions seldom generate major problems. Everyone from managers to ushers belongs to a union, but this rarely creates disciplinary headaches. The highest minimum scale is for press agents, who get $254.12 a week and $223.85 more if they handle a second show for the same producer. Some represent a half-dozen productions at the same time, with $223.85 for each. However, the publicist does not keep all the money. He must hire an associate for every two shows at a weekly scale of $167 or $228.

The minimum for company managers is $188 for a musical and $181.92 for a drama, but the prevailing rate is $350 or higher. Box office treasurers get $130 and assistants, $110; firemen and engineers, $131; wardrobe supervisors, $115.23; and their assistants, $102.42. Dressers for the stars must be paid at least $70.40 but those who help the rest of the cast need get only $61.60.

HOUSE WORKERS' PAY

The men at the door and the girls who show you to your seat are far from the big-money class. For ushers the union range is $33 to $42.90 a week and for doormen $40.70 to $64. Head porters earn $78.67 and their aids, $72.11.

What does it all add up to in terms of a show's success or failure? One way to measure the labor bill as a factor in total costs is to appraise the balance sheet of a big musical like "The Sound of Music." The Mary Martin show cost $500,000 to bring to Broadway and it grossed $75,870 in a typical recent week.

It has 43 stagehands, probably the largest complement on Broadway, but Mr. Bernstein, who handles its business direction, said the entire crew was needed because of the complexity of the sets and the tightness of the Lunt-Fontanne stage. It also has 32 musicians, 6 above the union requirement, again because the producers want that many. (Mr. Pernick, incidentally, is the company prop man and Mr. Bernstein calls him "damn efficient.")

The producers paid $4,920 in the sample week for part of the stagehands. The theater paid for 20 men out of its $18,968 share of the box-office receipts. Mr. Bernstein estimated that this meant something

over $2,500 on top of the $4,920. The company's cost for musicians was $3,739, with the house paying almost as much more out of its share.

ELEVEN MONTHS TO PAY OFF

The principals, from stars to bit players, drew $13,872; the chorus $2,234, the stage managers $886, the company manager $500, the wardrobe attendants $1,461, and the press agent $325. The net for the week came to $11,923 after the deduction of a long list of nonlabor charges, including $6,828 in authors' royalties. On this basis it would take about 11 months to pay off the original investors and begin showing a profit.

The judgment of interested observers like John Shubert, who devised the pension formula that helped settle the equity tieup, is that most of the theatrical crafts are headed by good sensible people who understand the weaknesses of the fabulous invalid and want to help nurse it back to health.

However, he feels more vigorous action will have to be taken all around to ward off the unexpected costs that tend to send budgets skyrocketing when a show is racing to open and the producer gets careless about what he freezes into his costs.

Mr. Shubert notes, too, that the pattern of labor settlements has involved a general increase of roughly 8 percent in every 3-year contract cycle. He is not sure how many more 8 percents can be absorbed before it becomes impossible to put on a play profitably.

[From the New York Times, June 7, 1961]

MANY FIGHT OVER THEATER'S PIE BUT WRITERS OFFER TO TAKE LESS

(By Stanley Levey)

PLAYWRIGHTS

On May 24 some of the costliest and most creative writing talent in the American theater, meeting at a hotel, agreed, without significant dissent, to cuts in writers' royalties in an effort to alleviate the plight of the Broadway theater.

In doing so, the playwrights, members of the powerful Dramatists Guild, expressed hope that all craft unions in the theater, as well as the theater owners, will ultimately make equal concessions so that the public can be the benefactor. Then the writers said:

"The Dramatists Guild believes that this will create a new climate in which productions of plays will be increased and new playwrights encouraged." Whether these hopes are ever realized and whether the unions and the owners actually do accept the challenge, one fact is firmly on the record. It is that the playwrights were the first Broadway group to tighten its belt to try to check operating costs and reduce ticket prices.

There is one big "if" in the arrangement. The writers' agreement will take effect for a play only when the director, stars, choreographer, and producer accept similar reductions in their compensation.

There is another factor to be considered: the big-name writers have little trouble getting produced. It will be the new writers who will be asked to take the cuts—but with the undeniable lure of getting produced.

For many years producers and playwrights have been playing a question-and-no-answer game with each other. The producers have asked: "How about taking a cut in royalties?" The writers have asked: "Why start with us?" The result: stalemate.

For example, only a few months ago, during the negotiations between the Dramatists Guild and the League of New York Theaters that resulted in the royalty reductions, Leland Hayward, a leading producer, said:

"It's up to the dramatists to save Broadway. If the writers who own the plays can't face the facts of life, how can we get the stars or the directors to agree to take a cut?"

He sees guild productions

A prominent playwright was asked at about that time what writers would do if producers stopped producing. He hesitated not a moment and suggested that maybe the Dramatists Guild would take a shot at putting plays on Broadway.

And Audrey Wood, a highly successful authors' agent who lists Tennessee Williams and William Inge among her clients, complained:

"It's unfair to start with the man who creates the work without starting at the same time with the other unions. Without the playwright there wouldn't be a theater.

"Tennessee Williams came to me in 1938. It wasn't until 1945 that 'The Glass Menagerie' opened on Broadway. That's a helluva long time to wait."

Paddy Chayefsky, author of "The 10th Man" and "The Middle of the Night," voted for the playwrights' royalties cut. But a week before the balloting he said that the idea was grossly unfair and a tacky piece of patchwork. Like many other writers he called attention to long months and years of research, writing, and rewriting. But then he shrugged:

"If the theater closes down to two shows a year, I'll still be writing. A writer never says, 'I'll stop writing because there's no chance of getting it produced.' "

Basically the new royalty arrangement approved by the Dramatists Guild is a recognition that the producers may have a point when they contend that high production costs make it difficult, if not impossible, to find backers willing to gamble on plays by untried authors or on plays not specifically tailored for stars with box-office magic.

Concessions are listed

Under the agreement, which is voluntary and not compulsory, and which will run for 1 year, authors may make the following concessions:

Writers of straight plays may take half of their regular royalties for a period of 17 weeks, but never less than 5 percent of the gross box-office receipts. Only two of the weeks may be weeks of out-of-town performances. Should the play recoup its investment before the end of the 17-week period, the author's royalty would go back up to his contractual percentage.

For most playwrights in the Dramatists Guild that contractual percentage is 5 percent on the first $5,000 of a play's gross box-office receipts, 7½ percent of the next $2,000, and 10 percent thereafter. A few playwrights have a straight 10-percent arrangement.

In the case of musicals, authors who now receive a straight minimum royalty of 6 percent may take half their fees for a 30-week period, starting with the out-of-town opening. But the writers' payments may not come to less than 4 percent of the aggregate royalties.

Whitehead sees gains

Robert Whitehead, president of the League of New York Theaters and a principal formulator of the plan, is convinced that the new lower royalty agreement will mean many things. He noted the following hopes:

Faster payoffs and more investors in the theater.

A greater volume of productions. "This will open things up. It will be a completely different theater."

A better chance for new writers. Mr. Whitehead believes it is economics—not lack of talent or lack of authors—that has kept untried writers off Broadway and on off-Broadway.

More plays and more good plays.

Here is an example of how the royalty arrangement might work under optimum conditions: A straight play that cost $125,000 to bring to Broadway and that turned out to be a solid hit would gross about $40,000 a week and might return a profit of $6,000 a week.

At that rate it would take something like 21 weeks to pay off the investors. Assuming that the star cut his customary 10-percent share in half and that the writer, director, and producer halved their percentages, weekly operating expenses would be reduced 10 or 11 percent.

This in turn would add about $4,000 a week to the profit, or $68,000 over the 17-week period that the reduced compensations would be in effect. The savings realized would thus substantially reduce the period necessary to recoup the original investment, perhaps even cut it in half.

For a medium success the reduced royalty agreement could mean, on the same basis, the difference between staying in business or closing. A $2,000 or $3,000 cut in weekly operating expenses might be enough to cover costs. A failure would still fail.

Mostly for young writers

Even though some of the most famous names in the theater voted to accept the optional royalty plan, the basic effect of it will be to set lower minimum rates for new and unproduced writers.

Playwrights like Tennessee Williams, Samuel Taylor, Russel Crouse, Howard Lindsay, Paul Osborn, and George Axelrod have little trouble interesting producers and attracting investors. But an author who has not been produced on Broadway frequently finds it impossible to find a producer, a star, and a director willing to take a chance on his play.

Under the Dramatists Guild minimum basic production contract these new writers hitherto have received the same minimum rates of 5, 7½, and 10 percent that applied to successful playwrights. It is they, in all probability, and not the name writers, who will be asked and expected to accept the optional royalty arrangement as a condition of being produced on Broadway.

Actually, for the established playwright, the Dramatists Guild minimums no longer have much meaning. Most name authors have become writing corporations, investing in their own shows, occasionally joining in producing them and receiving a substantial share of the profits. Writers like Tennessee Williams now make complicated deals involving play profits and movie rights that run into millions of dollars.

Mr. Chayefsky, a man not unfamiliar with financial success on Broadway, in Hollywood and on television, confessed recently that he no longer knew what was going on when he sold a play. He said:

"I've got an agent, an accountant, and a tax consultant who uses a tax lawyer in his own office. They make the arrangements. I've given my agent just two orders—don't do anything dishonest and keep me out of jail."

Even without a movie sale or a share of play profits, the author of a Broadway hit need not worry about the rent. A show that runs a year to full houses would bring a playwright an income of $125,000 to $150,000.

Laments of taxes

Movie, television, and foreign rights on a smash hit—straight or musical—can inflate the authors' returns into the millions. Before taxes, that is. Many writers complain that present tax laws do not deal fairly with the creative man, who may go for years without success and then find himself in a few months in the highest tax brackets.

Musical shows, with their greater grosses ($70,000 a week or more for a hit) mean even greater returns for composers, bookwriters, lyricists, and choreographers. Under basic contracts they are guaranteed 2 percent each

of the gross but usually get at least 3 percent. In a year of sellout houses this could mean a return of about $110,000 for each. And beyond this relatively paltry figure is the enormous income from radio, television, records, and sheet music.

And then there is the writer of the show that lasts 8 days. He will have received option money for his play from a producer, his $750-a-week guarantee for out-of-town performances, and his royalty on the gross. Years may have gone into the effort. All he can do is start over again.

Writer is expendable

And now for a fresh point of view, listen to Edward Albee. He is the off-Broadway author of "The Zoo Story," "The Death of Bessie Smith" and "The American Dream." The most money he has ever earned as a writer is $350 a week—and that for only a brief period.

"All income in the theater, including writers' income," he said recently, "is ridiculous." But it is morally wrong to set special standards for the new writer.

"Of course I would like to have a play on Broadway, but money is not the problem. I would want the same controls there that I have off-Broadway—approval of cast and director and no alterations in my script for commercial purposes.

"But I know how unrealistic I am. For on Broadway the playwright is the most basically expendable part of the commercial theater."

STARS AND DIRECTORS

(By Milton Esterow)

In the next few days, $1,500 to $7,500 weekly checks will be sent to such Broadway stars as Mary Martin, Lee Tracy, Richard Burton, Julie Andrews, Anna Maria Alberghetti, Sam Levene, Phil Silvers, Kim Stanley, Cyril Richard, Barbara Bel Geddes, Michael Rennie, and Eli Wallach.

Broadway's weekly reward for high-ranking directors—Moss Hart, Elia Kazan, Joshua Logan, Garson Kanin, and Tyrone Guthrie, among others—ranges, after an initial fee of about $5,000, from $1,200 for hit plays to $2,400 for hit musicals.

But these considerable sums are not all straight pay. The stars and directors are collecting on varied negotiations made before their shows opened—deals for percentages of the gross or profits and returns on investments in the shows. The earnings, of course, do not apply to off-Broadway where audiences and theaters are smaller.

More and more stars and directors and, to a lesser extent, choreographers and set designers, are asking for and getting percentage deals.

"The gravy is divided so many ways," Herman Bernstein, a leading general manager, said, "that you need 2 days just to write letters and checks."

"Everyone wants a piece of the pie," a theatrical lawyer said.

Recently, even an arranger asked for a percentage of the gross and a star's hairdresser sought weekly royalties. Both were turned down.

"We have reached the point," Robert Whitehead, president of the League of New York Theaters, said, "where it is somewhat out of hand. Authors, agents, directors, and producers are jointly to blame." He singled out producers, who, he said, "have loaded the overhead just to establish themselves with a success and consequently created an inflation."

He's entitled

Peter Witt, a leading agent and president of the Theatrical Artists Representatives Association, said: "All this crying isn't at all justified. If an actor's name sells tickets, he's entitled to everything he can get out of a show. The agent has no bargaining power unless he's dealing with a star."

On the whole, actors' salaries are modest. The minimum weekly wage for an Actors Equity performer during a play's run on Broadway is now $112.50.

It is the stars who are bringing joy to the Internal Revenue Service, their agents, accountants, and tax lawyers.

Most fairly big names receive weekly salary guarantees starting at about $1,500; the truly big names get $2,500 to $5,050. The record may be held by Jackie Gleason. When he appeared in "Take Me Along," he said he wanted more money than anyone had ever received on Broadway. Informed that the previous titleholder had received $5,000 a week, he demanded and got $50 more.

Not long ago, however, a noted actress came east to do a play. She sought to establish a new salary record. It has not been determined whether her wish came true because, as is the case with many Broadway stars, an asbestos curtain has been placed around her salary.

However, guarantees are simply a minimum wage and do not mean anything in a show that is doing standing-room-only business. It is the percentage deals, usually set in negotiations between the star's agent and the producer, and based on the star's popularity and drawing power, that bring the staggering earnings.

Percentages can be 5, 6, 7½, 10, or as high as 15 percent of the gross. "When there are two stars in one play who normally get 10 percent, their slice is cut to 7½ percent," one observer said. "There's a limit to where you can go without killing the goose."

Although the star's percentage of the gross has not gone up greatly in recent years, the gross itself has risen sharply because of the increase in ticket prices.

In 1933, George M. Cohan, starring in "Ah, Wilderness!" received 10 percent of the gross, with a weekly guarantee of $1,500. A $14,000 to $18,000 weekly gross for a play in those days was considered good. Thus, if the play had grossed $18,000, Mr. Cohan would have earned $1,800, or $300 over his guarantee.

A hit play today can gross $40,000; a musical like "Camelot," $84,000. A star getting 10 percent of such a play would thus get $4,000 to $8,400 a week.

Profits also split up

Fifteen or 20 years ago, names that meant money at the box office rarely, if ever, got shares of the profits. Now they do, starting with 1 percent. One of the most lucrative deals was arranged for Rosalind Russell. She received 12½ percent of the gross and 13 percent of the profits of "Auntie Mame."

In "Two for the Seesaw," which grossed over $30,000 a week fairly consistently, Henry Fonda received 13 percent of the gross until the investment was recovered, then 15 percent. Mr. Fonda also invested in the show.

Observers say, however, that there is a growing tendency on the part of stars to make percentages more realistic, to accept lower terms until the show's investment is returned. When the profits start coming in, the terms become higher.

Many stars take pay cuts when a show is in box office trouble. Jason Robards, Martin Gabel, and Hume Cronyn did it to help keep "Big Fish, Little Fish" running.

They also invest

Stars, like many other people, find that the big problem is not how to make money but how to keep it after Form 1040 is filled out. This has led to investments in shows by stars.

"One for one" deals are not uncommon. For a percentage of the show's capital, the star receives the same percentage of the show's profits. (If the average investor puts up 10 percent of the capital, he gets 5 percent of the profits. The other 5 percent goes to the producer.)

Then, if the star sells his share of the show, the profits he makes on the sale are capital gains, taxable at a maximum rate of 25 percent.

Stars who have invested heavily in shows include Rosalind Russell, Ethel Merman, Henry Fonda, and Mary Martin. Miss Martin reportedly invested $200,000 in "The Sound of Music" and later sold her share for a capital gains profit.

Broadway gives many reasons for the money stars get.

"The theater has become a hit-or-bust affair and the stars have become an important factor in the hit category," one expert said. Another said: "When you get a big star, you have no trouble raising money."

Still others cite the greatly increased income taxes since World War II; the fact that movies and television pay more money, thus diminishing the bargaining position of the theater; that many theatergoers in general and theater parties in particular demand stars.

A lawyer: "In some cases it's not so much the actor as the agents." He explained that the agent could happily drive ever more taxable deals for his clients confident that his own 10 percent was far less vulnerable on April 15.

Directors also gain

While the stars and their agents have been busy negotiating, directors have not been idle. Their checks have gone up, too.

Twenty years ago, a top director usually received a fee of about $3,000 and 1 to 3 percent of the gross. Shares of profits were rarely received.

Today, a top director usually receives a fee of about $5,000, plus 2 percent of the gross until the investment is recovered, then 3 percent, and 5 percent of the profits.

In some cases, the share of the profits is much higher. One director reportedly received 20 percent of a drama's profits. Some directors also invest in plays. Those who take on the additional job of choreographer, a recent Broadway trend, receive about 5 percent of the gross.

A young director with no standing receives a fee of about $500 or $1,000; others, about $2,500.

Shepard Traube, president of the Society of Stage Directors and Choreographers, defined a leading director as "anyone who has directed a recent hit" and said that the outcome of the director's most recent effort affected his bargaining power sharply.

Everyone in the act

In the last few years, set designers and choreographers have joined the stars and directors in demands for shares of the gross receipts. The fees for top set designers rise to $8,000 or $9,000, with up to 1 percent of the gross; choreographers get $3,500 to $5,000 with 1 or 1½ percent of the gross.

Whither salaries and percentage deals?

For several years, J. S. Seidman, a tax authority and Broadway investor, has been proposing something he believes would ease the situation—tax relief for theater people, authors and others with fluctuating incomes.

Under his proposal, if an actor had a good year in 1960 but earned considerably less in the 6 years before, the 1960 tax would be figured on the actor's average income for the 7 years.

Mr. Whitehead proposed that stars take a 50-percent cut until the investment was recovered. This, he said, would help the investor get his money back more quickly and "would build a theater that encourages the investor."

"I'm willing to gamble but it should be a concentrated effort by everyone," Mr. Witt said. "Are the theater owners ready to make concessions? The unions? The producers? Is the producer willing to let other people

participate proportionately for gambling with him? Every request opens a question."

[From the New York Times, June 8, 1961]

THEATER'S AUDIENCE IS CHANGING BUT ITS TRADE IS VITAL TO CITY

(By Nan Robertson)

THE AUDIENCE

Who are the people who sit on the dark side of Broadway's footlights today? How many are there, where do they come from and why?

More than 8 million persons saw 46 shows at 33 Broadway theaters this season. They got their tickets by mail order, through brokers, subscription clubs, and agencies for theater benefits or at the box office. Three-quarters of them live within 50 miles of Manhattan.

Of these five kinds of theatergoers, one group has proliferated at a fantastic rate—the theater benefit party.

No producer dares or wants to ignore his benefit-party audience, alumni groups, supporters of adoption agencies and settlement houses and backers of oversea aid committees fill and often monopolize theaters housing hit shows, particularly during the first months. They sustain critical failures as well. Robert Whitehead spoke for all producers when he said of the benefit audience: "It is simply insurance—the best insurance we have now against financial instability."

A fifth from benefits

Here are a few statistics.

In the 1960–61 season, ended May 31, the gross receipts on Broadway were almost $41 million. More than $8 million, or 20 percent, came from benefits. Last season the chunk was $1 million less; the season before, $3 million less.

This year's average of more than 20 percent is often higher at individual houses. For example:

"The Sound of Music," a smash hit, opened in November 1959 to an advance sale of $1 million from benefit parties alone. One-fourth of its gross receipts in 18 months have come from parties.

The percentage skyrockets on shorter runs, because parties are booked before openings and cannot be driven away by bad or lukewarm notices. For instance:

"Tenderloin" ran 7 months of the 1960–61 season. Sixty-five percent of its money was made on theater parties.

"Face of a Hero" lasted 5 weeks. Eighty percent of the receipts came from benefits. The conclusion is clear. Without the parties, the play would have run only 1 week.

Growth in a decade

Less than a decade ago, theater parties meant little to Broadway. During the 1952–53 season, about $100,000 came in to 21 Shubert-owned houses from theater benefits.

But last season the Shubert chain of 18 houses took in $5,200,000 on theater parties.

In all houses, the big benefit nights are Mondays through Thursdays. Theater party audiences save the weekend for entertaining at home.

What kind of an audience does a theater party, occupying anywhere from 50 seats to a whole house, make? Here are some opinions:

From Ivy Larrie, doyenne of the dozen women agents who book benefits for about 4,000 organizations:

"They're knowledgeable people. They know plays. They're all college people. I could never put that across."

Their manners decried

That last statement sounds defensive because parties have often been excoriated. Asked what they thought of benefit audiences recently, two dozen individual theatergoers replied with these words:

"Gabby, loud, rude."

"Arrive late and sometimes loaded."

"Much visiting in the aisles and yoo-hooing to friends."

"It's like stumbling into a cocktail party where you don't belong, don't know any of the people and don't care."

Mr. Whitehead remarked: "They are not a perfect solution. These people pay up to $40 a ticket more than the box office price for the sake of charity. I can only deduce that they came because they wanted to support their organization, not my production. Probably 60 percent of the house would just as soon be somewhere else on any party evening."

But the most eloquent reply to benefit audiences was wordless. It was delivered some months ago by the actor Henry Fonda. Mr. Fonda became so exasperated by chattering in the audience one evening that he stuck his tongue out at the house while taking curtain calls for "Silent Night, Lonely Night."

It will continue to grow

Despite opposition, it seems sure that the theater party is on Broadway to stay and is certain to grow in importance.

As it corrals ever bigger blocks of tickets, it freezes out what used to be the backbone of the theatergoing public—the individual who would like to see a good show fairly promptly at the box office price.

This dwindling group is also being squeezed out by another burgeoning practice—the corrupt disposition of tickets. In Broadway jargon it is called "ice," and it means the money paid by scalpers to theaters for black-market tickets.

Every box office treasurer, theater owner, producer and broker on Broadway knows about ice. Few will talk about it. Those who do estimate that in a boom month such as November, one theater with a good show can make up to $30,000 every week on ice alone.

The magnitude of this extra income can be judged by the fact that a straight play can gross a maximum of $40,000 and a musical no more than $84,000 a week.

"Of course I know ice exists and I can't do anything about it," one producer said, "But I tell my people not to be too greedy."

The black market is astonishing with smash hits. The reason is simple. A big theater contains 1,500 seats. But during the first months of a smash, 5,000 persons may want to see it on any given night.

The ones who do see it are those who have booked in advance through benefit groups or mail order and those willing to get scalped.

The last group includes Madison Avenue advertising agencies, Seventh Avenue garment manufacturers and banks who must frequently entertain out-of-town clients. The cost of the tickets—however fantastic—is tax-deductible as a business expense.

Love that status

Then there are what one broker called "just plain people with a bunch of money who want to show off."

"They've got a scalper," he said. "They love telling friends, 'Want a pair down front for "Camelot?" I can do it for you.'"

"The brokers sell 96 percent of their tickets with the legal, $1.50 markup," a producer charged. "Some make their living from the huge markups they impose on the remaining 5 percent."

Only 10 percent of the seats for a smash are ice seats. "A guy willing to pay $25 to $50 a ticket is out to make an impression," a broker explained. "He's not going to sit in the last row of the orchestra or in the balcony for that kind of money. He wants a choice position."

Thus benefits occupy theaters in increasing numbers on the first 4 nights of the week and ice puts a dent in the seats for Fridays and Saturdays. And the flow of tickets is slowing to a trickle.

This shut-off also applies to brokers, who serve expense account clients and others who buy tickets frequently and at premium rates.

There are 89 licensed ticket brokers in New York City. Thirty, mostly big, long established concerns, belong to the New York Ticket Brokers, Inc.

Few in early weeks

The group's lawyer is Jesse Moss, who estimated that less than 5 percent of the tickets for a hit show would find their way to brokers in the first 12 to 16 weeks of the run. Then the quotas rise, he said, until they reach 50 percent—"about the time the boxoffice demand drops."

Ticket quotas for all Broadway shows are set by producers and theater owners. It is the box-office treasurer's responsibility to see that the allotments are dispatched properly to brokers, party agents, write-ins and box-office customers.

"The brokers are sore as a boil about ticket quotas and I'm sure the individual theatergoer is too," Mr. Moss said. "Neither gets a good crack at the hits. Who the hell wants awful seats for awful shows?"

Few go just for fun

Mr. Moss contends, and many on Broadway agree, "fewer people go to the theater now because they just like to go."

"Once," he said, "there was a large group who had the time, inclination, and background. They feel cheated if they only get to see the dogs. They feel they've been made fools of.

" 'Okay,' they say. 'It's somebody else's theater—not mine.' And they tend to pull away."

The trend to advance sales also is reflected in individual mail orders.

According to John Shubert, mail ordering has increased fourfold in less than a decade. This is due partly to the population move out of New York City into the suburbs.

"In the old days, people would say—'What do you want to do tonight? Let's go downtown to a show,'" Mr. Shubert recalled. "Now they buy in advance, not on impulse. Look at the Sunday newspaper ads for mail orders. They used to be a quarter page or less. Now they're usually full-page ads."

Other costs discouraging

The public is further discouraged by the rising price of tickets and babysitters, the cost of dining out, train fares, garaging and tolls, and the contumely of box-office employees, whose threshold of irascibility seems to be lowering. Put together, however, these discouraging factors do not equal the impact of theater parties and ice upon the "let's-see-a-show" citizen.

But is the total audience for Broadway shrinking spectacularly? The answer is no. It has gone up and down, most down, since the Wall Street crash. The significant fact about today's audiences is that their nature has been changed by mushrooming benefits, more free-spending expense account customers and more mail orders.

Olin Glenn Saxon, a professor of economics at Yale, pointed out in a recent survey that Broadway theater attendance had fallen from 12,300,000 in 1930–31 to 8,100,000 last season. Meanwhile, the population of the United States rose 45 percent.

The first sharp dropoff came in 1933, when attendance dwindled to 8 million. During the boom years of World War II, however, 11,500,000 persons went to Broadway plays in one season.

The average in the last three seasons has been 8,300,000.

Now fewer theaters

The current attendance is not disastrously low, despite what Broadway Cassandras say. For one thing, there are fewer theaters people can go to. Broadway now has exactly one-half of the 66 houses it had at the beginning of the depression.

Many say that the rise in ticket prices since the end of World War II has driven the public away. The maximum ticket price for dramas and musicals has about doubled in 16 years.

But disposable personal income, out of which all individuals' entertainment expenditures are made, has risen much more rapidly. Between 1944 and 1960, it rose 140 percent.

As for the exodus to the suburbs, it has probably drained off some evening theater patrons although the matinee patrons are still going strong.

The suburban couples who spend an evening at the theater can count on an expensive outing.

Thirty-three dollars without tickets

A Scarsdale wife estimated that the extras, including baby sitter, the train or tolls and garaging, drinks, dinner and tips for two, and cabfare within Manhattan mounted to at least $33.

Then there are tickets. Usually they are bought by mail order at top prices.

One Pleasantville mother of three said: "If we're going to pay all that money for babysitters, transportation and dinner, it doesn't make sense to get $2.50 seats way up in the balcony. Many suburbanites don't think going to the theater is worth the trouble unless you do it right."

A pair of good orchestra seats then, at $7.50 for a straight play, would come to $15 more.

In 1959, Broadway tried to lure more sububan housewives with a 2 p.m. Wednesday matinee, a half-hour earlier than usual. It worked. Raymond L. Broeder, general manager for four playhouses, explained: "The ladies didn't have to dawdle over lunch. And, they were tickled to death to get out early."

Early curtain failed

Last fall, the League of New York Theaters tried a Wednesday curtain at 7:30 p.m. instead of 8:30 or 8:40 as set by tradition. The league hoped the suburban audience would be happy not to have to hurry for the 11:35. The plan failed in less than 2 months. The public, restaurateurs, and finally the disappointed producers turned against it.

One suburban housewife summed up the reaction: "It was just too early. You killed time beforehand with three drinks and then starved through the play. Or you bolted your dinner and felt dyspeptic all evening."

This last unsuccessful attempt to lure the vast potential suburban audience into the theater has reinforced Broadway's dependence on benefit parties and the big business spenders. These are the people who get good seats at good shows before they turn stale.

Want to go to a smash hit tonight on impulse? As Eliza Doolittle said, "not bloody likely."

IMPACT ON ECONOMY

(By Louis Calta)

At the height of a Broadway season, 30,000 persons may enter the theater district in one night to see the plays and musicals. Of these, an untold number have just left a hotel or have just parked a car in a garage or parking lot. Most have just dined at a restaurant or bought a souvenir for the children. When the show breaks, they fight for taxis under the nervous flash of Times Square's huge signs.

The nights at the height of business and the quieter ones in the diminishing days poured $41 million into the theaters' box offices this season.

But what does the presence of the Broadway theater mean to the hotels, to the garages, to the restaurateurs, to the cabbies, to the advertisers? What would New York be like if the Broadway theater died?

The 10-day blackout of Broadway playhouses a year ago cost restaurateurs about $5 million, according to H. H Gerstein, executive secretary of the Restaurant League of New York, which represents 176 restaurants.

Restaurants would close

The situation would be so critical without the theater, Mr. Gerstein said, that hundreds of restaurant workers would have to be laid off. Many of the famous midtown dining spots would go out of business. The city would lose its nickel on every dollar of restaurant fare sold in these restaurants.

Vincent Sardi, Jr., president of the restaurant league, said that if the theater died New York would then be "no different from any other American town."

He contended that out-of-towners held their conventions and meetings here because of the lure of the living theater. He also said that most business visitors usually remained in the city for a few extra days to see the shows and shop in the big stores. "All this trade would be irretrievably lost," he said.

Mr. Gerstein had a similar opinion. He said:

"People would come here just to see a doctor and rush back home."

These views are shared by spokesmen for 89 associated ticket agencies. During the Broadway stoppage they lost $250,000. Saul Lancourt, a member of the executive board of the group, New York Ticket Brokers, Inc., said that the brokers could not exist without the theater.

"There isn't sufficient revenue in the adjunct sale of tickets to movies, sports, and concert events to sustain the ticket brokers," Mr. Lancourt said. If the agencies were to go, an enterprise that grosses more than $22 million annually would vanish. So would about 1,000 jobs.

GARAGE OWNERS HURT

No less vulnerable are the garage owners. Abe Parower, president of the Metropolitan Garage Board of Trade, representing 50 garages, said that the theater blackout had meant a loss of more than $1 million to the garages.

The conflict was equally catastrophic for the taxis. Henry Friedlander, counsel for the Metropolitan Taxicab Board of Trade, which represents more than 11,000 cabs, estimated that the group's drivers were deprived of $500,000 in the 10-day blackout.

Travel agents are quick to note that many visit New York annually to see enough dramatic fare to last them the rest of the year. And, if anything cut down on the attractiveness of New York for tourists, it would make a severe dent in a whole complex of industries—airlines, buses, railroads and the hotel business.

James A. McCarthy, executive vice president of the Hotel Association of New York City, said that hotel reservations went down 5 percent during the blackout. The hotel restaurants' sales of food and liquor were also hurt.

Stanley MacArthur, vice president in charge of sales at Douglas Leigh Associates, the company that handles the electric signs known as spectaculars, said that national advertisers would reconsider their local expenditures if Broadway were no longer the Nation's theater street.

A star attraction

Louis A. Lotito, president of City Playhouses, Inc., calls the theater New York's star attraction.

"People do not come to New York," he said, "for the motion pictures which they can see in their hometown nor for television, which they can see in their living rooms."

Moreover, Mr. Lotito said, if the live theater vanished from the scene, Times Square real estate would not be worth more than 25 cents on each $1 it is now worth.

Robert Whitehead, president of the League of New York Theaters, said that the theater's presence in New York had made it "stand before the world as a center of theatrical supremacy, to the enlargement of its own stature as a world capital."

"Our theater," he said, "makes New York City unique among American cities. Only here is there an unbroken continuity of cultural and recreational advantages."

Mr. JAVITS. Mr. President, by way of conclusion, I should like to urge on my colleagues, aside from reading the articles, that they do something about the proposition. As President Kennedy has found, upon his confrontation with Premier Khrushchev, if we are going to win the struggle for freedom, if we are going to win it at all—and I am confident we will—it will be in the field of economics, society, and culture.

The Russians are using, to the greatest benefit to them, cultural manifestations which have been very successful, whether it is the Bolshoi, or the Moiseyev, or Gilels, their famous pianist, or Oistrakh, their famous violinist.

We have a kind of small, backhanded program, sponsored by the President's fund, which deserves to be one of our major efforts in the international field.

Again, the idea which I am presenting is the kind of effort which has been manifested by the success of the Theater Guild, led by Helen Hayes, which has been having such success in showing three American plays.

I hope Members of the Congress will take this matter very seriously and realize how critical this problem is.

BAR ASSOCIATIONS ENDORSE PROPOSAL CONCERNING THE ADMISSION TO PRACTICE BEFORE FEDERAL AGENCIES

Mr. KEATING. Mr. President, on March 22, 1961, I was joined by my distinguished colleagues, Senators BRIDGES and HRUSKA, in introducing a bill, S. 1409, to permit members of the bar of the highest court of a State or Federal court to practice before administrative agencies of the United States.

Since that time, I have received considerable correspondence from attorneys practicing law in many sections of the Nation, as well as several county bar associations in my own State of New York. Every letter I have received on this subject has been one of warm endorsement. The Nation's bar is cognizant of needed changes in the requirements presented by Federal agencies in securing the right to practice before them. This proposal would to a large extent clear the formidable obstacles thrown in the way of attorneys desiring to represent clients before administrative agencies of the Federal Government. I would hope that the Senate Judiciary Committee would proceed to the consideration of this measure before the current session of Congress ends.

Knowing that many of my colleagues will be interested in reading the endorsements of S. 1409 submitted by bar associations in New York, I ask unanimous

consent to have a few of these letters printed at the conclusion of my remarks in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

BROOME COUNTY BAR ASSOCIATION,
Binghamton, N.Y., April 10, 1961.

Hon. KENNETH B. KEATING,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KEATING: The Broome County Bar Association approves of your bill to permit members of the bar of the highest court of a State or Federal court to practice before administrative agencies of the United States. We would appreciate your voting in favor of it.

With best wishes.

Very sincerely,
EUGENE C. GERHART,
First Vice President.

SUFFOLK COUNTY BAR ASSOCIATION,
April 10, 1961.

Hon. KENNETH B. KEATING,
U.S. Senator,
Senate Office Building,
Washington, D.C.

MY DEAR SENATOR: I am in receipt of a reprint of the CONGRESSIONAL RECORD of March 22, 1961, which has to do with your bill (S. 1409) in reference to admission to practice, by attorneys, before Federal administrative agencies.

It was only a short time ago that this subject matter was discussed at one of our meetings and I know that your bill is a step in the right direction to eliminate the obstacles which some agencies place in the path of attorneys.

We will give your bill widespread publicity in the next issue of the Suffolk County Law Bulletin. Perhaps we could use the heading "The Senator Who Does Something for Lawyers."

Very truly yours,
JOSEPH F. O'BRIEN,
President.

SULLIVAN COUNTY BAR ASSOCIATION,
Monticello, N.Y., April 24, 1961.

Hon. KENNETH B. KEATING,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: Our bar association heartily endorses your bill, S. 1409, and hopes for its early passage.

This bill, which provides that any member of the bar of the highest court of his State may practice before any department or administrative agency without the necessity of making application or showing other qualifications. It would certainly eliminate much wasteful procedure, undoubtedly entailing great expense to the Government and trouble to the member of the bar concerned. It is certainly clear that an attorney in such standing would be qualified to practice before any governmental agency or bureau.

Very truly yours,
LOUIS B. SCHEINMAN,
President.

RICHMOND COUNTY BAR ASSOCIATION,
Staten Island, N.Y., May 31, 1961.

Re Senate bill 1409, admission to practice before administrative agencies of the United States.

Hon. KENNETH B. KEATING,
U.S. Senate,
Capitol, Washington, D.C.

DEAR SIR: The Bar Association of the County of Richmond has instructed me to communicate with you concerning the subject legislation.

Our bar association unqualifiably endorses the proposed bill as a matter of legislation long overdue. It is the considered opinion of the bar association that it is unwarranted to require attorneys-at-law to separately apply to each administrative agency for admission to practice.

Very truly yours,
JOHN T. CONNOLLY,
Chairman of the Legislative Committee.

ICY SUMMIT

Mr. KEATING. Mr. President, night before last the American people heard a straightforward account of the summit meeting. It was something in the nature of an icy blast. The atmosphere at Vienna was apparently chilly. The President held little hope for compromise or agreement. I am glad that he did not expect or offer further compromises on our side—after all, in the test ban talks and in the Laos imbroglio, we have already conceded a good deal more than perhaps we should have. But we are all less than glad to hear that the Communists are still planning to move ahead as they have been, precipitating crises in Berlin, at the United Nations, and elsewhere. The talks, in short, have not really told us anything we did not know before, but it is reassuring to the American people to know that the President now has, from the horse's mouth, an indication of the continuing Soviet recalcitrance over the vital issues affecting world peace and security. We must all keep this lesson in mind.

There are two additional points which I think should be made about the President's statement and about his European experiences. First, Khrushchev's unwillingness to make any new points or offer even a new propaganda line at Vienna is evidence of the increasing hold which the Communist Chinese are getting on Communist policy. No longer can Khrushchev alone take a position or press a line of policy, even though the Soviet Union might reap political advantages from it.

Even on the question of Berlin, which is far removed from the Chinese sphere of influence, or ought to be, Khrushchev apparently wants to wait until after the party congress in the fall before committing himself to a more belligerent policy. It has long been suspected that the Soviet refusal to agree to a nuclear test ban is the result of Chinese pressures. I think that the Vienna Conference and the President's report on it strongly reinforce this view.

Secondly, the continued Communist cease-fire violations in Laos, and in particular the capture of Padong by the Pathet Lao, give further, dramatic evidence. Either Khrushchev was deliberately lying when he told our President that progress could be made in Laos—and of course, this is always possible—or the Red Chinese leaders have taken this way of thumbing their noses at Nikita Khrushchev. I am inclined to believe the latter. Whatever Russia says, Red China clearly intends to take over Laos by force.

The Geneva talks on Laos have now been postponed, ostensibly until the arrival of Soviet Foreign Minister Gromyko. Under the circumstances, this postponement is certainly in order. But since the Soviet Union does not appear to be in control of events in Laos, it is difficult to see what Gromyko can do in Geneva.

The President will be backed in reacting with vigor and determination to the new threat in Laos. The administration has said that we are willing to accept a neutral, independent Laos. Is the administration also willing to accept a militarily subjugated, Communist-controlled government?

Because, whether we like it or not, that is what Laos is going to have very shortly unless we do something more effective about it. How long are we going to stay at Geneva, whether at the conference table or out in the corridors, insisting on a ceasefire while the Communists move right ahead and conquer Laos? Our position is becoming ridiculous. If the Communists do not want to negotiate, if they can get what they want without negotiating—why are we still waiting hopefully for them to join us at the negotiating table?

It is the same situation as at the test ban talks. We are not getting anywhere. I applaud the stand taken by our representative, Arthur Dean, that the Soviets should be put under the greatest possible pressure to make public the terms of our own proposal to the Russian people. I hope our information services are doing their utmost to publicize the American position. Nothing could prove the duplicity of the Soviet performance at Geneva more clearly than the Kremlin's refusal even to divulge the terms of our offer in Russia. How much longer are we going to stay like sitting ducks in Geneva while the Communists are acting like birds of prey in the rest of the world?

NOMINATION OF GEN. CURTIS E. LEMAY TO BE CHIEF OF STAFF OF THE AIR FORCE

Mr. SYMINGTON. Mr. President, I ask unanimous consent that a statement with respect to the nomination of Gen. Curtis LeMay, made today by the chairman of the Senate Armed Services Committee, the able and distinguished senior Senator from Georgia [Mr. RUSSELL], be printed at this point in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR RUSSELL

The nomination of Gen. Curtis E. LeMay to be Chief of Staff of the Air Force is eligible for consideration this morning. In accordance with our precedents General LeMay is making a personal appearance. Some members of the committee have known General LeMay for many years.

General LeMay, we are especially pleased to have you here this morning and on behalf of the committee the Chair extends congratulations for the expression of confidence that is manifest by your nomination.

Before recognizing other members of the committee for such statements and questions as they may have in mind, the Chair desires to make this one comment.

General LeMay, because of your identification with the Strategic Air Command and your accomplishments there, I am confident that you must have had many tempting offers to accept civilian employment. That you have declined these offers and have continued to give the Government and the Department of the Air Force the benefit of

your valuable services indicates a commendable dedication and public spirit for which I have great admiration and respect. I think the country is fortunate to have a person of your experience and ability as the next Chief of Staff of the Air Force and I know that you can depend on the cooperation of this committee in endeavoring to make your service in that assignment an extension of the extremely effective service that you have already rendered.

Mr. SYMINGTON. Mr. President, I am confident that all Members of this body and the American people agree with this statement.

VERMONT'S VOLUNTARY WEATHER OBSERVERS

Mr. PROUTY. Mr. President, recently I made a statement to a subcommittee of the Appropriations Committee relative to weather reporting in Vermont.

I said then that the statement usually ascribed to Mark Twain that "everybody talks about the weather but nobody does anything about it," had been changed in my State to: "Everybody knows about the poor weather reporting but nobody does anything about it." I expressed the hope of most Vermonters that by the addition of a very small sum to the Weather Bureau appropriation, Congress would this year do something to improve the weather reporting in the State.

In my statement I explained that Vermont's justly famed Green Mountains and valleys are beautiful to behold and exciting to traverse but that this kind of terrain results in a variety of weather conditions throughout the State. Some of the characteristics of Vermont's climate are changeableness, large range of temperature, both daily and annual; great differences between the same seasons in different years, and considerable diversity from place to place within the State's 9,609 square miles.

I pointed out that despite these characteristics, which make for difficulty in accurate weather forecasting, and despite the importance of frequent and accurate weather reports and forecasts to the livelihoods and the lives of the Vermonters, our State is one of the few States in the country which has only one weather station manned by paid, professional personnel.

Most of our forecasts now come out of the Boston station, are general in nature, often inaccurate, and always inadequate. This is so because the Boston station receives no regular daily reports of current conditions from the extreme northern portion of the State nor from the two-thirds of the State south of Burlington and Montpelier.

In my remarks to the subcommittee I mentioned Vermont's voluntary cooperative weather observers and explained that the type of reports made by them are primarily intended for statistical purposes and are not usable in day-to-day forecasting.

Had time permitted, my statement would have included a sincere tribute to the dedicated service of the men and women, the public and private institutions, and the commercial firms who man the 61 cooperative stations in Vermont and the 12,000 stations with one or more types of service in the United States and its possessions.

Since time was not then available, I am pleased that I am now afforded the opportunity to appropriately pay such tribute by the fact that the first of this month marked the 75th anniversary of the establishment of one of the oldest stations providing continuous climatological weather observations by one family in the whole country.

Since June 1, 1886, members of the Lane family of Cornwall, Vt., have provided weather observations from the same general location. This unusual record of interest and devotion to duty without monetary compensation has been made by four members of this fine old Vermont family. It was started by Henry Lane, who carried on his observations until 1887. He was followed by Charles H. Lane, who carried on the service for over 40 years until 1928. Then Sarah Lane served for more than 20 years until November 1950. From then until the present day the work has been carried forward by Sarah Lane's grandson, Stuart Witherell, presently judge of probate in Addison County, and his wife, Jessie Irons Witherell. In December of last year Judge Witherell received a certificate of award marking completion of 10 years of service.

According to Weather Bureau officials the Cornwall records are "particularly interesting as a climatological data series since the station remained in the same location for most of the period and has suffered only insignificant changes in exposure in two subsequent moves."

Another Vermont family that has a distinguished long-term record for weather observation is the Pomeroy family in Enosburg Falls. Four members of the family have carried on the tradition from 1899 up to the present. The first of the four was L. Howe Pomeroy, who served through 1914. J. W. Pomeroy followed until May 1920 and J. E. C. Pomeroy continued to 1926. The present observer, L. H. Pomeroy, began his work January 1, 1927, and has served faithfully ever since then with the exception of an unavoidable gap during the war years from 1943 to 1946.

The oldest weather station now operating in Vermont was served for more than 40 years by the Eaton family of Woodstock. Woodstock records began February 1, 1885. John S. Eaton began observing in 1897 and William S. Eaton carried on through July 1939.

Vermont's second oldest cooperative weather station still in operation began only a month after Woodstock and was served for more than 35 years by George and W. F. Dewey until the end of June 30, 1930.

Other Vermont individuals who are now continuing remarkable service records include George L. Cooper, who began at Bloomfield in July 1926; Mrs. Bernice P. Ordway, who has served at Rochester from January 1929; Mrs. Fred May, who has observed at Mays Mill from April 1930; Kilman W. Ford, an observer at West Burke since July 1930; and Lawrence L. Leonard, Somerset's weather observer since April 1932.

In Vermont the tradition of observing weather phenomena, and recording it, predates the establishment of the Weather Bureau.

One hundred and seventy-two years ago, Samuel Williams, of Rutland, observed and recorded temperature, precipitation, wind direction and general weather behavior for the whole year of 1789. In Bennington, Benjamin Harwood kept a weather diary from March 1805 to October 1837. And at Middlebury College, Frederick Hall observed and recorded temperature, wind direction and general weather during 1812, 1813, and 1814.

These men were in the tradition of Benjamin Franklin, Thomas Jefferson, and James Madison, father of the fourth President of the United States, all of whom observed and recorded weather.

In Vermont, a number of institutions, as well as individuals, have served well. Outstanding among these is the Fairbanks Museum at St. Johnsbury. This museum has kept excellent records not only since the beginning of official cooperation with the Weather Bureau on January 1, 1894, but also for many years prior to that date. The Fairbanks records were begun by the Fairbanks family on May 1, 1858, at a location only about 500 yards west of the present observatory. According to the Weather Bureau these records "constitute one of the most detailed early weather record series in America."

In addition to the Fairbanks Museum, the New England Power Co., has provided weather observers for more than half a century at two points in the State—at Bellows Falls since March 1902 and at Vernon since August 1909.

This same public utility has also provided observers for more than a quarter of a century at four points in Vermont; at Readsboro since December 1930; at Searsburg Mountain since April 1930; at Searsburg Station since May 1930, and at Whitingham since May 1930.

The Central Vermont Public Service Corp. has had an observer at Cavendish since October 1929; the Gilman Paper Co. at Gilman since May 1930; the Connecticut River Power Co. at McIndoe Falls since March 1932 and the Green Mountain Power Corp. at Middlesex since March 1932.

To these men, women, and institutions I can pay no higher tribute than to quote the words of our former Secretary of Commerce, Frederick H. Mueller:

> The services performed by the Weather Bureau's voluntary cooperative weather observers are in the highest tradition of American citizenship. The value of their contribution, directly or indirectly, to our social and economic welfare can only be measured in terms of the increasing importance of weather and its effects in our everyday living.
>
> The thousands of men and women who form the voluntary observer corps, maintaining a day-to-day record of weather conditions in their localities, have contributed the bulk of our knowledge of the climate of the United States.

I now ask unanimous consent to have printed in the RECORD a list of 17 Vermonters and 4 Vermont institutions which have received awards for lengthy

and faithful service as weather observers.

The PRESIDING OFFICER (Mr. HART in the chair). Is there objection to the request of the Senator from Vermont?

There being no objection, the list was ordered to be printed in the RECORD, as follows:

OBSERVER, STATION NAME, AND AWARD

George L. Cooper, Bloomfield, 30-year emblem.

George C. Hastings, Cornith, 15-year emblem.

Stuart Witherell, Cornwall, 10-year emblem.

Rufus Gilbert, Dorset (1/S), 15-year emblem.

L. H. Pomeroy, Enosburg Falls, 30-year emblem.

Avery Park, Grafton, 15-year emblem.

Orrin L. Harris, Highgate Falls, 15-year emblem.

Mrs. Fred May, Mays Mill, 30-year emblem.

Milton W. Drew, Newport, 15-year emblem.

Mrs. Pearl Drew, Newport, 15-year emblem.

Mrs. Bernice P. Ordway, Rochester, 30-year emblem.

George L. Kirk, Rutland, 15-year emblem.

Lawrence Leonard, Somerset, 25-year emblem.

Ray E. Lyman, South Londonderry, 15-year emblem.

Mrs. Edith Spaulding, Tyson, 10-year emblem.

Gilman W. Ford, West Burke, 30-year emblem.

Stuart A. Elliot, White River Junction, 15-year emblem.

New England Power Co., Bellows Falls, 50-year certificate.

Central Vermont Public Service Corp., Cavendish, 25-year certificate.

Gilman Paper Co., Gilman, 25-year certificate.

New England Power Co., McIndoe Falls, 25-year certificate.

Green Mountain Power Corp., Middlesex, 25-year certificate.

New England Power Co., Readsboro (1/s/se), 25-year certificate.

New England Power Co., Searsburg Mountain, 25-year certificate.

New England Power Co., Searsburg, 25-year certificate.

New England Power Co., Vernon, 50-year certificate.

New England Power Co., Whitingham (3/w), 25-year certificate.

SIGNIFICANCE OF THE VIENNA MEETING

Mr. HUMPHREY. Mr. President, one of the most perceptive and thoughtful articles which has been written about the President's conference with the Chairman of the Council of Ministers of the Soviet Union, Mr. Khrushchev, was that of Walter Lippmann, under date of June 6, the headline being simply "Vienna."

Mr. Lippmann places the proper emphasis in his column on the discussions which took place at Vienna. I ask unanimous consent that the article be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VIENNA

(By Walter Lippmann)

From the reports based on official briefings we know enough about the Vienna meeting to say that it was significant and important because it marked the reestablishment of full diplomatic intercourse. As a result of the U–2 and the breakup of the summit conference in Paris, there was in fact, although not in form, a rupture of diplomatic relations between Moscow and Washington.

Since President Kennedy's election there have been moves on both sides to repair the break, first through the careful diplomacy of Mr. Thompson, our Ambassador in Moscow, and then through the Vienna meeting which set a seal upon the resumption of diplomatic intercourse.

This is a very considerable achievement, over and above specific agreements and disagreements which were reached in the conversations. For it is only by diplomacy, that is by continual talking, that the ultimate showdown, which neither side wants or can afford, can be put off and the conflict in the end outgrown and outlived. A worldwide settlement is not in any true sense possible, or even conceivable. But a regulation of the danger of war is possible and is imperative.

It is only by diplomatic talk that the two sides can avoid pushing themselves or of getting pushed into some dead-end street where there is no choice except surrender or suicide.

It seems fair to say that an awareness of this existed in the meeting at Vienna. Both men are quite well aware that neither of them is in a position to deliver an ultimatum to the other, and that neither is able, even if he personally were willing, to yield to the other beyond the point where an accommodation of their interests, not a surrender of them, is reached.

Neither side can dictate to the other. Neither side can conquer the other. Neither side can surrender to the other. Therefore, solutions by negotiation and diplomacy are indispensable.

This is illustrated by the one specific issue which is discussed in the official communique. That is Laos. Quite evidently Laos is not of such vital interest to the Soviet Union or to the United States that either of them would in cold blood be willing to fight a costly war to impose its terms of settlement. But at the same time, and of equal gravity is the fact that an attempt to impose a surrender of Laos to the Communists, that is to say in the end to the Chinese Communists, would be intolerable to the United States and that military moves which would not be undertaken in cold blood might be undertaken in hot blood.

The object of diplomacy is to anticipate and resolve, to cool the fevers of, intolerable choices in which the issue is surrender or suicide. In Laos, as the Khrushchev-Kennedy communique recognizes, neutralization is the best possible accommodation of the conflicting interests. In neutralization we abandon the ambition, which was entirely misguided in the first place, of an American satellite government. The other side gives up the hope of absorbing Laos into the Communist orbit.

Whether a neutral Laos can in fact be created is, of course, highly uncertain. We do not know, for example, whether in his relations with Red China, which has the predominant interest in southeast Asia, Mr. Khrushchev has a free hand to do at Geneva what he promised to do in Vienna.

We may hope that he will try. The greater interests of the Soviet state are not involved deeply in Laos or in southeast Asia. For Mr. Khrushchev as for Mr. Kennedy what is at stake in southeast Asia is, in the main, prestige. There would be no loss of prestige for either side if Laos became a neutral state under a government agreed to by the three Laotian princes, and legitimatized in an international treaty. It is not at all impossible that such an arrangement to neutralize Laos might be expanded into an arrangement to neutralize all of southeast Asia. This regional association might be guaranteed by India and by Pakistan, by the United Nations, and by all the great powers including mainland China.

As to Berlin, which was discussed at some length, the record shows that there has been no showdown and that none is imminent. More time, to be used in continuing discussion, is indispensable.

For Berlin is the supreme example of a situation which could become a dead-end street where for each side the choice was surrender or suicide. Nobody can afford to have any illusions about Berlin, either that Mr. Kennedy would never fight, or that Mr. Khrushchev would never fight. Mr. Khrushchev must not have the illusion that the United States would not fight if he drove it into a corner. Mr. Kennedy must not have the illusion, which is held by some of his advisers, that the Soviet Union can be driven into a corner, that it can be intimidated, and that it does not have to be listened to. Nor can we allow ourselves to be caught in the illusion, which is to be found both in Bonn and in Paris, that the West can refuse any negotiation and leave things exactly as they are by threatening to go to war.

The danger of Berlin is that the two sides will let themselves be pushed by their extremists—in East Berlin and in Bonn—into a situation where the problem is what happens when an irresistible force collides with an immovable object. I have a certain amount of confidence that the two men were conscious of this, and having talked with each other are now still more conscious of it, and still more determined that slowly and patiently they must find a way to avoid the intolerable choice.

Mr. HUMPHREY. Mr. President, I wish to make a brief comment about the article. I believe that the conference between the President of the United States and the Premier of the Soviet Union was, as has been stated, useful. I believe the conference added new confidence to our allies about the leadership of the United States. Any doubt which ever may have existed as to the capacity or the ability of our President in the field of diplomacy and foreign policy was fully erased. Our adversaries found in the President a man of strength, of firmness and yet of reasonable nature.

The fact that the conference had a tendency to subdue some of the more violent and noisy aspects of diplomacy I think is to the good. It will give us an opportunity, as a free people, when public opinion means so much, to have the President of the United States conduct foreign policy in an atmosphere of great order and tranquillity.

Finally, Mr. President, I believe these conferences should continue. The day of the so-called normal diplomacy is over. The heads of state have a responsibility to confer. The Constitution places the responsibility for American foreign policy on the Chief Executive. Surely, in the Soviet system, the responsibility is on the dictator. Since these are the facts of life of our time, I believe we should proceed to these conferences with a greater degree of confidence, with less reluctance, with an expressed willingness to utilize so-called summit diplomacy to its utmost. This does not mean all negotiations should be conducted at such level, but surely contact should be maintained and conferences should be regularly scheduled.

LEAVES OF ABSENCE FOR EMPLOYEES WHO WISH TO JOIN THE PEACE CORPS

Mr. HUMPHREY. This morning's New York Times reports an excellent address delivered by Sargent Shriver, Director of the Peace Corps, in which he urged business concerns to grant leaves of absence to employees who wish to join the Corps.

This is a splendid suggestion. I heartily endorse it. I hope the business community will embrace it.

I am pleased to note that the response to Mr. Shriver's suggestion is being favorably received by both business and labor leaders. Certainly, Mr. President, the same consideration should be given by business firms to those who join the Peace Corps as is given to those who serve our country in the military.

And I would hope that our colleges and universities and vocational training schools also will agree to grant leave to their teachers so that they can take part in this new and important program. One of the most crucial needs of so many of the underdeveloped countries is for teachers in a wide range of subjects. Many of our teachers are anxious to serve in the Peace Corps. I trust that the schools at which they teach will help make the Peace Corps a great success by granting leaves of absence to those entering the Corps, without the loss of seniority or tenure, which means so much to many of our people.

I ask unanimous consent that the article from today's New York Times on Mr. Shriver's address at De Paul University and an article on the reaction from business and labor leaders to this address be printed at this point in the RECORD.

There being no objection, the address and article were ordered to be printed in the RECORD, as follows;

SHRIVER ASKS BUSINESS TO GRANT LEAVE TO CORPS MEMBERS

(By Austin C. Wehrwein)

CHICAGO, June 7.—R. Sargent Shriver, Jr., Director of the Peace Corps, urged business today to grant leaves of absence to employees who want to join the Corps.

"A major response must come from American business," he said, continuing:

"Paying taxes is no longer in itself sufficient; the Peace Corps needs the kind of trained and aggressive people who make a success in business."

Mr. Shriver said that the "dynamism" inherent in business ideas would find a fertile field in the world's newly emerging nations.

"I hope," the Peace Corps Director said, "American businesses and industry will provide 2-year leaves of absence, without pay but with reemployment benefits for their employees—whether top-level administrators or secretaries—who can meet a critical need abroad."

He said the critical element missing in underdeveloped countries was middle manpower. These areas, he said, often had well trained and highly educated top leaders and plenty of manual laborers, but lacked the skilled manpower to do the work in between.

The reaction to Mr. Shriver's proposal was generally favorable among both business concerns and labor unions.

Mr. Shriver's suggestion for leaves of absence was prompted by a recommendation from an advisory group concerned with jobs for Peace Corps people upon their return from service.

This group, whose membership includes Joseph Bierne, president of the Communication Workers of America, and Ralph Lazarus, president of the Federated Department Stores, met with Mr. Shriver 2 weeks ago. The group also urged him to ask labor unions to guarantee protection of seniority rights.

Today, Mr. Shriver said, labor must also respond to the call for support of the Corps. He did not mention seniority, but he said that labor unions should grant reemployment rights that have been accorded up to now only to veterans of war.

Mr. Shriver, who is President Kennedy's brother-in-law, spoke at the commencement exercises of De Paul University, where he was awarded a doctor of laws degree.

He said that a recently completed around-the-world trip had convinced him that 50,000 jobs needed filling in 103 underdeveloped areas of the world, and he had in hand now requests for 4,000 Peace Corps members.

He said he had 10,000 applications, arriving at the rate of 150 a day. Mr. Shriver, answering by implication reports that the response to the Peace Corps was disappointing, said that almost 4,000 persons took the first battery of Peace Corps examinations last week despite the fact that they were given during the final examination periods at many colleges.

He continued: "Another barometer of the response the Peace Corps has evoked are the descriptive statistics of volunteer questionnaire forms we have received. Of the first 4,800 eligible questionnaires that we have examined, these interesting figures turn up:

"Seven hundred and twelve applicants have professional skills in operating a tractor. One hundred and seventy-two can run a bulldozer. There were 616 people with professional skills as carpenters; 205 as surveyors; 295 as electricians; 193 as masons, and 196 in metal working. Three hundred and seventy applicants had professional experience with biology lab equipment and 473 with chemical lab equipment. Two hundred and seventy were professional nurses.

"Of the 4,800 applicants, 1,817 were college graduates and 1,203 persons had 1 or more years of graduate work. One thousand of them can speak Spanish and another 1,000 can speak French. Sixty-six speak Portuguese, 24 speak Arabic, 22 speak a Chinese language, and 12 speak Hindu or Urdu."

SHRIVER PROPOSAL ENDORSED WIDELY—BUSINESSES BACK LEAVES FOR PEACE CORPS SERVICE

The reaction to the proposal that business concerns grant leaves to persons who want to join the Peace Corps was generally favorable among businessmen and labor leaders.

The suggestion was made yesterday by R. Sargent Shriver, Jr., Director of the Peace Corps, in a commencement address at De Paul University in Chicago.

A spokesman for the American Telephone & Telegraph Co. said: "We have always granted leaves of absence to a great many employees in recent years to serve in various Government programs. We will continue to follow this policy whenever our people are needed to best serve the Nation's needs."

A similar comment came from a spokesman for the Metropolitan Life Insurance Co., who said that company's policy had been to grant leaves of absence when employees were needed in Government service and that it was expected the policy would be continued.

Murray D. Lincoln, president of Nationwide Insurance Co., said in Columbus, Ohio, that he considered the suggestion a grand idea, and added: "Business and industry should encourage efforts to help people in other countries under the Peace Corps program. I believe that employees who are qualified and accepted by the Peace Corps should be given the same recognition by business as those who enter the military services."

A spokesman for Standard Oil (New Jersey) said he was sure the company would cooperate with the Shriver plan.

August Scholle, president of the Michigan American Federation of Labor and Congress of Industrial Organizations, said in Detroit that he was sure organized labor would do "as much as we could do to provide the necessary manpower." He noted that it would be necessary for labor and management to extend contract seniority provisions to workers in the Peace Corps because "nobody is going to volunteer for a 2-year period if they come back and find themselves unemployed."

Mr. Scholle suggested that organized labor set up apprenticeship programs to train workers in the skills needed by nations asking for Peace Corps assistance.

In Denver, O. A. Knight, president of the Oil, Chemical, and Atomic Workers International Union, said he was "100 percent in agreement" with the suggestion.

Approval of the proposal was not universal. Gordon L. Hostetter, president of the Employers Association of Chicago, said he could "see no merit" in it.

"Only the very largest concerns could even afford to lend people to the Government for the Peace Corps," he said.

"The firms would have to hire replacements and you simply can't hire replacements with the understanding that they'll be relieved of their jobs in a couple of years. I don't think many employers are going to respond affirmatively to the suggestion," he said.

A spokesman for the Labor Federation said in Washington that he was sure unions would seek to work out with employers new contract clauses to permit workers to serve in the Peace Corps and return to their jobs without losing in seniority.

Mr. JAVITS. Mr. President, I invite the attention of the Senator from Minnesota to the fact that it so happens that I, too, intended to speak to precisely the same point about the Peace Corps. I ask unanimous consent that the portion of the article in the New York Times which deals with the reception of the plan by business and labor may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SHRIVER PROPOSAL ENDORSED WIDELY—BUSINESS BACKS LEAVES FOR PEACE CORPS SERVICE

The reaction to the proposal that business concerns grant leaves to persons who want to join the Peace Corps was generally favorable among businessmen and labor leaders.

The suggestion was made yesterday by R. Sargent Shriver, Jr., Director of the Peace Corps, in a commencement address at De Paul University in Chicago.

A spokesman for the American Telephone & Telegraph Co. said: "We have always granted leaves of absence to a great many employees in recent years to serve in various Government programs. We will continue to follow this policy whenever our people are needed to best serve the Nation's needs."

A similar comment came from a spokesman for the Metropolitan Life Insurance Co., who said that company's policy had been to grant leaves of absence when employees were needed in Government service and that it was expected the policy would be continued.

Murray D. Lincoln, president of Nationwide Insurance Co., said in Columbus, Ohio, that he considered the suggestion a grand

idea, and added: "Business and industry should encourage efforts to help people in other countries under the Peace Corps program. I believe that employees who are qualified and accepted by the Peace Corps should be given the same recognition by business as those who enter the military services."

A spokesman for Standard Oil (New Jersey) said he was sure the company would cooperate with the Shriver plan.

August Scholle, president of the Michigan American Federation of Labor and Congress of Industrial Organizations, said in Detroit that he was sure organized labor would do as much as it could to provide the necessary manpower. He noted that it would be necessary for labor and management to extend contract seniority provisions to workers in the Peace Corps because nobody is going to volunteer for a 2-year period if they come back and find themselves unemployed.

Mr. Scholle suggested that organized labor set up apprenticeship programs to train workers in the skills needed by nations asking for Peace Corps assistance.

In Denver, O. A. Knight, president of the Oil, Chemical, and Atomic Workers International Union, said he was 100 percent in agreement with the suggestion.

Approval of the proposal was not universal. Gordon L. Hostetter, president of the Employers Association of Chicago, said he could see no merit in it.

"Only the very largest concerns could even afford to lend people to the Government for the Peace Corps," he said.

"The firms would have to hire replacements and you simply can't hire replacements with the understanding that they'll be relieved of their jobs in a couple of years. I don't think many employers are going to respond affirmatively to the suggestion," he said.

A spokesman for the labor federation said in Washington that he was sure unions would seek to work out with employers new contract clauses to permit workers to serve in the Peace Corps and return to their jobs without losing in seniority.

Mr. JAVITS. Mr. President, for many years I have urged, through practical measures and as a matter of policy, that we cannot win the cold war without the assistance of American business. I think Mr. Shriver is absolutely correct. He is entitled to the support of American business and American labor. I emphasize this point because there is often just as much exclusionism in terms of people's seniority and their standing in the trade unions as there is in a business concern.

I point out to Senators, and particularly the Senator from Minnesota, who has had a great deal to do with this work, that I do not see any reason why we should not make it possible under the tax laws for American business to release, on a temporary basis, employees for the Peace Corps and yet maintain their salaries and wage levels.

The Peace Corps may not be able to pay members of the Corps what they need or what they are entitled to based on their standing with a particular company, but that company ought to continue to pay their salaries, so that they would not be under economic pressure to refrain from serving the Peace Corps, though they may have the will to do so.

This point is extremely important. We have actually submitted these ideas to the ICA. I point out that we should not live in a dreamworld. Mr. Shriver has said that he found on his trip around the world that there are 50,000 jobs that need filling in 103 underdeveloped areas of the free world. The maximum number of applicants to the Peace Corps is 4,800 in terms of the eligibility questionnaire.

Obviously, in view of the job to be done, and the magnitude in which it needs to be done, we need the cooperation of government and business. We would make it possible for American business to cooperate. American business may have to run a two-platoon system in jobs in order to make available people for the Peace Corps program and at the same time have available people to fill their positions without loss in seniority, pension rights or compensation.

My hope is not a dream idea. I have actually brought the New York Telephone Co. together with the ICA in order to discuss this very proposal. I can assure the Senate that the proposed program is very practical and can be put into operation, provided that we in Congress cooperate.

So I say to the assistant minority leader that the proposal is not only a great idea or an abstract principle, but it is also a matter of hard reality; and these soldiers of peace can be just as critically important as any soldiers we have ever drafted for war. But we must support them, and see that companies that wish to contribute find it possible to do so, through recognition of the service as an area of national service and entitled to our help with respect to taxes and the other considerations I have described.

Mr. HUMPHREY. Mr. President, I think the suggestion of the Senator from New York is meritorious. I am pleased that he has made the suggestion today, and I hope it will be looked into very carefully with the objective in mind of making the plan a reality through action of the appropriate agencies of government, particularly the Treasury Department and the Director of the Peace Corps.

Mr. JAVITS. Perhaps we could both make the request; and, with the prestige of the Senate, perhaps we could make some progress.

Mr. HUMPHREY. I would be happy to join with the Senator.

Mr. JAVITS. I thank the Senator.

BASIC PROBLEMS IN AN ERA OF CRISIS

Mr. HUMPHREY. Mr. President, last Sunday the president of the Minneapolis Star & Tribune Co., Mr. John Cowles, delivered the commencement address at Gustavus Adolphus College, in St. Peter, Minn.

The address by Mr. Cowles is a brilliant and eloquent statement. He emphasizes—with perspective and understanding—the new challenges to our foreign policies and programs, and the role of our Government and our citizens in a restless and changing world.

I wish to call particular attention to the three changes in policy which Mr. Cowles considers necessary for our foreign aid programs. First is the need for Congress to authorize foreign economic aid on a 5-year, or at least a 3-year basis, instead of on a year-by-year basis. Second is the need to place less emphasis on military pacts as a condition for our aid to other nations. Third is the need to select individuals who will administer our foreign aid more effectively and carefully.

Mr. President, I want my colleagues and others to read and study this important statement by an articulate American. I ask that the text of Mr. John Cowles' commencement address at Gustavus Adolphus College, as published in the Minneapolis Star of June 5, be printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SOME BASIC PROBLEMS IN THIS ERA OF CRISIS

(By John Cowles)

Perhaps it is only human nature for each generation to believe that it is living in a time of crisis, in an era that will mark a decisive turning point in world civilization. However, I am convinced that this is literally true in the case of your generation.

We are living in the most revolutionary period in all history, because we are not only in the midst of a scientific revolution, but also in the midst of worldwide political, social and economic revolutions as well.

We, as a nation, have not yet adequately adjusted our thinking to the realities that exist in the world today. We feel frustrated and confused, largely because we are still instinctively clinging to many outworn ideas which may have been valid at some time in the past, but which are not valid under today's new conditions.

In centuries gone by, there have, of course, been many wars and many revolutions, but important as those wars or revolutions appeared at the time, they involved only a relatively small part of the globe. Today, for the first time, we face problems which may not only involve the continued survival of our country in freedom, but literally the survival of civilization, and perhaps even of all human life on this planet.

One of these basic problems, the importance of which is grossly underestimated, is that of population growth. Few people comprehend either the rapidity and magnitude, or the implications of the current population growth throughout the world. This increase in population is the natural result of what medical science and public health measures have done to eliminate plague and pestilence throughout the globe, to reduce infant mortality, and lengthen the average span of human life.

BILLIONS OF PEOPLE

The underdeveloped countries are growing in population at a much faster rate than Western Europe or the United States. Forecasts indicate that unless we have a devastating nuclear war before the year 2000 arrives, and that is only a little more than one generation away, there will be more than a half billion Africans and 4 billion Asians. China alone, even within its present territorial boundaries, will probably pass the billion mark in population in about 10 years.

Let's consider India for a moment. For the free world, India is the most important country on the mainland of Asia. Unless India can achieve substantially higher standards of living, there is little possibility of India's surviving as a democracy, with freedom of speech, press, religion, and all the other liberties in which we Americans believe. India is making a valiant attempt to improve educational opportunities and step

up its output of food, manufactured goods and services, and is increasing its gross national product at the rate of around 3 percent a year.

However, the population of India is increasing at a rate of about 2 percent a year. Its population has grown more than 80 million in the last decade, so that the improvement in average income—the per capita income—is extremely small, only about 1 percent. India is running on a treadmill. Unless India's rate of population growth can be slowed down, as Japan has done with its rate, there is almost no likelihood that India can make really significant per capita economic progress. If India doesn't succeed in raising living standards, it will become a totalitarian, Communist state. If that happens, all the rest of the Asian mainland will also probably be lost to the free world.

Closely coupled with the population problem is that of race relations. We Americans simply must readjust our thinking and accept the fact that all peoples regardless of the color of their skin are equal in the sight of God and should be treated without discrimination as fellow human beings.

Many Americans fail to realize the fact that race riots and racial discriminations and hatreds, such as those that we have been witnessing recently in Alabama and Mississippi, are the most effective possible ammunition to help the Communists in their efforts to take over Africa, Asia, and Latin America. Our failure to solve race problems here probably has done and is doing the United States more harm than all the military secrets that Communist spies have ever stolen from us.

If we are going to be able to achieve the kind of conditions in the world under which a nation with our purposes and goals can live and prosper in freedom, we must eradicate race prejudice in the United States, so that we can convince the peoples with colored skins on other continents that we regard them as friends and not as inferiors or enemies.

FOREIGN AID NEEDED

Currently, a sizable and perhaps growing number of Americans are advocating a reduction in or the elimination of our foreign economic aid to the underdeveloped nations. In my opinion, they have not thought through the consequences of what they are proposing.

If Asia, Africa, and much of Latin America are taken over by the Communists, I do not believe that the United States and the nations of western Europe could long thereafter continue to live in freedom. We are so completely dependent upon minerals and other raw materials from Asia, Africa, and Latin America that if we were cut off from them, drastic economic controls of all kinds would have to be established here in the United States, and the areas in which we now have freedom of choice would rapidly shrink. I don't believe that under such conditions even civil liberties could long be maintained here in a "fortress America."

Admittedly many mistakes have been made in our foreign aid policies. During the period when John Foster Dulles was Secretary of State, we grossly overestimated the importance of military alliances with the weak, new countries. Dulles initially took the position that it was immoral for a country to want to be neutral in the cold war. He ignored the fact that even the United States, when it first won its independence from Great Britain, wished to follow a course of neutrality, and, in the words of George Washington's Farewell Address, "avoid all entangling foreign alliances."

Most of the military alliances that we made with the weak, newly emergent independent nations have been of little value to us. I am not, of course, referring to the NATO alliance with the western European countries, which was established under President Truman while Dean Acheson was Secretary of State, but rather to the later military alliances with the feeble new countries in other parts of the world. NATO is, of course, the keystone of our whole policy of collective security.

To accomplish what we wish through foreign aid, three changes should be made in our overall policy: First, the Congress should authorize this foreign economic aid not on an annual year-by-year basis, but on a 5-year, or at least 3-year, continuing basis so that our funds can be spent on longer range projects which will produce permanent benefits in raising the living and educational standards of the peoples we are trying to help. The fact that we took this long-term view was one of the reasons for the Marshall plan's great success.

Second, less emphasis should be placed on whether or not the recipient nations sign military pacts with us. The fact that we ask them to do so frequently gives them the impression that our controlling motive is simply to get military allies against the Communists rather than because we want to help them improve their social, political, and economic conditions.

Third, we need to select the individuals who are going to administer our aid in foreign countries with much greater care. Some of our representatives have been unsuited for their jobs or even downright incompetent. We have as a result wasted a sizable part of the funds in some countries.

BENEFITS FOR ALL

Arnold Toynbee, who is perhaps the world's greatest historian, has suggested that the 20th century may be remembered not as the age of the atomic bomb, but as being the first time when man had ever thought it practicable to distribute all the benefits of civilization to all people.

In our smugness, we forget that, while the average American family last year had an income of $6,900, half the peoples of the world are living, or rather simply trying to stay alive, on annual incomes of $60 or $70 apiece.

If a lot more Americans were to visit India and see the thousands of Indians sleeping on the sidewalks of Calcutta or Bombay because they have no homes or shelter, if more Americans were to see the degraded poverty in Egypt, if more realized the utter lack of educational opportunities in most of the world, I have no doubt that we would support a foreign economic aid program of the magnitude that we should.

It will be tragic for civilization if the United States and Canada and the rich nations of western Europe are not sufficiently enlightened and generous to help the less fortunate peoples in other parts of the world develop their economic potentialities and raise their educational and living standards.

Perhaps some of you are surprised that I did not start my remarks by discussing the danger of nuclear war and the need for arms control under a system of mutual inspection. It seems to me hardly necessary to point out to a college audience that this, along with population control, is a paramount need of our time.

I deeply hope that we are going to be able to make real progress toward reaching an agreement with the Communists on arms control, but the problems involving mutual inspection are incredibly complex. Even if we hopefully assume that there will be good will on both sides, it will take, at best, a long period of discussion before a detailed agreement could be reached and put into effect.

Even if an agreement were achieved with Russia on arms control, with mutual inspection and with successive step-by-step reduction in armaments, obviously Red China would also have to be included. We certainly should not disarm ourselves unless we knew that China, as well as Russia, was doing the same thing.

Our eventual goal—that of world peace under world law—is at best far, far in the future. An agreement on a system of arms control, with mutual inspection, to be followed by a progressive reduction in national armaments, would in itself be the first giant step in creating a system of world law.

In the meantime we must keep militarily strong. I believe we probably should increase our own military expenditures, perhaps even beyond what President Kennedy has proposed.

Many Americans are still suffering from a wide variety of illusions. There is little hope of our making substantial progress toward ultimate solutions of basic problems until these illusions have been eliminated.

Let me refer briefly to a couple of them. A sizable group of Americans, for example, seems to think that big government is our greatest single menace. They like to quote Thomas Jefferson, who, a century and a half ago when the United States was a small, isolated, rural, agrarian society, said, "That government is best which governs least."

ENORMOUS CHANGES

We have had, however, such revolutionary changes in conditions since Jefferson's time that those people who today think that big government is our greatest menace are utterly unrealistic, and are by implication advocating anarchy.

In the horse and buggy days, we didn't need traffic officers or stop-and-go traffic signs. Does anyone question that we need them now? Does anyone think that we should get along now without a pure food and drug administration or an agency to prevent pollution of our rivers and streams?

Before radio broadcasting had been invented, we didn't need a Federal Communications Commission to assign specific wavelengths to specific broadcasters. Before airplanes were invented, we didn't need a Federal aviation authority to regulate air traffic.

Today, however, big government is necessary and inevitable. One administration may be more wasteful and inefficient than another, but regardless of which political party is in power, government is certain to grow bigger, because only the government can perform many of the new functions that a changing and developing society requires.

Many Americans also make a fetish of what they call our national sovereignty. They do not want to yield any of it to any international authority. They overlook the fact that over the years we have given up, in some degree, our sovereignty over many things; for example, over radio broadcasting and air travel, simply because the march of events compelled us to do so.

Broadcasting wave lengths are now allocated by international agreement to the United States and the other countries to avoid jamming and chaos. Similarly we have international control over aviation safety regulations and have established uniform international procedures under which American airlines fly over or land in Germany or Japan or Italy, while foreign planes must conform to similar internationally agreed regulations when they fly here.

For many years we have had an international postal union which prescribes the arrangements under which mail is sent from one country to another. We also have an international health organization which has made uniform rules as to the inoculations and vaccinations of persons traveling from one country to another.

Science is changing the world at such an incredibly rapid rate that it is inevitable that we are going to have to give up our so-called sovereignty in other fields.

More than 90 percent of all scientists who have ever lived since the dawn of history are

living today and producing a torrent of new discoveries. It shortly will be possible for man to control climatic conditions. Unless there is international control, one country by diverting rainfall could create floods or drouth in another country. It would be intolerable not to establish international control over this weather-changing capability.

YOUTH'S OBLIGATIONS

There can be no such thing as absolute national sovereignty when nations are potentially capable of shooting intercontinental ballistic missiles, carrying hydrogen warheads, to countries thousands of miles away.

There can be no such thing as absolute national sovereignty when unborn babies may be adversely affected by radioactivity stemming from atomic explosions set off halfway around the globe. There are degrees, but only degrees, of national sovereignty in the world today. There will inevitably be less in the world of tomorrow.

You young men and women who are graduating here today have a deeper obligation to your country than do those of your generation who have not had the benefit of a good college education.

You can pay off your obligation in only one way. That is by active participation and eventual leadership in those organizations that are going to mold the shape of things to come—organizations that are endeavoring to improve the community, and the State, and the Nation, and the world.

That means that you should join and actively participate in church organizations and civic groups, in foreign policy clubs, in leagues of women voters, in PTA's, in chambers of commerce, and in farm or labor or political organizations.

Many of you will, I hope, go actively into politics, for politics is simply the exercise of the art of self-government, and in that pursuit we need our ablest men and women. Don't assume that you have to wait until you are middle aged before you can influence the course of events; you can begin to do it now.

KEEP OPEN MINDS

But above all, keep open minds and stay flexible enough to modify your previously held opinions in the light of changed conditions and new developments.

Dr. Edward Teller, one of the world's most distinguished nuclear scientists, told me his definition of an optimist. "An optimist," he said, "is someone who believes that the future is uncertain." Well, I am an optimist. While I thoroughly believe that the future is uncertain, I also have a deep conviction that if the American people become sufficiently well informed our country will do the right things.

You are commencing your adult lives at the most critical period in human history. Don't forget that history is made by dedicated minorities, not by complacent majorities. Yours is the challenge to see to it that not only our country, but that the whole human race, survives, and survives in freedom.

VISIT TO THE SENATE BY CANADIAN DELEGATION TO THE CANADA-UNITED STATES INTERPARLIAMENTARY GROUP

Mr. AIKEN. Mr. President, each year for several years it has been our privilege to have as our guests in Congress Members of the Canadian Parliament. We have with us today 18 Members of the House and 6 Members of the Senate. We are always glad to have the Canadian delegation with us. We consider our Canadian friends the best friends we have anywhere. The following members are present in the Chamber, and I take the opportunity to introduce them to the Senate.

SENATE

Hon. Mark R. Drouin, Progressive Conservative Party (Quebec), Speaker of the Senate.

Hon. W. R. Brunt, Progressive Conservative Party (Ontario).

Hon. Arthur L. Beaubien, Liberal Party (Manitoba).

Hon. Sydney J. Smith, Liberal Party (British Columbia).

Hon. J. E. Lefrancois, Liberal Party (Quebec).

Hon. Lionel Choquette, Progressive Conservative Party (Ontario).

HOUSE OF COMMONS

Hon. Roland Michener, Progressive Conservative Party (Ontario), Speaker of the House of Commons.

Hon. Paul Hellyer, Liberal Party (Ontario).

Mr. Egan Chambers, Progressive Conservative Party (Quebec).

Mr. Paul Martineau, Progressive Conservative Party (Quebec).

Mr. J. M. Forgie, Liberal Party (Ontario).

Mr. Gordon H. Aiken, Progressive Conservative Party (Ontario).

Mr. C. A. Best, Progressive Conservative Party (Ontario).

Mr. R. C. Coates, Progressive Conservative Party (Nova Scotia).

Mr. Frank Howard, Cooperative Commonwealth Federation (British Columbia).

Mr. Orville H. Phillips, Progressive Conservative Party (Prince Edward Island).

Mr. J. R. Taylor, Progressive Conservative Party (British Columbia).

Mr. O. J. Godin, Liberal Party (Ontario).

Mr. C. R. Granger, Liberal Party (Newfoundland).

Mr. H. "Pit" Lessard, Liberal Party (Quebec).

Mr. Rémi Paul, Progressive Conservative Party (Quebec).

Mr. Harris G. Rogers, Progressive Conservative Party (Alberta).

Mr. R. R. Southam, Progressive Conservative Party (Saskatchewan).

Mr. G. M. Stearns, Progressive Conservative Party (Quebec).

We are delighted to have the Canadian delegation with us today and tomorrow. I believe another activity, which we hope will be equally interesting to our guests, is planned for Saturday. [Applause, Senators rising.]

Mr. MANSFIELD. Mr. President, I wish to join the distinguished Senator from Vermont, who has led the Senate group so ably in our discussions with our Canadian colleagues for the past several years. We are always honored when a delegation from another country comes to visit us. We are especially honored when our Canadian friends do us the honor and the privilege of meeting with us in this Chamber. We hope your stay will be happy. We hope that we will be able to reciprocate at least in part for the many kindnesses and courtesies and privileges which you have extended to us on the visits which we have made to your delightful and wonderful country. It is good to have you with us. We hope that this will be just one visit of many.

Mr. DIRKSEN. Mr. President, in a world that is so full of ugly fevers and contagion today, we can think of nothing quite so comforting and so reassuring as to have a delegation from our neighboring country come to visit us, to whom we can refer with earnestness and in truth and in fact not only as neighbors, Mr. Speaker, but as friends.

It brings a real note of comfort, as with our eyes, as Ishmael did of old, we contemplate the horizons of the world and a sea of troubles, to consider how fortunate we are. We hope that you deem yourselves equally fortunate that we are your neighbors. It is great comfort that we can live together in amity and concord without troops and without any other visible military evidences, because of the understanding that we have had for such a long time.

As minority leader, I welcome you to the Senate.

Mr. CAPEHART. Mr. President, I merely wish to say to these gentlemen that it is a pleasure for us and a great honor to have you here. We hope that you will come very often.

Mr. KEATING. Mr. President, as a representative of the State of New York, a considerable part of which borders on our great friends to the north, I wish to extend greetings to this distinguished group. I have spent many happy hours in Canada, and I have always enjoyed my visits there. I have many Canadian friends. I am sure that many of you gentlemen have close friends in the United States. My city of Rochester is to a large extent populated by people who were born in Canada and who cherish their ties to the north. We have very close relations with our Canadian neighbors. The Rochester Yacht Club sponsors a very spirited contest, as you probably know, with our Canadian friends, in which we have been frequently bested, but we never give up.

I am delighted to note that so many of our guests from the north have elected to sit on this side of the aisle in the Senate. There are a great many vacant chairs here, and we welcome them on this side of the aisle. We congratulate them on their good judgment, and are perfectly delighted to have some of these vacant chairs filled.

I know our friends will not take it amiss when I say that if we cannot have more Republicans then there is no one else we would rather have in these chairs, no one else in whose presence we would take greater pride or pleasure than our good friends from the north.

Mr. HUMPHREY. I too wish to join in extending a friendly and cordial welcome to our fellow parliamentarians from Canada, who are our good friends.

After listening to the lucid comment of my friend from New York, I am reminded of one part of our foreign aid and foreign policy programs, the exchange program. As a Member of the Senate on this side of the aisle I would not mind proposing an exchange for

some of the regular attendants on that side of the aisle for those I see presently on that side of the aisle. [Laughter.]

We welcome you and we want you to know that your presence in the Senate is a source of satisfaction and joy to us.

My State of Minnesota borders on Canada. Many times we have traveled to the great city of Winnipeg. Many of our people make regular journeys over there. Many of your people come to Minnesota.

We are at the other end, so to speak, of the St. Lawrence Seaway. We are joined to you not only by the great land mass of the North American Continent, but also by the great St. Lawrence Seaway.

We wish to express our appreciation to our friends from Canada for their leadership in the consummation of this, one of the great public works projects of all time.

Finally, I express my appreciation to them for their leadership in the councils of diplomacy. Canada has demonstrated mature statesmanship, particularly at the United Nations. That leadership has had a very good effect and a very good conditioning upon the deliberations of the United Nations, and we thank you for it. We herald you also for your tremendous economic growth in recent years, and the capacity you have demonstrated of being able to roll with the punches of your economic growth and expansion. We congratulate you upon your prosperity and upon your sharing of the fruits of your production. We also congratulate you upon your population growth. Surely in your great country there is so much room for so many good people.

Frankly, we are happy, as the minority leader said, in these trying days, to have such wonderful, good friends, even when you occasionally tell us things that we may not want to hear, even though we may deserve to hear them. We shall reciprocate in kind but in a kindly way.

Mr. JOHNSTON. It is a wonderful thing in this troubled world to have representatives from another nation come to visit us, particularly to have these visits made by people who believe as we do and work along with us in our efforts to make this a better world. If all the nations of the world believed as you do it would be a much better world to live in. So we are thankful today to have you come to visit us here in the United States, as we face the problems that we are facing, and realize that we have you right to the north of us, and that you are our right hand, so to speak, in helping solve the problems of the world. May you continue to grow and not only prosper materially but also prosper in giving all the people the liberties that belong to them. God bless you and may you continue to grow is the wish of all the Senators at this time.

Mr. JAVITS. Mr. President, I wish to join my colleague from New York in welcoming the Canadian parliamentarians, and to express on this rare occasion my appreciation for the many longstanding favors conferred upon my State through my person.

When I was attorney general I had the opportunity to cooperate with your authorities in finding and punishing rascals in the security field. I received enormous cooperation from your officials. During the war, as an Army officer, I worked with your Minister of Munitions. In more recent days I had the honor of dining with Prime Minister Diefenbaker and his Cabinet, including the late departed and lamented Mr. Smith, a very dear friend of mine, and a wonderful man.

I have also visited and participated in the inauguration of power projects connected with the seaway, and in the Niagara frontier area, where we are working together.

As my tribute, as a Senator from the State of New York, to the great Dominion of Canada, a great, stanch, and true friend, as has been so eloquently stated by my colleague, the distinguished junior Senator from New York [Mr. KEATING], I may say that we have demonstrated that free peoples can work together in a discipline, notwithstanding the fact that self-interest may often dictate our pulling apart.

In the final analysis, no matter how frank you may be with us—and even critical at times—we all know that, like a couple who are married, this has all got to be lived with until there is a better day or a sunnier side to our relations, because we are indissolubly linked together.

I think it is this deep conviction which we all carry, and which is so particularly true in the States which border on Canada, that represents one of the enormous strengths of freedom throughout the world. I do not think any nation in the world, even behind the Iron Curtain, doubts that Canada and the United States will always stand together, and that any hopes of separating them in any way are bound to be dashed. This is one of the most enormous strengths which freedom has.

I am delighted to welcome you and to speak to you in that spirit.

Mr. ALLOTT. Mr. President, I have had the honor this morning, in the absence of the cochairman of our delegation, the Senator from Vermont [Mr. AIKEN], to welcome our distinguished visitors to Washington and to the United States. To do this again would be, indeed, surplusage. However, for the RECORD, I think perhaps it should be said that this particular meeting has been of unique value, a value which is not found in any other type of meeting. That unique value is that Members of the House of Representatives and Members of the U.S. Senate, and Members of the House of Commons and Members of the Canadian Senate, are able to meet together and discuss frankly every phase of our relationships—our cultural relationships, our tourist relationships, our economic relationships, our common interest in matters of defense, our common interests in the salvation of freedom throughout the world; and to do this frankly, without any fear of having spoken something which is contrary to the spirit of our respective governments, because none of us can speak for our governments, even though two distinguished Speakers of the Parliament of Canada are here.

So if in the days ahead it should be asked what we hope to accomplish by this meeting it may be said we hope to accomplish the great area of understanding which friends seek—an understanding which is based upon giving and taking, and giving and forgiving; an area which we know will lead to more fruitful relationships in every respect between our countries.

The unique value of this meeting is that we meet without fear of doing something which may be taken as binding upon our governments. We meet in a spirit of friendship and frankness, which brings to all of us an education as to the desires and the possibilities of the future. That is something which we need.

Again, I welcome our Canadian friends to Washington and to the United States.

Mr. FONG. Mr. President, I join with other Senators in welcoming the Members of the Canadian Parliament to our Hall and to our country. I was a member of the Interparliamentary Committee which went to Canada in February. We received from the Members of the Canadian Parliament a most cordial and hospitable welcome, a welcome much unlike, as I told them, the first welcome I received from the Canadian people, when I was deported from Canada in 1929. That incident took place when I was a member of the ROTC team from the University of Hawaii. We went to Camp Perry, Ohio, and then crossed the Detroit River in an attempt to go to Windsor. At that time the Canadians told me I had to post a bond if I wanted to enter Canada. So I returned to the United States, at the invitation of the Canadian Government, and they paid my transportation fare of 5 cents across the Detroit River. [Laughter.]

Mr. President, the meetings which the Interparliamentary Committee held in Canada in February were most fruitful. I was much impressed with the earnestness and the seriousness of the views of our neighbors across the border. I know that their problems and our problems can be solved most amicably. I came away from that meeting with a better concept of their problems, knowing that the differences which exist between the United States and Canada are minor compared with the many things which we have in common.

We in this hemisphere have mutual problems, and we know that by discussing them together from time to time, as we did in Canada in February, and now, again, in the United States, we shall be able to solve them.

I look forward to long lasting friendship and amity with the Canadian people. I know that this friendship will endure to all eternity. I thank the representatives of the Canadian Parliament for coming to visit us. I know that our deliberations will be fruitful for both the United States and Canada.

Again, I convey my welcome to the Canadian Parliamentarians, and am grateful to them for having taken the time to come and visit with us.

The PRESIDING OFFICER (Mr. HICKEY in the chair). The Chair joins in the hearty welcome accorded by Senators to our brethren from our northern neighbor; and trusts that their sojourn in our Capital City will prove both pleasant and profitable.

INCREASING THREAT OF FOREST FIRES

Mr. KUCHEL. Mr. President, yesterday the Senate approved the appropriation bill for the Department of the Interior and related agencies. That bill included an amendment which I had previously offered successfully in the Committee on Appropriations to provide an additional $955,000 for forest fire protection in southern California. Four national forests are in that area of the State, from which I come. In the last several years, Federal emergency moneys of $4 to almost $5 million a year have been spent in our State to stamp out forest fires after they had started. My amendment would permit the Forest Service a greater opportunity to prevent fires from starting or from spreading.

This has been an exceedingly dry season in the West. There is an increasing hazard of fire damage and fire destruction in my State during the remaining months of this year and thereafter.

Recently, from San Francisco, a wire service article told of the growing threat of fire damages to the Western States of America. In addition, the Los Angeles Times of May 15, 1961, commented editorially on the hazard of forest fires to the people in the southern California area. I ask unanimous consent that the editorial, entitled "A Fire Alarm on Capitol Hill," published in the Los Angeles Times of May 16, 1961, and the article entitled "Western States Facing Forest Fire Threat," published in the Los Angeles Times of June 6, 1961, be printed at this point in the RECORD.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

A FIRE ALARM ON CAPITOL HILL

County officials have turned in an urgent alarm to Capitol Hill for additional fire protection funds for the Angeles National Forest. There is no time for delay, they warned the Congress, for the most dangerous fire season in history has already begun.

The spectacular Hollywood Hills blaze was merely a prelude to the brush and timber fires expected throughout the Los Angeles County this year.

Appearing before a Senate Appropriations Subcommittee, County Supervisor Frank Bonelli pleaded for an expansion of the Federal protection in the national forest, particularly the building of more access roads. Without such roads firefighters in the rugged San Bernardino Mountains are severely handicapped and often helpless.

The importance of additional fire roads has also been stressed by Federal forestry officials, said Senator THOMAS KUCHEL, who urged the Senate committee to take prompt action to strengthen fire defenses in California.

Bonelli asked approval of a 10-year, $30 million road construction program as "the greatest single factor toward the attainment of the goal for fire control, fire suppression and fire prevention."

He told the appropriations subcommittee that since 1948 the county has spent $14 million of its own funds to help reduce fire losses in the national forest. Without this local expenditure the terrible fire devastation would have been even greater.

The cost to county taxpayers is, of course, far more than the $14 million spent to supplement the meager Federal allocations.

WESTERN STATES FACING FOREST FIRE THREAT: SOUTHLAND LOSS EXPECTED TO BE HEAVIEST; OFFICIALS DESCRIBE SEASON AS SEVERE

SAN FRANCISCO.—An explosive situation is building up in the West.

From the Rocky Mountains to the Pacific Ocean, from San Diego to Seattle, forest and brush fires will wipe out giant portions of timberlands, stock ranges, and vacation places this summer, State and Federal foresters predict.

Forestry officials describe the coming season as severe. They are prepared for the worst.

RAINS CAUSE ALARM

In some areas a lack of rainfall has caused alarm. In other areas too much rain has caused alarm.

Officials say southern California—in spite of all they can do—will lose the most to fires.

In northwestern areas where rain has been plentiful through the winter, officials say high grass will dry up in the summer, causing extra caution to keep down flash fires.

California, Oregon, Washington, Idaho, Utah, and Nevada have pressed through the winter for more money, more firefighting crews, and more equipment.

VACATIONERS A THREAT

Tourists and vacationers will be flocking to these States this month. Other than lightning, the visitors are the greatest threat to forests.

Forestry services have not been idle. Work crews from county and State prison honor camps have been carving new firebreaks and trails. Underground water supply tanks and new lookout stations have been added to sensitive areas. More men have been trained in ground and aerial firefighting.

The most dangerous areas, officials say, are in southern California, Idaho, and Utah.

WATER PROBLEM

As one Federal forester put it, "How can we fight a fire in southern California when we have trouble supplying drinking water to our camp sites?"

To combat the threat, southern California foresters will rely more on aerial firefighting, using chemicals instead of water. Helicopters will be used to transport men and equipment to fire scenes.

An ultra-dry winter in Utah was severe for the State's 8 million acres of forested and watershed land. Utah, too, has taken to the air for fire attacks.

AERIAL TANKERS

E. M. Bacon, Chief of the Forest Service's division of fire control, said three air tankers will replace the one used last year. They will be based in Salt Lake City. One helicopter with 10 trained men will be set to handle the first assault.

Fire control officer A. E. Spaulding of the U.S. Forest Service, which protects about 16 million acres in Oregon, says his agency is preparing to handle a situation "as bad as last summer, when 7,000 men were fighting fires at one time."

He has added about 1,200 full-time lookouts, smokechasers and crewmen for a total of 4,500 full-time employees.

Idaho State Forester Roger Guernsey has predicted one of the worst fire seasons on record.

DISMAL OUTLOOK

One of Idaho's plans is to use a new fire retardant made from seaweed. Guernsey said this product is so new that his men don't have proper nozzles with which to spray it yet.

Washington's outlook is dismal, too.

"We're looking forward to the summer with a feeling of fear," division supervisor Loren Tucker said.

Tucker said high grass is a major danger in Washington. The State lost 9,000 acres to fire last year, Tucker said.

In Nevada, State Forester George Zappettini said campers, motorists and residents in the Sierra Nevada timberlands will have to exercise extra caution this year.

DEATH OF TOM WALLACE, EDITOR EMERITUS OF THE LOUISVILLE TIMES

Mr. MORTON. Mr. President, on Monday of this week, Mr. Tom Wallace, distinguished editor emeritus of the Louisville Times, passed away at his home near Louisville, Ky., at the age of 86. Mr. Wallace was one of the most remarkable gentlemen I have ever known, and his death brings to an end a rich and illustrious career whose influence extended far beyond the field of journalism.

He belonged to the breed of newspaper editors dedicated to high principles, integrity and honor, absolutely fearless, who stated their beliefs in hard-hitting fashion without regard to where, or on whom, the chips might fall. Despite this fierce devotion to personal and journalistic integrity, Mr. Wallace was a delightfully gentle person of great charm, culture and humor.

The name of Tom Wallace is probably best known among the nation's conservationists, and his vigorous efforts to conserve America's natural attractions for the generations to come are brilliant chapters in American conservation.

In Kentucky, his fight to spare Cumberland Falls from development for electric power generation is legendary. He battled strong power interests and solid local support for years, and won the fight. Today, Cumberland Falls State Park is one of the premier scenic attractions in the Kentucky park system.

Mr. Wallace was tremendously interested in Latin American affairs and was among the first to propound hemispheric solidarity. He traveled extensively throughout Central and South America, becoming expert in hemispheric customs, politics, people and resources. He once observed that the United States, not Latin America, should bear the blame for the lack of neighborliness between ourselves and our friends to the south.

The sharpness of his pen was matched by the keeness of his words, and the speeches of Tom Wallace frequently made more news than if written for his beloved Times. Whether speaking or writing, mincing words was not a part of his character.

The list of honors bestowed on Mr. Wallace is long and significant. Among

the most significant are the Tom Wallace Chair of Conservation in the Biology Department of the University of Louisville; the Courier-Journal and Times Tom Wallace Fellowship for the exchange of young American and Latin American journalists; the Tom Wallace Forestry Award recognizing good farm and woodland practices; the Americas Foundation Award for outstanding contributions to hemispheric relationship, and the Maria Moors Cabot Gold Medal for his promotion of Latin American amity.

I ask unanimous consent to have printed in the RECORD at the close of my remarks articles and an editorial published in Louisville newspapers, and which describe in full his remarkable career and eulogize his passing.

There being no objection, the articles and editorial were ordered to be printed in the RECORD, as follows:

[From the Louisville Times, June 6, 1961]

TOM WALLACE: EDITOR MADE NEWS AGAIN AND AGAIN IN HIS 60-YEAR CAREER, BOTH BY WORDS AND DEEDS

On the public platform as well as on the editorial pages, Tom Wallace, who died yesterday afternoon, made news again and again during his long career, with his words and his deeds.

The conservation and improvement of natural resources was one of his deepest interests, and 32 years ago, addressing a sportsmen's convention in Frankfort, he issued this warning:

"The time will come, if vandalism proceeds, if conservationists are called mere visionary fellows, when the hills surrounding Pineville and Harlan on the Cumberland River, those above Irvine and Beattyville and Whitesburg on the Kentucky River; those about Pikeville on the Big Sandy, will be denuded—and when the hills all over the State will be bare and bleeding under the pelting of every rain."

He observed that those hills "will produce merchantable timber and provide range for game, but will not produce crops or provide pasture."

In 1933, speaking to the National Conference of State Parks, Wallace predicted that the time would come when parks would provide a chain of comfortable way stations across the country so that the traveler who has the time, and can spend a few dollars a day for his transportation and accommodation, may travel from the Atlantic coast to the Pacific coast, and from the lakes to the gulf, stopping each night at a different State park, enjoying the simple, but substantial, comforts of a park inn.

ATTACKS TIMBER BARONS

In 1955, when the Stearns Coal & Lumber Co. applied to the Federal Government for permission to stripmine land in the Cumberland National Forest, Wallace was called as a witness at a Department of Agriculture hearing at Stearns, Ky. He said:

"The timber barons have destroyed the forests of this region and have laid the curse of poverty on it. Now they are whining to get into the national forests because they failed to care for their own land. This whole hearing is shadow boxing and a waste of time because it has no bearing on the real issue."

He said the real issue was "protection of the watershed."

The Stearns firm did not get the permission it sought.

STREAM POLLUTION

On the issue of stream pollution, he did not hesitate to criticize Kentucky's late Senator Alben Barkley. That was in March 1941.

The Barkley-Spence stream pollution bill had been deadlocked in the previous session of Congress, over an amendment which had been offered by then Representative KARL MUNDT of South Dakota. The amendment would have given the Federal Government power to compel States and industries to cooperate in eliminating stream pollution. Wallace contended that the bill had no real force without this amendment. Then he said:

"The tooth in that bill was the Mundt amendment, from which the House refused to recede, and the legislative dentist who extracted that tooth—without explaining why he extracted a sound tooth—was the Senate majority leader, Alben W. Barkley, of Kentucky.

SCENIC BEAUTY

In 1935, a target of a Wallace criticism was the Mount Rushmore memorial in the Dakota Black Hills, with its giant carvings of the faces of Washington, Jefferson, Lincoln and Theodore Roosevelt.

He made his criticism face-to-face with the sculptor, Gutzon Borglum, at a State parks conference in Virginia. Borglum had said that such carvings were an integral part of natural scenic beauty. Wallace said that he was sorry to disagree with a great artist, but that they were horrible.

He deplored artificial improvements on nature generally, and declared: "All such things are an outrage. They don't belong, anyway."

No battle was waged more fiercely by Wallace than the one to keep the scenic beauty of Cumberland Falls from being destroyed by the Samuel Insull interests, which proposed to develop the falls for waterpower.

Out of the hundreds of thousands of words Wallace wrote and spoke against Insull and those who supported his proposal, the following statement is a sample:

"Cumberland Falls should be saved, not only because it belongs to the people of Kentucky and Eastern America, but also because its revenues to Kentucky (as a tourist attraction) would be greater annually, in the near future, than the cost of building the proposed powerplant.

"In Kentucky we have an Anti-State Park Commission, headed by an antipark Governor, which is under agreement to aid a power company to destroy Cumberland Falls as a natural cataract."

Mr. Wallace won that fight.

CALLED SELF ALARM CLOCK

Once, in a speech at Eastern Kentucky State College, Wallace set forth his role in society as being an "alarm clock." This is what he said to the students at Eastern, in June 1929:

"A few of us who are not seeking political office, are not obliged to consider what this or that corporation might think about what we say, insist upon speaking aloud in behalf of this generation and future generations, on certain aspects and assets of Kentucky.

"By so doing, we hope to perform the function of one of the most disliked but most useful pieces of mechanism in the list of modern conveniences, the alarm clock."

At the same time, Wallace loosed a shaft at a practice he deplored again and again: quarrying in the hills at Frankfort. He said:

"How unawakened to the value of its beauty Kentucky has been, and is, may be realized by any thoughtful person who visits our State Capital, where timbered cliffs which should have been forever the framing of a picture Frankfort for a century presented, are being blasted down to get limestone—the most abundant commodity in Franklin County."

Speaking later to the Frankfort Garden Club, Wallace said that operating quarries at the doors of Frankfort was "like burning the parlor furniture to cook the pig, instead of going to the kitchen for fuel."

LATIN AMERICA

When he was president of the American Society of Newspaper Editors in 1941, Wallace summed up in the following his views in another of his great fields of interest: Latin American affairs. This was at the ASNE national convention in Washington:

"The fault of the failure of American neighbors to be truly neighborly has been more ours than that of Latin Americans.

"We have indulged, maladroitly and mistakenly, a superiority complex with regard to Latin Americans who as a result have shrugged shoulders."

He said Latin Americans "have known us largely through hard-boiled concessionaires whose Government, too often, has the concessionaire point of view." And he added: "Too many of us have known them through Richard Harding Davis and O. Henry."

NEWSPAPERING

On the subject of "bootlicking" editorial pages, Wallace had this to say, in 1929 at the Illinois Press Association meeting:

"A fundamental problem of every newspaper is whether the newspaper shall stand up and fight, or lie down and be walked over and 'lick the bloomin' boots of 'im that's got it.' The commodity being in this case money, social influence or political influence.

"Happily—and this applies to the small city daily or weekly as well as to the metropolitan newspaper—bootlicking is not essential to welfare.

"It may—it often does—pay. But there are other ways of earning bread. The prostitution of an enterprise, more often than that of an individual, runs a long and level course of prosperity. It is comparatively easy for a newspaper to achieve the somewhat deplorable dignity of the harlot.

"But for those who prefer the fortunes of occasional battle to the recompense of occupational surrender, militant journalism offers a good deal, materially as well as spiritually."

"PUNK" WITHOUT "SPUNK"

At an Indiana University journalism conference in 1938, he said:

"An editorial page without spunk is punk.

"Most dead editorial pages—and many are dead—were killed by the owner of the paper. The owner who does not want his editorial page to say anything he would not approve should write it—or not complain if it is dead when he has killed it. An editor can't be valiant in print and a valet at heart.

"When, or if, free speech—of which the editorial page is the symbol and the soul—is impinged upon ever so slightly by legislative processes, the lifeblood of democracy will begin to flow from the heart toward the earth."

When he retired in 1948, Wallace wrote his farewell editorial, and it was characteristically brief, unsentimental, and to the point. Here it is, in full, from the Louisville Times of September 14, 1948:

"In conformity with a plan of the Times formulated and published some years ago, the editor of the Times retires tomorrow. He does his last work as editor today.

"He wishes to express appreciation of the generous support he has had from the public in his efforts to make the Times editorial page useful. He desires to express appreciation of the high quality of the work of his associates, especially some years ago, Russell Briney—who becomes editor of the Times tomorrow—and the late Harry Bloom, more recently James C. Hutto and Vance Armentrout."

AWARDS CONTINUED

Retirement as editor was not really retirement, because from then on until his

final illness in 1959, he wrote a column three times a week for the editorial page, ranging far and wide for his subjects.

Nor did he cease to get awards and honors. In 1952, the Woodmen of the World presented him with a plaque for two of his great life's works: Support of conservation and of friendship between the Americas.

When he received the plaque he said:

"I thank humbly and with deep appreciation the Woodmen of the World for a precious gift of golden words which time will not erase, phrases which, fortunately for me, time will not modify. * * *

"I thank each of you who has been reckless to be kind."

[From the Louisville (Ky.) Courier-Journal, June 6, 1961]

EDITOR WHO WAGED A LIFELONG CRUSADE

Tom Wallace epitomized a quality which we like to think is typical of Kentucky at its best, though it was displayed by Roman senators and by Greek philosophers. It was the quality of character. There was a ruggedness of mind and purpose about him which may well have come down directly from pioneer Kentucky ancestors. Yet his recognition of problems of the modern world made him an effective man of his time.

Never for one moment interested in personal preferment or touched by political ambition, Mr. Wallace judged men in authority by his own high standards. He was never overawed by persons, but was a deep respecter of principles. Kentucky owes him an enduring debt for his rescue of Cumberland Falls from imminent destruction in the 1920's. The whole Nation knew him as a doughty fighter for conservation in all its forms.

He served the Louisville Times for many years as a distinguished editor, and in his later days as editor emeritus. The Courier-Journal joined the Times and WHAS in honoring him through two continuing programs that bear his name. One is the Tom Wallace Fellowship, offered annually through the Inter-American Press Association for the exchange of young journalists between Latin America and the United States. (A better understanding between the Americas was one of his strongest causes.) The other program is the Tom Wallace Forestry Award. This prize goes each year to a Kentuckian resident who follows in his own farm and woodland operations the precepts Tom Wallace was tireless in preaching.

A keen and even ruthless fighter for principle and a man of tough integrity, Mr. Wallace was at the same time a person of cultivation, charm, and of a quiet but delightful humor. The papers with which he was so long and honorably associated join his State and his Nation in mourning him.

[From the Louisville (Ky.) Courier-Journal, June 6, 1961]

TOM WALLACE, 86, EDITOR EMERITUS OF TIMES, NEWSMAN 60 YEARS, DIES—RITES THURSDAY AT SHELBYVILLE

Tom Wallace, editor emeritus of the Louisville Times and a newspaperman whose influence extended beyond the confines of his own community, and continent, died at 1 p.m. yesterday. He was 86.

The internationally known writer and ardent conservationist was active in his post as editor emeritus until early 1959, when failing health forced him to curtail his regular visits to his office at Sixth and Broadway.

Wallace, a native of Crittenden County, died at his farm home at Prospect.

FUNERAL THURSDAY

The funeral will be at 10:30 a.m., Thursday, at the Shannon Funeral Home in Shelbyville. Burial will be in Grove Hill Cemetery there.

A newspaperman for nearly 60 years, Wallace became editor of the Times in 1930 and editor emeritus in 1948.

Earlier, he served on the Courier-Journal as an associate of Henry Watterson, about whom he delighted to reminisce. He made Watterson the subject of a widely quoted article in the Saturday Evening Post.

ON COURIER EDITORIAL STAFF

Wallace was one of the last close associates of the famed "Marse Henry," who had invited him, at 31, to become the youngest member of the Courier-Journal's editorial staff because Watterson wanted "the point of view of youth."

After Watterson resigned, Wallace left the Courier-Journal to become chief of the Times' editorial page. He held that post 7 years before becoming editor of the Times.

As a young man, Wallace worked as a Richmond, Va., bookkeeper for a short time, and also worked briefly with an ice company in Shelbyville and a tooth-powder factory in New York City.

At 26 he joined the Times as an unpaid police reporter because he "hated all kinds of business." After 6 weeks the old Louisville Dispatch offered him a salaried job.

He worked successively on the Dispatch, the old Evening Post, the Louisville Herald, and the St. Louis Republic before returning to the Times. He was the Times' Frankfort and Washington correspondent before becoming Watterson's aid.

Wallace attained international prominence, not only as an editor and conservationist, but as one of the foremost exponents of hemispheric solidarity. Concerning Latin American affairs he once wrote:

"I would like to see all our neighbors south of the Rio Grande and the Caribbean having complete confidence and trust in the United States."

TRAVELED WIDELY

And on an earlier occasion:

"The fault of American neighbors to be truly neighborly has been more ours than the Latin Americans'."

In his later years Wallace traveled widely in South and Central American countries and made their customs, politics, resources, and people the topics of numerous articles on the Times editorial page.

He was unanimously elected honorary president of the Inter-American Press Association in 1951 after his term as president expired.

In 1949 he won the annual award from the Americas Foundation for outstanding contributions to hemispheric amity and understanding.

WAS HONORED OFTEN

Four years previously he had received, for promoting Latin-American friendship, the Maria Moors Cabot gold medal from Columbia University's Graduate School of Journalism.

His contributions to Latin-American relations again were recognized in 1955 with the establishment by the Inter-American Press Association of the Tom Wallace-Louisville Times Scholarship.

Endowed by Barry Bingham, president of the Courier-Journal and the Louisville Times, the $2,500 a year scholarship is awarded annually for 3 years to Latin American or American journalists or graduate students of journalism.

HELPED SAVE FALLS

Wallace's travels and interests, however, were not confined to the Western Hemisphere. In 1909 he made a world tour as representative of a news syndicate. Later he visited Portugal and Spain for a special study of conditions there. His third trip to Europe was in 1947, when he visited eight countries at the invitation of the Carnegie Foundation.

As a conservationist, Wallace received countless awards. He was perhaps best known for his successful fight to prevent Kentucky's Cumberland Falls from being converted into a power dam. The power interests had almost solid support in the area surrounding the waterfall. Their spokesman urged that the proposed development would mean work and wages.

ACHIEVEMENTS MARKED

As spokesman for the conservationists, Wallace made numerous talks in favor of retaining the scenic beauty of the falls. When the site was converted into a State park, he was recognized as the leading figure in the victorious battle against defacing the scenic asset.

His achievements as a conservationist were marked by the establishment in 1956 of a Tom Wallace chair of conservation in the biology department of the University of Louisville.

Anonymous donors provided an endowment grant of $235,000 for the chair, believed to be the only one in the United States.

FOUGHT POWER DAMS

Wallace's enthusiasm as a conservationist was reflected also in his leadership of campaigns against stream pollution, for the preservation of forests, game and fish, and for the proper use of land and water assets.

Plans for multiple power dams in western national parks aroused his opposition and drew this comment from him:

"An agency of the Government wants to build multiple-purpose power dams in all Western national parks in which there is sufficient slant for water to move by gravity. One purpose is to give employment to the needy blind—to engineers who cannot see why everything should not be destroyed."

FRIEND OF THE FARMER

Another of his comments was:

"If I had my way, land and water use would be regulated in behalf of the unborn."

A farmer himself, Wallace was a friend of the farmer, an advocate of improved methods of using land, and a fighter against exploitation of the farmer by other interests.

Wallace customarily arose at 5 a.m. to do the chores on his 158-acre farm, tending his poultry and taking milk from his Jersey herd into town before going to his office.

At a meeting of the Izaak Walton League of America, which he had served as national president, he once said in an attack on stream pollution:

"A nation's economic strength and therefore its military strength is related to its use of land and water.

BORN AT HURRICANE

"Among the reasons for perpetuating land and streams is that every generation of boys and young men is entitled to the natural sports of preceding generations. But the Izaak Walton League's standing declaration of its aims is broader than that, and should be known by everyone who mistakes it for a fisherman's club."

His enthusiasm for conservation extended to nature's humblest creatures. He once stopped his car on a busy highway to help a turtle cross the road.

Named for Wallace are Tom Wallace Lake, in the Jefferson County Forest, and the Tom Wallace chapter of the Izaak Walton League.

Wallace was born November 26, 1874, at Hurricane, Crittenden County, Ky. He was the son of Tom and Mrs. Mary Stuart Dade Wallace.

Much of his early education was by tutors, but he also attended Sampson's Academy, Shelbyville; Weaver's Business College, Louisville, and Randolph-Macon College, Ashland, Va.

He married Miss Augusta French, Philadelphia, on February 23, 1910.

Mrs. Wallace died March 30. She was the daughter of Harry B. French, one of the partners in the pharmaceutical firm of Smith, Kline & French Laboratories.

Wallace is survived by a son, Henry F. Wallace, Prospect, formerly a Time magazine correspondent in Cuba; a daughter, Mrs. Edward Lyons, New York, and five grandchildren. Mrs. Lyons was a member of the Louisville Times editorial staff from World War II until April 1950.

The University of Louisville gave Wallace an honorary degree of master of fine arts in 1937. Two years ago he received the honorary degree of doctor of letters from the University of Kentucky.

He also received an honorary degree of doctor of laws from Cumberland University, Lebanon, Tenn., in 1942.

HELD MANY POSTS

In 1940–41 he was president of the American Society of Newspaper Editors. He was for several years president of the University of Louisville's International Center.

Wallace also had been an honorary vice president of the American Forestry Association, president of the Southern Forestry Congress, and secretary and vice president of the American Planning and Civic Association.

He served as a director of the Izaak Walton League, vice president of Natural Bridge State Park Association, executive board member of Mammoth Cave National Park Association, and board chairman of the National Conference on State Parks.

FOUNDED CONFERENCE

Wallace founded the Ohio Valley Regional Conference on State Parks. He was a former adviser to the National Park Service and an honorary member of the American Institute of Park Executives and the American Society of Landscape Architects.

He received awards for his conservation efforts from the Woodmen of the World, Sportsman's Club of America, and the U.S. Department of the Interior.

The Courier-Journal, the Louisville Times, and WHAS established the Tom Wallace soil and water, forest, and wildlife conservation contest in his honor.

GAVE GOOD ADVICE

Wallace belonged to the Arts Club, Filson Club, Louisville Country Club, and Kappa Sigma Fraternity. He was an honorary life member of the Kentucky Ornithological Society and an associate of the American Ornithologists Union.

The editor's older associates remember him for his helpfulness and sound advice to young newspapermen.

A novice reporter, interviewing him about one of his activities, pulled out a wad of copy paper and tried to record every word Wallace was saying.

"Don't do that," Wallace advised mildly. "You're writing instead of listening. If you'll just pay attention, you won't need any notes."

VIEWS HARD HITTING

The editorial page he conducted reflected his belief in short, hard-hitting discussions of events. He once told the Indiana University Journalism Conference:

"An editorial page without spunk is bunk. An editor can't be valiant in print and a valet at heart."

He also told them:

"When, or if, free speech, of which the editorial page is the symbol and the soul, is impinged upon ever so slightly by legislative processes, the lifeblood of democracy will begin to flow from the heart toward the earth."

A frequent speaker at conventions and other gatherings, Wallace was known for his succinct style of stating his beliefs.

The Democratic Women's Clubs of Kentucky once voted that Wallace "should never again be invited" to address the group. An independent in politics, he had said in a speech to the group that persons who are too party-bound injure their own party. The women later retracted their action.

SOME COLUMNISTS STINK

A believer in the obligation of the press to serve the people, he gave this opinion to a press group in Washington a few years ago:

"Some columnists serve the public and the press and some stink, and that is equally true of editors."

Wallace felt deeply about the newspaper's role as the watchdog—or alarm clock, as he put it—of society.

This is what he said to the students at Eastern Kentucky State College in June 1929:

"A few of us who are not seeking political office, are not obliged to consider what this or that corporation might say, insist upon speaking aloud in behalf of the generation and future generations on certain aspects and assets of Kentucky.

FUNCTION TO SOCIETY STATED

"By so doing, we hope to perform the function of one of the most disliked but most useful pieces of mechanism in the list of modern conveniences, the alarm clock."

One of Wallace's criteria for a successful editorial: "It should be no longer than a pencil."

Wallace retained his interest in contemporary affairs to the end. And retirement as editor was not really retirement for him, because until his final illness in 1959 he wrote a thrice-weekly column for the Times editorial page on a wide variety of subjects.

CUBANS FOR TRACTORS

Mr. MUNDT. Mr. President, my opposition and concern in connection with the so-called Cubans-for-tractors deal has been expressed several times on the floor of the Senate, and is generally known. But it seems to me this matter is now developing serious ramifications, even beyond those first envisioned; and certainly these developments vindicate the good judgment of our predecessors in Congress who enacted the Logan Act.

In the first place, we have all read in the newspapers that a Castro cable was sent to Walter Reuther. I suppose we should refer to him now as de facto Secretary of State Walter Reuther, since he is head of this new volunteer department of state which has been negotiating with Castro. There originally seemed to be some reluctance on his part to share with his fellow Americans the contents of the message he received. Therefore, I ask unanimous consent to have printed at this point in the RECORD—from the New York Times—what is said to be the unofficial context of the communication.

There being no objection, the dispatch was ordered to be printed in the RECORD, as follows:

TEXT OF PREMIER CASTRO'S MESSAGE ACCEPTING TRACTORS FOR PRISONERS

(HAVANA, June 7.—Following, in an unofficial translation, is the text of the message sent by Premier Fidel Castro last night to the United States Tractors for Freedom Committee.)

With all respect I want to tell you the following:

This committee has not taken any practical steps to carry the negotiations to a positive and immediate result.

The delay in the negotiations is only useful to those who need this time to carry out against Cuba a campaign as hypocritical and hateful as the rest of the criminal proceedings against our fatherland that have been carried out by forces organized, equipped, and managed by the Government of the United States.

The Revolutionary Government (of Cuba) has expressed with complete clarity its points of view about the question, while those who should have been the most interested in repairing their grave violations of international law and morality, and their great political and practical errors that led the United States into one of the most disgraceful episodes of its history, have only been zigzagging, pretending, and indulging in ambiguities.

UNITED STATES HELD RESPONSIBLE

The responsibility of the Government of the United States for the invasion of Cuba and for the deaths and destruction that it caused in our country is thoroughly known by world public opinion and recognized by the authors of the aggression themselves.

The only way to have avoided this embarrassing situation would have been respect for the sovereignty and integrity of our country, in conformity with the law of nations, large or small, and universal morality.

Cuba does not bear the blame, but only and exclusively the United States, for the maddening situation and the discredit that its policy of aggression against Cuba has created. It is also to blame for the fate of its mercenaries who launched themselves on an illegal and immoral adventure against Cuba.

Cuba has the right to impose exemplary sanctions on those who committed, against their own country, the crime of high treason, from the moment they acted under the orders of a foreign government, as the President of the United States himself has confessed.

It would be a grave error to interpret the gesture of Cuba toward liberating these prisoners except those responsible for previous crimes—with the sole condition that material damages be indemnified—as weakness, inhumanity, or negotiations of a material type.

WOULD RENOUNCE INDEMNITY

The Government of Cuba has indicated willingness to renounce all material indemnity if the U.S. Government will free, and ask its allies to free, an equal number of North American, Spanish, Nicaraguan, Guatemalan and Puerto Rican patriots who are jailed for fighting against fascism, racialism, colonialism, tyranny and imperialism. These allies are Francisco Franco of Spain, Luis Somoza, of Nicaragua, Miguel Ydigoras, of Guatemala, and Muñoz-Marin, of Puerto Rico, the last three being accomplices in the aggression against Cuba.

Neither the Government of the United States nor this committee has deigned to say a single word about the possibility of this real exchange—liberty for liberty—while, on the other hand, Cuba is willing to renounce all material indemnity if the United States and its partners are willing to renounce the desire to keep in jail Pedro Albizu Campos, Henry Winston, and other true patriots. They would be exchanged for an equal number of invaders who, in the inglorious and treasonable role of soldiers of exploiting monopolies, attacked their country with the escort of ships and planes of the powerful United States.

Your committee knows exactly the type and amount of the material indemnity Cuba asks, since this was given to you in detail by the delegation of prisoners. The Government of Cuba will adhere strictly to this without entering into a shopkeeper type of haggling.

It has become known that in the aggression against Cuba the Central Intelligence Agency invested $45 million, while the U.S. Treasury did not skimp a cent that would serve to destroy the lives of Cuban men, women, and children and cause great material damage to our country—which permits us to call ridiculous and disgraceful the attitude of those who oppose an indemnity for the material damages.

The raising and negotiation of this problem cannot be made only by cablegram, and it is better that a delegation should be sent to Cuba. In this there should be one of the principal members of the committee, preferably Mrs. Franklin D. Roosevelt or Milton Eisenhower, whose names, because they are better known in political spheres, would contribute to the solution of the matter.

If the committee is in the honorable position of being willing to mediate in this problem, without hesitation or timidity, it should send the delegation, which has been mentioned in previous communications, to deal with the Cuban Government either on the payment of the indemnity or the question of liberating an equal number of North American, Spanish, Nicaraguan, Guatemalan, and Puerto Rican prisoners.

Is the committee perhaps afraid to discuss the liberty of other men jailed for political motives in the United States, Spain, Nicaragua, Guatemala or Puerto Rico? Does not this type of case appear doubly humane?

The Cuban Government states with all clarity that in making these suggestions it is not following underhanded political aims and that it will not desist from its generous attitude.

Permit me to express to the members of the committee our thanks for its reiterated affirmations that it is acting on motives of human interest to demonstrate its friendship to the Cuban people.

Mr. MUNDT. Mr. President, I am sure that those who read the purported contents of the cable will find it to be both contemptuous and insulting—the kind of communication we might expect, I suppose, from such a Communist dictator to send to a volunteer committee attempting to negotiate with him.

Furthermore, Mr. President, I think Americans are entitled to know, at the time when an answer to that communication from Castro is sent, the complete contents of the answer. It is bad enough to have private citizens negotiating with foreign governments on international policy. To conduct such negotiations in secret would be indefensible.

I should like to point out that the next step in this sorry blackmail attempt is, we now find, that Castro has dictated the names of certain Americans with whom he has said he would be willing to talk.

Mr. President, since this sorry business has become official, and since the President has endorsed it and has said perhaps he can obtain the tax exemption which the committee desires, I believe the time has come when this matter should be made a matter of official U.S. policy and should be dealt with through the official U.S. diplomatic procedure, through our regular official diplomatic channels as provided by the Swiss Government in Havana. In my opinion, we should no longer permit having private individuals negotiate in so nonsensical a manner with the Cuban dictator who is attempting to subject our country to such insulting communications. In short, I suggest that if this matter is to be pursued—and I still hope it can be stopped—it should be conducted officially, by official representatives of the United States in an open and orderly manner. Unless the administration acts promptly and firmly to stop this volunteer adventure in high diplomacy with the treacherous Castro we may suffer even more humiliating and dangerous consequences than the serious repercussions already apparent.

Certainly the Logan Act was wise, because it was designed to prevent and preclude precisely the sort of thing which we see ventilated today in the U.S. press; the Logan Act was intended to prevent the operation of private negotiations of that sort.

I ask unanimous consent to have printed at this point in the RECORD some editorials which discuss this transaction.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Huron (S. Dak.) Daily Plainsman]

PAYING TYRANT'S TRIBUTE IS STUPID

"When we start paying tribute to a tyrant," asks Senator THOMAS J. DODD, Democrat of Connecticut, in the Miami Herald, "are we any longer the land of the brave?"

Another question that might be asked would be: "When we start giving means of further suppression to a tyrant, are we being humanitarians?"

Says South Dakota's own Senator KARL E. MUNDT: "No one challenges the good intentions of the so-called tractor committee, but certainly it must be apparent that little thought has been given by this group to the consequences of this reckless activity made in the name of humanitarianism.

"Every American has a right to question whether any consideration was given to the fact that by bowing to the demands of the Cuban dictator we probably would free 1,200 Cubans but at the same time give Fidel Castro the means by which he can tighten his stranglehold on many times the number we attempt to liberate and condemn them to the slavery of communism."

Falling for Castro's offer is but another example of how many soft-headed, indulgent Americans think they can buy their way out of any sort of trouble.

Of course, there are some big names behind the tractor deal, but America shouldn't be impressed by big names. Ofttimes they're no smarter than the rest of us and sometimes considerably dumber. One classic example is Jack Paar, a man who when he starts solving world problems, has taught millions the virtue of turning off TV sets early and going to bed. He's supporting the tractor deal, but he's been so wrong about Castro lo, these many months, that his advice should be worth exactly what it cost you—and he's not on pay-TV.

[From the Denver Post]

CAN'T SATISFY BLACKMAILER

We regret to see the President of the United States supporting the move by private American citizens to meet Cuban Dictator Fidel Castro's demand for 500 bulldozers in exchange for 1,200 of his prisoners.

Even though we understand the humanitarian motives of the President and the citizens' committee and sympathize with the difficult situation of the young men who wished to liberate their country, we believe the response is a mistake.

For Castro's demand is sheer blackmail; cruel, coldblooded, and characteristic of the forces who oppose us in the cold war.

If 500 bulldozers were all that Castro wanted, it might be wrong to give them to him under the duress of blackmail, but it might at least be defensible as a humane expedient.

But the first payment never satisfies the blackmailer. It merely confirms his judgment of the weakness of his victim, and his demands grow larger and more frightening. And it give other potential blackmailers food for thought.

[From the Pierre (S. Dak.) Capital Journal]

WRONG KIND OF BULLDOZER

In the name of Charles Cotesworth Pinckney, what in the world is happening to the stamina of the American people?

It was Pinckney, an American Ambassador to the French Republic which had just cut off the heads of its Bourbon royalty, who declared that the American people were prepared to pay "millions for defense, but not 1 cent for tribute."

Pinckney is long since dead but the slogan he provided survived until at least the early decades of this century when one American President sent warships into the harbor of Algiers with the ultimatum of "Pericardis alive or Raisula dead" in response to a demand for ransom, and another American President sent warships into the harbor at Vera Cruz with a demand for an apology for insolence. Unfortunately the spirit behind the slogan seems to have died in the mind of at least some Americans who are advocating meek acceptance of the insolent proposal of Fidel Castro to trade prisoners for bulldozers. We are in favor of sending bulldozers to Cuba, but we are in favor of sending the armored variety commonly referred to as tanks, and of shipping them on landing craft into Guantanamo Bay. We definitely are not in favor of sending a single machine of any kind which could be pointed to as a tribute wrested from a supine American people by the courage and valor of a Communist dictator.

It is time for the American people who harbor the delusion that it is possible to buy peace and friendship from blackmailers to learn that you can't do business with people who are dedicated to your destruction. As for Castro, he might reflect on the fact that a man named Eichmann, who once proposed to trade prisoners for trucks, is now on trial for his life by a people whom he had sworn to exterminate.

REQUESTS FOR COMMITTEES TO MEET DURING TODAY'S SESSION OF THE SENATE

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Judiciary Committee's Subcommittee To Investigate Juvenile Delinquency be permitted to sit during the session of the Senate today.

Mr. KUCHEL. Mr. President, objections to the holding of committee meetings during today's session of the Senate have been lodged with the acting minority leader. Let the RECORD show, therefore, that I object, on behalf of several of my colleagues.

The PRESIDING OFFICER. Objection is heard.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare be permitted to sit during the session of the Senate today.

Mr. KUCHEL. Mr. President, I make the same statement and the same objection.

The PRESIDING OFFICER. Objection is heard.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Committee on Aeronautical and Space Sciences be permitted to sit during the session of the Senate today.

Mr. KUCHEL. Mr. President, I make the same statement and the same objection.

The PRESIDING OFFICER. Objection is heard.

USE OF FOOD AND FIBER RESOURCES AS PART OF THE FOREIGN AID PROGRAM

Mr. HUMPHREY. Mr. President, in my discussions with representatives of the International Cooperation Administration and the Aid Agency, I have asked for particular information relative to utilization of our food and fiber resources as an integral part of our foreign aid program.

I have long felt that the State Department did not fully appreciate the asset we have in this abundance of food and fiber, as an instrument of U.S. foreign policy. Therefore, during the time when the reorganization of the foreign aid operations was underway, I registered considerable concern in regard to what was to happen to the food program and how it was to be managed under the Aid Agency. I discussed these matters with certain representatives of the ICA—with Mr. Labouisse and some of his deputies.

I hold in my hand a letter, dated May 25, addressed to me, and signed by Peter T. Jones, assistant to the Director, Mr. Labouisse. The letter is in response to a conference held in my office in the early part of May.

The letter reads in part as follows:

You mentioned that you would be interested in seeing some evidence demonstrating that the State Department Aid Agency complex would not be an obstacle to effective use of our surplus agricultural commodities in our oversea development programs. The following figures showing the increases the Aid Agency has programed for title I shipments in 1962 as compared to 1961 may be of interest in this connection.

Mr. President, I ask unanimous consent that the full text of the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INTERNATIONAL COOPERATION ADMINISTRATION,
Washington, D.C., May 25, 1961.

The Honorable HUBERT H. HUMPHREY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HUMPHREY: I want to thank you again very much for the time and help you gave Phil Claxton and myself the other day on various aspects of our foreign aid program. I not only learned a great deal, but thoroughly enjoyed it.

You mentioned that you would be interested in seeing some evidence demonstrating that the State Department/Aid Agency complex would not be an obstacle to effective use of our surplus agricultural commodities in our oversea development programs. The following figures showing the increases the Aid Agency has programed for title I shipments in 1962 as compared to 1961 may be of interest in this connection:

Sales of U.S. surplus agricultural commodities under sec. 402 and title I, Public Law 480

[Million dollars, U.S. export market value]

	Fiscal year 1961			Fiscal year 1962, title I, Public Law 480
	Sec. 402	Title I, Public Law 480	Total	
Bread grains	36.4	553.5	589.9	645.2
Coarse grains	15.2	40.4	55.6	46.9
Rice	3.0	57.4	60.4	49.8
Cotton	27.3	220.4	247.7	224.9
Edible oil and soybeans [1]	26.6	29.3	55.9	101.2
Other [2]	31.5	129.5	161.0	173.2
Total	[3] 140.0	1,030.5	1,170.5	1,241.2

[1] Including soybeans, which were not available under title I in fiscal year 1961, nor is it assumed that they will be available in fiscal year 1962.
[2] Including ocean transportation financed by the United States.
[3] In addition, triangular sales of $38,000,000 were arranged with 3 Western European countries.

Specific steps we are taking to increase the use of these commodities overseas were described recently by Herb Waters in his testimony before the House Agriculture Committee:

"We are placing food programing officers in several of our oversea missions. They will work with foreign governments and U.S. voluntary agencies in developing new programs or expanding existing programs to use American foods to combat hunger and contribute to development.

"Labor intensive works programs, which are supported either directly by the use of food for part payment of wages or by the use of local currencies derived from sales programs, will not only provide employment but can result in upgrading workers' skills. Labor and manpower specialists in our missions have been asked to pay particular attention to this aspect of the programs and to work with free trade unions in planning and sponsoring such programs.

"We are encouraging development and expansion of school lunch and child feeding programs, which may be undertaken in cooperation with other governments or in cooperation with U.S. voluntary agencies. We are actively exploring new ways in which to use food grants to stimulate economic development.

"We are already using the grant authority under title II of Public Law 480 to support programs which provide employment to the needy and contribute to economic and social development. We hope to use food and feed to assist in agricultural reform and resettlement programs. Food and feed can be provided to a farmer while he is in the process either of bringing new land into production or of changing his existing land use and livestock operations to more productive and desirable enterprises. We may be able to utilize U.S. feedgrains to help underdeveloped countries get started on developing livestock, poultry and egg industries to help meet the protein deficiencies so prevalent in many countries. Here again, our ability to provide technical help, as well as feed supplies, in planning and operating such programs will be invaluable."

Our agriculture products really represent one of the most important assets we possess in our efforts to bring the large majority of mankind out of the depths of poverty and into the sunlight of a decent life.

Thank you again for a most stimulating session.

Sincerely yours,

PETER T. JONES,
Executive Assistant to the Director.

Mr. HUMPHREY. Mr. President, I do this because I want the RECORD to be replete and filled with documentation as to the importance of the food and fiber resources our country possesses.

Yesterday, at the hearing of the Foreign Relations Committee, I said that the new foreign aid agency should not only look to the Commodity Credit Corporation surplus stocks, but also should look to the productive capacity of American agriculture, when it contemplates food and fiber programs for oversea uses. We should not predicate or base our food programs overseas on the temporary surpluses which may be in the possession of the Commodity Credit Corporation. We should base our food and fiber programs, as a means of aid assistance to other peoples, on the needs of those peoples and the capacity of our agricultural economy to produce.

I repeat—as I shall again and again—that the proper use of our food and fiber can be a tremendous asset in the foreign aid program of the United States.

The PRESIDING OFFICER. Is there further morning business?

UNITED STATES BUILDING INDUSTRY CAN HELP SOLVE HOUSING PROBLEM OF LATIN AMERICA

Mr. HUMPHREY. Mr. President, I ask unanimous consent that at this time I may make a statement in excess of the 3-minute limitation in the morning hour. I wish to speak on the housing program, and I wish to make this statement before the housing bill is laid before the Senate. I make this request because of the limitations on time and because of some accommodation to our colleagues. So I ask unanimous consent that at this time, I may speak for not to exceed 10 minutes.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

Mr. HUMPHREY. Mr. President, we are discussing important housing legislation which has been the pending business, and soon again will be the pending business. We hope to complete our action on this proposed legislation today.

I think it well behooves us to consider housing legislation not only in terms of our domestic economy, but also in terms of housing as it relates to our international commitments and our international opportunities and responsibilities.

I believe that the United States building and housing industry can help to solve a very serious problem in the field of housing, particularly in Latin-American areas.

I invite the attention of Senators to the general problem of housing, not only in our country, but in Latin America.

Some time ago a study was made by Mr. Anatole A. Solow, and published by M.I.T., whereby he estimated a shortage of 11.7 million dwellings in Latin America. To overcome this shortage over a 50-year period would require the construction of 235,000 new houses annually. To replace dwellings that are older than 50 years would require an

additional 332,000 units a year. The annual increase in population requires 727,000 dwellings, making a total annual requirement of 1.3 million houses. The current rate of construction is about 166,000 new dwellings per year, which leaves an annual housing deficit in Latin America of more than 1 million dwelling units.

When we talk about an effective program for Latin America, an Alliance for Progress, surely within that program of progress is to be included a program of dwelling units, housing facilities, housing units, as well as health protection, food and fiber, and general public works, the improvement of the public sector of the Latin American areas.

I emphasize that, whatever plans we have for this area, they must be big enough to do the job. Otherwise, the specter of Castroism will become not merely a shadow over Latin America, but can become the dark night of Latin American reality.

An investment of about $2 billion annually would be required to overcome this shortage. This amount is four times the $500 million aid to Latin America requested by the President, of which aid for housing represents only a small portion.

Although there is a large volume of literature concerning various aspects of economic development, little has been written about the specific role of housing. There is no question that the need for improved housing in underdeveloped areas is critical. But recognizing that housing is only one of many critical needs facing newly developing countries, economists typically have placed housing low on the list of investment priorities. It is argued that the limited funds which are available must be channeled into those activities making the greatest contribution to increased production. Housing is viewed essentially as consumers' goods, and as such competes with producers' goods for extremely scarce investment capital.

This narrow view of housing's role in economic development—which, by the way, is a view that has been held to date—although valid in some instances, does not apply universally. Improvement in living conditions is a goal of all developing countries and serves as evidence of economic advancement. But it can also serve as a means of achieving economic growth. Conditions may exist under which expanded housing can make a definite contribution to economic development. In some instances the construction of dwellings is required to house workers engaged in another development project such as a new manufacturing plant; in this case investment in housing is essential for the successful operation of the project. Improved housing can increase worker productivity by reducing illness and absenteeism.

Expansion in the housing industry, in addition to directly generating employment and income, helps to stimulate growth in related industries such as construction supplies and household goods; and some contend that the secondary effects are of greater importance than the direct effects. Home ownership or the possibility of home ownership can provide the incentive for increased private saving, important in stimulating capital accumulations, and it can provide a motivating force for greater individual productivity. Improved housing can serve as one method of spreading the benefits of economic advancement to a large number of people, thereby raising the general standard of living. In so doing, it can help to foster political stability.

Every one of these arguments is true on the domestic scene. I submit that the validity of the argument on the domestic scene surely lends truth to the validity of the argument on the international scene.

Mr. President, we have talked much of utilizing the surplus food and fiber of this country to meet the needs of the developing countries of the world. In light of the highly developed lumber, plywood, and other building materials industries in this country, the tremendous unmet needs in housing of the Latin American countries, and the great potential that the housing industry has as a stimulus to economic growth of any country, I should like to propose that the International Cooperation Administration make a detailed study of how the building materials industry in this country might best be used to help meet the great housing needs of Latin America. The ICA should call upon the cooperation and resources of other governmental agencies, particularly the Department of Commerce and the various lending agencies of Government. As a matter of fact, I am advised by the Department of Commerce that both they and ICA have been analyzing this situation.

I add that a proper use of building materials for housing programs in other parts of the world would have a tremendously favorable impact on the American economy.

Following the Chilean earthquake in May 1960, the Forest Products Division of the Business and Defense Services Administration, Department of Commerce, suggested to the building industry development of a home suitable for the devastated areas, which utilized lumber, plywood, and other United States building materials in its construction, to provide job opportunities within an industry with a pronounced labor surplus. Industry, after numerous consultations with Chilean housing authorities, developed two homes ideally adapted to the residents of Chile and competitive with any offered by third countries. The homes were extremely flexible providing many possibilities, among which were (a) prefabricated houses; (b) precut houses; (c) precut components, and (d) any combination of the foregoing desired.

There was an acceptance of design, materials, and price, and encouragement was received from many sources.

I want to make clear that building materials relates not merely to the use of lumber, but also the utilization of prefabricated building blocks and other building materials.

A Chilean corporation, interested in 600 prefabricated houses, expressed particular interest providing the U.S. industry would extend a 5-year credit similar to that available from the Scandinavians. Industry visited the Export-Import Bank, the Development Loan Fund, and the Inter-American Bank only to find that none of these organizations was authorized to assist. Many industrial groups are of the opinion that unless the authority of one or more of these agencies is so modified as to permit such financing, U.S. industry will continue to be severely handicapped in bidding for foreign business.

It will be my intention, during the markup of the foreign aid bill, to seek a modification in the authority of our lending institutions for oversea purposes.

Finally, Mr. President, let us have a major study looking toward a major program of utilizing American building materials as the catalyst for social and economic development in the underdeveloped countries of Latin America, also utilizing the indigenous, native building materials to be found in this country.

Imagine the awe-inspiring, heartfelt warmth that would be directed to those who provide protection from the elements, if we were to build houses, multiple dwellings, clean, sanitary, and dry living quarters for the hovel dwellers in our sister republics. This is not a new idea. There have long been voices raised to urge a greater concentration of our attention in the field of foreign aid toward the social and economic revolution abounding in the world. It is well to be concerned with the development of powerplants, manufacturing facilities, port improvements, and irrigation systems, but is it not equally important to be responsive to the immediate human demands for the population of these countries? These nations that are confronted with great and overwhelming shortages of both material and trained human resources are, not surprisingly, attracted by the radical solutions of communism that hold out the promise of higher standards of living.

We cannot expect any long-range practical improvement in the economic conditions of the underdeveloped countries unless there be political stability within these nations. And we cannot expect long-range political stability among any peoples who continue to be ill housed, ill clothed, ill fed. We must be bold enough to proclaim that henceforth we shall include as an integral part of our foreign aid program, enough of the natural resources that abound in our land, and in the land of those countries, and the manufacturing know-how to provide, at least, the very fundamental human needs of those crying out for assistance.

FREEDOM OF INFORMATION

Mr. FULBRIGHT. Mr. President, I have recently had an interesting exchange of correspondence with Mr. V. M. Newton, Jr., of the Tampa Tribune regarding freedom of information and other matters.

Mr. Newton sent copies of his letters to me to several newspapermen, at least some of whom have commented upon them in the press. In order that the complete correspondence may be in the public domain, I ask unanimous consent that Mr. Newton's letters to me and my replies be printed in the RECORD.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

JUNE 6, 1961.

Mr. V. M. NEWTON, Jr.
The Tampa Tribune, Tampa, Fla.

DEAR MR. NEWTON: I have your further letters of May 24 and May 30.

In my earlier letter of May 25, I think I said about all that can usefully be said on the problems you raise, and I am not sure that any useful purpose is served by prolonging this correspondence indefinitely. However, I feel impelled to set the record straight in regard to some points you raise in your letter of May 30.

It is simply not true that all records of the Federal Government are closed to public inspection.

It is not true that all Appropriations Committee meetings are held secretly. The Senate Appropriations Committee holds many public hearings every year. Furthermore, even in the case of secret meetings, most of the information elicited there is subsequently made public.

It is simply not true that the American bureaucracy never has accounted to the American people for one penny of the $75 billion in foreign aid funds which it has spent since 1945.

What bothers me most about your letter, however, is the thread that runs through it of distrust of politicians as a class. It seems to me that this leads to the kind of cynicism which has historically been destructive of democracy and free institutions. I am a politician and proud of it. If you or any other citizen disagrees with the policies I advocate or the actions I take, you are free to try to defeat me at the next election and replace me with another politician whose views you find more agreeable. But in any kind of a representative government, this has got to be done through political action, which necessarily will be led by politicians. If you reach the point of complete distrust of politicians as a class, I do not see how you can make a political system, which is based on political action, work.

As I have said before, I think certain agencies of this Government frequently try to keep secret things which should not be secret. But what bothers me even more is the fact that the large body of public information which is available to the press and to our people is not more widely disseminated, discussed, and understood.

The first notice I had of your May 30 letter came from a wire service which received it before I did. In order that our full exchange of correspondence may be widely available, I intend to insert all of it in the CONGRESSIONAL RECORD.

Sincerely yours,

J. W. FULBRIGHT,
Chairman.

THE TAMPA TRIBUNE,
Tampa, Fla., May 30, 1961.

Senator J. W. FULBRIGHT,
U.S. Senate Building,
Washington, D.C.

DEAR SENATOR FULBRIGHT: Thank you for your thoughtful letter of May 25. I agree in part and I disagree in part with your thinking on the matter of the apathy of the American people toward government.

Let me say at the outset that I regard you as by far the most brilliant Member of the U.S. Senate. Time and again I have quoted statements from your speeches in the Senate in my own speeches around the country. And I say sincerely that our country needs the application of your brilliant brain to this problem, which must be solved if we are to survive as a free country, and that is why I wrote you originally and am taking the time and trouble of these succeeding letters.

I agree with your statement that some of the confusion and bafflement of the American people can be attributed to the "bigness" of government which you say is "unavoidable." In 10 years, I have been unable to find a person either in or out of government who could tell me the exact number of departments, agencies, bureaus, commissions, etc. in Washington. I remember also that in 1957 the U.S. Senate declined to go along with the House of Representatives in a bill that would have forced the 5,000 advisory Federal bureaus to reveal their identities to the people and to keep public minutes of their secret meetings.

You state: "Nevertheless, this is by far the most open Government that has ever existed."

I cannot possibly agree with this statement simply because the facts belie it. The United States did have the most open Government up until the Roosevelt administration. Here are the facts today:

1. All records of the Federal Government, including those pertaining to the expenditure of the tax funds, are closed to the inspection of the American citizens who pay the tax funds.

2. Most actions and decisions of Federal Government are taken secretly and are revealed to the American people in the form of proclamations after the fact.

3. I made a survey of all Washington news carried on the national wires several years ago and discovered that better than 75 percent was based on pure governmental handout propaganda.

4. One-third of all congressional committee meetings, including all of the appropriation committee meetings wherein our Congressmen decide how the people's tax funds are to be spent, are held secretly. Much of the American people's major legislation is decided behind locked doors, with little restraint from public opinion, and then is railroaded through Congress with a minimum of debate.

You should know all this.

From 1955 to 1960 the Hennings committee in the Senate and the Moss committee in the House held countless public hearings and documented in hundreds and hundreds of pages the facts of the secrecy of the bureaucracy and the records of the expenditure of the taxpayer funds.

The appointed bureaucrats declined to give Congress the facts and figures on the expenditure of our foreign aid funds in 1959, and during the next 2 years the U.S. Senate declined to go along with the House of Representatives in an amendment that would have forced the bureaucrats to have given at least this portion of the records of Federal Government to Congress. I noted at the time in the CONGRESSIONAL RECORD that you participated in the Senate debate on this matter. And I might add that the American bureaucracy never has accounted to the American people for one penny of the $75 billion in foreign aid funds which it has spent since 1945.

The CONGRESSIONAL RECORD is sufficient documentation for the secrecy in congressional actions.

I am bothered a good deal about two particular matters in Federal Government. They are our defense secrecy and our diplomatic secrecy. No patriotic editor, of course, would want to reveal any secret that would help the enemy. In fact, the record of the American press in World Wars I and II and in the cold war is above reproach. Yet this security secrecy deprives the American people of their right of restraint upon their Governors in these two important matters. And I cannot help but wonder if this is the right thing, if an informed American public opinion, forcing our Governors along the path of righteousness and freedom, does not outweigh the danger of the enemy getting our defense secrets. After all, the lives of every man, woman, and child in America are at stake on these two important matters.

Since the close of World War II, the American bureaucrats have spent more than $600 billion of the people's tax funds, all in secrecy and with very little restraint from the people.

At the same time, Secretary of State Rusk today, just as his recent predecessors did yesterday, does not let his right hand know what his left hand is doing in our international affairs.

Let us see how this works. From 1945 to 1957, the American bureaucrats issued glowing propaganda handouts that decorated the Nation's page 1 to the effect that we were superb in the business of rockets and satellites. Then came Russia's sputniks, blowing our bureaucrats' propaganda into smithereens.

Furthermore, we came out of World War II the most powerful military force in the world's history. Yet in spite of the $600 billion which our bureaucrats have spent secretly on our defense since then, our military generals repeatedly have testified before congressional committees since 1957 that we are a poor second to Russia as a military power. I cannot help but ask, What goes on in Washington? And can the people, fed only propaganda, be anything but confused and baffled?

In the matter of our diplomatic relations, 50 years ago a President, King, or Emperor could sit in a secret meeting, decide to go to war, and, in most cases, only a professional army was involved. But today when the leader of a nation sits in a secret diplomatic meeting, one boo-boo could cost the lives of millions of citizens. And for this reason, I feel that some sort of restraint from the people should be exerted constantly in all diplomatic negotiations in which our country is involved. After all, the one great force of a free country is the pressure of an informed public opinion standing foursquare for freedom, and we are weakening our diplomatic negotiations badly when we rule out, through secrecy, this great force.

I agree thoroughly with your statement that "the press must take a large portion of responsibility for the people's lack of awareness about our situation in the world."

I cannot forget all the political rumbling over the Department of State's secret report on our declining world prestige in the recent presidential campaign. Why did the American foreign correspondents have to depend on a bureaucratic survey to discover and report to the American people our growing world unpopularity? Or did they lean too much on our ambassadorial handouts just as so many of our Washington correspondents lean heavily on bureaucratic handouts?

Why, also, didn't our foreign correspondents in Korea report to the American people on the corruptions of the civilian government there and on the preparations of the Korean army to revolt? Or did they, too, lean too heavily on the ambassadorial handouts?

Why, too, didn't the American correspondents in Cuba report to the American people on the inequities of the Batista government and on the terrible conditions among the people of Cuba? Or were they too busy cocktailing at the Ambassador's mansion?

So you see, the press has not been doing its job and you are entirely right in your statement.

But you are right also in saying that the politician, too, must share the blame. The whole Cuban mess is indeed disturbing and I can report to you that the apathy of the Florida people at least has been cracked wide open.

The people down here are mad as they can be over the great political fiasco of the Cuban invasion and they are bitterly against the plan of a group of politicians and ex-politicians, acting in the name of citizens and with the blessing of the White House, to pay the ransom of 500 bulldozers—or indemnity as Castro calls it—for the release of the 1,200 captured rebels in Cuban prisons.

Dozens of letters are pouring into my newspaper each day, 50 to 1 against the ransom, and organizations of citizens all over this area of Florida are passing resolutions against it.

If you will recall, immediately after the Cuban fiasco, President Kennedy announced to the country that he would take full blame for it. Shortly afterwards, our Washington bureaucrats began pointing the finger of blame at the CIA and still later this finger of blame shifted to the general staff.

A Senate committee held a secret hearing of the general staff and Senator GORE came out demanding the firing of General Lemnitzer, Chief of Staff. Other Senators said it was bad but not too bad and still others upheld General Lemnitzer. All of this, of course, was most confusing.

But the aroused Florida citizens are not singling out President Kennedy or the CIA or General Lemnitzer for their wrath. They are blaming all the politicians in Washington, including Congress, for the fiasco. And why shouldn't they?

Prior to the fiasco, all the key Democratic leaders ran around the country briefing all the key Republicans. They briefed former President Eisenhower. They briefed former Vice President Nixon. They briefed Governor Rockefeller of New York and even old Harry Truman out in Missouri. In fact, they briefed everybody but the American people, whom they apparently don't trust, even though the people are paying the salaries of all the political briefers and the political briefees.

Thus, by these actions, the American politicians clearly stamped the abortive Cuban revolution as an American political deal, with the American people left out of it altogether. And the argument that it must be done in secrecy so as not to alert Castro certainly didn't hold, for Castro apparently knew all about it, more than the American people; otherwise he would not have been able to repel it so easily. And the fact that the Senate committee held a secret hearing of the general staff, rather than letting the people have the facts, indicates to the people that Congress is on the side of the bureaucrats, even though it is elected by the people to uphold the rights of the people in our Washington government.

Wouldn't it have been far better for the American politicians to have taken the American people into their confidence and thereby have gone into the ill-fated Cuban venture with the support of an informed American public opinion?

Hasn't the time arrived in modern American history for the American politicians to cut the American people into the international game of politics, particularly so since the lives of every American man, woman and child are at stake?

Don't you think that the pressure of an informed American public opinion long since would have had an overwhelming effect upon Castro and the Cuban people under his domination?

Believe me, I will be most grateful for your comment.

Sincerely yours,

V. M. NEWTON, Jr.

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
May 25, 1961.

Mr. V. M. NEWTON, Jr.,
The Tampa Tribune,
Tampa, Fla.

DEAR MR. NEWTON: I have given some thought to the difficult questions you raise in your letter of May 11 about public apathy and public information.

It seems to me that the problem is more complicated than you present it. As I read your letter, your thesis is that the American people are so confused and baffled by their Government that, in effect, they lose interest in it and take refuge in a constant drive for more creature comforts. I would certainly be the first to agree that the Washington scene is frequently confusing and baffling. I would also agree that this is to some extent due to the American Government itself (particularly because of its bigness, which is to a large degree unavoidable) and to the American politician.

But to put all the blame here, and particularly to single out secrecy in government, strikes me as gross oversimplification. I take it you would agree there are many things in government which should be secret. I agree there are many things which the Government attempts to keep secret which should not be secret. Nevertheless, this is by far the most open government that has ever existed. From the outside, it may appear murky, but I can assure you that from the inside one gets the feeling of being in a goldfish bowl.

There is, indeed, an enormous quantity of information which is freely available to the public but which never receives wide circulation, presumably because the press does not regard it as news. In all frankness, it seems to me that the press must take a large portion of responsibility for the public's lack of awareness about our situation in the world.

It seems to me also that a large share of the responsibility must be taken by our public school systems and our colleges and universities.

I do not think much is to be gained by quarrels among Government officials, newspapermen, and educators as to where the greatest portion of the blame lies. The important thing is for all of us, each in our own sphere of responsibility, to try to make the people aware of the basic choices which must be made by the United States as a Nation. These choices have to do not only with our basic position in the world, but also with our scale of values in our own lives at home.

Sincerely yours,

J. W. FULBRIGHT,
Chairman.

P.S.—I might add that you should not overlook the fact that these politicians whom you blame so much got to Washington only by the votes of the people—the same people who complain. They know these politicians personally, at least they do in many cases. Why do they send such inferior specimens to Washington to represent them?

THE TAMPA TRIBUNE,
Tampa, Fla., May 11, 1961.

Senator J. W. FULBRIGHT,
U.S. Senate Building,
Washington, D.C.

DEAR SENATOR FULBRIGHT: I was in Johns Hopkins Hospital at the time of your very fine speech of April 20 before the American Philosophical Society at Philadelphia.

Now I am back at my desk and as chairman of the National Freedom of Information Committee of Sigma Delta Chi, the professional journalistic society which has 16,000 publishers, editors, newsmen, and newscasters as members, I would like to comment on it.

In your speech, you deplored what you called "public apathy and unconcern" while the United States "is clearly undergoing the gravest test of its history."

You further said that the American people have been preoccupied with "bigger cars, bigger parking lots, bigger corporate structures, bigger farms, bigger drugstores, bigger supermarkets, bigger motion picture screens" but have been unable or unwilling to "identify themselves with something as vast as the United States."

As a working editor of the free American press, who comes in contact with a large number of free American citizens, I agree in general with your speech. But I do not agree with your criticism of the American people. I have found countless good American citizens who are deeply interested in the well-being of our country and our Government and would like to have a part in it but one and all are so confused and baffled by the Washington scene that they have turned their attention elsewhere. I blame the American Government and particularly the American politician for this.

During the last 25 years, the American bureaucrat has draped an airtight curtain of censorship and secrecy over all the records of the Federal expenditure of the billions of the American people's tax funds. Ignorance, of course, breeds apathy, and there can be no doubt but that the American people are ignorant of the true facts of their Government.

At the same time, Congress more and more has made its decisions on the important matters of American Government behind the locked doors of the so-called executive sessions of its committees, which are nothing more than secret meetings. Because of this, many of the major laws and programs have been railroaded through Congress with a minimum of public debate.

By far the greater part of news out of Washington today consists of propaganda handouts or "leaks" designed to benefit the politician. Virtually none of the cold facts of our diplomatic business has been given to the people until after the fact, and in some cases this has been of disastrous nature.

In the matter of our diplomacy, we have a combination of "diplomacy by secrecy" and "diplomacy by proclamation." How can you expect a free and intelligent people to follow blindly a government by proclamation? That is the way the Communists operate. We can't beat them on their field at their game. But we can beat them with the big weapon of a free government which is an informed public opinion with its pressure on world opinion. Take, for instance, the following:

1. The diplomatic events that led to the isolation of Berlin in the middle of communistic territory.

2. The diplomatic events that led to the Korean war and what many people believe, the useless loss of American lives.

3. The loss of Poland.

4. The loss of China.

5. The mess of Formosa.

6. The mess in Laos and surrounding area.

7. The decline of American popularity throughout the world, even though, through hard-earned tax dollars, the American people have given something like $75 billion to their neighbors in foreign-aid funds during the last 15 years.

8. The whole mess surrounding Cuba and Latin America.

These are only a few of the major events and nobody can blame the American people for these tragedies. These all resulted in the secret confines of the American bureaucracy and, in some cases, all the facts have not even been given to the American people today, although the events happened years ago. The American people were not informed

of the facts at the time and thus an informed public opinion, which is both the lifeblood and the safeguard of free government, never was exerted in any of these events. An informed public opinion is the greatest and, next to armed power, the only effective weapon of a free people in diplomatic relations with other people. Yet the American politician, through his secrecy, has elected to ignore this great weapon of free government not only in relationship with the Communist nations but also in relationship with the free world. He has effectively cut the people out of a part in the people's business with the rest of the world.

Out of all this, the American politician in Washington is gradually segregating himself as a separate entity, solely responsible for the secret diplomatic decisions of Government. And the American people, barred from the facts at the time because of the politician's secrecy, are left helpless and confused, particularly by the propaganda handouts and leaks for the benefit of the politician.

There are, of course, certain dangers in the prompt informing of a free people, yet I sincerely believe that an informed American public opinion, standing foursquare for the great principles of American freedom, certainly would be the most effective and powerful force in the world and would offset any dangers. Actually, an uninformed American public opinion, not supporting and not interested in the actions of its politicians, is an even greater danger to free government.

All of this, sir, disturbs me no end.

I will be most grateful for your views.

Sincerely yours,

V. M. NEWTON, Jr.

AUTHORIZATION FOR JUVENILE DELINQUENCY SUBCOMMITTEE TO MEET DURING SESSION OF THE SENATE

Mr. DIRKSEN. Mr. President, the Subcommittee on Juvenile Delinquency has witnesses who wish to appear before it. They have come from as far away as California. The request of the subcommittee to meet this morning was caught in my objection to committees meeting today. However, I do not want to see these witnesses who have traveled so far terribly inconvenienced. Therefore, with respect to the request of the distinguished Senator from Connecticut [Mr. DODD], there is no objection on my part to that subcommittee meeting this afternoon during the session of the Senate.

Mr. DODD. I am grateful to the distinguished minority leader. I renew my request that the Subcommittee on Juvenile Delinquency be authorized to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

STOCK OPTION TAX PROVISIONS

Mr. GORE. Mr. President, a constituent has sent me a copy of an article by a Mr. Malcolm S. Forbes which appeared in the May 15 issue of Forbes Magazine. This article is headed "Fact and Comment," and takes me to task rather severely for proposing that corporate executives no longer be allowed to make large profits by way of restricted stock options.

I might say that Mr. Forbes' article is long on comment and somewhat short on fact.

Mr. Forbes does not quote anything I have said on this point, but he states:

> There is no tax evasion involved—as the Senator inferred.

Now, I did not infer anything, nor did I imply anything. I stated facts, and I now state without equivocation, as I have on many occasions, that the corporate executive who makes a profit from restricted stock options, a profit which is in the nature of compensation and has no bearing on true capital gains, pays taxes only at the capital gains rate of 25 percent rather than at the ordinary income rate which he should pay. The ordinary income rate, of course, varies with the total taxable income, and may run up to 91 percent on the marginal income of the individual concerned. Also, no tax is assessed when the option is exercised, although at that time a real and tangible profit is realized.

Furthermore, if the corporate executive holds the stock until his death, no income tax of any kind is ever assessed against the gains he made on the transaction.

Mr. Forbes knows, I should think, what the law provides relative to the taxation of the profits made from restricted stock options. Nevertheless, after taking me to task, accusing me of being "irresponsible," he went on to advance his own arguments in favor of restricted stock options.

He said:

> Options enable large corporations to hold on to exceptional men who might otherwise be tempted to leave and start their own businesses.

All I can say is that any such move by corporate executives would be highly beneficial to the whole country. It might cut down on some of the price fixing and other sorry practices which we have recently seen exposed.

It is amusing that this argument should be advanced. Most of those who have written to me in disagreement with my position—and they are few—have argued just the reverse. They claim that the restricted stock option is the only device which enables small business to compete with big business for qualified executives. Both arguments cannot logically be valid.

His other argument in favor of restricted stock options is that—

> Stock options serve a valuable purpose in corporate democracy. Without stock option plans, the economic cards would be stacked entirely in the favor of those who already possess capital and against those who manage it.

This is the most ingenious argument I have heard recently. Corporate democracy, indeed. What kind of corporate democracy does Mr. Forbes have in mind? Does he not know that the managers now control our corporations, sometimes for the benefit of the stockholders, but often for their own benefit?

With large salaries, pension plans, delayed compensation, fringe benefits, and special "consultant" arrangements after retirement, it would appear to me that the managers are taking very good care of themselves without more stock options.

Instead of tax gimmicks to make millionaires out of corporation managers, let us try to achieve some semblance of tax equity, without which our whole system will, sooner or later, be under severe stress.

I ask unanimous consent that the article to which I have referred be inserted at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FACT AND COMMENT

(By Malcolm S. Forbes)

DO EXECUTIVE OPTIONS BENEFIT STOCKHOLDERS?

Ever since Congress passed a bill in 1950 to make the present system of executive stock options possible, the practice has been a matter of some controversy. Last month options were dragged into the arena again by Senator ALBERT A. GORE, Democrat, of Tennessee, a perennial critic of executive stock options. Senator GORE, in fact, introduced a bill to ban them. In so doing he claimed options were unfair both to stockholders and to taxpayers. He called options cutrate bargain purchases for highly compensated executives.

The Senator earned a certain amount of publicity from his blast, but it is highly questionable—to say the least—whether his criticism was based either on sound logic or on sound facts. For one thing, the Senator chose a rather tough target. He deliberately drew a bead on International Business Machines Corp. and its new 150,000-share option program. His shot went very wide of the mark.

In the first place, IBM's option program is something of a model for executive option plans. IBM options, for example, are granted at 100 percent of market price at the time of their approval, whereas the law permits them to be written at 95 percent of the going price. IBM's options cannot all be exercised at once by any one optionholder but only in installments over a period of 10 years. Hence, the options cannot readily be used for speculative purposes. And, while there is a considerable amount of money involved (the present option program eventually will bring around $70 million into IBM's treasury), the whole thing involves a dilution of less than half of 1 percent of outstanding common shares.

But IBM's option program aside, GORE's attack on the whole system was rather irresponsible. Certainly there is no tax evasion involved—as the Senator inferred: Any profit that is taken on the options is taxable at the full 25-percent capital gains rate. Nor did he come up with any evidence to back his contention that options are unfair to stockholders. All the evidence is quite to the contrary. Options enable large corporations to hold on to exceptional men who might otherwise be tempted to leave and start their own businesses. In this highly taxed age, high salaries are no substitute for equity participation.

Moreover, it is a fact that stock options serve a valuable purpose in corporate democracy. Without them, few of today's professional executives could accumulate even a modest estate for the protection and education of their families. Without stock option plans, the economic cards would be stacked entirely in the favor of those who already possess capital and against those who manage it.

And, in the last resort, no one can honestly say that stock options give something for nothing. Unless the company that grants the options flourishes, options have

no value. The top officials of such ailing companies as the Pennsylvania Railroad can attest to that. Some years ago the Pennsylvania granted some 80 options on almost 659,000 shares of its common at $21 a share to executives. As of now the options are of no tangible value to the optionholders. Nor will they ever be unless management can sufficiently reverse the railroad's fortunes so as to increase the price of the stock. If they succeed in this monumental task, it would be an ungrateful stockholder who would begrudge his management's sharing, to at least a small degree, in the fruits of its success.

OUR SPACE PROGRAM

Mrs. SMITH of Maine. Mr. President, one of the greatest privileges I have had as a U.S. Senator has been to serve on the same committee with Senator STENNIS, of Mississippi. We serve together on the Appropriations Committee, the Armed Services Committee, the Aeronautical and Space Sciences Committee, and the Preparedness Investigating Subcommittee. There is only one other Senator, who serves on all these committees—the senior Senator from New Hampshire [Mr. BRIDGES].

Senator STENNIS has been the chairman of several subcommittees on which I have served—and firsthand I have seen him in action. He is truly a leader. And as I stated in a lecture at the National War College this year, he is the man to watch in the years ahead on the direction of military policy in the U.S. Senate.

Recently on June 2, 1961, he delivered an address to the Mississippi Press Association in Biloxi, Miss. It is one of the finest statements I have ever read. It is practical—but yet it is fascinating. It is a message that should be repeated throughout the Nation. In fact, I expect to plagiarize it myself.

But to get the full impact of it, one must read and reread it. Because of this, I commend it to every Member of the Senate and the House of Representatives and I ask unanimous consent that it be printed in the RECORD so that it may be read and we can all profit from the wisdom and information in it.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

OUR SPACE PROGRAM: WHERE ARE WE? WHAT SHALL WE DO?

(Address of U.S. Senator John Stennis)

President Wilkes, Mr. Harris, members of the Mississippi Press Association, and other friends, I am delighted with and grateful for the privilege to be with you tonight to share with you the friendship and fellowship of this special occasion. At the request of those in charge of your program, I speak this evening on the future development as well as the significance of our space program.

Eleven years ago when I became a member of the Senate Armed Services Committee, our front striking power was the old propeller-driven B-36 bomber, with its maximum speed of 270 miles per hour. The decision then to be made was whether to spend additional money and equip our bomber fleet with jets. To do so cost a lot of money. But, suppose we had not? We would now have a fifth-rate Air Force. A few years later, the decision was whether to put in the intercontinental ballistic missiles at a further enormous cost. But, again, suppose we had not? We would be an early and easy prey to an aggressor.

Now, the decision is whether we shall go on with our space program in an affirmative way and move forward in the exploration and development of outer space. When a man can be sent in orbit around the earth at 18,000 miles an hour with the precision of a Swiss watch movement, and then is brought back to earth without injury or even so much as a severe jar, the idea of a man in space, or weapons in space, is no longer a theory.

Suppose we do not move ahead? In all probability, the nation that dominates the earth 10 years from now will dominate it through space. I expect to back the development of our space program to the limit, as I have done in past years when I was among those urging greater support for the program, particularly its military phases.

Tonight, I raise these questions regarding our space program: Where are we now? In what areas do we excel? In what areas are we lagging? Why? What shall we do?

Already in this decade our scientists and technicians have made a daring leap forward—clear out of the earth's atmosphere and into space itself.

We have reached the first and most important plateau in the efforts of the free world to explore outer space for peaceful as well as military purposes—Commander Shepard's suborbital flight—a part of the way around the world at 18,000 miles an hour.

We have been handed the tools of science to explore outer space. Our work has just begun.

I will not belabor the point that we started 4 years too late in our missile and space development programs. And, further, once we did start, we proceeded with no sense of urgency to bring the programs to early fruition.

Facts revealed to us in congressional testimony show:

We could have orbited a satellite in 1956—1 year before the Russians.

We could have impacted the moon with a 100-pound payload in August of 1957, 2 years before the Russians, had we used the Redstone booster instead of concentrating on the Vanguard.

We could have achieved the suborbital flight of man in 1959 had we heeded the Army's advice to approve Project Adam in late 1957 and early 1958.

We could have started earlier and proceeded much faster with the clustering of our rocket engines, instead of waiting until now to speed up the Saturn program which will give us 1.5 million pounds of thrust or more.

We could have started earlier and proceeded full speed with the F-1 single engine which can be clustered later on to give us up to 10 million pounds of thrust.

In June 1959 the Army made a comprehensive study and proposal to put the first U.S. citizen on the moon in 1965, and to set up a permanent manned outpost there in 1966. This study, known then as Project Horizon, will no doubt be used to give us a headstart on the present plan to put man on the moon as fast as possible.

Not only lack of money but the lack of firm decision held our scientific and technical community in check.

Mistakes are valuable only in retrospect.

We must not assess blame, but we must face the facts. We are behind the Russians in many areas of space exploration. And this is tied directly to our lack of adequate rocket power—the power to pitch great weight beyond gravity.

One reason for the lag in rocket thrust was our success in producing lightweight nuclear weapons which required no great rocket power to put them on target.

Another reason is that the possibility of firing nuclear weapons from spaceships to targets on the earth was not anticipated.

Today, the Soviets probably approach this capability and we do not.

Now, the decision has been made to really explore space. The first step will be to expedite our efforts to explore the moon, and later, to land three men there and bring them back.

I believe that the making of this decision is the greatest breakthrough since the orbiting of Sputniks I and II.

This gigantic enterprise will involve the whole Nation and will cost many millions of dollars, but it will leave us with a technology and science that will be felt throughout the world. The doing of the work to accomplish such a feat is equally as important as the feat itself.

Our efforts to reach the moon are not an end in itself, but merely the beginning of even greater space accomplishments to challenge our talents.

Briefly these steps are involved:

First, we will send an unmanned satellite around the moon to gather photographic data. Then, we will send a manned spacecraft around the planet to gather additional data. And, finally, we will attempt to land the manned spacecraft and return it to earth.

The problems are astronomical—not the least of which are the methods to be employed for sustaining human life in the spacecraft for a period of several weeks or more.

The forming of a national decision on space is comparable to the decision we made regarding the airplane after World War I.

At what stage would our aircraft development be today if a decision had not been made to go forward? Furthermore, where would our Nation be today?

Without the benefit of our airpower through the years, we would exist today only as a satellite nation—if at all.

We can stay out of the technology of space only at the risk of the free world.

Weapons today are intercontinental in nature, and those instruments of destruction already on the drawing boards will shrink the globe even further.

The measuring spoon of our success in space exploration is the cooperation of our civilian and military scientists and technicians unbound by past traditions, unbound by skepticism, and unbound by lack of support from the American people.

The United States has started important programs on the application of satellites to the particular affairs of business and everyday life—and with complete success. These applications include weather forecasting, communications, and navigation. Here we excel greatly.

The successful launching of two weather satellites, TIROS I and II, are aiding us to understand the basic atmospheric changes which produce our weather. These satellites, still orbiting the earth, hold the possibility of weather prediction far beyond present methods. This will benefit agricultural production at a level never before dreamed.

The launching of a third Tiros will coincide with the hurricane season and will bring us closer to the day when we can change the course of hurricanes and tornadoes and provide rain for arid and parched regions, thus materially increasing the food production of the world.

This third weather satellite will give photographs to the Weather Bureau of impending storms—all of which may bring the possibility of killing such fierce storms in their infancy.

This alone, we are told, would more than pay the cost of all space explorations to come.

Transit, the navigation satellite, with expected improvements, holds the promise of

a revolutionary land, sea, and air navigation system. The ultimate goal is instantaneous, accurate positioning through the use of inexpensive radio receivers. Think for a moment the great boon this will be to our commercial shipping and cruise liners and to our military forces at sea.

Further, the age of space communications is near. And when it arrives, it will have as great an impact on our lives as the telephone, the radio, and television.

We have already successfully launched the Echo satellite, now in orbit, from which radio beams are still bouncing. From this development will flow even more sophisticated satellites capable of handling telephone conversations as well as transmitting radio and television signals to any part of the globe. The Department of Defense and the National Space Agency will spend upward of $100 million this year to develop such a satellite system.

In addition, 10 European nations have formed a Space Club, with its first and foremost project to develop and orbit a communications satellite.

RCA, A.T. & T., General Electric, International Telephone & Telegraph, Lockheed Aircraft, General Telephone & Electronics Corp., and others are all actively participating and spending their own funds in developing and operating a communications satellite system.

It is estimated that 3 million oversea telephone calls were placed in 1960. These will increase to 21 million in 1970, and to 100 million in 1980. Such a communications satellite system could handle this number and more—and at a fraction of the present cost.

The cost of this system, I am told, would be liquidated within 10 years.

It is estimated that by 1965 we will doubtless be receiving from London and Paris great volumes of news through the communications satellite system. It is possible that American publishers could send an entire facsimile edition of their morning paper to the capitals of the world.

I believe the day will come when one man, one program, can be seen and heard simultaneously in living rooms around the world.

The eyes and ears of radio and television upon the earth will foster understanding, not suspicion; cooperation, not frightened isolation; free exchange of knowledge and not mutation. Who can estimate this change?

And while all these programs involve vision, they are far from visionary. Unless we accelerate these programs, today's superiority can only too easily become tomorrow's inferiority.

Let me caution that space technology will eventually become the dominant factor in determining our national military strength.

Space is the new "high ground" in the military sense.

I find it difficult to separate the civilian and military aspects of space exploration. In fact, whoever controls space controls the world.

I am concerned about the Soviet ability to launch a space vehicle from an already orbiting satellite—as in the case of their recent Venus probe.

To me, this has great military implication. The feat adequately conveys to me the eventual ability of the Soviet to launch missiles from an orbiting platform to destroy earth targets.

Because of great rocket power, the Soviets can pitch 7 tons or more into orbit, giving them a space vehicle sufficiently large to house an appreciable amount of nuclear weapons plus sophisticated equipment.

Their space satellites, therefore, can be large enough to carry conventional instrumentation such as guidance and control mechanisms, and other necessary electronic parts.

Because our rocket power is limited, we must miniaturize all instruments and rely heavily on expensive ground facilities to reach our objectives.

In the next few weeks we will begin static or stationary tests of a prototype of the great F–1 engine. This single-chamber engine will generate some 1.5 million pounds of thrust and, in a cluster of eight such engines, may well become the first stage of the rocket that will put our first space ships on the moon before this decade ends.

There are other major phases where we excel.

We must not overlook the fact that man will always play an important role in the defense of our Nation, as well as in the exploration and development of outer space. His ability to use his intelligence, his education, his training, and other talents to make sound decisions in the light of changing conditions and environment will always be needed—and, in fact, can never be replaced by a machine.

Our efforts in the X–15 and Dyna-Soar programs are a recognition of this fact.

The X–15, a manned rocket which operates in a space-equivalent environment, has established a new altitude record of 32 miles, and a new speed record of 3,140 miles per hour. This height put it over more than 99.9 percent of the earth's atmosphere. This speed—over 3,100 miles per hour—was approximately 4½ times the speed of sound.

The Dyna-Soar is a project for a manned boost glide vehicle with an ultimate capability for global range and orbital flight. Once he has reentered the atmosphere, its pilot will have full control at a speed of about 15,000 miles per hour and he could return to the airbase of his choice.

Machines can never supersede the eyes of man.

The President's decision to proceed "full speed ahead" has called us before the klieg lights of the world—and our success in the venture will have worldwide impact.

From the Jinny to the Jet, and from Kitty Hawk to Cape Canaveral we have always succeeded in marshaling our talents and our financial resources to accomplish the task before us.

The President has asked for an extra $7 to $9 billion over the next 5 years to accelerate our space efforts, including an additional $679 million for the year starting July 1.

I will support this accelerated program as I have supported our space efforts over the last several years, when I have been among those who pushed for a larger program.

The common threat of destruction that hangs over all men in this atomic age and through the continuation of the cold war may be the force that unites us in entering a new decade of progress—a new era in which mankind pioneers the most exacting period of all history.

The task ahead is a difficult one, but not an impossible one.

It will require determination and sacrifice.

It is a task worthy of the American people—an opportunity and a challenge which, once they know the facts, they will be eager to accept.

It is a task which the fourth estate can help perform.

As descendants, lineally and spiritually, of the men who founded this Nation on a pledge of "their lives, their fortunes, and their sacred honor," to preserve their heritage, the American people will pledge no less now.

The PRESIDING OFFICER (Mr. HICKEY in the chair). Is there further morning business? If not, morning business is closed.

HOUSING ACT OF 1961

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Senate resume the consideration of the housing bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota?

There being no objection, the Senate resumed the consideration of the bill (S. 1922) to assist in the provision of housing for moderate- and low-income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes.

Mr. CLARK. Mr. President, I call up my amendment identified as "6–1–61—M" and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 59 it is proposed to insert the following:

FELLOWSHIPS FOR CITY PLANNING AND URBAN STUDIES

SEC. 315. There is hereby authorized to be appropriated not to exceed $500,000 annually, for a three-year period commencing on July 1, 1961, to be used by the Housing and Home Finance Administrator for the purpose of providing fellowships for the graduate training of professional city planning and urban and housing technicians and specialists as provided below. Persons shall be selected for such fellowships solely on the basis of ability. Fellowships shall be solely for training in public and private nonprofit institutions of higher education having programs of graduate study in the field of city planning or in related fields (including architecture, civil engineering, economics, municipal finance, public administration, and sociology), which programs are oriented to training for careers in city and regional planning, housing, urban renewal, and community development. The Administrator shall, in the administration of this section, consult with, and secure the advice of, the Department of Health, Education, and Welfare.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield.

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. CLARK. I yield to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, how much time is there on the amendment?

The PRESIDING OFFICER. Twenty-five minutes on each side.

Mr. CLARK. Mr. President, I withdraw in favor of the Senator from Ohio, with the understanding that I shall not lose my right to the floor, for the Senator to speak on his own time.

The PRESIDING OFFICER. Who will yield time to the Senator?

Mr. LAUSCHE. We can charge the time to the opponents of the amendment.

Mr. CLARK. Charge the time in opposition. Mr. President, I ask unanimous consent that the Senator from Ohio may have charge of the time in opposition to the amendment.

Mr. KUCHEL. Mr. President, reserving the right to object, I wish to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KUCHEL. Under the unanimous-consent agreement, who has control of the time in opposition to amendments?

The PRESIDING OFFICER. The majority leader has control of the time in opposition, if he is opposed to the amendment; otherwise, the minority leader has control of the time.

Mr. SPARKMAN. Mr. President, I am not opposed to the amendment. Therefore, the control of time should go to some Senator who is opposed to the amendment.

Mr. KUCHEL. Mr. President, I am inclined to think that the distinguished Senator from Indiana [Mr. CAPEHART], the ranking minority member of the committee which wrote the bill, may be opposed to the amendment. At any rate, I should like to exercise the right of the acting minority leader to control the time in opposition. If that is agreeable, I shall be glad to yield 5 minutes to the able Senator from Ohio.

Mr. LAUSCHE. Mr. President, I desire to make a parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator from California yield 5 minutes to the Senator from Ohio?

Mr. KUCHEL. Mr. President, first I yield to my able friend the acting majority leader [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, so that there may be no further misunderstanding about the time to be controlled by the majority leader, when the majority leader is not present, the time will be under the control of the Senator in charge of the bill [Mr. SPARKMAN].

Mr. CLARK. And in the absence of both, could it be under the control of the proponent of the amendment?

Mr. HUMPHREY. It could be under the control of the proponent of the amendment, if that is agreeable to the manager of the bill.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. LAUSCHE. Mr. President, it is my understanding that under the unanimous-consent agreement only those amendments which deal with subjects germane to the substance of the bill are competent for consideration.

The PRESIDING OFFICER. The Senator is correct.

Mr. LAUSCHE. Mr. President, the bill before the Senate is a bill which deals with housing, both in a private and public capacity. The amendment of the Senator from Pennsylvania proposes the authorization of the expenditure of $500,000 for use in scholarships connected with the education of city planners. I challenge the germaneness of the amendment of the Senator from Pennsylvania.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. LAUSCHE. It is my contention that scholarships have no relationship to the housing problem. The substance of the bill deals with construction and the providing of finance. It seems to me the committee, when it released the bill, omitted the subject of scholarships under the preliminary thought that such subject properly belonged in a scholarship bill and not in a housing bill.

I now yield to the Senator from Pennsylvania.

Mr. CLARK. Before the Presiding Officer rules I should like to have the Parliamentarian and the Presiding Officer consider one fact.

Mr. President, I yield myself 2 minutes.

I invite the attention of the Parliamentarian and the Presiding Officer to the fact that the title of the bill is: "To assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes."

A substantial amount of testimony was taken in the hearings in connection with the fellowship proposal. The fellowship proposal has been included in earlier housing bills brought to the Senate from the Committee on Banking and Currency. The amendment is entirely germane to the bill, and I ask the Presiding Officer to rule accordingly.

Mr. LAUSCHE. Mr. President, I repeat that I cannot understand how we can connect the subject of education with the subject of housing. The object of the bill is to develop within the country housing of a private and public capacity. The subject of education of persons who will scientifically deal with the problem is one of a completely different category. It may have been included in previous bills, when germaneness was not properly applicable.

As I understand the rules of the Senate, a rule of germaneness does not apply; but at this time, by consent, it has been declared that only those amendments which are germane to the subject of the bill shall be considered.

Mr. CLARK. Mr. President, will the Senator yield for a question?

Mr. LAUSCHE. I yield.

Mr. CLARK. I ask the Senator whether he believes, as a former mayor of Cleveland who established the city planning commission of that city, that city planners are not only desirable but also necessary in order to promote orderly urban development?

Mr. LAUSCHE. I submit that planners are executors of urban development, but the subject of education still is separated tremendously from the subject of housing.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. LAUSCHE. I will yield in a minute.

When one speaks of education one speaks of one thing, and when one speaks of housing one speaks of something entirely different. I submit that though such items may have been included in previous bills it was permissible because the rule of germaneness did not apply. The rule of germaneness does apply to the amendment at this time.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. LAUSCHE. I should like to ask the Senator a question. If the amendment is germane, what amendment would not be germane?

Mr. CLARK. A civil rights amendment.

Mr. LAUSCHE. A civil rights amendment?

Mr. CLARK. That is the purpose of having a germaneness section in the unanimous consent agreement, as the Senator well knows.

Mr. LAUSCHE. When one speaks of public housing, if one offered an amendment which would prohibit occupancy by all people equally, does the Senator claim that such an amendment would not be germane?

Mr. CLARK. In the Senate I think it would not be. In committee I think it would be.

I should like to ask my friend a question.

Mr. LAUSCHE. I think the civil rights amendment would be germane with far greater force than the amendment which the Senator from Pennsylvania has offered.

Mr. CLARK. Will the Senator answer a question?

Mr. LAUSCHE. Yes.

Mr. CLARK. Would the Senator tell our colleagues whether he agrees, first, that the title of the bill includes the promotion of orderly urban development; and second, whether he agrees that city planners promote orderly urban development?

Mr. LAUSCHE. Yes; but we still get back to the basic proposition that we are dealing with institutions of higher learning and education.

If the bill were applicable to city planners, scholarships for doctors, engineers, and financiers could be provided. There would be no scholarship of any character that could not be included under the bill if the theory of the Senator from Pennsylvania were sound. We could promote orderly urban development, including the training of sociologists and persons versed in the prevention of disease. There is no profession that would not come within the terms of the bill. I am not willing to submit that the rule of germaneness goes in that direction.

Mr. SPARKMAN. Mr. President, is it necessary for time to be yielded for the purpose of such debate, or would the debate be outside the allotted time?

The PRESIDING OFFICER (Mr. HICKEY in the chair). Under the usual rules of the Senate, it is usual for the proponent of an amendment to use his normal time under the unanimous-consent agreement before an objection is raised and the objection is ruled on, if he cares to utilize that time.

Mr. SPARKMAN. Mr. President, it seems to me that when a question of germaneness is raised, it is similar to a parliamentary inquiry or any question of that kind, and there ought to be the right of appeal from the ruling of the Chair. Senators ought to be able to speak to the question without the time being charged to the bill or to the amendment.

At any rate, I should like to propound a unanimous-consent request. I ask unanimous consent that I may be permitted to speak to the question without the time being charged to either side.

The PRESIDING OFFICER. Is there objection?

Mr. KUCHEL. Mr. President, reserving the right to object, I believe the able Senator from Alabama has a point. Though I rely on a faulty memory, my recollection is that when unanimous-consent agreements have been entered into in the past, provision has been made in the unanimous-consent agreement itself for consideration of parliamentary questions. Am I correct in my understanding?

The PRESIDING OFFICER. Under the procedure, appeals from the decision of the Chair are allotted time in the same manner as time is allotted in the case of an amendment. But the debate on the point of order is at the discretion of the Chair.

Mr. KUCHEL. When the Chair makes the statement "debate on the point of order is at the discretion of the Chair," does the Chair mean that in the discretion of the Chair the time will be allocated by the Chair and not under the unanimous-consent agreement?

The PRESIDING OFFICER. Under the usual rules the Chair is permitted to entertain debate so that he can inform himself on the question presented.

Mr. KUCHEL. Under those circumstances I wonder if the Senator from Alabama would proceed to speak if the Chair would indicate that he desires to be enlightened by the counsel of my able friend from Alabama.

Mr. SPARKMAN. I am a little too modest to suggest that I might enlighten the Chair. But, in accordance with the statement of the Chair, I was under the impression that time was not chargeable against the allotted time because the question as to whether the Chair will or will not hear any Senator, or the length of time that he will hear him, is wholly within the descretion of the Chair. Therefore, I have always been under the impression that the question was completely within the control of the Chair, and that the time used would be subject to control by the Chair and not by the allotment of time to the proponents and the opponents in connection with the pending amendment.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SPARKMAN. Mr. President, I address myself briefly to the question. It has been pointed out by the distinguished Senator from Pennsylvania that a large portion of the bill deals with urban redevelopment and slum clearance. A great deal of it has to do with providing housing in suitable areas of the type necessary to take care of persons who have been displaced by governmental action.

Throughout the hearings testimony was adduced as to the shortage of trained people available to aid the cities and towns to do the necessary planning.

I invite attention to the fact that the basic law, which is carried forward in the bill, requires a town, a city, or a region to have a workable plan before it can qualify for the benefits provided in the bill. It would be most exceptional for a small town of a few thousand people to have the personnel capable of building up a workable plan. Such planning would require the knowledge of someone who has been trained in city planning, town development, land utilization, and related subjects.

As has been stated, we have had such a provision in previous bills, and we certainly felt that it was germane.

The Senator from Ohio has said that the amendment deals with institutions of higher learning. It does so only incidentally. It deals with an effort to provide trained personnel to aid in the orderly development of community facilities, redevelopment, slum clearance, and the establishment of workable plans. All those subjects call for trained personnel; and the fact that to secure the necessary training one must attend a school or some institution of learning is wholly incidental.

The suggestion may be made that there is no provision in the bill regarding schools and institutions. I hope the Parliamentarian will listen to this point, because I think it is important. The bill provides for a research program for the Housing and Home Finance Agency and its component parts. Certainly it is contemplated that undoubtedly we will use according to the testimony, schools, colleges, and foundations for carrying on research.

Certainly the bill has as much connection with schools, colleges, and institutions of higher learning as does the provision about which we have spoken. In each instance it is incidental because the core of the question, in the case of research, is to learn new methods and new materials and to find out what is going on. In the other case the object is to obtain trained personnel to enable proper planning.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. SPARKMAN. Yes; I yield.

Mr. CLARK. The Senator will recall that a substantial section of the bill deals with college housing. That, I believe, is education.

Mr. SPARKMAN. Of course, that is directly educational, but it has no relation.

Mr. CLARK. The Senator also recalls, does he not, that the bill contains a section dealing with urban renewal in connection with colleges and universities.

Mr. LAUSCHE. I believe the argument is pretty tenuous.

Mr. SPARKMAN. We are seeking trained personnel to carry out the intent of the bill, which is to establish better housing, aid in urban development, and aid in the planning of areas. We deal with mass transportation in one provision of the bill. Certainly that subject requires the most careful planning, and we shall need trained personnel. The proposed provision simply would make it possible for us to have such trained personnel. I submit that the objection of the Senator from Ohio ought not to be sustained.

Mr. LAUSCHE. Mr. President, I desire to reply to the Senator from Alabama.

The PRESIDING OFFICER. Does the Senator from Pennsylvania wish to use the remainder of the time allocated to him before the point of order is raised?

Mr. CLARK. I understand that I have that right, but I do not wish to insist upon it, because if the point of order is sustained I shall reluctantly be required to appeal from the ruling of the Chair. I do not want to take the time of the Senate to argue the amendment, which may never come to a vote on its merits. I shall waive my right under the rule to use the remainder of my time before the point of order is ruled on.

Mr. LAUSCHE. Mr. President, the Senator from Alabama points out that the bill deals with research studies to be made in the urban redevelopment program, and since there is an authorization to make research, he argues, the granting of scholarships that relate to research work can be made.

I cannot follow that argument. Scholarships in institutions of higher learning constitute a subject completely disengaged from the authorization to do research work. The Senator from Alabama points out that the orderly development of an urban community would imply the hiring of city planners. With that I agree. However I respectfully submit that we are required to do things in an orderly way in the Senate. If this subject, providing scholarships, had been introduced as a separate item, it would have gone to the Committee on Health, Education, and Welfare. It deals with education. It would have gone to that committee, not to the Committee on Banking and Currency.

Having been included in the bill without a germaneness restriction, the committee had the authority to deal with it, but with the consent agreement requiring germaneness I suggest it is not proper.

The Senator states that the bill deals with railroads. That is one of the vices of the bill. It covers the whole gamut of operations—railroads, urban development, slum clearance, public housing, scholarships. That is one of the reasons that I suggest that the challenge I make becomes increasingly more important. The bill should never have included all those items. The railroad people came before the Committee on Commerce. On that committee there was opposition raised to the subsidy. It was shifted over to the Banking and Currency Committee. I was amazed to find that it had been removed from the Commerce Committee, when the railroads were asking for a subsidy. How far can we go in stretching the term "germaneness?"

Let us get down to this point. Since railroads are included, is it germane to authorize scholarships for the learning of engineering and firing and braking and the development of communications? Since there is slum clearance in the bill, is it germane to develop scholarships for teaching health and sanitation officials? Since it includes urban planning, it is argued that the granting of scholarships for the development of planners is germane. Of course in the amendment it is stated that the teaching of sociology to architects and finance men and municipal managers is ger-

mane to planning. The bill contains a half dozen items on the basis of throwing a bit of bait over here, a bit of bait into this column, and a bit of bait over there, in the hope that it will accumulate and the bill be carried. I submit that if the bill for scholarships were submitted alone it would be referred to the Committee on Health, Education, and Welfare. That is where it belongs.

I respectfully accept the arguments of the Senator from Pennsylvania and the Senator from Alabama, but I suggest that the finely spun theories that they advocate would make germane any subject that anyone can possibly conceive of to the bill pending before the Senate.

I submit my case to the Chair.

The PRESIDING OFFICER. The Chair is prepared to rule. In the opinion of the Chair the key word is "fellowship." On the advice of the Assistant Parliamentarian, it would be well to call attention to the fact that in some of the matters heretofore considered by the Senate, such a parity legislation, where specifics were included, such as peanuts and corn, on an amendment pertaining to cotton, for example, when it was attempted to be offered to such a bill, the ruling of the Chair has been that the amendment would not be germane to the bill. Therefore, because of the fact that in the Chair's opinion the key word is "fellowship," and there is no reference to fellowship in the bill, the Chair rules that the amendment is not germane.

Mr. CLARK. Mr. Chairman, I appeal from the ruling of the Chair.

Mr. KUCHEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KUCHEL. The appeal which has been taken from the ruling of the Chair is subject to debate, I understand.

The PRESIDING OFFICER. That is correct; 30 minutes to a side is allowed.

Mr. KUCHEL. I wish to ask my able friend if he intends to ask for a yea-and-nay vote on his appeal.

Mr. LAUSCHE. The Senator from Ohio intends to do so.

Mr. KUCHEL. The reason why I ask the question is that my colleagues on the minority side will have concluded their deliberations, I assume, in another 10 minutes. Therefore, while I am glad to have a little fellowship take place in our Republican luncheon, I am nevertheless constrained to have my leadership on the floor when this matter is discussed. Under those circumstances, I ask unanimous consent that I may suggest the absence of a quorum, without the time being charged to either side.

Mr. MANSFIELD. I have no objection to the suggestion of the absence of a quorum, but I would suggest that the time be charged to the time on the bill.

Mr. KUCHEL. Mr. President, I suggest the absence of a quorum, with the understanding that the time be charged to the time on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The Legislative Clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, I withdraw my appeal from the ruling of the Chair.

Mr. MANSFIELD. Mr. President, I express the hope that at some future time the Senator from Pennsylvania will consider offering such an amendment as he has in mind, because I think it has great merit. I think that at the right time and in the right place it can be given the consideration which I believe is its due.

Mr. LAUSCHE. Mr. President, does the Senator from Pennsylvania contemplate offering the amendment in connection with the pending bill?

Mr. CLARK. No.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. SPARKMAN. Mr. President, I have an amendment to offer, but I must say, in frankness, that I have not discussed it fully with the Senator from Indiana [Mr. CAPEHART]. However, I understand that the Senator from Michigan wishes to offer an amendment.

Mr HART. Mr. President, I call up my amendment designated "6-7-61—A" and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 13, between lines 10 and 11, it is proposed to insert the following:

(d) Section 223 of the National Housing ing Act is amended by redesignating subsection (b) as subsection (c), and by inserting after subsection (a) the following new subsection:

"(b) Nothwithstanding any of the provisions of this title and without regard to limitations upon eligibility contained in section 221, the Commisisoner may in his discretion insure under section 221(d)(3) any mortgage executed by a mortgagor of the character described therein where such mortgage is given to refinance a mortgage covering an existing property or project (other than a one- to four-family structure) located in an urban renewal area, if the Commissioner finds that such insurance will facilitate the occupancy of dwelling units in the property or project by families of low or moderate income or families displaced from an urban renewal area or displaced as a result of governmental action."

On page 70, between lines 2 and 3, insert the following:

(c) Such section is further amended—

(1) by striking out in subsection (a)(7) the words "section 903 or section 908 of title IX" and inserting in lieu thereof "section 220, 221, 903, or 908"; and

(2) by striking out in such subsection the words "insured under section 608 or 908".

Mr. HART. Mr. President, the amendment is offered jointly by the distinguished junior Senator from Ohio [Mr. YOUNG] and the junior Senator from Michigan. I am sure the Senate has previously heard amendments described as minor. If they were adopted later, they were considered as major in scope. I think that without tongue in cheek I may describe this amendment as a minor amendment.

It is the understanding of the junior Senator from Ohio and myself that the sweep of the amendment would be very narrow, but in the areas affected it would be most helpful. The amendment is intended to allow existing nonprofit housing in urban renewal areas to be refinanced under the new long-term, low-interest-rate financing mechanism which is provided in both the Senate and House bills. It is my understanding that the Housing and Home Finance Agency enters no objection to the inclusion of this language.

Further, it is my understanding that only 32 multifamily, nonprofit projects have been insured under section 221. So even conceiving that all sought to persuade the commissioner, at most only 32 would be included.

The distinguished Senator from Alabama [Mr. SPARKMAN], the chairman of the subcommittee, has not had the fullest opportunity, I fear, to consider the amendment, although the Senator from Ohio [Mr. YOUNG] and I tendered it to him in draft form late yesterday. It is our hope that the Senate will agree to the inclusion of this language. It is our understanding that the bill as reported to the House did include the language.

I shall be glad to reply to any questions.

Mr. LAUSCHE. Mr. President, will the Senator from Michigan yield?

Mr. HART. I yield.

Mr. LAUSCHE. The Senator from Michigan has said there are 32 housing units or organizations which could avail themselves of this provision if it were included in the law. Is that correct?

Mr. HART. They are in the category of those made eligible to apply. The Commissioner would have to determine whether they should be permitted to participate. But under this language they would be eligible to make application.

Mr. LAUSCHE. If they did apply and if the applications were granted, what advantages would they obtain, over and above those now available under existing financing?

Mr. HART. It is our understanding that the terms would be reduced; the problem is as simple as that.

Mr. LAUSCHE. In other words, the interest rate would be reduced?

Mr. HART. Yes.

Mr. LAUSCHE. Would the amortization period be lengthened?

Mr. HART. I believe the latter also would apply, yes. The principal obligation would not be disturbed.

Mr. LAUSCHE. Is the interest rate, as it now exists, rather uniform as to the 32, or does it vary?

Mr. HART. I am not able to answer that question, but I assume that the rate varies. However, I speak out of complete ignorance as to that.

Mr. LAUSCHE. If the proposed advantage were made available to these units and if that principle were then adopted, would there be other debtors to the U.S. Government who could say, "We want to be released from our higher

rate of interest under our existing agreements, and we want to be granted the lower rate of interest provided in this measure."

Mr. HART. None other than the 32 that the Housing and Home Finance Agency indicates have qualified and are operating under section 221.

Mr. LAUSCHE. The Senator from Michigan does not know the interest rate they now pay?

Mr. HART. I regret that I do not know it.

Mr. LAUSCHE. But if they were allowed the advantages of the present bill, what would the interest rate be?

Mr. HART. Under the terms of the present bill, it would be below the market rate.

Mr. LAUSCHE. Can the Senator's aide help in providing some idea in regard to what the difference in the interest rate would be—whether one-half of 1 percent or 1 percent, for example?

Mr. HART. I am advised that the rate would be about 5¼ percent, for a nonprofit operation under section 213.

Mr. LAUSCHE. Let me repeat the question: If we permit these 32 companies to take advantage of this proposal and thus procure a lower interest rate than the one they are now paying, are there other borrowers and debtors who later would be able to say, "You made this law available to these 32; and now we, as individuals, want it made available to us."

Mr. HART. I think we should make very clear, in supporting this amendment, that our intention to have this kind of consideration granted results solely from the character and the nature of the 32 undertakings.

These are not typical or traditional commercial enterprises. The sponsors of this amendment have no intention, by proposing the inclusion of this language, to broaden the invitation, so as to invite others to participate.

Mr. LAUSCHE. Conceding that to be a fact, suppose the others were to say, "Our interest rate under our existing obligations is 1 percent higher than the rate you are charging these new borrowers, and we want our interest rate reduced."

Mr. HART. If I correctly understand the question, I reply by stating that this is not a proposal which would reduce the rate in futuro, for a new borrower. It is to apply the lower terms to the existing 32, or to so many of them as in the judgment of the Commissioner merit it—so many of the existing 32 as are financed under the existing section 221.

Mr. LAUSCHE. I have no further questions.

Mr. CAPEHART. Mr. President, will the Senator from Michigan state exactly what the amendment is limited to?

Mr. HART. It is to allow existing, nonprofit housing——

Mr. CAPEHART. Nonprofit?

Mr. HART. Yes; to permit existing nonprofit housing in urban renewal areas to be refinanced under the new financing mechanism provided in the pending bill.

Mr. CAPEHART. Does the Senator from Michigan mean at a lower rate of interest?

Mr. HART. Yes.

Mr. CAPEHART. In other words, under the existing law, as it may be affected by the proposed act?

Mr. HART. That is correct.

Mr. CAPEHART. Is it limited to urban renewal projects?

Mr. HART. Yes.

Mr. CAPEHART. It seems to me that, as written, the amendment is much broader than that.

Mr. HART. Assuredly it is not our intention to make it broader than that.

Mr. CAPEHART. Can the able Senator from Michigan give us an example of exactly what he wishes this amendment to do?

Mr. HART. Yes. I cite a case that is of concern to the junior Senator from Ohio. As I understand, an urban renewal housing project in a suburb of Cleveland has brought this question to our attention. It is a housing development financed under section 221; and if this amendment were adopted, it would then be in position to apply to the Commissioner for a reduction in the terms of its obligation—not with respect to the principal, but for a lower rate of interest and an extension of time; and, by so doing, several of the ventures—nonprofit in all cases; these are community-housing projects—might be in a position to improve materially the condition of their surroundings; but the maintenance of the obligation under which they now operate imposes a very great difficulty on them.

Mr. SPARKMAN. Mr. President, will the Senator from Michigan yield to me?

Mr. HART. Certainly.

Mr. SPARKMAN. I have consulted with some of those in the Housing and Home Finance Agency; and I am told that the amendment is satisfactory to them, and that it does cover groups already FHA insured and operating wholly within urban renewal areas, and is not wide open, as was first thought. So I am willing to accept the amendment. I do not know whether it will be in the House version of the bill. If it is not, and if there should be a desire to draft different language, we could do so in conference.

Mr. ROBERTSON. Mr. President, I hope the chairman of the subcommittee will not go any further than the bill already goes in setting precedents to do unsound things.

This amendment is not one for a sound program. It is an invitation to others to request the same type of privilege. This bill has already gone very far in that direction. It contains provisions for many new things—for example, for the 40-year, no-downpayment arrangement, and for reduced interest rates, for those who have not been displaced by Government action; and it reserves $50 million of grants for mass transportation in cities from the $2,500 million authorized for urban renewal. The total lacks only a few hundred million dollars of being as much as the total amount we have authorized over as long as 24 years for the same housing programs; and the bill contains provisions for many new things. So we should not go further than we already have gone.

Mr. SPARKMAN. Let me say to the chairman of the committee that I am told by officials of the Housing and Home Finance Agency that this amendment really covers a few properties upon which the FHA already has the insurance. I think some of the properties lie in Detroit, and perhaps one is in Cleveland. I understand there are only two or three, all told. The FHA officials inform me that this amendment would allow them to deal with a difficult situation in connection with properties on which they already have insurance.

Mr. ROBERTSON. That in itself would not be objectionable. But what assurance do we have that this does not set a precedent that will be expanded later and get us into great difficulty?

Mr. SPARKMAN. It is limited to properties the FHA has already insured, and it is limited to properties wholly within urban renewal areas. That field cannot be expanded very much. Certainly, it is within the discretion of the FHA as to which properties would be covered. It gives the FHA a little flexibility in handling the property.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. LAUSCHE. I read the language of the proposed amendment, and it states that:

> The Commissioner may in his discretion insure under section 221(d)(3) any mortgage executed by a mortgagor of the character described therein where such mortgage is given to refinance a mortgage covering an existing property or project (other than a one- to four-family structure).

To me it means that the Commissioner will be permitted to refinance every loan except those dealing with one- to four-family structures.

If he can refinance, at a reduced rate of interest, all loans other than on one- to four-family structures, on what theory of equity will we later deny the application of a loan on one- to four-family structures if persons come before Congress and ask for such relief?

I am following up the statement of the Senator from Virginia, in which he said that the precedent would be established for others to come to Congress and ask for similar treatment.

Mr. HART. Mr. President, I think a proper reply might be that this is a manageable and controlled area, for, at most, 32 categories. I have no idea of how many would be included in one- to four-family structures, but, as a manageable limitation, I think we can justify the inclusion of, at most, 32 types. We can properly take the position that we cannot go up to 32,000, or whatever number the addition would be.

Second, I want to make clear that it is the intention of the offerers of the amendment, the Senator from Ohio [Mr. YOUNG] and myself, not to permit this provision to be applicable to other than FHA-insured property in an urban renewal area.

Unless we understand that, we are talking about a large barrel of apples. But restricted as it is, I think adequately, by definition, and clearly by this discussion in the RECORD, I would hope that the distinguished chairman of the subcommittee might be able, in discussion with the House Members, to insure against any broad application, and yet make available to any 1 of these 32 nonprofit undertakings which, in the judgment of the Commissioner, qualified, the opportunity more easily to adjust to its obligation.

Mr. SPARKMAN. Mr. President, will the Senator yield to me?

Mr. HART. I yield.

Mr. SPARKMAN. I have a copy of the original amendment. I do not have the printed amendment, but I think the Senator can find what I am referring to. In the second paragraph, where there is reference to section 221(d)(3) it reads:

> Any mortgage executed by a mortgagor of the character described therein where such mortgage is given to refinance a mortgage.

I wonder if the Senator will modify his amendment to this effect: After the word "mortgage," the last word I read, insert the language "insured under this act and covering an existing property."

That would definitely make it clear it was property already insured by FHA that was included. I know that is what he intends.

Mr. HART. That is clearly our intention. We accept the modification.

Mr. SPARKMAN. It would make sure that FHA would be insuring its own property.

Mr. YOUNG of Ohio. Mr. President, will the Senator yield?

Mr. HART. I yield.

Mr. YOUNG of Ohio. I am sure that suggestion should be accepted.

Mr. HART. We are glad to do so.

Mr. LAUSCHE. Mr. President, if the Senator will yield, I want to see if I understand clearly what is meant here.

In line 5 of the amendment on page 2, in parentheses are the words "other than a one- to four-family structure."

My question is, Is it contemplated to exclude one- to four-family structures from the benefits of this proposal? Am I correct in that understanding?

Mr. SPARKMAN. That is my understanding.

Mr. HART. That is our understanding.

Mr. LAUSCHE. Next year if owners of one- to four-family structures come before Congress and say, "You reduced the interest to the 32. In justice, you ought to reduce it to us. We are no different from these other 32 for whom you reduced the interest rates," how will we answer that question?

Mr. HART. As I have indicated, the only reply I can suggest at the moment is that the proposal offered by the Senator from Ohio [Mr. YOUNG] and myself is, even assuming the 32 projects persuaded the Commissioner they should be given the benefits of this provision, it would be a sound limitation. I assume if the one- to four-units were included, short of a wild guess, no one could predict the number, and clearly it would serve to undermine the many other worthy undertakings provided for in the measure. We take the position that this is a manageable exception, and will be defensible, when, as the Senator from Ohio has suggested, a year from now, other representations will be made.

This is a judgment I would much prefer the committee to make, but so far as the Senator from Ohio and I are concerned, we feel it is meritorious.

Mr. LAUSCHE. I fear that a precedent will be established whereby in the future those who have one- to four-family structures under FHA will say, "I am a citizen of this country. You have reduced the interest for 32. Why do you not reduce it for us?" I do not see how the Senator is going to answer that question.

Mr. SPARKMAN. Mr. President, did the Senator modify his amendment?

Mr. HART. I did. The Senator from Ohio [Mr. YOUNG] may wish to make a comment.

Mr. SPARKMAN. In order to make certain, Mr. President, I wish to make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SPARKMAN. Has the amendment been modified?

The PRESIDING OFFICER. It has not been. Will the Senator send the modification to the desk?

Mr. HART. The language suggested by the Senator from Alabama is acceptable. We ask that the amendment be modified in that regard. That would appear on line 4, page 2, I believe.

Mr. SPARKMAN. Mr. President, may I state the proposal?

Mr. YOUNG of Ohio. It is agreeable to me, Mr. President.

The PRESIDING OFFICER. Will the Senator send the modification to the desk?

Mr. SPARKMAN. May I read it, please, Mr. President?

In line 4, page 2, after the word "mortgage" insert the words "insured under this Act and".

Mr. HOLLAND. Where the word "mortgage" appears the second time?

The PRESIDING OFFICER. The word appears twice.

Mr. SPARKMAN. Near the end of the line, after "mortgage," insert the following words: "insured under this Act and".

The PRESIDING OFFICER. Without objection, the amendment is so modified.

Mr. LAUSCHE. Mr. President, I wish to have the RECORD show that I am of the belief this will be the beginning of serious complications in future years. I cannot become convinced that we shall be able to resist the demands of the one- to four-family mortgagors when they come to ask for a reduction in interest. They will argue, "In the new bill you have given a reduced rate of interest. Our rate of interest should be reduced." I do not believe we shall be able to say no to them. For that reason I should like to have the RECORD show that, in spite of the fine purpose of the sponsors of the amendment, I think a dangerous precedent will be created and the floodgates will be thrown open for serious complications in the future.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. HART. I yield to the Senator.

Mr. HOLLAND. I am sure there was a reason, so may I ask the reason for the omission from the amendment of the smaller structures covered by the words "other than a one- to four-family structure".

Mr. HART. It is my impression that the displacement of so many persons concentrated in these 32 nonprofit housing ventures would create such a compelling, and I assume appealing, picture that the proposal is aimed to include only up to those 32. The difficulty of refinancing in several of these cases, in order that moneys be released to improve the general community atmosphere of these very large housing projects, is the reason behind the offer and the reason for the restriction.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. HART. We are talking about projects, rather than a one- to four-family group.

Mr. HOLLAND. The words relating to exemption from the coverage of the amendment, as I read them, are "other than a one- to four-family structure". It does not say "project".

My second question is: Are there any such smaller structures within the 32 projects to which the Senator from Michigan has referred and to which his amendment is directed?

Mr. HART. It is my understanding that the word "structure" in this field has become a word of art and refers, really, to projects.

I am advised there are not, as such. These are multifamily structures.

Mr. HOLLAND. Does the Senator mean to advise the Senate there are no small structures, one- to four-family structures, in the 32 projects which he intends to cover by the amendment?

Mr. HART. I am in a position to respond only by saying it would be a very rare exception if that were the case.

Mr. HOLLAND. I thank the Senator.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SPARKMAN. Mr. President, I yield back any time allotted to me.

Mr. HART. Mr. President, I yield back my remaining time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. HART], for himself and the Senator from Ohio [Mr. YOUNG].

The amendment was agreed to.

Mr. CAPEHART. Mr. President, for myself and the Senator from Utah [Mr. BENNETT] I call up amendment 6-1-61—H and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 8, it is proposed to strike out lines 4 through

9, and insert in lieu thereof the following:

(10) striking out in subsection (d)(5) the words "forty years from the date of insurance of the mortgage or three-quarters of the Commissioner's estimate of the remaining economic life of the building improvements, whichever is the lesser" and inserting in lieu thereof the following: "thirty years from the date of insurance of the mortgage or three-quarters of the Commissioner's estimate of the remaining economic life of the building improvements, whichever is the lesser: *Provided*, That any such mortgage may provide, under such regulations as the Commissioner may prescribe, that (1) during the first through the fifth year of the amortization period the level total payments of principal and interest shall not exceed an amount equal to the level total payments of principal and interest on a mortgage in the same principal amount having an amortization period of not to exceed forty years, (2) during the sixth through the tenth year of the amortization period the level total payments of principal and interest shall not exceed an amount equal to the level total payments of principal and interest on a mortgage in the same principal amount having an amortization period of not to exceed thirty years, and (3) during the balance of the amortization period the level total payments of principal and interest shall not exceed an amount equal to the level total payments of principal and interest on a mortgage in the same principal amount having an amortization period of not to exceed twenty years";

Mr. CAPEHART. Mr. President, the amendment has to do with the 40-year, no-downpayment section of the bill as it applies to houses which are to be sold.

The bill as it is now written would permit the FHA to insure mortgages up to 40 years with no downpayment required, for houses in value up to $15,000. This amendment seeks to make a compromise with respect to the 40-year, no-downpayment provision, which many people oppose on the ground it is unworkable, impractical, and not good business.

In other words, if a man is to be sold a house in value up to $15,000, with no downpayment, and he is to be given 40 years to pay for it, it is simply not in the best interests of the man who buys the house, not in the best interests of the FHA, and not in the best interests of the building industry. The man may move into the house, and then move out; the Government will then have a house on its hands. The man may keep the house in good repair, and he may not.

I am fearful that under the section in the bill we shall have trouble. I am one who regrets it was ever injected into the picture.

The amendment would simply provide that the 40-year provision would be retained, except that for the first 5 years the payments, on a $10,000 home, would be $49.89. A better way to state it is to say that for the first 5 years the man would make his payments on the basis of a 40-year mortgage; for the second 5 years, for years 6 to 10, he would make payments on the basis of a 30-year mortgage; and for the next 20 years he would make payments on the basis of a 20-year mortgage; which would make the overall mortgage time 30 years.

This provision is for the middle income man, who perhaps will be a young fellow getting started. It would give him an opportunity, first, to buy a house without any downpayment; and, secondly, for the first 5 years an opportunity to pay for the house on the basis of 40 years; the second 5 years on the basis of a 30-year mortgage, and the last 20 years on the basis of a 20-year mortgage.

I shall give an example of how such a plan would work. Consider a $10,000 home mortgage at 5¼-percent interest. The homeowner would pay $49.89 a month during the first 5 years. The next 5 years he would pay $55.22 per month. Then for the next 20 years he would pay $66.38 per month. From a generous standpoint this plan would give the homeowner an opportunity to buy his house without any downpayment. He would make much lower monthly payments for 5 years, and we would hope that, moving into a new house, he would have a good job, that his income would increase, and that he would be able to pay for his house faster. In other words, as time went on, his monthly payments would increase.

I see no objection to the amendment. It seems to me the amendment would accomplish what the most liberal might want and, at the same time, I think it would improve the businesslike quality of the bill.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. ROBERTSON. Some of the members of our staff feel that mortgages under the proposed plan would not be very workable if for 5 years one rate of payment was provided, and then the payment were increased for the next 5 years to another rate, and then increased to a third rate. The Senator from Virginia was opposed to the entire proposal. I believe such a plan would be worse than public housing, because under public housing communities contribute 20 percent. Under the present proposal the Government would insure the entire amount. The entire loan could be unloaded on the Government. Seven hundred and fifty million dollars would be made available through FNMA, plus $193 million already outstanding in uncommitted authority. Why does not the Senate merely provide that the time limit shall be 30 years, and leave out the staggered payment plan? I think such a staggered payment arrangement is confusing.

Mr. CAPEHART. I presume the Senator well knows the reason, since yesterday his amendment to strike the 40-year term from the bill was rejected. I am in favor of striking out entirely the proposal for a 40-year term with no downpayment. I do not think such a plan is needed. The Senator will remember that an amendment to accomplish that purpose was lost yesterday. My amendment is a compromise to try to make a better bill out of the existing one.

Mr. ROBERTSON. I believe a 30-year term would be better than a 40-year term, but I think staggered payments complicate the amendment of the Senator from Indiana. Such an arrangement makes the amendment less attractive, though I intend to support it.

Mr. CAPEHART. Does the Senator from Virginia believe that the term should be made 30 years?

Mr. ROBERTSON. Thirty years. Let those in authority determine how much the payments each year shall be. The information I have received from members of our staff is that the plan I have suggested would be more workable.

Mr. CAPEHART. The Senator has a right to offer an amendment to that effect.

Mr. ROBERTSON. I shall leave the question to the Senator from Indiana, for it is his amendment. Though the Senator wishes to stagger the payments, the experts with whom I have talked have said the plan would be less workable than if the term were 30 years without the staggered payments.

Mr. CAPEHART. I would be willing to make the term 30 years. At present there are mortgages containing terms of 30 years. There would be nothing new about such a plan. We would not need the amendment at all if we could make the term 30 years, because such a provision is a part of the present act.

Mr. ROBERTSON. This provision includes no downpayment.

Mr. CAPEHART. The Senator is correct, but at the present time we sell homes to GI veterans with no downpayments and with mortgages having terms of 30 years.

Mr. ROBERTSON. And we are losing money.

Some of these low-rate mortgages which the Government must guarantee are in default. A report of the FHA which we have just found states that there are more defaults than ever in the history of the act. As of March of this year 33,000 families were in default on mortgages. The number is slowly piling up. Now we are being invited to expand programs that we know are now losing money, and the losses could be placed on the backs of the taxpayers of the Nation. We know that many of our financial institutions may not accept 40-year mortgages. We have provided $750 million for FNMA to buy them. The plan would provide better housing for moderate income groups who cannot get into low income public housing, and FNMA would carry the burden. But I suggest that if we are to foreclose such mortgages, we had better do so in 30 years rather than in 40 years, because in 40 years a house could have fallen down and the Government would not get anything.

Mr. CAPEHART. I agree with the able Senator from Virginia. As I said a moment ago, yesterday there was a vote on the question as to whether to eliminate the provision for mortgages having a 40-year term with no downpayment. The Senate had an opportunity to vote upon such amendment, and did so. The Senate voted to retain the provision in the proposed legislation. The provision we were speaking of yesterday had to do with rental housing.

My amendment deals with sales housing. All we are recommending is that the no-downpayment provision be retained, that provision be made for a certain rate of payment for the first 5 years, for the second 5 years, the rate for 30-year mortgages, and a rate of payment over a 20-year period.

I think it is a good amendment. I was hopeful that the Senator in charge of the bill would accept it, but he seems disinclined to do so.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. DOUGLAS. The memory of the Senator from Illinois is frequently faulty, but as I sat here listening to the Senator from Indiana, his statements somehow struck a familiar note. My mind went back to 1954, and I could fancy that I remembered the Senator from Indiana in committee—and I think also on the floor of the Senate—advocating a 40-year, no-downpayment program. As I say, the Senator from Illinois frequently makes mistakes, so I would like to ask my good friend the Senator from Indiana, whether my memory is faulty, or whether such advocacy actually took place?

Mr. CAPEHART. The Senator's memory is a trifle faulty.

Mr. DOUGLAS. Did or did not the Senator from Indiana advocate a program providing for a term of 40 years with no downpayment?

Mr. CAPEHART. The problem was entirely different from the one which we are now discussing.

Mr. DOUGLAS. The reply of the Senator is evasive. Did the Senator advocate "40 years and no downpayment" in 1954 or did he not?

Mr. CAPEHART. Mr. President, the section of the bill about which we are talking, and which I am trying to amend, has to do with sales housing. The subject to which the able Senator from Illinois is referring, which was discussed many years ago, related to public housing. I remember the discussion very vividly. We discussed whether or not it would be better, under public housing, to build individual houses for people than to build apartment buildings. We discussed whether it would be better to get the individual houses away from the cities and build individual housing under the public housing authority. Those houses were to be rental housing. We were talking about public housing—housing for the extremely low income groups, or people who were unable to afford normal rental. We proposed the plan on the basis that the Government would subsidize such housing as the Government subsidizes public housing, with which we are all familiar.

The program about which we are talking today has to do with any house selling for $15,000 or less, whether it be a house owned by a person with low income, a man with middle income, or even an individual with an income of $1 million a year. We are talking about a section in the present act which would permit FHA to insure mortgages up to $15,000 with no downpayment and 40 years to pay. That is the group about which we are talking.

Mr. DOUGLAS. Mr. President, will the Senator answer my question?

Mr. CAPEHART. I answered the Senator's question.

Mr. DOUGLAS. I do not believe you gave a direct answer.

Mr. CAPEHART. I do not think I or anyone else could make the answer any more explicit or plain than I have done. I gave the Senator my answer. I said I advocated it back in those days——

Mr. DOUGLAS. Good.

Mr. CAPEHART. As a part of public housing, with respect to low income groups, in a discussion as to whether or not we should build individual houses under public housing, and remove such housing from the cities. The discussion, I repeat, related to public housing.

Mr. DOUGLAS. Mr. President, will the Senator yield on this point?

Mr. CAPEHART. Also at that time we desired to obtain housing for people who were displaced.

Mr. DOUGLAS. That is the point—people displaced. The Housing Administrator proposed a 40-year, 100-percent mortgage loan, fully insured by FHA; and my record shows that the Senator from Indiana supported that measure.

Why should the Senator from Indiana object in 1961 under a Democratic administration to what he favored in 1954 under a Republican administration?

Mr. CAPEHART. The answer is quite simple. We were talking about persons who have been displaced by governmental action. I supported such a bill, and I would support it again. We are not talking about displaced persons.

Mr. DOUGLAS. It provided for a 40-year mortgage and for no downpayments.

Mr. CAPEHART. Yes. It referred to persons who were displaced as a result of governmental action, when they were forced to leave. Now we are talking about anyone who wants to buy a house valued up to $15,000, whether he has been displaced or not, and even though he is worth a million dollars. Anyone can get a house worth up to $15,000 under the provision in the bill, and he need not make a downpayment.

Mr. DOUGLAS. There are to be income tests. It is primarily designed for people who earn $4,000 to $6,000 a year, which is too much for them to get into public housing and too little for them at the present time to buy satisfactory housing under ordinary methods of financing.

Mr. CAPEHART. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Fifteen minutes.

Mr. CAPEHART. Does the unanimous-consent agreement provide for 15 minutes of debate on each side?

The PRESIDING OFFICER. Thirty minutes on a side.

Mr. CAPEHART. One hour on each amendment, with 30 minutes to a side?

The PRESIDING OFFICER. The Senator is correct.

Mr. SPARKMAN. Mr. President, I rise for the purpose of opposing the amendment offered by the Senator from Indiana. It relates to sales property. The amendment yesterday related to rental property. There are only a few points I wish to mention very briefly. This is something that a great many people have been thinking about. They seem to believe that because of the so-called no-downpayment provision, the long term over which the mortgage is to run, that the equity in the home builds up slowly, and therefore the purchaser of the home may move out and leave it. The Senator from Indiana made that statement.

Regardless of what one may think, that has not been the record. We have been in the housing business—that is with respect to the Federal Government extending some aid to housing—for 25 years or more. We have a long record of experience in this field. People do not move out and leave the houses. They did not do it in the depth of the depression, back in the days of the early 1930's. The Home Owners Loan Corporation—probably the most daring venture that was ever undertaken—was organized to take over the mortgages from the insurance companies and the banks and the financial institutions which found themselves loaded down with home mortgages on which the people were not able to meet the payments regularly.

People did not move out and leave these properties. The Home Owners Loan Corporation over a period of some 10 or 15 years—20 years, perhaps—worked out that most difficult situation and actually ended up with a profit, which it paid into the Treasury of the United States. It is one of the most remarkable feats ever performed. It was done on the basis of the security of the American home, the best credit that can be given in this country. That is the man and his family who live in a little home they call their own. They work for it and pay for it.

There is one other point that I wish to make, and this is particularly significant in connection with the 40-year term of the mortgage. Experience has shown us that regardless of what the length of the mortgage is, the average mortgage is paid off in from 10 to 12 years. It just does not continue to run. The American people pay their debts. They pay their mortgages.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CAPEHART. Is not the Senator making the best argument that can possibly be made that we do not need a 40-year mortgage provision?

Mr. SPARKMAN. No. The reason for the 40-year mortgage is to provide a low monthly payment, so that the person with a low income can afford it. That is the reason for it.

Mr. CAPEHART. Where does he get the money to pay it off?

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. ROBERTSON. Is it not true that we received a report from the General Accounting Office, to the effect that under the section 221 program more people had bought under that program than

were originally entitled to do so; that almost anyone was permitted to go into the program, whether displaced or not; that the program was opened up to almost everyone and more people came in than it had originally been contemplated would come in?

Mr. SPARKMAN. I did not see the report. I am sure that the Senator is quoting the report accurately.

Mr. ROBERTSON. When they got into the 40-year program, they did not pay, and the insurance fund for this particular section is in the red. That is true. I can read the language if the Senator wishes me to do so.

Mr. SPARKMAN. Yes, if the Senator will be kind enough to read it.

Mr. ROBERTSON. I read from the Comptroller General's statement at page 24 of the report:

> Because of the complexity of the program and because it has not benefited directly an appreciable number of eligible families who are being displaced by governmental action, we believe that the Congress may want to review the results of the program together with the underlying factors contributing to the results to ascertain what can be done to make the program more effective.

The Comptroller went on to state:

> The largest portion of the costs and risks assumed by the Government under the section 221 program is for families who were not intended to receive the benefits of the program.

There was a special group. It was not possible to sell houses to all of them, and so the program was opened up, after a 60-day waiting period, to anyone. Some people who had applied were not properly appraised as to their ability to carry the mortgage.

They probably said, "It is for 40 years. Why not go into it? What is to keep us out? It is for 40 years. We can live in the house for 20 years and then we can say goodby to the house. That is what they did."

Now it is planned to open it up as an experiment. We now propose to open it up, not only to displaced persons, but to everyone; $750 million is provided at the start for FNMA to buy the mortgages. The Comptroller General has implied that the new reserve fund will be in the red because people who have little or no incentive to save will move in; they may not intend to pay; or else they may not have the financial ability. Under the existing program, some occupants have not been properly screened as to their ability to carry the mortgage they have assumed. The taxpayers are invited to lose on an experimental program in 2 years. It all may come in 1 year—$750 million is sought for FNMA to help support a program which has already been proved to be a wasteful one.

Mr. SPARKMAN. I appreciate the statement of the Senator from Virginia. I must say, in all deference, that I fear he has read into the statement from the General Accounting Office some interpretations which may not be sustained by the facts.

We have a new program. I will admit it was designed, as the Senator from Indiana [Mr. CAPEHART] says, for the placing of persons who were displaced by governmental action. But it was learned—and we learned by experience—that many of those people actually did not want to move into those homes. Therefore, rather than to leave them empty, it was decided that after 60 days those homes would be made available to other persons. As a matter of fact, there is a 60-day lag right there, in which many of the properties are empty.

If the statement of the General Accounting Office is analyzed, it takes into account all of the drag and all of the properties which may be in default. I assume they may have to take them over, not considering the fact that they can work out a great many of them.

I submit that the section 221 program is not yet old enough for us to say that it proves one thing or another. But we do have a section 221 program for a term of 40 years and 100-percent insurance.

Let me call attention to this fact. It is not technically correct to say that this is a no-downpayment program. Actually, there is a downpayment of $200, which includes the closing costs. It is technically correct to say that it is a 100-percent insured program; but there are several 100-percent insured programs, and there are several 40-year mortgage programs. I do not believe it is quite right to center the attack upon the continuation of this program and the expansion of it to make it possible for lower income people to try to buy homes.

Mr. ROBERTSON. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. ROBERTSON. Did I correctly understand the Senator from Alabama to say that there has not been time enough to determine whether the 40-year program was working?

Mr. SPARKMAN. No; I referred to the section 221 program. There has been a 40-year program under section 213 since 1950.

Mr. ROBERTSON. How long has there been a section 221 program?

Mr. SPARKMAN. Seven years.

Mr. ROBERTSON. Does the Senator believe that by expanding that program we can get the necessary information in 2 years to determine whether to continue it or not?

Mr. SPARKMAN. Certainly we can decide whether it will be usable, so as to meet the needs of the people. I think that is the heart of the question.

I hope the Senator from Indiana will listen to this statement. He says this would be an ideal arrangement for a young couple. There is much merit in having a reduced payment over the first 5 years. I remember when I was a young man I took out some insurance policies in that manner. Then I stepped them up. But I was beginning the practice of law. I knew I had to go through a starvation period, so to speak. I hoped that at the end of 5 years I would be getting a better income, and I was. I was then able to make the increased payments. So it is with the average young person.

As a matter of fact, I have at different times urged the adoption of a different program—and the FHA can do it administratively in its regular program—whereby payments will be dropped in the first 5 or 10 years, or whatever period is necessary, and then the payments can be increased. That is fine for the young family, which is reasonably expecting an increase in income.

But that is not what this housing is designed for. This housing is designed for the person who is middle aged, and he may be a typical person. He would be a person whose income has leveled off. He would be perhaps a person who was a manual laborer or a person who worked at a fixed-income salaried job, where there was no chance for his income to grow. He would be that person whose income, as I pointed out yesterday, would be $6,000 a year or below, and who is pretty well excluded today from the market for housing which is new, safe, decent, and sanitary. The Senator from Indiana by the proposal he offers today would continue that exclusion. That is what makes it objectionable, in addition to the objection which the Senator from Virginia has raised against it, as to its administration.

Mr. ROBERTSON. Mr. President, will the Senator from Alabama yield for a question?

Mr. SPARKMAN. I yield to the Senator from Virginia.

Mr. ROBERTSON. I know that the distinguished Senator has on numerous occasions appealed to his Democratic friends in connection with the bill by saying that this is the administration's position.

Mr. SPARKMAN. Yes.

Mr. ROBERTSON. On the question of the staggered loan amortization basis, this is what the Senator from Alabama sent to me as the administration's position:

> In addition, lenders would be adverse to making this type of mortgage loan because they would be difficult to service and to market. The proposal would result in the creation of a single mortgage having three separate amortization rates during the life of the mortgage. This would create the type of mortgage which is not conventionally used by lenders. The changes in amortization would require the use of special amortization schedules and the necessity for a lender setting up special bookkeeping procedures for changing the amount of the mortgagor's monthly payment at the end of the first 5 years and at the end of the second 5 years. In addition to the added bookkeeping expense to mortgagees, a lender would encounter difficulty in selling this type of mortgage on the money market.

Mr. SPARKMAN. I agree with that statement.

Mr. ROBERTSON. I thought the Senator said it was a good thing to let a man start with low payments.

Mr. SPARKMAN. No; I said that in connection with the regular FHA program. I have discussed the question with the FHA to see if they could adopt some kind of credit system. I said they could do it administratively. They have practical reasons. As I pointed out, the Senator from Virginia had stated those reasons previously, and I agreed with him.

Mr. President, if the Senator from Indiana will yield back the remainder of his time, I will yield back the remainder of my time.

Mr. CAPEHART. Mr. President, on my amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CAPEHART. Mr. President, I yield myself 1 minute.

I hope every Senator will understand that what we are now talking about is a new section of the Housing Act which directs the FHA to guarantee 40-year mortgages with no downpayment on all homes on which the selling price does not exceed $15,000. That is the big factor to be kept in mind. We can forget everything else. Do we want to authorize the FHA—and this might well prove to be the ruination of the FHA—to insure mortgages for 40 years, with no downpayment, the only formula or criterion being that the house may not sell for more than $15,000? This is something absolutely new. It is different.

There have been 40-year, no-downpayment provisions in other sections, but they were limited to certain kinds of people; for example, people who were displaced as a result of governmental action. Also, houses for veterans have been sold with no downpayment, up to 30 years; but they were limited to veterans.

Now the proposal is made for 40 years and no downpayment, the only limitation being that the house must not sell for more than $15,000. That is what we are talking about. That is how simple the proposal is. I do not believe it is good, sound business. I do not believe it is necessary. I would much prefer to remove the section entirely. However, the Senate voted on that question yesterday, and I lost. I will abide by the decision of the Senate.

But I think we can now change this section, so as to provide that the payments for the first 5 years shall be on the basis of 40 years; for the next 5 years, on the basis of 30 years; and for the next 20 years, on the basis of 20 years. I think that is a good compromise, and I believe we should adopt it.

Mr. President, I am prepared to yield back the remainder of the time available to me.

Mr. SPARKMAN. Mr. President, I shall take 1 minute.

The PRESIDING OFFICER (Mr. METCALF in the chair). The Senator from Alabama is recognized for 1 minute.

Mr. SPARKMAN. The Senator from Indiana makes a great to do over the proposed 40-year mortgage. I shall discuss only that one point.

Several years ago, the Senator from Indiana offered an amendment which would make it possible for the FHA to insure existing houses on a 30-year-mortgage basis. Let us remember that. During 1960, nearly 40 percent of the mortgages written by the FHA were on existing houses, for 30 years; and some of those houses were as much as 20 years old—which made a total mortgage extension of 50 years. Thirty-seven percent of them were as much as 10 years old which, with a 30-year mortgage, ran the total up to a full 40 years.

So I do not see the consistency of arguing now against a 40-year mortgage on a new house, when under the amendment which was offered by the Senator from Indiana, the FHA today is writing mortgages on existing houses covering 40 years.

Mr. CAPEHART. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. CAPEHART. In the case of an existing house, the one who is purchasing it has an equity in it, and the house is in existence at the time when the mortgage is issued.

Mr. SPARKMAN. But I am talking about the length of the mortgage.

Mr. President, if the Senator from Indiana will yield back the remainder of the time under his control, I will do likewise.

Mr. CAPEHART. Mr. President, I do so.

The PRESIDING OFFICER. All remaining time on the amendment has been yielded back.

Mr. CAPEHART. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CAPEHART. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment "H" submitted by the Senator from Indiana [Mr. CAPEHART]. On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON] is absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY] is necessarily absent.

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from New Hampshire would vote "yea."

I further announce that, if present and voting, the Senator from New Mexico [Mr. ANDERSON] would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

On this vote the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from New Hampshire would vote "yea," and the Senator from New Mexico would vote "nay."

The result was announced—yeas 39, nays 57, as follows:

[No. 63]

YEAS—39

Allott	Eastland	Mundt
Beall	Ervin	Prouty
Bennett	Goldwater	Robertson
Bush	Hickenlooper	Russell
Butler	Holland	Saltonstall
Byrd, Va.	Hruska	Schoeppel
Capehart	Jordan	Scott
Carlson	Keating	Smith, Maine
Case, S.Dak.	Lausche	Stennis
Cotton	Long, La.	Thurmond
Curtis	McClellan	Wiley
Dirksen	Miller	Williams, Del.
Dworshak	Morton	Young, N.Dak.

NAYS—57

Aiken	Gruening	McNamara
Bartlett	Hart	Metcalf
Bible	Hartke	Monroney
Bogga	Hayden	Morse
Burdick	Hickey	Moss
Byrd, W.Va.	Hill	Muskie
Cannon	Humphrey	Neuberger
Carroll	Jackson	Pastore
Case, N.J.	Javits	Pell
Church	Johnston	Proxmire
Clark	Kefauver	Randolph
Cooper	Kerr	Smathers
Dodd	Kuchel	Smith, Mass.
Douglas	Long, Mo.	Sparkman
Ellender	Long, Hawaii	Symington
Engle	Magnuson	Talmadge
Fong	Mansfield	Williams, N.J.
Fulbright	McCarthy	Yarborough
Gore	McGee	Young, Ohio

NOT VOTING—4

Anderson	Bridges	Chavez
Blakley		

So the Capehart amendment was rejected.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to table.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to ask the majority leader whether it is his intention to complete action on the housing bill today, and also what is likely to come up the fore part of next week, if he can now advise the Senate.

Mr. MANSFIELD. Mr. President, in response to the question raised it is our hope we may be able to conclude our deliberations on the housing bill by this evening. If we do, then it is the intention of the leadership to ask to go over until 12 o'clock noon on Monday next.

On Monday we expect to consider the Consent Calendar.

On Tuesday it is anticipated tentatively that the Senate will consider the nominations of Mr. Swidler and Mr. Morgan.

It is anticipated the highway tax bill may be reported by the Committee on Finance on Wednesday or Thursday and may be before the Senate for consideration.

I wish to say further that so far as the National Defense Education Act proposed legislation is concerned, if and

when it is ready it will be reported to the Senate as quickly as possible for consideration by the Senate.

Mr. DIRKSEN. Mr. President, will the Senator from Tennessee yield further?

Mr. GORE. I do not think I shall ever again decline to yield to my friend from Illinois, Mr. President. [Laughter.]

Mr. DIRKSEN. I thank my friend.

Mr. President, I have suggested to the majority leader, in view of the fact that two reorganization plans will have to be acted on on or before the 26th day of June, at least there should be time on one day for a full dress discussion of those matters. It is likely that a disavowal resolution will be submitted by that time. I have made the suggestion that perhaps on Wednesday next, Senators having particular interest in these plans, coming from the Committee on Government Operations, can prepare themselves for an afternoon of discussion of the subject.

Mr. MANSFIELD. Mr. President, that is a reasonable request. I hope the distinguished minority leader will make it Wednesday or Thursday.

Mr. DIRKSEN. That is agreeable.

Mr. MANSFIELD. I say, for the benefit of the Senate, we are operating on eastern daylight saving time and not on central daylight saving time today.

Mr. DIRKSEN. Mr. President, I thank the distinguished Senator from Tennessee, and I thank the distinguished majority leader.

HOUSING ACT OF 1961

The Senate resumed the consideration of the bill (S. 1922) to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes.

Mr. GORE. Mr. President, I desire to offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 1, beginning with line 5, it is proposed to strike out all through line 10 on page 13.

It is proposed to renumber the succeeding sections in title I accordingly.

Mr. GORE. Mr. President, I shall make a very brief statement, if I may have the attention of Senators.

I regret very much the necessity for offering the amendment, but I feel a conscientious duty to do so. The amendment would strike from the bill the provision for insurance of 40-year, no-downpayment loans.

Mr. President, this provision is designed for the benefit of the middle-income group, not for the low-income group. I do not understand why it is not practical to require a downpayment for a family moving into a new home, with freshly sanded floors and freshly painted walls. Why, Mr. President, it is necessary to make a downpayment on a second-hand automobile, on a washing machine, or on a bicycle.

Now it is proposed by the bill to sell homes to the Government of the United States, through the use of some person's name, and to allow that person to move in without a downpayment on a 40-year loan basis.

I earnestly believe that I sincerely support what I think is a progressive course of development for our economy and for our social system. How far must we go? We are talking about teachers and policemen and bank clerks, about people with regular jobs who make $500 or $400 a month. That is a pretty good salary in most of our communities.

My amendment would not change the present provisions of law, requiring a downpayment of only approximately $500 for a $10,000 house, and providing 30 years for full payment. It seems to me that is quite liberal and quite progressive. Now it is proposed, not for a special group such as those who have to move because of the location of a highway or because of an urban redevelopment program, but for everybody in the middle-income group of America, which is about 70 percent of America——

Mr. SPARKMAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. PELL in the chair). Does the Senator from Tennessee yield to the Senator from Alabama?

Mr. GORE. I yield.

Mr. SPARKMAN. The Senator states a $500 downpayment is due for a $10,000 house now. As a matter of fact, only $300 is required. Under the terms of the bill before the Senate, $200 would have to be paid for such a house. I have said on the floor of the Senate many times that it is technically not correct to refer to this provision as a no-downpayment provision, because one does have to make a $200 downpayment.

Mr. GORE. Mr. President, to speak technically, the $200 includes——

Mr. SPARKMAN. The money can be used to cover the closing costs, but the remainder would go on the mortgage.

Mr. GORE. I was about to say, to speak technically, the $200 includes the closing costs, which can be borne by the builder. That is what is done in a good many instances now.

If the committee and if the Senate really wish to bring about a vigorous homeownership program for the middle-income group of our people, there are ways to do it. We could strike at the mortgage discount racket. There are several ways we could do it.

I submit that the present proposal goes too far. It is economically unsound.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. MONRONEY. Would it not be a far better way, if we are trying to make possible ownership of these homes by middle-income families, for the committee, for the Congress, and for the administration, to try to bring down the interest rate at the retail level to fit the decline at the wholesale level of interest rates, now evidenced in the interest cost on Government financing?

Should we not make a fullfledged attack to reduce the exorbitant interest rate, which in my State still is over 6 percent for the average home buyer, counting the discount? Should we not use the power of Government, through FNMA, through more vigorous efforts among the life insurance lenders and the building and loan associations, to bring back into force the Democratic interest rates that were in effect some 8 years ago, so the middle-income group can buy a house and pay for it within 30 years without the large load going into the interest component, providing no degree of benefit for the homeowner?

Mr. GORE. Of course, if Congress really wishes to spur home ownership by the middle-income group, it must take action to make loans available at reasonable interest rates and absolutely prohibit the under-the-table discount racket. However, that question is not now at issue. We have before us a simple question. The bill provides for 100-percent mortgage insurance. I ask the chairman of the committee if that is not correct.

Mr. ROBERTSON. That is correct. The chairman of the committee wishes to point out that in years past, when he was fighting against the expansion of public housing for low income groups, he predicted that we would be called upon to expand the program to other groups beyond the low-income group. We would expand it under this bill.

We have expended $896 million in annual contributions toward public housing for the low-income group. We will eventually pay under outstanding contracts, and cannot get out no matter how tough the financial going might be, an additional $8 billion. We would provide in the bill a maximum of $3.1 billion more toward public housing for the low-income group. Then we would say to the middle-income group, "We will let you start with 100-percent loans backed with $750 million for FNMA."

If by such procedure we are not going down the road to statism, I do not know what to call it.

Mr. GORE. Mr. President, if a citizen who earns $400 or $500 a month buys a 5-year-old automobile, he probably has to pay $500 down. We propose to give a guarantee on 100 percent of the cost of a brandnew home, with new floors, new fixtures, and new paint. Think of the depreciation in the first years of occupancy by a family. Such a suggestion is impractical. I do not believe that in order to be a progressive or a liberal, one must leap overboard. The law contains a sound provision for a 30-year amortization term with the most liberal provisions for downpayment. The issue is very simple.

Mr. LONG of Louisiana. Mr. President, the point that concerns me about this question is that some of the proposed purchases will not be good purchases. If we should undertake to make a no-downpayment arrangement, by which a person could sign his name to a 5½-percent mortgage note for a term of 40 years, if he wished to throw the mortgage back on the market, in most cases the Government would be stuck with it. To say "no downpayment" is to divorce ourselves completely from the

prudence of individual purchasers and from the care that is required of a home owner to decide whether it is a good idea to sign a 5½-percent mortgage for $15,000. At least, to require a downpayment helps to emphasize some responsibility on the part of the purchaser. But to provide no downpayment would put the Government completely at the mercy of its own investigators to require that in all events the housing be worth $15,000 and then to endorse a 5½-percent interest rate, which I am not too sure we can rightfully endorse. The Government can obtain money at a cheaper rate than 5½ percent.

Mr. GORE. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. ERVIN. I ask the able and distinguished Senator from Tennessee if he does not agree with me that such a provision as is proposed would have a tendency to impair the confidence of the public, even in the good and sound portions of the housing program?

Mr. GORE. If the provision should become a subject of widespread abuse, the answer would be in the affirmative. I fear that it would be abused.

Let us consider the example of a family which moves into a house and remains a year and a half, when something goes wrong with the water heater. There is a leak in the house. The homeowner finds something wrong with his lawn. He does not like his location. What do Senators think the value of the house would be after 18 months? The Government would be guaranteeing a 100 percent loan on it. The occupant might have made no downpayment whatsoever except some part, if any, of the closing costs. I believe that we already have a very liberal, progressive program with the 30-year program, and every person who could qualify by making a small downpayment could qualify under the 30-year program.

Mr. RCBERTSON. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. ROBERTSON. The Senator mentioned the value of the house after 18 months. It would be more than 10 years before the purchaser of one of the proposed homes would have an equity in it that would make him want to remain and pay out. Up to that time he could leave and would have enjoyed cheap rent for the period of his occupancy.

Mr. GORE. Mr. President, again I say it is with regret that I offer the amendment, but I did not want to see this kind of provision pass without raising my voice against it. I submit the issue to the Senate.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. BUSH. I support the amendment of the Senator from Tennessee. I think it is sound, and I applaud him for his careful argument and reasoning in connection with the proposal. I believe, as he does, that with the heavily subsidized FHA program we now have, with very small down payments, we have an adequate program. As I understand the amendment of the Senator from Tennessee, it would simply strike out title I of the bill and leave the situation as it is today with respect to FHA insurance programs. I very much hope that the Senate will support the amendment of the Senator from Tennessee.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. SPARKMAN. How much time does the Senator desire?

Mr. CLARK. How much time remains?

Mr. SPARKMAN. Thirty minutes remain.

Mr. CLARK. I would like 5 minutes.

Mr. SPARKMAN. Mr. President, I yield 5 minutes to the Senator from Pennsylvania.

Mr. CLARK. It is always with deep regret that a Member in the back row of this Chamber rises to oppose an amendment proposed by another Member in the back row—particularly so able a Member as the Senator from Tennessee, and particularly when he is supported by so able a liberal Senator as the Senator from Oklahoma. But as a member of the Committee on Banking and Currency, which has wrestled with this problem for the 4½ years that I have been in the Senate, I am compelled to invite the attention of my colleagues to the fact that the amendment, which already has been twice defeated in substance on the floor of the Senate when offered by a Republican, will now, if accepted when offered by a Democrat, result in the elimination of one of the most important features of the entire housing bill. The problem of how to deal adequately with the needs for decent, safe, and sanitary homes for American families, whose incomes range from $4,000 to $7,500 a year, has plagued the Committee on Banking and Currency for many years before I came to the Senate, and it is still plaguing us today.

Many suggestions have been made, including a very valuable one by the Senator from New York [Mr. JAVITS], which I cosponsored last year. The Housing and Home Finance Agency, having studied the matter for years, came up with the proposal contained in title I of the bill, which is now opposed by the Senator from Tennessee. It is a proposal on which much testimony was taken and which was carefully considered. It is the program of the President of the United States. I read from the message of the President as it appears at page 9 of the hearings:

> I am, accordingly, recommending that the present limited FHA insurance of no-downpayment, 40-year mortgages—now available only to families displaced by governmental action—be broadened on a temporary and experimental basis to include any family and be otherwise amended to make these mortgages more attractive to private investors. This broader program will offer an opportunity and a challenge to both builders and lenders to meet the needs of middle income families through private enterprise without Government subsidy.

That is what President John F. Kennedy told Congress.

It has been said that the program results in no equity for the home owner and that it is a giveaway. I call attention to the table which appears at page 927 of the hearings, which shows the equity built up year by year by a borrower under the proposed program. I am sure that the accuracy of the table cannot be contested. If the Senator from Tennessee is concerned about the fact that there is no downpayment provided—and I am not—the way to remedy that situation is to amend title I by calling for a small downpayment, not by eliminating the entire program and thus throwing by the baby out with the bath.

It is also said that the program is unprecedented. It is not. There are already programs in effect with a 40-year, no-downpayment provision under section 221.

This is not a new, untried program. It is a program recommended by the President of the United States, by the Housing and Home Finance Agency, and by a large majority of the Banking and Currency Committee. I hope that at this late date, having refused twice on the motion of a Republican Senator to strike the substance of this section out of the bill, or substantially weaken it, the Senate will not strike it out on the motion of a Democratic Senator.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. ROBERTSON. The Senator has referred to the message of the President, which included, as I heard it, a statement that this was going to be a program of private enterprise.

Mr. CLARK. The Senator is correct.

Mr. ROBERTSON. Did the FHA witnesses testify before the Senator's subcommittee that on the 40-year no-downpayment program, when one takes into consideration the depreciation of the property, after 22 years the homeowner would not even have enough of an equity to pay a 5-percent commission on the resale of the house?

Mr. CLARK. I call attention to the table at page 927, which shows that the homeowner at the end of 22 years, having a house which started at a value of $10,000, would have a depreciated value on his property of $7,400. He would have and equity of $349.

Mr. ROBERTSON. Which is less than 5 percent. That is what I said. It takes 5 percent to get a real estate man to sell the house for a person. He would have no real equity even after 22 years.

Mr. SPARKMAN. Mr. President, I yield 1 more minute to the Senator from Pennsylvania.

Mr. CLARK. In brief reply to the Senator from Virginia, I can only say that he has been completely consistent in all the years that I have served under his genial chairmanship. He is as fine a chairman as any I have ever served under. The Senator from Virginia and I rarely agree on these matters. He not only disagrees with me but with the President of the United States, with the Housing and Home Finance Agency and with practically every expert who has

been trying to do something for middle income people.

Mr. ROBERTSON. But the Senator from Virginia has been consistent in what he has been trying to do.

Mr. CLARK. He has been completely consistent.

Mr. LONG of Louisiana. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. LONG of Louisiana. I call attention to the chart at page 927 of the hearings, which has been referred to. The chart shows that after the first year the person who bought a $10,000 house had no equity whatever. He has not even paid the cost of what it takes to get his name on the mortgage. He has not even paid the closing costs. At the end of 20 years, after he has been paying for 20 years under the proposed program, with no downpayment having been paid, he has an equity of $312. That amounts to a 4-percent equity, which is 1 percent less than it would take him to hire a real estate agent to get rid of the house for him. That is the equity the person has after 20 years of payments on the house.

I support the Senator from Tennessee on his amendment. I am in favor of low payments. I am in favor of low downpayments, too. I am in favor of reduced interest cost. However, Mr. President, this proposed program is nothing more than an encouragement to a person to sign a mortgage which after 20 years of payments does not even give him enough equity to pay someone to get the house off his hands. It is nothing but an encouragement to irresponsibility on the part of the person who buys the house. I am in favor of the person taking some responsibility, other than his mere signing of the Government's name on the contract, which is what it amounts to. All he has at the end of that period is a 4-percent equity. That is assuming that he bought a good house to begin with.

Mr. GORE. Assuming also that he is still living in it.

Mr. LONG of Louisiana. Yes.

Mr. GORE. How far would the guarantee of the Government extend? I ask the Senator to look at the table. I do not know about the accuracy of the table. However, taking the table as it is, what would be the amount of the Government's guarantee after a family had lived in a new house for a year?

Mr. LONG of Louisiana. In a year the guarantee would be 100 percent on the depreciated value.

Mr. GORE. What is the depreciated value on a $10,000 house?

Mr. LONG of Louisiana. $9,950, after 1 year.

Mr. President, I am in favor of some responsibility being placed on the person who signs his name on a contract, recognizing that the Government is to resell the house. Where is the Government going to get an agent to repossess the house and sell it to someone else, aside from taking the entire loss?

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. ROBERTSON. The Senator is making the point that private industry is not going to buy these bonds. I call the Senator's attention to the fact that the subcommittee wanted to extend the section to moderate incomes, and evidently felt the same way about it, because it put in $750 million for FNMA to buy them, plus $750 million to be used at the discretion of the President. The President sent word, "Do not give me this $750 million; $750 million is enough. I do not want the additional $750 million." Therefore $750 million was put in here to finance the program with 100 percent Government money. That shows how much they think banks and savings and loans will take these mortgages.

Mr. LONG of Louisiana. I am now trying to get some people out of housing difficulties they incurred by putting up downpayments contrary to the intention of the law.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. For the Government to assume 100 percent of the cost is to encourage some person toward irresponsibility and dishonesty, to build a house and to pay someone to buy it, hoping that the Government will never find out about it. After all, he would have some profit in it, I assume. I am willing to go along with any liberal or reasonable low-cost housing proposal; but the complete irresponsibility of a mere 4-percent equity—assuming it was a good house to begin with, at the end of 20 years—is something I cannot go along with.

Mr. CLARK. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. CLARK. Did I correctly understand the Senator to say that he wanted the purchaser of a house to have some responsibility?

Mr. LONG of Louisiana. Yes.

Mr. CLARK. Does not the Senator know that when the purchaser signs the mortgage, he assumes full responsibility for the mortgage, whether the house is good or not?

Mr. LONG of Louisiana. I once had the honor to serve on the committee on which the Senator from Pennsylvania now serves. The testimony of the then FHA director concerning the responsibility of the person who signed the mortgage was that so far as the middle-income person was concerned, the FHA did not look to him for one moment to redeem the mortgage, but went to the value of the property itself, if that person turned it back the next day.

Mr. CLARK. But the purchaser is legally liable for the full amount of the mortgage.

Mr. LONG of Louisiana. Legally; yet the testimony of Government witnesses was they did not consider that the deficiency liability of the mortgagee was worth the paper on which the signature was written.

Mr. CLARK. There was no such testimony in connection with this bill.

Mr. LONG of Louisiana. Not before the Senator from Pennsylvania; but I sat and heard that testimony before the Senator from Pennsylvania became a member of the committee, and that is the way I believe the FHA still feels about it with respect to middle-income people. They are not going to recover against them; they are going to take a loss against the mortgage.

Mr. ROBERTSON. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. ROBERTSON. In Florida, and in a number of other States, it is not possible to get a deficiency judgment on a foreclosed mortgage. One takes the security, and that is all he gets.

Mr. LONG of Louisiana. That will be found to be true in many places, I am sure.

Mr. SPARKMAN. Mr. President, I yield 3 minutes to the Senator from Illinois.

Mr. DOUGLAS. Undoubtedly there is a good deal of risk connected with the 40-year mortgage with no downpayment. Some mortgages will be defaulted but I have faith that their number will be far less than the opponents fear. Furthermore, we should recognize that the insurance reserve will be one-half of 1 percent per year. In 40 years this will build up to 20 percent of the value of the house. It would take a very high percentage of complete loss to cause a net loss to FNMA. But the ratio of complete loss would be small.

Up until this time, we have never been able to find an answer to the problem of providing decent housing for people having lower middle-class incomes from $4,000 to $6,000 a year. Their incomes are too high for public housing, and too low for them to get decent housing under existing systems of financing.

This proposal is an experiment to see if it is possible, with long periods of amortization, that these groups, with monthly payments of from $60 to $100, may be able to get decent housing under private ownership, under the private real estate system, and under private financing, with merely an ultimate Government guarantee, standing as a third-line reserve behind the individual loan.

Housing can certainly last for 40 years. There are houses in New England—wooden houses—which have been in existence for more than 200 years, and which are still hale and sound. There is no necessary reason why physical depreciation should wipe houses off the board at the end of 40 years.

I hope that we may be willing, at least, to experiment in dealing with this group of people. If we defeat this proposal embodied in title I, I think it will be necessary to write off all efforts to provide decent housing for the lower and middle classes under private ownership. I do not want to do that.

Mr. SPARKMAN. Mr. President, I yield 3 minutes to the Senator from Iowa.

Mr. MILLER. Mr. President, I support the amendment of the Senator from Tennessee. Something was said about the bill having been sent to Congress with a message from the President of the United States. The President of the United States was quoted. However, I

call attention to the fact that the President said those words on March 9, 1961. Much has taken place since that time. The international situation has become more acute. The President has been asked to spell out what he means by sacrifices on the part of the people which will be necessary in order to meet the Communist challenge. In fact, as recently as May 25, the President said to Congress:

> Moreover, if the budget deficit now increased by the needs of our security is to be held within manageable proportions, if we are to preserve our fiscal integrity and world confidence in the dollar, it will be necessary to hold tightly to prudent fiscal standards; and I must request the cooperation of the Congress in this regard—to refrain from adding funds or programs, desirable as they may be, to the budget.

I detect that the distinguished chairman of the committee has already pointed out, just as the Senator from Tennessee has pointed out, that the bill as it now stands is not up to prudent fiscal standards. If we are to legislate in a way that will encourage the people not to abide by prudent fiscal standards, then how can we expect to support prudent fiscal standards on the part of Congress?

Speaking of sacrifices, it is little enough to ask that the people who will be the recipients of the benefits of the act be willing to make enough sacrifices to make at least a reasonable downpayment.

I hope the amendment of the Senator from Tennessee will be adopted. I believe it is a step in the right direction. It is a step in line with the policy which the President of the United States has already recommended more recently than when he called for action on this proposed legislation. As a matter of fact, there is much doubt in my mind whether the bill ties in with the policy of the President of the United States, who said a few days ago that Congress should refrain from adding funds or programs to the budget in view of the Nation's fiscal deficit. Be that as it may, I hope the amendment will be adopted.

Mr. SPARKMAN. Mr. President, I yield 3 minutes to the Senator from Oklahoma.

Mr. MONRONEY. Mr. President, I had the pleasure of serving on the Committee on Banking and Currency from almost the beginning of the FHA until the time, regrettably, I left that committee. I have dealt with the FHA through the years from the time we brought the interest rate down to 4 percent and extended the time of mortgages from 20 to 30 years.

We are working on the wrong end of the spectrum, if we really want housing. The fundamental test of whether we will get housing is in the interest rate which the borrower is committed to pay for a long period of time. We Democrats, who have felt the pressure upward on housing interest rates, saw the strangulation of adequate low-income housing, and many of us, both those who are for and those who are against the amendment, have acted accordingly throughout several years. Now we divide on the way to stimulate housing.

I believe the way to supply middle-income housing is by making every human effort possible to bring the interest rate on the class of homes concerned down to 4½ percent. If I remember correctly the figures we cited, the additional cost of 1 percent in the interest rate on a 30-year loan, with the rise of that 1 percent, there is a sacrificing of one room of a house, or compelling the buyer to pay 10 years longer before he owns the house.

Now we find ourselves in the committee going in the opposite direction. The rate of interest for the normal housing program has been brought down from 5¾ percent to 5½ percent, and now to 5¼ percent. But now we find the committee raising it again to 5½ percent. I should like to see the rate reduced, because I am convinced that if a level of 4½ percent can be reached, the middle-income people can buy houses. They can have a decent equity and can own the houses clear of debt within 30 years. They will be far better off than if we saddled them or their children or their grandchildren with a 40-year mortgage loan, but a less desirable house.

If we observe the table to which the distinguished Senator from Pennsylvania called attention, we will find that at the end of 20 years the home borrower has only $312 equity. What kind of investment or savings program is that as an incentive for home ownership? Certainly the Government is the endorser of the mortgage, and the mortgage company has the home ownership. All that the man has is a sort of long-term lease, without the acquisition of any equity, after he has been paying on the house for 20 years. That goes against the system of encouraging home ownership. I feel that we could do far better by taking the $750 million offered to support this unsound, uneconomic, undesirable loan program which is proposed to be offered to the 40-year home buyers, and aggressively seek to drive down the mortgage interest rate. The $750 million would help much. The additional $750 million which the committee asked the President to include will be added to $1,500 million to bring the interest rate down. Then there will be an investment in the same type of security that rests behind the insurance policies of New York Life, Massachusetts Mutual, and all the other great insurance companies of the world.

I will ask some member of the committee to state what the testimony was as to the increase in the amount of discount which would be demanded on a 40-year, no-discount loan. I am afraid it would again give a resurgence to the rediscount rates demanded under the normal and regular FHA program which has proven to be so successful.

Can the chairman of the committee tell us about that?

Mr. ROBERTSON. There was testimony, in behalf of the insured savings and loan associations, that they would not be interested in a 40-year, no-downpayment plan. They said that if we were to adopt such a plan, we might just as well provide for a direct Government loan; and that also goes to the hocus-pocus of selling the bonds.

Mr. CLARK. Mr. President, will the Senator from Oklahoma yield?

Mr. MONRONEY. I yield.

Mr. CLARK. I think the Senator from Oklahoma said he was under the impression that this proposal would increase the interest rates. Let me ask the basis for that statement, if that is what he said.

Mr. MONRONEY. The interest rates under the FHA have now, during this administration, and wisely so, I believe, been reduced from 5¾ percent to 5½ percent, and now down to 5¼ percent. That is good. But that does not mean that is the ultimate rate the purchaser pays. It is not because of the discount.

Mr. CLARK. I thought the Senator said that under the committee's proposal, the rate would rise again to 5½ percent.

Mr. MONRONEY. I understand that is the amount—5½ percent——

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. MONRONEY. Can the Senator tell me? The table shows they quoted a 5½-percent interest rate.

Mr. CLARK. If I may answer, let me say it is a hypothetical table, based on a 5½-percent rate. It is not thought that the rate would be any more or any less than the going rate.

In answer to the Senator from Virginia, let me say it is contemplated that this is to be a purely experimental program, and that in all likelihood the FNMA will pick up the mortgages, so no rediscount questions will arise.

Mr. MONRONEY. How could it be experimental if all the money will be Uncle Sam's money? I think it is high time that the retail money rate be brought down; and that can be done only by affirmative action by the Government, following the action of our great Banking and Currency Committee, in order to revitalize this segment of activity in our country by providing it with the tools which have been used so successfully through the years, on behalf of the home purchasers, instead of the investors; and this procedure has been a stabilizer at par of Government-insured mortgages, instead of having a rediscount house tell the purchaser how much it would mark down his mortgage. I do not think we shall improve conditions by providing for such new mortgages, for the Senator says the Government would have to back up this arrangement.

During my service on the Banking and Currency Committees—and I served for approximately 12 years on the Banking and Currency Committee in the House of Representatives, and for 5 or 6 years on the Senate Banking and Currency Committee—I observed that once action was taken to extend the terms under FHA, it never was possible thereafter to roll them back—for instance, to a shorter period of time.

This plan may be experimental; but if we take this step, later we shall be told that to reduce it would result in a collapse of the entire market and would result in unemployment.

In other words, I think the step now proposed is a dangerous one, and we should not take it.

Let us get the interest rate down, of course. Under the present arrangement, we can bring the rate down to 4½ percent or 5 percent, for the benefit of those who need to finance their purchases of homes.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CLARK. Mr. President, will the Senator from Alabama yield 1 minute to me?

Mr. SPARKMAN. I yield 1 minute to the Senator from Pennsylvania.

Mr. CLARK. I should like to say to the Senator from Oklahoma that for many years we have had a special-assistance category under which FNMA has been authorized to pick up the mortgages at par, and not force them to be thrown on the open market.

So this proposal is simply for another special-assistance program, which the President of the United States and the HHFA officials think will be the best way to break the bottleneck in regard to moderate-income housing, which is the one great failure of the present program.

Mr. MONRONEY. Mr. President, if the Senator will yield, let me say I supported the special arrangements for particular groups which had been made in the past—for instance, the special arrangement for those who had been displaced by Government action. But once we take the step now proposed, I am sure it will be most uneconomic, and will rise to haunt both us and the housing industry in the years to come.

Mr. BUSH. Mr. President, will the Senator from Tennessee yield 2 minutes to me?

Mr. GORE. First, Mr. President, let me ask how much time remains under my control.

The PRESIDING OFFICER. Three minutes.

Mr. GORE. I yield 2 minutes to the Senator from Connecticut.

Mr. BUSH. I wish to call attention to page 20 of the appendix of the hearings, which shows what the downpayments are now for owner-occupants. The maximum mortgage amounts, under the present legislation, are $22,500 for one-family houses, $25,000 for two-family houses, $27,500 for three-family houses, and $35,000 for four-family houses. The minimum downpayments are 3 percent of the first $13,500 of value, plus 10 percent of the next $4,500 of value, plus 30 percent of value above $18,000.

Those amounts were established in recent years by the Banking and Currency Committees and by the Congress. It was felt—and I still feel so, and I believe the Senator from Tennessee has made an excellent case for it—that if a person wishes to buy a home, he should first accumulate some savings. We are not asking him to make a large downpayment on a $13,500 home, when we ask for only a 3-percent downpayment.

I think one of the troubles today in our country is that we encourage the borrowers more than we do the savers. And I think this new proposal is a move in that direction. I believe we should encourage people to save enough money to be able to make a small downpayment on a home.

For that reason, I think this amendment is an excellent one; and I believe it should prevail.

Mr. SPARKMAN. Mr. President, let me ask how much time remains under my control.

The PRESIDING OFFICER. Sixteen minutes.

Mr. SPARKMAN. At this time, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 3 minutes.

Mr. SPARKMAN. I wish to say, Mr. President, that if this amendment is agreed to, the heart will be taken out of this measure.

The Senator from Iowa has referred to the necessity to make sacrifices. The trouble with this amendment is that the only sacrifice it would call for would be a sacrifice by poor people. People of means are amply protected under this measure and under existing legislation, and there is now no opportunity to strike at them at all.

The amendment of the Senator from Tennessee would strike out two parts of the pending bill. The first is the one which is for the benefit of families which cannot afford to purchase a home, and cannot even afford to pay a decent rental, but would enjoy a slightly subsidized program, to the extent of 3⅛ percent, rather than the standard rate of interest. To that extent, it will be a subsidy; but I submit it is a much lower subsidy than that paid on public housing.

The purpose—as has been stated heretofore—is to do what we have sought for many years to do—namely, find some substitute for public housing. The rental part of this program seeks to do just that, for the benefit of the really low income group of the people of the country.

The second part of the bill which the amendment of the Senator from Tennessee would strike out deals with sales housing for the lower-income and middle-income persons.

We have provided for 3 percent downpayments on loans up to $13,500. The Senator has said a person ought to save money in order to make a downpayment. Three percent on $13,500 amounts to $405. In addition, there are closing costs of $200. That means a person has to save $605; and a man earning $4,000 a year, who has several children, has a hard time saving $605.

One has to save up to $200, under the bill. While it has been referred to time and time again as a no-downpayment bill, a person has to make a downpayment of $200. The loan is 100 percent insured, but this is not the only program providing for 100 percent insurance. We have other programs with 100 percent insured loans.

Senators talk about the Government losing money. It is disappointing to me that so much of the discussion has been from a pessimistic viewpoint. The record of the past so far does not bear out that viewpoint. I call attention to the fact that in the dark days of the depression the Home Owners Loan Corporation was organized. There was a mortgage on practically every home in America. The people in those homes did not move out and leave them. They did their best to meet the payments. The Home Owners Loan Corporation was established to provide relief, not to the homeowners, but to the banks and other financial institutions. The Home Owners Loan Corporation took over those mortgages.

Yet, after the time of liquidation, there remained a profit of $130 million, or something in that neighborhood, which was paid into the Treasury of the United States. That is the kind of record we had in the very depths of the depression. People do not move away from their homes in America. The best security that exists today is a mortgage on a home occupied by a man and his family that they can call their own. That is what the record in this country has been.

Many Senators now present have voted time after time for a provision—and there is a similar provision in the pending bill, and I want to see how Senators vote on it—to permit veterans to get 100 percent guaranteed loans from the U.S. Government, or to participate in a guarantee program of 100 percent, with no downpayment. Senators have voted for such a program time after time. There have been 5,016,149 primary home loans closed by the Veterans' Administration, of which 71.7 percent were 100 percent guaranteed loans with no downpayments.

Do Senators know what the default record has been? This is a program which has been running since 1944. On the whole program, including downpayment loans and no-downpayment loans, the percentage of claims paid by the Government was 0.61. I submit that is a good record. On the no-downpayment loans, the percent was 1.06.

I think that is a pretty good record as to what American homeowners do with home loans that are 100 percent no downpayment loans. That is the record. Why should we be casting all of this gloom about what the borrowers are going to do? They are not going to do any such thing; they are going to continue the record they have made.

Senators talk about the Government being stuck with this arrangement as if it were a dead loss to the Government.

It must be remembered that a person who buys a home pays an insurance rate for insurance protection. Over the years there has been built up a reserve of $800 million. Added to other profits, there has been a profit of over $1 billion in housing programs.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. ROBERTSON. Is it not true that on all the VA guaranteed loans with no downpayment, the foreclosure rate has

been higher than it has been in the general FHA program?

Mr. SPARKMAN. I do not have that comparison before me. I gave the figures as they applied to the Veterans' Administration.

Mr. ROBERTSON. But did not the figures cited by the Senator show that there was an increase of 50 percent——

Mr. SPARKMAN. I showed what the rate has been.

Mr. ROBERTSON. The rate of claims paid under the VA program was less than 1 percent only a few years ago, and went up to 1.28 percent last year. Is that correct?

Mr. SPARKMAN. One and six one-hundredths percent has been the percentage of defaults, or the claims paid on no-downpayment loans.

Mr. ROBERTSON. According to Housing Statistics for March 1961, the defaults were at the average rate of 1.28 percent last year.

Mr. SPARKMAN. I am looking at the figures that have been supplied to me from the Veterans' Administration. Anyhow, the record shows that the defaults have been very low in number. I think it is an extremely good record.

In addition, let me use the veterans' guarantee loan program as a guideline. Remember that we would have expected that returning veterans would probably be the most restless persons of all, and would be more likely than anybody else to pick up and move and not pay off their mortgages. What has been the record as to the payoff time of those mortgages? Eleven and six-tenths years. That is the actual record.

I agree with the Senator from Oklahoma that, if we could bring the interest rates down, we could help people buy homes. But we may as well be practical. We know we are not going to get the interest rates down to 4 and 4½ percent.

The question is just as simple as this: We have an FHA program under which persons having incomes of $7,000, $8,000, $10,000, and $15,000 can get help from the Federal Government. We do not have one under which persons having incomes from $4,000 to $6,000 can afford to have safe, decent, sanitary homes, the kind Congress said every family was entitled to. The housing policy enacted by Congress in 1949 was that every American family was entitled to a safe, decent, sanitary home, amidst decent surroundings.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SPARKMAN. I yield myself 1 additional minute so that I may yield to the Senator from Virginia.

Mr. ROBERTSON. I have found the figures the Senator from Alabama used. They appear on page 590 of the hearings. The percentage of claims paid on no-downpayment loans was 1.06, but for the downpayment loans it was only 0.43—less than a half.

Mr. SPARKMAN. Yes. I referred to the differential. But it is a very low figure.

I pointed out earlier that we have other 40-year programs. I do not think a single Senator present on the floor raised his voice against it when the Senator from Indiana presented an amendment, some 2 years ago, which would make it possible for the FHA to insure loans of 30 years on existing homes.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SPARKMAN. I yield myself 3 more minutes.

Nearly 40 percent of the loans insured by the FHA last year were on existing homes, and they were 30-year mortgages. Some of those homes were 20 years old. As I recall, 37 percent—it was a high percentage, although I do not have the exact figure before me—were 10 years old.

Then we were allowing mortgages on old houses, not on new homes, on a 40-year basis. We know that there has been a great improvement in the quality of homebuilding. Forty years of expectancy is no longer an unreasonable time.

Mr. President, I am willing to close the debate with simply a final argument, that agreeing to the amendment would take the heart out of the bill. It refers to the new program which has been proposed by the last two administrations. President Eisenhower first sent the program to the Congress. Now President Kennedy has sent it to the Congress. It is in keeping with the President's program.

This is a program which seeks to do two things. First, it seeks to provide a rental housing program which will replace the present public housing program. Second, it seeks to provide a home purchase program which will make it possible for those people in the United States who earn between $4,000 and $6,000 a year to own a decent home.

If the Senate takes out the provision covered by the amendment it will take out all that is in the bill for the poor folks. The bill will take care of those in the upper income strata. It will take care of those in the upper 25 percent of the income groups of the United States, according to the census. However, if we take out this provision we will take out the benefits for those in the lower 75 percent of the income groups of this country. That is exactly what the amendment amounts to; no more and no less.

Mr. LONG of Louisiana. Mr. President, will the Senator yield for a question?

Mr. SPARKMAN. I hope the Senator will be very brief, because my time is about to run out.

Mr. LONG of Louisiana. The Senator says that we cannot do anything about the high interest rates these people have to pay.

Mr. SPARKMAN. I said that we cannot beat the interest rates down. We would be able to do something, by the terms of the bill, about lower interest rates. There is a subsidy, to which I referred, on the rental housing, in regard to the interest rate. Today the rate would be 3⅛ percent. That is reasonable. It is a subsidy.

Mr. LONG of Louisiana. As one who went around to tell the people that we were going to do something about the interest rate situation, I ask, why do we not try?

Mr. SPARKMAN. That is what we are trying to do. The amendment offered by the Senator from Tennessee seeks to strike the provision from the bill.

Mr. LONG of Louisiana. The amendment does not have anything to do with interest rates.

Mr. SPARKMAN. It would strike out the only low-interest-rate provision in the bill, the one provision which would give the poor folks, who cannot afford to pay for decent rental housing, an opportunity to get rental housing at 3⅛-percent interest. This amendment would strike out that provision.

The PRESIDING OFFICER. The time of the Senator from Alabama has expired.

Mr. BUSH. Mr. President——

The PRESIDING OFFICER. The Senator from Tennessee [Mr. GORE] has 1 minute remaining.

Mr. BUSH. Mr. President, I should like to make a few remarks apropos of what the Senator from Alabama has said. I shall take the time from the time on the bill, on this side.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Is the Senate under allotted time?

The PRESIDING OFFICER. Yes.

Mr. MANSFIELD. Has any time been allotted to the Senator from Connecticut?

Mr. BUSH. Mr. President, I was going to speak on the time on the bill. Since the Senator from Indiana [Mr. CAPEHART] is not in the Chamber, I yield 2 minutes to myself.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 2 minutes.

Mr. BUSH. Mr. President, the Senator from Alabama said that the amendment, if it is agreed to, would take the heart out of the bill. I wish to take grave exception to that statement. There is a great deal in the bill of tremendous value. The provision to which the amendment refers is a relatively small part of the bill, as a matter of fact.

The amendment would not take the heart out of the bill, because the bill contains provisions for urban renewal, for college housing, for the whole FHA program, and for public housing by authorizing an additional 100,000 units.

I take exception to the statement that agreeing to the amendment would take the heart out of the bill. On the contrary, it would not.

I also wish to say once more, Mr. President, I think the committee and the Senate have been wise in the past in reducing downpayments, and getting them to a very low level. I reiterate, I think it is important we begin to lay some emphasis in this country on savings, and not to encourage borrowing all the time. In order to borrow, a person should have some small modicum of savings. In order to buy a home, a person should have some investment to make in it.

I again urge support of the amendment.

Mr. KEATING. Mr. President, will my colleague yield to me?

Mr. BUSH. I yield.

Mr. KEATING. I commend the distinguished Senator from Connecticut for the views he has expressed. I thoroughly agree there are many good things in the bill. In my judgment, the 40-year, no-downpayment proposal is one of the bad things in the bill.

The PRESIDING OFFICER. The time of the Senator from Connecticut has expired.

Mr. BUSH. Mr. President, I yield myself an additional 2 minutes from the time on the bill.

Mr. KEATING. When we reach a vote on a bill, we very often experience the feeling that there is some good and some bad included in it. A Senator is often uncertain whether he should or should not support the bill.

In the case of this bill, the good things include the urban renewal program, the college housing program, and other things of extreme importance. I share the view of the distinguished Senator from Connecticut that, on the other hand, the proposal for 40-year, no-downpayment mortgages in this bill is unsound. It is not in accordance with the general recommendation which President Kennedy has made to us that some sacrifices should be made by all our people.

I hope the amendment will be agreed to, so that the housing bill will be a bill I can support on passage, which it will be if the amendment is passed.

Mr. BUSH. Mr. President, I thank the Senator from New York. I yield back any remaining time on the amendment.

The PRESIDING OFFICER. The Senator from Tennessee [Mr. GORE] has 1 minute remaining.

Mr. GORE. Mr. President, this is a far-reaching step the Senate is considering. I hope the amendment will be agreed to.

The statement has been made that no one will buy the mortgages, that the Government of the United States will have to hold the mortgages, insured 100 percent by the Government itself.

This provision in the bill does not relate to housing for low-income people. Though my distinguished friend from Alabama and I live in neighboring States, perhaps we have a little different idea as to what constitutes a poor man. The Senator from Illinois said the provision was for housing for people who are earning up to $7,500 a year. I ask Senators to consider positions in their communities which bear salaries in that amount.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORE. Mr. President, I ask for 2 minutes from the time on the bill.

Mr. MANSFIELD. Mr. President, I yield 2 minues from the time on the bill to the Senator from Tennessee.

Mr. GORE. Mr. President, I conclude by saying that the amendment does not strike at the heart of the homeownership program. This provision in the bill provides no financial incentive for homeownership. A good argument could be made that it is for Government ownership of homes on a very vast scale. It is an unsound proposition.

I do not agree with the distinguished junior Senator from Alabama that the provision is the heart of the bill. The heart of the bill, for homeownership, is to continue with adequate financing those features of the FHA program which have proved over the years to be sound and which have greatly spurred homeownership.

The proposal is an unsound proposal, and, though it may have been recommended to the Congress by a number of Presidents, this does not alter the responsibility of the Senate. In my opinion, this proposal is not a sound legislative proposal.

Mr. SPARKMAN. Mr. President, how much time do I have on the amendment?

The PRESIDING OFFICER. The Senator from Alabama has 2 minutes remaining on the amendment.

Mr. SPARKMAN. Mr. President, I have never said that accepting the amendment would shatter the bill. I did say the provision was the heart of the bill. It is the heart of the new program the President has sent to the Congress. I say it is the heart of the bill so far as the poor folks are concerned.

Is this not a poor man's bill? The Senator from Tennessee apparently forgets that he seeks to strike out the rental housing provision, whereby the 3½-percent interest is provided, in order to have low rent housing to replace public housing in this country. Certainly it is a poor man's provision.

The Senator talks about the heart of the bill being the FHA program we have had in the past. That program takes care of 25 percent of the people of this country. We are trying to increase the percentage. What we are trying to do, by the sales part of the program, is to increase the number of people receiving help.

Mr. President, I earnestly hope the bill may be preserved in its present form by the defeat of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the amendment of the Senator from Tennessee. On this question the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERR (when his name was called). On this vote I have a pair with the Senator from New Mexico [Mr. ANDERSON]. If he were present, he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Tennessee [Mr. KEFAUVER] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY] is necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. KEFAUVER] would vote "nay."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from New Hampshire would vote "yea."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from Arizona [Mr. GOLDWATER] is necessarily absent, and if present and voting would vote "yea."

On this vote the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from New Hampshire would vote "yea," and the Senator from New Mexico would vote "nay."

The result was announced—yeas 49, nays 44, as follows:

[No. 64]

YEAS—49

Aiken	Ellender	Prouty
Allott	Ervin	Robertson
Beall	Fong	Russell
Bennett	Gore	Saltonstall
Bush	Hickenlooper	Schoeppel
Butler	Holland	Scott
Byrd, Va.	Hruska	Smathers
Capehart	Jordan	Smith, Maine
Carlson	Keating	Stennis
Case, S. Dak.	Kuchel	Symington
Church	Lausche	Talmadge
Cooper	Long, La.	Thurmond
Cotton	McClellan	Wiley
Curtis	Miller	Williams, Del.
Dirksen	Monroney	Young, N. Dak.
Dworshak	Morton	
Eastland	Mundt	

NAYS—44

Bartlett	Hartke	Metcalf
Bible	Hayden	Morse
Boggs	Hickey	Moss
Burdick	Hill	Muskie
Byrd, W. Va.	Humphrey	Neuberger
Cannon	Jackson	Pastore
Carroll	Javits	Pell
Case, N.J.	Johnston	Proxmire
Clark	Long, Mo.	Randolph
Dodd	Long, Hawaii	Smith, Mass.
Douglas	Magnuson	Sparkman
Engle	Mansfield	Williams, N.J.
Fulbright	McCarthy	Yarborough
Gruening	McGee	Young, Ohio
Hart	McNamara	

NOT VOTING—7

Anderson	Chavez	Kerr
Blakley	Goldwater	
Bridges	Kefauver	

So Mr. GORE's amendment was agreed to.

Mr. GORE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BUSH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STENNIS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 64, line 21, it is proposed to strike out "thirty-seven thousand" and insert in lieu thereof "twenty-eight thousand."

Mr. STENNIS. Mr. President, I yield myself 5 minutes. The amendment is offered for the purpose of making the present section in the bill conform to what has been agreed to in the military authorization bill with reference to Capehart housing. The conference report has not been submitted as yet, but it has been agreed to raise the ceiling. The conference report will propose that the House and Senate agree to raise the ceiling on the Capehart housing to 3,000 units, and that the enabling act for such program be continued for 1 year.

The proposal in the amendment merely makes the language in the bill conform to the military authorization bill, assuming that the bill will become law. The Senator from Alabama is familiar with the legislation, as are also other Senators. I am glad to yield to the Senator from Alabama.

Mr. SPARKMAN. I am in accord with what the Senator is seeking to do. There is one question in my mind on it, however, with reference to section 809 housing, which may come under the ceiling. I am not sure. Section 809 is housing that is built at centers such as Redstone Arsenal, Cape Canaveral, and centers like that. I want to be sure that the ceiling will be sufficient to take care of those.

Mr. STENNIS. This is a rather technical and complicated and involved matter. It should not be thrashed out on the Senate floor. I thought it would be possible to agree to it based on the advice of our technicians. I understood that the amendment was to be agreed to. If that is not the case, I can withdraw the amendment until the Senate has had further opportunity to study it.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. I believe that possibly the fear of the Senator from Alabama is not warranted in view of the fact that the language of the amendment refers to section 803. The committee language would strike out "1961" and insert in lieu thereof "1962." The bill also proposes to strike out "twenty-five thousand" and to insert in lieu thereof "thirty-seven thousand." As I understand it, the Senator's amendment would be applicable only to section 803.

Mr. STENNIS. The Senator from Mississippi has no doubt that the amendment proposes to do exactly what he has said it would do. If the technicians of the Senator from Alabama have not had a chance fully to study it, I suggest that the amendment be withdrawn.

Mr. SPARKMAN. Let us not withdraw it. The statement of the Senator from South Dakota ought to clarify the situation, that it relates only to section 803 housing.

Mr. STENNIS. That is correct. I read the amendment: At page 64, line 21, it is proposed to strike out "thirty-seven thousand" and insert in lieu thereof "twenty-eight thousand."

That is the only provision of the amendment.

Mr. SPARKMAN. Mr. President, I am willing to accept the amendment.

Mr. CASE of South Dakota. Mr. President, will the Senator yield, so that I may ask one question for clarification?

Mr. STENNIS. I yield.

Mr. CASE of South Dakota. As I understand, the reason for the 3,000 increase in the ceiling, under the conference report that is being prepared on the military construction bill, is that the 3,000 houses will be available to be placed under priorities to be determined by the Department of Defense, with the exception of 300.

Mr. STENNIS. The Senator is correct. Three thousand units would be designated by the Secretary of Defense, except that 300 of the 3,000 in the bill would be designated for the naval base at Norfolk, Va.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The 5 minutes of the Senator from Mississippi have expired.

Mr. STENNIS. I yield myself 5 additional minutes. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. As one who has worked with the Senator from Mississippi on this problem in the Subcommittee on Preparedness and in the Committee on Armed Services, and as a member of the conference, together with the Senator from Georgia [Mr. RUSSELL], and the Senator from Mississippi [Mr. STENNIS], I hope the amendment will be accepted and adopted, because it carries out our thought that the Capehart housing law must be amended if it is to be of any value.

Mr. CAPEHART. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I yield.

Mr. CAPEHART. Do I correctly understand that the Senator is seeking to reduce the number of units and to extend the act for 12 months?

Mr. STENNIS. The purpose of the amendment is to increase the number of units by 3,000; to raise the present ceiling by 3,000. The authorization bill will also retain the 2,000 units of appropriated-funds housing, which the Senate added.

Mr. CAPEHART. I understand. I have no objection.

Mr. SPARKMAN. Mr. President, the Senator from Mississippi may not be ready to answer this question, but is consideration being given to the possibility of using appropriated funds to provide for military housing needs hereafter? In other words, have we caught up pretty well to the point where that can be done?

Mr. STENNIS. In the first place, this amendment is designed to take care of the forthcoming fiscal year. Thereafter, it is the sentiment of the conferees from the two military committees that the needs should be considered, and that an attempt should be made to meet those needs with appropriated funds.

It was further understood that if the need should become great, additional financing methods would have to be considered, but that before that was gone into, it was the sentiment that there would have to be a rewriting of the law, and materially substantial amendments should be added. Of course, we were not speaking for Congress on that point, but for ourselves and in our judgment.

Mr. SPARKMAN. I am pleased to hear the Senator from Mississippi say that. While I have felt that this provision has rendered great service, particularly in making available units needed by the Air Force—needed by all branches of the service, of course, but particularly the Air Force—I have always felt that the more economic and sounder method of providing housing is through appropriated funds.

Mr. STENNIS. The purpose is as the Senator from Mississippi has stated. I thank the Senator from Alabama and the Senator from Indiana.

Mr. President, if the other group are willing to yield back the remainder of their time, I am willing to yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Mississippi.

The amendment was agreed to.

Mr. CAPEHART. Mr. President, I call up my amendment designated "6–1–61—K" and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 39, it is proposed to strike out lines 4 through 7, and insert in lieu thereof the following:

(1) inserting after *"Provided,* That" in section 10(i) the following: "the Authority may enter into new contracts for loans and annual contributions after the date of enactment of the Housing Act of 1961 for not more than thirty-seven thousand additional units: *Provided further,* That"; and

Mr. BEALL. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield to the Senator from Maryland.

Mr. BEALL. I am pleased that the Senate has adopted the Gore amendment. I congratulate the distinguished Senator from Tennessee for offering it. I wish to call particular attention to the fact that this amendment was brought to the attention of the Senate and was passed as a direct result of the series of amendments offered by the senior Senator from Indiana [Mr. CAPEHART], the ranking minority member of the

Committee on Banking and Currency of which I am a member. The able Senator from Indiana has always been a supporter of housing legislation and has been in the forefront of the efforts to improve the legislation. Certainly it was through his diligent efforts that the Senate, in its wisdom, saw the fairness of adopting the Gore amendment. This amendment, which reflects views of the Senator from Indiana as well as my own, has improved the bill considerably. The Senate is indebted to the Senator from Indiana.

Mr. CAPEHART. I thank the able Senator from Maryland.

Mr. MUNDT. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. MUNDT. I associate myself with the remarks just made by the distinguished Senator from Maryland. I have been on the floor of the Senate during almost all the debate on the bill. I congratulate the distinguished Senator from Tennessee [Mr. GORE], who offered the amendment which was just adopted; the distinguished Senator from Oklahoma [Mr. MONRONEY], who, I thought, made a very persuasive and intelligent plea for the amendment; and certainly the distinguished Senator from Indiana [Mr. CAPEHART], who, hour after hour, called our attention to the necessity of providing in the bill language which would make it a home ownership bill, a bill to promote home ownership, and not to promote tenancy, as would have been done if the bill had provided for long-term loan payments with no downpayments.

I think we would have done a disservice to the people we are trying to help had we not made it essential that they make some kind of downpayment on a house, so that they will know it belongs to them, and that it will be a house on which they will be happy to pay.

I congratulate the Senate on adopting the amendment. More especially, I congratulate the Senator from Indiana, because I have observed him as he has stood beside me, hour after hour, pleading his cause.

I think the Senate acted with great wisdom in adopting the Gore amendment.

Mr. CASE of South Dakota. Mr. President, I wish to echo what my senior colleague from South Dakota [Mr. MUNDT] has said concerning the diligent and persistent efforts of the distinguished senior Senator from Indiana [Mr. CAPEHART] in bringing to the attention of the Senate the very grave questions which were involved in title 1 of the housing bill. His educational, patient work was largely responsible for the adoption of the Gore amendment to title 1.

Mr. CAPEHART. Mr. President, I thank the able Senators from South Dakota.

On my amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CAPEHART. Mr. President, this amendment relates to the number of units of public housing to be authorized. A fight has taken place on this particular section in every housing bill that has been introduced in the last dozen years. In every case, Congress, before it finished with the bill, always reduced the number. The number which is ordinarily placed in the bill is 100,000. Heretofore, almost consistently, Congress has reduced that number to 25,000 or 37,000. I think it can be truthfully said, without successful contradiction by anyone, that the House has always been adamant on this question.

The bill before the Senate provides for about 100,000 units. My amendment would reduce the number to 37,000. The interesting thing is that 37,000 is more units than have been built in any one year in the history of public housing. I believe that is a correct statement. In other words, if we authorize 37,000 units, we shall be authorizing more units than the average number that have been constructed over the past 10 years. So there is no necessity for providing for 100,000 units, because 37,000 is as many as have been built in a year, and it is possibly more than will be built in the next 12 months—or the period covered by the bill.

That is about all there is to the amendment. We have debated this subject year in and year out, for many years. I believe that normally the Senate has been a little more liberal in regard to the number of public housing units than the House has been. I believe I can say, as one who has been one of the conferees for the past dozen years or more, in dealing with this subject, that a compromise has always been reached, and that the compromise has provided for a lesser number than that provided for in the bill as passed by the Senate.

Mr. President, I am not trying to eliminate public housing. We are simply trying to reduce the number to a practical number—a number greater than the average number constructed over the past 10 years. I believe this amendment would make the bill more practical.

I do not believe we received any testimony to the effect that more than 37,000 units would be needed during the next 12 months. There was no particular demand for any more; and I see no reason why we should be more liberal this year, as regards the number of public housing units, than we have been in prior years.

My State has very little interest in public housing. Generally speaking, our people are opposed to it. However, I have always gone along with what I thought was a reasonable number of public housing units, each year, on the theory that in the large cities there is some need for it. In fact, I am sure there is.

But I see no reason why the Senate should authorize 100,000 units, when in the next 12 months even less than 37,000 units will be built.

Mr. SPARKMAN. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 10 minutes.

Mr. SPARKMAN. I am sorry the Senator from Indiana has offered this amendment. What the committee did, in effect, was to reinstate the provisions of the 1949 act, as regards public housing.

A great many persons have talked about the number of additional units, and have said the number was 100,000. But that number is more or less plucked out of the air. The bill does not specify the number of units. Instead, we provide that the remainder of the number authorized in the 1949 act may be utilized. We often refer to the 1949 act as authorizing 810,000 units. However, that act did not authorize any particular number of units; it authorized the use of a certain amount of money—approximately $336 million per year, which might be used to subsidize public housing.

To date, approximately $270 million of that, I believe, has been used, and there remains approximately $70 million, of the amount originally made available. In this bill we provide that that may be used.

In view of the present cost of housing, if all that money is used that is expected to be available on July 1, 1961, about 100,000 units could be built. But in this bill there is also a provision to the effect that housing authorities may receive an additional contribution of $120 a year. So the number which may be built will depend largely on the number of units built for elderly persons in the future. My own guess is that the number provided for in the bill actually would be between 75,000 and 80,000. The Senator from Indiana seeks to reduce the number to 37,000.

We do not provide a definite period of time in which the units may be constructed.

I regard this amendment—and I say this without authority of the committee, but I believe it represents the thinking of the committee—as representing a phasing out of the public housing program as we have known it in the past. I do not know—since the Senate today voted out the alternative plan—whether that is true; but it is my hope that the use of the remaining units provided for under the 1949 act will phase out the public-housing program as we have known it in the past, and that we may be able to devise some plan as a substitute for it in the future.

A few minutes ago I stated certain figures. The amount already used is approximately $267 million or $268 million, leaving a balance of $68 million. I ask unanimous consent that the table contained on page 21 of the report on the housing bill may be printed at this point in the RECORD, in connection with my remarks, so that the exact figures will be available.

There being no objection, the excerpt from the report (No. 281) was ordered to be printed in the RECORD, as follows:

Classification	Dwelling units	Estimated commitment
1. Units under annual contributions contracts Mar. 31, 1961	577,448	$243,797,379
2. Balance of units authorized and estimated to be placed under annual contributions contracts by June 30, 1961	19,897	[1] 13,537,919
3. Total authorized program	597,345	257,335,298
4. Estimated authorization for additional subsidy of $120 a year for the elderly		10,624,702
5. Estimated additional number of units that could be authorized within the $336,000,000 per annum limitation established by the Housing Act of 1949	[2] 100,000	68,040,000
6. Total numbers of units which can be provided within the $336,000,000 per annum limitation	97,345	336,000,000

[1] This estimated amount of fixed annual contributions is projected by assuming: 40-year new LHA bonds, at 3¾ percent interest per annum and estimated average development cost of $14,000 per dwelling unit, which would require an annual contribution of $680.40.
[2] Number of units estimated as indicated in footnote 1.

Mr. SPARKMAN. Mr. President, this amendment would reduce to 37,000 the number of units which this money would provide. In that event, next year this question would probably be before us again, because there would still be unused funds from the 1949 authorization. My thought is that we might as well get rid of it and use it up; and apparently that was the thought of the committee.

This is not the first time the Senate has been called upon to take action in this field. On at least three other occasions the Senate has voted to renew the 1949 act.

Mr. CAPEHART. But the House did not do so.

Mr. SPARKMAN. That is correct; the House did not go along.

Now we are seeking to renew it again. I believe it is the best and the most orderly way to phase out the public housing program as we know it today.

Mr. BUSH. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. BUSH. Did the Senator from Alabama indicate how much unused authority there now is?

Mr. SPARKMAN. Yes, I stated that.

Mr. BUSH. I do not mean under the 1949 act; I mean under recent legislation. My impression is that we still have a substantial amount of unused authority.

Mr. SPARKMAN. That is correct; in the pipeline.

Mr. BUSH. Yes.

Mr. SPARKMAN. Yes; it is in the pipeline. But according to the testimony taken before our committee, all existing authority will be used by the end of this fiscal year.

Mr. BUSH. By the end of the 1961 fiscal year?

Mr. SPARKMAN. By June 30 it will be all placed under contract according to testimony from the Public Housing officials.

Mr. BUSH. Is it not true that we have been using up authorizations at the rate of 18,000 or 20,000 a year?

Mr. SPARKMAN. I believe the Senator is correct. I do not have the figures before me, but they are included in our hearings.

Mr. President, I ask unanimous consent that tables relating to the processing of public housing units be included at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Public housing units completed for occupancy, 1935–60

Year	All public housing [1]	Low rent					War and defense housing	Veterans' reuse housing
		Total	U.S. Housing Act			All except U.S. Housing Act		
			Total	All except Public Law 171	Public Law 171 [2]			
Total	1,465,985	460,629	438,990	169,451	269,539	21,639	739,704	265,652
1935	0	0				0		
1936	798	798				798		
1937	7,376	7,376				7,376		
1938	13,465	13,465				[3] 13,465		
1939	4,960	4,960	4,960	4,960				
1940	34,308	34,308	34,308	34,308				
1941	120,851	[3] 61,065	[3] 61,065	[3] 61,065			59,786	
1942	156,901	36,172	36,172	36,172			120,729	
1943	[3] 371,700	24,296	24,296	24,296			[3] 347,404	
1944	153,596	3,269	3,269	3,269			150,327	
1945	44,157	2,080	2,080	2,080			40,171	1,906
1946	134,847	1,925	1,925	1,925			4,051	[3] 128,871
1947	107,097	466	466	466				106,631
1948	30,066	1,348	1,348	146	[4] 1,202		1,550	27,168
1949	1,242	547	547	280	[5] 267			695
1950	1,636	1,255	1,255	232	[5] 1,023			381
1951	10,246	10,246	10,246	252	9,994			
1952	63,835	58,258	58,258		[3] 58,258		5,577	
1953	64,773	58,214	58,214		58,214		6,559	
1954	47,734	44,293	44,293		44,293		3,441	
1955	21,008	20,899	20,899		20,899		109	
1956	11,993	11,993	11,993		11,993			
1957	10,513	10,513	10,513		10,513			
1958	15,472	15,472	15,472		15,472			
1959	21,845	21,845	21,845		15,566			
1960	15,566	15,566	15,566					
	Summarized by 5-year periods							
1935–39	26,599	26,599	4,960	4,960		21,639		
1940–44	[3] 837,356	159,110	159,110	159,110			678,246	
1945–49	317,409	6,366	6,366	4,897	1,469		45,772	265,271
1950–54	188,224	172,266	172,266	484	171,782		15,577	381
1955–59	80,831	80,722	80,722		80,722		109	

[1] Covers programs administered by HHFA or PHA; all units completed do not continue necessarily under PHA management.
[2] Excludes 110 units in a former PWA project and 228 units in part of a former Public Law 671 project rehabilitated under Public Law 171; however, these units are now under the management of PHA.
[3] All-time high.
[4] Built under provisions of Public Law 301, later brought under Public Law 171.
[5] Includes 753 units started under Public Law 301.

Mr. BUSH. Mr. President, if the Senator will yield, I should simply like to make an observation. I have always supported public housing. I have been on the committee for 9 years. It seems to me, however, that an authorization for 37,000 additional units is a generous one, and far in excess of what we expect to use. The advantage of the amendment is that it would keep the committee and the Congress abreast of what is going on in the housing field. That is the advantage of the amendment.

Mr. SPARKMAN. If it were desired to legislate on a single-year basis, I would not have a great deal of quarrel with it, but I look at the measure as being a sort of clean-up of the housing authority provided under the 1949 Act. There is no particular time provided. The program might spread over 3 or 4 years. I think this plan is a good way to get the money in the pipeline and clean up the authority in the 1949 act. That is why I argue for the provisions in the bill rather than for the amendment of the Senator from Indiana.

Mr. BUSH. The advantage of the Capehart amendment is that it provides for occasional legislative review, which I think is desirable in connection with any of these big programs.

Mr. SPARKMAN. The Senator knows that our subcommittee has that right under the act.

Mr. BUSH. The committee has the right, but it does not exercise it.

Mr. SPARKMAN. I remind the Senator from Connecticut that every year, early in the year, representatives of the constituent agencies of the HHFA come before the subcommittee and give a report on the situation, so that we may study the program.

Mr. BUSH. I think it can be done, but I think a good reminder would be a deadline. Usually, when there is a deadline, there is action.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. JAVITS. I should like to point out, first, as one coming from a State which probably uses the largest amount of public housing authorizations, that public housing authorizations are absolutely essential to slum clearance and the intelligent use of urban renewal, because they are attributable to the need for a balanced housing program.

In New York, where we have probably used urban renewal more than has any other area of the country, the program would be impossible without the balancing feature of public housing. The basic reason for allowing this authorization to be made now is that it would give the Agency an opportunity to really let people plan. Otherwise, with 37,000 units in a particular year, the Agency would be almost in the position of trying to sell the units before the time limit expires; whereas on this basis, it could engage in orderly planning.

The amazing thing is that businessmen would never dream of operating under these conditions, and yet those who want to impose these conditions are the first ones to say we ought to have businesslike methods in government.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CAPEHART. Mr. President, will the Senator yield 1 second to me?

Mr. SPARKMAN. I yield myself 3 additional minutes, and yield to the Senator from Indiana. The Senator can get time of his own, however.

Mr. CAPEHART. There are 51,000 units in the pipeline at the moment. If 37,000 were added, the total would be 88,000 units. It seems to me that is enough.

Mr. JAVITS. But they are fully committed.

Mr. SPARKMAN. There are 40,000 in the backlog. While there may be 51,000 in the pipeline, there are applications for 40,000 waiting for additional units to be made available in order to be taken care of.

Mr. CAPEHART. They will not necessarily be authorized. In many instances those in the pipelines are withdrawn by the cities and housing authorities.

Here are the figures, as they appear on page 938 of the hearings:

Units in pipeline, not yet under annual contributions contract, 51,353.

Units remaining of current 37,000-unit authorization for contracts, which will be entered into by June 30, 1961, 19,897.

Remainder which would be charged against new authority, 31,456.

Additional units available under a new 100,000-unit program, 68,544.

Mr. JAVITS. If the Senator will yield for a comment, as one who comes from an area which utilizes the provisions to the full, I say, advisedly, that by doing what the committee wants to do we can best utilize the program, within the limited number of public housing units made available, and that we shall not be inhibited in terms of long-range planning for slum clearance by annual depressing factors which make it impossible to work in that way.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. HUMPHREY. As I understand, the amount set aside for public housing is the amount established under the 1949 act.

Mr. SPARKMAN. It is what remains.

Mr. HUMPHREY. What we are doing is fulfilling the remainder of the Taft proposal as contained in the 1949 act. Is that correct?

Mr. SPARKMAN. Yes.

Mr. HUMPHREY. I cannot imagine that this proposal is "too far out in left field."

Mr. SPARKMAN. The Senate has passed on the question several times.

Mr. CAPEHART. Mr. President, I yield back the remainder of my time.

Mr. SPARKMAN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Indiana [Mr. CAPEHART]. All time has been yielded back. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Louisiana [Mr. ELLENDER], the Senator from California [Mr. ENGLE], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY] is necessarily absent.

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from New Hampshire would vote "yea."

On this vote, the Senator from Louisiana [Mr. ELLENDER] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from Louisiana would vote "nay," and the Senator from Arizona would vote "yea."

On this vote, the Senator from California [Mr. ENGLE] is paired with the Senator from Georgia [Mr. RUSSELL]. If present and voting, the Senator from California would vote "nay," and the Senator from Georgia would vote "yea."

I further announce that, if present and voting, the Senator from New Mexico [Mr. ANDERSON] would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from New Hampshire would vote "yea," and the Senator from New Mexico would vote "nay."

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from Louisiana [Mr. ELLENDER]. If present and voting, the Senator from Arizona would vote "yea," and the Senator from Louisiana would vote "nay."

The result was announced—yeas 34, nays 58, as follows:

[No. 65]

YEAS—34

Allott	Dworshak	Robertson
Beall	Eastland	Saltonstall
Bennett	Ervin	Schoeppel
Bush	Hayden	Smathers
Butler	Hickenlooper	Stennis
Byrd, Va.	Holland	Talmadge
Capehart	Hruska	Thurmond
Carlson	McClellan	Wiley
Case, S. Dak.	Miller	Williams, Del.
Cotton	Morton	Young, N. Dak.
Curtis	Mundt	
Dirksen	Prouty	

NAYS—58

Aiken	Hickey	Metcalf
Bartlett	Hill	Monroney
Bible	Humphrey	Morse
Boggs	Jackson	Moss
Burdick	Javits	Muskie
Byrd, W. Va.	Johnston	Neuberger
Cannon	Jordan	Pastore
Carroll	Keating	Pell
Case, N.J.	Kefauver	Proxmire
Church	Kerr	Randolph
Clark	Kuchel	Scott
Cooper	Lausche	Smith, Mass.
Dodd	Long, Mo.	Smith, Maine
Douglas	Long, Hawaii	Sparkman
Fong	Long, La.	Symington
Fulbright	Magnuson	Williams, N.J.
Gore	Mansfield	Yarborough
Gruening	McCarthy	Young, Ohio
Hart	McGee	
Hartke	McNamara	

NOT VOTING—8

Anderson	Chavez	Goldwater
Blakley	Ellender	Russell
Bridges	Engle	

So Mr. CAPEHART's amendment "K" was rejected.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CAPEHART. Mr. President, I call up my amendment "6–1–61—C," and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Indiana will be stated.

The LEGISLATIVE CLERK. On page 45, line 8, it is proposed to strike out "$4,500,000,000" and insert in lieu thereof "$3,800,000,000".

Mr. CAPEHART. Mr. President, I ask for the yeas and nays, in order that Senators may be on notice.

The yeas and nays were ordered.

Mr. CAPEHART. Mr. President, the amendment would reduce the authorization in the bill of $2½ billion to $1.8 billion and limit the expenditure of the $1.8 billion to 4 years. The money appropriated would have to be spent in 4 years' time.

The bill would authorize $2½ billion, all of which could be spent in 1 year, 2 years, or 3 years. No limit is placed upon the time in which the $2½ billion must be expended. It could be expended in 2 years.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. HUMPHREY. I wish the Senator would repeat the difference between his proposal and the provision of the bill. I make the suggestion most respectfully.

Mr. CAPEHART. The bill provides that $2½ billion be expended over an indefinite period. There would be no time limit. My amendment would reduce the amount to $1,800 million to be expended over a period of 4 years. The committee received reliable testimony that $400 million, $450 million, or $500 million was as much as could be expended in any one year on urban renewal. My amendment provides for the expenditure of $1,800 million.

The highest amount for capital grants in any one year under the urban renewal program was $270 million in 1960, of which only $131,524,000 was actually disbursed or expended. Therefore more money than is needed is provided in the bill.

I invite the attention of Senators to the fact that the bill before the Senate provides for total expenditures and authorizations of approximately $6 billion. FHA is now 25 or 26 years of age. During the 25 or 26 years of the life of FHA expenditures under all other housing bills totaled only about $6 billion. In other words, the bill before the Senate calls for as much authorization as was provided in all previous housing legislation in the history of FHA. Inasmuch as the bill is so expensive, and inasmuch as the testimony was that even the $1,800 million expended over a 4-year period is sufficient and ample, and considering the national debt of $294 billion and the demand upon us for more money for other purposes, we could well reduce the amount requested from $2½ billion to $1,800 million without in any way crippling or hurting the program. I do not understand why the proponents of the bill have requested $2½ billion. I do not know why they have asked for $2½ billion to be expended without any time limit.

It can be spent in 1 or 2 or 3 or 4 years. We have not been handling these programs on that basis. The question is very simple. It is whether we wish to authorize $2½ billion, or whether we wish to authorize $1,800 million. It is as simple as that. The testimony is that not more than 400 or 500 million dollars can be spent in any one year. The most that has been authorized in 1 year was $275 million, and the most that has been expended in 1 year was $131 million. What is there about the situation today which requires more funds than we are talking about? Congress is in session every year. If there is a good reason why more money is needed next year, we will be here to authorize it. We will be here the year after next to authorize it, and beyond that time.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. CLARK. Is the Senator's amendment identified as "6–1–61—C"?

Mr. CAPEHART. Yes.

That is how simple it is, or how complicated it is, whichever way one wishes to look at it.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. CARLSON. The statement has been made that this is a $9,300 million housing bill. Would the Senator's amendment reduce the amount by $700 million?

Mr. CAPEHART. It would reduce the authorization by $700 million in the urban renewal section.

Mr. CARLSON. In other words it would be $8.7 billion, instead of $9.3 billion. Is that correct?

Mr. CAPEHART. I believe that in all fairness it should be said it is a $6 billion bill.

Mr. CARLSON. The Senator from Indiana has confused me a little, because there are several statements in the RECORD to the effect that this is a $9.3 billion bill. He made the statement that it was a $6 billion bill. That is why I asked him the question.

Mr. CAPEHART. I may be mistaken. If I am, I wish to be corrected. I believe it is a $6 billion overall bill. All housing bills up to this time, in the 25 years that we have been enacting such bills, have totaled only $6 billion. In other words, the authorization in the pending bill is about the same amount as all other housing bills combined have provided in the past 25 years. That is why we can well afford to reduce the urban renewal portion by $700 million, because the figure of $2½ billion was picked out of the air. There is no testimony to show that that was the exact amount needed. It is an arbitrary figure. The testimony is that the maximum that can be spent is $500 million. The most that has been authorized in any one year is $275 million. The most that has been spent in any one year is $131 million. We are asked to authorize $2.5 billion. There is no limit as to the time in which the money is to be spent. It could be spent in 1 year, 2 years, or 3 years. In all fairness, it must be said that it could be spent over a number of years. That does not mean that the money must be spent in 1 year, but the bill would not prevent it.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. LAUSCHE. For the purpose of clarification, the amendment of the Senator from Indiana uses the figure "$4,-500,000,000." The Senator has been using the figure "$2,500,000,000." Where does the difference arise?

Mr. CAPEHART. It is the carryover. The total under urban renewal has been $4,500 million. We would reduce it by $700 million.

Mr. LAUSCHE. To $3.8 billion?

Mr. CAPEHART. That is the way we write legislation. The end result is $2,500 million in addition to the funds previously authorized. I would reduce the present amount by $700 million.

Mr. LAUSCHE. By $700 million?

Mr. CAPEHART. Yes.

Mr. LAUSCHE. The Senator has stated that the total amount spent since the program was put into effect is about $6 billion.

Mr. CAPEHART. That is for all purposes.

Mr. LAUSCHE. Then the Senator went on to say that the bill itself embraces $6 billion.

Mr. CAPEHART. In round figures.

Mr. LAUSCHE. In what period of time is the $6 billion authorization in the bill to be spent?

Mr. CAPEHART. The subject we are talking about, which is urban renewal, involves authorizations of about $2½ billion, with no time limit on them. The money could all be expended in 1 year or 2 years. Perhaps it would be spent over a longer period. I want to be fair. I do not see the necessity of authorizing $2½ billion, particularly in view of our huge debt, and the great call for expenditures. The President has said that we must sacrifice a little. This is a good place to start sacrificing $700 million, which is not particularly needed now. There is no proof that it could be used. It might be argued, "If it is not to be used what difference does it make?"

I believe it makes a great deal of difference. We should show responsibility rather than irresponsibility. When we say, "Here is $2½ billion, spend it in 1 year, 2 years, or 3 years." I believe to a certain extent we show irresponsibility.

Mr. CLARK. Mr. President, I yield myself 5 minutes in opposition to the amendment.

As the Senator from Indiana has said, this is a very simple issue, involving the question whether or not we wish to cut by several hundred million dollars the grant authorization for urban renewal, which has no time limit and which actually will take somewhere in the neighborhood of 15 years to spend, if past experience is any criterion. I believe my recollection is correct, that the committee, by a rather substantial majority, accepted the view of the Administrator of the Housing and Home Finance Agency, that the figure of $2.5 billion was the right amount to put into the bill for urban renewal.

Senators who are interested will find the argument spelled out very briefly at page 26 of the committee report. I quote from it briefly:

> In order to determine the amount of additional capital grant authorization that would be required to continue the program, the committee took into account the statements submitted by the HHFA that, by the end of June 1961, the backlog of applications would amount to $450 million, and that approximately $600 million of applications are expected for each year during the next 4 years.

I point out that the urban renewal program has gotten off the ground only in the past half dozen years. My own State is a good example. At first, only Pittsburgh and Philadelphia were interested. By now 45 communities in Pennsylvania have urban renewal projects underway.

In the judgment of many members of the committee, the Eisenhower administration was very niggardly in its urban renewal recommendations. We had a continuous fight to raise them. We

never succeeded in getting the authorizations high enough to take care of all the bona fide applications. The Eisenhower administration, in administering the urban renewal program, exerted a great deal of pressure to reduce the scope of urban renewal projects and to try to persuade cities to utilize less money.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. BUSH. I wonder whether the Senator would explain why he makes such a statement about the Eisenhower administration's attitude on urban renewal. I do not believe he can support that statement.

Mr. CLARK. I make the statement on the basis of my own experience during the 4½ years I have been in the Senate, and based on my intimate contact with the HHFA and the Urban Renewal Administration. I know those people. I have discussed Pennsylvania problems with them. I have served on the Housing Subcommittee. That is my best judgment of what happened.

Mr. BUSH. I wonder why the Senator makes that statement, when only recently the Commissioner of Urban Renewal, from the Senator's own State, was complimented by him before the Committee on Banking and Currency. I refer to David Walker.

Mr. CLARK. The Senator is correct. Dave Walker did his very best; but he was overruled, time after time, by Norman Mason and by his predecessor. In my judgment, the whole administration of HHFA in the Eisenhower administration was as strongly opposed to the principle of urban renewal as the new administration is in favor of it.

Mr. BUSH. I do not wish to use up too much of the Senator's time, but I take sharp issue with his statement. Together with the Senator from Pennsylvania, I have worked on urban renewal legislation since 1954, when the act was passed. I have worked for it and supported it since then, as the Senator knows. I do not believe it is fair for him to say that the Eisenhower administration put a roadblock in front of the program.

Mr. CLARK. The Senator from Connecticut is entitled to his own opinion. I am certainly entitled to mine. I have no reason for changing my opinion. The Senator from Connecticut and I disagree; that is all. I am always happy to engage in a colloquy with the Senator from Connecticut, even though we do not agree.

Mr. CASE of New Jersey. Mr. President, will the Senator from Pennsylvania yield?

Mr. CLARK. I yield.

Mr. CASE of New Jersey. I favor the provision in the bill as it stands. I support the Senator from Pennsylvania in his argument in chief, but I believe the Senator from Connecticut is eminently correct in his support of the Eisenhower administration.

Mr. JAVITS. Mr. President, will the Senator from Pennsylvania yield?

The PRESIDING OFFICER. The time of the Senator from Pennsylvania has expired.

Mr. CLARK. I yield myself 5 additional minutes. I am only too happy to have my Republican friends come to the defense of the Eisenhower administration. I yield to the Senator from New York.

Mr. JAVITS. I thank the Senator from Pennsylvania. We can get a minute or two, I am sure, from the Senator from Indiana.

I feel as does the Senator from New Jersey. I support the argument in chief. I think I may, with pardonable pride, say that I have helped to work on the bill and that I am in favor of housing. On a number of occasions I voted to override vetoes, even in the Eisenhower administration.

I have not the figures before me now, but I am quite clear in my belief that, if anything, the Eisenhower administration favored urban renewal as against other types of programs, being far less favorable to public housing.

It is my distinct impression that the Eisenhower administration felt that programs for urban renewal were on the right track.

I thought this statement should be made in all fairness.

Mr. CLARK. I am quite as desirous of being fair as is the Senator from New York. I only point out that year after year, even before I became a Member of the Senate, when I was mayor of Philadelphia, I used to come to Congress and ask for an annual grant authorization of $600 million, which now, for the first time, we have finally obtained.

Year after year, the Eisenhower administration paid no attention whatever to what the mayors recommended. That administration reduced the amounts. My recollection is that on several occasions the Senate increased the authorization above the Eisenhower administration recommendations. On one occasion the House went along with the Senate. But not only did the Eisenhower administration reduce the grant authorization below what was needed, but it also made an effort—an unsuccessful one, I am happy to say—to reduce the Federal share of the cost of the program and to increase correspondingly the local contribution, an action which we who believed in the urban renewal program were convinced would severely injure the program.

Mr. JAVITS. I think both points of view are correct. I think the Eisenhower administration was hardheaded about keeping separate the amounts representing what was used and what was usable. I think it felt strongly that there ought to be a reshuffling of the amount of contributions. But I do not think there was any inconsistency in being hardheaded about using money and following the general sentiment for urban renewal. Very substantial authorizations for urban renewal were made upon the recommendation of the Eisenhower administration.

Mr. CAPEHART. Mr. President, will the Senator from Pennsylvania yield?

Mr. CLARK. I yield.

Mr. CAPEHART. A moment ago the Senator made the statement that as mayor of Philadelphia he came to Washington and fought for $600 million a year for urban renewal. I remind him that my amendment, which calls for $1,800,000,000, would provide $600 million a year for three years.

Mr. CLARK. I understand that.

Mr. CAPEHART. That seems to me to be far enough in advance to be authorizing appropriations.

Mr. CLARK. I understand.

Returning to the burden of my argument, I call attention to page 26 of the report. The HHFA presented very carefully prepared testimony, supported by the Nation's mayors, stressing the importance of a continuing program for 5, 6, or 7 years, so that communities could plan ahead with assurance that their plans could be executed and the Federal help could be available when the time came.

I point out one thing, particularly to the Senator from Ohio, who engaged in a colloquy with the Senator from Indiana a moment ago. The Senator from Ohio and the Senator from Indiana were referring to spending. There is a great difference between spending and grant authorization.

The PRESIDING OFFICER. The time of the Senator from Pennsylvania has again expired.

Mr. CLARK. I yield myself an additional 5 minutes.

If the Senator from Ohio will do me the honor of looking at the table at the top of page 26 of the report, he will note that the amount disbursed for 1956 was only $13.6 million; for 1957, $29.6 million; and even in 1960, when the program first began to roll, it was no more than $106.8 million. The record shows that anywhere from 3 to 15 years are required for grant authorizations to be converted into money actually going out of the Treasury.

I agree with the Senator from Ohio on the point I am sure he has in mind, that sooner or later the money will be spent. That is obviously true. However, I think we ought to consider the period over which the spending will take place. The amount of spending which this authorization would call for in the near future is much less than the amount which the Senator from Indiana and the Senator from Ohio were talking about.

Let me return to the $600 million of applications. I read from the report:

> The Agency justified its estimate of $600 million per year over the next 4 years by referring to the increased activity in the program in recent months.

I say again that the increased activity is due to the fact that a new administration is in office and is pushing the program. I continue reading from the report:

> It also referred to the needs of this fund to take care of the provision in the recently passed depressed area legislation which would permit the use of urban renewal funds for the redevelopment of nonresidential property in depressed areas. Increased demand is also expected in consequence of the growing interest in urban renewal by universities and colleges.

This last sentence refers to the provision whereby colleges and universities and urban hospitals can take advantage

of the urban renewal provisions of the bill in order to get the land necessary for the expansion of their needed facilities.

The table which appears at the top of page 27 of the report shows the basis on which the $600 million authorization is requested.

The urban renewal program has been on a hand-to-mouth, year-by-year basis even since I came to the Senate. In all that period and before, those who were responsible for the program of urban renewal, the authorities and the mayors in the various cities were asking for a long-range program, so that they might know ahead of time how to make their plans. It was for that reason that the figure was placed as high as it is in the bill.

I agree with the Senator from Indiana that no catastrophe would result if his amendment were to be approved. However, a majority of the members of the committee felt it was wiser to authorize the full amount of the grant authorization requested by the administration. I again emphasize that this does not mean that actual spending will approach the magnitude of the $600-million-a-year figure for many years to come. Therefore, on behalf of the chairman of the subcommittee, who is in charge of the bill and who asked me to represent him in connection with this particular amendment, I ask that the amendment be rejected.

Mr. CAPEHART. Mr. President, I am prepared to yield back the remainder of my time.

Mr. CLARK. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Indiana [Mr. CAPEHART]. The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Arizona [Mr. HAYDEN], and the Senator from Oregon [Mrs. NEUBERGER] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY] is necessarily absent.

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from New Hampshire would vote "yea."

On this vote, the Senator from Oregon [Mrs. NEUBERGER] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from Oregon would vote "nay," and the Senator from Arizona would vote "yea."

On this vote, the Senator from Arizona [Mr. HAYDEN] is paired with the Senator from New Mexico [Mr. ANDERSON]. If present and voting, the Senator from Arizona would vote "yea," and the Senator from New Mexico would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from New Hampshire would vote "yea," and the Senator from New Mexico would vote "nay."

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from Oregon [Mrs. NEUBERGER]. If present and voting, the Senator from Arizona would vote "yea," and the Senator from Oregon would vote "nay."

The result was announced—yeas 38, nays 55, as follows:

[No. 66]

YEAS—38

Allott	Eastland	Russell
Beall	Ervin	Saltonstall
Bennett	Fong	Schoeppel
Boggs	Hickenlooper	Smathers
Butler	Holland	Stennis
Byrd, Va.	Hruska	Talmadge
Capehart	Jordan	Robertson
Carlson	Lausche	Thurmond
Case, S. Dak.	McClellan	Wiley
Cotton	Miller	Williams, Del.
Curtis	Morton	Yarborough
Dirksen	Mundt	Young, N. Dak.
Dworshak	Prouty	

NAYS—55

Aiken	Hart	McNamara
Bartlett	Hartke	Metcalf
Bible	Hickey	Monroney
Burdick	Hill	Morse
Bush	Humphrey	Moss
Byrd, W. Va.	Jackson	Muskie
Cannon	Javits	Pastore
Carroll	Johnston	Pell
Case, N.J.	Keating	Proxmire
Church	Kefauver	Randolph
Clark	Kerr	Scott
Cooper	Kuchel	Smith, Mass.
Dodd	Long, Mo.	Smith, Maine
Douglas	Long, Hawaii	Sparkman
Ellender	Long, La.	Symington
Engle	Magnuson	Williams, N.J.
Fulbright	Mansfield	Young, Ohio
Gore	McCarthy	
Gruening	McGee	

NOT VOTING—7

Anderson	Chavez	Neuberger
Blakley	Goldwater	
Bridges	Hayden	

So the amendment was rejected.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I have an amendment at the desk. I have spoken to both the manager of the bill, the Senator from Alabama [Mr. SPARKMAN], and the ranking minority member of the committee, the Senator from Indiana [Mr. CAPEHART], about this particular amendment. Before it is read, let me say that the purpose of the particular amendment is to provide that municipalities with populations of 150,000 or less which are located in areas which have been officially designated by the Secretary of Labor, under existing law, for area redevelopment assistance or are known as distressed areas, would be eligible for three-fourths urban renewal grants under the urban renewal sections of the bill, instead of two-thirds. This amendment affects the smaller communities, which have, all too often, resources too small to engage in activities of urban renewal, and also affects only those areas which are declared to be distressed areas.

I offer the amendment on behalf of the Senator from Pennsylvania [Mr. SCOTT], and myself.

Since the amendment deals with many technical parts of the bill, I thought I should explain it first, so that the reading of it might be omitted, although, if the Senate desires it, it is perfectly agreeable with me to have it read, or have it printed in the RECORD.

I have discussed the amendment with the Senator from Alabama [Mr. SPARKMAN], and the Senator from Indiana [Mr. CAPEHART].

The PRESIDING OFFICER. Without objection, the amendment may be printed in the CONGRESSIONAL RECORD without reading.

The amendment offered by Mr. HUMPHREY, for himself and Mr. SCOTT, is as follows:

On page 42 beginning with line 20 strike out all through line 9 on page 43 and insert in lieu thereof the following:

"INCREASED FEDERAL AID FOR SMALLER COMMUNITIES IN REDEVELOPMENT AREAS, POOLING GRANTS-IN-AID BETWEEN PROJECTS

"SEC. 301. (a) Section 103(a) of the Housing Act of 1949 is amended by inserting '(1)' after '(a)', by striking out the last two sentences, and by inserting at the end thereof the following:

"'(2) The aggregate of such capital grants with respect to all of the projects of a local public agency (or of two or more local public agencies in the same municipality) on which contracts for capital grants have been made under this title shall not exceed the total of—

"'(A) two-thirds of the aggregate net project costs of all such projects to which neither subparagraph (B) nor subparagraph (C) applies, and

"'(B) three-fourths of the aggregate net project costs of any of such projects which are located in a municipality having a population of one hundred fifty thousand or less, according to the most recent decennial census, if such municipality is situated in an area which, at the time the contract or contracts involved are entered into or at such earlier time as the Administrator may specify in order to avoid hardship, is designated as a redevelopment area under the second sentence of section 5(a) of the Area Redevelopment Act), and

"'(C) three-fourths of the aggregate net project costs of any of such projects (not falling within subparagraph (B)) which the Administrator, upon request, may approve on a three-fourths capital grant basis.

"'(3) A capital grant with respect to any individual project shall not exceed the difference between the net project cost and the local grants-in-aid actually made with respect to the project.'"

On page 43 beginning with line 22 strike out all through line 2 on page 44 and insert in lieu thereof the following:

"(c) The third and fourth sentences of section 110(e) of such Act are each amended by striking out 'pursuant to the proviso to the second sentence of section 103(A)' and inserting in lieu thereof 'pursuant to section 103(a)(2)(C)'."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY] for himself and

the Senator from Pennsylvania [Mr. SCOTT].

Mr. DIRKSEN. Mr. President, let us ask for the yeas and nays.

Mr. HUMPHREY. If the Senator insists. I understood it was desired to take the amendment to conference. A similar, and much broader, provision is in the House bill. The purpose of the amendment is to give the Senate an opportunity, in conference, to confer on what some Senators have termed a more reasonable provision.

I felt that, since both the majority and minority members of the committee were willing to accept it, and since the bill would be in conference anyway, this would be the sensible thing to do.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HRUSKA. Does the amendment involve the expenditure of additional funds, and if so, how much?

Mr. HUMPHREY. It does not. It merely provides that in certain smaller communities, where the resources are less, it would be possible to make better grants under urban renewal provisions which have been already placed in the bill.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SCOTT. I was about to make the same point. According to my information the amendment does not involve any additional funds. It has been cleared with Senators on both sides of the aisle who would naturally be consulted. This amendment would affect such areas as Scranton and Erie.

It seems to be a highly desirable amendment. I hope it will not be necessary to go through the yeas and nays on it. There has been general agreement on it by Senators who are familiar with the contents of this complicated measure.

I ask unanimous consent that certain remarks I have prepared on the amendment may appear in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SCOTT

As you know, since coming to the Senate, I have vigorously supported programs which would aid the redevelopment of depressed areas for our country.

President Kennedy, in his housing message, pointed out that the housing industry is one of the largest employers of labor. The President also pointed out that many other supplying industries and services depend largely and directly on new housing construction.

What would be a better way to help absorb this surplus labor we have in many areas of the country than to give priority to those areas which would qualify for assistance under the area redevelopment legislation, passed earlier in this session of the Congress?

My amendment would increase the Federal grant from two-thirds to three-fourths for communities of 150,000 or less which qualify for assistance under the area redevelopment formula.

Adoption of this amendment, as I have said, would not only be a proper approach to the solution of the surplus labor problem, but it would recognize the housing problems of those families of modest income, especially in hard-pressed areas.

The committee in reporting this legislation expressed concern about the "state of the national economy and the continued lack of sustained vitality shown by the home-building industry." I am sure that if we studied the industry in those areas that would qualify under the area redevelopment formula, the lack of such vitality would be quite evident.

I feel that my amendment is entirely consistent with both the objectives of aid to depressed areas and of good housing legislation.

Mr. HUMPHREY. Mr. President, I also ask unanimous consent to have a statement by me appear in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

Under this amendment, municipalities with populations of 150,000 or less which are located in areas designated by the Secretary of Labor for redevelopment assistance or distressed areas would be eligible for the three-fourths urban renewal grant from the Federal Government.

I am happy to report that the House Committee on Banking and Currency adopted a similar amendment in its housing bill reported out for action by the House of Representatives. This action by the House committee certainly gives strong evidence in support of the amendment which I am sponsoring.

Let me quote from discussion of title III, "Urban renewal and planning, on page 22 of the report of the House Committee on Banking and Currency on its housing bill, H.R. 6028:

INCREASED FEDERAL CONTRIBUTION IN SMALLER COMMUNITIES

"Section 301 of the bill would increase the Federal grant from two-thirds to three-fourths for communities of 50,000 or less, as well as for communities up to 150,000 which qualify for assistance under the area redevelopment legislation. Your committee has long been convinced that smaller communities are at a relative disadvantage in the urban renewal program and that in equity their required contribution to the cost of the project should be somewhat lower than that of larger cities. In the first place, smaller communities do not have the large staffs and facilities which larger cities enjoy. But more important, since their volume of civic improvements is often at a lower volume, they quite often are unable to enjoy the advantages which larger cities have of meeting their one-third requirement through noncash grants-in-aid."

My amendment to section 301 of the housing bill, S. 1922, is in accord with section 301 as approved by the House committee in H.R. 6028. I believe we should enact this program of increased Federal urban renewal assistance for the smaller communities of our country which are located in areas designated for assistance under the Area Redevelopment Act.

Job-producing, wealth-producing urban renewal projects can give a tremendous boost to our smaller communities. I am convinced that these communities need greater Federal support to make their urban renewal efforts successful, and I urge my colleagues to provide the needed support and assistance by approving the amendment which I am now sponsoring.

The following cities would be eligible for increased Federal grants under my amendment: Altoona, Pa., Ashland, W. Va., Atlantic City, N.J., Charleston, W. Va., Duluth, Minn., Erie, Pa., Evansville, Ind., Fall River, Mass., Hazleton, Pa., Huntington, W. Va., Johnstown, Pa., Lowell, Mass., New Bedford, Mass., Pawtucket, R.I., Ponce, P.R., Mayaguez, P.R., Scranton, Pa., Wheeling, W. Va., Wilkes-Barre, Pa., plus some 90 smaller municipalities as follows:

AREAS OF SUBSTANTIAL AND PERSISTENT UNEMPLOYMENT [1]

May 1961

Alabama: Gadsden, Jasper.
Alaska: Anchorage.
California: Modesto, Ukiah.
Connecticut: Ansonia, Bristol, Danielson.
Georgia: Cedartown-Rockmart.
Illinois: Cairo-Metropolis, Centralia, Harrisburg, Herrin-Murphysboro-West Frankfort, Litchfield, Mount Vernon.
Indiana: New Castle.
Kansas: Pittsburg.
Kentucky: Corbin, Hazard, Hopkinsville, Madisonville, Middlesboro-Harlan, Morehead-Grayson, Paducah, Paintsville-Prestonsburg, Pikeville-Williamson.
Maine: Biddeford-Sanford.
Maryland: Cambridge, Cumberland, Hagerstown.
Massachusetts: North Adams.
Michigan: Adrian, Bay City, Marquette, Monroe, Port Huron.
Minnesota: Brainerd-Grand Rapids, Hibbing-Virginia.
Missouri: Flat River, Washington.
Montana: Butte, Kalispell.
New Jersey: Bridgeton, Long Branch, Ocean City-Wildwood-Cape May.
New York: Amsterdam, Auburn, Gloversville, Jamestown-Dunkirk, Ogdensburg-Massena-Malone, Plattsburgh.
North Carolina: Fayetteville, Kinston, Lumberton, Wilson.
Ohio: Athens-Logan-Nelsonville, Batavia-Georgetown-West Union, Cambridge, Portsmouth-Chillicothe.
Oklahoma: McAlester, Muskogee.
Pennsylvania: Berwick-Bloomsburg, Butler, Clearfield-Du Bois, Indiana, Kittanning-Ford City, Lewistown, Meadville, New Castle, Pottsville, St. Marys, Sayre-Athens-Towanda, Sunbury-Shamokin-Mt. Carmel, Uniontown-Connellsville.
South Carolina: Conway.
Tennessee: La Follette-Jellico-Tazewell.
Texas: Laredo.
Virginia: Big Stone Gap-Appalachia.
Washington: Aberdeen, Anacortes, Centralia, Port Angeles, Yakima.
West Virginia: Beckley, Bluefield, Clarksburg, Fairmont, Logan, Morgantown, New Martinsville, Oak Hill-Montgomery, Point Pleasant-Gallipolis, Ronceverte-White Sulphur Springs, Welch.

Mr. CLARK. Mr. President, I congratulate the Senator from Minnesota for offering the amendment. I hope the chairman of the subcommittee will agree to take it to conference.

This amendment will be of special assistance to many urban communities in Pennsylvania which do not have the wherewithal to engage in the kind of urban renewal plans which are essential for their well-being.

The amendment has been urged on me by the Northeast Pennsylvania Industrial Development Commission, which represents the region centering on

[1] Areas officially classified as "areas of substantial unemployment" by the Bureau of Employment Security, which meet the additional criteria for designation as areas with "substantial and persistent" unemployment in connection with Federal procurement programs. The eligibility of these areas for assistance under the recently enacted Area Redevelopment Act (P.L. 87-27) was being reviewed at the time this bulletin went to press.

Wilkes-Barre, Scranton, and Hazleton. I am delighted that my friend from Minnesota has taken the lead in this matter, and I am happy to support him.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. JAVITS. I gather that the amendment would merely reduce the local contribution, and would not deal with the question of priorities.

Mr. HUMPHREY. It would not establish priorities. The amendment merely provides that if an urban renewal project is undertaken while the community is declared to be a distressed area, the contribution of the Federal Government shall be three-fourths instead of two-thirds. The amendment does not involve extra funds. It would affect many communities in the Nation which might very well come under the urban renewal program.

The amendment does not provide that such communities shall be given priority over other communities.

Mr. JAVITS. The amendment does not affect allocations.

Mr. HUMPHREY. It does not.

Mr. JAVITS. Or State limitations?

Mr. HUMPHREY. It does not. The amendment merely affects the Federal contribution in case a community which is declared by the Department of Labor to be a distressed area seeks to participate in the program.

Mr. JAVITS. I understand the purpose of the amendment and I might well be in sympathy with it. We might as well be realistic, however, about the fact that the amendment would reduce the availability of Federal money for other urban renewal projects—perhaps not very much, but it would cut down the funds available. I point out that the administration was not favorable to this particular amendment. After assessment of equities, in view of the fact that there are no priorities and no change in allocations, I may not oppose the amendment.

I make these points not in any vain way, because this amendment will go to conference. There is a very much more comprehensive provision in the bill of the other body.

I merely wish to set up some red lights with respect to how the provision will affect other large areas, such as those my colleague [Mr. KEATING] and I represent in New York, which also participate in programs supported by these funds.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am happy to yield.

Mr. DIRKSEN. The Senator from New York puts his finger on an important point. The available amount of money will be reduced in proportion as we bring within the orbit of the bill a larger number of communities and give them a three-quarters allowance instead of a two-thirds allowance for urban renewal.

What would be the result? The larger metropolitan centers would come back to the Congress in due course and ask for more and more money in order to carry on their urban renewal plans.

I point out that only a day or two ago an amendment to the Department of the Interior appropriation bill, was offered for an unbudgeted item never contained in the House bill, which called for $30 million to build up the so-called distressed areas program. That is what happened.

This is the same type of back-door approach. I am reluctant, of course, to ask for the yeas and nays at this hour of the day, but I wish to have the RECORD show that I am opposed to the procedure. I shall withdraw the request for the yeas and nays, if that is the desire of the Senate, in the interest of conservation of time. There can be a vote by a show of hands or by a division. This is a back-door approach.

At an hour when we ought to be thinking about the conservation of the financial resources of this country we are presented with one amendment after another to chisel away at the stability, durability, and vitality of the home front, which is the first line of defense of this country.

Senators will hear more about the budget before this session is over. This is the living evidence of what we are doing. The $3.5 billion deficit, which I pointed out, under the May 25th revision of the budget is certainly not the limit. We shall be lucky if we get out with less than a $5 billion deficit in fiscal year 1962.

We are presented with recurring efforts to build up the budget. The Senator from Illinois wishes to be on record on the amendment. There can be a vote or not.

Mr. HUMPHREY. I say to the Senator most respectfully—and I surely have great respect for him—that the amendment would not add a dollar to the amount.

Mr. DIRKSEN. Oh, I know.

Mr. HUMPHREY. I wish to have that made clear. The Senator from Indiana attempted a moment ago, with what he believed was a desirable amendment, to cut the program. The amendment was defeated. This amendment would not add any extra money. One may disagree with the purpose of the amendment, but I wish to make it clear that the amendment would not add extra money.

I appreciate the courtesy of the Senator and his willingness to accommodate us, even though I must say I am not particularly concerned about yea and nay votes.

Mr. DIRKSEN. I am an accommodating soul, but it makes me very unhappy.

Mr. HUMPHREY. Mr. President, I am prepared to yield back my remaining time.

Mr. KEATING. Mr. President, will the Senator yield before he does so, for a comment and a question?

Mr. HUMPHREY. I yield.

Mr. KEATING. Mr. President, the Senator has made the assertion that the House bill has a much more liberal provision with regard to this proposal concerning the special break to cities under 50,000 or, if they are in depressed areas, under 150,000.

Mr. HUMPHREY. Yes.

Mr. KEATING. The purpose of offering the amendment, as I understand it, is to go into conference with a more conservative approach. There are, of course, many very good traders in this body. I am looking at a few of them now. One sits very close to the distinguished Senator from Minnesota. There are others.

I wonder, though, whether we would not be in a better position in conference if we did not agree to the amendment. We could then trade on the basis of zero, if the House proposal is so extensive that it goes much further than we might wish to go. Would we not be better off to have no provision than to have a modest provision, so that we would be prepared to yield modestly in order to get a bill passed later? That is a practical question.

Mr. HUMPHREY. The Senator always makes valuable contributions to these discussions.

The main difference between the proposal I offer in behalf of myself and the Senator from Pennsylvania and the House proposal is that the House proposal would include all cities of 50,000 or less, regardless of whether they are in depressed areas, for a three-quarters contribution. We have eliminated that provision. We are not asking for it. We merely provide that cities of 150,000 or less which have qualified under what is known as the area redevelopment, the area development, or distressed area formula, may be eligible for a larger contribution.

Mr. KEATING. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I modified the amendment. I am sorry I did not bring that to the Senator's attention.

Mr. KEATING. The amendment as printed is not accurate, then?

Mr. HUMPHREY. The Senator is correct. The Senator from Pennsylvania [Mr. SCOTT] and I, and other Senators, have worked out language to modify the proposal. That is why I offered the explanation prior to the offering of the amendment.

Mr. SCOTT. Mr. President, the Senator from Minnesota is quite correct.

Mr. KEATING. To some degree that may change the situation. There are, in fact, depressed areas under 150,000 in population which probably need the additional help.

Nevertheless, I must join in the caution of our distinguished minority leader.

If we increase the allowance from two-thirds to three-quarters, some of the larger communities will come to Congress next year and say, "Why can we not participate in this program? Why is a city with 140,000 any better off than we are, with 300,000?"

Mr. DIRKSEN. Why should they not come in to ask for more?

Mr. KEATING. I am supporting the Senator. I hope the Senator will not enter into a controversy with me, for at

the moment I am supporting his position. The position has much merit.

Mr. HUMPHREY. Yes. I do not say that the Senator from Illinois makes arguments without merit. I merely point out that in the situation which confronts the Nation and confronts many municipalities, judging from the testimony given by representatives of the municipalities, this is a reasonable proposal. I think it is a more reasonable proposal than that of the other body. I believe it is joined in by reasonable men.

I ask only that we have a reasonable amount of time, which I am willing to give away so that the Senate may vote on the amendment.

Mr. KEATING. I agree to both theses. The Senators offering the amendment are very reasonable men. It is a much more reasonable provision than the House provision.

For this very reason I am convinced that we would be better off to suggest this point in conference. Because I share the Senator's objective, I must oppose him on this amendment.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. WILLIAMS of Delaware. As I understand, the bill provides for the coverage of a large number of communities under the two-thirds contributing formula, and the amendment of the Senator from Minnesota would raise the formula to three-quarters and reduce the number of eligible communities?

Mr. HUMPHREY. The amendment would not reduce the number of eligible communities. In all fairness, as the Senator from Illinois has said, if all the so-called eligible communities were to come in under the amendment for urban renewal projects, it would mean that funds which might have been allocated to some other communities would have been consumed. I think one should be factual and honorable about this argument. I say with equal candor that I am convinced that most of our communities will not participate. But for those that need the assistance, the amendment would provide a fair allocation. It would not expand the base at all. It would not establish any priorities. It would not include extra money. It would not add more money to the expenditures under the budget.

Mr. WILLIAMS of Delaware. The question I asked is whether it would be possible for the conferees to accept the higher figure in one part of the proposal of the Senator from Minnesota, and then accept the larger coverage of the House, and have broader coverage on the proposal.

Mr. HUMPHREY. I cannot predict what conferees will do, having been a conferee myself.

Mr. WILLIAMS of Delaware. In conference it would be theoretically possible to expand the whole proposal, both as to amount and coverage.

Mr. HUMPHREY. In conference it is possible to do things that no one would ever contemplate. Theoretically it is also possible for the Senate to see that such result would not happen.

Mr. LAUSCHE. Mr. President, I should like to speak in opposition to the amendment.

Mr. DIRKSEN. I claim time in opposition. I yield 5 minutes to the distinguished Senator from Ohio.

Mr. LAUSCHE. I cannot subscribe to the amendment. It is a continuation of the inch-by-inch advancement of programs that would involve the Federal Government. The amendment would involve programs with Federal financial help, and reduce the requirement upon local communities to contribute to such programs.

A year ago it was argued that in order to obtain stabilized programs, the amount that communities should contribute ought to be increased rather than decreased. We have seen an example in the housing bill of the inch-by-inch technique of advancing in federalization and centralization of government. This proposal is a mere beginning, as has been pointed out by the Senator from New York. The amendment would have quite an appeal to towns of 150,000 population and less. All such towns would have to do would be to put up 25 percent and the Government would put up 75 percent.

Next year a program would be advocated to provide assistance for cities of 1 million and provide also that such cities would contribute only 25 percent and the Federal Government 75 percent for the cost of such program.

I do not know of a single program in which Federal grants are involved with respect to which there has not existed this constant advance. It is a beguilement of the citizenry to say that the Federal Government would put up the money, and that back home the money would not have to be put up. Finally, the taxpayers must pay. I am of the opinion that we will reach a deficit of $7 billion on the basis of what is presently being done.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. CASE of South Dakota. I suggest to the Senator from Ohio that title VI goes, not inch by inch, but leap by leap, into a new space program that would cost $100 million in the first few months, if the administrator wanted to use that amount. I expect to offer an amendment, as soon as I have an opportunity to do so, to strike out title VI. I trust that the Senator from Ohio will be present in the Chamber at that time, because there will be a yea-and-nay vote on the amendment. In order that Senators may know what title VI proposes, it is a $100 million leap into space for an entirely new program.

Mr. HUMPHREY. The Senator does not suggest that his point applies to the pending amendment?

Mr. CASE of South Dakota. No; but the Senator from Ohio was making an eloquent argument on an inch-by-inch proposal. I want the benefit of his strong argument when my amendment is offered.

Mr. LAUSCHE. I cannot see how the Senate can be so easily beguiled into the belief that the proposal is innocuous, and that its ultimate impact will affect only towns of 150,000 or less.

I believe that crying out loudly is the proposition that the bill would be the beginning of a general reduction of contributions that must be made by local governments. I respectfully ask the Senate why there was originally written into the law the provision that the amount of the contribution should be 33⅓ percent. That provision was inserted in the law in order to insure local prudence in programs adopted.

In the farm, housing, and other programs there have been constant advances, introduced in such a way as to make it appear that nothing wrong is happening, while the eventual goal of complete Federal aid is being approached. I really do not believe that this question ought to pass without a yea-and-nay vote. It is of far more importance than has been indicated.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, I am about to yield back the remainder of my time. I wish to make it clear that the proposal is not a relief program. The communities which would qualify under the program are in the home States of Senators, the smaller communities in which jobs will be made available, and the aid will not be in the form of temporary unemployment compensation. Construction crews will be at work, cities will be cleaned up. and buildings erected. I submit that the proposal makes good sense.

I am ready to yield back the remainder of my time.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Is it not true that the program is a kind of relief program on behalf of cities that would qualify as under 150,000 population, and in depressed areas at the expense of the larger cities in the same States whose populations are above 150,000, and those cities under 150,000 which are not in depressed areas?

Mr. HUMPHREY. In every State different programs benefit different income levels. For example, in my State of Minnesota there is State aid. Some areas of the State receive much more aid than other areas of the State because of income problems and unemployment problems. I do not say that some people will not be better helped by the program than others. But they must qualify under rather high standards; namely, high unemployment, distressed areas, and other qualifications under laws which Congress has passed, and which have been signed by the President. I submit that if a town qualifies under those standards, it might very well be eligible for such help.

Mr. HOLLAND. The Senator has not answered my question.

Mr. HUMPHREY. The answer is "Yes."

Mr. HOLLAND. The larger cities will have to contribute?

Mr. HUMPHREY. Yes.

Mr. HOLLAND. And also cities under 150,000 which are not depressed areas?

Mr. HUMPHREY. Yes.

Mr. HOLLAND. How does the Senator believe that Senators from a State such as New York, for example, in which there are great cities, which would be adversely affected, would feel? All other cities under 150,000 which are not in depressed areas would also be adversely affected. How would they feel about a situation of this kind? How does the Senator feel about that question?

Mr. HUMPHREY. I feel that my amendment is a good amendment.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SCOTT. I wish to make the point that the Senator has already made, that in the depressed areas there are special needs. The people in those areas, through "Operation Bootstraps," have expended about as much money as they can to bring in new job-making industries.

They are in a category of special need. While I realize that in my Commonwealth, Philadelphia and Pittsburgh might well get some minimal advantage, the areas which are suffering are the areas that would benefit, such as Scranton, Wilkes-Barre, Altoona, and Erie.

Mr. HUMPHREY. I yield back the remainder of my time.

Mr. DIRKSEN. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. HUMPHREY], for himself and the Senator from Pennsylvania [Mr. SCOTT]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], is absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ], is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY], is necessarily absent.

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Arizona would vote "nay."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from New Hampshire would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is detained on official business.

The Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from New Hampshire would vote "nay," and the Senator from New Mexico would vote "yea."

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from New Mexico [Mr. ANDERSON]. If present and voting, the Senator from Arizona would vote "nay," and the Senator from New Mexico would vote "yea."

The result was announced—yeas 43, nays 51, as follows:

[No. 67]

YEAS—43

Bartlett	Humphrey	Moss
Burdick	Jackson	Muskie
Byrd, W. Va.	Kefauver	Neuberger
Carroll	Kerr	Pastore
Church	Long, Mo.	Pell
Clark	Long, Hawaii	Randolph
Cooper	Magnuson	Scott
Dodd	Mansfield	Smith, Mass.
Douglas	McCarthy	Smith, Maine
Engle	McGee	Sparkman
Gruening	McNamara	Symington
Hart	Metcalf	Williams, N.J.
Hartke	Monroney	Yarborough
Hayden	Morse	
Hickey	Morton	

NAYS—51

Aiken	Eastland	McClellan
Allott	Ellender	Miller
Beall	Ervin	Mundt
Bennett	Fong	Prouty
Bible	Fulbright	Proxmire
Boggs	Gore	Robertson
Bush	Hickenlooper	Russell
Butler	Hill	Saltonstall
Byrd, Va.	Holland	Schoeppel
Cannon	Hruska	Smathers
Carlson	Javits	Stennis
Case, N.J.	Johnston	Talmadge
Case, S. Dak.	Jordan	Thurmond
Cotton	Keating	Wiley
Curtis	Kuchel	Williams, Del.
Dirksen	Lausche	Young, N. Dak.
Dworshak	Long, La.	Young, Ohio

NOT VOTING—6

Anderson	Bridges	Chavez
Blakley	Capehart	Goldwater

So the amendment offered by Mr. HUMPHREY, for himself and Mr. SCOTT, was rejected.

Mr. DIRKSEN. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. BUSH. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUSCHE. Mr. President, I call up my amendment designated "6-7-61—B" and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 45, beginning with the colon in line 8, it is proposed to strike out all through the word "prescribe" in line 21.

Mr. LAUSCHE. Mr. President, the bill contains a new subject of functioning accepted by the Government. It is the solution of what is called the commuter or urban transportation problem. The bill provides two approaches toward solving this problem of the communities. One is by way of loan; the other is by way of grant.

The bill would authorize $100 million to be loaned to communities for the purpose of acquiring facilities to solve commuter problems. With that phase of the bill I have no complaint.

The second phase, the treatment of the problem, is set forth on page 45 in the language which my amendment proposes to strike. The bill authorizes the expenditure of $50 million by way of grants. The following language appears on page 45 of the bill:

Provided, That of such sum the Administrator may, without regard to other provisions of this title, contract to make grants aggregating not to exceed $50 million for mass transportation demonstration projects—

I cannot understand the types of demonstrations that are contemplated. What is to be done with the expenditure of $50 million to help solve the commuter transportation problems of the communities? The language continues:

for mass transportation demonstration projects which he determines would contribute significantly to the development of data and information of general applicability on the reduction of urban transportation needs—

The need for urban transportation is growing more urgent every year. I do not believe that this language in any manner clearly sets forth, or even vaguely sets forth, what is contemplated by the proposed demonstration projects. That is the extent of my argument.

I favor the loan proposal; I do not think the grant proposal should be adopted, at least in the language which is in the bill.

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator from Alabama yield time to me?

Mr. SPARKMAN. Mr. President, I yield to the Senator from New Jersey as much time as he may need, not to exceed 30 minutes.

Mr. WILLIAMS of New Jersey. Mr. President, first I applaud the distinguished senior Senator from Ohio for his support of the vitally needed $100 million loan program. That amount of money would be available to proceed immediately to make mass transit facilities, which have fallen into a state of decay at a time when they are so urgently needed, better instruments to carry people out of traffic jams, to get them to work and home from work, without the extreme congestion, confusion, and waste which exist today in the metropolitan areas.

It seemed to me that the $50 million for demonstration was amply supported in the hearings which have been held on this item.

I suggest to the Senator that the mayor of Cleveland, Mayor Celebrezze, who applauded the work of the Senator in 1942, when the Senator was the mayor of Cleveland, in purchasing the rapid transit system of that city, and whose testimony appears at page 340 and subsequent pages of the hearings, spelled out the need for devising new ways of getting people to use mass transit facilities.

I also point out to my friend the Senator from Ohio the very compelling testimony of the mayor of Atlanta, Ga., when he described what was being done there

and some of the new ideas it was desired to try in the field of transportation.

Since the time when the Senator from Ohio was the mayor of Cleveland and when Cleveland was purchasing its transit system, 20 years ago, all forms of travel—both those by air and those by means of other media of transportation—have been improved monumentally. That has been done in considerable part with the aid of Federal funds; private companies, making use of Federal funds, have developed improved aircraft and have brought about much of the present-day efficiency of air travel.

But in that period, what has been done to improve ground rapid transit? The commuter rail cars used today are about the same as those which were used 20 years ago; and the same is true of the subways. We know we need to have new thinking applied to mass transportation. If that is not done, the $100 million will be used through the years only to continue the present inefficient systems.

Mr. SCOTT. Mr. President, will the Senator from New Jersey yield?

The PRESIDING OFFICER (Mr. SMITH of Massachusetts in the chair). Does the Senator from New Jersey yield to the Senator from Pennsylvania?

Mr. WILLIAMS of New Jersey. I am happy to yield.

Mr. SCOTT. Mr. President, the distinguished Senator from New Jersey has well stated the seriousness of this problem, and I am in accord with what he has had to say.

NEED FOR IMPROVED MASS TRANSPORTATION IN PENNSYLVANIA

Mr. President, the other day the distinguished senior Senator from California [Mr. KUCHEL], the minority whip, described the increasingly acute problem of traffic congestion in California and the need to provide and maintain efficient public transit in that State.

I wish to join my colleague in saying that in my own State of Pennsylvania the problem is equally acute. For that reason I also want to extend my deep appreciation to the senior Senator from Indiana [Mr. CAPEHART] for his leadership in sponsoring the mass transportation provisions now incorporated in the housing bill.

This is an urgent problem in my State, as I know it is in many other States with large concentrations of urban development.

This is a problem that has long since spilled over local and even State boundaries. Even more important, the growing strangulation of our urban areas by automobile traffic and by rapidly declining and deteriorating public transportation services is leading to severe economic consequences.

For example, the Pennsylvania State Chamber of Commerce, with about 4,500 members from all parts of the State, and from all types of business, plus 225 local chambers and 80 trade associations, commented in a statement to the Senate Banking and Currency Committee supporting the principles of this legislation that:

> Many businesses are located in the downtown areas of cities, and are thus directly dependent on the continued efficiency of commuter transportation to bring their employees to work. Others, which may or may not require commuter service for their own employees, have a great financial stake in the future development of the cities themselves, a development which requires an economically sound transportation system. Nearly all businesses are concerned with the general level of rail freight rates. These rates have in the past been increased beyond the cost of service through the efforts of rail managements to recoup losses suffered on commuter service.

The State chamber went on to say that it believes that—

> Governmental problems should be handled by that level of government which is most closely concerned with the problem, and that it is unwise to request Federal help until it is certain that the local governments concerned have done what they can to solve the problem themselves. We are satisfied that the present proposal is in agreement with this principle, and that this is an appropriate field for Federal action. * * * In view of the very large expenditures now being made by the Federal Government to provide highway facilities for transporting persons to and through central cities, it may well be that the expenditures proposed in the bill will be the most economical procedure for the Federal Government in the long run.

I should like to amplify that last statement, because it is important to us all, whether or not our States contain large urban areas.

The point is simply that the cost of building enough urban highways, involving heavy condemnation costs, to handle the demand generated if our public transportation services were lost would be staggering. Already an increasing proportion of the total $41 billion highway program is being taken up by the need for urban highways. I believe it is estimated that ultimately about $20 billion of the total will go for that purpose.

This diversion of highway funds to compensate for the decline of public transportation means only that less money will be available for interstate and intercity highways. It will mean fewer miles of highway in our outlying suburban and rural areas, where automobiles and highways are the only mode of transportation available. It is plain bad economics to drain off almost all our highway funds for roads in high-density urban areas where it is feasible to provide adequate mass transportation services.

I therefore support the transit provisions now in the housing bill. We need this program in order to meet the transportation needs of our downtown areas. We need it in order to protect our highway investment, to insure its continued success. It is also important to emphasize that the entire renewal of our cities will depend on heavy private investment by business and commerce. But if these businesses and industries believe that their transportation needs cannot be met, they will be less inclined to invest very much in building and plant modernization.

As Mr. James Symes, president of the Pennsylvania Railroad, and one who has done much in the work of improving Philadelphia's transportation system, summed up in his testimony this year:

> The urban mass transportation bill should be passed * * * to give the public the best transportation at the least total cost. If this is not done, then the Federal Government will continue to waste money by destroying the central cores of our city, and will then spend billions to rehabilitate the damage and chaos it has created.

The proposed mass transportation provisions of S. 1922 will help our State and local governments make a start on the road to recovery. We have neglected this problem too long, and each year of delay will increase the total cost of preserving and providing adequate mass transit services.

I should also like to note that this is not a partisan issue. It is supported by many Democratic Senators. It is supported by many Republican Senators.

I conclude by endorsing the words of the very distinguished senior Senator from New Hampshire [Mr. BRIDGES], the chairman of the Republican policy committee, who has stated during the hearings this year:

> I trust that before this session of the Congress is concluded we shall be able to say that in the field of domestic problems one of the most aggravating and serious was that of mass transportation and that this Congress recognized it and passed legislation necessary to alleviate this important and critical problem.

Mr. JAVITS. Mr. President, will the Senator from New Jersey yield to me?

Mr. WILLIAMS of New Jersey. I yield.

Mr. JAVITS. I entirely support the statement the Senator from New Jersey has made. I have had the honor to be associated with him in the support of the proposed legislation.

The large cities in the State of New York have every reason to expect that their transit systems will be choked unless we deal effectively with this program. I hope very much for some effective development; and I believe that in that connection, Federal facilitation is necessary.

It is not often that Congress is able to take action to render effective aid to the large cities; far more often, the situation is reversed. For example, as in the case of depressed areas, urban renewal, slum clearance, and similar developments.

So I hope very much that the Senate will go along with this provision of the bill as it is now.

Mr. WILLIAMS of New Jersey. I thank the Senator from New York; and we very much appreciate his support over the years.

Mr. CASE of New Jersey. Mr. President, will my colleague yield to me?

Mr. WILLIAMS of New Jersey. I yield.

Mr. CASE of New Jersey. I thank my colleague for yielding to me. I am happy to support his opposition to the amendment offered by the Senator from Ohio to this part of the bill, which is a part of the entire bill which my colleague, the Senator from New Jersey, feels is most important, and which I am happy to support wholeheartedly.

As my colleague from New Jersey, the Senator from New York [Mr. JAVITS] and the Senator from Pennsylvania [Mr. SCOTT] have stated, it is essential that new modes of transportation be developed. One of the most crying needs of the urban centers in our Nation is the development of new ways to carry people within the cities and between the cities and the suburbs. Unless we find such means, all the work we do for urban renewal, housing, slum clearance, and all the rest, may go down the drain and be wasted. I believe this is very clear to anyone who has experienced actual work with these problems and who knows what is involved. Certainly it would be one of the great tragedies of this session if we were to eliminate from the bill this moderate amount for the development of new modes of transportation.

I hope very much that this well-intended but, I believe, most unwise, amendment of the Senator from Ohio will be resoundingly rejected.

Mr. WILLIAMS of New Jersey. Mr. President, I am very grateful to my colleague.

Mr. LAUSCHE. Mr. President, will the Senator from New Jersey yield briefly to me?

Mr. WILLIAMS of New Jersey. I yield.

Mr. LAUSCHE. Mr. President, on the question of agreeing to my amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KEATING. Mr. President, will the Senator from New Jersey yield to me?

Mr. WILLIAMS of New Jersey. I yield.

Mr. KEATING. Mr. President, like my distinguished colleague from New York [Mr. JAVITS], the Senator from New Jersey [Mr. CASE], the Senator from Pennsylvania [Mr. SCOTT], and other Senators, I am a cosponsor, with the distinguished Senator from New Jersey [Mr. WILLIAMS], of an independent bill to deal with this problem. I recognize that it can be argued with some force that this provision is not properly a part of a housing bill. But we have discussed this problem long enough. Today mass transportation in urban areas is in a critical state. This is true, not only of the great commuter train networks of New York, Philadelphia, Chicago, and other large metropolitan areas, but also of the ailing bus and trolley-car systems of much smaller communities.

At all levels of government, we have been giving generous support to the highways which now serve our cities. At the same time, mass transportation facilities, particularly those relating to rail transportation, have been permitted to languish. Today these facilities have reached a point where they cannot be saved by private means alone. We hope that in time they will again become self-supporting; but at the present time, public support is needed in order to restore their vitality.

The present cost of such a program is modest, as compared with the cost of providing means to carry all commuters by automobile, to say nothing of the great economic dislocation which would occur in the Nation if the mass transportation facilities were to perish completely.

I realize that money is not the entire answer to this problem. I believe, however, that it is extremely desirable that the Congress make provision for grants of a modest character in order to finance projects of traffic control, facility improvement, and planning.

So I hope the amendment of the Senator from Ohio will be rejected, and that the position taken by the distinguished Senator from New Jersey and his colleagues will be sustained.

Mr. WILLIAMS of New Jersey. I thank the Senator from New York.

Mr. CLARK. Mr. President, will the Senator from New Jersey yield to me?

Mr. WILLIAMS of New Jersey. I yield.

Mr. CLARK. As a cosponsor of the original Williams bill, I should like to commend my colleague the Senator from New Jersey [Mr. WILLIAMS] for the splendid fight he has made in support of mass transit legislation ever since he came to the Senate in 1959, and particularly for the fine leadership he displayed in the committee and the fine leadership he is now displaying on the floor of the Senate.

My own city of Philadelphia has been in the forefront in making efforts to show, by means of demonstrations, what can be done in dealing with the mass transit problem. I do not think another city in the country has put up as much of its own money for such demonstration projects.

I believe it would be tragic if the authorization of funds for demonstration projects were to be stricken from the bill.

I could speak for half an hour or longer in pointing out the kinds of demonstration projects which can be undertaken in the one city of Philadelphia, Pa.—demonstration projects which would make enormous contributions toward restoring mass transportation and transit to the point of taking off the streets the present great numbers of automobiles.

Mr. President, I hope very much that the amendment of the Senator from Ohio will be rejected.

Mr. WILLIAMS of New Jersey. Mr. President, I thank the Senator from Pennsylvania. The city of Philadelphia has demonstrated that people will return to the use of mass transportation when that mass transportation meets their needs.

The proposed demonstration projects are both feasible and practical, and this work has been done in Pennsylvania.

I am most grateful to the Senator from Pennsylvania for his support.

Mr. HOLLAND. Mr. President, will the Senator from New Jersey yield?

Mr. WILLIAMS of New Jersey. I yield.

Mr. HOLLAND. Will the Senator state, for the information of the Senate, whether the administration supported this provision of the bill?

Mr. WILLIAMS of New Jersey. We have, from the administration, statements that it supports the principle of the demonstration program.

Mr. HOLLAND. Does it support this provision of the bill?

Mr. WILLIAMS of New Jersey. Specifically as to the provision, as it went in, we had no report. But we have had indications that an agreement has been reached within the administration on the principle of grant funds for the purpose of demonstrations of new means of mass travel. So the answer to the Senator's question is "Yes."

Mr. HOLLAND. Next, will the Senator from New Jersey state for the information of the Senate, what was the division in the committee on the question of the inclusion of this item in the bill?

Mr. WILLIAMS of New Jersey. In the committee, the vote was 9 to 4.

The nine votes represented both sides of the aisle.

Mr. HOLLAND. Will the Senator advise the Senate whether or not there is any limitation as to how much of the money can be granted to any particular city? Is there any limitation?

Mr. WILLIAMS of New Jersey. There is no specific limitation, no. The idea here is that the money could be used to develop a few demonstrations of new ideas in mass travel. The mayor of Atlanta described, as appears in the record of the hearings, many new ideas in mass transportation which have not been demonstrated or tried. In theory they have looked good. Now we want to know whether they work. If they work, we shall save untold millions, if not billions, of dollars, over a period, by new policies and uses in mass transportation.

Mr. HOLLAND. If I understand this provision of the bill, it would establish a system under which the Administrator could grant up to $50 million, or contract to grant that much, irrevocably, without limitation as to how much he would grant in any city, and without a checkrein on him from any source whatsoever.

Mr. WILLIAMS of New Jersey. Well, only the checkrein of a reasonable man. He certainly is that. We want to get demonstrations of new means of mass transportation, the monorail, or the carveyor, or some of the other new methods that the mayor of Atlanta described. On the other hand, there are many ideas which would not be costly—for example, trying to get parking lots in the suburbs which would invite people in the sprawling areas to drive to the parking lots with their automobiles, and use mass transportation from those points. They would be further invited to use mass transportation by lowering fares and increasing service. In that way we shall try to work out problems involved in the multimillion traffic jams.

Mr. HOLLAND. I thank the Senator.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. WILLIAMS of New Jersey. I yield.

Mr. DOUGLAS. I think the Senator from New Jersey is advancing a very

constructive idea. Is it not true that there are several possibilities in the offing, which, if they turn out to be successful, will introduce tremendous economies? Is not one of these the overhead monorail, to which the Senator has referred, which would permit mass transportation to travel appreciably above street levels at the same time automobiles and other vehicular traffic are moving beneath it? Is that not one possibility?

Mr. WILLIAMS of New Jersey. It certainly is. It makes all kinds of theoretical sense, but there is no private carrier that has the money to demonstrate it, and there is no city, beset with its problems, as all cities are, to provide the matching funds.

Mr. DOUGLAS. Is it not also true that in the literature on the subject references are made from time to time to the possibility of having cars move on cushions of air above streets and over rivers.

Mr. WILLIAMS of New Jersey. It is beyond the theoretical stage. It is being done now, mostly for military vehicles, but it works. If this proposal comes to pass, it will demonstrate how it can unlock many new solutions to the problem.

Mr. DOUGLAS. But is there any railroad or bus company which can afford to sink the money into such a demonstration?

Mr. WILLIAMS of New Jersey. I would say, without equivocation, there is not one company in this country, faced with declining revenues, that could.

Mr. DOUGLAS. There may be some failures, but are not the prospects very great that there will be real successes among some of these possibilities.

Mr. WILLIAMS of New Jersey. If we put our minds to the demonstration of new ideas, we generally solve the problems. Certainly we have in the air, I do not see any reason why we cannot on the ground, and that is where the problem is today.

Mr. DOUGLAS. I thank the Senator.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. WILLIAMS of New Jersey. I am happy to yield.

Mr. MAGNUSON. I think everyone is in agreement that, in urban transportation, we are going to have to go back to mass transportation system, such as the monorail, or some other system. Otherwise, the roadways will never catch up with the demands of traffic.

Mr. WILLIAMS of New Jersey. And there will be one big parking lot and throughway.

Mr. MAGNUSON. There has been one railroad in the United States, the Chicago & Northwestern, that has done something about the problem, but the other railroads in the United States have not been able to. In Seattle we are trying the monorail, in a small segment. If we do not arrive at a solution of the transportation problem, we are going to be in trouble. The Senator from New Jersey and I participated in a long documentary on the problem. I happened to see a part of it. I was amazed at the Los Angeles situation. Some years ago they tore up their interurban transportation system. Now they wish they had it back. The cost of condemnation would cost hundreds of millions of dollars for the use of monorails. Subway systems are needed.

The problem of transportation in the United States is one that is getting worse and worse. As people continue to move into urban centers, it will become even worse.

There were some bills on this subject in our committee. I understand the reason why this particular provision is in the bill. It is logical that in any type of urban renewal or urban development, there must be coordination between the building of houses, highways, and a transportation system. Otherwise, urban development is not going to work.

I thing the purpose of the provision is good. I think it will be money well spent. I do not have any fear that the administration is going to spend $50 million in any one area. I think experiments will be had. If we do not do something about the problem, our country is going to be tied up in transportation knots, so that we will not be able to go anywhere.

I do not know what would happen in urban centers today if there were an emergency. I think we should make a move in the direction proposed. I am glad to see this provision as a part of the bill.

Mr. WILLIAMS of New Jersey. Nobody speaks with greater knowledge of transportation problems than does the Senator from Washington, who has had a long career in the U.S. Senate, and he expresses the viewpoint I share with much greater eloquence than I could.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. WILLIAMS of Jersey. I yield.

Mr. CASE of New Jersey. I asked the Senator to yield in order to express my appreciation to the chairman of the Committee on Commerce, not only for his support of this particular measure—and it is valuable and weighty support—but also for his generosity in not raising any question of jurisdiction, which I think would be most unfortunate.

I agree fully with the Senator from Washington that this proposal is appropriate in either committee, but it certainly is related to well organized urban planning and development, and that is the basic subject involved.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS of New Jersey. I yield.

Mr. LAUSCHE. The Senator from New Jersey mentioned the mayor of Cleveland. The mayor of Cleveland told me that he was vigorously opposed to grants, but in favor of loans to State and local governments.

I ask the Senator from New Jersey to point out to me in the hearings wherein the mayor of Cleveland said he supported gifts or grants to cities.

Mr. WILLIAMS of New Jersey. The mayor of Cleveland supported, with great eloquence, the demonstrations of new methods and new ideas in mass transportation to attract people away from the inefficiency of mass automobile travel and get them attracted to a mass transportation system, which is good in Cleveland, but which should be much better.

I did not address myself to the question of whether it should be grants or loans. The Senator favors demonstrating new ideas in mass transportation. I have heard him say so eloquently in 2 years before our committee.

Mr. LAUSCHE. From the record it is my understanding that he opposed grants and favored loans to municipalities, so that they could improve their transportation.

Mr. WILLIAMS of New Jersey. I know the Senator reads the record of hearings very closely. I believe the record will show that he supported the bill. At no point did he say he does not favor grants. I do not believe he said either that he does or does not favor them. He supported the proposed legislation.

Mr. LAUSCHE. May I ask the Senator another question?

Mr. WILLIAMS of New Jersey. Yes.

Mr. LAUSCHE. If a monorail is to be set up as a pilot test, is there any calculation as to what it would cost and where the monorail assignment would be made?

Mr. WILLIAMS of New Jersey. There have been various estimates. My memory does not serve me as it should, but I remember one great new development that was proposed for the city of Cleveland, which is not a demonstration but would come under the loan program, at a cost of $23 million for an extension to the airport or in southeast Cleveland.

So far as demonstrations are concerned, I think if the fringe parking areas were combined with improved service and lowered fares on the mass transportation system, it would be realistic to think in terms of $2 million. If a monorail or carveyor system, or some other new idea were developed, the cost might be a great deal more.

I believe the estimate for a new method of travel between Long Beach and Los Angeles, which is now totally at the mercy of automobiles, is in the neighborhood of $20 million to $30 million.

Mr. LAUSCHE. I am familiar with the Cleveland proposal to spend $23 million, but that proposal involves nothing more than an extension of rapid transit. All Cleveland needs to do is to borrow the money and do the work. I do not know of a single rapid transit system anywhere which does not have rural parking areas, so that people can park their automobiles, take the rapid transit system downtown, and, in the evening, return to their cars. I cannot see why demonstration tests are needed on that subject.

Mr. WILLIAMS of New Jersey. If the Senator would join me in the State of New Jersey, I should be happy to show him many areas which do not have such parking facilities.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. WILLIAMS of New Jersey. I am glad to yield to the Senator from Missouri.

Mr. SYMINGTON. I commend the Senator from New Jersey for his defense of the provision in the bill. One of the great problems in America today is the time wasted going to and from work and the time wasted going to and from shopping. Americans spend many billions of dollars in research, from the standpoint of national security, and in space, from the standpoint of national pride. It seems to me incredible that in this country, with an income of nearly $1.4 billion a day, we cannot afford to spend $50 million to solve one of the greatest problems we face today; namely, the increased traffic problem in the large and middle-sized cities.

Mr. WILLIAMS of New Jersey. I am very grateful to the Senator from Missouri.

Mr. President, I am grateful for all the support which has been generated for this new legislative idea for a new national program. I am prepared to yield back the remainder of my time.

Mr. ALLOTT. Mr. President, I do not know who controls the time, but I should like to have 2 minutes to speak in favor of the amendment.

Mr. LAUSCHE. Mr. President, I yield 2 minutes to the Senator from Colorado.

Mr. ALLOTT. Mr. President, there have been some statements made on the floor which I cannot let pass without comment.

There has been talk about the monorail, as if it were something that could be developed through the use of these demonstration funds. May I say there has been a monorail system operating successfully in Germany for over 40 years.

Also suggested as a proper subject for demonstration and development are cars to travel on cushions of air. First let me say the use of the air cushion principle is nothing new in theory or practice. It is at least 5 years old as a practical demonstrated thing, particularly with reference to our military budget. And let us not delude ourselves that this development is not going to do away with the need for highways on which the cars will travel. These cars will travel 6 inches above the ground, so highway travel will not be greatly changed.

I cannot justify in my mind authorizing $50 million for these mass transportation demonstration grants.

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator yield at that point?

Mr. ALLOTT. Let me finish my thought first.

As I understand the amendment it would strike the provision for these grants.

I shall support the amendment.

I now yield to the Senator from New Jersey.

Mr. WILLIAMS of New Jersey. This is not to be an additional appropriation. The authorization is to use $50 million of the funds for this purpose. There is not an additional $50 million to be provided.

Mr. ALLOTT. Then I say the authorization should be reduced by $50 million. To the extent needed this is a function which private industry can well take care of.

I should also like to add at this point that one of the more logical places in the world, by future need, for setting up a prototype of a monorail is from the Dulles International Airport to Washington, D.C. But even though we might appropriate $500 million we will never see a monorail into the city of Washington, D.C. The sentiment is such to preclude it.

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator yield at that point?

Mr. ALLOTT. I yield.

Mr. WILLIAMS of New Jersey. Are there not other ways of mass transit and efficient mass transit travel which might be applicable to problems of the city of Washington, D.C.?

Mr. ALLOTT. There are other methods, but they have been tried and used. Has the Senator a new method which has not been tried?

Mr. WILLIAMS of New Jersey. The whole point of this part of the bill is that the answer is "No." We have not tried, in our new suburban areas, all methods which can be used.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. WILLIAMS of New Jersey. I yield.

Mr. SYMINGTON. I beg the Senator's pardon. I believe the senior Senator from Colorado has the floor.

Mr. ALLOTT. I was yielded 2 minutes. If I have any time remaining I am glad to yield to the Senator from Missouri.

Mr. SYMINGTON. I thank the Senator.

The purpose of the provision in the bill is to obtain new ideas, just as the purpose of any grant to investigate a problem is to study the problem to come up with new ideas to solve a serious problem which is growing critical in this country, is it not?

Mr. WILLIAMS of New Jersey. Absolutely.

Mr. ALLOTT. I point out to the Senator from New Jersey that I believe the study made with reference to the transportation system in the District of Columbia alone surpassed a half million dollars.

They have not come up with the solution to the problem.

Mr. LAUSCHE. Mr. President, I yield myself 3 minutes.

This subject first came before the Committee on Commerce when a group of railroadmen appeared before the committee with a group of mayors. That group of railroad men desired a subsidy for the railroads. I think they found there was an adverse attitude in the committee toward the proposal to subsidize the railroads.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. LAUSCHE. I will yield to the Senator in a moment.

The subject then seemed to vanish from the Committee on Commerce. It appears in the housing bill, with urban redevelopment.

As I said, I favor the $100-million-loan provision to municipalities, to buy rights-of-way and to extend rapid transit. I submit, however, that on the very argument made by the Senator from New Jersey we can expect nothing from demonstrations. The Senator stated that it was desired to experiment with rapid transit into rural areas, to determine whether it is advisable to develop parking areas.

We have 50 such areas in Cleveland. No Federal money is needed to make the experiment.

On the subject of granting money for a monorail, how much would it cost? Where would the money go? Beyond that question, I wonder what type of demonstrations would be had. I cannot understand them.

To repeat, the railroads wanted subsidies. It was indicated to them that Congress could not enter that field. From a proposal for subsidies comes the insertion of the program in the housing program.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment of the Senator from Ohio [Mr. LAUSCHE]. All time is yielded back. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Montana [Mr. METCALF], and the Senator from Oregon [Mrs. NEUBERGER] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY] is necessarily absent.

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from New Mexico would vote "nay" and the Senator from Arizona would vote "yea."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New Mexico would vote "nay" and the Senator from New Hampshire would vote "yea."

On this vote, the Senator from Montana [Mr. METCALF] is paired with the Senator from Vermont [Mr. AIKEN]. If present and voting, the Senator from Montana would vote "nay" and the Senator from Vermont would vote "yea."

On this vote, the Senator from Oregon [Mrs. NEUBERGER] is paired with the Senator from Colorado [Mr. ALLOTT]. If present and voting, the Senator from Oregon would vote "nay" and the Senator from Colorado would vote "yea."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

The Senator from Vermont [Mr. AIKEN], the Senator from Colorado [Mr. ALLOTT], and the Senator from Massachusetts [Mr. SALTONSTALL] are detained on official business.

The Senator from Vermont [Mr. AIKEN] is paired with the Senator from Montana [Mr. METCALF]. If present and voting, the Senator from Vermont would vote "yea" and the Senator from Montana would vote "nay."

On this vote, the Senator from Colorado [Mr. ALLOTT] is paired with the Senator from Oregon [Mrs. NEUBERGER]. If present and voting, the Senator from Colorado would vote "yea" and the Senator from Oregon would vote "nay."

On this vote, the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from New Hampshire would vote "yea" and the Senator from New Mexico would vote "nay."

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from New Mexico [Mr. ANDERSON]. If present and voting, the Senator from Arizona would vote "yea" and the Senator from New Mexico would vote "nay."

The result was announced—yeas 44, nays 46, as follows:

[No. 68]

YEAS—44

Bennett	Fong	Morton
Boggs	Fulbright	Mundt
Burdick	Gore	Prouty
Butler	Gruening	Proxmire
Byrd, Va.	Hickenlooper	Robertson
Capehart	Holland	Russell
Carlson	Hruska	Schoeppel
Case, S. Dak.	Johnston	Smathers
Cotton	Jordan	Stennis
Curtis	Kuchel	Talmadge
Dirksen	Lausche	Thurmond
Dworshak	Long, Hawaii	Wiley
Eastland	McClellan	Williams, Del.
Ellender	Miller	Young, N. Dak.
Ervin	Monroney	

NAYS—46

Bartlett	Hayden	Morse
Beall	Hickey	Moss
Bible	Hill	Muskie
Bush	Humphrey	Pastore
Byrd, W. Va.	Jackson	Pell
Cannon	Javits	Randolph
Carroll	Keating	Scott
Case, N.J.	Kefauver	Smith, Mass.
Church	Kerr	Smith, Maine
Clark	Long, La.	Sparkman
Cooper	Long, Mo.	Symington
Dodd	Magnuson	Williams, N.J.
Douglas	Mansfield	Yarborough
Engle	McCarthy	Young, Ohio
Hart	McGee	
Hartke	McNamara	

NOT VOTING—10

Aiken	Bridges	Neuberger
Allott	Chavez	Saltonstall
Anderson	Goldwater	
Blakley	Metcalf	

So Mr. LAUSCHE's amendment was rejected.

Mr. DIRKSEN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

Mr. DIRKSEN. Mr. President, I ask for the yeas and nays on the motion to lay on the table.

The yeas and nays were ordered.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DOUGLAS. Will the Chair state the motion which is now before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota [Mr. HUMPHREY] to lay on the table the motion of the Senator from Illinois [Mr. DIRKSEN] to reconsider the vote by which the amendment offered by the Senator from Ohio [Mr. LAUSCHE] was rejected. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Arizona [Mr. HAYDEN], the Senator from Montana [Mr. METCALF], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Louisiana [Mr. LONG] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ], is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY] is necessarily absent.

I further announce that, if present and voting, the Senator from Louisiana [Mr. LONG], and the Senator from Arizona [Mr. HAYDEN] would each vote "yea."

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Arizona would vote "nay."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from New Hampshire would vote "nay."

On this vote, the Senator from Montana [Mr. METCALF] is paired with the Senator from Vermont [Mr. AIKEN]. If present and voting, the Senator from Montana would vote "yea," and the Senator from Vermont would "nay."

On this vote, the Senator from Oregon [Mrs. NEUBERGER] is paired with the Senator from Colorado [Mr. ALLOTT]. If present and voting, the Senator from Oregon would vote "yea," and the Senator from Colorado would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

The Senator from Vermont [Mr. AIKEN], the Senator from Colorado [Mr. ALLOTT], and the Senator from Massachusetts [Mr. SALTONSTALL] are detained on official business.

The Senator from Vermont [Mr. AIKEN] is paired with the Senator from Montana [Mr. METCALF]. If present and voting, the Senator from Vermont would vote "nay," and the Senator from Montana would vote "yea."

On this vote, the Senator from Colorado [Mr. ALLOTT] is paired with the Senator from Oregon [Mrs. NEUBERGER]. If present and voting, the Senator from Colorado would vote "nay," and the Senator from Oregon would vote "yea."

On this vote the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from New Hampshire would vote "nay," and the Senator from New Mexico would vote "yea."

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from New Mexico [Mr. ANDERSON]. If present and voting, the Senator from Arizona would vote "nay," and the Senator from New Mexico would vote "yea."

The result was announced—yeas 47, nays 41, as follows:

[No. 69]

YEAS—47

Bartlett	Hartke	Morse
Bible	Hickey	Moss
Burdick	Hill	Muskie
Bush	Humphrey	Pastore
Byrd, W. Va.	Jackson	Pell
Cannon	Javits	Randolph
Carroll	Keating	Scott
Case, N.J.	Kefauver	Smathers
Church	Kerr	Smith, Mass.
Clark	Long, Mo.	Smith, Maine
Cooper	Magnuson	Sparkman
Dodd	Mansfield	Symington
Douglas	McCarthy	Williams, N.J.
Engle	McGee	Yarborough
Gore	McNamara	Young, Ohio
Hart	Monroney	

NAYS—41

Beall	Ervin	Morton
Bennett	Fong	Mundt
Boggs	Fulbright	Prouty
Butler	Gruening	Proxmire
Byrd, Va.	Hickenlooper	Robertson
Capehart	Holland	Russell
Carlson	Hruska	Schoeppel
Case, S. Dak.	Johnston	Stennis
Cotton	Jordan	Talmadge
Curtis	Kuchel	Thurmond
Dirksen	Lausche	Wiley
Dworshak	Long, Hawaii	Williams, Del.
Eastland	McClellan	Young, N. Dak.
Ellender	Miller	

NOT VOTING—12

Aiken	Bridges	Long, La.
Allott	Chavez	Metcalf
Anderson	Goldwater	Neuberger
Blakley	Hayden	Saltonstall

So Mr. HUMPHREY's motion to lay on the table Mr. DIRKSEN's motion to reconsider was agreed to.

Mr. JAVITS. Mr. President, I call up my amendment designated "5–23–61—A" and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 87 following line 8, it is proposed to insert the following:

(3) Subsections (a) and (b) of such section 1811 are amended to read as follows:

"(a) Whenever the Administrator finds that private capital is not generally available in any area for the financing of loans guaranteed under section 1810 of this title, he shall designate such area as a 'housing credit shortage area', and shall make, or enter into commitments to make, to any World War II or Korean conflict veteran eligible under this title, a loan for any or all of the purposes listed in section 1810(a) in such area.

"(b) In designating any area as a 'housing credit shortage area' under this section, the Administrator shall give primary emphasis to providing loans to veterans living in areas in which participation in the guaranteed loan program by veterans has been disproportionately low."

(4) Paragraph (4) of subsection (i) of such section 1811 is amended by inserting immediately after "constructed" the following: "in rural areas or in small cities or towns".

Mr. JAVITS. Mr. President, I believe the amendment can be disposed of in a

fairly short time. The distinguished Senator from Illinois [Mr. DOUGLAS] and I are the sponsors of the amendment. Both of us are members of the Committee on Banking and Currency. We have no disposition to seek a yea-and-nay vote, but we believe that a division will suffice. That will save the time of the Senate. I make this explanation to the distinguished Senator from South Dakota [Mr. CASE], because I do not want him to feel that I was trying to preempt the floor ahead of him. I believe his amendment will take a little more time than will this amendment.

Mr. President, we are trying to change the definition which relates to the areas eligible for direct loans to veterans for mortgage purposes—to change it from the limitation now imposed, which restricts it to any rural area or small city or town. We wish to make it applicable to any area as to which the Administrator finds that private capital is not generally available.

The difference is that heretofore we have confined the direct loan program for veterans to the rural areas or the small cities and towns; and we have not extended it to any area in which there is truly a housing credit shortage. The reason for that was that this type of mortgage credit for Veterans' Administration loans was formerly available in metropolitan areas. But that reason has since disappeared; this type of credit is no longer available in many such areas. Hence, there is no longer a reason for such discrimination against such metropolitan areas. So the matter is just that simple.

I happen to have received from New York, from veterans there, a letter and a telegram giving evidence, in a personal way, of inability to find mortgage money for VA loans. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the letter and the telegram were ordered to be printed in the RECORD, as follows:

JACKSON HEIGHTS, N.Y., *May 23, 1961.*

Senator JACOB K. JAVITS,
Senate Office Building,
Washington, D.C.:

I wish to bring to your attention the deliberate denial of a primary veterans benefit. At present, I am attempting to negotiate a GI mortgage loan for purchase of a home. Most banks handling mortgages give outright refusal to handle any but a conventional 6-percent loan. A few will give the GI loan for a bonus. One (Dime Savings) will do so on consideration of a 6-percent cash bonus. This bonus is payable to the bank on receipt of the mortgage. It seems a shame that institutions which have profited by our wars have lost any sense of responsibility to the veteran.

Dr. WILLIAM SHPUNTOFF.

FLUSHING, N.Y., *May 17, 1961.*

Hon. JACOB K. JAVITS,
Senate Office Building,
Washington, D.C.

DEAR SENATOR JAVITS: I intend to purchase a one-family house, for my own use, within the near future. In anticipation of this, I made inquiries from banks in my immediate area whether they would issue a GI mortgage. Their replies (Jamaica Savings Bank, Bankers Federal Savings, Bayside Savings & Loan) were unqualified noes.

I inquired from the local VA office about the possibility of a direct loan. They sent me VA Pamphlet 26–4 in which sections 66 and 67 (p. 26) were underscored. These sections state:

"The Veterans' Administration makes direct loans to veterans who are satisfactory credit risks in housing credit shortage areas designated by the Administrator.

"Those areas are generally rural areas and small cities and towns not near the metropolitan or commuting areas of large cities, and where GI loans from private institutions have not been and are not now available to the veterans available."

Since a GI loan from a private institution is not now available in this area, I should like to know why I am not qualified to apply for a direct loan when I need it. I feel that conditions are such, in this area, that I meet the above-quoted qualifications.

Several real estate agents have advised me that there are a few rare lending institutions which will occasionally issue a GI mortgage. For this "privilege" the mortgagee must be willing to pay "points"—apparently a form of commission or gratuity. Yet, on page 10 of the booklet cited, it states very precisely: "No commission or brokerage fee may be charged to a veteran for securing a GI loan."

In view of the above facts, I should like to know why I may not qualify for a direct GI loan. Or, is there any agency which can put me in contact with a reputable lending or banking firm which issues a GI mortgage?

I shall appreciate your attention and interest.

Yours truly,

PAUL S. ABRAMS.

Mr. JAVITS. Mr. President, in addition, a table of home loans guaranteed by the Veterans' Administration shows the sensational diminution of the veterans home loans which have been placed in very large cities. For instance, in three New York cities, the drop has been as follows: In Buffalo, 90 percent; in other words, from the time when the program commenced until the present time, the veterans home loan ratio there has dropped 90 percent. In New York City, the drop has been 70 percent—that much drop in the largest financial center in the world. In Rochester, N.Y., the drop has been 80 percent.

In short, this type of mortgage money has tended to disappear from the large metropolitan areas, as it did some time ago from the small cities, towns, and rural areas.

Neither the Senator from Illinois [Mr. DOUGLAS] nor I can see why this discrimination should continue and why the veterans in large metropolitan areas should not have the same opportunities, in view of the fact that they now face the same situation as that faced by veterans in the rural areas and in the smaller cities and towns.

One objection which has been raised to our approach has been that it might result in applying the direct loan idea to an entire metropolitan area. But we do not believe that the language we have submitted is in any way susceptible of that interpretation. If there is any question about it, I state, and the Senator from Illinois [Mr. DOUGLAS] will state, as the proponents of the amendment, that we do not intend this amendment to mean that the Administrator will not have complete power to designate an area or any part of an area a housing credit shortage area within the terms of the law.

As we all know, there are in the large metropolitan areas enormous numbers of veterans—far more than in the rural areas or the small cities and towns.

Yet they are really disfranchised, in terms of being able to obtain veterans home loans. Therefore, we believe that in all fairness the time has come to put all these veterans on the same level, in view of the fact that they face the same conditions.

Finally, I point out that in the bill we are making a very extensive provision for precisely this type of loan, and we provide for phasing out the program over a long period of years; and we provide $1,200 million for making such loans.

This is an appropriate time to establish equal opportunity for all veterans, regardless of where they may be located, particularly, in view of the fact that they face the same conditions, and also in view of the fact that the Administrator would have complete power to designate any area or any part of an area a housing credit shortage area.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. JAVITS. I yield to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, we are trying to remove one of the many discriminations against city dwellers which have, either consciously or unconsciously, been injected into the laws of our country.

The present provisions in regard to direct veterans loans are—as the Senator from New York has stated—to the effect that they shall be made available to veterans in rural areas and small towns. But the veterans in the large cities fought for the defense of our country just as truly as did other veterans. It is a great error to say that veterans in the large cities have ample credit available to them, but that veterans in the small cities do not. Many veterans, particularly those of Negro and southern European ancestry, have real difficulty in obtaining credit for the construction and acquisition of homes. We simply wish to abolish the second-class citizenship, which has been fastened upon the city veterans.

Mr. President, I hope very much the Senator from Alabama [Mr. SPARKMAN] will accept this amendment. We have been fighting side by side, all afternoon, on these measures; and I hope very much that he will help us to remove this discrimination from the laws of the land.

Mr. JAVITS. Mr. President, in conclusion I should like to point out that the provision we are now trying to have included in the bill is already incorporated in a bill passed by the House of Representatives; it is in House bill 5723, which the House passed in April. The bill is entitled "A bill to provide home loans for veterans in housing credit shortage areas." The House of Representatives has already passed that bill, and in that way has done precisely what we propose to do by means of this amendment. Therefore, there should be no problem as regards the views of the other body.

I now read from the report of the House Veterans' Affairs Committee on that measure, which already has been passed by the House:

> For veterans living in our semiurban areas, because veterans' home loans in our cities are almost nonexistent today.

The House committee found that as a fact; and that is the basis for the presentation made here by the Senator from Illinois and myself.

Mr. HUMPHREY. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. HUMPHREY. I wish the RECORD to be clear. Do I correctly understand that a veteran living in the city of Minneapolis, Minn., would not be eligible to receive a direct loan of this sort, but that a veteran living in Waverly, Minn., 40 miles west—where I have my home—would be available to receive such a loan?

Mr. JAVITS. That is entirely likely, although I cannot speak with authority. But certainly Minneapolis is excluded, as are New York and Chicago.

Mr. HUMPHREY. Why?

Mr. JAVITS. Because the Congress wrote such a provision into the law. Some time ago, when no such problems existed in the large metropolitan areas the Congress confined that law to the rural areas and the small cities and towns.

Now the other body has taken the lead in regard to eliminating this discrimination; and inasmuch as in the pending bill we are authorizing the appropriation of funds for making direct loans, it is a proper bill by which to eliminate this discrimination. Inasmuch as the Senate does not have a Veterans' Affairs Committee, we try, when we can, to weave relief for veterans into the substantive legislation in which it belongs.

Thus, in connection with the pending bill, in which we authorize appropriations of $1,200 million more for direct veterans loans—for precisely this program—therefore, at the very least, we should remove from the law this discriminatory feature, which today exists in the law.

Mr. HUMPHREY. Mr. President, I do not like to have the Congress legislate on the basis of making distinctions between the large cities and the rural areas. Instead, I like to have national legislation enacted on the basis of dealing equitably with all Americans and on the basis of helping all Americans, wherever they may live. I feel that any veteran or any other American citizen who wishes to have a home should have available to him—wherever he may live—funds for that purpose, and there should be no discriminatory provisions.

In Minnesota, approximately 50 percent of the population lives within 50 miles of the major city of the State.

I gather that, under existing law, a substantial number of these people would be denied an opportunity for direct-loan participation.

I do not know. I want to listen to the arguments on the question. It has been indicated to me that this has been the law for some time. I wonder whether or not there in any evidence that it has worked a hardship. Has there been a denial of loans to veterans' families which has worked a hardship on them because of the existence of the law which allows such discrimination?

Mr. JAVITS. There is a hardship. I have in mind at this particular moment two cases, which are precise, but the House Veterans' Affairs Committee has looked into the question. Now the big hardship is on the metropolitan area people, as it has been on residents of rural areas or small towns. There is a big backlog and there are waiting lists of veterans in small towns as well as in cities. They are the ones we are trying to help by authorizing a rather large sum for direct loans. That is all the more reason why we should not perpetuate a discrimination when, by virtue of circumstances, the basis upon which we originally discriminated, which was justified at the time, has disappeared. Now there is a straight unfair discrimination.

I reserve the remainder of my time.

Mr. BUSH. Mr. President, will the Senator yield for a question?

Mr. JAVITS. I yield for a question.

Mr. BUSH. I notice the administration opposition to the amendment is based on the following ground:

> The amendment would expand materially the number of eligible areas. A major proportion of veterans who are entitled to a guaranteed home loan would become eligible for a direct loan whenever there is a temporary general shortage of residential mortgage funds or when the maximum interest rate for guaranteed home loans is below the market. This would result in a greatly broadened scope of the direct loan program and in extreme fluctuations in the program.

That is the administration's opposition to the amendment.

Mr. JAVITS. I think the administration has missed one point, and that is that it could apply the rule of selectivity in determining whether a part, rather than the whole, of a metropolitan area was in a housing credit shortage area. But even if we grant the administration's whole position it does not attempt to begin to justify the discrimination. In other words, is the discrimination removed by the fact that the administration says many people would be affected? It seems to me it only emphasizes the fact that we are discriminating against many people; that we are being unfair, not to a few veterans, but to hundreds of thousands of veterans.

This is the point the Senator from Illinois [Mr. DOUGLAS] and I are arguing. This is something for which veterans stand in line. Why should city people be excluded when the only basis has been that they could take care of themselves, and that is no longer true? If there is to be a veterans' home loan program, and if there is to be a direct loan program, by what law of the Medes and the Persians is it to be applied only to veterans who live in small towns?

Mr. CLARK. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. CLARK. I think the Senator from New York is quite correct in the position he takes. I shall support the amendment.

I ask the Senator if the one justification for discriminating against veterans living in cities heretofore has not been that it is alleged that there is adequate credit there, and therefore this program is not needed.

Mr. JAVITS. Precisely; and that is no longer true. The Veterans' Affairs Committee in the other body has found it to be a fact.

Mr. CLARK. If the program is applied to all veterans, regardless of where they live, there are safeguards, by reason of existing law, so that money would not be flowing into areas where there is easy credit. Is that correct?

Mr. JAVITS. That is correct. The housing credit shortage definition remains in the bill unaffected by the amendment.

Mr. CLARK. I shall support the amendment.

Mr. JAVITS. I reserve the remainder of my time.

Mr. CAPEHART. Mr. President, in the first place, I think certain Senators speak from the wrong premise. Veterans' Administration loans are guaranteed 100 percent by the Veterans' Administration, and the only reason why Congress ever permitted direct loans to veterans by the Federal Government in small communities and small towns was that banks and other lending institutions did not have the money.

Can anyone conceive of making direct loans in New York City, where there are several banks worth many billions of dollars, and life insurance companies by the dozens that are perfectly willing to make loans to veterans—loans that are guaranteed 100 percent by the Federal Government?

The only reason why Congress ever permitted direct loans by the Federal Government was that in many instances banks in rural, scattered areas did not have the money. The reason why the big banks and the big insurance companies and the pension funds in the big cities did not make loans to them was that they were too far away to service them or to appraise the property in order to make the loans. Under those circumstances, Congress permitted the Federal Government to make some direct loans, and rightly so.

But now if the Federal Government is to make direct loans in New York City, Chicago, and other big cities, where most of the money of the United States is, where loans are guaranteed by the Federal Government, we might as well turn the Treasury of the United States upside down and say, "Gentlemen, in New York, Chicago, and other big cities, take our money."

Why do Senators want to do that? This housing bill is becoming a catchall bill. It is becoming the sort of bill in which all sorts of cats and dogs are placed. We ought not to do it. The housing bill, as it was started years ago, has proved to be a successful institution. Now we are putting all kinds of cats and dogs into it. We are weakening it. We are making it a place in which to dump all kinds of individual schemes; and we ought not to do it.

If banks, insurance companies, and other lending institutions in New York

City, Chicago, and other big cities are unwilling to make loans to veterans which are guaranteed 100 percent by the U.S. Government, there is something wrong with them. I am not about to be in favor of seeing the Federal Government—meaning the Treasury of the United States—make such direct loans.

I believe the banks, insurance companies, and pension funds in New York will make such loans if they are given the opportunity to do so. If they do not make such loans, which are guaranteed by the Veterans' Administration—which is the Federal Government—there must be something wrong with the security.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. HOLLAND. Is it not true that another strong reason why direct loans to veterans were permitted in the country areas was the absence of utility facilities, which are required as a condition for approval of the ordinary FHA loan?

Mr. CAPEHART. Yes.

Mr. HOLLAND. Mr. President, I do not think the Senator answered my question. I ask if it were not true that one of the reasons why the Congress was asked to approve, and did approve, direct veterans' loans in the rural areas, was that there was an absence in those areas of utility services which were required by the FHA as one of the conditions for the making of ordinary loans?

Mr. CAPEHART. The Senator is 100 percent correct. That is what I said a moment ago. Those rural communities were so far away from the banks, from the insurance companies, from the pension funds, and from other big lending institutions which had the money available, that they could not be serviced, the property could not be appraised, and the loans could not be handled. The lending institutions in the local towns did not have money to loan. The Senator is 100 percent correct.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield to the able Senator.

Mr. CURTIS. I agree with the Senator. My recollection of the history of direct loans in rural areas is that the legislation also dealt with the problem of the veteran who was living in a small town or village, or perhaps even a small county seat. The bank may have had ample money, but there were not sufficient loans to make it worth while to establish a system to provide FHA loans.

Mr. CAPEHART. That might have been the situation. The State banks are governed by State law, and the Federal banks are governed by Federal law, but the banks can loan only a certain amount of assets to any individual. The banks receive requests for more loans than the law will permit them to make.

Mr. CURTIS. There are many small communities in which there are no insured loans because there is not sufficient demand for anyone to provide them.

Mr. CAPEHART. The Senator is correct.

Mr. CURTIS. So this program was the only opportunity for the veterans to obtain loans.

Mr. CAPEHART. The Senator is correct.

Mr. CURTIS. It was that problem with which we sought to deal.

Mr. CAPEHART. The Senator is correct. I appreciate the Senator's bringing that out so explicitly.

Mr. SPARKMAN. Mr. President, I have enjoyed the discussion. I dislike very much to oppose the amendment offered by my friend from New York and my friend from Illinois.

Mr. President, I sponsored the original legislation which set up the direct loans. I have narrated this at different times in the Senate, but I think it would be interesting for me to say again, particularly in view of the statements which have been made, that the suggestion came to me from a banker in the small town of Tuscumbia, Ala. The banker wrote me a letter one day in which he said:

> We have a bank, and we have tried to render service to the community. We have tried to take care of the returning servicemen, but our capitalization is so small that we can take only a few mortgages before our portfolios are full. We are removed from the money market, so we do not have access to it.

He also said:

> I feel that, in the case of veterans, every veteran ought to have an equal opportunity. Therefore, the Government ought to make arrangements to lend money directly to those who are not able to get money under the guarantee program.

That letter gave me a suggestion. I had proposed legislation drawn up. I introduced the bill. It was enacted into law. That has been the law since 1950. Insofar as the criteria are concerned, they have been unchanged. The criteria were simple—that the loans should go to credit-worthy veterans, living in rural or semirural areas in which credit was not otherwise available.

The Administrator of Veterans' Affairs identifies the area. Generally, in the metropolitan areas, where one expects financial institutions to exist and where such institutions do exist, the area is ruled out. I happen to live in a relatively small community, yet my county is not eligible for veterans' direct loans because it is large enough to have financial institutions, or at least financial connections, through Birmingham, Nashville, and other cities, for the money to be available. I have never heard any great complaint about this arrangement not being sufficient.

I know that there have been times in metropolitan areas when there may have been a scarcity of credit available for veterans' loans, but that was at a time when there was a differential between interest rates on veterans' loans and on FHA loans; and, therefore, the money went to the FHA loans. That differential no longer exists. That was at a time before the voluntary home mortgage credit program was developed by the insurance companies generally throughout the country, which pool resources for servicing remote areas.

When a veteran applies for a direct loan the Administrator does not automatically grant the loan. First the Administrator submits the application to the VHMCP. A great many of the applications are taken care of through pooling of the resources of the insurance companies and financial institutions.

This has been a good program. I was about to say that this had not been a large program, but in excess of a billion dollars has been loaned, and it has been a highly successful program. I do not believe we ought to change the jurisdiction or the procedure. I do not believe the metropolitan areas will suffer, since the interest rates to FHA and VA now are the same.

While I dislike very much to oppose my friends, who certainly are good friends of housing, I believe the amendment ought not to be adopted.

Mr. JAVITS. Mr. President, I yield 5 minutes to my colleague from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. Mr. President, I thank the Senator from New York.

The pain of the Senator from Alabama in opposing our suggestion is as nothing compared to the acute pain which we feel in opposing him.

Nevertheless, Mr. President, I point out the fact that various rationalizations have been offered for the discrimination. It was said that originally the direct loan program was intended for communities which had no banks and no savings and loan institutions. As numerous Senators have pointed out, this is not so. Direct veterans' loans are made to veterans in communities which have banks and savings and loan institutions. The savings and loan system has now so spread over the country that there are almost no communities which are not within striking distance of a bank or a savings and loan institution.

So far as the argument that the loan to a veteran would be so great, as the Senator from Indiana said, that it would exceed the limit a bank could loan to any one person, I am sure that upon reflection the Senator from Indiana will not——

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CAPEHART. I did not make any such statement. I said that the sum total of loans which the bank might make in respect to resources would be beyond the law. I did not refer to the individual loan.

Mr. DOUGLAS. I am glad to have that point cleared up.

Mr. CAPEHART. Yes.

Mr. DOUGLAS. The country areas of the Nation tend to be saving areas. These areas have resources, and they send their surpluses of deposits, over the amounts which can be loaned, to the cities for reinvestment. These areas have resources which could meet the demands of rural and small town veterans.

The other assumption that any city veteran can go to the Chase National Bank in New York City and get a loan on a house is somewhat farfetched. The huge size of the big city banks frequently discourages application.

I invite attention to the fact that perhaps the group which is most deprived of opportunities is the group of the sons of immigrants and Negroes who served in the Armed Forces, who have returned to civil life, and who wish to establish homes, but who do not have financial institutions close at hand from which they can borrow. They cannot go to the huge downtown banks; and they need credit as badly as do the boys from the countryside.

If it is believed that there are ample credit facilities for veterans everywhere. I suggest that the whole system be abolished, though I do not favor such action. But if it is believed that there are not ample facilities, this provision should be extended to the cities as well as to the countryside. To do otherwise is rank discrimination.

Mr. JAVITS. Mr. President, I yield myself 5 minutes.

A number of misconceptions have been voiced. I make that statement in all charity. The idea has been expressed that the equal opportunity which is sought to be gained here is the opportunity to go to a bank. That is not the equal opportunity which is sought to be gained under the original proposed legislation. The equal opportunity sought was to obtain a mortgage, and if one could not obtain a mortgage, the object was to get a loan. The opportunity is not to go to a bank, whether one is rich, poor, or in between. The opportunity is to obtain a mortgage.

But veterans cannot get mortgages, and if we were to deny such opportunity to them because they live in a metropolitan area, we would discriminate against them. I believe that point is very important.

Certainly there are rich banks and insurance companies in all the big cities, but they are not lending on VA loans. Whether the distinguished Senator from Indiana approves of such action or whether I approve of it, we know they are not making such loans. Not only I, but all my friends in large cities, are hearing from veterans that veterans cannot obtain the amounts of money they need.

Finally, because I believe the point is critical, I ask why we propose to give veterans these advantages. Why do we give veterans VA loans? Why should we not give them direct loans, since they fought in our Armed Forces to preserve freedom? What kind of skin does the boy in Chicago, New York, Cincinnati, or Columbus have? Is it any different from the skin of the boy in a small town in Missouri? Is he less of a fighter or a veteran and thus less entitled to be rewarded by his country?

On what basis could we morally justify this action once we find that veterans cannot obtain the necessary mortgage money? It seems to me that basis is the reason for the amendment and the propriety of the amendment. We would try to help veterans because they served America. Many thousands more Americans who have served America live in the large metropolitan areas than live in the small towns or rural areas, and the trend is growing. Do we wish to say to such a man, "No, my friend. You live in the wrong place. You cannot be considered under the program."

I do not believe we do. The entire program is either good or bad, but the criterion should not be where the veteran lives, especially in view of the fact that the fundamental basis and the original design of the program have become invalidated by the passage of time and economic events. I very much hope that the Senate will support the amendment. As I said, it has already been agreed to in the other body.

Mr. President, I am prepared to yield back the remainder of my time, but only after I suggest the absence of a quorum, because I shall call for a division.

Mr. SPARKMAN. I yield back the remainder of my time.

Mr. JAVITS. Mr. President, may we have a quorum call without the time being charged to either side?

Mr. MANSFIELD. Reserving the right to object, is all time yielded back?

Mr. JAVITS. I yield back the remainder of my time.

Mr. SPARKMAN. I yield back the remainder of my time.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Mr. President, I ask for the yeas and nays on the Javits amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York [Mr. JAVITS]. All time has been yielded back, and the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from California [Mr. ENGLE], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Montana [Mr. METCALF], and the Senator from Oregon [Mrs. NEUBERGER] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY] is necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Montana [Mr. METCALF] would each vote "nay."

On this vote, the Senator from California [Mr. ENGLE] is paired with the Senator from Minnesota [Mr. MCCARTHY]. If present and voting, the Senator from California would vote "nay," and the Senator from Minnesota would vote "yea."

On this vote, the Senator from Oregon [Mrs. NEUBERGER] is paired with the Senator from Colorado [Mr. ALLOTT]. If present and voting, the Senator from Oregon would vote "yea," and the Senator from Colorado would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

The Senator from Vermont [Mr. AIKEN], the Senator from Colorado [Mr. ALLOTT], the Senator from Kentucky [Mr. MORTON], and the Senator from Massachusetts [Mr. SALTONSTALL] are detained on official business.

The Senator from Colorado [Mr. ALLOTT] is paired with the Senator from Oregon [Mrs. NEUBERGER]. If present and voting, the Senator from Colorado would vote "nay," and the Senator from Oregon would vote "yea."

On this vote, the Senator from Kentucky [Mr. MORTON] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from Kentucky would vote "yea," and the Senator from Arizona would vote "nay."

If present and voting, the Senator from Vermont [Mr. AIKEN] and the Senator from New Hampshire [Mr. BRIDGES] would each vote "nay."

The result was announced—yeas 28, nays 59, as follows:

[No. 70]

YEAS—28

Bartlett	Humphrey	Pastore
Byrd, W. Va.	Jackson	Pell
Carroll	Javits	Proxmire
Case, N.J.	Keating	Randolph
Clark	Kefauver	Smith, Mass.
Cooper	Long, Mo.	Symington
Douglas	Long, La.	Williams, N.J.
Fong	Magnuson	Yarborough
Gore	McNamara	
Hart	Morse	

NAYS—59

Beall	Ervin	Monroney
Bennett	Fulbright	Moss
Bible	Gruening	Mundt
Boggs	Hartke	Muskie
Burdick	Hayden	Prouty
Bush	Hickenlooper	Robertson
Butler	Hickey	Russell
Byrd, Va.	Hill	Schoeppel
Cannon	Holland	Scott
Capehart	Hruska	Smathers
Carlson	Johnston	Smith, Maine
Case, S. Dak.	Jordan	Sparkman
Church	Kerr	Stennis
Cotton	Kuchel	Talmadge
Curtis	Lausche	Thurmond
Dirksen	Long, Hawaii	Wiley
Dodd	Mansfield	Williams, Del.
Dworshak	McClellan	Young, N. Dak.
Eastland	McGee	Young, Ohio
Ellender	Miller	

NOT VOTING—13

Aiken	Chavez	Morton
Allott	Engle	Neuberger
Anderson	Goldwater	Saltonstall
Blakley	McCarthy	
Bridges	Metcalf	

So Mr. JAVITS' amendment was rejected.

Mr. CASE of South Dakota. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. Beginning on page 77, line 16, it is proposed to strike out all of title VI, running through line 2 on page 83.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota.

Mr. DIRKSEN. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CASE of South Dakota. Mr. President, I yield myself 5 minutes. I do not think it will be necessary to use all the time available.

Title VI proposes an open-space and urban development program. It is a new program, a $100 million program, which we can well do without at this particular time. It is a $100 million program in these words:

> The administrator may contract to make grants under this title aggregating not to exceed $100 million.

Listen to the next sentence:

> The faith of the United States is solemnly pledged to the payment of all such grants, and there are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, the amounts necessary to provide for such payments as well as to carry out all other purposes of this title.

The Committee on Appropriations will have no discretion because the faith of the United States is solemnly pledged to the payment of such grants as the Administrator may contract to make, up to $100 million. When? Within the first month after the bill becomes law, if he wishes to do so, over a 6-year spread, if he wishes to do so, and if that is his program. There is no provision that it shall be $10 million a year for 10 years, or anything of that sort. It is up to $100 million; and the faith of the United States is solemnly pledged to the payment of all such grants.

Mr. McCLELLAN. Mr. President, will the Senator from South Dakota yield?

Mr. CASE of South Dakota. I yield.

Mr. McCLELLAN. Is there any limitation on the amount of the grant which can go to any single community or vicinity?

Mr. CASE of South Dakota. The limitation is discriminatory. The language reads:

> The amount of any such grant shall not exceed 25 per centum of the total cost, as approved by the Administrator, of acquiring such interest: *Provided*, That this limitation may be increased to not to exceed thirty-five per centum in the case of a grant extended to a public body which (1) exercises responsibilities consistent with the purposes of this title for an urban area as a whole, or (2) exercises or participates in the exercise of such responsibilities for all or a substantial portion of an urban area pursuant to an interstate or other intergovernmental compact or agreement.

That is significant also because the Administrator is given entire discretion. If he believes a community is doing well, he can give it 35 percent. If he believes some other community is not doing well or not doing what he wishes it to do, that community can get only 25 percent. That is the only limitation, so far as the amount is concerned.

Mr. McCLELLAN. Is there limitation dollarwise?

Mr. CASE of South Dakota. There is no limitation dollarwise. If a project in one community amounted to $10 million, the amount still would be 25 percent, or up to 35 percent if the Administrator thought the community was doing a good job.

In the antipollution bill, a dollar limitation is established, not to exceed so many thousand dollars—$250,000 or $400,000, or up to 30 percent, whichever is smaller. But there is no limitation in this particular proposal.

What is the provision designed to do? It is designed to provide for purchase of open space, or to have the Government go into a space program. If Senators will read this title, they will find that discretion is placed in the Administrator. He—

> is authorized to make grants to State and local public bodies acceptable to the Administrator as capable of carrying out the provisions of this title to help finance the acquisition of title 2, or other permanent interests in, such land.

In another place, we read:

> The Administrator shall take such action as he deems appropriate to assure that local governing bodies are preserving a maximum of open-space land.

In another place, we read:

> In the processing of applications for assistance under this title, the Administrator shall consider the extent to which the communities to be assisted are encouraging, through zoning regulations and otherwise, orderly residential and other community development and renewal and are encouraging the availability of an adequate supply of decent housing at reasonable cost.

In other words, the $100 million which the Administrator can use is a little extra sugar to induce a community to take part in the housing program under other parts of the bill.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. ROBERTSON. The chairman of the committee wishes to state that he opposed this provision before the committee. He was overidden, but he pointed out that this is a new scheme to give away $100 million of borrowed money, as if we did not have a deficit of $4 billion or more without having this amount added to it. The provision gives discretion to the Housing Administrator to establish parks, playgrounds, and other wide-open spaces with borrowed money, thus contributing that much more to inflation, and it proceeds to give money away in a new manner.

Mr. CASE of South Dakota. I commend the chairman of the committee for taking that position, because we have been told that there are some urgent space programs to which the country should give heed at this time. However, there is no urgency for establishing a $100 million grant program under the provisions of this section.

Mr. DIRKSEN. Mr. President, will the Senator from South Dakota yield?

Mr. CASE of South Dakota. I yield.

Mr. DIRKSEN. I say to the distinguished Senator from Virginia that this is a new dimension in space. It should have come from the Committee on Aeronautics and Space Sciences; instead, it has come from the Committee on Banking and Currency.

I think the definition is one of the most fascinating things I have ever seen. I say to the Senator from Virginia that one must be a genius to draft this kind of language, because this is what the bill provides:

> The term "open-space land" means any undeveloped or predominantly undeveloped land, including agricultural land, in or adjoining an urban area, which has (A) economic and social value as a means of shaping the character, direction, and timing of community development.

The Administrator might go out and buy one of the orchards of the distinguished senior Senator from Virginia [Mr. BYRD].

Tell me what that fantastic language means. If there is any limit to it, I have never seen it.

> (B) recreational value; (C) conservation value in protecting natural resources; or (D) historic, scenic, scientific, or esthetic value.

Under that language, if the space were close to a metropolitan area, the Administrator might buy Lookout Mountain, in Georgia, and include it in the $100 million. This is a beautiful deal.

Think of the historical monuments that might be created in Ohio. The Senator from Ohio [Mr. LAUSCHE] will remember a great character in his State by the name of Johnny Appleseed Chapman, who scattered apple seeds all over the Midwest.

If an open space is close enough to an urban area, some of that $100 million could be obtained, probably a 1,000 acres could be added to it, and the area would be historic, because Johnny Appleseed Chapman is a great historic character.

Or the project might be scientific, depending upon the kind of apple seeds. If they were not the kind of apple seeds which come from the orchards of the distinguished Senator from Winchester, Va., perhaps we would not give them that scientific accolade. But if they were, we would.

"Esthetic value"? That is a remarkable deal. I do not know what is meant by esthetic value; but one can get undeveloped land in an urban area, or land that is predominantly undeveloped, and if it is intended to add to the esthetic value, the sky is the limit.

I can think of the nicest projects under this proposal for permanent open space acquisitions. I am sorry I never thought of this before. This is one of the great new dimensions in space. The committee should have hired some scientific talent from the Atomic Energy Commission and the National Aeronautics and Space Administration to come before it and spell out for us in clear and felicitous detail how this new venture into space will be made. It is within the discretion of the Administrator, and it will cost only a cool $100 million.

Mr. McCLELLAN. The first year.

Mr. DIRKSEN. That is correct. Watch this program build up. I can think of many projects in my State which would cost a little money. I will have them all in the hopper, God willing that I live long enough, and I am sent back to the Senate. I will have every one of those projects introduced, because this juicy $100 million is too good to leave untouched.

This is a new proposal, as the distinguished Senator from South Dakota says. We have not encountered this kind of dish before. But there is no limit to the fecund imaginations one finds in the Nation's Capital. If we are going down this drain, I want to have a little fun while we go down, in view of the fact that we are looking squarely in the face of ascertained facts already. Not my figures, but the Budget Bureau figures, show that for 1962 the deficit now is calculated at $3,550 million.

What will it be after we have done all those things which are necessary and conducive to the survival and security of our country?

I sat with the President for an hour and a half the day he arrived at the White House. I rode with him in the helicopter. I heard him talk and express his concern. I share his concern. A great many things in the field of security and the survival of our freedom will be confronting this Congress before we are through; and all partisanship goes down the drain. I regard the President as a friend; and, as the minority leader, I am going to help him. I believe the best way I can help him is to do all I can to make a modest contribution to the security of the country and to the maintenance of the security and the vitality of the home front, the first line of our defense.

Mr. President, how careless can we be with the public purse? The amendment of the Senator from South Dakota should be supported unanimously by the Senate. I believe the amendment would retrieve and recoup a little confidence by the country in the Senate, and would engender in the minds of the people of the country a feeling that there remains in this body some feeling of fiscal responsibility.

Mr. President, Senators are going to be fortunate; I had planned to offer an amendment for this purpose and, in that connection, to figure out some gadgets, and to labor the question for several hours. But, instead, I shall throw my speech into the ash can.

Thus, Mr. President, I say that the pending amendment should be adopted by the unanimous vote of the Senate, because something more than the $100 million is involved. This part of the bill seems to me to be sheer carelessness with the fiscal budget.

I thank the Senator from South Dakota for yielding to me.

Mr. CASE of South Dakota. Mr. President, I thank the Senator from Illinois.

I yield myself 2 additional minutes, in order to conclude my remarks at this time.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 2 additional minutes.

Mr. CASE of South Dakota. Mr. President, we have spoken of this program as a $100 million program; but, actually, it is more than that. The $100 million will be a start; but, in addition, section 605 provides that—

> In order to carry out the purposes of this title the Administrator is authorized to carry out technical assistance to State and local bodies and to undertake such studies and publish such information, either directly or by contract, as he shall determine to be desirable.

Listen to this additional provision. It is in addition to the $100 million provision:

> There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such amounts as may be necessary to provide for such assistance, studies, and publication. Nothing contained in this section shall limit any authority of the Administrator under any other provision of law.

So we begin by providing that the Administrator shall have $100 million with which to make any grants which he may please to make; and, in addition, he can have a program of technical assistance to the States and local bodies; and, in that connection, the Congress agrees—and in that connection pledges the faith of the Nation—to make the necessary appropriations in order to carry that out.

Mr. LAUSCHE. Mr. President, will the Senator from South Dakota repeat what he read about what is in addition to the $100 million? From what page and what line did the Senator read?

Mr. CASE of South Dakota. From page 81, line 21, section 605—and this is in order to carry out these purposes:

> SEC. 605. In order to carry out the purposes of this title the Administrator is authorized to provide technical assistance to State and local public bodies and to undertake such studies and publish such information, either directly or by contract, as he shall determine to be desirable. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such amounts as may be necessary to provide for such assistance, studies, and publication. Nothing contained in this section shall limit any authority of the Administrator under any other provision of law.

That is in addition to the $100 million.

This afternoon, I read on the news ticker that before long there would come from the administration a proposal to raise the ceiling on the Federal debt to $300 billion—the highest point it has ever reached. Why do we get into that kind of predicament? Because we must provide for the national defense or for a space program.

But this open-space program does not have the urgency which would require us to authorize the Administrator to make grants up to $100 million, without any time limit or without any dollar limit, and then to pledge the faith of the United States in that connection.

Mr. ERVIN. Mr. President, will the Senator from South Dakota yield?

The PRESIDING OFFICER (Mr. BURDICK in the chair). Does the Senator from South Dakota yield to the Senator from North Carolina?

Mr. CASE of South Dakota. I yield.

Mr. ERVIN. I ask the Senator from South Dakota whether he, like myself, is a member of the Senate Armed Services Committee?

Mr. CASE of South Dakota. Yes, I am.

Mr. ERVIN. I ask the Senator whether on occasions the Armed Services Committee has been concerned about the national defense and about such things as more appropriations for the building of B–70 bombers, and more appropriations for building up our ground forces for conventional warfare, and more appropriations for other programs; and in that connection have we been told that money is not available in order to do as much as many of us think we should do in the field of national defense?

Mr. CASE of South Dakota. Yes. We have been advised by the Secretary of Defense that we should defer or postpone certain decisions on critical items that could be used and are needed for necessary modernization; we have been told that such postponements or deferrals should be made because of the money-shortage situation.

Yet in this instance it is proposed that a $100 million program of the sort now advocated be undertaken.

Mr. ERVIN. Have we not also been told that we should go slower than we think proper in connection with the development of an antimissile missile program and other essential programs?

Mr. CASE of South Dakota. Yes; and also including the B–70 program and similar most important programs essential to the national defense.

Mr. ERVIN. Does the Senator from South Dakota think the wisest thing the Senate could do at this time would be to reject the pending amendment, and proceed to use the $100 million, if the Senate does reject this amendment, and the funds which would be required for the additional expenses proposed—in fact, the entire $290 million—for essential national defense purposes, rather than for the program proposed by means of the pending amendment?

Mr. CASE of South Dakota. Certainly.

Mr. DIRKSEN. However, Mr. President, my distinguished juridical friend is not forgetting the esthetic values involved in the amendment, is he?

Mr. CASE of South Dakota. Mr. President, I reserve the remainder of the time available to me.

Mr. WILLIAMS of New Jersey. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 5 minutes.

Mr. WILLIAMS of New Jersey. Mr. President, thus far I have greatly enjoyed the debate. But I am afraid that those who will read the RECORD might, when reading the RECORD at this point, be inclined to believe that this body is opposed to conservation of our most priceless resource—land. However, we know that is not true. For more than 100 years the Senate has been the leading advocate of conservation of land for all its purposes—for its water, for recreation, for the other conservation reasons, and also for esthetic reasons. We have a great wilderness program. We have majestic national parks—although, I regret to state, in most cases too far removed from probably 90 percent of our population, with the result that it is very difficult, if not impossible, for them to enjoy the esthetic values to be found in Yellowstone National Park, Glacier

National Park, Dinosaur National Monument, and similar park areas.

But the Senate is a conservation body.

This amendment involves a most important element of conservation, in my judgment; and I say that for the reason that the amendment is designed for the conservation of the open spaces in the metropolitan areas, the areas where most of our people live. At the present time, two-thirds of the people of the United States are residents of metropolitan areas; and the projected figures are staggering. For example, by the year 2000, so the best statisticians tell us, 107 million Americans—one-third of the population—will live in 10 metropolitan areas, and another 40 percent will live in 285 metropolitan areas; and in the year 2000, more than 85 percent of all Americans will live in metropolitan areas.

Senators frequently speak of the problems which will be confronted by our children and our grandchildren; and occasionally Senators speak of the problems which will be confronted by our great-grandchildren. Such thoughts often occur to us when we are in the process of authorizing or appropriating funds, and, sometimes, creating a debt; and we worry about the debt which will be hanging over their heads, around their necks, and on their shoulders—as we should worry. But, Mr. President, if we allow the suburban metropolitan areas to continue to be developed in the way they are now being developed—without any program for the reservation of open areas—our grandchildren and our great-grandchildren will think that we, indeed, gave them a heavy burden of unbroken metropolitan jungles.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. WILLIAMS of New Jersey. I yield.

Mr. CARROLL. I am very sympathetic with his position. Can the Senator tell me what he means by "open space"?

Mr. WILLIAMS of New Jersey. The definition, while not understood by the minority leader, I believe speaks pretty much for itself, as we read it on page 82 of the bill:

> The term "open-space land" means any undeveloped or predominantly undeveloped land, including agricultural land, in or adjoining an urban area, which has (A) economic and social value as a means of shaping the character, direction, and timing of community development; (B) recreational value; (C) conservation value in protecting natural resources; or (D) historic, scenic, scientific, or esthetic value.

The only part which might not be understood on its face, I suggest to the Senator from Colorado, might be the words "shaping the character, direction, and timing of community development."

What we mean by that language is that if an open-space area in and around a metropolitan area is preserved, the remaining development and growth will be channeled in a more orderly manner. We know that these unbroken housing sprawls are uneconomic in many ways.

Mr. CARROLL. I was born in the city of Denver, and I represented that district at one time in the House of Representatives. In that area we have seen, within a decade, or at least within a generation, the sprawl coming from Denver and spilling over into adjoining counties.

What do we mean when we use the term "open space" or "open areas"? What is the purpose of it?

Mr. WILLIAMS of New Jersey. The purpose is to preserve open space in urban areas. I am sure the Senator is familiar with the sad hodgepodge of suburban sprawl that is taking a million acres of land, by means of the bulldozer, and putting on that land poorly planned—if planned at all—housing, commercial, and industrial developments.

Without conservation, flood and water pollution problems are severe, because we are not preserving open areas in vast areas of growth.

Mr. CARROLL. Would the able Senator from New Jersey say that when we talk about urban sprawl, it is related to housing; and when we talk about conservation, we are talking about land in its utilization for housing?

Mr. WILLIAMS of New Jersey. No; we are not talking about land in its utilization for housing. We are talking about open land.

Mr. HUMPHREY. Parks.

Mr. WILLIAMS of New Jersey. It is more than parks. It is water conservation, as well as recreation, and it can be used as a tool for the more orderly shaping of communities that are growing.

In the area of the country in which we all have the honor of working, there has been very intelligent preservation of open areas along streambeds. We are very grateful for it.

Mr. CARROLL. I am sincere in my desire to be helpful. When the Senator talks about open land, is it land in which housing will develop gradually?

Mr. WILLIAMS of New Jersey. The answer is "No." The land would be preserved as open land. Under the legislation, the Administrator could grant 25 percent of the cost of acquiring, either through outright purchase in fee, or easement, or however it would be done, land that is open, and dedicating it for the purpose of keeping it open.

Mr. CARROLL. May I have a specific example, whether it be in Minneapolis, Denver, or in New Jersey?

Mr. WILLIAMS of New Jersey. Rock Creek Park would be an example. It is an example of open space acquired and preserved as an open area for the multiple purposes of flood control, conservation, and recreation.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WILLIAMS of New Jersey. I yield myself 5 more minutes.

Mr. CARROLL. In my own area I have seen the spilling over of new houses from Denver into adjoining areas. With no provision for open spaces, the construction of houses has been permitted in areas where they should not have been constructed, because there was no planning.

Mr. WILLIAMS of New Jersey. The Senator has precisely hit the point.

Mr. CARROLL. Is there to be planning in connection with safe housing and conservation also? I presume there must be some relation to housing, which affects people.

Mr. WILLIAMS of New Jersey. I am glad the Senator has asked the question. On page 80 of the bill there appears the heading "Planning Requirements." It is keyed to comprehensive, orderly land use planning. It is not a hodgepodge granting of areas of open space here and there. It must be a part of a planned community.

Mr. CARROLL. I think of the great State of New Jersey, the great State of Pennsylvania, the great city of Philadelphia, and the great city of New York; and I think of great areas in the West, in North Dakota, South Dakota, and all through the Great Plains, where there may not be the same problems of providing open space. I think there is such a problem in Denver, to a minor degree. Why does the Senator think such a provision is important with relation to the great, populous areas of the Atlantic coast, or a State like Michigan? What is the importance?

Mr. WILLIAMS of New Jersey. It is difficult to express the degree of importance we attach to it in the highly populated areas in the Northeast. We know our areas will be blighted, and that we will be asking Congress for large sums of money unless we plan more orderly communities through one of the tools provided, namely, open space. But it is more than a big-city problem. I should like to read the last part of a resolution which came from the Kansas Academy of Science, located at Manhattan, Kans.:

> Whereas rapidly expanding urban areas in Kansas need assistance in preserving open space in and around vast areas: Therefore be it
>
> *Resolved*, That the academy supports the bill S. 858.

The bill S. 858 is title 6 in the housing bill before us. We had a communication from the State of Oregon. The State of California has an open space program that uses the same definition, including esthetic value. That is a part of the law of California. From coast to coast and all States in between there has been an interest in this legislation.

Mr. CARROLL. I thank the Senator.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WILLIAMS of New Jersey. I yield myself 1 more minute.

Mr. CARROLL. I heard the masterful presentation of the minority leader in his delightful sarcasm and ridicule. Does the Senator think this program encompasses any plan for Chicago, for example? Would the Chicago metropolitan area achieve some esthetic value from this program? What would be the nature of it? We need more specific information on it. How would the program function, and what would it do?

Mr. WILLIAMS of New Jersey. It would certainly be useful in the suburbs of the metropolitan area we call Chicago. I am sure that, in the fringes, where the bulldozers are moving in and taking over the farmland, and where the sprawl is, there would be the purchase and preservation of open areas. Chicago and the State of Illinois have been

most enlightened over the years in acquiring open areas for parks. I do not know this personally, but I understand one derives the most pleasant of esthetic feelings as one drives through the park areas of Chicago and Illinois.

Mr. CARROLL. I thank the Senator.

Mr. HUMPHREY. Mr. President, first I wish to compliment the Senator from New Jersey for telling us what title VI, "Open Space and Urban Development," is about. Anyone who has had anything to do with metropolitan living, anyone who has ever been a mayor of a city, knows that cities have difficult times raising revenues. The Federal Government has usurped most of the revenue sources of this country.

States and localities are without adequate revenue resources. This is particularly true of the cities. Most of the State legislatures are rural dominated. In my State there has not been a redistricting in the legislative body since 1912, due to constitutional prohibitions; yet the largest city in the State has a population of 550,000 people and has the same number of legislative representatives today that it had in 1912.

I have been the mayor of a city. Other Senators have been mayors of cities. I know what it cost us to buy open space for city development.

Incidentally, Theodore Wirth, one of the great park specialists of the world, was the head of the park service of the city of Minneapolis, Minn. Conrad L. Wirth, his son, is the head of the National Park Service of the U.S. Government.

This is a well planned city. If I may have the attention of the Senator from Colorado [Mr. CARROLL], I wish to say that around this city are a number of sprawling suburbs in which there has been far too little planning, exactly as has been the case near Denver. I visited the town called Thornton, named after the former Governor of the State of Colorado, when I was in Colorado.

Mr. CARROLL. I know the gentleman well.

Mr. HUMPHREY. I visited many hundreds of homes. I noticed there had been no planning permitted, and none took place. There were no public facilities or open spaces.

I say this most respectfully, because I met with the mayor of that community and with the city council, as I did in other parts of America.

What would this provision in the bill allow? I do not care about ridicule from someone. Some of the largest cities in this country do not need ridicule, but need attention. Senators would do well to occupy themselves with attention to those cities, because 91 percent of the people of America live in cities. Today the cities are filled with teeming multitudes, yet they have inadequate playgrounds and open spaces.

I will tell Senators what open spaces mean. They mean places like Central Park in New York City. How the real estate agents would like to get their hands on Central Park.

Open spaces mean places like Rock Creek Park, in Washington, D.C. They mean the Commons in Boston, Mass. That is what we mean when we say "open spaces."

If one has a little money for this purpose, one can save the taxpayers millions of dollars. We are all taxpayers. It is not only the Federal tax that we must pay. Some of the highest taxes in this country are the local taxes, and some of the most inequitable taxes are the property taxes.

When cities grow they must have parks and playgrounds. They must have a certain amount of conservation area, if for no other reason than to have space for people to walk around. One cannot stay inside all the time. Occasionally someone will walk out of his house. There must be some place into which the people can walk.

What happens in a city, after an urban development has taken place, is that 10 years later or 15 years later people say, "We must have some open space." Then some highly qualified citizen says, "We must get the biggest bulldozers we can, and the largest construction crews, and tear down 2 blocks of housing." Then the citizens pay many thousands of dollars in each block to tear down housing to obtain open spaces which could be purchased now for very modest sums of money.

The same thing has happened with respect to our highways. Only the other day some friends of mine were telling me the cost of the highway to the new Dulles Airport. The cost is fantastic. One could pave the highway with gold. I have never heard of such costs.

When one goes to some of the cities, one finds it costs $5 million a mile or $10 million a mile to put highways through the cities. Why? Because someone did not have enough commonsense, 20 years ago, to reserve space for a growing city.

As one grows a little older, he comes to think that the country will stop living and that the country will stop growing, that there will be no increase in population. I have news for people. There is a new crowd coming along, all the time, with the same old ideas, and the population grows.

It is the duty of the Senate to look a little ahead, not constantly to look behind. Open spaces are as vital as housing itself.

I commend the Senator from New Jersey. I do not ridicule him. I salute him for his vision. He looks like a man of vision. He is a man of vision. The committee had vision.

I say to those who stand in the way of this kind of planning, you are only putting untold burdens on the backs of the taxpayers of this country.

As surely as we are in this body there will be open spaces in cities, or the cities will die. Our cities are the greatest investments in America—the greatest investments in humanity, in goods, in mortgages, and in finance. All of those are in the cities.

What else will open spaces do? They will give property more value. Some of my good friends in this body live near Manor Country Club. That is nice open space. The property is more valuable because there is open space. Property is not as valuable when people live on each other's backs. The open space is important.

Before my good friend from Illinois starts again to tell us about the lack of open space, let me say to him, most respectfully, that open spaces in the city of Chicago are valuable. The city of Chicago taxed and taxed to build its fine boulevard along the lake front. Every city in America needs open spaces.

I compliment the Senator from New Jersey. I say to him that this is the kind of America we need.

Some people say, "Let us be practical. Let us have the old FHA program."

A report was presented to me by an economist of a farm organization, showing that the Congress has never done its duty with respect to rural housing. The worst housing in America is in the rural areas of America. We as Americans ought to be ashamed. Some of the rural housing in America makes Russian housing look good. It is bad housing. More than 50 percent of it is over 30 years old, and 90 percent is without indoor facilities. We ought to be ashamed of ourselves.

By the way, no one ever lost any money on housing.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. HUMPHREY. Not yet.

More money has been made on housing than on anything else. If a person wishes to get rich, he should get into real estate. People do not go broke dealing in housing. The only direct venture by the Government in housing made the Government $14 million.

Rural housing and open spaces are the best investments in the world. There is not a banker who does not know this. All bankers like to get the mortgages. There is not a single "loan shark" who does not like to get his hands on the paper. There is nothing better than real property—real property, open spaces, land and buildings, housing, commercial property. All of this is the best one can get.

Despite this, the Senate is debating as if we were giving away money. The bankers of America will make millions, and justly so. They will lend the money. The families of America will be richer and more prosperous because of this program. The families will live better. The cities will be better cities because of the housing program. They will be more resourceful and will have more wealth. This is the best investment America has ever made.

I would be a trifle worried about people taking care of my limited resources if all the vision they had was to say, "Don't do this. Don't do that. Don't do this." I am sure the Russians did not put a man in orbit by saying, "Don't." Perhaps one of the reasons we are so late in the program is that we had too many "don'ters" and not enough "doers."

I thank the Senator from New Jersey. If any Senator would like a further argument, I am prepared for more.

Mr. WILLIAMS of New Jersey. I thank the Senator from Minnesota.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. WILLIAMS of New Jersey. I yield.

Mr. CARROLL. The Senator from Minnesota, the Democratic whip, talked about Thornton, Colo.

Mr. DIRKSEN. Talked about what?

Mr. CARROLL Talked about Thornton.

Mr. DIRKSEN. I have never heard of it.

Mr. CARROLL. The Senator knew Governor Thornton, did he not?

Mr. DIRKSEN. The town was named after the former Republican Governor?

Mr. CARROLL. Yes.

Mr. DIRKSEN. It is a great town. [Laughter.]

Mr. CARROLL. This city does not need open spaces, because open spaces are all around.

I understand the point the Senator makes. There is only $100 million. We might as well face the situation. The money is not needed so much in Thornton and in Denver, but is needed in the great cities.

Mr. WILLIAMS of New Jersey. And in the State of Kansas, if we accept the resolution passed in Kansas.

Mr. CARROLL. I know, but Kansas is not that big, yet.

Mr. WILLIAMS of New Jersey. The citizens of Kansas feel that they need the program.

Mr. CARROLL. The Senator from Kansas knows the situation better than I, but I know it fairly well.

The Senator from Minnesota made a very important point, which I wish to reemphasize, if we have the time.

Mr. WILLIAMS of New Jersey. Mr. President, may I inquire how much time remains on this side?

The PRESIDING OFFICER. Seven minutes.

Mr. CARROLL. The Senator from Minnesota makes the point that the highway program in certain areas of New York cost $16 million a mile, and in Colorado and Kansas and other areas of the West the cost was $100,000 a mile, which is a drop in the bucket.

Mr. WILLIAMS of New Jersey. That amount would be the Federal contribution.

Mr. CARROLL. That amount would be a drop in the bucket, really, to meet the great problem which the able Senator from New Jersey has so eloquently described in the great cities. I do not think we need too much of such assistance in Denver. I shall try to get a portion of appropriated money if I can, but it is not as important to us as it would be to Chicago, Philadelphia, New York, and the other great populous areas of our country.

The Senator from Minnesota has placed his finger on the point. The program would be worth not $100 million, but in the decade ahead it would be worth $1 billion. We are speaking now of land value. I consider the area of Denver—a city that has sprawled and built around its parks. Commercial interests would like to take over our parks today, but not for $100 million. I am thinking in comparative terms, percentagewise. The improvement would be in terms of 95 percent, which would mean an immense investment.

I commend the Senator from New Jersey. I know that he is fighting an uphill fight. I see the able minority leader on his feet. I believe he will give the Senator from New Jersey another dose of esthetics, but I think the Senator from New Jersey is on the right track.

Mr. WILLIAMS of New Jersey. I thank the Senator from Colorado. Senators will recall what the President said in his March 9 message when he spoke about the importance of an open space program. He said:

> Open space must be reserved to provide parks and recreation, conserve water and other natural resources, prevent building in undesirable locations, prevent erosion and floods, and avoid the wasteful extension of public services.

The need is so urgent that we must start now.

The provisions of title VI are the provisions that the President has requested that we pass for the kind of conservation we should have.

Mr. CLARK. Mr. President, will the Senator yield me 2 minutes?

Mr. WILLIAMS of New Jersey. I yield 2 minutes to the Senator from Pennsylvania.

Mr. CLARK. The amendment, if agreed to, would strike out of the bill the best insurance policy for urban sanity that I have ever seen. The provision would make it possible to create the kind of decent urban and suburban development which is essential to the well-being of the overwhelming proportion of our people who live in urban centers. The grant would be relatively small compared with the urban renewal grant—25 percent as opposed to 67 percent.

When I think of the sums that we in the cities vote for agriculture, what we do for the State of South Dakota, and what we do for the people in the great farm areas, I am a little surprised and mildly hurt that, when an opportunity like the present one comes to do something for the sanity of the urban areas, we find that planning is still a naughty word in the Senate of the United States.

I say that we have before us a real test as to how much political lag there is in the Senate today. Is this a subject through which we are prepared to meet the necessities of the modern world? We have had one Senator tell us that it is. Here is another Senator who will tell us that it is.

Are we going to move ahead toward sanity in the treatment of our urban areas, or are we going to say that planning is still a naughty word, that the Senate is still living in the 18th century, and there is no possibility of bringing it up to date? If we do, if that is the way we think about it, we certainly should support the distinguished minority leader and his equally distinguished friend from South Dakota. Let us go all the way back behind the Founding Fathers into the days when the Pilgrims first came to this country if we want to defeat the amendment.

Mr. CASE of South Dakota. Mr. President, I yield 5 minutes to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, I thank the Senator from South Dakota, and I yield myself 5 minutes on the bill.

I am fairly reduced to tears by these mayoral pleas tonight. At one time I was a member of a city council. Believe it or not, I used to live in the city in which the distinguished Senator from Minnesota was at one time the mayor. I can tell him things about his town that he does not even know. In fact, I got there when he was scarcely out of three-cornered pants. That is a long time ago. But I never saw any lack of permanent open spaces in the great cities of Minneapolis and St. Paul. In fact, one could go into south Minneapolis and into north Minneapolis and out to Lake Minnetonka and out to Lake Nokomis—and what other lake?

Mr. HUMPHREY. Cedar Lake, Lake Hiawatha, Lake Harriet, Lake Calhoun, and Lake of the Isles. I know a great deal about Minneapolis, too.

Mr. DIRKSEN. One never saw such open spaces in his life—and not a single Federal dollar went into it.

I have walked in Central Park in the moonlight in New York and watched the moon, drenched with moonbeams, filled with romance. I thought it was one of the great areas of the country. And not a dollar from the Federal Treasury was used for the development of Central Park.

Yes, we hear tearful pleas for 25 percent of the cost of such projects. But we would never know the end of it.

Look at what constitutes an urban area under the section. I fairly drool when I read the language:

> The term "urban area" means any area which is urban in character, including those surrounding areas which in the judgment of the administrator form an economic and socially related region.

Why, brilliant Senator, tell me what that section means.

Mr. HUMPHREY. I shall be delighted.

Mr. DIRKSEN. Tell me the broad expanse that is encompassed by a "socially related region" as determined by the administrator of the Housing Administration. Why, I suggest to the Senator from Arizona [Mr. HAYDEN], that term could include all of the State of Arizona if it was close to an urban area.

I never saw such an etymological piece of fantasy in my life as we find in title 6 of the bill.

Then the administrator must take into consideration such factors as "the present and future population." What will be the trend? One day the administrator may be looking out the window from the seventh floor of the Housing Administration building and he may be fairly entranced by some golden and romantic dream. He may think of a great region and see these windrows of additional people as our population moves up to 250 million. Suddenly he says in all seriousness, "This is a factor that I must take into account as I try to determine what constitutes an urban area."

Where is my friend from Colorado? I hope he is still here, because he was reciting all the glories of Denver. It is a great place—mile high, as we know. It has been built up beautifully. If one would wish to see open spaces, I suggest that he go out to the airport or to Fitzsimons General Hospital. I would suggest that he go anywhere around Denver and he will see open spaces to his heart's content. If one would stay long enough, he would develop an awful nostalgia for some of the closed spaces. But where is the city of Denver? Have the representatives of that city come here and supplicated and entreated for money? Where are the representatives of the city of Minneapolis over which my distinguished friend presided with such dignity, grace, and such confidence as the mayor?

Mr. HUMPHREY. I thank the Senator.

Mr. DIRKSEN. The mayor of that great scholarly city where I went to school. I never saw representatives of that city come here and ask us for funds from the Federal Treasury.

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield. Yes, the Senator from New Jersey will correct me and say that the mayor was here. It still would not make any difference.

Mr. WILLIAMS of New Jersey. The United States Conference of Mayors came here.

Mr. DIRKSEN. Why, the Conference of Mayors is looking for some easy money from the Federal Treasury. I would do the same thing if I were a mayor, and if I thought the Senate was such an easy touch, as has been demonstrated this afternoon. I would not stay back in my city hall. I would move down to Washington and say, "I can serve the people better by getting this easy dough, by appearing before the committees of the House and Senate."

Mr. WILLIAMS of New Jersey. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. WILLIAMS of New Jersey. Does the Senator realize that the Federal share of the program is only 25 percent?

Mr. DIRKSEN. Only 25 percent. I see my friend from Colorado in the Chamber. I marveled at the dulcet, disarming way in which he said, "This $100 million is only a drop in the bucket."

Mr. CARROLL. For the big cities.

Mr. DIRKSEN. A hundred million dollars, Mr. President, is only a "drop in the bucket." I grew up at a time when on Sunday, if I had been a good boy for the whole week, my mother gave me a penny and said to me, "My son, don't spend it all in one place."

We have come a long way from then. The classic example is here tonight, when the Senator from Colorado says a hundred million dollars is "a drop in the bucket."

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. DIRKSEN. No wonder we are nursing a $295 billion debt. Before the committee of the distinguished Senator from Virginia [Mr. BYRD] there will come a delegation very soon from the Treasury Department. They will have to start thinking about a ceiling on the public debt. Where will the public debt go? $295 billion. I do not see how a request for a $300 billion debt ceiling can be avoided. We have already burst the barrier of cash expenditures, because the budget revision of May 1952 shows that the take from the American people was $103 billion and the output was close to $107 billion. Therefore, there was a $4 billion deficit in the cash balance when we come to the end of June 1962. But, Mr. President, a hundred million dollars is "a drop in the bucket."

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. CARROLL. I would like to correct an impression that the Senator from Illinois seems to have. There is a place in Colorado called Thornton.

Mr. DIRKSEN. That is a great Republican town.

Mr. CARROLL. It voted for the junior Senator from Colorado.

Mr. DIRKSEN. That shows how impartial we can be.

Mr. CARROLL. It is a very intelligent community. We do not seek this program necessarily for Denver. I said to the able Senator from Kansas that we did not seek it for Kansas.

What I had in mind when I spoke of a drop in the bucket was the great metropolitan areas of this country, which have a great percentage of the population within their boundaries. A hundred million dollars for this purpose is a drop in the bucket for them. That is what I meant to convey. I think that is a fair statement. This is only the beginning. We might as well face that fact. More will be involved, as the able Senator from New Jersey and the able Senator from Minnesota said, because we are planning for the future. Over the past 50 years I have seen my own community sprawl out into the adjoining counties. We do not know how to solve the metropolitan problem. I am not asking for any part of this bill. However, when I think of great metropolitan areas like Chicago, New York, and Philadelphia, I see the problem that they face.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. Was this on my time?

The PRESIDING OFFICER. The Senator is correct.

Mr. DIRKSEN. I yield myself 1 more minute.

Mr. CARROLL. Mr. President, I wish to say to the Senator——

Mr. DIRKSEN. For 1 minute only, please.

Mr. CARROLL. The Senator from Illinois makes a sarcastic argument, ridiculous in some respects. However, this is a part of the program. If the Senate rejects it now, it will come up again. The point the able Senator from Minnesota made was that in the highway program, construction costs $16 million a mile in New York, and $100,000 a mile in the West. The Senator from Illinois comes from a great metropolitan area. The Senator knows more about this problem than I do.

Mr. DIRKSEN. I will take a little of my own time, because it is running out.

Mr. CARROLL. May I say one thing further?

Mr. DIRKSEN. No more, please. The Senator can get some time from the Senator from New Jersey [Mr. WILLIAMS].

Mr. WILLIAMS of New Jersey. How much time have I remaining?

The PRESIDING OFFICER. Three minutes.

Mr. CARROLL. I will take only a half minute. I do not want the Senator from Illinois to obscure the issue or to becloud it. This is a very simple issue. Do we want to get into this field for $100 million? When I came through the door I thought that was too much. When I heard the Senator's speech about esthetics, he impressed me. The Senator always impresses me. He does not always convince me, but he impresses me. I thought perhaps we ought not to go into this field. However, it is a part of the housing program.

I end on this note. I commend the able Senator from New Jersey, and I urge him to stick to his guns. If he does not win today he will win tomorrow or in the future.

Mr. DIRKSEN. Mr. President, I yield myself an additional 2 minutes. Let me first reply to the Senator from Colorado. We have heard about Thornton, Colo. There is also a town called Golden in Colorado. When I was in the House I went out there to join the senior class of the Golden High School, and that class got out the class paper, the last paper of the class, and the headline in that paper read "WPA, Here We Come."

I do not want that to happen again, but that is the way we get there when we go down the fiscal drain, and there is no responsibility. My friend speaks with impunity, in dulcet tones, with savoir faire, of $100 million being a drop in the bucket.

Let us persist on that road, and let us believe that it is only a drop in the bucket. Then soon a billion dollars becomes a drop in the bucket, and then several billion dollars. What will the result be? I want to see the fiscal solvency of this country preserved; $100 million is something more than a drop in the bucket in my book.

I came up in overalls long ago. When I get a dollar, I hold onto it. Perhaps we need a little more frugality in this country. When we look at the staggering debt and the staggering budget and a concerned President—

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. DIRKSEN. I yield myself 1 more minute.

As we consider a concerned President when he comes back from his visit with Khrushchev and De Gaulle, and the situation that confronts us today, we had better be thinking a little more than

academically about the issue of survival and national freedom. To preserve it in a world filled with the ugly contagion and fevers we see on the firmament of the world will require some money, and we had better be sure that it is available. Let us not talk about $100 million being a drop in the bucket. We had better sustain the amendment of the distinguished Senator from South Dakota, and strike down this $100 million for historic, esthetic, social regions in urban areas for permanent open spaces and a new dimension in space. Is it not wonderful?

Mr. CASE of South Dakota. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from South Dakota has 10 minutes remaining.

Mr. CASE of South Dakota. I yield 1 minute to the Senator from Utah.

Mr. BENNETT. Mr. President, I wish to make the observation that there is a very interesting anomaly in this situation. We are appropriating $9 billion to build houses and $100 million to prevent the building of houses.

Mr. CASE of South Dakota. Mr. President, does the Senator from Ohio wish me to yield to him?

Mr. LAUSCHE. Yes. I should like to ask the Senator from New Jersey a question.

Mr. CASE of South Dakota. I yield 2 minutes to the Senator from Ohio.

Mr. LAUSCHE. If we are interested in the establishment of recreational grounds because of their contribution to health and welfare, why does the Senator from New Jersey include an authorization for the acquisition of historic, scenic, esthetic, and other sites, which may be desirable, but are not essential, to the achievement of the objective he has in mind?

Would the Senator from New Jersey be willing to confine this authorization merely to the acquisition of recreational grounds in the areas he describes?

Mr. WILLIAMS of New Jersey. I think that would be unwise. I think it might be amenable to recreation, but also there might be stream valleys, which might not be necessary for recreation, but which are necessary for conservation. Any one if those objectives, I believe, would justify the inclusion of this provision.

As the President stated in his message, let us support intelligent conservation now of open space near urban areas before we see our urban areas become totally urban jungles.

Mr. LAUSCHE. Mr. President, will the Senator from South Dakota yield another minute?

Mr. CASE of South Dakota. I yield 1 additional minute to the Senator from Ohio.

Mr. LAUSCHE. I submit as the basis of my question what the President said in his message to Congress on May 25:

> Moreover, if the budget deficit now increased by the needs of our security is to be held within manageable proportions, if we are to preserve our fiscal integrity and world confidence in the dollar, it will be necessary to hold tightly to prudent fiscal standards; and I must request the cooperation of the Congress in this regard—to refrain from adding funds or programs, desirable as they may be, to the budget—to end the postal deficit through increased rates, a deficit, incidentally, which exceeds the fiscal year 1962 cost of all the space and defense measures I am submitting today—to provide full pay-as-you-build highway financing, and to close those tax loopholes earlier specified.

I submit that the proposal of the Senator from New Jersey to acquire historic, esthetic, and scenic sites may be desirable, but it is not essential in this period.

Mr. CASE of South Dakota. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from South Dakota has 3 minutes remaining.

Mr. CASE of South Dakota. How much time does the Senator from New Jersey have remaining?

The PRESIDING OFFICER. The Senator from New Jersey has 2 minutes remaining.

Mr. CASE of South Dakota. I yield myself 1 minute. I will be willing to yield back the remaining 2 minutes, if the Senator from New Jersey is willing to yield back his remaining 2 minutes.

Mr. President, if $100 million is only a drop in the bucket, to take the figure of speech used by the Senator from Colorado, remember that we have already provided 20 drops for the urban areas, because $2 billion has already been provided for urban renewal under a program continued in this bill.

And there is another $2½ billion more in this bill for urban renewal. That ought to be at least 25 more drops in the bucket for urban development. So the cities are not entirely forgotten even if we do not start a new open space program on the Federal level right now.

A decision here that the Government should not provide $100 million to start this land buying at this time will not mean that the cities cannot do something in this area themselves.

Local governments are the best judges of the trend of land values. If an investment in a particular tract is indicated right now, they are in a better position to buy it at the right price than they would be if it were known that Uncle Sam was to supply 25 or 35 percent of the price.

There is nothing to prevent Chicago or Minneapolis from adding to the lake shore or forest reserve, or some of the other open space areas, on their own.

But what is the urgency today for giving this program $100 million worth of priority, under the conditions we face today? Good as the purposes of the program may be, why start it now on the Federal level?

On the day we are told the debt ceiling must be raised to $300 billion, why pledge the faith of the United States to pay out $100 million in grants to start this new program?

What is the urgency? I hope Senators will support my amendment to strike title VI from the bill and save $100 million in cash for more urgent projects.

Mr. WILLIAMS of New Jersey. Mr. President, every year we are taking a million acres of open land for the sprawling, inefficient, wasteful kind of development which has made our suburbs the worst possible places for now, and certainly for the future. As we continue to develop in that way, we are creating conditions that will insure the slums of tomorrow.

This is conservation of the best kind. It is conservation of natural resources for their use in recreation; conservation so that their growth will be more orderly, more efficient, and less wasteful.

A hundred million dollars represents 20 miles of metropolitan highway. We could relate this proposal to other things. I wish one of my friends, perhaps the Senator from South Dakota, would tell me what $100 million means in the storage of some of the surplus food. Relate this proposal to some of the other programs. Relate it to some of the other programs that a dollar for conservation today will represent unbelievable benefits tomorrow, if we have to undo, tear down, as the Senator from Minnesota suggested—tear down tomorrow what we have built today, we will really be embarked on a program of massive spending. Who will question that this body, which has done so much for conservation, will not recognize that this proposal is insurance against monumental spending tomorrow?

Mr. CASE of South Dakota. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DIRKSEN. May we have the amendment of the Senator from South Dakota stated?

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 77, beginning on line 16, it is proposed to strike out all of title 6 through line 2 on page 83.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Montana [Mr. METCALF], and the Senator from Oregon [Mrs. NEUBERGER] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY] is necessarily absent.

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from New Mexico would vote "nay" and the Senator from Arizona would vote "yea."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New Mexico would vote

"nay," and the Senator from New Hampshire would vote "yea."

On this vote, the Senator from Minnesota [Mr. McCARTHY] is paired with the Senator from Kentucky [Mr. MORTON]. If present and voting, the Senator from Minnesota would vote "nay," and the Senator from Kentucky would vote "yea."

On this vote, the Senator from Montana [Mr. METCALF] is paired with the Senator from Vermont [Mr. AIKEN]. If present and voting, the Senator from Montana would vote "nay," and the Senator from Vermont would vote "yea."

On this vote, the Senator from Oregon [Mrs. NEUBERGER] is paired with the Senator from Colorado [Mr. ALLOTT]. If present and voting, the Senator from Oregon would vote "nay," and the Senator from Colorado would vote "yea."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

The Senator from Vermont [Mr. AIKEN], the Senator from Colorado [Mr. ALLOTT], the Senator from Kentucky [Mr. MORTON], and the Senator from Massachusetts [Mr. SALTONSTALL] are detained on official business.

The Senator from Vermont [Mr. AIKEN] is paired with the Senator from Montana [Mr. METCALF]. If present and voting, the Senator from Vermont would vote "yea," and the Senator from Montana would vote "nay."

On this vote, the Senator from Colorado [Mr. ALLOTT] is paired with the Senator from Oregon [Mrs. NEUBERGER]. If present and voting, the Senator from Colorado would vote "yea," and the Senator from Oregon would vote "nay."

On this vote, the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from New Hampshire would vote "yea," and the Senator from New Mexico would vote "nay."

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from New Mexico [Mr. ANDERSON]. If present and voting, the Senator from Arizona would vote "yea," and the Senator from New Mexico would vote "nay."

On this vote, the Senator from Kentucky [Mr. MORTON] is paired with the Senator from Wisconsin [Mr. McCARTHY]. If present and voting, the Senator from Kentucky would vote "yea," and the Senator from Wisconsin would vote "nay."

The result was announced—yeas 46, nays 42, as follows:

[No. 71]

YEAS—46

Beall	Cotton	Johnston
Bennett	Curtis	Jordan
Bible	Dirksen	Kerr
Boggs	Dodd	Kuchel
Butler	Dworshak	Lausche
Byrd, Va.	Eastland	McClellan
Cannon	Ellender	Miller
Capehart	Ervin	Mundt
Carlson	Fong	Muskie
Case, S. Dak.	Hickenlooper	Prouty
Church	Holland	Proxmire
Cooper	Hruska	Robertson
Russell	Stennis	Williams, Del.
Schoeppel	Talmadge	Young, N. Dak.
Smathers	Thurmond	
Smith, Maine	Wiley	

NAYS—42

Bartlett	Hayden	McNamara
Burdick	Hickey	Monroney
Bush	Hill	Morse
Byrd, W. Va.	Humphrey	Moss
Carroll	Jackson	Pastore
Case, N.J.	Javits	Pell
Clark	Keating	Randolph
Douglas	Kefauver	Scott
Engle	Long, Mo.	Smith, Mass.
Fulbright	Long, Hawaii	Sparkman
Gore	Long, La.	Symington
Gruening	Magnuson	Williams, N.J.
Hart	Mansfield	Yarborough
Hartke	McGee	Young, Ohio

NOT VOTING—12

Aiken	Bridges	Metcalf
Allott	Chavez	Morton
Anderson	Goldwater	Neuberger
Blakley	McCarthy	Saltonstall

So the amendment of Mr. CASE of South Dakota was agreed to.

Mr. DIRKSEN. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. CASE of South Dakota. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. MILLER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment of the Senator from Iowa will be stated.

The CHIEF CLERK. On page 41, in line 6, after the word "housing," it is proposed to insert "including civil defense shelters."

Mr. SPARKMAN. Mr. President, I have discussed this amendment with the Senator from Iowa, and I am perfectly willing to accept it. I understand that the Senator from Iowa has also discussed the amendment with the Senator from Indiana [Mr. CAPEHART].

I should like to say this amendment relates to permitting fallout shelters to be a part of the demonstration program provided in the public housing section of the bill.

Mr. MILLER. Civil defense shelters.

Mr. SPARKMAN. Yes, civil defense shelters.

We have wrestled with this problem a good many times, in the committee. This year we called attention to the fact that in 1960 we requested the HHFA and the OCDM to study these matters and to submit to the Congress a report containing any recommendations for amendment to existing legislation.

In our report we state:

> The committee wishes to restate its request for further study of this matter and for a report to be submitted to the Congress. The committee suggests that this report be made at the earliest possible date and not later than January 1, 1962.

I want it clearly understood that the acceptance of this amendment does not change our view in that we ought to have a report regarding this subject from these two agencies.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. SPARKMAN. I yield.

Mr. JAVITS. That provision was put into the report at my insistence. I feel this is a critically important matter in relation to housing, and I should like to join with the Senator in charge of the bill in pledging that we shall do our utmost to get this kind of report, which has been so long outstanding now. So long as the Senator from Alabama feels that the amendment of the distinguished Senator fits into that concept, I think it should be adopted.

Mr. MILLER. I thank the Senator. This amendment does not necessitate action on the part of the administrative authority. It merely provides for greater flexibility so that the Administrator can fit it into Federal policy with respect to this matter.

Mr. DIRKSEN. Mr. President, I intrude just one thought. In some of the suburbs north of Chicago, the Civil Defense Administrator has persuaded people to put in so-called bomb shelters. Then comes the assessor and says it is a capital improvement, and a tax will be assessed against it. We are not going to get very far with a civil defense program if the people are to be taxed for it. I make the record only to be sure the Administrator takes that fact into consideration.

Mr. MILLER. Mr. President, do I correctly understand that the Senator in charge of the bill has accepted the amendment?

Mr. SPARKMAN. I am willing to accept it. Of course, the question must be put.

Mr. MAGNUSON. Mr. President, I wish to ask a simple question. I have heard much talk about back-door spending. Would this provision obligate the Senate committee to appropriate money for defense shelters?

Mr. MILLER. Not at all, except, insofar as it might appear in one of the demonstration-type units. In other words, this proposal fits in with the idea that the Civil Defense Administrator has expressed in the report, on page 3, in which it is pointed out that—

> OCDM, in carrying out this policy, places emphasis on education, the utilization of existing and new Federal buildings, and prototype shelters of various kinds.

This proposal fits in with the policy of the OCDM and the Administrator. It does not go beyond the demonstration.

Mr. MAGNUSON. But Congress has consistently denied the Civil Defense Administrator money for buildings. This proposal would in some ways obligate us to do something about it; would it not?

Mr. MILLER. This would not obligate the Administrator or the Authority to do anything. This section, on page 41, says the Authority is authorized to do so.

Mr. MAGNUSON. It is a little nose under the tent.

Mr. MILLER. Particularly in light of the legislative history which has been made, it would seem strange that the Authority would fly in the face of it,

contrary to the policy and the report that is expected to be made by January 1, 1962, and particularly when this section applies only to the demonstration area. I think we might be missing the boat if we did not permit the demonstration areas to show how civil defense shelters might be efficiently made.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa.

The amendment was agreed to.

Mr. CAPEHART. Mr. President, I call up my amendments identified as "6-1-61—A."

The PRESIDING OFFICER. The amendments offered by the Senator from Indiana will be stated.

Mr. CAPEHART. Mr. President, I ask unanimous consent to dispense with the reading of the amendments, and have them printed in the RECORD.

Mr. KEATING. Mr. President, reserving the right to object, will the Senator explain the amendments? I should like to know what I am voting on.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The amendments offered by Mr. CAPEHART (for himself and Mr. BENNETT) are as follows:

On page 42, between lines 19 and 20, insert the following:

"LOCAL RESPONSIBILITIES

"SEC. 301. Section 101(c) of the Housing Act of 1949 is amended by—

"(1) striking out 'unless (1)' and inserting in lieu thereof the following: 'unless (1) the locality with respect to which an application for assistance under this title is made has had in effect for at least one year prior to the filing of such application a minimum standards housing code deemed adequate by the Administrator and which he determines has been satisfactorily enforced from the time of its adoption or for at least one year prior to the filing of such application, whichever is the lesser, (2)'; and

"(2) striking out 'and (2)' and inserting in lieu thereof 'and (3)'."

On page 42, line 21, strike out "301" and insert "302".

On page 44, line 5, strike out "302" and insert "303".

On page 45, line 4, strike out "303" and insert "304".

On page 45, line 23, strike out "304" and insert "305".

On page 47, line 12, strike out "305" and insert "306".

On page 48, line 10, strike out "306" and insert "307".

On page 48, line 15, strike out "307" and insert "308".

On page 49, line 16, strike out "308" and insert "309".

On page 50, line 9, strike out "309" and insert "310".

On page 50, line 20, strike out "310" and insert "311".

On page 54, line 5, strike out "311" and insert "312".

On page 56, line 8, strike out "312" and insert "313".

On page 58, line 2, strike out "313" and insert "314".

On page 58, line 21, strike out "314" and insert "315".

On page 58, line 22, strike out "clause (1)" and insert in lieu thereof "clause (2) (as redesignated by section 301)".

Mr. CAPEHART. Mr. President, I ask unanimous consent that a statement I have prepared be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CAPEHART

MINIMUM HOUSING STANDARD AMENDMENT

The bill provides for a $1 million insured experimental housing program designed primarily to study new materials and ideas in housing construction.

In fact, the committee report sets out four examples:

1. Stretched-skin sandwich panel.
2. Nylon tubing for plumbing.
3. Super-imposed veneer finishes for floors, walls, etc.
4. Plastic-woven wall coverings.

Now, if these and a hundred other materials and ideas are found by FHA to be acceptable for FHA insurance on a general scale, where are the houses going to be built in compliance with existing codes?

This amendment does not produce an argument in support of any particular modern development in housing, but it is a vehicle by which our general housing program can progress in a manner other than through the constant pouring of public funds into new and fanatical schemes.

It is interesting to note that a survey made in 1959 showed that about 758,000 substandard dwelling units came into existence between 1950 and 1956 in metropolitan areas.

This is in addition to those units which were standard in 1950, but which lapsed into substandard by 1956.

The total 758,000 units is more than twice the number of public housing units the Federal Government helped to build in the same 6-year period.

It is also shown in the survey that enforcement of minimum housing standards in these same areas probably would have eliminated the entire 758,000 units from the substandard inventory in those areas.

The cost to bring these units to proper standards through satisfactory code enforcement would have been far less than the cost of public housing necessary to relieve the conditions.

This amendment would be the first step toward requiring cities who wish to participate in Federal housing programs to modernize their minimum housing standards and to step up enforcement.

Considerable evidence has been acquired by the committee as well as the housing agencies that codes in many areas are quite old and that many areas have shoddy code enforcement.

These conditions would tend to contribute to increased substandard housing through the Federal housing programs.

Mayor Lee, of New Haven, Conn., made a point of the fact that modernization of codes and better code enforcement were primary factors in the successful rehabilitation program in his city.

This amendment merely requires that cities modernize their codes in advance of their applications for Federal housing assistance under the urban renewal section of the bill and that satisfactory code enforcement be demonstrated for at least a year in advance of the Federal commitment.

Mr. CAPEHART. Mr. President, I invite the attention of the Senator in charge of the bill to the fact that the amendment has to do with establishing better building codes on the part of cities desiring help from the Federal Government on urban renewal projects. The theory is that, unless we do it, we are going to create slums out of the new construction in urban renewal projects.

I suggest to the able manager of the bill that we instruct the Housing Subcommittee of the Banking and Currency Committee to study the question, report back to the Subcommittee on Housing, and the full committee, and, at a later date, offer legislation to establish some good maximum and minimum housing codes in respect to urban renewal projects.

Mr. SPARKMAN. Mr. President, I am glad to have that suggestion from the able Senator from Indiana. I am familiar with the problem he is trying to meet. I think it is a problem which can be more effectively handled after a study has been made, and I am certainly willing to accept the proposal.

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, an article which appeared in the Wall Street Journal of May 31, 1961; and I now withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RULES FOR BUILDER: CONTRACTORS, OTHERS STRIVE TO GET CITIES TO MODERNIZE CODES—NEW RULES TOUCH OFF BOOM IN DOWNTOWN ST. LOUIS, CUT HOUSE PRICES AT DETROIT—ALUMINUM AND BIG WINDOWS

(By James R. Macdonald)

ST. LOUIS.—Early this fall, construction crews will begin tearing down 50-year-old buildings in a block-square downtown section of this old Mississippi River city. In their place will rise a gleaming $9 million office building, which city officials say will be the first major new building to be constructed in downtown St. Louis in more than 35 years.

The office building will be only a starter. St. Louis city officials and businessmen are poring over blueprints for an additional $50 million of new downtown construction over the next 12 months. It's estimated that in the next 5 years some $200 million will be put into new construction in the heart of the city.

Why the sudden building boom here? Joseph P. Sestric, St. Louis' acting building commissioner, has a simple explanation: "We finally got ourselves a new building code." Private builders and other public officials agree that this city is only beginning to reap the benefits of modernizing a building code whose outmoded provisions had discouraged new construction for many years.

In other parts of the country, builders and producers of construction materials are fighting hard to win similar acceptance of the many new materials and construction techniques now available, usually at considerable savings in cost, but often prohibited by the city ordinances that regulate the building industry. Already this campaign has scored some impressive gains. In 1960, more than 1,000 communities made major revisions in their building codes, the National Association of Home Builders estimates. But, the NAHB add, there are still some 25,000 codes at the city, county, or State level that need modernizing.

PROTECTING THE PUBLIC

Fundamentally, building codes are detailed sets of rules adopted by local communities to govern all types of construction. The codes prescribe minimum standards for builders, with the sole aim, in theory, of

protecting the health and safety of the community. In other words, codes are designed to prevent unscrupulous contractors from using unsafe or inferior materials and assembly methods and passing them off on an unwary public.

No one seems certain where building codes originated. Codes have been traced back as far as the ancient Egyptians and Romans, however. In those days, if an architect-contractor designed and built a structure that collapsed and killed someone, public-spirited citizens promptly lynched him. Present laws, while less vengeful, do provide for criminal penalties in extreme cases.

Most present-day codes can be classified as specification codes; these spell out the materials and assembly methods that can be used. The usual interpretation placed on such codes is that unless a particular material or method is specified, it is prohibited.

Builders complain that most of these codes were written many years ago and don't take into account the development of modern, low-cost materials and techniques. Moreover, these codes vary widely from city to city, each code imposing a different set of requirements on contractors. Thus, the contractor often can't take advantage of big potential savings through standardization of component parts. To get permission to use a nonspecified material, the builder must persuade the local code administrator to relax the law to permit its use—a time-consuming and costly process.

UNQUALIFIED PERSONNEL

Builders also declare that in many cities the code administrator isn't technically qualified to perform his job adequately. An official of the NAHB says that "in many cities, particularly in smaller ones, the community won't pay a high enough salary to attract good men. This results in the hiring of a retired carpenter or plumber who may be an authority on nailing boards together or on installing plumbing but who isn't qualified to administer the code."

Politics—and occasionally graft—enter the picture in a number of cities, builders add. One homebuilder in the Midwest says that "about the only way to handle a sticky building code problem in some cases is just to be extra nice to the code administrator."

The building industry is pressing for adoption of so-called performance-type codes. Instead of specifying materials and methods, a performance code allows a builder to use any material and construction technique he desires so long as they "perform" according to certain standards, such as providing a certain amount of resistance to fire.

MODEL CODES DRAFTED

Four model performance-type building codes have the backing of most of the industry. These codes were drafted by regional associations of building code officials—the Building Officials Conference of America, Chicago; Southern Building Code Conference, Birmingham, Ala.; International Conference of Building Officials, Los Angeles—and by the National Board of Fire Underwriters, New York. The codes are all similar but each takes into account the various climatic and other purely regional requirements for construction.

While the makers of materials that are relatively new to the building industry—aluminum, for example—are the more obvious beneficiaries of code changes, it appears that in many cases the prospective home buyer also stands to gain significantly.

"If the building code would allow me to use the materials and methods I wanted, I would build 20 percent more new homes each year and could cut the price on each one by about $1,000," declares Ralph J. Finitzo, a builder of homes in suburbs of Chicago.

E. J. Burke, president of the NAHB, believes that one of the most urgent needs of the housing industry is to stimulate more low-cost housing development. To accomplish this, Mr. Burke says, "building code reform is an absolute must."

NEW CODE FOR ARLINGTON HEIGHTS

William Alter, another builder in suburban Chicago, says that a new building code covering an area outside Arlington Heights, Ill., where he plans to build more than 400 dwellings in 1961 and 1962, will enable him to charge about 10 percent less than for a comparable house in a neighboring suburb.

Mr. Alter says that in the development outside Arlington Heights he is now able to use light, easy-to-install copper plumbing materials instead of the lead plumbing he must use in some areas, saving an average of $150 a home. Mr. Alter also is now using dry-wall panels rather than wet plaster inside the homes in the development, saving about $300 a house.

Detroit homebuilder Sheldon Rose reports that the adoption of a new performance building code 2 years ago helped him cut prices. Under the new code he is permitted to build non-load-bearing interior walls and to space his exterior wall studs 24 inches apart instead of 16 inches apart as formerly required. "These may not sound like important changes," Mr. Rose says, "but by the time you add up the savings on the new materials themselves, plus the savings in labor stemming from the fact that these materials allow faster construction, it comes to several hundred dollars a house."

For some builders, the building code can mean the difference between whether they do business in a particular area or not.

A PREFABRICATOR'S TROUBLES

Harnischfeger Homes, Inc., a big prefabricator of houses, reports that in two midwestern communities antiquated building codes had prevented it from erecting houses in the areas. "These were simply impossible codes to work with," a Harnischfeger official states. "In one case prefabs were banned altogether, and in the other the code would have jacked up costs to the point where it would have made it uneconomical for us to build."

Working with local civic groups and builders, the company was able to convince both communities that new codes were needed. In one instance the company helped the city write an entirely new code, and in the other case it persuaded the community to adopt the model code drawn up by the Building Officials Conference of America.

Here in St. Louis, builders are now free to make liberal use of such materials as aluminum, steel, copper, and plastics. Under the old code, any commercial building with under 100,000 square feet of floor space had to be built of masonry products in order to live up to the code's fire-resistance requirements. And in buildings with more than 100,000 square feet of floorspace, any materials used, such as steel panels, had to be backed up with a protective sheath of brick or stone ranging from 6 to 12 inches in thickness.

In multiple-story residential units, such as apartments, the old St. Louis code required at least 36 inches of solid masonry separating the top of windows on one floor from the bottom of windows on the floor above. Now builders and architects are free to stretch windows a full floor in height if they so desire. The old code required that electrical wiring in new commercial buildings had to be installed in rigid metal conduits. The new code permits flexible conduits that not only cost less initially, but are faster and thus cheaper to install.

UNION OPPOSITION

St. Louis did not get its new code easily. There was bitter opposition from the masonry industry as well as from the bricklayers' and electricians' unions, who feared loss of work. Nevertheless, the code was approved in what Arthur Wright, executive director of Downtown St. Louis, Inc., a privately financed downtown promotion group, calls "unquestionably, the most important single piece of legislation passed by this city in 20 years."

Though progress to date in its building code overhaul campaign has been encouraging, the building industry plans to step up its efforts in this direction.

A powerful new ally who may give the drive a big boost: Uncle Sam. Earlier this year, President Kennedy's special task force on housing legislation recommended, as one important way to stimulate more home-building, creation of a special Federal commission that would deal exclusively with the problem of building code improvement and standardization.

The National Association of Home Builders has in the works a special survey designed to pinpoint areas where building codes are a problem for builders. The NAHB expects to question 1,300 builders on the building codes in their areas and will concentrate its campaign for code reforms in the areas that show the most trouble.

Associations representing various materials manufacturers also are investing heavily in the campaign. The National Lumber Manufacturers Association, for example, will spend "over $500,000 in our code-modernization effort this year," according to Gerald F. Prange, vice president, technical services. This amount is nearly double the outlay of 1960.

Finally, the model code groups themselves are increasing their efforts to get their codes adopted. The Building Officials Conference of America has increased its promotional budget 10 percent this year and the Southern Building Code Conference plans to publish a series of pamphlets stressing the need for up-to-date building codes. These will be sent to city officials and code administrators all over the South.

Mr. FONG. Mr. President, I call up my amendments identified as "6-6-61—A."

The PRESIDING OFFICER. The amendments offered by the Senator from Hawaii will be stated.

Mr. FONG. Mr. President, I ask unanimous consent that the reading of the amendments be dispensed with and that they be printed in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The amendments offered by Mr. FONG are as follows:

On page 83, strike out the lines 5 through 8, and insert in lieu thereof the following:

"SEC. 701. (a) Section 501(b) of the Housing Act of 1949 is amended by inserting '(1)' immediately after '(b)' and by adding at the end thereof a new paragraph as follows:

"'(2) For the purposes of this title, the terms "owner", "farm", and "mortgage" shall be deemed to include, respectively, the lessee of, the land included in, and other security interest in, any leasehold interest which the Secretary determines has an unexpired term (A) in the case of a loan, for a period sufficiently beyond the repayment period of the loan to provide adequate security and a reasonable probability of accomplishing the objectives for which the loan is made, and (B) in the case of a grant for a period sufficient to accomplish the objectives for which the grant is made.'

"(b) Section 502(b)(1) of such Act is amended by striking out 'and such additional security' and inserting in lieu thereof the words 'or such other security'."

On page 83, line 9, strike out "(b)" and insert in lieu thereof "(c)".

On page 83, line 12, strike out "(c)" and insert in lieu thereof "(d)".

Mr. FONG. Mr. President, these amendments are simple, innocuous, and noncontroversial. They propose to grant to lessee farmers the benefit of provisions of the law on farm housing loans—that is, farmers who are farming lands that are being leased.

At the present time farmer lessees do not come under the provisions of the farm housing act. Only owners in fee simple are given that advantage. The Veterans' Administration has seen fit to guarantee loans to veteran lessees, and the Federal Housing Administration has seen fit to insure loans of lessees who apply for loans under the Federal Housing Act.

There are many farmer lessees in the United States, but I believe in Hawaii there are more farmer lessees than in all the other States of the Union, due to the fact that, historically, our land was owned by the King up to approximately 120 years ago. Since then the land has been divided, one-third to the King, one-third to the nobles, and one-third to the common people. As a result, there are many large landowners in the State of Hawaii, and leases to farmers are very common.

At the present time, under the farmers loan act, a farmer who has a lease, let us say, for 999 years, would not come under the provisions of this act. This amendment would put him in the same category as the owner of a farm.

The amendments are discretionary. So long as the Secretary of Agriculture is satisfied that the security will make the Government whole, he may lend the money. If the Secretary feels the security will not make the Government whole, he need not make the loan.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. FONG. I yield.

Mr. SPARKMAN. Mr. President, I have examined the amendments. I have discussed them with the distinguished Senator from Hawaii. I think, in view of the particular land title situation which prevails in Hawaii, the amendments are justified. So far as I am concerned, I am willing to accept the amendments.

Mr. FONG. I thank the distinguished Senator from Alabama. I ask that the amendments be agreed to.

Mr. SPARKMAN. Mr. President, I yield back my time.

The PRESIDING OFFICER. Does the Senator from Hawaii yield back his remaining time?

Mr. FONG. I do.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Hawaii.

The amendments were agreed to.

Mr. SPARKMAN. Mr. President, on behalf of myself and the Senator from New York [Mr. JAVITS], I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On the first page, after the title heading, it is proposed to insert a new section, as follows:——

Mr. SPARKMAN. Mr. President, the amendment is rather lengthy. I ask unanimous consent that the reading of the amendment be dispensed with, and that the amendment be printed in the RECORD. I shall explain it.

Mr. DWORSHAK. Mr. President, I object. I insist that the amendment be read.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On the first page, after the title heading, insert a new section, as follows:

HOUSING FOR MODERATE INCOME FAMILIES

"SEC. 101. (a) Section 221 of the National Housing Act is amended by—

(1) inserting before the text of such section a section heading as follows: "HOUSING FOR MODERATE INCOME AND DISPLACED FAMILIES";

(2) striking out subsection (a) and inserting in lieu thereof the following:

"(a) This section is designed to assist private industry in providing housing for low and moderate income families and families displaced from urban renewal areas or as a result of governmental action.";

(3) inserting in subsection (b) after "any mortgage" the following: "(including advances during construction on mortgages covering property of the character described in paragraphs (3) and (4) of subsection (d) of this section)";

(4) striking out clauses (A) and (B) in subsection (d)(2) and inserting in lieu thereof the following: "(A) not to exceed (i) $9,000 in the case of a property upon which there is located a dwelling designed principally for a single-family residence, (ii) $18,000 in the case of a property upon which there is located a dwelling designed principally for a two-family residence, (iii) $27,000 in the case of a property upon which there is located a dwelling designed principally for a three-family residence, or (iv) $33,000 in the case of a property upon which there is located a dwelling designed principally for a four-family residence: *Provided*, That the Commissioner may increase the foregoing amounts to not to exceed $15,000, $25,000, $32,000, and $38,000, respectively, in any geographical area where he finds that cost levels so require; and (B) in the case of new construction not to exceed such per centum of the appraised value of the property as provided in section 203(b)(2) with respect to property covered by a mortgage insured under section 203, and in the case of repair and rehabilitation the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation, except that in no case shall such mortgage exceed such estimated cost of repair and rehabilitation, and the amount, if any (as determined by the Commissioner), required to refinance existing indebtedness secured by any such property:";

(5) striking out the first and third provisos in subsection (d)(2) and the colons preceding those provisos;

(6) striking out subsection (d)(3) and inserting in lieu thereof the following:

"(3) if executed by a mortgagor which is a public body or agency, a cooperative (including an investor-sponsor who meets such requirements as the Commissioner may impose to assure that the consumer interest is protected), or a limited dividend corporation (as defined by the Commissioner), or a private nonprofit corporation or association regulated or supervised under Federal or State laws or by political subdivisions of States, or agencies thereof, or by the Commissioner under a regulatory agreement or otherwise, as to rents, charges, and methods of operation, in such form and in such manner as in the opinion of the Commissioner will effectuate the purposes of this section, the mortgage may involve a principal obligation in an amount—

"(i) not to exceed $12,500,000;

"(ii) not to exceed for such part of such property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Commissioner), $2,250 per room (or $8,500 per family unit if the number of rooms in such property or project is less than four per family unit), except that the Commissioner may in his discretion increase the dollar amount limitation of $2,250 per room to not to exceed $2,750 per room, and the dollar amount limitation of $8,500 per family unit to not to exceed $9,000 per family unit, as the case may be, to compensate for higher costs incident to the construction of elevator type structures of sound standards of construction and design, and except that the Commissioner may increase any of the foregoing dollar amount limitations contained in this paragraph by not to exceed $1,000 per room without regard to the number of rooms being less than four, or four or more, in any geographical area where he finds that cost levels so require; and

"(iii) not to exceed (1) in the case of new construction, the amount which the Commissioner estimates will be the replacement cost of the property or project when the proposed improvements are completed (the replacement cost may include the land, the proposed physical improvements, utilities within the boundaries of the land, architect's fees, taxes, interest during construction, and other miscellaneous charges incident to construction and approved by the Commissioner), or (2) in the case of repair and rehabilitation the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation: *Provided*, That in no case shall such mortgage exceed such estimated cost of repair and rehabilitation, and the amount, if any (as determined by the Commissioner), required to refinance existing indebtedness secured by the property or project: *Provided further*, That such property or project, when constructed, or repaired and rehabilitated, shall be for use as a rental or cooperative project, and low and moderate income families or families displaced by urban renewal or other governmental action shall be eligible for occupancy in accordance with such regulations and procedures as may be prescribed by the Commissioner and that the Commissioner may adopt such requirements as he determines to be desirable regarding consultation with local public officials where such consultation is appropriate by reason of the relationship of such project to projects under other local programs; or";

(7) striking out in subsection (d)(4) "which is not a nonprofit organization" and inserting in lieu thereof "other than a mortgagor referred to in subsection (d)(3)";

(8) striking out subsection (d)(4)(ii) and inserting in lieu thereof the following:

"(ii) not exceed, for such part of the property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Commissioner), $2,250 per room (or $8,500 per family unit if the number of rooms in such property or project is less than four per family unit), except that the Commissioner may in his discretion increase the dollar amount limitation of $2,250 per room to not to exceed $2,750 per room, and the dollar amount limitation of $8,500 per family unit to not to exceed $9,000 per family unit, as the case may be, to compensate for higher costs incident to the construction of elevator type

structures of sound standards of construction and design, and except that the Commissioner may increase any of the foregoing dollar amount limitations contained in this paragraph by not to exceed $1,000 per room without regard to the number of rooms being less than four, or four or more, in any geographical area where he finds that cost levels so require;";

(9) striking out in subsection (d)(4)(iv) the language following "(iv)" and preceding "*And provided further*" and inserting in lieu thereof the following: "not exceed 90 per centum of the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation if the proceeds of the mortgage are to be used for the repair and rehabilitation of a property or project: *Provided*, That in no case shall such mortgage exceed such estimated cost of repair and rehabilitation, and the amount, if any (as determined by the Commissioner), required to refinance existing indebtedness secured by the property or project:";

(10) striking out in subsection (d)(5) "but not to exceed forty years from the date of insurance of the mortgage" and inserting in lieu thereof "but as to mortgages coming within the provisions of subsection (d)(2) not to exceed forty years from the date of beginning of amortization of the mortgage";

(11) inserting a colon and the following proviso before the period at the end of subsection (d): "*Provided*, That a mortgage insured under the provisions of subsection (d)(3) shall bear interest (exclusive of any premium charges for insurance and service charge, if any) at not less than the annual rate of interest determined, from time to time by the Secretary of the Treasury at the request of the Commissioner, by estimating the average market yield to maturity on all outstanding marketable obligations of the United States, and by adjusting such yield to the nearest one-eighth of 1 per centum";

(12) inserting the following at the end of subsection (f): "A property or project covered by a mortgage insured under the provisions of subsection (d)(3) or (d)(4) shall include five or more family units. The Commissioner is authorized to adopt such procedures and requirements as he determines are desirable to assure that the dwelling accommodations provided under this section are available to families displaced from urban renewal areas or as a result of governmental action. Notwithstanding any provision of this Act, the Commissioner, in order to assist further the provision of housing for low and moderate income families, in his discretion and under such conditions as he may prescribe, may insure a mortgage which meets the requirements of subsection (d)(3) of this section as in effect after the effective date of the Housing Act of 1961, with no premium charge, with a reduced premium charge, or with a premium charge for such period or periods during the time the insurance is in effect as the Commissioner may determine, and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to reimburse the Section 221 Housing Insurance Fund for any net losses in connection with such insurance. No mortgage shall be insured under subsection (d)(2) or (d)(4) of this section after July 1, 1968, except pursuant to a commitment to insure before that date, or except a mortgage covering property which the Commissioner finds will assist in the provision of housing for families displaced from urban renewal areas or as a result of governmental action.";

(13) redesignating paragraph (3) of subsection (g) as paragraph (4) and inserting after paragraph (2) of subsection (g) a new paragraph as follows:

"(3) as to mortgages meeting the requirements of this section, notwithstanding the provisions of paragraphs (1) and (2) of this subsection, the Commissioner may, in accordance with such regulations as he may prescribe, acquire a mortgage loan that is in default and the security therefor upon payment to the mortgagee in debentures of a total amount equal to the unpaid principal balance of the loan plus any accrued interest and any advances approved by the Commissioner and made previously by the mortgagee under the provisions of the mortgage, and after the acquisition of the mortgage by the Commissioner the mortgagee shall have no further rights, liabilities, or obligations with respect to the loan or the security for the loan: *Provided*, That as to mortgages meeting the requirements of subsection (d)(3) of this section, notwithstanding the provisions of paragraphs (1) and (2) of this subsection, the Commissioner in his discretion may, in accordance with such regulations as he may prescribe, make payments pursuant to such paragraphs in accordance with the mortgage insurance contract in cash rather than debentures, or acquire a mortgage loan that is in default and the security therefor upon payment to the mortgagee of such total amount in cash rather than debentures, if so provided in the mortgage insurance contract. The appropriate provisions of sections 204 and 207 relating to the issuance of debentures shall apply with respect to debentures issued under this subsection, and the appropriate provisions of section 204 and 207 relating to the rights, liabilities, and obligations of a mortgagee shall apply with respect to the Commissioner when he has acquired an insured mortgage under this subsection, in accordance with and subject to regulations (modifying such provisions to the extent necessary to render their application for such purposes appropriate and effective) which shall be prescribed by the Commissioner, except that as applied to mortgages insured under this section (A) all references in section 204 to the Fund or Mutual Mortgage Insurance Fund shall be construed to refer to the Section 221 Housing Insurance Fund, (B) all references in section 204 to 'section 203' shall be construed to refer to this section, and (C) all references in section 207 to the Housing Insurance Fund, Fund, or Housing Fund shall be construed to refer to the Section 221 Housing Insurance Fund; or";

(14) striking out in paragraph (4) of subsection (g) (as redesignated by the preceding paragraph) the phrase "this paragraph (3)", each place it appears, and inserting in lieu thereof "this paragraph"; and

(15) inserting in the last sentence of subsection (h) after "cash adjustments," the following: "cash payments,".

(b) Section 101(c) of the Housing Act of 1949 is amended by—

(1) striking out "under section 220 or 221" and inserting in lieu thereof "under section 220 or section 221(d)(3)";

(2) striking out "of section 220(d), or under section 221 of the National Housing Act, as amended, if the mortgaged property is in an area described in clause (3) of section 221(a) of said Act, or in a community referred to in clause (2)(B) of said section" and inserting in lieu thereof "of section 220(d) of the National Housing Act"; and

(3) striking out clause (iii) and renumbering clause (iv) as clause (iii).

(c) Section 305 of the National Housing Act is amended by adding at the end thereof a new subsection as follows:

"(h) Notwithstanding clause (2) of section 302(b) and any provision of this Act which in inconsistent with this subsection, the Association is authorized (subject to Presidential action as provided in subsection (a), as limited by subsection (c)) to purchase pursuant to commitments or otherwise, and to service, sell, or otherwise deal in mortgages insured under the provisions of section 221(d)(3) of this Act."

(d) Section 223 of the National Housing Act is amended by redesignating subsection (b) as subsection (c), and by inserting after subsection (a) the following new subsection:

"(b) Notwithstanding any of the provisions of this title and without regard to limitations upon eligibility contained in section 221, the Commissioner may in his discretion insure under section 221(d)(3) any mortgage executed by a mortgagor of the character described therein where such mortgage is given to refinance a mortgage insured under this Act and covering an existing property or project (other than a one- to four-family structure) located in an urban renewal area, if the Commissioner finds that such insurance will facilitate the occupancy of dwelling units in the property or project by families of low or moderate income or families displaced from an urban renewal area or displaced as a result of governmental action."

Redesignate succeeding sections in title I accordingly.

Mr. SPARKMAN. Mr. President, I do not care to discusss the amendment at length.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. HOLLAND. Does not the Senator think that a proposal as sweeping as his amendment, which manifestly replaces or is designed to replace much of title I, should be printed so that Senators might have an opportunity to see it and realize what changes are proposed to be made before the Senate is required to pass upon the amendment?

Mr. SPARKMAN. Under the circumstances, I do not see how such procedure could be followed. The leadership announced earlier today that it was the intention to complete consideration of the bill tonight. I have offered the amendment. Practically all the amendment is printed in the bill. I intended to explain the differences.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. SPARKMAN. Many amendments are offered which are not printed.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. SPARKMAN. I yield further.

Mr. HOLLAND. I have tried very hard to follow——

Mr. SPARKMAN. If the Senator will permit me, I should like to say that I intend to explain the amendment. The changes will not be difficult to describe. I assure the Senator that I will give him an accurate description of what the amendment provides.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. WILLIAMS of Delaware. Have we the assurance of the Senator from Alabama that his amendment is substantially in the same language as the language of the bill?

Mr. SPARKMAN. No, I will explain the differences. There are differences, and I will explain what they are.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I am willing to yield, but I do not wish to lose all my time by yielding. I yield.

Mr. GORE. The Senator from Alabama has said that the amendment ap-

pears partially printed in the bill. I know the Senator will give us an honest interpretation of the amendment as he sees it. I have not had an opportunity to see the amendment. It is a very long one. I plead with the Senator, in the interest of correct and proper legislative procedure, the time now being 25 minutes to 11, that he ask the leadership to move for a recess until tomorrow, at which time all Senators will have an opportunity to examine the text of the amendment.

Mr. SPARKMAN. So far as I know, the amendment is the last amendment about which there is any controversy. I have one amendment to offer which I believe is noncontroversial. I have discussed it with the senior Senator from Indiana [Mr. CAPEHART], and he has agreed to it.

The amendment merely relates to a change with reference to the small business loans that are allowed for small businesses that are put out of business by reason of displacement because of urban renewal, and other governmental action. I believe we can finish consideration of the bill tonight. Since we have stayed here this long, I agree with the leadership that we should continue and finish.

I assure the Senator from Tennessee that the changes in the pending amendment are not difficult to describe. The language that was read is from the printed bill. There is very little insertion or change.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. GORE. As the Senator from Florida has said, it is very difficult to follow a reading of the amendment while following the bill and then come to a conclusion. I am not prepared to doubt the Senator, but from listening to a reading of the amendment, I assure the Senator that I shall have two amendments of far-reaching purport to his amendment. My amendments would not be intended to detain the Senate, but would be offered in the interest of orderly legislation. If the Senate wishes to continue through the night—and there would be sufficient time to consider the two amendments—the Senate can do so. But I understand that no business is scheduled for tomorrow. I plead with the Senator to speak to the leadership in the interest of orderly legislation.

Mr. SPARKMAN. If I had my way, the Senate would have adjourned at about 6 o'clock this evening until tomorrow. I for one will be in Washington on Friday. I am here every Friday. I do not mind working on Friday. I would have been glad to have a session of the Senate tomorrow. But the leadership announced earlier today that it was planned to finish consideration of the bill this evening. We have been proceeding. Of course, the decision is for the leadership to determine what we shall do. I am ready to continue with the amendment, and I would like to make a brief explanation of what it provides.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. BUSH. I am very much confused as to what the procedure will be. I also have an amendment that I have been waiting all night to offer, and unless I offer it as an amendment to the pending amendment, I shall not be able to offer it, because it must be a part of the amendment of the Senator from Alabama or else it will not fit.

Mr. SPARKMAN. Has the Senator from Connecticut consulted the Parliamentarian on that question?

Mr. BUSH. Yes.

Mr. SPARKMAN. I know what the Senator's amendment provides.

Mr. BUSH. My amendment would simply confine the benefits of the subsidized interest rates to families which would be displaced by urban renewal or other governmental activity.

Mr. SPARKMAN. Yes.

Mr. BUSH. I want an opportunity to offer the amendment to the amendment of the Senator from Alabama. I cannot do so because I have not seen his amendment, and I do not know how to fit my language into it. Perhaps the Senator can help me.

Mr. SPARKMAN. I will ask one of the members of the staff of the subcommittee to assist the Senator from Connecticut.

Mr. BUSH. If I receive a copy of the amendment, I can determine the point at which my amendment should come.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. HOLLAND. I have no question as to the desire of the Senator and his intention to describe his amendment as clearly as he can and in words which we can all understand, but in trying to follow the subject, I noticed there were dozens of changes from the printed text of title 1. Many of the changes may have been of no substance. I am inclined to think that such is the case. I sensed only two very great changes as I glanced through. But the reading was so cursory, and the new version is so much shorter than the original title 1, that I think no one could listen to a quick reading of the type that we heard and really know with certainty what is in the amendment.

I doubt if the Senator from Alabama has had an opportunity to study the changes, because he has been in the Chamber constantly, as we all know, during consideration of the bill. I would be perfectly happy to have him continue and explain the amendment, but I reserve the right to offer amendments to his amendment. I believe it is not in accordance with orderly procedure to offer an amendment of the scope of the present amendment without our having an opportunity to see it and familiarize ourselves with it. I do not believe the Senator from Alabama, under reversed circumstances, would be willing to have an amendment of such great length and substance considered without Senators having had an opportunity to see a copy of it up to the time it was read.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. SPARKMAN. Let me say this, and then I shall yield. First of all, the circumstances under which I offered the amendment were not of my making. The amendment comes about by reason of the adoption of the Gore amendment earlier today. I am doing my best to salvage some of the wreckage caused by the adoption of that amendment.

The problem was discussed with the legislative counsel, and the amendment was drawn by an expert draftsman upon whom we rely all the time. I explained to him what I wanted to offer and he prepared the amendment. I had several discussions with him at my desk. I am willing to rely upon him, as we rely upon the office of the legislative counsel all the time concerning legislation that we are considering.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CAPEHART. The able Senator has stated the situation. In other words, the amendment would more or less undo what the Gore amendment did. That is all there is to it, as I see it.

Mr. SPARKMAN. I would not say it is completely that.

Mr. CAPEHART. It is that, plus perhaps some other things.

Mr. SPARKMAN. There are some changes which I hope will be accepted as a satisfactory compromise.

Mr. CAPEHART. The problem we find ourselves confronting is that three amendments will be proposed to the pending amendment. The Senator from Tennessee tells us he has two amendments to offer. That means five amendments, on which undoubtedly there will be yea-and-nay votes. The question is, Why not recess until Monday, if a great many Senators will not be present tomorrow, and conclude deliberation on the bill on Monday?

Mr. SPARKMAN. I cannot answer that question, because I do not control the situation.

Mr. CAPEHART. Unless we can do that, I shall make a motion to table the amendment. I will not do so at the moment, but when I obtain the floor in my own right, I will make a motion to table the amendment, which I will have a right to do. That will cut off debate.

Mr. SPARKMAN. I assure the Senator that it is not my intention to debate the amendment at length. I did want the opportunity to give a brief, general explanation as to what the amendment proposes. I can give such an explanation, I believe, in a very short time, perhaps 2 or 3 minutes.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. ERVIN. The Good Lord, when he made men who become Senators, gave them two ways in which to receive knowledge of the contents and meaning of legislation. One is through the ears, and the other is through the eyes. I think that when anything as long as this proposed amendment is presented to the Senate, Senators are entitled to have the use of the two faculties which the

Good Lord gave them for the purpose of receiving information and examining the contents and the meaning of proposals upon which they are called to vote. Therefore I appeal to the Senator from Alabama to join me in appealing to the majority leader and the minority leader to agree to let this matter go over until tomorrow, so we can have printed copies for use by our eyes, as well as our ears.

Mr. SPARKMAN. Of course, that speech was not properly directed to me, because I do not have control of the situation. Even if we should do that, I would still like to continue for a very few minutes to explain what the amendment proposes to do.

The amendment would do two things. It was suggested to me by Senators who voted for the Gore amendment that I offer this amendment. Senators have said to me, "We did not realize that we were striking out that part of the bill providing for the low interest program which I consider as a replacement for public housing, until it was too late. If you will offer an amendment to restore it, we will vote for it." Other Senators have come to me and stated, "If you will make a change in the sales program for moderate income families, we will support such an amendment."

I believe these suggestions were reasonable. I propose to reinstate the low interest rate housing program which is a replacement for public housing, and to have the language of the bill read exactly the way it was pertaining to that program before the Gore amendment.

With reference to the sales housing program a great deal of objection was made, and most of the opposition was on the ground that no downpayment was provided by the bill.

I have added to the amendment the same downpayment requirement that is applicable to the FHA section 203 program; that is 3 percent on the first $13,500, and 10 percent on the remainder, up to $15,000. We must remember that this provision of the bill limited the maximum mortgage under the proposed program to $15,000. Under the amendment a downpayment of $555 would be required on a single family sales unit.

The only thing this amendment does is to retain the same mortgage length that we have in the present section 221 program. That is 40 years. We already have the 40-year program in the FHA section 221 program. I propose that middle-income families be given 40 years during which to pay off a mortgage. It at least would make the monthly payment smaller and give people of moderate income an opportunity to buy good housing at a rate that they could afford to pay. However, the downpayment is exactly the same that the FHA man who buys a $20,000 house, regardless of what his income may be, has to pay.

Certainly, we cannot ask for more, so far as terms are concerned.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. GORE. Is any downpayment required on the apartment house provision in the bill?

Mr. SPARKMAN. On the rental part?

Mr. GORE. Yes.

Mr. SPARKMAN. Mortgages on rental housing sponsored by nonprofit mortgages would be 100 percent insured.

Mr. GORE. For how long?

Mr. SPARKMAN. For 40 years.

Mr. GORE. Then the Senator has not changed that part.

Mr. SPARKMAN. Not on the apartments, no.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. GORE. Does the Senator know of any good reason why the Congress should embark upon a program of subsidizing interest rates for people who want to build apartment houses and not do it for people who want to build homes for their families?

Mr. SPARKMAN. The only part of the program that has any kind of subsidy in it is in what we call the below-the-market interest rate rental housing which, as I say, is a replacement for public housing. I have admitted all along that this is a form of subsidized housing, but subsidized only to the extent that the interest rate is 3⅛ percent instead of 5¼ percent, as it would be under other formulas.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. GORE. This is an extremely far-reaching and, I think, unwise provision. It will be necessary for me to offer an amendment in order to obtain time to discuss this particular provision. I shall not ask the Senator from Alabama to yield further from his time, but shall seek time in my own right. I thank the Senator very much.

Mr. SPARKMAN. That is the situation that we debated this afternoon. I see no reason for debating it at length. I have been trying for a long time to find a substitute for public housing. This program was recommended by both President Eisenhower and President Kennedy as a means of doing that. It does involve a form of subsidy, but only regarding the interest rate, which is certainly a much smaller subsidy than that in the present public housing program. We have provided in the bill for a phasing out of the public housing program as we have known it in the past. I believe it is a good substitute. It is one that we ought to support. As I said today, this is the only part of the bill that offers decent, safe, and sanitary housing for people of lower incomes. If we strike it out, we are making ample provision for people with higher incomes who can afford better houses, but we are denying to people of lower incomes an opportunity to share in good housing.

Mr. BUSH. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. BUSH. The Senator says his proposal is a substitute for public housing; yet a few hours ago the Senator made an eloquent appeal for an additional 100,000 units of public housing.

Mr. SPARKMAN. No. If the Senator had been listening carefully, he would have heard me say that it was a replacement for public housing, which we are phasing out under the bill. That is exactly what we are doing. As I explained today, it may not be as much as 100,000 units. It probably will be around 75,000 units. Be that as it may, that is what is left in the 1949 program. The purpose of the bill is to phase out that part and to try to find some other plan for low-income housing which would be less costly to the Government and more satisfactory to the people and which they can afford.

I think this is the best plan we have developed. It ought to be adopted.

Mr. CAPEHART. Mr. President, since it is now almost 11 o'clock, I think the best way to proceed is to move to table the amendment. If the motion prevails, we are through, and we can vote on the bill. If the motion to table does not prevail, then I have two amendments to the pending amendment, and the able Senator from Tennessee has a couple of amendments.

I see no necessity for voting on these five amendments. I think we could have a test vote on the question by a motion to table. If the motion to table is agreed to, that means the bill will be accepted as we wrote it today, meaning that we would accept the Gore amendment and other amendments, and then the committee bill as amended.

Therefore, I move that the amendment offered by the Senator from Alabama be tabled. On this question, I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays will not be in order, except by unanimous consent, until all time has been yielded back.

Mr. CAPEHART. I yield back the remainder of my time.

Mr. SPARKMAN. I yield back the rest of my time.

The PRESIDING OFFICER. All time has been yielded back. The clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Minnesota [McCARTHY], the Senator from Montana [Mr. METCALF], and the Senator from Oregon [Mrs. NEUBERGER] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY] is necessarily absent.

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from Arizona would vote "yea."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New Mexico would vote "nay," and the Senator from New Hampshire would vote "yea."

On this vote, the Senator from Minnesota [Mr. McCARTHY] is paired with

the Senator from Kentucky [Mr. MORTON]. If present and voting, the Senator from Minnesota would vote "nay," and the Senator from Kentucky would vote "yea."

On this vote, the Senator from Montana [Mr. METCALF] is paired with the Senator from Vermont [Mr. AIKEN]. If present and voting, the Senator from Montana would vote "nay," and the Senator from Vermont would vote "yea."

On this vote, the Senator from Oregon [Mrs. NEUBERGER] is paired with the Senator from Colorado [Mr. ALLOTT]. If present and voting, the Senator from Oregon would vote "nay," and the Senator from Colorado would vote "yea."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES], is absent on official business.

I also announce that the Senator from Vermont [Mr. AIKEN], the Senator from Colorado [Mr. ALLOTT], the Senator from Kentucky [Mr. MORTON], and the Senator from Massachusetts [Mr. SALTONSTALL] are detained on official business.

I further announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

On this vote, the Senator from Vermont [Mr. AIKEN] is paired with the Senator from Montana [Mr. METCALF]. If present and voting, the Senator from Vermont would vote "yea," and the Senator from Montana would vote "nay."

On this vote, the Senator from Colorado [Mr. ALLOTT] is paired with the Senator from Oregon [Mrs. NEUBERGER]. If present and voting, the Senator from Colorado would vote "yea," and the Senator from Oregon would vote "nay."

On this vote, the Senator from Kentucky [Mr. MORTON] is paired with the Senator from Minnesota [Mr. MCCARTHY]. If present and voting, the Senator from Kentucky would vote "yea," and the Senator from Minnesota would vote "nay."

On this vote, the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from New Hampshire would vote "yea," and the Senator from New Mexico would vote "nay." If present and voting, the Senator from Massachusetts [Mr. SALTONSTALL] would vote "yea."

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from New Mexico [Mr. ANDERSON]. If present and voting, the Senator from Arizona would vote "yea," and the Senator from New Mexico would vote "nay."

The result was announced—yeas 42, nays 46, as follows:

[No. 72]

YEAS—42

Beall	Ellender	Mundt
Bennett	Ervin	Prouty
Bush	Gore	Robertson
Butler	Hickenlooper	Russell
Byrd, Va.	Holland	Schoeppel
Capehart	Hruska	Scott
Carlson	Jordan	Smathers
Case, S. Dak.	Keating	Smith, Maine
Cooper	Kerr	Stennis
Cotton	Kuchel	Talmadge
Curtis	Lausche	Thurmond
Dirksen	McClellan	Wiley
Dworshak	Miller	Williams, Del.
Eastland	Monroney	Young, N. Dak.

NAYS—46

Bartlett	Hart	McNamara
Bible	Hartke	Morse
Boggs	Hayden	Moss
Burdick	Hickey	Muskie
Byrd, W. Va.	Hill	Pastore
Cannon	Humphrey	Pell
Carroll	Jackson	Proxmire
Case, N.J.	Javits	Randolph
Church	Johnston	Smith, Mass.
Clark	Kefauver	Sparkman
Dodd	Long, Mo.	Symington
Douglas	Long, Hawaii	Williams, N.J.
Engle	Long, La.	Yarborough
Fong	Magnuson	Young, Ohio
Fulbright	Mansfield	
Gruening	McGee	

NOT VOTING—12

Aiken	Bridges	Metcalf
Allott	Chavez	Morton
Anderson	Goldwater	Neuberger
Blakley	McCarthy	Saltonstall

So Mr. CAPEHART's motion to lay the Sparkman amendment on the table was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the amendment of the Senator from Alabama [Mr. SPARKMAN].

Mr. BUSH. Mr. President——

The PRESIDING OFFICER. No further debate on the amendment is in order, for both sides have yielded back the remainder of the time available to them.

Mr. BUSH. Mr. President, to the pending amendment of the Senator from Alabama, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

Mr. BUSH. Mr. President, I ask unanimous consent that my amendment to the Sparkman amendment be printed at this point in the RECORD, but not be read at this time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment offered by Mr. BUSH to Mr. SPARKMAN's amendment is as follows:

In the amendment made by paragraph (6) of section 101 strike out "low and moderate income families or".

In the amendment made by paragraph (12) of section 101 strike out "low and moderate income families" and insert in lieu thereof "families displaced from urban renewal areas or as a result of Government action".

In the amendment made by paragraph (12) of section 101 strike out "No" and insert in lieu thereof the following: "No mortgage shall be insured under subsection (d) (3) of this section unless it is a mortgage covering property which the Commissioner finds will assist in the provision of housing for families displaced from urban renewal areas or as a result of governmental action, and no".

Mr. BUSH. Mr. President, I can explain this proposal in 1 minute; and, for that purpose, I yield myself 3 minutes. [Laughter.]

Part I of the bill relates to housing for displaced families and moderate-income families. There are three parts to part I. They provide for the market rate for sales housing, the market rate for rental housing, and the below-market rate—the so-called subsidized rate, the 3⅛-percent rate—for rental housing for displaced families or families of so-called moderate income.

As I have said, the first two parts deal with sales housing and rental housing programs, on which the mortgage interest rates are supposed to be the market rates—that is to say, the rates which private capital would find attractive. Hence, this would avoid the necessity of FNMA financing. The mortgages would sell in the open market at going rates. The maximum rate under the bill is set at 5 percent; but the Commissioner has discretion to go to 6 percent, if necessary, to find markets.

However, the third part is for the so-called rental housing program at a subsidized rate of 3⅛ percent, which FNMA would presumably underwrite.

All have proclaimed—no one has protested against it—the fact that FNMA would have to buy all the mortgages which were insured at the 3⅛-percent rate.

My amendment to the Sparkman amendment is directed at the below-market-rate part of this program. It would confine the benefit of the subsidized interest rate to families displaced by urban renewal or other governmental activities. That is the purpose of my amendment to the Sparkman amendment; namely, to confine it simply to families which have been displaced by governmental action, through urban renewal action or through highways going through the property, whatever it was; if governmental action caused the displacement, the subsidized rate would be available to the persons so displaced; and my amendment to the Sparkman amendment would confine it entirely to them. That is the whole purpose of my amendment to the Sparkman amendment.

When the Government is responsible for removing families, for taking their property against their will—and frequently it is taken against their will—the Government has some responsibility, and the subsidized, submarket rate may be justified.

But I see no justification for it beyond that; and the purpose of my amendment to the Sparkman amendment is to confine it strictly to families displaced by urban renewal projects or other governmental action.

Mr. SPARKMAN. Mr. President, I shall be very brief. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 5 minutes.

Mr. SPARKMAN. Mr. President, the amendment of the Senator from Connecticut [Mr. BUSH] to my amendment would limit this type of housing to low-income people only.

It is to be remembered that there are two different types of this housing. One is the below-market interest rate. That is the housing to which I referred as being a replacement for public housing.

There is another type of housing; namely, that which pays the standard FHA rate. Although the law provides 5 percent to 6 percent, we know that the present FHA rate is 5¼ percent; and that is what this housing would carry.

I do not see why we should restrict that type of housing, as to which the regular FHA rates are paid, to displaced persons. A great many persons would be able to afford this type of housing if it were spread out over the term for which this provides, and people in the low income and moderate income brackets——

Mr. BUSH. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. BUSH. My amendment applies only to the below-market-rate section of the bill. It does not apply to the rental housing or the sales housing.

Mr. SPARKMAN. The Senator from Connecticut brought into the debate the 5 percent to 6 percent interest rate, and that is the above-market interest rate. So I thought the Senator from Connecticut was referring to the two types.

Mr. BUSH. No. My amendment does not relate to the first two parts of the bill, which are those for the sales housing and the rental housing programs, for which the rates are supposed to be the going market rates. The amendment does not relate to them; it relates only to part 3 of title I.

Mr. SPARKMAN. If that is what the Senator from Connecticut seeks to do, the amendment would restrict it to displaced families.

Mr. BUSH. That is correct.

Mr. SPARKMAN. Whereas, as I have stated here repeatedly, we want it as a replacement for public housing, so that families of low income who cannot afford to pay an economic rent may be able to enjoy decent housing. The Senator's amendment to my amendment would destroy the very thing we are trying to do. The present section 221 program is for the purpose of taking care of displaced persons; and it could be used for this purpose.

What we are trying to do is to provide something that will serve to give decent shelter to people who are not able to pay economic rents, without having the extremely high subsidy rates which the program of public housing requires.

Mr. President, I see no need to discuss the matter further. I am willing to yield back the remainder of the time available to me, and to have the Senate proceed to vote.

Mr. BUSH. Mr. President, on the question of agreeing to my amendment to the Sparkman amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SPARKMAN. Mr. President, I shall yield back the remainder of the time available to me, if the Senator from Connecticut will do likewise.

Mr. CAPEHART. Mr. President, will the Senator from Connecticut yield some time to me?

Mr. BUSH. I yield 2 minutes to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 2 minutes.

Mr. CAPEHART. Is it not a fact that we are providing that any house which sells for not to exceed $15,000 shall be given these subsidized, low-interest rates? Is that correct?

Mr. SPARKMAN. I am not sure I understand the Senator's question.

Mr. CAPEHART. Are not we saying, in substance, that one can purchase on the new terms a house which will cost not to exceed $15,000?

Mr. SPARKMAN. Let us be careful, and not confuse rental housing with sales housing. This provision does not deal with sales housing; it deals with rental housing.

Mr. CAPEHART. But my point is that a house of a value up to $15,000 is covered in the amendment by the low interest rate and the 40-year, no-down-payment terms. Is that correct?

Mr. SPARKMAN. That is correct; but the amendment of the Senator from Connecticut does not go that far. It affects only the below-the-market interest rate rental housing program.

Mr. BUSH. Below the market rate.

Mr. SPARKMAN. Below-the-market rate on rental housing.

Mr. BUSH. That is correct.

Mr. CAPEHART. And the amendment would be to eliminate the below-market interest rate?

Mr. SPARKMAN. No; it would restrict the occupancy of those houses to people who are displaced by reason of governmental action.

Mr. CAPEHART. And give them below-market interest rates.

Mr. SPARKMAN. My contention is that the 221 program already provides for displaced persons. What we are trying to do is provide replacement for public housing.

Mr. CAPEHART. My next question is, What does the amendment of the Senator from Alabama do?

Mr. SPARKMAN. My amendment, as I explained a while ago, does two things. First of all, it seeks to reinstate the below-market-rate rental program.

Mr. CAPEHART. To which person?

Mr. SPARKMAN. On rental housing, to people who are not able to pay an economic rent.

Mr. CAPEHART. Who is to build the housing?

Mr. SPARKMAN. It is to be built by private enterprise.

Mr. CAPEHART. But private housing is to get below-market interest rates subsidized?

Mr. SPARKMAN. So that easy monthly terms, on a nonprofit basis, can be available.

Mr. CAPEHART. There is nothing in the bill that specifies the rent; is there?

Mr. SPARKMAN. I submit the Commissioner is given the right to control rents. That provision is in the present law, to which this proposal is an amendment.

Mr. CAPEHART. What is it we are trying to do that we have not been doing under the old public housing law?

Mr. SPARKMAN. The old public housing law said, in effect, to the cities, "First of all, we will help you dispose of your funds. We will more or less underwrite the disposition of your bonds. Second, you collect what rent these people are able to pay, and what that lacks in measuring up to an economic rent, we will subsidize."

Mr. CAPEHART. How is the Senator subsidizing under his amendment?

Mr. SPARKMAN. Simply by letting the low interest rate be in effect, which may be as low as 3⅛ percent.

Mr. CAPEHART. That means the Federal Government will be lending money directly out of the Treasury on all construction, under the Senator's amendment.

Mr. SPARKMAN. No. If the money cannot be obtained on the open market, FNMA takes the mortgage.

Mr. CAPEHART. That is the Government. An interest rate of 3⅝ percent is not going to be taken when an interest rate of from 5¼ up to 5¾ percent can be obtained on regular FHA loans. Is it not a fact that, as a practical matter, the Federal Government will be lending money to build the houses we are talking about?

Mr. SPARKMAN. I am not at all certain that is true. This will be special assistance, and the Federal National Mortgage Association will have the funds with which to back up the mortgages.

Mr. CAPEHART. Then the only subsidization is in the interest rates, with the long term?

Mr. BUSH. Mr. President, I could hardly agree that the only subsidy is in the low interest rate. It is also in the fact that the mortgage is assumed by the Federal Government.

Mr. SPARKMAN. If that is true, it could be said that all our housing programs are in essence subsidized, but we do not talk about that. I never hear that said with reference to the regular FHA program, and yet FNMA was created for the purpose of establishing a secondary market, and often a primary market, for the mortgages.

Mr. BUSH. It has become the depository of $7 billion worth of mortgages.

Mr. ERVIN. Mr. President, will the Senator yield for a question?

Mr. SPARKMAN. I yield.

Mr. ERVIN. What is there in the Senator's amendment which would make certain that the builder of the rental housing would pass the saving on interest rates to the occupants?

Mr. SPARKMAN. In the law as it exists now, the Commissioner has the authority to control rents, and he does control rents.

Mr. ERVIN. Is not this the way the amendment would work: The builder of the rental housing would, in effect, be subsidized by the taxpayers on the interest rate for 40 years, and the occupant, the person who rented, would pay rent for 40 years, and at the end of 40 years the owner would still own the house in fee simple, and the person who paid the rent for 40 years would have nothing but rent receipts?

Mr. SPARKMAN. That is true of anyone who pays rent; he has nothing but rent receipts.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. MONRONEY. Several years ago there were some major scandals under title 9 of the Housing Act when builders inflated their costs on apartment-type buildings.

Can a builder with a site put the site in at what he thinks it is worth, build

the property himself, and then receive a 100-percent mortgage, and completely mortgage out on this operation?

Mr. SPARKMAN. That was true under the 608 program. The Senator referred to title 9. I think he had reference to the 608 program. We have written into the bill that, under no condition, can the builder mortgage the house for more than the cost of the building.

Mr. MONRONEY. How does one know what the cost of the buliding is?

Mr. SPARKMAN. The builder must certify the cost.

Mr. MONRONEY. Suppose the builder bought the land 5 or 10 years ago. Who is to determine the cost?

Mr. SPARKMAN. The Senator knows that is always a problem. It would be something for determination as between the builder and the housing agency—exactly as is the case now.

Mr. MONRONEY. This is a 100-percent mortgage.

Mr. SPARKMAN. There are several 100-percent mortgage programs already on the books.

Mr. MONRONEY. For elderly housing or eleemosynary housing, yes.

Mr. SPARKMAN. There are 100-percent mortgages on many different types of houses.

Mr. MONRONEY. On what types?

Mr. SPARKMAN. On section 213 types.

Mr. MONRONEY. Loans under this provision could run to $1 million, $500,000, or $10 million.

Mr. SPARKMAN. Yes.

Mr. MONRONEY. I wonder what safeguards there are, with 100-percent mortgages and subsidized interest rates of 3⅛ percent, picked up entirely by the Federal Government, but with no controls. What security is there behind the 100-percent mortgage that we are subsidizing on a 40-year payout, at an interest rate of 3⅛ percent?

Mr. SPARKMAN. We have provided that there cannot be a borrowing of more than the cost. We adopted the amendment of the Senator from Virginia, which positively requires the keeping of records and making those records available to the General Accounting Office.

Mr. MONRONEY. Is a builder's or supervisory or contracting profit allowed? Is the cost the cost of bricks, mortar, land, tin, and gravel, or is there a profit, and if so, how much, on the 100-percent mortgage, subsidized low interest rate?

Mr. SPARKMAN. Under the program, this building is to be done by nonprofit organizations.

Mr. MONRONEY. But there is no control over the salaries to be paid to presidents, vice presidents, secretaries, and treasurers of those organizations.

Mr. SPARKMAN. The Senator knows it is subject to approval by the housing agency.

As I said a few minutes ago, overall review of this program is the responsibility of the General Accounting Office. I do not see how we can go further than that.

Mr. MONRONEY. We have seen the military committees of both Houses cancel out Capehart housing, which was subject to military and governmental inspection. I know of no inspection which would be as severe as that, yet when we open up the 100-percent mortgage with the 3⅛-percent interest which is to be allowed, I do not see what safeguards are to be provided.

Mr. SPARKMAN. Will the Senator refer back——

Mr. MONRONEY. These projects will be from $1 million to $10 million in cost.

Mr. SPARKMAN. Let me say to the Senator from Oklahoma that following the section 608 disclosures, Congress wrote into the law in 1954 the cost certification requirements. We have had those ever since. We wrote into the pending bill a further stipulation that it would be necessary to keep records, that the records must be available for the General Accounting Office.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the Senator from Virginia.

Mr. ROBERTSON. The Gore amendment struck out all of title I.

Mr. SPARKMAN. The Senator is correct.

Mr. ROBERTSON. The Senator would put back in the bill all of title I except, in regard to the sales section, to provide for an FHA 3-percent mortgage.

Mr. SPARKMAN. Three percent, up to the limit.

Mr. ROBERTSON. That is all the Senator's amendment would do?

Mr. SPARKMAN. That is correct.

Mr. ROBERTSON. It provides for 3 percent?

Mr. SPARKMAN. To be accurate, there is a limit.

Mr. ROBERTSON. There was a technical amendment. The amendment was to another section, which was the no-downpayment section. The Senator took that out, and made the downpayment the FHA provision.

Mr. SPARKMAN. The regular FHA schedule.

Mr. ROBERTSON. That is correct; there was a technical change.

Mr. SPARKMAN. It is 3 percent up to $13,500.

Mr. ROBERTSON. The Senator from Connecticut has referred to rental housing which, under the present law, would have the 5¼-percent rate. The Senator would drop it as low as 3⅛ percent, but that would be restricted to those people who have been forcibly moved.

Mr. SPARKMAN. That is correct. That is the purpose of the amendment. I say it would not serve its purpose if it were restricted to that group, a group already protected by the regular 221 program.

Mr. MONRONEY. Would the Senator give me the answer to my question as to the percentage of management profit?

Mr. SPARKMAN. There is no profit. It would be a nonprofit organization.

Mr. MONRONEY. Does the Senator mean the builder would receive nothing for his skill or for his management? That sounds quite contrary to general building practice.

Mr. SPARKMAN. Certainly the individual would be paid. So far as the overall profit for the corporation is concerned, there would be none.

Mr. MONRONEY. I know. The corporation would take over the completed structure after the contractor built it. I should like to know what the builder's profit would be, under the 100-percent mortgage with the subsidized interest rate. I think the Senate is entitled to know that.

Mr. SPARKMAN. It would be exactly what is allowed in housing today.

Mr. MONRONEY. What is that?

Mr. SPARKMAN. It has been the same since 1954, when the cost-certification requirement was written into the law.

Mr. MONRONEY. What is that?

Mr. SPARKMAN. I cannot give it offhand. I shall be glad to supply the Senator with a memorandum which will explain the requirement.

Mr. MONRONEY. Am I correct in understanding that it is approximately 10 percent?

Mr. SPARKMAN. At one time it was a flat 10 percent. I am sorry I cannot give that information exactly because I am not sure what the current allowance is.

Mr. MONRONEY. I am seeking information for the Senate. I think it is important.

The projects, in practice, will be originated by a contractor, who will secure a site. He will negotiate with an eleemosynary group or a charitable group, to which he will say, "I will build you a million-dollar appartment. You can rent it. I will furnish the apartment in a 'turnkey' job."

The builder is covered with a 100-percent mortgage. When he turns the project over and it is accepted, the builder will receive 10 percent of a million dollars, perhaps. I ask, What is the builder's profit—the profit for the man who originates the project, who sponsors it and puts it together into a cooperative or whatever it is called? What is the builder's profit? Will it be 10 percent on a million dollars?

Mr. SPARKMAN. If I can find the formula, I shall give it to the Senator, if he will allow me a minute to find it in the law.

Mr. MONRONEY. It is stated in the law?

Mr. SPARKMAN. It is stated in the law, and has been since 1954.

Mr. MONRONEY. This would open the door with 100-percent Government insurance and 3⅛-percent interest.

Mr. SPARKMAN. There has not been any difficulty in the other programs. Why should there be for this program?

Mr. MONRONEY. The other programs have not been so liberal. There has not been a profit of 10 percent on million-dollar apartments, with 3⅛-percent interest. That is why we will have trouble.

Mr. BUSH. Mr. President, I should like to make one or two additional remarks.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. BUSH. This all started with the people who were being displaced by Government action to make way for urban renewal projects or highway projects. One of the great problems the cities have had is finding substitute housing for such people. This has been one of the great handicaps of the urban renewal program from its inception. It is today.

From what I have learned from the hearings on the Housing Subcommittee, that was the real purpose of the proposal, at the outset, at least; to try to make arrangements for people actually forced from their homes by Government action in some reasonable way at a subsidized rate, as a compensation to them for having lost their homes. That was the original purpose. Now it has been expanded to apply to all moderate-income families.

Mr. President, there is no definition in the bill as to what is a moderate-income family. So far as I can tell, the subsidized rate will therefore become available to anyone who applies for it.

Mr. GORE. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. GORE. Because of this very fact this cannot be and is not supposed to be a substitute for public housing. Public housing is for the low-income group, is it not?

Mr. BUSH. I believe the Senator is correct. The provision can be taken advantage of by anybody, because there is no definition of a moderate-income family.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. BUSH. I yield.

Mr. GORE. Lest the Senate understand this to refer to a nonprofit transaction, I ask Senators to turn to page 97 of the committee report, where they will find that the loans can be made to nonprofit organizations, but also to limited dividend corporations. The report does not say what the limit is. It could be 25 percent a year.

Mr. BUSH. That is correct.

Mr. GORE. For such cooperatives.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BUSH. I shall be glad to yield if the Senator from Pennsylvania will give us a definition of a limited dividend corporation.

Mr. CLARK. I was about to say that under the laws, certainly of New York and a number of other States, the term "limited dividend corporation" is a term of art. What the dividend will be is written into the law and it is usually no more than 6 percent. It would be impossible to have a 25-percent profit. That is out of the question.

Mr. GORE. Mr. President, will the Senator yield further?

Mr. BUSH. I yield to the Senator from Tennessee.

Mr. GORE. We are not writing legislation for the State of New York. This is to be a law for the U.S. Government. I know of no instance in which these terms are defined.

The language is not restricted to nonprofit corporations. Indeed, it is specifically spelled out that there can be a profit organization. Furthermore, the 40-year guarantee, at 100 percent, is one subsidy, and then we are asked to subsidize the interest rate, also.

Mr. BUSH. The Senator is correct.

Mr. GORE. This means there will be a much more rapid payout than for a homeowner's loan of 40 years.

Mr. BUSH. That is correct.

Mr. GORE. I ask for no more time.

Mr. BUSH. The Senator has made the very point I wished to make about the limited dividend corporation. I am not sure what that is, but certainly it is a corporation which is going to pay dividends.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. BUSH. I yield to the Senator from Ohio.

Mr. LAUSCHE. We have received the definition of what is a limited dividend corporation. What, under the law, is the definition of a "moderate-income family."

Mr. BUSH. Mr. President, I have said, and I say again, that there is no definition in the bill of a "moderate-income family."

Mr. LAUSCHE. What does the term mean?

Mr. BUSH. It is a wide-open term, upon which anyone may put whatever interpretation he wishes.

Mr. LAUSCHE. I ask the Senator from Alabama if it is a fact that in the bill there is no definition of a "moderate-income family."

Mr. BUSH. In the Javits amendment, which I cosponsored, there was a definition. The amendment was defeated. There is no definition in the bill of "moderate-income family," so no one could tell what such a family would be. Presumably it is a family whose income is sufficiently high so that it would not qualify for public housing admissions. I understand that is at least a partial definition of "moderate-income family," but beyond that definition there is none, and even that definition is not in the bill.

Mr. LAUSCHE. Upon what ground is the judgment of the Senator from Connecticut formed that the term presumably covers those who are not eligible for public housing?

Mr. BUSH. I get it only from discussions in the Committee on Banking and Currency. But the term is not defined in the bill.

Mr. LAUSCHE. It is not in the bill?

Mr. BUSH. No.

Mr. LAUSCHE. I ask the Senator from Alabama whether there is any definition in the bill of a "moderate-income family."

Mr. SPARKMAN. Mr. President, will the Senator yield for the purpose of answering the question?

Mr. BUSH. I yield for that purpose.

Mr. SPARKMAN. I believe the Senator from Ohio recognizes the fact that we cannot spell out every term in the bill. At the committee hearings we asked the Commissioner about that subject, and there was considerable discussion. It was stated that regulations would be written by the Commissioner which would determine those who would be covered. For example, there was a time when we wrote out definitely in the law the standard for occupancy of public housing. The ratio was 5-to-1, I believe. That ratio was found to be lacking in flexibility to the extent that it was not workable, and Congress repealed it. For example, what is applicable to a man and his wife—merely a couple—would not be applicable perhaps to a man and his wife and a half dozen children. Standards would vary according to circumstances. We felt that instead of trying to spell out such details in the law, as one time we did try to do, we would leave out the definition and let the Commissioner write the regulations as he said he would do.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. BUSH. Mr. President, I believe I have the floor. I will reserve the remainder of my time.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. BUSH. I yield to the Senator from Florida.

Mr. HOLLAND. Of course, we do not have a copy of the pending amendment, but we have the report of the committee. On page 97 appear the various groups which are qualified to participate in the program at below market rates. They are stated to be "nonprofit organizations, limited dividend corporations, public bodies or agencies, or cooperatives."

Does the last term, "cooperatives," mean a group of families that were held to be moderate-income families under whatever regulation may be issued, that would have the right to form a corporation and to borrow money at the limited interest rate of 3⅛ percent?

Mr. BUSH. I presume so.

Mr. HOLLAND. Each of the families would own one of the apartments in the cooperative apartment?

Mr. BUSH. Yes; the bill would permit that procedure.

Mr. HOLLAND. The saving below the regular commercial rate to those families would be the difference between 3⅛ percent and 5¼ percent?

Mr. BUSH. As of today.

Mr. HOLLAND. Or 2⅛ percent per year?

Mr. BUSH. The Senator is correct.

Mr. HOLLAND. For 40 years that difference would continue to pile up?

Mr. BUSH. Assuming that the 5¼ percent would last for 40 years, the differential would be as the Senator from Florida stated.

Mr. HOLLAND. That situation would continue regardless of whether the family continued to be a moderate-income family?

Mr. BUSH. I believe that is correct. The question illustrates one of the ridiculous features of the pending measure, and is the reason I asked to amend the bill. My amendment would come to grips with that problem by merely directing the provision of the bill to those who were displaced by Government action.

Mr. President, I believe I have explained my amendment, and I am ready to vote.

Mr. CLARK. Mr. President, will the Senator from Alabama yield me 2 minutes?

Mr. SPARKMAN. I yield the Senator from Pennsylvania 2 minutes.

Mr. CLARK. I believe it is very important to understand what we are talking about. I wish to make two points. If Senators will turn to page 4 of the committee report, they will see all the definition that anyone would need to have with respect to a moderate-income family, so that we can know exactly what we are talking about. I read the definition:

> The largest unfilled demand in the housing market is that of moderate-income families. The most recent figures on this subject show that there are some 11.2 million families with incomes between $4,000 and $6,000. This means that one out of every four families in the United States falls in this category, which is an indication of the importance of this group in the housing market.

A definition of "the moderate-income family" is laid right out in the record. The term applies to families who have incomes between $4,000 and $6,000 a year. Let us not deceive ourselves. Those are the people we are talking about. Every member of the committee knows it, and everyone in the FHA knows it. Those are the people we are talking about. We did not put the definition in the bill because we did not want to restrict the Administrator. He might wish to go up to $6,500 or $7,000; or he might wish to go down to $3,500. The people we are talking about are 11 million families who cannot obtain decent rental or sales housing.

In respect to point 2, on page 97 of the report, which the Senator from Florida has quoted, it is stated:

> (1) Eligible mortgagors participating in the program bearing interest at "below market rate" must be nonprofit organizations, limited dividend corporations—

Let us not deceive ourselves. That term is defined by every State in the country that has a limited dividend corporation law, and it is nothing more than a 6-percent profit—

> public bodies, agencies, or cooperatives.

These are not people who are in the business to make a "fast buck." These are not people who are in the business to make a fast profit. These are people whom we hope will build the kind of house which will be a pretty good substitute for public housing if the plan works. All I say is that this is the thing we are talking about. Let us not tell ourselves that we are talking about anything else.

Mr. SPARKMAN. Mr. President, I yield 2 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, it is an imposition upon Senators to detain them at this hour, but this question is important. This is about the only opportunity I have seen in years for a large group of families in the country to get anywhere. If we are to do what the Senator from Connecticut chooses to do with respect to the bill, we can forget about its having any effect whatever upon moderate-income families. The only hope for moderate-income families is a low interest rate. We have a part of that plan in New York. The Senate did not see fit to accept my amendment. I think perhaps the Senate may be a little sorry tonight that it did not do so, because it was a much more practical scheme than anything we are fooling with now. But be that as it may, the bill still preserves the only principle upon which we can operate with respect to a moderate-income family—a low-interest rate.

I see very little opportunity for doing anything else except exactly what the Senator from Alabama proposes, and I think undoubtedly it will be refined in conference. What I have to say goes for every Senator who comes from a State with a heavy concentration of population. We are really almost duty-bound to those families, for whom nothing has been done in housing legislation for years, to seize this one opportunity to do something for them. I very much hope that all the amendments will be voted down and that the main point will be voted up. That is the only way I can see to get on with the central point which must be established.

Mr. SPARKMAN. Mr. President, I am happy to yield back the remainder of my time.

Mr. BUSH. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Connecticut. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. AIKEN (when his name was called). On this vote I have a pair with the junior Senator from Montana [Mr. METCALF]. If he were present and voting he would vote "yea." If I were at liberty to vote I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. MORTON (after having voted in the affirmative). On this vote I have voted "yea." I have a pair with the Senator from Minnesota [Mr. MCCARTHY]. However I have transferred that pair to the Senator from Arizona [Mr. GOLDWATER]. I still vote "yea."

Mr. AIKEN (after having announced a pair with the junior Senator from Montana [Mr. METCALF]). Mr. President, the junior Senator from Montana having arrived in the Chamber, I cancel the pair that I announced with him. I therefore vote on the amendment, and this time I vote "yea."

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Minnesota [Mr. MCCARTHY], and the Senator from Oregon [Mrs. NEUBERGER], are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ], is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY], is necessarily absent.

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from New Mexico would vote "nay" and the Senator from Nebraska would vote "yea."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New Mexico would vote "nay" and the Senator from New Hampshire would vote "yea."

On this vote, the Senator from Minnesota [Mr. MCCARTHY] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from Minnesota would vote "nay" and the Senator from Arizona would vote "yea."

On this vote, the Senator from Oregon [Mrs. NEUBERGER] is paired with the Senator from Colorado [Mr. ALLOTT]. If present and voting, the Senator from Oregon would vote "nay" and the Senator from Colorado would vote "yea."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Nebraska [Mr. HRUSKA], are absent on official business.

I also announce that the Senator from Colorado [Mr. ALLOTT], is detained on official business.

I further announce that the Senator from Arizona [Mr. GOLDWATER], is necessarily absent.

On this vote, the Senator from Colorado [Mr. ALLOTT] is paired with the Senator from Oregon [Mrs. NEUBERGER]. If present and voting, the Senator from Colorado would vote "yea" and the Senator from Oregon would vote "yea."

On this vote, the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from New Hampshire would vote "yea" and the Senator from New Mexico would vote "nay."

On this vote, the Senator from Nebraska [Mr. HRUSKA] is paired with the Senator from New Mexico [Mr. ANDERSON]. If present and voting, the Senator from Nebraska would vote "yea" and the Senator from New Mexico would vote "nay."

The result was announced—yeas 45, nays 46, as follows:

[No. 73]

YEAS—45

Aiken	Dworshak	Mundt
Beall	Eastland	Prouty
Bennett	Ervin	Robertson
Boggs	Fulbright	Russell
Bush	Gore	Saltonstall
Butler	Hickenlooper	Schoeppel
Byrd, Va.	Holland	Scott
Cannon	Jordan	Smathers
Capehart	Keating	Smith, Maine
Carlson	Kuchel	Stennis
Case, S. Dak.	Lausche	Talmadge
Cooper	McClellan	Thurmond
Cotton	Miller	Wiley
Curtis	Monroney	Williams, Del.
Dirksen	Morton	Young, N. Dak.

NAYS—46

Bartlett	Hayden	Metcalf
Bible	Hickey	Morse
Burdick	Hill	Moss
Byrd, W. Va.	Humphrey	Muskie
Carroll	Jackson	Pastore
Case, N.J.	Javits	Pell
Church	Johnston	Proxmire
Clark	Kefauver	Randolph
Dodd	Kerr	Smith, Mass.
Douglas	Long, Mo.	Sparkman
Ellender	Long, Hawaii	Symington
Engle	Long, La.	Williams, N.J.
Fong	Magnuson	Yarborough
Gruening	Mansfield	Young, Ohio
Hart	McGee	
Hartke	McNamara	

NOT VOTING—9

Allott	Bridges	Hruska
Anderson	Chavez	McCarthy
Blakley	Goldwater	Neuberger

So, Mr. BUSH'S amendment to Mr. SPARKMAN'S amendment was rejected.

Mr. GORE. Mr. President, I offer my amendment which is at the desk, and I ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 8, line 8, it is proposed to stirke out "forty" and insert in lieu thereof "thirty."

Mr. GORE. Mr. President, as I have studied the amendment of the distinguished junior Senator from Alabama, the only essential change that is accomplished is to require a 3-percent downpayment on the part of FHA individual home loan guarantees for houses costing up to $13,500. This would require a downpayment of $300. No change whatever is made by the Sparkman amendment in the term of the loan, which is guaranteed, or would be guaranteed, either in the home loan guarantees or in the apartment house guarantees. Both are for 40 years. The apartment house loans are guaranteed 100 percent. The individual home mortgages are guaranteed for 40 years at 97 percent.

If Senators will look at the table on page 927 of the hearings, I shall call to their attention some interesting facts. I have undertaken, with the aid of my administrative assistant, to calculate what the payments would be over a 40-year period and what the equity would be with a $300 downpayment on a $10,000 house. I should like to state, beginning with the 12th year, the estimates of book equity. Beginning with the 12th year, there would be a book equity of approximately $800. Then the equity declines through the 19th year, both under the $300 downpayment plan and by the plan originally offered.

In the 13th year, the book equity would be $780. Skipping to the 19th year it would be $660. This is after a little $10,000 house has suffered the weather and the wear for 19 years.

The man who owned the house, if he were still there, would have a book equity of some $600. Meanwhile, the 20-year composition shingles might have deteriorated; the water heater might have run its course; there might be some plumbing trouble. Indeed, the owner might be far better off to seek to purchase another house.

The 40-year provision is utterly impractical. In my opinion, this is a margin toward which we cannot reach and have reasonable amortization. Two and one-half times 40 is 100.

I call attention to one other factor. What is the payment now at 5¼-percent interest, not counting the discount, that a homeowner must make if he builds a $20,000 house? His monthly payments, in addition to the discount he pays now, at 5¼ percent, is $110, or thereabouts. If the individual homeowner were given the same subsidized interest rate which the amendment proposes to give to the people who build an apartment house, his monthly payment would be $85. In other words, if the individual homeowner who has a $20,000 house for his family were treated in the way the amendment proposes to treat the people who will build apartment houses, without limit on scale or number of individual apartments in it, the individual homeowner would be saved $25 a month. Yet the bill is proposed to help poor people.

The distinguished Senator from Alabama has repeatedly said on the floor of the Senate that apartment house units are supposed to be substitutes for public housing. I respectfully challenge that statement. The report does not say it is so intended. The bill provides for middle-income people, not low-income people.

If there were to be subsidization of interest, if I had my choice, I would make it more in the homeowner, not the apartment house owner.

It is said that this is a nonprofit organization. What is a nonprofit organization? Some handsome salaries can be paid to the partners of a nonprofit organization, and still the apartment will show no particular profit.

This is an unsound proposal in both respects. If we start on a program of subsidizing interest on FHA guaranteed mortgages, where, I ask, will it end? Does any Senator seriously contemplate that for long we will be confining subsidized interest rates on FHA guaranteed mortgages to the owners of apartment houses? Let us think about giving a 100 percent guarantee for 40 years.

We have had a very successful FHA program. It has made homeowners of millions of American people, and I am proud of it. Few programs, if any, that our Nation has had in the past quarter of a century have more greatly strengthened the Nation and its way of life. In that respect, the program to encourage the American people to become homeowners has been outstanding.

I say to the Senate that the program of a 40-year guarantee, with only a $300 downpayment, is not a financial incentive for homeownership; and if Senators will examine the tables, I believe they will see how utterly impractical it is. The equity actually reduces from the 12th year to the 19th year.

I have owned a few small pieces of property, as have other Senators. Let us assume that roofing that is guaranteed for 20 years is used; that is as long a guarantee as I have ever been able to obtain, and one pays a very high price for such a guarantee, and generally repairs on the roof are required before that time has expired.

Mr. ERVIN. Mr. President, will the Senator from Tennessee yield?

The PRESIDING OFFICER (Mr. PELL in the chair). Does the Senator from Tennessee yield to the Senator from North Carolina?

Mr. GORE. I yield.

Mr. ERVIN. Assuming that a person acquired one of these sales houses and paid 5¼ percent for 40 years——

Mr. GORE. What is the question?

Mr. ERVIN. Assuming that the prospective rate of interest for one who was acquiring a home under FHA continued at 5¼-percent interest a year, and that one who was building one of these apartment houses got the benefit of the rate of 3⅛ percent a year, and that the payments continued for 40 years instead of being amortized, then the one who was acquiring the home would have to pay 2⅛ percent more interest a year; and over a period of 40 years that would amount to 85 percent of the cost. In such case, the one who built the apartment house would receive, over the period of 40 years, 85 percent of his total cost by reason of the interest subsidy. So, on this hypothesis, all he would put out over the 40-year period, for the construction of the apartment house, would be 15 percent of its cost.

At the end of the 40 years, having had the advantage of 85 percent subsidized interest from the taxpayers, he would pay out only 15 percent of the cost; and he would retain all the rents he had collected, except such as he might have spent for the maintenance of the building.

It seems to me this is a plan to enrich at the expense of the taxpayers, those who would embark on the building of apartment houses, while the plan would penalize the individual homeowners, over the same period of time, by requiring them to pay 85 percent more interest.

Mr. GORE. I would agree, except in 3 instances: First, the apartment-house builder would not have to put up anything; he would be guaranteed 100 percent for 40 years. A company could be organized, and could get a loan of 100 percent, to build an apartment house.

Second, this 3⅛-percent rate is not fixed. If interest rates were to go down, this rate might go down to 2⅞ percent. This is not a minimum; it is not fixed. It relates to the going rate of interest on outstanding Government obligations.

Third, the bill provides that FHA interest rates on the individual homeowner may go as high as 6 percent.

So, with those 3 exceptions, I would agree with the Senator's statement.

Mr. President, I reserve the remainder of the time available to me.

Mr. ROBERTSON. Mr. President, will the Senator from Tennessee yield to me time in which I can support his amendment and also make some comments on the bill?

Mr. GORE. I will.

Mr. HUMPHREY. Mr. President, I wish to obtain some clarification. Does the Senator's amendment apply to rental housing or to sales housing?

Mr. GORE. My amendment applies to sales housing.

Mr. HUMPHREY. But has not the Senator been speaking, in the main, about rental housing of the nonprofit type—apartment houses of that type and of the limited dividend type?

Mr. GORE. That is contained in the Sparkman amendment.

Mr. HUMPHREY. But at this point in the debate—if my knowledge of the bill is accurate—does not that amendment apply only to sales housing?

The Senator used the example of a $10,000 house at 5½-percent interest, and then he drew the line as to what would be the equity in 12 years and what would be the equity in 19 years—but without any regard to what would hap-

pen to property values, assuming no inflation and assuming no increase in the value of property.

Mr. GORE. Or no decrease.

Mr. HUMPHREY. But for at least the last 20 years—within this generation—the trend has been a substantial increase in values. Many a Member of this body bought a house, 15 or 20 years ago, as a home, and later sold it for twice or three times what he bought it for. I do not say that trend will continue; but I say that when one uses a hypothetical—such as a $10,000 house with a 40-year mortgage at 5½ percent—and starts talking about his equity in the house 12 years later, he should at least use some rule of reason, in terms of recent experience as to property values.

Mr. GORE. I think some rule of reason should be used, too. We should contemplate, for example, that the average life of a composition shingle roof is 10 or 12 years.

Mr. HUMPHREY. Yes.

Mr. GORE. And we should also recognize that the water heater, the washing machine, the stove, and the plumbing fixtures may be in poor condition within 12 years.

Mr. HUMPHREY. Yes.

Mr. GORE. So I said "book value," "book equity."

Now, Mr. President, I yield——

Mr. HUMPHREY. Mr. President, will the Senator from Tennessee permit——

Mr. GORE. Mr. President, I shall be glad to yield, if the Senator will obtain some time from that available to the other side.

Mr. HUMPHREY. I should like to have about 2 minutes.

Mr. SPARKMAN. Mr. President, I yield 2 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 2 minutes.

Mr. HUMPHREY. Mr. President, I do not wish to be argumentative; but I was confused by the argument, because it seemed to move from one point to another, whereas the amendment applied to sales housing.

I think the point has been made about the interest differential and about subsidized interest. I do not believe there is much subsidy when the interest rate is averaged over the period of the borrowing. But that situation should not be confused with the payment schedules and the depreciation schedules which relate to sales housing.

I submit that the amendment of the Senator from Tennessee relates to sales housing, not rental housing. So we should confine the argument on this amendment to the particular item of sales housing. If so, I believe that will clarify the argument.

Mr. GORE. Mr. President, who confused the two? Not the Senator from Tennessee. The Senator from Alabama has offered the amendment which relates to both of them. I am undertaking to defeat the Sparkman amendment. It has two unsound features.

Mr. President, at this time I yield 5 minutes to the Senator from Oklahoma [Mr. MONRONEY].

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 5 minutes.

Mr. MONRONEY. Mr. President, I think those of us who have served many years in the Congress—for example, those who came to the Congress during the administration of President Franklin D. Roosevelt—have just pride in a program which was started for the purpose of creating homeownership for the American people. That program was begun, with great courage, in the founding of the FHA. It brought down the mortgage rates from 10 percent to the then unheard of rate of 6 percent, with a 25-percent downpayment; and gradually, as we gained experience with this great program, we found that the working people of America had a chance to buy a piece of America and enjoy it. The beauty about this great operation was that the then President and his then advisers held the program to one of complete economic soundness.

There were those who said it was a wild scheme. But gradually the one-fourth of 1 percent which was charged for the FHA insurance built up an insurance fund of hundreds of millions of dollars.

Because the American people protected their homes and made the payments on schedule, and because the foreclosures were few, because there was provision for adequate downpayments, and provision for 15-year mortgages, then 20 years, then 25 years, and finally 30 years, it was an economical way for people to buy their homes.

This fact is important for us to remember, because the mortgages were usually tailored so that they did not move into Government hands and did not become the permanently frozen property of the Federal National Mortgage Association. Once in a while, when the interest rate was too high and the mortgage people refused to buy the paper at the FHA par rate, FNMA would move in with a million dollars and buy the mortgages until the mortgage companies, seeking some good seasoned mortgages, were willing to pay a premium to take them.

This agency has been the shining diamond among all the New Deal agencies. It has paid its way. It has housed the people of America better than any other people have been housed.

We have adopted a provision to pay $100 million to buy open land because we have built so many houses across the land that we have found it necessary to provide for the purchase of open land. I approve of it. The purpose is to improve the surroundings of homes. Homes of whom? Not homes of John D. Rockefeller or of other mighty moguls. No. Most of those homes have been financed by conventional mortgages. I am talking about the tens of millions of homes that have been built by FHA.

Today we are being asked to depart from reality and go into a dreamworld that is going to bring us financially unsound types of mortgages for which the Government must become the sole and final repository for the next 40 years. Make no mistake about that, because it will be a least 30 years before any mortgage company will want to take the 40-year "turkeys" provided for in this bill.

We have a tradition handed to us of a great and overwhelming success. The amendment of the Senator from Tennessee brings us back to reality. It brings us back to an interest rate of 5¼ percent and a term of 30 years.

I would like to see good housing for everybody. The committee says we must do something about middle-income housing. The CIO put a headlock on me, when I was running for Congress and I was sitting on the Banking and Currency Committee, for long-term, low-interest rates. I turned it down, and faced some rough sledding.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MONRONEY. May I have some additional time?

Mr. GORE. I yield 3 minutes to the Senator from Oklahoma.

Mr. MONRONEY. This is not a new proposal. They have been banging at the door since 1939. In the meantime we have covered the landscape of America with new homes for middle-income families.

The report says there is a great need of housing for middle-income people. The median income of all families in urban areas is $5,755. It is proposed to take care of all families having incomes up to about $6,000. It is over 50 percent. It is 60 or 65 percent of all the families in America for whom it is proposed to provide houses. This program will sink like a piece of lead, because it does not fit into the economic picture.

There is a way to handle it. The wholesale rate has already fallen, but the retail rate remains high. Let us not wreck a program that has housed America, that has carried itself, that has piled up millions of dollars in reserve, and cut ourselves loose from reality and go into a program of 40 years. After 20 years there will not be enough equity to paint the outside of the house, let alone put a new linoleum on the floor. Let us keep the program sound. Let us fix the term at 30 years. Let us adopt the Gore amendment, and the middle-income families will have housing, and we will have a sound, lasting housing program.

Mr. LAUSCHE. Mr. President, will the Senator yield to me?

Mr. GORE. I yield 2 minutes to the Senator from Ohio.

Mr. LAUSCHE. Tonight one of the proponents of the measure now pending before us, whom I will not identify, made this statement, and I ask Senators to listen attentively, because I believe it is most significant:

> A report was presented to me by an economist of a farm organization showing that the Congress has never done its duty with respect to rural housing. The worst housing in America is in the rural areas of America. We as Americans ought to be ashamed. Some of the rural housing in America makes Russian housing look good. It is bad housing. More than 50 percent of it is over 30 years old, and 90 percent is without indoor facilities. We ought to be ashamed of ourselves.

Over 50 percent of it is more than 30 years old, and having housing that is

more than 30 years old, we ought to be ashamed of ourselves.

Mr. HUMPHREY. Mr. President, will the Senator yield? I should like to identify the statement. It is my statement. I do not believe in applying the rules of secrecy. What I am ashamed of is the lack of facilities.

Mr. LAUSCHE. That is not the statement I have read. The statement is that when a house is more than 30 years old, it is a shame to have it in existence. Yet we are providing 40-year mortgages on these homes.

Mr. BUSH. Mr. President, will the Senator from Alabama yield 2 minutes to me, so that I may ask the Senator from Tennessee a question?

Mr. SPARKMAN. I yield 2 minutes to the Senator from Connecticut.

Mr. BUSH. Under existing law, persons displaced by Government action now have available 40-year, no-downpayment mortgages at market rates of interest. Is that correct?

Mr. GORE. Yes. I am not sure it is a wise provision, but that is the law.

Mr. BUSH. The Senator's amendment is addressed to that situation, but it also includes moderate-income families. I wonder whether the Senator would care to modify his amendment so as not to affect existing legislation which applies to displaced persons, but make his amendment apply only to moderate-income families.

Mr. GORE. The amendment I have offered applies only the FHA loan-guaranteed home sales. In other words, it does not deal with the other matter in the amendment of the Senator from Alabama.

As the able Senator knows, the amendment offered by the Senator from Alabama is long and complicated. I have drafted this amendment to reduce the length of the mortgage guaranteed from 40 years to 30 years.

The Senator from Alabama modified his amendment to change the provision of the bill from a no-downpayment provision to the present FHA rate for the downpayment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BUSH. Mr. President, will the Senator yield me two more minutes for the same purpose?

Mr. SPARKMAN. I yield two minutes to the Senator from Connecticut.

Mr. GORE. However, the Senator left completely untouched the duration of the loan guarantee. Since the Senator has moved to modify the provision in the bill to comply with the regular FHA program in one respect, which I think was a sound move, by the amendment I move to make the program comply with the established FHA program in the other respect. Later, after this amendment is acted upon, I shall offer an amendment to deal with the subsidized interest and the 40-year guarantee on apartment houses.

Mr. BUSH. If the Senator will permit it, I should like to observe that the Sparkman amendment would not affect existing law. It would not affect the 40-year, no-downpayment privilege now existing for displaced families. The amendment of the Senator from Tennessee would affect that.

Mr. GORE. My amendment is an amendment to the Sparkman amendment.

Mr. BUSH. Yes.

Mr. GORE. What the Senator says could not possibly be true. My amendment could not deal with some matter the Sparkman amendment does not deal with.

Mr. BUSH. I have discussed this with the Senator from Alabama. He says that what I say is true.

Mr. SPARKMAN. It is true.

Mr. GORE. This is peculiar business, because the word "forty" is in the Sparkman amendment, and all my amendment would do would be to strike out the word "forty" and substitute the word "thirty".

Mr. SPARKMAN. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 5 minutes.

Mr. SPARKMAN. Mr. President, the point made by the distinguished Senator from Connecticut is absolutely correct.

This is an amendment to section 221 housing. Section 221 housing is now and since 1956 has been a program of 100-percent-insured, no-downpayment, 40-year mortgages.

The amendment would be a step backward. Goodness knows, there would be no need for having this program at all, and we might as well wipe out the FHA section 221 program in that event. The Senator from Tennessee seeks to take us back to the FHA section 203 housing program, the regular FHA $22,500 sales housing program. These are the terms the Senator is offering for the low- and middle-income housing.

Mr. President, a great deal has been said with reference to 40-year mortgages.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I will yield briefly.

Mr. GORE. I wish to invite the Senator's attention to the fact that the amendment I have offered to his amendment applies to page 8 of the Senator's amendment.

Mr. SPARKMAN. Yes.

Mr. GORE. Which is that portion of the amendment which extends the provision of section 221.

Mr. SPARKMAN. Yes.

Mr. GORE. To apply to all FHA mortgages.

Mr. SPARKMAN. Yes.

Mr. GORE. Therefore, the interpretation the able Senator has placed on the amendment could not possibly be correct.

Mr. SPARKMAN. But it is correct. I think I can prove that.

My amendment seeks to amend section 221 of the existing law, which is a 100-percent-insured, 40-year, no-downpayment law. I have changed the amendment, so far as the program is concerned, to apply the regular FHA minimum downpayment. The Senator from Tennessee would change the term to 30 years, which would be a step backward. The Senator would change the whole concept of the FHA section 221 program and really make it the FHA section 203 program.

A great deal has been said about a 100-percent insured mortgage. There has been talk about a 100-percent guarantee program. This is not a loan program, but is an insurance program for which the purchaser will pay an insurance premium. One-half of 1 percent is included as an insurance premium and the purchaser will pay this premium over the years. FHA has built up a reserve fund of nearly $1 billion, out of the half percent which is paid as insurance premium.

Since 1950, we have had FHA section 213 housing, which is a 40-year mortgage program.

Since 1956 we have had FHA section 221 housing for displaced families, which is a 100-percent-insured, 40-year mortgage program.

Since 1959 we have had section 231 housing, for the elderly, which is a 100-percent insured program.

Why should there be all this hullabaloo when we try to build housing to be sold to people of low and middle incomes, when we never heard a word in opposition to the other programs?

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the Senator from Missouri.

Mr. SYMINGTON. I think we all agree that nobody understands the housing program any better than does the great Senator from Alabama.

When the housing bill came to the Senate, it had two primary characteristics. The first was a provision for a 40-year mortgage. The second was—at least in the opinion of some of us—a no-downpayment provision.

When an amendment was offered to require a downpayment, I voted for it this afternoon because I thought there should be a downpayment. Now we are asked to cut the time of the mortgage from 40 years to 30 years, which, as I understand the situation, would destroy the administration bill and all the things the Senator from Alabama believes are proper in order to further the housing program. Is that correct?

Mr. SPARKMAN. The Senator is correct.

Mr. SYMINGTON. I voted against the provision for no downpayment, and I shall now vote for the 40-year mortgage provision.

Mr. SPARKMAN. I appreciate that statement by the Senator from Missouri.

The PRESIDING OFFICER. The time of the Senator from Alabama has expired.

Mr. SPARKMAN. Mr. President, I yield myself 1 more minute. I believe the amendment of the Senator from Tennessee should be defeated. I believe we ought to get on to voting on the amendment I have offered.

Incidentally, the Senator referred to the downpayment as being $300. For a $15,000 house, which is the maximum mortgage provided under the proposed program, the downpayment would be $555, in addition to closing costs, which would be approximately $200. In other words, a middle-income family in order

to purchase a home under this program would have to raise $750. I submit that would be a rather large downpayment for a person with an income of the level contemplated.

Mr. CAPEHART. Mr. President, we have had programs for 40-year mortgages, with no downpayment, but they were limited to certain classes of people, primarily to those displaced through no fault of their own.

The PRESIDING OFFICER. The time of the Senator from Alabama has expired.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. SPARKMAN. Mr. President, I yield 2 minutes to the Senator from Indiana.

Mr. CAPEHART. I believe it is correct to say that I have never before voted against a housing bill. However, I am going to vote against the bill tonight, for the first time, because although we have provided 40-year mortgages, with no downpayments, they were limited to certain classes of cases. Now the bill would open the field up to any house with a sales price of no more than $15,000, to anybody who wishes to buy it, regardless of his income. That is what we must keep in mind. The bill is not limited to people with low incomes. The limitation is the $15,000.

I think we are wrong. I believe the bill is an opening wedge to liberalize housing legislation. I have felt that the legislation has done a great deal of good. But throughout the bill I see liberalization. There is liberalization not only in the 40-year no-downpayment proposal, but also what I call "cats and dogs" in the bill—proposed changes which in my opinion would be bad for builders, bad for the real estate business, bad for the people who buy houses, bad for the taxpayers and bad for everyone concerned. We ought not to do it.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CAPEHART. I will vote against the housing bill tonight as a protest against a liberalization to the point at which I think people will rebel one of these days. If we continue to take action such as is proposed every time we have a session of Congress, it will not be long until we shall have nationalized or socialized housing in America.

Mr. SPARKMAN. Mr. President, I yield 2 minutes to the Senator from Connecticut.

Mr. BUSH. May I have the attention of the Senator from Tennessee to ask a question? Will the Senator from Tennessee modify his amendment to eliminate the words "and displaced families" on page 1, line 10, of the bill and also on page 2, lines 5 and 6, where there is provision for families displaced from urban renewal areas or as a result of governmental action. I believe by modifying his amendment in that way he would gather some support for it. I suggest, if he wishes to modify his amendment in that way, that he ask to modify it so as to eliminate the effectiveness of the amendment so far as displaced families are concerned.

The modification would be made wherever the bill would need to be changed for that purpose. In other words, the Senator's amendment would then apply to so-called moderate-income families only and not to displaced families.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. GORE. I do not wish to enter into a technical argument. If the Senators will look at page 8 of the bill, they will see what is in quotation marks and what is not, in order to make it completely clear and avoid argument.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BUSH. Mr. President, will the Senator from Alabama yield 2 additional minutes?

Mr. GORE. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Tennessee has 3 minutes remaining.

Mr. GORE. I will take 1 minute. I modify my amendment to strike the word "forty" and insert "thirty" with respect to the new additions in the bill, and leave untouched section 221 of the present law. Does such a modification satisfy the Senator?

Mr. BUSH. May I ask the Senator whether his modification would do what I seek to accomplish?

Mr. GORE. I have modified the amendment to that extent.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. KEATING. In other words, the modifications would not change the existing law as regards displaced families who are displaced by urban renewal?

Mr. GORE. The Senator is correct.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. Is a request to have the amendment read in order? If the modification of the amendment of the Senator from Tennessee now operates, I respectfully submit that the amendment does not meet the test of a formal amendment at all.

Mr. GORE. Mr. President, reserving the right to object, if unanimous consent is to be granted, I ask unanimous consent that the Senate recess for 5 minutes so I can draft the amendment according to the request in order that it may be read. That is an unusual procedure, but we have under consideration a very technical amendment.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GORE. I am reserving the right to object. The statement of the Senator will not come out of my time.

Mr. PASTORE. The Senator from Connecticut has suggested words to be deleted in order to accomplish the purpose. I think if we adopt his suggestion, we shall carry out the purpose of the Senator from Tennessee. The question is as simple as that.

Mr. GORE. I agree. But the Senator from Oregon has asked that the amendment be read. To reduce it to writing would require a few minutes.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. GORE. Further reserving the right to object, I yield.

Mr. MORSE. I want to know what I am voting for. I could not figure out from what the Senator said what his amendment is. I want to know what I am voting for.

Mr. BUSH. If the Senator will consult a copy of the bill, I believe I can show him in 30 seconds, if the Senator will give me that much time, what my suggested modification would do. If the Senator will look at page 1, line 10, of the bill, I suggest that the words "and displaced families." be eliminated. I suggest that a period be placed after the word "income" and that the words "and displaced families." be eliminated.

On page 2, I suggest that a semicolon be inserted after "income families" at the end of line 4, and that lines 5 and 6 be stricken.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. Would it be in order to make a motion to lay the amendment on the table?

The PRESIDING OFFICER. Not at this particular time, because there is still time remaining on both sides.

Mr. BUSH. Does the Senator wish to modify his amendment in the fashion I have suggested?

Mr. GORE. Mr. President, during the colloquy I have had time to redraft the amendment. I modify my amendment to read as follows:

On page 8, line 8, after "forty," insert "thirty years in the case of mortgages covering properties for low and moderate income families.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. GORE. Mr. President, I yield back any time remaining.

Mr. HUMPHREY. Mr. President, I join with the Senator from Oregon. I try to presume, at least, that I have average intelligence, even at this late hour. I suggest that the amendments that have been talked about not only relate to some of the provisions of the bill, but the whole context and purpose of the bill. We would amend not only provisions and details, but titles. I think the process suggested is a very poor way to legislate on a $9 billion bill.

Mr. SPARKMAN. Did I correctly understand the Senator from Tennessee to say that he was willing to yield back the remainder of his time?

Mr. GORE. I am willing to yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Alabama yield back the remainder of his time?

Mr. SPARKMAN. I yield back the remainder of my time, along with the Senator from Tennessee.

The PRESIDING OFFICER. All time is yielded back.

Mr. MORSE. Mr. President, I move to lay the amendment, as modified, on the table.

The PRESIDING OFFICER. The question is on the motion of the Senator from Oregon to lay on the table the modified amendment of the Senator from Tennessee.

Mr. MORSE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered. No debate is in order. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD (after having voted in the affirmative). On this vote I have a pair with the Senator from Colorado [Mr. ALLOTT]. If he were present and voting he would vote "nay." If I were at liberty to vote I would vote "yea." Therefore I withhold my vote.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON] is absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY] is necessarily absent.

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from Nebraska would vote "nay."

On this vote the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New Mexico would vote "yea," and the Senator from New Hampshire would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Nebraska [Mr. HRUSKA] are absent on official business.

I also announce that the Senator from Colorado [Mr. ALLOTT] is detained on official business, and his pair has been previously announced.

I further announce that the Senator from Arizona [Mr. GOLDWATER] is necessarily absent.

On this vote, the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from New Hampshire would vote "nay," and the Senator from New Mexico would vote "yea."

On this vote, the Senator from Nebraska [Mr. HRUSKA] is paired with the Senator from New Mexico [Mr. ANDERSON]. If present and voting, the Senator from Nebraska would vote "nay," and the Senator from New Mexico would vote "yea."

If present and voting, the Senator from Arizona [Mr. GOLDWATER] would vote "nay."

The result was announced—yeas 47, nays 45, as follows:

[No. 74]

YEAS—47

Bartlett	Cannon	Douglas
Bible	Carroll	Engle
Boggs	Case, N.J.	Fong
Burdick	Clark	Gruening
Byrd, W. Va.	Dodd	Hart
Hartke	Long, Hawaii	Pastore
Hayden	Long, La.	Pell
Hickey	Magnuson	Proxmire
Hill	McCarthy	Randolph
Humphrey	McGee	Smith, Mass.
Jackson	McNamara	Sparkman
Javits	Metcalf	Symington
Johnston	Morse	Williams, N.J.
Kefauver	Moss	Yarborough
Kuchel	Muskie	Young, Ohio
Long, Mo.	Neuberger	

NAYS—45

Aiken	Eastland	Mundt
Beall	Ellender	Prouty
Bennett	Ervin	Robertson
Bush	Fulbright	Russell
Butler	Gore	Saltonstall
Byrd, Va.	Hickenlooper	Schoeppel
Capehart	Holland	Scott
Carlson	Jordan	Smathers
Case, S. Dak.	Keating	Smith, Maine
Church	Kerr	Stennis
Cooper	Lausche	Talmadge
Cotton	McClellan	Thurmond
Curtis	Miller	Wiley
Dirksen	Monroney	Williams, Del.
Dworshak	Morton	Young, N. Dak.

NOT VOTING—8

Allott	Bridges	Hruska
Anderson	Chavez	Mansfield
Blakley	Goldwater	

So Mr. MORSE's motion to lay on the table Mr. GORE's modified amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment offered by the Senator from Alabama [Mr. SPARKMAN].

Mr. DIRKSEN. Mr. President, I yield 2 minutes on the bill to the Senator from Indiana.

Mr. CAPEHART. Mr. President, the House has not yet passed a housing bill. The Senate and the House passed a resolution a few weeks ago extending FHA insurance further by $1 billion. I believe that is the correct figure. Nothing would be lost by a delay of a week or 10 days in respect to housing legislation. Therefore, I make a motion that the pending bill be recommitted to the Committee on Banking and Currency with instructions to report a clean bill within 10 days. I ask for the yeas and nays.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

Mr. CAPEHART. I ask for the yeas and nays.

Mr. HUMPHREY. Mr. President, I move to lay on the table the motion to recommit.

Mr. RUSSELL. Mr. President, that motion is not in order so long as time remains on the motion to recommit. Under the unanimous-consent agreement, 30 minutes to a side is allowed on a motion to recommit. Until that time has been yielded back, I make the point of order that the motion to lay on the table the motion to recommit is not in order.

The PRESIDING OFFICER. The point of order is sustained.

Mr. CAPEHART. I shall yield my time back in just a moment. I think we have reached the point tonight where we would be much better off if the bill were sent back to committee and the committee reported a clean bill, so that everyone could read it and understand it. Nothing would be lost by so doing. We would then all know what we were doing, rather than voting at 1 o'clock in the morning, when we are not yet through with amendments.

I again say the bill contains a number of provisions which, in my opinion are not good. I feel that the best thing we can do is to recommit the bill. Nothing would be lost by doing so.

I yield back the remainder of my time.

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Florida will state it.

Mr. HOLLAND. Under the unanimous-consent agreement, how much time will be allowed for discussion of the bill after the third reading?

The PRESIDING OFFICER. For the proponents, 54 minutes remain; for the opponents, 24 minutes remain.

Mr. HOLLAND. How much time was allowed under the terms of the unanimous-consent agreement?

The PRESIDING OFFICER. Two hours.

Mr. HOLLAND. Two hours on each side?

The PRESIDING OFFICER. No; 1 hour to a side.

Mr. HOLLAND. How much time remains on each side?

The PRESIDING OFFICER. One hour and eighteen minutes remain.

Mr. HOLLAND. I do not intend to usurp the functions of the leadership, for whom I have great respect and in whom I have much confidence. However, I wish to be heard before the passage of the bill. Neither I nor, I feel certain, any other Senator knows what is in the bill. If we could adjourn until some fixed hour, so that the bill could be printed overnight, and we could know what was in it, we would be in a better position to deal with it after we returned.

I do not believe the situation which has developed gives either the proponents or the opponents of the bill—particularly the opponents—a fair chance either to defend or oppose the bill or really to know what the bill contains in its present form. Therefore, I make this suggestion and request of the leader——

Mr. CAPEHART. Mr. President, I think I have the floor. In moving to recommit the bill, I am not in any way trying to kill the measure or to cripple it. I am simply trying to get a clean bill, which can be understood by all, and have some changes made in the bill, changes which I think this body, after sober consideration, will want to make.

It is not my purpose to delay or to kill the bill, because I favor housing legislation, and have done so for years. I still favor it, but I do not like to see this liberalization, because I think it is bad.

Mr. BUSH. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART I yield.

Mr. BUSH. What was the Senator's motion?

Mr. CAPEHART. I have moved to recommit the bill with instructions to the committee to report back in not less than 10 days.

Mr. BUSH. Mr. President, I associate myself with that motion. I intend to support the bill. If we come to a vote on it tonight, I shall vote for it. But I think that what the Senator from Indiana proposes is a sound idea. Cer-

tainly it is clear tonight that few Senators understand what is in the bill.

Mr. CAPEHART. Mr. President, I yield back the remainder of my time.

Mr. SPARKMAN. Mr. President, I yield back the rest of my time.

Mr. MANSFIELD. Mr. President, I move to lay on the table the motion of the Senator from Indiana to recommit the bill. On my motion, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CASE of South Dakota. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from South Dakota will state it.

Mr. CASE of South Dakota. When the Senator from Indiana first stated his motion, I understood him to say that he moved to recommit the bill to the committee with instructions to report back within 10 days a clean bill. I would understand from that proposal that the bill would be in the form in which it has been amended.

In the restatement of his motion just a moment ago, the Senator from Indiana merely referred to recommitting the bill to committee; nothing was said about reporting it back as a clean print. What are we voting to table?

The PRESIDING OFFICER. The Chair understands that the Senate is about to vote on a motion to table the motion of the Senator from Indiana to recommit the bill.

Mr. CASE of South Dakota. Yes; but what was the motion of the Senator from Indiana? Was it to report the bill back as a clean print, or could the committee——

Mr. CAPEHART. My motion was to recommit the bill with instructions to the committee to report a new housing bill within 10 days.

Mr. CASE of South Dakota. Let us be clear. Would the committee have the right to change the bill from its present form, with the amendments which have been adopted?

Mr. CAPEHART. It would, under my motion.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana [Mr. MANSFIELD] to lay on the table the motion of the Senator from Indiana [Mr. CAPEHART] to recommit the bill, with instructions. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON] is absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY] is necessarily absent.

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from New Mexico would vote "yea" and the Senator from Nebraska would vote "nay."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New Mexico would vote "yea" and the Senator from New Hampshire would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Nebraska [Mr. HRUSKA] are absent on official business.

I further announce that the Senator from Colorado [Mr. ALLOTT], and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

I further announce that, if present and voting, the Senator from Colorado [Mr. ALLOTT] and the Senator from Arizona [Mr. GOLDWATER] would each vote "nay."

On this vote, the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from New Hampshire would vote "nay" and the Senator from New Mexico would vote "yea."

On this vote, the Senator from Nebraska [Mr. HRUSKA] is paired with the Senator from New Mexico [Mr. ANDERSON]. If present and voting, the Senator from Nebraska would vote "nay" and the Senator from New Mexico would vote "yea."

The result was announced—yeas 60, nays 33, as follows:

[No. 75]

YEAS—60

Aiken	Gruening	McGee
Bartlett	Hart	McNamara
Bible	Hartke	Metcalf
Boggs	Hayden	Monroney
Burdick	Hickey	Morse
Byrd, W. Va.	Hill	Moss
Cannon	Humphrey	Muskie
Carroll	Jackson	Neuberger
Case, N.J.	Javits	Pastore
Church	Johnston	Pell
Clark	Jordan	Proxmire
Cooper	Keating	Randolph
Dodd	Kefauver	Scott
Douglas	Kerr	Smathers
Ellender	Long, Mo.	Smith, Mass.
Engle	Long, Hawaii	Sparkman
Ervin	Long, La.	Symington
Fong	Magnuson	Williams, N.J.
Fulbright	Mansfield	Yarborough
Gore	McCarthy	Young, Ohio

NAYS—33

Beall	Dworshak	Robertson
Bennett	Eastland	Russell
Bush	Hickenlooper	Saltonstall
Butler	Holland	Schoeppel
Byrd, Va.	Kuchel	Smith, Maine
Capehart	Lausche	Stennis
Carlson	McClellan	Talmadge
Case, S. Dak.	Miller	Thurmond
Cotton	Morton	Wiley
Curtis	Mundt	Williams, Del.
Dirksen	Prouty	Young, N. Dak.

NOT VOTING—7

Allott	Bridges	Hruska
Anderson	Chavez	
Blakley	Goldwater	

So Mr. MANSFIELD's motion to lay on the table Mr. CAPEHART's motion to recommit was agreed to.

Mr. DIRKSEN. Mr. President, I yield myself 1 minute on the bill.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 1 minute.

Mr. DIRKSEN. I should like to suggest to the majority leader that he make inquiry of the Senate as to how many more amendments remain; which ones, if any, are acceptable to the committee; about when we could expect the third reading of the bill; and, then, what the managers of the bill propose with respect to postponing the vote.

The distinguished Senator from Florida indicated that he wished to be heard. But if we can have the third reading and if the vote is put over, the remaining time on the bill can then be used, at some subsequent time, for discussion of the bill, as such.

Mr. MANSFIELD. Mr. President, with respect to the question propounded by the distinguished minority leader, it is my understanding that the Senator from Indiana [Mr. CAPEHART], the ranking minority member of the committee handling the housing legislation, has two proposals, which I understand are acceptable.

I also understand that the distinguished Senator from Tennessee [Mr. GORE] has several proposals which will not take too much time.

Mr. GORE. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. GORE. I think the 47-to-45 vote was a fair test. The Senator has been very generous, and I have made my case.

I am ready to vote on the Sparkman amendment. I shall withhold my amendments.

Will the Senator from Montana yield further?

Mr. MANSFIELD. I yield.

Mr. GORE. I had intended to offer, and to press for, an amendment requiring a downpayment, on the apartment rental provision. But I think we shall face that test squarely when we vote on the Sparkman amendment, anyway.

Mr. MANSFIELD. The Senator is most gracious and considerate, as always. It should not take too much time to dispose of the remaining amendments, though I am becoming very fearful, on the basis of what happened yesterday and today, with respect to so-called little amendments which are expected to take only a few minutes. I hope the third reading can be reached tonight, but there will be no vote on it. There will be a clean bill, if the third reading is reached this morning, and the Senate can adjourn until Monday. At that time the distinguished Senator from Florida [Mr. HOLLAND] and other Senators who are interested will have had an opportunity to examine the bill and the amendments thereto.

Mr. McCLELLAN. Mr. President, do I correctly understand that there are to be no more votes tonight?

Mr. MANSFIELD. I understand there will not be any more votes tonight——

Mr. SPARKMAN. Mr. President——

Mr. MANSFIELD. The Sparkman amendment is yet to be voted on. I do not want Senators to leave.

Mr. SYMINGTON. Mr. President, why does not the Senate work on Friday?

Mr. MANSFIELD. We are.

Mr. SYMINGTON. Why not Friday?

Mr. MANSFIELD. We are.

Mr. SYMINGTON. Why do we work until 1:10 a.m., and not on Saturday?

Mr. MANSFIELD. There are reasons. Many Senators have commitments which they have looked forward to fulfilling. I felt I was in a predicament. That is the reason for going over until Monday.

Mr. SYMINGTON. I was not criticizing; I was only asking.

Mr. MANSFIELD. I was only answering.

Mr. HOLLAND. Mr. President, the course the distinguished majority leader is suggesting is thoroughly acceptable to me. I do not expect to change any votes on Monday, but I think every Senator should have an opportunity to express himself for the RECORD.

It would be a very simple matter for a Senator to offer an amendment to strike, and to thus hold up the bill indefinitely. I shall certainly not take any such course. I have not suggested I would. It would be possible, by making dilatory motions to adjourn, to hold up the bill indefinitely. I think we have been here too long. I think the distinguished majority leader, as usual, has shown his good sense by stating that he proposes to have the Senate adjourn until Monday. I congratulate him and thank him.

Mr. SALTONSTALL. Mr. President, if the Senator will yield, the majority leader has said there would be a clean bill on Monday. I ask the majority leader if that can be done without a motion or a vote of the Senate. I have never heard of its being done without a motion. If we are to have a clean bill, I want to make certain it can be done without a motion.

Mr. SPARKMAN. Mr. President, I think it would be difficult to have a clean bill, but I was about to suggest that the bill can be printed as amended, which would be a clean bill.

Mr. SALTONSTALL. So the bill will be all together.

Mr. SPARKMAN. Yes, and I shall ask the staff of our subcommittee to make a section-by-section analysis of the bill in its amended form and to have a copy of such analysis on every Senator's desk when the Senate meets on Monday.

Mr. PASTORE. Mr. President, I have mentioned this matter privately to the distinguished majority leader. Some of us have commitments to a very important luncheon Monday at the White House.

I hope he will give us sufficient time to attend to that commitment and be back here in time to vote.

Mr. MANSFIELD. I have discussed the matter with the minority leader. It will be possible for Senators to attend the luncheon at the White House and to be back here in time to vote.

While I have the floor, I wish to say I am deeply grateful to the chairman of the subcommittee, the Senator from Alabama [Mr. SPARKMAN], and the ranking Republican member of the subcommittee [Mr. CAPEHART], for the courtesy and consideration they have both shown constantly during the course of the consideration of this bill, which has covered a period of almost 2 weeks, off and on. I also wish to express my appreciation to the chairman of the full committee [Mr. ROBERTSON] for his kindness and courtesy.

Mr. ROBERTSON. Mr. President, as chairman of the committee, I wish to say some concern was expressed over the inflationary effects of the measure. I made a speech on Friday of last week analyzing every issue brought up on the floor. Since only a few Members of the Senate were present at the time, I had the speech mimeographed and sent to each Senator. The chairman of the committee felt he had a duty to explain his opposition to the bill. I plan to speak on Monday, but very briefly. If the members of the committee or of the Senate want to understand a very technical measure, I point out that my speech was prepared with the help of the staff, and it is accurate and technically correct. It will, in plain English, tell Senators what it is all about.

Mr. GORE. Mr. President, I ask for the yeas and nays on the Sparkman amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama, for himself and the Senator from New York [Mr. JAVITS].

Mr. CAPEHART. Mr. President, I send to the desk an amendment to the Sparkman-Javits amendment, and ask that it be stated. It will take me about 5 minutes on two amendments and one clarification.

The PRESIDING OFFICER. The amendment offered by the Senator from Indiana to the amendment offered by the Senator from Alabama for himself and the Senator from New York will be stated.

The LEGISLATIVE CLERK. It is proposed in the amendment to subsection (d)(3) which is made by paragraph (6) of section 101, to strike out "a public body or agency,"; and

To strike out subsection (c) of section 101.

Mr. CAPEHART. Mr. President, my amendment would deny a public body the right to participate in the rental housing section in public housing. Therefore it takes away from the bill what I consider to be the public housing phase of it, or what might be the public housing phase of it in rental housing.

Mr. SPARKMAN. Only so far as ownership might be in a public housing authority. The amendment is acceptable.

Mr. CASE of South Dakota. Mr. President, are these amendments to the Sparkman-Javits amendment?

Mr. SPARKMAN. Yes.

I yield back my time on the amendment.

Mr. CAPEHART. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana to the amendment offered by the Senator from Alabama [Mr. SPARKMAN] for himself and the Senator from New York [Mr. JAVITS].

The amendment to the amendment was agreed to.

Mr. CAPEHART. Mr. President, I have at the desk another amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Indiana to the amendment of the Senator from Alabama, for himself and the Senator from New York will be stated.

The LEGISLATIVE CLERK. It is proposed in paragraph (11) of section 101, to strike out "bear interest", and insert "bear an interest rate".

In the same paragraph, after the parenthetical clause, it is proposed to insert ", uniformly established by the Commissioner for all classes of borrowers,".

Mr. CAPEHART. Mr. President, the purpose of the amendment is to make certain that the Commissioner of the FHA will charge the same interest rates to all categories of borrowers.

Mr. SPARKMAN. Mr. President, I think the Senator from Indiana and I are in full agreement as to the meaning of the amendment, but I want to make certain the RECORD is clear that this amendment is with reference to below-market interest-rate portion of the FHA section 221(d)(3) program as proposed by the bill, and only to that part of the program.

Mr. CAPEHART. That is right. The amendment refers to that section of the bill.

I yield back my time on the amendment.

Mr. SPARKMAN. I yield back my time. I am agreeable to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana to the amendment offered by the Senator from Alabama, for himself and the Senator from New York [Mr. JAVITS].

The amendment to the amendment was agreed to.

Mr. CAPEHART. Mr. President, I have one short prepared statement that I think I should read. The Senator from Alabama is in accord with this, but I think it ought to be made a part of the RECORD, so the Commissioner of the FHA will know exactly what is meant by an amendment just adopted.

Mr. SPARKMAN. Mr. President, if I may make a suggestion, the Senator may place the statement in the RECORD. It is in accord with the colloquy between the Senator from Indiana and me.

Mr. CAPEHART. Mr. President, I ask unanimous consent to have the statement printed in the RECORD. The able manager of the bill agrees with the explanation.

Mr. SPARKMAN. That is correct.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CAPEHART

Last Friday and again tonight, the Senate agreed to an amendment I offered which would require a uniform interest rate for all classes of borrowers under the FHA moderate rental housing program, the below-market interest-rate mortgages. Some question has been raised as to whether this amendment requires that the lowest interest rate be used in all cases under that program. I understand that the provisions of the bill affected by the amendment cover some housing which does not need the special low-interest rate.

As I see it, some mortgages would be insured at the regular FHA rate and others at the below-market rate. However, whether at the market rate, or the below-market rate,

either rate would apply uniformly to all applicants qualifying for that particular rate.

My amendment is merely intended to require that all classes of organizations be treated alike under the section 221(d)(3) program so that FHA would not establish different rates simply on the basis of the type of borrower involved.

The PRESIDING OFFICER. All time has expired on the amendment offered by the Senator from Alabama for himself and the Senator from New York [Mr. JAVITS] as amended. The question is on agreeing to the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Alabama [Mr. HILL], the Senator from Ohio [Mr. YOUNG], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY] is necessarily absent.

On this vote, the Senator from Mississippi [Mr. EASTLAND] is paired with the Senator from Alabama [Mr. HILL]. If present and voting, the Senator from Mississippi would vote "nay" and the Senator from Alabama would vote "yea."

On this vote, the Senator from New Mexico [Mr. ANDERSON] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from New Mexico would vote "yea" and the Senator from Nebraska would vote "nay."

On this vote, the Senator from Ohio [Mr. YOUNG] is paired with the Senator from Colorado [Mr. ALLOTT]. If present and voting, the Senator from Ohio would vote "yea" and the Senator from Colorado would vote "nay."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Georgia [Mr. RUSSELL]. If present and voting, the Senator from New Mexico would vote "yea" and the Senator from Georgia would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Nebraska [Mr. HRUSKA] are absent on official business.

I further announce that the Senator from Colorado [Mr. ALLOTT] and the Senator from Arizona [Mr. GOLDWATER] are necessarily absent.

I further announce that, if present and voting, the Senator from Arizona [Mr. GOLDWATER] and the Senator from New Hampshire [Mr. BRIDGES] would each vote "nay."

On this vote, the Senator from Colorado [Mr. ALLOTT] is paired with the Senator from Ohio [Mr. YOUNG]. If present and voting, the Senator from Colorado would vote "nay," and the Senator from Ohio would vote "yea."

On this vote, the Senator from Nebraska [Mr. HRUSKA] is paired with the Senator from New Mexico [Mr. ANDERSON]. If present and voting, the Senator from Nebraska would vote "nay," and the Senator from New Mexico would vote "yea."

The result was announced—yeas 47, nays 42, as follows:

[No. 76]

YEAS—47

Bartlett	Hart	McNamara
Bible	Hartke	Metcalf
Boggs	Hayden	Morse
Burdick	Hickey	Moss
Byrd, W. Va.	Humphrey	Muskie
Cannon	Jackson	Neuberger
Carroll	Javits	Pastore
Case, N.J.	Johnston	Pell
Church	Kefauver	Proxmire
Clark	Long, Mo.	Randolph
Dodd	Long, Hawaii	Smith, Mass.
Douglas	Long, La.	Sparkman
Engle	Magnuson	Symington
Fong	Mansfield	Williams, N.J.
Fulbright	McCarthy	Yarborough
Gruening	McGee	

NAYS—42

Aiken	Ellender	Mundt
Beall	Ervin	Prouty
Bennett	Gore	Robertson
Bush	Hickenlooper	Saltonstall
Butler	Holland	Schoeppel
Byrd, Va.	Jordan	Scott
Capehart	Keating	Smathers
Carlson	Kerr	Smith, Maine
Case, S. Dak.	Kuchel	Stennis
Cooper	Lausche	Talmadge
Cotton	McClellan	Thurmond
Curtis	Miller	Wiley
Dirksen	Monroney	Williams, Del.
Dworshak	Morton	Young, N. Dak.

NOT VOTING—11

Allott	Chavez	Hruska
Anderson	Eastland	Russell
Blakley	Goldwater	Young, Ohio
Bridges	Hill	

So the amendment offered by Mr. SPARKMAN, for himself and Mr. JAVITS, was agreed to.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the Sparkman-Javits amendment, as amended, was agreed to.

Mr. SPARKMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SPARKMAN. Mr. President, on behalf of myself, the Senator from New York [Mr. JAVITS], and the Senator from West Virginia [Mr. RANDOLPH], I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment of the Senator from Alabama will be stated.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with and that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Paragraph (3) of section 305 of S. 1922 (the Housing Act of 1961) is proposed to be amended by—

(a) striking out the amendment to paragraph (3) of section 7(b) of the Small Business Act and substituting the following:

"(3) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist any small-business concern in reestablishing its business on a new site, if the Administration determines that such concern has suffered substantial economic injury as a result of its displacement by a Federally aided urban renewal or highway construction program or by any other construction conducted by or with funds provided by the Federal Government."; and

(4) by adding immediately before the period at the end of the third sentence the following: ", except that in the case of a loan made pursuant to paragraph (3), the rate of interest on the Administration's share of any such loan shall not exceed the rate paid by the Administration on funds obtained from the Secretary of the Treasury as provided in section 4(c), plus one-half of one per centum per annum";

(b) section 2(b) of such Act is amended by inserting before the period at the end thereof the following: ", and small-business concerns which are displaced as a result of Federally aided construction programs".

(c) section 4(c) of such Act is amended—

(1) by striking out "$975,000,000" each place it appears and inserting in lieu thereof "$1,025,000,000"; and

(2) by striking out "$125,000,000" in the sixth sentence and inserting in lieu thereof "$175,000,000".

Mr. SPARKMAN. Mr. President, in 1 minute I can explain what the amendment provides. There is a provision in the bill which permits the Small Business Administration to make loans under the disaster loan program terms to small businesses that are displaced by reason of federally assisted urban renewal projects and have suffered substantial economic injury as a result of displacement. The amendment would extend that provision to cover businesses forced out by highway construction and other governmental action. The amendment would only make the provisions effective across the board. It is an amendment of the Small Business Act. The interest rate on disaster loans in existing law is 3 percent. I am offering an amendment to change that rate, so far as loans provided by the amendment in this bill are concerned, to 3½ percent. I believe it would be 3½ percent. The rate would be the cost of the money to the Government plus a half percent.

A third provision would make available $50 million to cover loans to be made under the amendment.

I discussed the amendment with the Senator from Wisconsin [Mr. PROXMIRE], who is chairman of the Subcommittee on Small Business of the Committee on Banking and Currency. I discussed the amendment with the senior Senator from Indiana [Mr. CAPEHART] and the Senator from New York [Mr. JAVITS], who, by the way, joins me in the amendment; and the Senator from West Virginia [Mr. RANDOLPH] joins me in sponsoring the amendment.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. MUNDT. I am not clear from the Senator's explanation as to whether the amendment would change the law so that the proposed loans would be made available to small businesses anywhere that Government action takes place, or whether the loss would be limited.

Mr. SPARKMAN. No. The amendment would make it possible for the Small Business Administration to make disaster loans for small businesses that are forced out by governmental action generally.

Mr. MUNDT. Regardless of whether they are in urban or rural areas?

Mr. SPARKMAN. Yes.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. PROXMIRE. I did not realize until now that the bill would increase the authorization by $50 million.

Mr. SPARKMAN. It would be limited to these loans.

Mr. PROXMIRE. The authorization would be increased from $975 million to $1,025 million.

Mr. SPARKMAN. Yes.

Mr. PROXMIRE. The amendment is specifically limited to loans for highway and urban renewal moves, is that correct?

Mr. SPARKMAN. I am not sure that the amendment would be limited to those, but it is limited to the disaster loans program. The amendment is a part of the disaster loans program. I should think the money would not be earmarked for those particular purposes, but for disaster loans.

Mr. President, I believe that the Senator from Indiana has told me that the amendment would be acceptable to him. I am willing to yield back the remainder of my time.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Alabama for himself and other Senators. All time has been yielded back.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1922) was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a clean copy of the bill be prepared over the weekend for consideration of Senators when the Senate meets at 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Mr. President, my reasons for supporting this measure as it was reported from the Banking and Currency Committee are to be found on pages 2 and 3 of the committee report. I quote:

> The committee is concerned about the state of the national economy and the continued lack of sustained vitality shown by the homebuilding industry. After having moved ahead for 3 consecutive months, private nonfarm housing starts failed to show the sharp spring upsurge that normally is associated with the month of April. As a result, the seasonally adjusted annual rate slid back from a level close to 1.3 million to one only a shade better than 1.2 million. The committee views such a performance at this time as far from satisfactory, particularly in view of the needs of the national economy as well as the unmet housing needs of our Nation.

The committee was concerned about the construction industry, but a slow spring season upsurge in housing has a dual impact upon my State of Oregon. It not only affects our local construction industry, but the lumber industry which is the largest single source of payroll income in Oregon. When housing starts are slow across the Nation, the lumber industry is in trouble, and it has been in very deep trouble this year in Oregon.

So on behalf of the people of my State who are so dependent upon a sound housing industry, I want to thank the Senator from Alabama [Mr. SPARKMAN] and the other members of the Senate Banking and Currency Committee for bringing to the floor this measure designed to promote and stimulate home and other types of construction. The Senator from Alabama has been diligent and effective in preparing this bill for our consideration, and in explaining and defending it here on the floor.

I know I speak for much of my State when I say we are most appreciative of his work. It will mean a lot to prospective homeowners in Oregon, and it will mean a lot to our lumber industry which supplies construction materials for the entire Nation. Furthermore, it is a sound bill because it will strengthen greatly private homeownership in America. As I have said so many times, we should never forget that private homeownership is one of the bulwarks of freedom. Give me a society with family farm ownership in the country and private homeownership in the city and I will give you a society in which political and economic freedom for the individual will be secure.

This is a good bill. This is a sound bill. This is a bill that promotes the general welfare of our people and of our economy. I shall vote for it with every confidence that I am voting for the best interest of my State and of my Nation.

Mr. DWORSHAK. Mr. President, a delegation of about 25 members of the Canadian Parliament visited the National Capital this week. Several conferences have been held to generate good will and understanding. Entertainment has been provided, including a dinner this evening for the visitors and their ladies. I was asked by the minority leader to attend these functions, and I regret very much that because of my inability to leave the Senate Chamber this evening it was not possible for my wife and me to attend this dinner. I should like to extend my humble apologies to the visitors. I hope that the action of the Senate this evening will not be construed as an act of discourtesy, but rather as being typical of the unpredictable and strange manner in which the most deliberative body in the world functions.

ORDER FOR ADJOURNMENT UNTIL 12 O'CLOCK NOON ON MONDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns this morning, it adjourn to meet at 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FREEDOM RIDERS

Mr. JOHNSTON. Mr. President, the other day former President Harry S. Truman, in response to an inquiry, declared that the so-called freedom riders were outside agitators and pests, and should stay at home. He further opinioned that, "Agitators make me sick."

This criticism of the freedom riders, coming from a former President whose position on civil rights has been known, carries far greater weight than any of the editorials of the great newspapers of this country and the opinions of many of the people more directly involved in the freedom riders controversy.

Since I hold the same views on the freedom riders controversy as expressed by former President Truman, and because the senior Senator from New York, on the floor of the Senate Tuesday, attempted to justify the so-called freedom riders actions, I would like now to explain that, in my opinion, this movement is not of the high level moral plane it purports to be.

No doubt there have been innocent persons swept into the freedom riders movement who have acted without realizing that, instead of helping race relations, this movement has deteriorated race relations and has done great damage to this country. In support of this contention, I wish to bring to the attention of the Senate several newspaper articles and facts which, when placed together, present a fine mosaic picture of what is really going on.

First, I would like to focus attention upon an article by Omer Anderson appearing in the Columbia Record, Columbia, S.C., of Friday, June 2, 1961, under a Berlin dateline entitled "Red Germany Opens Agitation Center for Negroes." This article reveals that our intelligence in West Berlin has uncovered a new line of Communist perversion. I ask unanimous consent to have the article printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RED GERMANY OPEN AGITATION CENTER

(By Omer Anderson)

BERLIN.—Communist East Germany has opened an American Negro agitation training center in the Saxony industrial city of Bautzen.

The center, masked as the Institute for the Advancement of the Negro Race, seeks to transform the racial unrest in the U.S. South into a powerful Negro nationalist movement.

Communism's new line, according to Western intelligence authorities, is to link the U.S. Negro's fight for desegregation with the African Negro nationalism.

At Bautzen the Communists are training squads of African Negro agitators who, after completing training in East Germany, will return to their home countries to await infiltration into U.S. Negro population centers.

THOUSANDS OF AFRICANS

Trainees are recruited from African "students," several thousand of whom have been brought to East Germany on "scholarships." They include Guineans, Ghanaians, Congolese, Liberians, and Togolese.

An intelligence officer reported "some of those now being trained in East Germany will be going to the United States, sooner

or later, in various official capacities for the new governments in these African countries, and the rest are to be infiltrated by various means."

The Bautzen center is reported to include several American Negro Communists, according to some estimates as many as 15. It appears that some are deserters from the U.S. military forces. The rest have either visited Europe on tourist status and then slipped into East Germany or have made their way to East Germany from Africa and Asia, where they had been working as technicians or as students.

A propaganda publishing house is being operated in connection with the Bautzen center. It is printing material for distribution in Negro lands calling for solidarity with the U.S. Negro and the building of a worldwide movement to free the Negro race from white domination.

Intelligence officials attribute the Communist exploitation of U.S. racial tensions to Gerhard Eisler, the former No. 1 American Communist who is now an East Germany propagandist.

Eisler began urging establishment of such a U.S. Negro propaganda training center at the time of the Little Rock school integration riots in 1957. There was considerable skepticism concerning the scheme within the East Germany Communist Party, however, and nothing was done until 6 months ago.

The Congolese blowup together with the simmering U.S. racial tension helped Eisler win approval for the Institute for the Advancement of the Negro Race.

Eisler's basic strategy, according to intelligence analysis, is to exploit white resistance in the U.S. South to desegregation by Negro nationalism. (Record-North American Newspaper Alliance.)

Mr. JOHNSTON. The Communists in East Germany have specifically opened a school in which to train individuals in the art of stirring up agitation among the American Negroes. This center, according to the article, is located in the city of Bautzen. The Communists, according to the article, are training squads of African Negro agitators who will return to their home countries and await an opportunity to infiltrate into the United States, where they will infiltrate into Negro population centers and begin fomenting strife to embarrass, harass, and humiliate our Nation in the eyes of free people. In addition to African Negroes, the Communists are reported to be training American Negro Communists and deserters from U.S. military forces. Gerhard Eisler, the former No. 1 American Communist, who is now one of East Germany's foremost propagandists, is in charge of the program and his basic strategy is to exploit resistance to desegregation in the southern part of the United States and convert this resistance into a Negro nationalism movement.

Without going any further, I think it is obvious that the persons behind, and who are participating in the freedom riders movement, whether they like it or not, are doing the work which the East Germany race agitation school is training people to do. If the outside agitators do not leave the South alone and stay out of the South, and allow the southern people to work out their race relations in an amicable fashion, then I, for one, do not see why the Communists even bother to have a school to train people how to create agitation among the races of this country.

Whether the freedom riders realize it or not, there is a Communist conspiracy behind the movement. The official record to show the Communist affiliations of some of these freedom riders has already been placed into the CONGRESSIONAL RECORD, so it is not necessary for me to include it again at this time. It is available to anyone.

However, in further substantiation of the fact that many of these people are Communist-influenced and indoctrinated, I would like to include in the RECORD at this time an article from the Charleston News and Courier of Tuesday, June 6, 1961, headlined "Riders Questionable to Chicago Minister."

The essence of this article is that a young white Chicago minister quit the freedom rider ranks Monday, saying:

I will not knowingly associate with any questionable organization.

In the article he advised anyone thinking of joining the riders to look them over carefully before deciding to do so.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Charleston (S.C.) News and Courier, June 6, 1961]

RIDERS QUESTIONABLE TO CHICAGO MINISTER

JACKSON, MISS.—A young Chicago minister quit the freedom rider ranks Monday, saying, "I will not knowingly associate with any questionable organization."

The Reverend Richard Gleason, 24, a white Baptist minister who said he had spent 3 years working with underprivileged and delinquent Negroes in Chicago, told newsmen his conversation with other riders involved atheism, communism, and deceit.

"I advise anyone thinking of joining the riders to look them over carefully (before deciding)," he said.

The neatly dressed minister met with newsmen in police offices. He was one of six persons arrested at a Jackson bus terminal Friday after a freedom ride from Atlanta to Jackson by way of Montgomery, Ala.

He was convicted later Monday on breach of peace charges and given a 60-day suspended jail sentence plus a $200 fine. He was returned to jail, apparently choosing to work out his fine at the rate of $3 per day.

Gleason said he had read of the rides and decided to join them. He said he flew from Chicago to Atlanta to take part because he felt people should be able to use any cafe or bus and sit where they want to sit.

"I love the Negro people * * * I heard the movement was doing some good in the area of desegregation.

"I had met none of my future partners. If I had, that would be another matter."

When he was arrested, he said, "officers began to tell me about the persons in my party. I went back to the cell and asked them about the records and asked if it was true.

"They said 'Yes, what's wrong with that.'"

He added, "I don't see how any group like that can do anything about segregation in the South."

He said some riders, whom he did not name, said if the Communist Party was doing something worthwhile, they would join the party.

Gleason said the companions told him San Francisco riots were not Communist-inspired and that the Communists were falsely accused.

He did not specify which riots they meant but apparently referred to disorders at a hearing held by the House Un-American Activities subcommittee.

Gleason said he had expected "high type people" on the rides.

He said when he gets out of jail he plans to return to Chicago, where he is a social worker at the Bible Witness Mission on Giles Street.

Mr. JOHNSTON. The Reverend Richard Gleason, 24, said he had read of the riders and decided to join them. He flew from Chicago to Atlanta to take part in the rides. After his arrest and conviction in Jackson, Miss., he was informed by the police as to the character and records of some of his fellow riders. The Reverend Gleason then talked to the riders and asked them if these statements were true, and he quotes them as saying:

"Yes, what's wrong with that?"

The Reverend Gleason further stated that his conversation with other riders involved atheism, communism, and deceit. He said some riders, whom he did not name, said if the Communist party was doing something worthwhile they would join the party.

Mr. President, it is not hard to tie these two articles together and see that these provocations in the South fit exactly into the Communist line. It is also very clear that the people provoking these incidents come from outside the South itself. The people of the South, both white and colored, have worked silently for years, resolving their differences and living in harmony, with mutual respect. The progress they have made has been unprecedented.

In support of this statement, I would like to bring to the attention of Senators at this time another article from the News and Courier, Charleston, S.C., dated June 1, 1961, with a Washington dateline, which reports that the Civil Rights Commission has suppressed an official report showing substantial Negro progress in the South and elsewhere before enactment of the Civil Rights Laws in 1957 and 1960. I ask unanimous consent to have the article printed in the RECORD:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEGRO PROGRESS REPORT SUPPRESSED

(By Roulhac Hamilton)

WASHINGTON.—Objections of a lone Negro member have caused the Civil Rights Commission to suppress an official report showing substantial Negro progress toward full citizenship, in the South and elsewhere, before enactment of the civil rights laws of 1957 and 1960, it was learned Wednesday.

The report was prepared at the direction of the full Commission. After the Commission's staff had compiled heavily documented evidence of Negro advances without help of the recent laws, the Commission voted to suppress the report.

The News and Courier's special correspondent in Washington learned Wednesday that the suppression resulted from the objections of George M. Johnson, the Commission's only Negro member at the time. Johnson, a Howard University law professor and a legal aid of the National Association for the Advancement of Colored People, was serving on the Commission as an interim appointee of President Eisenhower.

While Johnson was the junior member of the Commission, his objections to publication of the report prevailed. The five white members of the Commission knuckled under

to the NAACP spokesman's belief that it would be "unwise" to publish a report showing significant Negro gains, particularly in the South, prior to the 1957 rights law.

The Commission staff, the News and Courier's correspondent learned, spent more than 2 months compiling the 25-year record.

By August 1 of last year, the report, "Civil Rights, 1960: A Progress Report," was ready to show, in some 75 pages, where advancement had been made in the Federal Government, State governments, and city governments, by the Negro. Much documentation was provided.

The report dealt primarily with the South. It found that through the Nation, "one of the most notable marks of progress has been the ever-increasing participation of Negroes and members of other minority groups in the processes of government."

But it said, in some detail, that one of the most significant facts in the progress of the Negro in exercise of his political rights, was the increasing number of Negroes elected to public office at various levels in the South.

Sources within the Commission staff said this portion of the report may have been the reason for the objections of Commissioner Johnson—and presumably of NAACP—to publication of the report. The section appeared to provide solid evidence that political rights are not denied southern Negroes when they choose to exercise them.

Mr. JOHNSTON. The Commission staff had compiled heavily documented evidence to Negro advances without help of the recent laws, and was prepared to issue the report when it was stopped by the objection of George M. Johnson, the Commission's only Negro member at the time. Johnson is a Howard University law professor and legal aid of the National Association for the Advancement of Colored People. He was the interim appointee of President Eisenhower. The article points out that Johnson was a junior member of the Commission, but that his objection to publication caused the five white members of the Commission to acquiesce, reportedly because showing significant Negro gains, particularly in the South prior to the 1957 civil rights law, would be unwise.

The article states that the report dealt primarily with the South, and one of its most significant facts was the progress of the Negro in exercise of his political rights and the increasing number of Negroes elected to public office at various levels in the South. The article quotes sources within the Commission staff as saying that this section appeared to provide solid evidence that political rights are not denied southern Negroes when they choose to exercise them, and evidently these were the reasons for the objection of Commissioner Johnson to issuing the report.

This report may never be published and, even if it were, it would probably never be printed in the large northern newspapers which are read by the rest of the world. This is but one example of how the "paper curtain" has been shrouded around the good side of the South, while the backside has been kicked about at the expense of our own Nation's welfare, and certainly at the expense of good race relations here at home.

The people of the South, both white and colored, have lived together in harmony for generations. They are making at this time, and have made in the past, tremendous strides toward economic improvement and a better life for all. No other section of the Nation can match the progress being made in the South at this time. Everyone in the South, both white and colored, is living a better life. The only race tensions in the South are the result of outside agitators. If these outsiders will depart, then any existing tensions will ease.

Mr. President, I think I have demonstrated that the freedom riders, like other racial agitators, play into the hands of the Communists. In fact, even if the freedom riders were acting in innocence, they are actually doing the work which Communists are at this very moment training themselves behind the Iron Curtain to do.

Some of the great liberal newspapers supporting the freedom riders and other racial strife have referred to the great courage it took for these freedom riders to make their way southward.

I submit to the Members of the Senate that it does not require any courage to be a freedom rider when the bus is going to be met by police, escorted by National Guard troops, and hovered over by airplanes giving protection that the average traveler never knows. I dare say if there had not been all of the organizational hullabaloo and ballyhoo which preceded the departure of the freedom riders for their trip to Louisiana, there would never have been the first incident on the entire entourage. The way in which the so-called freedom riders left their home base left no question but that they were seeking trouble. They would have been the most disappointed people in the world if they had not wound up in the hands of the police, National Guard, and received international publicity.

I submit that, to the contrary, real courage lies elsewhere, and has lain elsewhere for some time. It takes a great deal of courage for two races to live together, as they have done in the South, and to quietly and peacefully and harmoniously solve differences and achieve progress at the same time. The people of the South were doing this until the outside agitators entered the picture.

This is the kind of true courage that built this Nation to what it is today, and this is the sort of true courage that will make it an even greater Nation, and is making the South the outstanding area of our country.

Mob violence, whether it is action as the freedom riders' mob violence was, or whether it is reaction such as the freedom riders meet when they reach some points in the South, is no way to accomplish anything unless you are seeking to create hatred and trouble.

I rise again to defend the words of Harry Truman, "Agitators make me sick."

It is obvious that regardless of a few misguided zealots, the basic purpose of—and certainly the results of—such incidents is embarrassment to the United States. I pray that our Nation will awaken to the wonderful accomplishments of our people in the South, both white and colored, to improve our Nation.

I challenge the great and powerful magazines and newspapers of this Nation to give these people of the South a hand of applause instead of criticism. Start telling the world of our wonderful works. Tell the world of our progress, and quit making an international incident out of every toe that somebody stubs below the Mason-Dixon line.

I challenge these newspapers to follow this new line for America's welfare. I think they will find tremendous solace and satisfaction. There is a basic responsibility that goes with freedom of the press, and that is to help weld together the people of this Nation for a stronger America, and not to use the free press to divide and weaken our country so that it becomes prey for foreign enemies.

MASS TRANSPORTATION SUPPORTED FROM TIMES SQUARE TO HAWAII

Mr. WILLIAMS of New Jersey. Mr. President, I was among the strongest supporters of S. 50 when it passed the Senate by a vote of 76 to 15 in favor of granting statehood to Hawaii.

I was never more sure of the wisdom of that support than the day recently when I received a copy of House Concurrent Resolution 66, adopted by the First Legislature of the State of Hawaii, endorsing S. 345, the mass transportation bill I introduced on a bipartisan basis with 18 other Senators.

One certainly wouldn't think from our impressions of Hawaii as a State of gentle breezes and exotic romance that it would be much interested in the problem of mass transportation.

Yet the legislature, in its concurrent resolution, declared that "the population of the city and county of Honolulu is increasing at an impressive rate resulting in the unprecedented intensification of its vehicular traffic and congestion of existing highways which will continue even after the completion of proposed highways."

The concurrent resolution called for passage of S. 345 and all similar legislation designed to aid in alleviating traffic congestion problems.

Back where the problem is more evident to most of us, I was gratified to note the support of the New York Times, in its editorial yesterday on the "Crisis of the Commuter," for the pending provisions of the housing bill relating to mass transportation.

Emphasizing that the problem is acute and growing worse each day, the editorial declared that while the pending proposals are modest, they represent a start and deserve Senate support.

Mr. President, I ask unanimous consent that the concurrent resolution of the State of Hawaii and the editorial from yesterday's New York Times be printed in the body of the RECORD at this point.

There being no objection, the concurrent resolution and editorial were or-

dered to be printed in the RECORD, as follows:

HOUSE CONCURRENT RESOLUTION 66

Whereas the population of the city and county of Honolulu is increasing at an impressive rate resulting in the unprecedented intensification of its vehicular traffic and congestion of existing highways which will continue even after the completion of proposed highways; and

Whereas the cost of acquiring private properties for highways, of relocating people thereby displaced and of planning, engineering, and constructing such highways is extremely high and yet such projects have failed to provide adequate fast, safe, and efficient movement of vehicular and pedestrian traffic; and

Whereas in addition to such huge highway costs, State and county finances are further burdened by the concomitant loss of adjoining property values and tax revenue derived therefrom; and

Whereas substantial funds are required to assist conventional mass transportation systems and to develop alternative plans for and construct and operate other means of rapid transit utilizing private rights of way; and

Whereas there is a bill now pending before the 87th Congress of the United States, entitled S. 345 which would enable the Administrator of the U.S. Housing and Home Finance Agency to assist State and local governments and their public instrumentalities in planning for and providing necessary facilities to preserve and improve essential mass transportation services in urban and metropolitan areas: Now, therefore, be it

Resolved by the House of Representatives of the First State Legislature of Hawaii, in General Session (the Senate concurring), That the honorable Congressmen from Hawaii, Senator HIRAM L. FONG, Senator OREN E. LONG, and Representative DANIEL K. INOUYE be and are hereby requested to actively support U.S. Senate bill S. 345 and all similar legislation designed to aid in alleviating traffic congestion problems facing State and local governments so that such obstacles to the overall economic development of the city and county of Honolulu and the State of Hawaii may be removed or modified; and be it further

Resolved, That certified copies of this concurrent resolution be sent to U.S. Senator HIRAM L. FONG, U.S. Senator OREN E. LONG, U.S. Representative DANIEL K. INOUYE, U.S. Senator HARRISON A. WILLIAMS, of New Jersey, and the Administrator of the Housing and Home Finance Agency of the United States.

[From the New York Times, June 7, 1961]

CRISIS OF THE COMMUTER

One of the features of the omnibus housing bill on which voting in the Senate starts today is the proposal by Senator HARRISON A. WILLIAMS, of New Jersey, to authorize $150 million in loans and grants to assist communities in grappling with emergency rapid transit needs.

Of this sum, $100 million would be made available for low interest, long-term loans for the purchase of facilities and equipment that would help the localities in rehabilitating commuter lines and keeping them running. The remainder (in grants) would be used for longer range probing of more efficient methods of getting commuters to and from their jobs.

The White House would prefer to delay action on this program until the fall. It has not yet decided whether rapid transit is a problem that should be handled by the proposed Department of Urban Affairs. But the commuter crisis is acute. Each new delay is costly. With each passing day, there is further curtailment of rapid transit service and more glut on highways in city and suburb. The Williams program is modest but it represents a start. The proposal deserves Senate support.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

ADDITIONAL BILLS INTRODUCED

The following additional bills were introduced, read the first time, and, by unanimous consent, the second time, and referred, as indicated:

By Mr. ALLOTT:

S. 2049. A bill for the relief of Jean Ener; to the Committee on the Judiciary.

By Mr. DODD:

S. 2050. A bill for the relief of Mrs. Bronislawa Slepowronska; to the Committee on the Judiciary.

By Mr. HILL (for himself and Mr. YARBOROUGH):

S. 2051. A bill to afford children of certain deceased veterans who were eligible for the benefits of the War Orphans Educational Assistance Act of 1956 but who, because of residence in the Republic of the Philippines, were unable to receive such assistance prior to enactment of Public Law 85-460, additional time to complete their education; to the Committee on Labor and Public Welfare.

RESOLUTION

TO PRINT AS A SENATE DOCUMENT THE PROCEEDINGS OF THE GEORGE W. NORRIS NATIONAL CENTENNIAL CONFERENCE

Mr. KEFAUVER. Mr. President, on behalf of myself, the Senator from Vermont [Mr. AIKEN], and the Senator from Alabama [Mr. HILL], I submit, for appropriate reference, a resolution to authorize the printing, as a Senate document, of remarks honoring the late Senator George W. Norris, delivered at the George W. Norris National Centennial Conference held in Washington, D.C., on May 16 and 17, 1961. This conference was held in observance of the 100th anniversary of the year of the birth of this great American, this distinguished Member of the Senate of the United States for many years.

The George W. Norris National Centennial Conference was addressed by members of the President's personal staff, and by other distinguished Americans. It is particularly fitting that the Senate pay this small tribute to the late Senator Norris by printing the remarks delivered at the Norris National Centennial Conference.

I am personally gratified to have the honor to introduce this resolution, as a Senator from Tennessee, to recognize the many achievements of the late Senator from Nebraska, one of whose outstanding living monuments is the great Tennessee Valley Authority headquartered in my native State. It was typical of Senator Norris to undertake magnificent projects which benefited the Nation, not just his own State. He was, in the words of President Franklin D. Roosevelt, "the very perfect, gentle knight of American progressive ideals." I am pleased to know that the Post Office Department will, on July 11, the 100th anniversary of Senator Norris' birth, issue a commemorative stamp with the words, "Gentle Knight of Progressive Ideals," and with an illustration of Norris Dam in the background.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution (S. Res. 157) was referred to the Committee on Rules and Administration, as follows:

Resolved, That there be printed with illustrations as a Senate document the proceedings of the George W. Norris National Centennial Conference, held May 16 and 17, 1961, in Washington, D.C.

PEACE CORPS ACT—ADDITIONAL COSPONSORS OF BILL

Mr. HUMPHREY. Mr. President, I ask unanimous consent that at the next printing of the bill (S. 2000) to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower, the names of Senators KERR, BUSH, and COOPER be added as additional cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

YOUTH EMPLOYMENT OPPORTUNITIES ACT OF 1961—ADDITIONAL COSPONSOR OF BILL

Mr. HUMPHREY. Mr. President, I ask unanimous consent that at the next printing of the bill (S. 2036) to authorize pilot training and employment programs for youth, including on-the-job and other appropriate training, local public service programs, and conservation programs, the name of Senator RANDOLPH be listed as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 8, 1961, he presented to the President of the United States the following enrolled bills:

S. 215. An act for the relief of Ennis Craft McLaren;

S. 546. An act for the relief of In Fil Chung, In Ae Chung, In Sook Chung and In Ja Chung;

S. 751. An act to terminate the existence of the Indian Claims Commission, and for other purposes;

S. 949. An act for the relief of John G. Tiedemann; and

S. 1064. An act for the relief of Samuel Pisar.

ADJOURNMENT TO MONDAY

Mr. HUMPHREY. Mr. President, if there be no further business to come before the Senate, I move, under the order previously entered, that the Senate stand in adjournment until 12 o'clock Monday next.

The motion was agreed to; and (at 1 o'clock and 36 minutes a.m., Friday, June 9, 1961) the Senate adjourned, under the order previously entered, until Monday, June 12, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 8, 1961:

IN THE MARINE CORPS

Lt. Gen. Joseph C. Burger, U.S. Marine Corps, to be placed on the retired list with the grade of lieutenant general pursuant to the provisions of title 10, United States Code, section 5233.

IN THE AIR FORCE

The following officers to be placed on the retired list in the grade indicated, under the provisions of section 8962, title 10, of the United States Code:

In the grade of general

Gen. Frank F. Everest, 366A (major general, Regular Air Force), U.S. Air Force.
Gen. Leon W. Johnson, 88A (major general, Regular Air Force), U.S. Air Force.

In the grade of lieutenant general

Lt. Gen. Elmer J. Rogers, Jr., 294A (major general, Regular Air Force), U.S. Air Force.
Lt. Gen. Frank A. Armstrong, Jr., 427A (major general, Regular Air Force), U.S. Air Force.
Lt. Gen. Walter E. Todd, 361A (major general, Regular Air Force), U.S. Air Force.
Lt. Gen. William E. Hall, 460A (major general, Regular Air Force), U.S. Air Force.
Lt. Gen. Emory S. Wetzel, 464A (major general, Regular Air Force), U.S. Air Force.

The following officers to be assigned to positions of importance and responsibility designated by the President in the grade indicated, under the provisions of section 8066, title 10, of the United States Code.

In the grade of general

Lt. Gen. Truman H. Landon, 93A (major general, Regular Air Force), U.S. Air Force.
Lt. Gen. William F. McKee, 467A (major general, Regular Air Force), U.S. Air Force.
Lt. Gen. Walter C. Sweeney, Jr., 555A (major general, Regular Air Force), U.S. Air Force.
Lt. Gen. Bernard A. Schriever, 1519A (major general, Regular Air Force), U.S. Air Force.

In the grade of lieutenant general

Maj. Gen. Edward J. Timberlake, 603A, Regular Air Force.
Maj. Gen. Herbert B. Thatcher, 634A, Regular Air Force.
Maj. Gen. Gordon A. Blake, 532A, Regular Air Force.
Maj. Gen. Gordon A. Blake, 582A, Regular Air Force.
Maj. Gen. Gabriel P. Disosway, 654A, Regular Air Force.
Maj. Gen. Kenneth B. Hobson, 616A, Regular Air Force.
Maj. Gen. John D. Ryan, 1418A, Regular Air Force.
Maj. Gen. Troup Miller, Jr., 559A, Regular Air Force.
Maj. Gen. Robert H. Terrill, 628A, Regular Air Force.

IN THE ARMY

The following-named officers to be placed on the retired list in the grades indicated under the provisions of title 10, United States Code, section 3962:

To be generals

Gen. Clyde Davis Eddleman, O15842, Army of the United States (major general, U.S. Army).
Gen. Charles Day Palmer, O15519, Army of the United States (major general, United States Army).

To be lieutenant general

Lt. Gen. Harry Purnell Storke, O16468, Army of the United States (major general, U.S. Army).

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in rank as follows:

Maj. Gen. Hamilton Hawkins Howze, O18088, Army of the United States (brigadier general, U.S. Army), in the rank of lieutenant general.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 8, 1961:

DEPARTMENT OF THE INTERIOR

Clarence F. Pautzke, of Washington, to be Commissioner of Fish and Wildlife, Department of the Interior.

COAST AND GEODETIC SURVEY

Subject to qualifications provided by law, the following for permanent appointments, to the grade indicated, in the Coast and Geodetic Survey:

To be ensigns

William E. Blankinship, Jr.	William B. Merselis
L. Logan Boles	Arthur L. Moshos
George M. Cole, Jr.	Edward J. Murphy
Darrell W. Crawford	William H. O'Hanlon
William E. Gott	Sigmund R. Petersen
C. William Hayes	Leonard E. Pickens
Archie L. Higgins	Saul Rosenberg
Richard N. Hune	B. J. Taylor, Jr.
Seymour R. Kotler	Andrew Tczap
James T. Lane	Ronald D. Walkenspaw
J. Rodney Lewis	Richard E. Williams
Robert J. Lewis	William B. Williford III

EXTENSIONS OF REMARKS

Freedom To Choose

EXTENSION OF REMARKS
OF
HON. THOMAS J. DODD
OF CONNECTICUT
IN THE SENATE OF THE UNITED STATES
Thursday, June 8, 1961

Mr. DODD. Mr. President, last Sunday, June 4, it was my privilege to make the commencement address at the graduating exercises of the University of Dallas, in Dallas, Tex.

It is always exhilarating to visit the southwestern section of the United States. There is a certain air of self-reliance, optimism, and confidence in America that is reflected in the phenomenal growth of this region and that bodes well for the future of our country.

I was greatly impressed by what I saw at the University of Dallas. It is a thriving, flourishing institution with an outstanding faculty dedicated to ever higher standards of excellence. The president of the University of Dallas, Dr. Robert Morris, is well known to many of us in the Senate. He formerly served as chief counsel of the Senate Internal Security Subcommittee and has long been one of America's most effective and articulate spokesmen in the struggle of freedom against communism.

I express my congratulations to President Morris on the great work he is doing in Dallas and to congratulate as well the fine young men and women of this year's graduating class.

In my remarks I tried to point out that the underlying theme of Western civilization is "freedom to choose" and that the goal of expanding freedom is not consistently pursued by either liberal or conservative branches of political thought.

I ask unanimous consent that these remarks be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FREEDOM TO CHOOSE

(Commencement address delivered by Senator THOMAS J. DODD, of Connecticut, at the University of Dallas commencement exercises, Dallas, Tex., June 4, 1961)

Commencement day is always an impressive and unforgettable experience, for it is the time when young men and women, who only yesterday were children, depart from the college campus, equipped with the best that our society can give them, and commence to play an active role in our national life. We, of course, hope that their long exposure to the values of Western civilization has instilled in them a certain approach toward the problems of our society, a steadfastness in support of our traditional religious and political concepts, a partisanship for the cause of freedom.

If I could refine and distill into one simple phrase the essence of our spiritual and political heritage, I would use the phrase "freedom to choose."

And if I could point to one fundamental fact that is at the root, of both our religious and political institutions, it would be this: Every human being is of infinite worth because God created him and redeemed him, endowed him with a conscience and a free will, pursues him constantly with love and with grace, has a unique plan for him in this world and an eternal reward for him in the next, and so respects his freedom as to allow him by his own free choice to accept or reject that plan and that reward.

"His own free choice." Here is the foundation upon which we in America have built an edifice of political and religious freedom. Here, certainly, resides the true meaning of the phrase "the dignity of man."

This awesome fact of man's origin and nature ought to be the central truth in which all of our institutions are grounded. Society ought to be designed for the purpose of creating and maintaining those conditions under which the individual can best work out his own destiny through thousands of free choices, can best develop the talents that came to him from the hand of God, can best discover and realize the role which was intended for him from the beginning of time. Above all else, the aim of society should be to protect and perfect this instrumentality of free choice and to remove those

artificial obstacles which circumstances and men have placed in the path of other men.

Up to now I trust that there is no substantial disagreement with what I have said. For although the statements I have made are perhaps the most disputed assumptions in the world today and are, in fact, at the base of the struggle between freedom and communism, I do not think this explanation of the nature of man is disputed here at the University of Dallas.

The controversy arises when one tries to construct from these basic beliefs an approach to public philosophy. During the next several minutes, I will try to lay before you my approach, fully conscious of the fact that many who start with the same basic beliefs come to different conclusions.

The pursuit of the goal of expanding freedom leads in and out of both the liberal camp and the conservative camp as various issues arise. I have never found the philosophy of either camp to be truly satisfying on this point. The one views government action as the principal vehicle for the promotion of human welfare and the other views government action as the principal threat to man's freedom and therefore to his happiness and well being.

Once you accept one or the other philosophy, hundreds of complicated proposals resolve themselves into fixed categories, and it becomes relatively easy to applaud or condemn them; easy but not necessarily wise or right.

For government action can expand freedom as well as restrict it; can enlarge opportunity as well as curtail it; can enhance creativity as well as frustrate it; can stimulate incentive as well as thwart it.

Government action in each case should be judged on its particular merits, not by the standards of either liberalism or conservatism as the more rigid doctrinaires interpret those standards, but rather by the standard, "Does this proposal, on balance, enlarge or restrict freedom of choice?"

This question is never easy to answer. Raising the minimum wage, for instance, will certainly expand the range of choice for those who receive the increased wage but it may also restrict that range for those who must pay it. The question is seldom clear cut and it has always seemed to me that "the right" shifts back and forth between liberals and conservatives, depending upon the issue at stake.

Freedom to choose is involved in almost every great controversy before the Nation. It is involved in disputes about economics, about labor, about welfare programs, about constitutional issues, about foreign policy matters. I would like to discuss some of the issues that divide liberals from conservatives and which touch deeply upon this matter of freedom of choice.

Our American society has succeeded in fostering the necessary climate for effective free choice better than any society that ever existed.

Yet there are many blots still upon our shield and those of us who believe in human freedom and the dignity of man carry a heavy obligation to do what we can to erase them.

The first great blot that comes to my mind is the tragedy of racial discrimination in a country that was founded upon the inalienable rights of man.

The American Negro finds artificial obstacles placed in his path everywhere he turns on his journey to work out his personal destiny through the process of free choice.

Discrimination in essential aspects of social life confronts him with an atmosphere of hostility rather than that atmosphere of justice and encouragement which is his due and which is the need of every man and woman.

Discrimination in education hinders him from fully developing his talents and from exploring those fields of learning and growth for which these talents best suit him.

Discrimination in housing denies him the basic freedom of choosing the kind of home he wishes and the kind of environment he wants for himself and his family.

Discrimination in employment arbitrarily closes the door to him on the career to which he might otherwise have devoted a creative and fruitful life, the life he was intended to lead.

Racial discrimination is the ultimate denial of our professions of liberty and human dignity. We have an obligation to oppose it in our personal lives and in the life of our community. And we have a further obligation to support those measures, State and Federal, which can effectively combat it, within the limits of the Constitution.

The existence of great urban slums poses another tremendous obstacle to the free development of those who must live in them.

Let me quote to you a startling fact: 99 percent of all the youthful criminals and juvenile delinquents in New York City live in 1 percent of that city's residential areas, the major slum sections.

Think for a moment about the personal tragedy of any young boy or girl growing up in one of these blocks, a neighborhood teeming with violence, crime, drug addiction, squalor, decay and degeneration of every sort.

Follow this child, in your mind's eye, as he makes his way toward school through littered streets, crowded with idle men, past bars and brothels, past magazine stands openly flaunting obscene literature, past gambling rooms, and narcotics pushers. Follow this child as he makes his way through blocks that are dominated by juvenile gangs, where beatings and muggings and perverted violence of all sorts are common occurrences.

Follow this child to his home, if it can be called a home, where a large family of adults and children are jammed into one or two squalid rooms to live under conditions in which decency, modesty, purity are almost impossible.

His entire environment is pervaded with the scent of evil, which may become to him a natural atmosphere, since he knows no other.

Think of this going on in a hundred great cities of the land, warping and poisoning the lives of hundreds of thousands of American boys and girls.

For these children freedom of choice is gravely, crucially impaired. They do not have a decent opportunity to develop and grow to their full potential. Surely it is the responsibility of government, including the Federal Government, to take action to eliminate these conditions.

Much that is involved here, of course, cannot be reached by the arm of government. But much of it can, through housing programs, through educational and vocational programs, through the improved training of social workers and probation officers, through programs of slum clearance and urban redevelopment, through a concerted law-enforcement effort of local, State, and Federal Governments. We can work wonders in the salvaging of human life and in the enlargement of opportunity, if only we try. The pursuit of freedom leads you and me to support such an effort.

Let us, for a further example, take the plight of the migrant farm laborer. There are some 2 million of these laborers and their families, constantly on the move, harvesting our Nation's farm crops. These people have none of the protection which Federal and State law has provided for other Americans; no wage and hour protection, no minimum standards of housing and sanitation, in many cases no social security coverage, no health and welfare services traditionally provided by local government, no voting rights, no adequate provision for the health or the education or the spiritual training of the children.

Men, women, and children toil in the fields 10, 12, 14 hours for wages as low as a dollar a day. They live in chicken coops. Occasional highway tragedies remind us that they are transported from State to State like cattle, without even minimum safety precautions. In short, they are living a life reminiscent of that described three centuries ago by Thomas Hobbes, when he said:

"No arts, no letters, no society, and, which is worst of all, continual fear and danger of violent death; and the life of man, solitary, poor, nasty, brutish, and short."

I believe that this is another area in which Government action can expand freedom, can broaden the range of free choice by enacting laws that will extend to these people those standards of income, health, education, and hope for improvement which are essential to any true freedom of choice.

On these questions, as on many others, I am in agreement with the group which we loosely call the liberals.

Yet I see in the liberal movement a threat to freedom which could in the end so damage that cause as to more than undo all the enlightened liberating measures it has successfully advocated. As I have read history, it has seemed to me that those political movements which sought social justice, which took the side of liberating the poorer and underprivileged classes, too often ended in tragedy.

These movements were fighting real grievances, advocating needed reforms, standing for just causes. But they have often fallen into serious errors, which have needlessly and wastefully pulled them down to defeat and destroyed as well the immediate causes for which they fought.

Not content with fighting for needed reforms for their own sake, they have often erected a doctrinaire philosophy to justify their measures, a philosophy founded upon basic errors about the nature of God and man, errors which led them to grotesque extremes.

And frustrated by the obstructionism of their opponents, they have often been ruthless and reckless in their methods, willing to tear down the whole structure of society in order to win reforms which might otherwise have been won at a later date without bloodshed and civil strife.

Look back for a moment to the history of the Roman Republic. In order to put through needed land reforms and to remove incredibly unjust penal laws, Tiberius and Gaius Gracchus smashed the structure of the Roman Republic and left behind them a legacy of bloody civil war and the steady corruption of Roman institutions. The French Jacobins did the same thing. The Marxists are doing the same thing today on a far more terrible scale.

In America, the movement to undermine republican institutions takes an orderly, nonviolent course. But it is nonetheless dangerous and its possible end result, the creation of a supreme central government, free from the many restraints now imposed upon it, could have the same dread effect on freedom.

The greatest instrument of government ever designed to protect human freedom and to foster a society in which man can work out his destiny by free choice is the Constitution of the United States.

That document, and the political system which has grown out of it, give us a form of government that is truly in harmony with our beliefs about the nature of many and of society. We must not regard this Constitution as something distant and remote, something that happened a long time ago,

something that is no longer a subject of controversy.

We ought to be partisan in behalf of this Constitution. We ought to honor and respect it. And we ought to think carefully before applauding witticisms about our "horse and buggy" government or laments about the difficulties of living in the 20th century with 18th century institutions.

The Constitution of the United States and the form of government based upon it are under constant attack. This is not an alarmist statement, as I shall try to illustrate.

Our form of government has several distinguishing characteristics which mark it apart from other governments, characteristics which are essential to the preservation of individual liberty and the prevention of totalitarianism.

It is a Republic, whose basic principle is representative government rather than direct rule by the people.

It is a federation, under which jurisdiction and power is divided between the States and the Federal Government.

It is a limited government, which marks off certain areas of activity which neither State nor Federal Government can invade.

It is a divided government, whose Federal and State branches are themselves subdivided into legislative, executive, and judicial branches, each a check upon the others.

It is a government which is carefully ordered to protect minority rights and to restrain temporary majorities.

It is a system which places a premium on deliberation and general consent and which places many obstacles in the path of hasty, controversial action.

Each of these basic aspects of our Government is under constant attack, sometimes open, sometimes subtle. This attack comes generally from the liberal side of American politics, which is impatient with delay and which likes to speak in terms of streamlining and modernizing our institutions.

Essentially the idea of many liberals boils down to this: The basic political institution of this country ought to be the national political conventions which take place every 4 years; here the people of a political party speak through the delegates; the political platforms adopted by these conventions represent the will of the members of that political party; the election of the presidential candidate of that party is an endorsement by the people of that party's platform in all its particulars; and the task of the President and the Congress, once the people have spoken at the polls, is not to deliberate and make its own judgment, but rather to enact the party platform.

This approach to government is reflected in the constant attempt to make the platform a moral commitment of elected representatives, in the ceaseless effort to bring bloc pressure upon elected representatives, in the continuing attempt to strengthen party discipline at the expense of individual judgment.

The trouble with this approach is quite simple. It is erroneous in all of its particulars.

Delegates to a political convention generally are unknown to the people, serving only for a couple of weeks every 4 years, and cannot be considered as representatives of the people in the sense that an elected official is.

Party platforms are patched together in great haste and adopted under extreme pressure from the special interest groups who dominate national conventions and therefore cannot be said to represent the considered judgment of even the convention delegates, let alone of all party members.

The election of the President is determined by a great many circumstances, among the least of these being the voters' attitude toward the party platform.

Not one voter in a hundred ever reads the party platform.

Not one voter in a thousand can be found who would subscribe to everything in a platform.

To elevate one party platform over the processes of representative government would be to undermine the basic protections of free choice embodied in representative government and the liberal assault on our present form of government has been mounted upon many other fronts.

The separation of powers between the States and the Federal Government is constantly being undermined by expanding Federal jurisdiction and enlarged Federal revenues. The limited aspect of government is being eroded steadily as government invades heretofore private areas.

The tripartite structure of the Federal Government is under a shifting but constant attack, which has the objective of increasing the power of the executive branch. In one decade the target for attack may be the Supreme Court, in another the Congress, oftentimes both.

The success of this particular assault against constitutional government has been considerable. In your lifetime, the power and size of the executive branch has increased enormously. It is already beyond the control of any President, and the capacity of the Congress to control government has correspondingly decreased.

There is a steady drumfire attack made upon the deliberative aspects of our system, the traditional parliamentary customs and rules which impose restraints upon temporary majorities. It is proposed again and again, for instance, that the committee system of the Congress be reorganized so that only those who are pledged to enact the party platform into law can serve as committee chairmen.

And we all know of the longstanding effort to change the Senate of the United States from a deliberative body where action on any controversial issue is subject to exhaustive and thorough consideration into a body where any issue, however grave, could be brought to a final vote almost immediately.

There is danger in all of these propositions.

I believe that, if successful, they could eventually lead to a tyranny of the majority which would automatically become a tyranny of the few who presume to speak for the majority, those who manage political conventions, who write party platforms, who dispense patronage and contracts, who control party machinery.

We do not want this in America and we must resist these attacks upon our system while they are still resistible.

The gravest threat to our concepts of human freedom and human dignity comes from the world Communist movement. Communism is antithetical to freedom, precisely because it denies everything that we affirm about the origin and nature of man.

Communism denies the existence of God, the creation of man by God, the endowment of man with a free will, the existence of a moral code based on divine law, and the existence of eternal life. Out of these beliefs emerged free government and it is only logical that out of intense opposition to these beliefs should arise the totalitarian monster of communism.

To the Communists, man is an economic creature. He has no autonomy, no free will. He is merely a conditoned animal and, therefore, the state feels justified in being completely ruthless in trying to shape this economic animal to serve its needs.

But I do not have to spell this out here at a university which is presided over by one of the most articulate and effective opponents of communism, President Robert Morris. For us, and I believe for the American people, this issue was decided long ago. What we need now is not argumentation but dedication, not controversy but commitment.

In the long run, I believe the strongest bulwark of free choice is young Americans who are committed, intelligent, articulate anti-Communists and who are dedicated with equal zeal to expanding human freedom and opportunity for our people and for all people. If we fail in this world struggle, all that we have built here at home, all that we hope to build, will be wiped out in one blow.

If I have appeared to digress from one field to another, it is because the question of freedom cannot be limited or contained. It is at the heart of every great issue before us. And if we cease to look for it in every issue, we shall surely lose it.

For you this should mean a personal commitment to advance those causes, those organizations, those men and women who are struggling to see that our country carries the burden and the blessing of freedom vigilantly, courageously, and resolutely.

Do not put aside or keep hidden the truths which you have received from your families and from your teachers here at the University of Dallas. The place for these teachings is not alone in the private conscience, nor in the home, nor in ivied halls. The place for these convictions is in the marketplace, in the union hall, in the public forum, in the world of culture, art, and even entertainment.

Do what you can to make your good influence felt on public affairs.

It is not enough to have the perception to know what is right; it is necessary that we have the courage to speak up for what is right.

And so I ask you to affirm your convictions with dedication and with zeal.

Carry them in every way you can into the main stream of American life.

Upon you and upon thousands of graduates like you rest the hope of our country and the hope of our civilization.

Good luck to you all.

Speaker Sam Rayburn Challenges Youth To Work Diligently—Veteran Legislative Leader Addresses Woodward School Commencement Exercises

EXTENSION OF REMARKS

OF

HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Thursday, June 8, 1961

Mr. RANDOLPH. Mr. President, it was my honor yesterday, June 7, to introduce Speaker SAM RAYBURN as the commencement speaker for the graduation exercises of the Woodward School for Boys in Washington, D.C. Among those receiving their diplomas on this occasion was the son of Speaker RAYBURN's administrative assistant, John W. Holton, Jr.

Mr. RAYBURN spoke without benefit of a formal text and, therefore, only those present have access to the full value of his comments. However, for the benefit of those who were not in attendance at the exercises, I would draw their attention to an article in this morning's Washington Post which quotes the heart of Speaker RAYBURN's remarks and reveals that he was addressing not only the

young men of Woodward School, but all the youth of the Nation.

I ask unanimous consent, Mr. President, that my introductory remarks and the article from the Washington Post be printed in the RECORD.

There being no objection, the remarks and editorial were ordered printed in the RECORD, as follows:

REMARKS BY SENATOR JENNINGS RANDOLPH, DEMOCRAT, OF WEST VIRGINIA, INTRODUCING SPEAKER SAM RAYBURN AT THE COMMENCEMENT EXERCISES, WOODWARD SCHOOL FOR BOYS, WASHINGTON, D.C., JUNE 7, 1961

Headmaster Lewis, Dr. Maas, ladies and gentlemen, and graduates and guests of Woodward School, there is perhaps no more overworked cliche in the entire battery of introductory comments than the one which begins, "Your speaker today needs no introduction."

Yet, of none could it be said with more truth than of "Mr. SAM"—especially here in Washington. Though he has not been here quite as long as the Washington Monument, there are some who would maintain that he is made of just as durable material.

Speaker RAYBURN has not only seen much of American history, he has helped to make it, and he is history—and a potent force in the history that is yet to be written.

Not only has he served longer than any Members of the present House of Representatives—now in his 25th consecutive term—but he has served longer than any Member in the history of the House—and on June 12, just 5 days hence, he will have doubled the former record of tenure as Speaker which was held by Henry Clay.

I find a particular pleasure in introducing Speaker RAYBURN in an educational context, because I am one of his many students in the art of government. Though I am inclined to believe he always feels a slight twinge of remorse for those errant pupils who go to "that other body."

Speaker RAYBURN's service in the House of Representatives has spanned the administrations of seven Presidents. Yet even such a statement as this does not indicate the deep impress of his life on American Government—an adequate appraisal of which will require the work of many historians in the years to come.

It is with a genuine sense of privilege that I present a man of great knowledge in the affairs of Government and deep wisdom in the ways of life—the Honorable SAM RAYBURN, Speaker of the House of Representatives.

SPEAKER RAYBURN STATES ROLE OF YOUTH IN NATION

Speaker of the House SAM RAYBURN, Democrat, of Texas, in a straight-from-the-shoulder commencement address, yesterday told graduates of the Woodward School for Boys just what he expects of the Nation's youth.

"You must be such citizens as will protect and defend and perpetuate the mighty, the free, and the good government under which you live," RAYBURN told the 50 seniors during ceremonies at the Interior Department auditorium.

"I want you to know the history of your country," he declared. "Read the lives of the men who made it great. You will never have a concept of this Nation's history unless you make men like Hamilton, Washington, Jefferson, and Madison your neighbors."

"I want you to know your Government," RAYBURN continued, telling the boys to study the Constitution. "When you know that document, I know you will love and be willing to serve the Government it brought into being."

"You've got to want education badly enough to work for it," the Speaker said. He charged the boys not to forget college because they might have to pay for it with "work that dirties your hands and puts grime on your clothes."

To make knowledge worth while, RAYBURN said, it must be used. To use it properly, he told the graduates, takes good judgment and "just plain elbow grease."

Advertising in the Public Interest

EXTENSION OF REMARKS

OF

HON. JOHN V. LINDSAY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1961

Mr. LINDSAY. Mr. Speaker, it is refreshing, from time to time, to see good advertising. The advertisers have a habit of underestimating the intelligence of the American public. Run-of-the-mill advertising which does not elevate the mind, and which very often is not honest, is not effective. An example of good advertising—the refreshing kind—is a series of color reproductions of paintings, depicting the American scene, sponsored by the America Fore Insurance Group, and carried in national magazines.

With considerable dignity and conviction, America Fore Loyalty is currently helping remind millions of Americans what has been done—and what must be done by individuals—to preserve our freedom.

The theme of the series is "Our Destiny Is in Our Own Hands." There is no sales message as far as insurance is concerned. The "product" is the individual's role in shaping America's future.

Each advertisement carries, in full color reproduction, a historic painting from the private collection of America Fore Loyalty. Significant quotations of great men are used to tie in with an interpretation of the paintings and the message in the national interest.

In one of these advertisements, a painting showing American youths protesting to British General Gage against harassment by his troops in Boston—1769–70—the editor from Emporia, Kans., William Allen White is quoted:

This nation will survive * * * if only men can speak in whatever way given them to utter what their hearts hold.

The text:

Freedom of speech is a major part of our heritage. This freedom is deep in the American tradition—we must never allow it to be taken for granted. "What their hearts hold" William Allen White has said. So long as we dare release the protest in our hearts—as did the young Americans standing before General Gage—our Nation will prosper. Only the muteness of indifference and ignorance can open the floodgates of oppression against us.

Another advertisement in the series depicts *Old Ironsides* shelling the pirate forts of Tripoli, with the well-known quotation from Oliver Wendell Holmes:

The harpies of the shore shall pluck the eagle of the sea.

The text is timely:

Each age in history has known its harpies—those rapacious smearers attempting to deride a ship of state which flies high the colors of principle and ideals.

The fate of our own is irrevocably bound with the courage and faith of those who chart her course and unfurl her sails. With our proud heritage of accomplishment, we will never strike the country's colors—to the harpies of the shore or sea.

The third advertisement deals with the power of the individual. F. C. Yohn's colorful and dramatic painting of Sergeant Jasper replacing the flag at Fort Moultrie, S.C., in 1776 sets the stage for the pointed quotation from Edward Everett Hale:

I am only one, but still I am one.
I cannot do everything, but still I can do something.

Then follows the text:

So long as we think of ourselves as reflecting honest beliefs, a nation of individuals fearlessly determined to protect all that we hold dear—then our American way of life will prosper.

Full color reproductions of these presentations have been sent to Government officials, educational, civic, and fraternal organizations throughout the country.

This is advertising in the public interest on the highest plane, and for these reasons I congratulate the America Fore Loyalty Insurance Group.

Food for Civil Defense

EXTENSION OF REMARKS

OF

HON. PHIL WEAVER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1961

Mr. WEAVER. Mr. Speaker, in our efforts to develop an adequate civil defense program in this country, many department stores are cooperating with local civil defense offices by providing shelter areas—at their own cost—in their basements. This is done with the thought in mind that should disaster strike, the store's employees and customers would have a place to which they could retreat for shelter.

Our understanding is that fallout from a nuclear attack would last for days or weeks, and that people in these shelters would be required to remain there until this danger is past. This raises some very serious problems for the cooperating merchants who are providing the shelter. There is the possibility they would have a couple of thousand guests on their hands for a period of several days up to 2 weeks who will have to be fed.

Civil defense people have worked out a balanced 14-day food supply called Multi-Purpose Food which sells for $2.50 per can. Those who have provided shelter areas in department stores and office buildings do not feel they can assume the financial obligation of supplying this food. I do not think the public should call upon them to do so.

This problem has been of concern to a good friend and constituent, James R. Tisdale, personnel manager of the Miller & Paine Department Store in Lincoln, Nebr., and he recently wrote to me about it. He has a proposal which I think merits the closest possible attention of the Congress because it would not only solve the food supply problem in the event of a disaster, it would help at the same time deal with some of our surplus commodities.

Mr. Tisdale suggests that the Department of Agriculture make available to civil defense agencies in each State a sufficient food supply to handle an emergency. His proposal involves these factors:

First. Food items would be the same as now provided for needy unemployed.

Second. Food items would be rotated by replacement stocks each 12 months.

Third. Local civil defense officials would urge stockpiling on the basis of one or two firms in each block. The food could then be made available on a ration basis should the need arise.

Fourth. If an attack comes during hours when businesses are closed the stocks would revert to the local civil defense office which would handle distribution.

Fifth. All of this could be done with a minimum of redtape through local control of the program in each State and city.

This food stockpiling program is a real necessity if we are to have a workable civil defense setup. Many stores throughout the Nation are willing to cooperate. Local civil defense officials are interested in some areas. I think the Government could undertake a program such as the very fine one suggested by Mr. Tisdale with real advantage to its citizens.

Address by the Honorable Arthur J. Goldberg at a Luncheon Given in His Honor by the City of New York, With the Remarks of the Honorable Robert F. Wagner

---

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1961

Mr. MULTER. Mr. Speaker, I was privileged to attend a luncheon at the Waldorf-Astoria in New York on May 15, 1961, given in honor of our Secretary of Labor.

As an expression of New York City's appreciation of Mr. Goldberg's honorable record and long career in the cause of good labor-management relations Mayor Wagner presented the Secretary with a medallion.

It is with pleasure that I commend to the attention of our colleagues the remarks of Mayor Wagner upon presentation of the medallion and Secretary Goldberg's address to those assembled for the luncheon:

REMARKS BY MAYOR ROBERT F. WAGNER AT TESTIMONIAL LUNCHEON FOR HON. ARTHUR J. GOLDBERG, SECRETARY OF LABOR

Commissioner Patterson, Secretary Goldberg, distinguished guests and friends, it is a source of great pride and pleasure for me to participate here today and to honor, in the name of the city of New York, our honored guest and my good friend, Secretary of Labor Arthur J. Goldberg. In honoring him, we also honor the great combined labor movement which he served for so long, and the national administration for which he is such an articulate and enlightened spokesman in the field of labor-management relations.

We are both fortunate and honored to have him here with us today. These occasions are not merely luncheons for the purpose of entertaining a visitor, but briefing sessions where members of the President's Cabinet can come face to face with leaders in our financial, industrial, labor and civic life to present the administration's policies and programs.

Perhaps, in a way, our honored guest symbolizes our changing times. We no longer have as Secretary of Labor, to represent this great segment of our population in the President's Cabinet, an industry man with some sympathy for labor, but instead a labor man who understands and sympathizes with the problems of industry. How times have changed, and how much for the better.

Since he entered the Cabinet, Secretary Goldberg has been no stranger to us here in New York. We were the beneficiary of his valuable mediative talents in a strike involving our harbor railroad tugs.

I alluded to the fact that our guest symbolized our changing times, and the changing status of labor in our national life. He received his law degree at Northwestern University in 1929, being, incidentally, top man in his class. After a short general legal practice, he was drawn to the then resurgent and growing labor movement by a sense of idealism and a dedication to the cause of economic justice and a better way of life for the workingman.

His ability as a lawyer brought him to the posts of general counsel to the CIO and to the United Steel Workers, and as special counsel to the AFL–CIO.

He also served as counsel to the ethical practices committee of the AFL–CIO which adopted a policy of self-discipline and a program of self-policing for the labor movement.

His broad outlook and depth of vision dramatizes the changing status of labor that has come about in the lifetime of most of us here.

Labor, both organized and unorganized, reached the lowest point of its fortunes during the early days of the great depression.

During the great upsurge of economic and social reform that reached its high water mark during the early days of the New Deal, primarily through section 7A of the National Recovery Act, later the backbone of the Wagner Act, organized labor at last found itself in an atmosphere conducive to growth.

Long denied its right to organize into unions of their own choosing and bargain collectively, the working men and women of this country flocked into labor organizations in unprecedented numbers.

In this atmosphere of growth, the emphasis was on recognition, on obtaining long deferred dignity and security and on long overdue wage raises, reduced hours, and improved conditions of employment. In this struggle for growth and recognition with its emphasis on so-called bread-and-butter issues, it was only natural that for a time organized labor, absorbed with its own problems, tended to divorce itself from other aspects of our national life. Confronted with a day-to-day fight for very survival, it understandably had little time or inclination to participate more fully in community life or to see itself as an integral part of a much broader picture—the whole Nation.

This concept has largely changed. Though it still must apply itself to the daily bread-and-butter tasks of handling grievances and negotiating contracts for improved wages, hours, and working conditions, organized labor has found its place as an integral, vital part of our whole Nation. In other words, labor has achieved status, it is no longer an enemy to be grudgingly tolerated but a full partner with industry in our economic life.

With this changing role, of course, have come new concepts, new emphases, and new responsibilities.

As I stated earlier, the appointment by the President of Secretary Goldberg, symbolized this changed relationship between labor and management in this country. Secretary Goldberg has already faced the basic challenge raised by his appointment. This challenge simply put was this: Could a man identified for such a long time with the labor movement objectively and successfully carry out the labor policies of the U.S. Government?

Secretary Goldberg left no doubt about his personal feelings concerning this challenge. In his own words, he made it clear that he was "not representing the labor movement in this administration" but considered himself a "counsel for the public interest."

In his few short months in office, he has demonstrated to everyone that these words were no convenient rhetorical expressions. He made it clear from the start that he was not going to preside over any mere pedestrian administration of the Labor Department.

He assumed the burden at once as a Secretary of Defense for the Nation's economy, seeing his role as a domestic counterpart of that of the Secretary of Defense, realizing that our enemy at home and abroad must be fought on both levels, military and economic, and that sound domestic economic health was a necessary ingredient in the larger worldwide struggle.

Shortly after taking office, he made a tour of the States where unemployment was at its worst, in which he not only talked to Governors, mayors, businessmen and labor leaders but to hundreds of unemployed as well. In his own words, he said: "We had to show these people that their Government has a heart, as well as a head."

Equipped with a broad understanding of the dimensions of the economic challenge and with a familiarity of the long and short term problems, Secretary Goldberg has played a vital and decisive role in the shaping of the administration's antirecession program. He carried the ball on Capitol Hill for President Kennedy's first two major bills, extension of unemployment compensation and minimum wage increase. He has attacked, with vigor and intelligence, two of the most vexing sore spots in our economy, the problems of the depressed areas and the flight of the migrant worker whom he has characterized as the forgotten man.

He has realized, as few have, that one of the main causes of idleness in our depressed areas is the problem of automation and that people, long out of jobs, must be trained to do something different than they have done in the past, and that Government must supply some of the money for this retraining. He has vigorously dedicated himself to the cause of helping our minority groups, to see that discrimination in employment practices will be eliminated as far as possible.

Above all, Secretary Goldberg's main contribution and the most potent expression of his philosophy has been the creation of the President's Labor-Management Advisory Committee, consisting of seven business rep-

resentatives, seven from labor, five from the public, with the chairmanship alternating between the Secretaries of Labor and Commerce. He is now the first Chairman.

The creation of this Committee, backed by the wholehearted cooperation of the administration, marks the first genuine and sincere effort to bring together the combined creative genius and ability of labor, management and Government in an effort to solve our common problems.

It brings together, at high level, both sides of labor and management in an effort to recognize what these problems are and to understand their relative positions in regard to them. Together, labor and management face the vexing problems of foreign competition, automation, migrant labor and unemployment.

These domestic problems are present in an international atmosphere of grave crisis and tension. They must be faced together and solved together.

New York, it has been said, is a mirror of the Nation. What happens nationally affects us as a corporate being and what we do here has national overtones.

I want you to know, Mr. Secretary, that this city points with pride to its efforts to solve these problems on our own grassroots level. Administered by our city labor department, we have through executive order set up a "Little Wagner Act" which has supplied a system of labor relations similar in many fundamental respects to the system under Federal and State laws for workers in private industry.

A commission on intergroup relations has been created to promote harmony and good will in human relations among the various ethnic, racial, and religious groups residing and working side by side in New York City.

A committee on exploitation of workers has been established to help workers, primarily Negroes and Puerto Ricans, who are victimized by collusive agreements between unions and management.

This city has, for a long time, a nondiscrimination policy in its public housing and the New York City Fair Housing Practice Act, which eliminated discrimination as to race, color, and religion or national origin in the rental, leasing, or sale of private housing and makes of New York a real open city.

We have bent all of our efforts to make political and industrial democracy operate on our local grassroots level. Against this background, I commend you for your efforts to perpetuate our democratic institutions by developing in this country an enlightened foresighted and realistic program of labor relations.

It is with deep pride that I present to you, in the name of the people of the city of New York, this medallion which reads: "Presented to Arthur J. Goldberg, Secretary of Labor, statesman and leader, dedicated to the principles of a just and equitable relationship between management and labor by Robert F. Wagner, mayor of the city of New York, May 15, 1961."

And with this, Secretary Goldberg, go my sincere personal best wishes and esteem.

ADDRESS BY SECRETARY OF LABOR ARTHUR J. GOLDBERG, NEW YORK, N.Y., MAY 15, 1961

I am greatly honored by this affair tendered to me by the mayor and the city of New York. It is, I think, characteristic of this city that you have so honored two members of President Kennedy's Cabinet, and that those members are the Secretary of Commerce and the Secretary of Labor.

I am sure my distinguished colleague, Luther Hodges, was as gratified at the luncheon given for him as I am today.

These affairs show an awareness—by your great mayor and the citizens of New York—of the interrelationship of industry and commerce and labor in the life of this city, and indeed in the life of the country.

Gestures of this sort are indications of the truly progressive character of your city. It is that progressive tradition, dating back many years, that has helped New York attain the eminence it enjoys in this Nation and throughout the world.

I would like this afternoon to address myself to a provocative concept advanced by our President, one that has been the subject of much discussion and soul searching, both in our press and in our own individual minds.

In his inaugural address, the President said: "Ask not what your country can do for you, but ask what you can do for your country."

The question has been raised as to why the country was not furnished with a bill of particulars. This desire of people to be told specifically how to make their contribution to the national effort is quite understandable. Yet, I would like to raise the counter-question with you as to whether this uncertainty does not in itself reflect a lack of awareness on the part of people of their responsibilities to our society.

We pride ourselves for our dependence upon free enterprise, a free economy and personal decision to provide us with the goods and services for a good life. We are justifiably proud of our free institutions and the contributions they make. The managers of our vast industries, the leaders of our great labor unions, the important citizens who direct community affairs—all are among the prime movers of our national life.

At the same time, while Government has important responsibilities which it must exercise responsibly in our society, we ought not let Government dominate our lives. I am sure that most of us agree with that concept.

Given that general frame of mind, then, I would like to pose this question: Why is there any lack of awareness of what these tremendous groups, and the individuals in these groups, can do to advance the national interest?

I would like to suggest some answers, by way of specific examples in fields closely related to my own responsibilities as Secretary of Labor. I am, for example, the Vice Chairman of the President's Committee on Equal Employment Opportunity. The problem of discrimination exists in our national life.

That problem is not geographic in character. It is not, as those of us who live in the large, northern industrial cities would sometimes like to believe, strictly a southern problem. It exists here in New York, for example, in housing and employment practices.

Of course, the National Government is very much concerned with this problem, and is taking what are hoped to be effective steps to discharge its own obligations in this area. I believe that the beginning that has been made is extremely promising. President Kennedy's forceful leadership in this field has been reinvigorating. Under it, this administration has been able to create what I believe is a new and better climate for opportunity to flourish.

And here in New York, under your Governor and your distinguished mayor, much has been done. In this enlightened State and city, statutory protections exist to insure fair employment practices, for example.

Thus far government; but what of our private groups?

In reply to the question, "What can I do for my country?" I say to the members of the business and management and labor communities of America: stop discriminating.

No individual or group needs a law or an Executive order to coax or command them to observe a simple rule of morality.

That would be a genuine contribution to the national welfare. Businessmen can follow fair employment and promotional practices and policies on their own violition, in their own businesses. Labor unions can end discriminatory habits using their own means and powers.

I might add a corollary thought here, as a visitor to this greatest of all western metropolises. As hosts to the world, and especially to the United Nations, the citizens of New York can make a real contribution to our welfare by pursuing the open and unprejudiced policy of the civilized host—as I am sure you try to do.

This should be true not only for first rank ambassadors and diplomats but for the entire world community that lives and works here within your city limits.

My hometown, the Nation's Capital, faces the same responsibility.

What can you do for your country?

Let me give another example. I am, of course, very much concerned with labor-management relations. We have lately been engaged in an effort to insure regularity and stability in the work going on at our missile bases. This, in fact, is one of the things that brings me to New York today.

It has been suggested that the quickest way to attain the goal we seek is to adopt a law to compel a solution.

But I have learned from long experience that the adoption of laws does not necessarily solve the problem. Whether a law could or could not is beside the point.

Labor and management, without a law to compel them, can on their own volition agree on these principles:

That the program is one of urgent priority.

That the work should be performed economically, at decent wage levels, under fair conditions.

That, as during the war, free labor and free management can outproduce the regimented and compelled work force of the totalitarian countries.

That, therefore, no interruption of work should take place.

Now this attitude, and this remark, are not necessarily limited to the organizations working at missile bases.

My experience has convinced me that if labor and management are awaiting a bill of particulars on what they can do for their country, they don't have to look far.

There is no Government policy that prevents labor and management from developing, by mutual effort, better machinery for the settlement of disputes in vital matters—and in other matters as well. I would and do encourage such an effort. When labor and management ask: "What can we do for our country?" an obvious answer is: "Keep the peace. Keep the industrial peace not because a law compels you to but because of the welfare of the country and because it is to your own enlightened self-interest to do so."

I mentioned civil rights and labor-management relations as examples where voluntary effort in the public interest is self-suggesting.

Let me give you a third, based upon an interest inherent in the Secretary of Labor's job. Last week, the President issued an Executive order creating a Committee on Juvenile Delinquency and Youth Crime. I have the honor to serve with Attorney General Kennedy and Secretary of Health, Education, and Welfare Ribicoff on that Committee.

The President's Committee will, of course, enlist the aid and seek the cooperation of government and private organizations in this fight against the waste of delinquency.

In this important area, with $10 million authorized for Federal grants, it is obvious that if the President's Committee is to succeed it must depend upon the cooperation and aid of States and private organizations.

In commenting on this Executive order, the Washington Post remarked: "Juvenile delinquency is essentially a local problem

which must be dealt with through local agencies, schools, churches, settlement houses, community welfare agencies, operating together to bring hostile and rebellious youth into participation in the community's life. The real need is to put what is now known into use and to prod responsible private and public agencies at the local level into more effective operation."

I agree with that sentiment. The Federal Government can perform good and needed service in this field. It is also true that long before the Executive order was issued, manifesting Presidential concern and intention to appropriate action, the question of what you could do for your country provided its own answer to men and women already at work on delinquency.

I have given you three instances of areas where individual and group response to the President's concept should be clear. There are many others, both inside and outside my own responsibility.

In the singular world of today, a world of troubled neighborhoods rather than separate nations, our Government undertakes aid programs that are of vital and paramount importance for the peace and security of the world.

These programs do not exclude voluntary efforts by groups and individuals.

A religious group near Washington, D.C., for example, has been sending cows to areas in the world where a cow is a treasure, and where fresh milk is a luxury.

Large programs like CARE are effective expressions of private American concern. They are examples of what persons in private capacities can do for their country and the world—for in leading the world toward greater well-being they also strengthen the United States.

This is a great metropolitan area, a huge complex of people and activity. You know that as social problems arise, as the daily business of living becomes more and more demanding and challenging, the powers that can be brought to bear upon solutions need to be more effective. Responsible government must be an instrument for progress when the means at hand to private groups are not adequate to the problem they face. At the same time, government cannot be responsible unless our people make it so, unless they view their own actions in the light of the interest of all.

I would paraphrase the words of the President this way: All of us know what our country has done for us, and all of us know, in our heart and conscience, what we should do for our country. The resolution to act, to move forward, to seek the path of good conscience, is the only decision that remains.

Burns Creek Project Needed

EXTENSION OF REMARKS

OF

HON. ARNOLD OLSEN

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1961

Mr. OLSEN. Mr. Speaker, I would like to insert in the RECORD today the announcement from the Department of Agriculture of a disaster area caused by the severe drought in southern Idaho:

U.S. DEPARTMENT OF AGRICULTURE,
Washington, D.C., June 2, 1961.

USDA DESIGNATES 18 COUNTIES IN IDAHO AS DROUGHT EMERGENCY AREAS

The U.S. Department of Agriculture today announced designation of 18 counties in south central Idaho as disaster areas because of severe drought.

Secretary of Agriculture Orville L. Freeman is making available $745,000 of emergency funds, to be administered through the Agricultural Conservation Program by the State and county Agricultural Stabilization and Conservation (ASC) Committees.

These funds will be used to share with farmers and ranchers the cost of emergency measures designed to conserve and supplement irrigation water on cropland, and to supplement livestock water in range areas. The emergency cost-shares will come from funds authorized under Public Law 85–58.

Counties designated by Secretary Freeman as drought disaster areas for the emergency ACP assistance are Bannock, Bear Lake, Blaine, Butte, Caribou, Cassia, Clark, Custer, Elmore, Franklin, Gooding, Jefferson, Lemhi, Lincoln, Owyhee, Power, Teton, and Twin Falls.

USDA said the water supply situation in these Idaho counties is extremely acute at this time. The Idaho State Disaster Committee requested ACP cost sharing for emergency water practices that can be undertaken immediately in order to benefit this year's crop production and livestock operations.

The Idaho drought has plagued some areas for several years. Ranchers have experienced substantial damage and losses to range pastures and crops. Most of them need to produce at least part of the winter feed they use in their livestock operations. Many farmers and ranchers need emergency assistance to continue operating.

Under ACP the Federal Government shares the cost of needed conservation to assure in the public interest the wise use, protection, and improvement of soil and water resources on farmland. ACP emergency cost-sharing will be offered Idaho farmers and ranchers on conservation practices that conserve the supply of water currently available, increase the supply for existing irrigation systems, and increase water for livestock.

Farmers will pay about half the cost of the practices. Farmers apply for cost-share assistance to the Agricultural Stabilization and Conservation (ASC) Committee serving their county.

Mr. OLSEN. The Department of Agriculture states that the water supply situation in these Idaho counties is extremely acute, and they are making available ACP cost sharing for emergency practices to help reduce the effects of this great drought.

Mr. Speaker, the House Irrigation and Reclamation Subcommittee, of which I am a member, has recently held hearings on the Burns Creek project in southeastern Idaho. This is a true multiple-purpose project with great benefits. It would create a much-needed storage reservoir of some 234,000 acre-feet of water in this drought-disaster area.

I would also like to insert in the RECORD at this point the testimony of our colleague, the gentleman from Idaho [Mr. HARDING] before this subcommittee regarding the need for the Burns Creek project in southeastern Idaho:

STATEMENT BY REPRESENTATIVE RALPH R. HARDING BEFORE IRRIGATION AND RECLAMATION SUBCOMMITTEE, APRIL 17, 1961

Mr. Chairman and members of the committee, it is a real privilege for me to be able to come before this great committee of the Congress to testify in behalf of the authorization of the Burns Creek project.

We in Idaho feel that the Burns Creek project, which will be integrated electrically, hydraulically, and financially with the Palisades project, is the next logical step in our program of utilizing the Snake River for the benefit of mankind. For a long time we have realized the necessity of building our storage dams as far upstream as possible to catch and store the snow runoff for use by downstream irrigators.

The Burns Creek Dam, which is located 30 miles downstream from the Palisades Dam, will be constructed at the site that has been determined best by the Bureau of Reclamation, our Idaho irrigators, and other interested parties. It is the only site between the Wyoming border and the area where feeder canals begin taking water from the Snake River where a dam of sufficient size can be constructed to fully utilize the storage resources of the river.

The Burns Creek Reservoir would store 234,000 acre-feet of water—17,000 acre-feet of which would be a reregulating capacity reservoir, 117,000 acre-feet of which would be maintained as a power head, and 100,000 acre-feet of supplemental irrigation storage. The value of this 100,000 acre-feet of supplemental irrigation water cannot be emphasized enough. I have asked the Bureau of Reclamation to calculate how many acres this 100,000 acre-feet would irrigate for one vital water turn. I have been informed that after taking into consideration the evaporation and transit losses this 100,000 acre-feet of water would provide 1 irrigation turn for 186,000 acres of potatoes or sugarbeets. Any row crop farmer in Idaho can testify as to the importance of having the water available for this last vital turn.

It is also important to note that in the case of an extreme drought emergency, the 117,000 acre-feet power head could also be released, providing an irrigating turn for approximately an additional 200,000 acres.

Water is the lifeblood of Idaho. Last month there appeared before this committee a group of Idaho farmers—Leonard Graham and John Poole from Rigby, Clifford Scoresby from Iona, Russell Holm of Shelley, and Leo Murdock of Thomas, Idaho. These are all men who have spent the prime of their lives on Idaho farms. I am sure that if you asked any one of them what is the hardest work that they have ever done, they would reply, "irrigating." They know what it is to spend all night, while their city neighbors are sleeping, tramping the fields in a pair of rubber boots carrying a shovel and a lantern to make sure that every drop of water is properly utilized. There is no time for sleep for an Idaho farmer when it is his turn to irrigate. He cannot afford to waste any water, and I can assure you that the abovementioned witnesses are men who, throughout their lives, have attempted to conserve and to utilize the waters of the Snake River. I was greatly impressed with their testimonies pleading for the authorization of the Burns Creek project. I believe that without exception these were men who opposed the construction of a Federal dam in Helis Canyon. These are men who believe strongly in free enterprise, who would oppose again the Federal Government building a dam anywhere on the Snake River for strictly power purposes; yet, they come to Washington and testify as to the necessity and the vitality of the Burns Creek project because they want to store every drop of water for use by their fellow farmers.

These men have seen short-water years, years in which the 100,000 acre-feet to supplemental storage in Burns Creek would have made the difference between a poor crop and a good crop, or between no crop and a poor crop.

I am grateful to be here today to represent their interests and the interests of thousands of other Idaho farmers and small businessmen and working people whose livelihood depends upon a prosperous farm economy. In Idaho our farm economy depends upon water from the Snake River. I feel that the fact that the Burns Creek project will have the capacity to generate 90,000 kilowatts of electricity is not sufficient reason to deny its construction. Rather, we should be grateful

for this power capacity which will in turn repay 97 percent of the total construction costs of this project to the Federal Government.

Much has been said throughout past hearings that Burns Creek is being constructed to generate power for the favored few, referring to the preference customers. This is not so. The two largest customers of Palisades Power are the Idaho Power Co. and the Utah Power & Light Co.; and I assume that they will likewise be the two largest customers of Burns Creek power.

According to 1960 figures released by the Bureau of Reclamation for their entire system in Idaho, private utilities are receiving 35 percent of the power and paying only 23 percent of the revenues. Preference customers are receiving only 39 percent of the power but are paying 56 percent of the revenues, and the remaining 26 percent of the power which produces 21 percent of the revenues is being used by irrigators. It is possible for the investor-owned utilities such as Utah Power & Light Co. and Idaho Power Co. to firm up this hydropower that they buy at reduced rates from the Bureau of Reclamation with power generated in their own plants and sell it to their customers at the higher firm power rates. So power generated in Idaho by the Bureau of Reclamation has benefited not only the REA's and the municipalities but also the private power companies and, even more importantly, all of the people of Idaho.

I believe that Burns Creek is a sound business investment. Not only does it provide 234,000 acre-feet of storage capacity and the generating capacity for 90,000 kilowatts of electricity, but it will also double the revenues from the Palisades project. When we consider that the Palisades project cost $62 million and the Burns Creek project is estimated to cost $45 million and yet combined they will produce twice as much annual net power revenues, it is easy to see why this is an economically justifiable project.

I am sincere in asking that this honorable committee give favorable action to our legislation authorizing the construction of this much-needed reclamation project. I wish to thank you again for the privilege I have had of appearing before this outstanding committee.

Mr. OLSEN. Mr. Speaker, I heartily support this project as a needed, worthwhile, and economically feasible project, beneficial not only for the farmers of Idaho, but for the whole country as well. I urge my colleagues to give this project their utmost consideration and support when it comes before the House.

Federal Reclamation Program for Fiscal Year 1962

EXTENSION OF REMARKS

OF

HON. WAYNE N. ASPINALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1961

Mr. ASPINALL. Mr. Speaker, for the information of all Members, I would like to insert in the CONGRESSIONAL RECORD a statement I presented today to the Appropriations Committee relating to the Federal reclamation program for fiscal year 1962. The statement refers to attachments which consist of additional material furnished the Appropriations Committee. I will be glad to furnish copies of these attachments to anyone who is interested in them.

The statement follows:

STATEMENT OF HON. WAYNE N. ASPINALL, OF COLORADO, CHAIRMAN, HOUSE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, BEFORE THE PUBLIC WORKS SUBCOMMITTEE OF THE HOUSE COMMITTEE ON APPROPRIATIONS, JUNE 8, 1961

Mr. Chairman, I appreciate the opportunity to appear before your committee again this year in behalf of the overall Federal reclamation program. I am appearing as chairman of the House Committee on Interior and Insular Affairs which has the responsibility for studying and authorizing reclamation projects.

In previous years I have criticized the executive department for its no-new-starts policy and have expressed my firm belief that a few new construction starts each year are necessary for an orderly and progressive long-range program. This year five new starts have been recommended by the administration. I urge the Committee to retain these proposed new starts. In my opinion, the projects recommended have met all preconstruction requirements and should be started at the earliest possible date. To my knowledge, there are no additional reclamation projects that have met all the requirements necessary to place them in position to be started in fiscal year 1962.

My criticism of this year's construction program for Bureau of Reclamation projects is that the overall amount is considerably below the level of spending that is warranted by this important national program. This has been true, in my opinion, for the last 10 years. Our spending for reclamation construction has not kept pace with our expanding economy and the needs for developing our land and water resources. I have been recommending to this committee for the last several years an annual level of spending for reclamation construction of about $300 million. Even $300 million is short of the amount we would be appropriating annually if spending for reclamation had maintained a relative position in our overall Federal spending. In addition to the need for a larger program, we must not overlook the fact that we are getting only half as much in the way of project facilities for the dollars we spend today as we were getting 20 years ago.

The retention of the relatively small construction program recommended this year combined with the fact that the level of spending for the projects underway has been much too low for the last several years obviously poses serious problems in the years ahead. We are either faced with a pyramiding of costs, which I object to, or we will have an inefficient and wasteful construction schedule. Last year the Bureau of Reclamation indicated to this committee that it needed $294 million to carry on an efficient construction program in fiscal year 1962. However, the program recommended this year totals only $252 million and, with the funds carried forward and underfinancing, only $218 million is requested. An examination of the Bureau's schedule of construction that has been submitted to this committee this year indicates a need next year for $380 million in order to keep the projects already started moving forward on an efficient construction schedule, and this amount does not include any new starts for next year. The comparisons given for these last 2 years are typical examples of what has happened over the last several years. Congress has continued to add new starts in recent years as, in my opinion, it should have, in spite of the administration's no-new-starts policy. These projects were started by the previous administration, but the administration failed to recommend the level of spending necessary to provide an orderly and efficient schedule of construction. This year's budget has the same defect. If our level of spending in past years had been increased to around $300 million as I have heretofore recommended, we would not be in the difficulty we are in today. In my opinion, an increase from a $250 million program to a $380 million program or more in 1 year is not realistic. I am not sure what can be done to raise the level of spending appreciably in fiscal year 1962 because of the lack of preparation, but if additional funds can be efficiently used I believe they should be appropriated. In addition, I believe that, starting right now, the level of spending should be increased as rapidly as possible to a level required for an orderly and relatively uniform program and to a level that is justified by the importance and needs of this great national program.

In past years I have presented to this committee a sample 8-year program showing not only the going projects but also how additional projects that are already authorized, or are expected to be authorized in the near future, can be worked into the construction schedule without exceeding a reasonable annual level of spending. My purpose has been to show that we can have a progressive and sound program including a few new starts every year without excessive pyramiding of fund requirements. I have prepared again this year a sample 8-year program and it is attached hereto. With the need for funds jumping to $385 million next years, it illustrates the difficulty we face in the years ahead in getting the program back on the track, a situation which I have already discussed in this presentation.

The sample 8-year program includes 27 new starts, not counting the 5 recommended for fiscal year 1962 by the administration. The table does not purport to show all the projects that may be started during the 8-year period or to indicate any priority of construction. The projects are scheduled in a way that seems reasonable to me on the basis of their present authorization and planning status. The fund requirements on a year by year basis, as shown on the table, are as follows:

Fiscal year:	
1963	$383,877,000
1964	352,327,000
1965	342,753,000
1966	337,438,000
1967	277,161,000
1968	275,700,000
1969	262,875,000

There is, of course, a direct relationship between the authorization program for reclamation projects which is before my Committee on Interior and Insular Affairs and the construction program for which this Committee authorizes funds. The two programs must be coordinated, otherwise we will end up with authorized plans sitting on the shelf becoming obsolete. This is what happened in the case of the Missouri River Basin project and others in the past, resulting in considerable difficulties and problems for both the executive departments and the Congress. My committee has before it legislation to authorize more than a billion and a half dollars in new reclamation projects. Most of these are meritorious projects and will contribute tremendously to the Nation's economic strength. However, they must be examined not only with respect to their merit but with respect to the level of spending which the Congress authorizes each year, keeping in mind the extent of the construction work underway. I believe that our authorization and construction programs should be approximately equal, dollarwise.

There is one other aspect of our overall Federal reclamation program which I would like to discuss briefly, because it is referred to so often, and, also, because, in my opinion, it is the most misunderstood problem we

have today in connection with construction of reclamation projects. This is the relationship of crop production on reclamation projects to the agricultural surplus problem. I discussed this matter to some extent with you last year. Since then, I have had additional studies prepared on this subject for the information of my committee. I am still convinced that reclamation tends to alleviate rather than add to our existing agricultural problems. The placing of water on land which theretofore has been used for nonirrigated grain crops usually results in a shift to more diversified farming. In other words, irrigated farming in the West enjoys a complementary rather than a competitive relationship with the whole of the country's agriculture. Very little of the Nation's crop surplus is attributable to the irrigated areas of the West. The principal sources of surplus crops are nonirrigated areas where one-crop farming predominates. Reclamation farms produce abundantly of the protective and bodybuilding fruits, vegetables, and meats needed for healthful diets.

Sweeping generalizations that the development of additional lands under the reclamation program adds to the crop surplus are misleading. An understanding of the problem requires, among other things, consideration of what crops make up the surplus problem, what part of these surplus crops are grown on reclamation project farms, an examination of the crops which reclamation farms do produce, and the long-term needs for the products of western irrigated agriculture.

Actually, five crops constitute the bulk of farm commodities under loan or in the inventories of the Commodity Credit Corporation. They are wheat, corn, upland cotton, grain sorghums, and tobacco. These five crops make up 94.83 percent of the CCC loans and inventories. A negligible part of the surplus comes from reclamation farms. I have had some drawings prepared which illustrate very clearly these points and also show the crops that are grown on reclamation farms. They are attached to my statement and I would like for them to be made a part of the record.

In addition, we are advised by agriculture authorities that our present crop imbalances are only temporary and that continued efforts are needed in research and the conservation and deveolpment of our soil and water resources. A recent report prepared by the Department of Agriculture for the Senate Select Committee on National Water Resources discloses that the rapid population growth will soon place this country in a position of farmland shortage unless timely offsetting actions are taken. While the acreage of good cropland diminishes at a rate of 3,000 acres per day, due to the construction of new roads, airports, cities, etc., the Nation's population is increasing at about 8,600 additional persons per day. Population growth to 330 million, expected prior to the year 2000, plus the increase in per capita consumption, will boost the total requirement for food products to a level double that of the present. Just how soon our agricultural abundance will give way to shortages depends upon the positive steps that are taken to meet our expected future needs.

Mr. Chairman, in my opinion, the continued development of supplemental water supplies for existing irrigated areas, as well as the opening of new lands to settlement through reclamation, are entirely consistent with sound, long-term agricultural objectives. Reclamation development helps to insure adequate food and fiber for our rapidly growing population and provides the basis of expanding the economy of the West.

Mr. Chairman, I would like to now turn briefly to the program of the Upper Colorado River Basin. In this portion of my statement, I am speaking also for the State of Colorado and for Governor McNichols who could not be present at these hearings.

The total construction funds recommended in the administration's revised budget for the Colorado River storage project and participating projects is $59.9 million. With the unobligated funds to be carried over from this year's appropriations and the provision for underfinancing, this represents a construction program of about $83.4 million. The revisions in the original budget made by the present administration include a transfer of $800,000 to the general investigations program, an increase in the amount recommended for the Curecanti storage unit, and an increase of about $5.8 million in the amount requested for transmission lines. I am in full agreement with these changes. The transfer of funds to the general investigations program will permit a speedup in the planning of new projects and will in no way disrupt the orderly and progressive construction of the storage project. I have continually pressed for additional planning funds in order to assure the best possible development of our water resources. The additional funds for the Curecanti unit will enable the Bureau to start preconstruction work on Morrow Point Dam and Reservoir. The Curecanti unit which is being constructed for river regulation, supplemental water for irrigation, and the production of badly needed power is a most important part of the overall upper basin development. I am particularly pleased with this possibility for earlier completion and the earlier availability of the benefits from this storage unit.

The increase in the amount requested for transmission lines relates to a problem on which I know this committee has received extensive testimony. Last year when I was before this committee I stated that the necessary transmission lines for the Colorado River storage project should be started without delay in order to be able to market the energy from the powerplants when it became available. I want to reaffirm this view and state that if the transmission system is to be completed in sufficient time so as not to delay the marketing of electric energy, the construction program must go forward this year with all possible speed.

When the authorizing legislation for the Colorado River storage project was before my committee, the committee considered this matter very carefully. While the legislation included authorization for an all-Federal transmission system, the committee saw the possibility of cooperation between the Federal Government and the private power companies in the area. Congress, in effect, told the Secretary of the Interior to fully study this matter, giving every consideration to the proposals made by the private utilities. Two Secretaries of the Interior, following the instructions from the Congress, have studied this matter and both have recommended an all-Federal system for the basic transmission lines. The decisions of both have been based upon economic factors. It is my understanding that the Department's studies indicate that an all-Federal transmission system will benefit the power consumers and provide more revenues to the upper Colorado Basin fund for the development of the remaining water and land resources of the area.

Mr. Chairman, the Subcommittee on Power and Land Problems of the Government Operations Committee, chairmaned by Hon. JOHN MOSS, has studied this problem at some length. I have a letter from Congressman Moss which sets out some of the subcommittee's conclusions and, with your permission, I would like to insert that letter in the record at this point.

My own view is that construction of the necessary transmission system cannot be held up any longer. The proposals of the private utilities have been studied and the decision has been made by the last administration and reaffirmed by the present administration. I am confident that this committee will include funds necessary to move forward with all possible speed on the construction of the necessary lines of the transmission system.

With respect to other items in the budget for the individual storage units and participating projects, I believe they are adequate for moving ahead on an efficient construction schedule. I understand that the construction of the Glen Canyon, Flaming Gorge, Navajo, and Curecanti storage units and the Paonia, Smith Fork, Florida, Hammond, Seedskadee, and Vernal unit of the central Utah participating project of the Colorado River storage project are substantially on schedule. For this progress, Mr. Chairman, we are indebted greatly to you and your committee.

I am pleased to report that the $330,000 in the budget for the Paonia project and the $534,162 for the Collbran project, both in my district, will complete these projects in fiscal 1962. These are very small as reclamation projects go, but they have been needed for many years and their completion this year in the middle of an extreme drought cycle may mean the difference between existence and disaster for many of my people. The $2,777,000 for the Florida project and the $2,027,000 for the Smith Fork project, both of which are also in western Colorado, will allow the continuing construction of these projects which are so badly needed in order to stabilize and maintain the economy of the project areas. The committee will be interested to know that it is anticipated that the Smith Fork project will be completed in fiscal 1963 and the Florida project in the following year.

In closing, please accept my personal thanks for granting to me this opportunity to again present a case for a reasonable and sensible approach to the problems associated with the reclamation program, and for your continued support of appropriations for the various projects in my State of Colorado and the entire Upper Colorado River Basin.

If this committee finds that additional funds can be used efficiently for the Colorado River storage project or for any other project in the reclamation program, I hope that the funds will be provided this year in order to ease the problem of pyramiding costs which we face in the years ahead.

Aid to Education

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 8, 1961

Mr. ANFUSO. Mr. Speaker, I understand that legislation to provide aid to education is scheduled to come up in the House next week. I should, therefore, like to take this opportunity to express my views in advance so that my constituents know where I stand on this issue.

First, let me make clear that I regard education and our educational systems in this country as of prime importance. This is one phase of our national activity where we cannot afford to fall down. The great strides we have made as a nation is due only to the fact that we always stressed the need for education and that we have provided a wide base which made it possible for our children to receive an education. We should continue to widen

that base on all levels, so that any child in America, regardless of race, creed, color, or national origin, will have the fullest opportunity to acquire not only an elementary education but also a secondary and college education, or vocational training.

Second, I regret exceedingly that the question of Federal aid to education has become a controversial issue and that religion was brought into this problem. There is no need for such controversies, which only serve to divide us and to weaken us. This question should have dealt only with various ways of aiding education, the granting of funds for school construction to eliminate the classroom shortage, enabling our teachers to receive higher salaries, and providing tuition or scholarships for those who need such assistance. Had we approached this problem with such views in mind, we would have made real progress toward bringing our educational system into line with our domestic needs and with our worldwide responsibilities.

Unfortunately, this was not done. Instead, all sorts of legalities were raised, religion was injected, church-state relationship became an issue. All sorts of questions were raised regarding parochial schools, as if these were outlandish institutions. People failed to realize that the Catholic parochial elementary and secondary schools have an enrollment of more than 5 million students throughout the country. People ignored the fact that this school system is comprised of 10,300 elementary schools and 2,400 high schools, staffed by more than 102,000 teachers, of whom 40,000 are laymen.

People also do not seem to be aware that these schools are operated and maintained by ordinary American citizens, of ordinary means. Like the public schools, so do also the parochial schools stress scholarship, citizenship, character, and morality. These schools are not something alien. They are a part and parcel of America and date from the very beginning of our Nation. They perform a noble public function in providing millions of American children with an education that is recognized in all 50 States of the Nation for its high standards and scholastic achievements.

In all frankness, I ask: Have the parochial schools done anything but good in America and for America? Can anyone deny that they have helped raise educated, well informed, loyal, and patriotic citizens of this country? They have done much more than that. They have instilled in the hearts and minds of many young generations not only the meaning of American citizenship, but the responsibilities of democratic self-government and the democratic way of life. In this respect, they have performed a great public function for the Nation as a whole, for the States and for our cities which is difficult to repay.

Surely, this is no time to discriminate against such schools. This is no time to inject controversies in this much-needed legislation to aid our schools all over the country, and thus divide the Nation over religious issues which have no place or reason in this legislation. By denying aid to parochial schools we are singling them out as being different or unworthy. It is no wonder that the millions of children now attending these schools, their teachers, and their parents who sacrifice of themselves so that their children can have the type of an education their conscience dictates, feel that they are being discriminated against when aid is denied them.

I believe that this is the first time that an earnest effort, with a reasonable chance of success, is being made in the Congress to provide assistance to education on such a large scale. But why start out on the wrong foot? There is no valid reason in the world why a large segment of our citizenry and our Nation's manpower of tomorrow should be excluded from participating in the educational benefits.

Let me emphasize as strongly as I can that I would feel the same way if Protestants, Jews, or any other religious group was discriminated against on the basis of their religion, whether it is in the field of education, employment, or civil rights. In fact, in all my years in Congress I have supported civil rights legislation and have advocated the elimination of racial and religious bias and prejudice.

I believe that President Kennedy is showing real leadership in his efforts to have the Congress pass a school bill. As a Catholic and as the President of all the people of the United States, he has shown great restraint in not trying to raise his voice for what might be described as a Catholic cause. I feel certain, however, that he will not be disappointed if we do our duty and what is right for all the people of America. I desire to associate myself with the views on this subject as expressed by our distinguished majority leader, the Honorable JOHN W. MCCORMACK, and I hope these views will prevail.

The responsibility is ours and ours alone. It rests upon our consciences to do what is right and just. We must strike a balance in extending a helping hand to our schools and our children. It is unthinkable that this great Nation would undertake a huge educational assistance program, and then leave out millions of children because they attend parochial schools. It is unfair. It is unreasonable. It is harmful to America. It will constitute a grievous error. I raise my voice now in the hope that we can still avoid committing this mistake.

President's Remarks to the Graduating Class at the U.S. Naval Academy, Annapolis, June 7, 1961

EXTENSION OF REMARKS

OF

HON. RICHARD E. LANKFORD

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1961

Mr. LANKFORD. Mr. Speaker, I have the honor to bring to the attention of my colleagues the most inspiring and challenging address of the President of the United States of America, delivered at graduation exercises at the U.S. Naval Academy today. The address follows:

TEXT OF THE PRESIDENT'S REMARKS TO THE GRADUATING CLASS AT THE U.S. NAVAL ACADEMY, ANNAPOLIS, MD., JUNE 7, 1961

Admiral, Mr. Secretary, members of the Joint Chiefs of Staff, members of the faculty, members of the graduating class, and their families, I am proud as a citizen of the United States to come to this institution and this room where there is concentrated so many men who have committed themselves to the defense of the United States. I am honored to be here.

In the past I have had some slight contact with this service, although I never did reach the state of professional and physical perfection where I could hope that anyone would ever mistake me for an Annapolis graduate.

I know that you are constantly warned during your days here not to mix, in your naval career, in politics. I should point out, however, on the other side, that my rather rapid rise from a Reserve lieutenant, of uncertain standing to Commander in Chief, has been because I did not follow that very good advice.

I trust, however, that those of you who are regulars will, for a moment, grant a retired civilian officer some measure of fellowship.

Nearly a century ago, President Woodrow Wilson came here to Annapolis on a similar mission, and addressed the class of 1914. On that day, the graduating class numbered 154 men. There has been, since that time, a revolution in the size of our military establishment, and that revolution has been reflected in the revolution in the world around us.

When Wilson addressed the class in 1914, the Victorian structure of power was still intact, the world was dominated by Europe, and Europe itself was the scene of an uneasy balance of power between dominating figures and America was a spectator on a remote sideline.

The autumn after Wilson came to Annapolis, the Victorian world began to fall to pieces, and our world one-half a century later is vastly different. Today we are witnesses to the most extraordinary revolution, nearly, in the history of the world, as the emerging nations of Latin America, Africa, and Asia awaken from long centuries of paupery and impatience.

Today the Victorian certitudes which were taken to be so much a part of man's natural existence are under siege by a faith committed to the destruction of liberal civilization, and today the United States is no longer the spectator, but the leader.

That half century, therefore, has not only revolutionized the size of our Military Establishment, it has brought about also a more striking revolution in the things that the Nation expects from the men in our service.

Fifty years ago the graduates of the Naval Academy were expected to be seamen and leaders of men. They were reminded of the saying of John Paul Jones, "Give me a fair ship that I might go into harm's way."

When Captain Mahan began to write in the nineties on the general issues of war and peace and naval strategy, the Navy quickly shipped him to sea duty. Today we expect all of you—in fact, you must, of necessity—be prepared not only to handle a ship in a storm or a landing party on a beach, but to make great determinations which affect the survival of this country.

The revolution in the technology of war makes it necessary in order that you, when you hold positions of command, may make an educated judgment between various techniques, that you also be a scientist and an

engineer and a physicist, and your responsibilities go far beyond the classic problems of tactics and strategy.

In years to come, some of you will serve as your commandant did last year, as an adviser to foreign governments; some will negotiate as Admiral Burke did, in Korea, with other governments on behalf of the United States; some will go to the far reaches of space and some will go to the bottom of the ocean. Many of you from one time or another, in the positions of command, or as members of staff, will participate in great decisions which go far beyond the narrow reaches of professional competence.

You gentlemen, therefore, have a most important responsibility, to recognize that your education is just beginning, and to be prepared, in the most difficult period in the life of our country, to play the role that the country hopes and needs and expects from you. You must understand not only this country but other countries. You must know something about strategy and tactics and logistics, but also economics and politics and diplomacy and history. You must know everything you can know about military power, and you must also understand the limits of military power. You must understand that few of the important problems of our time have, in the final analysis, been finally solved by military power alone. When I say that officers today must go far beyond the official curriculum, I say it not because I do not believe in the traditional relationship between the civilian and the military, but you must be more than the servants of national policy. You must be prepared to play a constructive role in the development of national policy, a policy which protects our interests and our security and the peace of the world. Woodrow Wilson reminded your predecessors that you were not serving a Government or an administration, but a people. In serving the American people, you represent the American people and the best of the ideals of this free society. Your posture and your performance will provide many people far beyond our shores, who know very little of our country, the only evidence they will ever see as to whether America is truly dedicated to the cause of justice and freedom.

In my inaugural address, I said that each citizen should be concerned not with what his country can do for him but what he can do for his country. What you have chosen to do for your country, by devoting your life to the service of our country, is the greatest contribution that any man could make. It is easy for you, in a moment of exhilaration today, to say that you freely and gladly dedicate your life to the United States. But the life of service is a contest of your will.

It will be hard at times to face the personal sacrifice and the family inconvenience, to maintain this high resolve, to place the needs of your country above all else. When there is a visible enemy to fight, the tide of patriotism in this country runs strong. But when there is a long, slow struggle, with no immediate visible foe, when you watch your contemporaries indulging the urge for material gain and comfort and personal advancement, your choice will seem hard, and you will recall, I am sure, the lines found in an old sentry box at Gibraltar, "God and the soldier all men adore in time of trouble and no more, for when war is over, and all things righted, God is neglected and the old soldier slighted."

Never forget, however, that the battle for freedom takes many forms to those who through vigilance and firmness and devotion are the great servants of this country; and let us have no doubt that the United States needs your devoted assistance today.

The answer to those who challenge us so severely in so many parts of the globe lies in our willingness to freely commit ourselves to the maintenance of our country and the things for which it stands.

This ceremony today represents the kind of commitment which you are willing to make. For that reason, I am proud to be here. This Nation salutes you as you commence your service to our country in the hazardous days ahead. And on behalf of all of them, I congratulate you and thank you.

Federal Subsidies Lead to Federal Control

EXTENSION OF REMARKS
OF

HON. ELFORD A. CEDERBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1961

Mr. CEDERBERG. Mr. Speaker, I am sure that the volume of mail arriving in congressional offices daily indicates the widespread interest of the citizens of our country in the question of Federal aid to education.

The gentleman from Illinois [Mr. DERWINSKI] made a very able and illuminating presentation on the Manion Forum and with the unanimous consent of the House I present it and recommend that my colleagues give careful study to his remarks:

REMARKS OF HON. EDWARD J. DERWINSKI, MEMBER OF CONGRESS FROM THE 4TH DISTRICT OF ILLINOIS, ON THE MANION FORUM

Thank you, Dean Manion. The basic question before us is: "Should Federal funds with Federal controls be extended to the Nation's elementary and secondary schools, public or private?" The reasons for answering this question with a resounding "no" are obvious and convincing.

Federal spending for education proposals, now being debated in the Congress, have developed the usual intense controversy. In addition to the vital questions of constitutionality, necessity or practicality of Federal spending for local schools, we are now faced with the newest issue which has completely obliterated the customary debate area. This new issue is Federal aid to private schools, and especially to the Catholic parochial school system.

The responsibility for our Nation's educational system was reserved to the States of the Union under the U.S. Constitution. State and local communities have always fulfilled their obligations in the field of education, and have and are continuing to provide American students with the greatest possible educational opportunities and unmatched facilities. Responsible State authorities and local school board officials are not appealing to the Federal Government to relieve them of their traditional and constitutional responsibility. In fact, we have effective assurances that States and local communities will meet the educational challenges of the future.

May I point out that Federal subsidies will definitely lead to Federal control in education, just as they have in every other field. A typical example is the National Defense Education Act of 1958, which is now under withering attack by the self-styled liberal elements in our educational circles who object to the loyalty oath and disclaimer provisions that are called for under this program. They object to what they call undue interference and unreasonable regulations which infringe on basic rights. Yet, these same persons are rabid proponents of the massive Federal aid to education proposals. They, therefore, are completely inconsistent, since by their own objections to the loyalty oath and disclaimer affidavit provisions, they emphasize the inevitable control and complications that Federal Government programs contain. This shows conclusively that Federal spending for education, whether for public or private schools, will contain oppressive controls despite the denials of the proponents.

Another point that must be reemphasized at all times is that the local taxpayer pays for Federal spending projects. Many influential members of the present administration subscribe to deficit financing by the Federal Government as a painless way to finance their socialistic schemes. They neglect to remind the taxpaying public that the burden of Federal taxation falls heavily on the individuals and businesses who also bear the brunt of local and State taxation. The local communities and States of the Nation are successfully, without Federal help, eliminating classroom shortages, raising teachers' salaries, and providing our students with the finest educational facilities in the world. If the local tax base were not subject to piracy by the Federal Government, school districts and States could meet all the educational needs and have funds to spare for other projects that rightfully belong under State and local jurisdiction.

On the Manion Forum a few weeks ago, Roger Freeman, of Claremont College, Calif., an unquestioned authority in the field of education, presented facts and figures proving that Federal aid to any local school is unnecessary.

Let me review some facts for you. In the past 10 years, the States and local communities built 200,000 more classrooms than those necessary to take care of the increase in the number of schoolchildren. In his education message, President Kennedy stated that we would need 600,000 more classrooms during the next 10 years, or 60,000 classrooms a year. This figure is obviously inflated, but let's work from it. The fact is that States and local communities have been building 70,000 classrooms per year for the past 5 years, or 10,000 more per year than the President claims we need. Building plans and local bond approval in 1960 set an alltime record, indicating that the present construction will continue to exceed the President's figures, thus refuting the necessity of the proposed Federal programs. A survey of State school superintendents made for the Federal Department of Health, Education, and Welfare disclosed that 99½ percent of the Nation's school districts have the ability to build the schools that their population requires.

Now, let me discuss the issue that has been raised with regards to private schools. Since most of the elementary and secondary private schools are maintained by Catholics, special attention must be directed to the religious controversy that has developed.

At the moment, one point of agreement that can be found among Members of Congress is the fact that the parochial school issue has taken over the center stage and pushed the fundamental debate into the wings. This, to me, represents another tragic chapter in the continuing debate over Federal aid to education. The political theorists whose answer to any problem, real or imaginary, is to spend taxpayer's dollars in unwarranted Federal schemes, find the parochial school issue of sufficient intensity to remove from the public spotlight the fact that we do not need and would suffer from Federal aid to education.

Under our republican form of government, the rights of our citizens have been carefully protected, and in the field of education we have witnessed the development of American private schools to an extremely high level in educational standards. The many sectarian and nonsectarian private schools which

serve us at all levels of education have been developed with the support of private citizens who, for a multitude of reasons, wish to provide for education through these facilities, rather than the public school system.

As public school enrollment increases in the future, State and local communities will successfully cope with it, but school enrollment in private schools also gives us interesting statistics. Between 1940 and today, the percentage of our children attending private schools has increased from 9.4 percent to approximately 15 percent. Enrollment in private schools, most of which are church-related, is increasing faster than enrollment in public schools.

With this thought in mind, one provision of the Kennedy administration proposal for Federal spending for education should be noted. It provides for distributing funds to each State in proportion to the entire school population, public and private, without allowing for the fact that the funds would not be distributed in that fashion. Incidentally, a fair and equitable distribution of funds by States has not been proproposed under any Federal spending proposals. Individual States and communities would be discriminated against.

Due to the attention the private school controversy has developed, it is also pertinent to emphasize that Federal aid to private schools would be a sugar-coated pill that would eventually be detrimental to the unique nature of our private school systems. Therefore, my colleagues who claim that it is unjust not to give private schools and, therefore, private school children, a proportionate share of this proposed Federal spending are not using a valid argument, since the important thing to direct to the attention of the parents of private school children is the long-range damage that schools would suffer under Federal regimentation.

I am a Roman Catholic and received all of my education in Catholic schools. I do not wish to see the growth, effectiveness, independence, and unique features of these private schools or any other of the outstanding and flourishing private schools of the country disrupted by Federal control, which is the inevitable byproduct of Federal aid. If the private schools of the country make the mistake of being lured into accepting Federal aid, they will be destroying the individuality of the private school systems.

Any school, public or private, that accepts Federal money will sooner or later be placed in the straitjacket of a centralized federally dominated educational system in which the bureaucracy that would develop would attempt to condition students of future generations to a philosophy of complete dependence on government. It is a matter of record that nationally supported school systems in other countries have been successfully employed by the dominant political party to influence the thinking of pupils through the teachers who look to the all-powerful government for promotion and pay.

Parents of private school students, and I direct my attention especially to parents of Catholic school students, should realize that these schools will continue to flourish in our country due to understanding tax treatment by local and State authorities, and the desire of ecclesiastical authorities and parents to provide their children with religious instruction in addition to formal education.

The diabolical maneuvering here in Washington, however, is to make an empty gesture to aid private schools through the Federal aid bill. The welfare State spendthrifts in control of the administration and the Congress will then claim that they tried to help private schools and, failing to do so, settled for Federal aid to the public schools. This is pure hypocrisy since the entire religious issue has been raised to distort the education debate and facilitate the enactment of Federal aid to local public schools.

There are numerous proposals before us which will permit the expansion of local schools through a more practical distribution of taxes and would encourage the expansion of private schools through practical adjustment of income tax credits, thus easing the pressure on public school enrollment. But debate over dollars obscures the fundamental issue: Shall our schools be federally dominated?

I am confident that the American public now perceives the danger of the huge, unregulated Frankenstein that is developing in our Federal Government. America is the greatest nation in the world because we have respected the rights of individuals and the virtues of our free enterprise economy. We have maintained basic individual liberties. The struggle in the field of education is one of the most important in deciding whether our Nation will continue to achieve sound progress based on the principles of our Constitution, or whether we will be led down the fatal road to socialism.

I, for one, have confidence in the commonsense of the American public. On the merits of the case, Federal spending for education, public or private, is unsound. Please urge your Congressman to help defeat these proposals.

SENATE

MONDAY, JUNE 12, 1961

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God, once more at the beginning of a new week's challenge—

We come unto our fathers' God,
Their rock is our salvation,
The eternal arms their dear abode,
We make our habitation.

Since Thou art our Father may we not attempt to hide our shortcomings from Thee but to overcome them and surmount them by the stern comfort of Thy healing presence.

May we find joy in the loveliness of nature, in the strength of friendship, in the conquest of difficulty, and in the compensations of service.

In all our dealings with those who walk by our side, and who are tempted even as we, may we say to them and of them the generous things which would be upon our lips if they were here no more.

Grant us the supreme satisfaction of giving our best to every task and of having faced every duty without bitterness, with charity for all and malice toward none.

We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 8, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

REORGANIZATION PLAN NO. 6 OF 1961 RELATING TO FEDERAL HOME LOAN BANK BOARD—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate a message from the President of the United States, transmitting Reorganization Plan No. 6 of 1961, which, with the accompanying paper, was referred to the Committee on Government Operations, as follows:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 6 of 1961, prepared in accordance with the provisions of the Reorganization Act of 1949, as amended, and providing for reorganizations in the Federal Home Loan Bank Board.

Reorganization Plan No. 6 of 1961 relates to my message of April 13, 1961, to the Congress regarding regulatory agencies and, in particular, to that portion of the message advocating the fixing of responsibility for the overall administration of multiheaded agencies in their chairmen. The reorganization plan also is in keeping with actions begun by President Truman, largely through reorganization plans, to strengthen the internal management of multiheaded agencies by making their chairmen, rather than the boards or commissions as a whole, responsible for day-to-day administration.

The first Commission on Organization of the Executive Branch of the Government concluded that purely executive duties can be performed far better by a single administrative official and stated: "Administration by a plural executive is universally regarded as inefficient." Also, as a matter of sound organization, the Congress and the President should be able to hold a single official rather than a group accountable for the effective management of an agency. The reorganization plan will meet both of those needs by placing responsibility and authority for the administration of the activities of the Federal Home Loan Bank Board in the Chairman of the Board. By relieving the Board of day-to-day managerial functions, the reorganization plan will significantly further the ability of the Board to deal more effectively with regulatory and policy matters before it.

Action to strengthen the management of the Federal Home Loan Bank Board and to relieve the Board of day-to-day operating responsibility is particularly needed because of the phenomenal growth of the Board's activities in recent years. By way of example, the number of institutions that are members of the

Federal home loan bank system and subject to the Board's supervision has increased from 3,898 in 1950 to 4,552 at present. In the same period, the assets of those institutions have increased almost fivefold from $15.4 billion to $71.0 billion. In fiscal year 1950, the Board examined 2,450 institutions; in fiscal 1961, about 4,224 examinations will be conducted. The personnel of the Board have more than doubled in number in the last decade to handle the increased workload.

Pursuant to Reorganization Plan No. 3 of 1947, the Chairman of the Home Loan Bank Board was made the chief executive officer of the Board, and there was transferred to him the authority to appoint and direct the personnel necessary to perform the functions of the Board, the Chairman and the agencies under the Board. The Chairman's authority with respect to personnel was returned to the whole Federal Home Loan Bank Board by the Housing Amendments of 1955. The reorganization plan herewith transmitted would restore that authority of the Chairman and further increase his management functions.

Specifically, the reorganization plan will transfer to the Chairman of the Federal Home Loan Bank Board the Board's functions with respect to the overall management, functioning and organization of the agency; the appointment, removal and direction of personnel; the distribution of business among, and communication of Board policies to, such personnel; and the enforcement of policies and the general improvement of staff support. There are also transferred to the Chairman functions relating to preparation, review, presentation and justification of budget estimates and other fund authorizations and those relating to the allocation, use and expenditure of funds available for administrative expenses.

Nothing in the plan impinges upon the ability of the members of the Board to act independently with respect to substantive matters that come before them for decision, or to participate in the shaping of Board policies. In carrying out his managerial functions, the Chairman will be governed by the policies of the Board and the determinations it is authorized to make. The Board will have the authority to approve the Chairman's appointments of the heads of major administrative units, and the other members of the Board will retain their present control over the personnel in their immediate offices.

The taking effect of the reorganizations included in the accompanying reorganization plan will provide sound organizational arrangements and will make possible more economical and expeditious administration of the affected functions. It is, however, impractical to itemize at this time the reductions in expenditures which it is probable will be brought about by such taking effect.

After investigation, I have found and hereby declare that each reorganization included in the reorganization plan transmitted herewith is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949, as amended.

I recommend that the Congress allow the reorganization plan to become effective.

JOHN F. KENNEDY.

THE WHITE HOUSE, *June 12, 1961.*

REORGANIZATION PLAN NO. 7 OF 1961 RELATING TO MARITIME FUNCTIONS — MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate a message from the President of the United States, transmitting Reorganization Plan No. 7 of 1961, which, with the accompanying paper, was referred to the Committee on Government Operations, as follows:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 7 of 1961, prepared in accordance with the Reorganization Act of 1949, as amended, and providing for the reorganization of maritime functions.

The basic objective of the plan is to strengthen and revitalize the administration of our Federal programs concerned with the promotion and development of the United States merchant marine by concentrating responsibility in separate agencies for the performance of regulatory and promotional functions. The plan provides, therefore, for the creation of a separate Federal Maritime Commission, composed of five commissioners, which would be charged with the regulatory functions of the present Federal Maritime Board. There would be transferred from the Federal Maritime Board to the Secretary of Commerce the award of subsidies and related promotional functions. The Secretary of Commerce would retain the functions transferred to him by Reorganization Plan No. 21 of 1950 which reorganized the United States Maritime Commission into a Federal Maritime Board and a Maritime Administration in the Department of Commerce. The plan retains the present Maritime Administration, provides for an Administrator as head thereof, retains a Deputy Maritime Administrator, and effects no change in the Office of the Under Secretary of Commerce for Transportation. The Federal Maritime Board is abolished.

Existing organizational arrangements have not proved to be satisfactory. The development and maintenance of a sound maritime industry require that the Federal Government carry out its dual responsibilities for regulation and promotion with equal vigor and effectiveness. Intermingling of regulatory and promotional functions has tended in this instance to dilute responsibility and has led to serious inadequacies, particularly in the administration of regulatory functions. Recent findings by committees of the Congress disclose serious violations of maritime laws and point to the urgent need for a reorganization to vest in completely separate agencies responsibility for (1) regulatory functions and (2) promotional and operating functions.

The plan would provide the most appropriate organizational framework for each of the functions concerned. Regulation would be made the exclusive responsibility of a separate Commission organized along the general lines of other regulatory agencies. On the other hand, nonregulatory functions, including the determination and award of subsidies and other promotional and operating activities, would be concentrated in the head of the Department of Commerce. The Secretary of Commerce is best qualified to coordinate these activities with other transportation and related economic programs.

The vesting of all subsidy functions in the Secretary of Commerce will make it possible for the Congress and the President to hold a single official responsible and accountable for the effective conduct of all aspects of this program, including the size and character of the fleet under the U.S. flag, the need for Government assistance and requirements for appropriations to support subsidy programs. Furthermore, the placing of these functions in the Secretary of Commerce will assure essential supervision and review of subsidy awards.

The taking effect of the reorganizations included in the accompanying reorganization plan will result in a modest increase in expenditures. The improved organizational alinements provided by the plan will, however, make possible a more effective and expeditious administration of the statutory objectives to foster and promote a U.S. merchant marine capable of meeting the Nation's needs in peace and war. Failure to meet these objectives would be far more costly than the anticipated increase in expenditures under the plan.

After investigation, I have found and hereby declare that each reorganization included in Reorganization Plan No. 7 of 1961 is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949, as amended.

I have also found and hereby declare that it is necessary to include in the accompanying reorganization plan, by reason of reorganizations made thereby, provisions for the appointment and compensation of new officers specified in sections 102 and 201 of the plan. The rates of compensation fixed for these officers are, respectively, those which I have found to prevail in respect of comparable officers in the executive branch of the Government.

I recommend that the Congress allow the reorganization plan to become effective.

JOHN F. KENNEDY.

THE WHITE HOUSE, *June 12, 1961.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 7446) to provide a 1-year extension of the existing corporate normal tax rate and of certain excise tax rates, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 7446) to provide a 1-year extension of the existing corporate normal tax rate and of certain excise tax rates, was read twice by its title and referred to the Committee on Finance.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar, beginning with the new reports.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. PASTORE, from the Joint Committee on Atomic Energy:

Henry DeWolf Smyth, of New Jersey, to be the representative of the United States of America to the International Atomic Energy Agency; and

William I. Cargo, of Maryland, a Foreign Service officer of class 1, to be the deputy representative of the United States of America to the International Atomic Energy Agency.

The VICE PRESIDENT. If there be no further reports of committees, the new reports on the Executive Calendar will be stated.

AMBASSADORS

The Chief Clerk read the nomination of Samuel D. Berger, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Korea.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Anthony B. Akers, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to New Zealand.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

The Chief Clerk read the nomination of Erle Cocke, Jr., of Georgia, to be U.S. alternate Executive Director of the International Bank for Reconstruction and Development.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

U.S. ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE

The Chief Clerk read the nomination of Dr. Walter Adams, of Michigan, to be a member of the U.S. Advisory Commission on Educational Exchange.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Dr. Mable M. Smythe, of New York, to be a member of the U.S. Advisory Commission on Educational Exchange.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

THE AIR FORCE

The Chief Clerk read the nomination of Gen. Thomas D. White (major general, Regular Air Force), to be placed on the retired list in the grade of general.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Gen. Curtis E. LeMay (major general, Regular Air Force), to be Chief of Staff, U.S. Air Force.

Mr. MILLER. Mr. President, I wish to speak in behalf of Curtis E. LeMay, general, U.S. Air Force, and nominee for Chief of Staff of the Air Force.

The reputation of this distinguished airman for his knowledge of and effectiveness in building air power is known throughout the world. It has been well said that he is more respected in the Kremlin than, perhaps any other American. The reason, of course, is that the leaders in the Kremlin know that General LeMay well knows what they are up to, that he has exerted tireless leadership in building and maintaining the air power needed to win a hot war if they decide to engage us in one, and that he has the courage of conviction and firmness of will to recommend prompt and decisive action where this is needed. Indeed, should it ever again become necessary for Congress to declare another state of war, I can think of no single individual in the Armed Services on whom we can rely more for the leadership needed at such a time to enable us both to survive and to win.

Because of his reputation as an exponent of the doctrine of strategic bombardment, many persons do not realize that his capacity in this respect is entirely consistent with his devotion to the cause of world peace. I know of no one either within or without the military who is more desirous of, and dedicated to, the attainment of a just and lasting world peace. He believes, however, as do I, that such an objective cannot be achieved with respect to the Communist world through a policy of softness and weakness, but that it can be attained only through firmness and strength—not only of our military and economic power, but of our national character, as well. In this connection, I ask unanimous consent that there be inserted at this point in the RECORD, in my remarks, the speech delivered by General LeMay to the Air Power Council at Fort Worth, Tex., on August 26, 1960.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY GEN. CURTIS E. LEMAY

Mr. Korth, members of the Air Power Council, the Convair Management Club, guests, ladies and gentlemen.

Thank you for honoring me with an invitation to be here with you this evening. Texas hospitality, especially the Cowtown brand, is world famous and I always appreciate an opportunity to return to the Longhorn State. Although I was born and grew up in Ohio, it is a well known fact that if a person spends some time in Texas he can't help but absorb some of the spirit of the great Southwest. Back in the late twenties I took my flying training at Kelly Field. Since then I have felt right at home with Texans.

As I flew in today over this great metropolitan complex, I couldn't help but marvel at the incredible growth of this area. It seems only a few short years ago that the national—the world image—of Texas was that of a vast rangeland inhabited by that breed of men who now dominate the television screen—the cowboy.

Television and motion pictures still perpetuate that image, but Texans know differently. According to the latest census, of the top 50 cities in our great Nation, 5 of those cities are in Texas. With 50 States being considered, this doesn't indicate to me that Texas is one vast rangeland. On the contrary, Texas is dynamic, robust, and going places.

Texans have always played a prominent role in the history of the Air Force. Up until World War II most of our flyers were trained here in this State. Texas can rightfully be called the mother of the Air Force.

I could spend all evening just discussing the various installations and missions of Air Force units that are centered here in Texas. But let me focus attention on Fort Worth and its contribution to the Nation and then discuss with you a subject you understand, but which today too many Americans do not understand—that subject is aerospace power—its use as a counterforce and the problem of time.

Back in the late 1940's you people here in Fort Worth were keenly interested in the now famous B–36 case. As Commander in Chief of the Strategic Air Command, I, too, had more than a casual interest. History has proven us right in our faith in the Convair B–36. Now honorable retired, the B–36 strategic bomber force is acknowledged as having kept the world at peace for a decade.

There were many indictments of strategic bombing made at that time, yet public opinion and national purpose were strong and united. The B–36s gave us the range to ignore ocean and land barriers and made possible our national policy of deterrence of aggression.

Today the Convair B–58 is taking its place in our force for peace and Fort Worth continues to be a key center of aerospace power. Appropriately, the first operational B–58 unit is the 43d Bombardment Wing at Carswell. Carswell will also train all B–58 crews for the Strategic Air Command. The Mach 2 Hustler is a great step forward, a supersonic bomber that embodies the latest technological advances in aviation. Like the B–36 it is designed and operated to first deter war, but if war does come to join with our other aerospace weapon systems to decisively defeat the enemy's military forces.

The B–58 is a potent weapon system, yet there are still strong and vocal factions who somehow in their zeal overlook the fact that today, as in the late forties, warfare is still warfare.

There is no doubt in my mind—nor should there be any in the Soviet leaders' mind—that this is true and that this Nation's deterrent force is a war-winning force.

The Communists have not changed their goal—world domination. We haven't changed our goal—world peace. Therefore, we must remain vigilant to be sure we have a valid counterforce.

Vigilance and teamwork are required to insure against costly mistakes in building, modernizing, and using our deterrent military forces.

Let's take a look at our situation today.

Our national defense policy is that of deterrence. To carry out this policy we have planned and organized our military capability. That purpose has not changed and in a democracy, a change in national purpose comes as an expression of the will of the people.

This is our national purpose today.

We maintain military forces capable of deterring Soviet aggression. Our forces are strong enough to prevent war—or win such a war if it is thrust upon us.

While our poised deterrent power prevents war, we work toward durable peace, toward peaceful solutions of the major problems that divide the world into two armed camps.

Few will quarrel with this national purpose. However, there is a wide range of opinion when it comes to the amount, the kind, and the proper blend of military forces to provide the all-important deterrence.

An example is the theory that we can somehow prevent a war from occurring with a level and composition of military strength below that needed to win should war occur.

Does this make sense? I think not. And I think it is important that the American people clearly understand why it does not.

Our history and our actions today in the world arena continually prove that we want a permanent peace. This basic objective of enduring peace has yet to be won and until it is a reality, we are pledged to deter aggression. Thus our policy remains that of deterrence.

Unfortunately the word "deterrence" has come to mean different things to different people and groups. For example, there is a tendency to refer to any military force as a deterrent force. However, forces and measures which might in someway help to deter the start of war not necessarily those that could win a war if the deterrent fails in its purpose. Such a military force is not a genuine deterrent force.

The basic factors of genuine deterrence have been and continue to be:

Military forces capable of victory under all circumstances in the event of conflict.

Public understanding of the capability of these forces—and determination that they will be used if necessary.

And third, the enemy's understanding of this capability and of our determination and willingness to use these forces.

The Soviets have stepped up their propaganda efforts to convince the world that they are really preventing aggression by building massive military deterrent forces. They use deterrence as another word for aggression.

But the all important key is not yet within the grasp of the Soviet leaders. They do not have forces capable of prevailing under all circumstances in the event of conflict. This they still need to complete their plot for world domination.

Unfortunately, there are people in this country who advocate reducing U.S. strategic forces to a small, somewhat mobile, retaliatory capability suitable only for destroying cities.

Due to the constant dollar squeeze on national defense this concept offers the inducement of reduced overall costs. The Soviets incidentally think this type of force is exactly what we should build.

But what happens if we shave our deterrent margin so thin?

First, we cannot win the war if deterrence fails because, once we have used up the force and without a capability to restrike, we will be open to equal or worse destruction by the enemy's undamaged military forces.

Second, such a force cannot deter limited war because the enemy will reason that we would use an inferior nuclear strike force only as a last resort and not to halt aggression that does not directly threaten our national survival.

Third, this concept of force utilization is outmoded because destruction of cities is no longer a dependable deterrent factor if he can destroy our cities in return. Such destruction would contribute little or nothing to the outcome of the war. It would be an act of blind revenge.

Plainly, an inadequate military force of this type cannot do the job. By accepting such a reduced force goal we would sacrifice our chances of winning should war come.

Our forces, therefore, must be sufficient, prepared, and able to destroy any aggressor's military power to the extent that he no longer has the will or ability to wage war.

This is the type of military force we must maintain—a counterforce, a force that can win—the kind of military force that is essential to true deterrence. Anything less involves unacceptable risks to our survival as a Nation and argues for a return to the discredited isolationism of the past.

Thinking Americans continue to insist on an adequate counterforce capability and reject any compromise with security.

To be an effective and dependable counterforce, our aerospace power must satisfy certain requirements.

Victory in the past and in the future will be won through offensive actions. Defensive actions can only avoid defeat, never gain victory. Therefore, our strategic aerospace forces must possess a restrike capability. We must be prepared to fight a war with what we have left if we are forced to absorb a surprise attack.

If our remaining forces are not capable of defeating the enemy's military forces; if we do not have counterforce capability, we are left only with a retaliatory countercity force. And the Soviets might hope to discourage us from using this capability since it could not win.

Our counterforce capability must be a carefully prepared, maintained, modernized, and controlled blend of strategic weapons. We must select the best systems devised, in the proper quantity, and attain simplicity of operations for assurance of victory.

And because of the danger of irrational attack, we must maintain and build weapon systems to satisfy the requirement for both quality and quantity.

There is sobering evidence that the Soviets intend to match our effort quantity-wise. The race is now on for quality.

Having both fixed and mobile missile systems in our force adds to our overall capability. This confronts an enemy with diversified strategic power which will be extremely difficult, if not impossible, to destroy. But the numbers of missiles in each type of delivery system must be carefully weighed.

Mobility must be measured against reliability, survivability, and the capability to restrike in minutes or hours, not days.

When restrike capability is sacrificed for mobility then it is a false security—and we are trading the security of our Nation for the security of a limited and indecisive force.

With hardened missile systems we get more defense for the dollar, a restrike capability, better reliability, more positive control, and increased survivability.

We are not placing all our reliance on the unmanned systems. With an unbalanced reliance on ballistic missiles an intolerable strategic position could be reached in which there is no flexibility in choice of response.

With manned aerospacecraft that travel at speeds of mach 2, such as the B–58 and mach 3 such as the B–70, as integral parts of our strategic force, a nation can react to a variety of situations in a variety of ways. Our forces can be launched on less than certain information and recalled if the situation changes. The man in control can use his judgment when faced with different situations. He can observe, think, discriminate, and make unrehearsed decisions.

Manned aerospace forces give a nation options ranging from ground alert to launch of the force subject to recall. Manned aerospacecraft can be effectively used as a show of force to positively point out determination to the aggressor and reassure allies.

As you can see, the situation is different if there is sole reliance on missiles. In tense times there is no visible evidence to a potential enemy that a threatened nation is preparing its missile force.

Thus an intolerable situation can be placed on a President faced with making the great decision. He would have a single button.

He has no force to exercise, no options, no graduations in his action. He has two choices—war or peace.

This could become our situation with a deterrent force relying primarily on a single weapon system.

This won't be our situation if we continue to build and maintain counterforces.

What we have ready now we began building 5 to 9 years ago. What we will have in the mid and late sixties is what we start building now.

Every day, every hour, every minute must be considered as a national resource and used to the very second.

Time is one item we can't buy in these days of rapid compression.

Like death and taxes, we can be sure of obsolescence of weapon systems. Past experience and a knowledge of the state of the art enables us to predict the date of obsolescence for any weapon system.

Just as we can predict the end of the useful life, we can also calculate the date it can be operational. Between these two dates is the service lifespan.

Any delay in putting a weapon system into operation does not equally delay the time it will be obsolescent. Any postponement not only shortens the service life of a weapon system, but it may put our Nation in peril.

Recently a number of labor-management differences throughout this country involved our missile and other national defense projects.

I don't believe most Americans realize what work stoppages and slowdowns can do to our defense effort. I am not entirely sure in my own mind that all echelons of industry and labor realize the full meaning.

Disputes involving critical defense projects must be solved quickly by labor and management because if they continue, it can well be a dividend to the Soviets in their efforts to overtake us.

This is a personal appeal for management and labor to reevaluate their problem solving methods.

Labor and management must always counsel their actions with the heavy responsibilities they bear in our national efforts to maintain peace and security.

Every American should be concerned with this problem.

Instead of merely looking at a labor-management controversy with the usual two basic questions—what is good for labor and what is good for management?—this question must be added: What will this do to our defense effort?

I am not here tonight to point the finger specifically at management or at labor. I just want to remind you of a fact—we have

fallen behind in our timetable in certain critical areas.

Management and labor have to solve their problems so that we in the Department of Defense can continue to solve our problem—maintaining peace.

Today we have a counterforce that is capable of deterring war—and capable of winning any war thrust upon us.

I am firmly convinced that our continued peace depends on maintaining war-fighting and war-winning forces—that is what we mean by adequate counterforces.

But I am concerned when factions begin to neglect or ignore the facts and principles of warfare.

This is why I urge all Americans to remain vigilant.

Since World War II our Nation has been the leader of the free world and our strength has deterred aggression. We cannot—nor do we even consider—avoiding the responsibility of insuring peace in the future.

All Americans must work together and with our friends throughout the free world on this great peace team—and they must be alert to prevent any weakening of our counterforce capability.

The job of vigilance is everyone's. So long as we have organizations such as are represented here tonight we will have an informed people who will listen, evaluate, make their wishes known and take action.

Through your interest and dedication we will continue to have counterforces to deter war—or if that fails—to prevail over any attacker.

All Americans—civilian and military—are dedicated to the task of preventing war. Through teamwork, confidence in each other, and the courage of our convictions we will continue to maintain a shield for peace.

Because we are honorable people, strong with our belief and faith in God, and treasuring the freedom and dignity of our fellow man, we work toward the peace that all people so earnestly desire.

We have recognized and met the challenge of aggression. Determined and steadfast in this pledge for peace, Americans have shouldered the responsibilities of leadership.

We shall not fail.

Mr. MILLER. Mr. President, in his long record of faithful service to his country, General LeMay has developed a broad appreciation of the many ways in which our political and economic systems function, and particularly their impact on the strength of our Armed Forces. He recognizes that one of the greatest problems we have today is labor strife involving critical defense projects, and the need for good faith in the labor-management team in order to avoid the loss of time, which is so valuable in maintaining our lead over the Soviets. In this connection, I ask unanimous consent that there be inserted in the RECORD at this point in my remarks, the speech given by General LeMay before the Institute of Aeronautical Sciences, at Los Angeles, Calif., on June 30, 1960.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

DOLLARS, TIME, AND PEOPLE

(Address by Gen. Curtis E. LeMay, Vice Chief of Staff, U.S. Air Force Institute of Aeronautical Sciences, Los Angeles, Calif., June 30, 1960)

Mr. Toastmaster, members of the Institute of Aeronautical Sciences, guests, ladies and gentlemen, it isn't often that I have the opportunity to speak to such an important segment of the scientific fraternity. I regard this invitation to be with you this evening as a very distinct honor and a challenge.

In a few weeks the eyes of the world will be focused on the new arena in Exposition Park. National political convention time is near and, as usual, there is that big question, Who will be on the ticket? Some are very confident, yet a candidate can never be sure that he has the nomination in the bag. You in the Institute and those of us in the Air Force daily face a somewhat similar question on national defense—we can never be sure we have victory in the bag. Therefore, we must keep on working and developing newer and better aerospace systems.

A return to this city of Angels always brings this fact to mind. As I flew over this vast Los Angeles basin on arriving, I once again marveled and was thankful for the vitality and tremendous energy of this area.

Southern California means different things to different people. To some it is Hollywood or Disneyland or sunshine and oranges, but to me it is one of the cradles of airpower and today, as in the past half century, is the arsenal of aerospace power.

I think it is interesting to note the similarity of growth and problems of this mushrooming area with the building of aerospace power. A great and continuous influx of people and industry into this metropolitan complex seems to overwhelm city planning. A good example is the determined efforts of your local government to keep pace with the need for freeways.

Where land is vacant one day, homes spring up the next and who knows, next year a new freeway may come along and claim that same land. This is how the compression of time and rapid advances in technology can overnight make something that has just been completed, or for that matter, something that isn't yet completed, as obsolete as a buggy whip.

This matter of obsolescence keeps us in the Air Force awake at night. Our insomnia-producing problems are your problems, too. When you lie awake at night wondering if tomorrow your product will become obsolete because of a technological breakthrough, just remember that you are not alone.

Because our very freedom depends on taking every possible action to minimize obsolescence, one of the answers is obviously making the maximum use of the dollars and time we have available. I want to emphasize time. Every day, every hour, every minute must be considered as a national resource and used to the very second.

First, however, I would like to speak about dollars.

During the meeting here you have had speakers capably discuss the technical problems of today and tomorrow and ventured a look into the uncertain future.

These meetings are of great value not only to yourselves, but also to the Department of Defense, since we are both predominantly concerned with national security and security for the free world.

We are, in essence, partners and dependent upon each other. We in the Air Force are firmly convinced that the great potential strength and continuance of our technological leadership depend on private enterprise.

Our reliance on industry has been a partnership marked by mutual effort and trust. We have had remarkable teamwork and cooperation from the aerospace industries. We are aware of each other's problems—we both understand and appreciate the great technological changes that are constantly remolding and reshaping not only our defense structure, but also our scientific endeavors.

Extracting the full value of the defense dollar becomes more important and more difficult each day. I can assure you that we are well aware of the upheavals caused by weapon technology that constantly keeps your industries in a state of turmoil. Since World War II we have seen unit costs increase to as high as 50 times what they were during that period. The price of security gets higher each day.

It hasn't been a smooth road for industry in the past and the future holds no promise of improved stability. The rapid changes in technology, which you gentlemen are bringing about, are the greatest enemy of stability, but likewise the greatest insurance of freedom that we have.

The pressure is constantly on us, as well as you, to develop national defense systems that will be more economical to build and maintain. A good case in point is the Minuteman intercontinental ballistic missile. Beside other advantages from a standpoint of economy alone, it has great attractiveness.

To some, when faced with the dilemna of rising costs, the shrinking dollar, and the growing threat, the answer appears as a mixture of conflicting prescriptions to maintain our deterrent to aggression. The Air Force position remains unchanged. We must maintain a powerful counterforce consisting of a mixture of weapons. These cost money. With just so much moneys allocated to us, we must continue to get the absolute maximum from each defense dollar.

I am sure you will agree with me that nothing is more important than national survival. Our Government, in providing insurance for peace, pays a fair price, with the intention of affording a fair profit, in return for a product that meets specifications and the agreed upon time schedule.

There are, however, a number of problem areas that decrease the value of our defense dollar. I would like to discuss just two of them in some detail—time and people.

Recently a number of labor-management differences throughout this country involved national defense projects.

I don't believe most Americans realize what work stoppage and slowdowns can do to our defense effort. I am not entirely sure in my own mind that all echelons of industry and labor realize the full meaning.

Today as we face the greatest threat in our Nation's history, it behooves all Americans to consider this problem. Instead of merely looking at a labor-management controversy with the usual two basic questions: What is good for labor? What is good for management?—we must also add the question: What will this do to our defense effort?

My intention tonight is to bring into focus the end result of labor-management conflict so we all are more aware that not only do industry and labor suffer, but the Nation suffers. And the free world may be endangered.

Labor-management conflict can adversely affect our defense effort by:

Postponing the time when weapon systems can be made operational, thus shortening the length of time they are effective before obsolescence overtakes them—giving us less value for the defense dollar—weakening our deterrent force.

We have legislation designed to minimize and settle these controversies; however, no amount of legislation can force amicable relations unless there is the will and spirit.

The national labor relations acts require that collective bargaining be conducted in "good faith." Definitions of "good faith," however, are many and varied. The definitions seem to vary from firm to firm, industry to industry, from labor local to labor local, from labor union to labor union.

It has been estimated that there are about 100,000 collective bargaining agreements in effect in this country. Each day about 250 contracts are reopened for negotiations. These figures have a tendency to be overwhelming. Obviously, most of these negotiations are handled in a routine fashion by management and labor, which speaks well for both sides.

Many important negotiations, however, are not handled so quietly, and the general

public is denied the prompt settlement which it has every right to expect.

In normal times, the immediate impact of labor-management conflict is upon the stockholders and union members. But times like these, when the international atmosphere remains charged with unpredictable lightning, labor strife affecting national defense projects could seriously impair the ability of our Armed Forces to provide fully for the defense of our country.

Labor and management must always counsel their actions with the heavy responsibility they bear in our national efforts to maintain peace and security.

Ladies and gentlemen, there must always be a constant reassessment of national purpose. I am not contending that industry has grown fat on profits, that labor has grown fat on high wages, but I am warning that continued labor strife can become a more and more serious problem in maintaining national defense.

Labor and management must always temper their disputes with the realization that there is a third party in the field of profits. Industry has a right to a fair profit for its capital investment; labor has a right to a fair wage for its manpower investment, and the Nation has a right to a fair return on its dollar investment in defense.

The Air Force has followed what we term the "principle of concurrency." This principle recognizes that swift changes of technology limit the time that a weapon will be effective. Therefore, when we build a weapon system as the weapons come off the assembly line we must have operational sites ready to accept—and use them if necessary.

One without the other is useless. The two are a team. If it is vital in order to deter aggression that we have a weapon for a certain time period, then it is imperative that we have it in operation at the earliest possible time so that the American people are assured of continued world peace.

Like death and taxes, we can be sure of obsolescence of weapon systems. Past experience and a knowledge of the state of the art allows us to pretty well predict the date of obsolescence for any weapon we have in service now, building, or yet on the drawing board.

Just as we can predict the end of the useful life of a weapon, we are also able to calculate the date we can have it in operation. Between these two dates is the service life span. The longer it is, the more defense we get for the dollar.

While this is a fairly firm time span, in today's atmosphere of sudden scientific breakthrough it is affected by many variables, yet invariably the date of obsolescence remains fairly firm. Therefore it is necessary that once we determine the need for a weapon, that we get it into the inventory as soon as possible.

Any delay in putting the system into operation does not equally delay the time that the system will be obsolescent. On the contrary, any postponement shortens the service life of a weapon system. With regard to this problem, while there are variables, two things rarely vary—the date we need that particular weapon ready for action—and when it will become obsolescent.

Labor strife involving critical defense projects must therefore be solved quickly by labor and management. Time is rarely available to resort to the usual alternatives. The term "good faith" then must become a more meaningful phrase—a pledge.

Our defense team can only hope to obtain the full value from its investment when all of us are pulling together.

We cannot afford any complications or situations that slow down our defense efforts and shorten the service life of our weapon systems. If they continue, it can well be a dividend to the Soviets in their efforts to overtake us.

This is a personal appeal for industry and labor to reevaluate their problem solving methods. Time is one thing we can't replace, can't stockpile; therefore normal procedures for settling disputes are sometimes inadequate.

We'll get the defense the American people are paying for—and when we need it—by earlier solutions to these types of problems.

Another way to increase the value of our defense dollar involves people.

The Air Force has a wage problem. We can't solve it by collective bargaining. While labor has the right to strike, management has the right to lock out, we in the services have neither. We wouldn't strike or lock out even if we had those rights, but we have the right and responsibility to advise you, the public, of our problems and ask your aid in solving it. The problem I speak of is retention of people.

Since World War II, the services have worked hard to build a professional force. Not only have we in the Department of Defense focused our efforts in that direction, but so have many thinking Americans.

With today's rapid compression of time and space, it requires redoubled efforts to make sure we retain the best possible people to operate the best possible weapons. Decisions now must be made within seconds, action taken within minutes and the verdict may come in hours.

Only with a professional force can we hope to insure peace. I frankly wasn't completely satisfied with the pay increase given the Armed Forces in 1958. Mr. Ralph Cordiner and his committee did an outstanding job in reporting the situation to the Nation, but not all the proposals were enacted.

Yes, the increase helped our situation some. Our enlistment rates have been improved, but our rate of turnover is still too large.

A good example of this turnover is the situation we face with regard to our younger officers. Our aim is to have all of our officers possess a college degree. One of our sources of college educated men is from the ROTC program, but surveys show we retain only one out of eight of the nonrated young men who come into the Air Force. After their obligated tour, they return to civilian life where the opportunity for monetary gains are greater.

The last pay bill helped stem the tide but, ladies and gentleman, today when we critically need our professional force, scientific and technically trained people are still leaving us in numbers that I consider uneconomical.

As we increase dispersal of our manned bombers, and ballistic missiles enter our force in greater numbers, it means that more and more of our people are uprooted and obliged to seek living accommodations in areas where living costs exceed their allowances.

Together with a pay increase we need more attention paid to housing, especially in remote areas, and the quarters allowance must be revised upward to be realistic with present day rental costs. Rent continues to climb, yet this part of our pay structure hasn't kept pace.

To have a force in being, we must have the professional people on guard today and tomorrow. It's a fact of life that to have the best people we must be able to compete in the national labor market.

Just as we don't get full dollar value with labor strife, we also do not get the full measure of our defense dollar so long as we continue to lose young officers with scientific and engineering training.

A pay increase will allow us to compete for their services.

In closing, let me briefly summarize:

From the temper and times we must expect tense periods for many years; therefore, we must retain our posture of strength. Dollar and time savings are all the more critical.

Every defense dollar must be used to its fullest value. With unit costs rising at a fantastic rate, a smaller dollar and a continuing requirement, profits must be fair for labor, industry, and national defense.

Labor and management must increase their efforts to find means of preventing costly strife that loses precious time and dollars, which as a result can weaken our strength.

The services need pay adjustments so as to be able to compete in the national labor market. This action will not only enable us to retain our professional force for survival, but will in the long run amount to a substantial saving in defense dollars, which we need to purchase more hardware.

Positive action on these problems will do much to insure that we retain a powerful deterrent counterforce which will keep world peace until sanity settles behind the Iron Curtain.

Mr. MILLER. Finally, Mr. President, I wish to emphasize the deep and abiding faith General LeMay has in the high principles of character to which we, as Americans, subscribe. He recognizes how important it is to instill these principles in the minds of our young people. I ask unanimous consent that an extract of General LeMay's speech on May 7, 1960, before the St. Louis, Mo., area council of the Boy Scouts of America be inserted in the RECORD at this point in my remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS BY GEN. CURTIS E. LEMAY

When I learned I was to talk to an audience composed of Scout leaders and parents, I did the usual mental work involved in selecting a subject I felt was appropriate to the occasion.

Surprisingly enough, the solution was simple. I chose as a subject one that I find deeply absorbing—people—and I found a source of inspiration that most of you have in your homes, "The Handbook for Boys."

If you parents haven't read this book lately, let me recommend it to you. It doesn't take much time to read chapter 2. I found it both interesting and inspiring.

This book, written in simple, direct words, captures so much of democracy, it should be compulsory reading for our youth.

I don't intend to bring the adults down to the age level of their sons. Rather, I think we should look at it the other way around. Let us all get up on the higher level on which Scouts are patterning their lives.

If the people of the world would follow the rules of scouting, this would be a much better world. I sincerely feel that one significant hope for lasting peace is through such movements as scouting.

The children of today's world, the citizens of tomorrow, can lead mankind out of the wilderness.

The Scout oath or promise is eloquent and meaningful.

Most of us today are native-born citizens. We were not required to take an oath for the privilege of being an American.

In our schools, the children repeat the Oath of Allegiance. But once out of school, very few of us have occasion to say these simple, but important, words of confirmation that we are Americans.

I like to think all of us who are native were born with a silver spoon in our mouth. What greater wealth can a child be given than to be awarded citizenship in our Nation at birth?

I am particularly drawn to the word "honor." This is a priceless quality. Especially today when freemen with honor pursue earnestly the cause of peace with men who have proven time and again that honor has no meaning in their way of life.

Honor is not a matter of birth. Instilled in us by our parents and leaders it is the highest quality of character and treasured by freemen everywhere.

Since the founding of our Nation, many Americans have given the supreme sacrifice because they were honorable men and believed so sincerely in what they stood for that retaining honor was more important than loss of life.

The "Handbook" notes the importance of honor by reminding that the last two words of the Declaration of Independence are "sacred honor."

Honor is sacred to a freeman. As long as we have this spirit in Americans, we have no fear. We shall be strong.

Another word that is significant in the oath is "duty"—"duty to God and my country."

Duty is not an easy virtue. A person is not born with a sense of responsibility, but acquires it through learning and in the development of character. Through the home, church, and such programs as scouting, our young people come to learn the meaning of duty to God and country. Strength of character and the value a man or woman, boy or girl, places on his or her personal integrity are the basic ingredients of duty.

Duty is not something that can be learned from a book, but must be learned through a series of events in the life of a young person. Invariably, a young man who has had the benefit of scouting comes of age with a much greater awareness of sense of duty and has the foundation for leadership.

Equally impressive are the Scout laws. I would like to draw special attention to only four of them which I believe have a great bearing on the ability of this Nation to maintain peace.

The first is trustworthiness.

The very foundation of our Nation is built on the premise that we trust our fellow men.

Our Defense Establishment likewise is built upon the premise that when entrusted with a task, a man will do that task even if it calls for the gravest of hardships and even death.

Since we are a cooperative people, the success of our way of life depends upon trust. Unselfish trust, and belief in our form of government, have made us strong.

In the defense of our Nation we must entrust secrets, great sums of money, the operation of our defense forces—yes, even the very security of the Nation and our freedom—to mortal men.

Those men must, above all, have this quality of trustworthiness that is enshrined in the hearts of Boy Scouts.

To say that a man's word is his bond is a splendid tribute. The same is said for a nation.

The word of the United States is known the world over as a bond. We have earned that honor by virtue of being trustworthy. Our position today is a tribute to the trust that other people place in us. To retain that position we must have a continuation of this trust.

Loyalty—here is another attribute that makes for greatness, not only as individuals, but also as a nation. We are loyal to our friends and come to their aid when they are threatened. This national sense of loyalty comes from the collective loyalty of our people.

Both loyalty and trustworthiness begin in the home. So does the third law I want to discuss, obedience. I think that this is one of the hardest laws to obey, not only for our young people but also for our adults.

We are a nation of individualists. A majority of our people temper their individualism with obedience to the laws of the land.

Fortunately, only a small minority of our people abuse the privilege of individualism and the right to disagree. Some men seek to hide behind the mask of individualism when really they have never learned the lesson of obedience and the democracy of majority rule.

The best American is an obedient American—obedient to his God, his nation, his family and his friends. Without obedience we could not build a defense for this Nation.

Teach individualism, but also teach obedience. They must work as partners to make a good citizen.

The fourth law I have in mind is bravery.

A man is not born brave. Bravery comes from a mixture of elements in the character of a person. Men are brave in battle because they have conviction; they believe and cherish what they are fighting for.

Bravery is a state of mind, a result of training and preparation, not only in the military services, but in the home, the schools, and organizations such as the Boy Scouts of America.

All of these attributes—honor, duty, trustworthiness, loyalty, obedience, and bravery—characterize the American fighting man. I know of no better learning field than the Boy Scout program.

At this point let me make one thing clear—I don't believe that leaders are born, I believe that leaders are made. True, many of the qualities of leadership are a blessing of birth, but, like any inherent quality, development is the key.

Nor do I believe that leaders can be produced from any source of human raw material. If we could do this, we would have no problems in supplying our demand.

Leaders are a combination of inherent human qualities and training. We have as great a need today for leaders as at any time in our Nation's history. As parents and leaders, you have a great responsibility to your Nation.

We in the Air Force have a great responsibility, too. To discharge our responsibility it is necessary that we have the quality product that you produce—the young men that will lead our Nation in its task of preserving peace in the world.

In effect, we have a common task—the production and use of leaders.

No greater source of leaders can be found than from the scouting movement. As an American, I deeply appreciate the unselfish work you people are doing and I'm grateful that you continue to give our Nation the reservoir of leaders that we must have to retain our role as the keeper of peace.

There is a common tendency today to give great publicity to delinquent youth. Not only publicity, but great sums of public money are expended for their rehabilitation.

We as a nation are sincerely worried over the bad apples and often lose sight of the vast majority of the crop—the fine young men and women we produce.

Today there is a great hue and cry for various youth programs, but they seem to concentrate on the delinquent. I don't pretend to know the answer, but I would like to see some attention given toward a national effort to produce more and better young leaders.

We have the raw product, but we aren't organized. Scouting is one movement that is organized for the production of leaders.

We in the services benefit from your efforts, but there is much leadership potential that goes wasted. Scouting is one movement that can lead the way in this quest for a trained leadership. Striking proof of this is the tremendous growth of the Explorer movement. Yet I am told that only 6 percent of our Nation's 5½ million teenagers are in the movement.

I am told that there are approximately 40,000 Boy Scouts in this area. I am not too concerned about that 40,000, but I am concerned about the many thousands other boys who don't have the opportunity to become Scouts.

You people have done a magnificent job, but your job has only begun. Tonight it is fitting that you are honored with this appreciation dinner. Hard work deserves a moment where the past accomplishments can be reviewed.

But also I think it is appropriate at this time that you reassess your past accomplishments and look to the future. Your Nation needs even greater efforts. The real vitality of any defense force is the individual.

In modern times, decisions for survival must be made in seconds, the reaction in minutes, and the final decision in war may well come in hours. Only by having the best possible people in a professional corps can we expect to have such a force.

These professionals need the qualities of scouting—the leadership they have been taught, the patriotism and devotion to duty that comes only from the home, school, and church.

We don't ask you to train your boy to be a soldier, sailor, or airman—train him to be an American with the principles of scouting. That will do the job and we will continue to have peace.

Mr. MILLER. Mr. President, in conclusion, Mr. President, I trust that the Senate will see fit to confirm this nomination. It is one of the most important nominations we shall act upon, and confirmation will be an appropriate expression of the confidence of the American people in the superb qualities of General LeMay and due recognition of the service he has given his country and will now even better be able to give in the future.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

THE ARMY

The Chief Clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

NOMINATIONS IN THE ARMY AND IN THE AIR FORCE, PLACED ON THE SECRETARY'S DESK

The Chief Clerk proceeded to read sundry nominations in the Army and in the Air Force, received by the Senate on May 23 and May 22, 1961, respectively, and placed on the Secretary's desk.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the following committees and subcommittees were authorized to meet today during the session of the Senate.

The Employment and Manpower Subcommittee of the Committee on Labor and Public Welfare.

The Youth Conservation Subcommittee of the Committee on Labor and Public Welfare.

The Internal Security Subcommittee of the Judiciary Committee.

Upon request of Mr. MANSFIELD, and by unanimous consent, the Committee on Interior and Insular Affairs was authorized to meet during the session of the Senate today.

COMMITTEE MEETING IN NEW YORK

On request of Mr. MANSFIELD, and by unanimous consent, the Subcommittee To Investigate Juvenile Delinquency of the Senate Judiciary Committee was authorized to hold hearings in New York June 15 and 16, 1961.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED AMENDMENTS TO THE BUDGET, 1962, FOR LEGISLATIVE BRANCH (S. DOC. NO. 31)

A communication from the President of the United States, transmitting proposed amendments to the budget for the fiscal year 1962 involving an increase in the amount of $84,640 for the legislative branch (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

PROJECT PROPOSAL UNDER SMALL RECLAMATION PROJECTS ACT OF 1956

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, on a project proposal by the State of Hawaii under the Small Reclamation Projects Act of 1956; to the Committee on Interior and Insular Affairs.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting temporary admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the Senate of the State of California; to the Committee on Labor and Public Welfare:

"SENATE RESOLUTION 136

"Whereas fast and adequate written communication is a basic requisite for maintaining the standard of excellence and progress of our 20th century civilization; and

"Whereas present facilities and supplies for written communication are overtaxed by the demands put upon them; a burden greatly increased by the traditional form of spelling in English-speaking countries because that form requires the use of many superfluous letters in spelling most words in daily use; and

"Whereas reformed and simplified spelling will be helpful to all people of our country now, as well as future generations, and would result in a great saving of time and supplies in all forms of written communication, and especially in newspaper and periodical publications; and

"Whereas it is necessary to establish an acceptable standard for reformed and simplified spelling, and that such a standard could be furnished by an official U.S. dictionary with reformed and simplified spelling, compiled and published by an official agency of the National Government: Now, therefore, be it

"Resolved by the Senate of the State of California, That the President of the United States and the National Congress are requested and urged to initiate and support legislation to establish a National Spelling Commission, charged with the duty and authority to compile, edit, write and establish the U.S. Official Dictionary with reformed and simplified spelling as well as pronunciation; and be it further

"Resolved, That the secretary of the senate is directed to transmit copies of this resolution to the President of the United States, to the U.S. Senators representing California, and to each member of the California delegation in the House of Representatives."

A resolution of the Senate of the State of California; to the Committee on Public Works:

"SENATE RESOLUTION 130

"Whereas the settled policy of the Congress of the United States in the field of water resources activities and basin planning is stated repeatedly in the symposium of 31 reports of the Select Committee on Natural Water Resources of the U.S. Senate, established pursuant to Senate Resolution 48, 86th Congress; and

"Whereas in committee print No. 15 of said report it is specifically stated that—

" 'The obvious way to achieve such coordination is to require that all developments within a basin shall fit as nearly as possible into and constitute an integral part of a comprehensive plan for the optimum development of the basins resources. This concept is now well established and the Congress has taken a number of steps to implement it. One important step in this direction is the efforts the Congress has, in a number of instances, authorized the Federal agencies to develop overall plans for important regions. At the present time comprehensive plans have been completed or are being completed under the leadership of the Corps of Engineers, and in full cooperation with States and other Federal agencies, in the Delaware and Columbia River Basins, and are being developed for river basins in the Southeast, and for the Texas basins, by "study commissions" established by Congress for the purpose. Such developments indicate that the Congress is willing to do its part to implement the concept of comprehensive and coordinated development plans'; and

"Whereas the State of California has benefited greatly in past years from the coordinated activities of Federal agencies in the construction of projects to control floods, conserve water, and to provide other water-associated benefits as carried out by the Bureau of Reclamation of the Department of Interior and the Corps of Engineers of the Department of the Army; and

"Whereas the State of California looks forward to continued activity by these two agencies toward the fuller development of the State's water resources; and

"Whereas major projects such as the San Luis unit have been authorized for construction by the Bureau of Reclamation and other major units such as Auburn Dam, Folsom south unit, and the east side division of the Central Valley project are approaching the authorization stage; and

"Whereas virtually no multiple purpose projects remain to be constructed in California which have been authorized for construction by the Corps of Engineers; and

"Whereas a number of proposed flood control and water development projects do remain in California which may be susceptible of development by the Corps of Engineers on the upper Sacramento River, Cache Creek, the Fresno River, Chowchilla River, Eel River, and other north coast streams, Consumnes River, and streams in the San Francisco Bay area; and

"Whereas the Congress throughout the decades has assigned to the Corps of Engineers the tasks of planning and developing systems of public works, for the control of floods in the rivers of the Nation; for the improvement of navigation in rivers, canals, and harbors of the Nation; for the protection of river banks and coastal shores, for the planning of highways and systems of transportation needed for the military defense of the Nation, and the making of coordinated basin plans for public works: Now, therefore, be it

"Resolved by the Senate of the State of California, That the Senate of the State of California respectfully memorializes the Congress of the United States to enact legislation and provide funds to authorize the Corps of Engineers, in cooperation with the Federal Bureau of Reclamation and the California Department of Water Resources, and in conjunction with a study commission and other Federal and State agencies, to make studies which would lead to multipurpose development of these basins; and be it further

"Resolved, That the secretary of the senate be directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Secretary of the Army, and to the Chief of Engineers.

By Mr. ELLENDER:

A concurrent resolution of the Legislature of the State of Louisiana, memorializing the Congress of the United States of America to refrain from passing S. 1643 or H.R. 6400, commonly known as the omnibus farm bill; to the Committee on Agriculture and Forestry.

A concurrent resolution of the Legislature of the State of Louisiana, opposing and disapproving the payment of any ransom or tribute to any foreign power and particularly and specifically opposes and disapproves the unofficially sanctioned campaign to ca-

pitulate to Castro's plot of extortion; to the Committee on Foreign Relations.

A concurrent resolution of the Legislature of the State of Louisiana, to oppose Federal aid to public schools and to provide that should the U.S. Congress enact legislation providing Federal aid to public schools that it allot 1 percent of the Federal income tax collections for this purpose to the States to be used without Federal control or intervention in areas where collected; to the Committee on Labor and Public Welfare.

RESOLUTION OF TEXAS LEGISLATURE ON HARLINGEN AIR FORCE BASE

Mr. YARBOROUGH. Mr. President, I present for appropriate reference a resolution by the Texas House of Representatives urging that the Secretary of the Air Force reconsider the order to close Harlingen Air Force Base.

This resolution also asks that after reconsideration of this matter, if the Secretary of the Air Force deems closure of the base absolutely necessary to the most efficient operation of overall defense activities, then the General Services Administration find a suitable means of utilizing this valuable and well-located facility.

Mr. President, while I am personally urging the Air Force to keep Harlingen Air Force Base in operation, I want to add my own emphasis to the Texas Legislature's resolution calling for GSA studies for other uses of this fine facility.

All of us know that the Congress has been called upon, and rightly I believe, to approve many millions of dollars in additional expenditures for defense construction, public works projects, and for other purposes. I generally support these programs as sound and necessary. But I do believe that it is time that we raised this point in the interest of being absolutely sure that we get a dollar's worth for each dollar spent.

The GSA, the Department of Defense, and all other directly concerned agencies should now more than ever before take a very careful look at existing facilities before planning to build new buildings and other facilities. In spite of the fact that an existing airbase might not be located exactly where an agency would like to have it, or the buildings were not exactly laid out to suit planned operations, I strongly believe that existing facilities should be converted to meet new needs and utilized for many years to come.

Mr. President, I know that modern defense needs and other factors make it necessary for us to construct massive new facilities in new locations. But I think all of us should be especially careful at this time when approving expenditures for new construction to be sure that there is not an abandoned airbase or some other Government-owned installation that could be utilized at considerably less investment of tax dollars.

I ask unanimous consent that the Texas Legislature's resolution on Harlingen Air Force Base be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Harlingen Air Force Base at Harlingen, Tex., has been ordered to close by the U.S. Air Force; and

Whereas the closing of said airbase will present a problem and will force an economic lag in the area; and

Whereas the base is in excellent condition and the area surrounding it is blessed with the best weather in the United States for all-around use of the airbase; and

Whereas the housing and recreational facilities in the area are extremely favorable; and

Whereas the people of the area have always maintained very friendly and cordial relations with the military: Now, therefore, be it

Resolved by the House of Representatives of the State of Texas, That it recommend to the Secretary of the Air Force that he reconsider the order to close Harlingen Air Force Base; and be it further

Resolved, That the House of Representatives of the State of Texas recommend to the Director of the General Services Administration that should Harlingen Air Force Base be closed, the base be utilized for some other suitable purpose.

RESOLUTION OF AMALGAMATED LAUNDRY WORKERS JOINT BOARD ACWA, AFL–CIO, NEW YORK CITY

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Amalgamated Laundry Workers Joint Board, ACWA, AFL–CIO, of New York City, relating to the freedom riders.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ON THE FREEDOM RIDERS

Another battle in the great fight for the future is being fought in America's Deep South.

As in other battles in that area—those at the schools of New Orleans, Little Rock, and other communities, the lunch counter sit-ins and many more—the frontline fighters for our country's ideals are young people.

This time the battleground is in interstate buses and bus terminals.

The issue is the same as in all the other battles: The right of all Americans to move freely, to share in public facilities without discrimination, to assert their human rights and dignity without fear.

We call this a battle because those who are fighting on the side of decency are doing so at the risk of life and limb. But they come without weapons, with no intention of doing violence. They defend themselves only with their courage and their faith that right will prevail.

There can be little question but that in time the faith and courage of these young people and others like them will prove to be the strongest weapons of them all.

But in the meantime, they are exposed and others will be exposed to acts of violence by ugly mobs and by local and State officials whose sympathies are with the mobs.

And in the meantime, too, America's posture in the world will go on being undermined by such actions and the forces of communism will be proportionately strengthened: Therefore be it

Resolved, That the Amalgamated Laundry Workers Joint Board, ACWA, AFL–CIO:

1. Compliments the Federal administration for dispatching Justice Department forces to Alabama to protect the freedom riders and for its efforts to persuade the State authorities to do their duty.

2. Urges the President and Attorney General to stand firm in protecting the rights of the freedom riders and of all those who will press against the barriers of discrimination and segregation in every area. No responsible official can ask them to give up their part of the struggle in order to keep peace; rather ask those who are breaking the peace in order to preserve the rights of bigotry and hatred to cease their efforts.

3. To the freedom riders, the schoolchildren, the lunch counter sit-ins and all the others, past, present and future, who serve in the frontlines of this great battle for the future—we express our grateful appreciation. For they are fighting on behalf of all Americans who believe in freedom and decency.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

H.R. 2972. An act for the relief of Mrs. Cornelia Fales (Rept. No. 363).

By Mr. MAGNUSON, from the Committee on Commerce, with an amendment:

S. 1750. A bill to strengthen the Federal Firearms Act (Rept. No. 364).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, with amendments:

H.R. 3572. An act to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota (Rept. No. 366).

By Mr. CHURCH, from the Committee on Interior and Insular Affairs, with an amendment:

H.R. 4500. An act to donate to the heirs of Anthony Bourbonnais approximately thirty-six one-hundredths acre of land in Pottawatomie County, Okla. (Rept. No. 368).

FEDERAL AID TO HIGHWAYS—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. 367)

Mr. BYRD of Virginia. Mr. President, from the Committee on Finance. I submit a report on title II of the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes, and I submit a report thereon. I ask unanimous consent that the report be printed, together with the individual views of the Senator from Illinois [Mr. DOUGLAS].

The VICE PRESIDENT. The report will be received and printed, as requested by the Senator from Illinois, and the bill will be placed on the calendar.

TIME FOR FILING REPORT ON RENEGOTIATION BY JOINT COMMITTEE ON INTERNAL REVENUE TAXATION—REPORT OF A COMMITTEE

Mr. BYRD of Virginia. Mr. President, from the Committee on Finance, I report favorably, without amendment, the joint resolution (H.J. Res. 437) relating to the time for filing a report on renegotiation by the Joint Committee on

Internal Revenue Taxation, and I submit a report (No. 362) thereon.

The VICE PRESIDENT. The report will be received and the joint resolution will be placed on the calendar.

Mr. MANSFIELD subsequently said:

Mr. President, I send to the desk a joint resolution (H.J. Res. 437), which was reported to the Senate earlier today by the Senator from Virginia [Mr. BYRD], from the Committee on Finance, and ask for its immediate consideration.

The VICE PRESIDENT. The joint resolution will be stated.

The LEGISLATIVE CLERK. A joint resolution (H.J. Res. 437) relating to the time for filing a report on renegotiation by the Joint Committee on Internal Revenue Taxation.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. CARLSON. Mr. President, reserving the right to object, and I shall not object, this resolution was before the Finance Committee and was unanimously reported favorably to the Senate. I hope the Senate will approve it.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (H.J.Res. 437) was considered, ordered to a third reading, read the third time, and passed.

REPORT ENTITLED "A BUILDING FOR A MUSEUM OF HISTORY AND TECHNOLOGY" (S. REPT. NO. 365)

Mr. ANDERSON. Mr. President, pursuant to section 4 of Public Law 106 of the 84th Congress, I submit to the Senate a report from the Joint Congressional Committee on Construction of a Building for a Museum of History and Technology for the Smithsonian Institution. I ask that the report be printed.

The VICE PRESIDENT. The report will be received and printed, as requested by the Senator from New Mexico.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KEFAUVER:

S. 2052. A bill for the relief of Horst Karl-Heinz Betz; to the Committee on the Judiciary.

By Mr. FONG:

S. 2053. A bill to provide for the issuance of a special postage stamp in commemoration of the 20th anniversary of the attack on Pearl Harbor; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. FONG when he introduced the above bill, which appear under a separate heading.)

By Mr. GORE:

S. 2054. A bill to promote the foreign relations of the United States by providing for the establishment of a National Foreign Service Academy; to the Committee on Foreign Relations.

(See the remarks of Mr. GORE when he introduced the above bill, which appear under a separate heading.)

By Mr. DWORSHAK:

S. 2055. A bill authorizing and directing the Secretary of the Interior to take the necessary action to confirm to the State of Idaho full and clear title to certain lands previously selected by such State in lieu of public school land grants made by the Idaho Admission Act for the financing of endowments of Idaho public schools; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. DWORSHAK when he introduced the above bill, which appear under a separate heading.)

By Mr. BURDICK:

S. 2056. A bill to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions; to the Committee on Agriculture and Forestry.

By Mr. SCOTT:

S. 2057. A bill to amend the act of June 30, 1960, Public Law 86-559, with respect to commissioned officers of the Naval Reserve; to the Committee on Armed Services.

By Mr. LONG of Missouri (for himself and Mr. SYMINGTON):

S. 2058. A bill to amend title 18 of the United States Code to prohibit the counterfeiting of State obligations in certain cases, and for other purposes; to the Committee on the Judiciary.

By Mr. SMATHERS:

S. 2059. A bill to enable the Secretary of State to make such changes in the higher ranking personnel of the Department of State as he deems advisable; to the Committee on Foreign Relations.

By Mr. KERR:

S. 2060. A bill for the relief of Mrs. Saleema Kouri Hamra; to the Committee on the Judiciary.

By Mr. COTTON:

S. 2061. A bill to provide the same life tenure and retirement rights for judges hereafter appointed to the U.S. District Court for the District of Puerto Rico as the judges of all other U.S. district courts now have; and

S. 2062. A bill to eliminate the right of appeal from the Supreme Court of Puerto Rico to the Court of Appeals for the First Circuit; to the Committee on the Judiciary.

By Mr COOPER (for himself, Mr. BUSH, Mr. CASE of New Jersey, and Mr. JAVITS):

S. 2063. A bill to establish a President's Advisory Council on Education; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. COOPER when he introduced the above bill, which appear under a separate heading.)

By Mr. SPARKMAN:

S. 2064. A bill for the relief of Yu Sui Ching; to the Committee on the Judiciary.

By Mr. PROXMIRE:

S.J. Res. 102. Joint resolution proposing an amendment to the Constitution of the United States providing for the nomination of candidates for President; to the Committee on the Judiciary.

(See the remarks of Mr. PROXMIRE when he introduced the above joint resolution, which appear under a separate heading.)

CONCURRENT RESOLUTION TO PRINT AS A SENATE DOCUMENT THE PROCEEDINGS OF THE NATIONAL WATER RESEARCH SYMPOSIUM

Mr. HAYDEN submitted the following concurrent resolution (S. Con. Res. 27); which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That the proceedings of the National Water Research Symposium, sponsored by the National Reclamation Association and the National Association of Soil Conservation Districts, on March 28 through 30, 1961, be printed with illustrations as a Senate document.

ISSUANCE OF A SPECIAL STAMP COMMEMORATING 20TH ANNIVERSARY OF ATTACK ON PEARL HARBOR

Mr. FONG. Mr. President, on December 7 of this year, Americans will be observing the 20th anniversary of the attack on Pearl Harbor. This occasion will bring to mind our entry into the war in the Pacific and an attack on American soil in World War II.

On December 7, 1941, 3,067 Americans were killed in the surprise attack on Pearl Harbor, and citizens of every State are listed on the rolls of those who lost their lives that tragic Sunday morning.

Under the auspices of the Pacific War Memorial Commission, a memorial is at last being built over the U.S.S. *Arizona*, which was sunk in the attack; 1,102 Americans are still entombed in the *Arizona*. A bill now before this body would authorize the appropriation of funds necessary to complete the memorial.

Elaborate plans are now being made for the dedication of this memorial on the 20th anniversary of the attack. It is hoped that the necessary legislation can be passed in this session so that we can be assured of funds to complete it.

In addition to the dedication of the *Arizona* Memorial, I propose that a special commemorative stamp be issued by the Postmaster General so that the whole Nation may observe the 20th anniversary of the attack on Pearl Harbor.

I therefore introduce a bill providing for a commemorative stamp in tribute to those who gave their lives at Pearl Harbor.

My bill proposes that the first issue of the stamp be made on December 7, 1961, at Pearl Harbor, Hawaii. In this way, Americans throughout this great Nation will recall the lesson learned on the morning of December 7, 1941.

It took that tragic day to awaken this Nation to the reality of a world in which peace and freedom cannot be taken for granted. Profound changes have occurred throughout the world in the intervening 20 years, but the lesson learned at Pearl Harbor is more important today than ever before. In a world of missiles and atomic weapons, we must be eternally vigilant.

I can think of no better reminder than the day on which armed aggression was committed against the United States by a foreign power. This reminder should take the form of a commemorative stamp of the 20th anniversary of the attack on Pearl Harbor.

I ask unanimous consent that the bill be printed in the RECORD at this point.

The VICE PRESIDENT. The bill will be received and appropriately referred;

and, without objection, the bill will be printed in the RECORD.

The bill (S. 2053) to provide for the issuance of a special postage stamp in commemoration of the 20th anniversary of the attack on Pearl Harbor, introduced by Mr. FONG, was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Postmaster General is authorized and directed to issue a special postage stamp in commemoration of the twentieth anniversary of the attack on Pearl Harbor, Hawaii, on December 7, 1941. The stamp shall be first offered for sale to the public at Honolulu, Hawaii, on December 7, 1961.

PROPOSED NATIONAL FOREIGN SERVICE ACADEMY

Mr. GORE. Mr. President, I introduce, for appropriate reference, a bill to promote the foreign relations of the United States by providing for the establishment of a National Foreign Service Academy.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2054) to promote the foreign relations of the United States by providing for the establishment of a National Foreign Service Academy, introduced by Mr. GORE, was received, read twice by its title, and referred to the Committee on Foreign Relations.

Mr. GORE. Mr. President, the difficulties which we are encountering all around the world stem from many sources. Many of these difficulties are brought about by powers and forces beyond our control, and nothing we could conceivably do would cure them or prevent their occurrence. On the other hand, many problems could be solved, or at least their impact mitigated, by actions on our part.

In the implementation of our foreign policy, and in carrying out foreign operations around the world, we need today, as never before, a truly professional foreign service. This applies not only to State Department personnel so classified, but to those in other departments and agencies of our Government who regularly perform duties in the foreign field.

Today we do not have a truly professional foreign service. We did not need "The Ugly American" to tell us this, although this widely read and publicized book did bring home to many, perhaps in an exaggerated way, the need for improvement in our foreign service personnel.

What we have long needed, and what we still need, is a way to approach this problem seriously and on a long-term basis. Much needs to be done, and much is being done. I do not mean to depreciate our current efforts.

The bill I have introduced, however, will, it seems to me, furnish us a firm base on which to build a truly professional foreign service and to improve our foreign operations.

My bill provides for the establishment of a National Foreign Service Academy which would serve as a center for the training and retraining of our personnel, and also serve as a center for scholarly research and development in areas of foreign activities.

This Academy would educate and train young men and women at the undergraduate level. The undergraduates would be limited in number, and would serve primarily to assist in setting the tone and standards of professionalization in the foreign service field in the agencies to which they may be assigned. It would not be expected that all of the graduates would go into the State Department. They are needed in Commerce, Agriculture, Defense, HEW, Treasury, and elsewhere. They would not replace, but rather supplement, graduates of our existing colleges and universities who now, and who may in the future, wish to play an active part in our foreign operations in the service of our Government.

The Academy would also train and retrain personnel already in Government service at the graduate level. Here again, this training would not replace whatever graduate level training programs may now be in operation; what we are now doing is not nearly enough. Rather, it would replace, expand, and regularize the rather inadequate operations now being carried on at the Foreign Service Institute.

It would also be hoped that this Academy would be the center of a great deal of research on foreign-policy problems.

Books have been written, hearings have been held, and conferences have been called to focus attention on oversea problems and to determine how our oversea employees can fulfill their vast and increasing responsibilities. The conclusion invariably has been that something must be done. But what has been done? So far as I can see, the little that has been accomplished has tended to be sporadic, unplanned, and insufficient. It is true that in-service training has been somewhat expanded and upgraded. Private universities have attempted to provide more adequate training for their interested students.

I would be the first to praise these efforts. But they have not produced a corps of professionals to fill the posts in our Foreign Service, ICA, USIA, and other agencies. We do not now have, nor will we have in the near future, adequate functional and geographical area specialists. We have even been caught without well-trained candidates to staff our projects and diplomatic posts in newly independent Africa, when the independence of these countries was scheduled well in advance. Even at this late date, we have been unable to meet the language requirements that today's foreign service demands.

Perhaps in days gone by it was realistic to think in terms of staffing oversea posts with nonprofessionals, and even today they can play a useful role. But this role will be constructive only insofar as a professional corps sets the general tone and a standard of excellence. For the burden of any professional activity must be borne by professionals.

I am certainly not suggesting that all of our oversea personnel should be trained in the Academy. We should continue to draw large numbers of recruits from our colleges and universities. But we can no longer afford to rely solely on independent sources.

I believe a Foreign Service Academy would furnish the mechanism by which we could face squarely the requirements of professionalism for the following reasons:

First. Through it, we could select some of our most able young men and women from all parts of the country.

Second. It could furnish a pool of trained personnel, and also provide for up-to-date information and intensive research on foreign affairs.

Third. It could serve as a center to determine the special personnel needs of our Government and could gear its curriculum accordingly.

Fourth. It could anticipate and set in motion programs to meet language and geographic area needs.

Fifth. It could be a center where experienced and responsible faculty members and Government officials, along with future policymakers, could consider critically long-range solutions to international problems and implement the policies by training personnel to carry them out.

Sixth. It could establish standards that would raise the quality of our entire foreign operation.

In short, this Academy could train professionals. I hope that the Foreign Relations Committee will set in motion a serious study and hearings to examine critically the bill that I have today introduced and other suggestions that seek a means of resolving the problems of improving our Foreign Service personnel. We can no longer afford to limp along with meager and uncoordinated reforms.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Foreign Service Academy Act".

SEC. 2. (a) There is established within the Department of State a National Foreign Service Academy (hereinafter referred to as the "Academy") which shall be under the direction of a Board of Directors (hereinafter referred to as the "Board") consisting of the President of the Academy, the Secretary of State, the Commissioner of Education, the Director of the United States Information Agency, the Director of the International Cooperation Administration, and six educators not otherwise directly employed by the Federal Government.

(b) The President of the Academy and the educator members of the Board shall be appointed by the President by and with the advice and consent of the Senate for terms of nine years in the case of each such office, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for

the remainder of such term, and (2) of the educator members first appointed two shall hold office for a term of three years, two shall hold office for a term of six years, and two shall hold office for a term of nine years, as designated by the President at the time of the appointment. The President of the Academy shall receive compensation at the rate of $22,500 per annum. The educator members of the Board shall receive compensation at such rate, not in excess of $100 per day, as is determined by the Secretary of State, for each day of service as a member of the Board, and shall also be entitled to reimbursement for actual and necessary travel and subsistence expenses while serving as such a member away from his place of residence.

(c) The President of the Academy shall be the Chairman of the Board. The Board shall meet at the call of the Chairman, but not less often than once each quarter of the calendar year.

SEC. 3. The Board shall establish and operate the Academy for the purpose of providing a well rounded education for foreign service. Toward this end, the Board shall determine the numbers and fields of specialization of student candidates for the various degrees awarded. The Academy shall be operated on the undergraduate and graduate levels, and shall award bachelor, master, and doctor degrees. The scope of activities shall not be limited to academic studies only, but shall also include field work abroad.

SEC. 4. (a) The Academy shall be established at such location as the Board determines. It shall have facilities to accommodate a student body of three thousand.

(b) In addition to facilities at the site of the Academy the Board shall, with the consent of the agency concerned, be authorized to make use of the facilities of any agency of the Federal Government.

SEC. 5. (a) Undergraduate students at the Academy shall be selected on the basis of ability as determined in written or oral examinations, or both, and interviews held throughout the United States in accordance with regulations established by the Board.

(b) Graduate students shall be selected from among officers and employees of the United States in accordance with procedures established by the Board. Preference shall be given to those who are or will be regularly engaged in working with foreign nationals. Officers of the armed services may be eligible for selection.

(c) All students at the Academy shall receive subsistence without charge to them. In addition, such students shall receive compensation at such rate or rates as are determined by the Board.

SEC. 6. (a) Each student selected for admission to the Academy shall sign an agreement that, unless sooner separated, he will, upon being awarded a degree by the Academy, accept an appointment as an employee of the United States in any position for which he is qualified, for the three years immediately following the awarding of such degree.

(b) Each graduate of the Academy, unless already an employee of the United States, shall be available for appointment as an officer or employee of the United States, in accordance with the following priorities:

(1) the Department of State;

(2) the Department of Commerce;

(3) the Department of Agriculture;

(4) the Department of Health, Education, and Welfare; and

(5) any other department, agency, or instrumentality of the United States.

SEC. 7. The Board shall appoint such professors and others to the teaching staff as may be necessary for the purposes of the Academy. Such appointments shall be made without regard to the civil service laws and the Classification Act of 1949, as amended, at such salaries, not in excess of $20,000 per annum in any case, as are determined by the Board.

SEC. 8. The Board shall establish such rules and regulations as may be necessary to carry out the provisions of this Act.

SEC. 9. The Academy shall have power to acquire and hold real and personal property and may receive and accept gifts, donations, and trusts.

SEC. 10. There are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this Act.

PROPOSED DELETION FROM CERTIFICATE OR CLEAR LIST GIVEN TO THE STATE OF IDAHO BY THE UNITED STATES OF ALL REFERENCE TO PHOSPHATE

Mr. DWORSHAK. Mr. President, the State of Idaho was admitted to the Union on July 3, 1890. The Idaho admission bill, section 4 of the law of 1890, grants to the State certain specific lands from the surveyed unreserved public domain. Each surveyed section 16 and 36, in every township, was granted for the use and benefit of the public schools, while certain other quantity grants were made for the use and benefit of other State institutions. Where section 16 or 36, or any part thereof, was not available because of reservations prior to statehood, or before surveys were made, or where such sections had been acquired through mineral or land laws, the State was permitted to select lands in lieu from available unreserved surveyed public lands. This was through the act of Februrary 28, 1891 (26 Stat. 796; 43 U.S.C. 851–852). The State wery wisely set up a permanent endowment fund to protect the revenues from the sale of these lands and the resources.

Originally mineral lands were not available for lieu selections nor could mineral sections in place be granted. The law was amended on January 25, 1927—44th Statutes at Large, section 1026, as amended by title 43, United States Code, section 860—so the State could acquire sections in place when surveyed regardless of the mineral classification. Previous to this, in 1923 the Idaho Legislature had passed a law reserving all minerals to the State, and the revenue from those lands has enhanced the Idaho public school endowment fund.

Many of the sections 16 and 36 as projected were included in national forests and other reservations before they were surveyed, so lieu lands were selected, using these sections as base. Such lands were shown in approved selection lists 15, 16, and 21, filed by the State of Idaho and approved by the Department of the Interior on January 31, 1918, March 27, 1918, and December 27, 1919, respectively. The base lands were in a national forest and the selected lands were in the unreserved public domain in what is now Caribou and Bingham Counties. While the Federal Government kept all the minerals in the base lands, the Board of Idaho State Land Commissioners was required to waive the phosphate only in the selected lands before they would be approved. The lands are in the same general locality and are all about equal in value, including all the minerals.

The selection laws have been amended and the philosophy of the Congress more clearly defined since these lieu lands were acquired. Public Law 85–771 of August 27, 1958, as amended by Public Law 86–786 of September 14, 1960, permits States to select mineral lands in lieu of the base lands if the base lands were mineral in character. Public Law 85–508, enacted July 7, 1958, known as the Alaska Statehood Act, granted to the State of Alaska 102,550,000 acres of unreserved public domain with an additional 400,000 acres of lands adjacent to towns and communities, also an additional 400,000 acres from the established national forests. All the full mineral rights go with these lands to the State.

Under existing law, 37.5 percent of the returns from a leasable mineral, such as phosphate, on public land, goes to the State in which the mineral is located, and 52.5 percent of the rents, royalties, and bonuses, is transferred to the Bureau of Reclamation except in Alaska. The State does not necessarily use its share for school purposes. The Federal Treasury, therefore, only retains 10 percent of the total returns, so the transfer of the phosphates to Idaho would not be a loss to the Federal Government when the costs of management, operation, and leasing are taken into account.

Mr. President, it is impractical for the State to manage the leasing of its lands with a phosphate reservation in the Federal Government. Vanadium, which is owned by the State, is found in varying amounts along with the phosphate. Oil and gas leases on the same lands are made by the State, and some coal deposits as well as other minerals owned by the State have been found in this locality. In some instances the surface has been leased or sold. This makes a cumbersome, clumsy management pattern.

For these reasons, I am introducing a bill to delete from the certificate or clear list given to the State of Idaho by the United States all referense to phosphate.

If we in Idaho can fully develop and use the total resources of these lands granted to us, we can care for our educational system without Federal financial assistance or subsidies. I feel sure that Members of this body will give earnest consideration to the merits of this proposal.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2055) authorizing and directing the Secretary of the Interior to take the necessary action to confirm to the State of Idaho full and clear title to certain lands previously selected by such State in lieu of public school land grants made by the Idaho Admission Act for the financing of endowments for Idaho public schools, introduced by Mr. DWORSHAK, was received, read twice by its title, referred to the Committee on Interior and

Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is hereby authorized and directed to amend the certificates attached to approved selection lists numbered 15, 16, and 21 of school indemnity lands filed by the State of Idaho and approved by the Department of Interior on January 31, 1918, March 27, 1918, and December 27, 1919, respectively, by deleting from each such certificate of approval all reference to a reservation in the United States of phosphate in the lands covered by the said certificate of approval so as to confirm to the State of Idaho full and clear title to the lands so listed; except that such title shall be subject to any valid existing rights in the said phosphate heretofore granted by, or under the authority of, the United States.

ESTABLISHMENT OF PRESIDENT'S ADVISORY COUNCIL ON EDUCATION

Mr. COOPER. Mr. President, on behalf of myself and Senators BUSH, CASE of New Jersey, and JAVITS, I introduce, for appropriate reference, a bill to establish a President's Advisory Council on Education. I ask unanimous consent that the bill, together with an explanation thereof, be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and explanation will be printed in the RECORD.

The bill (S. 2063) to establish a President's Advisory Council on Education, introduced by Mr. COOPER (for himself and other Senators), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "President's Advisory Council on Education Act of 1961".

DECLARATION OF FINDINGS AND PURPOSE

SEC. 2. The Congress declares that the developments in technology and science have made it clear that the security as well as the strength of the economy of the Nation depend upon the education of its citizens.

The Congress recognizes that education must keep pace with the needs of the future.

The Congress finds that public and private studies since World War II have established the urgent need for improving the quality of education in the United States. These studies have shown that greater emphasis should be placed on the quality and content of curricula, on higher standards of scholarship, and on the preparation and effective training of teachers.

The Congress reaffirms the principle that the States and local communities have the primary responsibility for public education. It is consistent with this principle to provide means for the States to draw upon the experience and abilities of a distinguished body of educators, and to provide for the exchange of information toward improving the quality of education in the United States.

Therefore, it is the purpose of this Act to establish a President's Advisory Council on Education.

AMENDMENT OF ACT OF JULY 26, 1954

SEC. 3. The Act entitled "An Act to establish a National Advisory Committee on Education," approved July 26, 1954 (68 Stat. 533) is amended to read as follows:

"That, in order to—

"(1) provide an advisory body which will be available for consultation on means of improving the quality of education, and

"(2) secure for the President of the United States the advice of a group of distinguished educators and scientists on means of improving the quality of education in the United States, there is hereby established the President's Advisory Council on Education (hereinafter referred to as the 'Council').

"SEC. 2. The Council shall be composed of nine members appointed by the President, with the advice and consent of the Senate, who are leaders in the fields of education and science. The President shall designate the chairman from among such members. Each member shall hold office for a term of four years, except that—

"(1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and

"(2) the terms of members first taking office after the date of the enactment of the President's Advisory Council on Education Act of 1961 shall expire as follows: Three shall expire with the close of the second calendar year which begins after such date of enacement and three shall expire with the close of the third such calendar year, as designated by the President at the time of the appointment.

"SEC. 3. The Council shall—

"(1) For the purpose of assisting in efforts to improve the quality of education, be available for consultation with Governors, the chief officials of State educational agencies, and the heads of institutions of higher education, when requested by them, on

"(A) means of improving the quality and content of curricula, with emphasis on the sciences, languages, and the humanities;

"(B) means of raising the standards of scholarship expected of students;

"(C) means of improving the quality of teaching; and

"(D) other means of raising levels of educational achievement; and

"(2) transmit to the President and the Congress annually a report of its activities under the provisions of this Act.

"SEC. 4. (a) The Council shall meet at the call of the President or the Chairman, but not less often than three times each calendar year.

"(b) The Council may appoint, without regard to the civil service laws, consultants and such other personnel as may be necessary to carry out its duties under the provisions of this Act.

"SEC. 5. Members of the Council appointed as such by the President shall receive no compensation for their services, but, while away from home or regular places of business while attending conferences or meetings of the Council, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons in the Government service employed intermittently.

"SEC. 6. There are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this Act."

The explanation presented by Mr. COOPER is as follows:

The bill is similar to S. 2727 of the 86th Congress, 1st session, sponsored by Senators COOPER, MCNAMARA, MORSE, KENNEDY, CASE of New Jersey, and JAVITS.

Its purpose is to stimulate local initiative to raise educational standards and improve the quality of education.

It would establish a President's Advisory Council on Education, composed of nine members, appointed by the President with the advice and consent of the Senate, who are leaders in the fields of education and science.

The Council would be available on request for consultation with Governors, chief State school officials, and heads of colleges and universities, on means to improve the quality of education.

The Council would have no other powers. Its duty would be to be available for consultation with Governors, chief State school officials, and heads of colleges and universities, when requested by them on (a) means of improving the quality and content of curricula, with emphasis on the sciences, languages, and humanities, (b) means of raising the standards of scholarship expected of students, (c) means of improving the quality of teaching, and (d) other means of raising levels of educational achievement.

Such a Council of outstanding educators and eminent scientists, appointed by the President, could assist the States and the heads of great universities to put to use the knowledge we already have from the many public and private studies already made since World War II. It would provide a center of knowledge and experience, upon which the States could draw whenever they chose to do so.

A similar recommendation was made by the Hovde task force on education in its report to the President of January 6, 1961.

The proposal amends the act of July 26, 1954, establishing a National Advisory Committee on Education, but never implemented.

CONSTITUTIONAL AMENDMENT PROPOSED TO ESTABLISH A NATIONAL PRIMARY

Mr. PROXMIRE. Mr. President, I am introducing today a proposed amendment to the Constitution which would establish a national primary for the nomination of candidates for the Presidency. This resolution is identical to Senate Joint Resolution 177 which I introduced on March 28 last year in the 86th Congress. This year hearings are being held by the Subcommittee on Constitutional Amendments and several proposals for reform of our electoral machinery will be considered. The subcommittee's chairman, the senior Senator from Tennessee, has graciously invited me to appear in support of my proposal.

Today I would like to state as succinctly and briefly as possible what my amendment would do and why I plan to press hard for its adoption.

First. In the first place there are glaring deficiencies in the system we now follow for nominating presidential candidates. The basic weakness is that the rank and file of the parties' membership do not have a meaningful voice in the nominating process.

Although the national conventions are theoretically democratic institutions, in fact they are not representative of the rank and file of party members. In a majority of States delegates to the national conventions are chosen by State conventions or State party committees. These conventions and committees are often dominated or controlled by a handful of political leaders.

In 15 States there is some kind of presidential primary, but in most cases these are weak instruments for carrying out the desires of the broad party membership. In some of these States the

delegates are elected by conventions and the presidential poll is merely advisory. In other States delegates are elected by the people but are not pledged in advance to support any particular candidate. In a third group of States delegates are pledged but State law permits them to switch to other candidates at the convention on their own judgment of the candidate's chances.

Only in two or three States, including Wisconsin, are delegates really bound to support the candidates who won the primary vote. Even in these States there is no assurance that the names of all the leading contenders will be placed on the ballot. The result is a national convention which is guided chiefly by the motivations of a relatively small group of political leaders whose primary interest is in what is good for their party organizations—local, State, or National.

Second. There has been growing support for broader participation in the nominating process ever since the national primary was first officially proposed by President Wilson in 1913.

Public opinion polls over the past few years, particularly since the advent of national television coverage of the convention, have shown consistently that the great majority of the American electorate wants a more direct voice in choosing its presidential candidates. In 1956, 58 percent of a national public opinion sample favored a national primary. President Truman has said he would favor a national primary if it were properly set up. Bills for a national primary have been introduced in the past not only by myself but also by the Senator from Tennessee [Mr. KEFAUVER], the Senator from Florida [Mr. SMATHERS], the Senator from Maine [Mrs. SMITH].

Third. Here is how my proposal would work:

Under the provisions of this amendment candidates who wished to seek their party's presidential nomination would file a petition with the Secretary of State bearing the signatures of at least 1 percent of the votes cast in the previous presidential election, and representing States of large, medium and small populations.

On the first Tuesday after the first Monday in August of presidential election years, a primary election would be held throughout the country. As in the operation of the electoral college, each State would be entitled to as many votes as it has Senators and Representatives. Whoever received the most popular vote in a State would win all that State's electoral votes and any candidate who received a majority of these electoral votes in his party would be his party's candidate. If in any party no candidate received a majority there would be a runoff primary in September between the two candidates who had the most votes in the first ballot.

I would assume that the parties would continue to hold national conventions for the purpose of choosing vice presidential candidates and to write the party platforms.

Mr. President, no one has as much right to say who should be the elected officials of a democracy as the plain voter—all the voters. Certainly this should apply most strongly to the elective office that is the most powerful in the country and constitutes the greatest and heaviest responsibility and authority the American people can give to any man. It should apply particularly to the primary, which reduces the choices to two, and almost eliminates any real choice for the millions of Americans who are consistently devoted either to the Democratic or Republican Party. I believe, further, that, in spite of his shortcomings, the plain voter will usually give the better answer in casting his vote.

For these reasons, Mr. President, I am introducing this proposal to create a national presidential primary. I ask that this proposed constitutional amendment be appropriately referred.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 102) proposing an amendment to the Constitution of the United States providing for the nomination of candidates for President, introduced by Mr. PROXMIRE, was received, read twice by its title, and referred to the Committee on the Judiciary.

NOTICE OF HEARING ON NOMINATION OF THOMAS J. MICHIE, OF VIRGINIA, TO BE U.S. DISTRICT JUDGE, WESTERN DISTRICT OF VIRGINIA

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Monday, June 19, 1961, at 10 a.m., in room 2300, New Senate Office Building, on the nomination of Thomas J. Michie, of Virginia, to be U.S. district judge for the western district of Virginia, vice Roby C. Thompson, deceased.

At the indicated time and place persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Nebraska [Mr. HRUSKA], and myself, as chairman.

NOTICE OF HEARING ON THE ATTORNEY GENERAL'S PROGRAM TO CURB ORGANIZED CRIME AND RACKETEERING

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for 2:30 p.m., on Monday, June 19, 1961, in room 2228, New Senate Office Building, on the Attorney General's program to curb organized crime and racketeering. The related bills are S. 1653, S. 1654, S. 1655, S. 1656, S. 1657, S. 1658, and S. 1665.

Any person desiring to be heard, or to submit a statement of views pertinent to the subject matter under consideration, should, prior to June 19, 1961, contact the Committee on the Judiciary in order that necessary arrangements may be made.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Excerpts from address entitled "Freedom Commandos To Fight Nonmilitary Battle Against Communists," delivered by him over Radio Station WGN, Chicago, Ill., on June 11, 1961; and

Excerpts from address by him at 75th anniversary of Seeman Bros., Inc., in New York City, on June 7, 1961.

By Mr. BYRD of West Virginia:

Statement made by him in support of appropriations needed for the water resources of West Virginia, delivered before the Public Works Subcommittee of the Senate Committee on Appropriations; and

Statement by him given before Senate Committee on Interior and Insular Affairs on June 12, 1961, relating to national fuels and energy resources policy.

By Mr. BEALL:

Weekly newsletter issued by his office, dated June 12, 1961, containing returns from annual questionnaire.

LT. GEN. ARTHUR G. TRUDEAU—ADDRESS TO THE BURLINGTON-LAKE CHAMPLAIN CHAMBER OF COMMERCE

Mr. AIKEN. Mr. President, recently, Lt. Gen. Arthur G. Trudeau, Chief of Army Research and Development, returned to his home State of Vermont, to address the Burlington-Lake Champlain Chamber of Commerce.

This was an important address, describing the progress which has recently been made in research and development for the further security of our Nation. The address is also significant because of the importance General Trudeau attaches to the St. Lawrence Seaway, now an accomplished fact, and the proposed Champlain Cutoff, which one day will provide an efficient means of water transport between the great eastern ports of Montreal and New York City.

The State of Vermont is justly proud that General Trudeau is one of its sons. For 37 years now he has served his Nation with distinction and high honor in the U.S. Army; and the time is probably not far away when he will retire to his home in Middlebury, Vt.

However, I am glad to note that his retirement may not come just yet, for it has been rumored that the President of the United States may call General Trudeau to the White House, to serve as the President's White House Chief of Staff.

This would be a most appropriate final chapter in the illustrious service General Trudeau has performed for his country; and, as the senior Senator from the State of Vermont, I would be especially happy to learn that this appointment had become more than a newspaper report.

Mr. President, I ask unanimous consent that the recent Burlington speech by General Trudeau be printed in the body of the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

DYNAMIC PROGRESS THROUGH R. & D.

(Remarks by Lt. Gen. Arthur G. Trudeau, Chief of Research and Development, Department of the Army)

Mr. Ridgley, distinguished guests, ladies and gentlemen, fellow Americans, in returning here to speak on the soil of my native State, I am again reminded of the tremendous potential that lies ahead for the State of Vermont—for its industries and for its people—in the industrial and human fields of endeavor that can naturally develop and flourish in this favored area.

I envision also the benefits that can, and someday will accrue, if you can forge a further link in improving the access of this inland State to the great waterways and population centers of the United States and Canada. I speak, of course, of the Lake Champlain Cutoff. The fulfillment of this project to link the head of the Great Lakes with a deep sea inland waterway to New York can bring to Vermont a future more promising than we here can envision. With a relatively static population for the last century, it is time for Vermont to move ahead.

Now that the epochal St. Lawrence Seaway has been built jointly by the United States and Canada—a model of what international cooperation can accomplish by truly friendly neighboring States, carrying in excess of 20 million tons of deep-draft shipping, both lake and ocean—it is time to take further steps to assure the logical extension of that waterway south into the heart of New England to the ocean—to the coastal ports of the United States.

I hardly need emphasize to you the tremendous importance this inland sea route would be to the economy and military security of the United States—in terms of a protected inland water route from the mining and pulp producing areas of Canada and the industrial and agricultural areas in the Midwest direct to the industrial East. The savings in distance—more than 1,300 miles—and in travel time, the deliverance from spring flood losses alone would make this project immensely financially beneficial to the eastern sections of Canada and the United States, and the fact that this great development would pay for itself—is one of the most significant factors recommending it. Canada is on the move despite momentary difficulties we both encounter.

Our own Senator AIKEN has done yeoman service in keeping this project active before the Joint United States-Canadian Interparliamentary Group. He has also been instrumental in stimulating and continuing serious and important interest in the U.S. Congress. As recently as last April, the State Department instructed our Ambassador in Ottawa to make renewed inquiries of Canada regarding her views toward helping to get this project started. Great projects take time but the seeds are in the ground. You must nourish them.

Our Army Corps of Engineers has deepened the Hudson River for seagoing vessels from New York City to Albany. With the completion of the St. Lawrence Seaway and the great interest in making this logical extension to that great route, I have renewed hope that the Lake Champlain Cutoff from the St. Lawrence to Albany will be ours one day in the future.

Tonight, I would like to share with you some views on our Army R. & D. program, emphasizing what it holds in store for our Nation.

The future, ladies and gentlemen, is going to be very much different from the past. Our world today is torn by three revolutionary forces—each thoroughly determined, thoroughly defined, moving athwart each other—and all demanding and dangerous in their implications.

The first—and foremost—is the insidious ideology of Sino-Soviet communism; the second is the social revolution of rising expectations in the underdeveloped areas of the world; and the third is the tremendous explosion in science and technology which dominates our life and time.

If communism were a dead issue today, the rising tide of ethnic nationalism, which burst forth from the agonizing struggles of World War II and since, would alone present us with one of the greatest challenges of all time. This tide is creating truly significant problems in areas of Africa, Asia, and South America. In these areas the people—diseased, undernourished, illiterate, impoverished, living in a wheelbarrow and A-frame economy—call, and call loudly, for an improved standard of living.

It is in these areas that the world population explosion is mainly concentrated. This high birth rate is causing the poor to get poorer. Already some billion and a quarter peoples living in underdeveloped areas have an average annual income—far less than the weekly income of most men in this room—an annual income of less than a hundred dollars. Their total personal property is worth less than the clothes on your back and this is all they can ever aspire to own if they succumb to communism.

This population explosion aggravated by the flames of nationalism has certain serious implications. Overcrowded areas produce political instability—a condition that has a high potential for local conflicts and a derivative possibility of extension into global war. Overcrowded areas are fertile grounds for Communist political and economic penetration—where for a variety of reasons, the Communists find it to their advantage "to strike while the iron is hot and and to keep it hot by striking."

Let's turn now to that other revolutionary phenomenon which is drastically reshaping our world, bringing to today's generation and our children more changes and challenges than were faced by our forebears in any past period of history—the explosion in science and technology.

In business and industry—in politics and the military—even in the most fundamental unit, the family—the daily round has become firmly geared to scientific advances and it is an ever-changing routine.

Of the several components of national strength, a critical one in this day and time is military—adequate Armed Forces—to deter war, or should deterrence fail, to wage war successfully. We must not forget that diplomatic dealing without powerful cards always is a dangerous game. The stakes are such that there is no room for bluff or indecision. The game is for national survival—the winner takes all, and the loser loses everything.

Meeting worldwide aggression with measured retaliation is one of the foremost problems facing America today. And, in this protracted conflict, creation of new weapons and continual modernization of equipment is of vital importance. The key to strong, capable military forces—capable of meeting today's triple defense challenge in paramilitary warfare—in conventional warfare—or in nuclear warfare—from zero to infinity across the spectrum of force—lies in wise direction of sound and properly funded military research and development programs. Here I refer not only to the most publicized part of these programs—the applied research and development part which focuses on producing superior weapons and equipment to meet military needs 5 to 10 years hence—I refer with equal emphasis to basic or long-range research which concentrates on enriching America's storehouse of knowledge to meet the challenge of future decades.

Today's investment in military research and development—considering all the Armed Forces—is measured in billions, and it accelerates with the driving pace of scientific discovery and the rapid advances in modern technology. Each day we are learning how to do something better—how to build better weapons and equipment—more potent and reliable than ever before.

Change follows so closely on the heels of change that some of our operational weapons are hardly off the production line before they are obsolescent. This has caused more misunderstanding and criticism of the Armed Forces than any other aspect of our peacetime programs. I can assure you that we minimize waste of time, effort, and money through the closest possible military-industry-science teamwork, but some degree of obsolescence is a constant in the preparedness equation.

Leadtime is another serious problem. It takes far too long from the conception of an idea until a piece of equipment is placed in the hands of the most self-reliant man in the world—the man who wears his country's uniform.

Our present weapon leadtime is too long; it is running 7 to 8 years. The Soviets do a comparable development job in 5 years. If we achieve a technological breakthrough today, it will be 1967 or later before our new weapons systems can be in production. Meanwhile, the Communists could steal the information 2 years after we have it and still beat us to the punch.

We must whip this problem and I believe we can whip it through more rapid and intensive exchanges of information between industry and the Army at every stage of development—by new procedures for expedited development such as overlapping and telescoping phases of the R. & D. cycle—by conducting user and engineering testing concurrently or on a combined basis, and by starting production engineering and tooling as early in the development cycle as possible. By such steps—which we are now taking—we expect to short circuit the Reds with a hard-hitting cycle of 4 years.

We must field new and improved weapons systems more rapidly if we are to retain a military strength and flexibility to support a viable and effective foreign policy.

Tonight, let's look at some of the scientific wonders of today—products of military research and development—which are but the indices of what we may expect in the promising future. I speak of them not only because of their military interest, but because our attitude as Americans toward science and technology is an increasingly important factor in the fight of freemen to withstand and overcome the growing incursions of Sino-Soviet communism.

The Army's efforts in basic research—to penetrate the ever-shifting boundaries of science—are extensive. We devote about $30 million per year to this pure research effort, out of a total of $200 million spent on research through more than 550 laboratories, universities, and industries and 80 Army and other Government installations. A small part of this research is conducted in Japan and in 14 countries in Europe.

The Army is particularly aware of the necessity for basic research and will continue to stress it to the limit of available funding. It is the key to future developments—to the realization of radically new concepts and designs just over the horizon.

One of our most important basic areas is materials research. We know that our engineering design prospects are intimately bound up with discovery of new materials with greatly enhanced properties—conducting, semiconducting, insulating, magnetic and structural—and also important—with improvement of existing materials. In materials research, we are working on a variety

of approaches—in plastics, ceramics, cryogenics, pyrogenics, and metallurgy.

It is important to point out that metallurgy is a field that has seen tremendous advances in the last 10 years and can be expected to surge beyond the boundaries of our imagination in the next few years. New metals with amazing characteristics are being created to exploit extremes of temperatures, pressures, and purities, which we are encountering or using in the space age.

For example, it is estimated that within the next 10 years we shall have beryllium alloys with the strength of steel, but one-fourth the weight. Shortly thereafter will come plastics and ceramics with the same strength-weight characteristics.

These and other materials research-sparked developments will redound to the benefit of our civilian industry and commerce as well as to military—reshaping our pattern of living in the decades that lie ahead. Missiles, vehicles, and electronic devices will all benefit from such advances.

Research efforts are also underway to bridge the gap between metallurgy and solid state physics. Rich dividends, here, will permit us to chainlink large molecules to act as electronic circuits, giving us measures of increased reliability and space accommodations in our guidance and other electronic systems almost too fantastic to imagine today.

How many of us in these days of wondrous advances remain impressed by the fact that electronic parts have been reduced in size by modular concepts so that now, instead of 7,000 parts per cubic foot, we can put 350,000 parts in the same space. Now, even this figure can be increased by a factor of 10 in certain fuze applications, and using solid circuit techniques—or molecular electronics—even this is only a beginning. Just around the corner of tomorrow I predict we shall see wrist watch radios the size of an after-dinner mint.

Other significant basic research in medicine, chemistry, or unusual power sources—such as the nuclear reactor, the fuel cell, the thermionic converter, or the magnetohydrodynamic process—which our Army is conducting, is too numerous for me to cover in the brief time for this talk. But what I have covered should indicate that basic research is an essential ingredient of potential military power as opposed to military power in being.

These advances illustrate, moreover, the kind of basic research effort which is necessary to feed the insatiable appetite of applied research and development, for without new knowledge—without new science—applied research and development is limited to product improvement. Product improvement, important as it is, will not put us out in front, where we belong, or keep us there.

Now, in the other part of our program—applied research and development—we are working on hardware to improve our capabilities in the classic fields of military endeavor—firepower, communications, and mobility—the three fields in which any military force must excel. We have made great strides in materiel development.

Ground combat power today is, in terms of firepower, truly formidable. In communications—the essential ingredient of command and control—we have leaped ahead. And, in the vital field of mobility, the Army is on the verge of equally significant advances.

Now, I have given you as much of an insight into the Army research and development program as the clock will allow. This and all our work, is being done diligently to insure the continued defense of our Nation. We view all our contributions to the defensive might of America with pride—and equally important—we know that many of them will redound to the peaceful benefit of mankind and to our own industrial progress as well.

There should be no mistake about it, the Army spends its research and development money primarily to improve its ability to fight a war. Still, the dividing line between research for war and research for peace is not sharp; in fact, it is quite obscure. The Army has found that knowledge gained for war usually has wide peaceful application.

Atomic energy is an obvious example. Atomic and nuclear research for war, carried out through the Army's Manhattan project, not only produced the atomic bomb—but it also produced new life-saving radioisotopes for use in medicine. It also produced nuclear reactors to supply power for ships and industry and homes, and all the other benefits of an atomic age.

There are many examples, each tremendously significant.

Our Army Signal Corps pioneered radar in this country. Now, radar is found in scores of civilian roles—guiding airliners around storms and landing them in bad weather—giving improved navigational tools to ships at sea, and helping the weatherman make his forecasts, not to mention the aid it gives policemen in spotting speeders on the highways—a doubtful blessing to some of us at times.

Army research money ushered in the modern age of electronic computers. Early in World War II, the Army sought a better and faster way to prepare artillery firing tables. Out of this research came ENIAC—our country's first electronic brain. Now they are a national necessity in many fields of endeavor.

Our Chemical Corps, working out better means of laying down smokescreens on the battlefield, came up with techniques for using smoke clouds to deliver ultra-fine chemical treatment particles for fertilizing crops—and protecting men and crops from disease and disaster. The method involves new types of spraying devices and smoke generators which are now finding use on farms.

Discoveries and work by Army medical scientists have obvious and wide civilian application. Soldiers and civilians are pretty much the same medically and what aids one is bound to aid the other. The work of Army doctors on hookworm, dengue fever, malaria, and typhoid fever brought about better health for all mankind. Vaccines against viruses, preservation, and transplantation of eye corneas and blood vessels, new burn treatments, functional artificial limbs—all these are products, at least in part, of Army medical research. So is much of our advanced surgery as it was born of necessity on the battlefield.

The list can go on and on and by no means are examples limited to Army research and development. Air Force and Navy contributions through their military research and development programs are equally impressive. Today more than 300 new civilian products and processes have resulted from military research and development efforts—Army, Navy, and Air Force. Someone rightfully called these results double dividends from defense dollars.

Now, what I have sketched for you this evening should give you an indication that scientific research and technological applications bulk massively in shaping both our military posture and our national progress.

Each of us, here tonight, must perceive more clearly just how deadly is the danger that hangs over us.

What is needed in this country now—more than ever before—is an awakened sense of determination and vigilance on the part of all citizens. The President, himself, is my authority for this statement. It is being planted and cultivated and should be breaking through the soil of complacency as the warm days of another spring are upon us. We must break free from the fear and complacency that engulfs us and become again inspired with the moral strength, determination, and fortitude of our forefathers. We must replace fear with faith; complacency with courage; patronage with patriotism.

The great days of these 50 United States need not lie shrouded in past glories. We have but seen the dawn of our national achievement. Unlimited is our future if we have the courage to seek it. The days of the coming years burn bright with promise—for those who dare.

We mustn't forget our own history. The strong independent characteristics so noted in our forebears has in some strange manner descended to our time like the rocks and carpeted hills we love so much. I always like to chide Texans who brag about their early independence that they only maintained it for 9 years whereas Vermont was virtually an independent republic for 14 years. If we are to survive as a nation that kind of adherence to principle with a fear of God but not of Communists must become a trademark of every American citizen.

NEW FCC POLICY GETS SOUTH CAROLINA TEST

Mr. McGEE. Mr. President, I wish to call attention to the operation of one of the ideas of the new Chairman of the Federal Communications Commission, Mr. Newton Minow.

A few weeks ago, when he addressed the American Association of Broadcasters, his address covered many lines involving the principle of regulatory responsibility and licensee responsibility; and in his remarks he referred specifically to his intention, as Chairman, to look every once in a while at each of the renewal applications, since that was something of a public trust. Furthermore, he suggested that on occasion he would go into the local communities and would check on local judgments as to a local licensee's responsibility to the community. This led to a great deal of criticism of the new Chairman.

But in the meantime, one such examination has been undertaken, and local evidence has been collected. That was in Kingstree, S.C.

I ask unanimous consent that an article by Louise Hughston, summarizing the experiences in that community, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald, June 12, 1961]

NEW FCC POLICY GETS SOUTH CAROLINA TEST

(By Louise Hughston)

KINGSTREE, S.C.—It was "FCC go home" when the Federal Communications Commission opened an unprecedented hearing here last week.

But by the time the record was closed, the Nebraska-born examiner, Thomas H. Donahue, apparently had won acceptance of Commission Chairman Newton N. Minow's new policy of giving radio and television listeners and viewers a chance to talk back.

Minow alarmed the industry last month when he warned in a message to the National Association of Broadcasters that the triennial renewal of their licenses to operate their stations will no longer be a matter of form, and that he intends to find out what the people in the communities served by the stations think of the programing they are getting.

The Kingstree case was far from ideal for a test of Minow's new policy, but it has

demonstrated that with the proper approach and interpretation, the New Frontier can successfully set up an outpost in this untried area.

VULGARITY CHARGE

The Kingstree case originated months ago when the FCC received a complaint alleging that a disc jockey had been making vulgar and suggestive remarks on programs broadcast by Kingstree radio station WDKD. Tape recordings of some of the programs were sent to substantiate the complaint.

Louis Bryan, of the FCC Complaints and Compliance Division, checked out the complaint and recommended a hearing.

When the station's owner, E. G. Robinson, Jr., applied for renewal of his license, the Commission scheduled a hearing to determine whether the licensee had been properly supervising station operations and whether the statements he made in his application were true.

At the request of Robinson's attorneys, the issues were broadened to include consideration of the station's overall programing during the most recent 3-year license renewal period. The local citizens were therefore free to express their opinions on any aspect of their daily radio diet.

INTEREST HIGH

Local interest in the case was intense, for several reasons. The disc jockey involved had been with the station for many years and had such a substantial following that one merchant who advertised on the program testified his business fell off about 20 percent after the performer was fired.

Other local residents had been up in arms about the off-color remarks for some time; a clergyman testified that the local ministerial association discussed the matter but decided "there was nothing we could do about it" except appeal individually to Robinson.

Robinson also had many friends and business associates in the community, where he owned a 70-acre farm and a liquor store. Townfolks recalled how concerned they had been when his teenage daughter had a brain tumor several years ago and was critically ill for weeks. More recently, Robinson himself had been seriously injured in an automobile accident in which another man was killed.

Kingstree, population 3,874, is also the kind of town that is inclined to back up its native sons in conflicts with outsiders. It is so conscious of distinctions in nativity that its mayor, W. B. Bower, faced a campaign charge that he was an outsider; he had only lived there for 28 years.

Local attitudes toward Government agencies are doubtless influenced by the editorial stands of the daily newspapers that serve the community from Columbia, the State capital, and Charleston, both about 75 miles away.

Day after day, the newspapers deplore Federal taxes and the encroachment of the Federal Government.

The dailies gave little space to news of the hearing, and the local weekly, the County Record, mentioned it not at all, the editor explaining that nobody had asked her to print anything about it except the required legal notices.

WDKD also ignored the hearing in its newscasts, but television stations in Charleston and in Florence, which is 40 miles away, were permitted to bring cameras into the hearing room and gave spot news coverage.

Soon after FCC Broadcast Bureau attorneys P. W. Valicenti and Donald Rushford arrived to prepare their case, they heard a youngster pointing them out as "the guvament men." The day the hearing opened, a teenager at a party started the "FCC go home" cry.

When Examiner Donahue opened the hearing May 31 by calling for volunteers to testify, nobody stepped forward. Public discussion of community issues is not in the Kingstree tradition. Mrs. Robinson told a reporter: "If you have discussions in a town with this many Negroes (the county population is 66.5 percent Negro), you'll have one running for office."

PASTOR WARNED

Witnesses for the defense appeared voluntarily, but FCC witnesses came only under subpena. Some people could not be located for subpena—including the controversial disc jockey.

The pastor of the Kingstree Methodist Church testified that the town's two bank presidents, both members of the official board of his church, had warned him that if he testified for the FCC, he would hurt himself in the community and would hurt his church, which was about to start a building program.

Robinson conceded that in relation to the disc jockey he had made an error in judgment, and testified that he would never repeat the error.

In other testimony, it was brought out that his station had broadcast as many as 474 commercial spot announcements in one broadcast day, between 5 a.m. and 6:56 p.m. A former employee testified that he had been required to read solid spot announcements for 15 minutes on the air.

As the hearing progressed and it became clear that the FCC was interested in improving the radio station's service to the community if necessary, the townspeople and the witnesses began to relax.

Examiner Donahue maintained a good humor which delighted and disarmed the participants, and eased the strict rules of evidence sufficiently to permit witnesses for both sides to give pertinent testimony in their own ways, with a minimum of interruption.

The examiner found Kingstree a charming little town.

"I have always thought that it is advantageous for hearings to be held locally," Examiner Donahue told a reporter.

Kenneth Cox, Chief of the FCC's Broadcast Bureau, told the Washington Post that although the Kingstree case is not typical of the hearings planned under the Minow policy because of the vulgarity issue, it is a good example "that you can't really prove this kind of case without doing it this way and aside from anything the Commission may actually do in the case, it is good for broadcasters and the public to think about their responsibilities."

OPPOSITION TO INCREASE OF COMMERCIALS ON TELEVISION

Mr. McGEE. Mr. President, I ask unanimous consent to have printed in the RECORD an article in regard to a study of what America thinks of the increase of commercials on television. The article discloses that more and more persons are coming to oppose the increased amount of time being devoted to commercials at the present time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAJORITY OPPOSES TV COMMERCIAL RISE

NEW YORK., June 10.—A huge majority of Americans is opposed to plans to increase television commercials, this week's "What America Thinks" poll indicates.

Three out of every four persons interviewed said they were against increased time for commercials between programs. And of those opposed, about half volunteered the opinion that there are too many commercials already.

This is the question asked: "This fall, one network is increasing the time for commercials between programs by 30 percent. The other two networks indicate they will follow suit. As a viewer, what do you think of this move?"

PERCENTAGES SHOWN

Here is a percentage tabulation of the answers nationally:

Strongly opposed	24.8
Opposed	51.4
Total opposed	76.2
Industry needs money	3.8
Like commercials	1.4
Like more time between shows	1.0
Total favorable	6.3
All right, if fewer in number	5.4
All right, if better	2.9
All right, if better programs	1.9
Total qualifiedly favorable	10.6
Don't watch TV	5.8
No opinion	1.5
Total opinion	7.3

Here is a sampling of responses starting with those opposed.

"This can be the death knell for TV," said a Long Island real estate broker. "The constant interruptions for commercials have alleady discouraged and thoroughly irritated an increasing number of viewers. Additional interruptions will completely discourage interest in TV."

"This is ridiculous," said a Rhode Island salesman. "Many viewers are already turning off their sets when commercials come on."

"They should decrease commercials by 30 percent," said a Texas aircraft mechanic. "I can't concentrate on the shows for the commercials now."

"I make it a policy to stay away from TV-advertised merchandise just for spite," said the wife of a New York small businessman. "Nine out of ten commercials or obnoxious."

THOSE HELD FAVORABLE

Here is a sampling of those favorable to the plan:

"After all, the sponsors are paying for the programs and they have to survive," said a New Mexico wholesale official. "I am in business and have to do a lot of advertising, so I know."

"If the stations think they need more money, of course they should put on more commercials," said a Virginia railroad employee. "They are just like everybody else, trying to better themselves."

"Advertising is good, so let's have more commercials," said a retired Missourian.

Here are some of the qualified answers:

"It's fine with me if they make the commercials 30 percent better," said the wife of an Iowa salesman. "Some of the commercials are an insult to our intelligence and treat us as if we are so dumb and gullible that we will buy anything except Brand X."

"I know we have to have commercials, but I wish they would not have so much corn and would tell me how so many products in the same line can be best," said an Iowa landscaper.

"Some of the commercials are better than the picture and I look forward to seeing them," said a California painter.

DEMOCRATS GAIN SUPPORT ON PEACE AND PROSPERITY

Mr. McGEE. Mr. President, I ask unanimous consent to have printed in the RECORD a recent Gallup poll which disclosed findings of voter opinion on two questions, as follows:

Which political party do you think would be more likely to keep the United States out of world war III—the Republican Party or the Democratic Party?

Looking ahead for the next few years, which political party—the Republican or the Democratic—do you think will do the best job of keeping the country prosperous.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DEMOCRATS GAIN SUPPORT ON PEACE AND PROSPERITY

PRINCETON, N.J., June 10.—The closely fought 1960 presidential campaign saw the voters divided over the basic issues of peace and prosperity. Concern with the international situation worked to the Republicans' advantage. Domestic worries helped the Democratic cause.

Today—6 months after last November's Democratic victory—the two parties stand even in voters' minds on the issue of keeping the country out of war.

During the same period the Democrats have advanced to a commanding lead over the GOP on the issue of keeping the country prosperous.

To see how the public currently appraises the two parties' ability to handle the key issue of peace and prosperity, the Gallup poll assigned its interviewers to repeat two questions asked at periodic intervals during last year's campaign. The first question:

"Which political party do you think would be more likely to keep the United States out of world war III—the Republican Party or the Democratic Party?"

The latest survey—completed just before President Kennedy's meeting with Soviet Premier Nikita S. Khrushchev in Vienna—shows the following division of opinion:

[Percent]

Democratic	30
Republican	28
No difference	27
No opinion	15

By way of comparison, here was the vote on this question on the eve of the 1960 election:

[Percent]

Republican	40
Democratic	25
No difference	21
No opinion	14

The second question asked in the survey:

"Looking ahead for the next few years, which political party—the Republican or the Democratic—do you think will do the best job of keeping the country prosperous?"

The latest vote:

[Percent]

Democratic	54
Republican	20
No difference	14
No opinion	12

In late October of 1960, opinion divided as follows on this question:

[Percent]

Democratic	47
Republican	31
No difference	9
No opinion	13

THE OMNIBUS HOUSING BILL

Mr. CARLSON. Mr. President, I had hoped that I would be able to support an expanded program for additional housing; but after following the debate, I feel I must vote against the pending bill.

At a time when we are faced with a budget deficit in the next fiscal year that may reach $5 billion, I do not believe we should vote an additional item of $9.3 billion for housing. This measure in my opinion is both extravagant and inflationary. I do not believe the evidence presented to the Senate Committeee on Banking and Currency or to the Senate has demonstrated a need for this type of legislation.

I oppose the new 40-year, no-downpayment, FHA-insured-loan program. While it is stated that this is a 2-year experimental program, those of us who are familiar with legislation realize that once we embark on a program of this type, it becomes permanent.

It is my opinion that this 40-year, no-downpayment, FHA-insured-loan program will, in the final analysis, do little in the way of assistance to those who are desirous of building their own homes. Presently, we have private- and public-supported programs that have demonstrated their usefulness in constructing millions of homes in our Nation.

There is much in this bill that I approve of, and there are many good features; but on the whole, I cannot support this greatly expanded omnibus housing bill.

BERLIN CRISIS

Mr. WILEY. Mr. President, the preservation of freedom in West Berlin—toward which Mr. Khrushchev is making new threats—continues to be a must in Western policy.

Time after time, Khrushchev has threatened to sign a separate German peace treaty.

Until now, this has been used as a kind of threat to attempt to wring concessions from the West. An East German-Soviet treaty, of course, would mean nothing in terms of lessening Soviet control over the regime. The only real difference would be that Khrushchev could then say that troublemaking by the East Germans was out of his hands—even though this would be a lie.

The Kremlin, however, apparently is looking for an excuse to create trouble.

President Kennedy reported that the relative calm of his general discussions with Khrushchev was severely broken by a flareup on Berlin.

If this city—a showplace of dramatic differences between East and West progress—is, in Mr. Khrushchev's words, a "bone in his throat," then I say this is additional evidence of the need for preserving the interests of West Berlin.

Tactically, the outflow of such trumped-up accusations from the Kremlin is usually a forerunner of provocative acts by the Reds—committing the wrongs of which they accuse the West. Consequently, we—as we are witnessing—can expect new threats, or deliberate efforts to increase tensions in the cold war.

Berlin, however, represents a place where are drawn distinct lines of battle. The West has valid responsibilities and rights. The Communists can violate these rights only at the risk of war. The history of our own experience with dictators—particularly those of communism—demonstrates that one-sided concessions to them only pave the way for more concessions. If this is done now, it would seriously undermine the whole position of the West.

In Berlin, we cannot—we must not—back down.

We can expect, of course, that—as long as there are East-West differences and West Berlin is free—the city will continue to be a bone of contention, particularly troublesome to the Kremlin leader, and a focal point of periodic troublemaking by the Communists.

Today, the New York Times published an editorial, entitled, "The Issue Is Peace" reflecting perspective and clarification of the issues at stake in Berlin. I request unanimous consent to have this editorial printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE ISSUE IS PEACE

Further evidence that Premier Khrushchev is not only nibbling at the periphery of the free world but also driving toward a showdown at its center, with Berlin as a focal point, is provided by a memorandum he handed to President Kennedy in Vienna and now propagandizes to the world.

In it the Soviet ruler sweeps aside all wartime agreements, the Atlantic Charter, the United Nations Charter and his own anticolonial doctrine of self-determination and undertakes to dictate his own peace terms to Europe. These terms spell out his grand design to use Berlin as a lever to conquer Germany and then to use Germany as a lever for the conquest of Europe that would assure a Communist world triumph.

Though maintaining previously known Soviet positions, the new Caesar offers the West three choices. With an eye on neutralist and pacifist sentiment that is always in favor of such projects he calls for an immediate peace conference to write a peace treaty with both East and West Germany, jointly or separately, and establish a free city of West Berlin stripped of protecting Western troops. This would legalize the partition of Germany, further Balkanize Europe and, as East Germany's Soviet agents boast, topple the ruling classes in West Germany and knock it out of the North Atlantic alliance, thereby wrecking both.

As an alternative, the Soviet ruler would have the Western powers join him in summoning the West German Government and his East German agents to a meeting of their own to agree within 6 months on both German reunification and a peace treaty. But the Communists insist that reunification could come only after West Germany has been socialized under a Communist dictatorship on the East German model. This would bring Soviet power to the Rhine and Europe would be at its mercy.

The third choice is for the West to acquiesce in a separate Soviet peace treaty with his East German agents. Under it Premier Khrushchev proposes to arrogate to himself the right to cancel Western rights in Berlin, to put its life lines under East German control and in case of a new Berlin blockade to back it with Soviet might even at the risk of war.

This is the somber situation to which President Kennedy referred. The West cannot afford to lose any time in girding itself for a showdown—militarily by strengthening its forces in Europe, politically and morally by broadcasting anew its own program for peace with justice and freedom. If that program fails in Europe, where else will people have any confidence in it?

ADDRESS BY HON. BARRY GOLDWATER, OF ARIZONA, TO GRADUATING CLASS OF BRIGHAM YOUNG UNIVERSITY

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed

in the body of the RECORD the text of an address I delivered to the graduating class of Brigham Young University.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Members of the graduating class, faculty, parents, and friends of the university, it is with a sense of deep humility that I come here today in the role of commencement speaker. In the past several years, I have been privileged to speak on a great many campuses and with large numbers of American students. In fact, speaking with the young people of our Nation has become a cherished project with me. But it has not dulled in me the deep feeling of honor and responsibility which I always experience when I am asked to speak with students who have completed a course of studies and are preparing to move on toward new horizons and different endeavors.

This is a solemn and important time in your lives, and if I were conceited enough to believe that you look exclusively to me for the final bit of advice following your academic training the responsibility would be more than I should feel willing to face. But I have no such preconceived ideas. I know that you have received and will receive much sound advice to reinforce the training of the college classroom. And I shall be more than content if I might merely provide a bit of perspective to your thinking—perhaps drop a seed into your subconscience which might tomorrow or the next day or at sometime in the years ahead sprout into a thought that would serve you and your fellowmen well.

Like all commencement speakers, I am tempted to speak about your going out into the world, but somehow I am not happy with that expression. It seems to denote that you have spent the last 4 years in seclusion, or shut off in some kind of a cloister where the loud voices of events and people could not reach you. Now we all know that this is not the case—we know that going to college is being "out in the world" in a very real sense. If nothing else, it has given you a good taste of personal responsibility or you wouldn't be here in cap and gown today. And it certainly has given you a taste of competition and of receiving the fruits of your labor—in education and grades, if not in actual monetary reimbursement.

No, I'd rather think of this as a time of transition—as a time when you leave off one type of adult endeavor to go on to new fields, whether it be to higher levels of academic and scientific training, into a job or to spend a period of time in the Armed Forces. For many of you it will be a time of decision—a time when you decide what you want to do with your life and where best to start doing it.

I suggest that you have reached this pivotal time in your lives at one of the most interesting and challenging periods in the history of civilization. Ahead of you, along whatever route you elect to follow, lie vast opportunities—opportunities the like of which few people have ever left college to confront—opportunities which reach beyond the horizons and are confined only by the far reaches of space. Tremendous new fields have been opened up in science, in business, in government and in all other areas of human endeavor by "Plows of the mind" which have only turned over the topsoil. They need further development by intellects and hands fresh from the college classrooms and laboratories. They need working and perfecting by a new generation of scholars, technicians, and managers.

Even the great overriding crisis of our time—the continuance and extension of freedom—provides opportunity for the college graduates of today. I realize that it may seem overly optimistic to see opportunity for youth in a peril as great as that posed by the inexorable forces of international communism in their drive to dominate the world. But, I believe we must think optimistically and in terms of achieving the greatest job in the history of mankind and take pride in the knowledge that we undertake it in the name of freedom.

Now how does this crisis add up in any way to tangible opportunity for the young men and women who are leaving colleges and universities today to find a place where they can work and earn and contribute to the sum total of our free society? Well, to understand this, we must look at the problem. We must understand that a great many scientists and technicians and experts of all kinds are needed in the technological race with Mr. Khrushchev and his friend, Gagarin. And we must understand that continual and perhaps accelerated development and production of military weapons of all kinds and sizes are required if we are to remain strong enough to be truly freedom's champion in the present global struggle. This, too, will require a virtual army of scientists and technicians, but the important thing to remember is that this demand in the technical areas of endeavors—great as it is—is only a drop in the bucket to the demand that will be generated for workers in every category to back up that technical effort. Thousands upon thousands of administrators, supervisors, clerks and manual laborers will be needed by industry as we move to meet the growing challenge created by the threat of Communist domination.

And, in the nontechnical, nonmilitary fields of endeavor, the demand for competence and college training also will grow proportionately as the drive goes on to meet the needs and desires of an ever-expanding population.

Now, I believe, all this adds up to great—to tremendous—opportunity for the graduates of 1961. But I also am convinced that it will confer on you a higher level of responsibility than your predecessors were given. I think you should realize very early that if we are to win the final decision over the forces that would enslave the world, if we are going to preserve individual freedom and our way of life, a large part of the job will be on your shoulders. I am convinced that your generation has a destiny directly related to this Nation's chances of survival and the extension of freedom for mankind throughout the world. I believe you young men and women are freedom's greatest hope in what has come to be perhaps its darkest hour.

This responsibility of which I speak is a charge you should be proud to meet with your greatest energies and your finest thinking. It is indivisible from individual freedom and it is of one piece with the efforts of those quiet, heroic men who carved this great Republic out of the wilderness.

And, there is no way to escape it, for the events transpiring at this moment in the world and in the Nation are already engulfing you. For the future, they will have a great bearing on everything that concerns you—on your lives, your careers, your hopes and your dreams—just as your own thinking and acting will have a bearing on the generations that succeed you. It is indeed true that youth belongs to the future and the future belongs to youth. But, to insure the future, youth must think and act in the present. And it must look to the lessons of the past and learn what has worked and has failed if its thoughts and actions are to be equal to the challenge. Now you will note that I said look to the past and not live in the past or attempt to return to the past. This is a key point in the conflict of ideas which grip us today and a point upon which the future of civilization could conceivably turn.

Our responsibility to the present and to the future is to discover under what conditions man has performed at his efficient best. We must learn what philosophy and what system enabled men to make the greatest possible use of his God-given talents and human energy. We must pay close heed also to the philosophies and systems which have stifled the individual and reduced the industry, incentive, and improvisation which breed progress.

This is a process of learning that goes on forever. It does not cease with the completion of your studies here at the university, nor will it end with the completion of any future curricula upon which you may embark.

The entire human race, no less than the individual, must learn through experiences, for we have no method by which we can project our progress in the future unless we understand the principles and actions which contributed to the past. Without a clear comprehension of the direction from which we have come, we cannot possibly chart the direction in which we should go.

Now in considering the direction of the world over the recorded history of man's existence, we find a very curious phenomena—a phenomena which I believe must be thoroughly understood as we move into the crucial stages of the global struggle between the forces of freedom and the forces of slavery. And that phenomena is confined in space to the land mass of North America and in time to the 184 years the United States has been in existence.

This phenomena is one of abundance in the midst of want; of accomplishment in an era of stagnation; of hope in a world of despair. It is a story of the proper utilization of human energy, of the spiritual and material fruits of a way of life which has stood the test of time.

Yes, this is the American story which today is the hope of freedom. It contains the only elements of strength which—if they are guarded well—can meet the ultimate test of Communist totalitarianism. It is not a new story but it needs re-emphasis in the light of today's crucial events. We need to see it in the proper context, in the proper depth and against the backdrop of how it differed from what men had done before.

Perhaps the late author, Henry Grady Weaver, said it best in his book, "The Mainspring of Human Progress." At this important period in your lives I would ask you to consider his words carefully. Let me quote:

"For sixty known centuries, this planet that we call earth has been inhabited by human beings not much different from ourselves. Their desire to live has been just as strong as ours. They have had at least as much physical strength as the average person of today, and among them have been men and women of great intelligence. But down through the ages, most human beings have gone hungry and many of them have always starved.

"Hunger has always been normal. Even to this day, famines kill multitudes in China, India, Africa; and in the 1930's, thousands upon thousands starved to death in the richest farmlands in the Soviet Union.

"Down through the ages, countless millions, struggling unsuccessfully to keep bare life in wretched bodies, have died young in misery and squalor. Then suddenly, in one spot on this planet, people eat so abundantly that the pangs of hunger are forgotten."

Think of that. Suddenly in one spot of this planet a light appeared to shine bright in the recorded history of man's progress. Why was this? Why was it that after 6,000 years of want, famine was banished in America? Why was it that in the short space of 184 years, one particular group of people was able to do what had never been accomplished before? Why were these people, living on only one speck of the globe with only a small fraction of the world's

population, able to outproduce all others combined?

The answer lies in the thinking and acting of this Nation's earliest students, the men who drew up a form of government the like of which the world had never seen before. It lies in actions based on careful perusal of the lessons of history, lessons which proved that from time immemorial the concentration of power in the hands of the few had failed miserably to insure freedom or give people the fruits of their labor. It lies in a recognition of the fact that the failures of the past had squandered the most precious of all commodities—human energy—in suppressing the most precious of all rights—human liberty. They were to be avoided.

Therefore, the men who drew the governmental blueprint for America started with the assumption that men are endowed by God with certain rights and privileges and that government's only proper role should be in the protection of those rights. They rejected entirely the theory that man's rights stem from authority, from the state, and proceeded to build in our Constitution something new and different in the way of governmental charters. This novelty was in provisions which specifically stated that certain institutions and human relations were to be left outside the authority of government. They actually forbade the government to infringe or violate these areas.

Strangely enough, not many Americans are aware of the fact that the concept of government confinement and individual freedom had never before been incorporated into a national constitution. And, unfortunately, not enough Americans today realize the wisdom and foresight that went into the framing of the U.S. Constitution.

Freedom today—as always—is dependent upon government confinement for freedom can only be drained away through the concentration of authority. This was well understood by the framers of our Constitution. They distrusted government. What they had read of history gave them the sure knowledge that the power of government is always a dangerous weapon regardless of who holds it. And so they took out insurance against concentration and misuse of authority. They laid the groundwork for actual pursuit and practice of individual freedom in the development of a society and a nation. They understood that what could never have been accomplished under a condition of servitude is the almost natural result of a condition of freedom. They knew that human nature is unchanging and that it is so designed that men are only at their best when they are permitted to live like men.

Let me emphasize that these men to whom the world owes so much were not guessing at a form of government that would work in the wilderness. They had experienced various forms of despotism and tyranny and studied others. They knew that the most progress is made when men have been released from bondage, given control over their own actions, and allowed to receive the fruits of their labor. They acted accordingly and the result is the American miracle and the finest heritage it is possible for men to bequeath.

And with that bequest, an enormous power has come down to you which carries with it the requirement that you protect it zealously and use it wisely.

Our great Republic, with all that it represents of hope and freedom in the world, will be what you make it. Its traditions and principles, its institutions of religious liberty, of educational and economic opportunity, of Constitutional rights, of the integrity of the law, are the most precious possessions of the human race. As our forefathers recognized, these things do not come from government. They are bestowed by God and their abiding place is with the people.

And in stressing your responsibility, I would remind you that our way of life, our economics, our republican form of government are not the result of accident or fortuitous circumstances. They came from hard-bitten, experienced men who could face facts, meet responsibilities and were willing to grapple with just such realities as we find ourselves confronted with today. From such men came the sturdy time-tested foundations on which our country was built and which are today the main supports of our freedom and our prosperity. From them came the flower of civilization with its guarantees of liberty, its enormous material resources and its creative genius.

America is much more than a geographical location or a seat in the United Nations. It is a combination and a relationship. It is the destiny of a masterful, pioneering people, enduring all the hardships of settling a new country, determined to be free. It is the Declaration of Independence and the U.S. Constitution, with a system of local self-government. It is development and progress on the farm, in the factory, in the mine. It is the creation of worldwide commerce and the opening of vast lines of travel by sea, land, and air.

Our country is truly the result of man's incomprehensible triumph after 6,000 years—a triumph of human progress which conferred on its people untold material wealth, military strength, and spiritual rewards.

And think of the people who did all this. They were drawn from the world at large. They came from many nations, speaking many languages, holding to various traditions. But they met in this continent with a common goal—freedom. And out of the confusion of tongues, the conflict of traditions, the vast differences of tastes and talents, they evolved a spiritual union grounded in liberty that was to become the first model, later the example and now the hope of the entire world.

And this is what we fight for and with today in the great crisis of freedom which has split the world into armed ideological camps, threatening our national survival and devolving on you and young people just like you the job of holding high the torch of freedom in a new and perilous era.

I would remind you of this today as you prepare to go forth to new fields of endeavor. You will hear an increasing amount of talk about change—about how we as a government and we as a people, must change. And I will not argue against change. I think change is necessary and that we should constantly work for changes in our methods and procedures that will improve things, that will better our lives, that will make more secure the blessings of freedom in this country. And, I would suggest to you graduates that you do not improve or change things for the better by discarding basic and proven doctrines.

For example, there have been great changes in this university over the years—changes directed at providing you with better facilities, better instruction, better surroundings. But, there has been no change in the tradition of scholarship and truth upon which this university was established. That is enduring because it has been tried and found good, because it is basic to the purpose of education and citizenship.

So, I would urge you to work for change as you go out in the world. Work for the right kind of change—the kind that will be positive and helpful in charting the right course for your lives and the Nation's life—but don't tamper with the natural laws and the fundamentals that have been tested and proven. There are too many voices in America today suggesting that we change our historic concept of freedom by turning over more and more power to the Federal Government.

There is also a preoccupation with a subject called "national goals," which I find disconcerting because it presupposes that we don't have a national goal sufficient to the realities of today. This, however, is not true. We have a national goal and have had a national goal which is the finest ever devised. It is contained in the words of Thomas Jefferson in our Declaration of Independence when he wrote: "We hold these truths to be self-evident: that all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness."

Now I submit that there can be no other national goal than the one contained in the Declaration of Independence, because if we change that, we must change our entire concept of freedom as coming from God and we must alter our entire course of government to conform.

To me this emphasis on seeking after new national goals is a symptom of the disease that ails freedom today. It is a result of man's constant and determined seeking after material things to the exclusion of spiritual values. I suggest that we have become so preoccupied for the last 30 years with the siren call of material goods that cosmetics and TV sets have become more important to many people than freedom of speech.

Those who cry the loudest for basic changes—changes in our economic system, in our Constitution, in our traditions—do not understand the crisis of our time or the anatomy of all crises down through history. They do not want to admit that man with his unchanging nature is the cause of crisis. The problem is man. Conditions are caused by men and they change from day to day, in the world, in the Nation, on Main Street, and in this university—but the nature of the individual does not change. That nature, with all of its imperfection, is the same today as it was 5,000 years ago. Therefore, what man did in history in response to certain conditions, circumstances and philosophies, he will do again today. If it were possible to pass a law which could remove the greed, hatred, envy, and other unfavorable characteristics of man's nature, we could easily fit the individual to whatever conditions that arise. We could make man forever noble and gear him to perform always at an honorable peak of efficiency and endeavor. We could make things so perfect that there would be no need for laws or government.

But this is patently impossible, so we must reckon with the nature of man as it is, realizing that some men have an insatiable desire for power and must be restrained. This is what our Constitution is aimed at—the prevention of concentrations of power into the hands of a few who might abuse it. This is the concept of limited government upon which our individual freedom depends. And, it is just as valid and just as workable today as it was 200 years ago when it was framed by men who had studied and learned from the past—men who had taken the lessons of history and used them profitably as an applied science—men who recognized the eternal reality of rights bestowed at birth on all men.

So, if there is one central thought that I would leave you on this important day in your lives, it is the thought that history contains answers to the present and the future—not only for you as individuals, but for this Nation, this world and all mankind. If you study it well and continue to study it right on through life, you will understand the motivating forces of human progress. You will avoid other men's mistakes in carving a brighter future. And you will be worthier sons of freedom than some of us who have gone before you and—through complacency and inattention to the lessons written in the sands of time—have allowed a process of erosion to begin in the structure of our greatness.

Now before I close I want to congratulate you one and all on the successful completion of your studies in the fine, proud institution of higher education. This is an accomplishment of which I cannot boast but which I have wished a thousand times over that I could. It is an accomplishment that has tested your industry, your perseverance, and your ability. It has proven that you can get along and hold your own in a society of free men and women. And, it has marked you as a part of that group from which our future leaders will be drawn.

This, I say to you, is no small accomplishment. It is one from which I hope you all draw the last full measure of pride in the sure knowledge of a job well done. Thank you and good luck.

ADDRESS BY HON. BARRY GOLDWATER, OF ARIZONA, TO ANNUAL UNITED PRESS INTERNATIONAL CONFERENCE OF EDITORS AND PUBLISHERS

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the text of an address I delivered before the annual United Press International Conference of Editors and Publishers on June 9, 1961, be printed in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TEXT OF SPEECH BY SENATOR BARRY GOLDWATER, REPUBLICAN, OF ARIZONA, BEFORE THE ANNUAL UNITED PRESS INTERNATIONAL CONFERENCE OF EDITORS AND PUBLISHERS, STATLER-HILTON HOTEL, WASHINGTON, D.C., JUNE 9, 1961

Mr. Chairman, editors, publishers, and guests, it is both an honor and a pleasure for me to be here today to participate in this important conference of UPI executives and subscribers. I am honored because of the high regard I have for the important positions you hold in world of public expression. And I am pleased because of the cordiality and intelligence which I never fail to encounter in my meetings with members of the press. Now I can't say that talking with newspapermen is exactly a rare experience for me these days, but I can say that I am seldom able to corner this many high-caliber newsmen at one time in one place.

I almost addressed you as fellow newspapermen but then I decided that you probably hadn't invited me here to discuss the problems I encounter with my own newspaper column. However, I think you should know that I pay close attention to my column and the subject of news these days in light of developments along the whole broad front which Washington likes to refer to as public relations.

First and foremost among these developments is the furor being raised over just who should censor what news and why. And on this I shall have something more to say in the course of my remarks. The second development is the administration's concern over getting President Kennedy's name into each and every Government press release. Now I can sympathize here. In fact, I'm thinking of issuing an order that no press release can go out of my Senate office unless it contains the name "GOLDWATER." And, of course, the third reason why I am concentrating a little harder on my editorial duties is the awe-inspiring and complimentary knowledge that Ralph McGill's Atlanta Constitution has become one of the newest subscribers to my column. I can only say that this latter development is sufficient to give any new struggling conservative pundit reason to pause and consider well his words.

There has been a great deal of talk in recent months about challenge, and I believe you gentlemen may have taken it to heart in arranging this program. For, it is certainly something of a challenge for a mere Republican Senator to find himself in the position of "clean-up man" in a batting lineup drawn exclusively from the New Frontier. But I want you to know that I welcome this opportunity for rebuttal, if that is what it is, because it strikes me that if you have heard anything critical of national policy in the last day and a half it is strictly a case of "man bites dog." I promise you that I shall have some words of criticism—not only based on my own appraisal of what is transpiring today, but also based on what I hear from the people across the length and breadth of America. But it will be criticism that stems from deep conviction and which I believe must be heard for the good of our Nation and the cause of freedom everywhere.

It is customary, I know, when a public official or a politician speaks to a group of influential newspapermen to wax eloquent on the subject of freedom of the press and heap fulsome, oratorical praise upon his captive audience. Well I expect to have some well chosen words concerning freedom in general and freedom of the press in particular, but my high regard for your profession is so well known that I hardly think I need take up your valuable time by restating it this afternoon. And while I may have some suggestions as to how I think the press can help the cause of freedom in our present situation there is no intention on my part to tell you how to run your newspapers.

For some reason we don't hear as much today as we used to about the power of the press. But to my way of thinking this does not mean that there has been any lessening of that power. If anything, I believe that the progress we have seen in other mediums of news expression, such as radio and television, has increased the power of the press through whetting the public appetite for the printed word. I believe far more people comprehend and retain what they read than what they hear. Consequently when people hear some item of news that interests them they immediately want to read about it, and their recourse is to the latest edition of their local paper.

Yes, we have a powerful press in this country which got that way through hard work and its freedom recognized by the Bill of Rights. And I believe this fact places upon the press of this country a solemn duty to defend freedom wherever it is threatened and from whatever source the peril arises. This responsibility, I submit, goes beyond the confines of freedom of the press and encompasses all the liberties that are conferred on men by God and which were fully recognized and protected in the Constitution.

In this particular period in our history, I believe the threats are many and varied. Some are easy to recognize and combat. For example, when it is suggested that the need exists for "far greater official secrecy" in the Government of the United States, the probable confinement of the people's right to know is fully apparent. Here is something that champions of freedom of the press can come to grips with and combat in the free-swinging fashion at which they are so adept. I am not suggesting for one minute that this is not a dangerous threat merely because it is easily recognized. On the contrary, I believe too much official secrecy is just as dangerous today as it was in the days of Yalta and Potsdam, when the people were denied the right to know and the results placed a heavy mortgage on the destiny of freedom for all mankind. Official secrecy, historically, has been the instrument of big, centralized government in its growth toward totalitarianism and tyranny. It is to be avoided at all costs because the mere concept is far more dangerous than the revelation of any information that it is erected to hide.

But there are other threats, too—threats that are subtle and difficult to recognize because they stem from failure to act or are encased in appealing disguises and promoted under the false name of need or crisis or emergency. They are threats that have been eating away at our freedom, our determination, our industry, and our incentive. These threats go to the very taproots of our national character and sap our traditional strength to the point where we lose sight of our heritage and go groping around in a quest for new national goals. I suggest that we don't need new national goals. We have one which was written for us by Thomas Jefferson in the Declaration of Independence and it is the goal of "life, liberty, and the pursuit of happiness." This is the supreme goal of all Americans. And it endures as a goal because its achievement takes constant effort. As we examine that goal today, we find that we have life but that our liberty is threatened and, with it, our ability to pursue happiness.

Of course, the great overall threat to our liberty today comes from the forces of international communism as they push their protracted drive to conquer the United States and dominate the world. On a tactical plane, the Communists have dwarfed our concept of the world struggle with a long-range strategy of total war flexible enough to permit the interchangeable use of both military and political weapons. Theirs is an integrated plan aimed at world conquest which never changes and which makes the maximum use of territorial attrition and turns the passage of time into their stanchest ally.

While the Communists have been waging a new kind of total war with every means at their command—economic, psychological, paramilitary, and subversive—we have been treating the whole thing like a part-time project, turning our attention from one brush-fire zone to another in direct response to Russian maneuvers. They call the tune while we dance. They select the areas of conflict and we hurry to them with weakness rather than with our effective weapons. They use whatever set of ground rules that happen to suit the circumstances and we are forced to comply.

I suggest that we have been reacting frantically and separately to each Communist move as though it were a situation entirely apart from Soviet grand strategy. We have been swatting one fly at a time and now the room is full of flies. We have been content with a patchwork, outmoded foreign policy which reeks of hesitation and uncertainty and ineptitude and which rests on an almost infantile belief that—short of a clearly defined shooting war with Russia—we can expect our adversary to negotiate and deal with a semblance of honor.

It is certainly time for a change here. It is time for us to grasp the true dimensions of the all-out war we are engaged in, and I believe that the press of the Nation can perform a great service in this respect by helping our people to enlarge their thinking on this critical issue. The need is for a policy grounded on strength which is willing to run some risk in the cause of freedom. It is long past the time for us to think in terms of containment and peaceful coexistence. International communism cannot be contained with talk and treaty and this has been proved to our dismay over and over again in almost every part of the world. Nor is there such a thing as peaceful coexistence. What we have been fooled into thinking were brief periods of cold war peace in the past—periods when the rantings of Khrushchev were muted and Russia was throwing us a few diplomatic bones—were actually periods of Soviet aggression

under a different disguise. They were also periods of defeat for the forces of freedom.

We cannot allow ourselves to forget for a single minute that the neverchanging aim of the Soviet Union is world domination and to that end the Communists are bending all the efforts of a regimented society. The Soviets are not interested in containing freedom; they want to destroy it. The Soviets do not want peaceful coexistence with the forces of freedom; they want to exterminate the forces of freedom. Their aim is consistent while ours is just the reverse. We meet the menace of international communism with all conceivable types of reaction. For a while, we resist vigorously in full keeping with an attitude worthy of the champion of freedom. Then we move on with various doctrines aimed at containment of communism. Then we enter periods in which we begin to believe the myth of peaceful coexistence—periods interspersed with rapprochements and dententes and futile negotiation. We waste our determination, our energy, and our substance in exploring paths of least resistence—and always to be brought up short and frightened by a new display of Communist duplicity and aggression.

The great need today is for leadership and direction to bring the great might of this Nation to bear on the No. 1 objective—the winning of the cold war. A stalemate will not suffice for there is no such thing as maintaining the status quo in a conflict where the other side never rests. This Nation desperately needs an official statement of our objective and a priority list of what is needed to meet that objective.

And against this need, the administration is following a policy of almost calculated confusion. It is giving the country "government by crisis" but the "crises" it propounds are not the ones that really count in the crucial test of freedom's survival. It has been moving from one Presidential message to another, switching its emphasis from one imaginary emergency to another with such rapidity that not even the Congress can make head or tail of the true needs of this Nation. It started out by arousing the country with thousands of words about unemployment and an economic "crisis." It jammed through legislation on unemployment compensation benefits, minimum wage, and depressed areas—none of which has yet, or will in the future, create one new job in the United States. Then it turned on the heat for Federal aid to education and again the argument was "crisis." It made original requests for space, defense, and foreign aid funds and now it wants more of everything. While the Nation is absorbed with a genuine crisis in Cuba and Latin America, the administration proposes going to the moon by a new, $9 billion route.

At a time when our people are in critical need of the uniting force of strong leadership with a clear purpose and a consistent policy, the New Frontier is changing signals so fast the scouts are confused. It came to office with a clear pledge to let the people know what goes on in the offices of government and promptly clamped down on the flow of information. It replaced promises of freedom of information with attacks—first on the press of the Nation and then on the radio and television industry—and with suggestions for censorship. It came to office firmly opposed to summit meetings based on vague speculative hopes, but the President has already been to Vienna to talk with Khrushchev. It came to office deploring 11th hour responses to Soviet-created crises, but has been engaging in just such responses in Laos, Cuba, and elsewhere throughout the world.

These actions have not only confused our people, but some of them have divided the people on issues of grave importance to our survival as a nation and to the cause of freedom throughout the world.

Let's take the case of the tractor deal, for example. Regardless of how you rate the legality or the propriety of a committee of private citizens stepping up to collect blackmail funds for Castro, by getting into the act the President has done a disservice to the American people. He has aggravated a situation where people are violently and emotionally concerned. And he has added to the confusion over just what, if anything, he plans to do about communism in Cuba.

This is particularly unfortunate coming at the time that it does. I say this because I believe the disaster attendant to our participation in the abortive and ill-fated invasion attempt in Cuba did more to wake up the American people to the true nature of Communist menace off our Florida coast than anything else could have done. When possible, I like to look on the bright side of things, and while it was a difficult task to find anything positive about the invasion fiasco I believe the reaction of the people was one of them. After that incident, I detected for the first time—in my mail and in my conversations with people throughout the country—an awakening to the true, unmistakable meaning of the Castro regime. I also recognized a determination and a willingness to do anything that the President should decide was needed to meet this threat head-on.

These people, and I am sure they were typical of all Americans, wanted action and they were encouraged by Mr. Salinger's announcement that the government was considering a full embargo of Cuba and by the President's brave words to another group of American newspapermen which seemed to restate the Monroe Doctrine. I believe they became somewhat restive and discouraged at the delay in developing anything like a firm policy with regard to Castro in the immediate wake of the invasion fiasco, but there was also a reasonableness about it which recognized that as a nation the situation required caution and planning.

However, I firmly believe that the last thing they expected was the spectacle of our Government sanctioning a response to the blackmail demands of a Communist dictator against whom they were united as never before. Anyway you slice it, this presented the world with a picture of American people scrambling around to dig up the price to pay off a bush-league tyrant on his own terms. It is true that we owe a debt to those Cuban patriots who sought to free their native land with ineffective and misleading help from the United States, but we owe them more than to strengthen their enslaver so that he can push his subversive designs throughout the Western Hemisphere. We owe it to them and to all freedom-loving people throughout the world to develop a firm policy which will speak from strength and countenance no bowing to Communist demands.

And, in this connection, I suggest that we have a right to wonder at the role of Mr. Edward R. Murrow in the present scheme of things. As the head of the U.S. Information Agency, it was my understanding that his job was to promote the cause of freedom and explain the purposes of the United States in other areas of the world. However, we find him on our TV screens handling a purely domestic assignment designed to pull the administration's chestnuts out of the fire on the Castro-tractor deal. It seems to me that if official policy is so shaky that the offices of the USIA have to be utilized to sell it to our own people then that policy should be abandoned in favor of one that the American people can support of their own accord and without benefit of Government-paid hucksters.

So, as I have pointed out, we are confronted today with crises, some of which are real and dangerous and some of which are manufactured and political. And we have confusion—official confusion—which is dimming our sights and draining our effectiveness as a Nation. I can think of no greater service that you gentlemen and the press generally could perform at this particular time in our history than to bend your best efforts to clarifying the situation that confronts us. For, I am convinced that our people need to know what is a real crisis and what is a crisis only in the minds of the New Frontier and the pressure groups which support its various programs. I suggest that a message from the White House, no matter how long and no matter how it is presented, does not, of itself, comprise a crisis. And the time has come for all of us—you people as newsmen, and we as members of Congress—to examine with the greatest care each new proposal presented in the name of emergency. But we can't do everything—in the field of space, defense, foreign aid, social welfare, etc.—and still retain the strength we need to meet the challenge of our destiny.

I repeat that the threat to our liberty comes not only from the forces of international communism. Some of it comes from within and is attributable almost directly to our inattention to the lessons of history as they apply to the present and the future.

We have heard a great deal in recent years about socialism being just around the corner. This is, to put it plainly, pure hogwash. Socialism is much closer than the next corner. In fact, the blueprint for completing the gradualism of Fabian attrition is speeding through the Congress at this very moment. And this is a battle of freedom which we are losing almost by default to the advocates of more and greater government control over the lives and affairs of all Americans. You can measure it by the declining value of the dollar—now worth 47 cents of the 1939 dollar and due to drop fast under the impact of new and costly government programs.

In this connection, I suggest that you editors and publishers have two concerns. One is the concern of the economic realities that face all businessmen. The other is the responsibility which freedom of the press places upon your very capable shoulders. But the two are related—in fact, they are indivisible. For what does freedom of the press mean, if you who use and protect it are deprived of the money needed to pay your workers, to buy presses, newsprint, and the other tools of your trade? Make no mistake about it, freedom of the press is dependent upon full economic freedom. Unless we have a society in which the producer enjoys the fruits of his labor, our freedom is impaired and this goes for freedom of the press just as much as it does for all our other cherished freedoms.

Now, as producers, how long are you going to enjoy a reasonable portion of the fruits of your efforts? How long do you think it will be before all of these new Government welfare programs bring higher taxes and inflated costs? I don't think I have to tell you that the amounts presently attached to Government spending programs—as great as they are in a debt-burdened economy—are only a drop in the bucket to what the outlay will be in future years. You know, of course, that the pattern has been set in minimum wage legislation—a pattern that has jettisoned a rule of interstate commerce in the application of government intereference with business, with the natural laws of profit and loss, with the doctrine that a worker is worthy of his hire. I'm sure you know, too, that the $1.25 minimum is just as temporary as was the $1 minimum. This is because the minimum wage law is subject to political pressure and has become a device for pressuring wages in an ever upward spiral—not only in the minimum categories of our marginal workers but all the way up the line. Wage differentials must be maintained, and this is an argument well understood by union organizers and negotiators. In fact,

minimum wage is the base on which bargaining is conducted.

With the passage of the minimum wage bill and the depressed areas bill, I would say the Government toook a long step toward the point where it will be able to control, by Executive order, not only prices, wages, working conditions, and hours, but even the places of employment. I believe the Government has the power under the depressed areas bill to move industry from one locality to another if employment demands are such to make the action appear justifiable.

But these are items of legislation which have already been passed by a Congress almost completely subservient to administration demands. And, bad as I believe they are, I say very candidly that the worst is still to come. The demands made by the President in his second state of the Union message are truly frightening when appraised in terms of further deficit spending, higher taxes, and runaway inflation. The New Frontier admits the cost will be high but assures us that the adventure will be exciting. And believe me, the adventure will be exciting if this latest symphony of spending is ever enacted into law. It could go right through the roof of our national economy and fly formation with the astronaut on his flight to the moon.

Actually, and this is the truly frightening aspect, nobody—least of all the administration—seems to know what the ultimate cost of these programs will be. The inflation built into them, of and by itself, will double and triple original estimates. And one of those original estimates, you will recall, was between $7 billion and $9 billion over the next 5 years for space projects alone.

Our Republican researchers have tried in vain to place a realistic price tag on this excess of programs that have rained down on the Congress in special Presidential messages. They became completely bogged down in a profusion of hidden authorizations, contractual commitments, projected loans, and subsidies. But unofficial estimates—based on the New Frontier's own minimum estimates—has put the 5-year additional cost of administration programs in the neighborhood of $60 billion. By 1965, this would give us a Federal budget of $125 billion.

The figure alone is appalling, but it is nothing compared with what it actually means to every man, woman, and child in this country, now and in the future. Figure it out for yourselves. President Eisenhower's last budget amounted to $81 billion and just to support that rate of expenditure, our people paid enormous taxes and put up with a high rate of inflation. What will happen to tax rates and the purchasing power of the dollar when we add $60 billion to that load?

This is not fantasy. It is fact—cold, hard fact upon which the future of our Nation and our way of life might well depend. It is a fact to which you people, as moulders of public opinion, should pay close heed in the months directly ahead, because a great deal can be determined about our course as a nation in what the Congress does in that period. One of the things to be determined is whether our lawmakers will go along with this mammoth additional spending program without demanding that action be taken to offset some of the space and defense outlays with cuts in nonessential areas of Government operations.

The New Frontier wants it both ways. It wants the greatest space and defense programs ever contemplated and it wants the greatest welfare state program at the same time. It wants to accelerate public spending in every old category and many new ones, and it wants to do this without any corresponding cut-back in Government waste or in our scandalous foreign economic aid programs. It wants the American public to view everything—from unemployment to a man on the moon, and from education to fallout shelters—in terms of "crises," and it wants the people to meet these co-called emergencies in a way that will drain our national strength.

Earlier I told you that our people are divided on many important issues. President Kennedy finds the same thing. In his pre-summit statement in Paris he expressed the hope that Khrushchev would recognize that the United States—and here I quote—"Divided as it may be on many important questions, including governmental spending, is united in its determination to fulfill its commitments."

I suggest that this division may become important to the administration, because if the American people ever become fully aware of what is being done to them, and to their children and to their grandchildren through increased Government spending, we will see a new frontier of public protest that will dwarf anything ever experienced by a previous national regime.

Gentlemen, there is a breaking point and I believe the American people are reaching it more rapidly than is generally supposed. They are beginning to suspect the New Frontier has been struck with "moon-madness" and that their heritage and their future is being placed in hock at the whim of men who, in the very reactionary fashion which they decry, are trying to take us back to the 1930's and the failure-ridden economic remedies of that period.

We can't continue to fumble and hope in the field of international relations any more than we can continue to throw away the substance of our might on unnecessary programs at home. We can't be strong in a way that will command world respect without maintaining our economic balance to support that strength.

We can't even hope to win the cold war unless we cut through the present fog of confusion, and embark on a realistic program designed to outreach the Communists in audacity and purpose. To do this, we need the blessings of God, the wisdom of prudence, and the determination of freemen.

THE MODERN NATO PHILOSOPHY

Mr. KEFAUVER. Mr. President, probably many people in our Nation still think of NATO as an organization whose concerns are limited to the geography of the Atlantic Community countries.

It is true that the NATO alliance was originally conceived as a counteragent to the Communist threat in Europe. But over the 12 years since they were brought together in this compact, the NATO nations have always realized that the aims of communism are global; they have, at the same time, accepted their larger responsibilities for countering these aims.

Indeed, NATO thinks and reckons and plans in the same broad context in which President Kennedy spoke to us just the other day about our own national responsibilities for meeting the Communist threat.

The New York Herald Tribune summarized the modern NATO philosophy in an editorial on May 12, which I commend to all Members of the Senate. I ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NATO THINKS GLOBALLY

The meeting of the NATO Foreign Ministers in Oslo was not the first in which the 15 nations of the Atlantic community looked at the worldwide political, economic, scientific, and psychological aspects of the menace that confronts them. NATO has never existed in a vacuum; it has always been aware that the Soviet Union and international communism posed threats to Western Europe and North America far outside the geographical limits of those areas.

But never before the Oslo meeting has NATO faced up to these facts so clearly. Has the change been brought about because of changes in the nature of the Communist threat, or through changes in NATO?

The answer is "Yes" to both questions. When NATO was formed 12 years ago, it was in direct response to a military challenge by the Soviet Union in Eastern Europe—a challenge that had already insured the communization of nearly every country on the U.S.S.R.'s border, under the guns of the Red army. That threat still exists. But under Nikita Khrushchev's direction the Soviet Union (and Red China, acting in large part on its own), have multiplied the methods and the regions threatened by communism.

But it is not the Soviet Union alone that has changed. One rather ironic reason that NATO now can turn its eyes to other parts of the world than the North Atlantic Basin is that the commitments of its members have actually been sharply reduced in Asia and Africa during the past dozen years.

The idea of NATO as a regional organization was based in large part upon the conception that the members had a fundamental identity of cultural and even political heritage. But this was probably not a decisive limiting factor; Turkey, whose history lay outside the European tradition, was eventually admitted as a full member of NATO. More important was the need to reassure NATO members that the Organization's strength would not be used to bolster the British Commonwealth, or the French Union (as it was then termed) or to forward far-ranging American interests.

As new nations were rapidly formed out of the older empires, it has become easier to convince the NATO group that the concern of France, for example, in southeast Asia is over a Red threat to the free nations there rather than over the fate of French Indochina. The same is true in respect to the Netherlands, Belgium, and Britain, as their former colonies have been freed.

To be sure, some nations in NATO have more specific interests in the Far East or the Middle East or North Africa than others. There is by no means full agreement on policies toward, say, Red China among all NATO members. A number of them are probably still preoccupied with European affairs, almost to the exclusion of the rest of the world, and certainly the most difficult and dangerous situation confronting NATO, as such, is Berlin, rather than Laos.

Consequently no one can yet predict how effective NATO will be outside its original sphere. Indeed, it is not easy to know how effective it will be there. But broadening the NATO horizon is a useful, in fact an essential, step toward bringing order to a world that is shot through with omens of chaos and war.

DEATH OF DANIEL WEBSTER HOAN, FORMER MAYOR OF MILWAUKEE

Mr. PROXMIRE. Mr. President, yesterday, the former mayor of Milwaukee, Daniel Webster Hoan, died.

Daniel Hoan was mayor of Milwaukee from 1916 to 1940. He was, in the judgment of observers—whether liberal or conservative, regardless of the party to which they belonged—a truly great mayor of Milwaukee, and one of the greatest mayors in the history of the United States.

I should like to read briefly from an article which appeared in Newsweek magazine for April 18, 1936:

April 1910, Daniel Webster Hoan, a gangling young ex-chef with a knowledge of Marxian socialism, dived into politics and came up in the office of city attorney.

April 1916, popular and credited with an efficient record, he took over the mayor's office.

April 1936, Daniel Hoan faced at least 4 more years in the mayoralty. In last week's election, the city's voters elected him for the seventh consecutive time.

Halo: Milwaukee's perennial mayor had come to wear a halo. Since he first sat down at his desk in the German-style city hall, Milwaukee had grown famous as a "wonder city." Its ever-solvent financial condition, its competent police force, its record-low insurance rates, and its many efficient government branches had made it a model municipality.

With Milwaukee, Dan Hoan climbed to fame. More than a title, Hoan had a personality. A quiet, homey man with a reputation for integrity, he was a wonder on the speaker's platform. His neat sense of humor, challenging voice, and repertoire of fascinating gestures could hold any audience.

People who would never dream of approving Marxist principles came to support Marx's disciple, the mayor. Labor backed him almost solidly. Groups of the "better classes" even grew to consider it socially smart to vote for Dan Hoan. In election after election, he swept to victory.

Mr. President, Dan Hoan had become an institution in Milwaukee. He was elected as a Socialist; but he provided Milwaukee with about the most efficient and the most responsible government any major American city has ever had. Dan Hoan was mayor at a time when many American cities were suffering from racketeer domination. Yet there was no racketeering and no organized crime in Milwaukee. Its crime rate was extremely low. The record of its fire department and the record of all its other operations were remarkable examples to the Nation.

Mr. President, in 1936, Time magazine, in a rare tribute, a cover story which I hope to insert in the RECORD later, called Dan Hoan one of the truly outstanding mayors in the history of the United States.

Yesterday, Dan Hoan died. I am sure that all the people of Wisconsin, both those who are residents of Milwaukee and those who reside in other parts of the State, feel a very deep loss.

In his later years, Dan Hoan became an active adviser to the Democratic Party in Wisconsin. He had a wonderful sense of humor. He was a fine, thoughtful, dedicated human being. He originally became a Socialist, I presume, because he had a deep impulse to achieve equality and justice for all mankind. His record was one of absolute, scrupulous, undeviating honesty. He served our city and our State very well.

OFFENSIVE STRATEGY TO WIN THE COLD WAR AGAINST COMMUNISM

Mr. THURMOND. Mr. President, Mr. Anthony Harrigan, director of the Foreign Policy Research Institute of South Carolina and also associate editor of the News and Courier, of Charleston, S.C., has written an excellent article entitled "The Strategy of Counterrevolution: A Special Report on Paramilitary Operations." This article appeared in the Bulletin of the institute, and I take pleasure in calling this to the attention of the Senate. This article points out that it is imperative that the United States change its policy of merely trying to contain communism and adopt an offensive strategy to win the cold war being waged by the forces of international communism. I ask unanimous consent that this article be printed in the RECORD at the conclusion of my remarks.

Mr. President, the stated purpose of the Foreign Policy Research Institute of South Carolina is "to advance knowledge of the national security needs of the United States, especially in Latin America and Africa, and to help Americans to view foreign policy questions in the light of strategic realities." I commend Mr. Harrigan and his associates for establishing this institute and also for the great contribution they are making to a better public understanding of strategic issues confronting our country through the publication of the Bulletin, the institute's official publication. The address of the institute is Box 2053, Charleston, S.C.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STRATEGY OF COUNTERREVOLUTION

(By Anthony Harrigan)

In the classic words of General of the Army Douglas MacArthur, "There is no substitute for victory."

It is imperative, therefore, that the United States adopt an offensive strategy to win the cold war being waged by the forces of international communism.

Since the late 1940's, official U.S. policy has been one of containment of communism. But containment in reality is a policy of sitting in foxholes waiting for the enemy to strike. This kind of defensive posture does not win wars; it certainly won't bring victory in a conflict of unparalleled fierceness.

The American strategy must be that of the late George Patton—to attack, attack, and then attack again—keeping the enemy off balance never giving time to gather his strength. This kind of strategy, translated into action on a global scale, can defeat an enemy that has a dynamism of his own.

First let's clearly define the enemy the United States faces in these perilous days. This enemy is not simply a national state. To see the war in these terms is to regard the conflict as a narrow, legalistic struggle between two peoples. This is not a war that can be avoided by diplomatic maneuvering or by allotment of spheres of influence.

The enemy the United States must defeat to survive has been aptly described as "a gray consortium of international unofficial organizations, possessing the attributes of several states both great and small, allied by a basic ideology, equipped by a single doctrine of combat, and swelling into mass movements in many areas."

This force cannot be defeated by nuclear weapons alone or by foreign policy arrangements. Not only is it built on state power but on a Communist philosophy and a doctrine of partisan warfare. These are fused together into an ideology and battle doctrine that must be smashed everywhere on the globe by a counteraction involving military power and political know-how.

It is necessary to consider the history of Russia and China. The ideology and battle doctrine enabled revolutionaries to capture the state apparatus of two ancient nations and to harness their peoples to the movement.

Neither the Russians nor the Chinese, prior to the First World War, could have been predicted as units in this kind of movement. The Communists were a tiny minority in Russia. The Chinese Communists overcame a culture profoundly antagonistic to everything that communism stands for.

But in both countries, communism triumphed, as it has triumphed in Cuba—another country with an unreceptive culture.

Communism has been characterized as a "monolith in motion, a force of doctrinal and operational unity."

The national policy objective of the United States, if it is to survive, is to shatter this Communist unity. The way to shatter it is to turn its own weapons against the Communist colossus. Indeed communism is peculiarly vulnerable to the methods it employs against others.

Marxism mobilizes the masses. The United States must do the same thing, and in the underdeveloped countries where Communists are making gains. If we do not succeed in reaching the minds of these people, neither foreign aid nor conventional military force can prevent their conquest.

The world situation requires that the United States be genuinely convinced: (1) That it is in a state of global war, and (2) that it must carry out large-scale guerrilla and political war in vital areas of the underdeveloped world.

In short, the United States must create resistance movements with the dynamism to defeat communism. This should not be too difficult in a sense for when people are ripe for the mass movement of communism it is likely they also are ripe for other kinds of mass movements.

As someone has observed, a Saul turning into a Paul is neither a rarity nor a miracle. Proselytizing mass movements see all antagonists as potential converts. The masses of Cubans who scream for Fidel Castro may be violently anti-Castro 5 years hence if the United States masters the principles of political mobilization. Mass movements are interchangeable. A revolution can become a counterrevolution. Organizing a counterrevolution to communism must become the national goal of the United States.

The U.S. goal, in the Caribbean for instance, should be to replace Castro-Communist governments with regimes friendly to the United States. The need in each country under Communist domination will be to build effective resistance forces.

The tactics required will be to keep the Castro Communist forces off balance so that the United States will act and the enemy will be on the defensive.

The guiding tactics of the counterrevolution against Castro communism should be—

To concentrate attention and strength in the countryside as Mao did in China;

To use small guerrilla forces in many places with the goal of disruption and shock;

To isolate the enemy from the people in a given country, seeking to demoralize the foe.

These are the principles of guerrilla war cited by Ernesto Guevara in Cuba. He cited three fundamentals: (1) Civilian forces can win a war against an army; (2) one should not await every favorable condition for initiating a revolution; the insurrectional center can be created; and (3) in the underdeveloped parts of the Americas, the terrain of the area indicates that the heart of the struggle should be in the rural regions.

The main thing to remember is that the Communist lives in the fires of combined military and political conflict. U.S. forces must do the same thing—accept the idea of the long conflict.

At present, this kind of existence is alien to both civilians and military in America. Drastic revision in thinking is needed and in short order. We must adjust to the idea of permanent revolution and the permanent counterrevolution.

The United States must purposely take up the weapons and battle doctrine of guerrilla-politwar on a global scale. Our failure to do is our gap in our national preparedness.

While the enemy works on politwar day and night, we only toy with such efforts. As a result, the Communists have things pretty much their own way, despite our vast expenditures on conventional arms—which aren't stopping the expansion of the Communist world.

Unconventional warfare using the Communist battle system of guerrillas plus propaganda and mass mobilization is a relatively inexpensive weapon. The weapon exists. It only has to be used with knowledge, imagination, and determination. The United States could engage in this kind of warfare around the globe at a fraction of the cost of a few hydrogen bombs. Units already exist in the U.S. Army which are capable of implementing such a new national strategy. Increased in size and given a new directive, they could move the United States toward victory over communism.

In taking up such a strategy, however, Americans must realize they cannot expect establishment of order and security such as they knew in earlier eras. Decent conditions of life will return only when communism is extinguished on this globe. For as many years as one can see ahead, there will be need for an offensive against communism.

This means something new for American military men—the need to practice protracted war in the midst of populations of distant countries. The United States has not had to do this on a large scale since the Indian wars. But Americans did it then, and won. They can do it again and win again—this time against a strong and sophisticated foe.

The Communists are in the business of organizing violence. Americans can learn to be conflict managers. Counterguerrillas are the only answer to guerrillas; the only answer to Communist organization is an equally strong counterrevolutionary organization. Guns are needed, but so are soldiers who can mobilize minds and operate a state within a state far from home.

These strategic demands are remote from current American experience. But it is a fact that the survival of a nation depends upon how well it can adapt itself to new situations and upon its ability to confront and solve problems. If the American Republic survives, it will be because we have mastered the enemy's methods, drawn on our reserves of nerve and intelligence and organizing ability, and courageously tackled grave problems. The ability of the American people and Armed Forces to be successful in the long pull, in nerve-wracking sacrifice and struggle, is the key to determining whether the United States will survive enemy assault and carry out effective counterattack that leads to victory for the United States of America.

A STRONG FRANCE IS ALSO OUR STRENGTH

Mr. SCOTT. Mr. President, I direct attention to a provocative editorial advertisement that appeared in paid space as a public service in the Washington Post and Times Herald on June 12, 1961, by International Latex Corp. and its founder Mr. A. N. Spanel. Entitled "A Strong France Is Also Our Strength," this article originally appeared in this newspaper June 19, 1960.

It is a certainty that no private citizen in American history has given so much of himself and of his company in thought, effort, and treasure, in order to establish stronger bonds between the people of the United States and France, as has Mr. Spanel since 1939.

This is the more remarkable when one considers the fact that neither Mr. Spanel nor his company have any business interests, directly or indirectly in France.

Such constructive efforts, now so widely known throughout the free world, merit not only encouragement, but the highest recognition everywhere.

I therefore ask unanimous consent that the editorial by Mr. A. N. Spanel which appeared in the Washington Post and Times Herald on June 12, 1961, be printed in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A STRONG FRANCE IS ALSO OUR STRENGTH

(By A. N. Spanel)

Speculation on the consequences, good and bad, of the fiasco in Paris last month provides a wide spectrum of opinion. But running through it all is the nearly unanimous judgment that France—the revitalized France under General de Gaulle—has emerged from recent events with immensely enhanced prestige and with a strong voice in NATO and free-world affairs.

France can no longer be denied her hard-won status as a world power in the fullest sense of those words. Even spokesmen for the British Government concede that she has acquired political stature equal to Britain's.

The fact is that a new balance of relationships among the democratic nations has been struck. Realities of this character do not call for official confirmation. They are facts of international life. Henceforth, in discussing free-world policies with Washington, Paris will carry no less weight than London.

This represents a significant gain for the democratic coalition, in terms of greater unity and more effective leadership. It means that the tremendous potential that is France—her scientific genius and foreign-policy insights and political wisdom—can be added to the aggregate material and moral strength of the Western alinement.

But that potential could too easily be frittered away if we Americans repeat the old error of taking our friends for granted—of withholding the ounce of prevention that is worth a pound of cure. The iron logic of the new balance must be acknowledged quickly and without ambiguity in the decisive area of modern power; namely, the nuclear-missile area.

Lipservice to French equality in the grand alliance is hypocritical as long as she is excluded from the so-called nuclear club. To continue to treat that country as a junior partner compared with Britain is illogical, unjust, and in the long run could be disastrous.

The need to freeze the size of the nuclear club makes sense; but it no longer applies to France. Even the Soviet draft proposal on this issue (which is in principle acceptable to the United States) leaves the door wide open for France. The relevant paragraph reads:

"States possessing nuclear weapons shall undertake not to transmit such weapons or information necessary for their manufacture to states which do not possess such weapons. At the same time, states which do not possess nuclear weapons shall undertake to refrain from manufacturing them."

France does already possess nuclear weapons. She would not, therefore, be barred from receiving such weapons or nuclear information; neither would she be bound to "refrain from manufacturing" them.

Actually the question is no longer whether France will achieve nuclear parity. The question is simply whether she will do so with American cooperation or despite American refusal to actively cooperate.

Unless the French people are enabled to draw on American nuclear and missile technology on the same basis as Britain, they will be driven to waste great wealth and energy in order to duplicate that technology. The consequent economic weakening of the country would weaken the entire coalition. There is also the foreseeable risk that France, in her national interest, and frustrated by our denial, might be tempted by a possible Kremlin offer to provide the crucial know-how. That, surely, would be a chilling prospect for us all.

In a recent syndicated article, the competent journalist, Eric Sevareid, writes objectively of the new stature of France. "Clearly we all underestimated French technical and organizational capacities," he declares, and proceeds to show how "the undiminished French intellect moved into the vacuum left by Britain's refusal to lead postwar Europe."

He points to a French economic renaissance at least the equal of Germany's in which France has created more industrial output in the last 15 years than in all the previous 150 years since industrialization began. He then reviews the pluses and minuses of the totally new constitutional system, permitting an effective executive for the first time—the revival and dangers inherent in the tradition of French professional soldiery—and the successful Franco-German entente.

He also injects a note of skepticism. After all, he cautions, the new house of France has not had time enough to prove itself. Perhaps the rivets will one day come loose. This is one reason, he says, why the British hesitate to commit their fate—in trade, in atomic science, in defense—to the continental framework.

But if we cannot risk trusting France, our traditional friend and ally, whom shall we trust to lead the Continent? Does not this distrust leave Europe, and therefore the fate of the world, to the tender mercies of the Kremlin? As between the two risks, do we really have any valid alternative but to bring maximum support to the French renaissance?

Mr. Sevareid concludes his article thus: "What we have been seeing is the restoration of free play for the French genius, our creditor often enough in the past."

The task of American statesmanship, surely, is to safeguard and fortify that "free play for the French genius." And the most direct and meaningful way to accomplish this, no less surely, is by granting it full participation in the nuclear-missile age. Failure to do so endangers the magnificent bastion of free-world vitality that is France.

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of the calendar, beginning with Order No. 266, S. 1189.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will state the bill by title.

TO AUTHORIZE THE COAST GUARD TO CARRY ON CERTAIN OCEANOGRAPHIC RESEARCH

The LEGISLATIVE CLERK. A bill (S. 1189) to amend title 14 of the United States Code in order to authorize the Coast Guard to carry on certain oceanographic research.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. I yield to the Senator from Alabama [Mr. SPARKMAN].

CONFERRING OF HONORARY DOCTOR OF LAWS DEGREE ON ROBERT G. BAKER, SECRETARY FOR THE MAJORITY

Mr. SPARKMAN. Mr. President, I wish to make a very brief announcement which I believe will be of interest to the Senate. The genial secretary for the Democratic majority hereafter is to be known as Dr. Baker.

Bobby, as we have been accustomed to calling him, was presented the honorary degree of doctor of laws last night at American University. I had the honor of presenting it. I may say that Dr. Baker a few years ago graduated from the school of law of that university. He was recognized last night with proper honors and was given something that I think was entirely fitting, that is, the honorary degree of doctor of laws. So henceforth it is "Dr. Baker."

Mr. MANSFIELD. Mr. President, I should like to join with my distinguished colleague from Alabama in extending felicitations and congratulations to Dr. Robert Baker, who on yesterday was awarded the honorary degree of doctor of laws by American University.

I do not know what I can add to what my colleague has just said to express the pride which we all feel in this most worthwhile accomplishment and honor, which is this young man's just due. What has been awarded to him by his alma mater has been truly earned by one of its most distinguished sons and one of the Senate's, and thereby the country's, most effective and dedicated public servants.

I ask unanimous consent that I may be given the privilege of inserting at this point in the RECORD the citation made at the time of the awarding of the degree.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

ROBERT G. BAKER

Graduate of the Washington College of Law and therefore a son of this university, you have so distinguished yourself in the political life of this Nation that your alma mater seeks to confer honor upon you tonight. Ever since your appointment as Senate page by the late Senator Burnet R. Maybank in 1942, you have rendered continuous service in various capacities in the Senate. You were the youngest officer ever selected for the position of secretary for the majority, a position which you now hold with distinction. You were selected in 1959 as one of America's 10 outstanding young men. You have been active in political campaigns since 1948 and served as executive director of the Democratic platform committee at the 1956 convention. You were a delegate to the 1960 convention and a leader in the support of Senator LYNDON JOHNSON for the presidency. You have served as secretary to the Democratic conference, the steering committee, and the policy committee. Knowing the esteem in which your colleagues, both Republican and Democratic, hold you as one of our outstanding public servants, it is an unusual pleasure to have the opportunity of awarding to you tonight this honorary degree.

By authority of the Congress of the United States vested in the board of trustees of the American University and by the board of trustees delegated to me, I confer upon you the honorary degree of doctor of laws and invest you with the hood appropriate to this degree.

Mr. MANSFIELD. Mr. President, later this afternoon I shall speak about another individual who was awarded a degree in Vermont, but I shall wait for the proper time to make my position clear on that matter.

Mr. WILEY. Mr. President, I wish to join in all of the nice things said about a person I consider to be a real friend. Ever since I became a Member of the Senate, I have observed that although he is a Democrat and a stalwart member of the Democratic organization, when he treats with me, a Republican, this does not make any difference. If I had anything to do with the award, I would have conferred on him a higher degree, a Phi Beta Kappa, doctor of law degree, if that had been possible, because he has proved himself to be a fine gentleman in looking after the interests of Senators, both Republicans and Democrats. I congratulate him, and I congratulate the Senate for having such a fine individual serve its interests.

Mr. BUTLER. Mr. President, I wish to associate myself with the remarks of the Senator from Montana and of the Senator from Wisconsin. Bobby Baker is indeed a wonderful person and a true friend. As a matter of fact, he has extended his friendship even so far as to ask me to become a member of his legal fraternity, which I am very glad he did. I share many pleasant hours with him. I wish him much success, and the best of everything in the future.

Mr. MUSKIE. Mr. President, I am happy to add my voice to the felicitations being extended to the secretary of the majority. Since I became a Member of the Senate 2½ years ago as a member of the then freshman class, I have found that Dr. Baker, his operations in the Senate, and his knowledgeability in the ways of legislation have been a tremendous source of learning for me. It seems only fitting that the official stamp of approval by an outstanding university of the country should be placed upon Dr. Baker's brow. It is a pleasure to be present today and to be given an opportunity to say these few words.

Mr. DIRKSEN. Mr. President, I wish to pay tribute to a very distinguished member of the staff of the U.S. Senate, Mr. Robert G. Baker, who on yesterday was honored by American University by the conferral upon him of the honorary degree of doctor of laws.

I have known Robert Baker ever since I came to the Senate. I have noticed the efficiency with which he labors. I have noticed the knowledgeable way in which he serves the Senate and the country. Of all the persons I could name, I could name no other who so richly deserves his honor.

May other institutions follow suit and lavish upon him richly deserved degrees, because when they do so, they pay tribute to the Senate as an institution, to its personnel, and to its part as an integral component in the greatest free Republic on the face of the earth.

Dr. Baker, I salute you.

Mr. THURMOND. Mr. President, I associate myself with the remarks of the able and distinguished Senator from Illinois [Mr. DIRKSEN].

Mr. Baker was born and raised in Pickens, S.C. On the Sunday before last, I had the pleasure of being in Pickens, the home county of Mr. Baker, and joining in the dedication of the new post office there. Mr. Baker's father is the postmaster at Pickens. I had the pleasure of voting last year for the confirmation of his nomination as postmaster.

The people of Pickens County and of South Carolina are proud of the record of achievements of Robert Baker in the Senate. I personally extend to him my heartiest congratulations and best wishes.

Mr. JOHNSTON. Mr. President, I join with other Senators who have spoken concerning Robert Baker, secretary of the majority. Well do I remember when he was promoted to that position at a caucus of the Democratic Party. I am glad to say that I took some part in that action. I could foresee then a great future for Mr. Baker.

I was glad also to assist in securing favorable action on the nomination of Mr. Baker's father to be postmaster in Pickens. The RECORD will disclose that at the close of the last session of Congress his nomination was approved by the committee and was reported to the Senate, where it was unanimously confirmed.

Bob, we are glad to know that American University has seen fit to confer upon you an honorary degree of doctor of laws. You well deserve it.

We think you well deserve it. In the future may you not only live up to that expectation, but may you continue to grow in stature, if it is possible for anyone to grow any more than you have already grown; and may you accomplish great things. This is my wish, as one who comes from an adjoining county, for I was born in Anderson County, which is just across the line from the county of your birth. May you continue to go forward and progress and hold many other high honors in the years to come.

Mr. KUCHEL. Mr. President, the labor which every attaché of the Senate renders is an indispensable part of the processes of the Republic, as all of us know them, although, unfortunately, the public generally has not been too well acquainted with that aspect of the operations of the Senate. We on this side of the aisle are proud of our Republican staff; and Senators on the majority side of the aisle may take equal pride in their staff.

Today, I am glad to join the Senator from Illinois [Mr. DIRKSEN], the minority leader of the Senate, in paying our respects to the secretary of the majority. I am glad to call Bobby Baker my friend. I am glad to salute him as one who is uniquely equipped in the science of American government and American politics. The American people owe much to persons like him. They owe a great debt for the responsible manner in which such public servants play their part in the operation of the machinery of the U.S. Senate.

I extend to Bobby congratulations for a well-deserved tribute, and I am sure I speak for all Senators on this side of the aisle when I express those sentiments on this occasion.

Mr. HUMPHREY. Mr. President, I wish not only to associate myself with the well-deserved and well-stated remarks of the Senator from California, but also to have them printed in all capital letters, because Robert Baker is an invaluable aid to the U.S. Senate—a great public servant, a fine man, and a good gentleman. The American University exercised excellent judgment in paying him the well-deserved honor of an honorary degree.

I join my colleagues in saluting this gentleman, whom we have affectionately called Bobby, by now calling him, in more formal terms, Dr. Baker.

Mr. HARTKE. Mr. President, I associate myself with my colleagues in paying tribute to Dr. Robert Baker.

When I first came to the U.S. Senate, in 1959, he was one of the friends I found who helped me very much and explained to me how the Senate works. More important than that, if the time comes when I am asked where I stand in the estimation of my friends, I should like to be able to say that I stand high in the friendship of Dr. Robert Baker.

Mr. ALLOTT. Mr. President, I join my colleagues who have paid tribute to the man we know affectionately as Bobby Baker. In view of the fact that other business must be transacted at this time, I shall make my remarks very brief.

I believe the honor he has received is very well deserved. It comes to one who, under the most strenuous circumstances in the Senate, has always been kind, considerate, and thoughtful, even to those of us on the minority side. So we congratulate you, Bobby, and we are happy for you.

Mr. KEATING. Mr. President, I join the Senator from Colorado in the statement he has just made.

As a rather new Member of this body, I always have found Dr. Baker very considerate of all on our side. One can go to Bobby and ask him anything which is reasonable. He always gives a well informed answer.

I express my personal tribute, and congratulate him on the high honor he has received.

Mr. JAVITS. Mr. President, I join my colleague [Mr. KEATING], the Senator from Colorado [Mr. ALLOTT], the Senator from Illinois [Mr. DIRKSEN], and other Senators who have spoken in congratulating the one whom we know affectionately as Bobby Baker. He has served the other side superbly well; and we wish we had him on our side, although we do very well, indeed, with Mark Trice and Bill Brownrigg.

The Senate, which often is called a club, is a great place because of men such as Bobby Baker, who make life more bearable for all of us, and give what we in New York call "straight steers."

I, too, congratulate Bobby and his wife and his family for the very well deserved honor he has received from American University.

Mrs. SMITH of Maine. Mr. President, I concur in the remarks of the distinguished majority leader, the distinguished minority leader, and the other Senators who have spoken so ably of the secretary of the majority, Bobby Baker, and wish him well. I offer him my own congratulations.

Mr. ERVIN. Mr. President, I congratulate American University on having the good judgment to recognize the fine services Bobby Baker has rendered to the Senate and to the Nation, by conferring, as a memento of his services, the doctorate degree which was conferred upon him in so meritorious a fashion.

Mr. BYRD of West Virginia. Mr. President, a word fitly spoken is like apples of gold in pictures of silver.

Today, words have been spoken very fitly in commendation of Bobby Baker.

I add my own congratulations to those of other Senators. I also wish to congratulate American University on its wisdom in bestowing this very high honor upon Bobby Baker.

As a student at American University and one who attends law school at night, I take special pride in knowing that the university has recognized Bobby Baker in this fashion.

Bobby Baker has been very helpful to me, as he has been to other Members of the Senate. As one of the newer Members of the Senate, I shall always be deeply indebted to him.

In the words of Alexander Pope, I say to Bobby Baker, "thou art my guide, philosopher, and friend."

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, in spite of the fact that the Senate is now to consider measures on the calendar to which there is no objection, I ask unanimous consent that the distinguished Senator from Missouri [Mr. SYMINGTON] be allowed to proceed for 15 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

WHY HAVE NUCLEAR NEGOTIATIONS TURNED SO NEGATIVE AT GENEVA?

Mr. SYMINGTON. Mr. President, the other evening, in a clear and eloquent message to the American people which once again demonstrated his leadership and grasp of the world situation, President Kennedy presented a somber picture of the position of the United States in the world today.

In that talk the President said:

> The one area which afforded some immediate prospect of accord was Laos. Both sides endorsed the concept of a neutral and independent Laos, much in the manner of Burma or Cambodia.
>
> And of critical importance to the current conference on Laos in Geneva, both sides recognized the importance of an effective cease-fire. It is urgent that this be translated into new attitudes at Geneva, enabling the International Control Commission to do its duty, to make certain that a cease-fire is enforced and maintained.
>
> I am hopeful that progress can be made on this matter in the coming days at Geneva, so that it would greatly improve international atmosphere.

Two days later the morning paper said, however:

> Geneva, June 7.—The capture of the little Lao village of Padong by Communist-led rebels today threatened to break up the Geneva Conference on Laos.

Let us hope this action resulted from independent Communist Chinese pressures—and let us always be hopeful in general; but we know from the long record that these Communists are hard people to deal with.

In the talk Tuesday evening, President Kennedy also said:

> No such hope emerged, however, with respect to the other deadlocked Geneva conference seeking a treaty to ban nuclear tests.
>
> Mr. Khrushchev made it clear that there could not be a neutral administrator in his opinion because no one was truly neutral, that a Soviet veto would have to apply to acts of enforcement, that inspection was only a subterfuge for espionage in the absence of total disarmament, and that the present test-ban negotiations appeared futile.

It is to that question of nuclear tests cessation that I address myself this afternoon.

At a hearing of the Senate Foreign Relations Committee last March 14, I asked the Honorable John McCloy, Adviser to the President on Disarmament, to send the committee answers to 20 questions submitted at that time, which questions were incident to the current nuclear test ban talks going on at Geneva.

These 20 questions have now been answered, and I ask unanimous consent that they be inserted at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT CONCERNING 20 AREAS OF NEGOTIATION LISTED BY SENATOR SYMINGTON

During recent hearings before the Committee on Foreign Relations Senator STUART SYMINGTON requested information concerning 20 specified areas of negotiation in the current Geneva talks on a nuclear test

ban treaty. This report is in response to his request.

The 20 items which he listed all relate to the control system contemplated for the detection and identification of nuclear weapons tests. This report sets forth the U.S. position with respect to each of these items.

The technical aspects of the control system proposed by the United States are based largely upon:

1. The report of the conference of experts from both sides which met in Geneva in 1958. This report describes detection and identification methods for underground, surface and atmospheric tests. It was accepted by both sides as the basis for negotiation, although subsequent research has led the United States to question some of its conclusions.

2. The report of technical working group II entitled "The Detection and Identification of Seismic Events." This group met in Geneva in 1959. The agreed portion of the report recommended certain improved seismological equipment for detecting and identifying underground tests. The U.S. experts at this conference also proposed additional seismic techniques as well as a research program to improve detection methods, but the Soviet experts did not agree to this portion of the report.

3. The report of technical working group I entitled "The Detection and Identification of High Altitude Nuclear Explosions." This group met in Geneva in 1959 and its report was accepted by both sides as the basis for negotiation.

Each of these reports will be referred to in discussing the technical aspects of the proposed treaty below. Additional research has been done in the United States since these reports were issued to support our position at Geneva.

1. TOTAL NUMBER NEEDED TO POLICE

The total number of people needed to police the inspection system will depend upon the number of control posts and other detection facilities and administrative offices which are utilized pursuant to the treaty.

The 1958 Geneva Conference of Experts recommended the establishment of 160–170 land-based control posts, and approximately 10 ship-based control posts. (Department of State, "Documents on Disarmament," 1945–1959 (cited hereafter as "Documents"), vol. II, p. 1108.) The 1958 Conference of Experts also concluded that aircraft should be used for air sampling. The 1959 technical working group I recommended the establishment of earth and solar satellites for detecting tests in outer space. (Documents, pp. 1432–1433.) It also proposed increased instrumentation for the control posts on the earth's surface.

Based on estimates of the 1958 Geneva Conference of Experts, as many as 5,400 scientists and other specialists might be required to man all the control posts including those on ships as well as on land. (Documents, op. cit., supra, p. 1108.) Additional personnel would be needed at these control posts to form an auxiliary service staff. Other specialists and administrative personnel would be needed for the satellite and aircraft operation, for the headquarters staff and regional offices of the Control Commission, and for onsite inspection teams. The total number required for the control system was not estimated by any of the conferences of experts.

Estimates of the number of scientists and other specialists to be located at the control posts of the Geneva system, and of the total number of personnel needed by the entire system, have been made for the Defense Department, but these estimates have not been the subject of negotiation with experts from the United Kingdom and the U.S.S.R. Neither the estimates of the 1958 Conference of Experts nor those of the Defense Department have been subjected to the budgetary and other review procedures which will be applied if a treaty is signed and appropriations for the operation of the control system are sought.

2. NUMBER IN EACH COUNTRY

The number of people in each country would depend in large measure upon the number of control posts set up in each country. Those countries in which the headquarters and regional offices were located would have an additional complement of control system personnel.

The 1958 Geneva Conference of Experts concluded that each control post might need about "30 persons with various qualifications and fields of specialization, and also some persons for auxiliary servicing staff." (Documents, op. cit., supra, p. 1108.) Higher estimates have been made for the Department of Defense, but, as indicated in response to item 1, they have not been subjected to final budgetary review.

The number of control posts within each country is in general governed by the spacing requirements established by the report of the 1958 conference of experts. (Documents, supra, p. 1108.) This report provides that the spacing between control posts in continental aseismic areas would be about 1,700 kilometers, and in seismic areas about 1,000 kilometers (ibid.). Pursuant to these spacings, the United Kingdom with U.S. approval, proposed on September 29, 1960, a draft article which contemplated establishing control posts in various countries as follows (art. 16, annex I):

U.S.S.R. (including 1 U.S.S.R. island)	21
United States (including U.S. islands)	17
United Kingdom (not including United Kingdom islands)	1
Oceanic Islands	53
Australia	7
Asia (non-U.S.S.R)	19
Europe (non-U.S.S.R.)	3
North America non-United States (and Greenland)	13
Africa	16
South America	16
Antarctica	4
Total	170

The U.S. delegation offered on March 21, 1961, to reduce the number of control posts to be located in the U.S.S.R. from 21 to 19 on the assumption that two additional posts would be located in areas bordering the Soviet, and that one less post would be located in the United States.

The United Kingdom-United States proposal of 21 control posts in the U.S.S.R was based in part on the principle that the original parties to the treaty should attempt to establish effective control within their territories as early as possible. Accordingly, the United States proposed that, where control posts might be located just outside the borders of the original parties, the posts should instead be placed within the territories of the original parties. This led to a few more posts in the United States and the U.S.S.R. than might be justified by geographic size and the spacing requirements alone. It is now proposed that the number of U.S.S.R. control posts be reduced to 19 without reducing the total number of posts available in the general area of the U.S.S.R.

3. NUMBER OF SHIPS—OCEANIC AREAS

The 1958 Geneva Conference of Experts concluded that oceanic control posts should be established on about 10 ships. (Documents, op. cit., supra, p. 1108.) During earlier negotiations, the U.S. delegation proposed a draft treaty article providing for 10 ship control posts. (U.S. draft annex 1, art. 16.) The U.S.S.R. has agreed to this position. (U.S.S.R. draft annex 1, art. 16.)

4. RELATIONSHIP OF MANNED TO UNMANNED STATIONS

No unmanned control posts were recommended by either of the two Geneva Conferences of Seismological Experts, and none has been proposed in treaty language tabled by the United States, the United Kingdom, or the U.S.S.R.

After further research indicated that the efficacy of the system proposed by the 1958 Conference of Experts to identify low-yield explosions was not as great as originally anticipated, a panel on seismic research headed by Dr. Lloyd Berkner of Associated Universities suggested that "the augmentation of the Geneva net with an auxiliary network of unmanned seismic stations offers the possibility of major improvement in the capability to discriminate between earthquakes and explosions." (Findings of U.S. Panel of Seismic Improvement, Mar. 16, 1959, documents, op. cit., supra, pp. 1367, 1370; see also Report of the U.S. Panel on Seismic Improvement, Mar 31, 1959, documents, op. cit., supra, pp. 1378, 1386.)

The Berkner panel's proposal has certain disadvantages. As Dr. Carl Romney of the Air Force Technical Applications Center testified before the Joint Committee on Atomic Energy:

"The disadvantages of this approach are the high cost of installation and operation—of the order of $100,000 initial cost per station and a somewhat lesser cost annually for operation, and a substantial part for communication and security—problems associated with the physical security of the station and of the integrity of the data, and perhaps the problem that this approach requires far greater access to foreign territories than do manned stations because of the greatly increased number of stations required—the most authoritative study, by the Berkner panel suggests that the stations should be spaced on the order of 100 miles apart. * * *" (See "Technical Aspects of Detection and Inspection Controls of a Nuclear Weapons Test Ban," hearings before subcommittee of the Joint Committee on Atomic Energy, 86th Cong., 2d sess. (cited hereafter as "Technical Aspects") p. 112 (1960).)

When further tests and research reduced our estimates as to the capability of the network of 180 manned stations proposed by the 1958 Conference of Experts, the United States proposed a phased treaty with a 4.75 seismic magnitude threshold. The purpose of this proposal was to match the treaty obligation to the reduced capability of the Geneva network, as explained in more detail under items 7 and 9 below. Because of the disadvantages of unmanned stations and Soviet unwillingness to depart from the report of the 1958 Conference of Experts, this seemed a more feasible approach than seeking unmanned control posts. (See Technical Aspects, op. cit., supra, p. 415.)

As indicated below under item 14, a research program to improve the capability of the Geneva network to detect low-yield explosions is underway and further research is planned if a threshold treaty is executed. Unmanned control posts may be proposed as the result of this research.

5. SHOULD HOST NATION HAVE DECISIVE VOICE IN LOCATION?

Under the present U.S. proposal, a host country can object to the site of a control post, but, if it does so, it must provide an alternative location which meets objective seismic and other requirements.

The 1958 Geneva Conference of Experts agreed to approximate spacing distances between control posts which would apply without regard to the desires of the host nation. Their report states:

"The spacing between control posts in continental aseismic areas would be about 1,700 kilometers, and in seismic areas about

1,000 kilometers." (Documents, pp. 1090, 1108.)

The treaty language proposed by the United States to govern location of control posts makes location depend in large measure on the spacing requirements and upon the needs of seismic and other detection instruments. This language is as follows: (U.S. draft annex I, art. 5.)

"A. The spacing between control posts shall be about 1,700 kilometers in continental aseismic areas, about 1,000 kilometers in continental seismic areas.

* * * * *

"C. Specific sites for control posts shall be selected in a manner to give the maximum overall capability to the system. The siting of individual control posts shall be determined primarily on the basis of the seismic requirement. However, in the event that two or more suitable seismic sites are found in the desired areas, a final selection of the location of control posts shall be made with due consideration of siting requirements of the other methods of detection set forth in article 2 of this annex."

If more than one site met the foregoing criteria for location in the judgment of the Control Commission, treaty language proposed by the United States would give the host nation a voice in selecting which of the eligible sites would be used. This language states that decisions concerning location will be made by the control commission "in agreement with the party on whose territory the element is to be located; if any location recommended by the Commission should be unacceptable to the party concerned, the party shall provide, without undue delay, an alternative location which in the judgment of the Commission meets the requirements of the system, in accordance with the provisions of this treaty and its annexes." (U.S. draft, art. 6, par. 5.) Thus, if more than one site in the general area where the post must be located to comply with spacing requirements meets the seismic and other detection requirements in the judgment of the Control Commission, the host country could choose which of the two or more sites it preferred.

6. NUMBER AND NATIONALITY OF STAFF IN CONTROL STATION

Estimates of the number of people required at each control station are set forth under item 2 above.

The current U.S. proposals on nationality are as follows:

Control post chief: The chief would be a national of a country other than that of the host country. If the host country is the U.S.S.R., the chief would be a United States or United Kingdom national. If the host country is the United States or United Kingdom, the chief of the control post would be a U.S.S.R. national. If the host country is associated with an original party (United Kingdom, United States or U.S.S.R.), the chief would be a national of a country other than such original party or one of its associates.

Scientific and technical staff of control post: In the case of control posts located on the territory of any of the original parties, the scientific and technical staff would be composed in equal proportion of nationals of the U.S.S.R., nationals of the United Kingdom or the United States, and nationals of other countries. In the case of control posts located on the territory of other parties, no more than one-third of this staff would be nationals of the host country. In either case, this staff would be so composed that the total number of nationals of the U.S.S.R. and its allies would be equal to the total number of the nationals of the United States, United Kingdom, and their allies at each control post.

Supporting staff of control post: The supporting staff would be composed wherever possible of host country nationals.

7. PROBLEMS OF DETECTION AND DISTINGUISHING FROM EARTHQUAKES

Treaty language offered by the United States provides for seismic techniques to detect those underground nuclear tests which would be prohibited by the treaty, i.e., those which produce a reading of 4.75 or greater on seismographs. It would deal with the problem of distinguishing these tests from earthquakes by providing for on-site inspections.

In the present state of the art, an underground nuclear test cannot be positively identified by seismic techniques alone. Such identification is possible only with on-site inspection.

Seismic techniques can be used first to detect all seismic events of magnitude 4.75 or greater. A great many of these events can then be identified as earthquakes by "first motion" and other seismic criteria. The remaining number can be identified either as earthquakes or as explosions only by on-site inspection.

An estimate of the capability of the control-post network proposed at Geneva was made by the Air Force Technical Application Center (AFTAC) in January 1960 based upon the criteria of the U.S. Delegation to Technical Working Group II in 1959. This estimate assumed that 21 control posts would be established within the U.S.S.R., 11 in the United States, 1 in the United Kingdom, and none in other countries, in the initial period of the treaty. It also assumed that these posts would be instrumented with the improvements agreed to by both sides at the Technical Working Group II Conference. The study showed that the control system could detect and identify as earthquakes (by "first motion" and other seismic criteria) all but about 70 seismic events of magnitude 4.75 or greater in the U.S.S.R., United States and United Kingdom each year. (Technical Aspects, op. cit., supra, p. 92). Seismic magnitude 4.75 is equivalent to an explosion of 19 kilotons in what is called Rainier coupling. If fewer than 21 control posts were established in the U.S.S.R. in the intial period, the number of unidentified events would probably increase unless posts were constructed in countries bordering on the U.S.S.R.

A later study made by the Rand Corp. on the same assumptions indicates that there would be about 53 seismic events per year in the Soviet Union remaining unidentified after the application of first motion and other seismic criteria. For the complete Geneva system of 180 control posts throughout the world, the Rand study estimated that the number of unidentified seismic events would be reduced to about 28.

These two studies show that there would be each year in the U.S.S.R. from about 53 to 70 events of magnitude 4.75 or greater which could not be positively identified as earthquakes with control posts located only in the territories of the three original parties. With control posts in additional countries, the number of unidentified events would be smaller. The seismic research program now going on is expected to reduce the number of unidentified events still further.

At meetings of the Geneva Conference early in 1960, the United States proposed a phased treaty which would prohibit only those nuclear tests of seismic magnitude 4.75 or greater. (GEN/DNT/PV. 170, pp. 3–9). A proposed annex to the U.S. draft treaty establishing criteria to identify particular events of 4.75 magnitude or greater as suspicious and therefore eligible for onsite inspection was submitted to the Geneva Conference on July 20, 1960. (Revised draft annex I of a draft treaty, GEN/DNT/22/Rev. 1, July 20, 1960, art. 8). The U.S.S.R. has agreed to language defining magnitude 4.75 and to identification criteria proposed by the United States. (See Agreed Language entitled, "Definition of Magnitude 4.75;" U.S.S.R. draft annex I). The U.S.S.R. has not agreed to application of the first-motion criterion, but this criterion could nevertheless be utilized by U.S. scientists in determining whether to select events in the U.S.S.R. for inspection under treaty language proposed by the United States.

8. SIGNIFICANCE OF STRENGTH OF VARIOUS SEISMIC SIGNALS

The strength of the seismic signal is in general indicative of the size of the explosion of earthquake which the signal detects. For example, the 4.75 seismic magnitude threshold described in response to item 8 is equivlent to an explosion of about 19 kilotons yield (Rainier coupling). The exception to this relationship created by muffling or decoupling is set forth in response to item 11 below. Background seismic noise levels at any particular seismograph station must also be taken into account. This is recognized by the criteria for the location of control posts in the U.S. draft treaty language set forth in response to item 5.

9. SIGNIFICANCE OF ESTABLISHMENT OF "ON-SITE" QUOTA INSPECTION

The purpose of onsite inspection is to identify an event which is unidentified by seismograph or other detection methods. The quota concept for onsite inspections was proposed in order to eliminate the impasse resulting from Soviet insistence upon a veto on all onsite inspections and Western insistence upon inspecting all suspicious events.

The American position that the quota of 20 should be established for the U.S.S.R. originated with Ambassador Wadsworth's speech at Geneva on February 11, 1960, when he said:

"My delegation is authorized to suggest the adoption of a threshold of magnitude 4.75 on the unified magnitude scale in common use by seismologists. Thus, depending on whether we are able to reach agreement on criteria, either all seismic events of magnitude greater than 4.75 located by the system would be eligible for inspection or, alternatively, only those events above such magnitude left unidentified after the application of the U.S. criteria would be eligible for inspection. In the former case, we would propse that 20 percent of all events located by the system would be subject to inspection; in the latter case we would propose that 30 percent of unidentified events be inspected. On the basis of the best estimates provided by U.S. scientists, and assuming the existence of control posts initially only on the territories of the three original parties, it appears that either formula applied to events of magnitude 4.75 or greater would result in about 20 inspections in the Soviet Union in the average year. At this point I should perhaps interpolate that our scientists believe that, roughly speaking, about 100 seismic events above a threshold of magnitude 4.75 are likely to occur each year in the area of the Soviet Union, and that about 70 of them are likely to remain unidentified by the original control net." (GEN/DNT/PV. 170, pp. 3–9.)

As indicated in response to item 7, there would be, in the present state of the art, 53–70 unidentified events over 4.75 remaining after application of U.S. seismic criteria at the control posts located in the United States, the United Kingdom, and the Soviet Union. When control posts were located in additional countries, the number of unidentified events would of course be reduced.

An inspection of 20 out of the 53–70 is believed to provide an adequate deterrent to

illegal nuclear explosions producing a seismic signal over 4.75 magnitude. This reduction from 53–70 down to 20 is based in large part upon the fact that a trained seismologist can determine that some of these seismic events, although not positively identified as earthquakes, are not really suspicious. In part, the reduction from 53–70 down to 20 is based on the assumption that since a would-be violator does not know which suspicious seismic event of 4.75 magnitude or above may be inspected, every suspicious event need not be inspected to provide adequate deterence. Improvements resulting from seismic research would of course bring the number of unidentified events closer to 20, as would the installation of control posts in countries other than the original three. The American position concerning the quota of onsite inspections was the subject of considerable testimony before the Joint Committee on Atomic Energy during March of 1961.

10. METHOD WHEREBY ON-SITE INSPECTIONS CAN BE CONDUCTED

Draft treaty language proposed by the United States provides that the Administrator of the control system shall immediately dispatch an inspection team to carry out an onsite inspection whenever an event eligible for onsite inspection has occurred in the territory of any of the original parties. He may do this provided that the United States or United Kingdom requests the inspection in the case of U.S.S.R. territory or that the U.S.S.R. requests the inspection in the case of United States or United Kingdom territory, and provided also that the applicable quota for inspections has not already been exhausted. (U.S. draft article entitled "On-Site Inspection for Seismic Events," par. 2.) In the case of eligible events on territory of a party other than an original party, the Control Commission would decide whether an inspection should be made, provided of course that the applicable quota had not been used up.

Testimony before the Joint Committee on Atomic Energy by Richard M. Foose, Chief of the Department of Earth Sciences, Stanford Research Institute, outlines three steps to be followed in onsite inspections. (Technical Aspects, op. cit., supra, p. 282 et seq.) The first step—aerial reconnaissance—would be to select by observation and photography one or more areas of probably 1 to 5 square kilometers for further inspection. The second step would be to select, by further aerial reconnaissance and by ground inspection, sites within 500 feet of the epicenter of the event for drilling. It may be possible without drilling to establish with reasonable certainty that the event was simply an earthquake. If not, however, the third step would be to drill into the ground with the objective of penetrating the explosion site and collecting a radioactive sample.

The United States has proposed treaty provisions to govern the method for conducting onsite inspections. (Annex 1, art. 9.) These describe these methods as follows:

"C. Each inspection group shall, when dispatched, conduct any inspection directed by the Administrator in a prompt and efficient manner and shall be authorized to:

"1. Establish a local base of operations.

"2. Establish and maintain communications with its permanent base, the central inspection office, and, as required, other components of the system.

"3. Consult with local officials and individuals.

"4. Conduct low-altitude aerial inspection of the area eligible for inspection, utilizing such techniques as may be necessary for the purpose, including, but not limited to photographic, electromagnetic, magnetic, infrared, and radioactivity surveys.

"5. Conduct surface and subsurface inspection in the area eligible for inspection for all evidence which may in any way relate to the nature of the event, utilizing such techniques as may be necessary for the purpose, including drilling for radioactive samples for scientific analysis.

"6. Utilize such other means of investigation on site as would be likely to produce relevant data."

The U.S. draft provisions concerning the equipment which should be available to onsite inspection teams give further indication of the detection methods to be used. This equipment is to include the following (annex 1, art. 9, par. 1):

"1. Portable seismographs for recording aftershocks, geophysical equipment for seismic profiling, detection equipment for locating metallic articles, radiation detectors, equipment for collecting radioactive samples on the surface, drilling equipment for obtaining underground radioactive samples, portable laboratory equipment for field radiochemical analysis, and photographic equipment.

"2. Appropriate surface and air transport for rapid movement to an inspection area along routes prescribed by the host country.

"3. Appropriate aircraft for the conduct of low-altitude aerial reconnaissance of the inspection area for evidence of the nature of the event in question.

"4. Appropriate vessels for conduct of inspection of maritime events.

"5. Technically suitable and reliable communications equipment to establish and maintain contact with its permanent base of operations, the central inspection office, and, as required, other system components."

This draft treaty language continues to be the current U.S. proposal on the subject. The U.S.S.R. has neither agreed to these provisions nor offered comparable language of its own.

11. POSSIBILITY OF DECOUPLING, MUFFLING, LARGE CAVITIES, SALT DOME

When an explosion is detonated underground in a hole only large enough to accommodate the explosive, the explosion, known as a "tamped shot," exerts sufficient pressure to stress adjacent rock beyond its breaking point. This results in motion of the surrounding earth outward from the explosion and produces a signal upon seismographs which are within range.

Dr. Albert Latter of the Rand Corp. conceived of a method of muffling or decoupling an explosion by detonating it in a large underground hole. (See Technical Aspects, op. cit., supra, p. 124, et seq.) He theorized that the force of the explosion would be dispersed over the walls of the large hole and produce far less pressure at any point than it would in a small hole. By placing the hole deep underground, the countervailing pressure created by the overlying earth would be greatly increased. If the hole were large enough and far enough underground, the walls of the explosion chamber would not receive sufficient stress to rupture and the seismic signal would be substantially reduced.

This theory was developed after the 1958 Conference of Experts and was one of the reasons the U.S. delegation sought another meeting between American and Soviet experts. The meeting, referred to as Technical Working Group II, was held in 1959. The report of the American experts (to which the Soviet scientists did not agree) provides as follows (Documents, op. cit., supra, p. 1579):

"Rigorous theoretical calculations combined with measurements on the Rainer explosion show that the seismic signal produced by an explosion in a sufficiently large underground cavity in salt or hard rock will be reduced by a factor of 300 or more relative to the seismic signals from an explosion of the same yield under Rainer conditions. Calculations indicate that a cavity at a depth of about one kilometer with a volume of 7×10^4 cubic meters per kiloton should suffice.

"Cavities are known to exist in salt formations which would satisfy the volume and depth requirement for explosions of several kilotons. Engineering studies indicate that it is feasible to construct cavities which would satisfy the volume requirement for explosions at least as large as 70 kilotons. The total construction time for a cavity of this size in a salt dome is estimated to be from 2 to 4 years."

In 1960, the Atomic Energy Commission conducted tests with conventional explosives which proved the accuracy of Dr. Latter's theory. These tests indicated that an explosion in a suitable underground hole in a salt dome would probably appear on seismographs to have the yield of an explosion about 300 times smaller set off in a fully tamped hole in the Nevada rock where the Rainer shot which formed the basis for the 1958 Conference of Experts estimates was exploded. (Technical Aspects, op. cit. supra, pp. 136–137).

Statements before subcommittees of the Joint Committee on Atomic Energy indicate that the only reasonably practicable way of creating a suitably large and deep underground hole is by dissolving the salt out of an underground salt dome. (Technical Aspects, op. cit. supra, pp. 138, 184, 426). Salt domes are reported to exist in a region of the Soviet Union of about the size of the Gulf coast area of the United States. Construction of a cavity suitable for decoupling an explosive of 30 kilotons yield has been estimated to cost from $2.5 to $11 million and to take from 16 to 48 months to complete. (Technical Aspects, op. cit. supra, pp. 146, 147, 131). Larger weapons would of course require larger holes. (Ibid.; see also Technical Problems and the Geneva Test Ban Negotiations Hearings before a Subcommittee of the Senate Committee on Foreign Relations, 86th Cong., 2d sess., pp. 17–18 (1960). The major engineering effort necessary for even a 30 kiloton shot might well be detected by reconnaissance satellites or other intelligence. (Id. at p. 184.)

One of the reasons a treaty with a 4.75 threshold was proposed by the United States was because of the difficulty of detecting explosions in large underground holes. As indicated above, the treaty now under discussion would not prohibit any underground shot which did not produce seismic readings of 4.75 or above.

Such explosions would be banned for 3 years by the unilateral moratorium described under item 13 below. The possibility that the Soviets would go to the necessary effort to produce a salt dome explosion chamber during this 3-year period must be evaluated in the light of the time and expense necessary for construction, and the possibility of detecting the construction work through intelligence. Moreover, the areas in Russia where salt domes are known to exist are relatively aseismic. (Technical Aspects, supra, p. 185.) Any significant seismic event originating there (even a magnitude less than 4.75) would be suspect. Should the United States secure substantial evidence of a breach of the moratorium by the U.S.S.R., it would be in a position to make that information public and to announce its intention of withdrawing from the moratorium unless such tests ceased.

12. MEMBERSHIP OF INTERNATIONAL CONTROL SYSTEM AND SCOPE OF ITS POWER

The international control system organization would include (a) the Conference, (b) the Control Commission, and (c) the Administrator and his staff.

(a) The Conference would be composed of representatives of all parties to the treaty under an agreed article entitled "The Conference." It would be convened at the request of the Control Commission or of a majority of the parties to the treaty. The

agreed article provides that the Conference's power would include, among other things:

(i) election of States to serve on the Control Commission in accordance with provisions described below.

(ii) approval of the budget recommended by the Commission. (The U.S. Delegation proposed on March 21, 1961 that unanimous approval of the total budget be required but that majority approval be sufficient for specific items in the budget.)

(iii) decision of any matter specifically referred to it by the Control Commission by majority vote unless otherwise provided in the treaty.

(iv) approval of amendments to the treaty by a two-thirds vote, with the concurrence of all original parties.

(b) The U.S. delegation proposed on March 21, 1961, that the Control Commission have a 4–4–3 membership: four from Western States; four from Soviet bloc States; and three from neutral countries. This proposal was made on the condition that agreement be reached on an effective control system which, in its day-to-day activities, operated largely independently of the Commission.

Under the U.S. draft of article 6, the Control Commission would have the following powers, among others:

(a) to decide upon the location of control posts and other elements of the control system in agreement with the party on whose territory the element is to be located (if the party failed to agree to a Commission recommendation, it would have to provide another site suitable to the Commission);

(b) to lay down flight routes for special aircraft sampling missions in agreement with the party concerned (if the party failed to agree to a Commission recommendation, it would have to provide another route suitable to the Commission);

(c) to appoint an Administrator with the concurrence of all the original parties on the Commission;

(d) to adopt rules and standards for the guidance of the Administrator and the staff;

(e) to maintain general supervision over the control system; and

(f) to insure that a research and development program is carried out for the purpose of improving the control system.

c. The Administrator, under U.K. Draft Article 9 which the United States supports, would be the chief executive officer and head of the staff of the control system. He would be responsible to the Commission for the installation and operation of the control system. He would appoint the staff pursuant to the various nationality requirements set forth in article 9 and would supervise them in the performance of the various functions necessary to make the control system work. One of his most important duties would be to dispatch teams to make onsite inspections under the circumstances set forth above under item 10.

13. QUESTION OF REVIEWING MORATORIUM ON TESTS BELOW AGREED THRESHOLD

In their joint declaration of March 29, 1960, President Eisenhower and Prime Minister Macmillan agreed that as soon as a treaty prohibiting nuclear tests above 4.75 seismic magnitude was signed "and arrangements made for a coordinated research program for the purpose of progressively improving control methods for events below a seismic magnitude of 4.75, they will be ready to institute a voluntary moratorium of agreed duration on nuclear weapons tests below that threshold, to be accomplished by unilateral declaration of each of the three powers."

At the September 1960 sessions of the Geneva Conferences, the United States proposed that this moratorium should run for approximately 2 years and 3 months, the period necessary for the research program plus a review of that program. (PV. 247, pp. 8–10.) On March 21, 1961, the U.S. Delegation offered to extend the moratorium to 3 years from the date the treaty is signed because the research program as modified will extend more than the 2-year period originally contemplated.

At the end of the moratorium, a reappraisal of the U.S. position based on the results of the research will be made. Ambassador Dean, at the March 21, 1961, meeting, proposed that the last few months of the moratorium be utilized for consultations to determine whether the 4.75 magnitude threshold should be maintained, changed or eliminated. The U.S. position is that the 4.75 threshold should be modified to the full extent of the ability to inspect and control underground nuclear explosions disclosed by the research program.

14. PROCEDURES FOR CARRYING ON JOINT TESTS AIMED AT SEISMIC IMPROVEMENTS

The Eisenhower-Macmillan declaration of March 29, 1960, proposed "a coordinated research program for the purpose of progressively improving control methods for events below seismic magnitude of 4.75."

This program would be coordinated in the sense that the plans for research, the experiments themselves, and the results would be made available to the United Kingdom and the U.S.S.R. It would not be joint in the sense that the United Kingdom or the U.S.S.R. would have a veto over any part of the program. Nor would it be joint in the sense that research would be conducted in all three countries. Present indications are that the Soviets would probably not desire to conduct any experiments in the U.S.S.R. If they did, however, such experiments would be subject to the same procedures as those in the United States.

Part of the research program would consist of underground detonations of out-of-date nuclear devices. The American delegation on March 21 and 22, 1961, offered the U.S.S.R. permission to inspect these devices if a treaty and moratorium are agreed to, subject, of course, to congressional authorization. In return, the Soviet representative was asked to confirm his indication at an earlier meeting that, if the U.S.S.R. decided to detonate a nuclear device pursuant to a seismic research program, the United States would be given the opportunity to inspect that device. Based on a thorough study, we have concluded that inspection of an out-of-date U.S. device by the U.S.S.R. would not prejudice the security of the United States or increase the knowledge of the U.S.S.R. in any significant way.

The United States has already begun Project VELA, a research program aimed, among other things, at improving seismological techniques sufficiently to detect and identify small underground tests. (See White House statement of May 7, 1960, to be published in Documents on Disarmament, 1960.) Portions of this program have been proceeding without agreement on the treaty. These portions have been described to U.S.S.R. scientists.

15. SHOULD EFFECTIVE DATE OF TREATY BE BEFORE NETWORK COMPLETED?

The agreed treaty article entitled "Signature, Ratification, Acceptance, and Entry Into Force," provides that the treaty will enter into force upon ratification. The U.S. draft of annex I requires that the first phase of the treaty begin within 3 months of its date of entry into force and end within 2 years of that date (art. 14.) During this first phase, 10 control posts would be constructed in territory controlled by the U.S.S.R. under proposals made by the United States.

At the March 21, 1961, Geneva meeting, Ambassador Dean took the position that onsite inspections should begin as soon as there were enough control posts in the control system to produce seismic signals satisfying the criteria set forth in treaty drafts. He stated that this would be toward the conclusion of the 2-year period, but in no event later than the end of that period.

During the period before control stations were put into operation, the United States would continue to rely upon all its presently available means for detecting nuclear explosions. Our capability to detect nuclear tests in other countries would be improved as soon as control posts in the Geneva control system come into operation.

If the U.S.S.R. should prove uncooperative and delay the establishment of control posts in violation of the terms of the treaty, the United States could legally withdraw from the treaty pursuant to the agreed article entitled "Duration," discussed in response to item 20. The threat of this sanction is expected to be at least as effective in securing the installation of control posts on schedule as postponing the effective date of the treaty until the control post network is complete. No nation with any sensitivity to world opinion would want to be in the position of justifying, by its own dilatory tactics, the withdrawal of a nuclear power from the treaty.

16. RELIABILITY OF VARIOUS METHODS OF DETECTING OUTER SPACE TESTS

Numerous methods of detecting explosions in outer space were agreed to by technical working group I at the Geneva Conference on July 10, 1959. (Documents, op. cit., supra, pp. 1427–1434.) These methods would use detection instruments installed at the control posts and in a system of earth and solar satellites.

Ten different methods were found by technical working group I to be "technically feasible" for the detection of tests of various sizes and at various altitudes. (Ibid.) The earth satellite system, the report stated: "is capable of detecting nuclear explosions at altitudes above the altitude at which radiation could escape from the atmosphere (i.e. 30 kilometers for gamma rays and neutrons and 75–100 kilometers for soft thermal X-rays) and also nuclear explosions in cosmic space up to distances in accordance with recording capabilities of detectors of radiation (in some cases 300,000 kilometers but in one case 'a few hundred million kilometers')." (Id. at p. 1429.)

The present consensus of scientific opinion appears to be that the several land-based and earth-satellite-based techniques proposed by Technical Working Group I together offer good probability of detecting most nuclear explosions at least as far out in space as the moon, and good probability of detecting large nuclear explosions out to the sun. Beyond the moon and out to approximately 200 million miles (about twice the distance to the sun), the solar-satellite-based, X-ray technique would afford some probability of detecting even low-yield tests. However, a metallic shield placed around the nuclear device could theoretically reduce the effectiveness of the X-ray detection technique substantially.

While considerable study of outer space detection techniques has been made, much remains to be done. The lack of complete knowledge means that we cannot be certain of detecting an outer space test, but neither can a would-be violator be certain that he could escape detection even with shielding. Without considerable actual experience which no country is believed to possess, no potential violator would know whether a particular outer space testing technique or method of shielding would perform without malfunction. Moreover, scientists have estimated that an outer space evasion attempt would increase 3 to 10 times the already high cost of a test, double the time required to secure results from a test, and reduce significantly the useful information which could be secured from the test. Finally, considerable assistance in detecting outer

space tests would be provided by our existing methods for monitoring missile and satellite flights.

17. POSSIBILITY OF SHIELDING OUTER SPACE TESTS BEHIND THE MOON

The earth satellites referred to in response to item 16 would probably not detect nuclear tests carried out in an area behind the moon. (Documents, op. cit. supra, pp. 1427, 1430.) There is, however, doubt whether any nation possesses the capability to carry out such a test at the present time. Moreover, one of the purposes of the proposed solar satellites is to detect such a test. The July 10, 1959, report of technical working group I states:

"The systems of earth satellites * * * cannot detect nuclear explosions carried out in certain regions of controlled space, namely, behind the moon or the sun away from the earth. Unshielded nuclear explosions in these regions can, however, be detected by the apparatus for X-ray detection * * * when installed in a system of four satellites circling the sun in appropriate orbits, provided data from these satellites are regularly received on earth." (Documents, pp. 1427, 1430.)

On March 21, 1961, the American delegation proposed a high-altitude detection system which would be based largely on the report of technical working group I and would include solar satellites.

18. PROBLEM OF FIXING RESPONSIBILITY FOR TESTS IN REMOTE OCEAN AREAS

The detection and identification system proposed by the United States in its draft annex I is designed to detect tests in remote ocean areas, but it might conceivably be unable to fix responsibility for them. The likelihood that such tests could continue without detection of the guilty party must, however, be weighed in light of the ease of inspection of remote ocean areas by aircraft and ships. Treaty language proposed by the United States requires prompt dispatch of planes or ships to sample water at the site of any suspected nuclear explosion after it is located by hydroacoustic signals received at control posts. (Annex I, art. 7.) Moreover, daily routine air sampling flights would be conducted "in the center of remote ocean areas such as the Central Pacific, the Indian Ocean west of Australia, and the North Atlantic Ocean." (Annex I, art. 7, par. A.)

Assume that a nuclear explosion was located in a remote ocean area but that responsibility could not be fixed for it. Assume also that all known nuclear powers were parties to the treaty. Under these circumstances, it would probably be feasible both legally and politically for the United States to withdraw from the treaty on grounds that a violation had occurred, unless the location of the violation or other facts placed suspicion upon the United States for the test.

The agreed article entitled "Duration" permits withdrawal when the provisions of the treaty "are not being fulfilled and observed." It does not require identification of the violator. Under the case assumed above, there has been an apparent violation of the treaty. Unless the United States itself is the violator, the treaty language would appear to justify withdrawal.

19. QUESTION OF NUCLEAR EXPLOSIONS FOR PEACETIME PURPOSES—MOVING EARTH

There is agreement between the United States and the U.S.S.R. that nuclear explosions should be permitted for peaceful purposes such as moving earth. (See United States and U.S.S.R. draft articles entitled "Detonations for Peaceful Purposes.") There is also agreement that it is necessary to provide safeguards so that such explosions cannot be used for the clandestine development of nuclear weapons. (Ibid.)

The so-called black-box proposal made by the United States some time ago provided that each of the original parties to the treaty would be permitted to inspect any nuclear device to be used for peaceful purposes "unless the device was set aside on or before the date the treaty entered into force in a special depository established by and maintained under the custody of the depositing party." When the black-box proposal was first made, tests had just been suspended. It was therefore assumed that any device placed in the box would be a fully tested device. Thus, the subsequent "peaceful purposes" explosion would probably not give the maker of the device useful military information.

The Soviets say that they have suspended tests for more than 2 years. Although we do not know that this is the case, it still may be possible that the U.S.S.R. has developed untested devices with military potential which it could test using the black-box procedure. The U.S. delegation has therefore proposed that any device to be used by a party for peaceful purposes be available for inspection by other parties. This position is consistent with the long-standing U.S. position that inspection is essential to effective control of nuclear weapons. The position may, however, result in some future limitation upon the kinds of devices which can be used for peaceful purposes.

The U.S. delegation has also proposed that the control commission be authorized, with the concurring votes of the original parties, to provide for any other system of safeguards to insure that nuclear detonations for peaceful purposes are carried out in accordance with the objectives of the treaty.

20. POLITICAL FEASIBILITY OF EXTENDING THE CONTROL SYSTEM TO FRANCE, CHINA, AND OTHER WOULD-BE NUCLEAR POWERS NOT PARTY TO NEGOTIATIONS

During the 1960 Geneva test ban negotiations, the United States proposed treaty language providing that the Control Commission would invite states to become parties to the treaty. The invitation is to be extended to a state when the control commission finds: (i) its "adherence to the treaty is essential in order to achieve the fundamental treaty purpose of a permanent discontinuance of nuclear weapons test explosions on a world-wide basis," or (ii) "that elements of control are required to be installed in territory under the jurisdiction or control of that state." (U.S. draft parties article.)

This treaty language provides the means by which additional states such as France and Communist China would become parties to the treaty at the appropriate time.

The spacing requirements between control posts in the 1958 report of the conference of experts are such that control posts would have to be established on the territory of many States other than original parties. Both sides have agreed to these spacing requirements and both have offered treaty drafts contemplating the location of control posts in territories of Europe and Asia which are not under the control of the United Kingdom or the U.S.S.R. (See United States, United Kingdom, and U.S.S.R. drafts of annex I, art. 16.)

The need to establish control posts, as well as a control commission finding that adherence of a particular state was the essential to achieve the fundamental treaty purpose, would probably result in several Asian and European states being invited to membership. If such states chose to frustrate the purposes of the treaty by refusing an invitation, or by refusing to allow elements of the control system to be established on their territory, all other parties would have the option of resorting to the unilateral right of withdrawal contained in the agreed duration article of the treaty. This article reserves to each party the right to withdraw if the treaty provisions, "including those providing for timely installation and effective operation of the control system, are not being fulfilled and observed."

The political feasibility of one state or another joining the treaty is a question which can only be answered in light of the political climate prevailing at the time that that state is invited to become a party. However, if the treaty were signed, states invited to become parties might face a difficult political task in remaining outside the treaty. These states would be confronted by a large and hostile measure of world public opinion, if, by not joining it, they were to cause the collapse of the agreement. The consequences of refusing to cooperate in a major first step toward controlled disarmament would force upon any state serious consideration of the consequences of its refusal. Moreover, the normal, full range of diplomatic and political measures would be open to the United States and to all other parties to the treaty to encourage the widest participation in the treaty.

Mr. SYMINGTON. Mr. President, Mr. McCloy's covering letter to the chairman of the Foreign Relations Committee is of special interest, because in that letter he says:

In view of the Soviets' insistence upon a three-man administrative directorate, and their unwillingness to move forward from their previous positions, the enclosed report may be somewhat academic at the present time.

I ask unanimous consent that this letter from Mr. McCloy to the chairman of the Foreign Relations Committee be inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, D.C., May 6, 1961.

The Honorable J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations, U.S. Senate.

DEAR SENATOR FULBRIGHT: During recent hearings before the Committee on Foreign Relations, Senator STUART SYMINGTON listed 20 areas of negotiations in the current nuclear test ban talks in Geneva. He requested information concerning our position with respect to each of these areas.

The enclosed report is a response to this request. In view of the Soviets' insistence upon a three-man administrative directorate, and their unwillingness to move forward from their previous positions, the enclosed report may be somewhat academic at the present time. We thought, however, that you, Senator SYMINGTON, and the remainder of the committee would appreciate having the information contained in the report.

Sincerely yours,

JOHN J. MCCLOY,
Adviser to the President on Disarmament.

Mr. SYMINGTON. Mr. President, part of the answer to question No. 1 states:

Estimates of the number of scientists and other specialists to be located at the control posts of the Geneva system, and of the total number of personnel needed by the entire system, have been made for the Defense Department, but these estimates have not been the subject of negotiations with experts from the United Kingdom and the U.S.S.R.

Thereupon I requested information from the Department of Defense as to their estimate of the total number of people required to staff the Geneva system for detection and identification of nuclear weapons tests.

I ask unanimous consent that a copy of a letter from the Assistant to the Secretary of Defense for Legislative Affairs, Mr. Norman Paul, to the chairman of the Senate Armed Services Committee, be inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE SECRETARY OF DEFENSE,
Washington, D.C., May 19, 1961.

Hon. RICHARD B. RUSSELL,
Chairman, Committee on Armed Services, U.S. Senate.

DEAR MR. CHAIRMAN: As requested by your committee's staff on May 17, I am forwarding herewith information on the total number of people estimated as required to staff the "Geneva system" for detection and identification of nuclear weapon tests.

It should be pointed out that the indicated numbers of personnel are the best estimates available at this time from our technical advisers, and that more precise requirements can be developed only after there has been complete agreement on the details of the detection and identification system which might be installed and placed in operation.

It is a pleasure to have been of service to you.

Sincerely,

NORMAN S. PAUL,
Assistant to the Secretary (Legislative Affairs).

Mr. SYMINGTON. Mr. President, I also ask unanimous consent that the report in question received from the Department of Defense, and divided into the following sections, Introduction, Summary of Manpower Requirements for the Proposed Geneva Control System, Total Manpower Requirements, Headquarters Personnel Summary, Manpower Requirements for a Regional Office, Manpower Requirements for One Land Control Post, and Manpower Requirements for 170 Control Posts, be inserted at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

INTRODUCTION

This report summarizes an AFTAC study of the manpower requirements for the Geneva Control System agreed to by the conference of experts in 1958, and the techniques for detection of high altitude explosions by equipment at control posts discussed at technical working group 1. The study was completed on October 23, 1959.

Since this study was made, a great deal of further thought has been given to the techniques which might be useful in control posts for high altitude detection. Depending on which of these techniques might ultimately be included in the Geneva Control System and upon the outcome of the negotiations at Geneva, it is reasonable to expect that substantial alterations in manpower requirements might occur. The VELA research and development program in the Department of Defense will certainly reveal improvements that are likely to require additional manpower to implement in the control system.

It should be realized therefore that the figures in the attached report may be low by 25 to 35 percent. This percentage increase in the personnel required will probably apply uniformly to the three categories of personnel in the attached breakdown.

Estimates for onsite inspection have not included any estimate for heavy drilling operations which might be required in an unknown number of cases. A great deal more detailed study of the onsite inspection problem will be required before accurate estimates of manpower can be made. The figures on onsite inspection should therefore be viewed as probably a very minimum effort required by the first phase of a preliminary survey and do not cover the requirement which might develop if exhaustive onsite inspection is required.

SUMMARY OF MANPOWER REQUIREMENTS FOR THE PROPOSED GENEVA CONTROL SYSTEM

Description of the control system

1. Briefly, the proposed international detection system will be composed of a system headquarters, 10 regional offices, 170 land control posts, 10 ship control posts, and 6 aerial control posts.

(a) Headquarters: Besides controlling the entire system, the headquarters will contain an analysis and research center and a central radiochemical laboratory.

(b) Regional offices: These offices will have the responsibility for administrative supervision and logistics support of the control posts. Operational control of the control posts will be retained at the system headquarters.

(c) Control posts: These stations located suitably throughout the world will collect data by scientific means on a 24-hour basis, communicating such data directly to the analysis center and central laboratory.

(d) Inspection groups: These groups will be mobile, organized, and equipped to perform the onsite inspection function when so directed by the system headquarters.

2. Methods to be used by the proposed system: Based on the Geneva Experts Report, the system for the detection and identification of nuclear explosions will use the following basic techniques:

(a) Seismic.

(b) Acoustic (including hydroacoustic).

(c) Electromagnetic (radio signal recording).

(d) Surface collection and analysis of radioactive debris.

(e) Airborne collection of radioactive debris and radiochemical analysis.

(f) The high altitude detection techniques which have been recommended by technical working group I at Geneva. These techniques include:

(1) Multiple channel optical detectors, suitable for observing direct visible light at each control post.

(2) Optical equipment suitable for observing fluorescence in the upper atmosphere at each control post.

(3) Equipment suitable for measuring the absorption of cosmic radio noise in the ionosphere at each control post.

(4) Equipment suitable for recording radio signals (electromagnetic radiations) at each control post. (Same as par. 2c.)

(5) Equipment for the detection of nuclear explosions at high altitude by the method of backscatter radar.

Note: Although the inclusion of this technique was recommended by the Western powers during technical working group I, the Soviets for various reasons were not in accord with the use of this technique for detection of high altitude nuclear explosions.

3. Control posts.

(a) This system will include a total of 180 control posts situated as follows:

(1) 110 on continents.

(2) 20 on large oceanic islands.

(3) 40 on small oceanic islands.

(4) 10 on ocean vessels.

(b) Continental and island control posts: These posts will be equipped with apparatus for detecting nuclear explosions by use of the seismic, acoustic, electromagnetic, visible light, atmospheric fluorescence, cosmic noise, and surface collection of radioactive debris techniques. Certain control posts (40) located near the shores of oceans will be equipped to detect underwater explosions by use of the hydroacoustic technique.

(c) Ship control posts: These stations employ the hydroacoustic and surface collection and analysis of radioactive debris methods.

(d) Control post spacing:

(1) Aseismic, 1,700 kilometers.

(2) Seismic areas, 1,000 kilometers.

(3) Ocean areas, 2,000 to 3,500 kilometers.

(e) Control posts equipment and manning:

(1) Apparatus installed at control posts should be uniform throughout the network and should satisfy the basic technical requirements specified in the Geneva Experts Conference and in the report of technical working group I.

(2) The operation of each land control post will require 43–61 technical personnel of varying qualifications. There will be an additional requirement for 10–44 personnel for supporting activities. Variation in manpower requirements is dependent on the geographical location of land control posts.

4. Aerial sampling posts: The aerial sampling requirement for the control system can be accomplished on a basis of special flights alerted by the geophysical system. The purpose of the aerial filtering flights would be to collect samples for identification rather than detection. This system would require about 54 aircraft operating out of 6 bases. A radiochemical laboratory will be required at each aerial sampling post.

5. Data analysis and research center: This center will include a central radiochemical laboratory where final confirming analyses are made. Analysis also will be performed on all geophysical data received from all components of the system.

6. Inspection system: Inspection groups will be used to investigate sites of suspected nuclear explosions. These groups shall be so dispersed among the regional offices and land control posts as to facilitate prompt access to and subsistence near the site of any unidentified continental or maritime event. These groups will collect all possible evidence to determine the nature of a geophysical disturbance. Only the Administrator of the system will have the authority to order an inspection. The report covers only phase I of the onsite inspection operation assuming 3 months for each preliminary inspection and 200 inspections per year worldwide. On this basis, 50 inspection teams will be required.

7. Communications: The communication resources included in this summary required for the worldwide coverage is a radio teletype system using landlines and point-to-point radio. The system consists of a tributary station at each activity plus 30 relay stations. The tributary stations vary in strength from a few men at contiguous stations to 141 men at the system headquarters. Relay stations will be collocated with other activities wherever possible.

8. Manpower: Manpower requirements for the entire system total 22,049. Some of these manpower requirements can be reduced as existing services such as communications are brought into the system. A summary of manning requirements is attached as appendix A.

APPENDIX A

This appendix provides an estimate of the manpower requirements for the international control system. These estimates are based on an organizational concept attached hereto for the headquarters of the detection and identification system, for the regional offices, and for the control posts. The total estimated manpower requirement for the complete system is 22,049. Tables 1, 2, and 3 of this appendix provide the detailed manpower requirements for each of the system elements. The manning (tables 4 and 5) requirements for each of these elements is further broken down into professional, technician, and support requirements.

(Charts not printed in RECORD.)

TABLE 1.—*Total manpower requirements*

	Total	Professional	Technician	Support
Headquarters	1,727	713	509	505
Regional offices	1,130	420	460	250
Aerial control posts	786	96	168	522
Land control posts	14,576	3,200	8,112	3,264
Ship control posts	1,350	40	310	1,000
Communication relay	1,830	30	1,260	540
Onsite inspection, 50 teams	650	350	250	50
Total	22,049	4,849	11,069	6,131

TABLE 2.—*Headquarters personnel summary*

	Total personnel	Professional	Technician	Clerical and support
Office of Administrator	6	3	----	3
Director of Administration	6	3	----	3
Administrative	68	10	----	58
Personnel Division	106	35	----	71
Materiel Division	50	33	----	17
Comptroller	28	20	----	8
Programing Division	13	8	----	5
Total	271	109	----	162
Director of Inspection	10	4	----	6
Director of Technical Operations	6	3	----	3
Systems Operations Center	55	34	5	16
Data Analysis and Research Center	1,238	557	368	313
Communications	141	3	136	2
Total	1,440	597	509	334
Total, headquarters personnel	1,727	713	509	505

TABLE 3.—*Manpower requirements for a regional office*

	Total	Professional	Technician	Clerical and support
Administrator	1	1	----	----
Administrative Division	6	2	----	4
Materiel Division	34	21	----	13
Personnel Division	6	3	----	3
Technical Operations Division	14	10	1	3
Government liaison	2	1	----	1
Comptroller	5	4	----	1
Communications center	45	----	45	----
Total personnel	113	42	46	25
10 regional offices	1,130	420	460	250

TABLE 4.—*Manpower requirements for 1 land control post*

	Total	Professional	Technician	Clerical and support
Basic technical personnel:				
Administration	2	2	----	----
Supervisors	6	6	----	----
Operators	29	5	24	----
Maintenance	6	----	6	----
Total	43	13	30	----
Support activities:				
Isolated posts	26	4	----	22
Contiguous posts	9	1	----	8
Communications additives:				
Isolated relay additives	8	1	7	----
Isolated nonrelay additives	18	2	16	----
Contiguous relay	1	----	1	----
Contiguous nonrelay	5	1	4	----
Backscatter additive	12	1	11	----
Weather detachments	6	1	5	----
Hydroacoustic	6	1	5	----

TABLE 5.—*Manpower requirements for 170 control posts*

	Total	Professional	Technician	Support
Basic technical personnel: 170 posts	7,310	2,210	5,100	----
Support:				
136 isolated posts	3,536	544	----	2,992
34 contiguous posts	306	34	----	272
Communications:				
28 isolated relay posts	224	28	196	----
108 isolated nonrelay posts	1,944	216	1,728	----
6 contiguous relay posts	6	----	6	----
Communications—Continued				
28 contiguous nonrelay posts	140	28	112	----
Backscatter radar: 25 posts	300	25	275	----
Weather detachments: 95 posts	570	95	475	----
Hydroacoustic: 40 posts	240	20	220	----
Total	14,576	3,200	8,112	3,264

Mr. SYMINGTON. Mr. President, there are many questions involved in this effort to reach agreement, including the number of trained people required, number of ships required for the oceanic areas, the voice of the host nation in location, the problem of earthquake detection, membership of the international control system, detection in outer space, nuclear explosions for peacetime purposes, and so forth.

Perhaps the two problems that interest me the most, however, are those with respect to decoupling, and the one contained in the answer to the question "Political feasibility of extending the control system to France, China, and other would-be nuclear powers not party to negotiations."

In answer 11 Senators will note that this memorandum states:

Rigorous theoretical calculations combined with measurements on the Rainier explosion show that the seismic signal produced by an explosion in a sufficiently large underground cavity in salt or hard rock will be reduced by a factor of 300 or more relative to the seismic signals from an explosion of the same yield under Rainier conditions.

When one considers that originally—that is, before decoupling—it was felt any underground explosion above 5 kilotons could be detected, and when the report continues that the "decoupling of an explosive of 30 kilotons yield has been estimated to cost from $2.5 to $11 million and to take from 16 to 48 months to complete," the seriousness of this problem from the standpoint of reality and practicality is all too clear.

The answer to question 20, "Political feasibility of extending the control system to France, China, and other would-

be nuclear powers not party to negotiations," states:

> This treaty language provides the means by which additional states such as France and Communist China would become parties to the treaty at the appropriate time.

I do not worry about France, but I do worry about the relationship of Communist China to all these planned test cessation agreements.

The last paragraph states that if a country remained outside the treaty it "would be confronted by a large and hostile measure of world public opinion, if, by not joining it, they were to cause the collapse of the agreement."

One cannot help but wonder how much this type and character of opprobrium in countries of the free world would influence the Communist Chinese, especially if they were acting—as well they might—in secret agreement with Soviet Russia.

The Soviet Communists must be becoming increasingly apprehensive about the growth of the so-called nuclear club. Also they must be viewing the very rapid growth in the industrial complex of Red China with increasing apprehension.

Nevertheless, they are showing an increasing reluctance at Geneva to get down to business with respect to any meaningful nuclear test cessation agreement.

To me it does not seem possible that this is due entirely to recent successes they may have had on the diplomatic and paramilitary fronts, because such successes do not lessen the growing danger to them of N-club growth and Communist China.

What is the real reason in the back of their minds?

For 3 years come next October, the United States, on a voluntary unilateral basis, has stopped that testing necessary to further development of the nuclear art.

In doing so we recognize there is grave danger involved with respect to our national security.

But those who favor continuance of test cessation answer that by saying the danger of world opprobrium, if we resume testing, would be even greater.

Perhaps that is true.

Would it not be ironical, however, to find out on some unfortunate day that exactly the reverse were true; namely, that although the Communists did recognize the importance to them of the two above growing dangers, they had decided not to come to any test cessation agreement because of the tremendous unilateral advantage we had passed over to them voluntarily. This we had done by refusing to test for a long period of time, and thereby had made it possible for them to, in turn, make so much unilateral progress in the development of a new nuclear weapon that they had established supremacy in the world.

In this connection, Mr. President, I ask unanimous consent that the testimony of Dr. Zbigniew Brzezinski, world authority on Soviet Russia, before the Senate Foreign Relations Committee on February 17 last, be inserted at this point in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

SINO-SOVIET DISPUTE SEEN AS A MULTILATERAL DIALOG

Senator SYMINGTON. You mentioned utilization of military power as a way to blackmail, and you define the difference between the Chinese and the Russian position.

As I understand it, the Chinese say: "We should push ahead because of military strength. Our premise is that the West will not react"; but the Russians say: "We should not because the West might react."

Do you see any possible change?

In other words, will the growth in Chinese development tend to put them over more toward the Russian position, or will the Russian position, possibly as a result of a shift in political power, go more toward the Chinese situation; or, in your opinion, will they both stay in their status quo, as you have described it so well; in which case any change in the future would depend more on what we did than what they did?

I hope the question is not too involved, and that you see what I am getting at.

Mr. BRZEZINSKI. Yes.

I would say that the last point you made is a very important one: The Sino-Soviet dialog is not a bilateral but multilateral dialog.

We are participating in it through our responses. And our response in the future to a Soviet ambiguous challenge, if it is weak, and if the Soviets continue with their successes, then we may anticipate that the Chinese will shift over to the Soviet position on the ground that nothing succeeds like success and support the Soviet position.

If, on the other hand, we respond in such a way that Soviet ambiguous challenges are contained and repelled, then the dilemma between the Soviets and the Chinese will become acute.

The Chinese would presumably then say: "The time has now come for the testing of our propositions," and much will depend on how strongly the Soviets can reject this.

SOVIET ANTICIPATION OF UNAMBIGUOUS MILITARY SUPREMACY

I would suspect that Soviet sophistication on the subject of thermonuclear war and their understanding of our strength is such that they would be unwilling to adopt the Chinese position on the grounds that this may be mutually suicidal.

Furthermore, they may well anticipate that in the foreseeable future they will gain tremendous military supremacy over us and, therefore, can afford to wait. I am very much impressed by a statement which Khrushchev made about a year ago, which you no doubt recall, in a speech of January 14, 1960, when he mentioned in one sentence that the Soviet Union was on the verge of developing a tremendous weapon, which would give them unlimited military superiority.

Now, one might say they were bluffing, but if they were bluffing, he would have repeated that statement again and again in order to make the world aware of it. For, after all, a bluff consists in establishing credibility with the object. He has never repeated that statement again, and for this reason I am inclined to attach considerable significance to it.

And I would feel that the Soviets probably calculate that in the foreseeable future they will attain unambiguous military supremacy over us, unambiguous in the sense that we will perceive it.

Senator SYMINGTON. Unambiguous?

Mr. BRZEZINSKI. Unambiguous in the sense that we will perceive it, and that having perceived it, we will be forced to adjust to it. And, more important, perhaps, that the rest of the world will perceive it and will have to adjust to it.

Senator SYMINGTON. If they accomplished something like that, it could be a defensive weapon as much as an offensive weapon. If they came up with something in the way of absolute missile defense, comparable to what we hope ultimately to have in, say, Nike-Zeus, then——

Mr. BRZEZINSKI. Right.

Senator SYMINGTON (continuing). Then would they shift, in your opinion, more toward the Chinese position, or would they believe that as a result of the attainment of this new weapon they could continue successfully to blackmail us in diplomatic negotiations?

Mr. BRZEZINSKI. Once they had relative invulnerability vis-a-vis us, and at the same time we would still be vulnerable to them, this would be not a defensive advantage alone, but also an offensive advantage, and one that we would necessarily perceive.

Then they would have an option of either shifting to the Chinese policy of testing us in local wars and perhaps letting these wars develop into total war, since they would no longer need to fear it, or perhaps it would be sufficient for us to appreciate this fact and yield, and I am sure this is what they would first try.

The reason they have not been doing this is that I think they still appreciate our strength, at least to the point of not being willing at this point to endure the punishment which a war would bring to them even though they may feel they would win it.

So if they should achieve such a military supremacy, the difference between them and the Chinese will be necessarily narrowed, since the Soviets will first presumably test our response, and if we are unwilling to adjust, they could with impunity adopt the Chinese line.

ACHIEVEMENT OF WORLD POWER STATUS BY THE SOVIET UNION

Senator SYMINGTON. Another point that you mentioned which I never thought of before, which was especially impressive, was that when Stalin died, the Soviet Union was a European and an Asiatic power, and now they have become a world power.

So that nation has advanced a great deal since April 1953, has it not?

Mr. BRZEZINSKI. Yes.

Senator SYMINGTON. And that advance could only have been at the expense of the free world; is that not correct?

Mr. BRZEZINSKI. Yes. I think there is a tendency for us to view the Communist expansion in very narrow territorial perspective. The Soviets have not really expanded very much since 1953. Indochina is the only place—ergo, they have been contained.

It seems to me that we overlook the fact, as I tried to suggest in my remarks, that the Soviet Union has now become a world power and this, in itself, is a major advance.

Senator SYMINGTON. Many people in this country, for reasons best known to themselves, are always irritated when you develop the reality of the Communist advance in so many fields—I have never quite understood why they were afraid to face reality.

Mr. BRZEZINSKI. Cassandras are never popular, Senator.

Mr. SYMINGTON. In the New York Times as of Tuesday morning, May 23, there is a penetrating column by Mr. Arthur Krock.

This article provides much food for thought when it says:

> True, the Russians are not 10 feet high, and their leaders have proved as faulty in the reasoning on which they based some policies as their opposite numbers in the West. But the sequel, after the Kremlin perceived how the specter of a world opinion of its

own manufacture could be used to paralyze essential defensive movement in the United States, suggests that the Kremlin shaped its policies in advance to assure that the sequel would develop as planned.

Whether or not this clairvoyant statesmanship exists in the Politburo, the threat to summon world opinion has served the Soviet purposes very well at Geneva and in the United Nations. And, whether a determinable and concrete factor or a creation of the Kremlin, it still haunts this administration as it did the last, even though it no longer can shriek "fallout" to create the effects desired.

I ask unanimous consent that this article from the New York Times of May 23 be inserted at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ONE U.S. SUCCESS AT GENEVA

(By Arthur Krock)

WASHINGTON, May 22.—Ambassador Arthur Dean returned to Washington from Geneva last weekend with no tangible evidence thus far that he will be any more successful than his predecessors in negotiating with the Soviet Union an enforcible ban on nuclear-weapons testing. But there is evidence that he has accomplished something of importance at the latest Geneva conferences, and before he goes back to his post this week he deserves the encouragement of having this noted in the United States.

For the first time since these tedious and fruitless discussions began, doubts that the United States sincerely desires this treaty appear to have been allayed in allied governments. Also, the charge in neutral and uncommitted countries that the United States is responsible for the Geneva stalemate, and demonstrations which manifested popular acceptance of this charge, have shrunk to a minimum. Conversely, the Kremlin has become the growing target of this accusation.

The revisions of its original treaty formula the U.S. Government has made, which forced the Soviet Union to find new grounds for obstruction, have contributed greatly to this change in allied and world psychology. And though Ambassador Dean deserves much of the credit for the concept of the revision, others in the administration share it—notably the President and Ambassador John J. McCloy, his special assistant on general disarmament.

But it is Ambassador Dean's negotiating skill, and his experience in negotiating with the Communists, that has enabled him to use the new material to put the Soviet Union at Geneva more visibly on the defensive throughout the world for obstructing a viable treaty than it has ever been.

This may be all Dean will bring back from the conference at its next conclusion. But it is substantial because so much of the cold war has been an East-West battle in which the stake is persuasion of the onlooking world that durable peace with freedom is the true objective of one side and the opposite aim of the other.

However, in noting evidence of an achievement for which Dean will merit a large share of the credit if it proves firm and durable, it should also be noted that concern with world opinion in this and other cold war sectors has been a Soviet Russian sideline in contrast with the overwhelming influence that concern has had on the policies of the United States. From the time in 1956 when Adlai E. Stevenson at St. Louis proposed that the United States unilaterally end nuclear weapons testing (he modified that later) this influence has progressively (1) induced this Government to enter into the testing moratorium; and (2) allowed the Soviet Union to protract it indefinitely by stalling on control treaty talks.

Although the Atomic Energy Commission, members of the Joint Congressional Committee on Atomic Energy, many military authorities and eminent nuclear physicists have urged two administrations to terminate the moratorium and engage in certain underground tests, on the contention that vital national security was being increasingly risked, both President Eisenhower and President Kennedy concluded that the risk this course would alienate world opinion was greater than the other.

They made this choice despite the long Soviet record of broken treaties and agreements that brings acutely into question whether the Russians have been cheating on the moratorium the United States has strictly observed, and are perfecting the small neutron bomb which could be decisive in nuclear war. And this situation, now over 2 years old, is made to order for Soviet purposes.

True, the Russians are not 10 feet high, and their leaders have proved as faulty in the reasoning on which they based some policies as their opposite numbers in the West. But the sequel, after the Kremlin perceived how the specter of a world opinion of its own manufacture could be used to paralyze essential defensive movement in the United States, suggests that the Kremlin shaped its policies in advance to assure that the sequel would develop as planned.

Whether or not this clairvoyant statesmanship exists in the Politburo, the threat to summon world opinion has served the Soviet purposes very well at Geneva and in the United Nations. And, whether a determinable and concrete factor or a creation of the Kremlin, it still haunts this administration as it did the last, even though it no longer can shriek fallout to create the effects desired.

Mr. GORE. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield to my able and distinguished friend from Tennessee.

Mr. GORE. I thank the Senator for his thoughtful statement on this very important subject. I should like to suggest that there is perhaps one additional important reason why the officials of the Soviet Union are unwilling to accept international inspection within the Soviet Union. I refer to the secrecy of the Soviet society and the military, propaganda, and paramilitary advantages which secrecy gives to them.

Mr. SYMINGTON. I completely agree with what the able Senator just said, and I am certain that one of the characteristics of this problem is the desire of a totalitarian state, especially one like Soviet Russia, to preserve from other people, especially people of the free world, what they are doing.

My primary apprehension in this field, however, comes from increasing apprehension about what the Soviet Union may be doing in the way of nuclear testing regardless of what is the reason for their present stand. I have been told by people exceptionally well qualified to speak on this subject that, if we wished to do so, we could be testing such possible new weapons as the neutron bomb without Soviet Russia knowing.

For over 2½ years, therefore, we may have been entrusting the future of the free world to the honor, sense of justice, and humanitarianism of the leaders of Soviet Russia. I do not assert that we have, but I do say we may have; and based on the record, that should be food for thought for every American.

CHANGE OF NAME OF ARMY AND NAVY LEGION OF VALOR OF THE UNITED STATES OF AMERICA, INCORPORATED

Mr. DIRKSEN. Mr. President, I ask that the Chair lay before the Senate the amendments of the House of Representatives to S. 847, a bill to change the name of the Army and Navy Legion of Valor of the United States of America.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 847) to change the name of the Army and Navy Legion of Valor of the United States of America, Incorporated, which were, on page 2, after line 3, insert:

SEC. 2. That sections 3(b) and 6(a) of the Act of August 4, 1955 (69 Stat. 486) are amended by inserting after the words "Distinguished Service Cross," the phrase "Air Force Cross".

And to amend the title so as to read: "An act to change the name of the Army and Navy Legion of Valor of the United States of America, Incorporated, and for other purposes."

Mr. DIRKSEN. Mr. President, on May 3, 1961, the Senate passed S. 847, a bill changing the name of the Army and Navy Legion of Valor of the United States of America.

The House of Representatives amended S. 847 so as to include recipients of the Air Force Cross as eligible members of the Legion of Valor.

I have discussed the amendments with members of the Senate Committee on the Judiciary who are interested in this proposed legislation and I believe that the Senate should concur in the amendments of the House.

Therefore, I move that the Senate concur in the amendments of the House to S. 847.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to.

DESIGNATION OF POLICE WEEK AND PEACE OFFICERS MEMORIAL DAY

Mr. DIRKSEN. Mr. President, I ask that the Chair lay before the Senate the amendments of the House of Representatives to Senate Joint Resolution 65, designating Police Week and Peace Officers Memorial Day.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the joint resolution (S.J. Res. 65) designating the week of May 14–20, 1961, as Police Week and designating May 15, 1961, as Peace Officers Memorial Day, which were, on page 1, line 3, strike out "May 14–20, 1961" and insert "May 13–19, 1962"; on page 1, line 8, strike out "15th" and insert "14th", and to amend the title so as to read: "Joint Resolution designating the week of May 13–19, 1962, as Police Week and designating May 14, 1962, as Peace Officers Memorial Day."

Mr. DIRKSEN. Mr. President, on May 1, 1961, Senate Joint Resolution 65 passed the Senate and as passed by the Senate designated the week of May 14 to

20, 1961, as Police Week, and designated May 15, 1961, as Peace Officers Memorial Day.

In view of the fact that the resolution did not reach the House Judiciary Committee in time to take action to carry out the designated purposes in 1961, that committee amended the Senate resolution so as to designate a week in May of 1962 as Police Week, and May 14 of 1962 as Peace Officers Memorial Day.

I have discussed these amendments with members of the Senate Committee on the Judiciary who are interested in this legislation and I believe that the Senate should concur in the amendments of the House.

Therefore, I move that the Senate concur in the amendments of the House to Senate Joint Resolution 65.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to.

CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I wonder whether it would be possible to proceed with the consideration of one or two measures on the calendar before further insertions are made in the RECORD.

The PRESIDING OFFICER. The Senate is now proceeding under the head of call of the calendar, beginning with Order No. 266, S. 1189. The Senator from Washington is recognized.

TO AUTHORIZE THE COAST GUARD TO CARRY ON CERTAIN OCEANOGRAPHIC RESEARCH

Mr. MAGNUSON. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 267, H.R. 6845.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. Calendar No. 267, H.R. 6845, to amend title 14 of the United States Code to provide for an expansion of the functions of the Coast Guard.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MAGNUSON. Mr. President, I move that all the language after the enacting clause in H.R. 6845 be stricken and that there be substituted therefor the language in S. 1189, Calendar No. 266, the first item on the calendar. That is the language recommended by the committee. If that motion is agreed to and the bill is passed we will go to conference with the House on the bill. The reason for the requested action is that the House bill attempts to do the same thing that we attempt to do in S. 1189. However, the House did not use language which would allow the Coast Guard to have as one of its primary purposes the engaging in oceanographic research on the high seas. It relates particularly to their ice patrol; and it would allow the Coast Guard to collect oceanographic data through a kind of permanent research establishment. The House was attempting to do the same thing that our language attempts to do. However, the House language makes no reference to oceanographic research as such. The provision added in the House bill relates to functions of the Coast Guard, but not to a primary duty. In S. 1189 we make it one of the primary duties of the Coast Guard, along with other duties performed by that agency.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was to strike out all after the enacting clause in the pending bill and substituting therefor the text of S. 1189, as follows:

That title 14 of the United States Code, relating to the Coast Guard, is amended by inserting in chapter 1, section 2, after the words "rescue facilities for the promotion of safety on and over the high seas and waters subject to the jurisdiction of the United States;" and before the words "and shall maintain a state of readiness" the words: "shall engage in oceanographic research on the high seas and in waters subject to the jurisdiction of the United States," and is further amended by inserting at the end of chapter 5 the following new section:

"§ 94. Oceanographic research

"The Coast Guard may conduct such oceanographic research, use such equipment or instruments, and collect and analyze such oceanographic data, in cooperation with other agencies of the Government or not, as the Secretary determines to be in the national interest."

SEC. 2. The analysis of chapter 5 of title 14 of the United States Code is amended by inserting at the end thereof the following:

"94. Oceanographic research."

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The PRESIDING OFFICER. Senate bill 1189 is indefinitely postponed.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement in explanation of the action we have taken, particularly explaining the two purposes of the two bills.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

S. 1189, as amended, amends section 2 of chapter 1, and section 94 of chapter 5 of title 14 of the United States Code, relating to the Coast Guard.

Section 2 of chapter 1 states the primary duties of the Coast Guard, which includes "aids to maritime navigation, icebreaking facilities, and rescue facilities for the promotion of safety on and over the high seas and waters subject to the jurisdiction of the United States; and shall maintain a state of readiness to function as a specialized service of the Navy in time of war."

S. 1189, as amended, provides that a new primary duty be added following other peacetime primary duties, this duty being that the Coast Guard "shall engage in oceanographic research on the high seas and waters subject to the jurisdiction of the United States."

This, the committee believes, is the language that is necessary in the above section and chapter to remove present statutory limitations on Coast Guard authority to conduct oceanographic research. The amendment was suggested by Government agencies.

Chapter 5 of title 14 relates to functions and powers of the Coast Guard. This includes authorization of aids to navigation, aids to distressed persons, vessels, and aircraft on the high seas, operation of floating ocean stations and other functions.

S. 1189, as amended, adds a new section to this chapter, and the additional function of "Oceanographic research." This section further provides that "The Coast Guard may conduct such oceanographic research, use such equipment or instruments, and collect and analyze such oceanographic data, in cooperation with other agencies of the Government or not, as the Secretary determines to be in the national interest."

The analysis of chapter 5 of title 14 of the United States Code is amended by inserting at the end thereof the following words: "Oceanographic research."

H.R. 4340 provides that section 2 of title 14, the section that relates to primary duties, shall be amended by adding the following new sentence: "The Coast Guard shall collect, analyze, and evaluate scientific data concerning the high seas and the navigable waters of the United States and shall cooperate and participate with other Federal agencies in the collection, analysis and evaluation of such data."

There is no reference made in this section to oceanographic research, and the provision added in the House bill relates to functions and not primary duties.

President Kennedy in his letter to Vice President JOHNSON of March 29, referred specifically to removal of "statutory limitations restricting the participation by the Coast Guard in oceanographic research."

The language of H.R. 4340 does not clearly state this purpose, and might not be interpreted as expressing this purpose. The Coast Guard already has ample authority and does collect, analyze and evaluate scientific data concerning the high seas and the navigable waters in connection with its primary duties of promulgating and enforcing regulations for the promotion of safety of life and property on the high seas, maintaining aids to navigation, and ice-breaking facilities. It does not engage in oceanographic research, which is the objective specifically authorized and intended in S. 1189.

H.R. 4340 provides that "section 90 of title 14 of the United States Code be amended by adding at the end thereof the following new subsection '(c) The Coast Guard is authorized to develop, establish, maintain, and operate fixed and floating ocean stations, vessels, and shore facilities for the purpose of collecting, analyzing, and evaluating scientific data concerning the high seas and the navigable waters of the United States. In the exercise of the authority granted in this subsection, the Coast Guard shall utilize, to the maximum extent practicable, such fixed or floating ocean stations, vessels, and other equipment and facilities being operated by the Coast Guard in connection with other functions.'"

Section 90 of title 14, is the section titled "Ocean stations" and authorizes the Coast Guard to operate and maintain floating ocean stations for the purpose of providing search and rescue, communication, and air

navigation facilities, and meteorological services in such ocean areas as are regularly traversed by aircraft of the United States.

There is no reference in this section to fixed ocean stations, vessels, or shore facilities. The authority to operate floating ocean stations, and to operate them in connection with many activities which have scientific implications, is clearly stated.

The addition proposed in H.R. 4340 to section 90 contains no reference to oceanographic research. The scientific data referred to in this section of H.R. 4340 could be interpreted as meaning any type of scientific data concerning the high seas and navigable waters of the United States, or such scientific data as the Coast Guard is collecting now in connection with its meteorological or other services.

If the objective of this Congress is to specifically remove present statutory limitations which restrict the Coast Guard from engaging in oceanographic research on the high seas, that objective is not accomplished by H.R. 4340 which makes no reference to oceanographic research, confuses functions with primary duties, and misplaces under the section titled "Ocean stations," functions unrelated to such stations.

MODIFICATION OF LEASES OF RECREATION FACILITIES IN RESERVOIR AREAS

The bill (S. 48) to authorize the Secretary of the Army to modify certain leases entered into for the provision of recreation facilities in reservoir areas was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection the Senate proceeded to consider the bill.

Mr. COOPER. Mr. President, last year I introduced this bill and it was passed by the Senate. However, it was rather late in the session and it was not considered by the House. Very properly, the chairman of the committee introduced the bill this year. I ask unanimous consent that I may be included as one of the authors of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Chief of Engineers, under the supervision of the Secretary of the Army, is authorized to amend any lease entered into before November 1, 1956, providing for the construction, maintenance, and operation of commercial recreational facilities at a water resource development project under the jurisdiction of the Secretary of the Army so as to provide for the adjustment, either by increase or decrease, from time to time during the term of such lease of the amount of rental or other consideration payable to the United States under such lease, when and to the extent he determines such adjustment or extension to be necessary or advisable in the public interest. No adjustment shall be made under the authority of this Act so as to increase or decrease the amount of rental or other consideration payable under such lease for any period prior to the date of such adjustment.

BILL PASSED OVER

The bill (S. 811) to establish a Wabash Basin Interagency Water Resources Commission was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MILLER. Over.

The PRESIDING OFFICER. Objection is heard. The bill will go over.

ANNUAL AUDIT OF BRIDGE COMMISSIONS

The bill (S. 49) to provide for the annual audit of bridge commissions and authorities created by act of Congress, for the filling of vacancies in the membership thereof, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works, with amendments, on page 1, line 5, after the word "by", to strike out "an independent public accountant of recognized standing" and insert "independent certified public accountants or independent licensed public accountants, certified or licensed by a regulatory authority of a State or other political subdivision of the United States"; on page 5, line 5, after the word "made.", to insert "The Secretary of Commerce shall review such annual reports and audit reports submitted under section 1(b) of this Act and shall make recommendations to the Congress based upon such review, or take such other action as he may consider necessary, to effectuate the intent of the Congress as established by this Act or by the Act under which the individual bridge commission or authority was created.", and in line 24, after the word "of", where it appears the first time, to insert "this Act and of"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) each bridge commission and authority created by Act of Congress shall provide for an annual audit of its financial transactions by independent certified public accountants or independent licensed public accountants, certified or licensed by a regulatory authority of a State or other political subdivision of the United States, in such manner as prescribed by the Governors of the States concerned and in accordance with generally accepted auditing standards. Each such commission and authority shall make available for such purposes all books, accounts, financial records, reports, files, and all other papers, documents, or property belonging to or in use by such commission or authority. The General Accounting Office is authorized and directed to make available its advice on any matter pertaining to an audit performed pursuant to this section.

(b) The commission or authority within four months following the close of the fiscal year for which the audit is made shall submit a copy of the audit report to the Governors of the States concerned and to the Secretary of Commerce. The report shall set forth the scope of the audit and shall include a statement of assets and liabilities, capital, and surplus or deficit; a statement of surplus or deficit analysis; a statement of income and expense; a statement of sources and application of funds; and such comments and information as may be deemed necessary to keep the Governors of the States concerned and the Secretary of Commerce informed of the operations and financial condition of the commission.

(c) The Governor of either State concerned or the Secretary of Commerce is authorized to provide for the conduct of further audits of any bridge commission or authority created by Act of Congress if the audit report submitted under subsection (b) is not satsifactory to said Governor or to the Secretary of Commerce respectively.

(d) The commission or authority shall bear all expenses of the annual audit of its financial transactions as required by this section. All expenses of any additional audit required under this section shall be paid by the official or agency requesting such additional audit.

SEC. 2. (a) Each person who is a member, on the date of enactment of this Act, of a bridge commission or authority created by Act of Congress shall continue in office until the expiration of his present term, except as provided under subsection (b) of this section.

(b) Where provision is made in the Act creating a bridge commission or authority for membership thereon without limitation as to length of terms of office the Secretary of Commerce shall, on or before the expiration of ninety days after the date of this Act, reappoint not more than one-third of the persons who are members of such bridge commission or authority on the date of enactment of this Act as members of such bridge commission or authority for a term of two years from the date of reappointment, reappoint not more than one-third of the members of such bridge commission or authority for a term of four years, and reappoint the remaining members for a term of six years. Thereafter the term of each member appointed to such commission or authority shall be six years, except when an appointment is made to fill an unexpired term or when an incumbent member whose term has expired holds over until his successor is appointed, and vacancies shall be filled as provided under subsection (c) of this section.

(c) A vacancy in the membership of any bridge commission or authority to which this Act is applicable occurring by reason of expiration of term, failure to qualify as a member, death, removal from office, resignation, or otherwise, shall be filled by the Secretary of Commerce. Incumbent members whose terms have expired shall hold over in office until their successors are appointed and qualified.

(d) Each member appointed under this Act shall qualify within thirty days after appointment by filing with the Secretary of Commerce an oath that he will faithfully perform the duties imposed upon him by law.

(e) Each member appointed under this Act shall be removable for cause by the Secretary of Commerce.

(f) This section shall not be applicable to ex officio members or State highway department members of such bridge commissions or authorities.

SEC. 3. Each bridge commission and authority created by Act of Congress shall submit an annual report, covering its operations and fiscal transactions during the preceding fiscal year, its financial condition and a statement of all receipts and expenditures during such period, to the Governors of the States concerned and to the Secretary of Commerce not later than four months following the close of the fiscal year for which the audit required under section 1 of this Act is made. The Secretary of Commerce shall review such annual reports and audit

reports submitted under section 1(b) of this Act and shall make recommendations to the Congress based upon such review, or take such other action as he may consider necessary, to effectuate the intent of the Congress as established by this Act or by the Act under which the individual bridge commission or authority was created.

SEC. 4. Authority is hereby granted to transfer all functions, powers, duties, responsibilities, authority, assets, liability, obligations, books, records, property, and equipment of any existing bridge commission or authority created by Act of Congress to the highway department or other agency of the State or States concerned, or to joint agencies established by interstate compact or agreement. Such transfer shall be carried out in a manner as may be prescribed or authorized by the laws of the State or States concerned. Upon such transfer, such bridge commission or authority shall cease to exist.

SEC. 5. (a) All provisions of this Act and of Acts of Congress creating bridge commissions or authorities may be enforced or the violation thereof prevented by mandamus, injunction, or other appropriate remedy by the chief legal officer of either State concerned, in any court having competent jurisdiction of the subject matter and of the parties. The following provisions of law are hereby repealed:

Section 11 of the Act approved October 30, 1951 (65 Stat. 699);

Section 15 of the Act approved July 26, 1956 (70 Stat. 676);

Section 12 of the Act approved April 12, 1941 (55 Stat. 144).

(b) Members and employees of bridge commissions and authorities created by Act of Congress shall not be deemed to be Federal officers and employees.

(c) The members of such bridge commissions and authorities shall each be entitled to a per diem compensation for their services of $20 for each day actually spent in the business of the commission or authority, but the maximum per diem compensation of the chairman in any one year shall not exceed $3,000, and of each other member in any one year shall not exceed $2,000. The members of such commissions and authorities shall also be entitled to receive traveling expense allowance of 12 cents a mile for each mile actually traveled on the business of the commission or authority. Ex officio members or State highway department members of the commissions or authorities shall not receive a salary for their services as members, but shall be paid their actual expenses not exceeding $25 per day for each day actually devoted to the performance of their duties as such members, and shall also be entitled to receive traveling expense allowance of 12 cents a mile actually traveled on the business of the commission or authority, whenever such reimbursement for their actual expenses and traveling expenses is not provided from some other source. Payments under the provisions of this subsection shall be in lieu of any other payments for salary or expenses authorized for service as a member of any such commission or authority under the provisions of any other Federal law relating to such commission or authority, but nothing in this subsection shall affect any other Federal law with respect to the funds from which any such payments shall be made.

SEC. 6. The provisions of this Act shall apply to any bridge commission or authority created by Act of Congress and authorized to construct and/or acquire an interstate bridge, including—

(1) Arkansas-Mississippi Bridge Commission, created by the Act approved May 17, 1939 (53 Stat. 747);

(2) White County Bridge Commission, created by the Act approved April 12, 1941 (55 Stat. 140);

(3) City of Clinton Bridge Commission, created by the Act approved December 21, 1944 (58 Stat. 846);

(4) Sabine Lake Bridge and Causeway Authority, created by the Act approved October 30, 1951 (65 Stat. 695); and

(5) Muscatine Bridge Commission, created by the Act approved July 26, 1956 (70 Stat. 669).

SEC. 7. If any provision of this Act, or the application of such provision to any person or circumstance, is held invalid, the remainder of the Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

The PRESIDING OFFICER. The question is on agreeing to the amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

THE JUNIOR SENATOR FROM TENNESSEE

Mr. McGEE. Mr. President, I should like to call to the attention of the Senate an article which appeared in the New York Times of this morning entitled "Strong Will in Senate." It describes carefully the career and independent courage of our colleague, the junior Senator from Tennessee [Mr. GORE]. Because of the astuteness of the comments in the article and the full sweep of the views expressed there, I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STRONG WILL IN SENATE—ALBERT ARNOLD GORE

When young ALBERT ARNOLD GORE played the fiddle at barn dances in the hills of Tennessee, people said of him: "ALBERT sure draws a wicked bow."

And years later SAM RAYBURN, the Speaker of the House of Representatives, said of the junior Senator from Tennessee, "ALBERT is a very ambitious young man." Both remarks pointed up the same quality in Senator GORE.

Whatever he is doing, whether it is fiddling or politicking, he takes it seriously.

On Friday he put his heart into an attempt to kill a Kennedy administration bill for 40-year home mortgages. Yesterday he was back on the side of his fellow Democrats, assailing businessmen who seek tax havens abroad.

President Kennedy is the third man in the White House to discover that SENATOR GORE is a chronic independent.

"I call the shots as I see them, the Senator said yesterday, "and I have a habit of winning a few fights now and then."

SUCCESSFUL REVOLT

President Truman found that out in 1949, when Representative GORE led a successful revolt in the House against the administration's farm bill. President Eisenhower found the same fighting independence in 1955, when Senator GORE helped lead the battle against the Dixon-Yates power contract.

"I don't want anything from the administration," he said, summing up an independent's point of view, "except to help them have a good administration."

The Senator, of medium height and build, is notable for his handsome head of wavy gray hair, which he keeps meticulously groomed and parted down the middle. He speaks in a studied way, choosing his words with care, with only a mild southern accent.

He is on record as neither drinking nor smoking. He finds golf boring; instead he tries to get in a swim daily at the Senate Office Building pool.

But where Senator GORE really relaxes is on his farm near Carthage, Tenn., where he raises sheep, hogs, and other livestock. His greatest pride as a farmer is his herd of pure-bred Angus cattle.

Senator GORE was born on a farm near Granville, Tenn., on December 26, 1907, the son of Allen and Margie Gore. His forebears, he has said, "came across the mountain after the Revolution and started chopping timber. I still chop a little now and then myself when my fences need mending."

START IN POLITICS

He went to a one-room country grade school, then to high school in nearby Gordonsville. From there he went on to teach in rural schools until 1932. In that year he received a Bachelor of Science degree from Middle Tennessee State Teachers College and was elected to his first political post as a county superintendent of education.

Later he went to law school, driving 103 miles from his home to night classes at the Nashville Young Men's Christian Association 3 nights a week for 3 years. By 1939 he was running against five other candidates for the House of Representatives.

The seat had once been held by Mr. GORE's political hero, the late Secretary of State Cordell Hull. True to the Hull tradition, Mr. GORE advocated reciprocal trade in that election, and still does. But he found he picked up more votes by playing the fiddle.

He won the election and gave up the fiddle, turning instead to television as a campaign device. He was one of the first Members of Congress to use it extensively.

One of the Senator's political assets has been his wife, the former Pauline La Fon, who is also a lawyer and an effective campaigner. Their daughter, Nancy, 23 years old, was one of the first volunteers for the Peace Corps. They also have a son, Albert, who is 13.

Mr. MANSFIELD. Mr. President, I wish to join the distinguished Senator from Wyoming in what he has said about our distinguished colleague, the distinguished Senator from Tennessee [Mr. GORE]. I speak personally, and it is my belief, that because of the initiative shown by the Senator from Tennessee, we have as a result a better housing bill than we had before. I again commend the Senator from Tennessee, and join in what the Senator from Wyoming has said.

Mr. SYMINGTON. The distinguished majority leader took the words out of my mouth. But beyond the bill to which reference has been made, I wish to state that during the 8 years I have served in the Senate with the Senator from Tennessee, no man has shown more courage, more integrity, and more intelligence than he has. This is exemplified in his voting record.

Mr. GORE. I am overwhelmed by the generosity on the part of my colleagues. I merely say to each of them, thank you.

CONNIVING BIDDERS

Mr. YOUNG of Ohio. Mr. President, I take this opportunity to call the attention of the Senate to a startling matter concerning conniving bidders in my home city of Cleveland.

The city of Cleveland, early this spring, advertised for bids for 11 different types of watthour and demand meters. The total number for which bids were sought aggregated 4,060. On Friday, April 7, 1961, bids were opened, and all five bidders quoted the identical total of $68,691. The bidders were Westinghouse Electric Corp., Duncan Electric Co., Sangamo Electric Co., Allen Electric Co., and General Electric Co.

A week later, on April 14, 1961, officials of the five companies were invited to a meeting at the city hall to explain the identical nature of the bids. I quote from a letter from the outstanding mayor of Cleveland, Anthony J. Celebrezze, to our distinguished colleague, Senator ESTES KEFAUVER, chairman of the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary:

> Our purpose was to inquire as to the reason or reasons for the seeming lack of competition, particularly since only relatively recently the General Electric Co., Westinghouse Electric Corp., and Sangamo Electric Co. had plead nolo contendere to indictments in the Philadelphia District Court. The board of control decided to reject all the bids and readvertise for new bids. Further, a considerable quantity of used equipment was listed for trade-in, hoping to elicit some response from the bidders in that regard.
>
> On June 2, the bids were again opened, pursuant to the second advertisement, and they again were identical in all respects to those of April 7. Again, the aggregate bid was $68,691, and each of the companies refused to quote anything for the used equipment. The bidders were the same, except for Allen Electric Co., which did not enter a quotation.
>
> I think that you will understand the consternation which a public official feels when he is presented with bids which are identical to the penny. It is my considered judgment that the taxpayer has not been dealt with fairly, and that he is required to pay more than would be the case were the true spirit of competitive bidding practiced.

The mayor concluded his letter by stating that he was transmitting copies of the tabulation of the bids of April 7 not only to the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary, of which the distinguished senior Senator from Tennessee [Mr. KEFAUVER] is the chairman, but also to the U.S. Department of Justice, Antitrust Division, for such appropriate action as the Attorney General might see fit to take.

Mr. President, on two occasions these companies submitted identical bids to the city of Cleveland, when only recently three of them, General Electric Co., Westinghouse Electric Corp., and Sangamo Electric Co., had pleaded nolo contendere to indictments in the Philadelphia District Court.

Mr. President, here is a matter of grave concern to public servants on all levels of government and to the taxpayers of the country. They are being compelled to pay exorbitant prices when conniving bidders get together and there is a failure of competition.

I appreciate that the distinguished junior Senator from Wisconsin [Mr. PROXMIRE] first called this serious matter to my attention.

Mr. PROXMIRE. Mr. President, will the Senator from Ohio yield?

Mr. YOUNG of Ohio. I yield.

Mr. PROXMIRE. I congratulate the Senator from Ohio for having called this subject to the attention of the Senate. It is one of the most dramatic demonstrations of collusive bidding that I have ever seen. The facts are that five electric companies submitted bids identical to the penny—$68,691. When the Mayor of Cleveland called upon them to explain the bids and to rebid, four of the companies bid again—one of the five having dropped out—and again submitted bids identical to the penny.

I have calculated what the chances are that this bidding could have been done innocently. It was not one chance in a million or one in a billion or one in a trillion or one in a quadrillion; it was one chance in a tredecillion. In other words, it would be necessary to add 36 zeroes to the figure 1 in order to reach the single probability chance that these identical bids were not the result of collusion.

Mr. President, it seems to me that this is the most arrogant kind of collusion. The Mayor of Cleveland did what he could do to get a break for Cleveland taxpayers. He gave the companies a second chance and told them to bid competitively this time. What did they do? Once again they bid identically. But to try to prevent this he said to these companies, "All five of you are bidding identically and precisely." To make it a little easier for them to compete, the Mayor said, "We ask you to bid on our used equipment and to give us some trade-in offer." He underlined that proposal.

The companies responded that they did not deal with trade-ins, and would not have anything to do with trade-ins.

I think the action of the Senator from Ohio in calling the attention of the Senate to the failure of General Electric, Westinghouse, Sangamo Electric, and Duncan Electric is most useful. The first three of those companies were, in fact, prosecuted successfully and found guilty. In spite of that action, they still persisted in the arrogant practice of refusing to compete effectively. The Senator from Ohio is to be commended for his statement. I wish to join with him in calling this practice to the attention of the Senate.

Mr. YOUNG of Ohio. I thank the Senator from Wisconsin for rendering so fine a public service.

MIGRATORY FARM LABOR LEGISLATION

Mr. LONG of Missouri. Mr. President, one of the most monumental achievements of this Nation has been accomplished by those of our citizens engaged in agriculture. Their efforts have enabled us to achieve the highest standard of living in the world today. However, this achievement would never have been possible were it not for our farmworkers—those industrious, conscientious citizens whose occupation is one of the most laborious and the third most hazardous in our economy. I therefore find it incredible, Mr. President, that these citizens, the backbone of our entire society and economy, have been denied many of the legal protections which virtually every other group of workers in our country enjoy. It is even more incredible that among our agricultural workers, one group, our migratory farmworkers, has been living and working for some three decades under deplorable conditions—conditions which are totally and unequivocally inconsistent with every American ideal and principle.

During the past 20 months, the Subcommittee on Migratory Labor has conducted extensive studies in the field of migratory farmworker problems. In February of this year, the illustrious chairman of that subcommittee, the Honorable HARRISON A. WILLIAMS, JR., the distinguished junior Senator from New Jersey, introduced an 11-point legislative program especially designed to alleviate many of the most serious and crucial problems facing migratory farmworkers. These bills are of two basic types. Several of them—such as those which provide for improved educational opportunities for migratory children and adults, improved health services and facilities, and improved housing for migratory farm families—pertain directly to the unique welfare problems of the migratory farmworker. Other bills are designed to benefit the entire agricultural society and economy. Among these are proposals for a domestic farmworker stabilization program and an amendment to the National Labor Relations Act to apply collective-bargaining rights to agriculture.

Because of my interest in the legislation now pending before the Subcommitteé on Migratory Labor, my attention was drawn to an excellent article entitled "Senator WILLIAMS Talks Farm Labor," which appeared in the May 1961 issue of Business Farming. Mr. Clifford B. Chase, who is public relations director for the New Jersey Farm Bureau, interviewed Senator WILLIAMS regarding the Senator's attitudes and philosophy on migratory labor legislation and wrote this extremely informative article.

The article highlights the perception and depth with which Senator WILLIAMS has studied this problem. His comments on various aspects of the legislation which he has introduced are enlightening. Because the article gives such excellent information on several of the more important aspects of a legislative program which will benefit farmworkers, their employers, and the Nation, I ask unanimous consent that the article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR WILLIAMS TALKS FARM LABOR

Question. Senator WILLIAMS, how long have you been probing migrant labor problems in American agriculture?

Answer. Officially since August 1959, when, at my request, the Senate Committee on Labor and Public Welfare created the Subcommittee on Migrant Labor, so that we would have a focus of responsi-

bility within one committee for the range of problems that are involved in this field.

Question. The migrant labor problem has been with us for a long while, but only in recent years has it drawn serious attention. What prompted the current Senate surveys into the problem?

Answer. There have been past legislative committee efforts to survey the migratory labor problem. They run back to the 1940's, and perhaps even beyond that. There have been programs, too, in housing and other fields. Most of the legislative effort died aborning, however, because very little was accomplished. The migrant farm workers have not been included under any of the legislation that has brought security to most industrial workers.

Question. Two years ago, however, you set up a series of hearings, which you held around the country?

Answer. Yes, after we created the subcommittee, the first order of business was to hold hearings in the late summer and fall of 1959. We held them around the country and conducted various field trips, too.

Question. Your visits included a trip to New Jersey, too, didn't it?

Answer. Yes, we conducted hearings in Trenton and then went on an extended field trip throughout the Garden State.

Question. You have introduced a series of bills which I presume attempted to cover some of the findings your committee had made. Will you explain some of the legislation you have proposed?

Answer. We now have an understanding of most of the inadequacies in the migrant farm labor situation. It covers a broad range.

We know that youngsters in migrant labor families are not being received into schools situated where their families stop on their trips north from Florida and Texas. We know that many of these children are falling behind in their education. We know that many of their parents are being neglected, and are not even aware of the rudiments of sanitary living.

As a result, we have proposed a plan of national support for local programs designed to bring these youngsters into the educational systems located wherever their families are working, for programs designed to bring just the rudiments of better living to the adults and for a housing program at the national level designed to develop facilities for migrant farm families.

These families are currently not brought under the umbrella of health and welfare programs where they temporarily reside. To overcome this, we have included provisions for child welfare, for day care centers and for the extension of regular public health services for these folks.

We know, too, that their wages have been excluded from the provisions of the Fair Labor Standards Act. We have proposed a minimum wage bill which begins at 75 cents an hour, adapts the piecework method of payment, and which would bring a measure of security to these people. Beyond this we would register and regulate the crew leaders.

Question. I understand that in the new bills, one of the provisions is for collective bargaining for farmworkers. I didn't know this was included in the package. Is this a new feature?

I have not mentioned two or three of the bills we have introduced. One would create orderly opportunity for farmworkers to organize and bargain collectively, like industrial workers, who receive the protection of this right under the National Labor Relations Act.

We also have a legislative program which, we trust, would present a new stability to farmworkers through a more active program of recruitment of available laborers in areas where they are needed. We know that the present farm placement bureau, well motivated, has not had the muscle to do the job, so we would provide that muscle for better and more effective farm placement. We think it will result in better stabilization of our farm work force.

The other point I did not mention is a proposal that there be in this field a citizens' council, including growers and others who are familiar with and understand the situation, that would define the problem and recommend action—coordinate the effort for better conditions.

Question. Returning to the hearings, which of your proposals did you find raising the most opposition from farm groups invited to testify? Which found the most support?

Answer. We have had many farm organizations testify at our hearings held from coast to coast. There has been, I regret to say, a rather negative attitude on the part of organized growers and individual associations.

I find it difficult to understand how growers can disagree with our efforts to see educational opportunity brought to these youngsters and their adults, can disagree with our effort in trying to protect young people from the bitter hardship of stoop labor and dangerous work in the fields and can resist our efforts to try to eliminate the corrupt labor contractors who don't agree with us that better health and welfare should come to these people. They are excluded as no other Americans are.

It is difficult to understand the resistance to these most necessary, most humane and most inexpensive measures. I note, for example, that the Farm Bureau in some States is completely against these efforts. This is a tragedy because when you get below the officialdom of the organization and reach the individual members—the grassroots growers—they understand once you talk to them.

They know these people need help; they know they themselves haven't got the money, and can't get it through normal channels, to put up decent houses. This resistance can be reduced through humanity and logic.

Question. Your program would also create a Federal loan plan for farmers, who could borrow funds to build or improve migrant housing. Is there not the possibility here of growers considering this to be another way to force them to comply with a housing code, which may, in the future, be drawn up by a Federal agency? We already know that several States have housing codes now. The feeling might well be that the Federal code would supplant local codes and continue demands for more and more expensive improvements.

Answer. Our efforts in this field are to make money available at realistic interest rates to the individual grower, or groups of growers, for very simple but sanitary housing—no frills, no fancy codes. I fear no possibility of Federal bureaucracy imposing impossible codes.

Question. Where do you feel such a program is needed in New Jersey?

Answer. Almost anywhere there are migrant farmworkers.

Question. You have visited farms in New Jersey which used southern Negroes and Puerto Ricans. From these visits, would you say that these farmers generally have been trying to improve housing and working conditions?

Answer. I would say, by and large, their heart is in the right place, but that the resources are not available to make these improvements.

Question. The Puerto Rican program was set up by growers to meet a tight farm labor squeeze after the war. The situation with the colored workers in the migrant stream along the eastern seaboard is something else again, you say. Would you comment on the origin of this problem and offer an opinion as to whether you feel it is essentially a social one?

Answer. I believe there was a need to bring offshore workers to our harvest areas because we did not have enough domestic workers available to pick the fruits and vegetables at that time. I believe it is still true that at the peak of the harvest season, in many areas, there is an insufficient supply of domestic American workers to meet harvesting needs; therefore, we must bring in offshore people.

I would say, parenthetically, from what I have seen in New Jersey and in other States, too, that the offshore worker who comes here without his family is an individual whose living needs are more easily met than those of the traveling American laborer with a family. The former's housing and other facilities are better, for it is easier to barracks him.

I am particularly proud of the treatment Puerto Ricans, West Indians, and Bahamians receive in our State. Their needs are being admirably met. I have seen this.

Beyond this, however, we know there is a great deal of underemployment and unemployment in the American farm migrant community; therefore, our stabilization bill, with beefed-up support for the Farm Placement Bureau, will create more job opportunities for Americans whose occupation is farmwork. If this passes and if it works as we hope it will, there will be less need for importing labor, and there will be a new stability in the American farmworker community.

Question. If we were to agree that this is a social problem for the whole community, what is the farmer's specific duty as a short-term employer, and if society, through its pleas to Congress, is demanding certain social amenities for the migrant, should the farmer be compensated for what he spends for these purposes?

Answer. The migrant is there to pick the farmer's crops. The farmer needs him. To have workers, he must go beyond his own community and obtain migrant farm pickers. If he is going to do this, there has to be housing. Certainly the community cannot provide it. If the farmer needs these workers and they have no homes, he must provide housing.

We are trying to help the grower in such a way that he will be able, at modest cost, to provide decent housing. Most growers I know don't want their harvest folks living in shambles and shacks. They would like to see their workers decently housed, and that is what we are trying to do—give the grower a helping hand.

Question. Farmers feel they were badly dealt with in the television program, "Harvest of Shame." Do you feel they might be justified in sensing a softening-up process as one of the purposes of this film—to pave the way, publicitywise, for organized labor to move forward with migrant unionization?

Answer. It's too bad if farmers fear the organization of farmworkers into labor unions. I, myself, do not expect a national organization of migrant farmworkers in the near future. As a matter of fact, I don't expect it at all, because I think in the next decade or so there will be fewer and fewer migrant farm pickers. I think their decline will be due to two reasons: automation and stabilization of the farm work force.

In certain areas, unionization is arriving—in areas where the farmworkers are concentrated for relatively long periods of time, as in California. I frankly do not see active efforts at unionization of farmworkers who are picking in the northern stream or up the central part of our country, where the harvesting season is shorter.

Question. Do you think unionization would be confined to California, if and when it comes?

Answer. I feel this way. If much of our legislation is enacted, there will be less incentive for unionization because the legitimate goals of unionization—fair return for work and fair working conditions—will be achieved. There will be less need for the organized activity of a labor union.

Question. The farmer fears strikes at harvest time. As a small businessman, and due to the fact that he manufactures perishable products, wouldn't you say he is far more vulnerable than big industry, which merely can shut down its assembly line?

Answer. Any industry has its periods of vulnerability, when organized work stoppages or strikes cripple it more than at other times. Every industry has its critical period.

Question. If it is the family farm that Congress is interested in preserving in its many farm programs, do you think that small farmers could hope for any protection against this strike vulnerability?

Answer. Let me say that if they would support us in some of our inexpensive, most necessary legislative measures, they won't have to fear work stoppages for better conditions because this legislation will help them to create these better conditions. I believe our natural allies on many of these measures should be the growers, themselves.

Question. Do you feel that unionized farm labor might in the end force individual growers into some sort of a regional growers' association to meet on more equal terms the power of the unions?

Answer. If there are national unions, I would think there would be national farm groups for collective bargaining. It would not be bargaining on a farm-to-farm basis.

Question. The New Jersey grower is looking at the Mexican national program now, and wondering what future developments in California will mean in terms of his own employment of Puerto Ricans.

Answer: Of course, we recognize the dissimilarity of the two programs for these two groups of offshore workers. However, our approach has an element that would produce a similar result in either area—more aggressive efficient recruitment of American farmworkers. If this program realizes the goals we seek for it, there will be less need for the import of offshore workers.

This will not mean that our New Jersey growers will be without the necessary hands for the harvest season. It will mean that Americans around the farming areas will get more work and will be able to lift themselves from their present average family income level of $725 to one that can be truly lived on.

OZARK RIVERS AND NATIONAL MONUMENT BILL

Mr. LONG of Missouri. Mr. President, in southern Missouri we have a system of rivers which flow through the most beautiful wilderness with which our Nation has been blessed. Fortunately, time and progress have left this area relatively unscathed. However, each year brings more blemishes to this quiet woodland of flowing rivers, and unless action is taken immediately I fear our Nation will soon lose this most priceless asset.

Our Secretary of the Interior has already prophesied that this year will see another 300,000 acres of our Nation's land fall to the bulldozers, cement mixers, and logging crews. This is necessary for the development of our Nation, but steps must be taken to insure orderly development of land. We can no longer afford the helter-skelter procedures of the past.

Provision must be made to insure that at least a part of our Nation's natural beauty is retained. Toward this goal, legislation has been enacted and many legislative proposals are presently pending, such as the wilderness bill, the open spaces bill, and the Ozark Rivers National Monument bill introduced by my distinguished colleague from Missouri and myself.

One of our Nation's great writers on the subject of nature and its bountiful blessings, Leonard Hall, of Possum Trot Farm, Caledonia, Mo., has recently written a column which appeared in the St. Louis Globe Democrat concerning the Ozark rivers and the national monument bill. I ask unanimous consent that this article be printed at this point in the RECORD, so it will be available to all Members of the Congress, as I hope this bill will be before us for action in the not-too-distant future.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OZARK RIVERS

(By Leonard Hall)

Most of the magnificent areas that make up our national parks have been acquired by the American people literally by default. Unsettled, unknown, unspoiled and generally owned by State or Federal Government, these areas were brought into the park system merely by arousing congressional interest.

That day is over. From here out, areas worthy of national park status will be saved only by tremendous effort of citizens devoted to the public interest. Big tracts of public land of this caliber no longer exist, while efforts to acquire even modest tracts, no matter how worth while, will increasingly compete with the interests of individuals and private groups. These may be oilmen, real estate operators, lumbermen, grazers, or others.

An example exists today in Missouri. Increasing recreational pressure combined with a long history of indifferent land use threatens the wild and natural beauty of our last free-flowing Ozark streams. The downhill trend started with overlogging open-range grazing, woods fires and hard farming of marginal lands. Now in addition, back-country roads reach every spring and gravel bar, tin cans and rubbish litter every campsite and unimposing and impermanent cabins line the banks.

RELENTLESS PRESSURES

These things will destroy the rivers in a few more years. Interior Secretary Udall generalized the danger when he said, "Pressures on our land are relentless. Another 4 million Americans will be born into our country this year. Given fair weather each day, and another 300,000 acres will fall to the bulldozers, cement mixers and logging crews."

A movement has started to prevent this destruction on the Current and Eleven Point Rivers in the southeastern Ozarks. Local residents, conservationists at the State level and agences of government all agree the streams must be preserved in their natural state for the recreation and esthetic enjoyment of the American people. They also agree that any plan for the region should have, as an equal objective, raising the general economic level.

Two projected plans aim at achieving these desirable ends. The first is embodied in a bill introduced by Senators SYMINGTON and LONG of Missouri and Congressman ICHORD proposing a 113,000-acre Ozark Rivers National Monument on the watersheds of these rivers. This legislation is based on an exhaustive survey by the National Park Service aided by the University of Missouri and published by the Department of the Interior. The bill has the endorsement of the National Park Service, Missouri State Park Board, Missouri Conservation Commission, and many leading citizens.

The proposed monument takes into full consideration the potentialities as well as the needs and limitations of the area. It encourages development of the entire region outside the narrow limits of monument lands, on a free-enterprise basis, by tremendously increasing the flow of capital into the counties of these watersheds. It recognizes, in addition, that the low family income of the counties (estimated at 42 percent of the State average and in many cases less than $1,000 per year) results from these facts:

1. That while timber is a large potential resource, most private holdings have suffered a long history of mismanagement which puts any profitable sustained-yield harvest many years in the future. Even national forest lands (after 25 years of good management) produce yields of the order of less than $1 per acre per year.

2. That farm lands with a few exceptions are only one-third as productive as the State average, with resulting low tax revenues, a declining population and an advancing age level of residents left on farms as young people seek economic opportunity elsewhere.

3. That because of the small and unskilled labor force, restricted living facilities and power limitations, prospects for business development aside from future wood-using industries must be geared to recreation.

VAST EXPERIENCE

The National Park Service, with vast experience in preserving wild lands and managing their recreational use by large numbers of people, seems the logical agency to develop this national monument. Under the Symington-Long-Ichord proposal, the Park Service would encourage the area towns to create tourist facilities and businesses of every kind. It would cooperate with other Federal, State, and county agencies in further developing the entire region. Lands within the monument boundaries, except for an administrative unit and a limited number of regulated campgrounds, would be meticulously maintained in their natural state. Use of the area would, literally, be limited to recreation, including hunting and fishing.

SORENSEN FISH CO.

The resolution (S. Res. 90) to refer to the Court of Claims the bill (S. 1004) for the relief of the Sorensen Fish Co. was considered and agreed to, as follows:

Resolved, That the bill (S. 1004) entitled "A bill for the relief of the Sorensen Fish Company", now pending in the Senate, together with all the accompanying papers, is hereby referred to the Court of Claims, and the court shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States and the amounts, if any, legally or equitably due from the United States to the claimant.

NAOKO ISHIWATARI WHITE

The bill (S. 82) for the relief of Naoko Ishiwatari White was considered, ordered to be engrossed for a third reading,

was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 212 (a) (23) of the Immigration and Nationality Act, Naoko Ishiwatari White may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this Act.

MIN-SUN CHEN

The bill (S. 316) for the relief of Min-sun Chen was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Min-sun Chen shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MYUNG JA KIM

The bill (S. 373) for the relief of Myung Ja Kim was announced as next in order.

Mr. MUNDT. Mr. President, I have conferred with the distinguished majority leader concerning Calendar No. 255, S. 162, to create a Commission to be known as the Commission on Noxious and Obscene Matters and Materials, to which objection was made at the last call of the calendar. Objection has been withdrawn. The majority leader has agreed that the bill may now be taken up out of order. I therefore ask the distinguished Presiding Officer to have the bill called up after the Senate has completed action on Calendar No. 274, S. 373.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and Calendar No. 255, S. 162, will be called up after the Senate has disposed of Calendar No. 274, S. 373.

Is there objection to the present consideration of Calendar No. 274, S. 373?

There being no objection, the bill (S. 373) was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Myung Ja Kim, shall be held and considered to be the natural-born alien child of Margaret L. Foster, citizen of the United States: *Provided,* That the natural parents of the said Myung Ja Kim shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

COMMISSION ON NOXIOUS AND OBSCENE MATTERS AND MATERIALS

The PRESIDING OFFICER. Is there objection to the present consideration of Calendar No. 255, Senate bill 162?

There being no objection, the Senate proceeded to consider the bill (S. 162) creating a commission to be known as the Commission on Noxious and Obscene Matters and Materials.

Mr. KEATING. Mr. President, I submit amendments on behalf of myself and my distinguished colleague [Mr. JAVITS].

The PRESIDING OFFICER. The amendments will be stated.

The LEGISLATIVE CLERK. On page 3, between lines 14 and 15, it is proposed to insert:

(8) one who shall be a prominent educator in the field of higher education;

On page 3, lines 15 and 16, it is proposed to strike out "(8) one who shall be a prominent representative of the publishing industry", and insert in lieu thereof:

(9) one who shall be a prominent representative of the book publishing industry;
(10) one who shall be a prominent representative of the newspaper, magazine, and periodical publishing industry;

On page 3, at the beginning of line 17, strike out "(9)" and insert "(11)"; at the beginning of line 19, to strike out "(10)" and insert "(12)"; at the beginning of line 21, to strike out "(11)" and insert "(13)"; at the beginning of line 23, to strike out "(12)" and insert "(14)"; and on page 4, at the beginning of line 1, to strike out "(13)" and insert "(15)".

On page 3, line 3, after the word "of", strike out "seventeen" and insert "nineteen".

Mr. MUNDT. Mr. President, the amendments are entirely acceptable to the sponsors of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from New York.

The amendments were agreed to.

Mr. KEATING. Mr. President, I speak in favor of S. 162, as amended by myself and my distinguished colleague. I am glad that these amendments have been adopted.

This bill would deal an effective blow against the traffic in obscene materials that currently is undermining the moral fiber of the country.

As amended, it is not a rash or a hasty bill. It would establish no censorship, no repression, no police action of any kind. It would merely provide for study and subsequent recommendations on this serious problem by a commission of qualified experts.

Mr. President, we owe it to the youth of this Nation to set up this Commission. We owe it to the youngsters who are daily being infected by this outpouring of filth. We owe it to parents who are striving to create a moral and a healthy atmosphere for their children, and who find that the U.S. mails are being used by a cynical industry to debase and corrupt this atmosphere.

We have hesitated long enough. It is time that we take considered and deliberate action.

Mr. JAVITS. Mr. President, I am gratified that the Senate has adopted my amendment to this bill, with the concurrence of the bill's sponsor, Senator MUNDT, as I feel that the addition of further members representing higher education and periodical publishing to the Commission will be of great assistance in providing for the representation of all interested and concerned parties.

The problem of obscene literature is one which is properly of growing concern to parents, community leaders, and government officials throughout the Nation, reaching, as it often does, our youth during their most impressionable years. Much of this literature is reported to flow in interestate commerce, establishing a particularly great responsibility in the Federal area.

On the other hand, careful consideration must be given to those who, in good faith, publish literary materials which may be controversial in character, as well as to the basic principles of free speech and the press, which must be carefully adhered to.

I am hopeful that the Commission to be established under this bill will give the most careful consideration to all these factors, so that the Congress, the executive branch, and the general public may have the benefit of the best and most composite information available in guiding their future actions.

Mr. MUNDT. Mr. President, I am pleased that the objection filed against S. 162 has been rescinded and I appreciate the cooperation of the majority leader, Senator MANSFIELD, in bringing this legislation up out of order at this time.

This is important legislation, Mr. President. As I announced at the time the bill was objected to, time is of the essence in this challenge to do something effective to curb and curtail the distribution of obscene literature through the mails of the United States. Those of us sponsoring S. 162 recognize the part this nefarious practice plays in contributing to juvenile delinquency and we are not all impressed by those endeavoring to perpetuate this traffic in filth. It should be stopped and the filth merchants should be exposed and prosecuted.

Passage of S. 162 will be an important initial step in cleaning up the mails of America and in protecting American youth against those who appear determined to pollute it. Among these promoters of pornography are operatives in the Communist conspiracy who realize that the destruction of a youth's morals is an effective prerequisite to the nullification of his religious moorings and to the overall weakening of the qualities of character which normally prevent him from becoming either a Communist or a functionary in a Communist front organization.

Incidentally, Mr. President, I am advised through Mrs. Germanine Krettek that the American Library Association is interested in this legislation and that the association would like to have one of its members included on the National Commission which the bill creates. Personally, I think this is a sound proposal

and I hope the American Library Association is represented on the Commission. I also hope the House moves promptly in finalizing the passage of S. 162.

The PRESIDING OFFICER. The question now is on the engrossment of the bill, as amended.

The bill (S. 162) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS OF FACT AND DECLARATION OF POLICY

SECTION 1. The Congress finds that traffic in obscene matters and materials is a matter of grave national concern. The problem, however, is not one which can be solved at any one level of government. The Federal Government has a responsibility to find more effective ways of preventing the transmission of such matters and materials through the instrumentalities which, under the Constitution, are subject to Federal regulation. The State and local governments have perhaps an even greater responsibility in the exercise of their police powers to protect the public, and particularly minors, from the morally corrosive effects of such matters and materials. Governmental action to be effective needs the support and cooperation of an informed public. It is the purpose of this Act to bring about a coordinated effort at the various governmental levels, and by public and private groups, to combat by all constitutional means this pernicious traffic.

ESTABLISHMENT OF THE COMMISSION ON NOXIOUS AND OBSCENE MATTERS AND MATERIALS

SEC. 2. (a) For the purpose of carrying out the provisions of this Act, there is hereby created a Commission to be known as the Commission on Noxious and Obscene Matters and Materials (hereinafter referred to as the "Commission").

(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U.S.C. 99).

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) NUMBER AND APPOINTMENT.—The Commission shall be composed of seventeen members, appointed by the President, as follows:

(1) One from the Senate;

(2) One from the House of Representatives;

(3) Two from the Post Office Department;

(4) Two from the Department of Justice, one of whom shall be from the Federal Bureau of Investigation;

(5) One from the Department of Health, Education, and Welfare;

(6) Three from the clergy;

(7) One who shall be a prominent educator in the field of secondary education;

(8) One who shall be a prominent educator in the field of higher education;

(9) One who shall be a prominent representative of the book publishing industry;

(10) One who shall be a prominent representative of the newspaper, magazine, and periodical publishing industry;

(11) One who shall be a prominent representative of the motion picture industry;

(12) One who shall be a prominent representative of the redio and television industries;

(13) One from among the attorneys general of the several States;

(14) One who shall be a chief prosecutor of a city or county government; and

(15) One who shall be a chief law enforcing officer of a city or county government.

(b) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(c) CONTINUATION OF MEMBERSHIP UPON CHANGE OF STATUS.—A change in the status or employment of any person appointed to the Commission pursuant to subsection (a) of this section shall not affect his membership upon the Commission.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a Chairman and a Vice Chairman from among its members.

QUORUM

SEC. 5. Nine members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) MEMBERS OF CONGRESS.—Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) MEMBERS FROM THE EXECUTIVE BRANCH.—The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provision of the civil service laws and the Classification Act of 1949, as amended.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this Act.

DUTIES OF THE COMMISSION

SEC. 9. (a) INVESTIGATION, ANALYSIS, AND RECOMMENDATIONS.—It shall be the duty of the Commission—

(1) to explore methods of combating the traffic in obscene matters and materials at the various levels of governmental responsibility;

(2) to provide for the development of a plan for improved coordination between Federal, State, and local officials in the suppression of such traffic;

(3) to determine ways and means of informing the public as to the origin, scope, and effects of such traffic, and of obtaining public support in its suppression;

(4) to secure the active cooperation of leaders in the field of mass media for the accomplishment of the objectives and purposes of this Act;

(5) to formulate recommendations for such legislative, administrative, or other forms of action as may be deemed necessary to combat such traffic; and

(6) to analyze the laws pertaining to traffic in noxious and obscene matters and materials, and to make such recommendations to the Congress for appropriate revisions of Federal laws as the Commission may deem necessary in order to effectively regulate the flow of such traffic.

(b) REPORT.—The Commission shall report to the President and the Congress its finding and recommendations as soon as practicable and in no event later than January 31, 1963. The Commission shall cease to exist sixty days following the submission of its final report.

POWERS OF THE COMMISSION

SEC. 10. (a) HEARINGS AND SESSIONS.—The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued over the signature of the Chairman of the Commission, of such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 through 104 of the Revised Statutes of the United States (2 U.S.C. 192-194) shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

(b) ADVISORY COMMITTEES.—In carrying out its duties under this Act, the Commission (1) may constitute such advisory committees within States composed of citizens of that State, and (2) may consult with Governors, attorneys general, and other representatives of State and local governments, and private organizations as it deems advisable. Any advisory committee constituted pursuant to this subsection shall carry out its duties without expense to the United States.

(c) OBTAINING OFFICIAL DATA.—The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this Act, and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

KNUD ERIK DIDRIKSEN

The bill (S. 435) for the relief of Knud Erik Didriksen was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Knud Erik Didriksen shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ROMAN DACKOW

The bill (S. 674) for the relief of Roman Dackow was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Roman Dackow shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

AIDEH KOBLER

The bill (S. 722) for the relief of Aideh Kobler was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, the provisions of sections 201(a), 202(a)(5) and 202(b)(2) of that Act shall not be applicable in the case of Mrs. Aideh Kobler.

YU LIAO

The bill (S. 805) for the relief of Yu Liao was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Yu Liao shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

OCTAVIO JIMENEZ MARQUEZ

The bill (S. 817) for the relief of Octavio Jimenez Marquez was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House or Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Octavio Jimenez Marquez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriation quota for the first year that such quota is available.

VASILIKI YEANNAKOPOULOS

The bill (S. 825) for the relief of Vasiliki Yeannakopoulos was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Vasiliki Yeannakopoulos shall be held and considered to be the minor natural-born alien child of Peter Yeannakopoulos and his wife, Angelina Yeannakopoulos, citizens of the United States: *Provided,* That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

NAJM BOULOS RIHANI

The bill (S. 944) for the relief of Najm Boulos Rihani was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mr. Najm Boulos Rihani shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GUISEPPA LANZA LASCUOLA

The bill (S. 1373) for the relief of Guiseppa Lanza Lascuola was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Giuseppa Lanza Lascuola, shall be held and considered to be the natural-born alien child of Henry Lascuola and Marion Elizabeth Lascuola, citizens of the United States: *Provided,* That the natural parents of the said Giuseppa Lanza Lascuola shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

TEREZ KASZAP—BILL RECOMMITTED

The bill (S. 1430) for the relief of Terez Kaszap was announced as next in order.

Mr. MUSKIE. Mr. President, on June 6, 1961, Senate bill 1430 was reported favorably by the Committee on the Judiciary, and was placed on the Senate Calendar.

Subsequent to that action, information which requires further study by the committee was received.

I ask unanimous consent that the bill be recommitted to the Committee on the Judiciary.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

DJURA ZELENBABA

The bill (H.R. 1293) for the relief of Djura Zelenbaba was considered, was ordered to a third reading, was read the third time, and passed.

ANNA B. PROKOP

The bill (H.R. 1360) for the relief of Anna B. Prokop was considered, ordered to a third reading, was read the third time, and passed.

MODESTA PITARCH-MARTIN DAUPHINAIS

The bill (H.R. 1467) for the relief of Modesta Pitarch-Martin Dauphinais was considered, ordered to a third reading, was read the third time, and passed.

MARY A. COMBS

The bill (H.R. 1508) for the relief of Mary A. Combs was considered, ordered to a third reading, was read the third time, and passed.

KAZIMIERA MAREK

The bill (H.R. 1523) for the relief of Kazimiera Marek was considered, ordered to a third reading, was read the third time, and passed.

MRS. SATO YASUDA

The bill (H.R. 1572) for the relief of Mrs. Sato Yasuda was considered, ordered to a third reading, was read the third time, and passed.

MAH QUOCK

The bill (H.R. 1578) for the relief of Mah Quock was considered, ordered to a third reading, was read the third time, and passed.

MISS KRISTINA VOYDANOFF

The bill (H.R. 1621) for the relief of Miss Kristina Voydanoff was considered, ordered to a third reading, was read the third time, and passed.

DR. GEORGE BERBERIAN

The bill (H.R. 1622) for the relief of Dr. George Berberian was considered, ordered to a third reading, was read the third time, and passed.

MIN JA LEE

The bill (H.R. 1871) for the relief of Min Ja Lee was considered, ordered to a third reading, was read the third time, and passed.

ANNA STANISLAWA ZIOLO

The bill (H.R. 1873) for the relief of Anna Stanislawa Ziolo was considered, ordered to a third reading, was read the third time, and passed.

PANAGIOTIS SOTIROPOULOS

The bill (H.R. 1886) for the relief of Panagiotis Sotiropoulos was considered, ordered to a third reading, was read the third time, and passed.

EVELINA SCARPA

The bill (H.R. 2101) for the relief of Evelina Scarpa was considered, ordered to a third reading, was read the third time, and passed.

PIETRO DiGREGORIO BRUNO

The bill (H.R. 2107) for the relief of Pietro DiGregorio Bruno was considered, ordered to a third reading, was read the third time, and passed.

WANDA FERRARA SPERA

The bill (H.R. 2116) for the relief of Wanda Ferrara Spera was considered, ordered to a third reading, was read the third time, and passed.

HENRY WU CHUN AND ARLENE WU CHUN

The bill (H.R. 2141) for the relief of Henry Wu Chun and Arlene Wu Chun was considered, ordered to a third reading, was read the third time, and passed.

RELIEF OF CERTAIN ALIENS

The bill (H.R. 2158) for the relief of certain aliens was considered, ordered to a third reading, was read the third time, and passed.

M. SGT. LOUIS BENEDETTI, RETIRED

The bill (H.R. 3846) for the relief of M. Sgt. Louis Benedetti, retired, was considered, ordered to a third reading, was read the third time, and passed.

BERNARD JACQUES GERARD CARADEC

The bill (H.R. 3489) for the relief of Bernard Jacques Gerard Caradec was considered, ordered to a third reading, was read the third time, and passed.

CLARK L. SIMPSON

The bill (H.R. 3850) for the relief of Clark L. Simpson was considered, ordered to a third reading, was read the third time, and passed.

DAVID TAO CHUNG WANG

The bill (H.R. 4217) for the relief of David Tao Chung Wang was considered, ordered to a third reading, was read the third time, and passed.

WILLIAM M. FARMER

The bill (H.R. 4219) for the relief of the estate of William M. Farmer was considered, ordered to a third reading, was read the third time, and passed.

CASIMIR LAZARZ

The bill (H.R. 4282) for the relief of Casimir Lazarz was considered, ordered to a third reading, was read the third time, and passed.

ROBERT BURNS DeWITT

The bill (H.R. 4713) for the relief of Robert Burns DeWitt was considered, ordered to a third reading, was read the third time, and passed.

REV. PATRICK FLOYD

The Senate proceeded to consider the bill (S. 193) for the relief of Rev. Patrick Floyd, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 11, after the word "Act", to insert a colon and *"And provided further,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (3) of section 212(a) of the Immigration and Nationality Act, the Reverend Patrick Floyd may be issued an immigrant visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such Act: *Provided,* That this Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act: *And provided further,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

GUISSEPPE GLORIOSO

The Senate proceeded to consider the bill (S. 263) for the relief of Guisseppe Glorioso, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert: "That, for the purposes of the Act of September 22, 1959 (Public Law 86–363), Guisseppe Glorioso shall be deemed to be within the purview of section 4 of that Act."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

MRS. KAZUKO (WM. R.) ZITTLE

The Senate proceeded to consider the bill (S. 331) for the relief of Mrs. Kazuko (Wm. R.) Zittle, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 6, after the word "residence", to insert "if she is found to be otherwise admissible under the provisions of such Act: *Provided,* That if the said Mrs. Kazuko (Wm. R.) Zittle is not entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act: *And provided further,* That this Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 212(a)(4) of the Immigration and Nationality Act, Mrs. Kazuko (Wm. R.) Zittle may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided,* That if the said Mrs. Kazuko (Wm. R.) Zittle is not entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act: *And provided further,* That this Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

NISHAN DER SIMONIAN

The Senate proceeded to consider the bill (S. 592) for the relief of Nishan Der Simonian, which had been reported from the Committee on the Judiciary, with an amendment, in line 6, after the word "of", to strike out "Bearge and Eugenie Hagopian citizens" and insert "Bearge M. Hagopian, a citizen", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Nishan Der Simonian shall be held and considered to be the natural-born alien child of Bearge M. Hagopian, a citizen of the United States: *Provided,* That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

JOSE ERASMO REINA (LAJARA)

The Senate proceeded to consider the bill (S. 866) for the relief of Jose Erasmo Reina (Lajara), which had been reported from the Committee on the Judiciary, with an amendment, on page 1, at the beginning of line 7, to strike out "she" and insert "he," so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (1) of section 212(a) of the Immigration

and Nationality Act, Jose Erasmo Reina (Lajara) may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such act: *Provided*, That this Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act: *Provided further*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

MARIAN WALCZYK AND MARYA MAREK

The Senate proceeded to consider the bill (H.R. 1425) for the relief of Marian Walczyk and Marya Marek, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 6, after the word "of", to strike out "John and Stanislaw Walczyk, citizens of the United States" and insert "John Walczyk, a citizen of the United States".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

MARIA CASCARINO AND CARMELO GIUSEPPE FERRARO

The Senate proceeded to consider the bill (H.R. 2346) for the relief of Maria Cascarino and Carmelo Giuseppe Ferraro, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 11, after the name "Mr.", to strike out "and Mrs. Carmelo Leo, citizens of the United States" and insert "Carmelo Leo, a citizen of the United States".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

ROSARIO BARRENA VILLACHOIA AND OTHERS

The Senate proceeded to consider the bill (S. 85) for the relief of Rosario Barrena Villachoia and others, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 4, after the word "Act", to strike out "Rosario Barrena Villachoia" and insert "Maria Rosario Barrena-Villachica", and in line 7, after the word "held", to insert "and considered"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the Immigration and Nationality Act, Maria Rosario Barrena-Villachica, Maria Dolores Villar Salinas, Angela Casanova Cabella, Carmen Guenaga Anchustegui, and Flora Casals Pons shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota for the first year that such quota is available.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Maria Rosario Barrena-Villachica, Maria Dolores Villar Salinas, Angela Casanova Cabello, Carmen Guenaga Anchustegui, and Flora Casals Pons."

CHI YAN CHU

The Senate proceeded to consider the bill (S. 172) for the relief of Chi Yan Chu, which had been reported from the Committee on the Judiciary with amendments, in line 4, after the word "Act", to strike out "Chi Yan Chu" and insert "Chew Chi Yan", and in line 7, after the word "States", to strike out the colon and "*Provided*, That the natural parents of the said Chi Yan Chu shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Chew Chi Yan shall be held and considered to be the natural-born alien minor child of Chew Ng Yuk Wan, a citizen of the United States.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Chew Chi Yan."

MAY DAWN POLSON (EMMY LOU KIM)

The Senate proceeded to consider the bill (S. 242) for the relief of May Dawn Polson (Emmy Lou Kim), which had been reported from the Committee on the Judiciary, with amendments, in line 5, after the name "Kim", to insert "and Joseph King Polson (Sung Sang Moon)" in line 7, after the word "alien", to strike out "child" and insert "children", and in line 8, after the word "States", to insert a colon and "*Provided*, That the natural parents of the beneficiaries shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Mary Dawn Polson (Emmy Lou Kim) and Joseph King Polson (Sung Sang Moon) shall be held and considered to be the natural-born alien children of Vernon and Dawn Polson, citizens of the United States: *Provided*, That the natural parents of the beneficiaries shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mary Dawn Polson (Emmy Lou Kim) and Joseph King Polson (Sung Sang Moon)."

GEORGIOS TZOTZOLAS

The Senate proceeded to consider the bill (S. 266) for the relief of Georgios Tzotzolas, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 4, after the name "Georgios", to strike out "Tzotzolas" and insert "Laskaris Tgotgolas", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Georgios Laskaris Tgotgolas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of the status of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Georgios Laskaris Tgotgolas."

GEORGE JOHN COUTSOUBINAS AND OTHERS

The Senate proceeded to consider the bill (S. 553) for the relief of Gorge John Coutsoubinas and others, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 4, after the word "Act", to strike out "George John Coutsoubinas,", and in the same line, after "Olga G.", to strike out "Coutsoubinas," and insert "Coutsoubinas and", and in line 5, after the name "Coutsoubinas", to strike out the comma and "and Agath G. Coutsoubinas"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Olga G. Coutsoubinas and Spyridon G. Coutsoubinas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Olga G. Coutsoubinas and Spyridon G. Coutsoubinas."

FUNG WAN

The Senate proceeded to consider the bill (S. 700) for the relief of Fung Wan, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, in the administration of the Immigration and Nationality Act, Fung Wan (Mrs. Jung Gum Goon), the widow of a United States citizen who served honorably in the Armed Forces of the United States, shall be held and considered to be within the purview of section 101(a)(27)(A) of that Act and the provisions of section 205 of that Act shall not be applicable in this case.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Fung Wan (Mrs. Jung Gum Goon)."

DR. PERKINS P. K. CHANG AND OTHERS

The Senate proceeded to consider the bill (S. 942) for the relief of Dr. Perkins P. K. Chang and others, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Doctor Perkins P. K. Chang (Chang Peng-Keng) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 14, 1955, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Doctor Perkins P. K. Chang (Chang Peng-Keng)."

BILL PASSED OVER

The bill (S. 1206) for the relief of Continental Hosiery Mills, Inc., of Henderson, N.C., successor to Continental Hosiery Co., of Henderson, N.C., was announced as next in order.

Mr. KEATING. Mr. President, I favor this bill, but I have a request that it go over, so I ask that it go over.

The PRESIDING OFFICER. Objection is heard. The bill will go over.

WAR RISK INSURANCE

The bill (S. 1931) to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1312 of title XIII of the Federal Aviation Act of 1958 (49 U.S.C. 1542), is hereby amended by striking out "June 13, 1961" and inserting "June 13, 1966" in lieu thereof.

BILLS PASSED OVER

The bill (H.R. 2457) to amend title V of the Merchant Marine Act of 1936, in order to clarify the construction subsidy provisions with respect to reconstruction, reconditioning, and conversion, and for other purposes, was announced as next in order.

Mr. KEATING. Over by request.

The PRESIDING OFFICER. Objection is heard. The bill will go over.

The bill (S. 120) to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control was announced as next in order.

Mr. MUSKIE. Over.

The PRESIDING OFFICER. Objection is heard. The bill will go over.

SHELLFISHERIES RESEARCH CENTER AT MILFORD, CONN.

The bill (S. 606) to provide for the construction of a shellfisheries research center at Milford, Conn., was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior, acting through the United States Fish and Wildlife Service, is authorized and directed to construct at Milford, Connecticut, a research center for shellfisheries production and for such purpose acquire such real property as may be necessary. Such research center shall consist of research facilities, a pilot hatchery including rearing tanks and ponds, and a training school, and shall be used for the conduct of basic research on the physiology and ecology of commercial shellfish, the development of hatchery methods for cultivation of mollusks, including the development of principles that can be applied to the utilization of artificial and natural salt water ponds for shellfish culture, and to train persons in the most advanced methods of shellfish culture.

SEC. 2. There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, not to exceed $1,325,000 to carry out this Act.

TELLICO PLAINS, TENN., LAND TRANSFER

The bill (S. 848) to authorize the Secretary of Agriculture to convey a certain parcel of land to the town of Tellico Plains, Tenn., was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized and directed to convey by quitclaim deed to the town of Tellico Plains, Tennessee, all right, title, and interest of the United States in and to a certain tract of land, together with any improvements thereon, consisting of approximately 0.20 of an acre, in the town of Tellico Plains, Tennessee, known as the Fred Lee tract (621), such tract, which is no longer required by the United States Forest Service, having been previously conveyed by such town to the United States without consideration (by deed dated June 16, 1931) for use by the United States Forest Service.

Mr. MUSKIE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement by the distinguished Senator from Louisiana [Mr. ELLENDER].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ELLENDER

The bill directs the Secretary of Agriculture to quitclaim two-tenths of an acre to the town of Tellico Plains, Tenn.

The land was donated to the Forest Service in 1931 on behalf of the citizens of Tellico Plains. The deed specified that the land was "to be used for the location and erection of a warehouse by the Forest Service, and for any additional purpose or purposes which in the judgment of said Forest Service may be deemed desirable." The Forest Service now has no need for the land and there are no improvements on the land of any value to the United States. Its return to the citizens of Tellico Plains by means of quitclaim to the town without consideration only represents fair play and equity. The deed to the United States was executed by Fred Lee and Gussie Lee on behalf of the citizens of Tellico Plains. Mr. and Mrs. Lee have no objection to conveyance of the land to the town.

WATERSHED PROTECTION AND FLOOD PREVENTION ACT, AMENDMENT

The bill (S. 650) to amend the Watershed Protection and Flood Prevention Act to permit certain new organizations to sponsor works of improvement thereunder was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last paragraph of section 2 of the Watershed Protection and Flood Prevention Act is amended by inserting immediately before the period at the end thereof the following: "; or any irrigation or reservoir company, water users' association, or similar organization having such authority that may be approved by the Secretary".

ABOLITION OF FEDERAL FARM MORTGAGE CORPORATION

The Senate proceeded to consider the bill (S. 1040) to abolish the Federal Farm Mortgage Corporation, and for other purposes, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert:

That (a) the Federal Farm Mortgage Corporation, established by the Act of January 31, 1934 (48 Stat. 344; 12 U.S.C. 1020), is hereby abolished; and, except as provided in subsection (d), all of the powers, duties, functions, and authority of such Corporation are hereby terminated.

(b) All right, title, and interest in or to real property other than reserved mineral interests which may appear of public record in any farm credit district to be in the Land Bank Commissioner or the Federal Farm Mortgage Corporation are hereby confirmed to be in the Federal land bank of said district, and said bank is hereby authorized in its own name or in the name of the Federal Farm Mortgage Corporation to execute any assignment, release, satisfaction, or other instrument as may be necessary or appropriate in connection therewith to perfect title of record in the true owners.

(c) All right, title, and interest to any reserved mineral interests of the Federal Farm Mortgage Corporation which have not been disposed of otherwise by the Federal Farm Mortgage Corporation are hereby confirmed to be in the United States of America to be administered by the Secretary of the Interior under the mineral laws of the United States.

(d) There are hereby transferred to the Secretary of the Treasury (1) all cash, accounts receivable, and other assets owned by the Federal Farm Mortgage Corporation and (2) all authority of such corporation relating to the collection of notes receivable from the Federal land banks.

(e) Any cash received by the Secretary of the Treasury, and any moneys collected by him, by virtue of the transfer made under this section shall be deposited in the general fund of the Treasury as miscellaneous receipts.

SEC. 2. No suit, action, or other proceeding lawfully commenced by or against the Federal Farm Mortgage Corporation shall abate by reason of the enactment of this Act, but the court, on motion or supplemental petition filed at any time within twelve months after the date of such enactment, may allow the same to be maintained by or against the Secretary of the Treasury.

SEC. 3. (a) Sections 1, 2, 3, 4, 5, 6, 12, 17, and 18 of the Federal Farm Mortgage Corporation Act, as amended (12 U.S.C. 1020, 1020a–1020h, 992a, 723(f)), are hereby repealed.

(b) Sections 32 (except the fourteenth sentence thereof), 33, 34, and 35 of the Emergency Farm Mortgage Act of 1933, as amended (12 U.S.C. 1016–1019, except 1016(h), second sentence), are hereby repealed, and the fourteenth sentence of such section 32 (12 U.S.C. 1016(h), second sentence) is hereby amended by deleting therefrom the word "such".

(c) The first sentence of the eighth paragraph of section 13 of the Federal Reserve Act, as amended (12 U.S.C. 347), is amended by striking out "or by the deposit or pledge of Federal Farm Mortgage Corporation bonds issued under the Federal Farm Mortgage Corporation Act,".

(d) The first sentence of section 14(b) of the Federal Reserve Act, as amended (12 U.S.C. 355), is amended by striking out "bonds of the Federal Farm Mortgage Corporation having maturities from date of purchase of not exceeding six months,".

(e) The fourteenth paragraph of section 7 of the Federal Farm Loan Act, as amended (12 U.S.C. 723(c)), is amended by striking out the fourth sentence thereof.

(f) The last paragraph of section 12 of the Federal Farm Loan Act, as amended (12 U.S.C. 722), is amended to read as follows:

"Amounts transmitted to Federal land bank associations by Federal land banks to be loaned to its members shall, at the option of the bank, be in current funds or, at the option of the borrower, in farm loan bonds."

(g) Paragraph Eighth of section 13 of the Federal Farm Loan Act, as amended (12 U.S.C. 781), is amended to read as follows:

"Eighth. To buy and sell United States Government obligations direct or fully guaranteed."

(h) Section 13 of the Federal Farm Loan Act, as amended (12 U.S.C. 781), is amended by striking out paragraphs Fifteenth, Sixteenth and Twentieth thereof.

(i) Section 22 of the Federal Farm Loan Act, as amended (12 U.S.C. 897), is amended by (1) striking out clause (e) under the heading "In the case of a Federal land bank" and (2) striking out clause (e) under the heading "In the case of a joint-stock land bank".

(j) Section 62 of the Farm Credit Act of 1933, as amended (12 U.S.C. 1138b), is amended by striking out "the Federal Farm Mortgage Corporation,".

(k) The Act of June 4, 1936, as amended (49 Stat. 1461; 12 U.S.C. 773a), is amended by striking out "the Federal Farm Mortgage Corporation," and "the Land Bank Commissioner".

(l) Section 7(b) of the First Deficiency Appropriation Act, fiscal year 1936, approved June 22, 1936 (49 Stat. 1648; 15 U.S.C. 712a (b)), is amended by striking out item 4 thereof and by redesignating items 5 to 13, inclusive, as 4 to 12, respectively.

(m) The Act of September 6, 1950 (64 Stat. 769; 7 U.S.C. 1036), is amended by striking out section 4 thereof.

(n) Section 7(a) of the Farm Credit Act of 1953, as amended (12 U.S.C. 636f(a)), is amended by striking out the second and third sentences thereof.

(o) The second sentence of section 433 of title 18 of the United States Code is amended by striking out "the Federal Farm Mortgage Corporation Act,".

(p) The first paragraph of section 493 of title 18 of the United States Code is amended by striking out "Federal Farm Mortgage Corporation".

(q) Section 657 of title 18 of the United States Code is amended by striking out "Federal Farm Mortgage Corporation,".

(r) Section 658 of title 18 of the United States Code is amended by striking out "Federal Farm Mortgage Corporation,".

(s) Section 1006 of title 18 of the United States Code is amended by striking out "Federal Farm Mortgage Corporation,".

(t) Section 1014 of title 18 of the United States Code is amended by striking out "or the Federal Farm Mortgage Corporation,".

(u) Section 101 of the Government Corporation Control Act, as amended (31 U.S.C. 846), is amended by striking out "Federal Farm Mortgage Corporation;".

(v) The Department of Agriculture Organic Act of 1944, as amended (58 Stat. 741; 12 U.S.C. 1020a–1), is amended by striking out section 603 thereof.

(w) The last paragraph of section 32 of the Federal Farm Loan Act, as amended (12 U.S.C. 992, 993), is hereby repealed.

The amendment was agreed to.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The Senator from Florida asks unanimous consent that a statement in reference to the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HOLLAND

This bill would abolish the Federal Farm Mortgage Corporation, which has been in liquidation since 1947. The committee amendment simply incorporates in the bill a number of technical amendments recommended by the Farm Credit Administration as being necessary to accomplish the purposes of the bill in a proper manner.

The Federal Farm Mortgage Corporation was established in 1934 to aid in financing land bank commissioner loans. Authority for such loans expired in 1947. As of June 30, 1955, pursuant to an act approved June 1 of that year all assets of the Corporation held as a result of the land bank commissioner loans, except cash, accounts receivable, and reserved mineral interests, were sold to the Federal land banks. As of September 6, 1957, pursuant to an act approved September 6, 1950, all reserved mineral interests held by the Corporation and not involved in two court actions which are still pending, were transferred to the United States to be administered by the Secretary of the Interior.

The present assets of the Corporation consist of cash on hand in the amount of $194,557.40 and promissory notes of the Federal land banks in the amount of $2,191,156.94. These remaining assets would be transferred to the Secretary of the Treasury. The cash on hand and collections on the notes would be covered into the Treasury as miscellaneous receipts. Pending actions by or against the Corporation could, on motion be maintained by or against the Secretary of the Treasury.

The committee amendment provides a method of perfecting record title to lands in which the Corporation may still appear to have an interest, repeals obsolete provisions for land bank commissioner loans, prevents the unintended revival of bond issuance authority heretofore repealed, and makes necessary drafting corrections.

Mr. WILLIAMS of Delaware. Mr. President, the purpose of S. 1040 is to abolish the Federal Farm Mortgage Corporation, a depression-born agency whose services have not been used during the past 15 years. This agency, however, while presently dormant still retains all of its previously conferred powers, including the power to borrow up to $2 billion and to pledge the credit of the U.S. Government for payment.

The Federal Farm Mortgage Corporation was established by an act of Congress on January 31, 1934, primarily for the purpose of enabling the land bank commissioner to make mortgage loans on farm properties on which the then existing lending authority of the Federal land banks had been restricted.

The Government held all the capital stock in this Corporation. It was authorized, subject to the approval of the Secretary of the Treasury, to issue and have outstanding at any one time $2 billion in federally guaranteed bonds, and it could make collateral loans to the Federal land banks as well as purchase the bonds of those banks.

This Corporation did serve a necessary function during the depression years, but with the outbreak of World War II and its accompanying appreciation in Federal income and property values the services of this agency were no longer necessary, and since the end of World War II it has not functioned as a lending agency.

In fact, the authority of the Commissioner to make mortgage loans expired on July 1, 1947, except for refinancing existing loans, and no extension has been asked.

On June 30, 1955, all remaining outstanding loans and certain other assets of the Corporation were sold by the Corporation to the Federal land banks.

On September 7, 1957, all their mineral reservations remaining unsold were transferred to the Secretary of the Interior in accordance with provisions of legislation enacted in September 1950.

In September 1957, the Government's investment in the capital stock of the Corporation was fully retired.

The Corporation, however, was not abolished; it still retains its authority—subject to the approval of the Secretary of the Treasury—to issue and have outstanding at any one time $2 billion in federally guaranteed bonds. They still have authority to make collateral loans to the Federal land banks and to purchase their bonds. This authority is not being used, but it is still there.

The Comptroller General in his annual audits of the Farm Credit Administration for the past several years has strongly recommended that Congress take action to terminate the existence of the Corporation.

As of June 30, 1960, the only assets of the Corporation were certain notes receivable from Federal land banks in the amount of $3,933,116. These notes represent the balance due from the sale of the loans and other assets of the Corporation to these banks, and they are payable by the representative banks in annual installments.

Collecting these annual payments on notes from the Federal land banks and then transferring the proceeds to the Federal Treasury are the only duties left for this Corporation to perform. These payments could just as easily be made direct to the Treasury.

I repeat, the Federal Farm Mortgage Corporation during the depression served a useful function. It was started at a time when the Federal land banks were not in a strong financial position, and its purpose was to support these banks by providing additional capital for loans to the farmers during the depression of the 1930's. The Federal land banks are now, however, all in a strong financial position, and everyone agrees that there is no need for any funds or any support from this Corporation.

Although this agency has not made any loans since the depression years and even though the authority of the Commissioner to make mortgage loans expired on July 1, 1947, except for refinancing existing loans, we find that since 1950 over $4 million has been appropriated to cover their administration expenses.

Direct appropriations were suspended in 1955, during which year all loans and other assets of the Corporation were sold to the Federal land banks; however, during each of the ensuing years authority has been extended in the annual appropriation bills for the Corporation to make such expenditures from collected funds as were necessary to continue the liquidation of its assets. These expenditures, however, have been systematically reduced, and last year they were reduced to about $5,000.

But why any expenditure? Why keep a useless agency alive when it is not needed? No agency of the Government having the power to borrow and pledge the credit of the U.S. Government in the amount of $2 billion should be allowed to lie around waiting until some bureaucrat with a fanciful imagination decides to revive it.

I appreciate the cooperation of the Senate Agriculture Committee in favorable reporting this bill, and am glad that the Senate is today giving the bill its unanimous approval.

The PRESIDING OFFICER. The Senator from Florida wishes to state that the objections made by the official bodies were accepted by the distinguished author of the bill, the Senator from Delaware, and we understand were covered by the amendment.

The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

AMENDMENT OF ACT RELATING TO AREAS WITHIN THE SUPERIOR NATIONAL FOREST, MINN.

The Senate proceeded to consider the bill (S. 302) to amend the act of June 22, 1948, as amended, relating to certain areas within the Superior National Forest, in the State of Minnesota, and for other purposes.

Mr. PROXMIRE. Mr. President, I have a brief statement to make on the bill.

This bill concerns the Boundary Waters Canoe Area of the Superior National Forest, a wilderness area of approximately a million acres of land, streams, and lakes in Minnesota, formerly known as the Superior, Little Indian Sioux, and Caribou Roadless Areas.

In 1948 Congress authorized the Secretary of Agriculture to acquire nonfederally owned lands in this area. Appropriations have been authorized to carry out the 1948 act in the sum of $2,500,000, of which $250,000 remains unappropriated.

The 1948 act contained the following limitation on the acquisition of these lands by condemnation:

> No contiguous tract of land in one ownership, not exceeding five hundred acres in the aggregate, shall be condemned if at the time of the approval of this Act it is encumbered with a structure or structures of a permanent type suitable for human occupancy and if the owner therof files written objections before expiration of the time for answering the petition in the proceedings.

Within the area covered by the 1948 act, there still remain to be acquired some 15,400 acres of privately owned land, consisting of 13 commercial resorts, 57 summer homes, and some unimproved properties.

There are about 15,700 acres of county ownership and about 110,000 acres of State-owned land. It is anticipated that perhaps half of the county land and much of the State land can be acquired by land exchange.

In order to preserve and protect the unique qualities of this area and complete the acquisition of the remaining needed lands, the bill would do three things:

First, it would remove the restriction on condemnation.

Second, it would increase the appropriation authorization by $2 million to $4.5 million.

Third, it would permit appropriations to remain available until expended.

Prompt completion of the program should avert the necessity of larger expenditures later, as rising land values and the addition of further improvements make acquisition more expensive.

The PRESIDING OFFICER. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (S. 302) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of June 22, 1948, as amended (16 U.S.C. 577c-557h) is amended by deleting the proviso from section 1 (16 U.S.C. 577c) and by changing the figure in section 6 (16 U.S.C. 557h) thereof to read $4,500,000. Funds appropriated to carry out the purposes of the Act shall remain available until expended.

REGISTRATION OF CERTAIN MOTOR VEHICLE OPERATORS' LICENSES

The bill (S. 1440) to amend the act approved July 14, 1960, relating to the establishment of a register in the Department of Commerce of certain motor vehicle operators' licenses, was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Act approved July 14, 1960 (74 Stat. 526), is hereby amended to read as follows:

"That the Secretary of Commerce shall establish and maintain a register containing the name of each individual reported to him by a State, or political subdivision thereof, as an individual with respect to whom such State or political subdivision has terminated or temporarily withdrawn an individual's license or privilege to operate a motor vehicle because of (1) driving under the influence of intoxicating liquor, or (2) conviction of a violation of a statute of a State, or ordinance of any political subdivision thereof, which resulted in the death of any person. Such register shall contain such other information as the Secretary may deem appropriate to carry out the purposes of this Act."

IMPOSITION OF FORFEITURES FOR CERTAIN VIOLATIONS OF RULES AND REGULATIONS OF FEDERAL COMMUNICATIONS COMMISSION

The bill (S. 1668) to authorize the imposition of forfeitures for certain violations of the rules and regulations of the Federal Communications Commission in the common carrier and safety and special fields, was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title V of the Communications Act of 1934 is amended by adding at the end thereof a new section as follows:

"FORFEITURE IN CASES OF VIOLATIONS OF CERTAIN RULES AND REGULATIONS

"SEC. 510. (a) Where any radio station other than licensed radio stations in the broadcast service or stations governed by the provisions of parts II and III of title III and section 507 of this Act—

"(1) is operated by any person not holding a valid radio operator license or permit

of the class prescribed in the rules and regulations of the Commission for the operation of such station;

"(2) is operated without identifying the station at the times and in the manner prescribed in the rules and regulations of the Commission;

"(3) transmits any false call contrary to regulations of the Commission;

"(4) is operated on a frequency not authorized by the Commission for use by such station;

"(5) transmits unauthorized communications on any frequency designated as a distress or calling frequency in the rules and regulations of the Commission;

"(6) interferes with any distress call or distress communication contrary to the regulations of the Commission;

"(7) fails to attenuate spurious emissions to the extent required by the rules and regulations of the Commission;

"(8) is operated with power in excess of that authorized by the Commission;

"(9) renders a communication service not authorized by the Commission for the particular station;

"(10) is operated with a type of emission not authorized by the Commission;

"(11) is operated with transmitting equipment other than that authorized by the Commission; or

"(12) willfully or repeatedly fails to respond to official communications from the Commission;

the person or persons operating such station and the licensee of the station shall, in addition to any other penalty prescribed by law, each forfeit to the United States the sum of $100. The violation of the provisions of each numbered clause of this subsection shall constitute a separate offense: *Provided*, That $100 shall be the maximum amount of forfeiture liability for which any person shall be liable under this section for the violation of the provisions of any one of the numbered clauses of this subsection, irrespective of the number of violations thereof, occurring within ninety days prior to the date the notice of apparent liability is issued or sent as provided in subsection (c) of this section: *And provided further*, That $500 shall be the maximum amount of forfeiture liability for which any such person shall be liable under this section for all violations of the provisions of this section, irrespective of the total number thereof, occurring within ninety days prior to the date said notice of apparent liability is issued or sent as provided in subsection (c) of this section.

"(b) The forfeiture liability provided for in this section shall attach only for a willful, or negligent, or repeated violation by any such person of the provisions of this section.

"(c) No forfeiture liability under this section shall attach after the lapse of ninety days from the date of the violation unless within such time a written notice of apparent liability, setting forth the facts which indicate apparent liability, shall have been issued by the Commission and received by such person, or the Commission has sent him such notice by registered mail or by certified mail at his last known address. The person so notified of apparent liability shall have the opportunity to show cause in writing why he should not be held liable and, upon his request, he shall be afforded an opportunity for a personal interview with an official of the Commission at the field office of the Commission nearest to the person's place of residence."

SEC. 2. Section 504(b) of the Communications Act of 1934 (47 U.S.C. 504(b)) is amended by striking out "section 503(b) and section 507" and inserting in lieu thereof ", section 503(b), section 507, and section 510".

SEC. 3. This Act shall take effect on the thirtieth day after the date of its enactment.

The PRESIDING OFFICER. That concludes the call of the calendar.

SUPPORT FOR SPACE BONDS GROWS

Mr. KEATING. Mr. President, some time ago I urged the issuing of space bonds by the administration in order to help finance our Nation's efforts in outer space. Unfortunately, the first reaction of the Treasury Department was negative. This was not the fault of Secretary Dillon. Since that time Secretary Dillion has personally indicated to me his interest in the proposal and his intention of thoroughly investigating its feasibility.

I am very glad to know that the idea will have further study within the Treasury Department. I have already received widespread comment upon the project and I believe it would have enthusiastic public support. It would have the advantage of permitting those who are most interested in the programs for outer space to invest in them.

The plan would give to those who have savings an opportunity to do some of the sacrificing which has been widely talked about for our national interest. It would be expected that the bonds would bear a rather low rate of interest. I think the greatest advantage of the proposal would be promotional in character.

At the same time, it could help to reduce some of the inflationary pressure which would result if a portion of the additional spending on space which the administration plans were financed through a shorter term bond issue.

I ask unanimous consent to include in the RECORD at this point several editorials from all over the country supporting the idea of space bonds.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Ashland (Wis.) Press, May 23, 1961]

BUY A SPACE BOND

Senator KENNETH B. KEATING, New York Republican, proposed that long-term space bonds be sold on the same terms as series E savings bonds to finance the cost of sending an astronaut to the moon. At an estimated cost of $40 billion, this would mean every person in the country could take a part in the project by buying $225 in space bonds. At the present pitch of enthusiasm for the successful space flight of Comdr. Alan B. Shepard, Jr., it should not be too hard to get people to buy a space bond for the first flight to the moon.

[From the St. Augustine (Fla.) Record, May 24, 1961]

BONDS FOR SPACE

Government borrowing of money from the public by sale of bonds to finance various projects—especially wars—always has brought a patriotic response from the American people.

They know it's a good investment because they will get their money back with interest. In other words, they prefer to lend the Government the money rather than lose it altogether through taxation.

Another war is being fought. It's the competition between the United States and Russia to move out into space for new scientific discoveries which it is felt will benefit man, and on the evil side of the ledger, to perhaps set up space controls.

Russia reportedly put the first man in orbit.

Along comes our Comdr. Alan Shepard, Jr. He makes a nice easy trip and now everyone is excited about the next step. Uncle Sam wants to be first to put a man on the moon.

It is estimated it would cost $40 billion to do the job. We presume that buys a round-trip ticket.

Senator KENNETH B. KEATING, Republican, of New York, has proposed that the Government issue space bonds to help finance the astronaut program. It would cost every man, woman and child in this country $225 each to raise the fund.

The Senator's proposal is worthy of study. It might be better to put the program on a cash-and-fire basis, by withdrawing some of our tax fund outlays from the aid of nations which have doubtful or openly antagonistic attitudes toward our system of government and economy.

On the other hand, purchase of space bonds by the American people might give all of us a more personal incentive to keep this space program moving—particularly if we could sell some of them to the high-paid gentlemen who have been responsible for missile base slowdowns.

[From the Rochester Democrat and Chronicle, June 3, 1961]

STEP UP, FOLKS, MOON BONDS

If this Nation must engage in an East-West race to see who gets to the moon first—a project on which we have written with no overwhelming enthusiasm—then at least America might be well advised to adopt the financing method proposed by Senator KENNETH B. KEATING.

He would have the Government offer long-term, nominal-interest space bonds patterned after the way the Government offers series E savings bonds.

The Senator figures it will cost about $40 billion to land an astronaut on the moon. At least part of the price of this effort, if not all, could be raised through space bonds purchased by all the patriotic people who endorse this project and who want to be a part of it.

Mr. KEATING says that as of now the Treasury Department has responded to his proposal with a marked lack of interest. He says the Department's plea that the idea involves too many accounting problems is shortsighted and he hopes "we won't allow accounting procedures to keep us from reaching the moon."

There is a nagging little bit of morality in this moon project which just won't be wished away—and this is how we can justify billions in Federal expenditures on a moon race, while at home we are baffled at the frightful problems of crime, divorce, discrimination, and how to take at least a toddling step toward peace on earth.

Separate, voluntary financing for the moon shot is a reasonable answer to the problem.

REPRESSION IN CUBA CONTINUES

Mr. KEATING. Mr. President this morning an excellent article, the first of a series of four, appeared in the New York Times describing the full extent of police activities in Castro's Cuba. R. Hart Phillips, for 24 years head of the Havana Bureau of the New York Times, has recently left Cuba and she writes with great knowledge and deep personal experience of the totalitarian regime under which the people of Cuba are now repressed. Mrs. Phillips points out that

the mass arrests, the firing squad executions, the network of informers which Castro has set up, are at last awakening the liberal elements in Cuba to the seriousness of their plight.

Cuba now is indeed under a far more brutal tyranny than she has ever endured before. It is the devout hope of the people in the United States and, I am sure, of the people throughout Latin America that a way can be found to restore free government and economic development to the once sunny island of Cuba.

Mr. President, I ask unanimous consent to have printed immediately following my remarks the excellent and detailed article from the New York Times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CASTRO'S REPRESSIVE ACTS AWAKEN CUBANS TO REALITY—CORRESPONDENT FINDS THE GLORIFICATION OF SCORNED ROLE OF INFORMER BRINGS AWARENESS OF TOTALITARIANISM

(By R. Hart Phillips)

Traditionally, the freedom-loving Cuban people have scorned a "chivato," or informer. But today in Fidel Castro's Cuba, to spy on one's neighbors and denounce them to the authorities is a patriotic duty.

It is this complete reversal of moral values that has brought the Cubans face to face with the harsh reality of the totalitarian Socialist regime imposed upon them.

The informers, organized in towns, villages and rural communities into "committees for defense of the revolution," were responsible for the arrest of the majority of the estimated total of 200,000 persons jailed following the unsuccessful April 17 invasion by Cuban exiles.

Some of those arrested were active counterrevolutionaries, but most were imprisoned on mere suspicion. The principal targets were the property-owning and professional classes.

One prisoner in La Cabaña Fortress, across the bay from Havana, said he had encountered there most of the lawyers and doctors he knew, including his own dentist. Also among the prisoners were officers of Premier Castro's army and militia who had been denounced by Castro supporters.

Few of the prisoners knew the charges on which they had been arrested, although some were told by the arresting officers.

Among women prisoners, who were being held in a private home when the regular prisons overflowed, was one who wept bitterly and told her fellow prisoners she had been picked up when the militia found a big iron chain in her backyard. They accused her of having furnished this chain to saboteurs to short-circuit a nearby electrical transformer the previous week.

Ten days later she was released without even having been questioned.

The revolution not only has drastically changed the political, economic and social life of the island but also has divided families and broken up friendships. "It is impossible even to trust one's own brother," said an enemy of Premier Castro, who had taken political asylum in a foreign embassy. He said his own family had betrayed him.

It has been estimated that the mass arrests following the invasion brought a personal taste of terror to 1 million Cubans. This is based on the assumption that each of the 200,000 arrested had an average of four close relatives.

RELEASE IS SLOW

Early in May the Government started to release slowly the majority of those jailed in the roundup. However, many were merely transferred from the temporary prisons, which had been established in theaters, baseball stadiums, private residences and Government buildings, to the regular prisons. Thousands are still being held, according to reports.

Many of those arrested had previously viewed the revolution with some detachment and even with hope. They had heard Premier Castro declare that anyone who did not enthusiastically support his revolution was a counterrevolutionary and an enemy to be eliminated. But they had not realized the ruthlessness of their 33-year-old revolutionary leader and his determination to impose the Government's will on the 6,500,000 inhabitants of the island.

The invasion and the roundup of suspects accomplished three things:

First, it increased Premier Castro's military strength by giving his followers more confidence and more determination to fight for him.

Second, it was a serious blow to the Premier's enemies, both at home and abroad.

Third, it ended the last hope of American residents of Cuba that relations between the United States and Cuba would ever be friendly as long as Dr. Castro remained in power.

SUPPORT HARD TO ESTIMATE

It is hard to estimate the percentage of Cubans who support the Castro regime. Even the Government's bitterest enemies refuse to discuss any aspect of the revolution except with trusted friends.

On the other hand, thousands gather at rallies and cheer the Premier deliriously. They listen patiently in driving rain or under broiling sun to the Premier's speeches, which seldom last less than 3 hours. They sing and chant revolutionary slogans with evident enthusiasm.

These crowds are composed of workers, peasants, and students. There is no doubt that most of the teenagers and younger children consider Premier Castro the greatest leader in Cuban history. However, it is believed that a majority of the students at Havana University, where Roman Catholic influence is strong, are opposed to the Socialist state.

The peasants are ardent supporters of the Government, although some of them are disturbed by the open embracing of communism. They find it exhilarating to hear that the revolution is only for them and to see their children clothed, educated, and trained for jobs.

PEASANTS BELIEVE PROMISES

Perhaps they do not yet have a new house or any land of their own, but they firmly believe that the promises of Premier Castro will be fulfilled. Besides, they like to wear the uniform of the militia and they enjoy the feeling of importance that goes with having guns in their hands.

Many of the industrial and commercial workers are unhappy over the turn of events. Nevertheless, they attend the required meetings and cheer lustily. Otherwise, they face the prospect of being purged by those among their fellow workers who are more enthusiastic supporters of the revolution. Many workers are keeping their jobs by giving lipservice to the revolution.

HAVANA IS GAY NO MORE

Gay, cosmopolitan Havana, once so dear to the hearts of American vacationists, is gone. Today it is a city where armed militia walk the streets and stand guard against saboteurs at what once were privately owned manufacturing plants and commercial enterprises.

The large tourist hotels no longer have an atmosphere of luxurious living. They are filled with earnest-faced, badly dressed delegations of workers, students and peasants from Latin American or Communist countries.

In the formerly exclusive Miramar residential district, hundreds of homes from which the wealthy and middle class have fled are now occupied by Government officials or have been converted into boardinghouses for children of workers and peasants who are being educated by the Government.

The big private clubs, once centers of social activity of the upper classes, are now social centers for workers.

Premier Castro's May 1 proclamation of a Socialist state did not surprise the Cuban people. The Soviet Union and Communist China have always been referred to by the Castro officials as Socialist countries so there were no illusions as to the type of socialism embraced by the young revolutionary leader.

The people had long heard the Premier and his officials enthusiastically praise the Communist countries as the "best friends" of Cuba. They had heard the Premier repeatedly declare that the United States was the "worst enemy" not only of Cuba but also of all free people in the world and that the hope of world peace and the well-being of the "humble" lay with the Communist world.

Even before the May Day announcement, the fanatical followers of Premier Castro had marched past the reviewing stand carrying banners reading: "Long Live Our Socialist Revolution."

The new slogans were ready, so that the crowd responded to Premier Castro's speech with cries of "Fidel, Khrushchev, we are with you both."

ANNOUNCEMENT PREDICTED

Enemies of Premier Castro had long predicted the formal announcement that his was a Socialist regime. They had noted that Government officials had been declaring that if the Cuban revolutionary reforms were communistic, then "we are Communists."

The Communist Party, the only political organization permitted to exist, had by press and radio long urged socialism as the answer to all Cuba's problems. And the Premier had linked his revolutionary ideals with Marxism so closely that the two had become synonymous in the public mind.

But Premier Castro is determined to maintain full control of his new Socialist state. Since the day he marched into Havana at the head of his revolutionary troops in January 1959, he has demonstrated again and again that he is the supreme authority in Cuba. The public has accepted this as a fact since a few weeks after he came to power, when he summarily removed President Manuel Urrutia Lleo, who had the full respect of the people.

Neither Dr. Castro's friends nor his enemies believe he will accept orders from Moscow. His conviction that he is playing a leading role in world affairs is too great for that. However, it is evident that he has been amenable to suggestions and offers of economic and political cooperation.

Premier Castro has been so eager to convert Cuba's former capitalistic system to socialism that some Cubans believe even the Russians have been startled by the headlong speed with which he has been changing the political, economic, and social structure.

The Premier has borrowed ideas from various Communist countries. His agrarian reform is said to resemble that of Communist China and he has asked Eastern European countries for guidance in reorganizing Cuba's administrative setup.

Since the Soviet Union is Cuba's only source of petroleum, and since most of the island's all-important sugar crop is destined to be exported to the Communist bloc on a barter basis, the Cuban Government depends for its very existence on the Communist countries.

Encouraged and supported by the Soviet Union and the other Communist countries, Premier Castro sees only one obstacle to a long and successful rule—the United States.

WARNS OF A U.S. ATTACK

The Cuban exiles' invasion had hardly been defeated when the Premier began warning the people that U.S. armed forces would surely attack the island.

At the same time, the flow of arms from the Communist countries has continued. Premier Castro has repeatedly boasted of the tremendous quantity of arms now in Cuba's possession. It is evident from the armaments that have been displayed by the Castro forces that their value must run into the millions of dollars. And Dr. Castro has declared that more will be received.

The cost of these arms and the basis on which they are being received are secrets that have been well kept by the Cuban Government.

However, economists in Cuba have noted that the value of the manufacturing machinery, transportation equipment and other industrial and commercial supplies Cuba is receiving from the Communist countries seems about equal to the value of the sugar and other products the island is exporting to these countries.

Therefore, they reason, Cuba must be getting the arms free.

Premier Castro is using the alleged threat from the United States as a weapon to crush his opposition. He is fully aware that he does not, as he claims, have the "support of all the Cuban people." But with about 500,000 men and women in the militia, who are subject to regular army discipline and who are armed only when on duty under military orders, he is confident that he can defeat any invasion and crush any possible uprising.

Even before the mass arrests in April, it was estimated that Cuban prisons held 25,000 persons. Many of these prisoners were serving sentences ranging up to 30 years, while others had never been tried. Military trials are still being held and executions are said to continue.

There is every indication that the terror engendered by the recent mass arrests will be maintained by the continual arresting and releasing or trying of those who show no enthusiasm for the revolution. It is unofficially estimated that the Castro regime has executed more than 600 persons since it came to power in 1959. The majority of these were officials and collaborators of the Batista regime. But with counterrevolutionary activities now punishable by death, the firing squads are expected to continue in action.

UNDERGROUND IS SHAKEN

The underground organizations that have been carrying out terrorism and sabotage against the Castro government for many months were badly shaken by the extreme repressive measures that followed the invasion.

The underground is composed chiefly of angry and disillusioned young men and women who once were ardent supporters of Premier Castro. In fact, many of them served in the Castro underground during his 2-year revolt against the Batista regime.

One youth bitterly summarized recently the feelings of many:

"Castro promised respect of individual rights, respect of private ownership, the reestablishment of the Constitution of 1940 and elections within eighteen months.

"And now what do we have? A Socialist government, a police state—in fact, the worst dictatorship in the Western Hemisphere."

How many Cubans are members of the underground? No one knows with any accuracy. There are five groups that work together, although each maintains its own identity. They have infiltrated every Government department as well as the militia and the army. But they live in constant danger—the danger of execution by firing squad or long prison sentences.

The underground groups' greatest difficulty is to keep Government agents out of their ranks, because of the eagerness and dedication with which the young followers of Premier Castro carry out his orders to act as voluntary spies.

Moreover, there are thousands serving in the dreaded army intelligence service, known as G–2, and other secret repressive corps. All of these groups are under the direct command of Raul Castro, the Premier's younger brother, who is Armed Forces Minister, and their only duty is to eradicate all opposition to the Government.

The underground lost thousands of dollars worth of arms and explosives in the nationwide house-to-house search that followed the invasion. It will take many months for the Premier's foes to collect such weapons again to carry out effective sabotage and terrorism, even if they escape the campaign of liquidation that Dr. Castro has instituted.

COMMUNISTS DEFY THE SUPREME COURT

Mr. KEATING. Mr. President, the Supreme Court, in two recent decisions, dealt a massive blow to the foreign-directed U.S. Communist Party's attempts to subvert the American way of life.

Gus Hall, head of the Communist Party in the United States, has announced that the Communists will defy the Supreme Court. This announced intention to disobey the law of our land should come as no surprise. If the Communists had their way, they would abolish the Constitution and all the rights which America holds dear. The Communists frequently speak of ideals; but the only so-called ideal which the Communists are really interested in is that of Communist world domination. The brutal takeover in Padong, in violation of an announced truce and just 2 days after Khrushchev supposedly recognized the importance of a cease-fire in Laos, illustrate the Communist version of ideals, and the Communist tactics. To them, ideals—as Americans understand the word—are merely something to use and exploit in order to attain their final objective of world domination. It does not matter to them how this objective is achieved.

One of the hallmarks of all freedom-loving people is respect for the law. Now we know that the Communists reject this ideal, just as in practice they reject virtually every safeguard of liberty and freedom. They attempt to disguise their totalitarian objectives in the garbs of freedom, but their actions show that they are willing to destroy the concepts of freedom whenever they stand in their way.

The American people will not be misled by Communist doubletalk. Only by supporting the vigorous fight against communism can America hope to preserve our democratic ideals.

Mr. President, the New York Herald Tribune in a recent editorial explained in very cogent terms the basis for the Supreme Court's decisions. I ask unanimous consent that this editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune, June 8, 1961]

THE GOVERNMENT'S RIGHT OF SELF-DEFENSE

In matters of national security, limits may rightfully be placed on the exercise of individual liberties as long as those limits are reasonably drawn and clearly stated.

Two far-reaching Supreme Court rulings this week recognized the Government's right to take defensive actions against the Communist Party. In one, it upheld the requirement that the party and its front groups register under the Internal Security Act of 1950, listing officers and members and accounting for funds, including their source. In another, it upheld the membership clause of the Smith Act, permitting conviction—provided certain criteria are met—for membership in the Communist Party. These criteria, however, set important limits. The member must be active, and he must personally have a specific intent to bring about violent overthrow of the Government. The court reiterated that advocacy of the mere abstract doctrine of forcible overthrow is not sufficient.

Together, these two rulings strike a powerful blow at what remains of the Communist organization in this country. Each caps a long legal battle. Both touch on basic first amendment freedoms.

In a dissent, Justice Black wrote: "The first banning of an association because it advocates hated ideas—whether that association be called a political party or not—marks a fateful moment in the history of a free country. That moment seems to have arrived for this country."

The Communist Party, however, is a special case. It is not just another political party; neither is it an ordinary representative of a foreign power or an oganization devoted to the mere passive advocacy of ideas. It represents the interests of this Nation's chief adversary in a worldwide struggle for immense, incalculable, stakes. It uses secrecy, subversion, duplicity. Advocacy and action are, in its program, inextricably intertwined. It aims at overthrow of the Government by force, and its actions toward that end are coordinated with a worldwide revolutionary movement directed from abroad.

It is a conscious arm of an international conspiracy.

Measures directed against such an organization are clearly not precedents for future action against groups which merely advocate ideas, however hateful. Crucial here is the control of the Communist movement from abroad, and its use, in Justice Frankfurter's words, of "every combination of possible means, peaceful and violent, domestic and foreign, overt and clandestine, to destroy the Government itself."

The Court's rulings are consistent with the American tradition of liberty, inherent in which is the people's right to defend that liberty against force and subversion.

MR. SAM, TEXAS' MOST BELOVED AND HONORED STATESMAN, SETS NEW RECORD TODAY

Mr. YARBOROUGH. Mr. President, at noon today a notable milestone was passed in congressional history. This noon marked the moment when Mr. SAM RAYBURN, Texas' most beloved and honored statesman, had served as Speaker of the U.S. House of Representatives for 16 years and 273 days, which is exactly twice as long as any other leader in the history of this Nation. The man with the second closest record was the distinguished Henry Clay.

Texans are extremely proud and fortunate to have sent some great men to Washington. But for all the greatness of other leaders, Mr. SAM has made a contribution to American Government and American life that literally dwarfs the accomplishments of most leaders.

Down through the years, many have noted with sadness that this great American—because of a bad break of time and circumstance—had not had the opportunity to serve as President. His record of service shows he would have given outstanding service in the highest office in America. Indeed, his service as House Speaker, working with both Democratic and Republican Presidents, has been so exceptional that few of our Presidents have matched the totality of his contribution to fair, efficient, responsible, progressive, concerned government by consent of the governed.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD an outstanding article by Mr. Robert C. Albright published in the Washington Post June 11, 1961, entitled "Mr. Sam, Storekeeper, Is a Great Rider, Too."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MR. SAM, STOREKEEPER, IS A GREAT RIDER, TOO

(By Robert C. Albright)

President Kennedy tells the story of a call received at the White House switchboard one day when he was in Canada, Vice President Johnson was in Asia, and Secretary of State Rusk was in Geneva.

"Who's keeping the store?" demanded the frustrated caller after trying to reach each of them.

"The same man who's always kept it, SAM RAYBURN," retorted the operator.

Salty Mr. SAM, "Mr. Congress" to many, has been Speaker of the House longer than any other man. He's been keeping the store off and on for four Presidents of the United States. All told, he's served along with eight, starting with one of his heroes, Woodrow Wilson, since he first came to Congress on March 4, 1913.

But never say that he served under any man.

"Don't use that word 'under,'" he once told an interviewer. "I've never served under anybody. I've served with them."

The House of Representatives is his greatest love, and the speakership, sometimes described as the second most powerful office in the land, his summit. He never aspired much beyond it, although the Presidency distantly beckoned before he turned 60. (He's now 79.) In 1946, Congress passed a law making the Speaker third in line of succession to the Presidency.

That's close enough for the squire of Bonham.

DOUBLE MEASURE

RAYBURN'S firm but benevolent rule of the House, probably the most complete any House leader has known since the vast powers of "Uncle Joe" Cannon were clipped by a bipartisan liberal revolt in 1910, is about to pass a new milestone.

At noon Monday he will have been Speaker exactly 16 years and 273 days, allowing time for two interregnums—the Republican 80th and 83d Congresses.

That's exactly double the previous record of 8 years and 136½ days. The earlier mark was set by another of the heroes of RAYBURN'S history-worshiping youth—Henry Clay, the brilliant Whig from Kentucky who left the House to shine still brighter in the Senate.

RAYBURN equaled Clay's service in the Speaker's office on January 30, 1951. He has smashed many another tenure record. He's seen about 3,000 Congressmen come and go. No Member of the House has served more years in Congress, although CARL HAYDEN, Democrat, of Arizona, President pro tempore of the Senate, who first went to the House in 1911, has served longer in both Houses. The only House Member remotely approaching RAYBURN'S service record is 77-year-old CARL VINSON, Democrat, of Georgia, who first came to the House some 21 months after RAYBURN.

Yet the word retirement isn't in RAYBURN'S vocabulary, say those who know him best. Physically, he appears as sound at 79 as he was at 60. On a recent trip home to his ranch in Bonham, Tex., he was given a thorough checkup by his personal physician.

"You'll live to be 106," was the verdict.

"I'll settle for 104," chuckled RAYBURN. "It's because I've been having my way," he told a friend who complimented him on his good health.

RAYBURN never used a more apt phrase.

He's been having his way in the House, where he usually manages to stay on top of a House majority despite occasional forays from the right and the left. And he's been having his way pretty much in national politics.

For one thing, his candidate for President, LYNDON JOHNSON, of Texas, came up with the costarring role on the Democrats' John F. Kennedy ticket. For RAYBURN, it was reliving history. Back in 1932, he had floor-managed the presidential campaign of John Vance Garner in the Democratic Convention that nominated Roosevelt and Garner.

Occassionally, he's been having his way at the White House, too, with Presidents he serves "with" and not "under."

His advice is sought in top places. When it isn't, he sometimes volunteers it.

For example, he told his good friend Harry Truman after he was sworn into the Nation's highest office in 1945: "I have seen people in the White House try to build a fence around the White House and keep the very people away from the President that he should see. * * * That is one of your hazards."

"I gave him the same advice that I gave Mr. Eisenhower and that I have given Mr. Kennedy," he later elaborated.

RAYBURN'S formula for running the House is typically Texan: "I try to ride the horse." But the Speaker attributes his longevity in Congress to another infallible rule: "Be reasonable, be fair."

He has a few other homespun guidelines. One of RAYBURN'S homilies: "It doesn't make any difference how much sense you've got if you haven't got any judgment."

During the nearly 17 years he's been Speaker, RAYBURN usually has managed to gage the House mood, as indefinable sometimes as a balky Texas bronc.

Three years ago, the Chamber's growing group of House Democratic liberals came to him for aid in breaking Democratic bills out of Chairman HOWARD W. SMITH, Democrat, of Virginia's coalition-controlled House Rules Committee.

RAYBURN agreed that the key bills must come out, but asked time to act through normal leadership channels. SMITH and his coalition refused to budge.

When the 87th Congress convened, the liberals again were waiting at the Speaker's door. This time there was another interested party, President John F. Kennedy, who had a program to move. RAYBURN tried once more, unsuccessfully, to reason SMITH into making a commitment. When that failed, he got out his spurs.

The Speaker threw his backing behind a resolution enlarging the Rules Committee from 12 to 15. The contest was a cliffhanger, with the bulk of House Republicans voting with southern Democratic holdouts. But RAYBURN rode the horse and won the count 217 to 212.

"It was a fight I had to win," said the Speaker.

RAYBURN remembers other donnybrooks he could not afford to lose, but none more dramatic than a rollcall taken on a hot August day in 1941. President Roosevelt was pressing for extension of the draft and the House opposition was intense.

RAYBURN made one of his rare speeches from the House well and undoubtedly influenced the outcome. The vote was 203 to 202—for extension. Dissipation of our military manpower had been averted just 4 months before Japan struck at Pearl Harbor.

Tie votes are fairly common in the Senate. But in all the years he has been Speaker, RAYBURN recalls only one actual tie in the House that he was called on to break. That was back in 1957 when he cast the deciding ballot in favor of a measure sponsored by the House Interstate Commerce Committee.

On another close count, RAYBURN voted to "make a tie" in order to kill an unwanted amendment.

Born in Roane County, Tenn., one of 11 children, "Mr. SAM" is the son of a Confederate soldier who rode with Lee through Appomattox. He was only 5 when his father moved the family to Texas and settled on 40 acres near Bonham.

It was a lonely life, he recalls. When he wasn't farming he read voraciously. "By the time I was 9 or 10, I had read every history book I could find—everything I could get hold of about Washington, Hamilton, Jefferson, the Adamses, Monroe, Madison and all I could about the men then in public life."

It was while he was picking cotton, down near Flag Spring, Tex., that he decided he wanted to be Speaker: "There is a lot of time to contemplate when you are picking cotton."

He was educated in a two-teacher school and then at East Texas Normal School, working his way through, teaching school a year to pay for another year of college.

When he was 24 he was elected to the Texas Legislature. At Austin, the State capital, he also studied law at the University of Texas. When he was 29 he was elected Speaker of the Texas House, the youngest man ever chosen until then. The next year he was elected to Congress, and has held his Fourth District seat ever since.

It was while he served in the Texas Legislature that RAYBURN met and became friends with the father of LYNDON JOHNSON, then a member of the State legislature. That friendship was to effect the lives of both. When LYNDON was elected to Congress in 1937, RAYBURN offered him fatherly guidance in the legislative jungle which then was the House.

In later years, when JOHNSON went on to the Senate, to a leadership post of his own and renown as a legislative craftsman, RAYBURN, outshone, was still JOHNSON'S most enthusiastic rooter.

Inevitably it was RAYBURN who captained his campaign and who was the man JOHNSON asked John F. Kennedy to clear with when he proferred him the vice presidential nomination in Los Angeles.

RAYBURN says today that he was never against Kennedy—he was just for JOHNSON. Today he appears equally enthusiastic for Mr. Kennedy.

"He's one of the easiest men to talk to I have ever known," says the Speaker. "He understands everything you say and he damned well knows what he's saying."

He thinks the country will be surprised how much of Mr. Kennedy's program Congress puts through in the first year.

The late Champ Clark was Speaker when RAYBURN first took his House oath. He

doesn't rank Clark with the great Speakers. He's inclined to go back to another strong House presiding officer, Thomas B. Reed of Maine, who wielded a firm gavel in the 1890's.

He doesn't consider his friend, John Nance Garner, in the running because he presided as Speaker for less than one term before running for Vice President.

Of the late Nicholas Longworth, of Ohio, who succeeded Garner as Speaker, RAYBURN says: "He was a very fine man and very able—a real good Speaker."

In his estimate of the Presidents he's served with, he never downgrades the office but does make some fine distinctions. In an outspoken interview for the CBS television network last February 26, he spelled out his recollections of the last eight Chief Executives.

For example, he said that history "is going to be mighty kind to Mr. Truman. I think it is going to put him way up among our great Presidents."

He said that Mr. Eisenhower is a "good man" and was "a great general." He says: "I still think Mr. Eisenhower is a great patriot; I think he wanted to serve his day and generation well, and I—well—I think history will be just to him."

Of Wilson: "He was a great scholar, a great historian, and I think he was a great statesman."

Of Harding: "He was a very gracious man. I never thought Mr. Harding was a dishonest man—I don't think there has ever been a President who was a dishonest man. I think Mr. Harding trusted too many men."

Of Coolidge: "They say he was a great silent man but he talked aplenty. Coolidge said one of the smartest things that was ever said: 'I found out early in life you did not have to explain something you hadn't said.'"

Of Hoover: "Hoover was a good man • • • and I like him today. I always thought Mr. Hoover was a better man to be on the team than to be captain."

Of Roosevelt: "He was a highly pleasant man who had programs and could explain them. He had a program and he had the courage to stand by it."

RAYBURN first came into national prominence as chairman of the House Interstate Commerce Committee, when Franklin Roosevelt came in with his New Deal at the depth of the great depression.

RAYBURN looks back on four acts he sponsored as the very cornerstones of the New Deal: the Securities and Exchange Commission Act, the Federal Communications Act, the Rayburn-Wheeler Holding Company Act and the Rural Electrification Act.

When, in 1948, he received the Collier's magazine congressional award for distinguished service, a plaque and a check for $10,000 to be used for a public purpose went with it. RAYBURN used it to start building a fund for the SAM RAYBURN Memorial Library in Bonham. Ground was broken in 1955 and the library was dedicated in 1957.

RAYBURN described it as a dream of a lifetime come true. In it are filed all his papers and the volumes of history he loves. You can tell those he's read. At the bottom of page 99 of each one he's inscribed his initials, "S. R." It's RAYBURN'S personal bookmark.

A complete set of the records of every Congress is here. Fiction, as such, is strictly relegated to second place.

"You can write a history of the United States without leaving the reading room," RAYBURN says proudly.

AWARD OF HONORARY DEGREE OF DOCTOR OF LAWS TO SENATOR AIKEN

Mr. MANSFIELD. Mr. President, in Winooski Park, Vt., a week ago today, an honorary degree of doctor of laws, honoris causa, was awarded to one of our colleagues in the Senate. He is a man for whom I have an extremely high regard and a great affection. He is a man who has served in the Senate for 21 years, and who, during that time, has represented his State and his Nation with great ability and distinction. In the words of the citation accompanying the degree awarded to him by St. Michaels College at Winooski Park, Vt.:

We feel fortunate (whoever happens to occupy the White House) that the President must go to such a man for advice and consent.

That is the tribute St. Michael's College paid to "Mr. Vermont," Senator GEORGE D. AIKEN, when that veteran public servant was awarded the honorary degree of doctor of laws at the 58th commencement of that outstanding educational institution. A former commencement speaker and a neighbor of the Society of St. Edmund at Putney, Vt., Senator AIKEN received his degree from St. Michaels' president, Very Reverend Gerald E. Dupont, S.S.E.

I believe that Senator AIKEN is more than "Mr. Vermont." In many respects he has the attributes which entitle him to a far greater title. He is truly all American in what he does. There is nothing sectional about GEORGE AIKEN. He has a great heart and he has a great mind. With these he has one of the greatest attributes of all, commonsense.

GEORGE AIKEN is not only a credit to his State; he is also an outstanding asset to his Nation and one of the great Senators of our time. We in the Senate are pleased and honored that this unassuming, hard-working and diligent colleague has received such outstanding recognition.

I ask unanimous consent that the citation accompanying the degree awarded the senior Senator from Vermont be printed in the RECORD at this point.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

The senior Senator from Vermont needs no introduction to this assembly, for he is "Mr. Vermont" throughout our fair State. It is doubtful if he needs an introduction on any platform in the Nation, since his rare record on the floor of our Senate has made him and his Vermont an image of rugged integrity and sage counsel in the eyes of a respectful country. One might almost say that he has, in his person, distilled the essence of Vermont virtues and saved them from the caricature of well-meaning folklorists—that local offshoot of Madison Avenue advertiser sometimes found growing on the shady side of green mountains. One thinks of Robert Frost as the poet of New England. One always thinks of Senator AIKEN in the same breath with Mr. Frost, as if one man wrote the part and the other enacted it.

His record, from grassroots to national responsibility, is almost too well known to review: Master of the Putney Grange at 18 to ranking minority member of the Senate Agriculture Committee in the flower of his maturity, with a long litany of successes in the steps intervening—town representative in 1931; speaker of the Vermont House in 1933; Lieutenant Governor in 1935; Governor of Vermont from 1937 to 1939; elected to the U.S. Senate in 1940, to which august Chamber he has been returned ever since by overwhelming approval, to serve as member of the Senate Foreign Relations Committee, the Joint Atomic Energy Committee, as well as Committee on Labor, Public Welfare, Civil Service, Expenditures and Pensions.

Republicans publicly identify him as their progressive spokesman. Democrats privately suggest that he is of their persuasion, spiritually. But they are both right. For Senator GEORGE D. AIKEN is above doctrinaire labels, as the statesman who looks beyond the next election to the next generation is above the politician. We feel fortunate (whoever happens to occupy the White House) that the President must go to such a man for "advice and consent." We feel fortunate that such a man is in our midst to remind today's graduates that there need be no dichotomy between tradition and progress.

Because you, Senator AIKEN, represent the best of both these essentials to our national welfare, we are honored indeed to bestow on you our degree of doctor of laws, honoris causa.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1852) to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes.

HOUSING ACT OF 1961

Mr. HUMPHREY. Mr. President, I ask that the Chair lay before the Senate the unfinished business.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 1922) to assist in the provision of housing for moderate- and low-income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes.

Mr. HUMPHREY. Mr. President, I understand the distinguished Senator from Wisconsin wishes to be heard. How much time does the Senator wish?

Mr. PROXMIRE. Six minutes.

Mr. HUMPHREY. Mr. President, how much time remains on the bill?

The PRESIDING OFFICER. The proponents have 50 minutes remaining; the opponents have 19 minutes.

The bill having been read the third time, the question is, Shall it pass?

Mr. HUMPHREY. Mr. President, I yield 6 minutes of the time of the proponents of the bill to the distinguished Senator from Wisconsin.

AUTHORIZING ADDITIONAL FUNDS TO THE SMALL BUSINESS ADMINISTRATION FOR THE DISASTER LOAN PROGRAM

Mr. PROXMIRE. Mr. President, I ask the attention of the Senate for a few minutes today because I find it necessary to voice my protest against the last amendment adopted on the housing bill in the early hours last Friday morning. It was the amendment which empowered the Small Business Administration to make disaster loans to small businesses displaced by urban renewal, Federal highway building, and other Government programs. The amendment further raised the rate of interest to be charged for such loans and authorized an increase of $50 million in the funds available to SBA for the disaster loan program.

I want to make my position absolutely clear. I did not oppose the inclusion in the committee bill of the provision for making disaster loans to small businesses displaced by urban renewal programs. The sponsor of the amendment accepted last Friday morning, the distinguished junior Senator from Alabama [Mr. SPARKMAN], spoke to me about his intention to broaden this provision to include highway programs and also to increase the interest rates so as to cover the cost of the money obtained by the SBA from the Treasury plus administrative expenses. The Senator from Alabama also recalls that he told me of his intention to increase the authorization of funds by $50 million. I have no recollection of that. I do not in any way question the integrity of my good friend from Alabama. We have worked long and hard together for the welfare of small business in this country, and no one has championed that cause for a longer time or with more effectiveness than he has. No one could for a moment question his intentions in trying to aid small businessmen who lose so much in equity and clientele when they are displaced in the upheaval brought about by urban renewal programs.

But Mr. President, as chairman of the Subcommittee on Small Business, where hearings on this matter were held less than 2 months ago, I know there is absolutely no necessity for increasing the funds which SBA has available for disaster loans. I want to quote from the testimony of Mr. John Horne, the Small Business Administrator, on April 24, before our subcommittee. The total authorization of funds for the disaster loan program stands now at $125 million. I asked Mr. Horne how much was in the disaster loan fund as of the end of March 1961. The answer was $68 million. I then asked what was the greatest amount ever used in any one year from this fund. The answer was that in 1955, the year of the New England floods, SBA had used about $40 million. This means that if, in the next fiscal year, they were called upon to make disaster loans equal to their worst previous year, they would still have a balance in the fund of at least $25 million. Mr. President, I ask that the portion of the testimony of the SBA representatives on this point, in the hearings before the Small Business Subcommittee, be printed in the RECORD at this point in my statement.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Senator PROXMIRE. Let us take a look at the disaster loan fund. How much do you have in that? What is the margin you have there?

Mr. HANNA. At the end of March we had a balance of $68 million.

Senator PROXMIRE. What is the greatest amount that you ever used in any one year?

Mr. HANNA. It was approximately $40 million.

Senator PROXMIRE. Never used more than $40 million in disaster in any one full year?

Mr. HANNA. That is approximately correct. That was in 1955, I believe, when we had the floods in New England.

Senator PROXMIRE. So if you take the worst year you have ever had—was what, $47 million?

Mr. HANNA. It was 1955 fiscal year, Senator, I believe.

Senator PROXMIRE. And how much of that was used?

Mr. HANNA. It was the fiscal year 1956 and $44 million was used.

Senator PROXMIRE. Out of an authorization of—

Mr. HANNA. $125 million.

Senator PROXMIRE. An authorization of $125 million.

Mr. HANNA. As a total disaster loan authorization.

Senator PROXMIRE. And you have $67 million left, something like that?

Mr. HANNA. Yes, sir.

Senator PROXMIRE. Unless we have a demand on this disaster fund worse than we have ever had you have an additional leeway there of at least $20 million.

Mr. PROXMIRE. Mr. President, I have subsequently ascertained that while the heaviest drain on the disaster loan fund in any one year was $40 million, the average expenditures from that fund have been approximately $14 million per year. This means that in reality the likelihood is that an amount far greater than $25 million will be in that fund during the next fiscal year.

Mr. President, I realize fully that the amendment adopted provides for a new program that will require more loans. However, I would point out that we have no evidence or experience on which to base an estimate of how much will be loaned. No evidence was offered on the night the amendment was accepted. We do know, however, from the testimony and facts presented by the Small Business Administration itself, that there will be available without further increasing the authorization or appropriation to this fund at least $25 million, and probably closer to $50 million, to put this new program into effect.

What is more, Mr. President, I should like to point out to the Senate that the Small Business Administration has asked that all its revolving funds be pooled, so that it can use them where they are most needed when they are most needed. This would mean that from the now segregated funds of the business loan program, the disaster loan program, and the small business investment company loan program, SBA could allocate funds for any of these programs as the need arises.

I believe there is much merit in this proposal; and I have been prepared to give it serious consideration in connection with the small business legislation which is pending this year. It seems to me that it would largely remove the need for increased authorizations for any of the Small Business Administration programs for the next fiscal year.

The amendment to the housing bill accepted last week restricts the increased authorizations to the disaster loan fund. If, however, we subsequently accept SBA's plea for pooling these funds the increase in the disaster loan fund merely becomes a back-door method of increasing their total authorization.

Last week, Mr. President, my staff tried to learn what plans were being made for the amendment which was proposed. They had heard that such an amendment might be forthcoming, but were unable to determine who would offer it or what its exact contents would be.

Therefore, it was with great surprise that I heard it being offered at 1:30 a.m. last Friday morning, at the very end of the housing debate.

In view of what has transpired, Mr. President, I believe Senators should scrutinize very carefully any further proposals in this session, authorizing funds for the Small Business Administration; and it is my intention to exercise such scrutiny with regard to the proposals now before the Small Business Subcommittee.

Mr. President, I yield back the remainder of the time yielded to me.

Mr. ROBERTSON. Mr. President——

Mr. HUMPHREY. Mr. President, let me ask how much time the Senator from Virginia desires to have.

Mr. ROBERTSON. Ten minutes.

Mr. HUMPHREY. Mr. President, I yield 10 minutes to the chairman of the Banking and Currency Committee.

The Presiding Officer (Mr. BURDICK in the Chair). The Senator from Virginia is recognized for 10 minutes.

Mr. BENNETT. Let me ask whether the time yielded to the Senator from Virginia is to be charged to the time under the control of the proponents of the bill.

Mr. HUMPHREY. Yes.

Mr. ROBERTSON. Mr. President, the proposed legislation before us, if enacted, would be the eighth omnibus housing bill adopted in the last 13 years. With authority for up to $9.2 billion in housing loans and grants, it would be one of the largest pieces of housing legislation in history. Excluding public housing, the authorizations in this bill alone for existing housing programs almost equal all authorizations ever made by the Congress since the same programs were started.

I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks a table showing that all previous housing acts have been in the total amount of $6,420 million; and that the pending bill includes total authorizations of $6,090 million, exclusive of $3 billion-plus for public housing.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. ROBERTSON. Mr. President, enactment of S. 1922 would commit the Congress in advance to underwrite up to $9 billion in housing loans and grants over many years through either Treasury borrowing authorizations or contract authority.

Both types of authority represent back-door Treasury financing over which the Congress would lose control as to the amount and timing of expenditures. Less than $200 million of this multi-billion-dollar bill represents authorizations for appropriations.

Nearly all the bill, in other words, would essentially bypass the normal appropriations process involving annual program reviews. In my opinion, that would not be consistent with the constitutional provision that "no money shall be drawn from the Treasury but in consequence of appropriations made by law."

If S. 1922 were enacted, it would increase the budget deficit in the fiscal year 1962 by nearly one-half billion dollars. Even if this bill fails to become law, housing programs already in existence and included in the bill will require an estimated $950 million or so in net budgetary outlays. Since S. 1922 is both excessive and inflationary, I urge that it be rejected.

Let us look at some of the details. The bill would authorize $2.5 billion for urban renewal grants, to last about 4 years.

I may say, though, that we would not have any control over its being spread over 4 years. When we offer money to the cities, we have to pay it once they obligate themselves. We lose control, absolutely, of the sum of $2½ billion, regardless of how difficult it may be for us to finance various essential national projects. This sum, of course, would be used to improve city real estate.

This outlay would more than double the size of the present program.

Up to $3.1 billion would be authorized for annual contributions to be paid until the next century for about 100,000 additional units. The maximum of $3.1 billion would be over and above the $8 billion which the PHA estimates will be paid toward the existing program in future years to supplement nearly $900 million expended through this fiscal year. All this will be used to subsidize housing for only about 1 percent of the Nation's population.

Mr. President, I desire to repeat that. For housing for 1 percent of the population, we have already spent, or will by the end of this fiscal year have spent, about $900 million in annual contributions. We are likely to spend an additional $8 billion over future years for the existing program. And now we are adding up to $3.1 billion for public housing for 1 percent of the population of this Nation.

That is all back-door financing. There is no revolving fund involved, which was the hocus-pocus of the RFC when we started back-door financing. The money is spent in direct violation of the Constitution, which requires appropriations to be passed by Congress. We lose control of the money, because whenever a city obligates itself on units costing $14,000 each, we have to continue those payments.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. RUSSELL. I am quite an old-fashioned man. Otherwise I would not ask a question like the one I am about to propound, because in the Senate today there is little difference between $4 billion, $5 billion, $12 billion, and $20 billion. The Senate no longer reckons any program in terms of dollars. But I have heard this bill described as involving expenditures of about $6½ billion. Others have said it involves expenditures of $9 billion. Will the distinguished chairman of the committee that reported the bill set me right as to how much is involved? I know it would not make any difference if there were $99 billion involved. The Senate would vote it with a "hurrah."

Mr. ROBERTSON. I can understand the confusion in the distinguished Senator's mind. Even so reliable a news agency as the Associated Press has repeatedly described this as a $6 billion bill, completely ignoring the fact that there is a maximum of $3 billion provided in the bill for public housing. How they can call it a $6 billion bill, I do not know. When we provide for 100,000 public housing units in the bill, and when we obligate the Congress to appropriate a total of $76 million a year for more public housing, estimated to be 100,000 units at $14,000 each, it becomes a nine-plus billion dollar bill. That is contrary to what the news agencies have been freely calling it, a $6 million bill.

Mr. RUSSELL. Unfortunately, I am so old-fashioned that $9 billion to me still seems to be a considerable amount of money.

Mr. ROBERTSON. The Senator can look at the committee report. Nobody on the committee has ever claimed it was solely a $6 billion bill. I do not know who gave the information to the press, but evidently the press service that sent out the stories on it did not read the committee report.

To continue with my statement, under the bill the Federal Government would tend to promote not home saving and homeownership but home borrowing and home spending, nearly all at the expense of greater risk to the Federal Government. Furthermore, portions of the bill would tend to substitute public for private credit, rather than supplement the operations of private lenders. Still other provisions would set up new or expanded programs which would supplant to some degree long-established existing housing programs.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SPARKMAN. Mr. President, how much time does the Senator need?

Mr. ROBERTSON. Five minutes.

Mr. SPARKMAN. I yield the Senator an additional 5 minutes.

Mr. ROBERTSON. The proposed 40-year, little-equity sales housing program in the bill, despite its amended version, would still make for unsound loans, in my opinion. Currently, so-called moderate income families are now generally eligible for 30-year insured loans under the regular FHA section 203 sales housing program. By extending maturities to 40 years under section 221, the bill would lower the rate at which homeowners save through repaying their mortgages. Using FHA calculations for the depreciated value of a supposedly typical home property—calculations which appear on page 927 of the hearings—even with a 3 percent downpayment on a 40-year 5¼ percent FHA insured loan, the buyer would take more than 5 years to accumulate an equity of as much as 5 percent. That would merely be enough to pay the brokerage fee if the house were sold then. Under this 40-year program, the lower rate of equity buildup in the early years of occupancy would undoubtedly contribute toward a higher rate of mortgage defaults and foreclosures. Both defaults and foreclosures under present programs tend to be greatest during the first 3 or 4 years that loans are outstanding.

Unwise precedents with regard to FHA insurance procedures would be set under several provisions of the bill. FHA would be given discretionary authority under several programs to pay insured claims in the event of default instead of waiting until after foreclosure, as at present. Under one program, FHA would also have the option of paying in cash, or, as at present, in debentures. These precedents would undermine FHA's traditional coinsurance philosophy. Shifting more of the lending risk away from private mortgagees to the Federal Government would encourage unsound lending practices and would increase FHA's need to build up reserves. In one case, the Federal Government could be put directly into the unwelcome business of handling troublesome loans.

These various provisions would establish precedents for turning the entire FHA private insurance type of operation into a public guarantee operation.

I shall not repeat objections I have made elsewhere to the no-equity 20-year home improvement program, the subsidized below-market-rate rental program which would involve indirect Federal lending, and the excessive Federal loan programs in this bill in addition to the FNMA authorization, which total $3.5 billion. Many of these loans would be made under revolving funds which, once established, would not be dependent for their operations upon congressional appropriations.

The excessive long-range commitments in the bill for Federal housing loans and grants would be added to other long-term commitments of even more sizable amounts. To mention only one, $26 billion is outstanding in unused authorizations for various programs to expend from debt receipts; in other words, to engage in one form of Treasury back-door financing. This bill would increase that $26 billion total by over $3.4 billion. These sums exclude, of course, grant programs under contract authority—another variety of back-door financing—such as public housing and urban

renewal, which S. 1922 would increase by as much as $5.6 billion.

Recent new expenditure proposals, such as Federal aid to education, foreign aid, and space exploration, besides many of our existing built-in expenditure programs, suggest a further upward trend in budget outlays. To the extent that deficit financing continues, the inflation which could result would bear heavily upon us all.

S. 1922, with over $3 billion for public housing and $6 billion for other housing programs, is one more step in the direction of further inflation. The cost to the taxpayers of the pending bill would be unnecessarily large. I oppose S. 1922, and I urge my colleagues to do likewise.

EXHIBIT 1

Program authorizations, S. 1922

[Millions of dollars]

	Type of authority [1]	Program authorizations		
		Previously enacted	Committee bill	Total
FNMA special assistance (Presidential allocation)	BA	950	750	1,700
Loan programs:				
College housing loans	BA	1,675	1,350	3,025
Public facility (including mass transportation) loans	BA	150	150	300
Housing for the elderly loans	AA	50	50	100
VA direct housing loans	BA	1,575	1,200	2,775
Subtotal		3,450	2,750	6,200
Grant programs:				
Urban renewal grants (with $50,000,000 for mass transportation).	CA	2,000	2,500	4,500
Urban planning assistance grants	AA	20	80	100
Public housing: [2]				
Annual contribution	CA	(336)		(336)
Demonstration grants	AA		10	10
Subtotal		2,020	2,590	4,610
Total, housing		6,420	6,090	12,510
Plus Small Business Administration disaster loans to businesses displaced by federally aided construction programs.		125	50	175

[1] BA (Treasury borrowing authorization); CA (contract authority); AA (authorization for appropriations).
[2] The bill would restore $336,000,000 annual contributions authorization contained in the Housing Act of 1949. The current limit on this authorization is $257,000,000.

Mr. ROBERTSON. Mr. President, I yield back the remainder of my time.

Mr. SPARKMAN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. MCGEE in the chair). The Senator from Alabama has 31 minutes remaining.

Mr. MOSS. Mr. President, will the Senator from Alabama yield me not to exceed 10 minutes?

Mr. SPARKMAN. Mr. President, I yield not to exceed 10 minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. MOSS. Mr. President, I rise to say a few words about the housing bill. I am not a member of the Banking and Currency Committee, and since I did not participate in the hearings on the bill, I have not entered into the floor discussion.

I am sure that none of us unreservedly supports every provision of this bill. Even the distinguished Senator from Alabama [Mr. SPARKMAN] has admitted that he does not agree with the bill in all particulars.

But let us not forget that the real effect of the measure before us will be simply to extend many of the programs which have given millions of Americans the chance to own their own fine homes, to own a piece of America, or to rent an adequate home or apartment, and which have handed private enterprise a chance for tremendous and profitable expansion.

The principal objections to this bill are the same as the objections we have always heard to housing bills, and they come from the same sources. The main controversy, of course, has centered around title I, because it would establish three new programs of mortgage insurance under the Federal Housing Administration.

Under this title private enterprise would be encouraged to participate to the maximum extent in meeting the housing needs of families whose incomes are too low to now buy or rent respectable private housing, yet who do not qualify for public housing. About one-fourth of the families of the Nation fall into this housing gap—and we have never extended sufficient home-buying opportunity to them.

The program broadens the 40-year, low-interest mortgage insurance program of the FHA. The downpayment requirement would be the same as for families buying higher priced homes. But the 40-year payout period and the lower interest rate would make the monthly payments smaller, and would give people of moderate income an opportunity to buy a good house at a rate they can afford to pay.

I do not agree with the dire charge that the program will endanger the economic soundness of the FHA. It is true that the risk may be greater in the longer term loans. Some families will not stay through the full payout period—some will leave in 2, 3, or 4 years.

But it is plain disregard of facts to talk as though one who has a contract under this title would be free to walk out at any time. The experience with the other programs shows that the houses can be sold again—usually with no loss. And the buyer will have legally obligated himself in the same way as all other buyers; if he is in default, judgment can be secured against him in the courts, and he can be pursued, his wages garnisheed, and other appropriate action taken.

The same charges of unsoundness were also heard when the FHA was established—and it has always paid its own way. These things were said of the GI program. We were told that the GI's were a restless lot; that they had not put down their roots; that they would not take the long contract terms seriously.

None of the predictions have come true. But if they do in the present case, the Congress can and will amend the program before any extensive damage is done. And the bill contains other desirable features.

To my mind, one of the best is that it is moving away from heavily subsidized public housing to less heavily subsidized low-cost private housing. My State of Utah has never felt a need of the public housing program, and has never passed enabling legislation. I believe this new approach will be more valuable to us. And it moves in the direction of more individual ownership and a larger role for private enterprise—things those on the other side of the aisle dearly love to talk about.

I also like the fact that this measure before us will give impetus to the college housing program, which is very popular in my State, and to the housing-for-the-elderly program, which has unchallenged merit.

I sincerely hope, Mr. President, that this bill will be passed, and with a substantial majority. I also hope that the House will accept title 1 as it is contained in the bill. It is a realistic effort to help moderate- to low-income people acquire housing through private enterprise.

We are proud of our standard of living, of our expanding economy, of our prosperity, of what we like to call our economic progress. Yet what is this progress for, if it is not to give more and more Americans a chance at a better, more comfortable life? I cannot understand the point of view of those who, in the face of the record of the soundness of past housing programs, would deny to this group of our citizens this opportunity to advance themselves.

Mr. President, the bill is being referred to in the newspapers in Utah as the most extravagant housing bill in history. I have a newspaper clipping which states "$9.3 billion will be spent on public housing," and further states "$6.5 billion would be spent on Federal grants for slum clearance, college housing, and other programs."

I should like to ask the chairman of the subcommittee [Mr. SPARKMAN] if it is true that the bill will cost $9.3 billion, and if the money will be spent and will be gone?

Mr. SPARKMAN. Mr. President, at my request the staff of the subcommittee prepared a table to show the total authorizations of this bill and the impact on the budget for the fiscal year 1962. I shall submit this table later on.

The total amount involved in the bill is $6,140 million. I invite the attention of the Senate to the fact that this amount includes $2½ billion, spread over a period of years, for urban renewal. It includes $1,350 million, spread over a number of years, for college housing. It includes also $1.2 billion for veterans' direct loans, spread over a period of years, phasing out the veterans' loan program.

I think it is very material that these big individual programs be kept in mind, because these programs contribute so much toward building up to the total of $6,140 million.

Mr. MOSS. Money made available to guarantee loans is money that will eventually be returned.

Mr. SPARKMAN. Yes; and under the bill $3,550 million would fall in that category.

Mr. MOSS. That amount is money which will be repaid.

Mr. SPARKMAN. That is correct.

Mr. MOSS. It is true, is it not, that during the existence of FHA the Federal Government has not actually lost any money under the loan features of the act?

Mr. SPARKMAN. That experience is true not only with reference to FHA, but also with respect to a good many of the housing programs. I have a table which shows that experience. The net budget expenditures cumulative to June 30, 1960, on all housing programs, including public housing, and excluding only wartime, emergency, and the atomic energy housing, which never were a part of our regular housing program, totaled $5,199,900,000. The Government's equity on all those programs totals $5,696,300,000, which shows a net profit. I ask the Senate to remember that these figures include both public housing and urban renewal, under which program money is expended, and upon which there is no net return.

Over the period of time stated, the net surplus on all the housing programs has been $496,400,000.

Mr. MOSS. I thank the distinguished chairman of the committee. I believe the point he has stated is one we should keep in mind.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. LAUSCHE. Will the Senator explain the difference between the figure stated by the Senator from Virginia, which was $9,300 million, and the figure stated by the Senator from Alabama?

Mr. SPARKMAN. I believe I can explain the difference.

The PRESIDING OFFICER. Ten minutes of the time of the Senator from Alabama have expired.

Mr. SPARKMAN. Mr. President, how much additional time does the Senator from Utah require?

Mr. MOSS. Mr. President, may I have 2 additional minutes?

Mr. SPARKMAN. I yield 2 additional minutes.

First, the question of the Senator from Ohio concerns the item of public housing, with respect to which there is an authorized annual contribution of $79 million. This figure, however, is always an uncertain one. The figure stated is the maximum, and we never know how much will be used. Past experience has indicated that somewhere in the neighborhood of two-thirds, or 70 or 75 percent of the contract amount is actually expended. If the Senator will compute that amount over a period of 40 years, he will arrive at the difference between the figures he suggested. I believe the Senator from Virginia explained that point in his statement.

Mr. MOSS. I thank the Senator. The point I wish to make is that instead of spending vast amounts of money, as is charged, we would really make an amount of credit available. The money is returned to the Federal Treasury. We do not spend the money; we merely guarantee loans on housing. I believe it has been one of the great programs of America.

I congratulate the Senator from Alabama for his leadership in connection with the bill now before the Senate, which I hope will be passed this afternoon.

Mr. SPARKMAN. I thank the Senator from Utah.

Mr. HOLLAND. Mr. President——

Mr. SPARKMAN. How much time does the Senator from Florida desire?

Mr. HOLLAND. Twelve minutes.

Mr. SPARKMAN. Mr. President, I yield 12 minutes to the Senator from Florida.

Mr. HOLLAND. I understood that the time was to be yielded by the other side. I do not wish to take the time of the Senator from Alabama, since I shall oppose his position.

Mr. ALLOTT. On behalf of the minority leader, I yield 12 minutes to the Senator from Florida.

Mr. HOLLAND. Mr. President, since I shall vote against S. 1922, as amended—the Housing bill which is now before the Senate for final passage—I feel that it is appropriate to state for the record the principal provisions which, in my judgment, are so unwise, extravagant and indefensible that I feel dutybound to oppose the passage of the measure. Before doing so, however, may I state briefly that I feel that the Senate, by its action on many of the amendments proposed, has either improved the bill from the form in which it came from the committee, or else has rejected addition to the bill of provisions which, to me, would have made the measure even more intolerable.

Among the amendments adopted by the Senate during debate which I think improved the bill are the following:

First. The amendment eliminating the extremely ultraliberal provision of the bill which for 2 years would have required from moderate income families no downpayment whatever on 40-year loans for single-unit houses of not to exceed $15,000 in value. In my judgment, this no-downpayment proposal—which no Senator would have permitted if he were making a private investment of his own capital—which differed so greatly from any former provisions of the housing program throughout the years of its existence, was thoroughly impractical and even socialistic. It would have resulted in giving unjustified preference to a large number of citizens who would have secured this type of loan within the next 2 years on terms which would have not only discouraged thrift, pride of homeownership, and independence, but would also have discriminated heavily against hundreds of thousands of other citizens in the same income bracket who have acquired their homes under the standard FHA program at existing rates of interest and on a 30-year basis or less.

Second. The amendment striking from the bill the proposed $100 million to assist unnamed cities in purchasing open space through back-door Treasury financing. This action wisely eliminated a potentially vast new field of spending and one in which political favoritism was invited.

Third. The amendment barring public housing authorities and other public agencies from participating in the multiple-unit, no-downpayment, 40-year, 3⅛-percent interest feature of the bill.

In addition to the three amendments just mentioned and other helpful ones, the Senate wisely rejected several amendments which would have made the bill even worse, in my opinion, two of which I mention:

First. Since the allocation of the urban renewal program among the several States was not changed, the amendment providing that the Federal Government should contribute three-fourths, rather than the standard two-thirds, of the cost of urban renewal in cities under 150,000 in distressed areas would have penalized the larger cities of over 150,000 in the same States, as well as those cities under 150,000 which were not classified as distressed areas.

Second. The amendment extending the Veterans' Administration direct Federal loan privilege to veterans in cities and all other areas throughout the Nation could have placed the Government in direct competition with all commercial lending agencies instead of confining said direct loans, as always heretofore, to those rural areas where the commercial agencies do not extend their lending activities.

There are, of course, some good features in this omnibus bill which time does not permit me to mention. Some of these I would gladly support if they were separated from the extremely extravagant provisions which I cannot approve. There are also more bad features than I am able to list in my limited time, though I do wish to mention at this time four of said features which I regard as especially bad:

First. One of the worst features of the bill is that it extends full Federal insurance to housing loans for moderate income families for either new or rehabilitated multiunit housing at an interest rate of 3⅛ percent for 40 years and without any downpayment. In my judgment, this will result in the construction or rehabilitation of many substandard apartments or tenements which fail by a great deal to realize the national purpose, which is to help American families to secure adequate homes. Such a provision discourages thrift, encourages irresponsibility, and will result

in the Nation having to ultimately acquire a large part of such undesirable housing at great loss and without accomplishing the desired purpose. This will extend to many millions the present no-equity program which was designed to serve a relatively few families which have a strong moral claim on our Government by reason of their having been displaced by urban renewal or other public action.

The laudable purpose of those Senators who supported this program was to serve what they call moderate income families, which term is not described in the bill, though it is stated in the debate to cover families of income from $4,000 to $6,000 per year. When one looks at the hundreds of thousands of modest attractive homes which have been purchased by families in this same income bracket throughout our Nation under standard FHA procedure, by thriftily saving their money and making the small downpayment, and agreeing to pay interest rates for up to 30 years at prevailing rates, I cannot help but wonder how these millions of good citizens will feel when they realize that under the so-called experimental program incorporated in this bill many thousands of other families will be allowed, in the next 2 years, to secure living quarters by agreeing to pay 3⅛ percent interest for 40-year terms, without downpayment, in the case of multiple unit homes.

Second. The bill would add to the urban renewal program $2.5 billion of additional Federal grants, which would more than double the size of the existing program to a total of $4.5 billion. To make bad matters worse, this $2.5 billion additional program would take the form of contract authority, which is a type of back-door Treasury financing, in which Congress loses control.

Third. This bill would also authorize approximately 100,000 units of public housing which would cost $3.1 billion in Federal grants and commit us to a heavy added program for the next 40 years. This, too would be financed by back-door methods, which would supply subsidized housing to a relatively few families throughout the Nation at the expense of all taxpayers. Already, in fiscal 1961, more than $151 million will be required on the existing public housing program.

Fourth. One of the most objectionable features of the bill, to me, is that it will provide $50 million for use at the sole discretion of the Administrator of HHFA, to be used as grants to unnamed cities, of his selection, to make experiments in mass transportation demonstration projects. One could hardly conceive of a program more susceptible of political misuse than this, which, by the way, has no direct connection whatever with housing.

Mr. President, I shall summarize the meaning of this bill, in tax dollars, to the overburdened taxpayers of our Nation at a time when we are trying to fight off further inflation and concentrate our efforts and our expenditures in solving extremely critical international problems involving our security and, possibly, our very existence. I feel that I should state the totals of loans and grants of Federal money to which this bill will commit the American people.

As to loans, this will commit us to lend over $3.5 billion; that is, to make expenditures in the total amount of over $3.5 billion in the near future on a basis of hoped for repayment over a period of many years, some of the loans being repayable over periods of as many as 40 years. As to grants, this bill will commit our Nation to a total of $2.64 billion in grants without considering our grants for public housing, which will add a total of $3.1 billion in grants for that purpose, with the possibility of some small reduction in this huge schedule of grants for public housing.

I may say on that matter that on inquiry of the able staff of the committee, I have been informed that what they were hoping for was that the 100 percent grants would be reduced on the average to about 85 percent.

The stark fact is that this bill will commit us to approximately $9.3 billion in additional Federal loans and grants for housing without figuring the contingent liability which will accrue from the huge total of Federal insurance which will be issued on all phases of the insured housing loan program, and this liability should give more concern as our lending programs become more liberal and less sound.

I am not prepared to vote for this huge addition to our national financial burden and I doubt whether any considerable portion of the American people, if they knew the facts, would want us to go into this vast undertaking at a time when the Nation is already carrying such heavy burdens and is confronted with the necessity of assuming an immense additional load in the near future for the purpose of assuring our defense and our continued existence.

Mr. President, I wish that I could feel there were a real chance of our defeating this extremely bad bill.

Mr. SPARKMAN. Mr. President, I yield 2 minutes to the Senator from Virginia.

Mr. BYRD of Virginia. Mr. President, the Federal Government of the United States has been subsidizing or underwriting the housing industry and its allied activities for more than 25 years.

Through last June 30 a gross total of $115 billion in Federal appropriations, and credit of the United States, had been used for this purpose. Subsidies in the current year will bring the total to nearly $120 billion.

Yet, the committee report on the pending bill, S. 1922, would have us believe that the situation is worse now than it was when Federal housing programs were started; and from observation, audits by the Comptroller General, and analysis of the numerous so-called housing bills, I should not be surprised if this were true.

I regard the so-called housing bill now before the Senate as the worst bill on this subject ever proposed during the more than a quarter of a century of legislation in this field.

It embraces all of the objectionable features in both of the housing bills of 1959 which were vetoed by the President; in fact this bill goes far beyond those proposals.

In his message of July 7, 1959, vetoing S. 57 of the 86th Congress, the President said in part:

> 1. The bill is extravagant and much of the spending it authorizes is unnecessary.
> 2. The bill is inflationary.
> 3. The bill would tend to substitute Federal spending for private investment.
> 4. The bill contains provisions which would impair FHA's soundness.

In his message of September 4, 1959, vetoing the second housing bill of that year, the President said:

> At a time when critical national needs heavily burden Federal finances, this bill would start new programs, certain to cost huge sums in the future, under which taxpayers' money would be loaned, at subsidized interest rates, for purposes that could be better met by other methods.

I wish to be recorded as opposing the pending bill for at least 20 reasons:

First. The bill would authorize $3,450 million in back-door spending, through expenditures from the Federal debt.

Second. It would authorize $2,600 million in side-door spending, through contract authorizations.

Third. The bill would authorize direct appropriations totaling $140 million for expenditure in specified programs, plus open-end appropriation authorizations of "amounts necessary" to cover expenses and losses in at least two new programs.

Fourth. It would remove the dollar ceiling, and leave without limit, FHA authority to insure general housing mortgages.

Fifth. The bill would set up three new programs of so-called grants-in-aid to States and localities, in addition to the 60-odd programs through which the Federal Government is already spending more than $7 billion. Those who are lured into the trap of thinking Federal grants do not come from their own pocketbooks forget there is no other source of Federal revenue.

Sixth. The bill would establish a whole series of unsound financing arrangements under provisions designed to use FHA mortgage insurance not only for new construction but also for repair and rehabilitation of old structures.

Seventh. The bill would permit the purchase of low and moderate cost housing with 100 percent, FHA-insured, 40-year mortgages with no downpayment.

Eighth. For some rental housing the bill would authorize the FHA Commissioner to insure mortgages indefinitely, in excess of 40 years.

Ninth. The bill would provide additional Federal subsidy for rental housing under provisions permitting FHA insurance of mortgages bearing interest below the market rate.

Tenth. The bill also authorizes the FHA Commissioner to control the rents and operations in some of these projects

constructed with mortgages bearing interest below the market rate.

Eleventh. Under terms of the bill the FHA insured mortgages on big multifamily rental projects could be increased to pay for losses incurred during the first 2 years of operation.

Twelfth. The solvency of FHA would be impaired further by provisions authorizing the FHA Commissioner to reduce insurance premiums, and in some cases to waive them entirely.

Thirteenth. The bill would permit FHA insurance on at least two new programs under which projects would be specifically exempt from the test of economic soundness.

Fourteenth. It would also permit FHA insurance, with little or no security, of loans for extensive home improvement and repair as high as $10,000 per unit for 25 years.

Fifteenth. The bill would permit FHA insurance of mortgages for experimental housing, and authorize the FHA Commissioner to spend available funds as necessary to correct defects and failures.

Sixteenth. The bill would authorize FNMA to spend an additional three-quarters of a billion dollars out of the Federal debt for purposes of buying up poor risk mortgages under existing programs as well as new programs provided in the bill.

Seventeenth. The bill would pledge the full faith and credit of the Federal Government as security for local debt contracted pursuant to urban renewal agreements.

Eighteenth. It would open up vast new areas for Federal so-called assistance in urban areas, including mass transportation and open spaces.

Nineteenth. The bill would go through the useless procedure of extending the Capehart military housing program for another year. The Senate has already rejected this program in the military construction bill.

Twentieth. General housing programs have always been characterized by loose legislation, and over the years the HHFA Administrator and the FHA Commissioner have been given more and more discretionary powers. This bill contains 89 pages, and there are at least 102 provisions giving additional discretionary power to these Federal housing bureaucrats. I reject the idea of Federal czars over the housing industry and allied activities in the United States.

These 20 objectionable features in the pending bill constitute good and sufficient reason to oppose the bill. There are more; they become obvious as we analyze the bill. I ask unanimous consent to have such an analysis inserted in the RECORD, at this point, as part of my remarks.

In addition, I ask unanimous consent to have published in the RECORD, following this analysis, first, a tabular presentation of authorizations for Federal expenditures and use of public credit contained in the bill, and second, a tabular presentation entitled "Summary of Public Credit and Money (Gross) Used Under Federal Housing and Related Programs, 1933 to June 30, 1960."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ANALYSIS OF HOUSING ACT OF 1961 (S. 1922)

TITLE I—NEW HOUSING PROGRAMS

Section 101 establishes new FHA insurance program for low and moderate income families and displaced families by rewriting the old FHA section 221 housing insurance program. Designed to assist private industry in providing housing for these groups, the program is described by the committee as experimental and as a new and untried approach. The bill does not define moderate income. This liberalized program, which the committee itself suggests should be reviewed in 2 years, would provide housing generally in three ways:

1. Sales housing (1–4 family)—market rate: 40-year, no-downpayment, 100 percent mortgages for new construction up to $38,000; and similar mortgages to cover full cost of repair, rehabilitation and refinancing of existing structures. Such mortgages insured at going market rate of interest not over 6 percent.

2. Rental housing (5 or more units)—market rate: 90 percent mortgages up to $12.5 million for new construction; and similar mortgages to cover 90 percent of cost of repair, rehabilitation and refinancing of existing structures. Term of mortgages would be prescribed by the FHA Commissioner, and could exceed 40 years, at going market rate of interest not over 6 percent.

Below market rate: New program of insurance for mortgages bearing interest below going market rate, sponsored by nonprofit organizations, limited dividend corporations, public bodies or agencies, or cooperatives. Mortgage insurance up to 100 percent, up to $12.5 million for new construction; and similar insurance for repair, rehabilitation and refinancing of existing structures. FHA Commissioner, at his discretion, would be authorized to:

(a) Approve reduced interest rate to a minimum of the average on U.S. marketable obligations (presently about 3¼);

(b) Eliminate FHA insurance premium, reduce it, or impose a premium charge for part of life of mortgage;

(c) Establish and enforce maximum rentals and certain management practices.

Further, such mortgages would be eligible for purchase by FNMA under its special assistance functions, and the report acknowledges they would probably be held in the FNMA portfolio. FNMA would be authorized to buy up such mortgages on projects sponsored by governmental instrumentalities. Appropriations would be authorized to reimburse FHA for any expenses and net losses sustained.

Section 102 establishes new FHA general mortgage insurance program for home improvement and repair loans, both within and outside urban renewal areas. The program is designed to provide financing for the more extensive home repairs that cannot be financed under the FHA title I home improvement program. Such loans could be insured up to $10,000 up to 25 years, per family unit. Outside urban renewal area 1–4 family structures only are covered; inside urban renewal area there is no such limitation. Some other significant points include:

1. Eligible borrowers may include long-term lessees.

2. Test of economic soundness need not be met for loans within urban renewal areas; outside urban renewal areas economic test may be waived in so-called gray areas where HHFA approves community rehabilitation plans, according to committee report.

3. Committee contemplates insurance on loans with no security other than signature, except in cases of larger, long-term loans where the FHA Commissioner may require adequate security. Adequate security is not defined, except that committee suggests cosigner pledge of future annuities, etc.; or the lien shall be junior if the property is security.

4. As special inducement to lenders, loans are made eligible for purchase by FNMA. In case of properties in urban renewal areas, loans would be purchased under FNMA special assistance authorization.

Section 103 establishes new FHA insurance program for mortgages on experimental housing projects, both sales and rental. Program contemplates projects involving advance designs and technology, new and untried materials, etc. Projects would not have to meet the economically sound requirement, but at FHA Commissioner's discretion may be acceptable risk. Bill authorizes FHA Commissioner to expend available funds to correct any defects or failures caused by use of advanced techniques under this program; and FHA would be authorized to make investigations, reports, analyses, etc., relative to use of these advanced techniques.

Section 104 establishes new FHA program to permit mortgage insurance for individual ownership (outright or long-term leasehold) of family units in FHA insured multifamily structures (except 213 co-ops). Mortgage would include undivided interest in the common areas and building facilities, and the FHA Commissioner would be authorized to take whatever steps he determines to be necessary to protect owners and other occupants of the structures. This so-called condominium insurance could run from 70 percent to 97 percent of the appraised value of the unit, depending on the value, and an individual would be allowed mortgage insurance for the purchase of up to 4 such units. The bill would leave to the discretion of the FHA Commissioner the terms and conditions of the mortgages, and it is not clear as to the length of time they may run, nor is it clear what other terms and safeguards would be prescribed.

TITLE II—HOUSING FOR ELDERLY PERSONS AND LOW-INCOME FAMILIES

Housing for the elderly

Section 201 amends the existing direct loan program (98 percent, 50-year 3½-percent loans to private nonprofit organizations), to extend it to include projects sponsored by public bodies or agencies and consumer cooperatives. The bill would increase the authorization for appropriations from $50 million to $100 million, and would remove the present limitation of $5 million on the amount which may be used for related facilities. The committee expects this will result in increased use of program, and facilitate administration.

Public housing

Section 202 removes requirement from existing law that disabled persons be at least 50 years of age, and substitutes no age limits.

Section 203 directs HHFA Administrator and PHA Commissioner to encourage the acquisition and repair, rehabilitation or remodeling of existing structures for low-rent housing, rather than new construction, wherever possible.

Section 204 authorizes additional low-rent subsidy of up to $120 a year for each dwelling unit occupied by elderly families. Federal annual contributions would be increased accordingly as necessary to keep the project solvent.

Section 205 authorizes the PHA to contract for additional public housing units, approximately 100,000, up to the limit of the existing PHA authorization to make annual contributions ($336 million). The section would alter the limitation on the number of units to 15 percent per State on the basis of the

remaining balance of units (rather than 15 percent of total units), for new commitments.

Section 206 eliminates existing Federal law which prescribes in detail standards for tenant eligibility and preference. The substitute language would, as the report says, "create greater flexibility in the public housing program by requiring greater responsibility for administering the program at the local level." The bill provides that:

1. The local public agency shall set income limits for occupancy, with prior approval by PHA;

2. The local public agency shall set its own policies and priorities for admission, as the report says, "in such a way as to best meet * * * particular local problems;" and

3. Allow local public agencies to permit over-income tenants if they pay "appropriate rent" and are unable to find other suitable housing.

Section 207 authorizes appropriations of $10 million for grants to public or private bodies or agencies, to "explore and demonstrate the effectiveness and feasibility of any new or untried ideas" with respect to "housing and a suitable living environment for low-income persons and families." The bill is not specific as to the nature of the grants, but the report lists several of the "interesting possibilities," including direct payments to low-income families, social services, etc.

Secton 208 increases the per room limitation for Alaska public housing and units designated for elderly persons from $2,500 to $3,000.

TITLE III—URBAN RENEWAL AND PLANNING

Section 301 permits pooling of local noncash grant-in-aid credits earned in projects assisted under both the two-thirds and three-fourths formulas for Federal grants. This provision is obscure, but Committee reports says, "The adoption of this section should encourage more localities to adopt the alternative three-fourths capital grant formula, which reduces Federal supervision and paperwork that now add to the Government's administrative costs."

Section 302 pledges the full faith and credit of the Federal Government as security for local public agency borrowings from the public, where such borrowings are secured by a Federal loan contract.

Section 303 increases capital grant authorization by $2.5 billion from $2 billion to $4.5 billion. It would reserve $50 million of this for use in making grants for mass transportation demonstration projects, although such projects need not be part of the urban renewal project.

Section 304 authorizes local public agencies to make relocation payments in excess of the present maximums of $200 per family and $3,000 per business, providing the local agency bears one-third of the increased payment as a part of project costs.

Section 304 makes business concerns displaced by urban renewal activities eligible for loans under the Small Business Act on the same liberal terms as catastrophe loans. Committee report notes that additional authorization will have to be made to the Small Business Administration for this purpose.

Section 306 increases the capital grant reserve fund from $100 million to $150 million, having the effect of raising the per State limitation for the benefit of States with larger demands for projects.

Section 307 authorizes the sale of urban renewal property to developers of low and moderate income housing projects, at prices which would encourage construction and rehabilitation of this type of housing. The section would further authorize the sale of urban renewal property for public housing purposes at reduced prices.

Section 308 establishes a new rehabilitation demonstration program, which would permit the local public agency to acquire and improve properties within the renewal area for demonstration and experiment purposes, and for resale to private owners.

Section 309 allows 30 percent of the new urban renewal grant authority to be used for nonresidential purposes, instead of present 20 percent limitation.

Section 310 allows urban renewal projects to claim credit for hospital expenditures within the area, as well as college and university expenditures, in computing the local noncash contribution. Allowance also would be made for costs of rehabilitation.

Section 311 increases the Federal share of urban planning assistance grants from one-half to two-thirds, and increases the authorizations for appropriations from $20 million to $100 million. Program would be extended to include highway and mass transportation planning, and provide for assistance to interstate planning agencies.

Section 312 allows donation of approximately 1 acre of land in Knoxville, Tenn., for historical purposes; section 313 would permit construction costs of a certain school in Roanoke, Va., to be counted as local noncash contribution to the local urban renewal project; and section 314 would be primarily technical.

TITLE IV—COLLEGE HOUSING, COMMUNITY FACILITIES, AND MASS TRANSPORTATION

College housing loans

Section 401 increases debt authority by $1,350 million to $3,025 million over a period of 5 years as follows: $100 million upon enactment, and $250 million a year for the 5 fiscal years 1962 through 1966. The limitations on loans for "other educational facilities" and "student nurse and intern housing" would be increased by $25 million each. The per State limitation of 10 percent would be increased to 12½ percent of the total loan authority to make more funds available for certain States making the greatest use of the program.

Public facility and mass transportation loans

Section 402 expands the present public facility loan program to include mass transportation in urban areas. The revolving fund for loans would be increased from $150 million to $300 million, of which $100 million would be earmarked for mass transportation loans. Interest on mass transportation loans would be the average Treasury rate on interest-bearing obligations in the debt (presently 3½ percent), the same low rate allowed for college housing.

Section 403 increases the per State limitation on interest-free public works planning advances from 10 percent to 12½ percent of funds available (for the benefit of certain States making greater use of the program), and would allow longer term planning.

TITLE V—AMENDMENTS TO NATIONAL HOUSING ACT

FNMA special assistance authorization

Section 501 increases FNMA "special assistance" authorization to purchase certain special types of mortgages, at the discretion of the President, from $950 million to $1.7 billion. Other sections of the bill qualify the new FHA insurance programs (for low and moderate income housing and home improvement loans) for purchase under this authority to support mortgages which are not "economically sound."

Section 502 allows purchase by FNMA of section 213 co-op housing mortgages in urban renewal areas in excess of the present $17,500 per family unit limitation.

FHA insurance programs

Section 503 contains provision with respect to FHA insurance which would:

1. extend present title I home improvement loan program for 2 years through October 1, 1963;

2. remove dollar ceiling from FHA general insurance authority, and set expiration date at October 1, 1965. (The report makes it clear the committee does not intend to "eliminate FHA or permit the expiration date to pass without further extension.")

3. extend Capehart military housing program until October 1, 1962, and authorize an additional 12,000 units.

Section 504 authorizes FHA Commissioner, at his discretion, to reduce the FHA insurance premium (presently ½ of 1 percent) on all title II insurance programs. This would include all FHA insurance programs except military and defense housing and title I home improvement loans.

Section 505 amends the big section 207 FHA multifamily rental program to permit "any mortgagor approved by the Commissioner" (including individuals) to be a sponsor; and provide that "exterior land improvements" could be excluded in determining the maximum mortgage amount.

Section 506 amends the section 213 cooperative housing insurance program to allow "exterior land improvements" to be excluded from the per room limitations in determining maximum amount of mortgage; reduce from 8 to 5 the minimum number of units in a project; permit approval of "blacklisted" sponsors; and allow "supplemental financing" to repair and improve projects, or provide additional community facilities.

Section 507 allows net losses in first 2 years of operation of any FHA-insured multifamily project to be added to the amount of the insured mortgage.

Section 508 allows mortgage insurance for nursing homes up to 90 percent of replacement cost for new construction or value in case of existing structure. Present mortgage maximum is 75 percent of value.

Technical and conforming amendments

Section 509 contains numerous provisions which the report describes as "technical and conforming". Without going into detail, these amendments appear to extend some of the liberalized features in the proposed new programs to the existing ones, and to make certain existing provisions apply to the proposed new programs.

TITLE VI—OPEN SPACE AND URBAN DEVELOPMENT

Section 601 sets forth the purposes of the title, as follows: "to help curb urban sprawl and prevent spread of blight, to encourage more economic and desirable urban development, and to help provide recreational, conservation, and scenic areas by assisting preservation of open-space land."

Section 602 establishes a new $100 million Federal program of grants to States and local public bodies to assist in land acquisition, with Federal share ranging up to 35 percent.

Section 603 sets forth in broad generalities the planning requirements which must be met for approval, and directs HHFA Administrator to take appropriate action "to assure that local governing bodies are preserving a maximum of open space land."

Section 604 prohibits use of assisted open-space land for any other purpose without approval of HHFA Administrator.

Section 605 authorizes additional appropriations for technical assistance, studies, and publication of information.

Section 606 defines, for purposes of the program, the terms "open-space land," "urban area," and "State."

TITLE VII—OTHER HOUSING PROGRAMS

Farm housing

Section 701 extends the farm housing program for 5 years until June 30, 1966, and would allow wider latitude in type of security the borrower must provide in order to obtain a loan.

Home improvement loans

Sections 702 and 703 amend the Homeowners Loan Act and the Federal Reserve Act, to allow savings and loan associations and national banks to make loans under the

new FHA-insured home improvement loan program proposed in this bill, notwithstanding the fact that loans would not be insured by first mortgages.

Voluntary home mortgage credit program

Section 704 extends voluntary home mortgage credit program until October 1, 1965.

Lanham Act housing

Section 705 extends for 1 year the period for which the Passyunk war housing project in Philadelphia may be occupied by military and civilian personnel employed in defense activities.

Veterans' direct home-loan program

Section 706 raises the maximum amount of veterans' direct home loan from $13,500 to $15,000, and would establish the time limit for eligibility at 10 years from date of discharge plus 1 year for each 4 months' service. The section would extend program to July 25, 1967, for World War II veterans and until January 31, 1975, for Korean war veterans, and would authorize additional borrowings from the debt totaling $1,200 million over a period of 7 years.

Administrative

Section 707 authorizes HHFA Administrator and the heads of constituent agencies to use salary and expense money to purchase publications, subscriptions, and membership in organizations to receive publications.

Authorizations in Housing Act of 1961 (S. 1922)

[In millions]

	Appropriations	Authorizations to spend from public debt	Contract authorizations	Authority to insure	Total
Federal Housing Administration:					
General insurance authority (remove dollar ceiling)				[1]	[1]
Sec. 221 housing insurance fund (authorizes appropriations for net losses in connection with "below market rate" rental housing insurance program)	[2]				[2]
Housing for the elderly: Direct loans (authorization increased from $50,000,000 to $100,000,000)	$50				$50
Public Housing Administration: Demonstration program—grants to public or private bodies	10				10
Urban renewal:					
Capital grants (authorization increased from $2,000,000,000 to $4,500,000,000) (including $50,000,000 for mass transportation)			$2,500		2,500
Urban planning assistance (authorization increased from $20,000,000 to $100,000,000)	80				80
College housing: Direct loans (authorization increased over 5-year period from $1,675,000,000 to $3,025,000,000):					
Fiscal year 1961 (upon enactment)		$100			100
Fiscal year 1962		250			250
Fiscal year 1963		250			250
Fiscal year 1964		250			250
Fiscal year 1965		250			250
Fiscal year 1966		250			250
Community facilities: Direct loans (authorization increased from $150,000,000 to $300,000,000):					
Community facility loans		50			50
Mass transportation loans		100			100
Federal National Mortgage Association: Special assistance functions—Presidential authorization (authorization increased from $950,000,000 to $1,700,000,000)		750			750
Open space and urban development:					
Grants to States and local public bodies			100		100
Technical assistance, studies and publication of information	[2]				[2]
Farm housing: Direct loans (authority extended 5 years; balance of approximately $200,000,000 continued available)					
Veterans' Administration: Direct housing loans (authorization increased over 6-year period from $1,575,000,000 to $2,775,000,000):					
Fiscal year 1961 (upon enactment)		100			100
Fiscal year 1962		400			400
Fiscal year 1963		200			200
Fiscal year 1964		150			150
Fiscal year 1965		150			150
Fiscal year 1966		100			100
Fiscal year 1967		100			100
Total	140	3,450	2,600	[1]	6,190

[1] No limit. [2] Amounts necessary.

Mr. SPARKMAN. Mr. President, I yield 2 minutes to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, it appears that I will not be present when the Senate votes on the pending bill. I have an engagement to be in Akron, Ohio, tonight at 8 o'clock, to deliver a commencement address, and therefore I wish to place myself on record concerning the merits of the pending bill. I will not vote for it. There are aspects of it to which I can subscribe. There are others against which I voiced my protest last week. They are unsound. Several issues were voted upon last week, which I opposed, and on which I was on the losing side. They have led me to the conclusion that, although there are some parts of the bill which I would approve, I nevertheless cannot cast my vote for the entire bill.

Some phases of these new programs are, in my judgment, economically unsound. The $50 million proposal, supposedly provided to make studies to solve urban commuter problems, is, I think, completely unjustified. There is no delineation of how the money will be spent. It is to be a blank check with no understanding of how the $50 million will be used. It may be said that $50 million is not much, but I simply cannot consider the proposal in that way.

I shall vote against the bill. If I am not present at the time of the vote, I hope some arrangement will be made to secure a pair for me. I will try to be present for the vote if the debate is concluded at an early time.

Mr. ALLOTT. Mr. President, I yield 5 minutes to the distinguished Senator from Mississippi.

Mr. STENNIS. Mr. President, due to the limitation of time, I shall be brief in giving my reasons for opposing the enactment of the housing bill, which provides a program involving more than $9 billion, mostly on credit and on greatly deferred payments.

Parenthetically, I especially wish to compliment the distinguished Senator from Tennessee [Mr. GORE], who was ably assisted by the distinguished Senator from Louisiana [Mr. LONG], in the argument they made a few days ago with respect to the amendment to strike out the 40-year, no-down-payment provision. Their arguments were sound and were presented in the finest way. I spent 19 years in the trial courtroom too. Considering the argumentative weapons which he had at his command, the response of the Senator from Alabama [Mr. SPARKMAN], who has most ably handled this bill, was one of the best responses I ever heard, thus showing that good debate still has a place on the Senate floor. I wish we had more of it.

Mr. President, I am not willing to put the costs of our times, real or imaginary, on the backs of generations to come, rather than on our own. This is exactly what the present housing bill program, as well as many other Federal programs, is doing, chiefly through back-door and side-door financing, which avoids appropriations by Congress and postpones payday. Nevertheless, as certain as night follows day, someone will have to pay, and with compound interest.

I am willing to vote to increase taxes to meet the real demands of our times, including some housing, if that is actually necessary. My voting record over the years proves this. However, I am not willing that we who are living now should reap the benefits of all this free spending, and then pass the burden

thereof to the next generation for the payment of the bills.

Rapidly growing numbers of Government programs of one kind or another are making our people dependent on the Government. The number of Government employees is growing rapidly all over the Nation. People are becoming more and more dependent on the Government, under one guise or another, to solve all the problems of our age. Public housing and privately owned but Government-financed housing, on extremely liberal terms, come to mind as a part of this rapidly growing picture.

This leads me to the thought that possibly within a few decades almost all of our people will be either employed by the Government or subsidized by the Government. This came forcefully to me recently during the morning traffic hours, when I observed thousands of people crossing the streets of Washington on their way to work in the departments of the Government. At the same moment, a large delivery van, marked "Sears, Roebuck & Co.," rushed by. This gave me the added realization that if big business continues to grow bigger, then within the same few decades the only private businesses left will be the huge national and international corporations. By then, the "little fellow" will be out of the way.

I had rather that we go slower on some things and retain the solid foundations of personal independence and individual opportunity to develop. We are traveling down a road which will lead us to total dependence on the Government.

Somewhere along the way, I believe the commonsense of the American people will assert itself, that they will reverse this trend, and thus find their way back.

I do not expect to change any votes by these remarks; I simply wish to leave a few benchmarks. What I say may serve as a benchmark to help some future generation find its way back to individual independence and initiative, which is a law of nature and a law of God, and was the intended foundation of our form of government.

Mr. ALLOTT. Madam President, how much time remains for the opponents?

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The opponents have 3 minutes remaining.

Mr. SPARKMAN. Madam President, how much time remains for the proponents?

The PRESIDING OFFICER. The proponents have 14 minutes remaining.

Mr. SPARKMAN. I yield 2 minutes to the distinguished Senator from Colorado.

Mr. ALLOTT. I thank the Senator from Alabama. I yield myself 1 additional minute from this side.

Madam President, like the Senator from Mississippi, I feel that I must leave a benchmark as to my feelings upon the housing bill. I feel strongly that the United States is pursuing a fiscal policy which cannot be justified in the light of the world situation. I cannot justify a 40-year program and the interest-subsidy program in connection with multiple housing units. I cannot justify the huge sum placed in urban renewal. I think we should begin to ask ourselves, considering the growth of the program, whether contributions by the Federal Government are not in fact in and of themselves encouraging to move toward more and more Federal aid for urban renewal.

Why should the city worry about slums being created if the Federal Government is standing by to pick up half the tab for the area's renewal and rehabilitation.

I shall have to oppose the bill because I do not believe that 100,000 units of public housing are needed or that there is any possibility that they will be built this year.

I am opposed to the bill because I cannot see the necessity of placing $50 million in grants in various cities for the purpose of transportation studies. Transportation does not belong in the housing bill. One of the justifications made for this purpose the other evening was the development of the monorail.

I stated at that time that a monorail system has been in operation in Germany for 40 years. Probably very few persons who are concerned with transportation studies have bothered to look at it.

There is nothing new in this phase of the transportation field. The only thing the District of Columbia has been able to suggest by way of new transportation facilities, after spending almost half a million dollars on investigations, is a subway system, something which has been known in this country for almost 100 years.

So, Madam President, while the bill contains provisions which I heartily approve—I do approve of the regular FHA program and of the college housing program—still when the package is presented to me upon a take-it-or-leave-it basis, the only means I have, as a Senator, of expressing my disapproval of some of the proposals—and I express my disapproval strongly—is by voting against the bill. That I shall do.

Mr. DIRKSEN. Madam President, how does the time stand at present?

The PRESIDING OFFICER. The opponents have 2 minutes remaining; the proponents have 12 minutes remaining.

Mr. DIRKSEN. Madam President, I yield 2 minutes to the distinguished Senator from Nebraska.

Mr. CURTIS. Madam President, I shall vote against the housing bill. I supported every amendment which would curtail or lessen the burden of expenditures. There are many reasons why I shall vote against the bill. I do not believe that socialism is a good thing in America. I am unable to find any reason why some citizens should be taxed to provide houses for other citizens, assuming that the other citizens are completely able to buy houses.

There are a few items in the bill which are excepted, and which do not lead to Government or public ownership of houses. I refer to the traditional FHA program, which I support.

The bill is far too expensive. It moves in a direction of greater dependence upon government. It moves in the direction of nationalized housing, just as we are moving in the direction of nationalized education and a destruction of the individual in our federal system of sovereign States within the Nation.

The PRESIDING OFFICER. The time yielded to the Senator from Nebraska has expired.

Mr. SPARKMAN. Does the Senator from Nebraska wish to have additional time?

Mr. CURTIS. I should like to have 1 minute.

Mr. SPARKMAN. I yield 1 additional minute to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 1 additional minute.

Mr. CURTIS. Madam President, the United States has many demands upon it in the world struggle against communism. All around us, things are not only crumbling and deteriorating, but the demands made on the United States are becoming greater. The demands made upon the United States in the field of our own defense are becoming greater. It is time that we follow the admonition of the President of the United States in his inaugural address, when he said, in substance, that now is the time, not to ask what our country can do for us, but to ask, "What can I do for my country?"

Madam President, I propose a moratorium on all these new Government social programs, until our budget is in balance and until our country is secure against the Communist threat.

Mr. SPARKMAN. Madam President, I ask unanimous consent that at this time there may be a quorum call, without charging to the time available to either side the time required for the quorum call.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SPARKMAN. Then, Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPARKMAN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Madam President, may I be advised again how much time remains available to our side?

The PRESIDING OFFICER. 11 minutes.

Mr. CAPEHART. Madam President——

Mr. SPARKMAN. How much time does the Senator from Indiana desire?

Mr. CAPEHART. One minute.

Mr. SPARKMAN. Madam President, I yield 2 minutes to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 2 minutes.

Mr. CAPEHART. Madam President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a statement I have prepared on the housing bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CAPEHART

As I have stated previously during committee and floor debate on the housing bill, I have never voted against an omnibus housing bill in the 17 years I have been in the Senate.

However, I am going to break that record today.

In all of the 17 years I have worked for housing legislation, I have truthfully found all those with whom I have worked on both sides of the aisle sincere in their efforts to effect a housing program sufficient to meet the needs of those who need housing assistance from their Government.

In fact, I found it necessary on occasion to take a position on housing legislation that was contrary to the position taken by my own party's administration when I did not think that administration's position fully met the needs.

By the same token, I opposed the overall demands of this administration's housing bill because it goes far beyond what I sincerely believe to be the needs.

I faced up to the criticisms of my position before and I will face up to the criticisms of my position now. I was belabored in the debate on the housing bill when my party was the sponsor and I have been belabored on this bill sponsored by the opposition party.

Efforts by a few individuals to attach a charge of inconsistency to my policies on housing have been reduced to pure misrepresentation by the record.

I have grave fears that the housing program in this country will eventually be destroyed by the constant pressure to make it the catchall basin for ultraliberal ideas that so often are developed in times of false panic.

During my 17-year record on housing I have fathered a few new ideas, some of which my good friends classified then as liberal. I have always supported sufficient public housing to meet whatever numbers the cities wanted to sponsor.

In fact, I was the author of the first bill which carried the term of urban renewal. I am proud that my name is attached to a military housing program which is definitely a liberal approach by the Government to help its military personnel to have decent housing.

Countless other features in the complex housing program have had my support as they were brought before us in the past 17 years, but only when they were supported by sound and sensible evidence that such changes would improve the program—not wreck it.

I want to remind the Senate that our housing program came near to going on the rocks through the FHA scandals which were uncovered by the Senate Banking and Currency Committee when I was its chairman.

There was a Democratic executive administration at that time, but I applauded then and I applaud now the help I received from the Democratic members of my committee in ferreting out the cause of the trouble.

And we unanimously enacted legislation to correct the situation and thereby saved the housing program for those who needed and deserved it.

It is a great disappointment to me that today I cannot find in this housing bill enough of the good to outweigh the bad.

The bill the Senate moved to third reading on last Friday morning contains a new and dangerous concept of Federal housing assistance which I consider unconscionable and unnecessary.

The feature I refer to is the new policy of 40-year Government-insured mortgages to cover housing purchases for anybody who wants to buy a house that costs no more than $15,000.

I recognize that we have had 40-year mortgage programs for a number of years and I have supported them. But they were designed to meet unusual circumstances.

We first approved 40-year mortgages for section 213, or cooperative housing, which we heard so much about in the discussion of this bill. In this instance, we find a situation far different from the program of individual ownership contained in this bill. In this program there is multiple liability and, in most cases, larger and more substantial types of structures.

We also approved terms up to 50 years for the elderly housing direct loan program, but here again the necessity for low payments was an obvious need for a class of people who needed help in this manner.

Then we come to another category of 40-year mortgages, the section 221 housing. This was a program designed and approved for the assistance of families forced out of their homes by Government action.

These families, I want to repeat, are families who have been, or will be, forced from their homes by urban renewal programs, highway construction, or any other type of Government action over which they had no control. It was recognized that many of these families, not anticipating the need for home purchasing on a comparatively short notice, would not be in a financial position to meet heavy mortgage payments.

These programs were approved to meet unusual conditions. Yet these 40-year programs carried mortgage interest at the going market rate.

Let me stress that point. Despite the consideration of the Congress for the special needs of these families, a market interest rate was applied in each 40-year program.

In this bill we combine the 40-year mortgage with a subsidized interest rate; not to meet circumstances such as those which existed in previous 40-year programs, but apparently to create a springboard from which other nationalized housing schemes might be launched in the future.

From where did all the clamor come for such a precedent-shattering use of Federal assistance in housing?

It came from those who used statistics which, when so interpreted, gave hint to possible political expediency by attempting to meet those statistics with a windfall from the Federal Government whether or not it was wanted or expected.

True, the Senate did wisely require an important change in the 40-year program by requiring a small down payment, but we cannot escape the fact that we are being asked to establish a whole new principle in mortgaging and an unreasonable principle of subsidizing the financing of those mortgages.

It is my humble prediction that if these new approaches are politically motivated that our housing program will go down the drain through public objection.

I feel only slightly appeased because the Senate accepted my amendment to prevent a new public housing program for "moderate income" families under the rental section of the 40-year program.

I certainly cannot be jubilant, although a bit thankful, that also accepted was my amendment which would prevent the discriminatory use by the Housing Commissioner of interest rates to the borrowers in the same rental section.

We have identified the groups for whom the 40-year mortgage programs were established prior to this bill and the need for the longer maturity period was obvious in each case.

But, we cannot identify the group of families which will qualify for this special treatment under this bill because there is no means in the proposed legislation by which they can be identified.

Anybody who wishes to purchase a house costing no more than $15,000 will qualify. Anybody. The amount of income is not restricted; unusual hardship is not required. Nothing is required by an application to purchase at low downpayment, 40 years to pay at an interest rate the Federal Government admittedly will subsidize.

There are a great many items throughout the bill which represent serious departures from what have been successful operations of our housing program.

In the 40-year phase of the bill we find, in addition to the maturity and interest conditions, the right of an option for cash or debentures on defaulted mortgages, the payment of accrued interest on defaulted mortgages and the right of the Commissioner to reduce the insurance premium rate to one-fourth of 1 percent.

In the committee report on this bill its sponsors made a point that the 40-year mortgage phase of the bill would do a great deal for the economy of this country. I would change one word of that comment by saying the 40-year mortgage program will "do a great deal to the economy of this country."

Let me remind the Members of this Senate that there are 60 million homes in this country of ours which are owned by the families who live in them. We might be taking millions of those homes off the market if we enact this program into law.

Millions of these homeowners who will be helping to pay the subsidy for this program will be helping to destroy the chance of disposing of their present homes. Why? Because who will want to buy an existing house when he can buy a new house on low downpayments and at subsidized interest rates?

I want now to mention the home improvement section of the bill both as it reached the Senate and as it is now. I really don't feel boastful about the change I managed to have made in this section although the change will channel the assistance where it is needed most.

Originally, the bill would have provided 100-percent insured home improvement loans up to $10,000 for 25 years for anybody—again, I say, anybody. No security required, if the Commissioner didn't want any.

How ridiculous. A person could buy a new home for $9,000 on a 40-year mortgage with subsidized interest and immediately borrow $10,000 for 25 years with no security in order to build three more rooms on the house, or put in a swimming pool if he wished.

My effort to reduce the amount to $7,000 and the maturity to 15 years would have been somewhat more sensible but my real feeling is that, for most purposes, the existing home improvement program is sufficient because it permits loans to $3,500 for up to 5 years.

The exceptional cases of higher loan need would be to rehabilitate older homes, but the bill sponsors failed to limit the bill to that until my amendment was accepted providing for loans to $10,000 for 20 years but applicable only to dwellings at least 10 years old.

This section needs further correcting before it gets us into a peck of trouble.

A trend toward more and more public housing made its appearance in this bill, although the Senate did succeed in removing one instance from the bill. This trend appeared in three places in the bill as it was brought to the Senate.

First, of course, was in the request for 100,000 additional public housing units. My attempt to reduce the figure to 37,000 units failed, but the fact still remains that the Housing Commissioner's own testimony before the Senate Banking and Currency Committee was to the effect that applications for units were coming in at a fraction of the 37,000 units the Senate had previously approved.

The second instance of the public housing trend appeared in the new 40-year rental housing mortgaging section where public agencies and bodies would be permitted to borrow Federal funds at subsidized interest rates and build rental housing for moderate-income families. The Senate accepted my amendment removing the public agencies and bodies from the eligible list of borrowers.

The third instance of public housing remains in the bill. It is in the section providing for direct loans by the Federal Government for housing for the elderly. Here we find again as eligible borrowers public agencies and bodies.

Throughout the bill we find increased costs to the Federal Government to the point where authorized expenditures in the bill nearly equal all of the authorizations made by Congress for the housing program since its inception.

An example occurs in the capital grant authorization for urban renewal. Despite the fact the record proves no necessity for a $2.5 billion additional authorization at this time, the Senate rejected my amendment to reduce the figure by $750 million.

Coupled with the tremendous cost of this bill, which amounts to about $6 billion, the Housing Commissioner is given far more discretionary power in the use of the funds than Congress has ever seen fit to give the Commissioner in previous years.

In summation, we might well look upon this housing bill as the ruination of a time-tested Federal housing program; the breaking of the high cost barrier of housing; creation of a Federal catch-all basin for unsound schemes and political hokey-pokey, and the beginning of the end of that one-time feeling of security that "a man's home is his castle."

After all, even if we should defeat these amendments, we still would have the Federal housing program that is serving us so well and will continue to do so.

Mr. SPARKMAN. Madam President, the distinguished minority leader [Mr. DIRKSEN] is ready to speak to the Senate, and he will be here momentarily. In the meantime, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 2 minutes.

Mr. SPARKMAN. Madam President, I wish to make only a general statement in regard to the bill; and in the course of my remarks I wish to submit, for printing in the RECORD in connection with my remarks, the two tables to which I previously referred in the course of my colloquy with the Senator from Utah [Mr. Moss]. One of the tables shows what the proposed housing legislation amounts to, in authorizations, and also shows its impact on the budget for the fiscal year 1962.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Proposed housing legislation, Senate bill, S. 1922—Program authorizations and estimated fiscal year 1962 net budget expenditures

[In millions]

	Program authorization	Estimated budget expenditures, fiscal year 1962
Loans and investments:		
FNMA investments (special assistance), Presidential authorization [1]	$750	$65
College housing [1]	1,350	10
Public facilities [1]	50	15
Housing for the elderly [3]	50	10
Mass transportation [1]	100	10
VA direct housing loans [1]	1,200	300
SBA loans for displaced businesses [2]	50	25
Farm housing [1]	(?)	40
Subtotal	3,550	475
Grants:		
Urban renewal [4]	2,500	3
Urban planning assistance [2]	80	3
Public housing:		
Annual contributions [5]	(79)	
Demonstration grants [2]	10	2
Mass transportation demonstration grants [6]	(50)	2
Subtotal	2,590	10
Total, housing bill	6,140	575

[1] Treasury borrowing authorization.
[2] Authorization for appropriations; new obligational authority when actually appropriated.
[3] Assumes use of Treasury borrowing authority which would otherwise have expired for commitment purposes.
[4] Contract authority.
[5] Assumes use of $79,000,000 balance of contract authority from the $336,000,000 authorized by the Housing Act of 1949, which otherwise would be unavailable, to place under contract approximately 100,000 units of low-rent housing. Effects of additional subsidy for units occupied by elderly persons cannot be estimated with available information.
[6] The bill authorizes the Administrator to contract to make up to ⅔ grants for mass transportation demonstration projects. The $50,000,000 authorization for this purpose would be part of the total urban renewal contract authorization.

Mr. SPARKMAN. The second table——

Mr. HOLLAND. Madam President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. HOLLAND. Does either of the tables show any statement of the cost of the public-housing program?

Mr. SPARKMAN. Yes, one of them shows the annual contribution of $79 million a year, maximum, for public housing.

Mr. HOLLAND. Does it show the maximum cost of the program as being more than $3 billion?

Mr. SPARKMAN. No; it simply shows the annual contribution as being a maximum of $79 million.

I stated awhile ago, in explaining the table, that, assuming it was going to cost the maximum, and extending it over a period of 40 years, the cost would be in the neighborhood of $3 billion.

Mr. HOLLAND. On making inquiry of the staff of the Senator's committee the other day, I was told it was hoped that payments could be reduced to about 85 percent of the total.

Mr. SPARKMAN. Yes. As a matter of fact, in years past, it has run as low as 66⅔ percent. That is correct.

Mr. HOLLAND. But it is the hope now to reduce the payment to about 85 percent?

Mr. SPARKMAN. I believe the current experience is about 85 percent.

Mr. HOLLAND. I thank the Senator.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SPARKMAN. I yield myself 1 more minute.

The other table to which I referred was one which showed the cost of the housing program under the Housing and Home Finance Agency, showing the net budget expenditure over the years, cumulative to June 30, 1960, and the total Government equity as of June 30, 1960.

I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COST OF HOUSING PROGRAMS UNDER THE HOUSING AND HOME FINANCE AGENCY

Housing programs have generally been profitable enterprises. Exclusive of the cost of war and defense emergency housing programs, and AEC towns, the Federal Government's housing programs under the HHFA have operated at a net surplus of $496.4 million if credit is taken for the Government's equity as of June 30, 1960:

Total budget expenditures or receipts and Government equity on housing programs as of June 30, 1960

[In millions]

	Net budget expenditures cumulative to June 30, 1960	Government equity as of June 30, 1960
Salaries and expenses	$47.8	$1.0
College housing	754.7	761.8
Public facilities	46.5	45.3
Public works planning	14.1	14.4
Urban renewal	413.8	75.6
Urban planning grants	7.3	
Federal National Mortgage Association	3,034.8	3,483.2
Federal Housing Administration	−20.4	866.7
Public Housing Administration	984.5	94.7
Federal Home Loan Bank Board	−83.2	353.6
Total	5,199.9	5,696.3
Net position (surplus) as of June 30, 1960	496.4	

NOTE.—The full explanation of the source of these figures may be found on pp. 25 to 28 of the committee's review of federal housing programs published as an appendix to 1961 housing hearings.

Mr. SPARKMAN. Madam President, I ask unanimous consent that the time allotted may be extended by a total of 30 minutes, 15 minutes to the side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. SPARKMAN. Madam President, the Senator from Illinois [Mr. DIRKSEN], the distinguished minority leader, is going to speak. I understand he wants about 20 minutes. Under the agreement, he has 15 minutes out of the half hour, and I yield him 5 minutes.

Mr. DIRKSEN. Madam President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. How does the time stand? Has the opposition time been exhausted?

The PRESIDING OFFICER. The opposition time has been exhausted.

Mr. DIRKSEN. Madam President, I yield myself 10 minutes.

Mr. SPARKMAN. Madam President, is it understood that I have yielded the Senator 5 minutes?

The PRESIDING OFFICER. It is understood.

Mr. DIRKSEN. Madam President, we are now approaching the voting period on the housing bill. I had intended in the first instance, when I prepared some remarks on this subject, to deal with a matter which was ultimately taken care of by an amendment offered by the distinguished Senator from South Dakota [Mr. CASE]. It related to striking out all of title 6 of the bill. That was a provision to authorize the Administrator to make loans up to $100 million to States and local public bodies to acquire land for permanent open spaces.

That amendment was offered. The Senate has voted upon that amendment, and has seen fit, in its wisdom, to delete it. So the bill, at least in my judgment, has been improved to the extent that $100 million provided by it will not be grants, on the basis of 25 percent or 35 percent, depending on the circumstances, which would be within the control of the Administrator to make to States and local public bodies. But, notwithstanding that fact, I find myself still in opposition to the bill, and there are some reasons for it.

At the appropriate time, I intend to insert in the RECORD what the budget experience will be in fiscal 1962. At this time I ask unanimous consent to have printed in the RECORD, in connection with my remarks, the program authorization and 1962 budget expenditures which are listed on page 64 of the hearings. That table indicates that in the fiscal year 1962 the net budget expenditures, not only of the program that is before us, but of the program that has been authorized by previous Congresses, will have a budget impact of $1,411 million plus.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

PROGRAM AUTHORIZATION AND 1962 BUDGET EXPENDITURES

The following table was prepared by the Housing and Home Finance Agency and is included in this report for the information of the Senate. The estimates of budget expenditures have not been analyzed by the committee, and do not necessarily represent its views.

PROPOSED HOUSING LEGISLATION—SENATE COMMITTEE BILL, S. 1922

Program authorizations and estimated fiscal year 1962 net budget expenditures

[Millions of dollars]

	Type of authority [1]	Program authorizations			Fiscal year 1962 net budget expenditures		
		Previously enacted	Committee bill	Total	Enacted authorizations	New authorizations	Total
FNMA investment in mortgages and improvement loans (special assistance), Presidential authorization	BA	950	750	1,700	225.0	65.0	290.0
Loan programs:							
College housing loans	BA	1,675	1,350	3,025	234.6	10.0	244.6
Public facility loans	BA	150	50	200	39.9	15.0	54.9
Housing for the elderly	AA	50	50	100	13.5	10.0	23.5
Mass transportation loans	BA	----------	100	100	----------	10.0	10.0
Subtotal		1,875	1,550	3,425	288.0	45.0	333.0
Grant programs:							
Urban renewal grants	CA	2,000	2,500	4,500	252.9	3.0	255.9
Urban planning assistance	AA	20	80	100	6.0	3.0	9.0
Public housing: [1]							
Annual contributions [2]	CA	(336)	----------	(336)	172.8	----------	172.8
Demonstration grants	AA	----------	10	10	----------	2.0	2.0
Open space grants	CA	----------	100	100	----------	2.5	2.5
Mass transportation demonstration grants [3]	CA	----------	(50)	(50)	----------	2.0	2.0
Subtotal		2,020	2,690	4,710	431.7	12.5	444.2
All other HHFA programs and activities	----------	(4)	(4)	(4)	−115.7	----------	−115.7
Total, HHFA	----------	4,845	4,990	9,835	829.0	122.5	951.5
Programs of other agencies:							
VA direct housing loans	BA	1,575	1,200	2,775	115.0	300.0	415.0
Farm housing programs	BA	(5)	(5)	(5)	5.0	40.0	45.0
Subtotal		1,575	1,200	2,775	120.0	340.0	460.0
Total, housing bill	----------	6,420	6,190	12,610	949.0	462.5	1,411.5

[1] Key: BA—Treasury borrowing authorization.
CA—Contract authority.
AA—Authorization for appropriations; new obligational authority when actually appropriated.

[2] Assumes use of $79,000,000 balance of contract authority, which otherwise would be unavailable, to place under contract approximately 100,000 units of low-rent housing. Effects of additional subsidy for units occupied by elderly persons and families cannot be estimated with available information.

[3] Senate committee bill authorizes the Administrator to contract to make up to ⅔ grants for mass transportation demonstration projects. The $50,000,000 authorization for this purpose would be part of the total urban renewal contract authorization.

[4] Not applicable.

[5] Assumes use of Treasury borrowing authority which would otherwise have expired for commitment purposes.

Mr. DIRKSEN. The budget consideration here is, in my judgment, certainly not the least of the considerations that should guide us in approaching our responsibilities on the housing bill.

Mr. SPARKMAN. Madam President, will the Senator yield?

Mr. DIRKSEN. Yes.

Mr. SPARKMAN. Just before the Senator from Illinois started to speak, I put in the RECORD a table which is up to date, since amendment of the bill by the Senate. There is not a great deal of difference between the new table and the one the Senator from Illinois has placed in the RECORD.

Mr. DIRKSEN. Except that the table the Senator put in the RECORD shows a budget impact of $575 million, but the table I put in the RECORD shows a budget impact in fiscal year 1962 of $1,411 million. That information was submitted by the Housing Administration. It is a part of the literature which accompanies this bill.

Mr. SPARKMAN. Madam President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. SPARKMAN. I call attention to the fact that that is a combination of the existing program and the new program.

Mr. DIRKSEN. I mentioned that fact. That is correct. I made it clear.

Mr. SPARKMAN. I thought the Senator was talking about the impact of the present bill on the budget.

Mr. DIRKSEN. I am willing to stand on the RECORD of what I said.

Mr. SPARKMAN. Very well.

Mr. DIRKSEN. It is a combination of what has been authorized before plus what is authorized in this bill. It will have a budget impact of $1,411 million on the budget in fiscal year 1962.

Mr. SPARKMAN. Subject to the amendments.

Mr. DIRKSEN. That is correct. The amount might be raised or lowered a little. It is possible the amount might be lowered by $100 million. But the figure is substantially correct, I think.

In some earlier observations on this matter, I pointed out to the Senate that the January budget which was sent to the Congress by the prior administration indicated a surplus of $1,500 million, in rounded figures. There have been two revisions of the Eisenhower budget since that time. The first one came on the 28th of March. That has to be set down as a Kennedy revision, because obviously that revision was made by the incumbent administration, and it indicated a budget deficit, instead of a surplus, of $2,800 million.

Another revision came from the Kennedy administration on the 25th of May. That shows a deficit of $3,550 million.

I fancy that we shall be here for quite some time, and I apprehend also that we shall be adding to this amount in the form of new functions to be authorized, as, for instance, an increase in the stream pollution bill, and the supplemental and the deficiency appropriation bills, when the departments have had an opportunity to estimate and indicate

to the Congress, through the Budget Bureau, what they may need to carry out their functions for fiscal year 1962.

What I say at this point is a guess, and it has to be a guess, because I do not know what the "moon" is going to take.

We are talking now about moon shots. It has been indicated that perhaps we ought to spend $8 billion, $9 billion, or some such amount, over a period of 5 years, in order to get to Luna. It is a great thing in the field of lunar dynamics, I suppose, and there must be people who think this is one of the urgent matters before the country today. I can only say that I hope lunar dynamics will not become dynamic lunacy before we finish, and will not continue to push the budget ceilingward until we reach the moon. We are almost in orbit with the budget now. We have finally crashed the $100 billion barrier.

For fiscal year 1962—and certainly these figures are not quite complete—the output, including trust funds and the regular expenditure budget, will be $106 billion plus. The income from all sources, including railroad retirement to go into a trust account and social security to go into a trust account and all others, will be $102 billion, to compare with the outgo of $106 billion. So on a cash expenditure versus outgo basis, for the fiscal year 1962 the budget deficit will be in excess of $4 billion.

I risk my reputation as a prophet, even though my distinguished friend from Alabama knows that "A prophet is not without honour, save in his own country," that the probabilities are the deficit will be infinitely higher and that the budget deficit will be in excess of $5 billion before we conclude fiscal year 1962, which will be 1 year from the end of this month. That is a matter which disturbs me some.

Yes, as my distinguished and scholarly Biblical friend has said to me:

> A prophet is not without honour, save in his own country, and in his own house—

As stated in the Ancient Book.

If the Senate is my country or my house, I am not sure that the gift of prophecy or the words of prophecy will fall upon fertile ears. They may be entirely ignored before we finish.

But I do know what a figure means, Madam President, and there is something irretrievable and irresistible about a figure. I believe it was Charles Dickens who said that there is nothing so irresistible as a fact, and I say, "That's for sure."

This is a fact, since it comes from the Bureau of the Budget, and I expect the Bureau of the Budget to be very careful with its figures.

In consequence, we are spending ourselves into a deficit position which can only be measured in terms of inflationary impact in the grocery stores and in the market places of the country. There is no other way to estimate it.

When, for instance, we spend for public works and we spend for housing, we are not making expenditures in the field of consumables but in the field of durables, as we sometimes put it. As time goes on, a growing amount of purchasing power will be lodged in the hands of the people. Obviously it cannot be offset, when we engage a dipper dredge with an 11-yard dipper to throw earth upon a levee. We cannot say that the people whose incomes are being enhanced can buy any section of that in a consumer form, to dampen down the fevers of inflation.

That situation is taking on new form. It is taking on new substance. It is taking on new urgency constantly. It is no wonder that the students of our fiscal and economic situation and policies are becoming increasingly concerned about the dangers of inflationary fever and the inflationary contagion which only brings the prices up in the markets of the country, and which will be succeeded, finally, by pressure for increased wages. When we do this, there will be requests for more money than is authorized in the bill before us, and once more our country will be caught in the inflationary pincers.

I trust that will not obtain, but how can one come to any other conclusion, in view of the $9 billion authorization presently before us?

This is a bewildering bill. Frankly, I have found this to be the most bewildering piece of proposed legislation with which I have had an opportunity to deal in a good many years. Title I deals with new housing programs—housing for moderate-income families, the market rate rental housing, the below-market rate housing, loans for improvements of existing structures, and also experimental housing. Of course, experimental housing is demonstration housing. When imaginative people come up with fanciful ideas about houses a few years from now, and other people who occupy the no-downpayment with 40-years-to-pay houses become entranced—and they will become quickly entranced and intrigued by new designs and new arrangements in housing—the distinguished head of the family, who will be sitting across the table from his wife at dinner some night, will hear his wife say, "Joe, I just saw the Jones' house at the end of town. Let us go out this afternoon and take a look at it." They will take a look at it, and they will both agree it would be desirable to have a house like that. Their house will be not quite so futuristic and not quite so modern.

Then this couple will look at the table, to see the point they have reached so far as payments are concerned. They will discover in a little while, from the table I have presented heretofore, that after they have paid for 20 years for a $10,000 house they will have a $311 equity. That will be the case after 20 years, Madam President.

Models will change. Styles will change. I am not sure, if I were in that position, that I would not say to the lady across the dinner table, "Oh, let's move out tonight and go down the road about 20 miles, because there we can put our furniture in one of those futuristic, impressionistic new designs so appealing to the heart."

So we have before us the provision, modified by the Senator to require a 3-percent downpayment, but what will that be against a 40-year amortization period? It will be an open invitation to abandon. That is what it will be.

Who can say what kind of a load the Federal Government will have to bear by way of foreclosed property?

Madam President, I remember the fight I had on the Home Owners Loan Corporation.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. DIRKSEN. Do I have more time, Madam President? I yield myself more time if I do. How much time do I have?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. DIRKSEN. Only 5 minutes? Will the Senator from Alabama yield me 5 minutes?

The PRESIDING OFFICER. The Senator from Alabama has 16 minutes remaining.

Mr. SPARKMAN. Madam President, I understood that I had yielded the Senator from Illinois 5 minutes. Has the Senator already spoken 15 minutes?

The PRESIDING OFFICER. The Senator from Illinois has used 15 minutes.

Mr. SPARKMAN. I was so spellbound by the Senator's eloquence I did not recognize the passage of time.

Mr. DIRKSEN. I know he was, Madam President.

We will have to get more time.

Mr. SPARKMAN. Madam President, I ask unanimous consent that the time be extended for 20 minutes, 10 minutes to each side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama? The Chair hears none, and it is so ordered.

Mr. DIRKSEN. Now, Madam President, how much time do I have?

The PRESIDING OFFICER. The Senator from Illinois has 15 minutes.

Mr. DIRKSEN. Altogether?

The PRESIDING OFFICER. Altogether.

Mr. DIRKSEN. Including the new time allocation?

The PRESIDING OFFICER. Including the new time allocation.

Mr. DIRKSEN. Well, we may have to have more time. [Laughter.]

Madam President, I must speak until the clock shows 4 o'clock. I must build this house one room at a time until some of our absent Members arrive. With the cooperation of my friend the distinguished Senator from Montana [Mr. MANSFIELD] we will keep the debate going until 4 o'clock, if the Lord is willing. I am sure He will be, because I believe He is on my side in this debate.

I shall describe the problem of long-range financing with only a 3-percent downpayment. That kind of downpayment is not much of a hedge.

Madam President, I ask unanimous consent to insert a table at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Depreciated value of $10,000 home and comparison of upaid balance of $10,000 mortgage, 40-year term at 5½ percent interest

End of year	Depreciated value of property [1]	Outstanding balance of debt	Equity	End of year	Depreciated value of property [1]	Outstanding balance of debt	Equity
0	$10,000	$10,000	0	21	7,600	7,275	325
1	9,950	9,929	21	22	7,400	7,051	349
2	9,900	9,854	46	23	7,200	6,813	387
3	9,850	9,775	75	24	7,000	6,563	437
4	9,800	9,691	109	25	6,800	6,298	502
5	9,750	9,603	147	26	6,600	6,018	582
6	9,700	9,509	191	27	6,400	5,722	678
7	9,650	9,411	239	28	6,200	5,410	790
8	9,600	9,307	293	29	6,000	5,080	920
9	9,550	9,196	354	30	5,800	4,732	1,068
10	9,500	9,080	420	31	5,600	4,363	1,237
11	9,450	8,957	493	32	5,400	3,974	1,426
12	9,400	8,828	572	33	5,200	3,564	1,636
13	9,200	8,690	510	34	5,000	3,130	1,870
14	9,000	8,546	454	35	4,800	2,671	2,129
15	8,800	8,393	407	36	4,600	2,187	2,413
16	8,600	8,231	369	37	4,400	1,675	2,725
17	8,400	8,060	340	38	4,300	1,134	3,166
18	8,200	7,880	320	39	4,200	563	3,637
19	8,000	7,689	311	40	4,100	0	4,100
20	7,800	7,488	312				

[1] See accompanying text for assumptions and qualifications.
Source: Federal Housing Administration, Division of Research and Statistics.

Mr. DIRKSEN. This will indicate pretty well that after 20 years of payment there would be an equity of only $311. That feature is one thing that is wrong with the bill, particularly in an accelerated age when conditions change so fantastically fast, and is one reason why I oppose the bill.

The bill contains title II, housing for the elderly, and would lift the age limit with respect to those who are disabled.

Title III, urban renewal and planning, would grant spending authority, increased by $2½ billion, which would be given free. Those are not loans from the Federal Treasury. Gift money is provided. We are becoming pretty prodigal so far as the Federal Treasury is concerned. The amount authorized would be for urban planning grants. The Federal share would be increased from one-half to two-thirds.

Then there is title IV, loans for college housing, community facilities, mass transportation and planning. I suggest to the distinguished Senator from Wisconsin [Mr. WILEY] that I do not know how the railroads got in the bill, but they did.

Mr. SPARKMAN. Madam President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. SPARKMAN. I can tell the Senator.

Mr. DIRKSEN. I know.

Mr. SPARKMAN. They were included by the unanimous vote of the Republican members of the Senate Committee on Banking and Currency.

Mr. DIRKSEN. That group would not include me, because, notwithstanding the fact that 12 railroad presidents were in my office last year concerning this subject, I did not say "Yes."

I did not say "yes" to the request, because I believe it is a subject that ought not to be handled in a housing bill. The problem of the railroads has no business in the present bill. Transportation comes under the jurisdiction of the Committee on Commerce, and that item should have been more substantially justified before the committee that has jurisdiction.

The PRESIDING OFFICER. The additional 5 minutes which the Senator requested has expired.

Mr. DIRKSEN. Madam President, Have I 10 minutes remaining?

The PRESIDING OFFICER. Yes.

Mr. DIRKSEN. I yield myself 10 additional minutes.

There are increases in respect to the Federal National Mortgage Association and provision is made for the expansion of the FHA insurance program.

Title VI, refers to open space for urban development. Thank goodness, we succeeded in having that provision eliminated. Thank goodness, we have had the third reading of the bill, so that that provision cannot be put back into the bill. The House may put it back. I do not know. But if the conference report returns to the Senate and contains that item, I now serve notice on the Senate conferees that the provision will be subject to a fight, and it will be a good one. I believe my distinguished friend the Senator from South Dakota, will join me in that effort.

Mr. CASE of South Dakota. Madam President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. CASE of South Dakota. If there is any doubt, I assure the Senator from Illinois I will do what I can. The Senate has gone on record on that point by a 46 to 42 vote, and I hope the Senate will stand by its position. The amendment to strike out title VI of the bill, as reported by the committee, had bipartisan support on both sides of the aisle. If I remember correctly, 24 Republicans and 22 Democrats voted for my amendment last Thursday. The fight was not partisan in any sense. It was bipartisan and showed that the Senate thought we should not start on that kind of a program at this time, attractive as it might be under other conditions. The proposal that the administrator should be authorized to make grants up to $100 million, without any prior action by the Appropriations Committee, was not unusual. The faith of the United States was to have been solemnly pledged to provide the money, regardless of anything else, once the Administrator had spoken. We ought not to tie the hands of the Treasury that way.

Mr. DIRKSEN. Madam President, that subject was included in the bill until the Senate, in its wisdom, eliminated it. But if it comes back, the fight must be resumed.

Title VII relates to farm housing and an extension of the direct loan program to veterans. We authorized $1 million for direct loans to veterans on the ground that they were located in sparsely settled and rural areas where service could not be obtained, I sat across the table from President Eisenhower at the usual Tuesday morning conference, and when that item arose, I said, "Mr. President, if you go down the road of direct loans from the Treasury, you will never come back." Thank God, he would not sign the bill.

Again we are confronted with the provision, elaborated upon and increased in amount by direct loans from the Treasury.

I was deeply entranced the other day by a statement of the distinguished Senator from Alabama. The inspiration came from a banker in a small town in Alabama where loans could not be serviced. But since that time the Housing Administration has carried on a program, which has been almost nationwide in scope, to orient country banks so that loans could be made without direct loans from the Treasury. I believe such action can still be taken. But we will live to see the day when the amount will snowball. Then what shall we say to the other components of the population in our country? People who live in cities, on farms, and everyone else will say, "You have given the veterans direct loans from the Treasury"—not merely a guarantee, not merely insurance, but money out of the public Treasury. How would we respond to other groups in the United States that would come, hat in hand, first with their entreaties, then with their supplications, and finally with their demands?

I wish my friend the distinguished Senator from Tennessee [Mr. GORE] would bend his ear. I hope my friend from Oklahoma [Mr. MONRONEY] will let him listen to me for a moment. I wish to talk about the Senator's distinguished predecessor, Cordell Hull. He was a distinguished statesman.

Mr. GORE. He was indeed.

Mr. DIRKSEN. Believe me, he was a distinguished Senator. I remember one night at a little social function at one of the downtown hotels we had a little visit from him. We talked about the

farm program, and that great statesman said to me, with respect to handouts, "Congressman, I suppose at first the farmers will resist gratuities from the Treasury. A little later they will demur. But finally they will demand."

Cordell Hull was so eminently right, because that is exactly the state in which we find ourselves today. We talk about direct loans from the Treasury to veterans. How long would it be before other components in our population would say, "We, too, are entitled to the largess of this Government, and we want to be included in any proposed legislation that comes along."

That ought to frighten anyone who has some regard for the solidarity and the fiscal integrity of this country. However, it is in the bill. I cannot accept that kind of provision. We have modified the provision with respect to the 40-year loans. I salute the distinguished Senator from Tennessee [Mr. GORE]. Even though once in a while we have a little semantic discussion, I salute him for the effort he made the other day. I regret extremely that that action was not sustained finally, and that it was modified even to the extent of 3 percent. I do not believe it is enough. I do not believe we can do business on that basis without finally finding this country confronted with a great many shoestring homeowners who one day will find it to their advantage to abandon their homes. Then the House and the Senate will be confronted with the problem of what to do with the properties, because we have guaranteed and insured the loans.

Mr. GORE. Madam President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. GORE. I appreciate the generous remarks of the distinguished junior Senator from Illinois. Although my amendment was not carried in full, we did succeed in requiring some downpayment. It is $300 on a $10,000 house. I submit to my distinguished colleague and friend that even a small $300 downpayment is better than no downpayment at all.

Mr. DIRKSEN. Oh, indeed it is. However, the ghost of another challenge rises up. I fought the Home Owners Loan Corporation to a standstill on their policies, and there was a reason for it. We finally wound up with 250,000 dwellings that the Federal Government had to foreclose on, notwithstanding all the nonsense and the persiflage and the airy discussion. I followed it year after year. Uncle Sam had the houses. Who shall say we will not have them again.

I have here an article published in the Washington Star of May 17. It is entitled "48,000 Lose Homes From Foreclosures." Insofar as I can tell, the point made in the article is that that is the largest number of foreclosures since 1941. In addition, the article examines into the reasons for it. The reasons are two; first, that families have been purchasing more expensive homes; second, and more important, that the terms were so much easier that they were buying homes on a shoestring.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. Madam President, I have not quite finished the story, I am distressed to say. I ask unanimous consent for an additional 10 minutes.

The PRESIDING OFFICER. Without objection, the Senator is recognized for an additional 10 minutes.

Mr. DIRKSEN. What shall we do about 3 percent, with 40 years to pay? What will the foreclosure record be like?

I ask unanimous consent to have the article printed in my remarks at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FORTY-EIGHT THOUSAND LOSE HOMES FROM FORECLOSURES

NEW YORK, May 17.—Forty-eight thousand American families lost their homes through foreclosure in 1960, the largest number since 1941, the American Home Magazine said yesterday.

In its current issue, the publication said the rising foreclosure rate is attributed by the Federal Home Loan Bank board to two factors:

1. Families are purchasing more expensive homes than they used to. Inevitably, some are bound to overreach themselves and get hurt.

2. Mortgage terms are easier than they used to be and a lot of houses are bought on a shoestring.

"Such unforeseen catastrophes as long layoffs, unemployment, illness or death can completely wreck financial planning," American Home said. "They rank high on the list of causes of foreclosure.

"The family that is on thin ice is the one that made a very small downpayment and has a 25- to 30-year loan."

American Home cited Wichita, Kans., as a city hard hit by foreclosures after Boeing Airplane Co. cut back on aircraft production. Foreclosures there totaled 1,471 last year, it said.

Of 1960's 48,000 foreclosures, more than 11,000 were on Veterans' Administration loans and more than 7,500 on loans insured by the Federal Housing Administration, the publication stated.

This, said the magazine, is because FHA and VA borrowers have less of their own money invested.

Mr. DIRKSEN. Then, of course, there is the question as to whether this is a forcing operation. I must ask my distinguished friend from Alabama whether he has had verification of these figures. My information is that the FHA applications, at an adjusted rate for April 1961, numbered 217,000. The Federal Housing and Home Finance Administration estimated that that was a drop of 3 percent from March, and that it is the first time in 4 months that it has declined; also, that it is the lowest April rate since 1957. I ask my distinguished friend whether that is substantially correct.

Mr. SPARKMAN. I believe the Senator is correct. Those are the figures that were reported. It shows that the annual rate was reduced, I believe, to 1,200,000. That is the reduction. That is on the new basis, which would be about $1 million under the old figure.

Mr. DIRKSEN. I can only interpret the figure in my own way, that these housing starts are dropping. It looks to me like a forcing operation. It is a forcing operation at this period in the American economy.

Mr. SPARKMAN. Madam President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. SPARKMAN. No; I believe that the fair interpretation is that this is a reaction to the recession we have been in. There is always a drag, and as we pull out of the recession—I believe we are pulling out, and that we are pretty well on our way—we can reasonably expect that the figure will come up. This is not forced draft legislation. This is, as I said many times, a replacement for our old public housing program.

Mr. DIRKSEN. I devoutly hope that my distinguished friend from Alabama is correct. I have to interpret the information in my own way, and I see no such interpretation in these figures. I make them a part of my remarks, so that they may be in the CONGRESSIONAL RECORD and can be referred to at some future day, to determine whether I was right or wrong.

I make only one other point, and that is with respect to community facility loans. There is an increase in the authorization from $150 to $300 million, $100 million of which is earmarked for mass transportation loans. I do not believe it is needed. I do not believe that the transport item has a proper place in the bill. I believe that item should have gone to the Committee on Commerce. At least a pilot amount would have been enough, instead of reaching up into the very stars for vast sums to do the job, when the whole matter has not yet been thoroughly explored.

Community financing has been at a high level and is at a high level. I understand that there have been some $22 billion in community facility loans in the last 3 years. In the first months of 1961—and I believe this figure comes from the investment bankers of America, who keep close touch with this matter—the community facility loans granted and approved by the voters amounted to $2,800 million. That is a 7-point increase in the first quarter of 1961 over 1960.

Those are some of the items, Madam President, that I find objectionable in the bill and serve as the predicate for my determination that I shall vote against it.

I have only one other thing to say, and then I shall be through. I recommend to Members of the Senate a very interesting report which was made a few years ago by the U.S. Savings & Loan League. The title of the report is "Who Buys the Houses?" As a great organization, it has made use of literally thousands of savings and loan and building and loan associations scattered all over the countryside. Actually, one of the biggest component members of the league is the First Federal Savings & Loan Association in Chicago. I am a member of the board of directors of that association. Once I resigned, because when the question of fiddling with the 12-percent reserve for mutual sav-

ings banks and savings and loan associations came to the Senate floor, and the bankers of my State got in my hair, I sent a telegram resigning from the board. Then I asked the Senate for a special dispensation under the rule not to have to vote on the issue, so that it could not be said that any action I took represented a conflict of interest. The Senate granted that dispensation.

I say that because I do not want anybody to rise up on my oblique side, trying to discredit all this by saying that I have a peculiar interest in it. I have been a building-and-loaner since I was old enough to warble the English language. I expect to remain one to the very end of my days, because building and loans are a great activating force in the country and are predicated upon the gospel of thrift.

Here is the report. It has never been gainsaid. Here will be found the statement that two out of every three houses, two out of every three buildings, which are constructed in the United States, are not built with FHA insurance, not with VA insurance. They are built on the conventional loan basis and are financed by the thrift of the American people, as it finds its way into the coffers of those thrift agencies.

Madam President, I shall not place the whole report in the RECORD; I simply ask unanimous consent to have printed at this point in the RECORD the two pages the title of which is "Summary and Conclusions."

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

V. SUMMARY AND CONCLUSIONS

The world of home mortgages is like a family of three children where one does the bulk of the work and the other two get the bulk of the attention. Because of the perennial involvement in politics and their unpredictable and disturbing fluctuations, the insured and guaranteed mortgage operations of the Federal Housing Administration and the Veterans Administration tend in some quarters to be considered the dominant influences in the housing market. Yet of the outstanding mortgage debt on 1- to 4-family structures, the insured-guaranteed areas can claim only 44 percent, the remainder being in conventional loans.

Another reason for greater acquaintance of the public with insured and guaranteed mortgage operations than with conventional mortgage operations is the copious flow of information that comes from the Government agencies, especially the FHA, the statistical services of which have always been of a high order. Conventional lending, conducted independently as it is by thousands of institutions, is not susceptible to such continuous and detailed reporting. In producing this, the first of a series of similar surveys, the U.S. Savings & Loan League is endeavoring to provide the public with much needed information in a vital sector of home mortgage finance.

The U.S. League study, supported by information recently released by the Bureau of the Census, reveals the breadth of the availability of conventional financing to families throughout the range of income. Since we are overwhelmingly a middle-class Nation, it is to be expected that the greatest volume of conventional financing would be for families in the middle-income range. Such is the case. The concentration, however, is distinctly less than in the case with either the FHA or VA types of financing, even in the type of metropolitan area represented in the survey.

Conventional financing, while broadly serving the middle-income group, does not do so to the neglect of other important sectors of demand. As the U.S. League's findings show, and as the census data more strongly confirms, conventional financing is more extensively available to lower income borrowers and to lower priced houses than is the financing sponsored by the Government agencies. Had the league's survey included smaller communities than the metropolitan areas covered, this circumstance undoubtedly would have been even more strikingly disclosed.

The breadth of the coverage of conventional financing is especially significant in view of the steady upward creep, over the postwar period, of the median income of FHA borrowers and the median initial amount of the insured loan, both of which appear to have risen further than can be accounted for by increases in incomes or construction costs during the period.

Another important characteristic of conventional lending is the service it renders to the financing of used-house purchases. Its greater availability than insured or guaranteed lending for this purpose is attested by the census inventory; and the broad range of coverage is shown in both the census and the league studies. Since most of our families must be accommodated in other than newly built houses, and since purchases of previously occupied houses exceeded those of new ones, the advantage of having a supply of funds always at hand to facilitate these transactions, and thus to aid in the general upgrading of housing standards, cannot be overestimated. This need conventional financing meets in large degree.

The importance of this contribution goes beyond that of aiding the initial transaction. Availability of credit for the used-house market is today almost as important a factor in the stimulation of new construction as financing of used cars is for the stimulation of the market for new automobiles, and for the same reason. Today, more and more buyers of new houses are second-time or even third-time buyers and their ability to fulfill their objective depends upon their ability to sell the house already owned. Conventional financing has plainly been a vital force in this linked reaction.

The whole area of conventional financing needs broader study and understanding. As each year the original purposes of the Government-sponsored programs become blurred and their operations more disrupted by political action, dependence upon conventional lending is certain to grow. To make this increasing dependence attain its maximum fruitfulness in terms of expanded service, it is essential that the strengths and shortcomings of conventional lending be clearly revealed and that, through this knowledge, the strengths be preserved and the shortcomings corrected. It is hoped that the present study will prove to be at least a modest step in this direction.

Mr. DIRKSEN. Madam President, if anyone wishes to get a copy of this report, he can do so. All he has to do is to write to the U.S. Savings & Loans League, 221 North La Salle Street, Chicago 1, Ill. They will send him as many copies as he wishes to have.

The summary and conclusions support all the figures which have been reported. So when we are dealing with a housing bill, we think it encompasses all the housing in the country. Why, it touches less than one-third of the housing activities. In proportion as we diminish the deeper intrusion of the Federal Government into this field, I think the housing industry will be infinitely better off.

Madam President, I could assign other reasons. There would be no point in doing so. I do this only by way of fortification of the conclusions I have reached after thoroughly studying the bill and its policies and considering what it projects for the future of our country.

I fully intend to vote against its approval.

I yield the floor.

AUTHORIZATION FOR APPROPRIATIONS FOR AIRCRAFT, MISSILES, AND NAVAL VESSELS—CONFERENCE REPORT

Mr. SPARKMAN. Madam President, the distinguished Senator from Georgia [Mr. RUSSELL] desires to submit a conference report. I yield 5 minutes to him for that purpose.

Mr. RUSSELL. Madam President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1852) to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of June 12, 1961, pp. 10059–10060, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. RUSSELL. Madam President, the principal point at issue between the two bodies was as to the amount to be authorized for the procurement of aircraft for the Strategic Air Command. In that respect, the House agreed to the amendment of the Senate.

There was three other differences between the two bodies.

One was for an item of $21,200,000 in the House bill to authorize the installing of turbo-fan engines on 15 of the C–135 aircraft that are being procured for the Military Air Transport Service. These engines provide increased thrust and thereby reduce the take-off distance required for the aircraft. They also have a lower fuel consumption, which permits greater payloads of longer distances. The Senate agreed to that amendment.

The House authorized three new additional jet aircraft for the Special Air Mission Squadron of the Military Air Transport Service. Three aircraft of this type are now in inventory. The House had provided authorization for three additional aircraft of this type, but the conference agreement provides for one. These new modern planes are special aircraft to transport high officials of the Government.

The other difference had to do with the frigates for the Navy. The Senate version of the bill had provided authorization for the construction of seven conventionally powered, guided-missile frigates. The House version contemplated a total of six such frigates, two of which could have been nuclear powered. The conference agreement restores the number of guided-missile frigates to be authorized to seven, but would permit one of these to be nuclear powered.

The conference report as a whole authorizes appropriations for aircraft, missiles, and naval vessels in a total of $12,571 million. This figure is $71.2 million more than the Senate version of the bill.

Madam President, I move the adoption of the conference report.

Mr. SALTONSTALL. Madam President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. SALTONSTALL. As a conferee on this side of the aisle, I believe this is a very satisfactory settlement of the differences between the two branches of Congress. The principal difference was in the continuation of the long-range bomber production.

As the distinguished Senator from Georgia, the chairman of the committee, has stated, the House yielded on that item to the Senate version.

The other items were of a lesser nature but resulted in satisfactory compromises.

Mr. CARLSON. Madam President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. CARLSON. Referring to the statement of the distinguished Senator from Massachusetts concerning long-range bombers, would this item include the B–52 and B–58 bombers?

Mr. RUSSELL. It would include the B–52. As the Senate construed long-range bombers, it would include the B–52.

Mr. KUCHEL. Madam President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. KUCHEL. Do I correctly understand that the proposed legislation does not include a hospital recommended in California?

Mr. RUSSELL. No. That item is not involved in this bill at all. This bill relates to military hardware. The House has not yet agreed to the conference report on the military construction bill, which contains the item to which the Senator from California refers.

Mr. KUCHEL. I thank the Senator from Georgia.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

HOUSING ACT OF 1961

The Senate resumed the consideration of the bill (S. 1922) to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes.

Mr. SPARKMAN. Madam President, I yield 2 minutes to the distinguished Senator from Massachusetts.

Mr. SALTONSTALL. Madam President, after giving serious and detailed study to the 1961 omnibus housing bill, I have decided to vote against it even though I have consistently supported constructive legislation in the areas of Federal assistance for slum clearance, housing for the elderly, veterans' home loans, and additional public housing units.

S. 1922, despite certain helpful changes made during this debate, is too expansive for me in good conscience to support—too expansive in cost, in the numerous and far-reaching areas of life it plunges into, and in the extent to which it interferes with our free enterprise system. Urban renewal, for instance, should be extended but not by so much as the $4.5 billion capital grant authorization proposed in the bill. This amount is approximately double what I believe can be efficiently absorbed by our economy and effectively utilized by the cities responsible for carrying out the overall urban renewal programs.

Likewise, I believe the 100,000 new public housing units supplied in the bill are excessive. Testimony before the subcommittee demonstrated that the Nation's public housing program cannot helpfully accommodate additional public housing units at a level much above 37,000 units. As of March 31, 1961, there were 51,353 units still in the pipeline, and administration testimony has stated that current applications for public housing units are coming in at only a fraction of the number of units authorized. Statistics also show that housing construction is proceeding at a reasonably satisfactory rate of 1.2 million units a year, and that vacancies in rental units have now increased up to 8 percent.

I am generally disturbed by the no-downpayment, no-equity approach of Federal assistance to home buyers and homeowners, even though the original 40-year, no-downpayment loans available under the Housing for the Moderate Income Family title was amended to require a $555 downpayment. Other provisions in the bill give both encouragement and authority to this general philosophy, which fails to properly stress personal responsibility on the part of the mortgagor.

The "below-market-interest-rate" section of the measure is both economically unsound and seriously meddles with the principles of a free market system. There is serious doubt that private mortgage funds would be invested under this provision. The bill itself provides for an additional authorization of $750 million in Federal funds, admitting the potential of a persistent and unpredictable drain on public funds because of this financing technique.

I regret having to vote against this bill and have supported amendments on the Senate floor which would have provided for a more practical and economically feasible program in the field of housing and community development. I cannot support a housing measure, however, which is patently inflationary; which disregards the realities of current experience with housing programs across the country; which discourages financial effort and responsibility on the part of the individual; which undercuts the crucial role of private industry in homebuilding; and which in its own financing provisions fails to include both the discipline required when dealing with the taxpayer's money and the dedication to basic principles essential to the continuing of our free enterprise economy.

Mr. SPARKMAN. Madam President, I yield 5 minutes to the distinguished Senator from New York.

Mr. JAVITS. Madam President, in view of the fact that this is a large bill, one of the largest, I think, that has ever been passed in the housing field, and there is some question about the extent of support which it will have on this side of the aisle, and in view of the fact that I intend to support the bill, I think it proper to state my reasons.

I believe the bill should be passed, for three reasons. First, except probably for civil rights, it represents, in my view, one of the greatest affirmations of the ability of our internal institutions, in terms of the cold war, upon which we have the opportunity to vote.

The fundamental difference which everyone finds between the Communist system and our system invariably boils down, in practical terms of day-to-day living, to housing, where we have a tremendous force for good, but the Communists have not been able to handle that problem.

Madam President, it is not insignificant— and I take into consideration the very important points made by the Senator from Illinois—that homeownership in the United States is now in the hands of approximately 60 percent of the American people—a great increase since World War II. This is a most important fact, and is one of the most critical things I know of in connection with our work for freedom.

Second, the entire FHA system, which this bill buttresses, constitutes one of the most important factors in connection with our work for freedom. For the reasons pointed out, private efforts in connection with this industry cannot stand alone. The private building industry might be able to take care of two-thirds of the homes needed, or a little more; but the difference between that amount and the 1,250,000 a year is essential to the growth of our society; and that is provided for in the pending bill, and is indispensable.

I believe the entire FHA system is an intelligent way to weld government credit into the private industry activities, and needs to be supported.

Third, Madam President, the bill is not inflationary, because anyone who has run a business knows that what counts is not only what one owes, but also what one has. Our Government owes $300 billion, in round figures, but we also have

an enormously rich country, worth at the very least $800 billion, and perhaps a trillion dollars, or perhaps even more.

When homes are built, they add to the assets and resources of the country; and this bill will add many fold to the number of houses, because individual owners will develop their homes, will embelish them, will furnish them, will use them, will add automobiles to them, and will have greater incentive to work harder, and thus will add to the wealth of the country.

So, Madam President, for all these reasons—notwithstanding my unhappiness and my dissatisfaction over the fact that our colleagues on the other side of the aisle have again, I believe—and I say this advisedly—for more partisan reasons than they had any right to, foregone the best middle-income housing provision; and I hope and believe that as time passes they will come to the conclusion that the way to handle best the middle-income housing is the way we have urged, not the 40-year basis—I shall vote for the bill anyway, because I believe that in a situation of this sort it is essential.

Madam President, I am very grateful to the Senator from Indiana [Mr. CAPEHART] for allowing to remain in the bill the provision which gives the Administrator the right to reduce the charge for the FHA program from one-half of 1 percent to one-fourth of 1 percent. This provision has within it the seeds of enormous saving, and it can be of great benefit in confirming the fact that the FHA has been profitable and has accumulated large reserves, which should be passed on to the consumers. I am also very grateful to the Senator from Indiana for not pressing for the adoption of an amendment which might very well have changed that part of the bill.

The PRESIDING OFFICER. The time yielded to the Senator from New York has expired.

Mr. JAVITS. Madam President, I thank the Senator from Alabama for yielding this time to me. I shall complete the statement of my views in the RECORD.

Mr. SPARKMAN. I thank the Senator from New York for his statement.

Madam President, I yield 2 minutes to the Senator from Tennessee [Mr. GORE].

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 2 minutes.

Mr. GORE. Madam President, there are today, despite some improvement in our economy, almost 5 million Americans who are unemployed. This condition of our economy makes it imperative that the Government have a vigorous housing program. In addition to that, our social objectives—the desire to promote homeownership, the desire to promote urban renewal and other worthwhile objectives dealt with in the bill—make it imperative that the Congress enact a housing bill. Without the enactment of a housing bill, all FHA home-loan guarantees would terminate this year. Without the enactment of a housing bill, the urban renewal program would come to a halt, and so would college housing and other worthwhile programs which have the wholehearted endorsement of the people.

Madam President, my efforts to modify the pending bill by means of amendments had one objective only—namely, improvement of the bill. I succeeded only in part. Obviously, therefore, there are retained in the bill provisions with which I disagree. Indeed, the chairman of the subcommittee has told the Senate that the bill contains provisions with which he disagreed in the committee, and with which he still disagrees.

Madam President, I have concluded to support the bill, despite its imperfections. I support the bill because of its economic necessity, because the heart and core of the pending bill are not the innovations with which I disagree but rather the continuations of the programs which have proven successful over the years.

The PRESIDING OFFICER. The time yielded the Senator from Tennessee has expired.

Mr. GORE. Madam President——

Mr. SPARKMAN. Madam President——

Mr. SMATHERS. Madam President, if the Senator from Alabama will yield 1 additional minute to the Senator from Tennessee——

Mr. SPARKMAN. I yield 1 additional minute to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for one additional minute.

Mr. SMATHERS. Madam President——

Mr. GORE. I yield.

Mr. SMATHERS. I wish to congratulate the Senator from Tennessee on his statement, and I join him in it. I supported the Senator from Tennessee in his efforts to eliminate the 40-year, no-downpayment provision. He succeeded in some measure, and I congratulate him for that. I believe he has improved the bill.

The bill contains some provisions of which I do not approve. However, I agree with the Senator from Tennessee that we must have a housing program going forward. I know of no program assisted by the Government that does more to build up our middle-class society and conservatism than does homeownership, and certainly I would not want to vote against the bill and thus have that program brought to an end.

So I am happy to associate myself with the position taken by the distinguished Senator from Tennessee.

Mr. GORE. I thank the distinguished junior Senator from Florida for his generosity and for his contribution.

Mr. SPARKMAN. Madam President, I yield 4 minutes to the Senator from Pennsylvania [Mr. CLARK].

THE PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 4 minutes.

Mr. CLARK. Madam President, until the senior Senator from New York [Mr. JAVITS] rose to his feet a few minutes ago and addressed the Senate, we had been listening, here on the floor of the Senate, for most of the afternoon, to the voice of the past, in my opinion—the voice of an age which has gone.

I am happy to note that in a few minutes the Senate will, without question, vote to support the needs of the present and the needs of the future, the needs which our people will encounter in the age which lies ahead, rather than to concentrate upon the dead past.

This is the best housing bill which has come before the Senate during my brief service here.

The bill contains provisions for at least nine major measures of great improvement.

The bill has for the first time a really effective moderate-income housing program, with provision for 40-year loans, with a small downpayment, fully insured, which, although it will knock out—because of the downpayment—such opportunities for 2 million American families of moderate income, still will leave 9 million such families available for this badly needed program, in order to give them a decent roof over their heads.

Second, the home improvement and rehabilitation program has been very much stepped up, with a limit of $10,000 on the loans and 20 years for their repayment.

Third, the bill contains material provisions for the encouragement of advanced technology in connection with home building.

Fourth, the bill provides for the program of housing for the elderly; the bill will refurbish and improve that program.

Fifth, the bill provides a splendid step forward in authorizing almost 100,000 additional units of public housing, including special provisions for the disabled and the elderly.

Sixth, the bill proceeds at long last to place urban renewal on a long-term basis, so that metropolitan areas and cities can plan for the future.

A number of other very important improvements have been made in the urban renewal program.

Seventh, the college housing program has at last been put on a long-term basis, with an authorization of $250 million for 5 years.

Eighth, mass transportation has been recognized as a problem of urban renewal, when merged with community facilities, and given money to get underway. Treasury borrowing has been provided as a method of financing the program.

Ninth, and last, the Federal National Mortgage Association has been financed with additional funds and the general FHA program has been extended for a period of 2 more years.

This bill makes a long stride forward toward the goal laid down for the first time in the Taft-Ellender-Wagner Act of 1939 of a decent home for every American family.

I could not conclude without expressing my appreciation to two splendid

members of the minority, the Senator from New York [Mr. JAVITS] and the Senator from New Jersey [Mr. CASE], without whose votes many parts of this bill would have been wrecked.

I also express my appreciation to the Senator from Delaware [Mr. BOGGS] and the Senator from Hawaii [Mr. FONG], whose votes on critical amendments were needed to protect a worthwhile program.

We are about to pass a first-class housing bill, and I shall support it.

Mr. SPARKMAN. Madam President, I yield 1 minute to the Senator from North Carolina [Mr. ERVIN].

Mr. ERVIN. Madam President, this bill illustrates a constantly occurring legislative situation. The bill before the Senate contains provisions which I think are wise. It likewise has provisions in it which I think are foolish. It has provisions in it which I think are sound. It likewise has provisions in it which I think are unsound.

If one were to wait to vote for a piece of major legislation until he found one which he thought was perfect, he would never cast an affirmative vote.

Notwithstanding my convictions that certain provisions of this bill are foolish and unwise, I think on the whole the good in the bill far outweighs the bad. For that reason I expect to vote for it on final passage.

Mr. SPARKMAN. Madam President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 9 minutes remaining.

Mr. SPARKMAN. I yield myself 6 minutes.

Mr. CANNON. Madam President, will the Senator yield for a question?

Mr. SPARKMAN. I yield.

Mr. CANNON. Under the provisions of the act now in existence, preference was given to veterans of World War II and the Korean conflict. I note, under the report of the committee, under section 206, the section of the bill relating to admission policy, has been amended supposedly to give localities greater flexibility in shaping admission policy. I should like to ask the distinguished Senator if he believes that, under the bill as it now stands and which is before us for passage, the local admission agency would be permitted to establish a preference criteria, for example, for an airman, or an airman first class, or other military personnel, presuming they came within the income provision of the law, and give them a priority basis.

Mr. SPARKMAN. May I say to the Senator from Nevada that it is my interpretation of the provision that we wrote into the bill it does that very thing. The Senator has correctly read from the report, in which we call attention to the fact that it leaves the provision as it is and gives the local authority greater flexibility.

If he will refer to the bill, section 206, starting on page 39, and running over onto page 40, he will see, at the beginning of the section starting on line 21 on page 39, and running over to line 5 on the next page, it specifically refers to servicemen. In other words, it brings him in the same category as a veteran. The next paragraph relates to the income level. So if the serviceman comes within the income level, then he is eligible for the housing.

Mr. CANNON. The local agency could establish priority?

Mr. SPARKMAN. The local agency could establish regulations governing priority.

Mr. CASE of South Dakota. Madam President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. CASE of South Dakota. The Senator from South Dakota notes with interest that the provision for making grants for mass transportation demonstration projects in an amount not exceeding $50 million differs somewhat from the capital grants that are proposed for urban renewal and redevelopment in paragraph (a) of section 103, and would like to know what the reason is.

Mr. SPARKMAN. I am trying to look at the report now.

To what page in the report does the Senator refer?

Mr. CASE of South Dakota. I am looking at page 4 of the 1949 act; but, briefly, the situation is that paragraph (a) of section 103 authorizes capital grants for development. The last sentence of paragraph (b) provides that the faith of the United States is solemnly pledged to the payment of all capital grants, which would cover those grants. But the new sentence provided by section 103 of the clean print of the bill does not refer to these grants for mass transportation demonstration projects as capital grants.

So, I must assume the language that the faith of the United States is solemnly pledged to the payment of capital grants does not refer to the $50 million for mass transportation demonstration projects.

I make this point because I think it should be clear in the legislative history of the bill that the Appropriations Committee will not be under the same compulsion with respect to the $50 million for the mass transportation demonstration projects that it would be with respect to providing funds for capital grants made under the terms and concept of paragraph (a) of section 103.

Mr. SPARKMAN. May I say to the Senator from South Dakota that I am sorry the Senator from New Jersey is not present on the floor, since this is a project which he handled. It was a project which I opposed in the committee, not because I was opposed to it as a program, but because I felt the demonstration proposal would be much wiser if it was brought before us after experts had a chance to study it and it could come in with its own recommendations in January. Nevertheless, the majority of the committee put the provision in the bill.

As I said in the colloquy with the distinguished minority leader earlier in the afternoon, every Republican on the committee voted for it. It was a bipartisan matter.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SPARKMAN. Madam President, I yield myself 1 minute. It is my opinion—this is only my opinion; I shall be very glad to have our staff check into it and give the Senator from South Dakota a memorandum later, if he wants it—that there is no distinction between this grant authorization and that provided in the act of 1949.

Mr. CASE of South Dakota. I would have to challenge that as a part of the legislative history, because in 1949 in the House of Representatives I raised a point of order as to funds obtained for the loan section of the bill, contending it constituted an appropriation. Here we have a different situation. The grant section was made dependent upon appropriations, and the Appropriations Committee is respected and named. But the sentence which is not amended by the bill is the second sentence of (b) of section 103, which pledges the faith of the United States only to the payment of capital grants.

I invite attention to the fact that the portion relating to $50 million does not specify capital grants but relates only to grants in a general way.

Mr. SPARKMAN. Madam President, I yield myself 1 minute to answer the question.

This action of the bill provides for contract authority to make capital grants.

Mr. CASE of South Dakota. The word "capital" does not appear.

Mr. SPARKMAN. I state again that in my opinion there is no distinction between the "grants" provided for under the 1961 bill and those provided for in the act of 1949.

Mr. CASE of South Dakota. Madam President, I must point out that the old sentence 1 referred to "capital grants" and the new sentence 1 for paragraph (b) which is provided by the amendment does not refer to "capital grants," but refers to "grants" in a general way. The reference to mass transportation is only to "grants" and not to "capital grants." Therefore, I hope the Appropriations Committee will take due notice that it is not under the same compulsion with respect to the $50 million for mass transportation demonstration projects as it might be with respect to other items in section 103.

Mr. SPARKMAN. Madam President, in consideration of the Housing Act of 1959, Mr. Norman Mason, the head of the Housing and Home Finance Agency, testified before the committee that the use of the word "capital" was not necessary. The amendments submitted that year revised the wording under section 103(b), deleting all reference to "capital grants" and replaced them with "grants".

The PRESIDING OFFICER. The time of the Senator from Alabama has expired.

Mr. SPARKMAN. Madam President, I ask unanimous consent that I may have an additional 5 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama? The Chair hears none, and it is so ordered.

Mr. SPARKMAN. Madam President, I shall take only a few minutes to summarize the items relating to the bill. I shall mention only a few.

I am sorry that my friend the minority leader is not in the Chamber at this time. He talked about the veterans' direct loan program. This has been one of the most popular, yet relatively small programs we have had in the whole country. The Senator said it would snowball. As a matter of fact, it has been going for 11 years and has not snowballed.

The thing which perhaps the Senator overlooks is that there is a definite cutoff provided in the bill. We are phasing that program out and also phasing out the GI guarantee program. Those features are both carried in the bill, and I think they should be accepted with pleasure by Senators generally.

A statement has been made that this is the largest housing bill ever. That may be true; I do not know. This is the first time we have ever considered a bill which carried provisions for several years of the program. The Senate has, at times, passed bills for long periods. We passed a bill providing 6 years of urban renewal, but that was never agreed to.

The bill before us provides for a program of urban renewal with the time not limited, but the administration has suggested it would take 4 years to carry out the program. There is a 5-year farm program in the bill. There is a long-term college loan program in the bill. There are many other long-term programs. When we add up the total, including all of the years the program would run, the amount involved becomes quite large.

There is one thing I wish to say for the many people who are still disturbed about the 40-year limitation. I repeat what I have said many times: This is nothing new. I wager that very few Senators in the Chamber realize that one of the old, reliable sections of the FHA program is section 207, the standard rental program. That program has had 40-year mortgages since 1951.

In addition, there are 40-year programs under section 213, section 220, section 221, section 231, and section 232. There has been a remarkable showing as we have seen from our experience under section 213.

Madam President, I ask unanimous consent to have printed in the RECORD at this point a statement on the FHA 40-year mortgage programs showing the loss experience on FHA 40-year sales housing programs, including FHA section 221 housing for displaced families, and FHA section 213 cooperative housing.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FHA 40-YEAR MORTGAGES

Existing law permits FHA to insure mortgages on a 40-year repayment basis as follows:

1. SALES HOUSING

Section 221—housing for displaced families, 40-year mortgages first authorized by law in 1956.

Section 213—cooperative housing, first authorized in 1950.

(See next page for default experience under these programs.)

2. RENTAL HOUSING

All multifamily housing insured by FHA are in practice on long-term basis of over 39 years. This includes rental housing under sections 207, 213, 220, 221, 231, and 232. Sections 213 and 221 place a statutory limit of 40 years or three-fourths of the remaining economic life of the property on the term of loan. The other sections of the law permit the FHA Commissioner to set the maximum term and he has set the 39-year term.

LOSS EXPERIENCE ON FHA 40-YEAR SALES HOUSING PROGRAMS

(a) FHA Section 221: Housing for Displaced Families.—Total loans insured, 24,000 for $218 million. Mortgages defaulted and acquired by FHA, 454 mortgages for $4 million.

Experience on resale of FHA acquired section 221 mortgaged property shows that the average dollar loss per property is $1,150. (Based on sale of 70 properties to date which were sold at a loss of $80,000.)

If all 454 defaulted properties were to be sold at the same average loss as the first 70 properties, the total loss would be $520,000, or .22 percent of the total amount insured.

(b) FHA Section 213: Cooperative Housing.—Total loans insured, 28,500 for $334 million. Mortgages defaulted and acquired by FHA, 95 mortgages for $1,266,000.

Experience on resale of FHA acquired section 213 properties shows that the average dollar loss per property is about $1,500. (Based on sale of 48 properties to date which show a total loss of about $75,000.)

If all 95 properties were to be sold at the same average loss as the first 48, the total loss would be less than $150,000, or .05 percent of the total amount insured.

Mr. SPARKMAN. Madam President, I ask unanimous consent to have printed in the RECORD a table showing the claims experienced on VA-guaranteed home loans, and also a table connected therewith showing the incidence of claims on primary GI home loans, by years the mortgage has run. I ask Senators to remember that these are no-downpayment mortgages for the most part.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

CLAIMS EXPERIENCED ON VA-GUARANTEED HOME LOANS

A special study of claims experience on VA-guaranteed primary home loans for home purchase from the beginning of the program in 1944 through June 1957 revealed the following:

	Number guaranteed	Claims paid	
		Number	Percent of number guaranteed
Downpayment loans	3,096,062	13,401	0.43
No downpayment loans	1,190,723	12,642	1.06
Total primary loans for home purchase	4,286,785	26,043	.61

The attached table contains the incidence of claim payments in the life of the loans. In making this study, loans on which claims were paid were grouped by year of loan origination and the elapsed time between the origin and date of claim payment was computed. With very little variation from year to year, the highest incidence of claim payments occurred during the early life of the loans—usually between 1½ and 3½ years after the loans were made. It will be noted that the incidence of claim payments declines rapidly after the first 3 or 4 years in the life of the mortgages.

Incidence of claims on primary GI home loans

Elapsed time after loan was guaranteed:	*Claims paid as percent of loans guaranteed*
Less than 6 months	0.004
6 months to 1 year	.021
1 to 1½ years	.075
1½ to 2 years	.105
2 to 2½ years	.107
2½ to 3 years	.100
3 to 3½ years	.088
3½ to 4 years	.075
4 to 4½ years	.062
4½ to 5 years	.052
5 to 5½ years	.043
5½ to 6 years	.039
6 to 6½ years	.035
6½ to 7 years	.028
7 to 7½ years	.025
7½ to 8 years	.020
8 to 8½ years	.017
8½ to 9 years	.019
9 to 9½ years	.017
9½ to 10 years	.017
10 to 10½ years	.002

Mr. SPARKMAN. Madam President, I also ask unanimous consent to have printed in the RECORD a table relating to the operations of the Federal National Mortgage Association, covering the time it has been operating.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FNMA is a profitable enterprise. On its combined operations its earnings or accumulated net income as of December 31, 1960, is $414 million. These earnings are distributed as follows:

[Millions]

Dividends paid on preferred stock	$10.7
Dividends paid on common stock	4.4
Surplus and earnings paid to U.S. Government	164.4
Reserves and undistributed surplus	234.5
Total	414.0

Mr. CAPEHART. Madam President, will the Senator yield me 2 minutes?

Mr. SPARKMAN. Madam President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. SPARKMAN. Madam President, I yield 1 minute to the Senator from Indiana.

Mr. CAPEHART. Madam President, I ask unanimous consent that the time may be extended, and that I may have not to exceed 5 minutes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Indiana? The Chair hears none, and it is so ordered.

Mr. CAPEHART. Madam President, I do not wish to have anyone think I am casting any reflection upon anybody, but to my mind the bill before us is the best example in the world as to why nations go socialistic. We are constantly asked to liberalize and to liberalize, to eat away the private enterprise system. In my opinion the bill

before us is one of the reasons why other nations throughout the world are losing confidence in the United States, because we talk one way and act another.

We tried to amend the bill in many directions. In some we succeeded, and in others we did not. The bill provides a lot of little things to which I refer as "cats and dogs."

Senators would be amazed, if they would take the time to study the bill carefully, to learn the number of little ways in which the bill has been liberalized. Therein lies the danger in the bill.

I shall vote against the bill, because that is the only way I can protest against taking what has been a good piece of proposed legislation and misusing it by liberalizing it to the point that, if we do not stop, some day we may well nationalize the housing industry of the United States. That is a reason why Senators ought to vote against the bill.

Another reason why Senators ought to vote against the bill is that there has not been a Senator who has spoken on the bill who has not said there are some things he likes about it and other things he dislikes about it. There has not been a single Senator who has been 100 percent satisfied with the proposed legislation.

I hope Senators will believe me when I say that this is a real example of what happens to governments and to legislative bodies which do not have the courage to stop liberalizing good legislation so that some day they reach the point of wrecking the program. In my opinion, some day we shall wreck the FHA program.

Senators should read the bill carefully. They ought to read the fine print. The bill would give to the Federal Administrator of the Housing and Home Finance Agency, whoever he may be and whatever his policies may be, power beyond the point each and every Senator would oppose, if Senators realized how much power the bill would give the Federal Administrator.

I plead with the Senate. I know we shall not succeed in stopping the passage of the bill. I know that the bill will be passed. Ever since I first came to the U.S. Senate I have supported FHA legislation. I wish I could support the present measure. However, I shall cast a protest vote against the constant increasing liberality contained in bills such as the pending bill, which, in my opinion, tend to bring us down the road of socialism. It would be very easy to advocate building a house for every person in the United States. Our opposition would so provide. But how, in good conscience, can we continue to vote for such proposed legislation as we are asked to vote upon today, and at the same time constantly appropriate money to stop the progress of socialism and communism in other countries? Constantly we go farther forward into socialism. We place the government further and further into the lives of the American people and further and further into the private enterprise system. One could not in good conscience vote for the proposed legislation if he were opposed to socializing American industry. The really bad elements of the proposed legislation are little things, such as the authority, power, and control proposed to be given the administrator. Amendments were not offered to correct such things because such amendments could not be offered. The big weakness of the bill lies at that point.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MANSFIELD. Madam President, I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD (when his name was called. On this vote I have a pair with the Senator from Ohio [Mr. LAUSCHE]. If he were present and voting he would vote "nay." If I were at liberty to vote I would vote "yea." Therefore I withhold my vote.

Mr. PROUTY (when his name was called). On this vote I have a pair with the senior Senator from Oregon [Mr. MORSE]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Ohio [Mr. LAUSCHE] and the Senator from Oregon [Mr. MORSE] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY] is necessarily absent.

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New Mexico would vote "yea" and the Senator from New Hampshire would vote "nay."

Mr. KUCHEL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Kansas [Mr. SCHOEPPEL] are absent on official business.

The Senator from Connecticut [Mr. BUSH], the Senator from Nebraska [Mr. HRUSKA] and the Senator from Kentucky [Mr. MORTON] are necessarily absent.

On this vote, the Senator from Connecticut [Mr. BUSH] is paired with the Senator from Nebraska [Mr. HRUSKA]. If present and voting, the Senator from Connecticut would vote "yea," and the Senator from Nebraska would vote "nay."

On this vote, the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from New Hampshire would vote "nay," and the Senator from New Mexico would vote "yea."

If present and voting the Senator from Kansas [Mr. SCHOEPPEL] would vote "nay."

The result was announced—yeas 64, nays 25, as follows:

[No. 77]

YEAS—64

Aiken	Gruening	Metcalf
Anderson	Hart	Monroney
Bartlett	Hartke	Moss
Beall	Hayden	Muskie
Bible	Hickey	Neuberger
Boggs	Hill	Pastore
Burdick	Humphrey	Pell
Byrd, W. Va.	Jackson	Proxmire
Cannon	Javits	Randolph
Carroll	Johnston	Scott
Case, N.J.	Jordan	Smathers
Church	Keating	Smith, Mass.
Clark	Kefauver	Smith, Maine
Cooper	Kerr	Sparkman
Dodd	Kuchel	Symington
Douglas	Long, Mo.	Talmadge
Ellender	Long, Hawaii	Wiley
Engle	Long, La.	Williams, N.J.
Ervin	Magnuson	Yarborough
Fong	McCarthy	Young, Ohio
Fulbright	McGee	
Gore	McNamara	

NAYS—25

Allott	Dirksen	Robertson
Bennett	Dworshak	Russell
Butler	Eastland	Saltonstall
Byrd, Va.	Goldwater	Stennis
Capehart	Hickenlooper	Thurmond
Carlson	Holland	Williams, Del.
Case, S. Dak.	McClellan	Young, N. Dak.
Cotton	Miller	
Curtis	Mundt	

NOT VOTING—11

Blakley	Hruska	Morton
Bridges	Lausche	Prouty
Bush	Mansfield	Schoeppel
Chavez	Morse	

So the bill (S. 1922) was passed.

Mr. SPARKMAN. Madam President, I move to reconsider the vote by which the bill was passed.

Mr. HUMPHREY. Madam President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SPARKMAN. Madam President, I ask unanimous consent that the Secretary may be authorized to make certain technical and other changes of a purely clerical nature in engrossing the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Madam President, it is only proper at this time to express my appreciation to the distinguished chairman of the subcommittee who handled the bill which has just been passed by the Senate, the Senator from Alabama [Mr. SPARKMAN]. He has shown rare managerial capacity. Certainly he had full and complete knowledge of the bill before us. I salute him. I wish also to salute and express my thanks to the ranking minority member of the committee, the Senator from Indiana [Mr. CAPEHART] who fought a hard, clean fight in trying to bring about changes in the bill which he thought were right and proper.

I believe that the distinguished Senator from Tennessee [Mr. GORE], whose amendment was adopted, likewise is entitled to great credit for what he did, which, in effect, made the bill stronger

than it was when it was first presented to the Senate.

I express my thanks to the members of the committee handling the legislation and to the leadership on the Republican side of the aisle, as well as to all other Senators, for the kindness, courtesy, and consideration shown.

Mr. DIRKSEN. Madam President, I express my thanks to all the members of the committee on the minority side. This is one of the most bewildering bills I have ever seen. I know that it required a rare degree of patience and sustained effort to understand and explain not only the bill, but also the very perplexing amendments that were before us. I salute them for their excellent efforts, even though we did not agree with respect to some of them.

CONTINENTAL HOSIERY MILLS, INC., HENDERSON, N.C.

Mr. DIRKSEN. Madam President, while a number of Senators are in the Chamber, I wish to ask the distinguished majority leader what is the program for the remainder of the day and what is planned for tomorrow.

Mr. MANSFIELD. Madam President, in response to the question raised by the distinguished minority leader, I first move that the Senate proceed to the consideration of Calendar No. 322, S. 1206, for the relief of Continental Hosiery Mills, Inc., of Henderson, N.C., successor to Continental Hosiery Co., of Henderson, N.C.

The PRESIDING OFFICER (Mr. Burdick in the chair). The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, next, it is the intention of the leadership to bring up the Menominee Indian bill today. Tomorrow, it is proposed to begin consideration of the nominations of Messrs, Joseph C. Swidler and Howard Morgan to be members of the Federal Power Commission.

After that, the Senate will take up the highway tax bill, which has been reported by both the Committee on Public Works and the Committee on Finance. It is anticipated that the Senate may be able to start debating that bill tomorrow, although that will depend on the length of debate on the nominations of Messrs. Swidler and Morgan. At any rate, it is hoped that the Senate can begin the debate of the highway tax bill not later than Wednesday. It is hoped that it may be finished within a couple of days.

If that is the case, toward the end of the week the Senate will give consideration to Calendar 176, S. 1185, a bill to amend the Merchant Marine Act, 1936, in order to authorize the expenditure from certain capital reserve funds of certain amounts for research, development, and design expenses; Calendar No. 177, S. 1183, to amend the Merchant Marine Act, 1936, in order to provide for the reimbursement of certain vessel construction expenses; and Calendar 263, S. 1430, for the relief of Terez Kaszap.

If, however, those bills are arranged in such form as to be considered only late on Friday, they will not be considered on that day, but will go over until the following week.

Mr. DIRKSEN. Mr. President, my understanding is also that on Thursday the first order of business will be the investiture of the very distinguished Senator-elect from Texas, Mr. JOHN TOWER.

Mr. MANSFIELD. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. MANSFIELD. The Senator from Illinois is correct. The first order of business, either before or after the conclusion of the morning hour, will be the "investiture" of the new Senator from Texas. I assure the Senate that the Vice President will be here to do the honors in person.

Mr. DIRKSEN. Mr. President, I trust there will be a full attendance of the Senate membership on Thursday, because while we shall be paying tribute to JOHN TOWER, we shall also be paying tribute to the perspicacity and discernment of the electorate of the great unfrozen State of Texas, the largest unfrozen State in the Union.

If it could be contrived within the rules of the Senate, I wish we could bring in an orchestra to play "The Yellow Rose of Texas."

Mr. MANSFIELD. We could hum it.

Mr. DWORSHAK. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. DWORSHAK. Can the distinguished majority leader give us any assurance concerning the possibility of considering proposed legislation at an early date which will probably have as its objective the increasing of Federal revenue with which to finance the increasing multibillion dollar spending in which we are now engaged? Or will that be relegated to the discard until late next year, too late for action in the next session?

Mr. MANSFIELD. I cannot answer the question of the distinguished Senator from Idaho in detail; but if any request is made for appropriations to construct the Kootenai project in northern Idaho, the Senator may rest assured that it will receive immediate consideration.

Mr. DWORSHAK. The Senator from Idaho is very sincere. I have read some of the messages sent to Congress by the Chief Executive, pointing out that throughout the world the United States is assuming greater responsibility for providing increased foreign aid, military aid, and economic aid for countries everywhere. It is considered to be almost certain that in the coming fiscal year this Government will be facing a deficit of probably $5 billion. I am certain the distinguished majority leader knows that we cannot continue to accentuate these inflationary threats without jeopardizing the security of the country.

We talk about national survival. Are we so completely complacent and indifferent to the demands for maintaining a budget which will not weaken our economic structure that we will bankrupt our country?

Mr. MANSFIELD. I want the Senator from Idaho to know that I really appreciate the seriousness with which he raises the question.

Frankly, I do not know the answer to the question he has raised. However, tomorrow the Senate will begin the consideration of the highway tax bill, which will call for increases in revenues. There will be other proposals, such as an increase in postal rates, which will come before Congress, I hope, before the first session ends, so that we can face up to our responsibility at least in those two respects.

Mr. DIRKSEN. Mr. President, I understand that the two distinguished Senator from Wisconsin [Mr. WILEY and Mr. PROXMIRE] have a particular interest in the Menominee Indian bill, and that there is some conflict of opinion. I should like to inquire how long the Senators from Wisconsin expect to address themselves to the bill and whether it is proposed to ask for a yea-and-nay vote on it today.

Mr. PROXMIRE. It is my expectation to speak for about 10 minutes. I shall not ask for a yea-and-nay vote.

PROPOSED ORDER FOR ADJOURNMENT TO 11 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, the request I am about to make is made after discussion with the distinguished minority leader.

I ask unanimous consent that when the Senate adjourns tonight, it adjourn until 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection?

Mr. DIRKSEN. Mr. President, I reserve the right to object to the request of the Senator from Montana.

AUTHORIZATION FOR COMMITTEES TO MEET TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees of the Senate may meet until 12 o'clock noon, tomorrow.

The PRESIDING OFFICER (Mr. BURDICK in the chair). Without objection, it is so ordered.

CONTINENTAL HOSIERY MILLS, INC., HENDERSON, N.C.

The Senate resumed the consideration of the bill (S. 1206) for the relief of Continental Hosiery Mills, Inc., Henderson, N.C., successor to Continental Hosiery Co., of Henderson, N.C.

Mr. ERVIN. Mr. President, Calendar No. 322, Senate bill 1206, for the relief of Continental Hoisery Mills, Inc., of Henderson, N.C., is merely a bill to refund an overpayment of tax.

I have before me a prepared statement showing the circumstances under which the claim arose and its merits. I ask unanimous consent that the statement be printed at this point in the RECORD, as part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

This bill would pay to Continental Hosiery Mills, Inc., of Henderson, N.C., the sum of $21,670.11, representing a refund of income tax erroneously collected from said corporation on April 19, 1947.

Legislation accomplishing the same purpose of this bill was passed by both Houses in the 85th Congress but was vetoed by the President. Similar legislation was again passed by the Senate in the 86th Congress but no action was taken by the House of Representatives.

In April of 1947 the Internal Revenue Service made deficiency assessments for income and excess profits taxes covering the period April 30, 1942, through April 30, 1945, arising from excessive salaries paid to officers of the corporation. The contract or agreement fixing the salaries involved was approved by the Salary Stabilization Board of the Treasury Department on December 9, 1943, and was never questioned after its first approval. The Treasury Department bases its adverse report upon the fact that no claim for refund or appeal was taken during the required statutory period, and further points out that the claimant executed a waiver of restriction on the assessment. The committee is of the opinion, however, that the circumstances under which this consent or waiver was obtained should be taken into consideration. A representative of the Bureau went to the home of an officer of the corporation, where he was recuperating from surgery, and obtained his signature to the waiver or consent. The officer was not aware of the company's right of appeal but, on the contrary, was under the impression that there was no alternative but to sign in order to prevent a lien being filed against the company's assets. It was not until after the running of the statutory period that the claimant company learned of its right of appeal.

It is noted that during the period in question the officer had paid individual income taxes on his salary, and the combined tax paid by him and the corporation on the amount disallowed as salaries is more than $8,000 greater than the portions of salaries involved. Thus the Government was unjustly enriched by this overpayment.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1206) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $21,670.11 to Continental Hosiery Mills, Incorporated, of Henderson, North Carolina, successor to Continental Hosiery Company, of Henderson, North Carolina, in full settlement of all claims against the United States, representing a refund of income tax erroneously collected from said corporation on April 19, 1947, by the Bureau of Internal Revenue: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this contract shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

FOREIGN AID

Mr. JAVITS. Mr. President, I invite the attention of Senators to an excellent article which appeared in the New York Times magazine of yesterday, June 11, by David E. Lilienthal, entitled "Why Nigeria Is Different," as well as a New York Times editorial which appeared in today's New York Times, entitled "Debate on Foreign Aid."

I point out that over the week end I said over the television that I hoped the American people, including my own colleagues on the Republican side, would follow up their indignation over what is wrong with foreign aid, but give their support for a long-term foreign aid. Like many others, I think much needs to be done, and I will make practical recommendations as to how it should be handled. But foreign aid must continue. It is one of the most urgent arms of our foreign policy. If we fail to support foreign aid, we are going to fight the struggle with the Russians with one hand tied behind our back. We cannot win that way.

I hope we will devote our efforts to making the foreign aid program better, rather than cutting it to ribbons in financial terms, because it means money, or back away from it altogether.

Mr. President, against the background of the emerging nations of Africa, there can be seen the tremendous benefits which could accrue to the free world through an effective and adequate long-term foreign-aid program. These new nations need the means to establish decent living standards, educate their people, build up a reliable civil service system and develop a strong viable economy. Their problems are many and complex. Multiracial and tribal considerations are among the obstacles that must be overcome on the way to a unified society. But with proper help, this new continental giant can become the new frontier of the free world, where progress can be made the democratic way. Nigeria is one of the show places of what can be done by the Africans under enlightened auspices and also an indication of what still needs to be done. I ask unanimous consent to have printed in the RECORD the article by David E. Lilienthal, entitled "Why Nigeria Is Different," which appeared in the New York Times magazine June 11, and the editorial headed, "Debate on Foreign Aid," which appeared in the New York Times, June 12.

There being no objection, the article and the editorial were ordered to be printed in the RECORD, as follows:

[From the New York Times magazine, June 12, 1961]

WHY NIGERIA IS DIFFERENT

(By David E. Lilienthal)

The news from the Congo, Angola, Kenya, the Union of South Africa naturally leads many Westerners to think of Africa as a place of bloodshed, chaos, racial bitterness, warring tribal factions—indeed, as a threat to the continued existence of the United Nations. But it would be a grave error to concentrate solely on the problems and crises of the new Africa, and thereby to ignore its affirmative, hopeful opportunities.

Africa is a land of great opportunities, and in their realization lies the best hope of ameliorating the problems. Among the countries that represent this hopeful aspect is Nigeria, the most populous nation on the continent.

There are two chief reasons for optimism over Nigeria:

First, the progress Nigeria has made in the art and practice of responsible government. For this, some of the credit must go to enlightened British leadership in the years preceding Nigeria's accession to independence within the Commonwealth last October 1. Under British and mission-school tutelage, Nigerians spent a generation in building their own trained and competent civil service.

The second is the fact that Nigeria's leaders are ambitious not for political dominance over the rest of tropical Africa, but for the development of their own country's vast resources. Chief among these is the Niger River; in the fullest use of the waters of that great stream and its tributaries lies the key to the economic and political future of this huge land and its more than 40 million people.

To understand Nigeria's achievements, even this early, in self-government, one must recall the kind of nation it is. Not unlike America, Nigeria is highly diverse—not only geographically but religiously (about half the population is Islamic; the balance is either Christian or has traditional West African religious beliefs), ethnically (there are some 250 distinct tribal groups) and linguistically (scores of dialects are spoken). In addition, there are scores of tribal leaders whose secular or religious authority has ancient and deeply honored cultural foundations.

Welding these diverse forces into a single nation is a task that would exact the highest statecraft of a people with centuries, not merely decades, of experience in political democracy. The Nigerians have chosen federal union as did America's Founding Fathers almost 200 years ago. There are three states: the eastern, western, and northern regions. (The Federal Parliament recently voted to carve a fourth, the midwest region, out of the western.) Each region, and the Federal Government, has its own duly elected Parliament, Prime Minister and Cabinet, its own administrative service, its own judiciary.

An evolving instinct for accommodation—the heart of democratic self-government—has been evidenced in many ways. For example, a distinguished Nigerian, Sir Abubakar Tafawa Balewa, was recently elected Federal Prime Minister. He is a Moslem from the northern region, a section almost as different from the western and eastern regions as New York is from Argentina or Morocco.

His defeated opponent, Dr. Nnamdi Azikiwe of eastern region, an extraordinarily popular man, thereupon accepted the honorific post of Governor-General—i.e., the Queen's representative and Head of State—thus voluntarily placing himself outside politics for an indefinite period.

The opposition is now headed by Obafemi Awolowo, scholarly, precise, a kind of Woodrow Wilson in Yoruba robes. This is no tame-bear opposition, yet the decorum and content of debate in Parliament compare favorably with those of many legislative bodies I have observed in other nations—my own included—where such institutions have a much longer history.

As in Britain, cabinet ministers are chosen from men who have been elected to Parliament. Thus they must be active politicians as well as administrators. They include men of exceptional talents. For example, the Minister of Economic Development, Jaja Wachuku, is widely admired in Britain and in the United Nations, as well as at home, for the range of his capabilities. The Minister of Mines and Power, Mallam Maitama Sule, strikes me as being among the best-informed and most clearheaded public servants I have ever met.

Another measure of capacity for self-government is the quality of the ministries' nonpolitical administrative offices—the "permanent civil servants," as they are called in the British parlance used in Nigeria. A few still are Britons, like E. G. Lewis, the farsighted Permanent Secretary for Economic Development. Most are Nigerians.

One day in Ibadan, capital of the western region, I was invited to attend one of the regular meetings of the dozen or so permanent secretaries of the region, all Nigerians. They spoke of their several responsibilities—education, health, economic development, etc.—with admirable brevity and clarity. The questions they put to me had an engaging and almost startling directness and candor (this directness is the rule, I found, among Nigerians of all classes). As one who has spent most of his adult life in public service, I can testify that this group knows the business of government.

But self-government requires more than competence and dedication at the top. In the final analysis, it calls for certain qualities among the rank-and-file of the people themselves. On my trips throughout the country I saw happy people who treat each other—and their visitors—with friendly smiles and gentleness and natural, simple courtesy. These are among the very human qualities that make the trying tasks of self-government manageable.

As important as Nigeria's demonstration of a evolving capacity to govern itself is the top priority its leaders have placed on development of its natural resources. Here is where, in Nigerian eyes, the Niger River and its tributaries figure so conspicuously.

The Niger—the "black river"—is one of the longest in the world. It rises on the northerly slopes of the mountains of Guinea, near the great bulge of West Africa, and flows in a sweeping arc for 2,600 miles through the Republic of Mali (until recently the French Sudan of Foreign Legion fame), past the fabled city of Timbuktu, through the new Republic of Niger and across Nigeria to the Atlantic Ocean.

Its silt-laden waters for part of its course are truly black—not brown like the Missouri or the middle Mississippi. Before they reach Timbuktu, they sprawl out into a chain of shallow lakes and marshes, called, oddly, the delta of the upper Niger. For miles they flow through desert, with sand dunes on either side. For stretches, they churn through labyrinths of rocks and rapids.

Across the northern region of Nigeria, the river courses slowly and majestically between low banks. The flat, treeless savanna stretches away on both sides, sere in the dry season. Tributaries—the Benue and the Kaduna—join the main stream and the Niger flows more broadly. In flood, it spreads implacably across the scrub land and through the rain forest of its lower reaches, before it breaks up into the twisting channels and sodden mangrove swamps of its vast final delta.

For some years, both before and since independence, detailed hydrologic and engineering and economic studies have been made of the lower Niger's potentialities. I read these reports during my recent stay. In tone, their impersonal massing of facts and estimates could have been concerned with any underdeveloped river anywhere. They took on life when Minister Sule, the gleam in his eyes reminding me of Senator Norris in the early days of the TVA, told me what he and his colleagues conceive as their meaning to Nigeria:

"Electricity at low cost is the heart of our plans for the industrial development of this nation, and the raising of our people's living standards, throughout the cities and villages of this land. The power from the Niger is our answer."

Electricity means pumps for wells in villages where women and children now carry all drinking water on their heads for long distances, refrigeration to provide better use of food and better health, light for the new readers produced by the spread of education, local industries in rural villages now wholly dependent on farming.

The dams and reservoirs that development would bring would mean water for thirsty land, providing ample forage for cattle now gaunt during the long dry season of the north; flood control for downstream farmers, assuring them their crops will not be washed away; a navigable waterway opening great reaches of what is now back country to barges and even oceangoing vessels.

These changes could within half a generation transform the lives of Nigerians and—conceivably—of their neighbors along the Niger's upper reaches.

Engineers' plans call for a first dam at a site known as Kainji, 100 miles north of Jebba. The Kainji Dam, a project estimated to cost somewhat less than $200 million, ultimately would have a capacity of nearly 1 million kilowatts. It would be only the first step in a chain of water control structures of the entire lower Niger system.

The concept of full development of the lower Niger River is no longer a dream. A detailed Federal Ministry of Development presentation is expected this month. Such problems as financing and organization—very difficult but solvable—are yet to be fully worked out, but the turning of the first shovel could be only months away. By 1966, if these first steps are well done, Nigeria will have taken a 7-league stride forward.

There are formidable obstacles to be overcome, of course. The task requires a high degree of coordination and management. Even the first steps require substantial amounts of capital above what Nigeria has available—probably as much as $150 million of external financing. The estimates for succeeding stages are not yet complete, but the sums will be large.

Where will Nigeria turn for such help as it feels it needs—technical, managerial, and financial? I do not think the assumption is far-fetched that Nigeria and the West, each in its own interest, would prefer that the aid come from the West rather than the Soviets. Both Nigeria and the West hold similar basic political ideas. And large as the sums will be, they will be less than the amounts that will be spent just to keep a modicum of order in the Congo, for example.

Furthermore, these capital outlays will be productive. I do not mean as a quid pro quo for friendship (that myth is happily about exploded), but productive in a more meaningful sense, productive for the people of Nigeria.

The direct physical benefits to Nigeria of the Niger development are by no means the only ones; there are indirect, nonmaterial benefits of the greatest significance.

Undertaking a task so large, one that calls for so many skills both of modern technology and of social change, sets up a goal, a national purpose, that can provide an authentic unifying force for a new nation. The challenge itself already has stirred national pride, and pride can be one of the most creative aspects of nationalism.

Moreover, the river's development invites understanding in the minds of Nigerians and of their African neighbors, of the interdependence of peoples, tribes and nations. This is indeed the beginning of political wisdom, and perhaps the best hope for ultimate peace in that troubled continent—or in the world, for that matter.

A demonstration of initiative by Nigeria in developing the lower Niger may well encourage later development programs by some of her sister new nations upstream. If this occurs, there may be an opportunity for the resulting benefits to be shared, just as Canada and the United States have agreed to share the benefits of future Canadian upstream development of the Columbia River. Thus, the Niger, as an international river, can furnish a politically stabilizing force among new nations.

Does the story of Nigeria hold the answer for the world of tropical Africa? Certainly not, but Nigeria does throw some light on possible steps toward the solution of tropical Africa's problems.

For one example, I suggest that Nigeria demonstrates there can be no real independence until, step by step, other new nations equip themselves with their own trained civil service administrations. Nothing of this sort can be built up overnight, of course, but an intensive start can and should be made.

The second major lesson Nigeria may have for others in Africa lies in the focusing of her attention on her own problems and potentialities. The Niger River plan illustrates one significant way of drawing a nation's people together through a mutually shared need for national cooperation.

The third major lesson—or potential lesson—is more for the West than for Africa. It is that we should more and more concentrate on opportunities, be less preoccupied with week-by-week emergencies of the newly developing world. Nigeria is a good example of such an opportunity.

[From the New York Times, June 12, 1961]

Debate on Foreign Aid

Mounting indications that President Kennedy's foreign aid program is running into trouble in Congress suggest that a new look is needed at the debate on this matter.

The basic case for the foreign-aid program rests on two foundations. One is the moral obligation of our affluent society to share at least a small part of our great wealth with our poverty-stricken fellow human beings in Asia, Africa, and Latin America, who need help in making progress toward industrialization and improved living standards. The second foundation is the political imperative arising from the fact that all over the underdeveloped world Communist propaganda seeks to use the fertile ground provided by abject mass poverty to win power for communism.

Merely to state these basic propositions should make clear that foreign aid cannot be approached with the criteria a banker properly applies when considering a commercial loan.

The most controversial point is the request for authorization to borrow funds and commit them over a 5-year period. This has been assailed as back-door borrowing and as a move to deprive Congress of its power of the purse. Whether back-door or not, such borrowing has many precedents.

What is plainly evident is that the existing system which binds foreign-aid activity to short-term horizons, limited by annual congressional appropriations, has become inadequate. To make sense, a nation's development program, in which our assistance plays a part, must be based on long-term

planning and assured financing over a medium-term period. Our Communist opponents do not straitjacket themselves in this way in their competitive foreign-aid activities, and we can no longer afford such archaic limitations.

The critics of foreign aid make much of past mistakes and of the fact that previous foreign aid has not automatically solved all our problems in the underdeveloped nations. Mistakes in such a relatively new and complex field as foreign aid are inevitable, and provide the bases for correction and improvement. Though our problems in some underdeveloped countries are huge, critics should consider how much more severe and widespread those problems would be—in South Korea, South Vietnam, Taiwan, India, and elsewhere—if it were not for American aid.

The least comprehensible objection is that this Nation cannot afford the foreign-aid program. The fact is that the total foreign-aid appropriation the President has requested is less than 1 percent of our Nation's total annual output. It is difficult to take seriously the notion that a society such as ours, which is now producing at substantially less than full capacity, cannot afford for a vital aspect of the struggle for freedom's survival less than one penny out of every dollar's worth of goods and services it produces.

U.S. PROPAGANDA NEEDS A NEW FRONTIER

Mr. HUMPHREY. Mr. President, I ask unanimous consent that an article entitled "U.S. Propaganda Needs a New Frontier," written by Mr. Henry Mayers and published in the Advertising Age, be printed in the body of the RECORD.

This article reminds us that the Soviet challenge calls for more aggressive counterstrategy if freedom is to survive and gain new friends.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. PROPAGANDA NEEDS A NEW FRONTIER; SOVIET CHALLENGE CALLS FOR MORE AGGRESSIVE COUNTERSTRATEGY

(By Henry Mayers)

Somewhere not too far down on the new administration's list of urgent priorities, is the propaganda challenge. Enough has already been written on this subject by specialists in military affairs, geopolitics, sociology, and related fields to fill a small library. But a few have discussed propaganda from the viewpoint of people in the advertising business. To such, a logical approach might be "an appraisal of the competition."

THE WORLD'S LARGEST ADVERTISING CAMPAIGN

It is estimated that the Soviet Union's worldwide propaganda machine directly or indirectly employs about 500,000 persons to sell its bill of goods to the world. This colossal organization operates on a round-the-clock and round-the-calendar basis in every country of the free world, and behind the Iron Curtain as well. A substantial percentage of its personnel is located in communism's promising "markets" of Asia, Africa, and South America.

The international advertising campaign they conduct has little in common with any other advertising undertaking. It is similar, however, in one aspect. Like other huge campaigns, it is very expensive. It requires not only a well disciplined and well positioned personnel, but vast sums of money. The total annual expenditure exceeds $2 billion.

Much of this world's largest appropriation is raised from the overexploitation of enslaved masses, from the Baltic to East Germany. One reason why an East Berliner works harder than a West Berliner but earns less is the fact that part of what might have been his take-home pay goes to the Kremlin and helps pay for Soviet propaganda. More rubles come from profits from a vast network of industrial and commercial import-export companies operated in the free world by Communist auxiliaries. And in those democratic countries where a Communist Party is strong, additional propaganda revenues are raised through the systematic looting of such institutions as labor unions and municipal governments.

THE MARKETING STRATEGY

The most important market maps hanging in the Politburo conference rooms of the Kremlin are those of Asia, Africa and Latin America. If the Communist drive can succeed in those areas, Europe will fall in line, too. Then America would succumb with the civilization of which it is a part. The Communists believe this can happen, and that their timetable is being fulfilled. That's why Mr. Khrushchev was probably sincere when he told Americans, "Your children will live under communism." His prophecy seems a little less preposterous, when one approaches it via Asia, Africa, and South America.

The Communist drive is making progress in those continents, in two directions. One is the actual conversion of people to the Communist ideology, through seductive propaganda that plays on the hopes and passions of the masses. Political activity in the other direction avoids ideological labels, yet gains effective control of key politicians who are rising to power, while protesting they are not Communists.

Cuba is just one example. Castro may fall tomorrow, but Communist political conspiracies never quit. New Red-manipulated leaders will gain mass followings in other parts of Latin America, in southwest Asia, in India, in the Near East, in Africa. This will continue as long as it is the Communists who make the strongest appeal to the minds and hearts of the masses in the developing countries.

HOW WE MEET THE COMPETITION

What about the counterappeal of the West? It is weak. It is inadequate. Even where our counterpropaganda effort seems ample, it is often irrelevant to the immediate self-interest of its target audience. The West's propaganda war with communism is a pretty one-sided affair, with our side the losing side.

This is not directly the fault of those who operate the U.S. Information Agency. On the whole, that Agency's 3,000 employees in the United States and the 1,000 Americans serving it overseas are as capable and dedicated as the staff of any other Government agency. Extensive observations abroad lead me to believe they are considerably more so. Responsibility for our propaganda weaknesses and failures goes deeper. It must be jointly shared by our State Department and Congress. The Information Agency is not invited by the State Department to consult on decisions seriously affecting the U.S. propaganda posture. In State, the USIA is regarded as a mere publicity service, and it can only wring its hands, in an agony familiar to many a pr man, when its "client" adopts foreign policies without full awareness of their propaganda implications.

Congress has been arbitrary in a different way. Many Congressmen do not fully understand the propaganda challenge. They insist on confusing propaganda with "information." They support only the latter, and that grudgingly. Information about the United States is as different from counterpropaganda as a rear-line field kitchen is different from a front-line raid.

NO REAPPRAISAL OF STRATEGY

The U.S. Government has bent every energy to keep up to date in the techniques of shooting wars. We spent billions for bombers, then, reappraising our security needs, we switched to missiles. More billions for missile bases, and then, for more security, we added Polaris-firing submarines. As arms technology has advanced, we have shown no hesitancy in discarding the old for the new, because we are determined always to be in a position to effectively deter any Communist military aggression.

When it comes to deterring enemy propaganda aggressions, our determination evaporates. We continue to operate an information agency whose methods have hardly been changed and whose operations have hardly been enlarged in a decade. Each year, a peacetime appropriation of unpredictable size is made by a Congress that since 1948 has never undertaken a serious reappraisal of either our propaganda policies or our propaganda weaponry. These obviously must be evaluated in some relation to the operations of the enemy. When this is suggested, the idea is usually waved aside with the righteous phrase, "We don't want to fight a propaganda war the way the Kremlin does." True, we don't have to fight in the same way the Soviets fight. But we do have to put up a real fight in our own way.

Just what is our own way? What are our policies? What are our objectives, and how do they relate to the objectives of our adversaries?

THEIR OBJECTIVES AND OURS

There is no mystery about world communism's objectives. Its determination to destroy us and put the entire free world under totalitarian rule was well known long before it was recently reaffirmed during 3 weeks of ideological discussions and cold war strategy planning by Communist leaders from 80 countries. "When did Western statesmen last spend 3 weeks together, thinking out their ideology?" a NATO nation's diplomat queried after the recent Moscow meeting. "Normally their meetings are crammed into 3 days, and most of the time is devoted to considering how to react to something the Communist bloc has already done. This reluctance to come to grips with ideology has been one of the most striking characteristics of the Western nations since the war."

Day-to-day improvising of policy, and reluctance to take the long view have probably ended with the arrival of a new administration in Washington. Secretary of State Dean Rusk is quoted as saying, "If we expect to come on target in the present, we are going to have to aim at the future." Taking such an aim at the future will no doubt require the laying down of very specific long-range objectives for our propaganda warfare.

It won't do simply to define our long-range objectives in such worthy generalities as "defeating communism," or "winning the cold war," or "liberating satellite slave-states." We need step-by-step objectives, and a time table.

Whatever the future targets, the United States must continue to negotiate with ruthless adversaries. We must enter such negotiations always with extended hand and untiring effort to improve relations, even though we know they cannot be persuaded to abandon their dedication to our destruction. We know we face protracted warfare on the propaganda and other cold war

fronts * * * a warfare that will not be ended "in the first 1,000 days, nor in the life of this administration, nor even, perhaps, in our lifetime on this planet."

OBJECTIVES ONE AND TWO

A realistic first-step counterpropaganda objective is the halting of the threatened expansion of Communist control in Free Asia, Africa and Latin America. On those continents there are no less than 90 free nations. No attempt will be made here to suggest how we might attain the first objective of securing all those free nations against further Communist aggression through vigorous, imaginative and adequately financed counterpropaganda undertakings. Our success depends not merely on better made in United States propaganda strategy, but in our extensive employment of thoroughly trained citizens of those 90 nations, who would be fighting the propaganda war in behalf of their own countrymen and the entire free world. There will be no lack of manpower, ideas, methods or money, once the United States develops the will to act.

The above objective might be gained within the next several years. A second, longer range objective is a gradual shifting of the policies of Soviet leadership to a greater concern with the internal welfare of the Russian peoples, and a correspondingly less aggressive concentration on political subversion of free world nations. We must do more than wait and hope for such a possible shift. It could surely be expedited by skillful and persistent propaganda strategy that widens and intensifies the cleavages between what the Russian people want most and what the present rulers in the Kremlin want most. This is a realistic propaganda objective, for the free world even though many Russians in Soviet industrial areas have no strong sense of conflict with the Kremlin, at present.

KREMLIN PSYCHOLOGICAL WEAKNESSES

After observing Moscow's many schools of propaganda a few years ago, William Benton stated that propaganda is Russia's biggest industry. It is a gigantic activity internally as well as externally. To be kept quiescent, the Russian people must continually be reassured of the Soviet's international righteousness, of the Communist destiny to rule the world, of the inevitable decline of the West and of its desperate determination to wipe out the Russians people with atomic bombs. By thus playing alternately on Russian national pride and national fears, the Kremlin has thus far been able to partially conceal its basic conflict with the well-being of the Russian people.

But the Soviets 40-year-old effort to convert Russian humans into biochemical state tools that can be mass manipulated and controlled, hasn't succeeded. They are still human souls with material and spiritual needs. In conflict with their human desire for higher living standards is the Kremlin's policy of diverting a large part of the national industrial potential to armaments. In conflict with their human desire for communication with the West is the Kremlin's rigid controls on travel, on reading matter, and on broadcasts from beyond the Iron Curtain. In conflict with their spiritual yearnings is Communist atheism. In conflict with their desire for peace and friendly relations and their natural instinct to like America, is the Kremlin-induced state of mental war, fear, and hatred.

Despite age-old Russian nationalist aspirations, communism's world-revolutionary objective is not a natural one to the Russian people. The czars were interested in the Dardanelles, but not in Guiana or Cuba. The Kremlin has had Slavs massacred as freely as Baltic peoples or Hungarians. Russia just happens to be the headquarters for a communism that is basically as anti-Russian as it is anti-American. The Kremlin old guard have been revolutionists all their lives, they know little else, and are not particularly good at anything else. They thrive only in an atmosphere of conspiracy and conflict. Who can say that the progress in the arts of peace a great Russian people has made under their rule wouldn't have been even greater, if the Bolshevik had not overthrown the non-Communist government that succeeded czarism?

These are viewpoints that it is within the power of an enlightened and aggressive Western propaganda policy to nurture in Russian public opinion, over the next decade. Once established, they cannot fail to influence eventual Kremlin leaders. Particularly if their predecessors had failed to make any more progress on the Asian, African, and South American continents than in Western Europe.

THE LIBERATION OBJECTIVE

The ultimate Western objective is the total defeat of communism as a world-revolutionary movement, and the liberation of enslaved states. A determined America seeking that objective will still retain its national characteristic of impatience in international matters. Because of our urge to get the job done, there would not be satisfaction in all quarters with a cold war propaganda objective that merely aims at shifting future Kremlin policy to "Russia first." This may appear to be little more than a compromise.

On the contrary, that objective is revolutionary. It leads to a Kremlin leadership sincerely interested in accommodation with the West, after decades of the reverse. A Russian generation in reasonable contact with U.S. capitalism must discover that the Marxian charges of labor exploitation and the Khrushchev charges of colonialism are applicable only to totalitarian communism. That can be the beginning of its end. Such an end is what Western leadership should start predicting tomorrow, as frequently and as confidently as Khrushchev and Mao predict our doom today.

A pro-Russian trend in the Government of Russia can be followed by a pro-Hungarian Government in Hungary and similar developments in all slave states. Not through voluntary or evolutionary processes in Europe, but through the dynamics of a relentlessly prosecuted propaganda war by a Western leadership fully aware of its role as champion of freedom everywhere. That role must be pursued with vigor, not merely because it is a promising long-range propaganda policy, but because it is our national destiny, regardless of expediency. Only in that role do we have an appeal to the minds of men, before which the adversary is bankrupt.

When President Kennedy's state of the Union message expressed the hope that Eastern European nations would be liberated, the Soviet press, ever sensitive to such references, countered with the lame defense that the people themselves elected their present path of development. Little harm was done to Soviet prestige by that single Kennedy mention. But the U.S.S.R. would be hopelessly on the defensive if Western leaders were to repeat that hope for the enslaved peoples week after week, for months and years, coupled with demands for free elections in satellite countries.

There will always be the temptation to forego such forthright adherence to U.S. principles in our propaganda, for the seeming expediency of a softer line. For instance, for the hope that the behavior of Red China may some day force the United States and the U.S.S.R. together as allies. That possibility and a dozen others might justify a nonaggressive counterpropaganda policy, if there were no higher guide to U.S. policy than expediency. Even if an infallible crystal ball predicted a Soviet-China split tomorrow, our Nation should not today shrink from voicing the principles that have given it its birth, it growth, and its greatness. They are principles that must some day liberate even the enslaved Chinese.

PRESENT MISCONCEPTIONS

To make a start toward thus turning the tide in propaganda warfare, our government must take that warfare as seriously as the enemy does. Too many Western leaders have been lulled into belittling such warfare with the phrase, "After all, it's only propaganda." To this a French authority on Soviet word warfare has replied: "This is a most deceptive and dangerous way for us to seek to reassure ourselves, for, with the Soviets, it is just when propaganda is involved that things really become serious. That is why those who trample on public opinion in their own domain have no greater concern than to win it over in the other camp—while the democracies, who respect public opinion, abandon the field to enemy propaganda."

The U.S. Government spends about $120 million annually on what it considers its propaganda activity. This could hardly be called abandoning the field. That phrase seems more justified, however, when one analyzes U.S. Information Agency operations from the standpoint of their relevance to actual propaganda warfare.

The basic guide for U.S. Information Agency activities is Public Law 402, "An act to promote the better understanding of the United States among the people of the world, and to strengthen cooperative international relations." This congressional directive specifically authorizes "the preparation and dissemination abroad of information about the United States, its peoples and its policy." Operating within that limiting scope, it is not surprising that the U.S. Information Agency efforts, in terms of actual propaganda warfare, are the despair of friends of America throughout the free world.

The American-Asian Educational Exchange, an organization whose members include many Free Asian leaders, last year asked a number of them their opinion of the job the U.S. Information Agency is doing in Asia. A summary report of the results of that survey reads, in part, as follows:

"U.S. propaganda, if it can be called that, is kept on a high level, and concerns itself with either cultural pursuits or an exposition of society in the United States. Much of it is aimed at a small segment of the population. Above all, U.S. propaganda is hampered by what seems to most Asians to be its apologetic and weak tone. Where Communist propaganda is aggressive, U.S. propaganda is passive."

When this report was released, it produced a new wave of home front criticism of the U.S. Information Agency. Typical was an editorial by the New York World-Telegram, which expounded:

The average Asian doesn't give a hoot about hearing that the average American split-level home has two TV sets and two baths. But he does give a hoot about hearing what he has to gain by standing up for freedom instead of yielding to Communist enticement or intimidation. That is what Uncle Sam's information specialists should be telling him—loud, clear and often."

KNOW YOUR MARKET

If the writer of that editorial were himself a specialist in propaganda matters, he would know that even the many millions of Asians who give a hoot about freedom, and

who admire and love America, dislike being preached to by Uncle Sam's information specialists on the need to resist Communist propaganda. If the Voice of America were to broadcast loud, clear and often about the danger of Communist enticements, it would simply lose its listeners. Rightly or wrongly, most free Asians imagine that they know enough about communism already. In any event, they don't want to hear more about it from the United States, which they hardly regard as an objective source of information on the subject.

They do not consciously accept Moscow and Peking as objective sources of information about communism either. But they are less on guard when the Communist enticements come from the lips of local labor leaders, land reformers and other native patriots. Thus does Communist propaganda influence the thinking of citizens of the emerging nations, and not only those on lower economic levels. Millions in Asia, Africa and Latin America believe the promises of a better life under communism, and the prophecies that the future way of life for all developing nations must be the Communist way.

The greatest U.S. counterpropaganda efforts are concentrated in Asia. While Moscow and Peiping propaganda glorifies communism to the Asian masses, the U.S. Information Agency tells them about life in America. Much of such U.S. Information Agency work is ably done. But it doesn't counteract the Communist boasts. Paradoxically, it even tends indirectly to support them. For in a country like India, many will say of the American story, "They are trying to sell us on the superiority of the capitalist, free enterprise system, which may be OK for them, and to unsell us on the Socialist type of society, which may be better for us."

This, of course, is the impression the Communists want the people of India and all other developing nations to get. It especially pleases Moscow and Peiping to have Asians, Africans, and Latin Americans believe that nothing more is at stake than "competitive coexistence" between two systems of society. This implies that each system is sponsored by an equally legitimate government, equally approved by the people living under it. It diverts attention from the fact that no Communist regime ever proved it could remain in power without the most rigid totalitarian controls. The concept that Communist regimes are as legitimate as Western governments is one that their propaganda ceaselessly seeks to establish in men's minds. To this end it employs a calculated strategy of which few of us are sufficiently aware.

LEGITIMATE INFILTRATION OF THE WESTERN PRESS

Hardly a day passes when U.S. newspaper editors and broadcasters do not devote considerable space and time to some aspect of the Soviets' social system, its economic and trade policies, its agriculture, industry, culture, sports, science, spacemanship, or diplomacy. To a degree, these are logical areas of public interest in an adversary that is openly striving to bury us. However, we do not fully appreciate how many of these Moscow pronouncements, reports, and news leaks are manufactured simply in order to bestow on the Government of the U.S.S.R. a continuing aura of legitimacy, thus distracting from the inherent illegitimacy of any government that must maintain itself by the suppression of those it governs.

Because of the constant flood of news about the legitimate activities of the Soviet Government, the U.S. Information Agency is lured into acting as though the real propaganda issue between ourselves and the Soviets is one of industrial growth or spacemanship or cultural development. These are, indeed, issues in the cold war competition between the United States and the Soviet Union. But they are not sound propaganda issues to be raised in our oversea information programs.

WHERE IS THE PROPAGANDA BATTLEFIELD?

That the United States does view economic, cultural, and scientific rivalries as propaganda issues is suggested by the last annual report of the U.S. Advisory Commission on Information, a five-man body that counsels the President and Congress on information policies. That report defines the Communist challenge as follows:

"It embraces science, space, scholastics, and sports. It includes ideology and practices, economics, and politics, trade and standard of living."

That official statement inadvertently omits reference to the moral challenge, the one and only challenge of communism that is truly global. It is the only challenge that equally affects every free world nation, and that personally concerns every religious or nonreligious human overseas who respects the concepts of human dignity advanced by Moses, Christ, Mohammed, Buddha, and every other moral teacher of history.

If the issues of human freedom and human dignity are so submerged in the thinking of those who make propaganda policy for the West, it is hardly surprising that our adversaries are so successful in pushing these issues into the background, and keeping them there. So confident are they that they have fully established a status of moral legitimacy in the world that Mr. Khrushchev, at the last United Nations assembly, crowed that "1 billion human beings now live in nations that have taken the path to socialism." He was fairly confident that his U.N. hearers, who included not only delegates, but almost 500 representatives of press and broadcasting media throughout the world, would overlook the fact that most of the billion he referred to live under a tyranny that they would overthrow instantly, if given the opportunity.

THE PROPAGANDA BATTLE IN THE U.N.

After having inspired U.N. audience riots whose offensiveness even topped Mr. Khrushchev's shoe pounding of last year, the Communists now come forth with characteristic peace proposals. As these words are being written, press dispatches from Moscow state: "The Soviet Union has called for an easing of cold war issues in the United Nations. Khrushchev has announced that the Soviet has enough H-bombs to wipe any enemy off the face of the earth." Thus, in a single day, Soviet propaganda calls on the United States to end cold war tensions, and continues its own missile rattling.

To round it off, Mr. Khrushchev magnanimously proposes that the Soviet will withdraw its U–2 and RB–47 charges, which already have failed of passage in the United Nations, if the United States, in turn, will abandon references to Communist crimes in Tibet and Hungary. (Even the latter reportedly continue to this day, in the form of ruthless monthly executions of Hungarian freedom fighters, as they arrive at the age of 21.)

It would indeed be a great day if propaganda speeches and innuendoes could be ruled out at the U.N. The likelihood of this happening on the Soviet side can be judged by the above Moscow dispatches. What the Kremlin strategists are now after is a new basis for crying foul and breach of faith the very first time any U.N. delegate makes any but favorable reference to the Communist bloc. On the other hand, it can safely be predicted that there will be but very brief and very slight reductions of the boastful falsehoods, pious accusations and aggressive threats that will issue from Soviet and satellite delegates in the very same breath in which they accuse the West of "creating cold war tensions."

Faced with this unpleasant likelihood at the next U.N. sessions, how might the U.S. policies differ from last year's? Then the deceptive Khrushchev boasts went unchallenged. And, during weeks of discussion of colonialism, only Philippine and Australian delegates put the Soviet record into unmistakable language. The free world nations as a whole have failed both in and out of the U.N. to challenge Communist falsehoods and pretensions with any degree of unity or determination or resourcefulness.

This failure has not been accidental. The latest Soviet appeal to suspend cold war in the U.N. is but the latest of the many ways the Kremlin propaganda strategists have found to inhibit Western leaders from touching on the undemocratic character of Communist regimes, the plight of Hungary and Tibet, or even such continuing items of news as the streams of East European refugees who daily risk the electrified barbed wire and land mines that separate them from freedom.

SILENCE IS ACQUIESCENCE

Commentators and columnists discussing East-West confrontations often justify the West's delicacy in these matters by saying "nothing is to be gained by trading insults." This seemingly highminded excuse has served the Soviets admirably. It suggests that the Soviet's frequent and violent propaganda charges against the United States are somehow less frequent and less violent than they would be, if we methodically chose to call the world's attention to the moral hypocrisy inherent in so many Soviet propaganda postures. According to a Reader's Digest article on the cold war, the U.S. State Department has for years been dominated by the wistful belief that if we don't annoy the Reds, they are bound to see how well meaning we are, and will stop harassing us.

The opposite practice of never letting the world forget the blunt truth about Red behavior would be insulting only in the sense that Jesus insulted the Pharisees when he referred to them as whited sepulchers. No great religious or moral leader of history ever hesitated to uncover an evil while proclaiming a truth. But some of today's free world leaders have been mesmerized with the notion that to be alert in exposing the Soviet's international frauds is poor strategy because nothing is to be gained by it. On the contrary, everything may be lost if we neglect this duty to the free world. Unless the trend is reversed, more and more of the peoples of Asia, Africa and Latin America will continue to accept the Kremlin line that all capitalism is evil, and that communism is on the side of the angels.

It will be recalled that for 8 months after Hitler took his first steps into the Rhineland, there was relatively little military activity, and the whole period was referred to as the phony war. The West was totally unprepared for the blitzkrieg that followed, despite the clear warnings of "Mein Kampf." Today we have equally clear warnings in repeated Communist manifestoes. Yet much of the Western World still prefers to believe that a propaganda war is a phony war, and that it somehow may be ended without the need of an all-out mobilization and counterpropaganda offensive.

The fact is, we are living in the midst of a propaganda blitzkrieg right now. Hardly a day goes by that does not bring to newspapers all around the world a headline like this one that the Los Angeles Times ran a few weeks ago on its front page in 36-point bold: "Chinese Reds See U.S. as World's Main Enemy." The text started as follows:

"PEIPING (Reuters).—The Chinese Communist Party Saturday declared the United States is the main enemy of the people of the whole world. At the same time, it reaffirmed its belief that a world war can be

avoided." This two-column story continued over to an inside page, all of it about as newsworthy as the opening paragraph. Such stories appear continually in practically all U.S. newspapers, and just as surely they appear in papers throughout free Asia, Africa and Latin America.

ENEMY MANIPULATION OF THE WORLD PRESS

On trips abroad in the past few years, I read English language newspapers in eight different free Asian countries. News items and feature articles about developments and achievements in the U.S.S.R. and Red China were plentiful, and almost uniformly laudatory. News coverage about America was negligible. A considerable percentage of such U.S. news as was found had to do with areas like Little Rock. Many of these unfavorable stories are the result of Red infiltration at the working press level.

In the face of such Communist press influence, the U.S. Information Agency in Asia is helpless. In many instances the Asian owners of the newspapers are equally helpless. They cannot control daily content the way U.S. publishers can.

An earlier paragraph referred to the hundreds of foreign correspondents, representing 2,000 publications and broadcasting stations, who cover the sessions of the United Nations. The New York Times' James Reston says that such correspondents, working at the U.N. and in Washington, are more influential in their countries than all the propaganda efforts of the U.S. Information Agency. The Communists do not neglect them. It is those representatives of the world's news channels, rather than the delegates to the United Nations, who are the Soviet's chief target when they charge that Dag Hammarskjold is the organizer of the killing of Lumumba and that the Congo situation is all due to U.S. colonialist conspiracy, of which Dag Hammarskjold is the architect.

Appalled by such charges, the U.N. Secretary-General sadly commented, "Once an allegation has been repeated a few times, it is an established fact, even if no shred of evidence has been brought out in support of it."

What the Soviets repeated a few times in the U.N., they repeated a few thousand times around the world. How much of the rest of the world even once heard or read Dag Hammarskjold's complaint? He concluded it with these hopeful words: "However, facts are facts, and the true facts are there, for whosoever cares for the truth." In theory, all the world wants the truth. But it is a world being everlastingly muddled and manipulated by well-schooled Kremlin agents running that $2 billion campaign.

It is not essential that the United States or all free world nations combined match the dollar expenditures of the Communist bloc for counterpropaganda purposes. However, the free world must match the efforts of the Communist bloc propagandists in their unity of purpose. The free world's lack of a unified determination and a unified strategy are its greatest handicaps in meeting the Communist propaganda challenge.

FREE WORLD DISUNITY

In the field of propaganda, each nation of the free world believes in going it alone. Each thinks of propaganda and information interchangeably, and considers both of them exclusively national activities. This attitude in free world government gives incalculable advantages to their common enemy. It has developed largely because of the successful Soviet strategy by keeping each Western nation continually on the propaganda defensive. By its constant attacks on every aspect of the United States, British, and French policy, the U.S.S.R. has induced these powers to devote most or all of their information facilities to explaining themselves defensively to the rest of the world, and to each other.

Second only to the necessity for establishing a clearly oriented, imaginative and vigorous propaganda policy for the United States itself, is the necessity for developing a unified strategy in psychopolitical warfare for the entire free world. Individual Western nations must of course continue their individual information activities, interpreting their individual policies to the world, particularly when they are under enemy propaganda attack.

But defensive action alone can never win a propaganda warfare. Success comes only through counteroffensive. There is no reason why a much needed counterpropaganda offensive that will put the Soviets on the defensive should be the function of the United States alone. Since total free world security is involved, there is need for unified strategy, under NATO, SEATO and other international auspices. Such a unified, supranational approach would be logical, even if it were not the only effective strategy for offensive propaganda operations.

The one single example of a supranational counterpropaganda offensive in the free world today is Radio Free Europe. It is successful in its psychological, moral and political offensive against the Soviets. It is an operation that could be multiplied a thousandfold, for an insignificant fraction of what the free world spends on armaments.

CONGRESSIONAL FOOT DRAGGING

Though not brief, this random discussion of the propaganda problem has highlighted only a few of its facets. But enough to indicate that there is a long, tough road ahead. It is a road that cannot be traveled alone by the U.S. Information Agency, even under the direction of such a promising head as Edward R. Murrow. The current Reader's Digest suggests that President Kennedy himself may find in Washington insuperable roadblocks to cold war prosecution, in the form of a defiant, faceless State Department bureaucracy, firmly entrenched.

Commenting on the Murrow appointment, James Reston has indicated that his No. 1 problem may be how to "hold his temper on Capitol Hill." Mr. Murrow will have to reshuffle an overstratified organization, to wrestle with staff mediocrity and staff insecurity, and other internal weaknesses. But Mr. Reston is right in concluding that Murrow's biggest hurdle will be the Congress. Hostility, apathy or sheer ignorance on propaganda matters exists in the minds of too many of our Congressmen. Many of them will assure anyone who asks them that they are aware of our need of better propaganda strategy. They will even agree that something ought to be done soon to correct the appalling imbalance of our efforts. Yet these same Congressmen will give the propaganda problem no priority whatever in their own activities.

A partial explanation of such personal indifference is offered in "Protracted Conflict," a scholarly volume issued by the Foreign Policy Research Institute of the University of Pennsylvania. "Congressional apathy," says this book, "is due in part to the characteristics of our political system, based as it is upon compromise. Political leaders rotate frequently in office because of party rivalry and shifting public opinion. To stay in office, they must often preoccupy themselves with secondary, parochial problems—to the neglect of crucial issues. It has been almost impossible to interest [U.S.] leaders in the development of a comprehensive [propaganda] strategy designed to frustrate Soviet ambitions."

It would not be impossible to interest any U.S. Congressman, if he started hearing from his constituents that the issue of safeguarding U.S. security, through more effective counterpropaganda efforts, had become a parochial issue. Or more bluntly, an issue affecting his reelection. Any Congressman will gladly give priority to the Soviet propaganda challenge, if he sees tangible evidence that it is a matter of sufficient concern to the folks back home.

A STARTING POINT

Concerned citizens in some congressional districts are already making themselves heard in Washington. When Dan Lewis, a San Francisco agency man, took a page in the New York Times last year to demand more Washington attention to our propaganda failures, Vice President Nixon received 1,500 letters within a week. Dr. Blair Oakley Rogers, a New York physician, has induced others in all parts of the country to stock their waiting rooms with reprints of the Reader's Digest review of "Protracted Conflict," and to otherwise publicize the warnings of the Foreign Policy Research Institute of the University of Pennsylvania.

Preparing to activate letterwriting through mass organizations is the Cold War Council, a Los Angeles PR group which includes the writer, and which is attracting affiliate PR and advertising people in other cities. The special interest of such groups springs from awareness that "the eventual outcome of the struggle will depend to a considerable degree on the extent to which we are able to influence people." That quote is from the 10,000-word report to President Eisenhower by Mansfield D. Sprague and a committee of top level private citizens, after an 11-month study of U.S. propaganda problems. The partly classified report opens with words that might logically close this discussion of the propaganda challenge:

"The 1960's may prove to be one of the most convulsive and revolutionary decades in several centuries."

FEED GRAIN PROGRAM

Mr. HUMPHREY. Mr. President, on June 8, 1961, the Secretary of Agriculture submitted a final report on the feed grain signup. It shows that more than 26,600,000 acres have been signed up to be diverted into soil conserving uses on 1,172,165 farms. The 26.7 million acres to be taken out of corn and grain sorghum production this year is about 26 percent of the U.S. total 1959–60 average plantings of 102.3 million acres for these two crops.

It appears that the feed grain program which the Congress passed, which was recommended by the President and the Secretary of Agriculture, has been a success so far as signup is concerned.

In four of the major grain sorghum-producing States, more than 70 percent of the farms have signed up. In Missouri, 85 percent of the farmers have signed up. In Nebraska, 81 percent. In Kansas, 75 percent. In Iowa, 69 percent. In Minnesota, 63 percent. In Illinois, 62 percent. The State of North Dakota was very high on the list. It seems to me like a very good record.

I ask unanimous consent that the report of the Department of Agriculture, as published on the 8th day of June, be printed in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FINAL FEED GRAIN SIGNUP REPORT SHOWS MORE THAN 26.6 MILLION ACRES

U.S. DEPARTMENT OF AGRICULTURE,
Washington, D.C., June 8, 1961.

Secretary of Agriculture Orville L. Freeman today announced that the final weekly report on the 1961 feed grain program shows

26,687,682 acres signed to be diverted into soil conserving uses on 1,172,165 farms. The 26.7 million acres to be taken out of corn and grain sorghum production this year is about 26 percent of the U.S. total 1959–60 average plantings of 102.3 million acres for these two crops.

The seventh and final report shows an increase of 2,109,579 acres from the 24,578,108 acres as reported last week. Today's report includes activity through June 1, the final date nationally for putting acreage under the program.

The report shows that farmers have signed up 20,090,511 acres from their 48,870,434 acres of corn base. The 20.1 million corn acres to be put into conserving uses this year is 24 percent of 1959–60 average plantings of 83,648,000 acres. On farms signed up, diversion continued to stay at about 41 percent of the base acreage for these farms. Farmers who planted over 58 percent of the corn acreage during the last 2 years are voluntarily participating in the program.

In six States which accounted for more than half of the Nation's corn acreage and for almost 2.5 billion bushels of production in 1960, over 70 percent of the corn acreage is on participating farms. In Missouri, corn base acreage on farms signed up is slightly less than 85 percent of the State's 1959–60 average plantings; in Nebraska, more than 81 percent; in Kansas, more than 75 percent; in Iowa, slightly less than 69 percent; in Minnesota, more than 63 percent; and in Illinois, slightly less than 62 percent.

Grain sorghum farmers have signed to put 6,597,171 acres in conserving practices. This is over 35 percent of U.S. average sorghum plantings of 18,674,989 acres for grain. Grain sorghum farms signed up represent almost 85 percent of the national plantings with an average diversion of almost 42 percent per farm signed up. In the four major grain sorghum producing States, acreage on farms under the program accounts for 93 percent of the Nebraska average acreage, 86 percent in Kansas, 85 percent in Texas, and 73 percent in Oklahoma.

For all farms signed, possible advance payments under provisions permitting about half of the payments to be made this spring come to about $339,840,000. While the potential total payments under the program are not being determined for the initial reports, Department officials estimate that total payments will probably be more than double the value of the advance payments.

The 1961 feed grain program provides payments to farmers in the form of certificates for placing corn and grain sorghum acreage in conserving uses. Producers may receive grain or the cash equivalent of grain for their certificates. Diversion of corn and grain sorghum acreage to soil building practices this year is expected to achieve a better balance between production and utilization of these grains. Payments to producers will maintain their income this year.

The report shows that certificates covering about $265.3 million worth of grain had been issued to farmers under advance payment provisions. Of the $265.3 million worth of certificates issued through June 2, farmers had received about $241 million in cashable sight drafts from county agricultural stabilization and conservation (ASC) offices. In these instances, as provided under the program, the Commodity Credit Corporation pays farmers in cashable sight drafts and then later acts as their agent in marketing the quantity of grain covered under the certificates.

Through June 2, farmers had used $289,898 worth of certificates to purchase from CCC 281,332 bushels of corn, $1,869 worth to buy 2,803 bushels of barley, $278 worth to buy 497 bushels of oats, and $2,183 worth to buy 1,385 hundredweight of grain sorghum, all from quantities that had been under price-support loan. In addition, farmers had received 185,186 bushels of CCC-owned corn for $195,699 worth of certificates, 7,188 bushels of CCC-owned barley for $5,209 worth of certificates, 526 bushels of CCC-owned oats for $226 worth of certificates, and 8,333 hundredweight of grain sorghum for $14,409 worth of certificates.

More complete information on the signup under the 1961 feed grain program is now being obtained from the field. This will be included in a report to the Congress as required 90 days after the act was signed into law.

The following tables show signup figures by States. The first table shows combined figures for corn and grain sorghum. It shows the number of farms with base acreage, the number of farms signed up, the total acreage to be put in conserving uses, the advance payments that can be paid this spring, the value of certificates issued, and the value of certificates cashed.

The second table shows figures separately for corn and grain sorghum. It shows the average of 1959–60 planted acreages for corn. For grain sorghum, the preliminary total base acreages are shown. This table also shows the base acreages on farms signed up and the acreage diverted on signed farms.

	Number of farms with base acreage	Number of farms signed up	Total acreage to be diverted	Advance payments that can be paid this spring	Value of certificates issued	Value of certificates cashed
Alabama	108,232	29,741	440,024	$2,909,856	$2,803,933	$2,786,469
Arizona	2,109	1,200	57,612	955,957	853,388	802,929
Arkansas	16,590	5,602	90,193	920,153	832,585	810,301
California	5,774	2,828	104,571	1,713,070	1,026,085	922,470
Colorado	14,276	8,083	345,330	2,436,991	1,932,350	1,743,026
Connecticut	206	88	996	16,060	11,670	11,369
Delaware	5,165	1,807	38,522	572,481	536,975	497,514
Florida	15,143	4,610	122,196	1,106,500	1,085,398	1,085,008
Georgia	54,332	14,055	331,722	2,669,062	2,469,941	2,402,138
Idaho	2,567	446	6,465	131,593	95,633	90,202
Illinois	208,466	104,180	2,292,563	39,589,297	25,034,486	22,590,062
Indiana	154,578	66,617	1,382,959	24,227,567	17,081,624	14,443,108
Iowa	192,904	108,447	2,936,504	46,275,587	36,794,182	32,885,366
Kansas	125,200	84,529	2,529,199	23,021,056	12,020,543	11,000,849
Kentucky	92,501	39,629	604,037	7,311,062	7,005,348	6,467,914
Louisiana	19,855	5,330	78,967	861,918	844,019	842,264
Maine	81	43	393	5,055	2,834	2,082
Maryland	18,371	4,161	79,168	1,182,564	1,055,634	940,077
Massachusetts	15	13	159	3,420		
Michigan	93,283	34,359	550,186	7,372,840	6,280,131	5,535,725
Minnesota	125,877	63,832	1,553,739	21,135,971	20,074,153	19,247,364
Mississippi	80,625	18,043	248,592	2,572,220	2,225,371	2,219,928
Missouri	140,440	82,698	2,062,579	31,511,832	29,002,167	27,548,004
Montana	2,821	1,648	39,805	199,575	143,660	135,259
Nebraska	106,291	76,567	2,408,100	29,489,654	19,187,255	15,151,301
Nevada	58	31	852	8,974		
New Hampshire	4					
New Jersey	4,415	1,943	38,798	774,554	553,650	452,960
New Mexico	3,573	2,316	109,712	1,139,655	934,935	871,461
New York	36,404	16,141	190,317	3,054,830	2,816,490	3,017,001
North Carolina	143,794	54,022	543,847	7,684,753	7,593,422	7,538,610
North Dakota	27,219	20,340	414,881	1,793,528	1,631,068	1,431,836
Ohio	149,786	61,206	1,031,624	19,099,785	12,060,158	9,511,265
Oklahoma	43,351	22,854	534,872	3,178,758	2,630,813	2,503,538
Oregon	2,626	1,108	15,542	332,404	280,567	265,198
Pennsylvania	79,608	15,050	168,160	2,938,545	2,856,714	2,832,751
Rhode Island	9	1	30			
South Carolina	57,626	18,142	210,689	2,070,526	1,697,723	1,687,113
South Dakota	61,360	30,287	916,538	6,878,098	6,508,398	6,088,549
Tennessee	91,785	36,199	464,391	5,002,912	4,933,319	4,880,735
Texas	152,878	80,286	2,951,352	24,578,793	21,761,151	19,983,299
Utah	2,316	698	7,699	79,124	47,920	34,987
Vermont	127	81	934	5,145	4,118	1,714
Virginia	43,605	15,352	136,973	1,891,063	1,852,951	1,850,301
Washington	3,207	1,169	20,576	521,042	463,227	450,063
West Virginia	1,551	893	9,520	162,278	109,302	105,623
Wisconsin	119,317	34,959	603,431	10,302,045	8,009,533	7,249,827
Wyoming	1,609	531	12,363	152,372	129,584	125,179
U.S. total	2,612,020	1,172,165	26,687,682	339,840,525	265,273,408	241,042,739

State	Corn			Grain sorghum		Acres to be diverted
	1959–60 average planted acreage [1]	Base acreage on signed farms	Acres to be diverted	Preliminary base acreage	Base acreage on signed farms	
Alabama	2,212,000	791,317	432,681	34,613	15,478	7,343
Arizona	35,000	4,274	1,666	158,208	134,214	55,946
Arkansas	300,500	122,922	77,955	33,580	27,540	12,238
California	230,000	77,911	34,121	250,794	173,666	70,450
Colorado	493,000	247,080	103,761	708,704	596,491	241,569
Connecticut	41,000	1,674	996			
Delaware	161,500	74,951	38,515		21	7
Florida	600,500	275,903	120,829	4,901	1,972	1,367
Georgia	2,788,500	756,466	322,206	30,968	19,442	9,516
Idaho	81,000	10,250	6,381		167	84
Illinois	10,191,500	6,346,298	2,286,365	24,869	14,296	6,198
Indiana	5,292,500	2,994,489	1,377,940	19,100	11,811	5,019
Iowa	12,481,000	8,592,513	2,921,401	66,359	46,244	15,103
Kansas	2,032,000	1,532,947	654,820	5,473,200	4,720,296	1,874,379
Kentucky	1,779,000	941,615	577,502	27,029	34,099	26,535
Louisiana	527,500	135,550	76,042	7,430	5,972	2,925
Maine	11,000	534	393			
Maryland	506,000	161,031	79,087	910	113	81
Massachusetts	31,500	240	159			
Michigan	2,224,000	984,626	550,151		35	35
Minnesota	6,822,500	4,390,354	1,553,127		1,819	612
Mississippi	1,344,000	442,559	237,217	17,500	24,925	11,375
Missouri	4,270,000	3,610,514	1,833,667	552,273	493,210	228,912
Montana	142,000	83,755	39,805			
Nebraska	6,851,500	5,570,827	1,698,253	1,809,354	1,677,418	709,847
Nevada	4,500	1,003	784		68	68
New Hampshire	11,500					
New Jersey	191,000	68,846	38,798			
New Mexico	47,000	8,581	4,504	326,575	284,894	105,208
New York	656,500	315,632	190,317			
North Carolina	1,978,000	948,403	514,624	85,000	43,827	29,223
North Dakota	1,348,500	1,046,471	414,675	471	462	206
Ohio	3,889,000	1,968,071	1,031,411	1,476	470	213
Oklahoma	270,500	92,674	58,673	1,294,000	949,286	476,199
Oregon	67,500	25,769	15,448		189	94
Pennsylvania	1,286,000	271,440	167,410	9,812	1,151	750
Rhode Island	6,000	49	30			
South Carolina	895,500	397,391	205,066	9,500	10,192	5,623
South Dakota	4,283,500	2,520,625	848,537	222,070	145,281	68,001
Tennessee	1,620,000	716,022	446,241	34,500	30,110	18,159
Texas	1,469,500	783,685	342,610	7,463,564	6,347,800	2,608,742
Utah	51,500	10,926	7,458	339	341	241
Vermont	59,500	1,347	934			
Virginia	806,000	236,957	134,765	7,890	4,267	2,208
Washington	87,000	36,965	18,327		4,695	2,249
West Virginia	148,000	14,924	9,508		14	12
Wisconsin	2,870,500	1,228,308	603,385		108	46
Wyoming	62,000	25,745	11,966		758	397
U.S. total	83,648,000	48,870,434	20,090,511	18,674,989	15,823,142	6,507,171

[1] Planted for all purposes as published in the AMS 1960 annual summary.

ORDER TO ADJOURN TO 12 O'CLOCK MERIDIAN TOMORROW

Mr. MANSFIELD. Mr. President, in order to allow all committees to meet until at least 12 o'clock noon tomorrow, I ask unanimous consent that when the Senate adjourns to meet tomorrow, it adjourn to meet at 12 o'clock noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT OF GEORGE McGOVERN, DIRECTOR, FOOD FOR PEACE

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a report of the food for peace program by Mr. McGovern, relating to the use of our food abundance for refugees and homeless families in 22 different countries of the world, be printed in the RECORD at this point. This is a remarkable program for humanitarian purposes. Mr. McGovern reveals to us the good that is being accomplished.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RELEASED FROM THE OFFICE OF GEORGE McGOVERN, DIRECTOR, FOOD FOR PEACE

Refugees and homeless families in 22 different countries of the world are now receiving a helping hand as part of the overall effort of the U.S. food for peace program.

In describing these refugee programs, George McGovern, Special Assistant to the President and the Nation's Food for Peace Director, announced today that the United States has agreed to furnish an additional 720 tons of wheat flour to Algerian refugees in Tunisia.

This brings the total tonnage of U.S. food for peace shipments to Algerian refugees in Tunisia and Morocco to 106,725 tons of wheat, flour, rice, powdered milk and vegetable oil.

This agreement is just one of many government-to-government and voluntary agency food for peace programs which aid homeless people.

Food for peace shipments are also being distributed to refugees and displaced persons in Morocco, Germany, Jordan, Israel, Austria, Italy, Hong Kong, Macao, Taiwan, Korea, Syria, Egypt (Gaza), Lebanon, Congo, India (Tibetan refugees), Algeria, Greece, Indonesia, Laos, Pakistan, Vietnam, and France.

PROTECTION OF THE MIGRANT WORKER

Mr. HUMPHREY. Mr. President, this great Nation of ours has long been the showcase of democracy, the ideal which has sustained men struggling for freedom and progress around the globe. To America's shores have come the oppressed of many nations, and over the years they have shared in making these United States great and strong, and in making poverty and suffering strangers to most of its people.

Today, more than ever, the eyes of the world are turning toward America, "the land of the free." We can ill afford to allow poverty a place in our great Nation. The plight of the migratory agricultural laborers in this country has become increasingly evident, both to ourselves and to the nations which would emulate our ways, and many who see our great wealth wonder that we allow deprivation to exist in our midst.

Mr. President, these workers who help tend the abundance of our tables have long been the poorest and most neglected in our Nation. For years individuals, private groups, and State governments have worked to alleviate the hardships of migratory existence, and although progress has been made, it has been scant in view of the total problem.

In my own State of Minnesota we have worked hard to better the lot of the migratory farmworker. But it has become clear that separate efforts by States and individuals will never solve a problem which is basically interstate in

nature. It was therefore with great interest that I noticed an excellent editorial in the New York Times on May 30, which calls for Federal protection of our migratory workers. After telling of recent public testimony concerning the hardships faced by these people, the Times states:

> But the moral of that tale has seldom been so clear. Adequate protection from exploitation and the hazards in employment, which is the migrant workers' due, can come only through Federal legislation.

The Times editorial then accurately points out that—

> The legislative program relating to migratory farm labor, covered by 11 bills sponsored by Senator HARRISON A. WILLIAMS, JR., and other Senators, is designed to meet these needs.

Mr. President, I am indeed proud to be associated with this program.

Because the need for a rapid solution to this problem is so vital at this time, and because the New York Times editorial makes so clear the case for Federal efforts to accomplish this end, I ask unanimous consent that the May 30 New York Times editorial, entitled "Protecting the Migrant Worker," be inserted in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PROTECTING THE MIGRANT WORKER

The public testimony given recently by migrant workers about conditions they suffered on farms in New York, New Jersey, and Virginia repeat an oft-told tale: shockingly low wages (with deductions that leave little in cash) and deplorable living quarters. But the moral of that tale has seldom been so clear. Adequate protection from exploitation and the hazards in employment, which is the migrant workers' due, can come only through Federal legislation.

There is urgent need not only to extend the Federal labor laws to farmworkers generally but to make special provisions for the migrants, such as Federal aid for better educational housing, and health facilities. There should also be a Federal recruitment and employment program for domestic migrants along the lines of that which now covers those who come from Puerto Rico. Under it, growers are assisted in recruiting workers through contracts which require the employer to meet minimum standards as to wages and living conditions, with guarantees that migrants will be employed only where there is a shortage of local workers. The legislative program relating to migratory farm labor, covered by 11 bills sponsored by Senator HARRISON A. WILLIAMS, JR., and other Senators, is designed to meet these needs.

AMENDMENT OF MENOMINEE TERMINATION ACT

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 182, Senate bill 870.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 870) to amend the Menominee Termination Act to enable such tribe to make an orderly transition to its status after supervision ends.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, to strike out all after the enacting clause and insert:

That in order to provide economic assistance for a transitional period after April 30, 1961, notwithstanding the publication of the proclamation and the effect thereof as provided in section 10 of the Menominee Indian Termination Act of June 17, 1954 (68 Stat. 252), as amended, the Secretary of the Interior is authorized to make loans to Menominee Enterprises, Inc., in an aggregate amount that does not exceed $1,500,000 during the four-year period following the date of this Act, for the purpose of financing an expansion or modernization of the corporation's business operations and for the development of tribal resources, under the following conditions:

(1) The Secretary shall be satisfied that adequate funds for the purpose cannot be borrowed on the commercial money market on reasonable terms.

(2) Each loan shall be amortized in not more than twenty years.

(3) Each loan shall be secured by a mortgage or pledge of property satisfactory to the Secretary, and an agreement that the corporation will pay no dividends or make any other payment to the holders of its stock or income bonds as long as any payment on its loan is delinquent.

(4) Each loan shall bear interest at a composite rate consisting of (a) a rate equal to the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the month in which the loan is made, as such rate is determined by the Secretary of the Treasury, plus (b) a rate, to cover losses and administrative expenses, determined by the Secretary of the Interior, which rate shall be not less than one-half of 1 per centum and not more than 1 per centum.

(5) Each loan shall be based upon a loan agreement that contains such additional terms and conditions as the Secretary deems appropriate.

SEC. 2. Notwithstanding any other provision of law, any loan made pursuant to this Act may be transferred for administration, collection, and foreclosure of security if necessary to any Federal agency by agreement between the Secretary of the Interior and such agency.

SEC. 3. The Secretary of Health, Education, and Welfare is authorized to continue the construction of sanitation facilities on the Menominee Reservation which he believes are reasonable and justified in comparison with comparable rural areas of Wisconsin and to expend for such purpose not to exceed $438,000. The authority granted by this section shall expire at the end of fiscal year 1963.

SEC. 4. There are authorized to be appropriated such sums, not in excess of $1,938,000, as are required to carry out the provisions of this Act.

The title was amended, so as to read: "A bill to provide for economic assistance to Menominee Enterprises, Incorporated, and for other purposes."

Mr. CHURCH obtained the floor.

Mr. ALLOTT. Mr. President, I think the Senator from Idaho is aware of the situation which makes it necessary for me to leave the Chamber. I wonder if he will yield to me so that I may make two or three remarks on this bill?

Mr. CHURCH. I yield.

Mr. ALLOTT. This has been a long and wearing controversy relating to the Menominee Termination Act. The junior Senator from Idaho [Mr. CHURCH], as chairman of the subcommittee of the Committee on Interior and Insular Affairs, and also the junior Senator from New Mexico [Mr. ANDERSON], chairman of the full committee, have spent a great deal of time in trying to solve the problems involved. The solution which has been arrived at is not one which will make everyone happy, but speaking for those on this side of the aisle, the minority membership, they are wholly and heartily in accord with the action which has been taken and with the position the Senator from Idaho will take on the floor.

I appreciate the Senator's yielding to me for the purpose of making these remarks.

Mr. ANDERSON. Mr. President, will the Senator yield to me for just a moment?

Mr. CHURCH. I yield.

Mr. ANDERSON. While the Senator from Colorado is in the Chamber, I should like to say for those of us on the majority side that we appreciate very much the fine work the Senator from Colorado did in helping to bring to the floor what I think is a decent proposal. We faced a hard problem, and the junior Senator from Idaho and the Senator from Colorado did excellent work. I commend them both, and say to the able Senator from Colorado that the sort of work he did on the bill evidences the fact that people who are desirious of reaching a final result can get a good result. I congratulate him on the contributions he made.

Mr. ALLOTT. The Senator is overly kind, but I appreciate his remarks.

Mr. CHURCH. Mr. President, I join the chairman of the full committee, the Senator from New Mexico, in what he has said concerning the services of the Senator from Colorado, which have been most helpful.

I send to the desk an amendment to the committee amendment, and ask that it be read.

The PRESIDING OFFICER. The amendment offered by the Senator from Idaho to the committee amendment will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 5 in the committee amendment, line 18, to amend the first sentence of section 3 to reads as follows:

> The Surgeon General of the Public Health Service, Department of Health, Education, and Welfare, is authorized to construct under Public Law 86-121 sanitation facilities on the Menominee Reservation which he believes are reasonable and justified in comparison with comparable rural areas of Wisconsin and to expend for such purpose not to exceed $438,000.

Mr. CHURCH. Mr. President, the amendment is in the nature of a perfecting amendment. We discussed the language of section 3 with officials of the Department of Health, Education,

and Welfare, and it was suggested that by revising the present language of the section we would simplify administrative procedure within the Department, and, further, by referring to the statutory authority by which the Department constructs sanitation facilities, we would aid in the transfer of facilities to the Menominee Corporation.

The language would not change the intent of the bill, but is merely in the nature of a clarification.

I have discussed the amendment with the distinguished junior Senator from Wisconsin, who tells me he has no objection. I know of no reason why there should be objection to it. I therefore ask that the amendment be adopted.

Mr. ANDERSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). Does the Senator from Idaho yield to the Senator from New Mexico?

Mr. CHURCH. I yield.

Mr. ANDERSON. For the purpose of the record, would the amendment increase in any way the amount of money carried by the bill?

Mr. CHURCH. It would not.

Mr. ANDERSON. It would merely put the bill in shape so that the Surgeon General can handle the facilities in accordance with existing law?

Mr. CHURCH. It was thought by the Department that this language would better facilitate the intent of the committee than the original language adopted by the committee. It would make no change whatever in the substantive provisions of the bill.

Mr. ANDERSON. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Idaho to the committee amendment.

The amendment to the amendment was agreed to.

Mr. CHURCH. Mr. President, in 1954 the Congress enacted Public Law 399, providing for the termination of Federal supervision and control over the Menominee Tribe of Indians in the State of Wisconsin. In the intervening years the Congress has approved a series of amendments to the basic act, all of which were designed to facilitate the termination process and to aid the Indians in their transition from trust to nontrust status. The most recent amendment is contained in Public Law 86-733, enacted in 1960, which delayed again the final date for termination until April 30 of this year. There is a long history connected with the termination, but I shall not attempt to recite it all at this point. Suffice to say that the Committees on Interior and Insular Affairs of the House and the Senate have spent a great deal of time on and have given careful attention to this termination program. Days of hearings were held, and a series of printed hearings reflect, I believe, the concern of the Congress for the successful outcome of the Menominee program.

Early in this Congress there were two bills introduced to amend the 1954 act, S. 869 and S. 870. The first of these bills provided authority to the Secretary of the Interior to delay final termination of the Menominee Indians to a date that he determined was reasonable, if in his judgment more time were needed to complete the program. The second bill, S. 870, would amend the Menominee Act to provide necessary assistance to the tribe to enable it to make an orderly transition after supervision ends. It proposed to extend the final termination date to April 30, 1969, and to establish a $2½ million loan fund to be administered by the Secretary of the Interior for the Menominees. S. 870 would also provide establishment of a federally chartered corporation on the reservation.

In the report submitted to accompany H.R. 11813, the bill which became Public Law 86-733, the committee took the position that there should be no further extensions of the termination date in connection with this tribe and that termination should proceed as promptly as possible. The record, I think, was clear that further delay would prove injurious to the economic position of the tribe and that it was highly desirable that Menominee Enterprises, Inc., the entity succeeding the tribal organization, be formed and commence operations.

On April 18, 19, and 24, 1961, the Subcommittee on Indian Affairs, of which I am chairman, conducted hearings on the bills, S. 869 and S. 870. Witnesses from the tribe, the executive branch, and others testified in connection with these two proposals, and the transcript has been printed and widely distributed. Based on information provided by witnesses, the committee has reported, in amended form, S. 870, the pending bill. The termination date, April 30, 1961, having come and gone, the Federal Government is no longer providing special services to the Menominees because of their Indian status. They are at this moment citizens of the State of Wisconsin and have had transferred to them their property and funds formerly held by the United States. Menominee Enterprises, Inc., has been established, as well as Menominee County, the former reservation area.

Two problems that face the Menominee Indians in this termination procedure were brought to the attention of the committee. The first is that their economic situation is not adequate, and, therefore, there is some danger of failure of their business operations in the future. Their economy is dependent upon the tribal sawmill, which is not a particularly efficient mill and is in need of modernization in order to make it competitive with other mills in that area. The tribal woodlands and lakes offer great potential in terms of development for recreational purposes, but the tribe lacks adequate funds to develop this asset properly.

The second problem relates to sanitation facilities on the reservation. Recently the Department of Health, Education, and Welfare made a survey of the area and on the basis of that survey began the construction of sanitation facilities—water mains and sewer lines. In testimony before the committee it was stated that the reservation's sanitation system is below the level of comparative communities in Wisconsin and that the Department of Health, Education, and Welfare would have, in the absence of termination, continued construction of these facilities. Again, the tribe does not have the funds with which to do this job.

The committee is very anxious that the Menominee termination program be a successful one. After all, this was a pilot operation, and future terminal programs will depend largely on the success, or lack of success, we have here. For that reason it has been recommended that Menominee Enterprises, Inc., be permitted to borrow funds from the Federal Government for the purpose of modernizing and expanding the existing sawmill facilities and to develop recreational resources to which I referred. The committee has also recommended, in view of the fact that construction of the sanitation facilities had commenced prior to termination, that it be completed and the sum of $438,000 be authorized for that purpose.

A total of $1,938,000 is authorized to be appropriated by this proposed legislation—$1.5 million for loans to Menominee Enterprises, Inc., and the remainder for the completion of the sanitation project.

Although S. 870 as introduced did not authorize any special Federal financial assistance to the State of Wisconsin or to Menominee County, testimony was received from State and Indian witnesses to the effect that the new county, under its authorized tax levy, could not furnish necessary services to its population. A request was made for Federal funds to be made available to the State and/or the county over a period of 5 years for education, health, and welfare purposes. The committee was informed that the new county created by the State will have a population of about 3,200. It includes the forest holdings of the corporation and has a tax base of approximately $17 million. Wisconsin ordinarily limits the amounts that counties may levy for local support to 1 percent of the assessed valuation of their real property. In the case of Menominee County, this rule has been modified to permit county levies of 1½ percent and town levies of one-half of 1 percent. At these rates, the total possible collection will be about $340,000, an amount less than the estimated cost of operating the local governments.

In the several termination programs that have already been completed, Congress has not authorized the expenditure of Federal funds for Indians following a termination date. When termination occurs, Indians are in exactly the same status as any other citizen within a State. To begin at this point subsidizing a State for services that it normally furnishes to its citizens would be, in the opinion of the committee, an undesirable precedent. Moreover, the State of Wisconsin has an equalization statute that provides financial assistance to deficit counties. The committee was not given data that would

provide the basis for an informed judgment about the adequacy or inadequacy of the State equalization procedure. Therefore, no provision has been made in the bill for funds to aid in the transition from Indian status to non-Indian status.

It was stated to the committee that the management of the new Menominee corporation intends to increase substantially the sustained yield timber cut, increase employment in the mill, and take other measures to strengthen the local economy. With the additional benefits provided through this proposed legislation, it is believed that every reasonable assistance has been afforded the Indians to make a successful transition to unrestricted status.

According to information obtained from the Department of the Interior, the Menominee Indians had a cash balance on April 30, 1961, of approximately $1.3 million. They have real property appraised at $35 million, and a lumberyard, byproducts, and log inventory valued at $1.9 million. In intervening years since the original termination legislation was enacted, the Federal Government, moreover, has expended approximately $4 million in preparing the Indians for nontrust status.

So taking into account all these subjects, it is the judgment of the committee that the pending bill, as amended, represents the fairest settlement we could make without setting a dangerous precedent that would plague us in connection with subsequent terminations of other Indian tribes.

I believe the bill is equitable. I believe that the credit which the bill provides gives every promise of resolving any potential economic difficulty facing the tribe, and that the grant contained in the bill for the completion of the necessary sanitary facilities will also enable the tribe finally to solve a very difficult problem that has long confronted them.

On the whole, the bill seems to me to represent the best settlement that the committee could arrive at, and I commend it to the Senate for its approval.

Mr. PROXMIRE. Mr. President, it is never a welcome task to oppose the recommendations of a committee. I know full well how much time has been given to matters affecting the Menominee Indian Tribe's termination. The distinguished chairman of the Interior Committee, the Senator from New Mexico [Mr. ANDERSON] and the able chairman of the Indian Affairs Subcommittee, the Senator from Idaho [Mr. CHURCH], as well as the members of the subcommittee, have spent many hours hearing testimony of witnesses and considering the proposals in executive session.

I know of no bill, excepting a bill of great national importance, that has received the kind of careful, thoughtful, day-after-day, hour-after-hour attention that the present bill has received in committee. It is a great tribute to the conscientious and responsible attitude of the members of the committee that they have given so much time and effort to the bill. I was deeply impressed by such consideration, and I know that the officials of the State of Wisconsin who appeared before the committee were impressed also.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. CHURCH. I merely wish to add for the RECORD the fact that from the beginning the junior Senator from Wisconsin has been an indefatigable champion of the Menominee Indians. At every opportunity he has spoken up for them. I know he is in disagreement with the judgment reached by the committee, and he proposes to amend the pending bill. But I merely wish to state for the RECORD that he has always been on hand to speak out for the Menominee Indians at every committee meeting at which legislation affecting them was being considered by the committee, for which he should be strongly commended.

Mr. PROXMIRE. I thank the Senator from Idaho. His statement makes it ever more difficult for me to say what I must say.

Unfortunately, the provisions of the bill as reported by the committee are unsatisfactory. The bill does not provide enough financial assistance to enable the Menominee community to make a successful transition to self-government.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. CHURCH. I am glad to yield to the Senator from New Mexico if he still wishes me to yield.

Mr. ANDERSON. I recognize that the Senator from Wisconsin was extremely unsatisfied, and he is not yet satisfied. I recognize that to satisfy him would be an impossible task for us. However, I wish to add my words to the words of the chairman of the subcommittee and to say to the Senator from Wisconsin that if we must have disagreement, I am glad that we had such disagreements we had them with him—constantly, frequently, and out in the open. He presented his views strongly, as did the senior Senator from Wisconsin [Mr. WILEY], who came to me and had words to speak on behalf of the Menominees.

I appreciate the consideration of the Senators from Wisconsin, and I wish to say in tribute to them that I believe this is the first time in the termination of a tribe that anything like this amount of money provided has been made available to the tribe for additional expenses based upon termination.

Mr. PROXMIRE. I shall try to demonstrate how both the junior and the senior Senators from Wisconsin can be very well satisfied this afternoon. Not much would be required to satisfy us. We ask that the House bill be passed.

I had hoped that it would be possible to postpone the transfer of title to the tribal property until the Secretary of Interior clearly saw that the tribe was managing its own affairs successfully. This was the alternative program suggested in the report of the Department of the Interior. Now that termination has taken place, as of April 30, 1961, my amendments, S. 869 and S. 870, as well as the proposal of the Interior Department, are no longer relevant.

But the change in the tribe's legal position has not altered their physical and economic difficulties. It is well known that the Menominee people were apprehensive as they contemplated their termination, and that the main reason for their anxiety was financial. The members of the Menominee community know that they will continue to require essential health, welfare, education, community and governmental services, and that the fact of termination per se will not alter the costs or enhance their ability to meet them.

The Federal Government has made a substantial contribution toward these services for some time. Failure to phase out these payments over a period of years will present the Menominee community with a serious, abrupt financial shock, which it would have an extremely difficult time meeting.

Estimates of the health, welfare, and education costs now borne by the Federal Government have been furnished by Mr. George Kenote, the tribal coordinator for the Bureau of Indian Affairs. They are as follows:

Health and sanitation	$98,300
Public welfare	228,827
Education	282,991

These figures total a little more than $600,000. No county costs or administrative costs are included. The Senate bill provides nothing for those purposes.

The health and sanitation category includes the following items, among others: Tuberculosis hospitalization, public health nurse, sanitarium aid, garbage and refuse collection, vital statistics and clerical work. Public welfare includes a number of costs, among them administration, indigent medical care services, general assistance, relief, public assistance, mental institutions, child welfare, and State hospitalization. The education aids include funds now provided under Public Law 874 and under the Johnson-O'Malley program. In addition it is expected that many children will drop out of the parochial school and come to the public school if a good school is built. The tribe has made a substantial contribution to the parochial school for children's education. Since the tribe as such no longer exists, it will be hard to maintain such a contribution, and the attraction of the good new school in Shawano is understandable.

The bill adopted by the House of Representatives on May 9 provides for a phased out program of grants to the State of Wisconsin, to lessen the financial burden of termination. For the coming year, the House bill authorizes a maximum of $540,000, as a contribution to these essential health, education, and welfare services. In future years, that maximum would be reduced by 20 percent a year, until 1967 when the grants would cease entirely.

This is a modest proposal, fully justified by the costs and circumstances of termination. Unfortunately, the Senate bill as reported by the committee omits any such grants for services. It is for this reason that I urge the Senate to accept the language of the House bill in its stead.

The distinguished Senator from Idaho [Mr. CHURCH] supported the recommendation in the report, which stated that the Menominee Indians are now like any other citizens of Wisconsin. While such statement perhaps has some appeal, the fact is that the Indians are unlike other citizens of Wisconsin. The fact is that the Menominee Indians have now, for the first time, completed their reservation status, and it is extremely hard to adjust from a life that has for many generations—for literally thousands of years—been one in a relatively primitive society. To expect them to adjust to mid-20th century America very quickly, it seems to me, is neither realistic nor humane. I realize that the Federal Government has already made provisions for payments. We are merely asking that those payments be phased out in an orderly, even way.

I believe one of the great shames of America, which we all recognize in our humane moments, has been the mistreatment of the red men by the white men.

I believe that this record of mistreatment is one which can be corrected, and on a relatively modest basis. This is a new kind of situation. There are few precedents for it, but I believe that that is all the more reason why the Federal Government can afford to be generous. These Indians at one time occupied a quarter of the State of Wisconsin, their land covering hundreds of square miles. They have now been reduced to a tiny reservation, given to them in perpetuity. It seems to me that the least we can do is be a little generous with them.

The two bills are less at variance in their other financial provisions. The House version authorizes a $2.5 million loan for the economic development of the tribal enterprises, while the Senate bill provides $1.5 million. The larger amount in the House bill is essential in view of the importance of adequate capital for the Menominee's principal enterprise, the lumber mill. Anyone who has had experience with small business knows the great difficulty in obtaining adequate capital so that it can be invested in up-to-date, modern equipment and machinery. We have had that kind of experience in Congress. We have had examples of people coming to the Congress and asking for a certain sum, only to find that they cannot adequately do the job with that amount of money.

Mr. President, we should provide $2½ million. The Appropriations Committee can make certain that the appropriations are made on an equitable, fair, and reasonable basis.

Both bills also provide $438,000 to complete construction of essential sanitation facilities in the Menominee community. About this needed improvement, which is already under way, there appears to be no disagreement.

I think all of us recognize by now that "termination" as such and by itself is not a magic solution to all the problems, economic and otherwise, which are the lot of so many American Indians. The Menominees of Wisconsin are no exception. The tribe became a self-governing county in Wisconsin on April 30. They appear to have weathered the initial stages of this transition. But their concern about where the money will come from to pay for the many essential services that we all take for granted in our communities remains a major source of anxiety.

It may be asked, "Why can't the tribe pay for all its own services, in view of the fact that it owns valuable timber land?" Under the termination plan approved by the Secretary of the Interior, the tribe incorporated its sawmill operation as Menominee Enterprises. It was hoped that by increasing the annual cut of timber to 29 million board feet, it would be possible to provide sufficient revenues to meet the costs of their services.

This has not turned out to be the case. In the first place, when the experts from the Department of Health, Education, and Welfare, the Bureau of Indian Affairs, and the University of Wisconsin took a look at the condition of the tribe, they realized that the expenses of providing adequate service would be higher than previously anticipated.

In the second place, the hopes for increased revenues from increased cuts of timber have been dealt a serious setback. My colleagues from timber producing States know that the market for lumber is in a very depressed condition at present. Sales of lumber in Wisconsin now barely cover the costs of production. The Menominee Enterprises face a situation which is no exception to this rule.

Furthermore, it has been demonstrated that the technology of their sawmill and timber handling operations is seriously obsolete. To be competitive in the modern timber industry, their old sawmill must be greatly mechanized, with the addition of much automatic equipment. Processes which permit more complete utilization of each log must be adopted.

The engineering survey conducted for the tribe by the Mater Engineering firm of Corvallis, Oreg., states that large dry kilns for drying the lumber must be substituted for the present method of air drying.

It is for such modernization that the loan would be authorized. But improvements as extensive as these take time. A new president for the enterprises has recently taken up his duties. It will be a matter of some years before the sawmill and other revenue-producing projects can be expected to function with full efficiency.

During this transition period, the phased-out program of grants for essential services must be provided. I have received a letter from Mr. Frederic Sammon, an outstanding lawyer in Milwaukee who is the tribal attorney, which states:

> We will badly need the transitional aids voted by the House for the services, for the new sewer system, and for the corporate loan.

Mr. President, this is the issue before the Senate: Shall the House bill be accepted, or shall amendments be accepted which would deprive the tribe of the additional funds which they need, so that these health, education and welfare services may be provided?

Mr. Sammon continues:

> Otherwise, the corporation will have to pick up the bill, through excess taxes, and, unless it makes more money than we even have hoped for, the funds will have to cut into the interest payments on the income bonds of the tribal members. That is a legal solution but not a satisfactory one or perhaps a fair one.

These aids are not by any stretch of the imagination intended to be a permanent subsidy in the Menominee community. The House bill provides a carefully worked out program, under which the Federal contribution would be reduced each year, and come to a definite end in 1967.

The need for this interim assistance was clearly demonstrated and fully documented in testimony and statements presented at hearings before both the House and Senate Indian Affairs Subcommittees by the tribe, their representatives, spokesmen for the Government departments, and representatives of the State of Wisconsin.

My colleagues in the House, the senior Senator from Wisconsin and I, the Governor of Wisconsin, and the University of Wisconsin are united on this position.

At no time was any testimony presented which would indicate that the tribe could terminate successfully without some financial assistance for services such as is provided in the House bill.

Since the figures I have cited above represent the actual costs of services, they are somewhat higher than those provided for the first year in the House bill. After detailed discussions with representatives of the departments, and with the attorney general of the State of Wisconsin, the Honorable John Reynolds, the House committee concluded that the sums authorized in their bill would be sufficient. It is hoped that the Menominee community will be able to sustain the extra costs themselves.

I recognize, of course, that these estimates can be no more than reasonable predictions of the costs providing the services to the tribe, beyond what they can pay for themselves. Every Senator knows that the detailed justifications which would be required by the Appropriations Committees would provide further assurance that every dollar spent is fully justified in the light of the needs and revenues of the fledgling community.

It should be made clear that these Federal payments would be made to the State of Wisconsin, which has now taken over the responsibility of assuring that adequate services are provided to the Menominees. These payments would not be made to Indians as Indians. Rather they would reimburse the State of Wisconsin for costs which the State will incur if an adequate level of services is maintained. It seems to me quite irresponsible to suggest that the costs, previously borne by the Federal Government, should simply be charged to the State in which this reservation happened to be situated. The Wisconsin taxpayer should not have to shoulder such a financial responsibility, especially since the terms of the transfer were worked out and approved by the Secretary of the Interior.

The Menominee Tribe has now set out upon an experiment of self-financed self-government which is unique in our experience. I hope it will be possible to give

them the financial aids needed to make this experiment an unqualified success.

I ask unanimous consent that an article which appeared in the Milwaukee Journal for April 30, 1961, describing the many problems facing the Menominees in their termination, be printed in the CONGRESSIONAL RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COUNTY IS A CHALLENGE TO MENOMINEE INDIANS: FEDERAL CONTROL OVER THEIR 234,000 ACRE RESERVATION CEASES AT MIDNIGHT

(By Richard C. Kienitz)

KESHENA, WIS.—The Menominee Indian Reservation, one of the most beautiful forest tracts in Wisconsin, becomes the State's 72d county at midnight Sunday.

The Menominees have survived fires, tornados, and land-grabbing schemes since they accepted the 234,000-acre reservation from the United States in an 1854 treaty.

But the end of Federal Government supervision promises to be the most critical challenge. It comes at a time that the timber industry, upon which 75 percent of the Menominees depend for a living, is at a low ebb.

Their forest, which produces nearly 8 percent of the State's annual harvest of sawtimber, and their sawmill, stores, and homes, are valued at nearly $40 million.

ORDER SHOCKED THEM

Talking about the transition to a county, Bernard Grignon, the tribal treasurer and chairman of the provisional county board, said flatly, "We're not afraid of it." Yet, it is not hard to find others who will say, "We are not ready yet."

As reservation Indians, the Menominees chafed under the supervision of the Federal Bureau of Indian Affairs, which held a tight rein on the tribal purse strings and veto power over the tribal council. But it was a great shock when Congress in 1954 ordered termination of the supervision by the end of 1958. The tribe claimed it was forced on them and won two delays—to December 31, 1960, and then to midnight Sunday.

LOANS ARE SOUGHT

The birth of the 72d county will be marked by services Sunday at St. Anthony's Catholic Church in Neopit. Eleven other Indian tribes in Wisconsin have been invited to take part in a dance ceremony in Keshena. A representative of the Federal Government was expected to be there to transfer the deed to the reservation to Menominee Enterprises, Inc., a corporation which manages the lumber industry.

TRIBE SUED UNITED STATES

To help the reservation ease into its new role as a county, congressional leaders are trying now to push through loans for the Menominees, and outright grants for health, education, and welfare programs.

Events leading up to the new county date back to a tornado in 1905 that destroyed 35 million board feet of timber. Accusing the Government of negligence in the salvage job and several later instances, the tribe sued the United States.

When tribal members, finally won an $8,500,000 settlement in 1951, they asked to divide up some of it among the 3,270 enrolled members of the tribe. The House of Representatives agreed to pay out $1,500 shares to each member of the tribe, but some Senators thought it was a good time to start getting the Government "out of the Indian business" and a termination bill was brought up.

According to the tribe, Senator WATKINS, (Republican of Utah) gave them the choice of accepting termination or not getting the $1,500. The Menominees agreed—with later regrets.

NO PATH TO FOLLOW

The first worry was that timber interests would soon lay their hands on the 220,000 acres of forest, rich in hardwoods and pines that tower nearly 100 feet. Representatives LAIRD (Republican of Marshfield) and REUSS (Democrat of Milwaukee) obtained amendments to assure continuance of the sustained yield management plan initiated in 1908. (So well managed is the forest that although more than a billion board feet of timber has been harvested, there is more standing now than when the operation began.)

Termination was admittedly an experiment. There was no pattern to follow, so the Menominees were left the task of working one out.

Tribal leaders, State agencies, attorneys, and University of Wisconsin experts worked countless hours and compiled reams of reports in exploring many alternatives. These included making the reservation a State forest, a national park, a separate county, part of adjoining Shawano and Oconto Counties, or dividing it between the two.

The tribe chose to establish Menominee County—64th in size in the State and one of the least populated. The State legislature approved, but because of misgivings made its decision subject to review within 8 years. Some wondered whether such a county, with a single industry and few people trained in business and government, could succeed.

The Menominees long have owned their own power utility, telephone company, hospital, home for the aged, and roads, but most were built without having to conform to State codes and, therefore, are substandard in many ways. These present only a few of the problems.

COME UP WITH PLAN

In the face of the challenge, Menominee leaders felt they could succeed. Their attorneys came up with this plan:

Menominee Enterprises, Inc., will take over tribal assets, with enrolled members as stock and bond holders.

A trusteeship will assume guardianship of the affairs of minors.

Menominee County will have just one town and a joint town-county board of seven members. For school purposes it will be part of the neighboring Shawano district.

It will join Shawano County under a single judge, district attorney, and superintendent of schools.

SHARE WELFARE COSTS

The Shawano County Director of Public Welfare will handle Menominee County welfare matters on a cost sharing basis, as it has been handling its Federal social security benefits.

Beginning officers will be appointed by the Governor, largely based on Menominee recommendations.

Embarking on a new county experiment does not mean that the Menominees will step into an entirely new way of life. They have been U.S. citizens since 1924, subject to most State laws since 1954 and eligible for military draft. They already can hold public office, sit on juries and vote in local, State and national elections.

NOT ALL INDIANS

The new county will not be exclusively Menominee. Only some 2,700 of the enrolled members live in it. Another 600 residents include white people who married into Menominee families or who work for the tribe, and nonmember Indians. Some 1,400 persons live in the sawmill community of Neopit and 1,000 in the Government center, Keshena.

Some tribal leaders believe that the Menominees could lose political predominance in three generations. Only 3 percent now are pure bloods.

"We anticipate the day," said one Menominee, "when people will no more ask us if we are Menominees than they ask your nationality in Milwaukee now."

Far and away the greatest problem facing the tribe is the economic one. Its forest industry must make a profit because in the beginning it virtually will be the only taxpayer—owning all but 21 acres deeded to a Catholic church-school in Keshena.

Some 500 families have built home on land to which they claim squatter's rights, but it will be some time before clear titles are worked out. Leases will be available to outsiders, but details for these still must be arranged.

NEW INDUSTRY DISCUSSED

The business, which is expected to produce more than $400,000 in property taxes, is now operating in the red. Twenty million board feet of lumber are piled in the Neopit millyard where there should be only 14 million feet at this time of year.

The forest and sawmill operations that normally provide a million-dollar-a-year payroll to as many as 400 employees had only 180 working early this month, at an average wage of $53 for a 40-hour week.

Aware of the insecurity of depending on a single industry, tribal leaders believe that another $15 to $20 million must be added to the tax base (figured at $16 million) through new enterprises. Veneer and prefabricated home plants have been discussed. Promotion of a resort industry could help greatly, but the idea is hard to sell to many Menominees, who cherish the privacy of their woodland paradise.

FEDERAL LOAN SOUGHT

Meanwhile, a Federal loan is being sought for industrial development. A Senate interior subcommittee Friday approved one of $1,500,000, plus a grant of $438,000 for sanitation facilities. The House Interior Committee earlier approved a 6-year aid plan for health, education, and welfare programs, beginning with $540,000 the first year and $54,000 in the sixth.

By midsummer, the Federal Government will have brought reservation roads up to State standards.

The tribe still is seeking some organization to operate its 36-bed hospital, now closed because of financial troubles, except for a small outpatient clinic.

FOUND IN 1634

Setting up government offices will be a gradual process, starting with such basic decisions as what records must be kept, and how. The State legislative council has hired Randolph Runden, who long was Racine County board chairman, as its liaison man to give advice in these matters.

The Menominees have been good neighbors to the white man ever since French explorer Jean Nicolet in 1634 found them living along the Menominee River, which now forms the Wisconsin-Michigan border.

RELINQUISHED DOMAIN

They were forced to give up their vast domain—often at a few cents an acre—as they were overrun by white civilization. The last of it was relinquished in an 1848 treaty in exchange for a reservation in Minnesota, later rejected in favor of the present site.

The forested reservation provided a great opportunity. The tribe became the wealthiest in the State, while preserving a rich Indian heritage.

Gradually the Indian Bureau turned over to it all local government functions. It became the most adjusted in the Nation to the white man's way of life. And that, Congress pointed out, was why it chose the Menominees for the termination experiment.

Mr. WILEY. Mr. President, I congratulate the junior Senator from Wisconsin. In reply to the statement which has been made, I would like to say that there is no difference between us. We feel that when we are dealing with people who are wards of the State real consideration must be given to their situation. The House went into this question. The House arrived at the conclusions shown in the bill which is on the desk. As stated by the junior Senator from Wisconsin, the Governor, and others, including the heads of the University of Wisconsin, all men of judgment, men who know the situation, who are not guessing, are all of the same opinion.

I shall not repeat what has been said by my colleague. I wish to give a little history, so Senators may understand what we are talking about.

On May 9 the House of Representatives passed H.R. 4130, which is on the Senate Calendar. In April 1961, Federal control over the Menominee Tribe was terminated. At the time of the termination, it was my judgment, and also the judgment of the junior Senator from Wisconsin, that, because of the serious economic problems confronting the tribe, it would be a great deal better and in the best interest of the Indians and the people of Wisconsin and the country to extend Federal control.

Then we could resolve the inherent problems thereafter. But it did not happen in that way.

When the House reached the conclusion that there should be a loan of $2,500,000 instead of $1,500,000, as the Senate bill provides, they arrived at that conclusion from the evidence and the facts.

It must be clear, as stated by the distinguished junior Senator from Wisconsin, that unless we accept the House bill we will have a conference problem on our hands. I may be mistaken, but 22 years of service in the Senate have told me that when there is a matter relating to a State, and the two Senators agree, generally there is no difference and no objection. The attitude of the Senators, especially when backed up by the attitude of the House, should be sufficient for acceptance of the House bill.

I realize that the committee has held some hearings; but, I repeat, I have appeared before committees at times when there was a question of opposition. Still, when the two Senators from the State agreed, the opposition was rubbed out. So in this particular instance, I cannot see why similar logic should not prevail.

Even by the adoption of the more liberal House bill, which I believe should be done, the Menominees would be hard put to meet their obligations. According to the termination plans, the tribe has faithfully attempted to provide machinery to handle its own affairs and to integrate properly into the social, political, and economic system of Wisconsin and the Nation.

Mr. President, I therefore ask that the House bill be accepted; then, upon its signature by the President, it will become law. If there is insistence on the other bill with the amendment, conferees will have to be appointed. I doubt that it will be possible to have the House accept the modified Senate bill, because the Menominees have Representatives in Congress who come from their own country and know the facts.

I trust that the Senate will accept its responsibility and will see to it that adequate compensation, if we wish to call it that, is paid, or that assistance is given to those who are our wards and who, after all, are entitled to the earnest consideration of each and every one of us.

Mr. CHURCH. Mr. President, before the Senate comes to a vote on the bill, I may say that I have listened with attentiveness to the excellent statement of the distinguished senior Senator from Wisconsin and to the detailed exposition of the distinguished junior Senator from Wisconsin.

I should like very much to be able to concur in the position that the Senate ought to accept the House bill. However, the Senate committee has dealt with the Menominee problem over a long period of time. Several times we have extended the time for termination, each time with the admonition that no further extension would be granted. Yet upon the presentation of the case and the renewed plea of the Menominee Indians, the extensions have been granted.

So I think the committee is familiar with the problem and has tried to be liberal and generous in view of the circumstances. Certainly I would want to do no injustice to the Menominee Indians. Therefore, we have taken great care and have given extended deliberation to this problem.

It has seemed to the committee that Congress has not been ungenerous, so far as the Menominee Indians are concerned. Over the years, a very large settlement of Federal funds has been directed to them. In 1950, if I recall correctly, the Menominee Indians won a judgment in the amount of $8,500,000, which was awarded them. It was following the award of that judgment that the Indian tribe itself, acting through the tribal council, asked for termination. In the process of termination, and during the extensions, from time to time, of the termination date, the Federal Government has expended the sum of approximately $4 million in carrying the termination program.

The bill now before the Senate would make available to the Menominee Indians an additional $1,500,000 in credit for modernization of their sawmill and for the diversification of this industry, and also for the development of their fine recreational potential, plus an additional sum of $438,000 for the completion of sanitation facilities.

All in all, when those figures are added together, they represent a very large sum of money for a tribe of 3,270 Indians, 800 of whom do not live on the reservation.

In view of the developments which have occurred heretofore and the money which has in fact been awarded to the Indians through judgment or appropriated to the use of the Indians by Congress, Congress has tried very hard to be fair. I think the bill represents the best final settlement we could concur upon in the committee.

Mr. PROXMIRE. Mr. President, will the Senator from Idaho yield?

Mr. CHURCH. I yield.

Mr. PROXMIRE. As to the initial amount which the Senator spoke about as being paid by the Federal Government to the Menominee Indians, is it not true that they were simply stumpage payments paid according to a decision of the Solicitor of the Department of the Interior that this sum was due the Menominees?

Mr. CHURCH. I am glad to yield to the distinguished Senator from New Mexico [Mr. ANDERSON], the chairman of the committee, who was a Member of Congress at the time.

Mr. ANDERSON. After they got $8.5 million, they sought to increase the payments by a couple of million on the ground that the stumpage payments were not large enough, and the Menominees claimed that their forest had been badly handled. God was the one who did it; he did not let the rain fall at the right time.

But the U.S. Government was trustee, and therefore there was some claim that the trustee had not done all the things it might have done.

I assume the court reached a just verdict. I assume the Menominees were entitled to $8,500,000. Congress paid it. It went into the funds of the tribe. But that had nothing to do with stumpage payments at all. That question arose several years later as a result of an opinion of the Solicitor of the Department of the Interior.

Mr. PROXMIRE. It had nothing to do with termination, that is the argument I am making. It was a payment legally and properly determined.

Mr. ANDERSON. That is correct; I do not question that. The $8,500,000 was paid as a part of the claim that the trustee had not properly handled the forest. The United States did not agree with that contention, but the court did, and that settled the matter.

Mr. PROXMIRE. At any rate, there is a sincere difference of opinion on the part of the committee and the representatives from Wisconsin—not simply this Senator or the senior Senator, but the other elected officials—that this is generous, and as generous as it should be under the circumstances.

I also wish to make it clear in the record that the Menominees have indicated over and over again, in every way they knew how, that their termination—their decision for termination back in 1953—was a decision which was made in their judgment through a misunderstanding of what the situation would be. They felt they were being told that if they did not vote for termination, they would be terminated anyway; and that if they did vote for termination, they would be terminated, but would receive payments which would temporarily enrich them.

If we visit upon the Menominees the notion that they received personal payment before from the Federal Government or that they received it with the Federal Government acting as agency, and that they dissipated the payment,

that is not pertinent, for the reasons I shall proceed to state.

How well we recall the time in the 1930's when bonus payments were made to the veterans of World War I. How long were those bonus payments held by the veterans? Many of them invested them wisely, I am sure; but all of the studies I have seen have indicated that most of them spent their bonus payments within 2 or 3 months.

We are not asking that payments be made individually to these Indians, for their personal enrichment or so they can enjoy themselves for a few weeks. We are asking that the payment be made to the State, so this will be done in an orderly, responsible, and humane way. That is the burden of our request.

Mr. CHURCH. And, let me add, it is for the reason that the committee has made available to the tribe, to assist it in the transition and to enable it to get the full use from its sawmill and from its forest resources, the credit of $1,500,000, which, from the testimony, would seem to be adequate to modernize the plant, to diversify the industry, and to develop the recreational facilities. We believe this is a sum which the testimony itself supports; and, therefore, we have concluded that with this money, together with the grant of money necessary to complete the sanitation facilities, the Menominee Indians will have the wherewithal to improve their sawmill and to develop their recreational areas, and therefore, to improve their general condition of life. It is also our feeling that in the long run—now that termination has occurred—the mill will be better utilized and the living standards of the Menominee Indians will continue to improve.

We were unable to agree with the House that grants should be given for education, health, and welfare, because it seemed to us that once termination had occurred and once these Indians had the same status, in connection with the Federal Government, as that of any other citizens, we would be setting a very unwise precedent then to use Federal funds by way of grants to the State or to the county for purposes which normally are taken care of by the State and the county.

Mr. PROXMIRE. Mr. President, if the Senator from Idaho will yield further, that is why I wanted termination itself to be ended on a more gradual basis, as the Department of the Interior itself recommended, so it would be possible to make these payments. But it was the decision of the committee that it did not wish to concur in the view of the senior Senator from Wisconsin and the junior Senator from Wisconsin, but, instead, wished to have termination occur and wished to cut off Federal aid completely.

Mr. CHURCH. That was clearly the view and the case. Unfortunately, time moves inexorably onward; and it was the decision of the committee to report the bill without extending the termination date.

Now termination has occurred, and that fact has been established; and, therefore, at this time the Indians should not be treated differently from the way in which other citizens are treated, and we must take that situation into account, and must consider it in connection with this proposed legislation.

Mr. ANDERSON. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment as amended.

The amendment, as amended, was agreed to.

Mr. CHURCH. Mr. President, I now move that the Senate proceed to the consideration of Calendar 188, House bill 4130, the corresponding House bill—in other words, that it be substituted for the Senate bill—

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Idaho.

Mr. CHURCH. And I also move that the Senate strike out all after the enacting clause of the House bill, and substitute therefor the text of the Senate bill, as thus far amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Idaho.

Mr. WILEY. Mr. President, I seek a little information in regard to the pending motion.

Mr. CHURCH. Mr. President, as I understand, the Senate has now adopted the committee amendment as amended, to Senate bill 870.

Mr. WILEY. Did the Senator move that the House bill be substituted?

Mr. CHURCH. I have made that motion, and it is pending.

Mr. WILEY. Then the pending question is on agreeing to the motion to take up the House bill?

Mr. CHURCH. No; my motion is that the Senate now consider the House bill, and that all after the enacting clause of the House bill be stricken out, and that in lieu thereof there be inserted the text of the Senate bill, as thus far amended.

Mr. PROXMIRE. Mr. President, let me inquire whether the motion is in order. It seems to me it is a combination of two motions—namely, a motion to take up the House bill, and then a motion to substitute, for the text of the House bill, the text of the Senate bill, as amended.

The PRESIDING OFFICER. The motion is in order, although it may be divided, if that is desired.

Mr. WILEY. I understand that the pending motion is to have the Senate take up the Senate bill, and substitute the text of the House bill.

Mr. ANDERSON. I suggest that the reverse is the case.

Mr. PROXMIRE. Mr. President, the first step will be to take up the House bill. After that is done, the Chair can put the question on substituting the text of the Senate bill, as amended, for all after the enacting clause of the House bill. On the latter question, my colleague and I can vote "no."

Mr. CHURCH. Mr. President, I adopt the suggestion, and modify my motion accordingly.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Idaho that the Senate now proceed to the consideration of House bill 4130.

The motion was agreed to; and the Senate proceeded to the consideration of the bill (H.R. 4130) to lessen the impact of the termination of Federal services to the Menominee Indian Tribe of Wisconsin.

Mr. ANDERSON. Mr. President, I now move that all after the enacting clause of the House bill be stricken out, and that there be substituted therefor the text of Senate bill 870, as amended.

Mr. KUCHEL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KUCHEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion of the Senator from New Mexico that the text of Senate bill 870, as amended, be substituted for all after the enacting clause of House bill 4130. (Putting the question.)

The motion was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and the third reading of House bill 4130.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 4130) was read the third time, and passed.

Mr. ANDERSON. Mr. President, I ask unanimous consent that Senate bill 870 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Without objection, the title of House bill 4130 will be amended so as to correspond to the title of Senate bill 870, as proposed to be amended by the committee, as follows:

"A bill to provide for economic assistance to Menominee Enterprises, Incorporated, and for other purposes."

Mr. ANDERSON. Mr. President, I move that the Senate insist upon its amendment, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CHURCH, Mr. ANDERSON, Mr. GRUENING, Mr. GOLDWATER, and Mr. ALLOTT the conferees on the part of the Senate.

FOREIGN INVESTMENT AND TAX HAVEN OPERATIONS

Mr. GORE. Mr. President, I have, on numerous occasions and over a period of years, spoken out in opposition to the U.S. tax treatment of the income and profits earned by foreign corporations which are owned by American interests. My objections run both to the fact that there is no taxation of the income of foreign subsidiaries of American companies prior to the repatriation of dividends

and to the fact that we credit foreign income and related taxes against U.S. income tax liability.

I have pointed out on several occasions that our tax treatment of this income earned abroad has led to balance of payments difficulties, the shifting of the tax burden to those businesses engaged solely in domestic operations, the loss of jobs here at home, and, perhaps most outrageous to our sense of equity and fair play, the growth of numerous tax haven abuses.

Today I want to discuss a few aspects of the magnitude and extent of the foreign investment problem, with particular reference to the inadequacy of our statistics, following which I shall discuss some matters relating to the extent and seriousness of tax haven abuses.

In my view, these tax haven operations have even led some companies into practices which interfere with, rather than assist in, the promotion of exports and the conduct of operations both domestically and abroad in a sound, ethical, and businesslike manner. I shall illustrate this point by citing some facts relative to a particular corporation.

On April 4 of this year I sent a letter and questionnaire to the presidents of our 100 largest industrial corporations.

I ask unanimous consent to have the letter and questionnaire printed at this point in the RECORD.

There being no objection, the questionnaire and letter were ordered to be printed in the RECORD, as follows:

DEAR MR. ———: Recently I have had occasion to look into certain aspects of private foreign investment. I find our statistics fairly good on direct investment but the portfolio picture is not at all clear.

As you know, direct investment is, by definition, equity investment amounting to at least 25 percent of ownership. According to some indications, there are sizable investments abroad by nonfinancial U.S. corporations, both in equities where ownership amounts to less than 25 percent, and in evidences of indebtedness of one kind or another.

I am sending the attached questionnaire to several of our major nonfinancial corporations in an effort to obtain some clarification of the foreign portfolio investment picture.

Your cooperation will be sincerely appreciated and I shall hold this information in confidence insofar as the operations of any specific company are concerned.

It is hoped that this information will be helpful in developing tax legislation.

Sincerely yours,

ALBERT GORE.

* * * * *

Page 1 of questionnaire: Does your company, or any U.S. corporation in which your company holds voting stock amounting to as much as 10 percent of the total voting stock of such corporation, own equity shares of stock in a foreign corporation? If so, please list below (please list separately for each U.S. corporation).

U.S. Corporation:

Foreign corporation:

Approximate percentage of ownership of foreign corporation held by this U.S. corporation:

---

* * * * *

Pages 2 of questionnaire: In which of these foreign corporations has any of the U.S. corporations listed acquired stock initially since 1956? In how many has the percentage of ownership increased since 1956?

U.S. corporation:

Foreign corporation:

Date initially acquired, or percentage of increase since 1956:

---

* * * * *

Page 3 of questionnaire: Please list below any nonequity investment or evidences of indebtedness of a foreign corporation held by these same U.S. corporations.

U.S. corporation:

Foreign corporation:

Approximate dollar amount of nonequity investment:

Mr. GORE. Mr. President, I am glad to say that the response was good. Altogether, responses from 78 companies were received, although not all gave all the information desired. Approximately 60 companies furnished substantially all the information sought. Some, however, made little effort to be of assistance.

The president of one of our large companies finally wrote to me on May 19, a delay of some 6 weeks, not to give me any information, but to suggest that I consult the Department of Commerce publication, "U.S. Business Investments in Foreign Countries."

Now, I am familiar with most of the standard publications in this field. The one referred to was published in 1960 and covers only the year 1957, and subsequent trends was a part of the information sought. Incidentally, I shall later refer to this publication and compare some of the findings contained therein with some of our other published statistics. Government statistics in this field are inadequate. Secretary Dillon, for example, pointed out to the Ways and Means Committee recently that, although official information returns indicate that there are only 92 U.S.-owned corporations in Switzerland altogether, there have been, in fact, more than 500 discovered there.

I selected the top 100 industrial corporations for this questionnaire because I felt that this was the best way to get a look at the foreign operations of a typical cross section of our industrial corporations. Some of these companies have no foreign operations at all. Many, such as the petroleum and minerals companies, operate abroad largely in branch form. Any specialized list I might have used as a sample would likely have been heavily weighted in one direction or another.

In my letter to the presidents of these corporations, I promised to hold their replies in confidence insofar as the operations of any individual corporations were concerned. This I am doing. Their replies are in my safe. I would like to share with my colleagues, however, for whatever value there may be in it, some of the summary results of this study. Some important conclusions, I feel, may be drawn.

I have a tabulation of some of the points brought out in the responses to my questionnaire. The companies are arranged in order of responses received, not by size or alphabetically.

I ask unanimous consent to have the tabulation printed at this point in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Company	Number of foreign subsidiaries in which ownership amounts to more than 25 percent of voting stock	Number in which ownership acquired or percentage of ownership increased in period 1957–60	Number of foreign subsidiaries in which ownership amounts to less than 25 percent of voting stock	Number in which ownership acquired or percentage of ownership increased in period 1957–60	Nonequity investment, long-term loans, advances, etc. (millions)
C-1	12	3	1	1	$15.8.
C-2	25	2	3	1	$2.2.
C-3	6	5	4	4	$0.1.
C-4	Several indicated, but not named.	1	11	4	$33.0.
C-5	do	Not reported	4	Not reported	Not reported.
C-6	11	2	0	0	None.
C-7	19	9	0	0	$0.2.
C-8	42	7	0	0	$7.8.
C-9	26	5	0	0	$3.7.
C-10	7	1	6	2	
C-11			No useful information given.		
C-12	25	7	2	1	$16.7.
C-13	17 (majority)	9	10 (minority)	1	Indicates substantial amount but no figure given.
C-14	2	2	0	0	
C-15	11	10	0		$19.1.
C-16	17	5	0	0	$24.4.
C-17			Several indicated. None named.		
C-18			Several indicated. None named.		
C-19	98	27	0	0	Substantial but no figure given.
C-20	1	0	0	0	
C-21	4	1	0	0	Open account balances, very substantial. No figures given.

Company	Number of foreign subsidiaries in which ownership amounts to more than 25 percent of voting stock	Number in which ownership acquired or percentage of ownership increased in period 1957–60	Number of foreign subsidiaries in which ownership amounts to less than 25 percent of voting stock	Number in which ownership acquired or percentage of ownership increased in period 1957–60	Nonequity investment, long-term loans, advances, etc. (millions)
C–22	10	0	0	0	
C–23	Stated only one "unimportant" subsidiary. Branch operations.				Not reported.
C–24	18	13	2	1	$1.4.
C–25	Several indicated, but not named.	0	5	3	Open account balances. No figures given.
C–26	5	3	1	0	$2.4.
C–27	Not reported	None indicated	1	None indicated	$9.8.
C–28	16	8	0	0	$3.8.
C–29	None indicated.				
C–30	Several indicated, but not named.	Not reported	0	0	Some indicated, but amount not reported.
C–31	do	do	0	0	Amount not indicated.
C–32	7	3	2	2	$5.0.
C–33	25	10	0	0	$23.9.
C–34	1	0	1	0	
C–35	31	7	0	0	
C–36	13	3	0	0	$0.4.
C–37	4	4	0	0	
C–38	2	0	1	0	
C–39	10	9	2	2	$6.4.
C–40	2	0	0	0	$1.6.
C–41	16	8	0	0	$10.3.
C–42	20	7	4	0	$0.3.
C–43	1	1	0	0	$3.6.
C–44	Several indicated, but not named.	0	1	1	
C–45		None indicated			
C–46	10	3	3	0	$0.5
C–47		None indicated			
C–48	6	2	0	0	$16.4.
C–49	6	3	0	0	$3.0.
C–50	4	0	0	0	
C–51	1	1	0	0	
C–52	Several indicated, but not named.	0	4	1	$5.0.
C–53	do		2	2	Some indicated, but no amount given.
C–54	2	0	0	0	
C–55		None indicated			
C–56	20	2	0	0	$0.3.
C–57	None	0	3	0	$5.2.
C–58	2	0	0	0	$1.5.
C–59	1	1	0	0	$0.2.
C–60			Incomplete.		
C–61	15	15	11	Not indicated	$3.6 (plus customers' notes).
C–62	Several indicated, but not named.		14	3	$13.4.
C–63	3	3	0	0	
C–64	3	Not indicated	0	0	$11.1.
C–65	Several indicated, but not named.	1	4	2	Some indicated, but no amount given.
C–66	12	1	1	0	Not indicated.
C–67	8	3	0	0	$33.8.
C–68	Several indicated, but not named.	0	0	0	$5.0.
C–69			No useful information given.		
C–70	5	4	0	0	$13.3.
C–71	1	1	0	0	$14.6.
C–72	26	16	2	2	$1.3.
C–73	8	8	2	2	$1.5.
C–74	13	6	2	1	$5.2.
C–75			No useful information given.		
C–76			No useful information given.		
C–77	48	13	1	0	None indicated.
C–78	19	5	8	3	$13.9.

Mr. GORE. Here are some points of significance to me.

The number of foreign subsidiaries of our industrial corporations is much larger than generally thought. The above tabulation shows 834 foreign subsidiaries, but these are only the ones actually designated by name by the comparatively few companies that constitute this summary report. In many cases, the foreign subsidiaries of domestic subsidiaries of these companies were not reported. In still other cases the foreign subsidiaries of the foreign subsidiaries listed were not named. On the basis of available information, I would estimate that these 100 U.S. industrial corporations have a substantial equity interest in at least 2,000 foreign corporations. Some are merely holding companies and have no intrinsic worth, although many have accumulated large amounts of cash or other assets. Some represent substantial manufacturing operations in Europe, Canada, and Latin America. Some represent American companies' participation in syndicates engaged in petroleum operations in the Middle East, although, as I have said, most of our foreign petroleum and minerals operations are carried out in branch form.

Of the 834 subsidiaries reported by name, it was indicated that in the case of 300, or 35 percent, the subsidiary had been originally purchased or established, or the percentage of ownership had been increased, during the period 1957–60. This means that for every two subsidiaries in existence prior to 1957 there is now one additional new subsidiary, or one in which additional new investment has been made.

Bear in mind that some of these foreign investments go back for 100 years and more. Indeed, in the case of one of the domestic corporations reporting, the American company itself has grown out of what was, in the beginning, a small subsidiary of a British corporation established in this country almost 100 years ago.

This recent increase in foreign subsidiaries must arrest our attention.

It indicates two things.

First, there has been an amazing increase in private foreign economic activities in recent years. This increase in subsidiaries indicates a greater step-up in activity than do our recorded figures for increased direct foreign investment.

Second, this sharp increase in subsidiaries indicates that there has been a great deal of reorganizing of oversea operations. Other studies, taken in conjunction with this one, show a large increase in the numbers of subsidiaries in tax haven countries. Many of these, I am convinced, are primarily for the purpose of tax avoidance or deferral. For instance, according to Treasury Department sources, 170 additional subsidiaries have been discovered in Switzerland during the past year. Many of these are holding companies. Many are dummy operations of one kind or another. Some front for Liechtenstein, Panamanian, Venezuelan, or other third country corporations.

Incidentally, a new country has recently been added to the active tax haven rolls. I refer to Monaco. U.S. News & World Report for June 12, 1961, indicates that Monaco is trying to attract U.S. operations and that Joy Manufacturing, United States Time Corp. and Inter-Armco have established management and sales headquarters there. This is the terminology often used to describe a tax haven operation.

Another significant point brought out by these responses to my questionnaire is the sizable amount of nondirect investment. This is important when studying our statistics on capital outflow and balance of payments.

There are 118 subsidiaries included in the above tabulation which are in the nondirect category, according to Commerce Department classification. There are also large amounts of bonds, notes, long-term credit, and open account credit either explicitly stated or implied. These items have considerable significance in our balance-of-payments statistics.

These amounted to more than $340 million worth explicitly stated, with other amounts in sizable quantities indicated.

Some of the loans, where details were given, are ICA participation or guaranteed loans, many being made to the U.S. companies' own subsidiaries. Most of this amount appears to be of rather recent origin.

There are sizable loans to customers to finance recent purchases, apparently on a long-term basis.

There are loans to apparently nonaffiliated foreign companies.

The above points are important, and they do not show up from a study of our regularly published statistics.

These nonequity investments show that, for one thing, when we export machinery and equipment, we do not realize the full effect on our balance of payments because credits are extended at the same time by the exporting company; in other words, the goods are not paid for. We do not get the full effect, either, when 20 percent, or more, of the sale price of exports is bled off into a tax haven sales corporation.

U.S. Government statistics on capital outflow and balance of payments are incomplete and misleading. This will require some explanation, and I hope my colleagues will bear with me.

Our capital outflows are classified as either direct or portfolio. Direct investment is what we generally think of when we talk about corporate activities overseas, particularly when we speak of the subsidiary and branch operations of our domestic industrial, as distinguished from financial, corporations.

But this is not altogether a true picture when we consider our regularly published statistics.

The Commerce Department compiles direct investment statistics on the basis of questionnaires sent out quarterly to about 459 companies of various types. Some companies do not respond. Most, however, I am told, cooperate very well. These responses are not available to me for study, however, and the results appear only in extrapolated, aggregate statistics.

Another rather unsatisfactory aspect of these reports and the resulting statistics is the cut-off point of 25 percent ownership. If an American corporation owns less than 25 percent of a foreign subsidiary, this investment is not included in the Commerce Department statistics as direct investment. This results in a smaller than actual outflow of capital being reported. The Treasury is supposed to get statistics on nondirect and other portfolio investment, but there is doubt in my mind as to how good Treasury figures are in the area of industrial subsidiaries. Treasury's contacts are primarily with investment and banking institutions.

Theoretically, nonequity advances to subsidiaries would be included in direct investment if such advances are made to a subsidiary in which the domestic corporation owns more than 25 percent. I have grave doubts as to the inclusion of a great deal of these amounts.

Our procedures are inadequate, and the composition of the sample of companies is out of date.

What is really needed, I might say parenthetically, is a basic statistics law, with a central agency such as the Bureau of the Budget deciding what statistics are needed by Government agencies. Reporting should be compulsory but, at the same time, reports should be made to one agency so that various companies are not constantly being harassed by multiple requests.

In addition to the general inadequacy of our whole recording and reporting system, which would indicate the likelihood of poor statistics resulting, the statistics themselves show by internal examination that they are unreliable.

There is always a very large figure which is required to balance our international accounts statistics. This item formerly was called errors and omissions, but in recent years this figure has been labeled unrecorded transactions—errors and omissions. This is an entirely arbitrary figure. It is too large to make any statistician happy with the other figures it arbitrarily balances.

An interesting thing about this figure is that, in 1960, it took a terrific swing of a $1.8 billion, from a plus $783 million to a minus $1 billion or more. This was widely interpreted as the result of unrecorded "hot money" flows. Some of it undoubtedly was. But the Treasury gets fairly good reports from financial institutions on "hot money."

My studies lead me to believe that a great deal of this swing came about through unreported extensions of credit on our greatly expanded exports, nonrepatriation of royalties and fees for various services collected and recorded but held in tax haven companies, and through the siphoning off of the proceeds of exports into tax haven subsidiaries. These amounts are generally well hidden and often not reported voluntarily to any Government agency.

Another verification of the inadequacy of our statistics can be found in the comparison of the direct investment capital outflow reported for the year 1957 in our regular statistics, and the figure reported in the detailed Commerce Department study for that year, a study which was based on compulsory reporting. The regular statistics show direct investment capital outflow for 1957 in the amount of $2.058 billion, while the more comprehensive study for the same year, but completed only last year, shows direct investment capital outflow for 1957 of "nearly $2½ billion, considerably larger than previously estimated." This is an error of about 20 percent on the low side in our regular statistics.

I bring up this point because of the fact that, in discussing the current taxation of subsidiaries, it is often pointed out to me that current taxation is not necessary from a balance-of-payments standpoint, because our direct investment operations show a net inflow of capital.

When our statistics are properly understood, we can readily see that our investment in subsidiary operations is not paying off adequately currently.

These operations definitely show a net outflow of capital.

To begin with, if we had proper statistics, we would have a larger recorded direct investment capital outflow. But, let us suppose for the moment that our statistics are valid. What do they tell us?

Bear in mind that, in discussing the return on investment, we are talking about the return on the cumulative foreign investment which has been built up over the period of our entire national existence. Looking at domestic corporate investment as a guide to what we should expect, we see that in 1960 dividends from domestic corporations amounted to $14 billion, while new money going into domestic corporations, that is, net new issues, amounted to $8 billion. On this basis, then, we should be getting currently about 75 percent more in direct investment income from abroad than our direct investment capital outflow.

We are not doing this, even when we lump subsidiary and branch operations together. On the basis of these understated outflows, however, we have been getting back about 55 percent more in direct investment income than our direct investment capital outflow.

But this inflow includes both branch and subsidiary operations. After all, branch profits are generally repatriated and are taxed currently. There is little inclination to try to hide these profits, since they are mostly from petroleum and minerals operations and these operations, when the foreign tax credit and the iniquitous percentage-depletion allowance are both combined, pay practically no U.S. tax, anyway.

But let us look at the net return from subsidiary operations. This is what is of concern to me. This is clearly negative in character, that is, outflow of capital in recent years has exceeded the return on this accumulated investment.

According to U.S. Treasury figures, during the period 1957–60, capital outflow to Western European subsidiaries amounted to $1.7 billion, while inflow

from the accumulated investment in these subsidiaries amounted to $1.3 billion. Canadian operations show a similar ratio. This inadequate return on subsidiary investment is caused by reinvestment of funds abroad, plus a bleeding off of profits, royalties and fees into tax havens.

The only way to insure adequate repatriation of oversea earnings is to tax such earnings and profits currently.

Putting aside, for the time being, balance-of-payments considerations, numerous tax haven abuses are encouraged—and are being practiced to an alarming degree—by our faulty tax laws.

These practices include siphoning off into tax havens the proceeds from export sales, the retention abroad in tax haven subsidiaries of licensing fees and royalties, manipulating the purchase price of imports purchased through tax haven subsidiaries, transferring profits from foreign manufacturing activities into tax haven subsidiaries, and various financial manipulations, including several different types in the field of reinsurance. I am sure there are others I have not yet uncovered.

In my view, tax haven abuses can be fully corrected only by taxing currently the profits of all foreign subsidiaries.

I have referred to these manipulations on previous occasions on the floor of the Senate. Now I would like to give my colleagues some facts concerning the operations of a particular corporation which does a fairly large export business and show some of the results of tax haven operations. I might say that this company is not one of the 100 involved in the study previously discussed.

This corporation is a combination holding company and operating company. Domestically it operates principally through 11 subsidiaries and divisions, each performing separate functions in a well-integrated service for one of our leading industries. Many of these subsidiaries were formerly independent companies, and all retain a high degree of autonomy in both their domestic and their oversea operations. Nine of the eleven have their own separate export sales organizations based in the United States. This diverse corporate organization complicates this company's tax haven operations, as I shall explain.

The foreign operations of this corporation consist largely of promoting exports of its equipment and machinery manufactured in the United States, and in the collection of royalties and licensing and service fees from foreign companies using its processes or manufacturing some of its equipment.

The foreign structure is complicated, but no more so than many similar companies.

There are 27 subsidiaries and 7 branches in 11 different countries. Nine of these, in the words of a corporate official, "exist for tax purposes, or because of currency regulations." These foreign subsidiaries and branches maintain 105 bank accounts in 47 different banks.

There are 7 subsidiaries designed specifically for "tax savings"—again I am quoting a corporate official—in my terminology, tax "avoidance," to say the least of it. And the taxes "saved" or "avoided," as the case may be, are not only U.S. taxes, but often the taxes of other foreign countries as well. This does not improve the American image abroad.

Perhaps my colleagues can see in this rather complicated organization some basis for internal confusion, as well as poor customer relations.

Parkinson's law appeared to run rampant in this instance. Administrative and selling expense increased from $23.5 million in 1953 to $44.6 million in 1959, an increase of 90 percent. During that same period sales increased only 47 percent. And net profits only 19 percent.

The tax haven operations center around three key subsidiaries, although others play a part. One of these is located in Liechtenstein and two are in Switzerland. The Liechtenstein company derives its income from the collection of commissions on exports and the collection of royalties and licensing fees. The Swiss companies front for the Liechtenstein company, one of them being used to pass through to Liechtenstein royalties and fees collected.

The Liechtenstein subsidiary receives a commission of 20 percent on all sales made by the U.S. corporation and its subsidiaries to all foreign areas outside Canada. It does practically nothing to earn these commissions, since most sales are made by outside agents or by U.S.-based export sales personnel. It also receives 80 percent of all licensing fees and royalties. It does little or nothing to earn these sizable amounts. It does have on its payroll one accountant in Liechtenstein. In my view, transferring these funds, actually earned by a U.S. company, to a foreign corporation for tax avoidance purposes constitutes fraud.

Practically no tax is assessed against this Liechtenstein subsidiary, which makes Liechtenstein highly desirable for this type of operation. On the other hand, a Liechtenstein address is not considered entirely respectable in all circles, it is not so easily accessible, and Liechtenstein lacks many of the facilities of Zurich. So the other Swiss subsidiary fronts for the Liechtenstein operation in customer relations.

This Swiss company does the advertising, keeps the office, handles correspondence, and entertains customers, but at the same time it must prevent customers from paying any proceeds into it. This confuses some customers, as well as some corporate employees, and it is felt by some officers of the corporation that this type of operation has led to loss of some sales.

To take care of sales in Latin America, there was a Western Hemisphere trade corporation subsidiary. Now, bear in mind that this subsidiary was taxed at the rate of only 38 percent, and yet it was felt by some in the corporation organization that their tax avoidance in the tax havens has been so successful that the Western Hemisphere Trade Corporation should be collapsed. This has now been done.

Now, this is not one of our larger corporations, but its attorneys have estimated that these, to me rather bogus, tax haven operations have "saved" the company over $6 million in U.S. taxes during the period 1953–60, and are currently "saving" U.S. taxes at the rate of more than $600,000 per year.

If this is the case, I would say that this company has "avoided" rather than "saved" a large part of this amount and the Internal Revenue Service ought to be able to recover at least part of it under provisions of section 482 of the Internal Revenue Code. Furthermore, because the tax haven companies are not really earning the profits credited to them, these U.S. taxes may be, in fact and law, "evaded."

This company has run into internal difficulties. Its tax haven operation is complicated by the fact that all its subsidiaries and divisions have a high degree of autonomy. Intracorporate squabbles have developed. The legal department has tried to run the foreign operation, rather than letting it be run by operational and sales personnel. As a result, there has been a lack of efficiency and a probable loss of a great many sales abroad which could have been made in the absence of such concentration on the deviousness required by tax considerations. Customers were often confused as to just what organization they were dealing with and who was responsible.

Obviously, with the bleeding off of such substantial sums into the tax haven subsidiaries, either the prices of its exports were unnecessarily high, or the domestic parent corporation was not showing the profit it should have shown.

An attorney for this corporation has stated, in writing, according to my information, that the Liechtenstein-Swiss operation was "a tax 'gimmick' and nothing more." He appeared to be constantly pleading with all concerned to give an appearance of substance, "decorating," and "window dressing" to the operation, else the company had only a "50–50 chance" of making this tax avoidance stick.

Some officers of the corporation pointed out repeatedly that the apparent savings in taxes were being lost through inefficient oversea operations and a consequent loss of export sales.

One sidelight is worthy of mention. This company has apparently been overstating its earnings to its stockholders. In its annual report to stockholders, it issues a consolidated report. This report appears to include earnings of its tax haven subsidiaries, but makes no allowance for U.S. taxes due and unpaid on these earnings. It would appear that 1959 dividends were partially paid out of increased borrowings from insurance companies, although the dividends, on the surface, were supported by this highly questionable, and to me fraudulent, bookkeeping.

Things got so bad that an attorney for the company, at one point, strongly suggested to top management that any contemplated terminations be handled in such a way as to make those separated available as "friendly witnesses" in case of Internal Revenue Service action.

To date, the Internal Revenue Service has not brought this company to taw.

I have additional details concerning this company's actions and operations, but enough has been stated here to support certain conclusions. Some, or all, of these conclusions can be drawn relative to this company and to others following similar tax haven practices. Here are my conclusions:

First. Our tax laws encourage artificial organization and operations, if not outright fraud, in private foreign investment activities.

Second. Some companies are going to great lengths and engaging in sharp practices to attempt to avoid taxation, both United States and foreign. There is a strong indication that resulting complications are losing sales and reducing exports.

Third. Export products are, in many instances, being priced unnecessarily high, sometimes virtually priced out of the foreign markets.

Fourth. General mismanagement and increased overhead result from attempts to avoid taxation through tax haven operations.

Fifth. Top management of some of our larger corporations give too little attention to production and sales, concentrating primarily on financial manipulations.

Sixth. The ethics displayed often parallel the sorry spectacle we have recently seen unfolded in price fixing among electrical manufacturers.

Seventh. Companies indulging in the practices I have outlined present a poor image of American free enterprise both at home and abroad. Such freebooters will, unless brought to taw, surely destroy our free-enterprise system.

Mr. President, I have spoken out on many occasions against our faulty tax laws. In many instances our faulty laws merely result in loss of revenue. In others, there is a more obvious and specific inequity, due to a shifting of the tax burden. In still others, as in the case I have cited, practices are encouraged which are, in the long run, harmful to American business and to the companies themselves which try to cut all possible corners.

For all of these reasons, I urge my colleagues to study carefully our tax treatment of income earned abroad and to be prepared to vote on some amendments in this area later during this session of the Congress.

TELEVISION CONTROVERSY: THE MYSTERY OF THE MISSING CROSBY COLUMNS

Mr. GRUENING. Mr. President, freedom of speech and press are among the basic tenets of our free society. The Founding Fathers provided these liberties in the first amendment to the Constitution as a safeguard against governmental interference with those inalienable rights. Unfortunately, despite this safeguard, these freedoms may be limited, jeopardized or nullified by restrictions and censorships other than governmental.

In point are two recent articles by John Crosby, the well-known, able newspaper commentator on radio and television, whose columns are scheduled to appear in the New York Herald-Tribune and are also syndicated by that paper to newspapers throughout the country. Recently, two columns by Mr. Crosby were suppressed, or, in newspaper parlance, killed by the management of the paper. Not only that, but instructions were sent out to the newspapers which receive this column as a syndicated feature to suppress it.

It so happened that Mr. Crosby was expressing some views which were distasteful to certain elements in the radio and television industry. Yet his views expressed a widely prevailing discontent with some of the TV fare presented to the public.

One of the regrettable concomitants of our increasing concentration of the avenues of expression, so vital in a free society such as ours, is that newspaper publishers likewise own radio stations. In many communities a total control of all such media of news, opinions, and information is vested in a single individual. It is apparent that what Mr. Crosby wrote so forthrightly and so usefully was distasteful to one beneficiary of this type of dual ownership.

I think it is therefore desirable to give currency to two of Mr. Crosby's excellent expressions of his opinion which were denied to the readers of the Herald-Tribune and to its syndicated customers; the first being entitled: "I Am Against Rape," which was scheduled to be printed in the Herald-Tribune on May 17, and a second article "Whose Air Is It, Anyway?", scheduled for printing and dispatch to other dailies on May 22.

I ask unanimous consent that these two articles by Mr. Crosby, as well as an editorial from the June 12 issue of the New Republic entitled: "Public Defender Minow," which explains pretty clearly what the controversy between the new Chairman of the Federal Communications Commission and the TV industry is about, be printed at this point in my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

I'M AGAINST RAPE

(By John Crosby)

I'm getting tired of rape. I hate to be such a square about rape but I just don't like it. God knows, I've tried. I saw the movie, "the Virgin Spring," which contained the most explicit rape scene I've ever seen. The other night I saw "Two Women," an Italian picture, which had a mother and daughter raped. They both made me sick.

As a matter of fact, I think men are more sensitive than women on the subject. During the rape scene in "Two Women," three people got up and hurriedly left the theater. All of them were men. Conceivably, the women were too shellshocked to move. Just the same, "Two Women," rape and all, is doing extremely good business, God knows why. It isn't much of a picture and it is a very depressing one.

Sadism is certainly the stuff that sells, books, movies, television. There seems to be no end to it and no bottom. And each year it gets worse. I recall when rape was handled in the newspaper with extreme delicacy and rarely. It was not considered fit for newspapers and certainly not for entertainment.

But now sadism is not only the bulwark of 90 percent of popular entertainment but any effort to stop it is promptly howled down. I was particularly interested in the reaction to FCC Chairman Newton Minow's speech castigating television as a wasteland. Television is a wasteland and much of this wasteland is given over to sheer senseless brutality. Well, to take a typical example of the wasteland, Richard Boone in a very recent "Have Gun, Will Travel" mowed down three 15-year-old boys, justifying this massacre by saying that boys shouldn't play with guns

This, as I say, is typical of television entertainment. Of television's 73½ hours of prime time, that sort of sickening violence is on the air most of the time. Every year it gets worse and there gets more of it. We are in a sense teaching children debauchery, brutalizing their instincts, 73½ hours a week in prime evening time.

When a public official like Minow decries this viciousness, he's accused of attempting Government censorship. Critical disdain is dismissed as a matter of personal taste.

Both of these views miss the point. As far as editorial judgment in general goes, most television is beneath contempt and out of the range of criticism. (Ninety percent of television doesn't get criticized because what on earth can you say about "Have Gun, Will Travel"? You don't criticize comic books. How can you criticize television?)

The question of censorship is a more ticklish one. Nobody will come out for censorship. Isn't this an infringement on freedom? the TV propagandists ask. Isn't this a curtailment of free enterprise? Are you in favor of curtailing free enterprise, Senator?

This is pretty much the opposition that the propagandists (and they are very skillful and well paid) have put up to those of us who are in favor of the FCC regulating what it was set up to regulate. I'm for self-restraint rather than censorship. But since there is no evidence that the TV industry or the advertisers who support it plan any self-restraint now or ever, then I'm in favor of the Government stepping in and imposing some limits.

The trouble is we are all getting too complicated and too legalistic for our own good. The state of television is a very simple matter really and it should be looked at simply. It stinks. There is absolutely nothing that Newton Minow said that is not glaringly obvious to any 6-year-old child. Anyone who argues against Minow's picture of television is: (a) someone who hasn't looked at it in years; (b) in the business himself such as a broadcaster or sponsor or a lawyer or publicist for it and therefore an unreliable witness; (c) senile.

The issue has been put as one between the Government and the people. Aw, come off it, fellows. What people? I'm people and I think most of television is inexcusable. Most of the people who look at it are severely critical of it. Or to get back to that rape scene, the theater was jammed (and there was a line blocks long to get in and see the picture), but does that imply that all those people approve of rape?

WHOSE AIR IS IT, ANYWAY?

(By John Crosby)

In characterizing television as a vast wasteland and spelling out just what he meant by wasteland, FCC Chairman Newton Minow was only reporting what any set owner could ascertain for himself if he were foolish enough and strong stomached enough to sit in front of his set for 72 hours. The results have been catastrophic and ironic.

First, the public rallied almost to a man behind Minow. Second, and notwithstanding, the House of Representatives rallied almost to a man behind the broadcasting industry which has one of the most effective

lobbies in Washington. It is always a shock to discover that ours is not at all a representative government in matters of this kind. The FCC has reported an outpouring of letters concerning the Minow speech. Only about 35 were unfavorable. The trouble is the voters should have written their Congressmen, not Minow.

The Congressmen were subjected to a much more direct, effective, clamorous, and personal intervention from broadcasters, who were half way up Capitol Hill before Minow even sat down. Let us say a broadcaster owns WXXQ in East Overshoe, Nebr. He may also own the East Overshoe Bugle, which is the only newspaper in town. He may also be a heavy campaign contributor. In short, a powerful man. Also, he's right there in the office. The voter (and/or viewer) is way back in East Overshoe.

Consequently, when the broadcaster said to his Congressman, "chastise Minow," the Congress listened deferentially. As this is written, it looks almost certain that the House will defeat the reorganization of the FCC recommended by James Landis and seconded by Chairman Minow.

This would be a bloody shame because it is a good and much needed reorganization plan. The FCC has been for many years either inert or downright crooked or both. Mostly inert. The broadcasting industry would like to keep it that way. As it is, the broadcaster has what amounts to a license to steal, with the least possible supervision operating exclusively in its own rather than in the public interest.

In spite of the initial setback in Washington, I hope Minow sticks to his guns. Both press (about 75 percent applauded) and public to an extraordinary degree are on his side. The public reaction supports what I've long held: that television is not a popular medium; it is a highly unpopular one.

Just because people look at television doesn't mean they approve what they see or don't want something better—especially for their children. The broadcasting industry, far from being responsible to the public, is increasingly impervious to it. Where do you register protest? There is no box office. The rating services are paid for by the broadcasters and consequently tell the broadcaster what he wants to hear.

It's a simple issue really; namely, that the diversity, excellence, and purpose of TV programing are at an alltime low this year. There is a public for good programing and increasingly there is a pocketbook for it. The advertiser, looking for good programs, is increasingly thwarted by the broadcaster who wants only high-rated junk on his network. That's where the money is. Representative OREN HARRIS has told the networks they have complete charge to set their house in order. But instead of doing that, the networks have simply demanded ownership or part ownership of television programs as a price for putting them on the air.

In the middle of this sordid commerce, it's heartening to applaud my favorite sponsor, Joyce T. Hall, president of Hallmark, whose "Macbeth" this year won five Emmys. Hall has always been my favorite sponsor because he has put only high-quality programs—Shakespeare and opera mostly—on the air. These have been both artistic and whopping commercial successes.

What social conscience there is in broadcasting these days is coming largely from sponsors—Purex, Firestone, Bell & Howell, Chrysler, Kent cigarettes—have I forgotten anyone?

In siding with the broadcaster, I must emphatically remind the honorable gentlemen of Congress they are not striking a blow for freedom but one against freedom of choice. They are, in short, endorsing cowboys and cops 'n' robbers and voting against excellence.

PUBLIC DEFENDER MINOW

Newton N. Minow's maiden speech as chairman of the Federal Communications Commission was the clearest "meme, mene, tekel, upharsin" the television industry has been given. But the tentative network programing for next season indicates that the public is doomed to suffer through more of the predictable violence, sadism, sex, puerile commercials and assorted hokum, slapstick and claptrap, with only a slight leavening of quality.

Of the cumulative 73.5 hours of prime evening time per week, the three major networks plan to devote 59 hours, or almost six-sevenths, to "action-adventure" shows, situation comedy, variety and quiz shows and movies—the kind of lowest common denominator that led the new FCC chairman, in his rousing speech before the National Association of Broadcasters, to describe TV as a "vast wasteland" notable for implausibility, offensiveness and boredom.

The industry has moved quickly to block Minow's efforts to improve programing, and in this cause, it will have the cooperation of many members of Congress. At least 15 Senators and Representatives have direct or indirect financial interests in commercial radio or TV stations. The figure was considerably higher a few years ago—before the congressional investigation of payola, rigged quiz shows, and the like.

Under pressure from the industry, to which freedom to make money takes precedence over the public's right not to be insulted, the House Government Operations Committee last month voted to reject the first new weapon sought by Minow—a reorganization plan to streamline FCC procedures and increase the power of the Chairman. "We can't do the job with our present rules," Minow argued, but the committee—and an FCC majority—saw it differently.

Commissioners Ford, Hyde, Lee, and Bartley (the latter a nephew of Speaker SAM RAYBURN) opposed the provision giving the Chairman authority—if a majority of the Commission agreed—to delegate work to senior employees, examiners, and individual FCC members. The idea was to free the Commission as a whole from mandatory hearings on routine cases and give it more time for policymaking. The lack of attention to policy planning and coordination is one of the most serious defects of almost all the Federal regulatory agencies, the FCC included. The committee's action virtually assures that the FCC reorganization plan will be defeated.

Subsequently, Representative OREN HARRIS, Democrat, of Arkansas, chairman of the House Interstate and Foreign Commerce Committee, introduced legislation to do just about everything the FCC reorganization plan would have done. But the Harris bill contains a big, almost-unnoticed joker: A minority of three Commissioners could rescind any delegations of authority.

Beyond reorganization lies an even tougher problem. The FCC can regulate only individual radio and TV stations, not the huge networks which supply more than three-fourths of the programs shown in the prime hours. With its licensing power, the Commission can do something about programing by individual stations, but when the crackdown comes, the licensees will plead the strictures of economics—they must draw most of their big, popular programs from the networks. There can never be any big improvement in TV without some Federal supervision of the networks.

The Commission last year endorsed proposed legislation which would have put the networks under FCC regulation, but the amendment was withdrawn in the House when HARRIS said his committee would study the matter during this session. Reliable sources say, however, that no such inquiry has been scheduled and nothing is in prospect. It may be left to Senator KEFAUVER to skin the cat another way—by investigating the monopolistic character of television.

Minow, who at 35 is one of the brightest and most personable of the New Frontiersmen, believes that the television industry may win battles and still lose the war. His May 9 speech to the broadcasters brought a deluge of letters—about 3,500 thus far and only 5 or 6 percent of them hostile to his position. Of the letters analyzed to date 581 complained of too much liquor, crime, violence, and sex in their TV fare; 426 cited the adverse effect on children (Minow estimates that most youngsters now spend as much time watching TV as they do in the classroom), and 356 were worried about the effect on public morality.

THE NEED FOR A NEW APPROACH TO FOREIGN AID

Mr. GRUENING. Mr. President, two valuable appraisals of our foreign aid program are found in a recent article by John Kenneth Galbraith, nationally known and highly reputed economist, author of "The Affluent Society," and now our Ambassador to India, in a recent issue of Foreign Affairs, which makes constructive suggestions on how our foreign aid program can be materially improved, and in another useful bit of criticism in an address by Justice William O. Douglas, made to the students at Mount Holyoke College, Mass.

I hope that the administration will take note of these criticisms, now that hearings on foreign aid have begun, and that the reforms so sorely needed will be put into effect without fear or favor.

One other concomitant reform which does not depend on the administrators of the program but on the administration itself is the policy of the double standard which prevailed under the preceding administration. One reason that foreign aid has become increasingly unpopular is that the American people find it difficult to understand why basic projects for resource development, for conservation, for pollution control, for public works, and for other public needs have been frowned upon and eliminated by the Bureau of the Budget, yet far more generous projects have been scheduled for grants or loans of dubious validity in over 100 foreign countries.

Unless the double standard is repudiated and at least equal attention, if not priority, is given to domestic projects, it will be difficult, I fear, to persuade many Members of the Congress to vote vast sums for foreign aid, especially the additional sums and new long range commitments now being requested.

I ask unanimous consent that the articles by Ambassador Galbraith and Mr. Justice Douglas be printed at this point in my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

A POSITIVE APPROACH TO ECONOMIC AID
(By John Kenneth Galbraith)

It is now nearly 12 years since the provision of economic assistance to other coun-

tries on a regular and organized basis became an established feature of American foreign policy. Such assistance had previously been offered to Latin American countries and during and after the war to the devastated and distressed countries of Europe and Asia. With the promulgation of the point IV offer in President Truman's inaugural message of 1949, the provision of assistance to other countries for their economic development lost its character of emergency relief. It became, instead, a settled arrangement for helping the less fortunate countries of the world to escape from poverty and to place themselves on a path to self-sustaining growth. The amounts being spent, if not huge, have at least become considerable: in the current fiscal year some $1.7 billion is available for loans, grants, technical assistance and administrative costs, and another $1.2 billion in surplus food and fiber. In addition, $250 million is provided for investment guarantees and $130 million for multilateral aid through the United Nations.

From the beginning, foreign aid has been sharply controversial. It has an aspect of good will and compassion that naturally arouses grave suspicion. Liberals, reacting to this, come automatically to its defense. Any criticism has been deemed to conceal some design for discrediting the policy. If results are not satisfactory, it is because we are not spending enough. The normal liberal formula for improving foreign aid is to spend about 25 percent more.

A much more careful view of foreign aid is now in order and, indeed, essential. Such a view does not lead to the conclusion that less should be spent. More money will be needed. But it does lead to the conclusion that much recent and present aid has been very ineffectually employed and for that reason has had gravely disappointing or even negative results. Without a substantial change in the whole view of economic development, the results in most cases will continue to be disappointing. The required changes will not perhaps be easily accepted here or abroad. Yet so great is the need for development and also the desire for it that we should not discount too severely the willingness to take the necessary steps.

The prime difficulty of present aid policy is that it is based on a convenient but largely erroneous view of the requirements for economic development. That economic development is a complex process will be agreed. When certain requirements for advance are present, advance will occur. If these are lacking, progress will be retarded. And if factors decisively important for progress are lacking, it follows that there will be no progress at all. As measured by movements in national income or product, the country will be stagnant.

In our present view of economic development, the missing element in all countries is assumed to be external resources—above all, capital. The country, being poor, has little national product from which to save and much need for current consumption. Accordingly, the chance for internal capital creation is small, and capital must, therefore, be supplied from the outside. This is the critical need. From the outside also, must come technicians and specialists to advise in the use and development of internal resources—to improve agriculture, search for oil, guide the exploitation of other natural resources, identify industrial opportunity, protect health, or plan education. The capital and the technicians, together with food, should this be lacking, we supply. Thus, it is thought, we contribute the missing and critical component of advance.

The difficulty is that what we supply is, in many cases, only one of the missing and critical requirements without which there will be no progress. At least four other things are crucial.

1. A substantial degree of literacy and that smaller number of people with the higher education and skills necessary to man a Government and undertake the managerial and technical tasks associated directly or indirectly with economic advance. We may lay it down as a rule that there will be no durable, self-sustaining advance under conditions of widespread illiteracy and ignorance and without an educated elite of substantial size. In the 18th and 19th centuries, it was well understood—at least in the United States—that popular education was of first importance for releasing the initiative and energy of the people, enabling them to work efficiently and progressively and to give development a thrust or impetus from below. There is no modern reason to believe that this view was wrong.

2. A substantial measure of social justice. If the ordinary individual receives no share in the advance, he will make no willing contribution to it. And he can normally be counted upon to sabotage it—to be careless of the new machinery entrusted to his care or contemptuous of the new methods recommended to his attention. It is not always easy to get the individual in the underdeveloped country to see and pursue the path of his own self-interest when it involves a break with tradition. He will never do so if all the gains accrue to feudal landlords or employers or to tax collectors, merchants and usurers.

3. A reliable apparatus of government and public administration. Clearly, economic development can occur only in a context of law and order, where persons and property are reasonably secure. But even though this is not always present, it is a good deal less than the minimum that is necessary. Positive advance also requires a capacity for more difficult tasks—for planning and building roads and other communications, for importing capital and guiding its use, for the management of a fiscal system that makes adequate use of internal resources, for organizing education, and for many other essential tasks.

4. A clear and purposeful view of what development involves. Development will not occur if it is believed to come automatically with escape from colonialism; if it is identified as a matter of course with faith in free enterprise or socialism; if it is regarded as the special magic that will be provided by a particular political personality; or if it is to be accomplished by some single stroke of genius such as the building of a particular road, the settling of a particular jungle, or the watering of a particular desert. In all instances, the result—not long deferred—will be serious disappointment.

In practice, one or more of these four factors is missing in most of the poor countries, and each is as critical as capital. Therefore, the only successful development will be that which supplies the missing elements. Since these will be somewhat different for different countries, there cannot be a common prescription for development; what works in one place will not work in another.

These conclusions readily survive empirical test. After a decade or more of effort and expenditure, we have a right to inquire whether the countries we have been aiding are on the way to self-sustaining advance. Has national income been increased?

Has poverty been mitigated? Has the likelihood of disorder been lessened? So far as Central America, northern South America, the Middle East, and some of Asia are concerned, the questions have a vaguely prejudicial sound. It is as though someone were preparing an indictment of foreign aid. In most of these regions poverty, ignorance, and the potentiality for disorder are just as great as they were 10 years ago. Ten years, it will be said, is too short a time. But this is a retrospective apology. When we announced our intention to embark on a bold new program to rescue the "more than half of the people of the world * * * living in conditions approaching misery," we had a better timetable in mind than this. And, in truth, a better one has been repeatedly promised to the Congress and the American people.

It may be true, as liberal defenders of foreign aid have argued, that the effort has been too small, but if other requirements for advance are absent an increase in size would not insure advance. Were ample assistance all that is required, Iran and the oil-rich Arab countries would be exceedingly progressive. In fact, in these countries progress remains unsatisfactory, and it is because other requirements for advance are missing. No one supposes that, were the oil revenues of Iraq doubled, the rate of economic development would be appreciably advanced. Similarly, Venezuela, in spite of its massive oil revenues, remains in uncertain equilibrium. Nor would economic aid in larger volume have saved the situation in Cuba or Laos.

The matter may be tested on the other side. One country that has shown a great advance since the war, including great capacity to make effective use of aid, has been Israel. It is singularly unendowed with natural resources. It has no oil wells, few minerals, insufficient water and not much space. But all of the four elements mentioned—high literacy and a highly educated elite, the sense and the reality of social justice, an effective government and a strong sense of purpose—are all present. So there is rapid progress. The Israelis, were they forced to it, would better do without their aid than without their education, their sense of shared responsibility and shared gain, their public administration and their clear view of their destiny.

India and Pakistan and perhaps also Ghana and Nigeria are other countries where the requirements of development other than external aid are present or largely present. Thus, India has a large literate minority and a highly educated elite, a considerable if still highly uneven measure of social justice, an effective administration and a fairly clear sense of direction. As a result, and despite the crushing problems imposed by tradition and population growth, India has been making a substantial measure of industrial progress. The fact that her agricultural progress has been far less impressive supports the point. In the agricultural villages literacy is low; the social inequality is high and many know that, come what may, they will live on the bare margin of subsistence; village government is decayed and ineffective and only recently have efforts at rejuvenation been made; and the Indian village is hardly inclined to address itself purposefully to economic advance. So even though India, of all the economically distressed countries, makes the best use of its aid, it too fails in the part of its economy where the other requirements for advance are lacking.

II

In our prescription for the improvement of other countries, we have a little-recognized but highly persistent tendency to advocate what exists in the United States, with no very critical view of its appropriateness to the situation or stage of development of the other country. In the early years of the Marshall plan, an agriculturist was moved by divine fire to seek to establish a land-grant college in Bavaria; his motivation was not need (and certainly not the availability of land) but the fact that land-grant colleges had served the United States well. A few years ago another American was bent on organizing a market news service for the floating vegetable market in Bangkok. And in Bolivia our agricultural experiment stations are so elaborate that they are (it is said) too expensive for the Bolivians to

operate; in the enthusiasm of the land reform of the early 1950's one of them was enthusiastically seized and divided up by peasants unaware of its function.

Our stress on the role of external resources has a similar bias. In modern times the supply of capital resources has been the limiting factor on our growth; the more capital, foreign and domestic, that we have had for investment, the more rapid our rate of advance. We even measure growth in part by our rate of investment in physical capital. We have tended to overlook the fact that at an earlier stage we had developed a system of popular education, and had achieved an effective system of public administration. We had established the principle that people should be rewarded in some reasonable, if imperfect, relation to their contribution or product. We also had a considerable sense of purpose. It was never imagined that by merely expelling the British we would automatically achieve paradise. But these early prerequisites of development, vital though they were, are largely ignored today. In drawing on our own experience, we are influenced by the later stage of our development when capital became important.

However, in our political and economic policy, we are much less often the victims of retarded intelligence than of convenient illusion. That is so here. It is doubtful that many of us, if pressed, would insist that economic development was simply a matter of external aid. But nothing could be more convenient than to believe this, for once we admit that it is not the case, we become entrapped in a succession of grievously complex problems.

Thus we would have to consider how a country can greatly increase its literacy rate and at the same time build a system of higher education. To organize a good school system, or reform a bad one, is far harder than to organize an equivalent outlay on dams, turbines, generators and transmission lines. This nevertheless may be the easiest of the barriers to pass. To develop a clear sense of purpose; to get an effective system of public administration when one must build on nothing; and to win social reform when great and perhaps even decisive power is held by those to whom reform would be costly—these are vastly more difficult. So the solution has been to pretend that these problems do not exist and that economic aid will turn the trick.

Present attitudes toward aid have a further consequence; they allow and encourage poor selection of the objects of aid, disperse the limited energies of the aided country, encourage a lack of continuity and preclude any real test of performance. This, to repeat, is not an indictment of aid as such and should not be taken for encouragement by those who are opposed on principle to the golden rule. It is very much an indictment of the present approach to aid.

Specifically, if external resources are assumed to be the limiting factor, any particular infusion of such resources is presumed to help. This means that the particular investment to be aided is not subject to any very rigorous test; it can be decided by bilateral bargaining between the representatives of the United States and those of the recipient country. This bargaining allows an almost incredible variety of irrelevant considerations to enter. Our representatives, governed by the imitative habits of mind just mentioned, assume that what exists in the United States has proven itself by the success of the United States. Therefore there is a strong presumption that it will be good for the aided county. "To the campesino's desire for seed, land and water, the agricultural service has too often responded by offering insecticides, sprayers, fertilizers, and a school for training tractor mechanics. The agricultural service has suffered from being too close a copy of the U.S. Extension Service." [1]

The United States has a great variety of developmental services appropriate both to its high state of development and its ability to finance things of secondary importance. The tendency to duplicate these leads to heavy burdens and a radical dispersal of energies. The particular dispersion will depend on the accident of personalities. The arrival of a specialist in plant-breeding will lead to a new enthusiasm for hybrid corn; a home economist will bear the torch for home economics; someone with a background in adult education will give revitalized leadership to a movement for adult education until he departs for the next country. These tendencies are unlikely to be resisted in the recipient country. Officials of a number of countries have said quite frankly that they do not hesitate to adjust their requests to the preferences or whims of current personnel in the American mission. Money talks. Nor are the insights and preferences of the recipients more acute. These are subject to the desire for monument building and the tendency for a new ministerial personality to decry the work of his predecessor and seek to memorialize his own intuition and magic. One form of aid being about as good as another, there is a strong temptation for the donor country to keep the peace and meet these requests. It helps to support the Government and maintain its friendship.

The result is a measure of incoherence, discontinuity, dispersal of scarce energies and, inevitably, of waste. But—and this point must be emphasized—there is no remedy within the present framework. No one can be fired for selecting the wrong projects as long as all are assured to do some good and no one knows for sure which do the most good. There will be improvement only when we begin seriously to ask what is needed—when targets are established and attention becomes focused on what is required to reach them. Then it will be impossible (or anyhow difficult) to avoid thinking about the missing elements. And once targets are established and effort becomes purposefully directed toward achieving them, we shall have measures of success—or of failure. Then, conspicuous failure will at least have to be explained, and responsibility for a wrong decision assigned. There can surely be no feature of present aid programs that is so unsatisfactory as that by which much aid brings little or no progress and no one gets blamed. Public life was not meant to be that easy.

III

One rather more general observation may help to bring this problem into focus. The underdeveloped countries of South America, Africa and Asia can be thought of as the products—and also the victims—of a great historical discontinuity. Colonialism brought them in each case to a certain stage of development. It supplied capital and, in most cases, did this very well. By its nature it supplied a government and the related elements of administration, and in most instances it provided the rudiments of an educational system. Some part of these, at least, was left behind. But given the goals of colonial rule and its tendency to superimpose a small external elite on the social and economic life of the colony, colonialism rarely left a satisfactory system of social justice. And the resentment and antagonisms it aroused, together with some of the social theory that it often provided, led to a partly heroic and partly romantic view of development which has not ordinarily been consistent with serious purpose.

The task of development has been to pick up where colonialism left off—sometimes, as in the case of many of the Latin American countries, after a long interim period of stagnation. In a few countries, as we have noted, colonialism in its day provided a number of the essentials of development, and there the discontinuity is not total; the requisites for continued advance are present. But in other cases colonialism did not provide even the minimum elements for development. In Haiti, for example, it is unlikely that in terms of per capita income there has been any advance since the French were expelled in 1804; that there has been deterioration is far more probable. In a considerable number of the former Spanish countries, income (and literacy, health and general well-being) cannot be appreciably higher than at the time of independence. The Peruvian Indians are probably worse off than under the Inca. And as the Congo sufficiently emphasizes, a number of the new African states are gaining independence with no more, and possibly fewer, of the requirements for advance than were possessed by the Western Hemisphere colonies of Spain.

It is because we agree that colonialism left some of the countries without the requirements for independent advance that we are providing aid today. But we have not reflected on what is missing. In assuming that capital is the missing element, we are continuing to provide the one thing that colonialism provided. This perpetuates the unviable structure left by colonialism and—not surprisingly—it brings down on our heads some of the discredit and dislike which accrued to the colonial powers.

We are face to face, then, with the disconcerting need for new thinking about economic development. This is embarrassing not alone because it is difficult but also because a reputation for soundness in our day continues to rest on a zealous avoidance of novelty, while no one is so admired for his wisdom as the man who reacts sympathetically to change and then explains why it is unwise. Yet there is no escape. The specifications are clear. We must have a design for economic development which extends to all of the barriers to advance; it must be adaptable to the situation of the individual country; and we must have some objective tests of progress. We can no longer allow ourselves to assume progress where, in fact, there is none. If we are contributing to development, we need to know it and stick to our course. If we are on the wrong path, we also need to know it and change.

Finally, what we do must be reasonably accommodated to the financial and administrative resources of the United States and must be considerate of the sensibilities of the newly emerged countries. Nevertheless, we should be aware that excessive sensibility can serve to protect present barriers to progress and that here, as so often in the economics of the impoverished, choice is inescapable. What to do?

IV

For purposes of designation, we may let a new system of organizing foreign aid be called the positive development plan. The positive features are two: it sets achievable but firm goals for the country seeking development, with provision for measuring progress toward their attainment; and it seeks the removal of all of the barriers to advance in the particular country.

Specifically, the plan envisages a small but talented group of men assembled in Washington under the aegis of a new agency which may be called the National Development Institute. Its purpose, first, is to help countries seeking development under this plan to establish the targets or goals which

[1] Richard W. Patch, "Bolivia and U.S. Assistance," in "Social Change in Latin America Today." New York: Harper (for the Council on Foreign Relations), 1960, p. 163.

they can reasonably hope to achieve over, say, a 7-year period and to devise the steps for achieving these goals; and second, to help the Government, not only to execute the program, but to develop the permanent administration required to achieve these goals and continue on the path of permanent and independent development. Acceptance of the positive development plan and of the assistance provided by the National Development Institute would be voluntary, and failure to do so would not exclude a country from other aid programs. Once accepted, the United States would be committed to support the plan and to pursue it for a specified period. For reasons to be mentioned presently, this does not of itself imply a greater aggregate outlay by the United States.

By way of more detailed illustration, a Central American or newer African state would formally seek the help of the National Development Institute in formulating 7-year targets and the measures for achieving them. A small panel would then be constituted consisting in approximately equal numbers of representatives of the Institute and the recipient country. Working partly in Washington and partly in the recipient country over a period of 6 months, the group would draw up targets, determine the requisite steps and promulgate the plan. American members of the panel would remain in close informal communication with the Institute as a way of sharing and developing experience, of checking the validity of proposals and making the most of scarce personnel resources. Again for purposes of designation, we may call the panel the Planning and Development Authority.

The targets should be both economic and cultural. Four may be sufficient; a specified gain in national income, a specified improvement in its distribution, a specified advance in literacy, and improvement in other areas of education. A multiplication of targets—always a temptation in such planning—must be avoided, and those that are set must be capable of realization. This is subject to a measure of internal control; the targets must be consistent with the measures recommended for reaching them and these, in turn, must be consistent with the measures—external and internal—which will be available.

By establishing targets and agreeing upon the steps to achieve them, all of the barriers to development will be brought into view. Education, social reform, and development of public administration will each command its appropriate share of attention—along with economic investment. In this way attention can be focused on the barriers that inhibit advance in the particular country.

The formulation of a plan of this kind is not a matter of great inherent difficulty. The principal problem is to resist the temptation to be grandiose and to avoid things that belong to far later stages of development. But to carry out even the simplest plan is another matter. If a government itself must be built, who is going to establish an educational system, guide an investment program or carry through social reforms—and by what means? The circle is closed, especially as resistance to indispensable reform and to outside help and advice can be expected. Somehow the country must be helped to get the administrative machinery, leadership, organizing ability, technical and professional knowledge, clarity and consistency of purpose to escape from the self-reinforcing bind of backwardness, and it must be persuaded of its need. In the past, planning missions have offered detailed instructions as to what should be done, and then have left the country with the far more difficult task of execution.

The only possible procedure is for the Planning and Development Authority to remain in the country in charge of development. If the plan is acceptable to the recipient country, the Planning and Development Authority will become, in effect, a Development Ministry. Existing Government agencies which have development responsibilities—in education, industrial development, agriculture, internal revenue—will become subject to its overall directions. This arrangement is indispensable, for it is idle to set targets and not provide the essential machinery for reaching them. Yet no one should disguise the fact that on this point the proposal will encounter its most critical objection. The Planning and Development Authority, led in part by foreigners, will seem an invasion of sovereignty. Nations that have won political freedom at what seems to them great cost and peril will be quick to sense a possible threat to their independence.

However, the fact that our intentions are not imperialistic has considerable, if by no means universal, credence. We are contending not with an intention that must be disguised but with a myth that must be dispelled. The difference is considerable. Then there are certain measures of reassurance which we can provide. In the execution phase of the plan, the chairman of the Planning and Development Authority should be the most competent national of the recipient country. And during the period of development the American members should be gradually withdrawn as trained and competent replacements become available. This is in keeping with the design for progress toward fully independent development. United Nations personnel should be closely associated with the work; perhaps a U.N. observer should be invited to be present. And while there must be a strong presumption that the enterprise will be carried through to the target date, it is revocable. In the end, however, acceptance must depend on the deep desire for effective development. This is strong and may grow stronger as dissatisfaction with present progress increases.

Our own undertaking must also be firm, which means that Congress must accept a fairly long-range commitment to this general design. This will not come easily. However, there are features that should commend themselves to any legislator who is concerned with economy. Under this plan, everything that is spent is purposefully directed to the goal of self-support. Resources will be used in accordance with an organized system of priorities. Tighter administration through the Planning and Development Authority could also be a source of economy.

Finally, there will be targets and, for the first time, a way of measuring the return on outlay. There will be annual reports of progress and detailed explanation of any failure to maintain scheduled advance. Responsibility for failure will be pinpointed. We have here the first requirement for sound economy.

Total cost must not exceed a realistic appraisal of what the United States can be expected to spend. And this amount may set the level of the targets. But given acceptance of the plan, the commitment must be sufficient to achieve targets that will catch the imagination and attract the energies of the country. Acceptance is an indication of serious intent all around.

The plan envisages a close articulation between the Planning and Development Authority and the National Development Institute. The latter would provide personnel from what, it may be hoped, will be a small but highly trained and expert cadre available to the authorities for specialized tasks and subject to prompt reassignment when replacements have been trained or their task otherwise completed. The National Development Institute would also supervise training of nationals in the United States and arrange for procurement in this country. This close articulation would mean that our resources were committed directly to the planning and development authorities so that, without ostensible tying of aid, the adverse effect on the balance of payments would be much smaller than in the case of ordinary dollar aid.

Under the positive development plan, it is important that funds be available for those measures of social refrom no less urgent than education or capital investment. As noted, feudal institutions are as great a barrier to advance as illiteracy and capital shortage, and in the long run they are probably more important. Land reform under the aegis of the planning and development authority helps assure, to some degree, its practicability, for it avoids the obstacle that landlords are either unwilling to entrust their fate to arbitrary valuation procedures and uncertain compensation, or they assume charge of the operation themselves which insures that planning never gives way to action. The planning and development authority provides the hope that land reform can be done equitably, and hence that it will be done.

V

Commonly in the underdeveloped country two powerful political forces are in opposition. On the one hand, there is the drive for modernization and advancing real income; on the other, there is vested interest in backwardness which, in practical manifestation, is usually a system of great landlords and landless tenants. The first thrust is by no means weak in relation to the second. The political strategy of development is to capitalize on it to overcome the vested resistance of the second, and to guide it into channels of orderly change. Perhaps the most serious indictment of present attitudes toward development is that we have failed utterly to find a formula for obviating this potential clash. Then, when it occurs, as in Cuba, we can react only with distraught surprise.

No country should be forced or even persuaded to enter the positive development plan. Failure to do so would not prejudice access to other forms of aid. It might be desirable if the first response were modest—one or two Caribbean or Central American countries, a newer African state—so that the initial experience might be on something of a pilot scale. Moreover, it should be made clear from the outset that there are some underdeveloped countries—such as India, Pakistan, or Mexico—to which the positive development plan is not applicable. These countries do not use their aid perfectly, but unlike others, they have a positive approach to the problem of development, or (as in the case of Mexico) they have broken through the main barriers to advance.

Objections to this plan will not be difficult to discover, and it is assuredly open to modification and amendment. But the ability to discover deficiencies in a proposal involving social innovation is not—in the absence of suggested alternatives—the most challenging test to which the social scientist or public official can address himself. Nor is the ability to identify reasons why something should not be done the quality which the American people sought most in the administration they brought into office last autumn. Above all, it must be borne in mind that the present procedures on foreign aid in a very large number of countries are acceptable only because we have so resolutely avoided measuring the results.

Errors in the Foreign Aid Programs

(By Mr. Justice Douglas)

I have long admired the close affiliation between Mount Holyoke and the Women's Christian College of Madras, India. While Mount Holyoke alumnae have mostly provided funds and facilities for this Indian college, they have also provided a few professors for work overseas. I hope in the

years ahead that the bonds between the two institutions will become closer that there will indeed be a circulating faculty giving needed instruction abroad in Western ideology, and fertilizing the campus of Mount Holyoke with seeds of Eastern thought. Only in such ways can we build a true intellectual nexus between leaders of Eastern thought and exponents of Western traditions.

Mount Holyoke-in-India—like Yale-in-China—is an important symbol of our effort in the ideological struggle that sweeps the world. We need many, many more outposts of that character if we are to win the contest.

We have been possessed with the idea that if we fill underdeveloped nations with refrigerators, bathtubs, and tractors the battle against communism will somehow be won. The results have been tragic. Our bathtubs have been used in Asia's villages to store grain. The men and women who can read the manual that goes with tractors and refrigerators can also read the Communist Manifesto. As a matter of fact, there is nothing ideological about tractors, refrigerators, and bathtubs. Russia makes them as well as we do. There is nothing ideological about the Industrial Revolution. Russia has used it for her purposes as well as we have for our purposes.

The difference in the two groups that contend for the hearts and minds of people across the world is in the spiritual, not in the material, world. The great advantage is ours, if we will exploit it. The advantage is in the principles and ideals of our democratic society. Yet we have so neglected this vital difference between freedom and communism, that our foreign officers who are briefed for duty abroad are never briefed on the Bill of Rights.

Since World War II, the United States has not been greatly concerned with the political education of the men and women who will lead the new nations emerging from colonialism. We have of course opened our colleges and universities to many foreign students.

In the academic year 1960–61 about 50,000 foreign students came here to study. Some were in primary and secondary schools. Many were in our colleges and universities. But little effort was made to establish courses in political education that embraced Western philosophy, theories and forms of democratic government, separation of powers, curbing of majorities, bills of right, protection of minorities, and the like. Many foreign students are exposed to these problems and the literature of our free society. Yet the process has been largely hit-or-miss. We never really undertook a comprehensive program of indoctrination that was at all competitive with what the Communists undertake both at Moscow and at Prague.

We can do much here. But the educational projects needed in these underdeveloped nations are so immense that the main training centers must of necessity be located in the various underdeveloped countries. The cost of doing it there will be so much lower that cost alone will be a principal determinative factor. Moreover, unless students from these areas are chosen with utmost care and meticulous arrangements made for them at this end, a high percentage will go home thinking of America as a callous place. Discrimination on the basis of color is one factor, though it is not the only one. A bewildered African in our highly impersonal metropolitan areas is apt to be bruised and sorely disturbed—and perhaps end up a Communist.

Since World War II we were fighting communism abroad with planes, bombs, guns, and dollars. The billions we sent abroad to Asia, the Middle East, and Africa did not build schools or hospitals but only military bases, army barracks, and a few factories. The underdeveloped nations that received our aid are mostly worse off for it. It launched them on military projects that gave them such an amount of armament that they crushed all dissident elements. The result was the liquidation of democratic influences and the entrenchment of feudal overlords. Even point 4 helped largely the landlords, not the sharecroppers. The latter are as miserable today as they were when we started our lavish aid programs; only the upper strata has prospered. They became rich on American aid, while the people at the bottom starved. There have been exceptions; but they are unusual. The main impact of American foreign aid was to widen the gulf between rich and poor, helping to create the vacuum into which the Communists easily move.

One reason why we did these foolish and wasteful things was because the Pentagon with its 40 billions a year dominated our thinking. Another reason was that we really never believed in the independence of nations under colonial regimes. Since World War II we vigorously opposed independence. Not once did we either advocate that a people acquire their independence or vote for independence when the issue was presented in the United Nations. The closest we ever came to espousing a cause of independence was when we abstained from voting against independence. Not until March 15, 1961, did we support a subject people against a colonial power. On that day we joined Russia in voting on the side of the people of Angola. Up to then we had so far forsaken the principles of our Declaration of Independence that the people of the world were beginning to think it was a Soviet document. Yet when have the Communists ever liberated a people?

Our preoccupation with military solutions of the problem of underdeveloped nations and with the maintenance of the status quo caused us to lose out in the constitution-making period through which these young nations have passed. There were very few American constitutional experts designing charters for the new nations.

The American design, however, with its separation of powers would have been more durable and practical than the Westminster model which the British passed on to people utterly inexperienced in self-government.

While we mostly missed out on the drafting of the new constitutions, we must not miss out on the vast programs of political education that are now necessary if these young nations are to have the trained, dedicated leadership for the troubled decades that lie ahead. We need teachers by the thousands to go to all these new areas. The need is not only for this year and next; it is a continuing one. As of the academic year 1960–61, there were only four Nigerians qualified to teach at the college level; in Libya there were none.

In February of this year I was in Baghdad giving lectures on the American constitutional system. The College of Law is a lively, bustling place. Kassim's 1958 revolution liberated women on a vast scale. A quarter of the law students are women. Ideas of liberty under law are vivid influences on that campus. Yet when I surveyed the law library I found no books that would give the beginner any idea of even the rudiments of the American constitutional system.

We spent hundreds of millions on the Baghdad Pact (which Kassim promptly repudiated) but nothing on John Locke, Thomas Jefferson, James Madison. Yet how can we expect a people who have never experienced a free society to be able to construct one without help and guidance?

Whom are we preparing to go to Kenya or Libya or Nigeria when the new schools are opened and stay 5 years or 10? Whom are we preparing to help staff the nine law schools in Indonesia, the new universities in Malaya, the old ones in Rangoon and in Calcutta? We do not want to send our misfits—those who have not made the grade at home. We need men and women of high caliber.

We do not want them all to go as members of a federal bureaucracy. We need them as teachers representing private groups who can live the lives they choose, be wedded to no political program, and show by words and deeds the warm heart and bright conscience of America.

The problem of mobilizing them is not an easy one. Those who disappear for 5 years in a faraway country may lose out in the competition at home. What inducements can we offer?

One solution is for each American school to make a foreign one its affiliate. If an American school selects an old or new one in Asia, Africa, or South America, it can assign two or three or four of its faculty for work abroad. Those who work abroad will have the same fringe benefits that those on the American campus enjoy. The faculty abroad will indeed be a floating or changing one.

Once American schools see this challenge, they will meet it. We need the example of Mount Holyoke-in-India and Yale-in-China multiplied a thousandfold with American colleges and universities, working at the level of legal, constitutional, and political education in the underdeveloped nations. This means the export of thousands of American teachers. They will over the years supply the ferment necessary to produce in these blighted areas viable democratic societies.

ADJOURNMENT

Mr. KUCHEL. Mr. President, I move that the Senate stand in adjournment, under the previous order, until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 16 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Tuesday, June 13, 1961, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 12, 1961:

Diplomatic and Foreign Service

Ambassadors

Samuel D. Berger, of New York, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Korea.

Anthony B. Akers, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to New Zealand.

International Bank for Reconstruction and Development

Erle Cocke, Jr., of Georgia, to be U.S. Alternate Executive Director of the International Bank for Reconstruction and Development.

U.S. Advisory Commission on Educational Exchange

Dr. Walter Adams, of Michigan, to be a member of the U.S. Advisory Commission on Educational Exchange for a term expiring January 27, 1964, and until his successor has been appointed and qualified.

Dr. Mabel M. Smythe, of New York, to be a member of the U.S. Advisory Commission on Educational Exchange for a term expiring January 27, 1964, and until her successor has been appointed and qualified.

U.S. Air Force

Gen. Thomas D. White 22A (major general, Regular Air Force), U.S. Air Force, to be

placed on the retired list in the grade of general, under the provisions of section 8962, title 10, of the United States Code.

Gen. Curtis E. LeMay 26A (major general, Regular Air Force), U.S. Air Force, to be Chief of Staff, U.S. Air Force, for a period of 2 years, under the provisions of section 8034, title 10, of the United States Code.

U.S. ARMY

1. The following-named officers for appointment in the Regular Army of the United States, to the grades indicated, under the provisions of title 10, United States Code, sections 3284, 3306, and 3307:

To be major generals

Maj. Gen. Hugh Pate Harris O18518, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Van Hugo Bond O18601, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Floyd Allan Hansen O18767, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. William Henry Sterling Wright O18129, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John Frank Ruggles O18596, Army of the United States (brigadier general, U.S. Army).

Lt. Gen. Earle Gilmore Wheeler O18715, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Dwight Edward Beach O18747, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Louis Watson Truman O18755, Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Teddy Hollis Sanford O29893, Army of the United States (brigadier general, U.S. Army).

To be brigadier general

Col. Nathan Jay Roberts O24345, Judge Advocate General's Corps, U.S. Army.

2. The following-named officers for temporary appointment in the Army of the United States, to the grades indicated, under the provisions of title 10, United States Code, sections 3442 and 3447:

To be major generals

Maj. Gen. Robert John Fleming, Jr., O17095, U.S. Army.

Brig. Gen. Floyd Lawrence Wergeland O19599, Army of the United States (colonel, Medical Corps, U.S. Army).

Brig. Gen. John Thomas Honeycutt O18975, U.S. Army.

Brig. Gen. William Alexander Cunningham 3d, O19579, U.S. Army.

Brig. Gen. Francis Joseph McMorrow, O18995, U.S. Army.

Brig. Gen. Stuart Sheets Hoff, O38766, Army of the United States (colonel, U.S. Army).

Brig. Gen. Alden Kingsland Sibley, O18964, U.S. Army.

Brig. Gen. Alvin Charles Welling, O18983, U.S. Army.

To be brigadier generals

Col. William Donald Graham, O20067, Medical Corps, U.S. Army.

Col. Leonidas George Gavalas, O31569, Army of the United States (lieutenant colonel, U.S. Army).

Col. Frank Joseph Caufield, O19515, U.S. Army.

Col. George Vernon Underwood, Jr., O20679, Army of the United States (lieutenant colonel, U.S. Army).

Col. John Dudley Cole, O19749, U.S. Army.

Col. Delk McCorkle Oden, O20805, Army of the United States (lieutenant colonel, U.S. Army).

Col. Harold McDonald Brown, O20832, Army of the United States (lieutenant colonel, U.S. Army).

Col. Merlin Louis DeGuire, O19446, U.S. Army.

Col. Cornelius DeWitt Willcox Lang, O19734, U.S. Army.

Col. Nathan Jay Roberts, O24345, Judge Advocate General's Corps, U.S. Army.

Col. Benjamin Franklin Evans, Jr., O20368, Army of the United States (lieutenant colonel, U.S. Army).

Col. Howard Pinkney Persons, Jr., O20167, Army of the United States (lieutenant colonel, U.S. Army).

Col. Kenneth Gregory Wickham O21073, Army of the United States (lieutenant colonel, U.S. Army).

Col. Floyd Elmer Fellenz O19485, U.S. Army.

IN THE ARMY

The nominations beginning Robert R. Carper, to be first lieutenant in the Army, and ending John G. Zerby, Jr., to be second lieutenant in the Army, which nominations were received by the Senate on May 23, 1961.

IN THE AIR FORCE

The nominations beginning Julian R. Abernathy, Jr., to be lieutenant colonel in the Air Force, and ending Minot K. Schuman, to be first lieutenant in the Air Force, which nominations were received by the Senate on May 22, 1961.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 12, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

I Samuel 12: 24: *Only fear the Lord, and serve Him in truth with all your heart; for consider what great things He hath done for you.*

Our Heavenly Father, always and everywhere we need Thee; in our perplexities to counsel us, in our sorrows to comfort us, in our strength to discipline us, and in our weakness to sustain us.

Emancipate our souls from the errors and faults that blind and the doubts and fears which assail us as we endeavor to gain a clear vision of those ideals which call and challenge us to a life of honor and service.

Grant that our beloved Speaker and the Members of Congress may be inspired to discharge the duties of each new day with vigor, accepting them with faith and the assurance that there is a divine purpose which we can help to fulfill by committing our abilities and capabilities to the utmost.

Evoke within us a greater devotion to the moral and spiritual values and may we translate them into nobility of character, social justice, national righteousness, and world peace.

Hear us in the name of the Prince of Peace. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, June 8, 1961, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Ratchford, one of his secretaries.

CALL OF THE HOUSE

Mr. HOLLAND. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 77]

Bass, N.H.	Hays	Passman
Becker	Holtzman	Powell
Boland	Hosmer	Rabaut
Bolling	Ikard, Tex.	Reece
Boykin	Jennings	Rivers, S.C.
Buckley	Johnson, Md.	Roberts
Cahill	Keogh	Rooney
Carey	Kilburn	Roosevelt
Cederberg	Kilgore	St. George
Celler	Landrum	St. Germain
Chelf	Lankford	Scherer
Clancy	Lennon	Sibal
Coad	Lesinski	Smith, Calif.
Cook	McSween	Stafford
Cooley	Macdonald	Staggers
Corbett	Madden	Steed
Dawson	Martin, Mass.	Thompson, La.
Delaney	Mason	Utt
Derwinski	Michel	Vanik
Farbstein	Miller, N.Y.	Van Pelt
Fino	Moorehead, Ohio	Wallhauser
Flynt	Moorhead, Pa.	Walter
Frelinghuysen	Morse	Watts
Giaimo	Moulder	Weis
Gilbert	Murray	Whitener
Glenn	O'Brien, N.Y.	Williams
Grant	O'Konski	Willis
Green, Oreg.	O'Neill	Wilson, Calif.
Hall	Osmers	
Halpern		

The SPEAKER. On this rollcall 345 Members have answered to their names, a quorum.

By unanimous consent further proceedings under the call were dispensed with.

HON. SAM RAYBURN

The SPEAKER. Will the gentleman from Indiana [Mr. HALLECK] kindly take the chair?

(Mr. HALLECK assumed the chair as Speaker pro tempore.)

The SPEAKER pro tempore (Mr. HALLECK). The Chair recognizes the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. With great personal satisfaction and pleasure I offer a resolution and ask for its immediate consideration.

The Clerk read as follows:

H. RES. 333

Resolved, That the House of Representatives hereby extends its heartiest congratulation to its beloved Speaker, the Honorable SAM RAYBURN, who, today, has served in the high office of Speaker of the House of Representatives for 16 years, 273 days—more than twice as long as any other Speaker in the history of the United States; and be it further

Resolved, That the House of Representatives hereby expresses its deep appreciation to the Honorable SAM RAYBURN for his impartiality, integrity, and outstanding parliamentary skill in presiding over this House; for enhancing the dignity and traditions of the Speakership; and for his continuing devotion to legislative duty in this House for more than 48 years.

Mr. McCORMACK. Mr. Speaker, the resolution I have just offered speaks for itself, but to stop with the provisions of

the resolution would be inadequate in relation to SAM RAYBURN the man, SAM RAYBURN the great American, and SAM RAYBURN one of America's foremost legislators and public officials of all time, for today another great event in the history of our country takes place.

I wish to read a letter from the President of the United States and a letter from the Vice President of the United States:

THE WHITE HOUSE,
Washington, June 12, 1961.

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: It gives me great pleasure to offer my congratulations today when the length of your service as Speaker has doubled that of an earlier Member, Henry Clay.

Attention will be called today to other records which you have equaled and exceeded, to other measurable accomplishments. Immeasurable, however, is your devotion to cause and country; and immeasurable is the respect, esteem, and affection which all of us who have served with you hold for you today.

With warmest regards and best wishes,

Sincerely,

JOHN F. KENNEDY.

JUNE 12, 1961.

The Honorable SAM RAYBURN,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: This day represents an anniversary that moves me deeply both as an individual and as an American citizen. Since you have touched my life in both respects, it is a great pleasure to present my personal congratulations.

I will never forget the days that I spent as a pupil at the Sam Rayburn Board of Education. The extent to which I have been successful in life can be measured by the extent to which I mastered the lessons that I learned in that institution.

There is nothing that I can do or say that will embellish your record. You yourself, by words and deeds, have already placed that record on a level far too high for mere words to add any further gloss.

But I do want you to know of my deep affection and my high esteem and that I am looking forward to the day when I can congratulate you for having served three times as long as any other Speaker in the history of our country.

Warm regards.

Sincerely yours,

LYNDON B. JOHNSON.

Mr. Speaker, on this day SAM RAYBURN will have served 16 years, 273 days in the high office of Speaker of the House of Representatives, more than twice as long as any other Speaker in the entire history of our country.

During his period of service in this body, which he so intensely loves, SAM RAYBURN has seen World War I, World War II, and the Korean conflict come and go. He has seen and served while Nazi Germany came across the horizon with its evil intent and purposes, with its inhuman disregard for life. He has seen and witnessed the free peoples of the world defeat this evil movement.

He serves now while atheistic communism is on the horizon with its evil intent and purposes and wanton disregard for life. As in the case of the threat of nazism, he played a most prominent part. So in the defeat for the free peoples of the world of atheistic communism will Speaker RAYBURN play an equally living part.

Speaker RAYBURN has a number of firsts in our history.

First. He has served continuously the longest in the House of Representatives of any Member in our history. I think it is a little more than 2 years longer service to date than any other Member who has served throughout the constitutional history of our country.

He was first sworn in as a new Member of this body on March 4, 1913. He now is in his 49th year of continuous service.

As of June 12, 1961, he has served continuously for 48 years, 3 months, and 8 days. While over 48 years older than he was when he took his first oath as a Member of this body in 1913, he is just as young in his vision, in his progressive outlook, in his outstanding ability, in his dedication to our beloved country. And with his still youthful mind he gives to our country and our Members the benefit of his experience, his judgment, and his nobility of character. For SAM RAYBURN symbolizes the old but ever sound saying:

There is no substitute for experience.

Second. Some years ago he established the record of serving as Speaker the longest of any Speaker in our country's history. This record was established over 8 years ago.

Third. Speaker RAYBURN has now served twice as long as any other Speaker in the entire history of our country.

It was on September 16, 1940, that he first took the oath as Speaker of this, the greatest deliberative body in the world.

He has served continuously since then as Speaker, with the exception of the 80th and 83d Congresses, which were controlled by our Republican friends.

The nearest to Speaker RAYBURN's record is that of Henry Clay of Kentucky who served 8 years and 136½ days.

As a legislator, as majority and minority leader, and as Speaker, SAM RAYBURN has made a record, he has rendered outstanding service, second to none in the history of our country.

One could talk about SAM RAYBURN for hours. During practicaly all of his service as Speaker, it has been my official and personal pleasure to serve with him as majority leader. Our relationship has always been so close that I might properly term the same as inseparable.

One of the treasures of my life is that I have met and served with SAM RAYBURN, and the close friendship that exists between us.

We pause on this historic occasion, outstanding in the life of our Nation, to congratulate, to honor, and to show our deep respect, esteem, and friendship for this man "with the heart of gold" who has added dignity, strength, and glory to the House of Representatives, this man whose record in all probability will never be surpassed—the House of Representatives outstanding contribution to not only American but to world history, Speaker SAM RAYBURN.

Mr. Speaker, with pleasure I now yield to the distinguished minority leader, the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, in an age when the liberties of freemen are challenged by the forces of dictator governments, it is a proud and comforting occasion when we can pay tribute to a man who has served his country in public office for a half century because the people he represents really wanted him to serve them.

There is no true honor in holding office year after year in a country where there is no ballot box, or where the word "election" is a mockery of the democratic process.

But there is every reason why we should today honor a man who has put his record of trusteeship on the line every 2 years with the free citizens who first sent him to the Congress back in 1913, and who has been returned with acclaim by succeeding generations, 25 consecutive times.

Then, add to this achievement the distinction of having been chosen by party colleagues in the Congress for the highest office it is their privilege to bestow—that of Speaker of the House—for a period now twice as long as any other man in American history.

In both cases—with his constituents and with his colleagues—our beloved Speaker has won this high position by the grace of his many talents, not by the edict of a presidium.

Institutions, it has been said, are the shadows of men. In the history of this great institution that is known as the U.S. House of Representatives are the long shadows of many great patriots who, by their dedication and devotion to the cause of freemen, have helped to insure the effective continuity of the best system of government yet devised by the mind of man.

Only because of such dedication and devotion by others who have served in past years is it possible for any of us to enjoy the privilege of membership in this 87th Congress.

Mindful of this heritage, and knowing SAM RAYBURN as such a patriot of our times, I am grateful to be here today as a fellow Representative so that I might add my voice to others is recognizing the contributions this magnificent American has made to his country.

With deep affection and esteem I salute my friend, Speaker SAM RAYBURN, for a record of service to this body unparalleled in the history of our Republic.

Mr. McCORMACK. Mr. Speaker, I yield to the distinguished gentleman from Georgia [Mr. VINSON].

Mr. VINSON. Mr. Speaker, today we commemorate another honor for the incomparable Speaker of the House of Representatives, the Honorable SAM RAYBURN, of Texas, for, at this very moment he is establishing another new record, something he has been doing quite successfully for many years.

Today he not only establishes a new record, but undoubtedly he is also setting a goal for future Speakers which will be unattainable.

This great American enters into a new period, in his stewardship of the House of Representatives, for at this very mo-

ment we celebrate his having served as Speaker of the House of Representatives twice as long as any previous Speaker.

It is becoming increasingly difficult to describe the very distinguished Speaker of the House of Representatives.

But I think of him as being indestructible, imperishable, and indomitable. To these characteristics must also be added the qualities of integrity, wisdom, loyalty, friendliness, fairness, and leadership.

No man can serve as Speaker in the House of Representatives for twice as long as the very great and illustrious Henry Clay, who served for 8 years and 136½ days, without having the preeminent qualities that endear him to all who have the good fortune of knowing him.

I cherish as my fondest memory the knowledge that I have been privileged to serve in the House with this great and good man for a period of 47 years.

I can truly say that my life has been enriched by my association with this distinguished man, who has become an outstanding symbol of representative government to the free peoples of all the world.

And I consider it a signal honor to be numbered among those who can say with pride, that we have served under this incomparable man as our Speaker and leader for 16 years, 273 days, and now a few minutes beyond that.

I hope, for the sake of the Nation and the free world, that many among you today will be able to stand in the well of the House, 8 years and 136½ days from this very moment, and congratulate this very great and distinguished American patriot for having served three times as long as any former Speaker of the House of Representatives.

Mr. McCORMACK. Mr. Speaker, with pleasure I yield to the distinguished gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Speaker, this is an historic occasion. Today we pay tribute to Speaker RAYBURN who has served as Speaker of the House longer than any other Speaker in the 172 years of the Republic and in all probability longer than any Speaker will ever serve in the next 500 years.

And today marks the high tide of the influence of the speakership in the legislative branch of the Government and throughout the Nation.

The beginning of the speakership was inauspicious. In the early days of the British Parliament, on which our Government was patterned, the King did not permit the representatives of the people to meet unless he was present. But the red deer in the King's forests were calling—and the courtiers of the palace were more interesting than the droning speeches on the floor and the King finally solved the problem by sending down his mace to indicate his sponsorship of the session. And as long as it lay on the table in the well of the House of Commons he was considered to be present. Hence our formality today with the mace there beside the Speaker's chair.

The King also had another ace in the hole. He saw to it that a subservient and servile speaker was elected who would at the end of every session report promptly to the crown and put the finger on any malcontent who might attempt to start anything. The House met this situation by devising the committee of the whole under which they got rid of the prying, prattling speaker for the time being and under a chairman of their own choosing had an opportunity to express themselves without being reported to the King. Again the U.S. House of Representatives retains this bit of medieval formality when we lower the mace from its pedestal.

From such inconspicuous beginnings have come the present overshadowing power of the speakership. And especially in these pregnant 16 years under Speaker RAYBURN we have witnessed one of the most remarkable developments in the parliamentary annals of any nation in history.

The power and influence of the Speakers of the House has varied with the incumbent. Some have been mere presiding officers and others have completely dominated the American Government.

The foundations of the growing power of the speakership were laid under Speaker Reed, flowered under Speaker Cannon, and have culminated under Speaker Rayburn.

The power of the speakership in the halcyon days of Reed and Cannon lay principally in three rules, the appointment of the committees of the House, chairmanship and control of the Committee on Rules, and the arbitrary powers of recognition.

Speaker Cannon appointed all committees and if a Member's course was not in keeping with his direction the offending Member was removed from the committee. He was chairman of the Committee on Rules which met on call in the Speaker's room and regularly adopted rules without consideration of the minority position and invariably, with ample cause, James Richardson, of Tennessee, the minority leader, would on the floor denounce the entire proceedings as a parliamentary outrage. Eventually when a rule was needed Speaker Cannon would signal to John Dalzell, of Pennsylvania, to come to the rostrum and say "John, tell Jim to come to my room. The Committee on Rules is about to commit another outrage."

From the arbitrary power of recognition there was no appeal. No Member could be recognized and no measure could be taken up on the floor without the consent and approval of the Speaker. When the President of the United States himself desired consideration of a bill he had to come hat in hand to the all-powerful Speaker of the House.

In the bitter battles waged by Champ Clark, minority leader, in the 61st Congress lasting day and night, Members slept on the floors of the smoking rooms and the lobbies. The constant calling of the roll in dilatory tactics left every clerk at the desk voiceless and policemen had to be drafted to call the roll. Speaker Cannon, calm and benign, continued to rule with an iron hand.

Inevitably, the power of the Speaker was the dominant issue in the campaign of 1910 to elect the 62d Congress. In that campaign the country returned a Democratic majority and for the first time in 16 years elected a Democratic Speaker pledged to reform the rules.

The revision of 1911 was the most drastic since the promulgation of Jefferson's Manual. The power to appoint committees was taken from the Speaker, he was made ineligible for membership on the Committee on Rules and the power of recognition was circumscribed by the Calendar Wednesday rule, the Consent Calendar, the Discharge Calendar, and restoration to the minority of the right to move to recommit.

You get the full measure of the man when you consider that under these rules Speaker RAYBURN, by the sheer power of his personality has not only held that great office for 16 years but today exercises a greater power than has ever been exercised by any former Speaker.

If you desire to serve on any particular committee you go to the Speaker. He can put you on the Committee on Ways and Means or on the Subcommittee on Disposition of Useless Executive Papers. If you want a rule you do not go to Chairman SMITH but to the Speaker of the House. If you desire recognition you consult the Speaker.

In all the long and stately procession of illustrious men who have occupied that exalted position he is the greatest and the most powerful. We salute him. In the critical days ahead his strong hand at the helm is needed as never before.

Mr. McCORMACK. Mr. Speaker, with pleasure I yield now to the distinguished majority whip, the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Speaker, it is with a deep sense of humility that I rise on this occasion. We have just heard some of the most eminent men who have ever served in this House pay tribute to the most eminent man who ever served in this House. We have met here to pay tribute to one of the great Americans of all time. History is being made here today by a man with whom history making is habitual.

Speaker RAYBURN has broken more legislative records than any man in the annals of our country. His fingerprints are on every important bill passed by this House for nearly half a century. He was the principal architect of the great legislative program of the Roosevelt era, having steered through the House the Truth in Securities Act, the Securities and Exchange Act, the Federal Communications Act, the Railroad Holding Company Act, the Public Utilities Holding Company Act, and the Rural Electrification Act. He was an indispensable force behind the farm-to-market road program, the soil conservation and flood control acts, and the GI bill of rights, to mention only a few. He has served in the legislative vanguard in war and peace, in depression and prosperity. He is the most experienced legislator in this or any other era in the history of this Republic.

Behind this illustrious legislative record, behind this preeminent public figure, known throughout the world as

"Mr. Speaker," stands that plain but incomparable human being known also as Mr. SAM.

I have heard the Speaker say that when he left his home as a youth his father said to him: "Be a man." If a paternal admonition ever paid off, Mr. Speaker, it was that one.

SAM RAYBURN is a man. He is a great man. He is the most experienced man in high places in any department of the Government of the United States. More important even than his vast experience however are the innate qualities of this great and good man.

One of these qualities is integrity. I have served with the leadership of Speaker RAYBURN and Majority Leader MCCORMACK for several years. In all that time—and this can also be said with regard to our distinguished Republican leadership—no matter how tough the decision, how frustrating the job, there has never been a thought, to say nothing of a suggestion, that any situation could ever warrant even the slightest compromise of moral principles. As an eye witness, Mr. Speaker, I can testify that your leadership in this House rests four-square and firmly upon rock-bound ethical foundations.

Public morality is indispensable to successful government, but in this dangerous age even more than that is required. They tell us, Mr. Speaker, that "the road to Hell is paved with good intentions." We have all heard the Speaker say, "It does not make any difference how much sense a man has unless he also has judgment to go with it." SAM RAYBURN has better judgment than any man I ever knew. I have never known him to go off on a tangent; I have never seen him do a foolish thing. He is the balance wheel in the Government of the United States today.

Mr. Speaker, I join all colleagues in congratulating you on the unparalleled record you have made in this House, but I am more interested in your future than in your past, glorious though it has been. In this age when the world trembles, when miscalculation is more feared even than evil design, we need your experience; we need your calm judgment as we never needed it before.

With your 79 years, you are younger than some of the most important living statesmen in the world today. Your health is better than that of most men half your age. With all the magnificent accomplishments of your long and productive life, it is my sincere belief that your biggest job lies still before you. You have an indispensable mission of leadership in the dangerous years which lie ahead and, under the guiding hand of a kind Providence, a still nobler purpose to accomplish on behalf of your fellow man.

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and to include an article from the New York Times of June 4, and an article of June 11 in the Washington Post, the latter by Robert C. Albright.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The newspaper articles referred to are as follows:

"MR. SAM," STOREKEEPER, IS A GREAT RIDER, TOO

(By Robert C. Albright)

President Kennedy tells the story of a call received at the White House switchboard one day when he was in Canada, Vice President JOHNSON was in Asia and Secretary of State Rusk was in Geneva.

"Who's keeping the store?" demanded the frustrated caller after trying to reach each of them.

"The same man who's always kept it, SAM RAYBURN," retorted the operator.

Salty "Mr. SAM"—"Mr. Congress" to many—has been Speaker of the House longer than any other man. He's been keeping the store off and on for four Presidents of the United States. All told, he's served along with eight, starting with one of his heroes, Woodrow Wilson, since he first came to Congress on March 4, 1913.

But never say that he served "under" any man.

"Don't use that word 'under,'" he once told an interviewer, "I've never served 'under' anybody. I've served with them."

The House of Representatives is his greatest love and the Speakership, sometimes described as the second most powerful office in the land, his summit. He never aspired much beyond it, although the Presidency distantly beckoned before he turned 60. (He's now 79.) In 1946, Congress passed a law making the Speaker third in line of succession to the Presidency.

That's close enough for "the squire of Bonham."

DOUBLE MEASURE

RAYBURN's firm but benevolent rule of the House, probably the most complete any House leader has known since the vast powers of "Uncle Joe" Cannon were clipped by a bipartisan liberal revolt in 1910, is about to pass a new milestone.

At noon Monday he will have been Speaker exactly 16 years and 273 days, allowing time out for two interregnums—the Republican 80th and 83d Congresses.

That's exactly double the previous record of 8 years and 136½ days. The earlier mark was set by another of the heroes of RAYBURN's history-worshipping youth—Henry Clay, the brilliant Whig from Kentucky who left the House to shine still brighter in the Senate.

RAYBURN equaled Clay's service in the Speaker's office on January 30, 1951. He has smashed many another tenure record. He's seen about 3,000 Congressmen come and go. No Member of the House has served more years in Congress, although CARL HAYDEN, Democrat of Arizona, President pro tempore of the Senate, who first went to the House in 1911, has served longer in both Houses. The only House Member remotely approaching RAYBURN's service record is 77-year-old CARL VINSON, Democrat, of Georgia, who first came to the House some 21 months after RAYBURN.

Yet the word retirement isn't in RAYBURN's vocabulary, say those who know him best. Physically, he appears as sound at 79 as he was at 60. On a recent trip home to his ranch in Bonham, Tex., he was given a thorough checkup by his personal physician.

"You'll live to be 106," was the verdict.

"I'll settle for 104," chuckled RAYBURN. "It's because I've been having my way," he told a friend who complimented him on his good health.

RAYBURN never used a more apt phrase.

He's been having his way in the House, where he usually manages to stay on top of a House majority despite occasional forays from the right and the left. And he's been having his way pretty much in national politics.

For one thing, his candidate for President, LYNDON JOHNSON of Texas, came up with the costarring role on the Democrats' John F. Kennedy ticket. For RAYBURN, it was reliving history. Back in 1932, he had floor-managed the presidential campaign of John Nance Garner in the Democratic convention that nominated Roosevelt and Garner.

Occasionally, he's been having his way at the White House, too, with Presidents he serves "with" and not "under."

His advice is sought in top places. When it isn't, he sometimes volunteers it.

For example, he told his good friend Harry Truman after he was sworn into the Nation's highest office in 1945: "I have seen people in the White House try to build a fence around the White House and keep the very people away from the President that he should see * * * That is one of your hazards."

"I gave him the same advice that I gave Mr. Eisenhower and that I have given Mr. Kennedy," he later elaborated.

RAYBURN's formula for running the House is typically Texan: "I try to ride the horse." But the Speaker attributes his longevity in Congress to another infallible rule: "Be reasonable, be fair."

He has a few other homespun guidelines. One of RAYBURN's homilies: "It doesn't make any difference how much sense you've got if you haven't got any judgment."

During the nearly 17 years he's been Speaker, RAYBURN usually has managed to gage the House "mood," as indefinable sometimes as a balky Texas bronc.

Three years ago, the Chamber's growing group of House Democratic liberals came to him for aid in breaking Democratic bills out of Chairman HOWARD W. SMITH's (Democrat of Virginia) coalition-controlled House Rules Committee.

RAYBURN agreed that the key bills must come out, but asked time to act through normal leadership channels. SMITH and his coalition refused to budge.

When the 87th Congress convened, the liberals again were waiting at the Speaker's door. This time there was another interested party, President John F. Kennedy, who had a program to move. Rayburn tried once more, unsuccessfully, to reason SMITH into making a commitment. When that failed, he got out his spurs.

The Speaker threw his backing behind a resolution enlarging the Rules Committee from 12 to 15. The contest was a cliff-hanger, with the bulk of House Republicans voting with Southern Democratic holdouts. But RAYBURN rode the horse and won the count, 217 to 212.

"It was a fight I had to win," said the Speaker.

RAYBURN remembers other donnybrooks he could not afford to lose, but none more dramatic than a roll call taken on a hot August day in 1941. President Roosevelt was pressing for extension of the draft and the House opposition was intense.

RAYBURN made one of his rare speeches from the House well and undoubtedly influenced the outcome. The vote was 203 to 202—for extension. Dissipation of our military manpower had been averted just 4 months before Japan struck at Pearl Harbor.

Tie votes are fairly common in the Senate. But in all the years he has been Speaker, RAYBURN recalls only one actual tie in the House that he was called on to break. That was back in 1957 when he cast the deciding ballot in favor of a measure sponsored by the House Interstate Commerce Committee.

On another close count, RAYBURN voted to make a tie in order to kill an unwanted amendment.

Born in Roane County, Tenn., one of 11 children, "Mr. Sam" is the son of a Confederate soldier who rode with Lee through Appomatox. He was only 5 when his father

moved the family to Texas and settled on 40 acres near Bonham.

It was a lonely life, he recalls. When he wasn't farming he read voraciously. "By the time I was 9 or 10, I had read every history book I could find * * * everything I could get hold of about Washington, Hamilton, Jefferson, the Adamses, Monroe, Madison and all I could about the men then in public life."

It was while he was picking cotton, down near Flag Spring, Tex., that he decided he wanted to be Speaker: "There is a lot of time to contemplate when you are picking cotton."

He was educated in a two-teacher school and then at East Texas Normal School, working his way through, teaching school a year to pay for another year of college.

When he was 24 he was elected to the Texas Legislature. At Austin, the State capital, he also studied law at the University of Texas. When he was 29 he was elected speaker of the Texas House, the youngest man ever chosen until then. The next year he was elected to Congress, and has held his Fourth District seat ever since.

It was while he served in the Texas Legislature that RAYBURN met and became friends with the father of LYNDON JOHNSON, then a member of the State legislature. That friendship was to affect the lives of both. When LYNDON was elected to Congress in 1937, RAYBURN offered him fatherly guidance in the legislative jungle which then was the House.

In later years, when JOHNSON went on to the Senate, to a leadership post of his own and renown as a legislative craftsman, RAYBURN, outshone, was still JOHNSON'S most enthusiastic rooter.

Inevitably it was RAYBURN who captained his campaign and who was the man JOHNSON asked John F. Kennedy to clear with when he proffered him the vice-presidential nomination in Los Angeles.

Rayburn says today that he was never "against Kennedy"—he was "just for Johnson." Today he appears equally enthusiastic for Mr. Kennedy.

"He's one of the easiest men to talk to I have ever known," says the Speaker. "He understands everything you say and he damned well knows what he's saying."

He thinks the country will be surprised how much of Mr. Kennedy's program Congress puts through in the first year.

The late Champ Clark was Speaker when RAYBURN first took his House oath. He doesn't rank Clark with the great Speakers. He's inclined to go back to another strong House presiding officer, Thomas B. Reed, of Maine, who wielded a firm gavel in the nineties.

He doesn't consider his friend, John Nance Garner, in the running because he presided as Speaker for less than one term before running for Vice President.

Of the late Nicholas Longworth, of Ohio, who succeeded Garner as Speaker, Rayburn says: "He was a very fine man and very able—a real good Speaker."

In his estimate of the Presidents he's served with, he never downgrades the office but does make some fine distinctions. In an outspoken interview for the CBS television network last February 26, he spelled out his recollections of the last eight Chief Executives.

For example, he said that history "is going to be mighty kind to Mr. Truman. I think it is going to put him way up among our great Presidents."

He said that Mr. Eisenhower is a "good man" and was "a great general." He says: "I still think Mr. Eisenhower is a great patriot; I think he wanted to serve his day and generation well, and I—well—I think history will be just to him."

Of Wilson: "He was a great scholar * * * a great historian and I think he was a great statesman."

Of Harding: "He was a very gracious man * * * I never thought Mr. Harding was a dishonest man—I don't think there has ever been a President who was a dishonest man * * * I think Mr. Harding trusted too many men."

Of Coolidge: "They say he was a great silent man but he talked aplenty * * * Coolidge said one of the smartest things that was ever said: 'I found out early in life you didn't have to explain something you hadn't said.' "

Of Hoover: "Hoover was a good man * * * and I like him today. I always thought Mr. Hoover was a better man to be on the team than to be captain."

Of Roosevelt: "He was a highly pleasant man who had programs and could explain them. He had a program and he had the courage to stand by it * * *"

RAYBURN first came into national prominence as chairman of the House Interstate Commerce Committee, when Franklin Roosevelt came in with his New Deal at the depth of the great depression.

RAYBURN looks back on four acts he sponsored as the very cornerstone of the New Deal: the Securities and Exchange Commission Act, the Federal Communications Act, the Rayburn-Wheeler Holding Company Act and the Rural Electrification Act.

When in 1948, he received the Colliers magazine Congressional Award for distinguished service, a plaque and a check for $10,000 to be used for a public purpose went with it. RAYBURN used it to start building a fund for the SAM RAYBURN Memorial Library in Bonham. Ground was broken in 1955 and the library was dedicated in 1957.

RAYBURN described it as a "dream of a lifetime" come true. In it are filed all his papers and the volumes of history he loves. You can tell those he's read. At the bottom of page 99 of each one he's inscribed his initials, "S.R." It's RAYBURN'S personal bookmark.

A complete set of the records of every Congress is here. Fiction, as such, is strictly relegated to second place.

"You can write a history of the United States without leaving the reading room," RAYBURN says proudly.

THE SPEAKER SPEAKS OF PRESIDENTS—RAYBURN OF TEXAS REMINISCES ABOUT THE CHIEF EXECUTIVES HE HAS SERVED WITH, NOT UNDER

(By SAM RAYBURN)

(A Member of Congress since 1913, Democratic Representative SAM RAYBURN of Texas is now in the 80th year of his life and in 17 of those years has been Speaker of the House, the third-ranking officer of the U.S. Government. Recently "Mr. SAM" was asked whether, in that time, he had not served under eight Presidents, more than any other Congressman in our history. Mindful that Congress is a coequal branch of the Government, he replied: "No, I haven't served under any. I have served with eight Presidents."

Of the eight, Speaker RAYBURN has known seven with some degree of intimacy—all save President Harding. Here, as recorded in an interview with John D. Morris of the Times Washington staff, are his recollections and impressions of the Presidents he has known.)

WOODROW WILSON

I think Wilson was one of the great intellects who sat in the White House. He was a great historian and a great teacher. I studied in college his book called "The State"—wonderful. And then after I was elected to the House and he was elected President in 1912, I bought his history of the American people in four volumes and read that before I came here, and those volumes are in my library at Bonham, Tex., now.

Wilson's first term before World War I was really pointing toward what he called a New Freedom. During those first four years we passed a Federal Trade Commission Act, Federal Reserve Act, Clayton antitrust law, and Underwood Tariff Act. I was a member of the subcommittee that wrote the Federal Trade Commission Act.

Of course, Wilson gave the impression of being a very cold man, austere. I always thought he had the Presbyterian fervor to do a great job for humanity en masse, but he gave me the impression he wasn't too much interested in individuals, and I think that is what caused a great many people not to warm up to him. But they tell me that with his family he was a very warm individual.

I think he made a mistake in not taking some Republican to Paris with him to help draft the League of Nations covenant. Here was William Howard Taft, who was supporting the League of Nations strongly, an ex-President. And there was Elihu Root, a great lawyer and a great statesman who was supporting the League of Nations. If one of these men or a Republican of that type had been in the group he took over to Paris, he probably would have gotten his League of Nations ratified by the Senate.

Mr. Lodge [Senator Henry Cabot Lodge, of Massachusetts, grandfather of the 1960 Republican Vice Presidential nominee] was the leader, you know in the fight against the League of Nations. I have always thought that he rather resented Wilson because, until Wilson came in, he was the scholar in the Government. And he fought viciously.

And Woodrow Wilson cried out and said that if the United States of America didn't join the other democracies of the world in bringing about a league of peace, that the world would be shocked and torn by another and more destructive war in 25 years. Well, it came earlier than 25 years, World War II did.

CALVIN COOLIDGE

In 1923 and 1924 they were trying to build Coolidge up for President in 1924, and they built him up as the great silent man; he was supposed to be so busy studying these great questions that he couldn't look up and talk. I visited with him in his office a few times, and then I had breakfast at the White House with him twice, and he talked enough.

One thing he said should be read by every politician over and over again. Somebody was kidding him about his silence, and he said, "Well, I found out early in life that you didn't have to explain something you hadn't said." Now I think that is the smartest thing that I have ever seen outside of the Bible. You know nearly everything that is smart is said somewhere in the Bible, or part of it is there.

Coolidge talked a great deal. I remember we went into the breakfast table, and the fellow on his right knew where to sit, and the fellow on his left knew where to sit, and the fellow immediately across from him knew where to sit, but they were all standing around in confusion. So he said, "Sit down anyplace, gentlemen. Eating is just as good one place as another." And he fed the dog at the breakfast table—had a nice-looking dog sitting behind his chair, and reached back and gave him something every now and then.

Coolidge came into a situation where the country was pretty prosperous, and when he left the presidency he left a pretty prosperous country, and I rather liked the man. He talked plenty at breakfast.

HERBERT HOOVER

Mr. Hoover is a very efficient man and always was. Back there when Harding and Coolidge was President and they appointed a Cabinet study group. Hoover always went on it. As Secretary of Commerce, Mr. Hoover appeared before my Committee on Interstate and Foreign Commerce for 8 years. He could explain his position. But I always thought

he was a better man on the team than captain.

He did his best. He is a good man, a hard-working man, and a patriotic man—is and was. But I doubt if anybody who might have been President could have prevented the debacle of 1929, which took him down with it.

He is a good citizen today. Mr. Truman appointed him as the head of the Hoover Commission, where he did a wonderful job. He made a great many recommendations that I never was for, that we never put into effect, but all in all Hoover was a good man and wanted to do a good job.

FRANKLIN D. ROOSEVELT

In 1932, of course, Roosevelt defeated Hoover and we had a big Democratic majority in the Senate and House, and Roosevelt came here with a program and he had faith and confidence in the American people. And they had great confidence that he was trying to do something for them. They would stop their work and listen to his fireside chats. And that first hundred days was unparalleled.

We had 14 million unemployed then. Factories were closed; 5,700 banks and trust companies had closed their doors.

Roosevelt closed all of the banks and had them examined. There wasn't much kicking about it. I know one lady who lived on a farm down in my county who came in to get money out of the bank. They said, "You can't get any money out. Mr. Roosevelt has closed the banks." She said, "I guess Mr. Roosevelt knows best. He is trying to do something for us." The people knew he was trying to do something about it.

When the banks opened, after being examined, everybody had confidence. Instead of having a run on the banks, instead of taking money out, they took hundreds of millions of dollars the first week and put it into the banks.

And then we started to try and find employment for people. We had WPA—the Works Progress Administration—which did a lot of mighty good work. When we were down at the White House one morning, President Roosevelt said, "Now you folks have got what you want. I want a Civilian Conservation Corps." And out of that grew the CCC, which was very helpful in many ways to the youth of the country. It took them off the streets and gave them a useful life.

All in all, people went back to work, people became able to buy automobiles and gasoline and oil and groceries, farm implements, and our entire economy began moving up and up.

I think I know people pretty well when I sit and look at them. I sat across the desk from Roosevelt from 1937 until he died, every Monday morning for an hour. The leaders of the Senate and House met there with him. (I became majority leader of the House in 1937.) When he heard of the underprivileged, or he heard of some people who were in bad shape, his eyes would just reach up, they would almost sparkle. Roosevelt was really for the underdog. And the people knew it, and that is why they loved and revered Roosevelt.

Now, of course, there were a lot of people who hated him, and it is a funny thing to me that people who were broke when he came into power in 1933, the same people who recovered the fastest and got the richest, are the ones who hated the Democrats the worst. But he had a program and he had every bit of courage that a man should have, and then he was about the greatest politician—greater even, I should say, than Theodore Roosevelt. And I think he has the right to be classified as one of the greatest leaders of the United States or the world.

HARRY TRUMAN

Truman and I had been good friends for 10 of the 11 years he was in the Senate, and we visited a lot. After he became Vice President I wanted to keep up that association, and one afternoon I phoned him and I said, "Harry, come over and let's have a visit." He said, "Be right over."

I went down to the little room, my hideaway from there on the first floor of the Capitol. I think Bill White [William S. White, then of the New York Times staff] was there, and Lew Deschler [Lewis Deschler, Parliamentarian of the House] and one or two more, and the telephone rang.

"Is the Vice President there?"

"No," I said, "but he is momentarily expected."

"Tell him to call Mr. Early [Stephen T. Early, Roosevelt's press secretary] as soon as he can."

Well, he came in and sat down on the lounge, and I told him about the call. So he called and said, "This is the V.P." Of course, they never called anyone "Veep" but Barkley, you know.

"I understand Mr. Early wants to talk to me," he said. And Mr. Early came on the line. Truman said, "Uh-huh, uh-huh," and hung up, then said, "Steve Early told me to come to the White House as quickly as possible and as quietly as possible." And Truman left immediately. In a few minutes, we had the flash that President Roosevelt was dead.

I went down to the White House with the other congressional leaders for the swearing in that afternoon. Truman walked over to us, and I said, "Now, Harry—Mr. President, we are going to stand by you." "I think you will," he said. Then we dispersed and he was in the White House.

One of the greatest accomplishments of the Truman administration was the Marshall plan. It saved Western Europe from the clutches of communism years ago. And the Truman doctrine in Greece and Turkey—one of the greatest things. Greece and Turkey were flat, were a prey to anyone coming along, just as Western Europe had been. Take people such as those of France, with transportation gone, bridges gone, factories in ashes, nothing for them to do. Men seeing their wives emaciated, their children hungry and cold. Such men will vote for any kind of a change because they can't make it worse than starving or freezing to death.

But the Marshall plan went in there and helped them rebuild, made something for the people on which to work, and it is just a marvel. And the beauty about Truman was that he called it the Marshall plan. It could have been the Truman plan had he wished, but he gave it to George Marshall.

I think history is going to be very, very kind to Harry Truman. Of course, I am always kidding him about shooting from the hip and getting a lot of criticism, but the historian is going to forget those little things.

He is going to remember the great things Truman did, the far-reaching, world-shaking decisions that he made. And he made them with knowledge and with courage and stood by them. So I think Harry Truman is going down in history as one of our outstanding Presidents.

DWIGHT D. EISENHOWER

I had met Mr. Eisenhower a few times before he became President. He was born in Denison, Tex., in my congressional district, about 26 miles from where I live. I will say he didn't stay there long. His father was a railroad man and moved on to Kansas. One of the boys, however, was born in Denison, and it turned out to be this one, President Eisenhower.

When he returned from Europe after World War II, the folks in Denison wanted him to come down. I had breakfast with him, a nice, big ham-and-egg breakfast, in the little house where he was born, right near the railroad tracks. And the people of Denison are preserving that, in very good shape.

Then I saw him a few times while he was Army Chief of Staff. He is a very likable man, and I always liked him. Mr. Eisenhower is the only man in history who was President of the United States 8 years with the opposition party in control of both Houses 6 of the 8 years. So if we had been trying to make a failure out of him, he couldn't have done anything. But when he advocated something that we thought to be in the interest of the country, we supported him, just as if there had been a Democrat in there.

Mr. Eisenhower was past 60 when he was elected. He had had little or nothing to do with government. He had been an Army man all his life. He must have impressed the people who were in charge, because he was a major in Roosevelt's administration, and Roosevelt and Truman built him up to the highest general we had.

When he came into the White House, he couldn't have known too much about politics or law, anything like that. And it took him a long time to straighten out on it. But I think history will be just to Mr. Eisenhower because he is a good man, a delightful personality, never offended many people, and I think history is going to treat him pretty well.

JOHN F. KENNEDY

When Kennedy came to the House, by the election of 1946, he had a swarthy, dark-yellowish complexion. It looked as if he had had that Pacific fever. And he looked so spare. I had no idea how tall he is. He is a pretty tall man; I looked upon him as a little fellow.

He went to the Senate in 1952, and someone asked me a while back if at that time I felt that Kennedy would ever be President. I said, "No," thinking about him as I had seen him in the House.

Kennedy said, in 1958 and 1959, that he was going to run for President and he really went at it. All his organization, you know. He had Bobby (Robert F. Kennedy, his brother) and he had others—able young men who just spread out over the country—and when Kennedy would arrive somewhere there was an organization. And when he left there was a bigger organization, people working for him.

I was supporting LYNDON JOHNSON but he was majority leader and he had to keep store in the Senate. He couldn't go out and spend a lot of time getting votes for the nomination. And Kennedy worked up to where he was nominated on the first ballot. Then, as you know, Kennedy went to LYNDON's room at 8:30 the next morning and asked him to run as Vice President. I advised that he accept it, and I think they make a fine team. I think JOHNSON and Kennedy would have made a great team, and I think Kennedy and JOHNSON make a great team.

President Kennedy is an easy man to talk with, very easy. We have breakfast with him, the leaders in the Senate and House, every Tuesday morning and talk things over very frankly. He doesn't take up all the time. He asks other people what they think. He knows what he is talking about when he raises any issue, and he has some wonderful researchers around him who bring him the facts. Then he makes his judgment. I really think that Kennedy is going to make an outstanding President. That is what I think about him.

ON PRESIDENTS

You have got to assume that a President is a good man and a patriotic man who wants to serve the country without regard to impediments that may be placed in his way. As Woodrow Wilson said, "It matters not what my personal fortune may be. I am willing to play for the verdict of mankind."

He has got to be a man of ability. He has got to be a man of knowledge, especially of history and government. I am sad to say I think we have too few historians in the United States.

He has got to know not only the history of this country and the history of the world, but he has got to know the Government of the United States and how it was formed—what the men of the Constitutional Convention in 1787 had in their minds, for they went there to set up a new idea in government. Never before had there been a representative government. Greece, far back there, tried a pure democracy and found they could not effectively apply it. But 1787 expressed a new concept. And the great Presidents of this country have understood it and nourished it.

Mr. McCORMACK. Mr. Speaker, with pleasure I yield to the distinguished minority whip, the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Speaker, my congratulations to you upon having served twice as long as any other man in the high office you hold as Speaker. This is but one of your many accomplishments that attest to your greatness. With 16 years and 273 days as Speaker of this House, you have doubled the previous record of the immortal Henry Clay.

In the South, our Speaker is known as "Mr. SAM." In the North, he is known as "Mr. Democrat." To us, and to the country generally, he is "Mr. Congress."

When I first came to Congress in 1935, this Democrat SAM of ours was chairman of the Committee on Interstate and Foreign Commerce. He had been in Congress since 1913. It didn't take me long to recognize his innate shrewdness, his parliamentary skill and power of persuasion—on the floor and off the floor. As committee chairman, and subsequently as the Speaker, he deftly, sometimes forcibly but never belligerently, secured passage of highly controversial measures desired by the administration for whom he spoke.

Whatever the legislative issue, Speaker RAYBURN always recognized and defended the rights of the minority. He does not arbitrarily use the power that is his as Speaker. He uses, and has used on me, his power of personal persuasion.

The term "greatness" is applied in different ways by different people, dependent upon one's particular code of values. What is important to one person may be relatively unimportant to another. But whatever one's definition of greatness, as a Speaker, SAM RAYBURN, is truly one of the greatest of the great as a leader of men and moulder of history.

Mr. Speaker, again my personal congratulations. I wish for you every joy that life can offer. I wish for you continued good health. I hope you serve for many years in the Congress. I wish for you everything, Mr. Speaker, except one thing to which you may understandably aspire; that is, another term as Speaker.

You have always understood why in all these successive Congresses in which I have served, I have never voted for you to be Speaker. It has had nothing to do with my affection and respect for you. It has been because of the compelling political exigenices of the moment that I have cast my vote for some other outstanding candidate. As Speaker, you have served well and honorably.

You will, I hope, continue to serve in this body as long as you desire.

They always say big things come from Texas and happend in Texas, and anything in connection with Texas is big. For Texas and this country you have indeed given an outstanding service.

Mr. McCORMACK. Mr. Speaker, with pleasure I yield to the distinguished gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Speaker, it is indeed a great honor and privilege to stand here in the House of Representatives and say to our Speaker the things I have in my heart. If I could have the time to express my deep thoughts of our great Speaker, it would take hours upon hours. I join in all the things that have been said on behalf of the Honorable SAM RAYBURN, of Texas.

I shall never forget one of the first years I served in this body. A housing bill was before the House of Representatives for consideration. The bill was debated, the time came for the offering of amendments, and having been in the lumber business for 24 years before I came to Congress, I saw in that bill a mistake which I felt should be corrected. So I offered an amendment to the bill. I stood on the very spot where I now stand and offered that amendment.

A point of order was raised against the amendment on the ground it was not germane to the bill. Our Speaker, Mr. SAM RAYBURN, a Democrat, I, a Republican, vacated his Speaker's chair, put another Member in his place, and came to my side while I was standing here, red faced. I did not know what to say or what to do because I had not anticipated that a point of order would be raised against my amendment. Mr. SAM said then, "Ask unanimous consent to withdraw your amendment to this section of the bill and offer it to section 9. It will be germane to section 9. You have a good amendment, and I want to see it passed."

And he resumed the chair.

I asked unanimous consent that my amendment be withdrawn to that particular section and at the proper time I again offered my amendment and it was agreed to by the House of Representatives.

You can imagine how I appreciated that help.

I know SAM RAYBURN to be fair, reasonable, courteous, and helpful to new Members. For that we love him. Among the many other attributes that Mr. RAYBURN has is his great ability.

I read in the paper the other day that his physician had given Mr. SAM a thorough physical examination. After the examination his physician said "Mr. SAM, you are going to live to be 106 years old."

Mr. SAM RAYBURN said, "I will settle for 104."

So, Mr. Speaker, I wish you many, many happy days as a Member of this House. Of course I know there are an awful lot of people in America who would like to see you take a good long rest, you deserve that long rest, but while you are Speaker we know that we have one of the great men of all time at the head of this, the greatest legislative body in the world.

I congratulate you, Mr. Speaker, and I shall always cherish my acquaintance with you, one of God's noblemen.

Mr. McCORMACK. Mr. Speaker, with pleasure I yield to the distinguished gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Speaker, we examine, evaluate and honor today one of the greatest careers in the history of American Government.

From the day on March 4, 1913, when SAM RAYBURN took his seat in the Congress of the United States, to this hour, we have a massive accumulation of achievement on the very highest levels of decision and policy.

No legislative solution of the greatest crises in these years can be discussed with any integrity without the mention of the name of SAM RAYBURN.

I think of SAM RAYBURN'S contribution to man's forward march in history not so much in terms of time and seniority. Of course there is an inherent and a profound significance in so arresting a statistic that today his length of service in the Speakership exceeds by twice that of Henry Clay, the Speaker who held the record before him.

The essence of the career of SAM RAYBURN is not in terms of time but in terms of what he did with the time and the position that was his.

It is this overwhelming and formidable record which makes it possible for me to say—objectively—almost like an IBM machine arriving at a total, that here indeed is one of the greatest careers in the history of American Government.

Yet, as I look at this friend, this mentor, this leader today, I must conclude that even after a half century of extraordinary service, his work is not yet done. His work is not yet done because the years of fulfillment that belong to the past, and the years of counsel and leadership that lie ahead, will, to generations yet unborn, serve as a symbol and a guide and a model of the noblest qualities in the long biographical catalogue of American leadership.

It is this that makes me wish today I were a professional historian and a skilled and learned biographer.

But I am only a public official.

It happens however that a biographer of SAM RAYBURN would come to me for some basic and original source material.

For who can escape my boast through the years that our political paths crossed back in the dim past when I was in the Texas legislature and one of the members of that great body just a few years

before was SAM RAYBURN. We served in the Texas House—he 6 years and I 4—and even in Texas he was "Mr. Speaker" for 2 years of the 6.

To the Nation and to the world, his leadership has been so versatile, so pronounced, so unself-seeking and, so far as it is possible for a man in his exposed position, so self-effacing, that grateful neighbors, a grateful political party, and a host of admirers have awarded him titles that are the more human satisfactions of the good life.

Thus he has been known in and out of print as: Mr. Texas, Mr. Speaker, Mr. Democrat, and Mr. United States.

When I say that I think they all fit, I like to believe that I am speaking not just emotionally. Given the opportunity of time, and had I the eloquence, I could give you the soundest documentation on just why each of these titles belongs specifically and eminently to him. For more than a half century I have been a legislative ally and colleague, and a participant, with SAM RAYBURN in his great adventures on behalf of the people of this country. What I sometimes fear a biographer—coming from the outer and detached literary world of scholarship—may miss, is the essential warmth and humaneness, the great capacity for friendship, that may go underemphasized.

For SAM RAYBURN can be stern.

And SAM RAYBURN can be forbidding.

And SAM RAYBURN'S deep and abiding humanity can be swallowed up in the scope and sweep of the massive problems and the weight of decisions that invest his command position in the affairs of our country and the world.

In all my time I never saw so much strong leadership and so little arrogance in a personality of such force in a position of such power.

Some of this that I am saying may be embarrassing to this great man, but I want it in the record, for I have been in politics since 1920, close to the turn of the century—and, after all, how much time is there?

This humanity, this sheer goodness and kindliness in the man, did not extend only to those of us who were at his side and knew him by name.

It was rather a kind of liaison of the heart that went out from him to the people and was returned from the people to him.

There, if you were to ask me, is the true secret of his leadership.

Ask the people of Bonham. Ask the people of Texas. Ask the men—not only myself—whose friendship with him has endured for 50 years, and ask a whole host of Congressmen—on either side of the aisle—Members who serve today and who served yesterday. Ask the living former-presidents and the present incumbent of the White House. Ask some of the most notable figures in the embassies and chancellories and the capitals of the world.

When I say leadership without arrogance and without vanity and with a strong touch of humility, what do I mean? For my answer in its simplest form I go to SAM RAYBURN'S own words. He once said—I quote:

> You cannot be a leader, and ask other people to follow you, unless you know how to follow, too.

These, I repeat, are words not only of wisdom and judgment and experience, but words also of a profound humility.

And when I say "liaison-of-the-heart" and SAM RAYBURN'S identification with the people, what do I mean?

What I mean is that SAM RAYBURN who was not and never could be a doctrinaire "new dealer" nevertheless helped to give to the "new deal" its reputation for sound compassion and sound legislation by helping to put on the statute books the inner soul of the best legislative features of "new deal" philosophy.

Leadership means judgment. It means not being swept up by wild notions in a violent atmosphere of change and crusading, nor of being blind to the elements of sound relief and improvement for a distressed people in the midst of national tragedy.

RAYBURN had known as a boy the back-breaking toil of the farm, as later experience taught him the needs of the urban toiler.

And so his heart and his effort went with the people.

If you ask what that means I answer:

It means, first of all from my standpoint, the Rural Electrification Act.

It means the Railroad Holding Company Act.

It means the Securities and Exchange Act.

It means the Federal Communications Act.

It means far and deep in RAYBURN'S leadership the rightness of the Federal Government helping the farmer with farm-to-market roads.

I was in SAM RAYBURN'S office in the Capitol in 1944.

Bill Robinson, of Utah, chairman of the House committee dealing with roads and highways, came in and asked Mr. RAYBURN to let him take up the highways bill.

RAYBURN asked:

> What have they got in there for country roads?

Bill Robinson said:

> We don't have anything that's designated but we expect to have part of the authorized funds spent on secondary roads.

RAYBURN said:

> Have your committee agree to an amendment that will earmark 30 percent of the funds for farm-to-market roads.

Robinson seemed to agree on the figure and RAYBURN said:

> We will then take it up and pass it.

That day in 1944 that bill was agreed upon and shortly thereafter passed and its advantages have continued and are observable throughout the farm country down to this day.

There is, as you can see, little rhetoric involved in this kind of leadership, and less self-glorification.

But it was done.

I may point out here that the Federal-aid Highway Act of 1944 authorized the first specific funds for Federal-aid highways in urban area—not just farm-to-market. Small amounts of Federal funds for secondary or farm-to-market roads had been authorized periodically since 1933. But it was not until this act that SAM RAYBURN advanced so forcefully, that provision was made for the selection, cooperatively by the States, local governments, and the Bureau of Public Roads, of a Federal-aid secondary system to which Federal assistance for secondary road was restricted. It widened the horizons of the small farmer. It improved the farm economy. It tightened contacts between produce and markets.

It eased the burden of the people who produce our food for us.

Out of a vast literature of achievement as broad and as deep as the legislation the Congress has passed in the last half century I selected, almost at random, this particular highway bill because it so dramatically illustrates my point and because I was there.

Another instance of what—perhaps too poetically for the taste of our guest of honor—I have been calling a liaison-of-the-heart with the people, there is the Rural Electrification Act which he—SAM RAYBURN wrote—and which he engineered through the Congress.

Here was a bill to help to light the homes and furnish electrical energy to rural America.

The story of this bill is a classic in legislation for the people.

It is a classic in sound financing.

It is a classic in service and the upbuilding of the farm economy.

It is a classic in pulling a distraught Nation out of the depression.

It is a classic insight into the character and the philosophy of Mr. SAM RAYBURN.

What has it done?

Since the inception of the electrification program in 1935, I learn from the 1961 hearings before the Subcommittee of the Committee on Appropriations in the House, loans have totaled over $4.1 billion. And—quoting from the hearings:

> During this period [1935 to the present] the percentage of farms with central station electric service has increased from about 10 percent to approximately 97 percent.

The data is technical and statistical. But what they add up to is soundness, wisdom, and an immense service for the people. It is simply impossible to estimate what all this means in terms of sweat and blood and toil that has been lifted from the people, to say nothing of what it has done to advance the economy, provide resources for taxation, and produce economic sinews for the strengthening of a free America.

I ask: Is there 1 voter in 50—in a hundred—who knows SAM RAYBURN authored and engineered this bill through the Congress? It is the work of a kind man and a statesman who has never tried to be popular.

This "progressive conservative" or "conservative progressive" has been asked to evaluate the eight Presidents he has known. It is said: "Judge not that

ye be not judged." Well today I am going to judge SAM RAYBURN with his own judgments.

Today what I have to say about SAM RAYBURN, SAM RAYBURN has said about others.

I find these judgments superbly fitting to Mr. SAM himself.

Of President Woodrow Wilson he said Wilson was a "great statesman."

That is true of SAM RAYBURN.

Of President Coolidge what could be more appropriate, more right, than the Coolidge philosophy of silence and its application to Mr. RAYBURN. Coolidge said of his tendency to keep his mouth shut: "I found out early in life you did not have to explain something you had not said." Commenting on this Mr. RAYBURN said:

> Now, I do not know anything in the world that's better for a politician to know than that.

Of F.D.R. he said "he had courage." Harry Truman, SAM RAYBURN said, belongs "up among our great." He spoke of Eisenhower as—I quote "a great patriot." And of President Kennedy he says he is—I quote "a man of destiny."

All of this, I hold, is the perfect description of "Mr. Speaker" SAM RAYBURN.

Mr. Speaker, I ask unanimous consent that the other members of the Texas delegation be allowed to extend their remarks at this point in the RECORD and that I may be allowed the same privilege and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DOWDY. Mr. Speaker, it is a pleasure and privilege to join our colleagues in this program in honor of Mr. RAYBURN's long service as Speaker of the House. May he have many more years in the service of cur country.

Mr. BURLESON. Mr. Speaker, I join my colleagues who, on this occasion take cognizance of the fact that our beloved Speaker, SAM RAYBURN, has at this time served in this exaulted position twice as long as any other in the history of our Nation.

Mr. Speaker, the imprint of SAM RAYBURN will forever be on America as well as the great influence he has had on other nations and other peoples.

When history is chronologically recorded in the period this great man has served in Congress and as Speaker of the House of Representatives his stature will loom larger and his shadow will reach across the length and breadth of our land.

Congratulations, Mr. SAM, and may you continue to excel records established by early and able predecessors.

Mr. THOMPSON of Texas. Mr. Speaker, this is a day that Texans in the Congress would like to monopolize. We regard SAM RAYBURN as our own private property. We concede to our other colleagues the privilege of saying nice things about him on an occasion of this nature. We feel that we ourselves more than any others in the Congress really know and truly appreciate this Great American; this great statesman; this great Texan. However, because we must grant that he is yours as well as ours, we yield to you other Members of the Congress your full share of time and we appreciate all of the fine things which you are saying of our beloved Speaker.

I suppose that there has never been a man in the history of public service, in this or any other country, who has influenced more other public servants than has SAM RAYBURN. If you will watch the conduct of some young Members, and some who are no longer young, either in years or service, you will see an indefinable something that will tell you that this man has learned his lessons from SAM RAYBURN, and that he is consciously or unconsciously trying to pattern his service after Mr. RAYBURN's.

Perhaps it is manifested in the dignified demeanor of the younger member should he occupy the chair. Perhaps it is in his manner of speech—sincere, objective, forceable, and without any flamboyant tricks or trimmings. Perhaps it is in his invariable habit of being always on the job and always available. Perhaps it is in the manner in which he tries to help his fellow members. Any representative in Congress profits if he does consciously or unconsciously pattern himself after any of these outsanding traits which exemplify the Speaker. God truly blessed the United States when he brought SAM RAYBURN into the world, and God has blessed us all as he has guided the Speaker's footsteps along the rough road of public service. We trust that God will continue to bless us all with many years of life, health, and service for SAM RAYBURN.

Mr. YOUNG. Mr. Speaker, it is with great pleasure that I join my colleagues in the Congress in paying tribute today to a distinguished Texan, a great American, an outstanding legislator, and probably the most accomplished Speaker the parliamentary system of government has ever seen.

The heart of our representative government is the Congress in which the will of the people is expressed and implemented. The life's blood of this parliamentary system is the distinguished statesmen who have the knowledge, the discretion, the discernment, and the longevity to supply continuity to the Congress and to the Government itself. The identity of individual legislators is frequently highly transitory, and it can truly be said that the success of the parliamentary system depends, in a real sense, on the individual whose merits are recognized by his constituents at home who keep him in a position to exercise those qualities of statesmanship and greatness that are reflected in and become a part of the success of our Government.

As we pay tribute today to the man who has served twice as long as any other Speaker in the history of our Nation, we honor a man who has been a real representative to the people of his congressional district whom he has represented for nearly half a century, and we honor a man whose mark in history is the rich legacy of wisdom, statesmanship, honor, and courage which he has imparted to the Government of the United States of America.

Mr. POAGE. Mr. Speaker, many find that as they remain in office they acquire new friends. There is nothing unusual about this. Were it not true, very few of the Members of this House could hope to serve more than one term. Speaker RAYBURN has, of course, acquired new friends and admirers each year he has served as more people have come to know his sterling qualities.

It is, however, altogether too common for holders of public office to build up enemies and critics as their service lengthens. I fear that most of us have from time to time realized that that was what we were doing. I think it is in this field that SAM RAYBURN has proven himself such an exception to the general rule of office holding. Not only does he each year convince more and more people of his ability, sincerity, and dependability, but he retains the active respect, friendship, and loyalty of 99 percent of those with whom he has worked. And well he should, for he but exemplifies his own philosophy.

So many times I have heard Mr. RAYBURN say, "We don't hate people." And he does not. Certainly, he disagrees with people, and they disagree with him. Certainly, he fights for his principles and for his candidates—for his party. But he does not indulge in personal hatreds and in return reasonable men do not hate SAM RAYBURN. On the contrary, those of us who have worked with him for many years all admire and love him. I would suggest, Mr. Speaker, that that is the reason SAM RAYBURN is going to continue to "keep the store" regardless of what changes may take place in other governmental positions.

Mr. BROOKS of Texas. Mr. Speaker, it is with a deep sense of humility that I attempt to express my own personal feelings and the appreciation of the people of the Second District of Texas for a man who has selflessly dedicated his life to serving the people of our Nation for 54 years.

Speaker SAM RAYBURN has said throughout his public life that "the people have been uniformly kind and fine to me." It is this Democratic philosophy—based on a firm belief and trust in the goodness of mankind—that Speaker RAYBURN represents in the eyes of all people. It is this Democratic philosophy—which he has maintained in good times and bad—that has kept our country able to renew its strength from generation to generation.

Speaker RAYBURN has received the highest honor the people of his own Fourth Congressional District could bestow upon him; they have chosen him to represent them in the Congress 25 consecutive times. Ten times the members of the Democratic Party sitting in the U.S. House of Representatives have elected Speaker SAM RAYBURN to the second most powerful office in the land.

These honors were not given lightly and they have been accepted with a profound sense of duty and responsibility. None of the thousands of Members of

the House of Representatives who have served with SAM RAYBURN have been untouched by his personal example of dedication to freedom and his love for our democracy. None of the millions of Americans now living are without some benefit from SAM RAYBURN'S devotion to the well-being of each of us.

Yes, the people have been kind to SAM RAYBURN. They have been kind because he trusts them, he loves them, and he has worked and fought for them for more than 50 years. SAM RAYBURN believes in the fundamental goodness of people as Jefferson believed and the life and times of SAM RAYBURN are living testimony that our country can grow and prosper on trust and gratitude rather than with suspicion and hate.

In the years to come all Americans can continue to look to Speaker SAM RAYBURN as a singular example of love for our country and respect for his fellow man. And the people will continue to honor this man who has never forgotten them.

Mr. KILDAY. Mr. Speaker, but few men have been honored by selection as Speaker of the House of Representatives. The record of service of Henry Clay was established in 1820 and stood until exceeded by the service of Hon. SAM RAYBURN.

Now, 141 years later, Mr. RAYBURN has doubled the record set so many scores of years ago. Today, Mr. RAYBURN presides over the House as the personal friend of every Member of this body. It is no accident that Mr. RAYBURN is the individual who has achieved this distinction. He is endowed with a perfect sense of fairness and no Member has had cause to complain because of the rulings of the Chair. He is possessed of a knowledge and appreciation of history not excelled by any man in public life. He is always accessible to every Member of the House, whether of the majority or minority party.

It is with pride that we mark this occasion. I join in extending greetings to the Speaker and in the wish that the House of Representatives may have him continue in the chair for many years to come.

Mr. MAHON. Mr. Speaker, I have sat in this Chamber and listened with great pride to my colleagues in the Democratic and Republican ranks extol the character and the record of public service of Speaker SAM RAYBURN. This is an historic day in the history of Speaker RAYBURN and in the history of the House of Representatives. Indeed this is an historic day in the history of our country.

It would hardly be appropriate to undertake to add much to what has already been said. The leaders on both sides of the aisle have spoken, and the gentleman from Texas [Mr. PATMAN], who ranks next to the Speaker in seniority in our delegation, has spoken for his Texas colleagues.

Mr. RAYBURN, I wish to join with Congressman PATMAN and with the leaders of the House and Senate in paying tribute to you at this dramatic and memorable moment in your life and in the life of the House of Representatives.

No man can now add to or subtract from the accomplishments of Mr. RAYBURN. He has written a record which, in my judgment, will stand for all time. No other man, in my judgment, will ever serve half as long in future years as Mr. RAYBURN has served as Speaker of the House.

Mr. Speaker, I congratulate you upon this grand occasion and express the hope that your great career in behalf of our country and all humanity may continue for many years. All Texans owe you a debt of gratitude for the honor which you have brought to the Lone Star State.

Mr. THORNBERRY. Mr. Speaker, I join my colleagues of the House in paying deserved tribute to that great American, the Honorable SAM RAYBURN, who today has served as Speaker of the U.S. House of Representatives more than twice as long as any other person in the history of our Nation.

Not only is he to be congratulated on this historic accomplishment, but he is due our thanks for his unequaled contribution as a legislator to the development of strength and growth of freedom of our beloved country.

All of us who have had the opportunity to serve in the House with Mr. RAYBURN have enjoyed a great privilege, indeed. To me this privilege has been one of the great experiences of my life. My family joins me in wishing for him a continued happy and good life.

Mr. CASEY. My Speaker, I have listened with a great deal of pride to the remarks by the many distinguished senior Members of the House in paying tribute to Speaker SAM RAYBURN on this great day.

The Speaker has the great honor to become a legend in his own time, for today marks the occasion that he has served in this capacity twice as long as any man.

As the newest member of the Texas delegation in the House, it would be presumptuous of me to try and tell the Members of this body of Speaker RAYBURN'S great contributions during his service here. All know that for some 54 years, he has ably represented the people of his district, not only in Congress, but for 6 years in the Texas Legislature. And the people of the Fourth District have never failed to express their confidence in his ability, his judgment, and his integrity.

But I can tell the Members of this House that I am proud to serve under so distinguished a Speaker, and if it is possible, I am even more proud to serve with him as a member of the Texas delegation. For Speaker RAYBURN'S leadership, his integrity, and his character have made the Texas delegation one of the most effective and efficient delegations in Congress, truly representing the broad spectrum of our citizens' desires in matters of legislation.

To me, as a mark of greatness in this man, and as testimony to his character and his integrity, stands the fact that many members of the Texas delegation vote contrary to the Speaker's wishes in matters of legislation.

Lesser men—armed with the awesome power that a Speaker can wield—would bend and crush those to his own desires.

But such facts as these are well known to those who have the honor of serving with the Speaker here—as much so as his ability to wield the gavel and control the House when the hour is late and tempers are short.

But there are other sides to this great Texan and statesman that I like and respect equally as much.

I like SAM RAYBURN, the warm, genial friend when the day's work is done. I like SAM RAYBURN, the fisherman, spending a few hours together where 6-pound bass are alleged to hang out. I like SAM RAYBURN, the citizen, whose concern for future generations led to creation of the great Sam Rayburn Library in Bonham. I like SAM RAYBURN, Texan, fiercely loyal to the great heritage of our State.

These are, to me, but a few of the many facets of the personality of this great American, of whom we Texans are justifiably proud. It is a great honor to join with the Speaker's many friends in this body in expressing congratulations and best wishes on this great day.

Mr. TEAGUE of Texas. Mr. Speaker, today marks an anniversary or record of sorts as today our honored Speaker, Mr. RAYBURN, has served as Speaker of the House longer than any other man in the history of our country. It has been both a privilege and an honor to have served with him in this body, and under leave to extend my remarks in the RECORD, I wish to include the article which appeared in the Sunday, June 11, edition of the Washington Post. The article follows:

"MR. SAM," STOREKEEPER, IS A GREAT RIDER, TOO

(By Robert C. Albright)

President Kennedy tells the story of a call received at the White House switchboard one day when he was in Canada, Vice President JOHNSON was in Asia and Secretary of State Rusk was in Geneva.

"Who's keeping the store?" demanded the frustrated caller after trying to reach each of them.

"The same man who's always kept it, SAM RAYBURN," retorted the operator.

Salty "Mr. SAM"—"Mr. Congress" to many—has been Speaker of the House longer than any other man. He's been keeping the store off and on for four Presidents of the United States. All told, he's served along with eight, starting with one of his heroes, Woodrow Wilson, since he first came to Congress on March 4, 1913.

But never say that he served under any man.

"Don't use that word 'under,'" he once told an interviewer. "I've never served under anybody. I've served with them."

The House of Representatives is his greatest love and the Speakership, sometimes described as the second most powerful office in the land, his summit. He never aspired much beyond it, although the Presidency distantly beckoned before he turned 60. (He's now 79.) In 1946, Congress passed a law making the Speaker third in line of succession to the Presidency.

That's close enough for "The Squire of Bonham."

DOUBLE MEASURE

RAYBURN'S firm but benevolent rule of the House, probably the most complete any House leader has known since the vast powers of "Uncle Joe" Canon were clipped by a bipartisan liberal revolt in 1910, is about to pass a new milestone.

At noon Monday he will have been Speaker exactly 16 years and 273 days, al-

lowing time out for two interregnums—the Republican 80th and 83d Congresses.

That's exactly double the previous record of 8 years and 136½ days. The earlier mark was set by another of the heroes of RAYBURN'S history-worshiping youth—Henry Clay, the brilliant Whig from Kentucky who left the House to shine still brighter in the Senate.

RAYBURN equaled Clay's service in the Speaker's office on Jan. 30, 1951. He has smashed many another tenure record. He's seen about 3,000 Congressmen come and go. No Member of the House has served more years in Congress, although CARL HAYDEN, Democrat of Arizona, President pro tempore of the Senate, who first went to the House in 1911, has served longer in both Houses. The only House Member remotely approaching RAYBURN'S service record is 77-year-old CARL VINSON, Democrat, of Georgia, who first came to the House some 21 months after RAYBURN.

Yet the word "retirement" isn't in RAYBURN'S vocabulary, say those who know him best. Physically, he appears as sound at 79 as he was at 60. On a recent trip home to his ranch in Bonham, TEX., he was given a thorough checkup by his personal physician.

"You'll live to be 106," was the verdict.

"I'll settle for 104," chuckled RAYBURN. "It's because I've been having my way," he told a friend who complimented him on his good health.

RAYBURN never used a more apt phrase. He's been having his way in the House, where he usually manages to stay on top of a House majority despite occasional forays from the right and the left. And he's been having his way pretty much in national politics.

For one thing, his candidate for President, LYNDON JOHNSON of Texas, came up with the costarring role on the Democrats' John F. Kennedy ticket. For RAYBURN, it was reliving history. Back in 1932, he had floor managed the presidential campaign of John Nance Garner in the Democratic Convention that nominated Roosevelt and Garner.

Occasionally, he's been having his way at the White House, too, with Presidents he serves with and not under.

His advice is sought in top places. When it isn't, he sometimes volunteers it.

For example, he told his good friend Harry Truman after he was sworn into the Nation's highest office in 1945: "I have seen people in the White House try to build a fence around the White House and keep the very people away from the President that he should see. That is one of your hazards."

"I gave him the same advice that I gave Mr. Eisenhower and that I have given Mr. Kennedy," he later elaborated.

RAYBURN'S formula for running the House is typically Texan: "I try to ride the horse." But the Speaker attributes his longevity in Congress to another infallible rule: "Be reasonable, be fair."

He has a few other homespun guidelines. One of RAYBURN'S homilies: "It doesn't make any difference how much sense you've got if you haven't got any judgment."

During the nearly 17 years he's been Speaker, RAYBURN usually has managed to gage the House mood, as indefinable sometimes as a balky Texas bronc.

Three years ago, the Chamber's growing group of House Democratic liberals came to him for aid in breaking Democratic bills out of Chairman HOWARD W. SMITH'S coalition-controlled House Rules Committee.

RAYBURN agreed that the key bills must come out, but asked time to act through normal leadership channels. SMITH and his coalition refused to budge.

When the 87th Congress convened, the liberals again were waiting at the Speaker's door. This time there was another interested party, President John F. Kennedy, who had a program to move. RAYBURN tried once more, unsuccessfully, to reason SMITH into making a commitment. When that failed, he got out his spurs.

The Speaker threw his backing behind a resolution enlarging the Rules Committee from 12 to 15. The contest was a cliffhanger, with the bulk of House Republicans voting with southern Democratic holdouts. But RAYBURN rode the horse and won the count, 217 to 212.

"It was a fight I had to win," said the Speaker.

RAYBURN remembers other donnybrooks he could not afford to lose, but none more dramatic than a rollcall taken on a hot August day in 1941. President Roosevelt was pressing for extension of the draft and the House opposition was intense.

RAYBURN made one of his rare speeches from the House well and undoubtedly influenced the outcome. The vote was 203 to 202—for extension. Dissipation of our military manpower had been averted just 4 months before Japan struck at Pearl Harbor.

Tie votes are fairly common in the Senate. But in all the years he has been Speaker, RAYBURN recalls only one actual tie in the House that he was called to break. That was back in 1957 when he cast the deciding ballot in favor of a measure sponsored by the House Interstate Commerce Committee.

On another close count, RAYBURN voted to "make a tie" in order to kill an unwanted amendment.

Born in Roane County, Tenn., one of 11 children, "Mr. SAM" is the son of a Confederate soldier who rode with Lee through Appomattox. He was only 5 when his father moved the family to Texas and settled on 40 acres near Bonham.

It was a lonely life, he recalls. When he wasn't farming he read voraciously. "By the time I was 9 or 10, I had read every history book I could find * * * everything I could get hold of about Washington, Hamilton, Jefferson, the Adamses, Monroe, Madison, and all I could about the men then in public life."

It was while he was picking cotton, down near Flag Spring, Tex., that he decided he wanted to be Speaker. "There is a lot of time to contemplate when you are picking cotton."

He was educated in a two-teacher school and then at East Texas Normal School, working his way through, teaching school a year to pay for another year of college.

When he was 24 he was elected to the Texas Legislature. At Austin, the State capital, he also studied law at the University of Texas. When he was 29 he was elected Speaker of the Texas House, the youngest man ever chosen until then. The next year he was elected to Congress, and has held his Fourth District seat ever since.

It was while he served in the Texas Legislature that RAYBURN met and became friends with the father of LYNDON JOHNSON, then a member of the State legislature. That friendship was to affect the lives of both. When LYNDON was elected to Congress in 1937, RAYBURN offered him fatherly guidance in the legislative jungle which then was the House.

In later years, when JOHNSON went on to the Senate, to a leadership post of his own and renown as a legislative craftsman, RAYBURN, outshone, was still JOHNSON'S most enthusiastic rooter.

Inevitably it was RAYBURN who captained his campaign and who was the man JOHNSON asked John F. Kennedy to clear with when he proffered him the vice presidential nomination in Los Angeles.

RAYBURN says today that he was never "against Kennedy"—he was "just for JOHNSON." Today he appears equally enthusiastic for Mr. Kennedy.

"He's one of the easiest men to talk to I have ever known," says the Speaker. "He understands everything you say and he damned well knows what he's saying."

He thinks the country will be surprised how much of Mr. Kennedy's program Congress puts through in the first year.

The late Champ Clark was Speaker when RAYBURN first took his House oath. He doesn't rank Clark with the great Speakers. He's inclined to go back to another strong House Presiding Officer, Thomas B. Reed of Maine, who wielded a firm gavel in the nineties.

He doesn't consider his friend, John Nance Garner, in the running because he presided as Speaker for less than one term before running for Vice President.

Of the late Nicholas Longworth of Ohio, who succeeded Garner as Speaker, RAYBURN says: "He was a very fine man and very able—a real good Speaker."

In his estimate of the Presidents he's served "with," he never downgrades the office but does make some fine distinctions. In an outspoken interview for the CBS television network last February 26, he spelled out his recollections of the last eight Chief Executives.

For example, he said that history "is going to be mighty kind to Mr. Truman. I think it is going to put him way up among our great Presidents."

He said that Mr. Eisenhower is a good man and was a great general. He says: "I still think Mr. Eisenhower is a great patriot; I think he wanted to serve his day and generation well, and I—well—I think history will be just to him."

Of Wilson: "He was a great scholar * * * a great historian and I think he was a great statesman."

Of Harding: "He was a very gracious man. I never thought Mr. Harding was a dishonest man—I don't think there has ever been a President who was a dishonest man * * * I think Mr. Harding trusted too many men."

Of Coolidge: "They say he was a great silent man but he talked aplenty. Coolidge said one of the smartest things that was ever said: 'I found out early in life you didn't have to explain something you hadn't said.' "

Of Hoover: "Hoover was a good man * * * and I like him today. I always thought Mr. Hoover was a better man to be on the team than to be captain."

Of Roosevelt: "He was a highly pleasant man who had programs and could explain them. He had a program and he had the courage to stand by it."

RAYBURN first came into national prominence as chairman of the House Interstate Commerce Committee, when Franklin Roosevelt came in with his New Deal at the depth of the great depression.

RAYBURN looks back on four acts he sponsored as the very cornerstones of the New Deal: the Securities and Exchange Commission Act, the Federal Communications Act, the Rayburn-Wheeler Holding Company Act, and the Rural Electrification Act.

When, in 1948, he received the Colliers Magazine Congressional Award for distinguished service, a plaque and a check for $10,000 to be used for a public purpose went with it. RAYBURN used it to start building a fund for the SAM RAYBURN Memorial Library in Bonham. Ground was broken in 1955 and the library was dedicated in 1957.

RAYBURN described it as a "dream" of a lifetime come true. In it are filed all his papers and the volumes of history he loves. You can tell those he's read. At the bottom of page 99 of each one he's inscribed his initials, "S. R." It's RAYBURN'S personal bookmark.

A complete set of the records of every Congress is here. Fiction, as such, is strictly relegated to second place.

"You can write a history of the United States without leaving the reading room," RAYBURN says proudly.

Mr. IKARD of Texas. Mr. Speaker, I rise to pay tribute today, along with my colleagues, to one of the greatest statesmen of all time, the Honorable SAM RAYBURN, of Texas. Much emphasis has been placed today on the fact that Mr. RAYBURN has served as Speaker of the House of Representatives exactly twice as long as Henry Clay, who held the previous record for longevity of service as Speaker of the House.

This longevity of service of our Speaker is a fine and wonderful achievement, but I would like to call attention to another dimension, namely, the depth as well as the length of his leadership in the House of Representatives. The length of time a man serves in a position of national leadership is after all not so important as the depth and effectiveness of his leadership.

Speaker RAYBURN, not only as presiding officer in the House of Representatives, but as adviser, mentor, and friend, has set his stamp upon the history of our times. From Woodrow Wilson to John Kennedy, he has guided the affairs of the Nation through the storms of great events and the shoals of relatively minor skirmishes with a firm and fair hand. It has been his inspiration and his spiritual integrity which has illumined and enlightened the problems and controversies confronting Congress in the past years, and he, more than any other man in our time, has placed the imprint of his implacable honesty, his unswerving loyalty to his country, and his unbounded love for his fellow man upon the history and events of the 20th century.

Mr. RAYBURN is a great statesman, and a capable and effective Speaker of the House of Representatives; but, above and beyond his splendid record of public service, he is a wonderful and faithful friend. To those of us who have been so deeply privileged to serve with him and to call him friend, he has shown the bigness of his spirit; the greatness of his heart; and an abiding devotion to his friends.

I am proud that my State of Texas has seen fit to send this great leader to Congress and keep him here through all these years. I am proud to serve with this most distinguished statesman in the House of Representatives. But most of all, I am proud, and humble, too, to be able to say, "Mr. SAM is my friend."

Mr. McCORMACK. Mr. Speaker, with pleasure I yield to the ranking Republican member of the Committee on Appropriations, the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, some 38½ years ago I became a Member of this body. At that time the gentleman from Texas [Mr. RAYBURN] was well along in a ranking position on the Committee on Interstate and Foreign Commerce. He went on from there to majority leader, and thence to the Speakership. During all of that time he has been blessed with good health and vigor, as he is today. He told me the other day that he had not had to go to a doctor in years. That indicates an exceptionally good condition by taking remarkably good care of himself. You know, that is one of the things that a person must do if he is going to be of real service to his people. I would think that would be one of the real important things, and I do not think that a person can do what he really ought to do in any position unless he has fortified himself in that way.

I have enjoyed tremendously my association with the Speaker. He has extended to me very many courtesies, and I have tried to reciprocate the best way I could. Frankly, he and I have different ideas on a lot of things in politics, and that we must expect in a democracy, since he stands for what he thinks is right and I stand for what I think is the right thing to do.

He has been, I think, the ablest Speaker during my service in the House. He has accomplished a tremendous lot in those things he has advocated and put through the Congress. I am sure he is going to do a great deal in the days to come.

The burdens that are going to land upon all of us are going to be very heavy. We can none of us view the situation of our tremendous debt and the tremendous pressures that that lands upon all of us without great concern. We none of us can fail to realize the danger that the foreign situation presents. It means that we have many difficult years ahead of us. We have got to face those problems with the greatest vigor we can provide. I am sure that in facing those problems SAM RAYBURN will have a very considerable and important part, and I wish him the very best of good luck in the days to come.

Mr. McCORMACK. Mr. Speaker, with pleasure I yield to the distinguished chairman of the Committee on Ways and Means, the gentleman from Arkansas [Mr. MILLS].

Mr. MILLS. Mr. Speaker, it is with genuine pleasure and a sense of very high honor that I join with my colleagues in the House in paying tribute to a man who stands out above all the others in a long line of illustrious men who have preceded him as Speaker of this body—the gentleman from Texas [Mr. RAYBURN].

There are those who have already spoken or will speak of his lengthy service as a Member of this body and as our leader. There are none who are now Members, or who have been members, who have displayed more faithful devotion to duty than has Speaker RAYBURN. His rugged patriotism and loyalty are matters of record, and we know him to be a fierce protector of the powers and integrity of the House of Representatives. But the deeper qualities of mind and heart, in the long run, stand out as significant to those of us who have had the high privilege of serving under him. I know that I speak the sentiments of all the Members when I say that the friendship of Speaker RAYBURN has enriched the life of every man who has served with him.

Mr. Speaker, we reiterate our confidence in your leadership; we know you will continue to stand as a tower of strength in these troubled times; and we know that all Americans can repose their trust and confidence in you and that you will continue to lead us in the paths of honor, integrity, and justice for all men.

Mr. Speaker, no one can surpass your devotion to our great Nation, and no one can surpass your desire to uphold the principles which have made this Nation great. We have often heard it said that one hallmark of a great man is his ability to retain the common touch and simple dignity. It is a matter of record that these characteristics are found in Speaker RAYBURN in full degree. Mr. RAYBURN's courage, foresight, fairness, and, above all, sound judgment, have contributed to the strength of the House of Representatives as a coordinate branch of the American Government and hence have contributed to the strength of the Nation as a whole.

Mr. Speaker, I congratulate you on this occasion in your service which marks a time when you have served more than twice as long as Speaker than any man in the history of our Nation. I hope that we will in a few years congratulate you on three times as much service as anyone else has had in this exalted position in our Government.

Mr. McCORMACK. Mr. Speaker, with pleasure I yield to the distinguished gentleman from Ohio [Mr. BROWN].

Mr. BROWN. Mr. Speaker, I consider it a great honor, as well as a real pleasure, to be permitted to join in the eulogies being paid to our distinguished Speaker today. I have had the privilege of serving in this House throughout the entire period of his stewardship as Speaker of the House. We are of opposite political affiliation and yet, throughout the years, that difference has not counted when it came to his recognizing the rights of a minority Member of this body, or in discussing various matters affecting this House.

Speaker RAYBURN will always live in the history of a grateful Republic as one of the greatest public servants we have ever had. He is a man of true integrity and of great ability. He has always protected the best interests of this House in every way possible. He has the happy faculty, when he disagrees with an individual, not to be disagreeable, but instead to leave that individual an even greater admirer and friend than ever before, despite the fact that he could not agree with him.

I predict when Speaker RAYBURN's services on this earth have ended, and just before his book of life is closed, his Maker will make the last judgment, and inscribe the last entry—it will be "Well done, my good and faithful servant."

Mr. McCORMACK. Mr. Speaker, with pleasure I yield to the distinguished gentleman from Ohio [Mr. KIRWAN].

Mr. KIRWAN. Mr. Speaker, we are here today to pay our respects not only to a great American but to one of the great citizens of the world, SAM RAYBURN, one of the greatest men who was ever elected to the Congress of the United States. When historians tell the story of his life and tell of the record that he has made it will not be to pay the respect which we bear for him today—no, historians will not dwell on the honor and respect that we are paying him today, but they will tell in one simple word that it was a miracle. Any man who has ever been elected to the Congress knows that anyone who is ever

elected 25 times to this body has performed a miracle. That miracle alone will mark him as one of the greatest Members ever elected to the House of Representatives.

But let me tell you something that you may have overlooked, to show you what a miracle it was in former times. I happened to be working in the last year under Grover Cleveland's administration. I know what America was back in the nineties. When you hear some fellow talk about the olden days nowadays he is generally thinking about the thirties. I am thinking of the days of Grover Cleveland and William McKinley, and the days when we became a first-class Nation. Up until the Spanish-American War we were not a first-class Nation and we were not in the Big Four. When SAM RAYBURN came to the Congress of the United States—to show you what a struggling Nation we were, and how little we were—the budget at that time was only $1 billion. Today it is $84 billion. That shows how this Nation has grown and prospered.

The problems we have faced during this period have been by far the most difficult and complicated of our history. And it has been the great leadership of SAM RAYBURN down through the years as Speaker of this House that has been so vital to the survival and growth of our great Nation.

We have heard a lot of the great things that he did here, and they were great, but the greatest thing that SAM RAYBURN ever did in his life was when he led the attack to eliminate child labor. I was working when I was 9 years old. I was one of the oldest of the group that was working—the youngest was 7 years old. If anybody thinks that they know America I invite them to look at a picture that hangs on the wall of my office—it is not a cartoon, it is a photograph. It shows the breaker boss posing with his equipment. In one hand he had a mace and in the other hand a club. That is what he beat you with. That was America in the nineties.

SAM RAYBURN corrected that. The child labor laws were passed protecting the youth of the land until they reached the age of 16. So those conditions were corrected finally, and children went into the schoolroom. If the children had not gone into the schoolrooms of America you would not have the America that we have today, and we would not have the kind of country we have today if it were not for SAM RAYBURN.

The next greatest thing that SAM RAYBURN did was with reference to the 8-hour day on the railroads, when men were being killed by the thousands working 16 hours a day, and even longer. He corrected that. In my book I think those are the two things that stand out. What a job he has done down through the years.

Two men came over the horizon at about the same time, two of the world's greatest living statesmen: RAYBURN was one, Churchill the other, and I take my cap off to SAM RAYBURN. SAM RAYBURN had 6 years of public service before he came to Congress, so did Churchill. Both are great men in world affairs, but, I repeat, I will take RAYBURN as doing the biggest job.

In closing, let me express the hope that God will continue to shower upon him for many years to come his greatest gift to mankind—health.

Mr. McCORMACK. Mr. Speaker, with pleasure I yield to the distinguished gentleman from Tennessee [Mr. DAVIS].

Mr. DAVIS of Tennessee. Mr. Speaker, great tributes have been paid to our beloved Speaker by some of the ablest men in the House. I would be less than honest if I did not acknowledge that there is very little I can add. However, in simplicity but with deep sincerity I want to remind all of the Members that he was born in the State of Tennessee. While all of you praise him and while all of us love him because he is a kind man, a great man, a wise, impartial, fair man possessing attributes of profound and real leadership, we in Tennessee feel that we have a little extra share in appreciating this great, outstanding man and Speaker. So, Mr. Speaker, for all of the Tennessee delegation, and speaking for all Tennesseeans, we wish for Mr. SAM every good thing for a long time to come.

Mr. McCORMACK. Mr. Speaker, with pleasure I yield to the distinguished gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. Mr. Speaker, personally and in behalf of the Republican conference of the House of Representatives, I join in paying deserved tribute to a great American—the distinguished Speaker of the House of Representatives.

Up to this day, June 12, 1961, the Honorable SAM RAYBURN, of Texas, has served twice as long as any other Speaker of the House of Representatives. This historic fact in itself is extremely noteworthy and will be recorded in the annals of the history of the United States.

Aside from the historical significance of this occasion, we must add the personal esteem which all Members of the House of Representatives hold for Speaker RAYBURN. We congratulate him and honor him for his splendid service as a Member of the House of Representatives and as Speaker of this august body. His devoted public service throughout the years will long be remembered by the people of this country and by those representatives of the people who follow in our footsteps here.

Mr. McCORMACK. Mr. Speaker, with pleasure I yield to the distinguished gentleman from New York [Mr. AUCHINCLOSS].

Mr. AUCHINCLOSS. Mr. Speaker, service as Speaker of the House of Representatives for 16 years and 273 days is truly an historic event in the life of our country and indeed the entire world. It is the kind of service that could happen only in the United States, where we operate smoothly under a truly republican form of government. Here the citizens exercise this precious freedom of choice, and we are not an oligarchy. Viewed in this light and in such an environment, the real significance of the confidence, respect and trust which has been displayed by the Representatives of this Nation in SAM RAYBURN, of Texas, can truly be appraised and understood. No man in the history of our country has ever been so recognized, and it is safe to say that it will be a long, long time before anyone is so recognized again.

History shows that when outstanding honor comes to an individual it is possible that his whole character is changed. He may become arrogant and petulant, he may play favorites in the exercise of his authority, his judgment between what is wholesome and good and what is rotten and evil may be warped. He may take his responsibilities frivolously and in somewhat of a contemptuous spirit; he may be overwhelmed with conceit and the importance of his power; he may alienate his friends, and fear may replace a spirit of understanding among his associates. He may become gross and callous to the feelings of others and thereby devastate the spirit of confidence and competence that brought him the honor.

But SAM RAYBURN has been affected by none of these things. As the years have passed he has grown in stature. The affection and trust of those who know him has deepened and grown more secure. His sense of fairplay and justice, his knowledge of statesmanship, and his deeply rooted loyalty to the Government of the United States has made him stand out among others.

It is a privilege to be a fellow Member of the Congress with such a man. We cannot help but catch some of his spirit of service and try to emulate it. The respect and real affection that Members have for him, whatever their party affiliation, is beyond measure. Through the influence of his character the dignity and growth of the House of Representatives has been tremendously enhanced. He is a man's man—and all the ladies love him.

Personally, I consider it a great honor and privilege to count him as a friend. I have met and known many men serving in various capacities in my lifetime, but I have never known one who is more true to his friends, who can be counted on at all times for wise counsel, for sympathy when the going gets rough, and for honest and helpful criticism when one gets off the track. May he enjoy many more years of good health and of opportunities for service so others may catch somewhat of the aura of his personality and be better citizens because of him.

Mr. COHELAN. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. O'BRIEN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. O'BRIEN of Illinois. Mr. Speaker, I rise to pay tribute to our great leader and my friend, the Honorable SAM RAYBURN, Speaker of the House of Representatives.

I have served with SAM RAYBURN since 1933, when I was a member of the Interstate and Foreign Commerce Committee and he was the chairman of that committee. I supported SAM RAYBURN for Speaker of the House of Representatives

when he first became a candidate for that high office, and I have supported him ever since. He is my friend and my leader and I shall continue to support SAM RAYBURN.

He is a great American, a great patriot, and a great statesman.

Mr. McCORMACK. Mr. Speaker, with pleasure I yield to the distinguished gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Speaker, there is no deeper love among men than that of the beloved dean of the Illinois Democratic delegation, Mr. O'BRIEN, and Speaker RAYBURN. Our beloved dean has requested me to speak for the Illinois delegation, and the reason he has made this request of me is that in his deep affection for the Speaker, and listening to the tributes that have been paid today to Speaker RAYBURN, he is possessed of deep emotions.

We of the Illinois Democratic delegation know our dean. We know he seeks our welfare and the advancement of our usefulness. We know that he gives his friendship to no person who does not measure up in integrity to his word. And when we came down here, each in our respective period of commencement, TOM O'BRIEN would take us aside and tell us of SAM RAYBURN, one of the great men in our history, a man whose name will live in American history as long as it is written and read.

Then we would come down here to the Congress, and we come under the kindness and the understanding of Speaker RAYBURN, and we knew how wise our beloved dean was in his counsel.

May I say, Mr. Speaker, that of all the sterling qualities of character that SAM RAYBURN possesses, if it were possible for one to be more transient than any other, I would say it would be that quality of fairness. Everything he does is fair. In disagreement he recognizes the sincerity of one who is advancing a contention opposed to his own position. He takes no advantage of power, ability, and experience to advance his own position. He understands the other fellow's viewpoint, as held in sincerity of conviction, and, over and above all else, his equal right as a member of this House to express and advance it. No person without a guiding sense of fairness in little and big things could have remained Speaker of the greatest deliberative body in the world so long and lived to receive today on that happy occasion acclaim from both sides of the aisle.

Mr. Speaker, for the dean of the Illinois delegation, and knowing the sentiment of every member of that delegation toward the Speaker, I shall ask unanimous consent that each and every member of our Illinois delegation may extend his remarks expressive of his affection for and his appreciation of our beloved Speaker.

Mr. McCORMACK. Mr. Speaker, with pleasure I yield to the deputy majority whip, the distinguished gentleman from Louisiana, [Mr. BOGGS].

Mr. BOGGS. Mr. Speaker and my colleagues, there is little that one can add to the magnificent tributes that have been paid to a great American. When Speaker RAYBURN had completed 48 years of service in this body, I had the Library of Congress do some research on great men who had served long and distinguished careers in free legislative bodies throughout the world. I discovered that in all of the history of parliamentary bodies only three men, Gladstone, Balfour, and Churchill, had served longer in any parliamentary body than has Speaker RAYBURN. When we contrast the fact that some of the service of the three men I have mentioned was in the House of Lords, which is not elective, as compared to the House of Commons which is elective, Speaker RAYBURN ranks as probably having served longer than many in the history of parliamentary bodies.

As time goes, our Nation is young. Our Nation constitutionally is less than 200 years old, and yet in over 48 years of those years this man from Texas has been in this body. To put it in another way, he has served more than one-fourth of the entire constitutional history of the United States of America.

All of you know SAM RAYBURN. You know his character. You have praised his fairness, his integrity, his impartiality, his devotion to duty, his love of country. And yet, as I listened today, there was one thing that he does so magnificently which, I think, until now has not been mentioned, and that is his ability to translate and articulate to young people the meaning of America.

First, in communicating to new Members of this body he, better than any person, brings to life a feeling of representative government, what it is to be a representative of a great people at a critical time in history. Not only does he do it with young Members in this body on both sides of the aisle, but gently, firmly, proudly, and humbly I have seen him do it so many times with schoolchildren. All of you have had the privilege and the pleasure of moving into his impressive, but simple office, with a group of bright-eyed, intelligent high school children, boys and girls. You have heard him tell about his childhood and his one-room schoolhouse.

You have heard him tell these young people that during his almost 50 years of service in the Congress he has seen the Kaisers and the Hitlers and the Mussolinis, the Tojos and Stalins and Khrushchevs, come and go and that we are passing on to them the freest Nation that mankind has ever known. Then I have seen the pride of country well in the eyes of these young people.

So, I say, Mr. Speaker, God bless you and keep you for many years not only for this body but for the United States of America and the free world. You remember the words of President Kennedy a week or so ago, when someone asked him when he was in Canada, and Dean Rusk was in Europe, and Vice President JOHNSON was in Asia, "Who is running the store?" and he said "The same fellow who has been running it, SAM RAYBURN."

GENERAL LEAVE TO EXTEND

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks at this point in the RECORD; and also that they may have 5 legislative days in which to extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, during my school years, when studying history and the events of the day which would become a permanent part of our history, I often noted that SAM RAYBURN, of Texas, was one of the outstanding legislators who formulated our domestic and foreign policies. At the time, little did I realize that I would have the good fortune to be present in this great body, today, and partake in honoring Speaker RAYBURN for 48 years of service to his country and fellow man.

Sixteen terms as Speaker, twice the service of Henry Clay, a great statesman never to be forgotten. Forty-eight years—for many a lifetime—and yet, for Mr. SAM only the beginning. The beginning of a new era, new crises, new objectives needing the somber intelligence and leadership so aptly displayed for a half-century by a man devoted to the principles of freedom and its value. Indefatigable energy displayed by our great Speaker, in carrying out his duties, leads me to believe that we, in this generation, are experiencing the good fortune that past generations experienced, when they were serviced by the outstanding leaders of their day who did so much to make this Nation as great as it is today. Men who will long be remembered in the annals of our history.

I am proud to join my colleagues in expressing my admiration and gratitude, on behalf of the people of the Eighth District of Illinois, to the Honorable SAM RAYBURN, Speaker of the U.S. House of Representatives, for his outstanding devotion and hard work to secure these United States as a nation dedicated to life, liberty, and the pursuit of happiness. For I am certain that this is a man whose life is an inspiration.

Mr. HARDING. Mr. Speaker, I find it difficult to remain seated during this tribute to the greatest Speaker in the history of the House of Representatives. As the youngest Member of the House of Representatives in this session of Congress, I feel compelled to add a few words along the line that the gentleman from Louisiana [Mr. BOGGS] has said.

Speaker SAM RAYBURN is an inspiration to every young man and woman who has read the history of America during the past 30 years. His love of people, his devotion to duty and his unending record of service to the country he loves have become symbolic of America. But to those of us who have had the great trust of serving in this body given to us, our beloved Speaker means much more.

In a body that is filled with men of enormous ability, I can honestly say that he ranks at the top. In a body where nearly all colleagues stand ready to help, I find him the most helpful. Indeed, to the younger Members of the House of Representatives, Speaker SAM stands as a father—a man who knows how to comfort, console, advise, and rebuke, and yet

do it in a manner that constantly enhances the love and admiration that we all have for our beloved Speaker.

I am grateful to be a Member of the House of Representatives, to be here today in these hallowed Chambers and to participate in this tribute to one of our greatest Americans—the man who has been Speaker twice as long as any other man in the history of our country.

Mr. HEMPHILL. Mr. Speaker, I join my colleagues in a salute to a beloved personality, a patriotic leader, a native Texan, a great American, and our Speaker, Hon. SAM RAYBURN.

This occasion is an historic one, and I hastened to be in my seat today to be near when the Speaker called the House to order, for as history will recall, he has served the Nation longer than any other as the leader of this great body, and has been so much a part of the history of our country.

He possesses a rare combination of qualities used so generously and unselfishly for his country. Among these are unusual patriotism, determination, experience, example, dedication, honesty, and impartiality. He always has time for a Member of the House of Representatives; the House that he loves so much. How wonderful to know that, whether he agrees with you or not, this powerful man has time for you.

I wish for him many more years of happiness, particularly the happiness he receives and he gives, as Speaker of the House.

Mr. SISK. Mr. Speaker, I want to congratulate you on this historic day when you have served twice as long as any previous Speaker, not only for your long term of service but for the fine quality of your leadership and for your outstanding service to our country and the House of Representatives.

This greatest honor and privilege ever bestowed on me was the opportunity to serve with you and under your leadership. Your unfailing tact, courtesy, integrity, and ability to lead have endeared you to your colleagues and have been a constant inspiration and example to all Members of Congress. I feel certain you will go down in history as one of the greatest of all Americans, and you will always occupy a special niche in the hearts of your colleagues in the House as a friend, counselor, and guide.

Mr. FINNEGAN. Mr. Speaker, I wish to join the rest of the Illinois democratic delegation in offering my congratulations to you on this day which, I am sure, is one of immense satisfaction. It is a great privilege to serve in the Congress of the United States with a man who benefits from nearly a half century of experience in the House of Representatives—a man who has served as Speaker for 16 years and 273 days, twice as long as any previous Speaker has presided over the House, and a man who, during his long and distinguished tenure in Washington has worked closely with eight Presidents of the United States. It is noteworthy that the "Great Compromiser" Henry Clay, who although unparalleled in his day for his political acumen and Speaker of the House for over 8 years, nevertheless, served only one-half the time that you, our present Speaker, have. As my friend and colleague, BARRATT O'HARA, commented, the dean of the Illinois delegation, THOMAS J. O'BRIEN, has always briefed a new Illinois Member on the merits of the gentleman from Texas. As the newest member of the Illinois Democratic delegation, this briefing is still fresh in my mind. I must say, however, that after having met and worked with the Speaker, the briefing, if anything, was only an outline sketch; and it has been my pleasure to see that which was a sketch in my mind become the colorful portrait of a great man. I hope that the Fourth District of Texas, the State of Texas, and the whole United States will continue to have the services of such a great American for many years to come.

Mr. MARTIN of Massachusetts. Mr. Speaker, this is an historic day in the annals of this great legislative body. On this day, our beloved Speaker, SAM RAYBURN, my close personal friend, for many years has presided over the House twice as long as any other Speaker in the history of our country. He has served in this capacity 16 years and 273 days. The man who held the next longest tenure in this great office was the illustrious Henry Clay, of Kentucky, who served 8 years, 136½ days.

This is an outstanding and a glorious record of service to the House and to the Nation. That any individual has been elected to serve nine terms by his colleagues from all over the Nation to preside over the House must attest to their respect, their affection, and their admiration for his ability, his patriotism, and his integrity. He could not have succeeded otherwise.

Having occupied the office of Speaker for 4 years, I am aware of its great responsibilities, its pressures, and its anxieties. The fact that SAM RAYBURN has executed the duties of his office with unfailing fairness and courtesy to the Members on both sides of the aisle is a living testimonial to the breadth of his vision and the integrity of his character.

In a personal way, his friendship to me has been throughout the years one of my most treasured possessions. Of course, we have differed on occasions as to method on achieving the objectives we have shared in common, which have always been what seemed to us to be best for America. He fought tenaciously for his views as I did for mine.

But we have always shared a thorough understanding of the integrity of each other's motives and our friendship has been based on the solid rock of mutual regard, respect, and affection.

As he observes this historic occasion, I wish him abundant good health and happiness in the days ahead. It is of particular importance that the country have his wise leadership in these days of uncertainty and danger.

Mr. TRIMBLE. Mr. Speaker, I wish to join with those today who are paying tribute to one of America's greatest sons, Mr. RAYBURN. One of the great privileges of my life has been the opportunity to serve with him in the House of Representatives. He is one of God's noblemen, an inspiration to all of us in the House.

Mr. MACHROWICZ. Mr. Speaker, some of the most distinguished Members of this Congress, both Democrats and Republicans, have today said some wonderful things about one of the greatest Americans that ever lived, Speaker SAM RAYBURN. It would be presumptuous on my part to attempt to embellish those fine tributes, except to say that I subscribe to them wholeheartedly.

The very fact that the Speaker has, throughout all these years, been able to retain the respect, love, and admiration of all people in all walks of life, and of various political and ideological belief, speaks most eloquently of his greatness and of the truth that he has truly earned the great tributes paid to him.

I shall always consider it to be one of the great privileges in my life to have served with Speaker SAM RAYBURN and under his leadership. May the good Lord shower his blessings upon him and keep him with us for many years for the good of our great Nation.

Mr. SCOTT. Mr. Speaker, I wish to join other members of the House in paying tribute to the Honorable SAM RAYBURN, our beloved Speaker who has served in that capacity longer than any of his predecessors. His long service in the House of Representatives and his record-breaking tenure as Speaker are remarkable within themselves. But I feel that the long period of his service is not as important as its quality. History will mark him as a great American, one of the greatest, not because of his long service in Congress and as Speaker of the House but because of the manner in which he has met and dealt with the exacting duties and heavy responsibilities which have devolved upon him from time to time during his service. Mr. SAM's wonderful qualities as a man and the unmatched quality of the services he has rendered in the Congress and to his country well explain his election and reelection to Congress for 50 years and as Speaker twice as long as any other. I concur in all of the expressions of high praise and tribute spoken here today concerning our beloved Speaker and I wish for him many more years of good health, happiness, and service in this body.

Mr. KEARNS. Mr. Speaker, it is good to have an opportunity today to join my colleagues in congratulating you, the Speaker of the House, on your extended service to the House of Representatives—exactly twice that of any previous Speaker in our Nation's history.

As I told you personally, "Mr. SAM," over your tenure as Speaker, you have gained all the success that could be thrown into one book.

All that I wish for you—our beloved Speaker—is that God will continue to bless you with good health and happiness for many, many years to come.

Mr. FULTON. Mr. Speaker, we honor Speaker SAM RAYBURN today for his devotion to the House of Representatives and to duty. As a Speaker, SAM has been fair and just in his rulings, and is impartial at all times.

We Members of Congress know him as a good friend and as a moderator, and willing counselor.

I respect SAM for his love and devotion to the House of Representatives to which he has given his full life, to the exclusion of all else. I have heard SAM RAYBURN describe the House of Representatives as "my love and my life." Future generations should know it really is every bit of that.

Congress and the American people should realize that we in the United States have three equal branches of the Government—the executive, the legislative, and the judicial branches.

The President heads the executive branch, the Chief Justice heads the judicial branch, and SAM RAYBURN as the chosen and elected Speaker of the Representatives of the American people, in our day and age, is certainly the head of the legislative branch.

Mr. SAM, you are really Mr. Congress, Mr. House, Mr. Representative, and Mr. American people.

We like you and admire you, and the way you whack that gavel, you are going to be around a long time.

Mr. EDMONDSON. Mr. Speaker, it is a great privilege to be present in this honored Chamber on this historic occasion, as we join in paying tribute to a great American statesman, our beloved Speaker SAM RAYBURN. The contribution which he has made to the history of our country is as great as that of any American in our century. Every man who has served with him has been personally enriched by that experience.

A few moments ago our distinguished colleague from Louisiana, the Honorable HALE BOGGS, spoke of the Speaker's unique ability to inspire young people, and to express in clear and unmistakable terms the great virtues of America's free institutions.

Just last week I had the honor and the pleasure to hear one of the Speaker's impromptu talks to a group of nearly 40 young people from Miami, Okla., who were in the Nation's Capitol to study and observe our Government at work.

In the 15 minutes which he cheerfully gave the young Oklahomans, Speaker RAYBURN never raised his voice above a quiet, conversational level.

Nevertheless, I have never heard more moving and inspired eloquence, as our Speaker told the young Americans in his office of the tremendous opportunity which is theirs, and of his deep and profound faith in the youth of America.

More than any man I know, Speaker RAYBURN has mastered the spirit of youth which is an integral and essential part of the pioneering tradition of our great land. He has remained young in spirit, in enthusiasm, in idealism, and in his faith.

All of us, as members of this body but more importantly as Americans, have been the beneficiaries of that spirit as exemplified by our distinguished colleague from Bonham, Tex. It is a great pleasure to join today in these ceremonies of well-deserved tribute to his unparalleled public service.

Mr. HOLIFIELD. Mr. Speaker, I am proud and happy to join with those who do honor to our beloved Speaker, a stalwart champion of democracy, a fighter for progressive causes, and a man of wisdom and judgment tempered with sympathy and understanding. In these days when freedom is threatened by powerful forces of totalitarianism, our Nation is fortunate to have in this great House of Congress a leader with a sure and steady hand at the helm.

We in Congress too are fortunate, not only because we benefit from the sage advice and seasoned judgment of the Speaker, but because his kind of leadership enables the Congress to discharge its responsibilities with dignity and due deliberation but without undue delay.

Those who are acquainted with the history of our national legislative institutions know that there have been many Speakers of the House, some renowned, some ordinary in their attainments; but the greatest Speaker of all, in my book, is Speaker RAYBURN.

He came to the Speaker's chair after long years of service and successful sponsorship of legislation for the protection of consumers and investors and farmers and businessmen. His name is associated with some of the greatest legislation of the administration of Franklin D. Roosevelt—the Public Utility Holding Company Act, the Securities and Exchange Act, rural electrification legislation, and other important measures which have been tested by time and experience and continue to bring benefits to the public.

As Speaker, he has studied and practiced representative government in a democratic society. He knows that the minority must be heard, but that the majority must prevail. When majority rule has been threatened by undue obstruction or unconscionable delays, Speaker RAYBURN has not failed to act. He has been firm, he has been fair, but he has been positive in his actions.

Majority rule is the golden rule of democracy. Our parliamentary processes cannot, dare not, be thwarted by a willful few in strategic positions of power. The Speaker has taken his stand with those of us who believe that the will of the people, expressed through majority vote of its Representatives in Congress, must be allowed to prevail if democracy is to survive and be sustained.

The speakership of the House of Representatives is in many ways a unique institution. It is a place of leadership and power and responsibility. It is a beacon of light and hope in a troubled world.

The man who occupies the Speaker's chair illumines that place and casts a warm glow which makes us rejoice to be in his company, to share now and then a few of his problems and worries, and to partake, each in our own small way, in that enterprise of democratic government which is man's best hope on earth.

Mr. CRAMER. Mr. Speaker, it gives me great pleasure today in joining with my colleagues from both sides of the aisle in offering congratulations to our Speaker, SAM RAYBURN, now marking a tenure of service as Speaker of this great body twice that of any other Speaker in the long history of the House of Representatives.

Although we are not always in agreement on issues of a political nature, few can disagree that SAM RAYBURN is a man dedicated—a man whose courage and integrity has served as a guiding light to Americans everywhere.

To be sure, being elected and reelected as Speaker of this body is, in itself, a positive declaration of the faith and trust the Members of the House have in his devotion and dedication to the ideals and causes that have, under his leadership, done so much to shape the direction of this great country.

I am proud to be associated with you, Mr. Speaker, and although our political philosophies are different, our strong desire to keep America first is the same. Your leadership ability has long served as an inspiration to me.

Mr. HORAN. Mr. Speaker, it is a pleasure to join with the other Members of the House of Representatives in paying a most sincere tribute to our beloved SAM RAYBURN. To those of us who have had the privilege of representing districts from all over the United States here in the U.S. House of Representatives, the significance of what Mr. SAM represents in the eyes of this Nation is tremendous. His dedicated devotion to the work of the House of Representatives is something that future records will disclose.

As has been so well pointed out here today, he has gained this position as Speaker through hard work and constructive measures, affecting not only his own beloved Texas, but the entire Nation.

It has been a privilege for me, as it has been for my colleagues, to have served with SAM RAYBURN. I am thankful for this opportunity to say so.

Mr. STRATTON. Mr. Speaker, I desire to join with my colleagues on both sides of the aisle today in paying tribute to that great American and that great representative of the democratic system of Government in action, our beloved Speaker, SAM RAYBURN, of Texas, on the occasion of this anniversary which commemorates his service in the office of Speaker of the U.S. House of Representatives for a period twice as long as that of any other person who ever held this high office in the history of our Republic .

SAM RAYBURN has been an inspiration to all of us who are fortunate to have been selected by our neighbors and associates to come here to Washington and serve in this great legislative body. SAM RAYBURN has often said that the House of Representatives is his life. May I say that because of SAM RAYBURN, and the leadership he has given to this House, he has enhanced for me an appreciation of just what it does mean to be a U.S. Representative, and just what "life" in this House really entails. He has taught us all that service here, for example, requires respect for the views of all. He has led this great body always with fairness and with due deliberation, yet he has made certain too that we acted with

all necessary speed. He has always insisted repeatedly that we place the interests of the Nation and of the free world above any considerations of narrow partisanship in this great Chamber.

So this has been a great outpouring of affection and respect here today to one man who has given so much of himself to the character of this great institution of our free Government. May I say simply I am proud and happy to have been able to serve in these Halls with the distinguished gentleman from Texas, the beloved Speaker of this House, SAM RAYBURN.

Mr. SPRINGER. Mr. Speaker, it is with a sense of personal pleasure in our association over the last 10 years that I join my colleagues in paying tribute to SAM RAYBURN on this occasion.

Today, marking the 16th year, 273d day, that Mr. SAM has served as Speaker of the House of Representatives, also marks 10th year, 160th day, that I have served in the House.

Looking back over my 10 years in the House—with the many pleasant memories those years hold for me—I can well imagine the treasure chest of memories that surely must be Mr. SAM's.

For SAM RAYBURN, who will undoubtedly go down in history as one of the greatest men of our country, holds in his memory associations with other great Americans dating back to nearly the turn of the century.

During all the time that I have been in the Congress, and from talking with colleagues who have been here longer than I, I know it holds true for the entire time that he has been Speaker, SAM RAYBURN has wielded the gavel of his office firmly but fairly.

We have not always agreed on issues. He has always been a hard and courageous fighter for the causes he has espoused, but he has never been a mean or petty fighter. The respect and affection I hold for Mr. SAM have been heightened by the respect he has always shown for my convictions, even though he differed with me.

It is doubtful that ever in our history as a nation has a Speaker been more adept and successful than has SAM RAYBURN in carrying out the duties of that office. Through his forcefulness, through his persuasiveness, through the sheer dominance of his personality, he has been able to surmount obstacles which would have been impossible for a lesser man.

I, too, hope and pray that SAM RAYBURN may be with us just as long as he so chooses.

With a public life dating back to 1907 in the legislature of the great State of Texas, 6 years before he came to the Congress, it must surely be said of SAM RAYBURN—if it be said of any man—that he dedicated his entire life to the service of his country.

Mr. RIEHLMAN. Mr. Speaker, it is with considerable pleasure that I join my colleagues this afternoon in paying tribute to our beloved Speaker SAM RAYBURN who, as of this day, has held his high and responsible position as Speaker of the House of Representatives twice as long as any other man in the history of this country.

Over the many years during which Speaker RAYBURN has been of such great service to his party, to this great body, and to his country, he has built a reputation for honesty, integrity, and fairness that will never be surpassed. The fondness and respect held for Speaker RAYBURN by every man and woman in the Congress transcends political partisanship. I know that feeling is shared by all men and women throughout the country, regardless of political faith.

I shall never forget the great and well-deserved honor bestowed upon him when he journeyed into upstate New York to receive an honorary degree from Syracuse University.

His hand, as much as any other, has steadied the wheel of the ship of state through the perilous years during which he has served.

I wish my good colleague from Texas many, many more years of distinguished service in this House, which he has done so much to make the greatest legislative body on earth.

Mr. SIKES. Mr. Speaker, today it is our great pleasure to see our able and distinguished Speaker enjoy new laurels which have been earned by no other person. I am proud to add my voice to the plaudits which are his today, and to speak for all the Florida congressional delegation when I do so. We are indeed proud of our beloved Speaker, the great Texan who so well represents the highest traditions of the U.S. House of Representatives. He is a man who loves the House and a man whom the House loves, a man keen of mind, sharp in humor, and a true fighter for the causes in which he believes, a statesman in the highest sense of the word.

His firm guiding hand has directed the activities of the House for almost 17 years, often bringing harmony out of discord, compromise out of conflict, and responsibility out of narrow interest. Mr. SAM has been adviser to Presidents as well as trusted confidant of the newest Members of the House. Always he has sought to do the things which in his mind would keep foremost the best interests of the Congress and of the Nation. He is the very essence of the House, the great body he personifies.

Speaker SAM RAYBURN has presided longer over the House of Representatives than any other Speaker in the history of our country and has served longer in this body than any other man in the entire history of the House of Representatives.

Speaker RAYBURN is a man dedicated to his country, to mankind, and to God. He has been an inspiration to all of us as Members of this greatest of deliberative bodies. For his distinguished service in the House of Representatives his name already has been placed in history alongside others of the Nation's great. His advice, judgment, and leadership have been heralded by all during his entire career. The illustrious and outstanding record he has established is known and appreciated not only in the United States, but throughout the world.

The respect and affection that are his have been known by few and it is with a true sense of apreciation that we pay homage to a truly great American.

Mr. MURPHY. Mr. Speaker, we are today paying tribute to a great American, who has given his life for public service, and who has devoted his talents and leadership to serving his country, the Speaker of the House of Representatives, the Honorable SAM RAYBURN.

As a member of the Democratic delegation from Illinois, I want to join my colleagues from Illinois as well as my colleagues in the House of Representatives on this auspicious day. I had the pleasure of making the Speaker's acquaintanceship over 20 years ago through his great personal friend the Honorable THOMAS O'BRIEN, the dean of the Illinois delegation. Mr. O'BRIEN informed me of the great leadership displayed by Mr. SAM during the critical years of World War II and the Korean war.

It has been my privilege, after becoming a Member of Congress, to note the manner of his impartiality as Presiding Officer of the House of Representatives regardless of what side of the aisle they may sit. His long tenure of office indicates the confidence displayed by his constituency in returning him 24 times to office. God has seen fit to allow him to be Speaker for a period twice as long as any Speaker in the House of Representatives. May God see fit to continue him in this capacity in the critical years that we are living in now and for the immediate future.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, every Member of Congress considers Speaker RAYBURN the ablest and most farseeing of men. During his historic tenure as Speaker of this House, our country has been through both a major depression and two great world wars. America was indeed fortunate to have the guidance and deep wisdom of Speaker RAYBURN through these critical years.

In addition to his great public service, I am sure each Member of Congress feels a personal gratitude for Speaker RAYBURN's kind and helpful leadership. Not long ago the Speaker said to me, "Remember, BILL, you have two constituencies, the people back home and the Members of this House." Speaker RAYBURN has served both of his constituencies with patience and loyalty, and we hope and expect that he will continue to serve for many, many years to come.

Mr. EVINS. Mr. Speaker, Tennessee joins with Texas and the other States of the Nation in honoring Speaker SAM RAYBURN on this historic occasion. Certainly I endorse all of the things that have been said regarding our beloved Speaker, who has served twice as long in the Office of Speaker of the House as any other man in our Nation's history.

In these ceremonies, indeed we are making history and marking a significant time in the House of Representatives.

Many years ago a debate took place in the Congress between the States of North Carolina and South Carolina, each claiming to be the State of nativity of the illustrious Andrew Jackson. It remained for a representative from Tennessee to point out that although both

States—North Carolina and South Carolina—claimed Andrew Jackson, it was indeed from Tennessee that Jackson gained his fame and eminence. Likewise, today although Texas and the other States claim Speaker RAYBURN, I would point out that he was born in Tennessee and Tennessee is proud of her native son, Speaker SAM RAYBURN, who belongs to Tennessee, Texas, and the Nation.

Speaker RAYBURN has befriended me and assisted me in my years of service in the Congress and it is one of the treasured memories and possessions in my life that I have been privileged to serve in the Congress with him and under his leadership.

I congratulate Speaker RAYBURN and wish for him many, many more years of happiness and lengthy distinguished service in the Congress for our country.

Mr. ULLMAN. Mr. Speaker, Speaker SAM RAYBURN has enriched the lives of every one of us who has served under him. Not only has he not lost the human touch but, on the contrary, he maintains a positive and personal interest in every new Member who arrives in the House. His door is always open for counsel and guidance. When a Member succeeds, he takes personal pride in that success.

Speaker RAYBURN has served his country almost since the beginning of this century. His record as America's senior statesman is far greater, not only in years but in accomplishment, than that of any other man.

America is proud of her beloved Speaker. We wish him many more years of health and happiness. Above all, this Nation in these critical times needs his continued judgment and dedication as the leader of this great legislative body.

Mr. DONOHUE. Mr. Speaker, it is a particular personal privilege and pleasure to join with my fellow Members here in this spontaneous tribute to our eminently distinguished colleague and "dean" from the great State of Texas.

Texas has indeed many attributes of distinction and a glorious record in the pages of our national history. It is perhaps too little known for its great deeds and too commonly known for its size.

However in dwelling upon Speaker SAM RAYBURN the conversational term generally applied to the State seems to me precisely applicable to the man.

Mr. SAM is a "big" man in the truest sense of such human description. He is big in heart, big in mind, and big in spirit.

For more than 14 years I have observed the warm qualities of sympathy, encouragement, understanding, and wise counsel go out from his great heart in generous inspiration among our membership. I have watched in most earnest admiration the exercise and application of his great mind in the skillful direction and guidance of this assembly. In serious and dark hours of legislative challenge to this body I have seen the great spirit of this man enlighten and pervade this Chamber toward the patriotic discharge of our full and common responsibility. It is indeed well for this Nation and the world that providence, in eternal design, has given us all the genius of this man, during the most challenging years of civilized history, to direct the affairs on this side of the greatest legislative body on earth, in the fight for freedoms preservation throughout the globe.

Few men have ever been recipient, and none have ever been more deserving, of the united esteem, and affection with which we pray today to the good Lord to keep our beloved Speaker here with us, in good health, to successfully lead us through the many long, trying years ahead.

Mr. LIBONATI. Mr. Speaker, it is with a sense of patriotic humility that I join with your distinguished colleagues in calling to the attention of the people of the Republic your great contribution to the functioning of Government as Speaker of the House for a quarter of a century.

No one has functioned as long in this capacity in the history of the Congress. You have always been alert to the needs of the people in legislation. No one can accuse you of being derelict in pressing matters of business to their ultimate conclusion.

Your protection of the constitutional rights of every American in legislation presented before this honorable body sparkles your every action in interpreting the rules and procedures of this august body.

You have never used your powerful position to serve your private opinions in legislation presented before you.

You are the epitome of honesty and justice in all your dealings with your colleagues. Your intelligent approach on controversial questions has eliminated much of the waste of time and unconsequental discussion.

The American people love and venerated your very name. Your reputation for greatness is a byword in all parts of the Nation. We, your colleagues, salute you on this glorious day—for a truly devoted, patriotic, and brilliant statesman rules the destiny of our American Republic. God bless you and keep you among us for years to come that our Nation may grow strong through the manifest influence of a great leader in the greatest legislative body known to man.

Mr. PASSMAN. Mr. Speaker, I join with my colleagues in paying my respects to the most eminent Member of the Congress—one of the foremost public officials and men within the entire existence of our great Nation—upon the momentous occasion of reaching the point of having served in the high office of Speaker of the House of Representatives more than twice as long as any of his predecessors in that illustrious position.

Therefore, with warm personal affection and a deep sense of humility and appreciation, I wish to take this opportunity to extend my most sincere congratulations to one of the truly greatest of all Americans, the Honorable SAM RAYBURN.

It is my earnest and prayerful hope that our beloved Speaker, who has served this body and our Nation with unwavering devotion and integrity, outstanding ability and matchless distinction through more than 48 years—almost 17 of those years as Speaker—shall be granted many more years of good health and active, faithful, fruitful service.

Mr. HERLONG. Mr. Speaker, I am not going to presume to add any flowery phrases to the outpouring of complimentary comment which has accompanied the passing by Speaker RAYBURN of one of the great milestones of his career—the milestone that marks his service as Speaker of the House of Representatives twice as long as any other man in the history of the Nation.

To all of the wonderful things which have been said about Speaker RAYBURN, on the floor of the House and elsewhere, in the past few days I can only add a fervent "Amen." History has already recorded his accomplishments in glowing terms, and the historians of a later day will, I am sure, have much to add to this unparalleled record.

Mr. PHILBIN. Mr. Speaker, I congratulate the very distinguished majority leader on presenting the most fitting resolution extending hearty congratulations and expressing deep appreciation to our beloved Speaker, the Honorable SAM RAYBURN.

It would be impossible for anyone to evaluate highly enough the tremendous, impressive and invaluable service of this beloved and great man, the Speaker of this great parliamentary body. It would be equally impossible for anyone to find words to thank him for his monumental contributions to the Nation and the world.

Speaker RAYBURN is one of the greatest leaders in the world today and he is so recognized in this House, which he has so brilliantly adorned for almost half a century, by his fellow countrymen and by leaders and peoples in every part of the world.

Years ago, the noble Greek philosopher, Plato, in one of his most significant works, proposed that governments, whatever external shape or form they took, should be governed by an aristocracy of highly trained, carefully selected, experienced leaders.

This great thinker, who immeasurably influenced the thought and direction of civilized peoples and institutions everywhere, envisioned ideal governmental leadership as being made up of highly gifted, intensively trained, carefully selected leaders, whom he called philosopher kings, to handle the affairs of government.

The distinguished Speaker of the House, SAM RAYBURN, doubtless conforms to this idealistic Platonian pattern and the broad dimensions of this kind of enlightened leadership more closely than any living political figure in the world today.

His long experience in government has given him a rare understanding of the problems, and particularly the complexities, in these days of confusion and danger.

He is an honest, just, and honorable man, sprung from the noble heritage of his rugged native State of Texas.

He is a just and patient man who always seeks fair and equitable solutions.

He is a humane and compassionate man, zealous and unflinching in his deep

concern for the people, especially for those who are unable to help themselves.

He is, above all, a man who deals in personal values and is never bound by formal abstractions; a man of true dignity, unsullied by pomp and bluster; a man of warmth and understanding, eager to attune himself to the worthy objectives of his colleagues and fellow citizens, and keenly responsive to the dictates of orderly progress and sound advancement.

It would not be possible for me to deal here with the sweeping, effective contributions throughout the years of this great American in the vital field of statecraft, government policymaking and action, with which Speaker RAYBURN has been so notably associated.

These contributions so unselfishly and so ably rendered have brought great and felicitous impact to bear upon most compelling and crucial problems of government and served mightily to bring about wise solutions, national and free world unity, and wholehearted cooperative action that changed for the better the course of history.

The history of our times is replete with SAM RAYBURN'S repeated, effective leadership and wise counsel, and history will record, much better than I can here, the character, scope, and greatness of his accomplishments and unceasing labors for the Nation and humanity.

No man in American history has done so much to strengthen parliamentary institutions in this country and throughout the world as SAM RAYBURN. During his long service as Speaker of the House, he has been a model of perfection in interpreting the rules and procedures of this body. He has made the Speakership not only a highly esteemed office devoted to interpreting the rules and procedures of the House, but a source of enlightened example and strength for every real parliamentary body in the world.

I could not hope to do more than suggest the wide and deep ranges of the superlative ability, high and meticulous purpose with which he has strived successfully over a long period of time to make the rules and procedures of the House of Representatives a model of fairness, impartiality and justice that has so deeply impressed the entire democratic world.

For these accomplishments, he has been hailed alike by profound students of government and parliamentary procedures, as well as by other parliamentary bodies, for his superb mastery of the intricate problems of parliamentary government, and for his unprecedented, long-continued demonstration of what the rule of law really is when it is ably interpreted and fairly practiced by a learned, experienced, parliamentary expert and leader, so constituted in his God-given personal attributes of justice, equity and fairness, and his understanding and knowledge of all forms of parliamentary law as to bring enduring luster and fame upon his own honored name, as well as that of the historic legislative body over which for so many years he has presided with such rare capacity and judgment.

Loyal friend, gifted political leader, unequaled pariamentary authority, resolute in principle, lofty in patriotism, generous of impulse, humane, tolerant and understanding in all his ways, the career of SAM RAYBURN is indeed a brilliant constellation in the firmament of our country.

May the good Lord, who has so generously blessed and guided him throughout his long years of devoted service, continue to bless him with good health, vigor, and strength so that he may serve our House, our Nation, and humanity for years to come.

Ad multos annos to a great and gifted American, gentleman, patriot, and statesman—SAM RAYBURN.

Mr. MERROW. Mr. Speaker, it is with great pleasure that I join my colleagues on both sides of the aisle in honoring and paying tribute to the Speaker of the House, the Honorable SAM RAYBURN, of Texas. Speaker RAYBURN has a long, unparalleled, and distinguished record as a Member of this body. He has served as Speaker for a period over twice as long as that of Henry Clay, who held the record until the time of Speaker RAYBURN. SAM RAYBURN has a record unequaled not only in the U.S. Congress, but it is without parallel in any parliamentary body in the world.

Speaker RAYBURN'S influence on legislation has been far reaching. During the years of his career in this House, he has placed his imprint on more legislation than any other man in the history of our country. He is one of the great men in American history, and his work has spanned a longer period of time than any other American. It is fitting that a grateful country recognize his contribution to the development of this Republic. We are proud of the record he has made. All who have served with him have the greatest admiration for his outstanding ability, his devotion to the House of Representatives, his fairness to all Members, his kindness, and his helpfulness to everyone.

On this memorable occasion we wish him well. We know that great tasks lie ahead; and in the future as in the past, Speaker RAYBURN will make an outstanding contribution to the resolving of our difficulties. He is a great, good, kind, and eminently fair man. I personally appreciate the many kindnesses he has extended to me and count it a privilege to have served with him. I value his friendship deeply and knowing him has been one of the enriching experiences of my life.

I extend to you, Mr. Speaker, my very best wishes and am happy to have this opportunity of paying tribute to you who have made one of the greatest, the most useful, finest, and enduring contributions to the welfare, happiness, and advancement of your fellow men. You have the satisfaction of knowing that your work and your career will endure as a lasting monument in the annals not only of American history but in the annals of the advancement of freemen for all time.

Mr. RHODES of Pennsylvania. Mr. Speaker, I would like to take this opportunity to join my colleagues in paying tribute to one of the most distinguished Americans of all times, the Honorable Speaker SAM RAYBURN of Texas.

To serve as Speaker of the great House of Representatives is a distinct honor. To serve as Speaker of the House twice as long as any other Speaker in our Nation's history is an achievement that is unlikely to be equaled by any man. The extended tenure of Mr. RAYBURN, through good times and bad, through most serious and dangerous times, affirms my conviction that he is truly one of the most wise, able, and just legislators who has ever served in the U.S. Congress.

In my 13 years as a Representative, I have always found Mr. RAYBURN to be fair, helpful, and cooperative. He has been an inspiration to all of us. He possesses a practical idealism, vision, understanding, courage, and integrity. To him belongs much of the credit for the progress this Nation has made in social reform, economic justice, and other programs essential to the Nation's strength and prosperity.

I can add little to the remarks of my distinguished colleagues on both sides of the aisle. I can only say with humility and candor that it shall always be an honor to have served in this great House of Representatives. It is a special honor to be able to say that I have served with and under SAM RAYBURN. History will be kind to Speaker RAYBURN. His place among America's great is assured. May he live long, enjoy good health, and continue to serve us in these changing and dangerous times.

Mr. WHITENER. Because of my devotion to this outstanding American I am taking this opportunity to join with several of our colleagues who have heretofore voiced their admiration and respect for Mr. RAYBURN upon the occasion of his having served 16 years, 273 days, as Speaker of the House of Representatives. The attainment of service as Speaker which doubles that of any other Speaker in the history of our Nation is a noteworthy accomplishment and in itself constitutes the greatest tribute that legislators can pay to one of their colleagues.

SAM RAYBURN became a Member of this House prior to my birth. Notwithstanding this long tenure of service, he has remained youthful in his outlook and has retained a capacity to understand the problems, as well as the hopes and ideals, of people of all ages. This is not a common trait in humankind. It should be the goal of all of us to emulate this great American in retaining our zest for understanding service to people of all age groups in our Nation.

With all of the onerous duties that have been cast upon our Speaker through his attainment of the high position of leadership—as well as the long years of bearing the burdens imposed upon him—he has never been too preoccupied to give of his counsel and assistance to all of us who have been honored to serve with him as a Member of this legislative body. I think even more complimentary to this great man is the fact that he has retained his interest in assisting Americans in all walks of life in a very personal way, as well as

in his official role as the leader of one of the two coordinate branches of our National Legislature.

Recently when our Speaker took the lead in bringing about a fund-raising campaign in behalf of the heroic Sgt. Alvin C. York, of Tennessee, we saw in him one of his continuing and impressive traits. It was through his leadership that a sum in excess of $25,000 was raised by voluntary contributions from all over America to discharge the overhanging tax liability which was harassing one of America's great wartime heroes. This was a great service to Sergeant York, but even more, it was a great display of humanitarianism by the man whom we honor with our words during these recent days.

I feel a personal debt of gratitude to Speaker RAYBURN. He has been most cordial to me in every way since my entry upon my service here in Washington. Even prior to that, however, he had been most kind and considerate of me through the years of our acquaintanceship since 1940 when he came to my community to deliver an address at an annual meeting of the Gastonia Junior Chamber of Commerce. I valued his friendship then, but the intervening years, which have given me an opportunity to become more closely associated with him, have heightened my appreciation of SAM RAYBURN, the man.

I join with all of the Members of this House in saying to Mr. RAYBURN that we appreciate his service to our great Nation, as well as to every one of us who have been privileged to sit at his feet and learn the great lessons of life which he has so eloquently taught through his own conduct of the affairs of high public office and private living.

Mr. LANE. Mr. Speaker, your colleagues join in congratulating you on the impressive record of accomplishments you have compiled as the Speaker of the U.S. House of Representatives.

In the illustrious history of this Chamber you have served more than twice as long as any previous Speaker, reflecting the Nation's confidence in your experience and judgment. As the realistic and steady pilot of this legislative body you have presided, not only over the longest period of time, but in meeting a succession of challenges, domestic and international, that threatened the ability of our representative government to survive.

Throughout the storms of one emergency after another, as some clung stubbornly to the status quo, while others called for desperate measures, your counsel and firm guidance brought us through.

Young Members have learned much from your example which has saved them from the pitfalls of inexperience.

The American people have seen many pictures of you in their newspapers, taken after leaving many a White House conference.

But they do not have the complete story, as yet, of the way our Presidents have relied upon you in one crisis after another. When the history of these times is written upon the facts that will come to light, it will tell how the wisdom and strength of Mr. SAM helped our Nation to solve its own problems and to provide leadership for a confused world during an age of revolutionary change.

The good management of this House is your life.

Uninterruptedly, since 1913, you have served it with single-minded devotion and skill, inspired and sustained by your faith in our people, our free institutions, and the future of our country as the great hope of humanity.

Each and every Member of this House, in recognition of the record you have established—and which I doubt will ever be equaled—are proud to congratulate you on this memorable occasion.

Behind the spoken words is the enduring tribute to their friendship and esteem.

Even though we know that you are anxious to get on with the unfinished business before us, we take this opportunity to overrule you, for once, to honor the senior statesman of the United States, and the ablest Speaker in the history of the U.S. House of Representatives, Mr. SAM RAYBURN.

Mr. TAYLOR. Mr. Speaker, from 1776, when the American colonies declared their independence, to the present is 185 years. For more than one-fourth of that time SAM RAYBURN has been a Member of this Congress. He is the most experienced legislator in the world today. For half a century his character, his judgment, his thinking, and his energy have stamped themselves upon American life.

While it has been only 1 year since Mr. RAYBURN first administered the oath of office to me as a Member of this body, my admiration for him dates back many, many years. In party circles he has been "Mr. Democrat." In governmental circles he has been, and is "Mr. Speaker." His integrity, his dedication to service, his sense of fair play, and his friendly way have earned for him the admiration and respect of every Member of this House and of people throughout America and the free world.

I consider it an honor to be numbered among those who serve in Congress with SAM RAYBURN, a great American. For the sake of this country and other free nations, I wish for him many more years of fruitful service as our Speaker and leader.

Mr. KLUCZYNSKI. Mr. Speaker, I was privileged to sit in the Chamber of the House of Representatives and listen to my colleagues on both the Democratic and Republican sides of the House pay tribute to the record of public service of Speaker SAM RAYBURN.

It was on March 4, 1913, that he was sworn in as a Member of this body and he has served continuously since that date. Most of my congressional service has been under our beloved SAM RAYBURN. As a freshman in the House there were occasions when it was necessary to seek his counsel and advice and he was always available and eager to help in any problems that confronted a new Member. It is my belief that there has never been a man in the history of public service who has influenced more public servants than has SAM RAYBURN.

SAM RAYBURN will always live in the history of our Nation as one of the greatest legislators we have ever had. He is a man of integrity and great ability. He always has protected the best interests of the House.

As he observes this historic occasion I want to join my colleagues in wishing him good health and happiness in the days ahead.

Mr. BOLLING. Mr. Speaker, it is not possible to describe adequately the many great qualities of the man we honor today. The Speaker, SAM RAYBURN, of Bonham, Tex., United States of America, is a warm human being who loves his fellow men. He is a proud citizen of Bonham and the congressional district he has represented so long and so well. He is a loyal Texan deeply conscious of his southern heritage. He is an American patriot who understands the aspirations of the many different peoples of our country and of the world.

He has served the cause of free men with courage and compassion for more than 50 years. He is the wisest leader our House of Representatives has ever had. He ranks very high in all respects among those who have led free men in any country, at any time in all history.

To serve with Speaker RAYBURN is an opportunity, a privilege, and a joy.

Mr. BONNER. Mr. Speaker, many great men from my State of North Carolina have served in this body during the leadership of our Speaker, SAM RAYBURN, who has served for twice as long as any of the other distinguished Americans who have held this post.

I feel privileged to add my remarks to those of the many distinguished Members of the House who have already spoken of his many virtues, his character, his intelligence, fairness, and ability.

Mr. Speaker, I have been fortunate to have served as a Member of this body for some 21 years, during which time I have enjoyed the sage and friendly counsel of our great Speaker. In addition to years of membership, however, I have the advantage over most of my colleagues of having been in the warm and potent shadow of his influence during the preceding 16 years, as secretary to that distinguished North Carolinian, Lindsay Warren. SAM RAYBURN always had time and wisdom for those who were serving, in any capacity, his beloved House. He still does, and he always will.

This is a very special kind of place, Mr. Speaker. It has no real parallel anywhere in the world. Other Members have already referred to this, and I shall not belabor it.

I will never forget the thrill, the sense of greatness of our country and of our system, and of my own humility and inadequacy, when Mr. SAM arranged for me, in my first months in office, to take the Speaker's chair for a brief spell. Yes, it was a splendid challenge to me—but more than that, it brought home the realization that the strength of America springs from all the people. The Speaker's gavel symbolizes democracy in action.

Yet a nation must have leadership. And under our system leadership is con-

tained in a system of checks and balances—the executive, the Congress of the House and the Senate, and the judiciary.

I do not pretend to be a deep student of history but I have lived and learned a great deal during my many years as a Member, and as one who has served in close association with this body.

It is my observation that the real voice of America is in this House of Representatives. It is here that the mighty voice of the people might get out of control. It is here that strong and sensitive leadership helps to synthesize the will of the people to reflect the true image of our great country.

Speaker SAM RAYBURN, during his long service, has provided that leadership as no one else.

God bless you, Mr. Speaker.

Mr. DOYLE. Mr. Speaker, I am very pleased to pay this necessarily brief tribute to our beloved Speaker, Hon. SAM RAYBURN, of Texas, while the distinguished gentleman from Indiana, Hon. CHARLES HALLECK, our minority leader of this great legislative body, is in the Speaker's chair where he was graciously placed by Mr. Speaker himself at the beginning of this magnificent series of spoken tributes to Mr. Speaker as he sits on the floor of this legislative House itself where he is surrounded by uniform affection and appreciation. It is always great to give a person a flower while he can smell its fragrance. And so, I am very happy that this hour is being taken to tell "Mr. SAM" what we think of him on this, the day when we recognize that he has now served 16 years, 273 days, in the highest office within the gift of the Congress. And especially it is appropriate because as of this day he has served more than twice as long as any other Speaker of the House of Representatives in the entire history of this, our beloved Nation.

And because so many Members who have preceded me have said what I would have chosen to say, and have said it so much more eloquently and beautifully than I could possibly have said it about the achievements and gracious, generous, vigilant, patriotic, and unselfish services rendered by our beloved Speaker all these years, I wish to ask my distinguished colleagues who have thus spoken before me to allow me the high privilege of adopting all they have said about Mr. Speaker as and for my own.

And even though they cordially and graciously give consent to this request, I nevertheless wish to add at least one paragraph of my own most sincere words of appreciation about the manner in which I have been treated by Mr. Speaker and about the joy I have had in serving in this great body with him as my Speaker or colleague all of the more than 14 years that I have now served in these legislative Halls.

And so, Mr. Speaker, may I say to you that because of your fairness and fineness and understanding of me throughout all of the years I have had the inspiration of serving under you and with you I say, so you can hear me say it, that you have truly always been a great inspiration to me.

And when you called me to your side my first year in the House and stated that it was the wish that I accept the one vacancy on the House Un-American Activities Committee, and that it was the desire that I do so that I might serve as a "balance wheel," I early came to sense the fact that one of your utmost desires was that each and every Member of the House, regardless of political party, might find his or her place to serve God and mankind according to his or her abilities and fitness and temperment.

Before I take my seat may I say to my colleagues on the minority side of the political aisle in the House of Representatives that I recognize their participation in paying tribute to our beloved Speaker on this occasion as one of their very finest contributions to the illustrious history which has been made in all our congressional experience.

Mr. Speaker, my wish for you is that years from now when I return to the Halls of Congress from my native State of California I will still have the joy and inspiration of seeing you in the Speaker's chair when I stand in the well of the House and address you for the purpose of obtaining unanimous consent to extend my remarks in the CONGRESSIONAL RECORD.

Mr. MULTER. Mr. Speaker, it is indeed a great privilege to be permitted to participate in this fine tribute to a great American.

All that has been said emphasizes to me what the sages of old meant by the statement, "Length of days alone is meaningless." True it is that long service is something to boast about. But our Mr. SAM is not a boastful man. I doubt whether anyone has ever heard him talk about his own accomplishments.

What is brought home to the world here today is that this great American has used his long years of service to acquire knowledge and wisdom from a vast experience.

But the Bible also tells us that the mere acquisition of knowledge and wisdom weighs as nothing in the eyes of the Lord. It is the use to which that knowledge and wisdom is put that counts. It is in the use of his knowledge and wisdom that we find the real greatness of our beloved Speaker.

He has been more than just the No. 1 man in the U.S. House of Representatives. He has done more than lead the Congress as a legislative body.

He has been guide and guardian of every individual Member who has served in this great body during the tenure of his leadership.

He has been ever ready to assist in the solution of any and every problem. In fact, many of the problems have been made to disappear because of his sympathetic understanding and guidance.

Here truly is a man who has given of himself, without stint, to the service of his fellow man.

I extend to Mr. SAM the ancient wish of my coreligionists, "May you live until 120," and enjoy every moment of it in the work you love so well.

Mrs. SULLIVAN. Mr. Speaker, during the years my husband served in the House of Representatives, he enjoyed a reputation for calm judgment and keen analysis, and I certainly felt that he deserved it. But on one point, I often thought he was a bit uncritical and affected by a sense of hero worship, and that was in his views about the Speaker of the House, the Honorable SAM RAYBURN. My husband was a member of the Committee on Interstate and Foreign Commerce, and a student of the legislative issues which Mr. RAYBURN had so greatly influenced as chairman of that committee prior to beginning his record period of service as Speaker. But Congressman Sullivan, it often seemed to me, ascribed to Speaker RAYBURN far more influence on the national legislative scene and on the course of our democracy than I thought was possible for any one other than the President of the United States to possess.

In these past 8 years, as a Member of Congress myself, I have come to appreciate the basis for my husband's sense of hero worship about Speaker RAYBURN. His fairness, his integrity, his courage, his graciousness have all been extolled here today. From personal experience, I can attest to the accuracy of these many tributes to the Speaker. What is not always evident—for he does not work in a showy manner—is his tremendous power in pushing, prodding, guiding, inspiring, and leading this assemblage of 437 diverse individuals into the most effective instrument for democracy in the world today—this House. I congratulate the Speaker on this occasion; I congratulate this House of Representatives, and the nearly 200 million Americans we represent, for our great good fortune in having the Honorable SAM RAYBURN of Texas as our Speaker.

Historians tell us that great events have sometimes made average men into great men, suddenly able to meet great challenges effectively. In the case of our beloved country, we have been fortunate in already having not an average man but a great man, SAM RAYBURN, as Speaker of the House during periods of great crisis and emergency. I join in wishing our Speaker many more years of good health in the service of our country.

Mr. FRAZIER. Mr. Speaker, I want to take this opportunity to add my voice to the expressions of my colleagues in paying tribute to our great and distinguished Speaker of the House of Representatives on his surpassing twice the record of the man who previously served in that capacity for the longest period of time. Our beloved Speaker, SAM RAYBURN, has now served in the highest position in the House of Representatives for more than twice as long as did Henry Clay, who is next in point of length of service in that position.

More important, however, than the length of his service is the great leadership which SAM RAYBURN has given to our beloved country and to the Congress of the United States. He is truly a statesman and a patriot. The abiding confidence reposed in him by the membership of this body stands as mute evidence to the admiration and respect in which he is held by all of us and by all the citizens of this country. While he

has been termed "Mr. Democrat," he has ever been fair and just in his leadership and has risen above partisan considerations whenever issues of great moment confronted the Nation and the Congress.

I must, before closing, allude to the fact that we Tennesseans like to claim SAM RAYBURN as one of our own, because he was born in Tennessee and lived with his family there prior to going to the great State of Texas.

Mr. Speaker, I congratulate you.

Mr. GALLAGHER. Mr. Speaker, many complimentary and illustrative words have been spoken today, honoring a man who has served as Speaker of this House for twice the time of that served by any Speaker preceding him—the Honorable SAM RAYBURN.

I should like to limit my remarks on this occasion to an expression of appreciation for the leadership and the inspiration this great leader has provided over the years to the young and new Members of the House.

To take one's seat in this House for the first time is an awesome and inspiring experience. The responsibility we carry falls as a heavy load upon new Members.

I shall always recall my first days in this House, and I shall always be grateful that they came in that period of history when the distinguished Member from Texas was serving as Speaker, for by his very presence he inspires us; in his wisdom he counsels us, and by his words he encourages us. He has helped me and many hundreds of other Members find our proper place in the great legislative body. If we have succeeded, it is in large measure, in my case, at least—and, I am certain, in the instance of so many others—because of the leadership and the guidance of the Speaker. If we have found satisfaction in our service in this House, it is because he has guided us. I cannot count the times he has paused in his busy day to counsel me, to encourage me.

For all that he has done in the 47 years he has served in the House, and the 16⅔ years he has served as Speaker, I am grateful, and I am confident I express the gratitude of all of those who have served with him.

Certainly, the Nation is grateful and fortunate that out of the great State of Texas came to the House more than four decades ago a man possessing the wisdom and the courage to guide the United States through its most crucial years. His imprint on the history of the United States is great indeed, and it is reflected in the glory of our country.

Mr. PIRNIE. Mr. Speaker, I am happy indeed to join with my colleagues in paying well-deserved tribute to our beloved Speaker, the Honorable SAM RAYBURN, whose long and distinguished service has spanned one of the most critical periods of our history. To have been elected to the Congress for 25 terms and to have served as its Speaker over twice as long as any other Representative in our Nation's entire history, establishes a record which may remain unchallenged forever. Important as the length of service may be, the real record of SAM RAYBURN lies in the quality of his service. Those who have been privileged to serve with him will testify to his fairness, his rugged tenacity, his wisdom, and his great love of country. We recognize him as one of the greatest leaders of our time. He has reflected great credit upon this body which he so dearly loves.

We express to him our sincerest congratulations on his historic achievements and extend our affectionate good wishes for the years ahead. Upon men of his dedication and ability, our Nation must continue to rely for its progress and security.

Mrs. KEE. Mr. Speaker, many eloquent words have been spoken about the remarkable career of our beloved and distinguished Speaker, SAM RAYBURN. Wonderful tributes have been paid to this great American. I wholeheartedly agree with all that has been said and done to honor Mr. SAM. But I would like to say something about a very special attribute of this gentle person. Speaker RAYBURN has something far greater than the longest service as Speaker of the House. He has something far more valuable than a distinguished career as a Member of the U.S. House of Representatives and the author of far-reaching legislation which has been of inestimable value to the people of our country.

Mr. SAM has the most cherished possession any human being could possibly have. He has something money cannot buy, health cannot assure, his family or friends cannot give. Speaker RAYBURN has won for himself and by himself, with the aid and grace of God alone, perfect tranquillity and peace of soul. He has told me on several occasions that he loves all people, feels unkindly toward none, that he is at complete peace with God.

By fidelity to duty, kindness to all, and a life-long earnest endeavor in his daily conduct to abide by the Golden Rule, this sincerely humble man has come to that perfection of spirit that is an inspiration to all who are privileged to know him. What greater blessing could come to anyone?

And this calls to mind the words of Thoreau in his poem "Inspiration":

> Fame cannot tempt the bard
> Who's famous with his God,
> Nor laurel him reward
> Who hath his Maker's nod.

Congratulations, Mr. SAM.

Mr. SCHENCK. Mr. Speaker, I would like to associate myself with the tributes paid by other Members of the House of Representatives for the life, work, and service of our distinguished colleague, the Honorable SAM RAYBURN, in the House of Representatives of the United States.

It has been a real privilege to serve with our good friend and colleague, SAM RAYBURN. We have not always agreed on measures under consideration but we have always fully respected each other's right and responsibility to form his judgment.

Speaker RAYBURN has established records for service in the House of Representatives that likely will never be equaled by any other Member. Speaker RAYBURN has the respect of all who have had the privilege of serving with him because he has always been completely honest, square, and fair with his colleagues.

It has been my pleasure from time to time to have groups of high school students and others visit Washington and Speaker RAYBURN has, as his time permitted, met with them briefly. Speaker RAYBURN has always impressed these groups with the very great privilege and high honor they have to be Americans and he has never missed an opportunity to urge them to be proud of their heritage. He has also urged them to study the history of our great Nation and take an active interest in the work of our Government.

Mr. Speaker, it has been a great privilege and high honor to serve here in the U.S. House of Representatives with Speaker RAYBURN since November 1951. I join with my colleagues in expressing sincere appreciation to him and in extending to him my every good wish for his continued good health and happiness.

Mrs. HANSEN. Mr. Speaker, many tributes have been paid to our Speaker of the House of Representatives, the Honorable SAM RAYBURN from Texas. A great number of these tributes were paid by those who have been in Congress and served with him for several terms.

As a new Member of Congress and a Member from the Far West who has known of the Speaker's work, I would like to add my own expression of appreciation to our Speaker on behalf of not only the people from our area but for all Americans.

I came to Congress as a newcomer in the latter portion of the 86th Congress, actually beginning session activities in this 87th Congress. As a newcomer, I would like particularly to express my appreciation to the Speaker for his kindness and courtesy to me as a Member. I would also like to express the appreciation of my State for his understanding of our problems and for his consideration and help given to these problems.

I want also to say that I feel it was a distinct privilege to come into Congress and have the opportunity of serving with this great American, Speaker RAYBURN. Unforgettable lessons in fairness and parliamentary procedure have been learned.

Mr. KEOGH. Mr. Speaker, for almost a half century the people of the State of Texas have been privileged to be represented in the Congress by one of the foremost Americans of our time, the Honorable SAM RAYBURN. During all those years our beloved Speaker has been a Representative in the true parliamentary sense of that term. Ever deeply concerned with the welfare of his constituents, his actions, nevertheless, have always been based upon the welfare of the entire Nation and have been a shining example of the best kind of representative government.

As the Speaker of the House of Representatives, he has no equal. During two wars he has presided over deliberations of this body while some of the most historic and far-reaching decisions were being made. It is almost impos-

sible to conceive, much less to express, the breadth and scope of those decisions and the wisdom required of the presiding officer in their consideration. SAM RAYBURN has demonstrated that wisdom in a most remarkable degree. Despite the tremendous burden of carrying on his duties he has been ever ready to counsel and assist less experienced Members. Many of the leading Members of the House today owe much of their usefulness to the guiding hand of Speaker SAM RAYBURN.

It is a particular pleasure for me to join in paying this well-deserved tribute to our beloved Speaker while he is still so active and so effective. This is a truly unique occasion and the unanimity of expressions of regard and affection by Members of both sides of the aisle is heartwarming to every one of us, as well as to our great Speaker. It is my fervent hope that he will continue to represent the people of his native State and to guide this body in its deliberations for many years to come.

Mr. WICKERSHAM. Mr. Speaker, many adjectives, nearing the superlative, have been used this week in commending our venerable Speaker of the House, SAM RAYBURN, and well they might be.

Not by words uttered on the floor of the House will memory of Mr. Speaker mark the pages of history—but by his deeds. The contributions he has made to our Government, and to mankind, not only in this country, but all over the world, have earned for him his place in history.

For what he has assisted in giving to the people of America, he has set as a classic example to the rest of the freedom-loving world.

Today marks the day that Mr. Speaker has borne that position for twice as long as any other individual. He has been Speaker of the House for 16 years, 273 days, a fact that has been brought out numerous times this week. But it is a fact singularly imminent in the character of this man.

His constituents have seen fit to return him to the House of Representatives for 49 years now. And, we of the House, repeatedly place our trust in his leadership.

He is elected, in both instances, by a free democratic election. This should show to our foreign adversaries the value we Americans place on true, worthwhile leadership. This should show them that the ballot awards the noble and the strong.

But leadership is not a characteristic that stands by itself. There must be other qualities, many of which have been ably pointed out while Mr. Speaker was being memorialized. But one, a vague, elusive one, I believe, has not been mentioned.

We had a famous man from my State who had a philosophical insight and a gift for turning a phrase. I refer to Will Rogers, who said, "I never met a man I didn't like."

I believe this, too, is a quality of SAM RAYBURN.

Mrs. GRANAHAN. Mr. Speaker, I am indeed pleased to have the opportunity to join in the ceremonies here today honoring the Honorable SAM RAYBURN for serving more than twice as long as Speaker of the House of Representatives than any man in the history of our country. The gentleman from Texas has been teacher and guide as well as leader for me, as I am sure he has been for almost every other Member of the House, and I deeply appreciate the help he has given me in my efforts to serve the people of the Second Congressional District of Pennsylvania.

I am particularly grateful to our beloved Speaker for the generous manner in which this terribly busy, but never too busy, statesman has been willing to meet from time to time with schoolchildren from Philadelphia visiting here in the Capitol. He believes so deeply in the democratic process, and he can bring such conviction and drama to his discussions of democracy in action that I know a brief few moments with him has been worth much more than many courses in political science for the boys and girls who have been fortunate enough to hear him in these informal meetings.

The office of Speaker of the House of Representatives is one of the most exalted in our democracy, next only to the President in power and influence and behind only the Vice President in line of succession to the Presidency. We are most fortunate that the man who holds this high office is one of the greatest statesmen our Nation has ever known. I am proud to serve with him.

Mr. ANFUSO. Mr. Speaker, I am delighted to join my colleagues in this well-deserved tribute to our great Speaker on this historic occasion when he is establishing a new record of devoted service to the people of America. He has reached a point of service which extends over nearly a half century in the House and for nearly 17 years as Speaker. This is twice as long as any other Speaker in our Nation's entire history—and yet he looks younger today than when I first came here 10 years ago.

His continuous service in the interests of our Nation is due primarily to the fact that those interests are always uppermost in his heart and soul. The people have long ago recognized this quality and other desirable qualities in him and they keep sending him back to Congress in each election since 1913 to represent them. Today Speaker Rayburn is one of the pillars of our national strength as the spokesman of the greatest democracy on earth and as the voice of experienced leadership.

In these trying days when we are struggling to maintain world peace, freedom of mankind, and human dignity for all, we are fortunate to have a man of his vision and wisdom to lead us and to guide us. His good judgment and his wide influence for the welfare of the American people have helped steer our ship of state through many dangers and vicissitudes.

In the annals of our Nation's history the name of our beloved Speaker will for all time be immortalized as one of our greatest statesmen, patriots and leaders.

I regard it as a great honor to have worked with him and under his leadership during the past decade, and I am looking forward to continue to work with him in the years ahead. May God bless him with many more years of good health, good leadership, and good achievements for our people and for all free nations.

Mr. McCORMACK. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

The SPEAKER pro tempore. Let the record show that the resolution was unanimously agreed to.

Mr. FULTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. FULTON. Mr. Speaker, for the benefit of those of us who have always wanted to vote for SAM RAYBURN, would it be possible to have a rollcall vote on this resolution?

The SPEAKER pro tempore. The resolution has already been unanimously agreed to.

The Speaker resumed the chair.

The SPEAKER. Members of the House of Representatives, if I were given to emotional outbursts, a smoldering emotion would break forth in me now, because I am one who has deep emotions and am appreciative of friendships and the loyalties of other people as I trust I have demonstrated through the years my love and my loyalty to friends, to causes and to my country.

No one could sit as I have sat today and listened to earnest men who have known me for many years make the remarks that they have made about me without feeling proud, as I do, to have been a part of all of you in this great forum.

The House of Representatives is, has been, and if you and I have our way will continue to be, the greatest legislative forum upon the earth. We have kept it that way and I trust that those who follow us will know the history of our institutions and keep this Government free.

It is a tremendous honor for anyone, man or woman, to be elected one time to any office within the gift of the people. I say anyone because it is by the free will of the people that you are elected and you assume your duties. To me it has always been a great, a towering honor to be a Member of the U.S. House of Representatives and to have been Members for a long time means that we have impressed our people with our honesty, with our complete integrity, and with a reasonable amount of ability.

I have so much faith in human beings. I know that people are good folks and I think out of a long experience I know this, that when anyone gains the confidence of the average American citizen, man or woman, that individual man or woman is the only one who can destroy that faith and that confidence.

They will wait to hear what you have to say before believing what somebody else has to say about it who wants to assume the responsibilities of the office that you now hold. I know our country is great—men and women have made it great. I have the faith to believe that the youth of this land and the great schools, the high schools, colleges, and

universities of this land have within them the elements of good citizenship so that they will in the years to come preserve, protect, defend, and perpetuate the institutions of this, the mightiest, the freest, and the best government that has ever blessed human beings at any time or in any clime.

I thank you from the bottom of a grateful heart for your trust and confidence. If I have been able to live up to the things you have said about me—of those who have spoken and those who have applauded what you have said—then my life is rich enough. I am satisfied. My political career has climaxed everything I ever hoped or trusted it might be, so that when I leave here I will leave without any regrets, but being thankful and grateful to the people of a great congressional district for their trust and faith in me and, equal to if not above that, my gratitude for your faith and your confidence in me.

I thank you most sincerely.

REORGANIZATION PLAN NO. 6 OF 1961—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 186)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 6 of 1961, prepared in accordance with the provisions of the Reorganization Act of 1949, as amended, and providing for reorganizations in the Federal Home Loan Bank Board.

Reorganization Plan No. 6 of 1961 relates to my message of April 13, 1961, to the Congress regarding regulatory agencies and, in particular, to that portion of the message advocating the fixing of responsibility for the overall administration of multiheaded agencies in their chairmen. The reorganization plan also is in keeping with actions begun by President Truman, largely through reorganization plans, to strengthen the internal management of multiheaded agencies by making their chairmen, rather than the boards or commissions as a whole, responsible for day-to-day administration.

The first Commission on Organization of the Executive Branch of the Government concluded that purely executive duties can be performed far better by a single administrative official and stated: "Administration by a plural executive is universally regarded as inefficient." Also, as a matter of sound organization, the Congress and the President should be able to hold a single official rather than a group accountable for the effective management of an agency. The reorganization plan will meet both of those needs by placing responsibility and authority for the administration of the activities of the Federal Home Loan Bank Board in the Chairman of the Board. By relieving the Board of day-to-day managerial functions, the reorganization plan will significantly further the ability of the Board to deal more effectively with regulatory and policy matters before it.

Action to strengthen the management of the Federal Home Loan Bank Board and to relieve the Board of day-to-day operating responsibility is particularly needed because of the phenomenal growth of the Board's activities in recent years. By way of example, the number of institutions that are members of the Federal Home Loan Bank System and subject to the Board's supervision has increased from 3,898 in 1950 to 4,552 at present. In the same period, the assets of those institutions have increased almost fivefold from $15.4 billion to $71.0 billion. In fiscal year 1950, the Board examined 2,450 institutions; in fiscal 1961, about 4,224 examinations will be conducted. The personnel of the Board have more than doubled in number in the last decade to handle the increased workload.

Pursuant to Reorganization Plan No. 3 of 1947, the Chairman of the Home Loan Bank Board was made the chief executive officer of the Board, and there was transferred to him the authority to appoint and direct the personnel necessary to perform the functions of the Board, the Chairman and the agencies under the Board. The Chairman's authority with respect to personnel was returned to the whole Federal Home Loan Bank Board by the Housing Amendments of 1955. The reorganization plan herewith transmitted would restore that authority of the Chairman and further increase his management functions.

Specifically, the reorganization plan will transfer to the Chairman of the Federal Home Loan Bank Board the Board's functions with respect to the overall management, functioning, and organization of the agency; the appointment, removal, and direction of personnel; the distribution of business among, and communication of Board policies to, such personnel; and the enforcement of policies and the general improvement of staff support. There are also transferred to the Chairman functions relating to preparation, review, presentation, and justification of budget estimates and other fund authorizations and those relating to the allocation, use, and expenditure of funds available for administrative expenses.

Nothing in the plan impinges upon the ability of the members of the Board to act independently with respect to substantive matters that come before them for decision, or to participate in the shaping of Board policies. In carrying out his managerial functions, the Chairman will be governed by the policies of the Board and the determinations it is authorized to make. The Board will have the authority to approve the Chairman's appointments of the heads of major administrative units, and the other members of the Board will retain their present control over the personnel in their immediate offices.

The taking effect of the reorganizations included in the accompanying reorganization plan will provide sound organizational arrangements and will make possible more economical and expeditious administration of the affected functions. It is, however, impractical to itemize at this time the reductions in expenditures which it is probable will be brought about by such taking effect.

After investigation, I have found and hereby declare that each reorganization included in the reorganization plan transmitted herewith is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949, as amended.

I recommend that the Congress allow the reorganization plan to become effective.

JOHN F. KENNEDY.

THE WHITE HOUSE, *June 12, 1961.*

PERMISSION TO FILE ADDITIONAL VIEWS ON REORGANIZATION PLANS NOS. 1, 3, AND 4.

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that certain members of the Committee on Government Operations may have until midnight tonight to file certain additional views with reference to Reorganization Plans Nos. 1, 3, and 4.

The SPEAKER. Has any report been filed on them?

Mr. HALLECK. I had understood some reports were to be filed by midnight tonight.

The SPEAKER. If that is the case, without objection it is so ordered.

There was no objection.

REORGANIZATION PLAN NO. 7, 1961—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 187)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 7 of 1961, prepared in accordance with the Reorganization Act of 1949, as amended, and providing for the reorganization of maritime functions.

The basic objective of the plan is to strengthen and revitalize the administration of our Federal programs concerned with the promotion and development of the U.S. merchant marine by concentrating responsibility in separate agencies for the performance of regulatory and promotional functions. The plan provides, therefore, for the creation of a separate Federal Maritime Commission, composed of five Commissioners, which would be charged with the regulatory functions of the present Federal Maritime Board. There would be transferred from the Federal Maritime Board to the Secretary of Commerce the award of subsidies and related promotional functions. The Secretary of Commerce would retain the functions transferred to him by Reorganization Plan No. 21

of 1950 which reorganized the U.S. Maritime Commission into a Federal Maritime Board and a Maritime Administration in the Department of Commerce. The plan retains the present Maritime Administration, provides for an Administrator as head thereof, retains a Deputy Maritime Administrator, and effects no change in the Office of the Under Secretary of Commerce for Transportation. The Federal Maritime Board is abolished.

Existing organizational arrangements have not proved to be satisfactory. The development and maintenance of a sound maritime industry require that the Federal Government carry out its dual responsibilities for regulation and promotion with equal vigor and effectiveness. Intermingling of regulatory and promotional functions has tended in this instance to dilute responsibility and has led to serious inadequacies, particularly in the administration of regulatory functions. Recent findings by committees of the Congress disclose serious violations of maritime laws and point to the urgent need for a reorganization to vest in completely separate agencies responsibility for (1) regulatory functions and (2) promotional and operating functions.

The plan would provide the most appropriate organizational framework for each of the functions concerned. Regulation would be made the exclusive responsibility of a separate Commission organized along the general lines of other regulatory agencies. On the other hand, nonregulatory functions, including the determination and award of subsidies and other promotional and operating activities, would be concentrated in the head of the Department of Commerce. The Secretary of Commerce is best qualified to coordinate these activities with other transportation and related economic programs.

The vesting of all subsidy functions in the Secretary of Commerce will make it possible for the Congress and the President to hold a single official responsible and accountable for the effective conduct of all aspects of this program, including the size and character of the fleet under the United States flag, the need for Government assistance and requirements for appropriations to support subsidy programs. Furthermore, the placing of these functions in the Secretary of Commerce will assure essential supervision and review of subsidy awards.

The taking effect of the reorganizations included in the accompanying reorganization plan will result in a modest increase in expenditures. The improved organizational alinements provided by the plan will, however, make possible a more effective and expeditious administration of the statutory objectives to foster and promote a U.S. merchant marine capable of meeting the Nation's needs in peace and war. Failure to meet these objectives would be far more costly than the anticipated increase in expenditures under the plan.

After investigation, I have found and hereby declare that each reorganization included in Reorganization Plan No. 7 of 1961 is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949, as amended.

I have also found and hereby declare that it is necessary to include in the accompanying reorganization plan, by reason of reorganizations made thereby, provisions for the appointment and compensation of new officers specified in sections 102 and 201 of the plan. The rates of compensation fixed for these officers are, respectively, those which I have found to prevail in respect of comparable officers in the executive branch of the Government.

I recommend that the Congress allow the reorganization plan to become effective.

JOHN F. KENNEDY.

THE WHITE HOUSE, *June 12, 1961.*

COMMITTEE ON GOVERNMENT OPERATIONS

Mr. YATES. Mr. Speaker, on behalf of the Committee on Government Operations, I ask unanimous consent that the Committee may have until midnight tonight to file reports on House Resolutions 302, 304, and 305.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERMISSION TO SIT DURING GENERAL DEBATE

Mr. KLUCZYNSKI. Mr. Speaker, I ask unanimous consent that the Special Subcommittee on the Highway Program of the House Committee on Public Works may sit during general debate this afternoon and throughout the balance of the week.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AUTHORIZATION FOR AIRCRAFT, MISSILES, AND NAVAL VESSELS, FISCAL YEAR 1962

Mr. VINSON. Mr. Speaker, I call up the conference report on the bill (S. 1852) to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House may be read in lieu of the report.

The Clerk read the title of the bill.

Mr. GROSS. Mr. Speaker, reserving the right to object, and I hope I shall not have to, am I to assume that the gentleman from Georgia will explain the bill fully?

Mr. VINSON. Oh, yes; I will explain the amendments in detail.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (REPT. No. 462)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1852) to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That funds are hereby authorized to be appropriated during fiscal year 1962 for the use of the Armed Forces of the United States for procurement of aircraft, missiles, and naval vessels, as authorized by law, in amounts as follows:

"AIRCRAFT

"For aircraft: For the Army, $211,000,000; for the Navy and the Marine Corps, $1,585,600,000; for the Air Force, $3,841,200,000, of which amount $525,000,000 is authorized only for the procurement of long-range manned aircraft for the Strategic Air Command.

"MISSILES

"For missiles: For the Army, $550,800,000; for the Navy, $606,400,000; for the Marine Corps, $27,000,000; for the Air Force, $2,792,000,000.

"NAVAL VESSELS

"For naval vessels: For the Navy, $2,957,000,000."

And the House agree to the same.

CARL VINSON,
PAUL J. KILDAY,
L. MENDEL RIVERS,
PHILIP J. PHILBIN,
F. EDW. HÉBERT,
LESLIE C. ARENDS,
L. H. GAVIN,
JAMES E. VAN ZANDT,
WILLIAM H. BATES,
Managers on the Part of the House.

RICHARD B. RUSSELL,
JOHN STENNIS,
STUART SYMINGTON,
LEVERETT SALTONSTALL,
MARGARET CHASE SMITH,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1852) to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

LEGISLATION IN CONFERENCE

On May 15, 1961, the Senate passed S. 1852, which was the fiscal year 1962 authorization for appropriations for aircraft, missiles, and naval vessels for the Armed Forces. On May 24, 1961, the House considered the legislation and amended it by substituting the language of the House bill.

AIRCRAFT

Bombers

Both the Senate and the House bills were identical with respect to the provision of aircraft for the Army, and for the Navy and Marine Corps.

With respect to aircraft for the Air Force, the Senate added $525,000,000 for the procurement of "long-range manned aircraft for the Strategic Air Command." The House, on

the other hand, added $337,000,000 "for the procurement of B–52 and/or B–58 bomber aircraft."

Both the Senate and the House conferees were of one mind with respect to the importance of continuing bomber aircraft in our military establishment. Similarly, both the Senate and the House conferees agreed that the continuance of the bomber concept was by no means to be considered as an expression of lack of confidence in the missile. An extended expression of the views of each body in this respect is set out in the respective committee report on the bill.

From the foregoing, it is clear that there was no difference in concept between the Senate and the House in the amendment each made to the bill. Each merely wished to insure that the bomber aircraft was not relegated at this time to a role lower in importance than it does, and must for some time in the future, warrant.

After extended discussion of the relative merits of the Senate and House positions, the House conferees agreed to accept both the Senate money figure and the Senate language pertaining to bomber aircraft. This language is as follows: "of which amount $525,000,000 is authorized only for the procurement of long-range manned aircraft for the Strategic Air Command."

Turbofan engines

The House Committee had added $21,200,000 to permit the installation of turbofan engines on the last 15 C–135 aircraft. The reasoning of the House was that the added performance derived from the higher thrust turbo-jet engines would greatly improve the utilization of the C–135 aircraft by the Military Air Transport Service. These engines, because of increased thrust, reduces the take-off distance of the aircraft thereby permitting the use of many overseas fields not now available for the aircraft because of the shortness of their runways.

This advantage is dramatically presented when one considers that in three widely distant geographic areas of the world, there are only eleven fields which can accommodate the C–135 turbo-jet airplane but there are 267 fields which would accommodate these aircraft if equipped with turbofan engines.

Another advantage of the turbofan engine is its lower fuel consumption which permits higher payloads over longer distances or, to put it another way, useful payload can be substituted for fuel required by the conventional jet-powered C–135 aircraft.

Again, this is dramatically pointed up by the fact that on a 8,200-foot runway, a turbo-jet C–135 aircraft can lift 19,000 pounds but the aircraft equipped with a turbofan engine can lift 30,500 pounds, or 11,500 pounds more. And from a 6,000-foot runway, a turbo-jet C–135 cannot take off at all, while a turbofan C–135 can lift 16,000 pounds.

Since the requirement for the turbofan engines on these aircraft had not become fully evident at the time the Senate was considering the bill, authority for appropriations for their procurement was not included in the Senate bill. The Senate and House conferees agreed that authority should be granted for the installation of the turbofan engines on the C–135 aircraft. This had the effect of raising the Air Force aircraft figure of $3,287,000,000 by $21,200,000.

Special air mission aircraft

The House added $25,000,000 to permit the procurement of three large passenger aircraft for the special air mission squadron of the Military Air Transport Service.

Today the overseas fleet consists of 13 four-engined aircraft. Other than the three VC–137 jet transports and one Super Constellation, these aircraft range in age from 7 to 13 years. Logistic support for these aircraft was previously available through commercial sources. However, the withdrawal of early model Constellations and DC–6's from international routes by commercial carriers has eliminated this source of support from a single domestic base.

The age of the fleet and resultant increasing component failures require a considerably higher maintenance level which has now become extremely uneconomical. Replacement aircraft for the overseas fleet should be capable of nonstop transatlantic flights and operation from runways of no longer than 6,000 feet. The turbofan powered version of the Boeing 707, the DC–8, and the Convair 990 are available for off-the-shelf procurement and meet this requirement.

As in the case of the turbofan engines for the C–135 aircraft, the urgency of the requirement for additional passenger jet aircraft for the SAM squadron had not become fully evident during the consideration of the bill by the Senate and there had not been, therefore, an opportunity for the Senate to take action in this respect. The Senate and House conferees, after a review of the extremely high level of utilization of the present three passenger jet aircraft, agreed that authority for one rather than three additional aircraft should be granted. This action had the effect of again raising the basic Air Force aircraft money figure in the bill by an additional $8,000,000.

MISSILES

The Senate and House versions of the bill were identical with respect to the authority granted the Army, Navy, Marine Corps, and Air Force for appropriations for missiles.

NAVAL VESSELS

The Senate passed the naval vessel portion of S. 1852 in the form requested by the executive branch. Among the 35 new vessels proposed for construction were 7 conventionally powered guided missile frigates.

The House, however, because of its strong belief that more rapid progress should be made in the powering of naval vessels with nuclear power plants, substituted 2 nuclear powered guided missile frigates for 3 of the conventionally powered. The result of the House action was to lower the number of guided missile frigates from 7 to 6.

The reasoning behind the House action, which is only briefly referred to above, is dealt with at length in the House Report on H.R. 6151.

After extended discussion of the relative merits of the House and Senate actions on this portion of the bill, the conferees agreed that the original number of guided missile frigates, that is seven, should be authorized, but that one of them may be nuclear powered. This agreed modification adds $42,000,000 to the naval vessels portion of the bill.

CARL VINSON,
PAUL J. KILDAY,
L. MENDEL RIVERS,
PHILIP J. PHILBIN,
F. EDW. HÉBERT,
LESLIE C. ARENDS,
L. H. GAVIN,
JAMES E. VAN ZANDT,
WILLIAM H. BATES,
Managers on the Part of the House.

Mr. VINSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill, S. 1852, is the authorization for appropriations for aircraft, missiles, and naval vessels for fiscal year 1962.

This grand total of this bill is $12,571 million.

As the bill passed the House, the authorities granted for aircraft, missiles, and naval vessels for the Armed Forces totaled $12,368 million. The corresponding authority granted in the Senate version of the bill totaled $12,499,800,000 or $131,800,000 more than the House version. The total agreed to by the conferees is $12,571 million. This latter sum is $203 million more than the House version and $71,200,000 more than the Senate version.

BOMBERS

As the bill was presented to the Congress by the executive branch, it contained no authority whatsoever for bomber aircraft. I believe that you will recall that I dealt with this matter at some considerable length in my remarks on the floor when the bill itself was being considered.

Suffice it to say at this time that both committees were in complete agreement that the bomber should continue in our inventory for the present and for some time into the future.

As you know, there are three bombers in our Air Force today. The B–47—the B–52—and the B–58. The B–47's are no longer being produced although there are a large number of them in our Strategic Air Command.

In the House version of the bill, the bomber authority granted referred specifically to B–52's and B–58's. The Senate version referred only to "manned bombers." Since only B–52's and B–58's are being produced, the House conferees had no reluctance to accept the Senate language since, of course, the only bombers which can be procured are B–52's and B–58's.

In effect, what the Congress is doing is taking out an insurance policy to render certain that appropriate authority does exist for the continuation of the B–52 and B–58 assembly lines if such appears to be necessary in the near future.

Of course, the department could have reprogramed funds available to them to procure these bombers but the committee felt that from a legislative standpoint, it was better to grant specific authority for bombers rather than to leave the matter up to the more informal process of reprograming.

It is entirely possible that little, if any, of this authority will be exercised, but the authority is there if it is found necessary to keep these assembly lines going. We all know that to start up an assembly line that is stopped can cost many millions of dollars for which few, if any, aircraft would be obtained.

The result of the conference, therefore, was to accept the Senate figure of $525 million for bomber aircraft as well as the Senate language which refers only to long-range manned bombers.

TURBOFAN ENGINES

The House also had added $21,200,000 for turbofan engines for the last 15 C–135 aircraft. The Senate committee during its consideration of the bill had not had the opportunity to consider this matter since final plans had not been developed at that time.

The obvious advantages of having turbofan engines on these aircraft caused the Senate committee to agree quickly that authority for their installation should be contained in the bill.

SPECIAL AIR MISSION AIRCRAFT

The House committee also had added $25 million for three new turbofan jet

passenger aircraft for the special air mission squadron. The Senate bill contained no similar authority.

The conferees agreed that one—not three—of these aircraft should be procured and appropriate authority has been inserted in the bill.

GUIDED MISSILE FRIGATES

The last difference between the Senate and House versions of the bill was in the area of naval vessel construction.

As the shipbuilding program was submitted to the Congress by the Department of Defense, it contained—among other things—seven guided-missile frigates—all conventionally powered.

The House committee substituted two nuclear-powered guided-missile frigates for three of the conventionally powered frigates. This reduced the total number of frigates in the House version of the bill to six.

The Senate took no action in this area and their version of the bill, therefore, contained seven conventionally powered frigates.

The conferees agreed that there should be seven frigates—the original number in the program—but that one of them may be nuclear powered.

I might say, however, that it is my personal hope that one of these guided-missile frigates be nuclear powered because in the long run, it is more economical and is a better fighting unit.

Now, those were the only differences in the two versions of the bill.

I would like to mention one matter not directly connected with the conference report.

The House will remember that during the consideration of this bill on the floor, I endeavored to lay before the House the very maximum amount of detail relating to the items in the bill. I believe I mentioned—by name—every missile, every aircraft, and every type of ship that I was asking the House to authorize. My only restraint in the revealing of full information with respect to the bill was that imposed by security consideration.

The vote on the bill was 401 to nothing and that vote was based on as complete a knowledge of the contents of the bill as was possible.

I am happy to say that the gentleman from Texas [Mr. MAHON] has assured me that similar information will be developed by him when he presents the appropriation bill covering aircraft, missiles, and naval vessels. I think that it is very important that the House know to what extent appropriations are being made against the items approved by the House by such an overwhelming vote.

In other words, every Member of the House will have an opportunity to establish a direct relationship between the items authorized and the items appropriated for.

One concluding matter. Our President has recently returned from a trip to Europe where he talked with the several leaders in that part of the world.

President Kennedy's discussions with Mr. Khrushchev have been described as being in an atmosphere both sober and sombre. These words do not have a happy sound.

They imply—and quite correctly—that we are still living in a world, tight with tension, fraught with danger, and precarious in balance.

Crises seem to come by the day. They are spread throughout the world. The imperialistic penetrations of Soviet Russia continue wherever a soft and vulnerable spot is found.

Soviet tactics change and shift as the practical circumstances dictate. But the purpose and end remain the same: world domination.

I say regretfully that I do not see the shining light of peace ahead of us on the road of international affairs. Neither do I see the gathering clouds of war. But I feel—as we all feel—the scurrying gusts of dissension which could at any time gather themselves into the great storm that is war.

It has been said a thousand times—and it is just as true today as when said the first time—the Soviet Union respects one thing—power.

So, powerful we must be.

So powerful that even the heart in the Kremlin must have within it the feeling of hesitancy that will restrain it from throwing this world into open warfare.

We can hope for steps toward general agreement in international affairs. We can hope for a world in which we can all live in peace.

But while hoping and praying that this will be so, we must keep ourselves—keep this country—the strongest, most powerful nation on earth.

Sobering and sombre, indeed, is the atmosphere in which this House must legislate.

Heavy, indeed, is the burden which the American people must bear in providing this defense.

If we are to survive, we have no other choice.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman.

Mr. GROSS. Do I understand that this bill calls for $12.5 billion in round figures?

Mr. VINSON. That is correct.

Mr. GROSS. Will the gentleman please tell me what the bill called for as it left the House?

Mr. VINSON. The bill, when it left the House, called for $12,368 million.

Mr. GROSS. So there is something like a $200 million increase between the two bills?

Mr. VINSON. Yes. I want to be fair with the gentleman. I am not going to mislead any Member of this House. Here are the true facts about it and they are set out in the report. As the bill passed the House, the authority granted for aircraft, missiles for the Navy and naval vessels, totaled $12,368 million. The corresponding authority granted in the Senate version of the bill totaled $12,498,800,000 or $131,800,000 more than the House version. The total agreed to by the conferees is $12,571 million. That is the story.

Mr. GROSS. One further question, if the gentleman will yield further.

Mr. VINSON. I yield to the gentleman.

Mr. GROSS. This $8 million plane—who gets it.

Mr. VINSON. This is what is known as a special air mission airplane. There are three of them today. They are used by the President, the Vice President, and by the Secretary of State in traveling all over the world.

Mr. GROSS. Then this means a fourth one?

Mr. VINSON. This means we are going to have one new one. We are going to keep the three old ones. I tried to convince the conferees that the proper thing to do was to modify the three old ones.

It would have cost about the same amount of money.

Mr. GROSS. At a cost of $8 million?

Mr. VINSON. Yes.

Mr. GROSS. That is going to be a pretty plush plane.

Mr. VINSON. That is the price we pay for our B–52's and B–58's, and we buy a great many of them. Yes, it is an expensive plane. All of these planes are expensive. I might point out, however, that the kind of plane to be procured is virtually identical to those used by the commercial airlines and the commercial airlines pay the same price for one of theirs.

Mr. GROSS. I do not doubt that.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield.

Mr. FULTON. I am interested in the nuclear research on missiles. Are there adequate funds here for the nuclear missile, the Pluto program, the research on the engine?

Mr. VINSON. The Committee on Appropriations deals with the question of research and development. We only authorize aircraft, missiles, and naval vessels. The research and development money will be considered when the appropriation bill comes up.

Mr. FULTON. The Pluto nuclear missile program is now at a point of engine construction out at Jackass Flats in Nevada.

Mr. VINSON. When they reach the stage of an airplane or missile then we authorize them, but the research money comes from the Appropriations Committee.

Mr. FULTON. I am not talking about planes. I am talking about a missile, a nuclear missile. I am talking about a nuclear missile engine now being constructed, and I want sufficient funds authorized so that we can do the construction of the nuclear engine for the Pluto missile. Is that in here?

Mr. VINSON. We do not have anything in this bill relating to Pluto.

Mr. FULTON. The next question is as to the cancellation of the two nuclear frigates. What is the strategic and tactical effect of that cancellation by this conference report? What does that do to our forces?

Mr. VINSON. This is the situation: The administration's request called for seven conventional frigates. The House authorized six frigates, two of which would have been nuclear. The compromise arrived at between the Senate and the House contemplates returning to the

administration's program of seven frigates of which one may be nuclear. But we certainly do hope that one of them will be nuclear powered.

Mr. FULTON. Was that on the ground of economy or was that on the ground that they were not necessary for our U.S. security?

Mr. VINSON. It was simply a compromise, with both economy and tactical.

Of course, there were 15 members of the conference; 9 on the House side and 6 on the Senate side. It is rather difficult to state a precise reason why this action was taken because that would involve the delving into the attitudes of the individual conferees. As a matter of fact, I think it can be safely stated that economy was served by the insertion of one nuclear frigate while our defenses generally were served by the inclusion of seven rather than six frigates overall.

Mr. FULTON. What has been the final result on the B–70 research program?

Mr. VINSON. The B–70 program carries $220 million for additional studies to be carried on. There is no money in this bill for the actual purchase of the B–70's. The Eisenhower administration wanted $354 million. This administration reduced it down to $220 million.

Mr. FULTON. Does that postpone the B–70 program?

Mr. VINSON. It will cause a delay of about a year or a year and a half if the B–70's are ultimately built.

Mr. FULTON. My last question is on the Nike-Zeus missile program. What has been the final result on this conference report?

Mr. VINSON. It has no relation either to increasing it or decreasing it. There was no modification of the Nike-Zeus program.

Mr. FULTON. It is still in the research and engineering and in the practical stage; is it?

Mr. VINSON. That is correct.

Mr. FULTON. I thank the gentleman.

Mr. VINSON. Mr. Speaker, I yield 10 minutes to the distinguished gentleman from Illinois, the acting minority leader [Mr. ARENDS].

Mr. ARENDS. As is often the case in bills passed by both the Senate and the House as a result of compromise, I think in this particular instance the agreement of the conferees on the part of the House came to a solution and an agreement which should be acceptable to every Member of this body.

Mr. Speaker, I yield to the gentleman from Kansas [Mr. SHRIVER].

Mr. SHRIVER. Mr. Speaker, the time for decision draws near on whether or not America will keep the production lines open for turning out long-range, heavy bombers for our Nation's defense system. The intent of Congress has been made clear through this bill, S. 1852.

Authorization of $525 million for additional manned bombers conveys the message to those responsible for directing America's defense efforts that the Members of the House and those of the other body are not ready to see the production of proven deterrents to war, such as our B–52 bomber, halted.

The distinguished members of the Armed Services Committees of both bodies held extensive hearings and received testimony from this Nation's ablest military authorities, and the civilian leaders of our defense effort, relative to this record military authorization bill.

It is significant to me that both committees would recommend addition of funds to insure that this country have the proper mix of missiles and bombers.

Since the Secretary of Defense last week indicated that he would recommend that these additional funds not be used for additional bombers during the next fiscal year, we now must look to the respective Appropriations Committees for an intensive examination of administration and Air Force views in this matter.

Testimony of the Chief of Staff of the Air Force—General White—before the subcommittee of the Committee on Appropriations on April 18, 1961, further illustrated to me the absolute necessity of the United States continuing its production of manned bombers beyond the present cutoff dates.

I would like to include the following excerpt from those hearings:

Mr. MINSHALL. How long, General White, do you think the manned bomber threat will continue as far as the Russians are concerned?

General WHITE. As far as I can see, sir, I see no indication of the Russians decreasing their bomber threat.

Mr. MINSHALL. Even when they get their full inventory of missiles?

General WHITE. They are continuing to produce bombers now.

Mr. MINSHALL. How much are they increasing their bomber rate now? From all reports we have had in the past several years, it has been pretty steady.

General WHITE. Off the record, please.

Mr. MINSHALL. You feel very confidently that the manned bomber threat is going to be with us for a period of at least 10 years?

General WHITE. I would think so; yes, sir.

It is inevitable that newer weapons eventually will replace older weapons in our defense system. However, we have been told that the B–52 jet bomber which is being equipped to deliver missiles is programed for a major role in the Strategic Air Command into the 1970's.

Nevertheless, present plans are to close down the production line in August 1962.

The B–47 medium bomber constitutes the largest part of our bomber inventory. And it is scheduled to be phased out of operation on an accelerated basis.

This means that the B–52 will remain as the workhorse of America's counter striking force in the Strategic Air Command.

The last of presently ordered B–52 H model bombers will be delivered to SAC within 15 months. Unless the bomber funds authorized in this bill are used, the production line of the Wichita division of the Boeing Co. will close down. The thousands of skilled technicians who have built these planes will be dispersed.

The economics of the situation would indicate that the production line should be kept open. Assuming it is allowed to close down and a year later the decision is made to order more B–52 bombers, the cost of starting up the production line again would be an estimated $135 million. That sum could better be used to buy jet bombers.

Another factor worthy of consideration is the time gap which would elapse between the delivery of the last bomber to the next delivery on a new order. The time gap would be 20 to 23 months between the two delivery dates.

This Nation cannot afford to watch the Soviet Union continue its production of both bombers and missiles while we close down our bomber production lines to concentrate on missiles alone.

The Congress through this authorization of adequate funds for aircraft, missiles, and naval vessels clearly demonstrates its intent.

Mr. ARENDS. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Speaker, I take this time to ask the chairman a question. I understand the Secretary of Defense said he would not spend the money authorized with regard to the bomber program even though we later appropriated it. Was that taken into consideration at the time of the authorization of the program?

Mr. VINSON. As stated in the conference report, it was the feeling of the managers on the part of the House as well as on the part of the Senate that it was necessary to have insurance so that should anything happen they would have authority to act. You see, from now on, they cannot buy an aircraft, a missile, or a ship, without specific authorization, and we cannot afford to take a chance. We have got to have the latitude which we gave them, and that cannot be provided unless there is authority to reprogram it should it become necessary.

Mr. YOUNGER, What good does the insurance do if the insurance company will not pay?

Mr. ARENDS. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. HIESTAND].

Mr. HIESTAND. Mr. Speaker, I congratulate the great Committee on Armed Services upon their original recommendations and upon this conference report.

I do this because it reveals their sound judgment in refusing to put all our eggs in one basket, the missile basket. Our progress in missiles has been and is magnificent, and we must push it with all energy and capacity at our command.

However, Mr. Speaker, the missile as a weapon is still unproven. Therefore the extending of a balanced defense and attack program of manned bombers is imperative.

But, Mr. Speaker, we have gone only half way. We are extending the production program of existing weapons. We

have neglected the greatest program weapon system of them all—the great B–70.

Extending the B–70 program this year saves a whole year and perhaps more. Who is to say that we shall not need the B–70, a mach-3, tremendous powered for higher flying bomber than ever before planned will not be needed until 1968 or 1970 or any other date?

The immediate activating of the B–70 program would keep the Soviets off balance for another 10 years. I urge added legislation as immediately as possible.

OPERATION OF STEAMSHIP CONFERENCES

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 6775) to amend the Shipping Act, 1916, as amended, to provide for the operation of steamship conferences.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 14, Shipping Act, 1916, is hereby amended as follows:

(a) Insert "(a)" immediately after "First".

(b) Add the following subsection (b) at the end of paragraph "First":

"(b) Charge or enter into any combination, agreement, or understanding, express or implied, to charge any person, solely or in part because he does not agree to or give all or any part of his patronage, higher freight rates or charges than are accorded to any person who does agree to or give such patronage: *Provided, however,* That notwithstanding any other provision of this Act, on application the Board shall, after notice, permit the use by any carrier or conference of carriers in foreign commerce of any contract, amendment or modification thereof, which is available to all shippers and consignees on equal terms, and conditions, which provides lower rates to a shipper or consignee who agrees to give all or any part of his patronage to such carrier or conference of carriers and which the Board finds is not intended, and will not be reasonably likely, to cause the exclusion of any other carrier from the trade, and which the Board finds will be neither detrimental to the commerce of the United States nor contrary to the public interest, and which expressly (1) assures to the contract shipper as much of the available space on the vessels of the carrier or conference of carriers as is necessary, on reasonable notice, to meet the normal demands of the contract shipper; (2) provides that, whenever a tariff rate for the carriage of goods becomes effective, insofar as it is under the control of the carrier or conference of carriers, it shall not be increased for a reasonable period, but in no case less than ninety days; (3) covers only those goods of the contract shipper as to the shipment of which he has the legal right at the time of shipment to select the carrier; (4) does not require the contract shipper to divert shipment of goods from natural routings not served by the carrier or conference of carriers where direct carriage is available; (5) limits damages recoverable for breach by either party to actual damages to be determined after breach in accordance with the principles of commercial contract law: *Provided, however,* That the contract may specify that in the case of a breach by a contract shipper or consignee the damages may be an amount not exceeding the contract rate on the particular shipment, less the cost of handling; (6) permits the contract shipper to terminate at any time without penalty upon ninety days' notice; (7) provides for a spread between ordinary rates and rates charged for contract shippers that the Board finds to be reasonable in all the circumstances but which spread shall in no event be more than 15 per centum of the ordinary rates; and (8) contains such other provisions not inconsistent herewith as the Board shall require or permit. The Federal Maritime Board shall withdraw permission which it has granted under the authority contained in this section for the use of any contract if it finds, after notice and hearing, that the use of such contract tends to cause the elimination from, or prevent the entry into, the trade of any carrier, or is detrimental to the commerce of the United States or contrary to the public interest. The carrier or conference of carriers may on ninety days notice terminate without penalty the contract rate system herein authorized, in whole, or with respect to any commodity or service: *Provided, however,* That after such termination the carrier or conference of carriers may not reinstitute such contract rate system or part thereof so terminated without prior Board approval in accordance with the provisions of this section. As used in this section, the term 'contract shipper' means a person other than a carrier or conference of carriers who is a party to a contract the use of which may be permitted under this section."

SEC. 2. Section 15, Shipping Act, 1916, is amended to read as follows:

"SEC. 15. That every common carrier by water, or other person subject to this Act, shall file immediately with the Board a true copy, or, if oral, a true and complete memorandum, of every agreement with another such carrier or other person subject to this Act, or modification or cancellation thereof, to which it may be a party or conform in whole or in part, fixing or regulating transportation rates or fares; giving or receiving special rates, accommodations or other special privileges or advantages; controlling, regulating, preventing, or destroying competition; pooling or apportioning earnings, losses, or traffic; allotting ports or restricting or otherwise regulating the number and character of sailings between ports; limiting or regulating in any way the volume or character of freight or passenger traffic to be carried; or in any manner providing for an exclusive, preferential, or cooperative working arrangement. The term 'agreement' in this section includes understandings, conferences, and other arrangements.

"The Board shall by order, after notice and hearing, disapprove, cancel, or modify any agreement, or any modification or cancellation thereof, whether or not previously approved by it, that it finds to be unjustly discriminatory or unfair as between carriers, shippers, exporters, importers, or ports, or between exporters from the United States and their foreign competitors, or to operate to the detriment of the commerce of the United States, or to be in violation of this Act, and shall approve all other agreements, modifications, or cancellations that it finds not contrary to the public interest. No such agreement shall be approved, nor shall continued approval be permitted for any agreement, (1) between carriers or conferences of carriers serving different trades that would otherwise be naturally competitive, unless in the case of agreements between carriers, each carrier, or in the case of agreements between conferences, each conference, retains the right of independent action, or (2) which permits shippers who act as carrier agents to represent such carrier in conference activities unless the Board finds that no other qualified person is available, or (3) whose probable effect will be reasonably likely to exclude any other carrier from the trade, or (4) in respect to conference agreements, fails to provide reasonable and equal terms and conditions for the admission and readmission of other qualified carriers in the trade, or fails to provide that any member may withdraw from membership without penalty upon reasonable notice.

"No such agreement shall be approved unless it shall (1) designate a person upon whom service of process may be made within the United States which will be effective against every signatory to such agreement, and (2) contains provisions that every signatory shall provide records or other information, wherever located, required by any order of the Board which contains the minimum notice provisions required by the Administrative Procedures Act (5 U.S.C. 1001 and the following). No conference agreement shall be approved unless the Board finds that it contains effective provisions for policing the obligations under it. The Board shall disapprove any such agreement, after reasonable notice, on a finding of inadequate policing of the obligations under it, or of failure or refusal to adopt and maintain reasonable procedures for the consideration of shippers' requests and complaints.

"Any agreement and any modification or cancellation of any agreement not approved, or disapproved, by the Board shall be unlawful, and agreements, modifications, and cancellations shall be lawful only when and as long as approved by the Board; before approval or after disapproval it shall be unlawful to carry out in whole or in part, directly or indirectly, any such agreement, modification, or cancellation; except that tariff rates, fares, and charges, and classifications, rules, and regulations explanatory thereof (including changes in special rates and charges covered by the proviso to section 14 First (b) which do not involve a change in the spread between such rates and charges and the rates and charges applicable to noncontract shippers) agreed upon by approved conferences, and changes and amendments thereto, if otherwise in accordance with law, be permitted to take effect without prior approval upon compliance with the publication and filing requirements of section 18(b) hereof and with the provisions of any regulations the Board may adopt. The Board shall disapprove any conference rate, fare, or charge which after hearing it finds to be so unreasonably high or low as to be detrimental to the commerce of the United States.

"Every agreement, modification, or cancellation lawful under this section, or permitted under section 14 First, shall be excepted from the provisions of the Act approved July 2, 1890, entitled 'An Act to protect trade and commerce against unlawful restraints and monopolies', and amendments and Acts supplementary thereto, and the provisions of sections 73 to 77, both inclusive, of the Act approved August 27, 1894, entitled 'An Act to reduce taxation, to provide revenue for the Government, and for other purposes', and amendments and Acts supplementary thereto.

"Whoever violates any provision of this section shall be liable to a penalty of not more than $1,000 for each day such violation continues, to be recovered by the United States in a civil action."

SEC. 3. Notwithstanding the provisions of sections 14 First and 15 of the Shipping Act, 1916, as amended by this Act, all agreements which are lawful under the Shipping Act,

1916, immediately prior to enactment of this Act, shall remain lawful for one year after enactment of this Act unless disapproved, canceled, or modified by the Board pursuant to the provisions of the Shipping Act, 1916, as amended by this Act, within that year.

SEC. 4. Section 18, Shipping Act, 1916, is hereby amended as follows:

(a) Insert "(a)" immediately after the section number "18".

(b) Add the following subsection 18(b):

"(b)(1) From and after ninety days following enactment hereof every common carrier by water in foreign commerce and every conference of such carriers shall file with the Board and keep open to public inspection tariffs showing all the rates, fares, and charges of such carrier or conference of carriers for transportation between all points on its own route and on any through route which has been established. Such tariffs shall plainly show the places between which freight will be carried, and shall contain the classification of freight in force, and shall also state separately such terminal or other charge, privilege, or facility under the control of the carrier or conference of carriers which is granted or allowed, and any rules or regulations which in any wise change, effect, or determine any part or the aggregate of such aforesaid rates, or charges, and shall include specimens of any bill of lading, contract of affreightment, or other document evidencing the transportation agreement. Copies of such tariffs shall be made available to any person and a reasonable charge may be made therefor. The requirements of this section shall not be applicable to cargo loaded and carried in bulk without mark or count.

"(2) No change shall be made in the rates, fares, charges, classifications, rules or regulations, which results in an increase in cost to the shipper, nor shall any new or initial rate of any common carrier by water in foreign commerce or conference of such carriers be instituted, except by the publication, and filing, as aforesaid, of a new tariff or tariffs which shall become effective not earlier than thirty days after the date of publication and filing thereof with the Board, and such tariff or tariffs shall plainly show the changes proposed to be made in the tariff or tariffs then in force and the time when the rates, fares, charges, classifications, rules or regulations as changed are to become effective: *Provided*, That the Board may, in its discretion and for good cause, allow such changes upon less than the period of thirty days herein specified. Any change in the rates, fares, charges, or classifications, rules or regulations which results in a decreased cost to the shipper may become effective upon the publication and filing with the Board. The term 'tariff' as used in this paragraph shall include any amendment, supplement or reissue.

"(3) No common carrier by water in foreign commerce or conference of such carriers shall charge or demand or collect or receive a greater or less or different compensation for the transportation of property or for any service in connection therewith than the rates, and charges which are specified in its tariffs on file with the Board and duly published and in effect at the time; nor shall any such carrier rebate, refund or remit in any manner or by any device any portion of the rates, or charges so specified, nor extend or deny to any person any privilege or facility, except in accordance with such tariffs.

"(4) The Board shall by regulations prescribe the form and manner in which the tariffs required by this section shall be published and filed; and the Board is authorized to reject any tariff filed with it which is not in conformity with this section and with such regulations. Any tariff so rejected by the Board shall be void and its use shall be unlawful.

"(5) Whoever violates any provision of this section shall be liable to a penalty of not more than $1,000 for each day such violation continues, to be recovered by the United States in a civil action."

SEC. 5. Section 19, Shipping Act, 1916, is amended by inserting "(a)" immediately after the section number "19", and adding the following subsection:

"(b) It shall be unlawful for any common carrier by water or any conference of carriers, directly or indirectly, to reduce unreasonably its rates or charges for the purpose of destroying competition or eliminating a competitor: *Provided, however*, That nothing contained in the Act shall be construed to prohibit a common carrier by water or a conference of carriers from reducing its rates or charges in good faith to meet competition. Whoever violates any provision of this subsection (b) shall be liable to a penalty of not more than $1,000 for each day such violation continues, to be recovered by the United States in a civil action."

SEC. 6. Section 20, Shipping Act, 1916, is amended by changing the period at the end thereof to a semicolon and adding the following:

"or to prevent the giving by any common carrier by water which is a party to a conference agreement approved pursuant to section 15 of this Act to, or the soliciting or receipt by the conference or any person, firm, corporation, or agency designated by the conference, information for the purpose of determining whether a shipper or consignee has committed a breach of an agreement with the conference or its member lines or of determining whether a conference member has committed a breach of the conference agreement, or for the purpose of compiling statistics of cargo movement."

SEC. 7. Section 21, Shipping Act, 1916, is amended to read as follows:

"SEC. 21. (a) That the Board may require any common carrier by water, or other person subject to this Act, or any officer, receiver, trustee, lessee, agent, or employee thereof to file with it any periodical or special report, or any account, record, rate, or charge, or any memorandum of any facts and transactions appertaining to the business of such carrier or other person subject to this Act. Such report, account, record, rate, charge, or memorandum shall be under oath whenever the Board so requires, and shall be furnished in the form and within the time prescribed by the Board. Every common carrier by water engaged in the foreign commerce of the United States shall (1) designate a person upon whom service of process may be made within the United States in any action, proceeding, or investigation brought by or on behalf of the United States or any agency thereof, and (2) provide records or other information, wherever located, required by any order of the Board which contains the minimum notice provisions required by the Administrative Procedure Act (5 U.S.C. 1001 and the following). Whoever fails to file any report, account, record, rate, charge, memorandum, or other information as required by this section shall forfeit to the United States the sum of $100 for each day of such default.

"(b) Whoever willfully falsifies, destroys, mutilates, or alters any such report, account, record, rate, charge, or memorandum, or willfully files a false report, account, record, rate, charge, or memorandum shall be guilty of a misdemeanor, and subject upon conviction to a fine of not more than $1,000 or imprisonment for not more than one year, or to both such fine and imprisonment.

"(c) The Board shall make such rules and regulations as may be necessary to carry out sections 14 First (b), 15, 18(b), 19(b), 20, and 21 of this Act."

Mr. BONNER (interrupting the reading). Mr. Speaker, I ask unanimous consent that further reading of the bill be dispensed with, and that I be given an opportunity to explain it.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BONNER. Mr. Speaker, the bill H.R. 6775 is the result of over 2½ years' work on the part not only of the Committee on Merchant Marine and Fisheries, but also of the Committee on the Judiciary.

The occasion for these intensive studies was a decision by the Supreme Court in May 1958 which cast into doubt the validity of a system that had been utilized by very many of both American and foreign-flag steamship companies during a period of over 40 years. Under prevailing practices, lines serving the same area have been forming themselves into conferences to regulate rates and practices. This has the sanction of the Shipping Act of 1916.

As a part of their activity and in order to strengthen their position against casual, and sometimes irresponsible, competition, steamship lines have utilized a system whereby in exchange for a contract for exclusive patronage contract shippers would have the benefit of lower rates than those available to noncontract shippers. The Supreme Court in the particular case held that this device was being utilized to stifle competition and as such was illegal under the Shipping Act of 1916.

The efforts of the committee have been devoted to preserving the essential features of the dual rate system while imposing safeguards against violation of the spirit or letter of the antitrust acts.

It is my belief that the bill as presented here today contains a maximum protection against practices inconsistent with the U.S. view of protection against monopolies. At the same time, it affords necessary protection to both the American merchant marine and its foreign competitors to enable them to continue to render services to our American economy in a manner calculated to insure stability of operations desired by shippers as well as carriers.

While it places certain burdens on foreign-flag lines by way of requiring them to make available records of their business in the American trades, these provisions merely recast existing law that has been in effect since 1916 and do not represent any departure from or addition to requirements presently in existence. Their inclusion was dictated by the fact that, as a result of activity growing out of the investigation so ably conducted by the Antitrust Subcommittee of the Committee on the Judiciary, the procedures contained in the 1916 act have proven ineffective to obtain promptly information required by the Federal Maritime Board and the Department of Justice to effectively process violations of our laws.

The procedures set forth in this bill requiring the appointment of an individual in this country to accept process on behalf of all members of each conference will, in the opinion of the committee, be more effective in obtaining the information without attempting to extend American jurisdiction beyond its present limits.

The bill is necessary if we are going to try to perpetuate and maintain our American-flag merchant marine for the benefit of the economy and the national defense of our country.

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. CELLER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. CELLER. Mr. Speaker, I wholeheartedly support H.R. 6775 with the amendments reported by the Committee on Merchant Marine and Fisheries. This bill is the product of nearly 3 years of painstaking and constructive labors in the public interest by the distinguished chairman of that committee, the gentleman from North Carolina [Mr. BONNER].

Because the Antitrust Subcommittee of the Committee on the Judiciary, of which I am chairman, has conducted during the same 3-year period an extensive study of antitrust problems and competitive practices in the ocean freight industry, the gentleman from North Carolina invited my aid in the development of this bill. We have worked together closely and harmoniously. The Merchant Marine Committee's staff and the staff of the Antitrust Subcommittee have worked long and hard in resolving differences and in securing a bill that would be in the best interests of the public as well as of the steamship industry.

These differences concern the weight that should be accorded traditional antitrust concepts of competition as applied to international shipping. I would be less than candid if I did not state that the bill does not place as much reliance upon antitrust considerations as I feel desirable. Nevertheless, the bill represents a sincere effort to compromise disparate points of view.

It offers to the steamship industry legalization of the dual rate system that it has sought since the Supreme Court in May 1958 found that practice to be unlawful in the Isbrandtsen case. At the same time, however, this bill offers substantial protections to shippers, independent maritime operators, and to the general public.

Although dual rate systems would be permitted under this bill, they require advance approval by the Federal Maritime Board and that approval can be granted only if specified conditions designed to protect others are met.

The very heart of these protections stems from the committee amendments. These amendments insure—although certainly without them a public-spirited Maritime Board would insist upon it in any event—that no dual rate system will be approved if it is designed to be used or is used as a means to drive competing independent steamship operators out of business. In other words, this provision insures that if conferences employ a dual rate system they can do so provided it is not used to eliminate the independent status of nonconference members. Thus, the provision recognizes the need for coexistence between independent operators and conference members.

There exists today, under the moratorium legislation passed by the Congress temporarily authorizing dual rates, a number of dual rate systems which meet this test. They offer incentives to shippers to sign exclusive patronage contracts with conferences, but yet are not predatory, so that they drive existing nonconference operators out of the trade, force them to join conferences, or bar their entry into the trade.

In addition, this bill would further protect shippers, independent operators, and the general public by requiring the Maritime Board to withdraw permission for the usage of any dual rate system if it finds that the system tends to cause the elimination of independent carriers from the trade either by forcing them out of business or requiring them to join a conference. The Board is also required to withdraw permission if it finds that any such system is detrimental to the commerce of the United States or contrary to the public interest.

Yet another protective clause insures that the Board will not approve an antitrust exemption for any agreement if its probable effect will be reasonably likely to exclude another carrier from the trade either by driving it out of business or requiring it to join a conference.

Thus, in total effect, this bill makes specific what the Congress has always assumed, namely, that to the maximum extent possible every regulatory agency in the United States is required to carry out its responsibilities in conformity with the antitrust policies upon which our entire American free enterprise system is based.

There are other protective clauses in this bill which are fully spelled out in the committee report but I need not repeat them at this point. However, I do wish to emphasize, Mr. Speaker, that this bill is the product of careful and harmonious work between two standing committees of the House. It is calculated to effectuate the legislation requested by our maritime industry while at the same time preserving to shippers, independent operators, and the general public protections that they need.

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. MCCULLOCH] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MCCULLOCH. Mr. Speaker, over 3 years have passed since the Supreme Court handed down its decision in the Isbrandtsen case outlawing dual rate shipping agreements. Our action, today, culminates 3 years of study in this field by two committees of the House—the Merchant Marine and Fisheries Committee and the Antitrust Subcommittee of the Judiciary Committee, the latter of which I am a member.

As a result of our study of the problems which triggered this measure, I approach its enactment into law with mixed feelings. On the one hand, I well realize the sense of urgency for immediate consideration. Since the temporary dual rate legislation passed in the 85th Congress expires on June 30, we must act quickly or the entire industry will suffer. I, therefore, intend to vote for the proposal.

On the other hand, it seems regrettable to me that it is necessary to act before the completion of the Antitrust Subcommittee's report on the ocean freight industry—a report that consumed years of study and preparation and which included some of the most thorough and extensive hearings ever undertaken by this body. That report, I am informed, is in the final stages of preparation and should be available in little more than a month.

But despite my reservations on that score, because another committee is vested with primary jurisdiction in this matter, I shall content myself with these few remarks rather than impeding the passage of H.R. 6775. I adopt this course despite the fact that I entertain some reservations over certain substantive portions of the bill.

I am particularly concerned over what might be interpreted abroad as an unwarranted extension of American regulatory authority over international shipping. We must never forget, in our zeal to regulate the foreign commerce of the United States, that we are also, by our action, regulating the foreign commerce of other nations which trade with us. How far we can legitimately or wisely—and I stress the term "wisely"—go, without doing more harm than good, is open to question. Certainly, with the passage of this bill, we will have approached close to the limit, if we have not transcended it.

Only time and experience will tell the story. But if difficulty is experienced under this measure when it becomes law, if the industry or our foreign relations should suffer under its administration, then the Congress must act promptly to remedy such unintended and unwanted situation.

Mr. TOLLEFSON. Mr. Speaker, I yield myself such time as I may consume.

In the report which accompanies the bill I have expressed my views concerning it, and have raised questions with respect to some of the provisions of the measure. Nevertheless, I shall vote for the bill because of the need for legalizing the conference contract system under which shipping lines have operated for many years. The lines are now operating under interim legislation which expires June 30. Unless the interim legislation is extended the other

body must act upon our House measure within the next couple of weeks.

Mr. Speaker, I am concerned about the authority which this measure seeks to give our Government. It would authorize the Government to regulate international shipping. No other nation has sought this power to my knowledge. The foreign commerce of the United States is the foreign commerce of other nations as well. We should not seek to regulate it unilaterally for fear of invading the sovereignty of other nations.

The bill also seeks to give our Government jurisdiction over foreign owned documents and papers located abroad. This, in my estimation, is an affront to foreign nations who have written strong letters of protest to our State Department.

These provisions together with others mentioned in my views as contained in the report could well cause foreign shipping lines to withdraw from conferences of which American operators are members. If they do so, the conference system will fail, in my opinion, and the American ship operator could then well be driven out of business. I do not believe our operators can successfully compete with foreign ship operators without a conference system.

Mr. Speaker, hearings before our committee and hearings before the Judiciary Committee have shown some alleged technical violations by domestic and foreign shipping lines. May I call attention to the fact that 95 percent of the violations have nothing to do with the dual rate system which this bill seeks to legalize.

As I stated in my addition views in the report, I trust that the other body will give consideration to the questions raised, and will consider the advisability of amending the measure in such a way as to eliminate its objectionable features.

The SPEAKER pro tempore. The Clerk will report the committee amendments.

The Clerk read as follows:

On page 2, line 10, after the word "finds" and before the words "will be" insert the following: "is not intended, and will not be reasonably likely, to cause the exclusion of any other carrier from the trade, and which the Board finds".

On page 3, line 18, after the word "contract" and before the word "is", insert the following: "tends to cause the elimination from, or prevent the entry into, the trade of any carrier, or".

On page 5, line 20, after the word "or", insert the following:

"(3) whose probable effect will be reasonably likely to exclude any other carrier from the trade, or".

On page 5, line 20, delete "(3)" and insert in lieu thereof "(4)".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA BUSINESS

The SPEAKER pro tempore. This is District of Columbia Day. The Chair recognizes the gentleman from South Carolina [Mr. McMILLAN] chairman of the Committee on the District of Columbia.

EXAMINATION OF MINISTERS IN DISTRICT OF COLUMBIA COURTS

Mr. McMILLAN. Mr. Speaker, I call up the bill (H.R. 5486) to prohibit the examination in District of Columbia courts of any minister of religion in connection with any communication made to him in his professional capacity, without the consent of the party to such communication, and I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That no priest, clergyman, rabbi, accredited religious practitioner, or other duly licensed, ordained, or consecrated minister of any religion shall be examined in any civil or criminal proceedings in the courts of the District of Columbia—

(1) with respect to any confession, or communication, made to him, in his professional capacity in the course of discipline enjoined by the church or other religious body to which he belongs, without the consent of the person making such confession or communication, or

(2) with respect to any communication made to him, in his professional capacity in the course of giving religious or spiritual advice, without the consent of the person seeking such advice, or

(3) with respect to any communication made to him, in his professional capacity, by either spouse, in connection with any effort to reconcile estranged spouses, without the consent of the spouse making the communication.

With the following committee amendment:

Page 1, line 3, strike out "accredited religious practitioner" and insert "practitioner of Christian Science"

The committee amendment was agreed to.

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, the purpose of this legislation is to prohibit the examination in the courts of the District of Columbia of any priest, clergyman, rabbi, practitioner of Christian Science, or other minister of any religion in connection with any communication made to him in his professional capacity, without the consent of the party or parties to such communication.

It is the intent of this committee that this privileged status shall apply to such communications regardless of the religious affiliation, if any, of the communicant. That is, he need not be a member of the same church, faith, or religious body as the minister to whom the communication is made. Indeed, he need not be a subscriber to any religious belief whatever, so long as the communication was made in good faith as an expression of penitence and a search for mental and spiritual guidance.

Under existing law in the District of Columbia, physicians and lawyers are the only professional persons who are specifically exempt from testifying in regard to information obtained in their professional capacity; this does not apply, however, in criminal cases where the accused is charged with causing death or personal injury, when the disclosure is required in the interests of public justice (29 Stat. 138; sec. 14–308, District of Columbia Code, 1951 ed., supp. VI).

More than one-half the jurisdictions in the United States have made information obtained by ministers of religion in their professional capacity a privileged matter and do not require ministers to disclose confidential communications in court.

Under common law, the following rule has been followed unless statutes have been enacted to the contrary:

Under the common law, communications to clergymen, or other church or ecclesiastical officers, are not privileged, although judges have been reluctant to compel the disclosure of such communications; that rule still obtains except insofar as it has been changed by statute (58 Am. Jur. 296; see also 22 A.L.R. 2d 1154 citing cases).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent that the authors of the bills I call up today be given permission to extend their remarks in the RECORD immediately following the reading of the bills as they are called up.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

TO REGULATE THE KEEPING OF DOGS IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I call up the bill (H.R. 7154) to authorize the Commissioners of the District of Columbia to regulate the keeping and running at large of dogs, and I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Commissioners of the District of Columbia are hereby authorized and empowered to make, modify, and enforce regulations in and for the District of Columbia to regulate the keeping and leashing of dogs and to regulate or prohibit the running at large of dogs, in-

cluding penalties for violations of such regulations as provided in section 7 of the Act of December 17, 1942 (56 Stat. 1056; sec. 1–224a, D.C. Code, 1951 ed.).

SEC. 2. The Act entitled "An Act to create a revenue in the District of Columbia by levying a tax upon all dogs therein, to make such dogs personal property, and for other purposes", approved June 19, 1878, as amended, is amended as follows:

(1) Section 3 of such Act (D.C. Code, sec. 47–2003) is amended by striking out "without the tax tag issued by the collector aforesaid attached, and all female dogs in heat found running at large".

(2) Section 4 of such Act (D.C. Code, sec. 47–2004) is amended by striking out "That any dog wearing the tax tag hereinbefore provided for, except female dogs in heat, shall be permitted to run at large within the District of Columbia, and any" and inserting in lieu thereof "Any".

SEC. 3. The paragraph numbered "Seventh" of the first section of the Act entitled "An Act to authorize the Commissioners of the District of Columbia to make police regulations for the government of said District", approved January 26, 1887, as amended (D.C. Code, sec. 1–224), is amended by striking out "and running at large".

SEC. 4. This Act shall become effective thirty days after the date of its approval.

Mr. MULTER. Mr. Speaker, on January 3, 1961, H.R. 806 was introduced. This bill would have required that all dogs be kept under leash while on public property in the District of Columbia. The bill also provided that the violation would be a misdemeanor punishable by a fine not to exceed $100 or by imprisonment not to exceed 6 months, or both. At a public hearing held on the bill, H.R. 806, on April 27, 1961, the Commissioners of the District of Columbia proposed an amendment which would vest police powers in the Commissioners rather than prescribe a law by an act of Congress.

In an executive meeting, the subcommittee agreed to the amendment, as suggested by the Commissioners of the District of Columbia. Later the author of the bill, Mr. MULTER of New York, introduced a clean bill, H.R. 7154, which was presented at the full committee meeting on June 1, 1961. The authority of the Board of Commissioners to impose penalties for violations of such regulations, by fines not to exceed $300 or by imprisonment not to exceed 10 days, is provided in present law, in section 7 of the act of December 17, 1942 (56 Stat. 1056; sec. 1-224a., D.C. Code, 1951 ed.).

Actually, the Board of Commissioners of the District of Columbia had this authority to control the running at large of dogs, under the act of January 26, 1887 (24 Stat. 368) as amended (sec. 1–224, D.C. Code, 1951 ed.), and under this authority they adopted a resolution some years ago requiring dogs to be kept on leash when on public space (article 18, Police Regulations of the District of Columbia). However, in view of section 4 of the act of June 19, 1878 (20 Stat. 174), as amended by the act of June 30, 1902 (32 Stat. 547), which permits any dog wearing a tax tag, except female dogs in heat, to run at large in the District of Columbia, it appears that the Commissioners no longer have any control over this situation beyond requiring the dogs to be properly tagged.

The problems involved in a lack of adequate control over dogs in any urban community are readily recognized, and the enactment of legislation prohibiting dogs from running at large is unquestionably a legitimate exercise of the police power designed to protect the public in the use and enjoyment of the public streets and highways. Underlying such statutes is a recognition of the dogs' tendency to revert to their savage state and their susceptibility to rabies. According to testimony by the Director of the District of Columbia Department of Public Health, in the past 3 years some 6,000 cases of dog bite have been reported in the District of Columbia, and the Health Department believes that there have been many more such cases which have not been reported.

With these several considerations in mind, most States now grant to cities, towns, and political subdivisions within their boundaries the right to exercise such parts of the police power with regard to dogs as they may deem appropriate. Most of the regulations enacted extend to muzzling and leashing of all dogs.

Hence, H.R. 7154 serves to restore to the Board of Commissioners of the District of Columbia a power and authority which it once exercised, and which the members of this committee feel will provide the best and most proper method of control over the problems cited above.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZED STRENGTH OF THE METROPOLITAN POLICE FORCE

Mr. McMILLAN. Mr. Speaker, I call up the bill (H.R. 7218) to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 3,000 officers and members, and I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of paragraph (3) of the first section of the Act entitled "An Act relating to the Metropolitan Police of the District of Columbia", approved February 28, 1901 (D.C. Code, sec. 4–106), is amended by striking out "two thousand five hundred officers and members" and inserting in lieu thereof "three thousand officers and members".

Mr. HARSHA. Mr. Speaker, some weeks ago the District of Columbia was rocked by a series of shocking crimes of violence against defenseless District citizens. Most of the victims involved were women. If my memory serves me correctly, there were six or seven rapings within 1 week. One crime in particular was the rape-robbery of two women—a store clerk and her customer in a Northwest store. This took place in broad daylight. Another woman was brutally beaten in her own apartment and left to die. This series of vicious attacks, it develops, was not unusual, but did serve to disturb the lethargy that usually afflicts a large city.

Your committee, under the distinguished leadership of the gentleman from South Carolina [Mr. MCMILLAN], undertook a 3-day inquiry into the crime picture in the District. The inquiry pointed up, among other things, the crying need for additional men on the police force.

There is a terrific and constant drain on the manpower of the Metropolitan Police force occasioned by the reception of visiting dignitaries, Presidential movements and appearances at public places in the city and other governmental functions requiring large numbers of men on detail. These activities take men away from regular crime prevention work.

Without exception, the testimony of all witnesses at the hearings favored additional manpower for the police department.

Members of the force have been most willing to serve on their time off, voluntarily, to help stamp out periodic upsurges in crime. At present, there are more than 100 men returning at night in their off hours in order to meet this need for more men on the street.

Chief Robert Murray has maintained time and again that the best single deterrent to crime is the uniformed foot patrolmen, and he feels that these additional men provided for in H.R. 7218 will assist immeasurably in meeting this problem of rising crime.

In July of 1957 serious offenses began to rise in the District and the trend has continued since that time. During the period of July 1957 through May 1961, almost a 3-year span, serious offenses have increased 38.8 percent.

This problem is far too serious to be neglected any longer. It behooves each of us to fully support this bill, not only to help make the District a safe place for the good people who reside here but for our constituents who frequently visit the District.

The authorities are doing all they possibly can to stamp out this crime—we must do our part by providing the tools with which to do the job.

This is the world capital of freedom and people have a right to live here and visit here free from fear of being knocked in the head or raped; free to enjoy the beauty, culture, and history of this seat of democracy.

Congress has the responsibility to help make this a safe place to reside and to visit and I earnestly urge your support of H.R. 7218.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADMISSION OF CERTAIN EVIDENCE IN COURTS OF THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, I call up the bill (H.R. 7053) to provide for the admission of certain evidence in the courts of the District of Columbia and for other purposes, and I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. ROGERS of Colorado. Mr. Speaker, reserving the right to object, I object to the consideration of H.R. 7053 since it does not comply with the Ramseyer rule. I direct the Speaker's attention to the fact that in the report of the committee no reference is made to the law which they are attempting to amend. I am sure that the Chair is familiar with the provisions of the Ramseyer rule which in effect provides that before the House can consider legislation they must set forth the statute which is sought to be amended or repealed.

It is my contention, if you will read the bill which is before you, that you will find that it makes reference to the courts of the District of Columbia. That includes all the courts, including the United States District Court for the District of Columbia. Hence, if you follow the words of the proposed statute, by the same token you are amending the Rules of Procedure as they relate to the District of Columbia in criminal proceedings.

I should like to direct the Speaker's attention to chapter 237 of the United States Code, title 18, section 3771 thereof. This section provides that:

> The Supreme Court of the United States shall have the power to prescribe, from time to time, rules of pleading, practice, and procedure with respect to any or all proceedings prior to and including verdict, or finding of guilty or not guilty by the court if a jury has been waived, or plea of guilty, in criminal cases and proceedings to punish for criminal contempt of court in the United States district courts, in the district courts for the district of the Canal Zone and the Virgin Islands, in the Supreme Courts of Hawaii and Puerto Rico, and in proceedings before United States commissioners. Such rules shall not take effect until they have been reported to Congress by the Chief Justice at or after the beginning of a regular session thereof but not later than the first day of May, and until the expiration of 90 days after they have been thus reported. All laws in conflict with such rules shall be of no further force or effect after such rules have taken effect.
>
> Nothing in this title, anything therein to the contrary notwithstanding, shall in any way limit, supersede, or repeal any such rules heretofore prescribed by the Supreme Court.

Mr. Speaker, it is my contention that this proposed legislation on the face of it says definitely that you are going to amend the rules of criminal procedure in the District of Columbia and at the same time it makes no reference whatsoever to the statute that gives authority to the Supreme Court to prescribe these rules, nor is it set out that they are amending it in any manner whatsoever. Hence it is in violation of the Ramseyer rule.

Mr. Speaker, I would like to go further and point to chapter 223 of the same title 18 which deals with the question of witnesses and evidence. When this matter was submitted to the Committee on the Judiciary we at least took the pains to set forth in our report to this Congress the statutes that would be affected thereby. If we proceed here without any reference in this report as to which statutes we are amending, where does that leave the Supreme Court in its power to proceed with amendments to this particular statute?

Will the passage of this bill take from the Supreme Court of the United States the right to make rules and regulations as they relate to confessions that may have been obtained? Evidently it is the intention as set forth in this report to overrule the so-called Mallory decision. But if they do, they should amend the law and take from the Supreme Court the power to make the rules and the regulations that we have heretofore given them. The failure to set forth how they expect to amend this particular section of the statute is in violation of the Ramseyer rule. Hence we should not proceed to consider this bill until that is set out in the proper manner.

The SPEAKER. Does the gentleman from Georgia [Mr. JAMES C. DAVIS] desire to be heard on the point of order?

Mr. JAMES C. DAVIS. Yes, Mr. Speaker.

Mr. Speaker, the gentleman from Colorado is stating what the bill ought to undertake to do. But the bill speaks for itself. It does not undertake to amend any section of the code or any existing law or statute. As it states here in the bill, it simply provides that in the courts of the District of Columbia "evidence including but not limited to statements and confessions," and so forth.

There is no attempt made in the bill to amend any section of the code or any existing statute. Consequently there is no requirement as is the case under the Ramseyer rule to set out any statute which would be amended. No statute will be amended. I think it is obvious that this bill does not come within the Ramseyer rule.

I submit that the point of order is not well taken.

Mr. ROGERS of Colorado. Mr. Speaker, may I again point out that the third line of this bill specifically says "that (a) in the courts of the District of Columbia, evidence, including, but not limited to," and so forth. If it means anything, that means the police court or the municipal court of the District of Columbia, and it also means a Federal court, a Federal district court in the District of Columbia. It cannot be put in any other words and no other construction can be put upon it. If it is to be confined only, as the gentleman from Georgia contends, to the district court of the District of Columbia, then are we to have two separate rules in the Federal courts throughout the United States, and say that the District of Columbia has one rule and that the 50 States of the Nation shall have another rule? That is exactly the weakness of the position that is demonstrated, and hence it violates the rule because, if they would set forth the Federal statute that they are amending, and as I contend they are amending, the power given to the Supreme Court of the United States to make the rules, suppose we proceed and adopt this, do we then take from the Supreme Court the power to make the rules as it relates to confessions obtained by police officers; or can the Supreme Court after we enact this turn around and say, "We are going to change the rule back to what it was unless the Congress acts within 90 days?" Then we are back where we began.

Mr. Speaker, it is just that simple, and hence if they had believed and set out that they were changing this rule then we could be fully informed.

Mr. SMITH of Virginia. Mr. Speaker, may I be heard briefly?

The SPEAKER. The Chair will hear the gentleman.

Mr. SMITH of Virginia. Mr. Speaker, the gentleman's point of order, and I take it that it is a point of order, is based upon a regulation, and not upon a statute, a regulation made under authority of the Congress to govern the rules of the Supreme Court. The Ramseyer rule, however, does not relate to regulations. It relates to statutes, and specifically says so. It has no application at all except to statutes. The first few lines read:

> Whenever a committee reports a bill or a joint resolution repealing or amending any statute or part thereof, then it shall include in the report the comparative prints—

And so forth. The absurdity of the gentleman's point of order is that there are 10,000 times more rules than regulations by the Supreme Court, by every agency of the Government, and by every department of Government authorized by the Congress, and it would be utterly impossible to comply with such a proposal as that which the gentleman is making. I submit, Mr. Speaker, there is no merit whatsoever in the gentleman's point of order.

The SPEAKER. The Chair is ready to rule.

This specific question has been passed on several times in the memory of the present occupant of the chair. In 1929 the gentleman from New York, Mr. Snell, acting as Speaker pro tempore, passed on this question. Later in 1932 the gentleman from New York, Mr. O'Connor, acting as Speaker pro tempore; and as late as 1957, on a point of order by the distinguished gentleman from Virginia [Mr. SMITH], the same question was raised.

The Chair in examining this bill cannot see where it amends any law or repeals any law specifically, and therefore does not think the report is in violation of the Ramseyer rule, and therefore overrules the point of order.

This bill is on the House Calendar. The gentleman from South Carolina is recognized for 1 hour.

Mr. McMILLAN. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. JAMES C. DAVIS], author of the bill.

Mr. JAMES C. DAVIS. Mr. Speaker, H.R. 7053 is a bill which the House District Committee has reported for the purpose of affording to the police in the District of Columbia and to the courts in the District of Columbia additional means of dealing with the wave of crime which has been experienced here recently.

H.R. 7053 provides identically the same rules of evidence as was provided in a bill which came out of the House Judiciary Committee to have application on a nationwide basis in the 85th Congress and again in the 86th Congress. In the 85th Congress this bill passed by a vote of 294 ayes to 79 noes. It passed in the Senate in the 85th Congress by a vote of 65 ayes to 12 noes. It was amended in the Senate. In the committee on conference the conferees agreed on language and the House approved the conferees' report. On the last day of the session it reached the Senate for consideration early in the morning, Sunday morning, I believe it was, too late for the Senate to consider it.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield.

Mr. YATES. Would the gentleman be willing to accept an amendment to the bill which would make it conform to the conference on that bill?

Mr. JAMES C. DAVIS. I am not prepared at this moment to say, for I do not recall just what the language was.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield.

Mr. ROGERS of Colorado. Do I understand from the gentleman's explanation of this rule that it would apply only to the courts of the District of Columbia and not to the 50 States?

Mr. JAMES C. DAVIS. That is true; yes.

Mr. ROGERS of Colorado. Would the gentleman be willing to offer an amendment to the effect that—let us go a little further; then the gentleman is willing to admit that you would have one rule in the District of Columbia and a separate rule for the 50 States?

Mr. JAMES C. DAVIS. No. I think the provisions of this bill ought to be the law not only in the District of Columbia but also throughout the United States; and I think that as soon as the bill which was introduced and referred to the Judiciary Committee is brought before the House and the other body it will be enacted, and that those provisions will become the law not only in the District of Columbia but also throughout the United States.

Mr. ROGERS of Colorado. If this is adopted, and as the gentleman admits it has no reference to the 50 States, does not the gentleman admit he would have one rule in the District of Columbia and another rule throughout the Nation generally?

Mr. JAMES C. DAVIS. It depends on which bill gets through first. If this bill passes the House first then until the other bill passes there would be a different rule. It depends on which one gets through first.

Mr. DOWDY. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield.

Mr. DOWDY. As I understand, the only place the Mallory rule has been made effective by the Supreme Court of the United States is in the District of Columbia. This bill says it shall only be applicable in the District of Columbia. There cannot be a single doubt about it.

Mr. JAMES C. DAVIS. I would like to say this about the contents of the bill, that before the decision in the Mallory case was handed down the rule of law was that a confession which was voluntarily made and was not induced by promise of reward or by threats of punishment, was admissible. The Mallory case changed that law, made the admissibility dependent upon the length of time a defendant was held prior to being carried before a committing magistrate. In the Mallory case it was 7½ hours, I believe.

This bill would simply restore the provisions which were in effect and in force prior to the handing down of the Mallory decision; namely, that to render a confession admissible it must have been voluntarily made and not induced by threats of punishment or by hope of reward held out to the defendant to induce the making of the confession.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. JAMES C. DAVIS. I yield to the gentleman from Illinois.

Mr. YATES. Was not the Mallory decision an affirmation of an earlier 1943 decision of the Supreme Court in a case known as the McNabb case?

Mr. JAMES C. DAVIS. I would not say you could state it was an affirmation of that case. It dealt with it. But the facts in the McNabb case were very different from the facts in the Mallory case, and the facts in the Mitchell case were different from both of them. In any case you take up in which this subject has been discussed, you will find the facts and circumstances all different. The law that we are undertaking to adopt here now is reasonable. It would simply put back into effect the same rule of law under which all of the States, the District of Columbia, and the Federal Government have operated for years and years, until the Mallory decision was handed down. It is a reasonable rule. It will not impose any hardship on any defendant. It would simply make a confession admissible if it was voluntarily made and not induced by threats of benefit or by hope of reward. That is all there is to it.

Mr. YATES. As I understood the purpose of this bill, it is to remove delay as a possibility for excluding a confession?

Mr. JAMES C. DAVIS. No, it will not remove delay. That would be one of the circumstances that could be considered in determining whether it was freely and voluntarily made.

Mr. McMILLAN. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. LINDSAY].

Mr. YATES. Mr. Speaker, will the gentleman yield so that I can make a point?

Mr. LINDSAY. I yield to the gentleman from Illinois.

Mr. YATES. In response to my question, the gentleman from Georgia stated it will not remove delay as a condition to the admission of a confession. But I read directly from the bill. The bill itself says:

> (a) In the courts of the District of Columbia, evidence, including, but not limited to, statements and confessions, otherwise admissible, shall not be inadmissible solely because of delay.

Mr. JAMES C. DAVIS. Solely because of delay. Delay is a factor to be considered.

Mr. YATES. I agree with the gentleman, but the fact remains a defendant may be held for 4 or 5 days, a week, or up to a month, and if he confesses and if there was a delay in the giving of the confession, that would not make it admissible. I think that is a tragic provision in itself.

Mr. LINDSAY. Mr. Speaker, I am opposed to this bill, and in too short a period of time I shall try to spell out some of the reasons why I am opposed to it.

But first may I ask the distinguished author of the bill, the gentleman from Georgia, what the administration's position is on this bill? We members of the minority are not clear whether the administration supports or opposes the bill. Could the gentleman clarify that point?

Mr. McMILLAN. May I say that the former district attorney for the District of Columbia appeared before our committee and approved the bill. The present district attorney made a statement. I do not think he opposed the bill, but he made a statement which appears in the hearings.

Mr. LINDSAY. The gentleman is suggesting the administration supports this legislation?

Mr. McMILLAN. I cannot say.

Mr. JAMES C. DAVIS. Is the gentleman referring to the administration of the District of Columbia?

Mr. LINDSAY. The Justice Department and the Attorney General of the United States.

Mr. JAMES C. DAVIS. We have not had any report from the Justice Department on this bill, but the gentleman who is now in the well, the gentleman from New York, was opposed to this bill when it was up before for consideration. The then administration, or the Justice Department of that administration, had a report with which the gentleman is familiar. The District of Columbia administration is in favor of this; the Chief of Police has testified before the committee in favor of it.

Mr. LINDSAY. I want to have the point clear because I thing it is important to establish whether or not the

bill has the backing of the Department of Justice or not. This is a bill that deals with prosecutions and due process. If it is not clear that the Justice Department is in favor of the bill, I think we should know it.

The trouble with this bill, and it is the same trouble we had with the general bill when it was before the Judiciary Committee 2 years ago, is that it attacks section 5(a) of the Federal Rules of Procedure. That rule states that any accused shall be arraigned "without unnecessary delay." This bill would make a mockery of that rule. It has long been the Federal practice, ever since the McNabb case was decided by the Supreme Court in 1943, that rule 5(a) will be safeguarded by excluding from evidence the fruits of its violation. These involved confessions obtained during periods of unnecessary delay. If we are going to make an adjustment of the Rules of Criminal Procedure, it should be done directly and not indirectly.

Now, here is what rule 5(a) states:

> An officer making an arrest under a warrant issued upon a complaint of any person or making an arrest without a warrant shall take the arrested person without unnecessary delay before the nearest available commissioner or before any other nearby officer empowered to commit persons charged with offenses against the laws of the United States. When a person arrested without a warrant is brought before a commissioner or other officer, a complaint shall be filed forthwith.

And, why is prompt arraignment necessary? Subparagraph (b), the next paragraph, tells you why:

> The commissioner shall inform the defendant of the complaint against him, of his right to retain counsel and of his right to have a preliminary examination. He shall also inform the defendant that he is not required to make a statement and that any statement made by him may be used against him. The commissioner shall allow the defendant reasonable time and opportunity to consult counsel and shall admit the defendant to bail as provided in these rules.

In other words, these rules reflect and embody the fundamental guarantees of the right to counsel, the privilege against self-incrimination, the right to habeas corpus, and the right to be detained only on probable cause. In other words rule 5 states the fundamental rule that a man is to be detained in criminal procedure solely for the purpose of (1) bringing him before the court and (2) assuring his presence at trial. At the same time sets in motion the normal rules of protection, upon which so much of our country's history is based.

Surely, this body ought not to enact a bill which would so gut the presumption of innocence and so enfeeble the guarantees which our long history of criminal procedure has developed. This bill would deprive an accused of the cloak of innocence. It would deprive him of counsel at the time counsel is most needed. It would authorize Federal law enforcement officials to round up and arrest people on suspicion alone. The phrase "round up the usual suspects" is one that should strike terror. This bill would permit detainment incommunicado. It would in practical effect, deprive those accused of their rights to habeas corpus.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. McMILLAN. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. WHITENER].

Mr. WHITENER. Mr. Speaker, there is nothing new about the proposal that we have here today. This House in the 86th Congress passed identical legislation. That was over the objection, I might say, of some of those we are hearing today. That bill made this same rule applicable to all of the Federal jurisdictions of the United States.

This is very vital and necessary legislation, as those of us who have heard the evidence in the subcommittee on the crime situation in the District of Columbia are aware. The Chief of Police here and those charged with the maintenance of law and order in the District of Columbia have given us very plenary evidence of the fact that without a correction of some of this nonlegislative law that we have as a result of unfortunate court decisions, that this is going to become a city in which no citizen would be safe to walk out at nighttime.

Now, all of this bleeding heart business about the criminals completely overlooks the fact that never in the history of this country—until recently—has there been any test applied to the admissibility of confessions into evidence except the test of voluntariness of the confession. These recent decisions, such as the Mallory case, are not consistent with the philosophy of the law of confessions as we have known it.

I would point out that there are minority views filed in this report. I was quite stricken and quite amazed at those who dissented from the majority of the Committee on the District of Columbia when they made the rather remarkable statement that "Confessions, unfortunately, have become useful as instruments to compensate for inadequate police tools, police training, and police inefficiencies." As I construe that amazing statement by members of the Committee on the District of Columbia who signed the minority report, they are saying that the safety and the welfare of the citizens in a community must rest entirely upon the ability of police officers to outwit criminals who confess—they say, "unfortunately sometimes"—convicted criminals who rape, ravish, and rob and commit murders here in the District of Columbia. I say to you, my friends, that this bill clearly expresses the aim that everything be done that is consistent with good practices to protect the law-abiding citizens from the criminals who are becoming more numerous here in the District of Columbia each day, according to the evidence we had before us. There is nothing in this bill that does violence to any existing law.

It merely says that delay alone will not result in a court holding under rule 5(a) that a confession is, therefore, involuntary. The decision in the Mallory case did not do a thing except to prostitute rule 5(a) by saying that these officers had committed an unnecessary delay in the case of this defendant.

Mallory was a confessed rapist who is today serving time in the State of Pennsylvania for a rape that he committed after the Supreme Court so injudiciously exculpated him on this bogus ground that he had been held too long before arraignment.

Mr. COHELAN. Mr. Speaker, if the gentleman will yield for a moment, the gentleman knows, I am sure, that he was not released or exculpated. As a matter of fact, the gentleman will recall that the Supreme Court remanded the case for further trial.

Mr. WHITENER. I am delighted that the gentleman used the expression "as a matter of fact," because as a matter of fact the Supreme Court did liberate him; as a matter of technicality the Supreme Court did not liberate him. Because of the mental condition of his victim and her inability to testify in a way that would be acceptable to the jury, in the opinion of the prosecuting officials, a confessed rapist was permitted to go free. He had not only raped but had left the woman in such condition that she could not testify.

Mr. ANDREWS. Mr. Speaker, will the gentleman yield?

Mr. WHITENER. I yield to the gentleman from Alabama.

Mr. ANDREWS. The district attorney at that time, Mr. Oliver Gasch, told me, in the light of that Supreme Court decision, he could not prosecute and get a conviction.

Mr. WHITENER. The gentleman from Alabama [Mr. ANDREWS] was a prosecutor for many years; and certainly the gentleman from North Carolina, who prosecuted for 11 years in the district courts of my State knows that as a matter of fact it would have been an absurdity for the Government to proceed further against Mallory after that unfortunate decision.

I might say to the gentleman that I am much concerned about the testimony which included the statistics that between 1957 and 1960 the incidence of serious offenses committed in the District of Columbia had risen 29.1 percent. I would hope that my friend from California [Mr. COHELAN], who is now residing in these environs, would be concerned about the safety and the welfare of his family and of his constituents who visit in this crime-ridden city.

Mr. COHELAN. Mr. Speaker, will the gentleman yield?

Mr. WHITENER. I yield to the gentleman.

Mr. COHELAN. Mr. Speaker, I share the concern of the gentleman. I am deeply concerned about crime in the District, but I fail to see its relationship with Mallory and one of my arguments will be that this is not proven, and I shall undertake to show that this has not been proven.

Mr. WHITENER. I take it that my friend from California did not hear the Chief of Police and the former district

attorney testify that one of the biggest roadblocks to proper law enforcement was the Mallory decision.

Mr. COHELAN. I read the testimony very carefully and in order to keep the order of the argument, I hope the gentleman from North Carolina will permit me to make this observation.

Mr. WHITENER. Mr. Speaker, I cannot yield all of my time to the gentleman, but I shall yield for a moment.

Mr. COHELAN. On the point that the gentleman raised about the alternatives and the choices that the law-enforcement agencies had, is it not true that the Court itself in rendering this decision—I think it was Mr. Justice Frankfurter's opinion—went on to point out that there was adequate reason for arraigning this man. The only thing we are talking about is why was he not arraigned? He could have been arraigned and convicted.

Mr. WHITENER. I suppose if my friend's fellow Californian—I believe he is Erle Stanley Gardner, the mystery writer—were writing the story of the Mallory case he would entitled it, "The Case of the Sleepy Magistrate," because that was the difficulty; they could not get a hearing officer awake that night to come down and give him a hearing.

Mr. McMILLAN. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. COHELAN].

Mr. COHELAN. Mr. Speaker, as you know, I am a member of the District Committee and that is why I am so actively involved in this matter. I am not a lawyer, and as a matter of fact, I suppose maybe in this kind of situation this may be an asset rather than a liability. But I have taken the trouble to be fairly elementary about this and in doing so I have read the fourth amendment to the Constitution which reads:

> The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

Mr. WHITENER. Mr. Speaker, will the gentleman yield for a moment?

Mr. COHELAN. If the gentleman will forgive me, I have a very great deal of material to cover, and I would like to get to it.

I want to make a couple of very important points before I make my formal remarks.

In the first place, a real issue here is whether or not this subject should be taken up by the District Committee. If the District Committee did take this up properly it certainly has not done so on the basis of the kind of full and complete hearings that would warrant coming in with this kind of legislation. Here is a copy of the hearings we have had, and the only testimony we have had has been principally from law enforcement people. Clearly these are prosecution-minded people.

Mr. HARSHA. Mr. Speaker, will the gentleman yield on that point?

Mr. COHELAN. I yield.

Mr. HARSHA. I take it you have read the testimony over?

Mr. COHELAN. Yes, I have the hearings, and I have read them.

Mr. HARSHA. Do you recall reading the testimony of Judge Holtzoff?

Mr. COHELAN. Yes. Particularly in respect to the Durham rule. I do not recall his comment on the Mallory decision.

Mr. HARSHA. I would like to call your attention to page 44 where he discussed the Mallory rule.

Mr. COHELAN. If the judge discussed it I yield on that point, but, as I recall, he discussed the Durham rule predominantly.

Mr. HARSHA. You were not even present at the hearing.

Mr. COHELAN. I was not present; that is quite true, but I think that is irrelevant in relation to the issue here.

Mr. HARSHA. That certainly is not the case if you do not have any more knowledge of the testimony than what you have told us of what Judge Holtzoff said.

Mr. COHELAN. The fact of the matter is, and the point I am making, is that the case for this modification of an important Federal rule of law has not been made. The case has not been made in these most superficial hearings.

Mr. SANTANGELO. Mr. Speaker, will the gentleman yield?

Mr. COHELAN. I yield.

Mr. SANTANGELO. Can the gentleman tell me whether the police officers in the District of Columbia have been hampered in the solution of crimes, and what has been the drop or increase in the percentage of solution of crimes in the District of Columbia since the decision in the Mallory case?

Mr. COHELAN. I am very glad the gentleman raised that question because it permits me to point out that our own distinguished chairman, the gentleman from South Carolina [Mr. McMILLAN] introduced into the RECORD on August 20, 1959, data in respect to the District of Columbia which points out that the District of Columbia has had an excellent record in solving crimes in the Nation's Capital. This certainly reflects good police work, and which incidentally happens to be better generally than some of the metropolitan areas where we come from.

CRIME RATIO OF 13 MAJOR CITIES

(Extension of remarks of Hon. JOHN L. McMILLAN, of South Carolina, in the House of Representatives, Thursday, August 20, 1959)

Mr. McMILLAN. Mr. Speaker, I am inserting in the RECORD a statement from the Federal Bureau of Investigation giving the crime ratio in 13 of the cities in the United States with a population of 500,000 to 1 million. We are all delighted to see that the Washington Metropolitan Police force has made an excellent record in solving crimes here in the Nation's Capital.

We all fully realize that the Police Department in the city of Washington is confronted with problems of different and of a greater magnitude than the police department of any other city. We have embassies from every country in the world located here in the city of Washington and we have people from every country in the world and every State in the Union. We also have the NAACP headquarters, the heads of all the labor unions, the heads of all the Government departments and the Congress located here in the Nation's Capital.

We realize that we have far too much crime in the Nation's Capital at the present time; however, it is refreshing to know that our excellent police force is solving the majority of the major crimes committed in the city of Washington. We really should have a larger force since crime seems to be increasing in all sections of the country.

Crime index offenses reported,[1] cities 500,000 to 1,000,000 population, by calendar years

City	Calendar year					Percent change			
	1954	1955	1956	1957	1958	1954–58	1955–58	1956–58	1957–58
Baltimore	15,322	16,330	17,151	15,424	15,303	−0.1	−6.3	−10.8	−0.8
Boston	6,122	8,551	10,195	11,439	11,393	+86.1	+33.2	+11.8	−.4
Buffalo	3,367	3,406	3,457	3,706	3,628	+7.8	+6.5	+4.9	−2.1
Cincinnati	3,869	3,869	4,113	4,082	3,998	+3.3	+3.3	−2.8	−2.0
Cleveland	6,477	5,174	6,741	8,261	7,994	+23.4	+54.5	+18.6	−3.2
Houston	9,355	9,968	10,675	13,274	15,620	+67.0	+56.7	+46.3	+17.9
Milwaukee	3,717	3,493	4,444	5,057	[2]	[3]	[3]	[3]	[3]
Minneapolis	6,221	5,435	6,380	6,406	7,437	+19.5	+36.8	+16.6	+16.1
New Orleans	7,532	8,391	12,123	12,277	13,905	+84.6	+65.7	+14.7	+13.3
Pittsburgh	6,961	8,252	9,247	10,500	11,466	+64.7	+38.9	+24.0	+9.2
St. Louis	16,866	18,177	19,458	21,628	23,354	+38.5	+28.5	+20.0	+8.0
San Francisco	12,480	14,281	15,391	15,762	17,088	+36.9	+19.6	+11.0	+8.4
Washington	12,036	11,357	10,038	10,169	9,629	−20.0	−15.2	−4.1	−5.3
Average percent change [3]						+32.1	+24.4	+12.7	+6.0

[1] Includes murder, nonnegligent manslaughter, robbery, aggravated assault, burglary, larceny ($50 and over), and auto theft. The FBI did not report forcible rape data for individual cities prior to 1958; therefore, that category is omitted from this report.

[2] Data for Milwaukee for 1958 not reported by the FBI.

[3] Milwaukee is excluded from computation of the average percent change.

Source: FBI reports.

Offenses known to police

[Crime index of the Federal Bureau of Investigation, calendar year 1958]

CITIES 250,000 TO 500,000 POPULATION

City	1,000 population 1950 census	Crime index offenses	Offenses per 1,000 population
Akron	275	3,958	14.4
Atlanta	331	9,516	28.7
Birmingham	326	5,408	16.6
Columbus	376	7,088	18.8
Dallas	434	7,904	18.2
Denver	416	10,974	26.4
Fort Worth	279	5,187	18.6
Indianapolis	462	7,842	17.0
Jersey City	290	2,538	8.5
Kansas City, Mo	457	4,538	9.9
Long Beach	251	7,979	31.8
Louisville	369	8,244	22.3
Memphis	407	5,254	12.9
Newark	439	11,948	27.2
Oakland	385	5,516	14.3
Omaha	251	2,457	9.8
Portland	374	6,511	17.4
Rochester	332	2,425	7.3
St. Paul	311	3,669	11.8
San Antonio	408	9,501	23.3
San Diego	494	6,555	13.3
Seattle	468	10,220	21.8
Toledo	304	4,497	14.8

CITIES 500,000 TO 1,000,000 POPULATION

City	1,000 population 1950 census	Crime index offenses	Offenses per 1,000 population
Baltimore	950	15,399	16.2
Boston	801	11,457	14.3
Buffalo	580	3,644	6.3
Cincinnati	504	4,083	8.1
Cleveland	915	8,044	8.8
Houston	596	15,730	26.4
Milwaukee	637	[1]	
Minneapolis	522	7,453	14.3
New Orleans	570	14,022	24.6
Pittsburgh	677	11,500	17.1
St. Louis	857	23,574	27.5
San Francisco	775	17,232	22.2
Washington	802	9,687	12.1

[1] Not reported.

Offenses cleared by arrest, calendar year 1958

Classification	Percent cleared	
	District of Columbia	National average [1]
Murder, nonnegligent manslaughter	97	94
Manslaughter by negligence	100	90
Forcible rape	84	73
Robbery	78	43
Aggravated assault	90	79
Burglary, breaking, or entering	62	30
Larceny—theft	44	20
Auto theft	41	27
Total	57	[2]

[1] Average clearance rate of 1,972 cities reported by the Federal Bureau of Investigation.
[2] Not reported.

Crime index offenses reported,[1] cities 500,000 to 1,000,000 population, by calendar years

City	Calendar year				
	1954	1955	1956	1957	1958
Baltimore	15,322	16,330	17,151	15,424	15,303
Boston	6,122	8,551	10,195	11,439	11,393
Buffalo	3,367	3,406	3,457	3,706	3,628
Cincinnati	3,869	3,869	4,113	4,082	3,998
Cleveland	6,477	5,174	6,741	8,261	7,994
Houston	9,355	9,968	10,675	13,247	15,620
Milwaukee	3,717	3,493	4,444	5,057	[2]
Minneapolis	6,221	5,435	6,380	6,406	7,437
New Orleans	7,532	8,391	12,123	12,277	13,905
Pittsburgh	6,961	8,252	9,247	10,500	11,466
St. Louis	16,866	18,177	19,458	21,628	23,354
San Francisco	12,480	14,281	15,391	15,762	17,088
Washington	12,036	11,357	10,038	10,169	9,629

[1] Includes murder, nonnegligent manslaughter, robbery, aggravated assault, burglary, larceny ($50 and over), and auto theft. The FBI did not report forcible rape for individual cities prior to 1958; therefore, that category is excluded from this report.
[2] Not reported by the FBI.
Source: FBI reports.

Mr. SANTANGELO. Mr. Speaker, will the gentleman yield further?

Mr. COHELAN. I yield.

Mr. SANTANGELO. As a member of the Subcommittee on Appropriations for the District of Columbia, I elicited information from Chief Murray as to the percentage of incidence and solution of crimes; and the evidence was that since the Mallory decision the Police Department has been more successful in the solution of crimes than it was before the decision in the Mallory case.

Mr. COHELAN. The gentleman is stealing my argument, because I took the Chief's data. He has a curve here which he introduced for the benefit of the Members. I am familiar with statistics, although I may not be a lawyer. I do not know what this proves because all it says is that the graph released by Chief of Police Robert Murray shows long-term serious crime complaints in the District were at an all-time high of 2,300 complaints monthly in January 1953, and a current monthly rate of about 1,800. What has this to do with the Mallory rule?

As a matter of procedure and as a matter of law the application of law has been the same over this 1943–61 time period. If you use that as your measure, the police here are getting better under the McNabb-Mallory rules than they were before.

Mr. Speaker, I rise in opposition to H.R. 7053. I share the concern of my colleagues in the House and on the District Committee with the recent increase in criminal behavior in the District. There are many factors contributing to this situation such as unemployment, slum housing, and lack of adequate recreational facilities to name just a few.

I believe that the existing situation thoroughly justifies an exhaustive study into the causes of crime and means of prevention, and for this reason I strongly endorse District Commissioner Tobriner's recent proposal to this effect.

No case has been made, however, for any legislative action to change the Mallory rule which requires that an arrested person be brought before the nearest available committing magistrate without unnecessary delay. No case whatsoever has been made which connects the rash of recent crimes with the Mallory rule, and no case has been made that the District police are unable to solve these crimes under the existing statutes.

The Mallory rule deals only with the admissibility of evidence at a trial; it does not prevent the police from pursuing investigations by questioning people. The rule simply provides that if the police do not comply with the requirements for prompt arraignment, evidence obtained from the accused during the period of illegal detention is not admissable at the trial. Clearly the Mallory rule has little to do with the causes of crime or the apprehension of violators.

Contrary to the proponents statements, there is no impelling necessity for enacting a bill such as this. It was reported by the House District Committee following its recent hearings on crime conditions in the District of Columbia; the major impetus for these hearings being the occurrence of several rapes within the space of a few days.

It should be noted, however, that the police, acting under the Mallory rule, promptly apprehended the persons who have now been charged with these crimes. The Mallory rule in no way prevented them from investigating, identifying, and apprehending the accused persons. Furthermore, the 18-year experience with the McNabb-Mallory rule has not demonstrated any hamstringing of law enforcement or breakdown of law and order.

The basic issue which we are concerned with here is whether police officials should be allowed to arrest a person on suspicion, and then while he is in police detention, seek to establish probable cause for the arrest. It is argued that Mallory hampers effective law enforcements in that it is often difficult to show probable cause unless and until a confession has been secured. The difficulty with this argument is that the fourth amendment to the constitution prohibits any arrest except upon probable cause.

Such other important constitutional rights as that of counsel, the right to bail, the privilege against self-incrimination, and the protection against un-

reasonable searches and seizures are intimately connected with the Mallory rule. Any legislation affecting these basic rights should be proposed and enacted only after extensive hearings by a broadly representative group of experts from the various related fields. Certainly such far reaching changes should not be acted upon solely on the basis of statements by police officers and prosecuting officials. Legislation enacted in haste without an adequate record may very well produce more harm than it relieves.

Proponents of H.R. 7053 claim that it will qualify and amend the Mallory rule; that it will provide safeguards to protect the person who may be the subject of interrogation.

To the contrary, this bill would overrule many court decisions and a long, well established policy of protecting persons against unlawful detention and secret prolonged interrogation. It would not increase protection against police abuse, but instead would greatly reduce the protection which the law now gives to arrested persons.

This bill would weaken the rights and liberties of every American. It would open the door to unrestrained detention of suspects by the police. It would encourage the use of third degree methods to extract confessions from the poor, the uneducated and the youthful suspects who are not aware of their rights.

Mr. Speaker, this bill is a dangerous attack upon vital constitutional guarantees; there is no evidence to indicate that it is needed or desirable, and I urge that it be defeated.

Mr. Speaker, I submit herewith a copy of a letter to my worthy chairman from the Democratic Central Committee of the District of Columbia dealing with the proposed legislation:

MAY 25, 1961.

Hon. JOHN J. MCMILLAN,
Chairman, House Committee for District of Columbia, House of Representatives Office Building, Washington, D.C.

DEAR MR. MCMILLAN: I am submitting this memorandum as a member of, and speaking for, the Democratic Central Committee of the District of Columbia. We are submitting this statement because of our deep concern that legislation profoundly affecting the administration of criminal justice in the District may be approved by your committee on the basis of very brief hearings and the testimony of a few persons.

We share the committee's concern with the recent increase in criminal behavior in the District. We believe that unemployment and lack of job opportunities, poverty, slum housing, the absence of decent recreation facilities, inadequate school facilities, have all contributed to the recent apparent upsurge in crime. We accordingly warmly endorse the proposal by Commissioner Tobriner that a joint study of the causes of crime in this area be undertaken jointly by various local universities. We are confident that members of the Bar would render assistance to any such study.

We do not believe, however, that any case has been made out for a change in the test of criminal responsibility promulgated by the Court of Appeals in *Durham* v. *United States*, 214 F. 2d 814 (D.C. Cir. 1954). Similarly, we do not believe that any necessity has been demonstrated for change in the rules established by the Supreme Court in *Mallory* v. *United States*, 354 U.S. 449, which forbids the use of confessions obtained as a result of unlawful detention.

We think it obvious that these two rules have nothing whatever to do with recent crimes of violence in the District. Clearly, the apprehension of criminal offenders is in no way affected by the Durham rule which furnishes the test applied at the trial in deciding whether the accused is criminally responsible. Moreover, persons who are found not guilty by reason of insanity are not set loose; they are automatically committed to a mental institution, and they are not released until the hospital authorities and the court are satisfied that they have recovered their sanity and are not dangerous (D.C. Code § 24–301; see *Overholser* v. *Leach*, 257 F. 2d 667 (D.C. Cir. 1958); *Ragsdale* v. *Overholser*, 281 F. 2d 943 (D.C. Cir. 1960)). The fact is that this automatic hospitalization provision and medical treatment probably afford the community greater protection than imprisonment and release at the expiration of the sentence of persons who may give every indication of being dangerous.

Similarly, the Mallory rule deals only with the admissibility of evidence at the trial. The police remain free to question suspects. The rule simply provides that if the police do not comply with the requirements for arraignment, evidence obtained from the accused during the period of illegal detention is not admissible at the trial. Clearly, the Mallory rule has little to do with the causes of crime or the apprehension of violators.

Such important constitutional rights as the right to counsel, the right to bail, the privilege against self-incrimination and the protection against unreasonable searches and seizures are intimately connected with the Mallory rule. It is probably true that convictions could be more readily secured if all of these civil liberties were swept away, as they have been in totalitarian countries, but we believe that few Americans would be willing to pay that high a price for efficiency by the police and prosecuting officials.

We think it also clear that if any change is to be made in these rules by the Congress, it should be done only after extensive testimony by a broadly representative group of informed persons. Certainly, such far-reaching changes should not be made solely on the basis of statements by police officers and prosecuting officials. Testimony should be received from members of the bar, members of the medical profession, law school professors, and other qualified persons. Legislation enacted in haste without an adequate record may produce far more mischief than the evils which it is designed to remedy.

The necessity for testimony of the foregoing character is clearly indicated by one of the bills presently pending before the committee, H.R. 7052, introduced by Representative DAVIS. That bill would, in substance, establish a new code of substantive and procedural law with respect to the insanity defense in the District. It would create a new test of criminal responsibility, and thus overturn the decision of the court of appeals in Durham. The defendant would be required to prove insanity as an affirmative defense by substantial evidence, thereby reversing or modifying the decision of the Supreme Court in *Davis* v. *United States*, 160 U.S. 469 (1895), and a long list of cases by our court of appeals. The bill provides that the jury shall not be informed of the consequences of an acquittal by reason of insanity; this provision would nullify the decision of the court of appeals in *Lyles* v. *United States*, 254 F. 2d 725 (D.C. Cir. 1957). H.R. 7052 also prescribes the procedure for pretrial mental examinations and for the release of persons after acquittal on grounds of insanity. Surely legislation which would reverse so many carefully considered decisions and which would create novel procedures in a highly technical and complex area should not be enacted without painstaking consideration.

We strongly urge that the committee not approve any change in the Durham or Mallory rules, certainly not on the basis of the meager and one-sided record which is presently before the committee.

Sincerely,
DEMOCRATIC CENTRAL COMMITTEE OF THE DISTRICT OF COLUMBIA,
F. JOSEPH DONOHUE.

Mr. MCMILLAN. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. WHITENER].

Mr. WHITENER. Mr. Speaker, since the gentleman from California did not see fit to yield to me I would like to point out to him and to the Members of the House that the State which he represents follows this rule which is consistent with the general law, as it will be in the District after the enactment of the pending bill.

In 22 Corpus Juris Secundum at page 1252 we find the following statement:

> At any rate an admission which was made voluntarily by accused may be received in evidence against him even though it was made to an officer or while the accused was under arrest or in custody.

And there are cited the following California cases: People against Wright, People against McCann, People against Gonzales, Murray against United States, Roberts against State, Groce against State, People against Schoon, People against Quinones, People against Parker, People against Baker, People against Harris.

Mr. Speaker, these are all California cases. So the gentleman from California is arguing for a position which is absolutely contrary to the decisions of the highest court of the State which he represents.

Mr. MCMILLAN. Mr. Speaker, I yield 5 minutes to the gentleman from Florida [Mr. CRAMER].

Mr. CRAMER. Mr. Speaker, I take this time for the purpose of trying to help clarify the situation, first because I had the privilege of being the author of a bill which has been reported by the Subcommittee No. 3 of the Committee on the Judiciary, a bill in this same field which contained exactly the same language relative to the amendment of rule 5(a) which is actually what we are dealing with here, of the Administrative Procedure Act, and it is H.R. 3248. That bill or similar bills passed the House, as has previously been said, by a very substantial majority, in both the 85th and 86th Congresses. As a matter of fact on one occasion went to conference, the Senate having passed the bill 65 to 12 in the 85th of Congress.

My bill, H.R. 3248, goes further than the bill before us in that it would be effective in the rest of the Nation as well and I say this bill should be made generally applicable, because in my opinion what is good for the District of Columbia is good for the country as a whole in this instance.

In the Mallory case the Supreme Court was interpreting the rules of procedures. This is not a constitutional question,

this is a question of interpreting the rules of procedure. What was meant when rule 5(a) was laid down? In other words, the Court said in effect that it believed in construing the intent of the rule that the result of mere delay, the admission might be inadmissible because it was "involuntary" and the constitutional question was not raised in that particular case. What the District Committee is doing is to amend rule 5(a) and make it applicable to the District of Columbia. It can only be made applicable nationwide through action of the Judiciary Committee of the House by the adoption of H.R. 3248 or by amendment to this bill to make it apply nationwide. I intend to make such a motion if in order.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. My time is too limited to yield. The gentleman is on the subcommittee. I think I know approximately what the gentleman's position is.

Now, with regard to where the language came from, the language that is contained in this bill is artful language. It ws carefully considered by the Special Subcommittee on Supreme Court Decisions. We considered the nature of the language that should be used—in doing what? In determining what the purpose of the rule is. Do not we of the Congress have the right to say what is intended by rule 5(a)? That when the Supreme Court makes a decision that we do not believe to be consistent with the purpose of the rule, have we not the right to say what the intention is through this bill? I think the bill is a good one.

Now, in the Trilling case, which was here in the District of Columbia—and there has been considerable concern about this throughout the United States of America, not only in the District of Columbia, because the effect of this decision is to amend rule 5(a) and to interpret it. It is applicable to every U.S. court and likewise there is some question as to whether it is not also applicable to State courts as well. What did Judge Prettyman say in the Trilling case? It was a case of six counts and three convictions, where the man was permitted to go scot-free. There was another decision, the Watson case which applied the Mallory rule to a murder, rape, and confession. In the second trial of Watson, the ruling was that not only is the admission itself inadmissible, but all fruits flowing therefrom are equally inadmissible; in other words, all physical evidence procured as a result of the confession was likewise ruled out as inadmissible. The fruits of the confession were not admissible at all, and in the second trial the confessed murderer, rapist was found not guilty because evidence was not available. Judge Prettyman made this statement:

> The Chief Judge's view is that if this delay between arrest and arraignment is legal and necessary and not characterized by coercion. The confession should not be excluded solely because of delay.

That is precisely what this bill says.

Let me remove another misunderstanding about this bill. If a court should find that the delay between arrest and arraignment were of such a period of time as in effect to be coercive in nature the confession would be inadmissible. It is the nature of the delay and not merely the time that elapses that is determinative of whether the confession should be admitted in evidence. To provide otherwise is to condone time-clock justice—letting the confessed criminal who delays his confession to go free.

The SPEAKER. The time of the gentleman from Florida has expired.

Mr. CRAMER. May I have 2 minutes additional time?

Mr. ROGERS of Colorado. I might agree with the thought behind the gentleman's amendment, but I would have to make a point of order against the amendment.

Mr. CRAMER. I have not offered my amendment yet. I merely asked for 2 additional minutes' time if the gentleman can spare it.

Mr. ROGERS of Colorado. I will yield the gentleman 1 additional minute.

Mr. CRAMER. The test of the admissibility of a confession is whether it is voluntary or involuntary. There can be no rule of thumb as to the length of the delay, whether it be 3 hours, 4 hours, 5 hours, 10 hours, but it depends on the facts surrounding the delay. If it is of such nature as to be coercive, then any admission acquired as a result of it cannot be called voluntary. In this Mallory case when seven and a half hours had elapsed without any evidence of any coercive act the Court held that the confession was not admissible in evidence solely because 7½ hours had elapsed.

I think that is wrong. If a man voluntarily makes a confession, such as in the Mallory case, with no evidence whatsoever of any coercion of any nature, that confession should be admitted in the court. That has been the rule of evidence for years in our jurisprudence. That is all this bill says. So the purpose of my amendment will be to make it applicable throughout the United States.

Mr. McMILLAN. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, I am afraid that there has been more confusion shed upon the problem than light, judging from some of the discussion that we have heard today.

For instance, the last gentleman who addressed the House talked about rule 5(a) having been written by the Congress. It was not written by the Congress, it was written by the Supreme Court.

There is a basic constitutional question involved here. The distinguished gentleman from California has already referred to it. Amendment IV of the United States Constitution is implemented by the provisions written into the rules of procedure. Those rules of procedure should apply with equal force in the District as in the rest of the country. We must not have different rules of procedure in criminal courts in different parts of the country.

One of the gentlemen who addressed us earlier said that the Supreme Court has decided in the Mallory case that that case or this rule applies only in the District of Columbia. The Supreme Court made no such decision. But if it did, then I say to you, if this rule as it is laid down in the Mallory case is good enough for the rest of the country it should be good enough for the District of Columbia.

There are two Mallory cases. You heard only about one. The Mallory case decided in 1957 did not say "solely because of the delay" this man could not be tried again or that his conviction must be reversed solely because of that delay. What the first Mallory case in 1957 held was that because this man was arrested at 2 o'clock in the afternoon and held overnight, the Supreme Court said as did the Court of Appeals, that because he was not brought before a committing magistrate without unnecessary delay and apprised of his rights and because this was an illiterate person with low mentality, almost so low a mentality as to be considered mentally incompetent, his confession could not be received in evidence. The reason he was not tried was because he was mentally incompetent and not because of what the Supreme Court decided. In that case, the defendant was picked up at 2 o'clock in the afternoon, with committing magistrates or commissioners available and with judges of the Federal courts available before whom he could be arraigned and by whom he could be advised of what his rights were, instead of that prompt arraignment required by law, he was held until 9 p.m. of that day. Then they made a telephone call and could not locate a commissioner. Then they held him overnight until the next morning before they arraigned him. At the trial they offered this confession against him. It has never been decided that except for the confession they could not have convicted him.

The U.S. Supreme Court did not say he should be released. The U.S. Supreme Court said the confession was improperly received in evidence. The case was sent back for retrial, but he was not retried because of the fact that the prosecuting attorney decided he could not get a conviction due to this man's mentality.

Let us look at what happened the next year, 1958. Another Mallory, one Milton Mallory is arrested and he is held not for 7½ hours before he confesses but for 14 hours. The same U.S. Supreme Court held in that case that the delay was not unreasonable and that the confession was admissible in evidence. They were dealing there with a man who knew what his rights were. The confession was properly admitted and the man was properly convicted.

Mr. SANTANGELO. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from New York.

Mr. SANTANGELO. If this bill becomes law, if a man is held for a week the courts will not be able to say that by reason of the delay in arraignment his confession is admissible in evidence?

Mr. MULTER. I agree that is what this bill seeks to make possible, but I

doubt whether any court in this land would say that a man's constitutional rights were not invaded under those circumstances, and I think the Supreme Court would strike this bill down.

Mr. SANTANGELO. That would be the effect of it?

Mr. MULTER. That is what this bill does.

Mr. LINDSAY. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from New York.

Mr. LINDSAY. This would be total nullification of the requirements of rule 5(a)?

Mr. MULTER. Of course. I am sure the gentleman will agree that rule 5(a) was made a part of the procedure for trial of criminal cases in order to implement the fourth amendment of the U.S. Constitution.

Mr. LINDSAY. Let me ask the gentleman this question: The majority in the committee report agrees that the Mallory decision held that administrative delays or delays designed to check exculpatory explanations are perfectly proper? Now, what other purpose would there be for delay? For what purpose would a man be held for 48 hours, a week, or 2 weeks, if it were not for the purpose of gaining a confession prior to arraignment.

Mr. MULTER. Let me add a quote from the Mallory case, the very last sentence:

> It is not the function of the police to arrest, as it were, at large and to use the interrogating process at police headquarters in order to determine whom they should charge before a committing magistrate on probable cause.

Now, there is nothing in the Mallory case that requires the dismissal or discharge of the defendant who has been properly arrested and who has been properly held until he can be properly arraigned. The minority views on this bill have been referred to, by taking a sentence out of context. Permit me to quote this important statement out of the minority views, which immediately precedes what has been quoted to us:

> The prolonged detention of suspects has been a long-established practice of the police; and it has been used as a method of exacting confessions from those whom the police suspect. One who is held incommunicado without benefit of family, friends, or counsel to aid him and to advise him is easy prey for overzealous police. Police have questioned a suspect for hours or days on end, using relays of police officers, and sometimes beating or torturing him. During such prolonged detention the opportunities for coercion are great, and proof of it is always difficult. It is the accused's word against the word of several policemen, and the odds of his being able to prove coercion are overwhelmingly weighted against the suspect.

We should not have two rules of evidence in our Federal courts, one in the courts in the District of Columbia and another in those in all of the rest of the country.

Enactment of this bill will mean that a trial for crime in the District of Columbia will be governed by one rule. But if the trial, mind you, not the commission of the crime, but the trial, takes place in Virginia or in Maryland or anywhere else in the United States, a different rule will apply.

This bill will not accomplish any good. It can do much harm. The emotional fears engendered by the first Mallory decision have proved unfounded. Enforcement officers throughout the country have not had their hands tied. Guilty defendants have been successfully apprehended, arraigned, tried and convicted despite all that was said since 1957 when the first Mallory decision was handed down.

At the proper time, a motion to recommit will be offered. I urge the House to support it.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. McMILLAN. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Speaker, we have heard some eloquent arguments from the proponents of this bill as to why they think it is needed. Presenting his arguments most forcefully was the gentleman from North Carolina [Mr. WHITENER]. In the course of these he pointed out that he had previously been a prosecutor and that he knew the need for the bill. He was sustained in this by my very good friend from Alabama [Mr. ANDREWS], who earlier in his career had also been a prosecutor. Their attitude, it seems to me, conveys the essential philosophy of this bill, namely, that it is intended to assist in the prosecution and conviction of those accused of crime. It is a prosecutor's bill, one which will make it easier for prosecutors to obtain convictions.

Mr. Speaker, the gentleman from North Carolina, good prosecutor that he is, sought very skillfully to tie in opponents of this bill with the criminal element. He was tired, he said of bleeding hearts, bleeding to protect rapists, burglars and murderers. Mr. Speaker, nothing is further from the truth. We hold no brief for any criminals any more than he does. We are as insistent as is he that they be caught and punished for their crimes. However, we insist that this bill would not help achieve that desirable end, actually, it would only serve to undermine the constitutional rights of every American. Yes, Mr. Speaker, we are bleeding hearts to use the phrase of the gentleman from North Carolina, but we are bleeding for the protection unsullied of the constitutional safeguards which belong to all Americans, safeguards which protect the innocent and which give the guilty the right to be tried fairly in court by American standards of justice. That is what we opponents of this bill want to maintain: the right to a fair trial and the preservation of due process under the law.

The proponents of this bill declare with great alarm that the so-called Mallory rule has been the primary cause of the increased crime rate in the District of Columbia. The Mallory decision interpreted rule 5(a) of the Code of Federal Procedure, which requires that when any person is arrested he must be taken without unnecessary delay before a U.S. Commissioner who informs him of the charge against him and of his right to refuse to answer any questions, and to have a preliminary examination. That is what the rule now says. The Supreme Court held that the rule was breached in the Mallory case when the defendant was detained under arrest for questioning without arraignment for more than 8 hours. This, the court said, constituted "unreasonable delay." The purpose of this bill is to eliminate the phrase "without unreasonable delay," to do away with rule 5(a) and to permit thereby introduction of evidence which would now be considered in violation of the rule. Usually such evidence takes the form of a confession by the defendant.

This bill is needed, say its proponents, to curtail the crime rate in the District of Columbia which since the Mallory decision has risen by 29 percent. If we eliminate the protection of rule 5(a), they say, the police will be able to obtain more convictions. In this way, the crime wave will be checked.

What specious reasoning is this, Mr. Speaker, which seeks to check crime by doing away with the defendant's constitutional safeguards? Why not eliminate the entire Bill of Rights if this is the sole consideration? How many more convictions would the prosecution be able to achieve if the Bill of Rights were to be repealed? Is it desirable that we shatter our constitutional safeguards in order to achieve criminal convictions? Or is it better that we preserve such safeguards intact so that fair play and the American standard of justice shall remain inviolate? As for me, Mr. Speaker, I shall vote to sustain our proud, ancient tradition of constitutional due process.

It is contended, however, that in this bill we are dealing with no question of constitutionality. The only point involved, it is said, is the change of a rule of procedure. This is not true. A constitutional question is involved. I agree with the gentleman from New York, whether this bill is passed or not, the courts will not permit an unreasonable delay to take place after a defendant's arrest, even though that is what is sought to be avoided by this bill. Under the wording of this bill, a criminal could be held indefinitely, days or even weeks, during which time he could be subjected to questioning by the police. Certainly this can never be sustained constitutionally.

Let me read to you from an article on the Mallory rule appearing in the Washington Post on Sunday, March 23, 1958:

> Many observers think, however, that what is really bothering the police is what the Supreme Court is forcing them to do as a result of its decisions in the Mallory case and in the McNabb case. The Court is making them rely less and less on confessions in criminal cases and more and more upon scientific methods of crime detection.
>
> Justice Felix Frankfurter once repeated an old English story which says it is easier to sit in the shade rubbing pepper into a suspect's eyes until he confesses than it is to go out in the sun and hunt for evidence to convict him.

This bill would permit the rubbing of pepper in a suspect's eyes to obtain a confession in lieu of undertaking additional scientific police investigation.

The statistics show, as was pointed out so well by the gentleman from California, that during the time the Mallory rule has been in effect, the police have built up a much better record of convictions than previously. Obviously, this bill is not needed. Not only is it not necessary—its passage would be most harmful. I urge its defeat.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. McMILLAN. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. SANTANGELO].

Mr. SANTANGELO. Mr. Speaker, I oppose H.R. 7053. This bill seeks to eliminate rule 5(a) which says that a person shall be arraigned without unnecessary delay.

The proof of the pudding is in the eating. Since this decision was handed down by the Supreme Court of the United States the police of the District of Columbia have been more efficient in the solution of crimes than they were before that decision was handed down. As a member of the Subcommittee on the District of Columbia of the Committee on Appropriations, I explored this particular aspect with Assistant Chief of Police Covell. I asked Chief Covell this question during the hearing:

> Chief Covell, I would like to find out definitely what effect the decision in this case has had. The only way we can find out is to learn how effective you were when you had an unlimited right to question these people and what the figures show when your right was limited. I think you can do a good job as it is now.

And the chief answered:

> Adversity brings out the best in us.

In other words, he indicated that they obtained more solutions of crimes with the law after the Mallory decision than they did before. In other words, now he has to use his brain rather than his brawn. He may not use brutality and the incommunicado system in order to obtain a confession. He must be able to use his intelligence rather than police brutality. That is the simple issue. Shall we give to the police department the right to hold a person incommunicado for 2 weeks or 3 weeks and then say, you may use this delay to obtain a confession?

Mr. WHITENER. Mr. Speaker, will the gentleman yield?

Mr. SANTANGELO. I yield to the gentleman from North Carolina.

Mr. WHITENER. Mr. Speaker, I want to say to the gentleman that one of the great favors the gentleman from New York [Mr. SANTANGELO] has done for me during our friendship was to introduce me to a great jurist here in the District of Columbia who is a dear friend of the gentleman from New York, Judge Alexander Holtzoff. And I believe the gentleman from New York regards him very highly as a jurist and as a splendid citizen. I would like to call to my friend's attention the testimony of Judge Holtzoff as it appears at the top of page 44 of the hearings on Crime in the District of Columbia, which I understand will be read to this House later. I leave it to the gentleman to decide whether this is a police bill or whether Judge Holtzoff is one of these hangmen who want to dine on some wretch, as the gentleman has implied.

Mr. SANTANGELO. Mr. Speaker, in response to what I assume to be the gentleman's question, I would like to say that Oliver Gasch, the U.S. attorney, has developed a procedure under which he has instructed the police how to go about it, how to use their brains instead of their brawn. He has indicated how they can legally circumvent the rule in the Mallory case or to comply with its intent and as a result of their superior intelligence and the use of their brains, the police have delivered a better performance in the Police Department in the District of Columbia. So there is no necessity for this bill.

Mr. McMILLAN. Mr. Speaker, I yield 4 minutes to the gentleman from Colorado [Mr. ROGERS].

Mr. ROGERS of Colorado. Mr. Speaker, orderly procedure makes good law. Let us determine the issues that are presented. I want to point out that this is a constitutional question. This Congress gave to the Supreme Court of the United States the right and the responsibility to make rules and regulations in the criminal procedure. They wrote those rules and Congress did not set them aside within the 90 days as provided by the act. They set up rule 5(a) for the purpose of protecting an individual against arrest and harassment not according to law. They provided in rule 5(a) that if a man is arrested without a warrant, he should be taken to a magistrate without unnecessary delay.

If the police officer has a warrant for the man's arrest, properly issued on a verified oath, and he is taken into custody, it is his first duty to take him before a commission and have him arraigned. When the police officers, not only in the District of Columbia but throughout the United States, proceeded to ignore rule 5(a), the only way that the Supreme Court of the United States could act was to say that any confession obtained after unreasonable delay, could not be admitted into evidence. It is just the same as in cases of unlawful search and seizure, confessions by force, or any other such factor.

The purpose and objective of this legislation is to protect the innocent. When the rule was handed down and the police officer violated the rule, then the confession obtained was not admitted.

My chief objection to this legislation is that if adopted it will provide two rules of conduct in the United States relating to confessions. As I understand, the Parliamentarian has already let it be known that we cannot amend this to make it apply to the 50 States. This is reported from the Committee on the District of Columbia dealing only with the District of Columbia. If it is passed, you have one rule in the District of Columbia and another in the other 50 States. How unreasonable can you get in enacting legislation? Is it not our duty and responsibility to see that legislation is uniform?

Mr. McMILLAN. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Colorado. I am glad to yield to the gentleman.

Mr. McMILLAN. I would like to state to the gentleman there is no other police department in the United States affected by this rule except the Washington Police.

Mr. ROGERS of Colorado. Mr. Speaker, certainly when a United States Marshal or a Treasury agent goes up into the hills of South Carolina or gets a still in North Carolina or comes into my area and arrests a dope peddler, are they not under the same rule to take them to a magistrate?

Mr. McMILLAN. I am referring to city police.

Mr. ROGERS of Colorado. If that were true, then that is one thing. But unfortunately the wording of this legislation is "in the Courts of the District of Columbia." It does not speak in the singular, and it does not say "a policeman in the District of Columbia." It means everybody in connection with the enforcement of the criminal law in the District of Columbia and hence on that ground alone the legislation should be denied.

Mr. McMILLAN. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. LIBONATI].

Mr. LIBONATI. Mr. Speaker, I thank the gentleman from South Carolina for being kind enough to grant me a little time to discuss this very important problem. I do not think the Mallory case is important in this discussion. The Mallory case was a bad case; bad cases make bad laws. They also bring about criticism of the Supreme Court of the United States. But this bill amends the Evidence Act, and that is something else—that deprives a person of a defense which he may have.

In the State of Illinois we follow the rule of law as it is followed in Massachusetts as to the proof of admission of evidence. Under that procedure the court sits without the jury. The court listens to defense counsel present his witnesses. Unfortunately, the practices of the police make mere delay a very important tool and weapon in their efforts to arrive at an opinion as to the guilt of individuals. Unless you are willing to accept the criminal law in its entirety and unless you are willing to accept the fundamental principle included in that criminal law as to the protection of the innocent, then any law may be passed to convict the guilty. But it is the one innocent person out of a thousand that we protect.

As I am sure all my colleagues realize, it is rather difficult to talk about this subject of persons accused of crime; and anyone who has represented defendants in criminal cases realizes that. Surely I have had a long experience in such legal practice. For 36 years I have defended hundreds of men and women accused of murder and other high crimes. Out of that long experience I say to you: You should not limit the defense of a defendant in any way, and the truth should not be curbed in any way. You and I know that the police practices are such, especially in the larger cities, where officers who are not

connected wtih the case at all walk into the place where an individual may be held in custody and say certain things in front of the accused which would instill fear in the prisoner. Experience shows that persons who sign confessions because of fear are people who are not habitual criminals. I have had cases where they buried the butts of revolvers in the sides of a prisoner to extract a confession, but they did not succeed. So throughout the long years we who practice in the field of criminal law at the bar of justice have been guided by this principle of a realistic defense—that is, the defense that an average man can believe.

When it comes to the admissibility of evidence, the court will determine whether or not it should go to the jury.

I had a case once where a man was charged with murder. His wife was in the hospital dying. So they said to him, "Why don't you sign this confession? You know your wife is dying. Then we can bring you over to the county hospital and you can at least see your wife before she dies." The man held off, but finally he signed the confession. That is a matter of mere delay, but you can see what results mere delay can bring.

Let the courts determine under the Massachusetts and New York systems this question of the testing of the admissibility of evidence. That determination should not be made by a law which would amend the Evidence Act which would make a determination that only men and women on a jury and the judges in a court should determine.

It is very difficult to defend a position in our legislative bodies today for the reformation of attitudes that are probably more controlled by public sentiment because of the nature of the crime that happens in a community rather than the logician who sits down and legally determines a legalistic attitude, the question of whether or not the burden shall still remain upon the State. There should never be any question in our American jurisprudence especially at the level of criminal law; it should be determined by rules that narrow the question of defense; and I say to you the intelligent attitude is to leave it to your juridical system and our juries to determine.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. McMILLAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Speaker, I am opposed to this bill.

Mr. Speaker, I am not in a new climate. In many courtrooms I have faced prosecutors. Mine has been the responsibility of the defense. Theirs has been the responsibility of the prosecutor.

When indictments have been voted, the responsibility of the prosecutor is to get a verdict of guilty. His record depends upon the number of guilty verdicts he is successful in obtaining from juries. I have found prosecutors conscientious and giving to the State their best efforts, as properly good lawyers should do for their clients, to sustaining under the rules of evidence and the ruling of the courts the findings of grand juries.

Mine has been the role of defender. The responsibility of defense counsel is to protect innocence from false accusation or a condemnation on suspicion unsupported by the proper evidence.

The prosecutor and the defense counsel each plays his part in maintaining law and order in this great country of ours. It is the concept of our laws for the administration of justice, as it is the sentiment in every good heart, that innocence should be protected as well as that the guilty should be punished. The law of every State in the Union takes this into consideration when it provides that in any community where there is such a degree of prejudice arising from the repulsive nature of the crime, or the unpopularity of the defendant that would place the defendant at a disadvantage, a change of venue shall be given to the courts of another community where the defendant may have a fair trial.

I have great respect for the officers and the members of our police departments. They have the hard job of dealing with persons either in or over the criminal fringe. They live dangerous lives, and the wages they receive are never more than sufficient to meet the necessities of life.

The police, like the prosecutors, and also like the defense counsel, take seriously their responsibility. When they make arrests they feel that the man arrested is guilty. When the man they have arrested has been indicted, and is brought to trial before a jury of his peers, they feel conscientiously that their responsibility is that of the prosecutor, the responsibility of obtaining from a jury a verdict of guilty; yet the police, being human, can make mistakes, as all of us do, and I suppose always people in every generation will do.

The laws of justice in our United States of America are intended in the fullest measure to protect those mistakes that reflect human frailty. Under the laws in every State of the Union, and the laws obtaining in our Federal courts, one accused of crime can only be convicted when every member of the jury finds under the evidence and the law he is guilty beyond any reasonable doubt. The accused may be presumed guilty by the policeman who arrested him, and by the prosecutor, whose job it is to convict him, but under the law of my State of Illinois, and I think of most if not all of the other States, no person can be sworn in as a juror unless he swears that until he has heard all the evidence and the trial has come to a close he will accord the accused the presumption of innocence.

Mr. Speaker, I do not think any Member of this body or any man or woman in an American home, would wish to change this. The protection of every American home depends upon the protection of innocence. If innocence in one home is not protected, it is not to be expected that it will be protected in his neighbor's home.

I now address myself to the bill before us. It relates only to the administration of justice in the Federal Courts in the District of Columbia. It comes before us at a period of heated emotion, quite understandable when crimes abhorrent to all decent persons have been reported in the press and have filled with indignation the minds of law-abiding citizens. It is not the climate in which this proposed legislation can receive the thoughtful attention that it should receive. In the understandable and the righteous passion of good people to end the reign of repugnant crimes there is the temptation to forget the innocent and to let down the safeguards of innocence.

The bill we are considering, if indeed it is constitutional, would make it possible for a man arrested and believed guilty by the police to be locked up, without notification to his family or availability to a lawyer he might wish to engage, locked up subject to the questioning of the police who believed him guilty, for 1 week or for a month or for any period of time. This long and unreasonable period of detention would be judicially excused if before the accused made a confession of his guilt he had been informed that he had the right to counsel and that any statement made by him would be used against him. The bill does not provide that this statement should be made to the accused at the time of his arrest or at any period thereafter that he was held in detention. It only provides that it should be made prior to the confession of guilt.

Mr. Speaker, I venture the suggestion that of 100 innocent men held endlessly in detention, without availability to friends and to counsel, and seeing no other possibility of release to rejoin their friends and families, 99 would end with the signing of confessions of guilt to crimes they did not commit.

My beloved colleague from Illinois, Mr. LIBONATI, who has had a larger experience as defense counsel perhaps than any Member of this body, has truthfully pointed out that it is the hardened professional criminal who holds out under all conditions, however unbearable, and never signs a confession of guilt. Mr. LIBONATI well knows that of which he speaks. I, with a long experience as defense counsel, agree with him completely. This bill would have no deterrent effect upon the hardened criminal. Its impact would fall in largest measure upon that very innocence for the protection of which mankind has struggled during the centuries.

Mr. Speaker, from the bottom of my heart I regret that this bill has been debated for a very limited period of time, during which a bare quorum, if indeed a quorum, of the 437 Members of the House has been present. Many Members will vote for this bill, not too familiar with it and absent during the brief debate, but believing in a general way it is something to protect society from crime.

I shall vote against the bill, and in doing so I shall feel that I have kept faith with my Lord in giving to the least as well as the mightiest of His children the protection of innocence. In the constant struggle of society to protect itself

against crime, in its never-ending effort to bring criminals to proper atonement for their crimes, we must never forget that the protection of innocence is one of the cornerstones of a Government like ours, built on the principles of justice and of equality by, of, and for the people.

Mr. McMILLAN. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I am certain that all Members on the floor today are as well aware of the facts and the necessity of this legislation as the members of the District of Columbia Committee. I was bombarded with telephone calls, telegrams, and letters for approximately 3 weeks before I requested the District of Columbia Committee to hold these crime hearings. People throughout the entire country had become alarmed over the unusual amount of rape and other serious crimes committed in the Nation's Capital. People were becoming frightened and afraid to come to the Capital to visit as they had in previous years.

A judge of the U.S. district court appeared before our committee and stated specifically that this Mallory rule which we are considering today was one of the main roadblocks that prevented law enforcement in the District of Columbia. The U.S. district attorney who has held that office during the past 8 years appeared before our committee and made the same statement, that he was of the opinion that the Mallory rule that we are considering today was the specific roadblock that prevented law enforcement in the District of Columbia. The Chief of Police, Mr. Murray, made the same statement. We considered this proposed legislation carefully, and I am certain that not a member of this committee wants to see any person hauled up before the courts or wants to see any person prosecuted unfairly.

Mr. COHELAN. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. COHELAN. Is it not true that the testimony at the hearings developed that more guilty parties have been prosecuted under existing Federal rules where they have been promptly arraigned?

Mr. McMILLAN. Not according to the information presented at the hearings by reliable law enforcement officers.

Mr. COHELAN. I differ with the gentleman.

The SPEAKER pro tempore. The time of the gentleman from South Carolina has expired.

Mr. McMILLAN. Mr. Speaker, I yield the remainder of my time to the gentleman from Georgia [Mr. JAMES C. DAVIS].

The SPEAKER pro tempore. The gentleman from Georgia is recognized for 7 minutes.

Mr. JAMES C. DAVIS. Mr. Speaker, there have been several statements made here about what was said in the hearings and also about the crime situation in the District of Columbia since the Mallory decision was handed down in August of 1957.

The statements of Judge Holtzoff are in the record and speak for themselves. I want to quote only two very short statements made by Judge Holtzoff at these hearings. At page 44, Judge Holtzoff said this:

> Before the Mallory case was decided, the rule as to the admissibility of confessions always was and still is everywhere—in all the State courts—that a confession is admissible if it is voluntary; it is inadmissible if it is involuntary.

That is Judge Holtzoff's statement. That is a good sound statement of the law. Judge Holtzoff also said this:

> The Mallory rule excludes or its effect is frequently to exclude voluntary confessions because it provided that if a prisoner is not brought before a magistrate promptly after his arrest, any confession that he makes in the meantime or any statement that he makes in the meantime shall be inadmissible.

Those are quotations from one of the learned judges of the District Court of the District of Columbia.

The gentleman from California and the gentleman from New York both undertook to tell this House that since the Mallory decision was handed down there has been a decrease in crime here in the District of Columbia. Nothing could be further from the truth, with all due respect to them.

I will read from page 5 of the hearings. Bear in mind that the Mallory decision was handed down in 1957. Here is the testimony of Chief Murray, of the Metropolitan Police force, regarding crime since the date of the Mallory decision. On page 5 of the hearings, he says:

> For the last fiscal year the total of 19,929 serious offenses in this city was an increase of 13.8 percent over the previous year and an increase of 29.1 percent from the low point of the fiscal year 1957.

Since 1957 crime has increased by 29.1 percent from that low point. That gives you the figures as given to us by the Chief of Police of the Metropolitan Police force.

Here is something else to consider when you are passing upon the merits of this legislation. Since 1957 the personnel of the Police Department has been increased by 214 members. It was 2,500 prior to that time. It has been increased through action of the Appropriations Committee by 214. This House just a short time ago today passed a bill to increase that number to 3,000. That is what we are having to face here in the District of Columbia because of the unprecedented crime wave which we are experiencing at this time.

In addition to this increase in the number of police on the beats and on the force, they have also established a canine police force. They brought dogs into service and are using them here in connection with police work. In that respect Chief Murray told us that the original group of five trained man-dog teams was placed in patrol service in 1960. Currently there are 24 trained man-dog teams in the service with an additional 7 teams being currently trained.

Notwithstanding the addition to the number of policemen, and the 24 man-dog teams, Chief Murray says, and I call your special attention to it:

> The number of serious crimes in the District of Columbia is continuing to rise, as recognized in our most recent figures compiled for April 1961. During that month a total of 1,783 part 1 offenses were reported, an increase of 155 offenses, or 9.5 percent over the total for April 1960.

The police need additional weapons to cope with this unprecedented wave of crime. The courts need additional weapons. As Judge Holtzoff said in his statement to the committee:

> The Mallory rule has the effect of frequently excluding voluntary confessions because it provides that if a prisoner is not brought before a magistrate promptly after his arrest any confession he makes in the meantime or any statement he makes in the meantime shall be inadmissible.

I want to repeat here today a statement, which I think is worth repeating, made in July 1959 by the gentleman from Ohio [Mr. MCCULLOCH], who said this when H.R. 4957, a bill to have national effect, was being considered shortly before it was passed by an overwhelming majority of this House:

> It is also an undisputed fact that the Federal judges in the decisions since the Mallory case have been unable to agree on the precise ruling of the Mallory case. Thus, there is the absurd situation of conflicting opinions from the Federal judiciary on what fact situations constitute an unnecessary delay which will void a confession. Certainly this justifies the need for legislation defining the conditions under which a confession may be taken from an accused person.

Mr. Speaker, this situation needs clarification, and I urge the House to pass this bill.

Mr. BROOKS of Louisiana. Mr. Speaker, it is extremely important that we pass the Mallory bill. The bad decision of the Supreme Court in the case of *Mallory* v. *United States* (354 U.S. 499) in the year 1957 has given our law enforcement officials much trouble. One of the reasons why the crime rate in the District of Columbia has risen to such proportions is due to the disastrous effect of the Mallory decision of the Supreme Court in the enforcement of law violations.

Although Mallory was convicted and, in my judgment, clearly guilty of rape of a young white woman in the District of Columbia in 1954, he has never been punished. The Supreme Court has set aside the conviction merely because a delay occurred after the arrest of Mallory before he was arraigned before a U.S. commissioner. As a matter of fact, his confession of guilt was given before the arraignment.

It should be our purpose, Mr. Speaker, to protect the innocent, not the guilty. It is the purpose of organized government to punish the guilty that they may pay to society for the crimes they have committed. It is obvious that a guilty man has been turned loose by a rotten decision of the U.S. Supreme Court and this has brought about similar failures of justice and failures in punishing guilty defendants who avail themselves of this decision.

This bill should pass.

Mr. RYAN. Mr. Speaker, I believe that this bill would infringe upon basic constitutional rights. H.R. 7053 is an attempt to abrogate the Supreme Court decision of *Mallory* v. *United States* (354

U.S. 449). The proposed measure would declare rule 5(a) of the Federal Rules of Criminal Procedure a dead letter in the District of Columbia.

The Supreme Court unanimously held in the Mallory case that the confession was inadmissible as evidence because of an unreasonable delay between the time of the defendant's arrest and the time of his arraignment. This decision was consistent with a long line of Supreme Court decisions beginning with *McNabb* v. *United States* (318 U.S. 332 (1943)) and was decided under rule 5(a) of the Federal Rules of Criminal Procedure. This rule requires that an arrested person shall be brought before the nearest available committing magistrate "without unnecessary delay."

Mr. Justice Douglas has referred to the evils of unreasonable detention in these words:

> Detention without arraignment is a time-honored method for keeping an accused under the exclusive control of the police. They can operate at their leisure. The accused is wholly at their mercy. He is without the aid of counsel or friends; and he is denied the protection of the magistrate. We should unequivocally condemn the procedure and stand ready to outlaw * * * any confession obtained during the period of the unlawful detention. (*Watts* v. *Indiana*, 338 U.S. 49, 56.)

In the *McNabb* case (318 U.S. 344–43) Mr. Justice Frankfurter, writing the majority opinion, set forth the rationale of rule 5(a) as follows:

> The purpose of this impressively pervasive requirement of criminal procedure is plain. A democratic society, in which respect for the dignity of all men is central, naturally guards against the misuse of the law enforcement process. Zeal in tracking down crime is not in itself an assurance of soberness of judgment. Disinterestedness in law enforcement does not alone prevent disregard of cherished liberties. Experience has therefore counseled that safeguards must be provided against the dangers of the overzealous as well as the despotic.
>
> Legislation such as this, requiring that the police must, with reasonable promptness, show legal cause for detaining an arrested person, constitutes an important safeguard—not only in assuring protection for the innocent but also in securing conviction of the guilty by methods that commend themselves to a progressive and self-confident society. For this procedural requirement checks resort to those reprehensible practices known as the "third degree" which though universally rejected as indefensible, still find their way into use. It aims to avoid all the evil implications of secret interrogation of persons accused of crime. It reflects not a sentimental but a sturdy view of law enforcement. It outlaws easy but self-defeating ways in which brutality is substituted for brains as an instrument of crime detection.

Rule 5(a) is in effect in all the Federal courts. This bill would make the District of Columbia an island in the sea of constitutional law.

The advocates of this proposal have argued that the crime rate has risen in the District of Columbia. They then ask us to adopt H.R. 7053 as a measure which is aimed at reducing criminal activity. Many of us are concerned with rising crime rates not only in the District of Columbia but also in other major cities. However, when one examines the logic behind this proposal, it becomes clear that this is not the proper approach.

In order to accept the proposition that the Mallory rule is a contributing factor to the increase in crime, one must accept the following reasoning on the part of those who commit crimes: The potential criminal says to himself, "I know of the Mallory rule, and I know that if I am caught and I am unreasonably detained, any confession I make during the period of detention will not be admissible in court. Therefore, I will commit crimes with greater frequency."

This type of logic seeks to avoid the harsh realities of criminal motivation. There are many reasons for criminal activity; but I believe that the main causes of crime were accurately described by the Washington Post in an editorial opposing the measure before us. The Washington Post stated on May 19, 1961:

> It is imperative to deal with the roots of crime—and these roots are to be found in the slums, in overcrowded schools, in denial of job opportunities because of race, in neglect of children who, through no fault of their own, are born to parents who give them neither love, nor care, nor even sustenance.

It would be far better for us to devote our time, energy, and abilities to the eradication of the causes of crime than to measures which are not only ineffectual in dealing with this problem but which also constitute an assault upon our constitutional liberties.

Mr. McCULLOCH. Mr. Speaker, I am much interested in the passage of H.R. 7053, the so-called Mallory bill, and I wish to discuss at least some of the legal issues involved. I emphasize "legal issues" because this is a bill which deals essentially with a legal matter—to be precise, with a rule of evidence.

The critics of H.R. 7053 have construed the bill as an attempt to restrict the constitutional rights of those accused of crime. They maintain that passage of the bill will encourage the employment of police methods in extracting confessions or written statements. The way to prevent this abuse, they say, is to deny the prosecutor the use in court of any confession or statement so obtained.

I wholeheartedly agree that any statements or confessions obtained by police methods should not be used in evidence in any court proceedings. This statement, in fact, brings me to the point of my introductory remarks. The purpose of H.R. 7053 is certainly not to condone police methods. Indeed, section (b) of the act is specifically designed to guard against this situation by providing that no statement or confession shall be admissible unless the accused is advised that he does not have to make a statement and that any statement he makes may be used against him.

In order to understand the purpose of H.R. 7053, it is necessary first to analyze the decision of the Supreme Court in the Mallory case (*Mallory* v. *United States*, 354 U.S. 449, June 24, 1957). In this case the Supreme Court held that a confession obtained during a period of a long delay, during which the accused could have been brought before a U.S. commissioner as required by rule 5(a), could not be used in evidence.

After analyzing the facts which constituted the delay—the Supreme Court enumerated the facts which constituted the unnecessary delay. At page 455 of 354 U.S., the Court stated:

> The circumstances of this case preclude a holding that arraignment was "without unnecessary delay." Petitioner was arrested in the early afternoon and was detained at headquarters within the vicinity of numerous committing magistrates. Even though the police had ample evidence from other sources than the petitioner for regarding the petitioner as the chief suspect, they first questioned him for approximately a half hour. When this inquiry of a 19-year-old lad of limited intelligence produced no confession, the police asked him to submit to a "lie-detector" test. He was not told of his rights to counsel or to a preliminary examination before a magistrate, nor was he warned that he might keep silent and "that any statement made by him may be used against him." After 4 hours of further detention at headquarters, during which arraignment could easily have been made in the same building in which the police headquarters were housed, petitioner was examined by the lie-detector operator for another hour and a half before his story began to waver. Not until he had confessed, when any judicial caution had lost its purpose, did the police arraign him.

The Supreme Court determined that the case called for the "proper application of rule 5(a)"—354 U.S. at page 451—and further that "the circumstances of this case preclude a holding that arraignment was without unnecessary delay"—354 U.S. at page 455.

The Court then stated:

> We cannot sanction this extended delay, resulting in confession, without subordinating the general rule of prompt arraignment to the discretion of arresting officers in finding exceptional circumstances for its disregard (354 U.S. at p. 455).

Because of this language, even though the Court did enumerate the facts constituting the extended delay, the case has been interpreted as holding that delay in and of itself is enough to invalidate any confession or statement given prior to the appearance of the accused before a commissioner or other magistrate. If this is the holding of the Mallory case, then confessions given immediately after arrest, which are entirely free from all elements of coercion, will be held inadmissible simply because of delay.

Then the fact of delay, rather than the fact of whether the confession was freely and voluntarily given, will become determinative of whether the evidence—the confession—is competent for presentation in court in order to establish the guilt of the accused.

I think it is important to remember that confessions are often the only competent evidence which is available to prove the commission of many heinous crimes to which there are usually no outside witnesses.

As a member of the bar, I have some doubt that the Supreme Court intended to hold that delay, without other circumstances, voids a confession. However, the Mallory case is certainly subject to this interpretation. The undisputed

facts are that it has been accorded this interpretation by law enforcement officers with the unfortunate results that many guilty persons, against whom there is no evidence other than their own confessions, are being permitted to go free.

It is also an undisputed fact that the Federal judges in the decisions since the Mallory case, have been unable to agree on the precise ruling of the Mallory case. Thus, there is the absurd situation of conflicting opinions from the Federal judiciary on what fact situations constitute an unnecessary delay which will void a confession. Certainly this justifies the need for legislation defining the conditions under which a confession may be taken from an accused person.

It is important to remember that we have two legal concepts under consideration: First, the procedural requirements under rule 5(a) to bring an accused person before a commissioner. Second, the obtaining of evidence through a confession. The two concepts should not be lumped together. The first is purely a procedural requirement in the nature of a directive to the arresting officer. The second is a rule of evidence. The Supreme Court, in the Mallory case, because it did not clearly distinguish between these two concepts, extended the procedural requirements of rule 5(a) [1] into a rule of law concerning the admissibility of evidence.

The purpose of H.R. 7053 is to return the law to its commonly accepted interpretation prior to the Supreme Court's decision. H.R. 7053 will simply clarify the present confusion by providing that—

> Evidence, including statements and confessions, * * * shall not be inadmissible solely because of delay in taking an arrested person before a commissioner.

This will establish a clear congressional intent to reserve the conditions under which a confession was given for factual consideration by the court. It will direct the court to determine whether the confession was freely and voluntarily given—in other words, whether it is competent and reliable as evidence—rather than determining only the fact of whether there was an unnecessary delay.

As I stated in my introductory remarks, the second section of the act has been included as a safeguard against the possibility of obtaining an involuntary confession. The officer obtaining the confession is required to tell the accused that he does not have to make a statement and that if he does, the statement may be used against him.

---

[1] RULE 5. Proceedings before the Commissioner.—(a) Appearance before the Commissioner. An officer making an arrest under a warrant issued upon a complaint or any person making an arrest without a warrant shall take the arrested person without unnecessary delay before the nearest available commissioner or before any other nearby officer empowered to commit persons charged with offenses against the laws of the United States. When a person arrested without a warrant is brought before a commissioner or other officer, a complaint shall be filed forthwith (U.S.C.A. 18).

Mr. McMILLAN. Mr. Speaker, I move the previous question.

Mr. CRAMER. Mr. Speaker, will the gentleman yield for the purpose of offering an amendment?

The SPEAKER pro tempore (Mr. THORNBERRY). Does the gentleman from South Carolina yield to the gentleman from Florida for the purpose of offering an amendment?

Mr. McMILLAN. Mr. Speaker, as I understand the parliamentary situation, I have moved the previous question.

Mr. MULTER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MULTER. Mr. Speaker, at what point is a motion to recommit in order?

The SPEAKER pro tempore. Prior to passage of the bill and after the third reading.

Mr. LINDSAY. Mr. Speaker, did I understand in answer to the question as to what point a motion to recommit would be in order the Chair said after the third reading?

The SPEAKER pro tempore. After the third reading and before passage of the bill.

Mr. CRAMER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. CRAMER. Mr. Speaker, I have previously announced I would offer an amendment to make it applicable nationwide in conformance with a bill reported by the Committee on the Judiciary. Could the Chair advise me as to when and if such an amendment is in order and under what circumstances?

The SPEAKER pro tempore. The Chair will state that the amendment can be offered only if the previous question is voted down.

Mr. CRAMER. I thank the Chair.

The SPEAKER pro tempore. The question is on ordering the previous question?

The previous question was ordered.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. LINDSAY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. LINDSAY. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. LINDSAY moves to recommit the bill to the Committee on the District of Columbia.

Mr. JAMES C. DAVIS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 104, nays 252, not voting 79, as follows:

[Roll No. 78]

YEAS—104

Addabbo	Blatnik	Cohelan
Addonizio	Boland	Conte
Anfuso	Brademas	Corman
Ashley	Bromwell	Curtis, Mo.
Baring	Burke, Mass.	Daddario
Barrett	Byrne, Pa.	Daniels
Bennett, Mich.	Clark	Dawson
Dent	Kastenmeier	Pfost
Denton	Kee	Philbin
Diggs	King, Calif.	Pike
Dingell	Kirwan	Price
Dominick	Kluczynski	Pucinski
Donohue	Kowalski	Randall
Dulski	Libonati	Rhodes, Pa.
Dwyer	Lindsay	Rivers, Alaska
Ellsworth	McDowell	Rodino
Finnegan	McFall	Rogers, Colo.
Flood	MacGregor	Rogers, Tex.
Friedel	Mack	Rostenkowski
Garmatz	Miller, Clem	Ryan
Giaimo	Miller, George P.	Santangelo
Granahan	Moeller	Saund
Gray	Morgan	Shelley
Green, Pa.	Morse	Shipley
Hansen	Mosher	Slack
Harding	Moss	Smith, Iowa
Healey	Multer	Staggers
Hechler	Murphy	Sullivan
Holifield	Nix	Thompson, N.J.
Holland	O'Brien, Ill.	Toll
Inouye	O'Hara, Ill.	Udall
Joelson	O'Hara, Mich.	Ullman
Johnson, Calif.	Olsen	Vanik
Karsten	Peterson	Yates
Karth		Zelenko

NAYS—252

Abbitt	Durno	Loser
Abernethy	Edmondson	McCormack
Adair	Elliott	McCulloch
Albert	Everett	McDonough
Alexander	Evins	McIntire
Alford	Fallon	McMillan
Alger	Fascell	McSween
Andersen, Minn.	Feighan	McVey
Anderson, Ill.	Fenton	Magnuson
Andrews	Findley	Mahon
Arends	Fisher	Mailliard
Ashbrook	Flynt	Marshall
Ashmore	Ford	Mathias
Aspinall	Forrester	Matthews
Auchincloss	Fountain	May
Avery	Frazier	Meader
Ayres	Fulton	Merrow
Bailey	Garland	Michel
Baker	Gary	Miller, N.Y.
Baldwin	Gathings	Millikin
Barry	Gavin	Mills
Bass, Tenn.	Glenn	Minshall
Battin	Goodell	Monagan
Beckworth	Goodling	Montoya
Beermann	Griffin	Moore
Belcher	Griffiths	Morris
Bell	Gross	Morrison
Bennett, Fla.	Gubser	Natcher
Berry	Hagan, Ga.	Nelsen
Betts	Hagen, Calif.	Norblad
Blitch	Haley	Norrell
Boggs	Halleck	Nygaard
Bolton	Hardy	Ostertag
Bonner	Harris	Patman
Bow	Harrison, Va.	Pelly
Boykin	Harrison, Wyo.	Perkins
Bray	Harsha	Pilcher
Breeding	Harvey, Ind.	Pillion
Brooks, La.	Harvey, Mich.	Pirnie
Brooks, Tex.	Hébert	Poage
Broomfield	Hemphill	Poff
Brown	Henderson	Quie
Bruce	Herlong	Rains
Burke, Ky.	Hiestand	Ray
Burleson	Hoeven	Rhodes, Ariz.
Byrnes, Wis.	Hoffman, Mich.	Riehlman
Cannon	Horan	Riley
Casey	Huddleston	Robison
Chamberlain	Hull	Rogers, Fla.
Chelf	Ichord, Mo.	Roudebush
Chenoweth	Ikard, Tex	Rousselot
Chiperfield	Jarman	Rutherford
Church	Jennings	Saylor
Coad	Johansen	Schadeberg
Collier	Johnson, Md.	Schenck
Colmer	Johnson, Wis.	Schneebeli
Corbett	Jonas	Schweiker
Cramer	Jones, Ala.	Schwengel
Cunningham	Jones, Mo.	Scott
Curtin	Judd	Scranton
Curtis, Mass.	Kearns	Seely-Brown
Dague	Keith	Selden
Davis, James C.	Kelly	Sheppard
Davis, John W.	Kilday	Short
Davis, Tenn.	King, N.Y.	Shriver
Derounian	King, Utah	Sikes
Derwinski	Kitchin	Siler
Devine	Knox	Sisk
Dole	Kornegay	Smith, Miss.
Dooley	Kunkel	Spence
Dorn	Kyl	Springer
Dowdy	Laird	Stephens
Downing	Lane	Stratton
Doyle	Langen	Stubblefield
	Latta	Taber
	Lipscomb	Taylor

Teague, Calif.	Tuck	Wickersham
Teague, Tex.	Tupper	Widnall
Thomas	Van Pelt	Wilson, Ind.
Thompson, La.	Van Zandt	Winstead
Thompson, Tex.	Weaver	Wright
Thomson, Wis.	Westland	Young
Thornberry	Wharton	Younger
Tollefson	Whitener	Zablocki
Trimble	Whitten	

NOT VOTING—79

Bass, N.H.	Holtzman	Rabaut
Bates	Hosmer	Reece
Becker	Jensen	Reifel
Bolling	Keogh	Reuss
Brewster	Kilburn	Rivers, S.C.
Broyhill	Kilgore	Roberts
Buckley	Landrum	Rooney
Cahill	Lankford	Roosevelt
Carey	Lennon	St. George
Cederberg	Lesinski	St. Germain
Celler	Macdonald	Scherer
Clancy	Machrowicz	Sibal
Cook	Madden	Smith, Calif.
Cooley	Martin, Mass.	Smith, Va.
Delaney	Martin, Nebr.	Stafford
Farbstein	Mason.	Steed
Fino	Moorehead, Ohio	Utt
Fogarty	Moorhead, Pa.	Vinson
Frelinghuysen	Moulder	Wallhauser
Gallagher	Murray	Walter
Gilbert	O'Brien, N.Y.	Watts
Grant	O'Konski	Weis
Green, Oreg.	O'Neill	Whalley
Hall	Osmers	Williams
Halpern	Passman	Willis
Hays	Powell	Wilson, Calif.
Hoffman, Ill.		

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Buckley for, with Mr. Wilson of California against.

Mr. Reuss for, with Mr. Wallhauser against.

Mr. Moorhead of Pennsylvania for, with Mr. Brewster against.

Mr. Keogh for, with Mr. Hall against.

Mr. Celler for, with Mr. Reifel against.

Mr. Holtzman for, with Mr. Williams against.

Mr. Fogarty for, with Mr. Broyhill against.

Mr. Delaney for, with Mr. Cederberg against.

Mr. O'Neill for, with Mr. Smith of California against.

Mr. Gallagher for, with Mr. Hoffman of Illinois against.

Mr. Carey for, with Mr. Osmers against.

Mr. Lesinski for, with Mr. Moulder against.

Mr. Machrowicz for, with Mrs. St. George against.

Mr. Rooney for, with Mrs. Reece against.

Mr. St. Germain for, with Mr. Becker against.

Mr. Farbstein for, with Mr. Utt against.

Mr. Gilbert for, with Mr. Bates against.

Mrs. Green of Oregon for, with Mr. Mason against.

Mr. Hays for, with Mr. Martin of Nebraska against.

Mr. O'Brien of New York for, with Mr. Willis against.

Mr. Roosevelt for, with Mr. Watts against.

Mr. Madden for, with Mr. Passman against.

Mr. Powell for, with Mr. Walter against.

Mr. Macdonald for, with Mr. Roberts against.

Mr. Fino for, with Mr. Smith of Virginia against.

Mr. Halpern for, with Mr. Gary against.

Mr. Bass of New Hampshire for, with Mr. Landrum against.

Mr. Cook for, with Mr. Lennon against.

Mr. Rabaut for, with Mr. Rivers of South Carolina against.

Until further notice:

Mr. Cooley with Mr. Martin of Massachusetts.

Mr. Grant with Mr. Hosmer.

Mr. Steed with Mr. Kilburn.

Mr. Vinson with Mr. Jensen.

Mr. Murray with Mr. Frelinghuysen.

Mr. Lankford with Mr. Cahill.

Messrs. ANFUSO and BYRNE of Pennsylvania changed their vote from "nay" to "yea."

Mr. BEERMANN changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H.R. 1293. An act for the relief of Djura Zelenbaba;

H.R. 1360. An act for the relief of Anna B. Prokop;

H.R. 1467. An act for the relief of Modesta Pitarch-Martin Dauphinais;

H.R. 1508. An act for the relief of Mary A. Combs;

H.R. 1523. An act for the relief of Kazimiera Marek;

H.R. 1572. An act for the relief of Mrs. Sato Yasuda;

H.R. 1578. An act for the relief of Mah Quock;

H.R. 1621. An act for the relief of Miss Kristina Voydanoff;

H.R. 1622. An act for the relief of Dr. George Berberian;

H.R. 1871. An act for the relief of Min Ja Lee;

H.R. 1873. An act for the relief of Anna Stanislawa Ziolo;

H.R. 1886. An act for the relief of Panagiotis Sotiropoulos;

H.R. 2101. An act for the relief of Evelina Scarpa;

H.R. 2107. An act for the relief of Pietro DiGregorio Bruno;

H.R. 2116. An act for the relief of Wanda Ferrara Spera;

H.R. 2141. An act for the relief of Henry Wu Chun and Arlene Wu Chun;

H.R. 2158. An act for the relief of certain aliens;

H.R. 3489. An act for the relief of Bernard Jacques Gerard Caradec;

H.R. 3846. An act for the relief of M. Sgt. Louis Benedetti, retired;

H.R. 3850. An act for the relief of Clark L. Simpson;

H.R. 4217. An act for the relief of David Tao Chung Wang;

H.R. 4219. An act for the relief of the estate of William M. Farmer;

H.R. 4282. An act for the relief of Casimir Lazarz; and

H.R. 4713. An act for the relief of Robert Burns DeWitt.

H.J. Res. 437. Joint resolution relating to the time for filing a report on renegotiation by the Joint Committee on Internal Revenue Taxation.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1922. An act to assist in the provision of houses for moderate and low-income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to a bill and a joint resolution of the Senate of the following titles:

S. 847. An act to change the name of the Army and Navy Legion of Valor of the United States of America, Incorporated.

S.J. Res. 65. Joint resolution designating the week of May 14–20, 1961, as Police Week and designating May 15, 1961, as Peace Officers Memorial Day.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1852) entitled "An act to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes."

The message also announced that the Vice President had appointed the Senator from Montana, Mr. METCALF, a member of the Canada-United States Interparliamentary Group in place of the Senator from Montana, Mr. MANSFIELD, resigned.

GENERAL GOVERNMENT MATTERS, DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATION BILL, 1962

Mr. ANDREWS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 2½ hours, the time to be equally divided and controlled by the gentleman from Pennsylvania [Mr. FENTON] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7577, with Mr. ALBERT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. ANDREWS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill under consideration provides appropriations totaling $626,958,000 for the Executive Office of the President, funds appropriated to the President, the Department of Commerce,

the Panama Canal, and sundry independent agencies. This allowance for 1962 is a reduction of $39,320,000 in the amended budget estimates and is $167,942,825 below the 1961 appropriations. This reduction below 1961 is due to several nonrecurring activities for which appropriations were made in 1961 and are not required, either in full or part in 1962, such as the repayable advance to the highway trust fund and the Eighteenth Decennial Census. There are also substantial maritime ship construction balances being carried over that decrease the requirements for additional funds in 1962.

The committee's reductions in the amended budget estimates were made wherever possible and particularly in those instances where the buildup in staff and expansion of programs appeared to be too great for 1 year.

TITLE I. EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

Title I of the bill carries appropriations for the Executive Office of the President and funds appropriated to the President totaling $12,614,000, a reduction of $297,000 in the estimates. Included in this title is $200,000 for the President's Advisory Committee on Labor-Management Policy, a reduction of $100,000 volunteered by the agency. The other reductions made relate to the Bureau of the Budget and the Council of Economic Advisers.

There has been considerable misunderstanding regarding the transfer of certain public works planning personnel and responsibilities between the special projects, White House appropriation and the Bureau of the Budget and the Council of Economic Advisers. I am glad to say that it appears to have been cleared up. I would like to read a portion of a letter I have received from Elmer B. Staats, Acting Director of the Bureau of the Budget, dated June 9, 1961:

> Bureau of the Budget's position with respect to the Appropriations Committee action relating to certain public works planning personnel which were transferred to the Bureau of the Budget on January 23 and for which funds had been requested in fiscal 1962. * * * wish to make it clear, that the action of the committee in deleting $139,000 from the budget request for the Budget Bureau for this purpose, and recommending that any necessary funds be provided from the appropriation for special projects of the White House Office, is satisfactory to this Bureau. We do not intend to request the Senate to restore this reduction.

The committee reduced the request of the Council of Economic Advisers $200,000, allowing $414,000. The committee made this reduction so as to be in conformity with the limitation of $345,000 on salaries in the basic law and has included language in the bill limiting salaries to that amount. There is legislation pending that will either lift or increase the limitation and on enactment of such a law consideration can then be given to whatever fund adjustments that may be required.

TITLE II. DEPARTMENT OF COMMERCE

The committee is recommending a total appropriation of $559,059,000 for the Department of Commerce in 1962. This is a reduction of $38,503,000 in the amended budget estimates and $135,770,375 below the 1961 availability due primarily to the nonrecurring items and balances mentioned earlier.

The budget proposed an increase of over 1,460 permanent positions in 1962. Committee action will result in the elimination of about 470 of the request which will allow approximately 22,000 for the coming year as compared with 21,000 in the current year.

An appropriation of $3,625,000 is recommended for general administration of the Department in 1962, a reduction of $475,000 in the request, but $789,125 over the 1961 appropriation. The Secretary in requesting this substantial increase stated that it would be devoted principally to strengthening the Department's activity and leadership in the areas of transportation policy, science and technology programs, and general management and program planning. This increased allowance is made to provide him with the means to more effectively manage not only the responsibilities that have been a part of the programs in the past but the new and expanded activities planned for 1962.

Appropriations for the Bureau of the Census are less this coming year as the major portion of the work on the Eighteenth Decennial Census has been completed. Funds are provided for the 1962 Census of Governments to be conducted during the year and also money for the preparatory work incident to the 1963 Census of Business, Transportation, Manufactures, and Mineral Industries required by law to be taken every 5 years.

The major portion of the budget allowance for the Coast and Geodetic Survey is for the construction of ships. We have recommended the deferral of one of the two replacement survey ships requested in order to phase in the new oceanographic program. The President requested a new oceanographic survey vessel in the amendment to the budget, which has been allowed.

The committee has approved the combining of three appropriations into one entitled "Business Activities" which actually is comparable to the old Bureau of Foreign and Domestic Commerce in existence a number of years ago. The programs that are included in this new appropriation are those of: first, the Office of Field Services; second, Business and Defense Services Administration; and third, Bureau of Foreign Commerce. The major increases allowed relate to the expanded export trade and investment programs and the new travel program. Some reductions have been made, but adequate funds have been allowed to get the programs underway on an expanded basis as compared to the current year.

The bill contains substantially the entire request for maritime activities. The Congress is pretty well committed on the subsidy programs. The ship construction program is based upon ship replacement obligations of the shipping companies now holding operating-differential subsidy contracts. The appropriation of $182 million for operating-differential subsidies is for the liquidation of contract authorization. It is an increase of $32 million over 1961 for the purpose of accelerating payments required for the liquidation of prior year subsidies payable to the 15 subsidized operators and includes $8 million for new operators with whom it is expected contracts will be executed before the end of fiscal year 1962. An additional amount over 1961 has been allowed for salaries and expenses to enable the Federal Maritime Board to more adequately perform its regulatory functions. The disclosure of, and referral of, 187 alleged violations by the Antitrust Subcommittee of the House Judiciary Committee, not only adds to the workload but points up the necessity for the strengthening and enforcement of the shipping statutes of the United States. Testimony disclosed backlogs in the operating-differential subsidy program that will work real hardships on the operators if they are allowed to build up. The additional funds will also assist the Maritime Administration to improve this situation as well as permit better control of the program. Approximately the same level of appropriations are made available for the maritime training activities, including operation of the Merchant Marine Academy at Kings Point, N.Y., and grants to the State maritime schools.

Additional funds have been allowed the Patent Office to permit an advancement of the effort to reduce the backlog of pending patent applications and thus shorten the time an individual must wait for action on an application.

The committee has recommended the full amount requested for grants for construction for the Federal-aid highway program, to be derived from the highway trust fund. Except for administrative expenses, the committee, and the Congress, as a practical matter, can exercise little discretion over the level of this item in the annual appropriations process. Authority to obligate the Government, and in turn this trust fund, is carried in the basic highway legislation. The annual appropriations process is essentially limited to earmarking for disbursement from the trust fund whatever amounts are needed to meet the contractual obligations incurred under authority provided outside the appropriations process. Committee members questioned the new Federal Highway Administrator, Mr. Whitton, quite extensively on the many problems that have received much publicity and are causes of major concern, and he gave assurances that steps either have been or will be taken to prevent recurrences. The committee has allowed an increase of $1,530,000 over the current year for general administrative expenses which will provide additional area engineers, auditors, and clerical staff to more adequately supervise the growing national highway program. The estimates and committee recommendations are based on continuation of existing law and may therefore be subject to modification upon enactment of pending highway legislation. It is estimated that there will be a balance of $200 million in the highway trust fund at the end of 1961, and that during 1962 revenues collected will amount to $3,216 million and ex-

penditures are estimated at $2,990 million which would leave a balance of $426 million at the end of fiscal year 1962. Again, these figures are based on existing law.

The committee has allowed the requests for appropriations from the general fund to liquidate obligations incurred under prior contract authorizations for forest highways and public lands highways as proposed in the budget. This procedure eliminates the problems that have arisen in prior years when the budget proposed financing from the highway trust fund, which was not authorized.

The National Bureau of Standards requested a substantial increase in all areas. The committee has allowed a total of $22 million for the continuation and expansion of their research programs. This is a decrease of $2,750,000 in the amended budget, but $2,247,000 above the 1961 appropriation. In addition to the regular program, it is recommended that $1 million be appropriated for the purchase of foreign currency accruing under the Agricultural Trade Development and Assistance Act for scientific activities and will be used for programs in India, Israel, and Pakistan that will supplement existing programs within the Bureau. A total of $8 million has been approved for the construction of a nuclear research reactor and related facilities at the new Bureau of Standards site near Gaithersburg, Md. The Bureau also asked for $50 million for the construction of replacement facilities at this new site. It was learned during the hearings that approximately $20 million of the funds appropriated in the past have not been obligated so that with the amount requested for 1962 they would have a total of $70 million available for obligation in the coming year. The committee does not believe that they can wisely and economically obligate that sum in 1 year. For this reason an appropriation of $25 million is recommended. The committee desires that the Bureau go forward with its plans and is of the opinion that the reduction should not delay the program.

The Weather Bureau recommendations in this bill do not deal with the recent proposal for $53 million for a national operational meteorological satellite system. This proposition will be considered in a later bill. Contrary to what would be a normal assumption the U.S. Weather Bureau does not carry on the major portion of the weather activities of the Federal Government. There is a table appearing on page 472 of part 1 of the printed hearings which gives the distribution of meteorological expenditures of the Federal Government for the fiscal year 1960—of the total of $196.6 million, Weather Bureau expenditures are only $59.5 million. The committee has brought this to the attention of the Director of the Budget and he promised to look into the matter. At this point I would like to read a portion of the committee report dealing with duplication directed to the Bureau of the Budget:

A major responsibility of the Bureau is to coordinate the many and varied activities of the Government. The committee is acutely aware of the many like and similar activities and programs carried on by one or more department or agency, a situation which opens the way to unnecessary duplication and expenditures. The Bureau is urged to continue to direct particular attention toward the avoidance or elimination of any such duplication in every way possible. It is a luxury we cannot afford.

This applies not only to weather, but also to the ever-growing field of research and development, and the increasing activity of gathering statistics on many varied subjects.

Substantial increases have been allowed for various activities in the area of weather measurements and forecasts and research and development. In the latter category the increase provides primarily for expanded research on the meteorological space satellite programs. Dr. Reichelderfer, Chief of the Weather Bureau, showed us a photograph taken from Tiros I. He stated that it would have taken tens of thousands of people and thousands of ships in the Pacific to have pieced together the observations secured from just a few pictures from this one weather satellite. The importance of weather services to agriculture has been recognized by the committee. Several years ago funds were provided for the establishment of agricultural weather reporting pilot stations in the Mississippi Delta area. These stations have proved to be most successful. However, only tentative plans have been made to extend the service to other areas. Funds were included in the agriculture appropriation bill last week for a joint survey by the Department of Agriculture and the Weather Bureau to determine the need for this type of information in other sections of the United States and the possibility of using some of the facilities of the Market News Service to disseminate the information. A similar amount is included in this bill for Weather Bureau participation. Funds are also included for the establishment and extension of agricultural weather reporting services in certain areas requiring the service at an early date.

TITLE III. THE PANAMA CANAL

Appropriations for the Panama Canal, carried in title III, are routine and will be repaid to the Treasury through revenues for services rendered.

TITLE IV. INDEPENDENT AGENCIES

Title IV covers a number of independent agencies, namely, the Advisory Commission on Intergovernmental Relations, the American Battle Monuments Commission, the Foreign Claims Settlement Commission, the St. Lawrence Seaway Development Corporation, the Small Business Administration, the Subversive Activities Control Board, and the Tariff Commission. Appropriations for these seven agencies total $32,185,000, a reduction of $390,000 in the estimates and $28,733,500 below the 1961 appropriations.

The recommendations for the Small Business Administration do not include the estimates submitted after the close of hearings totaling $130,898,000. Those estimates will be considered in a later bill. There is a total of $24,671,000 available for salaries and expenses in 1962 and is composed of a cash appropriation and transfers from the revolving fund and the fund for the liquidation of RFC loans. This is a reduction of $1,123,000 in the budget, but an increase of $1,690,000 in the 1961 level and will provide substantial staff increases in the field and to a lesser degree in the Washington office. The committee has allowed the full request of $20 million for additional capital for the revolving fund. It is anticipated that the balance in the revolving fund will be approximately $80 million at the end of the fiscal year, thus with the appropriation of $20 million recommended, a total of $100 million will be available in 1962. Based on the current rate it is presently estimated 1962 requirements will total $112 million which will leave a shortage of $12 million and would require a supplemental appropriation. As I said earlier, consideration has not yet been given to the additional requests which include an estimate for the payment of an additional $130 million to the revolving fund.

The only other item I wish to mention at this time is the Subversive Activities Control Board. The committee reduced the estimated $90,000 as there has been approximately this amount unobligated at the end of the fiscal year 1960–1961 which reverts to the Treasury. Since hearings were held the Supreme Court of the United States has rendered a decision on the Communist Party case which will result in an increasing workload for the Board, and as stated in the report, the committee stands ready to consider any further fund requirements deemed necessary.

This summarizes generally what is in the bill. The accompanying report sets out specifically and in detail what the committee recommends for the coming fiscal year, and the printed hearings describe the programs planned.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield.

Mr. HORAN. It was brought out in the testimony that the imposition by the States of various sales taxes ranging from 2 percent to 5 percent on these Federal moneys was actually costing this highway trust fund and the highway program, of course, between $800 million and $900 million a year. My question to my subcommittee chairman at this point is, Does he not think we should bring this to the attention of the Congress? Because I think it is an abuse of the use of the Federal moneys allocated to the States.

Mr. ANDREWS. I agree with the gentleman. I think the matter should be studied by the appropriate committee.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Regarding the Small Business Administration authority to transfer funds from the revolving fund to its administrative cost, it is my understanding, and I would appreciate the gentleman's correcting me if this is

incorrect, the Eisenhower budget and also the Kennedy budget authorized a transfer of approximately $18½ million over to administrative costs to carry on the lending activity of SBA. This bill cuts this transfer authority from $18½ million to approximately $17½ million.

Mr. ANDREWS. That is right.

Mr. EDMONDSON. The information reaching my office from my district indicates a rising volume of applications. I understand they have increased about 50 percent in the last 3 months.

Mr. ANDREWS. There has been a substantial increase in March, April, and May.

Mr. EDMONDSON. Why would there be a cut in the estimates of the Kennedy and Eisenhower administration for funds to carry on the lending activities?

Mr. ANDREWS. The budgets were prepared before the trend in increased applications began. There is pending now, but it came to the Hill after we had completed our hearings, a supplementary request totaling $130,890,000 for the Small Business Administration. I do not know whether that will be taken up by the Deficiency Subcommittee or presented to the Senate, but I can assure the gentleman this committee has no desire to curtail the activities of the Small Business Administration. I think the gentleman will find some very interesting statements in our hearings with reference to the speed with which they are handling the applications now.

Mr. EDMONDSON. I know that in our own area there has been a definite increase in efficiency, it seems to me, in the handling of these loan applications, but the problem that confronts us right now is that the volume of applications is so substantial, and it would seem to me that at a very minimum the budget request of the Eisenhower administration and the Kennedy administration should be recognized as valid and at least the amounts requested in the budget be allowed for operating costs. I appreciate the gentleman's comment.

Mr. ANDREWS. I do not think we have crippled their activities.

Mr. FENTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, our subcommittee under the chairmanship of Mr. Andrews has brought in a good bill, H.R. 7577.

May I pay my respects at this time to the able and most courteous manner in which the chairman conducted the hearings for many weeks. He was most courteous in his dealings with witnesses and was never in a hurry. Consequently there was full and generous discussions on the most important items—if not all of them.

This subcommittee is composed of 13 members—7 on the majority side and 6 on the minority. All of them displayed great interest in this bill and each made worthwhile contributions to the subject matter.

Several of the Members on both sides, having served on the old Commerce Subcommittee, were of inestimable help with their experience to those of us who have those agencies for the first time.

As usual we have in Earl Silsby a very capable and informed staff member who, like all the other staff members of the Appropriations Committee, does wonderful work in their assignments.

This is a large, and I may say important, appropriations bill. It deals with both domestic and foreign problems—commerce, particularly.

Not many people realize what a tremendous area such agencies as the Commerce Department and its bureaus cover—the importance of the Panama Canal and several of the agencies of the executive. To quote the Secretary of Commerce, Mr. Hodges, when he appeared before our subcommittee:

> When I assumed the responsibility of directing the administration of the Department of Commerce, I must confess I was not fully cognizant of the vast area of service this agency can render to the business community. I find actually that the Department is charged by law with tremendously important responsibilities including promoting the Nation's industry and business, its foreign and domestic commerce, its transportation systems and its scientific and economic growth.

Of course I must not fail to add that Secretary Hodges completed the remarks I just quoted by stating:

> I am sure you gentlemen realize that this Nation's welfare requires that services so vital to its economy be rendered most efficiently and effectively and this cannot be done without adequate financial support.

Mr. Chairman, Secretary Hodges by that statement has indicated and realizes the great responsibility he has assumed. While it does take a great deal of money to operate such a giant establishment we trust that the appropriations the committee has allowed and the increased personnel that we have provided will at least start the 1962 fiscal year on the road to effective and efficient services which is, as he says, so vital to our economy.

The chairman has outlined, generally, what has been recommended by the subcommittee, which was unanimous on both sides of the aisle. Reductions have been made wherever possible, particularly in those instances where the buildup in staff, and expansion of programs appeared to be too great for 1 year. This was especially true throughout the Department of Commerce. The Department of Commerce, for instance, requested an increase of 1,463 new permanent positions. Your subcommittee reduced that by 470, so that they received almost 1,000 more positions for 1962 than 1961, and which gives them a total of around 21,000 or 22,000 for the Department.

However much of the big money in the Department of Commerce is pretty much set by law and any reductions are merely deferrals. The major items in this category are the maritime subsidy programs and the highway construction programs.

We did make a reduction in the general administrative expenses of the Bureau of Public Roads of $800,000 but the allowance is still $1,530,000 and 135 positions over 1961.

The Bureau of Standards requested an increase of 212 positions and $4,997,000. The committee did not believe such a large expansion was wise in 1 year and allowed half of the request which will provide $22 million and also allow a modest expansion in the research field in 1962. Of course this is bolstered by the special foreign currency program allowed.

The subcommittee did not go along with the request of the Commerce Department that the limit on pay of individuals hired as experts or consultants be increased from $50 to $100 a day, but rather removed the dollar amount from the language, which under the authorizing law will permit payments up to $60.88, the highest daily rate in the general schedule.

On page 29 of the bill you will find an item that to my mind is one of the most important, if not the most important, in this bill. Especially is it so at this time.

It is an item of $305,000 for the salaries and expenses of the Subversive Activities Control Board.

For years I have sat on this committee listening to the chairman—presently a chairlady—telling us of the cases in which they have made findings—cases sent down from the Attorney General—only to be held up because of the delay of a decision by the Supreme Court on the Communist Party case.

The Supreme Court a few days ago did render a decision in that the Communist Party of the U.S. had to register as such.

Now that the Supreme Court has rendered a favorable decision for the Government we trust that the delaying actions threatened by the Communist leaders will be promptly dealt with and that the Communist threat once and for all squashed in this country.

Too long have the American people been kept in suspension in disposing of this cancer.

Certainly if more money is needed for the Subversive Activities Control Board I am sure it will be forthcoming when requested.

Another provision in the bill relates to the Panama Canal Bridge, now under construction, which will designate it the "Thatcher Ferry Bridge," thus perpetuating the Thatcher Ferry, which it is replacing, named in honor of Maurice H. Thatcher, a former Member of the House and this committee. Prior to his service here he was a member of the Isthmanian Canal Commission and Civil Governor during the period of construction.

There is also language in title V, "General provisions," which will permit the employment of alien veterinarians who are nationals of Poland, if they are otherwise qualified. I understand that the Department of Agriculture would hire these people and believe that this exception to the general prohibition on the employment of aliens is desirable.

Mr. Chairman, Mr. Andrews, the chairman of our subcommittee has given a very fine explanation of this bill, H.R. 7577, the appropriation bill for 1962 for General Government matters, Department of Commerce and related agencies.

Title I of this bill has to do with funds for the President, the White House office, special projects, Executive Mansion and grounds, extraordinary alterations and repairs, Bureau of the Budget, Council of Economic Advisers, National Security Council, President's Advisory

Committee on Government Organization, President's Advisory Committee on Labor-Management Policy, emergency fund for the President—national defense and expenses of management improvement.

There was a budget request for $12,911,000 for title I. The committee allowed $12,614,000 or a decrease of $297,000. This is, however, an increase of $151,500 over 1961.

Title II of the bill relates to the funds for the Department of Commerce and its various bureaus. The budget request for title II was $597,562,000. The committee allowed $559,059,000 or a decrease of $38,503,000. This is also a decrease of $135,770,375 from the current 1961 appropriations of $694,829,375.

Title III of the bill has to do with the Panama Canal appropriations. This comprises both the Canal Zone Government and the Panama Canal Company.

The budget request was for $23,230,000; the committee allowed $23,100,000—a decrease of $130,000. This is also a decrease of $3,590,450 under the 1961 appropriation of $26,690,450.

Title IV has to do with appropriations for independent agencies, namely: the Advisory Commission on Intergovernmental Relations, American Battle Monuments Commission, Foreign Claims Settlement Commission, St. Lawrence Seaway Development Corporation, Small Business Administration, Subversive Activities Control Board, and the Tariff Commission.

The budget request was for $32,575,000; the committee allowed $32,185,000—a decrease of $390,000. This is also a decrease of $28,733,750 under the 1961 funds of $60,918,500.

Therefore we have in this bill a request of $666,278,000. The committee allowed $626,958,000—a decrease of $39,320,000. This is also a decrease of $167,942,825 from the 1961 appropriations of $794,900,825.

TITLE I

On page 507 of part II of the hearings will be found a complete breakdown for all the items in title I.

On page 508 of part II of the hearings is a table showing the number of employees from 1952 to 1962 for the Executive Office of the President.

SPECIAL PROJECTS

The average number of employees for this project for 1961 is 110. It is estimated that 120 employees will be required for 1962.

$1,500,000 is recommended for 1962 which is the same.

In 1960 there was an unexpended balance of $200,000. There is none expected for 1961.

BUREAU OF THE BUDGET

The budget estimate of $5,720,000 was reduced to $5,423,000 for 1962. This amounted to $297,000. It is an increase of $137,000 over 1961.

There was a budget request for $135,000 for travel allowance. The committee allowed $125,000. We recommend also that consultants pay be increased from $50 to $75 per day.

There appears to be many, many duplications of activities in our Government and since it is one of the major responsibilities of the Bureau of the Budget for coordinating the many activities, we would urge the Bureau to direct particular attention to this problem.

Much of the duplication, so glaring at the moment, is in the weather activities and in oceanography.

It was testified that about $196 million was being spent on weather activities of which the Air Force is spending $86.6 million and the Weather Bureau $59.5 million.

In addition to the aforementioned agencies in the weather analysis field we have the Federal Aviation Agency and the National Aeronautics and Space Administration. The Coast Guard and Navy are also in the field.

In oceanography there are 10 of our agencies interested.

COUNCIL OF ECONOMIC ADVISERS

There was a budget request of $614,000 for 1962. The committee allowed $414,000.

NATIONAL SECURITY COUNCIL

The committee allowed the $554,000 in full budget request. This amount reduced the original request $276,000. This decrease results from the abolition of the Operating Coordinating Board. This of course results also in the request being $263,000 below the 1961 appropriation.

THE PRESIDENT'S ADVISORY COMMITTEE ON LABOR-MANAGEMENT POLICY

The committee recommends $200,000. This is an increase of $120,000 over 1961 of $80,000. The $80,000 was granted for this committee in the third supplemental appropriations of 1961.

The $200,000 allowed will necessitate a reduction in both the Labor Department and the Commerce Department of $100,000 each.

FUNDS APPROPRIATED TO THE PRESIDENT

First. For the emergency fund of the President, national defense, the committee allowed the request of $1 million. This is the same amount granted for the past 6 years.

Allocations from the fund for 1961 are shown on page 636 of part II of the hearings.

Second. Expenses of management improvement. There was a budget request of $350,000 which the committee allowed. This restores the fund to the level of $500,000 for 1962 which amount is regarded as an adequate operating fund.

The amount allowed in 1961 was $165,000.

DEPARTMENT OF COMMERCE

As before stated the budget estimate for 1962 for the Department of Commerce was $597,562,000 which includes an increase of $23,492,000 over the Eisenhower budget estimate.

The committee recommends $559,059,000 or a reduction of $38,503,000 from the budget and is $135,770,375 below 1961. This decrease is due mainly to the major portion of the Eighteenth Decennial Census, carryover funds for ship construction and the nonrecurrence in 1962 of a repayable advance to the highway trust fund.

There was a request for an increase of over 1,460 permanent positions in this Department for 1962 which includes 200 in the amended budget. The committee's action will result in about 470 being eliminated. This will allow the Commerce Department around 22,000 employees for 1962 as compared with 21,000 in 1961.

GENERAL ADMINISTRATION—SALARIES AND EXPENSES

The amended budget request was for $4,095,000. The committee allowed $3,620,000, which is an increase over 1961 of $789,125 and a decrease of $475,000 from the budget estimate of 1962.

In this item of salaries and expenses the appropriations for the Office of Field Services, salaries and expenses, was transferred to the "Business Activities" item of the Commerce Department.

BUREAU OF THE CENSUS

There was a budget request for $11,075,000 for 1962. The committee recommends $10,594,000, a reduction of $481,000. This is, however, $947,500 more than 1961.

The budget also asked for an increase of 138 positions. The committee allowed 92. This will provide a total of 1,284 positions for fiscal 1962.

For the 1962 Census of Governments the revised budget requested $1,147,000. The committee allowed $1,096,000, a reduction of $51,000 but an increase of $1 million over 1961.

For the Eighteenth Decennial Census the budget request was for $3,630,000 which the committee allowed in full. This, of course, is $23,564,000 less than the 1961 appropriations and will be the final funding for the Eighteenth Decennial Census. This provides for 157 permanent positions in 1962.

For the 1963 Censuses of Business, Transportation, Manufacturers, and Mineral Industries the budget request of $1 million was reduced by $333,000. The amount recommended is $667,000 which is to finance the preparatory work incident to the actual canvass in 1963 and which is required by law every 5 years. The budget also requested 115 positions. The committee recommends 76—a reduction of 39.

COAST AND GEODETIC SURVEY

The amended budget request for this bureau was for $36 million. The committee recommends $30,490,000 which is an increase of $7,329,000 over 1961 and a decrease of $5,510,000 from the budget estimate.

Of the above amounts they requested $19,275,000 for salaries and expenses; the committee allowed $18,525,000—a decrease of $750,000. This however is an increase of $404,000 over 1961 and allows them 2,001 positions out of a request for 2,051—a reduction of 50.

In the other item—construction of surveying ships—the budget request was for $11,965,000. The committee recommends $16,725,000, or an increase of $7,265,000 over 1961 and a decrease from the budget estimate.

The amount allowed for construction of ships for 1962 is for the replacement of one III class survey ship at a cost of $2,540,000 and one oceanographic surveying ship—class I—at a cost of $9,425,000. This will reduce the budget request of

two survey ships to one so that the new oceanographic activities may be phased into the program on an orderly basis.

BUSINESS ACTIVITIES

This is a new name and includes the programs in the Office of Field Services, Business and Defense Services Administration and the Bureau of Foreign Commerce into a single account. The committee concurs in the proposal.

The committee recommends an appropriation of $14,639,000 for fiscal 1962 which is a reduction of $2,368,000 from the amended budget estimates. This amount recommended is an increase over the three separate appropriations for 1961.

In the "Export control" item the full request of $3,480,000 was allowed. This is an increase of $455,000 over 1961 and will cover the additional cost for a full year operation of extension of export controls to Cuba and the Dominican Republic, 10 additional positions to handle a new program of export controls over technical data and other increased costs. A total of 250 positions will be available under these funds.

OFFICE OF ECONOMICS

The full budget request of $1,600,000 is recommended for 1962.

A total of 193 positions are allowed for this Office—an increase of 13 over 1961.

MARITIME ADMINISTRATION

The request from the Maritime Administration for funds for 1962 was in the amount of $307,088,000. The committee recommends $306,588,000 or a decrease of $500,000. This is $10,754,000 over 1961.

Of the above the request for ship construction was $98 million which the committee allowed in full.

SHIP CONSTRUCTION

LONG RANGE CONSTRUCTION OF SHIPS

A 5-year program started in 1955 for 312 new ships.

Contracts awarded have been 77 new ships through fiscal 1961, of which 16 have been delivered and are now in service. The remaining 61 are in various stages of construction.

The 1962 request for appropriations include 14 new additional ships. However, with a favorable carryover from prior appropriations added to present request will enable the awarding of 5 additional contracts, which makes a total of 19 new ships funded for 1962.

With the completion of construction of ships through fiscal 1962 there will remain to be built 216 new ships.

A breakdown of the remaining 216 new ships will include the replacing of 184 war-built ships—1943–45—and the replacement of the SS *Independence* and *Constitution*, the SS *United States*, and 29 Mariners.

During 1962 it is anticipated that the NS *Savannah* will be in seagoing operation.

It is also anticipated that the 80-ton, 60-knot hydrofoil craft, the HS *Denison* will be completed with the initiation of testing this summer.

MARITIME ADMINISTRATION RESERVE FLEET

Now approximately 2,000 merchant ships in our 8 reserve fleets.

Of these it is estimated 891 will be designated for continued preservation for national defense purposes. The balance is scheduled for eventual scrapping.

The 891 ships will be divided into 6 priority groups.

To date 387 ships have been sold for scrapping for a total of $27,223,544 and bids have been asked on 18 more.

However, the Congress is to be asked for a reevaluation of the 1,000 remaining Liberty ships because an examination of some of those which we scrapped disclosed that they were in very good condition.

MARITIME ACTIVITIES

Operating differential subsidies—liquidation of contract authorization.

The budget request of $182 million was recommended in full by committee. This is an increase of $32 million over 1961.

This item is for payments to the 15 subsidized operators and includes $8 million for new operators with whom it is expected contracts will be made before the end of fiscal year 1962.

The present limitation of 2,400 voyages, including 150 for companies not holding contracts prior to July 1, 1957, and 75 for companies operating into or out of the Great Lakes has been continued in the bill.

RESEARCH AND DEVELOPMENT

The budget requested $7 million for this item. The committee recommends $6,500,000; while this is a reduction of $500,000 it is $600,000 over 1961.

The program has been consolidated in a single office with major emphasis on mechanized ship development and other work, which it is hoped will result in a reduction in future operating subsidy requirements.

SALARIES AND EXPENSES

The budget estimate of $15,600,000 was approved by the committee which is an increase of $452,000 over 1961.

It provides them with 2,068 positions which is an increase of 37 over 1961.

A great deal of discussion developed about alleged violations of maritime regulations.

The disclosure of 187 alleged violations by the Antitrust Subcommittee of the House Judiciary Committee and its referral indicates the necessity for strengthening and enforcing the shipping statutes of the United States as well as the increase in the workload.

MARITIME TRAINING

The committee approved the budget estimate of $3,218,000 for the operation of the Merchant Marine Academy. This is an increase of $2,000 over fiscal 1962.

This estimate is based on continuation of the training program which will permit the graduation of 200 officers per year.

The current enrollment at the Merchant Marine Academy at Kings Point is 690.

The budget request for the four State marine schools was $1,270,000. This was approved in full by the committee. This amount was the same for the current year.

The enrollment currently in the four State marine academies is as follows: New York State Academy, 510; Massachusetts, 200; Maine, 283; and California, 216. A total of 250 graduate each year from these schools.

Therefore 450 graduate from the maritime academies each year.

A breakdown of the $1,270,000 for the State academies is: $300,000 grants to the schools and is set by statute, $720,000 for uniforms, textbooks, and subsistence of cadets set by the statute; $250,000 for maintenance and repair of the four vessels.

PATENT OFFICE

The Bureau of the Budget requested $24,925,000 for 1962. The committee recommends $24,860,000 which is a decrease of $65,000; it is $977,500 over 1961.

It is hoped that with these increased funds over 1961 that the backlog of cases can be reduced and the time shortened that an applicant must wait.

It will permit the employment of 2,500 which is 60 more than 1961.

It was testified that upward to 5 million applications for patents, since the inception of the Patent Office by Congress over 170 years ago, have been made and almost 3 million have been granted. The 3 millionth will be probably issued in the coming year.

There is an outflow of around 1,000 patents a week.

In addition to granting patents for inventions the Patent Office has since 1870 been in charge of registering trademarks of which more than 650,000 have been registered to date. Applications for trademarks registration are being received at the highest rate in our history. There were over 2,000 filed in fiscal year 1960.

While the operation of the Patent Office is financed by direct annual appropriations of funds by the Congress the operating cost is partially offset by fees charged by the Patent Office. It is estimated that the recovery is about 30 percent. In 1960 the fees amounted to $7,435,148.

BUREAU OF PUBLIC ROADS

The request by the Bureau for 1962 for the construction of highways was in the amount of $2,991 million from the highway trust fund. The committee allowed $2,990,200,000 or a decrease of $800,000 but an increase of $301,508,000 over 1961.

The Bureau also requested $33,800,000 as a limitation for administrative expenses. The committee allowed $33 million or an $800,000 decrease. This was an increase of $1,530,000 over 1961 which can provide additional area engineers, auditors and clerical staff to more adequately supervise the program.

For forest highways—liquidation of contract authorization—the budget requested was $27,400,000 which the committee recommends in full. This is $400,000 more than 1961.

For public lands highways—liquidation of contract authorization—the budget requested $3 million which the committee recommends in full. This is $300,000 more than 1961.

NATIONAL BUREAU OF STANDARDS

The budget request for appropriations for the National Bureau of Standards was $85,750,000, the committee recommends $58 million, an increase of $12,-

747,000 over 1961 and a decrease of $27,750,000 under the budget request.

The decreases are in two items, namely, research and technical services, $2,750,000, and construction of facilities, $25 million.

In the case of research and technical services, while there is a reduction of $2,750,000 from the budget estimate, the amount allowed is $2,247,000 over 1961. The committee also allowed 106 new positions from a request of 212. This will provide a total of 1,800 positions in 1962.

In addition to the regular appropriations for research and technical services the committee approved the budget request for $1 million for the purchase of foreign currency accruing under the Agriculture Trade Development and Assistance Act for scientific activities. Testimony was given that the proposed research activities from this source are to be conducted in Israel, Pakistan, and India, and will supplement existing programs in basic and applied research in physics, improvements of standards, and radio propaganda research.

The other decrease made was for the construction of facilities. This item is to construct new facilities to replace the present facilities at a site near Gaithersburg, Md.

In addition to financing the construction, this appropriation was established to equip and provide for occupancy of laboratories, administration and service buildings at the new site. It does not include or provide for new programs such as the nuclear research reactors which is contained in the plant and facilities account.

The budget request was for $50 million for construction. The committee recommends $25 million, a decrease of $25 million under the budget, but $1,500,000 over the 1961 appropriations.

Inasmuch as it was testified that there will be over $20 million unobligated at the end of fiscal 1961 and that if the budget figure of $50 million were allowed it would provide a total of $70 million, the committee feels that this amount can hardly be obligated wisely in 1 year.

The committee desires the Bureau to go through with its plans and believes that the amount allowed, $25 million in new money plus the $20 million carryover, should be sufficient for 1962.

The committee recommends the budget request for plant and facilities in the amount of $10 million. This is $8 million more than 1961.

Of this amount $8 million is for the construction of a nuclear research reactor and related facilities at the Gaithersburg site.

Other construction items include $935,000 for facilities at the Boulder Laboratories in Colorado, and $56,000 for a building and a seawall at the radio field station at Maui, Hawaii.

Funds are also included for a standard frequency broadcast station, completion of a scatter radar transmitter and antenna, improvements and modification to existing facilities, and the acquisition of land.

WEATHER BUREAU

There was a budget request for $70,365,000 for the Weather Bureau for fiscal 1962. The committee recommends $69,395,000, a decrease of $970,000 under the budget but $8,897,600 over 1961.

The decreases were $20,000, $500,000, and $450,000 for salaries and expenses, research and development, and establishment of meteorological facilities, respectively. This will allow $55,595,000 for salaries and expenses, $9 million for research and development, and $4,800,000 for the establishment of the meteorological facilities.

The amount allowed for salaries and expenses is $6,794,000 above the 1961 appropriation and the amount for research and development is $2,553,500 above the current fiscal year.

In the establishment of the meteorological facilities item the money allowed is $450,000 less than 1961.

THE PANAMA CANAL—TITLE III

CANAL ZONE GOVERNMENT

The budget request for the Canal Zone Government appropriations for 1962 were $23,230,000. The committee recommends $23,100,000, a decrease of $130,000 and a decrease of $3,590,450 under the 1961 funds.

For the operating expenses the committee allowed $20,800,000, an increase of $1,030,550 over the 1961 estimate of $19,769,450 and a decrease of $81,000 under the budget estimate of $20,881,000.

The increase of $1,030,550 will be applied to the pay increase granted certain employees and meet increasing workloads and the need for improvements in the hospital and school programs.

Appropriations under the head are repaid to the Treasury annually through service charges—costs not recovered are reimbursed by the Panama Canal Company.

For the capital outlay item the budget request was $2,349,000. The committee allowed $2,300,000, a decrease of $49,000 and a decrease of $4,621,000 under the 1961 estimate.

Included in this program is a continuation of the Canal Zone's share in the U.S.-citizen and non-U.S.-citizen replacement housing programs, improvements to the Coco Solo and Corozal hospitals, airconditioning of the high school and junior college building in Balboa and various routine replacements of facilities incident to the municipal services furnished by the Canal Zone Government.

PANAMA CANAL COMPANY

LIMITATION ON GENERAL AND ADMINISTRATIVE EXPENSES

The budget request was $7,824,000 in which the committee concurs. This is $1,569,900 less than 1961. This decrease is due to the withdrawal of the payment to annuitants from the limitation. Since these payments are set by law and will continue to decrease over the years the committee approves of this action. The annuitants are retired, former employees prior to the availability of any retirement benefits under civil service.

General provisions:

The committee has approved language authorizing the transfer of certain facilities and improvements in the Cardenas Townsite in the Canal Zone to the Federal Aviation Agency.

It has also included language in the bill designating the new high level Panama Canal Bridge at Balboa and the Thatcher Ferry Bridge thus perpetuating the Thatcher Ferry, which it will replace, named in honor of Hon. Maurice H. Thatcher, who was a member of the Isthmanian Canal Commission and civil governor during the construction era, and is also a former member of the House of Representatives.

INDEPENDENT AGENCIES—TITLE IV

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

The budget request of $375,000 was approved by the committee—an increase of $231,500 over 1961.

Studies have either been made or are underway in the fields of taxation and public finance, intergovernmental problems in large metropolitan areas, grants-in-aid and other Federal-State-local relations. The 1962 program plans to endeavor to secure implementation of the recommendations made and to embark on studies of other topics within the Commission's area of responsibility.

AMERICAN BATTLE MONUMENTS COMMISSION

The Bureau of the Budget request for salaries and expenses for the American Battle Monuments Commission was $1,360,000, in which the committee concurs. This is $40,000 more than 1961 and will provide for additional travel expenses due to home leave privileges that will be exercised during the year and for general travel previously carried in the construction appropriations. The number of permanent positions is to continue at 405.

In the construction of memorials and cemeteries item, no money is requested.

However, the committee has included in the bill the budget language providing that balances remaining in this account shall not be available after June 30, 1962. It is estimated that approximately $1,700,000 will be left over on June 30, 1962, and of course would revert to the Treasury. However, it is expected that $300,000 is expected to be obligated in 1962 to complete the program.

A word of commendation is certainly in order for the fine work of this Commission. It has accomplished for $34 million, not only the work originally estimated to cost $40,260,000, but certain monuments not in the original program, notwithstanding the general price rise for labor and materials since its initiation in 1948.

FOREIGN CLAIMS SETTLEMENT COMMISSION

The budget requested $725,000 for this Commission. The committee recommends $625,000, a decrease of $100,000. However this is an increase of $119,000 over 1961.

The committee approves the transfer of $40,000 for the War Claims Fund and this will provide a total of $665,000 as compared to $546,000 in 1961.

This increase will provide for the completion of the Czechoslovakian program and enable getting the Polish program underway.

Funds are included for the opening of a field office in Warsaw, Poland.

The administration of World War II claims will continue to be financed by reimbursement from the War Claims Fund.

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

Limitation on administrative expenses: The committee approves the budget request of $425,000 which is an increase of $11,000 over the current year.

This increase will provide for one additional position in the area of traffic promotion. The tonnage has not been what was expected during this current year and the Advisory Board has urged a more promotional program.

SMALL BUSINESS ADMINISTRATION

The committee recommends an appropriation of $6,750,000 which is a decrease of $200,000 from the budget estimate of $6,950,000. It also recommends $17,524,000 from the revolving fund and a transfer of $397,000 from the fund for the liquidation of the RFC loans. Therefore a total of $24,671,000 is recommended for the administration for 1962.

This represents an increase of $1,690,000 over 1961 and a decrease of $1,123,000 in the budget estimates.

For the revolving fund the estimate of $20 million is allowed. This brings the fund to $760 million.

SUBVERSIVE ACTIVITIES COMMITTEE

The committee recommends $305,000 for the Subversive Activities Committee, a decrease of $90,000 from the budget estimate, and also $90,000 less than the appropriations for 1961.

It was testified that probably $90,000 would be unused at the end of 1962 but since the hearings were held the U.S. Supreme Court finally rendered a decision that the Communist Party had to register, and so forth. This will undoubtedly open up the work for this committee and additional funding will be necessary. The committee is ready to consider any additional funds necessary.

TARIFF COMMISSION

The committee granted the funds requested in the amount of $2,770,000 which is $159,000 in excess of 1961.

This will provide an additional 26 positions in the technical and clerical areas.

The Tariff Commission has very little control over its workload and reports an increasing volume in the conduct of escape-clause investigations under the provisions of the trade agreement legislation, and the furnishing of technical information and assistance to the Congress.

Mr. ANDREWS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore, Mr. MILLS having assumed the chair, Mr. ALBERT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes, had come to no resolution thereon.

COMMITTEE ON EDUCATION AND LABOR

Mr. COHELAN. Mr. Speaker, at the request of the gentleman from New York [Mr. POWELL], I ask unanimous consent that the Committee on Education and Labor and all subcommittees thereof be permitted to sit during general debate for the balance of the week.

The SPEAKER pro tempore (Mr. MILLS). Without objection, it is so ordered.

There was no objection.

COMPETITION VERSUS MONOPOLY—LOCAL COMMUNITIES ARE HARMED BY ABSENTEE OWNERSHIP OF MONEYMAKING OPPORTUNITIES THAT CAN BE CONDUCTED JUST AS WELL BY LOCAL PEOPLE—COMMERCIAL BANKERS AND AUTOMOBILE FRANCHISE DEALERS SILENT WHEN THEIR BUSINESSES AND THEIR TOWNS WILL SUFFER

Mr. COHELAN. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PATMAN. Mr. Speaker, the House Judiciary Antitrust Subcommittee last week held hearings on H.R. 71, a bill to prohibit manufacturers of motor vehicles from engaging in financing and insuring installment sales of motor vehicles. This bill, introduced by Congressman CELLER, offers a most constructive remedy to a monopoly situation which constitutes a serious threat to the future of our competitive economy. I am convinced that the positions various persons eventually take on this bill will separate those who believe competition is best for America from those who believe monopoly will serve America best. With your permission I shall extend my remarks to include the prepared statement I made before the subcommittee in favor of this bill.

STATEMENT OF REPRESENTATIVE WRIGHT PATMAN, DEMOCRAT, OF TEXAS, BEFORE THE HOUSE JUDICIARY ANTITRUST SUBCOMMITTEE ON H.R. 71, JUNE 9, 1961

Mr. Chairman, I think this is a good bill because it will restrain monopolistic practices and permit continued survival of locally owned business institutions in our Nation's communities.

One of the country's biggest problems is the weakening and even the destruction of the economies of our local communities. This practice of permitting automobile manufacturers to own and control the financing of the product they manufacture is further evidence of the fact that the main streets in the communities of our Nation are being run by Wall Street. It is further destruction of free competition in private enterprise and must be halted if the smaller communities of our country are to have vigorous and prosperous economies to support the daily needs of community life. A continuation of the present practice will probably result only in a great clamor and demand from our cities for further Federal aid.

BANKERS SILENT

We have been depending upon our commercial banking institutions to supply the financial lifeblood needed by our communities. We have looked to them as the source of funds to supply our business and personal needs.

Now it is time to see whether they have acted with vision for the future and in the public interest of the communities they are intended to serve or whether their actions are based on shortsightedness and the lust and greed of the moment. I am afraid the testimony heavily favors the latter.

I understand that the committee has had some correspondence from individual banks, and that most of them favor passage of H.R. 71 while a few are opposed, but that none of them thus far has offered to testify.

But I am stunned to learn that not one word has been heard from either the American Bankers Association or the Independent Bankers Association. I am amazed that these big associations that represent the banking institutions of our entire Nation are not here in wholesale numbers clamoring for passage of this legislation. If the top-ranking officers of these powerful and aid to local areas, it is a case of forcing the crippling effects of monopolistic combinations on the health of the economy, they should be here in numbers demanding approval of this bill for the selfish protection of their own institutions. Banks are organized and operated to make profits, of course, but they also are chartered and permitted to exist to serve the public in their local communities. I am concerned that too many banks no longer fully perform this public service but invest their resources in Government obligations and other securities far from their local areas.

DRYING UP COMMUNITY LIFE

The bleeding of funds from local banks and from local finance companies also bleeds the communities of the revenues they need to grow and prosper. It is one of the factors that is drying up normal community life.

It is not just an invitation for further aid to local areas, it is a case of forcing the Federal Government with a vengeance to take all local opportunity away from communities and supply further assistance in such services as old age pensions, depressed area assistance, aid to education, and whatever else local governments no longer have the financial sustenance to provide themselves. Our economy tends to veer more in that direction continuously. I hope the Congress will act to stem this trend and help local communities retain their profitable businesses so they can take care of, if possible, their local obligations to education, etc.

Finally, Mr. Chairman, I went to make it clear that I am not addressing my remarks toward any single automobile manufacturing company. I don't want any of them to enjoy this monopolistic manufacturing-financing "sacred cow" privilege.

AUTOMOBILE DEALERS SILENT

Another thing, Mr. Chairman, the automobile dealers should be in here fighting this bill. I know it is a fine organization, and in all the cities throughout the Nation these franchised owners are among our finest and best citizens.

I am sure there must be a difference of opinion among them. But clearly their side on this is in favor of this bill because if these automobile manufacturers are not stopped, the defeat of this bill would mean a firmer grip upon the throats of all the automobile dealers in America.

In some instances the company financing sales of automobiles makes more money from financing them than the automobile dealers that handle the cars.

Another thing, Mr. Chairman, we already have too many of the business moneymak-

ing opportunities taken away from local communities.

How are you going to resist Federal aid to education, Federal aid to everything, if local people no longer have the opportunity to take care of themselves?

The moneymaking opportunities are gone. They are owned by absentee owners. This bill would stop part of that and retain moneymaking opportunities locally.

When local people have these opportunities, they put their profits in the local bank, and these dollars become reserves that may be expanded up to 10 to 1, and more, for the purpose of developing and helping the people in that area. In that way they can kind of take care of themselves.

But if you more and more take away the business moneymaking opportunities from the local communities, more and more they will have to come to the Federal Government for aid. And these people who are doing all this, taking all the moneymaking opportunities away from the towns and cities of America, had just as well realize now that the Federal Government is going to follow those dollars.

The Federal Government is the only one that has the power to do it, the only one that can effectively do it, and bring part of these dollars back to the local communities from whence they came, in order to take care of local needs in that community.

So I do not think it is a good thing for America. It is a bad thing for America.

STRONG AMERICA THROUGH LOCAL OWNERSHIP

If we have an America of little businesses locally owned and locally controlled, and decisions made locally, we have a strong America.

But every time you take away from these local communities that strength, you are making it more fertile for socialism, communism, or fascism.

But the way to keep America strong is to keep it strong at the local level, to let local people have moneymaking opportunities, and then local people can take care of many of their needs, and they will not have to come to the Federal Government for assistance.

Now, may I suggest, Mr. Chairman, a few thoughts to the committee for their consideration in the study of this important bill.

As it presently stands, the bill prevents General Motors and other manufacturers of motor vehicles from owning or maintaining financial and insurance facilities only if they are used in connection with the sale of motor vehicles, defined to include, of course, passenger cars, trucks, buses, and station wagons.

General Motors, therefore, could still finance, on its own, the sale of locomotives or diesel engines or refrigerators. Should not this be prohibited, also?

The bill makes it unlawful for a motor vehicle manufacturer to own or maintain any facilities for financing or insuring in connection with the sale of motor vehicles. But does this mean that such a manufacturer could not own stock in such a financial entity or have interlocking directorates?

If it might be so interpreted, Mr. Chairman, I would urge that any such relationships be expressly banned. In other words, I think it should be dealt with affirmatively. This committee might well give attention to the wisdom of extending this type of legislation to all sales situations, whether of motor vehicles, as herein defined, or otherwise. Should not any large sales organization be prohibited from financing its own sales?

Now, how do we know this bill will help the consumers? I know that is a question that is often asked in all hearings of this type, and I have been in some of them myself. Someone invariably raises this question whenever we make efforts to strike down monopoly. My answer to this question is this:

To me the past history of GM offers persuasive evidence that it has had market power. There is also evidence that GM has used this market power to its advantage and not the public's, contrary to one prominent former GM official's declarations that what is good for GM is good for the country. The question whether this legislation is good for the consumer goes back to the basic issue of whether we really believe a competitive economy is preferable to a monopolistic and cartelized one.

This may seem like a dogmatic statement to some, but I sincerely believe that the positions various persons eventually take on this bill will separate those who believe competition is best for America from those who believe monopoly will serve America best. It is as simple as that.

CAPTIVE MARKET

And if GM, Ford, Chrysler, and these other big automobile manufacturers are permitted to continue this, they have a captive market. It has many ramifications. It affects the local economy in many devastating and destructive ways, too many to be mentioned here.

The chief issue here is one of market and financial power and their use. GM is a vast conglomerate enterprise. By engaging in financing as well as manufacturing, it is in a position to extend forward this vast power to the distribution level. This not only harms competition at the distribution level, thereby harming other independent automobile distributors and independent financing agencies, but by expanding its position at the distributor level, its already dominant position in manufacturing is further entrenched and enhanced. Hence, power is used to increase power. Power feeds on power.

The end result is clear: Overwhelming dominance and complete monopoly. GM's market behavior will then be curbed and the public interest protected only insofar as the holders of this power decide that they will exercise it in the public interest. This makes a mockery of our free enterprise economy. Good performance then becomes a gift of benevolent holders of vast economic power.

Unless public action is taken to limit and prevent the achievement of such power, the only alternatives to monopoly are, one, turn the country over to GM, or, two, turn GM over to the country. Both alternatives are abhorrent to me. We must make every reasonable effort to preserve competitive market structures which will demand desirable social performance. Action is called for now. This is too urgent a matter to put off for another decade or more. The country cannot afford further delay.

I hope your bill becomes law, Mr. Chairman.

YOU AND THE COLD WAR

Mr. COHELAN. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. PUCINSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PUCINSKI. Mr. Speaker, beginning today and continuing every legislative day for the next 2 weeks, I shall introduce into the CONGRESSIONAL RECORD a series of articles as they appear in the Chicago Daily News which this excellent newspaper has quite appropriately titled "You and the Cold War."

Marshall Field Jr., editor and publisher of the Chicago Daily News, and the entire staff of this outstanding midwest publication deserve the highest commendation for bringing to the American people a more thorough understanding of the gigantic challenge international communism poses to the free world and what it will take for freedom to survive.

Many people have asked for a clarification of President Kennedy's challenge to Americans when he said:

> Ask not what your country can do for you—ask what you can do for your country.

Beginning last Saturday, the Chicago Daily News launched this new series which—judging from the first article which follows—will make a great contribution toward fulfilling President Kennedy's plea by helping Americans better understand the magnitude of the problems which confront the free world if democracy is to survive. It is my sincere belief that Americans will respond more readily to President Kennedy's plea if they have a thorough understanding of the task ahead. To this extent, the Chicago Daily News is indeed making its own contribution in response to the President's appeal.

The Chicago Daily News has a reputation throughout the world for maintaining one of the finest staffs of international experts ever assembled by a newspaper. It is fitting that this outstanding publication is drawing on its famous Daily News foreign service to prepare this series. I am confident that this timely series will be closely followed in every capital of the world, including the Kremlin. I hope that by including these articles in the CONGRESSIONAL RECORD, as they appear daily in the Chicago Daily News, I will help make it possible for every Member of Congress to thoroughly familiarize himself with this penetrating analysis.

It is likewise my firm belief that this challenging series will have a profound influence on our own Nation's future foreign policy. Too long have we permitted the tide of international communism to run massively against us while—like the people of Carthage—we Americans basked in the apathy of material comfort and demogogic tranquillity.

It is immediately apparent from reading the first article of this series that the Chicago Daily News intends to mercilessly strike at the truth—a truth that too many men in public office have feared to expound.

It is obvious from reading this first article that the Chicago Daily News is manifesting the kind of courage to tell the truth which too many politicians carefully avoid lest they offend some particular group in their constituency.

If we are to win the great struggle; if we are to put the lie to Khrushchev's arrogant boast, "We will bury you"; then we Americans—all of us—in Congress, in our cities, in our schools, in our churches, on our farms, and yes, even in the White House and its subordinate agencies—will have to understand the full depth and power of the message which the Chicago Daily News brings to us in this dynamic series.

Here, Mr. Speaker, is the answer to America's national purpose; what this cold war is all about and what it will take to win it.

Mr. Speaker, the first article in the Chicago Daily News series written by Mr. Nicholas Shuman follows. At the conclusion of this article I have also included an editorial about this series which also appeared in the June 10 issue of the Chicago Daily News.

COLD WAR AND YOU: WHY YOU'RE LOSING IT; UNITED STATES FAILING CRUCIAL TEST; HERE'S WHAT'S WRONG, AND HOW YOU CAN CHANGE TREND

(By Nicholas Shuman)

You are at war. Every American is.

We have been at war—paradoxically—since the end of World War II, 16 years ago.

For the most part it has not been a shooting war, but it has been, and is, fraught with as many perils as any death-and-destruction conflict in which our Nation was ever engaged.

In a very real sense—as President Lincoln said in 1863 and President Kennedy said in 1961—we are testing whether this Nation can long endure.

Thus far, we have been failing the test.

We are losing the cold war.

Responsible statesmen and scientists have been saying so for years. But the American people, nourished on a history of victory, find it hard to believe and harder still to act to reverse the tide while there is still time.

Speaking in Chicago this spring, Adm. Arleigh A. Burke, Chief of Naval Operations, said the greatest weakness of Americans is their natural optimism.

William J. Lederer, coauthor of "The Ugly American," says it with gloves off: "We are like a sandlot team sent to play in the World Series."

That quote is from his new book, the title of which is the title he gives to you, to us, to all Americans—"A Nation of Sheep."

At the National Military-Industrial and Educational Conference here in April (at which Adm. Burke spoke), one leading American after another reiterated that the first step toward taking the initiative in the Cold War is educating Americans to the dangers they face.

DAILY NEWS ACCEPTS CHALLENGE

The Daily News in its sphere is taking up the challenge with a series of articles on the state of the cold war, beginning with this overall look, then continuing with on-the-spot reports from its correspondents in the farflung trouble spots of the world.

How did the cold war start? What does it cost? What are the Communist aims? Where are the critical areas? We used to be on top of the world—what happened?

These are some of the many questions that will be answered for you, brought into focus so that you may better understand your role as a front-line private in this radically new kind of war.

In this talk here, Admiral Burke said:

"Fortunately, millions of our fellow citizens sense the urgency of our times—and the importance of the actions that such times require.

"But there remain many others in private life in our 'affluent society' who are so self-satisfied, so comfortable, so content that they cannot be bothered with the realities and the dangers which surround them.

"To such people, the conflict, the challenge, the urgent need for action are meant for someone else.

"If this seems critical, let me assure you that it is meant to be.

"It is meant to be critical of every American in any walk of life who fails to recognize the forces of aggression that are now at work in the world.

"Most of all, this criticism is meant for those who shirk their responsibility to do something about it . . .

"Just living in a free society is no great achievement. Nations do not become great, nor do they remain great just because of freedom.

"Recently I read about a nation which was described as a pleasant place for business enterprise, a place where young men were taught to get on, where extravagance kept pace with shrewd finance.

"It's citizens were self-satisfied, placid, self-confident, money-getting, pleasure-loving people, honoring success and hugging their financial security.

"Does it sound familiar?

"That nation was Carthage, just before its fall."

FAIL TO HEED HISTORY

There is evidence that Americans have not learned their lessons adequately in the past.

In the Korean war, for example, one out of every three Americans captured by the Communists collaborated with them, "confessed" on germ warfare, broadcast un-American propaganda, informed on his buddies.

The Institute for American Strategy in Chicago has pointed out that 30 years ago Americans forgot to do their homework, failed to read "Mein Kampf," failed to take seriously the intellectual engineers of Nazi strategy for world domination.

Many of these same Americans paid for the national ignorance with their lives. The rest were spared for a greater danger.

"Can history repeat itself?" the institute asks.

"The 1960's are much like the 1930's. We have peace. We have business as usual. We have another group of totalitarian dictators who have written a quantity of books prophesying our burial, books that are still not a part of our homework.

"In the past decade, communism has leapfrogged 10,000 miles across continent and ocean to Cuba. Its missionaries are active on many campuses in Latin America.

"More than half the world is tuned in to the dialectics of Marx and the psychological warfare of Khrushchev.

"The danger of 1960 is equally as great to freemen as was the danger of 1939."

Many will say the danger is far greater because the techniques of the Communists are more subtly insidious than those of the Nazis.

Because the Reds dominate more of the world and its resources (far more than we, incidentally).

Because they appeal to the urgent need of the world's peoples for a full belly.

But is not democracy—our form of it—the sacred, God-given, manifest destiny of all mankind?

Only if mankind makes it its destiny, according to the lesson of history. Otherwise it can perish, as other systems of government have perished.

DEMOCRACY IS VULNERABLE

C. Northcote Parkinson, the noted English historian, has said:

"We learn from (history) that various forms of rule have tended to succeed one another * * * democracy showing a tendency to collapse in chaos, from which dictatorship offers the only escape.

"There is little in history to show that democracy is much more stable than any other form of rule."

Communism, thus, is given at least an equal chance against our libertarian form of government, and Communists give it much more.

They are convinced to their dogmatic teeth that they are winning and pledged by written law—not just faith alone—to work with lifelong zeal until they conquer all.

Thomas H. Coulter, chief executive officer of the Chicago Association of Commerce and Industry and an officer of the Institute for American Strategy, has said:

"With the Communists this task (of winning domination over all) is relatively simple. There is one state authority, one master plan and one objective—world conquest.

"All this is based on the doctrine of Karl Marx that the state is supreme and that the victory of communism is historically inevitable. * * *

"Today 36 million Communists (party members) control 1 billion people—one-third of the world's total population."

Is that shocking? It should be. Communism had no force whatever less than 50 years ago. It had only an ideal to work with and human need to work on.

V. I. Lenin, the saint of the Soviets, has written:

"As long as capitalism and socialism exist, we cannot live in peace: in the end, one or the other will triumph—a funeral dirge will be sung either over the Soviet Republic or over world capitalism."

That was long ago when the Soviet Union was just a bad dream in an isolated corner of the earth. Today, with communism a fierce worldwide reality, Nikita Khrushchev can bellow and believe: "We will bury you."

And people on this side of the world believe it, too.

William Z. Foster, chairman emeritus of the Communist Party, U.S.A., had the confidence to dedicate a book thus:

"To my great-grandson, Joseph Manley Koiko, who will live in a Communist United States."

And what if comunism does win? The answers are there in black and white—just as they were in "Mein Kampf"—for anyone concerned enough to read them.

PRESENTS A FRIGHTENING VISTA

Here, according to Foster, is what would happen in just one area, education:

"The schools, colleges and universities will be coordinated and grouped under the National Department of Education and its State and local branches.

"The studies will be revolutionized, being cleansed of religious, patriotic and other features of the bourgeois ideology.

"The students will be taught on the basis of Marxian dialectical materialism, internationalism and the general ethics of the Socialist society."

In 1945 these would have been considered idle boasts. A victorious America was the greatest power the world had ever known.

But today these words are fears to live with and contend against. America is only one of the two greatest powers the world has ever known.

What has happened in the 16 intervening years to have changed the picture so radically?

What has happened was the cold war—and a succession of Communist triumphs in it that have steadily whittled down the American power lead.

The expression "cold war" first was used by Bernard M. Baruch, the retired elder statesman, who said it was suggested to him for a speech by Herbert Bayard Swope, the late executive editor of the New York World.

A cold war is a new manifestation on the world scene, fought—as everyone now knows—with political, economic and propaganda weapons, rather than guns and bombs.

Always it teeters on the edge of hot war, and occasionally it goes over the brink, as in Korea, Indochina, Cuba, and Laos.

During the hot war of 1939–45 the Russians fulfilled the World War I dream of old Bolshevik Leon Trotsky and drove the Marxist revolution into Eastern Europe on the caissons of the Red army.

COLD WAR OVERLAPPED HOT

The cold war had begun even before the hot one ended. GI columns were strafed by American planes lend-leased to the Soviet Union when the GIs ventured too

deeply into the Russian sphere of Czechoslovakia during the closing days of World War II.

The Russians spat upon Allied pronouncements for a free Europe and set up puppet Red regimes in Poland and Rumania.

(The Baltic nations, a thick slice of Poland and Bulgaria had long since been absorbed by the Soviet Union.)

The "Iron Curtain," as Winston Churchill was first to call it, clanged shut on what had been much of the free world.

In geopolitical terms, Columbia University Historian Staughton Lynd will tell you why the Reds were succeeding:

"For the first time the challenge of authoritarian socialism to democratic capitalism was backed by sufficient power to be an ever-present political and military threat."

Harry Truman, who was President at the time, today blames the outbreak of the cold war on America's hurried demobilization. GI's went home so quickly that victorious America had difficulty scrounging up even enough troops to garrison conquered Germany.

All this led Joseph Stalin to believe, according to Truman, "that the people of this country had lost interest in the rest of the world and that a doublecross was in order."

All subtleties ended in 1946 when the Russians intervened in Iran. When the matter came up in the U.N. Security Council, the Russian delegates staged their first walkout.

Thus ended the grand illusion that the grand alliance, which had cooperated to defeat nazism, could cooperate in keeping world order.

There could be no cooperation when the goal of one ally was world domination.

Peacefully in 1947 the Communists installed their own regime in Hungary. Not so peacefully they inched into Greece and Turkey.

LATE START IN FIGHT BACK

In alarm, the Truman doctrine was proclaimed and Congress voted $400 million for support of free peoples who are resisting attempted subjugation by armed minorities or by outside pressures.

Meanwhile, legally consituted Communist Parties in Western Europe—notably in France and Italy—were menacing freedom, and the United States responded with the Marshall plan to get the war-torn nations on their feet economically.

The price to Americans was $12 billion in the first 3½ years to stop creeping communism there.

Then on March 10, 1948, freedom-loving Czechoslovakia fell into Red hands when President Benes yielded to a Russian ultimatum and installed a pro-Soviet cabinet.

A few months later the Russians attempted to steal West Berlin—a free island in a sea of communism—by blockading it. This gambit the West foiled with an airlift that continued for 11 patient months.

Hot war was a daily threat. The North Atlantic Treaty Organization was formed (plus others, like SEATO and CENTO), and the Red responded with their Warsaw Pact.

On the other side of the world, with a loud thud, half a billion people fell into the Communist orbit as Chiang Kai-shek and his Nationalists were swept off the Chinese mainland.

That was 1949.

The next year a North Korean Army equipped by the Russians and trained by the Chinese Reds crossed into South Korea. Hot war was on, and for 2 years it threatened to plunge mankind into world war III.

Direct military intervention of the new Communist giant, China, forced a stalemate.

In 1951 the Chinese Reds announced the peaceful liberation of Tibet.

In 1954 they again took the world to the brink. They won the Tachen Islands without a fight and threatened to overwhelm Chiang on Formosa—until Congress voted President Eisenhower the power to defend it.

THE RED TIDE ROLLS ON

Inland in Asia in that same year brinkmanship was played at Indochina, where Communist Vietminh troops humiliated France in combat.

North Vietnam went to the Communists. Cambodia, Laos, and South Vietnam were given their precarious independence. (Laos now is all but lost to the Reds, and South Vietnam is heavily infiltrated by Red guerrillas.)

Closer to home in 1954, the democratic world scored a point when anti-Communist Guatemalans—invading from Honduras and assisted by the United States—cut out of their homeland the first Red cancer to have emerged in the American Hemisphere.

The next year there was happy news in Austria, which the Russians gave up to freedom—the only such move they have made since the end of World War II.

This part of the so-called thaw in the cold war followed the death in 1953 of Stalin, the master of Soviet oppressors.

Another result of the thaw in 1955 was the summit meeting of the Big Four at Geneva. The primary accomplishment there was the recognition that hot war was unthinkable, now that both sides were armed with hydrogen weapons.

By this time cataclysmic changes had come about in the world order. The United States had lost its nuclear monopoly and thus the biggest club it owned to keep the Reds in line.

In 1951 the Soviets exploded their first atomic bomb. In 1952 the United States went ahead again with its first hydrogen explosion. Quickly, this time, the Soviets had their equalizer in 1953.

A new balance of terror was established, and soon it was to be perfected with successful tests of intercontinental ballistic missiles by both sides. Two camps were armed with the ultimate weapon.

Some Americans grudgingly began to admit that the heirs of the czarist muzhiks indeed were accomplished in science and technology if, after all, they could create hydrogen bombs and ICBM's.

REDS LEAP AHEAD IN SCIENCE

It was proved to others with a vengeance when the Russians went into space first with sputniks, dogs, and what they called a new breed of homo sapiens—Soviet man.

By no means all the world was charmed with the Soviets, however. People under their heel in East Germany, Poland, in Hungary rose up against them.

And there it was shown to the world that the thaw did not mean the Russians were to allow the liquidation of their empire.

Reactionaries in East Germany were suppressed with troops. The Poles were subdued with the threat of them. In Hungary the flame of liberty was crushed with the full force of the Red Army.

In the meantime, something called the revolution of rising expectations was overtaking the black and brown world.

Egypt cast out its fat king and the British. People in Syria and Iraq rose up against the old order. All three nations flirted seriously with communism and today are still accepting its benefactors—and its infiltrators.

Elsewhere in the Middle East, Lebanon and Jordan were barely—and still uncertainly—saved for the West by the Eisenhower doctrine and U.S. Marines.

African nations by the dozen were going independent or trying to, and their poverty and ignorance was a prepared seedbed for the Reds.

Russians are an influence in Guinea and Ghana and Morocco. In the bloody Congo they appeared in battalion numbers—until forced to leave by the United Nations. But they have promised to return, and well may.

In nations so far friendly to the United States—Turkey, South Korea, Iran—there is serious unrest, and where there is unrest there is an invitation to communism.

Much closer to home—if distances matter any more—is the thorn of Fidel Castro and his kind of Cuba, the Red kind. It is a color that appeals to much of the continental poorhouse south of the Rio Grande.

Never to be forgotten are the Chinese Communists, who in 1959 took over 6,000 square miles of what had been part of India and the next year brought the United States perilously close to hostilities over Quemoy and Matsu.

That was 1960, the year of the U–2, the year Khrushchev insulted an American President as none before had been insulted without bloodshed, the year the same confident—if crass—Khrushchev pounded his shoe on the table and demanded his way in the United Nations.

Last week Comrade K. and President Kennedy healed over the superficial wounds somewhat in Vienna. They talked and it was cordial, mostly. But it was talk, not settlement.

There has been talk—and no settlement—for weeks in the case of Laos, for months in the case of suspension of nuclear tests, for years in the case of world disarmament, for a decade in the case of Berlin.

IN COLD WAR, ALL PAY

The cold war has been costly in the loss of people and territory. It has been costly in fear. It has been costly in dollars.

Under the proposed new budget the United States will spend around $50 billion for all national security programs—roughly 57 cents of every tax dollar.

How much does the cold war cost you? If you pay $1,000 a year in income taxes, $570; if you pay $2,000, your bill is $1,140; if you pay $3,000, it's $1,710 a year.

Throughout this cold war—your cold war—there have been various phases.

Containment was invalidated by propaganda and "peaceful" infiltration. Instant and massive retaliation went out when the Russians developed a punch equal to America's.

Since Georgi Malenkov—Stalin's temporary heir—the words have been peaceful coexistence.

This is a significant advance, not merely propaganda. There has been a genuine easing of the military threat. Marx' doctrine of the inevitability of war has been upset in the Kremlin.

Khrushchev now can say and mean it: "We do not need a war to insure the victory of socialism. Peaceful competition itself is enough. * * * One cannot stop the course of history."

But if the threat of world holocaust has been lessened, the threat of world domination by the Communists has not.

Here's an audit of where the cold war has taken us so far, by Frank R. Barnett, an expert on psychological warfare and Russian affairs from the Richardson Foundation:

"In the last 10 years of so-called peace, America has suffered wounds to her national security which far exceed the cumulative hurt of all the lost battles of the early years of World War II.

"Today an advance in research in an obscure laboratory can more drastically change the balance of power than the old-fashioned crossing of a river frontier.

"The manipulation of world public opinion may neutralize an alliance, detach whole armies from one power bloc, and deny access to vast economic resources to an industrial system."

So the cold war has moved somewhat out of its military phase and has become a war of science, of propaganda. It has become a war of ideas, a sociological war and, perhaps most of all, an economic war.

THEY ARE GAINING, FAST

If the new front is the economic one, how are the Soviets doing?

In 1928 their coal production was less than 2 percent of ours; 30 years later it was equal to ours.

In 1928 their petroleum production was less than 10 percent of ours; 30 years later it was up to 26 percent.

In 1928 their production of electric power production was less than 5 percent of ours; 30 years later it had grown to 29 percent.

This was before the current 7-year plan was established, in which the Soviets aim by 1965 to reach our overall production level of 1958.

They had hoped under this plan to boost production 7.7 percent a year to reach their goal. They have been boosting their production by about 10 percent annually instead. (Ours, meanwhile, goes up 2 or 3 percent a year.)

Steel is an important barometer. In 1950 the Communist bloc as a whole produced 35 million metric tons. In 1960 it produced 100 million metric tons. There is every indication that by 1970 they will double it.

The steel production of the whole free world today is 200 million metric tons.

These figures are the kind that impress the more than a billion people who live in countries where the per capita annual income is under $200, often under $100.

The Russians—who, like them, began with almost nothing 40 years ago—are telling them, and finding takers, that only the Soviet system can fill their needs quickly. After all, it has taken the Western World more than a century to become prosperous.

In Chicago last week, Arnold J. Toynbee, world-famed British historian, said the question of the survival of the West will turn on which economic ideology gathers in these more than a billion black, brown and yellow races.

The Soviets did not need a Toynbee to tell them. The United States is still far ahead, but from 1954 to 1960 the Communist bloc of nations has distributed $3.8 billion in rubles to the underdeveloped countries.

EFFECT FELT IN MANY LANDS

Rubles are going from Russia to 22 foreign lands, 16 of them non-Communist lands. These are in Asia, in the Middle East, in Africa, in Latin America—the areas in which Western fate hinges.

And where the rubles go, there go the Russians.

Last year they had more than 6,000 economic and technical agents scattered around the poverty-stricken world—each of them a zealot who remembers and acts on a recent Communist Party Congress resolution:

"The peaceful coexistence of states with different social systems does not weaken the ideological struggle, for our party has been waging and will continue to wage in the future a relentless struggle for Communist ideology, the most progressive and truly scientific ideology of our time."

C. Ken Weidner, dean of engineering at American University of Beirut, Lebanon, recently looked over what the West has to offer against these dedicated Communists. He said:

"In this deadly competition, creative intellectual capacity and moral sociopolitical maturity are the basic weapons required for survival.

"At the moment, our arsenal seems badly understocked."

YOU AND THE COLD WAR

Almost a century ago President Lincoln, looking out over the battlefield of Gettysburg, characterized the great struggle then engulfing the United States as "testing whether that nation, or any nation, so conceived, and so dedicated, can long endure."

It did endure, and it has endured another century of tests. Now its vitality and the quality of its dedication to freedom are confronted by a challenge greater than any before. And again the question is posed: Can it endure?

In this issue, in a story by Nicholas Shuman, the Daily News begins a study of the nature of that challenge and its inescapable meaning for every one of us. The task has been assigned top priority for this newspaper's worldwide staff.

We hope our readers will follow it with the same deep sense of personal involvement. We urge it not only because the survival of each one of us is directly involved, but also because this democracy—unlike the Soviet system—parcels out a share of the responsibility to each of the 180 million proprietors of the American system. There is no big brother watching over us. This is a partnership.

As the stories will make clear, this partnership—this union of free Americans—is in grave trouble. If it is too early to say we are losing the cold war, it is not too early to say that in important, perhaps crucial, areas the tide is running massively against us. This fact will be documented in the course of the series.

This is in part because the enemy holds significant advantages, going into the struggle. He is leaner and hungrier than we. He is inured to great sacrifices. He is single-minded. He has a plan, a mission, and an unholy zeal for the mission. He is disciplined, shrewd, and can move like lightning, unencumbered by the deliberative processes built into our system.

He is likewise unencumbered by moral scruples. And his skill at manipulating the human mind is attested by nearly a billion entrapped subjects.

There is also formidable strength on our side.

But we have not yet brought it effectively to bear. And time is running out.

History suggests that there is nothing the American people cannot do if they set their minds to it. We are still the strongest nation on earth, and the potentials of our freedom-powered system are infinite.

But people around the world are reckoning that we lack what it takes—the sense of individual responsibility spread through the homes of the Nation—to realize those potentials. They say we have had it too good, too long, to do the job.

They say we haven't the guts to dig in and produce with the tough, disciplined efficiency to match the rate of climb beyond the Iron Curtain. They say we're falling down on the job of steeling the minds of our youth to the life-or-death struggle we're about to bequeath them. They say we're too busy jostling one another for a better place at the feed trough to put together a lasting common effort to win the big battle.

We believe they're selling us short. We believe that an American people, once aware of what it must do, will do it. We offer the series, "You and the Cold War," as an effort to make clear the dimensions of that job and the desperate urgency of getting on with it.

FEDERAL AND STATE "DECISIONS"—TO STRENGTHEN SECURITY

Mr. COHELAN. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. LANE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LANE. Mr. Speaker, the very life of responsible freedom is being challenged by forces inside the United States. Heretofore, by insisting upon immunity for their destructive activities by claiming the right to do as they please, they have been undermining the greater right and obligation of a democratic society to protect itself.

Communism, and corruptive obscenity, which have long taken advantage of loopholes in the laws, were brought under its control last week.

The U.S. Supreme Court decided that "Communist action" organizations must register, and made it a crime for Communist and other organizations to advocate violent overthrow of the Government.

The Massachusetts Supreme Judicial Court upheld State laws regulating obscenity and made possible criminal prosecution under the present law.

The United States, and the Commonwealth of Massachusetts, by these realistic decisions, has served notice that Government is going to "crack down" on those who menace the security and the character of the community.

This evidence of intelligence and firmness "under the rule of law" is most encouraging.

I therefore recommend for your appreciation, the following editorial "Freedom and the Courts," from the June 10, 1961 issue of the Pilot, published by the Roman Catholic archdiocese of Boston, Mass.

FREEDOM AND THE COURTS

The courts this week, at the national and local level, handed down decisions which may have seemed to some observers an infringement on freedom and civil liberty. Undoubtedly, many people have already rushed into print to tell us how the narrow road of liberty has been newly straightened, and to point out what disasters lie in store for us if the direction is not changed. For our part, we cannot feel so badly about the matter.

The U.S. Supreme Court gave its opinion on two related items which touch upon the Internal Security Act of 1950. One of these required "Communist action" organizations to register, and the other made it a crime to advocate violent overthrow of the Government. Since the decisions were both of slim majority the results have come under fire from many areas. It is hard, however, to believe that anything less could have been decided without emasculating all Government authority in the vital and sensitive matter of security. The careful refinements made by Justice Frankfurter, for example, make it plain how precisely the Court intended to speak, leaving to another time the problem of penalties and related questions. Unless the Government had this basic right to defend itself against subversion, as defined in the text, it would be placed in a very precarious position indeed. The Court's opinion said as much as can be said at this time, and it is possible that not much more can be said at any time.

The other decision, a good deal closer to home and involving more intimately most people in the community, was handed down by the Massachusetts Supreme Judicial Court and written by Chief Justice Wilkins. It upheld the State laws regulating obscenity and made possible criminal prosecution under the present law. Some of our friends who consider any abridgment on the right of expression to be "censorship" will be unhappy about this, but the thoughtful members of the community will understand how necessary is an effective law for curbing the "fast-buck filth" rackets. The same day

brought a firm decision by Superior Court Justice Good placing stiff fines and prison sentences in the case of a Hyde Park distributor whose filth cache was raided by alert Boston police. Here, as in the other case, the courts were careful to protect individual rights under the Constitution while at the same time providing that community protection which the good society requires.

Perhaps it is in the nature of the institution that the Court will not always please everyone; least of all is it likely to please those who take extreme views either in one direction or another. But the Court is established to give justice rather than pleasure and when it dispenses justice it contributes to our confidence and happiness as well. Society is properly concerned with the exercise of freedom, and restrictions on that freedom should always be minimal—only what is required to protect the rights of others and the public good. We feel very strongly that the decisions we have been talking about fall into this minimal category and have been made to protect values which, if lost, would take all meaning out of freedom itself.

SBA APPROPRIATION REDUCTION TOO DRASTIC — AMENDMENT WILL BE OFFERED TO CORRECT

Mr. COHELAN. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PATMAN. Mr. Speaker, one of the most important areas in which the Small Business Administration is of assistance to the small business segment of the economy is through its lending activities. I was distressed to learn that H.R. 7577 reduced the appropriation for the SBA from $18,447,000 to $17,525,000, a reduction of approximately $900,000. It is my understanding that this entire decrease in the appropriation will have to be absorbed by the financial assistance programs of the SBA. I am informed that, with the lower appropriations, SBA will be able to process only 800 loan applications per month, whereas they are presently receiving an average of between 1,200 and 1,300 of such applications monthly. Additionally, in view of the fact that SBA has authorized loans in areas of substantial labor surplus at the low interest rate of 4 percent, it is certainly to be expected that the volume of loan applications will increase substantially, particularly because of the many areas of the country which are presently depressed.

Accordingly, I propose to offer an amendment to H.R. 7577, on tomorrow when the bill is read under the 5-minute rule, which will eliminate the figures "$17,525,000" from lines 11 and 12 on page 28 of H.R. 7577 and insert in lieu thereof the figures "$18,447,000".

INTERNATIONAL COMMUNIST CONSPIRACY

The SPEAKER pro tempore (Mr. THORNBERRY). Under previous order of the House the gentleman from New York [Mr. PILLION] is recognized for 90 minutes.

Mr. PILLION. Mr. Speaker, I ask unanimous consent to present before the House a chart showing the table of the dual power organization and the dual weapons system of the international Communist conspiracy, and the Soviet Communist alliance of governments.

The SPEAKER. pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. PILLION. Mr. Speaker, I address this House today with a supreme faith in the righteousness and the immortality of human liberty. The free world has been shocked and staggered by recent tactical victories of the Communist forces in the world struggle. Since the year 1919 country after country has fallen before the Communist advance. Since 1939 total power has been seized in Estonia, Latvia, Lithuania, Albania, Bulgaria, Czechoslovakia, East Germany, Hungary, Poland, Rumania, North Korea, Red China, North Vietnam, Outer Mongolia, Tibet, and Cuba.

These nations are tombstones of defeat, marking the failure of our policies, the failure to comprehend the enemy, the scope and the weapons of this total war.

We are now confronted with impending crises in West Berlin, Laos, South Vietnam, Iran, the Congo, British Guiana, and Guatemala.

President Kennedy has emphatically stated and restated the graveness of our position. It is obvious that this Nation stands in its hour of greatest peril.

The danger is clear. It is now, today. It increases every hour, every day.

Recent events are beginning to unfold to all of the world, at long last, the magnitude of the forces seeking to destroy us.

The United States is the principal target in this war. The process of Communist encirclement of the United States is approaching completion.

Unless we immediately recognize our actual enemies and fully comprehend the forces that seek our destruction, we shall very soon reach a point of no return.

Mr. Speaker, if we wish to remain a nation of free people, we must recognize, we must admit, we must understand, once and for all time, that our actual enemy is the international Communist conspiracy.

Since the year 1919, this enemy has waged a total war upon all peoples, nations, and societies of the free world. It is a war of demoralization, disintegration, and total destruction. It is a relentless, incessant war. It is a war of indefinite duration—a war of orthodox and unorthodox methods, policies, and strategies—a war of conventional and unconventional weapons. It is a war of total enmity to which our enemies are irrevocably committed.

Mr. Speaker, why is communism winning? Why have our policies failed?

The most appalling fact of this century is the failure of the free world to recognize the enemy as the international Communist conspiracy.

This alliance of Communist Parties has repeatedly and openly declared its total war against the free world. The Moscow Manifesto of December 1960, calls for an intensification of this war. Yet, the free world has simply failed to believe, to accept the deadlines of this total war.

We have wholly failed to comprehend the dual nature of this war. The total global war has two parts.

The first part is the declared war being waged by the international Communist alliance.

The second part is the conflict being waged by the Soviet Government, and the Soviet bloc nations, and the allied Communist nations.

Both parts of this total war have one common immutable purpose—the domination and destruction of all non-Communist nations.

Both have one and the same commander in chief.

The first part of the war is being conducted by the international Communist alliance. Its organization is now headed by Nikita Khrushchev in his capacity as First Secretary of the Communist Party of the Soviet Union.

The Communist Party of the Soviet Union, in turn, dominates the 97 other Communist Parties of the world alliance.

These 97 national Communist Parties acknowledge allegiance to and solidarity with the Communist Party of the Soviet Union. They receive policy directives and execute strategic and tactical phases of the war in accordance with plans coordinated by the Communist Party of the Soviet Union.

This alliance of Communist Parties has 36 million member agents. They are tough-minded, disciplined, revolutionary activists.

This alliance engages in infiltration, the breakdown of resistance, the seizure of power in the Communist advance. It conducts its campaigns in the framework of military concepts of penetrations, advances, retreats, encirclements, deployment of forces, and consolidations of victory.

This entity, the international Communist alliance, has consummated the Communist capture of Cuba, North Vietnam, and is responsible for almost all other Communist gains.

The weapons system of the Communist Parties includes: Psychopolitical warfare, including propaganda and agitation, a worldwide communications system, political warfare, guerrilla warfare, international and national front and fellow travelers' organizations, and a system for the infiltration and subversion of civic and governmental organizations.

The second part of the total global war consists of the total military, economic, and political power of the Governments of the Soviet bloc nations and the governments of the allied Communist nations.

The second part of this war is the conflict being conducted by these governments, controlled by the Communist alliance. This alliance of governments is also now headed by Nikita Khrushchev.

The weapons system of this alliance of governments consists of—

First. The army, navy, air force, and other military power of the Soviet bloc nations, and the governments of the allied Communist nations. It is one of the most formidable military forces the world has ever known.

Second. Political warfare being waged in the United Nations, in negotiations with the United States, and in political offensive action throughout the world.

Third. Economic warfare which exploits the production of a billion people held in economic servitude. Its international economic infiltration and trade is aimed solely to attain geopolitical objectives.

Mr. Speaker, the forces of these two organizations, the international Communist alliance and the governments of the allied Communist nations, are coordinated by the Communist Party of the Soviet Union.

Together, they command the largest land mass and the largest aggregate of people ever under a single control in history.

We must recognize, once and for all time, that Soviet Government policies are determined by the Communist Party of the Soviet Union. The execution of Soviet Government policies is supervised in detail by the Communist Party.

Although Soviet Government policies may change, tactically, the unchangeable objective of the Communist Parties is the complete subjugation of the world.

The reason why the free world has suffered defeat after defeat is that we have been waging a unilateral peace, while the Communists have been waging a unilateral war. We have been indulging in the fatal delusion that the governmental power of the Soviet bloc constitutes the ultimate power that we are facing.

We have accepted the Communist pretense that the tensions in the world are caused by a conflict of national interests between legitimate governments. We have consequently attempted to resolve them by normal means of maintaining international relations, while the Communists continue their unremitting warfare against us.

The steady relative decline of the strength of the free world has resulted in our present position of extreme peril. The Soviet is now presenting to us a series of ultimatums of retreat under the cloak of "negotiations for peace and peaceful coexistence."

The choices for the free world are steadily being narrowed down to the alternatives of either surrender or thermonuclear war.

Mr. Speaker, I am today submitting a joint resolution to avoid these desperate alternatives. The joint resolution calls for a declaration of war, not against any government, but against our actual enemy, the alliance of national Communist Parties of the world.

In my judgment, passage of this joint resolution is needed to focus world attention upon the forces which have declared war against all freemen. It is a needed first step to the formulation of policies and programs to win this war and to establish a genuine peace.

I am convinced that this action offers the last and the only hope to avoid both surrender and thermonuclear war.

This declaration does not create a new war.

Neither the passage of this resolution, nor the failure to pass this resolution by Congress, will change the fact of the Communists' total war against us.

We must fully recognize that the Communist alliance will never be either persuaded or dissuaded from using their arsenal of thermonuclear weapons against us, if and when they believe they can do so with impunity.

The passage of this joint resolution will, however, signal the beginning—at long last—of our offensive against the Communists. It will be a war not of missiles and marching soldiers with bayonets. It will be largely a war of economic, political, diplomatic, and psychological weapons.

We will not, however, submit to the slavery of the Communist tyranny, whatever the cost may be.

I do not offer this resolution as a panacea. This action does furnish the starting point for the defeat of our enemy.

Our present policies are both self-deceptive and self-defeating. In the near future, I plan to address the House on the policies and programs which, I believe, will prove effective in assuring our continued existence.

We cannot win this war by ignoring its existence, or even by policies limited to defense. We must aggressively prosecute this war against the enemy, even as he is prosecuting it against us.

May I remind the Members of this House that the responsibility to provide for the common defense of these United States is entrusted solely to Congress.

I say, therefore, that we in this Congress must assume our responsibility to provide adequate policies and programs for the survival of this Republic.

The prosecution of this war will call for dedication to outmatch the dedication of a fanatical enemy. It will call for sacrifice surpassing that which the Communists are ready to endure. But the price which we will have to pay for ultimate victory will be cheap, because it will repurchase the most priceless possession of man—his freedom under God.

Permit me to enumerate some of the practical results of the passage by Congress of this resolution.

First, by identifying the enemy, and secondly, by recognizing the war which the Communists have been waging against us, we shall have a basis for shaping our policies to prosecute the war. How can we formulate effective programs to defeat an enemy if we neither specify who he is, nor acknowledge that we are at war with him?

Second, we shall raise a standard to which freemen everywhere can rally. The enemy is not just our enemy, but of all who love freedom.

We shall, by raising this standard, assert our rightful place as leaders of the yet free world.

We shall give renewed hope to the millions whom the Communists hold in bondage.

Third, we shall have a guide for our domestic policies which must be consistent with the demands of the life and death struggle in which we are engaged.

Finally, we shall have a justifiable hope that by accepting the challenge which the enemy poses to civilization itself, we can someday usher in an era of genuine peace, and the fullfillment of the highest aspirations of mankind.

Mr. Speaker, we are in a war. Let us declare it. Let us win it.

I shall now read the text of the joint resolution:

Whereas the Congress of the United States finds and proclaims—

That there exists a world Communist movement established at the Third Communist International held in Moscow in the year 1919; and

That this Communist movement is a political entity which is irrevocably committed to impose a Communist dictatorship upon all nations of the world, including the United States; and

That this Communist movement is an international conspiracy engaged in the demoralization, disintegration, and destruction of all non-Communist nations, all other economic systems, all religious bodies, and all other social structures; and

That the international Communist conspiracy is composed of, and utilizes an alliance, of 98 national Communist Parties in a joint and several campaign of infiltration, espionage, terror, deceit and all other forms of revolutionary and guerilla war techniques against the peoples and governments of the free world, including the United States; and

That these 98 national Communist Parties constitute a force of 36 million member agent-provacateurs who are rigidly trained and highly disciplined, revolutionary activists; and

That these 98 national Communist Parties and these 36 million agents repudiate all allegiance to non-Communist nations and pledge their single allegiance to the international Communist conspiracy; and

That the international Communist conspiracy, since its inception, has repeatedly declared and redeclared war against freedom and freemen everywhere; and

That the international Communist conspiracy redeclared this war in its Moscow manifesto of December 5, 1960, and called for an intensification of the prosecution of this war; and

That, pursuant to these declarations, the international Communist conspiracy is openly and avowedly waging an incessant war of extinction against all peoples and nations of the free world, including the people and the Government of the United States; and

That the actual enemy of peace in this world is the international Communist conspiracy which, by its relentless war, is confronting the free world with the desperate alternatives of either an unconditional surrender or thermonuclear war; and

That as a last hope for survival and peace for all of this world: Therefore be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That:

The United States formally recognizes the de facto total global war being waged by the Communist Parties of the world, jointly and severally, against each and every government of the free world, its citizens, and its institutions; and

The United States formally recognizes the de facto war being waged specifically against the United States, its citizens, and its institutions, by the Communist Parties of the world, jointly and severally; and

The United States formally and solemnly declares that a state of war exists between the United States and the Communist Parties of the world, jointly and severally; namely, the Communist Party of the Soviet Union, the Communist Party of the United States of America, the Communist Party of Puerto Rico, the Communist Party of Hawaii, the Communist Party of Australia, the Communist Party of Austria, the Albanian Workers

Party, the Algerian Communist Party, the Communist Party of Argentina, the Communist Party of Bahrein, the Communist Party of Belgium, the Communist Party of Bolivia, the Communist Party of Brazil, the Bulgarian Communist Party, the Communist Party of Burma, the Burma Workers Party, the Communist Party of Great Britain, the Communist Party of Cambodia, the Communist Party of Canada, the Communist Party of Ceylon, the Communist Party of Chile, the Communist Party of the People's Republic of China, the Communist Party of Colombia, the Party of the People's Vanguard of Costa Rica, the Popular Socialist Party of Cuba, the Progressive Party of the Cypriot Working People, the Communist Party of Czechoslovakia, the Communist Party of Denmark, the Dominican People's Socialist Party, the Communist Party of Ecuador, the Communist Party of Egypt, the Communist Party of El Salvador, the Communist Party of Finland, the French Communist Party, the Socialist Unity Party of East Germany, the Communist Party of West Germany, the Socialist Unity Party of West Berlin, the Communist Party of Greece, the Communist Party of Guadeloupe, the Guatemalan Labor Party, the Peoples' Progressive Party of British Guiana, the People's Unity Party of Haiti, the Communist Party of Honduras, the Hungarian Socialist Workers' Party, the Communist Party of Iceland, the Communist Party of India, the Communist Party of Indonesia, the People's Party of Iran, the Iraqi Communist Party, the Communist Party of Northern Ireland, the Irish Workers' League, the Communist Party of Israel, the Italian Communist Party, the Communist Party of Jamaica, the Communist Party of Japan, the Jordanian Communist Party, the Korean Party of Labor (North Korea), the Communist Party of Laos, the Lebanese Communist Party, the Communist Party of Luxembourg, the Communist Party of Malaya, the Communist Party of Martinique, the Mexican Communist Party, the Moroccan Communist Party, the Mongolian People's Revolutionary Party, the Communist Party of Madagascar, the Communist Party of Nepal, the Communist Party of the Netherlands, the Communist Party of New Zealand, the Socialist Party of Nicaragua, the Communist Party of Norway, the Communist Party of Pakistan, the People's Party of Panama, the Paraguayan Communist Party, the Peruvian Communist Party, the Philippine Communist Party, the Polish United Workers' Party, the Portuguese Communist Party, the Rumanian Workers' Party, the Communist Party of Reunion, the Communist Party of San Marino, the Communist Party of Singapore, the Spanish Communist Party (PCE), the Sudanese Communist Party, the Communist Party of Sweden, the Swiss Party of Labor, the Syrian Communist Party, the Communist Party of Thailand, the Thai Communist Party, the Tunisian Communist Party, the Communist Party of Turkey, the Communist Party of the Union of South Africa, the Communist Party of Uruguay, the Communist Party of Venezuela, the Communist Party of the Republic of Vietnam (South Vietnam), Vietnam Workers' Party (North Vietnam), the Communist Party of Yugoslavia, South Korean Labor (Communist) Party; and

The United States hereby pledges all the resources of its Government and its citizens to defend, anywhere and everywhere, the freedoms, the institutions, and the governments of the free world against the international Communist conspiracy; and

The United States resolutely pledges all of its resources to the defeat and the destruction of the Communist parties of the world, as herein named; and

The United States, with supreme confidence in the courage, dedication, and wisdom of its citizens, entreats each of them for a unified and equal sacrifice, in defense of its families, its homes, its freedoms; and

The United States calls for immediate concerted action on the part of all people of the free world who cherish freedom; all people under Communist tyranny who aspire to freedom; all people who value religion and morality as pillars of human happiness; all religious bodies who would defend their faiths; all unions and members thereof, who oppose state monopolistic control over labor and the fruits of labor; all societies, organizations, institutions, and associations of human beings who believe in a free expression of their ideals and aspirations; all governments who would resist conquest and exploitation by the Communist power system; to join in this cause;

The United States seeks for all mankind a true peace on earth, an enduring peace, a peace with spiritual satisfaction, a peace that will bring material abundance to all people, a peace of freedom and everlasting hope.

Mr. HIESTAND. Mr. Speaker, will the gentleman yield?

Mr. PILLION. I yield to the gentleman from California.

Mr. HIESTAND. Mr. Speaker, I congratulate the able and dedicated gentleman from New York upon his remarkable statement and his resolution and am happy and proud to associate myself with him.

We are at war. Let's not call it a cold war. It is a hot war, and the enemy is waging it relentlessly and for keeps.

But it is a new kind of war. It is new in that only one side is waging it.

Mr. Speaker, the American people must know this and must know the facts. We are becoming more and more aware that the enemy is waging this war. But he is waging it through dupes, innocent or otherwise. They have been duped into supporting a myriad of fronts with high sounding titles.

I think the gentleman has made a worthy statement and I support his resolution.

Mr. PILLION. I thank the gentleman. I know of his great interest in this very, very serious and deadly problem, and his great contribution in this connection.

Mr. BRUCE. Mr. Speaker, will the gentleman yield?

Mr. PILLION. I yield.

Mr. BRUCE. If I ever believed in mental telepathy I believe in it now. I have reserved a special order later today, for today I introduced an almost parallel resolution with that of the gentleman, and it was unbeknown to the gentleman that I was working on it.

Mr. PILLION. It was unknown to me.

Mr. BRUCE. I wish to commend you, sir, on the effective and efficient research you have done. I intend later, in support of the same goal, to provide more documentary proof of the Soviet doctrine and show the precedent of law in the Nation time and again that recognizes the thing we are up against but that fails to culminate in a detailed policy.

Mr. PILLION. I thank the gentleman for his kind words and for the contribution he has made and his great understanding of this problem.

Mr. ALFORD. Mr. Speaker, will the gentleman yield?

Mr. PILLION. I shall be pleased to yield to the gentleman from Arkansas.

Mr. ALFORD. I am delighted that I was here on the floor of the House this afternoon to hear this very able address and presentation of the problem in clearcut terms that are unmistakable. I commend it to the Members of this House; I commend it to all Americans everywhere.

Personally, as a relative newcomer in the House of Representatives—and it is an honor to me to serve in this body—this is my second term, I have had quite some concern since being here on the actual number of Members of the House that do not seem to concern themselves with the nature of the enemy that the gentleman has so ably outlined here this afternoon for us. I shall make every endeavor to be present when the gentleman continues this discussion, and others. I personally have been interested in this subject for several years. I have known beyond any shadow of doubt that we are standing between two great mountain peaks. On the right we have this atheistic, socialistic, communistic monster eating away at the very vital foundation of this system of freemen; and on the left we have Western civilization as embodied in the greatest republic mankind has ever known.

I sincerely, as an American, appreciate what you have done here this afternoon in this presentation.

Mr. PILLION. I thank the gentleman for his very kind remarks; and the remarks the gentleman made are so true. I only wish that our American people could see the great danger that we are in, the manipulations of an enemy that seeks to destroy us and who will destroy us unless we completely change our course and our actions with respect to this one menace. There are no other problems; this is the one great problem that this country and all the world faces today.

I thank the gentleman for his kind words and his interest.

Mr. DULSKI. Mr. Speaker, will the gentleman yield?

Mr. PILLION. I yield.

Mr. DULSKI. I wish to commend the gentleman for the splendid statement he has made. He has done a great service not only to the people of this district but to the country. We of Polish extraction know the force and effect of the Soviet influence in the country of Poland. In this great country they do not speak for themselves, they only speak through the Soviet Government. I am so happy I was present here this afternoon to hear the gentleman's splendid presentation.

Mr. PILLION. I thank the gentleman for his fine contribution. Poland is a very good example of what happens to a people completely exploited by the monopolism of the Soviet and its machinery. It is in particular a good example of the exploitation of labor by this monopolistic bondage and servitude system they have.

Mr. BEERMANN. Mr. Speaker, will the gentleman yield?

Mr. PILLION. I yield.

Mr. BEERMANN. I congratulate the gentleman on the very fine presentation he has made this afternoon and am very happy that it was my pleasure to be here to listen to it. I just returned

from Nebraska this morning. I feel that many of our people in the Nation might be ahead of us in their thinking. This presentation makes me feel a little more secure for we now have strong voices talking for the thing that we need to get done. It is only inappropriate in my opinion, that all of our people in the United States could not have heard this presentation and address by the gentleman from New York.

I do feel that all of the folks of the United States, or a majority of them, are thinking a little bit ahead of us and that in the stress of our legislative daily program we are not following the will of the people.

Mr. PILLION. I agree with the gentleman. I believe that the population as a whole of our people can see this and are beginning to see the grave danger that this country is in and beginning to realize the deficiencies in our policies. I agree with the gentleman on that score and I thank him for his contribution.

Mr. SCHADEBERG. Mr. Speaker, will the gentleman yield?

Mr. PILLION. I yield to the gentleman from Wisconsin.

Mr. SCHADEBERG. I would like to identify and associate myself with the remarks of the gentleman. This is certainly a matter which ought to be brought to the attention of our people in our districts in all of America. I wish the gentleman to know I shall try to interpret the thoughts which he has placed before us and make available to my people the extreme danger that we are facing in failing to recognize we are really at war with the international conspiracy.

As the gentleman knows, I have left my pulpit for a spell and my parish because I have dedicated my life to my God and country. I believe that freedom and faith are strongly tied together. I will say for the people, and I am sure of it, that freedom is a scaffold and that somehow or other we must impress upon our colleagues in this House that the people of America who love freedom do not want us to spring the trap on them. We must recognize our imminent danger and act with great forward faith and with great thought to that end.

Mr. PILLION. I thank the gentleman. I wholeheartedly agree with what has been said by the gentleman. As the gentleman has said, I believe that people realize the dangers fully and are able to comprehend them. Therefore, I do not have any worry about ultimate victory, but we have failed to say so completely, and that has been our great deficiency.

ANNOUNCEMENT

Mr. McCORMACK. Mr. Speaker, I desire to announce for the benefit of the Members of the House that tomorrow the conference report on the public works bill relating to the Armed Services will be brought up for consideration.

LT. GEN. BRYANT L. BOATNER

Mr. McCORMACK. Mr. Speaker, at the request of the gentleman from Georgia [Mr. VINSON] whose staff he informs me has conferred with the chairman of the Committee on the Judiciary, and this is agreeable to both committees, I ask unanimous consent that the bill, H.R. 6738, be rereferred from the Committee on the Judiciary to the Committee on Armed Services.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

H.J. RES. 444—THE VICTORY RESOLUTION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Indiana [Mr. BRUCE] is recognized for 60 minutes.

Mr. BRUCE. Mr. Speaker, there come times in the history of any nation when it can no longer afford the luxury of piecemeal application of strength or of understanding. At such times a clearcut recognition of mortal danger must not only be recognized but must be faced and defeated.

For the past 12 years I have spent the greatest part of my time and energy in research and study of two contradictory concepts, two opposing ways of life; first, the meaning of liberty, the basis of a free society; and second, the techniques, the documents, the principles, and the application of power in its various aspects, of the international Communist movement.

I am convinced that the American people, perhaps more clearly than the Congress of the United States, senses the mortal danger in which we find ourselves.

Mr. Speaker, one of the first things that I undertook when I was elected to the Congress of the United States was to prepare a resolution designed to put the Congress of the United States clearly in the position of saying that our goal is one designed to win in the battle for the survival of liberty and to bring about the total defeat of the international Communist conspiracy.

Perhaps there is a power greater than individual man at work here when two Members of the Congress, without either one knowing it, would be working over several months on the same type of study, and then on the same day, again without either one knowing it, would present to the Congress of the United States joint House-Senate resolutions designed to accomplish this end.

I believe that I can thoroughly document the need. I believe I can thoroughly document precedent in law, where we have piecemeal recognized the problem but have failed to wrap it up in a total policy.

First, I would like to read the joint resolution I have submitted entitled, "Declaration of will of the American people and purpose of their Government to achieve complete victory over the forces of the World Communist Movement":

Whereas numerous findings, resolutions, and condemnations in United States law, Presidential proclamations, and treaties which bind the United States, proclaim that the World Communist Movement pursues invariably the same object, world conquest, and evinces a clearcut design to reduce all peoples under its absolute despotism; and

Whereas the supranational World Communist Movement does not represent the Russian and other peoples under its totalitarian control, but rather, in violation of their legitimate national aspirations, commands their lands and resources as an industrial-military base for its global campaign; and

Whereas the World Communist Movement operates on every level of human activity, using all conceivable pressures—ideological, psychological, economic, military, paramilitary, etc.—to bring about a widening influence and ultimately absolute control over every human thought, aspiration, and action in the nations it subverts and conquers; and

Whereas the United States of America has taken numerous steps including the use of armed forces to withstand the global aggression of the World Communist Movement in certain areas in various foreign countries and within our borders; and

Whereas these steps which constituted a determination to resist certain individual thrusts of that aggression, in their totality have not met the full challenge of the global state of hostility that has been declared in dogma and prosecuted in deed by the World Communist Movement; and

Whereas the nature of the threat demands the engagement of the full will of the American people against the hostile universal dedication of the enemy, and the application of a complete global policy to meet and defeat on every front the widespread coordinated forces of the World Communist Movement: Therefore be it

Resolved by the Senate and House of Representatives of the United States in Congress assembled, That a state of hostility exists, and, finding no longer tolerable the abuses and usurpations of the global aggression unjustly thrust upon men by the World Communist Movement, in order to bring peace and security to this Nation and the family of nations and to realize the hopes expressed in law for the freedom of Communist-enslaved peoples, it hereby is and henceforth shall be, the indomitable national will of the people of the United States of America and the unswerving purpose of their Government to achieve complete victory over the forces of the World Communist Movement in all its names, its parties and sections, and to this great end we urge similar action by all independent nations and humbly beseech the strength and guidance of Almighty God; and be it further

Resolved, That the President shall prepare for the approval of the Congress a program to achieve this total victory.

DECLARATIONS OF HOSTILE INTENT BY THE WORLD COMMUNIST MOVEMENT

There are endless cases of documentation which beyond argument show the single dedication of the enemy aimed at our destruction.

The basic doctrine on the goal of the World Communist Movement is summarized in the following statements taken from the published dogmas of the original vehicle for world conquest, the Communist International; namely, "The Theses and Statutes of the Communist International" adopted at the Second World Congress in Moscow July 17 to August 7, 1920, and "The Programme of the Communist International," adopted by the Sixth World Congress in Moscow on September 1, 1928.

The ultimate aim of the Communist International is to replace world capitalist economy by a world system of communism (programme).

The Communist International considers the dictatorship of the proletariat as the only means for the liberation of humanity

from the horrors of capitalism. The Communist International considers the Soviet form of government as the historically evolved form of this dictatorship of the proletariat (statutes).

Thus, the dictatorship of the world proletariat is an essential and vital condition precedent to the transition of world capitalist economy to socialist economy. This world dictatorship can be established only when the victory of socialism has been achieved in certain countries or groups of countries, when the newly established proletarian republics enter into a federal union with the already existing proletarian republics, when the number of such federations has grown and extended also to the colonies which have emancipated themselves from the yoke of imperialism; when these federations of republics have finally grown into a world union of Soviet Socialist Republics uniting the whole of mankind under the hegemony of the international proletariat organized as a State (programme).

The continuing activity of the World Communist Movement in relation to the general disruption and lack of peace on the world scene today is in conformity with the general plan outlined in the fourth chapter of the aforementioned programme entitled, "The Period of Transition From Capitalism to Socialism and the Dictatorship of the Proletariat," to wit:

"Between capitalist society and Communist society a period of revolutionary transformation intervenes, during which the one changes into the other. Correspondingly, there is also an intervening period of political transition, in which the essential state form is the revolutionary dictatorship of the proletariat. The transition from the world dictatorship of imperialism to the world dictatorship of the proletariat extends over a long period of proletarian struggles with defeats as well as victories; a period of continuous general crises in capitalist relationships and growth of social revolutions, i.e., of proletarian civil wars against the bourgeoisie; a period of national wars and colonial rebellions which, although not in themselves revolutionary proletarian Socialist movements are nevertheless, objectively, insofar as they undermine the domination of imperialism, constituent parts of the world proletarian revolution; a period in which capitalist and Socialist economic and social systems exist side by side in 'peaceful' [sic] relationships as well as in armed conflict; a period of formation of a Union of Soviet Republics; a period of wars of imperialist states against Soviet states; a period in which the ties between the Soviet states and colonial peoples become more and more closely established, etc."

The first constitution of the first geopolitical area to be dominated by the World Communist Movement, the U.S.S.R., was adopted by the central executive committee on July 6, 1923. It is most historic in that it was a unique document among constitutions. It stipulated the ultimate goal of a single world state, and provided for entry into its Union of all future Socialist Soviet Republics. Section I of the Constitution of the Union of Soviet Socialist Republics—published by the Soviet Union Information Bureau, Washington, D.C., 1929—declared in part:

The very structure of the Soviet Power, which is international in its class character, calls the working masses of the Soviet Republics toward a unity of one socialist family * * * admission to this Union shall be open to all Socialist Soviet Republics, such as are now existing and such as shall arise in the future * * * that it shall stand as the firm bulwark against world capitalism, and form a decisive step towards the Union of the workers of all countries into one World Socialist Soviet Republic.

The establishment of the U.S.S.R. provided the World Communist Movement with its greatest arm, or tool, or arsenal for conquest, as shown by the statement of Josef Stalin in his work, "Problems of Leninism"—quoting from the 1940 edition:

The Communist revolution which has been victorious in one country, Russia, must not regard itself as a self-sufficient entity but as an aid, a means of hastening the victory of the proletariat in all countries. The Soviet Union must do the utmost possible for the development, support, and awakening of the revolution in all countries. . . . The victorious Soviet proletariat must stand up against the rest of the world, the capitalist world, attracting to its cause the oppressed classes of other countries, raising revolts in those countries against the capitalists, and, in the event of necessity, coming out even with armed force against the exploiting classes and their states.

Communist declarations have proclaimed the "historical inevitability" of the triumph of world communism. Karl Marx wrote in the "Communist Manifesto":

What the bourgeoisie therefore produces, above all, are its own gravediggers. Its fall and the victory of the proletariat are equally inevitable.

Lenin stated in May 1917, in "Materials Relating to the Revision of the Party Program"—Selected Works, International Publishers, volume VI, page 115:

Only a proletarian Socialist revolution can lead humanity out of the deadlock created by imperialism and imperialist wars. No matter what difficulties the revolution may have to encounter, and in spite of possible temporary setbacks or waves of counter-revolution, the final victory of the proletariat is inevitable.

Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD the rest of these statements of Communist doctrine and dogma.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

(The matter referred to follows:)

On November 6, 1918, in "The Anniversary of the Revolution," a speech delivered at the Sixth Extraordinary Congress of Soviets (Selected Works, vol. VI, p. 499), Lenin stated:

"We say: Come what may, no matter what miseries the imperialists may still inflict upon us, it will not save them. Imperialism will perish and the world Socialist revolution will triumph in spite of all!"

Nikita Khrushchev told a Japanese newspaperman, Tomoo Hirooka, in an interview June 18, 1957, reported in Tass, June 29, 1957:

"We are convinced that sooner or later capitalism will perish, just as feudalism perished earlier. The Socialist nations are advancing towards communism. All the world will come to communism. History does not ask whether you want it or not."

To know that there has been no change in ideological guidance or in ultimate purpose on the part of the World Communist Movement, we need only cite the words of the present leader of that movement:

"Like a mighty titan the Soviet power, in fraternal cooperation with the people's democracies, confidently marches forward to the great goal, scoring one victory after another. There are no forces in the world which could halt our victorious advance to communism!"

So spoke Nikita Khrushchev in his Moscow election speech reported in Pravda, March 7, 1954.

We are all familiar with his famous remark: "If anyone thinks we shall forget about Marx, Engels, and Lenin, he is mistaken. This will happen when shrimps learn to whistle" (International Affairs, Moscow, January 1956, p. 2).

He phrased it better for international Communist purposes in his report "For New Victories of the World Communist Movement," at the meeting of party organizations of the Higher Party School, the Academy of Social Sciences, and the Institute of Marxism-Lenism attached to the Central Committee of the Communist Party of the Soviet Union on January 6, 1961, as published in "Kommunist," No. 1, January 1961:

"When summing up the results of the world historic victories of the Communist movement, we give thanks first of all to our great teachers, Karl Marx, Friedrich Engels, and Vladimir Ilich Lenin. Their teaching has made the international Communist movement a spontaneous movement and has insured its victories. In working out our strategy and tactics for the future, we again rely for advice on Marx, Engels, and Lenin. The guarantee of all our future victories lies in faithfulness to Marxism-Leninism."

The World Communist Movement has never had any illusions about the struggle for the world. Therefore, we should have none. Lenin, while confident of the ultimate Communist triumph, put it most succinctly:

"As long as capitalism and socialism exist, we cannot live in peace; in the end, one or the other will triumph—a funeral dirge will be sung over the Soviet Republic or over world capitalism" (speech to Moscow party nuclei secretaries, Nov. 26, 1920, published in Selected Works, by International Publishers, N.Y., 1943 in vol. VIII, p. 297).

Mr. BRUCE. I could cite thousands of additional quotes to show there is but one heart, one mind, and one purpose in the World Communist Movement.

Our Department of State under both Republican and Democrat administrations has published several editions of "Soviet World Outlook—A Handbook of Communist Statements," which includes some of the quotations I have set forth here, and literally thousands of others from Communist sources over the years covering a vast number of subjects.

We need no more evidence, no more quotes. The evidence has long since been all in. The facts are before us.

We need only the will and the determination to face the facts.

While we might wishfully ignore the word, we cannot ignore the deed.

As of this moment, the present visible accomplishment of the World Communist Movement is the conquest and totalitarian control of 15,500,000 square miles, or 26 percent of the earth's land area, and 931 million people or 32 percent of the population of the world.

There are endless precedents that have been set in U.S. law, and I believe that we should commend those who are

currently in the Congress and those who have been here in the past who recognized the challenge in given areas and promoted legislation and resolutions and declarations detailing the nature of the enemy in those specific areas.

FINDINGS, RESOLUTIONS, AND CONDEMNATIONS OF THE WORLD COMMUNIST MOVEMENT IN U.S. LAW, PRESIDENTIAL PROCLAMATIONS, AND TREATIES BINDING ON THE UNITED STATES

At this moment the United States of America is existing under a national emergency as proclaimed on the 16th day of December 1950, by the then President of this Nation, the Honorable Harry S. Truman, and which Proclamation 2914 states in part:

Whereas world conquest by Communist imperialism is the goal of the forces of aggression that have been loosed upon the world; and

Whereas if the goal of Communist imperialism were to be achieved, the people of this country would no longer enjoy the full and rich life they have with God's help built for themselves and their children; they would no longer enjoy the blessings of the freedom of worshiping as they severally choose, the freedom of reading and listening to what they choose, the right of free speech including the right to criticize their Government, the right to choose those who conduct their Government, the right to engage freely in collective bargaining, the right to engage freely in their own business enterprises, and the many other freedoms and rights which are a part of our way of life; and

Whereas the increasing menace of the forces of Communist aggression requires that the national defense of the United States be strengthened as speedily as possible:

Now, therefore, I, Harry S. Truman, President of the United States of America, do proclaim the existence of a national emergency. . .

So right at this moment we are in a state of national emergency, but we have still not recognized its full impact. We still have not implemented a policy designed to lift this emergency in the glorious feeling of victory and the removal of the Communist menace throughout the world.

The threat and the purposes of the World Communist Movement have been clearly recognized in laws heretofore passed by the Congress of these United States.

Among these laws may be cited Public Law 831, the Internal Security Act, enacted by the 81st Congress, wherein section 2 of title I states 15 findings:

As a result of evidence adduced before various committees of the Senate and House of Representatives, the Congress hereby finds that—

1. There exists a world Communist movement which, in its origins, its development, and its present practice, is a worldwide revolutionary movement whose purpose it is, by treachery, deceit, infiltration into other groups (governmental and otherwise), espionage, sabotage, terrorism, and any other means deemed necessary, to establish a Communist totalitarian dictatorship in the countries throughout the world through the medium of a worldwide Communist organization.

So we have in law already recognized that the enemy is at war with us but we have not recognized the necessity of meeting them totally in this total conflict. We have had piecemeal response to the moves they make; always on the defensive; never on the offensive, no plan, no goal, just conditioned responses here, here, and here.

We retreat, bit by bit—Korea, Laos, Vietnam next—Cuba. The American people are most concerned.

Mr. Speaker, I request at this time the privilege of inserting in the RECORD the rest of the points under this section 2, title I, of Public Law 831.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

(The matter referred to follows:)

2. The establishment of a totalitarian dictatorship in any country results in the suppression of all opposition to the party in power, the subordination of the rights of individuals to the state, the denial of fundamental rights and liberties which are characteristic of a representative form of government, such as freedom of speech, of the press, of assembly, and of religious worship, and results in the maintenance of control over the people through fear, terrorism, and brutality.

3. The system of government known as a totalitarian dictatorship is characterized by the existence of a single political party, organized on a dictatorial basis, and by substantial identity between such party and its policies and the government and governmental policies of the country in which it exists.

4. The direction and control of the world Communist movement is vested in and exercised by the Communist dictatorship of a foreign country.

5. The Communist dictatorship of such foreign country, in exercising such direction and control and in furthering the purposes of the world Communist movement, establishes or causes the establishment of, and utilizes, in various countries, action organizations which are not free and independent organizations, but are sections of a worldwide Communist organization and are controlled, directed, and subject to the discipline of the Communist dictatorship of such foreign country.

6. The Communist action organizations so established and utilized in various countries, acting under such control, direction, and discipline, endeavor to carry out the objectives of the world Communist movement by bringing about the overthrow of existing governments by any available means, including force if necessary, and setting up Communist totalitarian dictatorships which will be subservient to the most powerful existing Communist totalitarian dictatorship. Although such organizations usually designate themselves as political parties, they are in fact constituent elements of the worldwide Communist movement and promote the objectives of such movement by conspiratorial and coercive tactics, instead of through the democratic processes of a free elective system or through the freedom-preserving means employed by a political party which operates as an agency by which people govern themselves.

7. In carrying on the activities referred to in paragraph (6), such Communist organizations in various countries are organized on a secret, conspiratorial basis and operate to a substantial extent through organizations, commonly known as "Communist fronts," which in most instances are created and maintained, or used, in such manner as to conceal the facts as to their true character and purposes and their membership. One result of this method of operation is that such affiliated organizations are able to obtain financial and other support from persons who would not extend such support if they knew the true purposes of, and the actual nature of the control and influence exerted upon, such "Communist fronts."

8. Due to the nature and scope of the world Communist movement with the existence of affiliated constituent elements working toward common objectives in various countries of the world, travel of Communist members, representatives, and agents from country to country facilitates communication and is a prerequisite for the carrying on of activities to further the purposes of the Communist movement.

9. In the United States those individuals who knowingly and willfully participate in the world Communist movement, when they so participate, in effect repudiate their allegiance to the United States, and in effect transfer their allegiance to the foreign country in which is vested the direction and control of the world Communist movement; and section 101, title II in repeating this finding, adds: "and, in countries other than the United States, those individuals who knowingly and willfully participate in such Communist movement similarly repudiate their allegiance to the countries of which they are nationals in favor of such foreign Communist country."

10. In pursuance of communism's stated objectives, the most powerful existing Communist dictatorship has, by the methods referred to above, already caused the establishment in numerous foreign countries of Communist totalitarian dictatorships, and threatens to establish similar dictatorships in still other countries.

11. The agents of communism have devised clever and ruthless espionage and sabotage tactics which are carried out in many instances in form or manner successfully evasive of existing law; and section 101, title II, in repeating this finding adds: "and which in this country are directed against the safety and peace of the United States."

From section 101, title II, are interposed here three additional findings enlarging upon finding No. 11:

"The experience of many countries in World War II and thereafter with so-called 'fifth columns' which employed espionage and sabotage to weaken the internal security and defense of nations resisting totalitarian dictatorships demonstrated the grave dangers and fatal effectiveness of such internal espionage and sabotage.

"The security and safety of the territory and Constitution of the United States, and the successful prosecution of the common defense, especially in time of invasion, war, or insurrection in aid of a foreign enemy, require every reasonable and lawful protection against espionage, and against sabotage to national-defense material, premises, forces and utilities, including related facilities for mining, manufacturing, transportation, research, training, military and civilian supply, and other activities essential to national defense.

"Due to the wide distribution and complex interrelation of facilities which are essential to national defense and due to the increased effectiveness and technical development in espionage and sabotage activities, the free and unrestrained movement in such emergencies of members or agents of such organizations and of others associated in their espionage and sabotage operations would make adequate surveillance to prevent espionage and sabotage impossible and would therefore constitute a clear and present danger to the public peace and the safety of the United States."

12. The Communist network in the United States is inspired and controlled in large part by foreign agents who are sent into the United States ostensibly as attachés of foreign legations, affiliates of international organizations, members of trading commissions, and in similar capacities, but who use their diplomatic or semidiplomatic status as

a shield behind which to engage in activities prejudicial to the public security.

13. There are, under our present immigration laws, numerous aliens who have been found to be deportable, many of whom are in the subversive, criminal, or immoral classes who are free to roam the country at will without supervision or control.

14. One device for infiltration by Communists is by procuring naturalization for disloyal aliens who use their citizenship as a badge for admission into the fabric of our society.

15. The Communist movement in the United States is an organization numbering thousands of adherents, rigidly and ruthlessly disciplined. Awaiting and seeking to advance a moment when the United States may be so far extended by foreign engagements, so far divided in counsel, or so far in industrial or financial straits, that overthrow of the Government of the United States by force and violence may seem possible of achievement, it seeks converts far and wide by an extensive system of schooling and indoctrination. Such preparations by Communist organizations in other countries have aided in supplanting existing governments. The Communist organization in the United States, pursuing its stated objectives, the recent successes of Communist methods in other countries, and the nature and control of the world Communist movement itself, present a clear and present danger to the security of the United States and to the existence of free American institutions, and make it necessary that Congress, in order to provide for the common defense, to preserve the sovereignty of the United States as an independent nation, and to guarantee to each State a republican form of government, enact appropriate legislation recognizing the existence of such worldwide conspiracy and designed to prevent it from accomplishing its purpose in the United States.

Mr. BRUCE. Mr. Speaker, there are so many other precedents in this area. A further recognition in the U.S. law of the aggressive intentions of the World Communist Movement and bloc of nations it controls is found in the Battle Act, the Mutual Defense Assistance Control Act of 1951 entitled "An act to provide for the control by the United States and cooperating foreign nations of exports to any nation or combination of nations threatening the security of the United States including the Union of Soviet Socialist Republics and all countries under its domination, and for other purposes," and which act states in section 101 of title I:

The Congress of the United States, recognizing that in a world threatened by aggression the United States can best preserve and maintain peace by developing maximum national strength and by utilizing all of its resources in cooperation with other free nations, hereby declares it to be the policy of the United States to apply an embargo on the shipments of arms, ammunition, and implements of war, atomic energy materials, petroleum, transportation materials of strategic value, and items of primary strategic significance used in the production of arms, ammunition, and implements of war to any nation or combination of nations threatening the security of the United States including the Union of Soviet Socialist Republics and all countries under its domination, in order to (1) increase the national strength of the United States and of the cooperating nations; (2) impede the ability of nations threatening the security of the United States to conduct military operations; and (3) to assist the people of the nations under the domination of foreign aggressors to reestablish their freedom.

This act further states in section 201 of title II:

The Congress of the United States further declares it to be the policy of the United States to regulate the export of commodities other than those specified in title I of this act to any nation or combination of nations threatening the security of the United States including the Union of Soviet Socialist Republics and all countries under its domination, in order to strengthen the United States and other cooperating nations of the free world and to oppose and offset by nonmilitary action acts which threaten the security of the United States and the peace of the world.

The third point under section 101 of title I gives legal precedent to a clause in my resolution which says, in effect, "We do not recognize the present Communist government as the legitimate government of the people of the Soviet Union." It is a precedent already established in law by the Congress of the United States.

Mr. Speaker, I request permission to place into the RECORD a series of documents showing precedent in United States law.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

(The matter referred to is as follows:)

The Congress has recognized the danger of allowing to remain in the United States aliens who are associated with the international Communist movement and has legislated to prevent their admission to this country and to provide for their deportation when found to be within our borders, in Public Law 414, 82d Congress, the Immigration and Nationality Act wherein we find in part:

"SEC. 212. (a) Except as otherwise provided in this Act, the following classes of aliens shall be ineligible to receive visas and shall be excluded from admission into the United States:

"(28)(C) Aliens who are members of or affiliated with (i) the Communist Party of the United States, (ii) any other totalitarian party of the United States, (iii) the Communist Political Association, (iv) the Communist or any other totalitarian party of any State of the United States, of any foreign state, or of any political or geographical subdivision of any foreign state, (v) any section, subsidiary, branch, affiliate, or subdivision of any such association or party, or (vi) the direct predecessors or successors of any such association or party, regardless of what name such group or organization may have used, may now bear, or may hereafter adopt: *Provided*, That nothing in this paragraph, or in any other provision of this Act, shall be construed as declaring that the Communist Party does not advocate the overthrow of the Government of the United States by force, violence, or other unconstitutional means."

And we further find:

"SEC. 241. (a) Any alien in the United States (including an alien crewman) shall, upon the order of the Attorney General, be deported who—

"(6) is or at any time has been, after entry, a member of any of the following classes of aliens."

(C) (The exact language of (28)(C) of Sec. 212 is repeated here.)

The United States of America has not only recognized the potential and actual military threat of the World Communist Movement, but it has in several instances resolved in law to commit its Armed Forces to aid countries that may be attacked by the armed forces of the World Communist Movement, for example:

Public Law 4, 84th Congress, the Formosa resolution, approved January 29, 1955, wherein we find in part this wording—

"Whereas certain territories in the west Pacific under the jurisdiction of the Republic of China are now under armed attack, and threats and declarations have been and are being made by the Chinese Communists that such armed attack is in aid of and in preparation for armed attack on Formosa and the Pescadores; and

"Whereas the secure possession by friendly governments of the Western Pacific Island chain, of which Formosa is a part, is essential to the vital interests of the United States and all friendly nations in or bordering upon the Pacific Ocean: Therefore be it

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States be and he hereby is authorized to employ the Armed Forces of the United States as he deems necessary for the specific purpose of securing and protecting Formosa and the Pescadores against armed attack, this authority to include the securing and protection of such related positions and territories of that area now in friendly hands and the taking of such other measures as he judges to be required or appropriate in assuring the defense of Formosa and the Pescadores."

Further by way of example:

Public Law 85–7, the Middle East resolution, approved March 9, 1959, by the 86th Congress, wherein we find in part under section 2:

"Furthermore, the United States regards as vital to the national interest and world peace the preservation of the independence and integrity of the nations of the Middle East. To this end, if the President determines the necessity thereof, the United States is prepared to use Armed Forces to assist any such nation or group of such nations requesting assistance against armed aggression from any country controlled by international communism."

Public Law 86–90, 86th Congress, establishing the third week of July 1959 as Captive Nations Week, states in part:

"The enslavement of a substantial part of the world's population by Communist imperialism makes a mockery of the idea of peaceful coexistence between nations and constitutes a detriment to the natural bonds of understanding between the people of the United States and other peoples."

President Dwight D. Eisenhower on July 17, 1959, in proclaiming Captive Nations Week as a result of this legislation, stated in part:

"Whereas many nations throughout the world have been made captive by the imperialistic and aggressive policies of Soviet communism * * * it is appropriate and proper to manifest to the peoples of the captive nations the support of the Government and the people of the United States of America for their just aspirations for freedom and national independence."

Further recognition of the threat to the security of our country and to the peace of the world in existing law is to be found in the Mutual Security Act of 1954, as amended through 1960, subsection (c)(2) of section 2, to wit:

"The Congress recognizes that the peace of the world and the security of the United States are endangered so long as international communism and the nations it controls continue by threat of military action, by the use of economic pressure, and by internal subversion, or other means to attempt to bring under their domination peoples now free and independent and continue to deny the rights of freedom and self-government to peoples and nations once free but

now subject to such domination. The Congress declares it to be the policy of the United States to continue so long as such danger to the peace of the world and to the security of the United States persists, to make available to other free nations and peoples upon request assistance of such nature and in such amounts as the United States deems advisable compatible with its own stability, strength, and other obligations, and as may be needed and effectively used by such free nations and peoples to help them maintain their freedom."

This act further states in subsection (c) of section 451:

"It is the purpose of this Act to advance the cause of freedom. The Congress joins with the President of the United States in proclaiming the hope that the peoples who have been subjected to the captivity of Communist despotism shall again enjoy the right of self-determination within a framework which will sustain the peace; that they shall again have the right to choose the form of government under which they will live, and that sovereign rights of self-government shall be restored to them all in accordance with the pledge of the Atlantic Charter. Funds available under subsection (a) of this section may be used for programs of information, relief, exchange of persons, education, and resettlement, to encourage the hopes and aspirations of peoples who have been enslaved by communism."

Subsection (a) of section 451, originally the Kersten amendment to the Mutual Security Act of 1951, indicates the willingness of the United States to utilize the abilities of persons living within Communist-occupied areas in defense against the aggressions of the World Communist Movement:

"Not to exceed $100,000,000 of the funds available under this subsection may be expended for any selected persons who are residing in or escapees from the Soviet Union, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania, Lithuania, Latvia, and Estonia, or the Communist-dominated or Communist-occupied areas of Germany, or any Communist-dominated or Communist-occupied areas of Asia and any other countries absorbed by the Soviet Union, either to form such persons into elements of the military forces supporting the North Atlantic Treaty Organization or for other purposes when the President determines that such assistance will contribute to the defense of the North Atlantic area or to the security of the United States."

The United States of America has committed its economic power and has expended billions of dollars in a foreign aid program originated to combat Communist expansion, as initiated by Public Law 75 of the 80th Congress, an act to provide for assistance to Greece and Turkey, approved May 22, 1947, which authorized to be appropriated to the President the sum of $400 million to carry out the provisions of the act. This legislation was in direct response to the appeal of President Harry S. Truman in a speech to a joint session of the Congress March 12, 1947, for aid to Greece and Turkey, in which the President stated:

"The very existence of the Greek state is today threatened by the terrorist activities of several thousand armed men, led by Communists, who defy the Government's authority at a number of points, particularly along the northern boundaries."

This legislation was characterized in a June 11, 1959, study for the House of Representatives by the Library of Congress entitled "U.S. Foreign Aid," as important in that: "this inaugurated the postwar U.S. foreign aid program as a means of opposing indirect Soviet aggression through the use of American money and material."

This action, implementing the Truman Doctrine in this area, was successful, again quoting "U.S. Foreign Aid," inasmuch as: "Greece and Turkey remained independent countries. The Soviet drive was stopped at their borders by the new military strength made possible, in large measure, by U.S. aid (and) the moral commitment of this country's power which the aid program implied."

In the Presidential order of June 27, 1950, ordering U.S. Air and Naval Forces to assist the Republic of Korea after the invasion of that nation by forces from Communist North Korea, President Harry S. Truman stated:

"The attack upon Korea makes it plain beyond all doubt that communism has passed beyond the use of subversion to conquer independent nations and will now use armed invasion and war."

Military aggression of the armed forces of the World Communist Movement in the Korean area was cited as such by the United Nations in the resolution of the General Assembly branding the Communist Chinese as aggressors, February 1, 1951:

"The General Assembly:

"Noting that the Security Council, because of lack of unanimity of the permanent members, has failed to exercise its primary responsibility for the maintenance of international peace and security in regard to Chinese Communist intervention in Korea;

"Noting that the Central People's Government of the People's Republic of China has not accepted United Nations proposals to bring about a cessation of hostilities in Korea with a view to peaceful settlement, and that its armed forces continue their invasion of Korea and their large-scale attacks upon United Nations forces there;

"Finds that the Central People's Government of the People's Republic of China, by giving direct aid and assistance to those who were already committing aggression in Korea and by engaging in hostilities against United Nations forces there, has itself engaged in aggression in Korea."

The Ninth International Conference of American States in Bogotá, Colombia, 1948, promulgated resolution XXXII, "The Preservation and Defense of Democracy in America," which states in part:

"Whereas:

"In order to safeguard peace and maintain mutual respect among states, the present world situation requires that urgent measures be taken to proscribe the tactics of totalitarian domination that are irreconcilable with the tradition of the American nations, and to prevent agents serving international communism or any other totalitarian doctrine from seeking to distort the true and the free will of the peoples of this continent,

The Republics represented at the Ninth International Conference of American States:

"Declare that, by its antidemocratic nature and its interventionist tendency, the political activity of international communism or any other totalitarian doctrine is incompatible with the concept of American freedom, which rests upon two undeniable postulates: the dignity of man as an individual and the sovereignty of the nation as a state;

"Condemn, in the name of international law, interference by any foreign power, or by any political organization serving the interests of a foreign power, in the public life of the nations of the American Continent, * * *

"And resolve:

"2. To condemn the methods of every system tending to suppress political and civil rights and liberties, and in particular the action of international communism or any other totalitarian doctrine.

"3. To adopt, within their respective territories and in accordance with their respective constitutional provisions, the measures necessary to eradicate and prevent activities directed, assisted, or instigated by foreign governments, organizations, or individuals tending to overthrow their institutions by violence, to foment disorder in their domestic political life, or to disturb, by means of pressure, subversive propaganda, threats, or by any other means, the free and sovereign right of their peoples to govern themselves in accordance with their democratic aspirations."

The Tenth Inter-American Conference of American States in Caracas, Venezuela, 1954, proclaimed Resolution XCIII:

"Meeting the threat to peace and security: Declaration of solidarity for the preservation of the political integrity of the American States against international Communist intervention, adopted by the Tenth Inter-American Conference, March 28, 1954:

"Whereas the American Republics at the Ninth International Conference of American States declared that international communism, by its antidemocratic nature and its interventionist tendency, is incompatible with the concept of American freedom, and resolved to adopt within their respective territories the measures necessary to eradicate and prevent subversive activities;

"Whereas the Fourth Meeting of Consultation of Ministers of Foreign Affairs recognized that, in addition to adequate internal measures in each state, a high degree of international cooperation is required to eradicate the danger which the subversive activities of international communism pose for the American States; and

"Whereas the aggressive character of the international Communist movement continues to constitute, in the context of world affairs, a special and immediate threat to the national institutions and the peace and security of the American States, and to the right of each state to develop its cultural, political, and economic life freely and naturally without intervention in its internal or external affairs by other states,

"The Tenth Inter-American Conference—

I

"Condemns the activities of the international Communist movement as constituting intervention in American affairs;

"Expresses the determination of the American States to take the necessary measures to protect their political independence against the intervention of international communism, acting in the interests of an alien despotism;

"Reiterates the faith of the peoples of America in the effective exercise of representative democracy as the best means to promote their social and political progress; and

"Declares that the domination or control of the political institutions of any American State by the international Communist movement, extending to this hemisphere the political system of an extracontinental power, would constitute a threat to the sovereignty and political independence of the American States, endangering the peace of America, and would call for a meeting of consultation to consider the adoption of appropriate action in accordance with existing treaties.

II

"Recommends that, without prejudice to such other measures as they may consider desirable, special attention be given by each of the American governments to the following steps for the purpose of counteracting the subversive activities of the international Communist movement within their respective jurisdictions:

"1. Measures to require disclosure of the identity, activities, and sources of funds of those who are spreading propaganda of the international Communist movement or who travel in the interests of that movement, and of those who act as its agents or in its behalf; and

"2. The exchange of information among governments to assist in fulfilling the pur-

pose of the resolutions adopted by the Inter-American Conferences and Meetings of Ministers of Foreign Affairs regarding international communism.

III

"This declaration of foreign policy made by the American Republics in relation to dangers originating outside this hemisphere is designed to protect and not to impair the inalienable right of each American State freely to choose its own form of government and economic system and to live its own social and cultural life."

Mr. BRUCE. Mr. Speaker and my colleagues, our Declaration of Independence states several universal principles applicable not only to our Founding Fathers or to us, their heirs, but to all men of all time:

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness. That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed. That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness. Prudence, indeed, will dictate that Governments long established should not be changed for light and transient causes; and accordingly all experience hath shown, that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed. But when a long train of abuses and usurpations, pursuing invariably the same Object evinces a design to reduce them under absolute Despotism, it is their right, it is their duty, to throw off such Government, and to provide new Guards for their future security.

George Washington in his General Orders to the Continental Army on July 2, 1776, said:

The time is now near at hand which must probably determine whether Americans are to be free men or slaves; whether they are to have any property they can call their own; whether their houses and farms are to be pillaged and destroyed, and themselves consigned to a State of Wretchedness from which no human efforts will probably deliver them.

The fate of unborn Millions will now depend, under God, on the courage and conduct of this Army—our cruel and unrelenting enemy leaves us only the choice of brave resistance, or the most abject submission.

I suggest that in this day we can revise that last paragraph and change but one word and say:

"The fate of unborn millions will now depend, under God, on the courage and conduct of this "Congress"—our cruel and unrelenting enemy leaves us only the choice of brave resistance, or the most abject submission."

This is all we can expect. We have therefore to resolve to conquer or die.

I submit this resolution in a sense of prayerful dedication that we in the Congress will have the courage, the insight, and the understanding to declare our intent of victory for the first time before the world; to say we are not going to compromise, that we are not going to engage in appeasement but that we will establish as our policy the victory of freedom and the defeat of world communism.

Mr. PILLION. Mr. Speaker, will the gentleman yield?

Mr. BRUCE. I shall be glad to yield to the gentleman from New York.

Mr. PILLION. I wish to say it is a great privilege to be associated with the gentleman in this magnificent cause. I pledge my complete cooperation and support for his resolution and its goals.

Mr. BRUCE. I thank the gentleman very much.

Mr. LANGEN. Mr. Speaker, will the gentleman yield?

Mr. BRUCE. I yield.

Mr. LANGEN. I wish to compliment both the gentleman from New York and the gentleman from Indiana for the intelligent manner in which they are serving the cause of the free world and the United States of America in the statements they have presented. Surely this is ample indication of their dedication to this service and, further, I compliment them on the very diligent manner in which they have studied and documented in a very masterful way and presented it to the House so that each of us might be alerted to our duties together with them.

Mr. BRUCE. I thank the gentleman.

Mr. BEERMANN. Mr. Speaker, will the gentleman yield?

Mr. BRUCE. I yield.

Mr. BEERMANN. Mr. Speaker, I wish to congratulate the gentleman from Indiana for his energy in researching these pertinent facts and expressing them so clearly. I would like to associate myself with the remarks of the gentleman from Indiana and wish to assure him that there is a grave feeling of unrest in our great country. The very fact that the gentleman from New York and the gentleman from Indiana each has felt this unrest and presented their thoughts and plans of action today is indicative of the rising feeling and pressure throughout our United States to take positive action in preservation of our free world. We, the people of the United States, are the only strong nation able to maintain the freedom, and all the world is looking to us for this leadership.

Mr. BRUCE. I thank the gentleman very much.

Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. ALGER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana.

There was no objection.

Mr. ALGER. Mr. Speaker, I concur heartily with the statement just made by the gentleman from Indiana and commend him upon the wisdom and strength of his argument and upon his documentation.

Mr. Speaker, America is at war. It does not matter that we call it a cold war, we are engaged in a struggle for survival with a deadly and dedicated enemy.

It is foolhardy for Americans to believe that we can compromise with communism when every leader since Lenin has enunciated the sole objective of the Soviet Union, complete world domination achieved through the destruction of the United States and our free institutions. We can win that war only by demonstrating to the leaders of the Soviet Union that we have the means and the will to win it. Contrary as it may be to our American character, the time has come for us to be tough with our enemies, to let them know that we stand for freedom and that we are prepared to defend freedom wherever it is threatened. There may be those who fear that such a policy will lead to war. To the fearful, let me say that this is indeed a policy that will give greater assurance of peace because the only language the Reds understand is one of firmness and toughness and we gain their respect only when we speak from a position of strength.

In the same spirit that moved our Founding Fathers to pledge their lives, fortune, and sacred honor to the preservation of liberty, let us now rededicate ourselves to the America they created and which has offered mankind its greatest source of opportunity and devotion to the dignity of the individual as a child of God with an immortal soul.

STUDY OF JUVENILE DELINQUENCY

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. KYL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KYL. Mr. Speaker, the House is today debating matters pertaining explicitly to the District of Columbia. In another sense, what we have here is a miniature of national problems. The District Committee is to be congratulated for bringing in concrete proposals instead of simply asking for further studies.

Mr. Speaker, I am not a member of the District Committee. I have, however, spent many hours studying one phase of the problems brought to the attention of the House today—the problems of juvenile delinquency.

I take this time to call to the attention of the membership the most remarkable study of juvenile delinquency I have ever seen. It is remarkable, first, because though the study took thousands of man-hours of work and perhaps a million-dollar expenditure—though the procedure was checked for validity for 18 months—though 3½ tons of information is available—though IBM cards with the condensed material have been punched—the cards have never been run through machines for tabulation and the remarkable study has never utilized even though we now propose to spend $10 million on further studies of juvenile delinquency.

Yes, this study is locked in a cell, the brig of the military police in the old gun factory—languishing in jail as a reluctant prisoner, all three and a half tons of it. You might ask, "Is this study out of date?" The answer is "absolutely not." It is, rather, a most vital and comprehensive effort. This is a study

which would now be impossible because it reviews the cases of members of the services who were born between 1900 and 1935, who were institutionalized before entering service. This is not a random sampling, but a complete compilation. Statistics were gathered from selective service records which were preserved for this purpose but which are now destroyed—no longer available. This study was considered so important that individuals contributed months of their own time, and their own money, to complete a task so broad it was considered almost impossible. It was truly a labor of love for individuals like Lt. Col. Van H. Tanner, Dr. Pierre Lijins, and Dr. Virginia Zachert.

This impressive study could be completed with expenditure of about $75,000. Do not smile too broadly when I say $75,000 because we are contemplating expenditure of $10 million for the purpose.

I cannot take the time to explain fully what is in this research. It is significant because it concerns delinquents who became good citizens as well as dealing with those who stayed that way. It is valuable for the military as well as civilian sectors. Indeed, it could be justified on that military side alone.

Mr. Speaker, I hope funds can be found somewhere to complete this job without legislation. However, if this is impossible, I have introduced legislation this day to provide the necessary funds, and I hope the funds will be speedily granted so this good work can be brought to conclusion.

PROBLUE PROGRAM

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HIESTAND] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. HIESTAND. Mr. Speaker, the announcement by the Army today that Gen. Edwin A. Walker has been officially rebuked is a shocker.

The Army said that administration admonitions are not intended as punishment or penalty, but are corrective measures more analogous to instruction.

Yet, in the same announcement, it was reported that General Walker's scheduled assignment to command the VIII Corps in Austin, Tex., had been canceled. The assignment has already been given to somebody else. Some of us are wondering just what an Army penalty would be.

Ignored in this announcement is the status of the problue program. An attack on this patriotic program, it may be forgotten, precipitated the attack on General Walker and resulted in his being relieved of command of the 24th Infantry Division. General Walker insisted that the problue program he initiated was for troop orientation, geared to Americanism and patriotism, and he must have been right.

Apparently, it received a clean bill. But what happens now? Does the program die with General Walker's admonition? What happens to the morale of the troops he so brilliantly commanded? Are they to feel that his attempt to preach loyalty and Americanism versus the dangers of communism was a wrongdoing?

I am greatly disturbed over General Walker's treatment. And I know that he, with his great military record in war and peace and his devotion to his country, is now disturbed over the future of patriotic Army programs. He is that type of American.

Some weeks ago, I asked for a complete report on the investigation. I am now asking Secretary of the Army Stahr to advise the public on the future development of Army programs such as General Walker's fine problue effort.

A pro-America program, in the Army or on the farm, is as necessary as it is proper.

Mr. ALFORD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. ALFORD. Mr. Speaker, how far afield has the Army and the administration gone in the matter of rebuking Maj. Gen. Edwin A. Walker for being an American?

While I will go into detail on this shocking episode in the very near future, I must rise and register my immediate concern over the news reports that I have seen this day.

A fine reward this for 30 years of outstanding military service. A fine tribute this as the end result of a smutty attack by a smutty little publication that even to this day still should be banned from circulation to our fighting men overseas.

I am shocked at this miscarriage of justice. I am dismayed that more significance is attached to a few words in a scandal sheet than to a magnificent military record and a lifetime of devotion to the ideals of Americanism.

As I have said before, I say again: General Walker's only crime was that he loved America and detested atheistic communism. This will truly be a day of gloating in the Kremlin, for the hands of time on the clock of justice, fairplay, and decency have been turned backward.

Yes, I shall have more to say in the near future. For the moment, however, I want to register the true shame that I feel for such ungrateful treatment of a great American.

This alarming attack on such an outstanding patriot causes all who fight on the side of America to cry out "What on earth is happening here in the land of the free and the home of the brave?" Let our prayer in these days of peril be "God give America a new breath of patriotism."

Mr. VINSON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

WHEN WILL SUCH THINGS STOP?

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from Nebraska [Mr. CUNNINGHAM] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, on Friday of last week I directed a letter to the Administrator of Veterans' Affairs about a $14.7 million contract which the VA awarded to a New York construction company for an 800-bed hospital in Cleveland.

This construction company, the Malan Construction Corp., was the prime contractor for construction of missile launching sites near Offutt Air Force Base in eastern Nebraska during 1959 and 1960. The Army Corps of Engineers reported last fall that long delays during construction of these vital bases were due primarily to poor managerial performance on the part of the prime contractor, his lack of aggressiveness, failure to promptly marshal his subcontractors and selection in some cases of poor subcontractors.

From personal knowledge I know of suits still pending against the Malan Corp. by reputable subcontractors for payment. I know of other subcontractors, completely inexperienced, which went broke on the job.

I now learn that the Malan Corp. also has a contract for certain work at O'Hare Field Terminal at Chicago. It has awarded a $300,000 subcontract to an electrical contracting firm which is described by the Chicago Daily News as having links with a hoodlum-dominated company.

Yet this is the firm which VA would have build its new 800-bed hospital at Cleveland.

Does not the Federal Government maintain any register of companies in an effort to sort out and eliminate those whose past performance would leave reasonable doubt as to their ability to complete a contract?

I call this situation to the attention of the VA in the hope of saving that agency a multi-million-dollar headache. I hope appropriate action will be forthcoming promptly.

PRESIDENT'S PROPOSAL TO TAX FOREIGN INCOME

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. MICHEL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MICHEL. Mr. Speaker, on Wednesday, June 7, Mr. W. H. Franklin, vice president of Caterpillar Tractor Co., testified before the House Ways and Means Committee in opposition to the President's proposal to tax foreign income when earned by foreign subsidiaries, rather than when such income is received by its U.S. parent in the form of dividends.

Mr. Franklin points out in his testimony that the President's proposal will have the opposite effect of that intended. From a long-term standpoint it will impair rather than help the balance of payments, and it will reduce rather than increase U.S. tax revenues.

Mr. Speaker, by way of identification the Caterpillar Tractor Co. has five manufacturing plants, a major-parts warehouse and general offices, all located in various Illinois communities. Ninety percent of Caterpillar's employment in the United States is now within the borders of the State of Illinois, and it is now the second largest employer of people within the State of Illinois. As Mr. Franklin points out in his testimony, Caterpillar is among the top 10 U.S. exporters and about one-third of the 28,000 Illinois jobs are directly dependent upon Caterpillar's success in foreign markets. In our judgment the President's tax proposal would impose an unfair handicap, not only upon Caterpillar's but many other companies' ability to compete in these foreign markets.

Mr. Speaker, under unanimous consent I insert the full text of Mr. Franklin's testimony in the RECORD at this point:

I am W. H. Franklin, the financial vice president and a director of Caterpillar Tractor Co., with headquarters in Peoria, Ill. I wish to testify in opposition to the President's proposal to tax foreign income when earned by a foreign subsidiary rather than when received by its U.S. parent in the form of dividends.

COMPANY DESCRIPTION

Caterpillar Tractor Co. and its subsidiaries manufacture and sell throughout the entire free world diesel engines and earthmoving machinery such as crawler and wheel tractors, bulldozers, scrapers, motor graders, etc.

Since World War II, the company has spent $425 million for plant and equipment in the United States and, beginning in 1950, its subsidiaries have spent $54 million for plant and equipment outside the United States. We now own four foreign subsidiary companies operating manufacturing plants and parts warehousing and distributing facilities. These are located in Melbourne, Australia; São Paulo, Brazil; Leicester and Newcastle, England; Glasgow, Scotland; and Grenoble, France. The company also owns a U.S. subsidiary which qualifies under the Internal Revenue Code as a Western Hemisphere trade corporation, and a Swiss subsidiary with headquarters in Geneva, Switzerland, which operates a parts warehouse in Brussels, Belgium, and distributes Caterpillar products in many areas of the Eastern Hemisphere.

Consolidated sales in 1960 were $716 million of which $345 million, or 48 percent, were made outside the United States. A very substantial portion of these sales was exported from the United States. In fact, Caterpillar ranks, we believe, somewhere in the top 10 manufacturing companies in the volume of exports. Foreign sales in 1960 were 26 percent higher than in 1959 and helped considerably to cushion the effect on the company and its employees of a drop of 21 percent in domestic sales.

We now have about 5,000 people employed outside the United States and about 30,000 employed in the United States.

TAX PROPOSAL REPRESENTS ECONOMIC ISOLATIONISM

The proposal to tax the income of U.S.-owned foreign subsidiaries when that income is earned by the subsidiaries is pure economic isolationism. The businessman is being told to "stay home and let the rest of the world take care of themselves." We believe that, rather than staying home, we should recognize and grasp the opportunity we have to help the rest of the world develop a higher and higher scale of living. We believe that isolationism, whether it be economic or political, leads to feelings between nations of distrust and envy and ultimately hatred and war. The U.S. Government should be urging businessmen to go abroad and cultivate other nations. The proposal should be to encourage investment abroad which was proposed to the last Congress in the Boggs bill, rather than to discourage it as is now proposed. Other nations are recognizing the importance of international trade by encouraging their citizens to make foreign investments. Should we sit back and watch the rest of the world go by?

The stated purposes of the present proposal are to improve the balance of payments and increase income tax revenues:

1. By forcing immediate return to this country of income earned abroad in order to help pay the tax on that income;

2. By discouraging foreign investment by imposing on it the handicap of high U.S. tax rates; and

3. By taxing profits which are left abroad and which under today's tax law are not taxed until received by the U.S. parent company as a dividend.

The whole idea appears to rest on a false premise that tax collection, as soon as may be possible, is more important than the development of a sound tax system—one which would operate to produce more taxable income over the long term. It promotes restrictive or even punitive taxation instead of incentive taxation.

There are at least two fallacies underlying the proposal.

The first is the fallacy that a foreign investment is just like a domestic investment. It has been stated that it is unfair for a foreign investment to pay only the taxes of a foreign government on profits left abroad. It is argued that a foreign investment should pay the same taxes as a domestic investment.

But a foreign investment is not just like a domestic investment and should not pay the same taxes. A domestic investment receives all the services and the complete protection of the U.S. Government. A foreign investment does not. It is subject to the risks of less stable economies, foreign exchange, war and insurrection and even, as in the case of Cuba, confiscation. It can be more properly argued that the U.S. Government is entitled to little or no tax revenue on earnings on foreign investments even when they are brought back to the United States in the form of dividends.

The second fallacy underlying the proposal is the apparent belief that businessmen do something against the best interests of the United States when they locate subsidiaries in so-called tax haven countries.

In the first place a so-called tax haven country is a country which has recognized what we consider to be the proper principle that a country is not entitled to tax revenue on profit earned outside its jurisdiction. It relies for revenue on other taxes which the U.S. subsidiary pays along with all the other companies incorporated there.

In the second place, by locating in a so-called tax haven country a businessman is actually helping U.S. tax revenues and he should be praised for this rather than blamed. When a business pays low taxes on foreign earnings, it has more of its profit left either for more investment to earn more profit or for return to the United States in dividends. The longrun objective is always to return the maximum dividend to the United States. And if this larger dividend is from a so-called tax haven country, then the foreign tax credit is small and the U.S. parent company pays the highest tax to the United States. In other words, the lower the tax paid to the foreign country, the higher the tax ultimately paid to the U.S. Treasury—and the way to obtain the lowest foreign tax is to locate in a so-called tax haven country.

PROPOSAL WILL HAVE THE OPPOSITE EFFECT FROM ITS STATED PURPOSE

Moreover, we are convinced that the proposal, if adopted, would have the exact opposite effect from that intended. It would, in fact, impair rather than improve the balance of payments and would decrease rather than increase the tax revenues of the United States. There are at least five reasons why this is so:

The first reason is this: Income from foreign investments is a great source of strength to our balance of payments, and any proposal which seeks to reduce foreign investments will of necessity reduce the income from foreign investments. Investments are made, whether they be domestic or foreign, in order to earn an income. Thus, when a company makes an investment abroad, it does so to earn an income on that investment and at least a portion of that income must be returned to it in the United States if it is to satisfy its shareholders with dividends. The balance-of-payments statistics bear this out. Over the recent 11-year period in which the United States has had a deficit in its balance of payments, income returned to the United States from direct foreign investments was more than $20 billion. In fact, during this period, it exceeded the outgo for new investments by $8 billion.

It follows that any move which curtails investments abroad will ultimately curtail the receipt of income from foreign investments with an adverse effect on the balance of payments and on U.S. tax revenues. Curing a balance of payments problem for the short term by curtailing investments abroad is like an individual living on his savings. He may have a momentary illusion that he can afford to spend more than his income but in the long run he loses both his savings and the income he could have earned on those savings.

A second reason why the proposal would produce an adverse effect is this: Foreign investment increases the export sales of the company making the investment and, per contra, when a company does not make a foreign investment which it should have made, it loses export business. Let me illustrate this from our own experience with foreign investments. We formed our first foreign subsidiary in Great Britain in 1950. Our exports to Great Britain last year were over four times those in 1950. Our next subsidiary was formed in 1955 in Australia. Our exports to Australia last year were more than double those in 1955. Our third subsidiary was formed in Brazil in 1956. Our exports to Brazil last year were more than five times those in 1956.

Now there are many explanations for these increases in our exports, but we are convinced an important factor is that we have subsidiary companies located in these countries. There are at least two causes for this. In the first place, none of our products is produced completely abroad; many of the components such as engines, transmissions, etc., are produced in our U.S. plants and shipped to the foreign plant. This creates export business for the United States because—and I would like to make this very plain—if we did not manufacture our product abroad some foreign competitor would get the order and that competitor would manufacture his product without using any components manufactured in the United States. In the second place, we have invariably found that when we located people abroad to operate a subsidiary and to handle the sales of Caterpillar products in an assigned area, the

very fact that they are abroad and close to the market results in more orders for our U.S.-made products. This is the main reason we have established headquarters in Geneva, Switzerland, for the subsidiary handling sales of Caterpillar products in most of the Eastern Hemisphere.

When a company does not make a foreign investment and thereby loses export business both the balance of payments and U.S. tax revenues are adversely affected.

The third reason for the proposal adversely affecting tax revenues arises out of the second. Exporting companies purchase goods and services all over the United States and they and their suppliers employ in the United States millions of people. When exports decrease the purchases of the exporting companies are curtailed with a resulting reduction in employment and wages of these U.S. employees. This, of course, has widespread repercussions not only on U.S. tax revenues, but on the whole domestic economy.

Caterpillar last year expanded in the United States almost $325 million for materials, supplies, and services, and almost $230 million in wages and employee benefits. About one-third of our U.S. production is shipped abroad and if this export business had been wiped out, we would have failed to purchase over $100 million of supplies and services and would have been required to lay off almost 10,000 employees with resulting reduction in almost $75 million in wages and employee benefits.

And the fourth reason is this. Should the tax proposal be adopted, undoubtedly many countries would take advantage of the situation by raising their income taxes on U.S.-owned companies and this would reduce U.S. tax revenues. For example, if the proposal were adopted why should not Switzerland raise its income tax rate on U.S.-owned Swiss companies to 52 percent? If it did, the income earned by the U.S.-owned subsidiary would not be taxed at any higher rate, but the United States would get nothing when the income was earned and, because of the foreign tax credit, would get nothing when dividends were paid to the U.S. parent. Thus the proposal would not add any tax revenue by taxing the income when it was earned by the subsidiary and would lose revenue because there would be no tax when dividends were received.

And the fifth reason is this. Any prudent businessman considers tax costs as one element in a business decision as to the place to make investments. There are many other reasons, of course, for deciding to invest in one country rather than another, but, everything else being equal, obviously the lower tax country will attract an investment, and every time a businessman makes an investment in a low tax country rather than a high tax country he makes more money for the U.S. Government because the foreign tax credit on dividends is lower. But the present tax proposal would level all tax rates in developed countries and many investments of the type now going to low tax rate countries may well be diverted to high tax rate countries with the end result of lower tax revenues for the United States than if the proposal had not been adopted.

PROPOSAL UNFAIR

Not only will the proposal have the opposite effect from that intended but it is unfair in at least five respects:

The first reason it is unfair is this. Taxes are costs of doing business just as much as material purchases and wage payments. It is clearly unfair to subject to high U.S. tax costs the earnings of a company operating abroad and competing with locally owned companies which are not subject to those costs. This would require U.S. investment to compete with one hand tied behind its back. It is just as unfair as would be a law which required U.S.-owned companies operating abroad to pay U.S. prices for raw materials or to pay U.S. wage rates.

The second reason it is unfair is this. The proposal would require a U.S. company to pay taxes on income which it had not received from its foreign subsidiary and which it may never receive because the subsidiary may well have permanently invested that income in brick and mortar. The U.S. parent would have to look to its U.S. resources to pay the tax, thus making the tax in effect a tax on U.S. capital.

The third reason it is unfair is this. Many countries abroad rely for a very substantial portion of their tax revenue on such taxes as sales or turnover taxes in addition to income taxes. U.S. tax law allows no credit for foreign taxes of this type. Thus a foreign subsidiary would have to pay the high local taxes and also its U.S. parent would have to pay the high U.S. income tax. This inequity, incidentally, exists today in the taxation of the dividends received by the U.S. parent.

The fourth reason it is unfair is that the U.S. Government would tax earnings of U.S.-owned companies operating abroad at the same tax rate as companies operating in the United States even though the services and protection of the U.S. Government are not as fully available to the foreign company as to the domestic company.

And the fifth reason it is unfair is this. The proposal would give to the President the discretion to determine from time to time what countries are developed and what countries underdeveloped—and his decision to change a country from one category to the other would have great impact on the tax costs of operating in that country. A businessman would be asked to make investments in a foreign country without knowing from day to day whether his tax cost is to be high or low. He may well have received, for example, a tax waiver from some country such as Ireland and find the next day that his tax rate has jumped from 0 to 52 percent.

This last provision has many equally alarming possibilities. Its purpose is to encourage investment in underdeveloped countries so as to help develop them—but if we succeed in developing the country, we are penalized by having our tax costs increased drastically. And the peculiar feature of this penalty is that it comes just at the time when the country has been developed and therefore at the time when local competition is becoming more intense.

PROPOSAL DISCRIMINATORY

The proposal is not only unfair, it is also discriminatory. A new theory of taxation would be adopted—that the income of a company is to be taxed to its shareholders when the company earns it rather than when the shareholders receive it—a theory previously applied only in the case of corporations formed for the purpose of evading U.S. taxes. But this new theory would be applied only to foreign subsidiaries. Why not apply the same theory to domestic companies? Or is this the next step? Why not apply the theory to individuals and tax all shareholders on their share of corporate profits when earned rather than when paid in dividends? This logical end result of the proposal to tax foreign earnings makes the proposal to withhold taxes on dividends seem mild by comparison.

PROPOSAL MAY BE UNCONSTITUTIONAL

I am not a lawyer, but I have discussed the constitutionality of this proposed tax with our counsel. They advise me that existing law is probably adequate to deal with foreign corporations created or used for the sole purpose of avoiding U.S. tax, and that in the case of the many foreign corporations created for legitimate business purposes there is serious doubt as to the constitutionality of the proposed tax.

SUMMARY

In summary, we at Caterpillar are opposed to the proposal with regard to the taxation of earnings of U.S.-owned foreign corporations. We believe it will have the opposite effect of that intended. It will impair rather than help the balance of payments. It will reduce rather than increase U.S. tax revenues. Beyond that the proposal is unfair and discriminatory. And it may well be unconstitutional.

DISTRICT OF COLUMBIA METROPOLITAN POLICE FORCE

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. MATHIAS] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MATHIAS. Mr. Speaker, on May 17, 18, and 19 hearings were held by a subcommittee of the House District Committee to determine what immediate legislative action might be taken by the Congress in order to provide emergency relief for the citizens of the Nation's Capital from the increase in violent crime which has been the subject of so much publicity in recent weeks. At the outset, I would like to make it clear that, in my opinion, the bill before the House today, H.R. 7218, is a step in the right direction to the solution to this problem.

Favorable consideration of this bill should have the effect of lowering the crime rate in the District of Columbia. It is designed to prevent crime through better law enforcement that will have the effect of apprehending and removing known offenders from society.

The reasons for crime are highly complex and, to a great degree, unknown. Until such time as the criminologists, doctors, judges, law enforcement officers, social workers, legislators, and the entire citizenry know exactly what causes crime, an overall solution to this problem is unobtainable. We do know that a high rate of crime is usually connected with certain symptoms that are evident in the society in the District of Columbia. Poor living conditions affect the rate of crime. Unemployment affects the rate of crime. Low wages affect the rate of crime. Large migrations of persons unaccustomed to life in a large city and unaware of the difficulties and temptations that they will face there affect the rate of crime. We also know that crime is one of the most expensive cancers that a society may have. It is not only expensive to those who suffer directly from criminal actions but to the public at large in maintaining large police forces and prisons. There is also the incalculable loss of the talents, energies, and abilities of those people who turn to crime, instead of contributing to society.

The bill before us today, H.R. 7218, is to increase the authorized strength of the Metropolitan Police force from 2,734 to 3,000 police officers. This bill aims to provide one of the available deterrents to crime. When Chief Murray, of the Metropolitan Police Department,

appeared to testify on this subject, he stated that, in his opinion, the foot patrolman is the best deterrent to crime. Additional policemen should not only result in fewer unsolved crimes, but the experience in the Police Department demonstrated that many crimes will never take place if a policeman is known to be on the beat. The Washington press has cited many examples of policemen responding to cries and screams for help which enabled them to arrest an assailant in the act of committing a violent crime before the victim suffers the full consequences of the completed crime.

There is no way to ascertain the beneficial effect that good police work has on preventing crimes. I hope that the House will pass this bill today as an emergency measure and will in the future consider the possibility and need for additional legislation designed to remove the elements in our society which give crime a climate in which to develop. The passage of H.R. 7218 would be a step in the right direction and I hope that funds are made available to enable the authorized increase to be a realized post in the near future.

AMBASSADOR OF APPEASEMENT?

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. JOHANSEN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, what is Adlai Stevenson up to on his current Latin American tour? And by what authority?

Did Mr. Stevenson tell the Argentine Foreign Minister—as an Associated Press dispatch reported last week—that "the U.S. Government has ruled out force as a means of ending the Castro regime"?

If he did so—and if he was speaking only for himself and without authority—why has he not been recalled or, better still, fired?

If he was actually stating official policy, has the President reversed his own April 20 declaration reserving the right of intervention in Cuba if this Nation's security and OAS inaction require such a step?

Recent reports also have it that Mr. Stevenson is apologizing to officials—or, at least, to leftwing leaders—of Latin American countries for past U.S. actions toward Castro.

If these reports are accurate, for what past action is he apologizing, and who ordered or authorized these apologies?

Finally, an Associated Press report over the weekend quotes Mr. Stevenson as saying to the Uruguayan Council President:

> We would appreciate any suggestion to avoid nonintervention [in Cuba] from becoming our tragedy.

Are U.S. leadership diplomacies in hemisphere affairs now reduced to "suggestion box" solicitations from other countries?

Blunt speaking Jim Farley last August described private citizen Adlai Stevenson as "the apostle of appeasement." Is Presidential Appointee Adlai Stevenson now "the ambassador of appeasement"?

And if so, is it with or without official authority and sanction?

Mr. Speaker, I am sure the American people want answers to these questions.

SUPPORT OF WOOL ACT WITH TREASURY APPROPRIATIONS

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. KYL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KYL. Mr. Speaker, it has been brought to my attention that comparatively high level consideration will soon be given to supporting the Wool Act with Treasury appropriations instead of funds from import duties. This procedure would open the gates to wool imports and deal a death blow to large sectors of our already sick sheep industry. It could also mean the end of the Wool Act itself. This is no time for such action.

On the contrary, the gentleman from Iowa would ask for a complete study or investigation of the sheep industry including the effect of imports. Other factors should be considered: Why is there such a large discrepancy between the farmer's price and the dressed carcass price on the one hand and the retail price on the other? Why does the U.S. future market on wool decrease while the London quotations rise? The gentleman does not point the finger of guilt. He is, rather, trying to find some answers to what is wrong and what can be done to help an industry which is very ill.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. NORRELL (at the request of Mr. ALBERT) for 1 week, on account of official business.

Mr. HOSMER (at the request of Mr. HALLECK) for 2 weeks.

Mr. HALL (at the request of Mr. ARENDS) for today, on account of official business.

Mrs. GREEN of Oregon (at the request of Mr. ULLMAN) indefinitely, on account of sickness.

Mr. LANKFORD, Mr. OSMERS, and Mr. BECKER (at the request of Mr. VINSON) for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. BRUCE (at the request of Mr. LANGEN), to address the House for 60 minutes, today.

Mr. HEMPHILL (at the request of Mr. COHELAN), to address the House on Thursday next for 1 hour.

Mr. HOLIFIELD (at the request of Mr. COHELAN) for 40 minutes each on Tuesday, June 13 and Wednesday, June 14, 1961.

Mr. MATHIAS (at the request of Mr. LANGEN) for 30 minutes on Thursday, June 15, 1961.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. VAN ZANDT.

Mr. COHELAN, to revise and extend remarks made by him today, and to include extraneous matter and certain tables.

(The following Members (at the request of Mr. COHELAN) and to include extraneous matter:)

Mr. KOWALSKI.
Mr. FISHER.
Mr. DAVIS of Tennessee.
Mr. FLOOD.
Mr. BOYKIN in 11 instances.
Mr. KASTENMEIER.

(The following Members (at the request of Mr. LANGEN) and to include extraneous matter:)

Mr. MCVEY.
Mr. DEROUNIAN.
Mr. BAKER.
Mr. ALGER.
Mr. ASHBROOK.
Mr. CRAMER.

Mr. HORAN, to revise and extend the remarks he will make tomorrow during consideration of H.R. 7577 and to include extraneous matter and tables.

ADJOURNMENT

Mr. COHELAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 30 minutes p.m.) the House adjourned until tomorrow, Tuesday, June 13, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1010. A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting the March 1961 report on Army, Navy, and Air Force prime contract awards to small and other business firms, pursuant to the Small Business Act, as amended; to the Committee on Banking and Currency.

1011. A letter from the Director, U.S. Information Agency, transmitting a draft of a proposed bill entitled "A bill for the relief of George W. Ross, Jr."; to the Committee on the Judiciary.

1012. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting copies of orders entered in cases where the authority contained in section 212(d)(3) was exercised in behalf of such aliens, pursuant to the Immigration and Nationality Act; to the Committee on the Judiciary.

1013. A communication from the President of the United States, transmitting amendments to the budget for the fiscal year 1962 involving an increase in the amount of $1 million for the District of Columbia (H. Doc. No. 185); to the Committee on Appropriations and ordered to be printed.

1014. A letter from Ross, McCord, Ice & Miller, Indianapolis, Ind., transmitting the audit and Annual Report of the Board of Fundamental Education as of December 31, 1960, pursuant to Public Law 507, 83d Congress; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAVIS of Tennessee: Committee on Public Works. H.R. 4660. A bill to authorize modification of the project Mississippi River between Missouri River and Minneapolis, Minn., damage to levee and drainage districts, with particular reference to the Kings Lake Drainage District, Mo.; without amendment (Rept. No. 499). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. S. 1619. An act to authorize adjustments in accounts of outstanding old series currency, and for other purposes; without amendment (Rept. No. 500). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H.R. 6765. A bill to authorize acceptance of an amendment to the articles of agreement of the International Finance Corporation permitting investment in capital stock; without amendment (Rept. No. 501). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. House Resolution 302. Resolution disapproving Reorganization Plan No. 1 transmitted to Congress by the President on April 27, 1961; without amendment (Rept. No. 509). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. House Resolution 304. Resolution disapproving Reorganization Plan No. 3 transmitted to Congress by the President on May 3, 1961; without amendment (Rept. No. 510). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. House Resolution 305. Resolution disapproving Reorganization Plan No. 4 transmitted to Congress by the President on May 9, 1961; without amendment (Rept. No. 511). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LIBONATI: Committee on the Judiciary. House Resolution 249. Resolution providing for sending the bill H.R. 6012 and accompanying papers to the Court of Claims; without amendment (Rept. No. 502). Referred to the Committee of the Whole House.

Mr. LIBONATI: Committee on the Judiciary. S. 452. An act for the relief of Nellie V. Lohry; without amendment (Rept. No. 503). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 1383. A bill for the relief of Hyacinth Louise Miller; without amendment (Rept. No. 504). Referred to the Committee of the Whole House.

Mr. MOORE: Committee on the Judiciary. H.R. 1486. A bill for the relief of Mrs. Vicenta A. Messer; with amendment (Rept. No. 505). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 1499. A bill for the relief of Manuel Nido; without amendment (Rept. No. 506). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 1699. A bill for the relief of Nick George Boudoures; with amendment (Rept. No. 507). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H.R. 1706. A bill for the relief of Adela Michiko Flores without amendment (Rept. No. 508). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAKER:

H.R. 7587. A bill to provide a more definite tariff classification description for lightweight bicycles; to the Committee on Ways and Means.

By Mr. BOYKIN:

H.R. 7588. A bill to amend title 18, United States Code, to proscribe travel in interstate or foreign commerce for purposes of inciting to riot or committing other unlawful acts; to the Committee on the Judiciary.

By Mr. BROOMFIELD:

H.R. 7589. A bill to provide for the issuance of a postage stamp in honor of the life and contributions of Henry Ford; to the Committee on Post Office and Civil Service.

By Mr. FINO:

H.R. 7590. A bill to amend section 103 of title 38, United States Code, to provide for the restoration of certain remarried widows to the death compensation or dependency and indemnity compensation rolls after termination of their remarriages; to the Committee on Veterans' Affairs.

By Mr. FOUNTAIN:

H.R. 7591. A bill to amend the Internal Revenue Code of 1954 to provide that charitable contributions to museums by individuals shall be deductible for income tax purposes under the 30 percent limitation of adjusted gross income; to the Committee on Ways and Means.

By Mr. HERLONG:

H.R. 7592. A bill to amend the Internal Revenue Code of 1954 to provide that charitable contributions to museums by individuals shall be deductible for income tax purposes under the 30 percent limitation of adjusted gross income; to the Committee on Ways and Means.

By Mr. HALPERN:

H.R. 7593. A bill to prescribe the time for elections of Senators and Representatives in Congress and for choosing the electors of President and Vice President; to the Committee on House Administration.

By Mr. JOHANSEN:

H.R. 7594. A bill to provide for the issuance of a postage stamp in honor of the life and contributions of Henry Ford; to the Committee on Post Office and Civil Service.

By Mr. CLEM MILLER:

H.R. 7595. A bill to establish an Advisory Committee on King and Silver Salmon, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MORRIS:

H.R. 7596. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Navajo Indian irrigation project and the initial stage of the San Juan-Chama project as participating projects of the Colorado River storage project, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MOSS:

H.R. 7597. A bill to validate payments of certain per diem allowances made to civilian employees of the U.S. Air Force who served at Elmendorf Air Force Base, Alaska; to the Committee on the Judiciary.

By Mr. PIRNIE:

H.R. 7598. A bill to extend for 3 years the temporary provisions of Public Laws 815 and 874, 81st Congress, and to make certain changes in such laws; to the Committee on Education and Labor.

By Mr. SIKES:

H.R. 7599. A bill to provide coverage under the old-age, survivors, and disability insurance program, as self-employed individuals, for Federal employees in the legislative branch who are not eligible to participate in the civil service retirement program; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas:

H.R. 7600. A bill to amend title 38, United States Code, to revise the effective date provisions relating to awards, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HARRISON of Wyoming:

H.R. 7601. A bill to provide for the disposal of certain Federal property on the Minidoka project, Idaho, Shoshone project, Wyoming, and Yakima project, Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PHILBIN:

H.R. 7602. A bill to amend the Uniform Code of Military Justice; to the Committee on Armed Services.

H.R. 7603. A bill to amend title 38, United States Code, to provide for the payment of pensions to veterans of World War I; to the Committee on Veterans' Affairs.

By Mr. BARRY (by request):

H.R. 7604. A bill to establish a program to recruit the ablest of our citizens qualified to become leaders in their fields, and to increase their usefulness by preparatory education and training for service to American Government, science, education, commerce, and culture; to the Committee on Education and Labor.

By Mr. HENDERSON:

H.R. 7605. A bill to extend the classified (competitive) civil service to certain employees of the Department of Defense, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr KYL:

H.R. 7606. A bill to revive the Alabama Studies on Juvenile Delinquency, and for other purposes; to the Committee on Armed Services.

By Mr. BRUCE:

H.J. Res. 444. Joint resolution expressing declaration of will of the American people and purpose of their Government to achieve complete victory over the forces of the world Communist movement; to the Committee on Foreign Affairs.

By Mr. HERLONG:

H.J. Res. 445. Joint resolution to establish the St. Augustine Quadricentennial Commission, and for other purposes; to the Committee on the Judiciary.

By Mr. MATTHEWS:

H.J. Res. 446. Joint resolution to establish the St. Augustine Quadricentennial Commission, and for other purposes; to the Committee on the Judiciary.

By Mr. PILLION:

H.J. Res. 447. Joint resolution expressing a declaration of war against the 98 Communist parties constituting the international Com-

munist conspiracy; to the Committee on Foreign Affairs.

By Mr. ALGER:

H.J. Res. 448. Joint resolution expressing declaration of will of the American people and purpose of their Government to achieve complete victory over the forces of the world Communist movement; to the Committee on Foreign Affairs.

By Mr. GARLAND:

H. Con. Res. 329. Concurrent resolution expressing the sense of the Congress with respect to the proposed trade by Cuba of prisoners for tractors; to the Committee on Foreign Affairs.

By Mr. MERROW:

H. Con. Res. 330. Concurrent resolution expressing the sense of the Congress that the United States should withdraw from further negotiations with respect to atomic disarmament, and immediately resume atomic testing; to the Committee on Foreign Affairs.

By Mr. PHILBIN:

H. Con. Res. 331. Concurrent resolution relating to restoration of freedom to captive nations; to the Committee on Foreign Affairs.

By Mr. ALGER:

H. Con. Res. 332. Concurrent resolution expressing the sense of the Congress with respect to the proposed trade by Cuba of prisoners for tractors; to the Committee on Foreign Affairs.

By Mr. SHORT:

H. Con. Res. 333. Concurrent resolution expressing the sense of the Congress with respect to the proposed trade by Cuba of prisoners for tractors; to the Committee on Foreign Affairs.

By Mr. KITCHIN:

H. Res. 334. Resolution to create a select committee to investigate personnel and procedures in the Department of State of the United States; to the Committee on Rules.

By Mr. MONAGAN:

H. Res. 335. Resolution disapproving Reorganization Plan No. 6 transmitted to Congress by the President on June 12, 1961; to the Committee on Government Operations.

H. Res. 336. Resolution disapproving Reorganization Plan No. 7 transmitted to Congress by the President on June 12, 1961; to the Committee on Government Operations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relating to the Office of Saline Water of the U.S. Department of the Interior; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to optimum development of the Central Valley Basin and San Francisco Bay region of California, including multipurpose development of certain watersheds therein; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLEY:

H.R. 7607. A bill for the relief of Angelo Pellicano; to the Committee on the Judiciary.

By Mr. JOHANSEN:

H.R. 7608. A bill for the relief of Mrs. Barbara Walker De Maso; to the Committee on the Judiciary.

By Mr. KING of California:

H.R. 7609. A bill for the relief of Cesar Garcia; to the Committee on the Judiciary.

By Mr. LANE:

H.R. 7610. A bill for the relief of Joe Kawakami; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H.R. 7611. A bill for the relief of Milagros Corteza Polvorosa; to the Committee on the Judiciary.

By Mr. CLEM MILLER:

H.R. 7612. A bill for the relief of Otto Bagai; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H.R. 7613. A bill for the relief of Andreas Thies; to the Committee on the Judiciary.

Mr. O'HARA of Illinois (by request):

H.R. 7614. A bill for the relief of Rosina Thies; to the Committee on the Judiciary.

By Mr. PATMAN:

H.R. 7615. A bill for the relief of Clara B. Fry; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H.R. 7616. A bill for the relief of Stephen Patrick House, Ellen Myra Rachael House, Thomas Stephen Rendall House and Jane Ellen House; to the Committee on the Judiciary.

By Mr. MORRIS K. UDALL:

H.R. 7617. A bill for the relief of John W. Schleiger; to the Committee on the Judiciary.

By Mr. VINSON:

H.R. 7618. A bill authorizing the payment of certain moneys to N. M. Bentley in settlement of claim against the United States; to the Committee on the Judiciary.

By Mr. ZELENKO:

H.R. 7619. A bill for the relief of Eleni Papoulis; to the Committee on the Judiciary.

H.R. 7620. A bill for the relief of Leslie George Graham; to the Committee on the Judiciary.

H.R. 7621. A bill for the relief of Mr. Jan Henryk Biel; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

178. By Mr. DOOLEY: Resolution of the Civic and Business Federation, White Plains (N.Y.) Chamber of Commerce, urging that the House Rules Committee adopt the Smith resolution (H. Res. 125) to amend rule XXI of the House of Representatives, so that no bill or joint resolution carrying appropriations or other language that would permit the withdrawal of money from the Treasury without further action by the Congress * * * shall be reported by any committee not having jurisdiction to report appropriations; to the Committee on Rules.

179. By the SPEAKER: Petition of Henry Stoner, Avon Park, Fla., relative to requesting legislation permitting door-to-door solicitation of "Madison's Notes," which is printed as a document, and which would permit easier purchases of and encourage reading of these patriotic documents; to the Committee on House Administration.

EXTENSIONS OF REMARKS

Statement in Support of Appropriations Needed for the Water Resources of West Virginia

EXTENSION OF REMARKS

OF

HON. ROBERT C. BYRD

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Monday, June 12, 1961

Mr. BYRD of West Virginia. Mr. President, on Thursday, June 8, 1961, I was afforded the privilege of appearing before the Public Works Subcommittee of the Senate Appropriations Committee, to testify in support of several items which are in the budget for fiscal year 1962, and which relate to the work of the Corps of Army Engineers in my State of West Virginia. I might say to my distinguished colleagues that each of the items which I supported I have personally inspected. I made a special trip last December, when there was heavy snow on the ground, and during subfreezing weather, to ascertain the worthiness of each project. All of the projects for which appropriations are needed, and in behalf of which I testified, are necessary for the economy and welfare of West Virginia, and several are vital to our national defense and national well-being as well.

I ask unanimous consent that my statement before the Public Works Subcommittee of the Senate Appropriations Committee be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT IN SUPPORT OF APPROPRIATIONS NEEDED FOR THE WATER RESOURCES OF WEST VIRGINIA

Mr. Chairman, I appreciate this opportunity to appear before your distinguished subcommittee. I have with me today representatives of the Ohio Valley Improvement Association. I shall be very brief. I am glad to support the following items which are in the budget request for fiscal year 1962, and I hope that your subcommittee will take favorable action on them:

For the continuing study of navigation facilities for the Big Sandy, River, W. Va., Ky., and Va. This will permit certain economic studies and continuing traffic and market surveys, $20,000.

To complete the study of the Twelve-Pole Creek project. This will permit the restudy of the authorized East Lynn Reservoir, two additional potential reservoir sites, and a possible channel project at Wayne, W. Va. This investigation is about 50 percent complete, and the study is primarily for flood control, $18,000.

For continuing the survey of Cheat River, $70,000.

For Deckers Creek, $1,600.

For Summersville Reservoir. This project is expected to be completed by the fall of 1964, $9 million.

For operation and maintenance of the Bluestone Reservoir, $80,000.

For operation and maintenance of Sutton Reservoir, $94,000.

To initiate planning on the Racine locks and dams, Ohio River, $75,000.

For the Opekiska lock and dam, Monongahela River, $3 million.

For the Pike Island locks and dam, $14,600,000.

Mr. Chairman, there are two items which I particularly want to call careful attention to at this time. One is the budget request for the Belleville locks and dam. The Engineers have indicated, during the recent hearings, that they have a capability of effectively using $1.1 million over the budget request of $900,000, thus making a total capability, as of this time, amounting to $2 million. I hope that your subcommittee will add $1.1 million to the budget request for the Belleville lock and dam. The Engineers could then advance the completion date of the project by 7 or 8 months. I call attention to General Graham's testimony in which he said that the annual average benefits to be realized from the replacement of the old and obsolete locks and dams 18, 19, and 20 by this new structure will amount to an estimated $6,575,000, all navigation. Consequently, it seems to me that the committee would be very wise in appropriating the additional $1.1 million, an amount which we will eventually have to spend anyhow, but by spending it now we will make possible the completion of the project over one-half year earlier than it is presently scheduled, and thus permit a saving of perhaps more than $4 million in terms of the benefits which will accrue from earlier completion. The project can be completed in April 1967 instead of December 1967, as is presently contemplated.

Mr. Chairman, the other item which I would like to mention at this time is a request for $95,000 which I submitted to you in a letter on January 23, 1961. This would permit the Army Engineers to conduct a restudy of three reservoirs on the Little Kanawha River. The reservoirs show considerable promise, and they can be identified as the West Fork, Burnsville, and Steer Creek Reservoirs. Capt. Raymond G. Clark, Jr., of the Huntington Corps of Engineers, presented this estimate of the cost for the restudy in a letter addressed to me on January 19, 1961. I quote from his letter:

During the meeting at Spencer, you asked that you be furnished estimates of costs for a feasibility study of the West Fork, Burnsville and Steer Creek reservoir projects with a view to placing one or more of the projects in the active category. Such a study would involve flood damage estimates, foundation explorations, examinations of borrow material, design of structures, estimates of relocations and lands, flood routings and consideration of uses for flood control, water supply, low flow and recreation. It is estimated that the cost for one site would be $35,000 and $30,000 for each of the remaining two sites. No determination has been made as to when the present work load would permit the accomplishment of such studies.

Mr. Chairman, I am very desirous of having this appropriation included in the bill which you will soon report to the full committee.

Mr. Chairman, in closing, may I compliment this committee on the excellent work which has been done in past years in making possible the modernization of the Ohio and Monongahela River systems. This modernization is proceeding at a fast rate, but it must be accelerated as much as is possible. I traveled down the Monongahela and the Ohio Rivers during the iterim between the last session and the present session of Congress. Your committee staff member, Mr. Kenneth Bousquet, went with me, and Col. Steven Malevich, Huntington Corps of Engineers, and Col. W. W. Smith, Pittsburgh Corps of Engineers, accompanied me, together with Col. Robert Giesen of the Office of the Chief of Engineers.

At this time I wish to express appreciation to these men for their able efforts and their fine cooperation in helping to arrange that trip and in working with me in connection therewith. My observations during that trip convinced me that it is absolutely imperative that we carry forward the modernization of the Ohio River system and that of the Monongahela just as soon as it is physically possible. I witnessed the operation of the old, outmoded, obsolete locks and dams on these two rivers, and I also witnessed the operation of our more modern locks and dams. Modernization of these locks and dams will redound to the best interests of West Virginia and adjoining States from the standpoint of making possible the attraction and growth of industry. Cheaper transportation will follow, and this enhances our position in meeting competition from abroad. Finally, modernization of these two river systems is necessary to the security of this Nation. We will be lax in our responsibility if we fail to replace the obsolete locks and dams which, in time of a national emergency, would delay water transportation and hamper our national effort to survive.

Nonmilitary Battle Against Communism

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Monday, June 12, 1961

Mr. WILEY. Mr. President, yesterday, over radio station WGN, Chicago, I was privileged to review some ideas for fighting the nonmilitary battle against communism.

I ask unanimous consent that excerpts from this address be printed in the CONGRESSIONAL RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

"FREEDOM COMMANDOS" TO FIGHT NONMILITARY BATTLE AGAINST COMMUNISTS—EXCERPTS OF ADDRESS PREPARED FOR DELIVERY BY SENATOR ALEXANDER WILEY (REPUBLICAN, OF WISCONSIN) OVER RADIO STATION WGN, CHICAGO, JUNE 11, 1961

The world—now that the auro of anticipation around the Kennedy-Khrushchev meeting has subsided—must settle down to a long to-and-fro struggle. The results of the head-on meeting between the two chiefs of state are best reflected in the President's words in effect that concessions were neither given, nor received.

Now, the cold war—perhaps intensified—will go on. In the post-Vienna period, then, we must face these realisms:

The Reds will be as tough as ever in negotiation—agreeing only when it will serve the Communist cause.

Communist military aggression will continue—wherever this can accomplish their purposes without evoking a too large scale war. Western military strength, however, probably will continue to serve as a deterrent to massive attack.

The Communist nations will step up economic, ideological, cultural penetration of new lands and people.

In the face of such a multipronged offensive, we must either create more effective policies for stopping them, or watch more and more of the world be gobbled up by communism.

How, then, can we best fight such aggression:

By further strengthening our jet-missile-nuclear space defenses to serve as a deterrent to massive attack.

By improving our nonmilitary defenses and expanding our counter offensive efforts economically, ideologically, culturally.

By more effectively mobilizing our manpower and resources, particularly by providing more opportunity for our citizens to voluntarily serve our country in this time of crisis.

From time to time, I receive inquiries from patriotic citizens asking, "What can I do, as an individual citizen, to better serve my country?"

As of now, there is, unfortunately, little if any opportunity for such voluntary service. Consequently, I believe a sweeping review of our Nation's policies is essential. The purpose would include efforts to examine the possibility of:

1. Allowing financial contributions from individuals who so wish to "invest in our security"—more than just required taxes.

2. Inspiring our citizens to think about, and to attempt to create new and better ideas for coping with this great evil.

3. And to enable our citizens to actively enlist in the fight against communism.

Today, the Communists have an estimated 36 million people operating in about 86 nations. Their purpose is espionage, sabotage, subversion—to undermine existing, non-Communist governments and eventually "take over" the countries.

This army of Red conspirators represents a threat equal to, if not greater than the military power of the Communist bloc—if an East-West standoff by "threat of mutual annihilation" continues to exist.

To fight this nonmilitary battle, then, we need to create an army of "freedom commandos," trained to fight and conquer in this kind of war. Admittedly, this would be a new tactic in U.S. strategy. But never before in history have we been faced with such a global nonmilitary, as well as military, attack against freedom.

Currently, a bill, S. 822, is pending before the Senate Foreign Relations Committee. The objective of this bill would be to establish a Freedom Academy to conduct nonmilitary warfare against the Reds. Although objections have been raised to some aspects of the program, this at least would be one approach to the problem.

If we are to defeat the Red threat to our survival, I believe, we need to consider seriously the adoption of this, or a similar kind of program for training highly skilled, proficient "freedom commandos" to help fight—and win—the battle against communism.

Result of 1961 Public Opinion Poll of 17th Ohio District

EXTENSION OF REMARKS
OF
HON. JOHN M. ASHBROOK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, June 12, 1961

Mr. ASHBROOK. Mr. Speaker, I believe the results of the 17th District Public Opinion Poll present a very interesting picture of the reactions of my constituents to the legislative proposals before the Congress. Questionnaires were mailed to a representative cross-section of voters in all seven counties of my district and we received 12,622 replies of which 84 percent returned questionnaires which I had mailed directly to voters and 16 percent were clipped from district newspapers.

Even more significant than the results of the poll which indicate a grave concern in huge spending proposals and deficit fiscal policies is the fact that over 7,000 of my constituents took the time to write their views in addition to casting their votes. These views illustrate the growing public concern for the direction our Government is taking and the oppressive taxation and loss of individual freedom which is resulting from the huge welfare programs.

We often hear organizations and associations telling us what the people want and what they think. It is my opinion that in questionnaires of this type we get a much clearer picture than is ever presented by pressure groups or vocal minorities. I would commend a study of the results contained in the summary below to the membership of the House:

Results of questionnaire

[In percent]

	Yes	No	No opinion
1. What are your thoughts on Federal aid to education (answer 1):			
(a) I do not favor a program of Federal aid to education			51
(b) I favor Federal aid to education only if there is no control of our traditionally local school matters			35
(c) I favor Federal aid to education			9
No opinion			5
2. Do you favor Federal aid or loans to private or parochial schools	10	87	3
3. Which more adequately reflects your position on medical care:			
(a) I support a compulsatory Federal program of medical care for the aged under social security with the cost of program paid for by increased taxes on employees and employers			16
(b) I support a voluntary program of medical care for the aged with costs shared by Federal and State Governments out of general tax revenues			29
(c) I do not believe in government participation in this field			48
No opinion			7
4. Do you favor a farm program which will—			
(a) Move in the direction of less controls and subsidies			84
(b) Endeavor to improve farm income by adopting strict farm controls and price supports			8
No opinion			8
	Yes	No	No opinion
5. Do you support the President's request for extension of the 1-cent tax on gasoline (which expires this year) to finance improvements in our Interstate Highway System?	59	36	5
6. Should Red China be diplomatically recognized by this Government?	14	74	12
7. Should Congress raise the minimum hourly wage to $1.25 and extend it to local businesses heretofore considered in State or local commerce?	36	57	7
8. Do you favor the President's multibillion dollar foreign aid program?	13	77	10
9. Do you believe that Congress should enact laws protecting domestic industries from competition of products imported for sale in the United States?	64	24	12
10. Do you believe in extending unemployment compensation benefits from 26 to 39 weeks?	35	58	7
11. Do you favor a "softer" U.S. attitude toward the Communist bloc?	2	94	0
12. Should we abolish the House Un-American Activities Committee?	10	76	14
13. Do you favor a general increase in the services of Government as proposed by the President?	16	73	11
14. Do you support the proposed Peace Corps?	37	43	20

River Projects in Alabama

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 12, 1961

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by Congressman GEORGE GRANT before the Subcommittee on Appropriations for Public Works:

STATEMENT OF CONGRESSMAN GEORGE GRANT

Mr. Chairman, it is my privilege to join with my colleagues from Alabama and many outstanding leaders of our State in stressing the need for the complete development of the Alabama-Coosa River system at the earliest possible date and specifically, today, in urging approval of the three items in the 1962 Federal budget that will do much toward expediting this goal.

As evidenced by the floods in February and early March of this year, a controlled water system could have allayed much of the some $15 million damage and the evacuation of 5,180 families from the basin of the Alabama-Coosa River system. For several years now, a group similar to the one before you today, has been testifying before this subcommittee in support of funds for projects on the Alabama-Coosa River. During this time, you will recall that the Corps of Engineers has established the economic feasibility of the ultimate development of the Coosa River for navigation and has recommended that the construction of the Alabama River development be initiated as soon as practicable. The 86th Congress appropriated $200,000 in fiscal year 1961 for planning of Millers Ferry multipurpose dam, Alabama River; and the Federal budget for 1962 contains an item of $37,000 to complete advanced planning and design of this project plus $75,000 to resume planning of the Claiborne lock and dam, Alabama River; and $300,000 to complete planning and design of Carters flood and power dam, Coosawattee River, Ga. All three items are essential to the continued economic growth of the commercially tributary area of 26,000 square miles with a population of 3 million.

Because the testimony of Mr. Robert F. Henry, president of the Coosa-Alabama River Improvement Association, and others here today from Alabama contain in complete detail the "whys" and "wherefores" for the requested $750,000 to expedite this vital river development, I shall not elaborate further except to conclude that nothing could have pointed up more emphatically the importance of the construction of all the approved dams on this river system than the recent floods. Most assuredly, now is the time before similar floods occur, Mr. Chairman and members of your subcommittee, to approve the requested amounts in the 1962 budget. By your approval, you will be helping to bring about vast untapped resources which the people of the Alabama-Coosa River Basin and the Nation cannot afford to leave undeveloped.

Civilian Control of the Pentagon

EXTENSION OF REMARKS
OF
HON. FRANK KOWALSKI
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Monday, June 12, 1961

Mr. KOWALSKI. Mr. Speaker, the arrogance of the military mentality which for too long has marked certain segments of our Defense Establishment is being displayed again in the all-out campaign being waged against Secretary of Defense McNamara.

The self-seeking Pentagon clique which has never truly accepted civilian control is again playing the old game of seeking to discredit top civilian officials, especially the Secretary of Defense.

There are the planted newspaper stories, there are the leaks to the press, there are the statements attributed to "high ranking" but still anonymous service sources. All have the same objective—to tear down the Civilian Defense Chief and thereby build up the strength of the military bosses.

And what is Secretary McNamara's crime, in the eyes of these single-minded zealots who seek to destroy him?

It is simply that he has sought to follow the constitutional provision that our Armed Forces be under civilian control.

The military clique will accept a figurehead; it will smile pleasantly on any Secretary who talks in pious generalities and lets the military keep control of policy.

But this power-hungry brazen-brass clique will not accept a Secretary who not only pays lip service to civilian control but who actually moves toward full civilian supervision. It resents Secretary McNamara; it is fighting him, and fighting him viciously.

We want no military czars in this country, Mr. Speaker; we want no general staff to be in full control; we want no men on horseback.

We want, as the Constitution provides and as history has proven wise, a Military Establishment that is under complete civilian direction.

What the power clique is doing can be regarded as nothing other than disloyalty to the United States.

This is a serious charge, Mr. Speaker, but this is an extremely serious situation. Our system, facing stern threats from without, faces an even greater danger of collapse from within if this revolt against civilian control of defense is allowed to continue.

I know that the Congress will support Secretary McNamara in whatever strong action he feels is needed to quash this power clique rebellion—and to quash it completely and irrevocably.

River Project in Alabama

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 12, 1961

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by Hon. CARL ELLIOTT before the Subcommittee on Appropriations for Public Works:

STATEMENT OF THE HONORABLE CARL ELLIOTT OF ALABAMA

Mr. Chairman, I appear today to urge that the Subcommittee on Civil Functions approve the budget items designed to speed along the development of the Coosa-Alabama River system; namely, (1) $375,000 to complete the advanced planning and design of Millers Ferry navigation and hydroelectric power dam, Alabama River, at mile 140; (2) $75,000 to resume planning of Claiborne navigation dam, Alabama River, at mile 80; (3) $300,000 to complete planning and design of Carters flood and hydroelectric power dam, Coosawatte River, Ga. The Coosawattee River is one of the headwater streams and is a tributary of the Oostanaula River—the latter joins the Etowah at Rome to form the Coosa.

Mr. Chairman, the Coosa-Alabama River system is one of America's great undeveloped river systems.

I am interested in seeing its development because I recognize that what helps one part of Alabama, helps the entire State. I can illustrate this by the fact that my own district lies in the Warrior-Tombigbee system basin. My district produces a considerable amount of coal and has the capacity to produce many times what it presently produces. When the Coosa-Alabama River system is made navigable, we will then see coal from the Seventh Congressional District of Alabama moving down the Warrior-Tombigbee River system to the point of its confluence with the Coosa-Alabama River system and moving thence up the Coosa-Alabama River system to feed the industry along its banks.

The Coosa-Alabama River Improvement Association, Inc., has made a study of the industrial potential of the Coosa-Alabama River basin and on the basis of the history of similar river developments, it has found that approximately 55,000 new industrial workers will be employed in the basin within a few years after the complete development of the Coosa-Alabama River system. The U.S. Department of Commerce has found that every 100 new industrial workers will result in an increase of 338 in community population. If we use these same figures, we can arrive at the following results of the development of the Coosa-Alabama River basin: 186,000 new inhabitants; 40,000 new nonindustrial workers; 64,000 new homes; 30,000 additional school children; 90,000 additional automobiles; 30,000 more telephones; $412 million annual increase in personal income; $189 million annual increase in bank deposits; and $251 million more retail sales per year.

I can think of nothing that Alabama needs more today than it does the total of 95,000 new jobs which this development will eventually bring about.

Our Government will reap great benefits. America will reap great benefits. The defense of our Nation will be made more secure; our industry will have the benefits of cheap transportation; our people will have jobs—all these make a strong America. They make a strong Alabama.

Bicycle Import Loophole

EXTENSION OF REMARKS
OF
HON. HOWARD H. BAKER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES

Monday, June 12, 1961

Mr. BAKER. Mr. Speaker, I have today introduced a bill (H.R. 7587) designed to close a customs loophole and bring a stop to collusive duty avoidance endeavors by certain bicycle importers and foreign bicycle manufacturers. In essence my bill would stop foreign manufactured bicycles from being imported into the United States under a customs subterfuge that results in the assessment of only half of the duty that Congress and the Executive intended should apply. The bill would not give any new protection to the American bicycle industry but would merely make sure that the American manufacturers providing jobs for American working people get the benefit of the tariff safeguards presently on the statute books.

The problem arises from the fact that for tariff purposes there are classifications of bicycles according to weight specifications with the duty on lightweight bicycles being less that for other weights. The Treasury Department has ruled that accessory items such as luggage carriers, kickstands, tanks, and other items of a similar nature shall not be included in the computation of a bicycle weight with the result that imported bicycles which in fact are comparable to an American middleweight bicycle are entering the United States with these accessories at the lower duty rate applicable to lightweight bicycles. These imported lightweight bicycles are designed and intended to compete against American-made middleweight bicycles. This means that the U.S. Government is denied duty revenue to which it is entitled and American bicycle producers including the workmen are denied the tariff protection to which they are entitled.

Mr. Speaker, the purpose of the bill which I have sponsored, along with a similar bill, H.R. 7345, sponsored by my distinguished committee colleague, the Honorable EUGENE J. KEOGH, of New York, is to give effect to the clearly intended duty treatment so that unfair competition will not arise from the present erroneous application of the law. This urgently needed corrective action would be accomplished by a clarifying definition of what the tariff law means in regard to a lightweight bicycle.

Mr. Speaker, the survival of our domestic bicycle industry may well depend on the promptness with which Congress acts on the legislative proposal which I have joined in cosponsoring with my colleague the gentleman from New York [Mr. KEOGH].

Mr. Speaker, my own State of Tennessee is vitally interested in this proposed legislation because one of the largest bicycle manufacturing plants in the country is located in Lawrenceburg, Tenn. This plant last year employed 2,000 workers.

Due to this unfair import competition the employment this year has dropped to 1,800 workers.

Unless this loophole is promptly closed, further substantial decline in employment will necessarily follow.

Returns From Questionnaire From Senator Beall

EXTENSION OF REMARKS
OF
HON. J. GLENN BEALL
OF MARYLAND
IN THE SENATE OF THE UNITED STATES

Monday, June 12, 1961

Mr. BEALL. Mr. President, each year, for the past several years, I have sent to my constituents a questionnaire touching upon subjects of national interest. Today, by means of my weekly newsletter, I am furnishing my constituents with a tabulation of the answers received to this year's questionnaire.

In past years I have found this questionnaire to be most helpful in reflecting public opinion of the many issues which come before Congress. In order that my colleagues may have the benefit of this expression of public opinion, I ask unanimous consent that my weekly newsletter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SENATE CLOAKROOM
(Newsletter of Senator J. GLENN BEALL, of Maryland)
WASHINGTON, D.C., *June 12, 1961.*

DEAR FRIENDS: Questionnaire returns: A total of 1,783 of our questionnaires were filled out and sent back to us. The questionnaire was sent to our regular mailing list of 6,500 citizens of Maryland. The list includes doctors, lawyers, ministers, engineers, teachers, farmers, white-collar workers, clerks, carpenters, bricklayers, steelworkers, laborers—people of every profession and trade, of both political parties, in every part of the State—on a fairly proportionate basis. I believe the returns furnish an accurate cross section of how the people of Maryland feel on these subjects now in the

public mind. At a matter of fact, I believe that if every adult in the State should be polled, the results would run very close to these results. In subsequent issues of the Senate Cloakroom we will try to analyze some of the more significant returns. The tabulation of the 1,783 answers to each of our 45 questions gives us the following results, by percentage:

	Percent		
	Yes	No	No answer
1. Would you favor our going to war if necessary to prevent Soviet encroachment into the Western Hemisphere?	79	10	11
2. Would you favor our giving military aid to a competent Cuban counterrevolutionary movement?	75	15	10
3. Should our Central Intelligence Agency be investigated?	66	18	16
4. Assuming the Communists take over Laos and attempt to take over Vietnam, would you favor using our troops to make a stand against them in Vietnam?	52	33	15
5. Would you favor our going to war if necessary to prevent being forced out of West Berlin by the Russians?	76	13	11
6. Shoud the new African nations form a block to vote with Russia and against us on crucial questions in the United Nations, thus giving Russia control of U.N. actions, would you favor our withdrawing from the U.N.?	39	52	9
7. Should we continue to support the Chinese Nationalists?	75	14	11
8. Do you favor United States recognition of the Red China regime?	14	74	12
9. Do you favor the seating in the United Nations either now or within the next year or two of the Red China Government?	15	73	12
10. In view of the fact that India nearly always votes against us in the United Nations and the further fact that India's Prime Minister Nehru joined Khrushchev in attacking us as aggressors in Cuba, should we halt our program of aid to India?	43	42	10
11. Should our entire foreign-aid program now be reevaluated?	90	3	7
12. Do you approve President Kennedy's decision to "ride out" any massive nuclear attack before making a counter punch?	17	67	16
13. Would you favor arming NATO with nuclear weapons?	53	29	18
14. Do you think it would be to the Red's advantage for all nuclear weapons to be banned, since Russia and Red China have an overwhelming numerical superiority in manpower?	64	23	13
15. Do you agree with those who say we should retreat from our insistence on an adequate inspection system before disarming?	8	85	7
16. Are you in favor of peace at any price, including appeasement and step-by-step surrender, bowing to the will of the Soviets?	2	9	7
17. Do you favor establishing the Youth Peace Corps on a permanent basis as part of a U.S. aid program in underdeveloped countries?	34	49	17
18. Do you think Youth Peace Corps candidates are justified in demanding that they not be investigated for security clearance?	7	84	9
19. Do you believe that students who receive Government aid for their educations should be required to file an affidavit of loyalty?	78	16	6
20. Do you favor the continuing of congressional investigations into subversive or un-American activities?	83	8	9
21. Generally speaking, would you favor tariff and quota revision to slow the importation of foreignmade goods into America?	52	33	15
22. Do you approve of the Federal food stamp plan as a relief measure to assist needy families?	49	30	21
23. Do you think that heavy Government spending helps our national economy more than it hurts it?	23	60	17
24. Would you have voted for the area redevelopment bill, designed to aid depressed areas of the Nation?	40	39	21
25. Do you think that unemployment benefit payments should be extended for a longer period than 6 months?	14	71	15
26. Would you favor a sliding scale for social security retirement payments, tied to a cost-of-living index?	50	34	16
27. Are you in favor of Federally financed medical benefits under the social security system?	25	65	10
28. Do you believe that 40-year no-downpayment mortgages on new homes should be made available through Federal law to all moderate-income families?	19	70	11
29. Do you favor the Federal Government's assisting localities in constructing public schools and paying teachers' salaries?	19	72	9
30. Do you think that any Federal aid extended to public schools should also be extended to parochial schools?	16	76	8
31. Would you favor a program designed to end farm subsidies?	80	8	12
32. Do you believe we should pay as we go in the building of the Interstate Highway System even if it means higher taxes?	66	18	16
33. Do you think Congress should put a stop to "backdoor spending," the bypassing of the appropriations committees and budget control in the financing of spending programs by the expediency of authorizing "borrowing" from the Treasury?	81	7	12
34. Would you favor a constitutional amendment which would assure more proportionate representation in Congress, each congressional district to have approximately the same population?	73	11	16
35. Do you think the postal service should be self-supporting and would you favor increasing postal rates to eliminate the Post Office Department deficit?	62	25	13
36. Would you favor a national lottery as a means of raising revenue?	38	51	11
37. Would you like to see integration in schools in your area move along faster than at present?	19	63	18
38. Would you have voted for the recently passed minimum wage bill?	38	51	11
39. Do you consider wage fixing as in the same category as price fixing?	66	19	15
40. Do you favor the present outlawing of secondary boycotts?	62	11	27
41. Would you vote for the Thompson-McNamara bill which would permit secondary boycotts at construction sites?	8	65	27
42. Would you favor outlawing cost-plus contracts on missile bases which have permitted exorbitant wages and featherbedding?	76	13	11
43. Would you favor outlawing all strikes on missile bases?	79	9	12
44. Would you favor all-out effort to "leapfrog" the Russians in the space race and try to beat them to the Moon, Venus, and Mars?	28	59	13
45. Would you favor any Federal control on TV programing?	24	65	11

Sincerely yours,

J. GLENN BEALL.

A Tear for the Great American Dream

EXTENSION OF REMARKS
OF
HON. WALTER L. McVEY
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES

Monday, June 12, 1961

Mr. McVEY. Mr. Speaker, "To whom something is given, to him, then, something is required." This truism if applied to Federal aid to education, can and does mean only one thing. If Federal funds are given to education, then not only our teachers, but our whole American system of education is required to submit to Federal controls.

Would not the mere creation of any financial system whereby our school teachers are told what they must or must not teach be a form of tyranny? Tyranny has only one form, regardless of its beginnings, and the evil of it is simply that it is tyranny. To me, the most important consideration in our public and private life must be the preservation of individual liberty and freedom. Let us not forget that sometimes freedom can be sold for a few dollars under the guise of something being given. Certainly, it is our responsibility, we the Members of the U.S. Congress, to give only to the people what is truly best for them.

I am opposed to the principle of Federal aid to education and I know from my experience while serving on the education committee of the Kansas State Senate, that Kansas has ample resources to pay the continuing costs of education, and I suspect that this is true in many of our States. It seems pathetic that so many of our people are being led by sophists to mistakenly believe that more money, in and of itself, finer buildings and physical plants, will give us better education than we are now receiving. This is a subtle fallacy, for education like any governmental program, should have some element of realism in its financial structure, looking to need, rather than to glamorous luxury.

Admittedly, there are different viewpoints on this subject; however, I think that most of us are interested in the same ultimate goal, which is the maintenance of an excellent educational system for the youth of our Nation. For this reason, under leave to extend my remarks, I submit the following editorial "A Tear for the Great American Dream," for perusal by my distinguished colleagues. This editorial appeared on Monday, May 22, 1961, in the Wilson County Citizen, one of our finest semiweekly newspapers in the Midwest. The Wilson County Citizen is owned and published by two dedicated Americans, Joseph S. and Rita M. Relph:

A TEAR FOR THE GREAT AMERICAN DREAM

Loud are the lamentations in Washington over the losses of priceless liberties in Cuba and Laos, but has anyone a tear—one tiny tear—to shed for the great American dream?

For we cannot see a more death-dealing blow that could befall our Nation than the bill for Federal aid to education that is streaking through Congress at this moment. The feeble protesting amendments to the bill were brusquely turned aside by the Senate. The bill will only provide more pay for teachers, more money for classrooms; the wise ones tells us there can be no Government influence on the schools or what they teach—it is a laugh. When has there been any pie that the Federal thumb went into that it didn't come up with all the plums.

Education is and always has been a responsibility of State and local government. Even before that, it is the responsibility of

the parent. If parents are willing to turn the education of their children over to the Federal Government, if the city and the county and the State are willing to have the Federal Government handle their educational funds and pay the price of redtape, then we need not pretentiously beat the drum for the freedom of the individual man because we will not be free, the State will not be free, the teachers will not be free, the schools will not be free. And when our schools are no longer free—God help America.

River Projects in Alabama

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 12, 1961

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by Senator JOHN SPARKMAN before the Subcommittee on Appropriations for Public Works:

STATEMENT OF SENATOR JOHN SPARKMAN

Mr. Chairman, I testify today in behalf of three projects designed to develop the Coosa-Alabama River system so that maximum use can be made of its potentialities.

The three projects are Millers Ferry lock and dam and Claiborne lock and dam, both on the Alabama River, and Carters Dam on the Coosawattee River, a tributary of the Coosa-Alabama in northwest Georgia.

While I know that the Georgia delegation will do a fine job of championing this last-mentioned project, I do want to mention its significance to Alabama. As all of us in Alabama know, severe flood damage occurred in the Coosa-Alabama system this year. It is anticipated that Carters Dam will be useful to help regulate the flow of water through the Alabama-Coosa Waterway. The total of $300,000 which we are requesting today will complete preconstruction planning of this important project.

With regard to Millers Ferry lock and dam in my own State, I feel that I am testifying in behalf of an old but much neglected friend. This old friend was a victim of the Korean conflict.

Because of this conflict, our Federal Government adopted a policy of not launching any new individual projects nonessential to the immediate needs of war. This principle was carried through into later years and continued for budgetary reasons until last year. Mr. Chairman, I never did agree that Millers Ferry should be classified as a new start, because the Federal Government began helping develop this system in 1876.

The President's Water Resources Policy Commission in 1950 recognized the Coosa-Alabama system as 1 of 10 great systems that would play an important part in America's future.

The Water Resources Policy Commission report deals extensively with the Coosa-Alabama basin's potential for contributing to the Nation's economy. The report conclusively indicates that the basin's contribution to the national economy would be greatly enhanced by comprehensive waterway development.

Ten years have gone by since the Coosa-Alabama system was thus recognized and little has been done, relatively speaking, to bring about full development of a river system marked as one of prime importance.

It was so marked by the President's Water Resources Policy Commission in 1950. It was so marked by Congress when Congress authorized construction of the Millers Ferry project over 15 years ago and when Congress subsequently voted $249,000 for preconstruction planning. This is in addition to the $200,000 granted last year.

It was so marked by President Eisenhower in his state of the Union address in 1955 in which he specifically labeled Coosa-Alabama development as an example of Federal partnership with local and private organizations for river development. The first dam in Alabama under this partnership arrangement has just been completed. The recent closing of the gates at Weiss Dam in Cherokee County by the Alabama Power Co., started the formation of a lake which will cover 45 square miles in Alabama and Georgia.

The request this year is for $375,000 to complete preconstruction planning on Millers Ferry lock and dam. It is a good project. It is economically feasible. Accordingly, I urge the members of this subcommittee to approve this year's request.

Millers Ferry lock and dam, as those of us here know, is 1 of a series of 13 dams to be constructed along the Coosa-Alabama system.

Along the Alabama River between Montgomery and Monroeville, two other projects are also on the drawing boards. They are Jones Bluff and Claiborne locks and dams. Jones Bluff is not budgeted this year. However, Claiborne, which had been in the active planning stage before June 30, 1952, is in the budget for $75,000. This is another project interrupted by the Korean conflict and subsequently left out because of budgetary considerations. Authorized in 1945, this project on completion is scheduled to provide navigation and streamflow regulation. With the multiple-purpose dams to be constructed at Millers Ferry and Jones Bluff, the Claiborne Dam would help provide navigation through a 9-foot channel past Montgomery to Wetumpka.

Once these three dams are completed, I do not believe we shall ever again see the kind of flood damage suffered by the people of Dallas and surrounding counties this spring.

The history of Coosa-Alabama River development has not been gratifying. However, the outlook for the future is. The Coosa has not been usable for shipping from Roma, Ga., to Childersburg, Ala., since 1920. The Alabama River has been navigable only in the lower 110 miles since 1930. It is gratifying to note that for the first time in 8 years all of our requests are already included in the President's budget.

With the outlook, thus, improving substantially, I believe it will not be too many years before water transport from Rome, Ga., to the Gulf of Mexico will again be a part of Alabama's and Georgia's economy.

Toward that end, Mr. Chairman, I pledge my continued work and support.

Statement in Support of Senate Resolution 105

EXTENSION OF REMARKS
OF
HON. ROBERT C. BYRD
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES
Monday, June 12, 1961

Mr. BYRD of West Virginia. Mr. President, this morning I had the privilege of appearing before the Senate Committee on Interior and Insular Affairs, to testify in support of Senate Resolution 105, which calls for the establishment of a special Senate committee to make a study aimed at the establishment of a national fuels and energy resources policy. I ask unanimous consent to have my statement before the committee printed in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR ROBERT C. BYRD OF WEST VIRGINIA, ON SENATE RESOLUTION 105

Mr. Chairman, the conservation of our natural resources is, and has been for half a century, the paramount domestic issue before the American people—an issue plagued by sectionalism and by unconscionable marketing practices by vested interests, but never resolved on the critical criteria of national self-interest. I refer in particular to our natural energy fuels.

Studies have been made in the past by special commissions, independent groups, and by representatives of the executive branch—all seeking a real and lasting solution to the problem of conserving our natural fuels. Almost invariably, a national fuels policy has been recommended.

Unfortunately for the safety and security and defensive strength of our Nation, all of these findings and recommendations have come to naught, because they lacked the solidity of congressional consideration and action.

In the face of no national conservation policy, a kind of jungle warfare for markets has ensued—especially on the part of some producers of such vital fuels as natural gas and oil. In this jungle warfare, these producers have engaged in a reckless depletion of these limited energy resources—and will continue to do so to the ultimate peril of our Nation, unless and until a national fuels policy is established.

An example of this reckless depletion occurred earlier this year, when a large natural gas pipeline company offered a group of eastern utility companies 75 million cubic feet per day of surplus gas on a firm basis from February 1 to October 1 of this year, at a price approximately 25 percent less than that for bituminous coal—the fuel which is now being consumed by these utilities.

Mr. Chairman, how can one have a surplus of natural gas, when it can be kept in the ground? Is not the use of natural gas for steam boiler purposes an uneconomic and rash waste of this precious, highly expendable resource—a reckless depletion which may cause us untold hardship in the event of war? The unrestrained use of natural gas, if anything, points to the urgent need for the establishment of a national fuels policy.

The need for a national fuels policy becomes most pressing when we review what has been happening to our most basic and most enduring natural fuel—coal. Such a review is both necessary and pertinent to an intelligent consideration of Senate Resolution 105.

The United States has about one-third of the world's known coal supply. An estimated 1,821 billion tons of various types of coal are buried beneath our Nation's soil. Thirty-three of our fifty States have mineable coal deposits—deposits which cover approximately 464,050 square miles, or 13 percent of the total area of the United States.

During this Nation's existence, about 35 billion tons of coal have been mined. But for each ton mined during the past 2 centuries, roughly 52 tons still remain in the ground. This is equivalent to 10,000 tons for every man, woman, and child in our country today—plainly enough to meet our national needs for many centuries to come.

But today the coal industry is in serious difficulties, despite the fact that it is the very sinew of American civilization, the prime factor in our high standard of living, the key catalyst in the making of steel and

aluminum, the generative fuel behind most of this country's present production of over 800 billion kilowatt hours of electric energy. Its difficulties are mainly due to cutthroat competition in such wasteful market practices as the "dumping" of valuable natural gas for steam boiler use, and in excessive imports of residual oil from abroad, priced to sell along Atlantic coast ports at any figure necessary to undersell domestic coal.

I would point out to Senators that the 1960 imports of residual oil—230 million barrels—were the equivalent of approximately 55 million tons of bituminous coal. However, about 75 percent of the imported oil is competitive with coal. Therefore, this competitive foreign residual fuel oil displaced 41,250,000 tons of coal. And when this is added to the several million tons of coal displaced by dumped natural gas, it should be evident that the total tonnage lost to coal producers places the industry in a highly unreliable position for large-scale production in the event of a national emergency.

Coal mines cannot be mothballed. When they are not in operation they plainly decay. They soon become flooded with water. The roofs of tunnels fall in. The machinery deteriorates. Skilled coal miners seek employment opportunities elsewhere, and young workers are discouraged from entering the occupation of mining.

It is interesting to note, in this connection, that in 1951, the percentage of miners under 30 years of age was 18.6. In 1957, it had fallen to 6.5 percent. This alarming trend emphasizes the importance of retaining young workers in the bituminous coal industry in order to assure an adequate supply of skilled and experienced workers in the event of war.

Mr. Chairman, I do not speak of the possibility of war in any casual manner. Crises in world events are almost daily occurrences, and each holds within it the spark which may touch off a world holocaust. Thus, we must look at our overall fuels situation in the light of such a possible emergency.

Facing up to such an eventuality, we must recognize that today's level of coal production, because of unregulated competition from exhaustible fuels, is insufficient to guarantee that the industry could meet the demands it would face in case war shut off the import of oil and gas from abroad.

Take, for example, the demands which the coal industry may suddenly face in the New England area alone, in the event of war. New England area industries, in the past several years, have been converting from coal to imported residual fuel oil—a fuel supply which is particularly vulnerable to interruptions by enemy action. This fact is attested to by the history of World War II, as contained in 87–88 of the Interior Department's History of the Petroleum Administration for War, 1941–45. Referring to the sinking of 50 tankers along the east coast in 1942, and the resulting fuel supply situation, the document has this to say:

"Although the boats had to keep running to supply military requirements, no one could doubt the decline of tanker shipments for civilian needs in the face of these 50 sinkings. From then on, until the last year of the war, tanker deliveries were an insignificant factor in supplying the oil needs of the east coast.

"Tanker deliveries to the east coast reacted quickly to the submarine blockade. Shipments started to dive in February 1942, and by May they amounted to only 173,000 barrels daily, or about 18 percent of the December 1941 total. The low point of the war was reached in April and May of 1943—63,000 barrels a day. From May 1942 to the end of 1943, east coast tanker deliveries averaged only a little more than 121,000 barrels daily.

"Even this small movement was on an uncertain, sporadic, undependable basis.

"One of the most crippling effects of the transportation shortage was the decline, below safe levels, of petroleum inventories on the east coast for the duration of the war. Never, throughout the war, was it possible to rebuild stocks on the east coast to safe operating levels, even after the transportation bottleneck was broken, although strenuous efforts were made to do so. This shrinkage of inventory was the major cause of one of the worst headaches of the war—the spot shortages which would result from failure of a scheduled shipment to arrive when storage tanks were empty."

Can the coal industry, in the event of war, come to the rescue of New England's energy needs? As of today, the answer would be problematical, indeed. To supply the energy fuel that our Nation's defense production would require in an emergency, the coal industry would need a basic operating level of at least 500 milion tons per year from which to take a running jump. This is about 90 million tons more than we produced in 1960.

But even if a war could call for tremendous new contributions from the coal industry, it would have a similar impact on the natural gas industry and the oil industry. All three must be kept vigorous and solvent if they are to fulfill their necessary roles in powering America in peace or in war. This requires the kind of study, and the formulation of a national fuels policy, which I hope would result from enactment of Senate Resolution 105.

There is no question in my mind but that a national fuels policy would provide coordinated and effective standards criteria, and principles for a course of action designed to achieve the continued development of energy supplies and fuel resources in the United States, with the aim of strengthening the national defense, providing orderly industrial growth, and assuring supplies for our expanding national economy and for any type of future economy.

I urge this committee to report Senate Resolution 105 for early consideration by the Senate, and I appreciate the opportunity to express my thoughts and convictions on the purpose and intent of the provisions of this resolution.

Seventy-fifth Anniversary of Seeman Bros., Inc.

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Monday, June 12, 1961

Mr. WILEY. Mr. President, recently I was privileged to attend the 75th anniversary of Seeman Bros., Inc., in New York City. On that occasion I was privileged to give an address reviewing world affairs.

I ask unanimous consent that excerpts from my address be printed in the CONGRESSIONAL RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS OF ADDRESS PREPARED FOR DELIVERY BY HON. ALEXANDER WILEY, REPUBLICAN, OF WISCONSIN, SENATE FOREIGN RELATIONS COMMITTEE AT THE 75TH ANNIVERSARY OF SEEMAN BROS., INC., JUNE 7, 1961

Ladies and gentlemen, I welcome the opportunity to convey heartiest congratulations to you members of Seeman Bros., Inc., upon your 75th anniversary. This represents a splendid record of free enterprise, successfully serving the American people.

Today, we as free people are faced with great challenges—economic, military, political, social, ideological to our free system.

Victory in the East-West struggle will be attained only if we successfully mobilize all our manpower and resources. Free enterprise—which you represent—can, and must, play a fundamental and increasingly stronger role in this struggle for survival. Again I stress: This is an allout battle—to be fought with ideas, words, guns, food, and all other tools that can be utilized.

As stewards of a vital resource—food—you are making a uniquely important contribution to the health of our people and the economy. To better serve our national interests, however, we must utilize such foodstuffs to a greater degree:

1. To provide good, adequate diets for the people of America.

2. For feeding the hungry elsewhere in the world.

3. In addition to humanitarian purposes, to utilize food as a strategic weapon in our foreign policy.

Once a farmer, I know something of the food industry at the grassroots.

Today, my home State of Wisconsin ranks high in the production of health-giving foods to feed America. This fine record includes rankings of first in production of milk with an output of about 18 billion pounds annually, and in production of green peas and sweet corn for processing; second in production of beets, cranberries, and cabbage; third in production of lima and snap beans, cucumbers for pickles, and cherries, as well as many other high-quality health-giving foods.

Looking now at the national picture, we must—if we are to continue to provide an adequate supply of good foods for the American people—attempt to maintain a sound healthy farm economy; provide an adequate margin of profit for processors and distributors, and assure a good supply of health-giving, life-enriching foods for consumers at reasonable prices.

In a closely integrated economy, we recognize that Government policies can have a substantial impact upon the economy.

Recently, for example, the President made some far-reaching recommendations to the Congress that could have a dramatic impact, not only on farming but upon food producers, processors, and the consuming public.

The highlights of the President's recommendations included the establishment of a National Farmers Advisory Committee System.

The committees would be established to handle production and marketing programs for each commodity in which supply adjustment is required. The developed programs involving controls over production and marketing, however, would not go into effect until approved by two-thirds of the producers.

Personally, I have long felt that (a) the farmer should have a stronger voice in programs affecting his economic future; (b) that solution to the supply-demand imbalance of farm products can best be resolved on a commodity-by-commodity basis; and (c) that self-help as a principle should be encouraged—reducing the load on Uncle Sam.

However, there are serious questions to be resolved, including:

How much authority should be granted the committees and the Secretary of Agriculture in controlling production, marketing, and prices of farm products?

Can the farmers and their organizations—until now unable to agree on a national farm policy—develop acceptable plans for separate commodity programs?

How complex will be such a multicommodity program?

How much will it cost the farmer, processor, distributor, and taxpayer, and what effect will it have on consumers?

Congress, of course, will have to examine these recommendations very carefully.

In evaluating the farm program, there are certain things we don't want. These include:

We don't want a czar in agriculture—dictating policies that could determine—or at least too drastically affect—the farmer; operating costs and margins of profit for processors and distributors; prices of foods for consumers; and result in too great interference with the operation of basic economic principles in our free enterprise system.

Currently, hearings are underway before the Agriculture Committee in Congress.

The future of the President's recommendations—frankly speaking—is seriously clouded, particularly by questions on how much authority enactment of the legislation would leave in the hands of the Secretary of Agriculture.

A major job in achieving a relatively good supply-demand balance includes the attainment of better distribution and consumption of our food supply.

Although you have established a remarkable record, the health of the farmer, the general economy, and the consuming public can benefit from a still broader, more creative imaginative effort by you to develop ways to: more effectively utilize food; reduce food costs; and generally improve distribution and consumption.

As in the past, I know you will do your best, not only to meet this obligation, but to take advantage of the economic opportunity provided by such a challenge.

REVIEW OF WORLD AFFAIRS

Now, let's turn briefly to world affairs.

Is this a broad jump from the farm to international relations? Yes, but it reflects two things:

First, this is a shrunken world. People are living closer together; interests are more tightly intermeshed; and factors of national and international life affect all of us to an ever-larger degree.

Secondly, you and I face the task of broadening our understanding and perspective to encompass more local, State, National, and international issues that may—and sometimes do—affect our welfare, opportunity and security.

Around the globe, the Communists are stirring up trouble, creating wars, sparking rebellions, attempting to overthrow existing governments, and engaging in a wide variety of espionage, sabotage, subversion, and other legal and illegal efforts to expand their influence and control. Today, there are an estimated 36 million Reds operating in about 86 countries, attempting to further the aims of world conquest by the Reds. Because the Red conspiracy is so widespread, it is difficult to predetermine when or where the next explosion, sparked by Red action, will occur in the world.

In spite of our difficult problems, however, we must not allow "curtains of gloom" to descend over the Nation; rather, freedom, in my judgment, will triumph—if we are willing to make the necessary effort now to stop Red aggression and promote the cause of peace and freedom.

Can we develop ways to accommodate, or at least negotiate, the great differences between the East and West? Can we stop the Reds without war?

Can we meet the great and growing demands of the billions of have-not people in the world for more of the good things of life?

These are grave and serious questions that need to be faced, and resolved, in our time. Ultimately, we must find realistic answers—if there is ever to be stability and peace.

KENNEDY-KHRUSHCHEV SUMMIT

To try to find ways to negotiate East-West differences, President Kennedy met with Mr. Khrushchev. Fortunately, the world expected no miracle working in Vienna—and no miracles emerged from the conference.

Realistically, the range of differences is so wide and varied that, even in the best of climates, these could not be easily or quickly ironed out.

By past experience, we have learned that the Reds are willing to negotiate on points only when:

1. They will benefit from advantages, present or future, to support the cause of communism;

2. Failure to negotiate would threaten to start a large-scale war;

3. World opinion is strong enough to have an impact even on the policies of the Kremlin and of Peiping; or

4. Negotiation offers an opportunity for propagandizing.

However, the willingness of Mr. Kennedy to meet with the Kremlin leaders reflected once more U.S. willingness to go the "extra mile"—if it would contribute to peace.

In negotiations, however, we must never forget that we are "shooting for" different goals. We—and our friends around the world—want peace, and a globe on which each nation—by self-determination—can determine its ultimate destiny. By contrast, the Reds want to conquer the world and subjugate all people and nations to its totalitarian system.

REVIEW OF HOT SPOTS IN THE WORLD

Briefly, now, let's take a quick look at some of the "hot spots" around the world.

In Cuba, the Red-tinged Castro regime has become more firmly entrenched.

As we know, unfortunately, the rebellion failed. Subsequently, the Cuban dictator offered to trade prisoners for tractors.

Personally, I, like the vast majority of Americans, condemn Castro's inhuman, immoral attempts to trade material for human life.

Officially, the United States—wisely, I believe—has refused to be drawn into such a barter. I support that policy.

Now, the question arises: Should the citizens of the United States—acting in a nongovernmental capacity—be permitted to attempt to set free 1,200 prisoners?

What are the major factors involved?

1. Castro's offer to barter human life for tractors of itself, is immoral. On the other hand, would the United States be immoral by failing to heed the freedom cry of the prisoners—particularly when we have the wherewithal to free them? Obviously, there will be human suffering, and possibly death, if such action is not taken.

2. The impact of U.S. actions will have far-reaching effects in world affairs. According to reports, nations are applauding, not condemning, the voluntary efforts of U.S. citizens. In addition, people of other countries in the Western Hemisphere are also voluntarily undertaking efforts to collect funds to free the prisoners. Overall, Castro's attempts to put human life on the block in exchange for equipment has boomeranged in countries where Castroism was making some headway.

3. What would be the ultimate impact upon freedom-seeking people not only in Cuba, but elsewhere, including behind the Iron and Bamboo Curtains, if the United States failed to accept the offer to free the prisoners of totalitarian communism? Would it stir confidence, or disillusion?

As yet, there is some question as to whether or not the Cuban dictator—in view of world reaction—would even go through with such a deal. Nevertheless, people around the globe are watching carefully.

In summary, then, the situation is as follows:

1. Policywise, the United States has rightly refused to be drawn into barter for human life.

2. Now, should nongovernmental efforts be made to free prisoners of communism? This is a decision for the American people.

OTHER "TROUBLE SPOTS"

Now, let's look at some of the other "trouble spots."

In Laos, the Reds—though professing a desire for a cease-fire and negotiations for settlement of the difficulties—are continuing military operations to attempt to extend their control over more territory—thus holding up the work of the 14-nation commission set up to seek peace in that nation.

In the Congo, Mr. Khrushchev is still the No. 1 troublemaker.

In Berlin, also, there are recurring threats of Red action to create tension which would possibly result in war.

Overall, the Reds continue to build bonfires around the globe which threaten—if allowed to spread—to lead to a global conflagration.

Now, what can we do about it?

FIVE-POINT PROGRAM TO COMBAT COMMUNISM

The balance of power—and of world opinion—once "solidly" on the side of the Western nations, now is teetering precariously—with the Reds increasing their influence and power.

If we are to defeat the Communists' aim of world conquest, then we need to adopt a stronger, nonmilitary offensive against the Communists—as well as maintaining a strong military deterrent.

Among other things, this, in my judgment, should include:

1. Strengthening our information-spreading program to beat—not be beaten by—the Communist propaganda machine.

2. Adopt more effective machinery against infiltrative penetrations—the fruits of which have been witnessed in Cuba and Laos.

3. A sharper counteroffensive to penetrate the Iron and Bamboo Curtains—not leave this as "untouchable territory" for the Reds.

4. Better tailored U.S. programs, such as the Latin American plan, to meet special needs in Asia, Africa and elsewhere in the world; and

5. Finally, undertake a more dynamic effort to present the efforts and objectives of U.S. policies to the people of the world.

NEEDED: GREATER VOLUNTARY MOBILIZATION OF MANPOWER AND RESOURCES

Unless we are willing to dedicate the effort, manpower and resources to stopping the Communists now, the survival of our way of life—indeed, of freedom itself—will be in serious jeopardy.

Now, how can we—as patriotic Americans—do more about this grave threat to our security and progress?

By the following ways:

1. We must discard the idea that Uncle Sam, alone, can carry the fight against the Reds.

Then, we must mobilize our resources—individually and collectively—to throw the necessary brainpower, manpower, and resources into the battle against the Communists. Historically, one of the great strengths of America is the voluntary will to fight, sacrifice, and work to build a good life under a free flag, and to protect our country from its enemies.

2. Our civic, veteran, social, cultural, and, yes, religious and other organizations can—and should—reexamine the potential ways in which they might serve our national cause more effectively.

3. We need to more greatly utilize the know-how and technology of free enterprise—for selling the ideas and ideals of

freedom. This includes more effective utilization of U.S. firms operating oversea as "builtin" Voices of America.

4. Labor, also—sharing a common bond with workers around the globe—possesses an unparalleled opportunity to demonstrate how workers benefit under a free system; and how free collective bargaining can serve not only the worker but strengthen a nation, and serve the cause of freedom.

5. The creative minds—artists, writers, poets, musicians, dramatists—have a great opportunity to portray the spirit of a free people in their dedicated relentless effort to create a better life for themselves and humanity.

In addition to encouraging greater voluntary effort by our people, I believe we must also examine national policies to provide opportunity for the willing to more effectively serve their country.

This, then, is a fight for all of us. As a people, we must pool our resources; reinvigorate our patriotic spirit; and weld together our efforts and purposes in a common cause: that of survival of ourselves, of our ideals, and of freedom.

It is a time for greatness, for bravery, and for alertness.

River Projects in Alabama

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 12, 1961

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by Hon. ALBERT RAINS before the Subcommittee on Appropriations for Public Works:

STATEMENT OF REPRESENTATIVE ALBERT RAINS

Mr. Chairman, I need not again detail the vast importance of river development to my State. You gentlemen were kind enough last year to vote us $200,000 for continued planning of the Millers Ferry multipurpose dam on the Alabama River which is vital to full navigation on the Coosa-Alabama River system.

The President's budget requests funds for this project next year as well as planning and design money for two other projects which are most important to our region. By June of 1961 almost half a million dollars will have already been spent by engineers in planning and development of Millers Ferry. Unless we can get the $375,000 as requested by the budget, Millers Ferry cannot proceed on schedule and we will not get the full value of what has already been spent in its planning. I strongly urge that the committee approve the funds as requested in the 1962 budget.

As you gentlemen know, the Claiborne lock and dam is also an integral part of the Coosa-Alabama program. The budget asks for $75,000 to resume planning there and I honestly believe this is a modest request.

The third request is for $300,000 to complete planning of the Carters Flood and Power Dam, Coosawattee River, in Georgia. The dam is located on one of the headwater streams and a tributary of the Oostanaula River, all being tributary of the Coosa-Alabama system. Your approval of the budget request for this project would give it construction status and be a major step toward the full river development program.

Now, my friends, many of you will recall the extensive flood damage to Alabama in recent months. In the overall project of river development, we anticipate that there will ultimately be 15 dams on the Alabama-Coosa River available for flood control regulation. This is a great consideration to our whole region which coupled with the vast economic potential inherent in power development and navigation makes this whole endeavor of primary concern to us all.

Danger to the Railroads

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 12, 1961

Mr. VAN ZANDT. Mr. Speaker, the following editorial from the June 9, 1961, issue of Life magazine entitled, "Danger to the Railroads," reveals unmistakable signs that a basic industry vital to our national economy and security is in serious trouble:

DANGER TO THE RAILROADS

Our great transcontinental network of 220,000 miles of railroads is vital to everything that moves, to feed us, house us and protect us. Yet Americans, who depend so much on this system, have been doing what enemy saboteurs have never been able to do, namely: cripple and threaten to destroy it.

By outdated laws and regulations, by discriminatory taxes on railroads and by subsidies to their competitors, we have been crippling this vital network almost as effectively as if we were blowing up the tracks. Indeed some 8,440 miles of trackage has been torn up or abandoned since World War II's end and 20 railroads have discontinued all passenger service. Here is some of the other damage the rails have suffered in the same period:

Their share of intercity freight has dropped from 67 percent to 45 percent, and their share of intercity passenger traffic has dropped from 66 percent to 25 percent.

Passenger service saddles the railroads with a net loss of nearly half a billion dollars a year and, not surprisingly, they often seek to abandon it. Commuter service, though absolutely indispensable to growing metropolitan areas, is one of the chief contributors to that loss.

A number of railroads are in chronic deficit, and for the first two months of 1961 the entire industry was in the red—only partly because of unprecedented blizzards.

Some of the decline in railroad business reflects healthy growth elsewhere in the transportation industry. But the railroads have been hit harder than the economic facts justify. The reasons:

Taxes: The railroads, biggest industrial real estate owners in the country, pay $441 million a year in State and local taxes. Because they are big and easy targets, they are often assessed much higher than other property. When they make improvements to benefit the public, they often get kicked with a tax raise as a reward—as in Toledo where New York Central built a fine new terminal only to have its taxes raised from $8,848 to $48,799. By contrast, the Toledo airport was built with municipal funds and pays no taxes whatever.

Subsidies: Railroads get no Federal subsidies. They maintain their own right-of-way and traffic controls, whereas planes use Federal airways and public airports. While railroads spent $16 billion of their own money since the war to improve their equipment and methods, the Federal Government spent $100 billion on airports, roads, rivers and harbors. Inland barges—whose freight steadily increases—use waterways dredged and maintained by the Government. Trucks, despite fairly heavy excise, fuel and tire taxes, are major beneficiaries of the new $42 billion network of Federal-built highways. Their enormous highway boxcars also inflict the greatest wear on the highways, but the truck lobby is doing its best to defeat President Kennedy's proposal to raise the diesel fuel tax and make them pay a fairer share of the maintenance.

Unfair regulations: Railroad rates are regulated by the Interstate Commerce Commission and may be altered only after 30 days' notice, often after lengthy hearings. Truck and barge operators, on the other hand, may set any rates the traffic will bear and can change them at will. Largely because of this contrast, the railroads today carry only about 10 percent of U.S. hogs and cattle to market and have lost heavily in the hauling of bulk items (grains, ores) as well as fruits and vegetables.

Poor management: Railroad management is often inefficient, pursues archaic and unreliable methods (as in failing to pinpoint the costs of hauling passengers), tries to get rid of passengers instead of attracting them, and is slow to seek innovations (like monorails or the proposed Levacar—a means of sliding wheelless trains on a film of air) which might offer 200-miles per hour surface travel to compete with air transport.

Depreciation problems: Tax writeoffs for railroad capital investment average 40 years, as compared to 5 years for aircraft investment and 8 for trucks.

How can we save the railroads?

The fundamental choice the Nation confronts is whether to let the profit incentive go back to work in the industry or conclude that it can't work and put railroads under Government subsidy or control. Life believes that the first should be given a fair trial before the second is even considered.

At present the profit incentive is stifled because the railroads control neither their costs (importantly because of featherbedding) nor their prices (because of ICC regulations), nor do they have a monopoly to offset these disadvantages.

The quickest way to put the profit incentive to work would be to take ICC control off their price floors. The nature of railroad economics is such—per employee they can carry six times as much freight as trucks, and per gallon of fuel, three times as much; also they can increase their total loads without much increase in cost—that they could quickly get back the traffic they can haul profitably. Gradually, profits could then give them the margin they need for (1) modernizing and experimenting and (2) attracting bolder, more aggressive brains to management. When such bold managers proved they could breathe new life into the industry and increase its volume, unions might find more jobs being created and feel less need for featherbedding.

Passenger service, particularly commuting, is going to become vitally important as traffic jams and inadequate parking make other forms of transport increasingly unrealistic. To save this service, States and cities are going to have to reduce some of the tax burdens the railroads carry. It may be necessary, eventually, for the U.S. Government to develop (as it has done for air transports) the prototype models of swifter, or revolutionary, equipment.

Above all, we need a truly national policy for all transport—one which would encourage integration of diversified forms—air, highway, waterway, and rail. It would allow mergers where they make sense. We could get more of the freight "boxcars" off the highways, where they inconvenience and imperil the public, onto railroad "piggybacks" which can haul them most places cheaper.

It would repeal rules based on long-gone days, when the railroads were a monopoly.

The United States, which has helped Western Europe and many developing nations build modern railroad systems, virtually alone among industrial nations is neglecting its own. Unless our exploding population is going to choke itself to death, we can no longer afford this neglect.

Mr. Speaker, I believe, with the editors of Life, that the conditions which have led railroads to their present precarious situation are not of an economic nature nor are they curable by anything the railroads can or should be expected to do to help themselves. For these conditions persist despite the great modernization and improvement program which railroads have carried on since World War II at a total cost half again as high as their postwar earnings.

The editors of Life believe, as I do, that railroad difficulties are rooted mainly in outmoded transportation policies and laws which place upon railroads massive competitive handicaps virtually guaranteeing unsatisfactory operating results and a perpetually and chronically ill railroad system.

For this view, there is persuasive support. It is found not only in the record of mounting Government expenditures to promote other transport modes, but also in the conclusions and recommendations of almost every objective study of national transportation policy—and there have been many—made since 1940.

Railroad witnesses have appeared before congressional and other governmental bodies many times to pinpoint those areas in which transportation policies and laws are unsound and unjust and have recommended specific changes, which in their view, are necessary to overcome the financial anemia that now afflicts all our essential common carriers and restore them to health. In general these recommendations are compatible with those of most objective authorities and studies.

To the railroad industry, these recommendations constitute a magna carta for transportation. Their objective is to secure for railroads and all other forms of transportation four fundamental freedoms, long denied to railroads but enjoyed by other forms of competitive free enterprise in the United States: freedom from destructive regulation, freedom from discriminatory taxation, freedom from subsidized competition, and freedom to provide a diversified transportation service.

Bills to implement this magna carta for transportation have been introduced and are now awaiting the attention of appropriate committees. The principal ones are as follows, in the area of regulation:

H.R. 1823 seeks repeal of the present exemption from Government economic regulation which trucks, but not railroads, enjoy when they move agricultural commodities declared to be exempt.

H.R. 1824 would extend the exemption to transportation by railroad as well as by truck.

H.R. 5595 and S. 1284 seek repeal of the exemption from Government economic regulation which water carriers enjoy in transporting bulk commodities.

In the area of allegedly discriminatory taxation, railroads say they need legislative relief of the type provided in H.R. 2887, H.R. 2905, H.R. 3748, H.R. 3870, and S. 658. The objective of these bills is to encourage more equitable taxation of railroad right-of-way. This would be accomplished by providing that tax relief granted by State and local governments may not be siphoned off by the Federal Government through the income tax—a possibility often cited in the past as the reason for the reluctance of State and local governments to enact effective tax relief measures.

Railroads also seek enactment of H.R. 7421, to bar States and communities from assessing railroad property at a proportion of full value substantially higher than the proportion for all other property subject to the same tax levy.

They—and all other for-hire passenger carriers as well—continue to call for repeal of the 10-percent Federal excise tax on the fares of commercial carriers, as provided for in S. 1330, S. 1505, H.R. 142 and 18 other House bills.

In the area of taxation, also, are proposals for stimulating capital investment to modernize railroad plant and equipment. H.R. 6666 would allow railroads to place funds in a construction reserve, and to deduct these amounts from taxable income if spent within 5 years on the improvements for which they were set aside. H.R. 231, H.R. 3179, and S. 1370 are further intended to stimulate improvement and modernization by shortening the depreciable lives of railroad plant and equipment, thus speeding up the recovery and reinvestment of capital funds.

In calling for freedom from subsidized competition, railroads point not only to the millions of dollars paid by the Government each year in subsidy to commercial airlines, but also to the provision of highways, airways and airports, and improved inland waterways by the Government for the use of railroad competitors. Some of these facilities, they note, are furnished entirely without charge to the commercial users; others without adequate charges.

H.R. 586, H.R. 2963, and S. 78 call for the collection of fair and reasonable charges for bargeline use of inland waterway navigation improvements constructed, maintained, or operated with Federal funds and would create an Inland Navigation Commission to do this. While supporting these bills, railroads would prefer the establishment of a National User Charge Commission charged with responsibility for formulating and collecting adequate fees for the private commercial use of all public transportation facilities.

Completing the list of bills to implement the railroads' magna carta for transportation program are H.R. 7286, H.R. 7287, and H.R. 7288. These bills would remove barriers to transport diversification and permit instead the establishment of transportation companies capable of providing service by any mode or any combination of modes best suited to shipper needs.

In directing attention to these bills, Mr. Speaker, I do not suggest nor do I necessarily believe that each one constitutes the best possible solution to the problems involved. But I do suggest that the problems exist and that they cry out for attention by this Congress. And I further suggest that failure by Congress to come to grips with these problems now would constitute gross dereliction of duty and abdication of responsibility, to the detriment of our vital transportation industry and of the great American public, whose interests we are sworn to uphold.

River Project in Alabama

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 12, 1961

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by Hon. KENNETH A. ROBERTS before the Subcommittee on Appropriations for Public Works:

STATEMENT OF KENNETH A. ROBERTS

I sincerely appreciate the courtesy of this esteemed committee in once again permitting this delegation to appear before you today. As you can readily see by this large representation we have here and as we have had in previous years when we appeared before you, the people of our great State of Alabama are sincerely and deeply interested in the development of the Alabama-Coosa-River.

Mr. Chairman, through the efforts of this committee, some $200,000 was appropriated last year for the continuation of planning and design of the Millers Ferry lock and dam. These funds were appropriated by the committee even though the administration had not made a budget request for the project and, while at the same time, indicating that this was the type of project, a partnership project, that the administration favored.

This was due to the no-new-start policy of the past administration.

As a result of the appropriation last year by this committee, the past administration recommended that $375,000 be appropriated in fiscal year 1962 to continue planning and design of the Millers Ferry lock and dam.

The present administration, in its review of the budget recommendations, also recommended the $375,000. In addition, the present administration also recommended $75,000 for the resumption of planning and design of the Claiborne lock and dam which is on the Alabama River below the Millers Ferry lock and dam. In this connection I might mention that the Engineers have recommended that these two dams be completed at the same time.

I do not wish to take up the time of this committee in reviewing the history of the development of this great river system. The committee has had this information before it many times, and I feel the members of the committee are well acquainted with the present and proposed development of it. Therefore, I shall respectfully request that this committee favorably consider these two requests of $375,000 for the continuation of planning and design of the Millers Ferry lock and dam, and $75,000 for the resump-

tion of planning and design of the Claiborne lock and dam, both of which are budgeted items.

Members of the Georgia delegation will request of you some $300,000 to complete the planning of the Coosawattee River above Rome, Ga. This is one of the tributaries feeding into the Coosa River system and its development is an integral and necessary part of the overall development plan. This item is also budgeted, and I urge its approval.

Thank you, Mr. Chairman, for your courtesy in permitting us to appear before you today.

Imports: And the Apparel Industry

EXTENSION OF REMARKS
OF
HON. WILLIAM C. CRAMER
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 12, 1961

Mr. CRAMER. Mr. Speaker, I wish to present for the RECORD the following statement in behalf of the several apparel factories in my district which are hard hit by competitive imports from the Orient. I believe this increasingly serious situation merits full consideration by the Congress, with a view toward legislative relief for the American apparel industry and I commend this statement to my colleagues for their further information and consideration.

The apparel industry is small business, roughly 31,000 different plants, only 30 of which have more than 1,000 employees. The average is 250 employees to a factory. Total employment is 1,225,000—the fourth largest in the Nation. For the most part, these factories are in small communities and, in most cases, are the major sources of employment in the communities. For the last 3 years, imports have run between 10 and 12 percent of the market and unemployment, as a percentage of the labor force, is also about 10 percent.

Unlike many segments of our economy, the garment producers are almost entirely affected by one area of competition—the low-wage countries in the Far East.

Apparel manufacturing is also unique from many other industries. Labor represents a large percentage—about 35 percent—of the total product cost. The nature of the industry is one that frustrates attempts at automation and mechanization, which might alter total labor cost. For this reason, the industry is more vulnerable than many others to competition from low-wage areas. Sewing machines can be made to run faster perhaps, but the speed of the machine is controlled by the speed of the worker. Backs and fronts have to be put together; sleeves have to be inserted; matching of stripes and plaids must be done by hand. When our industry suffers from imports, it is not machines that are idle, it is people, and the impact of imports on these people is tough.

The six major categories itemized by the Bureau of the Census of the U.S. Department of Commerce are blouses, blouse and skirt sets, and blouse and short sets; men's and boys' sport, dress, and work shirts; brassieres; trousers and walk shorts; tee shirts; fabric gloves.

Taking these 6 categories alone, in the past 3 years imports have risen from 8 million dozens to 14 million dozens. When other low-wage countries begin exporting garments to this country in even larger quantities, these figures could increase at a geometrical rate. But, assuming an arithmetical increase, then it follows that by 1965, an additional 10 million dozens will be imported, so that the figure then would be about 25 million dozens.

I submit that the peculiar and vunerable nature of the textile and textile products industry calls for certain safeguards, not necessarily required by other industries. Those in the apparel field are as interested in the basic textile industry as in themselves. In this connection, I would like to point out that the garments being imported contain the equivalent of twice as many yards of piece goods as are being imported in the form of piece goods. It is obvious, therefore, that every dozen garments that is lost by the domestic manufacturer to an importer also represents a big loss to the domestic textile supplier. In one small area, namely, Hong Kong, foreign producers have stepped into the garment industry and walked away with a giant amount of the U.S. market. Even Japan is complaining about Hong Kong exports to the United States. These imports have caused substantial disemployment and threaten to cause more in the next few years.

The standard wage rate in the Orient is 14 to 29 cents an hour but "learners" in the garment industry are employed at 10 cents an hour and there is no limit to the "learning" period.

In one branch of the industry, ladies' undergarments, imports are now at almost 30 percent of the market. These imports completely dominate the low-end market—that is, retail at $1 and under—and this phase of the American business is practically extinct. The exporters are trading up in quality and price lines and they will soon have the same effect on the better grades that they have had on the low-end market. This is particularly true of embroidered and lace trimmed garments. A more serious dislocation is foreseen in 1961 than in 1959 and 1960.

Let me give you an example. An American-made undergarment produced in one of our most efficient plants, with only a moderate profit, retails for $2. Hong Kong has copied this garment, fabric, thread and all components. The factory makes roughly the same profit as the American firm. After paying transportation, duty, a profit for the wholesaler, and a profit for the retailer, this same garment retails at 3 for $1.

In shirts, both dress and sports, from 1956 through 1959, production in both categories remained stable, but imports showed a substantial rise. In 1960, production was up because the year started off with a bang. Even as late as May and June of 1960, production was far in excess of sales. As a result, a heavy inventory is being carried into 1961 and the poorer general business reflects a slight decline in imports, but importers too are holding a substantial inventory. This static situation can be carried out for U.S. producers of pajamas, woven undershirts, and so forth.

The comparison between dollar imports and domestic dollar production is often stressed, but imports are figured on a custom valuation and not on U.S. wholesale prices. The essential measurement is units—not dollars or pounds.

For example, in 1960, the export of shirts to all countries totaled $6¾ million and the imports from all countries totaled $14¼ million. The exports represent about 200,000 dozens. The imports represent about 2 million dozens and this example holds through all the categories. It is not the percentage of the total dollar market that is important here, it is the disruption of the domestic market.

Taking the 6 categories together, in 1958 the number of imported units jumped from approximately 99½ million to 144 million in 1959 and to 177½ million units in 1960. On an average of 250 employees per factory, this would account for the output of 76 factories in 1958, 110 factories in 1959, and 127 factories in 1960.

On the basis of 50 weeks a year, the direct man-labor-hours lost have jumped from 28½ million in 1958 to 50¾ million in 1960.

One possible equitable remedy as underscored by the extensive hearings of the Senate subcommittee headed by Senator PASTORE of Rhode Island, is country-by-country, category-by-category quotas. This seems fair to American producers, foreign manufacturers who gear production to the U.S. market, and to the emerging nations which are certain to enter the textile and textile products fields with the U.S. market their primary outlet. Some relief is needed.

River Projects in Alabama

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 12, 1961

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by Hon. GEORGE HUDDLESTON, JR., before the Subcommittee on Appropriations for Public Works:

STATEMENT BY CONGRESSMAN GEORGE HUDDLESTON, JR.

Over 20 years ago the Alabama-Coosa Rivers' basin was designated the Nation's No. 1 economic problem area.

Today, the region's resources are still relatively undeveloped compared to their great potentials. Floods do considerable damage. Unemployment is high, particularly in the smaller towns, and many farmers have had to move away. Those farmers who remain find few jobs to supplement their small farm incomes.

Sixteen years ago Congress raised high hopes in the hearts of the people of the area when it authorized, on March 2, 1945, several Corps of Engineers' projects for flood

control, electric power production, and other purposes, and to dredge the rivers to a navigable 9-feet depth. These projects would stimulate commercial water traffic, attract new industries, provide jobs and develop resources.

The possibility of navigation on the Alabama River encouraged several industries to locate there, including a large chemical plant which purchased 850 acres of land in the area. A magnesium company and other firms hope to build plants in the basin. Early in 1954 the Alabama Power Co. expressed a desire to build several dams and develop electric power on the Coosa River. The company received a license from the Federal Power Commission on September 4, 1957, contracting that all its dams be completed in 10 years after commencement of the first dam. Construction has begun by that company on Weiss Dam on the Coosa River, and groundbreaking ceremonies were held on April 26, 1958.

Last year this committee approved the appropriation of $200,000 for the Corps of Engineers for advance planning on the Millers Ferry lock and dam near Camden, in Wilcox County, 142 miles above Mobile, Ala.

I strongly urge your prompt approval of (1) $375,000 to complete the advanced planning and design of Millers Ferry navigation and hydroelectric power dam, Alabama River, at mile 140; (2) $75,000 to resume planning of Claiborne navigation dam, Alabama River, at mile 80; (3) $300,000 to complete planning and design of Carters flood and hydroelectric power dam, Coosawattee River, Ga.

Millers Ferry lock and dam is a multiple-purpose project approved in 1945 to provide flood control, navigation, and electric power capacity of 76,000 kilowatts. Jones Bluff lock and dam, 247 miles above Mobile, is a multiple-purpose project planned to have 68,000 kilowatts of electric power capacity. Those two dams will have an average annual electric energy output of 729,000 kilowatt-hours. Claiborne lock and dam was authorized for construction 83 miles above Mobile to provide flood control, navigation and other benefits.

Good congressional planning requires a quick start on development of the Corps of Engineers projects so that improvements on both the Alabama and Coosa Rivers may be completed together, in about 10 years.

Early development of the Alabama-Coosa River system is vitally important to the families of at least 1,500,000 people in that basin including numerous industries and associations of whom all seem to favor the projects.

The basin covers about 23,800 square miles or about one-third the area of Alabama and several counties in Georgia. That region is one of the least accessible areas in the United States to the enemy in time of war and its development is valuable to our defense and to inter-American and other foreign trade.

The region's potential contributions to national and local development are great. In 1950 the President's Water Resources Policy Commission termed the Alabama-Coosa Rivers as potentially one of the 10 greatest river systems in the United States.

The area has numerous minerals, some of which are only partially developed but most of them occur in quantity and could be valuable commercially if the rivers were navigable and power available. Some of the many minerals include asbestos, barite, bauxite, clay, coal, dolomite, fuller's earth, glass, graphite, gravel, lignite, limestone, manganese, mica, oil, selma chalk, slate and tin.

The Corps of Engineers has reported a favorable benefit-cost ratio of one-tenth to 1 for the Alabama-Coosa River projects, which means they will ultimately more than pay their way. These projects will provide electric power, and encourage expansion of present industries and the development of new projects and industries. They will allow lower and more stable transportation rates for bulk materials, provide job opportunities, and supplemental incomes for farm families. The dam will not only help provide power and flood control; it will also create abundant recreational areas along the rivers by flooding the low marshlands. The reservoirs would provide water for irrigation.

I believe that quick action on these projects is vitally important to the Alabama-Coosa River basin and to the United States. Consequently, I once again urge that you approve: (1) $375,000 to complete the advanced planning and design of Millers Ferry navigation and hydroelectric power dam, Alabama River, at mile 140; (2) $75,000 to resume planning of Claiborne navigation dam, Alabama River, at mile 80; (3) $300,000 to complete planning and design of Carters flood and hydroelectric power dam, Coosawattee River, Ga.

Address by Hon. Joe L. Evins, of Tennessee, to the Veterans of Foreign Wars Convention, Held in Memphis, Tenn.

EXTENSION OF REMARKS
OF
HON. CLIFFORD DAVIS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, June 12, 1961

Mr. DAVIS of Tennessee. Mr. Speaker, recently my valued colleague, JOE L. EVINS, of Tennessee, delivered a very profound address to the Veterans of Foreign Wars Convention, in the city of Memphis, Tenn.

It was so thoroughly done and revealed such study and thought that I have asked permission to include the address in the RECORD.

The address follows:

REMARKS BY THE HONORABLE JOE L. EVINS, OF TENNESSEE AT THE VFW CONVENTION, MEMPHIS, JUNE 3, 1961

I. INTRODUCTION

Commander Mahler, distinguished guests, members of the Veterans of Foreign Wars, my fellow veterans, ladies and gentlemen and friends—

Certainly I am pleased and delighted to be privileged to attend this convention. Thank you for the opportunity to be in Tennessee in June.

When my neighbor and friend and our able, genial commander, Lynn Mahler, came to Washington early this year in connection with your VFW legislative conference and invited me to speak with you at this convention—I hastened to accept.

I welcome the opportunity always to be in Tennessee—and am pleased to be included on your program for this the 33d Convention of the Veterans of Foreign Wars, Department of Tennessee.

The companionship of old friends and fellow veterans is always stimulating and enjoyable—and I am pleased to greet all of you veterans from VFW posts across the Volunteer State. Our genial friend Earl Gentry has been our most able escort and aid. May I also commend all the lovely ladies of the VFW auxiliary.

This convention provides an important forum for the discussion of important matters that are of concern to all of us—to our veterans and our Nation.

I would not want to come to Memphis and Shelby County without paying tribute to my esteemed and genial colleague, CLIFF DAVIS, who represents this district so ably in the Congress. CLIFF DAVIS and his lovely wife Carrie certainly make a great team in Washington.

II. SERVICE ON VETERANS' COMMITTEE AND APPROPRIATIONS COMMITTEE

As has been indicated, it has been my honor and privilege to have served for a period of 6 years as a member of the great Committee on Veterans' Affairs of the House, prior to my election and assignment to the Committee on Appropriations. I know it was with some feeling of reluctance when I transferred by assignment to the Committee on Appropriations. But, the present chairman of the Committee on Veterans' Affairs and I had a little talk and visit and we recognized and concluded that although our committee had passed many bills and was capable of passing many measures for the benefit of our veterans, that some times these were not effective unless adequate appropriations were provided to implement the bills passed.

So, in transferring to the Committee on Appropriations I do not feel that I have in any respect left or diminished the opportunity to serve the veterans of Tennessee and our Nation; but rather as a member of the subcommittee that handles annual appropriations for the Veterans' Administration, I have had increasing opportunities for wider service to all of our veterans.

During these years it has been my pleasure to have known personally the five Administrators of the Veterans' Administration:

General Bradley, who became Administrator immediately following World War II; General Gray; Mr. H. G. Higley; Mr. Sumner G. Whittier; and now the new Administrator John S. Gleason, Jr., who is a distinguished veteran himself and a former national commander of the American Legion.

III. COMMEND VFW ORGANIZATION

May I say to you that there is no organization whose representatives appear before committees of the Congress, including the Appropriations Committee—that is more respected than the Veterans of Foreign Wars—a truly great national and international organization composed of patriots and men who have fought in the service of our country and defended the principles of America and our homeland—whose Tennessee membership of 23,000 composes a great force, advocating legislation and programs of benefit to our veterans and our country.

And, may I pay a very high tribute to your own national legislative representative—Omar Ketchum—who is one of the finest, most able, articulate and effective legislative representatives of any veterans organization. Our comrade Omar Ketchum is alert to every opportunity to advocate legislation and appropriations for the benefit of our veterans and the defense of our country.

IV. RECENT DEVELOPMENTS

The new session of the Congress has been, and continues, an exceedingly busy one, with much accomplished and much yet to be achieved.

I want to mention this Nation's achievement in putting a man into space. Astronaut Shepard's vaulting into space has demonstrated America's capabilities and has given new meaning to America's capability and determination that we, as a nation, shall go forward and remain first in defense among all nations.

In a very personal way, I have had a most rewarding experience in recent weeks in our successful drive to raise funds to serve a fellow veteran and fellow Tennessean, Sgt. Alvin C. York, the greatest hero of World War I.

At the outset of the Congress—on the opening day—I introduced a bill to provide for a waiver of Sergeant York's longtime tax indebtedness totaling $172,000 including interest. This is a matter in which the Veterans of Foreign Wars and all our veterans

organizations have been immensely interested for the past several years as Sergeant York became disabled and bedfast and the interest on his tax liability continued to increase.

Being unable to secure a favorable report on our bill to grant a waiver of his tax liability—because of the reason of a precedent which might be set, applicable to tax cases of all veterans—a committee was formed with Speaker Sam Rayburn as chairman; Attorney General Robert F. Kennedy; Mr. Silliman Evans, Jr., publisher of the Nashville Tennessean; and the late film actor, Gary Cooper, who played the role of Sergeant York in the movie; and myself as treasurer, to solicit contributions in a national fund raising campaign to pay off Sergeant York's tax indebtedness. The response of Sergeant York's friends and admirers throughout the Nation has been most heartening—a warming experience.

To Tennesseans and to Sergeant York's fellow veterans this drive was a high priority matter. Speaker SAM RAYBURN, a distinguished native Tennessean started the campaign with a personal check for $1,000. He and another famous Tennessean, Cordell Hull, my predecessor in the Congress, and then a colleague of Mr. RAYBURN in the House, were in the welcoming delegation that greeted Sergeant York on his return from Europe as America's greatest hero of World War I—a result of his single-handedly killing 25 of the enemy and capturing 132 more in a raid on a German machinegun nest in France's Bealleau Wood.

The letters and contributions that poured into our office reached a total of more than $49,000, practically double the amount requested and needed. From that fund $25,000 has been paid to the Internal Revenue Service whose officials suggested that a compromise and settlement of this tax claim, long in dispute, could be made for this amount.

Among the contributors was the VFW national comander, Ted C. Connell, who flew to Washington to present a check from your organization for $1,000 to the Help Sergeant York Committee.

Similar gifts were made by other veterans organizations, including $2,000 from American Legion posts in Tennessee.

A contribution of $500 came from the veterans of World War I.

Other large generous gifts were made by Attorney General Kennedy; Secretary of the Treasury Dillon; former WAC commander and former Secretary of Health, Education, and Welfare, Oveta Culp Hobby; Col. Abe Plough, a prominent businessman of Memphis; publishers William Randolph Hearst and Philip Graham of New York and Washington, among many others.

Television stars Dave Garroway and Ed Sullivan made appeals to the public in behalf of the York fund and drive which were significant contributions.

Dollars, quarters, dimes, and even pennies came from thousands of people all over the country.

The remainder of the contributions have been placed in a trust fund by the committee for the benefit of Sergeant York and his family, and moneys from this fund are now being passed on to Sergeant York as needed.

Sergeant York is now age 73 and remains confined to his bed at his farm home near Pall Mall in Fentress County. He has been fighting his battle from an invalid's bed as he fought courageously in the trenches in France in World War I.

I recently talked long distance with Sergeant York and told him of the love and affection of all America for him—told him how the Nation was grateful and how they remembered his deeds of heroism; that he has many friends and all wish him a long and happy life.

Sergeant York says he wonders how he can adequately express his thanks to the thousands who have contributed to the fund to alleviate his tax indebtedness to the Government.

As a byproduct of our committee's work, more recently an additional trust fund has been established by private sources from Mr. S. H. du Pont of Wilmington, Del., which certainly insures that Tennessee's great hero will be adequately taken care of for the remainder of his life. These gifts and contributions, my comrades, came from the heart of the American people as a whole—and show the affection which our people hold for all of our American soldiers and patriots.

More than 10,000 contributions were received in our Washington office and extra help had to be employed to open the letters and count the contributions.

One envelope from Missouri contained a $50 bill but carried no communication or identification of the sender yet the gift spoke volumes.

So did an envelope containing $1 and a note just signed "An Old Woman" and saying "I am 81 and don't have very much so excuse the small amount." In the same vein was a note from a small boy age 9 from Illinois who said he helped his brother on a p..per route. His letter, addressed to Sergeant York, said "I hope this 25 cents will help you."

The large and small gifts all expressed one urgent wish—to help a great soldier and a great hero.

The heartwarming and national demonstration of esteem and affection for Sergeant York certainly today makes our world look brighter. This campaign has been a means of making a great many people think of all the soldiers and veterans who have served our country and stirs in us the memories of the great service our veterans have rendered this country. The Sergeant York campaign has been helping to advance the cause of all of our veterans.

V. AMERICA HAS GREATEST VETERANS PROGRAM OF ANY NATION

In Congress simultaneous efforts have been going forward during this session to strengthen and extend legislative programs for our veterans.

America prides itself in having the greatest legislative program of benefits for veterans of any nation in the world. These include great programs of hospitalization, medical care, compensation and pension, rehabilitation and training, veterans education benefits, programs of housing, financial assistance, direct loans, veterans insurance and extensive benefit programs for widows and dependents of veterans who have served in the defense of our country.

The annual appropriations for all programs for the Veterans' Administration for the current year total almost $5 billion. The appropriation request for all benefit programs for the Veterans' Administration for 1962—which our committee has recently examined and held hearings in the Congress, and which is scheduled for action next week in the House, calls for an appropriation of approximately $5.5 billion—a substantial increase over the current year. These figures are large, but they include funds for maintaining and operating 173 hospitals throughout the Nation and the Philippines, with a total bed capacity of 120,528 beds and an average daily patient load of 115,000. The new bill carries a total of $3 billion for compensation and pension.

The rehabilitation and education programs have been declining because more than 5 million veterans have received some type of education and training, and the Veterans' Administration tells us that the need for rehabilitation certainly is not as great today as the period immediately following the war.

While we have this great veterans' benefit program and are justly proud of it, our programs are not perfect—inequities exist and must be adjusted and further benefits provided.

VI. TWO OF THE MAJOR BILLS OF HIGH PRIORITY

Two of the major bills pending in the Congress at the present time are bills to increase the disability compensation rates of disabled veterans. H.R. 879 is a bill introduced by Chairman TEAGUE at the request of the Veterans' Administration Administrator, Mr. Gleason, in response to President Kennedy's message to the Congress on veterans' legislation. Here in brief is President Kennedy's recommendation:

"DEAR MR. SPEAKER: In my recent message on budget and fiscal policy I recommended that the Congress enact selective increases in compensation rates for veterans with service-connected disabilities to offset rises in the costs of living since the last increase in 1957 and to adjust rates in categories which are out of line. The American people have traditionally insisted that those veterans who were injured in the service of their Nation be treated justly and humanely—a policy which will be carried out by this administration.

"The Administrator of Veterans' Affairs has prepared and submitted to me a draft of legislation which implements the recommendation in my message. I believe this approach which gives greater increases to those veterans with the more severe injuries is fair and reasonable. I am, therefore, transmitting the Administrator's letter of justification and the accompanying draft bill. I strongly recommend early enactment of this legislation by the Congress.

"Sincerely,

"JOHN F. KENNEDY."

I shall not supply all the details but generally speaking this bill would provide approximately a 10-percent increase in compensation benefits to every American veteran who received a disability check from the Veterans' Administration today. These compensation benefits, ranging from veterans with a 10-percent disability to a 100-percent disability would represent a total increase cost of $88 million.

The other measure receiving high priority attention in the Congress is an appropriation of $75 million to continue expansion, development, and modernization of the hospital construction and modernization program.

It is vital that we go forward with the veterans' hospital construction program, replacing temporary, wartime barrack-type facilities with modern and up-to-date and well equipped facilities.

Our Committee on Appropriations approved the initial request for this improvement several years ago and we have been moving forward with an annual appropriation of $50 million to $75 million each year for the past several years for this modernization construction program.

We in Tennessee are proud of the four veterans' hospitals in our State—at Memphis, Nashville, Murfreesboro, and at Mountain Home in east Tennessee.

The new $17.5 million veterans' hospital in Nashville is presently under construction. The cornerstone laying and dedication of this building is scheduled for the latter part of this month. This fine new modern facility is designed to serve all the hospital and medical needs of our veterans in middle Tennessee, southern Kentucky, and north Alabama. The appropriations for this new facility represents a goal and a great effort on the part of the veterans of our State and veteran organizations in Tennessee.

A replacement for Memphis is a project which merits approval. The Congress has already approved expansion of facilities at Murfreesboro and improvements are scheduled for the Mountain Home facility in Johnson City.

Our Veterans' Administration hospitals now represent an investment of $2 billion. We have developed a magnificent medical care program which is a source of national strength and pride. The demands of this system will grow as our veterans advance in age.

We must see to it that adequate beds for out-patient treatment are provided for aged and needy veterans. The program, in this area, as planned takes into account increasing needs of veterans for both hospital and out-patient care, including care for the aged and chronically ill veterans.

Other measures being considered in the Congress will affect the veterans' housing and direct home loan program, the adjustment of pension rates, including the cost of living increase for disabled veterans.

VII. BILLS PASSED AND PENDING

Some 16 new bills, all affecting veterans, have already passed the House during this session of the Congress and these 16 measures are presently pending in the Senate. These include:

1. A bill to provide additional compensation for veterans having service-incurred disability of deafness of both ears.

2. Vocational rehabilitation for veterans who incurred disabilities in service after World War II and after the Korean conflict.

3. A bill to provide a modified plan of life insurance coverage for holders of National Service Life Insurance policies.

4. To provide for an increase in the salary of managers, and directors of VA hospitals.

5. A bill relating to the effective date of statutory awards.

6. Provides increased compensation for service-connected disabled veterans for certain anatomical losses.

7. To permit the combination of two or more periods of service to meet 90-day service requirement for pension.

8. To provide outpatient medical and dental care for certain war veterans.

9. A bill to extend the guaranteed and direct home loan programs.

10. A bill to provide compensation increases for dependent parents and children.

11. To provide for a study of the problems of veterans who are elderly, chronically ill, and otherwise handicapped.

12. A bill to provide for loans to veterans when housing credit is not otherwise available.

13. To provide an increase of from $10 to $100 a month to Congressional Medal of Honor holders.

14. A judicial review—bill which requires the Board of Veterans' Appeals to render in writing their decision both as to law and the fact in cases.

One of the unfortunate situations prevailing in the Congress is the lack of a separate Veterans' Affairs Committee in the Senate. As you know, veterans affairs legislation in the Senate is referred to a Subcommittee on Finance of the Senate Finance Committee.

The Veterans of Foreign Wars long has advocated the creation of a separate Committee on Veterans' Affairs for the Senate and certainly the number of veterans today and the extent of budgetary requirements fully justifies the establishment of a separate committee to consider veterans affairs legislating in the Senate.

The number of civilian employees of the Veterans' Administration alone is larger than any one department of the executive branch of the Government, with the exception of the Department of Defense and the Post Office Department.

The Veterans' Administration has 170,000 employees in its various hospitals and branch offices throughout the Nation and the VA carries a master index card with more than 30 million veterans' names listed—living and dead.

VIII. THE WORLD SITUATION

Our veterans and certainly the organization of the Veterans of Foreign Wars of the United States have a constantly widening purpose and scope as you concern yourself with the duties and responsibilities of patriotic citizens. The recent developments in Cuba, the Congo, the Middle East and throughout the world necessitates our veterans remaining alert—to stand guard as citizen soldiers ready to defend our country, as needed, in the future as in the past.

Our organization is a large one and the VFW provides a tremendous media for individual and group achievement. The reach of the members of the VFW is not only communitywide and statewide but indeed nationwide and worldwide.

The Veterans of Foreign Wars is an organization with a membership now numbering 1,250,000—in Tennessee alone more than 23,000—the VFW is truly a great force of strength, stability, and world order.

The incidents of each day make it clear that the global endurance which we call the cold war in which we are engaged with the Communist powers is a test of our continued national spirit and patriotism—perhaps the sternest test we as a nation have experienced.

We find ourselves in a situation in which responsibilities constantly grow and expand and where the task of preserving our national sovereignty grows evermore complex.

Ideas for world government and other forms of supergovernment fill the air.

America will fulfill her role of leadership in helping to build world order and peace. However, every lesson of history tells us that we will not accomplish our destiny by diluting our Americanism or by compromising our national sovereignty.

IX. MILITARY STRENGTH PLUS SOMETHING MORE

We are building and must maintain the strongest Army, Navy, and Air Force in the world. We are working to modernize the Army and assure adequate up-to-date equipment of all types—we are improving our strong two ocean Navy, which already has missile capabilities—and we are maintaining the strongest Air Force with the greatest destruction potential ever assembled.

While we need strength and stability, something more is needed and that is a moral rearmament for our Nation—moral rebirth.

The moral rearmament movement is indeed making a significant contribution toward the promotion of understanding and world peace. Tolerance and attitudes of goodwill for others may be even more effective than foreign aid and appropriations.

So long as we think our Nation of individuals fearlessly determined to protect all that we hold dear—then our American way of life will prosper.

But, if individualism is ever replaced or neglected or discarded for individual passiveness, then we will have lost one of our most cherished possessions. "I cannot do everything, but still I can do something," wrote Edward Everett Hale.

If we neglect this great heritage of freedom—so dearly purchased—we shall fail to meet the true challenge of our time.

I have confidence that we will not.

At this time of emergence of new nations, the maturing of other nations, learning to live together without empires or colonial possessions, the United States together with the United Nations has an increasing role and responsibility of providing leadership and promoting stability and peace. Our tasks are particularly difficult because of the onrush and spread of communism, but America will merge and America will win because our goals are just and freedom will prevail.

X. CONCLUSION—PERORATION

Our country's traditional concepts of freedom, liberty, and democracy which dates back to 1776 are continuing and are being reaffirmed today.

Nations and governments that believe in these concepts of liberty and freedom today are working together in the cause of the promotion of world peace.

Throughout the course of our Nation's history veterans of Tennessee have served in all wars and struggles for the cause of liberty and freedom.

From the Revolutionary War, where valorous and heroic deeds gave birth to the Nation, to the War of 1812, under Andrew Jackson; with Gen. Sam Houston in Texas and Davy Crockett at the Alamo; and with Col. Nathaniel Bedford Forrest; Adm. David Glasgow Farragut, directing his men-of-war; with Sergeant York marching his captives out of no man's land; and with the veterans of World War II Tennesseans have always made great contributions to preserving our liberty and freedom.

There are now living in our country about 5 million World War I veterans, 15 million World War II veterans, and 5 million Korean war veterans. These men—25 million—constitute a mighty force, linked by the bond of common sacrifice, "tempered in war, disciplined by hard and bitter peace, proud of our ancient heritage, and unwilling to witness or permit the slow undoing of those human rights to which this Nation has been committed, and to which we are committed today at home and around the world."

The latter phrase is a quotation from a speech by a World War II veteran and former PT boat commander, John F. Kennedy, who now occupies the White House as President of the United States. He expressed these sentiments of America's most battle-tested veterans at his inauguration as the 35th President of our country.

Although the President did not direct his words particularly to former servicemen, I feel that his stirring message of American purpose did have a special meeting for all of our war veterans. That particular meaning is that America's veterans of our age are truly our citizen sentries of today and as members of America's patriot corps our veterans will join hands, close ranks, march forward, and continue to contribute, to preserving, to promoting, to perpetuating our cherished American liberties and freedoms.

River Projects in Alabama

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 12, 1961

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by Hon. LISTER HILL before the Subcommittee on Appropriations for Public Works:

STATEMENT BY HON. LISTER HILL

Mr. Chairman and gentlemen of the subcommittee, as a fellow member of this subcommittee, I am again this year delighted to join with a delegation of my friends from Alabama in a request for funds with which to continue planning the following important Coosa-Alabama River system development projects:

1. Request for $375,000 to complete the advanced planning and design of Millers Ferry navigation and hydroelectric power

dam, scheduled for construction on the Alabama River near Camden in Wilcox County, Ala.;

2. Request for $75,000 to continue planning of the Claiborne navigation dam to be constructed on the Alabama River near Monroeville in Monroe County, Ala.; and

3. Request for $300,000 to complete planning and design of Carters flood and hydroelectric power dam to be built on the Coosawattee River, one of the headwater rivers of the Coosa-Alabama system.

First, however, may I say that few men have ever shown greater devotion, greater determination and greater energy in the face of prolonged discouragement than the businessmen, the industrialists, and the individuals who have come before the Congress year after year to seek what they know is needed and what the Senate has demonstrated as its own will concerning development of the Coosa-Alabama River system.

Since the Coosa-Alabama Improvement Association was first organized in 1890, the men of this organization have been outstanding Alabamians and Georgians working to help their States to realize and to benefit to the highest possible degree from the God-given resource that is this great waterway system.

I was born and raised and began my education and I still make my Alabama home at Montgomery, in the heart of this great Coosa-Alabama Basin. I too well understand and share the enthusiasm and the determination of the Coosa-Alabama Improvement Association to develop and fully utilize our splendid resources for the benefit of our State and for the strength of our entire Nation.

The Coosa-Alabama River system comes to life in the Blue Ridge Mountains of southeast Tennessee and northwest Georgia and flows southwesterly through nearly the full length of Alabama. A benevolent nature has endowed this vast region with more than its share of natural wealth. The Coosa-Alabama basin has fertile soil and rich mineral deposits throughout most of its 23,000 square miles. The land is nourished by a mild climate and constantly revived and renewed by abundant rainfall.

There are within the Coosa-Alabama basin a million and a half people who provide a labor pool amounting to one-third of the available labor supply within our State. This pool is today overflowing with small farmers and landowners who either have been driven from their farms by the cost-price squeeze of recent years or who, while still clinging to their farms and to their land, are forced to look to urban communities for supplementary income.

These people and these natural resources await only the opportunity that similar people in similar river basins throughout our Nation already have been granted. I think I can say without fear of successful contradiction that wherever the doors of full waterway development have been opened to the people, we witness tremendous leaps forward in the economy and in the progress and prosperity of that region and its people.

The reservoir to be formed by the proposed Millers Ferry lock and dam will extend 105 miles up the Alabama River to Jones Bluff. It will constitute a vital link in the canalization of the Alabama River, which following planned development will provide a 9-foot-deep navigable channel from Mobile to Montgomery. The planned 76,000-kilowatt powerplant installation at Miller's Ferry will provide 394 million kilowatt-hours annually in an area where there is an ever-increasing demand for power. Moreover, the reservoir will be accessible to a large part of the population of central Alabama for recreational use.

The Claiborne lock and dam would be the lowermost of a series of three proposed locks and dams on the Alabama River providing the navigable channel to Montgomery. Its general plan of improvement provides for a navigation lock, a gated spillway, and a mound and earth dike extending to high ground on the left bank.

For the Carters development a site has been selected on the Coosawattee River in Murray County, Ga. Tentative plans call for a rock-fill type dam, a side channel spillway, and provision for a powerplant with two 38,000-kilowatt units. The proposed Carters Dam would provide much needed flood protection along the lower Coosawattee and Oostanaula Rivers.

The Army Corps of Engineers has surveyed and resurveyed each of the projects mentioned and has upheld the economic feasibility of each. A considerable amount of money has already been invested by the Federal Government in planning for these projects. We are simply asking for the funds with which to continue the planning.

Mr. Chairman, I respectfully urge your support and that of my other colleagues on this subcommittee for my efforts and those of the dedicated men of the Coosa-Alabama River Development Association to obtain the funds with which to continue planning on these important Coosa-Alabama River projects.

A Stockholder Urges Repeal of the Dividend Tax Credit

EXTENSION OF REMARKS

OF

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 12, 1961

Mr. KASTENMEIER. Mr. Speaker, recently one of my constituents, Mr. Richard Hartshorne, who in his own words "purchased some shares in various corporations," dutifully complied with their admonition to communicate to his Congressman his views regarding the proposed repeal of the dividend tax credit. His viewpoint was so edifying and inspiring that I feel constrained to share his refreshing statement with my colleagues and I include his letter here in full together with my reply.

The letter follows:

UNIVERSITY OF WISCONSIN,
DEPARTMENT OF GEOGRAPHY,
Madison, May 26, 1961.

Hon. ROBERT KASTENMEIER,
House Office Building,
Washington, D.C.

DEAR MR. KASTENMEIER: I have been urged as a shareholder in more than one corporation to communicate to you my views concerning the triple blow to me and 15 million other shareowners which is involved in the President's proposals in his tax message. My views are the following:

I have purchased shares in various corporations solely for the purpose of increasing my current and future income. I also understand that such investment by myself and others works to the economic advantage of the country, and this gives me a certain pleasure, but nonetheless my purpose—and I presume that of practically all other investors—is to add to my income. Obviously therefore I am sorry to see any change that would lower that increase but no more so than I regret any lessening in real income that results from any other form of taxation. National security requires enormous expenditures, and increase in the general welfare of the country also requires expenditures to aid education, health, etc., and so I expect my taxes to increase. I cannot see that my income from stock dividends or capital gains should be any less subject to taxes than the income I earn from work or from ownership of a house.

The persistent use of the phrase "double taxation" to give the impression that there is something constitutionally or morally wrong in taxing stockholders' income as well as corporate income seems to me at best a form of self-deception, if not intentional deception of others. Like millions of other buyers of stock, I'm sure, what the corporation pays the Government in taxes is of no more concern to me than what it pays for coal or for salaries to its officers—these are simply the necessary costs of operation under the protection and advantages provided by the U.S. Government. Our concern in buying stock is simply what earnings does the company make after all costs are subtracted and what income will I receive from that. Why then should not I, as a private citizen, be taxed for this additional income no less than if I worked overtime to earn an equal addition?

Consequently, I have regarded the 4-percent dividend tax credit and the $50 exclusion as an undeserved bonus which for some reason my Government chose to give me and while I will be sorry to see it no more, I should be ashamed to whisper any complaint. It is true that I am not a large stockholder; if I were I should be that much more ashamed.

The imposition of withholding on dividend and interest income is a matter which concerns me little either way. As a general policy, withholding is obviously sensible and advantageous to those of us who find it difficult to hold back from expenditures sufficient to pay later. It may be however that it might work hardships on certain kinds of persons and institutions who would have to wait for refunds. And if it can be shown that the cost of administration, totaled from that of all the corporations and the Government, would exceed the increase collected, it would obviously be foolish to require it. But this is a question for study by experts and judgment by the Congress; opinions from even 15 million stockholders would have the value of 15 million times approximately zero.

I am sending copies of this letter to those who wrote me urging that I send you my views.

Sincerely yours,

RICHARD HARTSHORNE.

JUNE 5, 1961.

MR. RICHARD HARTSHORNE,
Department of Geography,
University of Wisconsin,
Madison, Wis.

DEAR MR. HARTSHORNE: Your letter of May 26, was both unique and refreshing. You are obviously among what appears to be a minority of stockholders who put the Nation's interest above personal income interests. Although I am sure that there are many other stockholders who share your view, they are unfortunately the ones who are too infrequently heard from.

In addition to the unique point of view which you have expressed, which so clearly places broad questions of Federal revenue needs for vital purposes above all else, it might also be pointed out that the present 4-percent tax credit is most inequitably distributed as between large and wealthy shareholders who receive the lion's share of the millions of dividends distributed as contrasted to the small shareholder who receives very little from this tax dispensation. Indeed, statistics reveal that about 10 percent of income from dividends accrues to those with incomes below $5,000; whereas 80 percent of dividend income goes to that 6.5 percent of the taxpayers whose incomes exceed $10,000 a year. Any tax credit therefore based on this dispersion of dividend income is clearly regressive.

As to the desirability of withholding the tax on dividend income at the source, it will involve some administrative problems and dividend recipients will be required to wait for tax refunds; but no more so than in the case of many wage and salary earners, whose income is withheld. It is estimated that about $3 billion in interest and dividend income goes unreported every year. Whether this is inadvertant or intentional evasion is difficult to determine, but it seems to me that if we impose a direct deduction on wage and salary income, then to be equitable, we should deduct at the source the tax on interest and dividends.

Because of its considerable inspirational as well as educational value, I would very much like to have your permission to insert your letter in the CONGRESSIONAL RECORD.

Sincerely yours,
ROBERT W. KASTENMEIER,
Member of Congress.

River Projects in Alabama

EXTENSION OF REMARKS
OF

HON. FRANK W. BOYKIN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 12, 1961

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement which I made before the Subcommittee on Appropriations for Public Works:

STATEMENT OF THE HONORABLE FRANK W. BOYKIN, OF ALABAMA

Mr. Chairman and members of the committee, a majority of the Alabama congressional delegation, representatives of the State of Alabama led by our Governor, the Honorable John Patterson, the president and members of the Coosa-Alabama River Improvement Association, and others appeared before you in April 1960 to request an appropriation in the amount of $200,000 to resume advance planning and design of the Millers Ferry multiple-purpose dam, Alabama River. This committee was sympathetic to our request and approved the appropriation which subsequently was approved by the Congress, and for this we express our appreciation. The Corps of Engineers resumed the planning of Millers Ferry Dam and will exhaust the amount appropriated by the end of the current fiscal year.

We appear before you again today to respectfully request the approval of three items contained in the 1962 fiscal budget to expedite the development of the Alabama-Coosa River system, one of the great waterways within our Nation remaining only partially developed, and that for the generation of hydropower and limited flood control. The three items contained in the budget are:

1. Three hundred and seventy-five thousand dollars to complete planning and design of Millers Ferry navigation and power dam, Alabama River.

2. Seventy-five thousand dollars to resume planning of Claiborne lock and dam, Alabama River.

3. Three hundred thousand dollars to complete planning and design of Carters flood and power dam, Coosawattee River, Ga. (headwater stream).

The comprehensive plan of the ultimate and initial development of the Alabama-Coosa River system for navigation, hydroelectric power, flood control, and other purposes was authorized by the 79th Congress in 1945. The initial plan of development consists of three dams to be constructed on the Alabama River. The schedule established by the Corps of Engineers is as follows:

1. To complete advanced planning and design of the Millers Ferry multiple-purpose dam at mile 139 and to initiate construction in fiscal year 1963.

2. To resume planning of the Claiborne lock and dam, at mile 80, and to initiate construction in time to complete construction simultaneously with that of Millers Ferry.

3. To resume planning and design of the Jones Bluff multiple-purpose dam, at mile 243, prior to completion of construction of the two dams named above in order that construction begin on this third dam immediately.

A total of $641,000 was appropriated by the Congress prior to June 30, 1952, for parliamentary planning of the three dams.

MILLERS FERRY MULTIPLE-PURPOSE DAM, ALABAMA RIVER

In 1960 the 86th Congress appropriated additional funds in the amount of $200,000 to resume planning of the Millers Ferry Dam following an unusual delay of 8 long years. Prior to June 30, 1952, the sum of $249,000 was expended by the engineers to accomplish preliminary planning of this dam and the funds available this year that permitted the resumption of planning make a total of $449,000 that will have been utilized by June 30, 1961, or during the current year. The budget item that we ask that you approve for 1962 will complete the planning and place the dam in a construction status for fiscal year 1963.

The Millers Ferry Dam will be in Wilcox County 139 miles about the mouth of the river. It will have a normal pool at elevation 80. The project consists of an earth overflow dike 3,000 feet long from high ground to the switchyard mound and powerhouse in the right bank; a spillway 712 feet long with 15 double leaf vertical lift gates 40 feet long across the main channel and into the left bank; a lock and mound at the left end of the spillway; and an earth overflow dike 2,400 feet long extending to high ground on the left bank. The lock will be 84 feet wide and have a clear length of 600 feet. The maximum lift will be 50 feet, the minimum depth over the sills 13 feet. The powerhouse will have 4 units of 19,000 kilowatts each, or a total of 76,000 kilowatts. The reservoir will extend 105 miles to the Jones Bluff Dam, will have an area at normal pool of 22,000 acres, and a volume of 370,000 acre-feet. The latest estimated cost of the project is $52,262,000.

CLAIBORNE LOCK AND DAM, ALABAMA RIVER

The sum of $175,000 was appropriated by Congress prior to June 30, 1952 for preliminary planning of the Claiborne navigation dam, and this amount was utilized by the Engineers for this purpose. The 1962 budget contains an item of $75,000 to resume planning of the dam, and we respectfully ask that you approve the amount so that the development of the Alabama River may be accomplished without further delay.

The dam will be in Monroe County 80 miles above the mouth of the Alabama River. It will have a normal pool at elevation 35 and a minimum pool at elevation 30. The latest plan consists of a spillway 568 feet long with 12 double-leaf vertical lift gates 40 feet long that extend across the main channel and into the right bank, a lock along the left bank, and a mound and earth dike 935 feet long extending to high ground on the left bank. The lock will be 84 feet wide and have a clear length of 600 feet. The maximum lift will be 30 feet and the minimum depth over the sills 13 feet. The reservoir will extend 60 miles to Millers Ferry and have an area at normal pool of 5,700 acres and a total volume of 94,000 acre-feet. The latest estimated cost is $19,744,000.

CARTERS FLOOD AND POWER DAM, COOSAWATTEE RIVER, GA.

The 86th Congress for fiscal year 1961 appropriated $75,000 for preliminary planning of this dam. The 1962 budget contains an item of $300,000 that will be sufficient to complete the planning and design of Carters flood and hydropower dam.

The construction of the dam would afford widespread benefits including flood control, hydroelectric power, flow regulation, and recreation and other purposes. The greatest benefit to be derived will be the control of excessive flood conditions that plague the length of the Oostanaula River for a distance of 75 miles and the urban center of Rome, Ga.

The dam is located on one of the headwater streams and a tributary of the Oostanaula River, all being tributary to the Alabama-Coosa River system.

The latest estimated Federal cost is $38 million.

We request that the committee approve the budget item of $300,000 to place this dam in a construction status.

Gentlemen of the committee, I would remind you of the importance of the complete development of the Alabama-Coosa River system to the States of Alabama and northwestern Georgia and the entire southeastern area. We have the second largest and longest river in the Southeast, flowing from the mountains of southeastern Tennessee and northern Georgia, a distance of more than 650 river miles. The commercially tributary area comprises 26,000 square miles while the tributary drainage basin is in excess of 22,000 square miles. Within a radius of 5 miles of the Alabama-Coosa River there are more than 3 million people, while the commercially tributary basin itself has 60 percent of this population. The large cities of Birmingham, Atlanta, Chattanooga, and Mobile are adjacent to the river basin and will reap the benefits by the development of this great river system.

The Coosa section of the river many years ago (1914–29) was developed by private interests for a portion of its hydroelectric power potential by the construction of three dams on the Coosa and three dams on the Tallapoosa, the latter a tributary of the Alabama River. A current program authorized by Congress in 1954 permitted the licensing in 1957 of the same private interest to construct four additional dams to develop additional power potential. Under the conditions of the license, the four dams are to be completed by 1968, and provisions made for the installation of locks at a later date. Two of these dams are to provide 650,000 acre-feet allocated to flood control with an additional 250,000 acre-feet of storage at other dams during the winter and spring months during the normal flood period.

The construction of the four new dams for generation of hydropower will virtually double the generating capacity of the present six existing power dams, and when the two multiple purpose dams in the initial plan of development of the Alabama River are constructed, they will greatly increase the volume of electric power that is now needed by a large area in the southeastern section of the Nation.

Alabama and Georgia in February and March this year experienced the second largest flood of record, the Alabama-Coosa River and tributaries wrought millions of dollars of damage during this period. The entire length of the basin was flooded, and the estimated damage will exceed $15 million. There were 5,188 families evacuated from rural and urban centers, there were 2,461 structures damaged with 25 of these completely destroyed, in excess of 4,000 head

of livestock were drowned, public property consisting of highways, streets, bridges, utilities, etc., were damaged more than $6 million.

Construction of the three dams on the Alabama River, the completion of the four dams on the Coosa River now underway, and the completion of the flood control dam on the Coosawattee will add eight new dams on the Alabama-Coosa River. These eight dams and the six privately owned dams together with the Allatoona flood and power dam at Cartersville, Ga., which was completed by the Corps of Engineers in 1950, will ultimately mean that 15 dams will be available for flood control regulation of the river. Certainly by the proper coordination of the operation of the 15 reservoirs, the ravaging floods of the Alabama-Coosa and tributaries can be controlled to a great degree, and much of the damage eliminated that has been experienced over the year in this river basin.

I would remind you that a surplus of labor exists in the southeastern area, the development of the river would permit the employment of the people as the river basin is not in a competitive position with other areas only because the development of this great river system has not been accomplished as rapidly as it should have been. The economic potential is too great to further neglect its complete development.

I respectfully request that this committee approve the three items contained in the 1962 budget in order to expedite the development of one of the greatest river systems in the Nation.

Washington Report

EXTENSION OF REMARKS
OF
HON. BRUCE ALGER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 12, 1961

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following Newsletter of June 10, 1961:

WASHINGTON REPORT
(By Congressman BRUCE ALGER, Fifth District, Texas)

The Tax Rate Extension Act of 1961, the Korean wartime tax measures, were extended 1 year more for the ninth consecutive time. These taxes include the increase of corporate taxes from 47 to 52 percent ($2,030 million revenue), additional liquor taxes ($158 million), tobacco ($244 million), 10 percent auto excise ($402 million), and parts ($75 million), 10 percent telephone excise ($500 million), and 10 percent transportation excise ($150 million). The total annual revenue estimate is $3,659 million.

Arguments for: (1) High spending, already billions beyond the budget, requires the fiscally responsible to raise the money, (2) no tax relief should be given the areas covered by the taxes until all areas of taxation are studied. Arguments against: (1) Fiscal responsibility can be defined only as reduced spending and reduced taxation, (2) to cut taxes let's repeal them in the order put on, starting with wartime emergency and temporary taxes. For my part, in my opposition to the extension of these taxes I redefined my definition of fiscal responsibility, and opposed this tax extension for the first time in 7 years. I am tired of picking up the tab for the big spenders. Numerous Members concede that our effort in the past toward fiscal responsibility, represented by my efforts and others in voting against the big spending and voting for all the taxes to cover the bills run up by the go-gooders, has not and will not raise enough money to satisfy the spenders.

So we have failed to balance the budget by continuing and increasing taxation on individuals and business. Now an ominous and dangerous situation has developed where we are now threatening the very life of the "goose that lays the golden egg." The stifling, strangling, oppressive tax burden has reduced our industrial and individual success and ability to pay taxes beyond the point of diminishing returns. Two things have happened: (1) Burdensome taxation (absorbed or passed on) has reduced business enterprise, limited output, reduced jobs, reduced goods production, slowed rate of growth and hindered our raising the standard of living; (2) reduced the profit margin from which taxes can be paid, as well as forcing many firms out of business. Those who would increase taxes to whatever limit is needed to produce revenue to match radical Federal spending forget there is a limit. The best example is the bankrupt business or individual who can pay no tax.

The converse position to this continued tax (to terminate these taxes), would on the contrary raise Federal revenue. The formula is simple, the logic unanswerable. Reduced taxes means more money to reinvest in business expansion and more profit, each feeding the other; both will result in greater total revenue to the Government, despite a lower rate of tax level.

So it was, as a step in the right direction (although I voted against extending the entire package), that I introduced the motion to recommit the bill to the Ways and Means Committee to eliminate the 10-percent tax on travel. This would benefit every person using transportation, lowering its cost 10 percent. It would help the people, it would help the transportation industry, bus, rail, and airplane.

It just doesn't make sense to retain wartime taxes, imposed partially to hinder and thus limit people in buying and repairing cars, telephoning, and traveling. But Congress refused to take this step by voting to extend the tax 295 to 89. My effort to eliminate the transportation taxes failed by only 7 votes, 196 to 189. The American people may not know it but they have within their grasp the opportunity to force Congress to cut taxes and with it, the big spending for welfare and unnecessary programs. Now is the time to contact all elected officials and demand fiscal responsibility defined not as taxing and raising money, but as reduced taxes and spending. It can be done. Indeed, it must, or this Nation will perish, as Communists have been threatening "by our spending ourselves into bankruptcy," or as Lincoln said "by falling from within."

The agriculture appropriation bill, 1962, of $5,948,566,000 contained $3,662 million just for food given to foreign nations (and this is not considered a part of foreign aid). I opposed it. I believe the farm program immoral and wasteful, will cause the American people to rise up in protest one of these days. The independent offices appropriation bill, 1962, contained expenditures of $8,424 million and was passed without even a record vote (like the $9 billion highway tax on which no record vote was taken). In this way the Members are not on record, a very dangerous procedure, indeed, it seems to me. With money goes power and control, and the right to tax to raise the money; and the power to tax is the power to destroy. All this and no record vote. All the regulatory agencies receive their money under this bill and can be controlled partially by the appropriation allotted them. Seven thousand new employees were added by this bill. Thousands have been added each month of the new administration. And no vote for some of us to record our disapproval.

Strange makeup of the Citizens Tractor Committee. Articles of incorporation for the Citizens Tractor Committee reveal that the officers are not those publicly named, Mrs. Roosevelt, Milton Eisenhower, and Walter Reuther, but instead, Victor Reuther, older brother of Walter, Joseph L. Rauh, Jr., one-time president of the Americans for Democratic Action, and a John Silard.

River Projects In Alabama

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 12, 1961

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to point out that this week we had one of the greatest delegations from Alabama here in Washington to testify before the Subcommittee on Appropriations for Public Works. They were here as supporters of the budgeted items for the continuation of planning and design of the Millers Ferry lock and dam on the Alabama River; the continuation of planning and design of the Claiborne Dam, also on the Alabama River; and for the completion of planning and design of the Carter flood and hydroelectric power dam on the Coosawattee River, Ga.

These projects when developed will provide the richest basin in the Southeast as it will provide for navigation from Rome, Ga., diagonally across the State of Alabama to the Gulf of Mexico.

This great group of men have been coming here year after year in support of these projects and I would like to list their names for the RECORD. I also wish to place in the RECORD the statements of all members of our great Alabama delegation who have constantly stood behind the development of the Coosa-Alabama Rivers.

First, Mr. Speaker, I will list our two great, good, and outstanding U.S. Senators from our own beloved State of Alabama the Honorable LISTER HILL and the Honorable JOHN SPARKMAN. I wish everybody could read these two statements. They cover these projects so wonderfully well and are really and truly a revelation to anybody that will read them. That goes for not only the statements of our two Senators, but the statements from every one of the men in our congressional delegation, which include the statements by Congressman GEORGE GRANT, Congressman GEORGE ANDREWS, Congressman KENNETH ROBERTS, Congressman ALBERT RAINS, Congressman ARMISTEAD SELDEN, JR., Congressman CARL ELLIOTT, Congressman ROBERT E. JONES, and Congressman GEORGE HUDDLESTON, JR.

Mr. Speaker, I am so glad that the people who will read the CONGRESSIONAL RECORD, which goes all over this great land of ours and many foreign lands, will really and truly wonder, as I do, why these great rivers have not been developed many, many long years ago.

Governor Patterson was here last year and would have been with us this year had our Alabama Legislature not been in session. However, you will remember, and there is a record, of the great statement that he made regarding the development of these wonderful waterways, which is one of the longest river systems in the world. Every one of the Alabama delegation is so pleased that every item that we asked for is already in the budget. For this, we are very, very thankful.

Of course, Mr. Speaker, every Member of this House knows each one of the Alabama delegation, but how I wish they knew all of the men who drove over a thousand miles here to appear before you and ask for the help in this great undeveloped river system in Alabama, Georgia, and Tennessee. I hope everybody will be able to read not only our statements, but the statement of the Honorable Robert F. Henry, president of the Coosa-Alabama Improvement Association of Montgomery, Ala. We also had the Honorable L. R. Grimes there and we call him "Daddy" Grimes, because he is over 85 years old, or I should really say 85 years young. That man really made a striking figure when he stood before the Appropriations Subcommittee for Public Works in the House and also in the Senate and told how long he had been working for this project. It was longer than anybody could even remember, and he has been on the board of revenue at Montgomery, Ala., for over 40 years.

He told us he had just been able to retire the bonds long before they were due on that great county for over $10 million. He told us how he had been coming here for many long years, working, pulling, and praying for this great project for our rivers.

Then each one of these men gave us a great statement: Our own Probate Judge William Dannelly, of Camden, Wilcox County, Ala., has been here time and time again, to work and lend his voice to help develop this great project. Then W. E. "Willie" Deer, representing Monroe County which includes Monroeville and Claiborne, Ala., has been here just as long as we have had this association. How I wish you could go to Claiborne, Ala., and visit this great man, Willie Deer, and his wonderful wife, who live there on a 15,000 acre plantation on the banks of the Alabama River. They have a fabulous place with everything there. It is one of the most beautiful old mansions in this Nation and the history —two governors are buried there and many other prominent men who have lived there. In the long ago, when Lafayette sailed down this river from Montgomery, Ala., the capital of Alabama, he spent the night at this great place at Claiborne, and they have his stories, his letters of thanks and all about the great banquet they gave him and, of course, they did take care of the beautiful bed in which Lafayette slept. It is truly a great place, and they have given their lives to see this river developed.

Every man in this list has been very faithful, and you know if they came over a thousand miles to lend their voices to help their Representatives here, they must be intensely interested. I think, Mr. Speaker, that with your help and the help of the great CLARENCE CANNON, chairman of the Appropriations Subcommittee for Public Works, and his full and outstanding committee, our troubles will be over. We have never had any trouble with the Appropriations Subcommittee when the items we asked for were in the budget, and every one of them are in the budget, as you will see from the statements of our Senators and all the congressional delegation and from all our friends who have submitted statements. This makes the strongest case I have ever read in all of my life.

Mr. Speaker, how I hope that you and every Member in the Congress of the United States will take time out to read about the Coosa-Alabama and the Warrior-Tombigbee and all of these other rivers that we have all been working on for so long to be developed. It is a great story and is fascinating and really and truly fantastic. I believe, now, that we are going to get the real start which will carry us on to complete this great river project which will mean so much to so many States. As a matter of fact, it will mean much to all mankind.

Our delegation will appreciate your help and the help of every man in this Congress in this great, worthy, and good proposition, which should have been finished and in operation over 75 long years ago. The list of names follows:

DELEGATION APPEARING BEFORE THE SUBCOMMITTEE ON APPROPRIATIONS FOR PUBLIC WORKS, U.S. HOUSE OF REPRESENTATIVES, JUNE 6, 1961

Hon. Robert F. Henry, president, Coosa-Alabama River Improvement Association, Montgomery, Ala.

Hon. George L. Cleere, executive vice president, Coosa-Alabama River Improvement Association, Montgomery, Ala.

Hon. L. R. Grimes, board of revenue, Montgomery, Ala.

Hon. Chris B. Heniz, mayor, city of Selma, Ala.

Hon. Thomas Blake, manager, chamber of commerce, Montgomery, Ala.

Hon. Richard Reed, industrial manager, chamber of commerce, Montgomery, Ala.

Hon. George Morris, mayor, city of Anniston, Ala.

Hon. Cyrus Young, Jr., attorney, Anniston, Ala.

Hon. Ralph Callahan, manager, Anniston Star, Anniston, Ala.

Hon. Burgette Mooney, editor, Rome Tribune, Rome, Ga.

Hon. Hoyt Hamilton, probate judge, St. Clair County, Pell City, Ala.

Hon. Ed. H. Holiday, attorney, Pell City, Ala.

Hon. William F. Killough, probate judge, Talladega County, Talladega, Ala.

Hon. Arthur Springer, manager, chamber of commerce, Talladega, Ala.

Hon. W. M. Donnally, probate judge, Wilcox County, Camden, Ala.

Hon. W. E. Deer, representing Monroe County, Monroeville, Ala.

Hon. James Jones, representing Cherokee County, Centre, Ala.

Hon. G. A. Johnson, representing Cherokee County, Centre, Ala.

Hon. B. M. Davis, representing city of Centre, Centre, Ala.

Hon. James A. Rice, probate judge, Autauga County, Prattville, Ala.

Hon. Carlie E. Smith, banker, Prattville, Ala.

Hon. Sam McEwen, mayor, town of Wilsonville, Ala.

Hon. James Gorman, teacher, Vincent, Ala.

Dr. Davis, representing city of Centre, Centre, Ala.

Hon. Moultrie Hill, TAG Railroad, Chattanooga, Tenn.

Hon. Charles Hampton, city commission, Rome, Ga.

Hon. John E. Chestnut, city council, Centre, Ala.

Hon. John H. Ellis, county board of revenue, Cherokee County, Ala.

Hon. George C. Davis, member, city council, Centre, Ala.

Summit Meetings

EXTENSION OF REMARKS
OF

HON. STEVEN B. DEROUNIAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 12, 1961

Mr. DEROUNIAN. Mr. Speaker, in the first of the following two articles, Secretary of State Dean Rusk goes into great detail on why no one should go to the summit. This article, which appeared in Coronet in the June 1961 issue, is based on a lecture given by Secretary Rusk prior to the time he was appointed Secretary of State.

Dean Rusk is the man who opposed in principle Secretary Dulles' style of diplomacy, but who has, himself, traveled twice as far as Secretary Dulles in his first 4 months in office, and has accomplished far less than our former Secretary of State.

The second article was written by Mr. David Lawrence, after President Kennedy's meeting with Premier Khrushchev and appeared in the New York Herald Tribune this morning.

In his report to the Nation, immediately upon his return from his summit meeting, President Kennedy stated that no plans had been presented or discussed. Yet after Mr. Khrushchev released information to the contrary, we are now told that a plan for Germany was given to President Kennedy by Khrushchev. Are we in for another Yalta?

THE PRESIDENCY AND THE SUMMIT

(Speaking frankly and forcefully, our State Department head warns against overburdening the President with the cares and pressure of "top level" international negotiations)

(By Dean Rusk, Secretary of State)

The modern Presidency has become an office of almost unbearable responsibility. The President is Chief of State, Chief Executive of the Government, Commander in Chief of the Armed Forces; the head of his political party; our chief legislator; our chief budget officer; the protector of the Constitution; the custodian of the national interest. Against this background of unbearable responsibility, the question arises as to whether the President can wisely undertake the burden and hazards of personal diplomacy at the summit. As Chief of State of the United States, [he] can and ought to undertake a limited and carefully planned program of state visits, short in duration, and aimed at the exchange of courtesy and respect as a tangible expression of the good will of the American people. But negotiation at the chief-of-government level is quite another matter. It is not easily accommo-

dated among the peculiarities of our constitutional system. It diverts time and energy from exactly the point at which we can spare it least. It does not give us effective negotiation. Such experience as we have had with summit diplomacy does not encourage the view that it contributes to the advancement of American interests. I conclude that summit diplomacy is to be approached with the wariness with which a prudent physician prescribes a habit-forming drug—a technique to be employed rarely and under the most exceptional circumstances, with rigorous safeguards against its becoming a debilitating or dangerous habit.

The principal negotiator at the summit must be much more than a mouthpiece for the sheets of paper put in front of him by a staff. He must understand the full scope of the issues and their innermost detail. He must know intimately the positions of others who are to be present, especially where a common front among allies is a major objective of policy.

He must be aware of the impact of the issues upon nations not present at the table and upon American interests in all parts of the world. Prudence requires that he anticipate as best he can the most probable attitude of his principal adversary and the range of alternatives with which his opponent might confront him.

He must think carefully about his conduct away from the table itself—the social arrangements, his informal conversations, and, very important, his relations with the press and public opinion.

One can accept the fiction that the White House is wherever the President happens to be and still recognize that prolonged absences from Washington impair the effective performance of the office. Unless the President is accessible, decisions on important matters are postponed or settled at the level of the common denominator among the departments and agencies concerned. On his own side, the President will be partially cut off from his Cabinet officers, his personal staff, his usual flow of information, the leaders of Congress and of his own party. In addition, he cannot act with regard to many of the formal and informal aspects of his office.

Time was of the essence in the decision to interpose American forces against aggression in Korea. Had the decision been postponed, say, 24 hours, we should have faced a wholly different situation on the Korean peninsula. Former President Truman, in Missouri when the first report of the attack reached Washington, could nevertheless authorize immediate reference of the matter to the Security Council and arrive in Washington on the following afternoon to assume full charge of the situation. Jet transport has reduced the difference between Missouri and, say, Western Europe, but guided missiles and alert bombers have almost obliterated the other side of the time equation.

Since constitutional arrangements are designed to cover many contingencies which happily never arise, it is not necessarily a sign of panic to suggest that the present strategic situation places a considerable premium upon the immediate availability of the President and Commander-in-Chief.

His absence from the United States, in a situation which he himself cannot surely control, suggests a contingent inability to discharge the powers and duties of his office.

It is not unreasonable to consider, if eventually to reject, the possibility of providing by statute that the Vice President shall serve as Acting President during the absence of the President from the United States, leaving it to the two of them to determine which matters, short of great emergency, would be forwarded to the President.

A provision that the Vice President serve as Acting President during the absences of the President abroad would, of course, mean that Presidents would go abroad only on the rarest occasions—to me one of its most appealing features.

Returning to summit meetings and their capacity to yield constructive agreements, the experienced diplomat will usually counsel against the direct confrontation of those with final authority. Negotiation needs time, patience and precision, three resources which are not found in abundance at the highest political level.

The direct confrontation of the chiefs of government of the great powers involves an extra tension because the court of last resort is in session. The costs of error or misunderstanding are multiplied by the seriousness of the issues and the power of those present.

Picture two men sitting down together to talk about matters affecting the very survival of the systems they represent, each in position to unleash unbelievably destructive power. Note that the one is impulsive in manner, supremely confident as only a closed mind can be, tempted to play for dramatic effect, motivated by forces only partially perceived by the other.

The other is deeply committed to principles for which his adversary has only contempt, weighted down by a sense of responsibility for the hundreds of millions who have freely given him their confidence and whose fates are largely in his hands, a man limited by conscience and policy in his choice of tactics and argument.

Is it wise to gamble so heavily? Are not these two men who should be kept apart until others have found a sure meeting ground of accommodation between them? Is there not much to be said for institutionalizing their relationship?

Thinking broadly and over the long run, the course of wisdom lies in reducing the impact which accidents of personality have upon the relations among nations.

Neither friendship nor aversion is an adequate basis for high policy. Personalities change, sometimes rapidly; but the great tasks of building a tolerable world order endure and national interests reach far beyond the idiosyncrasies of holders of public office. One of the purposes of diplomacy, including its elaborate formality and high style, is to exclude from great affairs of state the many irrelevancies which spring from human frailty.

If personalities make for complications, these are magnified by the circumstances of a summit meeting. When the Big Three consulted about wartime meetings they seemed much less concerned about getting away from the Germans than about getting away from the press.

Apart from the harrowing insistence of the most competitive of the professions, the general atmosphere is that of the football stadium. Is our team winning? Did our man throw him for a loss? Who wins the most valuable player award?

But beneath the surface lie the desperate hopes that tensions will be eased, that somehow things will get better. The result is a pervasive pressure toward the creation of illusions—at worst an illusion of victory, at best the pretense of accomplishment where none was achieved.

I must confess that I do not see my way through the inevitable entanglement of summit diplomacy with domestic politics.

Were not some of us just a bit embarrassed when Mr. Macmillan announced a general election almost before the vapor trails of Mr. Eisenhower's jet had dissolved into British skies? Is the President of the United States to be caught up personally in the difficult task of satisfying General de Gaulle's appetite for grandeur?

Can we not anticipate cables from still other quarters reading, "My government will fall unless you come to see us?"

And how shall we handle the chain reactions which prestige factors will set off if summitry becomes a habit—the demands of other NATO partners to have a share, the need to show that the exclusive club is not limited to white nations and great powers, the resentment in Latin America if left at the bottom of our interest and concern?

One of the arguments made in behalf of summit meetings is that heads of government can talk things over directly with freedom of action and power to come to agreements promptly and decisively. But the President of the United States is subject to what might be called the "Woodrow Wilson effect"—he must keep in mind his ability to make good on his commitments when he gets home.

If the summit means bold diplomacy for some, it may well mean timidity for us.

A President in Washington, in direct touch with his departments and congressional and party leaders, may be able to react more promptly and more confidently than if he himself were present at the table.

A formidable argument for summit diplomacy is the statement that "If you wish to negotiate with the Soviet Union you must talk to Mr. Khrushchev." Yet, is there point in allowing the Soviet Union to set the style of international negotiation at the cost of disrupting the established political arrangements of other nations?

If Mr. Khrushchev insists upon having a Foreign Minister to whom he does not wish to give his confidence, is he to impose the same ignominious status upon the Secretary of State of the United States?

Can we not insist that it is up to each nation to determine for itself who its highest ranking negotiator is to be? Or cannot Mr. Khrushchev find even one high-ranking colleague whom he can trust to represent him loyally and effectively?

What we say and how we should like to appear are of transient importance compared with how we conduct the public business in our domestic and foreign affairs.

The crucial, indispensable contribution which the President can make to the conduct of our foreign affairs is to enter fully into his office, to use its powers and accept its responsibilities, to lead a people who are capable of responding to the obligations of citizenship.

Finally, the President must prepare himself for those solemn moments when, after all the advice is in from every quarter, he must ascend his lonely pinnacle and decide what we must do. There are such moments, when the whole world holds its breath and our fate is in his hands. Then every fragment of his experience, all that he has read and learned, his understanding of his own Nation and of the world about him, his faith, conscience and courage are brought to bear.

It is in this realization, not in petty criticism, that we can be jealous of his time and energy and resistant to every influence which comes between the man and his burdens.

KENNEDY'S WISDOM IN TALK TO KHRUSHCHEV QUESTIONED

(By David Lawrence)

WASHINGTON, June 11.—Did President Kennedy make a mistake in the timing of his visit with Nikita Khrushchev? Should he have delayed at least a year, and should he have consented to a meeting alone for several hours with the Soviet Premier at which no stenographic record was made of what was said? Also, why didn't Mr. Kennedy disclose to the American people the two documents which the Soviet Government presented at the Vienna conference and now is making public of its own accord?

These questions are asked because it is announced that in a few days the Soviet Premier is to present a report to the Soviet

people giving his own interpretation of the long discussions at Vienna. Also, it is pertinent to inquire why as early as February 22—only a month after his inauguration—President Kennedy sent a letter to Premier Khrushchev paving the way for the meeting at Vienna. At that time Mr. Kennedy could not possibly have become familiar with all the background of previous negotiations as recorded in the file of reports from our ambassadors abroad to the State Department in the last several years. Nor had he spent very much time getting at firsthand Mr. Eisenhower's impressions of Nikita Khrushchev's tactics. Yet the preceding President had access to every bit of information gathered by intelligence sources in the last several years.

Mr. Kennedy established a precedent in his long periods of conference alone with the Soviet Premier. Such a conference means a lot of risks for this country. Thus, the words of an ambassador are constantly subject to review by his superiors. They can be disavowed or their meaning softened or hardened as the case may be. When a President speaks, however, every word is authoritative and final. It represents a commitment and is part of a historic negotiation, even though for political or other reasons the tendency in official statements is to claim that what Mr. Kennedy said to Mr. Khrushchev was not a "negotiation" but a "discussion."

MONTHS OF BRIEFING

How could Mr. Kennedy, with his cursory knowledge of the official records of the State Department, safely make any statement orally in talking with Mr. Khrushchev without months and months of briefing beforehand by American experts familiar with Russian affairs?

Even those American experts now resident in this country are at a disadvantage. Thus, Mr. Khrushchev's problems are not publicized in the Soviet press. If he is catering to or defying an opposition, there is little opportunity for American observers to know just what the latest opposition viewpoint is and how much influence it happens to have with the Soviet Premier in shaping his policies. How many American officials know intimately the background of Kremlin policy over the years or the environment in the Ukraine, for instance, which has played such a controlling part in Mr. Khrushchev's life and methods of operation?

Yet an American President with no previous experience at all in international conferences ventures forth to a summit meeting and then proclaims to the world afterward on a nationwide television network that "no major decision was either planned or taken." In the same address, moreover, it is revealed that Mr. Kennedy delivered a warning on West Berlin and said the United States would take "any risk" to defend our rights there. Plainly this was not just a "discussion" but a grave step in international relations which could mean war.

Should American Presidents issue in personal conversations—rather than in writing—warnings that could involve the country in war? The Constitution gives only to Congress the power to declare war. Diplomatic exchanges can often bring commitments that may provoke war, and then Congress is placed in the awkward position of ratifying a state of war that exists.

When President Eisenhower decided to go to the summit at Geneva in 1955 and at Paris in 1960, the same criticisms were made in these dispatches. In fact, thoughtful students of American diplomacy feel that summit meetings constitute a dangerous departure from a republic's policy and seem to be more in conformity with the customs and policies followed in the days of absolute monarchs.

Secretary Rusk, in a magazine article published before he entered the Kennedy Cabinet, opposed summit conferences unless preceded by careful preparation and, through diplomatic channels, some measure of previous agreement, in writing, on fundamentals. Indeed, it is also a risk for Secretaries of State to participate in oral conferences with foreign ministers of countries which are not allied with us and which are potentially our enemies.

SUDDEN CHANGE

It was thought for a while that the Kennedy administration would conduct foreign affairs in what was referred to a few weeks ago as "quiet diplomacy." But for some unexplained reason all this was suddenly changed and a spectacular stunt conference was substituted. The President eliminated from many hours of his talks in Vienna the very experts who could have subsequently sized up for him the true significance of Mr. Khrushchev's behavior.

It is questionable whether such summit talks should be permitted again, and yet Congress today seems supinely to ignore the risks already taken. Possibly it is because the Republicans were involved in somewhat the same procedures during the Eisenhower administration.

All in all, the present system of communications seems to be slipshod, disorganized and ineffective except for publicity maneuvers on both sides. Yet it involves commitments that can make the difference between peace and war.

River Projects in Alabama

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 12, 1961

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by Hon. ARMISTEAD I. SELDEN before the Subcommittee on Appropriations for Public Works:

STATEMENT OF REPRESENTATIVE ARMISTEAD I. SELDEN, JR.

Mr. Chairman, I join with my colleagues and others from Alabama in expressing our appreciation for the opportunity to appear before your subcommittee in support of appropriations for further development of the Coosa-Alabama River system. We believe the information we are presenting to you today will indicate that the funds requested are justified.

In the Federal budget for 1962 a total of $675,000 is included to complete the planning and designing of two very necessary structures on the system—the Millers Ferry navigation and hydroelectric power dam and the Carters flood and hydroelectric power dam. The sum of $75,000 is included to resume planning of the important Claiborne navigation dam on the Alabama River. Let me emphasize that the planning and designing of two of the dams, Millers Ferry and Carters, can be completed if the 87th Congress appropriates the amounts contained in the 1962 budget. The remaining funds will make it possible to resume planning of the Claiborne lock and dam. Thus, none of the funds included in the budget are for planning and design of new projects.

Second in size only to the Tennessee River in the Southeast, the Coosa-Alabama has been aptly described as the Nation's last major undeveloped river system. Its potential uses are not only important to the areas in Alabama and Georgia which it will benefit economically but also to the entire United States, as the river system will provide a major source of water transportation, reservoirs, and hydroelectric power for national defense. Thus, its proper development is indeed a sound investment.

Recognizing the many potential advantages of the Coosa and Alabama Rivers, the Federal Government as far back as 1872 instituted an improvement program on the system. This first development plan called for providing navigation on the Coosa from Rome, Ga., to Gadsden, Ala., by the building of 31 low-lift locks and dams. However, only four locks were built on the upper end of the rapids below Rome, and the Government abandoned the program in 1890.

Later the Government issued a license to private interests to develop a portion of the Coosa River's hydroelectric power potential. Three dams were then constructed by the Alabama Power Co., with the first being completed in 1915, the second in 1923, and the third in 1929. These three dams—Mitchell, Lay, and Jordan—are the only ones on the Coosa River at the present time.

After additional studies and surveys of the Coosa-Alabama River, Congress authorized, in 1945, the development of the system for navigation, flood control, and power purposes. Overall planning by the Corps of Engineers was undertaken from 1945 through fiscal year 1952, but construction was not begun on any specific project.

In 1954, I joined with other members of the Alabama congressional delegation in introducing legislation designed to suspend the authorization previously granted by Congress for Federal development of the river system for hydroelectric purposes. Subsequent enactment of this legislation made it possible for the Alabama Power Co. to secure a license to construct four additional hydroelectric dams on the upper reaches of the Coosa River and to raise the level of one of the existing dams. This construction program is scheduled to be completed by 1968. The first facility, the Weiss Dam, is to be completed this year.

With the construction of additional dams by private enterprise, the overall cost to the Federal Government for the development of the Coosa-Alabama for other purposes will be lessened considerably. However, until the Government adds locks to the proposed and existing dams built by private interests and then constructs three additional locks and dams on the Alabama River, the Coosa-Alabama system cannot be used as a traffic artery.

The current plan of development by the U.S. Corps of Engineers calls for beginning construction of Millers Ferry Dam in 1962. Claiborne Dam is scheduled to be started 2 years later so that it can be completed concurrently with Millers Ferry. Jones Bluff Dam is scheduled for construction when these two are completed and will take about 4 years to build.

The plan of development provides for installation of locks in the privately owned dams on the Coosa River as soon as navigation is assured to Montgomery and Wetumpka.

The Carters flood and power dam was authorized by Congress following an interim report and recommendation of the Corps of Engineers that the dam be constructed. This dam will be located in northwest Georgia on the Coosawattee River which joins the Etowah River near Rome, Ga., and forms the Coosa. The new facility will hold back floodwaters in the downstream areas as well as generate power needed for the rapidly expanding industrial section of northwest Georgia.

Mr. Chairman, I respectfully urge that the funds provided in the current budget for the planning and design of both the Millers Ferry and Carters locks and dams, as well as funds for resuming planning of the Claiborne Dam, be approved by your committee so that the development of this great river system may proceed as rapidly as possible.

Federal Aid to Education Is Unnecessary, Undesirable, and Unwanted

EXTENSION OF REMARKS
OF
HON. O. C. FISHER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 12, 1961

Mr. FISHER. Mr. Speaker, an attempt is underway to wrest from the people the control and direction of their largest domestic service—public education—and lodge that control in a sprawling Federal bureaucracy.

The threat is real and it is serious. The eyes of the Nation are now upon the House of Representatives where the final verdict will be handed down within a few days. That decision will be historic, because this time we are playing for keeps.

By a vote of 49 to 34 the other body on May 25 approved a bill, and once again the House of Representatives becomes the last refuge for those who oppose transferring control of our public schools from Main Street and the local elected school boards to Washington on the Potomac.

On the one hand it is claimed by certain sponsors that this aid legislation will not lead to Federal control, and language in the bills is cited as ample proof. Other supporters frankly admit that Federal control is the chief objective. I shall go into that in more detail later in this discussion.

It is also contended that there is a crisis in our schools due to an acute classroom shortage, which can only be relieved by hand-outs from the Federal Government. We shall see in a moment that there is absolutely no factual basis for that contention.

A third contention by sponsors is that there is a need for more schoolteachers, that they are underpaid, are lacking in quality, and therefore Uncle Sam should chip in and help pay their salaries each month. This claim is also contrary to the documented facts.

NO PRECEDENT FOR THIS AID

Mr. Speaker, for some 80 years this battle has been going on, but with increased tempo in recent years—a struggle to gain for the Federal Government some control and direction over our public schools. Federal aid to the land grant colleges has been cited as a precedent for aid to public schools. Let us examine that argument a moment.

Mr. Roger Freeman, a highly respected authority on school finances, reminds us that such grants were authorized by the ordinance of 1785, and that through the years the Federal Government has deeded 77 million acres of public land to the States as endowment for schools. This was part of the disposition of more than one billion acres of the national domain to homesteaders, railroads, and other groups whom the Government encouraged to develop the West.

It is significant to recall that no such grants or other benefits were provided to the 13 States where, at that time, more than 98 percent of all American children lived.

The question is then asked: Is it conceivable that Congress would have channeled all grants to areas where almost no American children lived and none to the sections where the children actually were and needed an education, if Federal promotion of education was the real purpose of the grants?

Since that time billions have been voted for other State and local activities. Some of these programs have affected schools but cannot be properly called Federal aid to education. The Congress has repeatedly turned down proposals for Federal aid, of the type now before us.

The school-lunch program is also cited as a precedent. Yet that program was from its inception justified as a means of disposing of agricultural surpluses. It is handled by the Department of Agriculture.

Aid to schools in impacted areas has been cited as a precedent. But we all know that such aid is meant in lieu of taxes on federally owned facilities and to alleviate an extraordinary problem caused by a sudden influx of people in connection with a Federal activity. Therefore, it is no precedent for what is now being attempted.

It is true that there is a form of Federal aid to education in vocational training and in the National Defense Education Act of 1958. The latter is a temporary program, or at least so intended when enacted, with its expiration date in 1962, and it was justified as a means of promoting the cause of national defense. The two of these programs combined represent less than 1 percent of the Nation's total school budget.

THERE IS NO CLASSROOM SHORTAGE

In their zeal Federal aid advocates have repeatedly stretched the facts in attempts to make out a case for Federal assistance for classroom construction.

What are the facts? Since 1954, when a national school plant inventory was taken, reports Mr. Freeman, enrollment in public schools has grown 24 percent. And during that same period the number of classrooms in use has grown 36 percent. While that was taking place the number of pupils per classroom has dropped from 30.6 to 27.8.

More than one-half of schoolchildren now enrolled are in classrooms built since the war.

Within the past 10 years 600,000 new classrooms have been built. During that time school attendance grew 11.5 million, requiring an additional 400,000 classrooms. Thus, some 200,000 classrooms were made available for replacement and reduction in class sizes.

Does that record indicate a crisis in classroom shortage, as Federal aid sponsors contend? The simple fact is that America's public schoolchildren are better housed than ever before, and they are better housed than the children of any other nation. We have something to be proud of.

When one drives over American highways today new school buildings can be seen on every hand, with new construction of classrooms going on everywhere we go.

A lady residing in Brownwood, Tex., wrote me a few days ago as follows:

> In regard to Federal aid to education, we do not want it, do not need it. In our own small town we are building a $2 million school building, paying for it without Federal aid. Let the other towns do likewise.

The record of success of most of school bond and tax issues, to support schools, demonstrate the fact that the American people can and are willing to support their schools without Federal assistance.

Local school boards should know their needs better than any bureaucrat or lobbyist in Washington. The National School Boards Association, which represents the State school board associations and the country's 50,000 local school boards, year after year has refused to endorse Federal aid, most recently at its convention in Chicago in April of 1960.

Where, then, is all this clamor for Federal aid coming from? It is coming from the politicians and from the professional educationalists here in Washington.

But what about the future of classrooms? Can we reasonably expect the remarkable record that has been made by local communities in meeting this problem to continue?

It has been pointed out that 69,000 classrooms have been built each year for the past 5 years. The President in his message to the Congress estimated the need for 600,000 additional classrooms during the next 10 years. At the present average rate of 69,000 new ones a year, we can assume that 690,000 new classrooms will be built during the next 10 years.

Judging by the remarkable record of school bond issues in 1960 there is every reason to assume that this trend will continue, and we have a right to assume that will be the case.

We know this to be true: The growth of school finances, the building of classrooms, the addition of new teachers, have far surpassed what friends and foes of Federal school aid dreamed of only a few years ago. The record shows that States and communities have been increasing their school appropriations by about $1 billion each year for a decade.

NO TEACHER SHORTAGE

It is contended that the teacher shortage is so serious that it is necessary for Federal intervention to alleviate that problem.

The simple fact is that over the last 7 years enrollment increased 29 percent but the number of teachers with qualifying certificates increased 40 percent. Does this indicate an acute shortage is developing?

And the teacher outlook for the future is bright. Last year 130,000 men and women completed teaching certificate requirements, equal to 31 percent of all

college students who earned a bachelor's degree. That percentage has gone upward from 21 percent in 1948 to 31 percent in 1956 and has remained at a stable rate ever since.

If this healthy record is maintained during the next decade, and we have a right to assume that it will, the number of newly prepared teachers will be increased by 75 percent during a time when enrollment increases are due to be cut in half.

In an attempt to drum up support, sponsors dangle before the schoolteachers of America the promise of more pay, if only Federal aid can be pushed through the Congress.

Everyone wants to see our teachers adequately paid for their services. But without the magic of Federal aid, the lot of our teachers has increased—and is continuing to increase—steadily. It is now being admitted that teachers' pay has risen proportionately faster than the income of other wage and salary earners. That is a statistical fact. For example, over the past 30 years the pay of Federal civilian employees rose 73 percent and teachers' salaries 106 percent—both in price-adjusted dollars. During that same period the wages of all persons working for wages and salaries rose 91 percent.

Of course, if Uncle Sam forces his way into this field and takes over some of the financing, naturally local and State officials will not exert themselves to find the solutions to the financing of school problems.

LOCAL COMMUNITIES CAN FINANCE SCHOOLS

Another claim that is often heard in the propaganda line for Federal aid is that local communities have exhausted their taxing and bonding capabilities. That may be true in a few instances, but it is not generally true. In fact, studies show that the job of supporting schools will be easier during the next 10 years than has been true during the 1950's. School enrollment will expand much less than in the past, proportionately.

A little more than a year ago the Department of Education conducted a canvass among chief State school officials and received 45 replies. Fifteen of the States reported having districts which, although needing additional classrooms, had reached their borrowing limits and had no access to other funds. There were 237 such districts, most of them small, out of a national total of nearly 50,000—a showing that only about one-half of 1 percent of all the school districts in the Nation legally lacked financial means to build needed classrooms and otherwise support the cost of maintaining their schools.

It must be conceded that the promise that Federal aid will give taxpayers and schools something for nothing has an appeal. Without bothering to think through the implications of this proposal, some States look at the propaganda figures put out by sponsors, and say: "Look, we had better get on this gravy train. We will get more out of it than we will pay in." The lobbyists feel that in that way they can swing enough votes for the legislation to chalk up a victory. And the sad thing is that they may do just that.

MORE BUREAUCRACY AND CONTROL IS THE GOAL

Mr. Roger Freeman says that the sponsors of Federal aid are already preparing for the day of victory. The staff of the Office of Education has doubled within the past 3 years and its expenditures have more than quadrupled in the past 6 years.

We are reminded that a memorandum circulated within the Office of Education last fall predicted that the role of the Office of Education is going to explode in the decade ahead.

The authors of that memorandum, according to Mr. Freeman, pointed to the success of the life-adjustment education movement which the Office of Education sponsored 14 years ago and outlined a plan to develop a national policy in education, to reshape curricula and organization, and remodel the public schools. This should be brought about by the enactment of general Federal aid, by a Federal contribution far beyond anything seen in the past.

Mr. Speaker, I am convinced that if this Federal aid plan is enacted, there will be Federal control regardless of what assurances to the contrary are given. The Supreme Court has said that a federally subsidized program encompasses the right of control. Speaking on this subject the late Senator Taft said: "Federal aid means Federal control. There is no middle ground."

It must be kept in mind that the sponsors of Federal aid have failed to make a case, if the proposal is based, as they contend, on the need for aid in defraying the costs of classroom construction and teacher salaries. That being the case, then the question arises, Just what is sought? What is the objective of this ambitious and expensive Federal program?

I quoted a moment ago from a Department of Education memorandum which makes it crystal clear what the real purpose is. Let us search for more supporting proof, if more is needed. An editorial in the Nation's Schools, September 1960, contains this:

> There is something quite naive in the way we school people talk about Federal control of education. Some of us seem to think that Federal influence on education can be prevented by stating that it shall not exist. Federal direction is inherent in any Federal law or any Federal court decision pertaining to education.

The late and lamented John Lesinski, Sr., while serving as chairman of the House Committee on Education and Labor, addressing himself to this very problem, stated:

> It is impossible to draft a general Federal aid bill which will not contain a great deal of Federal control over local school systems. I am convinced, after the hard study we have put to the question, that no acceptable bill preventing Federal domination of local schools can be drawn. I reluctantly come to the conclusion, but I had to face the facts.

Mr. Lesinski was a realist and he knew what he was talking about.

An editorial in Overview, monthly magazine of the school administrators, said in November 1960:

> The United States is inexorably moving toward a national system of education. The long-held views that education is largely a personal concern and that educational policies should be made by local units of government will have to go. The national welfare demands a national system of education.

In a recent article on this subject, Mr. Freeman referred to the views that have been expressed by the National Education Association and the American Association of School Administrators. They are the chief sponsors of Federal aid, and here is their view:

> At no time will they [the people] clearly and decisively take action to make the National Government the predominant agent of educational control. Rather, national control will come by a process of accretion and infiltration. This is how it has happened thus far.

If more evidence is needed, let us turn to a leading advocate of Federal aid, Mr. Myron Liebermann of the Educational Research Council of Greater Cleveland. He has said that local control of education has clearly outlived its usefulness on the American scene, and further, that local control cannot in practice be reconciled with the ideals of a democratic society.

In his book, "The Future of Public Education," Mr. Liebermann proposes that local control of education by laymen should be limited to peripheral and ceremonial functions of education. He concludes:

> I am convinced that we are about to move rapidly toward a national system of education.

On the subject of Federal control, a recent editorial writer gives us something to think about in these words:

> The simple truth is that in the long run Congress cannot escape responsibility for use of the Federal money it passes out to a State. Next year it may ban any aid to a segregated school. The year following it may require instructions in the principles of the United Nations. Next it could require a loyalty oath for all teachers. Then it could compel all schools to show films depicting the accomplishments of the Federal Government in producing electric power. And ultimately a Fascist-minded administration might use the power over school finances to infiltrate the schools with outright propaganda on behalf of the group in power.

The idea that by stating in a bill that there shall be no Federal control actually means that may sound good to the naive and the inexperienced. But to those who know very much about the workings of the Congress such assurances mean very little indeed. Every year there will have to be appropriations by the Congress. And every year there will be "riders" offered, and probably many adopted, laying down the conditions under which the money may be spent, notwithstanding any provision in the organic act.

The simple fact is that the NEA and other sponsors know that it is much easier for pressure groups to influence a single legislative body—the Congress—and a single Executive—the President—than it is 50 State legislatures, 50 Governors, and 50,000 local school boards. That is why they have doctored this legislation to make it appeal to as many as possible. But once enacted, the big battles

will begin, and they know that then they will have the upper hand.

Mr. Speaker, can there be any reasonable doubt in the mind of any reasonable person of what this is all about? It is too obvious for words.

Someone put it this way: Do we want a centralized, standardized school system with a set curriculum, with teacher certification requirements fixed in Washington, with the whole orientation of our schools armchaired by a Federal bureau; or do we wish to continue to have individual school systems stemming from the manpower inventories and the aspirations of a community? Do we want institutions responsible to the people of that community and hence financed through the efforts of that State and community, or are they to be federally planned? We cannot have it both ways. We cannot have our cake and eat it, too.

Again, I repeat: Where is all this clamor for Federal aid coming from? It is not coming from the local school boards, nor is it coming from the Governors and the State school authorities, except in isolated instances. It is coming from the pressure groups who realize that their complete control of our educational system can come only if education is federalized.

Last year I sent a questionnaire to every qualified voter in my district and included two questions on Federal aid to education. Thirty-one percent answered they favored Federal aid to needy States for school construction, while 64 percent were opposed. Twenty-six percent of them were for and 69 percent were against Federal aid for increased teacher pay.

Incidentally, 38 percent of the teachers who answered were for and 56 percent were against aid for school construction, and 32 percent were for and 60 percent were against aid for teachers pay.

PORK BARREL LEGISLATION

At this point I wish to include as part of my remarks a recent editorial from the Washington News, referring to the Senate's approval of the $2½ billion Federal aid to education bill:

PORK IN AID TO EDUCATION

The idealistic impulse to do something for education has degenerated into a frantic scramble to get at the pork barrel.

The Senate, in the final throes of passing this legislation, has completely removed the wraps. First it was a question whether there should be money for teachers' pay, as well as for buildings. Now the Senate has amended the bill to make it a straight handout. The money can be used, not just for buildings and salaries, but for any school purpose.

In the original language, as proposed by President Kennedy, subsidies were to be proportionate to the numbers actually attending public schools. This has been changed in the Senate to include all children of school age, whether attending public school or not.

Parochial schools would not get any of the money. The Constitution forbids it. But States where large numbers of children go to parochial schools would benefit more, in proportion, than States with a few parochial schools.

Undoubtedly some underprivileged areas could use help. This bill offers something for everyone, privileged as well as underprivileged. The amendment to count parochial schoolchildren widens that trend. Under it some of the wealthier States actually might collect more subsidy per public school pupil than the poor ones.

No aid at all can be justified unless the State can demonstrate that, despite use of all available tax resources, it is unable to finance decent education. This aid-to-education bill establishes no such criterion.

This contemplated raid on the Treasury is particularly untimely in view of large new requirements for defense and a budget far out of balance.

It seems to us that the lawmakers, hurrying to spend this and other large sums on new domestic programs, must ask themselves where they are going to get the money. Print it, is the apparent answer, and start another wave of inflation.

This aid-to-education bill still has to get past the House where Speaker SAM RAYBURN, at least, has expressed qualms about paying salaries. The House should stop this scramble for handouts.

WHERE IS THE MONEY COMING FROM?

Mr. Speaker, we are playing for keeps this time. It is proposed to inaugurate a brandnew Federal program the cost of which will mount into the billions in future years. The fact that this, coupled with other new authorizations now before the Congress will, if enacted, play havoc with the national budget and add to the national debt, seems to be no concern of the Federalists who are plugging for its enactment.

A recent paragraph from a Newsweek column points up the problem, as follows:

Since he came into office, Mr. Kennedy has put in requests for over $6.5 billion additional spending for the current fiscal year and the fiscal year to end June 30, 1962. A small part of this addition is for defense. But most of it is for new or expanded "welfare" programs, including increased foreign economic aid, increased social security benefits, medical care for the aged, Federal aid for education, housing and urban renewal, increased funds to farmers, to veterans, to unemployed workers.

And since that report was written, several additional spending requests have been submitted to the Congress.

It has been said that while many States and communities have and will continue to have financial difficulties, it can hardly be said that their difficulties in the aggregate are as serious as those of the Federal Government. During the 10 years from 1951 through 1960 State governments as a group experienced 7 years in which total revenues exceeded total expenditures and had only 3 deficit years. The net excess of revenues over expenditures for the full 10-year period was $1.3 billion. In contrast, the Federal Government incurred six deficits during the same 10 years and had four surpluses. The deficits totaled $35.9 billion and the surpluses $7.9 billion for a net 10-year deficit of $28 billion.

The debt situation of the Federal Government is also worse than that of State and local governments as a whole. Combined State and local debt at the end of fiscal 1960 was approximately $69 billion, or 192 percent of the $36 billion State and local general tax revenues in that year. The Federal debt, in comparison, was $286 billion, or 367 percent of the $78 billion budget receipts in that year.

To add to this already alarmingly high public debt a new spending program of Federal aid would be sheer folly. It means more deficit financing, more borrowing, and more inflation.

Yet, despite this dark picture, and despite already extremely burdensome taxes, the spenders seem unconcerned. They appear quite willing to prolong the day of reckoning, to let our grandchildren worry about it.

Now is indeed the time for all good men to come to the aid of their country. Let us defeat this Federal aid bill, retain our most priceless heritage—that of local control over the education of our youth, and begin now to put our financial house in order. With the Soviets threatening to plunge the world into another war, we have no way of knowing when our outlay for national defense may skyrocket. Let us apply the brakes now, defeat this Federal aid bill, and apply sanity to our peacetime programs. Our children and our grandchildren will bless us for it.

River Projects in Alabama

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES

Monday, June 12, 1961

Mr. BOYKIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement of Hon. ROBERT E. JONES before the Subcommittee on Appropriations for Public Works.

STATEMENT OF HON. ROBERT E. JONES

Mr. Chairman, I appreciate the opportunity to join with my colleagues and this fine delegation from the Coosa-Alabama River basin in support of the appropriation for $375,000 for the completion of planning and design of the Millers Ferry lock and dam; $75,000 for the continuation of planning and design of the Claiborne lock and dam on the Alabama River, and $300,000 to complete the planning and design of Carters flood and power dam on the Coosawattee River, Ga.

As you know, Mr. Chairman, the Alabama delegation in the Congress has supported the development of the Coosa-Alabama River for a number of years. All of us have testified before this great committee in years past and I feel sure, as a result of previous testimony, you have complete information on this great river system and the future that the development of it holds for the State of Alabama and the southeast section of the country.

This committee, in its wisdom, saw fit to appropriate some $200,000 last year to continue the planning and design of the Miller's Ferry lock and dam which had been deferred for a number of years due to the policy of the past administration of "no new starts".

Mr. Chairman, I personally have been interested in the development of this river system since coming to the Congress and I am most happy to finally see this project

recognized by both the past and the present administration by the inclusion of funds for the continuation of the project in the budgets submitted to the Congress.

Thank you Mr. Chairman for granting us this time before the Committee and I earnestly request that you give favorable consideration to our request for the appropriations that have been included in the budget.

Bear Creek Dam Dedication

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 12, 1961

Mr. FLOOD. Mr. Speaker, this Congressman had the distinct pleasure of participating in the formal dedication exercises of Bear Creek Dam and Reservoir at White Haven, Pa., Saturday, June 10.

Federal, State, and municipal authorities and private citizen groups have worked diligently through the past two decades to achieve the goal—providing for a flood protection wall on the Lehigh River.

No one man has worked harder in achieving this goal than my distinguished colleague, FRANCIS E. WALTER, Member of Congress. A stroke of ill fortune prevented him from attending the dedication. I was fortunate in being selected by him to deliver his well-thought-out dedication speech:

SPEECH OF CONGRESSMAN FRANCIS E. WALTER

This dedication today marks a major step toward completion of the Lehigh River flood protection project.

This project, comprising the local protection measures already completed in Allentown; the levee, flood walls and a pertinent works under construction at Bethlehem, and Bear Creek Reservoir will provide flood protection to the highly developed Lehigh River Valley.

The recreational potential of the project is being developed by the Commonwealth of Pennsylvania through its department of forests and waters, so ably headed by Dr. Maurice Goddard.

The chain of events which led to the pending culmination of this program were the devastating flood of May 1942; action by the Congress calling upon the Corps of Engineers to devise a flood protection plan; authorization of the plan in 1946; and the great flood of August 1955. Cooperation between local, State, and Federal Governments have helped to bring this program into being.

This is the commencement season in which many thousands of our young people are leaving our schools and colleges with the goal of higher achievement. In the spirit of the season, I prefer to think of Bear Creek Reservoir as a commencement—a beginning step in the effective development and the use of the water resources of the Lehigh River Basin and the parent Delaware River Basin.

It is a truism that the waste of a resource is a moral wrong.

It is essential to our physical well-being and economic growth that water of ample quantities and good quality be available at reasonable cost and at points and time of need without damaging excess.

Water must be controlled to reduce flood flows.

Water must be harnessed to produce power.

Water must be regulated to provide for municipal and agricultural needs.

Water must be channeled to serve navigation.

Water must be ponded to meet our recreational needs.

And, water must be managed to conserve and protect our fish and wildlife resources.

A river demands its price. What is wasted can never be wholly recovered.

We in the East no longer may sit quietly by—smug in the assurance that we are water rich. We must plan vigorously, wisely, and now if we are to keep abreast of our water needs.

Brief reflection on the troubles encountered during the short, but intense drought experienced in 1957, will serve to emphasize this point. This is why I say the Bear Creek Reservoir must be considered as a beginning.

The need for comprehensive development of our rivers was first envisioned by President Theodore Roosevelt in his statesmanlike words:

"Every stream should be used to its utmost. No stream can be so used unless such use is planned in advance. When such plans are made, we shall find that, instead of interfering, one use can often be made to assist another. Each river system, from its headwaters in the forest to its mouth on the coast, is a single unit and should be treated as such."

These words were said by Theodore Roosevelt during the 1st session of the 60th Congress, in the early 1900's. They were true then and they apply today.

Just a few days ago the Corps of Engineers made public the results of more than 5 years of intensive study of the water resource development needs of the Delaware River Basin.

This Congressman is happy that he had an active role in asking for such a study, getting funds appropriated in Congress and doing whatever he could to assist in getting the comprehensive plan at least on paper.

The results of this plan highlight the emerging need for effective conservation, control, and utilization of the basin's water resources in the service of its population, industry, and agriculture.

This great water system can be wisely and efficiently developed only in accordance with this integrated, comprehensive plan.

The waters of the Delaware Basin presently serve more than 21 million people. Although the service area involved is less than 1 percent of the area of the continental United States, it contains about 13 percent of its population.

By the time of our entrance into the next century the water supply needs which must be satisfied by use of these waters will approach four times the current needs.

Demands for water-related recreation resources and facilities will increase as the population of the basin grows and urbanization continues.

Large increases in generating capacity will be required to meet needs for electricity, accompanying industrial development and improving standards of living.

It will be necessary to maintain streamflows at or above minimum levels required to handle the waste residuals which are a product of complex economic development. The need for a continuing program of effective control of floodflows is clear.

The plan of development which has been devised to meet these needs comprises 19 major water control reservoirs for multiple use, plus a number of smaller reservoirs primarily for local flood control.

In the Lehigh River Basin, three additional major reservoirs are proposed—Beltzville Reservoir on Pohopoco Creek, Aquashicola Reservoir on Aquashicola Creek and Trexler Reservoir on Jordan Creek.

In addition—and this emphasizes my point that the project that we are dedicating today is a commencement—there are plans for modification of Bear Creek Reservoir in the future to serve expanding water supply and recreational needs as well as those for flood control.

Also, a small reservoir on Mauch Chunk Creek is proposed primarily for flood protection at Jim Thorpe.

These reservoirs when fully developed will afford a high degree of flood control in the valley below—extending downstream to Easton on the Lehigh and contributing to the reduction in flood stages below that point on the Delaware.

There is no way to recover storage once lost, and as I said earlier what is wasted can never wholly be recovered.

Together these reservoirs will devote a storage capacity of about 138,000 acre-feet to the regulation of streamflows for water supply purposes. This capacity is somewhat greater than the total capacity of Bear Creek Reservoir as it stands today, further attesting to the magnitude of our emerging water problems.

Present minimum streamflow in the Lehigh will be more than double as the result of reservoir operations. This is considered necessary to meet the projected water supply of the Lehigh area in the year 2010.

Comparable reservoir developments in other portions of the Delaware Basin will provide similar benefits, and in the case of two reservoirs—Tock's Island on the Delaware's main stem and Hawk Mountain Reservoir on the Delaware's East Branch—inclusion of power generating facilities is already being planned.

The undertaking of a program of this magnitude and diversification properly should be a joint undertaking of all levels of government.

The Delaware Basin States—Pennsylvania, New Jersey, New York, and Delaware—have prepared a Delaware River Basin compact addressed to the task of achieving this objective through a Federal interstate compact—which is a joint effort of the States and the Federal Government.

I have introduced legislation to obtain the consent of Congress to this compact. One of its unique features is that it provides for an active participation by the United States, as a partner, on an equal basis with the States.

I feel confident that this mutually needed basin compact will be approved by President Kennedy. Discussions are now being successfully negotiated with the Federal agencies.

I am sure that all of us realize that we must invest, but our investment will be measured in tangible terms. When so measured, it becomes strikingly evident that it does not cost—it pays.

For after all, isn't it true that all that we really have to sustain us, fundamentally, is the air, the soil, and the water. These are the elemental things of life. Civilizations that ill used the soil and the water have withered and died, for nature's penalty is inexorable.

Those empires that wisely utilized the water endured the test of centuries. Ancient wells, aqueducts, and reservoirs—some still serviceable after two millenniums, attest to the lesson well learned.

In terms of the present and long-range needs of the Delaware River Basin area and the plans being made to meet them, completion of Bear Creek Reservoir must be recognized as an important part of a very favorable beginning.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 13, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Psalm 22: 5: *Our fathers trusted in Thee and were not confounded.*

Almighty God, under the canopy and shelter of Thy kind and gracious providence we assemble in faith and fellowship, lifting our thoughts to Thee in praise and petition.

Thou hast given to our age and generation the wisdom and skill to discover the wonders of Thy handiwork and hast revealed unto man those vast and mysterious powers which we earnestly pray may not be used for selfish and unworthy purposes but for Thy glory and the welfare of humanity.

Take from us all indifference to the great commanding obligation to help in tempering the minds of men with a finer essence of mutual trust and may we never have any misgivings as to the power and primacy of love and righteousness.

May we be eager to make the peace of the world our personal concern for we dare not stand idly by and allow our civilization, our freedom, and respect for law to go down in defeat.

Inspire us to use every ability and resource at our disposal to bring an intelligent, vigilant, and articulate public opinion to dedicate itself with a daring and courageous spirit to the service of peace on earth.

Hear us in the name of our blessed Lord. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGowan, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1425. An act for the relief of Marian Walczyk and Marya Marek;

H.R. 2346. An act for the relief of Maria Cascarino and Carmelo Giuseppe Ferraro; and

H.R. 6845. An act to amend title 14 of the United States Code to provide for an expansion of the functions of the Coast Guard.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4130. An act to lessen the impact of the termination of Federal Services to the Menominee Tribe of Wisconsin.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CHURCH, Mr. ANDERSON, Mr. GRUENING, Mr. GOLDWATER, and Mr. ALLOTT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 48. An act to authorize the Secretary of the Army to modify certain leases entered into for the provision of recreation facilities in reservoir areas;

S. 49. An act to provide for the annual audit of bridge commissions and authorities created by act of Congress, for the filling of vacancies in the membership thereof, and for other purposes;

S. 82. An act for the relief of Naoko Ishiwatari White;

S. 85. An act for the relief of Mario Rosario Barrena-Villachica, Maria Dolores Villar Salinas, Angela Casanova Cabello, Carmen Guenaga Anchustegui, and Flora Casals Pons;

S. 172. An act for the relief of Chew Chi Yan;

S. 193. An act for the relief of Rev. Patrick Floyd;

S. 242. An act for the relief of Mary Dawn Polson (Emmy Lou Kim) and Joseph King Polson (Sung Sang Moon);

S. 263. An act for the relief of Guisseppe Glorioso;

S. 266. An act for the relief of Georgios Laskaris Tgotgolas;

S. 316. An act for the relief of Min-sun Chen;

S. 331. An act for the relief of Mrs. Kazuko (Wm. R.) Zittle;

S. 373. An act for the relief of Myung Ja Kim;

S. 435. An act for the relief of Knud Erik Didriksen;

S. 592. An act for the relief of Nishan Der Simonian;

S. 606. An act to provide for the construction of a shellfisheries research center at Milford, Conn.;

S. 650. An act to amend the Watershed Protection and Flood Prevention Act to permit certain new organizations to sponsor works of improvement thereunder;

S. 674. An act for the relief of Roman Dackow;

S. 700. An act for the relief of Fung Wan (Mrs. Jung Gum Goon);

S. 722. An act for the relief of Aideh Kobler;

S. 805. An act for the relief of Yu Liao;

S. 817. An act for the relief of Octavio Jiminez Marquez;

S. 825. An act for the relief of Vasiliki Yeannakopoulos;

S. 848. An act to authorize the Secretary of Agriculture to convey a certain parcel of land to the town of Tellico Plains, Tenn.;

S. 866. An act for the relief of Jose Erasmo Reina (Lajara);

S. 942. An act for the relief of Dr. Perkins P. K. Chang (Chang Peng-Keng);

S. 944. An act for the relief of Mr. Najm Boulos Rihani;

S. 1040. An act to abolish the Federal Farm Mortgage Association, and for other purposes;

S. 1206. An act for the relief of Continental Hosiery Mills, Inc., of Henderson, N.C., successor to Continental Hoisery Co., of Henderson, N.C.;

S. 1373. An act for the relief of Giuseppa Lanza Lascuola;

S. 1440. An act to amend the act approved July 14, 1960 (74 Stat. 526), relating to the establishment of a register in the Department of Commerce of certain motor vehicle operators' licenses;

S. 1668. An act to authorize the imposition of forfeitures for certain violations of the rules and regulations of the Federal Communications Commission in the common carrier and safety and special fields; and

S. 1931. An act to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance.

MILITARY CONSTRUCTION AUTHORIZATION, FISCAL YEAR 1962

Mr. VINSON. Mr. Speaker, I call up the conference report on the bill (H.R. 5000) to authorize certain construction at military installations, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (REPT. NO. 469)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5000) to authorize certain construction at military installations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I

"SEC. 101. The Secretary of the Army may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment, for the following projects:

"Inside the United States

"Continenal Army Command

"(First Army)

"Fort Devens, Massachusetts: Operational facilities, $626,000.

"(Second Army)

"Camp A. P. Hill, Virginia: Training facilities, $284,000.

"Fort Knox, Kentucky: Operational and training facilities, and utilities, $492,000.

"Fort Meade, Maryland: Maintenance facilities, supply facilities, medical facilities, and administrative facilities, $2,211,000.

"Camp Pickett, Virginia: Training facilities, $396,000.

"Fort Richie, Maryland: Troop housing, $305,000.

"(Third Army)

"Fort Benning, Georgia: Operational and training facilities, $10,524,000.

"Fort Bragg, North Carolina: Operational facilities, and maintenance facilities, $521,000.

"Fort Campbell, Kentucky: Utilities, $618,000.

"Fort Rucker, Alabama: Operational and training facilities, and maintenance facilities, $1,571,000.

"Fort Stewart, Georgia: Operational and training facilities, maintenance facilities, and administrative facilities, $1,240,000.

"(Fourth Army)

"Fort Bliss, Texas: Supply facilities, administrative facilities, troop housing, and utilities, $455,000.

"Fort Hood, Texas: Operational and training facilities, maintenance facilities, and supply facilities, $3,054,000.

"Fort Sill, Oklahoma: Operational and training facilities, maintenance facilities, hospital and medical facilities, and utilities, $8,695,000.

"(Fifth Army)

"Fort Riley, Kansas: Troop housing, $99,000.

"Fort Leonard Wood, Missouri: Troop housing, community facilities, and utilities, $4,081,000.

"(Sixth Army)

"Camp Irwin, California: Family housing, utilities, and ground improvements, $3,810,000.

"Fort Lewis, Washington: Operational facilities and maintenance facilities, $524,000.

"Fort Ord, California: Maintenance facilities and supply facilities, $1,357,000.

"Yuma Test Station, Arizona: Maintenance facilities, administrative facilities, and utilities, $388,000.

"Technical Services Facilities

"(Chemical Corps)

"Army Chemical Center, Maryland: Research, development, and test facilities, and medical facilities, $4,029,000.

"(Corps of Engineers)

"Fort Belvoir, Virginia: Operational and training facilities, research development, and test facilities, and maintenance facilities and utilities, $1,499,000.

"(Ordnance Corps)

"Aberdeen Proving Ground, Maryland: Utilities, $472,000.

"Redstone Arsenal, Alabama: Research, development, and test facilities, $5,038,000.

"Savanna Ordnance Depot, Illinois: Utilities, $382,000.

"(Quartermaster Corps)

"Atlanta General Depot, Georgia: Maintenance facilities, $231,000.

"Columbus General Depot, Ohio: Administrative facilities, $419,000.

"Fort Lee, Virginia: Utilities, $84,000.

"Quartermaster Research and Engineering Center, Natick, Massachusetts: Research, development, and test facilities, and troop housing, $3,812,000.

"Richmond Quartermaster Depot, Virginia: Administrative facilities and community facilities, $600,000.

"Sharpe General Depot, California: Operational and training facilities, $202,000.

"(Signal Corps)

"Fort Huachuca, Arizona: Operational facilities, $2,228,000.

"Lexington Signal Depot, Kentucky: Utilities, $33,000.

"(Medical Service)

"Walter Reed Army Medical Center, District of Columbia: Medical facilities, $45,000.

"(Transportation Corps)

"Fort Eustis, Virginia: Training facilities, $1,253,000.

"United States Military Academy

"United States Military Academy, West Point, New York: Training facilities, $4,222,000.

"Defense Atomic Support Agency

"Clarksville Base, Tennessee: Utilities, $238,000.

"Sandia Base, New Mexico: Operational facilities and community facilities, $1,744,000.

"Army Component Commands

"(United States Army Air Defense Command)

"Various locations: Operational facilities, supply facilities, administrative facilities, and utilities, $1,417,000.

"(Alaska Command Area)

"Various locations: Operational facilities and utilities, $5,951,000.

"(Pacific Command Area)

"Allamanu Military Reservation, Hawaii: Utilities, $36,000.

"Schofield Barracks, Hawaii: Maintenance facilities and supply facilities, $918,000.

"Various locations: Operational facilities, $814,000.

"Outside the United States

"(Ordnance Corps)

"Kwajalein Island: Research, development, and test facilities, supply facilities, community facilities, utilities, and ground improvements, $1,546,000.

"(Army Security Agency)

"Various locations: Operational facilities, maintenance facilities, supply facilities, medical facilities, administrative facilities, troop housing, community facilities, utilities, and ground improvements, $7,765,000.

"Army Component Commands

"(Pacific Command Area)

"Korea: Operational facilities, maintenance facilities, supply facilities, medical facilities, troop housing, community facilities, utilities, and ground improvements, $10,635,000.

"Fort Buckner, Okinawa: Operational facilities, supply facilities, hospital facilities, and community facilities, $6,676,000.

"Camp Tomlinson, Japan: Operational facilities, $50,000.

"Guam: Real estate, $80,000.

"(European Command Area)

"Germany: Operational and training facilities, and utilities, $6,423,000.

"Classified locations: Operational facilities and utilities, $3,105,000.

"(Caribbean Command Area)

"Fort Allen, Puerto Rico: Utilities, $331,000.

"Fort Clayton, Canal Zone: Community facilities and utilities, $582,000.

"SEC. 102. The Secretary of the Army may establish or develop classified military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $6,245,000.

"SEC. 103. The Secretary of the Army may establish or develop Army installations and facilities by proceeding with construction made necessary by changes in Army missions, new weapons developments, new and unforeseen research and development requirements, or improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $10,000,000: *Provided*, That the Secretary of the Army, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire as of September 30, 1962, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

"SEC. 104. (a) Public Law 85-685, as amended, is amended under the heading 'INSIDE THE UNITED STATES', in section 101 as follows:

"Under the subheading 'FIELD FORCES FACILITIES (Sixth Army Area)', with respect to Fort Lewis, Washington, strike out '$1,085,000' and insert in place thereof '$1,257,000'.

"(b) Public Law 85-685, as amended, is amended by striking out in clause (1) of section 502 the amounts '$110,625,000' and '$310,585,000' and inserting in place thereof '$110,797,000' and '$310,707,000', respectively.

"SEC. 105. (a) Public Law 86-149, as amended, is amended under the heading 'INSIDE THE UNITED STATES', in section 101 as follows:

"Under the subheading 'TECHNICAL SERVICES FACILITIES (Chemical Corps)', with respect to Dugway Proving Ground, Utah, strike out '$532,000' and insert in place thereof '$600,000'.

"(b) Public Law 86-149, as amended, is amended by striking out in section 102 the amount '$81,830,000' and inserting in place thereof '$83,876,000'.

"(c) Public Law 86-149, as amended, is amended by striking out in clause (1) of section 402 the amounts '$73,652,100,' '$81,830,000', and '$189,692,100' and inserting in place thereof '$73,720,100', '$83,876,000', and '$191,806,100', respectively.

"SEC. 106. (a) Public Law 86-500 is amended under the heading 'INSIDE THE UNITED STATES' in section 101 as follows:

"Under the subheading 'FIELD FORCES FACILITIES (Fifth Army Area)' with respect to Fort Leonard Wood, Missouri, strike out '$9,087,000' and insert in place thereof '$11,731,000'.

"(b) Public Law 86-500 is amended by striking out in clause (1) of section 502 '$76,631,000' and '$143,561,000' and inserting in place thereof '$79,275,000' and '$146,205,000', respectively.

"TITLE II

"SEC. 201. The Secretary of the Navy may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment for the following projects:

"Inside the United States

"Shipyard Facilities

"Naval Shipyard, Charleston, South Carolina: Operational facilities and supply facilities, $700,000.

"Naval Facility, Fort Miles, Lewes, Delaware: Family housing, and utilities, $519,000.

"Naval Submarine Base, New London, Connecticut: Family housing, utilities, and real estate, $3,460,000.

"Naval Shipyard, Norfolk, Virginia; Maintenance facilities, $211,000.

"Naval Shipyard, Portsmouth, New Hampshire: Maintenance facilities, administrative facilities, and utilities, $1,774,000.

"Naval Shipyard, Mare Island, Vallejo, California: Operational facilities, $417,000.

"Fleet Base Facilities

"Naval Base, Charleston, South Carolina: Family housing, and utilities, $3,460,000.

"Naval Station, Charleston, South Carolina: Medical facilities, troop housing, and utilities and ground improvements, $5,951,000.

"Naval Station, Long Beach, California: Operational facilities and utilities, $720,000.

"Naval Station, Mayport, Florida; Family housing, medical facilities, utilities, and real estate, $2,992,000.

"Naval Weapons Facilities

"(Training Stations)

"Naval Air Station, Glynco, Georgia: Training facilities, $639,000.

"Naval Air Station, Memphis, Tennessee: Community facilities, $94,000.

"(Field Support Stations)

"Naval Air Station, Alameda, California: Supply facilities, $309,000.

"Naval Air Station, Brunswick, Maine: Training facilities, $211,000.

"Naval Air Station, Cecil Field, Florida: Operational facilities, $68,000.

"Naval Auxiliary Air Station, Fallon, Nevada: Utilities, $772,000.

"Naval Air Station, Lemoore, California: Supply facilities, family housing, utilities, and ground improvements, $3,739,000.

"Naval Air Station, Miramar, California: Operational facilities, maintenance facilities, and utilities, $2,591,000.

"Naval Air Station, Norfolk, Virginia: Maintenance facilities, $435,000.

"Naval Air Station, North Island, San Diego, California: Operational facilities, $1,480,000.

"Naval Air Station, Oceana, Virginia: Maintenance facilities, $161,000.

"(Marine Corps Air Stations)

"Marine Corps Air Station, Beaufort, South Carolina: Operational facilities, $190,000.

"Marine Corps Air Station, Cherry Point, North Carolina: Operational facilities, maintenance facilities, supply facilities, administrative facilities, and utilities and ground improvements, $4,703,000.

"Marine Corps Air Station, El Toro, California: Operational facilities, $463,000.

"Marine Corps Air Facility, New River, North Carolina: Training facilities, maintenance facilities, and utilities and ground improvements, $2,731,000.

"(Fleet Readiness Stations)

"Naval Ammunition Depot, Concord, California: Research, development and test facilities, $345,000.

"Naval Propellant Plant, Indian Head, Maryland: Supply facilities, $460,000.

"(Research, Development, Test and Evaluation Stations)

"Naval Ordnance Test Station, China Lake, California: Utilities, $1,086,000.

"Naval Air Station, Lakehurst, New Jersey: Operational facilities, $1,628,000.

"Pacific Missile Range, Point Mugu, California: Utilities; at Point Arguello, supply facilities, medical facilities, and utilities and ground improvements; and, on San Nicholas Island, operational facilities, research development and test facilities, and utilities, $2,791,000.

"Naval Ordnance Laboratory, White Oak, Maryland: Research, development and test facilities, $240,000.

"Supply Facilities

"Military Industrial Supply Agency, Philadelphia, Pennsylvania: Administrative facilities, $825,000.

"Marine Corps Facilities

"Marine Corps Base, Camp Pendleton, California: Operational and training facilities, supply facilities, administrative facilities, troop housing and community facilities, and utilities and ground improvements, $6,101,000.

"Marine Corps Schools, Quantico, Virginia: Administrative facilities, $118,000.

"Marine Corps Base, Twentynine Palms, California: Hospital facilities, $1,100,000.

"Service School Facilities

"Naval Academy, Annapolis, Maryland: Operational and training facilities, and troop housing, $9,687,000.

"Naval Training Center, Great Lakes, Illinois: Medical facilities, and troop housing, $4,952,000.

"Naval Schools, Mare Island, Vallejo, California: Training facilities, administrative facilities, troop housing, and utilities, $2,213,000.

"Naval Post Graduate School, Monterey, California: Training facilities, $2,463,000.

"Atlantic Fleet Anti-Submarine Warfare Tactical School, Norfolk, Virginia: Training facilities, $868,000.

"Medical Facilities

"Naval Hospital, Portsmouth, New Hampshire: Hospital facilities, $60,000.

"Communication Facilities

"Naval Radio Station, Annapolis, Maryland: Operational facilities, $900,000.

"Naval Security Group Detachment, Charleston, South Carolina: Supply facilities, $240,000.

"Naval Radio Station, Cheltenham, Maryland: Operational facilities, $151,000.

"Naval Radio Station, Dixon, California: Troop housing, $165,000.

"Naval Communication Station, Kodiak, Alaska: Operational facilities, $77,000.

"Naval Security Group Activity, Winter Harbor, Maine: Family housing, and utilities, $519,000.

"Yards and Docks Facilities

"Naval Construction Battalion Center, Port Hueneme, California: Family housing, and utilities, $3,460,000.

"Outside the United States

"Naval Weapons Facilities

"Naval Magazine, Cartagena, Spain: Utilities, $115,000.

"Marine Corps Air Facility, Futema, Okinawa: Operational facilities, and administrative facilities, $1,527,000.

"Marine Corps Air Facility, Iwakuni, Japan: Operational facilities, $1,375,000.

"Naval Air Facility, Naha, Okinawa: Maintenance facilities, $1,791,000.

"Naval Station, Roosevelt Roads, Puerto Rico: Operational facilities, $90,000.

"Marine Corps Facilities

"Camp Smedley D. Butler, Okinawa: Operational facilities, medical facilities, administrative facilities, troop housing and community facilities, and utilities and ground improvements, $3,238,000.

"SEC. 202. The Secretary of the Navy may establish or develop classified naval installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $40,969,000.

"SEC. 203. The Secretary of the Navy may establish or develop Navy installations and facilities by proceeding with construction made necessary by changes in Navy missions, new weapons developments, new and unforeseen research and development requirements, or improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment, in the total amount of $10,000,000: *Provided*, That the Secretary of the Navy, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives, immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire as of September 30, 1962, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

"SEC. 204. (a) Public Law 85–685, as amended, is amended by striking out in section 202, '$93,101,000', and inserting in place thereof '$129,701,000'.

"(b) Public Law 85–685, as amended, is amended by striking out in clause (2) of section 502 the amounts '$93,101,000' and '$351,294,000', and inserting respectively in place thereof '$129,701,000', and '$387,894,000'.

"SEC. 205. (a) Public Law 86–500 is amended in section 201 under the heading 'INSIDE THE UNITED STATES' and subheading 'SHIPYARD FACILITIES', with respect to the Naval Shipyard, Charleston, South Carolina, by striking out the amount '$14,855,000', and inserting in place thereof '$17,955,000'.

"(b) Public Law 86–500 is amended by striking out in clause (2) of section 502, the amounts '$83,975,000' and '$127,566,000', and inserting respectively in place thereof '$87,075,000' and '$130,666,000'.

"TITLE III

"SEC. 301. The Secretary of the Air Force may establish or develop military installations and facilities by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including site preparation, appurtenances, utilities, and equipment for the following projects:

"Inside the United States

"Air Defense Command

"Grand Forks Air Force Base, Grand Forks, North Dakota: Operational facilities, maintenance facilities, supply facilities, and community facilities, $888,000.

"K. I. Sawyer Municipal Airport, Marquette, Michigan: Operational facilities, maintenance facilities, and troop housing and community facilities, $1,468,000.

"Kincheloe Air Force Base, Sault Sainte Marie, Michigan: Maintenance facilities, supply facilities and community facilities, $1,256,000.

"McChord Air Force Base, Tacoma, Washington: Operational facilities, maintenance facilities, and utilities, $404,000.

"Minot Air Force Base, Minot, North Dakota: Operational facilities, maintenance facilities, supply facilities, community facilities, and utilities, $2,677,000.

"NORAD Headquarters, Colorado Springs, Colorado: Operational facilities, $12,400,000.

"Otis Air Force Base, Falmouth, Massachusetts: Operational facilities, $373,000.

"Suffolk County Air Force Base, Westhampton Beach, New York: Real estate, $43,000.

"Air Materiel Command

"Gentile Air Force Station, Dayton, Ohio: Administrative facilities, $420,000.

"Griffiss Air Force Base, Rome, New York: Operational facilities, $160,000.

"Hill Air Force Base, Ogden, Utah: Operational facilities, maintenance facilities, supply facilities, family housing, and utilities, $7,010,000.

"McClellan Air Force Base, Sacramento, California: Operational facilities, maintenance facilities, and utilities, $1,280,000.

"Olmstead Air Force Base, Middletown, Pennsylvania: Operational facilities, and maintenance facilities, $1,639,000.

"Robins Air Force Base, Macon, Georgia: Operational facilities, supply facilities, administrative facilities, community facilities, and utilities, $1,107,000.

"Tinker Air Force Base, Oklahoma City, Oklahoma: Operational facilities, maintenance facilities, supply facilities, and utilities, $881,000.

"Wright-Patterson Air Force Base, Dayton, Ohio: Operational facilities, maintenance facilities, research, development, and test facilities, supply facilities, and medical facilities, $1,653,000.

"Air Research and Development Command

"Arnold Engineering Development Center, Tullahoma, Tennessee: Research, development, and test facilities, $18,500,000.

"Edwards Air Force Base, Muroc, California: Research, development, and test facilities, and utilities, $1,885,000.

"Eglin Air Force Base, Valparaiso, Florida: Operational facilities, $345,000.

"Laurence G. Hanscom Field, Bedford, Massachusetts: Research, development, and test facilities, community facilities, and utilities, $2,819,000.

"Patrick Air Force Base, Cocoa, Florida: Operational facilities and community facilities, $630,000.

"Various locations, Atlantic Missile Range: Operational facilities, and research development, and test facilities, $10,006,000.

"Air Training Command

"Brooks Air Force Base, San Antonio, Texas: Community facilities, $296,000.

"Chanute Air Force Base, Rantoul, Illinois: Troop housing, $342,000.

"James Connally Air Force Base, Waco, Texas: Community facilities and utilities, $427,000.

"Keesler Air Force Base, Biloxi, Mississippi: Medical facilities and community facilities, $693,000.

"Lackland Air Force Base, San Antonio, Texas: Training facilities, and administrative facilities, $1,040,000.

"Lowry Air Force Base, Denver, Colorado: Medical facilities, $371,000.

"Mather Air Force Base, Sacramento, California: Training facilities, and maintenance facilities, $1,075,000.

"Perrin Air Force Base, Sherman, Texas: Supply facilities, $203,000.

"Randolph Air Force Base, San Antonio, Texas: Operational facilities, $1,256,000.

"Reese Air Force Base, Lubbock, Texas: Operational facilities, $135,000.

"Sheppard Air Force Base, Wichita Falls, Texas: Troop housing and utilities, $553,000.

"Air University

"Gunter Air Force Base, Montgomery, Alabama: Community facilities, $86,000.

"Maxwell Air Force Base, Montgomery, Alabama: Operational facilities, maintenance facilities, troop housing, and utilities, $2,413,000.

"Alaskan Air Command

"Eielson Air Force Base, Fairbanks, Alaska: Community facilities, $354,000.

"Elmendorf Air Force Base, Anchorage, Alaska: Maintenance facilities, and community facilities, $240,000.

"King Salmon Airport, Naknek, Alaska: Operational facilities, $684,000.

"Various locations, Alaska: Maintenance facilities, supply facilities, and troop housing, $1,837,000.

"Headquarters Command

"Andrews Air Force Base, Camp Springs, Maryland: Maintenance facilities, administrative facilities, and utilities, $2,692,000.

"Military Air Transport Service

"Dover Air Force Base, Dover, Delaware: Maintenance facilities, $145,000.

"McGuire Air Force Base, Wrightstown, New Jersey: Operational facilities and supply facilities, $125,000.

"Travis Air Force Base, Fairfield, California: Maintenance facilities and medical facilities, $441,000.

"Pacific Air Forces

"Hickam Air Force Base, Honolulu, Hawaii: Operational facilities, $122,000.

"Strategic Air Command

"Barksdale Air Force Base, Shreveport, Louisiana: Operational facilities and medical facilities, $1,217,000.

"Beale Air Force Base, Marysville, California: Operational facilities, maintenance facilities, and utilities, $373,000.

"Bergstrom Air Force Base, Austin, Texas: Operational facilities, $74,000.

"Blytheville Air Force Base, Blytheville, Arkansas: Operational facilities and community facilities, $475,000.

"Bunker Hill Air Force Base, Peru, Indiana: Operational facilities and maintenance facilities, $411,000.

"Carswell Air Force Base, Fort Worth, Texas: Maintenance facilities and utilities, $236,000.

"Castle Air Force Base, Merced, California: Operational facilities, $72,000.

"Clinton-Sherman Air Force Base, Clinton, Oklahoma: Maintenance facilities, $198,000.

"Columbus Air Force Base, Columbus, Mississippi: Community facilities, $197,000.

"Dow Air Force Base, Bangor, Maine: Operational facilities, and troop housing, $828,000.

"Dyess Air Force Base, Abilene, Texas: Maintenance facilities, and troop housing, $568,000.

"Ellsworth Air Force Base, Rapid City, South Dakota: Operational facilities, community facilities and utilities, $762,000.

"Francis E. Warren Air Force Base, Cheyenne, Wyoming: Hospital facilities, $2,050,000.

"Glasgow Air Force Base, Glasgow, Montana: Operational facilities, maintenance facilities, supply facilities, administrative facilities, and community facilities, $2,716,000.

"Homestead Air Force Base, Homestead, Florida: Operational facilities and troop housing, $509,000.

"Larson Air Force Base, Moses Lake, Washington: Supply facilities and medical facilities, $360,000.

"Lincoln Air Force Base, Lincoln, Nebraska: Operational facilities and medical facilities, $934,000.

"Little Rock Air Force Base, Little Rock, Arkansas: Hospital facilities, $1,900,000.

"Lockbourne Air Force Base, Columbus, Ohio: Operational facilities, $67,000.

"Loring Air Force Base, Limestone, Maine: Maintenance facilities, $72,000.

"March Air Force Base, Riverside, California: Operational facilities, maintenance facilities, supply facilities, hospital facilities, and utilities, $6,280,000.

"McConnell Air Force Base, Wichita, Kansas: Operational facilities, $66,000.

"McCoy Air Force Base, Orlando, Florida: Operational facilities and maintenance facilities, $163,000.

"Offutt Air Force Base, Omaha, Nebraska: Utilities and ground improvements, and real estate. $541,000.

"Pease Air Force Base, Portsmouth, New Hampshire: Operational facilities, $172,000.

"Plattsburgh Air Force Base, Plattsburgh, New York: Operational facilities, $415,000.

"Schilling Air Force Base, Salina, Kansas: Operational and training facilities and supply facilities, $490,000.

"Tampa Fuel Annex, Tampa, Florida: Utilities, $48,000.

"Turner Air Force Base, Albany, Georgia; Operational facilities, maintenance facilities, and troop housing and community facilities, $3,481,000.

"Vandenberg Air Force Base, Lompoc, California: Operational facilities, community facilities, and utilities, $466,000.

"Walker Air Force Base, Roswell, New Mexico: Utilities, $100,000.

"Westover Air Force Base, Chicopee Falls, Massachusetts: Operational facilities, supply facilities, and real estate, $8,677,000.

"Whiteman Air Force Base, Knobnoster, Missouri: Community facilities and utilities, $458,000.

"Wurtsmith Air Force Base, Oscoda, Michigan: Operational facilities, maintenance facilities, supply facilities and community facilities, $2,240,000.

"Tactical Air Command

"Cannon Air Force Base, Clovis, New Mexico: Operational facilities, maintenance facilities, and community facilities, $1,544,000.

"Luke Air Force Base, Phoenix, Arizona: Maintenance facilities and supply facilities, $1,441,000.

"Myrtle Beach Air Force Base, Myrtle Beach, South Carolina: Operational facilities, $98,000.

"Nellis Air Force Base, Las Vegas, Nevada: Operational facilities, maintenance facilities, and community facilities, $2,433,000.

"Seymour-Johnson Air Force Base, Goldsboro, North Carolina: Operational facilities, maintenance facilities, and utilities, $512,000.

"Aircraft Control and Warning System

"Various locations: Operational facilities, maintenance facilities, supply facilities, troop housing and community facilities, and utilities, $16,129,000.

"Special Facilities

"Various locations: Operational facilities, $142,000.

"Transportable Family Housing

"Various locations: Family housing, $3,584,000.

"Outside the United States

"Caribbean Air Command

"Howard Air Force Base, Canal Zone: Operational facilities, $117,000.

"Military Air Transport Service

"Various locations: Operational facilities, supply facilities, and troop housing, $977,000.

"Pacific Air Forces

"Various locations: Operational facilities, maintenance facilities, supply facilities, troop housing and community facilities, and utilities and ground improvements, $9,468,000.

"Strategic Air Command

"Anderson Air Force Base, Guam: Operational facilities, $181,000.

"Ramey Air Force Base, Puerto Rico: Operational facilities, $80,000.

"Various locations: Operational facilities, $1,988,000.

"United States Air Forces in Europe

"Various locations: Operational facilities, maintenance facilities, supply facilities, administrative facilities, troop housing and community facilities, and utilities, $10,004,000.

"United States Air Force Security Service

"Various locations: Operational facilities, maintenance facilities, supply facilities, administrative facilities, troop housing, community facilities, and utilities, $6,059,000.

"Aircraft Control and Warning System

"Various locations: Operational facilities, maintenance facilities, supply facilities, and utilities, $2,768,000.

"Special Facilities

"Various locations: Operational facilities, $651,000.

"SEC. 302. The Secretary of the Air Force may establish or develop classified military installations and facilities for ballistic missiles by acquiring, constructing, converting, rehabilitating, or installing permanent or temporary public works, including land acquisition, site preparation, appurtenances, utilities, and equipment in the total amount of $285,300,000.

"SEC. 303. The Secretary of the Air Force may establish or develop Air Force installations and facilities by proceeding with construction made necessary by changes in Air Force missions, new weapons developments, new and unforeseen research and development requirements, or improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization Act would be inconsistent with interests of national security, and in connection therewith to acquire, construct, convert, rehabilitate, or install permanent or temporary public works, including land acquisition, site preparation, appurtenances, util-

ities, and equipment, in the total amount of $10,000,000: *Provided*, That the Secretary of the Air Force, or his designee, shall notify the Committees on Armed Services of the Senate and House of Representatives immediately upon reaching a final decision to implement, of the cost of construction of any public work undertaken under this section, including those real estate actions pertaining thereto. This authorization will expire as of September 30, 1962, except for those public works projects concerning which the Committees on Armed Services of the Senate and House of Representatives have been notified pursuant to this section prior to that date.

"SEC. 304. Section 9 of the Air Force Academy Act, as amended (68 Stat. 49), is further amended by striking out in the first sentence the figure '$139,797,000' and inserting in place thereof the figure '$141,797,000'.

"SEC. 305. (a) Public Law 86-149, as amended, is amended in section 301 under the heading 'INSIDE THE UNITED STATES' and subheading 'STRATEGIC AIR COMMAND', with respect to Barksdale Air Force Base, Shreveport, Louisiana, by striking out '$110,000' and inserting in place thereof '$169,000'.

"(b) Public Law 86-149, as amended, is amended by striking out in clause (3) of section 402 the amounts of '$299,576,800' and '$850,175,800' and inserting in place thereof '$299,635,800' and '$850,234,800', respectively.

"SEC. 306. (a) Public Law 86-500 is amended in section 301 under the heading 'INSIDE THE UNITED STATES' and subheading 'AIR RESEARCH AND DEVELOPMENT COMMAND', with respect to Arnold Engineering Development Center, Tullahoma, Tennessee, by striking out '$10,500,000' and inserting in place thereof '$11,800,000'.

"(b) Public Law 86-500 is amended by striking out in clause (3) of section 502 the amounts of '$204,735,000' and '$727,305,000' and inserting in place thereof '$206,035,000' and '$728,605,000', respectively.

"TITLE IV

"SEC. 401. In addition to the family housing units authorized by titles I, II, and III of this Act, the Secretaries of the Army, Navy, and Air Force are authorized to construct not more than 500 family housing units with necessary utilities at locations and in numbers specified by the Secretary of Defense, or his designee.

"SEC. 402. There is hereby authorized to be appropriated not to exceed $8,650,000 to carry out the purposes of this title.

"TITLE V

"SEC. 501. There is hereby authorized to be appropriated to the Secretary of Defense the sum of $27,000,000 for the construction and adjustment of support and technical facilities for missiles and space systems projects. The Secretary of Defense shall allocate funds appropriated pursuant to the provisions of this section to the military departments on such basis as he determines to be necessary in the interest of the National Defense.

"TITLE VI—GENERAL PROVISIONS

"SEC. 601. The Secretary of each military department may proceed to establish or develop installations and facilities under this Act without regard to sections 3648 and 3734 of the Revised Statutes, as amended (31 U.S.C. 529; 40 U.S.C. 259, 267), and sections 4774(d) and 9774(d) of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended (40 U.S.C. 255), and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

"SEC. 602. There are authorized to be appropriated such sums as may be necessary for the purposes of this Act, but appropriations for public works projects authorized by titles I, II, III, IV, and V shall not exceed—

"(1) for title I: Inside the United States, $76,918,000; outside the United States, $37,243,000; section 102, $6,245,000; section 103, $10,000,000; or a total of $130,406,000.

"(2) for title II: Inside the United States, $79,239,000; outside the United States, $8,136,000; section 202, $40,969,000, section 203, $10,000,000; or a total of $138,344,000.

(3) for title III: Inside the United States, $146,868,000; outside the United States, $32,293,000; section 302, $285,300,000; section 303, $10,000,000; or a total of $474,461,000.

"(4) for title IV: $8,650,000.

"(5) for title V: $27,000,000.

"SEC. 603. Any of the amounts named in titles I, II, and III of this Act, may, in the discretion of the Secretary concerned, be increased by 5 per centum for projects inside the United States (other than Alaska) and by 10 per centum for projects outside the United States or in Alaska, if he determines in the case of any particular project that such increase (1) is required for the sole purpose of meeting unusual variations in cost arising in connection with that project, and (2) could not have been reasonably anticipated at the time such project was submitted to the Congress. However, the total costs of all projects in each such title may not be more than the total amount authorized to be appropriated for projects in that title.

"SEC. 604. Whenever—

"(1) the President determines that compliance with section 2313(b) of title 10, United States Code, for contracts made under this Act for the establishment or development of military installations and facilities in foreign countries would interfere with the carrying out of this Act; and

"(2) the Secretary of Defense and the Comptroller General have agreed upon alternative methods of adequately auditing those contracts;

the President may exempt those contracts from the requirements of that section.

"SEC. 605. Contracts for construction made by the United States for performance within the United States and its possessions, under this Act shall be executed under the jurisdiction and supervision of the Corps of Engineers, Department of the Army, or the Bureau of Yards and Docks, Department of the Navy, unless the Secretary of Defense determines that because such jurisdiction and supervision is wholly impracticable such contracts should be executed under the jurisdiction and supervision of another department or Government agency, and shall be awarded, insofar as practicable, on a competitive basis to the lowest responsible bidder, if the national security will not be impaired and the award is consistent with chapter 137 of title 10, United States Code. The Secretaries of the military departments shall report semiannually to the President of the Senate and the Speaker of the House of Representatives with respect to all contracts awarded on other than a competitive basis to the lowest responsible bidder.

"SEC. 606. As of July 1, 1962, all authorizations for military public works to be accomplished by the Secretary of a military department in connection with the establishment or development of military installations and facilities, and all authorizations for appropriations therefor, that are contained in Acts approved before August 11, 1959, and not superseded or otherwise modified by a later authorization are repealed, except—

"(1) authorizations for public works and for appropriations therefor that are set forth in those Acts in the titles that contain the general provisions;

"(2) the authorization for public works projects as to which appropriated funds have been obligated for construction contracts or land acquisitions in whole or in part before July 1, 1962, and authorizations for appropriations therefor;

"(3) the authorization for the rental guarantee for family housing in the amount of $100,000,000 that is contained in section 302 of the Act of July 14, 1952 (66 Stat. 606, 622);

"(4) notwithstanding the provisions of section 506 of the Act of June 8, 1960 (74 Stat. 166, 184), the authorization for—

"(a) administrative facilities in the amount of $5,666,000 at Detroit Arsenal, Michigan, that is contained in title I, section 101, under the heading 'INSIDE THE UNITED STATES' and subheading 'TECHNICAL SERVICES FACILITIES (Ordnance Corps)' of the Act of August 20, 1958 (72 Stat. 636);

"(b) troop housing and utilities in the amount of $3,749,000 at Fort Dix, New Jersey, that is contained in title I, section 101, under the heading 'INSIDE THE UNITED STATES' and subheading 'FIELD FORCES FACILITIES (First Army Area)' of the Act of August 20, 1958 (72 Stat. 636, 637);

"(c) troop housing in the amount of $584,000 at Fort Benning, Georgia, that is contained in title I, section 101, under the heading 'INSIDE THE UNITED STATES' and subheading 'FIELD FORCES FACILITIES (Third Army Area)' of the Act of August 20, 1958 (72 Stat. 636, 637);

"(d) administrative facilities and troop housing in the amount of $2,839,000 at Fort Hood, Texas, that is contained in title I, section 101, under the heading 'INSIDE THE UNITED STATES' and subheading 'FIELD FORCES FACILITIES (Fourth Army Area)' of the Act of August 20, 1958 (72 Stat. 636, 637);

"(e) troop housing in the amount of $713,000 at Fort Leavenworth, Kansas, that is contained in title I, section 101, under the heading 'INSIDE THE UNITED STATES' and subheading 'FIELD FORCES FACILITIES (Fifth Army Area)' of the Act of August 20, 1958 (72 Stat. 636, 637);

"(f) medical facilities in the amount of $4,136,000 for Selfridge Air Force Base, Mount Clemens, Michigan, under the heading 'CONTINENTAL UNITED STATES' and the subheading 'AIR DEFENSE COMMAND' that is contained in title III, section 301, of the Act of July 15, 1955 (69 Stat. 324, 338), as amended;

"(g) operational facilities, and real estate in the amount of $4,352,000 for Marine Corps Auxiliary Air Station, Beaufort, South Carolina, under the heading 'INSIDE THE UNITED STATES' and subheading 'AVIATION FACILITIES (MARINE CORPS AIR STATION)' of the Act of August 20, 1958 (72 Stat. 643).

"SEC. 607. (a) Section 803(a) of the National Housing Act, as amended, is amended by striking out the last proviso and inserting in lieu thereof the following: '*And provided further*, That no more mortgages shall be insured under this title after October 1, 1962, except pursuant to a commitment to insure before such date, and not more than twenty-eight thousand family units shall be contracted for after June 30, 1959, pursuant to any mortgage insured under section 803 of this title after such date.'

"(b) The military departments are hereby authorized to contract for the construction of three thousand housing units under section 803 of the National Housing Act, as amended, at such locations as may be designated by the Secretary of Defense, except that three hundred of such three thousand units shall be designated for Naval Base, Norfolk, Virginia.

"SEC. 608. Section 515 of the Act of July 15, 1955 (69 Stat. 324, 352), as amended; is further amended to read as follows:

" 'SEC. 515. During fiscal years 1959 through and including 1964, the Secretaries of the

Army, Navy, and Air Force, respectively, are authorized to lease housing facilities at or near tactical military installations for assignment as public quarters to military personnel and their dependents, if any, without rental charge upon a determination by the Secretary of Defense, or his designee, that there is a lack of adequate housing facilities at or near such military installations. Such housing facilities shall be leased on a family or individual unit basis and not more than seven thousand five hundred of such units may be so leased at any one time. Expenditures for the rental of such housing facilities may be made out of appropriations available for maintenance and operation but may not exceed $150 a month for any such unit.'

"SEC. 609. Effective July 1, 1961, no family housing unit may be rehabilitated at a cost in excess of that established by section 109 of Public Law 86-630 as a limitation on the cost of construction of family housing units, except where the Secretary of Defense, or his designee, has notified the Committees on Armed Services of the Senate and the House of Representatives prior to such rehabilitation: *Provided*, That no family housing unit may be rehabilitated at a cost in excess of $20,000.

"SEC. 610. Section 407 of the Act of August 30, 1957 (71 Stat. 531, 556), as amended, is amended (1) by striking out the words 'July 1, 1961' in subsection (e) and inserting 'July 1, 1962' in lieu thereof; and (2) by striking out the words 'July 1, 1962' from subsection (g) and inserting 'July 1, 1965' in lieu thereof.

"SEC. 611. Section 409 of the Act of August 3, 1956 (70 Stat. 991, 1016), is repealed.

"SEC. 612. None of the authority contained in title I, II, and III of this Act shall be deemed to authorize any building construction project inside the United States (other than Alaska) at a unit cost in excess of—

"(1) $32 per square foot for cold-storage warehousing;

"(2) $8 per square foot for regular warehousing;

"(3) $1,850 per man for permanent barracks;

"(4) $8,500 per man for bachelor officer quarters;

unless the Secretary of Defense determines that because of special circumstances, application to such project of the limitations on unit costs contained in this section is impracticable.

"SEC. 613. Titles I, II, III, IV, V, and VI of this Act may be cited as the 'Military Construction Act of 1961.'

"TITLE VII—RESERVE FORCES FACILITIES

"SEC. 701. Subject to chapter 133 of title 10, United States Code, the Secretary of Defense may establish or develop the following facilities for Reserve Forces:

"(1) For Department of the Army:

"Army National Guard of the United States
(Armory)

"Aberdeen, South Dakota: Training facilities, $158,000.

"Altavista, Virginia: Training facilities, $134,000.

"Altus, Oklahoma: Training facilities, $152,000.

"Anacortes, Washington: Training facilities, $150,000.

"Atchison, Kansas: Training facilities, $93,000.

"Austin, Minnesota: Training facilities, $210,000.

"Baltimore, Maryland: Training facilities, $300,000.

"Baraboo, Wisconsin: Training facilities, $171,000.

"Batavia, New York: Training facilities, $234,000.

"Baxley, Georgia: Training facilities, $90,000.

"Bay Springs, Mississippi: Training facilities, $72,000.

"Beaufort, South Carolina: Training facilities, $96,000.

"Beaver, Utah: Training facilities, $111,000.

"Bedford, Indiana: Training facilities conversion, $52,000.

"Bluefield, West Virginia: Training facilities, $225,000.

"Bonham, Texas: Training facilities, $87,000.

"Boone, Iowa: Training facilities, $225,000.

"Boston (West Roxbury), Massachusetts: Training facilities, $249,000.

"Brantley, Alabama: Training facilities, $72,000.

"Bridgeport, Alabama: Training facilities, $72,000.

"Brooklyn, New York: Training facilities conversion, $50,000.

"Caldwell, Idaho: Training facilities, $125,000.

"Campbellsville, Kentucky: Training facilities, $124,000.

"Chadron, Nebraska: Training facilities, $43,250.

"Charleston, South Carolina: Training facilities, $128,000.

"Charleston, South Carolina: Training facilities, $96,000.

"Clackamas, Oregon: Training facilities expansion, $150,000.

"Columbia, South Carolina: Training facilities, $400,000.

"Columbus, Ohio: Training facilities, $540,000.

"Dallas (number 2), Texas: Training facilities, $74,000.

"Decatur, Mississippi: Training facilities, $72,000.

"Deer Lodge, Montana: Training facilities, $69,000.

"Dermott, Arkansas: Training facilities, $45,000.

"Devils Lake, North Dakota: Training facilities, $135,000.

"East Providence, Rhode Island: Training facilities, $266,000.

"Eau Claire, Wisconsin: Training facilities, $240,000.

"Edgeley, North Dakota: Training facilities, $150,000.

"Elizabethtown, North Carolina: Training facilities, $105,000.

"Enfield-Thompsonville, Connecticut: Training facilities, $169,000.

"Fairmont, West Virginia: Training facilities, $210,000.

"Fallon, Nevada: Training facilities, $101,000.

"Fort Atkinson, Wisconsin: Training facilities, $171,000.

"Geneseo, New York: Training facilities, $233,000.

"Glasgow, Kentucky: Training facilities, $136,000.

"Glasgow, Montana: Training facilities, $69,000.

"Glennville, Georgia: Training facilities, $90,000.

"Great Bend, Kansas: Training facilities, $93,000.

"Green Bay, Wisconsin: Training facilities, $205,000.

"Hamlet, North Carolina: Training facilities, $99,000.

"Harlingen, Texas: Training facilities, $118,000.

"Hinesville, Georgia: Training facilities, $90,000.

"Holly Springs, Mississippi: Training facilities, $81,000.

"Honolulu, Hawaii: Training facilities, $282,000.

"Hopkinsville, Kentucky: Training facilities, $134,000.

"Huntington, West Virginia: Training facilities, $250,000.

"Jesup, Georgia: Training facilities, $90,000.

"Kerens, Texas: Training facilities, $74,000.

"Kingwood, West Virginia: Training facilities, $170,000.

"Lake Village, Arkansas: Training facilities, $54,000.

"Lincoln, Arkansas: Training facilities, $45,000.

"Lock Haven, Pennsylvania: Training facilities expansion and rehabilitation, $156,000.

"Marion, Kentucky: Training facilities, $124,000.

"Mercedes, Texas: Training facilities, $104,000.

"Mexia, Texas: Training facilities, $74,000.

"Mission, Texas: Training facilities $74,000.

"Monroe, Louisiana: Training facilities, $191,000.

"Monticello, Indiana: Training facilities, $152,000.

"Monticello, Kentucky: Training facilities, $124,000.

"Morehead City, North Carolina: Training facilities, $101,250.

"Morgantown, West Virginia: Training facilities, $198,000.

"Moultrie, Georgia: Training facilities, $90,000.

"Mount Holly, New Jersey: Training facilities, $169,000.

"Myrtle Beach, South Carolina: Training facilities, $87,000.

"Newark, New Jersey: Training facilities rehabilitation, $234,000.

"Newton, Mississippi: Training facilities, $81,000.

"Newport, Vermont: Training facilities, $136,000.

"Nogales, Arizona: Training facilities, $83,000.

"North Vernon, Indiana: Training facilities, $152,000.

"Oak Ridge, Tennessee: Training facilities, $117,000.

"O'Neil, Nebraska: Training facilities, $43,250.

"Palmetto, Florida: Training facilities, $120,000.

"Panama City, Florida: Training facilities, $120,000.

"Parsons, Tennessee: Training facilities, $102,000.

"Philadelphia, Mississippi: Training facilities, $81,000.

"Phillipsburg, Kansas: Training facilities, $92,000.

"Phoenixville, Pennsylvania: Training facilities expansion and rehabilitation, $125,000.

"Portage, Wisconsin: Training facilities, $150,000.

"Port Gibson, Mississippi: Training facilities, $81,000.

"Pueblo, Colorado: Training facilities, $135,000.

"Punxsutawney, Pennsylvania: Training facilities expansion and rehabilitation, $102,000.

"Raleigh, North Carolina: Training facilities, $431,000.

"Raleigh-Durham Airport, North Carolina: Training facilities, $158,000.

"Richmond, Virginia: Training facilities, $700,000.

"Roseville, California: Training facilities, $150,000.

"Rupert, Idaho: Training facilities, $75,000.

"Saint Albans, West Virginia: Training facilities, $190,000.

"Saint George, South Carolina: Training facilities, $99,000.

"Saint Louis or Saint Louis County, Missouri: Training facilities, $122,000.

"Seguin, Texas: Training facilities, $74,000.

"Sparta, Georgia: Training facilities, $90,000.

"Spartanburg, South Carolina: Training facilities, $186,000.

"Spindale-Forest City, North Carolina: Training facilities, $113,000.

"Starkville, Mississippi: Training facilities, $120,000.

"Stockton, California: Training facilities, $254,000.

"Tamaqua, Pennsylvania: Training facilities, $210,000.

"Tifton, Georgia: Training facilities, $90,000.

"Truth or Consequences, New Mexico: Training facilities, $67,000.

"Turlock, California: Training facilities, $115,000.

"Van Nuys, California: Training facilities, $202,000.

"Wagner, South Dakota: Training facilities, $165,000.

"Warrenton, Missouri: Training facilities, $150,000.

"Waterville, Maine: Training facilities, $257,000.

"Wayne, Nebraska: Training facilities, $116,000.

"West Orange, New Jersey: Training facilities rehabilitation, $243,000.

"Wheatland, Wyoming: Training facilities, $109,000.

"Winston-Salem, North Carolina: Training facilities, $135,000.

"Woonsocket, South Dakota: Training facilities, $128,000.

"Worcester, Massachusetts: Training facilities, $328,000.

"Various locations: Training facilities, minor conversions and additions, $150,000.

"Army National Guard of the United States (non-armory)

"Camp Blanding, Florida: Supply facilities, $177,000.

"Camp Grafton, North Dakota: Troop housing, $263,000.

"Camp Grayling, Michigan: Troop housing, $900,000.

"Camp Ripley, Minnesota: Troop housing, $300,000.

"Camp Roberts, California: Maintenance facilities, $52,000.

"Camp Shelby, Mississippi: Troop housing, $800,000.

"Fort Stewart, Georgia: Troop housing, $800,000.

"Fort William H. Harrison, Montana: Troop housing, $258,000.

"Montgomery, Alabama: Maintenance facilities, administrative facilities and supply facilities, $582,000.

"Point Pleasant, West Virginia: Maintenance facilities, $340,000.

"Santa Fe, New Mexico: Maintenance facilities, administrative facilities and supply facilities, $546,000.

"Various locations: Minor projects, $110,000.

"Army Reserve

"Brownsville, Pennsylvania: Training facilities, $190,000.

"Burlington, Vermont: Acquisition and rehabilitation of training facilities, $79,000.

"Butte, Montana: Training facilities, $185,000.

"Chicago (number 4), Illinois: Training facilities, $778,000.

"Cincinnati (number 2), Ohio: Training facilities, $601,000.

"Durham, North Carolina: Training facilities addition, $58,000.

"Erie, Pennsylvania: Training facilities, $323,000.

"Fall River, Massachusetts: Training facilities, $386,000.

"Fargo, North Dakota: Training facilities, $393,000.

"Fort Lauderdale, Florida: Training facilities, $321,000.

"Gulfport, Mississippi: Training facilities, $321,000.

"Huntington, West Virginia: Training facilities addition, $64,000.

"Jamaica, Long Island, New York: Training facilities expansion, $237,000.

"Johnson City, Tennessee: Training facilities, $465,000.

"Kalamazoo, Michigan: Training facilities, $389,000.

"Kansas City, Kansas: Training facilities, $572,000.

"Lafayette, Louisiana: Training facilities expansion, $202,000.

"Little Rock (Adams Field), Arkansas: Training facilities addition, $48,000.

"Lynchburg, Virginia: Training facilities, $218,000.

"Martinsburg, West Virginia: Training facilities, $181,000.

"McAllen, Texas: Training facilities expansion, $197,000.

"Morgantown, West Virginia: Training facilities, $181,000.

"New Martinsville, West Virginia: Training facilities, $181,000.

"Ontario-LaVerne-Rialto Area, California: Training facilities, $372,000.

"Paris, Texas: Training facilities, $166,000.

"Phoenix, Arizona: Training facilities, $572,000.

"Pleasant Grove, Utah: Training facilities, $181,000.

"South Charleston, West Virginia: Training facilities addition, $64,000.

"Springfield, Massachusetts: Training facilities, expansion, $111,000.

"Terminal, Texas: Training facilities, $273,000.

"Terre Haute, Indiana: Training facilities addition, $67,000.

"Waycross, Georgia: Training facilities, $163,000.

Yakima, Washington: Training facilities, $236,000.

"Yauco, Puerto Rico: Training facilities, $226,000.

"Various locations: Training facilities, minor additions, and rehabilitation, $3,038,000.

"Land acquisition: Training facilities, $466,000.

"(2) For Department of the Navy:

"Naval Reserve (Aviation)

"Naval Air Station, Dallas, Texas: Operational facilities and maintenance facilities, $1,285,000.

"Naval Air Station, Glenview, Illinois: Maintenance facilities, $54,000.

"Naval Air Station, Grosse Ile, Michigan: Operational facilities, $575,000.

"Naval Air Station, Los Alamitos, California: Operational facilities, $347,000.

"Naval Air Station, New York, New York: Operational facilities and maintenance facilities, $200,000.

"Naval Air Station, Olathe, Kansas: Utilities, $100,000.

"Naval Air Station, South Weymouth, Massachusetts: Operational facilities and maintenance facilities, $392,000.

"Naval Air Station, Willow Grove, Pennsylvania: Operational facilities, troop housing, and maintenance facilities, $841,000.

"Naval Reserve (Surface)

"Naval Reserve Electronics Facility, Belleville, Texas: Acquisition and rehabilitation of training facilities, $47,000.

"Naval Reserve Training Center, Brooklyn, New York: Training facilities rehabilitation, $50,000.

"Naval Reserve Training Center, Erie, Pennsylvania: Training facilities, $622,000.

"Naval Reserve Electronics Facility, Galesburg, Illinois: Training facilities, $62,000.

"Naval Reserve Electronics Facility, Midland-Odessa, Texas: Training facilities, $55,000.

"Naval and Marine Corps Reserve Training Center, Mobile, Alabama: Training facilities, $550,000.

"Naval and Marine Corps Reserve Training Center, Omaha, Nebraska: Training facilities, $648,000.

"Naval Reserve Training Center, Sioux Falls, South Dakota: Training facilities, $364,000.

"Naval Reserve Training Center, Vallejo, California: Training facilities rehabilitation, $151,000.

"Naval Reserve Master Control Radio Station and Electronics Facility, Waukegan, Illinois: Operational and training facilities, $96,000.

"Naval Reserve Training Center, Whitestone, New York: Training facilities addition, $91,000.

"Marine Corps Reserve (ground)

"Marine Corps Reserve Training Center, Midland-Odessa, Texas: Training facilities and land acquisition, $373,000.

"Naval and Marine Corps Reserve Training Center, Mobile, Alabama: Training facilities, $207,000.

"Naval and Marine Corps Reserve Training Center, Omaha, Nebraska: Training facilities, $237,000.

"Marine Corps Reserve Training Center, San Bruno, California: Training facilities rehabilitation, $107,000.

"Marine Corps Reserve Training Center, Tallahassee, Florida: Training facilities addition, $200,000.

"Marine Corps Reserve Training Center, Waukegan, Illinois: Training facilities, $140,000.

"(3) For Department of the Air Force:

"Air National Guard of the United States

"Baer Field, Fort Wayne, Indiana: Operational facilities, $586,000.

"Berry Field, Nashville, Tennessee: Maintenance facilities, $300,000.

"Congaree Air Base, Columbia, South Carolina: Operational, training and maintenance facilities, $1,830,000.

"Des Moines Municipal Airport, Des Moines, Iowa: Operational facilities, $770,000.

"Foss Field, Sioux Falls, South Dakota: Operational facilities rehabilitation, $516,000.

"Fresno Airport, Fresno, California: Operational facilities, $794,000.

"General Mitchell Field, Milwaukee, Wisconsin: Operational facilities and maintenence facilities, $923,000.

"Grenier Field, Manchester Municipal Airport, Manchester, New Hampshire: Operational facilities, $400,000.

"Hector Field, Fargo, North Dakota: Operational facilities, $372,000.

"Hickam Air Force Base, Honolulu, Hawaii: Supply facilities, $252,000.

"Hubbard Field, Reno, Nevada: Operational facilities, $287,000.

"Hulman Field, Terre Haute, Indiana: Operational facilities, $888,000.

"Imeson Municipal Airport, Jacksonville, Florida: Operational facilities, $1,027,000.

"Kulis Air National Guard Base, Anchorage, Alaska: Operational, training and maintenance facilities, $678,000.

"Naval Air Station, Dallas, Texas: Utilities, $200,000.

"Naval Air Station, Willow Grove, Pennsylvania: Operational and training facilities, maintenance facilities, supply facilities and utilities, $1,965,000.

"New Castle County Airport, New Castle, Delaware: Maintenance facilities, $300,000.

"O'Hare International Airport, Chicago, Illinois: Operational facilities and supply facilities, $774,000.

"Olmsted Air Force Base, Middletown, Pennsylvania: Maintenance facilities, $300,000.

"Ontario International Airport, Ontario, California: Operational facilities, $1,426,000.

"Rosecrans Field, Saint Joseph, Missouri: Operational facilities rehabilitation, $360,000.

"Salt Lake Municipal Airport, Salt Lake City, Utah: Maintenance facilities, $300,000.

"Schenectady County Airport, Schenectady, New York: Operational facilities, $620,000.

"Toledo Express Airport, Toledo, Ohio: Operational facilities, $654,000.

"Travis Field, Savannah, Georgia: Operational facilities, $526,000.

"Truax Field, Madison, Wisconsin: Operational facilities, rehabilitation, $300,000.

"Tulsa Municipal Airport, Tulsa, Oklahoma: Operational facilities, $360,000.

"Volk Field, Camp Williams, Wisconsin: Operational facilities, $536,000.

"Will Rogers Field, Oklahoma City, Oklahoma: Operational facilities, $360,000.

"Air Force Reserve

"Andrews Air Force Base, Camp Springs, Maryland: Supply facilities, $138,000.

"Barksdale Air Force Base, Shreveport, Louisiana: Supply facilities, $185,000.

"Carswell Air Force Base, Fort Worth, Texas: Operational and training facilities and supply facilities, $619,000.

"Davis Field, Muskogee, Oklahoma: Operational facilities, $992,000.

"Ellington Air Force Base, Houston, Texas: Operational facilities, $908,000.

"Homestead Air Force Base, Homestead, Florida: Maintenance facilities, $350,000.

"March Air Force Base, Riverside, California: Maintenance facilities, $350,000.

"Paine Air Force Base, Everett, Washington: Operational facilities, $608,000.

"Portland International Airport, Portland, Oregon: Operational facilities, $715,000.

"(4) For all reserve components: Facilities made necessary by changes in the assignment of weapons or equipment to reserve forces units, if the Secretary of Defense or his designee determines that deferral of such facilities for inclusion in the next law authorizing appropriations for specific facilities for reserve forces would be inconsistent with the interests of national security and if the Secretary of Defense or his designee notifies the Senate and the House of Representatives immediately upon reaching a final decision to implement, of the nature and estimated cost of any facility to be undertaken under this subsection.

"SEC. 702. (a) Public Law 85–685, as amended, is amended under the heading 'ARMY NATIONAL GUARD OF THE UNITED STATES (NON-ARMORY)' in clause (3) of section 601 with respect to Camp Butner, North Carolina, by striking out 'Camp Butner' and inserting in place thereof 'Camp Butner or Raleigh'.

"(b) Public Law 86–149, as amended, is amended under the heading 'ARMY RESERVE' in clause (1) of section 501 with respect to Chicago Heights, Illinois, by striking out 'Chicago Heights' and inserting in place thereof 'Harvey', and by striking out '$302,000' and inserting in place thereof '$375,000'.

"(c) Public Law 86–149, as amended, is amended in clause (2) of section 501 as follows;

"(1) Under the heading 'NAVAL RESERVE (AVIATION)' with respect to Naval Air Station, South Weymouth, Massachusetts, strike out '$76,000' and insert in place thereof '$170,000'.

"(2) Under the heading 'NAVAL RESERVE (SURFACE)' with respect to Naval Reserve Training Center, Galveston, Texas, strike out '$204,000' and insert in place thereof '$262,000'.

"(d) Public Law 86–149, as amended, is amended under the heading 'AIR FORCE RESERVE' in clause (3) of section 501 with respect to General Mitchell Field, Milwaukee, Wisconsin, by striking out '$43,000' and inserting in place thereof '$72,000'.

"(e) Public Law 86–149, as amended, is amended by striking out in clause (1)(a) of section 504 '$21,457,000' and inserting in place thereof '$21,530,000', by striking out in clause (2) of section 504 '$8,300,000' and inserting in place thereof '$8,452,000', and by striking out in clause (3)(a) of section 504 '$4,093,000' and inserting in place thereof '$4,122,000'.

"(f) Public Law 86–500 is amended under the heading 'ARMY NATIONAL GUARD OF THE UNITED STATES (ARMORY)' in clause 1 of section 601 as follows:

"(1) With respect to Clear Lake, South Dakota, strike out '$63,000' and insert in place thereof '$72,000'.

"(2) With respect to Riverdale, New Jersey, strike out '$171,000' and insert in place thereof '$190,000'.

"(3) Strike out the following:

" 'Carmichael, California: Training facilities, $115,000'.

" 'Spartanburg, South Carolina: Training facilities, $134,000'.

"(g) Public Law 86–500 is amended under the heading 'ARMY RESERVE' in clause (1) of section 601 with respect to Pittsburg, California, by striking out 'Pittsburg' and inserting in place thereof 'Concord'.

"(h) Public Law 86–500 is amended under the heading 'AIR NATIONAL GUARD OF THE UNITED STATES' in clause (3) of section 601 with respect to Foss Field, Sioux Falls, South Dakota, by striking out '$675,000' and inserting in place thereof '$1,038,000'.

"(i) Public Law 86–500 is amended by striking out in clause 1(a) of section 604 '$18,226,000' and inserting in place thereof '$18,005,000', and by striking out in clause (3)(a) of section 604 '$13,797,000' and inserting in place thereof '$14,160,000'.

"SEC. 703. The Secretary of Defense may establish or develop installations and facilities under this title without regard to sections 3648 and 3734 of the Revised Statutes, as amended, and sections 4774(d) and 9774 (d) of title 10, United States Code. The authority to place permanent or temporary improvements on land includes authority for surveys, administration, overhead, planning, and supervision incident to construction. That authority may be exercised before title to the land is approved under section 355 of the Revised Statutes, as amended, and even though the land is held temporarily. The authority to acquire real estate or land includes authority to make surveys and to acquire land, and interests in land (including temporary use), by gift, purchase, exchange of Government-owned land, or otherwise.

"SEC. 704. Appropriations for facilities projects authorized by section 701 for the respective reserve components of the Armed Forces may not exceed—

"(1) for the Department of the Army:

"(a) Army National Guard of the United States, $22,682,750.

"(b) Army Reserve, $12,505,000.

"(2) for Department of the Navy: Naval and Marine Corps Reserves, $7,794,000.

"(3) for Department of the Air Force:

"(a) Air National Guard of the United States, $18,606,000.

"(b) Air Force Reserve, $4,865,000.

"SEC. 705. Any of the amounts named in section 701 of this Act may, in the discretion of the Secretary of Defense, be increased by 15 per centum, but the total cost for all projects authorized for the Army National Guard of the United States, the Army Reserve, the Naval and Marine Corps Reserves, the Air National Guard of the United States, and the Air Force Reserve, may not exceed the amounts named in clauses (1)(a), (1)(b), (2), (3)(a) and (3)(b) of section 704 respectively.

"SEC. 706. As of July 1, 1962, all authorizations for specific facilities for reserve forces to be accomplished by the Secretary of Defense, and all authorizations for appropriations therefor, that are contained in the Reserve Forces Facilities Act of 1959, and not superseded or otherwise modified by a later authorization, are repealed, except the authorizations for facilities for the reserve forces as to which appropriated funds have been obligated in whole or in part before July 1, 1962, and authorizations for appropriations therefor.

"SEC. 707. This title may be cited as the 'Reserve Forces Facilities Act of 1961'."

And the Senate agree to the same.

CARL VINSON,
PAUL J. KILDAY,
L. MENDEL RIVERS,
PHILIP J. PHILBIN,
F. EDW. HÉBERT,
LESLIE C. ARENDS,
L. H. GAVIN,
JAMES E. VAN ZANDT,
WILLIAM H. BATES,
Managers on the Part of the House.

RICHARD B. RUSSELL,
JOHN STENNIS,
LEVERETT SALTONSTALL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5000) to authorize certain construction at military installations, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

LEGISLATION IN CONFERENCE

On March 23, 1961, the House of Representatives passed H.R. 5000, which was the fiscal year 1962 military construction authorization for the Department of Defense, and the Reserve components. On May 9, 1961, the Senate considered the legislation and amended it by striking all language after the enacting clause and wrote a new bill.

MAJOR ITEMS IN CONTROVERSY

Military family housing

Perhaps the most significant differences existing in the House and Senate versions of H.R. 5000 were concerned with the subject of military housing.

Under the provisions of the House passed bill, the military departments and the Department of Defense were authorized:

(a) to build a total of 7,074 new family housing units under the so-called Capehart program at various specified locations.

(b) to proceed with the construction of 5,000 additional units of family housing previously authorized to be accomplished under the Capehart program. (The departments have been unable to construct approximately 6,280 units of Capehart housing because of the application of a statutory ceiling which established an overall ceiling of 25,000 on the total number of Capehart units which could be contracted for after June 30, 1959.)

In summary, therefore, the House action would have extended the Capehart program for another year, until October 1, 1962, and would have permitted the military departments to proceed with the construction of a total of 12,074 units of family housing.

The Senate concurred with the House as to the need for additional military family housing but was of the opinion that the Capehart program was not the most economical or practical method of satisfying this requirement.

The Senate therefore refused to extend the Capehart program beyond its present terminal date of October 1, 1961, and accordingly failed to approve any new Capehart authorizations or an increase in the ceiling in previously authorized Capehart housing.

The Senate, in lieu of authorizing the Capehart housing units approved by the House, substituted 2,000 units of appropriated fund housing at an average cost of $16,500 per unit.

After considerable discussion, both the House and Senate agreed to recede from their respective positions as outlined above and

agreed to a compromise position which is as follows:

(a) the 7,074 new Capehart authorization contained in the House-passed bill was deleted from the bill.

(b) the Capehart program was extended until October 1, 1962, along with an increase in the existing statutory ceiling on authorized Capehart construction from 25,000 to 28,000.

(c) the conferees in raising the existing statutory ceiling (see section 607) by 3,000 units agreed to permit the Secretary of Defense to designate the locations of the units to be built from among those units previously authorized, or any other locations which require military family housing. However, the conferees included a provision which required that 300 of these units of military family housing be constructed at the U.S. Naval Base, Norfolk, Va.

(d) the 2,000 appropriated fund units of family housing inserted by the Senate were approved except that the unit cost was increased from $16,500 to $17,300 to accommodate additional costs involved in site acquisition, offsite utilities, etc.

Summary: The action taken by the conferees results in the following authorized additions to military family housing:

Capehart units	3,000
Appropriated funds units	2,000
Total	5,000

Hospitals

A number of medical facilities requested by the individual military departments were not approved by the conferees. Certain of these medical facilities were denied authorization because of a serious question as to their relative priority in the Defense Establishment. Therefore, the conferees requested the Department of Defense to make a thorough study of hospital facilities of the Armed Forces, especially in those areas where new hospitals, or substantial additions to existing hospitals, were required to determine the respective priorities for fulfilling the essential needs for hospital facilities for individuals entitled to medical care at Armed Forces medical facilities. These stated priorities should then be reflected in the departmental requests for medical facilities in the military construction authorization bill for fiscal year 1963.

Quartermaster Food and Container Institute

Another item of special interest was that relating to the location of the Quartermaster Research and Engineering Center at Natick, Mass. The House bill denied authorization requested by the Department of the Army for this construction and substituted a provision (sec. 108) which authorized the Secretary of the Army to make additional studies relative to the location of this proposed facility.

A study relative to relocating the Quartermaster Food and Container Institute and supporting the justification for construction of these facilities at Natick, Mass., was submitted to the House Armed Services Committee by the Secretary of the Army on April 7, 1961.

The Senate did not concur with the House action and approved the authorization requested by the Department of the Army for the new facility at Natick, Mass.

House conferees urged the Senate conferees to reconsider their action and recommended a substitute provision which would have established a Quartermaster Food and Container Institute Site Location Commission. The function of this Commission was to objectively assess the problem and recommend to the Secretary of the Army as promptly as possible a new site for the Quartermaster Food and Container Institute.

The Senate conferees rejected the substitute provision and remained adamant in their position. The House conferees, therefore, recede from their position and accept the Senate position of authorizing the relocation of the Quartermaster Food and Container Institute at Natick, Mass.

Special authorization

Another item of controversy involved the utilization of the so-called "emergency authorization" contained in each annual military construction authorization bill.

The House approved 4 line items for authorized additional construction and adjustments to technical facilities requested by the Department of the Army in connection with the development of the Nike-Zeus system.

These items were:

White Sands Missile Range, N. Mex.	$2,000,000
Kwajalein Island	5,488,000
Ascension Island	1,000,000
Point Mugu	100,000
Total	8,588,000

The Senate deleted these authorizations in their entirety since details of the additional construction and adjustments to technical facilities had not been finalized. Therefore, the Senate proposed that the Department of the Army utilize the "emergency authorization" provided in section 103 to develop these facilities after it had finalized its specific requirements.

In accordance with this position, the emergency authorization in section 103 of the bill was increased by $5 million above the House approved $10 million figure.

The House conferees objected to this action of the Senate since it represented a departure from the original purpose for which the "emergency authorization" was created. The emergency authorization provided in each year's annual military construction bill provides the Secretaries of the individual services with "emergency construction authority" made necessary by changes in service: "missions, new weapons developments, new and unforeseen research and development requirements, or improved production schedules, if the Secretary of Defense determines that deferral of such construction for inclusion in the next military construction authorization act would be inconsistent with interests of national security."

Thus, in short, this authority is provided for emergency use only and is not intended to be utilized for construction projects which can properly be anticipated and therefore authorized by line items.

However, the House conferees recognized the unusual circumstances which prompted the Senate action in respect to these items.

In addition, the Senate has taken a similar position in respect to $12 million of classified construction authorization approved by the House in section 302 for the Department of the Air Force and directed that this construction be similarly covered by the "emergency authorization" provided the Air Force in section 303 of the bill. The Senate therefore increased the emergency authorization provided the Air Force by $5 million over the $10 million approved by the House in order to compensate for their change.

Subsequent to House and Senate action on H.R. 5000, the Committees on Armed Services of both the House and Senate received a request from the Secretary of Defense to provide an additional $12 million for the Department of the Air Force for construction of test facilities for a large, solid-propellant booster to be used in connection with our Nation's space effort. This project was included by the President in his address to the Congress on May 25, 1961, in which he stressed the importance he attached to increased effort in our space program.

This authorization would permit the design, site preparation, and the first increment of construction of test facilities related to the development of a large, solid-propellant rocket motor, having a thrust in the order of 2 to 3 million pounds.

Preliminary studies indicate that construction required to support this program will be phased over several years at a cost currently estimated in the range of $60 million to $100 million. It is understood that when these rocket motors are successfully developed, they will be made available to NASA for a moon vehicle and for such Department of Defense requirements as may evolve.

Allocation of this project to the Department of the Air Force is consonant with current policy which has directed that NASA effort will concentrate on improvement of their large, liquid-propelled booster while the Department of Defense effort, because of previous experience, will concurrently be directed toward the development of the large, solid-propellant motor.

In view of the additional authorization requested to support this project and because of the unusual circumstances involved in the projects previously discussed as approved by the House, the House and Senate conferees agreed to recede from their respective positions and substituted the following completely new section in title V of the bill. This section reads as follows:

"SEC. 501. There is hereby authorized to be appropriated to the Secretary of Defense the sum of $27,000,000 for the construction and adjustment of support and technical facilities for missiles and space systems projects. The Secretary of Defense shall allocate funds appropriated pursuant to the provisions of this section to the military departments on such basis as he determines to be necessary in the interest of the national defense."

This new section will be utilized by the Secretary of Defense to provide the necessary construction authorization to permit the accomplishment of projects presently included within the $8,588,000 requested by the Department of the Army; $12 million requested by the Department of the Air Force in section 302 of the House bill; and the additional $12 million requested by the Secretary of Defense for support of the space program.

In this connection, the conferees wish to call attention to the fact that the $12 million authorization especially requested by the Secretary of Defense for the construction of facilities necessary for the testing of solid fuel propellants should preclude the development of similar type facilities requested by the Air Force at the Hill Air Force Range, Utah, which appear to be basically for the same purpose.

It is to be noted that the total authorization provided in this new section, $27 million, is less than the total ($32,588,000) of the projects against which this authority will be applied. Nonetheless, the conferees were of the opinion that the total of $27 million would be adequate to fund the most urgent of those projects included within these programs.

In view of the foregoing changes, the emergency authorization sections, 103, 203, and 303, were reduced to the original House figure of $10 million.

TITLE I—ARMY

In addition to the items in controversy previously discussed, numerous other items were in disagreement in this title of the bill. These items were resolved as follows:

Fort Myer, Va.: An item authorizing $2,120,000 which would have permitted the construction of troop housing and utilities was deleted by the Senate. The Senate conferees insisted that this proposed construction required additional study within the Department of Defense to establish a long-term

program for efficiently housing military personnel and support activities in the Washington area. The House recedes from its position.

Redstone Arsenal, Ala.: The House had authorized construction in the amount of $5,038,000 for research, development, and test facilities at this location. However, the Senate had deleted this authorization in its entirety on the basis that it was not essential to the immediate needs of the Department of the Army. House conferees pointed out that deferral of the project will hamper planned programs and that the Office of the Secretary of Defense considers this project to be extremely urgent for support of the Army missile program. The Senate, therefore, receded from its position.

Columbus General Depot, Ohio: The House approved this item in the amount of $968,000, whereas the Senate deleted this item in its entirety. The Department of Defense advised that it required $419,000 of this authorization to complete construction at this location. The House and Senate conferees receded from their positions and amended this item to provide authorization in the amount of $419,000.

Army Security Agency (oversea locations): The Department of the Army had originally requested $7,765,000 for the Army Security Agency. However, the House reduced this authorization to $2,586,000, since the balance was not scheduled for funding. The Senate was subsequently advised that this item would be funded and, accordingly, this item was authorized by the Senate in the amount of $7,765,000. Since this item is now scheduled for funding the House conferees agreed to recede and accept the Senate change.

Various locations: In addition to the foregoing changes, the Senate position in respect to: Fort Belvoir, Va.; Aberdeen Proving Ground, Md.; Korea; France; and Germany prevailed and the House receded from its position.

TITLE II—NAVY

In this title of the bill, the items in disagreement were resolved as follows:

Naval Shipyard, Philadelphia, Pa.: The House authorized $4 million for the construction of maintenance facilities which would have permitted the development of a nuclear submarine overhaul and repair facility at the Naval Shipyard, Philadelphia. This item was not requested by the Department of Defense nor was it supported by the Department of the Navy. The position of the Department of the Navy was that shipyards now capable of overhauling nuclear submarines combined with those already scheduled for phasing into the program in the near future have sufficient capacity to meet both today's requirements and those anticipated over the next several years.

On the basis of the Navy's position in this matter, the Senate failed to approve this item.

It was agreed by the conferees that there existed a very substantial question as to whether or not the Navy has properly programed for the development of nuclear overhaul facilities at existing naval shipyards. Notwithstanding this fact, the Senate conferees remained adamant in their position in opposition to providing this authorization requested for the Philadelphia Naval Shipyard, without further inquiry into the matter.

The House conferees pointed out that a special subcommittee had been established by the House Armed Services Committee to make a complete study into the utilization of naval shipyard facilities. This subcommittee, composed of Mr. RIVERS, Mr. HARDY, Mr. BYRNE, Mr. COHELAN, Mr. VAN ZANDT, and Mr. BATES, proposes to inquire into every facet of this problem for the purpose of developing recommendations as to the future utilization of these facilities. This inquiry will include a review of the present and future mobilization potential of every existing naval shipyard with special emphasis on possible development of a yard capability to meet the accelerated overhaul requirement for naval vessels having a nuclear-propulsion plant.

The study to be made by this subcommittee will include a review of the following shipyards:

Portsmouth Naval Shipyard, Portsmouth, N.H.

Boston Naval Shipyard, Boston, Mass.

New York Naval Shipyard, Naval Base, Brooklyn, N.Y.

Philadelphia Naval Shipyard, Naval Base, Philadelphia, Pa.

Norfolk Naval Shipyard, Portsmouth, Va.

Charleston Naval Shipyard, Naval Base, Charleston, S.C.

Long Beach Naval Shipyard, Long Beach, Calif.

San Francisco Naval Shipyard, San Francisco, Calif.

Mare Island Naval Shipyard, Vallejo, Calif.

Puget Sound Naval Shipyard, Bremerton, Wash.

Pearl Harbor Naval Shipyard, Pearl Harbor, Hawaii.

Naval Repair Facility, San Diego, Calif.

In view of the adamant position of the Senate conferees on this item, the House reluctantly receded from its position. However, House conferees, ARENDS, GAVIN, VAN ZANDT, and BATES disagreed with this action of the conferees and requested that this be noted in the conference report.

Naval Air Station, Alameda, Calif.: The House denied an authorization request for supply facilities in the amount of $309,000 since it was not scheduled for funding. The Senate approved this authorization and the House recedes.

Marine Corps Air Station, Cherry Point, N.C.: The House approved this item in the amount of $4,864,000, whereas the Senate reduced this amount by $161,000. The deletion would deny approval of the construction of an equipment maintenance shop on the theory that existing facilities are adequate for the present. The House receded from its position and accepted the Senate reduction.

Naval Academy, Annapolis, Md.: The House authorized construction at this site in the amount of $9,687,000. The Senate reduced this figure to $7,730,000. This reduction would have precluded the construction of enlisted personnel barracks amounting to $1,779,000, and an operations building amounting to $178,000. The Senate recedes from its position and accepts the House amount.

Naval Station, District of Columbia: The House approved construction for this activity amounting to $6 million. This construction would have provided personnel facilities necessary for support of naval personnel in the Washington area. However, the Senate deleted this project since it was of the opinion that similar requirements existed for all three services and therefore the Department of Defense should develop a consolidated program to provide these personnel support facilities at a single location which would result in greater economy in construction and maintenance support cost. In view of this position of the Senate, the House receded from its position and the authorization was deleted from the bill.

Naval Hospital, Long Beach, Calif.: The House approved hospital facilities at this location in the amount of $8,763,000. The Senate denied this project since it was of the opinion that construction of this facility could be delayed for another year. After considerable discussion, the House conferees receded from their position.

Naval Station, Rota, Spain: The House approved the construction at this site in the amount of $3,165,000. The Senate deleted this item on the theory that the Navy could operate adequately using existing facilities for another year. The Senate conferees prevailed and the House receded from its position.

Section 202: As approved by the House, this section provided authorization in the amount of $30,719,000 for the development of classified naval installations and facilities. The Senate added $10,250,000 to the authorization provided by this section. The addition reflects a supplemental authorization request made by the administration to the Senate after completion of House hearings. The House recedes from its position and accepts the Senate change.

TITLE III—AIR FORCE

In addition to the items in controversy previously discussed, numerous other items were in disagreement in this title of the bill. These items were resolved as follows:

Atlantic Missile Range, various locations: The Senate restored $1,024,000 to the authorization which had been reduced by the House to $8,982,000. The House receded from its position and accepted the Senate figure of $10,006,000.

Wurtsmith Air Force Base, Mich.: The Senate deleted $181,000 from the authorization provided by the House for a base photographic laboratory. The House receded from its position and accepted the authorization provided by the Senate in the amount of $2,240,000.

Langley Air Force Base, Va.: The House bill authorized construction of a hospital facility in the amount of $3,150,000. This item was deleted by the Senate because it was felt that there are adequate medical facilities of the Army and Navy in the area which could be used by the personnel at Langley AFB. The House recedes from its position and the item was deleted.

Nellis Air Force Base, Nev.: The House bill provided $2,433,000 of construction authority for this location. The Senate increased this authorization by $2,230,000 to provide for a composite medical facility. The House conferees objected to this addition since the medical facility was not scheduled for funding during fiscal year 1962. The House position prevailed and the Senate receded.

A.C. & W. Systems, various locations: The House approved $3,159,000 for construction in connection with our aircraft control and warning system. Subsequent to the House hearings, the administration requested a $13 million addition to this item in order to enhance the capability of our continental defense and warning system as recommended by the President. The Senate approved this addition to the previous amount approved by the House. However, the Senate deleted an item of $30,000 for land acquisition at Cherry Point, N.C. This latter authorization was not required because of the availability of Government-owned land. The final Senate figure was $16,129,000. The House recedes and accepts the Senate authorization.

Miscellaneous changes: The Senate deleted authorization requested by the Department of the Air Force for new and improved runway and apron lighting facilities at various installations as follows: Castle AFB, Calif.; Dow Air Force Base, Maine; Ellsworth AFB, S. Dak.; Larson AFB, Wash.; Pease AFB, N.H.; Plattsburgh AFB, N.Y.; Schilling AFB, Kans.; Walker AFB, N. Mex.; and Westover AFB, Mass. The House receded from its position and accepted the Senate deletions at these locations.

Transportable family housing: The House had rejected the Department of the Air Force request for transportable family housing amounting to $3,584,000. The Senate approved this item in the amount requested by the Department. The House recedes from its position.

U.S. Air Forces in Europe, various locations: The House approved construction of

various facilities in the amount of $9,800,000. The Senate approved a figure of $10,508,000. Both the House and Senate receded from their position and adjusted this figure to a new authorization amounting to $10,004,000.

U.S. Air Force Security Service, various locations: The House approved construction authorization in the amount of $5,949,000. The Senate increased this figure to $6,059,000 to provide essential recreation facilities at oversea locations. The House receded from its position.

A.C. & W. System, overseas: The House approved construction authorization in the amount of $1,768,000. The Senate added $1 million to this figure which was requested by the President subsequent to completion of the House hearings. The House receded.

Section 302: The House approved $251,900,000 for the construction of facilities at classified military installations. Subsequent to the House hearings, the administration requested an increase and adjustment in the authorization amounting to $45,400,000. This change, among other things, provides for the acceleration of the Minuteman program. The House receded from its position and accepted the Senate authorization of $285,300,000.

Deficiency authorizations: The House approved all the deficiency authorizations originally requested by the Department of Defense. The Senate subsequently concurred in the House action, with some minor adjustments. The Senate also added a new authorization providing an increase of $1,300,000 for the Arnold Engineering Center, Tullahoma, Tenn., requested by the Department of Defense subsequent to the House hearings. The House concurred in the Senate changes.

TITLE IV

As discussed earlier in this report, the conferees approved title IV as contained in the Senate bill which related to appropriated fund military family housing.

TITLE V

Title V is an entirely new section added by the conferees which provides the Secretary of Defense with authorization in the amount of $27 million to construct military facilities in support of the missile and space programs of the armed services. This section was explained in detail under the heading "Special Authorization" earlier in this report.

TITLE VI—GENERAL PROVISIONS

Most of the general provisions are identical to those which have appeared in military construction authorization laws for the last several years. With respect to these, there was no disagreement between the Senate and House versions of the bill. The only variation in the general provisions between the two versions of the bill not previously covered in this report occurred as follows:

Section 609: This section was added by the Senate. It limits the amount of funds that can be spent on rehabilitating family housing units to a cost not in excess of that established for the construction of new housing by section 109 of Public Law 86-630, and in no instance can such costs exceed $20,000.

The House conferees had no objection to this section: however, for the purpose of clarifying the application of this section, insisted that language be added indicating its effective date as July 1, 1961. The Senate conferees accepted this modification and the section, as amended, was agreed to.

Section 610: This section is identical in purpose to section 409 of the House bill and relates to the elimination of substandard, or inadequate, family housing from the inventories of the military departments. The House version would have required elimination of this housing from the inventory of the military no later than July 1, 1963; whereas, the Senate version extended this exemption period for 2 additional years to July 1, 1965. The House recedes from its position and accepts the Senate version.

TITLE VII—RESERVE FORCES FACILITIES

Title VII of H.R. 5000 contains the authorization required to carry forward during fiscal year 1962 the facilities program of all the Reserve components for the Armed Forces.

The authorizations provided by the House were all approved by the Senate. In addition, the Senate provided authorization for construction of Reserve facilities at a number of sites not acted upon by the House. The House conferees accepted the Senate additions with adjustments to the total which increased the figure approved by the Senate by $296,000.

The House and Senate conferees were unanimous in their agreement that beginning with fiscal year 1963, the Committees on Armed Services of the House and Senate propose to revert to the method of authorizing for all Reserve facilities followed prior to fiscal year 1959. This method was prescribed by the National Defense Facilities Act of 1950, and provides for a specific authorization to the Secretary of Defense for use of the Reserve components after consultation with the respective Armed Services Committees of Congress. The procedure inaugurated in the fiscal year 1959 military construction authorization bill of authorizing for these facilities on a line item basis has proven unsatisfactory.

SUMMARY OF BILL

Differences in dollar authorizations

As the bill passed the House, the total authorities granted in the Army, Navy, Air Force, Department of Defense, and Reserve components titles totaled $808,375,000. The corresponding authority granted in the Senate version of the bill totaled $879,684,750, or $71,309,750 more than the House version. The total agreed to by the conferees for titles I, II, III, IV, V, and VII is $893,947,750. This latter sum is $85,572,750 more than the House version and $14,263,000 more than the Senate version.

CARL VINSON,
PAUL J. KILDAY,
L. MENDEL RIVERS,
PHILIP J. PHILBIN,
F. EDW. HÉBERT,
LESLIE C. ARENDS,
L. H. GAVIN,
JAMES E. VAN ZANDT,
WILLIAM H. BATES,
Managers on the Part of the House.

Mr. VINSON. Mr. Speaker, I yield myself 20 minutes.

Mr. Speaker, as Members of the House will recall, House debate on H.R. 5000 was largely confined to the controversial question of military family housing. Therefore, it is my intention to explain to the Members of the House the action taken by the conferees with respect to this matter.

Under the provisions of the House-passed bill, the military departments were authorized to build a total of 7,074 new family housing units under the so-called Capehart program at various specified locations, and to proceed with the construction of an additional 5,000 units of family housing previously authorized under the Capehart program.

In summary therefore, the House action would have extended the Capehart program for another year, until October 1, 1962, and would have permitted the military departments to proceed with the construction of a total of 12,074 units of family housing.

Some Members of the House urged that the Capehart program be discontinued and recommended that the military departments attempt to satisfy their family housing requirements by way of direct appropriated fund housing.

However, despite this opposition to the Capehart program, the House approved a continuation of the program for another year and authorized the construction of 12,074 family housing units under the Capehart program.

The Senate concurred with the House as to the critical need for additional military family housing, but was of the opinion that the Capehart program was not the most economical or practical method of satifying this requirement.

Our discussion with the Senate conferees concerning the comparative cost of Capehart housing as opposed to appropriated fund housing was not conclusive. However, it was generally agreed that a family housing unit built under the Capehart program would, over a 25-year period, cost approximately $1,900 more than a comparable unit built with appropriated funds.

Notwithstanding this apparent cost differential between appropriated fund housing and Capehart housing, I have, as Members of the House are aware, supported the Capehart program since it has proven itself to be a reliable and satisfactory method of satisfying our military family housing requirements.

However, I have in years gone by, recommended construction of military family housing by direct appropriation. Unfortunately, this request for appropriated fund housing authority has, in many instances, not been given approval by this body.

For example, during the 2d session of the 81st Congress, the House Committee on Armed Services reported a bill to the House which would have authorized the construction of appropriated fund housing in the amount of $152 million.

This provision was deleted from the bill by subsequent floor action at the suggestion of the Rules Committee. At that time, certain members of the Rules Committee urged the Committee on Armed Services to attempt to satisfy military family housing through the operation of the so-called Wherry program. This recommendation was based on the theory that military family housing can best be built through private financing, with a consequent reduction in the use of Government funds.

The Committee on Armed Services heeded the advice of the Rules Committee and the Members of the House, and have, since that time, attempted to satisfy the bulk of military family housing through both the Wherry program and the Capehart program. These programs have provided the Armed Services with almost 200,000 units of family housing since their inception.

Now, however, it appears that times have changed and many Members of the Senate agree with certain Members of the House that we should now return to appropriated family housing.

As a consequence, the Senate refused to endorse the House action in respect to the Capehart program and elected to

build military family housing by direct appropriation.

In accordance with this decision, H.R. 5000 as amended by the Senate deleted the Capehart program in its entirety and substituted 2,000 units of appropriated fund housing, at an average cost of $16,500 per unit. Thus, the conferees were faced with a situation in which the House had endorsed the Capehart program and authorized the building of 12,074 units of family housing, whereas the Senate had rejected the Capehart program entirely and substituted 2,000 units of appropriated fund housing.

The Senate-House conferees discussed the relative merits of the two approaches to military family housing at great length and in great detail. As a result, the conferees agreed on a compromise position which, briefly stated will:

First. Extend the Capehart program for 1 additional year until October 1, 1962, and then let the law die;

Second. Raise the existing statutory ceiling contained in the Capehart law to permit the construction of 3,000 units of military housing under the Capehart program; and

Third. Authorize the construction of 2,000 units of appropriated fund housing as originally approved by the Senate. However, the unit cost of this housing was increased from $16,500 to $17,300 to accommodate additional costs involved in site acquisition, off-site utilities, and so forth.

In summary, the action taken by the conferees results in providing 5,000 units of military family housing—3,000 units to be constructed under the Capehart program, and 2,000 to be constructed and financed by direct appropriations.

In connection with those units authorized for construction under the Capehart program, I wish to point out that except for 300 units which were designated as to their location, the balance may be located at whatever site the Secretary of Defense considers to be most urgently in need of family housing. Thus, the Secretary of Defense may authorize the construction of these 2,700 units of Capehart housing entirely within those units designated in previous military construction authorization acts, or at any new location not heretofore specifically identified in a military construction authorization law. The only guideline provided the Secretary is the requirement that these housing units be constructed at permanent military installations.

The Capehart program which provides military family housing will therefore die on October 1, 1962. However, I feel it important to call the attention of the Members of the House to the fact that this program has conributed tremendously to the morale of our military family, and has, at the same time, permitted the Government an opportunity to acquire substantial real property without expending huge sums of money.

The Capehart program has been effective since 1956. It will expire in 1962. During that interval, approximately 114,000 family housing units will have been built under this program.

The value of these 114,000 Capehart houses will be approximately $2 billion. This housing involved the use of only $120 million of appropriated funds, the balance of the cost of the housing being provided through private financing.

Thus, putting it another way, we have over the past 6 years provided an average of 19,000 units of housing, with an annual direct appropriation of less than $20 million. If this housing had been direct appropriated fund housing, it would have required an annual appropriation of well over $310 million.

Now, the balance of the cost of this privately financed housing amounts to approximately $1.8 billion, amortized over a 25-year period. This cost will be paid for by the Government through the quarters allowance ordinarily provided military personnel who occupy this housing.

As you know, military personnel with dependents are entitled by law to a quarters allowance, which varies in amount depending on the grade of the individual. However, generally speaking, this quarters allowance amounts to approximately $100 per month, and is paid directly to the individual service member when he is not occupying public quarters.

Thus, the quarters allowance requires an appropriation by the Government in any event. However, when personnel occupy public quarters, they forfeit this quarters allowance and, in the case of Capehart housing, permits the amortization of the cost of this housing at no additional cost to the Government.

Despite these advantages of the Capehart program, it is apparently the sense of Congress that it be abandoned. I concur in this action but feel it necessary to acknowledge the fact that the Capehart program has served a most useful purpose over the past 6 years.

I trust we will continue to meet our responsibility to our military families in the future by providing this housing through direct appropriated funds, or through some alternate approach to financing now being studied by Secretary McNamara and the Bureau of the Budget.

In addition to the foregoing, the conferees approved an item authorizing $3,584,000 for the procurement and construction of transportable family housing for the Department of the Air Force. This authorization will provide 256 units of transportable family housing to be located at various remote aircraft control and warning sites.

The conferees expressed the hope that this type of housing will prove to be a satisfactory solution to the problem of providing adequate housing for our military families who are located at these installations which, by their very nature, cannot be considered permanent military installations. In the future, when technological advancements and other circumstances preclude the continued operation of these A.C. & W. sites, the Government will be able to relocate this housing at other sites with a minimum of loss.

In connection with the subject of housing, the conferees added a provision which limits the amount of funds that can be spent on rehabilitating existing family housing units. This provision limits rehabilitation costs to a maximum of $20,000, and should thus preclude some of the abuses which have previously existed in this area.

This change is principally designed to prevent the costly rehabilitation of large, outmoded family housing built many years ago on military installations. The military departments have spent as much as $60,000 remodeling some of these old houses. This provision will prevent such uneconomic action.

DIFFERENCES IN DOLLAR AUTHORIZATIONS

As the bill passed the House, the total authority granted the various military departments amounted to $808,375,000. The corresponding authority granted in the Senate version of the bill amounted to $879,684,750, or $71,309,750 more than the House version.

As pointed out in the conference report, the final total agreed upon by the conferees was $14,263,000 more than the Senate version, and $85,572,750 more than the House version.

Although this difference of approximately $85 million between the original House version and the amount agreed upon by the conferees appears unusually large, it should be borne in mind that subsequent to the House hearings, the administration forwarded a supplemental request to the Senate requesting authorizations in the amount of $69,650,000.

Also, subsequent to the Senate action on the bill, the administration and the President in his address to the Congress on May 25, 1961, requested an additional $12 million critically required for acceleration of our space program. These two supplemental requests alone amounted to approximately $82 million, and largely represent the difference between the House-passed bill and the bill as reported out by the conferees.

The conferees had 120 differences in line items to be resolved. The resolution of these changes, therefore, accounts for the remaining $3 million difference between the original House bill and the bill as reported out by the conferees.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, for what it may be worth, I certainly agree with the gentleman with respect to future housing for the military.

Mr. VINSON. I thank the gentleman.

Mr. ARENDS. Mr. Speaker, will my chairman yield?

Mr. VINSON. I yield to the gentleman from Illinois.

Mr. ARENDS. Mr. Speaker, I think it might be well if the gentleman would tell the House what we expect to do in the future with reference to Reserve Forces facilities. As the gentleman knows, that has been a problem for many of us. We think it has been wholly and completely unsatisfactory in the past the way we have been proceeding. We hope to change that policy for the future.

Mr. VINSON. I should be glad to have the gentleman make a statement on that at this point.

Mr. ARENDS. It is mentioned right in the report.

The House and Senate conferees were unanimous in their agreement that beginning with fiscal year 1963, the Committees on Armed Services of the House and Senate propose to revert to the method on authorizing for all Reserve facilities followed prior to fiscal year 1959. This method was prescribed by the National Defense Facilities Act of 1950, and provides for a specific authorization to the Secretary of Defense for use of the Reserve components after consultation with the respective Armed Services Committees of Congress. The procedure inaugurated in the fiscal year 1959 military construction authorization bill of authorizing for these facilities on a line item basis has proven unsatisfactory.

Mr. VINSON. I thank the gentleman.

Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Speaker, this conference report approves authorization of funds to transfer the Quartermaster Food and Container Institute from Chicago, Ill. to Natick, Mass. It was this transfer which I fought in the House when this bill was first debated and it was this transfer which the House refused to approve. At that time I offered an amendment to strike the funds from the bill and to authorize a study by the Secretary of the Army of the feasibility of relocating the Quartermaster Food and Container Institute either in Chicago, Ill. or in any other location in the country.

The Secretary of the Army purported to undertake the study which had been authorized by the House and had it been conducted fairly I would not now be here protesting the action of this conference. The fact is, however, that the study by the Secretary of the Army was grossly unfair and inadequate. Apparently the Secretary of the Army had already decided, regardless of what the House intended in its last amendment, that the Food and Container Institute should be transferred to Natick, Mass., and that is all there was to it.

The amendment which the House had accepted authorized a review of the matter by the Advisory Board on Quartermaster Research and Development of the National Academy of Sciences—National Research Council. That review was undertaken by a task group of the Council with a time limit imposed by the Secretary of the Army of less than a week. The chairman of the task group had told me himself only a week before that a detailed study of the question would require at least 30 days. Yet 30 days was not given. Nor did the Secretary of the Army pay any attention to our request that we be furnished with the Army's requirements as to land, buildings, and personnel—military and civilian—for a relocated installation in Chicago. The conclusions reached by the Secretary of the Army, in fact all the studies in this matter, are predicated on the Army's requirements for the installation at Natick, Mass., and a comparison with the present Institute's inefficient operation on 39th Street in Chicago. Even now, that information has not been made available.

In spite of our repeated declaration that this type of approach was unfair, and that a proper comparison would place the proposed Natick installation against a new installation in Chicago, this question was never investigated. It was totally ignored, and I fear quite deliberately by the Department of the Army, which continued to insist that operating economies justified the move. The fact that there was no basis for computing such economies because its comparison with the existing installation was improper did not bother the Department of the Army at all. In letters to the Secretary of Defense and to the chairman of the Armed Services Committee of the House, I insisted that the study was rigged. I still feel it was rigged, that it was unfair and that a new study should have been ordered, one which would give the information which the Congress needs to make up its mind in an intelligent manner.

Had such a study been made, Mr. Speaker, I would not be here today to oppose the conferees' agreement. Inasmuch as the conferees on the part of the House have receded from the House's position and agreed with the conferees on the Senate, the parliamentary situation precludes my demanding a separate vote on this item. I could only endeavor to defeat the entire conference report, of which this item is only a minor part, an action which would be unreasonable. In view of the conferees' action, I have no choice except to continue to contest the matter before the Appropriations Committees of the House and Senate.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include certain correspondence pertaining to this matter, as well as a copy of the transcript of the hearings held by the Advisory Board on Quartermaster Research and Development of the National Academy of Sciences-National Research Council.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PROCEEDINGS OF THE NATIONAL RESEARCH COUNCIL, MEETING ON THE PROPOSED RELOCATION OF THE FOOD AND CONTAINER INSTITUTE

FRIDAY MORNING SESSION, MARCH 31, 1961

The meeting on the proposed relocation of the Quartermaster Food and Container Institute for the Armed Forces by the National Research Council convened at 10:05 o'clock in private dining room 5, Palmer House, Chicago, Ill., with Dr. Allen Abrams (the chairman of the committee) presiding.

Chairman ALLEN ABRAMS. Gentlemen, we thought we would start off as indicated the other day by having the presentation by the Food and Container people and Natick people first. The general would like to say a few words first, so we will call on you, General Tribe.

Brig. Gen. MERRILL L. TRIBE. Mr. Chairman, I am General Tribe, commanding general of the Research and Engineering Command at Natick, Mass. Dr. Seiling, Scientific Director, Mr. Addelson, Mr. Allen from Natick, will assist in presentations which we have. We also have Mr. Joe Ecsi from the Office of the Quartermaster General who will make a short presentation. Also present today is Col. James Littlejohn, commandant of the Food and Container Institute, Chicago, and the Scientific Director of the same Institute, Dr. Mehrlich.

We welcome this opportunity to make this presentation, and assist in answering any questions which you might have regarding the move of the Food and Container Institute to the Research and Engineering Command Headquarters, Natick, Mass.

Dr. Seiling will present the scientific benefits to be gained from such a move. He will be followed by Mr. Addelson who will discuss the other benefits which will accrue as a result of the proposed move. He will be followed by Mr. Ecsi, and then Colonel Littlejohn and Dr. Mehrlich are available to assist in answering any questions which the committee may have. Thank you very much, Mr. Chairman.

Chairman ABRAMS. Thank you, General. May I say this. I think it will be best to have the presentation and the questions after. May I throw in also, since this is a confidential matter, if we are approached by anyone from the press, make no statement whatsoever. We have already had one approach. We don't want this to get into the papers at this time.

Dr. Seiling, would you start off?

Dr. DALE H. SEILING. Thank you very much, Mr. Chairman. My mission here is to explain to you gentlemen what we consider to be the advantages from a technical and scientific standpoint that would accrue as a result of moving of the Food and Container Institute from Chicago to Natick. At Natick we have the major fundamental science divisions and engineering division. We have here the pioneering research division in which research in chemistry, biochemistry, biology and physics is conducted. We have the chemicals and plastics division in which work in microbiology, bacteriology, applied chemistry, rubber research, plastics research and some work on armoring of clothing is conducted.

We have the environmental protection division where human and environmental research is carried out, and also where the new research on geography, meteorology and related subjects is carried out. We have a mechanical engineering division in which the basic information on petroleum handling, on materials handling and refrigeration, heating devices and other mechanical equipment are researched and developed. We have also the textile clothing and footwears division where work along the lines of textile development, fiber research, materials research, shoe and leather research are carried out.

These divisions are all staffed with a good group of scientists, technologists, and engineers, and each of the divisions have programs that are related either directly or indirectly to our mission in the Food and Container Institute in Chicago.

Since the Natick installation is relatively new, quite a number of pieces of sophisticated and complex equipment have been installed there to be used in these various research programs.

For example, we have a mass spectrograph, time and flight spectrograph, an ultracentrifuge electrophoresis apparatus, two or three gas chromatographs, a number of other electronic devices that are used in measurements. We have the solar furnace which is used in some of our work in packaging and other things of this nature. We have an engineering shop that is complete in most of the details of the equipment that would be used in these various studies. So that actually, we have also there at Natick the scientific library, the printing and reproduction equipment and things of this nature which are necessary for carrying out the total program. So that actually we have augmenting disciplines at Natick that we consider would be quite valuable in supporting the scientific research and development programs that are carried out in foods, food radiation and container development in the Food and Container Institute.

I know that you can recognize that if we have the food and container scientists associating with these basic research scientists

at Natick, that a considerable amount of exchange of information and cooperation on research projects will result.

During the past few years our pioneering research division has carried on a number of research projects on food flavors, color, texture, and other properties which are of importance in ration development because they are fundamental. It creates fundamental information that is necessary to do the best job of applied food research.

Then we have a number of other things that happen at Natick that are of importance in the food program. The environmental programs are carried out on work capability, on the food and clothing required to maintain humans under various stress conditions such as heat or cold. All of these can be carried out more effectively when you have people working together in one location.

Now the Quartermaster Corps has certain missions, and we have a large number of end items for which the Quartermaster General is responsible, but actually our research and development activities are restricted pretty generally to about six or seven areas. We have food, containers, textiles and clothing, pioneering research, aerial delivery, materials handling, and environmental research.

These areas are not really large enough—each one of them is not large enough to require its own research establishment if you are going to get the greatest effectiveness because all of these things must be integrated together, because they relate to the man and his environment. In other words, the food research is related to the clothing research in that the clothing required for a person depends on the kind of energy consumption he makes. Also, the packaging of food is important because the soldier may be required to carry this packaged food on his person. Therefore, the materials or the various kinds of pockets that he has in his clothing or the harnesses that he wears to carry items have to be related to the packages that he has to carry, and in general, I would say that the research and development program of the Quartermaster is one that lends itself to integration and work at one location for the most effective results.

I could give you many more examples of the things that would result from this consolidation, and I think maybe some of these might be developed further by questions from you at a later time, but in general, we believe that the work at Natick will be improved by having the Food and Container Institute located there.

We also believe that the food and container program will be improved by being located at Natick. That concludes my statement, and I will be happy to answer any questions that any members of the committee may wish to present.

Chairman ABRAMS. Perhaps we should get the full presentation, if it is agreeable to you, and then we can go back. Who do you want next, General?

Mr. Addelson. Then we will ask you to continue.

Mr. ARTHUR ADDELSON. Mr. Chairman, in connection with the proposed relocation of the Institute, we have considered the usual site selection factors of importance to the siting of a laboratory. I would like to go through those very hurriedly in some cases.

In the case of housing, the plan is to site the Institute in a suburban area where there is a plentitude of housing and all ranges in desirable residential neighborhoods from 5 to 10 minutes' distance from the laboratory. We are informed by a local realtor that there is an availability of approximately 1,000 houses in the greater Natick areas.

In the case of educational facilities and schools, I will just make a brief statement. The greater Boston area has an extensive number of educational institutions and some outstanding, and the school systems are rated superior.

In the case of community facilities, the greater Boston area in both cultural, recreational and community facilities, we feel, is comparable to any other large metropolitan area in the country.

In the case of a labor market, the professional personnel that are employed at the Institute are trained in the disciplines of chemistry, food technology, biology and engineering. There are an extensive number of schools in the greater Boston area and in the eastern seaboard area that provide programs in these areas for undergraduate and graduate programs, and we at Natick have never experienced any difficulty in the recruitment of qualified professional personnel.

We also did review with some of our friends in the industrial food laboratories, the distribution of laboratory and requirements for professional personnel. We also checked the National Research Council study which has indicated to us that in the eastern area within a 300-mile radius of Boston there are 147 laboratories engaged in food research which have a total complement of over 5,000 personnel. In our checks with some of the industrial food laboratories they told us there was no difficulty or any recruitment problems for professional personnel.

Also, in connection with this labor market problem, we are, of course, concerned as to the number of personnel who would or would not accompany their jobs if there were a relocation. We did go back to our statistical experience in 1952–53 at Natick when the elements of the Quartermaster Corps were assembled and transferred to Natick at that time. It was indicated that all our professional personnel in grade 14 and above accompanied their positions to Natick at that time. Our grade 14 and above are those that are the project leaders and program directors, who have the primary responsibility for the technical direction of the programs.

Our senior scientific personnel grades 12 and 13, at that time, 75 percent accompanied the transfer of their positions to Natick. A lesser percentage in the grades 5 to 11, which are, if you are not familiar with the Government rating system, the entrance grades for professional personnel with a bachelor's or master's or doctorate degree.

Chairman ABRAMS. What is the pay range in 5 to 11?

Mr. ADDELSON. Do you have that schedule?

Dr. SEILING. Five will be about $4,000 and 11 will be $9,000, I think. Is that right?

Mr. JOSEPH ECSI. I think it is less.

Mr. SEILING. It is around that range, though. Eleven may be $8,000.

Mr. ADDELSON. I have it here. Five is an entrance rate of $4,300, but this is a little deceptive. The Government is permitted to give a maximum rate in some of these lower grades, so perhaps five should be listed as an entrance rate of $5,300.

Chairman ABRAMS. $5,300.

Mr. ADDELSON. Seven is an entrance rate at $6,300.

Chairman ABRAMS. Let's take 11.

Mr. ADDELSON. Eleven would be an entrance rate of $7,500.

Another area we have considered is our construction costs. At Natick we already have the land available. We have approximately 50 acres of 100 acres at the Natick site that would be adequate for expansion and for further development as required. The design work on the Natick site has been entirely completed, and a quarter of a million dollars has been spent, as we mentioned the other day, and the Corps of Engineers have stated that they could solicit bids within 2 weeks from the date, if the money were appropriated.

A considerable part of these plans, of course, would have to be discarded, as Dr. Seiling pointed out at that time, because these plans were tailored to the architectural pattern at Natick.

The site of QM is complete at Natick with all the amenities of a laboratory site, and most of you people have been there. We also have all the related utilities at Natick including our tie-in for requirements of fire protection and central heating plant and so forth. The new construction will merely require tie-ins in the given utilities.

The building costs that we have asked Congress for at Natick are $3.8 million for 97,000 square feet of construction plus additional conversion of space which Dr. Seiling previously mentioned, the conversion of office space to laboratory space. We believe that the costs of construction are relatively standard in accordance to building specifications in most areas with minor regional variations, and that the building costs on a square foot basis would be approximately the same in Chicago as here.

Chairman ABRAMS. Do you have those figures as to what the square foot basis would be?

Mr. ADDELSON. I was going to expand on that.

We are planning 97,000 square feet, sir, of construction at Natick, which did not provide for a self-sufficient installation. We did not provide for a cafeteria, for an auditorium, for a warehouse, for shop areas, and administrative areas for service personnel. Inasmuch as all of these facilities are currently available at Natick and operate at Natick, we provided only for the laboratory and heavy lab areas that would be required.

Chairman ABRAMS. That is $3.8 million for 97,000 square feet.

Mr. ADDELSON. Plus approximately 20,000 square feet of conversion.

That, sir, includes equipment, both the procurement of new equipment and the rehabilitation of existing equipment.

The design plans at Natick were based pretty much on the consolidation of many of the administrative units and technical support units that are currently being supported both at Chicago and at Natick. For example, we have two libraries; one at the Institute, and one at Natick, and that will be consolidated into one library. We have two instrument shops and two photographic laboratories, and so forth, and the design plan as presently developed provides for some augmentation in the areas occupied by these elements at Natick to accommodate the additional workload in the Institute were relocated, but not separate or additional units.

In evaluating our requirements for a self-sufficient Institute, if it were not relocated at Natick, we estimate an additional 60,000 square feet of construction will be required.

Chairman ABRAMS. Additional 60,000.

Mr. ADDELSON. For what we have planned.

Chairman ABRAMS. Over and above this 97,000?

Mr. ADDELSON. Approximately 150,000.

Chairman ABRAMS. What will that 60,000 cover again?

Mr. ADDELSON. That will cover the elements we did not provide for at Natick, namely, the shop area, the auditorium, conference rooms, library areas, technical support areas, and administrative areas for service personnel.

We estimate the additional cost based on our present design plans at $25 a square foot, another million and a half dollars.

Chairman ABRAMS. I want to get this straight. This is the 3.8?

Mr. ADDELSON. I do want to state here, our plan, of course, envisions three separate buildings in keeping with the architectural pattern at Natick. This is an additional 60,000 square feet if added to that plan at $25 a square foot as a separate building would be another million and a half dollars. If the whole thing were redesigned, it might be some other.

Dr. ALBERT ELDER. If you are going to be able to use this shop and other facilities at Natick, it must apply they are not being used effectively at the present time.

Mr. ADDELSON. No, sir, we plan out of this new construction to use 10,000 square feet of this new construction for augmentation.

Chairman ABRAMS. A little later, I think, when we get to it, Larry, it is all right. I would like to hear this whole cost thing again. We are not entirely clear. Shall we finish this?

Mr. ADDELSON. As I mentioned previously, there is an area at Natick available for expansion. In the area of management the mission of a command covers a wide range of research and development activity requiring a multitude of scientific disciplines to accomplish it. In order to evaluate this factor in its proper focus, I wish to recall that the primary motivation for the original construction of the consolidated laboratories at Natick was to bring together in creative collaboration scientific and technical talents that were previously scattered. To the extent that this consolidation has been accomplished, there has been a relatable increase in efficiency of operations and management.

There are a number of joint interest projects in the areas of effort which exist between the operating divisions at Natick and the Institute, and their separation does deprive the scientists of both locations of the opportunity to work together in close collaboration. This separation increases our management problems of communication, coordination, and makes difficult creative collaboration for the development of supplies and equipment into integrated systems.

Chairman ABRAMS. Does that cover yours? Thank you very much, sir.

Go on, Mr. Ecsi.

Mr. JOSEPH ECSI. Mr. Poor called me last night, Mr. Chairman, and expressed his regrets that he couldn't come. He had planned to come. He invites any member of the Board to visit with him and with Mr. Morse if any of the members happen to be in Washington.

We are very grateful for your participation and the accelerated manner in which you grabbed the problem here.

My name is Ecsi, and my title in the office of the Quartermaster General is production manager. The program that my division manages is to provide the facilities in which the Quartermaster General can accomplish his total missions efficiently and economically.

The "economically" has become a very pressing point in the last number of years with repeated budget cuts. The Quartermaster General has had to close five of his network of installations in the past 4 years. Chicago is one of these five. The Chicago Administrative Center. This is what makes the relocation of the Food and Container Institute a pressing issue at the present time.

The Chicago Administrative Center was originally built for the Quartermaster General as a warehouse. It is a six-story, three-building, relatively low ceiling, primarily designed for warehouse operation. Warehousing in a multistoried building in recent years became an uneconomical operation in that you could not stack material to certain heights, and as a result, the Quartermaster General discontinued the use of the facility for storage missions. The storage occupied most of the space. Since that point there has been minor conversion of warehouse space to administrative space to house some quartermaster missions and any other Government agency that desired to occupy space at the CAC. CAC is Chicago Administrative Center.

As a result of last year's analysis by the General Accounting Office, the Quartermaster General decided that the time had come to not merely wait for the authorization of the construction cost to relocate the Food and Container Institute, because this is the only item that is holding up our evacuation of the building at the present time. All other missions can be transferred to existing space with no delay, but the Food and Container requires this $3.8 million construction and requires a new facility somewhere.

Our plan is at Natick—the Quartermaster General decided he would turn the CAC installation over to GSA on July 1, 1961. As of that date the GSA will be guardian of the facility and will provide limited administrative support, and the Quartermaster General's responsibility will be limited to providing only the administrative support required by our own Quartermaster missions on that date.

The GSA assumed these facilities on the assumption that the Secretary of the Army had agreed to relocate his missions, and this was so stated, and the reason GSA classified that assumption was that they did not want to operate the CAC on a long-range basis, but had intended to take it over from the Quartermaster and operate it as long as it was necessary to have missions there until we could relocate a new facility.

We in the Quartermaster Corps are interested in successful mission accomplishment, but we have found we are spending a tremendous amount of our resources on facility management.

We have quite a network of facilities, depots, the research and development center at Natick, that you know about, training commands and things of that sort, and all of this expenditure on facility accomplishes only one thing. It reduces the resources that are basically available for mission accomplishment, and, therefore, we have classified facility maintenance as a secondary priority within our requirements because our first priority is to accomplish our missions.

This is what presses the urgency on the CAC. We have, I believe, successfully presented our economy aspects here to satisfy the special subcommittee that was designated by Mr. VINSON, the copies of which I left you on our last meeting, and if you have read that report, you will see that Mr. VAN ZANDT from Pennsylvania and Mr. DOYLE from California, who really have no interests in this particular location of this mission, since one comes from California, the other from Pennsylvania, neither has any Chicago nor Natick interest, have concluded that there are substantial economies. They estimated over $900,000 in their report as printed by Congress.

We urge that you give our case consideration.

Chairman ABRAMS. Those were operating economies?

Mr. ECSI. They are a combination, sir, of savings within the Food and Container Institute due to merger of technical and scientific administration which accounts for somewhere in the neighborhood of the Army figures of about $300,000, and then the overhead savings of about $800,000 is how the Army has justified this is a $1.1 million Army savings.

Chairman ABRAMS. It has no relation to capital investment.

Mr. ECSI. No, sir.

Chairman ABRAMS. So it is really operating.

Mr. ECSI. In this line we in the Army do not compute capital value of facilities in any of our savings for this reason. When the Army declares a facility excess, it is not then disposed of, but it is turned over through the Corps of Engineers to the GSA, and at some later date it may or may not be disposed of. The capital facility you referred to of CAC has been estimated to have a fair market value of $4.8 million of sale at the present time. If we were using this, you can see the economy of this thing would be pretty clear toward the construction of new laboratories.

I would prefer from here on in to answer any specific questions that you have on the overall facet. I believe, as I said before, this is a sound approach on the part of the Army. We have stood up under detailed scrutiny of many sources, and we would like to move this mission to Natick.

Chairman ABRAMS. You mean, Mr. Ecsi, this is your presentation now?

Mr. ECSI. Yes.

Chairman ABRAMS. Thank you.

Are there more, General?

General TRIBE. No more formal presentations. I think what you want might best be developed by questions.

Chairman ABRAMS. All right, gentlemen, have you questions you would like to ask any of these men?

Dr. ELDER. Regarding the possibility of losing the technical personnel, you consider the conditions in 1952 and 1961 comparable? I am asking from this angle. The housing situation in Chicago is such that there is at the present time in the entire Chicago area—I believe no one will challenge my statement at all—a great surplus of houses with the result that these people that you are talking about moving to Natick may have no trouble buying a place there, but they are probably going to have considerable difficulty in selling any place that they have in the Chicago area.

Now is that going to affect them at this time in terms of the number of those who will look for positions in the Chicago area rather than going with you, because I cannot swallow the statement that it is easy to get people in the field of food technology to go to work for you today. It just isn't true. That is all there is to it.

It is a tough job to find people. I know from my own experience in trying to hire them. I know from the fact that some other companies are trying to pirate them away from me out of my own organization, so there can be no question but what there is a problem there. I am asking. I would like to ask how serious you really think this will be.

Dr. SEILING. I don't really know, Dr. Elder, how many of the people will elect to not go to Natick if the move is made. We have not asked, run any poll, or gotten any information because we felt that until the decision was made, a man really could not give you an unequivocal answer.

As far as recruiting people who are specifically food technologists, I agree that these are hard to find, and I don't know whether we would be hard put to get people in the Natick area or not. There are a number of people that have indicated an interest in food technology employment if the Institute were moved to Natick, and I mean by that, that they have written me at Natick and said: "Whenever the Food and Container Institute get there, let me know, because I would like to work at the Food and Container Institute if it were at Natick."

Now I don't know whether one of those will be there to be counted when the time comes or not, but as you know, the northeastern area does have a number of outstanding food technology schools. MIT, Cornell, the University of Massachusetts, Maryland, Rutgers, are I think, quite well recognized in this field.

Of course, we do have a number of people in nutrition, biochemistry, from the New York-Boston area that are not directly associated with food, but who might be induced to come into this field if they are provisionally oriented to the New England area.

I think we can get people. I don't know whether we can get enough or not, but I think that if some of the people do not elect or elect not to go, that we might have some

difficulty in filling some of their positions, but I think eventually we will get the job done.

Chairman ABRAMS. The Chicago people of the Food and Container Institute are pretty well aware of this possibility of moving to Natick, I assume.

Dr. SEILING. They certianly know about it. I think they have been, we will say, emotionally upset.

Chairman ABRAMS. Have they expressed any opinions?

Dr. SEILING. Not to me.

Chairman ABRAMS. Has anybody asked any opinions of the people here in Chicago as to whether they would move?

Dr. SEILING. Dr. Mehrlich is here from the Institute.

Chairman ABRAMS. Do you know about that, Dr. Mehrlich?

Dr. FERDINAND P. MEHRLICH. To my knowledge nobody has asked them. I think it would be rather a futile gesture anyhow because it is a hypothetical situation. I think the percentage who might or might not would depend a great deal upon the circumstances of the market at the time the move might be contemplated.

Chairman ABRAMS. Going back to what Dr. Elder brought up, do you feel that this might be a difficulty, the fact they can't sell their housing here at a reasonable price, that that might influence their move?

Dr. SEILING. I presume each person will have to evaluate that on his own, and I really don't know. I know this would be one of the factors. I know that family associations, community associations, church associations and other things will all be a factor, but as Mr. Addelson pointed out, our experience earlier, about 8 years earlier, in fact, was that the key people all moved in the other move. Even though I understand that there was about the same kind of guessing about it prior to that move and rather crisp statements made that people wouldn't move, but when the clutch came, as it were, they did move. Now whether that has anything to do with now, I don't know.

General TRIBE. With reference to difficulty in selling houses in the Chicago area, perhaps Colonel Littlejohn would add something to that because we have military people who come into an area, are not able to get housing, have to buy housing, are in it for a period, 1, 2, or 3 years, and then are forced to sell. A year ago when Colonel Shaughnessy left the area, he sold his house at no loss, but what the current situation is, Colonel Littlejohn might be able to answer that question.

Colonel JAMES P. LITTLEJOHN. I might add that the location of the house and the size and cost, and all those things are factors in the moving of real estate. This is the first time I ever bought a house, and I am a little nervous about getting out from under the contract here, but I walked into this with the knowledge that I would be here on a normal term of perhaps 3 years, and would have to go through that. I don't have any real knowledge of the real estate situation other than seeing "For Sale" signs along the street.

Dr. PRESTON HOFF. I presume the Government has not had to follow industry's practice of offsetting some of the financial losses involved in the sale of property.

Dr. ELDER. In our own company the last man we moved to New York, we have had to pick up deficits on the sale of every single house in the Chicago area, but that is a company policy. We won't allow a man to take a loss when he is transferred to another plant. That is just how bad it is.

Chairman ABRAMS. What happens if he makes a little dough?

Dr. ELDER. That is his.

Dr. HOFF. Some companies say: "All right. What is the fair market value of the house? That is what we will allow you." At least you get rid of it.

Chairman ABRAMS. I would like to return to this matter of costs. I am not clear about this. Do I understand there are two separate items here if the move is made? One which will be 3,800,000 and another a million and a half.

Mr. ADDELSON. No, sir, that is our projection of an additional 60,000 square feet if the Institute would be set up elsewhere on a self-sufficient basis.

Chairman ABRAMS. You mean elsewhere than Natick?

Mr. ADDELSON. Yes, sir.

Dr. HOFF. That doesn't include purchase of land.

Mr. ADDELSON. No, sir; it does not.

Chairman ABRAMS. What you are saying, if it is put any place except Natick, it will run $5.3 million as opposed to $3.8 million.

Mr. ADDELSON. Based upon our present plans, if you had it in three buildings. Whether one building might alter that projection somewhat, I don't know.

Dr. HOFF. To that would have to be added the cost of the land.

Chairman ABRAMS. Yes.

Mr. ADDELSON. And, of course, the design cost. A quarter of a million dollars has been spent.

Chairman ABRAMS. Strictly speaking, on a strict accounting basis you ought to include the cost of the land at Natick in any program that belongs to Uncle Sam, that is true, but a certain amount is allocated to this.

Mr. ADDELSON. I think we got it for a nominal fee, didn't we, General, because of its being State land?

Mr. JACK ALLEN. The total 100 acres cost the Government about $100,000.

Chairman ABRAMS. You gentlemen feel that the cost of this is the paramount factor in it, the savings?

Dr. SEILING. Well, not in my opinion.

Chairman ABRAMS. What do you think?

Dr. SEILING. My opinion is the increased effectiveness of the program would be the greatest gain.

Chairman ABRAMS. You mean because of the close location of the IIT with it?

Dr. SEILING. Bringing the people at Chicago who are working in the food and container areas into the same campus with the people who are doing the things that are related to their problem will really bring about, I think, a great synergistic effect for both groups. Now if we were going up to a laboratory of 10,000 people, I would say the opposite, but we are still talking in terms of what I would call a moderate-size installation. We are talking about total scientific and support complement of around 1,600 people, of which we now have 1,250, and there are about 350 total for military.

Mr. ADDELSON. 250 civilian and 57 military.

Dr. SEILING. We actually believe that the fact that they will be working with the chemists and the bacteriologists and micrologists and biochemists and the physicists and engineers on the same post, the same campus, that this is going to be something that will create a big payoff, but which you can't put any dollar value on. You can guess at it, but I don't know what it is. I think it is quite significant, though.

Chairman ABRAMS. Let's take the other side of that. The very close location and coordination and perhaps synergism between the local industry right in the Chicago area and the present Food and Container group, will that be equal? Will you have an equal arrangement in the Natick area?

Dr. SEILING. You will have a continuation of this, but probably not with the same people. It is my estimate that most of the work in which the cooperation of industry is of greatest impact is in the applications engineering or in the development area and not in the research. I think the research thing is communication largely between scientists and not between operators, and therefore, the end item development and the applications engineering or the constant improvement of those things of the end items would be probably the most important result from a liaison with industry. Now some of this liaison would continue at a remoter distance, we will say. On the other hand, there are food industries in New England. They are not as numerous as they are in the Chicago area, but I feel that there are others. The educational institutions and the research institutions that are in the Boston area would be equivalent to or greater than. It would be greater in my opinion than the enhancement of the program from this liaison, intimate liaison with industry. Now this is just an opinion.

Chairman ABRAMS. Larry, do you want to comment?

Dr. ELDER. From what you said, I take it you would not be at all surprised if the Institute moves to Natick, if the Research and Development Associates which at times in the past, at least, have been a very cooperative arm to this Institute were to disband.

Dr. SEILING. I don't know what their reaction would be. I doubt whether they would disband. They might. At the annual meeting a year ago General McNamara made a speech, and the chairman assured him in the presence of all those assembled that the Food & Container Associates, Research Associates, would continue to support the Quartermaster General irrespective of where his research and development facility is located. I don't know whether he was speaking for everybody or just himself. I think that there would be a lot of people still working with the group, and I don't think this is entirely provincial because these people are from California, New York, Georgia, Louisiana, Wisconsin. I don't think that they have any fetish for saying that the only place they will cooperate with the Food and Container Institute is in Chicago.

Chairman ABRAMS. I think the logistics probably is the important thing here, the closeness of the people in the Chicago area here to the present or the proposed location of the Food and Container as opposed to Natick. You have shown within 300 miles that is true, but the intensity near Natick may be considerably lower.

Dr. HAROLD K. WORK. I had two or three questions. First, this question of centralization and combining the things in one spot. Would you say that represents a trend that is taking place now? I noticed in the university atmospheric research they make quite a point of bringing together in one spot so they can get expensive equipment that couldn't be available split up like in the case of atmospheric research there even with aircraft. Is there any element of this kind in this picture where you have large and expensive equipment that you wouldn't have to duplicate by bringing them together, computers, and that type of thing?

Dr. SEILING. I gave some of them when I was giving my prepared statement there. Most of these things I named are in the order of range of $50,000 each, and when you get a dozen of them that is $600,000 or $700,000. We already have them installed, and the point that Dr. Elder brought up, if you can put them to more use, they must not be used now. Well, this is not true. We simply say that any piece of equipment like this has to be programed, and that if you have a mass spectrograph, time and flight mass spectrograph, which costs around $60,000, you can probably keep it busy 24 hours a day. The fact that we are now using it on an 8-hour shift doesn't mean that we couldn't get more work done by certain programing even within the 8-hour shift, but I feel certain that this bringing together of the group here will give the advantage of a saving in scientific equipment and technology. In other words, a lot of these disciplines, we would have one man at Natick

who was a specialist in the mass spectrograph, we will say. He can operate this and do work for foods or rubber or clothing or any of the other areas, but if you set up another mass spectrograph, another location, you have to set up all the supporting personnel that goes with it, so really, the duplication costs are pretty expensive.

Dr. WORK. There is another aspect to the location problem that I thought would be worth talking about a little bit. You have the problem here of the Chicago center with the food industry around it, and you have Natick which is less strong in that respect, but there is also another difference. The difference between an urban and a suburban area, and we have been going through that kind of a problem ourselves in New York. The terrific cost of building in New York City, which I believe is about the same as Chicago, has forced the university to move out into the country. We have a research place of 1,000 acres. The university valley that we are just starting to develop. The roads aren't put in yet, but the thinking behind that, it seems to me, also applies to this. It hasn't been brought out. I am sure construction costs would be cheaper outside the major metropolitan area. At least that has been our experience, that the tie-up by the various situations that develop in a big city tend to run the costs up.

We think, for instance, out in the university valley there would be an appreciable saving in building cost. I would think there would be something of that sort here.

Now there is another question I wanted to speak to just for a minute, and that is this question of Chicago being the center of the food industry. Being located in New York, I looked up a few of the figures for the New York area. I noticed even in these presentations that the number of laboratories in the New York-New Jersey complex was 120 as compared with 100 for the Chicago area. Add them together. In our own advisory committee and research division of the college of engineering over the last 5 years we had these people: I am not sure that I remember all the names, but we had C. G. King, the president, Nutrition Foundation; Arnold Johnson, president of National Dairy Laboratory; Charles Frey, who used to head the Standard Brands Laboratory; Roy Walters, who used to be vice president of General Foods; Roger Lueek, vice president of American Can; Emil Ott, vice president of Food Machinery & Chemical Co.; Foster D. Snell, who runs the laboratory, development animals in New York State; and Ernest Reid, president, Corn Products Refining Co.; so it would seem to me if you are making a comparison, if you were talking about other locations in the United States, that you should even look at the New York area. This, I think, boils down to a question of time and economics. You will lose a couple of years apparently if you make the change in your plans. I don't know whether I have resolved some things, but I have put some more questions in.

Chairman ABRAMS. You have raised questions. I was going to say this. I have never seen an organization in which there wasn't a difference of opinion. Since we have the gentlemen from Chicago here, I thought perhaps we might give them an opportunity to express themselves. I hope they will be completely free to say what is on their minds.

Colonel Littlejohn, perhaps you would like to express your thoughts on this.

I don't believe you will be court-martialed for anything you might say.

Colonel LITTLEJOHN. Actually, I am sitting in kind of a neutral position here. I hear comments about people at Natick, but I have not been involved in doing the planning, so I am not close to the details there. If you have any specific thing that I might answer, perhaps it would be better than just general conversation.

Chairman ABRAMS. Do you see any good reason why the laboratory should be in Chicago versus Natick or vice versa?

Colonel LITTLEJOHN. Sir, there are merits to all the statements that have been made, and I think you can make whatever you want to out of it to prove an argument. As I said here, the position has been taken after the study, and I am sitting there sort of in the middle.

Chairman ABRAMS. Dr. Mehrlich, how about you?

Dr. FERDINAND MEHRLICH. Well, the point of view I might express is that I think the important thing is not where the Institute is, but what it is, and I think that one ought to take into account in considering moving or staying what the future of the Institute might be, what its mission is, and whether it should be constituted as it now is or whether it would better be changed in some degree. It is a fact that the radiation work which now is centered in the Institute will have facilities at Natick very soon. It is my conviction that for the food program to be meaningful, it must be very closely linked with nutritional research. We don't have nearly enough of it in my estimation. Where that could be best carried out is moot, so I feel that in many locations as is evident by the distribution of food research all over the country that one can carry it out. I think it is more important what is going to be, what its mission is going to be.

Chairman ABRAMS. Do you think the environment of Natick would be preferable to that of Chicago, the scientific as related directly to the Quartermaster work?

Dr. MEHRLICH. I think the way to answer that would be what degree of the work would be of the nature to benefit from such relationships as opposed to more pragmatic approaches.

Chairman ABRAMS. You have no direct opinions on these?

Dr. MEHRLICH. I would say the position has been taken, and I feel that very definitely I have lived all over the world personally, and I have been productive wherever I have been, I think, and I really feel that the important thing is what is the mission, what is the setup going to be wherever it is.

Chairman ABRAMS. Well, you are probably as familiar with that as anybody, I should think, what the future program is going to be. Have you any thoughts as to where it could be carried out better?

Dr. MEHRLICH. I don't know what the program is going to be, and I don't know. I say except for the very near future, and I have no strong opinion one way or the other very candidly. I have seen research done in South America where people said it couldn't be done. I have seen it done in Africa, and it certainly is done all over the United States now. So that I think that it is more important to get a decision to where we are going to be and what we are going to be, than it is to decide that Natick is superior or Chicago is superior.

Chairman ABRAMS. Then you say, in effect, that you would not like to make that decision until you know more about what is to be done?

Dr. MEHRLICH. I would say I personally have made no study, and I think that a tremendous amount of study has been carried out. The individuals who gave testimony or presentations here today have been participants in the study, and the Department of the Army has a position based upon a very extensive activity, endeavor, and so have the people at Natick, and I think that, and my own opinion is that the die is cast.

Chairman ABRAMS. For Natick, you mean?

Dr. MEHRLICH. I feel it is. Decisions have been made, that actions have been taken, and that one should be very studious about determining the desirability of taking any action counter to it. What would be gained? What are the relative merits and the positive attributes and the negative attributes of the situation?

Chairman ABRAMS. General, if it is a fair question, do you feel the long-term program is pretty well laid out for the research and development, and that on that basis Natick has been selected? Is that a fair statement?

General TRIBE. I feel the long-range program, when we are speaking up through about 1964 and into 1965 is pretty well cast. That dosen't mean that the program can't be changed with reference to the research in specific areas. It will be done. I honestly and actually feel that when we get all the children together of the family, we will find it somewhat easier to raise the family. We have a testing operation which we hope ultimately to move to Maynard, which is 12 miles away on a 3,000-acre tract. It is not now located there.

I see many more advantages to be gained by moving it to Natick than leaving it in Chicago. Meetings with industry will be held generally where the greatest number of people can be reached. The Research Associates certainly do not confine all of their meetings to Chicago. The staff can be made available certainly within the limits of travel funds which vary from year to year to come to any meeting where industry may be consulted.

With reference to the specifications, when we go into particularly difficult problems, we call industry advisory committees together to get advice and information before we move out on many of our specifications. Certainly those meetings could be held wherever we could get the greatest number of people together.

Dr. HOFF. You spoke of a testing facility to be relocated at Maynard. Where is that now?

General TRIBE. It is at Fort Lee now.

Dr. HOFF. I wanted to clear that up because anyone not familiar with the situation might think you meant a testing facility at Natick.

General TRIBE. We call it Field Evaluation Agency. It is principally military where we have to do our field evaluations with troops. It doesn't do us very much good to take the project officer and have him run his own test. The project officer frequently is biased. It is up to us to find some way to make the soldier perfect.

Chairman ABRAMS. Mr. Allen, would you like to add anything to this?

Mr. JACK ALLEN. I have a few comments I might make. One, I think it might be noted that the total R. & D., research and development budget, that the Quartermaster gets is not too large; $12 to $13 million, so that any appreciable saving percentagewise, I think, would be quite important to the Quartermaster Corps. The only other comment I think of in relation to the presentations that were made when Dr. Seiling mentioned briefly the field of the types of equipment that are worked on by the mechanical engineering division, for example, that includes food service equipment and is a definite part.

Chairman ABRAMS. Do you get the impression here the decision has been made for Natick, and it is merely being held off because of some congressional activity? You spent a quarter of a million dollars on plans. When were those authorized and why?

Dr. SEILING. The proposal was first made in the spring of 1959, and the legislation for construction of these facilities at Natick went through all the hearings, the Department of Quartermaster General, the Department of the Army, the Department of Defense, the Bureau of the Budget, and was heard at all the congressional committees last year. It went to a conference between the House and the Senate, and the House,

after having made this study by Congressmen DOYLE and VAN ZANDT apparently wished to hold back, and so the Senate which has passed the bill both at the appropriations and the authorization level, "receded" and the conference report was not in favor of the construction. However, they put in the word to the Department of Defense, or in their report, that they requested the Department of Defense to return the item at the next annual session. That is about correct.

Mr. ECSI. This is correct. The Senate receded on the assumption that the Department of the Army would resubmit the construction requirements in the fiscal year 1962 budget, and that it would be supported by the House at that time. This is in the CONGRESSIONAL RECORD.

Chairman ABRAMS. Why did they have to recede on this? There was first agreement, I assume, that this facility was necessary. It was a question of where it was to be located. Now is that the thing that held it up because the location was not clear enough in their minds?

Mr. ECSI. Mr. Chairman, many actions take place in Congress based on politics.

Chairman ABRAMS. I understand that, but I am trying to cut through.

Mr. ECSI. This is probably one of those actions, the details of which we in the Army are unaware of as to what transpired among the Members themselves. We can read what is in the RECORD, but I think many things that are done are not in the RECORD that determine the decisions of Congress.

Chairman ABRAMS. Who originally said we will spend a quarter of a million dollars now?

Mr. ECSI. I will give you a little background on that. Actually, when the Secretary of the Army has made a decision, because unless he makes a decision, you cannot submit a construction order, so he has made a decision that he was going to close this place and relocate the Food and Container Institute. This required a construction item of $3.8 million to go into a construction budget. The Secretary of the Army then from funds made available in fiscal year 1960, made available the quarter of a million dollars that is being talked of here for a preliminary engineering design so our cost estimates could be based on more than just vague estimates but on more specifics. The Corps of Engineers actually came out to Chicago, made detailed examination of all of the equipment insofar as how it could be relocated to the facilities that were planned, what equipment here could be actually relocated, and which would be uneconomical to relocate, and which would require replacement. All of this is included in this quarter of a million dollars that we mentioned.

This was approved by the Secretary of the Army as a grant from what we refer to as minor construction money which is under the control of the Secretary of the Army without congressional limitation on any individual items.

Chairman ABRAMS. Are there other questions you gentlemen would like to ask?

Dr. ELDER. I would like to ask Dr. Mehrlich in connection with the radiation facilities at Natick, do you consider that to be a factor of any significance at all in connection with this move?

Dr. MEHRLICH. I think it must be. It is a part of the Institute.

Dr. HOFF. I would like to ask whether the initiation for bringing the Chicago facility to Natick was originated by the military or by your predecessor for the civilian side of the research program?

Dr. SEILING. I was not there. I don't know.

Mr. ECSI. I think I can answer that. In 1959 the Quartermaster General called a meeting of his key advisers in Washington and said: "I believe we can increase the efficiency of the Quartermaster Research and Engineering program by putting the Food and Container Institute in Natick," and he asked the staff to prepare a study as to what economies would develop within the Army if this action were taken, so that he could justify the requirement for new construction to Congress. So I believe the decision to relocate the Food and Container was prefaced not primarily on dollar savings, but on the mission improvement that the Quartermaster General saw of bringing together, as the General referred to, the children of this small family. This is very important.

We have a small research and development family. Now consolidation is good to a certain extent, but if you have got a $100 or $200 million research program, you can't consolidate that in one place, but with an $11 million program, I mean, we have gotten to the point where we can't afford to support two or three different sites within that $11 million and still have dollars left to do research, so I would say the decision was prefaced primarily on the improvement within the program and the economy was developed to justify the relocation and the additional cost that would be required from Congress.

Chairman ABRAMS. Was that study made in both Natick and Chicago so that all sides were fully considered?

Mr. ECSI. General Tribe and the Washington people—I say General Tribe being the commanding general of the command, participated in detail in the development. The exact personnel within the command, I believe General Tribe can answer best.

Chairman ABRAMS. What I mean, was there enough agreement from the Food and Container Institute to say that overall there wasn't quite agreement that the move to Natick was justified, or was the study made primarily in Natick?

Mr. ECSI. We have a peculiar situation in the Army in this sense of the word. There are regulations which preclude our discussing a relocation with the people that are affected prior to the time that the Secretary of the Army has made a decision and there has been a release of this to Congress, because the moment we violate that regulation, a person goes to his Congressman, and the Congressman immediately bombards the Secretary of the Army with a lot of inquiries, and the Secretary of the Army has not made a decision yet, so the amount of contact that is made generally within the detail of the people that are affected in many Army actions is limited, sir.

Chairman ABRAMS. What I am getting at is, I am curious to know how the decision was made without the supporting evidence.

Mr. ECSI. Evidence can be gotten without talking to the direct people that are affected because the people that are affected, it is difficult for them to be objective. If I lived in the city of Chicago, I could never make as objective a study on this thing as I could if I were not personally affected in the relocation because I would have personal interest. My children would be going to school. I would own real estate, as you pointed out, and these would tend to prejudice an objective evaluation.

Chairman ABRAMS. There has to be a certain amount of subjectivity in this, too. We can't do it just on dollars and cents, and this plot versus this plot. There is a lot that enters in about the human beings that are engaged in this activity.

Dr. WORK. There is one question I would like to ask that goes back into history. Why was the Quartermaster Corps laboratory originally located at Natick? Was there any problem of closeness to raw materials, clothing, and anything of that sort?

Dr. SEILING. This was a Site Selection Committee that was specified in the original legislation and was headed by the president of Georgia Institute of Technology and six other people, I believe.

Mr. ALLEN. Approximately.

Dr. SEILING. They were given various site locations that had been proposed for this construction. They, as a working committee, went around and made a study. This is all in the CONGRESSIONAL RECORD. I know it only by reading it and having heard people discuss it. They selected Natick as the site, and after Pennsylvania and Indiana, and I don't know what other places. I don't remember the other places, but they selected it on the basis of the location. I have reason to believe that it had something to do with the educational research atmosphere in the Boston area.

Chairman ABRAMS. Did the Congress have a committee to review this and decide whether Natick was right?

Dr. SEILING. You said it was right in the legislation.

Mr. ALLEN. I believe the way it was finally passed by the Congress with the various parts of the country asking for the location was that the legislation was passed with a rider or a comment that the location would be as determined by the Site Selection Committee appointed by the Secretary of Defense.

Chairman ABRAMS. Congress was willing to accept that then?

Mr. ALLEN. At that time they were.

Chairman ABRAMS. That is very interesting.

Dr. HOFF. As I recall it, there were repercussions afterwards, the same sort of—

Chairman ABRAMS. Jockeying.

Dr. HOFF. —jockeying that is now going on with this.

Chairman ABRAMS. The Food and Container Institute started what, is about 1930-some, was it not?

Mr. ALLEN. 1936, I think, according to what we saw in that IIT study.

Chairman ABRAMS. How did that originate? I have forgotten on that.

Colonel LITTLEJOHN. May I add a word there? The original setup here was approximately 1920 on the basis of a year, or at least 10-month school of mostly officers, and only one or two civilians. The military officer at that time was attempting to collect data necessary to improve military feeding. From that small beginning then the purpose of the Institute was continued, went into an intermediate stage which was called laboratories, and then finally I think in 1937 became what you can see today, but the basic purpose there was in analyzing and developing foods that would be suitable for military application.

General TRIBE. Mr. Chairman, I think it is fair to say, however, that even prior to World War II there was comparatively little research done in the Army as we know it today. The Army prior to World War II was less than 125,000 men by an act of Congress of 1920. There were fewer than 125,000 men in the Army. The civilian employment was likewise very small. So this great impetus did not come until we started to get ready for World War II, and by 1941, December, the move came.

Now all of this research that we have gone into since that time really started in 1942, and it wasn't until we were well into it that we could see when we got results from the use of some of our equipment. The fact we knew we had to do a good deal more work than we had ever done before. So I think that really the birth of this Food and Container Institute, as we know it today, is after the beginning of World War II.

Chairman ABRAMS. How do you expect the recommendations of this Board, if any, to be implemented or used?

General TRIBE. After the committee's report is prepared, it will be submitted to the Secretary of the Army. The Secretary of the Army will make such recommendations as he sees fit. It will be transmitted then to both the chairman of the House Armed Services Committee and the chairman of the Senate Armed Services Committee for consideration, we hope, in the Senate this session.

Chairman ABRAMS. Gentlemen, have you more questions you would like to ask?

(Off the record discussion.)

Chairman ABRAMS. Are there any other questions, gentlemen, or other things you may wish to offer at this time?

Dr. SEILING. Are you perfectly clear as to how the decision was made, and why it was made, and that under our present situation the request for appropriation would only fit the Natick site, and could not have Natick stricken and put Chicago or Podunk or any place else in the place of Natick and have that mean anything except chaos because the plans are for Natick. The augmentation from space that is available for administrative services are at Natick. Anything else would require a completely new draft of specifications. The location, all other studies would have to be completed and made in detail, and our estimate is that this would cost in the neighborhood of 40 percent more than it would at Natick primarily because of the need for administrative support for the research and development program.

Chairman ABRAMS. I think that is clear. Your plans and specifications are such that you could immediately get bids. Is that correct?

Dr. SEILING. Two weeks, says the district engineer.

Chairman ABRAMS. Does the Army do all this building?

Mr. ADDELSON. The Corps of Engineers supervises it. They give out a contract.

Dr. SEILING. The plans were drawn by one of the best architectural firms in Boston, Perry Hepburn & Shaw, which has a world reputation for this kind of construction. They are a very reputable outfit. They have built places in Massachusetts, MIT, and other places. I suppose they have at your place.

Chairman ABRAMS. We will have lunch together, after which we will have the Illinois Institute people here, and then I assume you would like to speak further with these men after the Illinois Institute people.

Dr. W. GEORGE PARKS. If it is the wish of the group. Do you think you will have questions in the rebuttal that somebody should be around?

Chairman ABRAMS. I think it might be desirable to have at least a couple of these gentlemen here.

Do you have plans for leaving?

General TRIBE. We have plans for leaving at 5:45.

Chairman ABRAMS. If you don't mind waiting here.

General TRIBE. We would be pleased to wait.

Chairman ABRAMS. I think that would be very good. Does that seem all right?

Dr. PARKS. Certainly.

We have a few minutes yet if there are any other questions anyone else would like to discuss.

Mr. ALLEN. You might talk about what material has been assembled here that the committee might want.

Mr. ADDELSON. If the committee is interested, I could briefly go over the back history material here. Are you interested in that?

Chairman ABRAMS. You mean the history of this whole project? Do you gentlemen feel that you are sufficiently acquainted, or would you like to have more?

Dr. HOFF. I have one specific question. I don't know to whom to direct it, but in reading over the material that was available, I came across the MSSA.

Mr. ALLEN. Which means Military Subsistence Supply Agency.

Dr. HOFF. What importance does that have to the Quartermaster research program, and is it located only in Chicago?

Mr. ECSI. The Military Subsistence Supply Agency is the supply management agency for subsistence. It has 10 large centers, 1 of which is located in Chicago, the other 1 in New York, 1 in San Francisco, Los Angeles. Requirements, determining and purchasing. The headquarters of the command is located in Chicago, also.

Dr. HOFF. It is not important to this problem.

Chairman ABRAMS. I think I would have this suggestion then. If these gentlemen would let us get together for a short time now prior to lunch, we could meet for lunch at say about 12 o'clock.

Dr. PARKS. We should be prompt for lunch because we have the IIT people coming at 1.

General TRIBE. Thank you very much, Mr. Chairman.

Chairman ABRAMS. Thank you, General.

(The meeting recessed at 11:40 o'clock.)

FRIDAY AFTERNOON SESSION, MARCH 31, 1961

The meeting reconvened at 1:10 o'clock with Dr. Abrams (chairman of the committee) presiding.

Chairman ABRAMS. Gentlemen, I think you know something about what this is all about.

Congressman SIDNEY R. YATES. I do. I put you in business.

Let me suggest I have been in conference with the gentlemen who were here with me, three of whom are from the Illinois Institute of Technology, as you see here, and Mr. Peden, who is associated with the Chicago Association of Commerce and Industry. Frankly, after talking to them, we don't know just how to proceed at this hearing in this respect.

As I pointed out in my discussions both with Chairman VINSON of the House Armed Services Committee and my argument on the floor of the Ninth District of Illinois, it is very difficult to offer a proposition in the abstract without knowing what the requirements of the Quartermaster Corps are.

Presumably the Army does have some knowledge of the type of the building it wants. It has requested the Congress for an appropriation of 3 million 8, I think. This is predicated on some kind of plan or some kind of specifications, some kind of a building that is known to the Army, and which presently is unknown to us.

We have tried in every way we know how to obtain from the Army its requirements for a building. The proposal that was put forward by ITT last year was based upon what it thought was a building that had the square footage of the present Container Institute at 39th Street which obviously isn't in point at all.

What they have here today really is a picture of a building they have just put up on their campus. They are just going to show you a picture of a chemistry building which they have just put up, and on the basis of which they think they can build a building for the Army much more cheaply, much more economically than is contained in the Army's presentation, or what would seem to be the Army's presentation to the Congress.

Did you have a copy of that picture with you? I will show you what they have in mind.

Mr. W. M. COUSINS Jr. Yes.

(The picture of the building was shown.)

Congressman YATES. This is a building they have built on the campus. This is a building that is on the campus of Illinois Tech which contains 150,000 square feet. The cost of it, I think, was approximately—What was the cost of this building?

Mr. COUSINS. Just over 20—22.

Congressman YATES. What does that mean?

Mr. COUSINS. Three and a half million dollars.

Congressman YATES. Three and a half million dollars, approximately $20 a square foot. As you can see, it is a very handsome building. It is in the center of an outstanding research institution. We think we have a much stronger case to present in support of retaining the Food and Container Institute in Chicago than they have for Natick, Mass., but here we are talking in the abstract. We don't know what kind of a building the Army wants. We don't know what their limitations of cost are. We don't know how many square feet they want. In addition to that, we want to have the opportunity to present to you, I think probably gentlemen, you gentlemen being experts as you are, not only the geographical values of having this Institute in Chicago, but also to show why it is essential in the interest of our country.

Chairman ABRAMS. Congressman, we are interested not only in the building, but in a lot of other things that go with it.

Congressman YATES. Good. That is what we want to find out from you, Mr. Chairman. That is what we want you to tell us.

Chairman ABRAMS. We felt probably the focal points had been presented in the report by the Illinois Institute of Technology, and therefore, felt that if we brought them in, and they gave us again a briefing on what they had presented, and we asked questions concerning it, in that way we would get a pretty good idea of what is involved in this.

Congressman YATES. Mr. Chairman, how is it possible for them to give you any kind of an adequate presentation in the absence of knowing what the requirements of the Army are?

Chairman ABRAMS. I think you had better call the General in at this point, Frank.

Congressman YATES. Doesn't that make sense to you?

Chairman ABRAMS. You are saying in effect, the costs of building here are probably the same as building in Natick.

Congressman YATES. I am not saying that at all.

Chairman ABRAMS. We will ask that as a question then.

Congressman YATES. I don't know the answer to that now.

Chairman ABRAMS. We are going to try to get the General here.

Congressman YATES. We can bring experts in to testify as to that, Mr. Chairman. We don't know what the Army wants. I don't know whether you know what the Army wants.

Chairman ABRAMS. We have a pretty good idea of what they are proposing, at least, for Natick.

Congressman YATES. Maybe if you tell us we can tell you whether we can duplicate it or beat it.

Chairman ABRAMS. I would rather have the General answer it.

Congressman YATES. Is it top secret?

Chairman ABRAMS. Not so far as I am concerned.

Congressman YATES. We are not trying to be contemptuous. We are not trying to hold this up. As you well know, we have a vital interest in it to the point of where we have conducted a major campaign to get our interest presented to the Army.

Chairman ABRAMS. Our one interest is where this work can best be done for the interest of the country.

Congressman YATES. Mr. Chairman, as you will recall the wording of my own amendment was to the effect to have the study conducted to determine whether it should be relocated in Chicago or somewhere else in the country.

Chairman ABRAMS. That is exactly what we are trying to find out.

Congressman YATES. That is what we are interested in, too.

Mr. COUSINS. Mr. Chairman, have the members of the committee seen the short résumé we prepared of the long report? This is about seven or eight pages. I have copies here.

Congressman YATES. We should say, too, the long report prepared by IIT, is not the entire case we propose to make. We think

you would be interested in a survey which we want to prepare for your benefit to be made by members of the food industry, for example.

Chairman ABRAMS. Let me ask you, is there any truth in the editorial in the "Chicago Tribune"?

Congressman YATES. There was no truth at all.

Chairman ABRAMS. None at all? That is absolutely not true.

Congressman YATES. Not the slightest bit of truth in it, and I am saying that for the record.

Chairman ABRAMS. We don't want to get into political implications. This is beyond this committee.

Congressman YATES. You asked me a question, and I answered it.

How did you come to know about the editorial in the Chicago Tribune?

Chairman ABRAMS. I cut it out.

Congressman YATES. You read the Tribune assiduously?

Chairman ABRAMS. I didn't say assiduously. I read quite a bit of it. It's the world's greatest paper, you know.

Yes, we have this résumé here. Would you like to use it as a basis of this presentation of it?

Congressman YATES. I am speaking for myself as a representative of the congressional delegation, but I would think that what we would want is an opportunity to present our entire case. This study, both the long one and the summary and the picture of the building you have before you, are just a part of our case. As you well know, as I understand it, you told IIT to present its proposal. You called them on Wednesday, or somebody called them on Wednesday and said: "Tell you what you want to do on Friday. This really doesn't offer much time."

Chairman ABRAMS. I think you understand we haven't had much time given to us.

Congressman YATES. I didn't know. How much time have you had given to you?

Dr. WORK. April 4.

Congressman YATES. April 4. If that's the case, I will call up CARL VINSON, and I will protest against a rigged presentation.

Chairman ABRAMS. What time do you want?

Congressman YATES. Two weeks to present it.

Chairman ABRAMS. I don't think we need that much time.

Congressman YATES. You need to have 2 weeks to get a comparable figure on the construction of a building, don't you?

Chairman ABRAMS. I wouldn't know.

Congressman YATES. Of course, you do. You can't say we have an authorization for a building of this size and then expect this institution to give you an estimate on it immediately. I think it is something that you should know.

April 4, my God!

Dr. HOFF. Why do you think you are meeting here on Good Friday?

Congressman YATES. I think it's terrible. As soon as this General comes in, I am going to tell him I resent the fact trying to get this investigation through so quickly.

Mr. COUSINS. Which General is here, Mr. Chairman?

Chairman ABRAMS. General Tribe.

Dr. PARKS. General Tribe from Natick.

Congressman YATES. Unbiased witness.

Dr. PARKS. He is commanding officer up there at the moment.

Mr. COUSINS. How do you spell that?

Dr. PARKS. Just like the Indians—T-r-i-b-e. He has been there his second year.

Congressman YATES. When I spoke to you on the phone, Mr. Chairman, you indicated it would take you about 30 days to get a report up.

Chairman ABRAMS. To get a detailed report up. That is correct.

Congressman YATES. I think this type of a project is entitled to have a detailed report.

Chairman ABRAMS. Now, sir, we propose to give them a report based on the procedures that we are presently using. Whether that is satisfactory to them or not is up to them to determine.

Congressman YATES. I don't understand that. You propose to give them a report.

Chairman ABRAMS. There is a lot of evidence already prepared, as you know. As for example, in the CONGRESSIONAL RECORD. There is evidence from your own report here. There is evidence of other studies. We are trying to consider all of those and see what we can get out of this evidence.

Congressman YATES. Now you indicated to me that you thought 30 days was necessary for a detailed report.

Chairman ABRAMS. I said for a detailed investigation. That is correct. Much of that has been done by your own congressional committee, sir.

Congressman YATES. All right, does this mean that you have altered your opinion? Do you no longer require 30 days for detailed investigation?

Chairman ABRAMS. It doesn't for a detailed investigation, it doesn't at all.

Congressman YATES. What I want to know is, you still need 30 days for detailed investigation?

Chairman ABRAMS. For detailed investigation. That is correct.

Congressman YATES. What does a detailed investigation cover?

Chairman ABRAMS. It covers bringing some individual or group to go over the same thing that has already been gone over by a congressional committee.

Congressman YATES. All right. I think your group is a group of experts. Isn't it considered to be a group of experts in the field?

Chairman ABRAMS. Well, if you define what an expert is.

Congressman YATES. Presumably, considered to be a group of experts.

Chairman ABRAMS. Intelligent, well educated people——

Congressman YATES. In this field.

Chairman ABRAMS. In research.

Congressman YATES. The Congress would want to have your detailed report.

Chairman ABRAMS. I am not sure.

Congressman YATES. I am quite sure they would. I think we ought to have at least 30 days for this.

Chairman ABRAMS. May I ask the basis on which the Illinois Institute report was made?

Mr. COUSINS. The basis on which the Illinois Institute report was made was to try and study the mission of the Food and Container Institute, and how we thought that mission could best be accomplished. Then we further went on and made an offer to work with the Quartermaster Corps to build the building for them and lease it to them if that would help their financial problems as far as their accomplishing their objectives, but we feel that we are in complete agreement with you, Mr. Chairman. That is, the objective here is only to get the best research and development program for the Quartermaster Corps.

Chairman ABRAMS. That is correct.

Mr. COUSINS. Our study indicated to us that that program could best be handled, based on our knowledge of both their program and our experience in research here in Chicago, because of its location and its relationship to the food and container industry, the industry councils and the other points that were made in that report. We further went on and pointed out how we had completed four buildings within the past 5 years of our own. That is just Armour Research. These are straight research buildings.

Illinois Tech has built a number of buildings in the same period, and on the basis of the figures, the actual cost of those buildings, we felt that we could build that building for less cost than they were talking about for Natick. If you will compare out figures, we talked about 150,000 square feet.

Chairman ABRAMS. What page is that on?

Mr. COUSINS. On page 2 of the short résumé. We estimated based on our own experience that a 150,000-square-foot building would cost three and a half million dollars.

Chairman ABRAMS. The building alone?

Mr. COUSINS. The building with furniture and fixtures. This compared with a figure of 3 million 8, as we understood it, from Natick.

Congressman YATES. May I ask a question, Mr. Chairman? From whom do your instructions come?

Chairman ABRAMS. I will ask my colleagues to explain them fully to you.

Dr. PARKS. I guess, Mr. Poor, Assistant Secretary of the Army Office, who was with us on Wednesday.

Congressman YATES. He told you to finish by April 4?

Dr. PARKS. Yes.

Congressman YATES. Did he know a detailed investigation would take 30 days?

Dr. PARKS. I don't know. I am not sure. That was not discussed at that time.

Chairman ABRAMS. Do you object, sir, to our giving our opinion based on the information that is presented here?

Congressman YATES. Mr. Chairman, I object to a less than detailed investigation made.

Chairman ABRAMS. Do you think there has not been enough investigation in the past?

Congressman YATES. I don't think you have facts upon which you can act because obviously the Quartermaster Corps hasn't made available to any institution, in spite of the fact that the institutions have requested it, the facts pertaining to the construction of an edifice in Chicago.

Chairman ABRAMS. So you are putting most of your emphasis then on the cost of the building?

Congressman YATES. No, I am not. You are putting words into my mouth.

Chairman ABRAMS. I am asking.

Congressman YATES. I am saying from the number of arguments that are made, namely, the geographical location of the city, the fact that it is in the agricultural heartland, the fact you have the greatest food industry in the country in this area as well as the container institution. I am saying that we want the opportunity to have an unhurried, an unbiased and unprejudiced investigation made, one that is not going to be rigged by—if that is a correct word to use—not going to be pushed through by the Army without having an opportunity to present our full case.

Chairman ABRAMS. What evidence do you not presently have that you would want to have?

Congressman YATES. We do not have——

Mr. COUSINS. I have some detailed examples of that. Would you like me?

Congressman YATES. I don't want that at the moment.

We don't have presently, we haven't had the opportunity to check with all the industries that are interested in keeping it in Chicago for one thing. We haven't had an opportunity to present, even to check, let alone present—we haven't had an opportunity to check with various educational institutions, universities in this area, to be able to present to you the data which you may not now have which we think may be pertinent to your study.

Chairman ABRAMS. Relating to what, sir?

Congressman YATES. To the advantages of having the Institute located in this town so that it can serve the needs of the Army and our country best in this city.

Dr. WORK. Do you include other areas, as for instance, the New York area?

Congressman YATES. My amendment said to relocate in Chicago or elsewhere in the country. For all we know, it might be some city in California that might be better than Natick or even Chicago. It might be a city in Iowa. I think that if you are just proposing to take a look at this thing in terms of trying to determine whether or not it is going to be Natick or Chicago, you aren't meeting the charge of that amendment, and I don't think the Army is meeting the charge of that amendment, and I don't think you are doing an adequate job if you are just comparing Chicago and Natick because we want to find the place that is best for the interest of your country as you yourself pointed out, and that is what the amendment says has to be done.

Chairman ABRAMS. Do you feel, sir, we should take in a great many other areas and invite the Congressmen from those areas to come in as you are, sir, and present those points?

Congressman YATES. Sir, I would think that would be a desirable thing. Well, I have pride in Chicago. I did not limit the location of the new institution because we are talking about a new institution. The Army closed down the institution on Pershing Road. This Container Institute has got to be somewhere. You are going to invest a significant sum of money in a new institution. Why do you limit it to either Chicago or Natick? How do you know some other place in the country isn't better?

As a matter of fact, the impression I get here right now by the fact that your recommendations are returned by April 4 is that you can come to no other conclusion, to require you to report it back to Natick, Mass., without giving Chicago a fair break.

Dr. PARKS. We are not required.

Congressman YATES. The chairman just said he was.

Dr. PARKS. We are not required. It was suggested if they could have a report.

Congressman YATES. By April 4. According to what the chairman just indicated, he said they were bound to report this back by April 4.

Chairman ABRAMS. I don't think we said we were bound to.

Congressman YATES. We can go back to the record. I think the impression that was given was your report is going to be in to the Army by April 4.

Chairman ABRAMS. Requested to have it in by April 4.

Dr. WORK. Preliminary report.

Chairman ABRAMS. To give our best opinion on the evidence now available.

Congressman YATES. Obviously, I am not doing my own case any good by trying to create a hostile atmosphere, and I know that, and I don't want to create any kind of hostile atmosphere. I want a good report from this group. I have confidence in this group. That is why I named you specifically in my amendment, but I want this group to have an opportunity to think of this thing, to consider it, and to have all the facts at their disposal.

Chairman ABRAMS. To use congressional terms, my esteemed and beloved friend here, I think that we want to give as objective a report as we can on the thing we are asked to do.

Congressman YATES. Right.

Chairman ABRAMS. We have beeen asked to try to present to them the best information we can on what is presently available.

Congressman YATES. By April 4.

Chairman ABRAMS. By April 4. That is correct.

Congressman YATES. May I say to the chairman that this meeting is taking place in accordance with an amendment that I presented to the House of Representatives and which the House accepted. I know what the intent of that amendment was, and the intent of that amendment was not what the Army directed you to do. The intent of that amendment was to require the secretary to make study, but to let the study be made in as fair and impartial and as thorough a manner as is possible. If 30 days is necessary for an impartial report, I would think that that would be the minimum, and I would think that you would want to go over the testimony. You may want to take additional testimony. I would think that it is unconscionable to place a time limit of 1 week upon hearings on this important subject. Obviously, the mind of the Army is made up again. They are not paying any attention to what the House of Representatives has indicated.

The General isn't even here to tell us what the requirements of the Quartermaster are. The Colonel is here. Can you tell us what the requirements of the building are?

Dr. PARKS. No.

Congressman YATES. Don't you know?

Dr. PARKS. I know in general, in square feet and so on.

Congressman YATES. Why doesn't the Army take bids from various cities for this? Why doesn't it, inasmuch as it is spending this substantial amount of money—why doesn't it itself try to find the best way of doing this? Your mind is made up. This is just shadowboxing we are going through now.

Chairman ABRAMS. Would you be willing to take into that operating costs also?

Congressman YATES. Of course, I think that is a necessary part of it. I know that. That was in the report that the subcommittee of the House committee made, and I recognize the fact that the Quartermaster Corps is going to use this as a basis for moving to Natick, but Mr. Chairman, I merely point this out to you. As we walked in here, it was indicated this is a preliminary hearing we are going through here. I gained the impression as a result of what our conversation has been that it is not a preliminary hearing, that you feel bound to report by April 4.

Chairman ABRAMS. We have been requested to. That is correct.

Congressman YATES. You do feel bound to report?

Chairman ABRAMS. I think that is correct, yes.

Congressman YATES. That being true, I don't think that you giving this, you are not giving—I know you are not giving my amendment a fair trial. I know that you are not giving yourselves a fair opportunity to come to a reasoned and judicious opinion on this thing after consideration of all the facts that are pertinent. I know that you are not giving the people whom I represent, I mean the people of the city of Chicago, in this area—I know you are not giving them a chance to present their best case. When you call up Wednesday and say have the IIT proposal given to us on Friday, as though this were the sum total of the case that we could prepare, I think in some measure the case is being prejudged, and I think it is grossly unfair, and I want you to know that if you do report by April 4, that I will make this known to the Congress. I will tell the House, and I will tell the Senate, and I will tell the President of the United States that this has been a rigged mission. I will say so not because of this committee, but because of the Army, because they insist on cutting off the time that is necessary to do an adequate job here.

Chairman ABRAMS. Then you are saying, in effect, that to you there is no object in going ahead with this.

Congressman YATES. I am saying that I recognize what Dr. Fisher indicated, as we walked in, this was a preliminary hearing. I am saying to you that I want 2 weeks. Not "I want," but I think that you ought to give us a chance to prepare our case, and offer our case to you, because I think it will be helpful to you in coming to your conclusion. I think you ought to give us at least 2 weeks, which is what will be required, to present our case, and I think you ought to request, as I make the request now, to the Quartermaster Corps, to find out what their requirements are for a new building, if one is to be built in the city of Chicago.

Suppose you came to the conclusion this was not to be built in Natick, but the city of Chicago, wouldn't you want to know what kind of building was to be built here? Of course you would.

Chairman ABRAMS. I think I have a pretty good idea of the general type of building. There isn't too much difference in the general layout of research buildings as such. There are certain facilities, a certain type.

Congressman YATES. Is this going to be a one-story building, two-story building, three-story building? What does the Army want? The current tendency in industrial property and research property is to put it on one floor.

Argonne Laboratories are on one floor.

Chairman ABRAMS. If you will withhold any further discussion on that until the Illinois Institute of Technology has had an opportunity to present the report they have already made, I think then we might be able to discuss a little more.

Congressman YATES. Mr. Chairman, why don't you do this, if I may offer this suggestion. Why don't you set down for hearing, say, in 2 weeks? If you want it in Washington, fine. If you want it in Chicago, fine. This group was given $10,000, were allocated $10,000 for expenses to perform this survey, and that includes your travel costs. Why don't you give this group 2 weeks to present its case, and why don't you require the Army—you can't require the Army, but why don't you try to get from the Army what its requirements are for a building in the event it were constructed in the city of Chicago, and why don't you check around the rest of the country, as you should, in accordance with the amendment?

Chairman ABRAMS. If you check the rest of the country, you will have to allow a year for this because every chamber of commerce in the United States will have an interest in it.

Congressman YATES. Allow whatever time is necessary, but this is going to be built somewhere. If it going to be built in Natick, we are just going through shadowboxing, aren't we?

Dr. PARKS. I don't know that we know that. Truthfully, I don't know. I also say that I didn't know that there was such a lack of information on the part of IIT.

Congressman YATES. IIT says so here. It says so not only in the big report, but says so on page 2 of the little report. The exact specifications of the proposed new Natick facility have not been made available outside of the Quartermaster Corps.

They have asked for it. They have never been furnished anything by the Quartermaster Corps. We asked for it today. We been furnished anything by the Quarterter Corps. So I say to you that it looks to me as though the Quartermaster Corps isn't interested in giving anybody an opportunity to go outside of Natick.

I suggest to the people whom I represent—I leave it up to their good judgment. I know they are interested in getting a facility at IIT. As far as I am concerned, we may end up with a facility at the University of Chicago, where I was graduated, for example. They may come to this conclusion. Maybe the University of Chicago should make some kind of presentation. Maybe Northwestern University should. Why should this whole area be restricted in its presentation to what IIT is presenting? Why shouldn't the University of Chicago be

given that opportunity or any of the other educational institutions?

Chairman ABRAMS. We had assumed, perhaps wrongfully, in the Chicago location, the one that was presumably best was the one offered by the Illinois Institute of Technology.

Congressman YATES. Why did you come to that conclusion, because IIT had presented a proposal? Nobody else knows about the proposal in the city. We have splendid universities here. We have splendid locations for research institutions here. We are right in the agricultural heartland of the country, and we are restricting it. We are restricting it both by time and by lack of information.

I would say, Mr. Chairman, I was going to recommend to my people here that I think that they should make no presentation at this time. As a matter of fact, I don't think they are in a position to make any kind of presentation at the present time. They have made their presentation. They have given you the report. They have shown you a picture of the building they have constructed. They don't know what the Army wants. This is just a sham, but there are other institutions that may want to present cases on their own behalf. There may be other offers that are made available which will be of great value for your consideration. So I would say to you, I say that the least you can do, I think there are no questions that they ought to answer. I think we ought to be given an opportunity to present our case, give you copies of our studies and our presentations ahead of time, let them come in and answer the questions that you want to ask them. In that way you are presenting a logical, a reasoned case.

Dr. WORK. On this question of costs, you mentioned all the buildings that were built over there at Illinois Tech. You have a pretty clear figure as to what the variation in the cost is, haven't you? I mean, buildings don't differ so much, these types of buildings.

Congressman YATES. May I point out to you in this study there are two possibilities that are available. One is the construction by the Army on land that is available to them. The second is the construction by this institution of a building under a lease arrangement. They don't know quite which one is available. They do know that square footage costs amount to about $20 a foot on this sort of basis. As far as a building of that type is concerned, maybe they won't have a fancy building. Maybe they will have a less expensive building, so that we are talking in generalities. We have nothing specific to go on.

Dr. WORK. Yes, but on your figure, $20 a square foot, is that pretty much a standard figure around here in the city of Chicago?

Mr. COUSINS. No; it is a little higher than 20. It is around 23 or 24.

We took the only figures we could get, and this was by reading reports and calling people, and so forth. They were talking about a figure of 3 million 8 for Natick. We didn't know until after our report had been sent in that that was for 121,000 square feet. If you will notice in our report, we just pulled the figure of 150,000 square feet a little bit out of the air based on what they have now, and so forth, and making an estimate of that we came up, based on our own experience, with a figure of 3 million 5 for 150,000 square feet down at Technology Center.

Chairman ABRAMS. You understand that if it were put up here, it would have to be a larger building than in Natick because of the overhead that would be required here that is presently available in Natick?

Mr. M. C. BECK. This hasn't been explored.

Congressman YATES. We don't know that.

Chairman ABRAMS. I can tell you that is about right.

Congressman YATES. We don't know that because nobody has ever told us what the requirements for the building are.

Chairman ABRAMS. Over what period do you amortize your building?

Mr. COUSINS. Over what period do we amortize our own building? Fifty years.

Chairman ABRAMS. So if there is a difference of a half million dollars here, it would be at the rate of 50.

Mr. COUSINS. It doesn't work that way.

Chairman ABRAMS. Why not?

Mr. COUSINS. The concern to the Quartermaster Corps is cost. That is part of the concern, that if they are going to build it themselves, it is straight cost. Is that correct?

Chairman ABRAMS. Right.

Mr. COUSINS. If they are not going to build it themselves, then it becomes an annual charge that they have to charge.

Chairman ABRAMS. Right.

Mr. COUSINS. This is a decision that I don't know how to make, that the Treasury of the United States has to make or the Bureau of the Budget, or the Congress as to how they want to spend the money. What we have said is, based on the limited information we have, we think we can build a building of 150,000 square feet for $3½ million as compared to the 121,000 square feet for $3,800,000, which is the total cost aspect.

In addition to that, we are willing to put up the building and lease it to the Quartermaster Corps on a reasonable long-term lease arrangement, if that is better for their needs. We will go either way, but we have not been able to firm this up because we don't have any specifications of the building or any details.

Let me give you another example: Assistant Secretary Morse called Dr. Rettaliata last week and he said: "Your proposal is illegal. It can't be done."

Well, as a matter of fact, he is partially right. The law, and we have checked this out with GSA, says that the Army cannot make more than a 1-year lease on property that they occupy. However, GSA can delegate to the Army the right to make long-term leases for a specialized facility. They can go up to 20-year leases. This is what the law says which was passed in 1959, so GSA tells me. There are at least two examples of that that I am aware of. One is the Judge Advocate General School at the University of Virginia, and another one is at Duke.

Dr. WORK. That is Ordnance.

Mr. COUSINS. My understanding is it is Ordnance at Duke.

Dr. PARKS. Army Research Office now.

Mr. COUSINS. They changed the name. You are right.

Dr. PARKS. Took the whole thing down there, ARO.

Congressman YATES. Which shows it can be done.

Mr. COUSINS. So the point is, as we see it, we think these things can be done, that there is enough information in our minds that it can be done. Yet, to come up with a specific proposal, and now coming up with the amount of land required, we could do that, and we go on with the location at 30th and Michigan which can be procured as we have said in our report, but as far as the specific building is concerned, and what kind of laboratory they want in it, and all of that, that goes with it, we have no information on that, so we had to take our chemistry building, feeling that was closest to food and container type research, and extrapolate from there.

Chairman ABRAMS. I think that is probably a fair basis on which to do it.

Congressman YATES. I don't. I don't think that is adequate at all.

Chairman ABRAMS. Sir, have you built many research buildings?

Congressman YATES. I have not built many research buildings, but I don't think you can say this is an adequate research building without knowing what the requirements of the building are.

Chairman ABRAMS. In going from one part of the country to the other, exchanging information on research buildings, it is usually based on so much per square foot, that certain type of building, that fits well for research building.

Congressman YATES. I happen to sit on the Research Subcommittee for the GSA and National Science Foundation. I sit there and listen to testimony by the hour as to the cost of construction and types of research buildings that are being built all over the country, air-conditioned space, two-story space, one-story space, so that I have a little bit of knowledge about it.

Chairman ABRAMS. How much difference do you find per square foot?

Congressman YATES. There is a distinct difference in cost per square foot depending upon location, depending upon type of construction, depending upon air conditioning, depending upon the specific requirements of the building itself in terms of the research that is going to be conducted there, and in the absence of knowing what the Army wants, you cannot say that this is a fair square foot price.

Mr. COUSINS. Mr. Chairman, am I correct in understanding that the figure that the Army is talking about for construction at Natick is 121,000 square feet for $3,800,000?

Chairman ABRAMS. I don't know if that is correct. Is it? I have the exact figure here.

Mr. COUSINS. We do not have that figure officially.

Congressman YATES. It includes the animal hospital, troop barracks.

Mr. BECK. There are endless unknowns in this. We have heard much about radiation facility at Natick. We have no idea what this facility will be like, and whether we can approximate it, or even improve it in view of the nearness of certain facilities we have here.

Congressman YATES. Mr. Chairman, I want to make one thing clear at this time. I am going to insist upon getting a copy of the record, too. I am sure you have no objection.

Chairman ABRAMS. I should say no. Certainly not, sir. I think you come in, shall I say, as rather a biased witness also.

Congressman YATES. What do you mean by "also"?

Chairman ABRAMS. The question is, we are biased.

Congressman YATES. On the contrary. I didn't say you were biased. There is an old French expression "honi soit qui mal y pense." Only the Army is biased.

Mr. COUSINS. Let me give you an example of something you were talking about earlier. In our large report, on page 103 we listed the major laboratories and institutes and so forth located in the Chicago area. These are obviously the laboratories and institutes that are interested in the same field as the Quartermaster Corps. One of the reasons that we reached our conclusion that Chicago was the best location was because of the location of all of these other associated facilities in this area. To go back to a point that you made earlier, would it not be well from your committee's standpoint, your Board standpoint, to contact the major institutes with whom the Quartermaster Corps, the Food and Container Institute is closely associated to find out from them how they have the best association with the Food and Container Institute?

Chairman ABRAMS. Not only in this area, but in the other area, the Natick area.

Mr. COUSINS. Yes.

Chairman ABRAMS. I would think that would be a fair mission, yes.

Mr. COUSINS. I will be quite frank with you. We want to be objective about this.

Chairman ABRAMS. I understand.

Mr. COUSINS. If the location came up somewhere other than Chicago, we would not be offended as long as we felt that it had been looked at carefully. I will give you an example. Your Board is set up to advise the Quartermaster Corps on this type of thing.

Chairman ABRAMS. That is correct.

Mr. COUSINS. Yet, this was never referred to you until this week. We have to say we don't understand that, and that is where we have these questions in our mind about the objectivity of this whole program. They have another figure that was put out by the New England Council. I am sure you probably saw that report where they take their total onetime cost of $4,200,000 and subtract from that the cost of needed modernization and improvements in Chicago. To me this is completely irrelevant. Everyone has agreed that they can't stay in the present facility.

Congressman YATES. As a matter of fact, the Army is moving them out of the present facility. They closed it down.

Mr. COUSINS. To subtract that and talk about a net, onetime cost of $3,200,000 is a figure that just has not basis in fact.

Dr. WORK. You have given this a lot of thought, and if you were to look at other places in the country besides Chicago and Natick, what places would you name offhand as places you should look at in addition to these two?

Mr. COUSINS. That is a possibility.

Congressman YATES. Madison, Wis., where Dr. Abrams comes from.

Chairman ABRAMS. I don't come from Madison, Wis.

Congressman YATES. Wisconsin is one of the fine agricultural States of the country. You have a fine agricultural school up there. Iowa is another possibility—California.

Dr. WORK. New York.

Mr. COUSINS. Yes. I think, and I don't want to presume here at all, that one of the important things is to list the criteria for how do they get the best research done, the Quartermaster Corps. The cost is certainly most important.

Chairman ABRAMS. I think you have listed a good many of them right in here.

Mr. COUSINS. We think we have, too.

Congressman YATES. Have you any others they should turn their attention to?

Chairman ABRAMS. I think you have gone pretty well into the scientific atmosphere which is one of the most important.

Mr. COUSINS. We feel strongly about that.

Mr. BECK. They considered this overhead cost very important. We haven't the slightest idea how they get at their overhead cost or comparing overhead cost of Chicago and Natick. We would like to know a great deal more about this, so we would know whether our proposal would hold water.

Dr. FRANK R. FISHER. May I suggest we turn into an executive session and consider the Congressman's suggestion?

Chairman ABRAMS. We would do that.

Congressman YATES. I didn't hear what you said.

Dr. FISHER. I suggested we go into executive session to consider your suggestion previously.

Congressman YATES. About giving us 2 weeks?

Dr. FISHER. Giving it more consideration.

Congressman YATES. Very good. May I also say, Mr. Chairman, I understood you to tell me before, you are going to make available to me a copy of the record.

Chairman ABRAMS. Yes, sir.

Congressman YATES. The raw record before correction in it. I would like to have the raw record. I don't care about the language.

Chairman ABRAMS. You will have all the information.

Congressman YATES. I want to have it before the Army gets it.

Mr. COUSINS. Mr. Chairman, we will be happy to answer any questions or supply any information that we know how. As I said, we try to look at some of the criteria and give our analysis of it. When we got into the building question, we tried to extrapolate the best we could. This is a rather hard way to do it when you don't have the specifications to talk about, but I am authorized to say by Dr. Rettaliata that we would be willing to work out financing arrangements with the building. We have talked with GSA, and they indicate that they legally have the authority to delegate to the Army to work out this program, but we have difficulty in doing it without having any specifications or any way to really tie it down and know exactly what we are talking about.

Congressman YATES. This is the point, this is the deadline, I would think, you would start the 2 weeks from, namely, when we received the requirements as stated by the Army for the construction of a Food and Container Institute laboratory in another location than Natick, plus an idea as to the type of overhead that the building will carry.

Chairman ABRAMS. Did you specify Chicago and other areas?

Congressman YATES. I said Chicago or elsewhere in the country.

Chairman ABRAMS. If you really want to cover that, Congressman, you will have to extend your appropriation very considerably, and we will have to extend our time very considerably.

Congressman YATES. Mr. Chairman, may I suggest to you that this is an amendment that was accepted by the House, and I just assume you can operate within the scope of this appropriation to the extent that you have the appropriation.

Chairman ABRAMS. You mean if we used this appropriation and came back with the answers we have acquired in that time, that would satisfy you?

Congressman YATES. I don't know what you mean by that.

Chairman ABRAMS. I mean if you want to cover the whole country, we can't do it.

Congressman YATES. I was told it was adequate for the purpose.

Chairman ABRAMS. Who told you that?

Congressman YATES. I was told this was adequate by clerks of the Armed Services Committee. As a matter of fact, I was told you wouldn't even have to use the $10,000 appropriation.

Chairman ABRAMS. Sir, where did they get the information?

Congressman YATES. Wherever the Armed Services Committee gets it.

Chairman ABRAMS. I will ask my colleagues here if we can cover the United States with the available locations and do it for the sum that is allowed here.

Congressman YATES. How much do you want? How much do you think would be needed?

Chairman ABRAMS. I would have my own idea.

Dr. WORK. We would need 2 weeks for this to find out what the estimates would be.

Congressman YATES. Do you not agree with this, if this information, if this institution or any institution, the University of Chicago, the University of Wisconsin were to try to make a proposal for the construction of a building which would serve the needs of the Army, that there should be made available to them by the Army what the Army's requirements are, and what the overhead costs are likely to be?

Chairman ABRAMS. This would be a very oblique answer. If I felt Congress was as careful with some of the hundred million investigations. I would be happy about it.

Congressman YATES. That is very oblique, and I don't think it answers my question.

Chairman ABRAMS. It is oblique.

Congressman YATES. It is oblique. It doesn't answer my question.

Chairman ABRAMS. If you want an exact answer of what it would cost in terms of money and time, I would rather sit down with these gentlemen.

Congressman YATES. I haven't asked that question.

Chairman ABRAMS. Let me ask you again, sir, if we spent the $10,000 as well as we could and acquired the information available from that and came back with an answer, would you be satisfied?

Congressman YATES. If it were in the judgment of this group, the detailed report that you say the group should make.

Chairman ABRAMS. Covering the area we are able to cover under it.

Congressman YATES. Right.

Chairman ABRAMS. You would be satisfied?

Congressman YATES. Either that, or I want you to tell me you need more money for the survey. I would get you the money. I think this survey is essential. I want to ask you the question again that I asked before I got the oblique reply. Do you not consider as essential for any kind of a fair and objective presentation to be made by an institution other than the Army that it be furnished with the information as to what the Army's needs are in terms of actual physical project, land and buildings and also what the overhead requirements are likely to be?

Chairman ABRAMS. To come up with a good estimate on it. I think that is correct.

Congressman YATES. I would like the record to show that I have made a request of the colonel, the Quartermaster Corps, that we be furnished with that information so that we can give this group estimates, give this group a proposal such as we think is necessary, such as is necessary in order for this group to come to a conclusion.

Dr. WORK. That would be available to other institutions?

Congressman YATES. Sure; let it go out to the general public. Why, of course, not only for Natick, not only for Chicago, but the amendment itself covers Chicago or elsewhere, and let's lay this thing out. This is what the Army needs. These are the Army's requirements physically. Now what can you do this for, for the Army? I think this is it in essence.

Mr. COUSINS. To bring this down to manageable propositions. You asked us the question. Obviously you people are well experienced in this. It would seem to me from a practical standpoint, you would pick whatever areas based on your knowledge were reasonably expected to be able to make a contribution here.

Chairman ABRAMS. Certainly.

Mr. COUSINS. There aren't too many, I think.

Dr. WORK. There aren't too many.

Congressman YATES. Within the $10,000 budget. If you can't, I will get you some more money.

Mr. COUSINS. You have Boston and maybe New York. I don't know about New York. That is a little bit low on my list.

Dr. WORK. I come from there. I think very high of it myself. [Laughter.]

Mr. COUSINS. This is fine [laughter], or you have got perhaps Madison. You have perhaps California.

Chairman ABRAMS. Have you actually made some preliminaries on it yourself?

Mr. COUSINS. No, sir; we have not. The only thing we have studied was the comparison of Chicago, on which we have pretty good information, and Natick, on which we had some less good information. That is all we have done in our study.

Dr. ELDER. Mr. Chairman, I would like to ask if IIT, attempting to get this information from the Army regarding size of buildings and so forth, was that request in writing and ignored or by telephone and ignored, or what?

Mr. COUSINS. To be quite frank with you, it was on a kind of cum se, cum sa basis. Up until recently, when Mr. Peden wrote very specifically and requested the information, and he has not had a reply.

Chairman ABRAMS. How long ago was that?

Mr. PEDEN. I would say 3 weeks.

Chairman ABRAMS. How much?

Mr. PEDEN. Two or three weeks.

Chairman ABRAMS. You had no acknowledgment?

Mr. PEDEN. No, sir.

Chairman ABRAMS. To whom was it directed?

Mr. PEDEN. I can't be specific. I think to the Quartermaster General.

Congressman YATES. The Secretary of War, Secretary of the Quartermaster Corps, or what? May we cover that for the record?

Chairman ABRAMS. Could you find that out? If you gentlemen would give us 15 minutes—is the other room available there next door?

Congressman YATES. I have no feud with this group obviously because I included this group into my amendment. I have the greatest esteem and highest respect for this group.

Chairman ABRAMS. Thank you, sir.

Congressman YATES. I only want this group not to be proscribed and limited unreasonably by a mandate from the Army itself, and I think you have been proscribed and limited. I knew nothing about this April 4 date. I think it is ridiculous—just ridiculous.

(At this time Congressman YATES and the people from the Illinois Institute of Technology were excused.)

(The meeting recessed, after which the representatives from the IIT returned.)

Chairman ABRAMS. We thought we could reconvene and see if you gentlemen had anything further you would like to offer or to ask.

Mr. COUSINS. I think the major thing that we need to ask is, Is there any possibility of our getting these specifications so that we can submit a more intelligent proposal and more specific proposal?

Chairman ABRAMS. We will give you a definite answer on that later.

Dr. WORK. They are not ours to give, really.

Chairman ABRAMS. That is what I say, really.

Dr. PARKS. We can only make a recommendation.

Mr. COUSINS. I see. And, of course, that includes the information on overhead which is unknown to us, and the time, as I mentioned earlier. It seemed to us quite important that while on one side of the ledger the advantages with which we are not familiar of having all of the Quartermaster activities located at Natick is a kind of a general advantage that you can say yes to, that most people could say yes to; on the other hand, the question of the location here in Chicago where you have based on our study all of the industries and all of the associations and all of the other people with whom this organization works most closely, we think is a very distinct advantage, and I think that either you or we should be in contact with those groups and ask them how they feel that this job can best be done.

Chairman ABRAMS. Which groups, now, do you mean, sir?

Mr. COUSINS. I am talking about the various institutes and organizations, most of which are located on page 109.

Chairman ABRAMS. I know what you mean. Could I ask how you people became interested in this whole thing originally?

Mr. COUSINS. We have got to recollect here a little bit. One of the problems is the man who wrote that report, Dr. Barthel, is now with the National Science Foundation in Washington, so we have a little problem there; and then Mr. Spaith, who was Mr. Ritterskemp's predecessor as treasurer and vice president of Illinois Tech, is now president of the Beverly Bank here in Chicago, so neither one of us was in this thing from the beginning, but our recollection is that we heard about the situation, and we heard various comments about it.

You may remember that at Illinois Tech we have the Association of American Railroads Central Research Laboratory and the Institute of Gas Technology. We are now working on a program that we are calling a research park. We have had a number of companies come and talk with us about locating their central research laboratories in the near vicinity because of this exchange of information between the various scientists and the scientific atmosphere that we think we have, and so when we heard about the Food and Container Institute situation, why we got interested and started asking questions and thinking about the thing and so forth. One thing led to another which ultimately led to that report.

Chairman ABRAMS. Do you operate a food technology course at the Institute?

Mr. COUSINS. Yes, sir.

Chairman ABRAMS. Does that supply a good many people through the food and container industry?

Mr. COUSINS. Now I am with the research end of it. I don't know if you can answer that or not. Jim just came to the Illinois Tech February 1. Neils, can you?

Mr. N. C. BECK. We have done quite a bit of work in this field, food and container work, in terms of the best methods of preservation, the best binders and papers, the best can liners.

Chairman ABRAMS. You mean through research work?

Mr. BECK. That is right. As you know, we also have a sizable facility, a reactor——

Chairman ABRAMS. I understand.

Mr. BECK. And radiation laboratory in which we have done food research.

Chairman ABRAMS. Do you have this food and technology course that a man can go in and take in a given number of years and go out into the industry?

Mr. BECK. Armour Research Foundation has no courses. We are in research full time. I don't know.

Chairman ABRAMS. Who can speak for Illinois Institute?

Mr. J. J. RITTERSKEMP, JR. I can, Doctor, and the story is we do have a food engineering course, the interest in which course, however, is declining rather rapidly, and how much longer we will be able to continue it is a doubtful question.

Chairman ABRAMS. There are not enough students taking it to warrant it. I see.

Dr. WORK. You mentioned these various areas in which you were doing work that were related to this. Who is that for, the Federal Government or for private industry?

Mr. COUSINS. Both.

Dr. WORK. Would there be any problem? You talk about the interchange of information. Would there be any problem there of a conflict of interest between the private industry and the Government? You, for instance, I am sure, follow the same policy that most institutions do of not taking identical projects from two different people.

Mr. COUSINS. That is correct. This is kind of an old question over many years, as I am sure you are well aware, and I think that we are of the conclusion that, No. 1, you depend on the integrity of the scientist because you do have this conflict of interest, and you do have the confidential relationship whether it be with the Government or an industrial sponsor, but within that boundary there are many things that are well worth discussions and seminars, and so forth, of principles of approaches to a problem without disclosing any specific confidential information on a particular product or a particular process.

Dr. WORK. How would you suggest we try to resolve the problem of the relative benefits of having a single institution, therefore, time computers and so forth, versus the contact of industry around you? How could you measure and come up with any answer that would have any value at all especially in a political argument?

Mr. COUSINS. This is one of the things that quite frankly disturbs us at Illinois Tech. We agree with the dilemma there. We think, however, that there are two or three important points. One is that some of the information that we are told which we have not seen has been presented is not fully accurate as far as what facilities are at Natick. For example, they talk about a radiation facility, and they don't have one, so we are told. They are talking about getting one. Whereas, here we have a reactor, and we have Argonne available, and there are other areas like that that we would suggest that you look into carefully as to whether these facilities really exist or really make a contribution.

Secondly, I think we would say that the only people who can make an intelligent—and call it guess if you want or estimate—judgment of this are some people like you who are experienced in this area. This is a judgment type of thing. You can't pin it down as you can a scientific experiment, and we recognize that.

Chairman ABRAMS. Do you feel from what you know of the Chicago area that you are the only logical place that could take this?

Mr. COUSINS. The only logical place? I I would have to say no.

Chairman ABRAMS. You don't?

Mr. COUSINS. I think we are the most logical because of the community that exists now and that is expanding. By community I mean the various other laboratories and the overall scientific operation, but I am not familiar enough with the work that goes on at Chicago or at Northwestern, but I would certainly never say that they couldn't handle it or that it wouldn't be a good move up there.

Chairman ABRAMS. Is this a good living area where you are going to build there?

Mr. COUSINS. It is a good living area depending upon how you define it. For example, as of the next couple of years all of the major expressways converge within a couple of blocks of our place. In other words, the Northwest, South and Southwest and Congress Street all come in where you can get in very easily. For example, in my case it now takes me about 40 minutes where it used to take me an hour, and then when the South Expressway is finished, it will cut another 5 or 10 minutes off that.

Secondly, there are beautiful apartments and housing going up. There is a new South Side plan that has been developed in which, as a matter of fact, some of the developers had a meeting with the city officials just yesterday on working that out. As far as the immediate area today, the only thing that is immediately available are some very nice apartments along the near South Side and along South Michigan. Other than that, you have the access to the suburbs.

Mr. RITTERSKEMP. We have four large apartment buildings on our IIT campus, too, and, of course, the Lake Meadows project.

Chairman ABRAMS. Is it considered a safe area for women at night?

Mr. RITTERSKEMP. Yes, I think it is coming to that point. It has had a bad reputation, sir, but the 2 months I have been on the campus, and I am living in an apartment right now, there has been nothing of a way that is bad in our contiguous area there.

We have our own police force, squad car. The second district gives us excellent cooperation, and the Chicago Police Department. I have had my wife up here this past week. She has gone shopping and so forth.

Mr. COUSINS. We have many of the Illinois Tech staff and the research scientists who live in these various apartments with their wives and families. I am told—I don't know, I can't back this up for you—that the people who currently work at the Food and Container Institute would be happy with this location, and so forth, so I only use that as an example.

Chairman ABRAMS. You feel then if you were given the general specifications of what this building would be, not any plans and so on, you could make some pretty good estimates?

Mr. COUSINS. Yes, sir.

Chairman ABRAMS. Have you any idea how long it would take you to make those estimates with that information available?

Mr. COUSINS. I think we could make the estimates within 2 weeks after receiving the specifications; yes.

Dr. WORK. Would that cover the things in addition to what they are putting in, the auxiliary services that they say would be needed here that wouldn't be needed at Natick because they don't exist? How would you arrive at those?

Chairman ABRAMS. Those would be given in the specifications, I would assume, here.

Mr. COUSINS. Their needs would be in the specifications, we are assuming, and we would show how those needs would be fulfilled.

Chairman ABRAMS. Those specs would be very general, obviously. We couldn't give you the exact specifications for the particular area. We could give you the number of square feet, the general type of construction, the number of rooms and that sort of thing.

Mr. COUSINS. I think we also need the various laboratory type facilities.

Chairman ABRAMS. It is not for a bid on your part, but a "guesstimate" as to what might be involved.

Mr. COUSINS. We need a field for laboratories. As you mentioned earlier, I can give you an example in our physics building. For our physics and electronics building our cost was considerably less than our chemistry building because we didn't need as many services.

Mr. BECK. Maybe, Mr. Chairman, put it on this basis, too. This is the Army's responsibility to supply us with what it considers the essentials. If later they say, "Oh, well, but you haven't made provisions for this," then we say: "You didn't tell us. You should. Well, OK."

Dr. ELDER. Were you able to find out whom to ask for specifications?

Mr. PEDEN. I have the gentleman that was written to. A letter was addressed to Col. A. D. Chaffin, Chief, Properties and Installation Division, Department of the Army, asking for the specifications.

Chairman ABRAMS. Spell that, please.

Mr. PEDEN. C-h-a-f-f-i-n. The person who wrote this letter; I am with the Association of Commerce and Industry. We have an industrial development department. They frequently do this sort of thing. They were asked to do this. Why they addressed their communication to this gentleman, I don't know.

Chairman ABRAMS. Who asked you to do it?

Mr. PEDEN. I think IIT asked us.

Chairman ABRAMS. IIT? I see.

Mr. COUSINS. This was kind of a discussion we had with many people involved.

Chairman ABRAMS. It is perfectly all right. I just was interested to know.

Dr. ELDER. This man they wrote the letter to, would he have any idea about installation?

Dr. PARKS. I wouldn't know. We have no contact with him. I don't know.

Mr. COUSINS. As Mr. Peden said, he wasn't able to contact the man who wrote the letter to ask that question. I would have to tell you from our knowledge and experience of working with the Government that the title he quoted would seem to me the man who would have the information with regard to installations and facilities for the Army, and so he theoretically ought to have it.

Dr. WORK. When was that written? How long?

Mr. PEDEN. March 20.

Dr. WORK. Going through the Government.

Chairman ABRAMS. I think you are optimistic to expect anything by this time. [Laughter.]

Mr. BECK. De facto, we don't have the specifications.

Chairman ABRAMS. I think we are going to have to give this a lot of consideration, gentlemen, before we can even decide the next course on it unless you have specific suggestions. If we felt that it were possible to say that this is the location in Chicago, that would be the No. 1, and then, therefore, presumably the only one to be investigated and it would lay between this one and Natick, I think it would be a relatively simple job, but if we are to throw it on that all the areas in Chicago where it might be put, and then include the areas outside of Chicago, it becomes a very large proposition.

Mr. COUSINS. I agree with that, Mr. Chairman, and the only suggestion that I would have to you on this is that I think from the work that we have done—I was going to say it is reasonably obvious, but I think that is too strong. It looks to us as if the two logical areas are the Natick area or Chicago. However, when you say to me is there any other place in Chicago that could handle it logically, I can't say "No" to that.

Chairman ABRAMS. I want to ask that because I think if there is general agreement this is the most logical in Chicago, and if other people would agree to that as a basis to start on, then we have a very definite proposition to consider the two points.

Mr. BECK. In a very real sense this is not our problem, though, anyway. We simply are making the best possible case for what we think is a good location.

Chairman ABRAMS. I understand, but we also value your opinion objectively as to whether you believe this is the best area.

Mr. COUSINS. We do believe it is. I certainly wouldn't say it is the only location. We have had discussions with many members of the food and container industry in which our proposal was made known to them, and none of them came up with any alternative suggestion. They seemed to be quite satisfied with this. Is that a fair statement?

Mr. PEDEN. That is correct.

Chairman ABRAMS. You didn't ask them?

Mr. COUSINS. We didn't specifically say: Do you fellows want to make any alternative suggestion? We just talked about ours, and there seemed to be no objection.

Mr. RITTERSKEMP. Frankly, we are prejudiced along that line.

Mr. COUSINS. I want to answer your questions as carefully and honestly as I know how.

Dr. WORK. That was a point the Congressman took a strong position that it shouldn't be restricted to the two points.

Chairman ABRAMS. That is why I asked this question with the thought perhaps of going back to him and putting it to him definitely: Are you willing to accept an area based on the opinions not only of you gentlemen, but others, that this is the most likely area, and use that as a basis for comparison?

Mr. BECK. Unless I am interpreting the feeling in the matter incorrectly, if you, acting as an advisory board, say that this seems to us to be the most logical location in Chicago, he would have no objection whatever.

Chairman ABRAMS. Of course, that involves our making a study, really.

Dr. WORK. You really tried that at the meeting before when he was here.

Chairman ABRAMS. That same suggestion. I had forgotten it.

Mr. COUSINS. I have the feeling that he was concerned with not trying to make the pitch only for Chicago.

Chairman ABRAMS. Let's say primarily for Chicago and others after. That is only natural.

Mr. COUSINS. He didn't want to be accused of saying this is the only place to be located in Chicago in the country because that is a reasonably ridiculous statement, I think, because there are other places that it could be located. On the other hand, when anyone is making a decision about a university or anything else, you have to kind of sift it down a little bit and say: Now these are the ones that look like they are the most reasonable to spend any time and effort to take a further look at.

Chairman ABRAMS. Well, let's put it another way. I think, Dr. Elder, you brought it up that if it is to be moved from the city here, would it not be the most logical thing to take it to Natick. In other words, why would you take it to another place that is disconnected from the parent organization? Are there enough advantages to having it another place that you would move it any place except Natick if you took it out of here?

Mr. COUSINS. I don't know how to answer that because we haven't looked any place else.

Chairman ABRAMS. We haven't either, but as a general proposition it would seem if we are going to make it more effective and reduce the cost by moving it out of town, you would go to the parent organization and place it there.

Mr. BECK. Again, I don't think we know enough about Natick.

Mr. RITTERSKEMP. Is the food and container unit the only unit that is not now in Natick?

Chairman ABRAMS. There is another, I think. The animal unit is not there, but it has to be included in the move, doesn't it?

Dr. PARKS. The field evaluation agency, as they call it, in other words, their field test division is down at Fort Lee, Va. But that is logical that it should be there. Whether it will ever be moved or not, I don't know because that is where they put their equipment on the soldier, so they have to go on to a fort where there are soldiers, and I am just expressing my own opinion now. I don't know of any move to establish troop installation up there, you see.

Dr. HOFF. Don't they have troops at Maynard?

Dr. PARKS. No.

Mr. COUSINS. New England?

Dr. PARKS. Fort Devens and so on. I thought you meant move it to Natick.

Mr. COUSINS. The only point I was trying to make was you mentioned the fact that it was logical to have this field evaluation unit down in Virginia.

Dr. PARKS. Well, I should have said some military installation where there are troops.

Mr. COUSINS. Right. I will certainly buy that because I think if you carry their logic out at the moment, you would have to move that to Devens or some place that is close to Natick where they would have everything together. I am not arguing one side or the other of that. I am just trying to say I think the case for the Food and Container Institute is somewhat analogous in that here if our information is correct, that it is the center of the industry and the place where they can work most closely with the industry, then

that is a very logical argument for having it separated from their major installation at Natick.

Dr. PARKS. There are some troops, GI's, at Natick now. I guess there are maybe 20 subjects they use in those climatic chambers.

This Maynard they are talking about, does everyone know what that is? It was an Ordnance. It was an ordnance test station. Ordnance gave it up about a year ago, and the Quartermaster took it over. The general lives out there. There are few houses on the post. Colonel Whitney, I guess, lives there, and the Army does some of their air delivery test dropping out there. I have forgotten what it is, 2,000 or 3,000 acres or something. It was formerly an Ordnance test station. What their future plans are for that, I don't know, but this animal facility, they want to build, would be built at Natick.

Mr. COUSINS. I think one of the disturbing things to us, and we are very proud of both our educational and professional reputations, is this: What we feel is a lack of objectivity in looking at this thing. For example, we are told that the people here in Chicago have been told to keep their mouth shut or they will get fired. We are told—well, I will give you a specific example. The Assistant Secretary, Mr. Morse, calls Dr. Rettaliata and says: What the heck are you guys doing in this thing, and you are proposing something that is illegal anyway, and all this kind of stuff which doesn't seem to us to be a particularly logical or objective way to take a look at it.

Chairman ABRAMS. We have had none of that given to us, of course.

Mr. COUSINS. I didn't feel you had. I just wanted to point out that this is really the disturbing thing from our standpoint because the best research and development should be done for the Quartermaster Corps, and we just think as best we know that Chicago is the proper location for it. We have then turned around and come up with a specific location where it can fit into the community and everything worked out nicely in our opinion.

Chairman ABRAMS. Gentlemen, is there anything more anybody would like to say one way or the other because we appreciate your coming in here on a holiday and giving us this time. We do very much appreciate the information you have given us, and we can't say what the course of this will be, but we can assure you if we are involved in it, we shall do our best to come to a very objective conclusion.

Mr. RITTERSKEMP. Doctor, may I "Rettaliat" by saying we appreciate the fair hearing that you have given us up to this point, and likewise we appreciate your coming here on a holiday because you are serving your country, too.

Chairman ABRAMS. I might say you can "Rettaliat." [Laughter.]

Mr. RITTSRSKEMP. Thank you, sir.

(The meeting adjourned at 3:15 o'clock.)

NATIONAL ACADEMY OF SCIENCES,
NATIONAL RESEARCH COUNCIL,
Washington, D.C., April 4, 1961.

Hon. SIDNEY R. YATES,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. YATES: During the afternoon session of a meeting of a task group of the National Academy of Sciences-National Research Council Advisory Board on Quartermaster Research and Development in Chicago, Ill., on March 31, 1961, reviewing the relocation of the Quartermaster Food and Container Institute from the scientific and technological viewpoint, you made a request for a copy of the stenotypist's record of that session. At that time the chairman of the task group, Dr. Allen Abrams, stated that a copy of the record would be made available to you.

This letter is to inform you that the Advisory Board on Quartermaster Research and Development, in accordance with the contract No. DA-19-129-QM-1508 between the National Academy of Sciences and Headquarters, Quartermaster Research and Engineering Command, cannot release minutes of meetings without authorization from its sponsor. I therefore suggest that you make your request known to the Secretary of the Army for whom this particular study was conducted through the Quartermaster Research and Engineering Command, Natick, Mass.

Respectfully yours,
FRANK R. FISHER,
Executive Secretary, Advisory Board on Quartermaster, Research and Development.

QUARTERMASTER FOOD AND
CONTAINER INSTITUTE,
April 5, 1961.

Hon. ROBERT S. MCNAMARA,
Secretary of Defense,
Department of Defense,
Washington, D.C.

DEAR MR. SECRETARY: On Friday, March 31, at 1 o'clock, a pro forma hearing was held by a so-called task group of the National Academy of Sciences-National Research Council Advisory Board on the Quartermaster Food and Container Institute, presumably on the question of whether the Quartermaster Food and Container Institute should be relocated in Chicago or in some other city in the country.

At that time I made a number of objections to the hearing, the principal ones being that insufficient time had been given to proponents seeking to retain the Quartermaster Food and Container Institute in the city of Chicago to prepare for the hearing; and second, to the fact that in spite of repeated requests made to the Secretary of the Army and to the Quartermaster Corps for the data underlying the Army's requirements for a new Food and Container Institute, both with respect to physical plant and necessary civilian and military personnel, the request had not even been acknowledged, let alone complied with.

I suggested at the hearing that the unrealistic time limit imposed by the Secretary of the Army on the Advisory Committee's study prevented obtaining any useful result from the hearing, and I requested a copy of the transcript showing my objections and the discussion between the members of the Advisory Committee Task Group, myself and the other Chicago witnesses who were there, in order that I might be in a position to make further representations to the Congress.

The chairman of the task group, Dr. Allen Abrams, agreed to make a copy available to me. Since that time I have repeated my demand for a copy of the transcript to Dr. Fisher and Assistant Secretary of the Army Morse, personally and through the House Armed Services Committee, but without success.

I am now in receipt of a letter dated April 4, 1961, from Dr. Frank R. Fisher, executive secretary of the advisory board on quartermaster research and development, National Academy of Sciences, copy of which I am enclosing, stating that Dr. Abrams cannot make a copy of the transcript available to me. This last example of flagrant and autocratic refusal to offer any kind of cooperation to those of us who are trying to obtain a fair and objective review of the proposal confirms my belief that the hearing was rigged and that every effort is being made to compel moving the Institute from Chicago to Natick.

The approval by the House of my amendment to the military construction bill certainly meant that the city of Chicago was to be given a fair hearing and fair consideration for retention of the Food and Container Institute in our city. That fair hearing has not been given.

Therefore, I formally protest the pretended hearing that was held last Friday in the city of Chicago and I hereby demand that a copy of the transcript of that hearing be made available to me as promptly as possible. I suggest, also, that if the Department of Defense is interested in giving all parties to this matter fair consideration, the Quartermaster Corps be required to make available to the Chicago group the information respecting the Army's requirements as listed above so that it may prepare a proposal based on facts rather than one which can only be based on speculation.

Sincerely yours,
SIDNEY R. YATES,
Member of Congress.

DEPARTMENT OF THE ARMY,
Washington, D.C., April 8, 1961.

Hon. SIDNEY R. YATES,
House of Representatives.

DEAR MR. YATES: I understand from Assistant Secretary of the Army Morse that you have requested a copy of the transcript of a meeting of the National Academy of Sciences-National Research Council Advisory Board on Quartermaster Research and Development.

I find that the transcript you requested has not yet been prepared from the stenotype notes. I have asked that the transcript be transmitted to you as soon as received.

I regret the delay and I shall have the transmittal expedited.

Sincerely yours,
ELVIS J. STAHR, JR.,
Secretary of the Army.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., April 11, 1961.

Hon. ROBERT S. MCNAMARA,
Secretary of Defense, Department of Defense, Washington, D.C.

DEAR MR. SECRETARY: Reference is made to my letter to you of April 5 in which I protested formally the so-called hearing of the Task Group of the National Academy of Sciences-National Research Council Advisory Board on the Quartermaster Food and Container Institute, presumably on the question of whether the Quartermaster Food and Container Institute should be relocated in Chicago or in some other city in the country. In that letter I requested also that a copy of the transcript of that hearing be made available to me as promptly as possible.

I have just received the letter dated April 8 signed by Secretary of the Army Elvis J. Stahr, Jr., indicating that the transcript I had requested had not yet been prepared from the stenotype notes and that a copy would be transmitted to me as soon as it is received.

It is interesting that on the same day I received that letter, I also received from Hon. CARL VINSON, chairman of the House Committee on Armed Services, a copy of the study prepared by the Secretary of the Army in accordance with the amendment I offered to the military construction bill. This amendment, which was adopted by the House, required the Secretary to make such a study to determine whether the Quartermaster Food and Container Institute should be relocated in the city of Chicago or elsewhere. The Secretary's study was transmitted to Chairman VINSON by letter dated April 7, 1961. The study itself is undated, nor is any date affixed to the special report prepared by the Task Group which is therein contained as an exhibit, which raises the question as to whether these were prepared before or after the hearings.

I predicted the study's conclusion in my letter to you when I declared that I believed the hearing was rigged. The result was obvious and inevitable under the condi-

tions set up by the Army. The Secretary of the Army recommends now, presumably as a result of the study, that the Institute be moved to Natick.

It is palpably clear that if the Secretary's decision had not already been made prior to the so-called study, it was made without reference to the transcript of the proceedings which he himself in his letter to me indicated had not yet been typed at the time he forwarded the study to Chairman VINSON. The transcript contains the views of the representatives from Chicago and is the only document in which their views are presented. Yet the transcript was never considered by either the task group or the Secretary. Can the Secretary say in truth that he accorded fair treatment to all parties?

In my last letter I suggested that "if the Department of Defense is interested in giving all parties to this matter fair consideration, the Quartermaster Corps should be required to make available to the Chicago group the information respecting the Army's requirements." We have tried in every way we know to obtain the Army's requirements as to land, buildings, and personnel. All our requests have been rejected. For some reason the Army to all intents and purposes has given this matter a classification of "top secret," equivalent to the classification reserved only for the most vital military secrets. If you will look at the transcript you will see that I specifically demanded such information from the representative of the Quartermaster Corps attending the hearings. I have heard nothing from him or the Army since.

We from Chicago hope that you will protect our right to a fair hearing and fair consideration as contemplated by the amendment adopted by the House of Representatives.

Sincerely yours,

SIDNEY R. YATES,
Member of Congress.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., April 14, 1961.

Hon. ELVIS J. STAHR, Jr.,
Secretary of the Army,
Washington, D.C.

DEAR MR. SECRETARY: Congressman Sidney Yates, on the 11th of April, addressed a letter to the Secretary of Defense calling attention to what he considered a biased study performed by the Department of the Army in connection with the proposed relocation of the Quartermaster Food and Container Institute from its present site at Chicago, Ill.

I have received a copy of Mr. Yates' letter and am particularly concerned with that portion of the letter which alleges that the Army has failed to make known to Mr. Yates and various Illinois interests information respecting the Army's requirements "as to land, buildings, and personnel" involved in the proposed relocation.

Mr. Yates points out that this information is deemed to be essential in order for his group to prepare an intelligent and knowledgeable recommendation on the proposed relocation.

In view of this serious allegation and because of my obvious responsibility in this matter, it is requested that you review this entire matter and provide me with a report on the validity of these allegations.

Sincerely yours,

CARL VINSON, *Chairman.*

COMPTROLLER GENERAL OF THE
UNITED STATES,
Washington, April 18, 1961.

Hon. SIDNEY R. YATES,
House of Representatives.

DEAR MR. YATES: This is in response to your inquiry of April 11, 1961, concerning the feasibility study to be made by the Secretary of the Army, as authorized by H.R. 5000, before transferring the Quartermaster Food and Container Institute from Chicago, Ill., to Natick, Mass.

In view of the decision announced by the Department of Defense to transfer the facility now occupied by the Quartermaster Chicago Administration Center to the General Services Administration, you asked whether the same estimated savings would result from relocation of the Food and Container Institute to Natick, Mass., as shown by our report "Analysis of Cost of Planned Inactiviation of the Chicago Administration Center, Department of the Army," B-141592, April 27, 1960, as from relocation of the Food and Container Institute to another site in Chicago, such as the Illinois Institute of Technology. In addition, you ask our opinion as to the factors which should be considered in comparing the costs of locating and operating the Food and Container Institute at different sites.

We are unable to give any opinion as to the possible saving of relocating and operating the Food and Container Institute at the Illinois Institute of Technology or other site in Chicago as compared to our estimated savings from relocation at the Quartermaster Research and Engineering Center, Natick, Mass. Our review was based entirely on the operations of the Institute at the Chicago Administration Center and the specific plans developed at Natick for relocation and partial consolidation of the Institute with other Quartermaster research facilities and activities already located at Natick. Provision for the relocation of the Food and Container Institute was but one of the considerations involved in the proposed deactivation of the Chicago Administration Center. Our report does include a statement of the actions taken by the Army at the time of our report in considering other possible relocation sites for the Food and Container Institute.

With respect to your second inquiry, we believe any meaningful comparison of cost for relocation at different sites must be based on the particular laboratory activities or combination of activities planned to be relocated to each site in relation to the facilities and activities which may already be located at the site. Any such study should consider the estimated costs for any necessary construction, conversion, or rehabilitation of facilities, equipment requirements, military and civilian personnel requirements for operation of the laboratories, and any related administrative services not otherwise provided for. Consideration must also be given to the need for community-type services and housing usually provided at military installations, and for the direct costs of moving.

We trust the information provided is satisfactory.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

APRIL 25, 1961.

Hon. CARL VINSON,
Chairman, Committee on Armed Services,
House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for your letter of April 21, which enclosed a copy of the letter dated April 12 of John H. Rubel, signing for Dr. Herbert F. York. The purpose of the letter is to express Dr. York's opinion that the relocation of the Food and Container Institute from Chicago to Natick, Mass., is urgently required.

It is obvious that Dr. York has not informed himself as thoroughly as he should have about the project, but has signed a letter which someone prepared for him. He certainly could not have read the transcript of proceedings of the National Research Council which studied the proposed relocation, for he says: "The relocation of the Institute at Natick will mean that certain important technical facilities, such as the radiation facility, will be readily available for the work of the Institute, while in Chicago these facilities would have to be separately provided."

Had Dr. York read page 104 of the transcript he would have learned that the Illinois Institute of Technology now has a sizable reactor and a radiation laboratory in which it has done and now does extensive food research. Moreover, there is no such facility at Natick now—only one in contemplation which the Quartermaster Corps proposes to move from California to Natick. Thus, if Dr. York's argument for an appropriate location is based upon the availability of a reactor, it is clear that he should favor the Chicago location.

The facts revealed by the transcript are shocking and warrant an immediate investigation by your committee. For example, it is indicated that the Secretary of the Army has already expended $250,000 for designing the new facility for Natick. This appears to be an unauthorized expenditure, for it was made from the appropriation for fiscal year 1960 at a time when the expenditure had neither been authorized by your committee nor by the Appropriations Committee of the House or Senate. Even were the expenditure authorized, it would be excessive. The expenditure of $250,000 for designing a facility to cost $3.8 million is patently exorbitant.

Finally, it is indicated that the new structure proposed for Natick contains 97,000 square feet plus converted space of 20,000 square feet. The cost for this is $3.8 million. The Illinois Institute of Technology recently constructed its chemistry building containing 150,000 square feet—approximately one-third more square footage than the Natick proposal—at a cost of $3.5 million. If 90,000 square feet is the Corps' requirement for space for the Food and Container Institute, I am quite sure an appropriate facility could not be constructed on the campus of the Illinois Institute of Technology for much less than the amount requested by the Quartermaster Corps for Natick. We still have no idea, of course, and the transcript does not show the personnel which would be needed in operating the facility, either at Natick or elsewhere.

Much emphasis is placed by the Quartermaster Corps on the scientific atmosphere pervading the Natick installation. Certainly that atmosphere could not be more conducive to scientific activity nor better designed to carry out the mission of the institute than would be the surroundings of a great scientific and technological center of learning such as the Illinois Institute of Technology.

Mr. Chairman, it is becoming quite clear in every respect that it would be better for the new facility to be constructed upon the campus of the Illinois Institute of Technology in Chicago.

Sincerely yours,

SIDNEY R. YATES,
Member of Congress.

DIRECTOR OF DEFENSE
RESEARCH AND ENGINEERING,
Washington, D.C., April 26, 1961.

Hon. SIDNEY R. YATES,
House of Representatives.

DEAR MR. YATES: Secretary McNamara has asked me to reply to your letter addressed to him on April 11, 1961, regarding the proposed move of the Quartermaster Food and Container Institute.

In order to clarify some apparent confusion regarding the sequence of events and the dates when certain reports were prepared, the following sequence of events has been established:

March 29, 1961: Organization meeting of task group of the National Research Council

Advisory Board on Quartermaster research and development.

March 31, 1961: Second meeting of the task group.

April 2–6, 1961: Preparation of the task group report entitled: "Special Report on Relocation of the Quartermaster Food and Container Institute."

April 7, 1961: Task group report approved by the Advisory Board.

April 7, 1961: Secretary of the Army's study on relocation of Quartermaster Food and Container Institute, prepared and forwarded.

April 13, 1961: Transcript of the March 31 meeting of the task group received by Army.

April 17, 1961: Transcript forwarded by Army to Congressman SIDNEY R. YATES.

It is noted that the task group report was prepared prior to completion of the transcript of its March 31 meeting. This does not appear to be unreasonable since the task group members were thoroughly familiar with the situation, had examined previous reports on the subject, and had participated in the deliberations of the March 31 meeting.

In regard to specific Army requirements as to land, buildings and personnel for the Food and Container Institute at any location other than in conjunction with their existing research and development facilities at Natick, Mass., I am informed by representatives of the Secretary of the Army's Office that no specific plans have been prepared. I understand that the Army is preparing a letter replying in more detail on this matter as raised in your letters to Mr. McNamara, dated April 5 and 11, 1961.

I am assured that the task group as well as other groups which have considered this problem in the past, gave careful consideration to arguments favoring the relocation of the Institute in Chicago.

Several studies conducted over a period of years by separate groups and by my staff show a preponderance of evidence favoring the relocation of the Institute at Natick, Mass., on the site of the main body of the Quartermaster Research and Development facilities. In view of this evidence, and after considering carefully such advantages as might result from relocating the Institute elsewhere, I have urged that facilities for housing it at Natick be provided as expeditiously as is prudent.

I trust that the foregoing information is fully responsive to your letter.

Sincerely,

HERBERT F. YORK.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., April 28, 1961.

Hon. SIDNEY YATES,
House of Representatives,
Washington, D.C.

DEAR SID: This is in reference to your letter of April 25, 1961 in which you called my attention to the expenditure made by the Department of the Army in connection with the proposed transfer of the Quartermaster Food and Container Institute to Natick, Mass.

I have requested the Secretary of the Army to comment on both the authority for the expenditure of this money and the large amount involved.

As soon as I receive the Secretary's reply to your inquiry, I will make it available to you.

Sincerely,

CARL VINSON,
Chairman.

DEPARTMENT OF THE ARMY,
Washington, D.C., May 1, 1961.

Hon. SIDNEY R. YATES,
House of Representatives.

DEAR MR. YATES: The Secretary of the Army has asked me to reply to your further inquiries, addressed to the Secretary of Defense, concerning the relocation of the Quartermaster Food and Container Institute.

The Army's selection of the National Academy of Sciences-National Research Council Advisory Board on Quartermaster Research and Development to study the problem was made for three reasons. First, the Council was identified by name in the section 108 amendment to H.R. 5000; second, the Council was recommended in the January 1961 "Critical Review of the Proposed Relocation of the Quartermaster Food and Container Institute for the Armed Forces" of the Illinois Institute of Technology; and third, the Army was satisfied that this organization, representing responsible academic, industrial, and research organizations, would provide objective and unbiased recommendations. To insure objectivity, a representative of the Army Secretariat attended the March 29 meeting of this board. On instructions, this representative informed the board members that, although the Army desired their recommendations as promptly as possible, their report must reflect the independent, objective thinking of the board after consideration of all available information.

The Secretary of the Army's study, of which the board's recommendations are a part, was to determine that location in the United States which would accommodate food and container research at optimum efficiency with minimum overall cost to the Government. The conclusion that Natick was the logical location for the Food and Container Institute was reached only after full consideration of the views of all interested parties. This included consideration of the Illinois Institute of Technology "Critical Review."

Your letter indicates that the Army has withheld its requirements pertaining to "land, buildings, and personnel" from the Chicago group. The detailed requirements for the Food and Container Institute at Natick were published in the proceedings of the 86th Congress, and most recently were reflected in the Illinois Institute of Technology "Critical Review." Additionally, no record can be found of any unanswered request from your office for detailed requirements for the Food and Container Institute which could be adapted to any location.

Regarding the availability of overall plans and specifications which could be adapted to any selected location, the Army has never prepared detailed plans for locations other than Natick, since all prior studies over a period of years have consistently demonstrated the over-riding advantage of this location from the viewpoint of operating efficiency and economy.

The Army facility plans at Natick involve the augmentation of existing facilities with a minimum of new construction. Location of the Food and Container Institute at any other site would involve not only the initial new construction items planned for Natick, but also certain additional support facilities which are in being at Natick. This fact has been recognized by the Illinois Institute of Technology. It is generally understood that construction costs at Natick and Chicago are relatively equal. Therefore, it is reasonable to assume that total capital investment costs at a Chicago location would be higher than at Natick. For this significant reason the Army has not prepared detailed criteria, and plans and specifications for the Chicago location.

A comparison of initial construction costs is only one of several considerations which has led to the Army's conclusions concerning the relocation to Natick. The administrative support costs would be approximately $500,000 a year higher at any location other than Natick. There is also the need for approximately 50 more overhead personnel if the Food and Container Institute is not located with its parent command. This is to say nothing of certain essential research equipment that would have to be duplicated by construction at both locations if the Food and Container Institute were not collocated with its parent organization at Natick.

Sincerely,

H. A. GERHARDT,
Brigadier General, GS, Chief of Legislative Liaison.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., May 3, 1961.

Hon. SIDNEY YATES,
House of Representatives,
Washington, D.C.

DEAR SID: Attached for your information is a copy of the letter I received from the Secretary of the Army in respect to the relocation of the Quartermaster Food and Container Institute.

The letter from the Secretary reviews in detail certain of the statements made by you in your letter to Secretary of Defense McNamara dated April 11, 1961 and is a direct response to my letter of April 14, in which I expressed concern over various allegations made in your letter.

Although Secretary's Stahr's letter indicates that he will furnish you with the same information as is contained in the letter addressed to me, I nevertheless am providing you with a copy to insure your receipt of this information.

Sincerely,

CARL VINSON,
Chairman.

MAY 1, 1961.

Hon. CARL VINSON,
House of Representatives.

DEAR MR. CHAIRMAN: I have your letter of April 14 expressing concern over Congressman YATES' allegations that our recent studies on the proposed relocation of the Quartermaster Food and Container Institute were biased, and that the Army had failed to make known its requirements to Illinois interests.

I have reviewed this entire matter as you requested, and, in my judgment, these allegations are without foundation.

Our selection of the National Academy of Sciences-National Research Council Advisory Board on Quartermaster Research and Development to study the problem was made for three reasons: First, this Board was identified by name in Mr. YATES' amendment; second, the NAS/NRC was recommended in the January 1961, "Critical Review of the Proposed Relocation of the Quartermaster Food and Container Institute for the Armed Forces" of the Illinois Institute of Technology; and third, the Army was satisfied that the Board, representing responsible academic, industrial, and research organizations, would provide objective and unbiased recommendations. To insure objectivity, a representative of the Army secretariat attended the March 29 meeting of this Board. On instructions, he informed the Board members that, although the Army desired their recommendations as promptly as possible, their report must reflect the independent, objective thinking of the Board after consideration of all available information.

The purpose of my study, of which the Board's recommendations are a part, was to determine that location in the United States which would accommodate food and container research at optimum efficiency with minimum overall cost to the Government. Insofar as that element of the Advisory Board action is concerned, members of the Advisory Board were present in person at the meeting and thereafter deliberated and reached their conclusions based on all the facts, including their recollection of oral statements of interested parties. My conclusion was indeed made before a transcript of the meeting was completed and was based on the Advisory Board's report, on data contained in the Illinois Institute of Technology

"Critical Review," and on advice and information furnished by my staff. In fact, it is unusual that a transcript was made of this meeting at all. You can readily understand that I cannot often review the original evidence on matters which are brought before me for decision.

Mr. Yates alleges that the Army has withheld its requirements pertaining to "land, buildings, and personnel" from the Chicago group. In his letter of April 11 to Secretary McNamara, he stated, "We have tried in every way that we know to obtain the Army's requirements as to land, buildings, and personnel. All of our requests have been rejected." As far as I am aware, the Army has never received any written request from Mr. Yates for specific information with respect to the needs of the Quartermaster Corps for land, buildings, or personnel. I have been unable to uncover any evidence to indicate that such information was so withheld. In fact, the detailed requirements for the Food and Container Institute at Natick were published in the proceedings of the 86th Congress and most recently were reflected in the Illinois Institute of Technology "Critical Review."

As for the availability of overall plans and specifications which could be adapted to any selected location, the Army has never prepared any detailed plans for relocation of the Food and Container Institute other than to Natick, Mass., since all prior studies over a period of years have consistently demonstrated the overriding advantages of this location from the viewpoint of operating efficiency and economy.

The Army facility plans at Natick involve the augmentation of existing facilities with a minimum of new construction. Location of the Food and Container Institute at any other site would involve not only the initial new construction items planned for Natick, but also certain additional support facilities which are in being at Natick. This fact has been recognized by the Illinois Institute of Technology. It is generally understood that construction costs at Natick and Chicago are relatively equal. Therefore, it is reasonable to assume that total capital investment costs at a Chicago location would be higher than at Natick. For this significant reason the Army has not prepared detailed criteria, and plans and specifications for the Chicago location.

Parenthetically, I point out that a comparison of initial construction costs is only one of several considerations which has led to my conclusions concerning the relocation to Natick. The administrative support costs would be approximately $500,000 a year higher at any location other than Natick. I refer also to the need for approximately 50 more overhead personnel if the Food and Container Institute is not located with its parent command. This is to say nothing of certain essential research equipment that would have to be duplicated by construction at both locations, if the Food and Container Institute were not collocated with its parent organization at Natick.

I deeply appreciate your interest in this vital construction requirement of the Army's, and I hope the foregoing information is adequate for your purposes. In separate correspondence, I will furnish Congressman YATES the same information.

Sincerely,

ELVIS J. STAHR, Jr.,
Secretary of the Army.

Mr. VINSON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

MENOMINEE TRIBE OF WISCONSIN

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4130) to lessen the impact of the termination of Federal services to the Menominee Tribe of Wisconsin, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Colorado? The Chair hears none, and appoints the following conferees: Messrs. ASPINALL, HALEY, EDMONDSON, SAYLOR, and BERRY.

COMMITTEE ON WAYS AND MEANS

Mr. FRIEDEL. Mr. Speaker, by direction of the Committee on House Administration, I call up the resolution (H. Res. 291) to provide funds for necessary expenses of the Committee on Ways and Means, a privileged resolution, and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That, effective January 3, 1961, in carrying out its duties during the Eighty-Seventh Congress, the Committee on Ways and Means is authorized to incur such expense (not in excess of $25,000) as it deems advisable. Such expenses shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on House Administration.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. FRIEDEL. I yield to the gentleman from Iowa.

Mr. GROSS. Will the gentleman tell us what this expenditure is to be used for or does this come under the heading of classified information? There is nothing in the resolution to indicate what it is to be used for.

Mr. FRIEDEL. This resolution authorizes an expenditure not in excess of $25,000 for the Committee on Ways and Means for operating expenses in order to obtain the services of experts on various types of taxes; as well as experts on tariffs and social security. This also includes subscriptions to business and financial publications and special reports on studies made by universities and other acknowledged experts in various fields of the committee's jurisdiction.

Also, it is necessary for the committee to make long distance telephone calls in connection with scheduled hearings. For example, the committee is currently conducting 6 weeks of public hearings on the recommendations contained in the President's tax message and more than 250 witnesses have been called.

The public address system has to be serviced and maintained—as the hearing room is in constant use. Such expenses are borne by the committee. Our committee feels that the Ways and Means Committee has made a very modest request for operating expenses for the 87th Congress. It must be remembered that no committee has any funds for making even long-distance telephone calls unless authorized by a resolution such as House Resolution 291.

Mr. GROSS. This is in addition to the funds already authorized for the committee; is that not correct?

Mr. MILLS. Mr. Speaker, will the gentleman yield?

Mr. FRIEDEL. I yield to my colleague.

Mr. MILLS. My friend, the gentleman from Iowa, knows that there are certain expenditures which committees incur that are paid through the Office of the Clerk of the House of Representatives. But, expenditures of the nature just described are not paid in that way. Telephone bills and things of that sort are not paid through the Clerk's office. This is to enable the committee to get back to a point of solvency, I might say, because the chairman was a little bit derelict in not recognizing the fact that some of these expenditures were not paid through the Clerk's office, and I hope the gentleman from Iowa will not require him to pay these expenses out of his own pocket.

Mr. GROSS. I will say that this is something, when we find the Committee on Ways and Means, the tax-writing committee, at the point of insolvency.

Mr. MILLS. Well, that is the case.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I have asked to proceed for 1 minute in order to ask the majority leader if he can inform the House as to the legislative program.

Mr. McCORMACK. I assume that the pending bill will be disposed of today and, if not, it will, of course, continue tomorrow. But tomorrow the House will take up the election case of Roush and Chambers, House Resolution 339. But, I want to announce to the House that on Thursday, the reorganization plans which I mentioned last week will come up.

I want particularly to call to the attention of the Members of the House that the distinguished chairman of the Committee on Ways and Means has several bills which he will ask unanimous consent to consider on tomorrow. Those bills are:

H.R. 3668 relating to informal entries of merchandise; H.R. 2585 relating to credits against unemployment tax; H.R. 929 relating to prepaid dues income; H.R. 2244 relating to deduction of contributions to certain charitable organizations; and H.R. 4449 relating to importation of religious articles.

Mr. ARENDS. Those will all be on Wednesday?

Mr. McCORMACK. That is correct—tomorrow.

Mr. ARENDS. I thank the gentleman.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 79]

Anfuso	Halpern	O'Konski
Ashley	Holifield	O'Neill
Avery	Hosmer	Powell
Bailey	Ikard, Tex.	Roberts
Barrett	Jensen	Roosevelt
Becker	Karth	Sisk
Burke, Mass.	Kearns	Smith, Calif.
Cahill	Kyl	Steed
Cederberg	Landrum	Teague, Tex.
Cooley	Macdonald	Thompson, La.
Curtis, Mass.	Madden	Thompson, N.J.
Daddario	Mahon	Tupper
Dawson	Martin, Mass.	Walter
Diggs	Mason	Watts
Dingell	Miller, N.Y.	Whitten
Fenton	Moorhead, Pa.	Williams
Flynt	Morrison	Willis
Grant	Moulder	
Green, Oreg.	O'Brien, N.Y.	

The SPEAKER. On this rollcall 381 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONTESTED ELECTION—J. EDWARD ROUSH AGAINST GEORGE O. CHAMBERS

Mr. ASHMORE, from the Committee on House Administration, reported the following privileged resolution—House Resolution 339, Report No. 513—which was referred to the House Calendar and ordered to be printed:

Whereas the Committee on House Administration has concluded its investigation, including a recount of the ballots cast at the election of November 8, 1960, in the Fifth Congressional District of Indiana, pursuant to House Resolution 1; and

Whereas such investigation and recount reveals that J. Edward Roush received a majority of the votes cast in said district for Representative in Congress: Therefore, be it

Resolved, That J. Edward Roush was duly elected as a Representative to the Eighty-seventh Congress from the Fifth Congressional District of Indiana, and is entitled to a seat therein.

Mr. ASHMORE, from the Committee on House Administration, reported the following privileged resolution—House Resolution 340, Report No. 514—which was referred to the House Calendar and ordered to be printed:

Resolved, That the House of Representatives having considered the question of the right of J. Edward Roush or George O. Chambers, from the Fifth Congressional District of Indiana, to a seat in the House in the Eighty-seventh Congress pursuant to H. Res. 1, Eighty-seventh Congress, and having decided that the said J. Edward Roush is entitled to a seat in the House in such Congress with the result that the said J. Edward Roush is entitled to receive and will be paid the compensation, mileage, allowances, and other emoluments of a Member of the House from and after January 3, 1961, there shall be paid out of the contingent fund of the House such amounts as are necessary to carry out the provisions of this resolution in connection with such decision of the House, as follows:

(1) The said George O. Chambers shall be paid an amount equal to compensation at the rate provided by law for Members of the House for the period beginning January 3, 1961, and ending on the date of such decision of the House.

(2) The said J. Edward Roush and the said George O. Chambers each shall be paid an amount equal to the mileage at the rate of 10 cents per mile, on the same basis as now provided by law for Members of the House, for each round trip between his home in the Fifth Congressional District of Indiana and Washington, District of Columbia, in response to the request of the Committee on House Administration for his appearance before the committee in connection with the investigation authorized by H. Res. 1, Eighty-seventh Congress.

(3) The said J. Edward Roush and the said George O. Chambers each shall be reimbursed for those expenses actually incurred by him in connection with the investigation by the Committee on House Administration authorized by H. Res. 1, Eighty-seventh Congress, in accordance with that part of the first section of the Act of March 3, 1879 (20 Stat. 400; 2 U.S.C. 226), which provides for payment of expenses in election contests.

GENERAL GOVERNMENT MATTERS, DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATION BILL, 1962

Mr. ANDREWS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill—H.R. 7577—making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 7577, with Mr. ALBERT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the gentleman from Alabama [Mr. ANDREWS] had 48 minutes remaining and the gentleman from Pennsylvania [Mr. FENTON] had 1 hour and 4 minutes.

The Chair recognizes the gentleman from Alabama [Mr. ANDREWS].

Mr. ANDREWS. Mr. Chairman, I yield 15 minutes to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, at long last, the Supreme Court of the United States has decided the question of the constitutionality of the law which created the Subversive Activities Control Board 11 years ago. That the law was held constitutional, by a 5-to-4 vote of the Court, on June 5 of this year, only serves to make the delay in the decision more painful.

A calm review of the action of the Court is asked for two reasons. I do not feel the Court deserves any loud hurrahs for its action, as necessary as it was. It was high time indeed for the Supreme Court to give power to this attempt by the Congress to restrict those forces who would turn on us from the inside and destroy our precious freedoms through the most devious and damnable of methods.

And since the Communist Party is concerned in this case I feel that the quiet approach is even more important. Indeed, a dangerous situation has developed in our efforts to alert the citizenry to the perils imposed by communism. We have been warned so long and so loudly of this menace to freedom that we no longer listen. The louder the cry of communism, the less we pay attention. In fact, the cry is often raised by those who would speed us to an equally disastrous fate. It is, however, our solemn duty to distinguish between the false cry of "Wolf," and a very real cry of "Bear," for it is a fierce Soviet grizzly that stalks our world.

In this regard—and in admitted fear of the ever-present danger of that Russian bear—I would like to discuss a facet of this world problem encompassed by this decision of the Supreme Court, which has vitalized the Subversive Activities Control Board. In the appropriations bill which we now have under consideration is a modest request for funds for the operation of the Board during fiscal year 1962. Prior to the June 5 decision of the Supreme Court, the item presented a rather strange request by a rather unusual Board. The Board was not even sure that it would spend the money it had requested. Stranger still, the Board had an unobligated balance of approximately $95,000 a year ago and is expected to end the current fiscal year with an unobligated balance of approximately $90,000. You must admit, gentlemen, that this is strange behavior indeed in a Government that has seemingly, though erringly, regarded a dollar spent as a dollar doubled and an extra dollar in the bank.

Why this measure of unprecedented economy by the Board, you ask? Sound administration? Automation? A secret that would wipe out the deficit? Without reflecting in any way on the operation of the Board, I can say that none of these was responsible for this apparent though unfortunate tip of the hat to Mr. John Q. Taxpayer.

Instead, credit has to go to the Supreme Court—and I would add quickly that not a Justice should bow in acknowledgment of any praise at this point. I speak to criticize the Court, not to praise it, and I speak with confidence that Democrats and Republicans will support me in the effort.

The Subversive Activities Control Board was formally organized on November 1, 1950. The Board is an independent agency, which, in essence, is an administrative court. It was created primarily to give fair and impartial hearings in actions brought before it by the Attorney General against specific organizations and individuals. Its hearings are subject to all constitutional procedural safeguards. Appeals from its decisions may be taken to the U.S. Court of Appeals for the District of Columbia Circuit and from there upon application for a writ of certiorari to the

Supreme Court of the United States. The first case heard by the Board resulted on April 20, 1953, in a determination—and quite soundly, I feel—that the Communist Party of the United States is a Communist-action organization.

But what has since transpired is this: Until Monday, June 5, of this year, the Supreme Court had failed to act on the Board's initial case and refused to pass on the constitutionality of the law creating the Board. It had failed to support the Board's original finding that the Communist Party is a Communist-action organization in this country. In fact, it had refused to recognize the right of the Board to exist. Because of the delay in this case—which dates back to 1950—the Board's findings in 11 other cases have been in cold storage. The Board was powerless to enforce the law which the Congress had passed to protect our Nation from the Red menace. The Supreme Court fiddled while America burned. Now that the Supreme Court has spoken, even though it spoke with diverse tongues, the Board's order that the Communist Party and its members register with the Attorney General stands. Progress may now be expected on the backlog of other cases and the money appropriated will be needed.

What justification can be found for this long delay? A Supreme Court that has proved quite willing to look past the Constitution and enter the legislative field in other areas delayed in this case in carrying out the expressed will of the elected representatives of the American people. It was the Congress that created the Subversive Activities Control Board in title I of the Internal Security Act of 1950 in an effort to control subversives' activities in this country. It was the Supreme Court of the United States that stalled and thwarted its effort.

It was the contention of the Communist Party, of course, that this act which restricts its propaganda and exposes its treachery is unconstitutional. But in finally affirming the judgment of the Court of Appeals and the Board in this case brought by the Communist Party, the Supreme Court, in a majority opinion delivered by Mr. Justice Frankfurter, said:

> The Constitution does not prohibit the requirement that the Communist Party register with the Attorney General as a Communist-action organization.

Earlier, Mr. Justice Frankfurter said:

> We do not find that the Congressional assertions that there exist in the United States individuals dedicated to communism, a Communist network, a Communist movement and a Communist organization deprived the party of fair hearings which due process of law requires.

And in speaking of the freedoms of expression and association guaranteed to us by our Constitution, the Court said:

> The Communist Party would have us hold that the first amendment prohibits Congress from requiring the registration and filing of information, including membership lists, by organizations substantially dominated or controlled by the foreign powers controlling the world Communist movement and which operate primarily to advance the objectives of that movement: the overthrow of existing government by any means necessary and the establishment in its place of any Communist totalitarian dictatorship. We cannot find such a prohibition in the first amendment.

Before reaching this decision the Supreme Court on two previous occasions when the case was pending before it chose not to act on the constitutionality of the law. The case was remanded by the Court in 1956. And in 1960 argument was delayed until the subsequent term of the court.

But let me go a little deeper into the background of this situation.

The Security Act of 1950 declared that there is a worldwide Communist revolutionary movement, the nature and control of which presents a clear and present danger to the security of the United States. That danger is just as clear and more present than ever today.

The act aimed to regulate three categories of Communist organizations: First, Communist-action groups, which were defined as organizations under foreign control and which operate primarily to advance the objectives of the world communism movement; second, Communist-front groups, which were defined as organizations under control of and primarily operated to support Communist-action organizations; and third, Communist-infiltrated groups, which were defined as organizations which are substantially directed, dominated, or controlled by individuals who are or have been actively engaged in supporting a Communist-action organization, a Communist foreign government or a world Communist movement.

It is the primary function of the Subversive Activities Control Board to determine, at the request of the Attorney General, whether organizations are Communist-action, Communist-front or Communist-infiltrated and whether individuals are members of such organizations. Individuals and organizations so labeled by the Board in rulings upheld by the courts are required to register with the Attorney General.

The Attorney General is required to keep in the Department of Justice separate registers of Communist-action and Communist-front organizations, containing the names and addresses of such organizations, their registration statements and annual reports, and, in the case of Communist-action organizations, the registration statements of individual members. These registers are to be open for public inspection. The Attorney General must submit a yearly report to the President and to the Congress including the names and addresses of registered organizations and their listed members. He is required to publish in the Federal Register the fact that any organization has registered as a Communist-action or Communist-front organization, and such publication constitutes notice to all members of the registration of the organization.

Under the act a person who violates this registration provision shall be fined not more than $10,000, shall be imprisoned for not more than 10 years, or both, and an organization shall be fined not more than $10,000 for such violation.

Additionally, the effect of the act on a member of the Communist Party, now that it is held to be a Communist-action organization, in brief is this: It would be unlawful for him to hold any nonelective office or employment under the United States; to engage in any employment in any defense facility; to hold office or employment with any labor organization or to represent any employer in any manner under the National Labor Relations Act; or to make application for a passport or for its renewal or attempt to use any such passport.

The Communist Party, or any of its action, front or infiltrated organizations, would not be permitted to transmit through the mail or any other instrumentality of interstate commerce any publication unless it is marked "disseminated by a Communist organization" or to use radio or television facilities without preceding its broadcast with a statement that this program is sponsored by a Communist organization which must be named. The Communist Party or any of its organizations will also be denied tax deductions and exemptions for contributions made to such an organization.

It was on November 22, 1950, that the Attorney General petitioned the Subversive Activities Control Board for an order directing the Communist Party to register as a Communist-action organization. On April 20, 1953, the Board, by unanimous decision, directed the Communist Party to so register. The Communist Party petitioned the U.S. court of appeals to review the order of the Board. The order was affirmed by the court of appeals on December 23, 1954. The petition for rehearing was denied on January 14, 1955.

While the case was pending before the court of appeals, the Communist Party filed a motion for permission to produce additional evidence. The gist of the motion was that the additional material evidence became available after the hearing by the Board and that the evidence would establish that testimony of three witnesses for the Attorney General was false. The Government did not deny the allegations but contended that the findings of the Board were amply supported by evidence apart from the testimony of the three witnesses. The motion was denied on December 23, 1954, when the order of the Board was affirmed. The U.S. Supreme Court granted certiorari. The Supreme Court did not, however, rule on the constitutionality of the Internal Security Act as amended, which required the Communist Party to register, but reversed the judgment of the court of appeals and remanded the case on the grounds that the court of appeals had erred in refusing to return the case to the Board for consideration of the new evidence proffered by the Communist Party's motion.

The court of appeals remanded the case to the Board. The Board finished its reconsideration of the case and returned the case to the court of appeals on December 18, 1956. On January 9, 1958, the court of appeals remanded the case to the Board again with an order to follow the principles laid down by

the Supreme Court in Jenks against United States to the effect that "criminal action must be dismissed when the Government, on the ground of privilege, elects not to comply with an order to produce, for the accused's inspection and for admission in evidence, relevant statements or reports in its possession of Government witnesses touching the subject matter of their testimony at the trial."

On January 9, 1959, the Board issued its modified report, again affirming its earlier determination. On July 30, 1959, the court of appeals again affirmed the Board's determination. On February 5, 1960, the Supreme Court again granted certiorari but did not hear the case until October 11 and 12, 1960. The decision was finally handed down on Monday, June 5, 1961.

Fearing that some, perchance, being unfamiliar with legal procedure, may not be able to gage the proper time for such actions, I respectfully cite portions of the dissenting opinion in the earlier Supreme Court decision. It was written by Mr. Justice Clark, with whom Mr. Justice Reed and Mr. Justice Minton joined on April 30, 1956, when the Supreme Court remanded the case because of Communist Party challenges to the creditability of three Government witnesses, the basis for which was not in existence when the proceedings were concluded before the Board.

Mr. Justice Clark took exception to the remand of the Court and pointed out that the Court "refused to pass on the important questions relating to the constitutionality of the Internal Security Act of 1950, a bulwark of the congressional program to combat the menace of world communism." Mr. Justice Clark said further, "believing that the Court here disregards its plain responsibility and duty to decide these important constitutional questions, I cannot join in its action." He added, "I have not found any case in the history of the Court where important constitutional issues have been avoided on such a pretext."

Later in his dissent, Mr. Justice Clark said:

> The allegations of the motion itself are entirely inadequate in that they point to no particular testimony before the Board as being false. There is no offer to disprove any testimony given and no fact that any issue in the proceeding is controverted.

Before concluding his dissent, Mr. Justice Clark said:

> I abhor the use of perjured testimony as much as anyone, but we must recognize that never before have mere allegations of perjury, so flimsily supported, been considered grounds for reopening a proceeding or granting a new trial. The Communist Party makes no claim that the Government knowingly used false testimony and it is far too realistic to contend that the Board action will be any different on remand. The only purpose of this procedural maneuver is to gain additional time before the order to register can become effective. This proceeding has dragged out for many years now and the function of the Board remains suspended and the congressional purpose frustrated at a most critical time in world history.

This pronouncement of Mr. Justice Clark was in 1956 and yet the case dragged on for 5 more long years as times became even more critical.

Shortly after the original remand by the Supreme Court, it was reported in the Washington Post that—

> Justice Department lawyers said they were astounded by the majority opinion. Some said it may prove to be the most important Communist victory in the courts of the past decade.

Mr. Justice Clark dissented again on February 5, 1960, with the ruling of the Supreme Court to set the case, Communist Party against Control Board, over for argument in October of 1960, the subsequent term of the Court. In his dissent, Mr. Justice Clark said:

> This order, coming as it does in midterm with 5 months of session yet remaining, is without precedent. It delays for another year decisions on two important acts of the Congress—the Smith Act and the Internal Security Act of 1950.

Mr. Justice Clark stated that available time could be had in late March to hear the case. He said:

> I think that this would be entirely appropriate. It would give the Communist Party some 60 days in which to prepare its brief. This is ample time, since the issues in its case are the same as when the case was here before, the record for the most part is identical and the lawyers who argued it then are handling the case again.

From the time when the Board issued its original order in the Communist Party case until last year, a total of 23 other proceedings before the Board have been instituted by the Attorney General. Those that were pending on either of the two occasions when the Communist Party cases were remanded to the Board were necessarily held in abeyance until the Board reexamined the party case. This was because each was based upon the premise that the Board had made a determination that the Communist Party is a Communist-action organization within the terms of the act.

During our hearings on our appropriation for the Subversive Activities Control Board in this session of Congress, Chairman ANDREWS asked Mrs. Dorothy McCollough Lee, the Chairman, if the Board's activities in 1962 and the years thereafter are dependent on a decision in the main case finally determined by the Supreme Court. Mrs. Lee answered, "I would say mostly although perhaps not entirely."

I am reminded in the entire case of a proud young boy who is forced to pass a gang of bullies each day on his way to school. His father has taught him how to fight but his mother has told him that he should not raise a fist. The result was an indecisive young man with a bloody nose and a dwindling number of friends who wondered why he did not strike back.

I kept seeing the United States with this bloody nose in a newspaper cartoon by a Seibel or a Herblock or a Crockett and I did not like it. I did not like it because the instructions of the Congress to the Attorney General to swing away at the man in the red trunks in the opposite corner were being blocked. I did not like it because it was our own Supreme Court that was responsible for one hand of the Attorney General being tied behind his back in this small but significant ring in our fight against Communist thugs.

Now that the Supreme Court has rendered its decision, I welcome the verdict but I cannot cheer. The decision has been too long delayed and the propaganda bruises that have been inflicted upon my country in the meantime still hurt. But we can bathe our wounds in the knowledge that at least one battle has been won, and in the hope that this will be the turning of the tide in our war for survival.

Mr. GARY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. HORAN. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, budgetwise, things are getting out of hand. It is not so apparent in this incomplete bill now before you—but actions taken by this subcommittee bring the entire budget problem into focus.

Those of us who serve on this Appropriations Committee have never been too popular with our colleagues in the Congress. I now feel that we will have to be a lot less popular with you if we are to do our duty.

The Appropriations Committee as we know it today and the Bureau of the Budget—an arm of the Chief Executive—came into being about the same time 40 years ago. Together they were supposed to give the House a feasible tight hand on the expenditures of the people's money, or the use of the people's credit.

Today we have before us another appropriations bill which includes funds for the Bureau of the Budget. The report specifies certain functions we think are essential for the Budget Bureau to concentrate on so as to give our committee and the Congress a very comprehensive review of expenditures by categories of purpose. It is for this reason that we have allowed an increase for that Bureau.

The report states, and I quote therefrom:

> A major responsibility of the Bureau is to coordinate the many and varied activities of the Government. The committee is acutely aware of the many like and similar activities and programs carried on by more than one department or agency, a situation which opens the way to unnecessary duplication and expenditure. The Bureau is urged to continue to direct particular attention toward the avoidance or elimination of any such duplication in every way possible. It is a luxury we cannot afford.

Reference has been made to the totals for weather. We find that more than two times what is in this bill for the Weather Bureau is being spent on weather by other agencies. A few weeks ago we passed a bill for depressed areas activities and $300 million was authorized in back-door spending for that program. It is to be spearheaded by the Department of Com-

merce—yet no hearings were held before the Appropriations Committee on this proposal. No outline of what might be contributed by other agencies, already experienced and funded, to this program.

Last Thursday, our esteemed colleague, the Honorable HOWARD SMITH made a pretty candid speech to the House on the occasion of extending the Korean war excise taxes. I commend his speech to your serious reading. He laid some mighty basic facts right on the line.

To keep this easy to comprehend, I shall quote just one sentence from Mr. SMITH's speech:

> We have, so far this session, been asked to enact new authority to obligate and commit the Treasury in the 2 fiscal years, 1961 and 1962, by $11,813 million above the Eisenhower budget.

This is an astounding sum—and it covers only 2 years.

Almost every revision from the present administration calls for more men and money—get that—more men and more money. These ever-increasing requests remind me of a comment made by Uncle Joe Cannon of Illinois who served in this House for 44 years. As you know, he served as Speaker for many years, and for 10 years as chairman of the Appropriations Committee. Before his death at the ripe old age of 90 years, he reminisced:

> A great many people try to apply the old proverb that public money is like holy water—free to all who seek salvation.

And, that is not all. Waiting at the doors of this Chamber are whole phalanxes of proposals which by direct appropriation, by direct entrance to the Treasury, by long-term planning in the name of continuity and other slick approaches, would skyrocket our present fat budget immeasurably. One wit has suggested that our budget will get to the moon long before spacemen from either Russia or the United States. Two wrongs do not make one right and the fact that we have funded operations, by direct borrowing from the Treasury, to the tune of $108 billion since 1932 does not necessarily grant virtue to that practice.

It is a time for serious meditation on this entire matter.

It is a time to review some of the things our leaders have said and are saying.

President Eisenhower often stated that the Federal Government should do only those things which States or local government could not do for themselves. President Kennedy was applauded when he said:

> And so, my fellow Americans, ask not what your country can do for you: Ask what you can do for your country.

Again, on May 25, President Kennedy in addressing a joint session, said:

> If we are to preserve our fiscal integrity and world confidence in the dollar, it will be necessary to hold tightly to prudent fiscal standards; and, I must request the cooperation of the Congress in this regard—to refrain from adding funds to programs, desirable as they may be, to the budget.

Now, to me, that is good advice.

Mr. Kennedy is the President of our great Nation. As President, he is the leader of all Americans. He is the recognized leader of both Republicans and Democrats. I wish him success in his efforts. His success is my success as an American. It is imperative that he succeed for he wears the mantle of hope for Western civilization. Missile gaps and astronauts may be dramatic in our consideration of the cold war but prudent fiscal standards, annoying as they may seem, are of even, if not greater importance. I think that we should work for and applaud every act of the administration in that direction.

But on May 25, he also proposed programs that have aroused the frantic prodigal among influential Americans, in the press and among Members of Congress.

I am certain that we want to cooperate with President Kennedy. But the achievement of prudent fiscal standards, which he very properly requests, are made vastly more difficult. This is especially true for those members of your Appropriations Committee who have to deal with defense, with ventures into space, and with the continuing international poker game we call foreign aid. And, speaking of poker—some of us think that we have been tipping our hands—even telegraphing them—to our closed-mouthed adversaries who, with a blank and bland face, play their poorer hands more closely to the chest.

Let me repeat right here what our leader said on May 25:

> If we are to preserve our fiscal integrity and world confidence in the dollar, it will be necessary to hold tightly to prudent fiscal standards; and, I must request the cooperation of the Congress in this regard—to refrain from adding funds to programs, desirable as they may be, to the budget.

I would like to make an additional quotation at this point. It comes from an old friend and a very respected former Member, the Honorable Jesse P. Wolcott, now head of the Federal Deposit Insurance Corporation. Appearing before the Rules Committee when he was ranking minority member of the Banking and Currency Committee, he said:

> We are within about 7 percent of socializing America. No country has ever been able to maintain the capitalistic system; no country has ever been able to maintain full sovereignty of its people when more than 35 percent of the national income was taken for the maintenance of the Government, and we are now up to almost 33 percent. Now, assuming we are a little stronger than some of the other countries, we know as an established fact from history that we cannot even go up to 40 percent. We can't take 40 percent of the national income for the maintenance of the Government and continue the American system. That is how serious and imminent the situation is, and that applies not only to this particular bill but it applies to all other bills which call for raising sums of money. You and I in Congress have got to stop and think, otherwise we will perhaps unconsciously change the form of our Government and the American system, which we know and which has made us the greatest country in the world; and bragging about liberty and wearing diamonds and flaunting them in the face of every other country—we are so wealthy we have got to be careful or we will do just what England did, just what Germany did, just what Italy did, and Russia perhaps might do without a dictator—they changed their very form of government from that of a representative democracy to a socialized state.
>
> It is, indeed, a time for all of us to stop and think.

Mr. Chairman, under permission previously granted, I would like to place in the RECORD at this point the latest figures, by States, of the total impact of taxes—Federal, State, and local—on the per capita income of individuals in those States. Excluding Alaska and Hawaii, these range from 27 percent of total income in Alabama and South Carolina, to a high of 41 percent in Delaware. Three other States—Florida, Nevada, and Vermont—have rates of 35 percent or more. New York is at 34 percent.

TOTAL IMPACT OF FEDERAL, STATE, AND LOCAL TAXES ON INDIVIDUALS IN THE SEVERAL STATES

Out of each dollar received by individuals in the various States, the following percentages are absorbed by Federal, States, and local taxes. Of course, the percentages would be somewhat lower if gross national product figures instead of personal income figures were used in the calculations. The gross national product figures, however, are unavailable.

	Federal	Local and State	Total
Alabama	19.1	7.7	27
Alaska	11.5	6.0	18
Arizona	21.7	9.6	31
Arkansas	20.1	8.9	29
California	21.8	9.4	31
Colorado	21.6	9.9	32
Connecticut	24.6	7.0	32
Delaware	34.7	6.4	41
District of Columbia	25.6	7.0	33
Florida	26.7	9.0	36
Georgia	20.4	8.4	29
Hawaii	20.3	(1)	
Idaho	22.4	9.6	32
Illinois	22.4	6.9	29
Indiana	19.5	8.0	28
Iowa	19.1	9.8	29
Kansas	19.9	10.6	31
Kentucky	20.2	7.5	28
Louisiana	20.1	11.2	31
Maine	22.9	9.4	32
Maryland	22.0	7.8	30
Massachusetts	22.7	9.3	32
Michigan	21.4	8.9	30
Minnesota	21.2	10.3	32
Mississippi	18.4	10.5	29
Missouri	22.3	6.6	29
Montana	20.2	10.8	31
Nebraska	19.8	8.1	28
Nevada	25.7	9.1	35
New Hampshire	23.5	8.2	32
New Jersey	21.7	7.6	29
New Mexico	20.0	9.0	29
New York	24.7	9.2	34
North Carolina	20.6	8.1	29
North Dakota	20.5	12.0	33
Ohio	21.4	7.0	28
Oklahoma	21.0	9.2	30
Oregon	21.0	9.3	30
Pennsylvania	22.8	7.2	30
Rhode Island	23.7	8.5	32
South Carolina	18.9	8.3	27
South Dakota	18.0	12.2	30
Tennessee	20.5	8.1	29
Texas	21.3	7.7	29
Utah	20.2	9.3	30
Vermont	24.1	11.3	35
Virginia	20.9	6.9	28
Washington	20.4	9.5	30
West Virginia	19.3	7.8	27
Wisconsin	21.7	9.5	31
Wyoming	22.1	10.0	32

[1] Figures not available from source.

Source: Federal data based on table IV of "Federal Taxation and Expenditures in the Several States," the Library of Congress, Legislative Reference Service, July 29, 1959. State and local data are based on table 14 of "Governmental Finances in 1959," Bureau of the Census, Government Division, Sept. 30, 1960. Federal data are for fiscal year 1958; State and local data are for calendar year 1959.

In inserting this table, I want to say a word of praise for our Ways and Means Committee. Like the Appropriations Committee and the Rules Committee, they, too, are not always popular. But I think that our colleague, WILBUR MILLS, as chairman of that committee, has steered an intelligent and judicious course. Certainly he and his committee have given every cooperation that our President has requested. Let us close the loopholes of tax evasion. Let us also, for instance, as in the case of the abuses of Federal highway funds, tighten the prudent fiscal standards that should apply to Federal expenditures. The application of State sales taxes to materials, the use of licensing and other practices are costing our national highway program between $800 and $900 million annually according to testimony before our committee.

I am not—and I suppose no one is opposed to sound expenditures of public money. The mere fact that we are committed to so many necessary funds makes the need for scrutiny even more essential. Nobody can quarrel with investments in progress which in the end add to our production and our revenues. Nor can we avoid our moral obligations to the unfortunate or the needy. Our defense is a serious matter. It is vastly important that the Congress carefully review the entire budget to make certain we spend wisely.

President Coolidge once said:

> I favor the policy of economy, not because I wish to save money, but because I wish to save people. The men and women of this country who toil are the ones who bear the cost of the Government. Every dollar that we carelessly waste means that their life will be so much the more meager—economy is idealism in its most practical form.

We in the Congress have a job to do. A sound dollar is vital not only to ourselves but to the entire free world. Strange as it may seem a sound dollar is the keystone of even our welfare programs at home. We should avoid the spiral of pension, benefit, and annuity increases that have attended the dollar's descent from 100 cents in 1939 to its low state of 44 cents today.

After World War II the American dollar was the very foundation of world exchange—today the currencies of several nations are more sought after.

We on the Appropriations Committee have made mistakes, and so has this House, but it is never too late to correct them. In this work we should, I think, ask your indulgence and your cooperation. The way ahead is fraught with difficulties but we must press on and solve each problem with intelligence and even sacrifice.

As Saint Paul said in his letter to the Philippians:

> Finally, brethren, whatsoever things are true, whatsoever things are honest, whatsoever things are just, whatsoever things are pure, whatsoever things are lovely, whatsoever things are of good report; if there be any virtue, and if there be any praise, think of these things.

The times demand the best in all of us.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from Washington.

Mr. PELLY. Mr. Chairman, our colleague from Washington has made a statement which goes to the nub of the problem of fiscal responsibility. Many of us have looked to the Appropriations Committee to weigh the needs of the Nation and pressures for money against the amount of revenue that may be in the Treasury. I believe that all of us owe a great debt to our colleague WALT HORAN and the members of his committee for bringing these appropriation measures before us and so painstakingly explaining details as well as the overall problem of fiscal controls.

Mr. Chairman, the gentleman from Washington has pointed up our great weakness; that is, the matter of so-called back-door spending, because where we have had appropriations in the past the Congress has been able to hold the line on expenditures and maintain it within the budget, but when we came to the back-door type of spending where expenditures were made by a Government executive agency through the borrowing of money from the Treasury and spending it without the scrutiny of the Committee on Appropriations, we have exceeded the amount of the budget and our national debt has gone up.

I want to say to my colleague from Washington that I am proud of him today. He made a wonderful speech, and I hope the Members of the House will take it to heart and help the Committee on Appropriations in its difficult task in the days ahead.

Mr. HORAN. I thank the gentleman.

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. HORAN. I yield to the gentleman from New York.

Mr. OSTERTAG. Mr. Chairman, I want to join my colleague from Washington [Mr. PELLY] in commending the gentleman from Washington on a most outstanding statement he has made today. It had a lot of meat in it, it was sound in theory, it was sound in principle, and I am confident that the challenge the gentleman presented in his statement will go far toward the acceptance of our responsibility in regard to fiscal responsibility in our Federal Government.

Mr. HORAN. I thank the gentleman.

Mr. ANDREWS. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. Mr. Chairman, for 7 years it has been my privilege to serve on the subcommittees of the Appropriations Committee covering the Department of Commerce as one, and general Government matters as another. After the reorganization of the Appropriations Committee last year, following the death of the former chairman of the Subcommittee on the Department of Commerce, the two committees were combined under the chairmanship of the gentleman from Alabama [Mr. ANDREWS]. Those of us who originally served on the old Department of Commerce Subcommittee thought we had seen a chairman who knew his work, who was courteous to all of us, and who had a thorough grasp of the subject matter before the committee, the late Mr. Prince Preston of Georgia. Realizing how difficult it is for a chairman to take over a whole new field of subjects and agencies, some of us thought that we were going to have some long, protracted sessions.

I want to pay a real tribute to the chairman of our subcommittee, the Honorable GEORGE ANDREWS, of Alabama. It was clear at all of the hearings during a period of 7 weeks in which we sat that the Honorable GEORGE ANDREWS had done his homework well and consciously. Mr. Chairman, I believe I may safely say that it was more than evident to the members of the subcommittee that such a grasp of the subject area covered during our hearings could only be grasped by untiring and thorough study which was demonstrated daily by our chairman the able gentleman from Alabama [Mr. ANDREWS].

He asked penetrating and searching questions of these agency heads and bureau chiefs in fields with which he had had no previous contact. And, I assure you they were penetrating questions. They opened the door to the committee immediately upon the start of our hearings. He had, as a strong right arm, in digging into these things, the ranking minority member who, unfortunately, is not here today, I understand, because of the illness of his wife, the gentleman from Pennsylvania [Mr. FENTON], and the other minority members. We spent some 7 weeks, and we come before you with a bill which I think merits your approval.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. SHELLEY. I yield to the gentleman from Virginia.

Mr. GARY. I would like to concur in the gentleman's remarks with reference to our very fine chairman. I think he did a magnificent job so far as the hearings are concerned.

Mr. SHELLEY. I thank the gentleman.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SHELLEY. I yield to the gentleman from Illinois.

Mr. YATES. I, too, would like to subscribe to the remarks of the gentleman from California in his high praise of the chairman of our committee. I served with the gentleman from Alabama on the Independent Offices Subcommittee of the Committee on Appropriations in previous years, and it was a delight and a pleasure to again serve with him on this committee. In the past he has exhibited unbounded energy and a keen appreciation of the appropriation process. As chairman I think he has done an outstanding job in connection with this bill, and I look forward to his serving in that capacity in the future.

Mr. SHELLEY. I thank both gentlemen.

I might at the same time, Mr. Chairman, pay a compliment to the clerk of our committee, Earl Silsby, who was at our disposal, for giving us detailed information or acquiring such further details which had not been developed in some of the hearings, whenever we

wanted it, at any hour. He was there early and he left late.

Mr. Chairman, this is the great work of the Congress, the work done by the committees, and particularly is it important in appropriation work. A great deal depends on the chairman's willingness to put in his time, to learn his subject, and to move the hearings along. We had before us 20 different agencies and bureaus of Government, all of the agencies of the Department of Commerce, the Office of the Secretary, the Under Secretaries and assistants, all of the departments immediately answerable to the President, such as the Bureau of the Budget, the Council of Economic Advisers, the Small Business Administration, the White House and its staff. This meant jumping around at times from one field to another.

I cannot help but comment on one thought that seems to have impressed itself on three of the previous speakers. It impressed itself also on my mind. Reference has been made to the Weather Bureau. The Weather Bureau, which under the law, has the primary responsibility for gathering, studying, and disseminating information on weather, setting up a primary and secondary warning system on weather changes or weather dangers, is only getting or expecting today one-half of what the Air Force is getting for weather study, only about as much as the Navy is asking and getting for weather study. In addition the Department of Agriculture, the Coast Guard through the Treasury, the Federal Aviation Agency, and a host of others operate in the gathering and reporting of weather data. There is something wrong here. Granted, it is a new path in the scientific field in which we have these agencies or bureaus each competing and aspiring to outdo the other in getting control of a field for which there is an established governmental agency.

In our hearings the chairman called this to the attention of the Director of the Budget on whom rests the prime responsibility to prevent just this sort of duplication and he, Mr. ANDREWS, emphasized the need for the Director of the Budget to coordinate these requests from the various departments before they come before the Congress. He was told in very emphatic terms by the chairman that this matter should be studied and a report made back to our committee.

Throughout our hearings there developed another possible field of duplication of effort with contending departments, separately and individually, requesting huge sums of money for their individual departments. I refer specifically to the new area of the science of oceanography.

In this great scientific age which, of course, is going to mean the expenditure of more money, the acquisition of new equipment, the hiring of new personnel with greater and more advanced educational backgrounds, and new techniques. So that all these departments are moving in.

Now we also have the field of oceanography and we find now about four Government agencies moving into that field. True, perhaps the Air Force may need some weather information peculiar to their own use, the Navy for fleet maneuvers or ship operations, the Air Force for flight conditions, and so forth. But why does any Government agency need more of an operation in that field than the agency which was set up to operate in that field?

Mr. DOMINICK. Mr. Chairman, will the gentleman yield?

Mr. SHELLEY. I am happy to yield to the gentleman.

Mr. DOMINICK. Mr. Chairman, I would like to ask whether in consideration of the appropriation for the Weather Bureau the gentleman or his committee made any analysis of the accuracy of Weather Bureau forecasts and the amount of money that is spent by the Weather Bureau in this facet?

Mr. SHELLEY. We did not have the time to make an analysis of the accuracy of their reports. I do not think there is any person, including the meteorologist with the Weather Bureau, who will ever guarantee, right down to the *n*th degree, any of their forecasts or reports. We did find this out, that the Weather Bureau, like so many of these Government operations, is going through a great period of transition, with the use of new scientific instruments, with information that is being gathered from Tiros, and so forth. I think the chairman made reference to that, to the picture that was taken from Tiros I, which was taken all the way from the Siberian coast, clear over to the islands in the Atlantic, and which showed all of the North Pacific, all of the North American Continent, the Arctic area, clear over into the Atlantic area. They said that more information was made available in that one set of photographs from Tiros than could have been gathered by 10,000 people over a 10-month period, from 1,000 ships at sea.

They also said—and we are not skilled to evaluate properly their statement, or judge how much weight should be given to it—that this information will be far more reliable than the normal weather station reports on which they have relied heretofore.

Mr. DOMINICK. Mr. Chairman, I thank the gentleman. I was referring specifically to the long-range forecast program which I think if you make any analysis of it you will find that after 30 years of spending public funds on efforts to find reasonable methods of forecasting, the Weather Bureau is doing a worse job as far as accuracy is concerned, than they did 30 years ago. I would suggest, perhaps, that when the appropriations come up again for further consideration, the gentleman and his committee might investigate the possibility of using other sources for getting this information because I believe there are other sources available.

Mr. SHELLEY. The gentleman has touched on one of the points we made in our hearings, that there has been a lack of coordination on the part of the Weather Bureau and some of the others to gather from one source all of the data that is available even today. Heretofore they have depended primarily on reports from ships at sea. But there are airbase reports, there are Navy reports, there are Coast Guard reports, there are weather station reports, there are all sorts of commercial reports. I personally think, as do most of the committee, that there has been a failure to coordinate, to analyze and to evaluate in one report the information gathered from all of these various sources.

Mr. Chairman, I want to close by emphasizing the necessity for the Bureau of the Budget, for whom we appropriate the money through this committee, and which employs approximately 450 people in permanent positions—far, far more than the Appropriations Committees of the Congress employ—I want to emphasize that the responsibility rests upon them and on the man to whom they are responsible, the President of the United States, to look into what can be a great new field of careless and wasteful expenditure and duplication, in the various scientific activities which we are now entering.

I do not think there is any question about any of the other items in the bill. I will not go into an explanation now, Mr. Chairman; I would rather wait until the general debate is over and then see what questions may be asked.

Mr. HORAN. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, the consideration of H.R. 7577, making appropriations for sundry agencies including the Department of Commerce, for fiscal year ending June 30, 1962, provides an appropriate time for me to express my views to the members of the Committee on Appropriations. I want to express my views on a new Department of Urban Affairs.

First, Mr. Chairman, I wish to express gratification that the appropriation for the Department of Commerce provided for in this measure is $38 million below the budget and $135 million below 1961. I congratulate the Committee on Appropriations and as I said earlier in the debate, many of us count on this great committee to hold the line and weigh the needs of the various Government programs as against the urgency and the amount of revenue in the Treasury. Also, as I said earlier, the Committee on Appropriations has been successful during past years in cutting expenditures below budget requirements, but unfortunately, through the process known as back-door spending the agencies of Government have greatly exceeded the budget and their expenditures have been without the scrutiny or control of Congress.

Mr. Chairman, President Kennedy has asked Congress for legislation to create a new Cabinet post concerned with housing and urban affairs and certainly, with 70 percent of our people living in metropolitan areas, this request has considerable appeal. Even more so, it has appeal because our urban communities have been experiencing serious problems due to population migration, as well as housing and transportation problems. Indeed, Mr. Chairman, it may well be that the Federal

Government has some responsibility in this matter, because grants for slum clearance and subsidized public housing and other Federal programs have gone a long way toward creating these problems. Also, the Federal Government's priority on taxes has made it difficult for local communities to finance their needs.

However, Mr. Chairman, I wish to express, after careful consideration, my opposition to the Federal Government accepting more responsibility in the field of financing urban needs.

Metropolitan area problems have been studied and investigated for the past two decades, but there is one fact which hardly will invite debate, namely, that if the Federal Goverment establishes a new agency to deal with urban affairs the net result will be that local communities' efforts to solve their own problems will rapidly diminish, while the pressures and promotion of new and greater Federal spending and responsibility in this field will greatly increase.

The critical situation of city services ties in, of course, with population congestion and increased use of the automobile. As a result, industry and middle-income families from modern cities, and with them tax revenues and job opportunities have tended to move into the suburbs. In the wake of this movement was the influx of low-income families arriving in larger cities, looking for jobs and needing schools and other facilities. Expanded needs for more water, school, sewage disposal and other similar city services has resulted.

In some communities, the suburbs and cities have joined together in seeking solutions for these problems by forming metropolitan districts. Many cities are meeting their own problems.

The solution, Mr. Chairman, has seemed to many mayors and city officials to be to come to Washington. There has been a great interest in this proposal to create a Department of Urban Affairs. On the other hand, many thinking officials and community leaders have felt equally strongly that no Federal aid or supervision should interfere with the exercise of local responsibility. I believe, Mr. Chairman, that the Federal highway program, as it has affected cities, is a good example of the clash of thinking as far as Federal versus local and State responsibility is concerned. But in this argument let no one overlook the fact that the Supreme Court of the United States has clearly asserted that where the Federal Government subsidizes it has an obligation to regulate. Let no one think that a local community can escape Federal control if it takes Federal dollars, be it for schools or be it for sewer plants.

Mr. Chairman, I have long believed that the best interests of the Nation would be served by limiting Federal responsibility to those areas specifically outlined and written into the Constitution by our forefathers. I firmly believe that the Federal Government should only help States and local communities when these States and communities cannot help themselves. I have firmly believed that the less government is the best government and that the less taxes collected by the Federal Government, the better it is for the Nation.

Mr. Chairman, if this Congress establishes a new Department of Housing and Urban Affairs, in my opinion it is just one further step toward the welfare state and another heavy burden on the debt-ridden taxpayer.

Year by year, the Federal Government increases in size. The number of its employees increases. The number of its programs increases. The number of new responsibilities increases.

The bureaucrats in these Federal agencies are ingenious in perpetuating and expanding their responsibilities. The best example of this I know today is the Department of Health, Education, and Welfare. Any Member of Congress who goes to the Commissioner of Education can obtain a pamphlet outlining a blueprint for Federal aid to education. Under the Constitution, this plan simply means that eventually the Federal Government would control education and eventually it would dictate what is taught in our schools.

Mr. Chairman, if we set up a new agency for urban affairs it will be the same. It will mean more units of subsidized public housing. It will mean more uneconomical programs for subsidized housing. It will mean more Federally subsidized city sewer plants. It will mean programs for the financing of city transit systems and the financing of parking lots. It will mean thousands more Federal employees.

Also, it will mean diminished effort at the local level to meet the problems of the cities. Mr. Chairman, I fear the trend in this country. I have watched the power of the legislative branch being increasingly transferred to the executive branch of Government. This is bad. The representatives of the people should never delegate their responsibility to control and manage the affairs of this country.

The same is true with our States and our counties and our cities. The officials and duly constituted authorities in State and local governments are all giving up their responsibilities to executive agencies of the Federal Government. They do this in exchange for Federal dollars.

The trend started with grants-in-aid, whereby local bodies were induced to give up their authority in return for grants. Truly, they have sold their heritage for a mess of pottage.

Mr. Chairman, I hope that the members of the House Committee on Appropriations will heed my warning. Certainly none of the Members of the House are more conscious of the need of a balanced fiscal program and the need likewise to resist spending pressures. Certainly the members of this great committee will recognize, more than others perhaps, that once the new agency is established it will entail expensive spending pressures and costs. It will entail more centralization and big government.

The Kennedy Task Force on Housing and Area Development recommended the provisions of Cabinet status for an agency on housing and urban activities. In his message to the Congress relative to the national housing program last March, President Kennedy recommended the creation of this new department.

Since then, I have been seriously considering this recommendation and in this connection let me say I believe it is politically unwise, administratively unsound, and financally unnecessary.

As I said earlier, I am opposed to further centralization of authority in the Federal Government. Already, the Federal Government has usurped powers and sources of revenue which rightfully belong to city and State governments.

The creation of another administration unit will further serve to confuse the problems of metropolitan areas. As the representative of such an urban congressional district, I have watched Federal programs in the past and, frankly, I have been forced to conclude that too often the problems of cities are caused by the Federal Government itself. It should stay out of local affairs. Indeed, I have concluded that the less the Federal Government meddles in their affairs, the better off will be the people who live in cities, because on a case by case basis and with local public opinion to stimulate action, the cities will better regiment their own forces at home to overcome their problems. Waiting for and begging Uncle Sam will cease.

Finally, a new department is not necessary because existing agencies are already equipped to coordinate the Government's programs and, certainly, Mr. Chairman, congressional policy regarding legislation affecting urban areas is not going to be changed by the establishment of a Federal department with Cabinet status.

These thoughts have come to me, Mr. Chairman, in connection with this appropriation measure. I have spoken today because I felt that the members of the Committee on Appropriations who are preponderantly in attendance at this time would understand my viewpoint perhaps better than other Members of the House.

In conclusion, I repeat, I am for less Federal Government, not more Federal Government, and I urge my colleagues to consider the results if a new Department of Urban Affairs, as proposed by President Kennedy, is established. We need less Government agencies, not more of them.

Mr. HORAN. Mr. Chairman, I yield our remaining time to the gentleman from Nebraska [Mr. WEAVER].

Mr. WEAVER. Mr. Chairman, in commenting on this appropriations bill I would like, first of all, to commend highly the distinguished gentleman from Alabama [Mr. ANDREWS] for the admirable way he has presented the facts and figures contained in the bill. I would like also to commend him for the able, impartial, and fair way in which he conducted the hearings of the subcommittee.

I would also like to say that the ranking minority member of the subcommittee, the distinguished gentleman from Pennsylvania [Mr. FENTON], too, contributed largely to the success, impartiality, and thoroughness of the hearings. I also want to thank the staff

assistant, Earl Silsby, for his help and ever-ready cooperation. The hearings held by the subcommittee were very complete. Every expenditure was scrutinized carefully and every activity of the various agencies was given full consideration.

I am going to address myself primarily to one aspect of the activities of the Small Business Administration which was very thoroughly aired during the course of the hearings, the record on this subject covering 34 pages—from page 471 to page 505 of part 2 of the hearings.

This portion of the hearings refers to the practice of setting aside defense construction, maintenance, and repair contracts—as distinguished from other procurement programs—for the exclusive bidding by small contractors.

Generally speaking, all defense construction contracts of $500,000 or less are earmarked for exclusive bidding by small contractors. In other words, almost automatically and without formal application these contracts are set aside. In other, larger contracts, SBA sometimes intervened in behalf of small concerns. This, however, is done on a specific and selective basis. However, I have been told that in the Omaha, Nebr., area this $500,000 figure has only recently been raised to $750,000.

This situation in the construction field—as compared with general defense procurement—is such that the full Committee on Appropriations, on page 15 of the report adopts the following language—

I quote:

Some members of the committee feel that from the hearing record the defense construction set-aside program for small business has been so interpreted as to give contracting authorities little discretionary power. The result, they feel, has been an inflexible application of the program not found in other areas of defense procurement. Almost automatically all projects of $500,000 or less, and in some cases in excess of that amount, have been set aside without regard to the cost-increase factor, local economic situations or the possible effects on construction firms themselves. Some members of the committee are concerned that this policy, as well as the entire repair, construction and maintenance set-aside program of the Small Business Administration will result in increased cost to the Government and urge that the entire subject, including analysis of costs, be studied by the Small Business Administration, the Department of Defense, and the appropriate committees of Congress with a view toward clarifying and perhaps modifying the regulations to insure protection to the taxpayer as well as to small business. The committee concurs in SBA's suggestion that conferences be held and encourages all parties to the program, including construction industry representatives to participate in order to clarify the situation and provide coordination which now appears to be lacking.

As noted, this language is based on and is consistent with the hearing record and deals with only one of the functions of the Small Business Administration where things seem to have developed in a manner not intended by the original SBA Act. This portion of the committee report is designed to assist SBA in discharging its responsibilities placed upon it by the Congress and the American people.

Mr. Chairman, I believe most of us in this Chamber feel as I do and have vigorously supported the Small Business Act. I know that I have always supported adequate financing for the Small Business Administration to carry out its assistance programs for small business. I believe firmly—as I know most of my colleagues do—that sound administration, both now and by the former Administrator, has helped many small business firms throughout the country to expand and has placed them once again in a sound financial and competitive position.

As a member of the Appropriations Committee I believe I owe a responsibility to the American taxpayer to guard his interests as much as possible. I know my colleagues on the committee feel this way, as do most Members of this House. Another part of our job is to see that government functions as smoothly and efficiently as possible with the funds provided. For these reasons I am concerned—as I know all my colleagues are—with any program which has built-in inflationary tendencies and forces the cost of government to go up. Every year we consider a military construction appropriations bill and the committee action in this report could—in the long run—have a very real effect on how much we will have to spend in that field.

I would like to stress here that the committee report on this bill refers only to the construction set-aside program. In other phases of defense procurement the set-aside program has worked remarkably well and both the present Administrator, Mr. John Horne, who happens, incidentally, to be a constituent of the chairman of the subcommittee, and his predecessor, Mr. Phillip McCallum, are to be highly commended.

However, the construction industry is far different from manufacturing. In the case of regular defense procurement, SBA and the Department of Defense have been able to establish a clear-cut policy, set high standards and draw up yardsticks by which the quality and performance capability can easily be judged. After all, one transistor designed to do a specific job is just exactly like another transistor, whether manufactured by RCA, Western Electric, or by some small firm. The price tag, too, can easily be judged and prices bid by small firms can be measured against prices quoted by the bigger concerns.

In order to insure this ability to judge and compare, contracting officers—to use their phrase—test the market by making a partial set-aside for small business. And they can take an item from the list for exclusive small business participation to compare bids with those received from bigger concerns.

This obviously cannot be done in construction. While two transistors may be identical, there are no two construction projects exactly alike. Even identical buildings, unless they are placed side by side, do not cost the same amount. And then, for one thing, soil conditions vary from block to block within a city, from State to State, and from region to region. There is also the matter of the elements. You can go right on operating an assembly line even if it is pouring down rain outside. A heavy rainfall can delay a construction project for days or weeks with additional costs to be considered. There is also a great difference in labor costs from area to area.

When the program of setting aside construction contracts was first inaugurated by SBA, the Departments of the Army and Navy did not participate. However, the language of the amendment to the Small Business Act sponsored by the previous administration in 1958 was so worded that SBA felt it had a mandate to enforce a wide-scale construction set-aside program.

Some of us do not feel that this is the case and so we have introduced legislation to correct it. I, for instance, introduced H.R. 3690 on January 31 of this year. Our colleague, the distinguished gentleman from Louisiana [Mr. McSWEEN], also has introduced legislation of a similar nature designed to accomplish the same purpose. A bill identical to mine has been introduced in the other body by the distinguished gentleman from Montana, Mr. METCALF. As you can see, this is a strictly bipartisan—or better—nonpartisan approach.

After introducing my legislation I visited personally with the chairman of the House Committee on Banking and Currency about it and the gentleman from Kentucky [Mr. SPENCE] responded by asking for an agency report on my bill. As of this date I have not seen such a report forthcoming and it would appear to me that the language in this Appropriations Committee report is a clear and definite suggestion to SBA to get such a report in the works.

Under the language of the 1958 act, SBA went back to the Department of Defense and requested set-asides in construction. The Department agreed and, as far as the Corps of Engineers was concerned, contracts of $50,000 or less would be set aside. Application would have to be made for projects larger than that.

At about the same time, SBA undertook to rewrite the rules on the size factor of concerns designated to participate in the exclusive bidding program. Prior to 1958 contractors employing 500 or less were considered small concerns. The rules were changed though, and now read that in construction, a small business concern is one which is not dominant in its field, is independently owned and, finally, did a gross business of $5 million or less—on an average—over the past 3 years.

SBA makes much, on page 501 of the hearings, that it called a public hearing on these rules changes in November of 1958, and that only one person showed up and that the hearings lasted a total of 20 minutes. In view of the fact that at that time contracts involved amounted only to $50,000 or less and that formal application had to be made

on any larger than that, this is not surprising.

Early in 1959, however, I began to get complaints from constituents, most of them among the category of small contractors, about this departure from tradition. I looked into the matter and conferred at that time with the chairman of the House subcommittee on military construction appropriations, the gentleman from California [Mr. SHEPPARD]. In May of 1959, the construction set-aside program was abandoned by both Defense and SBA. Those of us concerned with the problem thought at the time it was solved.

In August 1960, SBA reactivated the program. Now, however, it involved contracts of $500,000 or less—not the $50,000 limit as before. On September 1, 1960, I wrote to the Administrator and I would like to quote from that letter. I said:

Your complaint is that the percentage of contracts handled by small firms declined between 15 percent and 20 percent from the 68 percent of all contracts which were handled by small firms a year ago.

Incidentally, I brought this matter of percentages up with the new Administrator during the subcommittee hearings this year and I got a different set of figures. Our exchange appears on page 472 of the hearing record. I asked Mr. Horne:

Do you have any figures as to what percentage should go to small business?

Mr. HORNE. Well, based on the 1958 figures, 73 percent would not be an unreasonable amount.

The SBA, therefore, wants to insure that 73 percent of all defense contracts go to small contractors. Well, let us take a look at what has happened in another agency. In a letter from the Bureau of Reclamation which appears on pages 487 to 488 of the hearings, Mr. Floyd Dominy says:

This Bureau recently made a limited survey of construction contracts amounting to less than $500,000 each which were awarded by our principal contracting officer, the assistant commissioner and chief engineer in Denver during the 26-month period ending February 28, 1961. During this period he awarded 111 such construction contracts with a total face value of $15,377,590, of which 99 awards, totaling $13,553,955 went to small business firms.

Mr. Chairman, may I remind you this was when the set-aside program was not in effect. This is a lot better than the 73 percent the SBA is suggesting. It indicates that small business contractors willing to compete openly can count on getting—not 73 percent—but up to 81 percent of such contracts. That is about what the Bureau figures total.

In my September 1, 1960, letter to the Administrator I tried to point out to him why the decline he complained of had taken place. Again, quoting from my letter to the Administrator I said:

For one thing, construction work is concentrated now in the field of missile launching sites. These programs are far too big for the "small" contractors possibly to handle. In areas where small contractors have gone in on a subcontracting basis, many have found themselves over their heads and have gone under.

There was another and even more important reason for this decline in small contractor participation, as I explain further along in my letter. I continue:

You, yourself, have created a situation leading to a statistical decline in the number of "small" contractors doing business with the Department of Defense.

You have changed the definition of small contractors from that of an employer of 500 or less to that of a contractor doing less than $5 million in gross business on an average over a 3-year period. This definition has substantially lowered the number of small contractors and, consequently, has statistically lowered the number of firms doing business and the percentage of all business they are doing. If the old criteria were applied, I think you would find the percentage of decline would be a great deal less.

At this point in my letter I outline to the Administrator my own reasons for opposing the reactivation of this set-aside program. The evidence introduced during the hearings on this bill amply supports the reasons expressed nearly 10 months ago.

Quoting again from that September 1 letter, I said:

It is my contention that your action, if followed through to its ultimate goal will result in at least a 10-percent increase in the cost of construction for all defense facilities.

This program is so vast and so terribly expensive that I feel every effort should be made within the Department of Defense to get the best possible price for every construction project, regardless of size and regardless of the number of bidders. No favoritism should be shown any segment of the industry—at the cost of increased taxes Americans would have to bear.

It is my hope that the Small Business Administration will reconsider, as it did a year ago, and withdraw the formal request for set-asides.

I did not let the matter rest here. I got in touch with defense construction people, with industry representatives and with others interested in the problem. I did a good deal of research and on October 19, 1960, I once again wrote to the Administrator.

I told him:

Both your letter and these researches confirm my earlier opinion that your agency is embarking on an unwise and unsound course in creating a defense construction set-aside program.

It is your contention that the defense construction set-aside program will not increase costs. I find this hard to believe.

Historically, a contractor's growth depends upon his ability to bid competitively through development of new techniques, new equipment and new efficiencies. The nature of the business is such that only through these ingenuities could a contractor expect to grow or stay in business. Once this competition is destroyed by Government subsidy to one segment of the industry, rising costs are inevitable in that segment; there can be no other alternative.

I discuss this same point further in that October 19 letter. I continue to quote:

I would like to point out, too, that your program may be self-destructive and that the only loser will be small business itself. Once protected by a canopy of Government subsidy small contractors will lose their initiative to compete and grow. The tendency will be to remain small so as to qualify under your new regulations. Only the desire to grow fosters growth. Your action will inevitably destroy this desire to grow in one very large segment of our American industrial economy.

In this connection I would like to quote from a letter of a friend of mine who happens to be a former attorney general of the State of Nebraska and who is presently in the construction business. In this unsolicited letter he says:

A great many small contractors are looking to the future when they will become big contractors. They do not want any program that will either force them to stay small or force them out of business if they become large and that is exactly what the set-aside program will do to many small contractors.

This raises the question of just who wanted this program in the first place. I have visited with contractors and have gotten in touch with the Associated General Contractors which represents 7,000 members. Of this number 89 percent are in the category classified by SBA as small. They have told me emphatically that they do not want this program and that the vast majority of their membership has gone on record against this type of program. I have received a letter from the Associated General Contractors of Wyoming. The letter states that of their 69 members, 66 were small. That group, too, was overwhelmingly opposed to the set-aside program.

One of my basic contentions has been that there is far too much unilateral action on the part of SBA, in this arbitrary construction set-aside program. There have been too few conferences involving industry and construction people in the Defense Department. In my October letter to the Administrator I point this out in these words, and I quote:

Let me reiterate that if you will confer at great length with those in the Department of Defense who are dealing daily with these problems and also with representatives of the construction industry, you will find that you have embarked on a course which will lead to higher prices, more of a tax burden, inflationary pressures and the ultimate destruction of an industry. I do not feel this to be in the best interest of America.

In the interest of the national defense program you should reschedule another public hearing not later than early in January on your definition as well as the economic need for your action under a very broad interpretation, that you should qualify contractors for defense work who are not presently qualified.

In this connection—my request for another hearing or further conferences—I would like to quote from a letter by Admiral Corradi, the Acting Chief of the Navy Bureau of Yards and Docks who, it appears, has had similar thoughts. The admiral says on page 474 of the record from his letter, and I quote:

We contemplate an early meeting between officials of the Department of Defense and Small Business Administration on the subject of construction set-asides.

It was 10 months ago that I suggested such a meeting. In his March 29 letter of this year, Admiral Corradi suggested such a meeting. When I pointed out the admiral's comment to the Administrator, on page 475 of the hearings, his response was, and again I quote from the hearings:

> Congressman, we have not consulted with the Bureau of Yards and Docks.

So, as of now, no conferences held. It is the hope of the committee, as expressed in this report, that such conferences will be undertaken, and soon. And, further, the committee hopes that such conferences will include all interested parties. That is part of the language of the report.

It would seem to me only logical and sound judgment to hold many such conferences prior to undertaking such a broad program. The rise in cost-factor should have been considered. Let me quote one sentence from a letter by the Department of the Army appearing on page 486 of the hearings. That sentence reads, and I quote:

> It is not possible, once a set-aside has been made, to estimate any increased cost.

There can be no question but that these 10 months of a major set-aside program have forced prices to go up.

All of the factors I have listed and which appear in the hearing record—the inflexibility of the program, lack of coordination, no yardstick by which prices can reasonably be judged—add up to one overwhelming conclusion and that is that this program has already begun to cost more and the process will spiral dangerously in the years just ahead.

I would like to state here with all possible emphasis that there is no inference that small contractors will be getting together to conspire, there is no inference of collusion intended or meant. However, I would like to point out also that when any contractor finds that his stiffest competition is not allowed to bid on a given contract, this is not a desirable situation. The Army Corps of Engineers recognizes these facts on increased costs and has, I understand, at long last been asked its opinion on the subject. Their report has been forwarded to the Secretary of Defense.

I would like once again to refer to a letter from the Department of the Army. On page 486 of the hearing record it is stated, and I quote:

> The Corps of Engineers reviewed basic contracts awarded to large firms which were also bid by small firms for the period of July 1, 1959, through January 31, 1960.

I would like to interpolate here that there was no set-aside program during this period so a comparison could be made. Again quoting from the hearings:

> The review discloses that for the 107 contracts totaling $156,162,351 awarded to large firms the lowest small business bids totaled $175,045,308. This latter figure is 12 percent in excess of the total contract award amount.

Again let me point out that the Corps of Engineers will be handling close to $2 billion in construction during the coming year. If, as SBA has indicated, 73 percent of that money should go automatically on a set-aside basis to small business, then a 12-percent increase would total just about $160 million extra we are going to have to spend.

This 12-percent figure is not mine. It comes from the Corps of Engineers—the people who are directly responsible for a tremendous amount of military and civil construction every year.

Concerning the prospects of increase in price, the Navy Bureau of Yards and Docks is even more blunt than the Corps of Engineers. Admiral Corradi says on page 473 of the hearings, and again I quote:

> Speaking only for this Bureau I believe you will find most of the people immediately concerned with construction are of the opinion that our program will cost us more under set-asides.

To those who might say, "But these are only estimates," I would like to point out some examples of what has actually happened under the set-aside program. I have, incidentally, prepared a list of these examples which is available to any of my colleagues who are interested.

A case in point—and perhaps the most glaring—involves construction of the Shepard Air Force Base Hospital and clinic at Wichita Falls, Tex. This case appears on page 481 of the hearings. The contract was for $4½ million—far more than the $500,000 automatic set-aside limit. One firm was declared unresponsive—and I want to go into more detail on that a little later on—and the job was awarded to a small firm. The increased cost to the taxpayers on this job was $165,000. This is 15 percent of the project's cost.

There is another interesting case involving some channel dredging at Norfolk, Va., on page 474 of the hearings. The Navy wanted 8,000 cubic yards of material removed. A big firm bid $1.09 per yard but was declared out of the bidding because of size. The contract was awarded to a small firm at a cost of $2 per cubic yard. This little transaction cost us an added $7,280—or an increase of 83 percent. The important point here is that it not only cost unnecessary money, it points up how tightly the Navy people feel their hands are tied by present regulations. In other words, they do not have discretionary power. It indicates, too, the inflexibility of the program.

I will not press the point further but would like to cite just one more example. It involves the dismantling of a heating plant at the Richard I. Bong Air Force Base in Wisconsin. Charles Simkins & Sons bid low at $561,493. But the Simkins bid was thrown out because of the size of the firm. The bid accepted was $658,464, an increase of 15 percent—or $129,864. This is another example where a project larger than the $500,000 limit was set aside.

I would like to go back to that Shepard Air Force Base hospital business and discuss it briefly. It is interesting because it points out the utter confusion which can be created in an industry under a program of this magnitude when it gets started.

To start with, this job involved a lot more than the half-million dollar limit. The estimate was for $4½ million but the SBA asked that it be set aside.

The B. L. Abbott Co. of Houston, Tex., was low bidder on the job but was turned down by SBA on the grounds it was a big business firm. I looked into this further and would like to report on it.

On page 481 of the record appears a letter from Mr. George R. Drake, a vice president of Johnson, Drake & Piper, a quite large construction company. In his own words this is the story he tells and I quote:

> A very capable ex-employee of ours starting out in business for himself decided his firm, the B. L. Abbott Co., would like to bid this work. Because of the size of the job, Johnson, Drake & Piper was asked by him to indemnify the required performance and payment bonds and to supply certain sums of money, at interest, for working capital in the event he was awarded the job and did the work. As we have done in several other cases we agreed to this simply because Mr. Abbott had been a valuable employee of ours prior to this time. The SBA, according to Mr. Abbott, determined that the B. L. Abbott Construction Co., although set up in every way to meet the technical criteria of SBA standards for a small business concern, was not a small business concern but was actually an affiliate of Johnson, Drake & Piper.
>
> Their reason was ostensibly that because Johnson, Drake & Piper had agreed to loan money to the B. L. Abbott Construction Co., at interest, we therefore controlled his corporation.

What is the difference between borrowing money from a big construction firm and borrowing money from a big bank? When asked about this the Administrator, on page 484 of the hearings, said that it was because both firms were involved in the same kind of business. I would like to point out, as I did in the hearings on page 493, that I know of many banks which, when loans were defaulted, took over the business firms to which the money was loaned. Supposing a bank lends money to an auto dealer and he goes broke and the bank takes over the firm. Does this then prevent any other small auto dealer from borrowing money from that bank? It is questions such as these that make one ponder about this construction set-aside program.

It is evidence such as that recited in the hearings that make construction people in the Bureau of Yards and Docks, the Corps of Engineers and the men who work in the construction field on a day-to-day basis, contend that this program will cost the American taxpayers millions of wasted dollars. It is evidence such as this that has caused contractors, both small and large, to complain to me that the program is creating chaos in the construction industry.

It is evidence such as this—all of which is open for you to read and examine—which prompted the committee to include the language it did in its report.

It is my sincere hope, Mr. Chairman, that this language will have the effect it is intended to have. I hope that the SBA, the various construction agencies of the Government and representatives of the construction industry will gather around a conference table and work out a solution which will be of help to all—and particularly to the American taxpayer.

Mr. Chairman, earlier in connection with defense construction set-asides I mentioned the examples of increased costs. Following are some of the examples of increased costs I referred to:

	Increased costs to taxpayers	
	Amount	Percent
1. Navy, Norfolk, Va., channel dredging, to remove 8,000 cubic yards of material: Low bid at $1.09 per cubic yard. Declared unresponsive because it was submitted by large firm. Bid awarded to small firm at $2 per cubic yard. Increased cost to taxpayers	$7,280.00	83
2. Hospital, dental clinic, Shepard Air Force Base, Tex.: Project cost estimate, $4,500,000. Low bid, B. L. Abbott Co., Houston, Tex., $4,316,555. Declared unresponsive because B. L. Abbott Co., although a small firm, had arranged financing through large contractors, Johnson, Drake & Piper. Bid went to another small firm. Increased cost to taxpayers	165,000.00	15
3. Dismantling heating plant at Richard I. Bong Air Force Base, Wis.: Low bid, Charles Simkins & Sons, Inc., $561,943. Unresponsive because of size. Next bid by small firm, $658,464. Increased cost to taxpayers	129,864.00	15
4. Levee protection and berm paving, Lake Pontchartrain, La.: Low bid, Atlas Construction Co., $110,318. Rejected as unresponsive, affiliated with larger firm. Awarded to W. K. Ingram Construction Co., $122,445. Increased cost to taxpayers	12,127.00	11
5. Cleaning and construction, control weir, Humphries County, Miss.: Bids opened Feb. 21, 1961. Low bid, $107,689.61. Declared unresponsive. Next low bid, $111,548.40. Increased cost to taxpayers	$3,858.73	3½
6. Dike construction, Bureau of Reclamation: Low bid by Engineers & Contractors, Inc., Provo, Utah, $260,000. Bid declared unresponsive because of firm size. Accepted bid, Thorn Construction Co., Inc., Provo, Utah, $265,079. Increased cost to taxpayers	5,079.00	2
7. Navy, Annapolis, Md., primary switching building: Low bid by a big concern, $74,800. Declared unresponsive. Bid went to small firm, $79,445. Increased cost to taxpayers	4,645.00	5
8. Marine Corps, Air Station, Cherry Point, N.C., pest control: Low bid by big firm, $12,405.10. Declared unresponsive. Bid awarded to small firm, $13,700. Increased cost to taxpayers	1,294.90	7

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. WEAVER. I yield to the gentleman from Nebraska.

Mr. CUNNINGHAM. I wish to take this means of complimenting my distinguished friend and colleague from Nebraska for a well-thought-out study and documented presentation. I certainly want to associate myself with his position. I, too, have received a large number of letters from contractors in my district. This is a very serious problem, and probably it has come to the attention of many other Members of the House. I certainly hope that the proper committee will take cognizance of the legislation which the gentleman from Nebraska has introduced which I, too, support and that it will eventually come here for our consideration. Again, I want to compliment the gentleman for one of the finest and most well thought out presentations that I have had the privilege to hear for a long, long time.

Mr. WEAVER. I thank the distinguished gentleman from Nebraska, my colleague and good friend, for his remarks. Since I have known him and throughout his service in the House of Representatives he has always devoted himself by his actions and his votes to the welfare and interest of the American taxpayer.

Mr. ROGERS of Colorado. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ROGERS of Colorado. Mr. Chairman, testimony before the Appropriations Committee in considering H.R. 7577 shows that the taxpayer's dollar is being used by the Federal Government in competition with private industry. This practice is being carried on in the Department of Commerce, as is evidenced by the testimony of Admiral Karo which is as follows:

Mr. ANDREWS. Does the cost of the maps include the purchase of machinery and other expenditures to obtain information as well as administrative and other costs?

Admiral KARO. No, sir; according to law or statute, we are only required to charge for the cost of paper and printing. We have interpreted that quite liberally and added all the present costs and even include the cost of distributing the charts. That is a little more than what the statutes require. We feel that the Government is entitled to a reasonable return on its investment. In other words, the charts should be of enough value so that people will not use them indiscriminately but yet they should be cheap enough so that the man who needs the chart will keep one up to date and one that is not obsolete. That applies not only to the aeronautical, but also to the nautical charts.

These maps are offered for sale by the Government in competition with Jeppesen & Co. of Denver, Colo., a private company making these maps as evidenced in the testimony by Mr. Jeppesen before the committee, as follows:

My reason for coming before your committee is to request relief from certain Government competition which threatens the well-being of our company, and jeopardizes its continuation as an essential supplier of these radio navigation charts.

Briefly, this is the situation. The U.S. Coast and Geodetic Survey, of the Department of Commerce, is pursuing a vigorous program of producing radio navigation charts, copied in the main from the charts long produced by our company, and of offering these charts on the commercial market at a price that is a fraction of their actual cost.

In effect, the Government is commercially exploiting a product, based on our design and subsidized by taxes, in direct competition with our existing commercial products.

It is our belief that these activities of the Coast and Geodetic Survey, while they may be technically correct under the laws governing that agency, are certainly not a reflection of the true intent of Congress in establishing the Coast and Geodetic Survey mapping activity.

The original of these radio navigation charts were developed by the Jeppesen organization in 1934 for the sole purpose of providing the data needed by pilots for air navigation. No such charts then existed.

In our proper concern with this threat to our business life, we have tried to analyze every facet of the situation. We have studied our own publications and our costs. We have studied the Coast and Geodetic Survey publications and their costs. Can you understand our concern both as businessmen and as taxpayers when we learn these following facts, disclosed by the Coast and Geodetic Survey itself in answer to a direct senatorial inquiry:

"1. The total cost incurred by the Coast and Geodetic Survey during the fiscal year ending June 30, 1961, for the production of their current edition of the radio navigation charts, will be approximately $1,083,500.

"2. The total receipts of Coast and Geodetic Survey from the sale of these charts to commercial aviation during the fiscal year ending June 30, 1961, will be approximately $206,000.

"3. Thus, the commercial activity of the Coast and Geodetic Survey in selling radio navigation charts during the fiscal year 1961, will result in a loss of approximately $877,500. This loss may include the small cost of printing charts supplied to military departments which would be reimbursable."

I have a table showing the comparative sales prices of the publications offered by the Coast and Geodetic Survey and by Jeppesen & Co. which I would like to submit for the record.

I believe that chart is on the back of the copy of my statement which you have before you. For a complete U.S. service, we charge $106 per year. The U.S. Coast and Geodetic Survey charges $58 and the rest of them are just about the same difference. You can break it down as one service versus another service.

Here is an example of Coast and Geodetic Survey pricing practice:

"Included in the C. & G.S. publications is a set of eight intermediate altitude charts, which are corrected and mailed to subscribers every 4 weeks—that is 13 times a year. The C. & G.S. sells this set of charts at $4 per year. If Jeppesen & Co. were to mail this set the postage alone would amount to $4.16 per year. So, on a duplicate set of charts, Jeppesen & Co. would have a cost for postage alone that would exceed the C. & G.S. selling price."

It is obvious that when the U.S. Government is permitted to engage in business and is only required to recoup the cost of paper and printing and does not attempt to recover all cost in connection with the product they sell to the public,

then private industry is doomed if this practice continues.

I am hopeful that remedial legislation may be adopted which will correct this situation.

Mr. ANDREWS. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia [Mr. HECHLER].

Mr. HECHLER. Mr. Chairman, I would just like to say to the gentleman from Alabama that speaking from my experience on the witness side of the table appearing before his committee, I believe his committee is one of the better-run committees in the Congress. So I would like to voice the same sentiments previously expressed by our colleagues who have spoken, the gentlemen from California, Virginia, and Illinois, who praised the work of the gentleman from Alabama. Notwithstanding the personal pleasure I derived from appearing before the committee, I am now interested in finding out what happened to the items on which I testified, namely, $192,000 for salaries and expenses to staff the upper air weather stations in Winslow, Ariz., and Huntington, W. Va. May I ask the gentleman from Alabama whether this bill includes funds for those two upper air weather stations?

Mr. ANDREWS. I will say to the gentleman that there are ample funds in the bill for these two stations. The only effect of the reduction in the bill would be that they would not be put in operation quite as soon as they would have been otherwise. However, they will remain in the program.

Mr. HECHLER. I thank the gentleman from Alabama. Since we have already invested in structures, it would certainly be a necessary investment to follow up with funds to hire the people to man these two upper air weather stations.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ANDREWS. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

AMENDMENT TO INCREASE APPROPRIATION FOR SBA

Mr. PATMAN. Mr. Chairman, I desire to congratulate the chairman [Mr. ANDREWS], and his committee on a job well done. I have read the report of the committee. I have gone over the bill, and I am really amazed at the amount of work that goes into this one particular bill. This bill emphasizes the importance of the legislative branch of the Government. In our form of government, of course, we have the three branches—the legislative, the executive, and the judicial and, I believe, their importance—although, of course, they are all important—is in that order. The legislative branch is very important because all the money that is spent by the executive branch or the judicial branch is appropriated by the legislative branch. In other words, the legislative branch makes it possible for the executive to have money or for the judicial branch to have money. Without the support of the legislative branch neither of the other branches would have financial support.

Mr. Chairman, the object of general debate or at least one of the objects of general debate is to point out to the Committee of the Whole and to the Members of the House improvements, if any, that can be made in the bill pending before us. In this particular case, I would like the Committee to consider raising the appropriation for the Small Business Administration on one item and that is on page 28, lines 11 and 12. I am going to offer an amendment to increase the amount of $17,525,000 to $18,447,000. This matter has been brought to my attention because I happen to be chairman of the House Small Business Committee and we work with the Small Business Administration.

Our committee has several subcommittees. The gentleman from Tennessee [Mr. EVINS], the ranking Democratic member, is chairman of the subcommittee having to do with the Small Business Administration. The gentleman from Tennessee is a member of the Committee on Appropriations. I know that normally the members of the Committee on Appropriations go together, but in this particular case the gentleman from Tennessee has authorized me to say that he is going to support this increase.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. EDMONDSON. Do I understand the figure in the amendment the gentleman is going to offer will bring that item up to the level of the administration's request for this purpose?

Mr. PATMAN. The gentleman is correct.

This amendment would restore the amount included in the original budget estimate for "Salaries and expenses" for the SBA lending program.

For the past 3 months, the lending operation of the SBA has been proceeding at an unprecedented rate, far beyond the normal capabilities of existing staff. In March, 1,332 applications were received—the highest on record. Applications in April were 1,066 and in May 1,209—both months exceeding any previous experience for the respective months. I understand the rate of receipt of applications in June is continuing at about the same record pace. This is particularly significant when one notes that the basis for the estimate for the fiscal year 1962 was an average of only 900 applications per month.

As another indication of workload this agency is encountering, inquiries pertaining to business loan applications during each of the months of April and May exceeded 18,000 which in itself is a terrifically heavy workload. This becomes even more significant when compared to the forecast in the budget estimate of only 11,200 inquiries per month.

In a tremendous effort to keep this workload moving, all available and qualified employees have been working many hours of overtime. Employees normally engaged in servicing of outstanding loans have been assigned to aid in the processing of these business loan applications. In spite of these efforts, the backlog has continued to mount month by month; and, at the end of May, 1,595 applications were awaiting processing, and over 1,300 loans previously approved were awaiting closing.

If SBA is to give small business the service which we want it to give, it must have sufficient help. As a matter of fact, a budget amendment has been received from the President amending the estimate for SBA and revising the estimate of application volume to 1,000 applications per month during 1962. The budget amendment requests an increase in the revolving fund, and it assumes that the full amount of the contingency reserve would be available for such additional salaries and expense cost as would be entailed. Very careful standards have been developed over the past years as a basis for determination of salaries and expense needs pertaining to the lending operation. I believe, therefore, that the original estimate was reasonable; and, since the work volume to which such standards were related was understated, I believe we must be careful not to take any action which would tend to impair the service this agency should give to small business.

There is another factor which I believe we also must weigh very carefully. SBA has over one-half billion dollars' worth of outstanding loans and each month SBA is adding additional loans which must be supervised and serviced. To do otherwise is to jeopardize recovery of the Government's investment. Yet, if SBA is inadequately staffed, either the loan processing and closings will continue to fall further behind or the loan servicing will suffer and delinquency and loss rate increase. Neither of these alternatives is desirable.

One further point should be mentioned. Administrator John Horne authorized loans to be made at a 4-percent interest rate in areas of substantial labor surplus. This action was taken as a step to stimulate business and employment in these areas needing economic assistance. This is a most commendable step but it cannot be effective if SBA does not have the personnel to handle the resulting workload with reasonable dispatch.

I strongly urge, therefore, the adoption of my amendment.

Mr. ANDREWS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, may I say that we have discussed with the members of the committee on the other side and members on this side this amendment, and we have agreed to accept it. It is true that the volume of applications filed with the Small Business Administration has increased tremendously since this budget was prepared. It has been a phenomenal increase since the members of the Small Business Administration appeared before our committee.

May I say also it is just as costly to process an application that is denied as it is to process one that is approved. Accepting this amendment will not add to the cost of this bill because the money comes from the revolving fund of the Small Business Administration.

Mr. HORAN. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the Small Business Administration since its inception in 1954 has become one of the safeguards for the economic and productive life of this Nation. We do not wish to hamper this in any way, and the Members on this side will accept the amendment also.

Mr. ULLMAN. Mr. Chairman, before speaking briefly on two items in this bill I want to register my admiration for the outstanding job which the gentleman from Alabama [Mr. ANDREWS] has done on these complicated and exceedingly important appropriations. Those of us who have appeared before his subcommittee know that he and his colleagues can always be counted on to provide both a courteous hearing and thorough and able consideration of the issues involved. It is a pleasure to rise in support of the committee's recommendations on the bill before us.

I want to particularly commend the gentleman from Alabama and his colleagues for allocating the sum of $594,500 for the important job of expanding agricultural weather services in a number of regions. Because of the great distances and the very wide diversity of climate in my own State and especially in my district, improved weather information is extremely important to my people. To meet this urgent need I had discussed the problem at length with the officials in the Weather Bureau and at my request, they developed a proposal for an expanded statewide observation and reporting system, centering around a network of agricultural weather observation stations and a teletypewriter circuit to disseminate around-the-clock weather information to communities in all parts of Oregon. In addition, to meet a special need for improved liaison with the Air Force weather unit at Klamath Falls, this program calls for a Weather Bureau meteorologist to be stationed at the airfield there to service aviation weather needs.

It is, therefore, good news for all of Oregon that the committee's recommendations include funds to establish this new statewide reporting system. The funds involved will pay dividends in future years in terms of better weather information on which farmers, industry, and other sectors of our economy can make decisions. It is a very important advance for our people and I want to express our appreciation to the gentleman from Alabama and his colleagues for their ready response to our needs.

Finally, I want to also commend the committee for its recommendations in the field of forest highways. Timber is a key factor in the economy of my district and most important to the Nation. We have almost 10 million acres of national forests in the Second District of Oregon. Highways through these beautiful forest lands are not only essential to good forest management, they are important to every American. I am pleased to note that the committee has recommended the full amount requested in the budget. As I have repeatedly pointed out, expenditures on resource management are in the nature of long-term investments that pay out in the case of our Oregon forests not only in dollars but in the enrichment of the lives of the millions of Americans who enjoy them.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

SPECIAL PROJECTS

For expenses necessary to provide staff assistance for the President in connection with special projects, to be expended in his discretion and without regard to such provisions of law regarding the expenditure of Government funds or the compensation and employment of persons in the Government service as he may specify, $1,500,000: *Provided*, That not to exceed 10 per centum of this appropriation may be used to reimburse the appropriation for "Salaries and expenses, The White House Office", for administrative services.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as of now I have no amendments to offer to this bill.

I will say to the chairman of the subcommittee that when we reach page 29 it will be my purpose to offer a point of order to the language found in lines 3 through 5 as being legislation on an appropriation bill. This provides for an increase in the salaries of the deputy administrators of the Small Business Administration. From what I have been able to read of the hearings, perhaps an increase in these salaries is justified. My quarrel with this is that the Small Business Administration is bypassing the proper legislative committee. The Small Business Administration should come to the proper committee, and I am sure they will get, on the basis of justification, proper treatment.

My only point in offering the point of order is in the interests of proper and orderly legislative procedure.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. YATES. The gentleman is exactly right with respect to his interpretation of what occurred. The reason for this provision being in the appropriation bill is the fact that the deputy administrators of the Small Business Administration, having a statutory salary, now receive less actually than some of the employees who work for them. The committee was of the opinion that the deputies, having much greater responsibilities than the employees, should receive a commensurate increase. The gentleman is correct in stating this matter should properly go to the legislative committee. It was the committee's opinion, however, that inasmuch as this would take an amount of time and there was no assurance as to when the legislative committee might act, it was the committee's hope that the gentleman might be willing to go along with the action of the committee.

Mr. GROSS. I will say to my friend from Illinois that the Post Office and Civil Service Committee has been in business since early in January of this year, and the Small Business Administration should have come to our committee and could have come to our committee long ago.

Mr. YATES. Well, I think that is true, may I say to the gentleman; I think they should have come to your committee a long time ago, but I do not know of any reason why they did not do it. I think, however, as the gentleman himself pointed out, on the basis of the hearings the increase is warranted, and I do hope that the gentleman will not make a point of order against it.

Mr. GROSS. I do not believe it is within the province of the Committee on Appropriations to be raising and lowering salaries without authorization. Your job is to provide the money if the proper legislative committee and the House deems that a pay increase is justified. Now, that is my position. I do not find it pleasant to make a point of order against this particular item, but I must be in a position with other appropriation subcommittees to do the same thing. As a matter of fact, the independent offices appropriation bill a year or so ago provided a number of supergrades. I struck them out on a point of order against it. I just do not believe the Committee on Appropriations is the place to be raising and lowering salaries.

Mr. YATES. Well, ordinarily I would be inclined to agree with the gentleman, but I think in this particular instance the increase is so clearly warranted that, again, I hope the gentleman will reconsider his decision.

Mr. GROSS. I notice in this bill beginning on page 10, that there is salary and expense money in three places, including pages 11 and 12, dealing with maritime activities, and I am wondering why those could not have been brought together.

Mr. ANDREWS. Mr. Chairman, if the gentleman will yield, they are limitations.

Mr. GROSS. Limitations. But, can they not be brought together in one place so that we can get a total figure for them instead of three places?

Mr. ANDREWS. They are separate items.

Mr. GROSS. Then, on page 14 I note that one Government agency appears to be paying another Government agency.

Mr. ANDREWS. That is done throughout Government for reimbursable services.

Mr. GROSS. Now, with respect to the special projects and the emergency fund for the President——

Mr. ANDREWS. Is the gentleman raising that point at this time?

Mr. GROSS. No.

Mr. ANDREWS. Because we have not yet reached that point in the bill.

Mr. GROSS. Well, we have just dealt with special projects for the President on page 2. What kind of an increase are we making in the total appropriation to the White House, can the gentleman tell me?

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. ANDREWS. There is really no substantial increase.

Title I of the bill deals with the Executive Office of the President.

Mr. GROSS. Yes, I understand.

Mr. ANDREWS. That includes the White House Office, special projects, and the increase over the 1961 appropriation is $151,500.

Mr. GROSS. There has been no reduction in this appropriation to the executive branch of the Government; is that correct?

Mr. ANDREWS. There never has been. However, in this particular case there is a reduction of $297,000 below the budget request.

Mr. GROSS. I would just like to observe that when Mr. Kennedy became President we heard a good deal of talk about lean staffing in the executive branch of the Government, and I fail to find anything that indicates lean staffing in this appropriation as far as the White House is concerned.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Virginia.

Mr. GARY. Is it not true that the appropriation is $33,500 less for the next fiscal year?

Mr. ANDREWS. That is, for the total Executive Office?

Mr. GARY. For the total Executive Office.

Mr. ANDREWS. And $297,000 below the budget request.

Mr. GARY. That is right.

Mr. ANDREWS. I was looking at the whole of title I in the bill, which is in addition to the Executive Office of the President, which includes funds appropriated to the President. You will find that most of these items referred to are mandatory pay increases; no increase in personnel, except for personnel purposes.

Mr. GROSS. What I am concerned with what we are spending today as compared with last year, not the asking price as contained in the budget.

Mr. ANDREWS. It is not very much.

Mr. GROSS. A couple of years ago the gentleman from Alabama and his subcommittee very diligently went into an expenditure out of either the Special Projects or Emergency Fund of President Eisenhower. There was an expenditure at that time of some $400,000 for that infamous Eric Johnston campaign by which the administration headed off any substantial revision in the Reciprocal Trade Agreements Act.

Now, I note that a National Conference on International Economic and Social Development is about to take place in Washington, and I wonder if this is going to be comparable to the old Eric Johnston deal, only this time it would be designed to promote, out of taxpayer funds, sentiment in behalf of the Kennedy foreign-aid program.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. I am wondering if this National Conference is not designed to start a bonfire in behalf of the foreign giveaway program. Of course, the gentleman cannot answer that at this time, and I do not expect him to, but I am wondering if we are going to see the President's Emergency Funds or Special Project Funds, totaling $2.5 million, or any portion of that amount spent on this sort of thing. We can only await the answer to that. I do not expect the gentleman to answer.

Mr. ANDREWS. May I say to the gentleman that I cannot answer how it will be spent. I hope it will be spent according to the intent of the law for emergency purposes, and the gentleman can find in the record the expenditures made from the fund during this fiscal year.

Mr. GROSS. The gentleman and his subcommittee developed the fact 3 years ago that President Eisenhower reached into one or the other of these funds and spent some $400,000 to help defeat certain revisions of the extension of the Trade Agreements Act. On that subject, I want to compliment the subcommittee for going into this import business to the extent you did. Let me suggest to the Members of the House that they read the hearings beginning at page 1030, and following, where they will find some excellent testimony as to what has happened to manufacturers in this country who have been hit by foreign imports.

I want to compliment the committee not only on that, but upon the information that it has developed in its questioning of Mr. Whitton and others with respect to this interstate road building program. You deserve the compliments of the House on both of those subjects.

The CHAIRMAN. The time of the gentleman has again expired.

The Clerk read as follows:

TITLE IV—INDEPENDENT AGENCIES

Advisory Commission on Intergovernmental Relations

Salaries and Expenses

For expenses necessary to carry out the provisions of the Act of September 24, 1959 (73 Stat. 703–706), $375,000.

Mr. HORAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HORAN of Washington:

On page 25, line 7, strike out "$375,000" and insert "$143,500".

Mr. HORAN. Mr. Chairman, in 1953, former President Eisenhower called for a review of Federal-State relations and Congress responded by creating a temporary Commission which came to be known by the name of its chairman, the late Meyer Kestnbaum of Chicago.

In 1955, the Kestnbaum Commission issued a formal report which included numerous recommendations on the division of functions and responsibilities between the Federal Government and the States. It covered nearly every phase of the subject, including natural resources and conservation, disaster relief, civil defense and urban vulnerability, Federal aid to airports, highways, welfare, public health, education, unemployment compensation, payments in lieu of taxes and shared revenues.

While many of the recommendations of this Commission may have been sound, little or no action was taken to put them into effect. These recommendations still stand and are available for use without further study.

During recent years there have been studies and surveys along many lines by various groups, including the Kestnbaum Commission, the Hoover Commission, the General Accounting Office, the Bureau of the Budget, and various committees of Congress. We have surveyed and resurveyed programs and financial arrangements, including Federal-State relationships.

As far as I can determine, very few of the recommendations of these studies have resulted in improved operations and practices. And no one can point to any specific savings which have resulted from any of these studies.

For example, in 1959 and again in 1960, former President Eisenhower proposed legislation affecting five grant-in-aid programs which would have resulted in reductions in the Federal budget. Under this proposal, the amount of Federal funds would have been reduced and the States would have assumed more responsibility by taking over certain sources of taxes from the Federal Government. No action was ever taken on this proposal.

Now we are asked to approve a large increase for this new Study Commission created by Public Law 380 in 1959. We are asked to nearly triple the funds for this group for next year.

It seems to me that we should schedule hearings and take action on the many proposals already made, before we spend additional funds on further studies. There should be some indication that we are willing to use the findings of these study groups before we make further studies. To do otherwise is a waste of money.

As a matter of fact, I think we use these special study groups as a means of dodging our responsibility to face up to problems of this type. It has become general practice throughout the Government to postpone action on difficult problems by providing for further studies and surveys.

My amendment proposes to hold the funds for this Commission at the present level. It does not abolish the Commission. It merely recognizes the fact that further expansion should be delayed until a firm need for further studies is supported by use of present findings and some form of further action.

We can study these matters indefinitely. But until Congress and the Executive are prepared to use the findings from such studies, no benefits can result therefrom. We need to act on the findings of studies already completed and recommendations already made. Additional appropriations for further studies cannot substitute for executive and congressional action.

If further expansion of this program is justified on the basis of findings and concrete results therefrom, additional funds can be provided as needed in future bills.

Our Federal budget is in a precarious position. Its condition regulates the value of the dollar you spend whether it be for groceries or for your annuities. I suggest that we had better look in the direction of a balanced budget in the name of a sound dollar as the President has requested. We have to start somewhere, and I think this is an unnecessary increase. I hope the House will accept this amendment, and I think we had better start someplace and recognize that there is no need for this increase or for the additional money.

Mr. Chairman. I yield back the balance of my time.

Mr. GARY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I agree with a great deal of what my distinguished colleague from Washington has just said. The reason that we have this permanent Commission today is because the temporary commissions that had been appointed in the past had been ineffective. We have had studies, and as soon as the studies were over the commissions would disband, and the studies were forgotten. For many years we have been faced with a maze of overlapping and duplication of activities between Federal, State, and local governments. We have enough of it, as the gentleman from Washington pointed out, within the Federal Government itself, and our committee has asked the Budget Bureau to make a study of the overlapping of Federal agencies in order to eliminate the duplication of activities. But in addition to that we have duplication between Federal, State, and local agencies in matters of taxation, in matters of expenditures, and in practically every sphere of governmental activity.

The Budget Bureau cannot control the States, and it was for that reason that the Hoover Commission, when it made its study some time ago, recommended a permanent Commission to study this situation, to make recommendations to the Congress, and to follow up the reports so that we will get the maximum benefits from them. They have established a very excellent committee. We have on that committee some of the outstanding authorities in the United States. We have Members of the U.S. Senate, Members of the House of Representatives, Governors, members of State legislatures, mayors, and elected city and county officers. Now, this is a permanent commission that is making these studies.

If you will pardon a personal illustration, I am familiar with the necessity of a commission of this kind. It so happened that I had the privilege in 1925—and that was a long time ago—of coming to Washington, D.C., as executive secretary of the National Committee on Inheritance Taxation to conduct a study in the field of inheritance taxation. I had the privilege of conducting that study and preparing a report for the National Committee on Inheritance Taxation.

I am happy to say that is one report that did bring some very effective results. The situation in the meantime, however, has drifted. I was very much pleased to see that one of the studies made by this new and permanent Commission was in the field of State and Federal inheritance, estate, and gift taxes that went back in their studies to the report we had made in 1925, and brought that report up to date. They seek to coordinate the activities of the Federal, State, and local governments in that field, and I say to you that is very much worthwhile, because there are duplications, and if we can ferret out these duplications and eliminate them, it will save money for the various governments.

So far as I am concerned, $375,000 is a large sum of money, but it is a relatively small part of the amounts we are spending in this bill.

For example, we have in this bill practically $627 million. The appropriation for this Commission amounts to $375,000.

If this Commission accomplishes its full potentialities, we will save many times that amount of money over and over again as a result of its studies and recommendations. Personally, I think it would be a great mistake to reduce this appropriation.

Let me say that the appropriation is larger for 1962 than for 1961 because this fiscal year the committee was just getting started. With the amount requested for 1962 it will reach the level on which it expects to continue in the future, and it will not continue to ask for increasing appropriations from year to year. This appropriation will give them an opportunity to carry on their work in an efficient and satisfactory manner.

Mr. ANDREWS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 10 minutes, the last 3 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Chairman, I take this opportunity, first, to commend the gentleman from Washington [Mr. HORAN], for his very eloquent address during general debate, in which he spelled out in very clear language the dangers that we face and what he seeks to do about it and what he is doing about it as far as that is concerned as a very diligent and industrious worker on the Committee on Appropriations. It would be probably only about 5 percent of the time during the course of a year that the gentleman from Washington and I would differ. This happens to be one of those occasions. I say in all respect to the judgment of the gentleman from Washington it is because I had the privilege of serving on the subcommittee with the distinguished chairman of the Intergovernmental Subcommittee, the gentleman from North Carolina [Mr. FOUNTAIN], that I take this position, for I had an opportunity to see firsthand what the problem is. I supported the authorizing legislation setting up this Commission, and I am happy to note in reading the hearings what the Commission has been doing to date.

As the gentleman from Virginia has pointed out, the Commission has only gotten started. This will be the first full year of their operation, and I think the full request ought to be granted to the Commission. When we look at items like "(1) The structure and potential improvement of the real property tax, (2) revision of the estate tax credit, (3) investment of idle cash balances by State and local units of government, (4) cooperative tax administration and (5) development of improved measures of fiscal capacity and tax effort of State and local units of government"—these are items which need some timely study, and that cannot be done on a temporary basis.

Mr. Chairman, I expressed concern during general debate on the authorizing legislation setting up this Commission that I hoped it would not become one of those that grew and grew and grew.

I am happy to note that in the hearings Mr. Bane is of the opinion that it would be topping out at this particular figure; in other words, for the next year they will not be asking for an increased appropriation or for an additional number of employees.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Washington.

Mr. HORAN. Do not ever believe that kind of talk, because a lot of these folks are going to be under Civil Service, and any time this House acts on wage levels or anything of that kind there is not going to be any topping out on any appropriation.

Mr. MICHEL. I should like to take Mr. Bane at his word for this, and if that is not the case next year, then I will be up here in the forefront supporting the gentleman. As appears on page 176 of the hearings, six people will be out working in the field of taxation and public finance; four people will be working in connection with metropolitan areas and four people will be working in the general field of governmental structure and relationships. I think these are very important fields for the Commission to go into, and I would like to see them have an opportunity to do the kind of job they are capable of doing.

Mr. Chairman, I support the full budget request on this item and urge the committee to reject the amendment of the gentleman from Washington even though he is my very good friend and close associate on the committee.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MICHEL. Mr. Chairman, I ask unanimous consent that the gentlewoman from New Jersey [Mrs. DWYER] may extend her remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mrs. DWYER. Mr. Chairman, I rise to associate myself with the remarks of our colleague, the gentleman from North Carolina, Congressman FOUNTAIN, in sup-

port of the budget request for the Advisory Commission on Intergovernmental Relations for fiscal year 1962. I have no hesitation in assuring you, from my own personal experience as a member of the Commission representing the House of Representatives, that the funds being requested will be well spent.

I have been deeply impressed with the great amount of constructive work the Commission has accomplished already despite the fact that it has been operating on a severely limited budget. This is due in great measure to the skill of the Commission's chairman, Mr. Frank Bane, and a small but thorough and hard-working staff headed by Mr. William G. Colman.

Without going into too much detail, I should like to emphasize the truly unique nature of the Advisory Commission on Intergovernmental Relations. There is nothing like it in the entire structure of American National and State Government. It is the only Government body designed for the specific purpose of helping to make our Federal system a more effective and responsive means of self-government. As the subcommittee knows, the Commissions' membership is composed almost entirely of active officials of each level of government—men and women whose experience is extensive and whose knowledge of the frustrating problems of intergovernmental conflict and coordination is direct and immediate.

Both in theory and in practice, therefore, the Commission is equipped to make an important contribution toward resolving conflicts and duplications which are inevitable in our complicated but essentially sound system of government.

Despite the youth of the Commission and the severe limitations of its staff and resources, I believe it has accomplished a great deal. It has focused attention on a number of problems which have over the past several years caused much concern to responsible Government officials who have recognized that solutions required more extensive intergovernmental cooperation. These include the coordination of State and Federal death taxes, the administration of Federal grants for public health services, metropolitan area problems especially in the field of mass transportation and areawide planning, and the investment of idle cash balances by State and local governments.

Mr. Chairman, I believe the Commission has demonstrated convincingly its great potential value to our country. I hope the House will agree that it should have the financial resources and the support of the Congress which its important purpose requires. The budget request is a relatively modest one. It represents a level of activity which the Commission's experience to date has demonstrated it can carry efficiently and effectively. The budget amount has been approved by the Bureau of the Budget, by the Subcommittee and by the full Committee on Appropriations. I hope the House will agree with their judgment.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I rise in support of this amendment. To my good friend from Virginia let me say that $375,000 is still a lot of money to a lot of people, out in the district I represent in Iowa. We are not playing around with just a few dollars here. This $375,000 is an increase of $231,500 over the appropriation for the same purpose last year. That is a good, fat, healthy increase, believe me.

Now, the gentleman from Virginia is a a little iffy—if they do this, if they do that. I do not know of anyone who thinks they are going to do all of these things. This is another one of those deals, the foot in the door. The gentleman from Illinois spoke of this thing topping out at the $375,000 mark. Well, his own hearings show that at the least it is going to top out at $400,000, and it will probably take off from there, as the gentleman from Washington [Mr. HORAN] well suggests.

Now, why not leave this at $143,000? Your own hearings show that this advisory commission, or whatever it is, is going to hire a bunch of consultants. And, there are a lot of them elsewhere in this bill. The gentleman from Virginia shakes his head. You provide $50 a day and expenses for these consultants, do you not?

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Virginia.

Mr. GARY. This is to complete the staff of the organization. Now, from time to time it might be necessary to call in a few consultants, but there is no plan at the present time to hire a lot of consultants. What they are trying to do is to get a staff that can do the work of the Commission, and then they estimate with this increase in staff that they are asking for, they will level off the organization.

Mr. GROSS. Let me read from page 177 of the hearings:

> Mr. ANDREWS. At what rate do you propose to pay consultants and experts?
>
> Mr. COLMAN. So far, Mr. Chairman, we have not been able to obtain such assistance at a rate less than $50 a day.

And so on and so forth. That is plus expenses.

Mr. Colman, the executive director of this new Commission, may be a most capable gentleman, but I notice one thing, that he was on the Kestnbaum Commission that recommended this bill, so he sort of went to his reward, did he not, coming from the Commission that recommended this setup, serving there at $17,000, and now he is getting $20,000? He has done pretty well. Mr. Colman may be a very fine gentleman, but at any rate he has gone to his reward on this intergovernmental commission.

Now, I did not think in the first place that we had to have an intergovernmental commission, because I was convinced then it was going to cost half a million dollars a year before they got through with it. It is coming close to that figure now, and I do not see any reason under the shining sun why we should now increase this spending from $143,000 to $375,000.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. ANDREWS].

Mr. ANDREWS. Mr. Chairman, I rise in opposition to this amendment. This Commission was created by statute. It is a bipartisan Commission. This is the first time funds have been asked for a full year of operation. I hope the amendment will be defeated.

Mr. FOUNTAIN. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. Mr. Chairman, I, too, am in opposition to this amendment. I shall not take the time—in fact, I do not have the time—to tell you that as a member of that Commission, along with the distinguished Congresswoman from New Jersey [Mrs. DWYER] and the gentleman from Texas [Mr. IKARD], and three Members of the Senate, it has been a source of inspiration and joy to me to see representatives from various levels of the Government sitting down around the table, forgetting their special interests and trying to solve many of the difficult intergovernmental relations problems with which we are faced.

I am opposed to the Horan amendment for what I hope this committee will agree are convincing and compelling reasons. First, let me refresh your memory with a little history.

The establishment of this Commission implemented a recommendation of the Committee on Government Operations, which was unanimously adopted in August 1958, and which grew out of almost 3 years of intensive study of Federal-State-local relations by the Committee's Intergovernmental Relations Subcommittee, of which I am chairman. In the course of its investigations, the subcommittee held numerous public hearings, including nine regional hearings throughout the country during the fall of 1957, and made questionnaire surveys and special studies. The subcommittee's investigations pointed strongly to the need for a permanent Advisory Commission to build on the foundation laid by the temporary Commission on Intergovernmental Relations — the Kestnbaum Commission, whose 1955 report to the President and Congress was referred to and thoroughly studied by the subcommittee—and the need to strengthen communication and relations between the levels of government.

The need for a continuing body of this kind had been widely recognized, and its establishment, in my judgment, was long overdue. In fact, a similar Commission was recommended by the first Hoover Commission more than 10 years ago. I might add that the 2-year study of this neglected area of intergovernmental relations by the Kestnbaum Commission was the first official undertaking of its kind since the Constitutional Convention in 1787. In view of the extensive overlapping of governmental activity in our Federal system and the complexity of the problems involved, the report of the Kestnbaum Commission could only lay the groundwork for a continuing effort through permanent machinery for this purpose.

Following the Government Operations Committee's recommendation, I introduced an appropriate bill in 1959—H.R. 6904—which became Public Law 380 in September 1959. Identical bills were introduced in the House by our distinguished colleague, Congresswoman FLORENCE P. DWYER, and in the Senate by Senator EDMUND S. MUSKIE and a bipartisan group of 26 cosponsors. The support in the Congress for this legislation is reflected in the vote of 335 to 31 by which it was passed in the House, and the fact that it was passed without dissent by the Senate.

Mr. Chairman, I believe the need for an Advisory Commission was amply documented in the joint hearings on these bills which our subcommittee held with the Senate Committee on Government Operations in 1959. The witnesses who appeared were unanimous in their support of this legislation.

In addition, a great many statements were received from other Members of the House and Senate, Governors, mayors, State legislators, and private organizations, including the U.S. Chamber of Commerce and the AFL–CIO, favoring the Commission's establishment. It may be of interest that resolutions urging the enactment of this legislation have been adopted by such national organizations as the Governors' Conference, the American Municipal Association, the U.S. Conference of Mayors, and the National Association of County Officials.

I might say that in my experience the subjects of intergovernmental relations and the structure and operation of government are highly technical and do not excite the interest of most members of the press. Yet there are few areas of government where public education and public interests are more imperative for responsible and effective self-government. I am hopeful that among its accomplishments the Commission will help to stimulate the interest of the press, and consequently of the public, in these matters.

But an even more important objective is to focus attention on the governmental problems at the State and local levels which give rise to the necessity and demand for Federal action. By examining such problems at an early stage in their development and by encouraging feasible and appropriate State and local remedies. I believe the Commission will make a real contribution toward strengthening the role and the self-reliance of the State and local units in our system of government.

Surely, those of us serving on the Commission from the House and Senate, as well as the Governors, mayors, county officials, State legislators, Federal officials, and private citizens who are members, cannot be expected to devote our personal time to this effort if the Commission is denied staff and facilities adequate to carry out its responsibilities.

I should like to bring to the attention of the House the remarkable record of attendance and participation by members of the Commission. All too often consultative bodies such as this become nothing more than paper organizations with token participation by the prominent and busy persons who hold membership. In this case I believe it is both heartening and indicative of its value that 20 of the Commission's 26 members were in attendance at its April meeting. These included three of the four Governors, three of the four mayors, all three county officials, both of the State legislators—there is presently one vacancy in this category—all three Members of the House, and the three Members from the Senate. In addition, all three private citizens were present. While the three Cabinet officers were unable to be present, the Department was represented in each case by a high-ranking official.

Now I want to deal in some specifics about the work of this Commission and why the Horan amendment, cutting its funds, should be rejected. I speak from intimate knowledge of the content of the Commission's appropriation request because its budget is developed in close consultation with the congressional members of the Commission. In the first place, the current appropriation for the Commission is not a valid basis of comparison because in the hearings last year before the House and the Senate Appropriations Committees it was emphasized again and again that the work was just getting started and that this year stable estimates based upon a full but moderate operation would be presented. This fact was recognized in the reports of the committees to their respective Houses. In fact, the Senate committee report specifically stated that an initial amount was being voted, and I quote, "until the budget requirements can be more definitely ascertained." It is patently illogical to try to hold the appropriation next year to an amount which was recognized as a partial and starting figure for fiscal year 1961.

Second, the Commission has emphasized in its statements to the Appropriations Committee, in which the congressional members have joined, that it does not plan on coming back each year with ever increasing requests; but rather, that the future and permanent needs of the Commission are modest in amount and should stabilize fairly close to the current year's request—or in the general neighborhood of $400,000 annually. I know that I speak for my two colleagues in the House—the Congresswoman from New Jersey [Mrs. DWYER] and the Congressman from Texas [Mr. IKARD]—when I say that so long as we are members of the Commission we intend to see to it that this range of expenditure is not exceeded.

Third, the Commission has demonstrated during the past year of partial operation that it is capable of developing practical recommendations in the area of intergovernmental relations which are not just research undertakings but have a reasonably degree of political feasibility. So far, the Commission has adopted five reports. These deal with first, coordination of Federal and State inheritance and estate taxes; second, investment of idle cash balances by State and local units of government; third, modification in Federal grants-in-aid for public health services; fourth, governmental structure and organization in metropolitan areas; and fifth, mass transportation services and facilities in metropolitan areas.

Some of these recommendations are directed to the National Government; some of those have already been put into legislative bills which have been introduced in the House and Senate. Others of the Commission's recommendations are directed to the States, and draft legislation on these subjects is being placed before the Committee on Suggested State Legislation of the Council of State Governments. Resolutions endorsing various of the Commission's recommendations will be considered by the Governors' Conference in Hawaii next week. I mention these results of the Commission's work to date to illustrate that the Commission is beginning to carry out the hopes of those of us who sponsored the initial legislation; namely, that this body, made up of representatives of all levels of government, would be able to do much in a practical way in strengthening State and local government throughout the United States and bringing about more effective relationships between Federal, State, and local governments.

Finally, if we adopt the pending amendment we will be, in effect, rendering impotent an activity which we voted into existence only 2 short years ago and which from present indications is completely living up to the expectations of the Congress. I emphasize again that the appropriation for the fiscal year 1961 was viewed as an amount to enable the Commission to get started, with this year's appropriation to mark an approximation of the level at which the cost of the Commission's work would stabilize. Furthermore, I feel sure that if the pending amendment is agreed to a number of the members of the Commission including Cabinet officers, Governors, and Members of Congress would interpret the action as indicating that the Congress did not support the philosophy back of its establishment of the Commission. I think that would mark a bleak day in Federal-State relations in this country. It would be interpreted by State and local governments as a lack of understanding and sympathy on the part of the Congress with the proper and effective roles of these levels of government in our federal system as established by the Constitution.

Each of us has talked about the need for better intergovernmental cooperation for years. Each of us has come to recognize that such cooperation will not come of its own accord, because public officials at all levels of government are too preoccupied with the problems of their respective jurisdictions. It is for this reason that the Congress decided wisely 2 years ago to establish the Advisory Commission and to charge it specifically with responsibility for improving Federal-State and State-local relations in order that all levels of government may support one another effectively in the critical years ahead.

Let me illustrate the value of the Commission's work by referring to its report on the coordination of Federal and State inheritance and estate taxes. This report has been hailed by tax au-

thorities as being the most comprehensive ever developed on this subject. The tax credit for State inheritance and estate taxes allowed taxpayers as an offset against their Federal estate tax has been one of the most vexing problems in Federal-State tax relations for nearly 30 years. Moreover, this area has been characterized by duplicate tax administration and excessive complexity for taxpayers. The Commission has submitted for the consideration of the President, the Congress, and the States a comprehensive program for the coordination of the multiplicity of taxes in this area.

It has placed before the Committee on Ways and Means a group of proposals designed to increase the States' share of these revenues, subject to legislative action by the States to reduce tax complexity and the compliance burdens of taxpayers. The program will shift some Federal revenues to the States in amounts determined by the Congress. Under the Commission's suggested formula, the States would receive approximately $400 million. The impact of this shift on the Federal budget, however, would be delayed 3 years or longer pending complementary legislative action by the States.

The Congresswoman from New Jersey and I have introduced bills in the House designed to carry out the Commission's recommendations in this complex field. The Commission's report not only has the backing, I understand, of the Treasury Department but also that of a number of State executives and legislators. It has been favorably endorsed by the executive committee of the National Conference of State legislative leaders and resolutions favoring it have been recommended to the Governors' conference by associations of municipal and county officials.

Let me further illustrate the value of the Commission's work by discussing briefly another report of the Commission which deals with the investment of idle cash balances by State and local units of government. It is estimated that State and local governments could obtain an additional $50 to $100 million of annual revenue by a more vigorous effort to place temporarily idle funds in interest-bearing accounts or investments.

This is particularly timely because State and local governments urgently need increased revenues. The Commission makes a number of recommendations to this end. Particularly, it recommends to State legislatures the enactment of such legislation as is necessary to authorize the investment of local and State funds in interest-bearing deposits and in State and Federal securities. The Commission is working with groups of State legislative leaders and with the national, county, and municipal organizations and the State leagues of municipalities and county officials to enlist necessary State legislative support and action. Stemming from this one report alone are potential annual savings to taxpayers of the Nation many times in excess of the operating expenses of the Commission.

In addition to the five items on which the Commission has completed the first phase of its work, some new items have been added, dealing with such issues as controls associated with Federal public assistance grants and State and local taxation of private personal property located on federally controlled areas.

As staff resources permit, the Commission will add further work to its program, applying the criteria of first, the importance of the problem; second, its manageability in terms of available resources; and third, the relative possibilities of obtaining constructive action on the problem. The last-mentioned criterion is especially important. It is the policy of the Commission not to involve itself in areas already under study by other responsible groups or with problems that have already been studied to death.

The Commission would like to emphasize that its objective is the development of practical recommendations with a reasonable degree of political feasibility—not the production of research studies for library shelves. We will spare no effort in following through at the Federal, State, and local levels to obtain the best possible batting average in terms of the legislative and administrative implementation of our recommendations. The Commission has a broad and essential mission—to try to increase the effectiveness of the Federal system in this country. It is a difficult task. Results will not come easily or quickly. They will come only through the continuing attention and conscious efforts of legislators and administrators at all three levels of government. The principal contribution which the Commission can make is to catalyze such attention and effort through the sharpening of issues and the presentation of recommendations which are susceptible to a clear-cut reaction by legislative bodies and political leaders. We believe that the Commission merits sufficient congressional support to give this undertaking a fair trial. The potential return on a small investment is great.

I therefore urge this committee to support this effort by rejecting the Horan amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. HORAN].

The question was taken; and on a division (demanded by Mr. HORAN) there were—ayes 17, noes 48.

So the amendment was rejected.

The Clerk read as follows:

SMALL BUSINESS ADMINISTRATION

Salaries and expenses

For necessary expenses, not otherwise provided for, of the Small Business Administration, including hire of passenger motor vehicles, $6,750,000, and in addition there may be transferred to this appropriation not to exceed $17,524,000 from the revolving fund, Small Business Administration, and not to exceed $397,000 from the fund for liquidation of Reconstruction Finance Corporation loans, Small Business Administration, for administrative expenses in connection with activities financed under said funds: *Provided*, That the amount authorized for transfer from the revolving fund, Small Business Administration, may be increased, with the approval of the Director of the Bureau of the Budget, by such amount (not exceeding $500,000) as may be required to finance administrative expenses incurred in the making of disaster loans: *Provided further*, That 10 per centum of the amount authorized to be transferred from the revolving fund, Small Business Administration, shall be apportioned for use, pursuant to section 3679 of the Revised Statutes, as amended, only in such amounts and at such times as may be necessary to carry out the business loan program: *Provided further*, That hereafter the rate of compensation for each of the four Deputy Administrators shall be $19,250 per annum.

Mr. BOW. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Chairman, I am greatly disturbed because of the activities of the U.S. Bureau of Public Roads. In my opinion it is becoming more and more bureaucratic and dictatorial, and we should take heed of their acts lest they disrupt the highway system throughout the Nation. Certainly, unless they pay some attention to State highway department planners, I am fearful they shall make many mistakes. I should like to point out one example, and that is the activities on Route 77 in my congressional district.

Some time ago the Federal officials refused to accept suggestions for needed corrections in the design of Fulton Road interchange. The Fulton Road mistakes are now evident to motorists who daily see the built-in hazards of this interchange. Each time I drive it, Mr. Chairman, I wonder how soon fatalities will be the result of the failures of the Bureau of Public Roads to heed the warnings of local officials.

Now the question in my mind is will the Bureau of Public Roads make the same mistake on interchanges to be built on the freeway between Canton and Akron-Canton Airport. Three times the State highway department has sent submissions to Federal officials asking for full interchanges at both 54th Street and Wise Road and at County Road 228 Marchand west of North Canton. Three times Federal officials of the Bureau of Public Roads have turned thumbs down. The Bureau of Public Roads has insisted that only half interchanges be built at these two points when the initial contract is let later this year and the other two ramps at each point be built later. This could be a costly postponement. The State has submitted ample justification to Washington for building complete interchanges at both points now. This data includes statistics and support from the Stark County Regional Planning Commission, the Stark County engineer, the county commissioners, utility companies, real estate officials, and others.

Bureau of Public Roads officials have said that local planning groups and officials should offer advice, and advice has been offered. Mr. Chairman, I submit the Bureau of Public Roads should heed this advice. The residents of my congressional district support good highway programs—vote the money for them and offer assistance to improve highway transportation. They do this with the concept that adequate access will be provided on the superhighways to meet their local needs.

No one who knows the area will question that the section northwest of Canton is one of the most rapidly expanding residential areas in Ohio. No one will question that for industries such as the Hoover Co. of North Canton to continue to expand, access to high-speed roads is imperative.

I must insist, Mr. Chairman, that our local planning officials and the State highway department undoubtedly have a better grasp of the need for these two interchanges than the absentee overlords of the U.S. Bureau of Public Roads which, to my knowledge, has yet to send any of its "men with the power to decision" to look over these crucial access points to Route 77 in Stark County.

I have corresponded with the Director of Public Roads on numerous occasions in this regard, only to have replies of bureaucratic gobbledygook ending with the statement if they can be of further assistance to please call upon them. To call upon them only further proves that they do not desire to cooperate with the Congress of the United States, with local planning officials, or State highway departments, but in their ivory towers they intend to dictate, without knowledge of local conditions, control over local areas.

May I in passing, Mr. Chairman, point out that the laws are written that there shall be local control and operation of these highway systems, subject to approval of the Bureau. This is very similar to legislation now pending for Federal aid to education which so many deny will create any Federal control. But here is proof positive that once you permit the interference of the Federal Government in local affairs the Federal Government finally becomes the octopus which strangles the life of those who believe in local government.

Mr. PATMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PATMAN: On page 28, lines 11 and 12, after "exceed", strike out "$17,524,000" and insert "$18,447,000".

Mr. ANDREWS. Mr. Chairman, the committee accepts the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was agreed to.

The Clerk read as follows:

SUBVERSIVE ACTIVITIES CONTROL BOARD

Salaries and expenses

For necessary expenses of the Subversive Activities Control Board, including services as authorized by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), not to exceed $30,000 for expenses of travel, and not to exceed $500 for the purchase of newspapers and periodicals, $305,000.

Mr. GROSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Is a point of order to the language on page 29 in order?

The CHAIRMAN. If it is to language preceding line 5 on page 29 it is not in order.

Mr. GROSS. It does precede line 5 on page 29. The Clerk did not read the language on page 29, lines 1 to 5.

The CHAIRMAN. The Clerk has read and an amendment has been adopted to the paragraph starting on page 28, line 8, and ending on page 29, line 5.

Mr. GROSS. Then a point of order to the language on page 29, line 5, is not in order?

The CHAIRMAN. The Chair will advise the gentleman it comes too late at this time.

The Clerk read as follows:

SEC. 505. No part of any appropriation contained in this or any other Act for the current fiscal year shall be used to pay in excess of $4 per volume for the current and future volumes of the United States Code Annotated, and such volumes shall be purchased on condition and with the understanding that latest published cumulative annual pocket parts issued prior to the date of purchase shall be furnished free of charge, or in excess of $4.25 per volume for the current or future volumes of the Lifetime Federal Digest, or in excess of $6.50 per volume for the current or future volumes of the Modern Federal Practice Digest.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Chairman, we have heard and read much recently of the first 100 days of President Kennedy's administration. The best comparison between the first 100 days of President Kennedy's administration would be the first 100 days in 1953 of former President Eisenhower's administration. The evidence shows that President Kennedy's legislative program has progressed at a considerably faster rate than that of the former President Eisenhower. In a comparison of 20 pieces of major legislation, President Kennedy saw 5 enacted into law with 9 receiving House approval, and 9 passing the Senate. During this similar period, President Eisenhower saw only one important piece of legislation enacted into law, and only three major bills receiving House approval, and two receiving Senate approval.

On February 16, 1961 President Kennedy gave congressional leaders a list of 16 pieces of legislation in which he expressed a desire for passage at the earliest opportunity. Of these 16 bills, 5 were signed into law and 3 were on the way to him for signature. Seven of these measures had won House passage, and seven Senate passage.

This comparison confines itself to the first 100 days of President Kennedy's administration and of former President Eisenhower's administration. However, since the first 100 days this Congress has passed other important legislation and other bills have passed the Senate or the House, or have been reported out of committee and are waiting consideration by either body.

The record made by the Kennedy administration to date has been a remarkable one.

In my remarks, I include a table showing action on major legislation during the first 100 days of the Eisenhower administration and also during the first 100 days of the Kennedy administration.

It must be borne in mind that in 1953 former President Eisenhower, when he assumed office, had a Republican-controlled Congress. President Kennedy on assuming office had a Democratic-controlled Congress. So the first 100 days of both administrations can properly be compared. The record made by the Kennedy administration to date has been a remarkable one.

Mr. Chairman, the tables I refer to are as follows:

Major legislation during the 1st 100 days of Kennedy administration

Legislation	Senate					House					Final action
	Status	Vote			Other action	Status	Vote			Other action	
		Party	Yea	Nay			Party	Yea	Nay		
*Unemployment benefits temporary extension (H.R. 4806)	Passed Mar. 16, 1961.	Republican	29	2	(1)	Passed Mar. 1, 1961.	Republican	145	27	(3)	Public Law 87-6, Mar. 24, 1961.
		Democratic	55	2			Democratic	247	3		
		Total	84	4			Total	392	30		
*Increase in social security benefits (H.R. 6027)						Passed Apr. 20, 1961.	Republican	149	14		
							Democratic	251	0		
							Total	400	14		
*Depressed areas (S. 1) (H.R. 4560)	Passed Mar. 15, 1961.	Republican	15	16	(2)	Passed Mar. 29, 1961.	Republican	43	125	(4)	To President.
		Democratic	48	11			Democratic	208	42		
		Total	63	27			Total	251	167		
*Feed grains program (S. 900) (H.R. 4510)	Passed Mar. 10, 1961.	Republican	11	18	(5)	Passed Mar. 9, 1961.	Republican	4	161	(6)	Public Law 87-5, Mar. 22, 1961.
		Democratic	41	8			Democratic	205	41		
		Total	52	26			Total	209	202		

See footnotes at end of table.

Major legislation during the 1st 100 days of Kennedy administration—Continued

Legislation	Senate					House					Final action
	Status	Vote			Other action	Status	Vote			Other action	
		Party	Yea	Nay			Party	Yea	Nay		
*Increase in minimum wage and extension of coverage (H.R. 3935).	Passed Apr. 20, 1961.	Republican	14	17	[7]	Passed Mar. 24, 1961.	Republican	133	35	[8]	
		Democratic	51	11			Democratic	208	43		
		Total	65	28			Total	341	78		
*Aid to education (S. 1012) (H.R. 4970)	Hearings completed.										
*Medical care for aged under social security (S. 969) (H.R. 4222).											
*Federal aid for college education (S. 1241) (H.R. 6483).											
*Federal aid for medical education											
*Federal support for expansion of community health facilities.											
*Government Reorganization Act (S. 153)	Passed Feb. 6, 1961.		[9]			Passed Mar. 29, 1961.		[9]			Public Law 87-18, Apr. 7, 1961.
*OECD Treaty ratification (Ex. E, 87th Cong.).	Passed Mar. 16, 1961.	Republican	31	1		No House action required.					Signed Mar. 23, 1961.
		Democratic	59	0							
		Total	90	1							
*Creation of new Federal judgeships (S. 912)	Passed Mar. 3, 1961.		[9]			Passed Apr. 19, 1961.	Republican	87	76		To President.
							Democratic	250	0		
							Total	337	76		
*Establishing Office of International Trade											
*Easing of restrictions on trade with Iron Curtain countries.											
Omnibus housing (S. 1478) (H.R. 6028)						Hearings being held.					
Federal aid to dependent children (H.R. 4884)	Passed Apr. 20, 1961.		[10]			Passed Mar. 10, 1961.		[9]			Do.
Extension of Sugar Act (H.R. 5463)	Passed Mar. 29, 1961.	Republican	20	12	[11]	Passed Mar. 21, 1961.	Republican	80	84		Public Law 87-15, Mar. 31, 1961.
		Democratic	35	22			Democratic	204	45		
		Total	55	34			Total	284	129		
Omnibus farm bill (S. 1643) (H.R. 6400)											
Water Pollution Control Act Amendments (S. 861) (H.R. 6441).						Reported Apr. 25, 1961.					

*Indicates legislation contained in a list of 16 pieces of legislation President Kennedy gave to congressional leaders on Feb. 21, 1961, in which he expressed the desire they would be passed at the earliest opportunity.

[1] Vote on committee amendments, Mar. 16, 1961: Failed passage, 44 to 42 (Republicans: 26 for, 5 against; Democrats: 16 for, 39 against).
Vote on committee amendments, Mar. 16, 1961: Passed, 51 to 38 (Republicans: 26 for, 5 against; Democrats: 25 for, 33 against).
Vote on Williams amendment, Mar. 16, 1961: Passed, 45 to 42 (Republicans: 31 for, 0 against; Democrats: 14 for, 42 against).

[2] Vote on conference report passage, Mar. 22, 1961: 363 to 31 (Republicans: 129 for, 27 against; Democrats: 234 for, 4 against).

[3] Vote on Javits amendment, Mar. 15, 1961: Failed passage, 61 to 32 (Republicans: 29 for, 4 against; Democrats: 3 for, 57 against).
Vote on Dirksen amendment, Mar. 15, 1961: Failed passage, 66 to 27 (Republicans: 24 for, 9 against; Democrats: 3 for, 57 against).
Vote on Capehart amendment, Mar. 15, 1961: Failed passage, 71 to 19 (Republicans: 17 for, 14 against; Democrats: 2 for, 57 against).
Vote on Lausche amendment; Mar. 15, 1961: Failed passage, 55 to 36 (Republicans: 22 for, 9 against; Democrats: 14 for, 46 against).
Vote on Scott amendment, Mar. 15, 1961: Failed passage, 57 to 31 (Republicans: 27 for, 4 against; Democrats: 4 for, 53 against).

[4] Widnall motion to recommit, Mar. 29, 1961: Failed 126 to 291 (Republicans: 126 for, 42 against; Democrats: 0 for, 249 against).

[5] Vote on conference report, Mar. 22, 1961: Passed, 58 to 31 (Republicans: 11 for, 22 against; Democrats: 47 for, 9 against).

[6] Vote on conference report, Mar. 21, 1961: Passed, 231 to 185 (Republicans: 17 for, 149 against; Democrats: 214 for, 36 against).

[7] Vote on Dirksen amendment, Apr. 18, 1961: Failed passage, 63 to 34 (Republicans: 24 for, 10 against; Democrats: 10 for, 53 against).
Vote on Russell amendment, Apr. 18, 1961: Failed passage, 63 to 34 (Republicans: 20 for, 13 against; Democrats: 14 for, 50 against).
Vote on Holland amendment, Apr. 18, 1961: Failed passage, 62 to 35 (Republicans: 21 for, 13 against; Democrats: 14 for, 49 against).
Vote on Prouty-Bush amendment, Apr. 18, 1961: Failed passage, 58 to 39 (Republicans: 30 for, 4 against; Democrats: 9 for, 54 against).
Vote on Goldwater amendment, Apr. 19, 1961: Failed passage, 55 to 39 (Republicans: 24 for, 9 against; Democrats: 15 for, 46 against).
Vote on Monroney amendment, Apr. 19, 1961: Failed passage, 56 to 39 (Republicans: 19 for, 13 against; Democrats: 20 for, 43 against).
Vote on Smathers amendment, Apr. 19, 1961: Failed passage, 52 to 45 (Republicans: 24 for, 10 against; Democrats: 21 for, 42 against).
Vote on conference report, May 3, 1961: Passed, 64 to 28 (Republicans: 16 for, 15 against; Democrats: 48 for, 13 against).

[8] Vote on committee amendment, as amended by the Ayres-Kitchin amendment, Mar. 24, 1961: Passed, 216 to 203 (Republicans: 142 for, 26 against; Democrats: 74 for, 177 against).
Vote on Hiestand motion to recommit, Mar. 24, 1961: Failed passage, 196 to 224 (Republicans: 24 for, 145 against; Democrats: 172 for, 79 against).

[9] Voice vote.

[10] Open to amendments.

[11] Vote on Ellender motion, Mar. 29, 1961: Passed, 55 to 34 (Republicans: 20 for, 12 against; Democrats: 35 for, 22 against).

Major legislation during 1st 100 days of Eisenhower administration

Legislation	Senate					House					Final action
	Status	Vote			Other action	Status	Vote			Other action	
		Party	Yea	Nay			Party	Yea	Nay		
*Hawaii, statehood for (H.R. 3575)	Passed Apr. 4, 1953.	Republican	33	9		Passed Mar. 10, 1953.	Republican	177	37		
		Democrat	23	19			Democrat	97	100		
		Independent	1				Independent		1		
		Total	57	28			Total	274	138		
*Taxes, income, individual, reduce (H.R. 1)						Reported Feb. 17, 1953.					
*Tideland oil (Submerged Lands Act (H.R. 4198).	Reported Mar. 27, 1953.					Passed Apr. 1, 1953.	Republican	188	18		
							Democrat	97	89		
							Independent		1		
							Total	285	108		
*Rent controls, temporary extension (S. 1081)	Reported Apr. 10, 1953.										
*Reciprocal Trade Agreements Act (Rept. 521) (H.R. 5495).											
Mutual Security Act of 1953 (H.R. 5710)											
Taxes, excess profits, extend (H.R. 5898)											
*Social security coverage extension											

See footnote at end of table.

Major legislation during 1st 100 days of Eisenhower administration—Continued

Legislation	Senate					House					Final action
	Status	Vote			Other action	Status	Vote			Other action	
		Party	Yea	Nay			Party	Yea	Nay		
*Renewal of school construction aid in defense areas (H.R. 6049).											
*Factory inspections by Food and Drug Administration (H.R. 5740).											
*Customs Simplification Act of 1953 (H.R. 5877).											
*Amendments to Immigration Act											
*Amends the Taft-Hartley Act											
Establishment Department of Health, Education, and Welfare (H.J. Res. 223).	Passed Mar. 18, 1953. Reported Apr. 10, 1953.					Passed Mar. 18, 1953.					Apr. 1, 1953, Public Law 13.
*Renewal of defense priorities and scarce materials controls (S. 1081).											
*Resolution of nonrecognition of Soviet enslavement of peoples (S. Con. Res. 36).											
*Increase number of Commissioners in District of Columbia.											
*Study for local self-government in District of Columbia.											
*Renew school operation aid in defense areas (H.R. 6078).											
*Renewal of authority under the Reorganization Act.											

*Recommendations made by President Eisenhower in his state of the Union message of Feb. 2, 1953.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Indiana.

Mr. HALLECK. I have just listened with great interest to what the gentleman has had to say. I take it from what he has said that you are doing so well—you Democrats—that you are going to adjourn the Congress in early July. I certainly would hope so because I am sure a lot of people would like to get the work of the Congress over with and get back home as we are supposed to do under the Reorganization Act.

Mr. McCORMACK. I think the observations of the gentleman are at least theoretically agreed to by all of us, but the observation he has made is not an answer to what I just said about the first 100 days of the Kennedy administration.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask the chairman of the subcommittee if he knows from what source came the funds—whether it was from the President's special projects or emergency fund to take care of this boondoggle known as the Peace Corps. At the hearings was there any information brought out on that question? Do you know where they got the money to pursue that boondoggle?

Mr. ANDREWS. I do not know, answering the gentleman's question, but I can say that no money came from the funds in this bill.

Mr. GROSS. It is my understanding that the Congress appropriated $10,000 for that purpose or at least for a study of it. Of course, it has gone far beyond the $10,000 stage.

Mr. ANDREWS. I am sure it will cost more than that, but the only possible source from which it could have come out of this bill is the President's emergency fund. We had the expenditures itemized as recently as the month of May and there is no money for the Peace Corps.

Mr. GROSS. These two funds, as I understand it, one is the emergency fund for the President——

Mr. ANDREWS. That is only $1 million.

Mr. GROSS. Yes; that is only $1 million and the special projects fund is $1,500,000.

Mr. ANDREWS. None of that money was used for the Peace Corps.

Mr. GROSS. Let me ask the gentleman this question. Money from these funds are spent on the accounting of the President; is that not correct?

Mr. ANDREWS. Yes, sir.

Mr. GROSS. Are you able in your hearings then to find out to any appreciable extent what the money is spent for?

Mr. ANDREWS. Yes, and the gentleman will find in the RECORD a list of items for which the funds were spent from the emergency fund, and there is nothing in connection with the Peace Corps. The same thing is true of the special projects fund.

Mr. GROSS. The gentleman understands that I have been critical of this spending of these funds by the President on his own accounting. I do not think it is right and I was as critical of it under the Eisenhower administration as I am now, and I am going to continue to be critical of such spending.

Mr. ANDREWS. The only money in this bill that is not pinpointed for expenditure is the President's emergency fund and that is only $1 million. But, we do ask for an accounting of the expenditures from that fund and those expenditures are listed in the record. There is nothing in there for the Peace Corps.

Mr. GROSS. I thank the gentleman.

The Clerk concluded the reading of the bill.

Mr. ANDREWS. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to, and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ALBERT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to, and that the bill as amended do pass.

The previous question was ordered.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and include extraneous matter on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

WHERE DO WE STAND ON NUCLEAR TESTING? AN ANNOUNCEMENT

Mr. McCORMACK. Mr. Speaker, the gentleman from California [Mr. HOLIFIELD] has secured a special order for

Wednesday, June 14, for the purpose of discussing the important issue "Where Do We Stand on Nuclear Testing?"

The gentleman from California invites those Members who are interested in this subject to remain in the Chamber and participate in the consideration of this timely and important matter.

FEDERAL CONTROL OF EDUCATION

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. JOHANSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, an outstanding service has been rendered to this House and to the Nation by our distinguished colleague from California [Mr. LIPSCOMB].

I refer to his action in placing in last Thursday's CONGRESSIONAL RECORD significant excerpts from the recent Office of Education report entitled "A Federal Education Agency for the Future."

After reading these excerpts, or the report itself, I do not believe anyone can seriously question that the end result and, indeed, the goal of Federal aid to education is a progressive development and expansion of Federal control.

For any who still insist otherwise I can only offer the ancient adage that "there are none so blind as those who will not see."

I shall have further occasion to comment on this Office of Education document in connection with the impending debate on the Federal aid-to-education bill.

At the moment I raise only one point:

What does the official hierarchy of the National Education Association have to say with respect to this report—in the drafting of which it unquestionably had a major role, direct or indirect?

Does the NEA hierarchy still deny that Federal aid to education involves inevitable—and indeed deliberately planned—Federal control?

Is the NEA hierarchy now prepared to acknowledge that its previous denials on this score were honest errors of judgment—or that they were calculated efforts to deceive the American people and the Congress?

Does the NEA hierarchy actually favor the type and scope of Federal policymaking control which the Office of Education report projects and advocates?

Or, is the NEA hierarchy now prepared to repudiate massive Federal aid to education because it obviously will involve this sort of massive Federal control?

I suggest that it is time for this ruthless pressure group to come clean with the Congress, and the American people.

Meanwhile I again pay tribute and express my thanks to the gentleman from California for the immense service he has rendered.

NEW FRONTIERS IN THE KING RANGE AND THE BUREAU OF LAND MANAGEMENT

The SPEAKER. Under the previous order of the House the gentleman from California [Mr. CLEM MILLER] is recognized for 60 minutes.

Mr. CLEM MILLER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CLEM MILLER. Mr. Speaker, I have introduced for reference to the Committee on Interior and Insular Affairs a bill to provide for establishment of the King Range National Conservation Area in my district in California.

Some 25,000 acres of Federal public land administered by the Bureau of Land Management are located in the King Range country. The area is located along the Pacific coast south of Cape Mendocino in southwestern Humboldt County and northwestern Mendocino County, about 200 miles north of San Francisco.

The bill—H.R. 6793—provides for management of the natural resources of this area under a program of balanced usage. This is the term used by President Kennedy in his recent natural resources message to the Congress to describe the positive policy under which the Bureau of Land Management is to manage the public lands.

The King Range provides an example of those public lands to which the President referred in the natural resources message when he spoke of:

> A vital national reserve that should be devoted to productive use now and maintained for future generations * * * Much of this public domain suffers from uncontrolled use and a lack of proper management. We can no longer afford to sit by while our public domain assets so deteriorate.

Acting on this conviction, the President has directed the Secretary of the Interior and the Director of the Bureau of Land Management, first, to accelerate an inventory and evaluation of the Nation's public domain holdings; second, to develop a program of balanced usage designed to reconcile the conflicting uses—grazing, forestry, recreation, wildlife, urban development and minerals—and, third, to accelerate revegetation of range lands and installation of soil-conserving and water-saving works and practices to reduce erosion and improve forage capacity.

H.R. 6793 would help implement this forward-looking policy on this one unit of the national land reserve. Its purpose is to help bring the public lands in the King Range into full production so that they can contribute their share to both the local and national economies. All of the uses named in the bill are important, each in its place, and one is not singled out over another.

I am particularly pleased that this new policy spelled out by the President recognizes outdoor recreation as a use to be considered in BLM land management programs on an equal footing with the traditional uses. This recognition is long overdue in view of the rapidly growing outdoor recreational requirements of the American people. The recreational field is a new one for BLM. It is essential that it be granted the wherewithal if the orderly management of our public lands is to proceed. We must recognize that outdoor recreation as a major land use is growing fast, and should be planned for as part of any comprehensive system of land management.

As Secretary of the Interior Stewart Udall said the other day:

> The necessity to meet the outdoor recreation needs of our people * * * will in all likelihood be the sharpest and most consistent pressure on our land, water, and forests in the years ahead.

CHARACTERISTICS OF THE KING RANGE

Mr. Speaker, two key features of the King Range country are its inaccessibility and rugged terrain. This area is the westernmost bulge of the California coast. The highways all swing inland to bypass the Pacific coast's most precipitous stretch of shoreline.

This remote and slow-paced country has been called California's "unknown coast" because nowhere else in California does so much roadless, inaccessible coast face the Pacific. Kings Peak, the most prominent feature of the range, rises to more than 4,000 feet only 3 miles from the ocean.

In addition to lack of access, proper management of public lands in this area is complicated by the land ownership pattern. An ownership map looks like a crazy quilt. There are more than a hundred separate parcels of public land checkerboarded and otherwise intermingled among private holdings. Also, small parcels of private lands are isolated within the public holdings—"Little Berlins," the local people call them. This intermingled ownership obviously does not make for efficient management by either the private or public managers. It particularly discourages soil and water conservation investment.

Much of the logged-over forest land, and rangeland also, is badly eroded or covered with brush. Reforestation and revegetation are urgently needed. There are 3,500 acres of nonstocked timberland alone. I see as one of the most necessary features of this bill the encouragement of reforestation on BLM lands.

The King Range also includes scenic and other outdoor recreation resources of a high order. There are spectacular stretches of seashore, including beautiful, remote beaches and coves, magnificent stands of virgin Douglas-fir, as well as sugar pine, spruce, madrone, bay, and redwood. There is abundant wildlife, including deer and salmon and steelhead, and other species of fish and game of interest to sportsmen. It is a tribute to

the imagination of local residents that they realize the developing potential of recreation for the area to augment and supplement other uses.

The unreserved public lands in the area have been withdrawn from most forms of appropriation to private ownership since 1929. That year a temporary withdrawal for classification was made by Presidential order, at the request of the California State Division of Beaches and Parks, because of the recreation potential.

The King Range country also includes a number of fine private sheep ranches. The grazing value assigned to the public lands in the area is an estimated 1,000 AUM's. Leased lands have a rated capacity of about 900 AUM's. There is a great potential to increase grazing capacity. The predominant commercial timber in the area is Douglas-fir. The area's timber resources are estimated to include 240 million board-feet of merchantable size. BLM estimates that total potential yearly production of forest products, based on reasonably full stocking, full use of the presently unstocked timberland and a 100-year rotation, is about 8½ million board-feet a year. There are no known mining claims.

BALANCED USAGE

H.R. 6793 proposes an orderly procedure for reconciling the apparently conflicting requirements of the various classes of users for these various resources—under a program of balanced usage.

"Balanced usage" is defined in section 2 of the bill as:

> Utilization of an area of lands in such a manner as to satisfy all legitimate requirements for the available resources as fully as possible without undue denial of any of such requirements and without undue impairment of any of the resources, taking into consideration total requirements and total availability of resources, irrespective of ownership or location.

The concept recognizes that some uses are more mutually compatible than others, and that quality as well as quantity of use is to be considered. Therefore, it implies a primary or dominant use for any one particular tract or zone. It also implies secondary or subordinate uses to the extent that they are compatible with and do not impair the primary use, according to a seasonal schedule or otherwise. This primary use within a particular use zone is most important but in no way does it derogate the overall importance of each one of them.

Balanced usage also implies that those who administer such a program and determine the use pattern will make these determinations with the object of obtaining the greatest benefits for the most people over the longest period. It implies due consideration of intangible values as well as those values which can be measured by dollar return or production per unit. It implies periodic review and reevaluation of the uses and use zones.

The concept also implies management of renewable resources so as to obtain a sustained regular or periodic supply of products or services without impairment of the productivity, carrying capacity or enjoyment capability of the land. Balanced usage further implies that the total pattern of uses over an area will be integrated and coordinated so as to maintain ecological balance.

The uses to be balanced are all legitimate uses of the available resources, including outdoor recreation, watershed management, forestry, grazing, and other argricultural uses, mining, occupancy and other urban uses, wildlife, mineral production, and access.

As Karl S. Landstrom, the new Director of the Bureau of Land Management, told the Colorado Cattlemen's Association last week:

> There is no question in my mind that when the President said "balanced usage" he meant usage that will be best for all the people, taking into account conservation of resources. I am sure too that he meant a balance of uses from the standpoint of the entire system—not necessarily the presence of every usage on every tract or acre.

This concept, of course, is similar to the concept of multiple use under which the Forest Service has been administering the national forests for many years and which by action of the last Congress is now law. I doubt that the Forest Service today would take exception to the balanced usage concept as defined in H.R. 6793. Unfortunately, as Samuel Trask Dana, dean emeritus of the University of Michigan's School of Natural Resources, has pointed out, "multiple use" is too often looked upon as a panacea and a guarantee of virtue. The phrase has meant many things to many people. To some it has meant "my use, anywhere, at any time."

Dr. Dana and Dr. Myron Krueger, professor emeritus of the University of California's School of Forestry, discuss their views on this subject in their book, "California Lands."

In his book, "The National Forests," Arthur H. Carhart points out that, among laymen, the most widely accepted interpretation of multiple use in the national forests is "the idea of tying together the graduated and coordinated uses in balanced planning and management."

But, Mr. Carhart observes, land managers with specialized training are prone to talk multiple use but to continue to practice their own specialty when it comes down to actual cases. What happens, he says, is that as each specialist makes his plans the total result—

> is not a balanced, correlated use of the land and its various values, but a consecutive layering of specialists' schemes with little regard for any coordination between them. The sylviculturist lays out his full-scale plan, the range-management specialist superimposes his plan, the wildlife officer operates as if the other uses had to bow to wildlife needs, and the recreational designer throws all these aside as he prepares a program to put human uses ahead of all others. * * * It may not always be as thick, layer on many layers. But often it actually is the specialist with the loudest voice or the highest rating on the civil service roster who shouts his particular field into first consideration.

Mr. Carhart also recalls his own "groping" when he was with the Forest Service for a better term than multiple use:

> Such a better term should imply that land would be managed with a real priority for the use to which it was best suited, an orderly sequence in priorities, beginning with the use of most importance.

Multiple use is a fine concept when it is properly used and employed. Unfortunately, this is not always the case. In fact, it has never been precisely defined, even in the multiple-use bill passed last year. This simply cannot be done without a frank recognition of priorities as they relate to particular acreages.

The definition of "balanced usage" proposed in H.R. 6793 is intended to help with a meaningful description to head off abuses that some national forest users have tried to justify by invoking "multiple use." As Dr. Dana and Dr. Krueger say, we know as yet relatively little concerning the potentialities and limitations of planned management of wildlands with due regard to all of the various values involved. The definition of balanced usage proposed in this bill is offered in that spirit. Actually, this concept is nothing new. It is merely the application of generally accepted planning and zoning principles to wildlands. As one who is interested in and who took an active part in the passage of the multiple-use bill last year, I hope a consideration of this bill will be profitable.

OTHER PROVISIONS OF THE BILL

Section 3 of the bill provides for the Secretary of the Interior to make a survey and investigation of the King Range area for the purpose of preparing a management program. This would include an analysis of the resources, a comprehensive land-use plan, statement of expected costs to the United States and expected economic effects on local communities and government, together with an evaluation of the proposed program in terms of the public interest.

Section 4 provides for review of the proposed program by the Congress, the Governor of California and the governing boards of the local governments before it could be put into effect.

The bill recognizes that the local people should have full opportunity to play a key role in program formulation. It requires public notice and public hearing to receive local views.

Section 5 is a key section of the bill. It would give the Secretary more authority than he now has to consolidate the public lands in this area in order to facilitate efficient management. To facilitate consolidation, land could be acquired by donation, by purchase with donated or appropriated funds, or by exchange. Land eligible for exchange would be any Federal land under the Secretary's jurisdiction in California or adjacent States. The Secretary could

equalize, with cash, values of lands to be exchanged. Now, BLM has authority to acquire land for consolidation solely by equal exchange of lands, solely within one State. Under the bill, all exchanges would be voluntary. Private land could not be acquired by condemnation.

Section 5 also would authorize and direct construction of basic recreation and access facilities, including hiking and riding trails and roads, which are needed for fire protection and timber access as well as recreation use. Authority to install soil and water conservation works and practices, and reforest and revegetate through cooperative agreement or otherwise is emphasized.

The bill emphasizes use of cooperative agreements—with the State of California, the county and other local governments, or nonprofit organizations—wherever feasible. Such agreements would also be specifically authorized for fish and wildlife management, including control of predators. Hunting and fishing would be under jurisdiction of State law. The State of California Wildlife Conservation Board has already earmarked State funds and stands ready to build a hunting and fishing access road into the King Range area, once a comprehensive plan has determined where the road should go.

Mr. Speaker, an unusual feature of this legislation is the strong consensus of local opinion supporting it.

Although the various classes of potential users—ranchers, lumbermen, hikers, hunters and fishermen, and so on—recognize the inevitable conflicts of interests, they also recognize that they have more interests in common. Almost everyone concerned with the future of this magnificent area realizes the value of an orderly, coordinated approach to its complicated management problems and great opportunities.

Fortunately, the topography suggests natural boundaries between types of uses. The use zones we have established in the bill lend themselves to natural division. For example, on the steep western slope of the range facing the sea there is a minimum of commercial-grade timber. This same area contains highest scenic values, and also grasslands suitable for grazing. The eastern slopes contain the best commercial timberland, much of which should be restocked. Further down is some fine grazing land. Much of the eastern side of the range will support deer and upland game. There is good fishing potential throughout the area, including, of course, the surf and offshore waters.

The bill is designed to accommodate views of the following: The Mattole Action Committee of Humboldt County, Humboldt County Board of Supervisors, Humboldt County Department of Forestry, Greater Eureka, Calif., Chamber of Commerce, California Wildlife Conservation Board, some individual members of the Sierra Club, and many interested and informed residents of the Mattole River Valley—in the shadow of the King Range. These local people have cooperated fully in working out details of the bill.

THE NEW LOOK AT BLM

Mr. Speaker, as the representative of the people of the King Range and of a district with more than 275,000 acres of land administered by the Bureau of Land Management, I am heartened at what is going on down at BLM these days. Its leaders are exploring new frontiers in the interests of better management of the 177 million acres of the American earth in 10 Western States entrusted to their stewardship.

In the past BLM has been considered by too many as primarily a land disposal agency, with collateral duties as interim custodian of public lands pending their transfer to others for "permanent" management. In the future, BLM may well be required to transfer millions of acres into private ownership and to State and local governments—10 million acres during the next 50 years, it is estimated. But what about the 167 million acres that is expected to remain in the public domain for the foreseeable future? Today BLM's responsibilities as a permanent land manager are finally receiving realistic recognition. The Bureau has been a sort of stepchild among the Government's great land management agencies for too long. I am looking forward to a Cinderella transformation with high expectations.

In this connection I have noted with interest recent statements and actions by the new leaders of BLM and the Department of Interior. For example: the 18-month moratorium recently ordered by Secretary Udall on most types of nonmineral claims on public lands, proposals to modernize certain antiquated public land laws, an inventory of public lands resources including recreational resources, requests for appropriations to provide basic sanitation and recreational facilities on certain public lands, reduction of costs to State and local governments for purchase or lease of public lands for public recreational use, approval of withdrawals permitting State investments in public access and wildlife habitat improvements on public lands, and reassessment of BLM's long-range program, Project Twenty-Twelve.

The moratorium will permit cleaning up a backlog of some 60,000 such applications. This breathing spell also will permit BLM to develop administrative remedies and propose legislation to prevent buildup of such a backlog again. I understand legislation is being proposed to modernize the public land laws. These statutes were invaluable tools for the settlement and development of the old frontier. But today some have outlived their usefulness; some have been misused by unscrupulous promoters and speculators. Under new legislation designed for the needs of today and tomorrow, it will be possible for private citizens to acquire public domain land in ways consistent with the national interest, and also with the interests of the States and counties and communities in which these lands are located.

As BLM Director Landstrom said recently:

> Programs for the public lands must be adjusted to meet the growing land and resource needs of the Nation. This may require some rethinking. We must at least re-educate ourselves to a fact sometimes lost sight of—that the so-called vacant and unreserved public lands in the Western States are actually withdrawn and reserved from most kinds of entry. They make up a "national reserve," as President Kennedy called it, to be inventoried, evaluated, wisely used, and conserved for future generations.

This rethinking of BLM's policies has already resulted in proposals to broaden the representation on the agency's local, State, and National advisory boards to include representatives of all the major uses. Until now, representation on the advisory boards has consisted predominantly of grazing users, with some representation for wildlife interests.

As Director Landstrom told the Advisory Board Council for Grazing recently—

> The growing importance of outdoor recreation, watershed protection, mineral development, timber sources, and water supply has given rangelands added values. Many people have suggested that broader sources of counsel and advice are needed.

As Secretary Udall told the same audience:

> The public lands in grazing districts no longer have value only for grazing. Now, in many areas of the West—and the number will surely grow in the future—other uses are growing in importance. Modern-day land management programs must take full account of these values.

The moratorium's breathing spell also will permit inventory of the resources and opportunities offered by the public domain—including opportunities for outdoor recreation.

Those areas which offer exceptional opportunities for public recreation should be made available and usable to the people who own them—as they now are on national forest land. It is an anomaly that this year we allowed $18 million for recreational construction, maintenance, and operation on national forest land, but nothing for similar work on BLM land. Some BLM land in my district has higher recreational values than some national forest land. Actually, some BLM lands are already being used for recreational purposes. During 1961 it is estimated that there will be more than 2 million recreational visits to BLM lands in California alone. Lack of minimum sanitation facilities is just one of the problems. The President's budget for fiscal 1962 requests the modest sum of $200,000 to initiate construction of basic recreational and sanitary facilities on certain BLM lands. I earnestly hope that next year the Congress will look upon this request with more favor than it has this year.

It is interesting to note that BLM, like the Forest Service, is a revenue producing agency. BLM is one of the relatively few agencies which produces more in revenues than it spends. Last year,

for example, the revenue to the Treasury from BLM lands was some $370 million. Expenditures totaled about $30 million.

In the book, "Land for the Future," Marion Clawson, the former Director of BLM who is now director of studies in land use and management for resources for the future, estimates probable demand for outdoor recreation land in the year 2000. He estimates that demand for "resource-based" lands—the category in which he places national forests—will increase 40 times within these next 40 years. Increased population, per capita income and mobility together with a shorter workweek are among the forces affecting future requirements for outdoor recreation.

Dr. Clawson emphasizes that meeting requirements for outdoor recreational lands will require action at all levels of government. If the Federal Government is to carry its share of the burden, it appears clear to me that we are going to have to realize the recreation potential of BLM lands, as well as Forest Service, National Park Service, Army Corps of Engineers, Bureau of Reclamation and Fish and Wildlife Service lands. Dr. Clawson assumes that private recreation facilities also will expand. He makes the point that while such private facilities are to some degree competitive with public recreation facilities, to a greater extent they are complementary: when State parks are built, for instance, they create more opportunities for private recreation facilities than they displace.

Dr. Clawson also notes that comparatively, the heaviest burden for meeting our future outdoor recreation requirements will fall on the States. In this connection I am interested to learn that Secretary Udall has just announced additional incentives to the States and local governments to obtain BLM lands for recreational purposes. As part of his action to implement an act of the last Congress increasing the acreages of public lands which the States and local governments may obtain for recreation use, the Secretary announced that these lands may now be sold for as little as $2.50 an acre. Previously, the States and local governments have had to pay up to 50 percent of fair market value. As a result, last year less than 2,000 acres were set aside for recreational use under the Recreation and Public Purposes Act.

BLM's new cooperation with the States in an effort to stimulate expansion of the Nation's public recreation facilities also includes favorable action on State applications to establish national cooperative land and wildlife management areas. In California, for example, approval of such applications will permit the California Department of Fish and Game to invest State funds to improve access roads and trails and fish and wildlife habitat improvement on selected public lands with hunting and fishing opportunities. By its action, BLM has given the State some assurance that these areas will remain in public ownership for some time.

Another high priority effort at BLM these days is a thoroughgoing reassessment of the goals and timetable of "Project Twenty-Twelve," BLM's long-range program which was first announced last year. This 50-year program is now being revised in terms of the new policies and new goals laid out for BLM by the President and the Secretary of the Interior.

Secretary Udall pointed out in a recent speech before the North American Wildlife and Natural Resources Conference that it has now been more than 20 years since the United States has engaged in a massive and sustained national conservation effort.

In his natural resources message the President said:

> We must understand our resources problems, and we must face up to them now. The task is large but it will be done.

I am very hopeful that under such forward-looking leadership we are on the threshold of our most productive years in the balanced conservation and use of the public lands of America for all the requirements of the American people.

THE GLOBAL WAR OF THE COMMUNISTS

Mr. BURKE of Kentucky. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. DULSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. DULSKI. Mr. Speaker, today I am introducing a resolution calling for a declaration of war by the United States to meet the total global war being waged by the 98 Communist Parties constituting the international Communist conspiracy.

The inroads the Communist Party is making in all parts of the world is very distressing to me. It is time that we take advantage of all the resources at our command, and fight this disease with a more stern conviction.

I feel we must meet fire with fire, and the time is now. All true Americans in our great country, irrespective of politics, are opposed to communism.

PREAMBLE OF THE FEDERAL CONSTITUTION

Mr. BURKE of Kentucky. Mr. Speaker, I ask unanimous consent that the gentleman from Arkansas [Mr. ALFORD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ALFORD. Mr. Speaker, since I have been a Member of the House I have been actively engaged in the study of the Federal Constitution and its amendments more than ever before, because I have currently seen the great need for such study.

The rapidly changing conditions in our Nation and the world at large emphasize the need on the part of lawmakers and administrators of our National and State Governments for a proper understanding and application of the provisions of this great charter of freedom and representative government.

This brings me to say that I recently read with great interest and appreciation the eloquent and realistic interpretation of the Preamble of the Constitution given in poetic form by a former Member of this distinguished body, Hon. Maurice H. Thatcher, of Kentucky, who served here with distinction. Also he is the only surviving member of the Isthmian Canal Commission which had supervision of the building of the Panama Canal and he was civil Governor of the Canal Zone during the construction era.

The interpretation given by Governor Thatcher is an outstanding contribution to the general subject of the Constitution and I would commend its reading and study not only by Members of the Congress but as well by State legislators and members of the judiciary, both State and Federal.

The poem follows:

PREAMBLE OF THE FEDERAL CONSTITUTION—ITS TEXT AND IMPLICATIONS—AS MIGHT HAVE BEEN TOLD BY THE AUTHORS

(By Maurice H. Thatcher)

Hear ye! Hear ye! O ye men and women,
All, and everywhere, O hearken and heed!
Following the long and cruel war which
We have waged and won, our independence
To gain, we the people of the United
States, in order to form a more perfect
Union; to establish justice in our
Midst; to insure domestic tranquillity;
To provide for the common defense; and
To promote the general welfare; as well
As to secure the blessings of liberty
To ourselves and to our posterity—
Do here and now, and by this most solemn
And sacred action, ordain and establish
This Constitution for the United
States of America; and by this means
A Republic we create, republican
in form, and in spirit democratic;
And we guarantee to each and every
State a like government
Here, and hereby,

We set up for our Federal rule and needs
A carefully devised system of checks
And balances; whereby, and through such
means,
Three great divisions—the legislative,
The executive, and the judicial—
Are formed to guide, protect, and serve the
Nation

And after due approval seals our labors
Let no one in our most beloved land
E'er strive, by trick, device, or stratagem,
Or through connivance, at home or abroad,

To dilute, or undermine, or liquidate
This comprehensive and all-sufficient pact
Of freedom—the first in hist'ry on which
A nation has sought to base and ground itself—
The example for, and wonder of, all
The World; and which, if in its purity
And strength, is safely kept, will light us down
To future years remote; and serve as torch
For all who, in lands of tyranny and
Oppression, toil and hope for their deliv'rance.
Yea, if our own shall always be steadfast
And true, and o'er-fearless in their sanctions,
We shall, indeed, endure unto the end;
But if, by folly or acts treasonable,
This instrument is destroyed, government
Of the people, by the people, and for
The people, shall perish from the earth.

JOHN JANNEY: MISSED PRESIDENCY BY ONE VOTE

Mr. BURKE of Kentucky. Mr. Speaker, I ask unanimous consent that the gentleman from Arkansas [Mr. ALFORD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ALFORD. Mr. Speaker, in remarks to the House on March 30, 1961, under the title, "Our First Grave Constitutional Crisis—1861," I quoted three moving addresses before the 1861 General Convention of the Commonwealth of Virginia by its President, John Janney (1798–1872), of Leesburg, Va.

In describing this important Virginia leader, I mentioned the fact that he had missed becoming President of the United States by only one vote.

As a result, I have received a number of inquiries from various parts of the country as to the circumstances of the vote.

The answer to the question can be found in a brief biographical sketch of Janney in the Official Program and Historical Booklet of the Loudon County, Va., Bicentennial, August 19–24, 1957, for which I am indebted to Hon. Lucas D. Phillips of Leesburg, distinguished member of the Virginia House of Delegates.

The indicated biographical sketch follows:

LOUDOUN COUNTY, VA., BICENTENNIAL, AUGUST 19–24, 1957

OFFICIAL PROGRAM AND HISTORICAL BOOKLET

John Janney

John Janney was born in Hillsboro, Loudoun County, Va., and died in Leesburg, January 5, 1872. He was an able and successful lawyer and for many years was one of the outstanding Whig leaders of the State. At the Whig convention held in Harrisburg, Pa., the Virginia delegation was much displeased because Henry Clay was defeated for the presidential nomination.

In order to appease them the leaders of the convention told them to name anyone they wished for Vice President and the convention would ratify their choice. In the caucus of the delegation the names of John Tyler of Williamsburg and John Janney of Leesburg were presented. Janney voted for his opponent, Tyler, and lost by one vote.

The choice of the Virginia delegation was ratified by the convention and Tyler was nominated. The ticket of Harrison and Tyler was elected and in 3 weeks after the inauguration Harrison died, thus making Tyler President.

In later years Janney was chosen as one of the two Loudoun delegates to the Secession Convention. Though a union man he was chosen president of the convention and in his official capacity he notified General Lee in a most beautiful and eloquent speech of his selection as commander of the armed forces of Virginia.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to:

Mr. THOMPSON of New Jersey (at the request of Mr. MAGNUSON), for today, June 13, 1961, on account of official business.

Mr. FENTON (at the request of Mr. ARENDS), for the balance of the week, on account of illness in the immediate family.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. WEAVER to include a chart in the remarks he made in the Committee of the Whole today.

Mr. MCCORMACK to revise and extend the remarks he made in the Committee of the Whole today and to include therein extraneous matter and tables; also to extend his remarks in the RECORD and to include therein extraneous matter.

(The following Members (at the request of Mr. CAHILL) and to include extraneous matter:)

Mr. AYRES.
Mr. QUIE.
Mr. BARRETT.

(The following Members (at the request of Mr. BURKE of Kentucky) and to include extraneous matter:)

Mr. ALBERT.
Mr. VANIK.
Mr. CELLER.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 48. An act to authorize the Secretary of the Army to modify certain leases entered into for the provision of recreation facilities in reservoir areas; to the Committee on Public Works.

S. 49. An act to provide for the annual audit of bridge commissions and authorities created by act of Congress, for the filling of vacancies in the membership thereof, and for other purposes; to the Committee on Public Works.

S. 82. An act for the relief of Naoko Ishiwatari White; to the Committee on the Judiciary.

S. 85. An act for the relief of Mario Rosario Barrena-Villachica, Maria Dolores Villar Salinas, Angela Casanova Cabello, Carmen Guenaga Anchustegui, and Flora Casals Pons; to the Committee on the Judiciary.

S. 172. An act for the relief of Chew Chi Yan; to the Committee on the Judiciary.

S. 193. An act for the relief of Rev. Patrick Floyd; to the Committee on the Judiciary.

S. 242. An act for the relief of Mary Dawn Polson (Emmy Lou Kim) and Joseph King Polson (Sung Sang Moon); to the Committee on the Judiciary.

S. 263. An act for the relief of Guisseppe Glorioso; to the Committee on the Judiciary.

S. 266. An act for the relief of Georgios Laskaris Tgotgolas; to the Committee on the Judiciary.

S. 316. An act for the relief of Min-sun Chen; to the Committee on the Judiciary.

S. 331. An act for the relief of Mrs. Kazuko (Wm. R.) Zittle; to the Committee on the Judiciary.

S. 373. An act for the relief of Myung Ja Kim; to the Committee on the Judiciary.

S. 435. An act for the relief of Knud Erik Didriksen; to the Committee on the Judiciary.

S. 592. An act for the relief of Nishan Der Simonian; to the Committee on the Judiciary.

S. 606. An act to provide for the construction of a shellfisheries research center at Milford, Conn.; to the Committee on Merchant Marine and Fisheries.

S. 650. An act to amend the Watershed Protection and Flood Prevention Act to permit certain new organizations to sponsor works of improvement thereunder; to the Committee on Agriculture.

S. 674. An act for the relief of Roman Dackow; to the Committee on the Judiciary.

S. 700. An act for the relief of Fung Wan (Mrs. Jung Gum Goon); to the Committee on the Judiciary.

S. 722. An act for the relief of Aideh Kobler; to the Committee on the Judiciary.

S. 805. An act for the relief of Yu Liao; to the Committee on the Judiciary.

S. 817. An act for the relief of Octavio Jiminez Marquez; to the Committee on the Judiciary.

S. 825. An act for the relief of Vasiliki Yeannakopoulos; to the Committee on the Judiciary.

S. 848. An act to authorize the Secretary of Agriculture to convey a certain parcel of land to the town of Tellico Plains, Tenn.; to the Committee on Agriculture.

S. 866. An act for the relief of Jose Erasmo Reina (Lajara); to the Committee on the Judiciary.

S. 942. An act for the relief of Dr. Perkins P. K. Chang (Chang Peng-Keng); to the Committee on the Judiciary.

S. 944. An act for the relief of Mr. Najm Boulos Rihani; to the Committee on the Judiciary.

S. 1040. An act to abolish the Federal Farm Mortgage Association, and for other purposes; to the Committee on Agriculture.

S. 1206. An act for the relief of Continental Hosiery Mills, Inc., of Henderson, N.C., successor to Continental Hosiery Co., of Henderson, N.C.; to the Committee on the Judiciary.

S. 1373. An act for the relief of Giuseppa Lanza Lascuola; to the Committee on the Judiciary.

S. 1440. An act to amend the act approved July 14, 1960 (74 Stat. 526), relating to the establishment of a register in the Department of Commerce of certain motor vehicle operators' licenses; to the Committee on Interstate and Foreign Commerce.

S. 1668. An act to authorize the imposition of forfeitures for certain violations of

the rules and regulations of the Federal Communications Commission in the common carrier and safety and special fields; to the Committee on Interstate and Foreign Commerce.

S. 1931. An act to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1293. An act for the relief of Djura Zelenbaba;

H.R. 1360. An act for the relief of Anna B. Prokop;

H.R. 1467. An act for the relief of Modesta Pitarch-Martin Dauphinais;

H.R. 1508. An act for the relief of Mary A. Combs;

H.R. 1523. An act for the relief of Kazimiera Marek;

H.R. 1572. An act for the relief of Mrs. Sato Yasuda;

H.R. 1578. An act for the relief of Mah Quock;

H.R. 1621. An act for the relief of Miss Kristina Voydanoff;

H.R. 1622. An act for the relief of Dr. George Berberian;

H.R. 1871. An act for the relief of Min Ja Lee;

H.R. 1873. An act for the relief of Anna Stanislawa Ziolo;

H.R. 1886. An act for the relief of Panagiotis Sotiropoulos;

H.R. 2101. An act for the relief of Evelina Scarpa;

H.R. 2107. An act for the relief of Pietro DiGregorio Bruno;

H.R. 2116. A act for the relief of Wanda Ferrara Spera;

H.R. 2141. An act for the relief of Henry Wu Chun and Arlene Wu Chun;

H.R. 2158. A act for the relief of certain aliens;

H.R. 3489. An act for the relief of Bernard Jacques Gerard Caradec;

H.R. 3846. An act for the relief of M. Sgt. Louis Benedetti, retired.

H.R. 3850. An act for the relief of Clark L. Simpson;

H.R. 4217. An act for the relief of David Tao Chung Wang;

H.R. 4219. A act for the relief of the estate of William M. Farmer;

H.R. 4282. An act for the relief of Casimir Lazarz;

H.R. 4713. An act for the relief of Robert Burns DeWitt; and

H.J. Res. 437. Joint resolution relating to the time for filing a report on renegotiation by the Joint Committee on Internal Revenue Taxation.

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 847. An act to change the name of the Army and Navy Legion of Valor of the United States of America, Inc., and for other purposes;

S. 1852. An act to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes; and

S.J. Res. 65. Joint resolution designating the week of May 13–19, 1962, as Police Week and designating May 14, 1962, as Peace Officers Memorial Day.

ADJOURNMENT

Mr. BURKE of Kentucky. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 58 minutes p.m.) the House adjourned until tomorrow, June 14, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1015. A letter from the Deputy Secretary of Defense transmitting a draft of a proposed bill entitled "A bill to amend the Career Compensation Act of 1949 to authorize the payment of an accrued portion of incentive pay to certain aeronautically rated or designated officers who have been eligible to such pay for a minimum of at least 10 years and who subsequently are removed from the status to such eligibility due to the fact that a determination has been made that the requirement for them in this capacity is no longer necessary in the interest of national security"; to the Committee on Armed Services.

1016. A letter from the Comptroller General of the United States, transmitting a report on the review of regulations, policies, and practices relating to certain Federal grants made to school districts to assist them in financing the cost of the construction of needed minimum school facilities in federally affected areas; to the Committee on Government Operations.

1017. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to approve the revised June 1957 reclassification of land of the Fort Shaw division of the Sun River project, Montana, and to authorize the modification of the repayment contract with Fort Shaw Irrigation District"; to the Committee on Interior and Insular Affairs.

1018. A letter from the Assistant Secretary of the Interior, transmitting a report of all tort claims paid by the Department of the Interior in the fiscal year 1960, pursuant to the Federal Tort Claims Act (28 U.S.C., 2673); to the Committee on the Judiciary.

1019. A letter from the Chief Deputy Clerk, U.S. Court of Claims, relative to the case of *Walter H. Duisberg* v. *The United States*, congressional No. 4–59, pursuant to House Resolution 128, 86th Congress; to the Committee on the Judiciary.

1020. A letter from the Administrative Assistant Secretary of the Interior, transmitting a report by the Department of the Interior covering grants made during calendar year 1960 to nonprofit institutions and organizations for support of scientific research programs, pursuant to Public Law 85–934; to the Committee on Science and Astronautics.

1021. A letter from the Administrator, General Services Administration, transmitting a draft of a proposed bill entitled "A bill to authorize executive agencies to grant easements in, over, or upon real property of the United States under the control of such agencies, and for other purposes"; to the Committee on Public Works.

1022. A communication from the President of the United States, transmitting a draft of a proposed bill entitled "A bill to provide for the establishment of a permanent program of additional unemployment compensation, to provide for equalization grants, to extend coverage of the unemployment compensation program, to establish Federal requirements with respect to the weekly benefit amount and limit the tax credits available to employers in a State which does not meet such requirements, to establish a Federal requirement prohibiting States from denying compensation to workers undergoing occupational training or retraining and deny tax credits to employers in a State which does not meet such requirement, to increase the wage base for the Federal unemployment tax, to increase the rate of the Federal unemployment tax, to establish a Federal additional compensation and equalization account in the unemployment trust fund, and for other purposes"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FRIEDEL: Committee on House Administration. House Resolution 291. Resolution to provide funds for necessary expenses of the Committee on Ways and Means; without amendment (Rept. No. 512). Ordered to be printed.

Mr. ASHMORE: Committee on House Administration. House Resolution 339. Resolution relative to the investigation of the November 8, 1960, election in the Fifth Congressional District of Indiana, and declaring that J. EDWARD ROUSH was duly elected to the 87th Congress; without amendment (Rept. 513). Referred to the House Calendar.

Mr. ASHMORE: Committee on House Administration. House Resolution 340. Resolution providing for the payment of certain amounts in connection with the investigation authorized by House Resolution 1, 87th Congress, with respect to the entitlement of certain individuals to a seat in the House; without amendment (Rept. No. 514). Referred to the House Calendar.

Mr. DOYLE: Committee on Armed Services. H.R. 1935. A bill to amend chapter 79 of title 10, United States Code, to provide that certain boards established thereunder shall give consideration to satisfactory evidence relating to good character and exemplary conduct in civilian life after discharge or dismissal in determining whether or not to correct certain discharges and dismissals; to authorize the award of an Exemplary Rehabilitation Certificate; and for other purposes; without amendment (Rept. No. 515). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. H.R. 75. A bill to amend section 2103 of title 28, United States Code, relating to appeals improvidently taken; with amendment (Rept. No. 516). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. 1073. An act for the relief of Henry Eugene Godderis; without amendment (Rept. No. 517). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 1496. A bill for the relief of Aloysius van de Velde; without amendment (Rept. No. 518). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H.R. 1581. A bill for the relief of Maria Falato Colacicco; with amendment (Rept. No. 519). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H.R. 1583. A bill for relief of Mrs. Chung-Huang Tang Kao; with amendment (Rept. No. 520). Referred to the Committee of the Whole House.

Mr. MOORE: Committee on the Judiciary. H.R. 1630. A bill for the relief of Carma Pereira de Bustillos; without amendment (Rept. No. 521). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H.R. 3148. A bill for the relief of Maddalena Haas; with amendment (Rept. No. 522). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 3393. A bill for the relief of Istvan Zsoldos; with amendment (Rept. No. 523). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H.R. 4221. A bill for the relief of Sylvia Abrams Abramowitz; with amendment (Rept. No. 524). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H.R. 4553. A bill for the relief of Zbigniew Ryba; without amendment (Rept. No. 525). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 6996. A bill for the relief of Harry Weinstein; with amendment (Rept. No. 526). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MATHIAS:

H.R. 7622. A bill to amend section 1176 of the Revised Statutes of the United States relating to the District of Columbia to permit certain gift enterprises in the District of Columbia; to the Committee on the District of Columbia.

By Mr. DAGUE:

H.R. 7623. A bill to amend the Packers and Stockyards Act, 1921, to provide that marketing agencies acting in good faith shall not be liable for selling livestock mortgaged under the Bankhead-Jones Farm Tenant Act until the Secretary has exhausted his civil remedies against the mortgagor; to the Committee on Agriculture.

By Mrs. HANSEN:

H.R. 7624. A bill to amend section II of the act approved February 22, 1889 (25 Stat. 676), relating to the admission into the Union of the States of North Dakota, South Dakota, Montana, and Washington as amended by 47 U.S. Statutes at Large (ch. 172, p. 150); 52 U.S. Statutes at Large (ch. 700, p. 1198); 62 U.S. Statutes at Large (ch. 183, p. 170), and 66 U.S. Statutes at Large (ch. 480, p. 283); to the Committee on Interior and Insular Affairs.

By Mr. MORRISON:

H.R. 7625. A bill to provide that civilian officers and employees of the United States shall not be required to occupy Government quarters unless the head of the agency concerned makes certain determinations; to the Committee on Post Office and Civil Service.

By Mr. NATCHER:

H.R. 7626. A bill to provide for the sale of Camp Breckinridge, Ky.; to the Committee on Armed Services.

By Mr. ROGERS of Florida:

H.R. 7627. A bill to amend the act of August 25, 1958, to extend that act for an additional 4-year period; to the Committee on Government Operations.

By Mr. ROGERS of Texas:

H.R. 7628. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. WHARTON:

H.R. 7629. A bill to amend the Tariff Act of 1930 to provide for the free importation of wild animals, birds, and reptiles which are intended for exhibition in the United States; to the Committee on Ways and Means.

By Mr. ASHBROOK:

H.R. 7630. A bill to provide direct aid to the States and territories for educational purposes only for the benefit of the taxpayers and local governments; to the Committee on Ways and Means.

By Mr. KARTH:

H.R. 7631. A bill to amend title 39 of the United States Code to establish an improved system of longevity steps for postal field service employees, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MAGNUSON:

H.R. 7632. A bill to amend section II of the act approved February 22, 1889 (25 Stat. 676), relating to the admission into the Union of the States of North Dakota, South Dakota, Montana, and Washington as amended by 47 U.S. Statutes at Large (ch. 172, p. 150); 52 U.S. Statutes at Large (ch. 700, p. 1198); 62 U.S. Statutes at Large (ch. 183, p. 170); and 66 U.S. Statutes at Large (ch. 480, p. 283); to the Committee on Interior and Insular Affairs.

By Mr. SAUND:

H.R. 7633. A bill to eliminate absence requirements respecting certain tourists entering the United States; to the Committee on Ways and Means.

By Mr. STEPHENS:

H.R. 7634. A bill to authorize the construction of the Goat Island and Carters Island Dams on the Savannah River, Ga. and S.C., for flood control, power, and other purposes; to the Committee on Public Works.

By Mr. ZELENKO:

H.J. Res. 449. Joint resolution providing for the establishing of the former dwelling house of Alexander Hamilton as a national memorial; to the Committee on Interior and Insular Affairs.

By Mr. DULSKI:

H.J. Res. 450. Joint resolution expressing a declaration of war by the United States to meet the total global war being waged by the 98 Communist Parties constituting the international Communist conspiracy; to the Committee on Foreign Affairs.

By Mr. MORRIS K. UDALL:

H. Con. Res. 334. Concurrent resolution to place temporarily in the rotunda of the Capitol a statue of Father Eusebio Francisco Kino, and to hold ceremonies on such occasion; to the Committee on House Administration.

H. Con. Res. 335. Concurrent resolution accepting the statue of Father Eusebio Francisco Kino of Arizona, presented by the State of Arizona, to be placed in Statuary Hall; to the Committee on House Administration.

H. Con. Res. 336. Concurrent resolution to provide for printing of proceedings in connection with the unveiling of the Father Eusebio Francisco Kino of Arizona statue; to the Committee on House Administration.

By Mr. HOFFMAN of Michigan:

H. Res. 337. Resolution disapproving Reorganization Plan No. 6 transmitted to Congress by the President on June 12, 1961; to the Committee on Government Operations.

H. Res. 338. Resolution disapproving Reorganization Plan No. 7 transmitted to Congress by the President on June 12, 1961; to the Committee on Government Operations.

By Mr. FRIEDEL:

H. Res. 341. Resolution authorizing the employment of two additional mail clerks, Office of the Postmaster of the House of Representatives; to the Committee on House Administration.

H. Res. 342. Resolution providing for an additional clerk in the House stationery room, and for other purposes; to the Committee on House Administration.

By Mr. PUCINSKI:

H. Res. 343. Resolution establishing a Special Committee on the Captive Nations; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

Mr. ST. GERMAIN presented a memorial of the General Assembly of the State of Rhode Island memorializing the Congress to enact legislation for Federal aid to education, which was referred to the Committee on Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H.R. 7635. A bill for the relief of Mrs. Felicisima B. Dumlao; to the Committee on the Judiciary.

By Mr. HALPERN:

H.R. 7636. A bill for the relief of Dr. Maria C. Zografidou; to the Committee on the Judiciary.

By Mr. ROGERS of Florida:

H.R. 7637. A bill for the relief of Theodora Newbold; to the Committee on the Judiciary.

By Mr. RUTHERFORD:

H.R. 7638. A bill for the relief of Kim Hyung In Comstock; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H.R. 7639. A bill for the relief of Elzbieta Irena Stahl; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

180. The SPEAKER presented a petition of Whitney R. Harris, American Bar Association, Dallas, Tex., relative to reorganization plans recently submitted by the President to the Congress in respect to the reorganization of Federal agencies, which was referred to the Committee on Government Operations.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

QUARTERLY REPORTS

The following reports for the fourth calendar quarter of 1960 were received too late to be included in the published reports for that quarter:

A. Active-Retired Lighthouse Service Employees Association, Post Office Box 2169, South Portland, Maine.
D. (6) $56. E. (9) $286.14.

A. Nicholas E. Allen & Merrill Armour, 1001 15th Street NW., Washington, D.C.
B. Music Operators of America, Inc., 128 East 14th Street, Oakland, Calif.

A. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. American Cancer Society, 521 West 57th Street, New York, N.Y.
E. (9) $7,793.58.

A. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $12,105.83. E. (9) $12,105.83.

A. American Federation of Government Employees, Lodge No. 12, Box 865, Benjamin Franklin Station, Washington, D.C.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill.
D. (6) $14,869. E. (9) $14,219.

A. American Nurses' Association, Inc., 10 Columbus Circle, New York, N.Y.
D. (6) $4,184.66. E. (9) $4,184.66.

A. American Thrift Assembly, 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $103. E. (9) $8,817.98.

A. American Tramp Shipowners Association, Inc., 11 Broadway, New York, N.Y.
D. (6) $2,000. E. (9) $6,759.04.

A. American Veterinary Medical Association, 600 South Michigan Avenue, Chicago, Ill.
E. (9) $565.16.

A. Robert E. Ansheles, 1025 Connecticut Avenue NW., Washington, D.C.
B. American Thrift Assembly, 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,500.

A. Arkansas Railroad Committee, 111 Boyle Building, Little Rock, Ark.
B. Class I railroads operating in the State of Arkansas.

A. Arnold, Fortas & Porter, 1229 19th Street, Washington, D.C.
B. Commissioner of Baseball, 30 Rockefeller Plaza, New York, N.Y.
D. (6) $25,000. E. (9) $328.79.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D.C.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y.
D. (6) $7,130. E. (9) $3,303.10.

A. Arthritis & Rheumatism Foundation, 10 Columbus Circle, New York, N.Y.
E. (9) $1,267.83.

A. A. V. Atkinson, 1925 K Street NW., Washington, D.C.
B. Communications Workers of America, 1925 K Street, N.W., Washington, D.C.
E. (9) $2,611.43.

A. Atlantic, Gulf & Great Lakes Shipbuilding Association, 529 Tower Building, Washington, D.C.
D. (6) $4,055.91. E. (9) $4,055.91.

A. Frederic A. Baker, 296 Lexington Road, Berkeley, Calif., and 1201 19th Street, Washington, D.C.
B. Federated Indians of California.

A. George P. Baker, Soldiers Field Post Office, Boston, Mass.
B. Transportation Association of America.

A. Barnes, Dechert, Price, Myers and Rhoades, 1600 Three Penn Center Plaza, Philadelphia, Pa.
B. E. I. du Pont de Nemours & Co.
E. (9) $907.17.

A. Irvin L. Barney, 400 First Street NW., Washington, D.C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
D. (6) $3,225.

A. A. Wesley Barthelmes, 2133 Wisconsin Avenue NW., Washington, D.C.
B. Insurance Company of North America and Life Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.
D. (6) $680.41.

A. Roy Battles, 1616 H Street NW., Washington, D.C.
B. The National Grange of the Patrons of Husbandry, 1616 H Street NW., Washington, D.C.
D. (6) $3,750.

A. Jacob I. Bellow, 4338 East-West Highway, Bethesda, Md.

A. Carl H. Berglund, 607 South Pine, Tacoma, Wash.

A. Helen Berthelot, 1925 K Street NW., Washington, D.C.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C.
E. (9) $2,501.37.

A. C. B. Blankenship, 1925 K Street NW., Washington, D.C.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C.
E. (9) $2,804.70.

A. Mrs. Paul Blanshard, 245 Second Street NE., Washington, D.C.
B. Unitarian Fellowship for Social Justice.
D. (6) $180. E. (9) $120.

A. J. Wiley Powers, Sixth and Cherry Streets, Chattanooga, Tenn.
B. Tennessee Valley Public Power Association, Sixth and Cherry Streets, Chattanooga, Tenn.

A. Charles B. Bowling, 1616 H Street NW., Washington, D.C.
B. The National Grange, 1616 H Street NW., Washington, D.C.
D. (6) $600.

A. Boykin & De Francis, 1000 16th Street NW., Washington, D.C.
B. Mrs. Claire Hugo Stinnes, Grossenbaumerstrasse 253, Mulheim Ruhr, Germany.
E. (9) $175.

A. Boykin & De Francis, 1000 16th Street NW., Washington, D.C.
B. Studiengesellschaft fur Privatrechtliche Auslandsinteressen, e.v. Contrescarpe 46, Germany.
E. (9) $250.

A. Charles N. Brady, 1712 G Street NW., Washington, D.C.
B. American Automobile Association, 1712 G Street NW., Washington D.C.

A. Brotherhood of Locomotive Engineers, 1122 Engineers Building, Cleveland, Ohio.

A. Brotherhood of Railway & Steamship Clerks, Freight Handlers, Express & Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $1,408.24. E. (9) $1,624.53.

A. J. Olney Brott, 730 15th Street NW., Washington, D.C.
B. American Bankers Association, 12 East 36th Street, New York, N.Y.
D. (6) $600.

A. Bryant, Campbell, McCormick & Danielson, 668 South Bonnie Brae Street, Los Angeles, Calif.
E. (9) $900.

A. Bulgarian Claims Committee, 24 Beekman Street, New York, N.Y.
D. (6) $183.42. E. (9) $167.86.

A. George B. Burnham, 132 Third Street SE., Washington, D.C.
B. Numerous stockholders of the Burnham Chemical Co., 132 Third Street SE., Washington, D.C.
D. (6) $156. E. (9) $156.

A. Maurice G. Burnside, 1201 16th Street NW., Washington, D.C.
B. Division of Federal Relations, NEA, 1201 16th Street NW., Washington, D.C.
D. (6) $2,575. E. (9) $36.87.

A. George P. Byrne, Jr., 53 Park Place, New York, N.Y.
B. U.S. Wood Screw Service Bureau, 53 Park Place, New York, N.Y.

A. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C.

A. Justice M. Chambers, 2521 Connecticut Avenue NW., Washington, D.C.
B. Greg-Gary Corp., 7 Park Avenue, New York, N.Y.
D. (6) $7,500.

A. Hal M. Christensen, 222 East Superior Street, Chicago, Ill.
B. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $3,000.

A. Citizens Committee on Natural Resources.
D. (6) $4,365. E. (9) $6,928.71.

A. Charles Patrick Clark, 500 World Center Building, Washington, D.C.
B. Rapaport & Son, Inc., Central Street, P.O. Box 169, Windsor, Conn.

A. Classroom Periodical Publishers Association, 38 West Fifth Street, Dayton, Ohio.

A. Washington I. Cleveland, 1712 G Street NW., Washington, D.C.
B. D.C. Division, American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Paul G. Collins, 730 15th Street NW., Washington, D.C.
B. American Bankers Association, 12 East 36th Street, New York, N.Y.
D. (6) $120.

A. Colorado Railroad Association, 845 Equitable Building, Denver, Colo.

A. Committee for Collective Security, 18 East 86th Street, N. York, N.Y.
D. (6) $130. E. (9) $230.66.

A. Committee on Cooperative Advertising, 570 Lexington Avenue, New York, N.Y.
D. (6) $1,419.13. E. (9) $1,419.13.

A. Committee for Effective Use of the International Court by Repealing the Self-Judging Reservation, 36 West 44th Street, New York, N.Y.

A. Bernard J. Conway, 222 East Superior Street, Chicago, Ill.
B. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $4,000.

A. Cooperative League of the United States of America Association, Inc., 343 South Dearborn Street, Chicago, Ill.
D. (6) $10,500. (9) $1,100.

A. Ben C. Corlett, 730 15th Street NW., Washington, D.C.
B. American Bankers Association, 12 East 36th Street, New York, N.Y.
D. (6) $1,250.

A. Council of Conservationists, Inc., 10 East 40th Street, New York, N.Y.
B. Fred Smith & Co., Inc., 10 East 40th Street, New York, N.Y.

A. Council of State Chambers of Commerce, 1025 Connecticut Avenue, Washington, D.C.

A. Leo J. Crowley, 840 Equitable Building, Denver, Colo.
B. Colorado Railroad Association, 845 Equitable Building, Denver, Colo.

A. Michael P. Daniels, 1000 Connecticut Avenue, Washington, D.C.
B. United States-Japan Trade Council, 1000 Connecticut Avenue, Washington, D.C.

A. S. P. Deas, 520 National Bank of Commerce Building, New Orleans, La.
E. (9) $398.95.

A. John M. Dickerman, 1625 L Street NW., Washington, D.C.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.
D. (6) $1,211.50. E. (9) $72.50.

A. Division of Federal Relations of the National Education Association, 1201 16th Street NW., Washington, D.C.
E. (9) $7,803.91.

A. William C. Doherty, 100 Indiana Avenue NW., Washington, D.C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $3,125.

A. Harold E. Edwards, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $3,304.85. E. (9) $300.

A. John W. Emeigh, 1040 Warner Building, Washington, D.C.
B. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D.C.
D. (6) $569.52. E. (9) $10.40.

A. Lawrence E. Ernst, 301 East Capitol Street, Washington, D.C.
B. National Star Route Mail Carriers' Association, 301 East Capitol Street, Washington, D.C.

A. John D. Fagan, 200 Maryland Avenue NE., Washington, D.C.
B. Veterans of Foreign Wars of the United States.
D. (6) $1,750.

A. Far East Group, Inc., 1000 Connecticut Avenue NW., Washington, D.C.

A. Donald G. Fletcher, 828 Midland Bank Building, Minneapolis, Minn.
B. Crop Quality Council, 828 Midland Bank Building, Minneapolis, Minn.
D. (6) $3,750. E. (9) $181.49.

A. General Federation of Women's Clubs, 1734 N Street NW., Washington, D.C.

A. Ernest Giddings, 1201 16th Street NW., Washington, D.C.
B. Division of Federal Relations, National Education Association, 1201 16th Street NW., Washington, D.C.
D. (6) $1,620. E. (9) $18.72.

A. John A. Gosnell, 801 19th Street NW., Washington, D.C.
D. (6) $900.

A. Cornelius R. Gray, 1712 G Street NW., Washington, D.C.
B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Ben H. Guill, 2000 K Street NW., Washington, D.C.
B. American Smelting & Refining Co., New York, N.Y., etc.
D. (6) $6,500.

A. Gypsum Association, 201 North Wells Street, Chicago, Ill.
E. (9) $782.35.

A. Harold F. Hammond, 1710 H Street NW., Washington, D.C.
B. Transportation Association of America.

A. Robert E. Harper, 1913 I Street NW., Washington, D.C.
B. National Business Publications, Inc., 1913 I Street NW., Washington, D.C.

A. Mrs. Glenn G. Hays, 212 Maryland Avenue NE., Washington, D.C.
B. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $571.56. E. (9) $531.48.

A. William H. Hedlund, 909 American Bank Building, Portland, Oreg.
B. Standard Oil Co. of California, San Francisco, Calif., etc.
D. (6) $1,500.

A. Chas. H. Heltzel, 606 Commerce Building, 1700 K Street NW., Washington, D.C.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg.
D. (6) $1,220. E. (9) $50.

A. Noel Hemmendinger, 1000 Connecticut Avenue, Washington, D.C.
B. United States-Japan Trade Council, 1000 Connecticut Avenue, Washington, D.C.

A. L. S. Hitchner, 1145 19th Street NW., Washington, D.C.
B. National Agricultural Chemicals Association.

A. Frank N. Hoffmann, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $4,000. E. (9) $1,000.

A. Harold K. Howe, Mills Building, Washington, D.C.
B. American Institute of Laundering, Box 1187, Joliet, Ill.
D. (6) $2,649.99. E. (9) $1,050.

A. Harold K. Howe, Mills Building, Washington, D.C.
B. Lawn Mower Institute, Inc., Mills Building, Washington, D.C.

A. B. A. Hungerford, 53 Park Place, New York, N.Y.
B. George P. Byrne, 53 Park Place, New York, N.Y.

A. John M. Hurley, 302 Hoge Building, Seattle, Wash.

A. International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America, 25 Louisiana Avenue NW., Washington, D.C.

A. Jerome J. Keating, 100 Indiana Avenue NW., Washington, D.C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $2,150.76.

A. Omar B. Ketchum, 200 Maryland Avenue NE., Washington, D.C.
B. Veterans of Foreign Wars of the United States.
D. (6) $3,843.75. E. (9) $283.45.

A. Charles E. Kief, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway & Steamship Clerks, 1015 Vine Street, Cincinnati Ohio.
D. (6) $1,408.24.

A. Kenneth L. Kimble, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $57.50. E. (9) $1.19.

A. James F. King, 411 Universal Building, Washington, D.C.
B. Manufacturing Chemists' Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,250.

A. Joseph T. King, 1028 Connecticut Avenue NW., Washington, D.C.
B. General counsel for Associated Equipment Distributors and Sprinkler Irrigation Association; Washington counsel for Aluminum Extruders Council and Northwestern Lumbermen's Association.
E. (9) $660.83.

A. Kominers & Fort, 529 Tower Building, Washington, D.C.
B. Atlantic, Gulf & Great Lakes Shipbuilding Association, 529 Tower Building, Washington, D.C.
D. (6) $3,630. E. (9) $248.94.

A. Dillard B. Lasseter, Post Office Box 381, Washington, D.C.
B. National Association of Agricultural Stabilization and Conservation County Office Employees, Jasper, Fla.
D. (6) $825. E. (9) $125.

A. Alan Latman, 200 East 42d Street, New York, N.Y.
B. National Committee for Effective Design Legislation, 200 East 42d Street, New York, N.Y.
D. (6) $250. E. (9) $94.04.

A. G. E. Leighty, 400 First Street NW., Washington, D.C.

A. John M. Lumley, 1201 16th Street NW., Washington, D.C.
B. Division of Federal Relations, NEA, 1201 16th Street NW., Washington, D.C.
D. (6) $153.12. E. (9) $5.51.

A. A. E. Lyon, 400 First Street NW., Washington, D.C.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C.
D. (6) $1,050.

A. James L. McCaskill.
B. National Education Association, 1201 16th Street NW., Washington, D.C.
D. (6) $225. E. (9) $5.92.

A. Joseph J. McDonald, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $3,304.85. E. (9) $300.

A. William J. McDonald, 3005 Fernside Boulevard, Alameda, Calif.
B. National Council of Naval Air Stations Employee Organizations, 3005 Fernside Boulevard, Alameda, Calif.

A. Joseph B. McGrath, 1625 L Street NW., Washington, D.C.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.
D. (6) $2,024.05. E. (9) $345.55.

A. William H. McLin, 1201 16th Street NW., Washington, D.C.
B. Division of Federal Relations, 1201 16th Street NW., Washington, D.C.
D. (6) $1,477.50. E. (9) $31.53.

A. Ralph J. McNair, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $115. E. (9) $1.34.

A. Charles R. McNeill, 730 15th Street NW., Washington, D.C.
B. American Bankers Association, 12 East 36th Street, New York, N.Y.
D. (6) $500.

A. MacLeish, Spray, Price & Underwood, 134 South La Salle Street, Chicago, Ill.
B. National Committee for Insurance Taxation, Hay-Adams House, Washington, D.C.
D. (6) $12,780. E. (9) $680.03.

A. Manufacturing Chemists' Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C.
D. (6) $2,625. E. (9) $2,475.

A. Tommy M. Martin, 1040 Warner Building, Washington, D.C.
B. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D.C.
D. (6) $569.52. E. (9) $6.75.

A. Albert E. May, 1000 Connecticut Avenue, Washington, D.C.
B. Committee of American Steamship Lines, 1000 Connecticut Avenue, Washington, D.C.
D. (6) $220. E. (9) $20.61.

A. Arnold Mayer, 100 Indiana Avenue NW., Washington, D.C.
B. Amalgamated Meat Cutters & Butcher Workmen of North America, 2800 North Sheridan Road, Chicago, Ill.
D. (6) $1,205. E. (9) $192.

A. Kenneth A. Meiklejohn, 1209 Rippon Road, Alexandria, Va.
B. Joint Minimum Wage Committee, 815 16th Street NW., Washington, D.C.

A. Kenneth A. Meiklejohn, 1209 Rippon Road, Alexandria, Va.
B. Retail, Wholesale & Department Store Union, 132 West 43d Street, New York, N.Y.
D. (6) $675.

A. Ross A. Messer, Post Office Box 1611, Washington, D.C.
B. National Association of Post Office & General Services Maintenance Employees, Post Office Box 1611, Washington, D.C.
D. (6) $1,200. E. (9) $50.49.

A. Arthur S. Miller Jr., 666 North Lake Shore Drive, Chicago, Ill.
B. Spring Air Co., 666 North Lake Shore Drive, Chicago, Ill.
D. (6) $500. E. (9) $101.55.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D.C.
B. Estate of Edward F. Pipe, 14 Wall Street, New York, N.Y.
D. (6) $136.37.

A. M. L. Minzer, Jr., 2631 I Street NW., Washington, D.C.
B. Commodity Exchange, Inc., 81 Broad Street, New York, N.Y.
D. (6) $1,665.70. E. (9) $278.58.

A. Mollers Suidah Shipbreakers, Ltd., Union House, Post Office Box 643, Hong Kong, etc.

A. Bernard Moss, 2500 Wisconsin Avenue NW., Washington, D.C.
B. Supplemental Air Carrier Conference, 1029 Vermont Avenue NW., Washington, D.C.
D. (6) $500. E. (9) $16.75.

A. Joseph J. Mulhern, 11 Pemberton Square, Boston, Mass.
D. (6) $3,500. E. (9) $774.63.

A. National Associated Businessmen, Inc., 608 RCA Building, Washington, D.C.
D. (6) $323. E. (9) $576.51.

A. National Association of Agricultural Stabilization & Conservation County Office Employees.
D. (6) $9,966. E. (9) $1,795.

A. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.
D. (6) $10,170.58. E. (9) $16,944.28.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $67,637.50. E. (9) $10,704.62.

A. National Association of Post Office & General Services Maintenance Employees, 512 Victor Building, Washington, D.C.
D. (6) $10,463.56. E. (9) $1,851.93.

A. National Association of Real Estate Boards, 36 South Wabash Avenue, Chicago, Ill., and 1300 Connecticut Avenue, Washington, D.C.
E. (9) $7,354.47.

A. National Association of Retired Civil Employees, 1625 Connecticut Avenue NW., Washington, D.C.

A. National Business Publications, Inc., 1913 I Street NW., Washington, D.C.

A. National Committee for Effective Design Legislation, 200 East 42d Street, New York, N.Y.
D. (6) $100. E. (9) $455.90.

A. National Committee for Research in Neurological Disorders, University Hospital, Minneapolis, Minn.
E. (9) $3,500.

A. National Council of Naval Air Stations Employee Organizations, 3005 Fernside Boulevard, Alameda, Calif.
E. (9) $47.

A. National Federation of Business & Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C.
D. (6) $49,567.20. E. (9) $2,558.20.

A. National Grange, 1616 H Street NW., Washington, D.C.
E. (9) $8,100.

A. National Multiple Sclerosis Society, 257 Fourth Avenue, New York, N.Y.
E. (9) $845.23.

A. National Rehabilitation Association, Inc., 1025 Vermont Avenue NW., Washington, D.C.
D. (6) $7,663.02. E. (9) $735.

A. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D.C.
D. (6) $5,653.38. E. (9) $8,469.11.

A. National Small Business Men's Association, 801 19th Street NW., Washington, D.C.
D. (6) $5,000. E. (9) $5,408.29.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $5,156.71. E. (9) $3,824.76.

A. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $425.90. E. (9) $1,370.83.

A. Herschel D. Newsom, 1616 H Street NW., Washington, D.C.
B. The National Grange, 1616 H Street NW, Washington, D.C.
D. (6) $3,750.

A. John A. O'Donnell, 1025 Connecticut Avenue NW., Washington, D.C.
B. Philippine Sugar Association, 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,500. E. (9) $1,500.

A. John A. O'Donnell, 1025 Connecticut Avenue N.W., Washington, D.C.
B. Philippine War Damage Claimants Association, Escolta Building, Manila, Philippines.

A. Charles T. O'Neill, Jr., 730 15th Street NW., Washington, D.C.
B. American Bankers Association, 12 East 36th Street, New York, N.Y.
D. (6) $375.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1625 I Street NW., Washington, D.C.
B. National Committee for Insurance Taxation, the Hay-Adams House, Washington, D.C.
D. (6) $850. E. (9) $79.20.

A. Esther Peterson, 815 16th Street NW., Washington, D.C.
B. Industrial Union Department, AFL-CIO, 815 16th Street N.W., Washington D.C.
D. (6) $2,813.44. E. (9) $1,809.40.

A. Hugh Peterson.
B. Georgia Power Co., 75 Marietta Street, Atlanta, Ga.
D. (6) $7,500.

A. Hugh Peterson.
B. U.S. Cane Sugar Refiners Association.
D. (6) $18,000.

A. Ralph D. Pittman, RCA Building, Washington, D.C.
B. National Associated Businessmen, Inc., 1725 K Street NW., Washington, D.C.
E. (9) $833.32.

A. Ralph D. Pittman, RCA Building, Washington, D.C.
B. National Tax Equality Association, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $3,750. E. (9) $827.

A. Charles E. Potter, 1411 K Street NW., Washington, D.C.
B. Committee of American Tanker Owners, Inc., 1411 K Street NW., Washington, D.C.
D. (6) $6,249.99. E. (9) $1,325.35.

A. John H. Pratt, 905 American Security Building, Washington, D.C.
B. National Electrical Manufacturers Association, 155 East 44th Street, New York, N.Y.

A. Luke C. Quinn, Jr., 1001 Connecticut Avenue NW., Washington, D.C.
B. American Cancer Society, New York, N.Y., etc.
D. (6) $12,250.01. E. (9) $6,032.05.

A. Railway Labor Executives' Association, 400 First Street N.W., Washington, D.C.

A. Sydney C. Reagan, 3840 Greenbrier Drive, Dallas, Tex.
B. Southwestern Peanut Shellers Association, Box 48, Durant, Okla.
D. (6) $150.

A. William T. Reed, 5800 Connecticut Avenue, Chevy Chase, Md.
B. Standard Oil Co., 910 South Michigan Avenue, Chicago, Ill.
D. (6) $1,500. E. (9) $86.70.

A. Louis H. Renfrow, Solar Building, Washington, D.C.
B. National Coal Policy Conference, Inc., Solar Building, Washington, D.C.

A. James P. Richards, 1536 14th Street N.W., Washington, D.C.
B. The Tobacco Institute, Inc., 1017 Barr Building, Washington, D.C.

A. Kermit B. Rykken, 1712 G Street NW., Washington, D.C.
B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Francis J. Ryley, 519 Title & Trust Building, Phoenix, Ariz.
B. Mobil Oil Co., Los Angeles; etc.

A. Clayton A. Seeber, 1201 16th Street NW., Washington, D.C.
B. Division of Federal Relations, NEA, 1201 16th Street NW., Washington, D.C.
D. (6) $213.75. E. (9) $9.88.

A. Selvage & Lee, Inc., 1625 I Street NW., Washington, D.C.
B. American Carpet Institute, Empire State Building, New York, N.Y.
E. (9) $4.07.

A. Selvage & Lee, Inc., 1625 I Street NW., Washington, D.C.
B. New York Coffee & Sugar Exchange, 79 Pine Street, New York, N.Y.
D. (6) $1,200. E. (9) $17.51.

A. Fred Smith & Co., Inc., 10 East 40th Street, New York, N.Y.
B. Edward Mallinckrodt, 16 Westmoreland Place, St. Louis, Mo.
D. (6) $6,000.

A. M. Frederik Smith, 10 East 40th Street, New York, N.Y.
B. Council of Conservationists, Inc., 10 East 40th Street, New York, N.Y.

A. Dr. Spencer M. Smith, Jr., 1709 North Glebe Road, Arlington, Va.
B. Citizens Committee on Natural Resources Conservation.
D. (6) $972.60. E. (9) $1,556.86.

A. Thaddeus S. Snell, 134 South La Salle Street, Chicago, Ill.
B. Gypsum Association, 201 North Wells Street, Chicago, Ill.

A. Southern Pine Industry Committee, 520 National Bank of Commerce Building, New Orleans, La.
D. (6) $1,144.15. E. (9) $496.29.

A. Spring Air Co., 666 North Lake Shore Drive, Chicago, Ill.
E. (9) $9,461.68.

A. Mrs. Alexander Stewart, 214 Second Street NE., Washington, D.C.
B. Women's International League for Peace and Freedom, 214 Second Street NE., Washington, D.C.
D. (6) $21,370.86. E. (9) $6,753.75.

A. Charles L. Stewart, Jr., 231 South La Salle Street, Chicago, Ill.
B. Spring Air Co., 666 North Lake Shore Drive, Chicago, Ill.
D. (6) $3,530. E. (9) $314.64.

A. Stitt & Hemmendinger, 1000 Connecticut Avenue, Washington, D.C.
B. Association To Acquire Compensation for Damages Prior to Peace Treaty, Naha, Okinawa.
E. (9) $125.

A. Nelson A. Stitt, 1000 Connecticut Avenue, Washington, D.C.
B. United States-Japan Trade Council, 1000 Connecticut Avenue, Washington, D.C.

A. Francis W. Stover, 200 Maryland Avenue NE., Washington, D.C.
B. Veterans of Foreign Wars of the United States.
D. (6) $2,125. E. (9) $268.45.

A. J. Monroe Sullivan, 1625 K Street NW., Washington, D.C.
B. Pacific American Steamship Association, 16 California Street, San Francisco, Calif.
E. (9) $201.40.

A. Noble J. Swearingen, 224 East Capitol Street, Washington, D.C.
B. National Tuberculosis Association, 1790 Broadway, New York, N.Y.

A. Christy Thomas & Barry Sullivan, 536 Washington Building, Washington, D.C.
B. National Association of River & Harbor Contractors, 15 Park Row, New York, N.Y.
D. (6) $750. E. (9) $83.47.

A. Julia C. Thompson, Sheraton Building, Washington, D.C.
B. American Nurses' Association, Inc., 10 Columbus Circle, New York, N.Y.
D. (6) $2,055.18.

A. Eugene M. Thore, 1701 K Street NW., Washington D.C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $150. E. (9) $1.94.

A. Hon. Edward J. Thye, Northfield, Minn.
B. Spring-Air Co., 666 North Lake Shore Drive, Chicago, Ill.
D. (6) $5,375. E. (9) $119.57.

A. William H. Tolbert, Post Office Box 191, Santa Paula, Calif.
B. Ventura County Citrus Growers Committee, Inc., Post Office Box 191, Santa Paula, Calif.

A. Dwight D. Townsend, 1025 Vermont Avenue NW., Washington, D.C.
B. Cooperative League of U.S.A. 343 South Dearborn Street, Chicago, Ill.

A. Townsend Plan, Inc., 808 North Capitol Street NW., Washington, D.C.

A. Transportation Association of America, 1710 H Street NW., Washington, D.C.

A. Hattie B. Trazenfeld, 2012 Massachusetts Avenue NW., Washington, D.C.
B. National Federation of Business & Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C.

A. Paul T. Truitt, 1700 K Street NW., Washington, D.C.
B. National Plant Food Institute, 1700 K Street NW., Washington, D.C.

A. United Cerebral Palsy Associations, 321 West 44th Street, New York, N.Y.
E. (9) $1,408.63.

A. United States-Japan Trade Council, 1000 Connecticut Avenue NW., Washington, D.C.

A. H. Jerry Voorhis.
B. Cooperative League of the United States of America Association, Inc., 343 South Dearborn Street, Chicago, Ill.
D. (6) $300.

A. Paul H. Walker, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $37.50. E. (9) $1.06.

A. Wherry Housing Association, 1737 H Street NW., Washington, D.C.
E. (9) $6,748.50.

A. John J. Wicker, Jr., 706 Mutual Building, Richmond, Va.
B. Mutual Insurance Committee on Federal Taxation, 20 North Wacker Drive, Chicago, Ill.
D. (6) $3,223.11. E. (9) $3,223.11.

A. Myron Wiener, 1000 Connecticut Avenue NW., Washington, D.C.
B. Far East Group, Inc., 1000 Connecticut Avenue NW., Washington, D.C.

A. Kenneth Williamson, Mills Building, Washington, D.C.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill.
D. (6) $2,538.45. E. (9) $1,295.20.

A. Burton C. Wood, 1625 L Street NW., Washington, D.C.
B. National Association of Home Builders of the United States, 1625 L Street NW., Washington, D.C.
D. (6) $1,598.55. E. (9) $73.05.

A. C. C. Woodard, 7630 Biscayne Boulevard, Miami, Fla.
E. (9) $1.08.

A. Sidney Zagri, 25 Louisiana Avenue NW., Washington, D.C.
B. International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America, 25 Louisiana Avenue NW., Washington, D.C.

QUARTERLY REPORTS

The following quarterly reports were submitted for the first calendar quarter 1961:

(NOTE.—The form used for reports is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE TWO COPIES WITH THE SECRETARY OF THE SENATE AND FILE THREE COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19------ ◀	REPORT PURSUANT TO FEDERAL REGULATIONS OF LOBBYING ACT	P	QUARTER: 1st	2d	3d	4th
		(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names or agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◀

AFFIDAVIT

[Omitted in printing]

PAGE 1◀

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302 (a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D5" (received for services) and "D12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D13" and "D14," since the amount has already been reported under "D5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $_____Dues and assessments
2. $_____Gifts of money or anything of value
3. $_____Printed or duplicated matter received as a gift
4. $_____Receipts from sale of printed or duplicated matter

5. $_____Received for services (e.g., salary, fee, etc.)
6. $_____TOTAL for this Quarter (Add items "1" through "5")

7. $_____Received during previous Quarters of calendar year
8. $_____TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $_____TOTAL now owed to others on account of loans
10. $_____Borrowed from others during this Quarter
11. $_____Repaid to others during this Quarter

12. $_____"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more (from Jan. 1 through this Quarter)

13. Have there been such contributors? Please answer "yes" or "no": _____

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	("*Period*" from Jan. 1 through _____, 19____)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E."—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E6") and travel, food, lodging, and entertainment (Item "E7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $_____Public relations and advertising services
2. $_____Wages, salaries, fees, commissions (other than item "1")
3. $_____Gifts or contributions made during Quarter
4. $_____Printed or duplicated matter, including distribution cost
5. $_____Office overhead (rent, supplies, utilities, etc.)
6. $_____Telephone and telegraph
7. $_____Travel, food, lodging, and entertainment
8. $_____All other expenditures

9. $_____TOTAL for this Quarter (Add "1" through "8")
10. $_____Expended during previous Quarters of calendar year

11. $_____TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $_____TOTAL now owed to person filing
13. $_____Lent to others during this Quarter
14. $_____Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates*	*Name and Address of Recipient—Purpose*
$1,750.00	7–11:	Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7–15, 8–15, 9–15:	Britten & Blatten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL	

A. V. J. Adduci, 610 Shoreham Building, Washington, D.C.
B. Aerospace Industries Association of America, Inc., 610 Shoreham Building, Washington D.C.
D. (6) $3,684. E. (9) $658.96.

A. J. Carson Adkerson, 976 National Press Building, Washington, D.C.

A. Aerospace Industries Association of America, Inc., 610 Shoreham Building, Washington, D.C.
D. (6) $4,784.94. E. (9) $4,784.94.

A. Aircraft Owners & Pilots Association, 4650 East-West Highway, Bethesda, Md.

A. Air Freight Forwarders Association, 802 Ring Building, Washington D.C.

A. Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $3,747.85.

A. George Venable Allen, 4730 Quebec Street NW., Washington, D.C.
B. Tobacco Institute, Inc., 1017 Barr Building, Washington D.C.

A. Louis J. Allen, 1121 Nashville Trust Building, Nashville, Tenn.
B. Class I railroads in Tennessee.

A. Nicholas E. Allen & Merrill Armour, 1001 15th Street NW., Washington, D.C.
B. Music Operators of America, Inc., 128 East 14th Street, Oakland, Calif.
D. (6) $20.85. E. (9) $32.35.

A. W. L. Allen, 8605 Cameron Street, Silver Spring, Md.
B. Commercial Telegraphers' Union, International, 8605 Cameron Street, Silver Spring, Md.

A. Amalgamated Association of Street, Electric Railway & Motor Coach Employees of America, 5025 Wisconsin Avenue NW., Washington, D.C.

A. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. American Cancer Society, 521 West 57th Street, New York, N.Y.
E. (9) $6,711.86.

A. American Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.
D. (6) $8,482.17. E. (9) $8,482.17.

A. American Farm Bureau Federation, Merchandise Mart Plaza, Chicago, Ill., and 425 13th Street NW., Washington, D.C.
D. (6) $26,470. E. (9) $26,470.

A. American Federation of Labor & Congress of Industrial Organizations, AFL–CIO Building, Washington, D.C.
E. (9) $35,846.51.

A. American Gas Association, Inc., 420 Lexington Avenue, New York, N.Y.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill.
D. (6) $15,498.79. E. (9) $15,498.79.

A. American Hotel Association, 221 West 57th Street, New York, N.Y.

A. American Israel Public Affairs Committee, 1737 H Street NW., Washington, D.C.
D. (6) $3,185.40. E. (9) $4,693.72.

A. American Justice Association, Inc., Defense Highway, Gambrills, Md.
D. (6) $50. E. (9) $50.

A. American Legion National Headquarters, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $66,954.24. E. (9) $26,284.28.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $10,000. E. (9) $13,197.92.

A. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $66,993.10. E. (9) $5,932.14.

A. American Optometric Association, 8001 Jenkins Arcade, Pittsburgh, Pa.
D. (6) $2,500. E. (9) $2,269.

A. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
D. (6) $551.62. E. (9) $551.62.

A. American Paper & Pulp Association, 122 East 42d Street, New York, N.Y.

A. American Parents Committee, Inc., 20 E Street NW., Washington, D.C., and 52 Vanderbilt Avenue, New York, N.Y.
D. (6) $2,702.37. E. (9) $2,656.42.

A. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.
D. (6) $65,301. E. (9) $11,365.

A. American Pulpwood Association, 220 East 42d Street, New York, N.Y.

A. American Retail Federation, 1145 19th Street NW., Washington, D.C.
D. (6) $75,901.85. E. (9) $6,056.78.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C.
D. (6) $4,273.26. E. (9) $4,273.26.

A. American Steamship Committee on Conference Studies, 919 18th Street NW., Washington, D.C.
D. (6) $30,094.29. E. (9) $14,864.43.

A. American Sugar Beet Industry Policy Committee, 500 Sugar Building, Denver, Colo.

A. American Textile Machinery Association, 275 Massachusetts Avenue, Cambridge, Mass.
D. (6) $130.27.

A. American Veterinary Medical Association, 600 South Michigan Avenue, Chicago, Ill.
E. (9) $666.80.

A. American Vocational Association, Inc., 1010 Vermont Avenue NW., Washington, D.C.

A. American Warehousemen's Association, Merchandise Division, 222 West Adams Street, Chicago, Ill.

A. America's Wage Earners' Protective Conference, 815 15th Street NW., Washington, D.C.
D. (6) $1,275. E. (9) $1,209.50.

A. Jerry L. Anderson, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Walter M. Anderson, Jr., Montgomery, Ala.
B. Alabama Railroad Association, 1002 First National Bank Building, Montgomery, Ala.

A. Richard H. Appert, 14 Wall Street, New York, N.Y.
B. Alpha Portland Cement Co. and Weller Electric Corp., Easton, Pa.
E. (9) $47.28.

A. W. B. Ardery, Washington, D.C.
B. General Motors Corporation, 3044 West Grand Boulevard, Detroit, Mich.

A. Area Employment Expansion Committee, 1144 Pennsylvania Building, Washington, D.C.
E. (9) $546.50.

A. Arkansas Railroad Committee, 1100 Boyle Building, Little Rock, Ark.
B. Class I railroads operating in the State of Arkansas.
D. (6) $31. E. (9) $475.77.

A. J. Sinclair Armstrong, 45 Wall Street, New York, N.Y.
B. United States Trust Co., of New York, 45 Wall Street, New York, N.Y.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D.C.
B. Howard F. Knipp, 3401 South Hanover Street, Baltimore, Md.

A. Arthritis & Rheumatism Foundation, 10 Columbus Circle, New York, N.Y.
E. (9) $1,073.14.

A. Lester Asher, 130 North Wells Street, Chicago, Ill.
B. Conference of labor organizations.
D. (6) $500.

A. Associated General Contractors of America, Inc., 1957 E Street NW., Washington, D.C.

A. Associated Third Class Mail Users, 100 Indiana Avenue NW., Washington, D.C.

A. Association of American Physicians & Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.
D. (6) $375. E. (9) $375.

A. Association of American Railroads, 929 Transportation Building, Washington, D.C.
D. (6) $5,384.39. E. (9) $5,384.39.

A. Association of Casualty & Surety Companies, 60 John Street, New York, N.Y.
D. (6) $2,389.90. E. (9) $2,389.90.

A. Association of Oil Pipe Lines, 418 Munsey Building, Washington, D.C.

A. Association of Stock Exchange Firms, 120 Broadway, New York, N.Y.

A. Association of Western Railways, 224 Union Station Building, Chicago, Ill.
D. (6) $4,266.23. E. (9) $4,266.23.

A. Atlantic Refining Co., 260 South Broad Street, Philadelphia, Pa.
E. (9) $1,000.

A. Richard W. Averill, 801 Sheraton Building, Washington, D.C.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y.
E. (9) $168.10.

A. Harry S. Baer, Jr., 1115 17th Street NW., Washington, D.C.
B. National Aeronautical Services Association, 1115 17th Street NW., Washington, D.C.
D. (6) $2,500. E. (9) $46.25.

A. Charles B. Bailey, Sr., 2035 South Avenue, Toledo, Ohio.
B. Brotherhood of Railway & Steamship Clerks, Freight Handlers, Express & Station Employees.
D. (6) $675. E. (9) $671.78.

A. George P. Baker, Soldiers Field Post Office, Boston, Mass.
B. Transportation Association of America.

A. John A. Baker.
B. Farmers' Educational & Cooperative Union of America, 1404 New York Avenue NW., Washington, D.C.
D. (6) $1,587.84. E. (9) $178.06.

A. Joseph H. Ball, 90 Broad Street, New York, N.Y.
B. American Steamship Committee on Conference Studies, 919 18th Street NW., Washington, D.C.
E. (9) $195.51.

A. J. H. Ballew, Nashville, Tenn.
B. Southern States Industrial Council, Nashville, Tenn.
D. (6) $2,400.

A. Arthur R. Barnett, 1200 18th Street NW., Washington, D.C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.
D. (6) $760. E. (9) $239.16.

A. Irvin L. Barney, 400 First Street NW., Washington, D.C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
D. (6) $3,225.

A. William G. Barr, 711 14th Street NW., Washington, D.C.
B. National Parking Association, Inc., 711 14th Street NW., Washington, D.C.

A. Laurie C. Battle, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers.

A. Roy Battles, 1616 H Street NW., Washington, D.C.
B. National Grange of the Patrons of Husbandry, 1616 H Street NW., Washington, D.C.
D. (6) $3,750.

A. John V. Beamer, 625 Valley Brook Lane, Wabash, Ind.
B. Fine Hardwoods Association, 666 North Lake Shore Drive, Chicago, Ill.
D. (6) $800. E. (9) $167.73.

A. James F. Bell, 1001 Connecticut Avenue, Washington, D.C.
B. National Association of Supervisors of State Banks, Munsey Building, Washington, D.C.
D. (6) $500. E. (9) $7.17.

A. Mrs. Rachel S. Bell, 1025 Connecticut Avenue NW., Washington, D.C.
B. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $72.

A. Ernest H. Benson, 400 First Street NW., Washington, D.C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $4,500.

A. Charles A. Betts, 1420 New York Avenue NW., Washington, D.C.
B. American Can Company, 100 Park Avenue, New York, N.Y.

A. Andrew J. Biemiller, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $4,290. E. (9) $338.81.

A. Hudson Biery, 4017 Carew Tower, Cincinnati, Ohio.
B. Ohio Valley Improvement Association, Inc., 4017 Carew Tower, Cincinnati, Ohio.

A. Bigham, Englar, Jones & Houston, 99 John Street, New York, N.Y., and 839 Shoreham Building, Washington, D.C.
B. American Institute of Marine Underwriters, etc.
E. (9) $21.99.

A. Bigham, Englar, Jones & Houston, 99 John Street, New York, N.Y., and 839 Shoreham Building, Washington, D.C.
B. Mollers Suidah Shipbreakers, Ltd., etc.
E. (9) $142.67.

A. Henry J. Bison, Jr., 1317 F Street NW., Washington, D.C.
B. National Association of Retail Grocers, 360 North Michigan Avenue, Chicago, Ill.
D. (6) $3,000. E. (9) $830.

A. John H. Bivins, 1271 Avenue of the Americas, New York, N.Y.
B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.
D. (6) $605. E. (9) $228.11.

A. James C. Black, 1625 K Street NW., Washington, D.C.
B. Republic Steel Corporation, Republic Building, Cleveland, Ohio.
D. (6) $600. E. (9) $500.

A. Wm. Rhea Blake, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.

A. Richard W. Blake, 1113 10th Avenue, Greeley, Colo.
B. National Beet Growers Federation, 1113 10th Avenue, Greeley, Colo.
E. (9) $750.

A. Mrs. Paul Blanshard, 245 Second Street NE., Washington, D.C.
B. Unitarian Fellowship for Special Justice.
E. (9) $120.

A. W. C. Blewett, 301 Olive Street, St. Louis, Mo.
B. Peabody Coal Company, 301 Olive Street, St. Louis, Mo.

A. William Blum, Jr., 1741 K Street NW., Washington, D.C.
B. Committee for the Study of Revenue Bond Financing, 149 Broadway, New York, N.Y.
D. (6) $175. E. (9) $13.25.

A. Fred F. Bockman, 704 Title & Trust Building, Phoenix, Ariz.
B. Southern Pacific Company, 65 Market Street, San Francisco, Calif., and the Atchison, Topeka & Santa Fe Railway, 121 East 6th Street, Los Angeles, Calif.
D. (6) $200. E. (9) $458.08.

A. Eugene F. Bogan, 1108 16th Street NW., Washington, D.C.
B. National Association of Investment Companies, 61 Broadway, New York, N.Y.

A. Joseph L. Borda, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers.

A. Lyle H. Boran, Seminole, Okla.
B. Association of Western Railways, 224 Union Station Building, Chicago, Ill.
D. (6) $230.12. E. (9) $100.

A. Joseph Borkin, 802 Ring Building, Washington, D.C.
B. Alleghany Corporation, 230 Park Avenue, New York, N.Y.

A. Robert T. Borth, 777 14th Street NW., Washington, D.C.
B. General Electric Company, 570 Lexington Avenue, New York, N.Y.
D. (6) $375. E. (9) $307.61.

A. G. Stewart Boswell, 502 Ring Building, Washington, D.C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $850.

A. J. Wiley Bowers, Sixth & Cherry Streets, Chattanooga, Tenn.
B. Tennessee Valley Public Power Association, Sixth & Cherry Streets, Chattanooga, Tenn.

A. Charles B. Bowling, 1616 H Street NW., Washington, D.C.
B. The National Grange, 1616 H Street NW., Washington, D.C.
D. (6) $600.

A. Charles M. Boyer, 2517 Connecticut Avenue NW., Washington, D.C.
B. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D.C.

A. Charles N. Brady, 1712 G Street NW., Washington, D.C.
B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. George Brady, 45 Monadnock Road, Newton, Mass.
B. Superior Oil Co., Los Angeles, Calif.
D. (6) $2,000. E. (9) $453.71.

A. Joseph E. Brady, 2347 Vine Street, Cincinnati, Ohio.
B. International Union of United Brewery, Flour, Cereal, Soft Drink, and Distillery Workers of America, 2347 Vine Street, Cincinnati, Ohio.
E. (9) $430.20.

A. Frank P. Brennan, Avoca, Iowa.
B. Iowa Power & Light Company, Des Moines, Iowa.

A. W. Kenneth Brew, 122 East 42d Street, New York, N.Y.
B. American Paper & Pulp Association, 122 East 42d Street, New York, N.Y.

A. Homer L. Brinkley, 1616 H Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1616 H Street NW., Washington, D.C.
D. (6) $6,249.96. E. (9) $209.25.

A. W. S. Bromley, 220 East 42d Street, New York, N.Y.
B. American Pulpwood Association, 220 East 42d Street, New York, N.Y.

A. Milton E. Brooding, 215 Fremont Street, San Francisco, Calif.
B. California Packing Corporation, 215 Fremont Street, San Francisco, Calif.
D. (6) $1,000. E. (9) $1,150.

A. Derek Brooks, 1028 Connecticut Avenue NW., Washington, D.C.
B. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.
D. (6) $600. E. (9) $854.81.

A. Brotherhood of Railway & Steamship Clerks, Freight Handlers, Express & Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $3,015.27. E. (9) $3,015.27.

A. J. Olney Brott, 730 15th Street NW., Washington, D.C.
B. American Bankers Association, 12 East 36th Street, New York, N.Y.
D. (6) $625. E. (9) $14.

A. Bryant C. Brown, 425 13th Street NW., Washington, D.C.
B. American Mutual Insurance Alliance.

A. J. D. Brown, 919 18th Street NW., Washington, D.C.
B. American Public Power Association, 919 18th Street NW., Washington, D.C.
D. (6) $75.

A. Brown & Lund, 1625 I Street NW., Washington, D.C.
B. American & Foreign Power Company, Inc., 100 Church Street, New York, N.Y.
D. (6) $333.33. E. (9) $20.18.

A. Brown & Lund, 1625 I Street NW., Washington, D.C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.
D. (6) $750. E. (9) $753.95.

A. Bryant, Campbell, McCormick & Danielson, 668 South Bonnie Brae Street, Los Angeles, Calif.
E. (9) $644.40.

A. George S. Buck, Jr., Post Office Box 9905, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
D. (6) $1,550. E. (9) $12.82.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. Florida Ship Canal Navigation District, 720 Florida Title Building, Jacksonville, Fla.
D. (6) $1,350. E. (9) $224.82.

A. George J. Burger, 250 West 57th Street, New York, N.Y., and 740 Washington Building, Washington, D.C.
B. Burger Tire Consultant Service, 250 West 57th Street, New York, N.Y., and National Federation Independent Business, 740 Washington Building, Washington, D.C.

A. Burley & Dark Leaf Tobacco Export Association, Post Office Box 860, Lexington, Ky.
E. (9) $323.16.

A. F. Hugh Burns, 821 Cafritz Building, Washington, D.C.
B. Great Lakes-St. Lawrence Association, 821 Cafritz Building, Washington, D.C.
D. (6) $2,700. E. (9) $75.80.

A. Maurice G. Burnside, 1201 16th Street NW., Washington, D.C.
B. Division of Federal Relations, NEA, 1201 16th Street NW., Washington, D.C.
D. (6) $2,575. E. (9) $42.86.

A. David Burpee, Fordhook Farms, Doylestown, Pa.
E. (9) $213.15.

A. Robert M. Burr, 105 Mansfield Avenue, Darien, Conn.
B. National Electrical Manufacturers Association, 155 East 44th Street, New York, N.Y.
D. (6) $754. E. (9) $562.16.

A. Orrin A. Burrows, 1200 15th Street NW., Washington, D.C.
B. International Brotherhood of Electrical Workers, 1200 15th Street NW., Washington, D.C.
D. (6) $3,875.06.

A. Hollis W. Burt, 1212 Munsey Building, Washington, D.C.
B. National Association of Supervisors of State Banks, 1212 Munsey Building, Washington, D.C.
D. (6) $47.50.

A. C. G. Caffrey, 1145 19th Street NW., Washington, D.C.
B. American Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.
D. (6) $760.20. E. (9) $85.

A. Leonard J. Calhoun, 411 Washington Building, Washington, D.C.
B. Avon Products, Inc., 30 Rockefeller Plaza, New York, N.Y.

A. Gordon L. Calvert, 425 13th Street NW., Washington, D.C.
B. Investment Bankers Association of America, 425 13th Street NW., Washington, D.C.
D. (6) $300. E. (9) $378.71.

A. Carl C. Campbell, 502 Ring Building, Washington, D.C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $120.

A. John T. Carlton and M. H. Manchester, 2517 Connecticut Avenue NW., Washington, D.C.
B. Reserve Officers Association of the United States, 2517 Connecticut Avenue, Washington, D.C.

A. Braxton B. Carr, 1025 Connecticut Avenue, Washington, D.C.
B. The American Waterways Operators, Inc., 1025 Connecticut Avenue, Washington, D.C.
D. (6) $1,300. E. (9) $204.88.

A. Robert S. Carr, 1220 Pennsylvania Building, Washington, D.C.
B. Hiram Walker & Sons, Inc., 8325 Jefferson Avenue, Detroit, Mich.

A. Henderson H. Carson, 600 First National Bank Building, Canton, Ohio, and 744 Pennsylvania Building, Washington, D.C.
B. Hope Natural Gas Company, 445 West Main Street, Clarksburg, W. Va.
D. (6) $1,000. E. (9) $430.

A. Albert E. Carter, Mayflower Hotel, Washington, D.C.
B. Pacific Gas & Electric Company, 245 Market Street, San Francisco, Calif.
D. (6) $4,500. E. (9) $826.26.

A. Clarence B. Carter, Post Office Box 798, New Haven, Conn.
B. Railroad Pension Conference, Post Office Box 798, New Haven, Conn.
E. (9) $1.10.

A. William L. Carter, 1105 Barr Building, Washington, D.C.
B. International Association of Ice Cream Manufacturers, 1105 Barr Building, Washington, D.C.

A. Francis R. Cawley, 1101 Vermont Avenue NW., Washington, D.C.
B. Magazine Publishers Association, Inc., 444 Madison Avenue, New York, N.Y.
D. (6) $800. (9) $342.75.

A. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D.C.

A. Justice M. Chambers, 2521 Connecticut Avenue NW., Washington, D.C.
B. Greg-Gary Corporation, 7 Park Avenue, New York, N.Y.
D. (6) $7,500.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. American Taxicab Association, Inc., 4415 North California Avenue, Chicago, Ill.
D. (6) $750.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. Camara Minera de Mexico, Gante 15, Mexico, D. F. Mexico.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. Camara Nacional De La Industria Pesquera, Manuel Maria Contreras No. 133, Mexico 5, D. F. Mexico.
D. (6) $3,727.83.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington D.C.
B. Hawaiian Botanical Gardens Foundation, Inc., 1527 Keeaumoku Street, Honolulu, Hawaii.
D. (6) $1,000.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. Union Nacional De Productores De Azucar, S. A. De C. V., Balderas No. 36, Primer Piso, Mexico, D. F. Mexico.
D. (6) $3,750.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. West Marin (Calif.) Property Owners Association, 960 Fifth Avenue, San Rafael, Calif.

A. Charitable Contributors Association, 100 Old York Road, Jenkintown, Pa.
D. (6) $3,850. E. (9) $1,975.

A. Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
D. (6) $5,402.55. E. (9) $4,161.84.

A. Citizens Foreign Aid Committee, 1001 Connecticut Avenue NW., Washington, D.C.

A. Charles Patrick Clark, 500 World Center Building, Washington, D.C.
B. B. Rapaport and Son, Inc., Central Street, Post Office Box 169, Windsor, Conn.

A. Earl W. Clark, 132 Third Street SE., Washington, D.C.
B. Labor Management Maritime Committee, 132 Third Street SE., Washington, D.C.
E. (9) $243.58.

A. Robert M. Clark, 1710 H Street NW., Washington, D.C.
B. Atchison, Topeka & Santa Fe Railway Company, 80 East Jackson Boulevard, Chicago, Ill.

A. Classroom Periodical Publishers Association, 38 West Fifth Street, Dayton, Ohio.

A. Earle C. Clements, 919 18th Street NW., Washington, D.C.
B. American Merchant Marine Institute, Inc., 919 18th Street NW., Washington, D.C., and 11 Broadway, New York, N.Y.
D. (6) $687.50. E. (9) $174.79.

A. Washington I. Cleveland, 1712 G Street NW., Washington, D.C.
B. D.C. Division, American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Joseph Coakley, 815 16th Street NW., Washington, D.C.
B. Building Service Employees International Union, 155 North Wacker Drive, Chicago, Ill.
D. (6) $3,000.

A. Junius E. Cobean, Sr., 109 East Windsor Avenue, Alexandria, Va.
B. Brotherhood of Railway & Steamship Clerks, Freight Handlers, Express & Station Employees.
D. (6) $325.

A. A. C. Cocke, 821 Gravier Street, New Orleans, La.
B. American Steamship Committee on Conference Studies, 919 18th Street NW., Washington, D.C.
E. (9) $337.36.

A. Edwin S. Cohen, 26 Broadway, New York, N.Y.
B. National Association of Investment Companies, 61 Broadway, New York, N.Y.
D. (6) $2,500. E. (9) $58.70.

A. Coles & Goertner, 1000 Connecticut Avenue, Washington, D.C.
B. American Tramp Shipowners Association, Inc., 11 Broadway, New York, N.Y.
D. (6) $7,500. E. (9) $290.26.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C.
B. Committee of American Tanker Owners, Inc., 1411 K Street NW., Washington, D.C.
D. (6) $7,500. E. (9) $147.91.

A. Committee for Collective Security, 18 East 60th Street, New York, N.Y.
D. (6) $685. E. (9) $420.40.

A. Committee on Cooperative Advertising, 570 Lexington Avenue, New York, N.Y.
D. (6) $946.19. E. (9) $946.19.

A. Committee for Study of Revenue Bond Financing, 149 Broadway, New York, N.Y.
D. (6) $250. E. (9) $1,366.72.

A. Committee To Support U.S. Congress Bill Creating a Commission on Obscene Matters and Materials, Post Office Box 74, Old Bridge, N.J.
D. (6) $12. E. (9) $22.77.

A. R. T. Compton, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers.

A. John C. Cone, 815 15th Street NW., Washington, D.C.
B. Pan American World Airways, 815 15th Street NW., Washington, D.C.

A. Julian D. Conover, Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $1,000. E. (9) $9.20.

A. Orval R. Cook, 610 Shoreham Building, Washington, D.C.
B. Aerospace Industries Association of America, Inc., 610 Shoreham Building, Washington, D.C.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D.C.
B. New York Stock Exchange, 11 Wall Street, New York, N.Y.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D.C.
B. R. J. Reynolds Tobacco Co., Winston-Salem, N.C.

A. Mitchell J. Cooper, 1631 K Street NW., Washington, D.C.
B. Manufacturers' Association of Puerto Rico, San Juan, P.R.
D. (6) $1,916. E. (9) $16.63.

A. Edward J. Coughlin, 900 F Street NW., Washington, D.C.
B. American Federation of Technical Engineers, 900 F Street NW., Washington, D.C.
D. (6) $195.

A. Council of Mechanical Specialty Contracting Industries, Inc., 610 Ring Building, Washington, D.C.

A. Donald M. Counihan, 1000 Connecticut Avenue, Washington, D.C.
B. American Corn Millers' Federation, 1000 Connecticut Avenue, Washington, D.C.

A. Donald M. Counihan, 1000 Connecticut Avenue, Washington, D.C.
B. Classroom Periodical Publishers Association, 38 West Fifth Street, Dayton, Ohio.

A. Edsall Lee Couplin, 441 East Jefferson Avenue, Detroit, Mich.
B. Michigan Hospital Service, 441 East Jefferson Avenue, Detroit, Mich.
D. (6) $1,500.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. American Can Company, 100 Park Avenue, New York, N.Y.
E. (9) $6.68.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. Committee on Joint Resolution 1955 Legislature, Post Office Box 3170, Honolulu, Hawaii.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. Copper & Brass Research Association, 420 Lexington Avenue, New York, N.Y.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. Cuban-American Sugar Company, 347 Madison Avenue, New York, N.Y.
E. (9) $35.25.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. National Machine Tool Builders' Association, 2139 Wisconsin Avenue N.W., Washington, D.C.

A. William A. Cromartie, 1 North LaSalle Street, Chicago, Ill.
B. Singer Manufacturing Co., 149 Broadway, New York, N.Y.
D. (6) $3,600.65. E. (9) $25.54.

A. H. C. Crotty, 12050 Woodward Avenue, Detroit, Mich.

A. John Curran, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $3,315. E. (9) $684.05.

A. Bryce Curry, 907 Ring Building, Washington, D.C.
B. National League of Insured Savings Associations, 907 Ring Building, Washington, D.C.
D. (6) $525.

A. Bernard Cushman, 5025 Wisconsin Avenue NW., Washington, D.C.
B. Amalgamated Association of Street, Electric Railway & Motor Coach Employees of America, 5025 Wisconsin Avenue NW., Washington, D.C.

A. John R. Dalton, 1508 Merchants Bank Building, Indianapolis, Ind.
B. Associated Railways of Indiana, 1508 Merchants Bank Building, Indianapolis, Ind.

A. D. C. Daniel, 1627 K Street NW., Washington, D.C.
B. National Independent Dairies Association, 1627 K Street NW., Washington, D.C.

A. Michael P. Daniels, 1000 Connecticut Avenue, Washington, D.C.
B. United States-Japan Trade Council, 1000 Connecticut Avenue, Washington, D.C.
D. (6) $150.

A. John C. Datt, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $720.83. E. (9) $25.75.

A. Charles W. Davis, 1 North LaSalle Street, Chicago, Ill.
B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill.
D. (6) $19,244.84. E. (9) $321.60.

A. Charles W. Davis, 1 North LaSalle Street, Chicago, Ill.
B. The Singer Manufacturing Co., 149 Broadway, New York, N.Y.
D. (6) $3,600.65. E. (9) $25.54.

A. Lowell Davis, 601 Ross Avenue, Mart, Tex.
E. (9) $136.01.

A. Donald S. Dawson, 731 Washington Building, Washington, D.C.
B. American Industrial Bankers Association, 813 Washington Building, Washington, D.C.

A. Donald S. Dawson, 731 Washington Building, Washington, D.C.
B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y.

A. Dawson, Griffin, Pickens & Riddell, 731 Washington Building, Washington, D.C.
B. American Industrial Bankers Association, 831 Washington Building, Washington, D.C.
D. (6) $2,740.

A. Dawson, Griffin, Pickens & Riddell, 731 Washington Building, Washington, D.C.
B. Air Transport Association of America, 1000 Connecticut Avenue, NW., Washington, D.C.

A. Donald S. Dawson, 731 Washington Building, Washington, D.C.
B. Hilton Hotels Corp., Chicago, Ill.

A. Dawson, Griffin, Pickens & Riddell, 731 Washington Building, Washington, D.C.
B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y.

A. Dawson, Griffin, Pickens & Riddell, 731 Washington Building, Washington, D.C.
B. Laundry-Dry Cleaning Association of D.C., 2400 16th Street NW., Washington, D.C.

A. Michael B. Deane, 1411 K Street NW., Washington, D.C.
B. American Finance Conference, Inc., 1411 K Street NW., Washington, D.C.
D. (6) $2,000. E. (9) $359.78.

A. Michael B. Deane, 1411 K Street NW., Washington, D.C.
B. Comision de Defensa del Azucar y Fomento de la Cana, 1825 Connecticut Avenue NW., Washington, D.C.
D. (6) $5,500. E. (9) $392.49.

A. Tony T. Dechant.
B. The Farmers' Educational & Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D.C.

A. Richard A. Dell, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Frank L. Dennis, 1625 K Street NW., Washington, D.C.
B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.
D. (6) $812.50. E. (9) $129.75.

A. Mary S. Deuel, 3026 Cambridge Place NW., Washington, D.C.
B. Washington Home Rule Committee, Inc., 924 14th Street NW., Washington, D.C.
D. (6) $1,102.50.

A. Joe T. Dickerson, 1625 K Street NW., Washington, D.C.
B. Mid-Continent Oil & Gas Association, 300 Tulsa Building, Tulsa, Okla.

A. Cecil B. Dickson, 1523 L Street NW., Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $1,125. E. (9) $182.56.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D.C.
B. Sacramento-Yolo Port District, 705 California Fruit Building, Sacramento, Calif.
D. (6) $2,701.30. E. (9) $76.30.

A. Disabled American Veterans, 5555 Ridge Avenue, Cincinnati, Ohio.
E. (9) $1,500.

A. Disabled Officers Association, 1612 K Street NW., Washington, D.C.
E. (9) $3,750.

A. District Lodge No. 44, International Association of Machinists, 400 First Street NW., Washington, D.C.
D. (6) $18,873.58. E. (9) $18,242.55.

A. Division of Federal Relations of the National Education Association, 1201 16th Street NW., Washington, D.C.
E. (9) $18,562.40.

A. Mitchell A. Dodge, Neopit, Wis.
B. Menominee Tribe of Indians, Keshena, Wis.

A. Robert C. Dolan, 1200 18th Street NW., Washington, D.C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.
D. (6) $375. E. (9) $281.45.

A. Anthony P. Donadio, 2 North Charles Street, Baltimore, Md.
B. Baltimore & Ohio Railroad Co., 2 North Charles Street, Baltimore, Md.

A. Paul R. M. Donelan, 1523 L Street NW., Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $441. E. (9) $1.25.

A. James L. Donnelly, 200 South Michigan Avenue, Chicago, Ill.
B. Illinois Manufacturers' Association, 200 South Michigan Avenue, Chicago, Ill.
E. (9) $200.33.

A. Donoghue, Ragan & Mason, 239 Wyatt Building, Washington, D.C.
B. California Shipping Co., 320 Market Street, San Francisco, Calif.
D. (6) $1,500. E. (9) $648.94.

A. J. Dewey Dorsett, 60 John Street, New York, N.Y.
D. (6) $137.50.

A. Jasper N. Dorsey, 1730 K Street NW., Washington, D.C., and Hurt Building, Atlanta, Ga.
B. Southern Bell Telephone & Telegraph Co., Hurt Building, Atlanta, Ga.
D. (6) $592.

A. C. L. Dorson, 900 F Street NW, Washington, D.C.
B. Retirement Federation of Civil Service Employes of the U.S. Government, 900 F Street NW., Washington, D.C.
D. (6) $1,739.99. E. (9) $60.

A. Fred H. Dressler, Box 188, Gardnerville, Nev.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
E. (9) $284.10.

A. Ben DuBois.
B. Independent Bankers Association, Sauk Centre, Minn.

A. Stephen M. Du Brul, 11-134 General Motors Building, Detroit, Mich.
B. General Motors Corporation, 3044 West Grand Boulevard, Detroit, Mich.

A. Read P. Dunn, Jr., 502 Ring Building, Washington, D.C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $270. E. (9) $12.25.

A. William E. Dunn, 1957 E Street NW, Washington, D.C.
B. Associated General Contractors of America, Inc., 1957 E Street NW., Washington, D.C.

A. Henry I. Dworshak, 1102 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $675. E. (9) $6.70.

A. Eastern Meat Packers Association, Inc., 740 11th Street NW., Washington, D.C.
E. (9) $50.39.

A. Herman Edelsberg, 1640 Rhode Island Avenue NW., Washington, D.C.
B. Anti-Defamation League of B'nai B'rith, 515 Madison Avenue, New York, N.Y.
D. (6) $140. E. (9) $15.

A. Harold E. Edwards, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $3,304.85. E. (9) $300.

A. James B. Ehrlich, 1000 Connecticut Avenue NW., Washington, D.C.
B. Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $516.25. E. (9) $50.15.

A. John Doyle Elliott, 808 North Capitol Street, Washington, D.C.
B. Townsend Plan, Inc., 808 North Capitol Street, Washington, D.C.
D. (6) $1,092.

A. John M. Elliott, 5025 Wisconsin Avenue NW., Washington, D.C.
B. Amalgamated Association of Street, Electric Railway & Motor Coach Employees of America, 5025 Wisconsin Avenue NW., Washington, D.C.

A. Warren G. Elliott, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.

A. Clyde T. Ellis, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $68.

A. Perry R. Ellsworth, 1145 19th Street NW., Washington, D.C.
B. Milk Industry Foundation, 1145 19th Street NW., Washington, D.C.
E. (9) $4.50.

A. John H. Else, 302 Ring Building, Washington, D.C.
B. National Retail Lumber Dealers Association, 302 Ring Building, Washington, D.C.
D. (6) $4,000. E. (9) $306.11.

A. Ely, Duncan & Bennett, 1200 Tower Building, Washington, D.C.
B. American Public Power Association, 919 18th Street NW., Washington, D.C.
D. (6) $2,100.

A. Ely, Duncan & Bennett, 1200 Tower Building, Washington, D.C.
B. Department of Water & Power of the City of Los Angeles, 207 South Broadway, Los Angeles, Calif.
D. (6) $2,400.

A. Ely, Duncan & Bennett, 1200 Tower Building, Washington, D.C.
B. East Bay Municipal Utility District, 2130 Adeline Street, Oakland, Calif.
D. (6) $2,100.

A. Ely, Duncan & Bennett, 1200 Tower Building, Washington, D.C.
B. Imperial Irrigation District, El Centro, Calif.
D. (6) $2,100.

A. Ely, Duncan & Bennett, 1200 Tower Building, Washington, D.C.
B. Palo Verde Irrigation District, Blythe, Calif.
D. (6) $425. E. (9) $14.64.

A. Ely, Duncan & Bennett, 1200 Tower Building, Washington, D.C.
B. Six Agency Committee and Colorado River Board of California, 909 South Broadway, Los Angeles, Calif.
D. (6) $3,130.

A. Myles W. English, 966 National Press Building, Washington, D.C.
B. National Highway Users Conference, Inc., 966 National Press Building, Washington, D.C.

A. John D. Fagan, 200 Maryland Avenue NE., Washington, D.C.
B. Veterans of Foreign Wars of the United States.
D. (6) $1,750. E. (9) $10.

A. Family Tax Association, 2110 Girard Trust Building, Philadelphia, Pa.
D. (6) $3,850. E. (9) $1,458.71.

A. Farmers' Educational & Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D.C.
D. (6) $95,128.15. E. (9) $24,179.

A. Bonner Fellers, 1001 Connecticut Avenue NW., Washington, D.C.
B. Citizens Foreign Aid Committee.

A. John A. Ferguson, 918 16th Street NW., Washington, D.C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D.C.
D. (6) $437.50.

A. Josiah Ferris, 510 Union Trust Building, Washington, D.C.
B. American Sugar Cane League, New Orleans, La., etc.
D. (6) $6,250.

A. Maurice W. Fillius, 703 National Press Building, Washington, D.C.
B. National Association of Alcoholic Beverage Importers, Inc., 700 National Press Building, Washington, D.C.
D. (6) $500.

A. John B. Fisher, 1925 K Street NW., Washington, D.C.
B. Bangor & Aroostook Railroad, Bangor, Maine.

A. Norman A. Flaningam, 425 13th Street NW., Washington, D.C.
B. Consolidated Natural Gas Co., 30 Rockefeller Plaza, New York, N.Y.

A. Roger Fleming, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,112.50. E. (9) $15.74.

A. Donald G. Fletcher, 828 Midland Bank Building, Minneapolis, Minn.
B. Crop Quality Council, 828 Midland Bank Building, Minneapolis, Minn.
D. (6) $3,750. E. (9) $643.95.

A. Florida Citrus Mutual, Lakeland, Fla.
E. (9) $2,134.04.

A. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
E. (9) $1,362.82.

A. Florida Ship Canal Navigation District, 720 Florida Title Building, Jacksonville, Fla.
E. (9) $1,574.82.

A. Mrs. J. A. Ford, 808 North Capitol Street, Washington, D.C.
B. Townsend Plan, Inc., 808 North Capitol Street, Washington, D.C.

A. James W. Foristel, 1523 L Street NW., Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $875. E. (9) $89.65.

A. Ronald J. Foulis, 1730 K Street NW., Washington, D.C., and 195 Broadway, New York, N.Y.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y.

A. W. E. Fravel, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railroad Trainmen.

A. Elmer M. Freudenberger, 1701 18th Street NW., Washington, D.C.
B. Disabled American Veterans, 5555 Ridge Avenue, Cincinnati, Ohio.
E. (9) $1,500.

A. Philip P. Friedlander, Jr., 1012 14th Street NW., Washington, D.C.
B. National Tire Dealers & Retreaders Association, Inc., 1012 14th Street NW., Washington, D.C.
D. (6) $575. E. (9) $17.65.

A. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $24,007.58. E. (9) $8,747.47.

A. Garrett Fuller, 836 Wyatt Building, Washington, D.C.
B. West Coast Steamship Co., 601 Board of Trade Building, Portland, Oreg.

A. Wallace H. Fulton, 1707 H Street NW., Washington, D.C.
B. National Association of Securities Dealers, Inc.

A. Lawrence H. Gall, 918 16th Street NW., Washington, D.C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D.C.
D. (6) $500. E. (9) $7.20.

A. M. J. Galvin, 207 Union Depot Building, St. Paul, Minn.
D. (6) $500. E. (9) $680.88.

A. Gardner, Morrison & Rogers, 1126 Woodward Building, Washington, D.C.
B. Bigham, Englar, Jones & Houston, 99 John Street, New York, N.Y., and Shoreham Building, Washington, D.C.
E. (9) $26.09.

A. Marion R. Garstang, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $200. E. (9) $0.60.

A. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N.Y.

A. J. M. George, 165 Center Street, Winona, Minn.
B. Inter-State Manufacturer's Association, 163–165 Center Street, Winona, Minn.
D. (6) $1,500.

A. J. M. George, 165 Center Street, Winona, Minn.
B. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
D. (6) $3,000.

A. Ernest Giddings, 1201 16th Street NW., Washington, D.C.
B. Division of Federal Relations, National Education Association, 1201 16th Street NW., Washington, D.C.
D. (6) $2,012.50. E. (9) $126.17.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio.
B. Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.

A. Lawrence L. Gourley, 1757 K Street N.W., Washington, D.C.
B. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
D. (6) $375.

A. Government Employes' Council, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $7,429.31. E. (9) $6,342.73.

A. James L. Grahl, 919 18th Street NW., Washington, D.C.
B. American Public Power Association, 919 18th Street NW., Washington, D.C.
D. (6) $50.

A. Grain & Feed Dealers National Association, 400 Folger Building, Washington, D.C.
E. (9) $78.95.

A. Grand Lodge of the Brotherhood of Locomotive Firemen & Enginemen, 318–418 Keith Building, Cleveland, Ohio.
D. (6) $13,879.50. E. (9) $9,996.51.

A. Gravelle, Whitlock, Markey & Tait, 1032 Shoreham Building, Washington, D.C.
B. Structural Clay Products Industry Depletion Committee.

A. Cornelius R. Gray, 1712 G Street NW., Washington, D.C.
B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Mrs. Edward R. Gray, 3501 Williamsburg Lane NW., Washington, D.C.
B. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill.
E. (9) $56.57.

A. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D.C.
B. Citizens Committee for UNICEF, 20 E Street NW., Washington, D.C.
D. (6) $80.62. E. (9) $6.38.

A. Jerry N. Griffin, 731 Washington Building, Washington, D.C.
B. American Industrial Bankers Association, 813 Washington Building, Washington, D.C.

A. Jerry N. Griffin, 731 Washington Building, Washington, D.C.
B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y.

A. Jerry N. Griffin, 731 Washington Building, Washington, D.C.
B. Mutual Benefit Health & Accident Association, Omaha, Nebr.

A. Jerome Grignon, Neopit, Wis.
B. Menominee Tribe of Indians, Keshena, Wis.

A. Weston B. Grimes, 1001 Bowen Building, Washington, D.C.
B. Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn.
D. (6) $9,590. E. (9) $3.

A. Albert A. Grorud, 816 E Street NE., Washington, D.C.
B. Yakima Indian Association of Washington State.
D. (6) $25. E. (9) $17.50.

A. Ben H. Guill, 2000 K Street NW., Washington, D.C.
B. American Smelting & Refining Co., New York, N.Y., etc.
D. (6) $6,908. E. (9) $1,841.43.

A. Terry Gunn, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Violet M. Gunther, 1341 Connecticut Avenue NW., Washington, D.C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D.C.
D. (6) $2,250.04. E. (9) $310.25.

A. Gypsum Association, 201 North Wells Street, Chicago, Ill.

A. Frank E. Haas, 280 Union Station Building, Chicago, Ill.
B. Association of Western Railways, 224 Union Station Building, Chicago, Ill.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D.C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D.C.
D. (6) $900. E. (9) $139.64.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D.C.
B. Seafarers' Section, MTD, 132 Third Street SE., Washington, D.C.
E. (9) $2,088.05.

A. Louis P. Haffer, 802 Ring Building, Washington, D.C.
B. Air Freight Forwarders Association, 802 Ring Building, Washington, D.C.

A. Hal H. Hale, 419 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
D. (6) $89.50. E. (9) $3.60.

A. Randolph M. Hale, 1957 E Street NW., Washington, D.C.
B. Associated General Contractors of America, Inc., 1957 E Street NW., Washington, D.C.

A. Haley, Wellenberg & Bader, 1735 De Sales Street NW., Washington, D.C.
B. Home Town Free Television Association, 2923 East Lincolnway, Cheyenne, Wyo.

A. Harold T. Halfpenny, 111 West Washington Street, Chicago, Ill.

A. E. C. Halbeck, 817 14th Street NW., Washington, D.C.
B. National Federation of Post Office Clerks, 817 14th Street NW., Washington, D.C.
D. (6) $4,500.

A. Charles A. Hamilton, 777 14th Street NW., Washington, D.C.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y.
D. (6) $500. E. (9) $107.01.

A. W. C. Hammerle, 220 East 42d Street, New York, N.Y.
B. American Pulpwood Association, 220 East 42d Street, New York, N.Y.

A. Harold F. Hammond, 1710 H Street NW., Washington, D.C.
B. Transportation Association of America.

A. C. L. Hancock, 420 Lexington Avenue, New York, N.Y.
B. Copper & Brass Research Association, 420 Lexington Avenue, New York, N.Y., and Covington & Burling, 701 Union Trust Building, Washington, D.C.
D. (6) $3,000.

A. Eugene J. Hardy, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers.

A. L. James Harmanson, Jr., 1616 H Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives, 1616 H Street NW., Washington, D.C.
D. (6) $4,249.96. E. (9) $209.25.

A. Herbert E. Harris II, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,304.17. E. (9) $50.96.

A. Merwin K. Hart, 7501 Empire State Building, New York, N.Y.
B. National Economic Council, Inc., 7501 Empire State Building, New York, N.Y.
D. (6) $100.

A. Stephen H. Hart, 500 Equitable Building, Denver, Colo.
B. National Livestock Tax Committee, 801 East 17th Avenue, Denver, Colo.
D. (6) $1,306.67.

A. Paul M. Hawkins, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
D. (6) $149.50. E. (9) $97.09.

A. Kit H. Haynes, 1616 H Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives.

A. Mrs. Glenn G. Hays, 212 Maryland Avenue NE., Washington, D.C.
B. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $571.56. E. (9) $822.36.

A. Joseph H. Hays, 280 Union Station Building, Chicago, Ill.
B. Association of Western Railways, 224 Union Station Building, Chicago, Ill.

A. John C. Hazen, 801 Sheraton Building, Washington, D.C.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y.
E. (9) $129.40.

A. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
E. (9) $578.86.

A. Patrick E. Healy, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $300. E. (9) $82.70.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N.Y.
B. American Parents Committee, Inc., 132 Third Street SE., Washington, D.C.

A. Hedrick & Lane, 1001 Connecticut Avenue NW., Washington, D.C.
B. Comite de Productores de Azucar, Antonio Miro Quesada 376, Lima, Peru, S.A.
D. (6) $13,400. E. (9) $461.32.

A. Hedrick & Lane, 1001 Connecticut Avenue NW., Washington, D.C.
B. Committee on Cooperative Advertising, 570 Lexington Avenue, New York, N.Y.
D. (6) $946.19. E. (9) $14.06.

A. Hedrick & Lane, 1001 Connecticut Avenue NW., Washington, D.C.
B. Reciprocal Inter-Insurers Federal Tax Committee, 400 United Artists Building, Detroit, Mich.
D. (6) $1,250. E. (9) $268.01.

A. Robert B. Heiney, 1133 20th Street NW., Washington, D.C.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $875. E. (9) $580.01.

A. Kenneth G. Heisler, 907 Ring Building, Washington, D.C.
B. National League of Insured Savings Association, 907 Ring Building, Washington, D.C.
D. (6) $750.

A. Noel Hemmendinger, 1000 Connecticut Avenue, Washington, D.C.
B. United States-Japan Trade Council, 1000 Connecticut Avenue, Washington, D.C.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y.
B. Socony Mobil Oil Co., Inc., 150 East 42d Street, New York, N.Y.
D. (6) $2,751.11. E. (9) $1,626.11.

A. Maurice G. Herndon, 801 Warner Building, Washington, D.C.
B. National Association of Insurance Agents, 96 Fulton Street, New York, N.Y., and 801 Warner Building, Washington, D.C.
D. (6) $230.40. E. (9) $230.40.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. Boston Wool Trade Association, 263 Summer Street, Boston, Mass.
D. (6) $600. E. (9) $37.30.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. National Association of Wool Manufacturers, 386 Fourth Avenue, New York, N.Y.
D. (6) $1,000.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. National Football League, 1 Rockefeller Plaza, New York, N.Y.
E. (9) $13.68.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. National Wool Growers' Association, 414 Crandall Building, Salt Lake City, Utah.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. National Wool Trade Association, 263 Summer Street, Boston, Mass.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. New York Wool Trade Association, 155 East 44th Street, New York, N.Y.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. Philadelphia Wool & Textile Association, Post Office Box 472, Station S, Philadelphia, Pa.

A. Clinton M. Hester, 432 Shoreham Building, Washington, D.C.
B. United States Brewers' Association, 535 Fifth Avenue, New York, N.Y.
D. (6) $5,000. E. (9) $76.52.

A. W. J. Hickey, 2000 Massachusetts Avenue NW., Washington, D.C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C.
D. (6) $240.63.

A. John W. Hight, 1025 Connecticut Avenue NW., Washington, D.C.
B. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $100.

A. Ray C. Hinman, 150 East 42d Street, New York, N.Y.
B. Socony Mobil Oil Co., Inc., 150 East 42d Street, New York, N.Y.
D. (6) $1,250.

A. J. D. Hittle, 200 Maryland Avenue N.E., Washington, D.C.
B. Veterans of Foreign Wars of the United States.
D. (6) $1,166.67. E. (9) $78.23.

A. Lawrence S. Hobart, 919 18th Street NW., Washington, D.C.
B. American Public Power Association, 919 18th Street NW., Washington, D.C.
D. (6) $287.50.

A. Ralph D. Hodges, Jr.
B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D.C.
E. (9) $14.25.

A. Frank N. Hoffmann, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $4,000. E. (9) $1,000.

A. Fuller Holloway, 808 17th Street NW., Washington, D.C.
B. Toilet Goods Association, Inc., 1270 Avenue of the Americas, New York, N.Y.
D. (6) $5,000.

A. D. Holmes, Jr., Gallion, Ala.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Home Manufacturers Association, 1117 Barr Building, Washington, D.C.
D. (6) $500. E. (9) $1,000.

A. Home Town Free Television Association, 2923 East Lincolnway, Cheyenne, Wyo.

A. Edwin M. Hood, 1730 K Street NW., Washington, D.C.
B. Shipbuilders Council of America, 21 West Street, New York, N.Y.

A. Samuel H. Horne, Munsey Building, Washington, D.C.
B. Singer Manufacturing Co., 149 Broadway, New York, N.Y.
E. (9) $25.54.

A. Lawrence W. Horning, 1010 Pennsylvania Building, Washington, D.C.
B. New York Central Railroad Co., 230 Park Avenue, New York, N.Y.

A. Donald E. Horton, 222 West Adams Street, Chicago, Ill.
B. American Warehousemen's Association.

A. Harold A. Houser, 1616 I Street NW., Washington, D.C.
B. Retired Officers Association, 1616 I Street NW., Washington, D.C.
D. (6) $2,500.

A. Erma D. Hubbard, 509 Ridgely Avenue, Annapolis, Md.
B. Military Survivors, Inc., 509 Ridgely Avenue, Annapolis, Md.
D. (6) $910. E. (9) $10.

A. W. T. Huff, 918 16th Street NW., Washington, D.C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D.C.
D. (6) $275.

A. William J. Hull, 326 Cafritz Building, Washington, D.C.
B. Ashland Oil & Refining Co., 1409 Winchester Avenue, Ashland, Ky.

A. William J. Hull, 326 Cafritz Building, Washington, D.C.
B. Ohio Valley Improvement Association, Inc.

A. Robert L. Humphrey, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers.

A. C. E. Huntley, 2000 Massachusetts Avenue NW., Washington, D.C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C.
D. (6) $268.70.

A. Elmer P. Hutter, Post Office Box 2255, Washington, D.C.
D. (6) $10.

A. William J. Hynes, 611 Idaho Building, Boise, Idaho.
B. Union Pacific Railroad Co., 1416 Dodge Street, Omaha, Nebr.
E. (9) $437.56.

A. Illinois State Conference of Building Trades Unions, 130 North Wells Street, Chicago, Ill.
D. (6) $4,000. E. (9) $3,988.34.

A. Bernard J. Imming, 777 14th Street NW., Washington, D.C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D.C.

A. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D.C.
B. Independent Natural Gas Association of America.
D. (6) $1,212.50. E. (9) $20.20.

A. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C.
D. (6) $12,734. E. (9) $12,734.

A. J. Stuart Innerst, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $1,661.54. E. (9) $14.52.

A. Institute of Industrial Launderers, 1833 Jefferson Place NW., Washington, D.C.

A. International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America, 25 Louisiana Avenue NW., Washington, D.C.
E. (9) $9,860.15.

A. International Union of Electrical, Radio & Machine Workers, 1126 16th Street NW., Washington, D.C.
E. (9) $1,460.

A. Inter-State Manufacturer's Association, 163–165 Center Street, Winona, Minn.
D. (6) $3,000. E. (9) $1.75.

A. Iron Ore Lessors Associates, Inc., First National Bank Building, St. Paul Minn.
D. (6) $1,070. E. (9) $542.45.

A. Robert C. Jackson, 1145 19th Street NW., Washington, D.C.
B. Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N.C.
D. (6) $2,150. E. (9) $73.07.

A. Japanese-American Citizens League, 1634 Post Street, San Francisco, Calif.
E. (9) $150.

A. Philip F. Jehle, National Press Building, Washington, D.C.
B. National Association of Retail Druggists, 205 West Wacker Drive, Chicago, Ill.
D. (6) $1,000.

A. Ray L. Jenkins, 1066 National Press Building, Washington, D.C.
B. Societe Internationale Pour Participations Industriales et Commerciales, S.A., Peter Merianstr. 19, Basel, Switzerland.
E. (9) $317.78.

A. Joe Jenness, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Robert G. Jeter, Dresden, Tenn.
B. H. C. Spinks Clay Co., Paris, Tenn., etc.

A. Gilbert R. Johnson, 1208 Terminal Tower, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. Hugo E. Johnson, 600 Bulkley Building, Cleveland, Ohio.
B. American Iron Ore Association, 600 Bulkley Building, Cleveland, Ohio.

A. Reuben L. Johnson.
B. Farmers' Educational & Co-Operative Union of America, 1404 New York Avenue NW., Washington, D.C.
D. (6) $2,229.95. E. (9) $111.85.

A. W. D. Johnson, 400 First Street NW., Washington, D.C.
B. Order of Railway Conductors & Brakemen, ORC & B Building, Cedar Rapids, Iowa.

A. Ned Johnston, 4539 Everett, Kensington, Md.
B. Tobacco Institute, Inc., 1017 Barr Building, Washington, D.C.

A. Geo. Bliss Jones, Montgomery, Ala.
B. Alabama Railroad Association, 1002 First National Bank Building, Montgomery, Ala.

A. L. Dan Jones, 1110 Ring Building, Washington, D.C.
B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D.C.
E. (9) $34.35.

A. Phillip E. Jones, 920 Tower Building, Washington, D.C.
B. United States Beet Sugar Association, 920 Tower Building, Washington, D.C.
D. (6) $100.

A. Rowland Jones, Jr., 1145 19th Street NW., Washington, D.C.
B. American Retail Federation, 1145 19th Street NW., Washington, D.C.
D. (6) $2,000. E. (9) $353.86.

A. Edwin W. Kaler, 919 18th Street NW., Washington, D.C.
B. Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala.
D. (6) $8,750.

A. John E. Kane, 1625 K Street NW., Washington, D.C.
B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.
D. (6) $3,780. E. (9) $721.37.

A. Sheldon Z. Kaplan, 817 Barr Building, Washington, D.C.
B. Guatemala Sugar Producers Association, Guatemala City, Guatemala.
D. (6) $5,000.

A. A. Francis V. Keesling, Jr., 605 Market Street, San Francisco, Calif.
B. West Coast Life Insurance Company, 605 Market Street, San Francisco, Calif.

A. James C. Kelley, 1500 Massachusetts Avenue NW., Washington, D.C.
B. American Machine Tool Distributors' Association, 1500 Massachusetts Avenue NW., Washington, D.C.

A. I. L. Kenen, 1737 H Street NW., Washington, D.C.
B. American Israel Public Affairs Committee, 1737 H Street NW., Washington, D.C.

A. Harold L. Kennedy, 420 Cafritz Building, Washington, D.C.
B. Ohio Oil Company, Findlay, Ohio.
D. (6) $500. E. (9) $251.95.

A. Miles D. Kennedy, 1608 K Street NW., Washington, D.C.
B. American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,750. E. (9) $64.60.

A. Ronald M. Ketcham, Post Office Box 351, Los Angeles, Calif.
B. Southern California Edison Company, Post Office Box 351, Los Angeles, Calif.
D. (6) $1,035.81. E. (9) $1,979.81.

A. Omar B. Ketchum, 200 Maryland Avenue NE., Washington, D.C.
B. Veterans of Foreign Wars of the United States.
D. (6) $4,062.50. E. (9) $223.

A. Jeff Kibre, 1341 G Street NW., Washington, D.C.
B. International Longshoremen's & Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.
D. (6) $1,608.74. E. (9) $1,919.61.

A. Charles E. Kief, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railway & Steamship Clerks, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $1,093.75.

A. John A. Killick, 740 11th Street NW., Washington, D.C.
B. Eastern Meat Packers Association, Inc., 740 11th Street NW., Washington, D.C.
D. (6) $12.50.

A. John A. Killick, 740 11th Street NW., Washington, D.C.
B. National Independent Meat Packers Association, 740 11th Street NW., Washington, D.C.
D. (6) $246.25.

A. Kenneth L. Kimble, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $206.25. E. (9) $1.84.

A. James F. King, 1825 Connecticut Avenue NW., Washington, D.C.
B. Manufacturing Chemists' Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,250.

A. Ludlow King, 2139 Wisconsin Avenue NW., Washington, D.C.
B. National Machine Tool Builders' Association, 2139 Wisconsin Avenue NW., Washington, D.C.

A. T. Bert King, 812 Pennsylvania Building, Washington, D.C.
B. United States Savings & Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $675.

A. Clifton Kirkpatrick, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $510. E. (9) $60.73.

A. Robert M. Koch, 210 H Street NW., Washington, D.C.
B. National Limestone Institute, Inc., 210 H Street NW., Washington, D.C.
E. (9) $5.

A. A. W. Koehler, 839 17th Street NW., Washington, D.C.
B. National Association of Motor Bus Owners, 839 17th Street NW., Washington, D.C.

A. Germaine Krettek, 200 C Street SE., Washington, D.C.
B. American Library Association, 50 East Huron Street, Chicago, Ill.
E. (9) $2,854.85.

A. Labor Bureau of Middle West, 1001 Connecticut Avenue, Washington, D.C., and 11 South La Salle Street, Chicago, Ill.

A. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D.C.
D. (6) $5,450. E. (9) $5,539.31.

A. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. James K. Langan, 100 Indiana Avenue NW., Washington, D.C.
B. Government Employes' Council, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $3,126.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D.C.
B. National Patent Council, Inc., 1434 West 11th Avenue, Gary, Ind.
D. (6) $999.96.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D.C.
B. Quality Brands Associates of America, Inc., 1001 Grant Street, Gary, Ind.
D. (6) $900.

A. J. Austin Latimer, 1001 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,450.

A. John V. Lawrence, 1424 16th Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D.C.
D. (6) $551.25. E. (9) $13.65.

A. Thomas B. Lawrence, 917 15th Street NW., Washington, D.C.
B. National Licensed Beverage Association, 420 Seventh Street, Racine, Wis.
D. (6) $650.

A. Warren Lawrence, 1700 K Street NW., Washington, D.C.
B. Standard Oil Company of California, 1700 K Street NW., Washington, D.C.
D. (6) $160. E. (9) $75.

A. Gene Leach, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $547. E. (9) $19.80.

A. Robert F. Lederer, 835 Southern Building, Washington, D.C.
B. American Association of Nurserymen, Inc., 835 Southern Building, Washington, D.C.
D. (6) $24.38. E. (9) $37.38.

A. Ivy Lee & T. J. Ross, 405 Lexington Avenue, New York, N.Y.
D. (6) $6,666.66. E. (9) $3,732.44.

A. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D.C.
E. (9) $834.40.

A. Roy T. Lester, 1523 L Street NW., Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $1,100. E. (9) $57.33.

A. John R. Lewis, 1625 K Street NW., Washington, D.C.
B. Mid-Continent Oil & Gas Association, 300 Tulsa Building, Tulsa, Okla.

A. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y., and 1701 K Street NW., Washington, D.C.
D. (6) $4,861.24. E. (9) $4,861.24.

A. L. Blaine Liljenquist, 917 15th Street NW., Washington, D.C.
B. Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif.
D. (6) $3,125. E. (9) $9.20.

A. Lawrence J. Linck, 53 West Jackson Boulevard, Chicago, Ill.
B. National Association of Chain Drug Stores, Vanderbilt Hotel, New York, N.Y.
D. (6) $7,682. E. (9) $9,491.85.

A. Lester W. Lindow, 1735 De Sales Street NW., Washington, D.C.
D. (6) $48.33.

A. Robert G. Litschert, 1200 18th Street NW., Washington, D.C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.
D. (6) $382.50. E. (9) $10.61.

A. Fred Livingston, 802 Ring Building, Washington, D.C.
B. Air Freight Forwarders' Association, 802 Ring Building, Washington, D.C.

A. Fred Livingston, 802 Ring Building, Washington, D.C.
B. Alleghany Corp., 230 Park Avenue, New York, N.Y.

A. Gordon C. Locke, 418 Munsey Building, Washington, D.C.
B. Association of Oil Pipe Lines.

A. Leonard Lopez, 400 First Street NW., Washington, D.C.
B. District Lodge No. 44, International Association of Machinists, 400 First Street NW., Washington, D.C.
D. (6) $2,449.90. E. (9) $15.

A. Otto Lowe, Cape Charles, Va.
B. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $1,500. E. (9) $98.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D.C.
B. American Finance Conference, 176 West Adams Street, Chicago, Ill.
D. (6) $1,250.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D.C.
B. Mobile Homes Manufacturers Association, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,000.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D.C.
B. Outdoor Advertising Association of America, Inc., 24 West Erie Street, Chicago, Ill.
D. (6) $250.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D.C.
B. Roadside Business Association, 646 North Michigan Avenue, Chicago, Ill.
D. (6) $250.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D.C.
B. Adolph von Zedlitz, 60 Sutton Place South, New York, N.Y.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D.C.
B. Western Medical Corporation, 415–423 West Pershing Road, Chicago, Ill.
D. (6) $1,000.

A. H. B. Luckett, 311 California Street, San Francisco, Calif.
B. American Steamship Committee on Conference Studies, 919 18th Street NW., Washington, D.C.
E. (9) $1,496.08.

A. John M. Lumley, 1201 16th Street NW., Washington, D.C.
B. Division of Federal Relations, NEA, 1201 16th Street NW., Washington, D.C.
D. (6) $168. E. (9) $11.04.

A. Milton F. Lunch, 2029 K Street NW., Washington, D.C.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C.
D. (6) $750.

A. John C. Lynn, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,245.83. E. (9) $46.35.

A. James L. McCaskill, 1201 16th Street, Washington, D.C.
B. National Education Association, 1201 16th Street, Washington, D.C.
D. (6) $250. E. (9) $75.22.

A. Angus H. McDonald.
B. Farmers' Educational & Cooperative Union of America, 1404 New York Avenue NW., Washington, D.C.
D. (6) $2,478.62. E. (9) $252.40.

A. Joseph J. McDonald, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $3,304.85. E. (9) $300.

A. William J. McDonald, 3005 Fernside Boulevard, Alameda, Calif.
B. National Council of Naval Air Stations Employee Organizations, 3005 Fernside Boulevard, Alameda, Calif.

A. Joseph A. McElwain, 500 Main Street, Deer Lodge, Mont.
B. The Montana Power Co., Butte, Mont.
D. (6) $781.26.

A. A. J. McFarland, 126 North Eighth Street, Sterling, Kans.
B. Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
D. (6) $999.99. E. (9) $100.

A. William F. McKenna, 908 Colorado Building, Washington, D.C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N.Y.
D. (6) $44.18. E. (9) $607.23.

A. Marvin L. McLain, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,000. E. (9) $28.45.

A. William H. McLin, 1201 16th Street NW., Washington, D.C.
B. Division of Federal Relations, NEA, 1201 16th Street NW., Washington, D.C.
D. (6) $1,287. E. (9) $27.81.

A. W. H. McMains, 1132 Pennsylvania Building, Washington, D.C.
B. Distilled Spirits Institute, 1132 Pennsylvania Building, Washington, D.C.

A. C. W. McMillan, 801 East 17th Avenue, Denver, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $3,999.96. E. (9) $706.90.

A. Clarence M. McMillan, 1343 L Street NW., Washington, D.C.
B. National Candy Wholesalers Association, Inc., 1343 L Street NW., Washington, D.C.

A. Ralph J. McNair, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $600. E. (9) $2.38.

A. William P. MacCracken, Jr., 1000 Connecticut Avenue NW., Washington, D.C.
B. American Optometric Association, Inc., 8001 Jenkins Arcade, Pittsburgh, Pa.
D. (6) $2,250. E. (9) $19.

A. William P. MacCracken, Jr., 1000 Connecticut Avenue NW., Washington, D.C.
B. Frankel Bros., 521 Fifth Avenue, New York, N.Y.
E. (9) $0.75.

A. William P. MacCracken, Jr., 1000 Connecticut Avenue NW., Washington, D.C.
B. Mrs. Willi Zietz, Savoy Hotel Hilton, New York, N.Y.
E. (9) $0.75.

A. John G. Macfarlan, 1725 I Street NW., Washington, D.C.
B. REA Express, 219 East 42d Street, New York, N.Y.
D. (6) $1,737. E. (9) $643.52.

A. James E. Mack, 1028 Connecticut Avenue NW., Washington, D.C.
B. National Confectioners Association, 1028 Connecticut Avenue NW., Washington, D.C.

A. James E. Mack, 1028 Connecticut Avenue NW., Washington, D.C.
B. Rolled Zinc Manufacturers Association, 1028 Connecticut Avenue NW., Washington, D.C.

A. Suzanne MacLean, 1000 Connecticut Avenue, Washington, D.C.
B. United States-Japan Trade Council, 1000 Connecticut Avenue, Washington, D.C.
D. (6) $150.

A. Jerome J. Madigan, 1117 Barr Building, Washington, D.C.
B. Home Manufacturers Association, 1117 Barr Building, Washington, D.C.
D. (6) $500.

A. Arch L. Madsen, 1735 De Sales Street NW., Washington, D.C.
D. (6) $20.58.

A. Don Mahon, Post Office Box 959, Ben Franklin Station, Washington, D.C.
E. (9) $865.14.

A. Walter E. Maloney, 99 John Street, New York, N.Y.
B. Steamship Committee on Conference Studies, 919 18th Street NW., Washington, D.C.
D. (6) $5,635. E. (9) $733.83.

A. Ben J. Man, 815 16th Street NW., Washington, D.C.
B. Industrial Union Department, 815 16th Street NW., Washington, D.C.
D. (6) $2,612.48. E. (9) $421.90.

A. Carter Manasco, 4201 Chesterbrook Road, McLean, Va.
B. National Business Publications, Inc., 1913 I Street NW., Washington, D.C.
D. (6) $600.

A. Carter Manasco, 4201 Chesterbrook Road, McLean, Va.
B. National Coal Association, Coal Building, Washington, D.C.
D. (6) $3,000. E. (9) $223.95.

A. D. L. Manion, 2000 Massachusetts Avenue NW., Washington, D.C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C.
D. (6) $437.51.

A. Manufacturing Chemists' Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C.
D. (6) $2,625. E. (9) $2,475.

A. Olya Margolin, 1637 Massachusetts Avenue NW., Washington, D.C.
B. National Council of Jewish Women, Inc., 1 West 47th Street, New York, N.Y.
D. (6) $2,028.91. E. (9) $131.74.

A. Rodney W. Markley, Jr., Wyatt Building, Washington, D.C.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $1,500. E. (9) $419.84.

A. Raymond E. Marks, 65 Market Street, San Francisco, Calif.
B. Southern Pacific Co., 65 Market Street, San Francisco, Calif.

A. Edwin E. Marsh, 414 Crandall Building, Salt Lake City, Utah.
B. National Wool Growers Association, Salt Lake City, Utah.
E. (9) $1,476.67.

A. Winston W. Marsh, 1343 L Street NW., Washington, D.C.
B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.
D. (6) $1,326.90. E. (9) $41.35.

A. Fred T. Marshall, 1112 19th Street NW., Washington, D.C.
B. B. F. Goodrich Co., 500 South Main Street, Akron, Ohio.

A. J. Paull Marshall, 944 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
E. (9) $104.65.

A. Drew Martin, 777 14th Street NW., Washington, D.C.
B. American Hotel Association, 221 West 57th Street, New York, N.Y.
D. (6) $300. E. (9) $215.

A. Mike M. Masaoka, 919 18th Street NW., Washington, D.C.
B. Japanese American Citizens League, 1634 Post Street, San Francisco, Calif.
D. (6) $150. E. (9) $50.

A. Walter J. Mason, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $3,315. E. (9) $682.80.

A. David Mathews, Jr., 345 Fourth Avenue, Pittsburgh, Pa.
B. Pittsburgh Coal Exchange, 345 Fourth Avenue, Pittsburgh, Pa.
E. (9) $270.31.

A. P. H. Mathews, 944 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
D. (6) $877.60. E. (9) $845.45.

A. Charles D. Matthews, 1200 18th Street NW., Washington, D.C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.
D. (6) $236.25. E. (9) $74.13.

A. Joe G. Matthews, 944 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.

A. C. V. & R. V. Maudlin, 1111 E Street NW., Washington, D.C.
B. National Association of Secondary Material Industries, Inc., 271 Madison Avenue, New York, N.Y.

A. Howard W. Mays, Jr., 210 H Street NW., Washington, D.C.
B. National Limestone Institute, Inc., 210 H Street NW., Washington, D.C.
E. (9) $17.50.

A. Lester H. Means, 777 14th Street NW., Washington, D.C.
B. General Electric Company, Major Appliance Division, Appliance Park, Louisville, Ky.
D. (6) $72. E. (9) $6.

A. John S. Mears, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $2,130.

A. Medical Society of the District of Columbia, 1718 M Street NW., Washington, D.C.

A. Mehler, Goldsborough & Ives, 2000 K Street NW., Washington, D.C.
B. Ferro Corp., Glostex Chemicals, Inc., O. Hommel Co., and Pemco Corp.

A. Mehler, Goldsborough & Ives, 2000 K Street NW., Washington, D. C.
B. New York, New Haven & Hartford Railroad Co., 292 Madison Avenue, New York, N.Y.

A. Kenneth A. Meiklejohn, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $3,315.

A. Metropolitan Washington Board of Trade, 1616 K Street NW., Washington, D.C.

A. James G. Michaux, 1145 19th Street NW., Washington, D.C.
B. American Retail Federation, 1145 19th Street NW., Washington, D.C.
D. (6) $2,000. E. (9) $69.15.

A. Michigan Hospital Service, 441 East Jefferson Avenue, Detroit, Mich.
E. (9) $1,512.34.

A. C. R. Miles, 1615 H Street NW., Washington, D.C.
B. Chamber of Commerce of the U.S.A.

A. John R. Miles, 1615 H Street NW., Washington, D.C.
B. Chamber of Commerce of the U.S.A.

A. Military Survivors, Inc., 509 Ridgely Avenue, Annapolis, Md.
D. (6) $939. E. (9) $1,417.96.

A. Milk Industry Foundation, 1145 19th Street NW., Washington, D.C.

A. Dale Miller, Mayflower Hotel, Washington, D.C.
B. Dallas (Tex.) Chamber of Commerce.
D. (6) $1,500.

A. Dale Miller, Mayflower Hotel, Washington, D.C.
B. Intracoastal Canal Association of Louisiana and Texas, 2211 South Coast Building, Houston, Tex.
D. (6) $2,625.

A. Dale Miller, Mayflower Hotel, Washington, D.C.
B. Texas Gulf Sulphur Co., Newgulf, Tex., and New York, N.Y.
D. (6) $2,250.

A. Edwin Reid Miller, 1004 Farnam Street, Omaha, Nebr.
B. Nebraska Railroads Legislative Committee, 1004 Farnam Street, Omaha, Nebr.
D. (6) $3,000. E. (9) $354.18.

A. Lloyd S. Miller, 1730 K Street NW., Washington, D.C., and 195 Broadway, New York, N.Y.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y.
D. (6) $116.16.

A. Clarence Mitchell, 100 Massachusetts Avenue NW., Washington, D.C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N.Y.
D. (6) $1,875.

A. M. D. Mobley, 1010 Vermont Avenue NW., Washington, D.C.
B. American Vocational Association, 1010 Vermont Avenue NW., Washington, D.C.

A. Harry L. Moffett, 1102 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $825. E. (9) $8.30.

A. Walter H. Moorman, 4650 East-West Highway, Bethesda, Md.
B. Maryland Railroad Association, 300 St. Paul Street, Baltimore, Md.
D. (6) $3,000. E. (9) $5.90.

A. Cecil Morgan, 30 Rockefeller Plaza, New York, N.Y.
B. Standard Oil Co. (New Jersey), 30 Rockefeller Plaza, New York, N.Y.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D.C.
B. American Reciprocal Insurance Association, Kansas City, Mo.
E. (9) $2.54.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D.C.
B. Area Employment Expansion Committee, 1144 Pennsylvania Building, Washington, D.C.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D.C.
B. Ford Motor Co., American Road, Dearborn, Mich.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D.C.
B. Sperry & Hutchinson Co., 114 Fifth Avenue, New York, N.Y.

A. Curtis Morris, 1725 I Street NW., Washington, D.C.
B. American Gas Association, Inc., 420 Lexington Avenue, New York, N.Y.

A. Joseph J. Mulhern, 11 Pemberton Square, Boston, Mass.
E. (9) $1,279.57.

A. Vincent S. Mullaney, 777 14th Street, Washington, D.C.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y.
D. (6) $1,562.50. E. (9) $1,126.88.

A. T. H. Mullen, 711 14th Street NW., Washington, D.C.
B. American Paper & Pulp Association, 122 East 42d Street, New York, N.Y.

A. T. H. Mullen, 711 14th Street NW., Washington, D.C.
B. American Pulpwood Association, 220 East 42d Street, New York, N.Y.

A. Walter J. Munro, Hotel Washington, Washington, D.C.
B. Brotherhood of Railroad Trainmen.

A. Dr. Emmett J. Murphy, 5737 13th Street NW., Washington, D.C.
B. National Chiropractic Insurance Co., National Building, Webster City, Iowa.
D. (6) $600. E. (9) $600.

A. Kenneth D. Naden, 1616 H Street NW., Washington, D.C.
B. National Council of Farmer Cooperatives.

A. Paul A. Nagle, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $3,000.

A. National Association of Chain Drug Stores, Vanderbilt Hotel, New York, N.Y.
E. (9) $9,501.86.

A. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
D. (6) $13,750. E. (9) $27.50.

A. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.
D. (6) $58,786.64. E. (9) $10,280.86.

A. National Association of Frozen Food Packers, 919 18th Street NW., Washington, D.C.

A. National Association of Insurance Agents, Inc., 96 Fulton Street, New York, N.Y.
D. (6) $3,500. E. (9) $7,960.19.

A. National Association of Margarine Manufacturers, Munsey Building, Washington, D.C.

A. National Association of Motor Bus Owners, 839 17th Street NW., Washington, D.C.
E. (9) $85.35.

A. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N.Y.
D. (6) $615.90. E. (9) $615.90.

A. National Association of Plumbing Contractors, 1016 20th Street NW., Washington, D.C.

A. National Association of Postmasters of the United States, 348 Pennsylvania Building, Washington, D.C.
D. (6) $104,595.42. E. (9) $1,575.

A. National Association of Retired Civil Employees, 1625 Connecticut Avenue NW., Washington, D.C.

A. National Association of Social Workers, Inc., 95 Madison Avenue, New York, N.Y., and 1346 Connecticut Avenue NW., Washington, D.C.
D. (6) $2,235.

A. National Association of Soil Conservation Districts, League City, Tex.
D. (6) $3,551.05. E. (9) $257.98.

A. National Association of Travel Organizations, 1422 K Street NW., Washington, D.C.
D. (6) $10,877.23. E. (9) $682.50.

A. National Automobile Dealers Association, 2000 K Street NW., Washington, D.C.
D. (6) $8,161.65. E. (9) $8,161.65.

A. National Canners Association, 1133 20th Street NW., Washington, D.C.
D. (6) $259,299.09. E. (9) $8,845.61.

A. National Coal Association, Coal Building, Washington, D.C.

A. National Committee on Parcel Post Size & Weight Limitations, 1145 19th Street NW., Washington, D.C.

A. National Committee for Research in Neurological Disorders, University Hospital, Minneapolis, Minn.

A. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. National Coordinating Committee for Export Credit Guarantee, 1 Liberty Street, New York, N.Y.
D. (6) $16,350. E. (9) $14,559.21.

A. National Cotton Compress & Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $5,512.90. E. (9) $5,512.90.

A. National Council of Farmer Cooperatives, 1616 H Street NW., Washington, D.C.
D. (6) $4,312.75. E. (9) $5,413.

A. National Council, Junior Order United American Mechanics, 3027 North Broad Street, Philadelphia, Pa.
E. (9) $168.

A. National Council of Naval Air Stations Employee Organizations, 3005 Fernside Boulevard, Alameda, Calif.

A. National Economic Council, Inc., 7501 Empire State Building, New York, N.Y.
D. (6) $1,241.67. E. (9) $977.70.

A. National Electrical Contractors Association, Inc., 1200 18th Street NW., Washington, D.C.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N.Y.
D. (6) $2,472.55. E. (9) $2,472.55.

A. National Federation of Business and Professional Women's Clubs, 2012 Massachusetts Avenue NW., Washington, D.C.
D. (6) $20,939.20. E. (9) $1,733.80.

A. National Federation of Post Office Clerks, 817 14th Street NW., Washington, D.C.
D. (6) $222,100.66. E. (9) $15,086.30.

A. National Food Brokers Association, 1916 M Street NW., Washington, D.C.
D. (6) $1,080. E. (9) $1,080.

A. National Grange, 1616 H Street NW., Washington, D.C.
E. (9) $9,600.

A. National Independent Dairies Association, 1627 K Street NW., Washington, D.C.

A. National Independent Meat Packers Association, 740 11th Street NW., Washington, D.C.
D. (6) $1,802.10. E. (9) $1,951.96.

A. National League of Insured Savings Associations, 907 Ring Building, Washington, D.C.
B. Member associations of the league.
D. (6) $298,140.05. E. (9) $1,613.91.

A. National Legislative Committee, 114 Huron Drive, Washington, D.C.

A. National Limestone Institute, Inc., 210 H Street NW., Washington, D.C.
D. (6) $3,205. E. (9) $3,025.

A. National Livestock Tax Committee, 801 East 17th Avenue, Denver, Colo.
D. (6) $1,306.67.

A. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D.C.
D. (6) $2,261.47. E. (9) $3,168.61.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $5,093.44. E. (9) $5,093.44.

A. National Multiple Sclerosis Society, 257 Fourth Avenue, New York, N.Y.
E. (9) $715.42.

A. National Parking Association, Inc., 711 14th Street NW., Washington, D.C.

A. National Postal Transport Association, 100 Indiana Avenue NW., Washington, D.C.
D. (6) $7,251.13. E. (9) $7,251.13.

A. National Restaurant Association, 1012 14th Street NW., Washington, D.C., and 1530 North Lake Shore Drive, Chicago, Ill.
D. (6) $10,960.17. E. (9) $10,960.17.

A. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.

A. National Retail Merchants Association, 100 West 31st Street, New York, N.Y.
D. (6) $7,481.37. E. (9) $9,520.67.

A. National Retired Teachers Association and American Association of Retired Persons, 1346 Connecticut Avenue NW., Washington, D.C.
E. (9) $8.18.

A. National Rivers & Harbors Congress, 1028 Connecticut Avenue NW., Washington, D.C.
D. (6) $31,167. E. (9) $14,935.14.

A. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
E. (9) $502.39.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C.
D. (6) $204,168.29. E. (9) $3,221.60.

A. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.
D. (6) $4,409.12. E. (9) $4,409.12.

A. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $2,525.58. E. (9) $2,479.01.

A. National Wool Growers Association, 414 Crandall Building, Salt Lake City, Utah.
D. (6) $5,656. E. (9) $5,482.81.

A. Nation-Wide Committee of Industry, Agriculture & Labor on Import-Export Policy, 815 15th Street NW., Washington, D.C.
D. (6) $7,690.70. E. (9) $16,817.43.

A. Robert R. Neal, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, 1701 K Street NW., Washington, D.C.
D. (6) $100.

A. William S. Neal, 918 16th Street NW., Washington, D.C.
B. National Association of Manufacturers.

A. A. Z. Nelson, 1319 18th Street NW., Washington, D.C.
B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D.C.
E. (9) $16.71.

A. Herschel D. Newsom, 1616 H Street NW., Washington, D.C.
B. National Grange, 1616 H Street NW., Washington, D.C.
D. (6) $3,750.

A. New York & New Jersey Dry Dock Association, 161 William Street, New York, N.Y.
D. (6) $2,184.18. E. (9) $2,934.78.

A. Charles M. Noone, 537 Washington Building, Washington, D.C.
B. National Association of Small Business Investment Companies, 537 Washington Building, Washington, D.C.
E. (9) $16.

A. O. L. Norman, 1200 18th Street NW., Washington, D.C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.
D. (6) $718.75. E. (9) $175.63.

A. Robert H. North, 1105 Barr Building, Washington, D.C.
B. International Association of Ice Cream Manufacturers, 1105 Barr Building, Washington, D.C.

A. Harry E. Northam, 185 North Wabash Avenue, Chicago, Ill.
B. Association of American Physicians & Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.

A. E. M. Norton, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $300. E (9) $43.

A. Brice O'Brien, 1102 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $675.

A. George J. O'Brien, 225 Bush Street, San Francisco, Calif.
B. Standard Oil Co. of California, 225 Bush Street, San Francisco, Calif.

A. E. H. O'Connor, 176 West Adams Street, Chicago, Ill.
B. Insurance Economics Society of America, 176 West Adams Street, Chicago, Ill.
D. (6) $27,179.12.

A. O'Connor, Green, Thomas & Walters, 845 Northwest Bank Building, Minneapolis, Minn.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y.

A. John F. O'Connor, 817 14th Street NW., Washington, D.C.
B. National Federation of Post Office Clerks, 817 14th Street NW., Washington, D.C.
D. (6) $4,374.96.

A. R. E. O'Connor, 122 East 42d Street, New York, N.Y.
B. American Paper & Pulp Association, 122 East 42d Street, New York, N.Y.

A. Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.

A. Alvin E. Oliver, 400 Folger Building, Washington, D.C.
B. Grain & Feed Dealers National Association, 400 Folger Building, Washington, D.C.
D. (6) $36.16. E. (9) $4.

A. Clarence H. Olson, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $2,700. E. (9) $38.85.

A. Samuel Omasta, 210 H Street NW., Washington, D.C.
B. National Limestone Institute, Inc., 210 H Street NW., Washington, D.C.
E. (9) $10.

A. Order of Railway Conductors and Brakemen, O.R.C. & B. Building, Cedar Rapids, Iowa.
E. (9) $4,953.79.

A. Clayton L. Orn, 539 South Main Street, Findlay, Ohio.
B. Ohio Oil Co., Findlay, Ohio.

A. Morris E. Osburn, Central Trust Building, Jefferson City, Mo.
B. Missouri Railroad Committee.

A. Kermit Overby, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $182.

A. John A. Overholt, 10315 Kensington Parkway, Kensington, Md., and 1131 Munsey Building, Washington, D.C.
B. National Association of Retired Civil Employees, 1625 Connecticut Avenue, Washington, D.C.
D. (6) $923.10. E. (9) $62.23.

A. Vaux Owen, 1729 G Street NW., Washington, D.C.
B. National Federation of Federal Employees, 1729 G Street NW., Washington, D.C.
D. (6) $3,692.04.

A. Edwin F. Padberg, 1223 Pennsylvania Building, Washington, D.C.
B. Pennsylvania Railroad Co., 6 Penn Center Plaza, Philadelphia, Pa.

A. Everett L. Palmer, 901 Hamilton Street, Allentown, Pa.
B. Pennsylvania Power & Light Co., 901 Hamilton Street, Allentown, Pa.
E. (9) $200.38.

A. Lew M. Paramore, Post Office Box 1310, Kansas City, Kans.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.

A. J. D. Parel, 944 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
D. (6) $87.49.

A. Mrs. Karla V. Parker, 1729 Union Boulevard SE., Grand Rapids, Mich.

A. James D. Parriott, 539 South Main Street, Findlay, Ohio.
B. Ohio Oil Co., Findlay, Ohio.

A. A. Lee Parsons, 10 East 40th Street, New York, N.Y.
B. American Cotton Manufacturers Institute, 1501 Johnston Building, Charlotte, N.C.

A. Robert D. Partridge, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $41.25.

A. James G. Patton.
B. Farmers' Educational & Co-Operative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D.C.
D. (6) $1,250. E. (9) $1,587.57.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1625 I Street NW., Washington, D.C.
B. National Committee for Insurance Taxation, The Hay-Adams House, Washington, D.C.
E. (9) $199.54.

A. Philip C. Pendleton, 100 Old York Road, Jenkintown, Pa.
B. Charitable Contributors Association, 100 Old York Road, Jenkintown, Pa.
D. (6) $1,800. E. (9) $47.57.

A. Philip C. Pendleton, 100 Old York Road, Jenkintown, Pa.
B. Family Tax Association, 2110 Girard Trust Building, Philadelphia, Pa.
D. (6) $1,400. E. (9) $147.97.

A. Philip C. Pendleton, 100 Old York Road, Jenkintown, Pa.
B. Pitcairn Co., 100 West 10th Street, Wilmington, Del.
D. (6) $4,700. E. (9) $395.91.

A. Robert Pennington, 1201 16th Street NW., Washington, D.C.
B. Division of Federal Relations, National Education Association, 1201 16th Street NW., Washington, D.C.
D. (6) $226. E. (9) $2.20.

A. Sanford Z. Persons, 820 13th Street NW., Washington, D.C.
B. United World Federalists, Inc., 820 13th Street NW., Washington, D.C.
D. (6) $794.59. E. (9) $16.

A. Ervin L. Peterson, 1145 19th Street NW., Washington, D.C.
B. Milk Industry Foundation, 1145 19th Street NW., Washington, D.C.

A. Hugh Peterson.
B. Georgia Power Co., Peachtree Street, Atlanta, Ga.
D. (6) $7,500.

A. J. Hardin Peterson, Post Office Box 111, Lakeland, Fla.
B. Florida Citrus Mutual, Lakeland, Fla.
D. (6) $1,810. E. (9) $377.54.

A. J. Hardin Peterson, Post Office Box 111, Lakeland, Fla.
B. West Coast Inland Navigation District, Court House, Bradenton, Fla.

A. J. Hardin Peterson, Post Office Box 111, Lakeland, Fla.
B. C. C. Woodard, 7630 Biscayne Boulevard, Miami, Fla.
E. (9) $10.20.

A. Kenneth Peterson, 1126 16th Street NW., Washington, D.C.
B. International Union of Electrical, Radio & Machine Workers, 1126 16th Street NW., Washington, D.C.
D. (6) $1,250.

A. Albert Pike, Jr., 488 Madison Avenue, New York, N.Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $76.25.

A. James H. Pipkin, 1001 Connecticut Avenue NW., Washington, D.C.
B. Texaco, Inc., 135 East 42d Street, New York, N.Y.
D. (6) $600. E. (9) $2,492.15.

A. Pitcairn Co., 100 West 10th Street, Wilmington, Del.
E. (9) $5,120.02.

A. Plains Cotton Growers, Inc., 1720 Avenue M, Lubbock, Tex.
D. (6) $128,711.61. E. (9) $1,100.

A. Milton M. Plumb, Railway Labor Building, Washington, D.C.
B. Railway Labor Executives' Association, Railway Labor Building, Washington, D.C.

A. Raymond E. Plummer, 220 Central Building, Anchorage, Alaska.
B. Association of American Railroads, Transportation Building, Washington, D.C.

A. J. Francis Pohlhaus, 100 Massachusetts Avenue NW., Washington, D.C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N.Y.
D. (6) $827.94.

A. James K. Polk, Esq., 40 Wall Street, New York, N.Y.
B. Consolidated Edison Co. of New York, Inc., 4 Irving Place, New York, N.Y.
E. (9) $18.75.

A. Frederick T. Poole, 418 Munsey Building, Washington, D.C.
B. Association of Oil Pipe Lines.

A. Frank M. Porter, 1271 Avenue of the Americas, New York, N.Y.
B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.

A. Nelson J. Post, R.F.D. W-2, Box 173, Herndon, Va.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.

A. Richard M. Powell, 1210 Tower Building, Washington, D.C.
B. National Association of Refrigerated Warehouses, 1210 Tower Building, Washington, D.C.

A. Thomas W. Power, 1012 14th Street NW., Washington, D.C.
B. National Restaurant Association, 1012 14th Street NW., Washington, D.C., and 1530 North Lake Shore Drive, Chicago, Ill.
D. (6) $1,750. E. (9) $500.

A. William H. Press, 1616 K Street NW., Washington, D.C.
B. Metropolitan Washington Board of Trade, 1616 K Street NW., Washington, D.C.
D. (6) $4,800.

A. Ganson Purcell, 910 17th Street NW., Washington, D.C.
B. Insular Lumber Co., 1406 Locust Street, Philadelphia, Pa.
D. (6) $1,500. E. (9) $3.45.

A. Purcell & Nelson, 910 17th Street NW., Washington, D.C.
B. Christman Corp., 120 Wall Street, New York, N.Y.
E. (9) $86.16.

A. Purcell & Nelson, 910 17th Street NW., Washington, D.C.
B. Government Development Bank for Puerto Rico.
E. (9) $1.

A. Purcell & Nelson, 910 17th Street NW., Washington, D.C.
B. Nicaragua Sugar Estates, Ltd., Managua, Nicaragua.
D. (6) $1,250. E. (9) $72.63.

A. C. J. Putt, 920 Jackson Street, Topeka, Kans.
B. Atchison, Topeka & Santa Fe Railway Co., 920 Jackson Street, Topeka, Kans.

A. William A. Quinlan, 1317 F Street NW., Washington, D.C.

A. Luke C. Quinn, Jr., 1001 Connecticut Avenue NW., Washington, D.C.
B. American Cancer Society, New York, N.Y., etc.
D. (6) $8,249.97. E. (9) $5,505.08.

A. Alex Radin, 919 18th Street NW., Washington, D.C.
B. American Public Power Association, 919 18th Street NW., Washington, D.C.
D. (6) $108.42.

A. Edward F. Ragland, 6917 Marbury Road, Bethesda, Md.
B. Tobacco Institute, Inc., 1017 Barr Building, Washington, D.C.

A. Railroad Pension Conference, Post Office Box 798, New Haven, Conn.
D. (6) $167. E. (9) $158.72.

A. Alan T. Rains, 777 14th Street NW., Washington, D.C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D.C.

A. Donald J. Ramsey, 1725 K Street NW., Washington, D.C.
B. Silver Users Association, 1725 K Street NW., Washington, D.C.
D. (6) $425. E. (9) $67.39.

A. J. A. Ransford, 1317 F Street NW., Washington, D.C.
B. Tidewater Oil Co., Los Angeles, Calif.

A. Stanley Rector, 506 Hotel Washington, Washington, D.C.
B. Unemployment Benefit Advisors, Inc.
D. (6) $1,000.

A. Otie M. Reed, 1107 19th Street NW., Washington, D.C.
B. National Creamery Association, 1107 19th Street NW., Washington, D.C.
D. (6) $1,875. E. (9) $3,586.88.

A. W. O. Reed, 6254 Woodland Drive, Dallas, Tex.
B. Texas railroads.
D. (6) $42.50. E. (9) $248.

A. William T. Reed, 5800 Connecticut Avenue, Chevy Chase, Md.
B. Standard Oil Co., 910 South Michigan, Chicago, Ill.
D. (6) $1,500. E. (9) $273.

A. Herbert S. Reid, 466 Lexington Avenue, New York, N.Y.
B. New York State Association of Railroads, 466 Lexington Avenue, New York, N.Y.
D. (6) $1,500. E. (9) $89.25.

A. James Francis Reilly, 1625 K Street, Washington, D.C.
B. Potomac Electric Power Co., 929 E Street NW., Washington, D.C.
D. (6) $5,000. E. (9) $850.

A. Louis H. Renfrow, 1000 16th Street NW., Washington, D.C.
B. National Coal Policy Conference, Inc., Solar Building, Washington, D.C.
D. (6) $6,250.

A. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D.C.

A. Retired Officers Association, 1616 I Street NW., Washington, D.C.
D. (6) $118,266.64.

A. Retirement Federation of Civil Service Employees of the U.S. Government, 900 F Street NW., Washington, D.C.
D. (6) $5,248.84. E. (9) $6,321.46.

A. James W. Richards, 1000 16th Street NW., Washington, D.C.
B. Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill.
D. (6) $1,500. E. (9) $597.36.

A. William E. Richards, Orleans, Nebr.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Harry H. Richardson, 335 Austin Street, Bogalusa, La.
B. Louisiana railroads.
D. (6) $47.80. E. (9) $158.17.

A. James W. Riddell, 731 Washington Building, Washington, D.C.
B. Air Transport Association of America, 1000 Connecticut Avenue, Washington, D.C.

A. James W. Riddell, 731 Washington Building, Washington, D.C.
B. American Industrial Bankers Association, 831 Washington Building, Washington, D.C.

A. James W. Riddell, 731 Washington Building, Washington, D.C.
B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y.

A. James W. Riddell, 731 Washington Building, Washington, D.C.
B. Mutual Benefit Health & Accident Association, Omaha, Nebr.

A. James W. Riddell, 731 Washington Building, Washington, D.C.
B. State Farm Mutual Automobile Insurance Co., 112 East Washington Street, Bloomington, Ill.
D. (6) $1,440. E. (9) $102.65.

A. Richard J. Riddick, 1012 14th Street NW., Washington, D.C.
B. Freight Forwarders Institute, 1012 14th Street NW., Washington, D.C.
D. (6) $2,499.99. E. (9) $137.76.

A. Siert F. Riepma, Munsey Building, Washington, D.C.
B. National Association of Margarine Manufacturers.

A. C. E. Rightor, 3300 Rolling Road, Chevy Chase, Md.
B. Committee for Study of Revenue Bond Financing, 149 Broadway, New York, N.Y.
D. (6) $450.

A. George D. Riley, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $3,315. E. (9) $439.20.

A. E. W. Rising, 328 Pennsylvania Avenue SE., Washington, D.C.
B. Western Sugar Beet Growers Association, Post Office Box 742, Great Falls, Mont.
D. (6) $300. E. (9) $380.92.

A. Barbara Roads, 470 Palos Verdes Boulevard, Redondo Beach, Calif.
B. Air Line Stewards & Stewardesses Association, 316 West Randolph Street, Chicago, Ill.

A. Paul H. Robbins, 2029 K Street NW., Washington, D.C.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C.
D. (6) $250.

A. Frank L. Roberts, 1700 K Street NW., Washington, D.C.
B. Chrysler Corp., 341 Massachusetts Avenue, Detroit, Mich.
D. (6) $250. E. (9) $100.

A. Charles A. Robinson, Jr., 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.
D. (6) $154.61.

A. Samuel Roe, Jr., Box 1065, Balboa, C.Z.
B. Central Labor Union, Metal Trades Council, Balboa, C.Z.
D. (6) $1,400.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C.
B. Association of Registered Bank Holding Cos., 730 15th Street NW., Washington, D.C.
D. (6) $343.75.

A. Frank W. Rogers, 1700 K Street NW., Washington, D.C.
B. Western Oil & Gas Association, 609 South Grand Avenue, Los Angeles, Calif.
D. (6) $5,100.

A. Watson Rogers, 1916 M Street NW., Washington, D.C.
B. National Food Brokers Association, 1916 M Street NW., Washington, D.C.
D. (6) $1,000.

A. George B. Roscoe, 1200 18th Street NW., Washington, D.C.
B. National Electrical Contractors Association, 1200 18th Street NW., Washington, D.C.

A. John Forney Rudy, 902 Ring Building, Washington, D.C.
B. Goodyear Tire & Rubber Co., Akron, Ohio.

A. Albert R. Russell, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $692.30. E. (9) $179.15.

A. M. O. Ryan, 777 14th Street NW., Washington, D.C.
B. American Hotel Association, 221 West 57th Street, New York, N.Y.
D. (6) $500. E. (9) $533.20.

A. William H. Ryan, 400 First Street NW., Washington, D.C.
B. District Lodge No. 44, International Association of Machinists, 400 First Street NW., Washington, D.C.
D. (6) $2,999.88. E. (9) $60.

A. Kermit B. Rykken, 1712 G Street NW., Washington, D.C.
B. American Automobile Association, 1712 G Street NW., Washington, D.C.

A. Robert A. Saltzstein, 508 Wyatt Building, Washington, D.C.
B. Associated Business Publications, 205 East 42d Street, New York, N.Y.
D. (6) $2,500. E. (9) $113.96.

A. Kimball Sanborn, 810 Pennsylvania Building, Washington, D.C.
B. Boston & Maine Railroad, Boston, Mass.

A. L. R. Sanford, 21 West Street, New York, N.Y.
B. Shipbuilders Council of America, 21 West Street, New York, N.Y.

A. O. H. Saunders, 1616 I Street NW., Washington, D.C.
B. Retired Officers Association, 1616 I Street NW., Washington, D.C.
D. (6) $1,950.

A. J. A. Schwab, 1223 Pennsylvania Building, Washington, D.C.
B. Pennsylvania Railroad Co., 6 Penn Center Plaza, Philadelphia, Pa.

A. Arthur E. Scribner, 210 H Street NW., Washington, D.C.
B. National Limestone Institute, Inc., 210 H Street NW., Washington, D.C.
E. (9) $15.

A. Seafarers' Section, MTD, 132 Third Street SE., Washington, D.C.
D. (6) $12,375. E. (9) $14,614.82.

A. Durward Seals, 777 14th Street NW., Washington, D.C.
B. United Fresh Fruit & Vegetable Association, 777 14th Street NW., Washington, D.C.

A. Harry See, 400 First Street NW., Washington, D.C.
B. Brotherhood of Railroad Trainmen.
E. (9) $19.50.

A. Clayton A. Seeber, 1201 16th Street NW., Washington, D.C.
B. Division of Federal Relations of the NEA, 1201 16th Street NW., Washington, D.C.
D. (6) $222. E. (9) $1.82.

A. Fred G. Seig, 944 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
E. (9) $110.

A. Leo Seybold, 1000 Connecticut Avenue NW., Washington, D.C.
B. Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,125. E. (9) $43.45.

A. P. L. Shackelford, 4545 Connecticut Avenue NW., Washington, D.C.
B. Sheet Metal Workers' International Association, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $600.

A. Alvin Shapiro, 919 18th Street NW., Washington, D.C.
B. American Merchant Marine Institute, Inc., 919 18th Street NW., Washington, D.C., and 11 Broadway, New York, N.Y.
D. (6) $1,000. E. (9) $151.31.

A. A. Manning Shaw, 1625 I Street NW., Washington, D.C.
B. Brown & Lund, 1625 I Street NW., Washington, D.C.
D. (6) $484.

A. John J. Sheehan, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $3,000. E. (9) $300.

A. Leander I. Shelley, 608 Fifth Avenue, New York, N.Y.
B. American Association of Port Authorities, Inc., and Airport Operators Council, Inc., Washington, D.C.
D. (6) $958.43. E. (9) $192.50.

A. Bruce E. Shepherd, 488 Madison Avenue, New York, N.Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $150.

A. Laurence P. Sherfy, 1102 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $675.

A. Robert H. Shields, 920 Tower Building, Washington, D.C.
B. United States Beet Sugar Association, 920 Tower Building, Washington, D.C.
D. (6) $560.

A. Richard C. Shipman.
B. Farmers' Educational & Co-Operative Union of America, 1404 New York Avenue NW., Washington, D.C.
D. (6) $1,200.16. E. (9) $39.54.

A. Robert L. Shortle, 801 International Building, New Orleans, La.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.

A. Charles B. Shuman, Merchandise Mart Plaza, Chicago, Ill.
B. American Farm Bureau Federation, Merchandise Mart Plaza, Chicago, Ill.
D. (6) $700.

A. Silver Users Association, 1725 K Street NW., Washington, D.C.
D. (6) $3,468.50. E. (9) $971.48.

A. Leonard L. Silverstein, 1000 Bender Building, Washington, D.C.
B. National Association of Home Builders, 1625 L Street NW., Washington, D.C.

A. Leonard L. Silverstein, 1000 Bender Building, Washington, D.C.
B. National Association of Women's & Children's Apparel Salesmen, Inc.

A. Six Agency Committee, 909 South Broadway, Los Angeles, Calif.
E. (9) $3,000.

A. Harold S. Skinner, Post Office Box 2197, Houstor, Tex.
B. Continental Oil Co., Post Office Box 2197, Houston, Tex.

A. Carstens Slack, 1625 I Street NW., Washington, D.C.
B. Phillips Petroleum Co., Bartlesville, Okla.
D. (6) $300. E. (9) $260.

A. Harold Slater, 1523 L Street NW., Washington, D.C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $875. E. (9) $55.40.

A. Stephen Slipher, 812 Pennsylvania Building, Washington, D.C.
B. U.S. Savings & Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $2,500. E. (9) $13.50.

A. Dudley Smith, 732 Shoreham Building, Washington, D.C.
B. Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D.C.

A. James R. Smith, 1060 Omaha National Bank Building, Omaha, Nebr.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.

A. John A. Smith, Stapleton Airfield, Denver, Colo.
B. Continental Airlines, Stapleton Airfield, Denver, Colo.
E. (9) $758.

A. Wallace M. Smith, 425 13th Street NW., Washington, D.C.
B. American Mutual Insurance Alliance.

A. Wayne H. Smithey, 1200 Wyatt Building, Washington, D.C.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $769. E. (9) $419.84.

A. Lyle O. Snader, 944 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.
D. (6) $101.25.

A. Thaddeus S. Snell, 134 South La Salle Street, Chicago, Ill.
B. Gypsum Association, 201 North Wells Street, Chicago, Ill.

A. Frank B. Snodgrass, 1025 Connecticut Avenue NW., Washington, D.C.
B. Burley & Dark Leaf Tobacco Export Association, Post Office Box 860, Lexington, Ky.
D. (6) $225. E. (9) $98.16.

A. Edward F. Snyder, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $1,280.78.

A. Society for Animal Protective Legislation, 745 Fifth Avenue, New York, N.Y.
D. (6) $548. E. (9) $1,315.05.

A. Charles B. Sonneborn, 210 H Street NW., Washington, D.C.
B. National Limestone Institute, Inc., 210 H Street NW., Washington, D.C.
E. (9) $7.50.

A. Marvin J. Sonosky, 1028 Connecticut Avenue NW., Washington, D.C.

A. J. Taylor Soop, 400 First Street NW., Washington, D.C.
B. International Brotherhood of Electrical Workers, 330 South Wells Street, Chicago, Ill.
D. (6) $585.

A. Southern States Industrial Council, 1103 Stahlman Building, Nashville, Tenn.
D. (6) $46,398.97. E. (9) $8,714.78.

A. William W. Spear, 214 National Bank Building, Fremont, Nebr.
B. Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill.
D. (6) $900. E. (9) $514.18.

A. John F. Speer, Jr., 1105 Barr Building, Washington, D.C.
B. International Association of Ice Cream Manufacturers, 1105 Barr Building, Washington, D.C.

A. Lyndon Spencer, 305 Rockefeller Building, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.

A. John M. Sprague, 1730 K Street NW., Washington, D.C.
B. Humble Oil & Refining Co., Post Office Box 2180, Houston, Tex.
E. (9) $19.35.

A. Thomas G. Stack, 1104 West 104th Place, Chicago, Ill.
B. National Railroad Pension Forum, Inc., 1104 West 104th Place, Chicago, Ill.
D. (6) $1,800. E. (9) $3,784.99.

A. Chester S. Stackpole, 420 Lexington Avenue, New York, N.Y.
B. American Gas Association, Inc., 420 Lexington Avenue, New York, N.Y.

A. Howard M. Starling, 837 Washington Building, Washington, D.C.
B. Association of Casualty & Surety Companies, 60 John Street, New York, N.Y.
D. (6) $150.

A. Mrs. C. A. L. Stephens, Post Office Box 6234 Northwest Station, Washington, D.C.

A. Luther C. Steward, Jr., 1729 G Street NW., Washington, D.C.
B. National Federation of Federal Employees, 1729 G Street NW., Washington, D.C.
D. (6) $2,457.60. E. (9) $32.

A. Mrs. Alexander Stewart, 214 Second Street NE., Washington, D.C.
B. Women's International League for Peace and Freedom, 214 Second Street NE., Washington, D.C.
D. (6) $7,885.16. E. (9) $4,829.37.

A. Stitt and Hemmendinger, 1000 Connecticut Avenue, Washington, D.C.
B. Association To Acquire Compensation for Damages Prior to Peace Treaty, Naha, Okinawa.
D. (6) $1,000. E. (9) $160.

A. Nelson A. Stitt, 1000 Connecticut Avenue, Washington, D.C.
B. United States-Japan Trade Council, 1000 Connecticut Avenue, Washington, D.C.

A. Sterling F. Stoudenmire, Jr., 61 St. Joseph Street, Mobile, Ala.
B. Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala.
D. (6) $1,406.25.

A. Francis W. Stover, 200 Maryland Avenue NE., Washington, D.C.
B. Veterans of Foreign Wars of the United States.
D. (6) $2,375. E. (9) $280.10.

A. O. R. Strackbein, 815 15th Street NW., Washington, D.C.
B. America's Wage Earners' Protective Conference.
D. (6) $1,153.85.

A. O. R. Strackbein, 815 15th Street NW., Washington, D.C.
B. International Allied Printing Trades Association, Box 728, Indianapolis, Ind.
D. (6) $625.

A. O. R. Strackbein, 815 15th Street NW., Washington, D.C.
B. Nation-Wide Committee of Industry, Agriculture & Labor on Import-Export Policy.
D. (6) $6,250.

A. O. R. Strackbein, 815 15th Street NW., Washington, D.C.
B. Texas Sugar Beet Growers Association, Hereford, Tex.
D. (6) $2,880. E. (9) $234.02.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D.C.
B. American Association of Surplus Property Importers, 1700 K Street NW., Washington, D.C.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D.C.
B. Blackfeet Tribe of the Blackfeet Reservation, Browning, Mont.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D.C.
B. Ben Blumenthal, 608 Fifth Avenue, New York, N.Y.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D.C.
B. Federation of American Scientists, 1700 K Street NW., Washington, D.C.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D.C.
B. Hualapai Tribe of the Hualapai Reservation, Peach Springs, Ariz.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D.C.
B. Laguna Pueblo of New Mexico, Laguna, N. Mex.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D.C.
B. Nez Perce Tribe, Lapwai, Idaho.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D.C.
B. Oglala Sioux Tribe of the Pine Ridge Reservation, Pine Ridge, S. Dak.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D.C.
B. San Carlos Apache Tribe, San Carlos, Ariz.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D.C.
B. Seneca Nation of Indians, 25 Main Street, Salamanca, N.Y.

A. William A. Stringfellow, 6004 Roosevelt Street, Bethesda, Md.
B. National Association of Mutual Insurance Agents, 827 Investment Building, Washington, D.C.

A. Structural Clay Products Industry Depletion Committee, 1032 Shoreham Building, Washington, D.C.
D. (6) $3,849.60. E. (9) $1,794.57.

A. Norman Strunk, 221 North La Salle Street, Chicago, Ill.
B. U.S. Savings & Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $625. E. (9) $219.88.

A. Arthur Sturgis, Jr., 1145 19th Street NW., Washington, D.C.
B. American Retail Federation, 1145 19th Street NW., Washington, D.C.
D. (6) $140.

A. Surrey, Karasik, Gould & Efron, 1116 Woodward Building, Washington, D.C.
B. South Puerto Rico Sugar Co., 28 Wall Street, New York, N.Y.

A. Charles P. Taft, 1025 Connecticut Avenue NW., Washington, D.C.
B. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D.C.
D. (6) $50. E. (9) $33.39.

A. Glenn J. Talbott.
B. Farmers' Educational & Cooperative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D.C.

A. Dwight D. Taylor, 918 16th Street NW., Washington, D.C.
B. American Airlines, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $125. E. (9) $33.58.

A. John I. Taylor, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $966.66. E. (9) $32.58.

A. William L. Taylor, 1341 Connecticut Avenue NW., Washington, D.C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,870.78. E. (9) $71.03.

A. J. B. Thayn, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,375. E. (9) $20.13.

A. J. Woodrow Thomas, 1000 16th Street NW., Washington, D.C.
B. Trans World Airlines, Inc., 10 Richards Road, Kansas City, Mo.
E. (9) $179.10.

A. Oliver A. Thomas, 125 North Center Street, Reno, Nev.
B. Southern Pacific Co., Western Pacific Railroad Co., and Union Pacific Railroad Co.

A. William B. Thompson, Jr., 944 Transportation Building, Washington, D.C.
B. Association of American Railroads, Transportation Building, Washington, D.C.

A. Eugene M. Thore, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $150. E. (9) $1.29.

A. G. D. Tilghman, 1612 K Street NW., Washington, D.C.
D. (6) $3,750.

A. William H. Tinney, 1223 Pennsylvania Building, Washington, D.C.
B. The Pennsylvania Railroad Co., 6 Penn Center Plaza, Philadelphia, Pa.

A. M. S. Tisdale, 4200 Cathedral Avenue, Washington, D.C.
B. Armed Services Committee, Chamber of Commerce, Vallejo, Calif.
D. (6) $295. E. (9) $427.75.

A. Tobacco Associates, Inc., 1025 Connecticut Avenue NW., Washington, D.C.
E. (9) $1,061.

A. H. Willis Tobler, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $2,418.75. E. (9) $217.30.

A. John H. Todd, 1085 Shrine Building, Memphis, Tenn.
B. National Cotton Compress & Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. Dwight D. Townsen, 1025 Vermont Avenue NW., Washington, D.C.
B. Cooperative League of U.S.A., 343 South Dearborn Street, Chicago, Ill.

A. F. Gerald Toye, 777 14th Street N.W., Washington, D.C.
B. General Electric Co., 570 Lexington Avenue, New York, N.Y.
D. (6) $1,500. E. (9) $121.80.

A. Trade Relations Council of the United States, Inc., 122 East 42d Street, New York, N.Y.

A. Transportation Association of America, 1710 H Street NW., Washington, D.C.

A. Hattie B. Trazenfeld, 2012 Massachusetts Avenue NW., Washington, D.C.
B. National Federation of Business & Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C.

A. Richard S. Tribbe, 1508 Merchants Bank Building, Indianapolis, Ind.
B. Associated Railways of Indiana, 1508 Merchants Bank Building, Indianapolis, Ind.

A. Matt Triggs, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,729.17. E. (9) $50.20.

A. Glenwood S. Troop, Jr., 812 Pennsylvania Building, Washington, D.C.
B. U.S. Savings & Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $1,562.50. E. (9) $49.95.

A. J. T. Trullinger, National Bank of Commerce Building, Olympia, Wash.
B. Richfield Oil Co., 555 South Flower Street, Los Angeles, Calif., etc.
D. (6) $800.

A. Dick Tullis, 307 Maple Terrace, Dallas, Tex.
B. Superior Oil Co., Houston, Tex., and Los Angeles, Calif.

A. Ernest Allen Tupper, 1420 New York Avenue NW., Washington, D.C.
B. American Can Co., 100 Park Avenue, New York, N.Y.
E. (9) $122.13.

A. Harold J. Turner, Henry Building, Portland, Oreg.
B. Spokane, Portland & Seattle Railway Co., Southern Pacific Co., and Union Pacific Railroad Co., Henry Building, Portland, Oreg.

A. John W. Turner, 400 First Street NW., Washington, D.C.
B. Brotherhood of Locomotive Engineers, Brotherhood of Locomotive Engineers Building, Cleveland, Ohio.

A. William S. Tyson, 821 15th Street NW., Washington, D.C.
B. Local No. 30, Canal Zone Pilots Association, Post Office Box 601, Balboa, C.Z.
D. (6) $5,000. E. (9) $71.51.

A. William S. Tyson, 821 15th Street NW., Washington, D.C.
B. Western Range Association, 2438 Tulare Street, Fresno, Calif.
D. (6) $10,000. E. (9) $90.78.

A. Union Producing Co., 1525 Fairfield Avenue, Shreveport, La., and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.
E. (9) $1,237.24.

A. United American Veterans Commentator, 1129 Vermont Avenue NW., Washington, D.C.

A. United Cerebral Palsy Associations, 321 West 44th Street, New York, N.Y.
E. (9) $1,102.92.

A. United States-Japan Trade Council, 1000 Connecticut Avenue, Washington, D.C.
D. (6) $360. E. (9) $360.

A. U.S. Savings & Loan League, 221 North La Salle Street, Chicago, Ill.
E. (9) $24,293.98.

A. U.S. Trust Co. of New York, 45 Wall Street, New York, N.Y.

A. United World Federalists, Inc., 820 13th Street NW., Washington, D.C.
D. (6) $925. E. (9) $872.91.

A. William R. Veal, 1730 K Street NW., Washington, D.C.
B. Humble Oil Co., Post Office Box 2180, Houston, Tex.
E. (9) $1.50.

A. Thomas M. Venables, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. L. T. Vice, 1700 K Street NW., Washington, D.C.
B. Standard Oil Co. of California, 1700 K Street NW., Washington, D.C.
D. (6) $180. E. (9) $110.

A. R. K. Vinson, 1346 Connecticut Avenue NW., Washington, D.C.
B. Machinery Dealers National Association, 1346 Connecticut Avenue NW., Washington, D.C.
E. (9) $12,000.

A. Carl M. Walker, 30 F Street NW., Washington, D.C.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C.
D. (6) $50.00. E. (9) $31.

A. Paul H. Walker, 1701 K Street NW., Washington, D.C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N.Y.
D. (6) $40.

A. Stephen M. Walter, 1200 18th Street NW., Washington, D.C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D.C.
D. (6) $448.12. E. (9) $42.42.

A. Washington Home Rule Committee, Inc., 924 14th Street NW., Washington, D.C.
D. (6) $6,803.12. E. (9) $3,017.86.

A. Jeremiah C. Waterman, 205 Transportation Building, Washington, D.C.
B. Southern Pacific Co., 205 Transportation Building, Washington, D.C.
D. (6) $500. E. (9) $396.83

A. J. R. Watson, I.C.R.R. Passenger Station, Jackson, Miss.
B. Mississippi Railroad Association, I.C.C.R. Passenger Station, Jackson, Miss.
E. (9) $157.53.

A. Watters & Donovan, 161 William Street, New York, N.Y.
B. New York and New Jersey Dry Dock Association, 161 William Street, New York, N.Y.
D. (6) $1,875.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D.C.
B. Atlantic Refining Co., 260 South Broad Street, Philadelphia, Pa.
D. (6) $1,000.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D.C.
B. Eastern Meat Packers Association, Inc., 740 11th Street NW., Washington, D.C.
D. (6) $10. E. (9) $37.79.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D.C.
B. National Independent Meat Packers Association, 740 11th Street NW., Washington, D.C.
D. (6) $225. E. (9) $24.10.

A. William H. Webb, La Salle Building, Washington, D.C.
B. National Rivers & Harbors Congress, 1028 Connecticut Avenue NW., Washington, D.C.
D. (6) $2,400. E. (9) $794.37.

A. E. E. Webster, 400 First Street NW., Washington, D.C.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $498.85.

A. West Coast Inland Navigation District, Court House, Bradenton, Fla.
E. (9) $601.08.

A. Don White, 1201 Spring Street, Fairfax, Va.
B. National Audio-Visual Association, Inc., 1201 Spring Street, Fairfax, Va.
D. (6) $3,750. E. (9) $3,830.53.

A. Horace P. White, Post Office Box 5241, Baltimore, Md.
B. International Union of Mine, Mill & Smelter Workers, 941 East 17th Avenue, Denver, Colo.
D. (6) $234. E. (9) $356.65.

A. Marc A. White, 1707 H Street NW., Washington, D.C.
B. National Association of Securities Dealers, Inc.

A. Oliver F. White, 418 Third Street, Stambaugh, Mich.
E. (9) $3.92.

A. Richard P. White, 835 Southern Building, Washington, D.C.
B. American Association of Nurserymen, Inc., 835 Southern Building, Washington, D.C.
D. (6) $37.50. E. (9) $139.03.

A. H. Leigh Whitelaw, 734 15th Street NW., Washington, D.C.
B. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N.Y.

A. Scott C. Whitney, 918 16th Street NW., Washington, D.C.
B. American Airlines, Inc., 918 16th Street NW., Washington, D.C.
D. (6) $2,000. E. (9) $1,000.

A. Donald S. Whyte, 1102 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
D. (6) $300. E. (9) $13.70.

A. Louis E. Whyte, 918 16th Street NW., Washington, D.C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D.C.

A. Claude C. Wild, Jr., 1120 Connecticut Avenue NW., Washington, D.C.
B. Gulf Oil Corp., Gulf Building, Pittsburgh, Pa.
D. (6) $700. E. (9) $200.

A. Albert E. Wilkinson, Investment Building, Washington, D.C.
B. Anaconda Co., Hennessy Building, Butte, Mont.
D. (6) $2,250. E. (9) $420.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. American Society of Travel Agents, Inc., 501 Fifth Avenue, New York, N.Y.
E. (9) $69.52.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.
E. (9) $107.98.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. Confederated Salish & Kootenai Tribes of the Flathead Reservation, Mont.
E. (9) $13.93.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. Indians of California, Post Office Box 901, Redding, Calif.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. Menominee Tribe of Indians, Keshena, Wis.
E. (9) $2.20.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. Nicholas B. Perry, 5053 North Mount View, San Bernardino, Calif.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. Quinaielt Tribe of Indians, Taholah, Wash.

A. Wilkinson, Cragun & Barker, 1616 H Street NW., Washington, D.C.
B. Spokane Indian Tribe, Wellpinit, Wash.

A. Franz O. Willenbucher, 1616 I Street NW., Washington, D.C.
B. Retired Officers Association, 1616 I Street NW., Washington, D.C.
D. (6) $3,000.

A. Harding deC. Williams, Washington, D.C.
B. National Association of Real Estate Boards, 36 South Wabash Avenue, Chicago, Ill., and 1300 Connecticut Avenue NW., Washington, D.C.
D. (6) $1,666. E. (9) $9.50.

A. Robert E. Williams, 1000 Connecticut Avenue NW., Washington, D.C.
B. Air Transport Association of America, 1000 Connecticut Avenue NW., Washington, D.C.
D. (6) $950. E. (9) $48.95.

A. W. A. Williams, Jr., Santa Fe, N. Mex.
B. National Association of Soil Conservation Districts, League City, Tex.

A. John C. Williamson, 1300 Connecticut Avenue NW., Washington, D.C.
B. National Association of Real Estate Boards, 36 South Wabash Avenue, Chicago, Ill., and 1300 Connecticut Avenue, Washington, D.C.
D. (6) $3,700. E. (9) $284.95.

A. Kenneth Williamson, Mills Building, Washington, D.C.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill.
D. (6) $3,019.23. E. (9) $794.56.

A. Clark L. Wilson, 714 Associations Building, Washington, D.C.
B. Consultant to Emergency Lead-Zinc Committee.
D. (6) $1,875. E. (9) $2,930.33.

A. E. Raymond Wilson, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $1,446.15.

A. Everett B. Wilson, Jr., 732 Shoreham Building, Washington, D.C.
B. Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D.C.

A. W. E. Wilson, 1525 Fairfield Avenue, Shreveport, La.
B. Union Producing Co., 1525 Fairfield Avenue, Shreveport, La., and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.
D. (6) $600. E. (9) $637.24.

A. W. F. Wimberly, Post Office Box 4147, Atlanta, Ga.
B. Pure Oil Co., 200 East Golf Road, Palatine, Ill.

A. Everett T. Winter, 1978 Railway Exchange Building, St. Louis, Mo.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.

A. Theodore Wiprud, 1718 M Street NW., Washington, D.C.
B. Medical Society of the District of Columbia, 1718 M Street NW., Washington, D.C.

A. C. C. Woodward, 940 NE. 79th Street, Miami, Fla.
E. (9) $1.08.

A. Edward W. Wootten, 1100 National Press Building, Washington, D.C.
B. Wine Institute, 717 Market Street, San Francisco, Calif.

A. Donald A. Young, 1615 H Street NW., Washington, D.C.
B. Chamber of Commerce of the U.S.A.

A. J. Banks Young, 502 Ring Building, Washington, D.C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $1,125.

A. Sidney Zagri, 25 Louisiana Avenue NW., Washington, D.C.
B. International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America, 25 Louisiana Avenue NW., Washington, D.C.
D. (6) $4,927.67.

A. Gordon K. Zimmerman, Washington, D.C.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Zimring, Gromfine & Sternstein, 1001 Connecticut Avenue, Washington, D.C., and 11 South La Salle Street, Chicago, Ill.

REGISTRATIONS

The following registrations were submitted for the first calendar quarter 1961:

(NOTE.—The form used for registration is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE TWO COPIES WITH THE SECRETARY OF THE SENATE AND FILE THREE COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19------

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

	QUARTER			
P	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names or agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Descripition, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

A. George Venable Allen, 4730 Quebec Street NW., Washington, D.C.
B. Tobacco Institute, Inc., 1017 Barr Building, Washington, D.C.

A. Richard H. Appert, 14 Wall Street, New York, N.Y.
B. Alpha Portland Cement Co. and Weller Electric Corp., Easton, Pa.

A. Armored Carrier Corp., 222–17 Northern Boulevard, Bayside, N.Y.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D.C.
B. Federated Department Stores, Inc., 222 West Seventh Street, Cincinnati, Ohio.

A. H. M. Baldridge, 1001 Connecticut Avenue NW., Washington, D.C.
B. United States Cane Sugar Refiners Association, 1001 Connecticut Avenue NW., Washington, D.C.

A. Barnes, Dechert, Price, Myers & Rhoads, 1600 Three Penn Center Plaza, Philadelphia, Pa.
B. E. I. duPont deNemours & Co.

A. William J. Barnhard, 425 13th Street NW., Washington, D.C.
B. American Chamber of Commerce for Trade With Italy, Inc., 105 Hudson Street, New York, N.Y.

A. William J. Barnhard, 425 13th Street NW., Washington, D.C.
B. American Importers of Brass & Copper Mill Products, Inc., 501 Fifth Avenue, New York, N.Y.

A. William J. Barnhard, 425 13th Street NW., Washington, D.C.
B. Imported Nut Section of the Association of Food Distributors, Inc., 100 Hudson Street, New York, N.Y.

A. William J. Barnhard, 425 13th Street NW., Washington, D.C.
B. Madden Corp., 9 Rockefeller Plaza, New York, N.Y.

A. William J. Barnhard, 425 13th Street NW., Washington, D.C.
B. Office Machinery Group of the National Council of American Importers, Inc., 111 Fifth Avenue, New York, N.Y.

A. William J. Barnhard, 425 13th Street NW., Washington, D.C.
B. Olive Oil Association of America, Inc., 51 Chambers Street, New York, N.Y.

A. William J. Barnhard, 425 13th Street NW., Washington, D.C.
B. Strohmeyer & Arpe Co., 139 Franklin Street, New York, N.Y.

A. Charles A. Betts, 1420 New York Avenue NW., Washington, D.C.
B. American Can Co., 100 Park Avenue, New York, N.Y.

A. Charles C. Bevis, Jr., 1735 DeSales Street NW., Washington, D.C.

A. Fred F. Bockmon, 704 Tile & Trust Building, Phoenix, Ariz.
B. Southern Pacific Co., 65 Market Street, San Francisco, and the Atchison, Topeka & Santa Fe Railway, 121 East 6th Street, Los Angeles, Calif.

A. George S. Brady, 45 Monadnock Road, Newton, Mass.
B. Superior Oil Co., Houston, Tex.

A. Oscar H. Brinkman, 1200 18th Street NW., Washington, D.C.
B. National Apartment Owners Association, Inc., 1200 18th Street NW., Washington, D.C.

A. Wayne L. Bromley, 501 Solar Building, Washington, D.C.
B. National Coal Policy Conference, Inc., 501 Solar Building, Washington, D.C.

A. Bryant, Campbell, McCormick & Danielson, 668 South Bonnie Brae Street, Los Angeles, Calif.

A. Harold Burke, 1001 Connecticut Avenue NW., Washintgon, D.C.
B. United States Cane Sugar Refiners' Association, 1001 Connecticut Avenue NW., Washington, D.C.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. American Taxicab Association, Inc., 4415 North California Avenue, Chicago, Ill.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. Camara Minera de Mexico, Gante 15, Mexico, D. F. Mexico.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. Camara Minera de Mexico, Gante 15, D. F. Mexico.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. Camara Nacional De La Industria Pesquera, Manuel Maria Contreras No. 133, Mexico 5, D. F. Mexico.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. Hawaiian Botanical Gardens Foundation, Inc., 1527 Keeaumoku Street, Honolulu, Hawaii.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. Union Nacionale de Productores de Azucar, S.A. De C. V., Balderas No. 36, Primer Piso, Mexico, D. F. Mexico.

A. Chapman, Wolfsohn & Friedman, 425 13th Street NW., Washington, D.C.
B. West Marin (Calif.) Property Owners Association, 960 Fifth Avenue, San Rafael, Calif.

A. Howard Chase Associates, Inc., 1025 Connecticut Avenue NW., Washington, D.C.
B. National Coordinating Committee for Export Credit Guarantees, 1 Liberty Street, New York, N.Y.

A. Earle C. Clements, 919 18th Street NW., Washington, D.C.
B. American Merchant Marine Institute, Inc., 919 18th Street NW., Washington, D.C., and 11 Broadway, New York, N.Y.

A. Junius E. Cobean, Sr., 109 East Windsor Avenue, Alexandria, Va.
B. Brotherhood of Railway & Steamship Clerks, Freight Handlers, Express & Station Employees.

A. Conference of Americans of Central & Eastern European Descent, 233 Broadway, New York, N.Y.

A. Patrick J. Connolly, 14th & K Streets NW., Washington, D.C.
B. International Longshoremen Association, 265 West 14th Street, New York, N.Y.

A. Covington & Burling, 701 Union Trust Building, Washington, D.C.
B. Cuban-American Sugar Co., 347 Madison Avenue, New York, N.Y.

A. Abraham A. Dash, 740 11th Street NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

A. Dawson, Griffin, Pickens & Riddell, 731 Washington Building, Washington, D.C.
B. Air Transport Association of America, 1000 Connecticut Avenue, Washington, D.C.

A. Donald E. Degnan, 16 East 50th Street, New York, N.Y.
B. All America Rose Selections, Inc., 16 East 50th Street, New York, N.Y.

A. Frank L. Dennis, 1625 K Street NW., Washington, D.C.
B. American Petroleum Institute, 1271 Avenue of the Americas, New York, N.Y.

A. Mitchell A. Dodge, Neopit, Wis.
B. Menominee Tribe of Indians, Keshena, Wis.

A. Anthony P. Donadio, 2 North Charles Street, Baltimore, Md.
B. Baltimore & Ohio Railroad Co., 2 North Charles Street, Baltimore, Md.

A. Donoghue, Ragan & Mason, 239 Wyatt Building, Washintgon, D.C.
B. Sea-Land Service, Inc., Post Office Box 1050, Newark, N.J.

A. Donoghue, Ragan & Mason, 239 Wyatt Building, Washington, D.C.
B. Seatrain Lines, Inc., 595 River Road, Edgewater, N.J.

A. Clive L. DuVal 2d, 821 15th Street NW., Washington, D.C.
B. New York Stock Exchange, 11 Wall Street, New York, N.Y.

A. James B. Dyess, 1411 K Street NW., Washington, D.C.
B. National Association of Wheat Growers, 1411 K Street NW., Washington, D.C.

A. E. Chas. Eichenbaum, 1015 Boyle Building, Little Rock, Ark.
B. Sterling Stores Co., Inc., Little Rock, Ark.

A. Joseph G. Feeney, 1725 I Street NW., Washington, D.C.
B. REA Express, 219 East 42d Street, New York, N.Y.

A. Joe G. Fender, 314 Melrose Building, Houston, Tex.
B. National Conference of Non-Profit Shipping Associations, Inc.

A. Maxwell Field, 210 Lincoln Street, Boston, Mass.
B. New England Shoe & Leather Association, 210 Lincoln Street, Boston, Mass.

A. Warner W. Gardner, 734 15th Street NW., Washington, D.C.
B. Natomas Co., 111 Sutter Street, San Francisco, Calif.

A. Gravelle, Whitlock, Markey & Tait, 1032 Shoreham Building, Washington, D.C.
B. Linen Supply Institute of Greater Washington, 2400 16th Street NW., Washington, D.C.

A. Gravelle, Whitlock, Markey & Tait, 1032 Shoreham Building, Washington, D.C.
B. Structural Clay Products Industry Depletion Committee.

A. Jerome Grignon, Neopit, Wis.
B. Menominee Tribe of Indians, Keshena, Wis.

A. Terry Gunn, 2000 Florida Avenue NW., Washington, D.C.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C.

A. Randolph M. Hale, 1957 E Street NW., Washington, D.C.
B. Associated General Contractors of America, Inc., 1957 E Street NW., Washington, D.C.

A. Ralph D. Hodges, Jr.
B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D.C.

A. Irvin A. Hoff, 1001 Connecticut Avenue NW., Washington, D.C.
B. United States Cane Sugar Refiners' Association, 1001 Connecticut Avenue NW., Washington, D.C.

A. John Jay Hooker, Jr., & Henry W. Hooker, 214 Union Street, Nashville, Tenn.
B. Tennessee Laundryowners Association, 932 8th Avenue South, Nashville, Tenn.

A. W. C. Howard, Quanah, Tex.
B. National Association of Soil Conservation Districts, League City, Tex.

A. International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America, 25 Louisiana Avenue NW., Washington, D.C.

A. Roger E. Johnson, 812 Wire Building, Washington, D.C.
B. Superior Oil Co., Los Angeles, Calif.

A. Tilden W. Johnson, Post Office Box 64583, Los Angeles, Calif.

A. Ned Johnston, 4539 Everett, Kensington, Md.
B. Tobacco Institute, Inc., 1017 Barr Building, Washington, D.C.

A. Charlie W. Jones, 1120 Connecticut Avenue NW., Washington, D.C.
B. American Carpet Institute, Inc., 350 Fifth Avenue, New York, N.Y.

A. Max H. Jordan, 1040 Warner Building, Washington, D.C.
B. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D.C.

A. Howard B. Keck, 550 South Flower Street, Los Angeles, Calif.
B. Superior Oil Co., 550 South Flower Street, Los Angeles, Calif.

A. William L. Kohler, 1616 P Street NW., Washington, D.C.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C.

A. Daphne R. Leeds, National Press Building, Washington, D.C.
B. Sealy, Inc., Serta Associates, Inc., and Restonic Corp., 666 Lake Shore Drive, Chicago, Ill.

A. Liberty Lobby, 825 Dupont Circle Building, Washington, D.C.

A. Lawrence J. Linck, 53 West Jackson Boulevard, Chicago, Ill.
B. National Association of Chain Drug Stores, Vanderbilt Hotel, New York, N.Y.

A. Suzanne MacLean, 1000 Connecticut Avenue, Washington, D.C.
B. United States-Japan Trade Council, 1000 Connecticut Avenue, Washington, D.C.

A. Macleay, Lynch & Macdonald, 1625 K Street NW., Washington, D.C.

A. John H. MacVey, 1025 Connecticut Avenue NW., Washington, D.C.
B. Dr. Hans J. V. Tiedemann, Post Office Box 16, Kyobashi Post Office, Tokyo, Japan.

A. Ben J. Man, 815 16th Street NW., Washington, D.C.
B. Industrial Union Department, 815 16th Street NW., Washington, D.C.

A. Mehler, Goldsborough & Ives, 2000 K Street NW., Washington, D.C.
B. New York, New Haven & Hartford Railroad Co., 292 Madison Avenue, New York, N.Y.

A. Midland Cooperative Dairy Association, Shawano, Wis., and 912 University Building, Syracuse, N.Y.

A. Harold C. Miller, 1001 Connecticut Avenue NW., Washington, D.C.
B. American Society of Composers, Authors & Publishers, 575 Madison Avenue, New York, N.Y.

A. Howard E. Munro, 815 16th Street NW., Washington, D.C.
B. Canal Zone Central Labor Union & Metal Trades Council, Post Office Box 471, Balboa Heights, C.Z.

A. Converse Murdoch, Esq., 350 Delaware Trust Building, Wilmington, Del.
B. W. Stuart Emmons, Sunset Lane, Haverford, Pa.

A. John Kevin Murphy, 222–17 Northern Boulevard, Bayside, N.Y.
B. Armored Carrier Corp., 222–17 Northern Boulevard, Bayside, N.Y.

A. National Apartment Owners Association, Inc., 1200 18th Street NW., Washington, D.C.

A. National Association of Chain Drug Stores, Vanderbilt Hotel, New York, N.Y.

A. National Association of Wheat Growers, 1411 K Street NW., Washington, D.C.

A. National Coal Policy Conference, Inc., Solar Building, Washington, D.C.

A. National Coordinating Committee for Export Credit Guarantee, 1 Liberty Street, New York, N.Y.

A. New England Shoe & Leather Association, 210 Lincoln Street, Boston, Mass.

A. New York World's Fair 1964–1965 Corp., Post Office Box 1964, Flushing, N.Y.

A. Charles M. Noone, 537 Washington Building, Washington, D.C.
B. National Association of Small Business Investment Companies, 537 Washington Building, Washington, D.C.

A. Walter Page, 912 University Building, Syracuse, N.Y.

A. Tom Patten, Box 7111, Washington, D.C.
B. Naval Enlisted Reserve Association, Box 7111, Washington, D.C.

A. Purcell & Nelson, 910 17th Street NW., Washington, D.C.
B. Christman Corp., 120 Wall Street, New York, N.Y.

A. Restonic Corp., 666 Lake Shore Drive, Chicago, Ill.

A. James W. Riddell, 731 Washington Building, Washington, D.C.
B. Air Transport Association of America, 1000 Connecticut Avenue, Washington, D.C.

A. Sealy, Inc., 666 Lake Shore Drive, Chicago, Ill.

A. Theodore A. Serrill, 1025 Connecticut Avenue NW., Washington, D.C.
B. National Editorial Association, 1025 Connecticut Avenue NW., Washington, D.C.

A. Serta Associates, Inc., 666 North Lake Shore Drive, Chicago, Ill.

A. John J. Sheehan, 1001 Connecticut Avenue NW., Washington, D.C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.

A. David A. Shepard, 30 Rockefeller Plaza, New York, N.Y.
B. Standard Oil Co. (New Jersey), 30 Rockefeller Plaza, New York, N.Y.

A. Byron Skelton, First National Building, Temple, Tex.
B. Chanslor-Western Oil & Development Co, 560 South Main Street, Los Angeles, Calif.

A. J. Taylor Soop, 400 First Street NW., Washington, D.C.
B. International Brotherhood of Electrical Workers, 330 South Wells Street, Chicago, Ill.

A. Charles L. Stewart, Jr., 231 South La Salle Street, Chicago, Ill.
B. Spring Air Co., 666 North Lake Shore Drive, Chicago, Ill.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington, D.C.
B. Salt River Pima-Maricopa Indian Community, Scottsdale, Ariz.

A. Strasser, Spiegelberg, Fried & Frank, 1700 K Street NW., Washington D.C.
B. Tuscarora Nation of Indians, Lewiston, N.Y.

A. Structural Clay Products Industry Depletion Committee.

A. Surrey, Karasik, Gould & Efron, 1116 Woodward Building, Washington, D.C.
B. Amerop Commodities Corp., 120 Wall Street, New York, N.Y.

A. Hon. Edward J. Thye, Northfield, Minn.
B. Spring Air Co., 666 North Lake Shore Drive, Chicago, Ill.

A. Sigmund Timberg, 815 15th Street NW., Washington, D.C.
B. Sealy, Inc., Serta Associates, Inc., and Restonic Corp.

A. Ahbe Jay Treu, 352 Seventh Avenue, New York, N.Y.
B. Harry Jay Treu, Inc., 352 Seventh Avenue, New York, N.Y.

A. Dick Tullis, 307 Maple Terrace, Dallas, Tex.
B. Superior Oil Co., Houston, Tex., and Los Angeles, Calif.
A. F. Bourne Upham III, 1001 Connecticut Avenue NW., Washington, D.C.
B. New York World's Fair 1964–65 Corp., Post Office Box 1964, Flushing, N.Y.

A. Edwin M. Wheeler, 920 Jackson Street, Topeka, Kans.
B. Kansas Railroad Committee, 920 Jackson Street, Topeka, Kans.

A. Horace White, Post Office Box 5241, Baltimore, Md.
B. International Union of Mine, Mill & Smelter Workers, 941 East 17th Avenue, Denver, Colo.

A. Donald S. Whyte, 1102 Ring Building, Washington, D.C.
B. American Mining Congress, Ring Building, Washington, D.C.
A. Wilmer & Broun, 616 Transportation Building, Washington, D.C.
B. Columbia Gas System Service Corp., 120 East 41st Street, New York, N.Y.

A. Henry B. Wilson, 1612 K Street NW., Washington, D.C.
B. Standard Oil Co. (New Jersey), 30 Rockefeller Plaza, New York, N.Y.

A. William W. Woodruff, 1730 K Street NW., Washington, D.C.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.

A. Alexander W. Wuerker, 1025 Connecticut Avenue, Washington, D.C.
B. American Waterways Operators, Inc., 1025 Connecticut Avenue, Washington, D.C.

SENATE

TUESDAY, JUNE 13, 1961

The Senate met at 12 o'clock noon, and was called to order by the Honorable HERMAN E. TALMADGE, a Senator from the State of Georgia.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Eternal spirit, whom we seek in vain without, unless we first find Thee within, may the healing hush of Thy presence in this hallowed moment fall upon our feverish and driven lives.

In a time for greatness, save us from small choices and from dwarfed perspectives. Deliver us from inner cowardice which makes us unwilling to pay the high price of better things. Teach us, this day, in all our dealings with others, to enthrone wisdom upon our tongues and kindness within our hearts.

Grant to us to dream great dreams and not to disobey the heavenly vision, and though the hope sometimes seems forlorn, may we be found without stumbling and without stain, facing, unafraid, unnumbered foes.

We ask it in the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, June 13, 1961.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. HERMAN E. TALMADGE, a Senator from the State of Georgia, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. TALMADGE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 12, 1961, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 5486. An act to prohibit the examination in District of Columbia courts of any minister of religion in connection with any communication made to him in his professional capacity, without the consent of the party to such communication;

H.R. 6775. An act to amend the Shipping Act, 1916, as amended, to provide for the operation of steamship conferences;

H.R. 7053. An act to provide for the admission of certain evidence in the courts of the District of Columbia, and for other purposes;

H.R. 7154. An act to authorize the Commissioners of the District of Columbia to regulate the keeping and running at large of dogs; and

H.R. 7218. An act to provide that the authorized strength of the Metropolitan Police Force of the District of Columbia shall be not less than 3,000 officers and members.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H.R. 5486. An act to prohibit the examination in District of Columbia courts of any minister of religion in connection with any communication made to him in his professional capacity, without the consent of the party to such communication;

H.R. 7053. An act to provide for the admission of certain evidence in the courts of the District of Columbia, and for other purposes; and

H.R. 7154. An act to authorize the Commissioners of the District of Columbia to regulate the keeping and running at large of dogs; to the Committee on the District of Columbia.

H.R. 6775. An act to amend the Shipping Act, 1916, as amended, to provide for the operation of steamship conferences; to the Committee on Commerce.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the following committees and subcommittees were authorized to meet during the session of the Senate today:

The Internal Security Subcommittee of the Judiciary Committee.

The Committee on Interior and Insular Affairs.

The Committee on Government Operations.

On request of Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Research and General Legislation of the Committee on Agriculture and Forestry was authorized to sit during the session of the Senate today.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar, under the new reports.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Ben S. Stephansky, of Illinois, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary to Bolivia.

By Mr. BIBLE, from the Committee on the District of Columbia:

John Joseph Gunther, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the new reports on the Executive Calendar will be stated.

U.S. REPRESENTATIVES TO INTERNATIONAL ATOMIC ENERGY AGENCY

The legislative clerk read the nomination of Henry DeWolf Smyth, of New Jersey, to be a representative of the United States of America to the International Atomic Energy Agency.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William I. Cargo, of Maryland, to be deputy representative of the United States of America to the International Atomic Energy Agency.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

PERMANENT IMPROVEMENTS TO FEDERAL-STATE UNEMPLOYMENT COMPENSATION SYSTEM

A communication from the President of the United States, transmitting a draft of proposed legislation to provide for the establishment of a permanent program of additional unemployment compensation, to provide for equalization grants, to extend coverage of the unemployment compensation program to establish Federal requirements with respect to the weekly benefit amount and limit the tax credits available to employers in a State which does not meet such requirements, to establish a Federal requirement prohibiting States from denying compensation to workers undergoing occupational training or retraining and deny tax credits to employers in a State which does not meet such requirements, to increase the wage base for the Federal unemployment tax, to increase the rate of the Federal unemployment tax, to establish a Federal additional compensation and equalization account in the Unemployment Trust Fund, and for other purposes (with accompanying papers); to the Committee on Finance.

AMENDMENT OF CAREER COMPENSATION ACT OF 1959, RELATING TO INCENTIVE PAY FOR CERTAIN OFFICERS

A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation to amend the Career Compensation Act of 1949 to authorize the payment of an accrued portion of incentive pay to certain aeronautically rated or designated officers who have been eligible to such pay for a minimum of at least 10 years and who subsequently are removed from the status to such eligibility due to the fact that a determination has been made that the requirement for them in this capacity is no longer necessary in the interest of national security (with accompanying papers); to the Committee on Armed Services.

GEORGE W. ROSS, JR.

A letter from the Director, U.S. Information Agency, Washington, D.C., transmitting a draft of proposed legislation for the relief of George W. Ross, Jr. (with accompanying papers); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Appropriations:

"SENATE JOINT RESOLUTION 36

"Joint resolution relating to the Office of Saline Water of the U.S. Department of the Interior

"Whereas the Office of Saline Water of the U.S. Department of the Interior has requested Congress for $1,755,000 in appropriations to continue its program of research and development of sea and brackish water conversion processes; and

"Whereas in testimony before the House of Representatives Appropriations Subcommittee, officials of the Office of Saline Water said that construction of larger plants and incorporation of additional improvements can lower present costs considerably, and research 'holds promise of developing entirely new methods which may permit the attainment of a major breakthrough;' and

"Whereas the Office of Saline Water, by contracts with private industrial firms authorized in their program by Congress, will complete construction in the summer of this year a demonstration plant to convert sea water into fresh water at Point Loma, near San Diego; and

"Whereas the Chief of Basic Research of the Office of Saline Water testified before a House of Representatives Appropriations Subcommittee, 'I think we are approaching economically competitive converted water'; and

"Whereas all these signs point to the fact that the future municipal and industrial water needs of the southern California coastal shelf could soon be served economically and feasibly from the bordering Pacific Ocean; and

"Whereas an economic process to treat brackish waters so as to improve their quality and permit their reuse would be of great benefit to a number of areas of California; and

"Whereas water conversion processes, when applied in an economically feasible manner, will help permit the State of California to go to the bond market to finance other needed programs in addition to water development: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully endorses the aims and purposes of the program of the Office of Saline Water, and urges the California delegation in the Congress to support the appropriations requested by the Office of Saline Water, Department of the Interior; and be it further

"Resolved, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on the Judiciary:

"SENATE JOINT RESOLUTION 42

"Joint resolution relative to Federal income taxation of the interest derived from public bonds

"Whereas the State of California and the political subdivisions thereof have in the past and are now currently engaged in financing, through the issuance of bonds, needed public improvements such as the building of schools, highways, water and sewer distribution systems and other projects for the promotion of the health, safety, and welfare of the people; and

"Whereas the interest income which the owner derives from such bonds has in the past and is now currently exempt from the imposition of any Federal income tax; and

"Whereas the Federal taxation of the interest of such bonds, as income, would result in the curtailment of construction of needed public improvements, and would result in either an increase of taxes imposed by the State of California and any political subdivision thereof in order to pay higher interest costs, or the assumption by the Federal Government of the responsibility of financing such improvements; and

"Whereas there is currently a national movement to permit the imposition of the Federal income tax on the interest income from the bonds issued or to be issued by the several States and their political subdivisions; Now, therefore, be it

"Resolved by the Senate and the Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to oppose any amendment of the Constitution of the United States, or any other action by the Congress of the United States, or the executive branch thereof, which would have the effect of subjecting the income from State and local bonds to a Federal tax or to cause the tax to be increased because of such bond holdings by a taxpayer whether or not the increase is in fact titled a tax; and be it further

"Resolved, That the secretary of the senate is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Labor and Public Welfare:

"SENATE JOINT RESOLUTION 45

"Joint resolution relative to establishment of a Youth Conservation Corps

"Whereas the Senate and House of Representatives of the United States are now considering legislation to establish a Youth Conservation Corps; and

"Whereas among the most pressing and depressing problems of today are the rise in unemployment, rising relief costs, and increase of juvenile delinquency; and

"Whereas it has been established that a Youth Conservation Corps would be a most important resource of combating all of these three undersirable phases of our national life; and

"Whereas such a Youth Conservation Corps could achieve essential public improvements, worth more than the cost entailed; and

"Whereas the work most needed to be done generally lies in national forests, in national parks, or in such projects as flood prevention and prevention of soil erosion, far removed from the cities or States where most of the youths enrolled for such programs now reside; and

"Whereas the State of California and several of the counties of this State have camp programs for youths already under sentence by the courts, and the Federal Youth Conservation Corps would provide for voluntary enrollment: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly) That the Legislature of the State of California respectfully urges Congress to enact legislation as proposed in S. 404, which would authorize the establishment of a Youth Conservation Corps to provide healthful outdoor training and employment for young men and to advance the conservation, development, and management of national resources of timber, soil, and range, and of recreational areas; and be it further

"Resolved, That the secretary of the senate is hereby directed to transmit a copy of this resolution to the Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A letter from the Harlingen (Tex.) Chamber of Commerce, signed by J. E. Bell, manager, transmitting a resolution adopted by the House of Representatives of the State of Texas, relating to the closing of the Harlingen Air Force Base; to the Committee on Armed Services.

(See the above resolution printed in full when presented by Mr. YARBOROUGH on June 12, 1961, p. 9941, CONGRESSIONAL RECORD.)

Two resolutions adopted by the Alaska Carriers Association, at Fairbanks, Alaska, relating to the regulation of the Alaska Railroad, and regulation of transportation between the original 48 States and points in Alaska; to the Committee on Commerce.

A resolution adopted by the American Bar Association, relative to reorganization plans affecting Federal agencies; to the Committee on Government Operations.

A resolution adopted by the Council of the City of New Orleans, La., relating to the transfer of certain land located at the naval ammunition depot, to the city of New Orleans; to the Committee on Government Operations.

Resolutions adopted by the Bad River Band of Lake Superior Chippewa Indians, at Odanah, Wis., relating to Indian problems; to the Committee on Interior and Insular Affairs.

The petition of Henry M. Henderson, of Atlanta, Ga., relating to civil rights; to the Committee on the Judiciary.

RESOLUTION OF RHODE ISLAND GENERAL ASSEMBLY

Mr. PELL. Mr. President, on behalf of my colleague, the senior Senator from Rhode Island [Mr. PASTORE], and myself, I ask unanimous consent that a resolution memorializing the Congress of the United States to enact S. 986, a bill to assist in the reduction of unemployment through the acceleration of capital expenditure programs, passed by the General Assembly of the State of Rhode Island and Providence Plantations, be inserted in the RECORD, and appropriately referred.

As a cosponsor of S. 986, introduced by my distinguished colleague, the senior Senator from Pennsylvania [Mr. CLARK], I am particularly pleased to have the honor of submitting this resolution for the RECORD. There is no doubt in my mind that the passage of S. 986 would help to relieve unemployment in States like mine which have long been particularly hard hit. Moreover, the passage of S. 986 would help provide some of the much needed public facilities for many of our hard-pressed towns and cities.

For all these reasons, I am indeed heartened to know of the support of the General Assembly of Rhode Island and Providence Plantations for S. 986.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and, under the rule, ordered to be printed in the RECORD, as follows:

Whereas the problems of labor distressed areas are national in scope and a national solution is required; and

Whereas any surplus labor area which has a hard core of unemployment will benefit immeasurably as a result of the enactment of Senate 986; and

Whereas it is vital to the economy of the country that implementation be given to the principle of full employment by providing for the use of federally enacted legislation to contribute to a sound and substantial labor force; and

Whereas the State of Rhode Island, which has been classed as a labor surplus area, would benefit substantially by the enactment of this legislation: Now, therefore, be it

Resolved, That the General Assembly of the State of Rhode Island and Providence Plantations hereby urges the Congress of the United States to enact Senate 986, legislation that would assist in the reduction of unemployment through the acceleration of capital expenditure programs; and be it further

Resolved, That duly certified copies of this resolution be transmitted forthwith by the secretary of state to the Members of Congress from the State of Rhode Island in the Congress of the United States earnestly requesting that each use his best efforts to carry out the purposes of this resolution.

TRACTORS FOR FREEDOM— PETITION

Mr. SCOTT. Mr. President, I present a petition signed by 214 citizens of Oley, Pa., relating to the proposal of tractors for freedom. I ask unanimous consent that the petition be printed in the RECORD.

There being no objection, the petition was ordered to be printed in the RECORD, without the signatures attached as follows:

PETITION TO HALT TRACTORS FOR FREEDOM

As voters, taxpayers, and interested citizens of the United States of America, who still hold democracy as the best way of government, we are signing this petition to halt the tractors-for-freedom movement.

We ask our representatives in the Federal Government to carry out the wishes of the American people by exercising their duties as our representatives to halt this outrageous blackmail on the part of Castro and the Communists.

Signed by Lyda R. Strock, and 213 other citizens of Oley, Pa.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. MAGNUSON, from the Committee on Commerce, without amendment:

S. 1371. A bill to amend subsection (e) of section 307 of the Communications Act of 1934, as amended, to permit the Commission to renew a station license in the safety and special radio services more than 30 days prior to expiration of the original license (Rept. No. 370).

By Mr. MAGNUSON, from the Committee on Commerce, with an amendment:

S. 884. A bill to authorize the Secretary of Commerce to procure the services of experts and consultants (Rept. No. 369).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RUSSELL (for himself and Mr. TALMADGE):

S. 2065. A bill to authorize the construction of the Goat Island and Carters Island Dams on the Savannah River, Georgia and South Carolina, for flood control, power, and other purposes; to the Committee on Public Works.

By Mr. KEATING (by request):

S. 2066. A bill to amend the Agricultural Adjustment Act of 1933, as amended, relative to marketing of apples; to the Committee on Agriculture and Forestry.

By Mr. ERVIN (for himself, Mr. EASTLAND, Mr. JOHNSTON, Mr. MCCLELLAN, and Mr. BYRD of Virginia):

S. 2067. A bill to make voluntary admissions and confessions admissible in criminal proceedings and prosecutions in the courts of the United States and the District of Columbia; to the Committee on the Judiciary.

(See the remarks of Mr. ERVIN when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of South Dakota:

S. 2068. A bill for the relief of Frank Lamb; to the Committee on the Judiciary.

By Mr. WILLIAMS of Delaware (for himself, Mr. AIKEN, and Mrs. SMITH of Maine):

S. 2069. A bill to further amend the Internal Revenue Code of 1954, as amended; to the Committee on Finance.

(See the remarks of Mr. WILLIAMS of Delaware when he introduced the above bill, which appear under a separate heading.)

By Mr. DODD:

S. 2070. A bill for the relief of Kabalan Farris; to the Committee on the Judiciary.

By Mr. CASE of South Dakota:

S. 2071. A bill to amend title II of the Career Compensation Act of 1949 so as to provide that members of the Armed Forces who engage voluntarily in any activity or conduct while a prisoner of war which results in the giving of aid or comfort to an enemy of the United States shall not be entitled to receive any pay or allowances from the United States; to the Committee on Armed Services.

(See the remarks of Mr. CASE of South Dakota when he introduced the above bill, which appear under a separate heading.)

By Mr. RANDOLPH:

S. 2072. A bill for the relief of Rebecca A. Harrison; to the Committee on Foreign Relations.

By Mr. HILL:

S. 2073. A bill to authorize two additional Assistant Secretaries in the Department of Health, Education, and Welfare, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. KEATING:

S. 2074. A bill to prescribe a method by which the Houses of Congress and their committees may invoke the aid of the courts in compelling the testimony of witnesses; to the Committee on the Judiciary.

(See the remarks of Mr. KEATING when he introduced the above bill, which appear under a separate heading.)

By Mr. DIRKSEN:

S.J. Res. 103. Joint resolution to amend sections 4(a) and 6 of the Immigration and Nationality Act of September 11, 1957, as amended; to the Committee on the Judiciary.

(See the remarks of Mr. DIRKSEN when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTIONS

DISAPPROVAL OF REORGANIZATION PLAN NO. 5 OF 1961

Mr. DIRKSEN submitted a resolution (S. Res. 158) opposing Reorganization Plan No. 5 of 1961, which was referred to the Committee on Government Operations.

(See the above resolution printed in full when submitted by Mr. DIRKSEN, which appears under a separate heading.)

ADMISSIBILITY OF VOLUNTARY ADMISSIONS AND CONFESSIONS IN CERTAIN CRIMINAL PROCEEDINGS

Mr. ERVIN. Mr. President, on behalf of the senior Senator from Arkansas [Mr. MCCLELLAN], the senior Senator from Mississippi [Mr. EASTLAND], the senior Senator from South Carolina [Mr. JOHNSTON], the senior Senator from Virginia [Mr. BYRD], and myself, I introduce for appropriate reference a bill

to make voluntary admissions and confessions in criminal proceedings and prosecutions in the courts of the United States and the District of Columbia admissible against defendents.

Mr. President, the rising tide of crime within the District of Columbia points up once again the need for legislation to clarify the Supreme Court ruling of 1957 in the *Mallory* case (354 U.S. 449). That ruling, as you will recall, held inadmissible the voluntary statement of a convicted and self-confessed rapist because of the delay in taking him before a committing magistrate. The Court held that a delay of 7½ hours in arraigning the prisoner violated rule 5(a) of the Federal Rules of Criminal Procedure which requires that an arrested person be taken before a committing officer without "unnecessary delay."

The Mallory ruling and the decision in the earlier case of *McNabb* v. *United States* (318 U.S. 332), have resulted in abolishing an old and fundamental rule of evidence regarding the admissibility of a confession. Prior to these decisions, the sole test of the admissibility of a confession was whether it was made voluntarily. Under this rule, if a confession was freely and voluntarily made, it was deemed to be trustworthy. Of course, if there was a showing that delay itself constituted sufficient inducement to elicit an involuntary confession, the court would adjudge such confession inadmissible. But, the point is, that mere delay in itself was not enough to invalidate a confession.

In the Mallory case, time alone was the deciding factor. There was no showing that any duress was used in extracting the confession from the prisoner. Indeed, there was no allegation on the part of the prisoner that any force whatever was used to get him to confess to the crime. There was nothing to indicate that the confession was anything but voluntarily given. But, despite the voluntary nature of the confession and despite the fact that the confession was substantiated by all the facts of the crime charged to the prisoner, it was invalidated merely by the passage of time.

Mr. President, I contend that to apply time alone as the test of admissibility of a confession is both unsound and unreasonable. It subverts a statute relating to the duty of an arresting officer into a rule of evidence. Because a police officer fails to observe the requirements of rule 5(a) a self-confessed murderer, rapist, or armed robber may be turned loose on society. In other words, the supposed sins of the policeman are visited upon an innocent society.

I submit, Mr. President, that Congress did not intend to throw on the scrapheap the time-honored test of voluntariness as to the admissibility of a confession when it approved the promulgation of the Federal Rules of Criminal Procedure. I submit that Congress had no intention of loosing convicted murderers and rapists upon a hapless public merely because a police officer failed to take a prisoner before a committing magistrate before the lapse of 7½ hours.

As chairman of the Subcommittee on Constitutional Rights, Mr. Chairman, I am not unmindful of the many protections which the Constitution of the United States bestows upon persons accused of crimes. But, in the words of Judge Alexander Holtzoff, U.S. district judge for the District of Columbia, who testified at subcommittee hearings on the subject of "Confessions and Police Detention," in 1958:

> We must bear in mind that the purpose of the criminal law is to protect the public. On the one hand, it is essential that no innocent person be convicted of a crime and that oppressive methods be not used against the guilty. On the other hand, it is equally indispensable that victims of a crime and potential victims of possible future crimes receive protection. The victim must not become a forgotten man. As was said by Mr. Justice Cardozo in *Snyder* v. *Massachusetts* (291 U.S. 97, 122), "Justice, though due to the accused, is due to the accuser also. The concept of fairness must not be strained till it is narrowed to a filament. We are to keep the balance true."

In considering the effect of the Mallory decision, Mr. President, we should keep in mind that the Supreme Court did not base its decisions on any constitutional issue. It did not suggest that to admit Mallory's confession into evidence would be a violation of due process. The Court based its decision on its interpretation of the will of Congress as expressed in rule 5(a) of the Federal Rules of Criminal Procedure. I do not believe that the Court has correctly interpreted the will and intent of Congress in this matter. It is for this reason that I introduce, for appropriate reference, a bill to make voluntary admissions and confessions admissible in criminal proceedings and prosecutions in the courts of the United States and the District of Columbia. I ask unanimous consent that the bill be printed at this point in the RECORD.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2067) to make voluntary admissions and confessions admissible in criminal proceedings and prosecutions in the courts of the United States and the District of Columbia, introduced by Mr. ERVIN (for himself and other Senators), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

> *Be it enacted by the Senate and House of Representatives of the United States in Congress assembled*, That, notwithstanding the provisions of rule 5 of the Rules of Criminal Procedures for the United States District Courts or any other rule or statute of like purport, a voluntary admission or a voluntary confession of an accused shall be admissible against him in any criminal proceeding or prosecution in the courts of the United States or of the District of Columbia, and the finding of the trial court in respect to the voluntariness of the admission or confession shall be binding upon any reviewing court in the event it is supported by substantial evidence.

REDUCTION OF OIL DEPLETION ALLOWANCE AND REDUCTION OF MAXIMUM EFFECTIVE RATE LIMITATION ON INDIVIDUAL INCOME TAXES

Mr. WILLIAMS of Delaware. Mr. President, on behalf of the Senator from Vermont [Mr. AIKEN], the Senator from Maine [Mrs. SMITH], and myself, I introduce for appropriate reference a bill, the purpose of which is to reduce the oil depletion allowance over a 3-year period from 27½ to 20 percent and simultaneously to reduce the maximum effective rate limitation on individual income taxes from its present 87 to 60 percent. Under the bill the changes would be made as follows:

Beginning January 1, 1962, the oil depletion allowance would be reduced from 27½ to 25 percent. This would produce a revenue gain of $75 million over present law. On that same date, January 1, 1962, the overall limitation on individual income taxes would be reduced from 87 to 75 percent. This latter action would result in a loss in revenue of $25 million and, taken together, would leave the Treasury Department with a net gain of $50 million for this year.

Effective January 1, 1963, the oil depletion allowance would be further reduced from 25 to 22½ percent, and simultaneously the effective rate limitation on individual income taxes would be reduced from 75 to 65 percent. The reduction in the oil depletion allowance from 27½ to 22½ percent would bring the revenue gain to $160 million against a loss in revenue of $80 million as the result of reducing the effective rate limitation of individual taxes from 87 to 65 percent. Thus the Government during the taxable year in which the second adjustment is made would gain $80 million in revenue.

The third year, beginning with January 1, 1964, the depletion allowance on oil would be reduced another 2½ percent, bringing it to 20 percent, and on that date the maximum effective rate limitation on individual income taxes would be reduced to 60 percent. Reducing the oil depletion allowance from 27½ to 20 percent would provide an estimated revenue gain of $250 million annually. Reducing the maximum effective rate limitation on individual incomes from its present 87 percent to 60 percent would result in a loss in revenue of $130 million annually, leaving the Treasury with a revenue gain of $120 million.

Thus we find that these two long overdue corrections in our basic revenue laws can be made, and still the Government after taking both into consideration would have an increased revenue of $120 million annually.

I recognize and respect the oil industry as one of the important segments of our American free enterprise system, but the 27½-percent oil depletion rate is too high. This rate was established at a time when our maximum corporate rates and the maximum individual income tax rates were both well below 20

percent and at a time when the cost of operating our Government was only about 3 percent of what it is today.

With the corporate rate now fixed at 52 percent and individual rates running as high as 87 percent, I do not think the oil industry is paying its proportionate part of the $80 billion annual budget.

On the other hand, to allow the U.S. Government to take 87 percent of a taxpayer's income is confiscatory; furthermore, it retards the growth and expansion of the American private enterprise system. Evidence that this rate has been advanced beyond the point of diminishing returns is borne out by the fact that reducing the effective rate limitation from 87 to 60 percent would result in a revenue loss of only $130 million annually.

These two proposed changes are being coupled together since they both deal largely with incomes of taxpayers in the upper brackets. Taken together, both corrections can be made and the Federal Treasury still can pick up an additional $120 million in revenue from an industry which under existing law is not paying its proportionate part of the operating costs of the Government.

In introducing the bill, it is recognized that legislation of this nature must originate in the House or be offered as an amendment to some revenue measure previously enacted in the House. Therefore, this proposal will be resubmitted as an amendment to the first appropriate revenue-producing measure which comes before us. I do not consider either the Federal-aid highway bill, H.R. 6713, which has a revenue-producing section, or the bill to extend the excise and corporate tax rates beyond the June 30 deadline, H.R. 7446, as appropriate measures for this amendment, but there will be other bills to which this can be offered.

Mr. President, I ask unanimous consent to have printed as a part of my remarks a letter dated June 7, 1961, signed by Colin F. Stam, Chief of Staff of the Joint Committee on Internal Revenue Taxation, in which he outlines the loss in revenue from the successive changes in the maximum effective rate limitations as well as the gains in revenue which will result in the three reductions in the oil and gas depletion rates.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON INTERNAL REVENUE TAXATION,
Washington, June 7, 1961.

Hon. JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: As you requested the staff has prepared a draft of an amendment (attached) to reduce the overall maximum limitation on individual income tax from 87 percent at present to 60 percent over a 3-year period, and to lower the rate of percentage depletion in the case of oil and gas wells from 27½ percent at present to 20 percent, also over a 3-year period.

With respect to the overall limitation on individual income taxes, the draft provides for a three-step reduction, at 1-year intervals, commencing in 1962. For taxable years beginning in 1962, the rate would be 75 percent; for taxable years beginning in 1963, the rate would be 65 percent; and for taxable years beginning in 1964 and thereafter, the limitation would be 60 percent. The staff estimates that these changes in the overall limitation would cause a reduction in revenues to the Federal Government in the amounts shown in the following table:

Revenue loss
[In millions]

Maximum effective rate limitation, percent:	
75	$25
65	80
60	130

The draft also provides for a three-step reduction in the 27½-percent depletion allowance for oil and gas, at 1-year intervals, commencing in 1962. Under the draft, for taxable years beginning in 1962, the rate would be 25 percent; for taxable years beginning in 1963, the rate would be 22½ percent; and for taxable years beginning in 1964 and thereafter, the rate would be 20 percent.

It is extremely difficult to estimate the effect of small changes in the depletion rate for oil and gas, because we do not have the data we need concerning the present effect of the 50-percent limitation, and because the data on depletion claimed on individual income tax returns is incomplete. Consequently, our estimates for your proposal are rough.

Tax year	Proposed depletion rate for oil and gas	Estimated revenue gain over present law
	Percent	*Million*
1962	25	$75
1963	22½	160
1964	20	250

I hope this will be helpful to you.

Sincerely yours,

COLIN F. STAM,
Chief of Staff.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2069) to further amend the Internal Revenue Code of 1954, as amended, introduced by Mr. WILLIAMS of Delaware (for himself, Mr. AIKEN, and Mrs. SMITH of Maine), was received, read twice by its title, and referred to the Committee on Finance.

DISALLOWANCE TO TURNCOATS OF RECOVERY OF BACK PAY AND ALLOWANCES

Mr. CASE of South Dakota. Mr. President, I introduce for appropriate reference a bill which will make it unnecessary to pay soldiers who become turncoats hereafter. This situation was brought into focus by the decision of the Supreme Court in the case of Bell against United States, handed down on May 22, 1961.

Regardless of the correctness of that particular decision from a legal standpoint, I am sure that to permit a turncoat to recover backpay during the time when he had defected to the enemy is, as Chief Judge Jones, fo the U.S. Court of Claims, stated, "to put a premium on dishonor."

The decision of the U.S. Supreme Court which permits the awarding of military backpay was a tribute to the objectivity of our traditional system of justice; but to continue the legality would make a mockery of the principles of loyalty and devotion to the country that we all hold dear.

The bill I am introducing, of course, could not have a retroactive effect. I would hope that legislation applying prospectively would never have need for application, but we must recognize that this situation could recur, and it would be folly not to take positive action to avoid liability for pay to turncoats in the future.

I hope that the bill can be given early consideration.

Mr. President, I ask unanimous consent that the text of the decision of the Supreme Court in the case of Bell and others against United States, delivered on May 22, 1961, be printed at this point in the RECORD. I do not ask that the footnotes be printed, but that the decision itself, as delivered by Mr. Justice Stewart, be printed.

There being no objection, the decision was ordered to be printed in the RECORD, as follows:

Mr. Justice Stewart delivered the opinion of the Court.

The petitioners were enlisted men in the U.S. Army who were captured during the hostilities in Korea in 1950 and 1951. In the prison camps to which they were taken they behaved with utter disloyalty to their comrades and to their country. After the Korean armistice in the summer of 1953 they refused repatriation and went to Communist China. They were formally discharged from the Army in 1954. In 1955 they returned to the United States. Later that year they filed claims with the Department of the Army for accrued pay and allowances. When these claims were denied they brought the present action in the Court of Claims for pay and allowances from the time of their capture to the date of their discharge from the Army. The Court of Claims decided against them, stating that "[n]either the light of reason nor the logic of analysis of the undisputed facts of record can possibly justify the granting of a judgment favorable to these plaintiffs" (181 F. Supp. 668, 674). Judge Madden dissented. We granted certiorari to consider a seemingly important statutory question with respect to military pay (363 U.S. 837).

The Court of Claims made detailed findings of fact with respect to the petitioners' conduct as prisoners of war, based upon a stipulation filed by the parties. These circumstances need not be set out in minute detail. They are adequately summarized in the opinion of the Court of Claims, as follows:

"[D]uring the period of their confinement each of the three plaintiffs became monitors for the 'forced study groups,' the sessions of which the prisoners were compelled to attend. Armed guards attended these sessions. The programs included lectures picturing what were declared to be the bad aspects of life in the United States as contrasted with idyllic life under communism. As monitors, they procured and distributed propaganda literature, and threatened to turn in names of any prisoners who refused to read and discuss favorably these propaganda handouts.

"Each of the plaintiffs made tape recordings which were used as broadcasts and over the camp public address system. Each of

them wore Chinese uniforms and were permitted to attend meetings outside the camp. The details of the plaintiffs' consorting, fraternizing, and cooperating with their captors and the devious ways in which they sought favors for themselves, thus causing hardship and suffering to the other prisoners, are set out in our findings. * * *

"Two of Bell's recordings were broadcast over the Peiping radio, stating among other things that on the orders of his platoon leader, his men had killed North Korean prisoners of war, and that President Truman was a warmonger. In written articles for the camp newspaper he alleged that American troops had committed atrocities and he personally had been ordered to kill women and children and not to take prisoners of war, and that if given the opportunity he would run a tank over the President's body.

"Bell was paid money to write these articles. He also delivered lectures before his company and to the camp on American aggression. He appeared voluntarily in a motion picture and appeared in bimonthly plays. He stated that if given a weapon he would fight against the United States. He sold food intended for the sick to other prisoners of war. By making reports to the Chinese, he caused one man to be bayonetted and others to be placed in solitary confinement.

"Cowart did many similar things, wrote propaganda articles accusing American soldiers of atrocities and of using germ warfare. He drew posters and cartoons for the enemy, acted in plays, walked and talked with the Chinese officers, guards, and interpreters, lived part of the time at Chinese regimental headquarters, stated he hated America, desired to study in China and to return to the United States in 5 years to help in the overthrow of the Government.

"Griggs did many similar things, attended enemy parties, visited Chinese headquarters frequently, referred to the Chinese as comrades, was accorded special privileges, made broadcasts, signed leaflets, wrote articles accusing the American soldiers of atrocities and declared the United States had used germ warfare."

As stated in their brief, the petitioners "do not admit to the alleged acts of dishonor contained in the stipulation and the findings of fact, but rather demur to them on the grounds that such facts are irrelevant and immaterial in a civil action for military pay provided by statute." The statute upon which the petitioners rely is an ancient one. It was first enacted in 1814 and has been reenacted many times. It provides:

"Every noncommissioned officer and private of the Regular Army, and every officer, noncommissioned officer, and private of any militia or volunteer corps in the service of the United States who is captured by the enemy, shall be entitled to receive during his captivity, notwithstanding the expiration of his term of service, the same pay, subsistence, and allowance to which he may be entitled while in the actual service of the United States; but this provision shall not be construed to entitle any prisoner of war of such militia corps to any pay or compensation after the date of his parole, except the traveling expenses allowed by law" (37 U.S.C. 242).

Although the plain language of this law appears to entitle the petitioners to their Army pay and allowances during their imprisonment in Korea, the Government has urged various grounds upon which we should hold that the provisions of the statute are inapplicable. We have concluded that none of the theories advanced by the Government can serve as a valid basis to circumvent the unambiguous financial obligation which the law imposes.

The Army's refusal to pay the petitioners was based upon an administrative determination that all prisoners of war who had declined repatriation after the Korean armistice "advocate, or are members of an organization which advocates, the overthrow of the U.S. Government by force or violence." In refusing to honor the petitioners' claims upon this ground, the Army was apparently relying upon a statute enacted in 1939 which made it unlawful to pay from funds appropriated by any act of Congress the compensation of "any person employed in any capacity by any agency of the Federal Government" who was a member of "any political party or organization which advocates the overthrow of our constitutional form of government in the United States." That this statute was the basis of the Army's decision is evident not only in the language employed in rejecting the petitioners' demands, but also in the pleadings filed in the Court of Claims. We need not, however, now decide the applicability of this statute to members of the Armed Forces, for the reason that the statute was repealed more than a year before the Army relied upon it in refusing to pay the petitioners.

Although this was the only ground ever advanced for the administrative denial of the petitioners' claims, the Government's brief in this court, for understandable reasons, does not even mention this repealed statute. Instead, the Government now relies upon other grounds to avoid the provisions of title 37, United States Code, section 242. It says that the petitioners violated their obligation of faithful service, and points to the principle of contract law that "one who willfully commits a material breach of a contract can recover nothing under it (4 Williston, 'Contracts' (1936 ed.), sec. 1022, pp. 2823–2834; 5 Williston, 'Contracts' (1936 ed.), sec. 1477; 5 Corbin, 'Contracts' (1951 ed.), sec. 1127, pp. 564–565; see also 'Restatement Contracts,' sec. 357(1)(a))."

In accord with this principle, the Government argues that in the Missing Persons Act, a statute first enacted in 1942, Congress provided a statutory basis for denying the petitioners' claims. We do not so construe that statute.

Preliminarily, it is to be observed that common-law rules governing private contracts have no place in the area of military pay. A soldier's entitlement to pay is dependent upon statutory right. In the Armed Forces, as everywhere else, there are good men and rascals, courageous men and cowards, honest men and cheats. If a soldier's conduct falls below a specified level he is subject to discipline, and his punishment may include the forfeiture of future but not of accrued pay. But a soldier who has not received such a punishment from a duly constituted court-martial is entitled to the statutory pay and allowances of his grade and status, however ignoble a soldier he may be.

This basic principle has always been recognized. It has been reflected throughout our history in numerous court decisions and in the opinions of Attorneys General and Judge Advocates General. "Enlistment is a contract; but it is one of those contracts which changes the status; and, where that is changed, no breach of the contract destroys the new status or relieves from the obligations which its existence imposes. By enlistment the citizen becomes a soldier. His relations to the State and the public are changed. He acquires a new status, with correlative rights and duties; and although he may violate his contract obligations, his status as a soldier is unchanged," (*In re Grimely* (137 U.S. 147, 151, 152)).

Almost 100 years ago Attorney General Hoar rendered an opinion to the Secretary of War regarding the right to pay of a Major Herod, who had been charged with murder, arrested, tried by a court-martial and sentenced to be hung. The Attorney General stated:

"It was not expressly a part of the sentence that Herod should forfeit his pay from the date of his arrest, and I know of no staute imposing a forfeiture of pay from the date of arrest in a case like this of Herod's. The sentence that he be hung necessarily implied a dismissal from the service, but not, as it seems to me, the forfeiture of backpay. I can find no authority for the opinion of the Comptroller that, as Herod was withdrawn from actual military service by his arrest made on acount of a crime committed by him, on the general principle that pay follows services, he should not be paid for the time he was under arrest. The monthly pay of officers of the Army is prescribed by statute, and so long as a person is an officer of the Army he is entitled to receive the pay belonging to the office, unless he has forfeited it in accordance with the provisions of law, whether he has actually performed military service on not" (13 Op. Atty. Gen. 103, 104).

A similar opinion was rendered by Attorney General Alphonso Taft a few years later. He rejected the theory of the second Comptroller of the Treasury that "[i]f the man, by his misconduct and necessary withdrawal from service, does not perform his part of the contract, the Government cannot be held to the fulfillment of its part thereof." The Attorney General said:

"The Comptroller has, I think, misconceived the true basis of the right to [military] pay. * * * In the naval, as in the military service, the right to compensation does not depend upon, nor is it controlled by, 'general principles of law'; it rests upon, and is governed by, certain statutory provisions or regulations made in pursuance thereof, which specially apply to such service. These fix the pay to which officers and men belonging to the Navy are entitled; and the rule to be deduced therefrom is that both officers and men become entitled to the pay thus fixed so long as they remain in the Navy, whether they actually perform service or not, unless their right thereto is forfeited or lost in some one of the modes prescribed in the provisions or regulations adverted to" (15 Op. Atty. Gen. 175, 176).

This principle has received consistent recognition in the Court of Claims. "It would, we think, be an anomalous proceeding to permit resort to the courts to ascertain whether, under all the various provisions with respect to pay and allowances of officers and men of the Army, Navy, and Marine Corps, investigations should obtain to determine as a matter of fact whether the soldier involved had by conscientious service earned what the statutes allow him" (*White* v. *United States*, 72 Ct. Cl. 459, 468). "[T]he mere fact that an officer or soldier is under charges does not deprive him of his pay and allowances, * * * such forfeiture can only be imposed by the sentence of a lawful court-martial" (*Walsh* v. *United States*, 43 Ct. Cl. 225, 231).

The statute upon which the petitioners rely applies this same principle to a specialized situation. A serviceman captured by the enemy and thus unable to perform his normal duties is nonetheless entitled to his pay. The rule has commanded unquestioned adherence throughout our history, as two cases will suffice to illustrate.

In 1807 a sailor named John Straughan was a member of the crew of the American frigate *Chesapeake*. After that vessel's ill-starred engagement with the British man-of-war *Leopard* off Hampton Roads, Straughan was taken aboard the *Leopard* and impressed into service in the British Navy. There he served for 5 years and 9 days before he finally was repatriated. Years later his widow sued for his pay and rations as a member of the U.S. Navy during the period he had been held by the British. The Court of Claims ruled that, even though we had not been at war in 1807, the *Chesapeake* had nevertheless been taken by an enemy, and that Straughan's widow was en-

titled to the U.S. Navy pay and allowances that had accrued while he was serving with the British (*Straughan* v. *United States*, 1 Ct. Cl. 324).

In October 1863, a lieutenant in the Union Army named Henry Jones was taken prisoner by Confederate guerrillas near Elk Run, Va. Jones was confined in Libby Prison until March 1, 1865, when he was exchanged and returned to the Union lines. Upon his return he found that he had been administratively dismissed from the service in November 1863, because he had been in disobedience of orders at the time of his capture. When the Army for that reason refused his demand for pay and allowances, he filed suit in the Court of Claims. The court entered judgment in his favor, stating that "[t]he contrary would be to hold that an executive department could annul and defy an act of Congress at its pleasure" (*Jones* v. *United States*, 4 Ct. Cl. 197, 203).

It is against this background that we turn to the Government's contention that the Missing Persons Act authorized the Army to refuse to pay the petitioners their statutory pay and allowances in this case. The provisions of the act which the Government deems pertinent are set out in the margin. Originally enacted in 1942 as temporary legislation, the act was amended and reenacted several times, and finally was made permanent in 1957. So far as relevant here, this legislation provides that any person in active service in the Army "who is officially determined to be absent in a status of captured by a hostile force" is entitled to pay and allowances; that "[t]here shall be no entitlement to pay and allowances for any period during which such person may be officially determined absent from his post of duty without authority; that the Secretary of the Army or his designated subordinate shall have authority to make all determinations necessary in the administration of the act, and for purposes of the act determinations so made as to any status dealt with by the act shall be conclusive.

We are asked first to hold that "[s]ince the Missing Persons Act is later in time, is comprehensive in scope, and includes within its provisions the whole subject matter of Revised Statutes 1288 [the statute upon which the petitioners rely], any inconsistency or repugnancy between the two statutes should be resolved in favor of the Missing Persons Act." This step having been taken, we are asked to decide that the petitioners, because of their behavior after their capture, were no longer in the "active service in the Army * * * of the United States," and that they were therefore not covered by the act. It is also suggested, alternatively, that the Secretary of the Army might have determined that each of the petitioners after capture was "absent from his post of duty without authority," and, therefore, not entitled to pay and allowances under the act. We can find no support for these contentions in the language of the statute, in its legislative history, or in the Secretary's administrative determination.

The Missing Persons Act was a response to unprecedented personnel problems experienced by the Armed Forces in the early months after our entry into the Second World War. Originally proposed by the Navy Department, the legislation was amended on the floor of the House to cover the other services. As the committee reports make clear, the primary purpose of the legislation was to alleviate financial hardship suffered by the dependents of servicemen reported as missing.

To hold that the Missing Persons Act operated to repeal the statute upon which the petitioners rely would be a long step to take, for at least two reasons. In the first place, the record of the hearings of the Senate Committee on Naval Affairs clearly discloses that at the time the Missing Persons Act was being considered, the committee was made fully aware of the 1814 statute, and manifested no inclination to disturb it. Secondly, it is not entirely accurate to say, as does the Government, that the Missing Persons Act is "later in time." After the original passage of that act in 1942, the statute upon which the petitioners rely was recodified in 1952 and again in 1958.

But the question whether there was a repeal by implication is one that we need not determine here, for it is clear that under either statute the petitioners are entitled to the pay and allowances that accrued during their detention as prisoners of war. The Missing Persons Act unambiguously provides that any person "in the active service * * * officially determined to be absent in a status of * * * captured by a hostile force * * * [is] entitled to receive or to have credited to his account the same * * * pay [and allowances] to which he was entitled at the beginning of such period of absence. * * *" It affirmatively appears on this record that the petitioners were in the active service of the Army, that they were in fact captured by the enemy, and that they were later officially determined to be "absent in a status of * * * captured by a hostile force." The terms of the Missing Persons Act are therefore expressly applicable.

The argument that it was open to the Secretary of the Army to determine that the petitioners in the prison camps to which they were taken were thereafter "not in the active service" cannot survive even cursory analysis. In the Armed Forces the term "active service" has a precise meaning, a meaning not dependent upon individual conduct (10 U.S.C. 101). Moreover, the verbal structure of the act, reenforced by common sense, clearly leads to the conclusion that "active service" refers to a person's status at the time he became missing. Nothing in the legislative history of the original statute or of its many reenactments offers support for any other construction. That history simply reflects a continuing purpose to widen the classes of persons to whom the benefactions of the law were to be extended, from the time those persons became missing.

The Government's alternative argument seems, as a matter of statutory construction, equally invalid. The legislative history discloses that the provision denying pay to a person officially determined to have been "absent from his post of duty without authority" was enacted to cover the case of a person found to have been "missing" in the first place only by reason of such unauthorized absence. Moreover, desertion and absence without leave are technically defined offenses (10 U.S.C. 885, 10 U.S.C. 886; see Manual for Courts-martial, United States, p. 315 (1951)). It is open to serious question whether the conduct of the petitioners after their capture could conceivably have been determined to be tantamount either to desertion or absence without leave (see Avins, Law of AWOL, p. 167 (1957); Snedeker, Military Justice Under the Uniform Code, p. 562 (1953)).

These are questions which we need not, however, pursue. We need not decide in this case that the Secretary of the Army was wholly without power under the statute to determine administratively that the petitioners after their capture were no longer in active service, or that they were absent from their posts of duty. Nor need we finally decide whether either such determination by the Secretary would have been valid as a matter of law. The simple fact is that no such administrative determination has ever been made. The only reason the Army ever advanced for refusing to pay the petitioners was its determination that they had "advocated, or were members of an organization which advocated, * * * the overthrow of the U.S. Government by force of violence." That determination has now been totally abandoned. The Army has never even purported to determine that the petitioners were not in active service or that they were absent from their posts of duty. The Army cannot rely upon something that never happened, upon an administrative determination that was never made, even if it be assumed that such a determination would have been permissible under the statute and supported by the facts. (See *Service* v. *Dulles*, 354 U.S. 363; *Vitarelli* v. *Seaton*, 359 U.S. 535.) For these reasons we hold that the petitioners were entitled under the applicable statutes to the pay and allowances that accrued during their detention as prisoners of war.

Throughout these proceedings no distinction has been made between the petitioners' pay rights while they were prisoners and their rights after the Korean armistice when they voluntarily declined repatriation and went to Communist China. Since both the Army and the Court of Claims denied the petitioners' claims entirely, no separate consideration was given to the petitioners' status after their release as prisoners of war until the date of their administrative discharges. Nor did the petitioners in this court address themselves to the question of the petitioners' rights to pay during that interval. Yet, it is evident that the petitioners' status during that period might be governed by considerations different from those which have been discussed. Other statutory provisions and regulations would come into play. Accordingly we express no view as to the petitioners' pay rights for the period between the Korean armistice and their administrative discharges, leaving that question to be fully canvassed in the Court of Claims, to which in any event this case must be remanded for computation of the judgments.

The disclosure of grave misconduct by numbers of servicemen captured in Korea was a sad aftermath of the hostilities there. The consternation and self-searching which followed upon that disclosure are still fresh in the memories of many thoughtful Americans. The problem is not a new one. Whether the solution to it lies alone in subsequent prosecution and punishment is not for us to inquire. Congress may someday provide that members of the Army who fail to live up to a specified code of conduct as prisoners of war shall forfeit their pay and allowances. Today we hold only that the Army did not lawfully impose that sanction in this case.

The judgment is reversed, and the case is remanded for further proceedings consistent with this opinion.

Reversed and remanded.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2071) to amend title II of the Career Compensation Act of 1949 so as to provide that members of the Armed Forces who engage voluntarily in any activity or conduct while a prisoner of war which results in the giving of aid or comfort to an enemy of the United States shall not be entitled to receive any pay or allowances from the United States, introduced by Mr. CASE of South Dakota, was received, read twice by its title, and referred to the Committee on Armed Services.

REVISION OF CONGRESSIONAL CONTEMPT PROCEDURES

Mr. KEATING. Mr. President, yesterday's decision of the Supreme Court reversing the contempt of Congress conviction of Bernard Deutch emphasizes

again the need for new procedures in contempt cases.

It is evident that the courts are reviewing these cases under very strict standards. Moreover, years can elapse between the time the issue arises in the course of a committee investigation and the time it is resolved by the courts. Bernard Deutch refused to answer the questions involved in his case in 1954—and now, 7 years later, we finally learn that the questions were not pertinent to the committee's inquiry.

For some time I have sponsored a bill to improve the existing procedures. My bill would expedite the hearing and disposition of such cases, avoid the necessity of criminal charges against witnesses whose refusal to answer is justified, and aid the committees of Congress in obtaining information they should have at the time it is required.

Under the present law, if a witness refuses to appear or to testify before an investigating committee, the particular subcommittee must make a report to the full committee, the full committee must then report the matter to the Senate or House. The legislative body must then resolve to cite the witness for contempt, after which the President of the Senate or the Speaker of the House, as the case may be, must refer the matter to a U.S. attorney, who in turn must present the case as a criminal matter to a Federal grand jury. If an indictment is returned, a full-scale trial in a Federal district court must follow. Finally, months, or sometimes even years later, there may be a conviction and punishment. Meanwhile, in most instances, the original investigation has been closed without ever having obtained the testimony for which the witness was originally called.

My proposal would greatly improve the complicated and time-consuming procedures under the present law by authorizing immediate resort to the courts for aid in requiring the attendance and testimony of a reluctant witness. Under the provisions of the bill, when a witness refuses to testify before a congressional committee, he could be required to appear that very same day in the district court in whose jurisdiction the investigation is being conducted. Upon his appearance before the court, the witness would be subject to judicial jurisdiction, and a further refusal to testify in accordance with the order of the court would be punishable as a contempt of court. This procedure should bring home to a witness that he could immediately be punished for contempt if he decides, without justification, not to testify before a committee of Congress. At the same time, if the witness is justified in refusing to testify, his vindication will be prompt and he will be spared the opprobrium of a criminal prosecution.

Two other cases of rather recent origin served to highlight the need for congressional action in this area. One example is the prosecution of Austin Tobin, Executive Director of the Port of New York Authority, for refusing to produce some of the records of his agency before the House Judiciary Committee. His refusal was based entirely on jurisdictional grounds. A procedure such as I have outlined would have enabled an expeditious resolution by the courts of the issue without the necessity for criminal proceedings.

Another recent case involved Dr. Linus Pauling, a Nobel Prize physicist, who was called before the Senate Internal Security Subcommittee to testify about the circulation of petitions calling for an immediate ban on nuclear testing. Dr. Pauling refused to tell the subcommittee the names of the people who helped him to circulate the petitions. He did so on the grounds that the information was not pertinent to the congressional inquiry. In the Pauling case, contrary to that of Mr. Tobin, no contempt citation was sought. If a similar course had been followed, Dr. Pauling would have been involved in a seemingly unending legal controversy with the U.S. Government. Had my proposal been the law at the time of Dr. Pauling's hearing, the matter might have been resolved by an appearance in the Federal district court and a ruling by an impartial Federal judge. In neither the Port Authority case nor the case of Dr. Pauling has the information requested been supplied.

In individual views I presented as a part of the Internal Security Subcommittee's report on Dr. Linus Pauling, I emphasized that the main effect of this procedure would be to restrain unauthorized inquiries and to facilitate compliance with proper legislative demands for information. I fully recognize that there may be occasions where the Congress has absolutely no right to elicit information from a witness. At the same time there may be other occasions where witnesses refuse to cooperate with the Congress because they are well aware of the delay and cumbersome procedure used to obtain contempt citations and final judgments in these matters.

It is my firm belief that this proposed legislation represents a forward step in the safeguarding of the rights of citizens by leaving it up to a court and not each committee to finally determine whether certain questions that might be asked are material, relevant, pertinent to the inquiry and legislative purpose, and do not deprive any witness of his constitutional rights. The net effect of this procedure would be to fully comply with the language of the Supreme Court of the United States in *Watkins* v. *United States* (354 U.S., 178), where the Court said:

> It is unquestionably the duty of all citizens to cooperate with the Congress in its efforts to obtain the facts needed for intelligent legislative action. It is their unremitting obligation to respond to subpenas, to respect the dignity of the Congress and its committees, and to testify fully with respect to matters within the province of proper investigation. This, of course, assumes that the constitutional rights of witnesses will be respected by the Congress as they are in a court of justice. The Bill of Rights is applicable to investigations as to all forms of governmental action. Witnesses cannot be compelled to give evidence against themselves. They cannot be subjected to unreasonable search and seizure. Nor can the first amendment freedom of speech, press, religion, or political belief and association be abridged.

The courts even now must ultimately decide the question of whether a witness' appearance is necessary and in line with the proper legislative functions of the Congress. The procedure that I have just outlined would serve to expedite the determination of this question without intolerable delay and the imposition of criminal liability.

Mr. President, in the past, I have often pointed out the need for constructive and positive congressional action to correct inadequacies in our laws brought to light by court decisions. Whether the courts have been right or wrong on the facts in a particular case becomes a question of academic interest. The important thing for us to consider is that when a weakness appears in the effectiveness of Federal laws, it is the responsibility of the Congress to act in a manner which will be in the best interests of the American people. Early consideration of this proposal by the Senate would be most helpful in removing some of the unreasonable obstacles which now impede congressional investigations.

Mr. President, I introduce for appropriate reference a bill to prescribe a method by which the Congress may invoke the aid of the courts in compelling the testimony of witnesses. I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2074) to prescribe a method by which the Houses of Congress and their committees may invoke the aid of the courts in compelling the testimony of witnesses, introduced by Mr. KEATING, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) either House, any committee or subcommittee of either House, and any joint committee of the two Houses of Congress may, by an affirmative vote of a majority of its actual membership, invoke the aid of the United States district courts in requiring the attendance and testimony of witnesses and the production of evidence, in furtherance of any inquiry such House, committee, subcommittee, or joint committee is authorized to undertake.

(b) The United States district court for the district within which the inquiry is carried on may, in case of contumacy or refusal to obey a subpena issued to any person by either House, any committee or subcommittee of either House, or any joint committee of the two Houses of Congress, issue an order requiring such person to appear (and to produce evidence if so ordered) and give evidence relating to the matter in question before such House, committee, subcommittee, or joint committee, as the case may be; and any failure to obey such order of the court may be punished by the court as a contempt thereof.

(c) Attorneys of the Department of Justice shall furnish legal assistance in invoking the aid of the United States district courts under subsection (a) to either House, or any committee, subcommittee, or joint committee which requests it.

ADMISSION INTO THE UNITED STATES OF ORPHAN CHILDREN

Mr. DIRKSEN. Mr. President, on the 30th of this month the act of September 11, 1957, which deals with the admission of orphan children, will expire. Under that act I believe roughly 9,000 of such orphan children have been admitted. Those who are administering the program hope and desire that the admissions may be continued for at least another year. So I propose directly a joint resolution that would amend the act so as to make the act terminate on June 30, 1962.

There is a second section in the proposal which deals with those who have been granted visas in some cases and then could not enter because of a tubercular condition, if they are members of a family, all of whom would otherwise be admitted.

That act, which made possible special dispensation for cases of that kind, also expires on June 30, 1961. The joint resolution that I now introduce for appropriate reference would extend the Act until June 30, 1962.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 103) to amend sections 4(a) and 6 of the Immigration and Nationality Act of September 11, 1957, as amended, introduced by Mr. DIRKSEN, was received, read twice by its title, and referred to the Committee on the Judiciary.

DISAPPROVAL OF REORGANIZATION PLAN NO. 5 OF 1961

Mr. DIRKSEN. Mr. President, I submit, for appropriate reference, a resolution that the Senate does not favor Reorganization Plan No. 5 transmitted to the Congress by the President on May 24, 1961. As the Members of the Senate know this reorganization plan for the NLRB will become effective 60 days after it was transmitted to the Congress, unless it is disapproved by a vote of either House.

At this time, I should like to call the attention of the Senate to two features of this reorganization plan, though there are other aspects of the plan which the Members of the Senate will also undoubtedly wish to consider carefully and to debate at the time that the plan is considered by the Senate.

The first point I would like to raise is common to all of the five reorganization plans transmitted up to this time to the Congress by the President. Each of these plans would permit the legislative function of each of the agencies to be redelegated by the agency. I believe that this should be most carefully considered by every Member of the Senate. When the Congress created these agencies and delegated its own legislative function to them, it retained the safeguard that this delegated power would be exercised by a group of men who were not only selected and nominated by the President but also confirmed by the Senate after an opportunity to judge them carefully. The power which the agencies have over the life of every citizen is very vast and the Congress has thought it appropriate to study carefully the qualifications of the men who would exercise this delegated power.

However, this Reorganization Plan No. 5, and the other reorganization plans, provide that the vast legislative powers of this Government as they have been delegated to the particular agencies may be exercised by men who have been subjected to no scrutiny whatsoever, except perhaps by the personnel officer of an agency or his subordinate. The Constitution granted the legislative power to the Congress and Congress delegated a portion of that power to individuals who were approved by the Senate. I do not believe that the Members from either side of the aisle in this House would wish to see that legislative power exercised, instead, by any agency employee with unknown qualifications hired by some unknown man or by some unknown process.

The second point which I wish to emphasize at this time concerns the decisions in individual matters. As I have said before on the floor of the Senate and in my individual views in the reports of the Subcommittee on Administrative Practice and Procedure, of which I am a member, I believe, after a long and careful study, that the volume of administrative matters now before the various agencies has reached such proportions that it is no longer possible for the agency members to make the decision in each case. The duty of deciding cases must be delegated. If this decisionmaking duty is delegated by the agency, however, I believe that the parties should have a right of review by the agency.

This right of a party to have a review of the decision made by a subordinate is taken away by the reorganization plans. To be sure, the plans retain for the agency the right to review a matter if it so desires, or rather if the majority less one vote for such a review, but the right of the party to a review before the decision becomes final is completely taken away. Now I do not believe that we should permit a party to abuse the right of review, but I believe that the right should exist.

I shall speak at greater length on the various aspects of all the reorganization plans at a later date, but I did wish to call to the attention of the Senate these two features which appear in the NLRB reorganization plan as well as in each of the other reorganization plans: First, that the plans will permit the delegation of the legislation authority to any employee, and second, that the right of a party to have the decision of a hearing officer reviewed by the agency is completely taken away.

The PRESIDING OFFICER. The resolution will be received and appropriately referred.

The resolution (S. Res. 158) was received and referred to the Committee on Government Operations, as follows:

Resolved, That the Senate does not favor the Reorganization Plan Numbered 5 of 1961 transmitted to Congress by the President on May 24, 1961.

ENCOURAGEMENT OF PRIVATE INVESTMENT IN THE DEVELOPMENT OF A STABLE ECONOMY—AMENDMENT

Mr. SMATHERS submitted an amendment, intended to be proposed by him, to the bill (S. 1983) to encourage the flow and utilization of private investment to assist in the development of a stable economy and promote private home ownership, which was referred to the Committee on Foreign Relations and ordered to be printed.

FEDERAL-AID HIGHWAY ACT OF 1961—AMENDMENTS

Mr. JAVITS (for himself, Mr. HUMPHREY, Mr. BUSH, and Mr. KEATING) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. DOUGLAS submitted amendments, intended to be proposed by him, to House bill 6713, supra, which were ordered to lie on the table and to be printed.

Mrs. NEUBERGER. Mr. President, I submit an amendment for printing under the rule. This is a proposed amendment to H.R. 6713, which the Senator from Kentucky [Mr. COOPER], I, and other Senators are cosponsoring. We intend to call up the amendment, to extend for 2 more years the existing national policy for regulation of billboards along the Federal Interstate Highway System, for consideration.

Mr. President, I ask unanimous consent that the amendment be printed in the RECORD at this point in my remarks.

The PRESIDING OFFICER. The amendment will be received, printed, and will lie on the table; and, without objection, the amendment will be printed in the RECORD.

The amendment, submitted by Mrs. NEUBERGER (for herself and Senators COOPER, PROUTY, LONG of Hawaii, MUSKIE, GRUENING, YOUNG of Ohio, SCOTT, KUCHEL, FONG, LAUSCHE, CLARK, and JAVITS) to House bill 6713 is as follows:

On page 4, between lines 11 and 12, insert the following:

"SEC. 105. EXTENSION OF TIME FOR AGREEMENTS WITH RESPECT TO AREAS ADJACENT TO THE INTERSTATE SYSTEM.

"Subsection (c) of section 131 of title 23 of the United States Code is amended by striking out '1961' and inserting in lieu thereof '1963'.

Mr. COOPER. Mr. President, will the Senator yield?

Mrs. NEUBERGER. I yield to the Senator from Kentucky.

Mr. COOPER. Mr. President, I am very happy that the Senator from Oregon [Mrs. NEUBERGER] has submitted the amendment, which, as the Senator has said, would extend for 2 years the period in which States can take advantage of

the so-called billboard legislation enacted in 1958. I am particularly pleased that the Senator from Oregon [Mrs. NEUBERGER] is following in the tradition of one we knew and loved very much—her husband. We remember the great fight made by the late Senator Neuberger along with the Senator from California [Mr. KUCHEL] for the adoption of the legislation.

Mr. President, I offered the amendment in the Committee on Public Works, and it was defeated on a voice vote. There was not a very large attendance at the meeting that morning. Curiously, since that time it has appeared that a majority of the members of the Committee on Public Works support the amendment.

I wish to say, so that it will be very clear for those who read the RECORD, that the amendment does not propose any change in policy. It would continue the existing policy.

Three States have taken advantage of the legislation. Nine legislatures have passed legislation which will enable the States to take advantage of the 1958 act. Eleven other States have legislation pending before the legislatures.

Contrary to propaganda which has already started, the provisions apply only to the Interstate and Defense Highway Act. There are about 700,000 miles of Federal-aid highway which billboard advertisers can now use.

President Eisenhower recommended the provision. President Kennedy has recommended the extension of the act. I believe that the Senator from Oregon [Mrs. NEUBERGER] will lead a successful fight, as her distinguished husband led the successful fight in 1958.

Mrs. NEUBERGER. Mr. President, I wish to invite to the attention of the Senate the fact that the great State of Kentucky has shown its good judgment in sending a renowned Republican Senator in the person of Senator COOPER to the Senate, and has also passed enabling legislation to enable the State to conform to the Federal highway regulations in respect to signs.

Mr. JAVITS. Mr. President, will the Senator yield?

Mrs. NEUBERGER. I yield.

Mr. JAVITS. I do not know whether my name is on the amendment, but if the good Senator will allow me to do so I should like to join as a cosponsor of the amendment.

Mrs. NEUBERGER. We shall be honored to include the Senator from New York.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may be joined as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. My State also has passed enabling legislation. I think the Senator is striking a blow for beauty in our country, which is as important as almost anything else we have, in terms of domestic values and for decent respect of the sensibilities of people who use the highways.

I am delighted to join the Senator from Oregon. I join the Senator from Kentucky [Mr. COOPER] in the affirmation that the Senator from Oregon will carry the battle as nobly and ably as did her great husband, who was such a sincere friend of all of us. It will be an honor to join with her, and I hope we shall be victorious.

Mrs. NEUBERGER. I thank the Senator from New York.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, and so forth, were ordered to be printed in the RECORD, as follows:

By Mr. COTTON:

Commencement Day Address by Senator BRIDGES at St. Anselm's College, in Manchester, N.H., where he received the degree of honorary doctor of laws.

By Mr. BYRD of West Virginia:

Address delivered by him on June 11, 1961, at a dinner meeting celebrating the 50th anniversary of the Christopher Columbus Lodge of Fairmont, W. Va., setting forth a picture of the impact and influence which Italians of all classes have had on American civilization.

LIPPMANN AND JOHNSON DENOUNCE DESPAIR OF FREE WORLD

Mr. PROXMIRE. Madam President, if there is one sure way to destroy a man or a nation, it is to undermine self-confidence. If we do not believe in ourselves, who is going to believe in us?

Strangely enough, this is exactly what is being done today by some of the finest and most dedicated Americans.

The news from abroad has been bad. Khrushchev has been making advances in Laos and Cuba and elsewhere. But this country is still the most powerful country in the free world. And the free world still has massive superiority over the Communist world, on the basis of every objective criterion: economic power, skilled manpower, and potential military power.

Our only weakness is in willpower. And here, in contradistinction to the fanatic Communist indoctrination in the inevitability of communism, too many Americans—including some of the most fervently patriotic—are shouting that we already have lost most of the world, and even much of America, to the Communists; that the Red march is inevitable and overwhelming.

This is nonsense. Within the last 24 hours, two great voices of freedom have spoken out on this issue—Walter Lippmann and the Vice President of the United States, LYNDON JOHNSON.

In his syndicated column this morning, Mr. Lippmann says in part:

> There are altogether too many of us who in dismay and disappointment are ready to admit that Khrushchev is right in predicting that communism is sweeping the world and that, short of war, we have no means of stopping it.
>
> * * * * *
>
> The root of the error is to equate, instead of to differentiate between the communistic movement which owes allegiance to Moscow and Peiping and the worldwide movements of social reform and social revolution, which almost everywhere seek national independence and nonalinement with the great powers.
>
> Mr. Khrushchev's hope and belief is that he will lead and direct all the reforming and revolutionary movements. We play right into his hands when we identify ourselves with the opponents of change rather than with the leaders of change.

I ask unanimous consent that the article by Walter Lippmann be printed at this point in the RECORD.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FOLLY OF DESPAIR

(By Walter Lippmann)

We have had a run of bad news and the time has come when we must make up our minds whether to face it and learn from it, or to shrink from it into a nervous breakdown with suicidal tendencies. There are altogether too many of us who in dismay and disappointment are ready to admit that Khrushchev is right in predicting that communism is sweeping the world and that, short of war, we have no means of stopping it.

They are like the man who, as an experienced diplomat once put it many years ago, is so worried that he will fall off the top floor of the Empire State Building that he stops the elevator and jumps out of the ninth floor window. I believe this defeatism to be profoundly mistaken and unwarranted. It is based on a misreading and a misunderstanding of what has happened since the Second World War and what is happening now. The root of the error is to equate, instead of to differentiate between, the communistic movement which owes allegiance to Moscow and Peiping and the worldwide movements of social reform and social revolution, which almost everywhere seek national independence and nonalinement with the great powers.

Mr. Khrushchev's hope and belief is that he will lead and direct all the reforming and revolutionary movements. We play right into his hands when we identify ourselves with the opponents of change rather than with the leaders of change.

For those who think that Laos and southeast Asia are "gone" and that like the dominoes all the Asian nations and the Pacific will "go" too, I should like to call attention to Egypt. It was not so many years ago—in fact it was in 1955—when we were told that Egypt and Syria and Iraq, and all the oil of the Persian Gulf, and the Suez Canal, were "gone" or "going." Egypt had gotten arms from Czechoslovakia; it got Soviet help in building the Aswan Dam; it nationalized the Suez Canal, and all was "lost."

Yet look at it now. Syria and Iraq and the Persian Gulf states are not Communist. Egypt continues to put its Communists in jail. Mr. Khrushchev has attacked Egypt publicly. President Nasser is calling a congress of the neutrals who do not take their directions from Moscow. Egypt has played a decisive part in preventing the flow of Soviet arms to the rebels in the Congo.

After Egypt and the Middle East, look at Africa, look at Guinea, which 6 months ago was written off as "gone." It is not gone despite the several hundred Soviet technicians who are there. Probably it is not "gone" in part at least because the Soviet technicians who are there have made themselves so unpopular. In any event the chances are good that Guinea in the end will line up with the rest of independent Africa as a neutral state.

There is now a great likelihood that the whole of north Africa, all the way from Mo-

rocco to Egypt, will take a neutral line, refusing to be dominated by Moscow or to take direction from Paris or Washington.

Moreover, I do not believe that Cuba is "gone," and I have a very strong impression that Mr. Khrushchev does not begin to think Cuba is "gone" as, let us say, Senator SMATHERS thinks it is. For Cuba is as far from Moscow as Laos is from Washington. In time, not necessarily in a very long time, the Cuban revolution will rejoin the community of American States. It will do this because it has no other place to go.

The wave of the future is not Communist domination of the world. The wave of the future is social reform and social revolution driving toward the goal of national independence and equality of personal status. In this historical tendency Mr. Khrushchev will be, as Mr. Alsop tells us he is supposed to have described himself, "the locomotive of history" only if we set ourselves up to be the roadblocks of history.

What is the lesson of all these experiences? At bottom the lesson is that there is, as the President said the other day, a worldwide social upheaval which the Communists did not create but which they hope to capture. If we make our own policy one of opposition to this worldwide movement of social change, we shall lose the cold war and Mr. Khrushchev's hopes will be realized. If, on the other hand, we befriend and support with active measures the movements of social change, their leaders will not submit to Moscow because they do not have to submit to Moscow. They do not wish to submit to Moscow because what want they want is independence.

Mr. PROXMIRE. Madam President, yesterday the distinguished Vice President of the United States, the former majority leader of the U.S. Senate, LYNDON JOHNSON, delivered a most remarkable speech to the Capitol Page School. In the speech, likewise, the despair in America was deplored—this time by the Vice President, who pointed out the ridiculousness of charges that America is losing, that "America is being outwitted, outmaneuvered, and outflanked," or that we should "withdraw from the world and abandon the outposts of freedom." To do so, said the Vice President, would be to doom ourselves "to finish out our days in the foxholes of fools here on our own shores."

I wish to quote what the Vice President quoted from Winston Churchill, when he laid down this rule of conduct:

Never give in. Never give in. Never. Never. Never—in nothing great or small, large or petty, never give in except to convictions of honor and good sense.

That was the theme of the fine remarks by the Vice President; and I ask unanimous consent that his speech be printed at this point in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

DAY OF DECISION

(Address delivered by Vice President LYNDON B. JOHNSON before the graduating class, Capitol Page School, Washington, D.C., June 12, 1961)

Twenty years ago, in England, Winston Churchill spoke to an audience of young men about your age. In those remarks, he laid down this rule of conduct:

"Never give in. Never give in. Never. Never. Never. Never—in nothing great or small, large or petty, never give in except to convictions of honor and good sense."

For these days and times, those are strong words. Some might say they are old-fashioned. But I commend them to you and would like to take them as text for my brief remarks today.

In each of our lives, this is the time of decision. What you are to be the rest of your days depends upon choices you make now and during the next few years. Not just your choice of career is involved. You will, in the highest sense, be choosing character, reputation, purpose and, ultimately, your worth in life out of the many decisions these years thrust upon you.

You might wish—and your parents and friends might wish for you—more time, more experience, and less pressure in which to reach decisions of such lasting consequence. But that wish is idle. Delay itself shapes the future as surely as decisiveness.

With the precepts and values you already have, there is but one sure way: "* * * in nothing great or small, large or petty—never give in except to convictions of honor and good sense."

As an American clergyman of the last century put it: "Let men laugh, if they will, when you sacrifice desire to duty—you have time and eternity to rejoice in."

IN THE BALANCE

As it is for you, so it is for your country.

This is the time of decision for America. What America is to be for the rest of her days depends upon choices made now and within the next few years. Our national character, our world reputation, our historical purpose, our ultimate worth in the world—all are in the balance. It is idle to wish for more convenient times to decide a far more comfortable option to choose. Delay only shapes the future against us.

I say this pointedly and purposefully.

There is abroad among some Americans today a contagion of despair; a belief that our country is being outwitted, outmaneuvered, and outflanked by an adversary both irresistible and implacable. From this belief, there comes a rising cry for America to withdraw from the world, retreat from our opportunities, surrender our gains, and turn inward on ourselves with suspicion and distrust.

Outwardly and ostensibly—this doctrine is directed against elements of our national policy: against foreign aid and foreign trade, against military assistance and exploration of space, against economic growth and human welfare, against progress toward equality of rights and opportunities for all who bear the name, "American." But in a real sense the attack is not upon the policy but upon the institutions from which our policy flows: the Congress, the courts, the Executive, the military command, the Department of State, the Department of Justice—and beyond the Government, the churches, the universities, the unions of laboring men, the corporations of the businessmen, the enterprises of our farmers, and even upon the quality of our youth.

A TIME TO SPEAK

I do not propose—in these few minutes—to undertake the refutation of accusations unworthy of serious consideration. I do propose that it is time for responsible Americans—without regard to party—to make their voices heard, first, against irresponsible attacks upon the policies which have built our strength and secured our liberties, and, second, against ill-considered assaults upon the fundamental institutions of our free society.

There is a time to be silent and a time to speak. This is a time for responsible men to speak—and to be heard.

It has been said that "our ignorance of history makes us libel our own times." The libel of our policies—the slander of our free institutions—stems today from ignorance of history and of our own times as well.

America is not a nation in flight, fleeing before the advances of some irresistible foe. America is a nation—and freedom is a cause—much nearer to being victorious than to being vanquished. In the years of your lifetime, communism has failed—and freedom has succeeded—in Greece, Turkey, Italy, Western Europe, and the Middle East. Communist guerrillas have failed—and freedom has succeeded—in the Philippines, Malaya, Burma, and elsewhere in southeast Asia. Communist governments have been unseated in Latin America. Communism has been rejected in the most troubled lands of Africa. Those victories have been won by men who cherished their own freedom and fought for it—and were able to fight for it because of the very American policies now under blind attack by some here at home.

Doubting men may say we are overcommitted, overextended, and overburdened. But let me say, there is only one position where we would be fatally overcommitted, where our capacity would be hopelessly overextended, where our resources and our people would be perilously overburdened. The one sure position of American folly would be to withdraw to Honolulu and San Francisco on the Pacific and New York and Boston on the Atlantic, Houston and New Orleans on the gulf and attempt to withstand communism from a fortress America.

It is time for responsible Americans to raise their voices against the nonsense of American withdrawal from the world. If we should abandon the outposts of freemen, we would be doomed to finish out our days in the foxholes of fools here on our own shores.

Likewise, I say it is time for responsible Americans to raise their voices against the nonsense of these attacks upon the loyalty and integrity of the institutions of our free society.

OUR ENEMY IS WITHOUT

The enemy of our freedom is without—not within. But no nation, no society, can long stand when it is encouraged to distrust itself. Those who recklessly sow the weeds of suspicion among us do no service to the cause of freedom.

We have—as you well know—a Congress with a passion for keeping freedom strong. We have courts with a passion for protection of human rights—and God help us if it should be otherwise. We have ministers with a passion for human decency. We have professors with a passion for seeking and teaching truth. We have labor unions with a consuming desire to better the lot of the working man. We have businessmen with a scrupulous respect for law and ethics unexcelled in the commerce of the world.

There is strength in the institutions of our society as well as the policies of our Government. We must not allow that strength to be dissipated under blind attack or diluted by the poison of irresponsible assault.

Fear of passing censure, or abusive criticism, must never cause responsible men to remain silent before irresponsibility. To repeat the words with which I began: "Never give in. Never give in. Never, never, never, never—in nothing great or small, large or petty—never give in except to convictions of honor and good sense."

In this time of decision for America, what America is to be will depend in large measure on how faithfully responsible men live by that code.

OUR HIGHEST IDEALS

In affairs of the world—in concerns here at home—we are on the right course. Our highest goals are within our reach. We must not turn back. We must not give in.

The challenge to all Americans—whatever their age—is to accept a sense of duty in

facing the opportunities to which courage has brought us.

It is that responsible sense of duty—not a sense of irresponsible despair—that will carry our country to greatness and our cause to success.

I speak as I do before you because I remember Emerson's words: "So near is God to man, when duty whispers low 'thou must,' and youth replies, 'I can.'"

You have been privileged to serve in one of freedom's greatest institutions—the Congress of the United States. You know the frailties of its Members, but you know the vastly greater strengths of the institution. You know as few young Americans are privileged to know the strengths of all the institutions of our Government and our country.

I urge you: stand against those who doubt and despair and never give in. Stand with those who believe and keep faith and never give in. Your strength is great. Give of it—all your days. Duty whispers to each of you, "Thou must," and I am sure each of you will answer, "I can."

REORGANIZATION OF THE MARITIME ADMINISTRATION AND MARITIME BOARD

Mr. LONG of Hawaii. Madam President, on May 8, I made a statement in the Senate regarding the need for reorganization of the Federal Maritime Administration and Federal Maritime Board.

Yesterday, the Senate received a plan to achieve that reorganization; and I wish to commend the administration for the soundness of its approach to this vital question and the promptness with which it has recognized the urgency of the problems involved.

With a revitalized Federal Maritime Commission not concerned with subsidies and related promotional activities, I am sure we can look forward to sound regulation of shipping that will be truly in the public interest.

Some days ago, I wrote to President Kennedy on this matter, urging him to press forward in correcting the administrative deficiencies connected with the regulation of shipping as soon as the reorganization is completed. I have assured the President of my support of his efforts to improve this vital service, and have suggested that the selection of Board members of dedication and ability is the key to our efforts.

I have further suggested that it would be most appropriate to appoint to the new Board a citizen of my own State of Hawaii.

There is, Madam President, no place in the United States with so vital a concern in maritime regulation as Hawaii. To us, the sea is the equivalent of the highways and rails that serve our sister mainland States. Our people are aware of the necessity of both public regulation and sustaining frequent and efficient service, and we have able and dedicated persons who would fill with distinction a position on the new Federal Maritime Commission. I sincerely hope President Kennedy will support this view.

To explain further my position on this matter, Madam President, I ask unanimous consent that my letter to President Kennedy be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 29, 1961.

Hon. JOHN F. KENNEDY,
President of the United States,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: I would like to express my hope that you soon will send to the Congress a proposal for reorganization of the Federal maritime agencies. As my previous remarks in the Senate indicate, I have long taken a deep interest in maritime matters and have felt that one of the fundamental problems involved therein is the undesirable association of promotional and regulatory functions in a single agency. I am confident that we can look forward to your taking steps to correct this situation.

There are, however, other aspects of the administration of offshore shipping matters that concern me. Clearly, something must be done. To paraphrase the legal maxim, regulation delayed is regulation denied, and recent experience with matters concerning Hawaii's freight rates has been most discouraging. Neither the public nor the carriers benefits from the delays, and neither has been able to recognize the standards or the philosophy of the Board sufficiently to give them the guidelines they need in planning for the future.

The scope of the Board's activities, the powers of examiners, the staffing of the agency, the rules of practice, the suspension of proposed rates, and the question of subsidy for offshore carriers are all involved. There have been, as I am sure you know, many suggestions made in these areas and some of the suggestions have been the subject of hearings before the Senate Committee on Commerce. On some subjects legislation is required; on others administrative changes is possible. I know you will follow the hearings with interest, and I am confident that the Congress and your administration working together can achieve major improvements in this service which holds virtual life or death power over the island economy of the State of Hawaii.

There is no doubt that the most important single step in improving regulation of shipping will be the appointment of a vigorous and public-spirited Board to head the agency charged with regulation of carriers. It is my belief that the members must be endowed with a will to regulate in the public interest, including the realization that continuation of service to Hawaii and other offshore areas is an absolute necessity.

I know of no domestic issue more directly affecting my State than maritime regulation, and I know of no field in which the people of Hawaii have more interest or a greater right to be heard. Similarly, I know of no other place in the United States where the public interest and the awareness of the legitimate needs of water carriers exceed that of our people. The people of Hawaii live in an environment in which the regulation of sea and air transportation plays an indispensable part in their lives, but they are represented on none of the agencies involved. I feel that a new regulatory agency will present a unique opportunity to correct this inequitable situation. I assure you there are highly qualified citizens of Hawaii from whom an outstanding member of the Board could be selected. I urge you therefore to give serious consideration to such an appointment.

Sincerely yours,

OREN E. LONG,
U.S. Senator.

GENERAL EISENHOWER VERSUS CHAIRMAN MILLER

Mr. SYMINGTON. Madam President, 2 days ago, the new chairman of the Republican National Committee was reported to have said President Kennedy had made a "tragic mistake" when he "rescinded and revoked" an Eisenhower administration plan to provide U.S. air cover for the move against Cuba.

Yesterday, according to the press, General Eisenhower denied that he had any specific plan to provide air cover for an invasion attempt, since there was no exact operation set for such a move.

I am confident that as between the two statements, the American people will believe the statement of the former President.

Mr. SYMINGTON subsequently said:

Mr. President, shortly after I commented earlier today with respect to contradictory statements incident to the Cuban invasion I read an editorial from the Washington Evening Star entitled "Bits and Pieces." The editorial appears logical and I, therefore, ask unanimous consent it be printed in the RECORD after the remarks I made on the subject a few minutes ago.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Missouri?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BITS AND PIECES

The Cuban invasion story, with definite partisan overtones, is coming out bit by bit.

Representative MILLER, Republican national chairman, says the fiasco resulted from President Kennedy's decision against using American air power to cover the landing attempt. Senator CLARK, Pennsylvania Democrat, thinks that somehow it was all Mr. Eisenhower's fault in the first place, and that Mr. Kennedy saved us from the "doghouse."

The trouble with this sort of thing is that it tends to distort an already distorted picture for the sake of some hoped-for political advantage. If Mr. Kennedy decided to withhold air support, which we understand to be the case, that doomed the invasion. And at that point the whole project should have been called off. For it was foolhardy to permit a handful of men to land in the face of Castro's air superiority.

To his credit, Mr. Kennedy has never tried to dodge the assumption of responsibility. On the contrary he has specifically accepted it, and he has tried to curb the alibi artists within his administration. But there is only one way to silence a Senator or a Member of the House—gentlemen who at various times have sought to pin the blame on the Joint Chiefs of Staff, the CIA and the preceding administration. The way to silence them is to tell the whole story of the Cuban affair. The American people are entitled to hear the truth from an authoritative source. They ought not to be required to depend on possible garbled bits and pieces for their information. And certainly there is not now any valid security reason for denying them the facts.

SOVIET ULTIMATUM

Mr. SYMINGTON. Madam President, on the floor of the U.S. Senate yesterday I made some observations with respect to the nuclear test cessation.

Now the Soviet Communists have given the United States and the rest of the free world an ultimatum. This morning, the press says:

GENEVA, June 12.—The Soviet Union served notice today that the negotiating stage was

finished at the conference on the projected treaty to ban nuclear tests.

Mr. Tsarapkin made it clear that the Soviet terms for agreement were not negotiable. He emphasized that the West would have to accept the Soviet Union's demand for a three-man council to administer test ban controls.

Whereupon, Mr. Arthur Dean, chief negotiator for the United States, is reported to have stated:

It only serves to confirm the impression of the last few weeks that the Soviet Union's real purpose is "not to negotiate but to dictate."

I ask unanimous consent that the article in question be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 13, 1961]

SOVIET ULTIMATUM ON ATOMIC PARLEY IS GIVEN TO WEST—RUSSIANS DEMAND OWN PACT OR TRANSFER INTO BROADER CONFERENCE ON ARMS—UNITED STATES DENOUNCES STAND—DEAN SAYS TSARAPKIN SEEKS TO DICTATE, NOT DISCUSS, AGREEMENT IN GENEVA

GENEVA, June 12.—The Soviet Union served notice today that the negotiating stage was finished at the conference on the projected treaty to ban nuclear tests.

The United States and Britain, the other conferees, were given the choice of accepting the Soviet Union's terms for a treaty or of having the 2½-year-old talks merged into broader disarmament negotiations.

Only by electing one of the alternatives can the West salvage the talks from the present impasse, Semyon K. Tsarapkin, the Soviet delegate, declared.

MOVE CALLED ULTIMATUM

The Western nations viewed the Soviet demands as an ultimatum.

(The administration was under pressure from two sides to take action. Gen. Dwight D. Eisenhower said that the United States could not go on much longer without an agreement on nuclear testing, and several congressional Democrats urged that President Kennedy break off the talks in Geneva or resume atomic tests.)

KHRUSHCHEV'S DECISION

The Soviet demands were presented in the form of the memorandum on the test ban conference that Premier Khrushchev handed President Kennedy at their meeting in Vienna earlier this month.

The memorandum, which President Kennedy said "struck a serious blow" to hopes for agreement here, was offered by Mr. Tsarapkin today at the 317th session of the talks.

The negotiations began October 31, 1958.

Mr. Tsarapkin made it clear that the Soviet terms for agreement were not negotiable. He emphasized that the West would have to accept the Soviet Union's demand for a three-man council to administer test ban controls.

The Soviet plan, which calls for a Russian, a westerner and a representative of the uncommitted countries to run the control system by unanimous decision, has been rejected repeatedly by the West.

The West does not believe that the system would work with a power of veto in the hands of each of the three coadministrators.

Mr. Tsarapkin also said that the Soviet Union could never agree to the West's proposal for 12 to 20 annual inspections of earth tremors that could be caused by nuclear explosions in the Soviet Union. He denounced the Western demand as "excessive" and inspired only by a desire to get spies into the Soviet Union.

Mr. Tsarapkin said the Soviet Union would be "more flexible" on controls in the context of an agreement on "general and complete disarmament."

MORATORIUM AN ISSUE

But he said the West must also give ground on the moratorium on the smaller underground nuclear tests that would not be included in the formal ban until ways to detect them are found by science.

He said that the West, in asking that the moratorium pledge be limited initially to 3 years, after which the question would be reviewed, was seeking an out to resume testing.

The Soviet Union wants the West to agree to continue the moratorium indefinitely even if effective controls to check on violations are not found.

By offering the West the choice between accepting the Soviet positions or of enlarging the test-ban talks into overall disarmament negotiations, the memorandum showed the "elasticity of the Soviet positions and reflected accurately the constructive approach of the Soviet Government," Mr. Tsarapkin said.

Arthur H. Dean, of the United States, was quick to express regret that the Soviet Union had put the memorandum into the conference record as its latest official position.

It only serves to confirm the impression of the last few weeks that the Soviet Union's real purpose is "not to negotiate but to dictate," the U.S. delegate charged.

"Today more blatantly than ever before," he added, "the two Western delegations seem to have been presented with the Soviet position on a take-it-or-leave-it basis."

Sir Michael Wright of Britain bluntly asked the Soviet delegate if the memorandum was an ultimatum. Mr. Tsarapkin showed himself to be too annoyed to answer, a conference source said. The word "ultimatum" was used by one high-ranking Western conference spokesman to describe the Soviet document.

FINANCING FOREIGN PLANE PRODUCTION

Mr. SYMINGTON. Madam President, an article in the Washington Post this morning by John Norris, able commentator on military affairs, states that Canada and the United States have just signed an air defense and plane production exchange agreement; and that as a result of this agreement, "a $200-million order will be placed in Canada for building F–104G Super Starfighters for use by other NATO countries in the defense of Western Europe."

The article states:

The United States will put up $150 million and Canada $50 million to enable the two Governments to make a significant contribution to the collective strength of NATO, the Pentagon announcement said.

The article says:

Deliveries will start in mid-1963, subject to action by the U.S. Congress and Canadian Parliament in providing the military assistance funds required.

That is not all.

An article in the same paper this morning, entitled "NATO Backs Accord on Building Jets," by the Herald Tribune News Service, dateline Paris, June 12, states:

A 4-year program to build F–104 Starfighter jets in Belgium, West Germany, Italy, and the Netherlands was approved today by the Permanent Council of the North Atlantic Treaty Organization.

The four NATO members signed an agreement with the United States last December to build the jet fighter and interceptor.

Now, several things disturb me about these two newspaper stories.

The article says it must be "subject to action by the U.S. Congress."

Despite that fact, plus the fact treaties go to the Foreign Relations Committee, and foreign military assistance is defended before the Foreign Relations Committee, no notice of this transaction or comment of any kind has been received by the Foreign Relations Committee, although a letter was sent to the Armed Services Committee.

Secondly, as everyone knows, the unit cost of any product depends in large measure upon the volume.

The United States produces F–104's. Apparently the plan is to have us pay $150 million to have them also produced in Canada; and more, to have them now produced in four additional countries.

How can six assembly lines in any way give a unit price comparable to what would be the cost off one assembly line? It would seem this is especially pertinent to the American people because, in effect, they are putting up the money.

Finally, today there are thousands of unemployed airplane workers in my State, and tens of thousands in other States. Only yesterday a representative of these people was in my office protesting bitterly about the current heavy unemployment incident to the heavy reduction of airplane production in the United States.

The designers of this plane, Lockheed Aircraft of Burbank, Calif., do not own the Canadian plant in question; but they will receive a royalty on this Canadian production.

That may be fine for the Lockheed stockholders—but will not help the Lockheed workers who have been laid off.

Why should we make such extensive plans to produce these U.S.-designed planes outside the United States, especially, as I have presented to the Senate before, our unprecedented prosperity is nevertheless now accompanied by great unemployment?

I submit that the five countries in question could in no sense be considered "underdeveloped countries."

Are we now to establish a policy of other countries making the planes, our activities being confined to making the money?

I ask unanimous consent that the two articles in question be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 13, 1961]

UNITED STATES-CANADA AIR DEFENSE PACT SIGNED—AGREEMENT INCLUDES PLANE PRODUCTION EXCHANGE PROGRAM

(By John G. Norris)

Canada and the United States signed an air-defense and plane production exchange agreement yesterday that is aimed at bolstering North American and NATO defenses.

The deal, several years in the making, provides that:

The United States will give 66 F–101B long-range interceptors to the Royal Canadian Air Force to replace obsolete CF–100's in the North American Air Defense Command.

Canada will take over responsibility for the operation of all but 6 of the 33 radar

stations of the Pinetree Line, southernmost of the three chains of warning stations extending across North America.

Both countries enter into a production sharing project, under which a $200 million order will be placed in Canada for building F–104G Super Starfighters for use by other NATO countries in the defense of Western Europe.

The United States will put up $150 million and Canada $50 million to enable the two Governments to make a significant contribution to the collective strength of NATO, the Pentagon announcement said. The F–104 is a 1,400-mile-an-hour American Lockheed fighter being built in Canada and other countries under license.

Deliveries will start in mid-1963, subject to action by the U.S. Congress and Canadian Parliament in providing the military assistance funds required.

Delivery of the 1,200-mile-an-hour F–101 Voodoos will fill a gap in Canadian air defense. Several years ago Canada dropped development of its own high performance interceptor, the CF–105, as a replacement for the subsonic CF–100. At that time the RCAF intended to replace all manned air defense planes with the U.S. Bomarc ground-to-air missile, production of which since has been cut back.

At one time, the just-signed United States-Canadian plane deal tentatively included the transfer of some Canadian CL–44 transports to the U.S. Air Force, but this fell through.

Under the agreement, Canada assumes immediately all costs of operating five Pinetree Line radar stations. These stations—now operated by Canadians—are in Quebec, Nova Scotia, and Newfoundland.

Eleven other radar stations in British Columbia, Manitoba, Ontario, and Nova Scotia, now operated by Americans, will be taken over by Canadians and financially supported by Canada as soon as arrangements are completed.

NATO Backs Accord on Building Jets

Paris, June 12.—A 4-year program to build F–104 Starfighter jets in Belgium, West Germany, Italy, and the Netherlands was approved today by the Permanent Council of the North Atlantic Treaty Organization.

The four NATO members signed an agreement with the United States last December to build the jet fighter and interceptor.

EARLY CONSIDERATION OF MULTILATERAL EMBARGO AGAINST CUBA URGED

Mr. KEATING. Madam President, from the mail which has arrived at my office in recent weeks, from newspaper, radio, and television commentaries, and from just plain talk with scores of people from New York and other States, it is more than ever apparent that the Nation's No. 1 concern in foreign affairs is Cuba. It is not alone the Cuban fiasco of last April, nor the subsequent tractors-for-freedom negotiation, that has developed this great concern among the American people. It is also a greater realization by Americans that our foreign policy experts are desperately, and up to the present time unsuccessfully, groping for a way to eliminate communism's cancerous growth from Latin America.

Several months ago, I called for a complete embargo against Cuba by the Organization of American States. Many other voices have been raised on this issue. Many of my colleagues on both sides of the aisle have felt that a trade embargo against the Cuban dictator would be an effective instrument for ridding the Western Hemisphere of a threat to every nation of North and South America. Yet, after the passage of several months and the support of an armed invasion by this country, I have been informed by the State Department that the matter is still under study.

For that reason it was heartening to hear support for the position of an embargo against Cuba from a man who has served for over 3 years as the American Ambassador to Mexico and has had a wealth of experience in understanding and dealing with the people of Latin America.

The testimony yesterday of Robert C. Hill before the Senate Internal Security Subcommittee substantiated the urgent need for affirmative action to combat communism throughout the entire southern part of the Western Hemisphere. Mr. Hill gave his wholehearted support to a complete embargo, through the Organization of American States, against all trade with Castro's Cuba.

Madam President, I again repeat my call for the United States to press for an early meeting of the Organization of American States, and at such meeting place high on the agenda the consideration of a multilateral embargo by the Western Hemisphere nations against all trade with Cuba.

DAMMING OUR INDIAN HERITAGE

Mr. KEATING. Madam President, many of us, including my distinguished colleague from New York [Mr. JAVITS] and myself, are unhappy about the impending dislocation of the Seneca Indians and the violation of their historic treaty as a result of the Kinzua Dam now being constructed in Pennsylvania. While I was in the House of Representatives, and last year also in the Senate, I opposed the Corps of Engineers plan and asked that a full study be made of the alternatives proposed by Dr. Arthur Morgan. Nevertheless, despite the long record of opposition by myself and others who recognized the implications of the project, appropriations were voted by the Congress.

More recently, Senator JAVITS and I supported Mr. Basil Williams, president of the Seneca Nation of Indians, in his request for an appointment with the President so that the matter could be fully discussed and reviewed at the highest level before it becomes too late.

Madam President, yesterday an editorial appeared in the New York Times supporting the position of the Indians and urging the President to appoint an impartial and expert committee to examine the Morgan plan and the Corps of Engineers plan and make a full report to Congress on their comparative merits. I ask unanimous consent that the editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 12, 1961]

Justice for the Senecas

The Philadelphia yearly meeting of Friends (Quakers) has challenged the conscience of the Nation, and President Kennedy's, in its report on the Kinzua Dam. That project would put under water valuable lands of the Seneca Indians despite opposition by the Seneca Nation.

Completion of the dam would be a clear, unilateral abrogation, without negotiation, of a treaty with the United States signed in 1794 which guaranteed the Seneca Nation control of its own lands. It would also violate the pledges of both the major parties, made in the last campaign, to recognize the rights of the Indians. The Democratic platform promised that "free consent of the Indian tribes concerned shall be required before the Federal Government makes any change in any Federal-Indian treaty or other contractual relationship."

The Seneca Nation fully recognizes the urgent public need to control the waters of the Allegheny River. And it has proposed an alternative, Conewango, project designed by Arthur E. Morgan, distinguished engineer and formerly head of the Tennessee Valley Authority, which would allegedly furnish adequate flood control without destruction of the heart of the Seneca lands.

The Philadelphia Friends' report, with excellent documentation, urges President Kennedy to stop further preliminary work on the Kinzua Dam and to appoint an impartial expert committee to examine both plans and make a report to Congress as the basis for a sound congressional decision. We support that request. But, whatever action is taken by the President or Congress must, in all conscience, recognize the treaty rights of the Seneca Nation.

STRENGTHENING THE FEDERAL FIREARMS ACT

Mr. MANSFIELD. Madam President, is Senate bill 1750 at the desk?

The PRESIDING OFFICER. It is.

Mr. MANSFIELD. I move that the Senate proceed to the consideration of Calendar No. 334, Senate bill 1750.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1750) to strengthen the Federal Firearms Act.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, with an amendment, on page 1, at the beginning of line 4, to strike out "(52 Stat. 1250; 15 U.S.C. 901, and the following), is amended by repealing paragraph (6) and renumbering paragraphs (7) and (8) as paragraphs (6) and (7)", and in lieu thereof, to insert "(52 Stat. 1250; 15 U.S.C. 901–909), is further amended by repealing paragraph (6), by deleting the words "crime of violence" in paragraph (7) and inserting in lieu thereof the words "crime punishable by imprisonment for a term exceeding one year", and by renumbering paragraphs (7) and (8) as paragraphs (6) and (7).", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Federal Firearms Act, as amended (52 Stat. 1250; 15 U.S.C. 901–909), is further amended by repealing paragraph (6), by deleting the words "crime of violence" in paragraph (7) and inserting in lieu thereof the words "crime punishable

by imprisonment for a term exceeding one year", and by renumbering paragraphs (7) and (8) as paragraphs (6) and (7).

SEC. 2. Section 2 of such Act is amended by deleting the words "crime of violence" in subsections (d), (e), and (f) and inserting in lieu thereof the words "crime punishable by imprisonment for a term exceeding one year".

The amendment was agreed to.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed in the RECORD at this point a portion of the report covering aspects of the legislation.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

Among other things, the Federal Firearms Act (52 Stat. 1250; 15 U.S.C. 901 et seq.) prohibits the shipment of firearms in interstate or foreign commerce to or by persons under indictment or convicted of a "crime of violence." This term is defined to mean murder, manslaughter, rape, mayhem, kidnaping, robbery, burglary, housebreaking; assault with intent to kill, commit rape, or rob; assault with a dangerous weapon, or assault with intent to commit any offense punishable by imprisonment for more than 1 year. The act also prohibits the receipt of firearms by persons convicted of such crimes, or by fugitives who have fled across State lines to avoid prosecution for any of such crimes or to avoid giving testimony in any criminal proceeding. Violations are punishable by fines of not more than $2,000 and/or imprisonment for not more than 5 years.

This legislation would amend the act to make the mentioned prohibitions applicable to persons indicted, convicted, or fleeing with respect to any crime which measures up to the Federal standard of a felony; that is, any crime punishable by imprisonment for a term exceeding 1 year.

STATEMENT

Over the past few years the infiltration of racketeering into our society and the exploding crime rate have increasingly become a cause for national concern. New laws are needed to give the Federal Bureau of Investigation additional jurisdiction to assist local authorities in the common assault against crime. S. 1750, introduced at the request of the Attorney General as an integral part of an anticrime legislative program, would be such a law. Additionally, it would make it more difficult for the criminal elements of our society to obtain firearms.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

HEIRS OF ANTHONY BOURBONNAIS

Mr. MANSFIELD. Madam President, I move that the Senate proceed to the consideration of Calendar No. 336, House bill 4500.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 4500) to donate to the heirs of Anthony Bourbonnais approximately thirty-six one-hundredths acre of land in Pottawatomie County, Okla.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, on page 1, line 10, after the word "less", to insert "subject to a reservation to the United States of a right of access across such land whenever needed for public purposes".

The amendment was agreed to.

Mr. MANSFIELD. Madam President, I ask unanimous consent that a portion of the report on the bill be printed at this point in the RECORD.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of H.R. 4500 is to donate to the heirs of Anthony Bourbonnais in an unrestricted status approximately thirty-six one-hundredths acre of land in Pottawatomie County, Okla.

NEED

The land in question is a narrow strip lying between the Bourbonnais Indian allotment and an adjoining State highway. Until a recent survey indicated the contrary, it was assumed that the acreage was part of the allotment and it was so treated by the Bureau of Indian Affairs. Enactment of the bill is needed to overcome the problems raised by the survey.

AMENDMENT

In order to preclude any claim against the Federal Government by reason of access provided by the land to be donated, the committee has adopted an amendment reserving to the United States a right of access across such land whenever such land is needed for public purposes.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

COMMUNICATIONS SATELLITES

Mr. McCARTHY. Madam President, an editorial in the New York Times of June 1, 1961, expresses a growing concern over the future development and use of satellites for commercial communication.

There is evidence that the Federal Communications Commission is moving toward giving preliminary approval to A.T. & T. and other international common carriers for the exclusive right to construct and to operate a worldwide communication system using satellites.

We all wish to have peaceful use made of the satellites as soon as possible, but we must also be concerned with the grave domestic and international problems which accompany the commercial use of satellites for communications.

The act which established the Space Council in substance provides that it shall be the function of the Council to advise and assist the President, as he may request, with respect to the performance of functions in the aeronautics and space field, including the following functions:

First. To survey all significant aeronautical and space activities, including the policies, plans, programs, and accomplishments of all departments and agencies of the United States engaged in such activities;

Second. To develop a comprehensive program of aeronautical and space activities to be conducted by departments and agencies of the United States;

Third. To designate and fix responsibility for the direction of major aeronautical and space activities;

Fourth. To provide for effective cooperation among all departments and agencies of the United States engaged in aeronautical and space activities, and to specify, in any case in which primary responsibility for any category of aeronautical and space activities has been assigned to any department or agency, which of those activities may be carried on concurrently by other departments or agencies; and

Fifth. To resolve differences arising among departments and agencies of the United States with respect to aeronautical and space activities under this act, including differences as to whether a particular project is an aeronautical and space activity.

The decision in this area which it is rumored is about to be made is so important that it should be of concern, I think, to the committees of the Congress. The committees of the Congress should understand, if not approve, the full implications of any decision which is made in this area.

I ask unanimous consent that the editorial from the Times be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SPACE COMMUNICATIONS PROBLEMS

The first practical application of recent scientific advances in space appears likely to be the establishment within the next few years of communications satellites which will greatly expand existing facilities for international transmission of information and intelligence.

The decisions made in the development of this field are likely to have far-reaching political and economic implications because they will create precedents for other areas of human activity in space.

Against this background it is astonishing and regrettable that some key decisions have been recently taken with almost no public discussion or debate. One such decision is that of our Armed Forces to create their own satellite communications network. Another such decision is that of the Federal Communications Commission, which has ruled that, insofar as this country is concerned, commercial satellite communication shall be carried out as a joint venture in which only present international communications firms shall participate.

Many questions arise immediately concerning these decisions. Is it really necessary to go to the expense of setting up separate civilian and commercial satellite communications networks? Is the FCC a body with relatively narrow responsibilities, really the group to make fundamental and precedent-setting decisions in an area that

involves so many interests outside the communications fields?

Since most of the technology required to set up a satellite network has been developed at public expense, is there any justification for limiting participation in the final commercial effort to a relatively small number of firms? Should not this Nation set an example for future international cooperation in space by attempting to get worldwide cooperation—perhaps through the United Nations—at the very beginning of such a global communications network? Has enough attention been given to the opportunity presented by satellite communications possibilities to increase competition in this field?

We would offer no dogmatic answers to these and many other similar questions that could be raised. We suggest, however, that the questions involved are too important for the American people to be content with decisions reached by groups of officials—either in the Department of Defense or the FCC—who are unlikely to have considered the full range of implications for this country and all humanity that these matters involve.

GOVERNMENT DEFENSE CONTRACTS

Mr. JAVITS. Madam President, I should like to report to the Senate some progress in my campaign to get more Government defense contracts to labor surplus areas in New York State.

An analysis of defense procurement covering the first 3 months of 1961 shows that nine of New York State's labor surplus areas received more defense contracts then they did during the same 3-month period in 1960. Three areas showed decreases. Two other areas were named labor surplus areas for the first time during this period and, therefore, there is no basis for comparison.

While these new procurement figures indicate some progress, additional action needs to be taken to streamline defense procurement policies so that labor surplus areas will receive a more substantial number of Government contracts.

Government defense orders awarded to New York State's 14 labor surplus areas during the first 3 months of 1961 totaled $50.8 million—an average of $3.6 million per area. For the same period in 1960, a total of $38.5 million was awarded to 12 labor surplus areas—an average of $3.2 million per area.

The nine areas showing increases were: Albany-Schenectady-Troy; Utica-Rome; Amsterdam; Auburn; Elmira; Jamestown-Dunkirk; Ogdensburg-Massena-Malone; Plattsburgh; and Wellsville. The three areas showing decreases were: Buffalo, Gloversville, and Newburgh-Middletown-Beacon.

Total defense contracts awarded to all New York State firms, whether in labor surplus areas or not, amounted to $563.8 million for the first 3 months of 1961. This represents a decrease from the $752.8 million awarded to New York firms for the same 3 months of 1960. For the same period California continued to receive an increase in defense contracts—from $1,123 million to $1,240 million.

The latest defense procurement figures emphasize once again the need to open up procurement opportunities to more intensive competition. Open bidding is now applied to less than 15 percent of the $23 billion awarded in defense contracts. It is time we insisted upon more competition to give everyone a chance to bid for this business.

Madam President, I ask unanimous consent that a table giving facts on this subject may be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Trends in prime defense contract awards of $10,000 or more in New York State areas of substantial labor surplus (1st quarter of calendar 1961 and 1960)

[In thousands of dollars]

Major areas and contract awards	January–March		
	1961	1960	1961 as compared to 1960
Albany-Schenectady-Troy, May 1958 [1] to November 1959, March 1960:			
Total	3,641	824	[2] (+2,717)
Preferential	0	0	(0)
Buffalo, March 1958: [1]			
Total	25,028	25,118	−90
Preferential	211	13	+198
Syracuse, January 1961: [1]			
Total	−389		
Preferential	0		
Utica-Rome, January 1958: [1]			
Total	11,593	8,636	+2,857
Preferential	11	87	−76
Amsterdam, [3] March 1958: [1]			
Total	913	703	+210
Preferential	0	35	−35
Auburn, [3] April 1958: [1]			
Total	184	176	+8
Preferential	0	0	0
Elmira, April 1958: [1]			
Total	2,378	558	+1,820
Preferential	0	0	0
Gloversville, [3] April 1958: [1]			
Total	234	239	−5
Preferential	0	0	0
Jamestown-Dunkirk, [3] April 1958: [1]			
Total	665	425	+240
Preferential	0	0	0
Newburgh-Middletown-Beacon, July 1958: [1]			
Total	524	1,422	−898
Preferential	0	84	−84
Ogdensburg-Massena-Malone, [3] November 1959: [1]			
Total	58	12	+46
Preferential	0	0	0
Olean-Salamanca, January 1961: [1]			
Total	0		
Preferential	0		
Plattsburgh, [3] March 1959: [1]			
Total	5,946	322	+5,624
Preferential	18	0	+18
Wellsville, November 1958: [1]			
Total	272	74	+198
Preferential	0	0	0

[1] Date first designated as an area of substantial labor surplus by Department of Labor.

[2] These increases over the previous fiscal year should be noted in light of the fact that Albany-Schenectady-Troy was listed as an area of substantial labor surplus only for part of the previous fiscal year.

[3] Area of substantial and persistent labor surplus.

Mr. JAVITS. Madam President, the battle, friendly but vigorous, in respect to defense contracts, between New York and California continues.

My colleague, the Senator from New York [Mr. KEATING] and I, and our colleagues in the other body, are pressing for more competition in regard to defense orders. We have introduced proposed legislation to that effect.

We appreciate fully the sporting interest which is involved, but we are determined that there shall be more competition, and we are of the belief that if there is more competition, our State will do better, for our business and labor will sharpen up their pencils for that purpose.

NEW YORK STILL LOSING OUT

Mr. KEATING subsequently said:

Mr. President, I should like to commend my colleague from New York on the fine job he has done in presenting to the Senate more of the serious and disturbing facts about defense procurement in New York State. Some progress has been made but as I pointed out last week during the first 100 days of the Kennedy administration, New York's share of overall military prime contract work has fallen 5 percentage points as compared with the same period in 1960. Instead of 15 percent of the total, New York is only getting about 10 percent now. This is quite a drop for a 3-month period. It represents in dollars and cents a loss of nearly $200 million even though overall defense spending for this 3-month period has increased by more than half a billion dollars over the same period last year.

Moreover, Mr. President, it certainly appears that the new administration is taking away with one hand what it is trying to give with the other. What is the value of depressed-area legislation, vocational training programs for areas of labor surplus and a variety of similar measures to be carried on by the Department of Commerce and other Government agencies when at the same time the Department of Defense is deliberately directing its billions of dollars of procurement spending away from such areas? When, in fact, it is apparently shifting most of its work to one State on the west coast?

Furthermore, Mr. President, the Senate recently passed a Federal aid to education bill, the result of which is that New Yorkers will be taxed to pay educational expenses in Texas, California, and a number of other so-called poor States. Why, you may ask, is it necessary for New Yorkers to support schools in other States?

The answer, unfortunately, is that in order to encourage new industries, many of these States maintain very low property and income taxes on their own. In order to attract industry from New York and the Northeast, these States simply do not make use of all of their available tax sources. The result can be reflected in lower costs, lower bids on defense contracts in certain cases, and ultimately in a very serious and unbalanced concentration of defense contracts on the west coast.

So any way you look at it, Mr. President, New York gets the short end of the stick. New Yorkers continue to pay in taxes nearly 20 percent of the costs of the Federal benefits that other States enjoy but New York continues to lose out in the distribution of Federal funds whether for defense contracts or for education or for highway construction, or for a variety of other Government programs.

Mr. President, I ask unanimous consent that these remarks follow those of my colleague, the distinguished senior Senator from New York [Mr. JAVITS].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KUCHEL. Mr. President, I repeat what I have said before on the

floor of the Senate: There are not any more able advocates for the people whom they represent than the two distinguished Senators from New York [Mr. JAVITS and Mr. KEATING]. They have done what they ought to do on the floor of the Senate. They are my friends.

Nevertheless, the fact remains that Congress, again and again and again, has directed the administration and the Department of Defense to utilize defense appropriations solely and singly to provide the most effective defense of the American people. It is against the law to use defense dollars for social purposes, no matter how worthy those social purposes may be. It is against the law of the land to use defense dollars for the purpose of relieving unemployment or for any other social purpose. Congress has said so, and the Comptroller General of the United States recently has confirmed what I have just said.

If the time ever comes when the defense appropriations of the Government of the United States are used for any other purpose than for the establishment and maintenance of our American military system capable of preserving and of defending our country, then God help us.

CONSOLIDATION OF THE EFFECTIVE ECONOMIC POWER OF THE WESTERN WORLD

Mr. JAVITS. Madam President, if no other Senator seeks recognition, I should like to continue speaking for another 3 minutes on another subject, and ask unanimous consent that I may do so.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JAVITS. One of the great initiatives undertaken by this country was the Marshall plan, which represented the consolidation of the effective economic power of what is called the Western World. We have recently had an eloquent call from free Europe for newly implementing the same idea in the face of the intransigence and the implacable demand that we yield or appease, which was made by Chairman Khrushchev of President Kennedy at Vienna the other day. The call to us was sounded by Jean Monnet in a commencement address at Dartmouth College.

Approximately 14 years ago, it will be recalled, Secretary of State Marshall sounded the same type of call in the Marshall plan. May it be remembered that when Britain was in grave danger she wanted to merge with France at the beginning of World War II. We are not in such a dangerous situation now. We are strong and viable, and we represent together with Western Europe close to $1 trillion of annual gross national product which is the greatest bloc of economic power mankind has ever known.

Has anyone ever asked himself what Chairman Khrushchev would do to us if he had $1 trillion in productive resources? We know what he would do. He would pulverize us economically and he probably could. Yet we do not integrate our efforts to enlist this massive production in terms of the struggle for freedom. Why? Because we shrink from the implications of the legal, administrative, and structural forms of the integration of the free world. The whole Atlantic community, which has the main economic power of the free world, can be its agent to win decisively in the struggle for freedom.

I hope in the next few weeks, as we consider the foreign aid program, to propose some independent ideas of my own as to how we can tie the private economic systems of the whole Atlantic community into the foreign aid program, and as to how we can get more help from the European powers which, through the Marshall plan, have now become prosperous and viable on their own.

But mistake it not, Jean Monnet has made a strong historic declaration. We had better listen while it is yet time, for if we wish to call for freedom we must marshal up our economic power. All the fine speeches on the subject will not do it. We cannot marshal the economic power unless we undertake some of the efforts in terms of collaboration of the economic community, which is absolutely essential, and which may run counter to some of the shiboleths to which we have held. But the Russians will not listen or pay attention to these shiboleths.

The Communists will sweep us aside unless we consult what is the ultimate of our economic power, without regard to what has happened in the past, but only with regard to what is necessary for survival from here on. I hope our country will listen to Jean Monnet. I am proud to stand on the floor of the Senate and urge others of my colleagues to do the same thing. We must be brave if we wish to win for freedom, and he is beginning to show us a way.

From the devastation of the Second World War a grand design has been taking on shape and substance: a united Western World. The concept had for centuries formed the basis for discussion among philosophers and statesmen of the West, but it was never realized except in ephemeral forums or in the short-lived and misdirected conquests of a king, an emperor, and a dictator. After 1945, the harsh needs of our times drew the Western World together on a realistic, multilateral basis.

The first great, real step was the Marshall plan, enlisting the United States in the recovery of Western Europe and initiating the powerful forces of European integration. Commitments were made, commitments were kept, and with increasing momentum the tragically divided instruments of Western political ideology and human values were drawn together to create the most powerful economic potential in the history of the world. The question now is not whether or not this integration of the Western World will continue in spite of the remaining divisive issues that remain. The question which has been put before the West with growing urgency during the past decade is: Shall this economic potential be used to preserve and to extend the civilization and the values around which it has taken shape? Only an answer to the second question can provide an answer to the first. The Western World must turn outward, otherwise its continued movement toward integration will lose purpose and meaning and will stop.

Since 1957 the NATO Parliamentarians' Conference Economic Committee, of which I have the honor to be chairman, has devoted itself to working out plans for providing a real, substantive answer. Much of its early work played a role in the creation of the Organization for Economic Cooperation and Development—OECD—which is soon to become a functioning body and to which the United States adhered last March. The purpose of this organization is to turn the strength of the Western World outward for the economic development of the free world's emerging nations so that they may achieve their economic growth in political freedom and so that they may give to their individual citizens a rising standard of life while enhancing his human dignity.

I ask unanimous consent to have the report of Jean Monnet's remarks on June 11, at the Dartmouth College commencement, inserted in the RECORD at the conclusion of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

MONNET BIDS UNITED STATES STRENGTHEN TIES TO THE CONTINENT—DARTMOUTH HEARS THE FRENCH STATESMAN PRESS FOR UNITY AS WAY TO GAIN PEACE

(By John H. Fenton)

HANOVER, N.H., June 11.—Jean Monnet, a French architect of Western unity, called today for an extension of the partnership of Europe and the United States.

He said that the methods of economic and political unity being developed on the Continent pointed the way toward common institutions for an enlarged Atlantic community.

M. Monnet told the graduating class at Dartmouth College:

"Just as the United States in their own days found it necessary to unite, just as Europe is now in the process of uniting, so the West must move toward some kind of union. This is not an end in itself. It is the beginning on the road to the more orderly world we must have in order to escape destruction. The partnership of Europe and the United States should create a new force for peace."

TOTAL OF 588 SENIORS GET DEGREES

The speech by M. Monnet, a former president of the European Coal and Steel Community, combined the baccalaureate and commencement addresses at the exercises marking Dartmouth's 192d year. He was one of eight recipients of honorary degrees.

More than 2,000 persons attended the exercises on the lawn in front of Baker Library. Threatening clouds and a damp breeze dissipated as the seniors went to their places.

Dr. John Sloan Dickey, president of the college, bestowed degrees on 588 seniors, 13 graduate students, 23 medical school graduates and 20 students of the Thayer School of Engineering.

FORESEES SHIFT BY UNITED STATES

M. Monnet discerned an urgent need for the United States and Europe to move toward a true Atlantic community in which

common institutions will be increasingly developed to meet common problems.

Noting the advances toward unity on the continent, he said he was convinced that, ultimately, the United States, too, will delegate powers of effective action to common institutions, even on political questions.

The partnership between Europe and the United States would ultimately make it possible to overcome the differences between East and West, M. Monnet said.

The Soviet objective, as Premier Khrushchev has said many times, is a Communist world, the French statesman said.

"When this becomes so obviously impossible that nobody, even within a closed society, can any longer believe it, then Mr. Khrushchev or his successor will accept facts," M. Monnet said. "The conditions will at last exist for turning so-called peaceful coexistence into genuine peace. At that time, real disarmament will became possible."

As soon as it is clear the West is determined to unite, he said, the world will react to the trend. But he warned: "We must, therefore, take the first steps quickly. The danger increases every day."

In the past, M. Monnet went on, "there has been no middle ground between the jungle law of nations and the utopia of international accord." Now, he said, the steps taken in Europe toward unity have shown the way. The lesson, he said, is "the extraordinary transforming power of common institutions."

"As we can see from American and British reactions to European unity, one change in the road to collective responsibility brings another," he declared. "The chain reaction has only begun. We are starting a process of continuing reform which can alter tomorrow's world more lastingly than the principles of revolution so widespread outside the West."

M. Monnet said that the Atlantic partnership would "give the West the opportunity to deal on a basis with the problems of the underdeveloped areas."

"Just as our own societies would never have found their spiritual and political equilibrium if the internal problems of poverty had not been tackled," he said, "so the liberties which form the best part of the Western tradition could hardly survive a failure to overcome the international divisions between rich and poor, and between black, yellow, and white."

M. Monnet received the honorary degree of doctor of laws. So too did Kent Smith, Dartmouth alumnus of the class of 1915 and a retired industrialist.

Other recipients were Francis L. Childs, Winkley Professor of Anglo-Saxon and English language and literature emeritus, and Yousuf Karsh, photographer and portraitist, doctor of humans letters; Albert W. Tucker, chairman of the mathematics department at Princeton University, and Frank H. Westheimer, chairman of the chemistry department at Harvard University, doctor of science; Phyllis McGinley, the poet, doctor of letters, and James F. Malley, class of 1911, retired industrialist and former member of the New Hampshire Legislature, master of arts.

TO ESTABLISH A WABASH BASIN INTERAGENCY WATER RESOURCES COMMISSION

Mr. MANSFIELD. Madam President, I move that the Senate proceed to the consideration of Calendar No. 269, Senate bill 811.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 811) to establish a Wabash Basin Interagency Water Resources Commission.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Madam President, I ask unanimous consent to have printed at this point in the RECORD certain excerpts from the report of the Committee on Public Works.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to authorize the establishment of a Wabash Basin Interagency Water Resources Commission which would be responsible for coordination of Federal, State, and local plans for the development of the water and land resources in the Wabash River Basin, Ind. and Ill.; prepare and keep up to date a comprehensive, integrated, joint plan for water and related land resources development in the basin; recommend a long-range schedule of priorities for the collection and analysis of basic data, for investigation and project planning, and for construction of projects in such basin; to foster and undertake studies of water resources problems in the basin; to submit periodic reports to the President, the Federal agencies, and the Governor of each State; and to submit to the President a comprehensive, integrated joint plan, and necessary revisions, for the water and related land resources development in the Wabash River Basin, with views, comments, and recommendations of the interested Federal agencies, Governor of each State, and chairmen of interested interstate commissions.

DISCUSSION

Enactment of S. 811 will provide authority for studies and development of plans for the utilization of the land and water resources in an area of 33,100 square miles in the States of Ohio, Indiana, and Illinois. The entire stream and its tributary areas will be considered in preparing plans for proper development of its resources. The possibilities for economic and population growth of this area is based to a large extent on full and proper use and conservation of its land and water resources. Conservation and control of floodwater is urgently needed for domestic, municipal, and industrial water supply, and protection of people, homes, farms, and improvements from the ravages of devastating floods. The Wabash Basin includes about two-thirds of the State of Indiana, and a large area of the State of Illinois, and yields a large percentage of the waters of those States. At times the flows are of such magnitude that they menace existing developments and discourage improvements in the fertile flat valley lands, and in other instances the erratic flows discourage many potential developments that require an adequate and dependable water supply.

The enactment of this measure would provide for coordinated studies of plans for improvements which have as their purpose the enhancement of opportunities for about 4 million people residing in a rapidly developing area of our Nation. Complete utilization of land and water resources is essential in developing a sound and permanent economy.

Many flood control, navigation, watershed protection, water pollution control, water supply, and other water and land resources development projects have been constructed, are under construction, authorized, and are being planned in this area. The Study Commission would review all existing and proposed projects with a view to fully coordinating the purposes of those projects in existence, under construction, authorized, those being planned, and those under study, so that there will be a final plan with the best utilization of the resources of the area embodied therein.

In his message to Congress on natural resources, printed as House Document No. 94, 87th Congress, the President recommended the establishment of planning commissions for all major river basins where adequate coordinated plans are not already in existence. Enactment of S. 811 will be in accord with this recommendation.

VIEWS OF THE COMMITTEE

Comprehensive water resources development plans have been prepared in the past for certain areas and found to be of great value in the formulation and selection of projects for construction. Examples of these studies are the comprehensive report on the New York-New England region and the equally comprehensive report on the Arkansas-White-Red River Basins in Southwestern United States. Other comprehensive studies, such as those on the Columbia, the Missouri, the Mississippi, and the Ohio, have provided to form an invaluable basis for the development of the water resources in those basins.

The Congress has authorized similar study commissions for the southeastern river basins of the United States and for certain southwestern river basins. The committee is of the opinion that the proposed study of the Wabash Basin will prove of equal value in the future development of the water and related resources of this extremely important area of our Nation.

It is not the purpose or function of the Commission to interfere with or delay improvements already authorized that are urgently needed, but to coordinate and work out arrangements for a plan that will provide for the fullest utilization and development of all the water and land resources of the Wabash River Basin.

The committee therefore recommends enactment of S. 811.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 811) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

WABASH BASIN INTERAGENCY WATER RESOURCES COMMISSION

SECTION 1. There is hereby established a Commission to be known as the Wabash Basin Interagency Water Resources Commission, hereinafter referred to as the "Commission".

DECLARATION OF PURPOSES

SEC. 2. (a) Because a well-integrated and comprehensive plan of development and utilization of water resources in the Wabash River Basin can only be achieved on a cooperative basis with the participation of all affected Federal agencies, States, and local agencies and interests, it is essential that a full and complete investigation, study, and survey be made of the land and water resources and their utilization for the region within the Wabash Basin, consisting of the watershed of the entire Wabash River and its tributaries, located within States of Indiana and Illinois.

(b) It is intended that the Commission, in the performance of its duties will—

(1) serve as the principal agency for the coordination of Federal, State, and local

plans for the development of water and related land resources in the Wabash Basin;

(2) prepare and keep up to date a comprehensive, integrated, joint plan for water and related land resources development in such basin;

(3) recommend a long-range schedule of priorities for the collection and analysis of basic data, for investigation and project planning, and for construction of projects in such basin; and

(4) foster and undertake studies of water resources problems in such basin.

MEMBERSHIP OF THE COMMISSION

SEC. 3. The Commission shall be composed of members to be appointed by the President of the United States as follows:

(1) A Chairman who shall not, during the period of his service on the Commission, hold any other position as an active officer or employee of the United States, but a retired military officer or a retired civilian officer or employee of the Federal Government may be appointed under this clause without prejudice to his retired status and he shall be entitled to the compensation payable under this Act or to his retired pay or annuity, whichever he may elect;

(2) One member from each Federal department or agency determined by the President to have a substantial interest in the work to be undertaken by the Commission;

(3) One or more members, as determined by the President, from each of the States of Indiana and Illinois, to be nominated by the Governor of such State, or, in the event of the failure of the Governor to nominate a person satisfactory to the President within sixty days after a request by the President to make a nomination, by the President upon his own nomination, and unless otherwise determined by the President, the term of each such member shall run for the same period as that of the Governor making the nomination; and

(4) One member from each interstate commission created by a compact to which the consent of Congress has been given, which has jurisdiction over any of the waters of the Wabash Basin, to be nominated by such commission, or, in the event of the failure of such commission to nominate a person satisfactory to the President within sixty days after a request by the President to make a nomination, by the President on his own nomination.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The Commission shall organize for the performance of its duties within thirty days after all of its initial members have been appointed and funds have become available for carrying on its work. At such time as he deems appropriate, the President may terminate the Commission, and all property, assets, and records of the Commission shall thereafter be turned over to such agency or agencies of the United States as the President may designate.

(b) The Commission shall elect a vice chairman from among its members.

(c) Vacancies in the Commission shall not affect its powers, but shall be filled in the same maner in which the original appointment was made.

DUTIES OF THE COMMISSION

SEC. 5. (a) It shall be the duty of the Commission—

(1) to engage in such activities and to make such studies and investigations as are necessary or desirable in the accomplishment of the purposes set forth in section 2 of this Act;

(2) to submit to the President a report on its work at least once a year, and such report shall be transmitted by the President to the Congress, and to the head of each Federal department or agency, the Governor of each State, and the chairman of each interstate commission, from which a member of the Commission has been appointed; and

(3) to submit to the President a comprehensive, integrated, joint plan, and any necessary major revision thereof, for water and related land resources development in the Wabash Basin, but before the Commission transmits such plan or major revision to the President, it shall transmit a copy of the proposed plan or revision to the head of each Federal department or agency, the Governor of each State, and the chairman of each interstate commission, from which a member of the Commission has been appointed, and each such department and agency head, Governor, and commission chairman shall have ninety days from the date of the receipt of the proposed plan to report his views, comments, and recommendations to the Commission, and such views, comments, and recommendations shall be transmitted to the President with such plan or major revision after such modification by the Commission as may be necessary because of such views, comments, and recommendations.

(b) Each member of the Commission, other than the Chairman, shall from time to time report on the work of the Commission to the head of the Federal department or agency, the Governor of the State, or the chairman of the interstate commission from which he was appointed, and shall present to the Commission for its consideration any comments or suggestions received as a result of such report.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 6. (a) For the purpose of carrying out its duties under this Act, the Commission may hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute so much of its proceedings and reports thereon as it may deem advisable; acquire, furnish, and equip such office space as is necessary; use the United States mails in the same manner and upon the same conditions as the departments and other agencies of the United States, employ such personnel as it deems advisable; purchase, hire, operate, maintain, and dispose of such vehicles as it may require; pay in accordance with the standardized Government travel regulations for travel, subsistence, and other necessary expenses incurred by it or any of its members, officers, or employees, in the performance of duties vested in it; and exercise such other powers as are consistent with and reasonably required to perform its functions under this Act.

(b) A majority of the members of the Commission holding office at any time shall constitute a quorum but a lesser number may conduct hearings.

(c) The Chairman of the Commission, or any member thereof designated by him for the purpose, is authorized to administer oaths when it is determined by the Commission that testimony shall be taken or evidence received under oath.

(d) To the extent permitted by law, all appropriate records and papers of the Commission may be made available for public inspection during the ordinary office hours of the Commission.

(e) Upon request of the Chairman of the Commission or any member or employee thereof designated by him for the purpose, the head of any department or agency of the Government is authorized (1) to furnish to the Commission such information, suggestions, estimates, and statistics as it may need or believe to be useful for carrying out its functions and as may be available to or procurable by the department or agency to which the request is addressed, and (2) to detail to temporary duty with the Commission such personnel within his administrative jurisdiction as it may need or believe to be useful for carrying out its functions, and such department or agency shall be reimbursed for the services of such personnel.

(f) The Chairman shall be responsible for (1) the appointment and supervision of personnel employed by the Commission, (2) the assignment of duties and responsibilities among such personnel, and (3) the use and expenditure of funds available to the Commission. In carrying out his functions under this subsection, the Chairman shall be governed by the general policies of the Commission with respect to the work to be accomplished by it and the timing thereof.

COMPENSATION OF COMMISSION MEMBERS

SEC. 7. (a) Members of the Commission appointed pursuant to section 3(2) of this Act shall receive no additional compensation by virtue of their membership on the Commission, but shall continue to receive, from appropriations made for the agency from which they are appointed, the salary of their regular position when engaged in the performance of the duties vested in the Commission.

(b) Members of the Commission appointed pursuant to section 3 (3) and (4) of this Act, shall each receive compensation at the rate of $75 per day when engaged in the performance of the Commission's duties, but the aggregate compensation received by any such member shall not exceed $7,500 in any calendar year. The per annum compensation of the Chairman shall be at the rate provided for grade GS–16 under the Classification Act of 1949, as amended, or if he is not employed on an annual basis, $75 per day but not to exceed $12,000 in any calendar year.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

COMMENCEMENT ADDRESS BY SENATOR NORRIS COTTON AT THE UNIVERSITY OF VERMONT

Mr. DIRKSEN. Madam President, on Sunday the distinguished Senator from New Hampshire [Mr. COTTON] delivered the commencement address at the University of Vermont. On that occasion he was endowed with the honorary degree of doctor of laws. Having known him a long time, I know what an energetic and conscientious public official he has been and what a fine mind he has brought to his responsibilities, both as a Member of the House of Representatives, and as a Member of the U.S. Senate. He is a distinguished lawyer in his own right, and I believe all who know him know his genuine devotion to public welfare. So we extend the hand of congratulation to our friend, the distinguished Senator from New Hampshire.

WE ARE OUR BROTHER'S KEEPER

Mr. DIRKSEN. Madam President, I believe that every Senator is familiar with the benefits of Public Law 480, which generally speaking, has not only merited, but received, bipartisan support. Never have I seen a clearer presentation of the full meaning of the Public Law 480 program than that contained in an address made by one of my constituents, Mr. Ralph G. Golseth, of Danville, Ill., entitled "We Are Our Brother's Keeper."

Incidentally, I regard Mr. Golseth as one of the real authorities of the country on the subject of vegetable fats and oils. His address was delivered to the International Association of Oilseed Crushers in Stockholm, Sweden, on the 6th day of June. I think it is timely and highly informative. For that reason, I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

WE ARE OUR BROTHER'S KEEPER

(Remarks of Ralph G. Golseth, president, Lauhoff Soya Co., before the International Association of Seed Crushers, Stockholm, June 6–9, 1961)

I regard it both as a privilege and challenging responsibility to address the International Association of Seed Crushers. This is an organization that is built on the idea of service and mutual interest. It seems to me that service and mutuality of interest are two highly important elements in our endeavor to make our nations and the world a better place to live. You are men of influence, of capabilities, and you represent an intelligent and responsible citizenry. I feel sure that you want to do your part to mold the growth and development of the world along sound and constructive paths. So it is indeed both a privilege and a sobering responsibility to address you.

It was my original thought that any detailed discussion of U.S. statistics would be somewhat superfluous to the tables appended to the copies which have been distributed. And in fact somewhat secondary to more important factors in the world today.

However, our president, Mr. Chipperfield, has wisely suggested that some comment be made as to prospects for the year beginning next October 1 as well as to U.S. farm policy and the results of last fall's election. I am grateful for his suggestion and am glad to comply with his request.

The statistics which you have are quite preliminary as to 1961–62 production and in turn export availabilities. While they in no sense represent official estimates, they were prepared in consultation with Government officials.

Based on these most preliminary indications it now appears that the U.S. total supply of edible oils and fats for 1961–62 will exceed the current year by some 300,000 to 325,000 metric tons in terms of oil. Nearly 100,000 tons of this prospective increase will be required for increased domestic consumption occasioned entirely by the population increase.

Thus, there is prospect of 200,000 metric tons or more for export as oil, or oilseeds, or as addition to carryover stocks on October 1, 1962. I expect some continuing expansion in soybean exports. Any remaining additional oil availability will be needed in the food-for-peace program under either Public Law 480 financing or the oversea charitable donation program. I shall deal with this subject in some detail, but it is certainly appropriate to mention at this point that our new administration is pursuing the food-for-peace program with the vigor it so rightly deserves.

U.S. production and supplies of industrial oils and fats are expected to show little change from 1960–61 with the only significant changes being an increase in tallow and grease production which is about offset by a projected decline in flaxseed. Since the increase in flaxseed price support was not announced until later, there is reason to hope for an acreage of flaxseed somewhat in excess of the March 1 farmers intentions as reported by the U.S. Department of Agriculture.

Mr. Chipperfield also requested a few comments as to the results of our election last fall. I am assuming that he has in mind the effects upon U.S. farm policy and especially as it may relate to our exports of oilseeds, oils and fats. In my opinion many of the farm policy shifts so far made would have come sooner or later by the force of logic and necessity. The results, therefore, might be most briefly summarized by saying they are primarily of degree and not of principle.

We are most fortunate, I believe, in having such a prompt and justifiable change in farm policy as it affects our items of major interest, soybeans and flaxseed. Prompt steps were taken to expand production of these two oilseed crops. The increase in flaxseed price support had the full support of our domestic industry. Soybean processors through the National Soybean Processors Association have yet to take any position on soybean price support. As individuals some processors and some producers did express opinions that the $2.30 support is too high. This is, of course, an item of individual opinion and time alone will tell.

There is no question in my mind but that some increase in soybean supports was justified. Anyone wishing to pass judgment on this question, should, I think, keep in mind the uncontested need for an increase in soybean acreage and production. Soybean acreage has been held down for the past 2 years by an unfavorable support relationship to corn while Government holdings of corn and other feed grains continued to build up and up.

In my opinion we should all be most grateful to our new administration for prompt recognition of this problem and for the prompt action to expand oilseed production. Encouragement has also been extended to the minor crops of safflower, castor beans, and sesame by permitting them to be planted on acreage diverted from feed grains.

The result of this shift in emphasis of farm policy will come to market in October in a soybean crop which, the good Lord willing to let it rain, should exceed 625 million bushels. Surely a happy thought to processors after the short supply of U.S. soybeans in 1960–61, and an equally happy thought to farmer-feeders of protein meals.

Encouragement of further soybean expansion is expected from Public Law 480 oil financing and the charitable oversea oil donation programs.

Now, I shall turn to my prepared paper with some omissions in the interest of brevity.

In our deliberations it is not only fitting—it is imperative—that we emphasize the ideal of brotherhood, the reality of brotherhood, and the responsibility that human brotherhood confers upon us all.

One of the troubles with our world today is that too many people—and too many nations—either reject the ideal of human brotherhood, or regard it not as a fact, but as a petty theory. That is one of the reasons the future is troubled and peace is so elusive.

It is my belief that people are very much alike.

They long for peace.

They love their families.

They want to live better.

They have a basic impulse to do good.

They have, in short, a fundamental appreciation of human brotherhood.

At home those of us who worry about such things are dismayed by the lingering elements of discrimination and lack of fulfillment. Abroad we find our wisdom challenged and our strength and judgment tested. We become aware, even as we take just pride in many accomplishments, that the record of the past is not a guarantee of the future.

What is borne in on us from all quarters is the practical economic and political meaning of the Biblical tenet that we are our brother's keepers. And what is presented to us by virtue of circumstances is an opportunity, an opportunity for leadership in accommodation to orderly change in our domestic society and in the world we inhabit.

It is an opportunity as fresh and exciting as it is rigorous and uncertain. Not all change is automatically desirable, and not all change is within our power to guide or control. But change there will be, and the highest task of leadership is to foresee and shape the forces that, like wind and rain, continually alter environment.

For those whose musings today lead them to weigh concerns along with blessings, there may be some applications in the observations of Francis Bacon some three and a half centuries ago in his essay of Seditions and Troubles:

"The surest way to prevent seditions (if the times do bear it) is to take away the matter of them. For if here be fuel prepared, it is hard to tell whence the spark shall come that shall set it on fire. The matter of sedition is of two kinds; much poverty and much discontentment. And if this poverty and broken estate in the better sort be joined with a want and necessity in the mean people, the danger is imminent and great. For the rebellions of the belly are the worst.

"The first remedy or prevention is to remove by all means possible the material cause of sedition whereof we spake; what is want and poverty in the estate. Above all things, good policy is to be used that the treasure and moneys in a state be not gathered into few hands. For otherwise a state may have a great stock, and yet starve."

Our generation, in the second half of the 20th century has been witness to a conjunction of great historic events:

First, we are seeing the awakening of the underdeveloped nations after many centuries of slumber. This we all should encourage along constructive lines.

Second, we see efforts by both the East and the West to assist these countries in economic development.

Third, we have seen a breakthrough in agricultural technology which may only be the beginning.

Anyone approaching these great historical events in a conventional manner finds in them many grave and difficult problems. Looking at them separately and from a traditional point of view leaves one bleak and baffled. This arises from the human inclination to be problem-prone rather than opportunity-oriented.

What we need to do is to view these historic events not from a conventional attitude, but with a fresh look. We need to see them not separately, but in relationship to one another.

Thus seen, the rapidly advancing agricultural technology affords a primary opportunity to help the developing nations to help themselves, to help build a political, economic, and social structure suited to their aspirations and oriented toward freedom, therewith to strengthen the free world in its struggle with the forces of totalitarianism. In some areas now a cause for international concern, money is secondary in stimulating the work force. Food can be used for wages in taking first steps toward self-sustaining economies.

I used to tell my children the faster airplanes fly, the sooner we get to know one another, the better our chance for survival. Of course, this premise assumes survival is important.

As we examine our food potential, we really find only tremendous opportunities,

not problems. Should we not examine and strive to match abundant agricultural capacity and knowledge with the great needs of the developing countries?

What I am suggesting is the conscious reorientation of our food production, marketing, and distribution policies to the needs and opportunities to be found in a sound and farseeing foreign policy.

This is not a new thought. I claim no originality for it. It has already been partly put into effect. What I am really doing is to provide the logical basis for a recasting and broadening of attitudes toward the opportunities now at hand.

We need programs that accommodate the present needs of people, that recognize the breakthrough in agricultural technology in some areas, and that are designed to meet the worldwide opportunities presented by the great events that I have described.

Many good people have a cautious or critical attitude toward programs designed to move increased amounts of American farm products overseas. This has been reflected in skeptical attitudes toward Public Law 480, so far, the chief legislative means of moving agricultural abundance to consumers who might otherwise have done without. But the experiences of the past 5 years certainly should have removed htis apprehension. The insurance that these special export programs move additional quantities of farm products, beyond what is being absorbed by the normal channels today—this is what distinguishes Public Law 480 from other export programs. It is my feeling that Public Law 480, which has been considered by some to be the province of idealists, might better be considered as subject matter for hardheaded realists.

If a special export program enables us to help meet the food needs of the developing nations, and at the same time permits us to find a useful outlet for our abundant production, isn't this all to the good?

Public Law 480 is such legislation. It is unfortunate that the connotation of surplus disposal has ever been applied to a law which has the basic objective of meeting the needs of friends.

The merits of this approach are increasingly recognized by the countries which receive the products, by the nations of the Soviet bloc, by the various countries of the free world which export agricultural products in competition with us, and by the people of the United States.

Food can be a powerful ambassador of good will and hence an effective instrument for peace. The food exporting nations, and all other nations of the free world, can and should cooperate together helpfully in this endeavor.

This is the purpose of the food-for-peace program. Specifically the program involves an eventual expansion of commercial trade in farm products and a strengthening of special export programs, and the outright donation to the needy.

It may well be that the food-for-peace effort will yield its greatest returns in improved international understanding through providing for more for the less economically favored countries of the world. This, of itself, would be worthwhile.

The food-for-peace program has helped turn a seeming liability into an asset. Not long ago, many looked upon our agricultural surpluses almost wholly as a problem. Now we are beginning to see that part of the abundance made possible by our efficient agriculture is serving us well in the area of foreign policy.

Doesn't it make economic sense for the United States and other exporting countries to share abundance with the millions who are in need of food, rather than store it in bins? Or, reduce production? It seems to me that it well behooves us to use every possible tool we have for the preservation of peace.

It is our opinion that there is no food surplus—simply lack of appropriate means to get the food to those who need it. Preliminary reports of food-for-peace surveys indicate perhaps a shortage of supplies for potential needs in friendly countries.

Now, just exactly what is the food-for-peace program designed to achieve?

First of all, the sharing of abundance with needy people is a highly desirable end in itself. Through this sharing we seek to demonstrate our understanding and friendship for the many millions of recipients in the newly developing areas of the world.

Second, by relieving hunger and promoting economic growth in these areas, we are strengthening their capability and their will to resist aggression and subversion. That is one of the keystones of our American foreign policy.

Third, our food, technical assistance, and other aid are promoting economic development.

Fourth, this economic development means expanding markets for all farmers and all businessmen.

The program that has come to be called food for peace encompasses operations initiated several years ago with strong support from the leadership of both major political parties.

Not only was President Eisenhower, as is President Kennedy, a strong supporter of this program, but also numerous congressional leaders have played a strong role in their continuing support of this constructive program. The Department of Agriculture, the State Department and the International Cooperation Administration have exercised great wisdom in administration.

It should be noted that some 70 percent of U.S. agricultural exports are commercial sales for dollars. These commodities move under straight commercial transactions and include shipment on which export payments are made to keep U.S. support commodities competitive with world prices.

In a sense, these constitute food for peace at its best—mutually beneficial, multilateral trade using the efficiency of commercial trade channels.

In connection with regular commercial sales, I should like to discuss the emerging European Economic Community in relation to food for peace, in its broadest sense. The European Economic Community has had the strong support of the United States for obvious reasons. American agriculture and U.S. oilseed processors are supporting these major objectives. At the same time we have been gratified that the United States is urging the six countries to adopt a liberal and outward looking tariff and trade policy, so that the European Economic Community trade with the United States and the free world in general will be able to expand on a reciprocal basis. No doubt, there will be many problems.

Such a policy will be in the interests also of the six countries themselves. The establishment of a Common Market will offer them great opportunities for expanding production and sales on a competitive basis. Thus, they will be better able to develop their economic strength.

As the competitive strength of the Community grows, its export opportunities will also increase. To be able to expand its export trade, the Community will find it necessary to become more and more liberal in its foreign trade policy. This it will find necessary because trade can be expanded only on a reciprocal basis. This includes the United States. This also includes various import and export restrictions and subsidies of the friendly nations—yes, there will be problems.

The European Economic Community has had to develop its agricultural proposals against the background of the agricultural situation and current policies of the six countries. European agriculture has increased production 31 percent above prewar. This increase was stimulated by high support prices and a multitude of subsidies as well as by technological progress. Import restrictions originally imposed for balance-of-payment reasons have been continued for protective purposes. State trading practices, mixing regulations, skimmings, and a variety of other devices have also been used to protect European farm production and oilseed processors.

Compared with the present agricultural and trade policies of the major European Economic Community countries, the Commission proposals for a common agricultural policy have certain good features.

On the other hand, the proposals would, as a means of supplementing internal price support programs, continue certain protective devices now employed by European Economic Community countries and in some cases extend their use to all six countries.

Is it not time that U.S. soybean oil, cottonseed oil, and other oils and fats enter Western European markets under freely competitive conditions? We ask no special favors for oilseed products except that they enter under the same conditions as the raw material. We are willing to compete on equal terms. As you know we are not subsidized.

We in the United States prefer processing be determined by economics and not by Government intervention. European crushers have completely free access to our raw materials—we should have no duties on our oil to Europe. Economics of freight alone are sufficient to favor raw material so long as the destination market exists for both oil and meal.

What we would like is true reciprocity with the Western European nations.

Failure to provide equal opportunity for these oil imports will fan the flames of protectionism in the United States, already concerned with balance-of-payment problems. This is not helpful. Special advantage does not sow the seeds of brotherhood.

You can help by urging your governments to move in the direction of greater liberalization for mutually beneficial trade. In addition, the special export programs help to support this effort of using food for peace. A small percentage of the foreign currencies being generated under our Public Law 480, title 1 sales are being used in market promotion projects in many of the economically developed countries. All sellers benefit from these market promotion projects.

In our field, the Soybean Council of America, jointly financed by the American Soybean Processors and counterpart Public Law 480 funds, carries on promotional activities in many parts of the world. Promotional activities, I repeat, benefit all producers and processors of oil seeds.

Special Government export activities include Public Law 480 sales for foreign currencies, donations, and barter, as well as Mutual Security Act economic aid and sales for foreign currencies. About 30 percent of total U.S. agricultural exports are moved under the special programs. These constitute the foundation of the food-for-peace program.

Public Law 480 sales for foreign currencies constitute the largest single segment of the special programs. By authorizing such sales of U.S. farm products to countries lacking foreign currencies, Public Law 480 has widened farm market outlets and has increased availability of food and fiber to our friends abroad.

The Mutual Security Act, like Public Law 480, also authorizes sales for foreign currencies. From 1954 through 1959 the United States sold about $1.7 billion worth of food, feed, and fiber at market value under the Mutual Security Act.

These sales generate hard currency markets, too. Witness Spain, now a really large buyer of soybean oil for dollars.

Donations of emergency relief supplies are made to help friends abroad when disaster strikes. In the fiscal year 1960 food was provided for victims of natural disasters in 11 countries. For example, we fed refugees in Hong Kong and the Middle East. We helped typhoon victims in the Ryukyu Islands and Japan, and earthquake victims in Chile and Morocco. We supplied food for charitable institutions and school lunch programs.

The U.S. Government also works voluntary organizations in developing people-to-people food donation programs. These include such agencies as CARE, Catholic Relief Services, Church World Service, Lutheran World Relief, and the American Jewish Joint Distribution Committee. Also participating are the international organizations UNRWA (United Nations Relief and Works Administration) and UNICEF (United Nations International Children's Emergency Fund). Seventy-five million American people support this program through their gifts, their work, and their membership in the voluntary agencies.

In the meantime, other free world nations are rendering vital aid to foreign people in distress. Some of this aid is extended on a country-to-country basis, some through and in consultation with international organizations.

In the latter category is the Wheat Utilization Committee, on which are represented the major wheat-exporting countries—Argentina, Australia, Canada, France, and the United States. This committee, with the United Nations Food and Agricultural Organization as an adviser-observer, is investigating the possibility of increasing and making more effective coordinated use of wheat to promote economic development, improve nutritional standards, and expand world commercial trade in wheat.

With the food-for-peace program we are associating the need for food abroad with our tremendous agricultural technological capability.

In terms of feeding hungry people, results have been highly gratifying.

1. Nutritional levels in the underdeveloped parts of the world have gone up.

2. Agriculture generally has kept abreast of or ahead of population increase in the underdeveloped areas.

But we must keep in mind that even with the sharp advances in agricultural technology, its growth must continue at an increasing rate because of the tremendous increase expected in population in the years ahead and the growing pressures to raise living standards.

The food-for-peace program is promoting economic growth in the newly developing countries. This, too, eventually will mean enlarged, permanent markets. Economic development stimulates sales. Many countries, graduated from sales for foreign currencies to sales for dollars after their war-disrupted economies had been rebuilt.

Today Public Law 480 foreign currencies are contributing to economic development in Asia, the Middle East, southern Europe, and Latin America. Here are a few samples:

India: Power projects, irrigation facilities, schools.

Indonesia: Rehabilitation of railways, highways, harbors, airports.

Israel: Agricultural development, electric power facilities, transportation.

Greece: Roads and bridges, electric power, agricultural development, vocational education.

Brazil: Grain elevators, transportation, electric power.

Economic development, in addition to creating permanent markets is furthering the general foreign policy aims of the United States and the free world. One of the keystones of foreign policy is a strong free world—strong enough to stand against aggression and subversion. Increased economic well-being will go far in achieving that strength.

Following negotiation of the United States-Indian wheat-rice agreement, which was signed on March 4, 1960, the Indian Express editorialized, "The Eisenhower-Patil food agreement stands out as an act of good faith in human relations. It is of high material value enhanced by the terms and the timing. It is of far greater import in terms of the spirit of faith in human ideals and in the striving to retain them."

The image that the United States is building among the hungry peoples of the world is tangible. It cannot be blotted out with propaganda. By using food as a major instrument of foreign policy we are doing what the Communists would like to do but can't.

In the rivalry between East and West, agriculture is one area of many in which we have clearly and without question demonstrated superiority. The food-for-peace program is expanding the opportunity to make that agricultural superiority felt.

The food-for-peace program is not without its hazards.

1. We must not hurt the economies of other agricultural exporting countries by usurping their markets.

2. We must beware of making the developing countries dependent upon us, indefinitely, with their growing populations, for our continuing help.

3. We must avoid flooding the recipient countries with our food, depressing their farm prices and hurting their agriculture.

4. We must not give away, barter, or sell for foreign currency, food, and fiber, that we could otherwise sell for dollars.

However, just because there are hazards, we cannot forego the use of our capability in the agricultural field. We must not bury our talent.

Accomplishments of the program have been demonstrated; the hazards have been avoided in the past. We are confident they will be in the future.

At the same time, overall performance can be improved. Part of this can come from greater understanding of the program's objectives and accomplishments. Above all, better performance will come if all concerned are alert, not only for problems, but for opportunities. Is it not good sense—yes, good business—for you as hard-headed businessmen to study and suggest means of implementing similar programs in your countries? Can we businessmen accept the challenge and make proposals to our Government and other groups to expand food consumption among the less fortunate? Mankind is your business. In the largest sense you are your brother's keeper.

Arnold Toynbee has said: "Our age will be well remembered, not for its horrifying crimes nor its astonishing inventions, but because it is the first generation since the dawn of history in which mankind dared to believe it practical to make the benefits of civilization available to the whole human race."

I am neither a politician nor a scientist, but my guess is that the next major war is the last war for us.

Aren't we our brother's keeper?

TRUST STATUS OF CERTAIN LANDS ON THE CROW CREEK INDIAN RESERVATION IN SOUTH DAKOTA

Mr. MANSFIELD. Madam President, I move that the Senate proceed to the consideration of Calendar No. 337, H.R. 3572.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 3572) to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committees on Interior and Insular Affairs with an amendment on page 2, after line 5, to insert a new section, as follows:

SEC. 2. It is the policy of Congress that the value of all Federal property heretofore or hereafter given to an Indian tribe, band, or group, including the property granted by this Act, shall be considered by the Indian Claims Commission for setoff purposes in accordance with the provisions of section 2 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1050). In order to incorporate that policy in the Indian Claims Commission Act, the third paragraph of section 2 of said Act is amended by deleting the words "the Commission may also inquire into and consider all money or property given to our funds expended gratuitously for the benefit of the claimant" and by inserting in lieu thereof the words "the Commission shall also inquire into and consider all money or property given to or funds expended gratuitously for the benefit of the claimant prior to the Commission's award".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An Act to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota, and for other purposes."

Mr. MANSFIELD. Mr. President, I ask that a portion of the report on the bill be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of H.R. 3572, is to place in trust status 1,276.25 acres of federally owned lands on the Crow Creek Indian Reservation in South Dakota. The committee amendment, set forth in section 2, provides that the Indian Claims Commission shall determine whether the value of these lands, and other lands donated to other tribes, should be an offset against any claim against the United States allowed by the Commission in favor of the tribe that has been the beneficiary of such a gift.

NEED

The land was purchased in 1944 for $5,760 with Federal funds from an account called "Indian money, proceeds of labor." The money was accumulated from the cattle-raising activities at the Crow Creek Indian school which closed in 1954. The General Services Administration will dispose of the acreage if it is not donated to the tribe. GSA has received a firm bid which is being held in abeyance pending early congressional approval of this bill. The tribe plans to lease the land for grazing purposes. This will produce an income of about $1,200 a year for the tribe. The tribe will lose much of its present land in connection with the construction of Big Bend Dam on the Missouri River, and the lands donated by this act will provide some homesites for dislocated Indians.

COST

Enactment of the bill will require no appropriations, but will result in the loss of the amount of the bid ($29,363) which has been received by the General Services Administration.

AMENDMENTS

As passed by the House, H.R. 3572 did not specify how this gift of land would be treated in connection with the claim of the Crow Tribe now before the Indian Claims Commission.

A number of the bills donating surplus Federal lands to Indian tribes which have come before the committee contain language specifying how gifts of lands shall be considered in relation to such tribal claims. In some cases the lands are simply eliminated from the suits. In other instances there is a provision for a setoff against any claim recovered by the tribe of the present market value of the land. In other instances no mention is made of whether a setoff shall apply. Also, there is uncertainty whether gifts of land made subsequent to the cutoff date for filing claims (August 13, 1951) should be considered as offsets.

In an effort to arrive at uniformity in this regard the committee has reported several such bills, amended, to provide for setoffs. However, in order to preclude the need for such amendments, and to establish a policy that all gifts of land are considered, the committee recommends general language directing the Indian Claims Commission to determine, in accordance with the provisions of section 2 of the 1946 Indian Claims Commission Act, the extent to which the value of the property given to the Indians should or should not be set off against any claim against the United States determined by the Commission.

This directive applies not only to the land involved in H.R. 3572 but to all gifts of Federal property to an Indian tribe. It is the committee's belief that the Indian Claims Commission is in the best position to examine all of the factors surrounding the claims of the tribes and to decide on the merits whether any setoff should be made against any judgment awarded the tribes. Moreover, the Claims Commission Act gives the Commission authority to determine setoffs generally, after examining all of the equities involved, and it seems appropriate to leave that function with the Commission, with the clarifying language of the committee amendment, rather than for Congress to attempt to determine the equities.

DEPARTMENTAL REPORT

The favorable report from the Secretary of the Interior dated March 10, 1961, follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C. March 10, 1961.

Hon. WAYNE N. ASPINALL,
Chairman, Committee on Interior and Insular Affairs, House of Representatives, Washington, D.C.

DEAR MR. ASPINALL: Your committee has requested a report on H.R. 3572, a bill to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota.

We recommend that the bill be enacted.

The bill donates to the Crow Tribe and places in a trust status approximately 1,276.25 acres of federally owned land.

The land was purchased by the Federal Government with funds from an account called "Indian money, proceeds of labor." These are Federal funds (not Indian) derived from Federal operations on Indian reservations which are not required to be disposed of in some other manner. The money in this account may be expended by the Secretary under an indefinite and continuing appropriation for the benefit of the Indians, the agency, or the Indian school on whose behalf the money is collected (25 U.S.C. 155). The money is accumulated from such activities as the operation of a beef or dairy herd in connection with an Indian school.

The purchase was made in 1944 and the purchase price was $5,760. There are no improvements on the land.

The land was purchased for use in connection with the Crow Creek school, which was an agricultural high school specializing in beef cattle production. The school was closed in 1954, and in 1957 the land was declared to the General Services Administration as excess to the needs of the Bureau of Indian Affairs.

The South Dakota Department of Game, Fish, and Parks applied to the General Services Administration on June 16, 1958, for a transfer of the land to it under the act of May 19, 1948 (62 Stat. 240). That act authorizes the transfer if the property is found to be chiefly valuable for wildlife conservation purposes (other than conservation of migratory birds). The State's application was denied by the General Services Administration on the ground that the land is not chiefly valuable for wildlife conservation purposes.

The General Services Administration later offered the land for sale on the open market as surplus property, and we are informed that it has received a bid of $29,363, which is limited to 60 days from January 24, 1961.

The land is located near Fort Thompson, Buffalo County, S. Dak., within the exterior boundaries of the Crow Creek Reservation. The tracts are contiguous to each other (but not in a solid block) and are surrounded by allotted land. The tribe wants the land to lease for grazing purposes. Anticipated rentals are estimated to be about $1,200 per year. The land may also provide a limited number of homesites for some of the Indians who have been forced to move from the taking area of the Big Bend Dam.

We believe that the land should be given to the Indian tribe for grazing and homesite use, rather than sold as surplus property.

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

JOHN A. CARVER, JR.,
Assistant Secretary of the Interior.

THE JOHN BIRCH SOCIETY

Mr. McGEE. Madam President, I should like to call to the attention of the Senate an interesting book review which appeared in the May 20, 1961, issue of the New Yorker magazine. The title of the review is "The Candy Kid." It attempts to evaluate the so-called blue book of the John Birch Society.

Because of the candidness of the review, because of the broad perspective in which the blue book is assessed, I ask unanimous consent that the review be included in its entirety in the RECORD at this point.

There being no objection, the book review was ordered to be printed in the RECORD, as follows:

THE CANDY KID

(By A. J. Liebling)

In 1922, when I was 18 and it was new, I read James Elroy Flecker's play about Hassan, the confectioner of Baghdad, and it became one of my clandestine addictions, like my taste for Atkinson's Doncaster Toffee. It has a sucrose, glucose, dextrose quality, like warm spun sugar twining itself around the aorta. Hassan, its protagonist, through a chance encounter with the Caliph Haroun-al-Rachid, is removed from the humble but cozy purlieus of his shop to the world of affairs of state. At first the transposition pleases him. "For all these years I have been a humble man, of soft and kindly disposition—such a man as the world and a woman hate," says he. "But now I shall never again be the fool of my fellows." Afterward, though, failing to soften the Caliph's line on capital punishment, he is glad to retire, and withdraws from public life as a pilgrim, marching off stage singing, in chorus with the rest of the caravan, "We take the Golden Road to Samarkand."

For Hassan's sake, I was predisposed in favor of Robert H. W. Welch, Jr., founder of the John Birch Society and author of its Koran, "The Blue Book" (copyright Robert Welch, 1959). Mr. Welch had an early life much like that of my older friend. He was, before he became an author, a candymaker in Cambridge, Mass. The only other American public man I can think of with an equally mellifluent background is Adolf A. Berle, Jr., who was chairman of the board of the America Molasses Co. But whereas Hassan, squatting among his sugar kettles, used to write poetry, Mr. Welch, by his own account, read world history. And while the peppermint popped and the popsicles purred, he became so impressed by the analogies he discovered in his reading that, like Mohammed, he heard a voice saying to him, "Recite." Accordingly, he summoned a number of disciples to meet him at a hotel in Indianapolis, where there are always rooms (except during auto-race week), on December 8, 1958. "The Blue Book" is, its author explains, a record of what he said at the ensuing meeting, as fraught with consequences as a chocolate bar with peanuts. Only 11 disciples attended, leaving him one short of the conventional complement, but they represented 8 States.

It is inspiring to think of that seminal meeting, in a hotel banquet suite, perhaps named for one of the characters of James Whitcomb Riley, the Hoosier laureate—the Little Orphan Annie Room. The Wise Men from afar sit one knee over the other around the manger of the new truth, and Mr. Welch tells them:

"The Gobble-uns'll git you ef you don't watch out."

"With short breaks for coffee, for luncheons, and for brief discussions in between sections of the presentation, it required 2 whole days to set forth the background, methods, and purposes of the John Birch Society. The pages that follow are simply a transcript practically verbatim, of that presentation," Mr. Welch reports. "I personally have been studying the problem (of communism) increasingly for about 9 years," he told the original 11, "and practically full time for the past 3 years. And entirely without pride, but in simple thankfulness, let me point out that a lifetime of business experience should have made it easier for me to see the falsity of the economic theories on which communism is supposedly based, more readily, than might some scholar coming into that study from the academic cloisters; while a lifetime of interest in things academic, especially world history, should have given me an advantage over many businessmen in more rapidly seeing the sophistries in dialectric materialism."

His world history is Neo-Spenglerian, although, he concedes, "there is certainly more Welch than there is Spengler" in it, and he has contributed not a few new details. It was Darius and not Cyrus who, according to Mr. Welch, overthrew the "Neo-Babylonian civilization;" Greek colonists conquered Italy, founded Rome, and "developed Roman civilization;" and the Roman Empire of the West "started dying from the cancer of collectivism from the time Diocletian imposed on it his New Deal."

The notion of conventional historians like Rostovtzeff and Burckhardt has been that

the Roman economy hit the skids a century and a half earlier, and that Diocletian, poor man, was merely trying to pick up the pieces. One of his measures was a system of price controls, and this probably has caused Mr. Welch to confuse him with Franklin D. Roosevelt. The theory that Greece conquered Rome has not yet become dogma, either, but it may; it is in line with the discovery that the South won the Civil War after Sherman's Flight to the Sea.

"Basically, when you dig through the chaff and the dressing in Spengler enough to get at his thought, he held that a societal development which we ordinarily class as a civilization is an organic culture, which goes through a life cycle just the same as any of the individual organisms which we see whole and with which we are more familiar." Western Europe reached its high point in the second half of the 19th century, Mr. Welch holds, and is now dying of a "collectivist cancer" that has invaded us. We must excise it—a herculean task. His prose abounds in figures of speech based on cancer and cardiac afflictions, which should be impressive to a public of predominantly elderly executives. (Welch himself is 61.)

Theories, however, are less his concern than facts—his eye deciphers surface appearances as easily as it does the creme fondant within the walnut imperial. For example, he says of one nation not commonly detected: "And gentlemen, any idea that Norway is not, for all practical purposes, now in Communist hands * * * is in my opinion as unrealistic as the thought that Kwame Nkrumah of Ghana is a Democrat." (The Norwegian Storting, or Parliament, has one Communist among its 150 members.)

"Syria, Lebanon, Egypt, Libya, Tunisia, Algeria, Morocco" are places where the Communists "either already have control, however disguised, or are rapidly acquiring control." Nehru, Nasser, and Sukarno are Communists, like General Eisenhower.

"The Communists are now in complete control of Bolivia and Venezuela." The only Latin-American governments Welch endorsed in 1958 were Paraguay, Nicaragua, the Dominican Republic, and Batista's Cuba, all dictatorships. Batista has now, of course, gone down the drain—an incalculable loss to Western civilization. Hawaii, Mr. Welch revealed, was Communist through and through. Since its admission as a State, the poison has, presumably, reached our vitals.

"The whole slogan of civil rights, as used to make trouble in the South today, is an exact parallel to the slogan of agrarian reform which they (you are expected to know by this time who "they" always are) used in China." Discovering the points at which the John Birch line makes fast to those of other kindred revelations is a continual beguilement as the reader of "The Blue Book" goes along. Here it hitches with the White Supremacists. A bit farther on, declaring the Algerian war a Communist creation, it ties on to the colons.

Our troubles, however, are of our own making. "The first great break for the Communist conspiracy came in 1933, with our formal recognition of Stalin's regime. At that time the Russian government was staying alive financially from week to week by methods which, in the case of individuals, would be called check-kiting." (At the moment, as I recall, we were pretty broke ourselves. The banks stayed closed until Roosevelt got them open again, and Al Smith and the Daily News advocated recognition of the U.S.S.R. as a method of reviving us.) "Our recognition tremendously increased their prestige and credit, at home and with other nations. It saved them from financial collapse." What good it would do the Russian government, if broke, to increase its credit at home, in Russia, where nobody had any money, is one of "The Blue Book's" minor enigmas.

In Asia, where we are also out of luck, our Government prevented Chiang Kai-shek's troops from getting even ammunition, while the Russians gave the Reds tremendous stockpiles of Japanese arms. (The primary cause of the defeat of the Chinese Nationalist Army was the military aggressiveness of the Chinese Communist forces, and sound tactics, which were based on the capabilities and limitations of the Red military. Communist victory was achieved without the extensive use of modern, large-caliber weapons, motor transport or aircraft, but by sound, aggressive tactics on the ground.—Lt. Col. Robert B. Rigg, a U.S. military observer, in Red China's Fighting Hordes.)

The chief weapon of the Communists in thus maggoting the world outside our borders has been treachery, not science. They have never, for example, built an atomic bomb: Their agents had simply walked off from our plants with the necessary separate parts, which had then been assembled in Russia, and exploded whenever it best suited the Soviets' pretenses. In the light of this fact, all the pother about disarmament conferences is superfluous. All we have to do to disarm the Russians is to install a proper security system in our own plants. (When they walked off with the parts of our heavy-rocket booster, they might at least have left us the plans.)

And now that they are working up on us—they've got Hawaii already, remember, with two Red Senators on Capitol Hill—they have three possible courses. One would be, through a sufficient amount of infiltration and propaganda, to disguise communism as just another political party. When I reached this point, I peeked ahead to see which party was to be the Trojan donkey. But Mr. Welch had written, "We do not anticipate that development." Another route to the consummation of conquest would be by fomenting internal civil war in this country, and aiding the Communist side in that war with all necessary military might, as an outside power may do in say, Cuba. But he didn't anticipate that, either, although he said, "One never could tell."

The third method, "which is far more in accordance with Lenin's long-range strategy," is the "one which they are clearly relying on most heavily." This, on which they are already launched with gratifyingly fearful results, is to take over the Government by a process so gradual and insidious that they will have us in the bag before we know it. One step is to lure us deeper and deeper into the United Nations, which is a thinly disguised branch of the Soviet Government itself, "until one day we shall gradually realize that we are already just a part of a worldwide government ruled by the Kremlin, with the police-state features of that government rapidly closing in on ourselves. But another part of the plan is the conversion of the United States into a socialist nation, quite similar to Russia itself in its economy and political outlook. The best way to explain the aim here is simply to quote the directive under which some of the very largest American foundations have secretly but visibly been working for years. This directive is so to change the economic and political structure of the United States that it can be comfortably merged with Soviet Russia."

Here Mr. Welch, like Mohammed in most of the Koran, omits the source of his quotation. In the prophet's case, it is always understood to be God. At this point, with Asia gone under altogether, Europe gone under (all but Spain and Portugal), South America gone under (all but Paraguay), Africa gone under (all but the Union), us going (all but Arizona), the reader might well expect, as I did, a call to a preventive war, or at least the setting up of a force, entirely commanded by admirals called back from retirement, that would put the skulking devils in their place. This could be done in three steps. One, we stop them from snitching any more bomb parts. Two, we blockade them and starve them out. Three, we send them only stale surplus chocolate bars to eat until they say "uncle" ("dyadya"). I can imagine the 11 disciples squirming on their hotel chairs in the Claypool, hardly able to hold themselves down as they awaited the slogan cry "Out cutlasses and board."

But, Welch warns, this is the trap they planned for us. "Although our danger remains almost entirely internal, from Communist influences right in our midst and treason right in our Government, the American people are being persuaded that our danger is from the outside, is from Russian military superiority." What we have to do, then, is not spend money on defense, not pay taxes, but balance the budget at zero, stultify central government, defend States rights, stop Federal aid to education (it leads to thought control), pay no attention to talk about the horrors of war, since we won't have any arms anyway, and, above all, derecognize Russia and it will blow away. To make the juju stronger, we are to abandon foreign aid, abolish the income tax, and "win that battle, against communism, presumably, by alertness, by determination, by courage, by an energizing realization of the danger, if we can; but let's win it, even with our lives, if the time comes when we must." (Without spending money.) It sounds like a program for eating your jelly beans and having them, or ruling the skies with obsolete airplanes. It also sounds like the program of turning a back on the world devised for 17-century Japan by the Tokugawa Shogun Iyemitsu. "Don't look and it will go away" was the Tokugawa's prescription, but the outside world didn't, and when Japan looked again, centuries later, she found herself in a most humiliating position. (In the interim, 80 percent of her people had lived in fairly continuous hunger, which forced them to the regular practice of infanticide to keep the population down.) The Birch creed should, I would think, tickle the pants off any Russian official in his right mind, for its essence is unilateral disarmament through permitted obsolescence, a breakup of Federal authority, and a withdrawal from the international field.

One of the entrancing episodes of the John Birch epopee, for me, was the behavior of Maj. Gen. Edwin A. Walker, supposedly a fire-eater, who had John Birch tracts, which are essentially pacifist, passed out to his men. I wondered whether he had read them. The obsession of ubiquitous treachery, moreover, is exactly what will make a soldier soonest take off. A division convinced of the prevalence of treason all the way back to base will scatter at the first shot.

When the modern Hassan reaches the chapter of his revelation in which he discusses positive measures against the "worldwide Communist conspiracy" ("And so, let's act"), he is less impressive than when he is evoking the dangers that hedge us around. As an initial move toward breaking Marx's back, he would establish reading rooms, "somewhat similar to the Christian Science reading rooms," where the writings of Robert Welch would be available. The society's publications "should be put in barbershops, from which we obtained firm written promises to welcome these publications and keep them on the reading tables." Members of the society should listen to the broadcasts of Fulton Lewis, Jr. And everybody should write letters for worthy causes like withdrawal of recognition from Russia and the repeal of the income tax. Above all, there should be "exposure" of Communists, by publication.

"Let's make what we are talking about clearer by an illustration. There is the head of one of the great educational institutions in the East (not Harvard, incidentally) whom at least some of us believe to be a Communist. Even with a hundred thousand dollars to hire sleuths to keep him and his present contacts under constant surveillance for a while, and to retrace every detail of his past history, I doubt if we could prove it on him. But—with just $5,000 to pay for the proper amount of careful research, I believe we could get all the material needed for quite a shock. We would run in the magazine an article consisting entirely of questions to this man, which would be devastating in their implications. The question technique, when skillfully used in this way, is mean and dirty. But the Communists we are after are meaner and dirtier, and too slippery for you to put your fingers on in the ordinary way—no matter how much they look and act like prosperous members of the local Rotary Club."

The disproportion between the magnitude of the evil discovered everywhere and the insignificance of the remedies proposed makes Birchism a demoniac religion. The Birchist, like man before the invention of fire, wanders helpless among malignant forces, his only consolation inner knowledge of how terrible things are, his only protection an amulet in the form of a "blue book," his only weapon a postage stamp. His chiefest satisfaction is his conviction that his neighbor will perish, and that he will probably deserve to. "Communist" for the Birchist, the reader gathers after the first page or so of the book, means anybody who approves of paying taxes, national defense, public education, civil rights, the United Nations, labor unions, or poetry since Tennyson. There is no politician in whom Welch sees hope; even BARRY GOLDWATER is a softhearted sap. And so it is true, for him, that there are "Communists" everywhere. Socialists, in the penumbra of the weird world Welch inhabits, are Communists; Roosevelt and, save the mark, Woodrow Wilson strengthened central government, so were Socialists, so Communists. It is an ugly doctrine, which inhibits every effort to outperform our rivals, because implicit in it is the assurance that the effort will end in betrayal. Taken seriously, it could be more destructive than the nerve gas that all up-to-date chemical-warfare branches are now supposed to possess, which paralyzes the will to resist. Only this gas, instead of being carried over borders by ICB missiles, is a native product, for home consumption, like coconut bars.

THE FOLLY OF DESPAIR

Mr. McGEE. Madam President, I should like to include in the RECORD at this point a column which appears in this morning's Washington Post, from the pen of our distinguished political pundit, Walter Lippmann, entitled "The Folly of Despair." In the article Mr. Lippmann attempts to recast the troubled times of the moment in the context and perspective of recent history, instead of in the narrower confines of the setbacks and discouragements which arise occasionally from day to day.

Because of the insight it provides and the reconstitution of faith in our position in the world which it espouses, I am sure Members of the Senate have read the article with great interest, as I have; and I believe that we ought to share it with those who may see it only in the CONGRESSIONAL RECORD. I therefore ask unanimous consent that it may be included in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FOLLY OF DESPAIR

(By Walter Lippmann)

We have had a run of bad news and the time has come when we must make up our minds whether to face it and learn from it, or to shrink from it into a nervous breakdown with suicidal tendencies. There are altogether too many of us who in dismay and disappointment are ready to admit that Khrushchev is right in predicting that communism is sweeping the world and that, short of war, we have no means of stopping it.

They are like the man who, as an experienced diplomat once put it many years ago, is so worried that he will fall off the top floor of the Empire State Building that he stops the elevator and jumps out of the ninth floor window. I believe this defeatism to be profoundly mistaken and unwarranted. It is based on a misreading and a misunderstanding of what has happened since the Second World War and what is happening now. The root of the error is to equate, instead of to differentiate between, the communistic movement which owes allegiance to Moscow and Peiping and the worldwide movements of social reform and social revolution, which almost everywhere seek national independence and nonalinement with the great powers.

Mr. Khrushchev's hope and belief is that he will lead and direct all the reforming and revolutionary movements. We play right into his hands when we identify ourselves with the opponents of change rather than with the leaders of change.

For those who think that Laos and southeast Asia are gone and that like the dominoes all the Asian nations and the Pacific will go too, I should like to call attention to Egypt. It was not so many years ago—in fact it was in 1955—when we were told that Egypt and Syria and Iraq, and all the oil of the Persian Gulf, and the Suez Canal, were gone or going. Egypt had gotten arms from Czechoslovakia, it got Soviet help in building the Aswan Dam, it nationalized the Suez Canal, and all was lost.

Yet look at it now. Syria and Iraq and the Persian Gulf states are not Communist. Egypt continues to put its Communists in jail. Mr. Khrushchev has attacked Egypt publicly. President Nasser is calling a congress of the neutrals who do not take their direction from Moscow. Egypt has played a decisive part in preventing the flow of Soviet arms to the rebels in the Congo.

After Egypt and the Middle East, look at Africa, look at Guinea, which 6 months ago was written off as gone. It is not gone despite the several hundred Soviet technicians who are there. Probably it is not gone in part at least because the Soviet technicians who are there have made themselves so unpopular. In any event the chances are good that Guinea in the end will line up with the rest of independent Africa as a neutral state.

There is now a great likelihood that the whole of North Africa, all the way from Morocco to Egypt, will take a neutral line, refusing to be dominated by Moscow or to take direction from Paris or Washington.

Moreover, I do not believe that Cuba is gone, and I have a very strong impression that Mr. Khrushchev does not begin to think Cuba is as gone as, let us say, Senator SMATHERS thinks it is. For Cuba is as far from Moscow as Laos is from Washington. In time, not necessarily in a very long time, the Cuban revolution will rejoin the community of American states. It will do this because it has no other place to go.

The wave of the future is not Communist domination of the world. The wave of the future is social reform and social revolution driving toward the goal of national independence and equality of personal status. In this historical tendency, Mr. Khrushchev will be, as Mr. Alsop tells us he is supposed to have described himself, "the locomotive of history" only if we set ourselves up to be the roadblocks of history.

What is the lesson of all these experiences? At bottom the lesson is that there is, as the President said the other day, a worldwide social upheaval which the Communists did not create but which they hope to capture. If we make our own policy one of opposition to this worldwide movement of social change, we shall lose the cold war and Mr. Khrushchev's hopes will be realized. If, on the other hand, we befriend and support with active measures the movements of social change, their leaders will not submit to Moscow because they do not have to submit to Moscow. They do not wish to submit to Moscow because what they want is independence.

THE CUBAN INVASION

Mr. McGEE. Madam President, I ask unanimous consent to have printed in the RECORD at this point the lead editorial in this morning's Washington Post. It has to do with the comments recently attributed to the new chairman of the Republican Party, Representative WILLIAM E. MILLER, particularly in regard to the comments he made on the Cuban question.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TRAGIC MISTAKE

The new chairman of the Republican National Committee, Representative WILLIAM E. MILLER, has broken the unwritten political truce about Cuba with his charge that the Kennedy administration perpetrated "an American tragedy." Mr. MILLER'S specific complaint—that President Kennedy "rescinded and revoked the Eisenhower plan to have the Cuban freedom fighters protected by American air power"—happens to be true. But did this, and the announcement that no American forces would take part, constitute the ghastly mistake which Mr. Miller professes to see?

In the clarity of hindsight there were enough mistakes to fill a couple of political war chests, and perhaps in the immediate sense the failure to use American air power was one of them. Mr. Kennedy's order, it seems plain, removed whatever chance there might have been for a badly conceived plan to succeed. All questions of treaties and international opinion apart, if the plan had worked militarily—and the if is a big one—many of the misgivings might have been swept away. The United States received virtually as much blame as it would have received if it had committed its own forces.

But that argument assumes that a military operation alone in Cuba would have guaranteed the overthrow of the Communist satellite which Fidel Castro has been building. A far more persuasive argument on the other side of the case has been made by Theodore Draper in his admirable review of events in Cuba. In his article in Encounter, reprinted in the New Leader, he notes:

"The Eisenhower administration had not given the underground priority, and the Kennedy administration ruled out full-scale intervention.

"Yet, short of the Castro regime's collapse at the first blow from the outside, the invasion required a spontaneous outburst of popular support or an ever-increasing measure of American support. An invasion force which succeeded in overthrowing Castro without a demonstrative show of popular support could only have ruled Cuba in a

state of perpetual civil war or as a thinly disguised American occupation. At best, it would have postponed another outbreak of "Fidelismo" for a few months or years. At worst, it could have made Cuba into another Algeria."

What is significant is that the Republican leadership, judged by Mr. Miller's charges, evidently has concluded that there is a popular issue here in berating Mr. Kennedy for his decision not to intervene directly. And if there is to be a political debate on this point, then some further considerations ought to come into the discussion.

Mr. Draper, who himself has no illusions about the menacing nature of the regime in Cuba, reports that former Vice President Nixon, as early as April 1959, wrote a memorandum advocating the training of guerrilla forces to overthrow Castro. Mr. Nixon also is said by others to have argued within the Eisenhower administration for an invasion with the support of American ground troops, if necessary.

Yet when Mr. Kennedy, during the political campaign last fall, advocated helping anti-Castro forces inside and outside Cuba, Mr. Nixon termed the recommendation "dangerously irresponsible." He cited five treaties and the United Nations Charter in which this country has undertaken not to intervene, and he added:

"If we were to follow that recommendation (of Mr. Kennedy) we would lose all of our friends in Latin America, we would probably be condemned in the United Nations, and we probably would not accomplish our objective."

Those were the words of the Republican presidential nominee last October. If Mr. Miller is now inviting a full postmortem, it will be, indeed, instructive to have all the facts come out.

CONGRESSIONAL AND SCHOOL RECESSES

Mr. McGEE. Madam President, on Thursday, June 8, I made some brief remarks about the possibility of putting Congress on a "full time" basis with year-round sessions and that we take what recesses become available so as to coincide with the school recesses when Members of Congress can spend some time with their families.

At that time, I asked to have printed in the RECORD a petition of the Democratic Congressional Wives Forum and the Republican Congressional Wives Club which went on record as favoring a "summer recess" policy.

That petition inadvertently omitted the names of Mrs. Fred Marshall and Mrs. John M. Slack, Jr.

PUBLIC COMMUNITY COLLEGES

Mr. SMITH of Massachusetts. Madam President, the fastest growing form of higher education in my State of Massachusetts today, as well as in the United States, is the public community colleges. One began operation last fall in Pittsfield, and three more will open their doors to students next September in Boston, Haverhill, and Hyannis. They are a part of the Commonwealth's vital long-range program to make higher education available at a minimum cost to everyone in the State.

An article published in the Boston Globe on Sunday, June 11, 1961, gives an excellent account of the work which these colleges are doing.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

The Bay State's new 2-year colleges

[All opening this fall except Berkshire Community College, which opened last fall]

Name	Location	Openings	Courses offered	Yearly cost [1]
Berkshire Community College	Pittsfield	300	Liberal arts,[2] business administration,[2] electronics technology.	$200
Cape Cod Community College	Hyannis	150	Liberal arts,[2] business administration.[2]	200
Massachusetts Bay Community College.	Boston (27 Garrison St.).	300–500	Liberal arts,[2] business administration,[2] electronics technology.	200
Northern Essex Community College.	Haverhill	150	do	200

[1] Tuition only; commuting expenses, books, etc., extra.
[2] Transfer to another college after 1 or 2 years. However, some business administration courses will be "terminal" 2-year programs. (An associate in arts or associate in science degree is given for completed 2-year courses. Transferees to other colleges will continue studies for bachelor's degrees.

"COMMUTER" COLLEGES SCORE—STATE OPENING THREE IN SEPTEMBER, ANOTHER EXPANDING

(By Ian Forman)

Hard-pressed Massachusetts will create 900 new "college places" this September in one bold new stroke.

Three new 2-year community colleges are opening their doors for the first time—and a fourth is being enlarged.

Boston, Haverhill, and Hyannis are the sites of the growing chain of these State-run "commuter" colleges, whose first "pilot" institution opened successfully at Pittsfield last fall.

Already the applications are pouring in, but the rule is: It's never too late to apply, even through the summer.

This new concept in higher education, which will rapidly assume a major role in Massachusetts, aims at two things:

1. Prepare students in liberal arts and sciences so they can transfer within 1 or 2 years to a 4-year college or university.

2. Prepare other young men and women in 2-year "terminal" courses for more technical careers in business, industry, electronics technology, and other areas than high school education now affords.

Are these new colleges any good? you may ask.

Should I apply to go or, if a parent, should I encourage my youngster to go?

The best immediate answer might be to look at Pittsfield's Berkshire Community College which opened last fall.

Within only 1 year, a girl student has transferred to Middlebury and a boy to Amherst College, both with good scholarships. Another girl is switching to Connecticut this fall, and several more students will transfer to the University of Massachusetts in February.

This is an amazingly good first-year record—and a reflection on the faculty assembled—since most transfers normally will occur after the second year, which is coming up.

In addition, two students in the business-technical courses have left for well-paying jobs.

This dual nature of the Bay State's growing 2-year college system should not be forgotten; the post-high-school advanced education of top technicians and executive assistants in industry and business.

This technical-vocational role may well be the answer to supplying our "technician hungry" electronics industry—and eventually producing top assistants in areas like medicine and dentistry.

There's a big head of excitement building up at these about-to-open colleges. The pioneering spirit is helping draw qualified and inspired faculty.

And the other new colleges are drawing similar people.

For instance, Dr. John F. McKenzie, former dean of men at Boston University who is now director of Boston's Massachusetts Bay Community College, says Boston also is a magnet for college teachers.

"Boston is an attraction culturally," he said, "but just as important, its many universities give younger faculty an opportunity to study here for advanced degrees."

McKenzie, too, noted the desire of faculty to be part of a "from the ground up" pioneering effort, and adds that many top-flight secondary school teachers are looking for a chance to teach at a more advanced level.

Located at least temporarily in the former B.U. College of Practical Arts buildings at 27 Garrison Street, Back Bay, Massachusetts Bay Community College will be the State's largest, growing probably to 700 or 800 students within 2 years.

Cape Cod Community College provides opportunity for the only higher education in the cape area. Director Bartlett says, "Roughly 70 percent of our students say they couldn't have gone to college anywhere else."

It costs $200 tuition a year for all the community colleges. Many students will go through by living at home, and earning tuition and book money in the summer, he said.

Northern Essex Community College in Haverhill will be directed by Dr. Harold Bentley, formerly director of Worcester Junior College for 12 years.

Following the industry cooperation pattern at Pittsfield and Boston, Dr. Bentley is working with such local industries as Western Electric, Raytheon, and Avco in setting up his industrial technician courses.

Director Thomas E. O'Connell at Berkshire Community College has found local industry extremely helpful in providing faculty from their staffs, equipment and postgraduate job placement.

Because in its closing hours the 1961 legislature passed $750,000 to keep the program moving, against Governor Volpe's recommendation that a halt be called to review the plans.

Walter M. Taylor, executive secretary of the Massachusetts Regional Community Colleges Board, said there will be two more such colleges opened in September 1962.

Whether they'll be in places like Greenfield or the Athol-Gardner area, where interest is strong—or in larger spots like Springfield and Worcester, where interest is just stirring—no one yet knows.

ONE HUNDREDTH ANNIVERSARY OF "FIGHTING IRISH" 101ST INFANTRY REGIMENT

Mr. SMITH of Massachusetts. Madam President, this week marks the 100th anniversary of the organization of the 101st Infantry Regiment, better known as the "Fighting Irish" or "Irish 9th."

The regiment began in 1798 in Boston as the Columbian Artillery Company in an artillery regiment. Around 1850, a number of Boston Irishmen joined it and, under the leadership of Capt. Thomas Cass, turned it into one of the finest militia companies in the city.

In 1855, however, the Governor of Massachusetts announced his intention of disbanding all military companies composed of persons of foreign birth. Captain Cass surrendered the company's charter because of what he felt was a grievous insult to the good name and men of the unit and it was reformed as a civic group for literary and military purposes. I suspect they were a little more military than literary, as they did a good deal of drilling on the Boston Common.

When the Civil War broke out, prominent Irish-American citizens of Boston met to recruit a regiment. Captain Cass was selected as the colonel for the new unit and the Columbian Artillery was immediately reestablished as the "Irish 9th" Regiment.

It fought valiantly in Virginia, Pennsylvania, and Maryland in many battles ranging from Bull Run, Antietam, and Chancellorsville to Spottsylvania and finally Gettysburg. The regiment paid a high price in casualties, however, for its long and gallant record; and many of its men, including Colonel Cass, who was killed at the battle of Malvern Hill, died in the field.

Since then, the "Fighting Irish" regiment has served its country well in every war. In honor of its fine record, I am glad to say that Mayor John Collins, of Boston, has proclaimed June 11–17 as 101st Infantry Centennial Week.

VALERIAN ZORIN

Mr. PELL. Madam President, recently Dr. Peter Zenkl, former lord mayor of Prague, and the father of the prewar social security program of Czechoslovakia, wrote a most interesting editorial about Valerian Zorin which appeared in the May 27 issue of the Saturday Evening Post. I had the honor of knowing Dr. Zenkl when I was serving our Foreign Service in Czechoslovakia. Because of his anti-Communist stand, Dr. Zenkl had to flee for his life and is now living in the United States. He suffered, too, under the Nazi occupation of his homeland when he was arrested and interned.

Dr. Zenkl's editorial highlights the ludicrous spectacle of a man like Zorin donning the cloak of self-righteousness at the U.N. Zorin's nefarious activities in connection with the treacherous Communist takeover of Czechoslovakia make his conduct in the U.N. questionable to say the least.

Madam President, it is a genuine pleasure for me to ask unanimous consent that the editorial entitled "Zorin, 'Defender' of the Congo and Cuba in the U.N. Is an Old Hand at Subversion" be printed in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ZORIN, "DEFENDER" OF THE CONGO AND CUBA IN THE U.N., IS AN OLD HAND AT SUBVERSION

(By Peter Zenkl)

In the chaos which gripped the Congo Patrice Lumumba was murdered. In the United Nations debate on the Congo, Soviet spokesman Valerian Zorin accused the colonial usurpers of the treacherous murder of Lumumba.

To the uninformed, Zorin's lamentations might suggest genuine revulsion from political murder. Some of us, however, remember another February only 13 years ago. In Czechoslovakia after World War II the Communists used every available means to subvert the Government of Czechoslovakia, which still believed in coexistence. The top conspirator in this effort was Valerian Zorin, deputy minister of the U.S.S.R. and former Soviet Ambassador in Prague.

Valerian Zorin laid the groundwork for his reputation as "the gravedigger of Prague" long before the climactic events of 1948. A longtime party activist, Zorin joined the Soviet Ministry of Foreign Affairs in 1941 to become head of the department of central European matters. He formed a close relationship with Zdenek Fierlinger, the Czechoslovak quisling who was Czechoslovak Ambassador to Moscow.

Immediately after the liberation of Czechoslovakia from Nazi rule in 1945 Zorin, then Soviet Ambassador in Prague, openly supported the activities of the Czechoslovak Communist Party. In 1947, in my capacity as chairman of one of the largest non-Communist parties, I went to Zorin before he left his post in Prague to protest the violation of the treaty of noninterference—the coexistence treaty which had been signed by the Soviets in 1943. I asked him when Soviet interference in our affairs would end. His reply was, "When it will be no longer necessary."

When the Communists faced a new national election and realized that the country had turned against them, they consulted Moscow and prepared for the coup d'etat of February 1948. When arms had been distributed to loyal party members, Zorin, accompanied by five Soviet generals, suddenly reappeared in Prague. He came purportedly to supervise the delivery of Soviet wheat to the Czechs, but he made it a point to make contact with select Czechoslovak ministers.

In February 1948, a congress of the Union of Soviet Czechoslovakian Friendship celebrated the 30th anniversary of the Red army. With Zorin and all the members of the Soviet mission in Prague looking benignly on, Prime Minister Gottwald delivered an aggressive speech, including the warning that "all attempts to upset the new order and to bring back the capitalist order as it existed before Munich are the result of the plans and plots of the Western imperialists."

As soon as Czechoslovakia was safely under Soviet domination, Moscow's agents flooded Czechoslovakia. Under their direction the Czechoslovak Communists began the wholesale liquidation of their political opponents. Communist revolutionaries, trained in Moscow, were not only given the task of clearing Czechoslovakia of reactionary elements and redirecting Czechoslovak industry to serve Soviet economic purposes, but they were also given the job of teaching Communist fanatics from all parts of the globe—Africa, Asia, Latin America—so that they might further the cause of Soviet colonialism. One of the students trained in Czechoslovak Communist schools was Antoine Gizenga, Lumumba's successor as Soviet stooge in the Congo.

It is ironical that Zorin, who had so important a part in the subjection of my country to Soviet tyranny, should be taken seriously by anybody as the liberator of the Congo.

TOUR OF EUROPE BY IDAHO TEENAGE STUDENTS

Mr. CHURCH. Madam President, Idaho is proud of 14 teenagers who are touring Europe as a result of their own hard work. These youngsters worked, scraped, and planned for 2 years to materialize the dream they are now living.

What they have accomplished, and how they went about doing it, is a remarkable story, and I think it is well told in an article which appeared in the New York Times of June 3, 1961.

I am glad that I could play some small part in this project, which was to arrange a special tour of the U.S. Embassy in Paris for these resourceful youngsters.

I ask unanimous consent that the New York Times article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IDAHO TEENAGERS OFF TO SEE WORLD—14 YOUNGSTERS WORKED AND SAVED 2 YEARS FOR TRIP

(By Nan Robertson)

Fourteen teenagers from an isolated county in Idaho left New York for Europe yesterday on their first journey to the outside world.

The nine boys and five girls had worked almost 2 years to raise money for the trip. They worked in sawmills, pitched hay, baked bread, bottle-fed orphan lambs, churned butter and helped irrigate land.

The idea came from Jeane Mizer, Blaine County's school guidance counselor, who felt the children were being "almost totally shut off" from broader horizons by their geographical location and lack of funds.

Blaine County, mountainous and rural, is in a sheep- and cattle-raising area. Hailey, the largest community and county seat, has a population of 1,200. There are 3 high schools in the county, the largest with 168 students. Many of its families are poor.

At first the local people thought a European tour for their children was financially impossible. The cost of touring seven countries over a 6-week period was $1,000. But the youngsters, who range in age from 14 to 18 years old, thought differently.

Sixteen-year-old Sharon Price, of Gannett, who lives on a farm with her widowed mother and seven brothers and sisters, stone-ground her own flour from the family wheat and each week baked 50 loaves of bread and sold them to neighbors.

Elaine Cloughton, 15, of Bellevue, raised "bum" (orphan) lambs, bottle-feeding them at dawn and throughout the day. Once they were big enough, she sold them for about 16 cents a pound.

WORKED IN SAWMILL

Gary Rogers, 17, who is also from Bellevue, worked in a sawmill full time during two summers and after school. His father is a foreman there.

Each member of the group earned at least one-third of his travel expenses. The remainder came from parents, friends, or scholarship funds.

In addition to their chores, the group remained at school after classes at least one

night a week to study languages or prepare research papers on the countries they planned to visit.

Their tour of England, the Netherlands, Germany, Austria, Italy, Switzerland, and France was planned by the National Student Association, which deals primarily in international cultural projects.

While they will visit schools, factories, and farms, there are other, more romantic items on the agenda, including a gondola ride in Venice, a picnic on top of the Jungfrau in Switzerland and a trip down the Rhine.

The teenagers, groggy and red-eyed, arrived here Wednesday after the long train ride from Idaho. For many, it was their first train ride.

They spent 24 hours seeing the sights and then embarked on a jet for London. None had been on a plane before.

Fred A. Picard, of Sun Valley, who worked with Miss Mizer on the tour plans, said he hoped this pilot project would be the first of many in Blaine County and elsewhere.

"This is a dream opportunity for these kids," Mr. Picard said. "They've worked their way out of isolation and into the big, wide world."

NAVY POLARIS SUBMARINE PROGRAM—LETTERS OF INTENT

Mr. CANNON. Madam President, there has been much discussion recently in Congress about defense procurement policy. Much criticism has been directed to the high percentage of negotiated contracts that is awarded by the Department of Defense.

However, before negotiated contracts are issued there is often much defense business given out under letters of intent. This indefinite form of contractual agreement, which many Pentagon officials insist on calling letter contracts, is issued to many large and favored defense contractors.

In the New York Herald Tribune of May 21, 1961, there appeared an informative article, "Polaris May Strain Navy Contract Plan." The author, Allen M. Smythe, a reputable financial writer, points out the effort of Vice Adm. George F. Beardsley to hold down the backlog of Navy letters of intent. Included therein is a list of large Navy contractors holding letters of intent.

It would be interesting for the Senate to be informed of what our other branches of the military service are doing to control the issuance of their letters of intent because I believe it would be valuable to limit this practice as much as possible except in cases of demonstrated emergencies.

In order that my colleagues can be further informed on this important subject, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the article as it appeared in the New York Herald Tribune.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLARIS MAY STRAIN NAVY CONTRACT PLAN—TIGHTER CONTROL PUT ON LETTERS OF INTENT

(By Allen M. Smythe)

WASHINGTON, May 20.—The new administration's emphasis on an enlarged Polaris submarine program may strain the Navy contractual procedures and threatens to increase the backlog of letters of intent which has been steadily decreasing over the last 2 years.

However, Vice Adm. George F. Beardsley, Chief of Navy Materiel, said the number, dollar value, and conversion time for letters of intent must not be increased and, if possible, be further reduced.

To accomplish this he is ordering a monthly review of each letter of intent, a tighter control to issue or extend them, and a lower limitation of the fund obligations authority. These lower rates, coupled with a tight control on increasing these obligations, compel contractors to provide data for conversion into formal contracts at an earlier date.

The amount obligated under 143 present outstanding letters of intent valued at $672,437,000 represents approximately one-half of the final contract value. A high percentage both in number and value is associated with the top priority Polaris program.

Among the large defense firms now awaiting conversion negotiations are: Lockheed Aircraft, 7 valued at $71,475,000; General Electric, 7 valued at $70,382,000; Bendix, 4 valued at $44,770,000; Librascope, 6 valued at $40,569,000; Western Electric, 11 valued at $39,349,000; Convair, 3 valued at $36,144,000; Westinghouse, 6 valued at $20,365,000, and RCA, 2 valued at $18,187,000.

Electric Boat Co. and Newport News Shipbuilding Co. have both had letters of intent converted in the last 60 days to definitive contracts of over $30 million.

APPOINTMENT OF WALTER HART AND MILES STANLEY TO NATIONAL PUBLIC ADVISORY COMMITTEE ON AREA REDEVELOPMENT

Mr. BYRD of West Virginia. Madam President, I rise to express my appreciation to President Kennedy and to Secretary Luther Hodges on their selection of Mr. Walter Hart and Mr. Miles Stanley for appointment to the National Public Advisory Committee on Area Redevelopment—a committee which will concern itself mainly with the problems of unemployment in our economically distressed areas. These two gentlemen are West Virginians of exceptional merit, and I can truthfully state, from my long association and friendship with each, that they will be a credit to the committee. Both are men of keen insight, remarkable ability, and each is endowed with prodigious energy.

Mr. Hart is an editor of renown in West Virginia, and his daily column in the Dominion News, of Morgantown, "It May Interest You," has been widely read throughout my State for many years. He has been a keen observer of the daily scene, and an articulate voice in the affairs of his city and the State. He is a vigorous exponent of progress, and a tireless worker for the common man.

Mr. Stanley is president of the West Virginia AFL–CIO, and his sincere approach to the problems of both labor and management has won for him an affectionate regard by each. He was an effective member of the Douglas depressed areas committee, and, also served Gov. W. W. Barron in determining a legislative program for the revitalization of West Virginia. He is devoted to bettering the lives of working people in every possible way.

I commend their appointments as indicative of the good work which we may expect from this committee.

A NEW FRONTIER FOR MARITIME ADMINISTRATION

Mr. GRUENING. Madam President, the message of the President, received yesterday, calling for reorganization of the Federal Maritime Board and the Maritime Administration is one of the most hopeful messages to come to Alaskans since the advent of the New Frontier. It will be good news not merely for Alaska but also for our sister State Hawaii, as well as for the Commonwealth of Puerto Rico. Indeed all our outlying areas have suffered from the conditions which the President's reorganization plan seeks to rectify.

The interest of the State of Alaska in the organization, policies, and procedures of the maritime regulatory agency arises from the responsibility of that agency for regulation of water carriers in the Alaska trade.

At this moment Alaska is fighting to defeat another of the periodic rate increases for Alaska water carriers which have been habitually granted by the Maritime Board and its predecessor agencies over the years.

Almost totally dependent, as it is, upon water transportation, for its freight, Alaska has throughout its history been hobbled and hindered in its growth by the imposition of the highest water freight rates in the world.

The latest 10-percent increase in tariffs filed by Alaska carriers in December 1959, and now the subject of proceedings before the present Federal Maritime Board, represents one more round in a weary struggle in which Alaskans have, traditionally, felt their interests were cruelly ignored while the profits of carriers continue to rise. The increase now under adjudication came on top of a 15-percent increase granted by the Board in 1958. Should the present contest covering the 10-percent increase be determined in favor of the carrier Alaska would be bearing the burden of increases for water freight transportation of 26.5 percent in less than 3 years. During the last decade waterborne freight rates to Alaska have increased 56.4 percent.

The fact is the State of Alaska can never develop its great natural resources unless it can be relieved of the onerous costs of water transportation it now pays.

It has long been apparent to many that one of the roots of problems of high water transportation rates is the form of the organization established to exercise regulatory control over them. As is stated in the message of the President:

> Intermingling of regulatory and promotional functions has tended * * * to dilute responsibility and has led to serious inadequacies, particularly in the administration of regulatory functions.

This statement of the President is a reflection of my own thoughts on reorganization of the Federal Maritime Board, which I expressed in March of this year when I testified before the Merchant Marine and Fisheries Subcom-

mittee of the Senate Commerce Committee on this subject. At that time I characterized the present organizational structure of the Federal Maritime Board and the Maritime Administration as a schizophrenic malady which could be remedied only by the kind of action now recommended by the President. As I pointed out in my statement:

In theory, it would appear that the function of the Federal Maritime Board is to regulate and control rates, services, practices and agreements of oceangoing common carriers by water. However, as the current Government organization manual states, "The Federal Maritime Board and Administration foster the development and encourage the maintenance of a merchant marine." In other words, the Federal Maritime Board must promote and encourage development of the same industry it is expected to regulate.

Moreover, the schizophrenia here is intensified by the fact that the Maritime Administrator, whose clear duty is to promote the growth of the merchant marine, is also Chairman of the Federal Maritime Board that regulates operations of the very same merchant marine.

It is, therefore, virtually impossible for the same agency to both promote development of an industry and, at the same time, regulate it, if the regulating is to be of any effect, and in the public interest.

Regulation by its very terms, involves restrictions of some aspects of carrier operations. Almost inevitably, a case can be made that regulation—for example, failure to allow rate increases—inhibits growth of the industry.

With the best intentions in the world it seems impossible that the Maritime Administration can, on the one hand, work to strengthen and promote the merchant marine, and on the other hand, act to restrict it.

As noted in the Landis report, a related and important factor in the organizational problem of the Federal Maritime Board is that it is organizationally located within the Department of Commerce. While recognizing that the Board operates independently of the Secretary of Commerce (except that it is guided by policies of the Secretary in awarding subsidies) it is, nevertheless, dependent on the Department for assignment and payment of personnel, for budgetary allocations, for office space, and other housekeeping services. The effect of this relationship must tend to exert controls over the operation of the Board.

Now that the President has acted we should have an opportunity to cure the disability which has, for so long, prevented effective regulation of the water carriers.

I am extremely hopeful that, along with establishing a separate regulatory agency and a promotional agency more responsive both to the needs of the public served by the carriers and of the carriers themselves, there will develop a new spirit and attitude of public service on the part of the carriers. This has been seriously lacking in past years, but I believe it is vitally necessary that the carriers and the new regulatory agency to be established adopt an attitude of service to the public which at least matches the zeal of the carriers for improving their financial position. For the improvement of the finances of the Alaska carriers has in the past been accomplished by the extraction of ever higher rates from the public, without, in my view, adequate regard for the effects of this on the economy of Alaska or the welfare of the consumer.

Further, I am hopeful that the new organization will find dynamic, imaginative solutions not only to problems of consumers resulting from exorbitant costs of shipping, but, also, to problems of the carriers resulting from dwindling business, overage fleets and costly operations. Answers to these problems have been notably lacking over the course of the last years.

I look forward to the early implementation of Reorganization Plan No. 7, and to a progressive program of development of the American merchant marine under enlightened regulation in the public interest.

NO DOUBT WHERE PUBLIC STANDS ON KENNEDY'S MEDICAL CARE PLAN

Mr. JOHNSTON. Madam President, I wish to bring to the attention of the Senate an editorial from the Anderson Independent of Anderson, S.C., dated Monday, June 12, concerning the public support of the administration's plan to increase the benefits under the medical insurance program for the aged.

The writer of this editorial has cleared away the fog surrounding this issue and has efficiently and factually presented the case for medical insurance for the aged. The writer cites the recent Gallup poll on this issue, indicating that 67 percent of the American people favor the administration's program. This editorial very clearly points out that the best insurance against socialized medicine are programs such as the medical insurance program for the aged.

Madam President, I ask unanimous consent that this article be printed in the body of the RECORD, together with my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Independent, Anderson, S.C., June 12, 1961]

NO DOUBT WHERE PUBLIC STANDS ON KENNEDY'S MEDICAL CARE PLAN

The highly accurate Gallup poll on the issue shows a whopping 67 percent of American citizens favoring President Kennedy's plan to up the social security tax to pay for medical insurance for the aged.

Two out of three persons favor the Kennedy plan—in Anderson, in South Carolina, in Georgia, in the United States as a whole.

This view holds despite millions of dollars being spent by the American Medical Association, its State branches, and local societies, and by the insurance combines to fight the program.

If all the pressure the AMA and cohorts are putting on Congressmen could be packed into a rocket the United States could land a regiment of astronauts on the moon in one shot.

One of the chief arguments of the plan's opponents is that the younger working population will be paying the bill and doesn't stand to benefit for 20 or 30 years.

Ironically enough, the poll shows the younger working group—those 21 to 29 years of age—favor the plan by 63 percent.

In the middle bracket—30 to 49 years—67 percent want the program enacted.

Among those closest to retirement—50 years of age and older—the total is 69 percent—only 4 percent higher than the average for the two younger groups.

That knocks the props from under the AMA on that point, and serves 'em right for giving the back of their hand to the intelligence of the younger citizens in our working bracket.

Younger men and women know that they, too, will be in the old-age bracket all too soon and don't like the prospect of having savings, other insurance, and earned security income wiped out overnight by a spell of illness requiring skyrocketing medical and hospital costs.

Congressmen from this and other regions who had succumbed to the pressures and blandishments of the AMA's medical unioneers might do well to find out how the people they profess to serve view this matter—and we don't mean from the paid lobbyists, chambers of commerce, or manufacturers association spokesmen.

Insofar as the AMA and satellites are concerned, there are many doctors, high and respected in their profession, who are not fighting this plan, but they are captives of the AMA union, one of the tightest closed shops in the world. They discreetly remain silent.

Defeat of the program would be only a temporary victory. Inevitably it will be approved; in the years ahead the program will be improved upon.

Continued opposition by the AMA and fellow professional and congressional travelers to this and other programs needed in the realm of health is inviting what nobody wants if other means can be found—socialized medicine.

But if the present course is pursued, the policy of blind opposition, the medical profession is going to wake up one day socialized right up to the goozle, just as has happened in England.

Mr. MANSFIELD. Is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 4130) to lessen the impact of the termination of Federal services to the Menominee Indian Tribe of Wisconsin; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ASPINALL, Mr. HALEY, Mr. EDMONDSON, Mr. SAYLOR, and Mr. BERRY were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5000) to authorize certain construction at military installations, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

S. 847. An act to change the name of the Army and Navy Legion of Valor of the

United States of America, Inc., and for other purposes;

S. 1852. An act to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes;

H.R. 1293. An act for the relief of Djura Zelenbaba;

H.R. 1360. An act for the relief of Anna B. Prokop;

H.R. 1467. An act for the relief of Modesta Pitarch-Martin Dauphinais;

H.R. 1508. An act for the relief of Mary A. Combs;

H.R. 1523. An act for the relief of Kazimiera Marek;

H.R. 1572. An act for the relief of Mrs. Sato Yasuda;

H.R. 1578. An act for the relief of Mah Quock;

H.R. 1621. An act for the relief of Miss Kristina Voydanoff;

H.R. 1622. An act for the relief of Doctor George Berberian;

H.R. 1871. An act for the relief of Min Ja Lee;

H.R. 1873. An act for the relief of Anna Stanislawa Ziolo;

H.R. 1886. An act for the relief of Panagiotis Sotiropoulos;

H.R. 2101. An act for the relief of Evelina Scarpa;

H.R. 2107. An act for the relief of Pietro DiGregorio Bruno;

H.R. 2116. An act for the relief of Wanda Ferrara Spera;

H.R. 2141. An act for the relief of Henry Wu Chun and Arlene Wu Chun;

H.R. 2158. An act for the relief of certain aliens;

H.R. 3489. An act for the relief of Bernard Jacques Gerard Caradec;

H.R. 3846. An act for the relief of M. Sgt. Louis Benedetti, retired;

H.R. 3850. An act for the relief of Clark L. Simpson;

H.R. 4217. An act for the relief of David Tao Chung Wang;

H.R. 4219. An act for the relief of the estate of William M. Farmer;

H.R. 4282. An act for the relief of Casimir Lazarz;

H.R. 4713. An act for the relief of Robert Burns DeWitt;

S.J. Res. 65. Joint resolution designating the week of May 13–19, 1962, as Police Week and designating May 14, 1962, as Peace Officers Memorial Day; and

H.J. Res. 437. Joint resolution relating to the time for filing a report on renegotiation by the Joint Committee on Internal Revenue Taxation.

EXECUTIVE SESSION — NOMINATION OF HOWARD MORGAN TO BE A MEMBER OF THE FEDERAL POWER COMMISSION

Mr. MANSFIELD. Madam President, I move that the Senate go into executive session to consider the nomination of Howard Morgan, of Oregon, to be a member of the Federal Power Commission.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the nomination.

Mr. MANSFIELD. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is, Will the Senate advise and consent to the nomination?

Mr. SCHOEPPEL. Madam President, the nomination before the Senate is one which the White House should have withdrawn. It is one which the Committee on Commerce, without such action by the White House, should have disapproved. That neither of these events took place may be assigned to persistence of misinformation and to misplaced sentimentalism.

We are not concerned here with punishing for youthful misdeeds three decades after their event. We are not seeking to adjudicate in 1961 larceny charges made in 1937. We are not even asserting that a man who lies under one set of circumstances in 1952 is necessarily a liar about other things in 1961.

What we are concerned with is the contemporary discovery that Howard Morgan by calculated misstatement and omission sought to mislead the Senate Committee on Commerce in April and May of 1961, and that he currently arrogates to himself the right to decide whether he will or will not obey the law.

It is a misfortune that only a few members of our committee were able to attend the Morgan hearings. It is an even greater misfortune that the printed hearings, complete with exhibits, were not available in time to be studied before our committee met in executive session to consider this nomination.

The consequence is that a majority of the committee has been recorded as finding in the hearing record no impediment to Howard Morgan's service on the Federal Power Commission.

If the story of Howard Morgan's life were as he presented it to the committee, there would be no impediment.

This is what he would have us believe:

Howard Morgan worked his way through college in the construction camps of the Northwest. In 1936, when he was 22 years old, there was a fist fight between two contractors, one of whom was his employer.

After the fight had been going on for some 10 minutes, a truckdriver working for the other employer jumped on the back of Mr. Morgan's employer and began choking him. Mr. Morgan pulled the truckdriver off his employer's back so the fight could continue, as it did.

This incident did not attract much attention at the time, but later the truckdriver brought a complaint against Mr. Morgan before a justice of the peace in Wasco County, Oreg., where the fight took place.

Mr. Morgan was summoned to a hearing before the justice of the peace. He described the incident and maintained that all he had done was to protect a man from unfair and unreasonable attack.

Then the justice of the peace, who seemed more familiar with the complainant than with the law or commonsense, asked Mr. Morgan whether his employer had asked him to remove the truckdriver from his back. Mr. Morgan answered that his employer had been too busy defending himself against two attackers to hold a conference with Mr. Morgan.

Thereupon, the justice of the peace announced that Mr. Morgan should have waited for such a request and that his failure to do so would cost him $25.

The foregoing is a close paraphrase of a written description of the assault incident which Howard Morgan circulated to members of the committee.

In his oral testimony, he elaborated a bit, by explaining that the attacking contractor started the fight when he grabbed a screwdriver and attempted to stab Mr. Morgan's employer three or four times. Mr. Morgan also added that after he had removed the attacking truckdriver from his own employer's back, the truckdriver got up, with a rock in his hand, and tried two or three times to hit Mr. Morgan with it.

Continuing now with the story of Mr. Morgan, as told by Mr. Morgan:

When the summer of 1936 was over, the job on which Mr. Morgan had been employed, which involved highway surfacing in eastern Wasco County, ended; and Mr. Morgan returned to Portland, where he enrolled in night school.

His employer during the summer of 1936, Jack R. Eatch, still owed Mr. Morgan some back wages for work during a preceding winter. Mr. Morgan wanted to collect the back wages, in order to buy a tire for his automobile. When he mentioned this to his former employer, Jack R. Eatch, the latter began looking through the equipment he had brought back from the Wasco County job, to see whether he could find a tire that Mr. Morgan could use. He found a passenger car tire that was not his own, but which had somehow or other appeared in the camp at Wasco County, and had been transported back to Portland, unnoticed. Mr. Eatch offered this tire to Mr. Morgan, in lieu of a payment on his back wages, and suggested that he might trade it in at a filling station for a tire that would fit Morgan's car.

Mr. Morgan took the tire to a filling station, and traded it in. Later, the filling station proprietor found that the tire received from Mr. Morgan carried a serial number that identified it as stolen.

As a result, on February 7, 1937, Mr. Morgan was taken into custody by the Portland police, was photographed and fingerprinted, and was charged with being a fugitive from a larceny charge in Maupin, Oreg.

After being held overnight, he appeared in Portland municipal court, on the next day, and the judge ordered that he be held for Maupin. Oregon State Police picked him up, the same day, and took him to The Dalles for investigation.

While he was held there, Mr. Jack R. Eatch, who had learned of Mr. Morgan's arrest, hurried to The Dalles, explained that he had given the tire to Mr. Morgan, and arranged for reimbursement

to the service station proprietor. The police immediately released Mr. Morgan.

No formal charge was ever brought, nor was there any court procedure of any kind concerning the matter.

Howard Morgan's autobiography next finds him entering Reed College, where, in 1940, he was awarded the degree of bachelor of arts. During his senior year, he was president of the student body.

Upon his graduation from Reed College, Mr. Morgan started work with Consolidated Freightways, in Portland, and continued there until March 15, 1941.

He then became self-employed as a researchman for litigants before the Interstate Commerce Commission, making in this employment $1,500 a year.

While so self-employed, Mr. Morgan received a call from Mr. Harry Niles, then chief of police of Portland. The chief asked Morgan to come down and talk with him. He did so, and was surprised when the chief offered him a job as his administrative assistant. The chief had been given Morgan's name by Reed College.

Mr. Morgan, as he tells the tale, considered for a week or so whether to accept the offer from Chief Niles, but finally told him that he had had overtures from Joseph Eastman, and the probability was that he would shortly go to Washington, D.C., and that in the meantime he would go to Berkeley, and enter the University of California Graduate School.

Chief Niles then said that he had in his files a record on Mr. Morgan; that he had investigated the matter, and that in his judgment a miscarriage of justice had occurred. Chief Niles said there was nothing in the files that would keep Mr. Morgan from working for the Government, but they might result in some delay, and possibly embarrassment to him. The chief also said that the normal way to have the files expunged from the record was to go through a court procedure and ask that they be withdrawn everywhere that they might appear.

Mr. Morgan told the chief that he did not have the funds to do that. Chief Niles then volunteered that there was another method whereby police records on Mr. Morgan could be expunged, that the chief himself could do it, as head of the department that originated the records.

Chief Niles asked Mr. Morgan whether he had any objection to Niles' permanently expunging the record, and Mr. Morgan said "No." About 2 weeks later, Chief Niles called Mr. Morgan, and told him that he had withdrawn the records from his files, from the files of the State police at Salem, and from the FBI files in Washington.

Mr. Morgan then continued his self-employment in Portland until August 1941, at which time he entered the Graduate School of the University of California, at Berkeley.

On February 9, 1942, he became an employee, in Washington, D.C., of the Board of Investigation and Research.

Shortly thereafter, he applied for transfer to the Office of Defense Transportation. In connection with both jobs, he stated on personnel forms that he had never been arrested. In this connection, I refer to encircled question 8, at page 48 of the hearings.

On August 16, 1942, he applied for a commission in the Navy. Before it was granted, he went to work, on loan to the Navy's Bureau of Yards and Docks, and left there on November 1, 1942, to become a Navy ensign.

On his application for a Navy commission, he also stated that he had never been arrested. In this connection, I refer to the top question on the form reproduced at page 51 of the hearings.

Mr. Morgan stated to the committee that he had not recorded his arrests on his application for a Navy commission or on any of the forms 57 he had executed to obtain employment with the Federal Government in 1942, 1949, and 1952.

He did not report the arrest connected with the charge of larceny because he felt he had been wrongfully charged, and that it was something that he need not carry on his shoulders and explain for the rest of his life. He was not quite sure why he did not report his arrest on the charge of assault, but thought it likely that he had merely forgotten it.

At the end of World War II, Mr. Morgan returned to Portland, and returned to civilian life in February 1946.

His biographical statement to the committee says that after the war, he engaged in practice as a transportation consultant, and that in 1948 he purchased a large livestock ranch.

In the meantime, during 1946 or 1947, Police Chief Harry Niles, of Portland, died.

In 1948, Howard Morgan was elected to the Oregon Legislature.

Again, I should point out that the Morgan biography I am stating is derived from his own words to our committee.

While the legislature was in session in 1949, Mr. Morgan was approached by a man he had never seen before, and has not seen since, and was threatened with reprisals involving his police records if he did not vote for a slot machine bill then on the floor. This was the first inkling Mr. Morgan had that Chief Niles had not destroyed the records, as promised, but had merely put them in his desk, and that they had been found, and returned to the files after his death.

Upon being threatened, Mr. Morgan called in the newspaper reporters, and told them of the incident that had happened in 1937, and asked them to check on it, in case he should be accused.

In 1952, Mr. Morgan was elected by a narrow margin to serve as the chairman of the Democratic Party, in Oregon.

He promptly undertook a housecleaning and a renovation of his party, and in this had the help of the late Senator Richard Neuberger—formerly a distinguished Member of this body—and others. As Mr. Morgan himself has said, they made bitter enemies in both parties by the methods they chose.

In 1953, an effort was made to drive Mr. Morgan out of politics. It took the form of widespread circulation of a reproduction of a police index card, complete with fullface and profile photographs and description of the larceny charge.

Mr. Morgan realized that the card could only have come from the Portland police files; and when he checked the files, he found that the records on him had been replaced.

He was asked for a statement on the matter by the editor of the Eugene, Oreg., Register Guard. Mr. Morgan then, on November 10, 1953, wrote a letter to the editor of that paper, and transmitted with it an affidavit which he had procured from Jack R. Eatch, of Portland.

That affidavit is reproduced in full at page 39 of the hearings. I have used it as the basis of my description thus far of events connected with the so-called larceny charge.

Similar letters, with copies of the affidavit, were sent to other Oregon newspapers, including the Portland Oregonian and the Portland Journal.

Mr. Morgan continued as chairman of the Democratic Party in Oregon until July 1956. Shortly thereafter, he became a staff member of the national Stevenson-for-President campaign.

In January 1957, he was appointed public utilities commissioner, and continued to serve in that capacity until January 12, 1959, by which time Democratic Governor Robert Holmes had been succeeded by Republican Governor Mark Hatfield.

There is only one member of the Public Utilities Commission in Oregon, and the post is not subject to confirmation.

Since his retirement as public utilities commissioner, Mr. Morgan has engaged in ranching at Sisters, Oreg.

That, Madam President, is the story of Howard Morgan as he would have us know it.

Let me point out, though, that all of this was not volunteered. Some was given us only in answer to probing questions.

He did, however, volunteer the story of his heroic resistance against blackmail by slot machine interests and his explanation that Chief Harry Niles removed the Morgan records from the Portland police files.

Most of his biographical account is true, although some parts are contradicted by other facts or by what Morgan himself said at other times.

What troubles those of us who have signed the minority report is that the true parts and the false are knit together and explained by amazingly contrived rationalizations.

They are not quite believable, so that we are left with the impression that when pressed, Mr. Morgan glibly twists the truth.

On January 26, 1961, the press secretary at the White House released an announcement of the President's intention to nominate Joseph Charles Swidler, of Tennessee, and Howard Morgan, of Oregon, to positions on the Federal Power Commission.

In due course, copies of the press release were obtained for the Commerce Committee files.

There was no occasion to examine the release until the actual nominations were received, and they did not come to the Senate until March 21, shortly before the Easter recess.

The Howard Morgan nomination first came before the full committtee for hearing on April 11.

If my recollection serves correctly, I did not receive a single letter or wire about Mr. Morgan from any source between the announcement of the President's intention to nominate him and the start of his hearing.

Mr. Morgan, himself, came to my office and assured me that the industries he would be called upon to regulate had nothing to fear from him.

In response to my specific question, according to my best recollection, he denied that there was anything in his background which could subject his nomination to criticism.

In general, he made a good impression on me, but as the date for the hearing neared, I was more and more nonplused by my failure to hear anything good or bad about him in my correspondence. I directed the minority staff to make some inquiries in Oregon.

Naturally enough, we telephoned Republicans, but they referred us to Democrats for confirmation of their assertions that Howard Morgan had two noteworthy characteristics: He is careless with the truth and has frequently asserted that other people are crooks.

Oregon Republicans were particularly indignant that Morgan had appeared as a witness before the Select Committee on Improper Activities in the Labor-Management Field and had there, as they put it, "besmirched the name of our dead Governor."

They also said that Morgan had been arrested a couple of times, but that the records on the arrests could not be found.

We did not assign much importance to the statements that Morgan had been arrested at some time in the past, because there had already come to our attention a copy of the Portland Police Department index card that had been circulated throughout Oregon in 1953.

We felt we could not ignore it, but we also thought that we should ask Morgan to comment on it in private. Accordingly, it was arranged that one Senator from the majority and one from the minority of our committee would talk with Morgan in private.

This conference took place during the afternoon of April 11, which was the date of the first hearing on the Morgan nomination.

I was later informed that the two members of our committee who talked with Morgan were satisfied with his explanation of the origin of the card. They informally suggested that the matter not be pursued in open session.

That suggestion would no doubt have been followed had it not been for the fact that our suspicions were aroused by other developments.

We looked over the Portland vice inquiries conducted by the McClellan committee, and from them derived some questions which Senator SCOTT asked during the April 11 hearing.

Two of Morgan's answers were contradicted by the record of the McClellan hearings, and he was immediately confronted with that fact.

The colloquy with Senator SCOTT begins near the top of page 21 and continues through page 23 of the Morgan hearings. This experience with Mr. Morgan suggested that we make independent inquiry about Mr. Morgan's past record, and not rely exclusively upon his own statements with respect to it.

Accordingly, as we wished to proceed fairly and to avoid launching derogatory rumors through the mere fact of inquiry, we asked the chief counsel of the Commerce Committee to request that the White House make available to us whatever police records the FBI had found relating to a charge of larceny of a tire and to a charge of assault and battery.

The word came back that the request would be granted, followed by later word that there was no police record. We thereupon directed telegrams to the Oregon State Police, to the police chiefs at Portland and The Dalles, to the sheriff of Marion County, and to the marshal at Maupin.

We also contacted by telephone a retired State policeman who, we had been told, was the arresting officer in the assault case. From him we learned that FBI agents had called on him an hour before and that they had in their possession a copy of Morgan's arrest record on the assault charge.

When we asked the Washington headquarters of the FBI for copies of whatever they had found on Morgan's arrests on charges of larceny and assault, we were referred to the White House.

We persisted with our inquiries there and finally, through the chief counsel of our committee, received from the White House a copy of Portland Police Department and municipal court files relating to Morgan's arrest on the larceny charge.

The Portland documents are printed in the hearings at pages 86 through 88.

The White House gave us nothing on the assault charge, but later we received from the Oregon State Police a copy of the arrest record. See page 36 of the hearings.

We also received from the Oregon State Police a print from a microfilm record relating to the arrest made on the larceny charge. The text of this card is printed at page 43 of the hearings. It will be noted that the card states that Morgan admitted the theft.

On the same page of the hearings, it will be seen that Morgan said to Senator SCOTT that the purported admission of guilt was false. The information we received from the police chief at The Dalles, where Morgan was taken after his arrest in Portland, merely indicates that Morgan was released to State police on February 10, 1937, 2 days after his arrest in Portland.

Our search comes to a dead end at that point, as the marshal at Maupin had no record whatsoever.

Thus, we have only the State police index card to controvert Morgan's statement—at page 52 of the hearings—that, "in effect I was arrested for the purpose of investigating to find out whether I should have been arrested or not, and the investigation proved that I should not have been."

Apart from Morgan's testimony, we have nothing to show final disposition of the charge.

At the same time that we began searching police records to see whether Morgan had had any brushes with the law, we obtained from the General Services Administration Records Center at St. Louis, Mo., photostatic copies of forms 57 that Morgan had executed.

Later, we obtained the complete personnel file, and learned that, in all, Morgan had stated six times on personnel forms that he had never been arrested or summoned into court as a defendant on a criminal charge.

In addition, he made the same statement on his application for a Navy commission.

In each of the seven instances, he was under legal mandate to tell the truth, and on two occasions, he was also under oath.

The governing statute in this matter, in pertinent part, appears at page 89 of the hearings. For each offense, it permits a fine of $10,000 or imprisonment for 5 years, or both.

By the time our investigation had reached this point, we were aware that Morgan had falsified facts nine times—or certainly there was serious question as to the facts—twice to our committee and seven times in his personnel forms.

We began to think that there might be illumination in comparing what Morgan said at various times with other available records.

Accordingly, we asked Dun & Bradstreet to make a report on Morgan, with special attention to police records and to character and reputation.

We asked the Legislative Reference Service at the Library of Congress to search newspaper files, and we checked city directories for many years back. Our search yielded some curious and thought-provoking contradictions and inconsistencies.

On the basis of the hearings and the committee's files, certain conclusions are inescapable.

There is no doubt that Morgan was twice arrested and seven times falsified the fact on personnel forms.

There is no doubt that Portland Police Department records relating to the charge of larceny were removed from that department's files in 1941.

Morgan's explanation of the circumstances is hard to believe.

When we asked Robert L. Steele, the present acting chief of police of Portland, to comment on the matter, he replied:

> The circumstances concerning the removal of police files on Howard Vincent Morgan are unknown to present members of this bureau. Those persons who may have had personal knowledge of this incident in 1941 are since deceased.

There is no doubt that when Morgan hid his arrests he believed that the police files on him had been permanently destroyed. He admitted that fact in answer to a question by the Senator from Pennsylvania [Mr. SCOTT], which Senators will find at page 67 of the hearings.

On all of those points, there is no doubt.

On the other hand, there is considerable doubt or uncertainty as to whether Jack R. Eatch was Morgan's employer at the time of larceny charge, and if he was not, the affidavit he gave to explain away the larceny charge must collapse.

There are two bits of evidence:

First. Although Eatch stated himself to be a resident of Portland in 1937, he is not listed in the Portland city directory from 1936 through 1939. He first appears in the directory in 1940, where his occupation is listed as "driver."

Second. We find no instance prior to the date of Eatch's affidavit in 1953, wherein Morgan claimed Eatch as his 1936 employer. He had an opportunity to do so in 1942 when he listed his prior work experience for the Office of Defense Transportation.

This point is discussed in the memorandum printed at page 80 of the hearings, and may I say in passing that the date of execution of Form OEM–2 referred to on that page was March 8, 1942, not 1932 as there stated.

Further, there is no doubt that Morgan has deliberately sought, as I view it, to mislead the Commerce Committee as to his relations with Eatch.

Morgan did not tell us that Eatch was the man whom he said he was defending in the assault matter.

He did not volunteer to us that he was in business with Mr. Eatch in the purchase and sale of war surplus machinery from February 1946 until November 1948.

He did not tell us that he is currently in business with Eatch in the Pioneer Construction Co.

Each of these omissions, by itself, means little, but cumulatively, they fit a purpose of concealment.

Why should Morgan want to leave our committee with the impression that from 1936 until 1961 he was almost a total stranger to Eatch, and that the only relationship between them was that of employer and employee 25 years ago?

We are left to infer that Morgan himself recognized the Eatch affidavit as too pat, too nicely contrived for sober belief.

We are left to assume that Morgan himself foresaw how quickly the Eatch affidavit would become suspect if it were known that in 1946–47 Morgan was in business as a partner with Eatch and that at the time of the confirmation hearing was in business with him again.

It will be noted that I distinguish between what Morgan volunteered to us and what he said under questioning.

It is fair to do so because Morgan was kept informed by our committee's majority staff of the various documents that came to us as the investigation of his background continued. That we tried to do.

Thus, Morgan was not surprised by any questions put to him and was able to conform his answers to the documents on which our questions were based. Even so, he was left in the curious position of declaring, at page 44 of the hearing record, that the White House was wrong when it said in its January 26 press release that Morgan was then a part owner of the Pioneer Construction Co. in Portland.

The White House statement is supported by the Portland city directory, the Oregon corporation commissioner, and Dun & Bradstreet's supplemental report dated May 3, 1961. This report will be found at page 78 of the hearings.

Note, however, that by May 5, Dun & Bradstreet found it necessary to make a further report. This second supplemental report was occasioned by the fact that Mrs. Ruth Eatch of Pioneer Construction Co. phoned and asked that Dun & Bradstreet contact Pioneer's attorney to learn complete details concerning Howard Morgan's interest in Pioneer Construction Co.

This was just 3 days after the issue had been raised in our committee's examination of Howard Morgan.

The attorney, when contacted, explained that $25,000 of capital stock had been jointly subscribed in the names of Howard Morgan and Alfred Corbett and had been paid for, but that the share certificates had not yet been issued.

This statement, of course, is consistent with Morgan's claim that he used his wife's money when investing in Pioneer Construction Co., but word magic cannot erase the fact that to subscribe for shares in the name of Howard V. Morgan, Howard V. Morgan had to sign his name. He did not sign his wife's name; he did not sign as trustee; he signed simply, "Howard V. Morgan."

It is only fair to say that we checked some other information given us by Howard Morgan and found it true and absolutely accurate.

This was the case with respect to his academic record. He claimed no credits that were not officially of record. We did learn, however, that he entered Reed College as a sophomore transfer student in 1937, and did not spend 4 years there as stated in his 1949 form 57.

In his 1952 form 57, he correctly showed that he had 1 year at the University of Oregon and 3 years at Reed College, but by this time, he was claiming 1 year—interrupted by war—at the University of California Graduate School, rather than the one semester that he completed.

In his biographical statement to our committee, he did not falsely claim unearned credits, but he did use magnificent generality to describe his one semester of work at the Graduate School, University of California.

Here are his words:

> After graduate work in economics and the administrative law of utility regulation at the University of California (Berkeley), he served under the direction of the late Joseph B. Eastman in the Office of Defense Transportation during 1941–42.

That quotation leads us very naturally to his work in the Office of Defense Transportation. He was not there for the 2 years suggested by "1941–42."

He was there for less than 6 months; from February 9, 1942, until September 22, 1942.

He served only remotely under the direction of the late Joseph B. Eastman.

Actually, he worked for E. J. Buhner, Chief, Freight Operations Section, Motor Transport Division, and his job was to assist a Mr. Ray G. Atherton.

The biographical statement which Mr. Morgan furnished to our committee, and to which he said—at page 5 of the hearings—he had nothing to add, states:

> After the war (Morgan) engaged in practice as transportation consultant, and in 1948 purchased a large livestock ranch.

Actually, Morgan was merely a voluntary consultant in transportation to the Oregon State Grange beginning in November 1948.

His gainful occupation after the war, from February 1946 until November 1948, was the purchase and sale of war surplus heavy construction machinery. In this connection, I refer Senators to the minority staff memorandum appearing at page 82 of the hearings. All the details are there.

Mr. President, I could continue in this vein for some time, but I think by now I have made what I consider to be my point.

Howard Morgan, in the most charitable view, did not try very hard to give us the enlightenment we thought should be given to our committee.

When cornered on some matter that he had had occasion to explain before, he glibly hauled out the story he had used before.

On new disclosures, he was a little evasive. For example, when confronted with the Oregon State Police record with its recital of an admission of guilt, he declared the statement false and added that police often put "little comments like that in their records."

He was obviously inventing as he went along when he excused his failure to declare his interest in Pioneer Construction Co. by saying that only his wife's money was involved.

The majority report, mistakenly, as I see it, urges that the nominee had reasonable grounds to believe that he should forget about the larceny charge and that his belief that the records would never come to light excused his failure to mention his arrest.

That theory is answered at page 15 in the minority views, which I urge Senators to read. Of particular significance, it seems to me, is Morgan's effort to persuade newspapers to print his version of the larceny charge.

As the minority views point out, he could have taken his key witness into court to testify in an action to expunge the assertedly erroneous police record. Instead of trying the substantive issue in court, he tried it in the newspapers.

He had used the same technique in dealing with this committee, but as he tells the story, he gave information to only one columnist, who insisted on writing about it, but was able to persuade three other newspapermen not to do so.

There may be those who would look tolerantly on Howard Morgan's tendency to write and talk about himself in terms so favorable as to skirt the edge of truth, and who would dismiss his overstatement of his experience and abilities as mere "puffing."

That view might be acceptable if he were applying for a selling job, in which exaggeration might be useful and expected.

The position Mr. Morgan is seeking is not that of selling overpriced trifles through overstatement, but of wielding vast power over our Nation's resources, and involving many people.

He asks our confirmation to membership on a commission whose acts can determine whether businesses succeed or fail and whether gas and electricity will be available on demand to meet consumer needs. If his nomination is confirmed, he will be expected to come before our committee and tell us of the problems confronting his agency and to comment on legislative proposals.

How much faith can we place in his word?

When we have found him so willing, by his own admission, to avoid speaking bluntly and frankly to save himself embarrassment, how much trust can we put in him? Sometimes I find myself asking the same question.

I have regretfully concluded that we would do best not to trust him at all in those circumstances.

As I said at the outset of my remarks, we are not here trying to pile new punishment on Howard Morgan for misdeeds in his youth. What we are trying to do is to measure the 1961 Howard Morgan against the standard of excellence which I think should be and must be required for confirmation to membership on the Federal Power Commission.

Measured by that standard, I think Howard Morgan fails. Fourflushing and reluctance to tell the truth, as I see it, are disqualifying. I shall, therefore, vote against confirmation of the nomination of Howard Morgan. He is not the caliber of one whose nomination I would vote to confirm. Naturally I hope that other Senators will examine the record made before the committee, and the views that I have tried to present to the Senate, as my duty impels me to do, and arrive at their own judgments with respect to the nomination.

Mr. SCOTT. Madam President, I rise in opposition to confirmation of the nomination of Howard Morgan. I was present during the testimony, and I am aware of the views of the minority and the majority.

The confirmation of two nominations is pending today before the Senate. I believe it should be made perfectly clear that nothing which I have to say turns on any difference of opinion or ideological variance as between the two nominees and my own views. The President is entitled to nominate and to send to the Senate for confirmation the name of anyone who he thinks is capable and competent to perform the duties of the office. The President is also entitled to select persons whose views are in consonance with his own, no matter how different they may be from those of Senators, including myself.

That I am not concerned about ideological differences is evidenced in the fact that both of the recommended appointees to the Federal Power Commission, Mr. Swidler and Mr. Morgan, are what are known generally as public power advocates. I respect their position, which has much support in many parts of the country. I do not agree with it, because I do not like to see the money of my Pennsylvania constituents voted out of their pockets regularly in order to permit the constituents of Senators in other States to light their houses and heat their homes with subsidies afforded to them through taxes paid by my Commonwealth.

Therefore, the entire public power theory to my mind is a tax redistribution proposal whereby Pennsylvanians would pay their own fuel bills and also pay a substantial part, through taxes, of the fuel bills of persons enjoying the privilege of low-cost public power in other parts of the country. My own views are in support of those expressed by President Eisenhower on the partnership theory, which recognizes that there is a place in the underdeveloped or less developed parts of our country for public power, though there are far fewer now than formerly. There is also a place for private power, and the partnership theory seems to me to make sense.

Both Mr. Swidler and Mr. Morgan hold public power theories. I am not opposed to the nomination of Mr. Swidler, and I shall vote to support confirmation of his nomination for the reasons I have stated. The President is entitled to nominate a man with whose views he agrees. The President is also entitled to present to the Senate the name of Mr. Morgan on the basis that he agrees with his views.

But it is not Mr. Morgan's capacity to do the job which is fundamentally at issue, although his competence appears to have been grossly overstated, and in the testimony he admitted that while it is known about 90 percent of the business of the Federal Power Commission concerns natural gas, he had very little experience in natural gas cases as a public power commissioner of Oregon.

The question is whether or not Howard Morgan is a liar and a perjurer. The question is whether or not, on six different occasions, Howard Morgan deliberately, consciously, and intentionally withheld information about two previous arrests for the purpose of advancing his own career. The question here is whether the nomination of Howard Morgan, an admitted perjurer and liar, and admittedly subject, by his own estimate of his own guilt, to admonition or condemnation, should be confirmed.

We had the benefit of a message from the President of the United States, which stated the criteria which the President believes should be adhered to in selecting persons to hold public office. There was some question about that point in the Meriwether case. I voted against confirmation of the nomination of Mr. Meriwether, because the Alabama Ku Klux Klan was altogether too cozy with Mr. Meriwether. But he is now appointed. The Senate acted. We must now live with Mr. Meriwether, as the President must live with Governor Patterson and others who were and are Meriwether's friends.

The President will also have to live with Howard Morgan if the Senate confirms his nomination notwithstanding the evidences of his perjury. This is what the President himself said in his message of April 27, which was sent to us not very long before the name of Howard Morgan was sent to us. The President said:

> Ultimately, high ethical standards can be maintained only if the leaders of government provide a personal example of dedication to the public service—and exercise their leadership to develop in all government employees an increasing sensitivity to the ethical and moral conditions imposed by public service.

The President, later on, quite rightly said this:

> No President can excuse or pardon the slightest deviation from irreproachable standards of behavior on the part of any member of the executive branch.

Yet it will be argued here by those who support Mr. Morgan's nomination that that is exactly what he has done. The fact that the President keeps the nomination before the Senate would indicate that he, too, approves of Howard Morgan, who, by his own testimony and by his own admissions in the hearings, does not come within the President's own criteria for the holding of public office in the executive branch because, indeed, there was more than a slight deviation from irreproachable standards of behavior.

For example, Mr. Morgan was asked whether he thought his own conduct was proper. Mr. Morgan answered, at page 67 of the hearings:

> I think that I can be and probably should be reprimanded or admonished for an infraction of the rules. * * * I think that in this case while what I did was something I cannot defend as absolutely right it was not seriously damaging to anyone and I would not have done it if it had been.

What Mr. Morgan is saying is that if he sees fit to lie six times in connection with applications for government official employment, or to secure a commission as an officer in the U.S. Navy, it does not hurt anyone. What Mr. Morgan is saying is that if his nomination is confirmed as a member of the Federal Power Commission, as a known perjurer, it does not hurt anyone, that he must come before Congress and must submit his opinions which affect the rights of all Americans, and submit them as one who has admittedly lied about his early record.

I do not agree that that cannot and does not affect anyone or hurt anyone. As a matter of fact, Mr. Morgan has participated in several dubious proceedings. I know that those who say "Confirm Mr. Morgan's nomination" are doing their duty and are acting from the highest motives and convictions, and believe that these are very minor charges. I respect their views. Much will be said here about these being youthful offenses, which any one of us could have committed. Indeed, we might have. So far as I am concerned, I will not admit whether I, too, might not properly have been at times arrested for assault and battery, because hotheaded young men under certain circumstances will take a poke at someone else. The fact that I do not have a criminal record of that kind may be purely an accident and simply because under the circumstances where

I might have engaged in such youthful offenses there were no policemen present. Therefore, I do not want it said that I am speaking in opposition to the confirmation of Howard Morgan because he got into a fight, even though the circumstances of that fight became known to us only through his own interpretation of the incident.

No, it is not important that he was engaged in an assault and battery and that he was fined $25. It is little more important that the records of Wasco County show that he admitted the theft of a tire, even though much effort is being made by the Howard Morgan supporters to indicate that that did not happen either. But the records show it did happen. That admission appeared in the hearings. He said that the theft was a minor one, and that actually he did not know the tire was stolen, that his boss had given it to him. On the other hand, the Wasco County affidavit shows that Howard Morgan admitted the theft of the tire. He did not reveal that fact to the committee. It was brought out by cross-examination. The affidavit exculpating him was signed by his business partner. He did not tell us. It was his business partner who signed the affidavit.

It may not be important that he knew that the records of the stolen tire incident had been removed improperly from the files by his friend, the police chief. It may not even be important that Mr. Morgan admitted that he knew there were no records when he concealed the fact that he had been arrested. It may not be important that that gave Mr. Morgan a sense of security, because he thought if his friend had taken the records out of the files they could not be found, and that if he lied no one would ever know he had lied. It may not be important that these things have happened. It may also be true that these offenses occurred in his youth, in his early twenties.

However, Madam President, the Senator from Kansas [Mr. SCHOEPPEL] and others who have stated their opposition, and who will state their opposition, are not basing their opposition upon the basis of youthful offenses. We are not basing our opposition on the fact that Howard Morgan was involved in an assault and battery or in an alleged tire theft, and that he may or may not have been guilty of those offenses, and that, in fact, those offenses, had they been revealed, would not be here regarded in all probability as a reason to oppose the confirmation. No; we are not here to take advantage of a young man's misfortunes or youthful aberrations or minor misdoings.

What we object to is what happened when he was between 28 and 38 years of age; not when he was a mere youth, as those who support him will say, but when he was between the ages of 28 and 38, when on six different occasions he violated the law of the land and committed an offense which was punishable as I shall read, in order to advance the career of Howard Morgan as an officer of the U.S. Navy, and to advance the career of Howard Morgan as a Government appointee and Government employee; that this occurred at a time when he was perfectly capable of knowing the difference between right and wrong; that he concealed the interest of Howard Morgan, not his responsibility as a citizen of the United States or an officer of the American Government. On these six occasions, as fully set out in these hearings, every time he was asked:

> Have you ever been arrested or convicted since you were 16; have you ever in your life been arrested or convicted; have you ever in your life been arrested and convicted and fined for any criminal offense or for any offense whatsoever?

Howard Morgan said, "No; I have not."

Now the President asks us to ignore this; it is not important that a man would lie; it is not important that he would perjure himself six times; it is not important that such a person ought to be supported because his views happen to be those of the public power advocates. No; we are asked to forget all that. What is the law? We in Congress are supposed to be amenable to the law. Let us question ourselves. As some Senators said, "Question yourselves. Could you have committed these offenses?" The answer is, "Under certain circumstances, yes"; or "We could have been involved as Morgan was involved in them."

But a more difficult question was not asked: Could you, under the same circumstances Morgan faced, have lied six times in your endeavor to advance your career to the point where you became a Senator of the United States? I do not believe any Senator could say that he would have done so; that he would have concealed arrests from his constituents; that he would have lied about these particular involvements, to advance his career in the Senate of the United States.

Nevertheless, Senators are asked to name to one of the highest independent agencies in the Government, the Federal Power Commission, a man who did that which they cannot condone. Here is the law as it appears found in title 18, United States Code, section 1001:

> Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than $10,000 or imprisoned not more than 5 years, or both (18 U.S.C. 1001).

Howard Morgan's transgressions made him subject to indictment and trial and, if convicted, subject to punishment of a fine of not more than $10,000 or imprisonment for not more than 5 years, or both. The fact that he can be so punished appeared on the face of some of the statements and affidavits which he made; therefore, he cannot possibly avoid saying he did not know of them.

But some will say, I suppose, "This is just another law; it does not mean anything. Other people have done it. Nobody gets prosecuted."

Oh, no, Madam President. On the contrary, there have been a number of proceedings in the Department of Justice to condemn people who did not have powerful friends. This is a case of the double standard, the case of a man who has friends, the case of a man who has influence. But if one does not have friends or influence in this country; if he does not have behind him people who will push him for public office, perjurer or not, this is not what will happen to him.

It was held that this statute is applicable, even though the charges which resulted in the arrests are dismissed, and the statute is applicable even though the arrests may be irrelevant to the applicant's fitness for a Government position. That was decided in *United States* v. *DeLorenzo*, decided August 13, 1945, 151 Federal 2d 122. DeLorenzo was convicted under the statute for failing to list 4 arrests on a form 57 filed in connection with 11 or 12 days of service as a labor member of a dispute panel of the New York Regional War Labor Board. The charges against him had been dismissed after each arrest.

Furthermore, the statute is frequently and routinely invoked. Records of the Civil Service Commission show that last year alone 53 cases of false statements on form 57's were referred to the Department of Justice for action.

In addition to the criminal penalties provided by the statute, the Civil Service is empowered to invoke administrative penalties for false statements on employment applications. These penalties have included removal of the individual from his position and barring him from Federal employment for a period of from 1 to 3 years.

The minority views state:

> We cannot sanction a double standard. Mr. Morgan's omissions must be judged in the light of the law. At least as rigid, if not a more rigid standard of integrity and honesty should apply to those selected for membership on a key regulatory commission than to applicants for ordinary Government jobs.
>
> Nor, in our opinion, is the impact of these incidents mitigated in any way by Mr. Morgan's testimony that at the time he filled out the various forms he believed he had been improperly arrested and that the police records relating to him had been removed from the files and destroyed.

Mr. Morgan knew very well they had been destroyed. The minority views continue:

> This would seem to indicate that Mr. Morgan felt himself safe from discovery in failing to disclose these arrests.
>
> Furthermore, Mr. Morgan's propensity for concealment did not end in 1952, the date of his last form 57. The testimony before the committee reveals additional incidents which involve something less than full disclosure.
>
> First, Mr. Morgan did not tell the White House about one of his arrests nor about his concealment of them on personnel forms until after his confirmation hearing had started.

He did not tell the White House of his relationship to Mr. Eatch, the man who made the affidavit which appeared to exculpate Morgan of the assault and battery charge.

In answer to a question of mine, Mr. Morgan said he appeared before the McClellan committee under subpena. I called his attention to the fact that that statement was not accurate, by confronting him with the published record of the committee's hearing report, in which he said:

I am a voluntary witness who was subpenaed at my own request.

My point is that Mr. Morgan does not lie merely on applications, but lies naturally, and therefore is not worthy of the trust of the U.S. Senate and the people of the country.

The minority views continue:

In the face of all these facts, we cannot believe that Howard Morgan measures up to standards set by the President or to acceptable standards for service on the Federal Power Commission, an agency with vast regulatory power over our national resources. His nomination is not consonant with the standards set by the President in his specific message to Congress on integrity in the Government service.

The report of the majority makes light of this whole thing. The report adds things which never occurred in the testimony. The report adds items which are from outside the hearings. I shall refer to them.

The report of the majority suggests that some other member of the "unusually rough and tough group who had the reputation of fighting and stealing could have stolen the tire."

That statement is, of course, after the event, and was not brought out at the hearings. Had that statement been made during the hearings, the committee would have had an opportunity to check its truth.

Another item:

As late as February of this year, Mr. Eatch—

Morgan's partner, the man who made the affidavit to exculpate Morgan—

reiterated the statement, and your committee gives it full faith and credit.

No one who appeared before the committee had talked with Mr. Eatch at any time, except the nominee himself.

It ought to be noted here that we take the record strictly on what Howard Morgan, an admitted perjurer, says happened, because there was never any corroborating evidence by Eatch or anyone else as to the concealment of records. There was never any affidavit made by anyone else as to what happened concerning either of those offenses.

As I have said, Mr. Morgan himself feels that some punishment should be meted out to him. But he wants to be a public member of the Federal Power Commission, so he does not feel the punishment should be too severe. Mr. Morgan feels he should be a member of the Federal Power Commission, but it would be all right to taint his record before he starts to serve by quoting his statement:

I think that I can be and probably should be reprimanded or admonished for an infraction of the rules * * * while what I did was something I cannot defend as absolutely right, it was not seriously damaging to anyone.

This follows the Morgan theory of one law for the influential, and another law for the little fellow who knows nobody.

Serious damage is done public morality when falsehood is rewarded.

The majority report of the committee does not feel that the removal of its records from the arrest file was any more than a mistake all around, and ought to be forgotten. The majority of the Committee on Commerce says, in effect, "Forget the whole thing. It does not matter very much." But Morgan himself does not go that far. Morgan says, at page 67 of the hearings, concerning this mysteriously removed file:

Merely removing the record does not remove the incident and I do not feel that this justified me in ignoring the matter when I filled out form 57's.

I said to Mr. Morgan:

But, Mr. Morgan, when you did fill out these three forms and denied that you had even been arrested you were at that time under the impression, were you not, that these things had been removed from the record by a police chief and therefore they could not be discovered and brought up against you, isn't that true, factually, even though you say that wasn't your motivation?

Mr. MORGAN. You can say that, yes, sir, but that was not the motivation."

Senator SCOTT. May I ask you one other question?

Mr. MORGAN. Yes, sir.

Senator SCOTT. And that is, Do you feel that what you did represented some deviation from, let us say, irreproachable standards of behavior?

Mr. MORGAN. I think that I can be and probably should be reprimanded or admonished for an infraction of the rules. There is no question about it.

So the nominee would, if his nomination were confirmed, be a member of the Federal Power Commission, following whose name there should be set forth, in parentheses, "a man who ought to be admonished and reprimanded." But the executive branch of the Government is willing to place him in judgment over others.

So, Mr. President, it is proposed that without regard to the Federal laws against crimes and the Federal legal provisions for punishment, the Senate should vote to put above others a perjurer who admits that he himself should be admonished and reprimanded. It is proposed that the Senate of the United States give him a coat of whitewash, and then join in saying, "Mr. Morgan committed a lot of offenses. He lied six times. All this makes him a good member of the Federal Power Commission."

Mr. Morgan further stated as follows:

But I have served as a decision-making official and handed out punishment for violation of rules to businessmen and I think they and I or anyone else who violates a rule is entitled to reasonableness in viewing what was done, by what sort of person it was done, by how much the public interest was damaged, if at all. I think that in this case while what I did was something I cannot defend as absolutely right it was not seriously damaging to anyone and I would not have done it if it had been.

Mr. Morgan's attention was called to a case under a former administration, when a nomination was sent to the Senate; and the committee, in righteous indignation, refused to recommend confirmation of the nomination to another post, and took that position on the ground that the nominee had overstated his educational qualifications; that committee of the U.S. Senate, in which the majority at that time constituted about the same number as the present majority in the Senate, said:

We cannot recommend confirmation of the nomination of the one the President has nominated, because the nominee said he had a college degree and college credits which he did not have, and said he earned $500 in salary more than he actually did earn. All that is horrible, and we cannot recommend confirmation of his nomination.

Subsequently the nomination was withdrawn by the President, evidently because the President felt that because the Senate felt as it did, because of the untrue statements, the nomination should be withdrawn.

But now the present administration says, "Oh, what the nominee did was terrible," and Mr. Morgan said about the other man, when asked about him, that he read the transcript, and that the man added to his record 47 units of study which he had not received, and listed a university degree which he had not received—all of which, Mr. Morgan said self-righteously, the man did not have; and Mr. Morgan said he did not have a law degree, either, and that he was thrown out of law school, and that the statements made by the other man were falsifications which he made on form 57, and that far from being, in reality, only a possible source of delay, they were absolutely crucial to actual appointment to the position sought.

So Mr. Morgan would have denied confirmation of the nomination to a man who did not give all the information about his educational background; but Mr. Morgan, who lied six times about his criminal arrests and about the outcome of those arrests, feels that his nomination should be confirmed, although he believes that what he did is not to be condoned; but he believes that a man who merely said he earned $500 more in 1 year than he actually did, and who did not have the college credits he listed, is a horrible person, and that his nomination should not be confirmed.

Mr. Morgan was asked why he concealed from the President the facts about the assault case. There was a long line of questioning about it, and he was asked by the Senator from Kansas [Mr. SCHOEPPEL] in general about the assault matter. In that connection, I now read from the hearing:

Mr. MORGAN. I want to make it very clear that while I cannot recall with accuracy what my feelings may have been about the so-called assault case, I think it is extremely probable that I did not remember that on any of those occasions.

He said he did not remember the assault and battery. If he had stopped his statement there, he would have convinced us, because I cannot remember every fist fight I had, either. But he

went on and gilded the lily, and again proved himself unworthy of belief. He said:

I don't make that as a claim because I cannot remember with precision. My memory is good enough so that I know when I remember and I know when I don't, and in this case I do not remember. But I think the probability is that I had forgotten it.

Certainly that was the case a few weeks ago when I made every effort to think of everything the President ought to know before allowing my nomination to go forward.

The matter which I have chosen to ignore—

He himself said, "I have chosen to ignore"—

is the other matter and I agree with you, it has put me under heavy obligation, both to explain my reasons for so doing and also to conduct my life and my affairs in such manner as to justify the liberties I have taken, and this, sir, I have done.

At another point Mr. Morgan explained why he did not remember, by saying that that is a very convenient habit of his, which he would call "a forgettery," about which he said that at times, when things are unpleasant or embarrassing, he does not choose to remember. All that is to be found in the hearings.

In order to find out what would happen if Mr. Morgan were now being considered for a job in private industry—because Mr. Morgan spoke with some pride about how he used to punish businessmen; and, incidentally, I noticed that he referred to businessmen as if they were a special breed of cat with whom he felt warranted in dealing on the basis of crime and punishment, and Mr. Morgan pointed out that he has punished businessmen—I asked a bonding company what it would do if it had before it, for employment in private industry, a man who had the record of Mr. Morgan. I did not state Mr. Morgan's name. I did not tell the bonding company that a Senate confirmation proceeding was involved. In fact, I, myself, did not write the letter; but I had the assistant chief counsel of the Senate Committee on Interstate Commerce write to the president of the Maryland Casualty Co., by that means trying to find out what position the bonding company would take in regard to a man like Mr. Morgan, because at the very least Mr. Morgan should have the qualifications required for such a businessman or for businessmen—about whom Mr. Morgan thinks so poorly.

I now read the letter and, Mr. President, I ask unanimous consent that the letter and the reply thereto, but not the attachments, be printed in the CONGRESSIONAL RECORD immediately following my remarks.

MAY 26, 1961.

Mr. ELLSWORTH MILLER,
President, Maryland Casualty Co.,
Baltimore, Md.

DEAR MR. MILLER: In connection with a matter pending in our committee, I have been directed to ascertain how your company would react to an application for bonding of a top executive whose background contained this information:

1. Arrested in 1937 at age of 22 on fugitive charge and turned over to other police in the same State for investigation of theft of a tire and some cans of lubricating oil. Available records do not show final disposition of charge, but applicant says there was no prosecution. A police index card made contemporaneously states he admitted the theft.

2. Arrested in 1936 for assault. Fined $25 and $17.50 costs.

3. In 1942, 1949, and 1952 filled out a total of seven Government forms, and in answer to question whether he had ever been arrested or summoned into court on a criminal charge, said "No." (Penalty for false answers can be not more than $10,000 or 5 years or both.)

4. In his 1961 job application, misstated his record of previous employment so as to exclude his 1946–47 and his present business association with a man who was a participant in the fight leading to the fine for assault and who, in 1953, made an affidavit stating that the applicant came into possession of the stolen tire innocently.

I would very much like to have your answer by June 1, if you can be so prompt.

Sincerely,

JOHN M. MCELROY,
Assistant Chief Counsel.

Here is the answer:

MAY 31, 1961.

DEAR MR. MCELROY: Your letter of May 26, 1961, addressed to Mr. Ellsworth Miller, president, Maryland Casualty Co., has been referred to me for reply.

It is not possible to give a categorical answer to the question of whether or not we would bond a man whose past record revealed the facts set forth in the four numbered paragraphs of your letter. While the record as stated would certainly cause us to view the applicant with suspicion, it does not automatically follow that we would refuse to bond him.

Many cases come before us similar to the one you have presented. The final disposition in each instance is determined by our investigation and assessment of the facts as we see them. We have, for instance, bonded a youthful parolee in a minor position with a stock brokerage firm on recommendation of a police commissioner who convinced us that there were extenuating circumstances in the case. On the other hand, we have refused to bond a paroled murderer, not so much because of the particular crime as because the applicant was to be employed as a bank messenger.

In the instant case the theft was a youthful crime which occurred some 24 years ago. The assault charge goes back to 1936 and does not of itself prove dishonesty of character, although it may well indicate emotional instability. As underwriters we might overlook these early indiscretions, provided there was evidence of a subsequent good record.

I am asking the Senate of the United States to say whether its standards are higher than those of the Maryland Casualty Co.

The subsequent record in this case, of course, is considerably marred by the misrepresentation of facts in 1942, 1949, 1952, and 1961. We would regard the misrepresentations referred to in your paragraph No. 43 and the omission of his present business association as the most serious in that they appear to have been deliberate and hardly to be attributed to oversight or a lapse of memory. The gap in the employment record for the period 1946–47 is a type of omission which we find to be very common in our investigation work. Such omissions may or may not be intentional. Frequently an individual does not have records or cannot establish exact dates of employment from memory as far back as 15 years, particularly if he has changed jobs often or has had intervening periods of unemployment. Ordinarily, we insist on a complete accounting of time only for the latest 5-year period. On the other hand, if we knew of such a gap in the record as appears here, we would want to question the applicant intensively about it.

So I should like to assure the Senate I am doing exactly what the Maryland Casualty Co. would do in a similar situation.

We regard the declination of an application or the cancellation of an existing bond as a most serious matter, and final action is taken only after considerable deliberation by our underwriters.

Here is the strong point of this letter, which I hope Senators will carefully note:

While there would be a strong presumption against the applicant to whom you refer, there are many questions which an underwriter could ask before coming to a final decision. What, for instance, are the duties and responsibilities of the "top executive" position to be occupied by the applicant? For what amount is he to be bonded? What are the opportunities for collusion with other employees? What system of internal controls exists and how frequently and by whom are audits made?

I think that is a very good one. What check would we have on this man afterward if his appointment is confirmed for a term of years? He can run rampant after his nomination is confirmed.

Is the applicant in a position to furnish collateral or third party indemnity, etc.?

He furnished no collateral in testifying before us, but he is offered third party indemnity if the U.S. Senate should confirm his nomination, because he then goes home with the seal of the U.S. Senate.

Howard Morgan, perjurer, confirmed by the U.S. Senate for high office.

Do that if you will, I say to Senators, but you will do it without me, and you will do it without some of the rest of us who listened to some of the high-sounding statements made during the last 8 years that the Senate would not confirm the nomination of anybody who did not tell the truth; who listened to all the stories about integrity in public office; who listened when other nominations came up and were opposed; who listened to the matter of the confirmation of the nomination of one for a Cabinet office whose confirmation was defeated because some Senators felt he was not entirely candid. They said, as I found when I looked up the record, that he was not entirely candid. I say that was not the case. That particular man was fully candid, and a great public servant, and a man who did more than any other man to preserve for the United States its progress in the development of the nuclear bomb, whose nomination was refused confirmation because Senators said he was not entirely candid.

I say to Senators, you do not have that worry here. You do not have to say Howard Morgan was not entirely candid. I will straighten that out for you. He was not. He lied six times. So if Senators are worried about confirming the nomination of someone who is not entirely candid, they have a standard to which to repair, they have an

analogy, they have a parallel, they have history to follow. Some Senators may be able to swallow some of these inconsistencies, but I cannot. I go on with the letter:

Because the material seems pertinent to your inquiry, I am taking the liberty of attaching copies of a bulletin of the Association of Casualty & Surety Companies, dated August 29, 1957, and an article reprinted from Federal Probation, December 1957 issue. I believe that these enclosures, although dealing specifically with convicted persons, probationers, and parolees, reflect the general attitude of surety companies toward problems of the type to which you have referred.

Mr. President, I do not ask to have the attachments to these letters printed in the RECORD, although I will make them available to any Member of the Senate. They are not pertinent to this case, but they are available if anyone wishes to assure himself of their effect.

Finally, in conclusion—which are the finest words any Senator can utter—I am opposed to the nomination of Howard Morgan. I am opposed to him not because of any crime he committed, but I am opposed to him because he lied about those criminal charges. As a Reserve officer in the U.S. Navy, I am opposed to him, as you are, Mr. President (Mr. PELL in the chair), because I do not like to think of fellow naval officers who obtained their distinction by lying about previous arrests they may have suffered.

I am opposed to him because I do not think he is worthy of the confidence of the Senate or of the people of the United States.

I am opposed to him because the President of the United States has asked us to hold high the standard of integrity, to regard such a standard as important, and to expect of every public official complete devotion to his duties and integrity in public office.

The President has set the standard, and I agree with him. The Senate knows its duty in this particular period. The Senate's decision will be final, but some Senators may not have had the privilege or opportunity of hearing what the Senator from Kansas [Mr. SCHOEPPEL] and I have said, and may ask their colleagues, "What is this?" and may be told, "It is the Morgan matter." Then they will ask "The President wants it?" Some Senators will say, "Yes, he wants it," and they will say, "OK."

There is more to it than that, Mr. President. There is more to it than having Senators saunter into this Chamber and say, "I vote 'yea' on the confirmation of the nomination of this man."

Once the nomination of this man is confirmed, a new low standard will be set for public office. Once the nomination is confirmed, the Senate will have said to the President and to the public, "It does not matter if he violates a law, on the basis of which he could have been fined $10,000 and sent to jail for 5 years. It does not matter that he lied. It does not matter that he admits himself he lied. It does not matter that he admits himself he is deserving of punishment. None of these things matter. All we care about is ideology. He has a different point of view on power than some other people have, and people would think we were against public power if we did not vote for a private perjurer."

MAY 26, 1961.

Mr. ELLSWORTH MILLER,
President, Maryland Casualty Co.,
Baltimore, Md.

DEAR MR. MILLER: In connection with a matter pending in our committee, I have been directed to ascertain how your company would react to an application for bonding of a top executive whose background contained this information:

1. Arrested in 1937 at age of 22 on fugitive charge and turned over to other police in the same State for investigation of theft of a tire and some cans of lubricating oil. Available records do not show final disposition of charge, but applicant says there was no prosecution. A police index card made contemporaneously states he admitted the theft.

2. Arrested in 1936 for assault. Fined $25 and $17.50 costs.

3. In 1942, 1949, and 1952 filled out a total of seven Government forms, and in answer to question whether he had ever been arrested or summoned into court on a criminal charge, said "No." (Penalty for false answers can be not more than $10,000 or 5 years or both.)

4. In his 1961 job application, misstated his record of previous employment so as to exclude his 1946–47 and his present business association with a man who was a participant in the fight leading to the fine for assault and who, in 1953, made an affidavit stating that the applicant came into possession of the stolen tire innocently.

I would very much like to have your answer by June 1, if you can be so prompt.

Sincerely,

JOHN M. MCELROY,
Assistant Chief Counsel.

MARYLAND CASUALTY CO.,
Baltimore, Md., May 31, 1961.

Mr. JOHN M. MCELROY,
Assistant Chief Counsel, Committee on Commerce, U.S. Senate, Washington, D.C.

DEAR MR. MCELROY: Your letter of May 26, 1961, addressed to Mr. Ellsworth Miller, president, Maryland Casualty Co., has been referred to me for reply.

It is not possible to give a categorical answer to the question of whether or not we would bond a man whose past record revealed the facts set forth in the four numbered paragraphs of your letter. While the record as stated would certainly cause us to view the applicant with suspicion, it does not automatically follow that we would refuse to bond him.

Many cases come before us similar to the one you have presented. The final disposition in each instance is determined by our investigation and assessment of the facts as we see them. We have, for instance, bonded a youthful parolee in a minor position with a stock brokerage firm on recommendation of a police commissioner who convinced us that there were extenuating circumstances in the case. On the other hand, we have refused to bond a paroled murderer, not so much because of the particular crime as because the applicant was to be employed as a bank messenger.

In the instant case the theft was a youthful crime which occurred some 24 years ago. The assault charge goes back to 1936 and does not of itself prove dishonesty of character, although it may well indicate emotional instability. As underwriters we might overlook these early indiscretions, provided there was evidence of a subsequent good record.

The subsequent record in this case, of course, is considerably marred by the misrepresentation of facts in 1942, 1949, 1952, and 1961. We would regard the misrepresentations referred to in your paragraph No. 3 and the omission of his present business association as the most serious in that they appear to have been deliberate and hardly to be attributed to oversight or a lapse of memory. The gap in the employment record for the period 1946–47 is a type of omission which we find to be very common in our investigation work. Such omissions may or may not be intentional. Frequently an individual does not have records or cannot establish exact dates of employment from memory as far back as 15 years, particularly if he has changed jobs often or has had intervening periods of unemployment. Ordinarily, we insist on a complete accounting of time only for the latest 5-year period. On the other hand, if we knew of such a gap in the record as appears here, we would want to question the applicant intensively about it.

We regard the declination of an application or the cancellation of an existing bond as a most serious matter and final action is taken only after considerable deliberation by our underwriters. While there would be a strong presumption against the applicant to whom you refer, there are many questions which an underwriter could ask before coming to a final decision. What, for instance, are the duties and responsibilities of the "top executive" position to be occupied by the applicant? For what amount is he to be bonded? What are the opportunities for collusion with other employees? What system of internal controls exists and how frequently and by whom are audits made? Is the applicant in a position to furnish collateral or third-party indemnity, etc.?

Because the material seems pertinent to your inquiry, I am taking the liberty of attaching copies of a bulletin of the Association of Casualty & Surety Companies, dated August 29, 1957, and an article reprinted from "Federal Probation," December 1957 issue. I believe that these enclosures, although dealing specifically with convicted persons, probationers, and parolees, reflect the general attitude of surety companies toward problems of the type to which you have referred.

Very truly yours,

A. H. WALKER,
Vice President.

Mr. President, I yield the floor.

Mr. BARTLETT. Mr. President, the points made by the Senator from Pennsylvania [Mr. SCOTT] and earlier by the Senator from Kansas [Mr. SCHOEPPEL] were examined by the Committee on Commerce. They were examined and reexamined. They were carefully considered.

The hearings were obviously extensive. Senators will note the transcript of hearings, which is 89 pages long.

After all the testimony had been taken and after all the evidence had been brought to light, the committee favorably reported the nomination by a vote of 11 to 4.

Mr. President, the situation, as developed this afternoon, impresses one person in one way and another person in another way. There are two matters which have been dwelt upon at great length.

At first, when I heard the testimony, I thought an effort was being made to prove that Mr. Morgan had stolen a tire and some oil, had gotten into a lot of trouble on that account, and had not informed the committee or anyone else about what had occurred; that perhaps he had been arrested, and, for all I knew

at the moment, had been sentenced to the penitentiary for years, and had served his sentence.

However, after the testimony was presented it was apparent the facts were quite otherwise.

It became apparent that Mr. Morgan, when a young man, had been given a tire by his employer in part payment of his wages. His employer apparently had not made much profit on the particular contract and was hard put to supply ready cash. Thereafter Mr. Morgan sold the tire. It was discovered to have been a stolen tire. The police discovered this, and accosted Mr. Morgan with the facts.

Subsequently Mr. Eatch, who has been mentioned many times this afternoon, made an affidavit disclosing what had actually occurred. As I understand the case, Mr. Morgan was exonerated from all blame in connection with the matter. No one knew where the tire had come from; it was in a truck with much other equipment. But it is known Mr. Morgan did not steal it.

Thereafter the record concerning the transaction was expunged from the files of the Portland, Oreg., Police Department. I should like to explain what I mean by "expunged" by quoting the very wonderful definition of that word made May 23 last by the distinguished Senator from Nebraska [Mr. HRUSKA] when he said:

> When the Senator from Nebraska says "expunged" he means physically and literally taken out of the record, and permanently removed.

That is exactly what happened in the Portland Police Department in reference to the record in the case.

So when subsequently Mr. Morgan filled out a form or forms he had nothing to report on that incident because there was no record in the department; that was proper in my opinion.

What about the other incident about which we have heard so much this afternoon and previously, Mr. President? At the start I thought we were going to learn that Mr. Morgan had committed grievous and grave assault upon another human being and that he was guilty in every manner for having done so. But even some of those on the committee who were not, shall I say, altogether in favor of reporting the nomination, declared they thought perhaps in this particular case Mr. Morgan should receive some kind of an award for heroism, because the facts as disclosed to the committee were that Mr. Morgan intervened in and broke up a fight in which another man was trying to stab his employer with a screwdriver. Of course, great harm might have resulted on this account, and wounds, fatal or otherwise, might have been inflicted.

After that Mr. Morgan, a very young man at the time—as I recall, 22 years of age—was taken before the justice of the peace. He had no lawyer. He explained what had occurred. After all the testimony was taken—as I gathered, in a very loose manner—the justice of the peace fined Mr. Morgan $25 and assessed costs of $17.50 against him.

My only point in mentioning these things, Mr. President, is in an attempt to demonstrate there was no real reason, there was no good reason, there was no substantial reason at all why, on any Form 57 or on any other form Mr. Morgan should have reported the tire incident.

It is entirely possible—and I believe Mr. Morgan when he so says—that in making out these forms he honestly forgot the incident relating to the assault charge; not the occurrence itself, of course, but the fact that he had gone into court. Apparently a majority of the members of the committee either believed likewise or they thought this was not of paramount concern.

That is what I come to now, Mr. President. What is at issue? Is it the fact that on X occasions Mr. Morgan did not say "yes" instead of "no," in response to a question on a Government form? Or is it a question of whether, on account of the splendid record he made in the field of utility regulation in the State of Oregon, he stands in a position by reason of the appointment, to perform a broader and better service in that same area to all the people of the United States?

To my knowledge, no one has contradicted Mr. Morgan's expert knowledge in this area. It has been said that he does not know too much about natural gas. But it has not been denied that he served the public well in Oregon, and that he has sufficient familiarity with the general subject to become a specialist in all of its phases during the early period of his service on the Federal Power Commission. I believe that is the test. Too often in recent years, in my opinion, members of regulatory commissions have forgotten the prime reason for their appointment, namely, to serve the public. With Mr. Morgan's presence on this important regulatory body, we can all be assured that first and foremost in his consideration will be the protection of the public interest—the consumer.

Mr. Morgan did not make a report to the White House regarding the assault charge. He did report the question having to do with the tire. Having reported the one, it follows that he would have reported the other had it remained in his memory.

Careful examination was made of the entire situation in the executive department at the White House after these later disclosures were made. We saw no sign that the President cared to withdraw Mr. Morgan's nomination, and I am glad that he did not, because the considerations which first caused the President to nominate Mr. Morgan are those which should properly be applied here, namely, Has he been a good and useful public servant in his home State of Oregon, and, Is he equipped in every way to do a good job for the people of the United States in this Federal responsibility? The committee decided in the affirmative, and I hope that the judgment of the Senate will be the same.

Mr. PASTORE. Mr. President, I believe it was my privilege to attend most of the hearings. Without reflection on the part of any of my fellow committeemen, I believe I spent more time at the hearings on the nomination of Mr. Morgan and Mr. Swidler than did any other Senator. From time to time our distinguished chairman was called to other official duties and it became my duty to represent the committee and to preside at the hearings. I make that statement—and I am happy that my distinguished friend the Senator from Kansas [Mr. SCHOEPPEL] is in the Chamber at the time I make this statement—merely to indicate how unfortunate it is that other Senators did not have the opportunity, understandable though it may be, to examine, view, and scrutinize the personality of the nominee. In my opinion, he is a clean-cut young man, a fine, excellent, and devoted father, with a very charming and lovely wife and a charming daughter. In my opinion, it was tragic that in the committee chamber day after day the family should have been exposed to a rehash of a story that had years before been printed on the front pages of the newspapers in the State of Oregon. The attempt today to revive the story creates absolutely nothing new. It was tried against Morgan before. He was scandalized unjustly then, and the statements were repeated before the committee.

Mr. President, what kind of man are we considering? I have heard him characterized as a liar and a perjurer. Those who utter such characterizations should be pretty careful with their language, because we are dealing with a human being, a responsible and capable man who has been the best public utilities official the State of Oregon has ever had.

If stronger proof of that statement is desired, I refer Senators to an editorial that appeared in the Oregon newspapers. It is in the record.

When Mr. Morgan was a young man attending college, someone started a fight on a construction gang where he was employed. What did this young fellow do? He pulled a second attacker off the back of his boss. Did the police officers then arrest him, as has been said here? No. Two days after the incident he was summoned before a justice of the peace. As one would receive a civil subpena, Morgan was summoned 2 days later. He was called before the justice of the peace, and he explained that all he was trying to do was to stop a fracas. He was pulling another man off the back of his boss, who already had one attacker to handle.

The judge said, "Well, I do not care much about the amenities involved. Did the boss ask you to do it?"

He said, "No; I did it out of humanity."

The judge said, "Humanity or no humanity, $25 and costs."

That incident occurred many, many years ago, when Mr. Morgan was a youth of 22.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. PASTORE I yield.

Mr. LAUSCHE. The Senator referred to the sentence of $25 and costs. I read the underlying facts that led to the prosecution; and in my opinion what the

nominee did in that case was morally right. A red-blooded man with self-respect, under the facts that existed, would have jumped in in the manner in which Morgan did.

Mr. PASTORE. Especially when we consider that at that time he was a typical American boy attending college. Then what happened? He became the president of his college class. This so-called liar and perjurer became the president of his college class.

Let me cite another honor. After Morgan's graduation from college the chief of police of Portland, Oreg., called him in and said, "I would like to have you as my assistant. I have full knowledge of this incident.

"We have a record showing that you were charged with stealing some tires." So said the chief of police of Portland.

Let us go into that subject a little. Mr. Morgan was working on a construction gang when he was attending school, and for some reason, in lieu of compensation, he was given a tire, which someone had reported to have been stolen. He was stopped as a fugitive from justice. Morgan was never charged with stealing. Nothing ever happened with respect to the charge, but the police had a record on him. The chief of police knew about the record, when he called Morgan in. The chief said:

I would like to have you as my assistant, but there is the record of two arrests.

Morgan said:

That is not fair. I never did anything wrong. I never stole a tire.

The chief said:

There are two ways to expunge a record. You must either go before the court and make a request, or we will expunge it in this way—

And the chief put the record in his desk.

Morgan, a believing youth with confidence in his own innocence, thought that was the end of it. He never heard about the charges for a long time. He signed an affidavit asserting that he was unjustly picked up. The chief of police said:

The record is expunged and I have no record.

So Morgan made the statement on his form 57, indicating his answer to be that he was not arrested.

As a young man, he thought the whole affair was a cruel injustice.

The question was asked Morgan:

Why didn't you say that you paid $25 for an assault?

He said:

Well, I forgot it.

There are two who know whether or not Morgan is telling the truth. One is Morgan himself, and the other is Almighty God. Beyond that point we would have to convict this nominee by circumstantial evidence. Only Morgan and God know whether he has told the truth. Morgan says he forgot it, and I am not ready to play God.

Today we are considering confirmation of the nomination of Mr. Morgan. A statement was made about Mr. Morgan being for public power. Why is not the statement finished? He is for consumer interests, which is why I am for Morgan. He is for the consumer, as he was for the consumer when he was public utilities commissioner in the State of Oregon.

Lest we be quick with our indictments, libels, and slanders, let us consider what his neighbors think about him.

Let us go to the people who were his neighbors—his fellow citizens of Oregon. Let us go to the people who know this man, and see what they have to say about him. If anyone can find a woman in the United States who is more respected and more admired than EDITH GREEN of the State of Oregon, I want to know it. This is what she said:

It is with a great deal of pleasure and pride that I do appear before this committee with Howard Morgan. I have known him for many, many years and I of course am extremely pleased that the President has appointed him to a position on the Federal Power Commission.

Does she stop there? I ask Senators to listen to the rest of her statement. Let us listen to how she speaks of this so-called liar, this alleged perjurer:

Mr. Morgan is a person of tremendous intellectual capacity. He is a man of unquestioned integrity and courage and he is also a very articulate spokesman for those causes in which he believes.

Does she stop there? Listen to the rest of it:

I have known not only him but also his wonderful family for a long period of time. It seems to me that he has served his State exceedingly well and I am sure that the people of Oregon will take great pride, both Republicans and Democrats, in the fact that his talents have been recognized by this administration.

Is that JOHN PASTORE saying that? Is that the Senator from Rhode Island, who did not intimately know this man in Oregon, who is saying that? Is it said by Senator MUSKIE from the great State of Maine, who did not know this man in Oregon? No; it is EDITH GREEN, a Representative from his State of Oregon, who has known him for many years.

Is there better proof than that? Where can we find stronger proof than that? Let us look at what our distinguished colleague, the junior Senator from Oregon [Mrs. NEUBERGER] has said. She is surely an authority. I certainly will accept her as my authority. Mrs. NEUBEREGR said:

Mr. Morgan is well known in our State. I am especially proud of his association with my husband when they were colleagues in the Oregon State Legislature.

Howard—

Not "Mr. Morgan"—but as one who knows him well and respects him highly—

Howard received the acclaim of Gov. Robert Holmes, of Oregon, when he was appointed utility commissioner. There were those in the State who had some reservations about this appointment. Yet after Mr. Morgan had been serving in the capacity which he did, many changed their minds. Even though their points of view might have differed, they stood up and spoke for his fairness and commended him highly.

Editorial comment around our State after this appointment was made by the President has been of great interest. I would like to quote from some of these.

The Medford Mail Tribune, which is an important paper in the southern part of the State, observed that Mr. Morgan "is dedicated to serving his concept of public interest, the interests of all the people rather than a few."

That is what I like about Mr. Morgan, the fact that he is interested in the many, not the vested few.

I voted for him in committee. I shall vote for him on the floor. I shall vote for him not because he believes in public power but because he believes in the little man, the man who has to pay the bill, the consumer of America. That is why I am for Mr. Morgan. He is a consumer man. He believes in and protects the consumer interest—the public interest.

I could read from the testimony of Representative ULLMAN. It is part of the record. As a matter of fact, it is almost a litany of commendation and eulogy and tribute and respect and recognition. These are my witnesses. They are my documents. This is my proof.

This is why I believe the President of the United States has found a good man in Howard Morgan to protect the public interest. Because he has found him, I congratulate him. Because I feel the way I do, I shall vote for the confirmation of the nomination. I recommend to my colleagues that without reservation they vote to confirm this great public servant and support the President of the United States.

Mr. McGEE. Mr. President, I wish to associate myself with the comments of the distinguished senior Senator from Rhode Island and to commend him on his courageous and forthright presentation of the case for Howard Morgan. I wish to add, in the context of his remarks, some repercussions of this particular case which I have encountered around the country in connection with public political forums on what are called on many occasions the political responsibility of American life today. These are seminars in form in which businessmen, clubwomen, and young people are invited to ask questions about and inquire into the status of public service in America.

Invariably, whether we were in the East or Middle West or on the Pacific coast, the question always came back to: How can we attract better men to public life when they can only expect to have all the minutiae of their youthful past scrutinized and held up before all the public with some kind of disgrace? As a result, men and women of the greatest responsibility are deterred from serving in the public service, because they do not want their families and relatives and friends subjected to the kind of excoriation which is being visited on Howard Morgan today. Torturing an understandable past is one of the great deterrents, in my judgment, to attracting to the high level of responsibility of public service the kind of men and women that we desperately need.

The case of Howard Morgan is one of the best cases in point. I believe his case points up two things that we ought

to bear in mind in regard to our public responsibility. One is the imperative need for trying to keep this matter in perspective, to equate that which is important with the proper level of responsibility, and keeping in its proper place that which is a part of the process of growing up.

Likewise, I believe our system possesses one freedom that we ought to hold very dear. That is not only the freedom to make a mistake, if a mistake was ever made, but a freedom to learn from that mistake and to move on into the full responsibility of citizenship and public service in this country.

I believe we threaten to violate both the attraction of public life to people of responsibility and the principle that a man has a right to make a mistake, with the freedom and the right to learn from that mistake in order to serve his country better. Both of these being issues central to the career of Howard Morgan, it seems to me the Senate could do no greater service than to prove to the people of our country, here and now today, that we applaud a man who makes the grade, who proves his caliber, who proves his interest at the right time in the life of a man who seeks a public career, with all of its hazards, and that we do justice to the cause we say our system really seeks to perpetuate, at a time that we are holding this system before the rest of the world with the beseechment from us that they seek to emulate what we have set forth.

I do not know the details of the lives of all the Members of this body, but I think I can say, with clear candidness, that there, but for the grace of God, go I. I do not know whether any of us, in our youth, may have had some little incident lifted out of context which may have proved to be embarrassing at a subsequent time, depending on how it was held before the public, how it was treated in the headlines, how it was assessed standing alone as a single incident in a long life that was filled with contributions of responsibility and integrity.

Mr. President, it is time we made it abundantly clear that we will not indulge in pettifogging and in the incidental minutiae of a man's past. We are interested in his public record, in his present, in his capabilities for future service and responsibility. Only on this plane do we justify the warranted endorsement of what we regard as the American system of popular responsibility in public service, when we can hope, through that formula, to attract capable men and women of our country to that kind of dedication which alone will enable our system to survive.

Mr. MORSE. Mr. President, I am inclined to start my speech not only with the salutation, "Mr. President," but also with the salutation, "May it please the court," because I feel, as one of the cocounsel for the defense in this proceeding, that I should thus refer to myself. In fact, I am almost tempted to move for a directed verdict of acquittal. However, I shall let the case go to the jury in a few moments for its verdict, because procedurally I have no other alternative. I am satisfied that the jury will give us a verdict of acquittal.

There is really nothing more to say after the brilliant defense made by the Senator from Rhode Island [Mr. PASTORE], the Senator from Alaska [Mr. BARTLETT], and the Senator from Wyoming [Mr. MCGEE]. Now I see the distinguished Senator from Washington asking me to yield, so before I present my argument, I shall yield to him.

Mr. MAGNUSON. I appreciate the Senator's courtesy.

Mr. President, I had planned to say some things concerning Mr. Morgan's personal matters, about the nomination of Mr. Morgan, but, as the Senator from Oregon has said, they have been covered so well and so effectively, that I think anything I might say not only would be an anticlimax but might cause some of the things which have been said to lose their real effectiveness.

I have taken part in the consideration of numerous nominations for the Federal Power Commission before the committee of which I am the chairman. In every one of the cases, no matter who the President was, no matter whom he nominates, there is always the tug of war between the private and the public utilities. That is so no matter how we look at it. The nominee will be dubbed a private utility man or a public utility man, or a consumers' man, or an oil or a gas man. Despite what we hear about the nominee or what is brought up in the hearings, despite what his personal biography may be, there is always, underneath, that tug of war.

I shall state what compels me to favor the nomination of Mr. Morgan in this particular instance; and the Senator from Oregon will bring it out in more detail. The State of Oregon has a public utility commissioner. There is not a board, as in most of the States of the Union. In Oregon, the man who is selected by the Governor to be public utility commissioner acts as one. He has tremendous power to make decisions in the Pacific Northwest, where the utility controversy is constantly in evidence.

Mr. Morgan was appointed by the Governor of his State to be the public utility commissioner of Oregon, and he has served in that capacity. I have spoken with many persons about Mr. Morgan's tenure of office and how he handled the complex, controversial, and sometimes political cases which came before the board in the controversy which is constantly taking place between the private and the public utilities. Without exception, whether it was the president of a large utility company or a member of my own utility district, or public power officials, as they are sometimes called, all have said, whether they liked Mr. Morgan's decision or not, that he is a man who has been fair and objective. These are qualities that are most difficult to secure in a man who is appointed to the Federal Power Commission.

This is what compels me, leaving out other factors, to vote for the confirmation of the nomination of Mr. Morgan.

I have known Mr. Morgan personally for a quarter of a century. I have seen him off and on for many years. In serving in his position he has acquired more respect from both sides than any other man whom I know who has served as an Oregon public utility commissioner.

I think Mr. Morgan, with his great experience, will become a valuable member of the Federal Power Commission, and will call the shots there in the same way he called them as public utility commissioner of Oregon. That is what compels me to vote to confirm the nomination of Mr. Morgan. The other incidents do not bother me too much, one way or the other, because, as the Senator from Oregon knows, we have heard about them and read about them for years in my State of Washington and in the State of Oregon.

I think the appointment of Mr. Morgan is one of the best appointments that have been made. It is seldom that someone can be found who has the kind of record and the type of experience which will fit him for the difficult office of member of the Federal Power Commission. Too often, nominees have tended to lean more to one side or the other, and that is what causes trouble. That is why the nomination of Mr. Morgan is one of the best that have ever come before the Senate.

Mr. MORSE. Mr. President, I thank the Senator from Washington, the chairman of the Committee on Commerce, for his very sound defense of Mr. Morgan. I completely agree with every evaluation of Mr. Morgan which the Senator from Washington has set forth.

Mr. President, the Senate is making a legislative record today. In fairness to the nominee, I think all will agree that in my capacity as senior Senator from Oregon I owe it to the nominee, I owe it to my State, and I owe it to the people of the country to make the statements I include in the speech I am about to deliver, because I think that is only the fair and right thing to do. It will not be a long speech, but it will be a record which, I think, from the standpoint of the legislative history of the nomination, needs to be made.

I believe Senators will agree that during my almost 17 years in the Senate I have followed a course of action in regard to nominations sent to the Senate by the Presidents who have served during that period of time which has resulted in my being referred to, on some occasions, as one of the watchdogs of nominations. I stand on that record. I have opposed nominations, as the RECORD will show, when, in my judgment, the nominees failed to meet one of the four historic criteria that every nominee must meet in order to qualify, in my judgment, for a presidential nomination under the advise and consent clause of the Constitution, and that criterion is character.

If a man is lacking in good character, the Senator from Oregon, believing him to be lacking in good character, will not vote to confirm his nomination. That is my position whether the nominee comes from Oregon or anywhere else in the Nation, because the fact is that there are men who are or have been President of the United States who could be called as my witnesses and who would testify that when certain names from Oregon were being considered on several occasions—to be exact, three—I intervened before

those nominations ever were submitted and made it perfectly clear that if they were submitted, I would object to them, because, in my judgment, the nominees were lacking either in character or in one of the other of the four criteria which are binding, in my judgment, upon the Senate under the advise-and-consent clause of the Constitution.

So, Mr. President, with that statement, I wish to make this record this afternoon, as the senior Senator from Oregon, in support of this great citizen of my State, whom the President of the United States has honored by appointment to the Federal Power Commission, and by nominating him, the President has honored my State.

Mr. President, it is with the deepest pleasure that I support President Kennedy's nomination of Howard Morgan, of Oregon, to be a member of the Federal Power Commission. Mr. Morgan has been a trusted and admired friend of mine for many years; but, beyond that, he is a scholar who has studied and worked in the field of utility regulation for more than 20 years. He is known and respected throughout my State as a fearless and incorruptible public servant; he has the breadth of outlook and independence of judgment which enable him to rise above partisanship and narrow dogma; and he has an unswerving devotion to the public interest.

In short, Mr. Morgan is precisely the kind of man needed on the Federal Power Commission during the past 8 years, just as he is precisely the kind of man President Kennedy pledged himself to appoint to the regulatory agencies. I do not think the President could have selected a better man for this heavy responsibility, and I wish to compliment him now on the choice he has made.

As the Members of the Senate know, partisan attacks have been made on Mr. Morgan in the newspapers and in the committee. I wish to discuss and analyze these attacks. Although there does not seem to be any need to draw a diagram for my colleagues, they know perfectly well where these attacks come from.

In fact, if memory serves me right, every member of the Federal Power Commission during the past 30 years who was devoted to the public interest had to undergo the same kind of ordeal which Mr. Morgan is undergoing now—the only difference being that those men were attacked only after they had served as Commissioners long enough to demonstrate their dedication to the public interest, whereas Mr. Morgan has the distinction of being singled out for attack even before being sworn into office. The reason for that is, of course, his record as Public Utility Commissioner in Oregon, where he is regarded as the best man to serve in that capacity in the last 40 years.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Illinois?

Mr. MORSE. I am glad to yield to my friend.

Mr. DOUGLAS. Is it not a fact that the two members of the Federal Power Commission who were attacked for their defense of the public interest were Leland Olds and Thomas Buchanan; and is it not also true that, in the case of Mr. Olds, a statement he had made some 20 years before was dug up and was used against him; whereas, in the case of Mr. Buchanan, nothing was proved against him, but confirmation of his nomination was nevertheless refused? Is that not true?

Mr. MORSE. Yes; and those were the two cases I had in mind, in connection with the statement I made a moment ago. I thank the Senator from Illinois for completing the record.

Not since Clyde Aitchison left the Oregon Commission, to serve on the Interstate Commerce Commission in 1917, have we in Oregon had a commissioner to regulate our local utilities who displayed the courage, brains, tenacity, hard work, and judgment brought to that assignment by Howard Morgan.

As I shall demonstrate shortly, the utility executives who understand the benefits of honest, fair, and firm regulation were, and still are, among those who honor and respect Mr. Morgan for the work he did. But there are other utility executives—I am glad to say they are a minority—who had grown accustomed to regulating the regulatory agencies themselves, both in Oregon and in Washington, D.C.; and it is these men who exerted themselves to defeat Governor Holmes, under whom Mr. Morgan served. It is these men who are now stimulating the attacks upon Mr. Morgan, by which they hope to prevent him from serving the people of the United States.

Not as a personal friend, but as a fellow Oregonian who has watched carefully the high caliber of service which this man has brought to public life in Oregon, I urge the Senate to confirm this nomination and let Mr. Morgan take up the work which the President has assigned to him.

In my capacity as the senior Senator from Oregon, I make this recommendation; and in my capacity as a friend, knowing the character of the nominee, knowing him to be incorruptible, I make this recommendation.

Let me make it clear that this recommendation is not based merely upon the zeal and industry which Mr. Morgan brings to the work before him, or even upon the fact that he is a champion of the consuming public, who is needed so very much on the FPC.

As the senior Senator from Rhode Island [Mr. PASTORE] stated a few minutes ago, he is in favor of confirmation of the nomination of Mr. Morgan because he is for the consumers; and, of course, after all, the Federal Power Commission is an agency of the Congress, and, in the last analysis, has the responsibility of protecting the consumers' interest. That was the primary purpose of the establishment of this agency, in the first place.

Mr. President, I make this recommendation even more strongly on the basis of the studied fairness and the judicious care with which Mr. Morgan approaches his work.

Mr. President, some of the Members of the Senate may not know that Oregon has the only 1-man utility commission among the 50 States. This means that for 2 years Mr. Morgan handled all matters involving rates and services of all utilities, including light, gas, power, water, telephone, telegraph, trucks, buses, and railroads, in the State of Oregon, and did so absolutely alone. He had his staff to help him, of course, but there was no reviewing authority for the nearly 2,500 signed orders which he issued to the utilities of the State, except for the circuit and supreme courts. Of this large number of orders, less than 20 have been appealed to the circuit courts of Oregon.

I am informed that of these, only three were overruled by the circuit courts, and that as of this moment not a single one of Mr. Morgan's orders has been overturned by the supreme court of the State of Oregon. This is an amazing record, and when we reflect on the fact that the people of Oregon consider Mr. Morgan to be the most vigorous champion of the public interest to serve them in more than a generation, it is an almost incredible record.

It would be a simple matter for a demagog, holding the job Mr. Morgan held in Oregon, to become known as a champion of the public interest. All he would have to do would be to issue a stream of reckless orders denying rate increases to the utilities, demanding increases in their services, and in general criticizing and attacking their officials. But in Oregon we have fine courts and very capable judges; and it is not a simple matter now, nor has it ever been possible, for a commissioner to behave in such fashion and to have his orders sustained by the courts. Not only were Mr. Morgan's orders sustained; he also earned the respect of all but a few diehards among the State's utility executives.

Consider this excerpt from an unsolicited letter written after Mr. Morgan's nomination to the Federal Power Commission was announced this year. This letter is signed by the vice president and general manager of Oregon's third largest electric utility, and it reads, in part, as follows:

> While you were utility commissioner of Oregon, I recall there were on several occasions customers' inquiries and complaints involving our company. In each instance your decision was made promptly and was fair both to our customers and to ourselves, with the result that our customer relations were improved.
>
> Please accept my sincere congratulations on your appointment to the Federal Power Commission. This appointment I think will add strength to the Commission.

Or consider this excerpt from another unsolicited letter, written when Mr. Morgan announced his resignation as commissioner in Oregon. This letter is signed by the chairman of the board and chief executive officer of Oregon's second largest electric utility, and it reads in part as follows:

> During the past 2 years we have had more than a normal number of matters before you for approvals, primarily involving financial procedures, such as new bond or debenture issues, new common stock financing, and various interim bank credit arrange-

ments. It seems to me appropriate to say at this time that I have been most pleased with the consideration we have received from you and your associates. Manifestly, you had to be convinced of the merit of our petitions, but once convinced you moved expeditiously to give us the required approvals and in a most cooperative manner. I think the record should show that with respect to these matters the attention and cooperation you have given Portland General Electric Co. can only be described as excellent. We thank you.

This testimonial on my part is not new. It was volunteered in my talk before the New York Society of Analysts last May; and many times I have replied in similar vein to inquiries from investment and commercial bankers throughout the country, and particularly in such centers as New York, Chicago, San Francisco, and Portland.

These comments by responsible utility executives certainly do not confirm certain newspaper comments that Mr. Morgan is a zealous proponent of public power who would find himself unable to treat private power fairly. The record is clear that, while giving Oregon its first taste in more than a generation of vigorous regulation in the public interest, he treated the utility companies with scrupulous fairness, earning the respect of almost every utility executive and lawyer in Oregon.

But not quite all of them. It has been said, Mr. President, that so far as regulation is concerned, utility executives can be divided into two classes: those who demand, expect, and appreciate fair treatment, and those who are afraid that is what they are about to get. I have quoted from letters written by executives who are clearly in the first category. But we also have some who are just as clearly in the second category in Oregon, and elsewhere in this country, and I think they have had a hand in trying to stir up votes against Mr. Morgan's confirmation. These men do not want fairness and they do not respect or appreciate it when they get it.

What they want, in plain language, is a set of regulatory agencies which can be regulated by the utilities. To get this, they must have Commissioners who are weak, vacillating, lazy, or dishonest, and they know Howard Morgan is none of these things. Therefore they don't want him and from their point of view any tactics which provide the faintest hope of blocking his nomination are justified.

So far as I am concerned, the tactics which they have adopted in a vain and foolish attempt to stop Mr. Morgan's appointment are revolting and I do not intend, nor do I think it necessary, to spend more than a moment in discussing them. Mr. Morgan's enemies have indicated by their own tactics how pitifully weak is their case against him, and I do not propose, by means of a long defense, to obscure the weakness and silliness of the innuendoes and insinuations they rely on.

It has been said that Mr. Morgan would not be able to get a bond from a bonding company such, for example, as the company which was mentioned, the Maryland Casualty Co. Well, let us look at the record. The Maryland Casualty Co. bonded Mr. Morgan as public utility commissioner of Oregon, effective January 16, 1957. The bond, in the amount of $40,000 in favor of the State of Oregon, covered Howard Morgan in his capacity as payroll officer, public utility commissioner, State of Oregon. It is bond No. 90–501554, issued by the Maryland Casualty Co., Baltimore, Md.

Let me say, that was 1957. The discussion about Mr. Morgan's affairs in connection with the tire matter—which I shall come to in a moment—and the fisticuff's affair, are well known in Oregon. They have been publicized in Oregon for years, and have been a matter of political discussion in our State. I have a very high regard for the investigating ability of the Maryland Casualty Co. In 1957 it issued that bond. Of course, the bond remained in effect throughout the term of office of Mr. Morgan as a public utility commissioner.

There is another bond. Issued by what company? The Maryland Casualty Co. It was suggested this afternoon that the Maryland Casualty Co. would not bond a nominee such as Mr. Morgan. It has done so, twice. This second bond number 90–501553, the same date as the previous bond, January 16, 1957, covering Howard Morgan as public utility commissioner of Oregon, in the amount of $10,000, effective throughout his term of office, which ended January 12, 1959.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks, a telegram I have received from C. M. Pratt, resident manager of the Maryland Casualty Co., Portland, Oreg., setting forth the information I gave in my statement, that the company had issued two bonds relating to Mr. Morgan.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

PORTLAND, OREG.

Senator WAYNE C. MORSE,
Senate Office Building,
Washington, D.C.:

Confirming my telephone conversation this date with your secretary, Mr. William Berg, wish to advise we executed effective January 16, 1957, public official bond 90–501553 on behalf of Howard Morgan in favor State of Oregon in the amount of $10,000 covering his position public utility commissioner stop. We also executed effective January 16, 1957, bond on his behalf favor State of Oregon in the amount of $40,000 covering his position payroll officer public utility department stop. Both bonds terminated upon expiration of term of office January 12, 1959.

C. M. PRATT,
Resident Manager.

Mr. MORSE. Mr. President, here is a man who, beginning in college, has held positions of public and private trust for an almost unbroken period of 25 years, positions entrusted to him by his associates and fellow citizens who know him far better than all but a few of us who must pass judgment on him here in Washington. He has held numerous chairmanships and presidencies, has been a legislator, has been the head of his political party in Oregon during nearly 5 years of the greatest political turmoil that State has ever seen.

May I say to my Democratic colleagues here, I have met Mr. Morgan on both sides of the political platform. I know what it is to campaign against Howard Morgan and to campaign with Howard Morgan, because when I was a Republican I was engaged in political campaigns with Howard Morgan in Oregon on the other side, and I can testify to his complete fairness and complete partiality, and to his insistence that we let the facts speak for themselves. And I had the privilege of campaigning and working with Mr. Morgan in the Democratic Party during the period of time when Mr. Morgan was chairman of the party. I know whereof I speak when I talk about this man's character. This man has a fine character, and he meets the character test of the advise and consent clause of the Constitution. He has been singled out for positions of great trust and responsibility by the Governor of his State, and by such figures on the national scene as Gov. Adlai E. Stevenson, and now by President Kennedy.

Is there any criticism of the way in which Mr. Morgan has handled his many and heavy burdens of trust over these 25 years? Not one word. In fact, he not only still has the unqualified support of every individual and organization which relied upon his integrity during that period, he also has the unqualified respect of many honorable men who were under political obligation to oppose him during those years. The reason Howard Morgan enjoys this kind of support from his colleagues and respect from his opponents is very simple. They know that in the positions he has held he has been subjected to every temptation and every intimidation that can be put in the path of a man in public life. And they know that never once has hope of gain or fear of harm swayed him for a moment from the energetic, thorough, and courageous performance of the duties entrusted to him.

I have watched Mr. Morgan in many battles which many might have felt he did not have to fight and which would not have brought undue criticism if he had not won, but I have never seen him take a backward step once he was convinced the fight should be made and the issue should be joined.

I have watched him handle the responsibilities of public office which it would have been child's play for him to manipulate so as to secure political and financial advantage, but neither I nor anyone in Oregon has ever seen him do such a thing. Nor have we ever heard him accused of such a thing.

He has enemies, it is true—who among us does not have enemies?—who would not hesitate to bring any charge against him—any charge, that is, which would be believed.

But the charge that Howard Morgan ever had betrayed or ever would betray a public trust is not believable in Oregon. It should not be believed here in the Senate. The fact of the matter is that such a charge has not been made here,

except by insinuation and inference. The same insinuations were made public years ago in Oregon and were so thoroughly laughed at by the people of my State that nothing more has been heard of the matter for nearly 10 years until now, when Mr. Morgan's enemies are making another try, with the same material this time, in an attempt to "bamboozle" Senators who are not aware of his record of honesty in his own State.

What Senators are being asked to do is to ignore Mr. Morgan's outstanding record of honest public service over the past 25 years and to reject him for further public service now at the age of 47, because a quarter of a century ago, when he was 22 years old, he was arrested twice: Once involving a misunderstanding so trivial and groundless that no charge was filed and no court action taken, and once involving a fist fight in which Mr. Morgan intervened to rescue his employer who had been attacked by two men, and because years later he did not make a major issue, and file a voluminous explanation and affidavit about these two incidents while filling out forms for employment with the Government and service in the Navy.

It is quite apparent that he should have done so, for his failure to do so has given his enemies an opportunity for a nit-picking attack on him so grotesquely out of proportion to the incidents themselves that many people are asking what standards of sanity and judgment prevail among grown men in our Government today.

Why did he not report these events? In his testimony before the Commerce Committee, Mr. Morgan stated candidly that he remembered one incident quite well but considered it to be so entirely the result of a misunderstanding, so totally without foundation, and so irrelevant to the rest of his life and record as to be of no possible importance, and therefore of no possible interest to the Government. The other incident, he testified, was never the subject of anything more than humorous interest on the part of anyone, including the participants, and over the course of the years was completely forgotten except at long intervals.

In fact, I very well know some of the discussion which took place in my State about the incident. It was pointed out that this was quite a little melee. The two contractors got into an altercation, which led to a fistfight, with quite a crowd standing around on the construction job.

We all know that out in the West, where men are men, this is not uncommon, even now. So long as the fight was fair, the attitude was, "Let them fight it out." When the associate of one of the contractors tried to make it two against one, Morgan did not think that was fair, so Morgan got into it and pulled the man off his employer's back. There was an exchange of blows. Morgan was successful in throwing this fellow to the ground. He did not think anything more about it. Two days later he got a summons. I am perfectly willing to waive the technicalities and to call this an arrest, but Morgan really got a summons and was told to appear before the justice court. That is what happened.

Morgan went before the justice court. The conversation went something like this: He explained what happened to the justice, who was not a lawyer, as is true with regard to many justices of the peace in my State and in many other States. Morgan said, "I was trying to maintain the peace. I was trying to stop a breach of the peace when I pulled this man off my employer's back." The justice of the peace said, "Did your employer ask you to do so?" He said, "No, he was too busy at the time. I pulled him off; that's all there was to it."

The argument of the justice of the peace, on the law, was that unless Morgan had been asked to protect his employer he ought to pay a fine of $25. He was assessed the fine. In a good nature, he paid the fine and thought no more about the incident. That is the great assault and battery case.

The other case was the tire case, Mr. President. As the Senator from Alaska [Mr. BARTLETT] and the Senator from Rhode Island [Mr. PASTORE] brought out, this involves another technicality as to whether there really was an arrest. In this case Morgan worked for an employer, and had not been paid. He had wages due him. He was a student at college. He went to his employer and asked for payment. He needed tires for his car, and the employer, who was short of money, said, "I have some tires in the warehouse. Go out and see if any of them will fit your car." One of the tires was the tire which became the issue in the case. It fitted Morgan's car. The employer said, "Take it. You can at least trade it in on a new tire if you wish."

Morgan took the tire to the service station. At the service station it was discovered it was the tire reported to the service stations as being a stolen tire, and service stations were to be on the lookout for it. The tire was reported, and Morgan got another summons as a fugitive from justice.

That is simply a procedure in our State. A man is given a summons and is told to report to the jurisdiction where the crime was committed, if it was committed. Therefore, he had to go to the other county on the basis of the summons.

The employer, after finding out about the situation, explained immediately what had happened, that he had given Morgan the tire in part payment for back wages, and the whole thing was dismissed.

The Senator from Rhode Island [Mr. PASTORE] made reference to the action of the Portland Chief of Police some years later, at the time Morgan graduated from Reed College. Morgan made a brilliant record at Reed College. The chief of police was looking for an administrative assistant, and he called Morgan in and offered him the position as administrative assistant to the chief of police. He, himself, to Morgan, referred to the tire incident, and said that he had taken all of the records in the case from the files because, as the Senator from Rhode Island said, there were two ways of handling the matter. Either the records could be withdrawn from the files because, after all the chief of police knew all the facts and circumstances, or Morgan could go to court to ask to have the record expunged. The chief of police decided the best thing to do was to withdraw the record from the police files, because he did not consider it to be an arrest. The record was withdrawn. After the death of the chief of police, the record was found by somebody and put back in the files.

Those are, in broad outline, Mr. President, the operative facts in regard to the incident.

Mr. ENGLE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ENGLE. I think it is pertinent to have in the RECORD Mr. Morgan's statement on this particular subject, because it is one of the real ironies of the case.

As the Senator stated, the chief of police decided that an administrative error had occurred. He said that there were two ways to handle it; either Mr. Morgan could go to court and have the record expunged, or he, the chief of police, because his department was responsible for the administrative error, could correct the error. Mr. Morgan said that he did not have the money at that time to go to court, and the chief of police said, "I will exercise my function as the chief administrative officer in the office where the mistake was made, and I will expunge the record myself." He did expunge the record. He took the file out.

I ask Senators to listen to what Mr. Morgan said, for it represents the irony in the case. He said:

> Chief Niles died, as I said, in 1946 or 1947, very suddenly. I later discovered something I am going to put in the record now so that it will be understood, but I didn't discover this until years later. When his desk was cleared out these files which he had volunteered to remove from various jurisdictions were found in a desk drawer. He had neglected to destroy them, and not knowing anything about them his men returned them to the files in Portland. What was done about the other two jurisdictions I don't know and I have never inquired.

The chief of police said he had taken them out of the FBI files and out of the State police files at Salem, Oreg.

Mr. Morgan went on to say he did not know anything about that until later. He also said:

> In 1948 I was elected to the legislature, and while that legislature was in session in 1949 I was approached by a man I had never seen before or since and threatened with reprisals involving these records if I did not vote for a slot machine bill that was on the floor.

The situation the man was in is this: The chief of police had expunged the records. What was he to do when the form 57 was before him? He had every right to believe, in my opinion, that inasmuch as an administrative error had been committed and the record had been expunged, he had no reason at all to put that on a form 57. I have said many times that I thought Mr. Morgan was entirely too contrite about this incident.

Mr. Morgan has a good case for not putting such a record on a form 57. What would he have said to his friend, the chief of police, if he had noted the incident on his form 57? The chief of police might have said:

You idiot, I took this record out of the file because it did not belong there. Now you are trying to make a fool out of me by saying you were arrested. I took the record from the file because there was no arrest and no charge should have been made.

To illustrate the point simply, may I address a question to the Senator from Oregon?

Mr. MORSE. I yield.

Mr. ENGLE. Let us assume that the Senator from Oregon is driving down a backroad in Oregon with his pickup truck, in the back of which is a hog with a white foot.

Mr. MORSE. I might very well do so.

Mr. ENGLE. Let us further assume that the sheriff drives up behind the pickup and stops it. He asks, "Mr. MORSE, where did you get the hog?"

The Senator from Oregon replies, "I got the hog from Mr. Eric. He gave it to me for working 2 days on his hay baler."

The sheriff then says, "That hog looks like the hog that was stolen from Cy Perkins over in Rabbit Hollow."

Mr. MORSE replies:

I know, it may look like that hog, but I got that hog from Mr. Eric.

The sheriff says:

That may be true, but you must turn around and follow me to the sheriff's office until I check the incident out.

So the Senator from Oregon turns around and drives 15 miles back to the sheriff's office. The sheriff picks up the telephone and calls Mr. Eric. He says:

I have Mr. MORSE in my office and he has a black hog with a white foot that I believe is a hog that belongs to Cy Perkins over in Rabbit Hollow. Did you give him the hog?

Mr. Eric says:

Yes, I gave him the hog. I gave it to him for 2 days' work on my hay baler.

The sheriff says:

I will have to go out and talk to Eric about that.

The sheriff then turns to the Senator from Oregon and says:

Mr. MORSE, I am sorry to trouble you. You will have to unload the hog and get your pay from Mr. Eric in some other way.

So the Senator from Oregon drives down the road without the hog, worrying about how he will get his 2 days' pay for the work performed on the hay baler.

I ask the Senator if he signed a form 57 long after that incident, would he record it?

Mr. MORSE. Not on the facts stated.

Mr. ENGLE. My allegory is a simple statement of the case. Let us assume further that a couple of days later some vicious employee in the sheriff's office might remember that the Senator was in the office and placed a notation on the record saying, "Mr. MORSE—investigation for hog stealing."

If someone later produced the record, I suppose the sheriff would say what the sheriff in the Morgan incident said:

The record is improperly here. You were never really investigated for hog stealing at all. You were merely asked to come in to determine what had occurred with reference to the hog that was in the back end of your pickup.

The illustration shows precisely what happened in this instance. Mr. Morgan would have been wholly justified in saying that he was not arrested at all, that no charge was made, and that a simple investigation of the type made does not rise to the dignity of arrest, and certainly does not in this instance rise to the dignity of barring Mr. Morgan from the great public office for which he has been nominated.

Mr. MORSE. Even at the risk of being charged with hog stealing, I believe the Senator from California has drawn a parallel case.

Upon the occasion of his nomination by the President Mr. Morgan did report the first incident to the White House so that no one there would be taken by surprise by its inclusion as an FBI report, but again forgot all about the second incident, the assault.

Nor for my part I see nothing important and certainly nothing sinister in all of this. These two ancient incidents were and are of absolutely no importance, the first of them showing Mr. Morgan to be completely blameless and the second actually so creditable to him that one of the Republican Senators on the Commerce Committee was quoted in the press as saying "Morgan should have had a medal for it." But beyond their lack of importance, there is complete absence from the committee record in this matter of any claim by any individual that Mr. Morgan's failure to report these incidents was damaging in the slightest degree to the Government or to the public interest or to any individual anywhere. All that is claimed is that Mr. Morgan years ago violated a very technical rule, a rule which I know many of us in the Senate feel goes too far and is unnecessarily harsh. And we are left by Mr. Morgan's attackers to infer that because of this technical violation we should permanently deprive the public of his outstanding ability to serve.

Mr. President, the Commerce Committee refused by a vote of 11 to 4 to go along with this. I do not go along with it, and I do not expect the Senate to go along with any such nonsense, when the Senate votes later in the day on confirmation of the nomination. Editorial opinion in the State of Oregon—which incidentally is 90 percent Republican—does not go along with it either. Since Mr. Morgan's nomination there have been numerous editorials concerning him and I have not seen one which is adverse to his appointment.

The Senator from Rhode Island [Mr. PASTORE] quoted editorial comments from various Oregon newspapers submitted by my distinguished colleague from Oregon [Mrs. NEUBERGER] to the committee. I have a few more to which I wish to refer during my presentation.

Since the attacks on him began some 6 weeks ago there have been even more editorials than before, and every single one of these editorials strongly supports Mr. Morgan's appointment. I shall not burden the RECORD with all of these editorials, but I do want Senators to hear the words of the lead editorial for Thursday, May 18, from the Portland Oregonian, the largest paper in Oregon and the leading Republican paper of the State. It is a newspaper that claims to be an independent newspaper, but I always refer to it as the leading Republican newspaper in the State because its editorial policy, I have found on so many legislative issues, is Republican and not independent.

This editorial is in its entirety except for one sentence which has been deleted in part to remove the name of a Republican Senator to avoid a violation of Rule XIX and another sentence relating to the vote in the committee:

Howard Morgan's failure to list on military service and Government job application forms two arrests when he was a youngster—one of them an error, the other for an excusable fist fight—was a mistake in judgment, perhaps, but certainly no grounds for disbarment from appointment as a member of the Federal Power Commission many years later.

The campaign to discredit him before the Senate Commerce Committee * * * dipped into gutter politics in employing such tactics. Actually, no one is fooled. The opposition to Mr. Morgan has nothing to do with these petty incidents of long ago. It is based on Mr. Morgan's New Deal public power record, and the belief among gas, oil, and electric utility executives that he is prejudiced against them.

Now it appears that he will weather the attacks, including some from Democrats who disliked his liberalism and tactics as State party chairman, or his support of Adlai Stevenson for the nomination against John F. Kennedy last year. The Senate's decision should be on the sole basis of Mr. Morgan's capacity to serve impartially on the FPC, a position for which his education and experience qualifies him.

Oregon knows Howard Morgan as a tough political infighter, the man who had most to do with the resurgence of the Democratic Party in this State. But we doubt there is any sympathy here with the shabby tactics used against his confirmation. The Senate should seat him as the President's choice.

My colleagues in the Senate will, I am sure, have no trouble recognizing the minority views concerning this nomination for what it is: a thoroughly biased, politically motivated document, resting upon insinuations, innuendoes, and nonsequitur. I do not propose to spend more time on this document than it merits, but I do want to call attention to a few typical items in it.

For example, in his testimony, Mr. Morgan submitted a list of positions involving public trust which he has held during 23 of the 25 years which have elapsed since the episodes which led to the present attack upon. The purpose of this list, as was clearly explained, was to show the degree of confidence which his associates and fellow citizens have always reposed in Mr. Morgan. The list begins by showing within 2 years of the altercations occurring in 1936 and 1937,

his fellow students had elected him to the student council and then to the presidency of the student body at Reed College. The minority views allude to the fact that the Reed College student body at that time numbered only 563 students, thus implying that the president of the student body was of minor or no significance.

Now Mr. President, what in the name of sanity is a nonsequitur like that doing in a serious discussion on the floor of the U.S. Senate? What has the size of the student body got to do with the degree of its confidence in Mr. Morgan? The fact is that in a student body that small, Mr. Morgan was bound to be known personally to all his fellow students, whereas in a larger college he might have been known to only a fraction of those voting.

I could go on and point out with pride that Reed College is very probably the most academically distinguished undergraduate college in America, producing a higher proportion of Rhodes scholars, a higher proportion of Phi Beta Kappas, a higher proportion of graduates who continue in graduate school, and a higher proportion of graduates who achieve doctorates, than any other college or university in America. I digress long enough to testify, as one who taught at the Law School of the University of Oregon for 14 years and acted as its dean for 13 years, that in those 15 years only two students who came to us after graduating from Reed College ever ended up below the top 10 percent of the class in the law school. It is some evidence of the academic excellence of that student body. There sits at my right as I pay these deserved tributes to Reed College one of its distinguished former professors, the Senator from Illinois, PAUL DOUGLAS. He knows whereof I speak when I speak of this being a college of great academic distinction.

Mr. DOUGLAS. If the Senator will permit, I would say that it is probably the best small college in the country.

Mr. MORSE. I am proud to hear the Senator say that, and I am sure Reed College and its alumni will be proud to have that statement made a part of the RECORD.

These happen to be facts, and they are facts which should give Mr. Morgan justifiable pride in having been selected for the presidency of such a student body. But these facts are no more relevant to this discussion than is the grotesque suggestion of the minority report concerning the size of the student body.

The relevant fact here is that Mr. Morgan's fellow students regarded him then, just as his friends, fellow citizens and even his opponents have regarded him ever since, as a decent, trustworthy, and responsible person who might properly be singled out for positions of honor and public service. When the minority report must resort to weird and childish nonsequiturs to obscure these plain facts, it confesses, to my mind, a serious weakness in its attack against Mr. Morgan.

This weakness continues to be evident throughout the minority report. For example, the report contains a long and labored insinuation concerning Mr. Morgan's relationship with the late Joseph Eastman, a relationship in which Mr. Morgan has every reason to take pride. Everyone who remembers Mr. Eastman will remember that this very great man was constantly bringing promising young men into the government—into the Interstate Commerce Commission and into other agencies as well. These young men were proteges of Mr. Eastman's in one sense—in that he took an interest in them and followed their progress, sometimes arranging, as in Mr. Morgan's case, for their frequent transfer from one department or division to another so as to speed their accumulation of experience in government, but in all other respects these young men were strictly on their own. They did not receive especially high salaries—the reverse was usually true—nor did they receive promotions more rapidly than justified by experience and aptitude.

Mr. Morgan had the honor of being one of these young men for a few months prior to his naval service and prior to Mr. Eastman's death, because Mr. Frank Landeburg, District Director of the Interstate Commerce Commission in the Pacific Northwest and an old friend of mine, secured a copy of Mr. Morgan's graduating thesis and, without his knowledge, sent it to Mr. Eastman to be read. This led, within a period of a few months, to Mr. Morgan's service in the Office of Defense Transportation under Mr. Eastman.

The thesis was a thesis in the field of administrative law agencies working; in this case, of the Interstate Commerce Commission, in respect of the regulation of public transportation utilities which come under the jurisdiction of the Interstate Commerce Commission.

By a process of alleged logic which I confess is beyond my ability to understand, the minority report would have you believe there was something bad about this, and that because Mr. Morgan did not work 19 years ago at today's pay scales he is somehow not qualified for the job to which he is now nominated.

All of this, it seems to me, is far afield from the judgment we are called upon to make. I could spend the next 2 hours analyzing the absurdities contained in the minority report, but that would not get us any closer to an appreciation of the qualities of character and competence which led President Kennedy to nominate Mr. Morgan. The minority report studiously avoids any recognition of such qualities and attempts throughout to hide or deny their existence.

Fortunately those qualities of character and competence are clearly delineated in the record of this nomination, they are clearly visible to all who have participated in the hearings or who have taken the trouble to read the record, and they cannot be obscured by the misstatements of fact and distortions of logic upon which the minority of the committee relies in this report. For this reason I decline to dignify that minority report and its flimsy case against Mr. Morgan by extended discussion.

Instead, I remind the Senate that no one has been more careful and diligent than I to insure that presidential nominees seeking our confirmation possess the historic qualifications of competence and character. I have led both successful and unsuccessful fights against confirmation of persons lacking proper qualifications, and I have never apologized for those fights, whatever the outcome. There have been occasions when, upon losing such a fight, I have stood on this floor and predicted accurately that the Senate would regret its action in confirming certain nominees, and subsequent events have borne me out.

I now wish to add two more predictions to the record. First, I am certain that the Senate will not be swayed, any more than the newspaper editors of Oregon have been swayed, by the eyewash out of which this attack against an honorable man has been fabricated; and that the Senate will confirm Howard Morgan, of Oregon, to be a member of the Federal Power Commission.

Second, I am equally certain that within 6 months of its confirmation of him, the Senate will come to recognize Commissioner Morgan as one of the hardest-working, ablest, and most impartial Commissioners the public has been fortunate to secure in many years.

Mr. President, I again congratulate President Kennedy on his courageous selection of a courageous man for the Federal Power Commission and I urge the Senate to confirm this nomination.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CARROLL. I commend the able Senator from Oregon for his courageous, clear, factual, and lucid presentation. I associate myself with his remarks on Mr. Morgan, whom I do not know personally. However, I have read the record, and I have read the committee report, and also the minority and separate views. I submit to my colleagues who sustain the minority report that their position reaches the height of absurdity. They dig back 25 years into a man's record and disregard his outstanding record since then as a public servant. They emphasize a minor matter, one dealing with the breach of the peace. They also refer to another matter dealing with some minor offense which would be treated as an insignificant petty larceny.

What the minority says is: "We do not mean to say that he should never hold an office of public trust, but there must be a decent interval."

I know the interval that is meant. This man is a trained public utility servant who is now going into this position of trust. Heaven knows we need someone in the Federal Power Commission like this man. By a "decent interval" the minority really means that we should appoint someone else. I am amazed that the Senate should spend this much time on minor charges against this man, when we know the desperate situation in which the Federal Power Commission finds itself today, with a great backlog of cases, and with a record that has been

assailed by every leading scholar in this field as not being in the public service. The man whose nomination we have before us has a record of fairness to both industry and the consumer.

In my humble opinion, debating such a minor matter is like straining at a gnat and swallowing a camel. I commend the able Senator from Oregon for his statement.

May I ask how it happened that such a good man was persuaded to present himself?

Mr. MORSE. Oregon has many such good men.

Mr. CARROLL. There may be many in Oregon, but until recently they have not been appointed to the regulatory bodies. Such an appointment as this has been a long time coming.

Mr. MORSE. I thank the Senator from Colorado.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. DOUGLAS. I, too, congratulate the Senator from Oregon, the Senator from Rhode Island [Mr. PASTORE], and the Senator from Alaska [Mr. BARTLETT], who preceded him, for their defense of Mr. Morgan. I had not known Mr. Morgan until recently, but I knew of his reputation. His reputation has always been of the highest. He is a man of honor and ability. I thought the incident related by the distinguished junior Senator from California [Mr. ENGLE] was extremely interesting, namely the threats by the slot machine gang that they would bring out damaging material about him unless he voted with them. Mr. Morgan did not yield to blackmail. I think that is a test both of bravery and of character.

Is it not true, I ask the Senator from Oregon, that if a man is not zealous in defending the public interest, then the incidents of his past are seldom brought up; and that the mantle of forgiveness is thrown around those who protect the powerful?

Mr. MORSE. That has been my observation.

Mr. DOUGLAS. On the other hand, if a man shows concern for the public interest, every effort is made to discredit him.

Mr. MORSE. His back is kept to the wall.

Mr. DOUGLAS. I remember, as a young man, watching the nomination of Louis Brandeis to the Supreme Court. He was one of the greatest judges, as it turned out, that the Nation ever had. But his nomination was opposed by every living president and past president of the American Bar Association and by the presidents of Harvard and of Yale. What was the charge? The charge was that Mr. Brandeis defended the public as against Mr. Mellon, Mr. Morgan, and the New York, New Haven & Hartford Railroad, together with certain incidents which reflected to his credit in the United States Shoe Machinery case.

It was a long, bitter battle. At the time I felt that if Mr. Brandeis had been a conventional corporation lawyer, there would have been no opposition whatsoever to his nomination.

I think we are now seeing a repetition of the old story. I hope the Senate, by a big vote, will confirm the nomination of Mr. Morgan.

Mr. MORSE. I thank the Senator from Illinois for his support of the nomination of this able man.

Mrs. NEUBERGER. Mr. President, I wish to add a few comments to those which have been expressed so well by my senior colleague in support of Howard Morgan. The senior Senator from Oregon has covered the main argument in support of the nomination.

It might be thought to be natural for the Senators from Oregon to speak in support of the nomination of a man from our State who has been appointed to high office. It is natural, but I do not believe we would speak in recommendation of a nominee from Oregon if we did not believe he deserved the nomination, simply because of great local pride and interest in having someone from Oregon do very well and receive national acclaim. We would speak in support of such a nomination only if it were justified.

Howard Morgan brought about a great resurgence, let us say, of the Democratic Party in Oregon, as the senior Senator from Oregon has said. During his leadership, the first Democratic United States Senator in 40 years was elected from our State.

I think the people of Oregon have showed by their support of his leadership that they have great respect for him as a leader and as a person of ability.

Mr. President, in addition to the editorial comments which the senior Senator from Oregon has placed in the RECORD, I ask unanimous consent to have printed at this point in my remarks two additional editorials.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Coos Bay (Oreg.) World, Jan. 30, 1961]

MORGAN CHOICE SUPERLATIVE

It would have been difficult for President Kennedy to have found a better qualified man, by knowledge, philosophy, and temperament, than Howard Morgan of Sisters for appointment to the Federal Power Commission. It was first rate.

What the FPC gains, Oregon's Democratic Party loses, even though Morgan has been officially inactive in the party since 1956, when as chairman he helped lay the groundwork for the election of Robert D. Holmes as Governor, and the reelection of WAYNE MORSE as U.S. Senator, despite the decisive majority by which President Eisenhower carried the State. Morgan's removal from the Oregon scene remains a loss because the brilliant, tough, ex-chairman reportedly had resumed his interest in Democratic politics, largely in rage over State senate shenanigans where several Democratic members openly deserted the party platform. Had Morgan resumed an active role within the party, its reemergency from the depths of intellectual dishonesty and despair would have been assured.

Morgan's will be but one voice on the FPC. Yet further appointments of his caliber to that agency, and other Federal independent agencies, can restore respect to regulatory bodies. The agencies were established by Congress to protect the public's interest; largely by virtue of industry appointments, however, they have come to be regarded as agencies aimed at protecting the interests they were supposed to regulate.

Morgan's tenure as Oregon public utilities commissioner was certainly not popular with industry. He viewed the office as one which should protect the public instead of industry. Furthermore, for the first time, he offered the use of his office to the public in matters of controversy, like the Portland transit mess, to the horror of industry and conservatives generally, but, we feel, to Morgan's credit. In fact, Morgan's precedents as public utilities commissioner may have carried over in some degree to his successor; PUC Commissioner Jonel Hill is a better incumbent for having been preceded by Morgan.

We trust Howard Morgan's philosophy of regulatory agencies is the same as it was 2 years ago. It could have a healthy effect on the Federal Power Commission.

[From the Portland Reporter, Jan. 24, 1961]

MORGAN EXCELLENT CHOICE FOR APPOINTMENT TO FPC

If Howard Morgan is named to the Federal Power Commission as reports indicate, President Kennedy will have brought into public service another vigorous, young, and competent man with high dedication for good government.

He has figured in sharp differences with fellow Democratic leaders in this State, which is not improper in his party. But his critics, be they Democrats or Republicans, cannot honestly deny that Howard Morgan fought with all his Irish tenacity and Reed College training for proper regulation of utilities when he was the people's public utilities commissioner under Governor Holmes.

For the first time in many a day at Salem, humble customers of the railroads, the bus lines, the telephone companies, the power companies, had a capable and conscientious defender. At times Commissioner Morgan looked unusually worked up at his job only because the people were not accustomed to seeing a public utility commissioner of Oregon steamed up in their behalf.

Howard Morgan would go on the Federal Power Commission at a critical time for the Northwest. For more than 2 years the Idaho Power Co. has been accused by biologists of Oregon, Washington, and Idaho of violating the Commission's directives to carry out a fish conservation program at Brownlee Dam. Much of the biologists' efforts, including those of the Federal Government, have had to be aimed at prodding the power company into complying with the Commission's license requirement for protecting fish at the dam. Biologists shouldn't be required to do such prodding, but there was no other recourse. The power company kept putting off financing emergency fish relief measures until the commission could be induced to show its teeth. Then the company took its own time again. Late in 1959, the biologists urged the three Northwest States to proceed with damage claims against the power company for permanent loss of salmon and steelhead runs. These States, in turn, put off acting on this matter which the biologists warned was very grave.

Instead of pushing the damage action, Governor Hatfield has arranged for a meeting of the Northwest Governors for passing it off on the three legislatures. The Governor was prodded by an Oregon legislative committee which called attention to the serious consequences of neglecting fish protection at Brownlee—something that Governor Holmes protested about more than 2 years ago. This situation doesn't need any more pussyfooting—it needs Howard Morgan.

Even more important to the economy of the Northwest is the proper conservation of power potentials. We cannot afford another Hell's Canyon giveaway of 500,000 kilowatts—the difference between the low dams and high Hell's Canyon Dam. Fortunately by the time the Federal Power Commission will decide which is more to the public interest, big Mountain Sheep Dam or bigger Nez Perce, there could be three vigorous, young, and competent Kennedy men, a Kennedy majority, on the Federal Power Commission.

Mr. AIKEN. Mr. President, when I came into the Chamber an hour or so ago, I fully intended to vote for the confirmation of the nomination of Mr. Morgan. I feel that a position on the Federal Power Commission requires the service of a strong, capable, honest citizen. Since coming to the floor of the Senate, I have had to change my mind about supporting the nomination of Mr. Morgan.

I have not changed my mind because I question his ability. I think he has the ability as attested by the Senators from Oregon and by other Senators, to fill the position. I have not changed my mind because of the opposition to his nomination by those whom he would be required, as a member of the Commission, to regulate. I have not changed my mind because of any mistakes he made in his youth, because any man who grows up without having made any mistakes in his youth probably would not be much of an administrator or a judge, in any case.

I have not changed my mind because Mr. Morgan did not fill out his form 57 exactly correctly, because I think it would be a revelation if we were to examine all the forms 57 which have been filed by applicants for positions in the Government.

I have had to change my mind because I have been reading the report of the hearings. On page 67 of the hearings, I find this colloquy:

Senator SCOTT. The Senate Committee on Post Office and Civil Service in July 1958 in another matter refused to recommend favorably, as I recall it, the nominee because the statement was made by him in the form 57 that he had a college degree, whereas, in fact, he had the necessary college credits and did, in fact, have a law degree; he claimed two degrees.

That was one degree too much in the opinion of the committee and they refused to recommend him for confirmation.

Mr. CHAIRMAN. I will close my questioning by reading from the message from the President on yesterday or——

Mr. MORGAN. Mr. SCOTT, may I at this point—I am sorry to interrupt you.

Senator SCOTT. That is all right, go ahead.

Mr. MORGAN. I think it is only fair to you to tell you that because mention was made within the committee of this *Flanagan* case. I have read the Flanagan transcript and the cases are not parallel. Mr. Flanagan conferred 47 units of study on himself and a university degree which he did not, in fact, have. He didn't have a law degree either. He had been thrown out of law school for bad scholarship, and the falsifications which he made in his form 57, far from being related only to a possible short delay, were crucial, absolutely crucial, to his successful appointment to the position he sought.

Mr. President, the statement which Mr. Morgan made in the hearings related to a young man who for financial reasons had to give up his college studies in Vermont, and to whom I gave a patronage job on the police force, so that he might come to Washington and continue his studies here. Therefore, I feel an interest in what Mr. Morgan saw fit to say about him.

Why Mr. Morgan ever felt called upon to make the statement, I do not know, but I am resentful because he simply did not tell the truth to the committee. He said there that Mr. Flanagan did not have a law degree. Mr. Flanagan did have a law degree. He had a law degree from Columbus University, which I understand has been merged into the Catholic University of America and is now operated by the Catholic University.

Mr. Flanagan was not thrown out of college. He had to forego his attendance at college in Vermont because he did not have the money to continue, and he had a family to take care of at the time. That is why he came to Washington.

As for Mr. Flanagan's form 57, it was incorrectly made out to begin with, but it was corrected later.

Mr. Morgan said:

The falsifications which he made in his form 57, far from being related only to a possible short delay, were crucial, absolutely crucial, to his successful appointment to the position he sought.

That is not true. It was never claimed that the form 57 material was crucial to the position Mr. Flanagan sought.

I do not debate Mr. Flanagan's qualifications for the appointment at this time. The committee disapproved him anyway, and the nomination was withdrawn. But, Mr. President, it seems to me that any person who goes before a committee and undertakes to protect or better his own position through reflection on the character of another is not qualified for high, responsible office in the Government. That is the reason why I have changed my mind since I came on the floor.

Mr. CLARK. Mr. President, let me say to my friend, the Senator from Vermont, that in a few moments I shall recur to the Flanagan case, because it was brought into this matter, not by the nominee, but by my colleague from Pennsylvania [Mr. SCOTT], in the committee; and since I played a major part, together with the Senator from Idaho [Mr. CHURCH], in the adverse action of the Committee on Post Office and Civil Service on the nomination of Mr. Flanagan, I think that in justice to Mr. Morgan I should state my best recollection of the facts of that case, which I have undertaken to have collected again.

I realize that when Mr. Flanagan's nomination came to the floor, a year or 2 years ago, the Senator from Vermont and I had a spirited, but nonetheless friendly, disagreement about that situation.

Mr. AIKEN. Mr. President, if the Senator from Pennsylvania will yield, let me state that I believe that nomination never came to the floor.

Mr. CLARK. I believe that is correct. The Senator from Vermont appeared before our committee; and there we had a spirited, but nonetheless friendly, discussion of the nomination.

Mr. President, after having read the majority report and the minority views on Mr. Morgan, and after having listened to the speeches made by the Senator from Rhode Island [Mr. PASTORE], the Senator from Alaska [Mr. BARTLETT], the senior Senator from Oregon [Mr. MORSE], and the junior Senator from Oregon [Mrs. NEUBERGER], and the colloquy engaged in by the Senator from Colorado [Mr. CARROLL], and the Senator from Illinois [Mr. DOUGLAS], I have no doubt that this nomination should be confirmed; and I shall vote for confirmation.

Because my colleague from Pennsylvania [Mr. SCOTT] brought the Flanagan matter into these proceedings, however, I have asked him to be present when I make these few remarks; and I am happy to see that he is now on the floor, because I should like this record to be very clear as to my own view that there is no connection whatever between the Flanagan matter and the Morgan matters; and, in my judgment—with due reference to my friend, the Senator from Vermont [Mr. AIKEN], with whom I dislike to disagree—I think Mr. Morgan was quite justified in pointing that out before the committee.

Mr. AIKEN. Mr. President, if the Senator from Pennsylvania will yield, let me say that I disagree that Mr. Morgan was justified. I agree that probably there was not too close a connection between the two cases. But in concluding my remarks I stated that when one man undertakes to enhance his own position by reflecting on the character of another, and makes statements which are not true, then I believe he disqualifies himself from appointment. No one is sorrier than I am, because I want to see the strongest possible persons serve on the Federal Power Commission, because I know something of the pressures which are brought to bear upon them, and only the strongest men can stand up to those pressures. But, unfortunately, Mr. Morgan chose to make those remarks about one of my constituents; so Mr. Morgan has lost my vote.

Mr. CLARK. Of course the Senator from Vermont is entitled to his opinion, which I honor; and I also honor his loyalty to a young friend, for whom he stood up under very difficult circumstances. I regret that I feel compelled to draw a conclusion different from the one my friend, the Senator from Vermont, has drawn from the facts, on which I think he and I are agreed.

I merely wish to say I think there is no connection between the pending nomination and the Flanagan nomination. Three years ago, Mr. Flanagan was nominated to be a member of the Interstate Commerce Commission. Mr. Flanagan falsified the form 57 he filled out, by stating that he had received 47 units of study and two university degrees which he had not received. Moreover, when Mr. Flanagan appeared before the Committee on Post Office and Civil Service, on which I then served, and when he was under critical exam-

ination by the Senator from Idaho [Mr. CHURCH], Mr. Flanagan attempted, to the best of his ability, to cover up—in my opinion—that situation and to persuade the committee that he had not falsified his background in filling out form 57.

On the other hand, Mr. Morgan was entirely candid with the committee, and admitted immediately the extent to which misstatements had been made by him on the No. 57 form.

It is no pleasure to me to place into this RECORD the misstatements—to use a kind word—which Mr. Flanagan made on the form 57 which he filled out, and which he attempted to justify when he appeared before the Committee on Post Office and Civil Service. But I am compelled to say—in justice to my friend, the Senator from Vermont—that Mr. Flanagan did report 3 years attendance at Columbus University, whereas actually he had completed only two quarters of 1 year; and I believe I am correct in stating—in fact, I really am quite positive about it—that he never did receive a degree from Columbus University.

Mr. AIKEN. Mr. President, I think the Senator from Pennsylvania is mistaken. I have been assured, within the last half hour, that he did receive a degree. I am certain of that.

Mr. CLARK. I have the record before me. It may be wrong, but it is in accordance with my recollection; and I refer the Senator from Vermont to the transcript of the hearings of the Committee on Post Office and Civil Service, pages 34 and 35, where the statement to which I have just referred appears, so I am told by a staff member; and it is in accordance with my own recollection.

There are a number of other matters which I believe would be rather too painful to go into here; and I do not think it would do either Mr. Morgan or Mr. Flanagan any good to go into them now. Therefore, I shall not state for the RECORD the other misstatements of fact which, I state regretfully, Mr. Flanagan made, and which resulted in a failure to report his nomination to the floor of the Senate—which, I believe, clearly distinguishes the case of Mr. Flanagan from the case of Mr. Morgan.

Mr. SCOTT. Mr. President, on that point, will my senior colleague yield?

Mr. CLARK. I yield.

Mr. SCOTT. Let me state that I am not aware—but the senior Senator from Vermont and the senior Senator from Pennsylvania served on the committee, and they can clarify the matter——

Mr. CLARK. No; the Senator from Vermont did not.

Mr. SCOTT. Then the senior Senator from Pennsylvania had a discussion with the Senator from Vermont, apart from the committee session?

Mr. CLARK. Well, we had a friendly discussion.

Mr. SCOTT. Well, after we conclude the nitpicking, let me ask if it is not a fact that Mr. Morgan, for purposes of improving his own chances, lashed out against Mr. Flanagan, whose nomination was withdrawn by Mr. Eisenhower because of the allegation that Mr. Flanagan had overstated his college credits. At the hearing, Mr. Morgan stated—and this testimony appears on page 68 of the hearing:

> I have read the Flanagan transcript and the cases are not parallel. Mr. Flanagan conferred 47 units of study on himself and a university degree which he did not, in fact, have. He didn't have a law degree either. He had been thrown out of law school for bad scholarship, and the falsifications which he made in his form 57, far from being related only to a possible short delay, were crucial, absolutely crucial.

I am not at all aware that it ever appeared that he had been thrown out of law school, for bad scholarship. The Senator from Vermont can correct me, of course, if I am wrong.

But what malice must have suffused the mind of Mr. Morgan, who, as we have shown, is, himself, used to falsification, and is so given to concealment, that in order to hurt another man, he would make a statement which the hearings and the record do not support—namely, that that man had been thrown out of law school, for bad scholarship.

Mr. CLARK. Mr. President, will the Senator from Pennsylvania yield for a question?

Mr. SCOTT. Mr. President, I shall put this in the form of a question, then: Does not the senior Senator from Pennsylvania think that is pretty much of a reflection on Morgan?

Mr. CLARK. I do not. The junior Senator from Pennsylvania asked me to yield, and then asked a question; and I have answered his question. Will he now answer a question from me?

Mr. SCOTT. Will the senior Senator from Pennsylvania agree that Morgan threw in something, there, which the record does not sustain?

Mr. CLARK. In substance; no.

Mr. SCOTT. But in practice, yes?

Mr. CLARK. Will the Senator answer a question?

Mr. SCOTT. I am used to answering questions from my senior colleague; that is how I learn, down here.

Mr. CLARK. Will the Senator tell me whether I am correct in my belief that Mr. Flanagan's case was first brought into the Morgan matter by the junior Senator from Pennsylvania?

Mr. SCOTT. Mr. Flanagan's name was not brought into the case by the junior Senator from Pennsylvania.

Mr. CLARK. I did not say "name"; I said "case."

Mr. SCOTT. The junior Senator from Pennsylvania—in order to avoid further embarrassment to Mr. Flanagan, who had already been sufficiently mauled by a Senate committee—referred to a case before the Post Office and Civil Service Committee, and was careful not to mention the name of Mr. Flanagan. But Mr. Morgan could not let it go by; he, himself—being on the defensive, and being charged with falsification—with considerable glee, in my opinion, and quite evident malice, introduced the name of Flanagan, and referred to it four times in the course of his reply.

Mr. CLARK. Mr. President, with deep regret, I refuse to yield further to my colleague from Pennsylvania until I have completed my statement.

My statement is merely that the junior Senator from Pennsylvania indirectly brought Flanagan's name into the matter. Everybody knew he was doing it. He said everything but the name. In my judgment, Mr. Morgan was entitled to go further to answer the allegation brought in by innuendo by my colleague from Pennsylvania.

I point out, in conclusion, that my friend from Pennsylvania undertook to call Mr. Morgan a perjurer on the very floor of this body a short time ago. It is an easy thing to call a man a perjurer on the floor of the Senate, where Senators have immunity from prosecution for slander or libel. The fact of the matter is that Mr. Morgan was never indicted for perjury or convicted for perjury. In fact, he is not a perjurer, and no jury would convict him.

Mr. MANSFIELD and Mr. SCOTT addressed the Chair.

Mr. CLARK. I yield to the majority leader.

Mr. MANSFIELD. Mr. President, I have known Howard Morgan for a number of years, not intimately, as have the two Senators from Oregon, but certainly enough to have a pretty good idea on which to form a judgment covering the basis of his qualifications.

I think he has done an outstanding job as a member of the Public Utilities Commission—the only member, by the way, in the State of Oregon. I think the indiscretions of his youth, if we can call them that—and I doubt it—have been gone into quite thoroughly in committee and on the floor of the Senate. I think these matters have been explained by the Senators from Oregon, by the Senator from Rhode Island [Mr. PASTORE], by the Senator from California [Mr. ENGLE], and other Senators on the floor of the Senate this afternoon.

I would express the hope that we shall be able to come to a vote shortly, so this matter can be faced up to. I would express the further hope that the Senate will give Mr. Morgan's nomination overwhelming approval, because he has earned it.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. CLARK. Mr. President, I am prepared to yield the floor, but I feel honor bound to yield to my colleague from Pennsylvania.

Mr. SCOTT. I would appreciate it, since the senior Senator from Pennsylvania has leveled the charge against me that I labeled Mr. Morgan a perjurer. I would like to correct the Senator. It was Mr. Morgan himself who labeled himself as a perjurer, and I would repeat the remarks, without the immunity of the Senate floor, at any place and any time, and let the public judge whether it is perjury. Perjury is the crime—and I will give the nontechnical language; the Senator and I are both lawyers—of not telling the truth in a material matter, under oath, which is material and relevant to the investigation.

Mr. CLARK. Mr. President, will the Senator yield a moment?

Mr. SCOTT. Not just at the moment.

Mr. CLARK. Why does not the Senator take the floor in his own right, because obviously he is not asking me a question.

Mr. SCOTT. Mr. President, may I have the floor?

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SCOTT. In my own right, since my senior colleague seems to be somewhat fatigued, I will state that perjury consists not in an indictment, not in the filing of an information, not in a conviction; perjury consists in the violation of the law which defines perjury. The law defines it as not telling the truth in a matter material to the situation as to which a statement is made, and in not telling the truth under oath.

Mr. Morgan admits that he did not tell the truth under oath. He defines himself as a perjurer. It is not Mr. Morgan's fault that for the six times he did not tell the truth he was not prosecuted. It might be the fault of the Department of Justice. It might have some relationship to the high position he held in his home State. It might have relationship to the fact that it was never discovered because of his carefulness in keeping it secret. It might have relationship to the fact that Morgan would not be indicted for perjury until the perjury was discovered.

As appears on page 67 of the hearings, I said:

> But, Mr. Morgan, when you did fill out these three forms—

He was after a Government job; he wanted a Navy commission—

> and deny that you had ever been arrested you were at that time under the impression, were you not, that these things had been removed from the record by a police chief and therefore they could not be discovered and brought up against you, isn't that true, factually, even though you say that wasn't your motivation?

In other words, he said he was not telling an untruth because of the fact that he thought the police chief had hiked the record out of the file.

I said:

> Isn't that true, factually, even though you say that wasn't your motivation?

Mr. Morgan said:

> You can say that; yes, sir. But that was not the motivation.

I asked him again:

> And that is, do you feel that what you did represented some deviation from let us say irreproachable standards of behavior?

Mr. Morgan said, in branding himself again as a perjurer:

> I think I can be and probably should be reprimanded or admonished for an infraction of the rules. There is no question about it.

The majority report is far less hard on Mr. Morgan than Mr. Morgan was on himself. Mr. Morgan said:

> I did it. I am guilty.

The majority report says it was a childish game.

Mr. PASTORE. Mr. President, will the Senator yield on that point?

Mr. SCOTT. I do not wish to yield until I finish. The majority report says it was a childish game, that these were the offenses of youth, referring to the two criminal offenses which have nothing to do with what I have been saying. It was not a childish infraction to make six false statements under oath in order to get something in return from the Federal Government. They took place when he was between 28 and 38 years of age. If Mr. Morgan had not learned what it is to lie in a Government matter by the time he reached the age of 38, he will never learn, unless, through the exercise of mercy for which the majority pleads, there might be another soul searching and a final consulting with truth.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. SCOTT. I yield.

Mr. PASTORE. Did not the Senator, a short while ago, read a part of the criminal code which says, "Whoever shall willfully misstate a fact"?

Mr. SCOTT. Yes.

Mr. PASTORE. The Senator is talking about motivation. Does not motivation go to willfulness?

Mr. SCOTT. Precisely. This was willful.

Mr. PASTORE. Did not Mr. Morgan say, "I did not have such a motivation"?

Mr. SCOTT. No; he did not.

Mr. PASTORE. I challenge the Senator to read the question.

Mr. SCOTT. Tell me what the Senator wants me to read.

Mr. PASTORE. The question the Senator read a short while ago.

Mr. SCOTT. I was referring to page 67 of the hearings. I shall be glad to do so.

Mr. PASTORE. Yes. Read that again and see if the Senator did not use the word "motivation," when he said that he may not have had such a motivation, but he did it. Motivation goes to willfulness.

Mr. SCOTT. The Senator is not going to confuse me.

Mr. PASTORE. But the Senator is confusing the record.

Mr. SCOTT. I am not.

Mr. PASTORE. Then read it.

Mr. SCOTT. I will read it, and in my own time and my own way. I have the floor.

Mr. PASTORE. I know the Senator has the floor, but he yielded to me, and I am saying to the Senator from Pennsylvania that he is very subtly distorting the record.

Mr. SCOTT. And I say to the Senator from Rhode Island, with all due respect, that he is mistaken.

Mr. PASTORE. Let us find out where the word "motivation" comes from.

Mr. SCOTT. If the Senator will permit me to proceed, I will try to answer the question.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. SCOTT. I will not yield at this time.

Mr. CARROLL. Will the Senator——

Mr. SCOTT. I refuse to yield. The Senator from Rhode Island is very anxious that this be read.

The PRESIDING OFFICER. The Senator refuses to yield.

Mr. SCOTT. I refer to page 67 of the hearings. We were speaking about whether or not Mr. Morgan would be led to make certain false statements, if he believed that, in denying that he had been arrested, the files had been removed by his friend, the police chief, from the files, so if he did not tell the truth he could not be discovered.

This is the point we are examining. In other words—

> Were you influenced? Were you motivated by the fact that if you made statements under oath you could not be caught up because the files had been removed?

This is the question, from page 67:

> Senator SCOTT. But, Mr. Morgan, when you did fill out these three forms and deny that you had ever been arrested you were at that time under the impression, were you not, that these things had been removed from the record by a police chief and therefore they could not be discovered and brought up against you, isn't that true, factually, even though you say that wasn't your motivation?

Mr. PASTORE. Will the Senator repeat that?

Mr. SCOTT. If the Senator will permit, I shall read the answer before I permit the Senator to confuse the question. The answer of Mr. Morgan was:

> You can say that; yes, sir. But that was not the motivation.

Mr. PASTORE. That was not the motivation.

Mr. SCOTT. I have not yet yielded again, although I shall yield later to the Senator from Rhode Island.

Mr. PASTORE. I do not wish to have anybody forget that.

Mr. SCOTT. Mr. Morgan said:

> But that was not the motivation.

Mr. PASTORE. That is right.

Mr. SCOTT. From which the only possible inference is that in not telling the truth he was motivated by some purpose other than the one of which I accused him; namely, that the record had been removed. He said that was not his motivation.

I read further:

> Senator SCOTT. May I ask you one other question?
>
> Mr. MORGAN. Yes, sir.
>
> Senator SCOTT. And that is do you feel that what you did represented some deviation from let us say irreproachable standards of behavior?

Mr. Morgan then, without going into motivation any more, said:

> I think that I can be and probably should be reprimanded or admonished for an infraction of the rules. There is no question about it.

I now read from the Criminal Code:

> Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up—

And so forth—

> shall be guilty of an offense.

If any Senator wishes, I shall read the entire section of the code with reference to "knowingly and willfully."

Mr. Morgan, testifying before the Senate committee, said that he knew he had committed these offenses, that the six times did not make an admission that he had committed them.

I am sure the distinguished attorney who has asked the question, the distinguished member of the bar, is perfectly aware of what is involved in the legal terminology of "knowingly and willfully." In other words, Was he arrested? Did he know he was arrested? Did he refuse to say he was arrested? Did he do it under oath in a relevant proceeding? I say he did, and I say that is perjury.

Mr. PASTORE. Now, Mr. President——

Mr. SCOTT. I am glad to yield to my friend from Rhode Island.

Mr. PASTORE. Now I should like to have the floor in my own right.

Mr. SCOTT. If the Senator will permit, there is a further little addendum which will help him. On page 69 Mr. Morgan went further and said:

The matter—

Referring to the arrest—

The matter which I have chosen to ignore is the other matter.

Referring to the assault and battery.

If "chosen to ignore" is not willful, I do not know what is.

Mr. PASTORE. I am waiting for the floor.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. SCOTT. I am glad to yield to the Senator from New York.

Mr. KEATING. It is not my disposition to discuss the matter at length. I did not hear the testimony. I have, however, read the testimony.

I was surprised to hear the senior Senator from Pennsylvania express the view that in his opinion falsification of college credits was a matter of more importance than falsification of the fact of a conviction of assault and an arrest for larceny.

It would strike me that the answer to a question with regard to one's record as to arrests or convictions, if one is going to weigh such things, is a matter of a great deal more importance, rather than of lesser importance, than a response to a question regarding the number and amount of college credits. Would the Senator agree?

Mr. SCOTT. I would certainly agree that the willful concealment of two violations of law is much more important and much more serious than the willful concealment of a failure to attain as high an educational attainment as was represented, yes. In that case the nomination was withdrawn.

Mr. KEATING. In that case?

Mr. SCOTT. The latter case.

Mr. KEATING. Am I correct in my understanding that the willful and deliberate violation, no matter how motivated, occurred? It could be added that the offense of perjury is not in any way qualified by motivation. There is a question, however, of whether it was intentional and willful.

Mr. SCOTT. Precisely.

Mr. KEATING. Motivation is a side issue. One can be willful, no matter how pure one's motives are. One may steal to support a family, or for some other purpose which might have something laudable behind it, and the court would weigh that in fixing the sentence. But the act would still be larceny if one intended to take the property of another.

Mr. SCOTT. As a matter of fact, while motivation has nothing to do with willfully and knowingly doing something, it is of interest that in this case Mr. Morgan himself fixes his motivation as being his own convenience. He testified that the reason he did not say that he had been involved in criminal offenses was that he would get the jobs he desired anyway, but that such would only delay the time it took for him to get them while the FBI or the Government was investigating these things, since they would find out there was nothing to them.

I asked him—

Then you did not tell the truth because you wished to help the Government and to save the time of the investigators?

He chose to feel that that was a facetious question, with which I did not agree. I wish to say that that was his motivation. Again, as always, it is a question of his own convenience.

I wish to point out, also, a quotation from page 52 of the hearings with respect to the question of "knowingly and willfully," and motivation.

At the bottom of page 52 Mr. Morgan again made an admission in regard to why he did not tell about the two incidents. This is why I said to my senior colleague from Pennsylvania that I shall say this off the floor, by reference to the hearings and the statements made, to let the people judge what they think.

If Senators wish to listen to the interesting convolutions of a man's mind, as he shows how what he wishes to do is more important than what is right or what is wrong, I ask them to listen carefully to the words of Mr. Morgan in explaining why he did not tell the truth. He was asked if he would care to comment on one form in particular, on which he had said he had never been arrested and convicted and paid a fine. The question was:

Would you care to comment on that?

This followed a long question asked by me.

Mr. Morgan said:

Yes; I will be glad to.

These two incidents as far as I am concerned are quite different and I had and still have quite a different feeling about them.

One was the stolen tire and one was the assault and battery.

The matter involving the tire was, as I said, a comedy of errors, mistakes, misunderstanding from start to finish. There is no guilt, culpability, or blame involved in the matter as far as I am concerned and I have never felt that there was.

On the other hand, there was never any way in which I could have avoided it. It happened to me as the same sort of thing happens to many people. It was a piece of bad luck. But I have always felt that the arrest should not have been made, should never have been made. In effect I was arrested for the purpose of investigating to find out whether I should have been arrested or not, and the investigation proved that I should not have been. I have always regarded this incident with a feeling somewhere between exasperation and mild outrage and I have perhaps wrongfully felt that it was something I did not need to carry on my shoulders and explain for the rest of my life. It is quite true that on every occasion that I have filled out a form 57 I did.

I hope the Senator from Rhode Island will listen:

I did remember this case and I did refuse to report it.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. SCOTT. I yield to the Senator from New York.

Mr. KEATING. I wish to ask my colleague from Pennsylvania a question, and I wish to preface it by a statement.

Mr. SCOTT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. SCOTT. I yield.

Mr. KEATING. This noon I had the pleasure of being the guest of the National Press Club at a luncheon at which the new Republican chairman spoke. Incidentally, he did a very fine job.

At the luncheon I met a member of the press corps for whom I have a very high regard. This member of the press corps expressed some sympathy for Mr. Morgan in the beginning because he said that when he was 18 or 19 years of age and in college, he and some other boys tore down a neon sign and were charged with larceny. He was pretty young at the time and pleaded guilty. The childish escapade he described has always been on his record. He said:

The incident has dogged me from time to time. It dogged me when I obtained my Navy commission and in doing other things. But always I have told of the incident when I sought employment.

He either was or is an officer of the National Press Club. Since the Press Club has a liquor license, the man with whom I spoke had to relate these facts to the authorities. He has never encountered any trouble when he told the truth.

I would not for one moment oppose the nomination of Mr. Morgan because he had been convicted of an assault of a rather minor character when he was 22 years of age, and because he had been arrested for stealing a tire.

Mr. SCOTT. And neither would I.

Mr. KEATING. I ask the Senator whether there would be any issue in the mind of the Senator if there had been disclosure.

Mr. SCOTT. If he had done so, there never would have been an issue with respect to the nomination on the Senate floor. I would never have spoken on this subject. It is my judgment that I would have had no difficulty in voting for the confirmation of the nomination of Mr. Howard Morgan. The point is not what he did as a very young man,

because, as I said at the beginning of my speech, we have all done things like those with which Mr. Morgan had been charged. Any man who rises and says that he is guiltless of wrongdoing is immediately and ought to be promptly suspect.

Mr. KEATING. I agree with the Senator, but do not cover too much territory.

Mr. SCOTT. I do not want to include crimes that are too large. I merely say that youthful offenses, such as a youthful fist fight, are not to be taken too seriously as long as truth is told. But we are considering the nomination of a man who seeks one of the highest positions in the country, and who has said that when he lied, he lied to suit his convenience.

Mr. KEATING. He knew that he was lying when he filled out the forms.

Mr. SCOTT. Page 52 of the hearings shows that he knew he was lying when he filled out the form. He has an excellent memory, but he is a master of his memory. He can so control his memory that when he does not want an incident in his mind currently, he can put it out of his mind.

A man like that, who must write an opinion for the Federal Power Commission, could write an opinion that is not properly justified by the law under the same specious reasoning that things are what I want them to be.

At times his testimony sounded something like the colloquy in "Alice in Wonderland"—

> "When I use a word," Humpty Dumpty said in a rather scornful tone, "it means just what I choose it to mean—neither more nor less."

Mr. Morgan has a highly facile way of explaining, and a highly specious way of extenuating himself. At least he did more than the majority of the committee did. He said he was guilty. I yield the floor.

Mr. PASTORE. Mr. President, I have said about everything I care to say on this subject, but I believe in view of the very broad statement made by my friend, the Senator from Pennsylvania, to the effect that Mr. Morgan is a self-confessed liar and perjurer, I think that the record should not stand in that fashion.

Those who have spoken on the floor of the Senate in support of the confirmation of the nomination are absolutely convinced that Mr. Morgan was a very free, frank, and sincere witness before our committee. He answered every question that we asked him. Nothing appears in the record to indicate that Mr. Morgan admitted that he either lied or perjured himself. I wish that point clearly understood.

It is true that Mr. Morgan tried to explain those incidents because he considered them a great injustice had been done him at the time that he was taken into custody because of the tire misadventure. When he had a talk with the chief of police of Portland, Oreg., the chief had said that the record had been expunged. He felt at that time that insofar as he was concerned, he was being sincere and frank in the way he answered the questions on form 57. He made that point abundantly clear.

Mr. Morgan went so far as to say that his action may have been an error. Maybe he should have done it the other way. However, he said:

> As far as my motivation was concerned, I was doing nothing wrong.

When we talk about perjury, we must include the element of knowingly having committed the act.

I submit to Senators that motivation has a great deal to do with the subject. Members of the committee know that Mr. Morgan's neighbors, who testified in his behalf, are all convinced that he is not a liar or a perjurer. If any Senator wishes to make some other interpretation of the record, of course, he is welcome to do so. But I believe for the sake of the record and the responsibility that this man is about to assume, it behooves us not to cast a shadow of doubt over the integrity of this gentleman.

I suggest to Senators that they read the record. One can actually feel the sincerity on the part of this gentleman as he testified before our committee. At no point did he ever admit that he lied or committed perjury. If someone wishes to give the record any other interpretation, that is their business. But I think the record should be straight.

As far as I am concerned, I would be the last man to support a liar or a perjurer. I believe that my colleagues, all respectable and respected Senators, would not endorse a perjurer. I believe that they have come here and supported the committee report only because they feel that in this particular case, even though someone else might think that Morgan could have acted differently, Morgan himself was free of evil and had no motivation to deceive the Government when he filled out the form in the manner he did. I believe he convinced our committee of that fact and we gave him our support.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. CARROLL. I wish to commend the able Senator from Rhode Island. I believe the Senate will confirm the nomination of Mr. Morgan. He will occupy a high post in Government service, and will make decisions that will affect hundreds of millions of dollars of the people's and industry's money. To leave the connotation unchallenged in the RECORD would have been a serious mistake. Therefore I commend the Senator from Rhode Island for his statement.

How ridiculous to contend in the Senate of the United States that this man in the slightest degree was a perjurer. How I would love to defend him in a court of law. What did he say in this case? On page 52 of the hearings Mr. Morgan said:

> I have always regarded this incident with a feeling somewhere between exasperation and mild outrage.

What incident? That someone arrested him to conduct an investigation to determine whether he should be held. Such arrest has no standing in law because it is an arrest without probable cause and, as a matter of fact, in law itself it is not an arrest. It is a technical holding for investigation to determine whether or not he shall be arrested and therefore legally detained. What sort of nonsense can we charge against a man of the great ability of Mr. Morgan? I hope the Senate will overwhelmingly confirm his nomination.

Mr. MANSFIELD. Mr. President, I wonder if it would be possible to reach a reasonable agreement concerning the amount of time needed to conclude debate on the Morgan nomination. The nomination has been under consideration since about 12:35 this afternoon.

I suggest that the debate now be limited to 10 minutes—8 minutes for the distinguished minority leader, and 2 minutes on this side of the aisle.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DIRKSEN. Mr. President, I would raise two or three questions, and I will address them to either side for an answer. The first one is this: Is the record clear with respect to whether or not the nominee, whose nomination is now before the Senate, was charged and arrested as indicated in the record? I will take an answer from the distinguished Senator from Rhode Island, or I will take an answer from the distinguished Senator from Pennsylvania.

Mr. SCOTT. Mr. President, will the Senator yield to me?

Mr. DIRKSEN. I yield. Just make the answer short.

Mr. SCOTT. The nomineee admitted that he had been arrested for assault and battery and fighting. He made a certain explanation. He admitted that he had been arrested for the theft of a tire. He made a further explanation indicating he did not think he should have been arrested.

Mr. DIRKSEN. Is there agreement on that?

Mr. PASTORE. No; there is not agreement on that.

Mr. DIRKSEN. I do not wish to get into a long discussion.

Mr. PASTORE. I know the Senator does not wish to get into a long debate, but I feel his misunderstanding should be corrected.

Morgan was not arrested on an assault charge at the time of the fracas. Two days after that he was summoned by a subpena to appear before a justice of the peace, and he was fined $25.

Mr. SCOTT. The only question is as to the word "arrest."

Mr. PASTORE. There is a difference between an arrest and being summoned before a court. One can be fined $25. That happens in civil cases.

Mr. DIRKSEN. But he was arrested?

Mr. PASTORE. He was not; he was summoned to appear before a court. If we want to get technical, he was not arrested.

Mr. SCOTT. If a man stands before a judge, and the judge says, "The fine is $25," the man is in custody at that moment.

Mr. DIRKSEN. The second question is: What about the tire incident? I read the record. What was involved in the tire incident, quite aside from

motivation, because I am not interested, for the moment, in willfulness or intent or motivation. In the whole body of criminal law, that is inferred from the fact of arrest or custody.

Mr. PASTORE. He was taken into custody as a fugitive from justice and never charged with larceny.

Mr. DIRKSEN. When he filed the form 57, knowing these things had happened in his life, does the record show he failed, in response to the questions, to disclose this incident?

Mr. PASTORE. The Senator's question cannot be answered as categorically as that. We have been arguing all afternoon on that point. We have a printed hearing which contains I do not know how many pages—almost a hundred pages. The question cannot be answered categorically in that way.

Mr. DIRKSEN. But a question appears on the form 57.

Mr. PASTORE. Morgan answered the question in the negative. Then he explained his answer before our committee.

Mr. DIRKSEN. Then does the Senator admit that notwithstanding the fact that those items appear in the record, when he answered that question, his answer was "No"?

Mr. PASTORE. His answer was "No."

Mr. MORSE. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. MORSE. It should be said that the taking into custody as a fugitive to determine whether he should be arrested was expunged from the police record by the chief of police on the ground that it never should have been put in the record in the first place. It was an administrative error.

Mr. DIRKSEN. That is not what is asked on the form 57. There are certain words which are explicit, and anyone who has had a fifth-grade education can understand what the words mean.

We have here an admission that these things happened in the life of Mr. Morgan. I would not know Mr. Morgan if he were sitting in the gallery. I would be the last to do him an injustice.

But if it is admitted that those things happened, and if it is admitted—and it is—that he failed to make a correct response under oath on his form 57, then it seems to me that the basic problem to be resolved is: What shall we say to the thousands of people in the 50 States who file forms 57 every day, when they read an account of this proceeding in the U.S. Senate? Must they say, "Oh, you can lie on your form 57. You can tell a half truth. It will not hurt you. If it is not found out, you will get by. If you are found out, you will not be hurt anyway, except your reputation."

If the character is not here, then, of course, this becomes a matter of tremendous psychological importance in the approach of thousands of people who try to secure employment with the Government of the United States, and we cannot laugh off that consideration.

Once I asked Bob Taft why he voted to confirm the nomination of a certain person for high office.

He said:

> There is only one consideration that ever deters me from withholding my approval of a nomination sent to the Senate by the President, and that is if there is a weakness in the nominee's character and if the record shows fairly clearly that there has been mischief, malfeasance, wrongdoing, or something that indicates only too clearly that the nominee's character has a weakness.

And he added:

> I am not concerned about a man's viewpoint—about how extreme it may be or the extent to which his views differ from mine on matters of public policy. But when the character is not there, that is different.

And, Mr. President, in this case, notwithstanding all the explanations I have heard—and I have heard the remarks of Senators and I have read the record—I become quite sensitive to the fact that our action on this matter is going to have a tremendous influence upon the mental outlook and the approach of people who want to climb onto the Government payroll and wish to render service to the public.

So this matter involves more than Mr. Morgan; there are these other considerations.

If, in response to my questions, it is admitted that such a record does exist, I do not know what I can do except cast a "nay" vote—reluctant though I am to do it, believe me, because I know how easy it is to "put the finger" upon a fellow citizen, and to take an action from which he will not easily recover in his home community.

But there is also a responsibility to the public service, and that responsibility is before the Senate, for the very good reason that there is conferred upon this body the necessity of consenting to a nomination before the nominee may take his place on the Government's roll.

Mr. PASTORE. Let me say briefly—because I know that the Senator from Illinois is speaking in limited time—that we took all that into account.

Mr. DIRKSEN. I am sure the committee did.

Mr. PASTORE. Because it bothered us, too. The situation was an extraordinary one. We had the human element to consider, as well. We took all of that into account—the nominee's character, his integrity, and his performance in public life; and we wrestled with the problem most conscientiously.

The PRESIDING OFFICER. The time yielded to the Senator from Illinois has expired.

Mr. SCOTT. Mr. President, I ask unanimous consent that the Senator from Illinois may continue for 2 additional minutes.

The PRESIDING OFFICER (Mr. BURDICK in the chair). Is there objection? Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, I concede everything the Senator from Rhode Island has said.

Mr. PASTORE. It is true that such action might set a precedent which later might rise to plague us. But on the basis of the facts, I believe we reached the correct decision; and we did so conscientiously and in endeavoring to the best of our ability to take action in the best interests of the country.

Mr. DIRKSEN. Mr. President, the particular matters referred to may be minor in character, and may, in all kindness, be called indiscretions at some period in life; but certainly it is something more than an indiscretion when the nominee had a recollection of those matters, but, when he made the application for Government employment, withheld the truth.

Mr. President, beyond that, I have no more to say.

Mr. SCOTT. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. SCOTT. After I addressed the Senate today, I went to the Senate gallery; and as I proceeded there, a lady spoke to me. I do not know who she was. But she said to me:

> I am a civil service employee, and I am not in politics. But if I were to lie on form 57, and if they fired me, could you, as a Senator, get my job back for me?

I replied, "No, I could not."

She said:

> Then there is one law for the little people, and there is another law for the big people.

That incident occurred at the door to the Senate Chamber, just after I finished speaking, earlier today.

The PRESIDING OFFICER. The additional time yielded to the Senator from Illinois has expired.

Mr. DIRKSEN. Mr. President, I have stated my position; and the yeas and nays have been ordered, and I am now prepared to vote.

Mr. MANSFIELD. Mr. President, I was interested in what the Senator from Pennsylvania said about a woman civil service employee who spoke to him as he was going to the Senate gallery. That incident must have happened half an hour ago; and in view of the fact that it is now 5 o'clock, that must have happened not later than 4:30. Let me inquire why that civil service employee was not then on the job.

Mr. SCOTT. I hope the Senator will not attempt to have her punished.

Mr. MANSFIELD. Of course not; but I believe my question is a valid one.

Mr. SCOTT. My point is that if action of the sort referred to by a person nominated to serve in high office is to be condoned, we wonder what will happen to ordinary civil service employees who might become involved in such troubles.

Mr. MANSFIELD. Mr. President, I have every confidence in the Committee on Commerce, which reported this nomination. As a Senator from the Northwest, I report that I know Howard Morgan.

I realize that the committee took considerable time in considering the merits of Mr. Morgan for this most important position; and I know from talking with various members of the committee that the members of the committee did wrestle with their consciences. The committee was considering what action to take in regard to a human being; and

all of us are human beings who are called upon to make decisions.

Therefore, I express the hope that the Senate in its wisdom will recognize this particular factor, and will recognize the fact that no one in this Chamber is irreproachable; and will give this nominee, who has served his State and his country well and patriotically, an overwhelming vote of confidence.

The PRESIDING OFFICER. All time for debate has expired.

The question is, Will the Senate advise and consent to the nomination of Howard Morgan, of Oregon, to be member of the Federal Power Commission?

On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MORTON. On this vote I have a live pair with the Senator from Maryland [Mr. BUTLER]. Were he present, he would vote "nay"; were I at liberty to vote, I would vote "yea." I withhold my vote.

Mr. SALTONSTALL. On this vote I have a pair with the senior Senator from Louisiana [Mr. ELLENDER]. If he were present, he would vote "yea"; if I were at liberty to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. HUMPHREY. I announce that the Senator from Idaho [Mr. CHURCH], the Senator from Louisiana [Mr. ELLENDER], the Senator from Indiana [Mr. HARTKE], the Senator from North Carolina [Mr. JORDAN], the Senator from Oklahoma [Mr. KERR], the Senator from Minnesota [Mr. MCCARTHY] and the Senator from Virginia [Mr. BYRD] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that the Senator from Texas [Mr. BLAKLEY] is necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ] the Senator from Minnesota [Mr. MCCARTHY] and the Senator from Indiana [Mr. HARTKE] would each vote "yea."

On this vote, the Senator from Oklahoma [Mr. KERR] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from Oklahoma would vote "yea" and the Senator from New Hampshire would vote "nay."

On this vote, the Senator from Idaho [Mr. CHURCH] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from Idaho would vote "yea" and the Senator from Arizona would vote "nay."

Mr. KUCHEL. I announce that the Senator from Connecticut [Mr. BUSH] is necessarily absent.

The Senator from Maryland [Mr. BUTLER] and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Arizona [Mr. GOLDWATER] are detained on official business.

The pair of the Senator from Maryland [Mr. BUTLER] has been previously announced.

On this vote the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from Oklahoma [Mr. KERR]. If present and voting, the Senator from New Hampshire would vote "nay" and the Senator from Oklahoma would vote "yea."

On this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from Idaho [Mr. CHURCH]. If present and voting, the Senator from Arizona would vote "nay" and the Senator from Idaho would vote "yea."

The result was announced—yeas 57, nays 27, as follows:

[Exec. 1]

YEAS—57

Anderson	Hickey	Moss
Bartlett	Hill	Muskie
Bible	Holland	Neuberger
Burdick	Humphrey	Pastore
Byrd, W. Va.	Jackson	Pell
Cannon	Johnston	Proxmire
Carroll	Kefauver	Randolph
Case, N.J.	Lausche	Robertson
Clark	Long, Mo.	Russell
Dodd	Long, Hawaii	Smith, Mass.
Douglas	Long, La.	Sparkman
Eastland	Magnuson	Stennis
Engle	Mansfield	Symington
Ervin	McClellan	Talmadge
Fulbright	McGee	Thurmond
Gore	McNamara	Williams, N.J.
Gruening	Metcalf	Yarborough
Hart	Monroney	Young, N. Dak.
Hayden	Morse	Young, Ohio

NAYS—27

Aiken	Cotton	Kuchel
Allott	Curtis	Miller
Beall	Dirksen	Mundt
Bennett	Dworshak	Prouty
Boggs	Fong	Schoeppel
Capehart	Hickenlooper	Scott
Carlson	Hruska	Smathers
Case, S. Dak.	Javits	Smith, Maine
Cooper	Keating	Williams, Del.

NOT VOTING—16

Blakley	Church	McCarthy
Bridges	Ellender	Morton
Bush	Goldwater	Saltonstall
Butler	Hartke	Wiley
Byrd, Va.	Jordan	
Chavez	Kerr	

So the nomination was confirmed.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the President be notified of the action of the Senate.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

U.S. ATTORNEY

Mr. MANSFIELD. Mr. President, I ask that the Senate proceed to the consideration of Executive Calendar No. 212.

The PRESIDING OFFICER. The nomination will be stated for the information of the Senate.

The legislative clerk read the nomination of Harold C. Doyle, of South Dakota, to be U.S. attorney for the district of South Dakota for the term of 4 years.

The PRESIDING OFFICER (Mr. METCALF in the chair). The question is, Will the Senate advise and consent to this nomination?

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a resolution adopted unanimously by the Yankton County Bar Association relative to the nomination of Mr. Doyle.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

"Whereas a member of the Yankton County Bar Association, Mr. Harold C. Doyle, a former State's attorney for Yankton County, S. Dak., is presently under consideration for appointment as U.S. district attorney for the district of South Dakota; and

"Whereas it is the unanimous opinion of the members of the Yankton County Bar Association that Mr. Doyle is a capable attorney whose character is beyond reproach and that he conducted the office of State's attorney for Yankton County ably and efficiently: Now, therefore, be it

"Resolved, That the Yankton County Bar Association, having full faith and confidence in the integrity and ability of Mr. Harold C. Doyle and particularly in his ability to conduct the office of U.S. district attorney for the district of South Dakota in a manner that will bring credit to himself, the Yankton County Bar Association and the legal profession, endorse the candidacy and recommend the appointment of Mr. Doyle to the office of U.S. district attorney for the district of South Dakota."

The above resolution was unanimously adopted at a meeting of the Yankton County Bar Association held in the courtroom of the county court in the Yankton County Courthouse, Yankton, S. Dak., the 21st day of March, A.D. 1961.

LEE H. COPE,
President,
Yankton County Bar Association.

Attest:

DON A. BIERLE,
Secretary,
Yankton County Bar Association.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to this nomination? Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

THE COMMUNIST CONSPIRACY

Mr. KEATING. Mr. President, the arrest today of an American Foreign Service officer for transmitting classified information to the Polish Government underscores once again the need for continued vigilance against the international Communist conspiracy. Naturally, no conclusion regarding his guilt should be drawn until this man has had every opportunity which is given in our country—and denied in Communist countries—for a fair trial and a full opportunity to present evidence in his own behalf.

However, we must never forget that the Communists are working 24 hours a day, 365 days a year to carry out their

program of world domination. It is therefore incumbent on all Americans, if they cherish their freedom and independence, to keep on their guard and to report all incidents which may be related to subversive purposes.

This particular arrest shows the need for the closest possible surveillance of Government employees involved in security work.

It is related in another news account today that a junior Foreign Service officer in the American Embassy in Warsaw has resigned. This officer for a year and a half had access to the Embassy code room. It is alleged that he subscribed to the Communist Daily Worker newspaper and had an affinity for Communist causes and ideas. These facts were known; nevertheless this man had access for this period of time to the code room.

Again I would not draw any final conclusions as to his guilt. But it does seem unusual that anyone who is known to have such inclinations would have access to our codes.

Careful checks and clearances must precede the hiring of Federal personnel, and constant vigilance must be maintained over those who are dealing with matters affecting our national security.

It is the very essence of the Communist technique to get one of their agents on the inside and then work more of their people in. Communism is like a cancer, which feeds on apathy and spreads when unopposed. I hope this latest incident in the cold war will stir the American people to redoubled determination to remain free, and will result in greater alertness to the clear and present danger of the Communist conspiracy. The FBI is to be congratulated for another fine effort, but close cooperation by all of us will be needed if their continued antisubversive activities are to be successful.

MRS. CORNELIA FALES

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 333, H.R. 2972.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 2972) for the relief of Mrs. Cornelia Fales.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 2972) for the relief of Mrs. Cornelia Fales, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 6, after "$10,000", to insert "less the amount of the unpaid premiums that would have been payable had the national service life insurance issued to her brother, the late Sam E. Seager, effective October 24, 1942, been kept in force to the time of the death of the insured. This payment shall be in full settlement of all the claims of the said Mrs. Cornelia Fales against the United States for payment of the proceeds of the said national service life insurance issued to her brother (Veterans' Administration claim numbered XC-3466817).", and on page 2, line 4 after the amendment just above stated, to strike out "the payment of such sum shall be in full settlement of all the claims of the said Mrs. Cornelia Fales against the United States for payment of the proceeds of the national service life insurance issued to her brother, the late Sam E. Seager (Veterans' Administration claim numbered XC-3466817), effective October 24, 1942."

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD a short statement explaining the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The purpose of the proposed legislation, as amended, is to authorize and direct the Secretary of the Treasury to pay Mrs. Cornelia Fales, of Metropolitan State Hospital, Waltham, Mass., the sum of $10,000, less the amount of the unpaid premiums that would have been payable had the national service life insurance policy been kept in force, such payment to be in full settlement of all claims she may have against the United States for payment of the proceeds of national service life insurance issued to her brother, the late Sam E. Seager.

The facts in this case are that Sam E. Seager, deceased brother of the claimant, enlisted in the U.S. Army September 16, 1942, and on October 24, 1942, he applied for and was granted $10,000 national service life insurance effective October 1, 1942, the premiums in the amount of $7.40, being paid for by a monthly allotment.

On October 26, 1942, the serviceman was transferred to the Enlisted Reserve Corps and by reason of this transfer his allotment was discontinued effective September 30, 1942, The insurance lapsed due to the nonpayment of premiums November 1, 1942, and the grace period expired December 2, 1942. Due to the nonpayment of premiums the insurance was considered as not in force on the date of the veteran's death on February 10, 1944.

The report of the Veterans' Administration on a similar bill of the 86th Congress, H.R. 6215, discloses that the veteran made inquiry as to the status of his insurance and indicated his desire to keep his national service life insurance effective. It appears, however, that he was erroneously advised by the Army that he was not eligible for Government insurance, whereas, in fact, although his policy had lapsed, he was eligible to have the insurance reinstated. It cannot be determined, of course, whether he would have reinstated the insurance had he been properly advised, but in view of his inquiry and statement of intent it may be assumed that he would have taken the necessary steps to reinstate his insurance.

The claimant was designated by the serviceman as his principal beneficiary, and his other sister, Beatrice Field Sanderson, was named contingent beneficiary.

The Veterans' Administration stated that because of the Government's error there was no objection to the favorable consideration of the relief legislation.

The committee believes it reasonable to assume that were it not for the erroneous advice of the Army, the claimant would have been the beneficiary under the policy in full force and effect on the date of the death of the insured. Had this been the case, premiums would have been payable throughout the life of the insured, hence it is only proper that the amount of the unpaid premiums be deducted from the payment provided for in this legislation. The committee has amended the bill to that end and recommends that the bill, as amended, be given favorable consideration.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 2972) was read the third time and passed.

AUTHORITY FOR COMMITTEE ON THE JUDICIARY TO REPORT NOMINATIONS DURING ADJOURNMENT OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on the Judiciary may be authorized to report nominations during the adjournment following today's session of the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

CONSTRUCTION AT CERTAIN MILITARY INSTALLATIONS—CONFERENCE REPORT.

Mr. RUSSELL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5000) to authorize certain construction at military installations, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. RUSSELL. Mr. President, I move the adoption of the conference report, and I wish to discuss it briefly.

The report is signed by all the conferees on the part of the House and of the Senate, and the report has been accepted by the House of Representatives.

In regard to the net money figures in the bill, the new total, as agreed to in conference, is $893,947,750, which is $14 million more than was provided in the bill as passed by the Senate. Mr. President, the total is some $60 million less than the amount requested. To find items which can be reduced in a bill of this nature is exceedingly difficult.

There are two changes among the many items of the bill that account for most of the increase referred to. First, I should like to mention the fact that subsequent to the approval of the bill by both Houses of Congress, both of the Committees on Armed Services received requests from the Secretary of Defense to provide an additional $12 million in authorization for the Department of the Air Force to be used for the construction of test facilities for its large solid propellant booster in connection with our Nation's space effort. This project was included by the President in his address to Congress on May 25, at which date he stressed the importance attached to increased efforts in our space program. This authorization is merely a token allowance of the total cost of the program proposed, and it only provides for the design and site preparation and the first increment of the construction of test facilities related to this large solid propellant motor which it is proposed to construct with a thrust in the order of 2 or 3 million pounds. That thrust would be greater than the thrust of any motor that is now being used in the space field of which we have any knowledge. The construction required to support the program will be phased over several years, and when these rocket motors are successfully developed, they will be made available by the Department of Defense to NASA for a moon vehicle and for such other Department of Defense requirements as might develop.

In view of the importance attached to this item by the administration, the conferees agreed to include it in the bill. Such action is bad practice ordinarily, but this project is important and it was so strongly stressed by the administration that we deviated from our usual policy and included it in the bill in conference.

The other item that merits special mention is the military family housing program. It will be recalled that after a considerable discussion on the floor of the Senate, that in lieu of certain Capehart housing units that were included in the housing bill, the Senate provided 2,000 units of appropriated funds housing at an average cost of $16,500 per unit. The conferees agreed to an increased unit cost by $800 to provide for additional expenses involved in site acquisition and off-site utilities.

Such action is consistent with the current cost limitations on Capehart housing, since the law currently allows up to $1,000 a unit of appropriated funds for land acquisition and on-site utilities in connection with the Capehart program. This increase added an additional $1,600,000 to the bill.

The conferees were in agreement as to discontinuing the Capehart program as it exists under present law, but in view of the emergency that exists, we did allow 3,000 units of housing that had been previously authorized by line item to be constructed under the Capehart program.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CARROLL. The able Senator from Georgia will remember that the junior Senator from Colorado, at the time this issue was before the Senate, discussed the situation at Lowry Field in Denver. We considered it an emergency. Approximately 100 units were provided in 1959 and 100 units in 1960. We had asked for some consideration because of the preliminary planning. Would the able Senator from Georgia say that that housing would be in the nature of an emergency and within the 3,000 units?

Mr. RUSSELL. There are 3,000 units provided, 2,700 of which are subject to allocation by the Department of Defense. The conferees allocated 300 units, but there are 2,700 units of Capehart housing and 500 units of appropriated funds housing that would be available to meet emergencies and subject to allocation by the Secretary of Defense. The emergency that the Senator had in mind should be called to their attention, because there will be available the 3,200 units of housing of both types that may be allocated for such emergency.

Mr. CARROLL. I thank the Senator from Georgia, because it was because of the emergency of which I have spoken that we urged, and I am sure the conferees considered, the building of 3,000 units.

Mr. RUSSELL. The Senator from Colorado discussed the subject with the Senator from Georgia not only on the floor of the Senate but earnestly in private conversation. At that time I told the Senator it was altogether likely that we would not be able to get our way entirely in conference, but there would be a small amount of so-called Capehart housing available. So there are 3,200 units of both types of housing available for allocation by the Secretary of Defense.

Mr. CARROLL. I thank the Senator.

Mr. RUSSELL. Mr. President, it can be seen from this relatively small increase in the amount originally approved by the Senate that in most part the Senate amendments were accepted and agreed to by the conference.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the Senator from California.

Mr. KUCHEL. I say with the greatest respect that I think the conference report has made a most grievous and regrettable error. The U.S. Navy recommended authorization for a new military hospital in the Long Beach area to serve our men in uniform stationed there, together with their dependents. The Bureau of the Budget under the present administration recommended the hospital to Congress. The House of Representatives approved it. The members of the Senate Armed Services Committee, each of whom I esteem, did not feel that the hospital was justified. And here, I believe, they made an error.

I have been in the Senate long enough to realize full well that Senators reach their conclusion on the basis of their own honest judgment. My real regret is that my colleagues serving under the able chairmanship of my friend from Georgia were unable to accede to the request of the administration and the Navy Department in this instance, and that the hospital authorization is not included in the bill.

I wish to say, however, that I know of the particular care with which my friend from Georgia judges each of the items that are recommended to the committee.

Having made that statement, may I ask the distinguished senior Senator from Georgia whether or not he can give any indication of his views with respect to any subsequent request along the same lines by the Navy Department and the Bureau of the Budget of this administration with respect to the authorization of a military hospital in the Long Beach area which, I say with respect, would be in the interest of the military personnel and their families who serve on land and at sea in the southern California area.

Mr. RUSSELL. Mr. President, again I say that the two hospitals that were taken from the bill by the Senate committee in the first instance have caused me more concern than any of the other items in the bill. If I err on the side of generosity, I usually try to err in providing hospitals and medical aid for the people in our armed services and their dependents.

There is no doubt in my mind that a naval hospital is justified at that location. I do have grave doubts as to there being a requirement for a hospital of the size suggested at that location. The plan that was submitted to us was for a 500-bed hospital which cost almost $9 million. Of course there is available at San Diego, which is not too far from Long Beach, a hospital with 1,750 beds.

Mr. KUCHEL. That is a matter of a hundred miles in distance.

Mr. RUSSELL. Yes. There are other facilities available. Hospital facilities are available at Camp Pendleton, for example. There is a hospital there which has a capacity of 600 beds. Neither of those hospitals is full at all times. There is also an Army hospital facility of limited size, and there is, of course, within the corporate limits of Long Beach, a hospital ship, anchored in the harbor, which provides hospital facilities, although they are not modern, and although they should be replaced, of some 250 or 300 beds. The time is coming when we shall have to build a hospital at Long Beach. However, I wonder whether the Senator has read the statement of the managers on the part of the House on this subject. I read:

A number of medical facilities requested by the individual military departments were not approved by the conferees. Certain of these medical facilities were denied authorization because of a serious question as to their relative priority in the Defense Establishment. Therefore, the conferees requested the Department of Defense to make a thorough study of hospital facilities of the Armed Forces, especially in those areas where new hospitals, or substantial additions to existing hospitals, were required to determine the respective priorities for fulfilling the essential needs for hospital facilities for individuals entitled to medical care at Armed Forces medical facilities. These stated prior-

ities should then be reflected in the departmental requests for medical facilities in the military construction authorization bill for fiscal year 1963.

I may say to the distinguished Senator from California that it was unfortunate that the subject should be presented to us in the manner in which it was. I did not think that the proponents made a very impressive case for a hospital of this size.

Again I assure the Senator from California—and I am sure I speak for the entire committee—that we will give sympathetic consideration next year to any proposal that is put forward in this regard. Frankly, I hope that the Navy Department will find that they can get along with a somewhat smaller facility.

The Senator referred to the distance of 100 miles. That is no distance at all now in the evacuation of people for illness in the Navy, with the helicopters that the Navy has. They could use a couple of helicopters in moving people from Long Beach to the facility at San Diego or at Pendleton. There is no need for trying to convey the people over crowded highways in ambulances. They could take them up in helicopters several at a time. The persons who need hospitalization could be taken by helicopter to these facilities in the event that they could not be taken care of by the facilities provided by the hospital ship or by the Army facility——

Mr. KUCHEL. The Fort MacArthur hospital.

Mr. RUSSELL. Yes; the Army hospital. There is no attempt to exclude the construction of this hospital from consideration in the future. As I said at the outset, I believe we will have to build a naval hospital at Long Beach, but I hope that it will not be of this magnitude and at the great expense that was suggested. I have not even enumerated all the hospital facilities that are available in the area at other military establishments. I can assure the Senator that it was quite a painful item for me to deal with, not only because of my friendship for the Senator from California, but also because of the affection I have for some very close personal friends who have a great interest in this item.

Mr. KUCHEL. I know that, and I appreciate it. There is no one in the Senate who arrives at opinions more meticulously than the Senator from Georgia. I want the RECORD to show that.

Mr. RUSSELL. I thank my good friend. I know I make some mistakes, but I try to limit them to mistakes of judgment as nearly as possible.

Mr. KUCHEL. I do not want to take too much time of the Senator. However, the hospitals which he has enumerated as being available, while a relevant factor in the discussion, are not an adequate answer. I say that, too, respectfully. The Senator knows that the city of Long Beach has become one of the Nation's great naval centers for commissioned craft. The 11th Naval District has its headquarters at San Diego. There is a great installation, both shore based and afloat, to be serviced in that area.

Camp Pendleton, the great Marine Corps establishment, in the vicinity of San Diego, is considerably nearer to San Diego than is Long Beach. Of course that facility would overflow if we were to be confronted with an emergency condition requiring complete activation of Camp Pendleton.

Mr. RUSSELL. We cannot build hospital facilities for emergencies. If we did, we would have to construct hospitals with tens of thousands of beds. We may have to give thought to that at some time, but now we are trying to provide hospitals to meet the needs which will arise in the normal course of things. Even in a limited emergency, so far as this country being attacked is concerned, as in 1952, we have had to reopen a number of services that had been constructed in 1944 and 1945. We were compelled to build several that had some 75,000 or 80,000 beds during World War II, which were later closed.

Mr. KUCHEL. I thank the Senator for indicating that he and his committee would give sympathetic consideration to a subsequent request by the appropriate agencies. For the military and their families, I am grateful.

Mr. RUSSELL. We invited a review and a report next year on this item.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SALTONSTALL. I wish to confirm what the Senator from Georgia has so ably stated. Our committee gave this one hospital more consideration than we did almost any other hospital. We finally came to the balance that there were a number of other places where we ought to build medical facilities rather than expand the facility at Long Beach.

Mr. KUCHEL. Would the Senator from Massachusetts join in the sentiments expressed by the Senator from Georgia, indicating that a subsequent request by the Navy Department for a hospital, backed by the Bureau of the Budget, would receive "sympathetic consideration"?

Mr. SALTONSTALL. I would in my own right and on my own intelligent judgment in any event, but I certainly know I will because of the words of the Senator from Georgia.

Mr. KUCHEL. I am grateful.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. RUSSELL. I am glod to yield to the Senator from South Dakota, who is one of the great experts in military construction.

Mr. CASE of South Dakota. The chairman of the committee has stressed the consideration that was given to the Capehart housing program. As an illustration of the problems that we face in connection with this item, there is currently pending before the Committee on Armed Services a request to approve acquisition, in the vicinity of Philadelphia, for $500,000, 27 acres of land for a Capehart housing project. I have advised the clerk of the committee that this seems to be an exorbitant price. It would figure out to between $19,000 and $20,000 an acre. Personally, I would not want to approve of it without hearings and investigation. Therefore, I have said to the clerk of the committee that I hope he will put a stop order, so to speak, on it until the committee can give it further consideration. I mention the matter at this time to illustrate the way in which some of the costs of Capehart housing do not appear in the contract for the actual construction.

To this, I think, anyone will agree. The proposal to pay up to practically $20,000 an acre for this housing project warrants further examination, and I trust that the limited amount of Capehart units authorized in the conference agreement will not be expended upon the Philadelphia Navy Yard project until the committee has had an ample opportunity to look into this land acquisition proposal.

Mr. RUSSELL. I thank the Senator from South Dakota for bringing the matter to the attention of the entire Senate. I am certain that it will be very carefully looked into, to see if the cost is not excessive. It is a staggering amount to one who comes from a rural area such as that in which I live; but I realize that near the great cities the price of land sometimes assumes fantastic proportions.

Mr. BENNETT. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. BENNETT. I ask unanimous consent, with the permission of the chairman of the committee, to have printed in the RECORD before the vote is taken a statement with respect to my disappointment and the disappointment of the people of Utah because the committee and the conference have deleted an item of $7.3 million for the construction of an air munitions surveillance facility to be located at Hill Air Force Range, Utah. I recognize that this is an accomplished fact; nevertheless, I ask unanimous consent that the statement, together with the two letters, be printed at the conclusion of the statement of the chairman.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. RUSSELL. Mr. President, the Senator from Utah has been exceedingly diligent in bringing the merits of this project to the attention of the committee. The committee has given it the most careful consideration. We have endeavored as much as possible to prevent the construction of any facility, if any possible way could be found to avoid it. We therefore felt it was well to carry over for another year the item of the Hill Air Force Range. I emphasize the word "range" to distinguish it from Hill Air Force Base, because the committee was very generous with the Air Force base and provided for it to the extent which was requested.

Mr. BENNETT. The Senator from Utah recognizes the distinction. The range, if it had been approved, would have been used for the conducting of static tests on the solid fuel missiles which are being constructed at Hill Air Force Base.

Mr. RUSSELL. That is true; but the committee is still convinced that that activity can be carried out at Edwards Air Force Base. We have made no final decision. We have passed it over for a year, because we desire the Department of Defense to review the proposal again.

Mr. BENNETT. The Senator from Utah desires to have the RECORD show his concern and his hope that the usefulness of the test facility at or near Hill Air Force Base, and not at Edwards, not be overlooked.

EXHIBIT I

STATEMENT BY SENATOR BENNETT

I am very much concerned about the action taken by the conferees on the Military Construction Authorization Bill, in deleting an item of $7.3 million for construction of an air munitions surveillance facility to be located at Hill Air Force Range, Utah.

This test site facility was requested for the specific purpose of accomplishing Air Force Logistic Command air munitions surveillance functions for all solid propellants in the Air Force inventory not capable of being tested on Hill Air Force Base due to safety restrictions. Prior to the development of large solid propellant rockets such as the Minuteman, the 2705th Airmunitions Surveillance Wing had been conducting surveillance tests on solid propellant munitions at Hill Air Force Base, Utah. Tests on smaller weapons such as the Skybolt, Bomarc, Bull Pup, Hound Dog, Genie, Falcon, and Jato Bottles have been conducted on the base for the past 4 years, but a recent accident clearly illustrated that future tests cannot be safely tested within the confines of the base. Thus, the necessity for a remote test site where large explosive masses can be tested is an urgent necessity.

During static test firings, high frequency sound waves, detonations and air-ground shock waves are generated which are intolerable to a civilian community. Explosive masses of the size of the Minuteman are capable of considerable destruction. At the Hill Air Force Range site, it is intended in the course of testing to intentionally subject the Minuteman and other weapons to stresses outside normally specified limits of heat, cold, etc., to determine safety factors in storage, transportation and shelf life of these weapon systems. Firing of rocket engines suspected of physical or chemical deterioration is also anticipated, thereby creating a hazardous situation manifestly more dangerous than is encountered in normal firings.

Because of the foregoing factors, it is considered essential by the Air Force, and this position is amply fortified by the Secretary of Defense, that the test site be located as far from populated areas as practical considerations would permit. Many sites were carefully considered and evaluated during the site selection process, before the Air Force concluded that the Hill Air Force Range in Utah offered the best possible solution to the problem of air munition surveillance of solid fuel rockets.

Consequently, I was shocked and surprised when I read the report of the Senate Armed Service Committee, and now the conference report relating to the military construction authorization bill, to find that this item, so essential to our missile program, is deleted from the bill. The deletion of this item clearly indicates that either the conferees did not understand the critical nature of this air munitions surveillance program, or that they are willing to assume the calculated risk of further delays in our ICBM program.

I have asked unanimous consent to place in the RECORD a copy of a letter dated March 29, 1961, which was sent by the Deputy Secretary of Defense, Roswell L. Gilpatric, to the chairman of the Senate Committee on Armed Services, reaffirming the need for the facilities at the Hill Air Force Base Range, and certifying to the fact that no other facilities are available for this testing and that the work to be accomplished cannot be done at Edwards Air Force Base or anywhere else as economically and as efficiently as at the site selected in Utah. The letter follows:

THE SECRETARY OF DEFENSE,
Washington, D.C., March 29, 1961.

Hon. RICHARD B. RUSSELL,
Committee on Armed Services,
U.S. Senate.

DEAR MR. CHAIRMAN: With reference to your letter of March 18, 1961, I have reviewed the factors which led the Air Force to decide on Hill Air Force Range as the site for surveillance of large explosives. I am satisfied that the decision is sound.

The proposal does not establish a new test center and does not duplicate existing facilities. The requested facilities will permit extension of the present Hill Air Force Base mission to explosives weighing 500 pounds or more which are too large to be fired safely on the base. The large solid propellant engines of Minuteman, in terms of safety criteria, are categorized as explosives, and should be under the cognizance of the personnel stationed at Hill Air Force Base who have been engaged in the surveillance of explosives for years. The site selected provides the necessary safety, yet is close enough to permit utilization of the surveillance technicians of Hill Air Force Base. Surveillance technicians are scarce.

Air Force surveys indicate that no other location can accommodate the mission of surveillance of large weapons without expenditures equal to or larger than those recommended for the Hill complex. With specific regard to Edwards Air Force Base, there is little similarity between the research and development activities performed there and activities to be performed at Hill Air Force Base in connection with the surveillance testing. Surveillance testing such as at Hill Air Force Base normally involves a scheduled long-range plan of inspection activities terminating in a test firing. Research and development activities such as at Edwards Air Force Base, by their very nature, move at an unpredictable pace which precludes joint use of such facilities as firing stands without detriment to each program. The Edwards complex is solely concerned with the research and development associated with missiles, fuels, and propellants. Edwards Air Force Base does not have the facilities to do long-range surveillance testing. These facilities constitute the greatest portion of the construction costs. Further, Air Force research and development programs saturate the capability of Edwards Air Force Base well beyond the period when surveillance facilities are needed.

If these facilities were to be provided at Edwards Air Force Base, additional personnel would be required. The physical separation between Edwards and Hill Air Force Bases would dictate a permanent party of surveillance personnel at Edwards Air Force Base. Also, logistic support personnel would have to be provided for the split operation.

I strongly urge approval of these projects for the Hill Air Force Range as submitted by the Air Force.

Sincerely,

ROSWELL L. GILPATRIC,
Deputy Secretary of Defense.

It seems to me there may have been some confusion in the minds of the members of the Armed Services Committee concerning the possibility of using other facilities for this weapon surveillance program. For instance, statements in both the hearings and reports indicate that some members mistakenly thought the facilities planned for Hill Air Force Range were identical to R. & D. testing facilities at Edwards Air Force Base, which they are not; or that liquid surveillance facilities could be interchangeably used for testing on solid propellant weapons, which the Air Force says is impossible because of the many differences between these two types of rockets.

Likewise, it would appear that the conferees, in writing the conference report we now have before us, were uncertain about the difference between research and development facilities, and the air munitions surveillance site as requested at Hill Air Force Base Range. They wrote into the report the following language which begins at the top of page 31:

"In this connection, the conferees wish to call attention to the fact that the $12 million authorization especially requested by the Secretary of Defense for the construction of facilities necessary for the testing of solid fuel propellants should preclude the development of similar type facilities requested by the Air Force at the Hill Air Force Base Range, Utah, which appear to be basically for the same purpose."

Both the Secretary of the Air Force and the Deputy Secretary of Defense have given me assurance that these two projects are dissimilar and that there is no overlap of functions. However, in the interest of cooperation and to avoid any further delay in our vital missile program, I have written a letter to the Secretary of Defense urging that he give immediate consideration to locating the new solid fuel static test facility at the Hill Air Force Range site and combine it with the air munitions surveillance facility previously planned for this Utah location. I hope this will solve the dilemma and that the members of both the House and Senate Armed Service Committees will see the wisdom in this action. Since such matters as planning, surveying and site acquisition have been completed on the Utah project, construction could go ahead as soon as authorization and funds are provided.

My letter to the Secretary of Defense is as follows:

U.S. SENATE,
Washington, D.C., June 9, 1961.

Hon. ROBERT S. MCNAMARA,
Secretary of Defense,
Department of Defense,
Washington, D.C.

DEAR SECRETARY MCNAMARA: It was with deep regret that I learned today that the conferees on the Military Construction Authorization bill had eliminated the ammunition surveillance facilities requested for Hill Air Force Range, Utah. This was especially disappointing inasmuch as this project had been certified as essential both by your office and by the Secretary of the Air Force. This decision also contravenes the policy of the President as stated in his special message to Congress on May 25, for an accelerated program to develop solid fuel rockets for space exploration.

As you are well aware, the Hill Air Force Range had been carefully planned and all other existing facilities eliminated as capable of performing the vital mission of surveillance testing on the Minuteman and other weapon systems. Consequently, I cannot understand why the conferees eliminated this project unles they failed to appreciate its importance, or the insurmountable problems which will be encountered if this air munitions surveillance program is moved to another location. Consequently, I hope you will use the prestige of your office to get this project restored, authorized and funds appropriated for its construction at an early date.

It was heartening to note that the conference report does give you discretionary authority for constructing $27 million of new facilities deemed to be vitally essential to defense needs. It is my understanding this

discretionary fund may be used in part for constructing the $12 million solid fuel static test facilities requested by the President to accelerate development of superboosters for the space program, and which was announced by Deputy Secretary of Defense Gilpatric earlier this week.

Since the feasibility studies and planning on the Hill Air Force Range have already been completed I urge you to give serious consideration to locating the new solid fuel static testing facilities at this site. Although the facilities planned for the Hill Air Force Range were originally intended primarily for Minuteman and other ammunition surveillance and not for research and development purposes, it would seem logical, in view of the action of the conference committee, to combine these two facilities into one project and thus avoid any delay in providing these vital testing facilities. Since the companies which produce both the first and third stages of the Minuteman are located in Utah, and will undoubtedly play a vital role in producing rockets for the stepped-up space program, it is likewise logical that these testing facilities be readily available to these contractors and that the Air Force have the advice and counsel of scientists and engineers who are to produce these rockets. Hill Air Force Base is the site for both assembly and maintenance on the Minuteman, and is the home base of the 2705th Airmunitions Surveillance Wing which has the ordnance experts for testing, checking, and firing not only rockets but all other types of air munitions.

If the new static test facilities are located in any other State, it will be at the expense of discarding all planning on the Hill Air Force Range, and will be most inconvenient to the sources where these superrockets will be produced, assembled, and maintained. In addition, the locating of this facility at any other site will greatly increase the cost of this project and will leave the Air Force without the air munitions surveillance facilities which are so vitally needed. In the interest of time, money, and above all the good of the Nation and our defense program, I hope you will give immediate and favorable consideration to my suggestion for locating the new static test facilities at the Hill Air Force Range site and combining it with the air munitions facilities previously planned for this location.

Sincerely,

WALLACE F. BENNETT.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

FEDERAL-AID HIGHWAY ACT OF 1961

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar 335, H.R. 6713.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works without amendment and subsequently reported from the Committee on Finance with amendments.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, the highway tax bill is now the pending business. However, tomorrow, at the conclusion of the morning hour, the bill will be laid aside, and the Senate will proceed to the consideration of the nomination of Mr. Joseph Swidler to be a member of the Federal Power Commission.

FEDERAL-AID HIGHWAY ACT OF 1961

Mr. McNAMARA. Mr. President, since the Federal-Aid Highway Act of 1961 is now the pending business, I desire, as chairman of the subcommittee of the Committee on Public Works which deals with Federal highway construction, to make a statement on the bill.

The Federal-Aid Highway Act of 1956 authorized a new and enlarged Federal-aid highway program, one which will rank among the greatest peacetime construction programs of all time.

It was the culmination of many years of Federal interest and support in the development of an interstate network of highways in the Nation.

It continued the cooperative effort that has evolved during the life of the Federal-aid highway program since 1916.

That act recognized the Federal responsibility for the early completion of a National System of Interstate and Defense Highways, a 41,000-mile system of highways of greatest importance to the Nation.

It provided that the Federal Government contribute 90 percent of the cost of this segment of our highway system.

The act authorized over a 13-year period—1957 through 1969—Federal funds totaling $25 billion, which, with State matching funds, was estimated to be sufficient to complete construction of the entire system as then designated.

Financing provisions were included in the act to finance the program over the period from fiscal years 1957 through 1972.

The Interstate System is a most important segment of the Nation's highway system.

Comprising about 1.5 percent of the highway mileage, it carries about 20 percent of the highway traffic.

It connects, as directly as practicable, the principal metropolitan areas, cities, and industrial centers, serves the national defense; and connects with routes of continental importance in Canada and Mexico.

It will link together more than 90 percent of the cities having populations in excess of 50,000 and will connect most of the State capitals, as well as many smaller cities and towns.

It will serve well over half of the rural population of the United States.

The highway system is one of the principal bases for the economic growth of our country, including the enlargement of our industrial pace, the development of our natural resources, and the revitalization of our cities.

It is an extremely important link of our production lines, in the current pattern of plant location and dispersal, in our changing modes of living and work, and the dynamic changes taking place in urban and suburban development.

Our expanding economy is definitely tied to highway development, and our entire population is so dependent on motor transportation, that a flexible and convenient system of adequate and safe highways is essential.

The Interstate System when completed is expected to save at least 4,000 lives annually, reduce personal injuries by 150,000, and cut economic losses by $2.1 billion annually, by reduction in damages and savings in time, mileage, and cost of transportation.

The completion of the Interstate by 1972, as contemplated by the 1956 act, is essential to the economy of our Nation, because of its contribution to our security, safety, and growth.

Furthermore, the States and the construction industry are geared to the authorized program; and a cutback or slowdown in the program at this time would produce an adverse effect on the economy.

Delay in completion of the System beyond the designated period would also constitute a loss of the fight against mounting traffic needs.

House bill 6713 will provide the final authorization for completion of the Interstate System on schedule; and its enactment is believed essential.

Title I of H.R. 6713 will authorize a firm program of annual appropriations to the States, based on the most recent estimates of cost for completing the Interstate System.

Title I was reported by the Committee on Public Works as it passed the House of Representatives—without amendment.

The provisions of title I are:

First, it gives the approval of Congress to the estimate of cost for completing the Interstate System, to be used as a basis for making to the States the apportionments of the funds authorized for the Interstate System for fiscal years 1963, 1964, 1965, and 1966.

This estimate of cost was transmitted to the Congress by the Secretary of Commerce on January 11, 1961, and is published as House Document No. 49, 87th Congress.

Second, it authorizes the appropriation of additional amounts of $11.56 billion for completing the Interstate System as originally contemplated by the Congress.

Third, it amends the present law relating to the use for parking purposes of the airspace above and below the gradeline of the Interstate System by a State or other political subdivision.

It permits such airspace to be used for other purposes, as well, so long as such use will not impair the full use and safety of the highway or otherwise interfere in any way with the free flow of traffic on the Interstate System.

The interstate highway program is on schedule, in relation to the revenues now available in the highway trust fund. Almost 11,000 miles of the Interstate System are now open to traffic.

In addition, almost 5,000 miles are under construction with interstate

funds; and engineering or right-of-way acquisition is in progress on another 10,000 miles.

Thus, some form of work is underway, or is completed, on over 62 percent of the total mileage designated on the System.

While this large program is underway on the Interstate System, it still does not permit the rate of advancement necessary to complete the system by 1972, as originally contemplated.

The new 1961 Interstate System cost estimate of $41 billion, of which $37 billion is the estimated Federal share, is the same total amount as was contained in the 1958 estimate.

The Federal-Aid Highway Act of 1956 authorized the completion of the Interstate System, with the Federal share of $25 billion, based on preliminary estimates of cost prepared in 1955.

H.R. 6713 includes an increased authorization of $11.56 billion needed to complete the Interstate System on schedule.

The authorizations for the fiscal years 1963 through 1969 are increased by varying amounts, and new authorizations are included for the fiscal years 1970 and 1971.

Interstate funds authorized for the fiscal year 1962 have been apportioned to the States.

Funds authorized for the fiscal year 1963 should be apportioned during the summer of this year. This cannot be done until the cost estimate is approved by the Congress, for use as the basis for making apportionments.

It is felt that the latest estimate of cost for completing the Interstate System is sound and reasonable, and should be approved by the Congress as a basis for making apportionments to the States.

H.R. 6713 will accomplish this purpose; and prompt enactment of the measure is recommended.

Mr. President, I submit several tables, and ask unanimous consent that they be printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Relationship of 1955, 1958, and 1961 Interstate System cost estimates

[In billions]

Item	Estimated costs		
	Total	Federal share	State share
1955 estimate	$27.6	$25.0	$2.6
5 percent increase due traffic	1.3	1.2	.1
15 percent increase due local needs	3.8	3.4	.4
3 percent increase due utilities and miscellaneous	.8	.7	.1
12 percent increase due price increase	4.1	3.6	.5
Subtotal, 1958 estimate	37.6	33.9	3.7
Increase due 1,452 miles added routes	1.6	1.5	.1
Carryover and contingency	.7	.6	.1
Total to complete a 40,000-mile system, based on 1958 estimate	39.9	36.0	3.9
Additional 1,000 miles	1.1	1.0	.1
Total to complete a 41,000-mile system, based on 1958 estimate	41.0	37.0	4.0

Relationship of 1955, 1958, and 1961 Interstate System cost estimates—Continued

[In billions]

Item	Estimated costs		
	Total	Federal share	State share
Reduction in 1961 construction cost estimate	$−1.0	$−.9	$−.1
State highway planning and research	.6	.5	.1
Public roads, administration and research	.4	.4	0
Total, 1961 estimate	41.0	37.0	4.0

Estimated Federal aid and State matching costs to complete the system apportionment factors for fiscal years 1963, 1964, 1965, and 1966

State	Costs	Apportionment factors
	Thousands	*Percent*
Alabama	$531,804	2.089
Alaska		
Arizona	361,065	1.418
Arkansas	269,051	1.057
California	2,458,512	9.656
Colorado	340,942	1.339
Connecticut	363,097	1.426
Delaware	95,785	.376
Florida	533,542	2.095
Georgia	473,971	1.861
Hawaii	201,931	.793
Idaho	120,808	.474
Illinois	1,341,230	5.268
Indiana	636,720	2.501
Iowa	325,315	1.278
Kansas	199,335	.783
Kentucky	524,450	2.060
Louisiana	742,667	2.917
Maine	121,489	.477
Maryland	471,160	1.850
Massachusetts	550,889	2.164
Michigan	1,001,825	3.935
Minnesota	665,145	2.612
Mississippi	312,552	1.227
Missouri	657,616	2.583
Montana	240,557	.945
Nebraska	150,309	.590
Nevada	129,598	.509
New Hampshire	115,257	.453
New Jersey	670,466	2.663
New Mexico	256,695	1.008
New York	1,218,298	4.785
North Carolina	210,349	.826
North Dakota	113,654	.446
Ohio	1,754,753	6.892
Oklahoma	309,330	1.215
Oregon	446,577	1.754
Pennsylvania	1,150,087	4.517
Rhode Island	94,840	.372
South Carolina	221,927	.872
South Dakota	168,869	.663
Tennessee	647,931	2.545
Texas	1,163,335	4.569
Utah	372,224	1.462
Vermont	177,533	.697
Virginia	781,454	3.069
Washington	535,893	2.105
West Virginia	387,095	1.520
Wisconsin	227,344	.893
Wyoming	246,846	.969
District of Columbia	369,793	1.452
Total	25,461,915	100.000

Table of apportionment factors

State	Apportionment factors, fiscal years 1960–62 (1958 estimate)	Apportionment factors, fiscal years 1963–66 (1961 estimate)	Percent change
Alabama	1.972	2.089	+5.9
Arizona	1.366	1.418	+3.8
Arkansas	.993	1.057	+6.4
California	10.162	9.656	−5.0
Colorado	.775	1.339	+72.8
Connecticut	1.220	1.426	+16.9
Delaware	.352	.376	+6.8
Florida	2.591	2.095	−19.1
Georgia	2.413	1.861	−22.9
Hawaii		.793	
Idaho	.690	.474	−31.3
Illinois	5.128	5.268	+2.7
Indiana	2.884	2.501	−13.3

Table of apportionment factors—Continued

State	Apportionment factors, fiscal years 1960–62 (1958 estimate)	Apportionment actors, fiscal years 1963–66 (1961 estimate)	Percent change
Iowa	.949	1.278	+34.7
Kansas	895	.783	−12.5
Kentucky	1.758	2.060	+17.2
Louisiana	2.641	2.917	+10.5
Maine	.514	.477	−7.2
Maryland	2.253	1.850	−17.9
Massachusetts	2.785	2.164	−22.3
Michigan	3.930	3.935	+.1
Minnesota	1.885	2.612	+38.6
Mississippi	1.098	1.227	+11.7
Missouri	2.853	2.583	−9.5
Montana	1.137	.945	−16.9
Nebraska	.617	.590	−4.4
Nevada	.523	.509	−2.7
New Hampshire	.550	.453	−17.6
New Jersey	3.236	2.633	−18.6
New Mexico	1.198	1.008	−15.9
New York	4.953	4.785	−3.4
North Carolina	.542	.826	+52.4
North Dakota	.443	.446	+.7
Ohio	6.514	6.892	+5.8
Oklahoma	.909	1.215	+33.7
Oregon	1.733	1.754	+1.2
Pennsylvania	4.078	4.517	+10.8
Rhode Island	.466	.372	−20.2
South Carolina	.824	.872	+5.8
South Dakota	.424	.663	+56.4
Tennessee	2.966	2.545	−14.2
Texas	4.518	4.569	+1.1
Utah	.935	1.462	+56.4
Vermont	.943	.697	+26.1
Virginia	4.237	3.069	−27.6
Washington	1.811	2.105	+16.2
West Virginia	1.253	1.520	+21.3
Wisconsin	1.053	.893	−15.3
Wyoming	1.039	.969	−6.7
District of Columbia	.991	1.452	+46.5

Comparison of interstate authorizations under present law and H.R. 6713

[Millions of dollars]

Fiscal year	Present law	Additional	H.R. 6713
Balance	315		315
1957	1,000		1,000
1958	1,700		1,700
1959	2,200		2,200
1960	2,500		2,500
1961	2,000	−200	[1] 1,800
1962	2,200		2,200
1963	2,200	200	2,400
1964	2,200	400	2,600
1965	2,200	500	2,700
1966	2,200	600	2,800
1967	2,200	700	2,900
1968	1,500	1,500	3,000
1969	1,025	1,975	3,000
1970		3,000	3,000
1971		2,885	2,885
Total	25,440	11,560	37,000

[1] Under the provisions of sec. 209(g) of the 1956 act, only $1,800,000,000 was apportioned of the $2,000,000,000 authorized for the fiscal year 1961.

Comparison of interstate apportionments under present law and H.R. 6713

[Millions of dollars]

Fiscal year	Present law	Additional	H.R. 6713
Balance	315		315
1957	1,000		1,000
1958	1,700		1,700
1959	2,200		2,200
1960	2,500		2,500
1961	1,800		1,800
1962	2,200		2,200
1963	2,000	400	2,400
1964	1,500	1,100	2,600
1965	1,500	1,200	2,700
1966	1,600	1,200	2,800
1967	1,700	1,200	2,900
1968	1,900	1,100	3,000
1969	1,900	1,100	3,000
1970	1,625	1,375	3,000
1971		2,885	2,885
Total	25,440	11,560	37,000

Comparison of approximate apportionments of interstate funds under present law and under H.R. 6713 for fiscal years 1963 and 1964

[In millions]

State	Fiscal year 1963			Fiscal year 1964		
	Existing law ($2,000.0)	H.R. 6713 ($2,400.0)	Difference ($400.0)	Existing law ($1,500.0)	H.R. 6713 ($2,600.0)	Difference ($1,100.0)
Alabama	$41.4	$49.6	$8.2	$31.0	$53.8	$22.8
Arizona	28.1	33.7	5.6	21.1	36.5	15.4
Arkansas	20.9	25.1	4.2	15.7	27.2	11.5
California	191.2	229.4	38.2	143.4	248.5	105.1
Colorado	26.5	31.8	5.3	19.9	34.5	14.6
Connecticut	28.2	33.9	5.7	21.2	36.7	15.5
Delaware	7.4	8.9	1.5	5.6	9.7	4.1
Florida	41.5	49.8	8.3	31.1	53.9	22.8
Georgia	36.8	44.2	7.4	27.6	47.9	20.3
Hawaii	15.7	18.8	3.1	11.8	20.4	8.6
Idaho	9.4	11.3	1.9	7.0	12.2	5.2
Illinois	104.3	125.2	20.9	78.2	135.6	57.4
Indiana	49.5	59.4	9.9	37.1	64.4	27.3
Iowa	25.3	30.4	5.1	19.0	32.9	13.9
Kansas	15.5	18.6	3.1	11.6	20.1	8.5
Kentucky	40.8	48.9	8.1	30.6	53.0	22.4
Louisiana	57.8	69.3	11.5	43.3	75.1	31.8
Maine	9.4	11.3	1.9	7.1	12.3	5.2
Maryland	36.6	44.0	7.4	27.5	47.6	20.1
Massachusetts	42.8	51.4	8.6	32.1	55.7	23.6
Michigan	77.9	93.5	15.6	58.4	101.3	42.9
Minnesota	51.7	62.1	10.4	38.8	67.2	28.4
Mississippi	24.3	29.1	4.8	18.2	31.6	13.4
Missouri	51.1	61.4	10.3	38.4	66.5	28.1
Montana	18.7	22.5	3.8	14.0	24.3	10.3
Nebraska	$11.7	$14.0	$2.3	$8.8	$15.2	$6.4
Nevada	10.1	12.1	2.0	7.6	13.1	5.5
New Hampshire	9.0	10.8	1.8	6.7	11.7	5.0
New Jersey	52.1	62.6	10.5	39.1	67.8	28.7
New Mexico	20.0	23.9	3.9	15.0	25.9	10.9
New York	94.7	113.7	19.0	71.1	123.2	52.1
North Carolina	16.4	19.6	3.2	12.3	21.3	9.0
North Dakota	8.8	10.6	1.8	6.6	11.5	4.9
Ohio	136.5	163.8	27.3	102.3	177.4	75.1
Oklahoma	24.1	28.9	4.8	18.0	31.3	13.3
Oregon	34.7	41.7	7.0	26.0	45.1	19.1
Pennsylvania	89.4	107.3	17.9	67.1	116.3	49.2
Rhode Island	7.4	8.8	1.4	5.5	9.6	4.1
South Carolina	17.3	20.7	3.4	12.9	22.4	9.5
South Dakota	13.1	15.8	2.7	9.8	17.1	7.3
Tennessee	50.4	60.5	10.1	37.8	65.5	27.7
Texas	90.5	108.6	18.1	67.8	117.6	49.8
Utah	28.9	34.7	5.8	21.7	37.6	15.9
Vermont	13.8	16.6	2.8	10.4	17.9	7.5
Virginia	60.8	72.9	12.1	45.6	79.0	33.4
Washington	41.7	50.0	8.3	31.3	54.2	22.9
West Virginia	30.1	36.1	6.0	22.6	39.1	16.5
Wisconsin	17.7	21.2	3.5	13.3	23.0	9.7
Wyoming	19.2	23.0	3.8	14.4	24.9	10.5
District of Columbia	28.8	34.5	5.7	21.6	37.4	15.8

Final apportionment of Federal-aid highway funds authorized for the fiscal year 1962

State	Primary highway system	Secondary or feeder roads	Urban highways	Subtotal	Interstate System	Total
Total	$416,250,000	$277,500,000	$231,250,000	$925,000,000	$2,200,000,000	$3,125,000,000
Alabama	6,997,371	5,973,101	3,054,979	16,025,451	42,706,125	58,731,576
Alaska	22,091,082	14,764,171	119,584	36,974,837		36,974,837
Arizona	6,044,237	3,754,351	1,701,890	11,500,478	29,582,438	41,082,916
Arkansas	5,640,916	4,225,812	1,251,517	11,118,245	21,504,656	32,622,901
California	19,660,098	9,303,650	24,529,637	53,493,385	220,070,812	273,564,197
Colorado	6,303,072	4,444,053	2,299,594	13,046,719	16,783,594	29,830,313
Connecticut	2,372,021	1,342,034	3,726,671	7,440,726	26,420,625	33,861,351
Delaware	1,904,438	1,266,052	531,031	3,701,521	7,623,000	11,324,521
Florida	6,794,538	4,538,164	7,407,962	18,740,664	56,111,344	74,852,008
Georgia	9,306,864	7,453,057	3,704,530	20,464,451	52,256,531	72,720,982
Hawaii	1,776,483	1,373,625	858,573	4,008,681	12,375,000	16,383,681
Idaho	4,529,748	3,001,617	495,333	8,026,698	14,942,813	22,969,511
Illinois	13,618,919	8,299,634	14,721,936	36,640,489	111,053,250	147,693,739
Indiana	8,091,532	6,728,628	5,190,393	20,010,553	62,456,625	82,467,178
Iowa	8,625,049	6,619,922	2,397,138	17,642,109	20,551,781	38,193,890
Kansas	8,767,312	6,109,832	2,174,742	17,051,886	19,382,344	36,434,230
Kentucky	6,315,481	5,165,537	2,309,261	13,790,279	38,071,688	51,861,967
Louisiana	5,928,550	3,902,531	3,620,660	13,451,741	57,194,156	70,645,897
Maine	2,677,905	2,281,365	784,972	5,744,242	11,131,313	16,875,555
Maryland	3,235,237	2,442,528	4,182,692	9,860,457	48,791,531	58,651,988
Massachusetts	4,350,195	2,272,474	7,755,771	14,378,440	60,312,656	74,691,096
Michigan	12,752,648	7,910,128	10,490,144	31,152,920	85,109,062	116,261,982
Minnesota	10,614,871	7,284,743	3,792,222	21,691,836	40,822,031	62,513,867
Mississippi	6,471,046	5,427,160	1,358,493	13,256,699	23,778,563	37,035,262
Missouri	9,915,498	6,980,559	5,140,259	22,036,316	61,785,281	83,821,597
Montana	7,156,820	4,953,906	529,541	12,640,267	24,623,156	37,263,423
Nebraska	6,956,734	5,053,590	1,333,917	13,344,241	13,361,906	26,706,147
Nevada	4,615,457	3,126,594	348,977	8,091,028	11,326,219	19,417,247
New Hampshire	2,060,438	1,373,625	611,876	4,045,939	11,910,938	15,956,877
New Jersey	4,904,496	2,006,565	9,668,607	16,579,668	70,079,625	86,659,293
New Mexico	6,319,289	3,994,476	1,118,268	11,432,033	25,944,188	37,376,221
New York	16,630,975	7,565,208	25,788,261	49,984,444	107,263,406	157,247,850
North Carolina	8,575,231	8,515,225	3,017,790	20,108,246	11,737,688	31,845,934
North Dakota	5,040,825	3,440,815	406,366	8,888,006	9,593,719	18,481,725
Ohio	13,250,791	7,651,857	12,761,004	33,663,652	141,068,812	174,732,464
Oklahoma	7,781,061	5,477,774	2,302,990	15,561,825	19,685,531	35,247,356
Oregon	6,126,359	4,253,108	1,835,268	12,214,735	37,530,281	49,745,016
Pennsylvania	13,138,701	9,058,526	14,663,504	36,860,731	88,314,187	125,174,918
Rhode Island	1,872,058	1,223,696	1,408,207	4,503,961	10,091,813	14,595,774
South Carolina	5,291,049	4,620,450	1,656,641	11,568,140	17,844,750	29,412,890
South Dakota	5,376,276	4,121,050	420,555	9,917,881	9,182,250	19,100,131
Tennessee	7,348,321	5,900,835	3,267,337	16,516,493	64,232,437	80,748,930
Texas	22,811,515	15,071,201	12,554,875	50,437,591	97,842,937	148,280,528
Utah	4,546,375	2,949,540	1,206,623	8,702,538	20,248,594	28,951,132
Vermont	1,849,144	1,329,019	321,538	3,499,701	20,421,844	23,921,545
Virginia	7,215,143	5,300,327	4,010,378	16,525,848	91,757,531	108,283,379
Washington	6,046,144	4,260,733	3,468,233	13,775,110	39,219,469	52,994,579
West Virginia	3,884,521	3,062,586	1,176,353	8,123,460	27,135,281	35,258,741
Wisconsin	8,688,009	6,034,452	4,264,732	18,987,193	22,804,031	41,791,224
Wyoming	4,241,038	3,141,480	272,937	7,655,455	22,500,844	30,156,299
District of Columbia	1,822,103	1,246,023	1,452,072	4,520,198	21,461,344	25,981,542
Puerto Rico	1,905,505	2,276,858	1,503,266	5,685,629		5,685,629

Mr. McNAMARA. Mr. President, more than 3 years ago the Senate adopted a highly controversial program to provide a Federal incentive to States which regulated and controlled billboards along the Interstate System.

This incentive was to consist of a payment to the individual State of one-half of 1 percent of the total cost of any projects on the Interstate System constructed with interstate funds.

The authority under which these funds can be paid expires at the end of June, unless extended by the Congress in new legislation.

With this question now before us, it is appropriate to look at some of the factors involved.

H.R. 6713, to which the billboard amendment now is to be offered, is a measure to provide for the completion of the Interstate System on schedule.

It also provides, in title II, for certain changes in automotive user taxes, to pay the cost.

For reasons of its own, the House completely ignored the billboard question in adopting this legislation and sending it to the Senate for action.

As chairman of the Senate Subcommittee on Public Roads, I felt it was my major responsibility to expedite title I of the bill, which provides authorizations for continuing the highway-construction program.

The billboard question was presented most casually before our subcommittee; and, after a very brief discussion, it was defeated by voice vote.

The full Public Works Committee then approved the bill as it had come from the House.

Personally, I believe that was a wise decision—for a number of reasons.

First, the billboard control legislation is not actually highway legislation at all. It has nothing to do with the construction of roads.

This is borne out by the fact that the funds to pay this incentive come out of the general revenues of the Treasury, not from the highway trust fund.

Furthermore, what is called an incentive to the States to adopt billboard controls is really a bribe, when we get down to cases. Apparently, some promoters of billboard legislation do not believe that the States have the ability to exercise independent action or judgment to control billboards along their highways. They seem to feel it necessary to bribe the States into compliance, with Federal funds, which I am sure could be put to much more effective use elsewhere.

Finally, it is interesting to note what has happened since this measure was first adopted in April 1958.

Since that time the legislature of every State in the Union has met, and has had an opportunity to consider a billboard regulatory program, if it so desired. I think the legislatures of most States have met at least twice since then.

At the present time only three States have passed enabling legislation and have entered into a contract with the Bureau of Public Roads. They are Maryland, North Dakota, and Kentucky.

I am informed by the Bureau that 10 other States have proposals pending before the Bureau, and that contracts are expected to be signed prior to the expiration date of the law on June 30. These States are Connecticut, Hawaii, Maine, Nebraska, New York, Oregon, Pennsylvania, Washington, West Virginia, Wisconsin.

Thus, despite the Federal incentive money or bribe money available in the 3 years since the law was passed, only 13 States have exerted sufficient energy to take advantage of it.

The remaining States either have shown no interest, have killed proposed legislation outright, or have it pigeonholed somewhere in the legislative mill.

In any event, general apathy over this program is rather overwhelming.

It would seem to me that if a sufficient number of additional States show sincere interest in the program, an extension of it could be considered as separate legislation at a later date.

That is what the House proposed when it was considering such legislation.

This would afford an opportunity for public hearings to give both proponents and opponents an opportunity to testify, and also an opportunity to see how the controls have operated in the States which have come under the program.

Mr. President, I hope that the bill as it came from the committee, and as it came from the House originally, with the amendments suggested by the Finance Committee in title II, will be readily adopted by the Senate of the United States.

Mr. KUCHEL. Mr. President, I am going to make a prediction. I am going to predict that the U.S. Senate on tomorrow will approve a continuation of the Federal program to give an incentive to States of the American Union to preserve the beauty of the virgin areas of our Nation through which the Interstate Highway System will traverse the States of the American Union. I hope it does. I say respectfully to the Senator from Michigan that, in my opinion, he is wrong about opposing such a continuation.

I know something about this particular controversy. When it was first on the floor of the Senate, the original proposal was offered by the late Senator from Oregon, Mr. Neuberger, and the Senator presently speaking.

We worked out the language of the proposed amendment ourselves. Here was a new venture by the Federal Government. It was urged by the President. Here was a venture under which the Federal Government would contribute 90 percent of the money to create a superhighway system in America, for varying public purposes, which would traverse the several States.

The amendment which we offered was adopted by the Senate after vigorous debate. It was approved after a close vote. It was not written in haste. It was not an extreme measure. It recognized that the States of the Union and local political subdivisions ought to have the right to determine their own zoning legislation.

We recognized that there would be areas, thousands of miles of new highways, through which the Interstate System would run, and there we wanted to give an additional incentive to States to keep them beautiful. We recognized some areas would be zoned for industrial and commercial purposes, under local law, and that here there would be little, if any, beauty to preserve.

Mr. President, I shall want to make some more comments on this subject tomorrow. I shall list those additional States which have passed legislation to participate in this program. However, I simply say to the able senior Senator from Michigan that, as I see it, he is wrong in opposing a continuation of the present law with respect to this particular incentive offered to States of the American Union.

Mr. McNAMARA. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. McNAMARA. I certainly am aware of the position of the Senator from California, because we served together on the Senate Committee on Public Works. Since the House has made commitments to hold hearings and listen to both sides of this controversy, does not the Senator think that there is merit in the suggestion that we follow the same route so as to give interested people an opportunity to be heard? This proposal can be taken care of later this year, or even during the next session of Congress. By then we will have the benefit of the experience of the States which have elected to participate in this program and who have accepted the incentive offered by the Federal Government. I do not think the Senator would quarrel with that proposition. Actually, the Senator recognizes, does he not, that outdoor advertising is not actually a part of the highway program?

Mr. KUCHEL. I am not going to quarrel with the Senator from Michigan. I am going to disagree with him, but I am never going to quarrel with him. The Senator has a right to take his position, and I respect that right, but I respectfully say, on my side, that the President, the Chief Executive of our country, President Kennedy, a Democrat, and his immediate predecessor, former President Eisenhower, a Republican, both recommend this type of legislation.

I say respectfully to the Senator from Michigan that the matter has been debated. It was debated rather long and vigorously right here in this Chamber.

All things being equal, I think the Senate would be recreant in its duty if it failed to continue the program which was established 2 years ago.

Mr. McNAMARA. Does not the Senator think it would be better to hear both sides of this controversy? Not on the floor of the Senate, where the representatives of the different interests cannot be heard, but in a committee hearing?

Mr. KUCHEL. Does not the Senator recall the long days and weeks of hearings, when we sat in the Public Works Committee, at the time the legislation was originally adopted?

Mr. McNAMARA. And there we were led to believe that the States had much more interest in this subject than they have indicated at any time since then. Now it is time for us to take another look at the matter and to find out what the attitude of the States is now. There is more to this than appears on the surface. There is great competition for the advertising dollar among various media of advertising, such as the press, radio, television, and outdoor advertising. All should have an opportunity to be heard. I do not think we should act hastily in this matter. Since the States have failed to indicate more than a meager interest in this matter, I think the subject should be reviewed.

Some States will come under the program before the deadline, which is still sometime off, and this will give us the benefit of their actual experience. Moreover, it will enable interested persons to testify for or against the proposition. I think that is the best way to arrive at good sound legislation. I hope the Senator from California will give

this suggestion very serious consideration.

I thank him very much for yielding.

Mr. KUCHEL. I thank the able Senator.

ADJOURNMENT

Mr. KUCHEL. Mr. President, the hour is late. I do not know whether or not Senators read the CONGRESSIONAL RECORD very carefully before they vote. I do not even know whether we shall have a full house tomorrow when we debate this matter. But, in the interest of the majority leader, if I may do so, I move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 16 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, June 14, 1961, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 13, 1961:

U.S. ATTORNEY

Harold C. Doyle, of South Dakota, to be U.S. attorney for the district of South Dakota for the term of 4 years.

FEDERAL POWER COMMISSION

Howard Morgan, of Oregon, to be a member of the Federal Power Commission for the remainder of the term expiring June 22, 1963, vice Paul A. Sweeney.

U.S. REPRESENTATIVES TO THE INTERNATIONAL ATOMIC ENERGY AGENCY

Henry DeWolf Smyth, of New Jersey, to be representative of the United States of America to the International Atomic Energy Agency.

William I. Cargo, of Maryland, a Foreign Service officer of class 1, to be deputy representative of the United States of America to the International Atomic Energy Agency.

EXTENSIONS OF REMARKS

Commencement Day Address by Senator Bridges, of New Hampshire, at St. Anselm's College

EXTENSION OF REMARKS
OF
HON. NORRIS COTTON
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES
Tuesday, June 13, 1961

Mr. COTTON. Mr. President, last Thursday my colleague, the senior Senator from New Hampshire [Mr. BRIDGES], received due recognition from St. Anselm's College in Manchester, N.H., where he delivered the commencement address and received the honorary doctor of laws degree.

The able address by Senator BRIDGES was published in detail in the Laconia (N.H.) Evening Citizen of June 9, and I ask unanimous consent that the editorial comment in that newspaper, and the Senator's address, be printed in the RECORD.

There being no objection, the editorial and address were ordered to be printed in the RECORD, as follows:

SENATOR BRIDGES SEES BRIGHTER FUTURE

St. Anselm's College yesterday conferred a well-deserved honorary doctor of laws degree upon Senator STYLES BRIDGES. He delivered the commencement address. The speech is one we feel certain will attract wide attention. Without disclosing secrets to our enemies in the cold war, he stressed new opportunities for our young people that science has unfolded. The senior Senator's text reveals the vision of statesmanship with which he is endowed, and is inspired to bring to the fore on occasions such as a visit to a college campus. Father Placidus, the dean, reading the citation he had prepared relative to the Senator's career preceding the degree ceremony, spoke of him as "a keen observer of domestic and international affairs." Father Placidus is the son of the late William H. Riley, who was for many years State commissioner of labor and served in that department when BRIDGES was Governor. Most Rev. Ernest J. Primeau, bishop of Manchester, who introduced the Senator to the large audience assembled in St. Anselm's spacious new gymnasium, described the honored guest as "a man of talents, integrity and dedication." Bishop Primeau said Senator BRIDGES needed no introduction in New Hampshire, the United States, or in many parts of the world. Seated on the platform from which Senator BRIDGES spoke were such distinguished Democrats as Dr. James J. Powers of Manchester and former Gov. Foster Furcolo of Massachusetts. After touching upon the terrifying consequences of the actions by the policymakers behind the Kremlin walls, the Senator optimistically indicated that counterbalancing the challenge of danger facing this year's crop of college graduates is the "challenge of a bright future." Here Senator BRIDGES' approach was truly that of the world statesman. He found ground for great hopes. In the realm of material advantages and opportunity he said to the St. Anselm's graduates, "the astronautics industry may become larger than the automotive industry. As this new industry grows, it will create new jobs, thus taking up part of the slack caused by automation."

The Senator dealt with this happier aspect of the grave international situation in ample detail, more than enough to satisfy all who hunger for hints of better times ahead. As he developed the theme, he did not overlook, of course, Premier Khrushchev's boast that our grandchildren will be living under communism, nor did he fail to show the extent to which Russians go to indoctrinate their children with this notion. Convinced, however, there is a substantial area in which hardy optimists, people with profound faith in the ultimate triumph of the United States, may find foothold, the Senator devoted a good portion of an astute appraisal of world problems, to elaborating on possibilities of a brighter future. This brought him to Comdr. Alan Shepard's successful flight into space, and a listing of remarkable opportunities for citizens in the space age. In this category he discovered much that is definitely encouraging.

He pointed to changes that spell great advance which are occurring with tremendous impact in the field of science. It was appropriate that he chose St. Anselm's as the spot for these significant utterances because extraordinary progress is clearly in evidence at the college, with its six new buildings, enlarged faculty, increased enrollment. Rev. Bernard G. Holmes, O.S.B., president of the college, announced plans for further building. Under the heading, "Brighter Future" the Senator said:

"I have discussed here the challenge of our times in its concept of danger. But there is another side of the coin. That is the challenge of the bright future. Let me cite a few examples.

"As the ranking minority member of the Senate Aeronautical and Space Sciences Committee with a knowledge of the development of these sciences I can foresee new opportunities for our young people never dreamed of before.

"Today, millions of persons are working and employed in industries producing products which were not even known a decade or so ago.

"Here, in New Hampshire, where formerly we relied on our old, stable industries of farming, recreation, shoe and textile and similar industries, we have, within a few miles of this college, new electronic plants and factories.

"Within this 20th century we have leaped from the air age of the Wright brothers' flight at Kitty Hawk on December 17, 1903, to the atomic age in 1945 when the first atomic bomb was exploded. And now in 1961 we are already existing in the space age which our neighbor, Comdr. Alan Shepard, opened to us in his recent flight.

"Commander Shepard's flight was made in the full glare of publicity for all the world to see. It was in sharp contrast to the Communist Gagarin flight which is still doubted in some quarters. We do not know how many Russian failures there were before this flight—how many luckless Russian astronauts lost their lives and disappeared into the spaceless skies. All we know is that there was an orbital flight at the time containing a human being but whether Gagarin was the person in it no one knows.

"What are your opportunities in this new space age?

"Already more than 3,200 space-related products have been developed. These are the products of 5,000 companies and research outfits now engaged in missile-space work.

"It is confidently predicted that within 20 years, the astronautics industry may become larger than the automotive industry. As this new industry grows, it will create new jobs, thus taking up part of the slack caused by automation.

"Our space agency is engaged in more than a quest to satisfy scientific curiosity. The research they are doing affects jobs, home, health, and the future.

"Let us briefly explore some of these new wonders.

"Out of these explorations has come a metal developed for the nose cone of a missile which is now going into pots and pans which can be taken from the coldest freezer and placed on the hottest flame without danger.

"A stainless steel cloth has been designed for parachuting spaceships back to earth which is almost indestructible. The body harnesses and molded seats of the spaceships—if adapted to automobiles, would serve as protection in almost any kind of highway accident.

"The power sources we are developing for space flight—solar batteries, gaseous fuel cells, lightweight nuclear reactors—may replace oil and coal for earthbound vehicles.

"Cosmic communications may eventually replace long-distance lines. Already the Navy is bouncing signals from the mainland to Hawaii by means of the moon. Project

Echo I proved the feasibility of using a satellite to relay transoceanic phone calls. Similar satellites could bring live television to a worldwide audience. In our schools and colleges, students could watch events as they happen.

"Rocket-launched, high-speed transport planes may revolutionize air travel. New supersonic transports are already in the concept stage, based on our X–15 research plane and other advanced aerospacecraft.

"Our conquest of space may also help us to conquer the weather which Mark Twain remarked people talked about but never did anything about. Now we are doing something about the weather. With a worldwide system of meteorological satellites similar to our Tiros II, still in orbit, we could issue weather forecasts for a month, or even a season. Long-range predictions of rainfall, for instance, would aid communities to control their watersheds. Farmers could decide what crops to grow and how much land to use and accurate forecasts could tell them the best time to plant, spray, or harvest.

"From satellite observations we could have early warnings of tornadoes, floods, hurricanes, and other natural catastrophes. We may be able to divert or disrupt hurricanes and typhoons, and fogs could be dispersed while rain might be diverted to drought-stricken areas.

"Through the miniature instruments devised to measure Commander Shepard's physical response in space, it will be possible for a patient in a hospital to be watched by remote control so that his condition would be recorded continuously and automatically at the desk of the head nurse and thus save lives.

"In addition, the electristatic camera perfected for our space vehicles could be used in recording a patient's condition—even 20 patients at a time—and thus furnish a vital photographic record for the doctor.

"Truly, in today's world which you are entering, the sky is no longer the limit.

"But not only is the sky opening up these marvelous possibilities—the sea—our oceans are another frontier for exploration and use. We have not dealt extensively with the ocean as yet. We are now able to desalt sea water and this will soon be possible on an economical basis. We have been exploring the depths of the ocean on our west coast and have brought up cores which have shown us valuable minerals.

"Our oceans have brought us oil; they can bring us minerals, food, and other as yet unknown products through the study of oceanography which is still, more or less, in its infancy. These are but two of the opportunities of the present and the future."

Soviet Deportation of Lithuanians

EXTENSION OF REMARKS
OF
HON. WILLIAM A. BARRETT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 13, 1961

Mr. BARRETT. Mr. Speaker, during the interwar years one of the happiest peoples in Europe were the Lithuanians. After centuries of hard struggle for their freedom, they had attained their goal at the end of the First World War, and were enjoying their freedom in their historic homeland under their democratic government. Then came the last war, ushering in the years of tragedy for the Lithuanians.

Soon after the outbreak of that war the Soviet Government made impossible demands upon Lithuanians, the acceptance of which made a mockery of Lithuanian independence. Helpless Lithuanians had no choice but to submit. By mid-June 1940, the country was taken over by the Red army and soon after made part of the Soviet Union.

These events took place in the midst of oppression and terror. At the outset several thousand prominent Lithuanians were arrested and exiled to Asiatic Russia. This went on for more than a year and by June 1941, the number of Lithuanians thus exiled to Sibera and other regions of Russia were counted in the tens of thousands. Today in observing the deportation anniversary of these patriotic and freedom-loving Lithuanians we express our deep concern over their tragic plight.

Abuse of Corporate Authority

EXTENSION OF REMARKS
OF
HON. CHARLES A. VANIK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 13, 1961

Mr. VANIK. Mr. Speaker, the special report in today's Wall Street Journal on the abuse of corporate authority by officials of the Union Oil Co. and the Dillon, Read & Co. points up the need for some public surveillance of corporations engaged in interstate and international business.

The extensive article points out the manipulations by which a fortune was made from a $20,000 investment. The successful participants in this crude abuse of the free enterprise system used their corporate authority to extort fabulous profits from their position—at the expense of the stockholders to whom they owed a trust—as well as to the public.

This news roundup pointed out the manner in which an oil company director arranged for his wife and son to profit from personal transactions with the company. The profitable $20,000 investment was arranged by Dillon, Read executives, not for their corporation but for a group of 27 present and past Dillon, Read officials, stockholders, and relatives.

They formed a company, the Barracuda Tanker Corp., to build tankers with borrowed money and charter them exclusively to the Union Oil Co. of California under an arrangement that would yield almost $50,000 profit each year.

The relationship this profit "milking" arrangement by these Dillon, Read executives in their private capacities has to the Union Oil underwriting agreement with the Dillon, Read Corp. ought to be investigated by the appropriate committees of Congress.

This type of manipulation of corporate power for personal gain constitutes a serious assault upon the free enterprise system. The entire matter should be publicly aired and the culprits should be identified. The case points up a need for greater Federal authority to investigate and study the internal operations of corporations engaged in interstate or international business.

The Wall Street Journal has provided a commendable public service in bringing this case to light. The free enterprise system in America stands to gain when it can purify itself of the internal corporate corruption which permits a few corporate officials to abuse their trust at the expense of the stockholders and the public.

The Contributions of Italians and Italian Americans and Their Descendants, to America's Greatness Are Profound

EXTENSION OF REMARKS
OF
HON. ROBERT C. BYRD
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES
Tuesday, June 13, 1961

Mr. BYRD of West Virginia. Mr. President, on Sunday last, June 11, I was privileged to address a dinner meeting celebrating the 50th anniversary of the Christopher Columbus Lodge of Fairmont, W. Va. In my remarks, I attempted to present a picture of the impact and influence which Italians of all classes have had on our civilization and, in particular, on America.

The picture I have drawn is timely, because of late a certain television program has been besmirching Americans of Italian descent again and again, characterizing them as almost the sole malefactors of the prohibition era.

Americans everywhere should be conscious of the profound debt which America owes to her sons and daughters of Italian ancestry. For this reason, I ask unanimous consent to have my remarks before the Christopher Columbus Lodge of Fairmont, W. Va., printed in the CONGRESSIONAL RECORD, so that they may be universally read and studied.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Fellow Americans and members of the Christopher Columbus Lodge, I think it appropriate that I preface my remarks by reading the memorable words of Woodrow Wilson as he addressed several thousand foreign-born citizens after naturalization ceremonies at Philadelphia on May 10, 1915, at a time when this Nation lay under the shadow of a foreign menace, and the freedom of the world hung in the balance—as it does today. In speaking to those who had just become citizens of the United States, the President said:

"This is the only country in the world which experiences this constant and repeated rebirth. Other countries depend upon the multiplication of their own native people. This country is constantly drinking strength out of new sources by the voluntary association with it of great bodies of strong men and forward-looking women out of other lands. And so by the gift of the free will of independent people, it is being constantly renewed from generation to generation by the same process by which it was

originally created. It is as if humanity had determined to see to it that this great Nation, founded for the benefit of humanity, should not lack for the allegiance of the people of the world.

"And while you bring all countries with you, you come with a purpose of leaving all other countries behind you—bringing what is best of their spirit, but not looking over your shoulders and seeking to perpetuate what you left behind in them. I certainly would not be one to suggest that a man cease to love the home of his birth and the country of his origin—these things are very sacred and ought not to be put out of our hearts—but it is one thing to love the place where you were born, and it is another thing to dedicate yourself to the place to which you go. You cannot become thorough Americans if you think of yourselves in groups. America does not consist of groups. A man who thinks of himself as belonging to a particular national group in America has not yet become an American, and the man who goes among you to trade upon your nationality is no worthy son to live under the Stars and Stripes."

These words of President Wilson, as are manifestly clear, were not intended to reflect, nor do they in any way reflect, upon you or any other group which meets in fraternal organization to renew ties of race and blood; to cherish the religion of the fathers; and to preserve the fond memories handed down from grandfather to father, and from father to son.

No, it is very fitting and proper that you should harbor such sentiments. The great man, and great American, whom I have just quoted at length was, for example, extremely proud of his Scotch-Irish ancestry, as he had every right to be. You, for your part, have reason to rejoice in the land of your fathers, in your magnificent artistic and cultural heritage—second to none other on earth. Who can hear the name "Italy" without summoning instantly to mind something of the history of one of the mightiest and most gifted races which have been recorded among the sons of men? The Roman Republic, the Empire, the Middle Ages, the Renaissance—glorious and imperishable; Caesar, Augustus, Virgil, Dante, Boccacio, Della Robbia, the stupendous Michelangelo, the incomparable Leonardo; Palestrina, Martini, Verdi, Leoncavallo, Mascagni, Paganini, Puccini; Lombroso, Marconi—a vast, prodigious panorama unfolds before the mind's eye. For over 2,000 years, the peninsula has produced master works in all branches of art, literature, and science—a never-ending procession of accomplishments and achievements without which our world would seem so poor that it would scarcely be the same world at all. "Know'st thou," wrote the German poet Goethe:

"* * * the land where the lemon trees bloom,
Where the gold orange glows in the deep thicket's gloom,
Where a wind ever soft from the blue heaven blows,
And the groves are of laurel and myrtle and rose?"

And as an American poet exclaimed:

"Dear Italy. The sound of thy soft name
Soothes me with balm of memory and hope."

Many and various are the contributions of Italians and, later, Americans of Italian descent, to the New World and this country of ours. Let us pause for a moment and reflect upon what Italians have meant to the Western Hemisphere.

We begin, of course, with the great admiral who in 1492 discovered the New World. Five years after that, another Italian, the navigator Amerigo Vespucci, embarked on a voyage to those far-off shores; and, through his account of those wondrous lands, gave his name to our two great continents and the isthmus which joins them. As early as 1539, Fra Marco da Niza explored the Northwest and has been called "the discoverer of Arizona." When Hernando De Soto led his famous expedition from the Atlantic to the Mississippi, there were Italians holding positions of importance under him. In the final report of the U.S. De Soto Expedition Commission we find the following statement: "The Genoese and the Sardinians, especially a Genoese engineer called Maestro Francisco, turned out to be among the most essential members of the expedition since they were relied upon to build bridges during the march and to construct the boats in which the survivors finally escaped to Mexico."

In 1571, an Italian missionary, Brother Pedro Linares, was killed by Indians on the banks of the Rappahannock River not far from the present city of Washington. Of the 52 priests of the Society of Jesus who labored in California from 1767 to 1787, eight were natives of Italy. One of the first of the great California missions was founded at Loreto in 1697 by Father Salvaterre. Four Italian missionaries in Mexico were martyred by Indians during the 17th century. Truly, sons of Italy had a hand in the exploration, discovery, and development of this country.

After long and laborious research in the muster rolls, registers, and files of the Army, the historian, Angelo Flavio Guidi, managed to extract not a few names of undoubtedly Italian origin who had contact with the American Revolution. The first name he unearthed was that of a Capt. Cosmo de Medici, attached in 1777 to the Light Dragoons of North Carolina. It was certainly, Guidi says, a name assumed by an Italian who, for some reason, probably political, as was the case with many others, wished to conceal his identity. To no one else but to an Italian, and perhaps a Tuscan only, could it ever have occurred to assume such a name.

Then there were others. In the "Register of the Massachusetts Soldiers and Sailors of the Revolutionary War" appear such names as Stefano Almero, Giuseppe Amo, Eduardo Casa, De Luce Francesco, Vincenzo Curria, Giovanni Rosso. (Rosso took part in the battle of Ticonderoga.) It is needless to speculate upon the national origin of such names. From what other land could they have been derived?

But it is to Francesco Vigo that the historian instinctively turns as the exemplar of the first Italo-Americanism. Born in Mondovi, Piedmont, in 1747, he is first found in Cuba in 1760, and he later settled in New Orleans where, first on behalf of a Dutch company, and later for himself, he became a trader with the Indians. In 1778, Vigo, together with George Rogers Clark and the Canadian missionary, Father Gibault, undertook the great adventure of conquering the vast Northwestern Territory for the United States. Vigo not only joined Clark; he also lent him his entire savings of $11,387.40—a fortune in those days—to equip a body of armed men. Captured by an Indian patrol under English command, Vigo was held as a hostage at the English fort of Vincennes; upon being released, he hastened to join the American forces; and on February 25, 1779, Federal troops with the arms, uniforms, and powder supplied by Vigo, and with Vigo himself at the side of Clark, captured Vincennes, thereby freeing the entire Middle West from Illinois to Minnesota. Vigo, himself, was made a colonel and left in command of Vincennes. His life is an epic and should be studied by all Americans interested in the history of their country, and, especially, by Americans of Italian descent.

In the War of 1812, we find that an Italian, Joseph Lametti, served as a captain in the defenses of New York City, for which a grateful government later bestowed bounty land upon his widow. In the Civil War, there were 200 officers of Italian descent in the Union Army—among them Generals de Cesnola, Spinola, Fardella, and Terrero. Several of these officers were awarded the Congressional Medal of Honor.

Army records do not break down enlistments according to national or racial groups in World War I, but we may be sure that many tens of thousands of loyal citizens of Italian descent served their country during that conflict, and many must have laid down their lives for it.

In World War II, it is estimated that there were some 845,000 men and women of Italian descent who served in the U.S. Armed Forces. Among the 400 marines who defended Wake Island, sinking one enemy cruiser and three destroyers, were 14 Italian-Americans. Twenty of the 500 Medal of Honor winners during the war were of Italian descent. There were three vessels in the U.S. Navy named for Italian-American heroes in that war: the U.S.S. *Damato*, in honor of Cpl. Anthony Peter Damato, awarded the Medal of Honor posthumously; the U.S.S. *Cabana*, in honor of Napoleon Joseph Cabana, killed in the Pacific 5 days after Pearl Harbor; and the U.S.S. *Basalone*, in honor of Gunner Sgt. John Basalone, holder of the Medal of Honor for heroic action on Guadalcanal. Italian-Americans have nothing in their combat record of which to be ashamed; but I expect you knew that already, didn't you?

Other Italian-Americans of modern times spring readily to mind. Louis Amateis, for instance, was a well-known sculptor. There is Charles Barsotti, editor, publisher, and philanthropist. Born in 1850 near Pisa, he came to the United States in 1872 and settled in New York City. Eight years later, he established Il Progresso, the first Italian daily in this country. It was an immediate and continued success with the Italian-speaking element of our greatest city and was soon housed in its own building. Its public-spirited founder, not forgetting the land of his birth, promoted the erection of statues of famous Italians and gave freely of his money to relieve suffering in his native land, thus encouraging others to cross the seas to the great Republic which opened the door to opportunity.

There is Constantino Brumidi, the "Michelango" of the Capitol, whose magnificent paintings and frescoes are the admiration of the tens of thousands of Americans who visit the Halls of Congress in Washington every year. When Brumidi commenced work on the great frieze of the Rotunda of the Capitol, he was over 70 years old. Those who stand in that great circular chamber where the Government holds state funerals for our most distinguished dead are awed by the vastness and the grandeur of the artist's conception.

On September 19, 1805, 14 Italian musicians were landed from the U.S. frigate *Chesapeake* at the Washington Navy Yard. They had been recruited in Sicily by order of President Thomas Jefferson, who desired to organize a brass band for the U.S. Marine Corps. Under the leadership of Gaetano Carusi, this was the beginning of the famous U.S. Marine Band of which the country is so justly proud. Since that time, five other Italian-Americans have served as leaders of the band: Pulizzi, Pons, Lucchesi, Scala, and Fanciulli.

In 1883, the Metropolitan Opera House was opened with Cleofanti Companini as conductor, who was succeeded in 1895 by Luigi Mancinelli. There have been many great singers at the Metropolitan Opera. Tetrazzini, Scotti, Rosa Ponselle, Rosa Raisa, Giovanni Martinelli, Guiseppe de Luca, Tito Schipa, Tito Ruffo, Beniamino Gigli, Pasquale Amato, and the never-to-be-forgotten

Caruso are numbered among those which Italy, "the land of song," has contributed.

There are many other contributions which Italy and her sons have made to this land of ours—far too numerous to be recited at any one time, if, indeed, they could ever be set down in one place.

So, my friends of the Christopher Columbus Lodge, you may well feel that you and your fathers have done yourselves proud. America is indebted to you and your ancestors with a debt of which America will ever be aware. As I pointed out at the beginning, she even owes her name to an Italian.

Since your fraternity was founded 50 years ago, two generations have reached maturity. Many changes have come to the world, including two terrible cosmic wars which have cast nation after nation of the past into limbo, evolved others, and, together with the instrumentalities of applied science—at once sublime and terrible, have altered the face of society almost beyond recognition. Now your sons face the enigmatic future. Thomas Jefferson wrote in 1812: "The boys of the rising generation are to be the men of the next, and the sole guardians of the principles we deliver over to them. Truth and reason are eternal. They have prevailed. And they will eternally prevail; however, in times and places they may be overbourne for a while by violence, military, civil, or ecclesiastical. The preservation of the holy fire is confided to us by the world, and the sparks which emanate from it will ever serve to kindle it in other quarters of the globe."

That holy fire to which Jefferson referred is the flame of liberty—of democracy. On you and yours, and on all of us devolves the sacred responsibility of keeping that flame ablaze and, when our time is done, of handing the torch to our posterity to the end that the inalienable rights of life, liberty, and the pursuit of happiness; of decency, dignity, and human kindness; and of "Government of the people, by the people, for the people, shall not perish from the earth."

Dedication of the Theodore Shapiro Residence Hall at Beth-El Hospital, Brooklyn, N.Y.

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 13, 1961

Mr. CELLER. Mr. Speaker, on Sunday, June 11, 1961, I had the honor to be one of the principal speakers at the dedication ceremonies of the Theodore Shapiro Residence Hall, Beth-El Hospital, Brooklyn, N.Y. Under leave to extend my remarks in the RECORD, I am pleased to include my remarks at these dedication ceremonies. My statement follows:

Believe me, it is good to be here this morning. These are dedication ceremonies, but what we rightfully emphasize are not the ceremonies but the dedication, the dedication to the service of mankind, the dedication to life, to the healing, which is life.

What made all of this possible? Consider the vast machinery of Government that turned to make it possible, the work in the committees of the Congress to amend the Housing Act of 1950 so that this sort of hospital construction could begin, the U.S. Housing and Finance Agency which enabled the hospital to borrow so much of the necessary funds. Consider the people who contributed of their time, effort, and money to raise these funds, and consider the man, Theodore Shapiro, who singly, through his generosity of heart and spirit, helped fashion a dream into reality. It is altogether fitting that the new residence hall be known as the Theodore Shapiro Residence Hall.

When we consider how our days are spent, the daily commonplace chores, the crowding of the hours given over, necessarily, to the earning of the living, to the food, care, and shelter of ourselves and of our own, then we know how very few moments we give of ourselves for others. Yet, how magnificent those few moments are when we rise above our own needs, our own indulgences. For without those few moments, we would be like the weeds in the field, growing without purpose, choking the green pastures of true humanity.

It is of more than passing interest to note that the word "hospital" springs, together with the words like "hotel," "hostel," and "hospice," from a common root. This root is the Latin word "hospes" which means both guest and host. It is easy to see the connection with the word "hospitality" and, from the earliest days, to offer hospitality was believed to be an obligation; to receive a stranger, a duty; and to welcome a passing wanderer, a sacred privilege. Thus, the hospital combines all of these elements. And so we arrive at the concept that in the establishment of hospitals man can be a little more than man, and a little less than angel.

We know, historically, that medical treatment, in early times, was associated with religious services. In fact, in the Middle Ages and prior thereto, the hospitals which were, as I have said, essentially religious rather than medical establishments, offered care rather than cure and relief for the body. By religious observations, it was hoped to elevate and discipline the character, in the belief that when the body was in decline, the soul could be strengthened for the future life. Treatment, then, was based on love and faith rather than on skill and science. Today, as we know, the ideal concept is a combination of both. I might add, as a passing note of interest, that the hospitals established in ancient, medieval, and even modern times were for the benefit of the poor. Self-supporting patients were treated in private dwellings or nursing homes conducted by individual medical practitioners.

I recall that when I was a youth, hospitals were regarded as a place where the poor went to die. Among the underprivileged of Brooklyn, at the turn of the century, the belief was that when a loved one was taken to the hospital it was the final parting. The dread word was "hospital." We have traveled a long way since then. The voluntary hospitals of today, established by different religious groups, have their roots in the past but their growth in the future. The hospitals founded by religious groups, true to tradition, are, in the United States, now available for use by the entire population. The community no longer fears the hospital but embraces its indispensable role in the life of the community.

Though I dislike throwing statistics at you, I think that they most graphically tell the story. Today, hospitals in America rank among the 12 largest American industries, representing a capital investment of billions of dollars, employing over a half million people, and operating at a cost of over $1 billion a year. Workmen's compensation laws and the rapid expansion of the health and insurance plans have both extended the range of hospital care and have made it simpler for the institutions to obtain prompt payment of bills. The facts that people are living longer, and that diseases of old age are increasing, have further added to the need for more facilities. While the number of hospital beds had increased from 1,096,721 in 1936 to 1,468,714 a decade later, and to 1,612,822 in 1959, the most recent report indicates that a shortage exists in general hospitals, alone, of 158,415 beds. This, of course, does not include the much greater lack in hospitals dealing with mental and chronic diseases. The wide use of hospitals by the average American is shown by the fact that in 1947, 1 out of every 10 persons in the United States entered a hospital as a patient and in 1959, 23,605,186 persons were admitted into the hospitals around the country.

So from the establishment in the sixth century, B.C., of the community hospital in Greece, through the early Christian hospitals in Rome, through the Arab hospitals in the eighth century, through the church hospital established by Cortez in 1524 in the New World, through America's oldest hospitals, the Philadelphia General Hospital, the Bellevue Hospital in New York City, and the Pennsylvania Hospital, through the work of Florence Nightingale in the 19th century and the work of Abraham Flexner in the United States, the modern hospital has evolved, not only concerned with the reception and treatment of the sick but also acting as training fields and teaching centers of medicine and nursing.

Thus, Theodore Shapiro Residence Hall, in a very concrete sense, keeps pace with the development and expansion of the function of a hospital for it is this resident hall which will increase the medical care and medical education of the hospital by providing housing, a medical library and meeting room facilities for the intern and residence staff.

To stand still is to go back. This the Beth-El Hospital refuses to do.

As for myself, I shall work, as in the past, with your guidance and support, to urge greater Federal participation in the construction and expansion of hospitals. I have pointed out the need for this a few moments ago. This is my pledge: Together we have begun the good work; together we will continue.

School Aid Bill a Fraud

EXTENSION OF REMARKS
OF
HON. WILLIAM H. AYRES
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 13, 1961

Mr. AYRES. Mr. Speaker, one of the most important and far-reaching pieces of legislation pending before the Congress is the so-called Federal aid to education bill. This bill has passed the U.S. Senate and is presently before the Rules Committee in the House of Representatives. It contains precious little "aid," but is a liberal education to anyone who takes the trouble to study it.

In the past I have supported a Federal aid program for schools based on proven need and a certain amount of proven inability to pay—at a time when we had a balanced budget. At the present time there is no hope for a balanced Federal budget. Our Government is carrying a staggering $290 billion debt. What it "gives" must come from the citizen either by taking another hunk out of his paycheck for income tax, borrowing more money for him to pay later, or cutting the value of his savings by printing more cheap dollars.

When money is sent to Washington and then returned to the States tied up

in a pretty package labeled "Federal aid," its true costs are deceiving. The present school bill involves expenditure of $2½ billion of the taxpayers' money. No one knows how much of this money will stick in Washington or how fast the National Department of Health, Education, and Welfare will grow.

To demonstrate this "homely truth," an economics teacher once passed a piece of ice from hand to hand around the class. It started fist size and wound up a mere marble—the more hands it passed through, the smaller it got.

Actually, the bill penalizes the many States whose taxpayers have built new schoolhouses, decreased the classroom shortages, and raised teachers' salaries.

As people throughout the country become more familiar with this legislation, they will agree with the caption on the following editorial "School Aid Bill a Fraud." Many discerning editors and publishers are familiarizing themselves with this legislation. Mr. Richard H. Amberg, publisher of the St. Louis Globe-Democrat, is one of those informed publishers. I draw your attention to the editorial appearing in his paper. You will note that in his State of Missouri, taxpayers will pay $1.22 in Federal tax for every dollar returned in Federal school aid. In my own State of Ohio, $1.50 sent to Washington will get $1 back to the State for school aid. This is as silly as betting on a horse you know is going to lose.

[From the St. Louis Globe-Democrat, June 8, 1961]

SCHOOL AID BILL A FRAUD

The House Rules Committee in Congress is expected to act this week on a bill to provide what is called, with a straight face, Federal aid to education. This bill is a fraud on the public, which has largely been sold by promises that the schools will get something for nothing.

The administration bill calls for an average grant to each State of $15 a year for every child in average daily attendance in schools. This small $15 handout will still add up to $2,500 million in the next 3 years, if Congress approves the bill.

But that is just a starter. Once the precedent is set, Congress will be under irresistible pressure to up the subsidy. Eventually the country's public school burden will be dumped on Uncle Sam's shoulders. And Washington bureaucracy will dictate our education policies.

Who will benefit by this bill? Not Missourians. They will pay $1.22 in Federal taxes for every $1 of aid sent them from Washington by the Department of Health, Education, and Welfare.

Illinois won't benefit, either. Its residents will contribute $2 in Federal taxes for every $1 that the Department of Health, Education, and Welfare kicks back to them.

That fact caused at least one Democratic Senator to revolt against his party's leadership on this issue. Senator THOMAS DODD, of Connecticut, figured out that his constituents would pay $55 million in Federal taxes to finance the program—and get back $15 million in Federal aid. In short, a net loss of $40 million. That's enough to build 4,000 classrooms in Connecticut at $10,000 each, or to give 40,000 Connecticut teachers a pay increase of $1,000 a year. He voted "No."

Who will profit by this bill? A handful of States, most of them in Dixie, including such oil-rich States as Texas and Oklahoma.

But the biggest winner will be Washington's already swollen bureaucracy. HEW will handle the funds, and this new Department has already mushroomed without a huge Federal aid program to administer.

HEW started out January 1, 1954, with 34,939 employees on its payroll. By the start of this year, the number had reached 65,433—almost double. Its budget in 1954 was $1,982 million. This year it's $3,716,294,000.

The U.S. Office of Education, part of HEW's empire, has increased its staff 400 percent in the last 6 years.

Given a multi-billion-dollar aid program to fatten on, HEW should grow like Jack's beanstalk.

The Globe-Democrat is not opposed to higher teachers' salaries and fine school buildings. Exactly the contrary. This newspaper was the first major daily to endorse and fight for the State's school foundation program. That program substantially raised State support of local schools and helped equalize education opportunities all over Missouri.

But the Globe-Democrat is unalterably opposed to phony Federal aid that will inevitably result in real Federal control.

School lobbyists say that Federal control is a bogeyman, invoked to frighten the timid. But is it?

Uncle Sam now subsidizes vocational training in high schools. This program began in the World War I era—to ease a critical shortage of men with mechanical training.

World War I has been over for 42 years, but the Federal program—like all Federal programs—goes on and on.

Under this Federal aid program, Washington lays down rigid rules that must be met before it pays off. Otherwise no Federal aid or subsidy.

The U.S. Office of Education has already announced its plans to develop a national policy in education by standardizing the curriculums and organization of the public schools. This statement should have an ominous ring to educators, and parents, in fact, to all Americans.

When Washington says it will give you something for nothing—with no strings attached—the public should look twice before it swallows the bait.

The U.S. Senate has already passed this costly, dishonest Federal aid bill. Its fate now rests with the House.

The Globe-Democrat hopes the Nation's Representatives will be more courageous in standing up to White House pressure and the powerful school lobby than the Senate proved.

Mr. Speaker, after listening to testi- education system, I am convinced this important matter must be handled through our State legislators and local boards of education. If the plan proposed by many States' Governors, which requires a return of a percentage of income tax paid by the citizens of each State, were adopted and the suggested minimum percentage for school support were adhered to, Ohio would have $89,633,000 for school improvements, which is $50 million more than they would get under the administration bill. Ohio is scheduled to receive $39,517,893 under the administration bill, but the proposed formula proves we would have to pay in $61 million to get the $39 million back. About the same ratio would apply to the State of Missouri. I could go on and list more fantastic figures, but there are more important issues involved in this legislation than just dollars. There are those who want aid to parochial and private schools. There are those who want to ignore the Supreme Court school integration ruling. There are those persons holding influential positions in the National Education Association who honestly and sincerely believe that the Federal Government ought to dictate our Nation's education policy. The recent report of the U.S. Office of Education expressed strong support for the further centralization and Government participation in control of the Nation's education system.

The question of need for Federal intervention is raised by the fact that fewer than 1 percent of the school districts in the Nation have to date bonded themselves to the legal limits set by local and State governments. In addition, private districts have constructed 660,000 new classrooms during the past 10 years, which is substantially more than the level of classroom construction outlined for the next decade by the Kennedy school aid bill.

This administration aid proposal has a lulling line, but poses real danger to local control of education and is merely financial hocus-pocus. The taxpayers who support it are going to be just like the man who thought he did so well in Las Vegas. He went there in a $5,000 Cadillac and came home in a $45,000 Greyhound bus.

National Water Resources

EXTENSION OF REMARKS
OF
HON. CARL ALBERT
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1961

Mr. ALBERT. Mr. Speaker, the National Rivers and Harbors Congress has been working since 1901 toward the fullest possible development of our national water resources. The June 1961 issue of the organization's publication the Monthly Reporter, carries an editorial by the Honorable ROBERT S. KERR, senior Senator from Oklahoma.

Senator KERR, a distinguished leader in the fight for recognition of the importance of water development, explores many aspects of this program so vital for our Nation's future. Under unanimous consent, I wish to insert his fine article in the CONGRESSIONAL RECORD:

NATIONAL WATER RESOURCES

(By Hon. ROBERT S. KERR)

Water is the economic bloodstream of our Nation's economy. As never before today's civilization requires more and more water to move its heavy cargoes, to cool its industrial plants and for disposal of its wastes. Our modern civilization could not exist without blood. And yet, far too many people are not concerned with, or do not understand the problems relating to water resources. We have all seen the expressions of public concern recently over the loss of gold. A few billion dollars in gold are shipped overseas, and the newspapers are full of the anguished wails of our monetary experts. But the facts are we could lose all our gold and it wouldn't hurt our economy nearly as much as the loss of the water we are now wasting by pollution.

To paraphrase the Great Commoner—Lose all your gold, but conserve and wisely use your water resources and you can reclaim gold as if by magic, but waste and pollute

your precious waters and there is not enough gold in the earth to buy healthy bodies for your children.

Our national water supply situation is dynamic. The magic key to open tomorrow's doors is to solve its problems today. Action to avoid water difficulties, rather than efforts to correct them after they have occurred, must be taken if economic decline is to be avoided in many areas. Now is the time for a greater effort to find solutions to the problems that are already on the horizon.

Man's nature calls for constant access to a natural environment in the out-of-doors as God made it. Man cannot remain a prisoner within industrial walls without danger of warping of mind and shrinking of spirit. Therefore, he must have long hours and days of recreation. He must satisfy the hunger of his soul for "rocks and rills, and wooded hills." He must hear and see clear pure water in its natural streams or manmade lakes. He must walk alone with his Maker in forest cathedrals or on rugged mountain terrain. These things can be, only through more complete conservation and better use of our precious water resources.

During the 2 years ending last January 31, it was my privilege to serve as chairman of the Senate Select Committee on National Water Resources. This committee included a number of the most able men in the U.S. Senate. It has completed what is probably the most extensive study of water resources and problems ever made.

The role of research in the development of water resources is being defined rapidly by spokesmen of the New Frontier. The National Academy of Sciences is being asked to undertake a thorough and broadly based study of the present state of research in the field of conservation development and use of natural resources. In addition, the White House advisers and the Federal Council for Science and Technology have undertaken a review of Federal research activity in these fields, hopeful of finding means to strengthen the total Government research effort.

The relationship of our space research programs to weather forecasting techniques and to the possible and eventual management of weather and rainfall itself has long been apparent. The Senate Select Committee on Water Resources suggested an expansion of basic research programs on subjects such as atmospheric physics, solar activity, climatic cycles, photosynthesis, ground water action, and the physical chemistry and molecular structure of water.

The committee suggested that we can learn much from more detailed evaluation of completed water projects with a view of making them and those we build in the future more efficient. Private research in these and other fields related to water must be encouraged.

Minnesota Firm's Space Achievement

EXTENSION OF REMARKS

OF

HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1961

Mr. QUIE. Mr. Speaker, it was recently my privilege to appear before the House Committee on Science and Astronautics and to place into the record of that committee a statement by Mr. G. T. Schjeldahl, the head of the G. T. Schjeldahl Co., of Northfield, Minn. It was this company which did much of the work on the recent most successful Echo I project. Because I believe the statement of Mr. Schjeldahl will be of interest to my colleagues, I am placing this testimony in the RECORD.

INFLATABLE STRUCTURES IN SPACE

(Friday, May 19, 1961)

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SCIENCE
AND ASTRONAUTICS,
Washington, D.C.

The committee met at 10 a.m., Hon. OVERTON BROOKS (chairman) presiding.

The CHAIRMAN. The committee will come to order.

Mr. KING. Mr. Chairman, could I mention that we have with us the distinguished Congressman from Minnesota, Mr. ALBERT QUIE, who is here by virtue of the fact that Echo I was fabricated in Northfield, Minn., which is in the district of the gentleman from Minnesota?

I think the record should show that he is here as a visitor.

Mr. HECHLER. I would like to join in welcoming my colleague, Mr. QUIE, to the committee.

The CHAIRMAN. We are happy to have you this morning, Mr. QUIE.

This morning we open a 1-day hearing on the matter of the potential uses, problems and funding, and research and development on "Inflatable Structures in Space."

We have a good many witnesses this morning. I think it is entirely proper that we follow the hearings that we have had by this one on "Inflatable Structures in Space."

We have, of course, our distinguished colleague. We want to hear from him in just a moment.

We have Mr. L. K. Loftin, Jr., Technical Assistant to the Director of the Langley Research Center of NASA; Mr. William J. O'Sullivan, Space Vehicle Group, Langley Research Center, NASA; Mr. Robert W. Richardson, vice president, Goodyear Aircraft Corp.; Dr. Robert S. Ross, Goodyear Aircraft Corp., and Mr. Robert T. Madden, Goodyear Aircraft Corp., also.

We are glad to have these gentlemen here with us this morning.

Mr. QUIE, I know of your interest, because I just talked to you.

It is customary for the committee to hear the Members of Congress first. If you have a statement you would like to give us on this, we would be glad to have it at this time.

Following that, we will be glad to have you come up and sit with the committee and stay with us as long as you like.

Mr. QUIE. Thank you, Mr. BROOKS.

STATEMENT OF HON. ALBERT H. QUIE, A REPRESENTATIVE IN CONGRESS FROM THE FIRST DISTRICT OF THE STATE OF MINNESOTA

Mr. QUIE. My name is ALBERT H. QUIE, Congressman from the First District of Minnesota.

I appreciate the opportunity to appear before the committee.

I will have to decline from accepting your invitation to stay with you this morning, since our Education and Labor Committee is meeting and we have some problems confronting us there, as you so well know.

In Minnesota and in my congressional district we are indeed proud of the work that is being done by one company in Northfield. So often out in the Midwest—and I come from a little farming community next to Northfield, Minn.—we tend to think of space exploration that is being done some distance away, a long ways away, and people have wondered if they would see anything like that accomplished in their little community. We were indeed proud when the Schjeldahl Co. in Northfield, Minn., played such an important part in the construction of Echo I and now Echo II. The community is really enthused about what is being done. They feel the old pioneer spirit and their esprit de corps in these space endeavors would surely ignite one's faith in America; these people, no matter what their job is in the part of fabrication, are so enthusiastic that when called on they have been willing to practically work around the clock.

As we read of this person, Commander Shepard—people had kind of lost faith with the Americans, and he renewed their faith in themselves.

I think if you could come out there and see that company, too, you would have a renewed faith in the American people.

I feel inadequate, speaking here upon such a technical subject, because I have no technical experience, myself. For that reason I was glad I was able to speak first, because I would surely feel inadequate after hearing some of these other men like Mr. O'Sullivan, whom I have heard so much about, not only read about, since Mr. Schjeldahl speaks of him in glowing terms.

We in Minnesota and that area are indeed proud of the work being done.

At this time, I would like to include in the testimony a statement by Mr. G. T. Schjeldahl—the head of the G.T. Schjeldahl Co.:

"ERECTABLE AND INFLATABLE STRUCTURES IN SPACE

"(By G. T. Schjeldahl Co., Northfield, Minn., May 24, 1961)

"Having already ventured briefly into space, man is developing a host of vehicles and capsules to propel him and protect him as he soars into the interplanetary void. Highly complex rocket systems and compact and efficient space capsules will of course play the major role in helping man leave this earth for parts unknown.

"Yet man, as he plans for his most epic voyage, is turning his attention to the same spectacular device that enabled his predecessors to leave the ground some two centuries ago—the balloon and its modern counterpart, the inflatable satellite, or 'satelloon.'

"The inflatable structure is already in orbit

"On August 12, 1960, the National Aeronautics and Space Administration shot into the heavens the largest volume satellite ever thrust into orbit—Echo I. This 100-foot diameter plastic sphere, designed and manufactured by the G. T. Schjeldahl Co. of Northfield, Minn., is still in orbit—a visible symbol of American creativity for all the world to see.

"The Schjeldahl Co. is already at work on other space inflatables. These include the forthcoming Echo II on which successful inflation tests have been concluded by NASA, Langley Research Center, and Project Rebound in which several inflatable satellites will be launched in orbit from a single rocket carrier.

"All these inflatable satelloons have a common ancestor—the balloon. But while the balloon is designed to go up and come down again within a very short period of time, the satelloon is so constructed that it will remain in orbit for extremely long periods—perhaps many years.

"The inflatable satellite, such as Echo I and Echo II and other satellites developed by the Schjeldahl Co., must be precisely engineered and sealed by means of a super adhesive that will withstand the hostile environment of space. The Schjeldahl Co. has developed such an adhesive—called Schjel-Bond 301, which has held Echo I together for nearly a year despite the ravages of extreme temperatures, radiation and low vacuum.

"An efficient and economical device

"The inflatable space satellite is an efficient and economical device that can be packed—uninflated—in a small canister, shot by rocket into space and then inflated to become a massive satellite, perhaps 100,000 times its uninflated volume. It can be pre-

fabricated in an unlimited variety of shapes and sizes to perform specific functions, such as reflecting electronic signals, gathering solar energy, providing safe shelter for man in space and for storing gases and fuels in space.

"Up to the present time, inflatable space structures have been used mainly to reflect electronic signals. Man's first space balloon, the Robin (rocket balloon instrument), is a 1-meter-diameter Mylar sphere with a built-in corner reflector for ground radar tracking. Robin was designed, developed, and built by the Schjeldahl Co. for meteorological purposes. More than 200 of these unique devices have been shot by the U.S. Air Force to altitudes of about 50 miles, inflated, and allowed to drift back to earth. The radar plots of their corner reflectors yield such meteorological information as wind direction, wind speed, air density, and air temperature.

"Passive satellites

"Robin is an example of a 'passive' communication satellite. 'Active' communication satellites carry into space a radio receiver and transmitter so that they can receive signals from one point and relay them to another point. The active satellite must carry its own power or possess the means of deriving power from external sources. (1) it cannot be repaired in space if something goes wrong and (2) its signal can be jammed.

"The passive communications satellite is in effect one or a series of electronic 'mirrors' in space which reflect signals beamed to it from the ground. Such signals, since they are beamed, cannot be jammed.

"This earth's only orbiting passive communication satellite is Echo I, launched by the National Aeronautics and Space Administration August 12, 1960, from Cape Canaveral and still circling the globe 1,000 miles out in space. Echo I was manufactured by the Schjeldahl Co.

"Echo I's chief disadvantage as a passive communication device is the low ratio of power of the reflected signal to that of the projected signal. This low response is due to the fact that it is spherical. Although Echo I is 100 feet in diameter, the effective reflective 'disk' is only a foot or so in diameter, because the surface of the satelloon is extremely shiny.

"Echo II, 135 feet in diameter, which only recently was subjected to successful ground inflation tests at Weeksville, N.C., has a duller surface than Echo I and will present a much larger reflective surface and hence will provide a greater ratio of response to input signal.

"Echo II 50 times stronger than Echo I

"This material in Echo II is 50 times more rigid than the material used in Echo I. It is a laminate consisting of two layers of aluminum foil only eighteen hundred-thousandths of an inch thick bonded to a center sheet of Mylar thirty-five hundred-thousandths of an inch thick. The rigidized spheres will weigh about 500 pounds each.

"When Echo II is inflated in space, the folds and wrinkles it receives as a result of packing will disappear. When the sphere is punctured by meteorites, releasing its inflation agent, it will not deform, for it will not 'remember' the folds and wrinkles it incurred in its 'fetal' position within the rocket's canister.

"At the present time, the Schjeldahl Co. is working with the Goddard Space Flight Center of NASA in developing a 200-foot diameter inflatable plastic sphere for rebounding signals from one satellite to another. Goal of the project—called Rebound—is to produce a new lightweight material that compares in strength to the material of Echo II. This will be accomplished by chemically 'milling' out a pattern of circular 'windows' from the aluminum, leaving the Mylar membrane intact. The network of aluminum arches remaining will preserve the rigidity with an accompanying—and desirable—reduction of weight amounting to about 30 percent.

"Several satelloons in one rocket vehicle

"Project Rebound will concentrate on placing three inflatable satellites in a circular orbit from one rocket vehicle. These will be spaced at predetermined intervals in order to test their effectiveness in bouncing radio signals from one satellite to another, thereby extending the range of radio wave propagation far beyond that of a single satellite, such as Echo I and Echo II.

"Launching of the first three Rebound satellites is scheduled during the first quarter of 1963. A launching of six Rebound satellites from a single rocket to form a string of beads around the earth will occur sometime in 1964.

"In a move to increase the signal response and directionalize it, the Schjeldahl Co. is proposing through the Wright Air Development Division to create a new and different series of inflatable passive satellites. This new inflatable will be comparable to a chandelier in space, containing a multitude of small reflective units which will vastly increase the strength of the reflected signal. Moreover, by maintaining a specific attitude with respect to the earth's surface as it orbits, the satellite will project a 'cone' with signal strength maximum at the perimeter. Thus, a passive satellite in synchronous orbit—with its orbital speed the same as the earth's daily rotation—would project its strongest signal to the horizon. Since synchronous orbits require high altitudes—approximately 22,500 miles—the 'horizon' would be perhaps 6,000 miles away. Such a device would become a tactical nonjammable communications device.

"Inflatables to aid active satellites

"The role of inflatables is by no means confined to passive satellites. They promise to be important to active satellites as well. Huge inflatable antennae, precisely constructed on the ground, will burgeon out in space to enable maximum propagation of the active satellite's signal.

"The inflatable concept also will be applied in building all types of space structures. Present thinking at Langley Research Laboratories favors a 'marriage' of inflatables and erectables so that combinations of rigid members can be folded into compact forms and 'married' to an inflatable object in space. Such a method shows great promise in the problem of creating space stations in which men can survive the space environment. Similarly, inflatable components of various structural devices will be rocketed into space and inflated and rigidized. The economy and efficiency of such a method of erecting devices in space are obvious.

"New materials being developed

"At the present time, the Schjeldahl Co. is conducting research in developing new materials to withstand the space environment for prolonged periods. These include combinations with mineral fibers that promise to be as strong as the strongest steels. Other investigations planned are for the development of plastic materials that will not burn—even in the searing blast of a plasma torch.

"We believe that inflatables will assume a constantly increasing role in the unfolding drama of the space age. Their economy and their ratio of collapsed size to inflated size command their continued application.

"Limitless number of missions

"Leonard Jaffe, Chief of NASA's communications satellite program, emphasizes that inflatables can be designed and constructed to perform an almost limitless number of missions.

" 'The feasibility of using a passive satellite as a communications reflector has been established' he says. 'The fact that Echo I did not completely collapse upon loss of its internal pressurization material has indicated that the thin wall structure is almost structurally sound enough to withstand the space environment, and that only a nominal increase in rigidity will provide long-life structures.'

"Appendix A

"The attached photographs pictorially illustrate a NASA/Langley Research Center conceptual design of an erectable space station. [The pictures in question were not of reproducible quality and have been placed on file.] Note the incorporation of an optimum combination of pneumatically and mechanically erectable segments. This combination incorporates the best advantages of each type component. The rigid sections contain all on-board apparatus. The pneumatically erectable sections made possible the deployment and interconnection of the rigid sections in a ready-to-use condition in a matter of minutes with no requirement to bolt together the parts.

"As with project Echo, the G. T. Schjeldahl Co. is following carefully the evolvement of the research done in the Langley Laboratory. Development of materials with which to accomplish this task is an area where GTS Co. will make a contribution. Fabrication techniques to translate the concept into an actual test vehicle are under study by the company.

"This is an excellent example of the close teamwork between industry and the Government-sponsored laboratories, which should lead us forward in man's conquest of space."

The CHAIRMAN. That was a great achievement. I think the people of Northfield should feel justified pride in their contribution to this major accomplishment in space.

We are happy to have you here this morning, and we will give your statement our careful consideration.

Mr. QUIE. Thank you.

What Makes a President Great?

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1961

Mr. McCORMACK. Mr. Speaker, on Monday night, June 12, 1961, the distinguished gentleman from Wisconsin [Mr. REUSS], whom I admire very much, and one of the ablest and dedicated Members of the Congress, delivered an address to the members of the Suffolk University Law School alumni, at a dinner which took place in the Parker House, in Boston, Mass., the title of his address being "What Makes a President Great?"

The address delivered by our colleague, Mr. REUSS, received with enthusiasm by those present, is both informative and timely, which address I include in my remarks:

WHAT MAKES A PRESIDENT GREAT?

(Address by Hon. HENRY S. REUSS, of Wisconsin, to Suffolk Law School Alumni Association, Parker House, Boston, Mass., June 12, 1961)

John F. Kennedy today completes his first 142 days in the White House. No President

assumed his office with greater public expectations. Here is the way Franklin Roosevelt was described by Walter Lippmann as he sought office in 1932:

"A pleasant man who, without any qualifications for the office, would very much like to be President."

Abraham Lincoln, when he went to the White House, was ridiculed as a "baboon."

That old aristocrat, John Adams, thought these should be the virtues of a President—birth, wealth, beauty, strength, marriage, gracefulness and eloquence. It would be difficult to name a President who has more of these than John F. Kennedy. And you can add a warrior's toughness, in the tradition of Jackson, Teddy Roosevelt, and Eisenhower.

Well, then, is Mr. Kennedy a great President? History alone will decide. There is a rule in Washington: Don't erect a statue to anyone until he's been dead for at least 50 years. So perhaps our question is premature.

But surely we can ask now what are the attributes of a great President, as history reveals them to us. Can he identify the great issues that face the Nation, and act constructively to solve them? How does he carry on his roles of Chief Executive, chief legislator, Commander in Chief, party leader, molder of public opinion, setter of public style? Is his nature adapted to his task—has he wisdom and courage, humor and compassion, integrity and energy?

Before we ask these questions of John Kennedy, it's useful to see how earlier Presidents measure up. A 1947 poll of political scientists and historians listed six great Presidents: Washington, Jefferson, Jackson, Lincoln, Wilson, and F.D.R. Clinton Rossiter of Cornell, Edward Corwin of Princeton, and Sidney Hyman have added T.R. to the list. Rossiter threw in Harry Truman and Dwight Eisenhower in his 1956 first edition of "The American Presidency," but dropped Ike in his second edition in 1959.

There are various categories and subcategories of Presidents on the way down—down to Warren G. Harding, who once told a friend what he thought of the Presidency:

"John, I can't make a damn thing out of this tax problem. I listen to one side and they seem right. God, I talk to the other side, and they seem just as right, and there I am, where I started. I know somewhere there is a book that would give me the truth, but hell, I couldn't read the book. God, what a job."

Or down to Franklin Pierce of New Hampshire. Mr. Pierce had not gone to the Democratic Convention at Baltimore in 1852, but instead remained at home in Concord and sent his Negro manservant down to the Western Union office to pick up the news bulletins. The news of Mr. Pierce's nomination on the 49th ballot was brought to him at lunch at home with the announcement:

"Mr. Pierce, I have the honor to inform you that you have just been nominated to the Presidency of the United States—ridiculous though it may seem."

LINCOLN

In the national indoor sport of ranking the Presidents, only one name gets everyone's vote, expert and layman alike. That is Abraham Lincoln.

Why? First and foremost Lincoln was in the mainstream of American history. The spirit of 1776 and of the Founding Fathers moved in him. He feared the weakening of the old faith. As he wrote his old friend Josh Speed:

"Our progress in degeneracy appears to me to be pretty rapid. As a nation we began by declaring that 'all men are created equal, except Negroes.' When the know-nothings get control, it will read 'all men are created equal, except Negroes and foreigners, and Catholics.' When it comes to this, I shall prefer emigrating to some country where they make no pretense of loving liberty—to Russia, for instance, where despotism can be taken pure, and without the base alloy of hypocrisy."

Loyalty to the Union was Lincoln's almost mystical aim: "Thanks to all," he proclaimed after a victory of Union arms. "For this great Republic—for the principle it lives by and keeps alive—for man's vast future—thanks to all."

As President, Lincoln ran the country. Many doubted Lincoln's qualifications when he took office. They expected William H. Seward to run the Government—the short, cigar-smoking man who had opposed Lincoln for the Presidency and whom Lincoln had named Secretary of State. Seward himself seemed to share these expectations. A month after the inaugural, he brought Lincoln a memorandum outlining an action program (one idea was to solve the upcoming secession by starting a foreign war to unite the Nation). Seward suggested that he, Seward, was the man to run the country. Lincoln read the paper over carefully. On his desk he kept a series of trays marked "Secretary of State," "Secretary of War," and so on, till the last one, which was marked "Unimportant." When he had finished reading Seward's paper, he smilingly tossed it in the last tray and explained that, like it or not, for better or for worse, he, Abraham Lincoln, was going to be President of the United States.

Seward, the enemy whom he made his Secretary of State, became his stanchest supporter. That was political shrewdness—not so different from that displayed by Mr. Kennedy when he turned his cheek on LYNDON JOHNSON'S hostility in the primaries, and chose him to be his Vice President.

Lincoln acted decisively where great issues were at stake. He rejected the idea that a President must be a prisoner of the Constitution. The Constitution, he argued, if it meant anything, must mean the preservation of the Union. A constitution wouldn't count for much if there were no union to uphold it.

On April 13, 1861, he sent relief forces to Fort Sumter, forcing the South into the role of aggressor. The next day, the South fired on Fort Sumter. As Lincoln said:

"All dreaded it, all sought to avert it. Both parties deprecated war, but one of them would make war rather than let the Nation survive, and the other would accept war, rather than let it perish, and the war came."

Should Lincoln have called on Congress to grant him emergency powers? With his Republicans in the minority, Congress would probably have refused. So he acted on his own. He increased the size of the Army. He lent $2 million to private citizens to pay for military supplies. He ordered a blockade of the South. He suspended the writ of habeas corpus. When he was criticized for his failure to consult Congress, he answered that he had no intention of letting the Union disintegrate before his eyes while Congress conferred endlessly about what to do. In the end, on July 4, 1861, he asked Congress to ratify his actions, saying:

"These measures, whether strictly legal or not, were ventured upon under what appeared to be a popular demand and a public necessity, trusting then, as now, that Congress would readily ratify them."

Lincoln was more than a President. He was a martyr who moved from the realm of history to the realm of legend. To compare Kennedy with Lincoln is a little like comparing De Gaulle to Charlemagne, or Macmillan to King Arthur. We need perspective, and we don't have it yet.

WASHINGTON

George Washington, with the majesty and prestige of his person, in a sense created the Presidency. There were those who wanted him for a king, but he fiercely rejected this suggestion. He also turned down the proposal that the Order of the Cincinnati—a sort of Revolutionary War American Legion—become our hereditary nobility.

Some thought that Washington overdid it on the pomp and circumstance. When he received Members of Congress, the public, or the press, everyone had to stand. His receptions were held in kingly drawing rooms. Washington himself usually wore velvet knee britches, yellow gloves, gold-buckled slippers, a sword in a white leather scabbard, and an ostrich-plumed cocked hat.

Washington didn't win his claim to greatness by his ability at rhetoric. His language was often so archaic and pompous that it was hard to figure out what he was trying to say. He once placed an advertisement in a newspaper for a cook, but the wording was so complicated that not a single person who could qualify as a cook could understand what was wanted:

"A cook is wanted for the family of the President of the United States. No one need apply who is not perfect in the business and can bring indubitable testimonials of sobriety, honesty, and attention to the duties of the station."

Nobody could understand, so nobody answered the ad.

Nor did Washington shine in his relations with Congress. His first appearance in the Senate ended in disaster. On August 29, 1789, Washington appeared before the Senate and bluntly told Senators that he wanted their advice and consent on seven proposals concerning a treaty—but that he would like them to simply vote "yea" or "no" on each matter. The Senators protested that this didn't give them much of a chance to provide advice—to which Washington replied that he had brought his Secretary of War with him if he needed any advice. The Senate then decided to refer the whole matter to a committee. Washington's response was anything but magisterial. According to the journal of one of the Senators:

"The President started up in a violent fret. 'This defeats my very purpose of coming here.' When he finally cooled down, he agreed to postpone the discussion and withdrew, with a very discontented air."

But the Washington that lives is Washington the Founding Father—first in war, first in peace, and first in the hearts of his countrymen.

JEFFERSON

Thomas Jefferson brought to the Presidency an array of talents that has never been matched. He was an expert horseman. He played the violin. He was an architect who designed Monticello and a blueprint for Washington, D.C. He was a lawyer who wrote much of the Declaration of Independence and the Bill of Rights. He was a geographer and mapper of much of Virginia. He was a most successful Ambassador to France. He was a botanist who examined every useful tree and plant in Europe. He was an inventor of numerous gadgets, both useful and ornamental. He wrote "Jefferson's Manual on Parliamentary Practice," which still governs us in the House of Representatives today.

Yet Jefferson is primarily a great man, rather than a great President. The two great achievements credited to his Presidency—the Louisiana Purchase, and establishing a strong control over Congress—are far less lustrous than his accomplishments before and after the Presidency.

When Jefferson sent his agents to buy up "the island of New Orleans," he was as much

surprised as they when it was discovered that they could buy most of the western United States in the bargain.

In dealing with Congress, Jefferson recognized both the need for leadership, and that to be effective it had to be subtle. "What is practical," he said, "must often control what is pure theory."

Jefferson lost no time in installing his Democratic supporters in control of the Congress. The Speaker of the House and the leading committee chairmen were Jefferson men. Jefferson used the secret Democratic congressional caucuses to make party policy, which then stuck on the House floor. When John Randolph, chairman of the House Ways and Means Committee, refused to move an important appropriation, Jefferson's agents eased him out.

Jefferson's political genius lay in his ability to get Congress to do what he wanted it to do, and at the same time let Congress think it was supreme. President Kennedy did a pretty good job of this last January. He played a key role in reforming the Rules Committee at the opening of Congress, taking away its power to block legislation from reaching the floor. But Mr. Kennedy nodded approvingly when Speaker RAYBURN, asked whether the Rules Committee was a problem for Congress, replied "Utterly."

Jefferson, for all his skill, perhaps made Congress too dependent on his leadership, too flabby an institution on its own.

So you have Jefferson—a Leonardo da Vinci, a universal genius—whose career as President actually shines less than his career before and since.

JACKSON

Andrew Jackson was no ordinary President. No campaign that had ever brought a man into the Presidency had ever been pitched on so sordid a plane. All over the country pamphlets were circulated by his opposition: "Ought a convicted adulteress and her paramour husband be placed in the highest office of this free and Christian land?" No President had ever openly threatened the life of his Vice President as did Jackson: "I will hang John C. Calhoun."

Jackson was the first President elected by a broad suffrage of the people. This popular power he used to protect the Nation, decisively and effectively. When the high tariff of 1832 was enacted, South Carolina, which opposed protectionism, adopted an ordinance nullifying the tariff, and threatened immediate secession if the Federal Government used force. Jackson wasted no time. To deal with South Carolina's grievance, he sent a message to Congress requesting a reduction in the tariff. To deal with South Carolina's rebellion, he ordered the Secretary of War to alert the forts in Charleston Harbor, and he branded secession as treason. His quick and dramatic action saved the Union: South Carolina rescinded the ordinance of nullification.

Jackson's motto may well have been: The bigger they come, the harder they fall. When he vetoed the bill setting up the second Bank of the United States, he took on almost singlehandedly the Congress, the Supreme Court, and the business community. His veto message proclaimed it as his special duty "to protect the liberties and rights of the people and the integrity of the Constitution against the Senate, or the House of Representatives, or both together."

Jackson had a hunch that future generations would be partial to his concept of a strong Presidency. He said more than once: "I shall anticipate with pleasure the place to be assigned to me in the history of my country."

T.R.

Teddy Roosevelt came to the White House after 35 years of congressional rule and executive feebleness. He regarded his years in the White House as "ripping, simply ripping," and the Presidency as a "bully pulpit." He believed in using "every ounce of power" that he could squeeze out of the Presidency. He never tired of trying to find a little more.

He never worried about finding a specific constitutional clause to authorize his action. He just acted:

"I took the isthmus, started the Panama Canal, and then left Congress to debate—not the canal, but to debate me."

He sent our Great White Fleet around the world, demonstrating that America had come of age as a world power, ready and able to fight wherever it had to in defense of freedom. He sent the fleet off even though Congress had appropriated only enough to get it to Europe. His political judgment told him that once the ships had reached Europe, Congress would come through with the money to send them the rest of the way—and he was right. I suspect that President Kennedy may have the same thing in mind when he asked Congress for the initial one-half billion dollars of what may be a $10 billion project to send a man to the moon—and back.

He practiced the "strenuous life," and asked us all to join in. "The things that will destroy America," he said, "are prosperity at any price, safety first instead of duty first, the love of soft living, and the get-rich theory of life." These words are beginning to be heard on the New Frontier.

Teddy Roosevelt—the cattle puncher, leader of the charge up San Juan Hill, the African lion hunter—had his detractors. Senator "Fighting Bob" La Follette, bitter after his rivalry with Roosevelt over the Republican nomination in 1912, pictured his rival as a trimmer—one who proclaimed himself a great "trustbuster" and fighter against "malefactors of great wealth," but who sat idly by while the monopolies of the day multiplied. T.R. also failed to impress La Follette as a man of the soil. When La Follette called on the colonel at Oyster Bay, the colonel "appeared wearing linen knickerbockers, and after a cordial greeting, said he had just come in from pitching hay, confirming his statement by removing a liberal quantity of timothy from his person."

But, desipte his poses, T.R. was the first President who taught us that the world contains wicked men who wish us ill, and that power is the language that they understand. And he was the first to tell us that we were but the trustees of our natural resources—woods and waters, soil and wildlife—for future generations.

WILSON

Woodrow Wilson brought to the Presidency an awareness of the needs of a growing nation, a vigorous concept of his powers, shrewdness as a party leader, and an impressive rhetoric for molding public opinion.

For most of his two terms, he was remarkably successful with Congress. Meticulously constitutional, he believed in getting legal authority from Congress for what he did—unlike Lincoln's do-it-first-and-then-get-authority approach. He revived the practice of addressing Congress in person, out of use for 100 years. Following suit, President Kennedy has already made not only a first but a second state of the Union message.

Wilson eloquently articulated the role of the United States in the world. His 14 points, particularly the concept of the League of Nations, proclaimed our membership in the world community. His trip to Paris in December 1918 foreshadowed President Kennedy's last week.

It was Woodrow Wilson's overwhelming sense of self-righteousness that brought him to destruction. In the 1918 congressional elections, he proclaimed that "politics should be adjourned * * * the election will go to those who think the least of it"—though he soon retreated and urged the Nation to elect Democrats.

As his second term continued, he became increasingly self-righteous:

"I have come through the fire * * * and if I may believe my own thoughts, I have more enthusiasm for the right thing, no matter whom it hurts, than I ever had before in my life."

It was this "enthusiasm for the right thing" that led Wilson to reject all reservations to the Covenant of the League of Nations, thus killing all chances of the United States joining the League. Knowing that the covenant would not pass the Senate without the support of those who favored mild reservations, Wilson adamantly insisted that any compromise would be "a very serious mistake."

So the end was frustration and tragedy—for an intellect that places Wilson among the great.

F.D.R.

Franklin D. Roosevelt holds his rank among the great because he ruled in a time of crises—and did not flinch. The greatest depression of our history faced him. He told the Nation that "the only thing we have to fear is fear itself." He was Commander in Chief in the greatest war we have known. He formed the world alliance of free nations, and led it on to victory.

F.D.R. used his office to the full. He meant it when he said in 1932:

"The Presidency is not merely an administrative office. That is the least of it. It is preeminently a place of moral leadership, without leadership, alert and sensitive to change, we are bogged up or lose our way."

Preeminently, he introduced the modern concept of the President as leader of every stage of the legislative process. The White House draws the bill, and follows it through the committee and onto the floor of both the House and the Senate. We still remember F.D.R.'s first 100 days, days which produced the SEC, the TVA, the NRA. Congress later fought back. But the idea of the President's legislative leadership was firmly established.

John F. Kennedy ruled out the idea of becoming a 100-day wonder. As he said at his inaugural:

"All this will not be finished in the first 100 days. Nor will it be finished in the first 1,000 days, nor in the life of this administration, nor even perhaps in our lifetime on this planet. But let us begin."

Congress has responded to Kennedy's lead in the first 100 days remarkably well: better than at any time since F.D.R.'s day. We have passed a program that includes a distressed areas bill, a minimum wage, unemployment compensation, aid for Latin America.

F.D.R. was a genius at measuring and molding public opinion. He was a master of the friendly give-and-take Presidential press conference, and of the fireside chat with the Nation. President Kennedy is off to a good start in his press conferences. But some who remember the way F.D.R. used to communicate think he would do well to take up the fireside chat.

F.D.R.'s very buoyancy and jauntiness were also his weaknesses. He devalued the dollar in 1933 in the most offhand way. The memory of it made Europeans wonder, at the time of the "gold crisis" last fall, whether similar manipulations were to be forthcoming from the new Democratic administration. Happily, they were not.

But all our great Presidents—even Lincoln—had their faults—and F.D.R., the humane, the compassionate, the courageous—is entitled to his.

KENNEDY

And, now, what of John F. Kennedy? How does he partake of the qualities of the seven Presidents who deserve the accolade of greatness?

As a legislative leader, Kennedy's performance so far can be ranked with the best of T.R., Wilson, or F.D.R. Though faced with a House of Representatives that had 20-odd fewer faithful Democrats than in the last Congress, whose accomplishments were small, Kennedy has already scored on many of his major legislative proposals.

As a political craftsman, he shines with the best. His conduct in the Rules Committee fight recalls Jefferson, and how to get what you want from Congress without actually demanding it. His calls on various Republican elder statemen—MacArthur and Hoover and Eisenhower—show Lincoln's skill at disarming the opposition.

Will Kennedy have Andrew Jackson's toughness in facing up to the pressing social issues of the day? We cannot yet be sure, but his conduct in the primary campaign is encouraging. He entered the primary in Wisconsin, where some of the wiseacres were saying that a big-city easterner couldn't win; and the primary in West Virginia, supposedly an anti-Catholic stronghold, and he won them both. He's going to need this kind of courage as President.

He has called to his side a praetorian guard of first-class men: Rusk, Stevenson, and Bowles in foreign policy; Dillon at the Treasury; McNamara in Defense; Hodges at Commerce; Udall in Interior; brother Robert as Attorney General (Attorney General Kennedy's decisive performance in the Alabama crisis fortifies the President in having rejected the advice that the public would never stand for having a brother as Attorney General).

He has used the power of rhetoric that Wilson and F.D.R. used so effectively. "Ask not what your country can do for you but what you can do for your country," has become the theme of the New Frontier. "Never fear to negotiate, but never negotiate out of fear" is one of the planks of our foreign policy.

The new President and his wife combine to carry out the magisterial function. They help set the moral, the cultural, and the intellectual trend for the whole country. They have brought poets to the inaugural, and imported the world of art into the White House. They've set an example of youthful fitness which is the essence of the Peace Corps.

And what of the man beneath the robes of office? There have been flashes of humor, as when he thanked Secretary Udall at his $100-a-plate birthday dinner last month "for handling the publicity." There has been humility: The morning after the nightmare of the Cuban invasion, he held himself alone responsible for the disaster, and the Nation gave its sympathy to the beleaguered leader who admitted his mistake.

The true test of Kennedy's greatness, however, will be not how well he administers, or how adroit is his politics, or even how successful is his congressional box score. The true test will be how he responds to the crisis of our time: Can the selfish interests of various groups be woven together into a true national fabric? Can we become a community united and unafraid, equipped to face the fearful abyss of the world today?

The President has told us the Nation's needs. We need to grow economically and to do it without a price spiral. We need truly to seek excellence in education, in science, in more widely shared opportunities in the arts. We need to make the promise of equality come true. And we need generous hearts and steady nerves for the world crisis that looms ahead as far as you and I can see.

The giant that is America seems to be stirring. But it is still asleep. Little men in big industries play around with inflation, and the devil take the consumer and our balance of payments. Soothing voices beckon us: leave the world and retire into fortress America. Others would have us believe that we can stand for equality and justice throughout the world, and yet be careless of them at home.

John F. Kennedy has identified many of the great issues that confront us. He has called on us for sacrifices to meet them. But he has yet to sketch out the road we must follow, and to detail the sacrifices we must make.

When he does, he will need not only the strength of Andrew Jackson and the courage of Franklin Roosevelt, but the almost mystical quality that spoke from Abraham Lincoln to his fellow Americans a hundred years ago.

History's verdict will be long delayed. But from the evidence so far produced, I'm betting on Kennedy.

SENATE

WEDNESDAY, JUNE 14, 1961

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God, through the lowly gate of penitence we would enter the inner chamber of peace, where the harsh noises of the clamorous world are hushed and, in quietness of spirit, we face ourselves and Thee.

Thou only art our defense amid the flood of mortal ills prevailing. From the terror that cometh by night, and the arrow that flieth by day, from the pestilence that walketh in darkness, and the destruction that wasteth at noonday, good Lord deliver us.

We ask Thy blessing upon the men of our generation who raise Thy standards against pagan blasphemies, the men who guard the rights of their fellow men, the men who are not neutral in time of evil, the men who turn not away their face when the wicked would barter the birthright of freedom for the mess of pottage, of petty gain or glory.

Guide us and guard us and lead us forward so that, through our labors in this moment of history, we shall be in truth the living witnesses of Thy righteous will, helping to hasten the time when the earth shall be filled with the knowledge of Thy truth even as the waters cover the sea.

We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 13, 1961, was dispensed with.

EXECUTIVE REPORTS OF COMMITTEE ON THE JUDICIARY SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of June 13, 1961, the following executive reports of the Committee on the Judiciary were submitted during the adjournment on June 13, 1961:

By Mr. LONG of Missouri:

Albert A. Ridge, of Missouri, to be U.S. circuit judge for the eighth circuit.

By Mr. KEFAUVER:

Frank W. Wilson, of Tennessee, to be U.S. district judge for the eastern district of Tennessee; and

Kenneth Harwell, of Tennessee, to be U.S. attorney for the middle district of Tennessee.

By Mr. McCLELLAN:

Edwin L. Reynolds, of Maryland, to be First Assistant Commissioner of Patents;

Horace B. Fay, Jr., of Ohio, to be an Assistant Commissioner of Patents; and

Arthur W. Crocker, of Maryland, to be an Examiner in Chief, U.S. Patent Office.

By Mr. EASTLAND:

Warren C. Colver, of Alaska, to be U.S. attorney for the district of Alaska;

Donald H. Fraser, of Georgia, to be U.S. attorney for the southern district of Georgia;

Charles L. Goodson, of Georgia, to be U.S. attorney for the northern district of Georgia;

Herman T. F. Lum, of Hawaii, to be U.S. attorney for the district of Hawaii;

Sylvan A. Jeppesen, of Idaho, to be U.S. attorney for the district of Idaho;

Richard P. Stein, of Indiana, to be U.S. attorney for the southern district of Indiana;

Claude Vernon Spratley, Jr., of Virginia, to be U.S. attorney for the eastern district of Virginia;

Ernest Morgan, of Texas, to be U.S. attorney for the western district of Texas;

Harold Barefoot Sanders, Jr., of Texas, to be U.S. attorney for the northern district of Texas;

William W. Justice, of Texas, to be U.S. attorney for the eastern district of Texas;

Woodrow B. Seals, of Texas, to be U.S. attorney for the southern district of Texas;

James H. Dillon, of Wisconsin, to be U.S. marshal for the eastern district of Wisconsin; and

Charles N. Bordwine, of Virginia, to be U.S. marshal for the western district of Virginia.

By Mr. HART:

Floyd Stevens, of Michigan, to be U.S. marshal for the western district of Michigan.

By Mr. ERVIN:

Hugh Salter, of North Carolina, to be U.S. marshal for the eastern district of North Carolina.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June

30, 1962, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H.R. 7577) making appropriations for the Executive Office of the President, the Department of Commerce, and sundry agencies for the fiscal year ending June 30, 1962, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. EASTLAND, and by unanimous consent, the Subcommittee on Internal Security of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the new reports on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The VICE PRESIDENT. If there be no reports of committees, the new reports on the Executive Calendar will be stated.

DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

The Chief Clerk read the nomination of John Joseph Gunther, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

AMBASSADOR

The Chief Clerk read the nomination of Ben S. Stephansky, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Bolivia.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

JUDGES

The Chief Clerk read the nomination of Albert A. Ridge, of Missouri, to be U.S. circuit judge for the 8th circuit.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. SYMINGTON. Mr. President, the Senate has just confirmed the nomination of an outstanding jurist, Judge Albert A. Ridge, to be a member of the U.S. Court of Appeals for the Eighth Circuit.

Judge Ridge has been serving as judge of the U.S. District Court of the Western District of Missouri, a position he has filled with high ability for the past 15 years.

Prior to his appointment to the district bench, Judge Ridge served for 10 years as judge of the Circuit Court of Jackson County, Mo. Judge Ridge has served with distinction as a member of the bar and as a jurist. He is a man of the highest qualifications, and will bring added distinction as a member of the court of appeals.

Practicing lawyers and fellow judges in Missouri and throughout the Middle West have expressed their support and praise for the appointment of Judge Ridge.

Mr. President, I ask unanimous consent that an editorial from the Kansas City Star, dated May 24, 1961, and an editorial from the St. Louis Globe-Democrat, dated May 28, 1961, with reference to the nomination, be printed at this point in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Kansas City (Mo.) Star, May 26, 1961]

A DESERVED PROMOTION FOR JUDGE RIDGE

The nomination of Judge Albert A. Ridge for the Eighth Circuit Court of Appeals is a merit promotion. In recent years we have seen a very healthy trend toward advancing judges to fill vacancies in the Federal court system. We would like to see it become standard procedure.

The value of the promotion system is demonstrated in the case of Judge Ridge. He has proved himself on the bench, which is a profession apart from the active practice of the law.

Judge Ridge has demonstrated the judicial temperament and the analytical mind that are essential to a successful judge. His use of the pretrial conference as a means of facilitating the work of the Federal courts has been recognized as a special contribution. His knowledge of the law and his many years of experience in both State and Federal courts are generally appreciated by the legal profession.

This is not only recognition of the promotion system but clearly a deserved promotion.

[From the St. Louis (Mo.) Globe-Democrat, May 28, 1961]

EXCELLENT APPOINTMENT

President Kennedy's appointment of Federal District Judge Albert A. Ridge, of Kansas City, to the U.S. Court of Appeals is a commendable act in support of a sound judiciary. Judge Ridge has been a thoroughly capable member of the State bench and of the Federal bench for many years.

The selection gives Missouri two of the seven judges in the Eighth Circuit Court of Appeals, one from the eastern district and one from the western. This is only practical and fair. More than half the appellate court's business is from Missouri. Judge Marion C. Matthes, of St. Louis, was named to this bench in 1958.

The circuit embraces the States of Arkansas, Iowa, Minnesota, Nebraska, North Dakota, and South Dakota, as well as Missouri. The next appointment to this court, expected soon upon retirement of Judge Joseph W. Woodbrough, of Omaha, should go to Arkansas where considerable appellate litigation also originates.

The VICE PRESIDENT. The clerk will state the next nomination on the Executive Calendar.

The Chief Clerk read the nomination of Frank W. Wilson, of Tennessee, to be U.S. district judge for the eastern district of Tennessee.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

PATENT OFFICE

The Chief Clerk proceeded to read sundry nominations in the Patent Office.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

U.S. ATTORNEYS

The Chief Clerk proceeded to read sundry nominations of U.S. attorneys.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. YARBOROUGH. Mr. President, I rise to commend the President of the United States on his appointments of the four U.S. district attorneys in Texas, who have just now been confirmed by the Senate.

I also wish to compliment the Attorney General, the Honorable Robert Kennedy, who submitted these names to the President for appoinment. These nominations were arrived at after weeks of careful sifting of qualified attorneys. They were made with the universal approbation of the bar of Texas.

I was admitted to the bar in 1927, and personally I have never seen a time during my practice of the law when such an able battery of attorneys were appointed at one time to the U.S. district attorneyships in Texas.

The four whose nominations were confirmed a moment ago are Ernest Morgan, of San Marcos, Tex., for the western district; Harold Barefoot Sanders, Jr., of Dallas, Tex., for the northern district; William Wayne Justice, of Athens, Tex., for the eastern district;

and Woodrow B. Seals, of Houston, Tex., for the southern district. Prior to their appointments to these positions, their appointments had been approved by the distinguished occupant of the chair, the Vice President of the United States; they had been approved by me; they had been approved by committees of the bar; and the appointments were widely published in the press of Texas. I have not received from any one of the more than 12,000 lawyers in Texas a single word other than of approval of these appointments.

I think the President; the Attorney General; the Deputy Attorney General, Byron White; and the Assistant Attorney General, Ramsey Clark, are to be commended for very carefully searching for, and finding, such highly qualified men for these positions.

It is my prediction that these appointments—having such widespread approval—will result in enhanced and very fine Federal service in Texas in the positions of the U.S. district attorneyships to the northern, southern, eastern, and western districts of that State.

U.S. MARSHALS

The Chief Clerk proceeded to read sundry nominations of U.S. marshals.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of all these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

REPORT ON SCIENTIFIC RESEARCH GRANTS

A letter from the Administrative Assistant Secretary of the Interior, transmitting, pursuant to law, a report covering grants made during the calendar year 1960 to nonprofit institutions and organizations for support of scientific research programs (with an accompanying report); to the Committee on Government Operations.

ESTABLISHMENT OF FEDERAL AGRICULTURAL SERVICES TO GUAM

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to establish Federal agricultural services to Guam, and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

AMENDMENT OF CHAPTER 147, TITLE 10, UNITED STATES CODE, RELATING TO DISPOSAL OF TELEPHONE FACILITIES

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to amend chapter 147 of title 10, United States Code, to authorize the Secretary of Defense, or his designee, to dispose of telephone facilities by negotiated sale (with an accompanying paper); to the Committee on Armed Services.

REPORT ON BACKLOG OF PENDING APPLICATIONS AND HEARING CASES IN FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman, Federal Communications Commission, Washington, D.C., transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of April 30, 1961 (with an accompanying report); to the Committee on Commerce.

INCREASE OF AMOUNT OF OBLIGATIONS UNDER SECOND LIBERTY BOND ACT

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to increase the amount of obligations issued under the Second Liberty Bond Act, which may be outstanding at any one time (with an accompanying paper); to the Committee on Finance.

PARTICIPATION OF UNITED STATES IN THE NEW YORK WORLD'S FAIR

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes (with an accompanying paper); to the Committee on Foreign Relations.

REIMBURSEMENT TO OWNERS AND TENANTS OF CERTAIN LANDS ACQUIRED BY THE UNITED STATES

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to authorize reimbursement to owners and tenants of certain lands or interests therein acquired by the United States for certain moving expenses and losses and damages, and for other purposes (with an accompanying paper); to the Committee on Government Operations.

AUTHORIZATIONS FOR EXECUTIVE AGENCIES TO GRANT EASEMENTS IN CERTAIN CASES

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to authorize executive agencies to grant easements in, over, or upon real property of the United States under the control of such agencies, and for other purposes (with an accompanying paper); to the Committee on Government Operations.

AUDIT REPORT ON BUREAU OF ENGRAVING AND PRINTING

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the audit of Bureau of Engraving and Printing, Treasury Department, fiscal years 1959 and 1960 (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF REGULATIONS, POLICIES, AND PRACTICES, RELATING TO FEDERAL GRANTS FOR SCHOOL CONSTRUCTION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of regulations, policies, and practices relating to Federal grants for school construction under section 305(a)(3), Public Law 815, 81st Congress, as amended, Office of Education, Department of Health, Education, and Welfare, dated June 1961 (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF CIVILIAN AND MILITARY PERSONNEL UTILIZATION IN U.S. COAST GUARD

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of civilian and military personnel utilization in district offices and of certain military pay functions, U.S. Coast Guard, Treasury Department, June 1960 (with an accompanying report); to the Committee on Government Operations.

REPORT ON PROJECT PROPOSAL UNDER SMALL RECLAMATION PROJECTS ACT OF 1956

A letter from the Secretary of the Interior, reporting, pursuant to law, on a project proposal under the Small Reclamation Projects Act of 1956, to the Haights Creek Irrigation Co., of Kaysville, Utah; to the Committee on Interior and Insular Affairs.

MODIFICATION OF REPAYMENT CONTRACT WITH FORT SHAW IRRIGATION DISTRICT, MONTANA

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to approve the revised June 1957 reclassification of land of the Fort Shaw division of the Sun River project, Montana, and to authorize the modification of the repayment contract with Fort Shaw Irrigation District (with accompanying papers); to the Committee on Interior and Insular Affairs.

AMENDMENT OF RECLAMATON PROJECT ACT OF 1939, RELATING TO ADDITIONAL IRRIGATION BLOCKS

A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to amend section 9(d)(1) of the Reclamation Project Act of 1939 (53 Stat. 1187; 43 U.S.C. 485), to make additional provision for irrigation blocks, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

ARTHUR C. BERRY, AND OTHERS

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation for the relief of Arthur C. Berry and others (with accompanying papers); to the Committee on the Judiciary.

FIXING OF FEES PAYABLE TO PATENT OFFICE

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to fix the fees payable to the Patent Office, and for other purposes (with accompanying papers); to the Committee on the Judiciary.

REPORT ON TORT CLAIMS PAID BY DEPARTMENT OF THE INTERIOR

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report on tort claims paid by that Department, during the fiscal year 1960 (with an accompanying report); to the Committee on the Judiciary.

PROPOSED AMENDMENT TO THE BUDGET, 1962, FOR DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE (S. DOC. NO. 32)

A communication from the President of the United States, transmitting an amendment to the budget for the fiscal year 1962 involving an increase in the amount of $3,515,000 for the Department of Health, Education, and Welfare (with an accompanying paper); to the Committee on Appropriations, and ordered to be printed.

PETITIONS AND MEMORIALS

Petitions, etc., were presented, and referred as indicated:

By Mr. ELLENDER:

A concurrent resolution of the Legislature of the State of Louisiana, relative to the proposals now in Congress for the adoption of the omnibus farm bill: to the Committee on Agriculture and Forestry; and

A concurrent resolution of the Legislature of the State of Louisiana, relative to the regulation of the beef cattle industry by the U.S. Government; to the Committee on Agriculture and Forestry.

JOINT RESOLUTION OF COLORADO LEGISLATURE

Mr. ALLOTT. Mr. President, the Legislature of the State of Colorado, in recent special session, memorialized Congress to oppose a proposed repeal of requirements that the Federal Reserve System maintain a gold reserve. That request, as evidenced by the sponsors and the vote thereon, was completely nonpartisan, or bipartisan. Let me say only that I concur wholeheartedly in the sentiments expressed in the memorial, a copy of which I ask, Mr. President, be printed at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

SENATE JOINT MEMORIAL 1

Joint resolution memorializing the Congress of the United States not to repeal present provisions of the Federal Reserve Act which require the Federal Reserve System to maintain a gold reserve equal to 25 percent of its notes outstanding

Whereas there is now pending in the Congress of the United States H.R. 6900, which, in addition to other matters, would repeal the provisions of the Federal Reserve Act requiring the Federal Reserve System to maintain a gold reserve equal to 25 percent of the Federal Reserve's notes outstanding: Now, therefore, be it

Resolved by the Senate of the 43d General Assembly of the State of Colorado, in first extraordinary session convened (the House of Representatives concurring herein), That the Colorado General Assembly hereby respectfully memorializes the Congress of the United States not to repeal, by the enactment of H.R. 6900 now pending in the Congress, present provisions of the Federal Reserve Act which require the Federal Reserve System to maintain a gold reserve equal to 25 percent of its notes outstanding; or that the Congress so amend said H.R. 6900 so as to eliminate such repeal; and be it further

Resolved, That a copy of this memorial be transmitted to the Senators and Congressmen representing the State of Colorado in the Congress of the United States, for their appropriate action.

REDUCTION OF GASOLINE TAX—RESOLUTION

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted at the quarterly meeting of the Dutchess County, N.Y., Pomona Grange 32, favoring a substantial reduction in the tax on gasoline.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

DUTCHESS COUNTY
POMONA GRANGE NO. 32,
June 9, 1961.

DEAR SENATOR JAVITS:

"Whereas gasoline is taxed higher than the luxury tax on jewelry, luggage, etc. and

"Whereas gasoline can in no way be classed as a luxury: Therefore be it

"*Resolved*, That Dutchess County Pomona Grange No. 32 is in favor of reducing the gasoline tax substantially."

This was adopted at our quarterly meeting June 7.

Yours truly,

KATHRYN C. SPOOR,
Recording Secretary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD of Virginia, from the Committee on Finance, without amendment:

H.R. 7446. An act to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates (Rept. No. 371),

By Mr. BIBLE, from the Committee on the District of Columbia, without amendment:

S. 1956. A bill to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 3,000 officers and members (Rept. No. 381).

By Mr. HARTKE, from the Committee on the District of Columbia, without amendment:

S. 158. A bill to confer upon the domestic relations branch of the municipal court for the District of Columbia jurisdiction to hear and determine the petition for adoption filed by Marie Taliaferro (Rept. No. 377);

S. 558. A bill to amend the acts of March 3, 1901, and June 28, 1944, so as to exempt the District of Columbia from paying fees in any of the courts of the District of Columbia (Rept. No. 378);

S. 559. A bill to amend the District of Columbia Traffic Act, 1925, as amended (Rept. No. 379);

S. 561. A bill to amend the act relating to the small claims and conciliation branch of the municipal court of the District of Columbia, and for other purposes (Rept. No. 382); and

S. 1651. A bill to authorize the Commissioners of the District of Columbia to delegate the function of approving contracts not exceeding $100,000 (Rept. No. 380).

By Mr. HARTKE, from the Committee on the District of Columbia, with amendments:

S. 1380. A bill to amend section 801 of the act entitled, "An act to establish a code of law for the District of Columbia," approved March 3, 1901 (Rept. No. 373).

By Mr. SMITH of Massachusetts, from the Committee on the District of Columbia, without amendment:

S. 564. A bill to provide for apportioning the expense of maintaining and operating the Woodrow Wilson Memorial Bridge over the Potomac River from Jones Point, Va., to Maryland (Rept. No. 374); and

S. 1291. A bill to amend the District of Columbia Traffic Act, 1925, as amended, to increase the fee charged for learners' permits (Rept. No. 375).

By Mr. SMITH of Massachusetts, from the Committee on the District of Columbia, with amendments:

S. 588. A bill to amend the act of May 29, 1930, in order to increase the authorization for funds for the extension of certain projects from the District of Columbia into the State of Maryland, and for other purposes (Rept. No. 376).

By Mr. FULBRIGHT, from the Committee on Foreign Relations, with amendments:

S. 1154. A bill to provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the peoples of the world through educational and cultural exchanges (Rept. No. 372).

By Mr. MANSFIELD, from the Committee on Rules and Administration, without amendment:

S. 1644. A bill to provide for the indexing and microfilming of certain records of the Russian Orthodox Greek Catholic Church in Alaska in the collections of the Library of Congress (Rept. No. 384).

S. Con. Res. 27. Concurrent resolution authorizing the printing as a Senate document of the proceedings of the National Water Research Symposium (Rept. No. 388);

S. Res. 131. Resolution to print additional copies of report entitled "The United States and World Trade—Challenges and Opportunities" (Rept. No. 385);

S. Res. 145. Resolution authorizing the printing of additional copies of a committee print entitled "Aging Americans," for the use of the Special Committee on Aging (Rept. No. 386);

S. Res. 156. Resolution to provide additional funds for the Committee on Commerce (Rept. No. 383); and

S. Res. 157. Resolution to print with illustrations the proceedings of the George W. Norris National Centennial Conference (Rept. No. 387).

By Mr. MANSFIELD, from the Committee on Rules and Administration, with an amendment:

S. Res. 130. Resolution to print additional copies of report entitled "National Transportation Policy" (Rept. No. 389); and

S. Res. 137. Resolution to print as Senate documents two reports entitled "The Timber Resources of West Virginia," and "A Report on the National Forests of West Virginia" (Rept. No. 390).

By Mr. MANSFIELD, from the Committee on Rules and Administration, with amendments:

S. Con. Res. 23. Concurrent resolution to print additional copies of part I of hearing on migratory labor (Rept. No. 391); and

S. Con. Res. 24. Concurrent resolution relating to printing of publications of the Internal Security Subcommittee of the Senate Committee on the Judiciary (Rept. No. 392).

RUTH B. WISSMAN

Mr. MANSFIELD, from the Committee on Rules and Administration, reported an original resolution (S. Res. 159) to pay a gratuity to Ruth B. Wissman, which was placed on the calendar, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Ruth B. Wissman, widow of Bertram O. Wissman, an employee of the Senate at the time of his death, a sum equal to nine months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

CORA MILLER

Mr. MANSFIELD, from the Committee on Rules and Administration, reported an original resolution (S. Res. 160) to

pay gratuity to Cora Miller, which was placed on the calendar, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Cora Miller, aunt of Harry C. Nash, an employee of the Senate at the time of his death, a sum equal to 6½ months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

MARJORIE S. FOX AND WILLIAM SUTHERLAND

Mr. MANSFIELD, from the Committee on Rules and Administration, reported an original resolution (S. Res. 161) to pay a gratuity to Marjorie S. Fox and William Sutherland, which was placed on the calendar, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate to Marjorie S. Fox, daughter and William Sutherland, son of Lena B. Sutherland, an employee of the Architect of the Capitol assigned to duty in the Senate Office Buildings at the time of her death, a sum to each equal to three months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL STOCKPILE INVENTORIES

Mr. BYRD of Virginia. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal stockpile inventories as of April 1961. I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL STOCKPILE INVENTORIES, APRIL 1961

INTRODUCTION

This is the 17th in a series of monthly reports on Federal stockpile inventories under the Department of Agriculture, General Services Administration, Office of Civil and Defense Mobilization, and the Department of Health, Education, and Welfare. It is for the month of April 1961.

The report is compiled from official data on quantities and cost value of commodities in these stockpiles submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures by the agencies involved.

The four agencies reported that as of April 1, 1961, the cost value of materials in their stockpile inventories totaled $15,521,799,000 and as of April 30, 1961, they totaled $15,981,939,000, a net increase of $460,140,000 reflecting acquisitions, disposals, adjustments, etc., during the month.

Different units of measure make it impossible to summarize the quantities of commodities and materials which are shown in tables 1, 2, 3, and 4 but the cost value figures are summarized by agency and program as follows:

Summary of cost value of stockpile inventories

[In thousands]

Agency and program	Beginning of month Apr. 1, 1961	End of month Apr. 30, 1961	Net change, reflecting acquisitions, disposals, adjustments, etc.
Department of Agriculture:			
Price support program:			
Agricultural commodities	$6,719,956	$7,163,803	+$443,847
Exchange commodities—strategic and critical materials	64,833	80,510	+15,677
Total, Department of Agriculture	6,784,789	7,244,313	+459,524
General Services Administration:			
Strategic and critical materials:			
National stockpile	6,119,120	6,118,031	−1,089
Federal Facilities Corporation: Tin inventory	9,519	9,519	
Defense Production Act program	1,470,798	1,471,614	+816
Supplemental stockpile	883,821	883,822	+1
Supplemental stockpile inventory in transit	67,416	67,416	
Total, General Services Administration	8,550,674	8,550,402	−272
Office of Civil and Defense Mobilization:			
Civil defense stockpile	19,383	19,718	+335
Department of Health, Education, and Welfare:			
Civil defense medical stockpile	166,953	167,506	+553
Grand total	15,521,799	15,981,939	+460,140

NOTE.—Figures are rounded and may not add to totals.

Detailed tables in this report show opening inventories at the beginning of the month in quantity and cost, transactions during the month, and the closing inventories at the end of the month. Each inventory is shown by commodity except the national stockpile, for which commodity detail is classified.

Pertinent information and explanation are set forth in notes accompanying the respective tables. Statutory authority and program descriptions are shown in the appendix of the report.

The inventories covered by the report are tabulated in detail as follows:

Table 1: Agricultural price support program inventories under Commodity Credit Corporation, Department of Agriculture, April 1961: Including agricultural commodities and strategic and critical materials acquired by exchange or barter.

Table 2: Strategic and critical materials inventories under General Services Administration, April 1961: Including materials in the national stockpile, Federal Facilities Corporation tin inventory, Defense Production Act purchase program, the supplemental stockpile of materials acquired by exchange or barter of agricultural commodities, etc., and inventory in transit from Commodity Credit Corporation to the supplemental stockpile.

Table 3: Civil defense stockpile inventory under the Office of Civil and Defense Mobilization, April 1961.

Table 4: Civil defense medical stockpile inventory under the Department of Health, Education, and Welfare, April 1961.

TABLE 1.—*Agricultural price support program inventories under Commodity Credit Corporation, Department of Agriculture, April 1961: Including agricultural commodities, and strategic and critical materials acquired by exchange or barter*

EXPLANATORY NOTES

The Department of Agriculture defines the content of the columns as follows:

Program and commodity: Lists each commodity in the form in which it exists when extended support, and in some instances in a form to which the supported commodity is processed or converted to increase marketability. The commodities are grouped under the appropriate statutory subclassifications as "Basic," "Designated nonbasic," "Other nonbasic," and "Exchange."

Unit of measure: The applicable unit used in the accounting records and reports of the Corporation.

Inventory, beginning of month: Quantity: In number of units. Cost value: All inventories are recorded in the accounts at cost. "Cost value" is comprised of the initial cost of the commodity plus storage, handling, transportation, and accessorial expenses paid or accrued up to the date of reporting. The initial cost of inventories acquired by delivery of collateral securing loans is the unpaid balance of the notes plus storage and other charges advanced, any equities due or paid to producers on warehouse-stored collateral (by Public Law 85-835, and beginning with 1959 crop production, the Corporation will not make equity payments to borrowers on unredeemed price support loan collateral, title to which it acquires on or after maturity of the loans), and the net value of any quantity or quality differences determined upon delivery of farm-stored collateral. Amounts paid to lending agencies participating in the loan program for crop years prior to 1958 were recorded as a part of inventory cost.

Adjustments: Warehouse settlements, exchanges and transfers (net): Warehouse settlements include the net differences in quantity and/or value represented by the net of overdeliveries, premiums, underdeliveries, and discounts arising from movement of commodities. Exchanges represent the net change in quantity and/or value for inventories exchanged or in process of exchange. On completed exchanges, the change in value represents differentials due to location, quality, and quantity. Unprocessed commodities removed from inventory for conversion or processing (on a contractual or fee basis and excluding conditional sales) are included as a reduction of inventory. Processed commodities acquired as a result of this conversion or processing are included as an addition to inventory.

Acquisitions: As reflected in accounting records and reports; and includes commodities acquired by delivery of collateral securing loans, commodities purchased under terms of purchase agreements, commodities purchased directly from producers or processors as a part of the support operation but not under purchase agreements; and processed commodities acquired by purchases which offset conditional sales of unprocessed commodities from inventory. The cost value of acquisitions is described under the explanation of the cost value of inventory.

Carrying charges added to investment after acquisition: Total costs of storage, handling, transportation and other accessorial expenses incurred during the month.

Disposals: As reflected in accounting records and reports. Inventory transactions generally are recorded on the basis of transfer of title. Disposition commitments are not reflected in the accounts. Cost value: Represents acquisition value plus applicable amount of carrying charges. The amount of cost allocated to commodities removed from inventory is determined with the view of retaining in the inventory accounts the cost of commodities remaining on hand. The cost allocated to commodities removed from price support inventory is generally computed on the basis of average unit cost of the commodity reflected in the inventory accounts for the applicable crop year and general storage location. In the case of commodities generally stored commingled (e.g., bulk grains and bulk oils) the crop year is determined on the first-in, first-out basis. In the case of commodities stored in identified lots, the crop year is determined by lot identification.

Inventory, end of month: Closing inventory after transactions for the month have been applied to the inventory at the beginning of the month.

TABLE 1.—*Agricultural price support program inventories under Commodity Credit Corporation, Department of Agriculture, April 1961: Including agricultural commodities, and strategic and critical materials acquired by exchange or barter*—Continued

[In thousands]

Program and commodity	Unit of measure	Inventory, beginning of month, Apr. 1, 1961		Transactions during the month								Inventory, end of month, Apr. 30, 1961	
				Adjustments		Acquisitions		Carrying charges added to investment after acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Storage and handling	Transportation and other	Quantity	Cost value	Quantity	Cost value
Agricultural commodities:													
Basic commodities:													
Corn	Bushel	1,429,035	$2,383,590	−328	−$487	716	$1,124	$10,505	$3,192	35,722	$80,283	1,393,701	$2,317,641
Cornmeal	Pound					56,300	2,122		1	56,300	2,123		
Cotton, extra long staple	Bale	56	16,043					23	(1)	3	1,043	53	15,023
Cotton, upland	do	2,548	447,143			7	1,542	1,128	11	232	39,836	2,323	409,988
Peanut butter	Pound			+3,213	+879					3,213	879		
Peanuts, farmers' stock	do	40,419	3,905	−28,050	−4,201	45,006	4,294	416	389	18,262	819	39,113	3,984
Peanuts, shelled	do	85,500	13,895	+24,837	+3,322	3,720	511	90	374	17,744	2,469	96,313	15,723
Rice, milled	Hundredweight	601	5,339	(1)	−1	22	157	19	75	269	2,489	354	3,100
Rice, rough	do	333	1,847	(1)	−2	3,178	14,618	249	1	204	1,150	3,307	15,563
Tobacco	Pound					2,048	1,361			2,048	1,361		
Wheat	Bushel	1,078,115	2,808,869	+196	+370	221,590	419,636	23,747	8,322	24,204	80,551	1,275,697	3,180,393
Wheat flour	Pound					269,712	14,045		5	269,712	14,050		
Total basic commodities			5,680,631		−120		459,410	36,177	12,370		227,053		5,961,415
Designated nonbasic commodities:													
Barley	Bushel	50,742	63,543	−28	−30	1,158	897	661	424	2,308	3,900	49,564	61,595
Grain sorghum	Hundredweight	307,694	864,780	−14	−167	90,875	146,917	13,818	653	1,591	5,162	396,964	1,020,839
Milk and butterfat:													
Butter	Pound	72,230	43,893			28,432	17,187	208	288	11,854	7,461	88,808	54,115
Cheese	do					197	74	1	(1)		(1)	197	75
Milk, dried	do	264,565	37,720			66,772	10,856	159	862	73,481	12,244	257,856	37,353
Milk, fluid	do						809				809		
Oats	Bushel	10,845	9,142	−264	−658	174	124	274	95	391	103	10,364	8,874
Oats, rolled	Pound			+7,743	+647					7,743	647		
Rye	Bushel	3,712	5,550	−5	−4	2	1	54	64	101	183	3,608	5,482
Tung oil	Pound	10,481	2,239					9	(1)	1,981	425	8,500	1,823
Total, designated nonbasic commodities			1,026,867		−212		176,865	15,184	2,386		30,934		1,190,156
Other nonbasic commodities:													
Beans, dry, edible	Hundredweight	1,838	12,039			(1)	1	317	45	28	191	1,810	12,211
Flaxseed	Bushel					7	17	1		2	6	5	12
Soybeans	do	175	419	−2	−8	(1)	2	1	(1)	168	405	5	9
Total, other nonbasic commodities			12,458		−8		20	319	45		602		12,232
Total, agricultural commodities			6,719,956		−340		636,295	51,680	14,801		258,589		7,163,803
Exchange commodities: [2]													
Strategic and critical materials:													
Aluminum oxide, abrasive, crude	Pound	9,943	569			699	40	11	70			10,642	690
Antimony metal	do	2,156	533			873	243	2	5	−1		3,030	783
Asbestos, amosite	do	4,131	521			1,099	124	5	2			5,230	652
Asbestos, chrysotile	do	500	143			500	92	1	1			1,000	237
Asbestos, crocidolite	do	2,849	448			597	76	5	3			3,446	532
Bauxite	do	1,986,656	12,485			513,600	3,326	52	66			2,500,256	15,929
Beryl ore	do	1,901	404					(1)	(1)			1,901	404
Beryllium-copper master alloy	do	543	1,086			136	275	1	1			679	1,363
Bismuth	do							(1)	(1)		(1)		
Boart	Carat	500	1,379									500	1,379
Cadmium	Pound							(1)			(1)		
Chrome ore, chemical grade	do	53,270	493					1	(1)			53,270	494
Chrome ore, refractory grade	do					16,689	213		2			16,689	217
Chromium metal	do							(1)	(1)		(1)		
Colemanite, Turkish boron minerals	do							(1)	(1)		(1)		
Columbite	do	351	277				1	(1)	(1)			351	278
Diamonds	Carat	494	6,726			96	1,108					590	7,834
Ferrochrome, high carbon	Pound	25,985	4,095			1,119	185	14	64			27,104	4,358
Ferrochrome, low carbon	do	3,626	789			694	149	1	1			4,320	940
Ferromanganese	do	61,835	5,766			30,020	2,748	33	226			91,855	8,773
Fluorspar, acid grade	do	77,558	1,429			15,659	281	6	7			93,217	1,723
Fluorspar, metallurgical grade	do							(1)	(1)		(1)		
Lead	do							(1)	(1)		(1)		
Manganese ore, chemical grade	do	63,055	2,040			16,608	527	6	8			79,663	2,581
Manganese ore, metallurgical grade	do	584,954	12,292			191,660	3,676	24	496		24	776,614	16,464
Manganese ore, natural, battery grade	do	72,308	3,781					4	(1)			72,308	3,785
Mica	do	575	1,534			123	183	10	3			698	1,730
Quartz crystals	do	149	2,106			1	8	2	(1)			150	2,116
Rutile	do	14,060	1,392			−74		9	17		(1)	13,986	1,418
Silicon carbonite	do	23,723	2,318			8,748	825	7	41			32,471	3,191
Thorium nitrate	do							(1)	(1)		(1)		
Tin	do							(1)	(1)		(1)		
Titanium sponge	do	1,630	2,227			340	408	3	1			1,970	2,639
Zinc	do							(1)			(1)		
Total, strategic and critical materials			64,833				14,488	199	1,014		24		80,510
Total, Department of Agriculture			6,784,789		−340		650,783	51,879	15,815		258,613		7,244,313

[1] Less than 500.

[2] See appendix, p. 16, for notes relating to reporting of strategic and critical materials acquired by exchange or barter of agricultural commodities.

NOTE.—Figures are rounded and may not add to totals.

TABLE 2.—*Strategic and critical materials inventories under General Services Administration, April 1961: Including materials in the national stockpile, Federal Facilities Corporation tin inventory, Defense Production Act purchase program, the supplemental stockpile of materials acquired by exchange or barter of agricultural commodities, etc., and inventory in transit from Commodity Credit Corporation to the supplemental stockpile*

EXPLANATORY NOTES

The General Services Administration defines the content of the columns as follows:

Program and commodity: Identifies the program and the minerals, metals, fibers and oils acquired under the program.

Unit of measure: The standard weight or measure of minerals, metals, fibers, and oils determined to be the stockpile unit of measure.

Inventory, beginning of month: Opening inventory represents quantity and cost of material in storage at the beginning of the accounting period.

Adjustments: Represents increases (+) or decreases (−) of material in inventory other than increases from acquisitions or decreases from disposals. Decreases occur from theft, loss incurred while in transit to stockpile location, repacking from one type of container to another, beneficiation of a low-grade material to a higher grade, and the removal of material for sampling and testing purposes. Increases occur from return of material previously removed for sampling and testing purposes and from quantities received at storage locations in excess of quantities billed by the contractor. A new chemical analysis of the materials may cause an increase or decrease where the weights are based on chemical and moisture content. Increases or decreases are also made from findings of audits of inventory and accounting records.

Acquisitions: For the National Stockpile and Defense Production Act acquisitions include open market purchases at contract prices; intradepartmental transfers at market or appraised value at time of transfer; transportation to first permanent storage location; and, beneficiating and processing cost in upgrading materials. For the supplemental stockpile acquisitions include the market value or CCC's acquisition cost whichever is the lower at time of transfer from CCC.

Disposals: Cost of disposals are calculated at the average unit price of inventory at time of removal from inventory. For the national stockpile inventory disposals consist of sale of materials that by their nature would deteriorate if held in storage for lengths of time; and, sale of materials that have been determined to be obsolete or excess to the needs of Government. For the Defense Production Act inventory disposals consist of sale of materials that have been determined to be obsolete or excess to the needs of Government.

Inventory, end of month: Closing inventory represents quantity and cost of material in storage at the end of the accounting period.

[In thousands]

Program and commodity	Unit of measure	Inventory, beginning of month, Apr. 1, 1961		Transactions during the month						Inventory, end of month, Apr. 30, 1961	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
National stockpile: Total (classified detail omitted)			$6,119,120		−$9		$2,245		$3,325		$6,118,031
Federal Facilities Corporation: Total, tin	Long ton	4	9,519							4	9,519
Defense Production Act:											
Aluminum	Short ton	770	390,645			2	949			772	391,593
Asbestos, chrysotile	Short dry ton	2	2,103							2	2,103
Bauxite, metal grade, Jamaica type	Long dry ton	1,370	18,168							1,370	18,168
Beryl	Short ton	2	1,155							2	1,155
Bismuth	Pound	23	52							23	52
Chromite, metallurgical grade	Short dry ton	921	33,472			10	361			931	33,834
Cobalt	Pound	25,187	52,063							25,187	52,063
Columbite	do	10,618	51,736	+6						10,624	51,736
Copper	Short ton	133	73,537					1	408	132	73,129
Cryolite	do	38	10,475							38	10,475
Fluorspar acid grade	Short dry ton	20	1,394							20	1,394
Graphite, lubricating	Short ton	(1)	73							(1)	73
Lead	do	8	3,036							8	3,036
Manganese, battery grade, synthetic dioxide	Short dry ton	4	2,524							4	2,524
Manganese, metallurgical grade	do	3,041	176,332			55	2,156			3,097	178,487
Mica, muscovite block and film	Pound	6,219	35,944							6,219	35,944
Nickel	do	120,815	103,275			1,633	984	3,994	3,222	118,454	101,036
Palladium	Troy ounce	8	177							8	177
Rare earth residue	Pound	6,086	658							6,086	658
Rutile	Short dry ton	9	1,725							9	1,725
Tantalite	Pound	1,529	9,734	+3						1,531	9,734
Thorium	do	849	42							849	42
Titanium	Short ton	22	173,002							22	173,002
Tungsten	Pound	79,810	325,460	(1)						79,810	325,460
Total, DPA commodities			1,466,780				4,450		3,631		1,467,599
Machine tools inventory:											
In storage	Tool	(1)	23						3	(1)	20
On lease	do	(1)	3,966							(1)	3,966
On loan	do	(1)	29							(1)	29
Subtotal, DPA machine tools			4,018						3		4,015
Total, Defense Production Act			1,470,798				4,450		3,634		1,471,614
Supplemental stockpile: [2]											
Aluminum oxide, fused, crude	Short ton	143	18,485							143	18,485
Antimony, metal	do	9	5,108							9	5,108
Asbestos, amosite	do	5	1,154							5	1,154
Asbestos, chrysolite	Short dry ton	5	3,499							5	3,499
Asbestos, crocidolite	Short ton	3	978							3	978
Bauxite, metal grade, Jamaica type	Long dry ton	2,340	35,966							2,340	35,966
Bauxite, metal grade, Surinam type	do	1,033	6,592							1,033	16,592
Beryl	Short ton	9	19,370							9	19,370
Bismuth	Pound	1,497	3,316							1,497	3,316
Cadmium	do	6,609	0,938							6,609	10,938
Chromite, chemical grade	Short dry ton	137	11,735		+9					137	11,744
Chromite, metallurgical grade	do	1,312	206,982		−8					1,312	206,974
Chromite, refractory grade	do	169	4,750							169	4,750
Cobalt	Pound	1,077	2,169							1,077	2,169
Colemanite	Long dry ton	63	2,799							63	2,799
Columbite	Pound	213	501							213	501
Copper	Short ton	10	6,828							10	6,828
Diamond, industrial, bort	Carat	561	1,505							561	1,505
Diamond, industrial, stones	do	10,524	134,632							10,524	134,632
Fluorspar, acid grade	Short dry ton	503	26,941							503	26,941
Fluorspar, metallurgical grade	do	43	1,358							43	1,358
Graphite, natural, Ceylon, amorphous lump	do	1	341							1	341
Iodine	Pound	242	231							242	231
Lead	Short ton	222	58,681	(1)	(1)					222	58,681
Manganese, battery grade, natural	Short dry ton	35	3,334							35	3,334
Manganese, chemical grade, type A	do	12	1,016							12	1,016
Manganese, chemical grade, type B	Short ton	28	2,387							28	2,387
Manganese, metallurgical grade	Short dry ton	1,264	114,407							1,264	114,407
Mercury	Flask	16	3,446							16	3,446
Mica, muscovite block stained and better	Pound	263	698							263	698
Mica, muscovite film	do	27	212							27	212
Mica, muscovite splittings	do	4,826	6,226							4,826	6,226
Mica, phlogopite splittings	do	252	234							252	234
Palladium	Troy ounce	548	9,872							548	9,872

See footnotes at end of table.

TABLE 2.—*Strategic and critical materials inventories under General Services Administration, April 1961: Including materials in the national stockpile, Federal Facilities Corporation tin inventory, Defense Production Act purchase program, the supplemental stockpile of materials acquired by exchange or barter of agricultural commodities, etc., and inventory in transit from Commodity Credit Corporation to the supplemental stockpile*—Continued

[In thousands]

Program and commodity	Unit of measure	Inventory, beginning of month, Apr. 1, 1961		Transactions during the month						Inventory, end of month, Apr. 30, 1961	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
Supplemental stockpile—Continued											
Quartz crystals	Pound	82	$1,099							82	$1,099
Rare earths	Short dry ton	2	2,427							2	2,427
Ruthenium	Troy ounce	15	560							15	560
Selenium	Pound	157	1,071							157	1,071
Silicon carbide, crude	Short ton	87	17,090							87	17,090
Tantalite	Pound	8	21							8	21
Thorium nitrate	do	4,030	9,839							4,030	9,839
Tin	Long ton	8	16,401							8	16,401
Titanium	Short ton	6	23,401							6	23,401
Tungsten	Pound	4,493	15,627							4,493	15,627
Zinc	Short ton	324	79,599	(1)	(1)					324	79,599
Total, supplemental stockpile			883,821		+$1						883,822
Supplemental stockpile inventory in transit: [2]											
Aluminum oxide, fused, crude	Short ton	30	3,369							30	3,369
Antimony, metal	do	2	942							2	942
Asbestos, amosite	do	1	350							1	350
Asbestos, crocidolite	do	3	849							3	849
Bauxite	Long ton	895	12,516							895	12,516
Beryllium copper master alloy	Pound	690	1,407							690	1,407
Chromite, chemical grade	Short ton	81	1,526							81	1,526
Chromite, metallurgical grade	do	(1)	31							(1)	31
Chromite, refractory grade	do	3	70							3	70
Colemanite	Long ton	4	251							4	251
Diamond, industrial, bort	Carat	2,449	6,464							2,449	6,464
Ferrochrome, high carbon	Short ton	8	2,839							8	2,839
Ferrochrome, low carbon	do	1	519							1	519
Ferromanganese	do	42	8,208							42	8,208
Fluorspar, acid grade	do	18	687							18	687
Manganese, battery grade natural	do	10	1,014							10	1,014
Manganese, chemical grade	do	16	1,074							16	1,074
Manganese, metallurgical grade	do	433	20,086							433	20,086
Rutile	do	5	918							5	918
Siliconcarbide, crude	do	11	2,112							11	2,112
Thorium nitrate	Pound	50	115							50	115
Titanium sponge	Short ton	1	2,070							1	2,070
Total, supplemental stockpile inventory in transit			67,416								67,416
Total, General Services Administration			8,550,674		−8		$6,695		$6,959		8,550,402

[1] Less than 500.
[2] See appendix, p. 16, for notes relating to the reporting of strategic and critical materials acquired by exchange or barter of agricultural commodities.

NOTE.—Figures are rounded and may not add to totals.

TABLE 3.—*Civil defense stockpile inventory under the Office of Civil and Defense Mobilization, April 1961*

EXPLANATORY NOTES

The Office of Civil and Defense Mobilization defines the content of the columns as follows:

Commodity: Composite groups of many different items.

Unit of measure: Shown only for engineering supply units; not feasible for other composite groups.

Inventory-quantity: Shown only for one item, namely, engineering supply units. It is not feasible to furnish quantity figures on the other commodity groups because they are composite groups of many different items. To report quantities, it would be necessary to list numerous different items.

Inventory-cost value: Dollar value figures on commodities in the stockpile inventory essentially reflect their actual cost. The stockpile inventory is generally augmented by acquisition of Government excess property without reimbursement to the several holding agencies. The value assigned to these materials is (1) original acquisition cost if known, (2) estimated current market value of items in similar condition, or (3) average unit cost of identical or similar items purchased in the open market for stockpiling. Government excess property acquired by reimbursement is assigned a value equal to the amount of the fair-value reimbursement required.

Adjustments: Represent inventory pricing adjustments resulting from recalculation of fixed average unit prices, transfers of commodities from one composite group to another, etc., during the month.

Acquisitions: Materials placed in inventory during the month, including return to inventory of items previously released from inventory for reworking, etc. Value stated in terms of actual costs of the commodities.

Disposals: Materials removed from inventory during the month, including items released from inventory for reworking, etc. Values shown are based on average unit costs.

Inventory at end of month: Closing inventory after transactions for the month have been applied to the inventory at the beginning of the month.

[In thousands]

Commodity	Unit of measure	Inventory, beginning of month, Apr. 1, 1961		Transactions during the month						Inventory, end of month, Apr. 30, 1961	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
Engineering stockpile (engine generators, pumps, chlorinators, purifiers, pipe and fittings).	10-mile units	(1)	$9,893		[2] −$9		$310			(1)	$10,194
Chemical and biological equipment			942		[2] +7				[3] $8		942
Radiological equipment			8,548		[2] −3		99		[4] 62		8,582
Total, civil defense stockpile, Office of Civil and Defense Mobilization.			19,383		−4		409		70		19,718

[1] Less than 500.
[2] Accounting adjustments.
[3] Granted to other Federal agencies and to States.
[4] Consists of grants to other Federal agencies and to States of $61,350, and inventory writeoff of $819.

NOTE.—Figures are rounded and may not add to totals.

TABLE 4.—*Civil defense medical stockpile inventory under the Department of Health, Education, and Welfare, April 1961*

EXPLANATORY NOTES

The Department of Health, Education, and Welfare defines content of the columns as follows:

Commodity: Composite groups of many different items.

Unit of measure: Shown only for hospital functional units; not feasible for other composite groups.

Inventory cost value: The dollar value figures in the civil defense medical stockpile inventory reflect essentially the average acquisition costs per unit of the commodities. No transportation, delivery, or storage costs are included.

Adjustments: Represents increases (+) or decreases (−) of materials in commodity groups other than increases from acquisitions or decreases from disposals. Normally these transactions result from inventory pricing adjustments due to recalculation of fixed average unit prices, transfers of commodities from one composite group to another, removal of material for sampling during testing or reworking, etc., during the month.

Acquisitions: Materials placed in inventory during month, including new procurement and acquisition of Government excess property.

Disposals: Materials removed from inventory during the month. Costs of disposals are calculated on a basis of the average unit price of items in inventory at the time of removal. Disposals consist principally of items no longer suitable for stockpiling due to deterioration and of samples consumed through testing.

Inventory at end of month: Closing inventory after transactions for the month have been applied to the inventory at the beginning of the month.

[In thousands]

Commodity	Unit of measure	Inventory, beginning of month, Apr. 1, 1961		Transactions during the month						Inventory, end of month, Apr. 30, 1961	
				Adjustments		Acquisitions		Disposals			
		Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value	Quantity	Cost value
Medical bulk stocks and associated items at civil defense mobilization warehouses.			$108,225		−$770		[1] $584		[2] $15		$108,024
Medical bulk stock at manufacturer locations			3,985								3,985
Civil defense emergency hospitals	Each	2	37,628		+598				([3])	2	38,227
Replenishment units (functional assemblies other than hospitals).			17,114		+171				[2] 15		17,270
Total, civil defense medical stockpile, Department of Health, Education, and Welfare.			166,953		([1])		584		31		167,506

[1] Includes $506,571 serum albumin returned from manufacturer resulting from reworking blood plasma.

[2] Inventory writeoff, certificate of destruction.

[3] Less than 500.

NOTE.—Figures are rounded and may not add to totals.

APPENDIX

U.S. DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

The Price-Support Program

Price-support operations are carried out under the Corporation's charter powers (15 U.S.C. 714), in conformity with the Agricultural Act of 1949 (7 U.S.C. 1421), the Agricultural Act of 1954 (7 U.S.C. 1741), which includes the National Wool Act of 1954, the Agricultural Act of 1956 (7 U.S.C. 1442), the Agricultural Act of 1958 and with respect to certain types of tobacco, in conformity with the act of July 28, 1945, as amended (7 U.S.C. 1312). Under the Agricultural Act of 1949, price support is mandatory for the basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco—and specific nonbasic commodities; namely, tung nuts, honey, milk, butterfat, and the products of milk and butterfat. Under the Agricultural Act of 1958, as producers of corn voted in favor of the new price-support program for corn authorized by that act, price support is mandatory for barley, oats, rye, and grain sorghums. Price support for wool and mohair is mandatory under the National Wool Act of 1954, through the marketing year ending March 31, 1962. Price support for other nonbasic agricultural commodities is discretionary except that, whenever the price of either cottonseed or soybeans is supported, the price of the other must be supported at such level as the Secretary determines will cause them to compete on equal terms on the market. This program may also include operations to remove and dispose of or aid in the removal or disposition of surplus agricultural commodities for the purpose of stabilizing prices at levels not in excess of permissible price-support levels.

Price support is made available through loans, purchase agreements, purchases, and other operations, and, in the case of wool and mohair, through incentive payments based on marketings. The producer's commodities serve as collateral for price-support loans. With limited exceptions, price-support loans are nonrecourse, and the Corporation looks only to the pledged or mortgaged collateral for satisfaction of the loan. Purchase agreements generally are available during the same period that loans are available. By signing a purchase agreement, a producer receives an option to sell to the Corporation any quantity of the commodity which he may elect within the maximum specified in the agreement.

The major effect on budgetary expenditures is represented by the disbursements for price-support loans. The largest part of the commodity acquisitions under the program result from the forfeiting of commodities pledged as loan collateral for which the expenditures occurred at the time of making the loan, rather than at the time of acquiring the commodities.

Dispositions of commodities acquired by the Corporation in its price support operations are made in compliance with sections 202, 407, and 416 of the Agricultural Act of 1949, and other applicable legislation, particularly the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691), title I of the Agricultural Act of 1954, title II of the Agricultural Act of 1956, the Agricultural Act of 1958, the act of August 19, 1958, in the case of cornmeal and wheat flour, and the act of September 21, 1959, with regard to sales of livestock feed in emergency areas.

GENERAL SERVICES ADMINISTRATION

Strategic and critical materials stockpiling and related programs

1. National Stockpile

The Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98–98h) provides for the establishment and maintenance of a national stockpile of strategic and critical materials. GSA is responsible for making purchases of strategic and critical materials and providing for their storage, security, and maintenance. These functions are performed in accordance with directives issued by the Director of the Office of Defense Mobilization. The act also provides for the transfer from other Government agencies of strategic and critical materials which are excess to the needs of such other agencies and are required to meet the stockpile objectives established by OCDM. In addition, GSA is responsible for disposing of those strategic and critical materials which OCDM determines to be no longer needed for stockpile purposes.

General policies for strategic and critical materials stockpiling are contained in DMO V–7, issued by the Director of the Office of Civil and Defense Mobilization and published in the Federal Register of December 19, 1959 (24 F.R. 10309). Portions of this order relate also to Defense Production Act inventories.

2. Tin Received From Federal Facilities Corporation

Public Law 608, 84th Congress (50 U.S.C. 98 note), provided, among other things, for the continuation of operation of the Government-owned tin smelter at Texas City, Tex., from June 30, 1956, until January 31, 1957. It provided also that all tin acquired by the Federal Facilities Corporation by reason of such extension should be transferred to GSA.

3. Defense Production Act

Under section 303 of the Defense Production Act of 1950 (50 U.S.C. App. 2093) and Executive Order 10480, as amended, GSA is authorized to make purchases of or commitments to purchase metals, minerals, and other materials, for Government use or resale, in order to expand productive capacity and supply, and also to store the materials acquired as a result of such purchases or commitments. Such functions are carried out in accordance with programs certified by the Director of the Office of Civil and Defense Mobilization.

4. Supplemental Stockpile

As a result of a delegation of authority from OCDM (32A C.F.R., ch. I, DMO V–4) GSA is responsible for the maintenance and storage of materials placed in the supplemental stockpile. Section 206 of the Agricultural Act of 1956 (7 U.S.C. 1856) provides that strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural products, unless acquired for the national stockpile or for other purposes, shall be transferred to the supplemental stockpile established by section 104(b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1704(b)). In addition to the materials which have been or may be so acquired, the materials obtained under the programs established pursuant to the Domestic Tungsten, Asbestos, Fluorspar, and Columbium-Tantalum Production and Purchase Act of 1956 (50 U.S.C. App. 2191–2195),

which terminated December 31, 1958, have been transferred to the supplemental stockpile, as authorized by the provisions of said Production and Purchase Act.

OFFICE OF CIVIL AND DEFENSE MOBILIZATION

Civil defense stockpile program

This stockpiling program, conducted pursuant to section 201(h) of Public Law 920, 81st Congress, as amended, is designed to provide some of the most essential materials to minimize the effects upon the civilian population which would be caused by an attack upon the United States. Supplies and equipment normally unavailable, or lacking in quantity needed to cope with such conditions, are stockpiled at strategic locations in a nationwide warehouse system consisting of general storage facilities.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Civil defense medical stockpile program

As authorized under Public Law 920, 81st Congress, and following the intent of Reorganization Plan No. 1, 1958, the Director, Office of Civil and Defense Mobilization has delegated responsibility to the Department of Health, Education, and Welfare to plan and direct operation of the medical supply portion of the OCDM stockpile. The warehousing of the medical stockpile is principally within the OCDM warehouse system; in addition, the medical stockpile includes a program designed to preposition emergency hospitals and other treatment units in communities throughout the Nation.

EXPLANATORY NOTES RELATING TO THE REPORTING OF STRATEGIC AND CRITICAL MATERIALS ACQUIRED BY EXCHANGE OR BARTER OF AGRICULTURAL COMMODITIES

Surplus agricultural commodities in the Commodity Credit Corporation's price-support inventory may be exchanged or bartered for strategic and critical materials under the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), and other basic legislation including the CCC Charter Act, as amended, the Agricultural Act of 1954, and the Agricultural Act of 1956.

Except for small amounts which may go to the national stockpile, the strategic and critical materials acquired by Commodity Credit Corporation under the barter program are transferred to the supplemental stockpile.

Direct appropriations reimburse Commodity Credit Corporation for materials so transferred from the price-support inventory.

The General Services Administration is charged with the custody and management of strategic and critical materials, and becomes the responsible reporting agency when title to these bartered materials is placed in the supplemental stockpile.

For purposes of this report, strategic and critical materials acquired by barter may appear in three inventories, reflecting the stages of the transfer of title.

1. The Department of Agriculture reports those to which the Commodity Credit Corporation still has title, prior to transfer to the supplemental stockpile.

2. The General Services Administration reports those which have been transferred from the Commodity Credit Corporation exchange inventory in two parts.

A. Materials for which title is "in transit" from Commodity Credit Corporation to the supplemental stockpile.

B. Materials for which title has passed to the supplemental stockpile.

STATEMENT BY SENATOR BYRD OF VIRGINIA

The cost value of materials in nine Federal stockpile inventories as reported by the Agriculture Department, General Services Administration, Office of Civil and Defense Mobilization, and Department of Health, Education, and Welfare, on April 30, 1961, totaled $15,981,939,000. April activity in these stockpiles resulted in a net increase of $460,140,000.

Net change in these stockpile inventories reflects acquisitions, disposals, and adjustments. April activity and end-of-month totals are summarized:

[In thousands]

Inventories by agency and program	Cost value, April 1961	
	Net change during month	Total, end of month
Department of Agriculture: Price support program:		
1. Agricultural commodities	+$443,847	$7,163,803
2. Exchange—strategic and critical materials	+15,677	80,510
Total, Department of Agriculture	+459,524	7,244,313
General Services Administration: Strategic and critical materials:		
3. National stockpile	−1,089	6,118,031
4. Federal Facilities Corporation, tin inventory		9,519
5. Defense Production Act program	+816	1,471,614
6. Supplemental stockpile	+1	883,822
7. Supplemental stockpile inventory in transit		67,416
Total, General Services Administration	−272	8,550,402
Office of Civil and Defense Mobilization:		
8. Civil defense stockpile	+335	19,718
Department of Health, Education and Welfare:		
9. Civil defense medical stockpile	+553	167,506
Grand total	+460,140	15,981,939

These figures are from reports certified by the agencies involved as compiled by the Joint Committee on Reduction of Nonessential Federal Expenditures.

STORAGE AND HANDLING

The report shows storage and handling costs for Commodity Credit's price support inventory totaled $52 million for the month of April. It should be noted these storage costs are for only two of the nine stockpiles covered by the report.

INCREASES AND DECREASES

The major net increases in cost value during April were $372 million in wheat, $156 million in grain sorghum and $11 million in rice. This was partially offset by net decreases including $66 million in corn and $38 million in cotton.

AGRICULTURAL COMMODITIES

Of 19 agricultural commodities in Commodity Credit's $7.2 billion price support inventory on April 30, 1961, those leading in cost value include:

Wheat, with 1.3 billion bushels at a cost of $3.2 billion;

Corn, with 1.4 billion bushels at a cost of $2.3 billion; and

Grain sorghum with 397 million hundredweight at a cost of $1 billion.

STRATEGIC AND CRITICAL MATERIALS

Strategic and critical materials are shown in six inventories totaling $8.6 billion, including the $6.1 billion national stockpile for which itemized detail is classified. Combined figures from the other five inventories show materials (in all grades and forms) leading in cost value as follows:

Aluminum, bauxite, etc., with 7.8 million tons at a cost of $513 million;

Manganese (and ores), with 5.5 million tons at a cost of $364 million; and

Tungsten, with 84 million pounds at a cost of $341 million.

CIVIL DEFENSE SUPPLIES AND EQUIPMENT

Supplies and equipment in two civil defense stockpile inventories total $187 million. Nearly 90 percent is in the medical stockpile valued at $168 million.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. YOUNG of Ohio:

S. 2075. A bill for the relief of Hwei-Piao Hsu, Ching-Kuang Hsu, Feili Hsu, Feiun Hsu, and Feimei Hsu; to the Committee on the Judiciary.

By Mr. KEATING:

S. 2076. A bill to grant second-class mailing privileges to tax-supported elementary and secondary schools; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. KEATING when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER:

S. 2077. A bill for the relief of Dr. Felix C. Miciat; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 2078. A bill to amend the Interstate Commerce Act, as amended, so as to provide that the transportation of bulk commodities by railroad shall be exempt from regulation; to the Committee on Commerce.

By Mr. ERVIN (for himself and Mr. JORDAN):

S. 2079. A bill to retrocede to North Carolina jurisdiction over the southern, eastbound lanes of North Carolina Highway 24, and the eastern, northbound lanes of U.S. Highway 17, as these highways traverse and parallel Camp Lejeune, N.C.; to the Committee on Armed Services.

By Mr. PROXMIRE:

S. 2080. A bill to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes; to the Committee on Rules and Administration.

(See the remarks of Mr. PROXMIRE when he introduced the above bill, which appear under a separate heading.)

CONCURRENT RESOLUTION

COMMENDATION OF TOWN AFFILIATION PROGRAM OF AMERICAN MUNICIPAL ASSOCIATION AND CIVIC COMMITTEE PEOPLE-TO-PEOPLE PROGRAM

Mr. HUMPHREY (for himself and Mr. KEATING) submitted a concurrent resolution (S. Con. Res. 28) commending the town affiliations and others in their efforts to establish good will and understanding with people in other nations of the free world, which was referred to the Committee on Foreign Relations.

(See the above concurrent resolution printed in full when submitted by Mr. HUMPHREY, which appears under a separate heading.)

RESOLUTIONS

Mr. MANSFIELD, from the Committee on Rules and Administration, reported the following original resolutions, which were placed on the calendar:

S. Res. 159. Resolution to pay a gratuity to Ruth B. Wissman;

S. Res. 160. Resolution to pay a gratuity to Cora Miller; and

S. Res. 161. Resolution to pay a gratuity to Marjorie S. Fox and William Sutherland.

(See the above resolutions printed in full when reported by Mr. MANSFIELD, which appear under the heading "Reports of Committees.")

SECOND-CLASS MAILING PRIVILEGES FOR PUBLIC SCHOOLS

Mr. KEATING. Mr. President, I introduce, for appropriate reference, a bill to make public elementary and secondary schools eligible for second-class mailing privileges.

Under the present law, public elementary and secondary schools are excluded from the second-class mailing privileges available to private schools and to State colleges.

I have checked this matter at some length with the Post Office Department. The postal laws make second-class mailing privileges available to "a regularly established State institution of learning supported in whole or in part by public taxation"—39 U.S.C. 4355(a)(12). The inclusion of the word "State" has the effect of eliminating public elementary and secondary schools, as they are not strictly State institutions. There is no evidence in the hearings and debates on this legislation that the Congress intended to omit public schools from second-class mailing privileges now available to private schools which are incorporated and to State colleges. The action appears to have been an oversight.

Part of the role of our public schools, as well as of our private schools, is to increase community awareness of educational needs and stimulate community interest in the future development of our young people. Newsletters and other notifications to parents and community members are often an important part of this activity. I believe this privilege should be available to all regularly established institutions of learning supported in whole or in part by public taxation. I do not believe public elementary and secondary schools should be excluded from second-class mailing privileges because of a technicality.

I hope that it will be possible for this bill to be considered if hearings by the Senate committee are held on postal rate legislation during this session. I ask unanimous consent that my bill, which is very brief, be printed directly following my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the bill will be printed in the RECORD.

The bill (S. 2076) to grant second-class mailing privileges to tax-supported elementary and secondary schools, introduced by Mr. KEATING, was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4355(a)(2) of title 39 of the United States Code is amended to read as follows:

"(2) published by a regularly established institution of learning supported in whole or in part by public taxation; or".

FEDERAL AID HIGHWAY ACT OF 1961—AMENDMENTS

Mr. BENNETT submitted amendments, intended to be proposed by him, to the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. HARTKE submitted amendments, intended to be proposed by him, to House bill 6713, supra, which were ordered to lie on the table and to be printed.

Mr. FULBRIGHT. Mr. President, on behalf of my colleague, the senior Senator from Arkansas [Mr. MCCLELLAN] and myself, I submit an amendment intended to be proposed by us, jointly, to House bill 6713, the Federal Aid Highway Act of 1961, which I ask to have printed and lie on the table. I ask unanimous consent to have printed in the RECORD a statement, prepared by me, relating to the amendment.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The amendment will be received, printed, and lie on the table; and, without objection, the statement will be printed in the RECORD.

The statement presented by Mr. FULBRIGHT is as follows:

STATEMENT OF SENATOR FULBRIGHT IN SUPPORT OF AMENDMENT TO HIGHWAY BILL

The Corps of Engineers, for the Air Force, is now constructing Titan missile bases at 18 sites near the Little Rock Air Force Base in Arkansas.

The material for the construction of these bases is being concentrated at several points in Arkansas and is being hauled from them across the roads of the State to the construction sites. The use of the roads, designed as farm-to-market roads, for purposes for which they were not built and in much greater volume than was anticipated they would ever be used, has resulted in great damage to them. One of the best State highways in the State, Highway 36, from Searcy west to two of the missile base sites, has been virtually destroyed, according to the State highway director. In a letter to me, he said: "This was one of the best secondary highways in Arkansas, constructed with adequate base and hot, plant-mixed asphalt concrete surfacing. It was in very good condition and would have served regular traffic many years with normal maintenance."

On October 6, 1960, before construction began, at a meeting held in the Bureau of Public Roads office in Little Rock, attended by representatives of the interested Government agencies and the Arkansas State Highway Department, it was agreed that a condition survey would be made of existing State and county roads for restoration purposes in case of damage by missile base traffic. The Arkansas State highway director has written to me about that meeting, as follows: "Several clauses from other contracts were read to us and we were assured, especially by Mr. A. F. Siegle, of the Bureau of Public Roads in Washington, that any roads that were damaged would be restored to their former condition."

On this assurance, the Arkansas Highway Department's cooperation was promised and it has done its utmost to assist the Government and the contractor in the performance of the contract.

At a meeting in my office on May 31, attended by Congressman MILLS, of Arkansas, and representatives of the Government agencies concerned, a representative of the Bureau of Public Roads confirmed the fact that that agency had assured the State highway department that the damaged roads would be restored to their former condition. In fact, the purpose of the condition survey was to determine the condition of the roads prior to construction activity, in order that the Government might know the extent of damage.

The Corps of Engineers and the Air Force have been requested on several occasions to undertake responsibility for paying for the repair and restoration of the roads but have refused to do so. They rely on a provision in their contract with the construction company, which holds the latter responsible to obtain any permits necessary for execution of requirements of the contract and to protect the Government from any damages incurred by the contractor. They view this provision as relieving them of any responsibility.

In connection with this provision of the contract, however, there are several points which ought to be noted. In the first place, it has been acknowledged by representatives of the military that the original construction estimates did not include a cost item for restoring public highways, and the contractor did not include an allowance for such work in his bid. Furthermore, the contract was between the Government and the contractor and there is no means by which the State highway commission can enforce it, as the State is not a party. The Defense Department representatives have passed the buck to the contractor, but the contractor considers the destruction as being normal wear and tear on the highways for the type of construction he has under contract. Presumably he takes the position that, having complied with the law and obtained the necessary permission to haul equipment, he is not liable.

The State highway commission is, therefore, placed in the intolerable position of having to impose such highly restrictive requirements on the use of the roads as to bring highly essential defense construction to a halt or allowing the roads to be destroyed.

There are about 300 miles of Arkansas highways which are or will be used to carry construction traffic for the missile installations. The potential loss of that much highway is very serious to our State.

I am informed that in Oklahoma, and perhaps in other States, the Defense Department did include in its estimates of the cost of construction of the missile bases items for the repair of highways damaged, the contractor included this cost in his bid, and is repairing roads as they are damaged.

This is an emergency situation in Arkansas. Unless and until financial responsibility for reconstruction of the roads which virtually have been destroyed is established, and provision is made for damage which will occur in the future, the highway commission must interfere with performance of the contract and delay its completion, or suffer the loss of several millions of dollars of highways by reason of circumstances beyond its control.

On behalf of the senior Senator from Arkansas, Mr. MCCLELLAN, and myself, I have submitted an amendment to the bill to fix financial responsibility in the Defense Department.

Under Public Law 85-767, August 27, 1958, funds are authorized to be appropriated and used for repair of highways, which have been or may be used for training of the Armed Forces, to bring them into suitable condition for such training purposes and for repairing the damage caused to such highways by the operation of men and equipment in such training.

Our amendment is an extension of this authority. It would provide that funds appropriated for defense access roads shall be available to pay the cost of repairing damage caused to highways by the operation of vehicles and equipment in the construction of military reservations or installations if the Secretary of Commerce, through the Bureau of Public Roads, shall determine that the State highway department of any State is or has been unable to prevent such damage by restrictions upon the use of such highways without interference or delay in the completion of a contract for such construction. It would apply notwithstanding any provision of a contract holding a party thereto liable, if the Secretary determines in fact that the construction estimates and the bid of the party did not include allowance for repairing such damage.

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATION BILL, 1962—AMENDMENTS

Mr. HUMPHREY. I submit, for appropriate reference, a series of medical and health-related amendments to H.R. 7035. This is the appropriation bill for the 1962 fiscal year for the Department of Health, Education, and Welfare.

The expert Senate Subcommittee on Appropriations for the Departments of Labor, Health, Education, and Welfare, under the chairmanship of the able senior Senator from Alabama [Mr. HILL], has been holding hearings on many proposed changes to H.R. 7035. Agency representatives and citizen witnesses—both professionals and laymen—have testified on the important unmet needs of American medicine.

THE ISSUE OF HOW MUCH FUNDS FOR NIH

The biggest single issue confronting the committee and the Senate is, as I see it, "How much resources should be made available for expanded medical research, in particular for the National Institutes of Health?"

In my judgment—as I stated in testimony to the House Subcommittee on Appropriations—the National Institutes of Health could make excellent use of considerably expanded resources in the next fiscal year.

Exactly how much is an issue which can best be determined by the expert Senate Appropriations Subcommittee, based on various budgetary analyses submitted to it. But the overriding fact is, in my judgment, indisputable that this Nation can afford to spend more to have human lives and to reduce pain and suffering.

WE CAN AFFORD TO DO WHAT WE HAVE TO DO

Let it be recalled that Congress wisely authorized to NIH $111 million last year to combat cancer. Yet, this one disease still costs the Nation perhaps as much as $12 billion a year, not to mention the tragic cost in human life, which is infinitely more serious.

This past month, in another field, Congress heard President Kennedy's sound request for a long-range commitment to explore outer space. To do so, we must spend $10 to $20 billion over the next 10 years. We can afford to spend such sums, because we must spend such sums. Similarly, we can afford to spend more to prevent needless and premature loss of human life because we must do so.

In 1961, 1.6 million Americans will die from all causes. If we can save 100,000 of those precious lives—or more—or fewer—and if we can save uncounted thousands in years to come, who would dispute that this is a sound investment of the taxpayers' resources?

This Nation, as I have often stated, has no resources greater than its human resources. Its human capital is its most important capital. The United States should not and must not allow that capital to be needlessly reduced; to be needlessly impaired, to needlessly suffer.

SEVEN GOALS IN FIVE AMENDMENTS

Let me make it clear that the amendments which I am offering today relate not to the issue of overall sums for health, but rather to a few of the many specialized problems which I have studied over the past several years.

These particular phases covered today are seven in number; they are contained in four amendments. The seven objectives which I respectfully submit to the Appropriations Subcommittee are:

Establishment of two regional rehabilitation centers;

Establishment of two regional instrumentation centers;

Authorization of foreign currencies for international research, at not less than the level proposed by the administration;

Expanded information research to unblock the choked arteries of medical communications;

An inexpensive study of the multi-billion-dollar costs of disease and disability to society;

A comparable study of an international medical audio-visual exchange program; and

A consultative study of coordinated Federal-State-local programs for the mentally retarded.

MEMORANDUM ON EACH AMENDMENT

I have prepared a memorandum which outlines the nature, background and purpose of each of the five amendments.

I ask unanimous consent that this memorandum be printed at this point in the RECORD.

The PRESIDING OFFICER. The amendments will be received, printed, and referred to the Committee on Appropriations; and, without objection, the memorandum will be printed in the RECORD.

The memorandum presented by Mr. HUMPHREY is as follows:

MEMORANDUM BY SENATOR HUBERT H. HUMPHREY

The annual appropriations bill for the Department of Health, Education, and Welfare is reviewed by two of the most competent subcommittees of the Senate and House of Representatives. These subcommittees are under the chairmanship, respectively, of the senior Senator from Alabama, Mr. HILL, and of Congressman JOHN FOGARTY, of Rhode Island.

Of all of the diligent subcommittees of the two Appropriations Committees, I know of no two which work harder than do the subcommittees on this particular bill.

Year after year, the Senate and House subcommittees on the HEW bill have provided invaluable leadership for the Nation's medical effort. This year, with the fine cooperation of HEW Secretary Abraham Ribicoff, a great many forward steps have already been taken through new provisions in the House version of H.R. 7035.

I am glad to say that every one of the amendments I am offering today relates to a subject which has already received deep attention from Senator HILL and from Congressman FOGARTY and their colleagues in this, or in past years.

As a matter of fact, the idea for several of these amendments, e.g., for information and instrumentation research, received important backing in May 1960 from a consultative committee to the Senate Committee on Appropriations which Senator HILL had personally appointed.

In effect, the purpose of the amendments which I am submitting today is to add additional impetus to the pertinent work by both of these chairmen, their outstanding subcommittees and their competent staffs.

BACKGROUND FINDINGS BY SUBCOMMITTEE

Finally, these amendments have been developed over the course of a study conducted since August 1958 by a Senate Government Operations Subcommittee of which I am chairman. This study has already resulted in dozens of constructive actions throughout the executive branch.

I hope that additional actions contemplated through these amendments will similarly result. I should like to emphasize, however, that I am offering these amendments as an individual Senator, and not on behalf of the subcommittee. These are my personal views, based on facts which have come to my attention. The background facts are voluminous. Many of them will be found in the subcommittee's series of publications: 10 committee prints, 2 volumes of hearings, 2 appendix volumes, and part I of its report, Senate Report 142, 87th Congress. Still other facts are to be published, notably in part II of the report.

THREEFOLD PRESENTATION ON EACH AMENDMENT

There follows now for each proposed amendment: (a) Its text, (b) its purpose, and (c) reasons for the amendment.

REGIONAL INSTITUTES OF REHABILITATION

Text of amendment

On page 21, line 4, strike out "$19,250,000" and insert in lieu thereof "$21,250,000, of which $1,500,000 shall be used only for the establishment of each of two original institutes of rehabilitation."

Purpose of amendment

This amendment accomplishes these objectives:

1. It inserts directly in the bill a directive which is now contained in House Report 392, 87th Congress, as filed by the Committee on Appropriations on H.R. 7035.

2. It increases the sum which the House report urged for each of the regional institutes from $500,000 apiece to $1,500,000 apiece.

3. In order to make the additional $2 million available for the two centers, it raises the overall authorization from $19,250,000 to $21,250,000.

Reasons for the amendment

1. The concept of the two new centers is so important that it would be helpful to appropriate funds for them by specifically referring to the centers in the bill itself, not merely in the committee report.

The regional centers will serve to open up a new chapter in the history of American physical medicine and rehabilitation. The Congress' mandate for the medically oriented centers should, therefore, properly be within the appropriation law, not merely in the report on the law.

2. The strong case for the centers is summarized in House Report 392, page 12, where considerable earlier testimony at the House hearings was cited.

In particular, there will be found in the hearings, commencing on page 700, expert testimony from Dr. Frank H. Krusen, president, Elizabeth Kenny Foundation, Minneapolis, and Dr. Frederick A. Kottke, chairman, Department of Physical Medicine and Rehabilitation, University of Minnesota. Each of these distinguished leaders presented cogent reasons for the centers.

3. The sum of $1,500,000 is a reasonable figure for each of the centers. Although the sum of $1 million had been envisioned originally, the lower sum would, in the judgment of many experts, prove inadequate; it would represent too tight an operating margin.

4. It should be emphasized, as House Report 392 does, that—

"These institutes should be established in connection with medical schools which have developed a comprehensive program of undergraduate and graduate curricula in physical medicine and rehabilitation and provide comprehensive medical, psychological, social and vocational counseling and affiliated prevocational evaluation services for rehabilitation of physically handicapped patients. Such a program should establish formal arrangements for cooperation with a voluntary comprehensive rehabilitation center providing rehabilitation services on a regional basis in order to test and demonstrate how university, State, and voluntary agencies can cooperate to provide rehabilitation services.

"It is the aim of the committee that this pilot program for regional institutes for rehabilitation be established to study the means of developing adequate facilities for graduate medical education and research which will be as comprehensive in support of the development of rehabilitation as the National Institutes of Health are in support of the categorical medical research programs."

Note that the House report wisely stresses the crucial role of medical schools with "a comprehensive program of undergraduate and graduate curricula in physical medicine and rehabilitation."

5. There is a critical need for two model regional rehabilitation centers which would become centers of excellence in medical research and training, serving as examples of the high caliber standards desirable for future programs of this type. The time has come to proceed full speed ahead with regional center plans at universities to be chosen by the appropriate authorities.

One such university might, in my frank judgment, be the University of Minnesota. There, fullest teamwork would be available with (a) the world-renowned Elizabeth Kenny Foundation whose professional competence is undisputed in the Nation as well as (b) State, county and local governments.

Action now by amendment of the appropriation bill can therefore be a landmark in Congress' serving of the needs of America's disabled citizens.

REGIONAL INSTRUMENTATION CENTERS

Text of amendment

On page 30, line 9, strike out "$119,275,000" and insert "$122,275,000, of which $1,500,000 shall be used only for the establishment of each of two regional centers for biomedical instrumentation for the purpose of research in medical electronic and other instrumentation".

Purpose of amendment

This amendment is designed to bring into reality at an early date a goal urged, at least in general, by the House Committee on Appropriations; namely, progress in research and development on biomedical instrumentation.

Thus, the amendment (a) provides for two regional instrumentation centers at a cost of $1,500,000 each, (b) makes commensurate provision for enlarging the authorization from which this $3 million would be drawn; i.e., increase the overall authorization for research and training from $119,275,000 to $122,275,000.

Reasons for amendment

1. House Report No. 392 makes a strong case for moving ahead rapidly in instrumentation research. It points out (pp. 20–21):

"It is becoming more and more widely recognized that medical research can very significantly benefit from cooperative research with scientists in the fields of the physical sciences and engineering."

It cites testimony by Dr. Howard A. Rusk and Mr. David Rose on the need for instrumentation research and development.

In addition, there will be found in the House hearings additional comments on the specific need for the regional instrumentation centers:

(a) Pages 726 ff.: A memorandum by Prof. William G. Kubicek, Ph. D., Department of Physical Medicine and Rehabilitation, University of Minnesota, Minneapolis.

(b) Pages 717 and 722: My own comments on the need for the centers. Professor Kubicek cites this striking example of need and opportunity:

"In spite of the many millions of dollars expended for heart research and the efforts by scientists in virtually all countries of the world to improve the treatment of heart disease, there is no method available today to provide the physician with a continuous record of cardiac output. Expensive, complicated, and inconvenient methods do exist for a few physicians fortunate enough to have a large hospital laboratory available. The data that they can obtain from these methods is very limited and grossly inaccurate. It appears to be within the scope of electronics to develop a convenient and rapid method to measure the amount of blood pumped by the heart that would be adaptable to any physician's office procedures. Development of such a device will be a complex research program utilizing electrical engineers, physiologists, and mathematicians. The financial return to commercial companies probably would not be great enough to warrant expenditure of the development funds necessary for such a project. However, to the patient suffering from cardiac disease such an instrument would provide a great advance in the treatment of heart disease. Currently available electronic instruments can provide continuous records of pulse rate and blood pressure. In evaluating the cardiac patient for ability to return to his job or to his previous environment the physician needs to know the reponse of the heart to exercise. The ability of the heart to pump additional amounts of blood during exercise is the one vital measurement that the average physician cannot make today. The inability of the physician to accurately judge the ability of the heart to pump blood under exercise conditions constitutes a hazard to all cardiac patients."

2. The House Committee on Appropriations, in concluding its comments on the need for speeding instrumentation research, presented this sound admonition (p. 21): "The committee encourages the National Institutes of Health to more vigorously pursue this type of activity."

My view is that NIH should indeed be encouraged to move ahead in this work. However, there is every reason to have it do so immediately through this specific means; i.e., through funding of the two centers.

This, after all, is not a new problem. It does not require more study. It does require action—now—both at the grassroots of our country and in expanded instrumentation research at the campus at Bethesda. I particularly cite the opportunity for advanced research in medical electronics, and within this category, advanced research with analog and digital computers.

3. The most notable case for instrumentation centers was made in the report, "Federal Support of Medical Research," as filed by a consultative committee headed by Mr. Boisfeuillet Jones. This committee reported in May 1960 to Senator LISTER HILL, chairman of the Appropriations Subcommittee, with an outstanding series of findings. The Jones report stated (p. 95): "Funds should be appropriated in the approximate amount of $5 million to initiate the establishment of centers on a regional basis in which the new developments in the physical sciences permitting increased speed, accuracy, and complexity of measurement can be applied to medicine."

It is a pleasure to note that Senator HILL personally has time after time emphasized his own strong convictions on the wisdom of expanded instrumentation research, including the carrying out of the above Jones committee recommendation.

4. Studies made by the Senate Government Operations Subcommittee on Reorganization and International Organizations show these facts:

(a) In 1960, the U.S. Government was spending $2 billion for military electronics research, development, testing, and evaluation.

(b) That same year, the U.S. Government was spending only $2 million for medical electronic research.

Obviously, there is an enormous disparity between the two figures. Obviously, too, there is tremendous opportunity to capitalize in medical electronics on many of the phenomenal findings and instruments developed in the $2 billion worth of military-space electronics research.

For example, the microminiaturized instruments which telemeter physiological data from outer space are already beginning to find their way into clinical use. But clinical application is developing only at a rather modest pace.

The pace can be accelerated if more resources are made available for medical instrumentation research and development.

From a fiscal standpoint alone, it is widely recognized that tremendous increases in medical efficiency and considerable manpower savings will become possible through monitoring and diagnosis of patients by electronic means—under appropriate medical supervision and evaluation, of course.

5. Establishment of the two regional centers will make feasible intrauniversity, interdisciplinary cooperation which is not now feasible. Departments of electrical engineering will be brought into closer teamwork with medical colleges and teaching hospitals. Physicists, biophysicists, engineers, bionimists, M.D.'s, chemists, biochemists, and many other specialized experts will be enabled to work together at the frontiers of research between disciplines.

6. The amendment for two regional instrumentation centers can prove an invaluable aid in the service of medicine. All seven categorical institutes, as well as the Division of General Medical Sciences, would find in such centers strong arms for medical progress in their particular specialties, as well as in fields which overlap between Institutes.

FOREIGN CURRENCIES FOR INTERNATIONAL RESEARCH

Text of amendment

On page 33, line 20, insert "including support of regional research, training, and exchange programs," after "(74 Stat. 364),".

On page 33, line 21, strike out "$8,000,000" and insert in lieu thereof "$10,084,000".

Purpose of amendment

This amendment: (a) restores foreign currency funds which had been reduced in H.R. 7035 below the level requested by the administration;

(b) Reemphasizes Congress' interest in a regional approach. This point was made in the original International Research Act, Public Law 86–610, namely: that support was authorized for regional research, training, and exchange programs "among foreign countries" and not merely between foreign countries and the United States.

Reasons for amendment

1. The Public Health Service has diligently arranged agreements with foreign countries, foreign institutions, and foreign investigators for the use of foreign currencies in the amount of $10,084,000. These agreements have already involved a considerable amount of time to negotiate.

For the Congress now to fund the activity at a level lower than that envisioned would result in the loss of a great deal of time and effort. Indeed, the entire momentum of international medical cooperation would be needlessly slowed down.

2. The House committee pointed out in its report (p. 36) that the $8 million it allocated would be $4,293,000 above the amount appropriated for 1961. However, there is every reason to reach the fullest level proposed by the administration for fiscal year 1962. As a matter of fact, others and I had hoped that the administration would propose a still higher appropriation of foreign currencies for this purpose.

3. If the currencies are not used, there is a worldwide tendency for them to be dissipated by inflation. It is far better to put them to such constructive use, as this, rather than to see the funds depreciated by the rise in price levels abroad.

4. The usage of foreign currencies for medical research, training, and exchange purposes represents one of the most universally accepted and applauded uses of such currencies.

It is an unfortunate fact, however, that out of all the many ways in which U.S.-owned or controlled foreign currencies can be used, as provided by statute, almost none has been used to a lesser degree than for this medical purpose. We, thus, see a paradox that the one use, which more than any other, could bring benefit to all of mankind is one of the least exploited to date.

5. The Subcommittee on Reorganization and International Organizations has fully documented the case for broadening international medical cooperation through both dollars and foreign currencies. The two appendix volumes which we published to our international health hearings reprinted messages from all over the world, citing the need and opportunity for international teamwork in cardiovascular diseases, cancer, neurological, and other disorders.

6. There has been strong support from the medical profession for use of foreign currencies for this purpose. The most recent expression of such support came in an article by Dr. Howard Rusk in the New York Times of May 21, 1961, which stated:

"For the fiscal year ending in June 1962, the outgoing administration had recommended an appropriation of $10,890,000 in counterpart funds for the National Institutes of Health and $1,372,000 for the Office of Vocational Rehabilitation.

"The Kennedy administration made no changes in these recommendations. Last week the House voted the amount recommended for the Office of Vocational Rehabilitation, but reduced the amount for the National Institutes of Health to $8 million.

"It is particularly tragic that the program has actually been curtailed, in that funds will be available in only seven countries for next year, compared with nine in the current year.

"IMMEASURABLE BENEFITS

"Ignoring the unquestioned scientific value of making counterpart funds available for international research, the Health for Peace Act offers an immeasurable opportunity to help the United States erase the synthetic image of itself as the brandisher of atomic bombs, the Nation that made Hiroshima a word of both compassion and hate.

"Particularly in the face of demonstrated Soviet superiority in space, it is propitious for the United States to proclaim a program of promoting, organizing, encouraging, and helping to finance international cooperation against disease and disability.

"A cure or a reliable method of controlling heart disease would be hailed everywhere with more wonder and appreciation than the feat of Maj. Yuri Gagarin.

"A breakthrough on cancer would transfix the world to an extent that would dwarf the impact of the first man on the moon.

"For the United States, as leader and sponsor, the benefit would be immeasurable.

"The limited steps that have been taken thus far in implementing the 'health for peace' program have been hailed by all concerned. On a trip to the Near East last November, this writer heard nothing but the highest praise for the program. American ambassadors, governmental leaders of other nations, scientists—all were most enthusiastic. To them it represented real partnership.

"There is no doubt of President Kennedy's belief in the 'health for peace' program and the sincerity of his interest in its implementation. Nor can the lack of action be attributed to financial reasons.

"The moneys to be expended are in counterpart funds. Such funds are available in amounts equal to hundreds of millions of dollars in nations where they could be used for research. Increased taxes are not involved. There will be no outflow of dollars from the United States."

7. The amendment's reemphasis of regional research, training and exchange programs would serve as a necessary reminder, both to the Public Health Service and to foreign countries and institutions, that the United States earnestly desires and expects regional teamwork abroad.

Senator HILL's Health for Peace Act had over and over wisely used the phrase, "among foreign countries" in denoting U.S. interest in fostering teamwork. But there is danger that this regional emphasis may be downgraded in favor of exclusively bilateral ties with the United States.

It should be recalled that one of the great proven virtues of the Marshall plan was that it encouraged foreign countries to work together with one another regionally, rather than simply bilaterally with the United States.

It is uneconomical and unrealistic to expect that every single cooperating foreign country can have its own specialized medical equipment and laboratories to carry on research in a broad variety of medical disciplines or that it can or should rely on U.S. laboratories. It is far more economical and realistic in many instances for countries A and B to send researchers to the regional laboratories of nearby country C.

Thus, this amendment would encourage countries to work together regionally within Europe, or South Asia, or Latin America or the Middle East, rather than cooperate solely with the United States across the Atlantic and the Pacific.

The United States is interested in encouraging results. This is one way to expedite results—using foreign currencies now and on a regional basis insofar as is possible and as is agreeable to the countries concerned.

ACTIVITIES OF OFFICE OF SURGEON GENERAL

Text of amendment

On page 35, line 2, strike out "$5,275,000" and insert in lieu thereof "$8,795,000"; of which not to exceed $3,500,000 shall be used only for research to develop techniques and media for collecting and disseminating information pursuant to the provisions of sections 301(a), 315, 404(b), 412(e), 414(d), and 424(b) of the Public Health Service Act, of sections 4(a)(1) and 4(c) of the Federal Water Pollution Control Act, of sections 2(b)(2) and 2(b)(4) of the Act of July 14, 1955 (42 U.S.C. 1857a), and of sections 371 and 372(a) of the National Library of Medicine Act (42 U.S.C. 275); of which not to exceed $10,000 shall be used only for conducting consultative studies on the direct and indirect costs of disease and disability to society; and of which not to exceed $10,000 shall be used only for conducting consultative studies on the advisability and feasibility of establishing an international medical audiovisual exchange program.

Purpose of amendment

This is an omnibus amendment to provide funds to the Office of the Surgeon General to advance medical progress through three means:

1. Strengthen information and communications research by a specific allocation, for the first time;

2. Appoint a consultative group to study the direct and indirect cost of disease and disability in society; and

3. Appoint a consultative group to advise on the feasibility and desirability of establishing an international medical audiovisual exchange program.

In effect, these are three separate amendments for three separate purposes incorporated within one package.

The only reason the three provisions are brought together is that they amend one particular section of the bill; that is, they all relate to responsibilities of the Surgeon General of the U.S. Public Health Service. He, alone, is in a position to spearhead action along these lines.

In order to make entirely clear the three separate goals, however, the case for each phase of the amendment is treated separately below.

Information-communications research

Purpose of Amendment Provision

The goal of the first provision is to allocate for the first time a separate sum for medical information-communications research. This should make possible a head-on assault against one of the most critical problems in medicine today—the choking of the arteries of communication.

The new sum to be allocated would be $3.5 million. In order to authorize this sum, the overall amount now made available to the Office of Surgeon General in H.R. 7035 would be increased by that figure. (The final two phases of this amendment add two additional figures of $10,000 each for two studies; thus, the overall increase over the level in H.R. 7035 would be $3,500,000 plus $10,000 plus $10,000 or $3,520,000 in all.)

Reasons for Amendment Provision

Why is the specific sum of $3.5 million needed for information-communications research?

1. Over the years, Congress has wisely incorporated in the various statutes setting up the categorical Institutes and other Public Health Service activities a strong mandate for reporting medical information.

Indeed, the bulk of the first provision is merely a recapitulation of Congress' past directives to the Surgeon General to disseminate information. But never has Congress provided a specific sum to carry out research on exactly how information should best be disseminated.

The mere publishing by the Surgeon General's Office and other offices of piles of articles, leaflets, reports is not enough. No one knows who really reads and uses the mountains of literature already available.

2. The report filed by the House Appropriations Committee, House Report 392, states, on page 20, the case for better and prompter communication and application of the results of medical research.

Fortunately, it is virtually universally recognized that there is a critical bottleneck between (a) research discovery of new ways of diagnosis and therapy of disease and (b) clinical application of the new findings.

However, there are other critical bottlenecks in communications; these bottlenecks impede communications between researchers, in the first place.

Clinicians will have little to apply unless researchers first make and authenticate new discoveries. If medical science is to advance, the serious breakdown in systematic communications among researchers must first be corrected. At present, the breakdown is being attacked by only a patchwork of effort. The amendment provision is designed to replace the patchwork with a systematic research assault.

3. It would be penny wise and pound foolish to authorize—as we rightly did—$590 million for NIH in the 1961 fiscal year but to fail to authorize a sum of $3.5 million for research on how best to communicate research findings.

The best research in the world will be of little avail unless its results get into the hands of those who need it and can use it; that means, first, fellow researchers and, then, clinicians.

4. The House Appropriations Committee concluded its request for action on communications research with this statement (p. 20):

"The committee will expect that this whole field be thoroughly explored and that the NIH will be prepared to present a full report on the potentials and a plan for development of a program to reach these potentials at the hearings next year."

The provision which is being offered today would go two steps further than the House committee urged:

(a) It would broaden the concept of communications research so that it includes, as mentioned earlier, the critical problem of communications between researchers;

(b) It would end delay by making this matter a budgetary line item immediately. Thus, the Public Health Service would have a specific sum from which to draw in conducting its communications research and it would report specifically on the line item at the hearings on next year's appropriations bill.

5. The vastness of today's research effort makes systematic communications study imperative.

In the 1960 fiscal year, the Federal Government alone was supporting more than 22,000 biomedical research projects. At that time, the biosciences information exchange registered more than 90,000 investigators, including 40,000 senior investigators.

It is estimated that more than a quarter of a million articles are published each year in medical journals, and one estimate is that for every article that is published, there are three more which are submitted but are not published.

The end result is that buried in the mountains of data may be invaluable clues to the conquest of heart disease, cancer, neurological disease, and other problems. But until we learn to unblock the arteries of communications, researchers will not be able to make good use of these findings.

The fact is that no researcher today can find the time to cover literature in his own field, much less in related fields. He cannot keep up with what has already been published, much less with what study is now in process (much of which may never reach publication at all).

6. Among the communications questions which should be studied are these: To what extent do researchers now use the various information resources available to them, that is to what extent, for example, do they read primary journals, as well as specific abstract and index publications? If they do not use them sufficiently, why not? What can be done to help correct the reasons for underusage?

How useful are symposia and larger conferences which have long been a mainstay of communications? How can symposia and larger conferences be made optimally effective?

How useful are review articles and bibliographies of review articles?

To what extent can newer methods of communications, such as closed-circuit television, strengthen the communications process?

There are dozens of other related questions which can only be answered by research.

The National Science Foundation is conducting limited research on information questions, e.g., as regards electronic data processing systems. But NSF cannot do for medical science what medical science should do for itself; namely, study communications problems as they relate specifically to medical science.

7. The $3.5 million which is suggested for information-communications research is actually a conservative level of funding for this purpose. The Jones consultative committee had recommended:

"1. Support of communications research: Funds should be appropriated in the approximate amount of $4.5 million to support a greatly increased research effort on methods of data processing, literature analysis, and information retrieval in both the intramural and extramural programs of the National Institutes of Health in close collaboration with the National Library of Medicine.

"2. Dissemination of findings of medical research: The National Institutes of Health should also undertake a thorough study of ways and means to bring to the attention of both research and practicing physicians new medical knowledge and techniques, presented in the most objective form possible and on the basis of the best informed opinion available."

Thus, the amount which is recommended by this amendment on an experimental basis is $1 million less than that which the Jones committee had urged.

The amount is, however, larger than the $1 million which the National Institutes of Health are spending on information and communications research each year. This figure was cited in the August 1960 hearing, conducted by our subcommittee, on the subject of "Coordination of Biomedical Research Activities in Federal Agencies" (p. 46).

8. Finally, it should be noted that there is a specific reason to place this research responsibility in the Office of the Surgeon General. The reason is that certain of the information and communications research phases can best be carried out by the National Institutes of Health, other phases by the Bureau of State Services, the Bureau of Medical Services, or the National Library of Medicine. The Surgeon General of the Public Health Service is the one who can best determine which of these various arms should handle particular phases of the research problem.

B. Provision for study of costs of disease

Text of Provision

The text of this amendment will be found in the provision of $10,000 for "conducting consultative studies on the direct and indirect costs of disease and disability to society."

Reasons for Provision

1. Neither the Congress nor the American people have ever had a rounded, detailed, and documented report on how much all disease and disability cost society.

What has been available heretofore has been solely a series of isolated reports on how much this disease or that disease costs society.

These past estimates have been useful; but they have not been and could not be definitive.

The Senate and House Appropriations Committees have often published many of these estimates, as representing the best information available. Both committees have, for this purpose, drawn on the best judgment of the respective Institutes in the National Institutes of Health, and on many professional and voluntary organizations. The latter groups in turn, have indicated that the estimates which they have made represent the best which they could make under the circumstances.

Two estimates by two different sources even on one disease and disability tend to exhibit wide variations, because of the inherent difficulties involved and because of differences in premises and economic yardsticks.

2. The fact is that it takes far more knowledge than a medical specialist alone possesses in order to arrive at an authoritative estimate as to the cost of one disease, much less many diseases, to society. It takes the knowledge and competence of economists, statisticians, insurance actuaries, etc.

Thus, if this provision of the amendment is enacted, the Surgeon General would appoint a consultative group, comprised of representatives with all the necessary skills. From their study would come for the first time:

(a) A universally acceptable report on the toll taken by disease and disability;

(b) A series of ground rules for making future estimates, so that the wide variations now present in estimates would tend to be reduced.

3. Presently available estimates are, as noted, quite useful. They provide to the Congress and the Nation some degree of perspective on how much of a toll is being exacted on the Nation because of disease and disability.

For example, the Nation has learned from the National Safety Council that in the decade of the 1950's, all types of accidents—highway, home, and job—have cost $100 billion.

That enormous figure sheds light on how long a distance we still have to go in moving ahead with accident research.

The National Health Education Committee in its authoritative 1961 report, "Facts on the Major Killing and Crippling Diseases in the United States Today," notes that the cost of disability, based on data compiled in the National Health Survey, may mean that wage losses alone aggregate $6 billion.

Wage losses are, however, but one of many types of losses. Other examples could be cited from other fields.

4. There follows an excerpt from my prepared comments in the record of the House Appropriations Committee on H.R. 7035 (p. 724):

"May I quote our subcommittee's report, Senate Report 142, 87th Congress (pp. 294, 297):

" 'Many voluntary health and welfare agencies have estimated from time to time the cost to society of the particular disease or social problem with which they are con-

cerned. It is estimated, for example, by mental health experts that mental illness costs the Nation $15 billion a year, and by cancer experts that cancer costs the Nation $12 billion a year. Highway authorities say that road accidents cost the Nation $6 billion a year.

" 'Medical experts and social workers have given varying estimates as to costs of such problems as alcoholism, narcotics addiction, mental illness, and other medical-social problems.

" 'Variation in premises and yardsticks: It is evident in perusing most estimates that, as might be expected, widely varying economic and statistical assumptions, definitions, and yardsticks are used. With the best of intentions, even the most highly qualified authorities might end up with widely divergent guesses.'

"Our report then quotes an article by a Public Health expert as follows:

" 'Voluntary and public agencies concerned with specific diseases have developed or used such estimates to further programs of medical research and disease control. They have financed studies of these costs to give them a tool to describe the size of the problem in public discussion. Review of these studies indicates clearly the need for development of a conceptual framework for such estimates, for a clearer formulation of their assumptions and limitations, and for indication of the areas in which relevant data still need to be collected.'

"Senate Report 142 then states:

" 'It is the staff's judgment that it would be in the interest of the U.S. Government to develop in cooperation with private authorities a sound economic-statistical framework for estimating the toll of disease and disability.'

"In this way we could see both sides of the ledger, so to speak: How much society is paying because of the toll of disease and disability; how much society is spending to prevent, cure, and ameliorate disease and disability."

5. The consultative study would, at minimal cost, provide a very useful yardstick for congressional and public understanding.

C. Provision for study of international medical audiovisual exchange

Text of Provision

The final phase of the omnibus amendment is a provision for $10,000 for use for "conducting consultative studies on the advisability and feasibility of establishing an international Medical Audiovisual Exchange Program."

Purpose of Provision

This provision is designed to capitalize upon the great wealth of audiovisual materials which are not fully utilized in our own country and which are even less utilized in exchanges throughout the world.

Reasons for Amendment

1. Medical audiovisuals are indispensable tools for two goals:

(a) Furthering international research; and

(b) Furthering international technical assistance in health.

2. The United States is the greatest single producer of medical audiovisuals of all types—motion pictures, film strips, slides, tape recordings, closed circuit television.

Many groups have important collections of medical audiovisuals; notably the American Medical Association, the pharmaceutical industry, voluntary health organizations and other sources.

In addition, in the Federal Government, many agencies produce and use medical audiovisuals, largely for training purposes. These include, notably, the Department of Health, Education, and Welfare; the Department of Defense; Veterans' Administration; Atomic Energy Commission and others, organized through the Interdepartmental Committeee on Medical Training Aids.

There is a strong view that a more coordinated system in our own country would help reap greater benefits from medical audiovisuals for our own citizens.

There is a wide variety of film catalogs; no one source knows for sure what other sources already possess or what films they may be in the process of making.

3. The greatest frontier of opportunity apparently lies in increased international exchange. At present, such exchange is limited, for a variety of reasons, to but a small trickle between the United States and foreign countries.

The U.S. Information Agency, through its offices abroad, shows a small number of medical audiovisuals to foreign peoples in emerging areas.

Experts interested in advancing the health of emerging countries have emphasized to the committee that the establishment of an expanded International Medical Audiovisual Exchange Program might generate tremendous good will for the United States and might help raise health standards and medical education abroad.

4. Strong support has come from the National Catholic Welfare Conference. For example, Bishop Edward Swanstrom, executive director, N.C.W.C., wrote me in a letter of May 19, 1961:

"We have discussed this proposal with a number of our directors and coworkers from various areas in Asia and Africa. All agree that such a program would be extremely valuable to the medical personnel and institutions overseas. In the past we have often regretted our inability to supply many of these educational items which are so sorely needed.

"The consensus of feeling I have noted is that such visual aids will not only be useful in improving the level of professional knowledge and techniques but will be of great assistance in our programs for health and hygiene. Several directors asked that an immediate priority be given to films and aids explaining TB and its various remedies, malaria, leprosy, and other tropical diseases.

"We sincerely trust that this first step toward wholehearted support of oversea medical work will meet with early success."

The Christian Medical Society has likewise long been interested in medical audiovisuals. Expert representatives of the American Medical Association have informally indicated strong support for the concept of a consultative study, particularly in terms of new research films.

Outstanding medical specialists such as the famous cardiovascular surgeon, Dr. Michael DeBakey, of Baylor University, have likewise indicated strong support of a consultative study, such as is being proposed today.

5. The taxpayers of the United States make a sizable investment in medical motion pictures produced by Federal agencies. Once that investment has been made, the issue is, "how best to capitalize on the investment."

If two or three prints are made but are not sufficiently circulated, obviously the investment may not pay as handsome a return as if an adequate number of prints were made and were circulated among potential users.

To run off too few prints is costly; to run off too many prints would likewise be costly.

The question is, What is the optimum number? What represents the most effective use of a given film?

7. There are many complex problems which would have to be studied before setting up an international exchange program. Should the program be handled by a Federal agency, or by a private agency? If by a private agency, should Federal funds be made available—in whole or in part?

Should materials other than motion pictures be formally exchanged, e.g., tape recordings, slides, three-dimensional exhibits? Should other health-related professions be covered, e.g., films on nursing, pharmacy, veterinary science?

Should materials on technical specialties, e.g., medical technology, therapy, etc., be handled?

To answer these and other questions, a consultative study, with broad representation of the many skills and viewpoints involved, would be necessary. Costs would have to be carefully analyzed and benefits under alternative possibilities evaluated.

The Congress could then decide what, if anything, should be done which is not now being done at home and abroad as regards medical audiovisuals.

STUDY ON PROGRAMS FOR MENTALLY RETARDED

Text of amendment

On page 43, line 15, strike out "$2,382,000," and insert in lieu thereof "$2,392,000 (of which not to exceed $10,000 shall be available only for the purpose of conducting a consultative study on the formulation of a coordinated Federal, State, and local program for the mentally retarded),".

Purpose of amendment

This amendment has as its goal the appointment by the Secretary of Health, Education, and Welfare of a consultative study group to develop a definitive analysis and report on one of the most important challenges confronting the Nation—Federal, State, and local programs for the mentally retarded.

The cost of the consultative study would not exceed $10,000. Thus, the Secretary's available funds would be increased by that amount, i.e., from $2,382,000 to $2,392,000.

Reasons for amendment

1. Mental retardation, it should be noted, represents one of the most serious drains on the Nation's human resources. It involves an estimated 3 percent of our population, meaning around 5.4 million people. It results in costs of not less than $500 million per year in identifiable expenditures by Federal, State, and local governments alone.

In addition, out-of-pocket expenses by individual families to provide special care for the mentally retarded at home add up, by conservative estimate, to not less than an additional $500 million.

And these, it must be emphasized, are only the tangible, financial costs, based upon such data as is available. The data is not definitive, for the reasons earlier stated, but it gives some insight as to the dimensions of the problem.

2. A problem of this mammoth dimension cannot be adequately met by a mere patchwork of programs.

What is needed is the closest possible voluntary teamwork by Federal, State, and local governments, by public and private groups, professionals and laymen. Experts in the field realize the need for coordination, but at present, there is neither a mandate nor a blueprint for it. The purpose of the amendment is to lay the basis for the mandate and the blueprint.

Numerous specialized offices in the HEW Department are involved, such as the National Institutes of Health, the Office of Vocational Rehabilitation, the Office of Education, the Children's Bureau. All of these organizations have made splendid contributions toward meeting the problem. All would play an important role in preparing the report contemplated by this amendment. But grassroots and national leaders in voluntary groups, like the National Association for Retarded Children, in professional groups, like the American Academy of Pediatrics and the Association on Mental Deficiency—would also play an important part in developing what I believe could be a landmark toward new action.

3. The research phase alone on mental retardation is an enormous one. It involves

public and private research, study by the National Institute of Neurological Disease and Blindness, the National Institute for Mental Health and other Federal units. It includes the historic collaborative study on perinatal problems, which of course, cuts across the board to a host of research areas.

A consultative study as proposed by this amendment could look at the "big picture" of all biomedical research, bearing on mental retardation—its cause, diagnosis, therapy (to the extent possible), etc.

4. Fortunately, H.R. 7035, like earlier appropriation bills, takes significant note of the retardation problem. H.R. 7035 soundly provides $1 million more for teachers of the mentally retarded; this is one of the most important needs in this field. It is, however, but one of the many phases of the needs of the mentally retarded—medical, educational, vocational, parental, community, etc.

5. One of the virtues of taking a rounded look at the total needs of the mentally retarded is that it will bring to light what might be termed "gap areas." In other words, we will find out what is now lacking in services to the mentally retarded.

6. There is much to be gained and nothing to lose from a consultative study of this nature.

Surgeon generals' consultative groups have in the past provided invaluable guidance, as have HEW Secretary advisory groups, such as the one proposed herein.

The need for this particular study has been carefully determined; its direct and indirect dividends could be immense to literally millions of families across the Nation. It would lay the basis for well-rounded, instead of piecemeal or ad hoc action in the future.

INDEPENDENT OFFICES APPROPRIATION BILL, 1962—AMENDMENT

Mr. JAVITS (for himself and Mr. KEATING) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 7445) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1962, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed.

ESTABLISHMENT OF PEACE CORPS—ADDITIONAL COSPONSORS OF BILL

Mr. HUMPHREY. Madam President, I ask unanimous consent that the names of Senators DOUGLAS, Moss, and NEUBERGER be added as cosponsors to S. 2000, a bill to establish a Peace Corps, which I introduced on June 1 on behalf of myself and Senators FULBRIGHT, PELL, CLARK, SMITH of Massachusetts, MCGEE, HART, and GORE.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXEMPTION OF CERTAIN INDIVIDUALS FROM OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE PROGRAM — ADDITIONAL COSPONSOR OF BILL

Mr. GOLDWATER. Madam President, on June 7, 1961 the distinguished junior Senator from Pennsylvania [Mr. CLARK] introduced a bill to exempt from coverage under the old-age, survivors, and disability insurance program self-employed individuals who hold certain religious beliefs.

I believe this to be a very worthy bill. I have discussed the proposal of my appearing as a cosponsor of the bill with the distinguished junior Senator from Pennsylvania, and he has agreed. Therefore, I ask unanimous consent that my name may appear as a cosponsor of Senate bill 2031.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954—ADDITIONAL COSPONSOR OF BILL

Mr. WILLIAMS of Delaware. Madam President, yesterday I introduced S. 2069. On the next printing of the bill, I ask unanimous consent that the name of the Senator from Wisconsin [Mr. PROXMIRE] be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE 100TH ANNIVERSARY OF ENACTMENT OF THE HOMESTEAD ACT—ADDITIONAL COSPONSORS OF BILL

Under the order of the Senate of June 7, the names of Senators CASE of South Dakota, MORSE, and PROXMIRE were added as additional cosponsors of the bill (S. 2027) to provide for the issuance of a special series of postage stamps in commemoration of the 100th anniversary of the enactment of the Homestead Act, introduced by Mr. CURTIS (for himself and other Senators), on June 7, 1961.

OBSERVANCE OF CENTENNIAL OF ENACTMENT OF THE HOMESTEAD ACT—ADDITIONAL COSPONSORS OF JOINT RESOLUTION

Under the authority of the order of the Senate of June 7, 1961, the names of Senators HUMPHREY, CASE of South Dakota, MCCARTHY, MORSE, and PROXMIRE were added as additional cosponsors of the joint resolution (S.J. Res. 98) to provide for the observance of the centennial of the enactment of the Homestead Act, introduced by Mr. CURTIS (for himself and other Senators), on June 7, 1961.

HOUSE BILL PLACED ON CALENDAR

The bill (H.R. 7218) "An act to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than three thousand officers and members," was read twice by its title, and placed on the calendar.

NOTICE OF RECEIPT OF NOMINATION OF ROBERT M. MCKINNEY TO BE AMBASSADOR TO SWITZERLAND

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the nomination of Robert M. McKinney, of New Mexico, to be Ambassador to Switzerland.

In accordance with the committee rule, this pending nomination may not be considered prior to the expiration of 6 days of its receipt in the Senate.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, June 14, 1961, he presented to the President of the United States the following bills and joint resolutions:

S. 847. An act to change the name of the Army and Navy Legion of Valor of the United States of America, Incorporated, and for other purposes;

S. 1852. An act to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes; and

S.J. Res. 65. Joint resolution designating the week of May 13–19, 1962, as Police Week and designating May 14, 1962, as Peace Officers Memorial Day.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. SPARKMAN:

Address entitled "Economic, Social, and Political Implications of Community Development," delivered at the closing session of the Inter-Regional Conference on Community Development, May 6, 12, Seoul, Korea.

By Mr. HUMPHREY:

Address delivered by Senator LONG of Missouri to the American Stockyards Association, at St. Joseph, Mo., on June 7, 1961.

By Mr. SMATHERS:

Address delivered by Secretary of Labor Goldberg at dedication of Library of Hebrew Union College-Jewish Institute of Religion, Cincinnati, Ohio, June 3, 1961.

By Mr. WILEY:

Article entitled "How To Start Things Booming Again," written by the Honorable Luther Hodges, Secretary of Commerce, and published in This Week magazine of June 18, 1961.

DEFENSE CONTRACT AWARDS

Mr. ENGLE. Madam President, last week the distinguished Senator from New York [Mr. KEATING] renewed his criticism of what he termed a "great disparity" in the distribution of defense work.

In his remarks in the Senate on June 6, Senator KEATING stated that the gap in the distribution of defense procurement dollars is apparently increasing, rather than decreasing, under the new administration. He pointed out that "one State, which is neither the biggest nor the most populous, gets nearly one-quarter of the value of all military prime contract awards"; and that "during the first 3 months of 1961, California got 23.3 percent of defense procurement dollars—more than twice as much as New York."

Since Senator KEATING continues to make his charges on an area basis, I

should like to point out that the State of California comprises an area of 156,750 square miles. The area of six of the industrial States on the eastern seaboard totals 123,158 square miles. Yet these States combined, smaller in size than California, received 32.6 percent of the defense contracts during the first 100 days of the Kennedy administration. These States are New York, Connecticut, Pennsylvania, New Jersey, Massachusetts, and Maryland—a contiguous bloc.

In his June 6 remarks, Senator KEATING also made the statement that by comparison to the Eisenhower administration, the present administration "seems to be causing a real depression for New York State defense contractors."

Without arguing Senator KEATING's point, I wish to cite some figures to show that California's defense industry also has its problems.

Figures prepared by the Bank of America indicate that employment in California's defense industry complex in March of this year was more than 20,000 jobs less than its peak in 1959. Employment in aircraft categories was 48,000 below its 1959 peak. The report notes that—"no precise measurement of California's total share of defense procurement expenditures is possible owing to the lack of detailed data on the amount and geographical distribution of subcontracting and the location of specific work done under prime contracts."

The Bank of America report also shows that 8.3 percent of California's total labor force were unemployed in March 1961, an increase of 37.8 percent over 1960. This represents an unemployed force of 540,000, or about 10 percent of the country's total unemployed of 5,495,000. I may add that the Department of Labor, in its May 13 report, places California's State insured unemployment at 6.8 percent—compared with 6.1 percent for New York, and 5.9 percent for the country as a whole.

To return to Senator KEATING's charge of "great disparity" in the distribution of defense work in the United States:

On April 24 of this year, I made some extended remarks in the Senate on the subject of defense procurement contracts. At that time I called attention to the explanatory footnotes that accompany the regularly issued report of the Secretary of Defense, entitled "Military Prime Contract Awards by State." No reading of the figures in these reports should be made without the benefit of this explanatory language. I regret that in making this assertions on the matter of defense contract awards, Senator KEATING fails to read this very important language into the RECORD.

I think the footnotes bear a rereading at this point:

It is emphasized that data on prime contracts by State do not provide any direct indication as to the State in which actual production work is done. For the majority of the contracts with manufacturers, the data reflect the location of the plant where the product will be finally processed and assembled. Construction contracts are shown for the State where construction is to be performed. However, for some contracts with large companies with more than one plant, and for contracts with service, wholesale, or other distribution firms, the location is usually the address of the contractor's main office.

More important is the fact that the reports refer to prime contracts only, and cannot in any way reflect the distribution of the very substantial amount of material and component fabrication and other subcontract work that may be done outside the State where final assembly or delivery takes place.

I think it should be clear to everyone how easy it is to get a distorted picture if we fail to use this language as a backdrop in interpreting the figures on military prime contract awards.

In any case, the points that Senator KEATING raises ignore the fact that the basic criteria used in granting defense contracts are neither geography, nor unemployment, nor politics. They shy clear of the fact that the Department of Defense makes its awards, first and foremost, on the basis of capability, experience, and cost.

In California, we have the experienced personnel, the plant capability, and the product quality that enable the Federal Government to get the best possible product at the lowest possible total cost. For more than 25 years the United States has turned to concerns in California for most of its aeronautical and aerospace needs. As a result, we have built up the comprehensive capacity to tackle, with maximum efficiency and minimum time, almost every phase of producing the modern weapons of war.

We are living in the most critical period of our Nation's history, and we cannot allow defense procurement to be awarded on any basis other than competence and excellence. As long as great numbers of people who possess the necessary skills would rather live in California, and as long as contracts are awarded in the best interest of the country, I will continue to rise to the defense of California's carrying out its responsibility as a major producer of our defense needs.

UNITED NATIONS SPECIAL FUND PROPOSAL FOR CUBA

Mr. BRIDGES. Madam President, it is a shocking experience to pick up a newspaper and read that the Governing Council of United Nations Special Fund has approved a project which will pour $1,157,600 into an agricultural research program in Cuba.

Apparently, the purpose of this project is to enable Castro to carry on research in agriculture designed to relieve the Cubans of their reliance on sugar as the principal product of their soil. The newspaper account of this action relates that the Governing Council acted over the protests of the United States, but also pointed out that 40 percent of the Special Fund, raised by "voluntary" contributions, comes from the United States of America.

Madam President, I ask unanimous consent to have printed in the RECORD, at this point, the story by John Molleson which appeared in the New York Herald Tribune of May 25, 1961, under the heading "U.N. Votes Cuba $1,157,600 Over Protest by United States."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.N. VOTES CUBA $1,157,600 OVER PROTEST BY UNITED STATES

(By John Molleson)

UNITED NATIONS, N.Y., May 24.—The United Nations Special Fund today approved a $1,157,600 grant to the Cuban Government for agricultural research. The step was taken by the Fund's 18-nation Governing Council despite the expressed reservations of the United States, which contributes 40 percent of the Fund's annual budget.

Diplomatic sources said the United States based its reservation on a changed economic situation in Cuba in recent months. Livestock herds have been decimated, Cuban agronomists have lost their jobs, and Cuba has shown a reluctance to cooperate with other multilateral aid programs, it was said.

Some members of the Council, it was reliably reported, agreed with the United States, while other nations concluded that the American objections were politically motivated. The Council is composed of nine members from contributing countries and nine from receiving countries.

AIM OF PROJECT

The aim of the Cuban project is to expand agricultural research, with special attention to livestock, production, soil classification, conservation and crop diversification. Cuba will contribute $1,878,000 to the 5-year project under the terms of the agreement worked out between the U.N Food and Agriculture Organization and the Cuban Government last February.

In accordance with tradition, no vote was taken at today's session of the Governing Council. In the discussions of projects, only economic considerations are theoretically allowed to control the decisions.

While expressing its reservations, the United States stated its confidence that Paul Hoffman, managing director of the Fund, would make every effort to determine if the project could be carried out as originally planned.

Mr. BRIDGES. Madam President, although the Herald Tribune has a very high reputation for accuracy, I could scarcely credit my senses when I read this extraordinary story. I requested the staff of the Appropriations Committee to verify this report. I have here a memorandum headed "U.S. Action on U.N. Special Fund Project in Cuba." This document is not a newspaper story. This is an official report.

I ask unanimous consent to have it printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Subject: U.S. action on U.N. Special Fund project in Cuba.

The project calls for an allocation by the Special Fund of approximately $1.1 million to assist in the expansion of agricultural research at the Central Experimental Station in Santiago de Las Vagas. This project, primarily of a research nature, will extend over a period of 5 years. The Cuban Government is required to contribute approximately $1.8 million. The Cuban project was 1 of 42 proposed projects reviewed by the Governing Council at its semiannual meeting on May 23–24.

The U.N. Special Fund derives its resources from voluntary contributions pledged annually. Pledges for 1961 are about $48 million, of which 40 percent is contributed by the United States on a matching basis.

There are 18 nations represented on the Governing Council—9 from more developed

countries and 9 from less developed countries. The present membership includes, in addition to the United States, France, Italy, Sweden, Japan, the United Kingdom, Canada, Mexico, Guatemala, the Netherlands, India, Senegal, Pakistan, Ghana, Thailand, Argentina, Yugoslavia, and the U.S.S.R.

All projects recommended by the managing director (Paul Hoffman) so far have been approved without a formal vote after project by project discussion. There are precedents for objections to individual projects: for example, the U.S.S.R. objected to a project for the Republic of China (Formosa) and the U.A.R. objected to a project for Israel. Both were approved by the Governing Council. The Special Fund charter provides that Special Fund assistance shall not be means of political or economic interference or be accompanied by political conditions. The United States has consistently maintained that the integrity of economic and technical institutions of the U.N. be preserved against the intrusion of political motives.

At the Council meeting, the United States objected to the project on technical, economic and administrative grounds based largely on conditions in Cuba which have arisen since the project originally was screened by the Special Fund staff. Our representative questioned the successful implementation of the project under present conditions in Cuba and his statements were made a matter of record. He stated that we have complete confidence in the managing director and the staff of the Special Fund and are assured that the project will not go forward until they have satisfied themselves on the questions we have raised and that the project can be undertaken successfully. Several other delegates supported the need for careful consideration of the objectives raised by the United States. In view of the fact that approval by the Governing Council merely constitutes authorization to the managing director to enter into detailed negotiations, the effect of the U.S. position was to gain assurance that the project would receive further careful study. This was done without damaging the integrity of the Special Fund, with our statement making clear the grounds for the U.S. position. No vote was taken on any of the projects, in accordance with precedents of the Special Fund.

18 members of the Governing Council of the United Nations Special Fund showing amounts they pledged for 1961, the amounts paid in, and the balance due in each case

Country	Pledged	Paid	Balance due
1. Argentina	$97,561	$1,557	$96,004
2. Canada	2,350,000	2,350,000	0
3. France	1,072,066	607,649	464,417
4. Guatamala	8,000		8,000
5. Ghana	0	0	0
6. India	1,750,000	1,750,000	0
7. Italy	1,350,000	750,000	600,000
8. Japan	1,422,483	1,422,483	0
9. Mexico	34,000	34,000	0
10. Netherlands	2,561,436	2,561,436	0
11. Pakistan	129,998	129,998	0
12. Senegal	[1] 40,000	0	40,000
13. Sweden	2,100,000	2,100,000	0
14. Thailand	160,000	160,000	0
15. U.S.S.R.	1,000,000	1,000,000	0
16. United Kingdom	5,000,000	5,000,000	0
17. United States	18,811,869	17,864,143	[2] 947,726
18. Yugoslavia	192,000	192,000	0
Total	38,079,413	35,923,266	2,156,147

[1] This pledge was announced for the U.N. Special Fund and the U.N. Technical Assistance Fund, but the allocation of a portion to these funds has not been made.
[2] The United States agrees each year to contribute an amount equivalent to 40 percent of the total amount collected.

Mr. BRIDGES. Madam President, it is hard to believe—but it is true. The United Nations Special Fund approved, on the recommendation of its managing director, a project to hand over to Castro nearly half a million American dollars. Even more incredible, but also true, the managing director of the Special Fund who recommended this project is an American—Paul Hoffman.

And, equally startling, but also true, the protest lodged by the representative of the United States was not on the grounds that Castro is a blackmailer, a blood-soaked dictator who denies his nation the right to vote, a bandit who vilifies our leaders and the clergy of his own nation, the leader of an outlaw government with which we have broken diplomatic relations—no, none of these things are protested. Our U.S. delegate objected on "technical, economic, and administrative grounds."

Madam President, it is high time the members of the Appropriations Committee of the Senate did some objecting on "technical, economic, and administrative grounds" before we approve any further outlay of taxpayers' money for such nonsense as this contribution to Castro.

I plan to ask some very "technical" questions about the "administrative" aspects of this $48 million fund and the "economic" reasons why the United States should contribute 40 percent of that amount.

Whether the United Nations knows it or not—the American people know Castro is an enemy of the United States—you know it, Mr. President, and I know it. I, for one, do not propose to approve a program to give the enemies of the United States any handouts from the pockets of the American taxpayer.

To me it is inconceivable that we should condone this action. It is inconceivable, too, that we should have in Cuba at the present time a group of so-called technical experts negotiating with Castro on tractors, or bulldozers, for the release of political prisoners. All these things are almost beyond the realm of comprehension. Here is a great power, the United States of America, that has proud traditions, that has shown every friendship for the country of Cuba, that fought a war to make Cuba free, that has maintained the economy of Cuba by subsidizing the sugar crop for a long period of years, and now, one after another, we are taking steps which, to my mind, stultify our senses.

This last event, which I mentioned, paying taxpayers' money, through the United Nations, to a country that is threatening us and is now holding us up for ransom and blackmail, is more than I can stand for in silence.

There may be some people around this country who enjoy seeing American citizens negotiate a ransom agreement. I just want to register the fact that there is one Senator who does not like it, who protests it; and I hope this country will wake up before it is too late.

It is shocking to find the United Nations being used for the purpose of paying money to Cuba when we have at the moment such strained relations with Cuba, and when we have now—even though it is a private committee—a group of technicians negotiating to pay blackmail and ransom. It just does not make sense.

I predict further trouble, nothing but trouble, in the months and years ahead. The sooner we face up to it, the better.

People who like to close their eyes to all that is going on are welcome to close them. My eyes are open. They have been open for some time. Two and a half years ago I stated my views predicting what Castro meant to this country—that he was a menace to the freedom of his own country. Everything that I warned would happen has come true, and more. I think some people now finally should be awakened to the danger.

Mr. KEATING subsequently said: Madam President, I wish to say a few words about the matter which the Senator from New Hampshire discussed a few moments ago. I was astounded that our delegate to the United Nations had not taken a more forceful position with reference to the payment to Cuba. If the Senator from New Hampshire were sitting, as I was sitting this morning, and as the distinguished junior Senator from Connecticut and other members of the Internal Security Subcommittee have sat, in hearings about the Fairplay for Cuba Committee, he would understand, as I am sure he does understand, and as members of the committee understand, that the Fairplay for Cuba Committee has developed into simply a pro-Communist organization. There may have been some sincere people in it in the beginning, and there may still be, but the organizers of it and the active members are following the Communist line completely.

The Senator from New Hampshire is being very realistic when he points out what we are up against in Castro's Cuba. I congratulate him on his remarks.

PROPOSED SUMMER RECESS OF CONGRESS

Mr. McGEE. Madam President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an editorial entitled "Full-Time Job," published in the Washington Post of June 14, 1961, regarding a proposed summer recess of Congress, and pointing out the necessity for full-time operations, with reasonable allowance for summer vacations, campaigning, and contacts with constituents.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FULL-TIME JOB

Congress seems to be settling down to its hot weather siege in Washington. Hope that it might finish its work by the end of July are steadily fading, and most of the wishful talk is now of adjournment by Labor Day. Even that target date seems to be enveloped in a deep haze because of Senate Majority Leader MANSFIELD'S determination to bring out of the Rules Committee a proposal to curb filibustering in the Senate.

The numerous unfinished tasks are usually cited as an argument against the summer recess for which many Congressmen have been pleading. We think that they point in the opposite direction. They suggest that the idea of Congress finishing its legislative work from January to July or August is really an illusion and that the Congress would do well to acknowledge the necessity

for full-time operations, with reasonable allowance for summer vacations, campaigning and contacts with constituents.

The chief opposition to any change in thinking about the congressional sessions seems to come from Speaker RAYBURN, who derides talk of a summer recess as "nonsense." Maybe this means nothing more than that Texas is hotter than Washington in summer. A Congressional Quarterly poll indicates that a majority of those who responded (175) are willing to let the present arrangement stand, but this is far short of a majority of the total membership, and 109 specifically favored a summer recess. We surmise that this number will grow as more of the younger and less inflexible Members come to realize that serving in Congress is a full-time job.

GOALS OF RESOURCE DEVELOPMENT

Mr. KEFAUVER. Madam President, the Honorable Stewart L. Udall, Secretary of the Interior, did my State of Tennessee the honor of appearing before a joint meeting of resource development groups in Fayetteville recently.

This meeting, sponsored by the Tennessee River and Tributaries Association and by the Elk River Development Association was an important landmark along the road to great achievements such as have been exemplified by the Tennessee Valley Authority over the years.

It marked a vigorous stride into a New Frontier. The future growth and development of our economy, not only in Tennessee, but in many other portions of our Nation relies upon leadership such as that offered by Secretary Udall and groups similar to the Tennessee Rivers and Tributaries Association and the Elk River Development Association.

Mr. Udall's remarks sounded a strong keynote which should give encouragement to all those seeking progress toward our goals of resource development.

I ask unanimous consent that Mr. Udall's speech be printed in the RECORD at this point in my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. STEWART L. UDALL, SECRETARY OF THE INTERIOR, AT THE TENNESSEE RIVER TRIBUTARIES ASSOCIATION AND ELK RIVER DEVELOPMENT ASSOCIATION, FAYETTEVILLE, TENN., MAY 12, 1961

You do me a unique honor in asking me to talk with you about development of water resources. You were in the frontlines of the long battle for water development in this region when I was a schoolboy in a little Arizona ranch town. You were among the first New Frontiersmen because you were pioneers in a coordinated, comprehensive river development plan. To all of you residents of the Tennessee Valley, the subject of water and its planned control and use is far from novel.

I understand your valleywide association is only slightly more than a year old. You can accomplish much through joint and coordinated action, and you hold it within your power to be of considerable assistance to the directors of the Tennessee Valley Authority. You are holding fast to the original brilliant concept of TVA. You well realize that we can no longer afford to be piecemeal in our development of water resources. We must devise plans which will transcend the interests of individual localities or agencies, and which will conform to a broad plan of integrated development of all the resources of a great watershed. This is no time for standpatters, it is no time for the overly cautious approach to resource development—it is a time for broad-gaged planning and bold action. President Kennedy has told us, "Failures to act now may be opportunities lost forever."

Years ago you and other farsighted men set the pattern. You saw the opportunities available in harnessing the mighty Tennessee and making it work for mankind. In so doing, you made the three letters TVA synonymous with the idea of overall basin development.

It wasn't a simple matter. I'm sure many of you vividly remember the slow and often disappointing struggle which you underwent before TVA became a reality. Perhaps by now, though, that stirring story is "old hat" to some of your neighbors in this valley. I know that you here tonight, representing various area development associations, have not forgotten and will not forget.

The world outside this beautiful valley of yours continues to hold up TVA as a shining example of the best that man can accomplish in utilizing nature. Just 6 days ago, the Christian Science Monitor carried a long story about the Cauca Valley Corp., a new river development effort in the South American nation of Colombia. It quoted the English-speaking general manager of the CVC as saying, "We think we are admirably suited for a TVA-type development." It isn't the admittedly great water development works of Russia that these South Americans look to as a guide—it is your own, our own, TVA. And so it goes, everywhere in the free world. Do not, yourselves, become immune to the great accomplishments around you.

Not all of the development of the Tennessee River region is to be spoken of in the past tense. Part of the job still remains to be done. I'm sure you recall the words of the late George Norris who said in his autobiography:

"This program of controlling the surplus flood waters of the great Mississippi Valley by storage in natural reservoirs situated on the mainstream and along the tributaries is an immense one. It may never be fulfilled. That depends entirely upon the vision of the American people. It will require a vast amount of money to complete it; it will take years of planning and of labor to meet fully all of its factors; and yet it offers the only promise discovered by men for the effective control of floods and efficient conservation of natural resources."

Yes, you have begun to make real use of your river system—but you've only begun, as George Norris foresaw. Now you face the challenge of continuing with his great vision—yes, and that of many others as well. You who continue to hold to the vision, you who still have the evangelist's fervor and the salesman's persistence, must work together with the officials of the TVA to complete this project that is of great importance to all America. One of the dreams that you in the Southeast have long held is that of joining the Tennessee and the Tombigbee to cut off 600 miles of the long water journey from your ports to the gulf. The TVA itself was once such a pipedream—who knows, perhaps your later efforts will be crowned with success. Certainly, this administration favors a stepped-up program of long-range planning now in the resources field.

You leaders realize, too, that river development doesn't necessarily mean great power dams or navigation channels on every watercourse. You realize that some areas of this vast river basin are best suited for recreation development, others are promising for intensive agricultural undertakings, such as your growing poultry industry, or timber production, and some spots are best retained for the benefit of wildlife. There's room on the big Tennessee and its tributaries for all kinds of development. Not every mile of the system can be developed as a new Pittsburgh—just as not every mile can be drained farmland, a river park, or a wildlife refuge. But every mile can be developed in some manner, with due consideration for economics and always with a progressive and farsighted standard of feasibility that holds great faith in the future.

Listen again to George Norris' words: "Every drop of water that falls from the heavens to the earth beneath should perform its proper share of preserving the blessings God intends to bestow upon his people." Every drop of water in this watershed can be made to work, over and over again, and it must be done. The important thing, it seems to me, is to develop this homeland of yours that the natural resources so abundant here are utilized and conserved in the highest and best manner appropriate to the overall concept of basin development.

All of us in the Kennedy administration were enthused and challenged by the precedent-setting special message of the President concerning natural resources. Here was given all of us a blueprint for the construction of an integrated program for the wise conservation and use of our natural resources. If that stirring message could be summarized in only two words, I believe those words would be, "Think big."

We must all think big and act in accord with that thought. Here we can see that even George Norris, who thought some of the biggest thoughts ever to burst forth in the U.S. Senate, didn't think big enough. George Norris almost overlooked one of the primary items in the Tennessee River development—the recreation potential of water. Recreation is a latecomer on the list of benefits of comprehensive river development, and certainly we cannot blame the founding fathers of TVA for initially paying it little heed. But now, in a nation of rising wages and increasing leisure time, recreational use of the TVA facilities is growing at an astonishing rate. Americans have discovered that yours is one of the most diverse and enjoyable outdoor recreation areas in our Nation. I'm told that an average of $8½ million worth of new recreation facilities is added each year at the reservoirs of the TVA. In addition to a total governmental recreation investment here of $120 million, there has been nearly an equal amount in private recreation investments such as cottages and resorts. You have close to 50,000 boats on your river system. Think what all this already means to the economy of your valley. Think what more it will mean in the years immediately ahead.

Everywhere in the United States recreation is becoming big business. We're going to have to think and act mighty big if we meet the pent-up recreation demand.

We in the Department of the Interior have taken this recreation boom, and the President's message, to heart. We are embarking on some big planning for recreation development throughout the United States. We feel that this is the moment of decision. What we do, or don't do, in the next 10 years will set the character of this Nation for generations to come. America's open space is disappearing rapidly at a time when all signs point to mounting demands for parks, parkways, recreation areas, and wildlife refuges. We need open space in which to find outdoor enjoyment and refreshment of mind, body, and spirit.

To meet this need we are laying plans for a program without parallel in our history. Because much of this recreational development is of national impact, we want the Federal Government to take the lead in a program we're calling Parks for America. And we want to encourage local areas and States to do more through a cooperative

effort. Only a few areas and a few States, notably New York and California, are keeping up, or vigorously attempting to keep up, with the mounting demand.

This generation, as we see it, has a last-chance opportunity to save perhaps 15 or 20 million acres for national parks, another 2½ million acres for national recreation areas, more than a million acres for national parkways and scenic roads such as your Natchez Trace, 4½ million acres for wildlife refuge areas. The program will be costly, but every year we delay the costs will rise. Fortunately, much land we propose to retain as open space already is in public ownership. But, for 4.6 million acres of privately held land that we foresee as national park lands, the estimated cost has doubled in the past 10 years and is expected to nearly double again in the next 10. Make no mistake about it, if we do not act now the opportunity will vanish. What we save in the next 10 years may well be all we will ever have the chance to save.

These aren't the only ways in which we are undertaking to implement the natural resources program outlined by President Kennedy. We hold uppermost his warning that "Our Nation has been blessed with a bountiful supply of water; but it is not a blessing we can regard with complacency." In all those areas wherein we have primary responsibility for multiple-purpose water development we are hard at work drawing up plans for a resumption of the effort that shriveled into near nothingness during the past 8 years. In this we have as a shining example the transformation wrought in hydroelectric power production and consumption by your TVA. That transformation brought you from an area of relatively little electric use to one in which electric power consumption is nearly twice the per capita average for the rest of the Nation.

Too, we accept the goal of developing comprehensive river basin plans during the decade of the sixties, so that all parts of our country can follow the steps to progress that you have made.

And we share with others in the Government a concern that a major breakthrough be made, and made soon, on the growing problem of cleaning up our streams. Conserved water will be of little use if it is polluted water. No longer can we rely on the adage that "dilution is the solution to pollution." Something more, something positive, must be done. We face the imminent peril of having our major rivers become thousand-mile sewers.

No longer is water pollution a problem of a few metropolitan areas; it is a problem nationwide in scope. To meet it we must spend twice as much on municipal waste treatment plants as we now do. The administration's program for a grant-in-aid system to help communities meet this problem is the start. With its adoption perhaps I won't have to inhale the stench of the Potomac when I drive home on a hot day. Perhaps we will close out the business I read about recently in a magazine—the business some private enterpriser started on the Missouri River. He skims and sells the grease from the surface of the broad Missouri.

Already the Secretary of Agriculture and I are working together in another area to which the President directed his attention. Together we are formulating a comprehensive Federal recreational lands program and working to eliminate conflicts in fish and wildlife programs so that an increased and improved wildlife conservation effort may be made. If this takes some knocking together of a few bureaucratic heads, then Secretary Freeman and I are ready to do it.

I hope it goes without saying that in all these various fields of natural resource planning and development the Federal Government does not desire to move ahead alone. Nor does it expect to. We are heeding President Kennedy's view that only through the fullest participation and cooperation of State and local government and private industry can this task be done wisely and effectively. It's up to you folks just as much as it is to us. Resource development is a must—a natural, if you'll permit the pun. With our soaring population we are facing what I call the quiet crisis. For all its quietness, this crisis in the field of resource development is just as real as the one we face in world affairs. America has the ability to meet this crisis—we aren't a poor nation. Just a small part of the money we now spend on pointed-toed shoes and overpublicized gimmicks can have a beneficial effect for many generations if we direct the money into public investment. As progressive conservationists concerned with the efficient development of our Nation our job is cut out for us.

I'm sure I could do no better than to end with the closing words of the President's natural resources message: "The task is large but it will be done."

WHAT WE CAN DO FOR OUR NATION

Mr. KEFAUVER. Madam President, President Kennedy has called upon us all to make sacrifices and do something for our Nation. It is often difficult, despite our willingness, to determine just how we as citizens can respond to this plea.

In the Washington Post on June 12, 1961, Drew Pearson reports on one way in which we can help meet President Kennedy's request—a way which was outlined clearly by the President himself at a recent dinner of the Big Brothers, an organization dedicated to helping our youth.

I think Mr. Pearson's report and President Kennedy's remarks before this worthwhile organization are worthy of attention, and I ask unanimous consent that Mr. Pearson's column be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRESIDENT TELLS WHAT WE CAN DO

(By Drew Pearson)

A lineman for the Philadelphia Electric Co. wrote me the other day: "I would like to do something for my country as President Kennedy asked. My trouble is, I don't know what I can do to help. Please don't tell me to join the Red Cross or some charity drive."

His letter was typical of many others I have received and thousands which the White House has received. And the other night, President Kennedy, at a Big Brothers dinner, answered, it seemed to me, these letters.

He was talking about the youth of America, because Big Brothers are dedicated to the system of having one man help one boy as his friend, adviser, and big brother.

So, President Kennedy said:

"Here is a most important cause for this country. Drew Pearson had in his article this morning some statistics which I would hope every American would read, and I have three statistics here which I think are important. In the next 10 years 7½ million American young people will drop out of school before they graduate; 2½ million will not have finished the eighth grade.

"In the next 110 years 26 million men and women, boys and girls, 25 years and under, will come in the labor market and be looking for jobs. And during that same period of time the jobs available to those who are only semiskilled, who are not well educated, who are not well adjusted, who are not well motivated, those jobs will become less and less.

"WASTE OF YOUTH

"Now I feel that we are a city on a hill and that one of our great responsibilities during these days is to make sure that we in this country set an example to the world not only of helping and assisting these youngsters to fulfill their own destiny, but also demonstrating what a free people can do.

"We cannot possibly permit the waste of hundreds and thousands of young boys and girls who grow up in underprivileged areas, many of them in our northern cities, who drift into life without ever developing their talents, and ultimately may end up in a life of crime."

President Kennedy was speaking from very rough notes which I had seen him scribble during dinner. But he was speaking with great sincerity. And at this point it seemed to me he answered the question of the Philadelphia Electric Co. lineman and many others.

"This is a free society," he said, "and many people write to me and say 'Well, what can we do for America, what we are supposed to do?'

"Well, I suppose it might be easier if I could say that I wanted them to go ashore on a bombarded beach or take some action one afternoon which would make a significant difference in the life and survival of our country.

"But those are not really the kind of responsibilities which we are going to have to meet in the coming days and years," the President continued with great conviction. "It's a much slower and gradual task. There is no final definite responsibility or commitment which we must accept to fulfill our responsibility.

"We must do all the gradual things which are unspectacular, and in many cases seem unrewarding—such as helping a foreign student or doing what you are doing here tonight.

"No one in the United States other than those who are associated in your work will possibly recognize that the effort you make here tonight, or, more important, have made week by week, year by year to help one, two, three boys or girls—they probably will not realize that this represents a significant contribution to the maintenance of our country. But if it's done by enough people for a long enough period of time, it will represent a significant contribution.

"The Government of the United States, or the President, cannot, in a free society, command—nor should they—those actions for the benefit of the state which our adversaries are able to do with ease. These things must be done in a voluntary manner and they must be done by our own individual impulse.

"Therefore, I think this work that you are doing is work which is most important in a most important time in the life of our country.

"And, if in that effort, you are able by the passage of some hours of a busy life to make some significant difference in the life of one of our fellow Americans who might without your help slip into an experience which could prevent him from ever fulfilling his responsibilities to the maximum as a participant in our society, then I would hope you would feel that you've not only met your own obligations as an individual but also as a participating member of a great society.

"So I congratulate you tonight, and those who are joined with you. This is the sort of thing I mean when I say what we can do for America."

Mr. MANSFIELD. Madam President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

FEDERAL AID HIGHWAY ACT OF 1961

Mr. MANSFIELD. Madam President, I move that the Senate return to the consideration of the unfinished business, H.R. 6713, and that it be made the pending business.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate resumed the consideration of the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal aid highway program, and for other purposes.

EXECUTIVE SESSION

Mr. MANSFIELD. Madam President, I move that H.R. 6713 be temporarily laid aside and that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

FEDERAL POWER COMMISSION

Mr. MANSFIELD. Madam President, I move that the Senate consider the nomination of Mr. Joseph C. Swidler, of Tennessee, to be a member of the Federal Power Commission.

The PRESIDING OFFICER. The nomination will be stated for the information of the Senate.

The legislative clerk read the nomination of Mr. Joseph C. Swidler, of Tennessee, to be a member of the Federal Power Commission for the remainder of the term expiring June 22, 1965.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the nomination.

Mr. BRIDGES. Madam President, the Senate is presently considering the nomination of Joseph C. Swidler to be a member of the Federal Power Commission. President Kennedy has already indicated that Mr. Swidler will become Chairman of the Commission, if he is confirmed. This nomination was ordered reported by the Senate Committee on Commerce on May 11, 1961. Before the Senate undertakes to exercise its constitutional responsibility relative to this nominee, I believe that there are a few points we should keep in mind.

As many Senators are fully aware, there have been voluminous treatises written on the so-called administrative process and the role of a Federal regulatory agency in that process. The experts, both within and without the Senate, agree that the regulatory functions of a Federal agency such as the Federal Power Commission fall into two broad categories—rulemaking and adjudication. The latter function is quasi-judicial in nature, and in its exercise the Commission reaches a decision relative to conflicting applications or claims of two or more adversary parties, or, in certain cases, the application or claim of a single party.

Madam President, in connection with the nomination of Mr. Swidler, I have been seriously wondering whether, during his term as a Commissioner, and, more importantly, during his term as Chairman, he will so conduct himself as to change adjudication to advocation. I raise this point because most, if not all, of Mr. Swidler's professional experience has been in connection with the open advocacy of the generation, transmission, and distribution of electric power by either Federal, State, and local agencies, or cooperatives, as opposed to the generation, transmission, or distribution of such energy by investor-owned, taxpaying components of our private enterprise system—the local public utility companies.

I note that on pages 108 and 109 of the transcript of the committee's hearings on April 11, 1961, in response to a question posed by the distinguished junior Senator from Oklahoma [Mr. MONRONEY], Mr. Swidler stated in part:

> The private utilities are the principal reliance of 80 percent of the people of this country for power service. They represent an investment of many, many billions of dollars. It would be unthinkable to want to injure the private utility industry. I do not. I would regard it as part of my responsibility to encourage them to become stronger rather than weaker and to improve their performance.

Madam President, from this statement of the nominee, and without a further reading of the hearing record, one could be misled into concluding that Mr. Swidler will be exclusively an adjudicator and not an advocator. However, I have not reached any such conclusion. My doubts are just as serious now as they were when this nomination was first received in the Senate. I shall not take the time of the Senate in a full review of the hearing record, but I wish to serve notice here and now, in view of his statement, which I have just quoted, that if he is confirmed, I, for one, shall be closely watching the official actions of Mr. Swidler to see if in fact he, as he promised the committee, will so conduct himself as to be at all times an impartial adjudicator and not an advocator of the so-called public segment of the electric utility industry.

THE TEST BAN MORATORIUM FORMULA FOR NATIONAL DISASTER

Mr. DODD. Madam President, for 2½ years we have been engaged in the marathon test ban conference in Geneva. For almost 3 years we have observed a voluntary moratorium on nuclear tests of all kinds. In an effort to achieve agreement, we have conceded and conceded and conceded to the Soviets, until there is little left of our original position.

Only a few weeks ago at Geneva we made another dramatic concession in an effort to placate the Soviets. We had until then held to the figure of 20 on-site inspections per annum, an arbitrary figure which many experts considered to be totally inadequate. The Soviets had held out for the token number of three onsite inspections per annum. The American representatives at Geneva have now proposed that we compromise at the halfway figure of 12 inspections per annum for the entire territory of the Soviet Union.

Instead of offering reciprocal concessions, the Soviets have hardened their position. They now demand that the control body be governed by a three-man directorate in which the Soviet representative would have the power of veto. This is a position which we cannot possibly accept, and our representatives have said as much.

I am encouraged by the firmness of our position on the Soviet veto. I am also encouraged by the reports in yesterday's papers that the administration is preparing for the resumption of testing and that it is working on a white paper that would set forth our position to the world. It is my devout hope that the administration's position is firm and irrevocable.

But I cannot help recalling that on at least three occasions under the Eisenhower administration there were hints that we might resume underground testing, followed by faithful adherence to the moratorium.

I am also fearful, that, having tested our patience to the very breaking point, the Kremlin will, at the last minute, come forward with some meaningless little concession and start the propaganda drums beating for a continuation of negotiations.

In the light of our bipartisan record of confusion and indecision on the question of the moratorium, I shall in fact remain apprehensive until the day it is finally announced that tests have been resumed.

There have been many mistakes of judgment in the postwar period, under both Republican and Democratic administrations. But the moratorium on nuclear testing was, in my opinion, one of the gravest of all of our many errors. The moratorium was wrong, no matter how we look at it.

It was wrong because it constituted a departure from what had, up until that time, been the cardinal principle of our policy on disarmament: that each step in the process of disarmament must be accompanied by a corresponding measure of inspection. Even from the standpoint of those who sincerely believed that a satisfactory test ban could be achieved or might be achieved, the moratorium was wrong.

It was wrong because it completely deprived us of diplomatic bargaining power. There was absolutely no reason why the Soviets should have negotiated in good faith for a test ban with inspection when we had, in effect, already consented to a test ban without inspection.

The moratorium was wrong because we were staking our security as a nation on the preposterous assumption that an organization of conspirators and murderers and liars, which has violated virtually every agreement into which it has entered, would for some strange

reason respect its commitment to a reciprocal moratorium.

What is worse, we assumed that it would do so even though there was no system of inspection and no way of detecting sneak tests. In all our long history, I doubt that we have ever before committed a blunder so fatuous on a critical issue of foreign policy.

It was estimated at the time that we embarked on this moratorium that we enjoyed a 3 to 4 year lead over the Soviets in nuclear weapons technology. If the Soviets have been conducting clandestine tests, that lead may now be wiped out. In fact, we cannot ignore the possibility that the Soviets may now hold the technological lead.

On May 12 of last year I spoke in the Senate on the folly of the test ban moratorium and on the increasingly dangerous concessions we were making to the Soviets as the Geneva conference progressed. I said that, in the light of the Kremlin's unbroken record of broken promises, it could be taken as a virtual certainty that the Kremlin had not been observing a reciprocal moratorium on tests, and that it would not do so if a treaty were signed. I asked the administration at that time either to provide the American public with assurance that the Kremlin had honored the moratorium, or else to justify the extension of the moratorium in the absence of such an assurance. I said that if, through clandestine testing, the Soviet Union were to beat us to a single major technological breakthrough like the neutron bomb or the antimissile missile, this one breakthrough might be enough to cost us our freedom.

Last August 14, I again spoke in the Senate to plead for bipartisan action to terminate the moratorium. I said that the moratorium increased the danger of war rather than diminished it and that it might ultimately cost us our freedom. I appealed to the leaders of my own party to take the issue out of partisan politics and out of the election campaign by making it clear that the renewal of underground nuclear testing would have their unconditional support.

Other voices than mine were raised against the moratorium, voices that I consider far more knowledgeable and authoritative than my own. First among these advocates, I would list the late Thomas E. Murray, for 9 years an Atomic Energy Commissioner, who, until his dying day, warned and warned and warned that the moratorium was imperiling our national security.

It was also common knowledge that the members of the Joint Chiefs of Staff and of the Atomic Energy Commission have opposed the moratorium and have repeatedly, if privately, urged the administration to resume underground testing without delay.

Since last August I have not spoken publicly. But the problem has remained one of my chief concerns. There were certain aspects of the problem, I felt, that made it preferable to pursue the matter through confidential memoranda and letters. These I have sent out in many directions, and at the highest level. If I have now decided to speak publicly, it is because I am convinced that time is running out for us. We have already delayed far too long.

Madam President, we are in mortal peril. In the increasingly dangerous world situation, every month and every week of delay may be of critical importance.

More than a year has passed since I first spoke on the folly of the test ban moratorium. At that time, I mentioned the neutron bomb as one of the more menacing technological possibilities on the horizon. The neutron bomb, I said, could be produced by tailoring the energy of a fusion explosion, so that, instead of heat and blast, its primary product would be a burst of neutrons. Such a burst would operate as a kind of death ray. It would do next to no physical damage, it would result in no contamination, but it would immediately destroy all life in the target area. This, of course, would make it an ideal battlefield weapon. It would, in fact, make it a far more effective battlefield weapon than any now in existence.

I said that, in the light of theoretical knowledge as of 1 year ago, the neutron bomb was no more questionable than the hydrogen bomb was 6 months before it was detonated. Moreover, there had been references in the Soviet scientific press to experiments with neutrons, experiments that had yet to be performed in our country.

My statement on the neutron bomb was challenged by certain learned scientists and scoffed at by some critics. One item in a national magazine was captioned "Dodd Bomb a Dud."

Some weeks afterward, U.S. News & World Report checked into the matter. They consulted with a number of nuclear scientists. Their report completely confirmed the statements that I had made on May 12.

Today, I doubt there is a single nuclear physicist of repute who would challenge the neutron bomb from the standpoint of scientific feasibility. It can be built, but nothing can be done to build it until we are free to resume nuclear testing.

Meanwhile, there has been a negative but ominous development in the Soviet scientific press. Previously, there were some references to experiments with neutrons in the Soviet press. But for the past 2 years, there have been no further references. Public scientific discussion of neutrons in the Soviet Union is apparently proscribed. This fact may have considerable significance.

The Soviets in the postwar period have shown a fantastic ability to carry out weapons development in complete secrecy, even when scores of plants and thousands of men were involved. They surprised us with the A-bomb, they surprised us with the H-bomb, they surprised us with sputnik.

Suppose they promote a crisis at Berlin and then again surprise us by demonstrating their possession of the neutron bomb. At that point we might find ourselves confronted with the terrible choice between surrender and all-out thermonuclear war.

I have used the neutron bomb to underscore the point that our freedom can be lost if we lag in the field of nuclear technology. But the neutron bomb is only one of many technological possibilities on the nuclear horizon. Whether it is the neutron bomb, or whether it is the antimissile missile, or whether it is some other critical development, I consider it no exaggeration to say that if we do not test and the Soviets do test, sooner or later they will possess the means for destroying us at relatively small risk to themselves.

There are many technological roads to disaster. Despite the growing technological perils, despite the absolute intransigence of the Soviets at Geneva, despite their provocation in canceling out previous points of agreement, we still find ourselves entrapped in the test ban negotiations and in the moratorium which somehow became a condition of these negotiations. So far we have not moved to extricate ourselves from the moratorium although we now have more than ample justification for doing so. We still stand there for all the world like a mouse mesmerized by a serpent that is about to devour it.

I am not sure that it is commonly recognized by the American public that, despite all the talk about detection, scientists have for some time agreed that there exists no method at the present time for detecting underground tests that produce earth shocks smaller than the shock generated by a 20-kiloton explosion. This, I would point out, was the size of the Hiroshima bomb.

It is also generally accepted by the scientific community that, by conducting tests in spherical caverns hollowed out of salt or limestone deposits, the seismic impact could be greatly reduced so that underground tests many times larger than 20 kilotons could be carried out without serious risk of detection.

The system of detection about which we have been arguing so much in Geneva would be capable of detecting only tests which produce earth shocks equivalent to that of a Hiroshima bomb. Below this level, inspection would be impossible for the simple reason that detection is impossible.

At the Camp David conference between President Eisenhower and Prime Minister Macmillan, we again abandoned the principle that there must be no measure of disarmament without a corresponding measure of inspection: we offered, if a treaty were signed, to observe an additional moratorium of 27 months on all tests below the threshold of detectability—tests, that is, which produce a seismic shock smaller than that of the Hiroshima bomb. Since then we have agreed to extend the term of the voluntary moratorium on nondetectable tests to 3 years.

Madam President, for the life of me, I see no point to a detection system which would cost several billion dollars to install and probably another billion dollars a year to operate and which would, according to the experts, still leave the Kremlin free to sneak-test devices up to the size of a Hiroshima-type bomb, and devices considerably larger than this if they were willing to spend a few million dollars on excavating a big underground hole. That is why I would have had to vote against the present

draft treaty, if it had been accepted by the Soviets.

Although the West has made many major concessions, the Kremlin so far refuses to sign the treaty we have proposed. Frankly, I do not know why and I do not think anyone knows. It remains to be seen whether the Soviets will not offer some "piddling" last-minute concession to keep the negotiations going.

If they permit them to collapse despite our major concessions, this may have a very ominous significance. It may conceivably signify that the Soviets are entering into a period of stepped-up security and because of this they are not prepared to countenance the establishment on their territory of even the small number of control posts envisaged by the treaty. The intensification of Soviet secrecy, in turn, might conceivably imply preparation for a possible surprise nuclear attack against the West.

I point out to my colleagues that in recent Soviet military theory there have been a number of very frank articles dealing with the importance of surprise in nuclear warfare. I suggest this explanation as a possibility which we cannot ignore.

There is a growing concern in the country and a growing concern in Congress about the Geneva negotiations and the test ban moratorium. Within recent weeks, several of the most knowledgeable Members in both Houses including the junior Senator from Washington [Mr. JACKSON], the senior Senator from Missouri [Mr. SYMINGTON], and the chairman of the Joint Committee on Atomic Energy, Representative HOLIFIELD, have taken the floor to urge the resumption of nuclear testing. By this, of course, they referred, as I did in my earlier statements, to underground nuclear testing that does not contaminate the atmosphere or in any way endanger human life.

Let me again suggest the outlines of a broad nuclear policy that would command the respect and understanding of our friends and would protect our vital interests.

First. We should say frankly to the Soviets that when we speak of a system of adequate inspection, we do not mean a system based 99 percent on trust and 1 percent on inspection. The one truly effective way of policing a ban on all categories of tests would be the acceptance of the principle of complete openness by both sides. We, therefore, propose a test ban based on President Eisenhower's "open skies" proposal, plus unlimited right of ground inspection, and policed in each country by a stated number of aircraft and inspection teams enjoying complete freedom of movement. Given acceptance of this principle, we could immediately conclude a test ban agreement.

Second. If the Soviets do not accept our proposal for a complete test ban based on "open skies" and unlimited right of inspection, we propose, as an alternative, an immediate ban on all tests that contaminate the atmosphere. We point out that an agreement on this simple but basic proposal would respect the opinions of mankind, could be easily monitored, and would at the same time, pave the way for further and broader agreements.

Third. If the Soviets, in turn, reject our proposal for a worldwide ban on "dirty" tests, we announce that we ourselves will voluntarily observe a moratorium on such tests. We express the hope that the Soviets will also observe such a voluntary moratorium in the absence of a formal agreement.

Fourth. We announce our willingness to extend the ban to other categories of tests, if, as, and when enforceable methods of inspection are developed.

Fifth. We announce that we plan to resume tests immediately in space and underground.

Sixth. We commit ourselves, with testing again possible, to an all-out program of nuclear weapons development, conceived on a scale that will not merely maintain our lead over the Soviets but will increase it from year to year. This program must be continuous. We must not again rest on our laurels—as we have done under both Democratic and Republican administrations—when we reach the next technological plateau.

Seventh. We declare our intention (a) to embark on a so-called "plowshare" program—that is, a program of research on hydrological and geographic engineering and on other peaceful uses of nuclear explosions; (b) to appropriate $100 million for this program of research; (c) to use our underground weapons test program, insofar as this can be done, to further our "plowshare" program; (d) to disseminate freely all information resulting from this program.

Eighth. We act immediately to arm NATO with nuclear weapons. Nothing would do more to reinvigorate NATO or to persuade its member nations of the seriousness of our intentions.

Ninth. We commit ourselves publicly to announce all tests.

Tenth. Recognizing the fact that nuclear physics is not an American monopoly, that Italian, Hungarian, German, Danish, and other scientists all played an important role in the development of the atom and hydrogen bombs, we call for and offer to participate in a joint NATO effort in nuclear weapons development. Such an enterprise would not be designed to replace our own facilities, but to cooperate competitively with them. Nothing would do more to tighten our alliance and to challenge the Russians. The existence of such NATO-wide research facility would also add to our leverage in pressing the Kremlin for "openness."

One does not have to agree in every detail with the proposals I have here presented. If we formally renounce all tests that contaminate the atmosphere, even without an agreement, and if, at the same time, we frankly declare to the world that Soviet secrecy and Soviet opposition to inspection leave us with no alternative but to resume underground testing, I am certain that the American public and the entire free world will understand and applaud this position. I am certain that the administration, if it took this position, would have overwhelming support from Congress and from the American people.

I can think of no measure that would let the Kremlin know more emphatically that we mean business when we say that there will be no further concessions and no further retreats.

The time has come for action, Madam President.

TIME FOR A YOUTH CONSERVATION CORPS

Mr. HUMPHREY. Madam President, recently it was my privilege to be lead-off witness at the hearings being conducted by the Subcommittee on Employment and Manpower of the Labor and Public Welfare Committee on my bill to establish a Youth Conservation Corps—S. 404—and on the administration's bill entitled "The Youth Employment Opportunities Act," which I introduced last week—S. 2036.

At the heart of these bills is the realization that steps must be taken, and taken promptly, to cope with the ever increasing numbers of jobless youth.

In my appearance before Senator CLARK's subcommittee I focused my testimony on the Youth Conservation Corps and what it can mean to our country both in terms of conservation of our natural resources and assistance for young men who are finding jobs impossible to obtain.

I am confident that this Congress, with the backing of the administration, will provide for establishment of a Youth Conservation Corps and that it will prove to be one of the wisest investments that the Congress has ever made in the future of America.

I ask unanimous consent that my testimony be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUBERT H. HUMPHREY BEFORE THE SUBCOMMITTEE ON EMPLOYMENT AND MANPOWER, SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE, JUNE 12, 1961

Mr. Chairman, I welcome this opportunity to appear here this morning to testify on S. 404, a bill to establish a Youth Conservation Corps, which I introduced on behalf of myself and 21 of my Senate colleagues, and on S. 2036, the "Youth Employment Opportunities Act" which I introduced last week on behalf of the administration.

As the members of this subcommittee know, S. 404 is identical to S. 812 which passed the Senate 2 years ago. S. 812 was carefully considered by a special subcommittee of the Committee on Labor and Public Welfare headed by the able senior Senator from West Virginia, Mr. RANDOLPH.

In brief, S. 404, proposes a corps of young men of good character from 16 through 21 years of age to carry on needed programs of conservation in our Federal and State parks and forests. The bill calls for a maximum enrollment the first year of 50,000; 100,000 the second year, and a top of 150,000 thereafter. Enrollments would be for periods of 6 months at compensation rates of $60 a month plus quarters, food, clothing and medical care.

The administration's proposal, as contained in S. 2036, provides for three different types of programs to help meet the needs of young people who are finding it difficult to obtain gainful employment. S. 2036 provides for (a) on-the-job and related training programs, including classroom instruction, in

order to improve the employability of young people and to enhance their chance of advancement after their entrance into the labor market as adult workers, (b) employment and training in cooperation with State and local governments to develop opportunities for employing qualified young people on local public-service or public-work projects, and (c) a Youth Conservation Corps of young men to work on conservation programs in our State parks.

As the author of the Youth Conservation Corps proposal and having been vitally interested for several years in the establishment of such a corps, I would like to direct my testimony this morning specifically to the YCC. Secretary of Labor Arthur Goldberg, who is appearing before this subcommittee as the spokesman for the administration, will testify in detail as to the entire program envisaged in S. 2036.

First of all, I wish to say how pleased I am that this administration is lending its support to establishment of a Youth Conservation Corps. It attests to the administration's acute awareness that more and more of our young people are finding it increasingly difficult to find employment, and that programs must be developed to assure these young people a place in the labor market.

I might note in passing that the administration's endorsement of a YCC carries out the plank in the 1960 Democratic platform which reads:

"As part of a broader concern for young people we recommend establishment of a Youth Conservation Corps, to give underprivileged young people a rewarding experience in a healthful environment."

I am confident, Mr. Chairman, that with the support of the administration, this Congress, before it adjourns, will approve establishment of a Youth Conservation Corps.

My proposal for a Youth Conservation Corps stems in part from my recollection of what the much larger Civilian Conservation Corps of the 1930's accomplished.

Every American every year can afford to say a word of thanks for those 3 million young men who were sent into the woods during the 1930's with no plans, no training, no preparation—just willing brain and muscle during a time when society seemed unable to offer men jobs in industry. The cleared camping area, the second growth grove of trees, the stabilized streambank, the wilderness trail, the upstream reservoir, the handsome retaining wall, the still-sturdy but now rundown recreational facilities in the national forests and parks—virtually each of these objects familiar to outdoorsmen—these constitute a gift from one generation of boys to the next and succeeding generations.

There were many harsh words said about some of the bold experiments of the New Deal, but there was virtually unanimous agreement that the CCC was a resounding success.

What happened to the CCC? It was one of the first casualties of World War II—when the boys who had been volunteering for the corps by the tens of thousands suddenly were swept up by an even more urgent call to arms. The manpower, or boypower, of the CCC just went to war.

After the war, due to a built-up demand for goods and services we experienced a period of relatively full employment. Young men found jobs were plentiful. But conservationists soon began to have bad dreams about the available soil and water and timber resources for our mushrooming population, and the pressure on the outdoor recreational areas of the country began to get out of hand.

And while conservationists were worrying about the population pressure on our natural resources, a second and more serious problem was developing.

From the files of police authorities and juvenile court judges an ugly and disturbing story has been brought to light—of boys dropping out of school and finding no jobs, of gang formation and violence, of arrests and convictions on a scale so unprecedented that the FBI Director has felt himself compelled to call it to public attention. The Navy reports that 1 out of 4 of its recruits has a record of arrest for a nontraffic violation of the law. Police forces have been augmented, juvenile court dockets saturated, and reformatories jammed.

During the hearings 2 years ago on S. 812, we heard witness after witness from the great metropolitan areas tell of the tremendous burden being placed on the police and the courts, and of the rising curve of costs to deal with delinquency. There was general agreement that a figure of $25,000 was a good estimate of the cost to the taxpayer for every juvenile delinquent who went the police-courts-reformatory road. The sickening waste of human lives was being accompanied by a staggering rise in costs. Worst of all, what was being spent apparently was not proving sufficient to solve the problem.

Young men who have dropped out of school and cannot find jobs find it all too easy to end up in trouble. Trouble not only for themselves but trouble for society. And with the crop of war babies now coming of age the problem becomes ever more acute: more and more young men in the 16- to 20-year-age bracket, and more and more of them who are dropping out of school and cannot find employment.

As Secretary of Labor Goldberg has noted, in October of 1960 some 300,000 young men from 16 to 20 were unemployed and that by 1965 we shall have 40 percent more persons under 20 in our labor force. By then an additional 800,000 young people will be job hunting. The Secretary notes also that in January the jobless rate for all ages was 7.7 percent whereas for those in the 16- to 20-age bracket it was 16.8 percent—more than twice the national average.

Mr. Chairman, these statistics add up to trouble—big trouble—a shocking waste of young lives and a scandalous waste of the taxpayers money in fruitless efforts to seal off nonrehabilitatable young people from the rest of society.

When I first proposed the Young Conservation Corps I tried to make it crystal clear that we were not proposing a panacea for the cancer of juvenile delinquency, but we were trying to save some boys who might otherwise go wrong. And we could point to the experience of hundreds of thousands of CCC boys who had been encouraged to lead a constructive life, who had been given both physical and mental health by their few months of hard, well-led work on the land.

Putting boys on the land, putting them to work on projects that needed to be done, on patriotic undertakings to build for the future of America, this I am ever more convinced would do more for America in terms of our Nation's mental health and physical fitness than even the important resource-conservation work the boys would accomplish. We are creating no new agency, no make-work boondoggles, but a simple and direct way to channel the creative energies of American boys into the planned projects of our Federal conservation agencies—under the direct supervision and leadership of our splendid forest and park rangers, wildlife management specialists, and soil conservationists.

In conclusion, Mr. Chairman, may I express the hope the YCC will not be treated as simply an experimental pilot project, as the administration bill, S. 2036, puts it. In my opinion, the case for a YCC is well established. We have a wealth of knowledge on the merits of such a program from the days of the CCC. And we know without a doubt of the desperate need for conservation work in our parks and forests. We know, too, of the increasing number of young men who are leaving school and finding it impossible to obtain gainful employment.

And so I most respectfully urge this subcommittee to approve the establishment of a Youth Conservation Corps that is more than a mere experimental pilot project. It would appear from the language in S. 2036 the YCC would contain at most 10,000 young men. This compares with a maximum enrollment of 150,000 in the YCC bill which the Senate passed 2 years ago. I would hope that this subcommittee would see fit to recommend that the enrollment limitations be more in line with S. 404.

I am confident that the results of the YCC—both in terms of helping young men over a very difficult period in their lives and in building up our Nation's natural resources—will prove to be a wise investment.

CZECHOSLOVAKIA'S SOCIALIST CONSTITUTION AND COMMUNIST STRATEGY IN LATIN AMERICA

Mr. DODD. Madam President, a recently published article disclosing the pattern of constitutional "legality" through which the Soviet regime has consolidated its power in Communist-controlled Czechoslovakia, has just been brought to my attention. This article is captioned "Czechoslovakia's Socialist Constitution."

The article, which appeared in the April 1961 edition of the American Slavic and East European Review, was written by a young man named Josef Kalvoda.

Dr. Kalvoda received his doctorate at Columbia University following release from a Communist prison in Czechoslovakia and is now serving as an instructor in political science and history at St. Joseph College, West Hartford, Conn. In addition to his teaching activities, Dr. Kalvoda is acting chairman of the Czech Christian Democratic Movement.

Dr. Kalvoda is known for previous writings. In 1958 he completed and successfully published the book "Titoism and Masters of Imposture," which capably described and analyzed the political background, facts, and unhappy circumstances under which Tito seized total power in Yugoslavia. He pointed out the undying devotion which Tito has to Russian communism, why Tito has refused to criticize anything essential to the victory of communism, and the certainty that Tito and his henchmen will defend Russia on any issue necessary to insure the victory of world communism.

Thereafter, Dr. Kalvoda wrote an article, "Communist Strategy in Latin America," which was published in the autumn 1960 Yale Review.

Members of the Senate will be quite interested in the autumn 1960 article, especially at this time, in view of Castro's Communist activity. The more recent article by Dr. Kalvoda, "Czechoslovakia's Socialist Constitution," stamps as a pattern the Soviet method of consolidation of power within any captive country.

Madam President, I ask unanimous consent that both of these articles be printed at this point in the body of the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Yale Law Review, Autumn 1960]

COMMUNIST STRATEGY IN LATIN AMERICA

(By Josef Kalvoda)

(About the author: Born in Czechoslovakia, Josef Kalvoda, Ph. D., is associate professor of political science and history at St. Joseph College, West Hartford, Conn. He is the author of "Titoism and Masters of Imposture," and numerous publications on topics of current interest related to the areas of the Soviet Union, Central Europe, and international relations.)

There was hostility toward the United States in all the Latin American countries long before communism emerged, but recent developments in Cuba and the whole Caribbean area show that an organized conspiracy is now exploiting and giving a new focus and direction to the traditional, but in the past largely unorganized, resentment of the colossus of the north.

Communist infiltration of Latin America has become a great concern to American officials. In a recent speech Governor Rockefeller pointed out the steadily growing infiltration of the area by Red China. "What is not generally realized," he said, "is that Red China, in addition to the Soviet Union, has been making a major effort at achieving influence in our sister republics. In fact, it is conceivable that the Soviet Union and Communist China have agreed to make Latin America primarily a Chinese Communist sphere of influence." The Red Chinese penetration of the area allegedly began in 1952 and was intensified in 1956, when the Chinese Communists founded a training school in Peiping for Latin American Communist parties. According to Gen. C. P. Cabell, deputy director of the Central Intelligence Agency, "The Chinese Communists are spreading the concept that China should be the model for social and economic revolution in Latin America. They point out the alleged similarities between the two areas."

Exactly how much the Latin American countries of today resemble prerevolutionary China it is hard to say. Certain similarities exist, but they are far outweighed by the differences in historical background, culture, tradition, and national character. It would also be easy to overestimate the extent of Chinese interest in the area. Some interest cannot be doubted, but Soviet and Central East European Communists' interest is much more obvious. Developments in Latin American countries receive extensive coverage in the Soviet and satellite press, and trade transactions between the two regions have been increasing. A careful reader of the Soviet theoretical journals cannot fail to see Moscow's directing role in Communist activities in the Western Hemisphere; nor can a student of East European affairs fail to detect similarities between developments in Cuba and those that took place in the so-called people's democracies after the Second World War. For these and other reasons it is at least doubtful that Latin America has become primarily a Chinese sphere of influence. What seems much more likely is that the area—the soft underbelly of the United States—has been made a joint sphere of influence of the Communist parties of the Soviet bloc and China.

A Russian theoretician defines the Latin American revolution as "anti-imperialistic and agrarian, with the ultimate goal of creating a democratic system and a government of national liberation." The objective is to defeat so-called North American imperialism and to transform the Latin American societies into, first, people's democracies, then Socialist states, and ultimately Communist societies. According to the same theoretician, "These transformations can be accomplished only by a united front of anti-imperialistic and anti-feudal forces whose guiding force should be the working class, with the Marxist-Leninist party at its head and an alliance of workers and peasants as its basis." A single national front is to be created in each Latin American country, though the particular conditions in any one country will have to be taken into consideration in its formation. Special attention is to be paid to the existing conflicts among the various groups in the anti-imperialistic and anti-feudal forces, and the enemy of the Party, as Nueva Era, the organ of the Communist Party in Argentina, writes, "must be met with crushing blows and attacks to divide, disunite, crush, and liquidate him as a class." The allies, on the other hand, "must be criticized, reformed, and urged forward; inconsistency and vacillation must be eliminated, and the unity of the masses strengthened."

A clear distinction is made between the enemies and the allies. The former are identified as "American imperialism, antinational capitalism, and the large landowners"; the latter—"the proletariat's allies"—are "the working class, the peasantry, and the middle layers of the national bourgeoisie." The front can be formed only if the temporary allies are attracted to a common cause, to a common minimum program. This program is devised by the Communists, who wish to be identified with the working class in the popular mind. The Marxist-Leninist parties, calling themselves the vanguard of the working class, do not always use the name of the Communist Party (e.g., the Popular Socialist Party of Cuba). They attempt to conceal the true and ultimate objectives for the time being, and deceive the masses by using only anti-imperialistic and chauvinistic slogans.

As in Russia in Lenin's day, and in Central East Europe and China in the time of their Socialist revolutions, in Latin America today the Communists consider the peasants the closest ally of the working class on the anti-imperialist and anti-feudal front. In order to attract the peasant masses they have devised an agrarian program that proclaims the right of all peasants to own land, though in those countries where the conditions for radical agrarian transformation have not ripened, the Communist Parties, while struggling to attract peasants into the united front, are advancing minimum agrarian programs. In Brazil, for example, such a program calls for a decrease in rentals * * * the enforcement of the rights of the working people in the villages as already established by law, the provision of peasants with bank credit, etc.

The middle class, too, is being courted. In the long run, as any Marxist-Leninist knows, the middle class is an enemy of communism and has to be destroyed, but it must be won over temporarily if the national front of liberation is to be a success. To pretend to protect the interests of the middle class is merely an expedient, but for the moment the Marxist-Leninists are instructed to make a great effort to refute the reactionaries slanders to the effect that the working class allegedly will do harm to the economic interests of the middle class and to enlist them in the anti-imperialist and anti-feudal movement.

Still another group in society, called by Communist theoreticians the national bourgeoisie, is being actively courted. This is hardly a homogeneous group, and some of its members are linked with imperialism and landed oligarchy, but others may be won to the Communist front by various appeals, such as anti-imperialism.

Such attempts at cooperation with the middle class and national bourgeoisie may seem to recall revisionism, Bernsteinism, or some other reformist attempt to establish cooperation among the various groups in society. In fact, however, the Communists make the following reservations which negate the reformist ideal: (a) the leading and guiding force of the front is always the Communist Party; (b) the national liberation revolution is recognized as only the first phase in the process of conversion to a Socialist system; (c) the foundation of the national front is the alliance of workers and peasants, not of workers and the national bourgeoisie; (d) the policy of cooperation with non-Communists is only temporary; while struggling for the common goals of the front, the struggle for the principles of the Marxist movement goes on; and (e) the Marxist-Leninists are continuously building a strong Communist Party, revolutionary in theory and organization, which uses the allies as temporary tools and abandons them at an opportune moment. The ultimate objective remains Communist victory and the establishment of the dictatorship of the proletariat as the first phase of communism. Marxist-Leninist theory is still the guide. New strategies and tactics may have to be devised in accordance with the objective situation in the world, but the aim of seizing power and establishing the dictatorship of the proletariat remains the same.

In Latin America an objective situation that is strong and lasting is the tradition of the caudillo, the man on horseback who knows how to get things done. Such a tradition is easily adapted to Communist purposes; all the Communists need is a caudillo of a new type, either a Communist or a puppet who will pave the way for complete sovietization of the country in time. In the popular mind the leader is to have all the power and glory. As the Marxist-Leninists see it, the masses mind only their selfish interests and have no interest in fundamental problems. They do not realize what their true interests are; they have to be led by those who know how to rule. The caudillo of the new type differs from the caudillo of the old type by being committed to establishing a new political and social system radically different from the one now existing in Latin America. The difference is the difference between Batista and Castro.

Violence and military force have played prominent roles in the politics of Latin America, but in the new Latin America, to be created by the Marxist-Leninists, force and terror will be institutionalized, rationalized, and made more efficient than ever. The new state, the new instrument of oppression, will use force and violence in a systematic and rationalized manner for the destruction of the remnants of the old order and for the construction of the new society, but the use of force will be interpreted for outsiders as merely a continuation of the most notorious Latin American tradition. The liquidation of political opponents by the new revolutionary regimes will be explained in terms of past practices in Latin America, while, in reality, it will more resemble the outrages of Cheka and similar institutions of organized terror. Cuba already provides examples.

During the period of transformation of Latin America into a Communist domain, the native Marxist-Leninists may follow several already established patterns. One was erected in the Soviet Union, another in Red China, and a number in the countries of Central East Europe. The smallness of the countries of Latin America would suggest that these last would be most suitable for adaptation (not imitation) in the area.

The Central East Europe revolt is less well known than the Russian and Chinese revolutions. But people who are familiar with the gradual sovietization of Central East Europe cannot avoid seeing the resemblance between the events currently taking place in Cuba and those that took place there after the last war. Despite the confusion concerning the nature of the Cuban revolution, the Communists are obviously the ruling force on the island, and Cuba is the

country in the Western Hemisphere where communism has advanced furthest. Some years ago a comparable situation existed in Central East Europe.

At that time some observers believed that the Iron Curtain descended between Stettin and Trieste simultaneously with the close of hostilities in 1945, while others claimed that the postwar ferment in the occupation zones represented a genuine "democratization" of the area that would facilitate transformation and democratization of the Communist regime in the Soviet Union itself. The then President of Czechoslovakia, Dr. Eduard Benes, the best known exponent of coexistence, developed the ideas of "democratization" of the Communist system and of the general and gradual development of communism toward democracy. Yet the story of gradual sovietization of the entire area—including Benes' Czechoslovakia, called a bridge between East and West at that time—shows that naive hopes and unrealistic daydreaming provided only a valuable smokescreen behind which whole societies were transformed. A new system, called people's democracy, was established. It will be followed by socialism and communism, a fact indicated by the new Czechoslovak Constitution approved this year.

It is not an accident that a training school was founded in Prague for Latin American Communists long before the Chinese Reds established theirs in 1956. Latins and non-Latins have attended the Graduate School of Latin American Studies at Prague. There they have been taught Communist ideology, Marxist-Leninist techniques of psychological warfare, guerrilla warfare, agrarian reform, and all the tricks of psychostrategy for the manipulation of the peasants and the national bourgeoisie. They have learned to know the power of words, effectiveness of slogans, and techniques of labeling their opponents reactionaries, warmongers, enemies of peace, enemies of the people, American stooges, lackeys of imperialism, and traitors to their own countries. They have learned how to provide a window dressing behind which they can hide their own treason and their allegiance to the world Communist movement. They have been taught that offense is the best defense, and that their enemies are to be destroyed without mercy. Besides words and ideas as weapons, they know how to use firearms, drugs, and poison.

In Prague's training center the enrollment has been well above 800 full-time students. Hundreds of professional Communist agents have been turned out. If only a few are following instructions and carrying out their assignments, a great deal of trouble is to be expected in Latin America. But whether the Latin American Communists were trained in Prague, Peiping, or elsewhere, they represent the hard core of professional revolutionaries. They are infiltrating the existing nationalist, workers, and agrarian political parties, creating new bogus parties, and trying to change, from within, the political and social order in Latin America. The world Communist movement is especially interested in Central America for its extreme importance to the security of the United States. It may be safely assumed that the whole area of the Caribbean will be swept by revolutionary outbreaks in the not very distant future.

The similarities between political and social developments at present occurring in Cuba and those in Central East Europe after the Second World War may be summarized in the following points:

1. In 1945 the small nucleus of native Communists in Bulgaria, Czechoslovakia, Hungary, Rumania, and Poland, men and women trained in the art of subversion, conspiracy, organization, and propaganda, had a definite plan: socialization of their own countries at some future date. This ultimate objective was obscured by official pronouncements of the Marxist-Leninist leaders to the effect that establishment of communism was not their aim, that they did not intend to imitate the Soviet Union, that they did not plan collectivization of agriculture, and that they approved of private initiative and small businessmen. What they wanted was the destruction of the country's dependence on foreign capital and its domination by big business and large landowners.

2. Since the Communist Parties in Central East Europe were weak, and made up only a small segment of the population, they had no use for early and free elections. Elections were to be postponed to some future date when the Communists had entrenched themselves in key positions in the government apparatus, primarily in the ministries of interior, information, and agriculture, and also when they had gained control over mass-media of communications and the commanding heights in industries.

3. In order to carry out the program of socialization of the country, cooperation with all left-wing political parties and fellow-traveling elements was sought, so that the government could be presented as a coalition government (national front, fatherland front, or popular front) that would provide the window dressing for the Marxist-Leninist party's backstage actions.

4. These temporary allies of the Communists—Socialists, left-wing democrats or liberals, and misguided nationalists—helped the Communists to liquidate political opposition in the country, the old ruling group and the people who collaborated with the old regime, on the pretense that they were Fascists or Nazi collaborators (in Cuba, Batista collaborators). Many genuine democrats, who suffered persecution and spent years in Nazi concentration camps, were put into this category, so that the anti-Communist elite would be destroyed before it could organize any resistance against the new aspirants for total power in the state.

5. The potential opponents of communism—farmers—had to be neutralized or partly won over to the cause of the new regime through a payoff represented by agrarian reforms. Land was taken from large landowners, collaborationists, foreigners, and so on, and was distributed to land-hungry landless peasants or small landowners. Such neutralization of the largest segment of the population in agrarian countries—the peasantry—was indispensable for Communist victory. Once the peasants were either satisfied or not so seriously discontented, the party was able to strengthen its position in urban areas.

The idea of using the peasantry as a temporary ally was invented many decades ago by Lenin, who exploited for his purposes the Russian peasants' hunger for land. The Chinese agrarian reformers were nothing more or less than imitators of Lenin; so were the Communists in Eastern Europe; and so are the Communists in Cuba. Collectivization of land is carried out only after a complete political victory by the new ruling class.

6. Organized religion is a potential enemy of atheistic communism. During the process of liquidation of political opposition any open attack on the strongest church in a country would put the new regime in a grave danger. In order to keep organized religion outside the struggle for power, the church must be either won over to the cause of the revolution, or, since it is highly unlikely that the revolutionary outrages and massacres would meet the approval of religious people, it must be neutralized in the same way as the peasants.

In predominantly orthodox countries (e.g., in Bulgaria) the Russian (Moscow) orthodox church was successfully used as an instrument for neutralizing or winning over the native hierarchy. In predominantly Catholic countries the church was informed that the new regime did not intend to abolish religion; on the contrary, the new revolutionary government claimed to have the best possible church-state relations, and these intentions were demonstrated by restoration of church property, government subsidies for repairing churches damaged during the war, government payment of salaries to clergy who were giving religious instructions in state-controlled schools, and the like.

The church was assured that the native Communists were different from those in the Soviet Union, that they were rather nationalists than Marxist-Leninists, and that they wished the best possible cooperation between the hierarchy and the state. All they asked was that the church abstain from interference with politics—Castro's visit to the archbishop of Havana, shortly after the former's coming to power, is the case in point.

Only after the complete seizure of power by the Communists did antireligious propaganda begin to appear, and then it was accompanied with organizational subjugation of the church which had, until then, maintained organizational autonomy and had independent communication with the Vatican.

In time these contacts with the Vatican were hampered or severed completely; charitable, youth, and other church organizations were either dissolved or put under government supervision; the hierarchy was isolated from the Vatican and from the clergy; and the clergy, in turn, was double-isolated: from the hierarchy and from the believers. The church was deprived of independent income and thus became dependent on the state. It was deprived of influence on education (parochial and other schools were nationalized), and priests had to take an oath of allegiance to the regime. (There are indications that the Catholic hierarchy in Cuba does not intend to stand idly by watching the increase of Communist power on the island.)

7. The stanchest opponents of the new order—those temporary allies who had been collaborating with the new masters but who objected to their having constantly the upper hand and their systematically pursuing a policy of communization of the country, and who had thus outlived their usefulness—were declared to be traitors, counterrevolutionaries, or enemies of the people; and they either escaped abroad or were sent to jails or the gallows.

8. Economic councils, headed by Communists trained as economic czars, were created, and these councils supervised state planning and nationalization. Nationalized banks and finances in general were used for the furthering of the process of sovietization of the country. Guevara, economic czar in Cuba, is not the first to hold such an office.

9. The front men—people like Benes, Tildy, or Groza—were either converted to the cause of the party or were kicked out of the government as soon as they fulfilled their purposes. Castro, if he is not a Communist, will cease to be a stooge and the front man as soon as those behind him are able to rule Cuba without him.

Toward the close of the Second World War Moscow had a plan to sovietize the area of Central East Europe; it has a similar plan for the Western Hemisphere. It is not a blueprint that will be blindly followed. The plan has been devised for the benefit of the Latin American Communists so that they can profit from the experiences of the Russian, Chinese, Polish, Czechoslovak, and other Communists whose activities have resulted in the revolutions successfully carried out in their countries. The strategy for Latin America seems to be strikingly similar to the one pursued in Central East Europe some years ago. At that time it was known under

the name of the national road to communism; and the Marxist-Leninists exploited anti-German feelings in the area. Now, in Latin America, the professional revolutionaries are exploiting the native nationalism and anti-Americanism. The anti-imperialistic and anti-feudal slogans used by the Latin American Communists reveal the current policy of the world Communist movement, that is, to isolate the United States.

Maj. Raul Castro, brother of the Cuban Premier, is a graduate of the institute in Prague, and his recent (July 1960) visit to Czechoslovakia shows that that nation is now ready to export not only Communist agents and ideology to Latin America, but ammunition, guns, jetplanes and missiles as well.

There is a danger that the trained conspirators from Cuba, in cooperation with others, may succeeed in subverting the whole Caribbean area. Then it might be transformed into a stronghold from which Communist submarines, jet planes, ballistic missiles, and the like could be set against this and other countries of the Western Hemisphere. If the professional revolutionaries exporting revolution are not ejected from Cuba soon, their success may serve as an inspiration to others.

While the danger seems to be recognized and the need to dispose of it felt, caution is needed in handling such a delicate situation. An effective policy is not to be found simply by sending Marines to Cuba, cutting the sugar quota, and ending economic assistance, in sporadic protests against Castro's regime or attempts to coexist with it. Above all the Cubans themselves ought to be encouraged to take definite steps against Communists in their own government. When they make a bid to regain freedom, when they attempt to expel the Communists and their allies from the government of Cuba, the Organization of American States should stand by and make its assistance available to the democratic forces fighting not only for their own country, but for the future of all free nations.

[From the Yob Law Review, autumn 1960]

CZECHOSLOVAKIA'S SOCIALIST CONSTITUTION

(By Josef Kalvoda)

Czechoslovakia has become a Socialist republic. On July 11, 1960, the recently elected (June 12) Czechoslovak National Assembly approved a new Socialist constitution replacing the previously existing, though already unobserved, "people's democratic" constitution of May 1948.[1] The new official name of the state is the Czechoslovak Socialist Republic (CSSR), and its coat of arms incorporates the Soviet-styled Red Star as "the symbol of the victory of socialism." The Czechoslovak Communists proudly boast that Czechoslovakia is the first country in the world after the Soviet Union to achieve Socialist production relations and to root its achievements in a Socialist constitution. As they see it, the document is both a summary of gains already achieved—socialism, and a program for the transition from socialism to communism.[2] The Socialist production relations are further developing, and the country is "passing over to the building of an advanced Socialist society and is mustering its forces for the transition to communism."[3] It is asserted that "the people's democracy as a way toward socialism has fully acquitted itself," and has brought Czechoslovakia "to the triumph of socialism."[4]

What is the significance of the new constitutional status of the country?

How did it happen that formerly western and democratic Czechoslovakia has become the second Socialist state in the world?

The wording of the new legal document makes it clear that its substance and semantics were borrowed from the 1936 Constitution of the Union of Soviet Socialist Republics. Some phrases are verbatim translations from it; however, in view of the differences in historical background and traditions, the social, political, and economic conditions in the two countries, and the objective situation in the world in 1960, the Czechoslovak Constitution is not merely a copy of the Soviet model. In general, the Czechoslovak Constitution is shorter and more flexible than the Soviet version. The latter is a lengthy document, arranged in 13 parts and 146 articles, and has been almost constantly changed and amended. The former is more general, consisting of 9 parts and 112 articles. It neither enumerates the ministries nor describes in detail the composition of the Council of Ministers or the structure of the state administration. It allows for both narrow and broad interpretation. Should a minor institutional change occur, there will be little or no need to rephrase parts of the document.

Social structure: In the first of its nine parts, the 1960 Constitution describes the social structure of the C.S.S.R. Article 1 defines Czechoslovakia as a "Socialist state founded upon a firm alliance of workers, peasants, and intelligentsia, with the working class at its head" (sec. 1). It is a "uniform state of two brotherly nations with equal rights, the Czechs and the Slovaks," and it "belongs to the world Socialist system" (secs. 2 and 3). It was explained that "the Socialist world system" embraces all parts of the world where the "new production relations have been victorious" (even if at present some of the countries concerned still have a mixed economy), and, according to the Moscow declaration of November 1957, where the ruling groups embrace a "common Marxist-Leninist ideology"; that is, the Sino-Soviet bloc.[5] The first article of the Constitution therefore confirms the integration of Czechoslovakia—"a people's democracy which has developed further * * * and has become a Socialist state"[6]—into the Soviet imperium. The state's orientation toward the Soviet Union is further underlined in article 14 which states that the "creating of the conditions for a gradual transition to communism" is made possible through the "comradely collaboration of the Czechoslovak Socialist Republic with the Union of Soviet Socialist Republics and other countries of the world Socialist system."

Article 2 of the new constitution paraphrases article 3 of the Soviet Basic Law; it says that "All power in the Czechoslovak Republic belongs to the working people." The crucial article 4, however, is more specific and leaves no doubt as to the location of the seat of power in the state: it describes the Communist Party of Czechoslovakia as the "vanguard of the working class" and "the leading force in society and the state." This does more than give the party constitutional status: in Czechoslovakia sovereignty rests with the Communist Party. Therefore, there can be no possibility of describing the constitution as democratic. The totality of the party's power is not challenged or limited by article 6, referring to the "national front of the Czechs and the Slovaks," since the article expressly states that "the alliance of working people of towns and the countryside" is "led by the Communist Party of Czechoslovakia." Furthermore, the mass organizations and shadow political, "non-Communist," parties participating in the national front "recognize the program and the leading role of the Communist Party of Czechoslovakia."[7] Thus the last semblance of popular control of the government through representative institutions and political parties, and the democratic division of powers into legislative, judicial, and executive (administrative) are eliminated. The substance of the existing form of government is the dictatorship of the proletariat, that is, the dictatorship of the Communist Party.

Communist rule over the country is even further assured in other sections of the constitution, particularly in articles 16, 18, and 24. "All cultural policy in Czechoslovakia, the development of education, upbringing, and teaching are conducted in the spirit of the scientific world view of Marxism-Leninism," says article 16, declaring Marxism-Leninism to be the only scientific Weltanschauung, the only valid philosophy, upon which, according to article 24, "all education and all teaching are based." Its application in governing society is assured by article 18, section 2, stating that "On the basis of the world scientific viewpoint in the workers' society the results of science are fully applied in the management of society and in the planning of its further development." These provisions unabashedly proclaim Marxist-Leninist ideological and cultural totalitarianism. In Czechoslovakia there is no room for non-Marxist-Leninist ideas, ideologies, or world views. All the scientific investigations and achievements of famous non-Marxist geniuses in physics, philosophy, and sociology have been declared invalid by the drafters of the constitution and by the raised hands of the members of the national assembly. To assure the elimination of all "nonscientific" (meaning non-Marxist-Leninist) ideas and beliefs, article 16, section 3 proclaims that "The state and social organizations strive systematically for the eradication of any remnants of the society of exploiters in the conscience of the people." This aims at the destruction of religion and non-Marxist-Leninist philosophies on the one hand, and the building of an ideological unity of the masses on the other. The letter of the constitution is supplemented by antireligious campaigns and increased atheistic activities, especially among the younger generation and schoolchildren.

Echoing the Soviet constitution of 1936, article 7 proclaims "the Socialist system of economy" to be "the economic foundation of the Czechoslovak Republic"; and article 8 defines Socialist property as having "two basic forms: state property, which is the property of all people (national ownership), and cooperative property (ownership of people's cooperatives)." Personal ownership is restricted to "articles of personal and household consumption, family dwellings * * * as well as savings acquired by work." Only this personal property is "inviolable," and the right of its inheritance is "guaranteed" (art. 10).

Private property is not mentioned in the document, but in a narrow interpretation of articles 7, 8, and 10, it may be argued that private ownership of the means of production is not recognized, let alone guaranteed. On the other hand, a broad interpretation of article 9, discussed below, would

---

[1] Ustavní zákon ze dne 11. cervence 1960, Sbirka zákonu Ceskoslovenské socialistické republiky, c. 100, cástka 40, 11. cervence 1960 [Constitutional Law of July 11, 1960, No. 100, 1960 Coll.].

[2] Referát A. Novotného na zasedání UV KSC dne 7.-8. dubna 1960: "Zásady nové ústavy Ceskoslovenské republiky a priprava voleb" ("Report by A. Novotny at the Meeting of the Central Committee of the Communist Party of Czechoslovakia, April 7–8, 1960: 'Principles of the New Constitution of the Czechoslovak Republic and the Preparation of the Election' "), Rudé právo, April 17, 1960.

[3] Cf. Preamble of the Constitution, op. cit.

[4] Ibid.

[5] Jaromír Sedlák, Leninská teorie postupného vítězstvi socialistické revoluce ("The Leninist Theory of the Gradual Victory of the Socialist Revolution"), Rudé právo, June 3, 1960.

[6] Novotny, op. cit.

[7] Ibid.

allow for such property within certain limits. Since land has not been nationalized, the omission of a guarantee of private property raises an interesting question: What is the legal status of the agricultural land that is outside the state sector? Do the private and cooperative farmers own their land?

The latest law dealing with this question, the Law on Unified Agricultural Cooperatives of July 9, 1958,[8] upholds private ownership of the land pooled in agricultural cooperatives, the farmer, or his heir, being allowed to withdraw from the production unit. The agricultural land farmed by private farmers (approximately 12 percent in the middle of 1960) and most of the land farmed by the cooperative farmers (approximately 74 percent) do not constitute "cooperative property" (one of the two basic forms of Socialist property). The latter includes the buildings, machines, tools, implements, livestock, etc., owned by the cooperatives but not the land owned by the members of these Socialist production units. The new constitution does not explicitly change the principle of the said law, namely, that "the ownership of the land pooled in common cooperative farming remains intact," however, it does not uphold it either. Furthermore, article 9 adds to the ambiguity of the document when it states, "Within the limits of the Socialist economic system is permitted the petty private economy based on personal labor and precluding the exploitation of the labor of others." The ambiguous situation created by the cited article is explained by a Marxist-Leninist authority as follows: "The constitution proceeded from the given situation" and the phrase "within the limits of the socialist economic system" means "as far as it is in the concrete situation compatible with the socialist economic system." Private ownership is looked upon "as being the dying past, not the future."[9]

The omission of a constitutional guarantee of the right to private property portends not only "complete domination of agriculture by the end of 1960" by the "socialist production relations," promised by the regime,[10] but also nationalization of land and the expropriation of the last private farms and small trades in the future. With dialectical cunning, through its omissions, the socialist constitution gives legal underpinnings to this development. When the day arrives, there will be no need to amend this legal document, since it defines the "Socialist economic system"—the economic foundation of the state—as a system in which "the means of production are socialized and the whole national economy is directed according to plan" (art. 7, sec. 2). When the party decides to take this step, a resolution or a law passed by the National Assembly will legalize such action. Then the constitution will be given a narrow interpretation, and private ownership will be declared "incompatible" with the Socialist economic system at the given historical stage of development.

State organization of the CSSR: In Marxist-Leninist theory the state is only a temporary phenomenon; it did not always exist and has been only a byproduct of the division of society into classes of exploiters and exploited.[11] It is an apparatus of force of one class to repress another,[12] a machine to sustain the domination of one class over another.[13] The ultimate objective of the Marxist-Leninists is the abolition of classes and the withering away of the state. However, in the period before the achievement of the highest phase of communism and the emergence of the classless society, during the transition from capitalism to communism, the state machine—a special instrument of oppression—is needed to "crush the exploiters," the bourgeoisie, and to assure the victory of communism. The proletarian state is a state of a new type: it is a "special power" called the dictatorship of the proletariat.[14] It is "the power of one class—the class of proletarians—which does not and cannot share that power with other classes."[15] The Communist Party, the vanguard of the proletariat, exercises the totality of political power on behalf of the one class. The leaders of the party alone can determine what are the "true interest" of the people; and dictatorship of the proletariat is called "democracy of the highest type."[16]

The previously discussed articles of the Czechoslovak Constitution of 1960 safeguard the totality of the Communist Party's political power in the state. As Novotny pointed out, there are "no remnants of the liberal, pseudo-democratic principles of the separation of powers among the various state institutions" left in the constitution.[17] The unity of the authority of the toilers as the expression of a democracy of the "highest type," has been hailed by the Marxist-Leninists, but they have decried the principle of the separation of powers.[18] Czechoslovakia has no room for it nor for popular representation in the organs of state authority. The Socialist character of the document allows for institutions and organs of state power that carry out not the will of the people but only the will of the party. It is not the people but the power élite that really controls the governmental process.

Unlike the Soviet Union, which in its legal form is a federation, Czechoslovakia is structurally a unitary centralized state. Territorial organizations of the republic is "arranged in accordance with the economic, political, social, and cultural needs of the whole society" (art. 107, sec. 3), and the "central management of society and the state" is based on the principle of "democratic centralism" (art. 18). "All citizens and all state and social organizations manage themselves, in all their actions, in accordance with the legal order of the Socialist state and see to the complete observance of the Socialist legality in the life of the society" (art. 17, sec. 1). This vague definition of the state structure and the references to the broad principles of "Socialist legality" and the "legal order of the Socialist state" enable the regime both to expand its power and to make adjustments and changes in the state organization through regular laws and administrative decrees.

Early in 1960 came the announcement of a new territorial division which permits decentralized economic planning and its fulfillment.[19] The territory of the Republic was divided into 10 regions, and these, in turn, in 108 districts and the territory of the capital city of Prague. Districts are divided into communities. Districts were enlarged (there are now 108 districts instead of 286) and their authority has been enhanced. Some communities were merged. The imitation of the Soviet pattern (decentralization of economic planning and administration) indicates that the proximate goal is total absorption of Czechoslovakia into the Soviet imperium. The reorganization of the state administration, furthermore, served the purpose of dispensing with the historical boundaries of the Czech lands, regions, districts, and some townships. It also destroyed the unified and separate administration of Slovakia, the eastern part of the state.

The autonomy accorded Slovakia in the 1948 constitution was restricted in the new legal document and the organ of executive power, the Slovak Board of Commissioners, was abolished. The only purely Slovak national institution, the Slovak National Council, is vested with some legislative and executive authority, but the firm control of the country by the Central Government is assured by article 74, section b. It limits the legislative power of the Slovak National Council to those areas expressly determined by the law of the National Assembly. The legislation passed by the former institution must conform with the CSSR constitution and with the national legislation.

The new status of Slovakia and its loss of the limited autonomy it previously enjoyed was explained by A. Novotny as follows:

"The age-old backwardness of Slovakia has been abolished and Slovakia is today economically, politically, and culturally a mature part of the Republic. Through all this the substantial differences formerly existing between the Czech and Slovak regions have been markedly reduced. The adjustments to be made in the Slovak national organs result from the fact that the central direction of the entire life of our society under a unified state plan continues to expand."[20]

Admittedly, the Socialist economy calls for a high degree of centralization, but the shortage of devoted Marxist-Leninists in Slovakia has undoubtedly been a factor in curbing the authority of the Slovak national organs. Although Novotny did not mention it, the separatistic and nationalistic tendencies in the country were probably the more important reasons for the regime's determination to rule Slovakia from Prague. The Czechoslovak Constitution denies the Slovak Nation the rights upheld by Marxist-Leninist theory, that is, "equality of rights of all nationalities," and the "inalienable right of nations to self-determination, including the right of withdrawal."[21] Slovakia does not even have its own constitution. What Vyshinsky said of Imperial Russia applies much more to the Czechoslovak constitutional arrangement, namely, "Unitarism and state centralism bore a clearly bureaucratic character adapted to the police-fiscal system of absolutism."[22]

The organs of state authority: The largest portion of the constitution is devoted to the description and definition of the jurisdiction of the organs of state authority. They are the National Assembly (pt. III), President of the Republic (pt. IV), Government (pt. V), Slovak National Council (pt. VI), National Committees (p. VII), and Courts and Procuracy (pt. VIII). None of these institutions is truly representative, and all of them are only instruments through which the will of the ruling class is expressed, a democratic façade masking the totality of the Communist Party's power.

The National Assembly is "the supreme organ of state power in the Czechoslovak republic," and the "only national legislative chamber" (art. 39, sec. 1). It consists of

---

[8] Zakon ze dne. 9 cervence 1959 Jednotnych Zemedelskych Druzstvech, zákon c. 49, Sbirka zakonu Republiky ceskoslovenske, dne 24. cervence 1959 [Law No. 49, 1959 Coll.].

[9] Professor Viktor Knapp, "Prispevek k diskusi nové ústavy" ("Contribution to the Discussion of the New Constitution"), Rudé Právo, May 13, 1960.

[10] "What this Year Has in Store," Prague News Letter, Vol. XVI, No. 1, January 9, 1960.

[11] Andrei Y. Vyshinsky, The Law of the Soviet State (New York: Macmillan Co., 1948), p. 10.

[12] Ibid.; The Communist Manifesto by Marx and Engels is cited.

[13] Ibid., a citation from Lenin.

[14] Ibid., pp. 40–41.

[15] Ibid., p. 40; Questions of Leninism by Stalin is cited.

[16] Ibid., pp. 160 and 554.

[17] Novotny, op. cit.

[18] Vyshinsky, op. cit., p. 318.

[19] Cf. "Resoluce ústiedního vyboru KSC" ("Resolution of the Central Committee on the CPC."), Rudé právo and Zeemědělské noviny, January 16, 1960.

[20] Novotny, op. cit. (Rudé právo, Apr. 17, 1960).

[21] Vyshinsky, op. cit., pp. 213, 214, and 215.

[22] Ibid., p. 247.

300 deputies who are "elected by the people, responsible to the people, and may be recalled by the people" (art. 39, sec. 2). But who are these mythical "people"? How much do the real people have to say in the selection of the candidates for the office of deputies? Section 4 of the above-cited article hardly gives a satisfactory answer to these questions. It states that the "National Assembly is elected for a period of 4 years," and that the "conditions for suffrage [in the election] of the National Assembly, and its exercise and the manner of the execution of the election and the recall of the deputies are determined by law."

The jurisdiction of the National Assembly includes: discussion and resolution of basic questions of both the internal and external policy of the state, consideration of the state constitution, adoption of laws, ratification of international treaties, election of the President of the Republic, approval of the declaration of the government after its appointment by the President, and control of the activity of the government. It has the right to put questions to the chairman (premier) of the government and to others of its members; it elects the supreme court and has the right to recall its members; it establishes, through law, ministries and other central organs; it watches the activities of the national committees, and agrees upon a declaration of war (art. 40–49).

The legislative function of the National Assembly purports to be the most important, although in reality it merely rubberstamps the decisions made by the party. In Marxist-Leninist definition, "law is merely the will of the dominant class, elevated into a statute."[23] The task of the National Assembly is to transform the will of the dominant class, i.e., of the party, into a statute, into a Socialist law. The psychological and practical significance of the Socialist statute has been expressed by Lenin's statement: "Will—if it be the state will—must be expressed as a statute, established by authority—otherwise the word 'will' is an empty concussion of air by empty sound."[24] As a matter of practice, statutes in Czechoslovakia have preceded most of the actions taken by the executive organs of state authority. The regime exploits the legalistic tradition of the Czechs and their respect for law.

The President of the Republic, elected by the National Assembly, is the head of the state, represents the state power, and is responsible to the National Assembly (art. 61). His duties include most of those discharged by the Presidents of states with a parliamentary system of government. His powers were somewhat curtailed by the new constitution: he does not have the right to veto legislation or to dissolve the National Assembly. He does, however, declare the session of the National Assembly ended. In fact, the prestige and power of the President are not derived from his office, but from his status in the Communist Party. The present President of the Republic, Antonín Novotny, is simultaneously the First Secretary of the Communist Party of Czechoslovakia, and seemingly its strongest man, enjoying, for the time being, the complete confidence of Moscow.

The government (cabinet) is the "supreme executive organ of state power," and is responsible to the National Assembly (art. 66). It consists of a chairman (premier), his deputies and ministers (art. 67). It "organizes and safeguards the fulfillment of the tasks of the Socialist state" in its economic and cultural building and in the "raising of the living standard of the working people." The jurisdiction of the ministers and "other central organs of state administration" includes the issuing of "commonly binding legal regulations," on the basis and in pursuance of laws, as well as for the fulfillment of operative statutes and government directives (arts. 72 and 68, secs. 4 and 5).

The Slovak National Council is an institution with limited legislative and executive jurisdiction in Slovakia. It is described as "a national organ of state power and administration in Slovakia" (art. 73, sec. 1), but article 74, section 5, as was pointed out earlier, makes it an arm of the central government at Prague.

Regional, district, and local (municipal) national committees are defined as "the organs of state power and administration in regions, districts, and communities" (art. 86, sec. 1). These organs of local government received an increased measure of administrative authority as a result of the recent "decentralization" of the state administration, and are responsible for carrying out the state plan in the areas of their jurisdiction. They do not, however, make policy; in matters of policy there has been no decentralization, the party retaining its monopoly in this field.

The members (deputies) of the National Assembly, Government, Slovak National Council, national committees, and the President of the Republic must take a vow "to remain always loyal to the Czechoslovak Socialist Republic and the cause of socialism" (arts. 56, 64, 69, 80, and 88). The members of the national committees, in addition to their other obligations, have the duty to "safeguard socialist property * * * the socialist order in society and the observance of the rules of socialist coliving, and to strengthen the defense capability of the Republic" (art. 89). All these defenders of socialism (with the exception of the President and the members of the Government) are elected for a period of 4 years "by the people, are responsible to the people, and may be recalled by the people" (arts. 39, 73, and 86). The constitution frequently makes its sweeping statement, but does not provide for its implementation. It contains no provision for the selection of the candidates for the offices and for the way in which they are to be elected. Three times it makes references to electoral law (art. 39, sec. 4; art. 73, sec. 4; and art. 86, sec. 4), but does not state its principles.

In Communist-controlled countries the electoral laws provide one of the means for perpetuating the party's power through the nomination of candidates. In the absence of any opposition, nomination of one candidate for each post assures his (her) election. This was the case in the latest election in Czechoslovakia. All the candidates were nominated by the Communist-controlled National Front, and a single slate of candidates for the National Assembly, Slovak National Council, and national committees appeared on the ballots on June 12, 1960. As is customary in the Soviet Union and has become the practice in Czechoslovakia, over 99 percent of the valid ballots were reported cast for the National Front candidates.[25]

All the candidates for the National Assembly (300) were elected in the totalitarian type of election. The following nationalities are represented in the Chamber: 205 Czechs, 83 Slovaks, 6 Hungarians, 3 Ukrainians, 2 Germans, and 1 Pole. The political composition is as follows: 157 Czech Communists; 62 Slovak Communists; 16 Populists; 15 Socialists; 4 members of the Slovak Renaissance Party; 2 members of the Slovak Unity Party; and 44 without party affiliation.[26]

The representation of the "non-Communist" political parties in the National Assembly by no means indicates the existence of parliamentary democracy in Czechoslovakia. The members of the puppet parties (nominally non-Communist) who were nominated by the National Front (in fact, by the party, without whose clearance nobody can be allowed to be even a member of the non-Communist parties), follow the Communist program, hail all measures taken by the Communist Party, and glorify the achievements of the new order.[27] The Marxist-Leninists control these parties and maintain them in order to command more popular support. With their help they can reach, neutralize, and control the potentially hostile groups (e.g., farmers). What the fate of these puppet political parties will be is difficult to say. According to the theory of Marxism-Leninism, they do not fit into the socialist order (i.e., in the one-class state there is room for only one class-party). They probably will "wither away" when the party has no more use for them.

Part VIII of the constitution briefly describes "The Courts and the Procuracy." The functions and purpose of these institutions are "to protect the socialist state, its social system, and the rights and the rightful interests of the citizens and of the organizations of the working people" (art. 97, sec. 1). Through their activity the courts and the procuracy "educate citizens" so that they will be "loyal to the fatherland and the cause of socialism" and observe the "laws and rules of socialist coliving" (art. 97, sec. 2). In order to make the citizenry observe the "rules of socialist coliving" and to strengthen "socialist legality and to safeguard the social order," local people's courts may be established at localities and places of work. The extent of their jurisdiction, the manner in which they are established, the principles of their organization and rules of conduct are "determined by the law" (art. 101). Obviously, the infamous "people's court justice" did not die together with "people's democracy," and people's tribunals may be established should there be need for them.

All judges and people's assessors are elected for a period of 4 years. The supreme court is elected by the National Assembly; regional courts are elected by the regional national committees; military courts are elected in accordance with a special regulation (ordinance); and the district courts are elected by the citizens of the district on the basis of universal, direct, and equal suffrage by secret ballot (art. 99). The judges and people's assessors are responsible to their electors and are obliged to render account to them. Following the Soviet example, article 102, section 1 pays lip service to the independence of judges, stating, "Judges are in the exercise of their function independent and subject solely to the legal order of the socialist state." The next sentence, however, makes it plain that the judges are not independent of politics and that their duty is "to act according to the laws and other legal regulations" (that is, in accordance with the will of the party that has been elevated into statutes), and must interpret them "in accordance with socialist legal consciousness" (of which the source is, of course, the Communist Party).

The procurator general exercises "supervision over the consistent carrying out and observance of laws and other legal regulations by ministries and other organs of the state administration, national committees, courts, economic and other organizations, as well as by citizens" (art. 104). In discharging this wide jurisdiction, "the organs of the procuracy are subordinated solely to the procurator general and perform their functions independently of local organs" (art. 106). The procurator general is appointed and recalled by the President of the Republic and is responsible to the National Assembly (art. 105).

Rights and duties of citizens: Human rights and civil freedoms are important to

[23] Vyshinsky, op. cit., p. 13.
[24] Ibid., p. 337.
[25] Rudé právo, June 13, 1960.
[26] Bohemia (Germany), July, 1960.
[27] Cf. Svobodné slovo and Lidová demokracie, April 26, 1960.

every civilized person wherever and whenever he lives. If the inalienable natural rights of man are not respected, individual human freedom disappears. This happened in Nazi Germany, in the Soviet Union, and in all other countries where the Marxist-Leninists came to power. Their emphasis upon "collective freedom" or "socialist freedom" hardly brings happiness to an individual, if he is deprived of his basic human rights and becomes a slave of the almighty state, used as the instrument of oppression by the party. The Marxist-Leninist claim that socialism has abolished the exploitation of man by man will never satisfy those who are being exploited by the new ruling class, by the parasitic secret police, and by the bureaucracy of the socialist (people's democratic) state and the Communist Party.

The Czechoslovak Constitution guarantees "equality of rights" and records a number of civil rights, but limits or effectively prohibits their free exercise, and in addition counterbalances them by a series of civil duties. The specific rights include: the right to work, the right to compensation for the work done in accordance with its quantity and quality, the right to rest, the right to the protection of health, the right to education, the right to make petitions; freedom of speech, assembly, street parades, and demonstrations. But are these provisions concerning rights and freedoms operative? How good are the constitutional guarantees of civil liberties? What does the "right to work" mean to a Czech farmer who is not accorded the right to desist from that work?

Article 19, in addition to others, puts definite limits on rights and freedoms by stating that they serve not only the "full assertion of the justified interests of individual citizens," but also "the common interest of society." The party knows what these "common interests" are, and the Socialist state puts its own interests above those of the individual citizen. "The foremost duty" of all is to work for the "benefit of the whole" (art. 19, sec. 2). The right to work is "the foremost right of every citizen," but, implicitly, to desist from work is sabotage. Also, according to article 28, freedom of speech, assembly, street parades, and demonstrations are guaranteed only insofar as they are "in accordance with the interest of the working people," meaning the party, who represents it and determines what its "true interests" are and what is meant by "the whole" for which every individual has to work.

In addition to these limitations upon civil rights, the fundamental natural rights of man on life, liberty, and property have no constitutional standing. The inalienable natural rights with which man was endowed by his Creator are obviously considered incompatible with the Socialist order. Furthermore, in contrast to the preceding constitution (1948), the new document omits any guarantee that "the conviction or world view" of a Czechoslovak citizen would be respected. The only Weltanschauung enjoying constitutional status and protection is Marxism-Leninism. The other philosophies of world history and man are declared to be unscientific, and they have no place in the minds of the citizens of the Socialist state.

The basic civil rights and freedoms are put to scorn. Articles 30, 31, and 32, dealing with personal freedom, the inviolability of the home and the privacy of closed letters or other written matter, and freedom of religion, do not provide any real guarantee that the rights of the individual will be respected. These could be safeguarded only by free and independent courts. In the absence of an independent judiciary, only lack of freedom is assured by the courts and the procuracy, which are just tools of the Community Party. The nominations for the office of judges are made by the National Front (controlled by the party), and only those who share the party's concept of justice are selected. The judges are bound to interpret the socialist laws in accordance with the socialist legal consciousness (art. 102), which is whatever the party wants it to be. The party's will is the supreme law of the land, and the procurator general, the party's watchdog, sees to its observance. Through his special position he controls the election and recall of the judges, and he may also intervene in the handling of any case that warrants his attention.

The party's control over society and the ideological and moral enslavement of the people are assured in articles 38 and 17. Article 38 declares "respect for the rights of fellow citizens [i.e., of the Communists], as well as conscious observance of the rules of socialist coliving" as "the inseparable part of the duty of citizens." Article 17 decrees that the mission of social organizations is "to lead citizenry to the observance of laws, maintenance of labor discipline, and [the observance] of social coliving" * * * and to strive for the "preventing of their breach." The party's interpretation of the expressions—"socialist legality," "socialist consciousness," and "socialist coliving" enables the regime to expand the state power ad infinitum.

Freedom of religion is guaranteed in article 32; however, the professing of a religious belief and the conduct of religious acts are allowed only insofar as they are not "in conflict with the law." While the previous constitution of 1948, in article 16, maintained that everyone could profess, privately or publicly, any religion or be without it, as well as the equality of all religions (and atheism) before the law, the new legal document qualifies freedom of religion by a reference to laws which may be enacted at any time in the future. It also stresses that no one can, on the plea of his religious convictions, decline to fulfill the civil obligation "imposed upon him by law" (art. 32, sec. 2). Since the constitution proclaims Marxism-Leninism as the only scientific truth and gives the supreme position to the Communist Party, and since strong propaganda of atheism is put forth through laws and resolutions and through books, schools, organizations, and media of mass communication, article 32 is not an effective guarantee that the party, through its decisions expressed in laws passed by the National Assembly, will not prohibit public manifestation of a religious creed either inside or outside church walls in the future.

Unlike its predecessor the 1960 constitution considers the problem of national minorities. In addition to Hungarians there are approximately 165,000 German-speaking citizens of Czechoslovakia, about the same number as the total number of Ukrainians and Poles. Article 20 guarantees alleged equality of rights to all citizens regardless of nationality or race, and article 25 guarantees all means for the education of the Hungarian, Polish, and Ukrainian minorities in their mother tongue, and their cultural development. The Germans living in Czechoslovakia are not mentioned. A. Novotny, President of the Republic, attempted to explain the omission of the German minority when he claimed that the citizens of German nationality in Czechoslovakia no longer form "an ethnic group," and that the party considers "the question of German nationality solved already in 1945–46, on the basis of the Potsdam agreement."[18] He then stressed that those Germans who had remained in Czechoslovakia enjoyed the same civil rights as all other citizens. By disclaiming the existence of any "question of German nationality," the party tries to conceal the obvious discrimination against these 165,000 Germans. Stripping the Germans of their rights and protection does not conform to the traditional practice of the Czech nation, which has always recognized the cultural rights of all citizens and the cultural autonomy of the German minority living in the historic Czech lands.

As the Czechoslovak Communist leaders see it, the new state constitution, speaking of socialism as something that already exists, that has already been won, provides a directive for the transition to communism, from the first or lower phase of communism to the highest phase of communism—the Communist order. The party chief, Antonin Novotny, explained the development as follows:

"We have solved the basic tasks of the transition from capitalism to socialism: by now the new Socialist production relations have prevailed and become consolidated in all branches of our national economy, including agriculture. This has brought about a change in the class structure of our society in which the exploiters as a class have been eliminated."[19]

He added that the leading position of the workers' class in society "has been consolidated and its decisive influence on all activities in our country has increased." The Communist Party (and that is what is meant by the working class) has achieved constitutional confirmation of its dictatorship in all sectors of public and private life. The government executes its will not only in fact but also in legal theory and constitutional law. The last remnants of the democratic division of power and every effective legal protection of the citizen and his property have been removed; Marxism-Leninism has been proclaimed the only scientific world view and the philosophy of the state. For the Marxist-Leninists this state of affairs demonstrates the correctness of the "Leninist theory of the gradual victory of the Socialist revolution," and they ridicule those who predicted a gradual development toward liberalization and democratization in Czechoslovakia.[20]

Their mocking of the unrealistic dreaming of the Western psychological warfare strategists and policymakers is to a great extent justified. These people proceeded from the assumption that not communism but "Russian imperialism" was the enemy of the West. They claimed that this imperialism manifested itself in the conquest of central East Europe and should be defied by its "main enemy"—Titoism. A gradual approach to the liberation of the enslaved peoples was suggested: the first step toward the winning of freedom for the captive peoples of central East Europe (especially of Czechoslovakia) would be "independent national communism" or "Titoism." This would lead toward the creation of "national socialism" which would gradually develop into a Western type of democracy.[21] Free election was said to be the key to these gradual transformations, although common sense would suggest that no totalitarian government would ever permit itself to be voted out of power. The "gradualists" thus disregarded reality, being ignorant of the nature of political power, Marxist-Leninist theory, and the totalitarian foundation of the Communist Party.

Instead of a gradual "democratization, liberalization, de-Stalinization or Titoization" of Czechoslovakia, a tightening of the Communist Party's power and the ideological and moral enslavement of the peoples of Czechoslovakia have been given constitutional

[18] Novotny, op. cit.

[19] Ibid.

[20] Sedlák, op. cit.

[21] See Ceskoslovensky prehled, a publication of Free Europe Committee, Inc., New York, December 1956, and January and February 1957 issues, defending this policy.

support. This suggests that (a) the "gradualists" were wrong (unless their concept of "democracy and democratization" was the same as that of the Marxist-Leninists), and (b) those who suggested that the ultimate objective of Western policy should be "to cause the enslaved peoples to revolt" against the Communist rule and to bring about its end in central Europe in general and Czechoslovakia in particular, had a better understanding of the nature of Communist power.[32] The events in Eastern Europe in the fall of 1956 indicated that the suggested new strategy in the cold war, offered to the U.S. Government in 1954, was based on a realistic estimation of the situation, that the plan was feasible and might have been successful, had the State Department been prepared for the possibility of revolt by the captive peoples and had been willing to extend them aid. The revolt, if successful in Hungary, might have spread to other East European countries, and perhaps to the Soviet Union itself. By now it must be clear that the policy of "gradualism" worked to the advantage of the Communists, not to our own.[33]

Taking a realistic view of the situation now, it may be safely assumed that other states of the Communist bloc will adapt "Socialist constitutions." The "people's democracies" of Eastern Europe have been drawn closer to Moscow, and are gradually being integrated, economically and politically, into the Soviet empire. Their state plans are coordinated with that of the Soviet Union. At secret and nonsecret meetings the leaders of the Communist bloc have discussed and agreed upon a division of labor in the production of goods and on political aims and their implementation. It is likewise clear that Czechoslovakia is playing an increasingly important role in the Communist plans for the conquest of the world through the training of agents for Latin America and Africa and shipment of arms to various parts of the globe.

It is significant that Czechoslovakia, economically the most advanced and politically the most important of the East European satellites, should have been the first to proclaim its successful completion of the "transition to socialism."

---

[32] Cf. "A Memorandum to the Administration and the Congress of the United States of America" by the Czech Christian Democratic Movement, October 28, 1954, outlining a new strategy in the cold war and its realistic conduct, CONGRESSIONAL RECORD, vol. 101, pt. 2, pp. 1542–43; and daily CONGRESSIONAL RECORD, p. A576, Feb. 2, 1955.

[33] The objection that the liberation-revolt-aid policy would have meant war in 1956 can be easily disputed by pointing at the Soviet leaders' hesitation to send additional troops to Hungary in October 1956. They acted only after it was clear to them that the United States let them have a free hand by pointing at the Soviet "right" to station troops in Hungary under the provisions of the Warsaw Treaty. Khrushchev himself indicated on several occasions that he had opposition in the Presidium of the Central Committee of the Soviet Communist Party on the question of dispatching troops to Hungary.

In view of the disloyalty of the Soviet troops stationed in Hungary (several thousand soldiers and officers either joined the Freedom Fighters or refused to fight them) and the need for sending largely Mongolian units to that country, the disunity in the highest organ of the Soviet Communist Party which was not yet completely controlled by Khrushchev, the unreliability of the armies of the satellite nations, and the tense situation bordering on revolt in Poland, Rumania, Bulgaria, Czechoslovakia, and Yugoslavia, it is doubtful whether the Soviets would have gone to war.

Cf. This writer's interpretation of the events in Eastern Europe in 1956, Titoism (New York: Vantage, 1958), Chaps. 12–14.

SOCIAL REFORMS AND FOREIGN AID

Mr. HUMPHREY. Madam President, in the Washington Post yesterday, June 13, the distinguished columnist, Walter Lippmann, wrote a brilliant and provocative attack on those who are misreading the signs of our times, and whose despair at what they believe is happening throughout the world, is leading them toward rash, impulsive, and suicidal tendencies.

As I have pointed out again and again, the great revolution of our times is the revolution against poverty, hunger, illiteracy, and disease. The peoples of the underdeveloped countries of the world are insisting, and rightly insisting, that there will be an end to tyranny, that corrupt, venal, and selfish governments must be replaced by governments dedicated to the welfare of the people. The people of these nations are unwilling to wait indefinitely. They will not be turned aside by promises of future action. They want both political liberty and economic improvement, and they want them now.

It is my firm conviction that the United States must seek to aline itself with the progressive, democratic forces in every nation that is seeking to pull itself out of the mire of ignorance and poverty. We can no longer tolerate, let alone support, governments which refuse to initiate and carry out the necessary political, economic, and social reforms that their peoples demand.

The President of the United States has clearly stated the American intention to support social and economic reform, and it is the intention of this Senator, insofar as it is humanly possible, to insure that the foreign assistance program written by this Congress will be one which carries out the announced objectives of the President.

I know that the distinguished majority leader and the distinguished chairman of the Committee on Foreign Relations agree with me that the U.S. Senate will support only a foreign assistance program which will make a significant contribution to the welfare of the people of the nations to whom our assistance is to be given.

I serve notice here, as I have already done in the Committee on Foreign Relations, that I shall not support an aid program to any developing nation—particularly in the Asian, African, and Latin American areas—which will have the effect of perpetuating corrupt, reactionary, greedy, and oppressive governments.

These developing nations are the targets of intensive Communist subversion, infiltration, and propaganda. When we embrace—or appear to embrace—oppressive governments which continue to resist and to oppose any meaningful political and economic reform, we, too, become an open target of such Communist efforts.

To those Americans who see in the rising social ferment throughout the world the impending triumph of communism, I say, as Mr. Lippmann says, that they are profoundly mistaken.

It is of the utmost importance that Americans understand the fundamental differences between those who advocate social and economic reform for their own people, whose dream is to create a progressive democratic society, and those who would bring that nation within the orbit of Communist imperialism, who would stifle the liberties of the people and the independence of their nation.

To those in this country who persist in calling communism any effort to improve the lot of the underprivileged through Government action, I say that they are confusing and misleading our people. The John Birch Society and the scores of other extremist groups who are currently carrying out a campaign to smear as "pink," "leftist," and "Communist" the President's program for economic and social improvement here in America, tend to create a most confusing atmosphere for the consideration of an effective American foreign policy.

If our people can be brainwashed into thinking that social and economic reform in America are evil, how can they be persuaded to support an American foreign policy designed to support similar reforms in other nations?

Yet, Madam President, our people must understand that America's commitment to social and economic reform in the underdeveloped countries is the only hope for the long-range security of our own people.

In my opinion the Congress is ready to support a strong, vigorous, and effective program of foreign aid if the administration will follow the President's strong leadership, and come to the Congress with detailed plans, detailed information.

The Congress has a right and a need, to know on what basis a decision has been made to establish a particular program for any given nation. We must be told what specific projects are planned for that country, what are the anticipated effects, what has been the reaction of the government of the host nation, what kind of cooperation has been assured. Are the projects sound? What is their emphasis? Is it upon education, health, agriculture, or is it upon heavy industry, public works?

If a foreign-aid program big enough to do the job required is to be authorized, there must be a frank sharing of information and a candid presentation of the facts by the spokesmen for the administration.

Congress is prepared, I believe, to agree to long-term loan financing. It is only in this manner that sensible, practical projects can be undertaken and savings be made. Long-term financing is good business, it is sound economy.

But first of all, Congress and the American people must be convinced that, short-term or long-term, the foreign-aid program is going to help the people of the recipient countries. We are sick and tired of foreign aid going to governments that are unresponsive to human need, unwilling to bring about social reform. The need is to strengthen democracy, not to bolster tyranny and corruption.

Madam President, in summation, we seek the expansion of freedom and we are prepared, therefore, to help those who wish to help themselves. We wish to give priority to those countries that are willing to stand up for their independence and freedom.

We can modernize the military establishments of friendly nations so that they can meet Communist infiltration and guerrilla warfare tactics. It can be done. It is being done. More must be done.

We can bolster the economies of other countries. It has been done, and more of it needs to be done.

Let us not be so ready to despair, Madam President. Communism has not taken over the nations on its periphery. Turkey is still independent; so is Pakistan; so is Afghanistan; so are Iraq and Israel and Egypt.

So is north Africa. The Africans have proved to be wiser than some of their Caucasian brethren. They have rejected the virus of communism and are seeking to walk in the paths of freedom. This gives us a wonderful opportunity to work with them. Nations do wish to be free. They wish to be free of foreign domination. If we make national independence our mission and our purpose, we will have allies without treaties. If we make the cause of the underprivileged peoples of the world our cause, we will have friends without contracts.

This is the way ahead. Let us go forward with out President, with confidence and determination and with purpose.

I call upon those in the administration who are delegated to carry out the program of the President to prepare themselves for the most detailed examination of the foreign-aid program. I call upon them to speak with candor and frankness to the American people and to Congress. I urge Congress and the people of the country not to be of faint heart. This struggle against Communist infiltration can and will be won.

The Soviets have not triumphed. As a matter of fact, they have been repulsed in many areas. What we need to do is to design a program, as we are attempting to do now, which will buttress our own alliances; our own military power; but more significantly, to design a program that will reach the needs of the people and will identify ourselves with those needs.

We must place this program in the hands of the most capable administrators that the Nation can find. I think it is the duty—the patriotic duty—of men and women in industry, men and women in the professions, those in the labor movement and in education—in every walk of life in America—to be willing to be of service to the government in this great endeavor which we call foreign aid. We cannot afford to take the second best. Mediocrity will not be good enough. This program needs the criterion of excellence. It needs the best efforts, the best talent, the most imaginative, creative minds America has. If we are to authorize billions and billions of dollars for assistance, we must put the program into the hands of the most competent people the American society can produce.

I believe that in Mr. Labouisse, in Mr. Coffin, and in many other of their aids we have the kind of leadership and administrative capacity that will be needed as mission directors in foreign countries.

We need the very best that America can produce.

If we are unwilling to give that best, then we are doomed to defeat. I believe it is my duty as a Senator to say that no amount of money by itself can give us a successful foreign-aid program. What we need is capital to be sure—long-term financing. We need technicians and technology, to be sure. We need programs of human resources and fiscal resources. But above all, we need dedicated, intelligent, and able people to carry out these foreign-aid programs. We need the best people we can provide to work with the people of the world. If we do not get them, this country will have spent billions of its dollars and vast amounts of its resources for naught—indeed, for failure.

To those in America who say they want to help their Government, I make a plea that they offer their services; that they leave their desks and their current responsibilities; and volunteer to the President of the United States and to the State Department. Let them offer all that they have in the spirit of those who fought for our Nation's independence. Those men signed a document which pledged their lives, their fortunes, their sacred honor. They did not pledge a little of their lives; they did not pledge a small percentage of their fortunes; they did not say, "We will be slightly honorable." No. They pledged their whole lives, all of their fortunes, and all of their sacred honor.

The great foreign-aid and mutual-security program that we ought to have requires the same dedication and the same criteria in the 1960's as were required in the 1770's.

Madam President, I ask unanimous consent to have printed at this point in the RECORD the article entitled "The Folly of Despair," written by Walter Lippmann, and published in the Washington Post of June 13, 1961.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FOLLY OF DESPAIR

(By Walter Lippmann)

We have had a run of bad news and the time has come when we must make up our minds whether to face it and learn from it, or to shrink from it into a nervous breakdown with suicidal tendencies. There are altogether too many of us who in dismay and disappointment are ready to admit that Khrushchev is right in predicting that communism is sweeping the world and that, short of war, we have no means of stopping it.

They are like the man who, as an experienced diplomat once put it many years ago, is so worried that he will fall off the top floor of the Empire State Building that he stops the elevator and jumps out of the ninth floor window. I believe this defeatism to be profoundly mistaken and unwarranted. It is based on a misreading and a misunderstanding of what has happened since the Second World War and what is happening now. The root of the error is to equate instead of to differentiate between, the communistic movement which owes allegiance to Moscow and Peiping and the worldwide movements of social reform and social revolution, which almost everywhere seek national independence and nonalinement with the great powers.

Mr. Khrushchev's hope and belief is that he will lead and direct all the reforming and revolutionary movements. We play right into his hands when we identify ourselves with the opponents of change rather than with the leaders of change.

For those who think that Laos and southeast Asia are gone and that like the dominoes all the Asian nations and the Pacific will go too, I should like to call attention to Egypt. It was not so many years ago—in fact it was in 1955—when we were told that Egypt and Syria and Iraq, and all the oil of the Persion Gulf, and the Suez Canal, were gone or going. Egypt had gotten arms from Czechoslovakia, it got Soviet help in building the Aswan Dam, it nationalized the Suez Canal, and all was "lost."

Yet look at it now. Syria and Iraq and the Persian Gulf states are not Communist. Egypt continues to put its Communists in jail. Mr. Khrushchev has attacked Egypt publicly. President Nasser is calling a congress of the neutrals who do not take their direction from Moscow. Egypt has played a decisive part in preventing the flow of Soviet arms to the rebels in the Congo.

After Egypt and the Middle East, look at Africa, look at Guinea, which 6 months ago was written off as gone. It is not gone despite the several hundred Soviet technicians who are there. Probably it is not gone in part at least because the Soviet technicians who are there have made themselves so unpopular. In any event the chances are good that Guinea in the end will line up with the rest of independent Africa as a neutral state.

There is now a great likelihood that the whole of north Africa, all the way from Morocco to Egypt, will take a neutral line, refusing to be dominated by Moscow or to take direction from Paris or Washington.

Moreover, I do not believe that Cuba is gone, and I have a very strong impression that Mr. Khrushchev does not begin to think Cuba is as gone as, let us say, Senator SMATHERS thinks it is. For Cuba is as far from Moscow as Laos is from Washington. In time, not necessarily in a very long time, the Cuban revolution will rejoin the community of American states. It will do this because it has no other place to go.

The wave of the future is not Communist domination of the world. The wave of the future is social reform and social revolution driving toward the goal of national independence and equality of personal status. In this historical tendency Mr. Khrushchev will be, as Mr. Alsop tells us he is supposed to have described himself, "the locomotive of history" only if we set ourselves up to be the roadblocks of history.

What is the lesson of all these experiences? At bottom the lesson is that there is, as the President said the other day, a worldwide social upheaval which the Communists did not create but which they hope to capture. If we make our own policy one of opposition to this worldwide movement of social change, we shall lose the cold war and Mr. Khrushchev's hopes will be realized. If, on the other hand, we befriend and support with active measures the movements of social change, their leaders will not submit to Moscow because they do not have to submit to Moscow. They do not wish to submit to Moscow because what they want is independence.

Mr. WILEY. Madam President, I congratulate the distinguished senior Senator from Minnesota. He has made a notable speech.

Madam President, it was my privilege this morning to attend a meeting of the Committee on Foreign Relations to

hear the Secretary of Defense and General Lemnitzer speak on this very subject. After hearing those gentlemen, one realized that the problem was a tremendous one.

I might also suggest, supplementary to the statement made by the distinguished Senator from Minnesota, that when we come to considering a reduction in the amount of foreign aid, military and otherwise, what is needed is the same consideration as when a person is ill. A person who is ill calls in a diagnostician. Similarly, in the foreign-aid program, not only the economic, but also the political, social, and other factors of a particular nation must be diagnosed and then the proper remedy applied.

I cannot help recalling an incident which I think is most important to show how we might fall asleep on this program. The other day, a distinguished Senator from a Southern State told about his being in Korea. He left Korea the day before the revolution. While he was there, he did not know what was taking place, and was not informed. He had spoken to various officials, but he left Korea totally oblivious of the incipient boiling point which had just about been reached in Korea.

That is what I mean by having diagnosticians, persons who can ascertain the facts. The result is that in Korea we do not know just where we stand. This morning, it was demonstrated that the United States probably will be spending, in order to hold the line in Korea, a billion dollars. That is all the more reason why we need diagnosticians who will give us actual facts and basic facts.

TWO BUSINESSMEN REJECT SOVIET DEAL

Madam President, as a nation, we need to mobilize our manpower and resources more effectively if we are successfully to defeat the Communist threat to our survival. In this struggle, we need the dedication of all citizens. Dedication, however, too often takes a form of lipservice rather than deeds.

I have in my hand an excellent article which indicates clearly what I am talking about. Two American businessmen were offered a deal with Russia. They rejected it.

Today, I should like to pay recognition to an example of deeds by individuals in behalf of our country's interests—deeds which are not just lipservice, but which represent real economic sacrifice in the interests of our national security. As indicated by the Senator from Minnesota, in this struggle we need dedication by all our citizens. However, dedication all too often takes the form of lipservice, rather than deeds. Furthermore, as stated by the Senator from Minnesota, we need to have real sacrifice by our citizens in the interests of our national security, if our Nation is to survive.

Recently the Christian Science Monitor published a heart-warming article entitled "Two Businessmen Reject Soviet Deal." The article, by Alice Myers Winther, reflects how Mr. Gordon B. Anderson, president of Puget Sound Fabricators, Inc., and Mr. M. E. Hillman, president of Republic Electric & Development Co., turned down a much-needed contract amounting to $500,000 because they felt that it would contribute to economic progress for the Communist world.

I ask unanimous consent that the article be printed in the RECORD, following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, June 6, 1961]

TWO BUSINESSMEN REJECT SOVIET DEAL

(By Alice Myers Winther)

Two Seattle businessmen have just refused to sell a newly developed lumber-sorting machine that would have enabled the Soviet Union to build the largest and most highly automated sawmill in the world.

This decision is keeping both men's telephone lines hot with heartfelt thank you's from people they don't know at all.

The decision took some soul-searching, admit both Gordon B. Anderson, president of Puget Sound Fabricators, Inc., and M. E. Hillman, president of Republic Electric & Development Co. "It meant turning down a possible $500,000 worth of business, and you don't just turn down business, especially these days. But we feel that we are in a hot economic war and that to send this equipment to Russia would be giving one more tool of this economic war to our enemy."

CANADIAN CONTACT

Purchase of the lumber-sorting equipment was proposed by a Canadian firm which has apparently been commissioned by the U.S.S.R. to build a sawmill somewhere in Siberia. The magnetically and electrically controlled sorter represents the answer, its developers here believe, to the last big problem in the automation of sawmills. The two Seattle companies have been working on its development for the past 3 years. The Canadian proposal to purchase six complete machines was just the kind of order the Seattle men had been hoping for. It was a real plum.

In fact, Mr. Hillman relates, he dropped their Canadian customer off at the airport Friday, May 26, feeling very happy over the prospective deal. Then he got to thinking, "What am I doing?" After an agonizing weekend he and Mr. Anderson dictated letters refusing to take part in the project. The letters to the Canadian firm stated in part:

SACRIFICE SEEN

"While this refusal means a notable loss of sales and earning capacity to us, and while we realize it will only have the very slightest impact on the total productive capacity of the U.S.S.R., we are unanimously convinced of these facts:

"The U.S.S.R. has avowed innumerable times the ultimate destruction of our democracy either by all-out warfare or by economic warfare. Daily throughout the world in a relentless, predictable program we see Russia slowly but surely achieving that goal.

"The one advantage we in North America have over the Communist bloc is our production know-how, and it was that single ability more than any one factor which brought about victory in World War I and World War II and at the moment still insures our victory in world war III.

TWENTY YEARS BEHIND

"To knowingly give away even the tiniest proportion of that production superiority represented by the excellence of the Redco control system would represent to us the admission of the inevitability of world domination by communism. To this we will never admit.

"On his recent visit to Moscow your representative was told by the Russian purchasing committee that they could not train enough technical people in the next 20 years to achieve building of this tremendous lumber mill, and that they would therefore purchase North American technical know-how to close the gap from 20 years to 2 years. Redco will have no part in handing this advantage to our sworn enemies."

A reply from the Canadian firm expresses respect and admiration for the decision made here and indicates that it is now considering rejecting the commission to build the Soviet lumber mill.

Says Mr. Anderson, "We sincerely believe it is high time we quit supplying the Russians with the needs they cannot supply themselves. They don't advertise their deficiencies. They have concentrated on rockets, but in a lot of fields they are not as advanced as we are. They expect to come here and buy our know-how in those fields. To sell them that know-how when they have vowed to snow us under does not make sense."

Judging by the calls they have received there are a lot of Americans who agree. Messrs. Anderson and Hillman will be happy if their decision encourages other individuals to take the same stand.

"Of course," adds Mr. Anderson, "not all may agree with what we are doing. But the freedom to express disagreement and to act according to our individual convictions in the basic freedom we are fighting to preserve. It has now been lost in Cuba and that comes pretty close to home."

Had it gone through, the sale would have been perfectly legal and would have had the sanction of the State Department.

CIVIL DEFENSE: HOLES IN THE GROUND OR OFFENSIVE POWER?

Mr. YOUNG of Ohio. Madam President, the most encouraging aspect in regard to the part of the President's message to Congress concerning civil defense is the fact that the present boondoggling Office of Civil Defense Mobilization will be dismantled and reconstituted as a small staff agency to assist the President.

At the present time, over 60 percent of the budget of this overstaffed agency with high-salaried personnel goes for salaries and expenses. Frankly, I am somewhat skeptical of the new proposal, and personally shall withhold final judgment until we see what our President means when he says "A small staff agency."

Madam President, it is difficult for me to understand how the President advised that civil defense can be insurance for our civilians in the event of nuclear war, and at the same time said that it cannot give us any assurance of blast protection or be guaranteed against obsolescence.

Madam President, civil defense, as it has been conducted during the past 9 years, is as obsolete, as antiquated, and as useless as the flintlock muskets, the mustache cups, and the tallow dips of our forefathers. I was about to say that it is as useless as the bustles worn by women in the 1880's. However, bustles might come back in vogue.

Experts have testified that the cost for an adequate shelter program—if there is such a thing—will be anywhere from $20 billion to $200 billion. I have repeatedly said in the past, and maintain today, that such an expenditure is

entirely unwarranted, gives no guarantee whatsoever of protection, and would be a gross waste of taxpayers' money.

Having believed all along that the defense of civilians should be the duty and responsibility of the Armed Forces of our country, it was pleasing to hear the President state "I am assigning responsibility for this program to the top civilian authority already responsible for continental defense, the Secretary of Defense."

The Secretary of Defense should be the chief authority on civil defense matters, as he properly is on all defense matters. It is my belief, as well as that of members of the task force on the Defense Establishment, headed by our able colleague, the distinguished senior Senator from Missouri [Mr. SYMINGTON], that the management of civil defense functions should be under the control of those who know most about defense—the leaders of our Armed Forces.

Madam President, in his message, President Kennedy stated that the present budgetary request for civil defense would be more than tripled for fiscal year 1962. To me, that was astonishing.

Faced with so many pressing needs for the defense of our Nation and its continued economic growth, American taxpayers are required to foot the bill for one of the largest budgets in our history. As if our overlapping local, State, and Federal tax systems are not already complex and burdensome enough, we are constantly being forced to search for new sources of revenue.

I, for one, shall continue to oppose any increase in civil defense appropriations and any further encouragement to State and local governments to increase their expenditures in this regard. We face two choices: The first is to embark on a wild multibillion-dollar shelter proposal, which would be entirely foolish and impractical; the second is a modest appropriation for a realistic program of education and self-preparation. Anything over that latter amount will merely add additional millions of dollars for the bureaucrats to squander on silly schemes.

In his recent taxation message to Congress, President Kennedy stressed the need for plugging our loophole-ridden income-tax laws, in order to be able to provide for the things America needs.

Madam President, recently there was introduced in the House of Representatives a bill which would grant homeowners and business organizations income-tax deductions for the cost of building bomb shelters.

Madam President, in my opinion the spending of untold billions of dollars to dig holes in the ground can be advocated only by those who refuse to face reality in the nuclear and space age.

Gen. Curtis LeMay, who recently was confirmed as Chief of Staff of the Air Force, some months ago said:

> I don't think I would put that much money into holes in the ground to crawl into, that I would rather spend more of it in offensive weapons in the first place.

It is important to note that in the judgment of this great leader of our Armed Forces, the offensive power of the Nation and our might for instant retaliation constitute our best permanent shelter for the protection of American citizens.

The proposed legislation provides that taxpayers could amortize, over a 5-year period, the cost of a basement or backyard shelter. The tax credit would be given to anyone who obtained a certificate from the boondoggling national civil defense agency stating that the facility would provide protection in event of nuclear attack.

Whose scheme was it to foist upon the American people a shelter program and make it tax deductible? The present Director of the Office of Civil and Defense Mobilization, Mr. Ellis, is a fine gentleman, and is seeking to render a worthwhile public service. It was his predecessor, Leo Hoegh, who, after having served one term as Governor of Iowa and after having been denied a second term by the voters of that State, then was rewarded by President Eisenhower with the $25,000 per annum position as Director of OCDM. Mr. Hoegh is the one who initiated these foolish shelter programs and the policy of scaring the people of this Nation. Then, shortly after November 1, when the people remembered who was for them and who was against them, and voted his party out of power, Mr. Hoegh resigned his lucrative post.

Do not feel sorry for him, Madam President, because he became executive vice president of the Wonder Building Corp. of Chicago, in charge—you may guess, Madam President—of selling civil defense shelters to the American people. It is my understanding that this fortunate gentleman will be in receipt of an income probably five times or more the income that the people of his home State of Iowa denied to him.

Let us not be duped. In reality this proposed income tax deduction would amount to nothing more than a tax gimmick which would enable homeowners to build elaborate game rooms, recreation rooms, guest rooms—call them what you may—all at Government expense. Of course, those who rent homes or apartments would receive no benefits at all from this tax loophole. Or, it would enable commercial real estate operators to build additional storage space and underground parking lots at the expense of Uncle Sam's Treasury. Contractors and builders would benefit while American taxpayers continue to sweat and sweat.

The fact is that these holes in the ground will prove of little or no use in the event of nuclear war. It appears to me to be foolhardy to discuss a tax deduction for this purpose at a time when so many immediate problems confront the Nation.

During this session of Congress we have been requested by the President to legislate to close present loopholes in order to provide tax incentives for modernization and expansion of our industrial system and for a concentrated drive to forge ahead in the field of missile and space development. These among other things. How can we even consider opening a new and flagrant tax loophole for rumpus and recreation rooms when Americans have been called upon by President Kennedy to sacrifice for the greater good of the country?

Madam President, the unhappy, but unarguable, fact is that shelter from an H-bomb in a target area is impossible. Assuming that a few citizens survived the blast, they would be killed in the ensuing radiation, fire storms, or from lack of oxygen. Our cities would be blazing pyres and a mass of pulverized radioactive debris. Surrounding areas for thousands of square miles would be covered with deadly radioactive fallout.

It has been estimated that the radioactive cloud from a single, relatively small, nuclear bomb may be expected to cover an area downwind for fully 200 miles. No one knows how many bombs would be dropped or missiles fired in a nuclear holocaust or what weather conditions would be at that time.

The conditions of modern warfare makes shelters of little or no use in saving American lives. Were we to be attacked with intercontinental ballistic missiles with hydrogen warheads, the total destruction and remaining radioactive elements would be such that underground shelters in basements and backyards would be covered with deadly contamination, and the lethal effects would last, not for hours or weeks, but for months or even years.

The most optimistic estimate of devastation of atomic attack, despite a network of shelters, places probable death at 50 million Americans, with some 20 million others suffering serious injuries. Assuming for the sake of argument that shelters would save lives, there is no assurance that they would not be outmoded by more advanced weapons or that they would offer any protection against an attack even more deadly than a nuclear attack—biological warfare. Does any one of us wish to embark on a $20 billion, at the least, and possibly $200 billion gamble to erect underground shelters which, within a few years, may be as obsolete as a Model T Ford?

For too long now, our citizens have been confused and confounded with periodic multi-million-dollar doses of psychological pablum administered by the Office of Civil and Defense Mobilization. This explains the failure of Americans to take serious the contradictory programs of this agency.

Steadily, citizens have reacted against the hysteria, the screeching sirens, and the practice alerts.

A survey of 35 States and 66 local communities conducted early in 1960 indicated that only 1,500 shelters had actually been reported. If 1,500 people wish to waste their money, that is their business. However, we do not have to make it possible for them to do so at the expense of American taxpayers. In my own State of Ohio, I know of no paid civil defense official who has gone to the trouble or expense of building a shelter in his basement or backyard.

In spite of these facts, in spite of the realities of the situation, it was announced not long ago that 600 high schools across the Nation will build fallout shelters with the aid of Federal grants of money. The Federal grant of $250 goes directly to each high school with the local board of education pro-

viding the additional necessary funds. These grants should not be permitted.

Madam President, think of it. At a time when one of the topmost problems before us is aid to education, at a time when the Soviet Union is graduating engineers and physicists at a rate three times as great as ours, the Government of the United States is giving money to schools for, of all purposes, the building of useless shelters. The prototype of the high school shelters is alone expected to cost Uncle Sam $75,000.

This is absolutely an inexcusable waste of taxpayers' dollars. While communities across the land are seeking funds for classroom construction and teachers' salaries, the OCDM is handing out Government funds for ridiculous bomb shelters in our schools.

Madam President, if we foolishly continue indefensible programs such as this and neglect the real needs of our schools and of the Nation, while the Russians continue to surpass us in graduating young people qualified to cope with the new age of science, these ridiculous holes in the ground may eventually be tested.

All of this silly preparation and these dizzy schemes for bomb shelters in schools, 2 weeks' food supplies, and rumpus rooms at Government expense, is nonsense.

Likewise, building bomb shelters in Federal buildings is nonsense. The plan to add a $2.4 million shelter in the proposed $40 million Federal office building in my home city of Cleveland—and in similar buildings in other cities—is simply a proposal to take money from the taxpayers for no good purpose. For those blind to reality it is perhaps a kind of therapy. For the idle and untalented it is gainful employment in doing nothing.

These paid civil defense officials sit around waiting for the bomb to drop, and at the same time enjoy fat salaries. Of the $1.1 billion paid out in the last 9 years, Madam President, 60 percent has been used for payment of salaries to officials of the civil defense organization. Forty percent of those officials receive salaries in excess of $10,000 per annum.

As one who was born in Puckerbrush township, Huron County, Ohio, many years ago, and who has worked all his life, it appears to me a salary of $10,000 per annum is too high for people sitting around waiting for the bomb to drop. These people simply sit behind desks with telephones, while the worthy volunteer civil defense workers—to whom I pay tribute—do the real work in time of stress and trouble, of floods and fires.

Madam President, even to consider this proposed tax deduction for holes in the ground, so-called fallout shelters, would be an insult to American taxpayers who will have to shoulder the bill for these recreation rooms. We would do far better to spend our time seeking ways to revitalize our economy and to strengthen our defenses. If we succeed in this, Americans will never have to fear the holocaust of a nuclear war, and our shelter will be the shelter of peace.

IT HAPPENS IN NEW YORK

Mr. THURMOND. Madam President, it is not very often that the general public of our country, particularly that portion which resides in the North, is fortunate enough to find factual reporting in any nationally circulated publication concerning the racial problems as they exist in areas other than the South. The Paper Curtain is indeed as invulnerable as either the Bamboo or Iron Curtain. In view of this sad state of circumstances, it gives me great pleasure when I note an article which describes what actually is occurring in any northern city in regard to race relations. Such an article, entitled "It Happens in New York," appeared in the February 25, 1961, edition of National Review. It points out the fact that both public officials and families are doing little more than paying lipservice to the integration policies of that State.

It is not my intention, in inserting this article in the RECORD, to criticize the people of New York for this action, for this is a problem for the State of New York to solve, but I do hope that they confine their solution to their own State and in the meantime discontinue their hypocritical criticisms of the South.

Madam President, I ask unanimous consent that this article be printed in the body of the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IT HAPPENS IN NEW YORK

(By W. H. von Dreele)

It's more fun knocking Dixie, but shouldn't someone report on New York Public School 163, where (shhh) segregationists are at work.

As everyone knows who reads the New York Times or its network papers about the country, New York is an integrated city. Until recently, doubters were admonished hourly over the city's radio station that here is a place "where 8 million people live in peace and harmony and share the benefits of democracy." Indeed, were the visitor to happen thoughtlessly into my neighborhood on the colorful West Side, he might be convinced. The scene might even jog back from memory the words of that old Sunday school song:

"Black and yellow, brown and white,
They are precious in His sight;
Jesus loves the little children of the world."

I suggest, alas, that His Utopia is still some years away for Gotham. And that the Times and radio station WNYC notwithstanding, birds of a feather continue to show a remarkable tendency to keep together, at least in New York City.

Some years back, the city planning commission OK'd a vast urban-renewal project. Soon thereafter, the decree went out from City Hall that everything from Central Park West to Amsterdam Avenue, and from 97th Street north to 104th would be leveled.

Do not scoff at the law of eminent domain: it is a powerful one. White crosses blossomed overnight on tenement windows. And there were the signs, "This building slated for demolition." Daniel Defoe would have understood. So, evidently, did the original residents, for they were swiftly replaced by bulldozers and wrecking crews. Buildings that must have been standing long before Lincoln's first inaugural, vanished. The area looked like the ruins of Aachen in the winter of 1944. With a few exceptions, such as the Trinity Evangelical Lutheran Church, all the buildings had been razed.

There followed a period of inactivity. For months, neighborhood children living on the periphery of this project had a grand time building, burrowing, and fighting in the rubble. Eventually, a New York evening newspaper called its readers' attention to the strange lassitude on the part of the city officials. But that's another scandal, er, story.

Finally, the builders' shacks went up and foundations down. I, as a confirmed West Sider, rejoiced. Here was the city beautiful in process of creation. I adopted a proprietary interest as:

1. From 97th to 100th Street, an air-conditioned, balcony-trimmed complex of red brick structures rose, while

2. From 100th to 104th Street, red brick but somehow more "institutional" looking shafts soared upward. And meanwhile, joining the two areas,

3. The low-slung Alfred E. Smith School (Public School 163) meandered in the approved ranchhouse style.

REPORT FROM THE TOP

At some point before completion, I got a message. This was to be an integrated neighborhood. The authorities—but let's go straight to the top. New York School Superintendent Dr. John J. Theobald has assembled the facts for us in a report titled simply: "Toward Greater Opportunity." Quote (from the Times' story):

"Illustrating the difficulties faced by the school authorities in trying to create and maintain integrated schools, the report points to the opening of Public School 163, Manhattan, which was to serve two nearby developments: Frederick Douglas Houses, a low-income project of 2,057 apartments, and Park West Village, a privately sponsored development planning 2,583 apartments for middle- and upper-income families. Douglas Houses is about 75 percent Negro and Puerto Rican; Park West is almost entirely white.

"Park West parents sent only four children to Public School 163, preferring to enroll their children in private and parochial schools." The report was issued in June. Total Park West children enrolled now in Public School 163: about 10.

And that's all there was. There was no editorializing, no Times comment which one would have expected had this experiment been tried in, say, Atlanta. And that is the point of this article.

For the people living in Park West Village are not from New Orleans, Richmond, or Atlanta. Talk with some of them as I did. They are average- to upper-income New Yorkers. They pay from $115 for a 1½-room apartment to around $250 for a 4-roomer. Their names are Smith, Johnson, Stern, O'Leary. Many of them are in the professions. All of them were attracted by Park West's magnificent view of Central Park, and an equally spectacular view south over Manhattan (a panorama shared, by the way, by residents of the low-income project to the north). And, frankly, those Webb and Knapp ads are enticing. Park West has "19-foot terraces, onsite parking, free gas, individually controlled air conditioning," not to mention "many other luxury-living features."

Yet almost all of these people, when faced with choosing between an integrated Public School 163 or private schools for their children, chose the latter. Nor did they line up outside the principal's office to chant "Two-four-six-eight; we don't want to integrate." Thus, they failed to make the front pages.

A SCHOOLMAN'S VIEW

Not so long ago I walked up to Public School 163 and talked with a member of the

faculty. The building is yellow brick, and completely surrounded by a wire hurricane fence. A sign on the fence advises: "Loiterers in vicinity of school or trespassers on school property are subject to arrest for disorderly conduct." Not planning a sit-in, I pressed on. Inside the main entrance is another sign. "Visitors report to room 115. Loiterers will be * * *." You know.

I was prompt, and so was the faculty member who must, I'm sorry to say, remain nameless. I had my queries organized.

Question: "Sir, why are there so few Park West children in your school?"

Answer: "Hard to say. Some mothers are afraid they'll learn bad habits. Others cite violence. It's a strange, generalized fear."

Question: "Do you think ethnic questions enter in—the fact that the majority of your students come from Douglas Houses which are 75-percent Negro and Puerto Rican?"

Answer: "You'll have to find that out on your own. Actually, I practice segregation here myself, and I've been criticized for it. But I do it for sound teaching reasons. In, say, the fifth grade, the slow learners go into the lower sections; the more gifted, into the top. Inevitably, there are fewer Negro and Puerto Rican children in the upper sections."

Question: "Why 'inevitably'?"

Answer: "Because of poor home conditions, cultural disadvantages, slow starts in life."

Question: "Would you say there's considerable hypocrisy in New York's school integration program?"

Answer: "I'd have to agree with that."

My informant is a dedicated public school man. He wouldn't agree that the boycott of his school by Park West parents proved anything. He did agree, however, that the New York newspapers left his school pretty much alone; that they preferred to discuss southern problems. He believes that time and the educational process will provide the ultimate solution.

But since I'm unable to name this gentleman, let's return once more to the good Dr. Theobald and his report. I quote verbatim from, once more, the New York Times:

"After years of a steady exodus of white children to private and parochial schools, approximately one-third of all city children are now enrolled in such nonpublic institutions. In the last 3 years 53,683 children have left the city's elementary schools to attend private and parochial schools. Between 1950 and 1958 a total of 835,000 alien immigrants, Puerto Ricans and Negroes from the South, moved into the city, with Puerto Ricans and Negroes constituting almost 60 percent of the total. In the same period 1,285,000 persons, most of them white, left New York City."

I suggest these figures prove something: that school integration is a national problem. I believe the personal decisions not to integrate taken by parents in Park West deserve national attention. And I'd like to end with a plea to whom it may concern. Please. New York's school integration woes also provide news that's fit to print. Give an occasional look at what's doing in the Big Town's system. It's fun to knock Dixie, but Broadway's your beat, too. Some call it the loneliest street in town.

FLAG DAY AND THE 186TH ANNIVERSARY OF THE U.S. ARMY

Mr. THURMOND. Madam President, I rise to remind my distinguished colleagues of two notable events we celebrate today. By proclamation of the President, Americans everywhere are paying special honor to our national colors. This is most fitting for on this date 184 years ago, the Second Continental Congress resolved—

That the flag of the United States shall be of 13 stars of white on a blue field, representing the new constellation.

Appropriately enough, Madam President, Flag Day is also the official birthday of an organization which has insured that the American constellation would rise to a position of unparalleled radiance and would exercise an incalculable influence for good. Today is the birthday of the U.S. Army, for 186 years the bulwark of the Republic.

The embattled farmers of Massachusetts fired "the shot heard round the world" in mid-April of 1775. In the old State House on Chestnut Street in Philadelphia, our agitated predecessors bided their time. Most hoped that George the Third would finally see reason. But there was another consideration too, for Massachusetts had urged the Congress to adopt, as a single Continental Army, the band of incredibly brave but poorly organized New Englanders who were already in the field. This adoption may have passed unrecorded on June 14, 1775. But we know that on that day Congress determined to provide substantial aid to the patriots at Boston, for it resolved:

That six companies of expert riflemen be immediately raised in Pennsylvania, two in Maryland and two in Virginia.

On the following day the Congress gave this small Continental force and the New England troops a commander in chief, the incomparable Washington.

The 10 new companies thus formed for the Continental Army stood at the threshold of a struggle which raged fiercely for 6 years. Six years is not long as nations count time but those years were filled with events dramatic and meaningful enough to give our infant land a heritage as rich as that of any of the ancient states of Europe.

Our Revolution marked only the beginning of the Army's service to the Nation. There would be much to do. Independence had to be safeguarded and a vast continent won. The Union would have to be preserved, no matter how great the cost. The U.S. Army helped achieve these things. All the Nation asked, it did. I need not remind Senators of Anthony Wayne at Fallen Timbers, of Jackson at New Orleans, of Scott at Chapultepec, and of Teddy Roosevelt at San Juan Hill.

Our Nation then entered the 20th century as a world power. But three times within nearly as many decades, we paid the high price of freedom. American soldiers tramped the ancient battlegrounds of war-weary Europe; sweltered in the steaming jungles of isolated Pacific atolls; shivered on Korea's frozen ridges. The names of Pershing, MacArthur, Marshall, Eisenhower, Bradley, and others were added to the long list of America's great captains.

During the course of 186 years the strength, organization, weapons, and dress of our Army have changed radically. But its mission—defense of the Nation—has remained the same. Our Army, however, has been able to accomplish much more than its basic military mission. It has made outstanding contributions to the general welfare of all our citizens—contributions unmatched by any army in history.

Capt. William Clark, Capt. Zebulon Pike, Lt. John Charles Fremont, Army officers all, blazed trails through and charted the American wilderness. Army Engineers were harnessing waterways and dredging harbors as early as 1824.

But over the years, Army advances in medicine have been as important as achievements in exploration and engineering. Yellow fever, typhoid, and beriberi fell before the insistent research of Army doctors. This tradition of dedicated research is kept alive today. At Walter Reed Army Medical Center, to mention a familiar example, Army doctors have developed prosthetic appliances to an unsurpassed degree. Not only the brave men who lost an arm or a leg in wartime benefit from this research but those unfortunate victims of peacetime accidents as well.

Other contributions stemming from Army research and development include modern aircraft, weather prediction techniques, the interchangeable parts concept basic to mass production, smoke generators for crop protection, automatic transmissions, flameproof fabrics, and modern methods of food processing and packaging. I could continue this varied list almost indefinitely, Madam President, but suffice it to say that the U.S. Army has not only helped to guarantee freedom for all Americans but it has contributed immeasurably to making our American way of life the richest and fullest in the history of men.

We must not be so proud of the past, however, that we become careless of our destiny. It is to our American destiny and the role of the Army in helping to insure fulfillment of that destiny that I shall now address myself, Madam President.

Since 1945, as President Kennedy noted in his first defense message, nonnuclear and sublimited or guerrilla warfare have "constituted the most active and constant threat to free world security." Our strategic retaliatory forces—while truly awesome—have been of little use in countering the Communist nibbling at the periphery of freedom. These strategic weapons systems do not provide the flexibility needed to counter this insidious threat. In the present situation, then, the Army bears much of the burden of our day-to-day defense.

Currently some 40 percent of the Army is deployed along the Iron and Bamboo Curtains as a constant reminder to potential aggressors that any movement forward will be met at once by American soldiers. The presence of Army personnel in friendly areas overseas provides clear evidence of our determination to stand against attack, reminds the Communists of the consequences of aggression, and inspires continued firmness on the part of our allies.

Of course, the Communists may strike at any one of a large number of widely separated points. Therefore our Army maintains a centrally located reserve

force ready and available for immediate commitment to combat anywhere in the world. This force, the Strategic Army Corps—STRAC—is an air transportable force of three divisions which can use atomic or nonatomic firepower.

This dual capability—a hallmark of our entire Army—permits it to react with a measured response. It can literally make the punishment fit the crime. All of us realize the importance of this measured response for there are many situations in which nuclear weapons would be useless. This is one of the reasons why the Army requires an arsenal of flexible modern weapons and equipment.

It also requires adequate manpower to cope with the threat. The Active Army must be capable of countering those military threats which could develop quickly at any time. But with only 14 divisions on active duty—a modest force when compared with the Soviet Union's active army of over 150 divisions—the Army must have considerably greater manpower available in depth. The United States has this reserve manpower in its citizen soldiers of the Army National Guard and the Army Reserve. The two Reserve components combine with the Active Army to form the one U.S. Army, a force of great versatility, capable of applying a broad spectrum of power—capable of measured response.

In discussing measured response, I should be remiss if I did not make special mention of that extraordinary band of fighters which the Army calls "special forces." The men of special forces, all paratroopers and most of them crack Army Rangers, are highly skilled and superbly trained specialists in the art of unconventional warfare. Their wartime mission is to work their way into enemy areas to organize, train, and direct local guerrilla units in combat operations.

Recent history has taught how effective guerrilla units can be. But long ago, the Army started its training of special forces so that America—and the free world—would be ready when the counterguerrilla need arose.

Of course, Mr. President, we all realize that much remains to be done if our Nation is to have the truly modern Army it needs to discharge its vast responsibilities to the free world. Certain types of weapons, now in the hands of only a limited number of our troops, must be available to all our soldiers as quickly as possible. While there has been a notable increase in the strategic airlift and sealift capabilities of the Army's sister services, more will be needed before the Army has the required degree of strategic mobility.

Last but not least we must consider the Army's ultimate weapon, the combat soldier. Now more than ever before the Army needs highly qualified personnel capable of absorbing the increasingly complex and rigorous training that the times demand. Since our commitments will grow rather than diminish during these perilous times, we must continuously evaluate Army personnel needs in the light of these commitments.

While the Army has its roots in the traditions that made our Nation great, its gaze is set resolutely forward. To be ready for any eventuality, the Army thinks in terms of the conditions it may face in the uncertain years ahead. It visualizes the weapons and equipment it may need as well as the quantities necessary to carry out its mission. The Army's forward look is fully apparent in its current reorganization plans, recently announced by the President, and I am confident that this is but one visible example of Army planning which will enable it to cope with the shifting tactics of ground warfare.

I spoke a moment ago of our American destiny. Very simply it is to remain true to our heritage of freedom. We do not wish to remake the world in our own image. But as Woodrow Wilson said:

> We will fight for those who submit to authority to have a voice in their own government.

President Kennedy pointed out in his most recent defense message that this Nation was born of revolution and raised in freedom. "We do not intend," he said, "to leave an open road to despotism." These I know are our sentiments here and the sentiments of Americans everywhere.

Our U.S. Army, acutely conscious of its own birth in freedom, stands today—as it has for 186 years—squarely astride the tyrant's path. History has proven that it will stand as a powerful force for peace only so long as it is firmly rooted in the strength of the entire Nation. Thus, as we salute the Army on the 186th anniversary of its selfless service to the cause of liberty, let all Americans resolve never to falter in their responsibility to an organization which has never failed the Republic and—God willing—never shall.

Mr. CURTIS. Madam President, I wish to commend the distinguished Senator from South Carolina [Mr. THURMOND] for calling attention not only to those of us in the Senate but also in the whole country, that today is Flag Day and the 186th birthday anniversary of our Army. Much of the troubles of our country today stem from the fact that it is considered unpopular and old-fashioned to be patriotic. The distinguished Senator from South Carolina has never been found in that category. I say to him, may his tribe increase.

TRACTORS FOR CASTRO

Mr. CURTIS. Madam President, I wish today to speak concerning the so-called tractors-for-freedom matter. I hold in my hand a newspaper clipping which appeared last Monday in one of the Nation's leading newspapers. It states: "A four-man team hopes to arrive in Cuba tomorrow" for negotiations with Prime Minister Castro in his plan to trade 1,200 prisoners for 500 tractors. The technical team which arrived in Washington yesterday from Detroit to obtain entry permits to go to Cuba was named by a citizens committee raising funds to buy tractors. Castro has said he would talk with the team, although he would have preferred to negotiate with Mrs. Eleanor Roosevelt or Dr. Milton Eisenhower, cochairmen of the committee.

Madam President, that delegation of four individuals may be taking steps which will determine the future history, not only of this Republic but also of the whole Western Hemisphere. Who are these men? Among them are three college professors. I have nothing against college professors. Their specialty happens to be agricultural engineering.

Are they going to Cuba to teach the operation of tractors? If such a team must go to Cuba, why is it not made up of individuals who are trained and experienced in dealing with Communists? Why pass up all the talent that we undoubtedly possess in this field?

The fourth member of the team is an official of the United Auto Workers' agricultural implement department.

Why do they start out from Detroit? I do not know. There are a number of people who feel that certain kingmakers in Detroit are having too much to say about the running of the country. It may be a coincidence.

This is a shocking thing. I caused an inquiry to be made at the State Department as to what kind of security check had been made on the four negotiators. So far as I know, every one of them is a loyal citizen. I am not attacking any of them. I am challenging and questioning the practice of this Government. What reply did I receive? They were given no security check whatever, not even a security check that is given to an 18-year-old youngster who applies for a G–2 job in Government. Yet they are to go there, Madam President.

I wish to read a letter from a Navy lieutenant concerning the tractors for Cuba. The writer of the letter to me was himself a prisoner of the Communists for about a year and a half.

The letter is from Navy Lt. Duane W. Thorin, a native Nebraskan, the eighth son of Swedish immigrant parents who homesteaded in western Nebraska at the turn of the century.

Lieutenant Thorin enlisted in the Navy as an apprentice seaman in 1939; served in continuous active duty ever since. Designated a Navy enlisted pilot in 1943; served the remainder of World War II in the Pacific theater. Served in China and the Far East immediately after World War II during the period when the Chinese mainland was overrun by the Communists.

Served as a helicopter rescue pilot during the Korean war, flying from various ships and offshore islands in North Korean waters. Evacuated more than a hundred U.S. and allied forces from enemy territory in North Korea before being shot down and captured by Communist forces during an unsuccessful rescue mission in February of 1952.

Escaped captivity in July 1952, but was recaptured by the enemy before reaching friendly forces. Repatriated in Operation Big Switch, in September of 1953.

He authored a book, "A Ride to Panmunjom"—Henry Regnery Co., 1956—recounting, in fictional form, actual events which took place in Communist prison camps where he was confined. This

book depicts the reactions of many different types of American servicemen to the rigors of their Communist imprisonment.

Lieutenant Thorin's knowledge of the Communists, their conspiracy and their tactics is not limited merely to that which he learned while their prisoner in Korea. Since repatriation he has maintained, on his own time and resources, an intensive and continuing study in this field. This work has resulted in a number of published articles dealing with Communist tactics as applied in current affairs, several of which have appeared in U.S.A. magazine. He has done a number of separate analyses in this field for various private and governmental organizations and given innumerable lectures to both military and civilian groups.

The letter is as follows:

JUNE 2, 1961.

DEAR SENATOR: Along with many of my shipmates and, I'm sure, many other of my countrymen, I am gravely disturbed over the current campaign to raise funds to pay ransom to Castro. It happens that I am in a better position than most Americans, however, to take exception to this campaign without drawing undue criticism upon myself. Having myself been a prisoner of the Communists (during the Korean campaign), I am less likely than others to be accused of heartlessness toward the 1,214 human hostages who are involved. I understand their predicament full well, and I'm sure my compassion for them at least equals that of the self-proclaimed humanitarians who are heading the ransom fund drive. It is not in contradiction to my compassion for those men, but because of it, that I insist we should not ransom them. To submit to blackmail at the hands of their Communist captors not only is against the best interests of our own country and of the Cuban people at large; it is contrary to the interests of the world-wide battle against tyranny and, in the final analysis, against the best interests of the hostages themselves.

Realizing the hue and cry which may be raised against my last contention, I will elaborate on that point. Assuming that the 1,214 men who are offered for ransom are indeed of those who were fighting to free Cuba, then to ransom them would be to betray the very cause for which they fought and in the service of which they fell to their present misfortune. If their cause was worth their risk of life on the invasion beach—and I believe that it was—neither we nor they can view their situation differently now without abandoning that cause.

There are many, perhaps, more tangible facts, which indicate that present U.S. attitude in this matter is unwise. Among them:

1. There is no guarantee of the legitimacy of the individuals whom Castro may release. Can we trust a nonofficial emissary to insure this without the weight of the U.S. Government to back him up? Certainly we cannot trust Castro.

2. Any who are released will almost certainly have signed a pledge to refrain from any further anti-Castro activities. (The Communists tried to get such pledges from American prisoners released after the armistice in Korea.)

3. There is no assurance that Castro will not suddenly change his mind, calling the deal off before the first exchange or after a few, if it suits his purpose; or otherwise further embarrass the United States by demanding something more. No one can deny that he is calling the shots in this affair.

4. We open the door for further blackmail, despite loud claims to the contrary by promoters of the campaign. We have paid ransom to the Communists before. In each instance, they have decided which ones they would release of the many hostages they hold, and largely set the terms of the exchange. It is noted that, generally, the price has gone up each time. How much will we be willing to pay for the next group of hostages some Communist dictator wants to sell? Or would it be more proper to ask how much we will be asked to pay, since we never seem to quibble over the price?

5. A press dispatch from Tokyo, dated May 31, 1961, reports that Communist North Vietnam has served notice—they will apply Castro's "tractors for prisoners" principle to any Americans or American-trained anti-Communist forces whom they happen to capture. Another news report tells us that at least three more of the anti-Castro Cubans who were captured during the invasion attempt have been condemned to death by Castro—since negotiations began for ransom of the 1,214.

This campaign is called "tractors for freedom." I would call it, more properly, "tractors and freedom"; that is what we are giving up when we give way to blackmail—a few tractors, which in the monetary sense we may be able to afford, and an element of freedom which we cannot in any sense afford. Once we give way to blackmail, out of fear of dire consequence if we take more appropriate action, we become slaves to our fears at once and eventually to more than that. This is not the way of men who cherish freedom.

Freedom can never be bought by material goods. We cannot ransom our way out of danger or difficulty, no matter how much we are willing to pay.

The promoters of this ransom fund drive (including certain public officials) contend that Castro has "bumbled" in this affair—that he is losing popularity as result of it, especially in Latin and South America. Are these "prominent" individuals, at this late date, still unaware that a Communist dictator doesn't give a hoot about popularity. A Communist doesn't care if he is liked, he wants to be feared.

Although they make much use of so-called world opinion in pressuring us to concessions in their own favor, the Communists are most cynical of what people may think, or even say about themselves—so long as no effective action results which is contrary to Communist interests. A prime example of this can be seen in some remarks of Khrushchev in Hungary, less than 2 years ago. Speaking in Budapest, on the third anniversary of the event, Khrushchev boasted, long and loudly, of his suppression with Soviet forces of Hungary's bid for freedom in 1956. Then he mentioned that attempts were then underway to make this instance of Soviet intervention in Hungary a topic for discussion in the United Nations. About this move he said, "Well, if it gives them any consolation, let them talk about it. Let them have it for a souvenir." Understandably, that remark was followed by laughter from his Communist audience.

It is further argued by promoters of the ransom fund that Castro's position is hurt by this affair because it reveals his callousness toward human life. Anyone who could not deduce this from Castro's past actions seems hardly capable of a discerning opinion of his own in any case, and is not likely to take any constructive action if some vague awareness is now finally reached. Again the argument overestimates the value of so-called world opinion in shaping world events. It is unfortunately true that our Government seems inclined at present to give way to the nebulous "moral" force of this so-called world opinion. But the Communists most certainly do not let it deter them in any way.

It should come as no revelation to previously informed adults that Castro equates human life with material goods. No Communist ever conceals the fact that he so regards human life (other than his own); rather, he boasts of it. The point is that in acceding to this demand for ransom we are in fact acting on the same premise. We do not demonstrate a high regard for the lives of others by trading tractors for them. We can do it only by showing ourselves willing to risk our own necks in their behalf. The humanitarian concern of the ransom fund promoters does not generally seem to go that far. More accurately it seems that they would pay this homage to Castro in order to avoid even a little risk to themselves. How easy it is to appear magnanimous and humanitarian with other folks' money.

But, of course, it is also easy to speak boldly of risking other people's lives. So let there be no misunderstanding of my own position. I am entirely in favor of liberating the Cubans who are held prisoner by Castro and his henchmen. But not just some of them—all of them. That is to say, all of the Cuban people, for they are all prisoners of the international Communist conspiracy.

In support of that position, I offer not just a few pennies for the purchase of equipment. I offer my services in action—to lead such other volunteers as I may be qualified to lead, and to follow such others as are qualified by their wisdom and experience to lead me in such action.

Let me assure you that this is no idle proposition. Neither is it an impractical one, or without precedent in history. I would insist, of course, on one of two conditions for such a venture. Either that volunteer group must have the complete backing of the United States Government, or the United States Government should keep completely out of it. We experienced quite enough the tragic consequences of half-hearted and vacillating official policy during the Korean campaign. And similar vacillation on the part of officialdom seems to have contributed to misdirection of events which led to our present near dilemma regarding Cuba.

I would prefer, of course, that the U.S. Government should back such an enterprise, or still more preferably initiate it. I would like very much to see my country assert itself once more in the American tradition. But since its dominant leadership appears, at the moment, to favor abdicating its responsibilities in this particular matter, leaving it in the hands of interested citizens groups, someone must surely move in to fill the vacuum. I would much rather see that vacuum filled by Americans who will still stand firm, than leave our destiny in the hands of such citizens as are crusading for the ransom funds. For theirs, whether they know it or not, is the way of piecemeal surrender—and certainly not the way of men who cherish freedom above material security.

One does not, of course, condemn all who support or contribute to this ransom fund drive. No doubt many do so with only the best of motives. But there is an oft-repeated cliché which says that "the road to hell is paved with good intentions." It is perfect analogy to say that the same holds true of the road to Communist subjugation. History reveals this, all too vividly with nation after nation; including the one (Cuba) with which we are immediately concerned.

One must acknowledge, too, the emotional appeal of this campaign to ransom the 1,214 prisoners. Which is all the more reason neither to belittle nor condemn the truly humanitarian motives of many who may be supporting it. But it is not condemnation to point out that their good efforts and fine sentiments may be misdirected. There is ample reason to question the motives of some who are heading the campaign. For they certainly are in positions to know the broader

implications of this affair; and should be fully aware that no such matter as this should be considered apart from the world-wide pattern of Communist aggression and advance. Yet they persist in their claims that our position in this world conflict is somehow bettered by this concession to the enemy; and in the promotion of their crusade would have their listeners believe that any who oppose their project are heartless, if not downright inhumane.

So let us examine, just a bit, the professed humanitarianism of some of those who are leading the ransom fund drive. Can we not reasonably ask: Where is their humanitarian concern for the untold numbers of Americans held captive by the Communists? Those held in Red China, for example, are they not worth the price of a tractor? Or is the rate of exchange a bit higher for them? (Such as diplomatic recognition of the Communist regime in Peiping. It bears mention that some of the "prominent citizens" who are in the van of the ransom fund drive are on record as promoting just such concessions to the Chinese Communists.) And where is their humanitarian sentiment for those, previously mentioned, of captured anti-Castro forces who only last week were ordered to execution? I see no mention of them in the emotional appeals being made for the ransom fund. Yet these, I would consider, are the most deserving of our concern.

Where is the humanitarian concern for the 200,000 human beings now held as political prisoners by the Castro regime? Still further, where is the humanitarian fervor for liberation of the Cuban people at large? Every Cuban, be he presently walking the streets of Havana, or shackled in a cell in Cabanas, is in imminent danger of summary execution. One word, even of mere suspicion, can lead to his immediate arrest and liquidation. Such is the way of all Communist regimes, both in principle and in practice. Castro's record shows that his is no exception.

I have personally witnessed Communist suppression of their own subject citizens. The inhumanity of their methods is perhaps beyond the imagination of most Americans. I have seen their peoples courts in action, and observed their consequences in human depravity and suffering. I have been able, while a prisoner of the Communists myself, to feel genuinely sorry for citizens in the community surrounding my place of confinement, who were as free as any ever are under a Communist regime. For I had at least known freedom and had some prospect, small though it seemed at times, of knowing it again. But they, the most of them, had neither such memories of freedom or even a little such hope.

Perhaps no single method of the Communists in suppressing their subjects is more evil and inhuman than the peoples courts. Certainly none is more revealing of the true nature of Communist rule. This is a process wherein the citizens of a community are gathered together and one of their number exposed as an enemy of the state. The victim is stood apart, but in view of the entire crowd; then one after another of his neighbors is called upon to come forward and tell what they know about him. Let any refuse to testify, or perchance speak in the victim's behalf, and they may shortly find themselves charged along with him. In short order the crowd is transformed into a mob; partly out of fear for their own skins and partly because they begin to believe even the most gross lies which are being shouted about the victim. The Communist in charge incites the mob to whatever degree of violence is necessary to get them to pronounce the sentence which the Communists want the victim to receive. Thus do the Communists who have ordered the affair absolve themselves of responsibility for the act, and place it upon the people.

Controlled mob violence is a primary tool of the government, in a Communist society; used deliberately by the Communists to keep the citizens subdued. And they call it, incidentally, "democratic action."

Such is the nature of Communist rule, wherever it is imposed. We Americans have stood by, hesitant and uncertain, while just such rule was imposed on our neighbors in Cuba. The Communists fully intend, eventually, to impose the same on us. They have declared so, repeatedly, including their very latest official pronouncements. Yet still we hesitate—we remain uncertain and undecided. If we would prevent the fall of this nation and of the world to Communist rule, we must take some far more decisive action than paying homage and ransom to those who would bring it about.

In analyzing this matter, I have relied much on personal knowledge of the enemy and their methods which I gained during the Korean campaign. There are other, more comprehensive lessons learned from that campaign which also apply. Shortly after the armistice in Korea, an extensive study was made of the behavior and misbehavior of a number of Americans who were held prisoner by the Communists. Out of that study came a document called the "Code of Conduct for Members of the U.S. Armed Forces." One part of that code says for the American fighting man, "If I am captured I will accept neither parole nor special favors from the enemy." It says, in effect: "I will not make a deal with the enemy; because I know that any deal he offers is in his favor and not in mine—and that it is not in my country's favor."

The code of conduct was issued as an Executive order. Certainly a different individual occupied the office of the Chief Executive then than now. But the order still stands. Would our present Chief Executive want to cancel at least that part of the Code of Conduct which requires of an American fighting man that he will not accept parole from the enemy if he is captured?

We seem to be honoring parolees from the Communist prison in Cuba, and acceding to their demands. (Let me repeat, I am not at all against these men or their best interests; I appreciate their circumstances better, I think, than most Americans are able to.) Ten men accepted parole from the enemy to come to the United States and plea for us to bail them out. In fairness to them I must make clear that I have heard of no pleas expressed by themselves directly, and I do not at this point impugn either their courage or intent. I am far more concerned over the behavior of others, in their regard—of certain Americans who were involved in the parolees' appearance in America. For those men were put on display—they were used as "backdrop" for the staged pleas (and photographs) of one or more of the "prominent" American citizens who are heading the ransom crusade. They were used as part of an emotional appeal—tending to outlaw the reason and judgment (however harsh that judgment may seem to some) which should be used in meeting this situation.

Let there be no misunderstanding of my complaint, lest someone charge that perhaps I feel slighted because no one offered to trade a tractor for me while I was a prisoner of the Communists. Quite to the contrary—it was my earned privilege to spend most of my imprisonment in the company of a very select group of men, most of whom were called, by the enemy, incorrigible reactionaries. I've heard these men pray, and I have prayed with them, not in piety but in the deadly serious way of men who are fully self-committed to battle with the enemy at all costs: "God, don't let our people give way to these b - - - - - - s in the talks at Panmunjom. I'll stay here till doomsday, if I must, or find the way to get out by myself. But don't let them sell us short at Panmunjom."

By no means would I want our President to cancel that part of my code of conduct which provides that an American fighting man captured by the enemy will not accept parole. For this, together with the other provisions of that code, is essential to the best interests of the captive fighting man as well as the cause which he serves. What I would like is to see all America abide by that code. Make no deals with the enemy, but take a firm stand, however belated it now may seem to be. Begin now the long and difficult task of destroying the Communist conspiracy, and of liberating all of the human hostages it holds.

I submit these views and proposals as personal and private opinion, in no way pretending to represent the naval service or the Naval Establishment at large. And I do so fully aware that some will contend that a commissioned officer, or any member of the U.S. Armed Forces, is duty bound to refrain from such public remarks. But I note that certain high Government officials, both elected and appointed, have publicly endorsed the ransom fund campaign, claiming that in doing so they do not involve their offices or the U.S. Government. I contend, therefore, that others of us in less prestigious positions must still have the right to as freely speak in opposition to it. If the situation is later shown to be otherwise, then it is already too late to defend ourselves against tyranny, we will need instead to extricate ourselves from it.

My primary purpose in expressing myself in this matter is to encourage our national leadership to establish a clear firm stand against the menace of communism, in all its forms. Only then can we, the people, stand with that leadership and back it to the hilt. I am convinced that most Americans favor such a stand, whenever they become aware of the finality of this present world conflict. (Increasing the extent of that awareness will be a much smaller problem once a firm and decisive policy is established.)

Even so, I realize full well that for being so candidly critical of our national policy and, through it, of our dominant national leadership, some may consider me, technically at least, to be in violation of certain established codes of behavior expected of an officer in the U.S. military service. "Ours not to question why—ours but to do or die," is a long-standing expression of what some think should be the philosophy of a man in uniform. But it is a philosophy which can apply for Americans only when their leadership is decisive and certain as to its goals; and when those goals are clearly consistent with the principles of our Nation and its basic concept of freedom. Otherwise it would be naught but blind allegiance, as readily misled into unworthy cause or tragic experiment as it might be directed to proper and noble service.

No mature person, basically aware of current events, can help but know that at this moment there is uncertainty and indecision in our national and foreign policy. It is not necessarily fault-finding to say this, it is a facing of the facts. Some periods of uncertainty are bound to be, in the complexities of world affairs. It is most unfortunate that uncertainty has prevailed for so long in the United States on this matter of combating the Communist menace. Worse, still, is the fact that there is no public evidence to date that this situation is going to change in the very near future.

We are told by our national leadership that the country is in grave danger. Yet it is not clearly shown what the danger is, much less what is intended to be done about it. We are told that we must make sacrifices, but it remains unclear just what we are to sacrifice. Is it only money—or tractors? No human problem can be completely solved with material goods alone. For the sacrifice of these does not involve personal

commitment. A man does not give himself to the battle without some worthy goal which is clear in his own mind. Wherefrom can the man in uniform—or any dedicated American—gain a sense of purpose and direction when uncertainty and vagueness prevail in his national leadership?

For my own part (and perhaps this may be helpful to others) I find it embodied very well in the oath one takes on acceptance of a commission in the U.S. military service. The foresight of our Founding Fathers is further demonstrated in the structure of that oath. For a man is not sworn in allegiance to any individual or office of government. He pledges himself to the Constitution of the United States—to uphold and defend it against all its enemies, foreign and domestic. I perceive that at this moment it is gravely threatened by both kinds.

Most sincerely,

DUANE W. THORIN,
Lieutenant, U.S. Navy.

During the delivery of the speech by Mr. CURTIS,

Mr. MORTON. Madam President, will the Senator from Nebraska yield?

Mr. CURTIS. Madam President, I shall be happy to yield. I ask unanimous consent that the colloquy be placed in the RECORD following the completion of my reading of Lieutenant Thorin's letter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORTON. Madam President, I desire to commend the able Senator from Nebraska for bringing this very interesting letter to the attention of the Senate. We keep talking about tractors for the Cubans. We refer to the tractor deal. Let us not forget that the original proposal by Mr. Castro was for bulldozers and tractors. We do not know how many bulldozers will be involved.

Furthermore, anyone who served in the Seabees in World War II or in the Korean war knows that a bulldozer is a very important military mechanism, if not a weapon.

I agree with the position of Lieutenant Thorin and the Senator from Nebraska, and all of us in discussing this subject should remember that the proposal is not for a large number of small cub tractors to be used to cultivate the fields in order to produce food for the hungry people of Cuba. This deal, as originally proposed by Mr. Castro, and as accepted, as I understand, by President Kennedy—at least, President Kennedy urged certain citizens to form a committee to try to implement the deal—involved bulldozers as well as tractors. We know that bulldozers are used to build airfields and launching pads. Bulldozers played an important part in our victories in World War II and the Korean war.

Mr. CURTIS. I thank the distinguished Senator from Kentucky. I again call attention to the fact that of the four negotiators, who may be determining the fate of the entire Western Hemisphere, three are professors of agricultural engineering. They may be the most excellent characters in the world; I do not wish to condemn them. But certainly they are not men who are experienced in hard dealings with Communist dictators. The fourth member of the group is a representative of Walter Reuther's union. Those men are in Cuba without any security check from the U.S. Government. History will hold someone responsible.

VISIT TO THE SENATE BY MEMBERS OF THE SENATE OF THE REPUBLIC OF BRAZIL

Mr. SPARKMAN. Madam President, we have just had a luncheon in the Foreign Relations Committee room, over which the distinguished Senator from Oregon [Mr. MORSE], chairman of the Subcommittee on Latin American Affairs, presided. Unfortunately, the Senator from Oregon, as well as other members of the committee who were present at the meeting, had to go to committee meetings. Therefore, the duty and the privilege falls upon me to present some distinguished persons whom we have with us today, Senators from the United States of Brazil. I present:

The Honorable Reginaldo Fernandes de Oliviera.

The Honorable Ruy Carneiro.

The Honorable Jorge Maynard Campos.

The Honorable Fausto Cabral.

The Honorable Miecio dos Santos Andrade.

[Applause, Senators rising.]

I should like to say something that, of course, it is not necessary to say, because we all know that Brazil is one of the great countries of the free world. It is a fast friend of the United States, and has been throughout the years, and I feel certain that we shall continue to work in close harmony with the people of Brazil.

Therefore, it is most fitting that these distinguished Senators visit us, and we are delighted to welcome them to the floor of the Senate on this occasion.

I yield to the Senator from Vermont [Mr. AIKEN.]

Mr. AIKEN. Madam President, I wish to join in extending greetings to our fellow Senators from the great Republic of Brazil. Brazil, as we all know, operates more like the Government of the United States of America than does almost any other country. I think it is more nearly like our system of government than that of any other country.

Brazil has always been a great friend of the United States. We have worked together time and again, in times of crisis, in times of peace.

I join the Senator from Alabama in welcoming these distinguished guests to this Chamber today.

Mr. SPARKMAN. Madam President, I yield to the distinguished majority leader, the Senator from Montana [Mr. MANSFIELD].

Mr. MANSFIELD. Madam President, I wish to join the distinguished Senator from Vermont [Mr. AIKEN] and the distinguished Senator from Alabama [Mr. SPARKMAN] in welcoming our compatriots from south of the border.

We are aware of the great difficulties which confront your country at this time. We know you have a problem of great need and importance in the northeast. We know you are trying to expand your country westward to the extent that people will move away from the seacoast and into the interior. We know your President, Mr. Quadros, has a dangerous inflation problem to contend with, but we honor him for the attempts he is making to bring stability to the great Republic of the United States of Brazil. We know the course he must follow will be extremely difficult, but we want to assure you he has our friendship, our appreciation, and our understanding. We wish him well in the difficult tasks which he faces.

We are delighted to have you, sirs, as honored colleagues from a sister republic. We hope this is only the first of many more visits to our country.

PASSPORT LEGISLATION

Mr. LAUSCHE. Madam President, I wish to call attention to the very unsatisfactory situation which exists with respect to the passport law of the United States. I do so because the subject is important and urgent. I do so also because I do not wish to have my silence construed as satisfaction with the lack of action by the Congress, or the absence of a clearly stated and definite policy by the administration toward establishing passport policies adequate to the perilous times in which we live.

The present situation is full of confusion and, in my opinion, danger.

It is necessary to review some history in order to judge the problem which faces the Congress. The passport statute now on the books was enacted in 1856. Conditions then were, of course, very different from conditions now. During most of the history of our country, a passport was not required upon entering the country or leaving it.

During the latter part of World War I, for military reasons, the law was changed to require a passport for entry or exit from the United States. World War II again necessitated such a requirement and, under legislation which still exists, Presidents Truman, Eisenhower, and Kennedy have continued the requirement that a passport is necessary for entry or exit by making determinations that a "national emergency" continues.

Existing passport laws are quite brief and many questions of interpretation and policy have arisen. Some of these questions have been settled by the courts but others remain in doubt. During World War II and following, the Department of State claimed that it had complete discretion in the issuance of passports. That is, it claimed the right to decide which American citizens might travel abroad and where they might be allowed to go.

This claim of complete discretion was narrowed down by the Courts in several cases but there began to arise charges and denials that the discretionary authority claimed by the Department of State was from time to time abused. In fact, in 1957, the Committee on Foreign Relations held several hearings to look into some of these charges of abuse of discretion.

Madam President, this already confused legal situation on passports was thrown into turmoil in 1958. On June 16, 1958, in the case of Kent against Dulles,

the Supreme Court held that the Department of State, could not, in the absence of express statutory authorization, withhold a passport on the ground that an applicant refused to sign a non-Communist affidavit. The Court in that same case indicated that under existing statutes, a passport may be denied if the applicant is not a citizen, or is engaging in criminal conduct, or is a member of a Communist organization under a final order to register issued by the Subversive Activities Control Board. The trouble with the last ground for denial of passports is that, owing to continuous legal contests ever since the Subversive Activities Control Act was passed, no order to register has yet been entered against any Communist group.

As soon as the Supreme Court decision in Kent against Dulles was handed down, President Eisenhower sent a bill to the Congress which would have, in effect, enacted into law the Department of State passport regulations as they existed before the Supreme Court decision. President Eisenhower stated at that time that every day that passed without the legislation which he proposed left the country in great peril. At about the same time other bills, based on the opposite philosophy of passport policy, were also introduced. They would have prohibited the denial of passports, or the imposition of geographical restrictions on travel of Americans abroad, except in time of war. A bill representing a middle ground—comprehensively advising passport law and laying down specific and narrow grounds for denying passports—was introduced by Senator FULBRIGHT.

On September 8, 1959, the House passed H.R. 9069 which dealt only with the questions of denying passports to supporters of communism and of general geographical restrictions on travel. The House bill left the rest of passport legislation untouched.

The Committee on Foreign Relations had been active in the passport field even prior to the Supreme Court decision in 1958. The committee held hearings on passport legislation in 1957, in 1958, and in 1959. In 1960, a number of executive meetings were held by the committee to discuss passport bills. Some members of the committee supported each of the three main approaches to the problem which I have just described. It was obvious that it was going to be difficult to work out an agreed committee bill.

With the change of administrations in January of this year, the committee decided that the subject of passport policy should continue to have a high priority. The committee decided, however, that a reasonable delay, until the new administration could review the subject of passport legislation and submit a bill or policy statement would be appropriate.

Madam President, in the absence of congressional action on passport law, the present confusion is dangerous. It may be that from a theoretical legal point of view, the Department of State can continue to claim whatever discretion to deny passports may be left after the Supreme Court decision. There would seem to be quite a broad area for the denial of passports which has not been tested in the courts. The Department of State has not, however, chosen to test its discretion further. It has issued passports to many persons who previously would have been unable to sign non-Communist affidavits and who, on that ground, before the Supreme Court decision, would have been denied passports.

There is no doubt that many hard-core Communist Party members are now able to travel abroad on U.S. passports. Can anyone seriously doubt that these people intend to do harm? Let me here quote Secretary of State Rusk when he appeared before the Foreign Relations Committee on May 31 in support of the President's foreign aid program:

> While economic penetration by aid and trade are new weapons in the Communist arsenal, the old weapons of force in all its manifestations not only continue to exist, but are daily visible. In Cuba, for example, what appeared to be a people's revolution against oppression has been stolen from the people and has become an instrument of oppression. In Laos, cadres of outsiders, hardened invaders masquerading as local revolutionaries, have been attempting to dominate the country. In Vietnam invaders from the north are waging a campaign of terror and assassination to capture the country.
>
> Elsewhere, both on the borders of the Communist bloc and half a world away, Communist agitators, infiltrators, and guerrillas are at work or moving into chosen positions. Within the bloc itself, there remain huge nuclear capability and expanding delivery systems as well as formidable conventional forces.

Madam President, as I heard these words of the Secretary of State, my thoughts turned to the chaotic situation pertaining to passports. Because the law is unclear, Communist subversives or agitators may freely move back and forth across our borders. The facts as to the extent of harm which they may be doing have not yet been brought out by the appropriate congressional committees.

It is time for the Congress to get down to work. This situation must be studied. The dangers involved must be carefully appraised. The constitutional questions must be gone into thoroughly.

I do not say that I have any easy answers on passport legislation. There are many troublesome questions of fact and policy. I do not have a bill to offer now nor even a formula to suggest. I do, however, think it possible to list some of the policy questions which need to be answered.

First. Should a citizen be able to leave or enter the United States without having a passport?

Second. On what grounds should the Secretary of State be permitted to deny a passport to an individual?

Third. What information should the passport applicant be required to furnish?

Fourth. How long should the applicant wait before the Department informs him of its decision to grant or deny his passport application?

Fifth. What information should the Department provide the applicant if it proposes to deny him a passport?

Sixth. What kind of administrative review should be provided following denial of a passport?

Seventh. What standard should be fixed for the disclosure of evidence and confrontation of witnesses in administrative proceedings?

Eighth. What provision should be made for judicial review of the final administrative determination?

Ninth. On what grounds and under what limitations should the Executive have the right to cut off all travel to certain foreign areas?

Tenth. What penalties should be imposed for violations of passport laws?

I respectfully urge the State Department to submit to the Foreign Relations Committee a bill embodying what it deems necessary to cope with this serious problem.

Mr. MANSFIELD obtained the floor.

INDEPENDENT OFFICES APPROPRIATIONS, 1961—AMENDMENT

Mr. JAVITS. Madam President, will the Senator yield?

Mr. MANSFIELD. I yield to the Senator from New York briefly.

Mr. JAVITS. I send to the desk an amendment to the independent offices appropriation bill and ask that it be printed under the rule.

The PRESIDING OFFICER. The amendment will be printed.

Mr. JAVITS. Madam President, I ask unanimous consent that there may be made a part of my remarks, letters bearing on the amendment, one of which is a response to my inquiry on the subject, which relates to the restoration of the Official Register of the U.S. publication, from the chairman of the Appropriations Committee, the Senator from Arizona [Mr. HAYDEN], and a letter from the U.S. Civil Service Commission in response to my inquiry commenting upon this question.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., March 28, 1961.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR JAVITS: In reference to your letter of March 6, 1961, the Civil Service Commission would have no objection to resuming publication of the Official Register of the United States if the Congress decides it should be done and provides the funds to do it. It was discontinued by the 86th Congress as an economy measure because it duplicated some material found in other publications.

I do not believe the suggestion that we make the information available to the press at the offices of the Civil Service Commission is practical. This would save only the printing cost; all the cost of collecting the data would still be incurred. In addition, there would be maintenance cost on such files.

Another alternative would be to combine information now shown in the Congressional Directory with that previously published in the Official Register. This would probably require a new title for the new publication and would increase the size of the volume. Savings would be small.

I do not believe that incorporating the same information in another informational

bulletin of the Commission would result in any savings. It would be better to resume publication under the old title and in the old format. Whatever the Congress decides on this matter, we will be glad to cooperate in carrying out its decision.

Sincerely yours,

JOHN W. MACY, Jr.,
Chairman.

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
March 9, 1961.

Hon. JACOB K. JAVITS,
U.S. Senate, Washington, D.C.

DEAR SENATOR JAVITS: I have your letter of March 6, inquiring as to the discontinuation of the Official Register of the United States.

Last year, on the independent offices appropriation bill for 1961, the House committee specifically denied $30,000 for printing the Official Register and added a proviso that no part of the appropriations made to the Civil Service Commission shall be available for that purpose.

During the hearings on the bill before our committee, Chairman Jones of the Civil Service Commission stated (pp. 489–490):

"This is a compilation which costs us about $30,000 each year to print in addition to the cost of the publication to the agencies, which is a very substantial amount of money. The Official Register is a listing of all persons occupying so-called executive jobs. Actually you can't do that because you can't get them all in a book of this size. The listing includes the States people come from, the congressional districts, the title of their job and their annual pay rate. The book is out of date before it is printed. It duplicates in very large part, except for the salary, the State of origin, congressional district, the information that is available in other publications, such as the Government Manual and the Congressional Directory.

"There has been some doubt for a long time as to whether this really serves a very useful function. * * * we do not find this a particularly useful publication and would not resist its being cut out, but would urge, if you take out the money, that you knock out the authorization. * * * If the money is not going to be made available, the law ought to be repealed."

Accordingly, our committee added to the proviso the language repealing the 1938 act which required the publication, the conference committee agreed to it and the law was passed.

In line with the repeal of the requirement for publication, no budget estimates are being submitted for that purpose.

I trust that this information answers your inquiry.

Yours very sincerely,

CARL HAYDEN,
Chairman.

U.S. ARMY

Mr. JAVITS. Madam President, will the Senator yield an additional minute?

Mr. MANSFIELD. I yield.

The PRESIDING OFFICER. Without objection, as in legislative session.

Mr. JAVITS. Earlier today the Senator from South Carolina [Mr. THURMOND] delivered an address on the birthday today of the U.S. Army forces. I intended to be present on the floor of the Senate in order to add my congratulations to the statement which he had made. I am a reservist in the National Guard. I served in the Army, and now attend a good many of the sessions which are held here by way of training every Tuesday morning. I wish to congratulate the Army on its birthday and also to testify to the extraordinary initiative which is being shown in the Army through both administrations in recent times in keeping abreast of the times, in reorganizing divisions, providing for new modes of transportation, and dealing with problems of statecraft which are involved in the Army, as well as dealing with problems of tactics and strategy.

I believe the Army is doing itself proud. The country can be very proud of it. It has measured up to its responsibilities, which have taken it around the world, not only as soldiers but as proconsuls of the United States. I am delighted to join with the Senator from South Carolina [Mr. THURMOND] in felicitations to the U.S. Army.

I am grateful to the distinguished majority leader, the Senator from Montana, for yielding to me.

Mr. HICKEY. Madam President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HICKEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Montana yield for that purpose?

Mr. MANSFIELD. I yield.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HICKEY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H.R. 6094) to amend section 4 of the Employment Act of 1946.

The message also announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H.R. 311. An act to authorize the acceptance by the Government of gifts to be used to reduce the public debt; and

H.R. 1877. An act relating to the effective date of the qualification of Plumbers Union Local No. 12 Pension Fund as a qualified trust under section 401(a) of the Internal Revenue Code of 1954.

A THIRD WAY ON BERLIN

Mr. MANSFIELD. Madam President, as anticipated by the President, the talks in Vienna did not produce any significant change in the situation at Berlin. Strip the newspaper accounts of their sensationalism and one thing is clear: The situation in Berlin is where it was in the fall of 1958. It is unchanged despite the Geneva Conference of foreign ministers in 1959. It is unchanged despite the friendly meeting at Camp David in 1959 and the furious meeting in Paris in the aftermath of the U–2 incident. There were no spirits at Vienna, only the hard facts exchanged without embellishment. There was only a high degree of soberness coupled with the personal courtesy of leaders, without which nations cannot hope to find a way to peace, today, any better than when diplomacy first began.

In this sense the Vienna talks were useful. They swept away the chaff. They revealed to both Mr. Khrushchev and Mr. Kennedy the hard kernel of the problem. They revealed, too, that the problem confronts us in substantially the same form as it did when it first appeared more than 2 years ago.

I suppose we may regard the fact that the situation in Berlin is unchanged after 2 years, and that the crisis has been postponed for 2 years, as some sort of achievement. In early 1959, a military showdown appeared imminent to me, as it did to most observers, unless the policies and attitudes of a decade and a half would begin to change. The showdown did not take place.

It was forestalled by an almost continuous round of subsummit and summit conferences and visitings back and forth and hither and yon. The crisis has stirred again from time to time during the past 2 years but it has not erupted. Because it has not, does not mean that it will not. If the present positions of the parties concerned remain unchanged, sooner or later, this crisis postponed, this crisis avoided will cease to lie dormant.

What is involved at Berlin is not some obscure situation, distant from our concern or the concern of the Soviet Union. Berlin is at the core of these concerns. Berlin is the level which may ease Europe toward a more durable security or push the Western nations and the Soviet Union into a new vortex of irrationality at whose center lies the graveyard of humanity.

In these circumstances, we owe it to ourselves to examine the position which we have assumed with respect to Berlin. The leaders of the Soviet Union are obligated to do the same. Both sides owe it to the people of the world. The responsibility which we have, Madam President, and which the Soviet Union has, is not merely to reassert positions already assumed and which are obviously irreconcilable. The responsibility is to seek to determine whether or not there is a third way on Berlin which corresponds more accurately to the needs of Germany today, Europe today, and the world today—indeed, a third way which meets more fully the contemporary needs of both the Soviet Union and ourselves.

We can make this exploration only if we see clearly what the present positions are and what they imply.

Together with Britain and France, this Nation is pledged to maintain an allied presence in West Berlin and to defend the people of that half-city. The other members of the NATO have endorsed this position.

I do not think there is any misunderstanding of what we are pledged to do, either at home or abroad. Nevertheless, let us restate the position to be certain that it is not misunderstood either at home or abroad. Let us restate it without provocation, without bombast. Let us restate it, as I am sure the President did at Vienna, in all soberness: We will not be driven, pushed or barred from

fulfilling our responsibilities to ourselves and to freedom in Berlin by any nation, half-nation, group of nations or whatever. Such measures as may be necessary to assert that responsibility will be taken.

This is what we say in the phrase: Stand firm at Berlin. The full implications of these four words had better be understood in the Senate, in the Congress, and throughout the Nation. They had better be understood now. The range of this commitment extends from a beginning of words of firmness, to a midpoint of expenditure of immense resources and enormous taxes and other sacrifices, to a final pledge of the lives and fortunes of every man, woman, and child in the Nation. We are not engaged at Berlin with the fast draw and wax bullets of television any more than the Russians are engaged in a harmless game of chess. In the last analysis we are engaged now, as we have been at Berlin, with the whole future of the United States. In this day and age and in this situation, the words, standing firm, carry no other than this ultimate implication.

I say this with no desire to disturb the serenity of the Senate. I say it only that we may be clear on the meaning of the words we use. I say it in order that we may comprehend more accurately the immense burden which rests on the shoulders of the President of the United States. He will make the decisions and he must make them in this awesome context. I trust and I am confident that those of us with public responsibilities—in government and out and especially the press and other news media—will remain cognizant of this burden during the next few months.

Let me set forth next my understanding of the position to which the Soviet Union adheres in the Berlin situation. It is, so far as I am aware, unchanged as is ours, except in time-schedule since it was first announced in November 1958. I should like to state that position in substance, without sensationalism and as objectively as I can delineate it from the accounts which have appeared in the press. The Soviet Union intends to withdraw from its World War II occupational responsibilities in East Berlin and it insists that the Western powers must do the same in West Berlin. It proposes to turn over East Berlin to the East German authorities, presumably as part of a separate peace treaty with the East German government. It offers to join in a guarantee of a new status for West Berlin as a free city within that state. And if I am not mistaken, Mr. Khrushchev has added to this position a further contention that the Soviet Union will come to the military aid of the East German authorities in the event that the Western powers refuse to accept this change and continue to assert their present responsibilities in West Berlin in opposition to the wishes of those authorities.

These two positions, then, form the substance of the Berlin crisis now dormant but which, at any time, may become active. We insist, in effect, on the continuance of the status quo in Berlin for the present and, presumably until such time as Germany is unified. The Russians are intent upon changing the status quo in a particular fashion in the near future, regardless of the eventual solution of the question of German unification.

I know that we intend to maintain our position. I do not lightly assume that the Soviet Premier does not mean what he says with respect to the position of the Soviet Union, despite the postponements of the actual act of Soviet withdrawal during the months and years since November 1959.

My own view of this situation, however, is not one which depends on whether the Soviet Premier means what he says or does not mean what he says. It is based upon my personal estimate of the changing situation in Europe and the world and it is based upon what I believe to be the rational interests of this Nation in the light of those changes.

I have long questioned and I continue to question a status quo which places us in the position, in effect, of pleading with or urging the Russians not to withdraw their military forces from the westernmost point of penetration which they reached in Europe in the wake of World War II; yet, our present position on Berlin requires that we do precisely that. Further, Madam President, I do not think we can safeguard most effectively our own interests or advance the interests of peace when we insist upon remaining directly under a Communist sword of Damocles, as is now the case in Berlin, if a rational alternative may be found to that position through diplomacy. Further, I have long questioned and I continue to question a position on Berlin which was assumed immediately after World War II and has been maintained unchanged despite the enormous changes which have occurred in both parts of Germany and in Europe since that time.

Finally, I question, as I have long questioned, a position which, through subordinate irresponsibility, error or provocation on either side invites the precipitation of a nuclear conflict.

We prove our courage, our steadfastness, our determination when we insist, as insist we must with all that insistance implies, that we shall not permit the Russians or anyone else to dictate unilaterally the terms under which this Nation and its allies shall discharge the responsibilities which were assumed in Berlin in the wake of World War II. We would prove little more than the inertia of Western leadership, however, if we insist that the status quo in Berlin is sacrosanct. We prove little more than the sterility of our diplomacy if we insist that the status quo at Berlin cannot be changed even by mutual agreement leading to a new situation, which is neither that which now exists nor the alternative which the Soviet Union propounds. It seems to me, Madam President, that if we are to be not merely courageous but intelligently courageous, that is precisely the course we must pursue. We must seek a third way in Berlin which may better serve the interests of all the parties concerned—of the German people no less than other Europeans, of the United States no less than the Soviet Union, and of that great stretch of the world with its hundreds of millions of people to whom Berlin is but a name, if it is even that.

I would not wish to preclude, Madam President, any proposals to this end which may originate in any quarter. Indeed, it would be helpful, in my opinion, if the Senate discussed this matter at length. I suggest, moreover, that this discussion might profitably begin now before the relatively dormant crisis in Berlin comes alive once again. We can think now of its many implications with a measure of detachment and deliberation. If we wait for the moment of heat, it may be too late to think at all.

I repeat, Madam President, I do not wish to preclude any ideas or proposals, regardless of their source, which may promise a rational solution of the problem of Berlin. For my part, however, I believe that the third way lies in an honest recognition of the fact that it is too late in the game to expect that Germany will be reunified in peace by fiat of the United States, France, Great Britain, and Soviet Russia as was expected 15 years ago. Yet, this assumption continues to underlie our position with respect to Berlin. If the assumption is invalid, then the continued garrisoning of Berlin by the forces of these four nations loses much of its significance as a temporary occupational measure which was all it was intended to be when these garrisons were established a decade and a half ago.

However, Berlin—not only West Berlin, but all Berlin—does not lose its significance in terms of ultimate German unification. Berlin remains the symbolic hope of that unification and I do not think it is unreasonable to assume that it will one day again be the actual capital of a unified Germany. It seems to me that the German people will have the best opportunity to find the way to unification in peace and the outside powers will make a significant contribution to the search, if they will act now to remove Berlin—all Berlin—from the clashes of the cold war into which it has been driven by the events of the postwar years. If we must live, as it now seems likely, for an indefinite period with a divided Germany, then, peace requires that Berlin—all Berlin—be held in peace and in trust until the day of unification. Its status must be reconstituted so that Berlin will be the hope for peaceful German unification rather than the prize for German unification by other means which it has now become.

This conversion of Berlin will not occur under Mr. Khrushchev's proposal to turn only West Berlin into a free city. Even if the rights of the Western presence to that half-city were insured beyond a shadow of doubt, even if guarantees of the safety of the Western enclave were inviolate, it does not seem to me that this arrangement would be satisfactory. For it would reduce this enclave to a sleepy quasi-foreign anachronism, and it would leave Berlin—symbolic Berlin, unifying Berlin, Capital Berlin, German Berlin—in the hands of a militant German minority. It

would give an enormous and inadmissible amplification throughout Germany to the present small voice of the East German minority government at Pankow. It would invite German nationalism throughout Germany to adhere to the German Communist standard flying in East Berlin. That is a handicap which freedom cannot allow. It is a concession which does not accord with the needs of peace in Germany or the essentials of peaceful competition between communism and freedom.

I do not believe, Madam President, that the way to peace can be found either in the maintenance of the status quo in Berlin or in the change which Mr. Khrushchev proposes. A third way may lie in the creation of a free city, not in West Berlin alone, but in the creation of a free city which embraces all Berlin—the Communist East no less than the free western segment of that metropolis. Let this whole city be held in trust and in peace by some international authority until such time as it is again the capital of Germany. Let the routes of access to this whole city be garrisoned by international peace teams in the effective pattern of those now operating between Israel and the Arab States. Let this interim status of free city be guaranteed by the NATO and Warsaw-pact countries.

Let Bonn and Pankow subscribe to this arrangement and pay its costs in appropriate shares. Let these changes be incorporated in specific written agreements. Then, perhaps, we may have the beginning of a durable peace in Berlin and the healing of the cleavage in German and Europe.

I know, Madam President, that to bring about this change in Berlin after the division of that city has hardened over many years may seem an immensely difficult, political, and diplomatic undertaking. But is it not, really, an infinitesimal task when compared with the full implications of an essay in military solution with what comes after it?

I realize, too, Madam President, that this approach may evoke no response from Mr. Khrushchev. But do Mr. Khrushchev's reactions, whatever they may be, dissolve us from our rational responsibilities to ourselves and to the world in this situation? Do not those responsibilities require us to explore fully and vigorously any and all avenues of peace even as we steel ourselves for what must come if the way to peace cannot be found?

I make these suggestions, Madam President, as one Senator from the State of Montana, and I make them on my own responsibility. I make them in full recognition of the present position of this Government which, if it is unchanged will be my personal position when all the words are exhausted. I make them, however, in the belief that this present position is not enough, even as the present Soviet position is not enough. Our present position on Berlin, even unchallenged by the Soviet Union, leads only in a circle endlessly repeated as it continues to recede from the changing realities of Germany and Europe, until it now promises to become at best irrelevant and at worst a stimulus to catastrophe. The Soviet position on Berlin, unchanged, in my opinion, is also headed toward complete irrelevance unless before that point is reached, it precipitates a military conflict by accident or design.

The implications of what I have tried to say to the Senate, then, are clear. Sooner or later, the Western nations and the Soviet Union must seek a new way, a third way, to solution of the Berlin problem along the lines which I have suggested or some other. Unless this search is pursued with energy and dispatch and to fruition, sooner or later Berlin is likely to become the pivot of a new disaster for mankind.

Mr. JAVITS. Madam President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. All of us have great respect for the majority leader. The majority leader was gracious enough to advise me, and, I am certain, other Senators as well, especially those of us who had taken an interest in the stimulating debate which he initiated by a generally similar treatment of the subject about 2 years ago that he would address himself to this question today.

Naturally, one must react—because reaction is important—without having opportunity to give the proposal the study in depth which our distinguished friend himself has had.

I would say two things are clear from what he has already stated: First, that although he speaks for himself, and not for the President, although he is the majority leader of the Senate, he states one firm and fundamental truth, which I believe is typical of all of us, I make bold to say, on both sides of the aisle, that although he may not particularly like the connotations of the words "stand fast on Berlin," that is what he, himself, recognized in the first instance; namely, that we shall not accept Khrushchev's proposal, notwithstanding the attrition, notwithstanding the ultimatum, and notwithstanding the danger and the fact that the Senator believes, as do I, that Khrushchev means, or we must take him to mean, precisely what he says.

So the Senator and I are at one on the proposition that Berlin is so important to the cause of freedom that if it is necessary to risk war on account of Berlin, we will risk it. This is a critical point which must be made in the first instance; it is that, as regards Berlin, the West is not in a position where it can yield to Khrushchev as the price of peace, if that is the price Khrushchev wants paid.

Second, the Germans and the situation of the Federal Republic of Germany are deeply affected by what happens in regard to Berlin. They are about to have an election. I do not know whether my colleague took that point into consideration, but I believe it is very important. The Germans are about to have an election, and in that election the people of the German Federal Republic will have an opportunity to express themselves on the critical issue I have just now stated.

As the Senator from Montana has stated with the deep feeling and the humanitarianism which are so typical of him, the decision the President has to make in such a matter is an awful one. We should also think of the much more awful decision to be made by the German people themselves, who are looking directly into the face of this danger, across an imaginary border in the city of Berlin, in the main body of their country.

Therefore, it seems to me that it would be very timely, before we began to discuss in any depth a proposition such as the one which just now has been given to us—and I agree with the Senator from Montana that any alternatives must be considered and discussed, and are entirely suitable for discussion in the Senate—for us to give the people of the German Federal Republic an opportunity to express themselves, so as to see whether it is their determination—and I am confident that it is—right there on the spot, that Berlin be dealt with in terms of its importance to their own freedom. I say that because of one statement by the Senator—I believe I correctly understood what he said—namely, that Bonn and Pankow subscribe to this arrangement.

On of the fundamental tenets of Adenauer's government has been that it did not recognize the East German Government, which is not a freely elected government; it is nothing but Khrushchev's creature. Khrushchev did not have to say he would back up the East German Government with military force, and the whole world knows it. Khrushchev is Ulbricht, and Ulbricht is Khrushchev. So this is one point in connection with the Senator's proposal which would be a critical one as regards the attitude of the German Federal Republic toward what is here proposed, in that it would involve, for all practical purposes, the acceptance and the acknowledgment of the East German Government as one with which one can deal, because Bonn and Pankow, so said the Senator, would have to agree.

Finally, Madam President, we must not forget that this is not a matter which is being discussed in a vacuum. The fact is that in 1959 Secretary of State Herter, on behalf of the U.S. Government, made certain proposals in regard to the Berlin issue. He was willing to have appointed a committee which would do its best to adjust the relationships between both Governments in the Berlin area, perhaps even without involving recognition of the East German Government, but looking toward a time when, somehow, some effort might be made to achieve the unification of all of Germany.

In that connection, let us remember that just as it is a Russian obligation to see to it that the United States, France, and Britain are not disturbed in their occupation of the zones of Berlin which they presently occupy, it is also one of the Russian obligations, which was undertaken at the same time, to try to bring about the unification of Germany.

I do not agree with the Senator that merely because 15 years have elapsed, we must do something else or must find a third way. Fifteen years have elapsed since Poland, Czechoslovakia, all the Baltic countries and all the Balkan countries were enslaved, but I do not want to find

a third way as to them. I want them free, as the Russians agreed they should be.

The Russians have limitless patience. They do not care if the situation in Berlin continues for 45 years. Similarly, Madam President, we should not care, either. If we do, we invite disaster, in my opinion. I do not think the amount of time that has passed is a reason for finding a third way as regards Berlin.

So, Madam President, in summary, I say to my colleague that I shall study further his proposal, and shall do my utmost to comment on it in greater detail and in more deliberate fashion at a subsequent time, but for the present, first, we are very grateful to him for the luminosity of his discussion of this matter and for his attempts to find a way for us to proceed in a very difficult situation. Second, I do not believe we have to be in a hurry or need to feel under any pressure because of Khrushchev's threats. If he does not make threats in regard to Berlin, today, he may make threats, tomorrow, in regard to some other place. So I do not believe we should be influenced by such threats or attempts to exert pressure.

Third, I deeply believe we must await the outcome of the German Federal Republic election before we undertake to do anything serious about this matter—in order to permit the German people, themselves, to give a new mandate in regard to their wishes.

Fourth, I do not believe we should recognize the East German puppet regime. If we do recognize that regime, the entire present situation in Berlin will collapse, and then word would go out that we had given in.

Fifth, I believe that, regardless of whatever we decide we wish to do, we must start from where we were before—to wit, with Secretary Herter's proposal. At least, it should be very carefully examined, in order to see whether, in the first instance, it or some variation of it is a proper starting point for the United States.

Madam President, I am very grateful to the Senator from Montana for his patience in permitting me to make these remarks.

Mr. MANSFIELD. I thank the Senator from New York.

Mr. AIKEN. Madam President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I yield.

Mr. AIKEN. Madam President, I have never heard the Senator from Montana make a speech on international affairs, here in the Senate, which was not full of meaning for the American people. I have never heard him make a speech on international affairs in which he did not deal directly with the subject and give all of us a great deal of food for thought.

He has done so again, today; and I hope neither the American people nor the people of any other country will take his words too lightly. He does well to call our attention to something which we may have been in danger of overlooking. The press and the radio have been giving wonderful coverage to problems and crises occurring in virtually every continent in the world, whereas, if we stop to think we must realize that the problem of Berlin is far and away the most serious problem which exists between the Soviets and the Western World, and that Berlin is the one problem—or perhaps I should say the main problem—which holds the seeds of a possible third world war.

So the insistence of the Senator from Montana that there may be a third way to settle the problem of Berlin certainly should be heeded.

We know well that Russia fears a united Germany probably more than anything else in the world. We know that Russia for years has been adamant on the question of Berlin. We, too, have been adamant. I do not say we are wrong in having been adamant up to now. But it is possible that there is some way to find a settlement of this crisis; and if there is, we would be negligent if we did not try to find it, because we have to consider the alternative to a settlement of this crisis. Should Russia undertake to force the issue this fall, or at any other time, the alternative could be a destroyed Berlin. The alternative could well be destruction of a greater part of Russia. It could mean the destruction of cities here in the United States, in Western Europe, and other parts of the world. So we would be negligent if we failed to consider any possible honorable settlement of this problem, because we know there can be no lasting peace while the problem of Berlin remains unsettled. If we settle the problem of Berlin, the settlement of the problem of Germany itself, the Polish boundaries, and possibly other matters, would follow.

Yet, in the meantime, instead of concentrating on this, we are allowing the Soviets to select new sites, in many other parts of the world, for extension of the cold war and even hot war episodes wherever and whenever it serves their purpose.

I think the Senator from Montana has performed a great service here today. Whether the proposal which he makes as to a third means of settlement is a correct one or not, I do not know, but we would be negligent if we did not make every effort to settle the most serious problem and the greatest crisis of all, because I feel a settlement of the Berlin crisis, if it can be brought about, could lead to a settlement of most of the other crises and international problems of the world, and relieve many of the major tensions with which we are afflicted at the present time.

Mr. MANSFIELD. I thank the Senator.

Mr. DIRKSEN. Madam President, will the Senator yield?

Mr. MANSFIELD. I yield to the distinguished minority leader.

Mr. DIRKSEN. I think the majority leader has done a distinct service today in calling this matter to the attention of the American people and of the Congress, and in using the expression "the Berlin crisis," because, in my considered judgment, if it is not a crisis already, it will be a crisis before too long.

Only yesterday in the dispatches from abroad, both Ulbricht and Grotewohl in Eastern Germany stated to the whole world that they are asking for cooperation from the Soviet Union to expedite the signing of a peace treaty with East Germany. If that treaty is consummated, then we shall have the Federal Republic of Germany with 55 million people, and the People's Republic of East Germany, with 17 million people. It is fair to assume, with Khrushchev in the background, there will be a recognition from the satellite countries once the peace treaty is signed. There will be recognition by Red China, Czechoslovakia, Rumania, Albania, and other countries within the Soviet orbit. Then we shall have a brittle situation with which to deal.

If such a situation is encompassed, we shall have Berlin in the very middle of the eastern sector or zone, 125 miles from where the United States is quartered in Frankfort, and 100 miles from Hamburg, the British headquarters. Then, of course, we realize, the problem is going to be, What will the East German spokesman do with Mr. Khrushchev standing in the shadows, with whatever force he has available, because he is the one who will have the final say as to whether we should get out bag and baggage. When that point is reached, the crisis is joined. Who knows when that time will come? But if they do issue an ultimatum on the ground that it is now recognized as a sovereign power, it is for them to determine whether ingress and egress should be allowed, and whether railroad and truck transport, and everything else, will be permitted, and whether we shall have to resort to an airlift, as we did before, to provision those we leave in Berlin. If that does not add up to a crisis, then I do not know anything about a crisis.

But the East German leaders will probably have much to say about it. They will have the support and encouragement of Khrushchev, and he will do what he has always done. He will shrug his shoulders. He will say, "None of our soldiers have crossed the border. We have no hand in it. If you have any protest, complain to the East German leaders."

There you are, Madam President, and the issue is then squarely joined.

I congratulate the majority leader for sounding the tocsin, because it is time to go back to see what the layout is and recollect what assurances have been given to Adenauer and others as to the stand to take when that critical situation ensues.

So I say to my distinguished friend from Montana that, if it is not a crisis, it is moving in that direction, and we had better be aware of it.

Mr. MANSFIELD. I thank the Senator.

Mr. MORSE. Madam President, will the Senator yield?

Mr. MANSFIELD. I yield to the Senator from Oregon.

Mr. MORSE. I wish to say that whenever the majority leader of the U.S. Senate speaks on any subject matter, the country should take heed, but when he speaks of the Berlin crisis, having served with great distinction on the Foreign Relations Committee of the Senate for many years, the country had better take heed, as I am sure

it will when it comes to digest the speech which the majority leader has made on the floor of the Senate this afternoon.

I did not have the privilege of hearing the speech, but I happen to know its contents. I want to say to the majority leader here is one colleague of his on the Foreign Relations Committee who associates himself with the majority leader in the presentation he has made on the floor of the Senate this afternoon.

As was brought out by the Senator from Illinois, the minority leader [Mr. DIRKSEN], I think it particularly pertinent that the Senator from Montana referred to the situation as the Berlin crisis, because truly it is a crisis. We all know the Berlin crisis could very well throw all of Europe into a holocaust any time Khrushchev decided the time was ripe to really make a test as to what the Western allies are going to do with regard to Berlin.

I am also glad the majority leader pointed out we must be ready and willing at all times to pursue an honorable course of action that may reach a settlement on Berlin without the sacrifice of a single principle we hold so dear.

This fall there will be the 16th General Assembly of the United Nations. I speak most respectfully in regard to our policy when I say I think we could very well afford to give some consideration to the desirability of exercising greater leadership than we have in the past to the end of having the United Nations step up and recognize its responsibilities in connection with the Berlin crisis. There has been too great a tendency to have the NATO countries and the Soviet bloc consider this as their problem. It is the problem of the world, because I know of no crisis existing on this globe today that has a greater potential of causing a nuclear war than that of Berlin.

It was not so many days ago that we heard a pronouncement from one of the Assistant Secretaries in the Department of Defense that if conventional forces were used by the Russians—the implication being if the Russians were about to override that part of Europe—we would resort to nuclear weapons. That is an awful thought, but we must face up to the ugliness of the situation.

Many will disagree with me, but I think we have to face the facts. I happen to believe that every national nonmember of the Soviet bloc and nonmember of NATO has a tremendous stake in Berlin. I think the time has come for all nations to stand up and be counted on the Berlin issue. Where is the forum in which they can be counted? It is the United Nations.

I suggest that there is an oncoming 16th General Assembly of the United Nations. India, the Latin American countries, the new independent nations of Africa and every other nation not a member of the Soviet bloc and not a member of NATO should be planning now on a course of action to take in the United Nations next fall to see what can be done by use of the procedures of the United Nations to reach a peaceful settlement of the Berlin crisis. If we do not submit the Berlin crisis to a peaceful procedure through the juridical processes of the United Nations, I cannot foresee any end other than that finally someone will pull the trigger and the holocaust will start over Berlin. It will surely start if Russia thinks she can get by with such action.

It is well that our majority leader of the Senate today has made this very statesmanlike speech and laid it on the line, so to speak, as to the dangers which confront us with respect to the Berlin crisis. I only add my plea that I should like to see every nation not a member of NATO or the Soviet bloc, every member of the United Nations, recognize its responsibility in trying to reach a peaceful settlement of the Berlin crisis.

I have never thought before, and I do not think today, that it is the responsibility of the Soviet bloc and the NATO countries alone to solve this problem. A check must be placed upon them. The check of the procedures of the United Nations ought to at least be tried in attempting to reach a peaceful solution of this problem at the 16th General Assembly, under the auspices and the authority of the United Nations.

Mr. MANSFIELD. I thank the Senator from Oregon.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the Senator from Pennsylvania.

Mr. SCOTT. The Senator from Montana has made a thoughtful and exceedingly helpful speech. I not only commend the Senator for the concern and the wisdom he has shown, but I commend him also for the timing of his remarks, because, as the Senator from Vermont [Mr. AIKEN] has said, the key word to a decision or a settlement is "honorable."

No solution, whether it be one of the two alternatives sponsored by the two points of view of the free world and of the Communist world or whether it be a third approach, as has been suggested, as I see it, can be arrived at by the United States in any other way. The United States cannot afford to be a party to any proposal which is other than honorable or which runs counter to our commitments to West Germany. I know the distinguished majority leader feels the same as I in this regard.

What is in my mind is that I think it important to all of us to perhaps wait for the outcome of the general elections in Germany. It is important also to remember that both parties in West Germany are committed to what they call "zusammenanschlüssen," or unification.

As I understand the situation, American policy is committed to the support of the ultimate unification of West and East Germany.

My concern is simply this: We are aware, as the Senator from Illinois [Mr. DIRKSEN] said, that the crisis is coming nearer all the time. At some undisclosed time in the future, Mr. Khrushchev will, as he has indicated—very likely he will—bring about the recognition of East Germany as a sovereign nation. This has many implications. It has great implications to the Polish people, for example, whose Communist government may for the first time, on behalf of Poland, concede the legality of the Oder-Neisse line. This would create a historical situation which might make it more difficult for a free Poland some day to insist upon a revision and reexamination of the territorial loss as represented by the military and diplomatic line which has not been conceded, up to now, by Poland as being a lawful determination of the true territory of Poland. Once East Germany, backed by Communist Poland, is assured that its territory does indeed run east to the Oder-Neisse line, we shall have piled up further difficulties in the way of the solution we would favor in Europe.

I hope that our administration will not allow itself to be put in the position of merely reacting to the Russian action likely to come in the form of a recognition of East Germany. I hope and I expect that our administration will develop firm and definite plans to present to all the world, and particularly to Mr. Khrushchev, to Wilhelm Pieck, and to other officials of East Germany. It should be a common decision, if possible, on the part of Western nations, indicating exactly what we intend to do if Khrushchev recognizes East Germany as a sovereign state, indicating that we have an alternative plan, indicating that we are not going to wait until Mr. Khrushchev has made it even more difficult for us to continue to maintain the sovereignty of West Berlin.

I should like to ask the distinguished majority leader if he shares my opinion that it would be most desirable for our Government to be ready with its plans and proposals before East Germany is declared sovereign by the Communists rather than simply to react to such a declaration of sovereignty after the event.

Mr. MANSFIELD. In response to the question of the distinguished Senator from Pennsylvania, I have assumed—and I believe correctly—that under both the previous Eisenhower administration and the present administration all kinds of contingency plans have been considered and are being considered, and some of them I would suppose, are ready for operation.

So far as the signing of a peace treaty with East Germany is concerned, any time the Soviet Union wishes to do so it can, and there is nothing we can do about it. The matter is not so much a question of East Germany as it is a question of the status of West Berlin.

I am aware of many of the questions which have been raised this afternoon. There is a problem of intercourse between East and West Germany. That has existed, in an economic sense, for years. There have been interzonal arrangements.

There is the matter of contacts between the East and West Berliners, something which has existed for years. There have been connections, in trade, and municipal services, and other features.

I understand the difficulties inherent in the Oder-Neisse line, which of course will be another problem for the future.

I also recall that on Friday of this week it was proposed there be a visit of

the German Senate to West Berlin, which either may or may not take place.

I also remember that the German elections will be held in September.

I thought of all these factors in connection with the speech. I think time is of the essence. The sooner we recognize the situation, start thinking calmly, not in the heat of crisis or emergency, the better off we shall be.

I thank the Senator from Pennsylvania for his constructive criticism and for the understanding and knowledgeable attitude he has displayed.

Mr. SCOTT. I appreciate what the majority leader has said, and I assure him that what I have said was not said in criticism.

Mr. MANSFIELD. The Senator has spoken constructively.

Mr. SCOTT. I am prepared to support fully what the administration presents. I am delighted that we are considering various alternative plans.

I should like to correct a statement which I made. I believe I indicated that perhaps we might not do anything until after the German elections. What I meant to say was that, in view of the imminence of the German elections coming in November, we should consider putting into effective operation with our Western allies a plan of action, rather than wait for the Russians. I am sure, as the majority leader has said, that he, too, recognizes the importance of Western unity and Western advance planning, and I am glad to know that it exists.

Mr. MANSFIELD. It is my belief that the same thing occurred during the previous administration.

Mr. SCOTT. That is my understanding.

Mr. MANSFIELD. I yield to the Senator from Colorado.

Mr. ALLOTT. Madam President, I have listened many times in the Senate to the majority leader, and although heretofore he has risen to very great heights, I believe the speech which he has made today has perhaps contributed more than any other effort he has made. I make that statement for one particular reason. Unfortunately, I was called out in the middle of his speech and did not hear the middle portion of it.

It seems to me that the greatest need of our country today is clear, objective thinking. In the South Seas during the last war, when some pilot had followed a bomber for 2, 3, or 4 hours and had become "fixed" upon that bomber and had quit looking around, other pilots would say that he was "head up and locked."

I think the term could well apply to much of the so-called thinking that has been done in this country with respect to our foreign policy. There has been too much of a tendency for us to be like a gyro which has been set in motion to keep an object in the same position without weighing new conditions and new situations.

We often get into an inertial situation and remain there.

So I believe that the really great virtue of what the Senator from Montana has said is that we need not be bound by every tradition of the past; we need not be bound by past policies, because present-day needs may require a change in these policies.

I cannot help thinking that his remark that he hoped that his address would precipitate debate in this Chamber is one of the greatest things that has been said. I hope his address will precipitate a great deal of debate.

We had a recent example of my point concerning an event in the history of our country. I do not make this statement in the sense that I seek to pin responsibility for any of the things that have happened. After Castro came into power, we discussed Castro mainly in terms of the sugar bill. How much better off we in the United States might have been today if the Cuban and Castro situation had been debated with relation to its influence on Latin America, the United States, and the world. How much better off might the United States have been today if this subject had been debated thoroughly. We do not have the power to determine the foreign policy of this Government upon the floor of the Senate. Yet what is said here, especially by our leaders, is quoted in every newspaper and on every television and radio station in the country.

Therefore, what is said here becomes significant. Perhaps out of the suggestions which the Senator from Montana has made today, in which I concur generally, may come not only a third method, but also a fourth and a fifth method. At least we would have started, perhaps, to more fully inform the people of America so that we will no longer stay "head up and locked." We must look at our new situations. We must face realities today. In this respect, I do not think anyone could have contributed more to a solution of the present Berlin crisis which we face than the Senator from Montana has done today.

Mr. MANSFIELD. I thank my friend the Senator from Colorado.

I yield to the Senator from Idaho.

Mr. CHURCH. Madam President, I shall be very brief. I wish only to say to our distinguished majority leader that I have learned much from him since I have become a Member of the Senate. I have admired his statesmanship often in the past, and I have listened to his many exceptional messages on foreign policy. Never have I heard him deliver a saner and braver message than he has delivered today. I devoutly hope that our diplomats will take heed of it while there is still time and opportunity to negotiate a future status of Berlin.

Mr. MANSFIELD. Madam President, I yield the floor.

Mr. CLARK. Madam President, let me say to the distinguished majority leader, who I see is still in the Chamber, that I heartily endorse what he has said with respect to an excellent method of attempting to get out of the Berlin crisis. I particularly commend him for two points contained in his address: First, that we should include East Berlin as well as West Berlin in any arrangement tending to make that great city a free city. Second, that the guarantee of the freedom of Berlin should be joined in not only by the Warsaw powers and NATO, but also by the United Nations. This I believe to be an important and fresh approach to a very critical problem. I support the majority leader in his views and commend him for the statement which he has made.

Mr. MANSFIELD. I thank the Senator.

Mr. HUMPHREY subsequently said: Mr. President, I wish to make a few comments about the address delivered by the distinguished majority leader. I could not be in the Chamber at the time he made his address because I was attending to official business in the Subcommittee on Agriculture Appropriations of the Committee on Appropriations. I was privileged, however, to have a copy of the majority leader's speech prior to its delivery, so I knew that the majority leader intended to make his speech.

He had been gracious and kind to indicate to me some days earlier that he intended to deliver the message and also to share with me some of his thoughts on this crucial, critical problem of Berlin and the relationships between the United States and the Soviet Union.

Without discussing the merit of any of the particular proposals, the Senator from Montana has again demonstrated the qualities of leadership, the courage, the initiative, and the intelligent pursuit of a solution which we have always admired in him. The Senator from Montana has not been content to accept the dogma or the doctrine of the past, or even the pronouncements of someone else, as being the final word. No one can doubt the dedication of the Senator from Montana to his country and his patriotism both in war and peace. He has demonstrated qualities of patriotism and fearlessness which have earned for him a great reputation.

What the majority leader has done today is to engage the Senate in the thoughtful discussion of one of the most intricate, complex, critical, delicate problems of our time. The Senator from Montana has asked that we think aloud, that we speak to one another, that we search for answers, that we be willing to discuss in the open these questions which all too often are subject to misinterpretation and misrepresentation and are, therefore, the cause of some embarrassment and, at times, of some grief to a Member of Congress or to any other person in public life.

The Senator from Montana summarized his speech by these words:

> Sooner or later the Western nations and the Soviet Union must seek a new way, a third way, to the solution of the Berlin problem along the lines which I have suggested or some other. Unless this search is pursued with energy and dispatch and to fruition, sooner or later Berlin is likely to become the pivot of a new disaster for mankind.

Mr. President, those words are prophetic; those words are true. The summation of the Senator's speech tells us that the Berlin issue calls upon the thoughtful people of this Republic—yes, of the whole world—to pursue relentlessly every honorable means to find some solution to a critical international situation which may result in a nuclear holocaust in world war III. The Senator from Montana has tried to remind us that when we stand firmly, as we do,

on the Berlin issue, when we say we will not retreat, when we say we have made our position clear, we have pledged our resources, our lives, our sacred honor, and our fortunes on this one issue; and the Senator from Montana is seeking another solution to the problem. I wish to compliment and commend him.

I do not know whether his proposal can muster support in this country. I do not know whether it can become administration policy. I do not know whether our colleagues on both sides of the aisle will find merit in it. But I do know that someone needs to think about it; and I know that Members of Congress are capable of giving it careful thought; and I know we must find a way to avert nuclear war, and to do so with honor, and not at the same time to cast aside our freedom and our independence. This is what we are seeking; and I shall join the Senator from Montana in this effort.

I do not know what we shall be able to do about it. But in private conversations, some of us have said that the time for the great debate on foreign policy is here, again—not a debate with acrimony or partisanship, but an honest, deliberate debate between men of good will and men of good mind, as we seek better answers to the problems which beset us today. Our relationships with the Communist bloc are at a very dangerous level, and involve us in a very dangerous situation; and we must have strong defense, a good foreign policy—which we have previously discussed—an effective foreign-aid program; and, in addition, we must seek ways and means to avert a terrible war which could destroy Western civilization.

To say this does not mean that one is an appeaser. It merely means that we seek to use the quality of reason which God gave to man; and that reason should be applied to all these difficult situations.

So I wish to thank the Senator from Montana. I regret that I was not in the Chamber when he made his remarkable address, which is so typical of his courage and his decency. The one quality which, above all others, characterizes the Senator from Montana [Mr. MANSFIELD] is his essential quality of decency, which is wonderfully augmented by his native brilliance and wisdom, all of which the country so greatly needs. So I find it a real joy to be associated with him in the Congress, and, indeed, in this particular endeavor.

Mr. KEFAUVER. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. KEFAUVER. I join the Senator from Minnesota in commending the majority leader, the Senator from Montana [Mr. MANSFIELD], upon his speech and his presentation. I heard most of it, earlier today.

It is apparent that the Senator from Montana has given this problem a great deal of thought and study; that he is seeking a sincere, practical solution; and that he realizes the importance of debate and discussion by Members of Congress in following their constitutional requirement of advising with the Executive on matters of foreign affairs.

What will develop from his presentation and his proposal, I do not know; but certainly it is in the public interest that he has brought up the matter again for serious, sincere, and sober discussion.

CHANGES IN SENATE RULES

Mr. CLARK. Madam President, I wish to make a brief observation on the subject of germaneness. It is no news to Senators that for some time I have been advocating a change in Senate rules so that speeches not pertinent or relevant to the pending business would not be permitted on the floor of the Senate.

No better example of the need for a rule of germaneness can be given than what has happened here this afternoon. The distinguished present occupant of the Chair [Mrs. NEUBERGER] has advised me informally that she began to preside at 12:15 p.m., and that at about 12:30 p.m. the nomination of Mr. Swidler was laid before the Senate as the pending business. It is now 3:35 p.m., and not one single word has yet been said in the Senate with respect to either approving or disapproving the nomination of Mr. Swidler. It occurs to me that procedure which permits this course to continue is not in the interest of expediting public business. I believe in complying with the rules of the Senate so long as they are in force; and inasmuch as a Senator is permitted to speak on nongermane subjects, I intend to do so at this time for approximately one-half hour. Perhaps my example will exasperate Senators into going along with whatever change in the rule may be necessary.

I note, as I make my announcement, that the Senator from Colorado [Mr. ALLOTT] is leaving the Chamber. I do not blame him. I would leave the Chamber, too, if he made the same kind of announcement.

Mr. ALLOTT. I must accept a telephone call. I would not miss the Senator's charm and humor for anything.

Mr. CLARK. I will be surprised if my friend from Colorado returns within the next half-hour. I will be pleased if he does.

CONFESSIONS OF A ONE-TIME CONSERVATIVE

Mr. CLARK. Madam President, I should like to call to the attention of my colleagues a most provocative article on the subject of how to attain economic prosperity. It was written by a reporter whom many of us knew and respected when he was stationed in Washington. He is Mr. Edwin L. Dale, Jr., of the New York Times. The article was published in the New Republic of May 29.

Mr. Dale some months ago was assigned to Europe, and there he has been studying the economies of Europe in his new assignment as European economic correspondent of the Times. His general conclusion that a high level of government spending is the way to achieve full employment and economic growth, without inflation and without deficits, is worthy of serious consideration. His data, which he has collected in West Germany, on the one hand, which has been most successful by adopting this policy, and of Belgium, on the other hand, which has been quite unsuccessful in not adopting it, cast a great deal of doubt on the conventional, conservative economic dogma which is often heard in this Chamber. It is particularly noteworthy since it comes from a "one-time conservative," as Mr. Dale describes himself.

The title of the article is "Confessions of a One-Time Conservative." I ask unanimous consent that it may be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONFESSIONS OF A ONE-TIME CONSERVATIVE

(By Edwin L. Dale, Jr.)

It is always a kind of macabre pleasure to confess error. As a one-time conservative in the United States who has lived a while in the extraordinary economic atmosphere of Western Europe, I should like to indulge the pleasure.

The dazzlingly simple lesson from Western Europe appears to me this:

The way to achieve the best of all possible economic worlds (rapid economic growth, full employment, stable prices, favorable balance of payments, more investment, no recessions, more consumption, better living standards) is to spend as much government money as possible, and make sure that the amount the government spends rises rapidly each year.

The reason for this is not that government spending is inherently better than private spending, though that may be true. The reason is that a very high level of government spending, no matter where the money goes, assures a very high level of demand. And a high level of demand is the open sesame to everything else.

It means full employment. It gives the incentive for more investment in plant and equipment. It means operation of plants at efficient level, and thus at lower costs. Therefore, it means relatively stable prices and competitiveness in export markets. It permits higher wages without inflation as productivity rises rapidly. And, mirabile dictu, it permits the government to spend more and more each year without raising taxes because the economy, and thus receipts, is growing as fast as the government spending.

Let us look for a moment at the "economic miracle" of Germany. Its creators have misled the world about it. Dr. Erhard says it came about because Germany let loose the creative forces of private enterprise and rejected "statism" and "dirigism." True enough, and perhaps that helped. But what Dr. Erhard does not say is that West Germany taxes and spends (and elects and elects) 34 percent of the gross national product—the highest in the non-Communist world. This figure compares with only 26 percent in the United States, State and local taxes and spending included in both cases. By the test of the National Association of Manufacturers, or even the Committee for Economic Development, West Germany is not conservative but radical.

Now let us look at the one laggard in continental industrial Europe. It is Belgium. Belgium spends only 23 percent of its GNP through government. It doesn't tax, it spends—and it doesn't grow.

Britain is the other laggard in this part of the world. It spends only 28 percent. More important, it is constantly taking measures to restrict demand, through high interest rates or consumer credit control or changes in the tax-spending equation of the budget. It let demand run free—actually pumped it up—only once in the last 5 years, and only then did its economy perform bril-

liantly. France, Sweden, and Austria have practically nothing in common except one thing: They spend, and they grow.

Outside of Belgium, there is only one nation in industrial Europe, Denmark, where government spending is a smaller proportion of GNP than in the United States. It is a special case, with an unusually heavy concentration of agriculture in the total economy.

It seems reasonably clear to me that when government spends as much as it does here in Europe, business is good and stays good. And when business is good, a lot of other problems just go away. For example, there is very little fuss here in Europe about "technological unemployment"—fortunately, because it means that Europe can and does automate merrily away with all the resulting advantages for productivity costs and the like.

Now a couple of qualifications. They do not change the main point, but they should at least be made.

The first is that there must be some reasonable relation between government receipts and spending. Many governments in Europe run chronic "deficits" in their budgets by American accounting standards—which helps account for their success—but they cannot safely permit spending to run away from receipts without inflationary trouble. France showed that before 1958. European governments spend enormously—but they also tax enormously.

The second concerns the "mix" of taxation. Judging strictly from results—and leaving out the theory—it seems that there is great merit in "soaking the poor." This is not as harsh as it sounds.

What it means in practice in Western Europe is far greater reliance than in the United States (or Britain) on a set of taxes that indirectly hit the poor man hardest: excise and sales taxes of all kinds, turnover taxes, tax on value added, heavy employer social security contributions. These taxes are collected in prices, and thus from consumers. They do not "raise prices" unless they are increased; once imposed, they are practically painless. But they do soak the poor, relatively; no government in Western Europe relies nearly as much as the United States on taxes for its revenues.

A final point. Why isn't very high government spending, and the resulting constantly high pitch of demand, inflationary? The answer is: It is inflationary, but only very mildly so now, in contrast with the first 7 or 8 years after World War II when there was a worldwide chronic excess of demand over supply. European prices have risen, as American prices have risen. Since the Korean war, however, European prices on the whole have risen no faster than American, and in some cases they have risen less, despite much higher government spending. And in neither Europe nor America has there been any significant inflation since mid-1957.

The point is that the world now has a large and elastic supply to meet higher demand; thus it is a world in which demand cannot only be profitably increased but, within reasonable limits, safely increased.

Unless appearances—and hard facts and figures—are grossly misleading, the lesson in all this for America is clear:

Raise Federal Government spending as rapidly as possible to $100 billion (i.e., $120 billion on a cash basis) and make sure it rises at least $4 billion a year.

Count on more rapid economic growth to provide the receipts for most of this increase in spending—and do not worry about fairly large deficits for a while until there is full employment again—and raise consumer taxes eventually to cover the rest.

Then sit back and start enjoying real prosperity again.

RESUMPTION OF NUCLEAR TESTS

Mr. CLARK. Madam President, I should like to note, first, that time has been reserved in the other body this afternoon to discuss the need to resume nuclear testing.

I should like to speak briefly in support of the President's policy of persisting in efforts to obtain a nuclear test ban agreement. I ask unanimous consent that two recent editorials from the New York Times, and an article published in the New York Times this morning, written by James Reston, may appear in the RECORD at this point in my remarks.

There being no objection, the editorials and article were ordered to be printed in the RECORD, as follows:

[From the New York Times, June 14, 1961]

A POLICY ON THE TEST BAN

After more than 2½ years of talk in 317 sessions, the Geneva nuclear test-ban conference has now been confronted by Premier Khrushchev's demand that he be allowed to dictate the terms of both a test ban and general disarmament, just as he is trying to dictate a settlement on Berlin.

As in the case of Berlin, the Soviet ruler is presenting the Western Powers with two impossible choices. One is to accept, as a condition for further negotiations, his proposal of a three-man administrative council representing the Communist, the Western and the neutral worlds. This is the Russian "troika system" with a built-in veto for each member to prevent any executive action the Russians do not like. It is an unacceptable proposition.

The other choice offered by Khrushchev is to agree to merge the test-ban negotiations with the general disarmament talks scheduled to start at Geneva July 31. But as the Soviet ruler insists that agreement on total disarmament must come before effective controls and that any controls must be likewise under the "troika system," these talks offer no prospects for success either.

Mr. Khrushchev's insistence on the "troika system" is quite obviously a major decision, perhaps born of the Russian fiasco in the Congo which persuaded him that "while there are neutral states, there are not and cannot be neutral men." It is possible that Premier Khrushchev has made a deal with the Chinese Communists to oppose a test ban until the latter have atomic weapons. In any case, he boasts in effect that the Soviets are now powerful enough to dictate rather than negotiate, and sees no reason to subject his arsenals to "espionage."

The Western Powers are thus confronted with grave questions of national security. President Kennedy has gone to every conceivable, responsible length to reach agreement, even at the price of possibly risky concessions. Now that this last great effort has failed, pressure is rising rapidly to break off negotiations, to resume testing, or, in a "TNT" approach, to "talk 'n' test."

But any such steps would be a grave mistake and a trap into which the Soviets might well be trying to lure us. To break off negotiations and to resume testing would be such a tremendous psychological shock that it would inevitably turn world opinion against us at a time when even the neutrals are shying away from the Soviets. It might even precipitate repercussions that could topple some allied governments.

The course we believe the United States should follow lies along these lines: (1) We must not resume testing, certainly not at this time, and preferably not before the Soviets resume testing; (2) we must continue the Geneva talks even if a temporary recall of our delegates is required—but a permament walkout must be left to the Soviets; (3) we must expound and publicize the Western case by laying it before the world and the United Nations, with complete honesty, to make clear where responsibility for this failure and for its potentially fateful consequences lies.

[From the New York Times, June 9, 1961]

NEGOTIATING WITH RUSSIA

President Kennedy is right to keep on trying to get a cease-fire in Laos and a nuclear test ban agreement by negotiation with the Russians. The Republican brinkmanship of Senator DIRKSEN, Representative HALLECK and other party leaders is dangerous.

This is the difference between having the responsibility of power and enjoying the blithe irresponsibility of opposition. To take vigorous moves in Laos and Geneva, as the Republicans suggest, would be to lose the position we now have of seeking recognizably excellent aims by peaceful negotiation. It is not as if all recourse to discussion were exhausted.

Mr. Kennedy, in speaking yesterday to a newspaper group in Washington, said he hopes that the press will try to awaken public recognition of "what a long task lies before us" and "how long must be our view, how patient and persevering we must be." Judging from the Dirksen-Halleck comments, the President might better have addressed his words to some Members of Congress.

The worst advice of all from the Republicans is that the United States should quit wasting energy trying to negotiate with the Soviet Union. The alternative to negotiation is action. The risks that actions can bring in this thermonuclear world are so great that they are justifiable only as a last resort. They should not and—one may be sure—they will not be shirked in the last resort. That would be appeasement, which is the worst solution. But meanwhile nothing is to be lost by negotiation so long as the adversary knows that you are strong and that you can be pushed only so far.

A U.S. President has to keep the fate of his country and, nowadays, of the world in mind. The Russians have their way of negotiating. It is an interminable, baffling, exasperating way, conducted with doubletalk—but it is still negotiation; and it will register and operate when Soviet interests lead or force the Russians into a position where they will come to terms. They are more likely to make an agreement if they find Americans united behind their President in the quest for peace with freedom.

[From the New York Times, June 14, 1961]

KENNEDY POLICY—PATIENCE ON NUCLEAR ARMS

(By James Reston)

WASHINGTON, June 13.—President Kennedy is taking an extremely cautious line about renewing underground nuclear tests. The Russians have been making a mockery of the test-ban talks in Geneva, and the powerful Joint Atomic Energy Committee in Congress has been pressing the President to renew the testing. Yet he is not convinced that a case has yet been made for testing, despite the provocations to do so, and he is therefore urging more patience on his colleagues.

There are a number of reasons for this. First, the President is still hopeful despite his failure to budge Khrushchev in Vienna that the Russians will in due course agree to a limited disarmament treaty and inspected test ban.

Progress was being made in this direction until shortly after Khrushchev's last trip to Peiping. Thereafter, the Moscow line hardened, and this has given weight to well substantiated reports reaching this Government from Hong Kong that Mao Tse-tung exacted a promise from Khrushchev not to sign a

test ban treaty at least for a stipulated, but unknown, period of time.

Second, Washington needs more time to make clear to the world what it has been proposing and how its proposals have been rejected month after month. In the last few months there has been increasing understanding in the world of the American position. Once the United States reduced its proposals to treaty form, and modified its demands from 20 inspections a year to 12, at least the Allied Governments and the serious newspapers of the West were finally convinced that Washington not only wanted a nuclear test ban treaty but had proposed a reasonable treaty to this end.

There is less understanding, however, in the public at large. The Soviet proposals are simple and appeal to wishful thinking: ban the bomb, they say, and disarm everyone, indiscriminately, to deal not with the desires of men alone, but with the realities of controlling the system, so that it will really work in safety.

Such an argument, however, is complicated, and when the only alternative to endless negotiation is a threat to start nuclear testing and continue the arms race, this puts the United States in the unpopular position of talking about more arms while the Russians merely go on asking for the abolition of arms.

Finally, the President has to take into account the antitesting and antiarms race sentiments in allied countries, particularly Britain, so his decision for the moment is to go on talking about a test ban in Geneva, and to go forward with the preliminary disarmament talks with the Russians here next week.

THE OTHER SIDE

This has not been an easy decision and nobody knows how long it will last. For there are powerful arguments on the other side.

First, the policy of going along despite Soviet obstruction puts the United States in the position once more of the lady who vowed she'd ne'er consent, but consented anyway. This is becoming a habit around here.

Second, testing in outer space is probably necessary to the development of an effective defense against intercontinental ballistics missiles.

Third, there is a genuine fear among responsible members of this administration that the Russians may be testing during the ban, while we are not, and that this, if true, would give them a critical advantage in the development of the latest monster, the so-called neutron bomb, which would cost less, avoid radioactive fallout, and could be used discriminately on the battlefield.

The main question the President has put to his advisers is whether the security of the United States is impaired by the present uninspected test ban, and nobody has been able to demonstrate to his satisfaction that it has. Many people here have their suspicions that the Russians are testing and therefore that the security of the country may be endangered, but they cannot prove it.

Accordingly, the President has decided on giving the talks another chance. He went over this again today with his disarmament adviser, John J. McCloy, and while the President may recall his Ambassador in Geneva, Arthur Dean, in order to demonstrate his dissatisfaction with the Soviet Government's negative attitude toward the talks, the decision for the present is to persevere despite all the pressures and frustrations, and to increase the publicity on why Washington is taking this line.

Mr. CLARK. Madam President, I should like to refer also to a statement made by Mr. Edward R. Murrow, Chief of the U.S. Information Agency, on Meet the Press last Sunday that the USIA had polls indicating the impact on world opinion of a resumption of nuclear testing, and that the results of those polls, which he was not at liberty to reveal, had been turned over to the President for consideration. I would venture a guess that those polls indicate that a nation which resumed testing would suffer a severe setback in world opinion, and I hope that it will be possible to release the results of the polls in due course.

The editorials I have offered for the RECORD take the view that to break off negotiations and to resume testing would be a tremendous psychological shock and that it would inevitably turn world opinion against us at a time when even the neutrals are shying away from the Soviets. I fully recognize that it may be necessary to claim liberty of action with respect to nuclear testing; but I commend the President of the United States for his restraint in this regard. I for one shall support him, and not join the outcry of those who advise him immediately to break off negotiations, with the inevitable adverse result this will have on our influence throughout the world.

OUR POLICY WITH RESPECT TO CUBA

Mr. CLARK. Madam President, I should like to speak briefly about our past policy and our future policy with respect to Cuba. I do so because a television program on which my colleague, Senator SCOTT, and I had as our guest Representative WILLIAM E. MILLER, chairman of the Republican National Committee, has received widespread national newspaper publicity. It is desirable on the floor of the Senate to set the record straight with respect to my own views in this regard.

I ask unanimous consent that a transcript of the television program participated in by Senator SCOTT, Representative MILLER, and me may be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. METCALF in the chair). Without objection, it is so ordered.

(See exhibit 1.)

Mr. CLARK. During the course of that program, Chairman MILLER stated:

The tragic mistake in Cuba that President Kennedy made was when he rescinded and revoked the Eisenhower plan to have the Cuban freedom fighters protected by American airpower.

On the same program, my colleague, Senator SCOTT, stated that the Cuban invasion did not succeed because the President "failed to support the Cubans with American naval forces, American supplies, and American airpower."

What are the facts with respect to the plan of the Eisenhower administration regarding Cuba? I do not believe that we have as yet had the whole story told. I have some reason to believe, however, that two reports, both made last month in this regard, are substantially accurate. I quote the first from Newsweek magazine of May 1, 1961. Referring to the plans for attack on Cuba, Newsweek said:

Over the months a plan of attack began to take shape. At one point Bissell's group proposed that the United States provide air and naval cover for landing, but that only Cuban exiles be permitted to go ashore in the first waves. If the exiles couldn't succeed on their own, American forces would be landed. President Eisenhower vetoed this plan, at least temporarily. Vice President Richard Nixon, incidentally, argued in favor of it.

A report published in U.S. News & World Report of May 15, 1961, stated:

A check in Washington brought this explanation: The Eisenhower administration's plan for backing an invasion of Cuba included a recommendation for an "air cap" to be provided by U.S. Navy jets, carrier based. In military parlance an air cap means limited air cover for ships and landing craft. This fact had been conveyed to the Cubans.

Mr. Kennedy, however, early in April declared there would be no direct U.S. participation in an attack on Cuba. When the final invasion plan was drawn, there was no provision for an air cap. This decision, it appears, was never reported to the Cubans, who went into battle expecting support that never came.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield.

Mr. SCOTT. I believe that this might be as good a time as any to see if we cannot set the record straight between my senior colleague and myself. As the Senator recalls, the whole question of the Cuban invasion was raised in the beginning by the distinguished Senator from Pennsylvania when he said at page 8 of this transcript:

The whole Cuban policy resulted from a plan conceived by Mr. Eisenhower, known in full by Nixon, although the knowledge was denied by him in the campaign, which called for the violation of our treaties, the violation of our agreement with the Organization of American States and going in with American troops to Cuba.

Without continuing, the quotation which the Senator has read from the magazine seems to imply just the opposite, that President Eisenhower at one point is supposed to have planned a naval CAP, or naval close air support.

Mr. CLARK. No. Let me refresh the Senator's recollection by reading what I said:

At one point, Bissell's group proposed that the United States provide air and naval cover for landing, but that only Cuban exiles be permitted to go ashore in the first waves. If the exiles couldn't succeed on their own, American forces would be landed.

In fairness, I continued:

President Eisenhower vetoed this plan, at least temporarily. Vice President Richard Nixon, incidentally, argued in favor of it.

Mr. SCOTT. I am trying to determine whether the Senator is arguing that President Eisenhower wanted to use or favored the use of American troops, or that he did not. Is the Senator prepared to comment on that, since I have a further comment to make?

Mr. CLARK. Yes; I should be happy to comment on that statement. In my present judgment—and I have no way of

proving it—such a plan was proposed at a high level by the CIA. I suspect, although I do not know, since the Deputy Director of the CIA is a four-star general, Gen. C. P. Cabell, that this plan was discussed, at least informally, with the Joint Chiefs of Staff. It would seem to me to be only commonsense that they should do so. I do not know that.

I now believe, as this article states, that this particular plan was vetoed temporarily by President Eisenhower, but the planning went ahead on the assumption that such action might be the end result, and it was intended that there should be air and naval protection right down to the time when President Kennedy revoked that determination. That is my best judgment now as to what the facts were.

Mr. SCOTT. I thank the Senator, because he has come around to something which I think is pretty close to what actually happened.

I am authorized to say, after checking with sources very close to the former President and the former Vice President, that actually during the Presidency of President Eisenhower no plans had been finally formalized for the invasion of Cuba; that Cuban refugees had asked for help; and that the U.S. Government was considering various plans by which they would be given help, which involved the planning of an invasion of Cuba by Cuban refugees.

Under President Eisenhower, these plans had not been finalized, and the leader of such a projected, prospective invasion had not, in fact, been chosen.

I am also authorized to say that President Eisenhower would never have approved a plan for an amphibious landing in Cuba without air cover. I wish to make it clear that there was no approval of a plan of invasion, because the authorities had not reached a point, with respect to naval support, logistics, and air cover, where they could finalize such a plan, since a leader of the revolutionary forces had not been agreed upon, and no final plan had been agreed upon. I make that part of my comment on the highest authority.

Mr. CLARK. Mr. President, will the Senator yield briefly, so that I may see if our minds have reached an accord?

Mr. SCOTT. I yield.

Mr. CLARK. I do not quarrel with anything the Senator has said, but I wonder if he would agree with me that CIA and Defense planning was constantly going forward, looking to an invasion of Cuba, headed by Cuban refugees, supported, as the planning went, by air cover and by U.S. naval logistical units to help them and supply them; and that shortly after President Kennedy took office, he was faced with the decision as to whether to let the planning go forward to consummation, whether he would abandon the plan, or whether he would change it.

Mr. SCOTT. I can answer in this way. The Washington Post published an editorial which refers to the specific complaint by Representative MILLER that President Kennedy rescinded and revoked the Eisenhower plan to have the Cuban freedom fighters protected by American airpower. The Washington Post says this happens to be true.

Mr. CLARK. Is that the editorial in the Washington Post of June 13, 1961?

Mr. SCOTT. That is correct.

Mr. CLARK. Mr. President, I ask unanimous consent that the editorial may be printed at this point in our remarks.

Mr. SCOTT. I have no objection.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TRAGIC MISTAKE?

The new chairman of the Republican National Committee, Representative WILLIAM E. MILLER, has broken the unwritten political truce about Cuba with his charge that the Kennedy administration perpetrated "an American tragedy." Mr. MILLER'S specific complaint—that President Kennedy "rescinded and revoked the Eisenhower plan to have the Cuban freedom fighters protected by American airpower"—happens to be true. But did this, and the announcement that no American forces would take part, constitute the ghastly mistake which Mr. MILLER professes to see?

In the clarity of hindsight there were enough mistakes to fill a couple of political war chests, and perhaps in the immediate sense the failure to use American airpower was one of them. Mr. Kennedy's order, it seems plain, removed whatever chance there might have been for a badly conceived plan to succeed. All questions of treaties and international opinion apart, if the plan had worked militarily—and the if is a big one—many of the misgivings might have been swept away. The United States received virtually as much blame as it would have received if it had committed its own forces.

But that argument assumes that a military operation alone in Cuba would have guaranteed the overthrow of the Communist satellite which Fidel Castro has been building. A far more persuasive argument on the other side of the case has been made by Theodore Draper in his admirable review of events in Cuba. In his article in Encounter, reprinted in the New Leader, he notes:

"The Eisenhower administration had not given the underground priority, and the Kennedy administration ruled out full-scale intervention.

"Yet, short of the Castro regime's collapse at the first blow from the outside, the invasion required a spontaneous outburst of popular support or an ever-increasing measure of American support. An invasion force which succeeded in overthrowing Castro without a demonstrative show of popular support could only have ruled Cuba in a state of perpetual civil war or as a thinly disguised American occupation. At best it would have postponed another outbreak of Fidelismo for a few months or years. At worst, it could have made Cuba into another Algeria."

What is significant is that the Republican leadership, judged by Mr. MILLER'S charges, evidently has concluded that there is a popular issue here in berating Mr. Kennedy for his decision not to intervene directly. And if there is to be a political debate on this point, then some further considerations ought to come into the discussion.

Mr. Draper, who himself has no illusions about the menacing nature of the regime in Cuba, reports that former Vice President Nixon, as early as April 1959, wrote a memorandum advocating the training of guerrilla forces to overthrow Castro. Mr. Nixon also is said by others to have argued with the Eisenhower administration for an invasion with the support of American ground troops if necessary.

Yet when Mr. Kennedy, during the political campaign last fall, advocated helping anti-Castro forces inside and outside Cuba, Mr. Nixon termed the recommendation dangerously irresponsible. He cited five treaties and the U.N. Charter in which this country has undertaken not to intervene, and he added:

"If we were to follow that recommendation (of Mr. Kennedy) we would lose all of our friends in Latin America, we would probably be condemned in the United Nations and we probably would not accomplish our objective."

Those were the words of the Republican presidential nominee last October. If Mr. MILLER is now inviting a full postmortem, it will be indeed instructive to have all the facts come out.

Mr. SCOTT. Mr. President, although the Washington Post says it happens to be true that President Kennedy "rescinded and revoked the Eisenhower plan to have the Cuban freedom fighters protected by American airpower," that statement is not accurate. So far as concerns the statement "protected by American airpower," the planning had not reached the point where there had been a final decision about the use of U.S. naval forces or U.S. airpower or Cuban airpower, or a combination of both, because at that point the logistics had not been completed, and the leader of the invasion forces, if it were to take place, had not been chosen.

But, as I said, President Eisenhower would not have invaded Cuba—would not have supported an invasion of Cuba—with any American commitment whatsoever unless such an invasion had been accompanied by air cover. I wish to emphasize that the use of day air cover had not been finally decided.

Mr. CLARK. The Senator knows, does he not, that the invasion was supported by air cover, but that the air cover was entirely inadequate?

Mr. SCOTT. The air cover was withdrawn by President Kennedy, as the Senator knows.

Mr. CLARK. I regret that I must differ with my colleague. If he will read the newspaper accounts on the days of the invasion, he will see that some B–26's did protect the landing; that an attempt was made to knock out the Cuban airpower; but that they were shot down by a number of jet trainers which the United States had given to the Batista administration. This information was published in the newspapers.

Mr. SCOTT. Does the Senator care to comment on the statement that air cover for the invasion forces was withdrawn by President Kennedy's order during the nighttime or before morning, and that the President said, "I accept full responsibility for this." Am I wrong about that?

Mr. CLARK. I have no way of knowing whether that is a fact or not; but from other facts I know, I do not believe the Senator's statement to be a fact.

Mr. SCOTT. Does the Senator assert that the air cover was supplied by Cuban counterrevolutionary forces; and if so, does the Senator assert that there were any Americans in the air cover?

Mr. CLARK. I shall have to say to the Senator from Pennsylvania that because the information which I have on this subject has been made available to

me through the Committee on Foreign Relations, I am not at liberty to disclose it; and I have been very careful in the colloquy so far not to make any statement which is not based on newspaper reports which are available to all.

I strongly urge the Senator to read the transcript of the testimony which is available to all Senators in the Committee on Foreign Relations; but I am not at liberty to comment on it, and I cannot and will not make any reference to that testimony. However, I think the Senator would be enlightened if he read it.

Mr. SCOTT. I respect the Senator's feelings on that point. He is, of course, correct. But I am not bound; I have not had access to the secret information.

Mr. CLARK. The Senator has access to it; all Senators do.

Mr. SCOTT. When I say I have not had access to it, I mean in the sense that I have not exercised my right to access to any secret information in either this or the other body, whether available in committee or not.

It is my understanding, from sources which I believe, that the invading forces went into the Bay of Pigs that night fully expecting air cover; that the air cover was to consist of B–26 planes, and perhaps other planes, manned largely by Cuban pilots, but including some American pilots for guidance and expertise; that when Mr. Adlai Stevenson heard of that in the middle of the night, he made a statement to a representative of the State Department that such air cover would seriously impede his negotiations having to do with Laos and with other parts of the world; and that Mr. Stevenson then flew, in the middle of the night, to Washington and consulted with, I am advised, Chester Bowles, who was acting on behalf of the State Department.

My information is, further, that Mr. Stevenson urged that the air cover not be furnished; that the order to supply the air cover was revoked; and that when the Cuban forces in the daytime endeavored to consolidate the beachhead, they ran out of weapons and food at a certain time later that day.

However, air cover, in fact, was not furnished. The Senator may be right: Some planes may have been involved, but full and adequate air cover had been, according to my information, promised the invading forces; and that promise was revoked during the night—at least in part—on the plea of Mr. Stevenson, for the reasons I have given.

Mr. CLARK. If the Senator will yield, let me say I wish to be very careful in what I say, for my lips are sealed. However, on the basis of information which is not classified, I state that I do believe the Senator's statements with respect to Mr. Stevenson and Mr. Bowles are largely, if not entirely, fiction.

Mr. SCOTT. Is the Senator prepared to say Mr. Stevenson did not fly from New York to Washington during the night after the invasion, and before the first light of the next morning?

Mr. CLARK. Regretfully, I state that I am not at liberty to comment any further on the statements of my colleague.

Mr. SCOTT. Of course I would not push the Senator on that subject.

Mr. GOLDWATER. Mr. President, will the Senator from Pennsylvania yield?

Mr. CLARK. I am only in the middle of my remarks; but I am happy to yield.

Mr. GOLDWATER. I am sorry I was not in the Chamber when the Senator from Pennsylvania made his allusions to testimony taken before the Foreign Relations Committee. Will he state what testimony he was referring to?

Mr. CLARK. I really think I should not state that. I shall be glad to tell the Senator, off the floor, later on.

Mr. GOLDWATER. Then let me put the matter in my own words; and then the Senator from Pennsylvania can say either "Yes" or "No": One day, here on the floor, I felt it necessary to defend against attacks made on the Joint Chiefs of Staff by the junior Senator from Tennessee [Mr. GORE]. I particularly defended General Lemnitzer. Thereafter, the Senator from Tennessee invited me to visit the Foreign Relations Committee, to read the transcript of the testimony which had been taken there one day, I believe, or two days before. I read that testimony. Is that the testimony to which the Senator from Pennsylvania has referred?

Mr. CLARK. I will say that is part of the testimony to which I have referred, but not all.

Mr. GOLDWATER. I do not know what other testimony there might be which would relate specifically to the point as to whether air cover was promised or not. I shall not divulge anything contained in that document, because, as the Senator knows, it is marked "Top Secret." But I think I can say in a general way that after reading that testimony, I felt perfectly substantiated in my defense of the Joint Chiefs of Staff and their actions in this entire matter. I think it is a matter of public record that testimony has been given that no plan would ever have been approved without the understanding that air cover and sea or naval backup would be provided.

I do not want to go into the details; but I will say that I believe the time has to come—and has to come rather soon—when the responsibility for calling off air cover and naval backup must be taken by someone, because I am convinced, after having talked with Cubans who participated in the invasion and after having talked with persons who helped plan it and with officials of our own Government, that such was planned, was ordered, and was understood to have been available, but was called off.

As the Senator knows, I do not care to divulge the sources of information in regard to a matter of this sort; but these are statements which have been in the press, and have never been denied by anyone in the administration.

Mr. CLARK. I believe it would be very helpful, as the Senator has suggested, if a white paper were issued on this matter, now that it is fading into the past. But I do not feel free to make any comment on what the Senator has said, because I want to be very careful not indirectly to reveal anything which I do not have a right to reveal.

Mr. GOLDWATER. Let me say, in conclusion, that, having great confidence in the Joint Chiefs of Staff, and having confidence in the CIA at certain levels, and having confidence in the military judgment of both President Eisenhower and President Kennedy, I could not conceive that any plan of invasion such as the one which was used in Cuba would ever have progressed past the planning stage if the essentials of amphibious landing had not been promised, namely, air support—and in this respect, I understand it to be our aircraft, not obsolete aircraft—if the need were there, and naval backup.

I can reach no other conclusion in the world but that that promise was made, and that it was understood by the Cubans to have existed, when they stepped off their landing barges in the invasion.

As the Senator has suggested, I believe it would be very, very useful to the American people if we knew who—and I am not convinced that it was President Kennedy; I am convinced it was someone else, who would bend their knee to any enemy—urged the decision to call off air support and naval backup. I think this information has to be made available to the American people; and I would urge the Foreign Relations Committee to declassify the information which would indicate the responsible area.

Mr. CLARK. Again I say I do not feel free to comment on what the Senator has said; but I want the record to show clearly that I am in disagreement both with respect to the facts and with respect to the conclusions he has drawn from them. I urge my friend not to press me any further in regard to information that I may not discuss.

Mr. GOLDWATER. Let me say to the Senator from Pennsylvania that he is on very, very touchy and serious ground if he proposes to defend—and I do not think it is wise for him to attempt to do so—with language which he cannot produce, against the statements which have been made against the invasion and against the way it was carried out, and which have been fairly well substantiated, I believe, by the silence on the part of the administration; and if the Senator is speaking for the administration, I think it unwise for the administration to ask him to perform this almost impossible task, unless he comes armed with statements to substantiate what he can only believe to be his own personal opinion in regard to the situation.

Mine has passed my personal opinion, because I have read some of the documents. I shall not go into detail about them; I refuse to do so. But I have read some of the documents; and I have talked to persons who were there, and I have talked to persons who were shot at there, and they have told me about these matters. In fact, 1 hour ago I was speaking to a Cuban who participated in the invasion; and 1 hour ago I was speaking to a Cuban whose son is in jail in Cuba; and these men are not telling me

fairy tales about what they understood to be the promises made by the United States.

So I suggest to the Senator from Pennsylvania that, brave as he is in taking on the defense of the administration, he is speaking "with the wind," so to speak, when he cannot divulge his sources of information.

Mr. CLARK. Mr. President, the Senator from Arizona entered the Chamber after I had spoken for approximately 7 minutes on the Cuban situation, and after I had been interrogated by my colleague [Mr. SCOTT], and when I was responding to that interrogation. If the Senator from Arizona had been in the Chamber earlier, he would have known—as he will know when he reads the CONGRESSIONAL RECORD, tomorrow—that I did not make the slightest reference to any official documentation; that I was speaking largely by way of parenthesis about the entire matter of how we came to go into Cuba; that I relied on two accounts—one in Newsweek magazine, and the other in the U.S. News & World Report, both of which I quoted; that I was referring to a television broadcast between my colleague [Mr. SCOTT] and myself, on which we had Mr. MILLER, the new chairman of the Republican National Committee, as our guest; and that my entire speech arose out of that telecast and the publicity attendant on it in the New York Times and in other newspapers.

I wish to make it abundantly clear that the administration has not asked me to make this speech, and does not know I am making it. I am making it solely to set the record straight in Pennsylvania, between my colleague [Mr. SCOTT] and myself, by reason of what has appeared in the press; and I was drawn reluctantly—and now I must insist on withdrawing from it—into any discussion of either secret information or matters which the Senator from Arizona has, through misunderstanding, brought into the debate, and which—knowing him as I do, and having for him the high regard that I do—I know he would not have endeavored to bring into the debate.

Mr. GOLDWATER. Mr. President, I heard the Senator comment on a document mentioned by his colleague [Mr. SCOTT]; and I wondered whether it was the same document as the one which I, myself, had seen. But I shall not detain the Senator any further; I shall listen to the remainder of his speech.

Mr. CLARK. I thank the Senator from Arizona.

Mr. SCOTT. Mr. President, will my colleague yield to me?

Mr. CLARK. I yield.

Mr. SCOTT. I agree that my colleague has not made any mention whatever of any secret or classified documents, and certainly I would not press him further in that sensitive area.

I would merely join him in the suggestion that it is high time that some white paper be issued, so as to state exactly what did happen in connection with the invasion of Cuba, because we are getting into a rather unfortunate situation, which I did not initiate—as my colleague knows, but which developed as a result of a colloquy between Representative MILLER and my colleague [Mr. CLARK], and later I made certain comments.

But all of us are now getting involved in the question as to what President Eisenhower would have done, what President Kennedy did or did not do, and all of us are speaking without access to all the facts, because, as the Senator from Pennsylvania has said, they are not available. I agree with him that a white paper would be an excellent thing. I think the American people have a right to know what goes right and what goes wrong with their Government's activities.

The Pearl Harbor situation was not brought out by the State Department documents until about 10 or more years after the event. Certain treaties and conferences have not yet been revealed in full more than 15 years after the event.

There is so much speculation, and, I am afraid, leading to recrimination, which I think is regrettable, that perhaps a full and frank statement as to who did what in regard to the Cuban invasion would be most helpful to all the American people, so we can, with that knowledge, avoid a similar disaster on some future occasion.

I thank the Senator for yielding.

Mr. CLARK. I note my colleague's comments, and I would now ask him if he would indulge me until I finish my quite brief remarks, at the end of which I shall be glad to yield to him again.

Mr. President, I return to Chairman MILLER'S statement on our television program to the effect that the tragic mistake in Cuba that President Kennedy made was when he rescinded and revoked the Eisenhower plan to have the Cuban freedom fighters protected by American airpower and to the statement of my colleague, the Senator from Pennsylvania [Mr. SCOTT] on the same broadcast, that the Cuban invasion did not succeed because the President failed to support the Cubans with American naval forces, American supplies, and American air cover.

With all deference to my colleague and Representative MILLER, in my opinion, belligerent statements such as these, which have been echoed, unfortunately, by other Republicans in this Chamber and in the other body, do a double disservice to the United States.

First, they weaken our country's claim to moral leadership in the international community—a community filled with nations smaller and less powerful than our own. They indicate a callous willingness to ignore both our own criminal code sanctions against fostering foreign invasions on U.S. soil and the Organization of American States Charter declaration that no state or group of states has the right to intervene directly or indirectly, for any reason whatever, in the internal or external affairs of any other state.

Useful reminders of our treaty and legal obligations against direct or indirect unilateral military action have been made in recent written articles by two prominent Republicans, Mr. Arthur Larson, a distinguished former member of the Eisenhower administration, and Mr. JOHN V. LINDSAY, a very able young Republican Congressman from New York.

The criminal code section makes it very clear that anyone who ever, directly or indirectly, fosters on the soil of the United States a rebellion against any other nation with which the United States is not at war is guilty of a criminal action punishable by fine and imprisonment.

I have already read the excerpt from the Treaty of Organization of American States Charter, which, of course, having been confirmed by this body, is part of the supreme law of the land.

Second, such statements of sound and fury divert our attention from the main task in our relations with Latin America and all of the underdeveloped countries of the Southern Hemisphere: The task of assisting them to escape from the shackles of hunger, poverty, and despair which now surround and form the breeding grounds for extremism.

I turn now to the future of our Cuban policy. We should all heed the advice that President Frondizi gave to Ambassador Stevenson last week, when he said:

> The best answer to the threat of Dr. Castro in the Western Hemisphere is a sustained program of U.S. economic aid to other Latin American countries on a country-by-country basis.

I ask unanimous consent that a news article bearing the byline of Edward C. Burks, of the New York Times, and appearing in the June 9 issue of the New York Times, with a Buenos Aires dateline, be printed in the RECORD at this point in my remarks:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARGENTINES TELL STEVENSON UNITED STATES SHOULD END SPOTLIGHT ON CASTRO—HOLD BEST ANSWER TO CUBAN WOULD BE SUSTAINED AID PROGRAM FOR LATIN AMERICA—2-DAY TALKS END

(By Edward C. Burks)

BUENOS AIRES, June 8.—The Argentine Government is telling Adlai E. Stevenson that the United States should stop putting a theatrical spotlight on Premier Fidel Castro of Cuba by arguing with or about him.

Mr. Stevenson, on the second leg of his Latin American tour as President Kennedy's special representative, concluded his 2-day talks with President Arturo Frondizi in an overtime session today.

The Argentines described the talks as very fruitful and appeared enthusiastic over having put across to Mr. Stevenson, who is the U.S. delegate at the United Nations, the main economic and political points they wished to make.

The best answer to the threat of Dr. Castro in the Western Hemisphere is a sustained program of U.S. economic aid to other Latin American countries on a country-by-country basis, the Argentines emphasized.

The Argentines favor isolating Premier Castro and his revolution by a program of economic development that would show how much can be accomplished under the democratic system.

On the other hand, they have indicated disapproval of joint steps by Latin American nations against Dr. Castro, such as severance of relations or economic sanctions, on the ground that such action would win sympathy for him.

The Government is also pointing out its view that continuation of the debate between Washington and Havana would play into Dr. Castro's hands because the Latin American masses would then tend to see him as the underdog. Thus latent anti-Yankeeism could easily be fanned into flame by Washington, they contend.

In Government circles the feeling is stated that if the United States would ignore Dr. Castro he would soon end up talking to himself and would lose his Latin American audience.

It is also felt here that economically his regime will see hard times very soon because of the conviction that the Soviet Union cannot or will not support him at long range for any great length of time.

Foreign Minister Adolf T. Mugica, in a formal address at a dinner honoring Mr. Stevenson, spoke frankly on several points.

He said there had been serious worries here because the countries of this continent, also American, had not had an opportunity to convey their impressions to President Kennedy before he went to talk with Premier Khrushchev on subjects that have undeniable effects in Latin America.

Mr. CLARK. Mr. President, I should like to call my colleague's attention to a very able column by Walter Lippmann which appeared in the Washington Post on Tuesday, June 13, which has already been inserted in the RECORD, and so I shall not ask for its insertion again. It is entitled "The Folly of Despair."

Mr. Lippmann points out that:

We have had a run of bad news and the time has come when we must make up our minds whether to face it and learn from it, or to shrink from it into a nervous breakdown with suicidal tendencies.

He states:

There are altogether too many of us who in dismay and disappointment are ready to admit that Khrushchev is right in predicting that communism is sweeping the world and that, short of war, we have no means of stopping it.

Mr. Lippmann states further that:

The root of the error is to equate, instead of to differentiate between, the communistic movement which owes allegiance to Moscow and Peiping and the worldwide movements of social reform and social reform and social revolution, which almost everywhere seek national independence and nonalinement with the great powers.

Mr. Lippmann continues:

We play right into Mr. Khrushchev's hands when we identify ourselves with the opponents of change rather than with the leaders of change.

Again I share Mr. Lippmann's belief that Cuba is not "gone" and his belief that Mr. Khrushchev does not begin to think Cuba is as "gone" as some Senators think it is. For Cuba is as far from Moscow as Laos is from Washington. In time, not necessarily in a very long time, Cuba will rejoin the community of American States. It will do this because it has no other place to go.

These are Mr. Lippmann's views. I am in accord with them.

The wave of the future is not Communist domination of the world. The wave of the future is social reform and social revolution driving toward the goal of national independence and equality of personal status.

I agree thoroughly with Mr. Lippmann that we must support with active measures these movements of social change, and that if we do so we shall free a large area of the world—Latin America, Asia, and Africa—from any fear that those countries might be dominated by Moscow.

Let us, on both sides of the aisle, stop dwelling upon the mistakes of the past, stop making foolish calls for action in a world in which direct military intervention is obsolete and dangerous to all. Let us get at the real job at hand, outlined by President Kennedy in his Alianza para Progreso and foreign aid messages. Let us push through the Kennedy program for Latin America, as Ambassador Stevenson is so well doing on his current trip. Let us support that program in the Senate and in the Congress. Let us go all out to support the constructive forces of social change. That is the way to beat communism in Latin America.

Mr. President, I quote with great approval the statement of the President of the United States to the Congress on May 25 when, in dealing with the need to aid the underdeveloped countries, he said:

Our response to their danger must be essentially constructive. We want to generate hope in those countries. We want to help them modernize their societies, broaden human opportunity and stand as equal partners in the community of free nations. We would be madly mistaken to consider their problems in military terms alone.

Our immediate task, Mr. President, is to pass promptly the President's foreign aid program which is designed to assist not only Latin American countries, but also the new and struggling nations of Africa and Asia. That way should lie our Cuba policy, our Latin America policy, our African policy, and our Asian policy.

I commend the views of the President of the United States to the Members of this body.

Mr. SCOTT rose.

Mr. CLARK. Mr. President, I am prepared to yield the floor, but I should like to give my colleague an opportunity to ask me a question, if he wishes to do so, unless he desires the floor in his own right.

Mr. SCOTT. Mr. President, if the Senator will yield briefly, since I understand the leadership on both sides is anxious to proceed to consider another matter, I should like to ask the Senator a question to clarify a statement he made in regard to the alleged violation of the law of the land.

I understood the Senator to say that promoting a rebellion against a foreign country is a crime. Did the Senator say that?

Mr. CLARK. The Senator is correct.

Mr. SCOTT. Was the Senator saying that President Eisenhower was guilty of a crime, in that he promoted a rebellion against a foreign country?

Mr. CLARK. I was not saying that at all. I think those who did it were guilty of a crime.

Mr. SCOTT. The Senator earlier made the point that what President Kennedy did was merely to continue what President Eisenhower had done. Therefore, whoever preceded would be equally responsible under the laws of the land, whether the person acted under the direction of a former President or of the present President; is that not so?

Mr. CLARK. Mr. President, I do not wish to engage in a "Donnybrook" on the floor of the Senate with my friend from Pennsylvania. We can do that on our television programs. I do not think any useful purpose would be served by pursuing this particular matter further, for in the last analysis it boils down to the question, "Have you stopped beating your wife?"

Mr. SCOTT. Mr. President, will the Senator permit clarification of another point? I understood the Senator to say that the United Nations Charter was the supreme law of the land—that is, of the United States—having been ratified by the Senate. Does the Senator mean by that statement that the United States has foregone the right of self-defense inherent in its sovereignty because of ratification of the United Nations Charter? I cannot accept that, myself.

Mr. CLARK. All I did was to paraphrase the Constitution of the United States. I think I shall stand on that.

Mr. SCOTT. The Senator agrees with me that communism should not exist in Cuba, and that, as the Senator has said, we must not regard Cuba as lost?

Mr. CLARK. I agree with the Senator thoroughly on that, but I think we should act in accordance with existing treaties and existing law.

Mr. SCOTT. Finally, the Senator said something about B–26's or some other planes being in the air over Cuba. Did the Senator say that the planes ever actually bombed Cuba during the invasion?

Mr. CLARK. Again, my lips are sealed. Again I ask my friend to go to the committee room of the Committee on Foreign Relations to read the testimony.

Mr. SCOTT. I shall not pursue it further. I was merely going back to the Senator's recollection. I shall not pursue it further.

Mr. CLARK. I cannot speak in that regard. If the Senator would like to have an answer, he can read the testimony. He will find it in the testimony.

Mr. SCOTT. I recognize the Senator's limitations, and that he is unable to use the material. I wish to make it clear that I merely wondered whether the Senator, at the beginning, in referring to the use of planes, used any such word as "bomb" or "bombing."

The Senator has answered to my satisfaction. I thank the Senator.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. CLARK. I shall yield in a minute to my friend from Arizona.

Mr. President, I ask unanimous consent that the pertinent section of the criminal code to which I have referred, which is title 18, section 960, "Expedition Against Friendly Nation," may be printed in the RECORD at this point in my remarks.

There being no objection, the section was ordered to be printed in the RECORD, as follows:

Whoever, within the United States, knowingly begins or sets on foot or provides or prepares a means for or furnishes the money

for, or takes part in, any military or naval expedition or enterprise to be carried on from thence against the territory or dominion of any foreign prince or state, or of any colony, district, or people with whom the United States is at peace, shall be fined not more than $3,000 or imprisoned not more than 3 years, or both.

Mr. CLARK. Mr. President, I now yield to my friend from Arizona.

Mr. GOLDWATER. Mr. President, during the latter part of the Senator's remarks he spoke enthusiastically about the program to which the President referred as Alianza para Progreso, stating that this would solve the problems of South American and Latin American countries.

Mr. CLARK. If I may interject, if I used the word "solve," I should not have. I should have said it would help substantially to solve those problems. I do not know that those problems are soluble. They are terribly difficult, far more difficult than most of the American people realize. If the people would study the conditions in South America now, they would realize how difficult the problems are.

I do not know whether this program can succeed, but in my judgment this is the best and perhaps the only way to offer hope of retaining the friendship of Latin American countries and to assist their peoples to realize their best aspirations.

Mr. GOLDWATER. The Senator recognizes very well the social problems of Latin and South America. I can attest to their existence from my lifetime of association with people of those countries.

I invite the attention of my friend to a fact that we cannot overlook. American investment capital is flowing out of South America at an astronomical rate. In fact, I am having an extremely difficult time getting the agencies of our Government to tell me the truth in this regard, but I shall pursue it further and I intend to make remarks before the Senate about it.

We do know that out of Venezuela alone last year over $1 billion of American capital, which was available for reinvestment, left that country because of the situation we have allowed to continue in Cuba.

We can talk about an alianza para progreso all we wish, and we can talk about investing $500 million in Latin American countries for better homes, better schools, and better living conditions, but are we not getting ourselves mixed up into an extremely paradoxical situation when we provide $500 million in Latin America and allow untold billions of dollars to flow out because of communism existing in Cuba, since the Latin Americans see this as the first real solid threat to the Western Hemisphere?

I think the Senator should take that into consideration and should be willing to work toward elimination of communism in Cuba in a more realistic way because of this one reason, if for no other reason.

Mr. CLARK. Personally I deplore the withdrawal of American capital from Latin American countries as much as does my friend from Arizona. I hope measures can be taken to restore investors' confidence in that part of the world. I must say, however, this point seems to me to be substantially irrelevant to the question of whether we should support the President's program to try to raise the economic, the social, and—yes—the political status of the people of South America and of Latin America generally, so that they can have some hope for the future—hope for roofs over their heads, three square meals a day for themselves and their children, and possibility of an education which will enable them to open great new vistas, both spiritually and materially, for themselves.

I believe this to be the great challenge.

I could not agree more with my friend that it is most desirable, if it can be done, to help create conditions in Venezuela in which American capital will remain. I disagree with my friend—and, of course, this is a matter of judgment—that capital is leaving Venezuela solely and alone because Castro is in Cuba. I simply do not believe it.

Mr. GOLDWATER. Mr. President, will the Senator yield further?

Mr. CLARK. I am happy to yield.

Mr. GOLDWATER. I think the Senate has expressed itself relative to the desirability of the program of the President in Latin America. While this might provide some answers to the Communist threat, it will not provide them, in my opinion, in time.

I have watched one great Latin State—the State of Sonora, a State bordering mine, but in Mexico—spend 30 years coming from the condition the Senator describes as existing in South America to a condition of reasonable comparison with our own standard of living. It is not completely there yet.

We are not talking about a social reform program which will work in 1 year, in 5 years, or in 10 years. We are talking about something which may require 30 years.

Mr. CLARK. I agree with the Senator.

Mr. GOLDWATER. The problem, then, is to create new industry in South America in order to drain American dollars down there. Those American dollars are not earned entirely by American corporations. They are earned by corporations from other countries which have lost confidence in the ability of the United States to do anything about communism 90 miles off its shore. The senior Senator from Pennsylvania may disagree with the junior Senator from Arizona as to why that money flows out. I can tell him with absolute certainty that it is flowing out because of Castro. It did not start to flow out until the Castro government became firmly established in Cuba, and the United States showed a continuing disinterest in doing anything about it.

If the Senator is sincere—and I know he is—in wanting to create better conditions in South America, which he and I know will require investment capital, among other things, he will join with those of us who have advocated that the United States adopt a foreign policy that would prohibit the establishment of communism anywhere in this hemisphere, which would damage the freedom of our people and our hope of bringing freedom to other peoples.

Mr. CLARK. This is not the first time I have found myself in substantial disagreement with the Senator from Arizona, nor will it be the last, I regret to say.

I should like to ask him whether foreign capital is flowing also from Mexico.

Mr. GOLDWATER. It is. When I talk about foreign capital, I talk about American dollars as they are flowing into Panama and Switzerland. It is coming back into this country at a very alarming rate. As I say, more than $1 billion flowed from Venezuela in 1 year. I am unable to obtain the necessary information from the sources which I have consulted. I am now going to one other governmental source, hoping to get a complete picture of the rapid transfer of American dollars out of Latin America into areas that are considered safe.

Mr. CLARK. I for one would be most happy to have the Senator produce and have printed in the RECORD figures which indicate the extent of the flow of foreign capital in general and American capital in particular, from Mexico. I am also aware of the indications of support for Mr. Castro which, to my regret, have been made and published by a number of Mexican citizens. If there is a causal relation between Castro's continued tenure in Cuba and capital outflow from Mexico, I would like to see the evidence.

Mr. President, I yield the floor.

EXHIBIT 1

"YOUR SENATORS' REPORT"

(A program done jointly by Senator JOSEPH S. CLARK, Democrat, of Pennsylvania, and Senator HUGH SCOTT, Republican, of Pennsylvania, for broadcast on 15 television and 39 radio stations)

(Guest Representative WILLIAM E. MILLER, chairman, Republican National Committee.)

ANNOUNCER. "Your Senators' Report." From the Nation's Capital we present another report to the people of Pennsylvania. This unique series of programs, done in the public interest, is brought to you by Senator JOSEPH S. CLARK, Democrat, and Senator HUGH SCOTT, Republican. To open today's program, here is Senator SCOTT.

Mr. SCOTT. Ladies and gentlemen, it is a great pleasure to have with us today the new chairman of the Republican National Committee, Representative WILLIAM E. MILLER, of Lockport, N.Y.—who represents the district including a part of the city of Buffalo and who has been in Congress since 1950 and has enjoyed a very long and distinguished career as a legislator and before that as district attorney.

A graduate of Notre Dame for his college work and of Albany Law School where he got his law degree. A practicing attorney, he served during the war in the U.S. Army and was one of the assistant prosecutors at the Nuremburg trials. He was for several years district attorney in Niagara County, N.Y. During his service in Congress, he has been known for his forthrightness, for his strength by which he holds his opinions, for his integrity and for his articulateness. Here on a show where you have two rather articulate Senators, we have already warned him not to let us steal too much of his time. So with that, I introduce to you Chairman MILLER of the Republican Party, Congressman MILLER.

Mr. MILLER. Thank you very much Senator SCOTT. I am, of course, happy to be with you,

a former national chairman yourself and a former counsel to the Republican National Committee. I am delighted also, Senator CLARK, to be with you on this show. I certainly think that this show is an excellent service for the people of Pennsylvania.

Mr. CLARK. Thank you very much Congressman. We're very happy to have you with us. I think under our Marquis of Queensbury rules it is my privilege to throw the first rock. Before I do so, however, I would like to tell our listeners that I have some material dealing with controversy about fact which Senator SCOTT and I had both on the May 14 and June 7 show, dealing with, in the first instance, the education bill; and the next instance, Mr. Dulles' position on Russia. But rather than get in a hassle today when we have our guest, I thought we would postpone it until the next show if that is agreeable with you, HUGH?

Mr. SCOTT. Fine with me, JOE.

Mr. CLARK. I'd like to ask you, Mr. MILLER, this. Some of your statements when you accepted this most difficult, if not impossible, task in which you are——

Mr. MILLER. Not impossible.

Mr. CLARK. Presently involved, indicated that you believed that it was very important for the Republican Party to unify itself and make an all-out effort to get control of the House of Representatives in 1962 and win the Presidency in 1964. I wondered if you would tell our listeners how it is going to be possible to unify a party with as diverse elements in it as those represented by Senator Goldwater, Vice President Nixon, and Governor Rockefeller?

Mr. MILLER. Well, I can say, Senator, that if you Democrats can win national elections with ADAM CLAYTON POWELL from New York and Senator EASTLAND from Mississippi in your party, we should have no difficulty at all. As a matter of fact, the divergence and the differences in our party are far less than yours. Now I think there has been too much emphasis entirely on the areas of disagreement in our party rather than the areas of agreement. For instance, in New York, Governor Rockefeller a year ago, recommended additional public services. Perhaps Senator GOLDWATER would not have subscribed to all of these programs. Nevertheless, the Governor of New York had the intellectual honesty to demand an increase in taxes so that the State would be on a pay-as-you-go basis and we would have fiscal responsibility in New York. This is an area in which I am sure Senator GOLDWATER would agree with Governor Rockefeller. Governor Rockefeller in New York has resisted the efforts of the State power authority to preempt the atomic energy field in New York and has left it to the privately owned utilities. I think this is a stand in which Senator GOLDWATER and Governor Rockefeller would have been in accord. In other words, I feel that as far as we are concerned in our party, differences are healthy, as they are in yours. This is the way you finally mold an opinion and a position which best represents the aspirations of most of the people. I think, as a matter of fact that our party would have been better had we had some primaries like you did last year, in which Senator Humphrey called Lyndon Johnson names and Lyndon Johnson called Jack Kennedy names but yet when your convention was over, you were unified and you were already underway. I think we would have had stronger impetus perhaps had we had primaries. I think the differences in our party are magnified, the areas of agreement are great, and I see no problem there whatsoever.

Mr. SCOTT. Bill, I rather think, by what you said, that there may well be primary contests in the Republican Party in 1964.

Mr. MILLER. I certainly would not object to them, Senator. I think this is healthy.

Mr. CLARK. I suspect you will have more trouble than you think in making quite as much a conservative out of Governor Rockefeller or quite as much a liberal out of Senator GOLDWATER as you're quite natural comments indicated.

Mr. MILLER. I'm not wedded to those terms, Senator. I just say that when you talk about areas of agreement and disagreement that if your party is a national party, and can win national elections—which you have proven—with the areas of disagreement in your party, it should be no problem in ours.

Mr. CLARK. HUGH's been charging me with that on this show now for the last 3 years.

Mr. SCOTT. With some success.

Mr. CLARK. Oh, this remains to be seen. It wasn't very successful in November of 1960. In any event, I've always said that while he accuses us of things schizophrenic, in that we have our——

Mr. SCOTT. Schizophrenetic?

Mr. CLARK. Schizophrenetic, is it? Well, I was using the adjective in a little different sense. Maybe you're right.

He thinks we are split down the middle, and to some extent that's true. I think you're split three ways, three quite irreconcilable factions, with Mr. Nixon trying to ride both horses and pretty much falling between the two.

Mr. MILLER. Well, you wouldn't say the difference between Mr. Nixon and Rockefeller was as great as the differences which exist among the members of your party, would you Senator?

Mr. CLARK. No, but they are pretty severe.

Mr. MILLER. Then that's my point. If they are not as great, then we are in better shape than you are.

Mr. CLARK. Well, perhaps you are.

Mr. MILLER. I don't mean 1960. Let's look at 1960 Senator. We received almost 50 percent of the votes for President. If you subtract from the votes President Kennedy received the Liberal Party vote he received in New York and the votes he received from unpledged electors in Alabama and Mississippi, more people in this country voted for the Republican candidate for President than voted for the Democratic candidate for President.

Mr. CLARK. I hope that's a great solace to you, but we won.

Mr. MILLER. We gained 22 seats in the House of Representatives; we gained 2 seats in the Senate; we gained 2 Governors; we gained 300 seats in the State legislatures around the country since the election of 1960. In the special election in the Second District of Arizona for Congress, we received 49.1 percent of the vote which is 10 percent more than we ever received historically in that district since Arizona's been a State. We elected a U.S. Senator in Texas for the first time since the Civil War.

I find no evidence that our party is not vital, and aggressive and on the upswing.

Mr. SCOTT. I want to say here that Chairman MILLER was the chairman of the Republican congressional campaign committee when we picked up those 22 Republican seats last year and I suspect that we are counting on picking up quite a few Republican seats in 1962.

Mr. MILLER. We have 174 seats now in the House of Representatives; we need to hold what we have now and gain 44 seats to gain control of the House of Representatives in 1962. Now, historically, the party out of power generally does better than when it is in possession of the White House.

In addition to that, we lost some 35 seats in 1960 by less than 5 percent of the vote while we were simultaneously losing the presidential election. We haven't gained in the House of Representatives while simultaneously losing the Presidency since 1916. Well, in my judgment, everything looks as though we have an excellent chance to gain control of the House of Representatives in 1962.

Mr. CLARK. Of course, the figures that you present would be far more convincing, and they are quite convincing, if it weren't for the fact that you got licked. You lost the Presidency; you lost the House of Representatives by a large majority; your gains in the Senate were minimal. In Texas, you elected one Republican over another, and I'm glad you did. It doesn't seem to me——

Mr. MILLER. Well, I'm glad to hear you say this because this just proves the point I made before. When you are talking about divergence in your party, you're calling the Democrat—selected by the Vice President of the United States, LYNDON JOHNSON, to be his successor in Texas—you're calling him a Republican.

Mr. CLARK. No——

Mr. MILLER. Yes, he was LYNDON JOHNSON's choice to succeed him.

Mr. CLARK. Well, I think you have to be pretty careful about that.

Mr. MILLER. There's real divergence.

Mr. CLARK. He was Price Daniel's choice. He wasn't LYNDON's choice.

Mr. MILLER. You mean LYNDON doesn't have anything to say in Texas any more?

Mr. CLARK. Well, I don't think he has quite as much to say as he used to; don't you agree?

Mr. MILLER. Yes.

Mr. SCOTT. I notice, JOE, that you are praising Chairman MILLER with faint damns. In other words, you point out——

Mr. CLARK. Are you surprised?

Mr. SCOTT. No, but I find you as usual wrong. You are pointing out that our gains were only slight, as you say. The point is that you lost. You lost the House of Representatives.

Mr. CLARK. We didn't lose, we carried the House——

Mr. SCOTT. No, but you lost.

Mr. CLARK. By a big majority.

Mr. SCOTT. You lost a number of seats.

Mr. MILLER. Well, the point is: Who's on the upgrade and who's on the downgrade?

Mr. CLARK. I hope you fellows just keep on believing we lost the House of Representatives. You'll have a lot of trouble persuading the people who vote over there on the other side of the Hill.

Mr. SCOTT. Well, let me say that you didn't gain seats and we did.

Mr. CLARK. We won the House.

Mr. SCOTT. Yes, you have the House. When bills pass that people don't like and they cost too much money, I hope you'll take the blame for them, too, and not try to blame them on the Republicans because we have one-third of the membership in the Senate and yet everything that costs money, everything you get blamed for, you say it is the Republicans who did it. Now that is hardly proper.

Mr. CLARK. We have a fine group of Republicans in the House and an equally fine group in the Senate—to which you usually belong—which votes with the Kennedy administration on most of these records.

Mr. SCOTT. Well, I belong where I sit—as a Senator from Pennsylvania who votes as he thinks right. I vote with my party most of the time; I don't hesitate to disagree with them. My kind of voting has resulted in more Republicans in Congress and I think it may embarrass you a little that sometimes I agree with you, but I try not to embarrass you too much.

Mr. CLARK. Now we welcome sinners' redemption all the time.

Let me ask Mr. MILLER another question.

I take it you would agree, Mr. MILLER, that in the Congress, ever since I came in 1957 until this year, and after HUGH arrived in the Senate in 1959, the Senate and House

both were dominated by a bipartisan coalition which was essentially conservative, consisting of southern Democrats and northern Republicans——

Mr. MILLER. I'm sorry to interrupt, but I don't agree with the premise. But go ahead, finish. I'm sorry.

Mr. CLARK. Well, I'm going to give you an opportunity to comment on the premise and on the conclusion.

In my view, and I think HUGH will have to agree, this conservative coalition controlled the Congress during the years of 1957 to 1959, inclusive; now this year there appears to be another coalition which is being successful, which is a liberal coalition of Democrats and Republicans. I wonder if you would tell our viewers if you would like to go back to the good old days when the conservative Republicans and the southern Democrats controlled the Congress.

Mr. MILLER. In the first place, I said I disagreed with the premise. Therefore, I can't go back to the good old days because I don't think there were any such days.

In the second place, my voting record in the House for instance, would indicate—and I'm supposed to be I guess, a conservative Republican as they say—I guess I probably didn't vote with the southern Democrats 50 percent of the time. As a matter of fact, my record in supporting the Eisenhower administration, I think, is somewhere over 90 percent.

Of course, as you will know, being in the legislative body yourself, that from time to time you find yourself on certain measures, in odd company because of certain convictions and certain beliefs. I will vote my conviction and if other people, whether they be Democrats or Republicans, happen to have on that particular piece of legislation the same conviction, I welcome their company and welcome their support. But I can't agree; for instance, we had a bill a short time ago in which most Republicans voted against. I don't think one southern Democrat joined with a Republican so there isn't that much difference in the complexion of the House today than a year ago. I think that sensible Democrats from time to time will join in with the Republicans in measures which are good for America. That's about all I can say.

Mr. SCOTT. I think, too, that Republicans, by their program, are pointing out the shortcomings of the Democratic program; that's our responsibility. We are still the minority party, but we are growing, which is the point we wanted to make earlier. Let's get on to some other subject.

Now day before yesterday—I speak in terms of reference because we tape this program before the weekend when it's shown—Scottie Reston, columnist with the New York Times, referred to the summit conference at Vienna, saying that it was "a highly successful failure." He said it was successful in a personal sense for President Kennedy but a failure of any solid political achievement. He called it "a scoreless tie." Now what do you think about that, BILL?

Mr. MILLER. I think first that the whole event—the occurrence of it—simply proved that President Kennedy now knows that what he said as a candidate was wrong. And what he criticized President Eisenhower and Vice President Nixon for was wrong and that they were right. During the campaign he said, "If I'm elected, I'll go to Washington. I won't engage in summit conferences; I won't engage in personal diplomacy, at least until there has been an in-depth study, until there has been staff negotiations; until there has been negotiations at the diplomatic level; until there is an agenda formed with reasonable hope for success." Now, of course, he has switched around a hundred percent, and went to Vienna with none of these conditions existing at all. Now he reported on television that Khrushchev wasn't converted to capitalism. Eisenhower said he never expected to accomplish that. He said he wasn't converted to communism. I believe that. He said he was there only to indicate what the American posture was; what the American strength was; that we weren't going to be tossed around and therefore no war would occur as a result of miscalculation of American strength or American position. This is what Eisenhower always said for 8 years was the purpose of this diplomacy, and why he went the last mile time and time again. But, once again, this is what we criticized candidate Kennedy for when he went up and down the country during the election saying the United States was a second-rate power. If there was ever anything that could cause a war by miscalculation, it was this kind of campaigning.

Mr. CLARK. Can I comment on that? To paraphrase Congressman MILLER, since you gentlemen's premises are wrong, your conclusions are sure not to follow. Also, I don't agree with your premise which is that there was a summit conference. Both President Kennedy and Premier Khrushchev made it clear to everybody who honestly wanted to look the facts in the face—and I know that includes you two gentlemen—that this was not a summit conference. There was no agenda. They didn't take great groups of people with them. There was no effort to come to an agreement. This was merely opportunity for two men who hold an enormous amount of the power of this world, to meet each other; to appraise each other—what they were like—to see the areas in which there was agreement; the extent of the disagreement. I think that Scotty Reston is 100 percent wrong.

Mr. MILLER. Why didn't Senator Kennedy say this during the campaign? I agree with you. I couldn't agree more.

Mr. CLARK. May I finish? He said it before he went. He said he wasn't going to any summit conference during the campaign and he did not go to a summit conference. And for you people to pretend that he did, I don't think that is being candid with the people of Pennsylvania.

Mr. MILLER. Well, what did he accomplish? Berlin is in the same shape it was in before.

Mr. CLARK. He didn't intend to accomplish anything. He said so before he went and you fellows pretend that he was trying to do something else.

Mr. SCOTT. Let me summarize. According to you, he went to a meeting which was not a summit——

Mr. CLARK. That's right.

Mr. SCOTT. Although it was between the two chiefs of state.

Mr. CLARK. And only you call it a summit. Nobody else calls it a summit.

Mr. SCOTT. Now then, I will begin again. He went to a meeting which the American people constantly regard as a summit, which you said was not a summit. He went there announcing that nothing would be accomplished. He kept his word to the American people because nothing was. Now then, he came back and admitted that nothing was. Therefore, what was the purpose of the conference?

Mr. CLARK. Do you want me to tell you?

Mr. SCOTT. Well, I'll give you a chance in a minute but I want to point this out: All we have done in our foreign policy this year of 1961 has been to take a defeat in Cuba, a surrender in Laos; we have failed to take a single forward position.

Mr. MILLER. There's something else. He sent Soapy Williams to the Congo.

Mr. CLARK. A most successful trip.

Mr. SCOTT. And he sent Soapy Williams to the Congo. Now, there's no set of national policies. The American people haven't the slightest idea what President Kennedy stands for in foreign affairs. We will all support him if he asks us to take action—no matter what that action is. But at this point there is no leadership of a forward nature embodying a set of American principles on which we must stand or fall to preserve the security of this country.

Mr. MILLER. Let me say another thing, Senator. He also offered the American boys, you know, to General De Gaulle to help some Frenchmen to shoot other Frenchmen. You remember that? And then we also joined in the United Nations with Soviet Russia on the Portugal incident to go down to defeat in the United Nations for the first time since we've had a member on the side of the Soviet Union.

Mr. SCOTT. In accomplishing nothing with Khrushchev, as expected, the most significant thing is that he accomplished nothing with De Gaulle. Because if we can't be unified among our allies—Britain, France, and the United States—how can we impress Khrushchev that we mean what we say and that we will do it. Now will you come out of your depression and answer?

Mr. CLARK. I'm not a bit depressed. Well, I am depressed that two gentlemen of your stature in the country would make such totally extravagant comments. And I think I will have to take a minute or two to reply. In the first place, our troubles in Laos today are due to the almost fantastically foolish policy of the Eisenhower administration. You poured millions—in fact hundreds of millions of dollars—into Laos in an effort to bolster up a country which really isn't a country at all. You got us terribly badly committed—overcommitted—and now you tell us to make the best of the mess that you got us into.

Mr. MILLER. You mean you would have let Laos be swallowed up by the Communists?

Mr. CLARK. Of course, I wouldn't have.

Mr. SCOTT. Why did you vote for these foreign-aid bills and for Laos if you think it was a mistake?

Mr. CLARK. You know perfectly well, HUGH. Why do you try to fool people?

Mr. SCOTT. You have a chance to answer if you think we are fooling people.

Mr. CLARK. When we vote for these foreign aid bills we are not told how much money goes to what country. I was supporting the President of the United States at that time in what he wanted to do. He got us into a terrible mess. I was wrong. You were wrong. We should never have done it. And now we've got to try to get out of the hole.

Mr. SCOTT. You are half right. You were wrong.

Mr. CLARK. The whole Cuban mess which is the result of a plan conceived by Mr. Eisenhower——

Mr. MILLER. Oh no.

Mr. SCOTT. Oh no, now wait a minute. That's hogwash.

Mr. CLARK. Let me finish on this. The whole Cuban policy resulted from a plan conceived by Mr. Eisenhower, known in full by Mr. Nixon, although the knowledge was denied by him in the campaign, which called for the violation of our treaties, the violation of our agreement with the Organization of American States and going in with American troops to Cuba. President Kennedy had the wisdom not to go in with those American troops. I think it was unwise that he went in at all. And he made a mistake. But he was following out a carefully laid out plan by the Eisenhower administration which if he had gone all the way with it, would have gotten us all in dutch in Latin America. We would never have gotten out of the doghouse.

Mr. MILLER. Can I answer that, Senator? Well now, in the first place, of course, the tragic mistake in Cuba that President Kennedy made was when he rescinded and revoked the Eisenhower plan to have the Cuban freedom fighters protected by American air power. That was the first mistake.

Mr. CLARK. Violation of——

Mr. MILLER. Wait a minute. You said I had an opportunity now with the protection of our air power. Then, the second mistake he made—and the most tragic of all—was to announce to the world that he had rescinded this order; that the Americans wouldn't do a single thing to help the Cuban freedom fighters. How would you expect the free people of Cuba to rise up if they were already told the United States wasn't going to do a single thing to help them? Now, after this fiasco, inaugurated solely by the Kennedy administration, dreamed up only by the Kennedy administration, in the form in which it was undertaken, they now want a ransom through export visas and export licenses and tax deductions. They want to ransom the 1,200 freedom fighters with 500 tractors to enhance the economic stability of the Cuban Government under Castro. If this hasn't been an American tragedy, I never heard of one.

Mr. CLARK. May I ask two questions? First, I take it that you two gentlemen both agree then that it was a mistake not to agree with Eisenhower that we would violate our sacred treaty commitments, both to Cuba and the OAS and go in with American air support. You think we should have violated those treaties and secondly——

Mr. SCOTT. I think if President Kennedy, when he made up his mind to support the Cuban invasion—and he made it up himself without any help from Eisenhower or Nixon—he viewed the thing as a new problem, he accepted it and when he failed to support the Cubans with American naval forces, American supplies, and American air cover, that's when the invasion failed and you can drag Nixon all the way back from California and you'll never change my mind that he had a thing in the world to do with it.

Mr. CLARK. What I want to get your answer to is: Do you approve of our violating our treaty? You would have gone in with American troops.

Mr. SCOTT. Evidently President Kennedy seriously considered the use of the American Navy and I presume then he seriously considered the international implications. He was only changed in his opinion—according to current stories—by some of his advisers. Some wanted him to go in with the Navy and the Air Force. Others didn't. Whether you say it's a violation of a treaty or not is a matter which would be determined, in my opinion, by what he actually did and how he did it.

Mr. CLARK. You two gentlemen will agree that to use American troops to support a revolution in Cuba would violate treaties and you support violating those treaties.

Mr. SCOTT. No, the right of the United States under the Organization of American States under the Bogotá Declaration and under the Monroe Doctrine is the right to repel aggression by any outside foreign force which includes communism. We had that right then. We have that right now and we're not using that right. Castro is the agent of Soviet communism and Chinese communism 90 miles off our coast as the President used to say when he was Candidate Kennedy.

Mr. CLARK. I reiterate the fact that you gentlemen, in effect, are advocating and did advocate that the United States break its treaty commitments. You disagree. Let me move to——

Mr. MILLER. Why Kennedy, himself, said as a matter of fact, that our patience was not inexhaustible, that he himself would do something else, alone, unilaterally if it were necessary. So he's contemplating later what he should have done in the first place.

Mr. CLARK. Yes, but you advocate violating treaties.

Mr. MILLER. I don't say it's a treaty commitment at all. I don't agree with you.

Mr. CLARK. Not only that, it's a violation of our own Criminal Code. Let me come to the second question.

Mr. MILLER. Oh no. The only violation of the Criminal Code is the violation of the Logan Act on the tractor deal. That's the only violation of the Criminal Code.

Mr. SCOTT. Here's a counsel at the Nuremberg trials. He ought to know something about our Criminal Code.

Mr. CLARK. Well, I am amazed he doesn't know more about the provision in the Criminal Code which says that——

Mr. MILLER. I just can't explain it to you in this short time, Senator.

Mr. CLARK. Well, I can explain it to the audience in 30 seconds. The Criminal Code says you should not promote a revolution against another state on your own soil.

Mr. MILLER. What does the Criminal Code say about private citizens dealing with a foreign enemy government, like Eleanor Roosevelt and Walter Reuther?

Mr. CLARK. I'm going to ask you about that. But do you agree that what I say about the Criminal Code is correct or don't you know?

Mr. MILLER. I didn't hear the question, I'm sorry.

Mr. CLARK. I said don't you agree that our Criminal Code prohibits—with criminal penalties including jail and fines—the promoting on our soil of a revolution against another state?

Mr. MILLER. That has nothing to do with American air cover to freedom fighters regaining free soil in this Western Hemisphere in accordance with the terms of the Monroe Doctrine.

Mr. SCOTT. The Criminal Code does not operate against the foreign policy of the United States executed by the President, himself.

Mr. CLARK. You gentlemen are determined not to admit that you're violating treaties and violating the Criminal Code and I assert again that you are.

Mr. SCOTT. In other words, the invasion in Cuba failed because President Kennedy didn't want to break a local law.

Mr. CLARK. No. The invasion in Cuba failed for many different reasons. But the point I want to insist on is that you gentlemen want to break our treaties and you look with acquiescence on our breaking our own criminal laws.

Mr. MILLER. It's not a treaty violation. That's the point.

Mr. CLARK. That's where we differ. We sure do differ. Now, the final question is: I think you've made it clear, I am wholeheartedly in support of the proposal to exchange prisoners with tractors and I take it that you gentlemen are not. You have about 45 seconds to say why, and we're off the air.

Mr. MILLER. Oh, violently. Because I think in the first place we're compassionate people, we Republicans. We sympathize with these 1,200 people in Cuba. But the point is that there are millions behind the Iron Curtain and if we exchange 500 tractors for 1,200 Cuban freedom fighters, where do we stop? What about all the people enslaved behind the Iron Curtain in other countries? We'd be exchanging more in ransom than we have. And we would only weaken our own military posture and economy and strengthen the Communists to the point where there would be no hope in the future for the freedom for the many millions behind the Iron Curtain.

Mr. SCOTT. Thank you very much Chairman WILLIAM E. MILLER of the Republican Party. We are delighted to have you here. You've put on an excellent presentation.

Mr. MILLER. Thank you Senator SCOTT and thank you Senator CLARK.

ANNOUNCER. You have been listening to "Your Senators' Report," a report to the people of Pennsylvania, brought to you in the public service by Senator JOSEPH S. CLARK, Democrat, and Senator HUGH SCOTT, Republican.

NOMINATION OF JOSEPH C. SWIDLER

The Senate resumed the consideration, in executive session, of the nomination of Joseph C. Swidler to be a member of the Federal Power Commission.

Mr. MANSFIELD. Mr. President, after consultation with the distinguished minority leader and other Senators interested in the Swidler nomination, I ask unanimous consent that, at the conclusion of the remarks of the Senator from Pennsylvania, an hour and a half be set aside for the consideration of the nomination of Mr. Swidler, 45 minutes to the opposition side and 45 minutes to this side. I am sure the 45 minutes on this side will not be used and that we shall be able to give some more time to Senators in opposition.

Mr. ALLOTT. Mr. President, reserving the right to object, I have several matters I desire to present which will probably not take over 10 minutes, and which I have not been able to bring up because of my attendance on the Appropriations Committee. I would like to be assured that I may have 10 minutes.

Mr. DIRKSEN. I assure the Senator.

Mr. MANSFIELD. The Senator can be assured of it.

The PRESIDING OFFICER. Is there objection to the unanimous consent request? The Chair hears none, and it is so ordered.

Mr. GOLDWATER. Mr. President——

Mr. DIRKSEN. How much time does the Senator from Arizona desire?

Mr. GOLDWATER. Mr. President, will the Senator yield to me 7 minutes?

Mr. DIRKSEN. I yield 7 minutes to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I am becoming more concerned each day over the direction in which this country is heading. Activities of the new administration are offering nothing to relieve my anxiety.

On January 30 I made a speech relating to the confirmation of Mr. Holum to become Assistant Secretary of Interior for Water and Power in which I painted the pattern developing in appointments of men to positions which will formulate our policies on natural resources development. In that speech I pointed out that certain men being appointed to the Interior Department, the Department of Agriculture, and the Federal Power Commission are doctrinaire public power men. These men have been appointed to positions which will control Government activities in the electric power field. The Democratic Party platform calls for greater activity on the part of Government in the electric power business and now these doctrinaire public power men are being appointed to places in Government where the platform can be carried out.

A student of socialism knows that one of the first steps toward the socialistic state is the nationalization of basic industries and that electric power is the first industry to be nationalized.

If there was any mandate from our electorate for public power I would feel a little easier because I could perhaps reconcile this move as an attempt to attract votes, but such is not the case. The States that have the most public power—the ones some would think would be attracted to the Democratic public power platform if public power were a compelling political issue—voted Republican in the last election. A few traditionally Democratic States of the South and the metropolitan areas of the East elected the present administration. Those areas have little public power interest, and most of them practically none.

If this push by the new administration for public power is not a political payoff or an answer to a mandate by the voters for more public power, what is it? The answer is rather obvious; and that is what worries me. It is the advancement of an ideology—progress toward nationalization of this basic industry. If the Democratic Party platform and these appointments are not sufficient proof of this statement then I refer you to the Washington Post and Times Herald of February 1, 1961. That paper carries a statement accredited to Mr. Arthur M. Schlesinger to the effect that a welfare state is the best defense against communism. Schlesinger envisioned the welfare state as one that would provide basic elements for its citizens such as food, clothing, shelter, education, and opportunity.

If Schlesinger were only some obscure Harvard professor we could pass such comments off as the babble of an overeducated, impractical idealist. But such is not the case. This welfare state man is an assistant to the President. He is one of his principal speechwriters. When this man speaks in such championing terms of the welfare state is he expressing at least in part, the new administration thinking?

I am more convinced than ever that what I said before about the pattern developing around the electric industry is only a small part of the complete pattern. We who believe so sincerely in the merits of our free enterprise system really have something to worry about.

Can it be that Mr. Khrushchev has a better insight as to what is happening in the United States today than most of us have? The Washington Star of January 17, 1961, quotes Mr. Khrushchev as saying:

> The victory of socialism on a world scale, inevitable by the laws of historical development, is no longer far off.

The United States has been the strongest bulwarks against communism, socialism, the welfare state—call it what you may—and one of the last. The difference is in degree, not in principle. With the new administration platform a blueprint for the welfare state, with appointments to high offices of Government putting men into position to take over one of our basic industries, with the maneuvers of administration leaders aimed at altering congressional procedure to facilitate passing the administration's legislation, and one of the top Presidential advisers advocating the welfare state as the best defense against communism, is it any wonder that an outsider like Mr. Khrushchev would reach the conclusion that worldwide socialism is not far off? Some of us on the inside had better take a better look. Perhaps we cannot see the forest for the trees.

When it comes to appointments of members of regulatory commissions and to the courts, the picture takes on a somewhat different hue. More is involved than being adviser to the President and the smooth functioning of Federal agencies under his direct jurisdiction. Citizens subject to regulation under the Commission or seeking justice before the courts have a right to expect fair and unbiased treatment. In other words, there should be no question of a bias on the part of any man appointed to a regulatory commission. Take the nomination we are considering today, that of Joseph C. Swidler to the Federal Power Commission. Can we honestly say to ourselves that this man is without prejudice on questions of private versus Government electric power? Almost his entire adult life has been spent in promoting the interests of government and government-financed electric power—Federal, State, municipal, and cooperatives. We are now considering his nomination to sit as a judge on a quasi-judicial Commission that will determine questions of difference between private and Government power. This man's entire record is not merely one of having worked for or represented Government power as an attorney but one of a crusading Government power proponent—a doctrinaire. The indications are that Mr. Swidler is scheduled to become not merely another Commissioner, but Chairman of the Commission, as soon as that can be arranged.

Can Senators imagine the furor that would be raging on this floor today were we considering confirmation of the appointment of an electric utility company president as a member of the Federal Power Commission? Consider what would be said if the man had a 30-year record of fighting every attempt at development of Government power. There is a distinction, but it is without a difference. Of course, this is foolish speculation because if it had been an electric company president the approval would never have gotten out of subcommittee and I might add that I would be one of those objecting to it.

I know from the hearings that Mr. Swidler acquitted himself very well under examination, but why should he not? After all of his years in Government service and his experience before congressional committees it would be surprising indeed if he did not have the right answers before such a hearing. No one is accusing Mr. Swidler of being dumb.

Before confirming this nomination, a question we should ask ourselves is just how objective could Mr. Swidler be in determining a controversial issue between private and some form of Government power? Is it fair to the man himself for us to put him into a position where he has to make such decisions? Is it fair to our electric companies to require them to appeal for justice before a man whom they could not help but feel in their hearts was against them before any of the evidence was submitted.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. I yield 3 additional minutes to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, the Federal Power Commission will be required to make many decisions on which I think there is a very clear record of Mr. Swidler's philosophy.

The Army Engineers built several hydroelectric developments on the Cumberland River. The Federal Power Commission is supposed to approve the rates at which power from these dams is sold. The power is now being sold to TVA and I am sure Mr. Swidler, as General Counsel for TVA, was an active participant in the negotiations. The Comptroller General reports year after year that the power is being sold too cheap and the Government investment is losing money. These rates are subject to review and adjustment from time to time. When they come before FPC for approval what position would you expect Mr. Swidler to take?

The Southeastern Power Administration, the Southwestern Power Administration, and the Bonneville Power Administration are all losing money and have been for several years according to the Comptroller General. SWPA, SEPA and corps projects under Bonneville power rates have to be approved by the FPC. Can we expect Mr. Swidler to refuse to approve the rates unless they are high enough to meet all obligations to the Government? Such an expectation would be contrary to Mr. Swidler's philosophy. As General Counsel of TVA, it never seemed to concern him that taxpayers from all sections of the country were helping pay the electric power bills of TVA customers. TVA is selling power to the Atomic Energy Commission, a Federal agency, at a higher rate than it charges municipalities and rural cooperatives for comparable power. These things have never seemed to bother Mr. Swidler. His philosophy seems to dictate that the consumer's interest—so long as it is the domestic, commercial, or industrial consumer—purchasing power from Government-operated facilities—comes first. I think his testimony before the committee confirms this conclusion.

Mr. President, we are all interested in the consumer, but under our economy other interests must be considered, also—the laborer and investor. How is the laborer going to continue improving his standard of living if the consumer of the fruit of his labor is the only one considered? Where would the consumer be if the investor was not offered sufficient incentive to finance the means of producing the product supplied the consumer? Would we have to look to Government to supply the product? If we look to Government, where does the taxpayer come out if the product is sold to the consumer at below cost? It is perfectly right and proper to look out for the consumer's interest, and that is as

it should be, but others' interests should not be completely subordinated to the consumer's interest, but I fear Mr. Swidler's philosophy does just that.

We have, and will have, many instances where there is a conflict as to whether electric companies or some entity of Government should develop a hydroelectric site. Sometimes the line of distinction between which should be permitted to develop the site is rather finely drawn. Under such conditions, could Mr. Swidler, with his background, render an impartial decision?

It is not my purpose to question Mr. Swidler's integrity. I would assume that he would be as fair as he knows how to be, but I would think it would be as difficult for him to render an unbiased decision on private versus Government power questions as it would be for me to render what some people might consider an unbiased decision between our form of constitutional government and some foreign ideology.

On January 30, 1961, I made a speech on the floor of the Senate in which I pointed out that a certain pattern was developing in Presidential appointments to agencies that handled electric power problems. I stated then that every position of importance in agencies of Government concerned with electric power was being filled by a man with a record of being antielectric companies. Each one of them will tell you that he does not want to see the electric companies put out of business; that there is room for both private and Government power in this country; and I will give them the benefit of any doubt and assume that that is what they really believe.

But, Mr. President, it is time for us to be realistic. We have seen the percentage of Government power increase year after year. Those of us who have given the subject any consideration realize there is a great discrepancy between private and Government power, both in the taxes they pay and what they pay for money.

Furthermore, those of us who have a rudimentary understanding of business and economics know that we cannot have two systems of enterprise in this country for the one which has the federally legislated economic advantage over the other will eventually consume it.

We are doing nothing about eliminating the tax and cost of money discrepancies; but even worse than that, we are permitting agencies to go merrily along selling power at an out-of-pocket loss. Those things in themselves are bad enough, but now we have permitted the agencies that are financing, building and operating Government power to be staffed by crusading Government power promoters and now that we are getting ready to confirm to a Commission which regulates the electric companies an appointee who is a crusading Government power promoter.

Mr. President, with such appointments as we have been confirming, all we are doing is heading back to the old New Deal days of Roosevelt, Truman, and Ickes when we had agencies of the Federal Government openly promoting the expansion of Government power to such extent that many power companies in this country were actually taken over into Government ownership. If you want Government ownership of our electric utility industry let us be forthright enough to say so and put it to a vote instead of using devious back-door methods.

Mrs. NEUBERGER. Mr. President, will the Senator yield?

Mr. GOLDWATER I yield.

Mrs. NEUBERGER. I came into the Chamber as the Senator was speaking. I did not understand one word the Senator used in referring to Mr. Schlesinger. I wonder whether he would define it. I believe the word was "overeducated."

Mr. GOLDWATER. I referred to the fact that if Mr. Schlesinger was an ordinary run-of-the-mill educator, we might consider him as such, but he is not; he is an assistant and adviser to the President. So I might have implied it in an indirect way, if we go back to that point of reference. However, I would not call him an overly educated man in this context.

Mrs. NEUBERGER. The Senator did not describe Mr. Schlesinger as overeducated?

Mr. GOLDWATER. I would have referred to him as overeducated had he not been an assistant to the President. I doubt that any person can be overeducated, even a graduate of Harvard.

Mrs. NEUBERGER. I thank the Senator.

OUR LATIN AMERICAN RELATIONS

Mr. ALLOTT. Mr. President, I yield myself such time as I may need. I wish to go back, not to change the subject too much, to the Cuban situation. As nearly as I can determine at the present time the attitude of the country and the policy of this country with respect to Cuba is strictly one of containment. This is why I spoke in such very high terms of the speech of the majority leader this afternoon. I thought he had tried to apply new thoughts, to expand horizons a little bit with respect to the Berlin crisis. I believe we need to do the same thing with Cuba.

A few years ago two young men who had just graduated from college and were residents of Denver, James Neal Blue and Linden Blue, went to Nicaragua, and there established a banana plantation of some 6,000 acres. They did not do this with any money they had inherited from someone. These two boys, purely as real entrepreneurs in the traditional American spirit, went down there and established the plantation.

In May, Linden Blue, the elder of the two men, was returning to Nicaragua with a new airplane, a twin Bonanza. He left the airport at Key West, after obtaining full and complete clearance from the Cuban Government to pass over Cuba. Fifty minutes after he had left Key West that flight plan was canceled by Cuba. In less than 50 minutes, of course, he was over Cuba. There he was forced down by a Cuban fighter plane, and also ordered to come down by the Cuban radio. He landed with his passenger, who was a representative of the Gerber Food Co. The two of them were incarcerated and placed incommunicado in a Cuban jail for a period of 12 days.

I can remember the time, as everyone can, when this would have caused an international incident. I can remember the time when we would have had gunboats off Cuba, and perhaps planes over that country. That is the kind of policy that I still believe in. There must be no mistake about the kind of tough policy that I believe the United States should pursue.

I cannot help reading into the RECORD a part of a letter that I have received from James Blue. He is not the one who was incarcerated and later released in Cuba. Incidentally, the plane was confiscated by the Cuban Government. I should like to read this portion of the letter, because it reflects not only one person's idea, but is typical of at least a dozen letters that I have received from friends throughout Latin America. They reflect what has been happening in Latin America because of our refusal to take a tougher line and a tougher policy with Latin America.

I read from the letter:

> Certainly the longer the United States hesitates in resolving the Cuba situation, in the only practical fashion remaining after Castro's acceptance of "Socialist bloc status," the more drastic will be the action required, and the higher the ante will be raised, to a point where Soviet commitments in Latin America may precipitate a disaster of tremendously greater proportions.
>
> It is not comfortable to be an American in Latin America now—and the situation is deteriorating further. It is unfortunate that some of the administration's liberal theorists don't have to sit it out south of the Rio Grande.
>
> I hope you can appreciate it when I tell you that the sentiments I have expressed are general among Americans here.

Mr. President, I ask unanimous consent that the entire letter be placed in the RECORD at this point in my remarks because it is indicative of the general line of many other letters that I have received from persons in Latin America.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HACIENDA TIERRA DORADA,
HERMANOS BLUE, HAMM,
SMITH & CIA. LTD.,
Managua, D.N., Nicaragua, May 4, 1961.

GORDON ALLOTT,
U.S. Senate Office Building,
Washington, D.C.

DEAR SENATOR: First, a belated note of thanks for your help with regard to Linden's release from Cuba. It was more than satisfying to know that the matter of Linden's life was in the capable hands of good friends.

Regarding release of the aircraft, I understand Linden is exploring all of the possibilities—especially through some Canadians in New York.

Concerning the political situation in Latin America—inasmuch as is of interest to good Coloradans who view the establishment of a Soviet satellite 90 miles off the Florida coast with some reservations—the climate is becoming progressively more untenable through the rapid deterioration of U.S. prestige and the bitter resentment over the amount of support given (or withheld) our only friends willing to furnish cooperation more tangible than talk.

Certainly the longer the United States hesitates in resolving the Cuba situation, in the only practical fashion remaining after Castro's acceptance of Socialist bloc status, the more drastic will be the action required, and the higher the ante will be raised, to a point where Soviet commitments in Latin America may precipitate a disaster of tremendously greater proportions.

It is not comfortable to be an American in Latin America now—and the situation is deteriorating further. It is unfortunate that some of the administration's liberal theorists don't have to sit it out south of the Rio Grande.

I hope you can appreciate it when I tell you that the sentiments I have expressed are general among Americans here.

Thanks again for your help with Linden; I hope that you can help see that something is done regarding this Cuban situation before the price amounts to historical tragedy.

Best regards.

JAMES NEAL BLUE,
Executive Director.

A REPUBLIC OR A DEMOCRACY?

Mr. ALLOTT. I hold in my hand a clipping from a Colorado Springs newspaper. It is a column written by George Peck, and reads, in part:

The Post Office Department of the United States recently requested Pitney-Bowes, Inc., to consider recalling slogan plates which it had sold to lessees of its postage meters.

As everyone knows, Pitney-Bowes is the company which rents postage meters to customers who have a great deal of postage. It saves tearing stamps and licking them, and so forth.

This is from a newspaper published on May 22, 1961:

The particular plate to which the Post Office Department objects reads: "This is a republic, not a democracy—Let's keep it that way!"

After this had been noticed by the Postmaster General, the Post Office Department contacted the Pitney-Bowes Co. As a result, Pitney-Bowes sent a letter to all of its lessees saying that they had received a complaint that this slogan was objectionable and misleading. The letter read:

Since delivering this to you, the slogan has become strongly identified with a controversial and political issue, and it is apparent we made a mistake in permitting this slogan to be made. Our policy is that we can permit no such postmark ad plate to be used in our meters. Under postal regulations, postal meter slogans must not be objectionable.

Then, to one manufacturer who registered his objections to the recall of the plate, Pitney-Bowes sent a second letter, delivered in person by a company representative. This letter read, in part:

Your continued use of it—

Referring to the objectionable plate—

constitutes a breach of meter rental contract with us. Our representative has, therefore, been instructed to repossess our meter and remove it from your premises.

Since Pitney-Bowes is, so far as I know, the only company in the United States which is involved, in a major way at least, in this kind of lease-rental proposition, I wonder what kind of country we have. When Benjamin Franklin walked out of the hall in Philadelphia to some friends who asked him what kind of government the Constitutional Convention had given the country, Franklin replied:

A republic, if you can keep it.

Yet today the Postmaster General has put enough pressure on Pitney-Bowes to make that company remove and cause to be removed from every plate that they use in the United States the slogan:

This is a republic, not a democracy. Let's keep it that way.

According to the Postmaster General, this is now a controversial, political question. Have we reached the point in this country that the statement made by Ben Franklin, when he walked out of the Hall in Philadelphia, can be removed by the mandate of the Postmaster General, and the licenses to use the machines taken away from people all over the country by the dictate of one man? We might expect this to take place in Russia; I say we have no right to expect it in the United States, and we should not tolerate it.

Mr. President, I ask unanimous consent that the entire column written by Mr. George Peck be printed at this point in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

THIS IS A REPUBLIC

(By George Peck)

The Post Office Department of the United States of America recently requested Pitney-Bowes, Inc., to consider recalling slogan plates which it had sold to lessees of its postage meters. The particular plate to which the Post Office Department objects reads: "This is a republic, not a democracy—Let's keep it that way!"

To those not familiar with Pitney-Bowes, let us explain that this company owns and leases some 300,000 mailing meters to private firms and groups throughout the Nation. The Post Office Department permits the use of an advertising message alongside the metered stamp, but requires that the message be monitored by the company that owns the meters.

A spokesman for the Post Office states that the Department "cannot delve into censorship of the message to be carried, but there is a regulation which includes the statement that 'slogans must not be objectionable and misleading.' "

We rise to inquire as to what is "objectionable and misleading" about stating the fact that "This is a republic, not a democracy."

At any rate, Pitney-Bowes considered the request of the Post Office Department and in turn is requesting that all of its meter lessees return these particular slogan plates, generously offering to refund the purchase price of the plates.

Pitney-Bowes' first letter to its lessees, who use these "objectionable and misleading" slogan plates, read in part as follows: "Since delivering this to you, the slogan has become strongly identified with a controversial and political issue, and it is apparent we made a mistake in permitting this slogan to be made. Our policy is that we can permit no such postmark ad plate to be used in our meters. Under postal regulations, postal meter slogans must not be objectionable."

The letter then went on to state that an employee of the company would call to pick up the objectionable plate.

To one manufacturer who registered his objection to this high-handed procedure, Pitney-Bowes sent a second letter delivered in person by a company representative. This letter read in part: "Your continued use of it (the objectionable plate) constitutes a breach of meter rental contract with us. Our representative has, therefore, been instructed to repossess our meter and remove it from your premises."

This is going on in free America—not in Russia. We again inquire what is misleading about printing the fact that "this is a republic, not a democracy?"

In 1787, when our American Constitution was only a few minutes old, venerable Ben Franklin was asked when he stepped out of the hall at Philadelphia where it had just been drawn up, "What kind of a government have you given us?"

He replied: "A republic—if we can keep it." Could wise old Ben have been looking ahead with prophetic vision to the forces which in recent years have been and are working night and day to take that republic away from us?

The next assault will undoubtedly be on our "Pledge to the flag." We stand at public gatherings and with right hand over the heart proudly and loyally recite in unison: "I pledge allegiance to the flag of the United States of America and to the Republic for which it stands * * *."

That word "republic" has been in the pledge ever since its inception despite two additions which since have been made to it.

Now this same Post Office Department which is so concerned about calling our country what it really is—a Republic—is delivering free, throughout the 50 States, propaganda emanating from Moscow. When Moscow decides it has some "educational literature" for American consumption, it ships it in ton lots to U.S. ports of entry, already individually addressed. Our Post Office Department then delivers it free. In one recent year 7 million pieces of this Communist propaganda were cleared through New York alone and tons more through Baltimore, Philadelphia, Boston, New Orleans, San Francisco, Los Angeles, and Seattle. In addition every Czech and Polish ship touching a U.S. port brings with it Red "educational literature" for domestic free mailing.

Linn's Weekly Stamp News (the Nation's leading philatelic magazine) in its May 1, 1961, issue quotes from the March 21, 1961, issue of Christian Economics, the following: "* * * The postal authorities have testified that they are powerless under the present law and Supreme Court rulings to interfere with the free distribution of this flood of Communist literature. * * *"

This being true, it's high time the laws were changed. Otherwise, we will not be keeping the Republic which Ben Franklin announced the Founding Fathers evolved and gave to us.

Write your Congressman regarding these assaults on our Republic—tell 'em to bestir themselves.

INCREASING INTEREST IN SUGAR

Mr. ALLOTT. Mr. President, off and on for the past several years the Senate has been concerned with sugar legislation. There are many misunderstandings about sugar legislation. The most comprehensive and completely intelligent discussion of the whole subject of sugar which I have seen at any time in my life—and I have read dozens of them—was made by Mr. Frank Kemp, president of the Great Western Sugar Co., of Colorado, in the company's annual report dated February 28, 1961.

Because I believe it is absolutely necessary reading for anyone who intends to speak on the sugar question, who intends to discuss it, or who wishes to

know what the world situation is with respect to sugar, I ask unanimous consent that Mr. Kemp's remarks and discussion of sugar, entitled "Increasing Interest in Sugar," which extends from page 11 through page 16 of the company's report, be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

INCREASING INTEREST IN SUGAR

Increasing interest in sugar is a natural consequence of the upheaval in Cuba, the opportunities given to other suppliers to replace sugar formerly imported from Cuba, factors linking sugar with foreign policy, especially toward Latin America, and Communist activity affecting sugar.

Our annual report a year ago pointed out that more than half our Nation's sugar supply comes from domestic production—the output of the beet sugar industry, Hawaii, Puerto Rico, Louisiana, Florida, and the Virgin Islands; that most of the largest consuming countries depend mainly on sugar they themselves produce; and that the so-called world market sugar price is not a true price.

Since sugar continues to be very much in the news, it is again appropriate to examine realistically some of the ideas now current.

Such expressions as "quota premium" and "premium over the world market" have been coined and seem attributable to unfamiliarity with world sugar statistics, the quota system, and the so-called world market. It rarely seems to be realized that this world market (which sound like a global economic concept) is actually a dumping market for a small portion of the world's sugar and is not a measure of true value.

What follows will clarify some of these points and will describe the beet sugar industry of the world, of the United States, and the place held by the Great Western Sugar Co.

SUGAR SYSTEMS THROUGHOUT THE WORLD

That our country has long maintained a sugar system prescribed by law has been widely publicized, yet some of the comment would lead one to believe that our system is novel and expedient, without parallel or precedent.

The fact is that governmental sugar systems, in some form, are in effect all over the world. Their backgrounds are deeply grounded in economic, political, and war experience. European systems date from the Napoleonic era. American legislation affecting sugar began in 1787 and continued through the 19th and 20th centuries. Our present sugar system, inaugurated in 1934, has been continued for 27 years by various Sugar Acts, including the current law which will terminate June 30, 1962.

These acts have had three basic objectives:

1. To assure American consumers an adequate supply of sugar at reasonable prices.

2. To encourage foreign trade.

3. To provide a healthy economic climate for a competitive domestic sugar industry.

American consumers have enjoyed reasonable prices under these acts. Sugar when measured in terms of buying power, is priced lower in the United States than in any other country. The worktime required for an American to earn enough to buy a pound of sugar is diminishing. During 1960 an average American laborer in the manufacturing industry had to work only 3 minutes and 2 seconds to earn a pound of sugar. In 1959 he had to work 3 minutes and 5 seconds; in 1958, 3 minutes and 11 seconds.

The chart on page 12, reprinted from our last year's report, shows relative worktime required to purchase a pound of sugar in the several countries for which data published in October 1958 were available.

The most recent figurs then published for the U.S.S.R., covering 1956, would not even fit on the chart. They showed that a Russian had to work 2 hours and 27 minutes to earn enough wages to buy a pound of sugar. During this same time an American earned the equivalent of 46 pounds of sugar.

WHAT IS THE WORLD PRICE?

The fact that the price of raw sugar sold in the United States is usually higher than the so-called world price has given rise in some quarters to the idea that an unwarranted benefit accrues to sugar producers, domestic and foreign, to the disadvantage of American consumers. This so-called premium or bonus is assumed to be the difference between the sugar price in our market and that in the world market, and those who make this assumption seem to believe that the world price is realizable and would be fairer to everybody than the U.S. price.

Actually this world price concept is misleading and unwarranted. It is unfortunate that it has become so glibly entrenched in sugar phraseology. Even casual inquiry discloses that the world price might more properly be called a forced price or a dumping price and that any effort to build a sugar economy on this fictitious foundation not only would seriously injure the domestic sugar industry of the mainland States, Hawaii, and Puerto Rico, but also the industries of friendly foreign countries contributing sugar to our market and would wreak havoc among consumers. Those who advocate the world price concept are actually asking that sugar be sold below its cost of production. What kind of thinking supports application of such a theory to sugar or any other commodity?

As pointed out a year ago, the "world market" is nothing more than a dumping ground for that small portion of the world's production which is in excess of home and preferential requirements, often called homeless sugar, much of which sells for considerably less than its cost of production. We quoted the London Economist as saying that the so-called world market sugar price "is not a true price nor is it free."

A distinguished Latin American sugar authority has emphasized the artificiality of the "world price" of sugar. Federico Patino, Director General of the Union Nacional de Productores de Azucar of Mexico, in an April address in New York, stated:

"It might be well at this point to make it clear that, in my opinion, the U.S. market price is, and has been a decisive factor in assuring the consumer a steady supply at a stable price.

"The 'world market price' is an artificial, unstable price, practically always below the cost of production—a marginal market subject to political pressures."

Further confirmation of the illusory nature of the "world price" is found in an able address recently given by an international sugar expert, Sir Edmund Bacon, chairman of the British Sugar Corp., Ltd., who stated:

"One thing concerns me considerably, and that is the attitude adopted by some manufacturers in the U.K. who feel that by doing away with such things as the British Sugar Corp., quota, and price fixing mechanisms, they would be able to obtain their sugar at present world prices. It is difficult to persuade them that only about 11 percent of the world's total production is sold at world prices and that except in a very few countries with extremely low living standards, sugar is utterly uneconomic to produce at present world prices.

"I have, as I have already said, just been making a tour of the main islands of the Caribbean. The economy of these emerging countries is built almost entirely on sugar. If the United States and the United Kingdom ceased to give preferential treatment to producers of sugar, then I am convinced that a collapse of sugar prices would provide a further springboard in the Western Hemisphere for Communist designs."

The House Committee on Agriculture recently published an objective special study on sugar, made by outstanding economists in the Department of Agriculture, unassociated with sugar administration. Significantly, it was reported therein that the negotiated price the United Kingdom paid in 1959 for sugar purchased from the British West Indies and other Commonwealth producers was about the same as the price paid in the United States for foreign sugar.

That the United States and the United Kingdom, the world's two leading sugar-importing countries, should have arrived independently at sugar systems producing so similar a price result is noteworthy and supports the reasonableness of the American sugar price.

Domestic prices are well above world prices on many farm commodities. Sugar is no exception. The difference between the U.S. price and "world price" for three crops alone—wheat, cotton, and rice—amounts to hundreds of millions of dollars annually.

Higher prices in the United States are a natural concomitant of higher wages, higher taxes, and all the other higher costs implicit in the American way of life. Comparative prices should properly be examined in terms of buying power as illustrated in the case of retail sugar prices by the chart on page 12 [not printed in RECORD]. Under this approach not only the price differential in respective countries is measured but also the relative amount of identical products that prevailing wages in each of such countries can buy

To lower U.S. prices on all products to world levels, particularly if the latter are dumping prices, as in the case of sugar, would undermine the American standard of living which is made possible by American efficiency and high wage levels.

Apprehension over Communist design is shared by other authorities including the administrator of our Nation's sugar program. In a recent address, Lawrence Myers, Director, Sugar Division, U.S. Department of Agriculture, stated:

"These are not normal times. One-third of the world's production of sugar is now under Communist control. The Communist takeover in Cuba added to communism's earlier subjugation of the beet exporting countries of Eastern Europe poses a number of threatening problems to sugar producers, consumers, and markets throughout the world. Huge quantities of sugar have been sold by Cuba to the Soviet Union and Red China at fictional prices under barter agreements. Only the bear and the red dragon know how much of this sugar is destined to reappear in the world markets or, alternatively, to what extent this Cuban sugar will force satellite sugar onto the world market."

Representatives of India, in a formal statement explaining their interest in the U.S. sugar market, recently said:

"India has found that its neighboring markets are being invaded by Cuban sugar purchased by Russia and mainland China from Cuba and being dumped by these nations into what otherwise would be India's markets.

"Sugar from Communist sources is starting to encircle India and preempt India's market."

The Soviet Union has an increasing interest in sugar; there is accumulating evidence that sugar is being manipulated as an economic weapon in the "cold war." We will summarize the sugar position of the U.S.S.R. later as we now turn to a brief

survey of the beet sugar industry abroad and at home.

WORLD SCOPE OF BEET INDUSTRY

World production of sugar currently totals approximately 58 million tons, of which 56 percent comes from sugarcane and 44 percent from sugarbeets. If present trends continue, the sugar world may soon be "half beet and half cane."

Sugarcane, which flourishes in the tropics, is a tall perennial grass which is cut three or more times before replanting, and grown for one main purpose, the production of sugar.

The sugarbeet, not to be confused with the small, red garden beet, is a large-rooted plant that flourishes in the temperate zones. Like cane, it is grown primarily for the production of sugar identical to that derived from sugarcane, but there the similarity ends because the beet not only has more useful byproducts but also favors, in fact demands, a diversified system of agriculture that benefits the land through crop rotation and animal husbandry. It is commonly observed that where sugarbeets are grown, yields of other crops improve materially. Indeed, particularly in Europe, sugar itself is sometimes spoken of as "the principal byproduct of the beet."

F. O. Licht, German international sugar authority, wrote:

"The reason why all governments cling so stubbornly to beet culture is not to be found mainly in consideration of financial policy, but in agricultural and social considerations. 'Beet culture, in itself, without reference to sugar production, is for many reasons a vital condition of all intensive agriculture."

This usefulness of the beet under normal conditions, as cited by Licht, is intensified by stress of war or other emergency. The great nations of the northern latitudes have learned by dire experience that it is hazardous to rely too heavily on oversea sugar from remote tropical sources.

Sugarbeets are grown throughout Europe except in Norway, Portugal, and Greece. The industry extends from Sweden and Finland to Turkey, Israel, Iraq, and Iran; it crosses the Ukraine into Siberia and Manchukuo. Japan has a beet sugar industry, as does Red China. In America, the beet industry extends from the Great Lakes to the Pacific; it operates in Canada, Uruguay, and Chile.

COMMUNIST PRODUCTION EXPANDING

The Soviet Union, with current output of 7½ million tons, all beet, has recently become the world's largest producer of sugar. It is reported that 250 beet factories were operating in the U.S.S.R. in 1960, including 20 of 95 new mills to be completed by 1965. By way of comparison, 63 beet factories operated in the United States in 1960.

The U.S.S.R., not including its satellite countries, accounts for well over one-fourth of the world's beet sugar. The United States, second largest producer, makes about 10 percent.

Much has been said lately of the recently formed European economic alliances, the Six and the Seven.

Quoting Sir Edmund Bacon again:

"The Six, that is to say France, Italy, West Germany, Belgium, the Netherlands, and Luxembourg, as a result of a recent study carried out by some of my own staff into their agricultural self-sufficiency, look like having a 10-percent surplus in sugar despite a rising population. This is all beet sugar.

"Of the Seven it appears," he continued, "that except for Great Britain, where beets account for only one-third to one-fourth of the sugar requirements, the remaining six countries, as a whole, seem self-sufficient in beet sugar productivity, and "the United Kingdom is likely to be practically alone in its desire to import large quantities of sugar from abroad."

Progressive beet expansion in countries outside the United States is attributable not only to the objective of sugar self-sufficiency, but also to the fact that the sugarbeet produces more food and fiber than other crops that might be grown on the same land.

THE U.S. BEET SUGAR INDUSTRY

In the United States, the 1960 output of beet sugar of about 2,450,000 tons is the largest ever produced. From 1955 through 1960 sugarbeet acreage was strictly controlled under the law but, with the cancellation of Cuban imports in 1960, all sugarbeet acreage limitations were removed for the 1961 crop and about 11 percent more acreage has been contracted by the industry for planting this year.

There is a very definite desire for beet expansion in the United States at this time. Tightening restrictions on planting of the surplus crops of wheat and cotton and excess production of feed grains have prompted new areas and new growers to want to grow beets and to have new factories built to serve them. This trend is evident in several States. However, construction of multimillion-dollar new factories involves substantial risk unless our sugar system assures a sound long-term operation.

Of America's sugar requirements totaling some 9,260,000 tons in 1960, one-fourth came from sugarbeets. The industry extends from Ohio to California and from the Canadian border in Montana and Minnesota to the Mexican border in California. Beets are raised commercially or for seed in 23 States. Sixty-three factories operated in 15 States in 1960.

Progressively higher sugarbeet yields are produced. Over the past three decades, U.S. beet sugar production per acre has increased 57 percent. American yields, currently averaging more than 17 tons of beets per acre, are twice as high as in the early 1900's.

Efficiency can be measured by many standards. Certainly two sound bases in the case of sugar are output per acre and output per man-hour of labor. [American beet sugar, from seed to sack, is produced with less man-hours than any foreign beet or cane sugar sold in the United States.]

In the 1925–29 period, the United States ranked ninth among the world's beet producing countries in sugar yield per acre. By 1955–59 it rose to fourth. Compared with the rest of the world in the aggregate, the acre in beets in America produces 81 percent more sugar. Compared with Cuba, the world's largest cane producer, an acre planted to beets in the United States produces 28 percent more sugar than an acre growing in cane in Cuba. The chart on page 13 [not printed in RECORD] shows the upward trend in output per acre of beets which has occurred in the United States.

The contributions of the beet crop to solvent agriculture, to the improvement of overall rotations and increased yields of succeeding crops, and the contribution of beet byproducts to low-cost fattening of livestock, will be increased as new and better beet varieties are developed and further scientific progress is made in fertilization, the use of herbicides, insecticides, and general farming practices.

Beet sugar is now the principal sugar sold in more than a third of our States. In 1960 it represented more than half the sugar used in each of 17 States, ranging from 97.3 percent in North Dakota to 50.4 percent in Illinois.

THE GREAT WESTERN SUGAR CO.

The Great Western Sugar Co. is the largest of the 15 beet sugar companies in the United States. In 1960 the company produced about 30 percent of the beet sugar made in America. Of total national sugar consumption about 1 of every 14 pounds is GW.

Incorporated in 1905, Great Western operates 15 factories in Colorado, Nebraska, Wyoming, and Montana and 2 in Ohio. The company will purchase beets in 1961 from 286,000 acres grown by 8,000 farmers. Company-owned land produces only one-fifth of 1 percent of the beets processed. With the sugarbeet as its only raw material, Great Western, in addition to producing sugar and MSG (monosodium glutamate), manufactures beet pulp in various forms, molasses, LPC (liquid protein concentrate) and potash fertilizer.

Great Western maintains the largest agricultural experiment station in the beet sugar industry. Genetic improvement of the sugarbeet has been noteworthy, achieved by GW plant breeders themselves and now working also in cooperation with English and Dutch beet seed breeders.

An important development has been the production of monogerm seed to replace multigerm seed which, in the past, required many field workers to remove surplus beets in the row. By 1960 a third of the GW crop was planted with monogerm seed; half the crop is so planted in 1961 and soon the entire crop will grow from monogerm. This development, combined with new chemical and mechanical techniques, points to progressive reduction in field labor requirements in the spring and early summer and encourages the hope that, as is now true of the beet harvest, practically complete mechanization in GW territory can be achieved.

As evidence of the international prestige of the company in technological progress, it may be noted that some 30 delegations from foreign sugar-producing countries have recently visited the Great Western area to study the advances in farm and factory operations being achieved by the company.

PRIME MINISTER FANFANI AND FOREIGN MINISTER SEGNI, OF ITALY

Mr. HUMPHREY. Mr. President, during this week we have been visited, in Washington, D.C., and our Nation has been visited by the Prime Minister of Italy and the President of the Council of Ministers, Mr. Fanfani, and also by the Italian Foreign Minister, Antonio Segni. These two remarkable political leaders of the NATO alliance have given us renewed courage and strength by their consultations with President Kennedy and with members of our State Department, our Defense Department, and other officials of our Government.

The Senator from Arkansas [Mr. FULBRIGHT] chairman of the Senate Foreign Relations Committee, sponsored a luncheon for the party of Prime Minister Fanfani; and the party included the Italian Foreign Minister, Mr. Antonio Segni, another of the great leaders of Italy.

I think that all too often we forget to pay our respects to the distinguished leaders of other free countries. Italy has made remarkable recovery since World War II. Italy is a strong partner in the NATO alliance. Italy is doing more than her share in undertaking the responsibilities for free world leadership, and particularly for better relationships in the Mediterranean area. We are indebted to Italy and her leaders and her statesmen for improving the relationships between the NATO countries and, particularly, our own country, in certain parts of North Africa and the Middle East.

I have always felt that in the alliance and partnership in NATO, we should rely upon and call upon our partners to share in the responsibilities of diplomacy, of negotiation, and of world leadership. We find this being undertaken today by the Italian statesmen I have mentioned.

Of course, it is a source of real satisfaction to our country that such great economic recovery has taken place in Italy. We hope that more will be achieved, for there still are unemployment problems and problems in agricultural areas, and Italy has much to do in order to fulfill a better life for her people.

But today Italy is a strong nation, a free nation, and one with tremendous economic growth and productivity; and today Italy is improving the lot of her people. This is what we mean when we talk about economic and political reform and when we talk about a partnership between equals and among freedom-loving peoples.

I ask unanimous consent to have printed at this point in the RECORD an article entitled "Headline Personality—Fanfani Coalition A Strong Regime," also an article entitled "Headline Personality—Segni Is Political Symbol of Italy." These articles were published today in the Washington Star. They relate to the recent visit of these Italian statesmen and their conversations with our President.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star, June 13, 1961]

HEADLINE PERSONALITY: FANFANI COALITION A STRONG REGIME

Amintore Fanfani of Italy, the most recent statesman to make a personal reconnaissance of the new Kennedy administration, is no stranger either to Washington or his present post of Prime Minister.

He visited President Eisenhower and Secretary of State Dulles in July 1958, for a hurried discussion of the crisis-stricken Middle East. That was only 10 days after he received one of those shaky votes of confidence for which the Italian Parliament is renowned.

This time the mood is more relaxed and the visit longer. Prime Minister Fanfani is here for a "general exchange of views on world problems"—official jargon meaning he wants to meet the young American President. He also comes as head of one of the strongest Italian coalition governments in the last 15 years.

KNOWN AS "LITTLE PROFESSOR"

Prime Minister Fanfani is one of those rare men who moves easily and successfully between the university classroom and politics. "The Little Professor"—his nickname in Rome—began as professor of political history at the University of Milan back in 1938.

Seventeen years later he became professor of economic history at Rome University. By that time he already was a leading member of the Christian Democratic Party, right-hand man of its "grand old man"—the late Alcide de Gasperi, and in and out of one government after another.

But throughout all these cabinet shuffles and campaigns for reelection to Parliament (he has been a member since 1946), Mr. Fanfani continued to lecture his university students.

IN CENTER OF ITALIAN POLITICS

In the complicated Italian political spectrum, Mr. Fanfani is in the center—which means he is attacked by the extreme right as too radical and by the extreme left as too conservative. In American politics he would be considered slightly left of the New Deal.

As Minister of Labor in 1948 and Minister of Agriculture and Forestry in 1951–53, he fathered a 7-year plan for building workers' houses, and later presided over redistribution of nearly 2 million acres of farmland to 150,000 peasant families.

Roughly speaking, the main problem of Italian politics has been a divided center besieged by a strong Communist opposition on the left and Monarchist and Fascist Parties on the right. Within the leading Christian Democratic Party itself the split between the left and right wings is barely plastered over.

Mr. Fanfani first felt the consequences when he became the youngest Prime Minister of Italy in January 1954. His program for extending the "Fanfani houses," superhighway construction, punishment of tax evaders, and limiting bureaucracy could not muster either the total support of his own party or the small moderate parties needed for a parliamentary majority.

Eleven days later he lost a vote of confidence, and had to resign 22 days after taking office.

ASTUTE ORGANIZER

Things have changed since then. First of all, Mr. Fanfani has proved himself an astute party organizer who realizes that machinery is necessary to win elections. As national secretary of his party after the death of Mr. de Gasperi, he trained and put to work thousands of organization men and scoured Italy, sifted the universities, and rang doorbells for new support.

The efforts of the Fanfanians showed in the May 1958 elections where the leading Christian Democrats won 273 out of 596 seats in the new Chamber of Deputies—slightly short of an absolute majority.

After the Prime Minister lost his premiership the second time in January 1959, Italy sank deeper into the quagmire of war between right and left. A succession of cabinets tried to rule unsuccessfully amid growing signs of out-and-out civil strife in the city streets.

In time the threat of anarchy and civil war brought together the warring factions of the center both inside and outside the Christian Democratic Party. In July last year Mr. Fanfani came back to power with the largest parliamentary vote of confidence in 12 years.

Since then he has moved his party steadily leftwards away from the more conservative policies which caused such controversy under his Christian Democratic predecessors. In February this year he backed local coalitions with the Nenni Socialists, the radical group that broke its alliance with the Communists after the Hungarian revolution in 1956.

In both practice and theory Mr. Fanfani has shown himself atuned to implications of peaceful coexistence with communism. In an article in the magazine Foreign Affairs, he summed up his thinking:

"Our aim is not to die in a bloody war against communism. Our aim is to outlive communism to build a better society that will make communism old fashioned and sterile."

BRIEF BIOGRAPHICAL SKETCH

Full name: Amintore Fanfani.

Claim to fame: Prime Minister of Italy.

Birthplace: Pieve Santo Stefano, Italy.

Birthday: February 6, 1908.

Education: Catholic University of Milan.

Jobs: Professor, political history, University of Milan; member, Senior Teachers Council of Political Economy, Venice, 1938–43; member secretariat, Christian Democratic Party; Minister of Labor, 1948; Minister of Agriculture and Forestry, 1951–53; Minister of Interior; national secretary, Christian Democratic Party, 1954; Prime Minister, 1954 (22 days), July 1958–January 1959, July 1960 to present.

Family: Married and father of seven children.

Hobbies: Playing piano, composing music, gardening.

[From the Washington Star, June 13, 1961]

HEADLINE PERSONALITY: SEGNI IS POLITICAL SYMBOL OF ITALY

Antonio Segni, Italian Foreign Minister here on a state visit with Prime Minister Fanfani, is in many ways symbolic of the postwar merry-go-round of Italian politics.

He has been Prime Minister himself twice, Deputy Prime Minister once, besides holding at least three ranking Cabinet posts in a succession of governments since 1946.

When Prime Minister in September 1959, he paid his own state visit to President Eisenhower. And that visit was less than 10 months after Prime Minister Fanfani had paid his own first hurried visit to Washington to consult with Secretary of State Dulles about the Middle East.

PROFESSOR IN POLITICS

In another way, Mr. Segni also is symbolic of the brand of Christian Democratic leaders who have ruled Italy continuously since the war. Although actively interested in politics since his youth, his first and enduring profession was university teaching.

After a succession of law professorships in universities all over Italy, he has become a member of the law faculty at Rome University. Today this "gentleman farmer from Sardinia" still teaches in classrooms well insulated from the turbulent tides of Italian politics.

Mr. Segni's teaching career began when he retired from politics during Mussolini's reign. In 1923 he had organized the Popular Party, the forerunner of the present Christian Democratic Party. During his retirement he became an expert on agriculture, and in postwar Italy became author and administrator of a widely acclaimed land reform program.

That program gained him the unflattering title "White Communist," among affected large landowners. But Mr. Segni himself lost about 250 acres, or about one-fourth, of his family estate to settlers in northern Sardinia under his reform law.

At 70, the Foreign Minister is deceptively frail looking. Many of his critics have made the mistake of underestimating his stamina and determination. He lives almost entirely on vegetables and milk, and does not discard his winter clothing until far into the warm Italian spring.

From the time Mr. Segni first was elected to the Chamber of Deputies in 1946, he has steadily risen in the Christian Democratic hierarchy. Pundits in Rome have come to the conclusion that his famous stomach troubles are a convenient pretext for retiring to the bedroom when political storms need weathering.

Mr. Segni's success is due to a curious combination of fatalism and practicability. Although associated with the progressive land reform, compared with present Prime Minister Fanfani, he is more to the right in his own party. He does not believe that history, like rivers, can be made to run uphill—one way of saying that radical changes often bring catastrophe.

HIS PHILOSOPHY OF POLITICS

Recently he stated his personal philosophy in these terms:

"In my view, the statesman is like an engineer who harnesses waterpower, who deals with a live, moving force regulated by its own laws which cannot be violated without risk of catastrophe. If one understands this element well, he can guide it, he can

avoid difficulties, he can channel it and exploit its power for good purpose."

In foreign policy, Mr. Segni is a welcomed asset in any discussion on strengthening the North Atlantic alliance. He is a stanch anti-Communist of the more subtle scholarly type like Prime Minister Fanfani. But during Mr. Segni's second period as Prime Minister in 1959, he decided Italy should accept American intermediate-range ballistic missiles on her territory against strong Soviet protests.

BRIEF BIOGRAPHICAL SKETCH

Full name: Antonio Segni.

Claim to fame: Italian Foreign Minister, here on state visit with Prime Minister Fanfani.

Birthplace: Sassari, Sardina.

Birthday: February 2, 1891.

Education: Degree in jurisprudence, University of Sassari, 1918.

Jobs: Professor of civil law at Universities of Perugia, Cagliari, and Pavia and Rome. Rector of University of Sassari.

Founder of the Popular Party, forerunner of the Christian Democratic Party, in 1923. In post-war Italian Governments, Undersecretary and Minister of Agriculture, Minister of Education, 1953, Deputy Prime Minister and Minister of Defense 1958–59, Prime Minister June 1955–May 1957, February 1959–March, 1960.

Family: Married, father of four sons.

Hobbies: Hunting, books, Beethoven records.

TOWN AFFILIATION: FRIENDSHIP FOR PEACE

Mr. HUMPHREY. Mr. President, one of the most quoted statements in recent months has been the eloquent inaugural plan of President Kennedy. He said:

Ask not what your country can do for you—ask what you can do for your country.

I think the President might well have added another request, one which might help to satisfy those who have criticized him for not being specific. That request would be:

Ask what thousands of your fellow citizens are doing for their country, and join their efforts.

One of the most effective and challenging efforts is the town affiliation program, which has been developed through the American Municipal Association and the civic committee of the people-to-people program. Here is a specific, practical way for individual Americans to contribute their energy and work to their country's efforts for freedom and peace.

The town affiliation program is a new and dramatic movement which is as important in a tense world as the biggest foreign-aid program or the broadest propaganda effort.

I think the need was best summed up by a report of Dr. Ronald W. Barr, the mayor of Montevideo, in my own State of Minnesota. Dr. Barr and his wife traveled to Montevideo, Uruguay, earlier this year, as a result of a town affiliation between the two cities. They talked with hundreds of citizens of Uruguay, and Dr. Barr emphasized one distinct impression he gained from these people:

They were not interested in dealing with Americans at the Government level—

He said—

But were anxious to meet and exchange ideas with the average American citizen in a friendly atmosphere unemcumbered by protocol.

The attitude of the Uruguayans Dr. Barr met is typical. Millions of people throughout the world want to meet and know and understand Americans as individuals and as human beings, not as Government officials or as an abstract, collective character. This desire is appropriate, and—in a sense—is a compliment to America. It is a compliment because millions of people throughout the world realize that the Government of the United States is only a part of our national character and identity.

This is a major difference between the United States and the Soviet Union.

In the Soviet Union, the Government is the dominant, all-powerful element of an organized society. The Government dictates; the Government controls; the Government speaks the distinct and contrived policy and mood of the entire nation. In short, the Government is the totality of the Soviet nation. That is what we mean when we refer to totalitarianism.

In our free society, the Government strives to express the will of the people, but its power is limited and given, by the people. We believe in the concept of popular sovereignty—government of the people, by the people, and for the people.

Government in the United States is like the tip of an iceberg. It can be seen from afar, but it is held up and sustained only by the greater power and force and substance of the people.

The real strength of America is the people. The real greatness of America is the freedom and the individual dignity of its citizens.

We are not a nation of government officials. We are not a nation of politicians. We are not a nation of diplomats or international public relations experts.

Our people are not tools of the Government. They are farmers and workers and businessmen and professionals bound together by their love of freedom and their dedication to human rights.

Our land is not a machine of the state. It is a land of separate farms and free business and private industry and distinct, self-governing communities.

This is the story of America which we must tell the people of the world.

Yes, this story can be told in part by the Government, through the U.S. Information Agency and other missions overseas.

But it can be told most effectively and most successfully by the American people themselves, through their schools and churches and clubs and unions and communities.

The town affiliation program offers the efficient framework through which individual Americans can speak the real story of America to the people of other lands. But the town affiliation program is not a one-way street. Its purpose is true friendship, which requires our understanding of other peoples.

Today more than ever we need to understand the character, the mood, and the aspirations of the people of other nations. We need to know more deeply and thoroughly that millions of human beings in the vast underdeveloped regions of the earth are struggling for a new life of freedom and opportunity.

We need to know that a revolution is sweeping the world—not a Communist revolution, but a revolution against the intolerable conditions of the past—poverty, hunger, ignorance, and social injustice, and this revolution is winning.

We can read the terse statistics of human needs and learn that 83 percent of the world's people are underfed, 62 percent are illiterate, and 70 percent are sick or poorly housed.

But we do not truly understand—and we are not ready for effective action—until we become compassionately aware of the character and needs, the joys and sufferings of individual human beings in other lands.

Here, too, town affiliations offer the means by which individuals in America can learn from individuals in other nations.

This willingness to learn is vital today. For too long, America has been pictured overseas as a ponderous giant boasting of its superior way of life.

We need a touch of humility in our attitude toward the peoples of other nations. We need to extend not just our frequently superior skills and the tools to use them, but also the hand of friendship, as neighbors, as partners, as equals.

Today, tens of thousands of Americans are extending that hand of friendship to people overseas. More than 150 American cities now are affiliated with "sister cities" in other nations. The American cities in the program represent every section of the country, and every size—from New York City to Oakland, Nebr., population 1,600.

These town affiliations have gone far beyond ceremonial functions.

Tens of thousands of schoolchildren in American communities now correspond regularly with children in their sister cities overseas.

Hundreds of student exchanges have been arranged.

Businessmen, doctors, lawyers, union leaders, and others have exchanged knowledge, advice, and information with their counterparts in foreign cities.

City officials have arranged reciprocal visits to their sister cities, reporting back to their fellow citizens what they saw and learned. Special classes have been organized to teach local citizens the language and culture of their sister city.

There are countless examples of town affiliations leading to specific projects of help and assistance in times of need. A 5-year-old boy in Villaviciosa, the Philippines, will be able to walk again because the people of Forest Heights, Md., extended help for modern medical treatment of his crippled legs.

When Hagerstown, Md., was gripped by severe unemployment last winter, the citizens of Wesel, Germany, offered substantial help.

Some may scoff at such examples. Some may condescendingly admit that the exchanges of sister cities are all very fine, but they are too humble to have any significant effect on a restless and tense world.

Perhaps it is time for us to modify our "think big" approach to international relations and to "think right." Perhaps it is time for us to add something deeper and more basic to our big economic aid programs, our huge technical assistance plans, and our massive military aid projects.

The Government programs of economic and technical assistance are needed and should be increased, but we must also extend the little, human touches of friendship to others.

The United States today plans to step up its foreign-aid programs. We are today prepared to boost our defense budget. Our Government has committed the Nation to a vast new program for the exploration of outer space, including a multi-billion-dollar program to place a man on the moon.

The record of 150 American cities affiliated with communities in 36 nations is good, but the sister-city program must be expanded.

The American Municipal Association has reported to me that the names of 150 more foreign cities are on file with requests for sister cities in the United States.

To be blunt, 150 foreign cities have extended the hand of friendship and have been left standing without a response.

The requests of those 150 foreign cities must be answered by American communities willing and eager to establish town affiliations. And we need to do more to stimulate, encourage, and promote additional sister-city relationships—with the initiative coming from American communities.

A hundred and fifty town affiliations are not enough. Three hundred town affiliations are not enough. We need 3,000 or even 5,000 sister-city affiliations to approach the magnificent potential of American communities joining in friendship and understanding with communities of other nations.

Our ideal should not be limited. Our approach should not be timid. We should hope for the day when every one of America's 13,000 communities has joined as a working neighbor with a foreign community.

Such an expansion of the town affiliation movement can come only through the initiative and effort of citizens and leaders in the communities. The town affiliation program must be sustained as a true and spontaneous people-to-people effort.

But the Government can and should be ready to assist the American Municipal Association and the people-to-people program in any way necessary. If the leaders of the town affiliation program seek additional help, I am confident the Government will respond—with no strings attached.

It remains the responsibility of individual citizens and community leaders to stimulate and develop an expansion of the town affiliation program. I, for one, intend to do all I can to help promote the concept and practice of the town affiliation program in communities of the United States, and I hope each of my colleagues will exert every effort to encourage communities in their own States to develop sister city affiliations.

Mr. President, I believe that the Congress of the United States should go on record in support of the town affiliation program. For that purpose, I submit for appropriate reference a Senate concurrent resolution commending the town affiliation program of the American Municipal Association and the civic committee of the people-to-people program.

I ask that the text of this resolution be printed in the RECORD at this point.

The PRESIDING OFFICER. The concurrent resolution will be received and appropriately referred; and, under the rule, it will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 28) was referred to the Committee on Foreign Relations, as follows:

Whereas the need for establishing direct friendly relationships among the people of the free world has never been more critical; and

Whereas the American Municipal Association and the civic committee's people-to-people town affiliation program provides one of the most effective means for the people of this country to establish more friendly ties with citizens of all ages and interests in the cities, towns, and villages throughout the free world; and

Whereas over 150 communities from more than 40 countries throughout the free world representing an approximate population of over 25 million people are actively seeking affiliations with American cities; and

Whereas the town affiliation program offers to many Americans one of the most effective means of responding to President Kennedy's challenge "to ask what you can do for your country" by working directly with citizens of foreign lands in an exchange of ideas, projects and visits which will strengthen the bonds among the peoples of the free world: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the town affiliation program of the American Municipal Association and the civic committee, people-to-people program, is commended as a major step forward in increasing good will and understanding and bringing the people of all nations together in a bond of mutual trust, friendship and cooperation, and, therefore, the citizens of all communities in our country join with the citizens of communities throughout the world in town affiliations based on mutual interests, respect, and understanding.

Mr. KEATING. Mr. President, will the Senator yield to me?

Mr. HUMPHREY. I yield.

Mr. KEATING. I wish to ask the Senator if the resolution simply approves the work which they are doing.

Mr. HUMPHREY. That is correct.

Mr. KEATING. I believe the work of this group is very significant. I have had personal contact with some of those who are in the work. A great many devoted people are deeply involved in it. They are working there for no reason except to promote a better relationship between our country and other countries. I would be happy if the Senator from Minnesota would do me the honor of permitting me to cosponsor the resolution.

Mr. HUMPHREY. I shall be delighted. I thank the Senator.

Mr. KEATING. Mr. President, I ask unanimous consent that I may be added as a cosponsor of the concurrent resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I conclude by saying that I had the privilege of addressing the National Civic Committee of the People-to-People Program at a Carlton-Sheraton luncheon, at which time I discussed some of the possibilities of expansion of what we call the town affiliation program for friendship, freedom, and peace. I really believe it offers a great opportunity for voluntary action.

When people ask, "What can I do?" and when newspapers ask, "What can the citizen do?" I suggest that there are more than 13,000 towns and cities in the United States, and there is an opportunity for each town or community to affiliate with a community overseas and not only become acquainted with that oversea community, but to have that oversea community become better acquainted with America. It is in this way that we obtain a more mature understanding of the world in which we live, and so establish a basis for an effective foreign policy.

NOMINATION OF JOSEPH C. SWIDLER

The Senate resumed the consideration, in executive session, of the nomination of Joseph C. Swidler to be a member of the Federal Power Commission.

Mr. SMATHERS. Mr. President, how much time is left on this side?

The PRESIDING OFFICER. The Senator has 11 minutes remaining.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time be extended by 15 minutes and that 21 of those be given to the Senator from Wisconsin [Mr. PROXMIRE].

Mr. KEFAUVER. Mr. President——

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. SMATHERS. Mr. President, I believe the Senator from Montana intended to withdraw his request.

Mr. MANSFIELD. Yes. I withdraw that request.

Mr. LONG of Louisiana. Mr. President, the request was agreed to, and it would take unanimous consent to rescind the order.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to rescind the order.

Mr. KEFAUVER. Mr. President, reserving the right to object, the Senator from Wisconsin has been waiting all afternoon——

Mr. SMATHERS. Mr. President, it is evident that the Senator from Wisconsin is going to wait, so I ask unanimous consent that the agreement entered into in response to the request of the majority leader be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMATHERS. Mr. President, I yield to the Senator from Tennessee 4 minutes.

Mr. KEFAUVER. Mr. President, I am delighted to support the President's nomination of Mr. Joseph C. Swidler to membership on the Federal Power Commission.

Over the quarter century during which Mr. Swidler served with the Tennessee Valley Authority—for 12 years as its General Counsel—I came to know him as a hard worker and a most able one, a man of excellent character and integrity.

Mr. Swidler will bring to the Federal Power Commission not only an outstanding organizational ability but also, and perhaps more importantly, a recognition of the interests of that usually "silent party" so often overlooked by some of our ratemaking agencies—the consumer.

Mr. Swidler is a native of Chicago. He attended the public schools there, the University of Illinois, the University of Florida, and the University of Chicago. He received his Ph. B. degree from the University of Chicago in 1929 and his J.D. degree in 1930.

From 1930 to 1933, Mr. Swidler was engaged in private practice in Chicago, and also served as one of the editors of Public Utilities and Carriers Service, a legal service in the utility field. For several months in 1933 he served as Assistant Solicitor for the Department of Interior, leaving to enter TVA employment in Knoxville, Tenn. He served on loan to the Department of Justice as Counsel, Alien Property Bureau, in 1941 and to the War Production Board as Counsel, Power Division, in 1942.

During his service with TVA, Mr. Swidler was active in the development of the TVA power program and participated in all the major acquisitions of utility properties. He also served as Chairman of the Board of the TVA retirement system. In the 12 years in which he was General Counsel of TVA, he also served as Secretary of the Corporation. Since 1957, Mr. Swidler has been in private practice in Nashville, Tenn.

Between 1943 and 1945, he served in the Navy on the staff of the Assistant Secretary of the Navy.

Mr. Swidler is 54 years of age. He is married to the former Gertrude Tyrna of St. Louis, and they have two children; a daughter, 16 years of age, and a son, 12 years of age.

Mr. President, the nomination of Mr. Swidler to this important post has been acclaimed with enthusiasm by many people of my State and Mr. Swidler's adopted State. One excellent example is an editorial which appeared in the Nashville Tennessean on January 28, 1961. I ask unanimous consent that it appear in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. JOSEPH SWIDLER FINE CHOICE FOR FPC

President Kennedy has made an exceptionally good choice in naming Mr. Joseph C. Swidler, a Nashville attorney, chairman of the Federal Power Commission.

Mr. Swidler is a highly capable man who is hard working at any task, and his background in government is considerable. Few are more familiar with the legal jungles of utilities. If anyone can, he should be able to deal with the delays of adjudicatory proceedings—which was a major complaint of the Landis report on regulatory agencies.

Formerly General Counsel of the Tennessee Valley Authority, Mr. Swidler joined the agency shortly after it was created. It was his mammoth task to start preliminary work and to carry through the many and long-drawn-out legal cases which were to establish precedents for the agency. His record with TVA is one that is notable.

On any basis—merit, experience, or integrity—Mr. Swidler meets the requirements for taking over tasks in the FPC. His many friends in the Valley and elsewhere commend his appointment and wish him well.

Mr. KEFAUVER. Mr. President, I understand the issue before the Senate today is action on the confirmation of the nomination of Mr. Swidler to be a member of the Federal Power Commission. The matter of the chairmanship will be one to be worked out between the present Chairman and the President. It is not an issue before the Senate.

Mr. President, Mr. Swidler is a very hard worker. We know that for many years the Federal Power Commission has been behind in handling cases before it. I am sure Mr. Swidler will do much to expedite the work of the Commission. He has a judicial temperament. He will be fair to the companies involved and at the same time he will think about the consumer interest and the public interest.

Mr. President, in my opinion this nominee is one of the best the President has chosen. He is one of the best men the President could possibly find to be a member of the Federal Power Commission.

Mr. Swidler is the President's personal choice for membership on the Commission. This is not a case in which either my colleague [Mr. GORE] or I sponsored Mr. Swindler, wrote letters for him and got support for him, because Mr. Swidler was not an applicant. It is not the case that we would not have been glad to sponsor Mr. Swidler, but it never occurred to us. I did not know he was interested. We simply did not think about it. The first either Senator from the State where Mr. Swidler lives, Tennessee, knew of the nomination was when Mr. Swidler came to our offices and said he had been offered the position, but wished to talk with us before giving an answer. The President has made an excellent personal choice.

I know that by the selection of Mr. Swidler the President has considered the needs of the Federal Power Commission. In my opinion Mr. Swidler will make an outstanding member, will be fair to the companies involved, and will think about the long-neglected consumer interest and what is best in the public interest.

Mr. GORE. Mr. President, will the Senator yield?

Mr. KEFAUVER. If I have any time to do so, I am happy to yield.

The PRESIDING OFFICER. The Senator has a half minute remaining.

Mr. MANSFIELD. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Tennessee has a half minute remaining.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time may be extended 2 minutes and that the 2½ minutes may be allocated to the Senator from Tennessee [Mr. GORE].

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. GORE. Mr. President, will the Senator yield?

Mr. KEFAUVER. Mr. President, I yield all my time to my colleague.

Mr. GORE. I thank my distinguished senior colleague for his very able remarks. I wish to associate myself with them fully.

Mr. President, the nomination is a worthy one, and I believe that the public service which we shall see from this nominee will be a matter of pride for the entire Senate.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the distinguished Senator from Kentucky [Mr. COOPER].

Mr. COOPER. Mr. President, I am happy that I shall have the opportunity to vote for the confirmation of the nomination of the Honorable Joseph C. Swidler to be a member of the Federal Power Commission.

I first met Mr. Swidler in in 1947 when I was a member of the Committee on Public Works of the Senate and Mr. Swidler was an attorney for the Tennessee Valley Authority. In that year we held long hearings involving the operations of the Tennessee Valley Authority. I became well acquainted with Mr. Swidler. I recognized his ability and his fair attitude.

I have known Mr. Swidler, since that time, as lawyer and counsel for the Tennessee Valley Authority, and also as a private attorney.

Mr. Swidler is well known in my State of Kentucky. He is known by those who have worked with him in the Tennessee Valley Authority, by lawyers in our State, and by many of our officials. He is held in high respect for his ability, and his integrity and his character.

Mr. Swidler will be able to bring his knowledge and experience of power problems to the service of the Commission and of the country. I am very happy that I shall have the opportunity to cast my vote to confirm the nomination of Mr. Swidler.

Mr. DIRKSEN. Mr. President, I yield 10 minutes to the distinguished Senator from Kansas [Mr. SCHOEPPEL].

The PRESIDING OFFICER. The Senator from Kansas is recognized for 10 minutes.

Mr. SCHOEPPEL. Mr. President, shortly the Senate will vote on the confirmation of the nomination of Mr. Swidler to be a member of the Federal Power Commission. I sat through all the hearings with reference to the nomination of Mr. Swidler before the Commerce Committee, and I found him to be forthright, frank, and—I must say quite frankly—there was quite a contrast between Mr. Swidler's attitude before our committee and the attitude of the gentleman whose nomination this body confirmed yesterday.

I have every reason to believe that Mr. Swidler is a very able man. He has had great experience. With respect to one part of the Federal Power Commission responsibility, as to oil and gas regulation, he very frankly indicated he did

not have the experience and the background that he had in regard to the electrical industry. I appreciated his frankness. He impressed me as being a person who is willing to cope with the problems as he sees them, fairly and equitably.

I rise this afternoon at this late hour to discuss one phase of the nomination which is before us. This relates to the chairmanship of the Federal Power Commission.

During the course of Mr. Swidler's testimony before the Commerce Committee, he stated that so far as he knew there had been no change in the President's probable intention to appoint him as Chairman of the Federal Power Commission.

When reminded that the President might not have the power to designate a Chairman at this time, Mr. Swidler stated:

> This is the President's legal problem, and I presume that he has legal advice.

The fact is that the President has no legal problem whatsoever in this regard, and I believe the record with respect to the tenure of the Chairman of the Federal Power Commission should be made crystal clear before the Senate acts on Mr. Swidler's nomination.

The law is so clear that there is virtually no room for dispute.

Section 1 of the Federal Power Act as enacted in 1930, title 16, United States Code, section 792, has always provided that the Chairman of that Commission when chosen as Chairman shall "act as such until the expiration of his term of office."

This provision, as I shall show, was not modified in any way by the 1950 reorganization plan for the Federal Power Commission.

In 1950, I was a member of the Senate Committee on Expenditures in the Executive Departments which considered the reorganization plans submitted by then President Truman.

One of them, Reorganization Plan No. 9, of 1950, dealt with the Federal Power Commission and, among other things, authorized the President to select the Chairman of the Federal Power Commission, instead of having him selected by the members of the Commission.

In considering the reorganization plan, our committe also had before it a resolution of disapproval. The resolution was reported unfavorably by the committee and was defeated by the Senate, with the result that the reorganization plan went into effect.

I have recently had occasion to review the legislative history of that reorganization plan and its consideration by the Senate.

The record is clear and the evidence all supports the belief that the plan did not change the clear purpose of section 1 of the Federal Power Act, which provides that the Chairman of the Federal Power Commission shall continue as Chairman until the expiration of his term on the Commission.

The principal comment on this aspect of the 1950 reorganization plan is found in the statement of Federal Power Commissioner Thomas Buchanan.

He flatly told the Senate Committee on Expenditures in Executive Departments:

> The provision (in the plan) for the selection of the Chairman by the President changes only the method of choosing and does not affect the term of the Chairman so selected under the existing law.

Commissioner Buchanan's statement goes on to show a specific application in terms which were very similar to the situation which exists today in the Commission:

> The term of a Federal Power Commissioner is presently 5 years, therefore, a President in the 4th year of his term might select as Chairman the member of the Commission nominated by him and confirmed by the Senate during that year. Under the terms of plan No. 9 as applied to the old law, the Chairman so selected would serve as such not only during the 4th year of the Presidential term in which he was appointed, but likewise 4 years of the succeeding term even though there may be a change in the Presidential office.

It is also worth noting that Senator Edwin C. Johnson, who was then chairman of the Senate Committee on Interstate and Foreign Commerce, quoted Commissioner Buchanan's statement during the Senate debate on the 1950 reorganization plan, and then told the Senate:

> I have not discovered anyone who has found any fault with Mr. Buchanan's facts in regard to this proposal (CONGRESSIONAL RECORD, vol. 96, pt. 6, p. 7381.)

The record, thus, clearly shows that under the law and under the 1950 reorganization plan, the Chairman of the Federal Power Commission serves as Chairman until the expiration of his term as a Commissioner.

In this connection, I ask unanimous consent to have inserted in the RECORD at the conclusion of my remarks a legal memorandum prepared by the Legislative Reference Service of the Library of Congress on this subject.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1.)

Mr. SCHOEPPEL. In the light of this legislative history, I believe that any attempt to install a new Chairman during the term of the present Chairman would clearly be an invasion of the independence of the Federal Power Commission, an attempt to usurp power of Congress to prescribe the term of the Chairman, and a violation of the very laws the President has sworn to uphold.

Weiner v. *U.S.* (357 U.S. 349), decided by our Supreme Court in 1958, removes any doubt that might have existed concerning the power of the President to remove a member of an independent commission.

The President simply does not have that power unless it be for cause, and political preference does not constitute a legal cause.

Since the President of the United States has enormous power and influence, there undoubtedly are devices by which he could bring pressure on a member or the Chairman of an independent regulatory agency in an effort to accomplish a particular purpose.

I have every reason to believe that the President should not overtly or covertly abuse the power he possesses, in an effort to place a person of his own choice in the position of Chairman of the Federal Power Commission, under the present status of the law.

Chairman OREN HARRIS, of the House Committee on Interstate and Foreign Commerce, has introduced H.R. 5868, which would amend the Federal Power Act so that its Chairman would serve at the pleasure of the President.

Congress may, as we all know, if it wishes, enact this or similar legislation and bestow on the President greater power over the Federal Power Commission and its Chairman than he now possesses.

If this is done, all of us naturally would expect the President immediately to designate a person of his choice as Chairman of that Commission. Such action would then be in accordance with the power given to the President by Congress.

In the meantime, the President must abide by existing law and I am confident he will do so. I believe that the policy I have stated is a safe policy to pursue until such time as the law is changed.

EXHIBIT 1

SOME INFORMATION CONCERNING THE TENURE OF THE CHAIRMAN OF THE FEDERAL POWER COMMISSION

1. What is the tenure of the Chairman?

The term of a member of the Federal Power Commission is 5 years from the date of expiration of the term for which his predecessor was appointed, except that a member appointed to fill a vacancy occurring prior to the expiration of a term shall be appointed only for the unexpired term of his predecessor.

One of the five commissioners is designated by the President to serve as chairman and "Each chairman, when so designated, shall act as such until the expiration of his term of office" (16 U.S.C. sec. 792). The history of this section is worth noting. In 1930 (46 Stat. 797) the law provided that "chairmen shall be selected by the Commission itself, each chairman when so elected to act as such until the expiration of his term of office." This provision of the 1930 act was modified by section 3 of Reorganization Plan No. 9 of 1950 (64 Stat. 1265) which stated:

"The functions of the Commission with respect to choosing a chairman from among the commissioners composing the Commission are hereby transferred to the President."

Under the terms of the Reorganization Act of 1949 any reorganization plan submitted to Congress by the President would have the force of law unless disapproved by Congress and, having the force of law, would supersede only those provisions of existing law with which it was inconsistent or in conflict. Since Reorganization Plan No. 9 of 1950 mentioned nothing about the term of the Chairman to be designated by the President those provisions of the 1930 act dealing with his term seemingly would still be in effect. Although title 16 of the United States Code has not been enacted into positive law, the first paragraph of title 16, United States Code, section 792 is an accurate compilation of existing law on the term of the Chairman of the Federal Power Commission.

2. When does the term of the present Chairman expire?

The term of the present Chairman, Jerome K. Kuykendall, a Republican, expires on June 22, 1962.

3. Can he be replaced before his term expires?

4. Are there any precedents in any other regulatory agencies?

There have been several cases dealing with the President's power of removal and with attempts by Congress to curtail it. None of the cases, however, has dealt with the removal of a Federal Power Commissioner.

In 1926, the Supreme Court indicated that the power of the President to remove an officer, other than a judge, in whose appointment he participates, is unlimited and therefore not subject even to express qualification by congressional enactment. *Myers* v. *U.S.* (272 U.S. 52). Nine years later, in *Humphrey's Executor* v. *U.S.* (295 U.S. 602 (1935)), the Court narrowed the scope of the President's removal power, by sustaining a provision included in the act establishing the Federal Trade Commission which prohibited the President from removing a Commissioner except for inefficiency, neglect of duty, or malfeasance in office. The Court distinguished this result from the Myers case by reason of the fact that the Federal Trade Commission was an independent regulatory agency exercising predominantly quasi-judicial and quasi-legislative functions and Congress might appropriately permit the Commissioners to exercise these functions independently of executive control.

More recently, in *Wiener* v. *U.S.* (357 U.S. 349 (1958)) the Court held that even in the absence of any express statutory limitation, the President was not entitled to remove without cause a member of the War Claims Commission which exercised functions almost wholly adjudicatory in power.

Although there is no express statutory limitation on the President's power to remove a Federal Power Commissioner, since the functions of the Commission are both quasi-judicial and quasi-legislative, it seems likely that the Court would follow the holdings in Humphrey's Executor and Wiener if presented with the case of removal of a Federal Power Commissioner without cause before the expiration of his term. Because the Court has tended to judge each agency on its own functions, however, no truly definitive answer can be given in the absence of a decision involving the Federal Power Commission.

Mr. DIRKSEN. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 10 minutes.

Mr. DIRKSEN. I know of no expressed opposition on the minority side to the confirmation of the nomination of Mr. Swidler, which is pending before us. However, we felt that we ought to raise a question and make a legislative record because of a colloquy that took place before the committee in which Mr. Swidler was queried as to whether there had been any change in the President's intention to appoint him as Chairman of the Federal Power Commission. When he was reminded of that question, Mr. Swidler stated that, insofar as he knew, there was no change in the President's intention. When the question was raised that there might be some legal problem, his answer was:

> It would be the President's legal problem, and I presume he has legal advice.

We have previously gone through some difficulties of that type, going back as far as the Commissioner of the Federal Trade Commission, Mr. Humphrey, who was removed from the Commission by President Roosevelt. That case was ultimately ventilated by the Supreme Court.

A more recent case, in 1958, was the case of Wiener against the United States, which concerned the War Claims Commission. A Commissioner was removed, and there were some difficulties in connection therewith. The question arose as to the inherent constitutional power of the President to remove a person in that status from a quasi-judicial body.

As I understand from the record, in the instant case, Mr. Swidler was nominated only for membership on the Federal Power Commission. Nothing was said about his being designated for the chairmanship of that Commission. But since Mr. Swidler indicated that there had been no change in the President's intention insofar as he knew, the question whether Mr. Swidler might be elevated to the chairmanship, notwithstanding the provisions contained in existing law, would be saved for some later disposition.

The present Chairman of the Federal Power Commission would have to be removed or dismissed, or he would have to resign before a new Chairman could be installed. I believe that the language of the statute is quite clear with respect to the incumbent who occupies the position at the present time.

Title 16, United States Code, section 792, states, in effect:

> The Chairman, when chosen, shall act as such until the expiration of his term of office.

The language appears to me to be clear. The Chairman, when chosen, shall act as such until the expiration of his term of office. That language was contained in the act of 1930, as amended. The act was further amended by Reorganization Plan No. 9, which was incorporated in the statute in 1950. The Act gave the President the power to choose a Chairman instead of having the Commission choose the Chairman, but the provision had no effect upon the remainder of the language in the statute, which provided that the Chairman should hold office during his tenure.

The term of the incumbent Chairman continues for some years. If the language of the statute means anything to me, it means that for the tenure of his office he will serve as the Chairman of the Federal Power Commission. The President has authority to name the Commissioners. He also has authority to interpose certain restrictions upon the budget of the Commission, and what could be requested of the Congress by way of administrative expenses. But the President's power is limited, and that limitation is spelled out pretty well in the case of *Weiner* v. *The United States* (357 U.S. Reports, p. 349). The case is a war claims case that came up in the June term of 1958 before the Supreme Court. The case concerned the removal of a Commissioner, who filed suit for back pay in the Court of Claims, and the Court of Claims did exactly nothing about it. But the case went to the Supreme Court of the United States.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. I yield myself an additional 5 minutes.

Incidentally, the Court of Claims was divided with respect to the petition that was filed by Mr. Wiener, and then the case went up on a writ of certiorari. There is some rather interesting language in the Court decision that I believe ought to be made a part of the RECORD. The decision is not unduly long, and I ask unanimous consent that the entire decision be made a part of my remarks.

There being no objection, the decision was ordered to be printed in the RECORD, as follows:

Mr. Justice Frankfurter delivered the opinion of the Court.

This is a suit for back pay, based on petitioner's alleged illegal removal as a member of the War Claims Commission. The facts are not in dispute. By the War Claims Act of 1948 (62 Stat. 1240), Congress established that Commission with "jurisdiction to receive and adjudicate according to law," section 3, claims for compensating internees, prisoners of war, and religious organizations, sections 5, 6, and 7, who suffered personal injury or property damage at the hands of the enemy in connection with World War II. The Commission was to be composed of three persons, at least two of whom were to be members of the bar, to be appointed by the President, by and with the advice and consent of the Senate. The Commission was to wind up its affairs not later than 3 years after the expiration of the time for filing claims, originally limited to 2 years but extended by successive legislation first to March 1, 1951, 63 Stat. 112, and later to March 31, 1952, 65 Stat. 28. This limit on the Commission's life was the mode by which the tenure of the Commissioners was defined, and Congress made no provision for removal of a Commissioner.

Having been duly nominated by President Truman, the petitioner was confirmed on June 2, 1950, and took office on June 8, following. On his refusal to heed a request for his resignation, he was, on December 10, 1953, removed by President Eisenhower in the following terms: "I regard it as in the national interest to complete the administration of the War Claims Act of 1948, as amended, with personnel of my own selection." The following day, the President made recess appointments to the Commission, including petitioner's post. After Congress assembled, the President, on February 15, 1954, sent the names of the new appointees to the Senate. The Senate had not confirmed these nominations when the Commission was abolished, July 1, 1954, by Reorganization Plan No. 1 of 1954 (68 Stat. 1279), issued pursuant to the Reorganization Act of 1949 (63 Stat. 203). Thereupon, petitioner brought this proceeding in the Court of Claims for recovery of his salary as a War Claims Commissioner from December 10, 1953, the day of his removal by the President, to June 30, 1954, the last day of the Commission's existence. A divided Court of Claims dismissed the petition (135 Ct. Cl. 827, 142 F. Supp. 910). We brought the case here (352 U.S. 980) because it presents a variant of the constitutional issue decided in *Humphrey's Executor* v. *United States* (295 U.S. 602).[1]

[1] An earlier quo warranto proceeding initiated by petitioner was dismissed; an appeal from this judgment was dismissed as moot by stipulation of the parties. The Government's contention that that judgment estops petitioner from relitigating certain issues in the present proceeding does not, in the special circumstances presented on this record, call for consideration on the merits. It was not urged, as in the particular situation it should have been, as a

Controversy pertaining to the scope and limits of the President's power of removal fills a thick chapter of our political and judicial history. The long stretches of its history, beginning with the very first Congress, with early echoes in the Reports of this Court, were laboriously traversed in *Myers* v. *United States* (272 U.S. 52), and need not be retraced. President Roosevelt's reliance upon the pronouncements of the Court in that case in removing a member of the Federal Trade Commission on the ground that "the aims and purposes of the administration with respect to the work of the Commission can be carried out most effectively with personnel of my own selection" reflected contemporaneous professional opinion regarding the significance of the Myers decision. Speaking through a Chief Justice who himself had been President, the Court did not restrict itself to the immediate issue before it, the President's inherent power to remove a postmaster, obviously an executive official. As of set purpose and not by way of parenthetic casualness, the Court announced that the President had inherent constitutional power of removal also of officials who have "duties of a quasi-judicial character * * * whose decisions after hearing affect interests of individuals, the discharge of which the President cannot in a particular case properly influence or control." *Myers* v. *United States, supra,* at 135. This view of Presidential power was deemed to flow from his "constitutional duty of seeing that the laws be faithfully executed."[2]

The assumption was shortlived that the *Myers* case recognized the President's inherent constitutional power to remove officials, no matter what the relation of the executive to the discharge of their duties and no matter what restrictions Congress may have imposed regarding the nature of their tenure. The versatility of circumstances often mocks a natural desire for definitiveness. Within less than 10 years a unanimous Court, in *Humphrey's Executor* v. *United States* (295 U.S. 602), narrowly confined the scope of the *Myers* decision to include only "all purely executive officers" (295 U.S., at 628). The Court explicitly "disapproved" the expressions in *Myers* supporting the President's inherent constitutional power to remove members of quasi-judicial bodies (295 U.S., at 626–627). Congress had given members of the Federal Trade Commission a 7-year term and also provided for the removal of a Commissioner by the President for inefficiency, neglect of duty, or malfeasance in office. In the present case, Congress provided for a tenure defined by the relatively short period of time during which the War Claims Commission was to operate—that is, it was to wind up not later than 3 years after the expiration of the time for filing of claims. But nothing was said in the act about removal.

This is another instance in which the most appropriate legal significance must be drawn from congressional failure of explicitness. Necessarily this is a problem in probabilities. We start with one certainty. The problem of the President's power to remove members of agencies entrusted with duties of the kind with which the War Claims Commission was charged was within the lively knowledge of Congress. Few contests between Congress and the President have so recurringly had the attention of Congress as that pertaining to the power of removal. Not the least significant aspect of the *Myers* case is that on the Court's special invitation Senator George Wharton Pepper, of Pennsylvania, presented the position of Congress at the bar of this Court.

Humphrey's case was a cause célèbre—and not least in the Halls of Congress. And what is the essence of the decision in Humphrey's case? It drew a sharp line of cleavage between officials who were part of the Executive Establishment and were thus removable by virtue of the President's constitutional powers, and those who are members of a body "to exercise its judgment without the leave or hindrance of any other official or any department of the Government" (295 U.S., pp. 625–626), as to whom a power of removal exists only if Congress may fairly be said to have conferred it. This sharp differentiation derives from the difference in functions between those who are part of the Executive Establishment and those whose tasks require absolute freedom from Executive interference. "For it is quite evident," again to quote Humphrey's Executor, "that one who holds his office only during the pleasure of another, cannot be depended upon to maintain an attitude of independence against the latter's will" (295 U.S. p. 629).

Thus, the most reliable factor for drawing an inference regarding the President's power of removal in our case is the nature of the function that Congress vested in the War Claims Commission. What were the duties that Congress confided to this Commission? And can the inference fairly be drawn from the failure of Congress to provide for removal that these Commissioners were to remain in office at the will of the President? For such is the assertion of power on which petitioner's removal must rest. The ground of President Eisenhower's removal of petitioner was precisely the same as President Roosevelt's removal of Humphrey. Both Presidents desired to have Commissioners, one on the Federal Trade Commission, the other on the War Claims Commission, "of my own selection." They wanted these Commissioners to be their men. The terms of removal in the two cases are identic and express the assumption that the agencies of which the two Commissioners were members were subject in the discharge of their duties to the control of the Executive. An analysis of the Federal Trade Commission Act left this Court in no doubt that such was not the conception of Congress in creating the Federal Trade Commission. The terms of the War Claims Act of 1948 leave no doubt that such was not the conception of Congress regarding the War Claims Commission.

The history of this legislation emphatically underlines this fact. The short of it is that the origin of the act was a bill, H.R. 4044, 80th Congress, 1st session, passed by the House that placed the administration of a very limited class of claims by Americans against Japan in the hands of the Federal Security Administrator and provided for a Commission to inquire into and report upon other types of claims. See House of Representatives Report No. 976, 80th Congress, 1st session. The Federal Security Administrator was indubitably an arm of the President. When the House bill reached the Senate, it struck out all but the enacting clause, rewrote the bill, and established a Commission with "jurisdiction to receive and adjudicate according to law" three classes of claims, as defined by sections 5, 6, and 7. The Commission was established as an adjudicating body with all the paraphernalia by which legal claims are put to the test of proof, with finality of determination "not subject to review by any other official of the United States or by any court by mandamus or otherwise" (sec. 11). Awards were to be paid out of a War Claims Fund in the hands of the Secretary of the Treasury, whereby such claims were given even more assured collectibility than adheres to judgments rendered in the Court of Claims. (See S. Rept. No. 1742, 80th Cong., 2d sess.) With minor amendment (see H.R. Conference Rept. No. 2439, 80th Cong., 2d sess. 10–11), this Senate bill became law.

When Congress has for distribution among American claimants funds derived from foreign sources, it may proceed in different ways. Congress may appropriate directly; it may utilize the Executive; it may resort to the adjudicatory process (see *La Abra Silver Mining Co.* v. *United States,* 175 U.S. 423). For Congress itself to have made appropriations for the claims with which it dealt under the War Claims Act was not practical in view of the large number of claimants and the diversity in the specific circumstances giving rise to the claims. The House bill in effect put the distribution of the narrow class of claims that it acknowledged into Executive hands, by vesting the procedure in the Federal Security Administrator. The final form of the legislation, as we have seen, left the widened range of claims to be determined by adjudication. Congress could, of course, have given jurisdiction over these claims to the district courts or to the Court of Claims. The fact that it chose to establish a commission to "adjudicate according to law" the classes of claims defined in the statute did not alter the intrinsic judicial character of the task with which the Commission was charged. The claims were to be "adjudicated according to law," that is, on the merits of each claim, supported by evidence and governing legal considerations, by a body that was "entirely free from the control or coercive influence, direct or indirect" (*Humphrey's Executor* v. *United States, supra,* 295 U.S., 629), of either the Executive or the Congress. If, as one must take for granted, the War Claims Act precluded the President from influencing the Commission in passing on a particular claim, a fortiori must it be inferred that Congress did not wish to have hang over the Commission the Damocles' sword of removal by the President for no reason other than that he preferred to have on that Commission men of his own choosing.

For such is this case. We have not a removal for cause involving the rectitude of a member of an adjudicatory body, nor even a suspensory removal until the Senate could act upon it by confirming the appointment of a new Commissioner or otherwise dealing with the matter. Judging the matter in all the nakedness in which it is presented, namely, the claim that the President could remove a member of an adjudicatory body like the War Claims Commission merely because he wanted his own appointees on such a Commission; we are compelled to conclude that no such power is given to the President directly by the Constitution, and none is impliedly conferred upon him by statute simply because Congress said nothing about it. The philosophy of Humphrey's executor, in its explicit language as well as its implications, precludes such a claim.

The judgment is reversed.

Mr. DIRKSEN. I wish only to highlight a few paragraphs in the decision. The court was referring to an earlier case which had gained considerable notoriety. It was known as the Myers case. It was a case in which President Franklin Roosevelt had removed a postmaster. This is what the Supreme Court said:

Speaking through a Chief Justice who himself had been President, the Court did not restrict itself to the immediate issue before it, the President's inherent power to remove a postmaster, obviously an executive official. As of set purpose and not by way of parenthetic casualness, the Court announced that the President had inherent constitutional power of removal also of officials who have "duties of a quasi-judicial character * * * whose decisions after hearing affect interests of individuals, the discharge of which the President cannot in a partic-

"ground why the cause should not be reviewed by this court." Rule 24(1) of the Revised Rules of the Supreme Court of the United States. In thus disposing of the matter, we do not mean to imply any support on the merits of the Government's claim.

[2] Ibid.

ular case properly influence or control." (*Myers* v. *United States, supra*, p. 135).

Then the Court went on to hold, because there was an assumption:

The assumption was short-lived that the Myers case recognized the President's inherent constitutional power to remove officials, no matter what the relation of the executive to the discharge of their duties and no matter what restrictions Congress may have imposed regarding the nature of their tenure.

The Court finally gets down to the nub of the matter, and I read only two more paragraphs:

If, as one must take for granted, the War Claims Act precluded the President from influencing the Commission in passing on a particular claim, a fortiori must it be inferred that Congress did not wish to have hang over the Commission the Damocles' sword of removal by the President for no reason other than that he preferred to have on that Commission men of his own choosing.

For such is this case. We have not a removal for cause involving the rectitude of a member of an adjudicatory body, nor even a suspensory removal until the Senate could act upon it by confirming the appointment of a new Commissioner or otherwise dealing with the matter. Judging the matter in all the nakedness in which it is presented, namely, the claim that the President could remove a member of an adjudicatory body like the War Claims Commission merely because he wanted his own appointees on such a Commission, we are compelled to conclude that no such power is given to the President directly by the Constitution, and none is impliedly conferred upon him by statute simply because Congress said nothing about it. The philosophy of Humphrey's Executor, in its explicit language as well as its implications, precludes such a claim.

The judgment is reversed.

The Supreme Court of the United States, therefore, reversed the Court of Claims, and I suppose in due course Mr. Wiener was paid and his cause was justified.

If that language in the Federal Power Commission statute means anything, it means that the Chairman, once designated by the Commission, holds office as Chairman for the tenure of his office. If Mr. Kuykendall, the present chairman, has 4 or 5 years remaining in his term, it is my judgment that, so long as he engages in no conduct which might cause him to be charged with misconduct in office, there is no way that the President of the United States can remove him. Therefore, there is no way that the President could designate a new Chairman of the Federal Power Commission. If this is undertaken at some future time, I would apprehend, on the basis of previous experience and the cases that have come to my attention, this matter probably would land in the courts.

It would reflect no great credit upon the Senate, knowing the situation and being familiar with the comment Mr. Swidler made before the Commerce Committee in response to a question, if we entirely ignored this question. I believe the Senate could very properly be scolded and reprimanded for having failed to take account of it, particularly since this subject has been ventilated in the press and in the public prints for quite some time.

I therefore wanted to be sure, along with my distinguished friend from Kansas [Mr. SCHOEPPEL], who is the ranking Republican member on the Commerce Committee, and whose sentiments I endorse, that there be something to refer to. It would bring into purview the interpretation of a statute enacted by Congress under which the Federal Power Commission was created. It would bring into purview the interpretation of a reorganization plan not disapproved by the Congress which was incorporated in the statute. In the language of the Court, in all its nakedness, the incumbent Chairman will occupy that place unless he resigns, or unless he be ousted by court order.

The language is clear as crystal that he is the Chairman for the tenure of his office.

I do not wish to have litigation saved up for some future date simply because the Senate failed to take account of the situation and failed to do its duty in that respect.

We do not oppose Mr. Swidler. We only say that he is not the Chairman-designate. As the language is carried in the hearings on Mr. Swidler, he was nominated for the remainder of the term expiring June 22, 1965, and for nothing else. If an effort is made to remove the present Chairman, or to pressure him into resignation, I gather, of course, that there will be resort to the courts. So a little legislative history had to be made. The court can refer to it if and when this matter comes before the court for judicial decision.

We have nothing more to say about it. We have said nothing derogatory about Mr. Swidler. We do not oppose his nomination, but we want to be sure that the language which Congress wrote into the Federal Power Commission Act, the language that was incorporated in the act under the reorganization plan with respect to the chairmanship of that independent regulatory body, be properly preserved. The Commission is not a creature of the President of the United States. It is a creature of Congress. I believe the intent and will of Congress as expressed in the statute should be and must be preserved and followed.

Mr. PASTORE. Mr. President, it was my privilege as a member of the Committee on Commerce to attend most of the hearings on the nomination of Joseph C. Swidler to be a member of the Federal Power Commission. I was very much impressed with Mr. Swidler.

On the floor of the Senate, we hear much debate concerning private power and public power. From our consideration of this nomination, I find comfort in the fact that the consumer interest will be protected by Mr. Swidler. I was convinced of that at the time of the hearings; I am convinced of it now.

I am very happy to support the nomination of Mr. Swidler. I commend it highly to the Senate. I hope the nomination will be unanimously confirmed.

Mr. DIRKSEN. Mr. President, I yield myself 1 minute.

The Senator from Kansas [Mr. SCHOEPPEL] alluded to the fact that Representative HARRIS, of Arkansas, a great and distinguished Member of Congress with whom it was my privilege to serve for many years, has also given thought to the question of the chairmanship and the language of the existing statute.

On March 23 of this year, Representative HARRIS introduced a bill to amend the Federal Power Act with respect to the number and terms of office of members of the Commission, and for other purposes. The bill provides for a Commission of seven members. Under the bill, the President would designate the Chairman. No one quarreled with the right of the President to do so. Congress can confer that power, if it wishes to do so.

But we are dealing at present with existing law, and that is the point we make if an effort should be undertaken with respect to the present Chairman of the Federal Power Commission.

Mr. President, I am ready to yield back the time remaining on this side.

Mr. MANSFIELD. Mr. President, I yield back the time remaining on this side.

The PRESIDING OFFICER. All time is yielded back.

Mr. DIRKSEN. Mr. President, so far as I know, there is no demand on this side for a yea-and-nay vote.

Mr. JAVITS. Mr. President, I wish to express my support of this nomination, without in any way passing on the legal questions which have been debated and which may be involved in the matter of the chairmanship of the Federal Power Commission.

I had an opportunity to interview Mr. Swidler. I believe he can do a good job as a member of the Federal Power Commission. I wish to express this view before the vote is taken on the nomination, without in any way, as I have said, impinging upon the legal questions which may ultimately be involved, or without in any way affecting them. My remarks are strictly devoted to the capability of Mr. Swidler to be a member of the Federal Power Commission.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Joseph C. Swidler, of Tennessee, to be a member of the Federal Power Commission?

The nomination was confirmed.

Mr. THURMOND. Mr. President, I desire the RECORD to show that I voted against the confirmation of the nomination of Joseph C. Swidler to be a member of the Federal Power Commission.

Mr. MANSFIELD. Mr. President, I ask that the President be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, the President will be notified.

Mr. DOUGLAS. Mr. President, now that the nomination of Mr. Swidler has been confirmed, I am very happy to state that I had the pleasure of voting for confirmation of his nomination.

I should like to add a word of personal appreciation of the confirmation of Mr. Swidler's nomination, because while he is now a resident of Tennessee, and has been for many years, he began his legal career in the city of Chicago.

It so happens that about 30 years ago, when I was locked in more or less mortal

combat with the late Samuel Insull, and believed, first, that there were financial irregularities in the Insull empire, and that the holding-company structure of the Insull empire was very shaky, and second, that the economies in the generation and transmission of electricity and gas were not being passed on to the consumers, with other Chicagoans I helped organize the Illinois Consumers & Investors League, and we engaged Mr. Swidler as our counsel.

Mr. Swidler was then a young attorney associated with David Lilienthal; and he had prepared the very accurate reports on utility regulation and legislation which were being published by the Commerce Clearing House.

The ensuing 2 years were about as strenuous as any I have ever passed in my life; and I may say I learned something about the nature of the tactics of private utilities and something about the nature of politics, both in my city and State and in the Nation. For many months I doubted whether I would be able to survive the attacks which Mr. Insull and his followers directed. The issues which were carried before the Illinois Commerce Commission were quite important, and raised some fundamental questions in regard to the effectiveness of public utility regulation.

Fortunately for me, at least, Mr. Insull collapsed before I did, and went to Paris while one of the crucial suits was on. From Paris, some months later he went to Greece—closely pursued by the law; and finally he was picked up on a boat in the Aegean Sea, while clothed in some doubtful habiliments.

During that strenuous period of time, Mr. Swidler was our counsel, and he presented our cases with decorum and ability.

In 1933, he was appointed by my friend, Harold Ickes, to be a member of the legal staff of the Department of the Interior. Possibly I had something to do with his appointment. From there, he was appointed to the Tennessee Valley Authority; and he went on to have a fine career of distinguished public service.

Earlier in his life, Mr. Swidler demonstrated the quality of courage which I believe is very greatly needed in the general field of private-utility regulation, but frequently is conspicuous by its absence on the part of the regulators.

I am confident that Mr. Swidler will be a brave public servant. Certainly he is a most competent public servant; and I know of no one in the country who knows public utility law as thoroughly as he does. He will be a defender of the consumers' interests, and he will also be fair in his judgments and in his rulings. Perhaps out of the dust and out of the storm and lightning of battle, we may get some reconciliation.

In any event, I am very happy at the action of the Senate in confirming his nomination. I wish to congratulate the Senate on the quality of this appointment—as I did on the quality of the appointment of Mr. Morgan, whose nomination the Senate confirmed yesterday—and I desire to state that I think the Nation has gained a great public servant.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

SENATOR THRUSTON B. MORTON

Mr. KEATING. Mr. President, it has been my pleasure during the past 3 years to occupy a desk in this Chamber adjacent to that of the distinguished junior Senator from Kentucky, the Honorable THRUSTON B. MORTON.

During a large part of that time, my friend has not only been a tireless representative in this body for his illustrious State, but also has served as chairman of the National Committee of the Republican Party.

I have marveled at the extreme proficiency with which he has managed both of these demanding assignments. He has led the Republican Party from a relatively low point to a national position of virtual equality with the mighty party represented by Members on the other side of the aisle. At the same time he has given his State service of the same high order that sons of Kentucky have traditionally rendered in this body.

Senator MORTON has now turned over his duties at the Republican National Committee to an outstanding Congressman from my own State. He, therefore, will henceforth be free to devote even more of his time and efforts to advancing the interest of his great State.

Mr. President, I ask unanimous consent that at this point in the RECORD there be printed an editorial commending the junior Senator from Kentucky from the June 13 issue of the New York Herald Tribune, and a column on the same subject from the same date by that newspaper's perceptive correspondent, Earl Mazo.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WHILE THE CAT'S AWAY, THE MICE AND SO FORTH

Political mice are traditionally known for the persistence of their playfulness when the cat's away. They have not been idle in Kentucky while THRUSTON MORTON has been trying to serve his party as national chairman—and succeeding amazingly well—in addition to representing his constituents in the Senate. He may have a stiff reelection fight on his hands.

Voting is 17 months away, but what looks like a comfortable surplus of time may be a mirage if Democrats in abundantly Democratic Kentucky unite behind Lt. Gov. Wilson Wyatt as their senatorial candidate. As Earl Mazo points out elsewhere on this page, General Eisenhower's presence at the Morton party in Cincinnati last night is witness to Republican awareness not only of the party's debt to the Senator but the urgency of helping him to get reelected.

Senator MORTON deserves his party's assistance on three counts:

He has served ably as a Senator, following a sensible middle-of-the-road course and avoiding the irritating branding irons of both extremes.

He has served ably as national chairman, picking up organizational strings at a low point in history and pushing on to a near victory in November.

His Republicanism—moderate, enlightened, tunable to the needs of the Nation—is the formula of the future. He, like Kentucky colleague JOHN SHERMAN COOPER, and GOP gubernatorial candidate James P. Mitchell, of New Jersey, can renew the party's virility and sense of direction. These and men of similar temperament are the party's best bets for tomorrow's leadership.

Now that THRUSTON MORTON has received his well-done and farewell from the President who asked him to become national chairman, he can return to his old Kentucky home to check on the mice. If he faces them with the confidence and good will with which he has met larger national party crises, he will strengthen his hand for the second-term reckoning that is 17 months away.

THE REPUBLICANS' KENTUCKY GENTLEMAN

(By Earl Mazo)

WASHINGTON.—General Eisenhower, who isn't much for attending political dinners, went out of his way last night to show up at a fund raiser given by the Republican organization of Cincinnati. The speaker was Senator THRUSTON B. MORTON, the recently resigned Republican national chairman.

It was Senator MORTON'S last major appearance in the party's behalf outside Kentucky until after his own campaign for reelection is over 17 months hence. And former President Eisenhower came to demonstrate, graphically, his friendship and high esteem for the Senator.

General Eisenhower and other top-echelon Republicans regard THRUSTON MORTON to be one of the finest public figures in Washington. And they consider his continued service in Congress a must.

But it is well known he faces serious obstacles in the balloting next year. He will have a formidable opponent in Lt. Gov. Wilson Wyatt, the probable Democratic nominee for Senator, one of Ambassador Adlai Stevenson's closest friends and political associates. Even more of a challenge is the fact that Democrats outnumber Republicans something over 2 to 1 in Kentucky, and thus, at best, it is extremely difficult for anyone labeled "Republican" to win a statewide contest.

The Republican national chairmanship brought prestige to the Senator and was in many ways a boon to his State. But it also required him to take positions from time to time that were more partisan than was natural for him. And that could prompt many home-State Democrats to judge him by party affiliation alone.

On the other hand, Senator MORTON'S strongest boosters, like General Eisenhower, believe it possible that the distinction with which he led it might, in the long run, make of his Republican chairmanship an overall vote-getting asset.

The tall, good-natured Kentuckian took over the party organization in April 1959, at President Eisenhower's behest. The great Democratic sweep—and Republican disaster—of the 1958 elections had just passed, and according to the Gallup poll, the Republican Party had sunk to its lowest point with the voters in this century. The Gallup report said the party was in even worse shape than after the Franklin Roosevelt triumph in 1936 which practically decimated its membership in Congress and its Governors.

Senator MORTON'S task was to breathe life into his harried political troops, inspire good men and women—"new faces"—to join the fray as candidates and workers in the Republican cause, dispel the apathy that prompted contributors to snap shut their wallets, and restore confidence all around. At the same time, he was to keep up with his duties and responsibilities as a Senator.

It was some job.

And the verdict of those who know is that THRUSTON MORTON did it superbly and selflessly. Though losing the Presidency by a fraction of a percentage point of the total vote. Republicans gained substantially on all fronts. Significantly, Senator MORTON turned over to his successor a party with more zip than it has shown in many years.

Originally, Senator MORTON hoped to resign the national chairmanship and begin concentrating on his own reelection effort last fall. But he stayed on at the urging of President Eisenhower and just about every other high-level party figure. All felt party unity could best be assured during the touchy postelection period only with Senator MORTON in charge.

He left the chairmanship early this month, after achieving agreement from all factions on his successor, Representative WILLIAM E. MILLER, of New York, and thus averting a possible party-splitting fight for the chairmanship.

That Senator MORTON succeeded in this, as he has in much else, was no surprise to his admirers. They knew the charming, homespun THRUSTON MORTON as a natural politician who, in a sense, isn't really a politician.

A grandfather (S. Thruston Ballard) had been Lieutenant Governor of Kentucky when Senator MORTON was a child more than 40 years ago. But he did not "take a fling" at politics himself until after World War II.

Like President Kennedy and former Vice President Nixon, Senator MORTON had served in the Navy—and then been elected to Congress in 1946. He remained in the House of Representatives (for three terms) until General Eisenhower was elected President. In the Eisenhower administration he became an Assistant Secretary of State, and in 1956 he ran for Senator—and won.

Recently, when a visitor from Kentucky was asked by a Democratic Senator how come the fine, Democratic Bluegrass State had produced, of all things, the Republican national chairman, the reply was: "Well, THRUSTON'S a genuine Kentuckian, you know."

Senator MORTON and his antecedents for generations back were born in or near Louisville. In fact, he is descended (on one side of the family) from Dr. John Walker, who reputedly was the first white man to build a log cabin west of the Alleghenies. And that was a long time ago.

Mr. DIRKSEN. Mr. President, I associate myself with the remarks of the distinguished Senator from New York. The distinguished Senator from Kentucky has been by all odds one of the ablest and most vigorous chairmen the Republican National Committee ever had in its entire history. I have often been astonished by the vigor with which he addressed himself to those responsibilities and how freely he gave of his time to journey into every section of the country, first in the interest of the country, and then in the interest of the party. He is to be commended for the long and arduous labor which he performed.

But that is nothing new to a Kentuckian. Kentuckians know what hard work is, and they work to a purpose. So Senator MORTON was merely following the great traditions of Kentucky and in the footsteps of the great men from Kentucky who have graced not only this body but the other body, as well.

Mr. COOPER. Mr. President, I join with the distinguished Senator from New York [Mr. KEATING] and the distinguished Senator from Illinois [Mr. DIRKSEN] in the tribute they have just paid to my colleague, the distinguished junior Senator from Kentucky [Mr. MORTON]. It is not necessary for me to say that my colleague has made a great chairman of the Republican National Committee. We know that he has lifted our party, and we are very proud that in the conduct of the duties of his office he performed them on the highest plane, first for our country, and then for our party.

That attitude has also attended his distinguished service in the Senate of the United States. Senator MORTON is held in great respect and affection in the State of Kentucky. I believe that that confidence and respect will be expressed a little more than a year from now, when the people of Kentucky return him to the Senate of the United States.

Mr. PASTORE. Mr. President, I wish to join in the congratulations which are being extended to the distinguished Senator from Kentucky [Mr. MORTON]. Now that he has relieved himself of the mantle of the direction of the Republican Party, I find comfort in the belief that the chances of the Democratic Party will be better in the next election.

FEDERAL-AID HIGHWAY ACT OF 1961

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of the bill (H.R. 6713), the Federal-Aid Highway Act of 1961.

The motion was agreed to; and the Senate resumed the consideration of the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes.

LEGISLATIVE PROGRAM—ORDER FOR ADJOURNMENT TO 11 A.M. TOMORROW

Mr. DIRKSEN. Mr. President, I should like to ask the distinguished majority leader what he plans for the rest of the day and, if he can tell us, what the plan will be for tomorrow's legislative session.

Mr. MANSFIELD. Mr. President, we shall spend a little time this evening—not too much—on a further discussion of the highway tax measure.

I ask unanimous consent that when the Senate adjourns tonight, it adjourn until 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. The purpose of the early meeting of the Senate tomorrow is to see if it will not be possible to consider and vote on the pending measure tomorrow. If the Senate concludes action on the highway tax measure by tomorrow night, it is the intention of the leadership to have the Senate adjourn until Monday. However, if action is not completed on the highway tax bill by tomorrow night, the Senate will meet on Friday for the further consideration of the bill.

Mr. DIRKSEN. Mr. President, it is my understanding that tomorrow the very distinguished Republican Senator-elect from Texas is to be installed in office with suitable ceremony.

Mr. MANSFIELD. That is my understanding; that is what I have been told; that is what I anticipated.

Mr. DIRKSEN. I anticipate that that will be the order of business immediately after the morning hour tomorrow.

Mr. MANSFIELD. At the pleasure of the distinguished minority leader. I put all Senators on notice to that effect, Democrats as well as Republicans.

Mr. DIRKSEN. We have had a tentative arrangement to have a full-dress discussion of the so-called reorganization plans. That discussion should have eventuated today, but it did not. That is only a part of the difficulty we sometimes encounter.

Time is marching. Action must be taken on two reorganization plans before the 26th of June. I wonder whether it would be possible, tentatively, to make that discussion the order of business for Monday next, because a number of resolutions of disapproval will be available for consideration.

Mr. MANSFIELD. I am perfectly willing to agree to that suggestion, and I give notice that on Monday next the Senate will discuss the proposals enunciated by the distinguished minority leader.

Mr. DIRKSEN. I thank the distinguished majority leader.

OIL DEPLETION ALLOWANCE

Mr. PROXMIRE. Mr. President, the distinguished senior Senator from Delaware [Mr. WILLIAMS] has introduced what I believe to be an excellent bill. He kindly permitted me to be a cosponsor of it, with him. The bill substantially reduces the oil depletion allowance, although it will still keep it high enough so that there will be ample reward of the oil industry and ample incentive exploration, and so forth. But the bill will conserve enough for the Federal Treasury—so the Senator from Delaware has calculated, and he has Treasury support for it—so that it will be possible to reduce the Federal income tax from the present top effective rate of 87 percent to 60 percent.

I think the bill is a fine one, because it will reduce what is obviously a ridiculously high and confiscatory personal income tax, and will do it without bringing any loss to the Treasury. In fact, it will result in a substantial gain to the Treasury.

The bill is a very fine one, and I am very proud to be a cosponsor of it. I hope it will be enacted into law.

DEFICIT SPENDING VERSUS ECONOMIC FREEDOM

Mr. PROXMIRE. Mr. President, this morning, in the Washington Post, the distinguished economics professor, Seymour E. Harris, Littauer professor of political economy at Harvard University, had a letter printed which attacks the Senator from Arizona [Mr. GOLDWATER]. I know Prof. Seymour Harris from having attended the Harvard Graduate School and having served as a teaching

fellow and tutor. I think he is a fine and able economist, but I must side enthusiastically with the Senator from Arizona [Mr. GOLDWATER] in this dispute.

In his letter, Professor Harris advances a particular thesis, and I am taking the time to discuss it because it is a thesis which is championed, unfortunately, by many economists.

When I was in Wisconsin on Memorial Day, I had a meeting with representative economists from the University of Marquette and the University of Wisconsin, including economists from both the Madison and Milwaukee campuses, and discussed the Joint Economic Committee report and my dissent from it.

I found the economists, whom I considered to be representative, all felt, as does Prof. Seymour Harris, that the economic policy of our Government should be one of deliberately incurring a deficit at this time, and a very substantial deficit. The thesis of Prof. Seymour Harris is set forth in this way:

> It is my view that when buying is not adequate to take production off the market, then the Government has a responsibility to increase the total amount of spending; and the means are a reduction in taxes or (and) a rise of public spending.

He goes on to say that the Federal Government should reduce taxes or engage in more spending, resulting in a $10 billion deficit in fiscal year 1962.

I take the time to discuss this matter because Dr. Harris is a distinguished professor, who is highly honored in the economic profession, and his views on this particular issue are unfortunately widely shared.

In a free society the Government should not deliberately incur a deficit whenever economists may feel that demand is not adequate. What Professor Harris is advocating here is what a large number of economists in America are advocating.

They make as vigorous a case as they can for this policy, as does Professor Harris in his letter, which I shall put in the RECORD later; but it seems to me the record they make falls very short of persuading prudent men, in a time of relative prosperity, that the Government should go a great deal further into debt at a time when personal income is high and when corporate profits are relatively very high.

Under these circumstances if we deliberately incur a $10 billion deficit, I ask what we should do in wartime, in a period of great military crisis, or when we have a very serious recession or depression.

Professor Harris goes on to say:

> I doubt that an average deficit of $4 billion in a $500–$600 billion economy growing at the rate of $20–$25 billion yearly would greatly damage the dollar.

Incidentally, that is about the only reference Professor Harris makes in his letter to any damaging consequences of running a deficit. It is possible a $4 billion deficit would not greatly damage the dollar. But my argument is that we are not considering a $4 billion deficit. We shall have far more than a $4 billion deficit if Congress accepts the President's recommendations.

In order to reduce the deficit, it will be necessary for us to either enjoy a substantial improvement in economic conditions, and thus obtain a great increase in revenues, or we shall have to increase taxes, or we shall have to reject substantial and significant parts of the administration's request to the Congress for additional spending.

Furthermore, nowhere in the letter by Dr. Harris is there an indication that a $4 billion deficit would do the job, or, indeed, that a $10 billion deficit would put to work the 5 million people who are out of work. That is not argued. There is a sort of vague feeling that, if we can run a big enough deficit, we can do it.

The fact is, as I have said before, we ran a very great deficit for 10 years, during the period between 1931 and 1940. During that 10-year period we had a deficit every single year which was about 4 percent of the gross national product, and which was the equivalent of a $20 billion deficit each and every year in terms of today's economic conditions. During that entire period we did not reduce unemployment below 14 percent, which is more than twice the present level.

On the basis of experience, therefore, there is nothing in the record of the 1930's to indicate that we can solve the unemployment problem merely by incurring deficits.

Economists like to say, as I am sure Dr. Harris would say, that all we have to do for 4 or 5 years is do as we did during the war years, when the deficits were greater, and we put people to work. Indeed, we did, but I point out that not only did we have deficits, but we did not function under conditions of freedom. We had price controls, wage controls, taxes to limit profits, and a system which deliberately restricted the freedom of the working man and of entrepreneur and of the businessman.

If that is what is advocated, indeed, we can have full employment, but we shall have to pay the price of freedom for it. Professor Harris goes on to say in his letter that the debt is small. He says this:

> I wonder if the Senator—

Referring to the distinguished Senator from Arizona [Mr. GOLDWATER]—

> realizes that the Federal debt is only half as large as it was at the end of the war vis-a-vis the gross national product and that the Federal debt is 30 percent of all debt as compared with 60 percent at the end of the war.

It is true that the debt is smaller, relatively, than it was at the end of the war. It is true that it is smaller as compared with private and State and local debt. But the fact is that it is an extremely heavy burden. It seems to me that nowhere do these economists consider the fact that a $285 billion or a $290 billion debt constitutes a very great burden, and, of course, even more of a burden for the American people if State and local debts have risen in the meantime, and they have skyrocketed since 1946. Personal debt is five times what it was in 1946. Indeed, I calculated the other day that the average person has to work 2 months a year simply to pay back his creditors in amortization and interest on debt obligations.

Under the circumstances, when taxes are necessarily increased to service the national debt, obviously the Federal debt is a burden. It is not lighter because all these other debts place a heavier burden upon the taxpayer.

Dr. Harris says what the Wisconsin economist said to me:

> I have discussed these issues with a great many economists. The almost universal view is that despite the upward movement of business, we shall have about 6-percent unemployment at the end of 1961 and 1962—unless corrective measures are taken. And this will happen even though gross national product will rise from $503 billion in 1960 to $530 billion in the last quarter of 1961.

Dr. Harris goes on to indicate that the proper economic view, he thinks, is a deliberate increase in deficit spending. Professor Harris says that if he were in the position of the President he might not advocate this, but that it is the correct economic position, the difficulty being that the President must consider political aspects. By "political aspects" he does not mean the impact of excessive debt on a free society, but means the attitude of Members of Congress and of the public, concerning whether the public can be educated to the sophisticated view that the way to solve the unemployment problem is to deliberately incur a substantial deficit. He further says:

> He [the President] unlike the economist, has to take account of the views of Senator GOLDWATER and many other Congressmen who are fearful of deficits, and voters generally, however misinformed, who are frightened of Federal deficits in this age of universal financing by debts. He has to keep in mind the fact that the application of good economics might jeopardize the Kennedy program of 1961.

Mr. President, I think it is not true that this is good economics. It is true that many economists subscribe to it, but it is about time, if the economists wish to argue this position—and they tend to do so, either publicly, as the distinguished Dr. Harris has done in his letter to the Washington Post and Times Herald, or, more frequently, privately among themselves—they should come forward with a balanced argument which will take into account the impact of the burden of the enormous national debt we have. The fact is that after incurring the debt in the 1930's, in World War II, and after World War II, we now have a sterile expenditure; that is, we spend $9 billion a year to service the national debt. What do we get for it? We are not buying anything for the American people. We are not buying defense for America. We are not providing for the needs of people in America who need assistance for one reason or another. We are simply paying for a burden which has been previously accrued.

Although this burden might be rationalized from various standpoints as being useful in the economy—it is a pretty sophisticated rationalization—I think every taxpayer knows that when the Government has to pay $9 billion a year

to service the national debt the effect on the taxpayer is higher taxes, and this can only be construed to be a burden.

In considering the deficit road to fuller employment, the economists must give the burden of the debt far more weight than they have given it in the past.

In conclusion, I agree that 4.8 milion or 5 million unemployed constitute an extremely serious problem. This is the No. 1 economic problem in America. We should do all we can to solve the problem and we should ask our economists to help us. I agree wholeheartedly that this is not simply structural unemployment. We cannot solve it simply by more education, or by passing depressed areas legislation, although that is wise, necessary, and desirable. We cannot solve the problem merely by passing good legislation such as President Kennedy proposed—at least not by this method alone—to put people to work by providing more skills and by training more people. It is an excellent proposal, but it will solve only part of the problem.

We have a deficit of demand in America. Neither a monetary policy involving lower interest rates nor the fiscal policy of deficit spending offer a satisfactory answer. Therefore, I urge and invite the economic community, the professors and experts who devote their lives to these problems, to try to provide some far more satisfactory answers than they have provided before. Their present answers might have been useful in some other kind of economy, but not in a free, democratic economy, in which we must and should rely overwhelmingly on free enterprise, which constitutes 90 percent of the production in America.

Excessive Government deficits could lead to a heavier and heavier burden of national debt, and this is not a satisfactory answer.

Mr. President, I ask unanimous consent that the entire letter of Dr. Harris be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ANALYZING DEFICIT SPENDING

In his syndicated column, the able and distinguish Senator GOLDWATER criticizes a remark made by the writer in a debate at the Harvard Law School Forum with the Senator. I had suggested the wisdom of a $10 billion Federal deficit in fiscal year 1962.

The Senator found this frightening, and especially the fact that I presumably offered this as advice in the inner circles of the Kennedy administration. The Senator may be less disturbed if he knows that I did not offer this advice to the President or to other high officials in the administration, I was speaking as a professor of economics.

It is my view that when buying is not adequate to take production off the market, then the Government has a responsibility to increase the total amount of spending; and the means are a reduction in taxes or (and) a rise of public spending.

That does not mean that all our problems will be solved by Government deficits. In fact, structural unemployment, which may well account for one-third of all unemployment, will greatly be reduced by Government deficits; but a substantial proportion will be untreated—for example, in seven employments where the total number of jobs declined from 4½ to 3 million since the end of the war, specific measures (e.g., retraining) are also required. And we should not merely depend on deficits.

Yet prosperous conditions help and proper fiscal policies induce prosperity. In the postwar years in these seven industries, employment declined by 1 percent in the good years and 8 percent in the bad ones. That suggests the relevance of general conditions.

I have discussed these issues with a great many economists. The almost universal view is that despite the upward movement of business, we shall have about 6 percent unemployment at the end of 1961 and 1962—unless corrective measures are taken. And this will happen even though gross national product will rise from $503 billion in 1960 to $530 billion in the last quarter of 1961, and $560 billion at the end of 1962. This assumes the normal rate of recovery. By 1963 with a likely inventory downturn, the situation could be even more serious.

What I would like to convince the learned Senator from Arizona is the following:

1. The deficit of $12 billion in 1958–59 was not a disaster. In fact it pulled us out of the depression.

2. A deficit of $10 billion or even $12 billion in bad years (one out of three is postwar) would cost in interest less than 1 percent of the annual rise of GNP expected by almost everyone in the 1960's. Surely this cannot wreck the economy.

Indeed, economists are generally aware that too great recourse to deficit financing may be costly to the position of the dollar. But I doubt that an average deficit of $4 billion in a $500-$600 billion economy growing at the rate of $20-25 billion yearly would greatly damage the dollar.

3. It is the almost universal view of economists, inclusive of a top Eisenhower adviser, that the quick reversal from a $12 billion deficit to a $3 billion or more surplus in 1958–60, and a sharp rise of interest rates made the 1959-60 recovery unusually short.

4. What is especially troublesome now is that we reach a budgetary surplus long before we reduce unemployment to (say) 3½ percent. Hence corrective action has to be taken lest the rapid improvement of Federal financing, and hence reduced spending, once more makes the recovery abortive and leaves us with much cyclical unemployment. The remedy is obviously reduced taxes or (and) more spending. Hence my urging of a $10 billion deficit in fiscal year 1962.

5. I wonder if the Senator realizes that the Federal debt is only half as large as it was at the end of the war vis-a-vis the GNP and that the Federal debt is 30 percent of all debt as compared with 60 percent at the end of the war.

6. There is one way of containing the deficit. That is adequate monetary policy: the better this policy, the less need of deficits to stimulate the economy. It is indeed difficult to get the rate of interest down. But the Senator, disturbed by deficits, might easily persuade his friends at the Federal Reserve to try harder. They are far from heroes of the present recovery.

Indeed, they started earlier than in previous recessions. But they have not tried hard enough. With large excess capacity, large unemployment and weekly wage rates (real) down by several percent in a recent 12-month period, is not the Federal Reserve still unnecessarily disturbed by the inflation threat?

So far I have written as an economist. If I were asked by the President, would I offer him the same advice? Not necessarily so. The President's responsibility is to make political decisions. Indeed he ought to know the pure economics of the problem.

But it is his problem to decide whether or not a $10 billion deficit (say $5 billion beyond the expected deficit) will go. He, unlike the economist, has to take account of the views of Senator GOLDWATER and many other Congressmen who are fearful of deficits, and voters generally, however misinformed, who are frightened of Federal deficits in this age of universal financing by debts. He has to keep in mind the fact that the application of good economics might jeopardize the Kennedy program of 1961.

Indeed he has the responsibility to lead Congress and the public though there is danger in blocking too far ahead; but even more the job of education is with the economists and the media of communication. We have not as yet done an adequate job here.

SEYMOUR E. HARRIS.

REGULATION OF CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

Mr. PROXMIRE. Mr. President, I introduce, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a bill to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2080) to revise the Federal election laws, to prevent corrupt practices in Federal elections, and for other purposes, introduced by Mr. PROXMIRE, was received, read twice by its title, referred to the Committee on Rules and Administration, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Elections Act of 1961".

TITLE I—TABLE OF CONTENTS AND DEFINITIONS

Table of contents

SEC. 101. This Act is divided into titles and sections according to the following table of contents:

Table of contents

Title I—Table of Contents and Definitions
Sec. 101. Table of contents.
Sec. 102. Definitions.
Title II—Campaign Practices
Sec. 201. Organization of political committees.
Sec. 202. Registration of political committees.
Sec. 203. Reports by political committees.
Sec. 204. Reports by others than political committees.
Sec. 205. Reports by candidates.
Sec. 206. Formal requirements on filing reports and statements.
Sec. 207. Supervision of the administration of the Act.
Sec. 208. Duties of the Clerk of the House of Representatives and the Secretary of the Senate.
Sec. 209. Duties of clerks of United States district courts.
Sec. 210. Duties of the Registrar of Election Finance.
Sec. 211. Additional Assistant Attorney General.
Sec. 212. Prohibition of certain contributions.
Sec. 213. General penalties for violations.
Sec. 214. Expenses of election contests.
Sec. 215. Effect on State laws.
Sec. 216. Partial invalidity.
Sec. 217. Repealing clause.
Title III—Registry of Election Finance—Authority and General Provisions
Secs. 301–305. Office and personnel.
Sec. 306. Regulations.
Sec. 307. Appropriations.

Title IV—Amendments to Criminal Code
Sec. 401. Definitions.
Sec. 402. Prohibition of certain purchases.

DEFINITIONS

SEC. 102. As used in this title and title II, unless the context clearly indicates otherwise—

(1) The term "election" includes a general, special, or primary election, including a preferential primary, and a convention or a caucus of a political party held for the purpose of nominating candidates;

(2) The term "candidate" means an individual whose name is presented at an election for nomination for, or election as, President or Vice President, or Senator or Representative in, or Resident Commissioner to, the Congress of the United States, whether or not such individual is nominated or elected;

(3) The term "political committee" includes any committee, association, or organization which accepts contributions or makes expenditures in an aggregate amount exceeding $1,000 in any calendar year for the purpose of influencing or attempting to influence in any manner whatsoever the election of a candidate or candidates or presidential or vice presidential electors;

(4) The term "contribution" includes a gift, subscription, loan (whether or not made in the regular course of business), advance, or deposit, of money, or anything of value, or transfer of funds between committees, and includes a contract, promise, or agreement, whether or not legally enforcible, to make a contribution;

(5) The term "expenditure" includes a payment, distribution, loan (whether or not made in the regular course of business), advance, deposit, or gift, of money, or anything of value, or transfer of funds between committees, and includes a contract, promise, or agreement, whether or not legally enforcible, to make an expenditure;

(6) The term "person" includes an individual, partnership, committee, association, corporation, labor organization and auxiliary or allied committees, and any other organization or group of persons; and

(7) The term "State" includes the Commonwealth of Puerto Rico, any possession of the United States, and the District of Columbia.

TITLE II—CAMPAIGN PRACTICES

Organization of political committees

SEC. 201. (a) Every political committee shall have a chairman and a treasurer. No contribution shall be accepted, and no expenditure made, by or on behalf of a political committee for the purpose of influencing an election until such chairman and treasurer have been chosen. No expenditure shall be made for or on behalf of a political committee without the authorization of its chairman or treasurer, or their agents.

(b) Every person who receives a contribution for a political committee shall, on demand of the treasurer, and in any event within five days after the receipt of such contribution, render to the treasurer a detailed account thereof, including the name and address of the person making such contribution, and the date on which received. It shall be the duty of the treasurer to see to it that all contributions received by or for a committee shall be kept separate from any personal funds and deposited in a special account.

(c) It shall be the duty of the treasurer of a political committee to keep a detailed and exact account of—

(1) all contributions made to or for such committee;

(2) the name and address of every person making any such contribution, and the date thereof;

(3) all expenditures made by or on behalf of such committee; and

(4) the name and address of every person to whom any such expenditure is made, and the date thereof.

(d) It shall be the duty of the treasurer to obtain and keep a receipted bill, stating the particulars, for every expenditure by or on behalf of a political committee exceeding $100 in amount. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for a period of ten years from the date of the filing of the statement containing such items.

Registration of political committees

SEC. 202. (a) Each committee or other organization which anticipates receiving contributions or making expenditures in an aggregate amount exceeding $1,000 in any calendar year for the purpose of influencing or attempting to influence in any manner whatsoever the election of a candidate or candidates or presidential or vice presidential electors, shall, within 10 days after its organization and between January 1 and January 10 of each calendar year, file with the Registry of Election Finance created by Title III an official statement of intention and (subject to the provisions of section 209(b)) shall transmit a copy of such statement to the clerk of the United States district court for the district in which the principal office of the committee or other organization is located.

(b) The statement of intention shall include—

(1) the name and address of the organization;

(2) the names, addresses, and relationships of affiliated or connected organizations;

(3) the area, scope, or jurisdiction of the organization;

(4) the name, address, and position of the custodian of books and accounts;

(5) the name, address, and position of other principal officers, including officers and members of the finance committee, if any;

(6) the name, office sought, and party affiliation of each candidate the organization is supporting, and if an entire party or ticket is endorsed, the name of the party or ticket, specifying whether national or State or local level is included;

(7) whether the organization is a continuing one;

(8) what disposition of residual funds will be made in the event of dissolution;

(9) a listing of all banks, safety deposit boxes or other repositories used;

(10) whether the organization is required by law to file reports with State or local officers, and if so, the names, addresses, and positions of such persons; if not, the address of the clerk of the district court with whom duplicate copies are filed.

(c) Any committee or other organization which changes from prenomination to postnomination status or from primary to general election status, or which changes candidates or parties which it is endorsing shall file an amended statement of intention.

(d) Any registered committee or other organization which disbands or determines it will receive contributions or make expenditures of not to exceed $1,000 shall so notify the Registry of Election Finance.

Reports by political committees

SEC. 203. (a) The treasurer of a political committee shall file reports of receipts or expenditures with the Registry of Election Finance, on forms to be prescribed by it, and shall transmit a copy of such reports (except as provided in section 209(b)) to the clerk of the United States district court for the district in which the principal office of the committee is located. Such reports shall be filed, complete as of the last day of the preceding month, between April 1 and April 10, July 1 and July 10, October 1 and October 10, and January 1 and January 10, of each calendar year, and additional reports as of the tenth day next preceding the date on which an election is to be held, and as of the thirtieth day following an election, with respect to which contributions were received or expenditures made by such committee. In each instance reports shall be filed not later than the third day following the reporting date as above provided. When conflicts in reporting dates occur between preelection and postelection reports and quarterly filing dates, the preelection report shall be required at its regular time. However, if the preelection report covers any of the period 10 days prior to or subsequent to a quarterly reporting period, the preelection report shall serve as the quarterly report and shall include all the information which would ordinarily be included in the quarterly report in addition to the information which would, under any circumstances, be included in the preelection report. The following quarterly report shall begin its period of coverage from the terminal date of the coverage for the preelection report which replaced the preceding quarterly report. In the case of conflicts in postelection reports, if the reporting date occurs within 10 days of a quarterly report, the later in point of time shall include the earlier. Each report under this section shall contain—

(1) the amount of cash on hand at the beginning of the reporting period;

(2) the name and address of each person who has made a contribution to or for such committee in one or more items in the aggregate amount or value, within the calendar year, of $100 or more, together with the amount and date of such contribution; and for the purposes of this paragraph the term "contribution", as used herein, shall not include transfers of funds to or from political committees or candidates;

(3) the total sum of individual contributions made to or for such committee during the calendar year and not stated under paragraph (2);

(4) the name and address of each political committee or candidate from which the committee received any transfer of funds, together with the amounts and dates of all such transfers;

(5) each loan to or from any person, together with the names and addresses of lenders and endorsers and the date and amount of such loan;

(6) the total amounts of proceeds from (A) the sale of tickets for events such as dinners, luncheons, rallies and similar fundraising events provided each ticket is sold for less than $100; (B) mass collections made at such events; and (C) sales of items such as campaign pins, buttons, hats, ties, literature, and similar materials; the listings to be for total amounts for each event under clauses (A) and (B) listed separately, and totals for all items combined under clause (C) listed separately;

(7) each rebate, refunds, or other receipt not otherwise listed under paragraphs (2) through (6);

(8) the total sum of itemized receipts in each general receipt category, and the total sum of unitemized receipts in each general receipt category, by or for the committee during the calendar year;

(9) the total sum of all receipts by or for such committee during the calendar year;

(10) the name and address of each person to whom an expenditure has been made by such committee in one or more items in the aggregate amount or value, within the calendar year, of $100 or more, and the amount, date, category, and purpose of such expenditure;

(11) the name and address of each person to whom an expenditure for personal services, salaries, and reimbursed expenses of whatever amount has been made, including the amount, date, category, and purpose of such expenditure;

(12) the total sum of itemized expenditures in each general expenditure category, made by such committee during the calendar year, and the total sum of unitemized expenditures in each general expenditure category made by such committee during the calendar year;

(13) the total sum of expenditures made by such committee during the calendar year.

(b) Each receipt by a committee shall be described by a receipt code letter; and to complete the identification, each receipt shall be described by its nature and purpose as well:

(C) Contribution

(T) Sale of tickets or collection (total only) (joint coding of CT identifies an individual contribution (C) in the form of a ticket sale (T))

(I) Sale of items (total only)

(L) Loan or advance

(R) Rebate or refund

(TR) Transfer of funds

(M) Miscellaneous

(c) Each item of expenditure shall be described in sufficient detail to accurately identify it, as follows:

(1) In the case of printed matter, the report shall state specifically whether cards, pamphlets, circulars, posters, dodgers, booklets or other such advertisements, writing or other statements (such as reprints from periodicals, books, newspapers or other publications).

(2) In the case of newspaper advertisements, the names of the newspapers, and dates of advertisements, shall be included.

(3) In the case of radio and television time, the names of the stations or networks, and dates of programs (including only inclusive dates of spot announcements), shall be included.

(4) In the case of expenditures clearly made on behalf of a candidate or candidates for Federal office or offices, for printing and advertising, for radio and television time, the statement shall include the name or names of the candidate or candidates in whose behalf the expenditure was made, and the office or offices.

(d) Each expenditure shall be described by general category number and letter; to complete the identification, each expenditure shall be explained as to nature and purpose as well, as follows:

(1) Personnel

a. personal services (by individuals only, paid by commissions, fees, and other payments, for such as legal work, advertising counsel, public opinion polling, and similar purposes)

b. salary (including activity for which employed)

c. personal benefits (hospitalization, taxes, fringe benefits, and similar items)

(2) Field expenses

a. internal (all expenses away from headquarters, including employee expense account payments and organizational expenses, travel, and events such as rallies whenever not allocable under (7))

b. external (nonorganizational, for outside services, such as provided by advertising agency or public relations firm, and not allocable under (3))

(3) Broadcasting

a. radio

b. television

c. radio-television (when not separable)

(4) Publicity and literature

a. newspapers, periodical advertising

b. printing, purchase, distribution of literature

c. outdoor billboards

d. other

(5) Office overhead

a. telegrams

b. telephone

c. postage

d. freight

e. rent

f. utilities

g. equipment

h. stationery

i. supplies

j. petty cash

k. other

(6) Election day expenses

a. poll watchers

b. cars and drivers

c. other

(7) Transfers of funds

a. to other committees

b. contributions to candidates

c. expenditures allocable to candidates

d. expenditures allocable to other committees

(8) Fundraising costs

a. materials (literature, booklets, distribution, promotion)

b. events (payments to caterers, restaurants, and other establishments, for dinners, luncheons, parties, rallies, and similar functions)

c. items (pins, buttons, jewelry, ties, and similar articles)

(9) Miscellaneous (candidate qualifying fees, and similar items, to be identified specifically)

(e) The reports required to be filed by subsection (a) shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous report only the amount need be carried forward.

(f) The reports required to be filed by subsection (a) of this section shall also contain a list of the names of candidates in whose behalf contributions were received or expenditures made. In the case of political committees supporting more than one candidate (and State and local candidates), the amount of the total expenditures allocable to each candidate—

(1) shall be in the same ratio as expenditures on behalf of each candidate for printing and advertising, radio time, and television time bears to the total of such expenditures, or

(2) where no expenditures were made for Federal candidates for any of such purposes there shall be charged to each Federal candidate an amount equal to the full expenditure divided by the total number of candidates, Federal and State;

except that expenditures specifically designated for an individual candidate shall be charged to such candidate.

(g) Debts or unpaid bills in the single amount or value of $100 or more, which are incurred during a campaign for nomination or election, by or on behalf of the candidate, and which remain unpaid at the end of forty-five days following the date of the election, shall be listed separately (on space provided for that purpose on the reporting form) on the postelection report and shall be kept current on all subsequent reports until the debt is retired. Listing shall be in the same manner as in the case of expenditures and shall include the general category number and letter for each obligation as well as the nature and purpose of the debt. There shall also be listed the total amount or value of debts and unpaid bills of less than $100.

Reports by others than political committees

SEC. 204. Every person (other than those filing reports pursuant to sec. 203) who makes an expenditure in one or more items aggregating $100 or more within a calendar year, other than by contribution to a candidate or political committee, for the purpose of influencing, in two or more States, election of candidates, shall file with the Registry of Election Finance, on a form to be prescribed by it, an itemized detailed report of such expenditures in the same manner as required of the treasurer of a political committee by section 203, and shall file a copy thereof (subject to the provisions of sec. 209(b)) with the clerk of the United States district court for the district in which such expenditures are made.

Reports by candidates

SEC. 205. (a) Every candidate shall file with the Registry of Election Finance, on a form to be prescribed by it, reports of receipts and expenditures and (except as provided in sec. 209(b)) shall transmit a copy thereof to the clerk of the United States district court for the district in which the candidate resides. Such reports shall be complete as of the same days and shall be filed at the same time as in the case of reports required to be filed by political committees by section 203; except that where a candidate in order to qualify for the general election must run in two successive primaries in one party no second report on the first primary will be required for those candidates participating in the second primary if reports filed for the second primary are cumulative and supplementary of the report filed before the first primary. Such reports shall contain a correct and itemized detailed report of contributions received and expenditures made by him in aid or support of his candidacy for election, or for the purpose of influencing the result of the election, in the same manner as required of the treasurer of a political committee by section 203, including amounts expended from his own funds.

(b) The reports required to be filed by subsection (a) shall be cumulative, but where there has been no change in an item reported in a previous report, only the amount need be carried forward.

Formal requirements on filing reports and statements

SEC. 206. The reports and statements required by this title to be filed by a candidate, a treasurer of a political committee, or by any other person, with the Registry of Election Finance and the copies thereof required to be filed (subject to the provisions of sec. 209(b)) with the clerk of the United States district court—

(1) shall be verified by the oath or affirmation of the person filing such report or statement, taken before any officer authorized to administer oaths;

(2) shall be deemed properly filed when delivered to the specified recipient, or when deposited in an established post office within the prescribed time, duly stamped, registered, and properly addressed, but in the event it is not received, a duplicate of such report or statement shall be promptly filed upon notice of its nonreceipt by the officer with whom it is required to be filed; and

(3) a copy shall be preserved by the person filing it for a period of one year from the date of filing.

Supervision of the Administration of the Act

SEC. 207. To assist the Congress in appraising the administration of this Act and in developing such amendments or legislation related thereto as it may deem necessary, the Committee on Rules and Administration of the Senate, in the case of candidates for President, Vice President, or Senator, as well as in the case of political committees supporting candidates for election to such offices, and the Committee on House Administration of the House of Representatives, in the case of candidates for Representative, Delegate, or Resident Commissioner, as well as in the case of political committees supporting candidates for election to such offices, shall exercise continuous watchfulness of the administration of this Act by the executive agencies concerned. It shall be the duty of these committees—

(1) to study all pertinent reports and summaries submitted to them by the Registrar of Election Finance, and such other materials as may be necessary;

(2) to ascertain whether candidates, political committees, or others have failed to file

reports or statements as required by this Act or have filed defective reports or statements;

(3) to report violations of this Act to the appropriate law-enforcing agencies of the Government and to review such reports and statements at regular intervals to ascertain the action taken by those agencies. Any department, official, or agency administering the provisions of this Act shall, at the request of the committee, consult with the committee, from time to time, with respect to their activities under this Act;

(4) to take such other action as shall be necessary and proper to supervise the administration of this Act; and

(5) to report to the Senate or the House of Representatives, respectively, from time to time, on their activities under this Act.

Duties of the Clerk of the House of Representatives and the Secretary of the Senate

SEC. 208. It shall be the duty of the Clerk of the House of Representatives and of the Secretary of the Senate—

(1) to preserve copies of the reports and statements filed under this title for a period of ten years from the date of receipt;

(2) to make such reports and statements available to every Senator or Representative in, or Resident Commissioner to, the Congress of the United States, or to any person authorized by them during regular office hours;

(3) to make such reports and statements available for such inspection within twenty-four hours of their receipt by them; and

(4) to permit copying of any such report or statement by hand, by machine, or by photographic means, upon written request made by the chairman of any committee of the Congress or any subcommittee thereof, at the expense of such committee or subcommittee.

Duties of clerks of United States district courts

SEC. 209. (a) It shall be the duty of the clerks of United States district courts—

(1) to receive and maintain in an orderly manner all reports and statements required by this Act to be filed with such clerks;

(2) to maintain such reports and statements for public inspection for a period of ten years from the date of receipt;

(3) to make such reports and statements available for public inspection during regular office hours;

(4) to make available for public inspection each report and statement within twenty-four hours of its receipt and for at least eight hours per day for three consecutive calendar days following any filing date; and

(5) to permit copying of any such report or statement by hand, by machine, or by photographic means as requested by any person, at the expense of such person.

(b) In States where the secretary of state or other State official is authorized to perform the duties specified in this section, the filing of reports and statements under this title shall be with such State official in lieu of the filing with the clerk of the United States district court.

Duties of the Registrar of Election Finance

SEC. 210. It shall be the duty of the Registrar of Election Finance—

(1) to develop after consultation with the Attorney General prescribed forms for the making of the required reports and statements;

(2) to prepare and publish a manual setting forth uniform methods of bookkeeping and reporting, as recommended for easy conformance with the requirements of the law and the use of the prescribed forms;

(3) to develop a filing, coding, and cross-indexing system consonant with the purposes of this Act;

(4) to make such reports and statements available for public inspection within twenty-four hours of their receipt during regular office hours, and such reports shall be made available for at least eight hours per day for three consecutive calendar days following any filing date;

(5) to permit copying of any such report or statement by hand, by machine, or by photographic means, as requested by any person; and to provide that typewriting and calculating and photographic machines be available for use by any persons at rates determined by cost;

(6) to preserve such reports and statements for an indefinite period from date of receipt, from which time they shall be available for public inspection;

(7) to make within twenty-four hours of receipt by photographic means at least two copies of all reports and statements, and to retain one for use in compiling summaries, and send one to the Secretary of the Senate or the Clerk of the House, as the case may be;

(8) to prepare and publish a summary of all reports within ten working days following the last of the quarterly and postelection due dates, and within three calendar days of the preelection report due date; such summary shall contain compilations for each report containing the total receipts and expenditures, the total for each category of receipt and expenditure as coded in the reports, the total for each category of amount of contribution as follows: up to $99; $100 to $499; $500 to $999; and $1,000 and over, and the name, address and the amount contributed by each contributor, listed alphabetically, shown to have contributed the sum of $500 or more; such summaries shall be grouped according to candidates and parties within each State listed;

(9) to prepare and publish an annual report with cumulative compilations of total annual contributions and expenditures for all candidates and party and nonparty committees; total amounts expended according to coded categories and broken down into candidate, party, and nonparty expenditures on the national, State, and local levels; total amounts expended in elections for nomination and in general elections; total amounts contributed according to categories of amounts of contributions on the national, State, and local levels for candidates, party and nonparty committees; aggregate amounts contributed by any contributor shown to have contributed the sum of $500 or more;

(10) to notify all candidates of the requirements of the law; and to notify committees, upon their registration, of their registration numbers and their obligations under the law, as set forth in the manual under (2) above;

(11) to prepare and publish registration lists of candidates and committees, broken down into States and candidacy levels, on the first Monday of each month in years in which Federal elections are to be held, and on the first Monday of each quarter in years in which Federal elections are not to be held;

(12) to prepare and publish special biennial and quadrennial reports comparing the various totals, categories, and levels of candidacy with previous similar election years;

(13) to prepare and publish a separate annual report citing administrative problems, costs, initiation of enforcement proceedings and results and recommendations for change in the content or administrative or enforcement procedures of the law;

(14) to prepare and publish such other reports as may be requested; to send copies of all summaries and reports to the Committee on Rules and Administration of the Senate and the Committee on House Administration of the House of Representatives; to send copies to the clerks of all Federal district courts, to secretaries of state of the several States, or to other State or local repositories; to send copies free of charge to all other persons who request them;

(15) to distribute free of charge copies of all summaries and reports to all wire services, periodicals or other agencies of mass communication entitled to representation in Senate or House Galleries; to distribute to all domestic newspapers represented in the Senate and House Press Galleries all summaries and reports containing information pertinent to their States and localities;

(16) to ascertain whether candidates, political committees or others have failed to file reports and statements or have filed defective reports and to give notice to delinquents to correct or explain defective reports or statements; to publish names of delinquents along with report summaries;

(17) to report violations to the Committee on Rules and Administration of the Senate and the Committee on House Administration of the House of Representatives and to the Attorney General and Bureau of Internal Revenue when action on their part may be called for.

Additional Assistant Attorney General

SEC. 211. There shall be in the Department of Justice an additional Assistant Attorney General, learned in the law, who shall be appointed by the President, by and with the advice and consent of the Senate, shall receive compensation at the rate prescribed by law for other attorneys general, and shall, under the direction of the Attorney General, be in charge of an Election Finance Division of the Department of Justice concerned with all matters pertaining to the enforcement of the Federal Elections Act of 1961 and related legislation.

Prohibition of certain contributions

SEC. 212. (a) It is unlawful for any person to make a contribution or expenditure in connection with any election of candidates in any name other than his own, or for any candidate, political committee, or other person to accept or receive any contribution prohibited by this subsection.

(b) It is unlawful for any individual under the age of 18 years to make a contribution or expenditure in an amount exceeding $100 in connection with any election of candidates or for any candidate, political committee, or other person knowingly to authorize, ratify, accept, or receive any contribution prohibited by this subsection.

General penalties for violations

SEC. 213. (a) Any person who violates any of the provisions of this title shall be fined not more than $1,000 or imprisoned not more than one year, or both.

(b) Any person who willfully violates any provision of this title shall be fined not more than $10,000 and imprisoned not more than two years.

Expenses of election contests

SEC. 214. This Act shall not limit or affect the right of any person to make contributions or expenditures for proper legal expenses in contesting the results of an election.

Effect on State laws

SEC. 215. This Act shall not be construed to annul, or to exempt any candidate from complying with, the laws of any State relating to the nomination or election of candidates, unless such laws are directly inconsistent with the provisions of this Act.

Partial invalidity

SEC. 216. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

Repealing clause

SEC. 217. The Federal Corrupt Practices Act, 1925, and all other Acts or parts of Acts inconsistent herewith are repealed.

TITLE III—REGISTRY OF ELECTION FINANCE—AUTHORITY AND GENERAL PROVISIONS

Office and personnel

SEC. 301. There is created an establishment in the legislative branch of the Government to be known as the Registry of Election Finance.

SEC. 302. (a) The Registry of Election Finance shall be under the control and direction of a Registrar of Election Finance, assisted by a Deputy Registrar of Election Finance, both of whom shall be appointed by the President, by and with the advice of the Senate, and who shall receive basic compensation at the rate of $——— and $———, respectively.

(b) The Deputy Registrar of Election Finance shall perform such duties as may be assigned to him by the Registrar and during the absence or incapacity of the Registrar, or during a vacancy in that office, shall act as Registrar. The Registrar shall designate an employee of the Registry to act as Registrar during the absence or incapacity of, or during a vacancy in the offices of, both the Registrar and the Deputy Registrar.

SEC. 303. (a) Except as hereinafter provided in this section, the Registrar and the Deputy Registrar shall hold office for fifteen years and shall not be eligible for reappointment. The Registrar or the Deputy Registrar may be removed at any time by concurrent resolution of Congress, after notice and hearing, when in the judgment of Congress, the Registrar or Deputy Registrar has become permanently incapacitated or has been inefficient or guilty of neglect of duty or of malfeasance in office, or of any felony or conduct involving moral turpitude, and for no other cause and in no other manner except by impeachment. Any Registrar or Deputy Registrar removed in the manner provided in this section shall be ineligible for reappointment to that office. When a Registrar or Deputy Registrar attains the age of seventy years, he shall be retired from his office.

(b) Any Registrar who shall be so retired for age after serving at least ten years in his office, or who completes his term, shall receive an annuity during the remainder of his life equal to two-thirds of the salary payable for his office at the time of retirement or completion of term, except that the annuity of any Registrar who completes his term shall be reduced by one-fourth of 1 per centum for each full month he is under the age of sixty-five at such completion. Any Registrar who becomes permanently disabled from performing his duties shall be retired and shall receive an annuity during the remainder of his life equal to two-thirds of the salary payable for his office at the time of retirement if he has served at least ten years therein or equal to one-half of such salary if he has served less than ten years. The annuities provided for herein shall be paid by the Registry of Election Finance. No person receiving benefits under this section shall receive any other retirement benefits under any other law of the United States.

SEC. 304. The Registrar shall, in accordance with the civil service laws and the Classification Act of 1949, as amended, appoint and fix the compensation of such other officers and employees as may be necessary to carry out the provisions of this Act.

SEC. 305. All laws relating generally to the administration of the departments and establishments shall, so far as applicable, govern the Registry of Election Finance. Books or records of account or minutes of proceedings of the Registry, and properly authenticated copies or transcripts of any books, records, papers, or documents of the Registry, shall be admitted as evidence with the same effect as the books, records, and minutes and the copies and transcripts referred to in section 1733 of title 28, United States Code.

Regulations

SEC. 306. The Registrar is authorized to promulgate such regulations as he finds necessary to carry out the provisions of this Act.

Appropriations

SEC. 307. There are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.

TITLE IV—AMENDMENTS TO CRIMINAL CODE

Definitions

SEC. 401. Section 591 of title 18 of the United States Code is amended to read as follows:

"§ 591. Definitions

"When used in sections 597, 599, 602, 608, 609, and 610 of this title—

"(1) The term 'election' includes a general, special, or primary election, including a preferential primary, and a convention or a caucus of a political party held for the purpose of nominating candidates;

"(2) The term 'candidate' means an individual whose name is presented at an election for nomination for, or election as, President or Vice President, or Senator or Representative in, or Resident Commissioner to, the Congress of the United States, whether or not such individual is nominated or elected;

"(3) The term 'political committee' includes any committee, association, or organization which accepts contributions or makes expenditures in an aggregate amount exceeding $1,000 in any calendar year for the purpose of influencing or attempting to influence in any manner whatsoever the election of a candidate or candidates or presidential or vice presidential electors;

"(4) The term 'contribution' includes a gift, subscription, loan (whether or not made in the regular course of business), advance, or deposit, of money, or anything of value, or transfer of funds between committees, and includes a contract, promise, or agreement, whether or not legally enforcible, to make a contribution;

"(5) The term 'expenditure' includes a payment, distribution, loan (whether or not made in the regular course of business), advance, deposit, or gift, of money, or anything of value, or transfer of funds between committees, and includes a contract, promise, or agreement, whether or not legally enforcible, to make an expenditure;

"(6) The term 'person' includes an individual, partnership, committee, association, corporation, labor organization and auxiliary or allied committees, and any other organization or group of persons; and

"(7) The term 'State' includes the Commonwealth of Puerto Rico, any possession of the United States, and the District of Columbia."

Prohibition of certain purchases

SEC. 402. Subsection (b) of section 608 of title 18 of the United States Code is amended to read as follows:

"(b) Whoever purchases any goods, commodities, advertising, or articles of any kind or description, the proceeds of which, or any portion thereof, directly or indirectly inures to the benefit of or for any candidate or any political committee shall be fined not more than $5,000 or imprisoned not more than five years, or both: *Provided, however,* That this subsection shall not apply to the purchase and sale by candidates and committees of campaign pins, buttons, and similar materials for prices not exceeding $5 per article: *And provided further,* That nothing in this subsection shall be construed to prohibit the purchase from any political committee of any goods, commodities, advertising, or articles sold by such political committees on a nonprofit basis, nor shall it interfere with the usual and known business, trade, or profession of any candidate."

Mr. PROXMIRE. Mr. President, we have long ago accepted the idea in the United States that the people of this country should know how much money is received and spent by candidates for public office, and should be able to learn the sources of these funds and the manner in which they are spent. Both the Congress and the State legislatures have placed laws on the statute books designed to achieve this.

Widespread public knowledge of these matters is the best possible way to assure that the collecting and spending of money by candidates—so necessary to election—will be done in a way which is most in accord with the public interest.

No person or group of persons should own a Representative or a Senator or a President. No corporation, no labor union, no trade association should provide such a large percentage of a candidate's campaign funds that he becomes beholden for his very existence. No candidate should buy his way into office, and election campaigns should not be allowed to become mere spending contests.

There are laws on the books today which both limit contributions and spending and provide for the reporting of this use of money. In both of these areas, however, the laws have proved to be woefully inadequate and seem to encourage evasion. The bill which I am introducing today is a bill designed to provide a new and effective system for the reporting and disclosure of campaign contributions and expenditures.

Many years ago Prof. Louise Overacker, who made one of the very first comprehensive studies of money and politics wrote that she felt that—

> Publicity of contributions as of expenditures—pitiless, continuous, and intelligent publicity, extending to (candidates and) nonparty as well as party organizations—is the least that a democracy should demand.

Or, to quote Dr. Herbert E. Alexander, director of the Citizen's Research Foundation, to whom I am greatly indebted for help in preparing this bill—

> Requirements that political costs be reported and made public rest on recognition of the principle that a contribution to, or expenditure for, a political activity or campaign is a public act committed for a public purpose. That purpose is the official function of electing men to office—and it invariably costs money. If the people are given full and accurate information on the financing of candidates, political parties and committees—they will be better able to act to their best interests when casting their votes. Publicity has a unique cleansing power which tends to reduce the potential influence of financial pressure on elected officials by inhibiting the contributor's expectation of favors and the official's willingness to grant them. Moreover, publicity provides information concerning the distribution, unequal or otherwise, of financial resources among rival candidates and parties, and may serve to keep expenditures at reasonable levels through the fear that excessive spending will cause the electorate to react adversely.

Unfortunately, the laws as they are now written at the present time do not seem to limit expenditures but merely encourage these expenditures to be hidden.

The distinguished Senator who made a very careful and thorough investigation of this problem recently reported

that, in his judgment, less than one-third of the expenditures in a recent national campaign were reported and became public knowledge. Two-thirds of the expenditures never became public knowledge.

Federal statutes on this subject date back to 1910, although they were revised in 1912 and again in 1925 and 1927. They require the filing of general election reports by candidates for the U.S. Senate and House of Representatives, and by political parties and committees functioning in two or more States or in a subsidiary intrastate capacity. The reports must include the name and address of each person who has contributed $100 or more, the date and amount of the contribution, the name and address of each person or firm to whom payments of $10 or more have been made, the purpose of the payment, and certain other information.

The statements of candidates for the Senate are filed with the Secretary of the Senate, and those of candidates for the House as well as those of reporting parties and committees with the Clerk of the House. The Senate reports are made available to the public for 6 years, those in the House for 2.

At present the receiving agents are not empowered to audit regularly the reports or to prosecute for violations. Nor are they authorized to notify proper investigatory or enforcement agencies of violations. The effects of this system are, first, that it is impossible to ascertain with any degree of accuracy the actual amounts spent in given campaigns or campaign years; and, second, that reporters or others interested in digesting and passing on information contained in the financial reports or those participating in the electoral process are discouraged and easily misled when they have to deal with incomplete and inaccurate data. Thus the purposes of public disclosure—to study and publicize accurate facts about the financing of elections—are defeated.

The kind of reporting and disclosure system which I hope the bill will provide will meet certain basic needs. The first of these is that the coverage of laws should be broadened. Certain candidates and other committees presently excluded from the filing of reports should be required to file them; certain activities presently excluded from coverage should be made reportable; reports should cover campaigns for nomination as well as for general election.

The second need is that ample information be made available prior to the election, when it can have its greatest effect. And, finally, we need machinery which will ensure the filing of both comprehensive and uniform data.

It is very important that we have the reports prior to the election. The fact is that in my State and in many other States, since it is not necessary to file after 10 days before the election until after the election is over, there is a natural tendency for candidates and the committees to dam up their contributions and spending until the last 10 days, and then they can spend as much as they wish to in the crucial closing days of the election. Of course, the voter would not know until the barn door was wide open and the horse was stolen, and nothing could be done about it.

This data should be received by a single, well-staffed, Federal repository charged with the duties of auditing, tabulating, summarizing, publishing, and preserving it.

The leading weaknesses of existing law are in its limited scope and inadequate publicity procedures.

The regulations and machinery set forth in this bill to assure adequate reporting of campaign contributions and expenditures might well be sketched here.

First. A political committee in any State, district, or possession which in any 1 year accepts contributions or makes expenditures of more than $1,000 to influence a nomination or election for any Federal office will have certain obligations before the law.

Within 10 days of its organization and each year after, a political committee will file a statement of intention. It will declare its principal officers, the candidates it is supporting, and its financial structure.

Each political committee shall have a chairman and a treasurer. It will be the duty of the treasurer to keep such detailed and exact records and receipts necessary for his report.

Quarterly reports will be required of the political committee treasurer. Ten days before any election and 30 days after, additional reports are to be submitted. Each report will contain:

The name and address of each person who has made a contribution in aggregate amount of $100 or more, together with the amount and date;

The name and address of every political committee or candidate from which the committee received a transfer of funds;

Similar data on loans, lenders, and endorsers;

The proceeds from fund-raising dinners, rallies; mass collections; sales of pins, buttons, hats, and so on; and

The name and address of each person to whom an expenditure in aggregate amount of $100 or more has been made, together with the amount, date, and purpose.

So that they may be readily used by public information media and scholars, the reports will be uniform. Each receipt by a committee will be described by a code letter. Each expenditure will be described by category number and letter. Thus the nature and purpose of each transaction will be easily identifiable.

Similar reports will be required of every candidate and of any other person who makes an expenditure of more than $100.

Second. These reports and statements are to be filed with the Registry of Election Finance and with the U.S. district court or the appropriate State office in those States where campaign accounting procedures are established.

Third. The Senate Committee on Rules and Administration and the House Committee on House Administration will oversee administration of this act. These committees will ascertain failure to report or defective report and will call violations to the attention of the appropriate law-enforcing agencies of the Government.

Fourth. Copies of the reports and statements will be preserved for 10 years by the Clerk of the House of Representatives and the Secretary of the Senate. They will make the reports available to the Congress within 24 hours of their receipt.

Copies will be made available for public inspection by the clerk of each U.S. district court within 24 hours and for 10 years thereafter.

Fifth. A Registry of Election Finance will be established in the legislative branch of the Government. The Registrar, appointed by the President with the advice and consent of the Senate, will:

Publish a manual of uniform methods of bookkeeping and reporting to enable easy fulfillment of the law's requirements;

Forward copies of reports and statements to the appropriate Senate, House, district court, and State officers within 24 hours of their receipt;

Publish a summary of all reports quarterly, annually, biannually, quadrennially and within 3 days of the preelection report due date;

Notify all candidates of the requirements of the law;

Distribute copies of all summaries and reports to all wire services, periodicals, or other agencies of mass communication entitled to representation in the Senate or House galleries;

Distribute to all domestic newspapers represented in the galleries all summaries and reports with information pertinent to their States and localities;

Give notice to delinquents to correct or explain defective reports or statements;

Publish names of delinquents along with report summaries; and

Report violations to the responsible committees of the Senate and the House, the Attorney General, and the Bureau of Internal Revenue.

Sixth. An additional Assistant Attorney General will be established. He will supervise the Election Finance Division of the Department of Justice and enforce the Federal Elections Act of 1961 and related legislation.

Seventh. At one stage in the drafting of this bill it provided for new, higher, limitations on total expenditures for congressional candidates. After the most serious study and deliberation I have concluded that publicity itself will serve as the principal limitation. I do believe, however, that some limit should be set. However, I am leaving that question to the committee.

Although we have studied this subject at length, I think hearings should be conducted and consideration should be given to this specific limit before the committee arrives at a definite figure.

Eighth. Violations will be punishable by a fine of not more than $1,000 or a prison sentence of not more than 1 year, or both.

Willful violations will be punishable by a fine of not more than $10,000 and a prison term of not more than 1 year.

This bill comprises, then, an extension of the scope and coverage of present disclosure law so as to include first, reports on primary elections and nominating conventions; second, reports of candidates for nomination or election for President or Vice President; third, reports in hitherto uncovered districts and territories; and fourth, a reordered and nationalized scheme of the number, timing, and content of the reports.

This bill comprises an extensive sharpening of the largely nonexistent publicity features of present law so as to include first, a simplified system of coding receipts and expenditures to allow easy access to particular information; second, distribution to those public, press, and political agencies to effectively inform the people; and third, a publicity procedure separate from the legal enforcement apparatus.

A contribution to, or expenditure for, a political activity or campaign is a public act committed for a public purpose.

The greater the effectiveness of our reporting and disclosure law, the greater public confidence in the electoral process will be, and the greater the chance for the election of officials free of commitments or obligations contrary to the public interest.

FEDERAL-AID HIGHWAY ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes.

Mr. BYRD of Virginia. Mr. President, the Senate Finance Committee has considered title II of the Federal-Aid Highway Act of 1961 and is favorably reporting the bill with only three amendments.

Estimates of revenue requirements now available indicate that $37 billion is now required to finance the Federal share of the Interstate Highway System. In addition, through September 30, 1972, $15,463 million is required for the primary, secondary and urban road systems. These two figures add to a total of $52,463 million as the highway financing requirements.

Revenues provided by present law are expected to account for $42,803 million of this total. Additional funds provided by this bill come very close to meeting all of the additional revenue requirements. Over the period from July 1, 1961, to September 30, 1972, they are expected to amount to $9,367 million, or with present revenue requirements come within $293 million of the expenditure requirements of the program over the 11¼-year period.

In terms of the immediate annual revenue effect, this bill raises $678 million in new revenues. By new revenues I do not include any revenues which are imposed by present law and merely transferred from the general fund to the highway trust fund. This $678 million is 21 percent of the revenue anticipated for the highway trust fund for the fiscal year 1962 in the absence of this legislation. This is a very sizable revenue increase which has been provided by the committee primarily because of its interest in maintaining the highway program on a pay-as-you-go basis.

These tax increases provided by the committee are as follows: First, the gasoline and related motor fuel taxes are continued at the present rate of 4 cents a gallon until September 30, 1972. In the absence of this legislation these taxes would have reverted to 3 cents at the end of this month. The new revenue anticipated from this tax source will range from $524 million to $726 million a year over the next 11 years. Except for the tax on diesel fuel, this is the same as proposed by the President. The President recommended a 7-cent a gallon tax on diesel fuel.

Both the House and your committee, however, concluded at least for the present that it would be better to maintain the same rate of tax on diesel fuel as in the case of gasoline. To grant a tax differential in this respect would change the relative competitive position of gasoline-powered and diesel-powered trucks.

Second, the taxes on tires for highway-type vehicles and inner tubes are increased to 10 cents a pound. Presently these tax rates are 8 cents and 9 cents, respectively. The increase of these rates to 10 cents a pound corresponds with the President's recommendations and is the same under both the House bill and the committee's amendments. The tax on tread rubber, however, under the House bill would be raised from 3 cents to 5 cents a pound. The committee's bill increases this tax to 4 cents a pound. This will be explained in greater detail in connection with my discussion of the committee amendments but I would like to say at this point that your committee concluded that a 33⅓-percent increase in tax was a large enough increase for an industry which is predominated by small businesses. The administration would have increased this tax on tread rubber from 3 cents to 10 cents a pound.

It is expected that the increase in annual revenue from these tire, inner tube, and tread rubber taxes will range from $71 million to $90 million a year. This is $4 to $8 million less than under the House bill because of the 4-cent instead of 5-cent tax for tread rubber.

The third additional revenue source under the bill is the increase in the tax on trucks weighing over 26,000 pounds. Both the House bill and the committee's amendments increase this tax from $1.50 per 1,000 pounds to $3 per 1,000 pounds. The President's proposals would have increased this to $5 per 1,000 pounds. The increase provided by the House and your committee, however, already represents a 100 percent increase in this tax and we do not believe that a further increase can be justified at this time. This doubling of the use tax on trucks is expected to result in an annual increase in this revenue source of from $79 million to $108 million a year.

The provisions I have just described are the new revenue sources provided by the bill. However, the bill also makes certain other changes affecting the financing of the highway trust fund and also the general fund.

One of these other changes affecting the financing of the highway trust fund is the 3-month extension of the trust fund itself. Under present law the trust fund would have ended on June 30, 1972. Both the House and the committee's bill extend the life of the trust fund for an additional 3 months or until September 30, 1972. This also involves the continuation of the tax rates of the various taxes going into the trust fund for this additional 3-month period. Thus, the 4-cent tax on gasoline and motor fuels under this provision will not revert to 1½ cents until September 30, 1972.

Similarly, the 10-cent taxes on tires and inner tubes will not revert to their former rates until this date nor will the 4-cent tax on tread rubber or the $3 tax on truck use expire until the end of this 3-month period. This also means that the taxes now dedicated to the trust fund will continue in this status for this additional 3-month period. Although the administration did not initiate this so-called stretchout of the highway trust fund, the Under Secretary in his appearance before your committee indicated that the administration now endorses this proposal. The effect of continuing the highway trust fund for these additional 3 months will be to increase revenues of the fund by $1,150 million.

The second provision affecting highway trust fund financing is the transfer of the remaining half of the revenue from the manufacturers' tax on trucks, buses and trailers from the general fund to the highway trust fund. At present there is a 10-percent tax on the manufacturer's price at which trucks, buses and trailers are sold. Five percentage points of this 10-percent tax already are dedicated to the highway trust fund. The House bill would have dedicated the remaining half of this tax to the trust fund effective as of July 1 of this year. The committee, however, has amended this provision to provide that this 5 percentage points will not be transferred to the highway trust fund until July 1, 1962.

This postponement was made at the strong urging of the administration so that the highway bill will not affect the current budget plans of the administration. By postponing the effective date of this transfer by 1 year, there will be an opportunity for the administration to adjust to this change as future budgets are considered. This amendment has the effect of decreasing the highway trust fund revenues by $143 million. This is a 1-year effect only since in the fiscal year 1962 and subsequent years the transfer will be made under the committee's bill in the same manner as under the House bill.

The third provision affecting the financing of the highway trust fund relates to the taxes on passenger cars and auto parts and accessories. In 1959 Congress provided that beginning July 1, 1961, half of the 10-percent tax on passenger cars and 5 percentage points of the 8-percent tax on auto parts and

accessories was to be transferred from the general fund to the highway trust fund for the 3-year period beginning July 1, 1961, and ending July 1, 1964. The President has strongly recommended that this transfer of funds from the general fund to the highway trust fund not be made and both the House and your committee have concurred in his recommendation. Thus, for this 3-year period the transfer for $2½ billion from the general fund to the trust fund which otherwise would have occurred as a result of this bill will not take place. The continuation of the tax on gasoline, coupled with the other revenue increases provided by this bill, approximately offset this loss of revenue to the highway trust fund in the 3-year period and, of course, in years thereafter represent an additional source of revenue for the trust fund.

In addition to the new revenues and provisions affecting the financing of the highway trust fund, the bill as reported by the committee contains some other technical provisions relating to various excise taxes. Two of these changes were provided in the House bill and are continued in the committee's version of the bill. Thus, provision is made in the bill for paying the use tax on highway motor vehicles on a quarterly basis instead of an annual basis. Also, an exemption from the tax on gasoline is provided where the gasoline is sold for nonfuel purposes in the manufacture of another article. This is primarily concerned with the exemption of gasoline from tax when it is used in the manufacture of plastics and other petrochemicals. Presently, other petroleum products can be used in the manufacture of these products free of tax but not gasoline. There appears to be no reason for this distinction. Both of these amendments which are in the committee's bill will also be found in the House bill.

A third technical amendment made by the committee relates to shrinkage or evaporation of gasoline in the case of retail dealers. The committee has added an amendment granting retail dealers a 1-percent allowance for gasoline sold by these retail dealers. I will describe this further in just a moment in connection with my discussion of the committee amendments.

As I have indicated, the committee amendments made by the Senate Finance Committee are three in number. The first amendment postpones for 1 year the effective date of the transfer of the 5 percentage points of the manufacturer's tax on trucks, buses, and trailers from the general fund to the highway trust fund. Under the committee's amendment this transfer is to occur on July 1, 1962. Under the House bill this would occur on July 1 of this year. The transfer of this tax from the general fund has been postponed for 1 year at the request of the administration, so that the current budget will not be further thrown out of balance by this change. For subsequent budgets, however, there will be ample opportunity for the administration to take into account this transfer in making its plans. The committee's amendment will save $143 million for the general fund for the fiscal year 1962. It will not affect apportionments for the highway program before the fiscal year 1964 and then its effect will be quite small and divided at least between 2 years.

The second committee amendment relates to the tax on tread rubber. The House bill would increase this tax from 3 cents to 5 cents a pound. The committee's amendment limits the increase in this case to 4 cents a pound. The committee concluded that an increase of 33⅓ percent was as large an increase as should be made in an industry of this type which is predominately composed of relatively small businesses. If larger increases are made, retread tires will be at a disadvantage relative to new tires in competing for their share of the market.

In this connection it should be noted that the increase in tax in the case of new tires provided by this bill is 25 percent, where even with the committee's amendment the increase in the case of the tax on tread rubber is the 33⅓ percent which I have already mentioned. The effect on the revenues of this committee amendment is small, varying from $4 to $9 million a year during the 11-year period for which this tax is in effect.

The third amendment provided by the committee makes a 1-percent allowance to retail dealers in the case of gasoline for evaporation and shrinkage. The way the tax works at the present time retail dealers buy gasoline on a tax-paid basis and then when they sell the gasoline to the extent there has been a loss through shrinkage or evaporation there is no way for them to recoup their taxpayment from the purchaser. Information presented to the committee during its hearings indicates that 13 States already provide a shrinkage or evaporation allowance with respect to their State gasoline tax. These are: Georgia, Florida, Minnesota, Michigan, New Hampshire, Idaho, Ohio, North Dakota, Utah, Wisconsin, Tennessee, Colorado, and Texas. In two of these States the allowance is 2 percent, and in three of the States it is one-half of 1 percent. However, in the majority, or eight of the States, the allowance is 1 percent, the same as provided by the committee's amendment. In this connection, it should be noted that Congress in 1959 dealt with a similar problem in the case of wholesale distributors of gasoline by imposing the tax at the time they make their sales. Such a possibility was considered in the case of retail dealers but discarded in favor of the allowance because of the serious administrative problems which would arise if this tax were imposed at the time of the sale by the retailer.

As I have already indicated, this bill for the most part is in accord with the President's recommendations, and in my view it certainly goes a long way in providing the new revenues which he has requested. It does not impose the full additional tax on trucks requested by the administration, however. In this respect it has departed from the administration's proposal primarily in the case of the truck use tax and in the case of the diesel fuel tax. An increase in the truck use tax of 100 percent has been provided by the House and the committee but the President requested an increase of 233 percent. Similarly, in the case of the diesel fuel, the committee has provided for a rate of 4 cents a gallon rather than permitting the tax to revert to 3 cents a gallon. However, the President wanted a tax of 7 cents a gallon in this case.

The committee concluded that while it was proper to make a substantial increase in the tax on trucks, it did not believe that it was proper to impose the exceedingly large increases proposed by the President. In this connection it should also be remembered that the Federal Government is not the only governmental unit imposing taxes on trucks. Table 2 of the committee report indicates that State road-user taxes already represent 2 to more than 3 percent of total operating costs in the case of truck combinations.

I ask unanimous consent that the table be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated operating costs and taxes of selected motor vehicles under committee bill

[Cents per mile]

Vehicle type	Operating costs excluding road-user taxes	State road-user taxes	Federal motor vehicle taxes [1]		
			Present [2] law	Increase made by committee bill	Combined effect of present law and committee bill
Automobile	8.59	0.62	0.55	0.01	0.56
Single-unit trucks:					
2-axle, 4-tire	22.05	.71	.52	.01	.53
2-axle, 6-tire	24.83	1.24	.89	.02	.91
Combination with semitrailers:					
3-axle (40,000 pounds gross vehicle weight:					
Gasoline-powered	33.60	2.10	1.37	.17	1.54
Diesel-powered	32.45	1.87	1.21	.17	1.38
4-axle (55,000 pounds gross vehicle weight):					
Gasoline-powered	35.80	2.40	1.63	.18	1.81
Diesel-powered	34.65	2.03	1.37	.18	1.55
5-axle (72,000 pounds gross vehicle weight):					
Gasoline-powered	42.27	3.24	2.11	.24	2.35
Diesel-powered	41.82	2.72	1.72	.24	1.96

[1] Includes all Federal excise taxes on motor fuel, motor vehicles, tires, parts, and accessories, and other taxes closely associated with motor vehicles or their use, whether or not they are dedicated to the highway trust fund.
[2] Present law as in effect for Oct. 1, 1959–June 30, 1961.

Source: U.S. Department of Commerce, Bureau of Public Roads.

Mr. BYRD of Virginia. Mr. President, these percentages, taken with the Federal road-user taxes under the proposal, will amount to from 3 to more than 5½ percent of total operating costs. In this connection it should be remembered that these items are expressed in terms of percentages of operating costs and that the taxes involved in many cases will substantially exceed the profit margins involved. I ask unanimous consent to have printed at this point in the RECORD table 10, taken from the committee's report.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Federal excise payments per mile to the highway trust fund under present law, the President's proposal, House bill, and your committee's bill, compared to cost responsibility indicated by the incremental and differential benefit cost studies

Vehicle type	Cents per mile						Ratio to automobile tax responsibility indicated by incremental cost study					Ratio to automobile tax responsibility indicated by differential benefit study				
	Incremental cost	Differential benefit	Present law [1]	President's proposal [2]	House bill	Your committee's bill	Incremental cost	Present law [1]	President's proposal [2]	House bill	Your committee's bill	Differential benefit	Present law [1]	President's proposal [2]	House bill	Your committee's bill
Automobile	0.313	0.323	0.307	0.320	0.315	0.313	1.00	0.98	1.02	1.01	1.00	1.00	0.95	0.99	0.98	0.97
Single unit trucks:																
2-axle, 4-tire	.267	.356	.437	.451	.517	.516	.85	1.40	1.44	1.65	1.65	1.10	1.35	1.40	1.60	1.60
2-axle, 6-tire	.458	.458	.664	.702	.802	.799	1.46	2.12	2.24	2.56	2.55	1.42	2.06	2.17	2.48	2.47
Combinations with semitrailers:																
3-axle, 40,000 pounds gross vehicle weight:																
Gasoline powered	1.428	1.263	1.191	1.592	1.518	1.513	4.56	3.81	5.09	4.85	4.83	3.91	3.69	4.93	4.70	4.68
Diesel powered	1.428	1.263	1.023	1.882	1.371	1.367	4.56	3.27	6.01	4.38	4.37	3.91	3.17	5.83	4.24	4.23
4-axle, 55,000 pounds gross vehicle weight:																
Gasoline powered	1.808	1.452	1.428	1.833	1.781	1.774	5.78	4.56	5.86	5.69	5.67	4.50	4.42	5.67	5.51	5.49
Diesel powered	1.808	1.452	1.167	2.117	1.541	1.534	5.78	3.73	6.76	4.92	4.90	4.50	3.61	6.55	4.77	4.75
5-axle, 72,000 pounds gross vehicle weight:																
Gasoline powered	2.527	1.779	1.880	2.387	2.309	2.298	8.07	6.01	7.63	7.38	7.34	5.51	5.82	7.39	7.15	7.11
Diesel powered	2.527	1.779	1.486	2.691	1.938	1.927	8.07	4.75	8.60	6.19	6.16	5.51	4.60	8.33	6.00	5.97

[1] Tax ratio in effect Jan. 1, 1961.
[2] Included in the President's message of Feb. 28, 1961.

Source: U.S. Department of Commerce, Bureau of Public Roads.

Mr. BYRD of Virginia. Mr. President, this table shows the so-called tax responsibility of the various classes of motor vehicles under the two most widely accepted methods for computing this cost. For vehicle combinations such as trucks, tractors, and trailers, this table shows that the payments provided under the bill with one exception fall between the charges which would be made under the differential benefit method of computing costs and the so-called incremental method of computing costs. This means that under the bill the cost reflected by the various taxes imposed in all but one case imposes sufficient taxes to meet the standards in one of these two widely recognized methods of determining the proper allocation of cost. These cost methods are those presented by the Bureau of Public Roads in the cost allocation study it made pursuant to the provisions of section 210 of the Highway Revenue Act of 1956.

Mr. HRUSKA. Mr. President, I commend the distinguished Senator from Virginia for the splendid statement he has made and the clear fashion in which he has set it forth.

There is one point in particular which will be very happily received by the retail gasoline dealers in my State, and I feel certain that that is true of the gasoline dealers in other States, as well. It has to do with the 1-percent shrinkage and evaporation, which has long been considered as harsh and inequitable, under the present provisions of the law. The new provision will give them somewhat of a parity with the wholesaler, who has been allowed, since 1959, I believe, to compute his tax on the basis of the deliveries actually made.

I especially thank the Senator for the committee's action in that respect.

I desire to make an inquiry in this regard. The present tax rate on gasoline is 4 cents a gallon. In what year did it become 4 cents a gallon?

Mr. BYRD of Virginia. That was on October 1, 1959. The additional 1 cent was to have expired on June 30 of this year. The tax has now been continued, and will continue to be 4 cents.

Mr. HRUSKA. I feel certain that, in common with many other Senators, the Senator from Virginia has received, as I have, many communications from constituents asking that the Senate keep faith with the people of the Nation by making this a truly temporary tax of 1 cent for a specified and declared purpose.

I ask the Senator from Virginia why the tax was not returned to the rate of 3 cents, the rate which prevailed prior to the so-called temporary increase in rate.

Mr. BYRD of Virginia. At the time I voted for the increase, I stated that I would not vote for a continuation of it. However, the cost of roads has been so greatly increased above the original estimates that the House committee thought it necessary to continue the 4 cent tax until 1972. Also the alternative provided by present law, which this bill terminates, would have been to take passenger car and auto parts revenues from the general fund, thereby increasing the deficit.

Mr. HRUSKA. Had the additional 1 cent not been continued, what would have been the effect on the financing of the road bill? From what source would the revenue have come?

Mr. BYRD of Virginia. The revenue from the 1-cent increase in the tax starts in 1962 and will amount to $524 million. In 1973, the revenue from this source will be $902 million.

If that tax had not been continued, it would have been necessary to cut back the entire road program, for the reason that other taxes have been increased as heavily as the people could bear.

Mr. HRUSKA. Would there not have been another alternative? There could have been an appropriation from the general fund of an equivalent amount, could there not?

Mr. BYRD of Virginia. There could have been; and that is what was provided for by the bill enacted in 1959. That bill diverted a little over $800 million a year for a 3-year period beginning the first of next July.

The President took the position that to divert such a sum from the general fund would create a very large deficit. As a result he sent a message to Congress, as the Senator from Nebraska knows, asking that the gasoline tax be continued in lieu of a diversion from the general fund.

Mr. HRUSKA. What amount of revenue is produced by the 1-cent a gallon tax?

Mr. BYRD of Virginia. In the first year, it will be $524 million; it will reach $902 million in the last year, which is 1973.

Mr. HRUSKA. The first year will be fiscal 1962?

Mr. BYRD of Virginia. That is correct.

Mr. HRUSKA. If that tax had not been continued, it would have meant that if the program had been continued at its present pace, the general fund would have incurred an additional deficit of $524 million. Is that a correct statement?

Mr. BYRD of Virginia. Yes.

Mr. HRUSKA. In that event, the deficit in the general fund would have been $524 million?

Mr. BYRD of Virginia. That is correct. The President wrote a very strong message, as the Senator knows, asking that the diversion from the general fund

not be made, but that the gasoline tax be continued.

Mr. HRUSKA. That was the alternative, and it was a fearsome alternative, because there are some persons who believe that the budget deficit is already large enough, without increasing it, roughly, another $1½ billion.

Mr. BYRD of Virginia. Those who think as the Senator from Nebraska and I do are in a dilemma, because if we took that amount out of the general fund, we would increase the deficit to that extent. At least, the gasoline tax has the basis of fairness. It places the cost of constructing highways on those who use and destroy the roads. That, I believe, is better than taking the money from the general fund.

Mr. HRUSKA. If it were made an addition to the deficit of the budget, it would be a burden placed upon our grandchildren and their grandchildren. Is not that about the size of it?

Mr. BYRD of Virginia. The Senator is absolutely correct.

Mr. HRUSKA. I thank the Senator from Virginia.

Mr. HARTKE. Mr. President, shortly the Senate will be called upon to vote on extending the present incentive program by which States may receive additional funds for the Interstate and Defense Highway System provided they ban billboards within 660 feet of the roads. To do so means purchasing additional right-of-way.

In order that I might be guided in voting upon this matter, I contacted the Indiana State Highway Commission to see exactly what this incentive program means to my home State and whether this commission favors extension of the program. I ask unanimous consent to print below the text of the wire to me by the secretary to the commission.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

INDIANAPOLIS, IND., *June 13, 1961.*

Hon. VANCE HARTKE,
Senate Office Building,
Washington, D.C.:

Indiana State Highway Commission favors retention of billboard clause in highway legislation providing 1 percent additional Federal participation Interstate System. Believe simplification of Federal regulations are necessary to a practical application of such a provision. Present one-half percent incentive is considered hardly sufficient to cover additional cost of acquiring rights of property owners whereby the erection of billboards on private property would be restricted. An extension of the time beyond July 1, 1961, and increase in incentive amount will create additional State interest not now apparent.

ROY WHITTON,
Secretary to Commission.

ADJOURNMENT TO 11 A.M. TOMORROW

Mr. BYRD of Virginia. Mr. President, I move that the Senate adjourn, under the order previously entered, until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 59 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Thursday, June 15, 1961, at 11 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate June 14, 1961:

DIPLOMATIC AND FOREIGN SERVICE

Robert M. McKinney, of New Mexico, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

U.S. MARSHAL

Robert F. Morey, of Massachusetts, to be U.S. marshal for the district of Massachusetts for the term of 4 years, vice Ralph W. Gray, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 14, 1961:

FEDERAL POWER COMMISSION

Joseph C. Swidler, of Tennessee, to be a member of the Federal Power Commission for the remainder of the term expiring June 22, 1965.

DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

John Joseph Gunther, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency for the unexpired term of 5 years from March 4, 1957, vice Andrew Parker, resigned.

DIPLOMATIC AND FOREIGN SERVICE

AMBASSADOR

Ben S. Stephansky, of Illinois, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Bolivia.

JUDGES

Albert A. Ridge, of Missouri, to be U.S. circuit judge for the eighth circuit, vice Archibald K. Gardner, retired.

Frank W. Wilson, of Tennessee, to be U.S. district judge for the eastern district of Tennessee, vice Leslie R. Darr, retired.

PATENT OFFICE

Edwin L. Reynolds, of Maryland, to be First Assistant Commissioner of Patents.

Horace B. Fay, Jr., of Ohio, to be an assistant Commissioner of Patents.

Arthur W. Crocker, of Maryland, to be an Examiner in Chief, U.S. Patent Office.

U.S. ATTORNEYS

Warren C. Colver, of Alaska, to be U.S. attorney for the district of Alaska for the term of 4 years.

Donald H. Fraser, of Georgia, to be U.S. attorney for the southern district of Georgia for the term of 4 years.

Charles L. Goodson, of Georgia, to be U.S. attorney for the northern district of Georgia for the term of 4 years.

Herman T. F. Lum, of Hawaii, to be U.S. attorney for the district of Hawaii for the term of 4 years.

Sylvan A. Jeppesen, of Idaho, to be U.S. attorney for the district of Idaho for the term of 4 years.

Richard P. Stein, of Indiana, to be U.S. attorney for the southern district of Indiana for the term of 4 years.

Kenneth Harwell, of Tennessee, to be U.S. attorney for the middle district of Tennessee for the term of 4 years.

Claude Vernon Spratley, Jr., of Virginia, to be U.S. attorney for the eastern district of Virginia for the term of 4 years.

Ernest Morgan, of Texas, to be U.S. attorney for the western district of Texas for the term of 4 years.

Harold Barefoot Sanders, Jr., of Texas, to be U.S. attorney for the northern district of Texas for the term of 4 years.

William W. Justice, of Texas, to be U.S. attorney for the eastern district of Texas for the term of 4 years.

Woodrow B. Seals, of Texas, to be U.S. attorney for the southern district of Texas for the term of 4 years.

U.S. MARSHALS

James H. Dillon, of Wisconsin, to be U.S. marshal for the eastern district of Wisconsin for the term of 4 years.

Floyd Stevens, of Michigan, to be U.S. marshal for the western district of Michigan for the term of 4 years.

Charles N. Bordwine, of Virginia, to be U.S. marshal for the western district of Virginia for the term of 4 years.

Hugh Salter, of North Carolina, to be U.S. marshal for the eastern district of North Carolina for a term of 4 years.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 14, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

James 4: 7–8: *Submit yourselves therefore unto God, draw nigh unto Him and He will draw nigh unto you.*

Eternal God, we are drawing nigh unto Thee in prayer at this noon hour, joined to one another in a fellowship of common needs and common supplications.

Thou knowest the feeling of frustration and loneliness that often goes on within us when we realize how helpless we are, during these days, in our efforts to do something for troubled humanity.

May we understand more fully that however deep the miseries and however desperate the struggles of mankind may be we need not give way to despair or allow ourselves to become bitter and disheartened, for Thy grace is abundantly sufficient.

Inspire us always to put the set of our heart, its bent and innermost bias on the side of a faith that is sensitive and responsive to the leading of Thy Holy Spirit for our soul is not capable of being its own guide.

Hear our prayer through the merits and mediation of the Christ, our Saviour. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed with amendments, in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 2972. An act for the relief of Mrs. Cornelia Fales;

H.R. 3572. An act to place in trust status certain lands on the Crow Creek Indian Reservation in South Dakota; and

H.R. 4500. An act to donate to the heirs of Anthony Bourbonnais approximately thirty-six one-hundredths acre of land in Pottawatomie County, Okla.

The message also announced that the Senate had passed bills of the following

titles, in which the concurrence of the House is requested:

S. 162. An act creating a Commission to be known as the Commission on Noxious and Obscene Matter and Materials;

S. 302. An act to amend the act of June 22, 1948, as amended, relating to certain areas within the Superior National Forest, in the State of Minnesota, and for other purposes;

S. 553. An act for the relief of Olga G. Coutsoubinas and Spyridon G. Coutsoubinas;

S. 811. An act to establish a Wabash Basin Interagency Water Resources Commission; and

S. 1750. An act to strengthen the Federal Firearms Act.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5000) entitled "An act to authorize certain construction at military installations, and for other purposes."

THE WASHINGTON POST

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, I have obtained a 1-hour special order today for the purpose of commenting upon and setting the record straight with regard to an article which appears in today's Washington Post by Drew Pearson regarding our distinguished majority leader.

I hope members of the Committee on Public Works in particular will be present during that special order.

COMMITTEE ON UNEMPLOYMENT

Mr. HOLLAND. Mr. Speaker, I ask unanimous consent that the Committee on Unemployment may be permitted to sit during general debate in the House for the balance of the week.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

STATES RIGHTS

Mr. WILSON of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, I understand that it will be in order today to consider a privileged resolution for which 1 hour of general debate is provided. Now, to me that means that we will be sitting in the House this afternoon as a jury deciding one of the most important issues ever to come before this House. That decision will be made on what are the rights of the States guaranteed by the Constitution and the voting privileges of the electorate. I hope that the resolution can be amended by unanimous consent and that additional time can be granted. When Mr. Chambers was asked to step aside there was no chance for the opposition to present its case.

MASTER PLAN TO TRANSFER AUTHORITY FROM CONGRESS TO THE EXECUTIVE BRANCH

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FINDLEY. Mr. Speaker, the master plan to transfer authority from Congress to the executive branch is now clear.

The first example was the farm bill which would let the administration write farm programs, and limit Congress to a 60-day veto privilege.

The second example is the new foreign aid bill, which would take away congressional control of our strategic materials stockpile.

The original stockpile act requires a joint resolution of Congress before any of the 100-odd metals and minerals can be disposed of except for national defense.

The new foreign aid bill would let the administration make the decisions, limiting Congress to this same 60-day veto privilege.

This privilege is empty. Administration leaders in Congress could easily cause delays to prevent veto resolutions from coming up for vote within the 60 days.

The original stockpile act gave Congress exclusive control to minimize the danger that these vast Government holdings—now worth over $8 billion—might disrupt market prices.

The new bill would give the President such power to release metals and minerals that he could manipulate market prices almost at will.

Let us not surrender congressional duty for a meaningless 60-day veto privilege.

SCARBECK ESPIONAGE

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, I think that we have all been somewhat shocked by the arrest of Mr. Scarbeck, one of our Foreign Service officers in Poland. But, today I read on the front page of the Wall Street Journal a very remarkable statement:

The information Scarbeck allegedly gave to Poland was believed to be of a political rather than a military nature. However, Press Officer Lincoln White of the State Department said, "Any espionage is of major importance."

Mr. Speaker, that is just dandy; a gentle slap on the wrist and the remark that any espionage is of major importance. I am so glad that the State Department realizes it.

SPEAKER SAM RAYBURN

Mr. McINTIRE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. McINTIRE. Mr. Speaker, it is indeed a high honor for me to join with my colleagues on this historic occasion in paying tribute to our beloved Speaker for his distinguished service of many years.

All of us harbor in our hearts a grand respect and a deep affection for SAM RAYBURN, especially those of us who have through many terms of Congress been exposed to generous offerings of his wisdom, fairness, kindness, and friendship. He has held high for all of us to see those standards that exemplify a real American and a great public servant, and we of this membership have learned from him that it is indeed a signal honor to serve in this high legislative body.

It is my privilege, then, Mr. Speaker, to join in paying tribute to Speaker RAYBURN, and as I cherish the memory of past association with him so do I look forward to other equally pleasant relations in the future.

May the grace of God visit itself upon the Speaker of the House of Representatives, serving to reinforce the grand character of this great citizen from Texas.

ROUSH-CHAMBERS ELECTION CONTEST

Mr. McCORMACK. Mr. Speaker, in connection with the debate on the Roush-Chambers election matter today, I ask unanimous consent that general debate may continue for not longer than 2 hours; in other words, to provide an additional hour of general debate. That time, under my unanimous consent request, is to be equally divided between the chairman of the subcommittee and the ranking minority member, the gentleman from Ohio [Mr. SCHENCK]; also, that upon the termination of debate, the previous question shall be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CREDITS AGAINST UNEMPLOYMENT TAX

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 2585) relating to the credits against the employment tax in the case of certain successor employers.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 3302 of the Internal Revenue Code of 1954 (relating to credits against tax imposed by Federal Unemployment Tax Act) is amended by adding at the end thereof the following new subsection:

"(d) SUCCESSOR EMPLOYER.—Subject to the limits provided by subsection (c), if—

"(1) an employer acquires during any calendar year substantially all the property used in the trade or business of another person, or used in a separate unit of a trade or business of such other person, and immediately after the acquisition employs in his trade or business one or more individuals who immediately prior to the acquisition were employed in the trade or business of such other person, and

"(2) such other person is not an employer for the calendar year in which the acquisition takes place, then, for the calendar year in which the acquisition takes place, in addition to the credits allowed under subsections (a) and (b), such employer may credit against the tax imposed by section 3301 for such year an amount equal to the credits which (without regard to subsection (c)) would have been allowable to such other person under subsections (a) and (b) and this subsection for such year, if such other person had been an employer, with respect to remuneration subject to contributions under the unemployment compensation law of a State paid by such other person to the individual or individuals described in paragraph (1)."

(b) The amendment made by subsection (a) shall apply with respect to the calendar year 1955 and each calendar year thereafter. Provisions having the same effect as the provisions added to the Internal Revenue Code of 1954 by such amendment shall be deemed to be included in the Internal Revenue Code of 1939 and shall apply with respect to the tax imposed by section 1600 of such Code for the calendar years 1951 through 1954.

With the following committee amendment:

Page 1, line 7, strike out "(d)" and insert "(e)".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. BYRNES] and I, along with the authors of the various bills, be permitted to extend our remarks immediately following the passage of each of these bills we are now considering.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, the bill, H.R. 2585, would permit the State unemployment taxes paid by a predecessor employer during the year to be claimed as a credit against the Federal unemployment tax liability of a successor employer for that year. The relief provided by this bill would be retroactive to all years after 1950.

Last year the Congress passed a similar bill but it was vetoed by the President solely because of its retroactive effect. However, your committee is of the opinion that justice requires retroactive tax relief in this area in order to preclude the Federal Government from being unjustly enriched by reason of a defect in present law which operates to impose a double tax in a situation in which only one tax was manifestly intended.

Mr. Speaker, as Members of the House will recall, under present law contributions made by employers to State unemployment funds may be claimed as a credit against the 3.1-percent Federal unemployment tax. Ordinarily since wages paid by a predecessor employer are deemed to be paid by a successor with respect to the calendar year in which the successor succeeded to the business, the successor employer is entitled to a credit against its Federal unemployment tax for State unemployment taxes paid by its predecessor. However, in some situations, although a predecessor has been considered an employer for State unemployment tax purposes, it has not been considered an employer for Federal unemployment tax purposes. In these situations, the successor has been denied a credit against its Federal unemployment tax for the State unemployment taxes paid by its predecessor and has been unjustly taxed by the Federal Government.

The amendments contained in H.R. 2585 will apply to calendar years beginning after 1950. Since the effective date provision does not refer to a period of limitations for claiming credit or refund, no refunds or credits will be allowed where the calendar year involved is closed by the running of the statute of limitations.

This bill was unanimously reported by your committee.

Mr. BYRNES of Wisconsin. Mr. Speaker, the purpose of H.R. 2585 is to correct a technical deficiency in the Federal tax laws pertaining to unemployment taxes. The legislation is intended to prevent the imposition of a double tax in the case of Federal and State unemployment taxes.

Under existing law a corporation which is merged or consolidated in a second corporation within the first 20 weeks of the year is not treated as an employer for the purposes of Federal unemployment tax but generally is so considered for most State unemployment taxes. As a consequence the corporation that is to be merged is required to pay the State tax and the successor corporation is required to pay the Federal tax but is unable to obtain credit against the Federal tax for the State taxes paid by the first corporation. H.R. 2585 would correct this imperfect operation of the credit for State taxes by allowing to the successor corporation the same credit for State taxes paid by the merged corporation as if the latter had been the employer.

This legislation was favorably reported by unanimous vote of the membership of the Committee on Ways and Means. Congress passed a similar bill last year, H.R. 6482, which was vetoed. The President in his veto message indicated approval of the principle of the legislation but objected to the retroactive application of the change. The bill which is now before the House is also retroactive and would be effective for calendar year 1951 and subsequent years. Very careful consideration was given to the question of retroactivity by the Committee on Ways and Means. We have decided that tax equity requires that this correction be made retroactively in order to avoid the unjust enrichment of the Federal Government as a consequence of a technical error in present law.

LIMITATION ON DEDUCTION IN CASE OF CONTRIBUTIONS BY INDIVIDUALS TO CERTAIN CHARITABLE ORGANIZATIONS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 2244) relating to the deduction for income-tax purposes of contributions to charitable organizations whose sole purpose is making distributions to other charitable organizations, contributions to which by individuals are deductible within the 30-percent limitation of adjusted gross income.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. GROSS. Reserving the right to object, Mr. Speaker, this does not bring additional organizations or individuals within that privilege?

Mr. MILLS. Not at all. This bill provides that a person may make a contribution to a charity that in turn maintains an educational or hospital or religious objective in mind for use of its funds up to a 30-percent limitation, just as he can do individually under the present law.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 170(b)(1)(A) of the Internal Revenue Code of 1954 (relating to limitation on amount of deduction for charitable contributions by individuals) is amended by striking out "or" at the end of clause (ii), by inserting "or" at the end of clause (iii), and by inserting after clause (iii) the following new clause:

"(iv) a corporation, trust, fund, or foundation exempt under section 501 and not denied exemption under section 502 (relating to feeder organizations), 503 (relating to organizations engaged in prohibited transactions), or 504 (relating to organizations accumulating income) which is organized and operated exclusively for the purpose of distributing its net earnings for any taxable year on or before the 15th day of the third month following the close of such taxable year and such portion of the principal as may be deemed desirable to one or more of the organizations referred to in clauses (i), (ii), and (iii) of this subparagraph,".

(b) Section 170(b)(1)(B) of such Code is amended by striking out "any charitable contributions to the organizations described in clauses (i), (ii), and (iii)" and inserting in lieu thereof "any charitable contributions described in subparagraph (A)".

SEC. 2. The amendments made by this Act shall apply only with respect to taxable years beginning after December 31, 1961.

With the following committee amendment:

Page 2, strike out lines 1 to 12, inclusive, and insert:

(iv) a corporation, trust, fund, or foundation exempt from tax under section 501 which is organized and operated exclusively for the purpose of distributing its net earnings for each taxable year on or before the 15th day of the third month following the close of such taxable year to one or more of the organizations referred to in clauses (i), (ii), and (iii) of this subparagraph and which, if it may distribute any portion of the principal, may make such distribution only to one or more of the organizations referred to in such clauses.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, the bill H.R. 2244, which was introduced by our colleague on the Committee on Ways and Means, the Honorable A. S. HERLONG, JR., of Florida, and which was unanimously reported by the Committee on Ways and Means, with amendments, would increase, from 20 to 30 percent, the limitation on the amount of adjusted gross income that individual taxpayers are permitted to deduct as contributions to certain charitable organizations.

Under present law, individuals are generally permitted to deduct up to 20 percent of their adjusted gross income for contributions made to, or for the use of, charitable organizations. However, if such contributions are made directly to churches, operating schools or hospitals, or related medical research organizations, this limitation is increased to 30 percent of their adjusted gross income.

The bill provides that for taxable years beginning after December 31, 1961, this 30-percent limitation shall also apply to contributions made to charitable organizations which are organized and operated exclusively for the purpose of distributing currently their entire net earnings to charitable organizations to which, under present law, contributions are subject to the 30-percent limitation. This would permit taxpayers to be subject to the same deduction limitation whether they make direct gifts or indirect gifts to organizations that qualify as recipients entitling the donors to the maximum 30-percent limitation.

As amended by your committee, provision has been made to insure that any distributions of principal by the charitable organizations must be made to the types of charitable organizations to which any contributions made would be subject to the 30-percent limitation. With this amendment, and except for a change in the effective date of this bill, the bill is identical with the one that was unanimously approved by the House of Representatives last year.

Mr. BYRNES of Wisconsin. Mr. Speaker, H.R. 2244 would liberalize the limitation on the amount that individual taxpayers are permitted to deduct as contributions to certain specified types of charitable organizations.

Present law permits individual taxpayers to deduct up to 20 percent of adjusted gross income for contributions made to charitable organizations. Furthermore the law provides that as much as 30 percent of adjusted gross income can be deducted if the additional 10 percent of such contributions is made directly to churches, operating schools, or hospitals, or related medical research organizations.

The bill, H.R. 2244, deals with the designation of organizations that qualify for the additional 10 percent limitation. The bill would provide that this additional 10 percent deduction is to be available in the case of contributions to a foundation if the foundation is organized and operated exclusively for the purpose of turning over each year its entire net earnings to one or more of the types of organizations that qualify an individual under existing law for the additional 10 percent deduction.

This legislation is substantially similar to legislation which passed the House last year, H.R. 6066, except that the effective date has been changed and a further restriction has been added to the bill.

IMPORTATION OF CERTAIN ARTICLES FOR RELIGIOUS PURPOSES

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 4449) to amend paragraph 1774 of the Tariff Act of 1930 with respect to the importation of certain articles for religious purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph 1774 of the Tariff Act of 1930, as amended (19 U.S.C. 1201, par. 1774), is amended to read as follows:

"PAR. 1774. Altars, pulpits, communion tables, baptismal fonts, shrines, mosaics, iconostases, or parts, appurtenances, or adjuncts of any of the foregoing, whether to be physically joined thereto or not, and statuary (except granite cemetery headstones, grave markers, and feature memorials, and excepting casts of plaster of paris, or of composition of paper or papier mâché), imported in good faith for the use of, either by order of, or for presentation (without charge) to, any corporation or association organized and operated for religious purposes, including cemeteries, schools, hospitals, orphanages, and similar nonprofit activities staffed and controlled by such corporation or association."

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the thirtieth day after the enactment of this Act.

With the following committee amendments:

Page 1, line 4, strike out "par. 1774)" and insert "par. 1774),".

Page 1, line 5, insert quotation marks at the beginning of the line.

Page 1, line 9, insert "granite" before "grave markers".

Page 1, line 9, insert "granite" before "feature".

Page 1, line 10, strike out "paris," and insert "Paris,".

Page 1, lines 10 and 11, strike out "composition" and insert "compositions".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 4449, as amended by the Committee on Ways and Means, and which was unanimously reported by your committee, is threefold: First, to add iconostases to the list of articles for which free entry is presently provided in paragraph 1774 of the Tariff Act of 1930, as amended; second, to provide for the free entry of adjuncts and appurtenances of the named articles whether to be physically joined thereto or not; and, third, to extend the application of paragraph 1774 to cemeteries, schools, hospitals, orphanages, and similar nonprofit activities staffed and controlled by corporations or associations organized and operated for religious purposes. A bill identical in substance passed the House of Representatives and the Senate last year.

This bill was introduced by our colleague on the Committee on Ways and Means, the Honorable THADDEUS M. MACHROWICZ.

Your committee was advised by the interested departments of the Government that this bill would assist in solving certain difficult interpretative questions which have arisen under present provisions of paragraph 1774 of the Tariff Act of 1930, as amended.

Mr. BYRNES of Wisconsin. Mr. Speaker, H.R. 4449 would permit the duty-free importation of certain religious articles for religious purposes. Present law permits free entry for many articles of a religious nature including pulpits, shrines, baptismal fonts, and mosaics. H.R. 4449 would add to the enumerated list of articles altar screens or partitions known as iconostases. In addition, the bill would make certain clarifications in the law. This would be accomplished by providing that articles which are appurtenances or adjuncts of the enumerated articles shall be accorded the free entry privilege and by clarifying the types of organizations to which the free entry privilege would be extended.

PREPAID DUES INCOME OF CERTAIN MEMBERSHIP ORGANIZATIONS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 929) to amend the Internal Revenue Code of 1954 to permit the prepaid dues income of certain membership organizations to be included in gross income for the taxable years to which the dues relate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart B of part II of subchapter E of chapter 1 of the Internal Revenue Code of 1954 (relating to taxable years for which items of gross income are included) is amended by adding at the end thereof the following new section:

"Sec. 456. Prepaid Dues Income of Certain Membership Organizations.

"(a) YEAR IN WHICH INCLUDED.—Prepaid dues income to which this section applies shall be included in gross income for the taxable years during which the liability described in subsection (e)(2) exists.

"(b) WHERE TAXPAYER'S LIABILITY CEASES.—In the case of any prepaid dues income to which this section applies—

"(1) If the liability described in subsection (e)(2) ends, then so much of such income as was not includible in gross income under subsection (a) for preceding taxable years shall be included in gross income for the taxable year in which the liability ends.

"(2) If the taxpayer ceases to exist, then so much of such income as was not includible in gross income under subsection (a) for preceding taxable years shall be included in gross income for the taxable year in which such cessation of existence occurs.

"(c) PREPAID DUES INCOME TO WHICH THIS SECTION APPLIES—

"(1) ELECTION OF BENEFITS.—This section shall apply to prepaid dues income if and only if the taxpayer makes an election under this section with respect to the trade or business in connection with which such income is received. The election shall be made in such manner as the Secretary or his delegate may by regulations prescribe. No election may be made with respect to a trade or business if in computing taxable income the cash receipts and disbursements method of accounting is used with respect to such trade or business.

"(2) SCOPE OF ELECTION.—An election made under this section shall apply to all prepaid dues income received in connection with the trade or business with respect to which the taxpayer has made the election; except that the taxpayer may, to the extent permitted under regulations prescribed by the Secretary or his delegate, include in gross income for the taxable year of receipt the entire amount of any prepaid dues income if the liability from which it arose is to end within 12 months after the date of receipt. Except as provided in subsection (d), an election made under this section shall not apply to any prepaid dues income received before the first taxable year for which the election is made.

"(3) WHEN ELECTION MAY BE MADE.—

"(A) WITH CONSENT.—A taxpayer may, with the consent of the Secretary or his delegate, make an election under this section at any time.

"(B) WITHOUT CONSENT.—A taxpayer may, without the consent of the Secretary or his delegate, make an election under this section for its first taxable year (i) which begins after December 31, 1959, and (ii) in which it receives prepaid dues income in the trade or business. Such election shall be made not later than the time prescribed by law for filing the return for the taxable year (including extensions thereof) with respect to which such election is made.

"(4) PERIOD TO WHICH ELECTION APPLIES.—An election under this section shall be effective for the taxable year with respect to which it is first made and for all subsequent taxable years, unless the taxpayer secures the consent of the Secretary or his delegate to the revocation of such election. For purposes of this title, the computation of taxable income under an election made under this section shall be treated as a method of accounting.

"(d) TRANSITIONAL RULE.—

"(1) AMOUNT INCLUDIBLE IN GROSS INCOME FOR ELECTION YEARS.—If a taxpayer makes an election under this section with respect to prepaid dues income, such taxpayer shall include in gross income, for each taxable year to which such election applies, not only that portion of prepaid dues income received in such year otherwise includible in gross income for such year under this section, but shall also include in gross income for such year an additional amount equal to the amount of prepaid dues income received in the 3 taxable years preceding the first taxable year to which such election applies which would have been included in gross income in the taxable year had the election been effective 3 years earlier.

"(2) DEDUCTIONS OF AMOUNTS INCLUDED IN INCOME MORE THAN ONCE.—A taxpayer who makes an election with respect to prepaid dues income, and who includes in gross income for any taxable year to which the election applies an additional amount computed under paragraph (1), shall be permitted to deduct, for such taxable year and for each of the 4 succeeding taxable years, an amount equal to one-fifth of such additional amount, but only to the extent that such additional amount was also included in the taxpayer's gross income during any of the 3 taxable years preceding the first taxable year to which such election applies.

"(e) DEFINITIONS.—For purposes of this section—

"(1) PREPAID DUES INCOME.—The term 'prepaid dues income' means any amount (includible in gross income) which is received by a membership organization in connection with, and is directly attributable to, a liability to render services or make available membership privileges over a period of time which extends beyond the close of the taxable year in which such amount is received.

"(2) LIABILITY.—The term 'liability' means a liability to render services or make available membership privileges over a period of time which does not exceed 36 months, which liability shall be deemed to exist ratably over the period of time that such services are required to be rendered, or that such membership privileges are required to be made available.

"(3) MEMBERSHIP ORGANIZATION.—The term 'membership organization' means a corporation, association, federation, or other organization—

"(A) organized without capital stock of any kind, and

"(B) no part of the net earnings of which is distributable to any member.

"(4) RECEIPT OF PREPARED DUES INCOME.—Prepaid dues income shall be treated as received during the taxable year for which it is includible in gross income under section 451 (without regard to this section)."

(b) The table of sections for such subpart B is amended by adding at the end thereof the following:

"Sec. 456. Prepaid dues income of certain membership organizations."

SEC. 2. The amendments made by this Act shall apply with respect to taxable years beginning after December 31, 1960.

With the following committee amendments:

Page 4, line 4, strike out "1959" and insert "1960".

Page 6, line 19, strike out "member." and the quotation marks, and insert "member."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ENROLLMENT OF H.R. 929

Mr. MILLS. Mr. Speaker, I ask unanimous consent that in engrossing the bill (H.R. 929) to amend the Internal Revenue Code of 1954 to permit the prepaid dues income of certain membership organizations to be included in gross income for the taxable years to which the dues relate, the Clerk be instructed to strike out the word "prepared" on page 6, line 20, an insert the word "prepaid". That is a typographical error.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MILLS. Mr. Speaker, H.R. 929, which was introduced by our colleague, the Honorable JOHN BYRNES, and which was unanimously reported by your Committee on Ways and Means, provides that prepaid dues income of certain membership organizations may, at the election of such organizations, be included in their gross income ratably over the period of time during which such organizations are under a liability to provide services to their dues-paying members. Except as to effective date, the provisions of this bill are the same as those that were contained in the bill H.R. 11266, which was unanimously approved by the House on August 24, 1960, but which was not acted upon by the other body prior to the adjournment of the 86th Congress.

The membership organizations to which this bill applies are limited to those which compute their income on an accrual basis; which have no capital stock; and, which make no distributions of net earnings to members. Furthermore, in order for this bill to apply, the liability of such organizations to provide service to their members must extend beyond the end of the current year but may not extend beyond a period of more than 36 months. Finally, since under present law it has been held that such organizations must include the full amount of any prepaid dues in income in the year of receipt, in order to mitigate the effect of the revenue loss involved, the bill contains a special transitional rule which operates to spread the revenue loss attributable to any given year over a 5-year period.

The bill would be effective for taxable years beginning in 1961 and provides substantially similar treatment to that provided for prepaid subscription income by the Technical Amendments Act of 1958.

Mr. BYRNES of Wisconsin. Mr. Speaker, H.R. 929, which has just passed the House, was unanimously reported by the Committee on Ways and Means. The legislation is identical with H.R. 11266 which passed the House in the 86th Congress, except for a change in effective date.

The bill is concerned with the relationship of income tax accounting to generally accepted accounting principles with respect to prepaid income arising from

membership dues. H.R. 929 pertains to the way in which prepaid membership dues shall be treated for income tax purposes by the receiving membership organization.

The membership organizations to which H.R. 929 applies are those which have no capital stock and which make no distributions of net earnings to members. Under the bill prepaid dues income is to be included in income for tax purposes ratably over the period during which a liability to render services exists as a consequence of the payment of membership dues. The bill requires that the liability involved must extend beyond the end of the current taxable year but not beyond a period of more than 36 months.

It will be recalled that the Internal Revenue Code of 1954 as originally enacted contained section 452 which provided an election to taxpayers to report prepaid income over the period of time that the prepaid income was being earned. Section 452 was subsequently repealed by the Congress. At the time the section was repealed the Congress indicated the intention to give further study to the tax treatment of prepaid income as well as prepaid expenses with a view to developing appropriate accounting provisions for the tax treatment of these types of transactions. In 1958 the Internal Revenue Code was amended to provide for the spreading forward of prepaid subscription income in the case of newspapers and periodicals. H.R. 929 would permit the spreading forward of prepaid membership income.

INFORMAL ENTRIES OF IMPORTED MERCHANDISE

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 3668) to amend the Tariff Act of 1930 to authorize informal entries of merchandise where the aggregate value of the shipment does not exceed $400.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 498(a)(1) of the Tariff Act of 1930, as amended (19 U.S.C. 1498(a)(1)), is amended by striking out "$250" and inserting in lieu thereof "$400".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 3668, which was unanimously recommended by the Committee on Ways and Means, is to amend section 498 of the Tariff Act of 1930, as amended, to permit the extension of the informal customs entry procedure to import shipments not exceeding $400 in value. The present bill is identical with a bill which passed the House last year.

Section 498(a)(1) of the Tariff Act of 1930 presently provides the Secretary of the Treasury with the authority to prescribe rules and regulations for the declaration and entry of merchandise, imported in the mails or otherwise, when the aggregate value of the shipment does not exceed $250. The Secretary of the Treasury is authorized to establish, by regulation, ceilings within the $250 limit for different classes or kinds of merchandise or different classes of transactions. Section 498(a)(1) permits informal customs entry to be made and obviates the requirement in section 484 of the Tariff Act of 1930, as amended, for formal customs entry. Formal entry must be made in writing by the consignee or his agent and must generally be accompanied by a certified invoice, a bill of lading, a statistical enumeration of all the goods in the shipment, a declaration, and other related documents. Informal entries require a shorter written form and less complicated customs procedures apply.

Section 498(a)(1) originally provided a $100 limitation upon the value of imported merchandise that was permitted informal entry. Section 16(d) of the Customs Simplification Act of 1953 increased the figure from $100 to $250 and granted the Secretary of the Treasury the discretion to fix a lower ceiling for different types of merchandise and transactions. H.R. 3668 would change the $250 figure to $400.

Under the informal entry procedure complex and cumbersome procedures are eliminated for small-value importations. The effect of the pending bill, which was introduced by our colleague, the Honorable PETER F. MACK, JR., would be to lessen the administrative burden on business firms and individuals when engaged in importing goods valued up to $400. The Secretary of the Treasury would retain discretion to establish a lower ceiling for certain types of merchandise and transactions when circumstances warrant his doing so. The Committee on Ways and Means was advised that raising the limit to $400 would not affect the amount of duties collected.

Mr. BYRNES of Wisconsin. Mr. Speaker, this legislation would amend the Tariff Act so as to increase from $250 to $400 the aggregate value of merchandise which may be imported under an informal customs entry procedure. Formal entry requires that the entry must be made in writing by the consignee or his agent and must be accompanied by a certified invoice, a bill of lading, certain statistical information, a declaration, and other related documents. Informal entries involve considerably less administrative burden and require a shorter written form.

The bill was unanimously reported by the Committee on Ways and Means.

AUTHORIZING ACCEPTANCE OF GIFTS TO BE USED TO REDUCE THE PUBLIC DEBT

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 311) to authorize the acceptance by the Government of gifts to be used to reduce the public debt, together with amendments of the Senate thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 3, line 1, strike out "section 1" and insert "the first section of this Act".

Page 3, line 4, strike out "proceeds of the redemption, or sale, of any such gift" and insert "proceeds of such gift, or the proceeds of the redemption or sale of such gift, as the case may be".

Page 3, line 19, strike out "the Act" and insert "this Act".

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, as Members will recall, the purpose of H.R. 311 as it passed the House of Representatives was to specifically authorize the Secretary of the Treasury and the Administrator of General Services to accept gifts of money or other property which are made on the sole condition that they are to be used for the reduction of the public debt.

The Senate added a technical amendment to this bill designed to more effectively carry out the basic purpose of the House bill. The Senate amendment in no way changes the objective of the bill, but simply makes several technical and clarifying changes.

EFFECTIVE DATE OF THE QUALIFICATION OF PLUMBERS UNION LOCAL NO. 12 PENSION FUND

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1877) relating to the effective date of the qualification of Plumbers Union Local No. 12 Pension Fund as a qualified trust under section 401(a) of the Internal Revenue Code of 1954, together with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 2, after line 8 insert:

"SEC. 2. (a) Section 809(d)(11) of the Internal Revenue Code of 1954 (relating to deductions in computing gain from operations in the case of certain mutualization distributions) is amended by striking out 'in 1958 and 1959' and inserting in lieu thereof 'in 1958, 1959, 1960, and 1961'.

"(b) Section 809(g)(3) of such Code (relating to application of section 815 to certain mutualization distributions) is amended by striking out 'in 1959' and inserting in lieu thereof 'in 1959, 1960, or 1961'.

"(c) The amendments made by subsections (a) and (b) shall apply to taxable years beginning after December 31, 1959."

Page 2, after line 8, insert:

"SEC. 3. (a) Paragraph 1102(b) of the Tariff Act of 1930, as amended (19 U.S.C. 1002; par. 1102), is amended by striking out 'Cashmere goat,' and by inserting after 'other like animals' the following: '(including hair of animals like the Cashmere goat)'.

"(b) Paragraph 1102 of such Act is further amended by adding at the end thereof the following new subparagraph:

"'(c) Hair of the Cashmere goat, in the grease or washed, 18 cents per pound of

clean content; scoured, 21 cents per pound of clean content; on the skin, 16 cents per pound of clean content; sorted, or matchings, if not scoured, 19 cents per pound of clean content.'

"(c) The amendments made by this section shall apply to articles entered or withdrawn from warehouse, for consumption, on or after the date of enactment of this Act, and to articles covered by entries or withdrawals which have not been liquidated or the liquidation of which has not become final on such date of enactment."

Page 2, after line 8, insert:

"SEC. 4. The pension fund of the slate, tile, and roofing industry in New York City, which was created as a result of an agreement between the Composition Roofers, Damp and Waterproof Workers Association, Local Union Numbered 8, and several employer associations and other individual employers in the industry, and which has been held by the Internal Revenue Service to constitute a qualified trust under section 401(a) of the Internal Revenue Code of 1954, and to be exempt from taxation under section 501(a) of such Code, shall be held and considered to have been a qualified trust under such section 401(a) and to be exempt from taxation under such section 501(a), for the period beginning July 1, 1957, and ending November 24, 1958, but only if it is shown to the satisfaction of the Secretary of the Treasury or his delegate that the trust has not in this period been operated in a manner which would jeopardize the interest of its beneficiaries."

Amend the title so as to read: "An Act relating to the effective date of the qualification of Plumbers Union Local Numbered 12 Pension Fund as a qualified trust under section 401(a) of the Internal Revenue Code of 1954, and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1877) relating to the effective date for the qualification of Plumbers Union Local No. 12 Pension Fund as a qualified trust under section 401(a) of the Internal Revenue Code of 1954, with Senate amendments, and concur in the Senate amendments.

Mr. Speaker, the bill, H.R. 1877, as passed by the House on May 10, was introduced by our colleague, the Honorable THOMAS P. O'NEILL, JR., of Massachusetts. It provides relief for the Plumbers Union Local No. 12 Pension Fund, Boston, Mass., by treating the fund as a qualified employees' trust which would be exempt for taxation for the period from its inception on September 1, 1954, to June 3, 1959, the date on which the Internal Revenue Service ruled that this fund would qualify for tax-exempt status. An identical bill for the relief of this union pension fund was introduced by the distinguished majority leader, the Honorable JOHN MCCORMACK, of Massachusetts.

The other body added three amendments to the House bill. The first amendment continues for 2 years, 1960 and 1961, the provision in the Life Insurance Company Income Tax Act of 1959 permitting certain stock companies which had adopted a plan of mutualization prior to 1958—when the act became effective—to deduct amounts expended by them in redeeming outstanding stock from their shareholders in compliance with the plan of mutualization. The problem arose because of the fact that some of the mutualized companies did not have sufficient funds available to redeem all of their stock at the time their plan of mutualization was adopted. Consequently, they had been redeeming their stock gradually out of annual earnings. The 1959 act permitted them to continue their plan of mutualization adopted prior to 1958 and to obtain a deduction for purposes of the phase 2 tax on underwriting income of amounts so expended, but only for the years 1958 and 1959. The amendment of the other body was necessitated because it was understood that one such mutualized company had been unable to redeem all of its outstanding stock within the period provided in the Life Insurance Act. A 2-year extension as provided by the amendment allows ample time for this company to complete its plan of mutualization. I am not objecting to this amendment, but I believe this is the last time such an extension should be enacted.

The next amendment added by the other body provides for reduced tariffs in the case of Cashmere goat hair. The existing rates of duty on Cashmere goat hair are the rates originally enacted by Congress in 1930. The proposed rates are the same as those which were in effect pursuant to the bilateral trade agreement with Iran until the recent termination of that agreement. There is no known commercial production of cashmere hair in the United States. Furthermore, it does not appear that imported cashmere is closely competitive with domestic sheep's wool and mohair. Under this amendment, the reduced tariffs will apply regardless of the country in which the cashmere hair is produced.

The last amendment is similar in purpose to the original House bill. It provides relief for the pension fund of the Composition Roofers, Damp & Waterproof Workers Association, Local Union No. 8, by treating the fund as a qualified employees' trust under the Internal Revenue Code for the period beginning July 1, 1957 and ending November 24, 1958, the date on which the Internal Revenue Service ruled that this fund qualified for tax-exempt status. This amendment is similar in purpose to H.R. 1545 which was sponsored by my colleague on the committee, the Honorable EUGENE J. KEOGH, of New York.

Mr. BYRNES of Wisconsin. Mr. Speaker, H.R. 1877 as it passed the House provided for the retroactive qualification under the Internal Revenue Code of a pension fund designated as the Plumbers Union Local No. 12 Pension Fund. The Senate in acting on this legislation amended the bill to take care of the qualifying problems concerning another union pension fund. In addition, the Senate added two other amendments not pertaining to pension funds.

The first of these amendments would continue for 2 years—1960 and 1961—the provision of the Life Insurance Company Income Tax Act of 1959 which permitted certain stock life insurance companies to deduct amounts expended in redeeming stock from shareholders pursuant to a plan of mutualization. The extension of this privilege for 2 years is required by the fact that at least one mutualized company was unable to complete its plan of mutualization within the period provided in the 1959 act.

The second Senate amendment not pertaining to pension funds provides for reduced tariffs in the case of imports of Cashmere goat hair. It is my understanding that there is no commercial production of cashmere in the United States. The reduced tariffs provided under the Senate amendment would be the same as those that were in effect under the trade agreement with Iran until that agreement was terminated.

Mr. Speaker, it is appropriate that the House should agree to the Senate amendments.

AMENDING SECTION 4 OF EMPLOYMENT ACT OF 1946

Mr. DAWSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6094) to amend section 4 of the Employment Act of 1946, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Strike out all after the enacting clause and insert "That subsection (f), of section 4, of the Employment Act of 1946 (15 U.S.C. 1023(f)), is hereby amended to read as follows:

"'(f) To enable the Council to exercise its powers, functions, and duties under this Act, there are authorized to be appropriated such sums as may be necessary.'"

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. SCHENCK. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently, no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 80]

Anderson, Ill.	Fenton	Landrum
Avery	Flynt	Loser
Bailey	Fogarty	McVey
Barrett	Grant	Macdonald
Bass, N.H.	Gray	Madden
Carey	Green, Oreg.	Mason
Cederberg	Hansen	Michel
Celler	Hardy	Moulder
Coad	Holifield	Norrell
Cooley	Hosmer	O'Konski
Corman	Jensen	Pillion
Curtis, Mass.	Jones, Ala.	Powell
Durno	Kearns	Roberts
Ellsworth	Kilburn	Roosevelt
Evins	Kyl	St. Germain

Shelley	Thompson, La.
Shriver	Thompson, N.J.
Smith, Calif.	Tuck
Teague, Tex.	Walter
Weis	Williams

The SPEAKER. On this rollcall 381 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONTESTED ELECTION—J. EDWARD ROUSH AGAINST GEORGE O. CHAMBERS

Mr. ASHMORE. Mr. Speaker, I call up House Resolution 339 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Whereas the Committee on House Administration has concluded its investigation, including a recount of the ballots cast at the election of November 8, 1960, in the Fifth Congressional District of Indiana, pursuant to H. Res. 1; and

Whereas such investigation and recount reveals that J. Edward Roush received a majority of the votes cast in said district for Representative in Congress: Therefore be it

Resolved, That J. Edward Roush was duly elected a Representative to the Eighty-seventh Congress from the Fifth Congressional District of Indiana, and is entitled to a seat therein.

Mr. ASHMORE. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, on January 3 this House by the adoption of House Resolution 1 directed the Committee on House Administration to investigate the election of U.S. Representative from the Fifth Congressional District of Indiana, on November 8, 1960.

House Resolution 1 further provided that neither of the principals, that is, Mr. J. Edward Roush or Mr. George O. Chambers, should be sworn in as a Member of Congress until the completion of the investigation and the determination by the House as to who was duly elected and entitled to be seated as a Member.

Your Elections Subcommittee was appointed on February 15, 1961. On February 21, 1961, the subcommittee conducted a public hearing, at which time both the principals and their attorneys testified. The subcommittee decided at that meeting that a thorough investigation of this case would necessitate a complete recount of all ballots cast for Congressman in the Fifth Congressional District of Indiana on November 8, 1960.

Within a few days, in fact, within less time than 1 week, after this decision of the subcommittee, several members of the committee, the committee clerk and counsel, plus 12 auditors and 1 certified public accountant from the General Accounting Office, were in the Fifth District of Indiana beginning the investigation and recount.

The work in Indiana consumed 2 full weeks. I was there throughout the investigation, and generally there were one or more committee members there from each of the parties.

In Indiana during our work there we separated all good ballots from the questionable ballots. The ballots about which there was no question under the law of Indiana, in other words, those that were recognized as good, were left in Indiana after we had inspected them and checked them and made records for whom these ballots had been cast. All irregular or questionable ballots under the Indiana election laws, were brought to Washington for inspection by the full subcommittee.

In addition to that, all absentee ballots whether they were good, bad or questionable, and related papers were also brought back to Washington for inspection and final determination by the full subcommittee. We found numerous irregularities in the marking of ballots in the Fifth Congressional District of Indiana. For example, the law of Indiana says that all ballots shall be marked with a blue pencil. Many of the ballots were not marked with a blue pencil. The law of Indiana goes further and says that to check your ballot or mark your ballot for the candidate you prefer, you should make a crossmark and that the crossmark must be made with that blue pencil that the precinct officials provide each voter. The election laws of Indiana say furthermore, for illustration, that a checkmark—a checkmark if you use that rather than a crossmark—makes the ballot void. Nevertheless, some precinct officials and some county election boards throughout the district—and they varied in what they did in this regard—accepted as good those ballots marked with a checkmark. Some accepted those ballots as good and valid that were marked with a crossmark when the crossmark was not made with a blue pencil, or when the crossmark was not made within the party circle, or not made within the individual candidate's square on the ticket. Some crossmarks were outside of the circle or square, and in that case under the law of Indiana, the ballot had been held void by the courts.

Some other precinct officials and some other county election boards did not accept as valid this type of ballots that I have cited to you for illustration. In other words, there was a complete lack of uniformity in marking and in the counting of ballots in this district. Therefore, we found it was imperative to adopt ground rules or a general policy in deciding which ballots were good and which ballots would be determined as bad. Your committee applied these same rules throughout the district. Briefly, let me say we probably were liberal in declaring ballots valid rather than void, and there are plenty of precedents in this House for this policy because it is based on the sound theory that a voter should not be disenfranchised for some technical error or for some mere inadvertence. As a matter of fact, the intention of the voter—and I emphasize that phrase because it is used throughout the decisions or precedents of the House of Representatives in contested election cases. The intention of the voter was usually the controlling factor in passing upon these questionable ballots by your committee. This is a basic principle and it has been followed by many courts in many States, as well as by the House of Representatives for a long period of years. So if the ballot indicated an honest effort, if it showed on its face the voter was trying to comply with the law and the voter's intention could be clearly determined and ascertained by the subcommittee, then that voter's ballot was accepted.

Mr. Speaker, perhaps, I should say just a few additional words about the method or the procedure used by the committee, although I do not want to take up much more time.

When we brought these questionable ballots to Washington we brought several of these auditors with us to work with our regular committee staff. These gentlemen divided all the ballots that were brought back into certain categories, dependent upon what the irregularity or error might be with reference to each particular ballot. They were separated, put into groups, sealed in envelopes, and kept under lock and key until brought out package by package, group by group, or category by category, and opened in the presence of the committee and handed to us to pass judgment upon.

For example, category 6 consisted—as an illustration purely—of 180 ballots all marked with a checkmark, or all marked with a cross not within the circle, or some other type of irregularity under Indiana law. Of course, we had several other types of irregularities under the Indiana laws. But when the committee members were handed this group of ballots we would look at as many as we liked. We would always look at some of those ballots to determine whether or not we understood the irregularity as explained to us by the staff, and to satisfy our own minds in every particular regarding them, although we did not go through the entire group and inspect them and determine for whom they were cast. We avoided that. We did not want to know, and I can conscientiously say that I believe every member of that subcommittee did not have any desire to determine for whom these ballots were cast as we passed upon these various irregular groups. Then if we were satisfied about the irregularity shown to us by the staff and what we had observed with our own eyes, we would vote to accept or reject that particular group of ballots without knowing for whom they had been cast. Then they were resealed and the packages signed by me and the ranking minority member of the committee. They then remained under seal, lock, and key until the day when they were separated as to the respective candidates and counted.

Then, at the final meeting these envelopes that had been sealed after we had determined their validity or invalidity were brought out and the votes tallied for the respective candidates in the presence of the committee there in the committee room. Each ballot was doubly checked and doubly counted by two teams consisting of three people, two staff members, and one member of the committee. When we had done this and satisfied ourselves that we had arrived at the proper conclusion, and the results were honestly and conscientiously arrived at, the tally showed that Mr. Roush

had received 99 more valid votes than Mr. Chambers. The subcommittee and the full committee unanimously adopted the report and unanimously recommends the adoption of House Resolution 339.

Mr. SCHENCK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first I would like to sincerely commend the chairman of the subcommittee, the gentleman from South Carolina, [Mr. ASHMORE] and the members of the Subcommittee on Elections for the diligent work and hard work, and the sincere way in which they approached this very difficult and unpleasant problem. I would also like to express our appreciation to the members of the committee staff, the legal section of the Library of Congress Reference Service, the professional staff of auditors and accountants loaned to us by the General Accounting Office, and others who worked on this problem. There is an understandable difference in the well-founded opinion by many Members of the House on the question of the observance of State election laws as compared with precedents which have been established in the House. Under the Constitution of the United States, however, each House of the Congress is given the responsibility of determining the seating of its Members when a question is raised. This responsibility has been under House rules given to our Committee on House Administration.

There is another question which is disturbing some of us, and that is the possible overlap of jurisdiction of a special committee appointed each 2 years for the purpose of studying campaign expenditures. Many of us believe that the special committee in this past 86th Congress went too far and went beyond its proper jurisdiction in the actions recommended by its chairman on January 3 of this year.

Mr. Speaker, I think this is a matter which the Members of the House should seriously consider when the next committee of that kind is appointed, because the organization of the House may well be determined by a very close majority or even a disputed majority of the House at some time in the future. Thus the Members of this House of Representatives should very carefully examine the jurisdiction of any special committee to be appointed in the future for the purpose of investigating campaign expenditures.

Mr. ASHMORE. Mr. Speaker, I yield such time as he may desire to the gentleman from Kentucky [Mr. CHELF].

Mr. CHELF. Mr. Speaker, did I understand the gentleman to say a while ago that this is a unanimous report?

Mr. ASHMORE. Yes.

Mr. CHELF. By the subcommittee?

Mr. ASHMORE. Yes, and by the full committee also.

Mr. CHELF. In the subcommittee and the full committee it is unanimous?

Mr. ASHMORE. That is right.

Mr. CHELF. I thank the gentleman.

Mr. ASHMORE. Mr. Speaker, I yield 5 minutes to the chairman of the Committee on House Administration, the gentleman from Texas [Mr. BURLESON].

Mr. BURLESON. Mr. Speaker, I take this time to express appreciation for the splendid work done by the Subcommittee on Elections in the matter now before us.

Without doubt and without qualification, I have never known a more thorough investigation of an election contest case. It has been conducted in a most judicious manner. This means it has, in all respects, been conducted objectively, impartially, and I believe wholly without regard to personality or party.

Mr. Speaker, a matter of this nature is, of course, sensitive and serious. It is not only serious for the individuals directly involved, but is a serious matter for the electors of the Fifth Congressional District of the State of Indiana. This is as it should be. The matter of sufferage is fundamental in our system of government. I testify that the subcommittee bore this fact in mind at all times during the course of their investigation. With this in mind, I know that a most conscientious job was done by the subcommittee.

Those of you who have been familiar with these efforts will, I am sure, join me in assuring our colleagues that the subcommittee, chairmaned by the able gentleman from South Carolina [Mr. ASHMORE] has performed most creditably and sincerely a rather difficult task. It is also appropriate to include in our appreciation the staff of the Committee on House Administration. Mr. Julian Langston, staff head of the committee, has spent long and arduous hours in coordinating all efforts. Mr. Sam Still, on loan from the Legal Section of the Library of Congress, rendered most essential expert legal advices. The General Accounting Office furnished the committee invaluable assistance by the assignment of 13 auditors and accountants headed by Mr. Sidney F. Hecker. To all these gentlemen we express our thanks and commendation.

Mr. CHELF. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Kentucky.

Mr. CHELF. I would like to join the gentleman from Texas in commendation of this subcommittee and the full committee.

I think they have done a fair and honest and reasonable job; a clean job. A very difficult assignment it was. However, the fact that there was no criticism by anybody, from any newspapers or periodicals or radio, convinces me and should convince the country that there was no partisanship in it. I am very grateful and I am very thankful to this subcommittee as well as the full committee for their fine undertaking, and I join with the gentleman in commending both sides of this aisle. This is another example of why I am proud to be a Member of the House of Representatives.

Mr. BURLESON. I thank the gentleman.

Mr. WILSON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Indiana.

Mr. WILSON of Indiana. In the minority views I find that certain ballots were counted which were not initialed by the clerk of that county. Now, of course, the Indiana election laws require that in order for a ballot to be valid, it must have the initials of that county clerk; is that not true?

Mr. BURLESON. I will say to the gentleman that the committee followed precedent after precedent of the House that these precedents may, can, and do, historically outweigh the preponderance of the State law. The precedents of the House have always prevailed. That does not mean, of course, that State law is ignored but that reasonableness and commonsense, melded with the two, the State law and the precedents of the House, has been exercised in this matter.

Mr. WILSON of Indiana. The gentleman has not answered my question. Did you count the ballots that were not properly initialed by the county clerks of the respective counties?

Mr. BURLESON. If the gentleman puts it that way, the answer is definitely "no."

Mr. WILSON of Indiana. Every ballot counted was properly initialed by the county clerk of that respective county?

Mr. BURLESON. In the judgment of the committee the answer is "yes."

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. ASHMORE. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, if the gentleman will turn to page 22 of the report, the second paragraph from the top, he will find this language:

Resolved, That the placing of the county clerk's signature on the back of the absentee ballot and the placing of the initials of the precinct clerks on the back of the regular ballot be declared directory rather than mandatory: *Provided, however,* That on the back of an absentee ballot there must appear at least the initials of the county clerk (which may be made by one of his assistants): *And further provided,* That the clerk's seal must be affixed to each absentee ballot.

That was one of the ground rules that we set up, which applied to all cases.

Mr. WILSON of Indiana. Then, do you say that those rules were followed without exception?

Mr. ASHMORE. Yes.

Mr. WILSON of Indiana. I thank the gentleman.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. ASHMORE. I yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Speaker, I think I should at this time make just a very brief observation, because it is certainly pertinent in view of the discussion just had. I expect to get time a little later on, but I think it ought to be understood that this recount should never have been ordered in the first place, because it is apparent to anybody who will look at the record and see this tremendous file of statistics that what has happened here is that the judgment of the people in Indiana, in charge of our elections, is to be superseded by a determination here made by the Congress of the United States, if it is so made, in complete derogation of the certificates and the action of the election authorities and the elected officials of the State of Indiana. So, for that reason, before

it is too much misunderstood, I wanted to make it clear that as far as I am concerned—and I believed this from the beginning—there was no justification whatsoever for indulging in this recount.

Mr. SCHENCK. Mr. Speaker, I yield 15 minutes to the gentleman from California [Mr. LIPSCOMB], the ranking minority member of the Subcommittee on Elections.

Mr. LIPSCOMB. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LIPSCOMB. Mr. Speaker, at the outset I would like to compliment the distinguished chairman of the subcommittee [Mr. ASHMORE]. He at all times during the investigation and study conducted himself in a fair and orderly manner. He was dedicated to this recount. Also, the majority and minority members on the subcommittee contributed many hours of dedicated service to the Congress in going through this entire recount. Nevertheless, the minority members of the subcommittee feel that there are certain aspects of this matter which must, we believe, be brought to the attention of the House of Representatives. We, therefore, submitted additional views, which are included in the report on House Resolution 1.

Some 450,000 people of the Fifth Congressional District of Indiana have been denied representation in this body for over 5 months. On November 8, 1960, almost 215,000 persons went to the polls in the Fifth District of Indiana, and cast their ballots for the candidate of their choice for Congress. Over 1,200 local precinct officials, judges, and clerks, many of whom had served for years, proceeded to count the ballots and their findings were certified to the various county election boards who in turn certified the results to the secretary of state of Indiana.

In certificates of election dated December 5, 1960, and January 2, 1961, both of which documents were forwarded to the Clerk of the House of Representatives by the secretary of state of Indiana, the secretary of state certified the election of 11 Representatives to Congress from that State, naming each Representative.

These were the same certifications pursuant to which 10 Members from Indiana, 3 Democrats and 7 Republicans, were administered the oath of office and sworn in as Members of the 87th Congress. Only George Chambers was singled out to stand aside.

We believe that pursuant to the certifications of election by the State of Indiana, George Chambers should have been administered the oath of office and sworn in as a Member of the House of Representatives on January 3, 1961, to have enabled the Fifth District of Indiana to have representation in the House during the course of this recount and investigation.

We believe there is ample precedent for this position.

Notwithstanding the precedents, which are discussed in the additional views, the House on January 3, 1961, without debate or explanation adopted House Resolution 1, which had the effect of nullifying the certification of Mr. Chambers and denying him a seat.

We have examined the original election returns as filed for each county by the clerks of the circuit court in the Fifth District of Indiana and have examined the corrections made by those clerks within the 10-day statutory period allowed for corrections under Indiana law following the election. The original returns and the legally filed corrections showed that George Chambers at all times had a majority.

After the time had expired under Indiana law for the correction of errors, an error was found on a tally sheet in one precinct in Grant County. This prompted Mr. Roush to attempt to secure a State recount which was denied since there is no provision of Indiana law authorizing a State recount for a legislative office. An appeal was made to the Special House Committee to Investigate Campaign Expenditures.

The Special Campaign Expenditures Committee sent two investigators to Indiana who verified that an error existed in one precinct on the basis of a recount of 31 absentee ballots in that precinct. As a result of the recount, Mr. Roush was considered to have lost 4 votes and Mr. Chambers 11 votes and these changes, according to the special committee, would have given Mr. Roush a 2-vote majority.

However, this same special campaign expenditures committee refused to take into consideration an error found in Jay County which would still have left Mr. Chambers with a three-vote majority. A certificate of this error under the official seal of the clerk of the circuit court of Jay County, dated November 18, 1960, was received in evidence by the special committee.

The special campaign expenditures committee chose to ignore the vital evidence offered by the Representative-elect and the circuit court clerk but accepted that of their own investigators.

Apparently as a direct result of and on the basis of that investigation a certificate of error was issued and filed by the clerk of the court of Grant County, citing the investigation conducted by the special campaign expenditures committee. This certification, if within legal requirements, would indicate Mr. Roush had a majority of two votes, but this result of course was based on the special committee's recount of absentee ballots in one precinct in Grant County and its refusal to consider the error in Jay County which would have left Mr. Chambers with a three-vote majority.

We believe it did not meet legal requirements.

It should be pointed out that the actions of the Indiana officials in certifying to the election of Mr. Chambers as reflected in the official returns should not have been questioned. One certification, dated November 15, 1960, to the Governor of Indiana was by a Democratic Secretary of State, and the two later certificates, referred to previously, dated December 5, 1960, and January 2, 1961, were by a Republican Secretary of State, the office having changed hands following the election, on the 1st of December 1960.

However, the Clerk of the House of Representatives, Mr. Ralph R. Roberts, prepared, at public expense, an official-appearing document setting forth an alleged compilation of the votes from the different counties in the Fifth Congressional District of Indiana, which compilation purported to certify that of the total votes cast Mr. Roush had been elected a Member of the 87th Congress by two votes, but this document, again, took cognizance only of the claims made by the special campaign expenditures committee and the subsequent certification by the clerk of the court of Grant County, totally ignoring the five-vote error in Jay County which would have given Mr. Chambers a three-vote majority.

According to Mr. Roberts, this pseudo-certification was requested by the chairman of the special committee on campaign expenditures. It is not clear to whom copies of this document were circulated but none to our knowledge were circulated to the Republican Members of the House.

Even had Mr. Roberts possessed clear-cut authority to issue such a document, it was misleading, and in fact purported to indicate a different election outcome than that certified by the State of Indiana which Mr. Roberts himself acknowledged in preparing the official roll for the 87th Congress. The document may well have been instrumental in denying Mr. Chambers his prima facie right to a seat.

The persons authorized by Federal and State law to issue a certificate of election were the elected officials of Indiana, the Governor and the secretary of state.

We of the minority of this subcommittee view with concern the method which was employed by the Clerk of the House in issuing this document designed to cast doubt on the right of a properly certified Member-elect to a seat in this body. This was contrary to the procedures we believe should be followed under which properly certified Members-elect are accorded a seat in the House, with questions pertaining to contested elections being referred to the Committee on House Administration.

Mr. CRAMER. Mr. Speaker, will the gentleman yield?

Mr. LIPSCOMB. I yield to the gentleman from Florida.

Mr. CRAMER. I want to confirm what the gentleman said. I have the privilege of being the ranking minority member on the special elections subcommittee on campaign expenditures. Our subcommittee would authorize, so far as I know, any action by the chairman consistent with the action taken, that is, the issuance of this bogus certificate. As a matter of fact, in your statement that the Republican Members were not circulated this certificate, I wish to inform the gentleman and the House that the ranking Member was not even advised of the existence of such a

certificate, let alone was he circulated a copy of it.

Mr. LIPSCOMB. I thank the gentleman from Florida.

Since 1841 there has been a Federal contest statute setting up a mode for determining contests for a seat where there is some question as to the count. This committee has repeatedly said that it will not set itself up as a mere counting board. Under the contest statute the cost to the taxpayer could have been $4,000, whereas the cost of the Roush-Chambers contested election investigation, while not known exactly, we believe could easily amount to $100,000 or more. It has also extended over a 5-month period, involving considerable time of the 10 members of the subcommittee.

To avoid such a situation, and one which could be very serious should it occur in more than one district in a single State or even in several States, we believe serious thought should be given to the possibility of Federal legislation to require the various States to establish adequate procedures for contested election situations such as this. Such legislation possibly could specify that State contested election procedures be exhausted prior to the issuance of certificates of election. If this were done the House of Representatives would then seemingly be bound by the precedents, long established, that a Member having a certificate that he was duly elected be seated and any question concerning his final right be referred.

Deep concern must be expressed over the manner in which members of the Armed Forces were disfranchised in this election, and we believe that a general review, and clarification if necessary, of all State laws pertaining to and affecting the rights of members of the Armed Forces to vote would be in order, to the end that members of the Armed Forces are given their fullest opportunity to vote, unaffected by arbitrary action on the part of local and State authorities, as, for example, along the lines as was revealed by this investigation.

Again in our opinion, the Roush-Chambers contested election, while it was a long and sometimes arduous task, was directed in a thorough and fair manner by Chairman ASHMORE.

At the same time there are very disturbing elements to the case which we felt compelled to bring to the attention of the House at this time in the interest of assuring that all qualified persons are given the right to vote and, equally, their right to representation in the Congress of the United States. We hope that the House, its officials, and the States may be guided in the future by the experiences and findings of the subcommittee during the course of this investigation.

Mr. Speaker, in closing, I would like to commend Mr. George O. Chambers for his exemplary conduct during this investigation and study.

His position is shown in the following statement which he has released to the press:

STATEMENT OF GEORGE O. CHAMBERS, FIFTH INDIANA DISTRICT

The issue as to who should represent the Fifth District of Indiana has at long last been decided. Although we all regret that a situation such as this could occur and leave some 450,000 taxpaying American citizens without a voice in the House of Representatives, we can all be thankful for one thing—it can happen here. We still have a two-party system.

While the decision of the Congress, through its House committees, is not to my liking nor to that of my friends and supporters, I do not accept the decision in this matter as a defeat, either personally or of those who worked so sincerely in the November election; for whose help, I again express my heartfelt appreciation. Neither do I consider this the end of our endeavors, and I call upon you to consider this the beginning of a drive for our principles and purposes in 1962, with a determination that our influence not be limited to the Fifth District but be extended to all areas of influence to the end that 1962 will speak in terms of majorities about which there will be and can be no question.

It is not my desire to unjustly criticize those who have participated in the extension of the campaign from November 8, 1960, up to this time by making strong or abusive charges, and I hope that those who have had sympathy for my position in this matter will not formulate such thoughts in their own minds. No one knows better than I how easy it is to be bitter in times of adversity; but I know equally as well that bitterness never cultivated a desire to do better the next time. Bitter words never attract much support. Therefore, rather than become bogged down in despair and saying "what's the use," I urge you now to make your pledge for a determined drive for our principles in the years ahead.

Now that the decision is made, Mrs. Chambers and I plan to return to Anderson in a few days where I shall resume the practice of law in my home city with the gentlemen who have carried on in my absence, my associates, William Byer and Charles Gaus. I shall also continue my interest in politics and my concern for the legislation we may expect from the 87th Congress.

At this point I would like to commend those who formulated the laws in Indiana and, particularly, my colleague in the practice of law and my opponent in the realm of politics, John R. Walsh, for his firm adherence to the law in the performance of his duties as secretary of state of Indiana, without the biased influence of political bigotry.

Also, I wish to commend and express my gratitude to the Members of the House who serve on the Subcommittee on Elections, particularly to the subcommittee chairman, Representative ROBERT T. ASHMORE, of South Carolina, as well as to the subcommittee staff, for the equitable manner in which the recount was conducted.

During these past months, the guidance and help extended to me and to the Fifth District by Representative CHARLES A. HALLECK, minority leader of the House, and his staff, have been such that I am at a loss for the proper words with which to adequately express my gratitude and admiration. Without CHARLEY'S assistance, it is doubtful that the Fifth District would have had an official champion in the House of Representatives, and my personal position here would have been intolerable and without purpose.

Throughout this situation, the ladies and gentlemen of the press have extended every courtesy to me and Mrs. Brown, my secretary, for which I am most appreciative. We hold them in high esteem for their friendly attitude, courtesy, and the fair manner in which they have presented the facts of this matter through various news media to the public.

I am grateful especially for the encouragement and support given to me by the people of the district, regardless of party affiliation. The assistance from the district, as well as the help, cooperation and office materials furnished by friends on both sides of the aisle here on Capitol Hill, was invaluable and is deeply appreciated. I feel I would be negligent, and indeed ungrateful, if I failed to mention the loyalty and help given to me and the district by Mrs. Nancy Brown during these difficult months. Her unswerving support in this situation has been an encouragement to me, for in addition to my uncertain official status in the Congress, I was also a stranger to Washington and a newcomer to Capitol Hill. Her experience, contacts, and working knowledge of the Congress have proven invaluable. I appreciate her standing by us, despite the odds.

As Mr. Roush assumes his responsibilities as the Representative from the Fifth District, I charge that his obligations will be doubly heavy in the months ahead, for, much like President Kennedy, he possesses no mandate from the people of the Fifth District. He must remember that nearly 50 percent of the voters of Indiana's Fifth District hope they will not be saddled with another spree of inflation and further shackling of their endeavors by increased taxation, an ever-growing national debt, and more Federal controls. He must remember that it is still the desire of many Hoosiers to be free to run their own businesses; to educate their own children; to be secure in their own homes; to take care of their own old folks, sick or well, and to be just good neighbors assuming the human responsibilities with which our Maker originally charged us. I trust and pray that Mr. Roush will be granted the guidance, the keen insight, and the fair judgment to enable him to faithfully carry out his duties in the best interests of all of the people of the Fifth District.

Mr. Speaker, I yield back the balance of my time.

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, I wish to congratulate the gentleman from California [Mr. LIPSCOMB] for his fine statement and wish to associate myself with the remarks that he has made.

As has been pointed out, the minority members of the subcommittee have submitted additional views with respect to House Resolution 1 and the recount of the votes of the Fifth Congressional District of Indiana in the general election held November 8, 1960. In order that these additional views of the minority may be identified with the debate on the pending resolution, I include them at this point in the RECORD.

The following are the additional views of GLENARD P. LIPSCOMB, CHARLES E. CHAMBERLAIN, CHARLES E. GOODELL, and JOHN B. ANDERSON which are included in the report pursuant to House Resolution 1:

We acknowledge and accept the final decision reached by the Subcommittee on Elections and believe the recount in the Roush-Chambers matter was directed in a fair and orderly manner by Subcommittee Chairman ASHMORE. Nevertheless, there are certain aspects of this case which we believe should be brought to the attention of the House of Representatives.

Some 450,000 people of the Fifth Congressional District of Indiana have been denied representation in this body for over 5 months. On November 8, 1960, almost 215,000 persons went to the polls in the Fifth District of Indiana, and cast their ballots for the

candidate of their choice for Congress. Over 1,200 local precinct officials, judges and clerks, many of whom had served for years, proceeded to count the ballots and their findings were certified to the various county election boards who in turn certified the results to the secretary of state of Indiana.

In certificates of election dated December 5, 1960, and January 2, 1961, both of which documents were forwarded to the Clerk of the House of Representatives by the secretary of state of the sovereign State of Indiana, the secretary of state certified the election of 11 Representatives to Congress from that State, naming each Representative.

These certificates of election read as follows:

"STATE OF INDIANA, OFFICE OF THE SECRETARY OF STATE, SECRETARY OF STATE

"To Whom These Presents Come, Greeting:

"I, Charles O. Hendricks, secretary of state of the State of Indiana do hereby certify that the following named persons were elected at the general election held on November 8, 1960, to serve as U.S. Representatives in the 87th Congress from the State of Indiana:

"RAY J. MADDEN, First District.
"CHARLES A. HALLECK, Second District.
"JOHN BRADEMAS, Third District.
"E. ROSS ADAIR, Fourth District.
"George O. Chambers, Fifth District.
"RICHARD L. ROUDEBUSH, Sixth District.
"WILLIAM G. BRAY, Seventh District.
"WINFIELD K. DENTON, Eighth District.
"EARL WILSON, Ninth District.
"RALPH HARVEY, 10th District.
"DONALD C. BRUCE, 11th District.

"CHARLES O. HENDRICKS,
"Secretary of State."

These were the same certifications pursuant to which 10 Members from Indiana, 3 Democrats and 7 Republicans were administered the oath of office and sworn in as Members of the 87th Congress. Only George Chambers was singled out to stand aside.

We believe that pursuant to the certifications of election by the State of Indiana, George Chambers should have been administered the oath of office and sworn in as a Member of the House of Representatives on January 3, 1961, to have enabled the Fifth Congressional District of Indiana to have representation in the House of Representatives during the course of this recount and investigation.

We believe there is ample precedent for this position. Following is set forth a portion of section 236, Manual of the House of Representatives, 87th Congress, 1st session (H. Doc. 459, 86th Cong.), page 80:

"A certificate of election in due form having been filed, the Clerk placed the name of the Member-elect on the roll, although he was subsequently advised that a State supreme court had issued a writ restraining the Secretary of State from issuing such certificate (Jan. 3, 1949, p. 8). Where the prima facie right is contested the Speaker declines to administer the oath (I, 550), but the House admits on his prima facie showing and without regard to final right a Member-elect from a recognized constituency whose credentials are in due form and whose qualifications are unquestioned (I, 528–534). If the status of the constituency is in doubt, the House usually defers the oath (I, 361, 386, 448, 461). The House also may defer the oath when a question of qualifications arises (I, 474), but it may investigate qualifications after the oath is taken (I, 156–159, 420, 462, 481), and after investigation unseat the Member by majority vote (I, 428)."

In 1933 when a Member was temporarily asked to stand aside Mr. MCCORMACK, the distinguished Representative from the State of Massachusetts, made the following statement:

"There is a long line of precedents to the effect that where the qualifications of a Member are questioned, he has a prima facie right to be sworn in and then have the whole question of disqualification referred to the committee" (CONGRESSIONAL RECORD, vol. 77, p. 74).

The Member, Francis H. Shoemaker, Farm-Labor candidate for Representative at large from Minnesota, was seated and his qualifications referred.

Again on January 7, 1959, when there appeared some question as to the original count in the Brooks Hays-Dale Alford case, Mr. MCCORMACK, the distinguished majority leader, offered a resolution that Mr. Alford, who had been certified, be seated and the matter referred. Again Mr. MCCORMACK advised the House that this resolution was "in accord with existing precedents" (CONGRESSIONAL RECORD, vol. 105, p. 14).

Notwithstanding these precedents, the House on January 3, 1961, adopted House Resolution 1, which had the effect of nullifying the certification of Mr. Chambers and denying him a seat. When House Resolution 1 was offered the previous question was immediately moved on the resolution, and thus without debate and without explanation a vote was had. The previous question was ordered by a straight party line rollcall vote of 252 Democrats to 166 Republicans. Immediately following, the resolution was adopted by a division vote of 205 to 95.

Just how did this all come about? We have examined the original election returns as filed for each county by the clerks of the circuit court in the Fifth Congressional District of Indiana and have examined the correction made by those clerks within the 10-day statutory period allowed for correction under Indiana law following the election. The original returns and the legally filed corrections showed that George O. Chambers at all times had a majority.

After the time had expired under Indiana law for the correction of errors, an error was found on a tally sheet in Jefferson Township in Grant County. This prompted Mr. Roush to attempt to secure a State recount which was denied since there is no provision of Indiana law authorizing a State recount for a legislative office. An appeal was made to the Special House Committee To Investigate Campaign Expenditures.

The Special Campaign Expenditures Committee sent two investigators to Indiana who verified that an error existed in one precinct on the basis of a recount of 31 absentee ballots in that precinct. As a result of the recount, Mr. Roush was considered to have lost 4 votes and Mr. Chambers 11 votes and these changes, according to the Special Campaign Expenditures Committee, would have given Mr. Roush a 2-vote majority.

However, this same Special Campaign Expenditures Committee refused to take into consideration an error found in Jay County which would still have left Mr. Chambers with a three-vote majority. A certificate of this error under the official seal of the clerk of the circuit court of Jay County, dated November 18, 1960, was received in evidence by the Special Campaign Expenditures Committee.

This is how the Special Campaign Expenditures Committee disposed of this vital evidence:

"George O. Chambers submitted to the committee an affidavit dated December 1, 1960, which will be found as exhibit N of the hearings. In said affidavit and in supporting data submitted therewith George O. Chambers alleged that there had been an error in tallying the votes in south precinct, Bearcreek Township, which resulted in Mr. Chambers receiving five votes fewer than the number to which he was entitled. If this contention is sound, the result would be to put Mr. Chambers in the lead by three votes. The staff did not investigate Mr. Chambers' allegations." (H. Rept. 2236, 86th Cong., 2d sess., pp. 9–10.)

The Special Campaign Expenditures Committee thus chose to ignore the vital evidence offered by the Representative-elect and the circuit court clerk but accepted that of their own investigators.

Apparently as a direct result of and on the basis of that investigation a certificate of error was issued and filed by the clerk of the court of Grant County, citing the investigation conducted by the Special Campaign Expenditures Committee. This certification, if within legal requirements, would indicate Mr. Roush had a majority of two votes, this result, of course, based on the Special Campaign Expenditures Committee's recount of absentee ballots in one precinct in Grant County and its refusal to consider the error in Jay County which would have left Mr. Chambers with a three-vote majority.

We believe it did not meet legal requirements for two reasons: (1) It was not filed within the statutory period of 10 days following the election; and (2) the Special Campaign Expenditures Committee of the 86th Congress had no authority to correct errors in votes cast for Representatives to the 87th Congress.

House Rule XI, 9(k) vests jurisdiction over contested elections, credentials, and qualifications of Members of the House in the Committee on House Administration, as follows:

Rule XI. All proposed legislation, messages, petitions, memorials, and other matters relating—

9 * * * (k) * * * to the election of the President, Vice President, or Members of Congress; corrupt practices; contested elections; credentials and qualifications; and Federal elections generally * * * shall be referred to (the Committee on House Administration).

It should be pointed out that the actions of the Indiana officials in certifying to the election of Mr. Chambers as reflected in the official returns should not have been questioned. One certification, dated November 15, 1960, to the Governor of Indiana was by a Democratic secretary of state, and the two later certificates, referred to previously, dated December 5, 1960, and January 2, 1961, were by a Republican secretary of state, the office having changed hands following the election, on December 1, 1960.

However, the Clerk of the House of Representatives, Mr. Ralph R. Roberts, prepared, at public expense, an official-appearing document setting forth an alleged compilation of the votes from the different counties in the Fifth Congressional District of Indiana, which compilation purported to certify that of the total votes cast Mr. Roush had been elected a Member of the 87th Congress by two votes, but this document, again, took cognizance only of the claims made by the Special Campaign Expenditures Committee and the subsequent certification by the clerk of the court of Grant County totally ignoring the five-vote error in Jay County which would have given Mr. Chambers a three-vote majority.

According to Mr. Roberts, this pseudo-certification was requested by the chairman of the Special Committee on Campaign Expenditures. It is not clear to whom copies of this document were circulated but none to our knowledge were circulated to the Republican Members of the House.

Even had Mr. Roberts possessed clear-cut authority to issue such a document, it was misleading, and in fact purported to indicate a different election outcome than that certified by the State of Indiana which Mr. Roberts himself acknowledged in preparing the official roll for the 87th Congress. The document may well have been instrumental in denying Mr. Chambers his prima facie right to a seat.

The persons authorized by Federal and State law to issue a certificate of election

were the elected officials of Indiana, the Governor and the secretary of state.

We view with concern the method which was employed by the Clerk of the House in issuing this document designed to cast doubt on the right of a properly certified Member-elect to a seat in this body. This was contrary to the procedures we believe should be followed under which properly certified Members-elect are accorded a seat in the House, with questions pertaining to contested elections being referred to the Committee on House Administration.

The subcommittee did not simply conduct a recount of the votes cast in the Fifth District as a recount is generally understood. The subcommittee opened the bags containing ballots rejected and not counted by the local election boards. The subcommittee found a total of 1,663 nonabsentee and absentee ballots that had been previously rejected or invalidated. Of this total there were 1,046 nonabsentee paper ballots and 617 absentee ballots.

The subcommittee first ruled on the nonabsentee ballots and validated 693 ballots, adopting a most liberal view and rejecting the previous decisions of the local precinct boards. For instance the subcommittee validated ballots not marked with a blue pencil, ballots not endorsed by the clerks, and ballots marked with check marks rather than a cross (X) mark in cases where such ballots had been originally rejected by local election authorities as not conforming to State law.

The subcommittee thus ignored the decisions of the local boards with respect to the nonabsentee paper ballots. However, when the matter of the validity of the absentee ballots was before the subcommittee the majority reversed the manner of proceeding and adopted a policy of accepting the decisions of the local authorities, particularly the decisions of the county and State boards of elections.

The Subcommittee on Elections evaluated the validity of 62 absentee ballots from servicemen and 23 absentee ballots from servicemen's dependents (a total of 85 ballots) which had been rejected in most instances by county election boards, some few being rejected by precinct officials, on grounds they did not technically comply with Indiana requirements, as those requirements were interpreted, applying to registration of members of the Armed Forces. Of these, 8 were opened with ballots still in envelopes and 77 were in unopened envelopes. The subcommittee ruled only two of these ballots valid in spite of the fact that some of these ballots had been returned by members of the Armed Forces over a month before the election.

We are concerned with the manner in which servicemen were denied their right to vote because of decisions by the county and State boards of elections and regret that the subcommittee, in spite of the fact that there is much uncertainty as to just what Indiana law specifies in the way of registration by members of the Armed Forces, did not persist in its liberal interpretation of the law when the servicemen's ballots were before us.

Since 1841 there has been a Federal contest statute setting up a mode for determining contests for a seat where there is some question as to the count. This committee has repeatedly said that it will not set itself up as a mere counting board. Under the contest statute the cost to the taxpayer would have been $4,000, whereas the cost of the instant contested election investigation, while not known exactly, we believe could easily amount to $100,000 or more. It has also extended over a 5-month period, involving considerable time of the 10 members of the subcommittee.

To avoid such a situation, and one which could be very serious should it occur in more than one district in a single State or even in several States, we believe serious thought should be given to the possibility of Federal legislation to require the various States to establish adequate procedures for contested election situations such as this. Such legislation possibly could specify that State contested election procedures be exhausted prior to the issuance of certificates of election. If this were done the House of Representatives would then seemingly be bound by the precedents, long established, that a Member having a certificate that he was duly elected be seated and any question concerning his final right be referred.

In our view, deep concern must be expressed over the manner in which members of the Armed Forces were disfranchised in the instant election, and we believe that a general review and clarification, if necessary, of all State laws pertaining to and affecting the rights of members of the Armed Forces to vote would be in order, to the end that members of the Armed Forces are given their fullest opportunity to vote, unaffected by arbitrary action on the part of local and State authorities, as for example, along the lines as was revealed by this investigation.

We would say again, in conclusion, that in our opinion the Roush-Chambers contested election matter, while it was a long and sometimes arduous task, was directed in a thorough and fair manner by Chairman Ashmore.

At the same time there are very disturbing elements to the case which we felt compelled to bring to the attention of the House at this time in the interest of assuring that all qualified persons are given the right to vote and, equally, their right to representation in the Congress of the United States. We hope that the House, its officials, and the States may be guided in the future by the experiences and findings of the subcommittee during the course of this investigation.

Mr. ASHMORE. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. McFALL] a member of the subcommittee.

Mr. McFALL. Mr. Speaker, I wish at this time to offer my commendation to the chairman of the subcommittee, Mr. ASHMORE, of South Carolina, for an exceptionally meritorious job in handling this whole election recount and as well to commend the ranking minority member, the gentleman from California [Mr. LIPSCOMB] who with his minority members also did an exceptionally good job. I should also offer my congratulations and those of the entire committee to the staff: Mr. Julian Langston, the able clerk of the committee, Mr. Sam Still, special counsel for the committee, Mr. Sidney Hecker and Tommie Crook who did such a very fine job in the auditing of all of these intricate and involved figures. I would like to say just one thing in addition with reference to some of the remarks made previously that this election recount should never have been held.

I believe the results which the committee has reached best substantiate the action of the House in not seating Mr. Chambers. There were allegations of irregularities in the count which were substantiated by what the committee found in the recount of the vote in the district.

If you will refer to page 2 of the report you will see that if we had recounted only the votes which had been counted in the precincts by the local officials that Mr. Roush would have won by some 17 votes. The proof of the pudding, I suppose, is in the eating. When we recounted all of the votes in the precincts, without regard to any votes which were not counted by the precinct people, we found that Mr. Roush received 17 more votes than Mr. Chambers. In my mind, this is substantial reason for seating Mr. Roush without consideration of any of the other actions of the committee with reference to the other votes which had not been counted in the precinct. We found there 163 ballots which had not been counted by precinct officials. This was, of course, not as a result, in my opinion, of any fraud, but merely mistake. When you get a group of election officials up at 5 o'clock in the morning and work them until 5 o'clock the next morning, and they count thousands and thousands of ballots, there will be mistakes. We found 163 additional ballots. Of these additional ballots Mr. Roush received a 20-vote majority, which gave him a 17-vote victory in the election. Under any circumstances, other actions of the committee brought the total majority for Mr. Roush to 99 votes. But, I repeat, if we had merely recounted the votes determined valid by the local boards Mr. Roush would have been the victor by 17 votes.

Mr. SCHENCK. Mr. Speaker, I yield 6 minutes to the distinguished minority leader, the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I am against this resolution. I do not think it should be adopted, and I am going to tell you why.

As I indicated earlier, in my opinion, it was a mistake to order this recount in the first instance. The gentleman from California has just referred to the counting of certain ballots or the failure of the election boards to count certain ballots. That may have happened; I do not know, but the fact of the matter is that an election was held in my State last November 8, just as others were held in all of the States across the Union. We have dedicated people serving on those election boards. We have State election machinery to tabulate results and to certify as to who is elected. We had an election in the Fifth District in Indiana. The votes were counted by these people at the precinct level. They were tabulated in the county clerk's offices throughout the Fifth District. Those results were then sent to Indianapolis, to the secretary of state. All of this was done by the proper officials of my State, even as it is done by the proper officials of your State; and let me say right now you are dealing with some serious business if you get this sort of thing going, because you may be having a lot of recounts in the future.

After the election was held and the ballots counted and tabulated in the office of the secretary of state in Indianapolis, a certificate of election was issued to George Chambers. As has been pointed out, that certificate was signed by a then Democratic secretary of state, who was formerly a Member of this body. A certificate was signed by the Governor and forwarded to the Clerk of the House in Washington.

Some little question rose about whether or not that certificate was proper. I dispute there was anything irregular about it. But subsequent to that time, on December 5, the secretary of state certified all 11 of us from Indiana, including George Chambers, as having been elected and declared elected by the sovereign State of Indiana. That certificate is here, and that is the one on which I was sworn in.

There has been talk about phony certificates. The distinguished gentleman from California [Mr. LIPSCOMB], talked about a phony certificate that was circulated around here. That is one presumed to be a certificate gotten up by the Clerk of the House, for Mr. Roush with absolutely no authority.

But in order that there be no question about the original certificate, another certificate of election was issued to George Chambers by the secretary of state and the Governor of Indiana under date of January 2. That certificate, too, was filed with the Clerk of the House.

When I got back here I found to my utter amazement there was some question raised.

In spite of all of this having been accomplished as it was, and with nothing to cause any intervention at all, a couple of staff members from the Committee on Expenditures and Elections went out to Indiana. They spent a couple of hours out there, looked at one precinct, and refused to look at a 5-vote mistake in another precinct. They came back here and said: We do not know who was elected.

But we in Indiana knew who was elected, George Chambers. That is what the Governor said, that is what the two secretaries of state said.

The real question here is, Are you going to override these determinations of a sovereign state under proper procedures, no allegations of fraud, are you going to put the House Administration Committee to the job of recounting every close election that comes up from a district?

Let me say to my friends on the right side of the aisle, I served on the House Administration Committee with the gentleman from Oklahoma, distinguished as he is, now sitting in the chair as Speaker pro tempore, and we never undertook any such recounting business.

Mr. BURLESON. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Texas.

Mr. BURLESON. I have a great appreciation of the gentleman's remarks about the origin of this effort. I know he does not intend to say or to imply that the committee investigating this matter did so on its own initiative and instigated and conducted it. Of course we acted in accordance with a resolution that was presented, and with the gentleman's long service I have heard it said that the House should work its will, that we may do anything a majority wishes to do. So in this instance the majority directed the committee to make the investigation.

I just want to get the record straight.

Mr. HALLECK. I am casting no reflection on the Committee on House Administration.

Mr. BURLESON. May I make a further point. The gentleman from South Carolina may have mentioned it. I think I am correct, and I will stand corrected if I should be incorrect. Taking the ballots which were counted originally and which were reported to the House on a certain occasion, to which the gentleman refers, actually by a recount of the committee of those identical ballots, the gentleman from Indiana, Mr. Roush, would still have won by 17 votes.

Mr. HALLECK. Well, now, let me say to the gentleman I was not on the subcommittee. My position is that the original mistake was made when the resolution was adopted, and it has put us in this position: What you are doing, if you adopt this resolution, is to supersede the determination made by a sovereign State, certified to by a sovereign State, with a recount here that it already has been admitted flies in the face of our election laws in the State of Indiana.

Now, I think that is wrong; I think it is a bad precedent. Let me ask you, my friends, whether you are in the majority or we are in the majority, are we by the simple expedient of asking a man to stand aside by a Member of the House to then adopt a resolution refusing to seat him and directing the Committee on House Administration to recount all the ballots? If you have a copy of those hearings, you ought to see the detail; long pages in there. Yes, you did as much counting as they did out there November 8 or the morning of November 9. I hear somebody say "Maybe more." All right. It has been demonstrated you certainly did count more, and you counted some 800 ballots more in the net total than were counted in Indiana.

Now, again, I want to come back to the proposition. You surely counted more for Mr. Roush. It is a bad precedent that will be set here today if this resolution is adopted. Let me ask, how close does the election have to be to justify this sort of business? 100 votes, 200 votes, 500 votes? You know, there is another thing. It is costing over $100,000; it is not costing the contestor a nickel. He has all to gain and nothing to lose by having this complete recount. I do not think that is very sound practice. I think in your State as in mine, where provision is made for a recount, the contestor has to put up the money to pay for the recount.

Now, I do not believe if the Members of the House of Representatives had fully understood the situation at the time the original resolution was adopted, that it would have been adopted. I began to inquire about procedures, and I asked all responsible people in charge for time to debate it. I was under the impression that we would have time to explain the matter and to let the membership know just what was involved. I have had Members on the Democratic side say "Why, we understood there were two certificates, one to Roush and one to Chambers." Nothing could be further from the truth. The only certificates were those that were held by George Chambers, all three of them. But, I know Democrat after Democrat here in the House of Representatives voted under the understanding that they both had certificates. Well, you can imagine, after I understood I was to have time, how shocked and astounded I was, that the previous question was ordered, shutting off debate and foreclosing any possibility of an explanation.

Just previous to this action, I had pledged in presenting Speaker RAYBURN to the House that in matters affecting the security of our country there would be no partisanship among us. Well, in any event, the debate was shut off. I did not like it. I did not think it was giving us a square deal. I would like to have had the membership know just what they were getting into, but we were not given that opportunity. I do not like to have to say anything about it here today, but I would be less than honest with my conscience and what I conceive to be my responsibility to this great legislative body if I did not speak here the sentiments that I am expressing.

I have always understood, ever since I came here, that if a man came here from a sovereign State with a valid certificate of election, he would be sworn in. Here, the opposite was done, because you on the Democratic side had the votes to do it. We tried to vote down the previous question on the resolution in order to open the matter up for some consideration. We were voted down on a straight party vote. All I can say is that I am against this resolution, and I do not think it should be adopted. If it is adopted, I say it is a bad day for the House of Representatives.

Mr. ASHMORE. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman.

Mr. ASHMORE. If I understand the gentleman correctly, he is objecting to the fact that an investigation was ordered by the House of Representatives on January 3, 1961?

Mr. HALLECK. That is right.

Mr. ASHMORE. The gentleman is not objecting to the manner in which this House Administration Elections Subcommittee has conducted this investigation?

Mr. HALLECK. Let me say to the gentleman from South Carolina that there is no Member in this House in whom I have greater confidence. I do not know that I would have done everything that was done in the subcommittee, but as I have understood it, the subcommittee members, working together, finally decided on certain ground rules and, as a result, you have come up with the recommendations which you have made here today. My criticism, as I say, goes to what I think is the heart of this whole matter. It is not sufficient justification to say, "Well, the result of the recount by the rules set by the committee shows Mr. ROUSH was elected." That is not sufficient justification.

The real thing that is wrong here is that you started it in the first place, because, as I say, if you are going to make a recount by people here without regard to State laws, why, anything could happen, and probably would.

Mr. ASHMORE. Mr. Speaker, I yield to the chairman of the Committee on House Administration, the gentleman from Texas [Mr. BURLESON] 2 minutes.

Mr. BURLESON. Mr. Speaker, for the record, I am not arguing with the gentleman from California nor the minority leader with reference to the cost of this investigation, but Members might wonder how the subcommittee was able to spend $100,000 in connection with this investigation. As a matter of fact, we have paid out approximately $11,500 in expenses thus far. We have a few bills which have not yet come in amounting to probably $1,000.

I will go a bit further and say that if the salaries of the 13 accountants and auditors, borrowed from the General Accounting Office, as well as the counsel borrowed from the legal section of the Library of Congress, were included, then I do not know how much the cost would be. Also, there is the matter of the salaries of these two gentlemen, for which a resolution will be presented. We have employed no one who is not already on the Government payroll, but borrowed from other agencies. Up to this point it is my estimate that the total cost would probably not exceed $30,000.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Indiana.

Mr. HALLECK. Of course, you may have borrowed these people from other agencies, but they are paid by the Government. They had other things to do. I do not see how anyone can argue that that is not chargeable. Although it had to be done, is it not true that you had big MATS planes flying back and forth from Washington to Kokomo almost every day for a considerable period of time?

Mr. BURLESON. Not every day. The Elections Subcommittee spent 12 days in Indiana and there were a total of four round trips made by MATS planes between Washington and Kokomo.

Mr. HALLECK. Pretty regularly.

Mr. BURLESON. I am not arguing about what the gentleman says about the people on the Government payroll. I merely wish to clarify the estimated cost figure for this investigation.

Mr. HALLECK. I am sure the gentleman is fair. He is always fair.

Mr. BURLESON. I thank the gentleman. They are on the payroll, anyway. I just wanted to make that point. I am satisfied with the record.

Mr. SCHENCK. Mr. Speaker, I yield 7 minutes to the gentleman from Florida [Mr. CRAMER], a member of the Special Committee on Expenditures appointed last year.

Mr. CRAMER. Mr. Speaker, I rise in opposition to the resolution. It is going to be my intention to vote against it. I do so largely as a protest against the manner in which the motion was presented and debate cut off at the time this matter was up for consideration under House Resolution 1, as has been explained by the gentleman from Indiana, the minority leader.

The motion that was submitted, that neither Chambers nor Roush should be seated—and I want this point to be made perfectly clear—was not consistent with the recommendations of the subcommittee on which I served. There was no recommendation made by that subcommittee nor was there any authority given to the chairman by the action of the subcommittee directing that chairman to present any such motion. Therefore, that motion was the responsibility directly and solely of the Democratic leadership of the House.

This is what bothers me about what transpired. Obviously our subcommittee did not have time to go into this matter and make a full recount. It has been correctly stated that as far as Roush's objections are concerned the Special Subcommittee on Elections went in and examined the contested ballots in that one precinct objected to by Roush but, on the other hand, they made no effort whatsoever to examine the objections made by Chambers. That was pointed out on the insistence of the minority as contained on page 10 of the recommendations of the Campaign Expenditures Committee.

As a matter of fact, that report specifically said, as the gentleman from California pointed out, that the only certification available to us was one showing that Chambers had won by 12 votes. The other certification available was one subsequently made indicating Chambers had won by 5 votes. The only certification before the House was one by the Secretary of State.

I repeat the remark I made to the gentleman from California, our subcommittee did not authorize anyone nor was it a part of its findings that the Clerk of the House or anyone else should have the authority to issue any certificate. I think that clearly shows that the certificate that supposedly was issued in support of Mr. Roush's election was a bogus certificate and it had no validity in fact.

Mr. SCHENCK. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Ohio.

Mr. SCHENCK. I wonder if the gentleman would make clear that he is talking about his subcommittee. Does the gentleman actually mean the special subcommittee appointed for the purpose of investigating expenditures?

Mr. CRAMER. That is correct.

Mr. SCHENCK. The gentleman is not referring to the Subcommittee on Elections?

Mr. CRAMER. That is correct; the Campaign Expenditures Committee.

Mr. SCHENCK. I thank the gentleman.

Mr. ASHMORE. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from South Carolina.

Mr. ASHMORE. I appreciate the gentleman from Ohio making that distinction clear in reference to this other committee, which has been made on so many occasions today. I wish the record would also show, if the gentleman from Florida will yield further, that no Member of this Special Investigating Expenditure Committee is a member of our Subcommittee on Elections and the Committee on House Administration. They are separate and distinct and one has nothing whatsoever to do with the activities of the other; is that correct?

Mr. CRAMER. The gentleman is absolutely correct. This committee was appointed as a special interim committee to investigate elections immediately following the election and preceding the convening of the next Congress, that is, the 87th Congress. This committee was appointed for the purpose of overseeing expenditures in elections after every election.

So what happened? The motion was made and the resolution was up for consideration, without giving the House, as the distinguished minority leader said, the slightest opportunity to discuss these issues, and debate was cut off. There was no discussion made by the chairman of this Special Campaign Expenditures Committee that any such motion was made. I was not advised that such a motion would be made. I was not advised that the debate would be cut off. As a matter of fact, I still have my pencil notes and remarks which I was prepared to make at the time in discussing what I thought was the right action that should be taken on that resolution, House Resolution 1. That resolution, House Resolution 1, should have been voted down. Why? For the reason that the people of the Fifth District of the State of Indiana have been denied the right to be represented in this, the highest legislative body in the entire world, for the last 5 months, despite the fact that every certificate of a valid nature indicated Chambers was elected; and I think that is wrong. Another reason I think it is wrong is that there is no precedent for such action. As a matter of fact, there is precedent for the opposite action and for nothing else.

As a matter of fact, the committee on which I serve, and I was not on it at that time, the campaign expenditures committee in the previous Congress, the 86th Congress had recommended in the Alford-Hays dispute, specifically recommended, that the distinguished gentleman from Arkansas [Mr. ALFORD] stand aside. That was the recommendation of the committee. But that was not the recommendation in this instance, and despite that the House of Representatives accepted the certification and permitted Mr. ALFORD to sit. Now what conclusion can you possibly draw from that? What standards are being used? Is it because you have the votes and because you belong to the Democratic Party that you are entitled to fair treatment and you are entitled to be seated, but if you belong to the party that happens to be in the minority, that is the Republican Party, then you do not have the right to be seated despite the fact that all precedent is to the effect that you do have the right to be seated under certification that is submitted by the

proper State authority? I cannot see any other test, and I say to you this might easily come to haunt those of you who are in the majority at the present time. I thought that the previous test was the proper test, and I am sorry to see it subverted in this manner.

The SPEAKER. The time of the gentleman has expired.

Mr. ASHMORE. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Speaker, I think the point should be made in regard to this effort to overthrow the recount on the basis of something that was done in January, that all of these arguments and speeches about what was wrong on that day were not made the next day when people could have had the time to talk about it. They were made only after the recount showed that the Republican candidate had been defeated. Basically, the complaint that the gentleman from Indiana makes is as to the effect that the Democrat, Mr. Roush, had approximately 100 more votes than the Republican candidate. I think it is proper that the House of Representatives should seat the candidate who gets the most votes. I fail to understand why the position is being taken by Members of the minority that a candidate should be supported even when he is defeated. That is all this boils down to. The matter develops as to why the House of Representatives through its proper committees was called upon to make the recount. This is because of Indiana law that we have now and which we have to accept. I call your attention to the bottom of page 4 of the report which cites the Indiana case which holds that for legislative office there can be no recount, and this case developed as a result of a contest for the State senate. The Indiana court held that the State senate was the judge of the qualifications and election of its members. That is why we came to have the recount. The recount was held under very deliberative circumstances. Although we had disagreement about individual ballots, we agreed on the general outcome that was involved; and I do not think we or the public at large should get the idea that this storm of oratory being let loose today is anything but politically inspired—looking to the elections of 1962.

The recommendation made unanimously by the House Subcommittee on Elections of the Committee on House Administration, and by the Committee on House Administration itself was based on the fact that our count showed that Mr. Roush had 99 more ballots than Mr. Chambers. I think every Member of the House of Representatives believes that the candidate who received the majority of the valid ballots is the one who should be seated. I am sure all this debate today will be recognized for what it is, politics.

Mr. SCHENCK. Mr. Speaker, I yield 4 minutes to the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Speaker, the gentleman from Mississippi [Mr. SMITH], who just spoke, stated that something should have been done on the day when Mr. Chambers was ordered to step aside.

Mr. SMITH of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. BRAY. I yield.

Mr. SMITH of Mississippi. I might point out that I said this should have been made the day after. When the resolution was offered the previous question was moved immediately and that cut off all debate. Protests should have been made the day after this "high crime"—and I put quotation marks around it—was fresh in everybody's mind.

Mr. BRAY. No one is talking about high crimes. At that time the previous question was moved and there was no opportunity for anyone to make a statement. If the gentleman was on the floor he will remember it; if he was not he can read the RECORD and refresh his mind on it.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BRAY. I yield.

Mr. HALLECK. I must say that the attempted explanation by the gentleman from Mississippi is a pretty weak reed on which to lean—to make a speech the day after the action had been taken. I do not want to characterize it as I feel it should be characterized for I do not want to indulge in unparliamentary language.

Mr. O'NEILL. I think in fairness to the minority leader that had he been on his toes and asked to be heard that he would not have been refused.

Mr. HALLECK. I had inquired, may I say, as to getting time. The gentleman from Massachusetts is a fair, fine Member of this body. The bid was made but I am sorry to say debate was shut off.

Mr. BRAY. Mr. Speaker, I want to talk very briefly on exactly how the election law of Indiana operates, and the reason I am mentioning it is that I want this body to realize what we are trying to accomplish in having the strong election laws that we do. There are reasons why we have the election laws that we do in Indiana. It is a very close State politically. Through the last century it has been perhaps as close politically as any State in the Union. Every election is fought out very bitterly, and there was in the early days a great deal of fraud. This is why we pick our election boards in Indiana differently from the way they do it in most of the States, and why we have the laws regarding the counting of ballots that we do. Both parties in Indiana subscribe to these laws.

In the primaries, the Democratic and Republican Parties in each precinct elect a precinct committeeman, and the precinct committeeman picks the respective election board members for his party. He picks a clerk, and a sheriff, and a judge. The clerk and the sheriff are not members of the board.

I believe this is important when you see why we have passed the laws in Indiana that we have. In Indiana we have paid a great deal of attention to this matter.

There is also an inspector for each precinct picked by the precinct committeeman of the majority party in the last election. The majority party is the party that carried a majority for secretary of state in that county in the preceding election. The precinct committeeman of the party in each county that carried a majority of the vote for secretary of state in the 1958 election appoints the inspector of the election board for that precinct. So there is on each election board an inspector from the majority party and two judges, one from the majority and one from the minority party. That is very important in the consideration of this matter, for the following reasons.

In the Fifth Congressional District each of the counties went Democratic in 1958 for secretary of state but one. So you had 370 election boards with a 2-to-1 Democratic majority. Only 18 of the boards have a Republican majority. The Democratic boards in this district outnumbered the Republicans more than 20 to 1, so in the precincts in the Fifth District more than 95 percent of the election boards were 2 to 1 Democratic. I am merely pointing out there was no great Republican opportunity, if they desired, to pull fraud in this election.

Then of the 10 county clerks by whom these returns were certified, 6 were Democratic and 4 Republican.

The man who received the returns and made the certificate was the Honorable John Walsh, secretary of state at that time, a Democrat, and a previous Member of this House.

Because of the tremendous fight and the bitterness in the elections, we have very strict election laws in Indiana. We found out years ago that ballots could be smuggled into the polls unless you had a special pencil to mark them for Democrats and Republicans alike. By Indiana law special pencils are in the election supplies opened by the inspector in the presence of the other members of the board and must be used to mark each ballot and must be destroyed as soon as the polls are closed. In Indiana it is illegal to count any ballot—except absentee votes—marked otherwise. Yet many such ballots were counted by the committee in direct violation of Indiana law.

In order that there shall be no identifying mark on the ballot, the Indiana law is clear that the cross must be in a circle or a square. A checkmark must not be counted but many such ballots are counted by the committee contrary to Indiana law. Many other Indiana laws were violated in the counting of these ballots.

In closing I want to point out that 695 ballots were counted by the committee which were thrown out by Indiana law as interpreted by the election boards in the Fifth Indiana District, 95 percent of these boards being composed of a 2-to-1 Democratic majority. Six of ten county clerks certifying the returns to the State were Democratic.

It is a dangerous precedent to change the rules in the middle of the game, to change Indiana election laws to suit the will of Congress.

Mr. ASHMORE. Mr. Speaker, I yield 5 minutes to the distinguished majority leader [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, I think the gentleman from Mississippi [Mr. SMITH], well described the speeches

made by our Republican friends and the positions taken by our Republican friends as "politics" and looking forward to the 1962 elections in this particular district. The distinguished minority leader said it would be a sad day in the House of Representatives if this resolution was adopted. It would be a sad day if it was not adopted.

No sooner had the polls closed in this congressional district than everyone in that district and throughout Indiana knew a mistake had been made when the county clerks certified, with the known knowledge of a sharp error in one of the precincts, in Jefferson Township of Grant County, that Chambers was the winner by three votes. Everyone in the congressional district and in the State knew that with the votes certified Roush was elected.

What are the facts in that precinct? There were only 19 applications for absentee ballots, yet there were 31 absentee ballots cast in the contest for Congress. For the office of President, Governor, and every other office in the State voted in that precinct, there was not more than 17 absentee ballots cast. So that meant there were 19 applications for absentee ballots and 17 of them had voted.

In the contest for Congress, there were 31 absentee ballots counted; 22 for Mr. Chambers and 9 for Mr. Roush. So, if the House did not take the action that it did on the opening day, it would have been in violation of equity and justice, because everyone knew that on the basis of the accredited and certified votes Roush was elected. Oh, I am not going into the certification before the 10-day period, which was not in conformance with the law—I do not like to use the words "in violation of the law"—not in conformance when they jumped the gun on Roush. Under the State law, as heretofore stated, there could not be a recount for a legislative office, so they could not go into that precinct and take out the ballots where they knew there was an error. Why, if Mr. Chambers got the whole 17 absentee votes cast and Roush got none, on the basis of certification, Roush was elected by 2 votes, because taking 5 from 22 would take it down to 17 for Mr. Chambers, and he was certified in the total congressional vote, elected by 3 votes, but taking 5 votes away from him, that meant Roush was elected by 2 votes. The select committee under the chairmanship of the distinguished gentleman from Tennessee [Mr. DAVIS], looked into this matter and they made a report to the House that Roush was elected. This was a committee whose fairness nobody questions. Going into the whole district, there are bound to be mistakes made here and there, although this precinct is very significant; it is hard to explain to me, and I am very temperate when I say it was an error. But, there are bound to be some mistakes made here and there in the count, and this committee, after a count that nobody questions, said Roush was elected by 99 votes.

Those who filed additional views on the Republican side called attention to the fact that the Special Committee To Investigate Campaign Expenditures did not investigate Mr. Chambers' claim for five additional votes in a Jay County precinct. The Subcommittee on Elections did investigate this claim and found the allegation to be baseless. There were five tally marks recorded in an inner margin, out of place, on one of the two tally sheets. The duplicate tally sheet did not show these additional tallies. There was a recount of another election race in Jay County underway by the time the Special Committee To Investigate Campaign Expenditures received this claim from Mr. Chambers. The recount showed that these tallies were in error and the totals of the precinct were correct as originally certified. Do my Republican friends think the people of that district, even those who voted for Mr. Chambers, would want Mr. Chambers seated if he was not elected? The evidence indisputably shows that Mr. Roush was elected. When the polls were closed it was known that on the figures, by reason of this mistake, that he was elected. And, in the light of that, in equity and justice, what were we to do?

Those who filed additional views on the Republican side called attention to two cases that have nothing to do with this. The Shoemaker case involved the question of qualification. He was asked to step aside. Then there was the Alford case. There is no comparison between the Alford case and the Shoemaker case and this case.

Mr. Speaker, it is very fortunate that the House did do as it did. It is very fortunate that the House did it, because the people of that district now know and the people of Indiana now know that the man who got the majority of the votes is going to be seated in this body. He has been unofficially serving his district here, and I think that is fine and honorable. If Mr. Chambers is not seated, that is all very fine, because my remarks have nothing at all to do with criticism of Mr. Chambers.

The original certificate of election presented by Mr. Chambers was prematurely issued. The Indiana statutes give clerks of the circuit courts 10 days after their first certification to correct errors. The certificate was issued to Mr. Chambers on the 15th of November, less than 10 days after the election and well prior to the necessary 10-day period following the various clerks certifications to the secretary of state. The second certificate was filed on January 3. It was issued by a Republican Governor in face of the fact that the Special Committee To Investigate Campaign Expenditures unanimously reported that Mr. Roush was apparently the winner by two votes. That is, both certificates were contradicted by certificates of error filed by various county clerks and by the facts found by the Special Committee To Investigate Campaign Expenditures. The certificate of election is merely prima facie evidence of election. Such evidence is admissible only when not contradicted by facts. And in this instance the evidence was clearly contradicted. There are those who say the House broke precedence by not seating the man who held the certificate of election. I say the House followed its long established precedent in refusing to seat a man who has fewer votes than his opponent. The fact is that Mr. Chambers was not elected. The fact is that the people of the congressional district and the State of Indiana as a whole knew the next morning that Roush was elected because of the mistake alone in Jefferson Township Precinct No. 1 of Grant County where 31 absentee ballots were counted for Congress, when at the most there were 19 applications for absentee ballots filed, and the most votes for any office was 17. Oh, you say that was a mistake. Yes, certainly it was a mistake against Mr. Rouse. Everyone knew he was elected, and the action of the House confirms what was right, what was just.

I compliment the committee. Nobody disputes the fairness of the committee, and the honorable thing to do is to carry out not the mandate of the House but the mandate of the people of that congressional district as shown by the vote to seat Roush today.

Mr. SCHENCK. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Speaker, I must say to the distinguished majority leader, as a Hoosier who was in Indiana on the day after the election, that we regarded Mr. Chambers as elected, as we regard him as elected today. If the majority leader had taken into account in his tabulation an error made in another county in favor of Mr. Chambers, as has been heretofore pointed out, the gentleman from Massachusetts [Mr. MCCORMACK], would have come up with the result that Mr. Chambers did have the majority.

Mr. Speaker, at the outset, let me make it very clear that, although I am critical of the result reached in the Roush-Chambers contested election case, this criticism certainly does not extend to members of the Committee on House Administration. The chairman of that committee, the gentleman from Texas [Mr. BURLESON], the chairman of the subcommittee, the gentleman from South Carolina [Mr. ASHMORE], the gentleman from Ohio [Mr. SCHENCK], and the gentleman from California [Mr. LIPSCOMB], are all gentlemen of the highest caliber and greatest ability. I respect them and all members of the committee.

However, Mr. Speaker, the whole history of this case is one which I think is unfortunate, unfair, and has led to an improper result. In the first place, the action of the Special House Committee To Investigate Campaign Expenditures left untabulated certain corrections in Mr. Chambers' favor and, consequently, gave to some who were not fully informed a wrong impression.

Next, the action of the Clerk of the House in preparing a document which has been characterized as a "pseudo-certification" was apparently without proper authority and was certainly misleading.

In this case we have the situation in which Mr. Chambers had been declared duly elected by two Indiana Secretaries of State, one a Democrat and his successor, a Republican. These certifications were completely disregarded and resulted

in the denial of representation to the people of a congressional district for a period of almost a half year. Within the period of my service in the House, no regularly certified candidate has been denied his seat, even though a contest was in progress. On the contrary, it has been the custom, based upon precedent, to seat a man who is duly certified by his own proper State officials and then to carry forward the election contest.

However, I think a thing which disturbs me perhaps more than these others is the disregard which was shown for the election laws and practices of the State of Indiana. I think it is wrong for a committee of this Congress to substitute its judgment as to what ballots should be counted for the laws of a sovereign State. Indiana statutes spell out our election procedures and whether Members of this House agree with them or not they are the laws of the State. If they are to be changed, this should be done in the proper manner by State legislature, but simply to disregard the laws with respect to what constitutes a valid ballot is certainly Federal intrusion into the affairs of a State.

To cite only one example, under Indiana law, on a paper ballot a vote is required to be indicated by placing an "X" in a circle or square. It is clearly indicated on the ballot that the vote must be an "X" and not be a checkmark or other device. This is to assure that there will be no distinguishing marks on any ballot and we in Indiana think that is a good law. The committee, however, decided otherwise and counted ballots marked in a variety of ways, a number of them not valid under Indiana law.

I ought not to conclude without mentioning the cost to the Federal Government of this procedure. It is estimated at $100,000, whereas if the regular contest procedure had been followed it would have been $4,000.

I feel sure that, if the ballots had been counted according to the laws of the State of Indiana, the holder of the certificate of election, Mr. George Chambers, would have been declared the duly elected Representative in Congress from the Fifth District.

Mr. ASHMORE. Mr. Speaker, I yield myself 2 minutes.

The gentleman has made reference to the fact that in some instances the election laws of Indiana were overruled as a result of the action of this committee. I want to say, and I tried to state it in my opening remarks, that the election laws of Indiana were not uniformily observed. In some instances we would have a ballot marked with an improper crossmark or with an improper instrument, or with the mark not being in the correct place, as required under the law. Some precinct and county officials did consider that a good ballot and counted it. But, in the next county or precinct we found that they did not consider the same type marking good. So, it was necessary to set up uniform methods of passing on all of these ballots.

Mr. ADAIR. Mr. Speaker, will the gentleman yield?

Mr. ASHMORE. I yield to the gentleman from Indiana.

Mr. ADAIR. My point is this: The uniform method should have been the one established by the laws of the State of Indiana.

Mr. ASHMORE. Well, they were not following the laws of the State of Indiana.

Mr. ADAIR. That was, of course, the fault of the several boards, but the rules were there, and they should have been followed.

Mr. ASHMORE. On that point I want to say that this committee as long as I have been associated with it has always been reluctant to overrule or refuse to follow any State election laws. You probably know I am a conservative and a believer in States rights, and I like to follow that principle. We do so when we think it wise. If not, then we go to a higher authority, and I cite you here what I mean.

"There have been many instances in which the House, through its Committee on Elections, has held that decisions of a State court are not binding on the House in the examination of ballots to correct deliberate or inadvertent mistakes and errors." Of course, we have full authority for that, because under the Constitution of this country this House itself is the final judge of its membership and we must therefore be in a position and have authority to determine the good ballots from the bad, if we are going to have the final word as to who shall sit as a Member. This is set forth in Cannon's Precedents of the House of Representatives, volume 6, section 143, page 261, in the case of Brown against Hicks. I quote further from Hines Precedents:

> Your committee maintains that the authority of the House of Representatives to judge of the elections and qualifications of its Members is infinite. Since the formation of the Government the House has often signified its willingness to abide by the construction given by a State court in good faith, to its statutes. But the decisions of a State court are not necessarily conclusive on the House, and will only guide and control it when such decisions commend themselves to its favorable consideration.

That very language was included as one of our ground rules.

Mr. Speaker, I have no further requests for time.

Mr. SCHENCK. Mr. Speaker, I yield 6 minutes to the gentleman from Indiana [Mr. ROUDEBUSH].

Mr. ROUDEBUSH. Mr. Speaker, I rise in opposition to the report of the House Administration Election Subcommittee concerning the contested election in the Fifth Congressional District of Indiana.

I would like to make it perfectly clear that nothing I say here today should be construed as being directed personally against either Mr. Ed Roush or Mr. George Chambers, the two principals involved in this dispute. I have known both of these gentlemen for many years and have a high regard for their integrity and their ability to properly represent the good people of the Fifth District of Indiana.

Likewise, nothing that I say here today should be construed to indicate any lack of faith in the diligence or the integrity of the Members of this House subcommittee. I know the members of this subcommittee are trustworthy and honest, and are august and true Members of this body.

I feel that it is my responsibility to inform the Members of this body so that they may be perfectly aware of the possible implications of this tragic involvement in election affairs—affairs rightfully the business, and the sole responsibility—of an individual sovereign State.

In the Roush-Chambers case, we have but one congressional seat in question.

It took nearly 6 months, with some of the very finest minds of this body, to settle this matter. What a horrible waste of time, of money, and of talent. Please consider, my good friends of this House, what would be the result if 10 or 12 seats were in question. I am afraid that if this had been the case, Congress would be in final adjournment before a bona fide decision could be made.

The people of the Fifth District of Indiana were without representation in this National Congress for 6 long months. Both Mr. Chambers and Mr. Roush worked under the most difficult conditions, without proper staffs and without finances, in an attempt to jointly represent the people of their district. Neither had a vote on this floor on the important matters which have been considered. More than 213,000 voters in Indiana were denied this representation.

I do not question the wisdom or integrity of this House. I have found the Members to be honest and almost redundant in their efforts to resolve matters before us in a fair and equitable manner. I believe this to be the true purpose of this body and a representative form of government.

I would like to point out the possibility, however, of the majority party—be it Republican or Democrat—to contest any close election of any Member. For example, the Republicans, should they have a majority, could refuse to seat any Member of the Democratic Party, and this is likewise true of the Democrats when they are in the majority. This precedent was established by the action taken by this body, and could possibly affect every Member seated here today.

State laws vary greatly in regard to elections. Some of our States allow the vote at the age of 18 years; most require an age of 21 years; some require literacy tests. Especially in this latter case would election results be subject to challenge based on this precedent.

A total of 213,000 voters—10 fine Indiana counties—but did you know that nearly 70,000 of these votes were cast on paper ballots? The proportions of this recount are staggering—70,000 individual paper ballots, each requiring an individual determination as to its validity.

The 370 Fifth District precincts have Democratic inspectors. Only 18 of the precincts have Republican inspectors; 6 of the 10 counties have Democratic clerks, while only 4 have Republican clerks. Certainly these facts point out that the vast majority of the local Fifth District election officials were members of the Democratic Party.

There was no misconduct in this election. Some wild charges were made; newspaper articles appeared. However, in the final analysis all of these charges were discounted and definitely proven false.

The difference in election results in the Fifth District of Indiana accrued through the varied interpretations of ballots in question—mostly paper ballots—whose validity were subject to determination by individual election boards.

Whose findings is Congress reversing? The 370 precincts with Democratic inspectors and 18 precincts with Republican inspectors.

Gentlemen, I am just a resident of a northern State who believes in the rights of the individual States. When I was a full-time resident on a farm back in Indiana I assumed that there were many in Congress who believed in States rights. I have heard this many times.

If this body accepts this subcommittee report, serious doubts and serious questions arise in my mind as to the sincerity of those beliefs.

Do we believe in States rights only when our own States are affected?

In conclusion, I have at hand a 1960 general election report of Indiana which was sent to me only last week by Charles O. Hendricks, secretary of the State of Indiana. On page 19 appear the results of the congressional districts for the U.S. Congress election. For the Fifth Congressional District, this report shows for Mr. Roush a total of 106,870 bona fide votes; the total for Mr. Chambers is shown as 106,882. These figures plainly show that, according to local election officials in Indiana, Mr. Chambers was the victor in this contest.

If this body accepts the committee's report then we must conclude without revocation that Mr. Roush was elected by the Congress of the United States, not by the people of the Fifth Congressional District of Indiana.

Mr. SCHENCK. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. BRUCE].

Mr. BRUCE. Mr. Speaker, I suppose you could best describe this as an exercise in futility when we recognize the division in the House, and I am equally certain that there is no one in the House who would even attempt to match the forensic pyrotechnics of the magnificent nonpartisan address made by our distinguished majority leader.

Mr. Speaker, I am sure that we all realize that politics is wholly a one-sided game, and only those on this side play politics, on the other side they do not. This is taken for granted.

Obviously politics enters into an argument like this. There is no one, in my opinion, so naive as to believe that it does not; and obviously, we are vitally concerned about the election in 1962; and I say to you gentlemen you are going to seat Mr. Roush today. There is no question about that; you have the numbers, we do not. But I can guarantee to you gentlemen that George Chambers will be seated in the House of Representatives in 1963.

As far as the statement made by our distinguished majority leader that on the morning after the election everybody in Indiana knew that Mr. Roush had been elected, I challenge that. I live in Indiana and several of the Congressmen, 7 out of 11 who live in Indiana, were absolutely convinced that Mr. Chambers had been elected.

When you look at the control of the precincts as mentioned by the gentleman from Indiana [Mr. ROUDEBUSH], 370 precincts with Democratic inspectors, 18 precincts with Republican inspectors, 6 counties with Democratic clerks with 274 Democratic inspectors and 18 Republican inspectors; 4 counties with Republican clerks, with 96 Democratic inspectors, certainly one cannot draw any conclusion but that the election error factor would be in favor of those whose hands controlled the election machinery.

In spite of this George Chambers was elected under the laws of the State of Indiana. Anything else I can say is repetitious. He came down here with a certificate of election. There was a bogus certificate issued by Mr. Roberts, Clerk of the House. There was no precedent for it. It was of no legal standing and was fraudulent by implication. It was made available to the Democrat membership but not to the Republican membership.

There have been many Members who have spoken to me, as they did to Mr. HALLECK, the minority leader, and they feel as we do. To the best of my knowledge Mr. Chambers is still certified by the State of Indiana. We realize that with the majority report supported by the minority, Mr. Roush is going to be seated today. I congratulate him on being seated. But again I would like to assure the membership of the House that we on this side have come to know Mr. Chambers. I did not know him before the recent election. We have come to respect him and I am sure if we were not to talk politics, that on the basis of merit, on the basis of laws, on the basis of the constitution of the sovereign State of Indiana, Mr. Chambers would have been seated here on January 3. I know there will not be a Member of this House on this side who will not dedicate his full time, his full energy to be sure that justice is done under the laws of Indiana and that in 1963 George Chambers will be seated in the Congress.

Mr. Speaker, I yield back the balance of my time.

Mr. SCHENCK. Mr. Speaker, may I inquire how the time stands?

The SPEAKER. The gentleman from Indiana has 9 minutes remaining.

Mr. SCHENCK. Mr. Speaker, I yield the remainder of my time to the gentleman from Indiana [Mr. WILSON].

The SPEAKER. The gentleman from Indiana is recognized for 9 minutes.

Mr. WILSON of Indiana. Mr. Speaker, I asked to be placed last today because I consider this a most serious matter on which we are voting. I had prepared about a 25-minute speech which I wanted to place before this body which I think is sitting as a judicial body presiding over what is certainly one of the greatest constitutional questions with which we are going to be confronted, States rights. The issue strikes at the very heart of constitutional government and its guarantee of States rights.

There are many ways of skinning a cat, but every way for skinning it is bad for the cat. That is the very situation we are in here.

I do think my good friend and colleague from Mississippi, and also my good friend and colleague from Massachusetts did not intend to impugn the motives of we folks who see the other side of this issue. It was charged that our only purpose was to prepare a campaign for 1962. But let me tell you gentlemen, you have prepared our campaign for 1962, and do not doubt it for 1 minute.

I am going to depart wholly from my prepared speech because I do not have time to make it. Any time you deprive a sovereign State of its right to elect and send to Congress elected officials you do not need to come back to States like Indiana and expect a repetition of that sort or an endorsement. Mr. Chambers was the only man ever certified by the secretary of state as of 2:30 yesterday afternoon. The secretary of state has never been notified of any contest in the State for the seating of a Member. So far as he is concerned, only one man was elected. I would not be down here in the well of the House speaking today had this committee thrown out all ballots that were not cast in accordance with the voting laws of the State of Indiana. But if you elected to take ballots out of my precinct and count them, I would certainly resent it. That is the reason I take the floor of the House. We do not count ballots in my district that are marked with a lead pencil. This committee saw fit to do that. We do not take ballots with a checkmark, but this committee saw fit to count those ballots. We do not take ballots that are not properly initialed by the clerk and members of the election board, but this committee saw fit to count such ballots, according to the additional views in the report. It is not difficult, therefore, to see that the election laws of the State of Indiana have been bypassed.

The only thing the committee should have done if they desired to issue a fair and impartial report to this House was to throw out all ballots that were not in keeping with the laws of the State of Indiana, which laws sent me to Congress and sent the rest of the Members who have been seated here. We are going to pass today on a resolution to seat a man who was not elected by the laws of the State of Indiana.

And let me tell you Members over here on this side of the aisle, south of the Mason and Dixon line, you are going to rue the day if you pass favorably upon this legislation. We have a new administration, we have a new Attorney General, who is not looking with too much favor on some of the voting rules and regulations of the South. We have a little trouble down in the South now over States rights. You are setting a

precedent here today, and you will never hear the end of it, because you will find many times that the rights which you think were yours by virtue of your being a sovereign State are taken away.

Mr. SMITH of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. WILSON of Indiana. I yield to the gentleman from Mississippi.

Mr. SMITH of Mississippi. I would like to point out that the committee made very clear, the majority members of the committee, that it did not favor the overriding of State laws. The additional facts which the gentleman has quoted with such great respect carries the recommendation that the Congress shall enact broader laws about voting which were advocated by the gentleman's party in the recommendation before this committee and which have been cited by the gentleman in respect to his remarks. I would like to know which side of the fence the gentleman is on or is he on both of them, which seems to be the best way to operate?

Mr. WILSON of Indiana. Just go ahead and talk, because the more you talk the more you put your foot in your mouth. That reminds me of an old nursery rhyme, which I think all of you have heard, that men of words and not of deeds are like gardens full of weeds. You know, all you had to do was to go to the State of Indiana, look up its election laws, and count the ballots that were cast in accordance with the election laws of the State of Indiana, and you could have come up with an answer here that would not have been questioned. But, when you single out and take it upon yourself to decide what constitutes a valid ballot in the State of Indiana, you are usurping the prerogatives of about 5 million or 6 million people in that State, and certainly I cannot see where you get such authority. What we lack in quantity, folks, we make up in quality, I assure you. I may have overstated the number, but the quality is there.

Mr. Speaker, since the Founding Fathers conceived this great Nation, there have been many who have held that the many States which form the Union are the masters of the Union. They have held that the States are endowed with God-given, constitutional rights that are inalienable. There have been others who have contended—and with a growing measure of success—that the Federal Government is supreme and omnipotent, that it has authority over the States in all matters. This abrogation of the fundamental principle of States rights has been accomplished without any constitutional grounds whatsoever.

Mr. Speaker, will we see, in this Chamber today, another victory scored by the advocates of big government? Will we see, here today, the flag of 1 of our 50 sovereign States trampled in the dust, and the wishes of its people and the authority of its laws flouted?

In short, Mr. Speaker, will we see here today a reiteration of the principle that is so popular nowadays here—that States rights are nonexistent and that States are totally subservient to Federal prerogatives?

I do not intend to discuss personalities. George Chambers is a good friend of mine. So, I have reason to believe, is Ed Roush. I number both Indiana Gov. Matthew Welsh and former Gov. Harold Handley in my circle of friends, as I do Secretary of State Charles Hendricks and his predecessor, John Walsh.

The real issue here today, the overriding issue in this case, is simply this. It is the usurpation of Indiana's right to govern itself, to choose its officers and its representatives without interference from the Federal Government. The real issue here is States rights, and it behooves every Member here to consider this case in that light before deciding on the matter.

The way the George Chambers-Ed Roush election controversy has been handled since last November leads me to several conclusions. In a way, I think, we have been treated to a modern-day version of the old coin flipping game of "heads, I win; tails, you lose." The Federal Government, with various tactics and through at least one employee of this House, has been doing the flipping.

Indiana has been on the losing end of the flip every time.

I would like to remind the gentlemen in this House, Mr. Speaker, that the next time it could be another State that is singled out for the same treatment.

Due to some of the most deceptive juggling of figures it has been my disgust to hear about, the Committee on House Administration was probably so confused by the time it arrived on the Chambers-Roush scene that it had much trouble slashing away the underbrush to get at what looked like the real truth.

I want to state here and now that as of yesterday afternoon at 2:30, the secretary of state of Indiana, Charles O. Hendricks, still carried George O. Chambers as the winner of the congressional race in the Fifth Congressional District of Indiana. He has never been notified of any change.

Mr. Speaker, I was sworn into office for my 10th term in this Chamber on January 3, along with nine other Congressmen from Indiana. We were all sworn; we all took the same oath, on the authority of the same certification that listed Mr. Chambers as the Congressman from the Fifth District.

But he was asked to stand aside.

If George Chambers' certification was not valid, then neither was mine. Neither was the certification valid for the distinguished minority leader, nor for the other five Republicans and three Democrats—all of whom took the oath and are now members of this body.

The secretary of state of Indiana certified in a registered letter to Ralph Roberts, an employee of the House of Representatives who bears the title of Clerk, that Mr. Chambers was elected by 12 votes. The actual vote was 106,882 to 106,870.

Yet, I see on page 2 of the committee report where the actual count, according to county clerks and the secretary of state, was 106,872 to 106,869—again in favor of Mr. Chambers, but only 3 votes.

Mr. Speaker, the secretary of state of Indiana says those figures were never supplied by him.

Who gave any committee any right to alter the figures of the State of Indiana? Those figures were not finalized by the secretary of state until time had expired for any corrections.

Where is the constitutional permission for such arbitrary action? If we approve this report, are we not giving any future committee the right to go into any State, count ballots at its whim, regardless of their validity and legality?

We are told in the report that a special campaign expenditure committee was first sent into Indiana to study this election. We are told in the report that this group legalized an error in the tabulations of the vote in Grant County. This error, we are told, gave Mr. Roush a two-vote margin.

Mr. Speaker, from what constitutional source did this committee derive the right to go about making decisions on vote totals? And, if it was given this right, and if it was allowed to set itself up as a recount board, why, then, didn't it also certify as correct, errors reported to it from Jay County?

Maybe it was because the Jay County errors would have given Mr. Chambers a majority. It seems to me that if the special committee had time to investigate allegations of error on behalf of Mr. Roush, it could certainly find time to give equal consideration to errors that favored Mr. Chambers.

Let us return for a moment to this matter of certification.

If George Chambers had been certified by strictly Republican officials under suspicious circumstances, someone might charge politics.

The facts are, however, that Mr. Chambers was certified as the winner of this election by Mr. John Walsh, a former Member of this body and a Democrat, who was secretary of state until the month of December 1960. It is to his credit that he acted in a statesmanlike manner in this dispute, certifying the man whom he truly believed to have been elected.

His successor, Mr. Hendricks, also certified Mr. Chambers as the elected Congressman from the Fifth District.

These certifications from Indiana, these reports from a sovereign State, were passed over by Ralph Roberts. He circulated an official-looking document to make it appear that Mr. Roush and not Mr. Chambers had been elected. Of course, we Republicans were not afforded the courtesy of receiving one of Mr. Roberts' efforts.

Now, Mr. Speaker, do you begin to see why I feel Indiana has been placed in a "heads, I win; tails, you lose" position? Do you see how other States could, in the future, be at the mercy of an employee of the House who assumes authority never delegated nor planned?

Will these be the ground rules of the future? Will we see taken into consideration errors favoring the right

man, so-called? Will we see disregarded errors of the so-called wrong man? If a certification of election from any State is in favor of the wrong man, will we again see it thrown out? Will we again see its validity ignored? Will we again see an employee of this House engage in manipulation of figures and get away with it?

Now, Mr. Speaker, the question arises in my mind: Should George Chambers have been seated pending a question of his qualifications? The answer can be nothing other than "Yes" if we are to preserve the integrity of the States.

There is ample precedent for this position. It is pointed up in the committee report on this case.

I read in the report that although the Speaker declined to administer the oath, "the House admits on his prima facie showing and without regard to final right as a Member-elect from a recognized constituency whose credentials are in due form and whose qualifications are unquestioned." This is found on page 66 of the report, with the proper authorities quoted.

Back in 1933, when the right of another Member to be seated was questioned, the distinguished majority leader found himself on the other side of the fence when he said:

> There is a long line of precedents to the effect that where the qualifications of a Member are questioned, he has a prima facie right to be sworn in, and then have the whole question of disqualification referred to the committee.

And the gentleman was seated.

Again in 1959, the distinguished majority leader found himself on the horns of a dilemma. Again the tactic followed was to seat the Member and then investigate his qualifications.

Now it appears someone wants to change the rules. It appears someone wants to set a precedent here—and it is a dangerous one at that.

Presumably, these rules changes are being asked for in good faith. I cannot question that. But I can conjecture that there was enough confusion created prior to January 3 to prevent the seating of Mr. Chambers.

Now, I have talked about the election of Mr. Chambers, his certification by two secretaries of state, an investigation by a special committee, and the activities of Ralph Roberts.

What about the recount?

To quote the secretary of state of Indiana—"It wasn't a recount like I'd ever heard of before."

The committee did not conduct a recount as Indiana people know it.

It opened bags of previously rejected ballots and found a total of 1,663 ballots, of which 617 were absentee ballots. It proceeded to count many of these ballots. In counting them it did not use people experienced in Indiana and in Indiana election laws. It struck out on its own and counted ballots marked with checks instead of X's; it counted ballots marked with improper pencils; it counted ballots not endorsed by election clerks.

In short, it counted ballot after ballot that had been thrown out by legally constituted Indiana election officials as not conforming to the requirements of the State election laws. These ballots were and are illegal in Indiana, and should not, under any circumstances, have been counted.

There may be some men in this Chamber today who would have suffered a fate similar to that of Mr. Chambers had similar practices been followed in their States.

By counting most of these illegal ballots, the committee increased the number of voters and, according to its findings, Mr. Roush was the winner.

But in counting these ballots, it did not count 77 out of 85 absentee ballots from servicemen and dependents who voted in the fifth district election. I never thought I would live to see the day when a congressional committee disfranchised a serviceman.

In this ballot counting operation, we again can note a paradox.

When nonabsentee ballots were counted, the committee was liberal. But when absentee paper ballots came up for study, the committee grew very exact, indeed.

In my conversation with the secretary of state yesterday, I was told that he has never had any committee recount cleared through his office. Nothing has ever been filed in his office by any agency or officer of this House. All he has is a return receipt from Ralph Roberts' office attesting to the fact that the certifications were received.

Mr. Speaker and Members of the House, I ask you, in all sincerity, to consider today before you act. Consider the precedent you are being asked to set. Consider that if you approve this report you will be seating as a Member of Congress a man who has never to this day been certified by any secretary of state of Indiana in any form.

The only person who ever certified this man was Ralph Roberts, a salaried employee of this House who is known as Clerk of the House. He took it upon himself to make decisions and initiate policies that he was never hired to make or initiate.

Look at what has happened since last November 8.

Thrown out the window have been the certifications of a Democrat and Republican secretary of state.

Thrown out the window has been the signature of the Governor of Indiana.

Thrown out the window have been absentee ballots from servicemen, some of which I am told were on hand a month prior to election day.

Thrown out the window has been the will of the sovereign State of Indiana.

Thrown out the window have been the laws and statutes set up by the State of Indiana to govern its elections, its regulations for marking ballots, for their admissibility and validity.

Will we adopt this committee report and set a dangerous precedent? Will we make possible a repeat of this occurrence? Will we set up machinery by which the Federal Government can, in the future, control the admission of Members of Congress?

Mr. Speaker, we are, in the final analysis, here today, voting whether or not to take away another slice of the freedom of the individual States. We are, in effect, voting not only on a Member of the House of Representatives in the Fifth District of Indiana—we are voting whether or not the Federal Government will have the right in the future to dictate to the States who they may or may not elect to Congress.

In a larger sense, I would like to conclude with this statement. Before casting a vote on this matter, think about the way the rights of your various States have been eroded away, one after another. Then reflect that here is another right that is being snatched up by the Federal Government.

It is a proposition that will affect every State—not just Indiana—unless it is beaten down here.

Mr. SCHENCK. Mr. Speaker, I yield such time as he may desire to the gentleman from Indiana [Mr. HARVEY].

Mr. HARVEY of Indiana. Mr. Speaker, the House of Representatives has set a dangerous and ill-advised precedent in the matter of conducting a recount in Indiana's Fifth Congressional District. This House has made a travesty of States rights under the guise of "playing fair."

If some Americans had doubted previously the evils of big government, they should be convinced now that the Federal level of government can trample on any State's sovereignty at the expense of the individual citizen. The work of the duly-constituted election officials in Indiana's Fifth District was in effect nullified as a result of the recounting of ballots by the subcommittee which was instructed to investigate the election.

As the House questioned the results of the election as determined by Indiana officials, I now question the results as certified by the subcommittee. I certainly do not doubt the sincerity of purpose and truthfulness of my colleagues who served on the subcommittee, but I do deplore the fact that ballots were counted which had been rejected by various precinct boards in November of 1960. In effect, Members of this body were telling officials of the State of Indiana that they did not know how to judge ballots properly. As a result, many ballots were counted during the recount which had been excluded previously.

Not only do I seriously object to this procedure, but I also fear the grave consequences if this is to be done in all future instances. Are we not going to abide by the manner of elections for the House as provided in the respective State constitutions? Is the House of Representatives going to regulate the "times, places, and manner of holding elections" in all places, or is the House going to be selective and choose the areas which suit the majority leaders in each instance? I say that if this body is going to study in minute detail the election of each Member, we should say so and set up the vast bureaucratic machinery necessary to carry out the investigations. If the House does not intend to engage in such frivolity but intends to concentrate on the important issues of the day, I demand that we leave the election of Mem-

bers of this House to the sovereign States of this Republic.

We have heard for many months the statements of leaders of the majority party, and principally the President, to the effect that this Nation was in a terrible mess and we should "get moving again." In spite of this "scare talk" and demands for immediate action on pending legislation, we saw a subcommittee of this House spend 4 months on one district's election, thus denying any representation to a great segment of Indiana.

In the final analysis of this deplorable situation, the issue should not be whether a member of one party or the other represents Indiana's Fifth District, although most of us were sure of the outcome long before the results were officially announced, the issue is whether or not this House shall engage in petty, political maneuvering every 2 years in choosing selected Representatives. I, for one, am certain that the people do not want vacillation from this body—the want consistency. And the people will make sure that they are heard in 1962 when Representatives all across this great land will be elected by decisive majorities, to insure that the voters of each respective district, not the Representatives from other States, will choose their own representation in this body.

The SPEAKER. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. WILSON of Indiana) there were—ayes 138, noes 51.

So the resolution was agreed to.

A motion to reconsider was laid on the table.

SWEARING IN OF MEMBER

Mr. ROUSH appeared at the bar of the House and took the oath of office.

GENERAL LEAVE TO EXTEND

Mr. ASHMORE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina

There was no objection.

PAYMENT OF CERTAIN AMOUNTS IN CONNECTION WITH ROUSH-CHAMBERS ELECTION CONTEST AND INVESTIGATION

Mr. ASHMORE. Mr. Speaker, I offer a privileged resolution (H. Res. 340) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the House of Representatives having considered the question of the right of J. EDWARD ROUSH or George O. Chambers, from the Fifth Congressional District of Indiana, to a seat in the House in the Eighty-seventh Congress pursuant to H. Res. 1, Eighty-seventh Congress, and having decided that the said J. EDWARD ROUSH is entitled to a seat in the House in such Congress with the result that the said J. EDWARD ROUSH is entitled to receive and will be paid the compensation, mileage, allowances, and other emoluments of a Member of the House from and after January 3, 1961, there shall be paid out of the contingent fund of the House such amounts as are necessary to carry out the provisions of this resolution in connection with such decision of the House, as follows:

(1) The said George O. Chambers shall be paid an amount equal to compensation at the rate provided by law for Members of the House for the period beginning January 3, 1961, and ending on the date of such decision of the House.

(2) The said J. EDWARD ROUSH and the said George O. Chambers each shall be paid an amount equal to the mileage at the rate of 10 cents per mile, on the same basis as now provided by law for Members of the House, for each round trip between his home in the Fifth Congressional District of Indiana and Washington, District of Columbia, in response to the request of the Committee on House Administration for his appearance before the committee in connection with the investigation authorized by H. Res. 1, Eighty-seventh Congress.

(3) The said J. EDWARD ROUSH and the said George O. Chambers each shall be reimbursed for those expenses actually incurred by him in connection with the investigation by the Committee on House Administration authorized by H. Res. 1, Eighty-seventh Congress, in accordance with that part of the first section of the Act of March 3, 1879 (20 Stat. 400; 2 U.S.C. 226), which provides for payment of expenses in election contests.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DEGREES CONFERRED ON HON. EDWARD P. BOLAND

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include certain citations.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, one of the ablest and one of the most dedicated Members of Congress and of our own body is the distinguished gentleman from Massachusetts [Mr. BOLAND]. The gentleman comes from Massachusetts, but it is not for that reason alone that I have profound respect for him and value deeply his friendship. The years he has served with me have only increased the admiration that I have for him, if that were possible, for his ability and his dedication to service.

When any one of the Members of our body is honored by being the recipient of an honorary degree, in a sense and indirectly it is an honor bestowed on all the Members of the House of Representatives and upon the great House of Representatives itself.

Mr. Speaker, it is always a great honor to be singled out by a college or university for an honorary doctorate, but our esteemed colleague, the Honorable EDWARD P. BOLAND, Congressman from the Second Massachusetts District, received such honors from two great colleges last week.

Congressman BOLAND, who has rendered distinguished and effective service to his community, his State, and his country for 25 years, recently received an honorary doctor of laws degree from American International College in Springfield, Mass.; and also recently a similar honorary doctorate from St. Michael's College, Winooski Park, Vt.

Mr. Speaker, I am sure my colleagues will be interested in the citation which accompanied Dr. BOLAND's honorary degrees from both colleges and I include them in my remarks.

I know I speak the sentiments of all of my colleagues in extending congratulations to our distinguished friend from Massachusetts [Mr. BOLAND].

EDWARD P. BOLAND, DOCTOR OF LAWS

(Citation by American International College Springfield, Mass.)

From the time you were first elected to public office at the age of 23, as a legislator in our great and general court, next as registrar of deeds, and now as a Representative in our Congress, you have given remarkable evidence of true statesmanship.

You have been alert, efficient, forceful and patient; and your concern for the welfare of your constituents as well as for the needs of our Nation is appreciated.

We are proud of you as a native son of Springfield, and we are proud now to count you as an honorary alumnus of our college.

By virtue of the authority vested in me by the board of trustees of American International College, I hereby confer upon you the degree of doctor of laws, honoris causa, with all of the rights, honors, and privileges pertaining thereunto.

JOHN F. HINES,
President.

Given this 4th day of June 1961.

EDWARD P. BOLAND, DOCTOR OF LAWS

(Citation by Saint Michael's College, Winooski Park, Vt.)

St. Michael's has always been proud of the caliber of its loyal alumni from Springfield, Mass. Today it is proud to add another Springfield alumnus to its roster: the Honorable EDWARD P. BOLAND, U.S. Representative from the Second Congressional District of Massachusetts. When the cry for good men in public office has become a stale but repeated cliche, there is happily an EDWARD P. BOLAND to give the rebuttal—25 years of public service: three terms in the Massachusetts Legislature, registrar of deeds for Hampden County, Congressman from Massachusetts for five successive terms, unopposed in his last two candidacies. In Washington his service has ranged from the House Appropriations Committee, the Subcommittee on Public Works, to the Subcommittee on Independent Offices. In 1959 he received the annual service award of the Jewish Brotherhoods of Springfield "for dedicated and unselfish service to his constituents, his country, and his fellow man." For these, and other distinguished services, Congressman BOLAND, we confer on you today the degree of doctor of laws, honoris causa.

Very Rev. GERALD E. DUPONT, S.S.E.,
President.

Mr. Speaker, St. Michael's College also conferred an honorary doctorate on another of our colleagues here in the Congress, the distinguished senior Senator from Vermont, the Honorable GEORGE D. AIKEN; honorary doctorates also went to the Most Reverend James J. Navagh, Roman Catholic Bishop of Ogdensburg, N.Y., and Michael W. McCarthy, of Manhasset, N.Y., financier, Catholic lay leader, and chairman of the board of Merrill Lynch, Pierce, Fenner & Smith, Inc.

American International College also presented honorary doctorates to Gen.

Lauris Norstad, U.S. Air Force, the Supreme Allied Commander, Europe, and commander in chief, U.S. European Command; Richard Hooker, former editor and publisher of the Springfield Republican; Miss Marian Anderson, internationally recognized American contralto; Dr. J. Seeyle Bixler, president-emeritus of Colby College, Maine; Kingman Brewster, Jr., provost-designate of Yale University; and Miss Alice Burton Beal, assistant superintendent of the Springfield public schools in charge of elementary education.

Mr. Speaker, I ask permission to have the citations, accompanying the honorary doctorates of these distinguished men and women, printed with my remarks in the RECORD:

GEORGE D. AIKEN, DOCTOR OF LAWS

The senior Senator from Vermont needs no introduction to this assembly, for he is "Mr. Vermont" throughout our fair State. It is doubtful if he needs an introduction on any platform in the Nation, since his rare record on the floor of our Senate has made him and his Vermont an image of rugged integrity and sage counsel in the eyes of a respectful country. One might almost say that he has, in his person, distilled the essence of Vermont virtues and saved them from the caricature of well-meaning folklorists—that local offshoot of Madison Avenue advertiser sometimes found growing on the shady side of Green Mountain. One thinks of Robert Frost as the Poet of New England. One always things of Senator AIKEN in the same breath with Mr. Frost, as if one man wrote the part and the other enacted it.

His record, from grassroots to national responsibility, is almost too well-known to review: master of the Putney Grange at 18 to ranking minority member of the Senate Agriculture Committee in the flower of his maturity, with a long litany of success in the steps intervening—town representative in 1931; speaker of the Vermont House in 1933; Lieutenant Governor in 1935; Governor of Vermont from 1937 to 1939; elected to the U.S. Senate in 1940, to which august Chamber he has been returned ever since by overwhelming approval, to serve as member of the Senate Foreign Relations Committee, the Joint Atomic Energy Committee, as well as Committees on Labor, Public Welfare, Civil Service, Expenditures and Pensions.

Republicans publicly identify him as their progressive spokesman. Democrats privately suggest that he is of their persuasion, spiritually. But they are both right. For Senator GEORGE D. AIKEN is above doctrinaire labels, as the statesman who looks beyond the next election to the next generation is above the politician. We feel fortunate (whoever happens to occupy the White House) that the President must go to such a man for advice and consent. We feel fortunate that such a man is in our midst to remind today's graduates that there need be no dichotomy between tradition and progress.

Because you, Senator AIKEN, represent the best of both these essentials to our national welfare, we are honored indeed to bestow on you our degree of doctor of laws, honoris causa.

MOST REV. JAMES J. NAVAGH, DOCTOR OF LAWS

In a day of racial violence misrepresenting America to a world ready to exploit real or alleged injustice for propaganda purposes, His Excellency, the Bishop of Ogdensburg, is a redeeming figure among national spokesmen. Not only for his steadfast defense of the rights of Negroes in the North, but for his courageous stand on this same issue while he was auxiliary bishop of Raleigh, N.C., the Most Reverend James Navagh, has blazed an enlightened path for fellow Americans to follow. In the vital area of rural life problems also, he has set a sterling example. Director of the National Catholic Rural Life Conference, he has written a penetrating study of "The Apostolic Parish" which not only won the plaudits of American sociologists, but has been translated for European readers as well. To you, Bishop James Johnston Navagh, inspiring example of citizen and churchman, St. Michael's College is proud to present the degree of doctor of laws, honoris causa.

MICHAEL W. MCCARTHY, DOCTOR OF LAWS

Today the phrase "business as usual" is apt to connote the smug isolationism of pre-one world, pre-space age irresponsibility. But not as we apply it to the achievements of Michael William McCarthy. In Mr. McCarthy's meteoric rise from stock boy in a grocery store to stockbroker for the largest investment firm in the world, "business as usual" means business in the American tradition: industry, courage, creative vision—big in its opportunities, large in its responsibilities.

Mr. McCarthy's career puts a modern foundation under the old pioneer dream and the Horatio Alger legend. Born in a Minnesota town (population 1,700), he went to work after high school for Mutual Stores, Inc. Two years later he was office manager.

In the very trough of the great depression of 1932, when caution was keynote, Mr. McCarthy went out on a limb—to success—in founding a new chain of stores in California. Such foresight and faculty for decision has led him today to his position as chairman of the board of directors of Merrill Lynch, Pierce, Fenner & Smith, a firm which last year grossed $130 million in commissions and $27 million in pretax profits, which holds in its vaults some $5 billion worth of securities, and which holds in its trust the confidence of massive institutions and modest widows. Such exercise of responsibility has won for Michael McCarthy (Wall Street's Mr. Big to his colleagues) successive appointments as governor of the American Stock Exchange, governor of the Association of Stock Exchange Firms, and governor of the New York Stock Exchange.

For your fulfillment of the American dream of opportunity open to talent, and for your embodiment of the virtues making for high public trust, Michael William McCarthy, we salute you this day as doctor of laws, honoris causa.

LAURIS NORSTAD, DOCTOR OF SCIENCE

Your meteoric rise to positions of great responsibility in the Armed Forces of our country is significant of the special trust and confidence placed upon you by our Nation.

In both peace and war your qualities as a military leader in the field of aviation, first as a pilot, then in the areas of administration, strategic planning and operations, justly earned for you five promotions in less than 3 years' time.

Now, as Supreme Allied Commander, Europe, and Commander in Chief, U.S. European Command, you have won the confidence of our allies and the respect of our potential adversaries.

The North Atlantic Treaty Organization forces under your command give daily evidence of the determined strength of the free world. For your quiet and capable leadership in these uneasy times we are truly grateful.

To you, decorated by the Government of France and six times by our own Nation, we are proud to add our recognition of your achievements.

By virtue of the authority vested in me by the Board of Trustees of American International College, I hereby confer upon you the degree of doctor of science, honoris causa, with all of the rights, honors and privileges pertaining thereunto.

RICHARD HOOKER, DOCTOR OF LETTERS

Distinguished son of Yale University, from which you were graduated more than 60 years ago, you have given unstintingly of your time and talents to the field of good journalism and public affairs.

While a correspondent in Washington and newspaper editor, you became the close associate and respected adviser to many of our Nation's Presidents.

As a historian, lecturer, author, and journalist, you have won national admiration from your colleagues, and your learned and discerning editorials have set a high standard for others to follow. We are privileged, indeed, to have you wear the hood of our beloved college.

By virtue of the authority vested in me by the Board of Trustees of American International College, I hereby confer upon you the degree of doctor of letters, honoris causa, with all of the rights, honors, and privileges pertaining thereunto.

MARIAN ANDERSON, DOCTOR OF HUMANICS

Throughout your lifetime, your lovely voice has enchanted the peoples of the world.

Honored by numerous universities and colleges and decorated by seven nations, you have been acclaimed by Presidents, emperors, kings and queens, and millions of people everywhere.

Despite the great number of awards and honors bestowed upon you, you have worn them all with modest grace and deep humility.

You have given greatly of your time, your strength, and your talents as our unofficial representative abroad and recently as official delegate to the United Nations. America is indeed grateful, and we, too, are proud to add our simple tribute to a wonderful woman whose magnificent voice, warmth, and sincerity have made her beloved throughout the world.

By virtue of the authority vested in me by the board of trustees of American International College, I hereby confer upon you the degree of doctor of humanics, honoris causa, with all the rights, honors, and privileges pertaining thereunto.

JULIUS SEELYE BIXLER, DOCTOR OF LETTERS

Since the year you were graduated with honors from Amherst College, you have, with notable success, devoted your life to the pursuit of scholarly excellence.

You were a respected professor in a number of colleges and universities—overseas as well as at home—before being called to Colby College as its president.

At Colby you served for 18 years with great distinction, and upon your retirement you continued unselfishly to lend your talents to the fields of higher education and advanced research.

As a gifted teacher, author, lecturer, and administrator, you have been honored by a dozen institutions of higher learning, and we, too, would pay you deserved recognition.

By virtue of the authority vested in me by the Board of Trustees of American International College, I hereby confer upon you the degree of doctor of letters, honoris causa, with all of the rights, honors, and privileges pertaining thereunto.

KINGMAN BREWSTER, JR., DOCTOR OF LAWS

Born in nearby Longmeadow, educated in the schools of this Commonwealth, and the recipient of degrees from Yale University and the Harvard Law School, you have given your time and talents unstintingly to the many who have sought your counsel.

You have served your country as a naval aviator, Assistant General Counsel in the Of-

fice of the U.S. Special Representative in Europe, in connection with the Marshall plan, and as a consultant for our State Department and the International Cooperation Administration.

Your special knowledge in the fields of government, international affairs and law has been of distinct value to students in the institutions where you have taught and lectured.

Now, in further recognition of your abilities, Yale has appointed you provost of the university, into which position of responsibility you enter with our good wishes for your assured success.

By virtue of the authority vested in me by the Board of Trustees of American International College, I hereby confer upon you the degree of doctor of laws, honoris causa, with all of the rights, honors, and privileges pertaining thereunto.

ALICE BURTON BEAL, DOCTOR OF HUMANE LETTERS

Daughter of our great Commonwealth, educated in her schools and institutions of higher learning, you have interested yourself most effectively in the education of our Nation's youth.

As a public school and college teacher, and later as superintendent of elementary education in our State department of education, you have given proof of your abilities as a respected educator.

The citizens of Springfield were fortunate in attracting you to our city as assistant superintendent of schools in charge of elementary education. This college knows at first hand of the special interest you show toward the children of our schools and of your willing leadership in civic and community enterprises.

By virtue of the authority vested in me by the Board of Trustees of American International College, I hereby confer upon you the degree of doctor of humane letters, honoris causa, with all of the rights, honors, and privileges pertaining thereunto.

Mr. THOMAS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I am happy to yield to the gentleman from Texas.

Mr. THOMAS. Mr. Speaker, I should like to echo the thoughts expressed by our distinguished majority leader about our able, our kind and good friend, the gentlemen from Massachusetts [Mr. BOLAND]. It has been my privilege and pleasure to serve with him, elbow-to-elbow, on the Independent Offices Appropriation Subcommittee, as well as the Deficiency Appropriations Subcommittee. There is no finer gentleman any place than Mr. BOLAND. So those degrees that he received were certainly earned and well deserved. I would like to see him get one or two more.

He is just one of the finest. The people are indeed fortunate to have him as a Representative. He is able and energetic, and the very soul of honor. He makes an outstanding legislator for them and for the Nation as a whole. We are proud of him.

Mr. McCORMACK. I know the remarks of my friend will make EDDIE BOLAND very happy.

Mr. LANE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Massachusetts.

Mr. LANE. I also join with the majority leader in his kindly remarks about our colleague from Massachusetts, the Honorable EDWARD P. BOLAND. I, too, reflect the sentiments of the House here when I say that EDDIE BOLAND is a very able and very capable legislator. He is most conscientious. I know of no Member who gives so unselfishly of his time and puts in more effort and work on the Committee on Appropriations and his legislative duties than our colleague from Massachusetts. So I am more than pleased that he has been honored by two of our outstanding colleges by awarding him degrees. I am satisfied that these honors are justly deserved for a Member of the House who has been so willingly giving of his time and efforts for his constituents and the people of the United States.

Mr. McCORMACK. I appreciate the remarks made by my friend.

Mr. DONOHUE. Mr. Speaker, at recent graduation exercises of two outstanding educational institutions in this country, the American International College in Springfield, Mass., and St. Michael's College, in Winooski, Vt., my distinguished friend and our esteemed colleague from the Second Congressional District of Massachusetts was awarded, separately, the honorary degree of doctor of laws.

An award of such high degree, from one university would be a singular distinction in itself but such recognition, by two great universities, is a unique honor indeed. I know I speak the unified sentiments of this House in extending our warmest congratulations to our Massachusetts colleague for the high recognition bestowed upon him by these colleges and for the indirect distinction he has, in turn, had bestowed upon this body.

Of course, we, as his fellow Members here, proudly feel that we had assayed and found superlative the patriotic character and eminent abilities of our colleague long before these discerning universities saw fit to formally confirm our combined judgment.

For the past 8½ years we have observed first hand the constantly growing legislative stature of "EDDIE" BOLAND as he has steadily risen to a position of leading responsibility in the vitally important Appropriations Committee and in the admiration of our membership. In a comparatively short period he has marked himself as one of the Nation's outstanding financial authorities and most learned lawmakers in modern congressional history.

For those of us who have known "EDDIE" BOLAND through the years, this is by no means a surprising development; it is only what was to be expected. From his early youth, EDDIE seemed to instinctively know his extraordinary talents and industry could be best devoted to, and developed in, the most exacting field of public service. Happily for his community, his State, and his country, the people of his area appeared to instinctively recognize their good fortune to have such a gifted man offer himself to their service; the exercise of their original instinct was soon most fruitfully productive of concrete proof of their basic discernment. For the past 25 years of his still young life his people have consistently and repeatedly elected him to positions of great public trust and, over the past 10 years, they have increasingly approved him to the elevated responsibility of U.S. Representative.

In return for the confidence his people have placed in him, "EDDIE" BOLAND has dedicated himself to the fullest discharge of his Representative duties with a sincerity, an industry, a zeal, and a determination that is unsurpassed by any other Member of this House.

Here is a man who conducts his life in the truest tradition of a gentleman, a scholar, a statesman, and a patriot.

The people of Massachusetts and your colleagues here join, "EDDIE," in proudly saluting you as a doctor of laws, twice over, who has doubly earned and merited the conference of such a distinguished degree. May the good Lord keep you with us for the assumption of increasing responsibilities in the service of your country during many years to come.

Mr. BURKE of Massachusetts. Mr. Speaker, I want to join with the sentiments expressed by the majority leader, Hon. JOHN W. MCCORMACK, concerning the honors paid to the very able gentleman from Massachusetts, Mr. BOLAND.

I have known Congressman BOLAND's record of 25 years devoted to public service. We served together in the Massachusetts Legislature 22 years ago. I have always admired him for his honesty, his integrity, and his ability. He is one who well deserves the honorary doctorate in laws degrees conferred on him by American International College in Springfield, Mass., and St. Michael's College in Winooski Park, Vt. He is one of the hardest working Congressmen in this House, and he has presented to his people of the Second Massachusetts District an excellent record of performance.

Mr. Speaker, Congressman BOLAND's high ideals and principles are known to all of us. He has always placed his Nation first, while serving in the Army in World War II and in the Congress. His record in Congress is a living profile in courage. It has been a pleasure to serve with him in the Massachusetts Legislature and in Congress. I know that the people of Massachusetts take pride in his accomplishments and the honors that have been conferred upon him.

Mr. PHILBIN. Mr. Speaker, I was gratified to learn of the very high honorary degrees conferred upon my dear friend and esteemed colleague, Congressman EDWARD P. BOLAND, of Massachusetts, at commencement exercises at the famous St. Michael's College in Winooski, Vt., and the equally famous American International College at Springfield, Mass.

Both of these institutions are well known throughout the Nation for their high order of scholarship, extensive curriculums, enlightened teaching staffs, and competent management. The leadership of these great schools, comprised of well known and very able educators, have contributed very impressively to American higher education.

The significant honors that have come to Congressman BOLAND are richly deserved since he has demonstrated throughout his entire public career those qualities and attributes of a highly qualified and dedicated public servant that

bring luster not only to himself, but to his district, State, Nation, and the great, historic, world-famed legislative body of which he is such an outstanding and distinguished Member.

As Congressman BOLAND's dear friend and warm admirer, I am very happy indeed to congratulate him and his family for the high degrees he has received and the high academic honors which have been so appropriately bestowed upon him.

While these cherished doctorates are highly coveted, I have every confidence that Congressman BOLAND will wear these new laurels with his usual becoming modesty and grace.

I am proud of his honors and wish him many more happy years of dedicated service in the Congress and public life. He is destined for many more brilliant achievements.

THE EMPLOYMENT SECURITY AMENDMENTS OF 1961 (H.R. 7640)

Mr. KING of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KING of California. Mr. Speaker, President Kennedy has transmitted to the Congress a proposal designed to strengthen and broaden the Federal-State unemployment compensation program. I have today introduced H.R. 7640, which embodies the proposal made by the President.

As is indicated in the letter of the President, the administration bill, which I have introduced, proposes to extend the protection of the Federal-State unemployment compensation program to over 3 million additional workers, provide minimum standards with respect to the weekly benefit amount to be paid to eligible employed workers, provide requirements to insure that compensation will not be denied to an otherwise eligible worker solely because he is taking training to which he was referred by a State agency, provide equalization grants to the States, establish an additional Federal unemployment compensation program for workers who have exhausted all benefit rights, and to increase the taxable wage base from $3,000 to $4,800.

I am very pleased to introduce this legislation at the request of the administration and, as I have indicated in an announcement which I have already issued, it is my intention to press for favorable action on this proposal just as soon as the Committee on Ways and Means has completed its agenda relating to the President's tax message and the President's health insurance message, which already have been scheduled for consideration by the committee.

For the information of all Members and the interested public, I am including at this point in the body of the RECORD a statement prepared by the administration in explanation of the bill. This detailed explanation is preceded by a brief topical summary of the principal provisions of the bill. These documents are as follows:

BRIEF TOPICAL SUMMARY OF THE ADMINISTRATION'S UNEMPLOYMENT COMPENSATION BILL

1. Coverage: The bill would extend protection of the Federal-State unemployment compensation program to over 3 million additional workers by extending coverage of the Federal Unemployment Tax Act to—

A. Employers of one or more;

B. Nonprofit organizations except (1) ministers and members of religious orders, (2) so-called "sheltered workshops" (generally a facility for the purpose of rehabilitating workers whose earning capacity is impaired by physical or mental conditions); and (3) service remunerated at rate of less than $50 per quarter.

C. Agricultural processing workers. The bill would also revise the definition of "employee" to include the so-called ABC tests. (Under the revised definition, anyone who performs services for another is to be considered an employee unless it is determined that: (A) the worker is free from control in performing his duties, (B) the service is either outside the employer's usual course of business or is performed outside his place of business, and (C) the worker is customarily engaged in an independently established business of the same nature as the services which he performs for his principal.)

2. Weekly benefit amount: Beginning January 1, 1964, States are to pay a weekly benefit amount of at least 50 percent of a worker's average wages up to a maximum of at least 50 percent of the State's average wage for 1964 and 1965, 60 percent of such wage for 1966 and 1967, and 66⅔ percent of such wage for 1968, and following years.

If a State law does not so provide, tax credits of employers in the State will be reduced, not denied. They could be the lower of (a) the State's 4-year average annual benefit cost rate, or (b) 2.7 percent.

3. Federal requirement that State laws provide that compensation will not be denied to an otherwise eligible worker solely because he is taking training to which he was referred by State agency.

If State law does not so provide, tax credit of employers in the State will be denied.

4. Wage base and tax: Effective for taxable years after 1963, increases taxable wage base to $4,800 and makes permanent present temporary Federal tax increase of 0.4 percent.

5. Equalization grants: Provides equalization grants to a State (if it meets Federal requirements with respect to weekly benefit amount) of two-thirds of State's benefit costs in excess of the greater of: 2.7 percent of State wages or the ratio of unemployment compensation payments in all States to total wages in all States.

6. Additional Federal unemployment compensation program: Establishes a Federal program of additional unemployment compensation to workers who have exhausted all benefit rights—

A. At all times for workers with long attachment to labor force: 78 weeks out of last 3 years and at least 13 weeks in each year.

B. During recessions upon proclamation of President and upon determination by Secretary of Labor that exhaustions reach 1 percent of covered employment and insured unemployment exceeds 5 percent, both over a 3-month period. Program would end when exhaustions fall below 1 percent for 3 consecutive months.

C. Additional unemployment compensation payable to workers who had an entitlement to State benefits of 26 or more weeks of total unemployment, or, if entitlement is for less than 26 weeks, the workers must have had, after exhaustion, weeks of unemployment equal to the difference between their State entitlement and 26 weeks.

D. Amount of additional compensation: Fifty percent of State entitlement up to a maximum of 13 weeks of total unemployment.

E. No denial of additional compensation if worker is taking approved training; no payment, however, if worker refuses without good cause to attend training to which he is referred by State agency.

7. After 1963 tax credit would be denied to maritime employers in a State if State requires contributions pursuant to section 3305(f) of the Federal Unemployment Tax Act without complying with the conditions therein specified.

STATEMENT IN EXPLANATION OF ADMINISTRATION BILL TO PROVIDE FOR THE ESTABLISHMENT OF A PERMANENT PROGRAM OF ADDITIONAL UNEMPLOYMENT COMPENSATION, TO PROVIDE FOR EQUALIZATION GRANTS, TO EXTEND COVERAGE OF THE UNEMPLOYMENT COMPENSATION PROGRAM, TO ESTABLISH FEDERAL REQUIREMENTS WITH RESPECT TO THE WEEKLY BENEFIT AMOUNT AND LIMIT THE TAX CREDITS AVAILABLE TO EMPLOYERS IN A STATE WHICH DOES NOT MEET SUCH REQUIREMENTS, TO ESTABLISH A FEDERAL REQUIREMENT PROHIBITING STATES FROM DENYING COMPENSATION TO WORKERS UNDERGOING OCCUPATIONAL TRAINING OR RETRAINING AND DENY TAX CREDITS TO EMPLOYERS IN A STATE WHICH DOES NOT MEET SUCH REQUIREMENT, TO INCREASE THE WAGE BASE FOR THE FEDERAL UNEMPLOYMENT TAX, TO INCREASE THE RATE OF THE FEDERAL UNEMPLOYMENT TAX, TO ESTABLISH A FEDERAL ADDITIONAL COMPENSATION AND EQUALIZATION ACCOUNT IN THE UNEMPLOYMENT TRUST FUND, AND FOR OTHER PURPOSES

This bill contains two titles.

Title I would amend the Social Security Act by establishing new titles XVI and XVII and by amending present title IX. Title XVI would establish a permanent national program of additional unemployment compensation for unemployed workers who have exhausted the benefit rights provided for them by State law and title XV of the Social Security Act. Title XVII would provide for equalization grants to States with heavy unemployment. Title IX of the Social Security Act would be amended to establish a new Federal additional compensation and equalization account in the unemployment trust fund and to make other necessary changes.

Title II would amend the Federal Unemployment Tax Act by extending coverage of the unemployment compensation system to more than 3 million workers, by providing for the enforcement of the conditions under which maritime workers may be covered by States, by reducing tax credits for employers in States which do not meet the Federal requirements with respect to benefit amount, by denying tax credits to employers in States which deny benefits to workers who are taking approved training, by increasing to $4,800 the wage base for the Federal unemployment tax, and by continuing the increased rate of the Federal unemployment tax effective for taxable years 1962 and 1963.

TITLE I

Amendments to the Social Security Act

A new title XVI in the Social Security Act would be established by title I of this bill. The purpose of title XVI is to provide a self-supporting program of additional unemployment compensation for weeks of unemployment beginning after June 30, 1962, or after the end of the calendar month following the month in which this title is enacted, which ever is later, to the unemployed whose entitlement to State or title XV benefits plus weeks of unemployment after exhaustion of such entitlement have been the equivalent of 26 weeks of total unemployment since the beginning of their current compensation period, and who exhausted their benefit

rights under State and Federal unemployment compensation laws after March 31, 1962. Thus, the additional unemployment compensation program would commence immediately following the program established by the Temporary Extended Unemployment Compensation Act of 1961.

The additional unemployment compensation provided in title XVI would be payable in nonrecession and recession periods to workers with substantial past attachment to the covered labor force. To other workers, however, such additional unemployment compensation would be payable only in a recession period (as determined by the Secretary), upon proclamation of the President.

The additional compensation in both recession and nonrecession periods, would be payable only to an individual who has exhausted his State or title XV benefits, and has been entitled to at least 26 weeks of State or title XV benefits, or if he has been entitled to a lesser duration, has been unemployed since his exhaustion of benefits long enough for the combination of benefit weeks to which he was entitled and weeks of unemployment to total 26. For this purpose, an individual who exhausts his State or title XV benefits will be considered to have been entitled to benefits for the number of weeks specified in the monetary determination or determinations with respect to his most recent benefit year. Thus a worker entitled to State benefits of 26 times his weekly benefit amount could immediately after his exhaustion of State benefits (whether or not he actually received benefits for 26 weeks) become eligible for additional benefits. A worker entitled to State or title XV benefits of less than 26 times his weekly benefit amount, however, would need an uncompensated period of unemployment after exhaustion of his State or title XV entitlement before he could be eligible for additional benefits equal to the difference between his State or title XV entitlement and 26 weeks of total unemployment. For example, a worker entitled to State benefits of 20 times his weekly benefit amount would need the equivalent of 6 more weeks of total unemployment after he exhausted his State entitlement before he could become eligible for additional benefits. The general effect of this provision is to restrict the Federal compensation to the long-term unemployed, without limiting the program's application to workers in States which provide 26 or more weeks of benefits. Long-term unemployment is a national problem which should be financed on a nationwide basis.

The maximum amount of additional compensation payable under the bill with respect to a single compensation period, or for individuals claiming under section 1602 with respect to a single extended duration period, would not exceed the lesser of the following amounts: (1) 50 percent of the amount of the individual's regular benefits under State law or title XV for the compensation period in which he last exhausted his benefit rights, or (2) 13 times his regular weekly benefit amount. Thus in States which provide 26 or more weeks' duration of regular benefits, those who exhaust State benefits would be entitled to additional compensation of 13 weeks of total unemployment under the Federal program. Workers who receive State benefits for a shorter duration would receive less in Federal compensation.

While the maximum duration of the additional compensation is limited, no overall limitation on total Federal and State compensation with respect to a compensation period is provided. Some States provide benefits in excess of 26 weeks and should not be discouraged from doing so, if in their judgment their economies require a longer normal duration.

For workers entitled to State or title XV benefits of less than 26 weeks, the bill provides that they would certify to their unemployment during the remainder of the period prior to eligibility for additional compensation in accordance with regulations prescribed by the Secretary. To be counted for this purpose, weeks should be weeks for which the claimant could have received benefits if he had been entitled to 26 weeks of State benefits; that is, he should be able to work, available for work and free from disqualification. Weeks of partial unemployment should be accumulated toward the 26 weeks, as they would have been under the State law. The Secretary's regulations would cover the manner in which individuals would establish the fact that they had been unemployed, able to work and available for work and otherwise not disqualified during the weeks between exhaustion of State or title XV benefits and eligibility for additional benefits.

Additional unemployment compensation would be payable at the same weekly amount for total unemployment as the individual received under the State law or title XV under which he last exhausted his rights before he filed a claim for the current compensation period (or for individuals claiming under section 1602, the current extended duration period).

Under new title XVI additional compensation would be payable to individuals with a record of long attachment to the labor force during nonrecession as well as recession periods.

To qualify for additional compensation during nonrecession periods, the bill requires an individual to have been regularly employed in covered employment in each of at least 78 weeks during the 156 consecutive-week period, or during the 12 consecutive completed calendar quarters, immediately preceding his most recent benefit year and to have been so employed in at least 13 weeks of each year of such period. The 78-weeks-of-employment requirement is imposed to insure that extended compensation for the persistently unemployed is made available only to those with such evidence of continued past attachment to the labor force as to present little doubt that they have been earning their living for some years by work in covered employment.

The bill does not specify a test of regular employment. In order to permit flexibility in regard to such a test, it is believed that this matter should be provided for in regulations of the Secretary. Regular employment in a week might be determined on the basis of hours or days of work or amounts of wages. A week of less than full-time earnings or employment would be sufficient for this purpose, as it is now in the case of all State laws which determine entitlement to benefits on the basis of weeks of employment.

The need for providing additional protection for workers with long-term employment records who are experiencing prolonged unemployment is evidenced by the impact of industrial change in our dynamic economy on workers with long records of regular employment in basic industries. That this problem is not confined to recession periods is indicated by the fact that more than 1 million claimants exhausted their benefit rights in nonrecession years such as 1955. In 1960, more than one-third of all claimants in 11 States used up their benefit rights before finding work. More than one-fifth did so in States providing 26 weeks of duration to most or all claimants, such as Ohio, Pennsylvania and Vermont. Between the 1958 and 1961 recessions, the number of unemployed out of work for more than 15 weeks never dropped below 700,000.

Employment opportunities have declined markedly in many industries which formerly provided steady work at good wages and a secure future for millions of American workers. To list steel, textile, automobile and aircraft manufacturing, coal mining and railroad transportation, for example, illustrates situations where technical advance and productivity gains have made it possible to obtain greater production with a smaller work force from year to year. In many centers of these industries, abandonment of older plants, or shifts in methods have caused the discharge of workers with long employment records, despite the protection of seniority rules. Rapid technological changes including those resulting from automation may well displace over a million workers per year at present production rates in this decade.

Displaced semiskilled and unskilled older workers remain out of work longer because they do not generally have the education and ready adaptability to perform the increasingly technical jobs called for by the growing industries which need more manpower. The faster growing trade, service, and research industries demand different skills and abilities than are possessed by displaced miners and factory hands and railroad workers. And where such workers are located in areas which have a persistent excess of jobseekers over job opportunities leading to prolonged unemployment of even the younger skilled workers, the situation of the older, unskilled, and less-educated, although long-experienced workers, strikingly calls for longer unemployment insurance protection.

In their causes and effects, these problems are national in character and involve a national responsibility. A variety of measures to stimulate employment opportunities and to improve the skills of the work force are required to meet this responsibility. Unemployment insurance is the principal program for mitigating the hardships attendant upon unemployment by maintaining the income of unemployed workers and by keeping up the purchasing power of the community. In spite of the need for strengthening some aspects of the program, unemployment insurance has long proved its basic worth. Operations are quickly and automatically responsive to changes in economic conditions. In general, however, the program now does not provide protection for unemployment which lasts more than 6 months.

In view of the difficulty which many workers with long employment records are encountering and will encounter in securing new employment after they have been laid off, it seems clear that income maintenance for more than 6 months must be considered as an important feature of such an overall program. The Congress has already recognized this need for longer unemployment insurance protection in the case of railroad workers. A Federal program to provide extended duration for other workers with long work experience is fully warranted and would be provided through the additional unemployment compensation provided in the bill.

During recession periods additional unemployment compensation would be payable to individuals who exhaust their State or title XV rights and have no further rights under any other State or Federal law, and whose weeks of State or title XV entitlement plus subsequent weeks of (total or partial) unemployment total the equivalent of 26 weeks of total unemployment, whether or not these individuals qualify under the test of substantial past attachment to the labor force required in nonrecession periods. Such additional unemployment compensation would be payable for any extended duration period beginning after June 30, 1962, to individuals who have exhausted their State or title XV benefits within the 6 calendar-month period preceding the month in which an extended duration period begins and after March 30, 1962. An extended duration period is a period beginning on the day specified in a proclamation of the President after the Secretary of Labor determines that the following two conditions obtain: (1) the total number of claimants

throughout the country who have exhausted their regular State benefits during the 3 preceding calendar months equals or exceeds 1 percent of the total number of workers covered by State laws (such 1 percent is at present about 400,000); and (2) the average weekly number of covered workers certifying to a week of unemployment during each of these 3 months adjusted for seasonal variation and expressed as a percentage of covered employment in all States equals or exceeds 5 percent. The beginning of this program is made subject to Presidential discretion to assure that it is not triggered when there is not sufficient need, as for example, at the bottom of a moderate recession with a fast recovery expected. The period would end on the day following the Secretary's determination that the total number of exhaustions of regular State benefits during the 3 preceding consecutive calendar months was less than 1 percent of all covered workers, except that payments would continue for weeks of unemployment beginning no later than 90 days following the Secretary's determination to individuals with respect to whom additional unemployment compensation was payable for weeks beginning prior to the Secretary's determination.

The number of exhaustions is a good test as to whether additional benefits are needed. However, it is necessary to apply the test over several months, since exhaustions may rise in a single month without unemployment having increased seriously. In order to be sure that a recession period exists, the rate of insured unemployment over a period of several months also assures that the increase in unemployment is not so temporary as not to justify paying additional benefits. On the other hand, the rate of insured unemployment is not a good indication that recessional conditions have ceased, since one reason for a decrease in insured unemployment may be that there has been a rise in the number of persons who have exhausted regular unemployment benefits.

With the Temporary Unemployment Compensation Act of 1958 and the Temporary Extended Unemployment Compensation Act of 1961, the Federal Government has twice acknowledged its responsibility to extend unemployment insurance payments beyond the benefit duration provided by State programs during recession periods.

Since the end of World War II, the Nation has experienced four recessions, 1949–50, 1953–54, 1957–58, and 1960–61. Cyclical unemployment of serious proportions has become one of the principal problems challenging our economic growth. Extensions of unemployment compensation at such times would be best provided by a permanent standby program. A permanent program of this type would eliminate the need for establishing temporary ad hoc measures.

Employment conditions since the beginning of 1961 indicate that the long-duration unemployment which we are experiencing would have made such a program as that proposed available from January 1 of the present year. The seasonally adjusted national rate of insured unemployment has exceeded 5 percent since August 1960. Exhaustions of benefit rights of the volume required for starting the program began with October 1960 and remained above this level through December.

Payments of additional unemployment compensation under this title, both in recession and nonrecession periods, would be made by the States under the terms of agreements with the Secretary of Labor entered into for this purpose. Such agreements would be similar to those which have been entered into under title XV of the Social Security Act and under the present Temporary Extended Unemployment Compensation Act. In general, the agreements would provide that payments be made subject to the terms and conditions of the various State laws. In the absence of an agreement with a State, the bill provides for the Federal Government to make payments of additional unemployment compensation. This provision is similar to one appearing in title XV of the Social Security Act.

The bill also provides, as a complement to other measures designed to encourage and facilitate a broadening of retraining opportunities for workers who will thus be aided in finding jobs, that a claimant will be paid compensation for a week during which he is in training or retraining that has been approved by appropriate agencies. The training or retraining would be approved by an accrediting agency, or if there is none for the particular training or retraining, such training or retraining would have to meet quality and supervision standards approved by the Secretary. The training or retraining would be approved also by the State employment security agency as suitable for achieving the occupational objective of the individual after testing and counseling when appropriate. Many workers experiencing prolonged unemployment, and entitled to additional unemployment compensation under the bill, will be able to find work much more readily if they undertake approved training or retraining. Thus, there would seem to be justification for denying additional compensation to an individual who refuses, without good cause, to attend such approved training or retraining.

Equalization grants

Section 102 of the bill would add a new title XVII to the Social Security Act to provide for an equalization grants program under which the Federal Government would underwrite two-thirds of the benefit costs in excess of a specified level in each State which meets the requirements of the Federal Unemployment Tax Act, including the benefit requirements added by section 208 of this bill. During nonrecession years, the Federal Government would finance two-thirds of the benefit costs in each State in excess of 2.7 percent of taxable wages. In those years during which the national average benefit cost rate exceeds 2.7 percent of taxable wages, the Federal Government would finance two-thirds of the costs of benefits in any State whose benefit cost rate exceeds this national average cost rate.

Although differences in benefit costs from State to State may be due partly to differences in benefit formulas, the primary influence is the incidence of unemployment over which there appears to be little control. Experience indicates that the rate of insured unemployment and benefit costs vary widely from State to State. Benefit cost levels have been increasing in recent years as a result of changes in labor force characteristics and industrial technology. These changes are expected to continue and to further increase benefit costs.

At present, a State with higher than average unemployment can have higher than average unemployment taxes, or it can keep its costs down by providing inadequate benefits. The higher tax rate may discourage industry, and thus increase the unemployment problem. The inadequate benefits are more serious in a situation of high unemployment than at other times, since they affect more people and for longer periods. Under section 208 of this bill, the Federal Government would establish a level of benefit adequacy for all States to meet. To enable States to meet these benefit expenditures without too much hardship on their employers, the bill proposes that a State which meets the Federal benefit requirements will receive Federal assistance in paying benefit costs which exceed either 2.7 percent of taxable payroll or the national average rate, whichever is higher. States which do not provide benefits equal to the Federal requirements will not be eligible for equalization grants.

The equalization grants are limited to two-thirds of the State costs in excess of the specified level. Because the remaining third must be paid by the State, the State will have a financial interest in assuring that benefits are not excessive.

There are practical limits to the extent to which an individual State may meet rising benefit costs through increases in employer tax rates. While the effect of tax rates upon the location of industry is not subject to precise measurement, the widespread belief in the importance of such rates in attracting and holding industry is persuasive to State legislatures and effectively limits the degree to which a State may impose tax rates above those existing in other States. In addition, it appears inequitable to impose upon employers in a particular State the full burden of disproportionately high costs to meet a level of unemployment largely beyond its control and resulting from the influence of national factors in the economy.

Federal additional compensation and equalization account

Section 103 of the bill amends title IX of the Social Security Act to establish a Federal additional compensation and equalization account within the Unemployment Trust Fund, and to add to section 903(b)(1)(B) a requirement that a State law be approvable under section 3309 of the Federal Unemployment Tax Act if the State is to be eligible for a distribution of excess funds under section 903.

The additional taxes of 0.4 percent (hereinafter explained) are to be transferred to the Federal additional compensation and equalization account beginning with respect to taxable year 1964, and all payments made under the proposed additional compensation and equalization grants programs will be charged against this account.

Since payments under the two programs begin prior to the date when the additional revenue provided by the bill will be collected, section 103 authorizes the appropriation and transfer to the additional compensation and equalization account of funds necessary to make such payments from the general funds of the Treasury. The amounts so transferred are repayable (without interest) to the general fund of the Treasury at such times as the amount in the account is determined to be adequate for the purpose.

The costs of the additional unemployment compensation and equalization grants programs that would be established under sections 101 and 102 of the bill will vary directly with economic conditions. The heaviest cost will be experienced during periods of business recessions when perhaps one-third of the States may be eligible for the proposed equalization grants and when additional unemployment compensation will be payable to long-term unemployed individuals whether or not they meet the test of substantial past attachment to the covered work force. During periods of favorable economic conditions, benefit costs in a very limited number of States are expected to exceed 2.7 percent so that total equalization grants will be relatively low during such periods. Similarly, the benefit costs of providing additional compensation are expected to be lower during such periods since fewer exhaustions are experienced during prosperous periods and additional compensation is limited to only those exhaustees with a substantial work history.

It is estimated that costs under the two programs provided for in the new titles XVI and XVII of the Social Security Act will average about 0.41 percent of taxable wages under a $3,000 taxable wage base or about 0.26 percent under a $4,800 taxable wage base. This assumes that 1 out of every 4 years will be a recession year. As hereinafter explained, section 206 of the bill

would increase the taxable wage base under the Federal Unemployment Tax Act to $4,800, and section 207 of the bill would make permanent the temporary increases in the net Federal unemployment tax of from 0.4 to 0.8 percent which was provided in the Temporary Extended Unemployment Compensation Act for calendar years 1962 and 1963. The additional revenues from these changes should be sufficient to permit prompt repayment of the advances authorized under the bill to cover 1962 and 1963 costs, as well as covering costs for later years on a current basis. Barring unforeseen developments, it is anticipated that repayment of advances from the general fund of the Treasury may commence in 1965. The length of time required for full repayment of advances will depend upon the time and severity of future recession periods as well as the extent to which actual costs experienced agree with estimates. As cost experience is accumulated, a reappraisal of the financing provisions will be made.

TITLE II—AMENDMENTS TO THE FEDERAL UNEMPLOYMENT TAX ACT IN THE INTERNAL REVENUE CODE OF 1954

Title II of the bill would amend the Federal Unemployment Tax Act in the Internal Revenue Code to effect an extension of the coverage of the Federal-State unemployment insurance system to over 3 million additional employees. This would be done by extending the Federal unemployment tax to employers of one or more at any time, by revising the definition of employment to include certain agricultural processing services and services performed for nonprofit organizations not presently covered, and by revising the definition of "employee." This title would also amend the Federal Unemployment Tax Act to permit enforcement of conditions presently required to be met by the States in extending their unemployment insurance laws to maritime employers, to establish Federal requirements with respect to State weekly benefit amounts and to provide reduced tax credits for employers in a State not meeting such requirements, to deny tax credit for employers in States which deny benefits to workers who are taking approved training, to increase the taxable wage base from $3,000 to $4,800, and to provide for the continuation of the tax rate effective for taxable years 1962 and 1963 to finance the costs of the new additional unemployment compensation and equalization grants programs provided under title I of the bill.

Employers of one or more

Section 201 of the bill would bring about 1.7 million more workers under the Federal-State unemployment insurance system by extending the application of the Federal Unemployment Tax Act to employers of one or more, if the employment includes services covered by the act. The coverage would be achieved by deleting the definition of "employer" from section 3306 of the Federal Unemployment Tax Act, and by making appropriate deletions from section 3301 and other sections of such act.

At present, while the Federal Insurance Contribution Act (OASDI) applies to employers of one worker at any time, the Federal Unemployment Tax Act applies only to employers who have at least four workers in 20 weeks during the taxable year. The unemployment insurance laws of 28 States have a similar limitation on the size of the firms subject to the law. In 20 States, employers with one or more workers are covered, although in 13 of these, employers with less than a given amount of payroll or number of weeks of employment are excluded. The remaining four States limit coverage to employers with three workers, in three instances combined with a weeks-of-employment test.

Experience under the Federal OASDI program and under the laws of the 20 States which cover at least some employers of one or more workers has demonstrated that such coverage is feasible to administer. Those covering employers of one or more at any time avoid the administrative burden of determining whether payroll or number of weeks requirements are met. Experience has also demonstrated that protection of these employees is needed. In general, in the States which cover firms with fewer than four workers, the proportion of workers who receive benefits under the program is greater for small firms than for the larger ones. State experience indicates, on the other hand, that extension of coverage does not impose an unreasonable financial burden on small employers.

Since small firms are covered in some States, those workers receive the protection of Federal programs providing additional unemployment compensation, but their employers do not contribute to the Federal funds from which such compensation is paid. In those States, the employer with three workers has an unfair competitive advantage over the employer who has four workers.

Although States can cover small employers on their own initiative, it is apparent that for the most part they have been waiting for the Federal Government to act. Existing laws of nearly all of the States provided for automatic extension of the coverage of their laws if coverage under the Federal act is extended. Such provisions mean that Federal elimination of the size-of-firm restriction on employers could give unemployment insurance protection to the workers involved without the need for State legislative action. In the few States which have size-of-firm restrictions, but no automatic coverage, the employers can elect State coverage until the State legislature acts.

Nonprofit organizations

Section 202 of the bill would extend the protection of the unemployment insurance system to about 1.3 million employees of nonprofit religious, charitable, educational and humane organizations, by revising the exclusion in section 3306(c)(8) of the Internal Revenue Code. The proposal would not cover the handicapped in sheltered workshops. No estimates are available on the number of such workers. Nor would the proposal cover about 600,000 individuals, more than half of whom are ministers and members of religious orders and the remainder of whom are primarily students employed by their educational institutions, student nurses, interns, and individuals earning less than $50 per quarter.

About half of the workers who would be added are employed in hospitals, and about one-third by educational institutions. Only a small percentage are employed by religious and charitable institutions supported by donations.

The workers who would be covered include a wide range of occupations, not distinguishable from those performed in covered employment. They are printers, typists, elevator operators, cooks, busboys, janitors, scrubwomen, as well as teachers, nurses, and professional social workers. About 40 percent of the hospital workers are food, maintenance, and custodial workers. Such evidence as is available indicates that employees of nonprofit organizations have a risk of unemployment as do presently covered workers. While certain professional groups in the nonprofit field may frequently have the protection of tenure and stable employment, with provisions for severance pay, the same could be said for many presently covered workers. Other nonprofit organization employees, particularly in the nonprofessional occupations, are often low paid and have a high rate of turnover, which generally indicates unemployment.

To make nonprofit organizations liable to pay unemployment compensation contributions would not change the special status they enjoy in regard to Federal income tax and, in some instances, to property taxes. They are already covered, to some extent, by workmen's compensation, and such coverage has not affected their special status. Moreover, the traditional exemption of nonprofit organizations from revenue raising taxes should not be carried over to programs designed for the protection of their workers.

A substantial part of the funds of nonprofit organizations comes from sources other than voluntary contributions. Many such organizations sell goods and services in competition with profit-making organizations. Again, using hospitals as illustrative since they employ half of the workers who would be covered by the proposal, a study of one group of 85 nonprofit hospitals indicated that only 10 percent of their revenue came from gifts and endowments, while about 70 percent represented payments by patients and their insurance carriers.

In about 23 States, action by State legislatures would be necessary to bring about mandatory coverage of services for nonprofit organizations, because Federal action would not automatically extend such coverage. Three States have provided fairly broad or universal coverage of these workers, and four others cover certain activities. In addition, some of the organizations have elected coverage. But only about 60,000 to 100,000 of the 1.3 million have been covered. Thus, it seems that Federal action is needed if this group is to be protected.

Employee

Section 203 of the bill would extend coverage to about 250,000 additional workers by revising the definition of "employee" to incorporate three tests which have become known as the ABC tests of employment relationship. Under the revised definition, anyone who performs services for another is to be considered an employee for the purposes of the statute unless it is determined that: (A) the worker is free from control in performing his duties, not only under the contract but also in fact, (B) the service is either outside the employer's usual course of business or is performed outside his places of business, and (C) the worker is customarily engaged in an independently established business of the same nature as the services which he performs for his principal.

The ABC tests relate to the degree of control that is or can be exercised over the individual in the performance of services, the integration of the individual's work in the business for which he renders services, and the extent to which the individual is an entrepreneur. If all of the tests are met, the individual is not an employee and his services are excluded from unemployment insurance coverage.

The common law test of master-servant relationship is not an appropriate guide for separating those who should be protected against the risk of unemployment from those who are entrepreneurs and not to be insured against unemployment.

The common law test stems primarily from efforts to establish a just standard for determining when one person should be held responsible for the tortious acts of another. Since these acts normally result from the negligent manner in which work is done, the right to control the manner of performance provides a sound criteria of liability. In unemployment insurance, however, the dependence of an individual upon another for his livelihood is the primary consideration, not the degree of control to which the individual is subject in performing the services.

The revised definition would provide criteria specifically designed to carry out the purposes of unemployment insurance. Test (A) includes the normal "control"

test, but is so phrased as to preclude determinations made on the mere form of the employment contract without regard to the degree of control actually exercised. Test (B) relates to the integration of the individual's services into the business. It is a dual test; if the individual's services are either outside the usual course of the employer's business, or are performed outside of his places of business, the individual meets this requirement for exemption from unemployment insurance coverage.

The (C) test requires a showing that the individual is customarily engaged in an independent business. It requires, in effect, that the worker be an entrepreneur and that the services be rendered by him in that capacity. It calls for an enterprise that exists apart from the relationship with the particular employer and could survive the termination of that relationship. It thus approaches, as nearly as a formal test can, the economic line that bounds the risk of unemployment.

The change would give unemployment insurance coverage to such occupational groups as outside salesmen in manufacturing and wholesale trade, shop operators working under lease agreements, and house-to-house salesmen, depending, of course, on specific situations. These individuals cannot realistically be deemed to be independent businessmen.

The proposal would make the Federal act more consistent with the provisions in many State laws. About 26 State laws now contain the ABC tests, and a number of others contain one or two of these tests. Substitution of these tests for the master-servant relationship in the Federal act would eliminate difficulties which some States have had with the interpretation of their own definitions, since some State courts have indicated a belief that the State law could not extend coverage beyond that of the Federal act. As there has sometimes been uncertainty over the relationship of the ABC tests to the common law concepts, the proposal makes clear that the ABC test is distinct from, and not a mere rephrasing of, the common law rules.

Agricultural processing workers

Section 204 of the bill would extend unemployment compensation protection to about 200,000 agricultural processing workers, that is, those engaged in drying, packing, packaging, processing, freezing, grading, storing, or similar activities performed in the employ of cooperative organizations, commercial handlers of fresh fruits and vegetables, or farm operators who produce 50 percent or less of the commodity being processed. This coverage would be accomplished by changing the definition of "agricultural labor" contained in section 3306(k) of the Federal Unemployment Tax Act to that contained in the Federal Insurance Contributions Act since 1950.

The services performed by agricultural processing workers are similar to those performed by workers in industrial and commercial establishments presently covered by the unemployment compensation system. Agricultural processing workers operate mechanical equipment such as graders or conveyors; they include stationary engineers tending steam boilers, box assemblers, truck operators, receiving clerks, and electricians as well as workers who handle, sort, grade, wash, polish and pack the fruits and vegetables.

Equal treatment of Great Lakes seamen

Section 205 of the bill provides that if the Secretary of Labor has made a finding that a State law does not meet the requirements of section 3305(f) with respect to the coverage of maritime workers, the Federal unemployment tax liability of maritime employers is to be determined without any tax credit being allowed for any amount such employer paid under the law of such State. This section is intended to correct a long-standing State violation of a Federal requirement.

Section 3305(f) of the Federal Unemployment Tax Act, enacted in 1946, gives States permission to require contributions from maritime employers subject to several conditions. In granting this permission, however, Congress did not provide any sanction to insure enforcement of these conditions.

One of the conditions of section 3305(f) is that maritime workers must be treated, for purposes of wage credits, like shoreside workers. However, while the 1946 amendments allowed time for States to adjust their laws to this and other conditions, the Ohio law, unlike that of any other State, did not then and still does not provide Great Lakes seamen with treatment comparable to shoreside employees. Under the Ohio law, shoreside employment may be declared seasonal only if the period of operation is less than 36 weeks in a year. While there are restrictions on the benefit rights of a shoreside seasonal worker, such a worker may combine seasonal and nonseasonal wage credits for benefit purposes. By contrast, Great Lakes employment is declared seasonal in the statute, with a 40-week period beginning with the fourth Sunday in March, and wage credits earned in Great Lakes shipping may not be combined with any other wage credits.

This discrimination against Great Lakes seamen by Ohio is particularly significant because most Great Lakes shipping is covered under the Ohio law, regardless of the residence of workers. Even if vessels travel mainly between ports in other States, they are subject to the Ohio law if the offices controlling their operation are located in Ohio. The restrictions on benefit rights are therefore felt by residents of all the States which have Great Lakes ports.

In view of the Federal Government's constitutional jurisdiction over maritime employment, the present language of section 3305(f) means that a State which discriminates against maritime workers is acting without authority when it taxes maritime employers on the basis of wages paid to such workers. The proposed amendment would prohibit maritime employers from receiving Federal tax credit for such unauthorized taxes collected by the State.

Definition of wages

Section 206 would raise the tax base under the Federal Unemployment Tax Act to $4,800 by amending the definition of "wages" in section 3306(b), effective for taxable years after 1963.

The present $3,000 limitation on the tax base was established in 1939 in order to bring about uniformity in employer reports under the unemployment insurance and old-age and survivors' insurance programs. Since 1939, however, average weekly wages have more than tripled. Thus, in contrast to the estimated 95 percent of total covered wages taxed in 1939, only 63 percent of covered wages are currently taxed, with the gap steadily increasing with the rise in wage levels. Under the OASI program, the wage base is geared to statutory benefit levels and is now $4,800, but no comparable adjustments have been made in the taxable wage base under the Federal Unemployment Tax Act.

Continued use of the $3,000 wage base has contributed to a steady decline in State reserve funds, since employer contributions, limited to this base, do not increase in proportion to rising benefit liabilities of the unemployment insurance program. This is of concern to the Federal Government as well as to the States, because there is a national interest in a soundly financed program and a Federal responsibility for assisting States whose reserves become inadequate.

States hesitate to take independent action in this area. Currently only nine of them use a higher wage base than is used in the Federal Unemployment Tax Act, and all but one use a base lower than $4,800. The laws of 26 others, however, provide for basing contributions on a wage base higher than $3,000 if and when the Federal Government does so. These States, it appears, are postponing an increase in the wage base until the Federal Government takes action.

An increase in the wage base to $4,800 would be especially desirable in the dozen or so States currently faced with seriously low reserves. In other States, the increased income would be used to build up reserves which have been declining. States which do not need additional revenues can adjust their tax structures so that the tax yield remains at approximately the same level.

An increase in the wage base would reduce the inequities created by the "freezing" of the base at the present $3,000. Currently, low-wage employers pay a much higher effective tax rate than do high-wage employers since a much greater proportion of their payroll is subject to contributions under the Federal Unemployment Tax Act. Financing new programs or rising administrative costs solely by increases in tax rates would make the Federal tax even more inequitable.

Also, continuation of the present base will operate, as it does at present, to prevent Federal tax income from growing, although administrative costs are increasing. The increased Federal unemployment tax revenues that would be derived from the $4,800 taxable wage base would build the Federal unemployment account to the specified $550 million and the employment security administration account to the specified $250 million faster than under the present law (thereby saving interest on advances from the revolving account to the employment security administration account), and would also contribute to the financing of the Federal additional unemployment compensation and equalization grants programs established by title I of this bill.

Already more of the proceeds from the recent increase in the Federal unemployment tax (Public Law 86–778) to 0.4 percent of taxable wages is needed for administrative costs of the program than was expected. (The congressional expectation was that at least 0.1 percent of taxable wages would be used for the rebuilding of the Federal unemployment account.) The $3,000 limitation on the taxable wage base, if not increased, will continue to prevent Federal tax proceeds from increasing at the same rate as increases in administrative costs.

Increase in the rate of tax

For the purpose of financing the Federal additional unemployment compensation and equalization grants programs which would be established under title I of the bill, section 207 would raise the net Federal unemployment tax from 0.4 percent to 0.8 percent, effective with respect to wages paid after calendar year 1963. Under the Temporary Extended Unemployment Compensation Act, this increased rate of tax is made applicable with respect to wages paid in 1962 and 1963 in order to finance the temporary program provided under that act. Section 207 would continue this rate of tax with respect to wages paid after 1963.

Benefit requirements

Section 208 would add a new section 3309 to the Federal Unemployment Tax Act. This new provision would require State laws to provide that the weekly benefit amount payable to any individual for a week of total unemployment, exclusive of any compensation payable with respect to dependents, be the lesser of:

(1) the maximum weekly benefit amount payable under the State law; and

(2) an amount equal to not less than one-half of the individual's average weekly wage.

This requirement is intended to insure that eligible claimants at benefit levels below the maximum are entitled to receive, when totally unemployed, a weekly benefit amount equal to at least one-half of their average weekly wage, exclusive of any additional benefits which the State law may provide for claimants with dependents. Each State would have complete latitude to control weekly benefits above the Federal requirement. Thus, those States which pay benefits equal to more than one-half of average weekly wages to individuals at low wage levels or even those at higher wage levels could continue to do so.

At the present time 12 States augment basic weekly benefits for claimants with dependents. Such dependents' allowances are customarily paid in addition to the basic weekly benefit amount determined solely by the claimant's earnings, on the ground that basic benefits represent the minimum necessary insurance protection for any claimant. According to this bill, 50 percent represents this necessary minimum. Consequently, the bill provides that the 50 percent computation to determine the individual's weekly benefit amount is exclusive of dependents' allowances.

New section 3309 also requires State laws to provide that the maximum weekly benefit amount payable to any individual for a week of total unemployment, exclusive of dependents' allowances, is an amount equal to at least the following percentages of the statewide average weekly wage:

(1) 50 percent for benefit years beginning on and after January 1, 1964, and before January 1, 1966;

(2) 60 percent for benefit years beginning on and after January 1, 1966, and before January 1, 1968;

(3) 66⅔ percent for benefit years beginning on and after January 1, 1968.

To provide a weekly benefit equal to at least half their wages for the great majority of covered workers should they become unemployed, the maximum weekly benefit, exclusive of dependents' allowances, would have to be more than one-half of average wages in the State. The bill would require the maximum to equal at least two-thirds of the statewide average weekly wage in covered employment to be reached, however, in three stages. This gradual approach to the ultimate effective date for the two-thirds maximum is intended to give States time to adjust their financing arrangements to accommodate the additional costs that the higher maximum may entail. The purpose of having the maximum become effective with benefits years beginning on and after the dates specified is to avoid imposing on the States the administrative expense of making redeterminations for individuals who begin benefit years prior to these dates. The proposal relates the maximum basic weekly benefit to the statewide average weekly wage, thus taking account of differences in wage levels among the States and of changes in wage levels within a State.

In 46 States the benefit schedules in effect as of January 1, 1961, contained maximum weekly benefit amounts that were less than 50 percent of the respective State's average weekly covered wage.[1] In each of these States, the maximum would prevent a substantial number of claimants from receiving 50 percent of their average weekly wage. In 31 States, for example, regardless of how high their weekly wages may have been, one-half or more of all 1960 claimants received the statutory maximum weekly benefit amount. In 17 States, moreover, 3 out of every 5 claimants in that year received the statutory maximum, even though their weekly wages in many cases might have been more than double this benefit. For most workers then, in more than 30 States, the program has been tending to become a flat benefit system rather than one where weekly benefits are related to weekly wages. In contrast, in 1939, the second year in which benefits were paid in most States, maximum weekly benefits were over 50 percent of the average weekly wage in all but two States, and were over 60 percent in all but 16 States.

No denial of compensation during training

Section 209 would add a new paragraph to section 3304(a) of the Federal Unemployment Tax Act requiring, as a condition for employers in a State to receive normal tax credit, State laws to provide that compensation shall not be denied to an otherwise eligible individual for any week during which he is attending a training or retraining course with the approval of the State agency. This new requirement provides also that such individual shall be deemed to be available for work and actively seeking work in a week during which he is attending such training or retraining course, and that he shall not be disqualified for refusing to accept work during his attendance at such course.

It has generally been held under most State laws that an individual is not available for work unless he is willing to quit his course at any time that a suitable job is offered to him. It has generally been held also that attendance at such a course is not good cause for refusing a job offer. Further, where a State law has an active search-for-work requirement, individuals who are attending a training or retraining course have been held not to meet this requirement.

The change in occupational skills required by modern industry results in persistent unemployment of those who do not have such required skills. It has become clear, therefore, that for many claimants occupational training or retraining is essential if they are to be suitably reemployed. Yet the laws of only 10 States furnish any assurance that workers will not be denied unemployment compensation if they undertake occupational training or retraining. Accordingly, it is necessary to require States not to deny unemployment compensation to an individual who takes such training so that he can have the assurance that he can complete the course that he has undertaken. Section 101 of this bill provides similarly that Federal additional compensation under new title XVI shall not be denied to a worker who is taking approved training or retraining.

Limitation on credit against tax

In order to provide a reasonable incentive for States to comply with the proposed Federal requirements with respect to benefit amount, section 210 of the bill would amend the tax credit provisions of section 3302 of the Federal Unemployment Tax Act. A State would not be required to meet the Federal benefit requirements in order to have an unemployment insurance program which is part of the Federal-State system. A State which does not meet the requirements would still be entitled for that year to Federal grants for administration under title III. Employers would still be entitled to some tax credit but not necessarily to a credit of 2.7 percent.

Tax credit for employers in a State which meets the Federal requirements with respect to weekly benefit amount would be determined as it is now. Tax credit for employers in a State which does not meet these requirements would be the lower of (a) the State's 4-year average annual benefit cost rate, and (b) 2.7 percent. All employers in that State, regardless of their individual tax rates assigned under the experience rating provisions, would pay an additional Federal tax equal to the difference between the 4-year average cost rate in the State and 2.7 percent.

Presumably Congress provided the 2.7-percent tax credit to employers who paid State contributions on the assumption that on the average it would cost that amount to provide adequate benefits. This bill provides that, to the extent a State can finance an adequate program with taxes of less than 2.7 percent, employers will continue to be given the full 2.7-percent tax credit. In a State providing an inadequate program, however, employers would be allowed tax credits equal to no more than the actual cost of such program.

Effective dates

Under section 211, amendments made by title II of the bill would be effective with respect to remuneration paid after 1963 for services performed after 1963, except that the amendments made by sections 205, 208, 209, and 211 would be effective January 1, 1964.

[1] Although Puerto Rico joined the Federal-State unemployment insurance system Jan. 1, 1961, it is excluded from this statement and the remainder of this document since data for measuring the adequacy of its program have not become available.

THE KENNEDY ADMINISTRATION AND DEFENSE CONTRACTS FOR NEW YORK STATE UNEMPLOYMENT AREAS

Mr. STRATTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. STRATTON. Mr. Speaker, one of the major matters of concern to Members of Congress from the State of New York has been the number of defense contracts coming into our State. This has been of concern to us not only because of the fact that other States, California in particular, have been getting an increasingly larger share of defense contracts in comparison with the share that traditionally has come into New York, but also because New York State has been suffering very heavily from unemployment, currently has the dubious distinction of having 10 percent of the total of unemployed citizens in the Nation, and some 14 major areas of distress across the State.

Because of this situation President Kennedy, last fall when he was a candidate for President, stressed his interest in helping the unemployment areas of our State and pledged his efforts to do everything possible as President to see that defense contracts were channeled into the unemployment areas of New York as well as other States. Very largely as a result of this clear statement of policy, I am convinced, President Kennedy reversed a longstanding trend in the State of New York by carrying our State for the Office of President. In fact his overwhelming majority of over nearly 400,000 votes was the largest of any State in the Nation. It is, therefore, of great interest to the people of New York what has actually happened in getting defense contracts into New York in the days which have elapsed since the Kennedy administration took office.

The other day, Mr. Speaker, there came to my attention as a member of the Armed Services Committee of the House a compilation by the Department

of Defense which indicated the amount of defense contracts going into the various unemployment areas of the Nation, including the 14 designated unemployment distress areas of New York State. This compilation also made a comparison between the amount of defense contracts coming into these areas during the first 3 months of 1961, the opening months of the Kennedy administration, and the amount which came in during the preceding months of the Eisenhower administration.

Mr. Speaker, I think it should be brought to the attention of this House and of the people of New York State the extent to which these preliminary figures demonstrate the most remarkable way in which the President of the United States has acted to carry out his pledge to the people of New York State. The total volume of Government defense contracts coming into New York State unemployment areas during these first 3 months of 1961, based on the official figures supplied by the Department of Defense, increased by some 43 percent over the total amount of defense contracts to New York State unemployment areas during the last 3 months of 1960, the closing months of the Eisenhower administration. Just think of that—an astounding increase of 43 percent in just 3 months, or a dollar volume increase from $36,579,000 to $51,825,000.

In addition to that these official figures reveal that 10 out of the 14 designated unemployment areas in New York State received a greater dollar volume of defense contracts during the first quarter of 1961 than they received during the last quarter of 1960.

Mr. Speaker, I make this point not only for the sake of commending our President and his administration for the magnificent way in which they have moved to deal with our unemployment problem in the critical areas of New York State, but also to make the record absolutely clear on this point and to eliminate any confusion or misunderstanding which may have been created as the result of some remarks published in the RECORD for June 6, in which a Member of the other body suggested that the Kennedy administration has been guilty of causing "a real depression for New York State contractors," and it was charged that defense contracts to New York had in fact dropped by 5 percent.

Mr. Speaker, just to emphasize further how unemployment areas in our State have benefited during the first 3 months of the Kennedy administration in comparison with the last 3 months of the previous administration defense contracts for the Buffalo area, for example, jumped from $10,770,000 to $25,028,000, and those for Utica-Rome jumped from $9,643,000 to $11,593,000.

The only area to suffer any significant decline was the Albany-Schenectady-Troy area, which dropped from $9,687,000 to $3,641,000. But the major volume of contracts in these areas go to the General Electric Co. in Schenectady, and since the heavy industrial products manufactured in Schenectady, such as large motors and turbine generators, are not the kind that defense agencies requisition every other day, figures based only on a 3-month period are likely to be somewhat misleading. Also, these 1961 defense figures do not include the recent $8 million order for Schenectady turbines placed by the Interior Department, a nondefense agency which still has been most welcome in my home city.

The following unemployment areas in New York State, Mr. Speaker, received a greater percentage of defense contracts during the first 3 months of the Kennedy administration: Amsterdam, Buffalo, Elmira, Gloversville-Johnstown, Jamestown-Dunkirk, Ogdensburg-Massena-Malone, Plattsburgh, Syracuse, Utica-Rome, and Wellsville.

Those communities which showed a drop in defense contracts over the period were: Albany-Schenectady-Troy, and Auburn. The Olean-Salamanca area, which received no contracts, had only been certified as an unemployment area as of January of this year, and hence no comparative figures were available.

Amounts of contract awards for each area are listed below:

Labor surplus area	Total, January–March 1961	Total, October–December 1960
Albany-Schenectady-Troy	$3,641,000	$9,687,000
Amsterdam	913,000	217,000
Auburn	184,000	1,476,000
Buffalo	25,028,000	10,770,000
Elmira	2,378,000	420,000
Gloversville	234,000	42,000
Jamestown-Dunkirk	665,000	374,000
Newburgh-Middletown-Beacon	524,000	784,000
Ogdensburg-Massena-Malone	58,000	13,000
Olean-Salamanca	0	0
Plattsburgh	5,946,000	2,883,000
Syracuse	389,000	0
Utica-Rome	11,593,000	9,643,000
Wellsville	272,000	270,000

And so, Mr. Speaker, on the basis of these figures things are definitely looking up for New York State with President Kennedy in the White House. It is my sincere hope that with this new spirit of concern for our unemployment areas that is being manifested here in Washington under this administration the problems which have beset us in New York will gradually be corrected and this great State of ours, which has always in the past been in the forefront of industrial production, will once again assume the position of leadership for which it is deservedly known as the Empire State.

SOVIET DEPORTATION OF THE BALTIC PEOPLES IN 1940—LITHUANIANS, LATVIANS, ESTONIANS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, World War II caused the death of tens of millions of people, and inflicted indescribable misery to peoples numbering several hundred millions. In Europe, among the war's most helpless victims were the peoples of the three small, independent republics in the Baltic countries—Lithuania, Latvia, and Estonia. The tragedy of the Lithuanians, as well as those of Latvians and of Estonians, was caused by the evil men in the Kremlin.

These people had endured the czarist Russia's autocratic yoke for more than 100 years, and had regained their independence at the end of the First World War. In their historic homelands, they devised their own democratic government, and were living happily. But as the clouds of war, in 1939, began to darken the skies, they became apprehensive of their own fate. The governmental leaders in all three of these countries were fully aware of the dangers threatening them, but they were helpless to avert the impending tragedy.

Soon after the outbreak of the war, Lithuanians and their two unfortunate neighbors were ruthlessly bullied by the Kremlin. They were forced to sign mutual assistance pacts with the Soviet Union. Then early in 1940, under some flagrant pretext, the Governments of Lithuania, Latvia, and Estonia were accused by the Kremlin of anti-Soviet activities. Soon the Red army moved into these countries, and many of the government leaders fled the country. In June, Soviet occupation of these countries was complete. Soon they were forced against their will to become integral part of the Soviet Union.

In the meantime wholesale arrests and imprisonments of prominent men in every walk of life were proceeding; terror gripped the people; no one felt safe, even women and children were, in many cases, faced with summary arrest and imprisonment. In the course of the Soviet occupation in 1940–41 and since 1944 tens of thousands were arrested in Lithuania alone, forcibly placed in freight cars, and then exiled to the wilderness of Asiatic Russia. During the period from June 14 to 21, 1941, 34,260 persons were deported to remote areas in Siberia and the Arctic. Today, very little is known of the fate of these innocent and helpless souls. Some have undoubtedly died, while others probably still suffer under cruel Communist totalitarian tyranny, still cling to the hope of their freedom.

The fate of Latvians and Estonians was not much different. As a matter of fact, Soviet treachery was well coordinated in carrying out the ruthless plan of conquest and enslavement of the peoples in all these three countries. The Red army's occcupation of the three countries took place at the same time; and the subsequent arrest and imprisonment of Latvians and Estonians took place simultaneously. These tens of thousands shared the same fate as the exiled Lithuanians. They, too, were shipped off to distant regions of Asiatic Russia, where they are suffering under inhuman treatment in the hands of the Communist tyrants. On this 21st observance of that evil and tragic event, let us all hope and pray that the survivors will some day regain their freedom from Communist totalitarian tyranny.

A MEMORIAL TO THE CONGRESS THAT THE UNITED STATES CEASE ALL TRADE WITH CUBA

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, I want to take this opportunity to once again point up the fact that the United States is continuing to import goods from Communist Cuba. Though this fact may be well known by Members of Congress, it may not be prominent in the minds of the public. A necessary step in public education was taken recently by one of the Nation's leading newspapers when it carried an article on Cuban trade on its front page.

No excuse exists for the continuation of this activity. For many months now, I have protested this matter to the State Department. My requests have been met with inaction coupled with such reassurance as "the matter is under consideration." Now, according to a news article, "most Government economists consider the trade insignificant—and perhaps of as much value to Americans as to Cubans."

Compared to the volume of trade this Nation carried on with Cuba before its Communist dictator came to power, the present figures seem fractional. This is to be expected when we were forced by insults and unfriendly acts to sever diplomatic relations with Cuba. In 1958, a year before Castro came to power, the United States imported $528 million in goods and materials from Cuba. Now, after being humiliated, and having property of U.S. citizens confiscated, the United States continues to import over $30 million in Cuban goods.

Who are these Government economists that call the flow of Cuban goods insignificant? Thirty million dollars may be a minor figure when compared to total U.S. imports, and $30 million may be dwarfed by our gross national product. But the issue is not the volume we trade with Cuba, it is the fact that we trade with Cuba. This is not an economic issue, it is a moral issue.

If the pronouncements of a few Government economists are statements of our Government's position then these statements become sad comments on America's moral structure.

Mr. Speaker, since Castro's rise to power, our prestige has suffered greatly in Latin America. We have suffered unprecedented harassment. Our dignity has been desecrated by such recent antics as an effigy burning of our President and public destruction of Havana's statue of the American eagle, symbol of United States-Cuban ties since the turn of the century. The theme of Communist Cuba's first May Day celebration was U.S. degradation.

I ask the membership to ponder the absurdity of our position.

Mr. Speaker, I should like to call your attention to a resolution adopted by the Legislature of the State of Florida, and just sent to me. This memorial proclaims Cuba a threat to this Nation, is critical of Cuban confiscation of U.S. interests, proclaims the humiliation suffered by this country absurd, and condemns existing trade with Cuba. I insert it at this point in the RECORD:

HOUSE MEMORIAL 1693

Memorial to the Congress of the United States to provide that the United States cease all trade with the Republic of Cuba

Whereas the Republic of Cuba, located within 90 miles of the United States, has been led by its leaders into the bloc of Communist nations whose avowed purpose is to destroy the United States and its form of government; and

Whereas the Republic of Cuba has intentionally attempted to discredit the United States in the eyes of the world; and

Whereas untold hundreds of millions of dollars of property owned by Americans have been confiscated by the Republic of Cuba without due process of law or just compensation; and

Whereas Americans and freedom-loving Cubans have been felled by bullets which well might have been purchased from Communist nations, with dollars earned by trading with the United States; and

Whereas the Government of the United States has deemed it proper to sever diplomatic relations and curtail trade with the Republic of Cuba; and

Whereas to continue any trade whatsoever, and thereby contribute to the economy of a country who with each new day humiliates the United States by any means available, is an absurdity of the highest degree; and

Whereas the people of Florida join with all other freedom-loving people in feeling that the relatively small amount of trade left with the Republic of Cuba should not be used to finance the purchase of arms for the continuation of the Cuban bloodbath: Now, therefore, be it

Resolved by the Legislature of the State of Florida, That the Congress of the United States be and it is requested to take the appropriate steps necessary to cease all American trade with the Republic of Cuba so long as diplomatic relations between the two nations do not exist; be it further

Resolved, That copies of this memorial be dispatched to the President of the United States; to the President of the U.S. Senate; to the Speaker of the House of Representatives of the United States; and to each member of the Florida congressional delegation.

(Filed in office, secretary of state, June 5, 1961.)

Mr. Speaker, I have introduced House Concurrent Resolution 215 on April 12. It expresses the will of Congress that trade with Cuba be halted. This resolution is pending before the Ways and Means Committee, and no action has yet been scheduled. I respectfully submit that the Members of this body should use the power given them by the American people to put this resolution into effect.

Great inconsistencies exist in our Government. We have severed diplomatic ties with Cuba, formally branded it a Communist satellite as alien to this hemisphere as Russia itself, and supported an anti-Communist liberation attempt. We must collect ourselves. The American people are gravely concerned over their position in the Caribbean. I ask this Congress to express its will that Cuban imports be halted, and to direct its voice to those in our Government whose responsibility it is to effect a more coordinated and representative policy toward Cuba.

WHERE WE STAND ON NUCLEAR TEST BAN NEGOTIATIONS

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 40 minutes.

Mr. HOLIFIELD. Mr. Speaker, I have chosen this time today to speak on what I consider one of the most important questions that faces our Nation. That is the question whether we shall extend the nuclear test ban negotiations in Geneva and maintain the moratorium on nuclear weapons tests or not.

Mr. Speaker, there have been increasing questions and growing demands for a reexamination of the U.S. position on the negotiation of a nuclear test ban with the Soviets.

This concern is understandable in view of the extended period of negotiation, and the apparent unwillingness of the Soviets to reach a workable agreement with adequate controls. That we have reached a nuclear stalemate was underlined in the series of "nyets" which President Kennedy reported he received in his conference in Vienna with Chairman Khrushchev.

In making any reexamination of our position and charting our future course, I believe it is important that we keep the various factors which must be considered in proper balance. We have made some mistakes in the past in going overboard on the test ban without proper consideration and consultation. Let us not make similar mistakes again.

First off, I believe we should dispose of some misapprehensions as to what the President intends to do, which resulted from certain news stories. These stories have been construed to indicate that the President intends to negotiate indefinitely, and that the President sees no need to resume nuclear testing. But if we look at what the President actually said we get another picture. An Associated Press story quoted the President as follows:

> For the present we are going to stay in Geneva (at the nuclear test negotiations) and stand by the draft treaty we have presented.

And if we look to the President's statement on the need for testing it was confined to our nuclear rocket program. In the same AP story the President was quoted as saying:

> I know of no test which is now necessary for our program in outer space.

We are also hearing recommendations from various quarters as to the necessity and urgency of resuming weapons tests. This is somewhat peculiar since most of those now making suggestions were silent for more than 2 years while the Geneva test ban negotiations dragged on under the previous administration.

I would like to emphasize that these negotiations are too important to become a partisan issue. It was not, and

is not, a partisan issue in the Joint Committee on Atomic Energy, of which I have the honor to be chairman. I would especially pay tribute to my Republican colleagues in the House and Senate who are members of the Joint Committee and who have strong convictions on this subject, but who have been willing to go along with one last effort by the new administration to achieve an agreement on this difficult subject.

As a matter of fact, I have rather strong views on this subject myself. In making these remarks, I wish it to be distinctly understood that I am expressing my personal opinions based on my 15 years' experience as a member of the Joint Committee on Atomic Energy and based on the information available to me as a result of that membership. Some of you may recall that I was chairman of an ad hoc subcommittee of the Joint Committee which visited the AEC Los Alamos and Berkeley Laboratories in 1949 to review the status of advanced weapons development. It was this subcommittee which helped persuade President Truman to proceed with the hydrogen bomb program.

I recall in 1956 when a hullabaloo was raised over proposals by Adlai Stevenson to stop further tests of hydrogen weapons because of the alleged fallout problem. In 1957 I chaired hearings by the Joint Committee's special Subcommittee on Radiation in which we were able to bring considerable perspective as to the hazards of fallout from weapon tests.

During and following these hearings various proposals for limiting the fallout hazard were made. Thus Senator ANDERSON proposed limiting the amount of fission products put into the atmosphere in any one year, and Congressman Carl Durham, the former Chairman of the Joint Committee on Atomic Energy, proposed confining tests to underground shots and thereby avoid the fallout problem entirely.

I also recall that in August 1958 President Eisenhower announced that the United States would be willing to enter into a moratorium on all weapons tests while an agreement with adequate controls was being worked out. In retrospect, I regret to say that there were several things wrong with this proposal:

First. It was based on inaccurate scientific data derived from only one underground test.

Second. It confused the fallout objectives of the test ban arrangements with disarmament. World opinion had been aroused over the alleged fallout hazards, and the banning of atmospheric tests would have taken care of this problem.

Third. It took away our bargaining power, and gave the Soviets an incentive to drag out negotiations so as to have a de facto moratorium without any corresponding controls.

Fourth. It was made without any significant bipartisan discussions or consultations with the Joint Committee on Atomic Energy and other congressional committees, prior to its announcement.

I go over these matters not to rake over past history for its own sake, but to hope that we can learn some lessons for our current situation. In 1958, in my judgment, we went too far in getting tied up in a moratorium on all tests. In 1961, we should be careful not to make a similar mistake in the other direction.

In 1958 my colleagues and I went along with the President's proposal, pointing the need for avoiding any stalling of negotiations.

We also indicated that continuing technical review of research and development for improved controls was necessary. In 1960 our Radiation Subcommittee, under my chairmanship, along with the Subcommittee on Research and Development, held extensive hearings from a group of representative experts on the technical aspects of a nuclear weapons test ban. Among other things, the subcommittee made the following observations as to the possibilities and problems of the proposed Geneva system:

Specifically, there was general agreement as to the following:

1. The Geneva control system of 180 stations will require augmentation and improvement to restore the capability for detection and identification of underground seismic events to the value of 5 kilotons estimated by the 1958 Conference of Experts (hereinafter experts).

2. It is possible to increase the difficulty of detection and identification of underground seismic events by decoupling nuclear explosions by a factor of up to 300.

3. To establish a capability for the Geneva control system to detect and identify underground seismic events of yield equivalent to that of a 20-kiloton fully decoupled explosion, it will be necessary to increase greatly the number of stations and to improve the instruments and techniques of seismic detection.

4. A vigorous and sustained program of research and development is necessary to improve our instruments and our techniques of detection, identification, and inspection of underground nuclear explosion tests.

5. An increase in the number of stations in the Geneva control system, in order to lower the threshold of underground seismic events which it can detect and identify, will result in a considerable increase in the number of unidentified events which may require inspection.

* * * * *

The subcommittees were also impressed by the importance of the time factor in relation to nuclear test cessation. The United States has not tested any nuclear weapons since its Hardtack II series in the fall of 1958. It appears from the testimony that at least for the next several years it will not be possible to identify underground events whose seismic signals record the equivalent of a nonmuffled nuclear explosion of 20 kilotons or less, although they may be detected. Further, it appears that for this same time period it will not be possible to detect muffled tests of 100 kilotons or more set off deep underground in large cavities. Therefore, it seems that for the next several years and possibly thereafter there could be a race between improved means of detection and identification as against improved means of concealing and muffling nuclear tests.

Several members of the Joint Committee have served as congressional advisers on the Geneva Conference, and have sat in on the negotiations several times.

My most recent visit to the Geneva Conferences occurred just 10 days ago, with my colleague MEL PRICE and three Members from the other body. We were accompanied by the Joint Committee staff director, Jim Ramey, and George Murphy on the staff. Our group attended 4 days of negotiations—the 309th, 310th, 311th, and 312th sessions—May 25, 26, 29, and 30.

We attended a number of special, private briefings with Ambassador Dean, his deputies, and various technical and administrative experts on his staff. We express our confidence in the ability of Mr. Dean and the U.S. staff. Within the limits of the present status of the negotiations and their instructions, they have been acquitting themselves in an excellent manner.

We observed little constructive results in the basic areas of discussion and no change in the unyielding attitudes of the Soviet negotiators. Such minor concessions as have been made by the Soviets are more than nullified by their regressive proposal for a three-man administration. This proposal of the Soviets entails a built-in veto on all vital control procedures and actions.

We found that there is good reason to believe that world opinion is becoming more favorable to the United States. Foreign paper editorials credit the United States attempts to reach an acceptable agreement as being constructive and in good faith. Comments from prominent officials and people in the free and neutral world have also been favorable.

We were there at the 311th session when Ambassador Dean reviewed the 13 concessions which the United States had made. It was at this session when he discussed the last concession which the United States proposed—the so-called escalation proposal on numbers of inspections.

I would like to incorporate at this point in my remarks excerpts from the verbatim report of the 274th meeting of March 21, 1961, which contains the U.S. concessions.

The SPEAKER pro tempore (Mr. YATES). Without objection, it is so ordered.

There was no objection.

(The matter referred to is as follows:)

EXTRACTS FROM AMBASSADOR DEAN'S STATEMENT AT THE 274TH MEETING OF THE CONFERENCE ON THE DISCONTINUANCE OF NUCLEAR WEAPONS TESTS, TUESDAY, MARCH 21, 1961

Mr. DEAN (United States of America). I thank the representative of the Soviet Union for his kind words of greeting. While I cannot accept all that he has said in his general review of the negotiations, or of the state of the world, or of the workings of the office of the Secretary-General, or of his analysis of the workings of the administrator, I can nevertheless assure the representative of the Soviet Union that we are more than anxious to do all in our power to help us all reach the long sought common objective of the many meetings around this table, that is, to reach a sound and effective treaty to ban nuclear weapons test detonations.

With regard to all the statements about the administrator, and whatever France may have done, my delegation will of course study our colleague's remarks in the verbatim record before we reply and before we draw any conclusions, which we shall outline later.

Today it is a double privilege for me to be able to take my place at this table as the head of the U.S. delegation. First, of course, I feel a deep sense of humility in the realization that President Kennedy has seen

fit to entrust me with the great responsibility for leading the efforts of my country in Geneva to achieve results which are equitable and just in these long and drawn-out, but nevertheless highly significant, nuclear test ban negotiations—significant not only for us, but for the entire world. Second, I am indeed fortunate to find myself in the company of such distinguished colleagues from the United Kingdom and the Soviet Union—men with whom I am already acquainted through pleasant associations at other international gatherings. I am also looking forward to developing a real friendship and fruitful collaboration with the distinguished representative of the Secretary-General of the United Nations, Mr. Narayanan.

Both my colleagues, Mr. Ormsby-Gore and Mr. Tsarapkin, have had the good fortune of having been able to acquire over a period of time an intimate knowledge of the history and detailed issues of our conference. For my part, I have had to compress this learning period into a relatively brief time. But this mode of preparation for our joint task has provided me with an unusual opportunity, I hope, to develop general overall perspective in which I have become able to see more clearly the basic meaning of the efforts here of our three delegations.

I trust that the views of my Government will be evident in the remarks which follow. Above all, I would like to emphasize that my delegation has returned to Geneva with but one objective. That is, to complete the work of drafting and signing as soon as possible a sound and fair treaty, and one which is compatible with the framework announced on March 29, 1960, by Prime Minister Macmillan and President Eisenhower. Such a treaty would offer good prospects for a permanent ban of nuclear weapon tests throughout the world under a system of adequate international controls.

"We are," as President Kennedy said but 1 week ago, "engaged in an enterprise which could not only contribute to halting the proliferation of nuclear weapons but also have implications for the future of disarmament and arms limitation negotiations and the future peace and security of the world. The U.S. Government is determined to do all that is possible to conclude a safeguarded agreement on a sound and equitable basis."

I recall, furthermore, the strong words in favor of an effectively controlled treaty expressed on many occasions by Premier Khrushchev, not least of all in his letters of April 23 and May 15, 1959, to President Eisenhower. I am sure that all of our Governments believe that such a treaty is sorely needed in today's troubled world as a first step in positive collaboration for peaceful ends among the major military powers.

Unfortunately, I have noticed in the past verbatim records of this Conference that suspicions all too frequently appear to have been held on all sides regarding the motives behind the behavior and positions of other delegations at these talks. Let us hope that little time will be wasted henceforth in this way. For my own part, I intend to assume that all of us and all three of our Governments mean what we and they say when announcing the desire to conclude our work fairly, rapidly and successfully. Furthermore, I am confident that this common desire can be translated before too long into a fair and equitable treaty containing reasonable and effective provisions.

To say this does not at all mean that I am unaware of the distance remaining between our present position and our future goal. But whatever genuine differences of opinion may arise on specific issues, all of our attention should de directed to careful and reasonable exploration aimed at discovering ways to overcome the remaining obstacles.

In our efforts around this table we must all be willing to consider new approaches which differ in some respects both from our previous positions and from our optimal desires. Obviously, adjustments will be necessary on each side in the future as they have been in the past.

My hope about the success of our work stems from my belief that each side here is returning to work with a full recognition of the momentous issues involved. During the past 2 months the U.S. Government has had every aspect of these negotiations under the most intensive review. We considered in great detail the position of each delegation on every issue, major and minor, and then, after careful study and reflection, we reached decisions on what might be offered here in an attempt to resolve these issues. Throughout we have consulted with the United Kingdom Government and have now arrived at a common position. The specific proposals which I shall now set forth are, I am happy to say, in every sense the joint proposals of the United Kingdom and United States delegations.

At this first meeting I shall outline our position on the major questions. The necessary elaboration, as well as a review of other problems, will follow at subsequent meetings. If we can settle these major issues in constructive ways we shall be far along toward concluding a treaty. I shall now outline these major positions, as follows:

First, one of our first projects was to review the U.S. seismic research program as put forward in Geneva last May, to see where we might reasonably accommodate ourselves to the views of the U.S.S.R. We now believe that a somewhat longer period is needed for the required research than the 2 years originally estimated. We are also ready to assume now that for all practical purposes the official starting date of the research program will coincide with the signature of our treaty, assuming of course that negotiations can be concluded in the relatively near future. However, it is still possible that we may wish to seek the agreement of the U.S.S.R. to an earlier starting time for the seismic research program. As regards the content of the program, our scientists have found no basis for changing this in any significant respect from that which we outlined last May.

Since we have previously said that the research program and moratorium period should be coterminous we now propose that the moratorium should have a duration of 3 years. As under our previous plan, the last few months of this 3-year period would be utilized for consultations among the three of us to determine what should be done with regard to maintaining, changing, or eliminating the threshold of seismic magnitude 4.75 after the moratorium and its attendant limitations on the freedom of action of each of us are due to expire. The moratorium would, of course, become effective on the date of treaty signature.

Second, on a related issue, namely, on the safeguards which are to surround the explosion of nuclear devices in the seismic research program, I can say that the Western governments are willing to follow in general outline the four safeguard steps proposed by the U.S.S.R. at the 214th meeting on June 15, 1960.

Indeed, our two Governments have long been in general accord on some of the four steps. Please note that I use the words "in general" because the full details of these steps have not been spelled out by the U.S.S.R.

Although our move, taken in order to reach agreement, involves an unprecedented step in this age of heretofore complete secrecy on nuclear devices, I am able to inform you that if agreement on other treaty provisions is in sight, the President of the United States is prepared to request appropriate action from the Congress in regard to the Atomic Energy Act so as to allow the United States to show the Soviet Union the internal mechanism of the nuclear devices to be used in the seismic research program.

This is indeed a forward step in our negotiations. In return we ask only that the Soviet representative confirm his indication made at the 254th meeting on October 13, 1960, that, if the Soviet Government should, pursuant to a seismic research program, decide to detonate its own nuclear research devices, it would permit us the same inspection procedure which the United States is now proposing.

While on this subject, both Western representatives would like to urge their Soviet colleague to have his Government reconsider its decision of June last not to implement the seismic research program planned by Soviet experts and communicated to their Western colleagues during May 1960.

We are certain that the U.S.S.R. could make a valuable contribution to the efforts of the two Western countries. A Soviet seismic research program would clearly be a sign of Soviet good will and readiness to cooperate in what will have to be a great range of common endeavors involved in implementing this treaty. It could be an extension of the type of coordinated action included in the International Geophysical Year and would add much to the sum total of scientific knowledge.

This is quite apart from the participation, which will occur in any case, of Soviet scientists in the carrying out of the United Kingdom and United States seismic research programs. That participation will serve a useful purpose. If, at the end of the research program, all three powers are in general agreement on what has been achieved by that program, it will help each of us to decide what to do at the end of the moratorium period.

Third, a matter closely connected with the seismic research safeguards issue is the problem of the conditions under which nuclear devices may be exploded for peaceful purposes, which could play a major role in the development of world resources. On the assumption that appropriate action will be taken in regard to the U.S. Atomic Energy Act, the Western delegations are now willing to accept the same safeguards procedures for these peaceful purpose detonations as for seismic research explosions. They believe, however, that the control commission should be given the right to work out in the future other possible procedures—which may in due course suggest themselves as practical—provided that any such new procedures would have been concurred in by all three original parties before they could enter into effect.

Fourth, I now turn to the very difficult question of a ban on tests at altitudes above the atmosphere and of the controls to be installed to monitor such a ban. Obviously, this is a most important portion of our treaty. I am sure that the position which I am about to announce will be satisfactory to all of us.

Briefly, the United States and the United Kingdom propose that we agree to a total ban at high altitudes and that we adopt the main recommendations to monitor this total ban of technical working group 1, made on July 10, 1959. This will mean the inclusion in the control system of ground-based equipment, of a satellite to detect electrons trapped in the earth's magnetic field, and of far-earth and solar satellites.

It should be noted that this is one field in which almost unbelievably rapid scientific advances are taking place. There may be a desire eventually to modify or alter the system recommended by technical working group 1, either because it will no longer seem necessary in its entirety or because it

does not display adequate capabilities. We have already agreed to article 14 of annex I (GEN/DNT/22/Rev.1), which provides that the Commission, with the concurrence of the three original parties, may change or eliminate control measures in phases II and III of system installation. This may be particularly relevant to high altitude controls. In any case, both for this high altitude area and for all other aspects of the control system, we should like to propose extending this power of the Commission to phase I measures as well.

At this point I may add that it will be possible to install high altitude controls only if our three countries cooperate closely in working out the details of the system, in developing and improving the essential measuring instruments to be placed aboard the satellites, in launching the satellites themselves, and in coordinating the data received. Actually, as I have noted before, this can be one of the most promising by-products of the signature of this treaty, namely that we begin to work together on projects of vital importance to mankind's future as we all did so effectively in the programs of the International Geophysical Year. It is our earnest hope that the Soviet Union will view this challenge as a great common opportunity to establish new habits of joint activity to which we each can contribute much.

Fifth, let me move on to the topic of control posts. A considerable amount of discussion in previous meetings has been devoted to problems relating to the phasing of the installation of the ground-based control system as set forth in annex I. In particular, the Soviet Union has objected to the placement of 21 control posts in the territory of the Soviet Union. It has proposed that some of these should be reallocated to neighboring areas of Asia, with their construction scheduled for phase II.

On the other hand, the Western delegations have stated previously that in working out the assignment of the control posts on original party territory they were guided by the principle that as great a capability for detecting and locating seismic events on a completely scientific basis should be developed by the end of phase 1 as would be both feasible and consistent with the grid spacing recommended by the experts in 1958.

However, if the Soviet Union still wishes to adhere to its former view we would now, after exploring the matter with our scientists and in a spirit of cooperation, be willing to move 2 of the stations which we had proposed locating just within the borders of Soviet Asia into adjoining territories, thus leaving 2 in Soviet Europe, 1 on a Soviet island and 16 in Soviet Asia, or a total of 19. In turn, the United States would want to reduce the stations on its territory by 1, to a total of 16, by moving 1 post across its northern or its southern border. The United Kingdom totals would remain unchanged.

In other respects we affirm our previous proposal made by the United Kingdom and United States at the 248th and 249th meetings, respectively, on September 29 and October 3, 1960, for a subdivision of the 4 years of phase I into parts A and B. Furthermore, we urge that onsite inspections should start as soon as the control system begins to produce seismic signals which satisfy the objective criteria. This should be toward the conclusion of phase I–A, but in any event no later than at its end. By this time enough control posts will have been built on the territories of the original parties to make the recording of such signals a practical certainty.

Sixth, in general we reaffirm our approach to the problem of fixing an annual quota for onsite inspections in our three countries. We continue to favour the inspection of an agreed percentage of either located or unidentified events. As an alternative we, for our part, believe it essential to choose an annual number for onsite inspections which bears a reasonable scientific relationship to the anticipated annual number of seismic events which will remain unidentified in each country under the simplified initial criteria. Otherwise no realistic element of deterrence will be built into the system. It is on this basis that we have named—and now reaffirm—an annual quota of 20 onsite inspections for the Soviet Union.

While on this general subject of inspections I should mention that we are now prepared to meet the Soviet proposal made at the 108th meeting on July 9, 1959, that there be an equal quota number set for each original party. This annual quota of 20 on-site inspections would thus apply not only to the Soviet Union; but the same quota would apply also in each case to the United States and the United Kingdom. Again this illustrates the spirit in which we approach this meeting.

And, speaking of matters of quota arrangements and inspection procedures, the Western delegations would very much appreciate detailed Soviet comments on the Western draft article on inspection (GEN/DNT/96) tabled on July 13, 1960, and on the relevant portions of annex I (GEN/DNT/22/Rev. 1) submitted on July 20, 1960.

Seventh, one more thing on the subject of on-site inspection. I should make it clear that after careful review with our experts we do not see any reason for removing our objections to the Soviet position regarding criteria. In particular, we are advised that the criteria on which we have all agreed for locating a seismic event, which are based on having an adequate number of mutually consistent arrival times, are sufficient. To add, as the Soviet Union has proposed, a further, scientifically unnecessary requirement that the event must be located within a given area, could serve unjustifiably to eliminate many, if not indeed all, suspicious events from on-site inspection.

Eighth, insofar as organizational matters are concerned, I wish to outline these basic points today. We are convinced of the soundness of the proposals which we have tabled (i) to regulate the staffing of the inspection teams, (ii) in relation to special aircraft flights, and (iii) in relation to the job of control post chief. All these involve crucial points in control operations where self-inspection must be made impossible.

Ninth, with regard to budgets, we are willing to agree to what the Soviet Union first demanded explicitly in its veto list of January 30, 1959, and then sought implicitly in its package plan of December 14, 1959. This is the right of each original party to exercise a veto in the commission in approving the total annual budget of the organization, though not on individual budget items. In all other respects normal commission decisions on financial items would be taken by a simple majority, as will be provided in article 5.

In this connection we are also prepared to agree in principle that the contributions of the United States and the Soviet Union to the organization budget shall be equal, with the United Kingdom paying a smaller share.

Tenth, finally I must mention the composition of the control commission itself. I am about to say here what I had written before hearing the remarks of my colleague from the Soviet Union on the administrator to which we will reply later. What the Soviet Union is demanding, that is a parity of seats between Western and Soviet bloc States, is unprecedented in an international organization. The U.S. delegation has on many past occasions offered cogent reasons in justification of a commission made up of the three original parties plus one Western ally, one Soviet ally, and two neutrals. We thought this perfectly fair then, and continue to think it so now.

Nevertheless, this has failed to satisfy the Soviet Union. Continued Soviet insistence on a formula of three Soviet bloc states, one neutral, and three Western allies has produced a deadlock so far on this subject. We have inevitably had to take this into account in our consideration of what might be done to conclude the treaty which we would like to see come about.

In making this review we return to our fundamental concept of how the control organization must conduct its affairs if it is to be an efficient instrument. That is that the day-to-day scientific operations of the organization must proceed in such a way that action will not be dependent on voting by the Control Commission.

Of course, the Commission will have many important decisions to make all the time about the general direction and administration of the control organization, about establishing its procedures, and about the activities of the staff. However, the Commission should not have to concern itself with the normal functioning of the control posts and of the data-processing sections of the headquarters, all of whose work will be carried out under previously established objective rules and procedures. The Commission will not vote on whether a given seismic event does or does not meet the criteria of eligibility for inspection or on whether an original party may or may not use up one on-site inspection under the quota available to it for inspecting an eligible event on the territory of another original party. In other words, what I hope we all want is the adoption of an effective and fast-acting control system on which all will have good reason to rely.

We submit that if the control system is to be installed rapidly and properly, if the chiefs of control posts and the personnel of inspection teams on original party territory are to be nationals of the other side, if the seismic criteria are properly drafted so as to make unidentified events objectively eligible for inspection, if inspections can be carried out promptly by permanently organized and well-trained teams, if the annual number of on-site inspections under the quota, for each country, is adequate, and if quotas for original party territory can be used without Commission voting or delay, then we should have an efficiently operating control system. In those circumstances we could be in a position to undertake a special and new approach to the question of the composition of the Commission and to adopt a formula which meets the wishes of our Soviet colleagues—at least, as expressed to us prior to today's meeting.

What I am saying is that, first, contingent on agreement on a control system which is reliable, rapid and effective, and which in its day-to-day tasks operates largely independently of Control Commission participation as regards, at the very least, the original parties, and further, is contingent on agreement on other vital parts of the treaty, the United States and the United Kingdom would be prepared to accept East-West parity on the Control Commission.

Assuming these events, our proposal then would be that, as a part of an otherwise acceptable treaty, the Commission should consist of 4 Western States, 4 Soviet bloc States, and 3 neutrals, for a total of 11. Enlarging the Commission from the previously agreed figure of 7 would allow the burdens of membership to be allocated more widely among the parties and would avoid the problem of overloading the single neutral member suggested under the previous Soviet proposal. I would ask my distinguished colleague from the U.S.S.R. to give careful consideration to this proposal of ours respecting the Control Commission.

I have put forward today the broad outline of the overall Western proposals for an "equitable and sound treaty," to use President Kennedy's words, for the discontinuance of nuclear weapon tests. I have reaffirmed my government's strong desire to conclude a detailed test ban treaty as expressed in this outline. I have explained the general approach which my delegation is adopting to the negotiations as such. And I have set forth in broad outline the Western positions on the chief issues still outstanding.

All in all, our two delegations have made really major moves. The research period has been extended and, with it the moratorium to the same extent. We agree that the internal mechanism of nuclear devices to be detonated either in the seismic research program or for peaceful purposes shall be inspected, and President Kennedy has stated that he is prepared to seek the necessary congressional action. In addition, we are ready to adopt a full ban on high altitude tests and to install the high altitude monitoring system recommended by the experts. We have proposed a reduction in the number of control posts to be constructed in the Soviet Union.

We have agreed to the Soviet proposal which calls for the concurrence of the original parties in the adoption of the annual budget. Finally, provided that there is satisfactory agreement on the totality of other treaty provisions, including assurance of an effective, reliable, and fast-acting control system, we will put forward as a part of the whole treaty a proposal that calls for the establishing of East-West parity in the Control Commission.

I think it is clear that our entire reexamination of all proposals has been on an objective, scientific basis. In consequence, we have adhered to certain of our former carefully considered positions, including various items in inspection arrangements such as objective criteria for determining the eligibility of events for inspection, adequate on-site inspection quotas, a prompt beginning of on-site inspections, and a composition of inspection teams which will exclude self-inspection.

Since we have made the major moves which I have outlined here today, the United Kingdom and the United States delegations now appeal to the Soviet Union to meet us on these other essential requirements.

We have now set forth in general terms an overall proposal for a nuclear test ban treaty which ought to be acceptable to the Soviet Union. Wherever possible we have met the Soviet Union more than half way. These major contributions to agreement on our part are offered in good spirit and with the sincerest intention to reach agreement at an early date.

In view of all that I have said I hope that it will now be possible for Mr. Tsarapkin to share our view that agreement on this important treaty is now in sight. This would mean that the peoples of the world could anticipate an end to all nuclear weapon tests anywhere by a solemn treaty which would play an important part in bringing lasting peace to a troubled world.

Mr. HOLIFIELD. Mr. Speaker, I also ask unanimous consent to include a summary of the U.S. test ban treaty prepared by the U.S. Geneva delegation.

The SPEAKER pro tempore. Without objection the documents the gentleman refers to may be inserted.

There was no objection.

(The matter referred to follows:)

SUMMARY OF DRAFT TEST BAN TREATY

EXPLANATORY INTRODUCTION

The United States and United Kingdom delegations to the Conference on the Discontinuance of Nuclear Weapon Tests introduced in the Conference on April 18, 1961, the full text of a Treaty for the Discontinuance of Nuclear Weapon Tests consisting of 24 articles and 3 annexes. Both the United States and United Kingdom delegations declared their readiness immediately to sign a treaty along the lines of the draft submitted.

The treaty completely prohibits weapon test explosions in the atmosphere, in outer space, underwater, and—except for explosions producing smaller seismic signals—underground. Tests producing such explosions would be temporarily prohibited through a moratorium voluntarily undertaken by each nuclear power, while an effort was made through a seismic research program to improve methods of monitoring them with a view to lowering the treaty threshold.

A worldwide control post net of 180 stations is to be set up, under the treaty, within 6 years; in the same period, earth and solar satellite systems are to be launched to detect outer space explosions.

Unidentified seismic events are to be inspected by teams of specialists. Control operations are undertaken by an international staff so constituted as to avoid self-inspection.

Nuclear explosions for research and other peaceful purposes are permitted under strict safeguards.

Thus, for the first time since it began, the Conference has before it a complete treaty with provisions for adequate controls, on the basis of which the nuclear test ban negotiations can be brought to a successful conclusion.

Under the procedures of the Conference, the text will become available to the public with the release of the April verbatim records, early in June.

A summary of the principal provisions of the new treaty text follows. (Draft articles already adopted by the Conference and remaining unchanged in this text are designated as adopted.)

PREAMBLE

As already adopted by the Conference, the preamble recites the desires of the parties to reduce international competition in armaments; to move toward the elimination and prohibition of nuclear weapons under effective international control; and, accordingly, to bring about the universal, permanent and controlled discontinuance of nuclear weapon test explosions.

ARTICLE 1

The portion of this article already adopted binds each party to the treaty to prohibit and prevent nuclear weapon test explosions at any place under its jurisdiction or control and to refrain from causing, encouraging, or participating in the carrying out of nuclear weapon test explosions anywhere.

In accordance with the agreement reached among the three parties at the Conference to limit the treaty prohibition as regards the underground environment to explosions which can be readily detected and identified, a new paragraph is proposed for this article excepting from the prohibition underground explosions recorded on seismographs as events of a magnitude less than 4.75. (Underground weapon tests producing smaller seismic signals would be barred under a moratorium of agreed duration unilaterally adopted by each original party.)

ARTICLE 2

This article, previously adopted by the Conference, provides for the establishment of a control organization to assure that the obligations of the treaty are carried out by the parties, and engages each party to cooperate fully with the organization as provided in the treaty.

ARTICLE 3

This already adopted article establishes as elements of the control organization a Control Commission, a detection and identification system, a chief executive officer known as "the Administrator," and a conference of parties to the treaty. It designates Vienna as the location of the headquarters of the organization.

ARTICLE 4

This article is altered in accordance with the new Western proposal that the Control Commission shall consist of 11 members: the 3 original parties, plus 3 parties associated with the U.S.S.R., 2 parties associated with the United Kingdom or the United States, and 3 parties not associated with any of the original parties. The original parties will always be represented on the Commission; the other members are elected by the Conference for 2-year terms. This article is proposed on the understanding that its adoption is contingent on agreement on a reliable, rapid, and effective control system and on the conclusion of an acceptable treaty.

ARTICLE 5

This new article directs the Control Commission to determine which parties or countries are associated with any of the original parties for the purposes of the treaty. Advice on this subject jointly tendered by the three original parties will be binding on the Commission.

ARTICLE 6

This article, which deals with the functions of the Control Commission directs the Commission to establish procedures and standards for the installation and operation of all elements of the system and to maintain supervision over the system to insure its timely installation and effective operation in accordance with the treaty. The Commission is to appoint the Administrator with the concurring votes of the original parties; approve the appointment by the Administrator of the five Deputy Administrators, including a first deputy requiring approval by the original parties and four other deputies, two approved by each original nuclear side; and decide on the location of the components of the system, including permanent flight routes for special air sampling flights. The Commission will also determine the extent to which existing facilities should be used in installing and operating satellite systems for the detection of outer space nuclear weapon test explosions.

ARTICLE 7

This unchanged Western text provides that the Commission shall be so organized as to be able to function continuously and that, except as otherwise provided by the treaty, Commission decisions shall be made by simple majority of the 11 members.

ARTICLE 8

This previously adopted article contains provisions regarding the composition, organization, and functions of the conference of parties to the treaty, which will normally meet annually at the headquarters of the organization. The Conference will make the bulk of its decisions by simple majority vote. Besides its power to discuss and make recommendations to the parties and to the Commission, the Conference elects the nonpermanent members of the Control Commission, considers Commission reports, approves the budget recommended by the Commission, approves reports to and agreements with the United Nations and other international organizations, and, by a two-thirds vote, must give its approval to proposed amendments to the treaty. In addition, it will decide other matters referred to it for this purpose by the Commission and propose matters for the Commission's consideration and report.

ARTICLE 9

In this article the functions and duties of the Administrator and the standards and the composition by nationality of the per-

sonnel manning various portions of the international staff are described in some detail. The Administrator operates under the supervision of the Control Commission and carries out its policy directives. He is the chief executive officer of the control organization.

He and his staff are required to function as international civil servants, and the parties to the treaty undertake not to impair the international status of the Administrator and the staff or to influence them in their duties. Detailed stipulations are included with regard to the staffing of various components of the system, to insure proper efficiency, integrity, and balance. Thus the permanent administrative, scientific, and technical staff of the headquarters is to be composed of one-third nationals of the U.S.S.R., one-third nationals of the United Kingdom or the United States, and one-third nationals of other countries.

The same proportions are used to staff land-control posts on the territory of any original party and on ships; the chief of each control post in original party territory must be a national drawn from the other nuclear side.

In land control posts situated outside the territory of the original parties, not more than one-third of the scientific and technical staff may be drawn from the host country; the chief must not be a host country national. As in the case of the headquarters, the total technical staff must be so composed that the total number of nationals of the U.S.S.R. and countries associated with it equals the total number of nationals of the United Kingdom or United States and other countries associated with either of them.

Onsite inspection groups may not include technical personnel who are nationals of the country in which the inspection is to occur, though the host country may designate observers to accompany the inspection groups; in the territories of original parties, the technical staff of an inspection group will be drawn from the other nuclear side.

The Administrator dispatches special aircraft flights when required. When these are undertaken, the technical operators may not be nationals of the party under investigation or another party associated with it; on flights investigating events in the territory of original parties, the technical operators must come from the other nuclear side. Other provisions of this article provide that the Administrator shall develop a program of research and development for improving the system and shall recommend for Commission approval the sites and standards for the various system components and their equipment.

ARTICLE 10

This article prescribes in detail the basis on which onsite inspection of unidentified seismic events will take place under the treaty. The Administrator is required to give prompt notice whenever system reports indicate that such an event has occurred. For territory under jurisdiction of one of the original nuclear sides, the other may, up to the level of its annual quota, request that inspection be undertaken in the area eligible for inspection.

The Administrator will thereupon immediately dispatch an inspection group.

In other territories the Control Commission decides, up to the annual allowed quota of inspections in the territory of the party concerned, whether an inspection shall be carried out.

The party concerned and its associates which are represented on the Commission may not participate in this decision.

In areas not under the control of any sovereign state, the Administrator decides whether to undertake an on-site inspection. If he does not, the Commission may direct him to do so.

The article prescribes a quota of 20 inspections per year in each original party's territory.

For other parties there is a minimum annual quota of two inspections, or a higher number as ultimately determined by the Commission, after consultation with the party, by a two-thirds majority.

Pending this determination, the quota is proportionate to the area of each party, though never less than two annually.

Annual on-site inspection quotas are to be reviewed by the Commission within 3 years after the treaty enters into force and annually thereafter. But no revised number can be less than 2 nor less than 20 percent of the average annual number of events exceeding the seismic magnitude threshold of 4.75 located by the system in the territory of the party concerned.

Provisions are further made for inspection to be carried out at the request or with the agreement of a party, regardless of the quota.

ARTICLE 11

In this article all parties agree to accept the components of the system on their territories and to permit them to be installed and to operate in accordance with the treaty provisions.

ARTICLE 12

In this article each party accepts various specific obligations designed to insure satisfactory cooperation with the control system.

The commitments relate to adequate and expeditious transportation, arrangements for using existing meteorological and commercial aircraft flights over ocean areas for air-sampling, the availability of aircraft for special flights and permission for overflight, the use of existing weather or geophysical exploration vessels, the admission of inspection groups to inspection areas and assistance to them, and arrangements for the construction, launching, and tracking of satellites as well as for a high altitude research program.

ARTICLE 13

This article prescribes the conditions under which detonations for peaceful purposes shall be undertaken. It includes provisions for safeguards to insure that, through disclosure of the devices used and observation of the detonations, no party will gain any military advantage.

The Control Commission must insure that the detonation is to be carried out in accordance with these provisions before authorizing a peaceful purposes detonation.

Each original party is given the opportunity to inspect devices and drawings and observe the preparation for and firing of the devices.

ARTICLE 14

Three years after the treaty comes into force the Commission, under this article, is to review the system to determine whether improvements should be made. The Commission may undertake similar reviews at annual intervals thereafter on request of the Conference or any original party.

ARTICLE 15

This article describes the general budget and financial procedures of the organization. Under its terms the Conference is to fix the assessment of each party on the basis of recommendations by the Commission.

The annual contributions of the Soviet Union and the United States are to be equal.

Decisions of the Commission and of the Conference on all financial questions are to be made by majority vote, but Commission decisions on the scale of contributions and the total amount of each annual budget will require the concurring votes of the original parties.

ARTICLE 16

This article states that the privileges and immunities of the organization, its staff, and the representatives of parties to it, as well as the legal rights of the organization in parties' territories shall be as set forth in annex II of the treaty. Like the article itself, annex II has already been adopted by the Conference, and the new draft does not propose any changes.

ARTICLE 17

This already adopted article authorizes the conclusion of agreements of relationship with the United Nations and with any future international organization for the supervision of disarmament and arms control measures.

ARTICLE 18

This adopted article states that the treaty annexes are an integral part of the treaty itself. Thus, they are as fully binding on the parties as the text of the treaty itself.

ARTICLE 19

This article declares that the essential parties to the treaty, are first, the U.S.S.R., the United Kingdom and the United States, and second, any other state whose adherence the Commission decides is necessary to secure an effectively controlled permanent discontinuance of nuclear weapon test explosions or to permit the installation of required elements of control.

All these states must participate if the provisions of this article are to be fulfilled.

Other applicant states may become parties to the treaty if the Commission decides that their adherence would contribute to the achievement of the purposes of the treaty.

ARTICLE 20

This article describes the procedures for signature, ratification, acceptance, and entry into force of the treaty.

ARTICLE 21

This previously agreed article provides for registering the treaty with the United Nations Secretariat. Other agreements made by the organization are also to be registered with the United Nations.

ARTICLE 22

This agreed article states that the treaty will remain in force indefinitely subject to the inherent right of a party to withdraw if the treaty provisions, including those providing for the timely installation and effective operation of the control system, are not being fulfilled and observed.

ARTICLE 23

This agreed article provides that amendments to the treaty and its annexes come into force for all parties when adopted by a vote of two-thirds of the members of the Conference and ratified in accordance with their respective constitutional processes by two-thirds of the parties, including all original parties.

ARTICLE 24

This article, also previously agreed, makes the English and Russian texts equally authentic and provides for deposit of the treaty in the archives of the depositary government.

ANNEX I

This annex describes the technical characteristics and the operation of the detection and identification system.

Part I states that the system includes features derived from the report of the Conference of experts of August 20, 1958, the report of the technical working group on high altitude nuclear explosions of July 15, 1959, and the conclusion of technical working group II of seismic improvement of December 18, 1959. The components of the system are listed as follows: headquarters, regional offices, land control posts and ship-based control posts, systems of satellites, radio-chemistry laboratories, air and water sampling facilities, onsite inspection facilities, and communications facilities. The equipment of each of these components is described.

Part II of the annex outlines the organizational structure of the headquarters and the duties of its various professional staffs. Besides directorates for administration and supply, the headquarters will include a research and development center, a data analysis center containing a central radiochemical laboratory, a central inspection office, a communications center, an operations center, and a weather center. Provision is made for regional offices of the organization as the Commission may determine them to be necessary for the effective administration and operation of the system.

This section of the annex also directs the establishment of a network of control posts which when complete will include at least 170 land control posts spaced about 1,700 kilometers apart in continental areas not normally subject to earthquakes and about 1,000 kilometers apart in continental seismic areas. Ship-based control posts (10 in number) are to be employed in ocean areas which do not contain suitable islands. Provisions are included for determining the location of control posts and ensuring the continuous operation of their various types of detection equipment.

The annex also calls for daily routine air sampling flights over ocean areas, and for special air sampling flights to search for possible radioactive clouds in order to collect samples of radioactive debris.

Special aircraft flights may be initiated when fresh debris is detected or an acoustic signal is recorded establishing the time and position of a possible atmospheric nuclear explosion; they are to follow permanent flight routes laid down in advance in such a way that any cloud containing radioactive debris will be intercepted within 2 to 5 days of the suspected event.

Water sampling operations may be undertaken to collect radioactive debris whenever hydroacoustic signals recorded at control posts establish the time and position of a possible underwater explosion; provision is made for conducting such operations within 4 days after they have been directed by the Administrator.

Debris is analyzed at the radiochemical laboratories of the system.

The annex further describes in detail the criteria on the basis of which seismic events determined to be of seismic magnitude of 4.75 or greater, as defined in the annex, shall be eligible for onsite inspection.

Part II continues by setting forth the composition, duties and functions of onsite inspection groups which are to conduct onsite inspections as directed by the Administrator. It ends with a description of the satellite systems designed to detect nuclear explosions at high altitudes.

Part III of the annex deals with the reporting and evaluation of data collected by system components.

Part IV describes support facilities such as communications facilities, and the provision of supplies and services. It further provides for the installation of system components in three phases, the first being divided into two subphases.

Subphase 1A ends within 2 years after the treaty enters into force: subphase 1B within 4 years after the treaty enters into force.

Phase 2 begins within 1 year after the treaty enters into force and ends within 5 years after entry into force.

Phase 3 extends from 2 to 6 years after the treaty enters into force.

A number is included for the installation of control posts and satellite systems in each phase and subphase.

In U.S.S.R. territory 10 control posts are to be completed in subphase 1A and 9 in subphase 1B; in U.S. territory 12 in subphase 1A and 4 in subphase 1B.

The single control post in the United Kingdom territory, the 20 on oceanic islands (largely in United States and United Kingdom territory) and the 10 on ships are all to be installed in subphase 1A. Thus a total of 46 control posts (one of the Soviet posts and six of the United States posts are on oceanic islands) will be installed by the end of 2 years after the treaty comes into force; 13 more within 4 years; 71 more by the end of 5 years; and the final 50 by the end of the 6-year phasing period.

The installation of high altitude satellite systems is to be completed within the same 6-year period.

The Commission may decide, with the concurring votes of the original parties, to postpone or alter any portion of the installation schedule.

ANNEX II (PRIVILEGES AND IMMUNITIES)

This adopted annex describes the legal capacity and status of the organization and the privileges and immunities enjoyed by it and by its staff and representatives accredited to it.

ANNEX III

Only a few minor changes are made in this previously adopted annex, dealing with the Preparatory Commission.

On the day after the original parties sign the treaty, the preparatory commission, consisting of a representative of each of the three original parties, will come into existence.

The preparatory commission will conduct the necessary studies and make the necessary preparations to bring the Control Commission into being.

As soon as the treaty enters into force, which will occur when the three original parties deposit instruments of ratification, the Preparatory Commission will be expanded to include 11 members, and it will thereafter exercise all functions of the Control Commission, until the Control Commission is elected by the Conference.

[Excerpts from policy statements on U.S. position on resumption of weapons tests]

STATEMENT BY PRESIDENT EISENHOWER: EXPERTS' REPORT ON DETECTION OF NUCLEAR TESTS, AUGUST 22, 1958

The United States welcomes the successful conclusion of the Geneva meeting of experts who have been considering whether and how nuclear weapons tests could be detected. Their conclusions indicate that, if there were an agreement to eliminate such tests, its effective supervision and enforcement would be technically possible.

This is a most important conclusion, the more so because it is concurred in by the experts of the Soviet Union. Progress in the field of disarmament agreements depends upon the ability to establish effective international controls and the willingness of the countries concerned to accept those controls. The fact therefore of an agreement on technical possibilities of inspection and control opens up a prospect of progress in the vitally important field of disarmament.

The United States, taking account of the Geneva conclusions, is prepared to proceed promptly to negotiate an agreement with other nations which have tested nuclear weapons for the suspension of nuclear weapons tests and the actual establishment of an international control system on the basis of the experts' report.

If this is accepted in principle by the other nations which have tested nuclear weapons, then in order to facilitate the detailed negotiations the United States is prepared, unless testing is resumed by the Soviet Union, to withhold further testing on its part of atomic and hydrogen weapons for a period of 1 year from the beginning of the negotiations.

As part of the agreement to be negotiated, and on a basis of reciprocity, the United States would be further prepared to suspend the testing of nuclear weapons on a year-by-year basis subject to a determination at the beginning of each year that: (a) the agreed inspection system is installed and working effectively; and (b) satisfactory progress is being made in reaching agreement on and implementing major and substantial arms control measures such as the United States has long sought. The agreement should also deal with the problem of detonations for peaceful purposes, as distinct from weapons tests.

Our negotiators will be instructed and ready by October 31 this year to open negotiations with other similarly instructed negotiators.

As the United States has frequently made clear, the suspension of testing of atomic and hydrogen weapons is not, in itself, a measure of disarmament or a limitation of armament. An agreement in this respect is significant if it leads to other and more substantial agreements relating to limitation and reduction of fissionable material for weapons and to other essential phases of disarmament. It is in this hope that the United States makes this proposal.

STATEMENT BY THE DEPARTMENT OF STATE: EXTENSION OF VOLUNTARY SUSPENSION OF NUCLEAR WEAPONS TESTS, AUGUST 26, 1959

The President has directed that the unilateral suspension of nuclear weapons testing by the United States currently in effect be extended throughout this calendar year. This decision was taken in the light of the agreed 6 weeks' recess announced today by the negotiating parties of the Geneva Conference on the Discontinuance of Nuclear Weapons Tests.

On August 22, 1958, the United States, in order to facilitate negotiations for a controlled discontinuance of nuclear weapons tests, offered to withhold further testing of atomic and hydrogen weapons for a 1-year period from the beginning of the negotiations unless testing was continued by the Soviet Union.

As announced, the United States did, on October 31, 1958, suspend all nuclear weapons tests. The United Kingdom did likewise.

On November 7, after the Atomic Energy Commission detected continuing nuclear weapons tests by the Soviet Union on November 1 and November 3, respectively, the President stated that "this action by the Soviet Union relieves the United States from any obligation under its offer to suspend nuclear weapon tests. However, we shall continue suspension of such tests for the time being * * *." As far as can be determined the Soviet Union has conducted no such tests since November 3, 1958.

In continuing its voluntary suspension of atomic and hydrogen weapons tests to December 31, 1959, the United States wishes to allow a reasonable period of time for the negotiations to proceed following their resumption on October 12, 1959.

[Excerpts from policy statements on U.S. position on resumption of weapons tests]

STATEMENT BY PRESIDENT EISENHOWER, DECEMBER 29, 1959

The negotiations with respect to the cessation of nuclear testing have now been in progress for 14 months. While now recessed, they will soon be resumed. No satisfactory agreement is yet in sight. The prospects for such an agreement have been injured by the recent unwillingness on the part of the politically guided Soviet experts to give serious scientific consideration to the effectiveness of seismic techniques for the detection of underground nuclear explosions. Indeed the atmosphere of the talks has been clouded by the intemperate and technically unsupportable Soviet annex to the report of the technical experts. The distinguished American group of scientists who composed the U.S. delegation will make public from the

verbatim records of the Conference the facts which will completely refute this Soviet document.

We will resume negotiations in a continuing spirit of seeking to reach a safeguarded agreement. In the meantime, the voluntary moratorium on testing will expire on December 31.

Although we consider ourselves free to resume nuclear weapons testing, we shall not resume nuclear weapons tests without announcing our intention in advance of any resumption. During the period of voluntary suspension of the nuclear weapons tests the United States will continue its active program of weapon research, development and laboratory-type experimentation.

STATEMENT OF U.S. POSITION ON FREEDOM TO RESUME TESTING—CONFERENCE ON THE DISCONTINUANCE OF NUCLEAR WEAPONS TESTS, NOVEMBER 2, 1960

Mr. STELLE (United States of America). In your statement, Mr. Chairman, you also seemed to try and make the point that the United States was animated by a desire to renew testing, and that for that reason we somehow or other did not want to see success in these negotiations. This again is not a fact. I have said—and it is true—that every week and every month that an uncontrolled moratorium continues, during which there is no way for us to know whether in fact the Soviet Union is refraining from testing, adds to the concern of many of my countrymen and particularly those charged with the responsibility of the defense of the United States. The protraction of an uncontrolled moratorium on testing, with no controls at all, is therefore a matter of increasing concern.

You also tried to argue that the U.S. position on the moratorium somehow or other indicated a desire on the part of the United States to resume testing. This is, of course, ridiculous. We are free now, as our President said last December, to resume testing at any time we believe it to be in our national interest, subject only to the fact that we will announce any resumption of testing for any purpose. The moratorium was asked for by the Soviet Union almost in exchange for the Soviet Union's acceptance of the concept of a threshold treaty.

STATEMENT, U.S. POSITION ON FREEDOM TO RESUME TESTING—CONFERENCE ON THE DISCONTINUANCE OF NUCLEAR WEAPON TESTS, NOVEMBER 21, 1960

Mr. STELLE (United States). Also, my delegation has made it clear on the record that there is continually increasing concern on the part of responsible citizens and officials of the United States of America over the prolongation of an uncontrolled moratorium under which, in the absence of controls, there is no way in which the United States can satisfy itself as to whether or not this moratorium on testing is actually being observed. We need to make no justification for the resumption of testing. The President of the United States last December stated clearly that the United States did not consider itself bound any longer by a moratorium on testing and would be free to resume testing at any time we believe it to be in our national interest, subject only to a prior announcement. Again, I would ask the Soviet representative to study the record.

Mr. HOLIFIELD. Mr. Speaker, to sum up, the principal problems at the Geneva test ban conference as I saw them were:

First. The Soviet "troika" proposal. This proposal for a three-man executive commission composed of one representative of the Soviets, one from the West, and one neutral, would be entirely unworkable.

Second. The parties were far from agreement on the numbers of onsite inspections permitted on Soviet territory to investigate seismic disturbances of over 4.75 magnitude. The United States-United Kingdom proposal is for 12 to 20 based on a scientific determination. The Soviet proposal is 3, based on political considerations.

Third. There are important problems as to whether an adequate detection system can be developed to control tests which register below 4.75 magnitude, as discussed in our Radiation Subcommittee report previously referred to.

Fourth. The time factor is of great importance. We must keep in mind that we have had a voluntary moratorium on all tests for 32 months. We face additional months of negotiations. If a treaty is finally signed, our proposal requires 3 more years of moratorium, banning all tests, from the date of the treaty signature. If the Soviet tactic is to obtain a test ban without controls for 5½ years or more, then they will have succeeded.

Following our visit to Geneva, I went to Paris at the President's invitation and with Mel Price, on Friday evening, June 2, gave him our analysis of the Geneva situation.

Well, as you know, the President reported subsequently to the people that Mr. Khrushchev was not in a conciliatory mood on nuclear testing. To be specific, the President stated as follows in his speech to the Nation on June 6:

> I am hopeful that progress can be made on this matter [Laos] in the coming days at Geneva, so that it would greatly improve international atmosphere.
>
> No such hope emerged, however, with respect to the other deadlocked Geneva Conference seeking a treaty to ban nuclear tests.
>
> Mr. Khrushchev made it clear that there could not be a neutral administrator in his opinion because no one was truly neutral, that a Soviet veto would have to apply to acts of enforcement, that inspection was only a subterfuge for espionage in the absence of total disarmament, and that the present test-ban negotiations appeared futile.
>
> In short, our hopes for an end to nuclear tests, for an end to the spread of nuclear weapons, and for some slowing down of the arms race, have been struck a serious blow.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. STRATTON. I apologize to the gentleman from California for interrupting his train of thought, but I have had the privilege of seeing an advance report of his remarks and I have an important obligation off the floor in just a moment, and I do want to take this time simply to commend the gentleman from California for the position he is taking. I think it is a very courageous position and I think it is a very important position. I think he is doing a tremendous service in this regard and I hope he will be supported in a very substantial measure by the membership of this House.

I might say to the gentleman that in the past 2 weeks I have circularized a questionnaire in my district with respect to the issue of renewing nuclear tests, and the gentleman may be interested to know that the answers so far received in 85 percent of the cases support the position the gentleman is taking. Again I apologize for interrupting his train of thought.

Mr. HOLIFIELD. I thank the gentleman for his commendatory remarks.

Mr. WESTLAND. Mr. Speaker, the train of thought having been interrupted will the gentleman yield briefly?

Mr. HOLIFIELD. I yield.

Mr. WESTLAND. I am in the same position as the gentleman from New York, I have another engagement that I must meet. I have seen excerpts on the broad tape of the gentleman's speech. Do I understand the gentleman's position is going to be that there should be a cessation of these Geneva conferences and that we should resume nuclear testing?

Mr. HOLIFIELD. Not exactly, and I would like to go into that in some detail. I wish I could say "Yes," but there are specific modifications with which I think the gentleman will agree when he hears them.

Mr. WESTLAND. I have been very much in agreement with the chairman in his views on this matter and I hope I will continue to be in agreement with him. After seeing the broad tape excerpts I am really sorry I cannot be present to hear the gentleman's full speech, but do I understand he wants to resume nuclear testing for peaceful purposes but will permit the Soviets to inspect these tests? Is that correct?

Mr. HOLIFIELD. The gentleman must hear my speech in its full context. I cannot give him a yes-or-no answer until he sees my speech in its full context. I am not responsible for interpretations, but I am responsible for my speech, and I think the gentleman will agree with me possibly when he hears it all.

Mr. WESTLAND. May I say in conclusion that if the gentleman, chairman of the committee, is in favor of resumption of nuclear tests, I am very much on his side and will support him completely. I believe firmly that these Geneva conferences should be called off, that President Kennedy has not only gone the last mile, as stated in his campaign speeches, but he has gone the last 5 miles, and I think it is time to call the whole thing off.

I thank the gentleman.

Mr. HOLIFIELD. I appreciate the gentleman's remarks. He is a respected member of our Committee on Atomic Energy. I do not think he will find himself far from my position when he reads my speech in the RECORD.

Mr. PRICE. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Illinois.

Mr. PRICE. I thank the gentleman for his reference to the gentleman from Illinois. I desire to be associated with the statement the gentleman is making. I am wondering if the gentleman has any feeling in regard to recent pressures seemingly that have been brought on the President to set a time limit on negotiations in Geneva. There has been a concerted effort in recent weeks in political speeches calling upon the President of

the United States to set a time limit on present negotiations. Does the gentleman care to comment on such a recommendation?

Mr. HOLIFIELD. I am going to comment on that in the body of my speech, and if my comments are not adequate I will be glad to respond to any further questions of the gentleman from Illinois.

May I say that the gentleman from Illinois accompanied me on a trip to Geneva. He was there at all the conferences which I attended and all of the briefings which we had. He is rendering a great service to the people and the Joint Committee on Atomic Energy. The gentleman also accompanied me in making a report to the President on Friday night before he made his trip to Vienna on Saturday morning. I appreciate very much the gentleman's remarks.

Mr. PRICE. I hope the gentleman will bring out in the course of his remarks the fact that these negotiations are not of recent vintage. They have been going on for a long time.

Mr. HOLIFIELD. I will certainly attempt to bring that out.

In view of the President's statement on the situation I believe it is clear that within a short period of time the United States must reappraise its position and decide a new course of action. We cannot continue indefinitely with futile negotiations.

Any such reappraisal will have to take into account a number of questions, and balance a number of values and considerations.

Of course, the key question is what effect the test ban is having on our weapons development program relative to the Soviet program.

Undoubtedly, any weapons development program as sophisticated as the United States or Russian could be improved in various significant respects, if weapons testing of various sorts were undertaken. Thus, it has been publicly stated that the U.S. program could be assisted by testing through: First, getting lighter weight to yield ratios for warheads for our missiles; second, developing an anti-missile missile; third, developing improved small yield weapons; and fourth, improving safety features of weapons.

But, more important, in my judgment, is the ultimate general effect on weapons technology of a continuing test ban. It will inevitably stifle developments undreamed of at the present time. Concepts are now being considered by our scientists which could be as revolutionary as the H-bomb in 1949.

The tempo of technological development is almost unbelievably fast. Quantum jumps in every field of science occurs in a matter of months. Fusion of the light elements of hydrogen moved from theory to fact in just 33 months.

The revolutionary hydrogen weapon device test followed the Greenhouse fusion test just 17 months later. The key to this fantastic time period was testing at every link in the chain of development from theory to reality. Countless other examples could be given but time forbids and is unnecessary.

In view of these rather sobering circumstances, we must carefully consider our position relative to the Soviets. Most experts believe that we were ahead of the Soviets in weapon technology in the fall of 1958. If the Soviets have honored the moratorium as we have, it can be assumed that our technology still has an advantage. If the Soviets have not honored the moratorium it is possible that they have overcome such advantage as we had.

At this point someone always says, "Do you know whether the Soviets have been secretly testing during this 32-month moratorium?" My answer is, "No, we do not know if they have been testing, neither do we know that they have refrained from secret testing."

But we do have knowledge of Soviet Communist ideology. We know their goal is world domination. We know they preach the Communist dogma that the end justifies the means. We know that secrecy and covert violation of agreements is in line with the communistic doctrine.

So it seems to me that we must assume that the Soviets have tested, or will test, if they think they can get away with it. And since our detection system is not adequate to detect and/or identify small underground disturbances it is quite possible for the Soviets to conclude that they could get away with clandestine tests.

Thus in reappraising our position on the test ban, I believe the United States must assume the possibility or probability that the Soviets have been testing or will be shortly. In any event we cannot continue to gamble our destiny, when we base such a gamble on ignorance of our opponent's actions.

Any decision as to whether the United States should resume testing should of course be made by the President in the interest of the national defense, taking into account its international ramifications. I am sure that the President will heed the lessons of history and continue to consult with the appropriate committees of the Congress, and our allies abroad.

Assuming that the President decides that the United States must be in a position to resume testing, there remain a number of questions and alternatives. Among them are the following:

First. (a) Should the United States and United Kingdom immediately cancel negotiations with the Soviets, or (b) should we continue discussions? (c) should the United States set a deadline for Soviet agreement?

Second. Under either (a) or (b) should the United States proceed to undertake (a) weapons tests, (b) seismic tests, (c) plowshare shots?

In my opinion, the United States has little to gain from cancelling the Geneva negotiations, or even setting a deadline on the discussions. I want you to listen carefully to this. In the past months the United States has recouped considerable stature in world opinion from its sincere attempts to reach an agreement. So I believe we should continue to negotiate in good faith, or to be available to negotiate in the event a recess or adjournment occurs.

But I believe also that concurrently we should proceed with the things that need to be done in our testing program. This would mean that we should proceed to get in readiness to resume underground weapons tests whenever the President determines that our national defense requires it. Under the terms of the current U.S. position on resumption of testing, as announced in December 29, 1959, the United States considers itself free to resume nuclear weapons testing at any time, provided we announce our intent in advance. The U.S. position was stated as follows by President Eisenhower on December 29, 1959:

> We will resume negotiations in a continuing spirit of seeking to reach a safeguarded agreement. In the meantime, the voluntary moratorium on testing will expire on December 31.
>
> Although we consider ourselves free to resume nuclear weapons testing, we shall not resume nuclear weapons tests without announcing our intention in advance of any resumption. During the period of voluntary suspension of nuclear weapons tests the United States will continue its active program of weapon research, development and laboratory-type experimentation.

Under permission already granted I have inserted in my remarks quotations setting forth the U.S. position on resumption of testing.

I believe that the United States should immediately proceed with its research and development program on seismic detection to include tests of nuclear devices in underground shots. It is necessary to have nuclear shots in order to prove up their seismological detection capabilities. I make this statement, that in order to do this, I am willing that the Soviets should have full access to the devices. Remember, we are not testing weapons on this occasion, we are testing devices. And the information derived from the experiments in the manner outlined in the U.S. proposal of March 21, 1961, the Soviets should have access to.

The information from these underground tests for seismic detection purposes is a necessary and important part of any test ban system. I can see no merit in delaying them further. Since the Soviets can have full access to the devices and the tests, it will be difficult for them to claim that they are covert weapons tests.

I believe also that we should seriously consider going ahead with our plowshare underground shots.

These are the peacetime experiments with underground shots for oil shale conversion, in Colorado, and great excavation projects—things like that.

In undertaking any nuclear testing—whether for seismic, plowshare, or weapons purposes—it can be expected that our motives and purposes will be distorted and that world opinion will be inflamed to some extent. We may even be faced with an unfavorable U.N. resolution. If national security is at stake, this may have to be the price we pay.

Remember that the Soviets, for their purposes, for world domination, have never been retarded from going ahead with their program because of an unfavorable world opinion or an unfavorable resolution in the United Nations.

Undoubtedly the United States has gained much in world opinion by making a sincere effort to achieve a workable test ban treaty with adequate controls and inspection. We should continue to negotiate in good faith, as I have indicated.

In his message to Congress on May 25, 1961, President Kennedy stated that "we intend to go the last mile in patience to secure this gain—a test ban treaty—if we can."

But there comes a time when our extended inaction may be taken as a sign of weakness, by our friends as well as our adversaries.

In my personal opinion we have about "gone the last mile." I am hopeful that the President will arrive at a wise judgment on this important matter within a few weeks. He has access to all the national and international information on this problem. In the last analysis it is his responsibility to make the final decision. He must be the judge as to the timing and the method of procedure. People who are less well informed and less responsible for the effects of this grave decision should exercise restraint in this period of somber consideration. I believe the Congress and the people are ready to support the President at a time and in a method of his choosing.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I am happy to yield to the distinguished majority leader.

Mr. McCORMACK. Mr. Speaker, I want to express my personal appreciation of the great speech and the contribution that the distinguished gentleman from California has made today. There is no man more dedicated to the service of our country than is the gentleman from California; and there is no one more conversant with this delicate and highly specialized field that he has discussed than the gentleman himself.

The speech the gentleman has just made is one of decided service not only in the national interest of our country but is in the best interests of the free world.

As a Member of the House I am indebted to the gentleman for giving me the benefit of his profound knowledge and of his views and I know I speak the sentiment of my colleagues when I make that statement. These are trying times. The gentleman has discussed a most important subject, one of deep concern to all of us. His speech was based on knowledge on his own part. Again I congratulate the gentleman. I am very proud that he made the speech because it was decidedly in the national interest and in the best interests of the free world.

Mr. HOLIFIELD. I thank the respected majority leader.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Texas.

Mr. RAYBURN. I want to join the distinguished gentleman from Massachusetts in complimenting the gentleman, because when the gentleman from California speaks on subjects like this he shows a wide range of knowledge which means he has devoted time and energy to go deeply into these great questions. I appreciate him, and I appreciate his remarks.

Mr. HOLIFIELD. I thank the Speaker from the bottom of my heart. His words of commendation and the words of the majority leader mean a great deal to me, because this is a matter of grave concern, and it is a complicated subject. There have been many off-the-cuff statements, statements which indicate impatience with the President on this particular matter. But I say again, this is a matter of the President's responsibility, because he has access to all the information pertaining to this matter. It is given to him by the people most knowledgeable on the subject. He also knows the relation this may have to other trouble spots, such as Laos, Berlin, and other hot spots in the world.

I was not present at the conference with Khrushchev at Vienna, but I can use my imagination. I certainly am not one that will rise and demand that the President set a specific date when he is going to do this or that. I do not know what all of the President's problems are. I am expressing my opinion from the standpoint of considered and prayerful study on this subject for whatever it may be worth to my colleagues in the Congress and to the President. I realize he has other responsibilities and that this particular subject involves other very important considerations on the international level. As far as I am concerned, I am willing to leave this responsibility in his hands. I will express my opinion, but the responsibility is the President's in the last analysis.

Mr. MORRIS. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from New Mexico.

Mr. MORRIS. Mr. Speaker, I take this opportunity to join with the other Members in this body in expressing to the great chairman of the Joint Committee on Atomic Energy, the gentleman from California [Mr. HOLIFIELD], my appreciation of his excellent speech. I know of the many hours of research and the many hours he has worked on this very complicated subject. I want to say to this House and to this Nation that it is an honor and a privilege to serve on this joint committee with the gentleman from California as its very able chairman.

Mr. HOLIFIELD. I thank the gentleman from New Mexico.

Mr. TOLL. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Pennsylvania.

Mr. TOLL. Mr. Speaker, I am very happy to have the opportunity to listen to this very fine presentation by the gentleman from California. As one of the sponsors of the National Peace Agency Act, I have been following the subject rather closely. I am very happy that the gentleman has included with his remarks the exhibit he referred to so that the entire picture can be read and reviewed by Members of the House. I am particularly happy that he still holds out a hope to the people of the country that a solution may come about where peace will prevail, and that the President is being given all possible opportunity to solve this problem.

Mr. HOLIFIELD. I thank the gentleman from Pennsylvania.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Mr. Speaker, I also would like to associate myself with the words of the gentleman in the well of the House, the gentleman from California, the chairman of the Joint Committee on Atomic Energy, who certainly is well versed on this subject. I am delighted to see he is leading the way today in urging a careful reappraisal of this policy. I agree with the gentleman that final decision will have to rest with the President, but I am equally certain that the time has come when we have to give this entire subject a very careful reappraisal.

Anybody who has studied the tactics of the Communists knows that they are masters of this business of delay. We are still waiting for a peace treaty to be negotiated in Korea, after 8 years. We are still waiting for some signs that they are willing to sit down and talk about disarmament. We know that they use the tactic of delay as a part of their political strategy which is aimed ultimately to destroy the world. Therefore, I think it may well be that we are losing precious time. I am sure that the decision which will be made by the President will be a wise one. I am encouraged by the fact that the President himself has said that he recognizes this whole thing has to be studied and reappraised when he said during the campaign that he wanted to make one personal effort on this and that then he would make a decision. I am mindful of the ramifications throughout the world that this decision will have. I do think the remarks of the gentleman today, because of his expert knowledge on this entire subject, certainly will go a long way to help the President make that decision, that the delaying tactics of the Soviets can no longer be tolerated. I agree with the gentleman in the forthright statement that he has made today.

Mr. HOLIFIELD. I thank the gentleman. I might point out that the present occupant of the Office of President has only been in that office for a little over 4 months, that is, since January 20, and he, of course, had to have time to get the information on this subject. But to those who are impatient, I point out that for 28 months this same moratorium dragged along without any termination. So I say to those who are impatient, it would be a good time to exercise a little patience and give the present occupant of the Presidency an opportunity to handle this very, very dangerous and complicated matter in a wise and statesmanlike way.

HON. JOHN W. McCORMACK

The SPEAKER pro tempore (Mr. YATES). Under previous order of the House, the gentleman from Oklahoma [Mr. EDMONDSON] is recognized for 60 minutes.

Mr. EDMONDSON. Mr. Speaker, I have shared the feeling of appreciation which has been expressed here for the statesmanlike address that has just been delivered by one of the ablest men in this body, the gentleman from California [Mr. HOLIFIELD]. I appreciate the contribution he has made to all of us, and I am grateful that the special order I have this afternoon kept me on the floor of the House throughout the course of the speech made by the gentleman from California.

Mr. Speaker, the matter which I wish to speak about for a few minutes here this afternoon is not a pleasant one. It is the first time, as a Member of this body, that I have taken the time of the House of Representatives to take issue with any newspaper article appearing anywhere.

There appeared in this morning's Washington Post, and I am sure in other newspapers throughout the country, a column by Drew Pearson commenting upon our great and distinguished majority leader, the gentleman from Massachusetts. It aroused a number of questions which I am sure are of concern to many Members of this House. It aroused my own personal indignation primarily because I have come, in the period of my service, to respect the gentleman from Massachusetts as one of the great Americans of our time, and to admire the fairness and the firmness with which he has discharged his duties as leader of the Democratic Party in the House.

I do not have personal knowledge about some of the things which are stated in this column. My remarks will be addressed primarily to the points of which I do have immediate personal knowledge; and as I address myself to them I do so in the hope that the columnist who is responsible for this portion of the column will speedily correct the inaccuracies and the errors, the misleading impressions which have been spread and disseminated across the country.

Some Members of the House have told me that when you get into any kind of argument with a newspaper columnist you are about like the man down on the farm who gets into a kicking contest with an old mule—and I have even heard more colorful expressions of the mistake that is made by a man in politics who does this. For my own part, I spent a good part of my life in newspaper work. I worked for the daily newspapers in my own hometown of Muskogee for a period of years. I spent some time as a stringer for the United Press and some time as a Washington correspondent—on a very limited budget, I make haste to add—for several daily newspapers in Oklahoma while attending law school. So I have a wholesome respect for the newspaper profession. I have a great respect for the men of the Washington press corps who have the difficult job of reporting to the people what happens here in the Nation's Capital. I think in the main part they have done a splendid job. I think the Nation is indebted to them. To all of them who strive to present the truth to the people this democracy owes a great debt of gratitude, and all of us in this House must acknowledge that same debt. But when there is printed in the newspapers of the country material which tears down unfairly, material which attacks maliciously, material which for no apparent reason seeks to destroy good reputations, then I feel it is incumbent upon us who want to see fairplay in the press as well as in politics to respond to that kind of writing when pursued by a newspaperman no matter how exalted he may be or no matter how many papers may reprint his material.

The material which deals with our distinguished majority leader is, in my humble opinion, of the character I have just described. I have no name calling to indulge in at the present time with regard to the author of this material. I have never believed, personally, in name calling in any contest for that matter, and I would hasten, if he sets the record straight on these points, to acknowledge a personal debt of appreciation to him for it, to retract anything I have said here today which appears to be unfair in the light of what he may do in the future. But if in the light of the corrected record he persists in leaving things stand where they are, then I am compelled to the conclusion that we have down on the prairies in Oklahoma polecats, coyotes, and rattlesnakes with a better developed sense of fairplay than the columnist who is responsible for this material which appeared today on page C–23 of the Washington Post.

The gentleman from Massachusetts is a man who has been associated from the very beginning, if my understanding of the record is correct, with a piece of legislation which is generally known as the northeastern water and related land resources compact. As a matter of fact, he is the author of H.R. 30, which pends today in the Committee on Public Works dealing with that subject.

When you read the material which was spread across the country today by Mr. Pearson you find no mention whatsoever of the long identification of the gentleman from Massachusetts with this cause, you do not find any mention of the fact that the matter which was before the Committee on Public Works related in any way to a bill offered by the gentleman from Massachusetts. Instead, you get the distinct impression from a reading of this material that the gentleman from Massachusetts "took issue" with the New England water resources compact. You are left with no conclusion from a reading of this article other than the conclusion, which is erroneous, that the majority leader is a foe of the New England water resources compact, which is, of course, the exact opposite of the truth.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Also I introduced the same bill in the last Congress that I introduced in this Congress, identically the same bill in the last Congress. The bill was reported out of the committee toward the end of the last session. In other words, the very bill I introduced in this Congress has been favorably acted on by a committee in the last Congress and reported out.

Mr. EDMONDSON. That is correct. The inference in this column very clearly and unmistakably indicated that the gentleman from Massachusetts was shoving his oar into waters that actually did not relate particularly and specifically to him, he was interfering with the work of a congressional committee when, as a matter of fact, the committee to which he made known his views was actually considering a piece of legislation long identified with the gentleman from Massachusetts and actually bearing his name when it was before the committee.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Oklahoma.

Mr. ALBERT. There are inferences in this column, which as I read it, are grossly unfair to the Speaker, the majority leader, and to my colleague from Oklahoma [Mr. EDMONDSON].

Mr. Speaker, I believe I am in a position to know something about the activities of the Democratic leadership of this House, both publicly and "behind the scenes." I think I know something about the roles which our great leaders play in this House, and I think I know something about the esteem in which each holds the other. I think I can testify personally and without equivocation that the leadership of SAM RAYBURN in this House has never been stronger, more active, more continuous, more effective, or more decisive than it is today. The testimonial to his leadership in this body on Monday last by his colleagues, by those who know him best, by those who observe him daily, by those who are in the best position of anybody in the world to assess the qualities of his leadership, should be sufficient to convince any reasonable man that SAM RAYBURN is today, as he has been for many years, the Speaker of Speakers in the entire history of this House.

Mr. Speaker, I think I know something about the leadership of our great majority leader. He and Speaker RAYBURN, in my opinion, comprise the strongest leadership team this Congress has ever had. In all respects Mr. RAYBURN is the Speaker; in all respects Mr. McCORMACK is the majority leader. And that, it seems to me, is as it should be. Both are strong men, and the House and the country are beneficiaries of that fact. I think I know what I am talking about when I say that no one on earth holds the Speaker in higher esteem than JOHN McCORMACK, and no one on earth holds JOHN McCORMACK in higher esteem than the Speaker. Not once in the association between these two great men, so far as I know, has the majority leader ever undertaken to go around the Speaker, in front of the Speaker, or in any manner to usurp the prerogatives of the Speaker.

Mr. Speaker, I also desire to pay tribute to my fine colleague, the gentleman from Oklahoma [Mr. EDMONDSON]. Everyone who knows the gentleman from Oklahoma loves him. There is no more discreet, judicious, intelligent, or industrious Member of this House.

Mr. EDMONDSON. I thank my good friend from Oklahoma. I think he has touched upon the more serious aspect of the article which is printed in today's paper. I personally was very much disturbed by the apparent effort to drive a wedge by this kind of propaganda between the ablest leaders this House has ever known and between the leadership of this House and the President of the United States.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to our beloved Speaker.

Mr. RAYBURN. I desire to say it matters not what statement anyone may make regarding the love and affection and admiration I have for our great majority leader, the gentleman from Massachusetts, JOHN MCCORMACK. Nobody on earth can destroy the faith and the confidence that I have in him as a leader, and nobody will ever drive a wedge between JOHN MCCORMACK and SAM RAYBURN.

Mr. EDMONDSON. I am grateful and I am sure the entire membership is grateful to our Speaker and to our majority whip for their contribution to this special order.

Mr. MCFALL. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from California.

Mr. MCFALL. I would like to corroborate the gentleman's statement concerning the action of the committee. I am a fellow member of the Committee on Public Works, Mr. Speaker, and I was in attendance at the meeting at which reconsideration was granted on Mr. MCCORMACK's bill. I joined with the gentleman who is in the well of the House in voting for that reconsideration. I felt that reconsideration was necessary. It was a courtesy that I personally would afford to any author of any bill whether he be the majority leader or any other friend of mine in the House; that if he did not want a bill with particular provisions in it to bear his name, then I certainly would not vote to send that bill out of committee. I also want to point out that the legislation which was sponsored by the majority leader is the exact compact which the majority of the New England States, who had formed that compact, had already ratified; not some idea that the majority leader had independently of those States, and that the changes which were made by the committee were not those which had been requested by those States.

Mr. EDMONDSON. I thank the gentleman from California.

I think several additional points should be made in pointing out the inaccuracies present in this column. It is made to appear, for one thing, that the distinguished chairman of the full committee, the gentleman from New York [Mr. BUCKLEY], who is identified as a New York Tammany leader, called for reconsideration of this measure. The rules of the House, of course, and of the committee do not permit me to divulge the details of executive sessions and I have no desire to breach those rules in any sense at this time.

But, I can state within the rules unequivocally and categorically that this account of what took place is false; that the gentleman from New York [Mr. BUCKLEY], did not ask for, call for, nor move for reconsideration. Furthermore, I think anyone who is familiar with New York politics knows that the gentleman from New York [Mr. BUCKLEY], is not a Tammany leader. I think this is a Pearsonism in which an effort is made to associate both reconsideration and Mr. BUCKLEY with something which Mr. Pearson considers to be undesirable. Yet, everyone who knows anything about New York politics, knows that the gentleman from New York [Mr. BUCKLEY], is from the Bronx and is not associated with Tammany. This is one of the many inaccuracies and errors which occurred in this account from the very time the author inadequately identifies the piece of legislation to his closing remarks about it. It is replete with inaccuracy, error, and misrepresentation.

Furthermore, I think it should be commented upon that the inference which is carried here and that our distinguished majority leader has not been working effectively and in harness with the President of the United States, John F. Kennedy, is misleading and unfair in the extreme.

Just the other day, on the 13th of June, at page 10178, the majority leader placed in the RECORD perhaps the best testimonial that could be offered as to how effective his leadership has been in behalf of the President's program, and the summary which appears there of the first 100 days of President Kennedy's administration is a testimonial far more impressive than anything else to the effective working relationship between our majority leader and the Nation's Chief Executive. That reference can be found at pages 10178, 10179, and 10180 of the CONGRESSIONAL RECORD for June 13.

I hope and trust that this will be the only occasion that I ever have as a Member of this body to comment upon a newspaper article of this kind. I think it is a disgrace, and I hope we do not have a repetition of it in the future. I certainly hope that appropriate corrections will be made in future columns by the author of this article.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I am happy to yield to my distinguished friend from California.

Mr. HOLIFIELD. I want to say to the gentleman that I have not read the newspaper article to which he has referred. I just came onto the floor a few minutes ago, but based upon the colloquy which I have heard from the floor I understand that there has been an attack by someone on the majority leader, and I would like to say that in my 19 years in the Congress I have found him to be honorable and thoughtful and kind in all of his dealings with me, and I want to express my confidence in the majority leader. There have been times when the majority leader and I have disagreed—a few times, but not many times—on legislative matters of different kinds, and we have voted differently at times, but he has never upbraided me nor reproved me nor tried to influence my vote in any way.

I want the RECORD to show that I have tremendous love and respect for our majority leader, the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. EDMONDSON. I thank the gentleman from California.

Mr. MCCORMACK. Will the gentleman yield?

Mr. EDMONDSON. I will be glad to yield to my distinguished majority leader.

Mr. MCCORMACK. I want to express my appreciation to the gentleman from Oklahoma, because his action is purely voluntary and spontaneous, and also for the generous remarks made by the Speaker, by the gentleman from California [Mr. MCFALL], the gentleman from California [Mr. HOLIFIELD], and the distinguished majority whip from Oklahoma, CARL ALBERT.

I go through life trying to help and not hurt. If I cannot say a good thing about a person, I certainly will not say a bad thing.

I do not want to dignify this column, but I simply want to say that I would never say anyone is anticlerical. That would never enter into the mind of JOHN MCCORMACK, never mind the distinguished gentleman mentioned in this article. I do not know who gave to the party who wrote this article such information, but whoever it was must have had a poisoned mind, if it is based upon what someone else told him.

It seems to me that the only decent thing anyone could do would be to ask the other fellow for his side of the story. That is nothing but elementary decency.

My position on the school bill is thoroughly known. I speak openly. I have always supported school legislation right down through the years, because I am for something for the overall school system. Where others might disagree, that does not mean that I am opposed to school assistance legislation. I am for it. I consider strengthening the overall school system to be in the national interest of our country. So the whole world knows my views. The press up here knows my views. They have talked to me outside. They know my views on the strategy of what I think is the best way to get legislation through. I am concerned with getting them all through. It is a question of strategy, and men might honestly disagree on that. I may have my opinion, but when the decision is made I follow it.

Any time the Speaker of the House of Representatives wants a bill programed I will program it. Any time a committee wants bills programed on a certain day I will try to do it. If the Committee on Education and Labor indicates on three bills the way they want them brought up, I will program them, because my job is to cooperate with the chairmen of the committees and those on the committees in favor of legislation. So we clarify that.

The one thing that hurts me is that 10 or 12 years ago when the gentleman who wrote this column was in trouble, when a determined effort was made to

impugn his motives, when an effort was made by powerful individuals and groups to influence newspapers throughout the country not to buy his column, that gentleman came to me. Tom McNamara, who is one of his righthand men, whom I like, came to me and asked me if I would make a statement defending this gentleman. I did. I did. And a few weeks later he was up in Boston having lunch with the publisher and the editor of one of the newspapers up there that purchased his column. He was fearful they were not going to continue the purchase. I happened to be in Boston at the time. This gentleman who wrote this column called me up and asked me if I would attend the luncheon with him. I said, "Sure," and I did. I do not know to what extent I was window dressing, but he thought my being there might help him, because the top men in the newspaper business in Boston are friends of mine. I assume he wanted me there because he thought I would be helpful. And I was there. I not only made a statement publicly in his behalf but I attended the luncheon. That is the thing that hurts more than anything else, because to me there is no greater sin than the sin of ingratitude.

U.S. MILITARY ASSISTANCE TO LATIN AMERICA

The SPEAKER pro tempore (Mr. YATES). Under previous order of the House, the gentleman from New York [Mr. RYAN] is recognized for 5 minutes.

Mr. RYAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, the question of military aid to Latin America is wide open again. Representatives of the Department of Defense are requesting authority to increase arms shipments to that troubled region.

Two years ago Congress sought to curb the shipment of arms to Latin America. In 1959 the Committee on Foreign Affairs expressed the judgment—House Report No. 440, page 18—that there should be a reasonable reduction of military armament grants to Latin America as a first step toward carrying out the recommendations of the Subcommittee on Inter-American Affairs in its "Report on United States Relations With Latin America"—House Report No. 354, May 12, 1959. The subcommittee had pointed out that "the use by a regime of U.S.-supplied armaments in civil strife has garnered us the wrath of people—not only in the country affected but throughout Latin America—who tend to equate our armaments with the regime using them." It recommended "an orderly and gradual reduction" of armament grants with the "ultimate goal" the termination of such assistance to Latin America.

In line with these recommendations, the Mutual Security Act of 1959 amended section 105(b)(4) by adding the following sentence:

The aggregate amount of funds which may be obligated or reserved during the fiscal year 1960 for furnishing military assistance to American Republics shall not exceed the aggregate amount of funds obligated or reserved for such purpose during the fiscal year 1959.

The Mutual Security Act of 1960 carried forward the policy adopted in 1959 by further reducing the ceiling on the military grants to Latin America. The report of the Committee on Foreign Affairs—House Report No. 1464—reiterates the committee's belief "that the supplying of military equipment on a grant basis to the nations of Latin America should be terminated as soon as possible and that the program for fiscal year 1962 should be developed with this objective in view."

We now are being asked to step up arms shipments to a tension-ridden area. Before Congress decides to backtrack from its previous course, careful scrutiny must be given to the Defense Department's justifications for such a change.

What is happening in June 1961, that would warrant increased military assistance to Latin America? Certainly the appearance in the hemisphere of a Communist-dominated government is alarming. Certainly the power vacuum left by the assassination of Trujillo in the Dominican Republic is cause for deep apprehension. Shipments of Communist-supplied arms are reportedly being slipped into Central and South America, adding a menacing note to an already gloomy picture. Meanwhile, a tidal wave of change and unrest rolls over large parts of the area.

Recognizing the explosive mixture in Latin America, the central questions remain: Will U.S. armaments assure Latin America's future in the free world? Or will they contribute to turning the region into a bloody battlefield—a situation much desired by the Sino-Soviet bloc? Will increased arms assist in meeting the social and economic challenges of the region?

The New York Times yesterday published a thoughtful editorial on this crucial subject. I ask unanimous consent that it be reprinted in the RECORD as a contribution to the thorough debate I trust will ensue from the current attempt to depart from our past policy in Latin America.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The editorial is as follows:

[From the New York Times, June 13, 1961]

ARMS TO LATIN AMERICA?

A very strange extension of the New Frontier is the effort of the Kennedy administration to perpetuate, and even to increase, military aid to Latin America. The long course of history, and especially the events of recent years, have shown that such a policy strengthens the military, favors dictators, and forces the individual countries to spend far more on defense than they can afford.

The question has arisen because Defense Secretary McNamara and General Lemnitzer, Chairman of the Joint Chiefs of Staff, asked the House Foreign Affairs Committee last week for new authority to send arms to Latin America and southeast Asia and to make major changes in our military aid program. They will appear again on the same mission before the Senate Foreign Relations Committee this afternoon. Their argument is that such measures are needed to counter the Communist thrust in Latin America and southeast Asia. (At present there is a ban on arms aid for internal security forces in Latin America.)

Representative O'HARA of Illinois put his finger on the main objection to the proposed policy when he said that the Pentagon is asking for "a blank check from Congress to maintain governments in power; they can be strong only if cherished in the minds and hearts of the people." Representative HAYS of Ohio pointed to the example of Cuba. General Batista had an army of 30,000 men, supplied from rifles to tanks to airplanes by the United States. Fidel Castro had 1,000 guerrillas and the people behind them.

Arms are used in Latin America solely to maintain internal security, which would be legitimate except for the fact that the military keep themselves in relative luxury and hold the ultimate power in their hands to make and unmake governments. For international purposes, arms are of use only to maintain parity with or superiority over their immediate neighbors. The Pentagon, for instance, could not supply arms to Peru without also supplying arms to Ecuador and Chile.

The countries in Latin America which are most stable and most democratic, such as Uruguay, Costa Rica and Mexico, spend little or almost nothing for military defense. Arms only encourage right wing military dictatorships. This is decidedly not President Kennedy's professed policy. It is, in fact, quite the opposite—which makes this Pentagon move particularly surprising.

Communism in Latin America will be defeated by social reforms, economic development, and the growth of democracy—not by American arms.

CAPTIVE NATIONS WEEK

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, for the general information of the membership, captive nations week will be held on the week beginning on Sunday, July 16, of 1961. For the past 2 years, there have been Presidential proclamations issued setting forth such a week and extensive programs have been held for the past 2 years all over the United States acting upon these Presidential proclamations and upon the actions taken by this House and in the other body.

On March 8 of this year, I introduced what is known as House Resolution 211, commonly known as the resolution on the captive nations. This same resolution or similar resolutions have been introduced by many Members on both sides of the aisle.

Hearings have been held for several weeks before the distinguished Committee on Rules of the House on my resolution and on many of the others. I would hope that the Rules Committee would see fit to report out this resolution expeditiously and that the House would

consider it with equal expedition; and if and when it was adopted that this committee proceed to do what many of us think is a very important duty.

Let me make very clear that the resolution has in mind very specific legislative purposes. This is not just a hunting expedition, it is a resolution following the precedent when the Rules Committee reported out and this House created a special committee to investigate the Katyn massacre upon which I had the honor of serving when we investigated here and overseas the murder by Russian Soviet agents of thousands of Polish reserve officers and their bodies were discovered in a great grave in the Katyn Forest.

Subsequently the Rules Committee reported out and the House saw fit to adopt and create the Kersten committee, which studied among other things anti-communistic infiltration in various areas of the Government and the world, and the charge made by the Soviets, particularly by Mr. Khrushchev himself at his last appearance at the United Nations, and with the theme of the Soviets that this Nation and our allies and our other nations are colonial powers.

One of the chief purposes of this resolution is to make it clear that never in the history of the world have the evils of colonialism been practiced down through the pages of history by all such colonial powers taken together as are now being practiced with their most evil intent by the Soviet.

I developed this subject at some length when I introduced this resolution. I was joined by many Members on both sides of the aisle, and I will not repeat those extensive discussions. But I repeat for the purpose of emphasis, and so the Rules Committee may know, that there is a clear and distinct and purposeful and deliberate and very hopeful legislative intent resulting from the creation of a Captive Nations Committee born from this resolution as well as recommendations to the United Nations, to the learned societies here and abroad, as has been done quite properly under legislation that this House reported.

Mr. Speaker, the endorsement by letter, by personal visit, by telephone, that I have received in support of this captive nations resolution—very frankly, in the many years that I have been here I personally have never experienced anything like it. My office has simply been inundated with appeals in support of this proposal from all over the world. I have inserted excerpts of many of these in the CONGRESSIONAL RECORD since the date in March when the resolution was introduced. They have been voluminous, they have been extensive, they have been extraordinary in concept and content.

I have suggested 10 solid reasons for this resolution. I do not prefer this late in the day to examine them carefully one at a time. Let me take one that I have, No. 3 of the 10.

I take this to indicate an absolute need from my experience. When I first came here during the early years of World War II, I served upon the great Committee on Foreign Affairs of this House. I left the Committee on Foreign Affairs to serve upon the great Committee on Appropriations. I still serve on that committee. I serve on the Subcommittee on Appropriations having jurisdiction over the Department of State and the Department of Justice. So I am not a stranger in all those years to to this end and related problems. But I assure you, Mr. Speaker, that there is a hazardous gap in our official and private facilities as concerns this Nation to study systematically, objectively, and continuously all of the captive nations, especially those in the U.S.S.R.

Nowhere, in my judgment, and I have examined into this, is there any agency, public or private, performing this most essential task.

I see here the distinguished gentleman from Illinois [Mr. PUCINSKI]. Should I remind you, Mr. Speaker, that he was secretary and the chief investigator, as a matter of fact, he was my chief cook and bottle washer during the years of the Katyn massacre investigation. Without him much of that great work would not have been done. Since then, the good people of Chicago have seen fit to elect him to this House and to return him again this session. I take it for granted he wants me to yield.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Illinois.

Mr. PUCINSKI. I rise to congratulate and commend the gentleman from Pennsylvania [Mr. FLOOD], for taking this special order today to call attention to his excellent resolution which he has sponsored for the creation of a Captive Nations Committee. I am proud to have the privilege of cosponsoring this resolution, following the great example set by the gentleman from Pennsylvania [Mr. FLOOD]. I do not know of anyone in this country who has over the years demonstrated a greater understanding and a greater desire to help the unfortunate people behind the Iron Curtain than the gentleman in the well of the House now, Mr. FLOOD.

I remember that as a member of the Katyn Committee he was, first of all, extremely instrumental in getting that committee established by the Congress. Then, as a member of the committee, his work, his efforts were absolutely indescribable. I recall when the gentleman was with the committee in Europe. Literally he worked around the clock. That may sound like an exaggeration, but it is not. He literally worked around the clock in order to assemble and correlate all of the evidence which for the first time presented and prepared the indictment under which the Soviet Union was indicted before the court of world opinion as the nation responsible for this monstrous crime.

Ever since then the gentleman has worked tirelessly to try to keep alive the hope and the spirit of those gallant people behind the Iron Curtain who had fallen prey to the Communists, through no choice of their own.

I think this entire Nation owes Mr. FLOOD a great debt of gratitude for his efforts. I certainly would like to add whatever support I can to the early enactment of this resolution which the gentleman has sponsored to create a committee like this.

It seems that today the newspapers are full of headlines about Laos, the Congo, the Far East, and the southeast.

We too often forget that in those countries behind the Iron Curtain in Europe, commonly known as the captive nations, today there are some 180 million people whose tradition and dedication to democracy and the democratic rule goes back away before the very beginning of our own country and our own history. These people too often are led to believe that the free world is forgetting about them; that the free world is taking their tragic situation as a fait accompli. And, I believe that what this committee has proposed would revive the hope, would revive the spirit among these people who traditionally have belonged to the West and who yearn for the day when they can again join the family of free nations of the world.

We are concerned about various countries throughout the world, and yet we are too often oblivious of the great potential in these captive nations. These captive nations may well constitute the balance of power in the world today, and in the great ideological struggle between democracy as we know it and communism as the Kremlin knows it this great buffer of captive nations at the right time in world history may indeed provide the stimulus that will swing the pendulum in favor of survival for democracy. Therefore, I believe the committee that the gentleman has proposed deserves the unanimous support of this Congress simply because it would create a forum before which we could help keep alive the great contribution to these countries and keep alive their spirit, and I certainly do hope that the Members of the Congress are going to recognize the depth of sincerity with which the gentleman has offered this resolution. We know that the gentleman had been extremely instrumental in helping the Congress adopt a resolution 2 years ago in which we established, as an annual observance in this country, Captive Nations Week, which is observed in July. We know that this single act of the Congress of the United States has created a greater degree of fury in Mr. Khrushchev and the Kremlin than any other single thing we have done.

We recall how Mr. Khrushchev went into complete frenzy because this Congress of the United States had, by resolution, proclaimed that once a year the people of this country shall observe Captive Nations Week to let the people behind the Iron Curtain know that we have not forgotten them. It is true that we are preoccupied with many problems throughout the world today, but we are not going to forget these people, because these people are entitled to their freedom. Their history shows that they are freedom-loving people; the gallant Poles, the Czechs, the Lithuanians, the Bulgarians, the Latvians, the Estonians, the Yugoslavs. All of these people have glorious histories of struggle for freedom and the recognition of the dignity of man. And, I hope as we have followed the gentleman on previous historic occasions, that the Congress will

again rise in support of this resolution which he has introduced, because heaven knows in this great ideological struggle today, when the two systems of philosophy and ideology throughout the world are fighting for the mind of man, that this committee can make a profound contribution, just as did the committee that investigated the Katyn massacre in which the gentleman played such an important role. We must constantly keep reminding the free people of the world, we must constantly keep reminding the uncommitted nations of the world, we must constantly keep reminding the captive nations of the world that the United States has not forgotten them. I think the resolution which the gentleman has offered becomes even more important when we recognize the fact that every so often, and with perilous and dangerous frequency, new countries are being added to the orbit of the captive nations. The latest example, of course, is Cuba herself, 90 miles removed from the shores of our country. Therefore, the committee that the gentleman has proposed could serve a very fine and noble purpose in trying to remind the United States that it is so absolutely necessary and to provide programs of leadership which would give all of us hope that someday there will not be any captive nations; that we are going to have in this world an order and a family of nations living together under freedom.

I congratulate the gentleman for taking this time today and I congratulate above all his constituency for supporting his action over the years by constantly returning him to this Congress.

I hope that the wisdom of the gentleman's constituency will never diminish, because we need men with his courage to stand here in the well and fight for these captive nations that play such an important role in the fight for their freedom and their future development.

Mr. FLOOD. Mr. Speaker, the gentleman has been more than kind. Let me point out to him something that he knows, I am sure, that we have a tendency in this Nation, and on our side of this world, to believe that the Bolshevist, Communist Soviet is an impregnable fortress. The fact remains that it is the existence of the peoples in these captive nations and the exposed flanks and the exposed rears of any Soviet military action that is the greatest deterrent, and that has been more responsible than any other one thing why Khrushchev has not struck.

Let me ask the distinguished gentleman from Illinois, [Mr. PUCINSKI], in whose veins flows the proud blood of Polish ancestry, can you imagine what would happen to the ground forces of the Soviet with their lines of communication stretching from the Russian border to East Germany through Poland, if they had to move? They will not move through Poland. They will have to go over it, or around it, but they will never go through it on the ground, if they are talking about limited war. Khrushchev knows it; the Poles know it; the Poles know that Khrushchev knows that the Poles know that Khrushchev knows it, and so on and so on. And so do you and so do I.

I intend to yield to my friend from Illinois [Mr. DERWINSKI]. This has never been a political problem. There has been no political controversy on this in the years I have been connected with it. Members on both sides of the aisle have worked with me fully and completely in all of our committees. That has been the position. So am I pleased to see here my distinguished colleague from Illinois, likewise a cosponsor of my resolution, and I take for granted he would like for me to yield to him—the gentleman from Illinois [Mr. DERWINSKI].

Mr. DERWINSKI. Mr. Speaker, I feel that the gentleman from Pennsylvania [Mr. FLOOD] is to be commended for taking time this afternoon to call this problem to our attention. I think—and I hope the gentleman will agree with me—that at the moment our problem is to remind the Members of the House that the resolution now lies before the Committee on Rules.

Mr. FLOOD. As always, my friend is practical.

Mr. DERWINSKI. Mr. Speaker, we hope at this moment that the Committee on Rules in its wisdom will see fit to approve the resolution so that we here in the House will be able to work our will. I am sure, as was indicated by the gentleman from Illinois [Mr. PUCINSKI] that it will have tremendous support in the House.

May I also point out to the gentleman that he has in the past given all the Members of the House enough information and enough meat so that they are completely aware of the need for this committee and the effectiveness that this committee would have.

Mr. Speaker, I should feel that we might think also of the fact that since the war generations of Americans have passed on to voting age and are coming into political realism, without having been reminded of these captive nations in the Soviet Empire. There are many people today whom we might stop on the street who might not be able to tell us that there ever was a country such as Estonia or Latvia. They may assume that the Ukraine is a permanent part of the Soviet Union.

Mr. FLOOD. I am afraid that is true.

Mr. DERWINSKI. Therefore, we can provide a tremendous educational instrument by which American citizens, not only those of foreign extraction, who remember vividly these lands, but also those who at the moment may be untouched by the realization and the knowledge of colonialism and imperialism of the Soviet Union, can understand the situation.

I therefore wish to commend the gentleman and associate myself with him in his remarks.

Mr. Speaker, it is apparent from the recent conference President Kennedy held with Premier Khrushchev that, if anything, the cold war will increase in intensity. The pressures exerted by the Soviet slave empire against the free world will expand, rather than diminish.

Therefore, I am pleased to join my colleagues again this afternoon in urging the creation of a Special House Committee on Captive Nations. As I have indicated on previous occasions in discussing this subject, this matter is of prime importance since the captive nations represent the Achilles heel of the Soviet Empire.

People of all captive nations have a tradition and history of freedom, a desire to be free, a natural relationship of culture and religion to the West. In view of the bipartisan spirit we generate and display here in the House, on the questions of this proposed committee, I am hopeful that with the cooperation of the Democrat leadership, the Rules Committee will shortly approve one of the resolutions now before it.

May I point out to my colleagues the fact that the House Republican policy committee has urged the creation of this Special Committee on Captive Nations and our party pledges vigorous bipartisan cooperation. Our party leaders in the House of Representatives are determined to strengthen the stand of the President and the State Department in the crucial problems we face in foreign affairs. We Republicans feel strongly that this committee would make a magnificent contribution to the cause of justice and freedom by exposing the colonialism of the Soviet Empire, thus generating a tremendous counteroffensive in the free world, in the halls of the United Nations, and behind the Iron Curtain, with which to ultimately bring about a world free from the megalomaniacal tendencies of Premier Khrushchev and his fellow Communist tyrants.

May I reemphasize that the differences between my resolution which is supported by the Republican policy committee, and the resolution of the gentleman from Pennsylvania [Mr. FLOOD], are not great and can easily be adjusted so as to create maximum effectiveness in this proposed committee. Personally, I feel that in keeping with the spirit of bipartisan special committees, six majority and five minority members would constitute the soundest possible operation.

Mr. FEIGHAN and Mr. GLENN rose.

Mr. FLOOD. Mr. Speaker, I want to be fair to my friends and be sure that Members from both sides of the aisle receive equal time, at least from me.

I must say that the gentleman to whom I shall first yield, Mr. FEIGHAN, was a member of the great Kersten committee, to which I formerly referred, and was experienced for years in investigation as a member of the Committee on the Judiciary, particularly on the problems with which this resolution seeks to deal.

Mr. FEIGHAN. I thank the distinguished gentleman from Pennsylvania, and I wish to compliment him on his wisdom and foresightedness in introducing this resolution. I feel, and I am quite sure the gentleman does also, that the captive nations are the Achilles heel of the entire Communist international conspiracy. This committee, by a continuous and systematic study of all the captive nations of Europe and Asia, would bring to light the truth and would expose the colonialism and imperialism

not only of the Russians but of the entire international Communist conspiracy spearheaded from the Kremlin. That is what Khrushchev and the Communists fear most.

You will recall when then Vice President Nixon reached the airport in Moscow the first words with which he was greeted by Khrushchev were, How could you do this to us? Khrushchev was referring to the passage of the Captive Nations Week resolution.

This recognition by Congress of the status of these captive nations submerged by Russian colonialism exposed the greatest vulnerability of the international Communist conspiracy. This exposé and their driving force for nationalism is feared more by Khrushchev and his evil henchmen than the hydrogen bomb.

It is most unfortunate that persons in high places in Government are unacquainted with the true facts of Russian imperialism. For example, when Vice President Nixon was in Moscow, he spoke to a young girl who said that she was Ukrainian. The Vice President said that Ukraine is the Texas of the Soviet Union. The only similarity between the Ukraine and the State of Texas is that the people of both love liberty and are prepared to fight for it. There the similarity ends. There is no other major similarity between the Ukrainian nation and the great State of Texas. Texas is a voluntary political unit of the United States, whereas Ukraine is not a voluntary unit of the Soviet Union—having been forcibly incorporated therein against the will of the people. Texas is self-governing, electing its officials in free and unfettered elections whereas Ukraine does not enjoy self-government and all officials there are handpicked by the Russian Communists in Russian style elections. Texas has a voice, and I might say a powerful voice, in the Congress and in our Government whereas Ukraine has no voice in the Presidium of the Soviet Union, other than the parrots selected by the Russians and even these stooges are allowed nothing more than the opportunity to acclaim whatever Khrushchev and the Russian crowd have decided in advance. The people of Texas speak English, the common language of our country, the people of the Ukraine speak Ukrainian which is not the common language of the Soviet Union because the Soviet Union is a multinational and multilingual empire. Texas has never been engaged in a state of war against the Federal Government since joining the Union, whereas the people of Ukraine have been engaged in a constant war against the Rusian Communists for the past 40-odd years. I have heard no reports of the people of Texas desiring to withdraw from the Union, whereas the people of Ukraine have been atempting to do just that since they were forcibly incorporated into the Soviet Union.

Unfortunately many Americans and far too many in the free world are unaware of the fact that Stalin at Yalta insisted, demanded, successfully that because of his fear of the nationalistic spirit of the non-Russian nations in the Soviet Union that two of the so-called republics of the Soviet Union be given membership in the United Nations—the Ukraine and Byelorussia. Also little publicized in the United States and elsewhere is the fact that in 1954 Stalin demanded that all of the non-Russian nations of the Soviet Union as well as Muscovy have long celebrations in commemoration of the independence of the Ukrainian nation. This occasion was to celebrate the 300th anniversary of the Treaty of Peryslav. Under this treaty the Russians agreed to assist the Ukrainian nation in its war against Poland. The Russians at that time used the same tactics that they have used in recent years; namely, to put their troops, armaments, and fortifications within the boundaries of another nation. Instead of assisting the Ukrainian nation in its fight to retain its freedom, the Russians availed themselves of this opportunity of friendship to conquer and submerge the nation. The Russians broke the treaty just as they have broken every other treaty except a few which have been in their interest, such as the Ribbentrop-Molotov agreement. The Russians on this 300th anniversary celebration insisted that the celebration be observed on the basis of the big-brother Russia helping the little-brother Ukraine maintain its freedom and independence.

Mr. FLOOD. May I say this, that that is a very significant point the gentleman is making because, as he knows and I know, I never took such abuse in my life from the sob sisters in this Nation as being responsible for this captive nations resolution. Do you know what they said? They said our action in this House would make Khrushchev mad, and he would be unpleasant to everybody that came to see him. Is not that just ducky?

Mr. FEIGHAN. I had very much that same experience, being also a sponsor of that resolution. The one that was passed was introduced by our majority leader. But the gentleman will recall that Khrushchev took the opportunity to write an article in Foreign Affairs in which he tried to berate the Congress and, in typical Communist dialectical style, tried to show that Russia was just a big brother and protector of the once free and independent nations which Russia, by aggression and ultimatum by diplomacy, took over and continues to occupy aaginst the will of the people. Fortunately, Dr. Edward M. O'Connor, in my opinion the most knowledgeable and greatest authority on the Soviet Union and on the Communist empire, answered Khrushchev in a lucid article in the Ukrainian Quarterly which presented the truth and exposed Khrushchev's lies and contradicted the falsehoods presented by Khrushchev in his article which this American magazine gave Khrushchev the opportunity to propagandize the uninformed American public.

Mr. FLOOD. That is just a matter of degree. How can you make anybody madder unless he is already mad?

Mr. FEIGHAN. Passage of this resolution would strike an effective blow for the cause of human freedom and individual liberty. If this resolution passes we will be able to acquaint the people not only of the United States but of the world with the fact that the Russians are the greatest colonizers and imperialists in the history of mankind. We will also have an opportunity to break down this myth of the Russians that equates the Soviet Union with Russia. The Russians are the minority people of the Soviet Union.

As I said before, it is most unfortunate that Russian propaganda has been so successful that people equate the Soviet Union and Russia. The fact is that the non-Russian nations of the Soviet Union are not Russia. The true fact is that the Russians are the minority population of the Soviet Union. If this resolution is approved, the truth about Russia and Russian imperialism will be disseminated to the American people and the free world.

The gentleman from Pennsylvania by the introduction of House Resolution 211 has rendered a real public service in pointing up the fact that our national observance of Captive Nations Week for the past 2 years has become a matter of grave concern to the leaders of Russian communism. I am convinced that the concern of the Kremlin hierarchy over Public Law 86–90 is very deep and upsetting. The greatest fear held by the leaders of the international Communist conspiracy is that the people of the free world will awaken to the true nature of the vast empire which they have established by subversion, terror, and armed aggression. They have every reason to believe that should the full facts become common knowledge in the free world, the popular demand for justice toward the many non-Russian nations submerged behind the Iron Curtain will reach proportions which no democratic government can ignore, and this will lead to action, that is, positive action in support of the just aspirations of the captive nations. This is precisely what the Russian leadership has long sought to prevent because they would have no defense. Their position with regard to imperialism and colonialism is indefensible.

I would like to stress another aspect of the purposes for establishing a special Captive Nations Committee of the House. Such a committee would be a factfinding group. It would, by the process of hearings and studies, permit a continuous and systematic study of all the captive nations of Europe and Asia.

While a beginning has been made on this necessary work, particularly by the Select Committee To Investigate Communist Aggression of the 83d Congress, of which I was a Member, much has transpired during the past 5 years in all the captive nations which should be documented and printed in convenient form for use by colleges and universities, students of world affairs, government officials, and others interested in learning about the realities of the world in which we live.

I am also convinced that the work of such a House committee would strengthen the work of hundreds of committees set up by Governors, mayors, and private groups in the United States

for the purpose of carrying out appropriate ceremonies about the captive nations during the third week of each July. Such committees, by the very nature of their work, are bringing the American people closer to the realities of life under communism. Such knowledge not only strengthens our national will to resist, but provides the stimulus for positive political actions in support of human and national rights the world over.

President Kennedy has well said—The enemy stands without our gates. The threat of Red dictatorship is now only 90 miles off our coastline. This threat is real; it is close by. The American people are clamoring for positive action and programs in support of our own political ideals and way of life. A special Captive Nations Committee of the House would be one of the answers to the call for action at the national level.

There is another important consideration. The people behind the Iron Curtain, the people living in the captive non-Russian nations, look to the United States as the citadel of human freedom. They are our proven allies against the common enemy. They are the victims of the common enemy. They continue to resist the imposed order of communism and await the opportunity to cast off the Red chains of Moscow. Their hopes were lifted when Conrgess enacted the Captive Nations Week resolution. They saw in this action an affirmation that the people of the United States had not forgotten them and that our primary national objective remains individual and national freedom for all. The establishment of a special committee of the House to promote the ideals of Public Law 86–90 would lift up the spirits of millions of people behind the Russian Iron Curtain.

The platform of the Democratic Party carries a promise that this administration will never acquiesce in the enslavement of the captive nations through acceptance of a status quo with the men in the Kremlin. We must, by affirmative action, give purpose to this promise. No better evidence of our will to carry out this commitment could be given than the establishment of a special Captive Nations Committee of the House of Representatives.

It is my understanding that my great opposite party, the Republican Party, is in agreement and I sincerely urge the Rules Committee to give the membership an opportunity to express their will on this resolution because, in my opinion, the members of this committee will perform a much-needed service not only in the cause of human freedom and individual liberty, but in the preservation of our free way of life.

Mr. FLOOD. It is important to bring out just the point the gentleman is making, but it is especially important that the oncoming new nations on the threshold of democracy, the new peoples who have won their liberty, know where the devil in the piece lies. As the gentleman says, we must unmask the imperialists and the colonialists in exposing the Soviet.

Mr. FEIGHAN. If that were done last fall at the United Nations we might have had indeed a much better result, because our representatives sat idly by while the Russians, the greatest colonizers, were accusing us of colonialism and imperialism. If our Ambassador to the United Nations had had a little more knowledge and courage on that subject, he would have brought that out.

The gentleman from Illinois [Mr. DERWINSKI] mentioned Estonia, Latvia, and Lithuania. I do not know how many people know that the U.S. Government does not recognize the Russian puppet governments of Estonia, Latvia, and Lithuania, which are part of the U.S.S.R. In fact, our Government still recognizes the legitimate governments in exile and have continued to go on record that we will not recognize the forced takeover and occupation of these three Baltic States. We should never veer from this strong moral position.

We must keep alive the hopes for religious freedom and national independence of the more than 30 million Moslems within the borders of the Soviet Union.

I concur in the belief of the gentleman from Pennsylvania that the Russians, in nonnuclear war, would never dare to cross Poland. I feel certain that the Russians, if they trespassed Polish land, would receive the opposite treatment that the Nazis received when they crossed the border into the Ukraine. You well remember that in World War II the German Wehrmacht invaded the Ukraine. The Ukrainians surrendered their arms and agreed to fight against their big oppressor, the Russians.

The German Wehrmacht gave assurances to the Ukrainians that if they fought against their hated enemy and oppressor, Moscow, that the Germans would recognize their independence. It was with these assurances that the Ukrainians surrendered their arms to the Wehrmacht and expressed their willingness to fight against Moscow. The striped pants boys in Berlin and Hitler rejected the Wehrmacht proposal. Instead of accepting the offer of the Ukrainians to fight against the tyrants of Moscow, the Ukrainians were placed in concentration camps. In the later stages of the war, the Nazis again offered the Ukrainians the opportunity to fight against the despots of Moscow, but it was too late. Khrushchev and his henchmen realize the vulnerability of the nationalistic spirit within the non-Russian nations of the Soviet Union as well as the same spirit in the so-called satellite nations.

I strongly urge the Rules Committee to approve your Resolution 211.

Mr. FLOOD. I was so sick about that, when the United States of America sat silently and when little Chile and Canada and one other of the smaller nations had to come to the defense of America in the world. We sat silent in the face of that outrageous conduct. Little Chile and Canada and one other small nation took on this bull in a china shop and we said nothing.

Mr. CAHILL. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from New Jersey.

Mr. CAHILL. I, too, would join in commending the gentleman from Pennsylvania on his great interest and his great leadership in this cause and, particularly, to commend my good friend, the gentleman from Illinois [Mr. DERWINSKI] for the leadership he has manifested alerting all of us on this side as to the great importance and need for this committee. I want to reassure the gentleman from Pennsylvania that, under Mr. DERWINSKI's leadership, the Republican policy committee has unanimously approved this resolution and I, therefore, can reassure the gentleman from Pennsylvania that Republicans on this side earnestly join in urging the Committee on Rules to release this resolution.

Mr. FLOOD. Of course, we can hope that the members of your great party on the Committee on Rules will read your remarks at least.

Mr. CAHILL. I hope they do.

Mr. FLOOD. Mr. Speaker, I now am pleased to yield to my distinguished friend, the gentleman from Illinois [Mr. LIBONATI] who is also a member of the great Committee on the Judiciary, a well-known jurist and famous trial lawyer from the great city of Chicago. Because of the gentleman's many years of residence in that great city with so many people who are descendants of people from the captive nations, I am sure we can profit by listening to his words of wisdom on this subject.

Mr. LIBONATI. Mr. Speaker, I compliment the gentleman from Pennsylvania for his courage and daring in seeking establishment of another committee. I am sure the gentleman has thoroughly analyzed the jurisdiction of this committee and its purpose, which would be to focus attention on Captive Nations Week and the ultimate purpose of the observance of Captive Nations Week and to disseminate the information gathered by the committee so that the American people would be better informed. I would not like to see your committee tied up by circumstances so that you would be just using the impressions that are brought to you through the agencies of dissemination of information and what might be described as more or less general expressions of opinion of the times. I would like to see this committee have such strength and purpose as our distinguished majority leader once said in speaking on this same subject, namely, that this committee should be a virile and forceful committee and that it should shed the light of truth on all facets of such governments, whether they be good or bad.

I think you will agree with me that ultimately we will have to follow the same pattern that the Russians have followed. Ultimately, we may have to send men into these various countries—men who will be armed with the Bible and a gun. These men will work through the underground and, thus, contact the people of the country as was done in Italy during the Second World War when patriotic and devoted men fired by aspirations of freedom and liberty met with the people in the cellars and in embankments and mountain caves. So it was that they reached that moment of salvation, the moment that meant the

turning point in the souls of men when fear was instilled in those who were controlling the destiny of their land which they were seeking to release from the clutches of the Soviet grasp. I say to you we will never succeed as long as we behave like gentlemen and try to handle the ruffian with silk gloves. The ruffian must learn that we have men here who can be trained in that kind of warfare—not the kind of warfare conducted by armies marching out and presenting a solid front; not the kind of warfare where brigades of men present themselves on the line of battle. No; that is not the kind of battle that must be fought. The enemy must know that we have men who can be trained in the kind of warfare that was carried on by George Washington and his men against the Indians when the British troops had been defeated and our American woodsmen hid behind trees and fought the Indians and overcame the Indians and at least saved the remnants of the British Army. Our American woodsmen, our Yankee woodsmen, in that day and in that era were successful because they knew how to fight the kind of fight that the enemy was making.

So I say to you the President, as I understand from recent developments, is taking that attitude, and in his fervent way is trying to determine whether or not a new approach is necessary and a new attack. Talks have accomplished very little. Throughout all these talks and these conferences nation after nation has been gobbled up by this siren of governments and tyrant of nations.

I say to the gentleman that if his committee can focus the attention of the American people upon a new thought, a new action, a greater preparedness, a constructive purpose, and dominate in bringing aid to these freedom-loving peoples who are looking to us for succor and strength, for aid and technical intelligence, than I think your committee will function in conformity with American tradition and be a credit to the greatness of our country, and will show that we can fight an enemy either by guerrilla warfare, or undermining the confidence of those who sit upon a keg of powder. All that is needed is an honest election to place them in the immigrant status to which they really belong.

We have but to recall their persecutions of the Lithuanian nation in 1940 and 1941 when 60,000 were exiled to the wastes of Siberia. These freedom-loving patriots were rooted from their communities and under the lash driven to barren areas to join the ranks of enslaved prisoners of other nations worked in the Russian mines. It was through death alone that escape was possible.

The captivation of a great people, the Byelorussians, was the very beginning of a bloody trail of world domination—marked by numerous military operations. Their fate is sealed but their faith in the United States is one of devotion.

We have but to think of the historical saga of the Ukrainian freedom fighter Shevchenko to realize the terrible, vicious subjugation of a wonderful independent nation.

And again little Hungary reeling, bleeding, and now prostrate before their Russian masters. The superhuman fight for freedom in 1956 electrified the free world—yet the spirit of Hungary lives again even in defeat. In bondage her patriotic freedom-seeking heroes pray for the day of our intervention in their behalf. It is their only prayerful hope.

And then Poland, the happy land of spirited people 16 years ago, struggles under the Communist yoke. A people whose Constitution written in 1791, modeled after our own, live in abject fear of annihilation.

Communist leaders, through their worldwide organization, have integrated into every land. Through clever manipulation of clever propaganda such as false promises, bribery, intimidation, supplies, friendly services, support of public works, gifts, and loans—only for the purpose of eventually taking all back after taking over government.

Once the Communist leaders march the helpless people to the Marxian step of regimentation—their freedoms and liberties are no more.

I cannot but again reiterate at this time my statements on the floor of the House on February 11, 1961, in discussing the Lithuanian 43d anniversary of her independence, page 2289 of the RECORD:

> The great problem today confronting the United States is, What can we do to liberate these small nations, throughout Europe and the Baltic area, who are now enslaved under the Russian power? How can we, with these nations in enslavement, consider our liberty secure, while these countries suffer inhuman bondage? Certainly the continuous use of pugnacious words will not be the solution and certainly not wishes and prayers alone will free these faithful patriots, who patiently wait for the day of liberation. Certainly education of the enemy will not secure their freedom. It is written in the blood of nations that rescue from enslavement by forceful repudiation will only come through internal eruption and revolt against their despotic control by the tyrants of our time.
>
> If violence be necessary, then, in that event, our Government must stand by these captured nations, who have struggled for freedoms as we honor them. All must be free and we must further every endeavor toward the realization of this freedom. We can only protect our freedom by protecting and recovering for freedom-loving nations their freedoms.
>
> If we are a strong nation with a gun in one hand and a Bible in the other, no one will dare oppose our right to defend a righteous cause. With God and preparedness on our side and the great leadership of the President of the United States, Mr. Kennedy—being dominant in his desire for uncontested supremacy in preparedness, to settle any dispute at the conference table or otherwise—we cannot fail doing something about gaining their independence. It is God's will that it shall so be.

Mr. FLOOD. The finest compliment I can pay the gentleman from Illinois on his brilliant statement is to say that I could not have said it better myself. I might say more than that, I might say that I assure you that if and when this committee is ever formed, and with the aid and the advice of the distinguished Speaker of this House, the distinguished majority leader, the distinguished minority leader, and if by any chance I should serve on this committee, you can be sure that we will not dance to any tune played by the career attachés of the State Department, or the CIA in conducting the processes of a special committee of the House of Representatives of the Congress of the United States. Make no mistake about that.

Mr. SCRANTON. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I will be pleased to yield to my neighbor and colleague from the great State of Pennsylvania, who comes from the city of Scranton—and it is after his ancestors that this great city has been named. His district is populated with the descendants of nearly all of the peoples from these captive nations, and he should know whereof he speaks, so I yield to the distinguished gentleman from Pennsylvania [Mr. SCRANTON].

Mr. SCRANTON. I thank the gentleman. I rise primarly to make two comments. This Captive Nations Committee has been discussed on the floor of the House, as we know, at least on two other occasions at this session of Congress.

I rise to commend the gentleman for his tremendous leadership in what I consider to be one of the most important items that has been presented to the House this year; and I say that advisedly and after a considerable amount of thought, and to remark on his last statement. Aside from the good that will accrue by this evidence of our interest in freedom for those behind the Iron Curtain, the creation of this committee will be stimulating to so many people in the United States who are concerned with these countries which were once their own native lands or the native lands of their ancestors.

The third reason that this committee should be formed is the one to which the distinguished gentleman from Pennsylvania just alluded; namely, that our own regular diplomatic service, highly qualified though it may be in a great many ways, is somewhat frustrated in dealing with this matter directly in view of the fact that the diplomats must deal with the regular qualified personnel of the present governments of those particular countries and not in the way this committee could deal; namely, directly and to the point.

Mr. FLOOD. I may say to my friend that during the investigations of the Katyn Committee we encountered this problem many times.

While there are many attachés in the career service and at various levels of the State Department for whom I have a very low opinion and have had down through the years, if I can understate the case, there are others whose concern equals that of the gentleman from Pennsylvania who would be delighted to see this done, because this committee under the sponsorship of the House and composed of the type of Member who will be named by the House, will be in a position to strike at this problem in ways that the career diplomats, for the reasons my friend said, and others most obviously could not. When he refers to that category of State Department

attaché, I would certainly go beyond that of certain others for apparent reasons.

Mr. SCRANTON. I wish to commend the gentleman because of the tremendous leadership he has taken in this field which is well known in our own area, our State and our Nation. It is extremely important for there to be a bipartisan approach to this matter, and to make certain that we get this resolution through the Rules Committee as rapidly as possible, so that this committee may go to work and do a job which it alone is privileged and able to do.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Illinois.

Mr. PUCINSKI. I am sure the gentleman will join me in expressing great gratitude in having in this discussion today our illustrious majority leader. The gentleman speaks of the sob sisters and their work in opposition when efforts were made to establish by resolution the act of Congress in reference to captive nations.

Mr. FLOOD. I understand there was a lot to go around. I did not get it all.

Mr. PUCINSKI. I think the gentleman will agree with me that it was the skillful handling of this resolution and the thorough knowledge of the parliamentary procedure of the House which permitted us to get this resolution through the House and on the books of the Nation so that we can every year observe Captive Nations Week and give these people behind the Iron Curtain new hope and understanding and that they are the greatest deterrent to war. If Khrushchev could count on these people, I do not think we would have the peace we enjoy today. But, as the gentleman stated earlier, the one thing Khrushchev knows better than anybody in this world is that he cannot count on the captive nations in the event of any armed conflict, because their armies would be headed east instead of west. We owe a great deal of gratitude to our majority leader for joining the gentleman in his efforts 2 years ago to skillfully maneuver this very explosive resolution through the House of Representatives.

Mr. FLOOD. Let me say not only am I endeared to him because his name is McCORMACK, but I am on his side to begin with. All through the years I have been here in the activities in this area, I would never dream, and have never dreamed in this case without first consulting the distinguished majority leader from the great State of Massachusetts. I have sat and learned at his feet for more years than I care to make public. I grow older, he grows younger. I grow weak and tired, he grows strong and vigorous. While the first name of my distinguished friend from Illinois is "Roman," the distinguished majority leader, if I may use the metaphor, is the greatest Roman of them all.

Mr. Speaker, from the endorsements and scores of letters I have received supporting House Resolution 211, one can extract over a dozen sound and convincing reasons for the necessary creation of the special committee which I have proposed. In brief form, however, I should like at this time to advance what I consider to be 10 solid reasons why such a committee should be formed.

First. From his vantage point President Eisenhower in two proclamations on Captive Nations Week summoned the American people to study the plight of the Soviet-dominated nations and to recommit themselves to the support of the just aspirations of the people of those captive nations.

Second. President Kennedy in answer to a question raised on this subject during the presidential campaign said:

> I am, of course, in agreement with the Presidential proclamations. The captive nations should be studied intensively. If a Joint Congressional Committee on the Captive Nations is the best way to insure such popular study, I would naturally not be opposed to it.

Third. There is a hazardous gap in our official and private faciilties as concerns this necessary task of studying systematically, objectively, and continuously all of the captive nations, especially those in the U.S.S.R. Nowhere is there any agency, public or private, performing this essential task.

Fourth. Passage of House Resolution 211 would be the first concrete implementation of the Captive Nations Week resolution, passed by Congress in 1959. The fearful reaction of Moscow to this resolution shall never be forgotten. We can show now that we meant what we resolved then.

Fifth. House Resolution 211 is realistically based on the aggregative concept of the captive nations—meaning those inside the U.S.S.R. as well as outside, in Asia as well as in Eastern Europe. It emphasizes the strategic importance—indeed, the primary strategic value—of all these nations for peace and also for cold and hot war purposes.

Sixth. As advocates of freedom everywhere, we must always realize that the cold war is not just between Moscow's totalitarian empire and the free world, but also and essentially between the captive peoples and the imposed puppet governments. House Resolution 211 is based on this realization, and its passage would provide the necessary and prudent leverage for the captive nations in their cold war against colonial Russian domination.

Seventh. The studies, facts, and truths educed by a special committee would give the constant lie to the propagandized and overblown Russian image, particularly in the underdeveloped areas of Africa, Asia, and Latin America.

Eighth. Such a committee, engaged in continuous work based on the aggregative captive nations concept, would become a rich reservoir of new dimensions of thought, of new and fresh ideas, of solid and grounded recommendations for positive and constructive action against the traditional imperialism and colonialism of Moscow.

Ninth. The existence of such a committee would be a permanent reminder to Khrushchev that we do not now nor shall we ever write off the captive nations. This committee would give concrete evidence to the position expressed by the President in his state of the Union message:

> We must never forget our hopes for the ultimate freedom and welfare of the Eastern European peoples.

Tenth. With the second anniversary of Captive Nations Week Observance only 1 month hence, the House can take the lead in making this year's observance a still more successful one by creating this Special Committee on Captive Nations. The vital and basic subject of the captive nations in the aggregate perhaps deserves the resources of a joint committee and also the steadfast attention of a Cabinet officer, but we can take this first step to insure that the subject will receive adequate and continuous attention in the troublesome days ahead.

H. RES. 211

Whereas on the issue of colonialism the blatant hypocrisy of imperialist Moscow has not been adequately exposed by us in the United Nations and elsewhere; and

Whereas two Presidential proclamations designating Captive Nations Week summon the American people "to study the plight of the Soviet-dominated nations and to recommit themselves to the support of the just aspirations of the people of those captive nations"; and

Whereas the nationwide observances in the first anniversary of Captive Nations Week clearly demonstrated the enthusiastic response of major sections of our society to this Presidential call; and

Whereas following the passage of the Captive Nations Week resolution in 1959 by the Congress of the United States and again during the observance of Captive Nations Week in 1960, Moscow displayed to the world its profound fear of growing free world knowledge of and interest in all of the captive nations, and particularly the occupied non-Russian colonies within the Soviet Union; and

Whereas the indispensable advancement of such basic knowledge and interest alone can serve to explode current myths on Soviet unity, Soviet national economy, and monolithic military prowess and openly to expose the depths of imperialist totalitarianism and economic colonialism throughout the Red Russian Empire, especially inside the so-called Union of Soviet Socialist Republics; and

Whereas for example, it was not generally recognized, and thus not advantageously made use of, that in point of geography, history, and demography, the now famous U–2 plane flew mostly over captive non-Russian territories in the Soviet Union; and

Whereas in the fundamental conviction that the central issue of our times is imperialist totalitarian slavery versus democratic national freedom, we commence to win the psychopolitical cold war by assembling and forthrightly utilizing all the truths and facts pertaining to the enslaved condition of the peoples of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, White Ruthenia, Rumania, East Germany, Bulgaria, mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Ibel-Ural, Tibet, Cossackia, Turkestan, North Vietnam, and other subjugated nations; and

Whereas the enlightening forces generated by such knowledge and understanding of the fate of these occupied and captive non-Russian nations would also give encouragement to latent liberal elements in the Russian Soviet Federative Socialist Republic—which contains Russia itself—and would help bring to the oppressed Russian people their overdue independence from centuries-long authoritarian rule and tyranny; and

Whereas these weapons of truth, fact, and ideas would counter effectively and overwhelm and defeat Moscow's worldwide propaganda campaign in Asia, Africa, the Middle East, Latin America, and specifically among the newly independent and underdeveloped nations and states; and

Whereas it is incumbent upon us as free citizens to appreciatively recognize that the captive nations in the aggregate constitute not only a primary deterrent against a hot global war and further overt aggression by Moscow's totalitarian imperialism, but also a prime positive means for the advance of world freedom in a struggle which in totalistic form is psychopolitical; and

Whereas in pursuit of a diplomacy of truth we cannot for long avoid bringing into question Moscow's legalistic pretensions of "noninterference in the internal affairs of states" and other contrivances which are acutely subject to examination under the light of morally founded legal principles and political, economic, and historical evidence; and

Whereas in the implementing spirit of our own congressional Captive Nations Week resolution and the two Presidential proclamations it is in our own strategic interest and that of the nontotalitarian free world to undertake a continuous and unremitting study of all the captive nations for the purpose of developing new approaches and fresh ideas for victory in the psychopolitical cold war: Now, therefore, be it

Resolved, That there is hereby established a committee which shall be known as the Special Committee on the Captive Nations. The committee shall be composed of ten Members of the House, of whom not more than six shall be members of the same political party and of whom five shall be members of the Committee on Foreign Affairs, to be appointed by the Speaker of the House of Representatives.

SEC. 2. (a) Vacancies in the membership of the committee shall not affect the power of the remaining members to execute the functions of the committee, and shall be filled in the same manner as in the case of the original selection.

(b) The committee shall select a chairman and a vice chairman from among its members. In the absence of the chairman, the vice chairman shall act as chairman.

(c) A majority of the committee shall constitute a quorum except that a lesser number, to be fixed by the committee, shall constitute a quorum for the purpose of administering oaths and taking sworn testimony.

SEC. 3. (a) The committee shall conduct an inquiry into and a study of all the captive non-Russian nations, which includes those in the Soviet Union and Asia, and also of the Russian people, with particular reference to the moral and legal status of Red totalitarian control over them, facts concerning conditions existing in these nations, and means by which the United States can assist them by peaceful processes in their present plight and in their aspiration to regain their national and individual freedoms.

(b) The committee shall make such interim reports to the House of Representatives as it deems proper, and shall make its first comprehensive report of the results of its inquiry and study, together with its recommendations, not later than January 31, 1962.

SEC. 4. The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times within or outside the United States to hold such hearings, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony as it deems advisable.

SEC. 5. The committee may employ and fix the compensation of such experts, consultants, and other employees as it deems necessary in the performance of its duties.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include copy of a resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the subject I have just discussed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, I want to join enthusiastically in the chorus of those who support the establishment of a Special Committee on Captive Nations. As many Members have said, the situation of the Czechoslovakian people, the East German people, the Polish people, the Ukrainian people, the Lithuanian people, the people of Hungary, mainland China, and other subjugated nations, the situation of these people is not without its difficulties. Our dilemma has been how to give support and encouragement to these captive nations without making moves which, instead of helping them, would have the effect of tightening the Communist tyranny over these helpless and freedom-loving people.

Our interest and moral support for these nations will find new channels to help them, and will hearten them in their struggle against their oppressive tyrants, through a House Committee on Captive Nations.

Mr. Speaker, I have a very strong feeling that now is the time for the United States, as the leader of the free world, to go on the offensive and to take advantage of what appears to be a wave of anti-Communist revulsion beginning to sweep the globe. The establishment of a Committee on the Captive Nations in this House will encourage and give body and substance and vitality to this feeling of enthusiasm for freedom and liberty that is now, apparently, beginning to be reborn.

One further thought, Mr. Speaker. In any formula for liberating captive nations, we must not overlook, we must never abandon, the Cuban people or the people of the Dominican Republic.

Mr. HALPERN. Mr. Speaker, I would like to commend the gentleman from Pennsylvania [Mr. FLOOD] on his leadership in advocating a Special House Committee on the Captive Nations. I am privileged to have joined with him as a cosponsor of this proposal, my resolution being House Resolution 215, and I am pleased with the national attention that is being given to the objective of the resolutions. The consideration being given to these measures by Congress is highly commendable, and I cannot urge their enactment strongly enough.

Mr. Speaker, the existence of Communist regimes in the captive nations is due in large measure to the exercise of military and economic force and intimidation by the Soviet Union, which seeks to maintain puppet governments wherever it can get away with it. A Special Committee on the Captive Nations could serve to inform the American people and the Government—and the world at large—on the situation behind the Iron Curtain, and thus help immeasurably in the formulation of our national policy.

On this occasion, it is perhaps fitting to recall that not a single one of the Moscow-dominated regimes of Eastern and Central Europe came to power through a free election, or anything nearly resembling a free election. In every case, the Communist regime was imposed by fear of the bayonets of the Red army, or by actual physical presence of the Red army. Beginning with the Nazi-Soviet pact of 1939 and the Russian occupation of the small countries of the Baltic coast, and continuing through Red army depredations in the postwar period, the Soviet Union has consistently followed a policy of imposing puppet or stooge regimes wherever possible. I think it is safe to say, in fact, that in the entire 20th century, no free nation has ever voted in favor of a Communist regime in a free election.

The reality behind Soviet talk of the unity of the so-called Socialist camp has long been known to the suffering peoples of the captive nations and to scholars and experts on East European and Asian affairs. As if the reports of police terror, of the destruction of all democratic liberties, of rigid, centralized Communist dictatorship, of the kind of moral "doublethink" characterized so well in George Orwell's two famous books "Animal Farm" and "1984," were not sufficient to expose Soviet control for what it is—an unashamed exploitation by force of smaller and weaker peoples—Soviet actions in the Berlin uprising of 1953 and the Hungarian revolution gave added emphasis.

When the people of Hungary, pressed beyond endurance by Communist tyranny, cried out for bread and freedom, they were answered by—5,000 Soviet tanks. That is the reality behind the unity of the Socialist camp of which Mr. Khrushchev likes to boast.

Mr. Speaker, in dealing with the Soviet Union and its satellite nations, we must never forget that the monolithic facade sometimes presented by the Soviet bloc actually conceals sharp differences within the Iron Curtain area between the captive nations and their Russian master. Within every area of the Soviet bloc—within the Soviet Union itself—there are human beings yearning once again to be free, to enjoy the right to real national independence, to worship if they wish and as they wish, to be safe from persecution and exploitation.

That is why the resolutions to create a special committee on the captive nations are so important. To captive peoples, submerged nationalities, oppressed minorities within the Soviet bloc, these resolutions convey this message: that their deeply felt aspirations for freedom are known to the people of the United States, are a matter of concern to the Congress of the United States.

At the same time, the resolutions do something practical toward dealing with those aspirations. They create a special committee whose function it is to make the closest and most careful study of conditions in the captive nations, with special responsibility for recommending policies by which the United States can assist the captive nations, by peaceful means, to regain their freedom and independence.

Through the work of the special committee, the best scholarly and practical findings of men who have devoted their lives to study of the Communist world, who know the countries involved intimately, can be brought together and placed in the public record for use of the public and the National Government. In many cases, there already exists a tremendous store of factual, balanced, carefully weighed information and analysis on particular nations or problems, but unfortunately, much of this information rarely sees the light of day outside the university. Through the work of the special committee, this kind of material would be made available to the entire Nation and, indeed, to the entire world.

Mr. Speaker, I hardly need state that the Soviet Union, which at times appears so formidable—and which, indeed, is a formidable and dangerous opponent of this Nation and of freedom-loving peoples the world over—suffers from many weaknesses and debilities which it is our duty to exploit to the best of our ability. Not the least of these is the bitter resentment of Soviet domination by many of the peoples of the captive nations. The resolutions we are discussing here today would enhance our power to use this resentment—to use it in the interests of world peace, world liberty, and world decency.

Mr. CUNNINGHAM. Mr. Speaker, I would like to associate myself with the remarks made by the gentleman from Pennsylvania [Mr. FLOOD].

I have also introduced legislation to create a Special Committee on the Captive Nations, and I am happy to endorse everything that has been said about the need for such a group.

We are engaged in a vicious cold war battle against the forces of international communism. We must marshal every resource and use every possible device at our disposal to defeat this threat.

FBI Director J. Edgar Hoover has said recently that "the intelligence organizations of the satellite countries, carefully coordinated under Soviet leadership and control, have gained increasingly in experience and ability."

Thus we have clear evidence that the Soviet leaders are using the people of the captive nations to accomplish the Russian aim of world domination. It is equally clear that we must do everything in our power to encourage the freedom-loving people of these captive nations to retain their high ideals of individual freedom and national liberty which mark the histories of their individual nations prior to the advent of the iron rule of the Kremlin.

I sincerely believe that the creation of a special committee such as that proposed in the legislation under discussion would be a blow struck for freedom for the oppressed people of these Iron Curtain countries.

SPECIAL COMMITTEE ON CAPTIVE NATIONS

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. SCHNEEBELI] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SCHNEEBELI. Mr. Speaker, it is a privilege for me to join my colleagues—sitting on both sides of the aisle—who seek support for the captive nations. It is, I think, both significant and praiseworthy that Republicans and Democrats alike have introduced similar resolutions to establish a Special Committee on the Captive Nations. There can be no effort more worthy of bipartisan endorsement than this creation of a new weapon to oppose Communist tyranny and propaganda.

It seems clear that this establishment of a new vehicle for the analysis and exposure of the plans for conquest by the Communist conspiracy will aid our fight in the cold war. The very existence of the captive nations—enveloped behind the Iron Curtain but with their inate and desperate craving for freedom unstilled—constitutes a powerful deterrent to the ignition of a hot war by our Communist enemies. If we wish this deterrent to continue in force and effect, we must demonstrate our identity and cooperation with the cause of the people of the captive nations.

Mr. Speaker, for these reasons—the establishment of a weapon in the cold war against the tyranny of communism, and the continuation of a bloc to the hot war of active Communist aggression—I commend my colleagues for their actions in support of the Committee on the Captive Nations.

FREEDOM OF INFORMATION CENTER

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, on May 2, 1960, I took the floor of the House to deliver a speech I had prepared entitled "Lobbying and Reporting: The Future of Representative Government"—CONGRESSIONAL RECORD, volume 106, part 7, pages 9141–9146.

I pointed out that with the increased reliance our citizens today must place upon national reporting for their information about public affairs the reporting profession has a new and basic responsibility to assume in the proper operation of representative government. Certainly the reporting profession always has had a function to perform in representative government, or any government for that matter, but the exclusiveness with which it now controls the important function of the representative reporting back to the people what he has found out in their behalf and why he has acted or voted as he has, has had its beginnings only about three decades ago.

I was happy to learn that there is such an institution as the Freedom of Information Center established at the School of Journalism, University of Missouri. I became aware of the existence of this institution just a few months ago when I received a publication entitled "Speeches, Third Annual Freedom of Information Conference, School of Journalism, University of Missouri, Columbia, November 17–18, 1960."

The speeches are all well worth reading, but there is one in particular I wish to call attention to. This is a speech by O. R. Strackbein whom most of us know quite well as the tireless lobbyist for the protective tariff approach to foreign trade.

I am placing Mr. Strackbein's speech in the RECORD followilng these remarks. It makes some very important points about reporting today. I think perhaps I can bring the matter up more graciously than many of my colleagues because I do not fully agree with Mr. Strackbein's thinking on the economics of foreign trade. The point is that national reporting through radio, television, newspapers, national magazines, national Sunday supplements of newspapers, books and book reviews, and so forth, has never given Strackbein's point of view, which many Congressmen share, a fair presentation.

This is a basic issue. The reporting process, by which I mean the original write, rewrite, headlining, placement, followup, cartooning, editorializing—and the counterpart of the other media—should report fairly and as equally as possible the various points of view that are expressed by the peoples' governmental representatives, and also the point of view of the peoples' special representative, their lobbyists who in their behalf exercise the constitutional right to petition the Congress. They must do this so that the people may participate intelligently in their Government.

The greatest error in public debate in America today is criticism out of context. Criticism out of context makes sensational news but frequently badly damages the progress of those who are hardest at work to correct the very errors to which the criticism has been directed.

So, in my criticism of the reporting profession in America, let me put it into context. Reporting in America is head and shoulders above reporting in any society in the world today or in the world of the past. I say this with all the criticism I have directed to it in the past and the criticism I am presently making. The people who are hardest at work to make reporting even better are not the outside critics like myself, but rather the conscientious people in the profession.

I hope the Freedom of Information Conference goes on to greater glory. I would be interested to know what they had to say about Mr. Strackbein's criticism, particularly the question he raised: Is there not some board or committee to which a complaint about the press could be directed. This same question, of course, should be raised about the other reporting media, radio, television, national magazines, book reviews and book publishing houses.

There should be no occasion for raising the bloody shirt of censorship when all one is suggesting is a system of self-discipline. The Bar Association handles its own grievances and has long established grievance committees to which any person may register a complaint. The same is true of the medical profession.

In fact, there are very few occupations which seek the appellation "profession" which do not establish grievance committees of some sort so that the public has some place to register their complaints.

The reporting profession should establish for itself a code of ethics and establish its own boards which will receive and act upon complaints from the public. Whether these boards would develop disciplinary techniques as strict as disbarment, losing a medical license or being defrocked would depend entirely upon the leaders of the profession. Mere public exposure with which the reporting profession is well acquainted, is one of the most powerful of all disciplines. This in itself might prove to be adequate.

If the reporting occupation is to become a full-fledged profession, as I think it must in order for government by the people to survive, there must also be a new look taken at the skills required to maintain professional competence. The art of reducing a rambling political speech by one of the people's representatives, a hundred-page technical bill introduced in the Congress, or a series of interrelated actions of politicians, into a few paragraphs of readable and accurate prose requires great talent and training. Nor can the goal of objectivity ever be more than an ideal toward which the reporting team strives. The difficulty of striving toward the goal, however, should never be used as an excuse for abandoning the attempt.

If our society expects professional skills we must be prepared to pay for them. So, my concluding observation is this: If we want better reporting, the owners of the media must pay salaries commensurate with the required skills. A great deal has been reported about the need for raising teachers' salaries if we are to have the quality education our society must have to keep moving forward. Practically nothing has been reported about the necessity of raising the salaries of the reporting profession if we are to have quality dissemination of public information to our people. This is as important to representative government as is an educated populace. Our people are dependent upon the reporting profession for the information they need in order to apply the education they have received.

I believe that paying high salaries will pay off economically. Quality reporting will get greater readership and greater listenership and from this comes the greater economic return, and, as I have been stressing, better government.

The following is Mr. Strackbein's paper:

OH, TOUCH NOT THE PRESS

(By O. R. Strackbein chairman, nationwide Committee on Import-Export Policy)

It it with some trepidation that I tread this platform in this great forum of journalism. From the point of view of the editorial world, I am a rank layman, an outsider or uitlander, as the Boer of South Africa might have expressed it.

A few short years ago, I would not have dreamed that I would be here today or any other time. I was unaware that a Freedom of Information Center existed. This perhaps merely shows how ignorant the ordinary citizen who reads the newspapers can be. I am delighted to know that the center not only exists but has done and is doing a great deal to purify and guard the fountainhead of freedom.

The question naturally arises what brought the center to my attention and what in turn brought me here.

There is some irony to be found in this, as you will see.

I have read a number of the addresses before this conference delivered by other speakers in times past, and have been greatly impressed by the incisiveness of their analysis and their devotion to the ideal to which the center is dedicated. Much pioneering work has been done and, I gather, some practical results have been gathered in as fruits of some real effort.

I can only applaud.

One of the papers delivered before this Center in 1958 quoted from Walter Williams' "Journalist's Creed" in which he said that "the public journal is a public trust," and that "all connected with it are to the full measure of their responsibility trustees for the public," and "that clear thinking and clear statement, accuracy, and fairness are fundamental to good journalism." May I add that I have read the whole creed on a bronze plaque at the entrance of the National Press Club in Washington, D.C.

Absolutely wonderful. What better could be said?

How strange then to some of these workers in the vineyard of responsible journalism to find themselves the object of what must have seemed an outrageous attack by me something over a year ago. Here they were, in the very forefront of journalistic self-criticism and housecleaning—honored officials of the American Society of Newspaper Editors (usually referred to as ASNE)—and what was the reward? An attack that ignored all their good work. I began to feel badly about it and was almost at the edge of remorse when I found that these gentlemen were able to take care of themselves.

I quickly learned that these exalted editors were really very human. They jumped to their defenses with a ferocity that was almost sublime. It is now evident to me that they were wounded where it hurts most—in the innocence of their integrity. The rage of a woman scorned may be something beyond what is normal in hell itself; but the fury of a crusader, when his pride is wounded, churns like the angry ocean waters under the lash of a hurricane.

Who was this rude intruder who with muddy boots stomped into the sanctum of holies and asked subversive and outrageous questions?

The first echo bounced back like a radar signal hitting a speck of dust in outer space. One of those who responded said:

"Although ASNE's Freedom of Information Committee always stands ready to investigate any bona fide charges that legitimate public information is being suppressed, I certainly do not intend to ask the committee to spend its time examining generalized and emotional attacks and innuendos."

To me this response had something of the feel of cool water. I was not yet sensitive enough, however, to the developments in the journalistic world to detect the special meaning of the word "public" in relation to information. Evidently, suppression of public information had a sinister meaning all its own, not applicable to suppression of ordinary information. This came home to me later.

So dense was my ignorance that when I replied to the president of ASNE that I could not believe that there was not some board or committee to which a complaint about the press could be directed, he thought I was calling him a liar. I explained that what I meant was that there must be some such board to which recourse could be had. It seemed inconceivable that in a field of such great importance to the public and to the Nation there was not some recourse.

Later, I called attention to the Food and Drug Act, weights and measures regulations, requirements for the practice of medicine and law, teachers' certificates and degrees, etc. It seemed strange that the public could demand standards in these fields and could demand to know what went into our stomachs while it had nothing to say about our journalistic mental fare. I went so far as to say that all these professions had standards but that apparently anybody could practice journalism. I do not believe that this endeared me to my friends.

By this time, you will have noticed that I have been backing into my subject. The purpose was to take you along with me in my experience.

I should say a little more about my complaint, however, so that we may go forward from there. The original complaint arose from what I regarded as evidence, observed over some 10 years of time at first hand, that the press of this country, particularly the metropolitan press, had failed to give even remotely equal space, position, and substance to one side as compared with the opposing side of an issue that was national in scope and of historic interest to the American people. Specifically, the complaint said that there had been "systematic and evidently conscious downgrading of one side of news" while in contrast the favored side had been "disseminated to the point of saturation."

What might have been called the second wave of reaction from those who considered themselves accused, although I was not accusing anyone in particular, consisted of warding off the complaint in ad hominem fashion. This was variously couched but it meant that my complaint could be explained on the grounds that I was an interested party.

One reply said that "I think that I am justified in concluding that you are just like any other earnest and sincere lobbyist of some special interest who, by the very nature of his work, is bound to believe that the press as a whole does not give enough attention to the subject in which he is passionately interested."

Another respondent said that he understood and appreciated that I felt my point of view had not been sufficiently publicized; but he added:

"This is a thoroughly normal reaction of a partisan advocate but it does not support your conclusions and self-serving assumptions."

My reply to this letter was in part as follows:

"I don't know how any complaint, except one theoretically spawned in a vacuum, can arise from something other than an interest; nor do I know how or why anyone should complain if he has nothing at stake. All

complaints at law arise from * * * injury to self-interest * * *. You must be aware that it is impossible to get into a civil court without having a personal or fiduciary interest at stake.

"The person to whom a complaint is brought is just as surely inclined by self-interest to dismiss it as the complainant is motivated by self-interest to lodge it. Moreover, the one upon whom the complaint is served reacts from inertia and does not care to be bothered."

It seemed to me that what shocked these good people was that they who regarded themselves as keepers and promoters of the conscience of the press should find themselves attacked. I felt some support when recently I read in one of your bulletins the following:

"The center (i.e., this center where I am now speaking) to be of any genuine public service, would have to be as critical of U.S. news media as it would be of Government agencies accused of withholding news."

This was a quote from Walter Millis.

Perhaps it had not occurred to the press itself that Government secrecy or coverup is not the only impediment to the public's access to a full and unbiased presentation of public issues. Important as access to information from governmental sources is, this is only a part of the equation.

Mr. Murray Snyder, Assistant Secretary of Defense for Public Affairs, one of your speakers in 1958, voiced the same idea. He said:

"I assume that most of the business (i.e., of a freedom of information center) will originate with news media, but I anticipate that some complaints may come from individuals or organizations who name the media themselves as targets.

"I would not suggest that Government be in any way represented on the center's operating board. However, should not the reading public be represented there? After all, the lay reader is the injured party, whether his right to know is abused by a Government official, by a columnist or by an editor."

If this idea is sound (and who can doubt it?), upon whom does the task of vigilance devolve?

In the matter of governmental withholding of information or giving out precooked versions of this or that operation or alleged failure, the press itself is a party in interest and may be expected to activate itself. Perhaps even here the press needs some prodding from within; but it has enough at stake itself to launch complaints where they are justified.

The fact is that the press has set up a committee in this field (i.e., of governmental secrecy); and that that committee has been quite active. It is an important committee of the ASNE. I suspect that it had something to do with the establishment of the Special Subcommittee on Government Information often referred to as the Moss subcommittee, of the U.S. Congress.

But, assuming there are legitimate complaints against the press itself, who is to bell the cat?

Strangely enough, this is not the most difficult part of the question. The real question is where does he find the cat? A search, a thorough search, high and low, far and wide, will disclose that there is no cat. That is what I learned. How then do you put the bell on a nonexistent cat?

In the vernacular: That is a good question.

One of my honored correspondents during my foray into this No-Man's-Land had this to say:

"It is not the business of the committee (the Freedom of Information Committee of the American Society of Newspaper Editors) to evaluate charges such as yours; namely, that one side of a political, economic, or other cause is not given the same news treatment as the other. I am afraid that is a battle you will fight best all by yourself."

This was clear enough.

Slowly I was beginning to see the light. The ASNE Freedom of Information Committee was established, as I was told, "to combat the withholding of news by governments—whether Federal, State, local, or, for that matter, foreign."

Obviously the press, as represented by the spokesman who replied to me, did not consider itself as a projer subject of inquiry through "emotional attacks and innuendoes," such as I suppose almost any unsolicited and unwelcome attack might be characterized.

Two responses made this quite clear. One said:

"I do not agree that there is a 'systematic and evidently conscious downgrading of one side of news.' Disagreeing with you on that, there is not much point in debating a remedy for the situation with you."

The other one, received on a previous occasion, from the publisher of a great metropolitan newspaper, reached a similar conclusion. It said:

"It is quite evident to me that you and I do not agree and since it's a free country, we are certainly both entitled to our opinions. I see nothing to be gained by continuing the discussion."

In other words, as beautiful expressions of sentiment, the terms "freedom of the press," the "right to know," etc., are dear to the editorial heart, but their reaction under attack is "don't bother me with the practical application of such mouthings."

My persistence was somewhat offensive, I believe, because one letter from the inner editorial sanctum ended with these perfumed words:

"I find your letters insulting and abusive and have no desire to continue a correspondence that has become a nuisance and a bore."

I knew then that I had struck paydirt.

Other people, i.e., laymen from the editors' point of view, reacted differently. A few Members of Congress responded. None disagreed with what I had said, and they had access to my full complaint. A few excerpts will faithfully reflect their replies (without attribution):

"I am deeply grateful for your thoughtfulness in sending me a copy of your letter of June 18 (i.e., to the ASNE). It is a masterpiece."

Another Member of Congress wrote:

"In my opinion, this is a most brilliant expression of the one-sided editorial policies of the average daily newspaper in this country."

Another Member said:

"If more of those who are affected by such practices would do as you have done, it might result in a change for the better.

"I hope you have given wide distribution to your letter of June 18th."

An attorney at law wrote:

"From every quarter I am receiving the most complimentary remarks possible concerning your letter of June 18 addressed to (the ASNE).

"My partner states that it is the best article on the subject which he has ever read."

A corporation vice president wrote:

"I thought your letter to (ASNE) was a masterpiece. Unfortunately, however, I am afraid that its very greatness will insure its prompt burial."

A Texas ranchman wrote:

"I have just finished reading the copy of your letter to (ASNE), dated June 18. It is a masterpiece."

A managing editor of a midwestern newspaper, however, was not greatly impressed. He ranged himself alongside of his fraternity with these words:

"I think your charges are those of a person immersed in a subject so deeply he has no concept of the responsibilities of a newspaper."

The sharp cleavage between the estimates of the newspaper editors on the one hand and the legislators and outsiders on the other is so sharp that the need for a referee becomes painfully apparent.

I found, however, that, as there is no cat on which to hang a bell, there is also no referee.

Well, to come to the climax, it was agreed to lay my complaint before the board of directors of ASNE at their meeting of October 31, 1959. I requested the opportunity to appear before the board to present my case. This request was denied.

After the ASNE Board meeting, the secretary of the Society wrote to me that the board of directors had directed him to advise me as follows (in part):

"That the Board of Directors has no authority from the membership of the American Society of Newspaper Editors to sit in judgment on the performance of individual newspapers, or on the performance of the press as a whole, and that complaints about news coverage should be directed to the individual newspapers involved."

Beyond that the board said that while they had no authority in the premises they had read the material submitted by me but had "discovered no concrete charges of the sort that would warrant an investigation or inquiry by the sort of tribunal he (i.e., the present speaker) advocates, even if such an agency did exist."

This was the finis written by the Board and presumably the swansong of the complaint itself.

The only remaining question is whether the press itself properly embodies the supreme tribunal with respect to complaints brought before it; or whether there should be an appeal.

Let me add here that subsequently the ASNE Bulletin offered me an opportunity to summarize my complaint and that this was published in the February 1, 1960, issue of that publication.

The position of the ASNE reminds me of the experience of a complainant to the Internal Revenue Service about a tax decision. He filed an appeal. After ample time, Internal Revenue reaffirmed the original decision. The complainant next asked how to file an appeal and he was informed how to go about it. Accordingly, he signed an appeal and awaited a reply. In the amplitude of time, he received a reply. Internal Revenue reaffirmed its previous decision.

The complainant was unhappy. He reread the letter to be sure that he had properly understood its conclusion. It was then that he took note of the signature. This was the same as that attached to the decision from which he had appealed.

How can justice or equity be assured when the person against whom a complaint is lodged renders the final decision on an appeal? Unless an appeal can be taken to an outside arbiter the recognized bases of a judicial decision are absent.

There are, of course, those among editors, completely sincere men, who believe that freedom of the press is so tender a flower that it admits of no obtrusive interference or rude intrusion from without. One of the nonjournalistic commentators on my complaint wrote as follows:

"Congratulations on your excellent letter to members of the Board of Directors of the Society of Newspaper Editors.

"You certainly handed to them the facts as they exist. The American press has long taken the attitude that they can do no wrong, and that their opinions and procedures are always correct."

I am glad to be able to point to a journalistic exception to this attitude, and I am sure there are many others in the press field. Speaking at Pennsylvania State University at

the first annual communications forum, November 8, 1959, Mr. Herbert Brucker, editor, the Hartford Courant, expressed himself on this point. He said:

"To say that our press is doing a better job than any other does not mean we are doing as well as we should.

"What has happened in the past when the critics have trumpeted charges that we are not meeting our responsibilities is that we have risen indignantly to say that ours, the finest flower of journalism, has no fault nor flaw. A dozen years ago, when Mr. Hutchins' Commission on Freeedom of the Press issued its report, it was angrily denounced by the press, chiefly on the ground that no newspapermen had served on the commission. Somewhat less attention was paid to the question whether what the report said was valid. Again, when at the time of the 1956 presidential campaign the journalism fraternity Sigma Delta Chi sought to set up an objective test of how fairly that campaign was reported, the attempt was snowed under by the newspapers."

This is enough to show that there are eminent men in journalism who recognize the shortcomings of the press; but too many regard it as a strictly family affair and resist all outside interference.

In a letter to Dean Earl English of the School of Journalism, University of Missouri, December 17, 1959, the present speaker said:

"It is my belief that objective standards can be established in this field as a general guide to news editors; also that a code of journalistic practices can be set up, covering the ethical field and defining unfair practices as well as other malpractices.

"The interest of the reader as the consumer of news should be given greater weight, both in his capacity as a citizen who is entitled to be reliably informed by the media upon which he relies, and as a professional or businessman, or politician, or statesman, whose judgment could be misled by misinformation, by lack of information, or by partial and distorted accounts of the news."

Very little will be accomplished if the matter is left to self-regulation by the press. At the same time it seems entirely proper that the press should be represented on any board that might sit as an appellate tribunal; but in a minority position. Certainly, schools of journalism would be a good source of a part of the board membership. I would not say that the Government should be excluded; but, again, were it represented it should be as a minority.

First, of course, a journalistic code should be drawn up. Perhaps this has been done more than once without final success. It could best be accomplished by a small group with representation of newspaper editors, along with proper legal guidance. Next, methods of judging news coverage, fairness, objectivity, etc., should be agreed upon. Administration of the code should then take the form of receiving and hearing complaints rather than undertaking to ride herd on the press from day to day. No legal enforcement machinery need be provided at least at first; but decisions should be reached and given publicity.

Local boards, State boards, and a national board should be set up, constituted by persons of the highest standing, including media representation, with the locals operating essentially as screening boards, while the national board would act only on appeals from State boards.

There would be no element of censorship, but rather findings with respect to the justification of the complaints measured by the code of ethics and fair journalistic practices.

I firmly believe that editorial support would be forthcoming for such a proposal and enthusiastic acceptance by those who would rather do something about shortcomings of the press than merely complaining about them.

In any study of the freedom of the press, this caution above all must be observed in a democracy: beware of the interlocking combination of the press and the Government when the two agree on a point of public policy.

It is then that a contrary voice of common sense cannot rise above the status of a voice crying in the wilderness, for it will gain little or no expression in the news columns.

It is also then that ideas such as those that guided depiction of the Communist Chinese as innocent agrarian revolutionaries can get into the saddle and easily override opposing voices to a disastrous destiny; or that Fidel Castro can be presented by honorable newspapers as faithful to his given name and raised to the heights of a popular revolutionary hero in successful disregard of uttered judgments to the contrary.

The gates of heaven, even in a democracy, cannot prevail against such a combination, for under its sway, thought is throttled as surely as under despotism.

Whether thought and expression are stifled by harsh repression or by a manufactured climate of opinion that holds a great majority in thrall, any challenging truth is crushed just as effectively; and the ascendant idea, propagated by a self-satisfied press, devoid of a code of impartial reporting, but fed in turn by a monolithic governmental policy, will culminate in whatever it may beget, often to the later great dismay and distress of the country.

So long as the rumblings seemed distant nobody would listen to contrary opinion. It did not fit and was not congenial to the implicit newspaper-governmental conspiracy of the time. It went against the manufactured climate of opinion; and there was no appeal. Therein lies one of the greatest dangers of today; and journalism is deeply implicated.

OLD IN TRADITION—YOUNG IN SPIRIT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I would like to remind the House of today's twofold historical significance. Flag Day observances being held throughout the Nation serve as appropriate reminders of one of the events. It was 184 years ago today that our flag was adopted by the Continental Congress in a resolution which provided that—

> The flag of the United States shall be 13 stripes of red and white, with a union of 13 stars in a blue field, representing the new constellation.

As we pause to recall this great event, it is appropriate that we pay tribute to another and still older institution of this great Nation—the U.S. Army—which also celebrates its birthday today.

On June 14, 1775—186 years ago—the War for Independence had been underway for almost 2 months. Minutemen had battled the British at Lexington, Concord, and Bunker Hill; and on that June day, a valiant band opposed the Redcoats at Boston. These were Americans who had shown a willingness to fight for their liberty. They were hardy individuals who knew the terrain and knew their weapons, but they soon felt the need for organized unit action under a central Continental Army.

The Continental Congress, then convening in Philadelphia, took a major step to sharpen our armed strength by passing a resolution which began as follows:

> *Resolved*, That 6 companies of expert riflemen be immediately raised in Pennsylvania, 2 in Maryland, and 2 in Virginia; that each company consist of a captain, 3 lieutenants, 4 sergeants, 4 corporals, a drummer or trumpeter and 68 privates.

With this resolution of June 14, our Army was born. And this newly created Army—reinforced by volunteer militia, and inspired by the leadership of a tall, square-jawed Virginian, George Washington, our first President, and Father of our County—supplied a major part of the strength from which this great Nation emerged.

Today, Mr. Speaker, it is fitting that we honor its deeds and the 186 years of unfaltering service which the Army has provided.

There was a time, however, when it seemed that America did not fully foresee the vital role of the U.S. Army. This was evident in the demobilization of 1784, when a fledgling nation involved with economic growth and westward expansion, reduced the Army to a caretaker force of 80 privates and a few officers.

Only one unit survived this demobilization—a unit which began in 1776 as Alexander Hamilton's company of New York Artillery. It exists as a battery of the 1st Rocket Howitzer Battalion, 5th Artillery, part of the famous 1st Infantry Division.

The demobilization that left this artillery battery as the entire U.S. Army was only temporary, for on the very next day Congress passed a resolution instituting the first American regiment. This regiment, originally created for a 1-year period and recruited from volunteer militia, is now the senior infantry regiment of the Regular Army, today's 3d Infantry. Affectionately named the "Old Guard" by General Winfield Scott, this regiment is well known to all of us here in Washington.

As we look at our Army today, we are acutely aware that it has not one but three components—the Active Army, the Army National Guard, and the Army Reserve. This force today enjoys a one-Army view and solidarity heretofore achieved only in the crucible of war.

So it is fitting that I call your attention to the many units and individuals of the Army Reserve, and to the fact that several of our National Guard units take fierce pride in their early beginnings. Some of these date back to colonial times, and have continued their dedicated service throughout the years in the finest traditions of the citizen-soldier.

But all of the components of our Army, whether old or new, Active or Reserve, are carrying on a tradition of service to the Nation. In 186 years, the Army has made outstanding contributions to America's victories in eight major wars and scores of minor conflicts. In the

process, it has produced great leaders; it has endured many hardships; it has had more than its share of heroes and heroic acts; and it has always placed duty, honor, country above all other considerations.

Nor have all of its contributions been strictly military, for the Army has produced benefits to many phases of American life. Certainly we are often reminded here of the Army's long service in the field of civil works. Well known also is the success of the Army's Redstone in the launching of our first artificial earth satellite as well as our first astronaut. But we are perhaps less aware of the many civilian benefits arising from its military research and development activities.

I refer to such contributions as nuclear power, blood plasma substitutes, new high-temperature alloys, heat-resistant and fire-retarding paints, helicopters, miniature electronic components, insecticides, and numerous others. Thus it is that the Army has played a vital role in the peacetime endeavors of America.

But in 1961, as in 1775, the Army's primary purpose is the military defense of American freedom. However, this defense poses an ever-greater challenge today—as it will in the future.

The cold war battle of nerves, the frequent outbreak of brushfire conflicts, widespread guerrilla and subversive activity directed against small nations of the free world, and the ever-present nuclear threat are new problems peculiar to the 20th century.

Global requirements for land forces under our collective security policy, and the magnitude of the dispersion that will be mandatory on any atomic battlefield of the future, place unprecedented demands on the Army in terms of firepower, mobility, communications, and scope of operations. These factors are producing new organizations and equipment, new weapons, revised tactics, and advanced thinking in today's modern Army.

To meet today's triple defense challenge in paramilitary warfare—in conventional warfare—or in nuclear warfare, the Army has, in being, a dual capable force, in possession of a complete range of firepower, thus providing our military structure with the flexibility it needs—able to react with a measured response.

Part of the Army's flexibility stems from our forward strategy concept. Under this concept, as you know, Army forces are deployed worldwide to protect vital strategic areas and establish a position of military strength in conjunction with our allies. In keeping with this strategic concept, over 40 percent of our Army is stationed overseas in approximately 80 nations and territories. In this way, local aggression can be met by trained forces already in position.

Strac, the Strategic Army Corps, stands ready to reinforce our oversea forces, or to move quickly to other trouble spots if the need should arise. This highly mobile three-division force is probably the most combat-ready land force ever created in peacetime. Its two airborne divisions and one infantry division operate from bases in this country, and can be immediately deployed in cold, limited, or general war situations. First elements of Strac would be ready to move within an hour in the event of a crisis.

Backing up these deployed and strategic Reserve Forces are highly trained units of the Army National Guard and Army Reserve—our Army's reserve strength in depth. The National Guard and the Reserve—right along with our Active Army Forces—are working together today to weld an effective shield and a potent sword for the Nation.

No sketch of today's Army would be complete without some mention of one vital activity, long unpublicized but recently the object of a great deal of interest and attention. I refer, of course, to the Army's special forces.

Nearly a decade ago, the Army began training small groups of men in the techniques of organized guerrilla warfare, for it sensed far ahead that such special forces would be needed in war. But today, the exceptional value of these trained forces lies in the advice and assistance which they can provide to allied nations whose national sovereignty is threatened by irregular forces.

These special forces consist of small groups of highly trained specialists who are experts in organizing local patriots to counter infiltration, subversion, and guerrilla action directed against legally constituted governments.

This Army effort, then, is one which will pay big dividends in return for a relatively small investment. In effect, these special forces are a catalyst for generating an extensive free world defensive capability.

Forward deployed forces capable of decisive action—a highly mobile and powerful Reserve, the Strategic Army Corps—strength in depth in the form of the Army Reserve and the Army National Guard—special forces: all of these attest to the Army's noteworthy flexibility. But there is more, for the Army is equipped with a variety of nuclear and nonnuclear weapons. Thus, its response to aggression can be varied from a rifle bullet to mass destruction, as the situation demands.

Mr. Speaker, on this, its 186th birthday, I have no doubt that the Army will again fondly recall and dearly cherish the proud moments in its long and illustrious history.

But I am equally certain that today and tomorrow and thereafter, it will continue to look to the future. America's senior service will continue to seek ways and means to provide this Nation with a powerful and modern land force. It will strive to become still more versatile, more combat ready.

It will strive for ever-greater mobility, for quality weapons in the quantities necessary to meet our Nation's land force commitments, and for the quality soldier who is really the ultimate weapon in this or any other age.

Mr. Speaker, as our Army moves ever closer to a full two centuries of service to our beloved country, I feel that this House and a grateful Nation can do no less than to wish it many happy returns, and to pledge our full support in the uncertain future that lies before us.

If we do this, we may rest assured that the Army will be ready always to supply the necessary answer for those who would challenge our freedoms.

NUCLEAR TESTING

Mr. RYAN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, I rise to discuss one of the most crucial issues which is facing this country and which was referred to earlier today by the distinguished gentleman from California [Mr. HOLIFIELD] and that is whether the United States should resume nuclear testing.

It is understandable with the deadlock in Geneva, after 317 sessions of fruitless negotiations, and considering this country's willingness to enter into an agreement with reasonable controls, as evidenced by our last treaty offer, that there are some who would favor resuming tests. However, it seems to me that this decision must be viewed in the light of what we would gain and what we would lose by such action.

The benefit in resuming testing is speculative. There are those who state that testing might produce new weapons, and, therefore, resumption would be of value. Assuming that this is true, let us balance the benefit against the disadvantages.

Although under present international conditions it is essential to maintain the military strength of the United States, the essence of the cold war is ideological. Khrushchev had made it clear that he intends to "bury us" not with missiles but by capturing the minds, imaginations, and convictions of the rest of the world. Castro's Cuba is an example. There was not one Soviet shot fired in Cuba, but Castro is now firmly alined with the Soviet bloc. We are engaged in the greatest ideological debate in the history of mankind.

Infiltration and subversion have been employed by the Communist bloc to aid local rebellions, and weapons have been supplied in limited wars. In this type of a battle further nuclear testing will not contribute much.

It seems to me that we should be primarily concerned at this time with the effect upon world opinion. If we resume nuclear testing, the United States will be put into the position of further developing the most destructive weapons known to history, while the Soviet Union will seize upon the opportunity to propagandize itself as the only great power seeking peace.

James Reston in today's New York Times points out that no one has yet satisfied the President that our self-imposed test ban has impaired national security. This article is an intelligent analysis of the dilemma which faces the United States.

Mr. Speaker, I ask unanimous consent to include the article at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

(The article referred to follows:)

KENNEDY POLICY—PATIENCE ON NUCLEAR ARMS

(By James Reston)

WASHINGTON, June 13.—President Kennedy is taking an extremely cautious line about renewing underground nuclear tests. The Russians have been making a mockery of the test-ban talks in Geneva, and the powerful Joint Atomic Energy Committee in Congress has been pressing the President to renew the testing. Yet he is not convinced that a case has yet been made for testing, despite the provocations to do so, and he is therefore urging more patience on his colleagues.

There are a number of reasons for this. First, the President is still hopeful despite his failure to budge Khrushchev in Vienna that the Russians will in due course agree to a limited disarmament treaty and inspected test ban.

Progress was being made in this direction until shortly after Khrushchev's last trip to Peiping. Thereafter, the Moscow line hardened, and this has given weight to well substantiated reports reaching this Government from Hong Kong that Mao Tse-tung exacted a promise from Khrushchev not to sign a test-ban treaty at least for a stipulated, but unknown, period of time.

Second, Washington needs more time to make clear to the world what it has been proposing and how its proposals have been rejected month after month. In the last few months there has been increasing understanding in the world of the American position. Once the United States reduced its proposals to treaty form, and modified its demands from 20 inspections a year to 12, at least the allied governments and the serious newspapers of the West were finally convinced that Washington not only wanted a nuclear test ban treaty but had proposed a reasonable treaty to this end.

There is less understanding, however, in the public at large. The Soviet proposals are simple and appeal to wishful thinking: ban the bomb, they say, and disarm everything. The American position has to deal not with the desires of men alone, but with the realities of controlling the system, so that it will really work in safety.

Such an argument, however, is complicated, and when the only alternative to endless negotiation is a threat to start nuclear testing and continue the arms race, this puts the United States in the unpopular position of talking about more arms while the Russians merely go on asking for the abolition of arms.

Finally, the President has to take into account the antitesting and antiarms race sentiments in allied countries, particularly Britain, so his decision for the moment is to go on talking about a test ban in Geneva, and to go forward with the preliminary disarmament talks with the Russians here next week.

THE OTHER SIDE

This has not been an easy decision and nobody knows how long it will last. For there are powerful arguments on the other side.

First, the policy of going along despite Soviet obstruction puts the United States in the position once more of the lady who vowed she'd ne'er consent, but consented anyway. This is becoming a habit around here.

Second, testing in outer space is probably necessary to the development of an effective defense against intercontinental ballistics missiles.

Third, there is a genuine fear among responsible members of this administration that the Russians may be testing during the ban, while we are not, and that this, if true, would give them a critical advantage in the development of the latest monster, the so-called neutron bomb, which would cost less, avoid radioactive fallout, and could be used discriminately on the battlefield.

The main question the President has put to his advisers is whether the security of the United States is impaired by the present uninspected test ban, and nobody has been able to demonstrate to his satisfaction that it has. Many people here have their suspicions that the Russians are testing and therefore that the security of the country may be endangered, but they cannot prove it.

Accordingly, the President has decided on giving the talks another chance. He went over this again today with his disarmament adviser, John J. McCloy, and while the President may recall his Ambassador in Geneva, Arthur Dean, in order to demonstrate his dissatisfaction with the Soviet Government's negative attitude toward the talks, the decision for the present is to persevere despite all the pressures and frustrations, and to increase the publicity on why Washington is taking this line.

Mr. RYAN. Mr. Speaker, in light of all the arguments for and against resumption of these tests I believe that we should support the President and, to quote his words, "Go the last mile in patience."—President's message to Congress May 25, 1961—to achieve the goal of disarmament under effective international control.

SOVIET DEPORTATION OF LITHUANIANS

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. GALLAGHER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GALLAGHER. Mr. Speaker, the history of the Lithuanian people is full of tragic episodes, but the tragedy that began early in 1940 is perhaps the saddest in their long history.

In that year the Soviet Government forced upon helpless Lithuania impossible terms in a mutual assistance treaty. By its terms Russian forces were stationed in many strategic parts of the country. Then, Lithuanians were accused of fomenting anti-Soviet plots, and this flagrant and false charge was sufficient for the Russians to send the Red Army into Lithuania. By the middle of that year independent Lithuania was no more, and Lithuanians were enslaved under Red tyranny. In their studied attempt to eliminate all genuine Lithuanian movement in the country, Russians made wholesale arrests throughout the country. This continued for more than a year, and by mid-June of 1941 it is believed that nearly all prominent Lithuanians, some 50,000 in all, were arrested and exiled to Siberia.

To this day these innocent and helpless Lithuanians are, if still alive, suffering in concentration and slave-labor camps in distant Russian regions. In observing the anniversary of that tragic event, the peoples of the free world deeply sympathize with the lot of these Lithuanians, and pray for their eventual freedom.

ORDERLY MARKETING ACT OF 1961

Mr. ROBISON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROBISON. Mr. Speaker, as we are all so well aware, the President has proposed a very wide ranging legislative program to this Congress. To date, he has had considerable success in obtaining enactment of that portion thereof that, for the most part, represented warmed-over matters we had considered before. Having now finished his round of what he has termed as "useful" visits with various heads of State, I assume he will now focus his attention back on Congress and devote his very considerable persuasive talents toward encouraging us to finish promptly whatever remaining portion of that program he may decide to press for during the balance of this session.

Some of those items which will evidently fall within that category are most controversial. Our consideration thereof will, as it should, be thorough and time consuming, and this situation, coupled with the advent of that type of hot and humid Washington weather which creates a desire in all of us for cooler and quieter surroundings, will make of the next few weeks a very busy time indeed.

However that may be, there is one subject which deserves our attention as well as the attention of the President and his advisers. I refer, of course, to the increasingly serious threat to the survival of substantial parts of our economic machine posed by a virtual tidal wave of imports. Now, it goes without saying, that this is a most complex and difficult problem with which to deal under any conditions. Although the new administration must share the alarm over this subject which is being voiced, almost daily, by more and more of my colleagues, it has addressed itself thereto, so far, only in broad and general terms. This, I think, is understandable because it evidently has taken and will continue to take considerable time before that new administration can make the necessary judgments in this area that must precede its policy decisions.

Nevertheless, that same administration is already demanding that Congress must go along with the President's wish to sharply step up our costly efforts to improve the economic climate of other nations including some that are serious economic competitors of ours. I appreciate the seeming necessity for our doing so, particularly in view of the somber report brought back to us by the President after his recent conversations with an adamant Khrushchev. Nevertheless, I doubt very much whether we, as a nation, have yet found the answer to the age-old problem of having our cake and eating it, too, and it seems to me that, despite our acknowledged desire to go on building up the free world, our failure to do anything, this session,

about the import problem will go to the very heart of our continuing ability to do so.

Pending any specific proposals from the administration, a variety of legislative proposals dealing with this area of concern have been made by some of my colleagues on their own. Some would seek to turn the clock backward to the day of rigid protectionism which I believe, in this interrelated and interdependent world in which we live, is impossible to do. Others, accepting the inevitable, have proposed various forms of Federal financial assistance to those industries and those industrial areas that have suffered the most from import injury but, while this may become necessary in some instances, it would seem to me that such an approach only deals with the effect and not the cause of our trouble.

There are still others who, on the theory that the wide and growing differential between the working standards and wages we enjoy here at home and those in competing nations—many of which nations have been built up as competitors by virtue of our own generosity and with use of our own know-how—is the chief reason for our import problem, have introduced legislative proposals aimed at relating tariffs and/or quotas to that differential. This, too, could be a proper approach, but by the very nature of the subject matter, and by virtue of our lack of adequate information in this field, it would undoubtedly take a great deal of time to implement any such program.

Until recently, I have had some hope that this year we would see some action in yet another direction—a more indirect form of relief—and I speak, of course, concerning what is, to me, a self-evident need for depreciation reform that not only would result in faster economic growth, the creation of millions of new job opportunities and a stronger national defense, but would almost instantly help to renew and restore our ability to compete with foreign products. Unfortunately, the tax proposals that have now been made with considerable fanfare by the economic theorists of the New Frontier fall far short of what is here needed, and it seems to be evident that we will not be able to produce any effective results here this session.

So, Mr. Speaker, what do we do, short of hoping to somehow lift the labor standards in other nations, which may be a worthy ideal but is at best a long-term goal?

Well, one industry that has been hurt as much as any other here at home—while we have talked and fiddled—is the American shoe industry. In just 10 short years—from 1950 to 1960—shoe imports into the United States increased by 393 percentage points.

As for the specifics, in 1950 we imported 6.1 million pairs of shoes—other than rubber footwear—worth $9.4 million, and exported 3.7 million pairs worth $12.2 million. However, by last year—1960—shoe imports other than rubber footwear had zoomed up to 26.6 million pairs, worth $53.3 million, while exports remained relatively stable at 3.2 million pairs worth $10.9 million.

Those of us who come from shoe-manufacturing districts know this story only too well. Our shoe industry, and the people who work for and with it, has been hit and hit hard. Other industries, suffering comparable damage, have been well nigh demoralized, but not the American shoe industry. Instead, to its everlasting credit, it has declined to throw in the sponge, or to plead for a return to Smoot-Hawley, and asks only for a chance to try to more vigorously compete.

It is going to need our help in doing so, however, and has asked for Federal assistance of a new sort—one that does not cost anything. The National Shoe Manufacturers Association, Inc., in making its decision to compete rather than retreat, has looked at the success that has been achieved, in an experimental fashion, toward creating international trade understanding and cooperation through voluntary quota agreements, such as those now in effect with respect to Japanese imports of plywoods, cotton textiles and a few other products. It sees, here, a way to buy time, to hold the line, until the day when this or future Congresses can effectively deal with the overall import problems either along the lines that have been proposed, or in some new and enlightened fashion.

It is asking us, therefore, to give our immediate attention to the consideration of such legislation as S. 1735, introduced in the other body by Senator MUSKIE, of Maine, in which effort a number of other distinguished Senators have joined, or H.R. 7226, as introduced by the Honorable THOMAS P. O'NEILL, JR., of Massachusetts, or H.R. 7537, as introduced by myself here in the House, all bearing the title "Orderly Marketing Act of 1961."

These bills would add the prestige, power, and influence of the Tariff Commission and the President—working through the Secretaries of State, Labor, and Commerce—to the shoe industry's own efforts to work out voluntary quota agreements with competing industries in other nations. The bills—which may well need perfecting—envision an investigation by the Tariff Commission into any situation wherein wage and working condition differentials between foreign and U.S. producers create an unfair competitive advantage in favor of the foreign producers, followed by a determination by the Tariff Commission as to whether or not such an unfair advantage exists to the injury of the whole or a part of any American industry, and, if it so finds, a recommendation to the President that he instruct the Secretary of State to cooperate with the affected industry in negotiating a voluntary agreement with the foreign country involved whereunder the share of our domestic market then enjoyed by those foreign producers is voluntarily fixed as a temporary quota. The emphasis is, thus, on voluntary reciprocity—on recognition of the need to promote an era of orderly rather than disruptive competition throughout the free world—on a cooperative sharing of the advantages of freedom, even as our President now strives to promote the idea of a sharing of responsibility for the preservation of freedom.

Mr. Speaker, none of us who have made this suggestion can know how well or how poorly it may work, but all of us believe it is worthy of trying. It would at the least give this Nation, which has for so long and with so little complaint shouldered the heaviest burden in the battle against a common enemy, the necessary breathing time within which to put our own house in better order, to nurture and strengthen our own economy once again, and to work through such new forums as the Organization for Economic Cooperation and Development—OECD—toward our goal of greater international understanding and cooperation.

Mr. O'NEILL's bill—H.R. 7226—and my bill—H.R. 7537—are now both before the Committee on Ways and Means. That committee, under the able and effective leadership of the Honorable WILBUR MILLS, of Arkansas, has much to do and little time left this year within which to do it. Nevertheless, our proposal is a relatively simple one, costing nothing, and, at least in my humble judgment, holds forth such promise that I hope it will have consideration and favorable action before we adjourn. Finally, in order that all Members may have full information concerning our proposal, I now ask unanimous consent to here include the full text of my bill H.R. 7537:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Orderly Marketing Act of 1961".

FINDINGS

SEC. 2. Over its history of industrial development, the United States has attained a wage level, working conditions, and a standard of living unparalleled by any other nation. Since World War II, the United States has sent abroad its technical knowledge and innovations and its dollars to help other nations grow and mature industrially. Working standards and wages in other countries, however, generally remain below our own. Many of these nations are now shipping goods to our country in increasing quantities. The landed wholesale prices of these goods are below our own, and, in some cases, below our own production costs. Certain United States industries, especially those where labor costs contribute a substantial proportion of total production costs have been injured or threatened by such competition. The following procedures are established to provide relief for such United States industries.

PROCEDURES

SEC. 3. (a) Upon request of the President, upon resolution of either House of Congress, upon application in a form prescribed by the Tariff Commission of the representatives of any domestic industry, or employee organization in a domestic industry, or of any interested party, or upon its own motion, the Tariff Commission shall make an investigation of any situation of which it is alleged that a differential between domestic and foreign costs of production in an industry is due to foreign wages and working conditions significantly lower than United States standards, and which gives foreign manufacturers or producers of articles imported into the United States an unfair competitive advantage over United States manufacturers or producers of such articles in the domestic market.

(b) In making any investigation under subsection (a) with respect to any article or articles imported into the United States, the Tariff Commission shall, to the extent practicable, consider (among other factors) a comparison of selling prices, wages and all other forms of reimbursement for work performed, labor productivity, production costs and the components thereof, levels of automation, working conditions, legislation or regulations pertaining to working conditions, and living standards as between the United States and the country or countries of origin of the imported article or articles under investigation.

(c) The Tariff Commission shall request the views of the Secretary of Labor and the Secretary of Commerce on relevant trade and international factors in all cases in which it deems such information necessary to the investigatory process under this Act. The Tariff Commission may in addition request the aid and views of any other appropriate agency or agencies.

(d) Should the Tariff Commission find, after investigation, that imports of articles produced in a foreign country or countries under wages or working conditions significantly below United States standards are being sold in substantial and increasing quantities in the domestic market, and further find that the effect thereof has been or may be to injure the whole or any part or parts of any American industry by:

(1) decreasing the domestic market for United States producers of such articles; and

(2) reducing employment of United States workers producing such articles;

it shall recommend to the President that he instruct the Secretary of State to negotiate an orderly marketing agreement on imports thereof with the foreign country or countries involved. Such orderly marketing agreement shall provide that the foreign country or countries shall share in the growth or change in domestic consumption of the article or articles covered by the agreement. The share in domestic consumption of any article to be enjoyed in any one year by an individual negotiating foreign country under an orderly marketing agreement shall be fixed as a percentage of the expected total domestic consumption of such article during such year. The percentage so fixed shall not exceed the average percentage which imports of such article from such country during the last three full calendar years preceding the year in which the orderly marketing agreement is entered into were of the total domestic consumption of such article during such years. For purposes of this Act, the total domestic consumption of any article during any calendar year is the total of the domestic production of such article plus the imports of such article minus the total of the exports and reexports of such article.

(e) The Tariff Commission shall determine and publish each year the quantity of articles comprising the share of each foreign country in the expected total domestic consumption of any article for the following year under an orderly marketing agreement. Such determination and publication shall be made, for the first year for which an orderly marketing agreement is in effect, as soon as practicable after such agreement is entered into but not later than the last day prior to the beginning of such year, and shall be made, for each subsequent year, not later than three months prior to the beginning of such year. For purposes of this Act, the expected total domestic consumption of any article for any year is the average of the total domestic consumption of such article during the three full calendar years preceding the year in which the Tariff Commission makes its determination and publication.

(f) At any time after the first three years of operation under an orderly marketing agreement, the Tariff Commission may conduct an investigation, hold hearings, and recommend to the President a revision of such agreement, if it is alleged to be imposing a hardship on consumers. If, in the opinion of the Tariff Commission, a recommendation for revision in an orderly marketing agreement should be made, such recommendation shall in no case exceed an increase or decrease of 20 per centum in any foreign country's share of the domestic consumption of any article covered by such agreement. If, in the opinion of the Tariff Commission, the investigation demonstrates that the findings described in subsection (d) no longer apply or are likely to apply to imports of articles from the foreign country or countries participating in an orderly marketing agreement, the Commission may recommend to the President that such agreement be terminated.

(g) The Tariff Commission shall make and publish a report on each request, resolution, or application under subsection (a) with dispatch and in no event more than six months after such request, resolution, or application is received by it.

(h) The Tariff Commission shall, within ninety days after the date of reenactment of this Act, promulgate procedural regulations to give effect to the authority conferred upon it hereunder.

PRIZE-WINNING SPEECH BY DONALD B. YOUNG

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent that the gentleman from Utah [Mr. PETERSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PETERSON. Mr. Speaker, I am proud to share with this membership the prize-winning speech of one of my junior constituents, Donald B. Young, a junior at Carbon High School at Price, Utah. Don placed first in the "I Speak for Democracy" contest and I think you will find his viewpoint refreshing as well as heartwarming. So long as our youth believes that our way of life is worth defending I am convinced that communism will suffer absolute and decisive defeat. The article follows:

I SPEAK FOR DEMOCRACY

(By Donald Bradley Young)

I am a boy in a country of millions of free people. One in millions in the free world, who is speaking for democracy.

How do I speak for democracy? I speak it every day. I speak it every morning when I awake and democracy's free early morning air fills my lungs as I walk to school. I speak it every time I enter my church and worship the way I want. I speak it when I express my feelings about our Government. And most of all when I live the way I do. I have food, I have clothes to wear, and I have friends to talk with and all the necessities we take for granted.

Democracy is the simple life, it is the little things, it's laughter, it's enjoyment, and just living your own individual life.

I like to think of democracy as the only life for me and I feel so strongly about it, I think that everyone should share in this privilege.

You can't always see democracy, but you can feel it. You can feel it as you shake a friend's hand, the strong grip that gives you that safe and assuring feeling. You can feel it as a child feels it—safety and security. You feel it ever so strongly when given a friendly smile, word, or reassuring glance.

I don't say that democracy is the only way to have friends and love, but it seems that democracy offers so much better and so much greater opportunities for these things, that the thought brings a deep warm feeling when you have it.

One in thousands speaking for millions. Yes, I speak for everyone who has that warm deep feeling of safety and security that democracy possesses.

I'm speaking for myself and everyone in this world that looks for the simple life; I'm speaking for the one who likes that warm smile, that cheerful laughter and that gleam of security in a child's eyes.

I'm also speaking for someone else, speaking most of all for that person who doesn't have it. I'm speaking for the person who wants it and is fighting for it. If there is any great cause to give one's life for, it would be for democracy—a symbol of life, a symbol of God, and a symbol of oneness. This is democracy in its greatest fulfillment.

"If a thing is old, it is a sign that it was fit to live. Old families, old customs, old styles, survive because they are fit to survive. The guarantee of continuity is quality. Old-fashioned hospitality, old-fashioned politeness, old-fashioned honor in transaction and work have qualities of survival." The meaning of this quotation by Capt. Edward V. Rickenbacker can very well fit democracy; if it is old it has survived because it was fit to survive. If there is any one thing fit to live and last, it would be democracy. It was in the minds of the first civilized man and in the minds of the people ever since the beginning of time. It is old yet new, it was the way of life for the Athens citizen and it should be the way of life of every person in the world today.

God grants liberty only to those who love it, and are always ready to guard and defend it.—Daniel Webster.

Democracy is worth defending and worth sharing with everyone.

Yes, if there is anything God would look upon with joy and favor, it would be a free people, a free nation, and a free world.

IMPACT OF THE FEDERAL SURPLUS PROPERTY ACT

Mr. LIBONATI. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. MONAGAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MONAGAN. Mr. Speaker, as a member of the Donable Property Subcommittee of the Government Operations Committee, I have been greatly interested in the Federal surplus property program.

In this connection, the comments made by the Honorable William J. Sanders, commissioner of education of the State of Connecticut, concerning the impact of the Federal Surplus Property Act on education in Connecticut are worthy of note.

Commissioner Sanders strongly supports this program and graphically outlines the manner in which it has aided education in the New England area.

I append to my remarks a letter by Commissioner Sanders embodying the

statements which he made concerning this important Federal program:

STATE OF CONNECTICUT,
BOARD OF EDUCATION,
Hartford, Conn., June 6, 1961.

Mr. E. G. BRADLEY,
Regional Representative, Department of Health, Education, and Welfare, Boston, Mass.

DEAR MR. BRADLEY: I am glad to confirm in writing the remarks I made on May 9, at the meeting of State supervisors of the Federal surplus property for the Northeastern States.

It is my opinion that the Federal surplus property has had a more effective impact upon the improvement of instruction in the schools of this area than any other Federal program including title III of the National Defense Education Act of 1958. Vocational education and industrial arts programs have profited dramatically from the machine tools and small tools available as well as from material (such as steel in various forms) made available for processing. Science programs in many schools under my supervision were redirected toward electronics because of the excellent equipment available. I attribute the reorganization that took place in many high school programs before the National Defense Education Act, to the equipment made available through this program.

One of the great advantages of the surplus program over the National Defense Education Act and other federally supported educational programs is that it has a minimum of Federal control. It has made equipment and supplies available without restricting the manner of their use, leaving this up to the judgment of the individual school systems. It is expected, of course, that there will be a considerable increase in Federal support of education. I sincerely hope that the outstanding contribution made to the schools in the time of their greatest need, which began with the end of World War II, by this surplus property program, will not be underestimated or minimized.

Sincerely yours,

WILLIAM J. SANDERS,
Commissioner of Education.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ASPINALL for the balance of the week on account of official business, United Nations Committee, New York.

To Mr. CAREY (at the request of Mr. MULTER) for Wednesday, June 14, 1961, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. EDMONDSON, for 1 hour, today.

Mr. RYAN, for 5 minutes, today.

Mr. DERWINSKI (at the request of Mr. CAHILL) for 30 minutes on tomorrow.

Mr. SIKES (at the request of Mr. LIBONATI), on tomorrow, for 15 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. VAN ZANDT.

Mr. DAGUE.

Mr. LANE and to include extraneous matter.

Mr. PHILBIN.

(The following Members (at the request of Mr. CAHILL) and to include extraneous matter:)

Mr. SHORT.

Mr. WALLHAUSER.

Mr. HIESTAND.

Mr. SAYLOR.

Mr. MERROW.

(The following Members (at the request of Mr. LIBONATI) and to include extraneous matter:)

Mr. MULTER.

Mr. WILLIS.

Mr. PUCINSKI.

Mr. KEOGH.

Mr. DADDARIO in two instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 162. An act creating a commission to be known as the Commission on Noxious and Obscene Matter and Materials; to the Committee on Education and Labor.

S. 302. An act to amend the act of June 22, 1948, as amended, relating to certain areas within the Superior National Forest, in the State of Minnesota, and for other purposes; to the Committee on Agriculture.

S. 553. An act for the relief of Olga G. Coutsoubinas and Spyridon G. Coutsoubinas; to the Committee on the Judiciary.

S. 811. An act to establish a Wabash Basin Interagency Water Resources Commission; to the Committee on Public Works.

S. 1750. An act to strengthen the Federal Firearms Act; to the Committee on Ways and Means.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on June 13, 1961, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 1293. An act for the relief of Djura Zalenbaba;

H.R. 1360. An act for the relief of Anna B. Prokop;

H.R. 1467. An act for the relief of Modesta Pitarch-Martin Dauphinais;

H.R. 1508. An act for the relief of Mary A. Combs;

H.R. 1523. An act for the relief of Kazimiera Marek;

H.R. 1572. An act for the relief of Mrs. Sato Yasuda;

H.R. 1578. An act for the relief of Mah Quock;

H.R. 1621. An act for the relief of Miss Kristina Voydanoff;

H.R. 1622. An act for the relief of Dr. George Berberian;

H.R. 1871. An act for the relief of Min Ja Lee;

H.R. 1873. An act for the relief of Anna Stanislawa Ziolo;

H.R. 1886. An act for the relief of Panagiotis Sotiropoulos;

H.R. 2101. An act for the relief of Evelina Scarpa;

H.R. 2107. An act for the relief of Pietro DiGregorio Bruno;

H.R. 2116. An act for the relief of Wanda Ferrara Spera;

H.R. 2141. An act for the relief of Henry Wu Chun and Arlene Wu Chun;

H.R. 2158. An act for the relief of certain aliens;

H.R. 3489. An act for the relief of Bernard Jacques Gerard Caradec;

H.R. 3846. An act for the relief of M. Sgt. Louis Benedetti, retired;

HR. 3850. An act for the relief of Clark L. Simpson;

H.R. 4217. An act for the relief of David Tao Chung Wang;

H.R. 4219. An act for the relief of the estate of William M. Farmer;

H.R. 4282. An act for the relief of Casimir Lazarz;

H.R. 4713. An act for the relief of Robert Burns DeWitt; and

H.J. Res. 437. A joint resolution relating to the time for filing a report on renegotiation by the Joint Committee on Internal Revenue Taxation.

ADJOURNMENT

Mr. LIBONATI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 44 minutes p.m.), the House adjourned until tomorrow, Thursday, June 15, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1023. A letter from the Secretary of the Treasury, transmitting a draft of a proposed bill entitled "A bill to increase the amount of obligations, issued under the Second Liberty Bond Act, which may be outstanding at any one time"; to the Committee on Ways and Means.

1024. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill to establish Federal agricultural services to Guam, and for other purposes"; to the Committee on Agriculture.

1025. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill entitled "A bill to amend chapter 147 of title 10, United States Code, to authorize the Secretary of Defense, or his designee, to dispose of telephone facilities by negotiated sale"; to the Committee on Armed Services.

1026. A letter from the Secretary of Commerce, transmitting a draft of a proposed bill entitled "A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes"; to the Committee on Foreign Affairs.

1027. A letter from the Comptroller General of the United States, transmitting a report on the review of civilian and military personnel utilization in district offices and of certain military pay functions, U.S. Coast Guard, Treasury Department, June 1960; to the Committee on Government Operations.

1028. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Bureau of Engraving and Printing, Treasury Department, for fiscal years 1959 and 1960; to the Committee on Government Operations.

1029. A letter from the Chairman, Federal Communications Commission, transmitting a copy of the report on backlog of pending applications and hearing cases in the Federal Communications Commission as of April 30, 1961, pursuant to Public Law 554, 82d Congress; to the Committee on Interstate and Foreign Commerce.

1030. A letter from the Secretary of the Interior, relative to the application for an increase in the amount of the small project loan for the Haights Creek Irrigation Co., of Kaysville, Utah, pursuant to the Small Reclamation Projects Act of 1956; to the Committee on Interior and Insular Affairs.

1031. A letter from the Acting Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to amend section 9(d)(1) of the Reclamation Project Act of 1939 (53 Stat. 1187; U.S.C. 485), to make additional provision for irrigation blocks, and for other purposes"; to the Committee on Interior and Insular Affairs.

1032. A letter from the Secretary of Commerce, transmitting a draft of a proposed bill entitled "A bill to fix the fees payable to the Patent Office, and for other purposes"; to the Committee on the Judiciary.

1033. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill entitled "A bill for the relief of Arthur C. Berry and others"; to the Committee on the Judiciary.

1034. A letter from the Administrator, General Services Administration, transmitting a draft of a proposed bill entitled "A bill to authorize reimbursement to owners and tenants of certain lands or interests therein acquired by the United States for certain moving expenses and losses and damages, and for other purposes"; to the Committee on Public Works.

1035. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated January 4, 1961, submitting a report, together with accompanying papers and an illustration on a letter report on Marsh and Kellogg Creeks, Contra Costa County, Calif., requested by a resolution of the Committee on Public Works, House of Representatives, adopted July 31, 1957, and authorized by the Flood Control Act approved July 3, 1958; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HARDY: Committee on Armed Services. S. 1342. An act to provide that participation by members of the National Guard in the reenactment of the Battle of First Manassas shall be held and considered to be full-time training duty under section 503 of title 32, United States Code, and for other purposes; without amendment (Rept. No. 527). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee on the Judiciary. H.R. 3227. A bill to amend section 1732(b) of title 28, United States Code, to permit the photographic reproduction of business records held in a custodial or fiduciary capacity and the introduction of the same in evidence; with amendment (Rept. No. 531). Referred to the House Calendar.

Mr. LANE: Committee on the Judiciary. House Joint Resolution 435. Joint resolution to provide for recognition of the centennial of the establishment of the Department of Agriculture, and for other purposes; without amendment (Rept. No. 532). Referred to the House Calendar.

Mr. SHRIVER: Committee on the Judiciary. House Joint Resolution 436. Joint resolution to provide for recognition of the centennial of the establishment of the national system of land-grant universities and colleges; without amendment (Rept. No. 533). Referred to the House Calendar.

Mr. LIBONATI: Committee on the Judiciary. H.R. 7358. A bill to amend section 4126 of title 18, United States Code, with respect to compensation to prison inmates for injuries incurred in the course of employment; without amendment (Rept. No. 534). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON of New Jersey: Joint Committee on the Disposition of Executive Papers. House Report No. 535. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. FORRESTER: Committee on the Judiciary. H.R. 1960. A bill to amend chapter 85 of title 28 of the United States Code relating to the jurisdiction of the U.S. district courts, and for other purposes; without amendment (Rept. No. 536). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORRESTER: Committee on the Judiciary. H.R. 4473. A bill to amend the Bankruptcy Act with respect to limiting the priority and nondischargeability of taxes in bankruptcy; with amendment (Rept. No. 537). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. S. 707. An act to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska, and between Hyder, Alaska, and other points in the United States outside Alaska, either directly or via a foreign port, or for any part of the transportation; without amendment (Rept. No. 538). Referred to the House Calendar.

Mr. MILLS: Committee on Ways and Means. H.R. 4591. A bill to continue until the close of June 30, 1962, the suspension of duties on metal scrap, and for other purposes; without amendment (Rept. No. 539). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H.R. 1290. A bill for the relief of Ernest Morris; with amendment (Rept. No. 528). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 1492. A bill for the relief of Ernest John Large; without amendment (Rept. No. 529). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 4030. A bill for the relief of Robert A. St. Onge; with amendment (Rept. No. 530). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KING of California:

H.R. 7640. A bill to provide for the establishment of a permanent program of additional unemployment compensation, to provide for equalization grants, to extend coverage of the unemployment compensation program, to establish Federal requirements with respect to the weekly benefit amount and limit the tax credits available to employers in a State which does not meet such requirements, to establish a Federal requirement prohibiting States from denying compensation to workers undergoing occupational training or retraining and deny tax credits to employers in a State which does not meet such requirement, to increase the wage base for the Federal unemployment tax, to increase the rate of the Federal unemployment tax, to establish a Federal additional compensation and equalization account in the unemployment trust fund, and for other purposes; to the Committee on Ways and Means.

By Mr. ASPINALL:

H.R. 7641. A bill to authorize Federal assistance to Guam, American Samoa, and the Trust Territory of the Pacific Islands in major disasters; to the Committee on Public Works.

By Mr. O'BRIEN of New York:

H.R. 7642. A bill to authorize Federal assistance to Guam, American Samoa, and the Trust Territory of the Pacific Islands in major disasters; to the Committee on Public Works.

By Mr. SAYLOR:

H.R. 7643. A bill to authorize Federal assistance to Guam, American Samoa, and the Trust Territory of the Pacific Islands in major disasters; to the Committee on Public Works.

By Mr. WESTLAND:

H.R. 7644. A bill to authorize Federal assistance to Guam and American Samoa in major disasters; to the Committee on Public Works.

By Mr. KYL:

H.R. 7645. A bill to authorize Federal assistance to Guam, American Samoa, and the Trust Territory of the Pacific Islands in major disasters; to the Committee on Public Works.

By Mr. AYRES:

H.R. 7646. A bill to provide veterans mortgage protection life insurance; to the Committee on Veterans' Affairs.

By Mr. BAKER:

H.R. 7647. A bill to amend section 333 of title 38, United States Code, to provide for peacetime veterans a presumption of service connection of chronic diseases becoming manifest to a 10-percent degree of disability within 1 year from separation from the service; to the Committee on Veterans' Affairs.

By Mr. BENNETT of Michigan:

H.R. 7648. A bill to reinstate the World War II veterans education program, and to permit World War II veterans to obtain educational benefits thereunder; to provide an additional period during which Korean conflict veterans may initiate and pursue programs of education; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HENDERSON:

H.R. 7649. A bill to provide for research and technical assistance relating to the control of salt-marsh and other pest mosquitoes of public health importance and mosquito vectors of human disease; to the Committee on Interstate and Foreign Commerce.

By Mr. HORAN:

H.R. 7650. A bill to authorize the Secretary of the Interior to maintain Banks Lake Reservoir, Columbia Basin project, Washington, at a constant level for recreation purposes; to the Committee on Interior and Insular Affairs.

By Mr. KILDAY:

H.R. 7651. A bill to amend the Career Compensation Act of 1949 to authorize the payment of an accrued portion of incentive pay to certain aeronautically rated or designated officers who have been eligible to such pay for a minimum of at least 10 years and who subsequently are removed from the status to such eligibility due to the fact that a determination has been made that the requirement for them in this capacity is no longer necessary in the interest of national security; to the Committee on Armed Services.

By Mrs. MAY:

H.R. 7652. A bill to authorize the Secretary of the Interior to maintain Banks Lake Reservoir, Columbia Basin project, Washington, at a constant level for recreation purposes; to the Committee on Interior and Insular Affairs.

By Mr. CLEM MILLER:

H.R. 7653. A bill for the relief of certain counties, cities, and other political subdivisions of the State of California; to the Committee on the Judiciary.

H.R. 7654. A bill to provide for tariff import quotas on sheep, lambs, mutton and lamb; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas:

H.R. 7655. A bill to provide veterans mortgage protection life insurance; to the Committee on Veterans' Affairs.

By Mr. VINSON:

H.R. 7656. A bill to amend section 815 (art. 15) of title 10, United States Code, relating to nonjudicial punishment, and for other purposes; to the Committee on Armed Services.

H.R. 7657. A bill to amend chapter 47 (Uniform Code of Military Justice) of title 10, United States Code, to provide a specific statutory authority for prosecution of bad check offenses; to the Committee on Armed Services.

By Mr. WATTS:

H.R. 7658. A bill to authorize the Secretary of the Army to modify certain leases entered into for the provision of recreation facilities in reservoir areas; to the Committee on Public Works.

H.R. 7659. A bill to amend section 170(b)(1) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. ADDABBO:

H.R. 7660. A bill to permit the burial in national cemeteries of mothers of deceased servicemen or veterans who die leaving no spouse or minor child entitled to be buried in a national cemetery; to the Committee on Interior and Insular Affairs.

By Mr. DAGUE:

H.R. 7661. A bill to amend the Wool Products Labeling Act of 1939 to authorize the Federal Trade Commission to exclude from the provisions of that act wool products with respect to which the disclosure of wool fiber content is not necessary for the protection of the consumer; to the Committee on Interstate and Foreign Commerce.

By Mr. HERLONG:

H.R. 7662. A bill to amend section 1371 of the Internal Revenue Code of 1954 to allow a trust with only one individual as a current income beneficiary to be 1 of the 10 shareholders specified in said section; to the Committee on Ways and Means.

By Mr. KASTENMEIER:

H.R. 7663. A bill to amend section 3 of the act of January 5, 1905, incorporating the American National Red Cross, so as to include among the purposes of such corporation the establishment of a just and lasting peace; to the Committee on Foreign Affairs.

By Mr. McDOWELL:

H.R. 7664. A bill to establish the Franklin Delano Roosevelt Memorial National Park; to the Committee on Interior and Insular Affairs.

By Mr. McFALL:

H.R. 7665. A bill to authorize the modification of the existing project for the New Melones Dam and Reservoir, Stanislaus River, Calif., and for other purposes; to the Committee on Public Works.

By Mr. O'BRIEN of New York:

H.R. 7666. A bill to amend section 17(a) of the Revised Organic Act of the Virgin Islands pertaining to the salary of the government comptroller; to the Committee on Interior and Insular Affairs.

By Mr. STAGGERS:

H.R. 7667. A bill to require the full and fair disclosure of certain information in connection with the distribution of household appliances in commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BLATNIK:

H. Res. 344. Resolution declaring the Eastern Orthodox Church to be a major faith in the United States; to the Committee on the Judiciary.

By Mr. ROBISON:

H. Res. 345. Resolution to establish a House Committee on the Captive Nations; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 7668. A bill to authorize the interment of Mrs. Mary L. Campbell in the Long Island National Cemetery; to the Committee on Interior and Insular Affairs.

H.R. 7669. A bill to authorize the interment of Mrs. Helen C. Wehner in the Long Island National Cemetery; to the Committee on Interior and Insular Affairs.

By Mr. CAREY:

H.R. 7670. A bill for the relief of Tommy Wen-Hsing Tang; to the Committee on the Judiciary.

By Mrs. CHURCH:

H.R. 7671. A bill for the relief of Louanna L. Leis; to the Committee on the Judiciary.

By Mr. CURTIS of Massachusetts:

H.R. 7672. A bill for the relief of Nikoloas Zannos Lakios; to the Committee on the Judiciary.

By Mr. GILBERT:

H.R. 7673. A bill for the relief of Mrs. Maureen Selina Alfonso; to the Committee on the Judiciary.

By Mr. KING of New York:

H.R. 7674. A bill for the relief of Alberto Tang Lu; to the Committee on the Judiciary.

By Mr. KLUCZYNSKI:

H.R. 7675. A bill for the relief of Stanislaw Bukowski; to the Committee on the Judiciary.

By Mr. LANE:

H.R. 7676. A bill for the relief of George W. Ross, Jr.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

181. The SPEAKER presented a petition of Henry M. Henderson, Atlanta, Ga., relative to a redress of grievance, and relating to the Constitution of the United States guaranteeing a republican form of government to every State in the Union, which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Statement of Hon. Abraham J. Multer, of New York, Before the House Post Office and Civil Service Committee

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1961

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by me before the House Post Office and Civil Service Committee in support of H.R. 1042 and H.R. 1033 on June 13, 1961:

STATEMENT OF HON. ABRAHAM J. MULTER, OF NEW YORK, BEFORE THE HOUSE POST OFFICE AND CIVIL SERVICE COMMITTEE IN SUPPORT OF H.R. 1042 AND H.R. 1033, JUNE 13, 1961

Mr. MULTER. Mr. Chairman, allow me to express my appreciation for this opportunity to appear before the committee to explain the purpose of my bill, H.R. 1042.

If this legislation is enacted it will expunge from our law one of the harshest and most unfair pieces of legislation in our history. It would repeal Public Law 769 of the 83d Congress in its entirety. This law—the so-called Hiss Act—prohibits the payment of annuities or retired pay to retired civilian officers and employees of the Federal Government and to retired military officers and enlisted men who are or who ever have been convicted of certain criminal offenses or who commit certain acts in the future.

The penalties prescribed by the Hiss Act are so harsh as to border on the unconstitutional. This committee has received reports from the administration which indicate the numbers of persons presently being denied their annuities or retirement benefits as a result of this law. It is my firm belief that not only is repeal the simplest way to deal with what promises to develop into a very complicated problem, but that it will prove to be the most effective and cheapest way. If allowed to stand it will eventually be the subject of endless litigation with the probable result that its provisions will be chipped away by the courts until no law remains. In this process those bringing the suits and the Government will expend great sums which would be saved if the law is repealed.

This law was passed during what might be termed the witchcraft era on Capitol Hill. The motives of those who sponsored the legislation are not under attack here; I am sure they were of the highest. The bill, however, passed the House of Representatives without debate and went unchallenged—despite the warnings of the Civil Service Commission that its language was so vague and general that inequities and hardships were bound to result.

Perhaps the most tragic result was the number of cases where the Government had on its payroll persons whose convictions were known by the Government when it hired them. They had been convicted and punished for offenses which did not make them ineligible for public service. They were not only allowed to work for years but in many cases required to contribute to the civil service retirement fund. Others made such contributions voluntarily, but with the expectation that they would be entitled to pension benefits when they retired. With the passage of this bill, however, they and their families were suddenly denied these benefits and the years of contributions vanished into thin air.

This, I submit, is hardly in keeping with the basic American concept of justice and fairplay.

About one-third of the crimes for which a person can lose his retirement rights are misdemeanors. As a result we have had the case where one employee lost an annuity valued at over $49,000 for a conviction in which the court saw fit not to impose any fine or imprisonment. Another case involved a person who in his youth stole a ham from the Army. Many, many years later a very valuable property—his right to retirement pay—was lost because of that minor offense.

In view of the abuse which this law leads to and its doubtful constitutionality, I urge the committee to report favorably on H.R. 1042 so that this mistake can be rectified.

If the committee is unwilling to go that far, then the Congress must at least modify the law so that the inequities referred to are removed.

To accomplish this purpose I would support and urge favorable consideration of H.R. 1033, which I introduced on January 3, 1961, or H.R. 6141, introduced by this committee's distinguished chairman on April 10, 1961. These two bills are identical and would accomplish necessary revisions which will at least do part of the job. I have introduced a bill to repeal this act in every Congress since the 84th. I congratulate the chairman and this committee for proceeding with these hearings which I trust will result in favorable action by the Congress.

Thank you.

General Walker Rebuked

EXTENSION OF REMARKS
OF
HON. EDGAR W. HIESTAND
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1961

Mr. HIESTAND. Mr. Speaker, I quote from an editorial from the June 13 issue of the Chicago Daily Tribune.

Maj. Gen. Edwin A. Walker has been admonished officially for "taking injudicious actions and for making derogatory public statements about prominent Americans."

The strangest thing about this strange business is that the Army's investigation started after it was alleged that the general was spreading the propaganda of the John Birch Society. Except for this accusation, a gallant officer with more than 30 years of unblemished service, including frontline duty in World War II and Korea, would never have been bothered. As it is, he has been denied promotion to command of the VIII Corps at San Antonio, Tex., and he has been publicly humiliated.

The whole affair strikes us as discreditable to the administration rather than to the general. The worst that can be said of him is that he spoke many months ago to a small audience in unflattering terms about a few prominent Democrats. The remarks were trivial and had long been forgotten when the recent Birch Society furor led someone to dredge them up.

President Kennedy, himself, felt called upon to order a formal investigation, as if General Walker had been guilty of a serious offense. In fact the general deserved high praise for instituting in his command a program of education in the evils and menace of communism. His purpose was to prevent a repetition of the disgraceful behavior of American prisoners taken in Korea. He wished American soldiers to know why they had been drafted, why they were stationed in Europe, and what would be lost if the Communists were allowed to extend their empire.

This was what he called his problue teaching. It was a good and useful purpose he served and he should have been praised for it rather than admonished.

Aid to Education

EXTENSION OF REMARKS
OF
HON. EMILIO Q. DADDARIO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1961

Mr. DADDARIO. Mr. Speaker, a colleague who is on the Committee on Education and Labor has analyzed closely the impact of the proposed legislation on school aid as it will affect our State of Connecticut. The question is one of the formula selected for allocating Federal funds to the various States.

I have been making a serious study of the proposals to solve our educational problems and have looked carefully at the opinions which have reached me from Connecticut. I believe Congressman GIAIMO has performed a notable service in providing this information and his thoughtful and considered comments on two matters that trouble him about the legislation.

This material is of such great importance that I have secured his permission to have it reprinted so that it may be studied carefully by those seeking to prepare themselves on this bill. I offer his letter and supporting tables for the RECORD:

JUNE 12, 1961.

Hon. EMILIO Q. DADDARIO,
House of Representatives,
New House Office Building,
Washington, D.C.

DEAR COLLEAGUE: Within the next 2 weeks it is expected that the House will debate H.R. 7300, the education bill. I look forward to this discussion because I believe that there is no more important task facing this Congress than that of securing for our youth and future generations the finest education which our Nation's acknowledged wealth can supply. To accomplish this goal, I have, as you know, consistently supported legislation which would make financial assistance from our National Government available to the country's schools. Because education forms the bedrock of our national defense and welfare, I will continue to favor such legislation. I hope that in this regard you agree with my position.

However, after studying H.R. 7300 I am sure you share some of my misgivings with the method selected for allocating Federal funds to the various States. It is my belief that the school systems that have been under the greatest pressure from population change and growth, and the school districts whose problems dramatized, at a very early stage, the great need for Federal assistance are the very same school systems due to receive the least amount of assistance under the bill passed by the Senate and the bill reported by the House Education and Labor Committee. I have reference to the schools in our fast growing urban-suburban areas; in the highly industrialized, highly urbanized sections of our country.

I am deeply disturbed by the allocation formula now proposed in H.R. 7300 for two major reasons:

1. I do not believe the proposed formula truly reflects need. The so-called equalization plan contained in H.R. 7300 gives far too much weight to the hardships created by sparsity of population and industry and far too little consideration for the problems created by density of population and high mobility of urban-suburban families. The speed with which our urban areas have grown has nearly neutralized the relative per capita income wealth of these areas. When a sudden flood or similar disaster hits an area, we offer assistance whether it is a rich or poor community. It is my contention that the sudden growth and change in the complexion of our urban area populations has hit many regions of our country with the force and the suddenness of a tornado and has taxed to the limit their resources for maintaining a good school system.

Every day the United States becomes more urban, less rural. Only a half century ago a majority of American families still lived on farms or in rural areas. Today, four-fifths of all American families live in cities or in the suburbs which surround them. By 1975, only 15 years away, our explosive population will sweep 55 million additional people into metropolitan areas and 50 million into existing or newly created suburbs.

The enclosed table 1 shows the extent to which the metropolitan areas outside each of the 20 largest cities have grown in comparison with the central city itself during the past decade. From 1950 to 1960, 12 of the 20 cities decreased in population, but every metropolitan area increased in population tremendously. Comparing 1960 with 1950, the 20 biggest cities as a total grew 3.3 percent in population; but the 20 related metropolitan areas outside the central cities grew 55.9 percent. The Nation's population as a whole grew only 18.5 percent.

Suburban towns bordering on major cities need suddenly to supply all the facilities that the cities developed gradually over many years. The requirements of an ever-increasing number of families for schools, roads, water supply, waste disposal, and protection is forcing suburban finances to their limit. As you know, suburban schools in many areas are now overcrowded; double shifts are common; and programs for the exceptional and the handicapped are lacking. In our own State of Connecticut last year more than 29,000 students were attending school on a reduced-time basis.

In the central cities, schools are often antiquated and lacking in proper play space and athletic facilities. Because of inadequate physical plants, they are unable to provide a balanced and complete educational program. Furthermore, the central cities' problems have been accentuated by a diminishing tax base as families move to suburbia and as school age population increases relative to the adult population in these cities. As shown in table 2 enclosed, the 20 largest cities have gained substantially in school enrollment at a time when for many of them population has been static or declining. In nine cities, total population has decreased and school enrollment has risen. In three cities, total population has decreased, and school enrollment has also decreased, but by a smaller percent. In seven cities, both population and school enrollment have increased, but the increase is much greater for school enrollment. In only one city did population and school enrollment rise by about the same percent.

In the 20 largest cities, population has risen 3.3 percent in the past 10 years, while school enrollment has risen 22.4 percent, or 6.8 times as much. In the Nation as a

whole, enrollments have also outstripped population growth, but the difference is less dramatic. Total population is up 18.5 percent, total school enrollment is up 43.5 percent, or about 2.4 times as much.

Thus, in a decade when the largest cities have declined in relative population growth and economic strength, the burden of school support has been growing. The loss of high-income families to the suburbs and the influx of low-income families into the central cities have created school problems of crisis proportions.

In the light of these and many other problems peculiar to the urban-suburban school, I question the wisdom of discriminating against the urban areas of our country to benefit areas that may be relatively poorer in terms of per capita income but, also, are sparsely populated and without the problems facing urban areas.

2. My second objection to the allocation formula proposed in H.R. 7300 is that it does not sufficiently recognize the value of the equalization factor already built into our tax structure. By denying the wealthier urban States equal per capita assistance, this formula accentuates the steeply graded progressive features of our tax system unjustifiably.

Shortcomings in our educational system are found throughout the Nation; inadequacies do not exist in one region alone. Every one of the 50 States is hard pressed to keep its schools equal to the task of providing an atomic age education. That this is a national problem and that all States require help has always been implied in general education legislation before the House, but now it is denied in the allocation provisions of H.R. 7300. I firmly believe that the differences between the States regarding genuine need for assistance are amply taken into account through our progressive tax structure, and recognition of this fact should be made in the education bill.

When H.R. 7300 comes before the House, I shall attempt to amend the allocation provisions of the bill so that it more closely conforms with the views expressed above. I hope you will join with me. I earnestly solicit your comments, your counsel, and your support on the floor.

Best wishes.

Sincerely yours,

ROBERT N. GIAIMO,
Member of Congress.

TABLE 1.—*Trends in population in 20 largest cities and related metropolitan areas*

City	Population of central city			Population of metropolitan area outside the central city		
	1960	1950	Percent of change	1960	1950	Percent of change
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. New York, N.Y.	7,781,984	7,891,957	−1.4	2,012,649	1,663,986	+75.0
2. Chicago, Ill.	3,550,404	3,620,962	−1.9	2,670,509	1,556,906	+71.5
3. Los Angeles, Calif.	2,479,015	1,970,358	+25.8	4,263,681	2,397,553	+77.8
4. Philadelphia, Pa.	2,002,512	2,071,605	−3.3	2,340,385	1,599,443	+46.3
5. Detroit, Mich.	1,670,144	1,849,568	−9.7	2,092,216	1,166,629	+79.3
6. Baltimore, Md.	939,024	949,708	−1.1	787,999	455,691	+72.9
7. Houston, Tex.	938,219	596,163	+57.4	304,939	210,538	+44.8
8. Cleveland, Ohio	876,050	914,808	−4.2	920,545	550,703	+67.2
9. Washington, D.C.	763,956	802,178	−4.8	1,237,941	661,911	+87.0
10. St. Louis, Mo.	750,026	856,796	−12.5	1,310,077	862,492	+51.9
11. San Francisco, Calif.	742,855	775,357	−4.2	2,040,504	1,465,410	+39.2
12. Milwaukee, Wis.	741,324	637,392	+16.3	452,966	319,556	+41.7
13. Boston, Mass.	697,197	801,444	−13.0	1,892,104	1,609,128	+17.6
14. Dallas, Tex.	679,684	434,462	+56.4	403,917	309,039	+30.7
15. New Orleans, La.	627,525	570,445	+10.0	240,955	114,960	+109.6
16. Pittsburgh, Pa.	604,332	676,806	−10.7	1,801,103	1,536,430	+17.2
17. San Antonio, Tex.	587,718	408,442	+43.9	99,433	92,018	+8.1
18. San Diego, Calif.	573,224	334,387	+71.4	459,787	222,421	+106.7
19. Seattle, Wash.	557,087	467,591	+19.1	550,126	376,981	+45.9
20. Buffalo, N.Y.	532,759	580,132	−8.2	774,198	509,098	+52.1
Total	28,095,039	27,210,561	+3.3	27,556,034	17,680,893	+55.9
U.S. total [1]						

[1] U.S. total population, Apr. 1, was 179,323,175 in 1960 and 151,325,798 in 1950, an increase of 18.5 percent in 10 years; reported in "1960 Census of Population," PC (A1)-1, p. 3.

Sources: Final population figures from the U.S. Bureau of the Census. Central cities from press release dated Dec. 6, 1960, entitled "Cities of 100,000 Inhabitants or More, April 1, 1960"; metropolitan areas from release dated December 1960 entitled "Final 1960 Census Population Counts for Standard Metropolitan Statistical Areas."

TABLE 2.—*Public-school enrollments and related figures, 20 largest cities*

City	Public-school enrollments		Percent of increase, past 10 years			
	1959–60	1949–50	School enrollments, 1949–50 to 1959–60	Population, 1950–60	Total effective buying income, 1950–60	Per capita effective buying income, 1950–60
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. New York, N.Y.	977,541	916,512	+6.7	−1.4	+29.1	+31.0
2. Chicago, Ill.	531,064	402,252	+32.0	−1.9	+38.2	+40.9
3. Los Angeles, Calif.	516,812	372,818	+38.9	+25.8	+56.6	+24.5
4. Philadelphia, Pa.	237,476	239,371	−.8	−3.3	+17.7	+21.8
5. Detroit, Mich.	278,428	247,819	+12.4	−9.7	+48.0	+63.9
6. Baltimore, Md.	163,238	124,259	+31.4	−1.1	+21.6	+22.9
7. Houston, Tex.	168,282	95,385	+76.4	+57.4	+87.6	+19.2
8. Cleveland, Ohio	132,242	107,728	+22.8	−4.2	+34.1	+40.0
9. Washington, D.C.	117,884	97,564	+20.8	−4.8	+45.9	+53.2
10. St. Louis, Mo.	101,066	97,152	+4.0	−12.5	+15.4	+31.9
11. San Francisco, Calif.	90,161	76,248	+18.2	−4.2	+24.0	+29.4
12. Milwaukee, Wis.	102,438	68,889	+48.7	+16.3	+45.6	+25.2
13. Boston, Mass.	95,415	99,724	−4.3	−13.0	+24.9	+43.6
14. Dallas, Tex.	127,721	61,734	+106.9	+56.4	+70.7	+9.1
15. New Orleans, La.	91,115	64,069	+42.2	+10.0	+25.1	+13.7
16. Pittsburgh, Pa.	70,744	70,056	+1.0	−10.7	+17.1	+31.1
17. San Antonio, Tex.	70,250	49,068	+43.2	+43.9	+58.5	+10.2
18. San Diego, Calif.	99,788	49,477	+101.7	+71.4	+152.6	+47.3
19. Seattle, Wash.	90,206	63,854	+41.3	+19.1	+43.9	+20.8
20. Buffalo, N.Y.	68,173	70,107	−2.8	−8.2	+42.5	+55.2
Total	4,130,044	3,373,449	+22.4	+3.3	+36.5	+32.2
U.S. total	36,037,937	25,111,427	+43.5	+18.5	+73.9	+46.7

Source: Col. 2, cities: American Book Co., calendar for 1961.

Col. 2, U.S. total: National Education Association Research Division, "Estimates of School Statistics, 1960–61," Research Report 1960–R15, Washington, D.C., the Association, December 1960, p. 20.

Col. 3, cities: U.S. Department of Health, Education, and Welfare, Office of Education, "Statistics of City School Systems," "Biennial Survey of Education, 1948–50," Washington, D.C., Superintendent of Documents, Government Printing Office, 1953, ch. 3, pp. 24–28.

Col. 3, U.S. total: U.S. Department of Health, Education, and Welfare, Office of Education, "Statistics of State School Systems," "Biennial Survey of Education, 1948–50," Washington, D.C., Superintendent of Documents, Government Printing Office, 1952, ch. 2, p. 46.

Economic, Social, and Political Implications of Community Development

EXTENSION OF REMARKS
OF

HON. JOHN SPARKMAN

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 14, 1961

Mr. SPARKMAN. Mr. President, on May 12, 1961, I had the privilege of addressing the closing session of the Inter-Regional Conference on Community Development, which was held from May 6 to 12, in Seoul, Korea. To do so was a real privilege and an opportunity. I ask unanimous consent that the text of my address be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ECONOMIC, SOCIAL, AND POLITICAL IMPLICATIONS OF COMMUNITY DEVELOPMENT

(By Hon. JOHN SPARKMAN, of Alabama)

It is a great privilege and pleasure for me to bring you the greetings of the people of the United States and their Government as this significant interregional conference draws to a close.

I wish that I could have been here with you for all the sessions of the conference. I have been deeply encouraged by what I have seen and heard of its achievements. I congratulate you on your good work, and I congratulate the Government of the Republic of Korea for its far-sighted initiative in making possible this gathering of men and women who share a common aim and seek to answer a common question.

The aim which has brought us together is in simplest form a common desire to improve the lot of our fellow human beings: to see that the people of every continent achieve the new life that recent years have vividly shown them to be possible.

The hopes of mankind are today at floodtide. This is the supreme fact of our time despite cold war and crises, despite missiles and armaments; for such sources of anxiety are far removed from the daily lives of most of the people of this earth.

Men's hopes today are aroused by the good news that has penetrated even the most backward and isolated villages in every part of the globe, that has quickened the hearts of people who were once resigned to endless generations of poverty, hunger, and disease.

It is the good news that life can be otherwise: that a road can someday be built which will bring in a doctor when the child is sick; that a school can be built to open up new worlds of literacy and knowledge; that better seeds and techniques are possible to bring a better harvest and a dependable livelihood; that land can be owned by the man who tills it; that the individual can determine his own future; that a more just society is no longer a dream, but a distinct and attainable possibility.

These are the urgent hopes that gave birth to community development. They are the hopes that infuse our common aim today.

But we who gather here seek to answer a common question as well. How can this aim be achieved with speed without sacrificing man's freedom? How can it be achieved without substituting for the tyranny of a harsh nature the tyranny of fellow men?

Our question concerns the possibility for rapid social and economic change within the framework of democracy. For the highest value and greatest strength of a democracy lies in the dignity of the individual—in his freedom of choice and association, of religion and speech. How can we increase and preserve this dignity and freedom—and at the same time revolutionize the social and economic condition of his life?

Men are not free when they are hungry and wracked by disease; but they are no more free when the totalitarian state decrees their future. Here is our common dilemma.

And once again, community development provides our common answer. For it points the way to economic and social revolution within a democratic society where the dignity of the individual and his infinite capacity for growth are cherished and furthered. It points the way to personal freedom, and to economic and social justice for each man and woman.

These truths were understood in their fullest sense some years ago by such pioneers of community development as Prime Minister Nehru and the late President Magsaysay. Recognizing the urgent need for social justice, economic improvement, and increased political participation, these leaders initiated national programs of community development in their countries as a means of bringing democratic and orderly change.

In more recent years, the leaders of other nations have chosen a similarly wise and compassionate course.

Here in the Korean Republic, for instance, a modest pilot program was begun in 1958, with 274 villages to be included by 1960. By the end of this year this program will actually reach some 668 villages in 60 counties and 9 Provinces.

With 40,000 village-units in the Republic as a whole, the task remains a formidable one. Yet the beginnings are enormously promising, here as elsewhere, and the Government is now considering a nationwide development program.

The example of India and of the Philippines is inspiring the efforts of the Republic of Korea and is being repeated daily in other lands. In the months and years ahead, these beginnings hold a golden key to the future.

In creating that future, let us never lose sight of certain fundamentals. It is these fundamentals that I would emphasize once more to you today.

In the first place, let us remember the major role of community development as an element of continuity: as a link between the past and the future.

Community development assumes that social change can be assisted and its disruptive effects lessened by enabling the people in the thousands of small communities to play an active part themselves in directing change toward the fulfillment of their own needs. With the community as the unit of change, a people can move toward the future while assuring continuity with the past.

It was this function of community development that caused a man from Ghana to describe it as "using today to have tomorrow without losing yesterday." By tapping the energies of the people in those communities, we help them to become the creators of the new society rather than the passive creatures of the old.

Second, let us never forget the central role of individual participation in the extension of these programs. The question is not merely how we should move from traditional ways toward a new life style, but who shall control the direction and tempo of change, and under what banners.

As one expert has put it, "those who gain power to shape the future will name the future, and by this name those who are shaped will come to know themselves." Community development is directed toward helping people participate in shaping the future and naming it as their own.

Participation means a sense of belonging, a sense of creation and a stake in the new society. The farmer's pride in a school, hospital, or road is compounded by the awareness that he contributed his own labor to it and that his own children will be happier and healthier because of it.

By emphasizing the participation of the people we are also decreasing the likelihood of unforeseen consequences resulting from planned change. In short, change can thus be integrated into the culture without boomeranging.

Some of you will recall the case of the agricultural extension agent who introduced a new high-yielding strain of hybrid corn to an American village in New Mexico. He had done everything right, it seems. He had tested the seed under local conditions, demonstrated it and was sure that there was a real felt need for it among the farmers.

The first year 40 of the 84 farmers planted small amounts and their production per acre doubled. The following year 60 of the 84 farmers planted hybrid corn and the agent considered it a success. But the third year the number dropped to 30, and the fourth year only 3 farmers planted it.

Why the drop, the agent asked these farmers. Didn't it thrive under local conditions? Yes. Didn't it yield more than the local variety? Yes, twice as much.

Then why did they reject it? The answer was that the farmers' wives had complained of the taste, color and texture of the flour and the fact that it didn't hang together well for tortillas, the local bread, which was their staple food. Obvious, one may say with handsight. Perhaps; but there are many, many lessons here for us. And not the least has to do with participation and unexpected consequences.

A third major feature of community development is its concern with the balanced, integrated development of the community as a whole. In the past it has been our tendency to approach village problems in a fragmented, departmentalized fashion. Each department has had its own program and approach to villagers.

Such fragmentation has produced two obvious weaknesses. First, it is a projection of the point of view of the technician as a person with something to sell—rather than a steady focus on the real problems experienced by the individual villagers. Second, it has meant that in countries with severely limited technical resources, the services to the village of almost every technical department have been inadequate.

Community development is designed to avoid these inadequacies. It begins by focusing on the community and its needs and then goes on to link services to felt needs rather than vice versa.

The logic here is obvious, and it provides a means of overcoming the villagers' traditional suspicion and hostility toward Government representatives and programs. The fundamental question is: "How can we help you do what you want to do?" not, "Here's what you must do to improve your health, or agriculture, or roads." The community development worker then is free enough and flexible enough to follow the genuine concerns of the villager without fear that they are outside his job or department.

The significant point is that such an approach, based upon the felt needs of the villager, actually yields more effective results—even in specific technical fields like agriculture. The representative of the Government at the village level can therefore help the villagers begin to plan for the total development of their village over a period of time. This becomes the vital link between village development and national development.

Against the backdrop of such fundamentals, the genius of community development is clear: it is the most effective way of harnessing the motivation and aspirations of the millions of ordinary people to the gigantic effort of national development. The poten-

tially explosive rising tide of expectations becomes transformed into what President Kennedy has called the peaceful revolution of hope.

The part which community development has to play in this peaceful revolution has significant economic and political implications.

Its principal economic contribution comes through the tapping of latent resources in the form of unused or underused labor, skill, and knowledge. This is done through stimulating villagers to undertake projects of self-improvement such as the construction of schools, access roads and community centers, as well as the adoption of improved measures in public health or agriculture.

A first basic economic assumption underlying community development is that no country has an absolute shortage of resources which can only be met through a large input from outside. The greatest potential resource of a nation is the human resource and this resource must be emphasized to produce national wealth.

The assumption can be validated from the experience of those nations carrying on national programs of community development. Thousands of kilometers of roads have been repaired and constructed, thousands of schools and community centers have been constructed. These activities have been carried on with a minimum of cash investment by either the Government or the people.

Even in the field of capital development it is estimated that 30 percent of India's increased income during the first 5-year plan was allocated to savings. This is a significant contribution to the financing of a national development program.

Equally important, however, is a second economic truth: the incalculable potential contribution that can stem from increased initiative and self-confidence on the part of people who have successfully executed local projects. These "noneconomic" factors are as significant for national economic growth as capital formation. Community development, recognizing the central importance of human motivations, attempts to discover and build its program upon the deeply rooted needs and motivations of the people.

The problem of motivation is universal. In the United States, during World War II, our farmers increased their production sufficiently not only to meet the increased needs in the United States, but also to export to our allies. They did this by using agricultural methods which, for the most part, were already known to them but previously unused or underutilized. The added ingredient was the motivation to support the war effort.

The chief problem for community development is to provide a similar stimulus in our peaceful war against the common enemies of mankind—hunger, disease, ignorance, and insecurity.

As we build more creative and self-confident communities, we also broaden the horizons of villagers and give them a sense of participation in the larger society. In addition to its economic significance, this sense of participation has important political implications.

In many newly independent countries the community development program represents an important tangible effort on the part of the Government to achieve effective freedom for all of its citizens. It can also be the means of unifying the people in a movement for national improvement.

Where there have been great distances between the city and the country, between the ruling elite and the rural population, community development can be a bridge. For the first time, in many cases, the government is sending representatives to live in villages on an equal basis with the people as their "friends, philosophers and guides."

In this way there develops an acceptance of an identification with the national government. And on the other hand, the political leadership finds its position much more stable because it is based upon positive popular support.

Perhaps the most important political implication of community development is its contribution to developing and strengthening local institutions of self-government. The delegation of power to Panchayat Samitis, or Village Councils, in India, the Barrio or Village, Autonomy Act in the Philippines, and the Institution of Basic Democracies, as Pakistan's system of representative government is called, are all evidence of this.

But even where formal institutions for local self-government have not been established, village people—through organizing and carrying out self-help projects—are gradually accumulating the experience of cooperative decisionmaking and action which is at the heart of a free society. It is in this context of working together with one's neighbors on problems about which one cares that civic responsibility and political maturity will grow and flower.

It is not for us to make the judgment that people are not ready to assume the responsibility of making decisions for themselves. Those of us who believe, without reservation, in the essential dignity of man and who have a fundamental respect for the individual have no choice.

The path is clear. It is the responsibility of those who share these values to work continuously to help these people learn to make the most informed and mature decisions possible. This is part of what is meant when we make the commitment to help them to help themselves.

But this does not mean leading them by the hand or "leading them from behind" as is sometimes said. Nor does it mean simply giving them the feeling that they are making their own decisions, while in reality the choices have been limited and weighted so as to have them select a predetermined path.

It means most of all giving them room to grow. Growth is the fundamental process in life.

A farmer can inhibit the growth of plant, he can artificially shape or misshape it, he can accelerate its growth and protect it against disease and parasites or he can kill it. But he cannot fundamentally change the nature—and we might say—the destiny of the plant. He cannot eliminate its need for light and its seeking of light—he cannot eliminate its tendency to strike roots or its need for food and water and space.

The good farmer understands the nature of plants and one of his main efforts is to assist the plant in fulfilling its own potentialities. So he doesn't overfeed or overprotect. He gives it space to grow and see that it has the essentials for healthy growth.

Thus our job is to help create the conditions for healthy growth in our societies—to create the environment where people can fulfill themselves most completely.

This possibility is increased when the essential physical needs of life are met in a minimum way. However, we all know that there is no positive correlation between the full stomach and the fulfilled person. This is why we must not stop with the economic implications of community development. These are important, but not fundamental.

In my own country, we have had fewer problems of meeting basic physical needs, but today we are turning more and more to a consideration of the ingredients of a healthy community where people are able to find creative fulfillment.

The United States recognizes community development as a dynamic force leading to economic improvement, social advancement and orderly political growth.

We pledge our support to community development programs in those countries which have or desire to initiate such programs. We pledge our support whether the community development program is modest or whether it has achieved the stature of a new institution of government.

In return, we ask only that the nations we help be prepared to help themselves toward the creation of just societies.

We ask that they be willing to put their own economic houses in order—that they be willing to establish minimum standards of economic effort and reform.

We ask that such efforts include the beginnings, at least, of a tax structure that taxes proportionately those who are best able to pay, a land ownership structure in which large and absentee landlords are no longer allowed to oppress the peasants, credit cooperatives, rural extension services, and workable curbs on luxury imports.

For if there is one lesson to be drawn from the fate of societies where such reforms were too long in coming, it is that the democratic revolution of community development is soon overtaken in such societies by totalitarian revolutions that destroy the hope for social justice and individual freedom.

Let one thing be clear: We Americans are not afraid of change which arises out of the hopes and aspirations which we ourselves share with millions of people throughout the world. Community development provides a large common denominator of these shared hopes.

Our sense of participation in these hopes was clearly expressed in President Kennedy's inaugural pledge:

"To those people in the huts and villages of half the globe struggling to break the bonds of mass misery, we pledge our best efforts to help them help themselves for whatever period required."

This is a strong reaffirmation of the basic commitment of the United States to support all movements and institutions that are expanding the frontiers of human freedom.

We shall do this in the full knowledge that responsible freedom is strong medicine. Once having tasted it, the people will never again allow themselves to be manipulated or exploited. And having shaped the future, they will name it as their own.

Hold High That Flag

EXTENSION OF REMARKS

OF

HON. PAUL B. DAGUE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1961

Mr. DAGUE. Mr. Speaker, today is Flag Day, the anniversary of Old Glory's birth and the day when we should rededicate ourselves to all of the noble precepts that have been woven into its shining folds in all these years of our independence. This emblem of our freedom should be flying high from every flagstaff where Americans gather around the world and each heart should beat high with the reaffirmation of those stalwart forebearers of ours who "pledged their lives, their fortunes, and their sacred honor" in defense of the liberties which this glorious banner symbolizes.

But something tragic has happened. Around the world today our flag is being treated with disrespect—in many places literally trampled under foot. And here at home a listless, apathetic citizenry seem indifferent to its message, seem to

care little that our prestige, which Old Glory personifies, has reached its lowest ebb. I say again "What has happened? Why have our leaders allowed our Nation to be reviled and pushed about? Why have we failed to measure up to those responsibilities of citizenship for which our national emblem stands?"

First, here at home we are being led willy-nilly into the labyrinth which is the welfare state. As a people we are being systematically taught to look to Uncle Sam with our hands outstretched, to count on him to do for us the things we should be doing for ourselves, as witness that as of this very moment we are embarked upon new and fearsome plans which will subsidize and regiment us in the fields of housing and education.

Yes, at this very moment we are already committed to another goal of deficit financing which will take us one more step along the path of insolvency at the end of which Nikita Khrushchev has promised to bury us.

How long, O Lord, how long? How long are we to turn away in shamefaced disgust when we see our leadership fail in those things upon which our national prestige depends? You know the list: failure to cope with Castro, an unwise and unprepared meeting with Khrushchev, indecision in Laos, a supine acquiesence in the infamous tractor blackmail, an inept emissary meeting rebuff after rebuff south of the border. I say again with prayerful supplication, "How long, O Lord, how long?"

And what does Old Glory say to us on this the anniversary of her birth? To me she says, "Stand up to those dictators and tell them that we have gone as far as we intend to go down appeasement's pathway. Say with firmness to the Kremlin's bloody bully "one more aggressive move in our direction and you will have had it." And to our wishy-washy allies, to those equivocating neutrals, to our wavering neighbors in this hemisphere, "Make up your minds and make them up quickly or off our handout list you go." And Old Glory, who has watched over our destinies these 185 years, knows that a determined and fortified America—fortified spiritually, economically, and militarily—will never have to fight.

Tragic Days of Lithuania

EXTENSION OF REMARKS
OF
HON. EMILIO Q. DADDARIO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 14, 1961

Mr. DADDARIO. Mr. Speaker, today we are reminded of the indignities which humans have suffered and continue to suffer in the hands of Communist domination. Twenty years ago on June 15, 1940, an early example of Soviet aggression was demonstrated in the Baltic nation of Lithuania. The people of this country had labored to maintain a bulwark against the Soviet force but in 1939 were attacked, overrun, and forced to accept Soviet garrisons and grant airbases. On June 15, 1940, they were confronted with an ultimatum demanding immediate formation of a government "friendly" to the occupation forces. A rigged election at that time produced a congress which unanimously requested incorporation of the states into the Soviet Union. On the nights of June 15 and 16 about 30,000 members of the Lithuanian intelligentsia were deported to Siberia and another 5,000 were enslaved in their homeland. This mass deportation of many thousands of men, women, and children, the extent of which has been largely blurred by secrecy, showed a clear indifference for national and human rights. The inhumanities manifest in this action will remain a blur on the pages of history.

The United States has never recognized this forced incorporation by the Soviet Union but has continued to give its moral support to the cause of the fight for liberty in Lithuania. Despite cruel plunder the Soviet masters have never succeeded in extinguishing the flame of courage and hope in the hearts of the subjugated peoples.

The Boy Scouts and Flag Day

EXTENSION OF REMARKS
OF
HON. GEORGE M. WALLHAUSER
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 14, 1961

Mr. WALLHAUSER. Mr. Speaker, our flag waves today in troubled times. It flies at half-mast because of the battle-torn jungles of Laos, because of the strife-riddled infant nations of Africa, because of the stalemated conference tables in Geneva. In the face of challenge by the Communist doctrine of world revolution and global enslavement, it swells in defiant opposition. It is then most important, today, on the 164th anniversary of the adoption of the Stars and Stripes, that we Americans understand what our flag symbolizes.

It was Henry Ward Beecher who wisely remarked over a century ago, "A thoughtful mind when it sees a nation's flag, sees not the flag, but the nation itself." Our flag is more, then, than the 13 red and white stripes and 50 stars on a field of blue. It is a symbol of a free government representing a free people, of a common faith in the tenets of democracy so ably expressed in the Declaration of Independence, of a historic struggle to establish these principles as the first law of the land and an epic story of a people living nearly 200 years beneath its majestic swirl, of an American way of life, and, most important, of a promise.

To all those who pledge allegiance to Old Glory, both citizens by birth and citizens by choice, the Stars and Stripes returns a promise. In return for your support, it says, I will safeguard your freedoms and I will allow you to continue unimpeded in the pursuit of your happiness. Old Glory speaks to the free world and promises them an ally in the preservation of their own independence and sovereignty, a helping hand in time of political or economic crisis. To the Communist world, our flag gives warning, the same warning it was forced to deliver to Germany in World War I and Germany and Japan in the second global conflagration. I am proud of the heritage and ideals I represent and will resist with all the terrible might I can muster all efforts to encroach upon or destroy these. Yours is a short-term faith. Ultimately, freedom, native to the hearts of all mankind, no matter what nationality, and symbolized by me must emerge the victor.

Mr. Speaker, in our observance of Flag Day, I would like to pay tribute to the Boy Scouts of America, now in their 51st year, for their efforts to encourage all citizens to fly the U.S. flag at their homes on holidays and impart the meaning of the flag to them. The Boy Scouts, since their beginning in 1910, have played a large and important role in the training of citizens of this land. The flag occupies the positions of highest honor at unit meetings, courts of honor, and other scouting functions. The Boy Scouts of America have always required its members to have a knowledge of the history of the Stars and Stripes and the proper ways of showing respect for it. Scouts have come to know that the flag is a symbol of the history, ideals, goals, and hopes of our freedom-loving people.

Soviet Deportation of Lithuanians

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 14, 1961

Mr. KEOGH. Mr. Speaker, Soviet Russia's violation of international treaties and elemental human rights have become commonplace in these days. One of the greatest manifestations of such inhuman behavior on the part of Soviet leaders was, however, practiced in the Baltic countries more than 20 years ago. Lithuanians had regained their freedom at the end of the First World War, and during the interwar years did their best to live in peace with all their neighbors, including their enemy, the Soviet Union. But Soviet leaders had their designs on Lithuania. They wanted to eliminate Lithuania as an independent entity. Unfortunately, they were successful in carrying out their designs, and by the middle of 1940 the country was overrun by the Red army and soon incorporated into the Soviet Union.

As soon as Communist Russians were in control of the country, they carried out mass arrests and imprisonments which, in the course of a year, placed some 50,000 able-bodied Lithuanians in Soviet prison camps in Asiatic Russia. These arrests and imprisonments were carried out under terrorism and unprece-

dented oppression. To this day the arrest and exile of these Lithuanians are remembered as the tragedy of Lithuania. The annual observance of this event is bound to impress the peoples of the free world that these Lithuanian exiles still suffer in Soviet prison camps.

House Concurrent Resolution 330

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 14, 1961

Mr. MERROW. Mr. Speaker, a conference has been in session in Geneva, Switzerland, since October 31, 1958, for the development and acceptance of a treaty to end atomic testing. Since the Soviet Union has shown no inclination to agree to the adoption of a system of inspection and controls, the United States should forthwith withdraw from the conference and immediately resume the testing of atomic weapons and devices.

Within the past few days, the Soviet Union has delivered an ultimatum to the other conferees on atomic testing stating that the terms of the Soviet Union must be adopted or the entire question must be considered in a general conference on disarmament. Negotiations with the Soviet Union have been fruitless, and I am convinced that the time has come to stop talking and start testing.

Furthermore, we have no assurance that the moratorium on testing has been honored by the Soviet Union, and we have no guarantee that the Communists are not now developing the neutron bomb. In terms of our own security, we must not be placed in a position where the Communists may be ahead of us in the development of atomic weapons.

Our survival is at stake, and on June 12, 1961, I introduced House Concurrent Resolution 330, which is as follows:

Whereas the United States has been engaged in the Conference on the Discontinuance of Nuclear Weapons Tests in Geneva, Switzerland, with the Soviet Union since October 31, 1958; and

Whereas although more than three hundred negotiating sessions have been conducted, the Soviet Union shows no inclination to agree to a system of inspection and controls; and

Whereas the Soviet Union has declared that it has established a moratorium on nuclear weapons tests, but there is no assurance that this moratorium has actually been followed; and

Whereas there is no guarantee that the Soviet Union is not now engaged in developing a neutron bomb and other atomic weapons and devices; and

Whereas the Soviet Union has demonstrated no willingness to agree to the principles contained in the draft of a proposed treaty made public by the United States delegation; and

Whereas the United States, in terms of its own security and survival cannot risk falling behind any nation in terms of atomic capabilities because of self-imposed and unilateral restraints upon the further development of nuclear weapons: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the United States should forthwith withdraw from the Conference on the Discontinuance of Nuclear Weapons Tests being conducted at Geneva, Switzerland, and immediately resume the testing of atomic weapons and devices.

Uxbridge Honors Old Glory

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 14, 1961

Mr. PHILBIN. Mr. Speaker, throughout the land today, June 14, the Nation proudly unfurls the American flag in honor of Flag Day with special flag memorial exercises in many of our cities and towns, large and small.

This year Flag Day takes on an added significance in the historic town of Uxbridge in the lovely Blackstone Valley of Massachusetts because the American flag now flies day and night in this beautiful New England community. A friend, a constituent of mine, a prominent veteran and citizen, Rosaire Rajotte of the neighboring town of Northbridge, informs me that the successful campaign to have the flag at full staff 24 hours a day is largely due to the untiring efforts of a former U.S. Marine, Herman D. Arnold of Uxbridge, who is commander of the local Veterans of Foreign Wars post.

The flag was flown day and night at Uxbridge for the first time this past Memorial Day when the town became the second Massachusetts community to honor Old Glory in this manner. The city of Worcester has paid a similar tribute to the American flag since Armistice Day, 1933, when the flag was raised before the World War Memorial to be flown night and day ever since.

The flag at Worcester is illuminated by spotlights installed at the new World War Memorial completed at Lincoln Square in Worcester in 1959 after extensive road relocation and highway improvements in the Lincoln Square area.

While Worcester and Uxbridge are the only two communities in Massachusetts to fly the American flag night and day, there are several other places in the country where a similar tribute is paid to the flag.

During World War I, it was decided for patriotic reasons that there should be one building in the United States over which the flag should always be flown. Our own U.S. Capitol Building was selected for this honor.

Later, the flag was flown day and night over the grave of Francis Scott Key at Frederick, Md., and at Fort McHenry, in Baltimore, Md., as a fitting tribute to the original Star Spangled Banner.

At the present time, there is under consideration a proposal to have the American flag flown 24 hours a day at the famed U.S. Marine Corps War Memorial which takes its inspiration from the inspiring action photograph of flag raising on Iwo Jima's Mount Suribachi, one of the famous incidents of World War II.

Like the tributes of Uxbridge and Worcester to Old Glory, this honor of the flag day and night at the Marine Corps War Memorial which overlooks Washington near the Virginia side of Memorial Bridge, would provide a most fitting tribute to the dedicated service of all marines to our Nation since 1775 in defense of the flag.

Mr. Rajotte informs me that Commander Arnold of the Uxbridge VFW post has served as commander for four consecutive terms. He is credited by Mr. Rajotte as being the leader of the campaign in Uxbridge to have the flag flown day and night under lights, thus making the town the first small community in the United States to pay this honor to our flag.

Commander Arnold served in World War II and in Korea. He wears the Purple Heart and a cluster, having been wounded twice in action.

I am pleased to salute and commend Commander Arnold and the membership of the Uxbridge VFW post for their effective contributions to their community, the State, and the Nation, and on this hallowed Flag Day offer my own fervent tribute of loyalty and affection. May Old Glory under God wave until the end of time over our free and ever greater, stronger, and happier Nation.

The Hanford Steamplant and National Security

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 14, 1961

Mr. VAN ZANDT. Mr. Speaker, the Congressional Joint Committee on Atomic Energy has reported out H.R. 7576, the AEC authorization bill for the fiscal year 1962. The only item of controversy in the legislation is the proposed $95 million addition of electric generating facilities to the new plutonic production reactor at Hanford, Wash. During our recent hearings on this item, the point was raised that the reactor would "be the kind of facility that could be put on a power basis only" in the event of an international arms control agreement. Furthermore, it has been contended that, under circumstances resulting from a breaking of such an arms control agreement, production of plutonium in the reactor could be resumed "with some rapidity"; while startup of production-only reactors shut down on the signing of a disarmament agreement "would take a substantially long time."

These allegations are made by supporters of the proposed NPR electric generating facilities in an attempt to

show that a converted NPR would serve national security interests since, as they claim, the reactor would not be shut down if and when the United States becomes a party to any arms control or disarmament agreement. On its face, this argument appears most logical and might appeal to many Members of Congress as a justification for authorizing this project. However, a more careful examination of the facts available in the public record actually proves otherwise.

Any party to an international disarmament agreement whose interests are opposed to ours—the Soviet Union, for example—surely would insist that all U.S. weapons-grade plutonium production facilities be shut down and/or dismantled. Because we have a democratic republic, we make public the fact that there are a certain number of plutonium production reactors at Hanford and Savannah River—including the NPR now under construction. This means that Soviet Russia could, as a condition to agreement, require the United States to shut down all weapons-grade plutonium producing reactors, including the NPR, regardless of whether this reactor would have added to it by that time the electric generating facilities proposed in the Atomic Energy Commission's authorization bill. If the agreement were to come during the proposed period of dual-purpose operation, the NPR could very well become an international issue in itself since its major purpose is the production of weapons-grade plutonium.

Mr. Speaker, conversion of the Hanford reactor, therefore, would not serve the purposes of national security if its mere existence in any form—even with electric generating facilities—would serve to bar a workable international arms agreement. Any action on the part of the United States to insist that it be permitted to retain this reactor, with its weapons-grade plutonium production capability available on short notice, would not go unnoticed in the eyes of the world. Our prestige as a peaceful-minded Nation would be certain to suffer to some extent.

If the Russians were to agree to our retention of the Hanford steamplant, as a steamplant—and this does not seem likely—the argument could then be made that the Congress should, in the interest of national security, authorize construction and operation of additional dual-purpose reactors of the Hanford steamplant type. The result would be that, under the guise of safeguarding national defense interests, the Federal Government would enter the power industry on a truly wholesale basis.

These are only general points, however. The project at hand, which supporters assert would serve national security interests, is fraught with many inconsistencies on this very point.

COULD REACTOR BE USED FOR POWER ONLY DURING PERIOD OF ARMS CONTROL?

The Chairman of the AEC agreed that the converted NPR could be put on a power basis only. The words are not his; he merely agreed with them.

In his prepared statement before the Joint Committee on Atomic Energy, however, the Chairman said that studies of NPR designs assumed that subsequent to primary production of weapons-grade plutonium, "and continuing through the remaining life of the facilities, the reactor would be operated under conditions optimized for power production; during this latter period, plutonium would be the byproduct."

Mr. Speaker, I want to assure every Member of this House that any arms agreement would be certain to outlaw production of weapons-grade plutonium, of this we may be certain. Any such agreement, therefore, would automatically outlaw any converted plutonium reactor—the NPR included—even though it would have as its avowed primary purpose, the production of electric energy.

COULD REACTOR BE CONVERTED RAPIDLY FROM POWER ONLY TO PLUTONIUM PRODUCTION IF ARMS CONTROL AGREEMENT IS BROKEN?

The AEC Chairman agreed also that the reactor could be reconverted with rapidity to production of weapons-grade plutonium if the need for such material should ever arise again after U.S. participation in an arms control pact.

Supporters of the Hanford steamplant appear to indicate in the public record that the plutonium produced in the NPR at any period will be weapons-grade material, but the record fails to make it clear that this is indeed so. Technical witnesses have pointed out that, in connection with production of electric energy, the reactor would not be operated at the maximum thermal level. One witness put it this way: "During that period of time—power only—the thermal operating level of the reactor would be reduced from that during the dual purpose period when it would be operated for maximum plutonium production."

This witness and other witnesses did not assure the Joint Committee, the Congress, and the people that production of weapons-grade plutonium would result from any form of operation of the NPR. Members of the Joint Committee naturally avoided detailed questions on this point because of the fact that much of the information related to plutonium reactors is classified. However, a simple assurance on this point should not intrude into the realm of classified data.

From these facts, one may summarize by drawing either of two conclusions which are related to the possibility that an arms control agreement would force the United States to shut down all plutonium production reactors.

First. If the converted NPR would produce weapons-grade plutonium at all times and under all circumstances of operation, it would have to be outlawed under such an agreement since we could not permit, in conscience, continued operation of Soviet dual-purpose reactors.

On this point, therefore, the argument that the reactor could be reconverted to plutonium production would have no validity.

Second. On the other hand, if the reactor would produce less-than-weapons-grade material during power-only operation, the core would be contaminated with the lower grade material and reconversion and reoptimization of the reactor for plutonium production would be made difficult.

Again, on this point the argument that the reactor could be reconverted to plutonium production readily would have no validity.

UNSPECIFIED ELEMENTS OF COST

The public record does not show the cost of optimizing the reactor for power production, and it does not show the cost of reoptimizing the reactor for plutonium production in the event of future need.

To optimize the NPR for power production under an arms agreement, the Commission would have to optimize the reactor for byproduct production of plutonium, presumably of less than weapons grade. Reoptimizing the reactor with rapidity for resumption of production of weapons-grade plutonium would be next to impossible, even over a substantially long period. Without resorting to classified data, one is forced to conclude that the production-only reactors shut down on our participation in an arms agreement would be ready for resumed production just about as quickly as the converted NPR. In the alternative, one must conclude that the AEC would be required to fabricate and maintain, at considerable expense, an additional NPR reactor core which would be optimized for plutonium production and that the power-optimized NPR core would have to be removed to permit resumption of production of weapons-grade material.

THE ORIGINAL PREMISE FOR HANFORD

Apart from the record compiled so far this year—the public record, that is—supporters of the Hanford steamplant have overlooked the basic premise on which the NPR was authorized in 1958. At that time, the Joint Committee and the Congress, over the strenuous objections of the President, insisted that the United States needed, for security reasons, the new production reactor, if for no other reason than to replace not one but three old Hanford reactors built and placed in operation in 1944. These reactors will be about 18 years old when the NPR is started up in 1962; it was argued in 1958 that these old reactors had, by that time, all but outlived their economic usefulness. Because of security restriction, there is no way of knowing publicly whether the NPR has three times the thermal capacity of the old reactors—and three times the plutonium production capacity—but we must assume at least that the reactor is more efficient than the facilities to be replaced.

Supporters of the NPR in 1958 asserted that the Nation was in dire need of the additional plutonium production capacity. However, those who now desire to add electric generating facilities to the NPR would accept a net reduction in total production capacity by agreeing that the old reactors have seen their day and that the replacement, the NPR, can be operated for production of both plutonium and power—and later for power only—under circumstances which reduce production reactor effectiveness almost from the very start; they allot

only 2 years at the most for production-only purposes. This is the additional time it would take after startup to complete addition of the electric generating facilities—8 years for dual-purpose operations, and 25 years for the primary purpose of power production.

Mr. Speaker, taken as a whole, the relationship of the NPR to national security, in terms of the additional facilities for generation of electricity, is hardly a valid one. Supporters' arguments along this line are directly contrary to the basic concept and the spirit of the original NPR authorization.

I think we should all agree that rather than being in the best interest of national security, the authorization of the addition of electric generating facilities to the NPR could constitute another roadblock in the way of effective arms control or disarmament. For this reason, I propose to offer an amendment to H.R. 7576 when it is considered by the House of Representatives, the effect of which would delete from the bill the proposed addition of electric generating facilities to the new plutonium production reactor at Hanford, Wash.

Address by Secretary of Labor Goldberg at Dedication of Library of Hebrew Union College-Jewish Institute of Religion, Cincinnati, Ohio

EXTENSION OF REMARKS
OF

HON. GEORGE A. SMATHERS

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 14, 1961

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of the brilliant, thought-provoking address delivered by Secretary of Labor Arthur J. Goldberg on June 3, 1961, on the occasion of the dedication of the library of the Hebrew Union College-Jewish Institute of Religion, Cincinnati, Ohio.

I commend the reading of the speech to every Member of the Senate and House. Certainly they will profit from reading it.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SECRETARY OF LABOR ARTHUR J. GOLDBERG AT DEDICATION OF LIBRARY OF HEBREW UNION COLLEGE-JEWISH INSTITUTE OF RELIGION, CINCINNATI, OHIO, JUNE 3, 1961

I am greatly honored and privileged to dedicate this new library of the Hebrew Union College-Jewish Institute of Religion.

As an outstanding rabbinical school, this college-institute continues to demonstrate that fidelity to judaism is also devotion to the moral heritage that informs our civilization.

This building will be a splendid repository of the learning of the past—a treasure house of the truths of a great religion and the convictions of a people. Within it will be a record of man's success and failure in grappling with his own nature, with reality, and with his own purpose and condition. History is filled with blind waste and magnificent triumph, with angry stupidity and dazzling discovery. In hours of trial a library offers us the opportunity to judge the results of past decisions.

It was Oliver Wendell Holmes, Jr., who said: "Continuity with the past is a necessity, not a duty."

Libraries in particular and educational institutions in general make continuity with the past possible. And we are bound to the past, creatures of time, but free to look to a future we ourselves help to make.

I wonder, then, how it is that modern society fails to resist the impulse to relearn, often in more bitterness, lessons learned so bitterly in the past.

Those who forget the past, said Santayana, are doomed to repeat it. Are we, today, forgetting the past?

I raise this question at this time and in this place because it seems particularly fitting to dedicate a monument to man's collective knowledge when voices are heard urging disengagement from history, withdrawal from the continuity of responsibility that has flowed from father to son in our free Nation.

These voices rejecting history are raised because of the genuine struggle of human conscience at a time of truly awesome responsibility. Good people are deeply troubled about man's course toward holocaust. They fear that a race of arms can end in the ravage of civilization.

We all stand in the shadows of the towering giant of nuclear power, the colossal bomb that can obliterate centuries. It is argued by these men of good faith that the sole moral position for a moral people who possess this weapon is to unilaterally divest themselves of it.

This manifestation of pacifism—not new in history—is of course accentuated by the character of the nuclear weapon. But the necessity of continuity with the past requires an answer to evident questions.

Will unilateral abandonment of defensive arms deter aggression? Will the unilateral pledge of our own disengagement actually turn tyranny aside and guarantee universal peace with justice?

In pondering these questions, we might turn—for one place—to here, to a library. Contemporary history offers some comparative examples. Many of you will remember the Oxford Oath era in Great Britain prior to the Second World War. Its feeling for peace, its rejection of war, its longing for order in the world's affairs were all emotions that good men could and did share.

This open commitment to disengagement did not stop Nazi aggression. I wondered then, and I do now, whether or not Hitler was encouraged by the policy of disengagement he sensed in the English people. Like every dictator, before and since, he incorrectly judged the stamina and will of a free people.

In this Nation, unlike some others, the argument to disarm unilaterally and to divest ourselves of nuclear capability does not enjoy the wide respectability of a movement. I believe that the President spoke for most Americans when he said: "Our arms do not prepare for war—they are efforts to discourage and resist the adventures of others that could end in war."

I am sure that in the light of the plain postwar record, everyone cognizant of fact and not deluded by propaganda—either of their own making or made for someone else's consumption—recognizes the sincerity and good faith of our efforts to achieve an enforceable ban on nuclear testing and genuine disarmament. I am sure that no one, except the propagandists and their victims, questions the good faith of our President who at this very moment is on a mission of peace—not peace in our time but for all time.

Disengagement, however, takes many forms. There are those respected among us who recognize that unilateral disarmament in the face of the postwar history of totalitarian aggression is an invitation to increased aggression. But they also seek to disengage the Nation from the performance of other actions necessary to strengthen our alliances and maintain the free world.

It is this "intellectual disengagement"—this withdrawal of assent to the total demand that freedom makes upon us—that I wish to discuss here.

I am not implying that all intellectuals seek disengagement. On the contrary, the Harvard Manifesto has, in our healthy and free society, brought forth a Princeton Pronouncement. But nevertheless, there is indication of a current of intellectual disengagement in our Nation today.

I suggest to the intellectual seeking peace through disengagement that he ponder an activist path toward peace which we can all share. This path leads toward the completion of our own Revolution in other free societies, and the making of a world order in which a balance of terror would lose its power. I would suggest to him the historical reminder that peace can only be attained in freedom, and that it is peace in freedom that we all seek and must work to attain.

The President, in the conduct of the foreign policy of his administration, has enunciated several concepts related to the pursuit of peace in freedom.

As a nation endowed by God with great resources and one of history's great examples of just government by law, we are charged with the responsibility to lead the free world. The President has aptly remarked: "This Nation was born of revolution and raised in freedom. And we do not intend to leave an open road to despotism."

Secondly, our whole history and purpose as a people makes it impossible for us to be neutral in our devotion to the cause of peace in freedom.

Thirdly, in terms of the world alliance we lead, the historical encouragement disengagement would give to those intent upon conquest, and the vacuum of responsibility it leaves in a world of growing nuclear mastery, makes it clear that a leader of freedom cannot disengage without leaving not only itself but all others allied with it the quick target of aggressive despotism.

Fourth, we welcome all allies devoted to peace in freedom. In this regard, I think we should all be clear—despite our own intellectual differences—that we respect the right of every nation to seek freedom and equality, order and independence in its own way, flying its own flag, charting its own course.

We support the revolution of peace and hope sweeping the world, and we offer that support, as the President stated, "regardless of which political or economic route they choose to freedom."

Fifth, we recognize the right of every nation not charged with our responsibility or armed with our resources to pursue a policy of noncommitment, whether to us or any other power. Our alliance is one of voluntary commitment to peace in freedom. It is not cemented with force, not held together with the bonds of political domination and fear. We do not force nations to be our allies. And we resist efforts on the part of others to compel, coerce, or subvert them to be their allies.

Finally, in this open posture of support for all nations seeking freedom, our sympathies are manifestly with those seeking to end injustice, tyranny and exploitation, anywhere in the world.

The volumes of history that will be contained in this library make it plain why this is so. Even before we were a nation, as a group of rebels seeking freedom we had the support of LaFayette, De Kalb, Kosciusko, Steuben, and others. They were brave men

who crossed distant seas to help us fight for liberty. After we were a nation, we extended the hand of help to Louis Kossuth, Garibaldi, Mazzini, Carl Schurz, Lamartine, and others because they shared the ideals of our own Revolution. Even more recently, I recall with no sense of regret serving as a member of the Committee to Aid America by Aiding the Allies. In those dark hours of 1940, our Government welcomed and sheltered thousands of exiles from Europe.

It is clear that the idea of freedom has always been basic to our national policy—and with it, sympathy for those fighting for freedom.

We extend our full measure of sympathy and support to the true revolution and not the false one, to the revolution that seeks freedom and does not suppress it.

We know too well from the lessons of history that tyranny often seeks to disguise itself by the assertion of humane goals. For us, means as well as ends are important. And for us, while we recognize any nation's right to achieve a fashion of economic system of its own making, we do not concede the right in moral terms to fashion a political system which denies liberty, human dignity, and the rights of man.

I believe that these concepts, which are basic to our President's foreign policy, deserve and command the support of all who believe in a democratic way of life.

Yet, as I read the manifestos being circulated recently, I find that while there is not disagreement with these principles there is a note of scepticism about our commitment to allow any nation to pursue its own social and economic path to peace and freedom. I believe this skepticism is totally unwarranted. Our words and deeds bear eloquent testimony to our total commitment to the just aspirations of people everywhere. This is what the President, speaking for all Americans, has said on this subject:

"Let every nation know, whether it wishes us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure the survival and success of liberty."

"We stand for freedom. That is our conviction for ourselves—that is our only commitment to others. No friend, no neutral, and no adversary should think otherwise. We are not against any man—or any nation—or any system—except as it is hostile to freedom."

"Asia, Latin America, Africa, and the Middle East—theirs is a revolution which we would support regardless of the cold war, and regardless of which political or economic route they choose to freedom."

The President's actions have been consistent with his words.

In the United Nations, we have voted against colonial powers even at the discomfiture of allies.

We have extended material and economic aid to other nations embarked on more sweeping reforms than those of Castro.

The downfall of dictatorships in Argentina, Colombia, and Venezuela was followed by American support for the democracies seeking to bring hope and security to their people.

Our quarrel with Castro, as the President stated "is not over the people's drive for a better life. Our objection is to their domination by foreign and domestic tyrants. Cuban social and economic reform should be encouraged. Questions of economic and trade policy can always be negotiated. But Communist domination in this hemisphere can never be negotiated."

The situation we face is not that of social reform. Let us regard it clearly as the President describes it: "The menace of external Communist intervention and domination in Cuba." The real issue is the survival of freedom in this hemisphere.

I am sure that all men of good will are united in seeking a world in which genuine nonintervention in the struggle of nations to attain peace and freedom is practiced. But the dilemma facing us as a nation is that we who believe in nonintervention are confronted by a force that practices aggression in many forms.

Consider the words of the President: "They send arms, agitators, aid, technicians, and propaganda to every troubled area. But where fighting is required, it is usually done by others—by guerrillas striking at night, by assassins striking alone, by subversives and saboteurs and insurrectionists, who in some cases control whole areas inside of independent nations."

The basic dilemma is that kind of situation which was described a little more than a century ago by John Stuart Mill:

"The doctrine of nonintervention," he wrote, "to be a legitimate principle of morality, must be accepted by all governments. The despots must consent to be bound by it as well as the free states. Unless they do, the profession of it by free countries comes to this miserable issue, that the wrong side may help the wrong, but the right side must not help the right. Intervention to enforce nonintervention is always rightful, almost moral, if not always prudent. Though it be a mistake to give freedom to a people who do not value the boon, it cannot but be right to insist that if they do value it, they shall not be hindered from the pursuit of it by foreign coercion."

Today, in 1961, we must ask:

Will the wrong continue unopposed to aid the wrong while the right declines to aid the right?

I submit these thoughts and questions in the spirit of good intention—not to try to create a pale unanimity of views but to encourage all Americans to consider the full responsibility we carry.

At the signing of the Constitution, Benjamin Franklin remarked that he had been observing the painting of a sun on the chair in which George Washington sat. He said that it gave him happiness to know now that it was a rising and not a setting sun.

I think the world knows now that the light of freedom will rise over the exploited peoples of the world. They know that this Nation will commit its power, and its people, to the alliance for genuine social advancement in every nation. They know we stand for freedom and oppose tyranny, wherever it may appear, whatever form it may seek to shield itself from recognition.

It is that knowledge, and our own firm resolution, that will fix the course of history. It is in that spirit I dedicate this new monument to history today.

The Agricultural Situation and Farm Legislation

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 14, 1961

Mr. HUMPHREY. Mr. President, on June 7, the junior Senator from Missouri [Mr. LONG] delivered a remarkable speech, before the American Stockyards Association, at St. Joseph, Mo., on the agricultural situation, and, in particular, the farm legislation pending before the Congress. I ask unanimous consent that this thoughtful message by a well informed U.S. Senator who gives a great deal of his time, attention, and ability to the problems of our agricultural economy be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR EDWARD V. LONG, OF MISSOURI, AMERICAN STOCKYARDS ASSOCIATION, ST. JOSEPH, MO., JUNE 7, 1961

I am particularly happy to have this opportunity to meet with the members of the American Stockyards Association. I am a livestock producer myself, and I have a deep interest in the welfare of the livestock industry in all its phases, from production on the farm to distribution in the retail stores.

This is a big industry, a multi-billion-dollar industry; and it's growing. The better our standard of living, the more meat we eat. And today livestock and livestock products represent the big end of our agriculture economy. In the national interest, the livestock industry must be a growing, progressive industry, and I welcome all opportunities to be of service to you.

And let me say right here that it isn't easy for men in Government to serve the livestock industry, because there are so many varied viewpoints. Judging from the mail I am getting these days, there is a lack of enthusiasm on the part of a number of livestock organizations for the proposed omnibus farm bill now pending before the Agriculture and Forestry Committee. And I, too, am not happy with some of the sections in the first draft of the bill; but I am disappointed that these organizations have not proposed more desirable alternatives.

I wonder if the officers of the organizations who oppose almost every farm bill that comes before the Congress are fully aware of what's happening to the American farmer in this highly industrialized society of ours.

The 2 million families on commercial farms in America have less income, relative to nonfarm incomes, than at any time since the 1930's. The farmer has been pushed down the scale, while others have climbed to new highs.

For example, in 1951–52, workers on farms, including owner-operators, received a return of 90 cents an hour for their labor as compared with $1.63 for manufacturing employees. In 1960, farmers got 82 cents an hour—8 cents less—while workers in manufacturing were raised to $2.29.

This imbalance has been creeping up on us for some time, and one of the reasons for it is that industry is highly organized and centralized, while agriculture, by its very nature, is decentralized.

Not since the 1930's have manufacturers permitted themselves to be swirled and tossed from one reef to another by the normal forces of supply and demand. They plan, they budget, they adjust production to sales, and they try to avoid market-glutting surplus.

For example, I saw an item in the magazine Business Week, the other day, reporting that the iron and steel industry was operating at 50 percent of capacity at the close of 1960. The machinery industries were operating at 70 to 74 percent of capacity; the auto, truck and parts industry was operating at 80 percent; and the petroleum and coal products firms were operating at 81 percent of capacity.

The operating rate for all manufacturing industries at the end of 1960, according to Business Week, averaged 77 percent of capacity. Yet, these manufacturers were paying their workers better wages. They were asking and getting slightly higher prices for their products than a year earlier, and their profits were about the same as for the previous year, operating at 77 percent of capacity.

Now, contrast manufacturers and farmers: In 1960, farmers produced at about 98 percent of capacity. They placed 28 million

acres of cropland in the conservation reserve. The Government removed another 6 to 8 percent of farm products from commercial markets with its storage and food-for-peace programs. But farm prices were 12 percent lower; returns per hour of labor to workers in agriculture were 11 percent lower and the profits—net realized income—of farmers was 26 percent lower than in 1947–49.

I heard no criticism of the manufacturers for their actions in reducing production when inventories accumulated. There was no grumbling about making the unemployment payments to the workers who were laid off by the manufacturers. There was no public clamor that manufacturers should lower prices and operate at full capacity.

Yet, when farmers propose enabling legislation which would permit them to develop orderly marketing programs to accomplish what business and labor already practice under existing legislation, some organizations predict dire consequences.

Quite frankly, I don't know any better way for a Senator to be of service to the livestock industry than to attempt to correct some of the misconceptions of the officers of organizations who should be working to improve the welfare of producers, but aren't. I don't know of any greater service I can perform for the livestock industry than to help this great industry develop effective means for planning, budgeting, and orderly marketing, when the occasion requires.

In your own industry, you have procedures established whereby you can charge rates which will assure you a reasonable return on your investment. Why shouldn't farmers be permitted to develop programs and procedures to stabilize their prices and returns?

Why shouldn't they be allowed to organize into cooperatives and stabilize market supplies and prices under Government marketing orders which have demonstrated their effectiveness in California, in fluid milk markets, and in the marketing of perishable fruits and vegetables?

As I understand it, this is a purpose of the omnibus bill now under consideration by the Agriculture Committees of the House and Senate.

At this particular stage in our economic development where agriculture is often the forgotten segment of our economy, the Nation should be grateful that we have a dynamic, hard-working, hard-hitting Secretary of Agriculture, who fights for farmers and their rightful share of the fruits of their labor. In spite of an urban background, Orville Freeman is making a great Secretary of Agriculture. He has made a tremendous impression on all who have come in contact with him. He has mastered the complexity of the farm problem. He appreciates the great technical success farmers have achieved. He is using our abundant food supplies as a precious asset at home and abroad. He is publicizing the success story of American agriculture and recommending legislation whereby farmers with the help of Government can improve their economic welfare.

For the first time in many years, Congress and the Department of Agriculture are working together. I was proud to vote for the emergency feed grains program in March. I believe I served the livestock industry well by that vote, for producers of hogs, cattle, turkeys and chickens were facing still more cuts in income if feed grains were not stabilized.

Agricultural economists told the Congress last November that if feed grain production continued unchecked, the hog market would be 17 percent lower by 1965; eggs would drop 13 percent and hang there; turkeys would drop 10 percent; and cattle 9 percent.

Bumper feed grain crops force record numbers of livestock; and, to force the sale of the additional meat, the stores cut the price and pass it on back to the livestock producer. And the man with the Herefords or the Angus takes the loss.

If annual feed grain production can be stabilized at 140 to 150 million tons, instead of 167 million, for the next few years, livestock producers as well as feed grain growers will benefit.

With stabilization of feed grain supplies, livestock producers can look forward to modest increases in cash receipts of 5 to 10 percent by 1965. Without stabilization of feed grain supplies, the future would be bleak, indeed.

I am happy to report that participation in the emergency feed grain program for 1961 has exceeded expectations. Farm income will be higher as a result of the program and Government costs will be lower. The buildup in Government stocks will be stopped and perhaps there will be a modest reduction this year.

But this is only a 1-year program. We must develop a longer-term feed grains adjustment program. And we must come up with a good wheat program. We should divert about 30 million acres which have been devoted to the production of feed grains and wheat to soil-conserving uses. Only in this way can we adjust current production to current needs and gradually work off our excess stocks.

And keep this in mind: These adjustments must be gradual. They should interfere as little as possible with our free enterprise economy.

In a little more than 300 years, American farmers have converted vast areas of forests, fertile plains, and semidesert lands into highly productive farms. Sons and daughters from every country of Europe and from most parts of the world contributed to this great development. They brought the skills and know-how from their home communities. They brought crops and animals from all parts of the world and adapted and improved them.

Every farm family has been free to make as much or as little of its economic opportunities as it wished. Every farm family has shared the great American dream that there is no limit to the opportunities available to the children born on the farm.

We have buttressed individual enterprise in agriculture with the finest technical services and the most extensive research facilities in the world. Scientific developments in the last 75 years, largely originating in the Government-supported agricultural colleges, and the U.S. Department of Agriculture, have resulted in more progress in American agriculture during this period than any place else in the world in the previous 7,500 years.

In the last two decades, the American farmer nearly tripled his output per hour of work. Nothing like this has ever been known in the world before. It is one of the significant and important breakthroughs of human history.

As a result of this remarkable forward surge, one-third fewer U.S. farmers produce food and fiber for one-third more people than 20 years ago and provide them with better diets for a smaller proportion of their income than can be found anywhere else in the world.

For 1 hour's pay, an average industrial worker in the United States can buy a normal meal for four persons—a good meal consisting of beef sirloin, potatoes, cabbage, bread, butter, milk, and a serving of fruit. In Germany and England, it takes 2 hours' work to buy the same meal; in Austria, 4 hours; in France, 4½ hours; and in Italy, over 5 hours.

Nothing impresses Russian visitors to the United States more than our farms and our food supermarkets—especially the high quality of the foods and their low prices in terms of workers' wages.

The livestock industry is proud of its contributions to this magnificent record. But the evidence is unmistakable; usual supply and demand forces will not achieve an equilibrium in agriculture at satisfactory price and income levels under the conditions of rapid technological advances operating today. The livestock industry must develop ways and means of operating at somewhat less than full potential capacity, as occasion demands, similar to the practices of other manufacturing industries.

Current industrial practices have not prevented technical progress in industry. They have not changed our basic free enterprise system with its emphasis on individual and corporate enterprise.

Livestock producers are searching for ways of adapting for agriculture the industrial practices which make it possible for an industry to adjust its production to market demands.

I know of no better way for a Senator to serve the livestock industry than to help them in this undertaking.

How To Start Things Booming Again

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, June 14, 1961

Mr. WILEY. Madam President, stimulating the economy to full recovery, after our setback, will require a real reinvigoration of our free enterprise system.

Everyone knows that one of the challenges we are facing on the homefront is the challenge of inflation, the challenge which arises from the fact that if the amount of money we spent unbalances our economy, we shall have an inflated dollar, and that will deprive those who have insurance and those who have Government bonds of much that they have accumulated by their hard work and sweat. That is also a real challenge to our country, and it is one which we must not neglect.

When we think about spending, we must also think about what we are frittering away of those who kept the country solid in the days gone by, as well as at the present time. Therefore, in evaluating and determining what we shall spend now—and I shall not say that we should hesitate to spend a needed dollar, but we must be sure that it is really needed—we must carefully determine the facts.

In the face of economic, or other difficulties, we often look for new, miracle-type solutions. It is true that such ideas are always welcome and, in many cases, essential.

Nevertheless, we cannot—and must not—overlook the fact that improvement of existing methods and procedures can make an effective contribution to progress. That is what I was talking about a few minutes ago; namely, the imperative need to have economic, political, and military diagnosticians who know the needs and know how our funds can best be spent.

Recently, the Secretary of Commerce, the Honorable Luther Hodges, wrote an article, which was published in This Week magazine entitled, "How To Start

Things Booming Again." The article stresses—and rightly so—that a little more "oomph" in our enterprising system, particularly in selling, could be a real boon to our economy. It reemphasizes that "prosperity is everybody's business," and proposes constructive suggestions on spurring economic progress. I request unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW TO START THINGS BOOMING AGAIN—PROSPERITY IS EVERYONE'S BUSINESS—THE SECRETARY OF COMMERCE, IN ONE OF THE MOST IMPORTANT ARTICLES WE'VE EVER PUBLISHED, WRITES A PRESCRIPTION FOR A BETTER AMERICA

(By Luther H. Hodges, Secretary of Commerce)

It appears that I touched a sensitive spot when I said to a press conference recently: "If you really want to find what's wrong with this country, then you ought to see how little we are trying to sell. Try to go to a hotel and see how you are handled by the clerk or try a railroad for courtesy and you'll see we are not doing a half job of selling in this country."

Aggrieved cries came from representatives of industries I had cited as showing discourtesy and lack of attention to customers. Spokesmen for hotels, airlines, railroads all pointed out, and quite correctly, that for some years they have conducted training programs and customer service.

Yet all of us—housewives as well as businessmen—have had experiences of the kind I complained about. Your letters made plain to me that we need to put a lot more courtesy and enterprise into our selling. They'd be wonderful qualities in our daily lives, whatever our occupation, and applied to selling, would do much to get our economy moving to higher ground.

Listen to what a Tennessee man wrote me:

"What an understatement you made. I have visited six auto dealers to try to trade for a new car. Only one dealer really tried to trade with me and I purchased his car, and honestly, I least preferred his make. One tried a little to sell me and the other four left the impression they would rather keep their cars."

Or a man from Lancaster, Pa.: "I am a small businessman and I know how rough it is to try and get someone to sell something."

A Norfolk, Va., man who has been in sales work 53 years says: "Customers should be treated right and not given any fancy upstaging. I could recite instances again and again of my own experiences, when I've wanted to buy something, some item I really needed, and had the cash right in my hands—and I just didn't get the service."

HOTELS AND AIRLINES, HEAR THIS

From Winston-Salem, N.C., comes a complaint that an airline "has thrown me off more flights because they have been oversold and haven't been the least bit courteous about it." After noting also that "in hotels with national reputations" he has been put "in rooms not reconditioned for occupancy," this citizen declares:

"If they would do a good job of selling their product, the public would bend over backward to support them."

The same anemic attitude toward salesmanship that is draining vitality from our domestic economy also drags our export level below what it can and should be.

The U.S. Department of Commerce sent export survey teams to key areas of the world last year. Our experts who went to Australia and New Zealand came back and told us of a startling number of cases in which potential new customers had been almost literally turned away. They heard complaints from executives of more than 100 firms "down under." Though growing in the special soil of the export situation, most of them originate in the same root as our selling troubles at home—we're just not being courteous to the customer.

I was shocked and ashamed to hear that Australian businessmen, and many of their colleagues in other lands, said that a number of U.S. firms failed to answer their mail, acknowledge orders, or supply needed technical information.

The situation is similar in our own backyard—Mexico and Central America. Though we are still the leading supplier there, our share of the market has been declining, while West Germany, Japan and others are improving their positions. Why? Not just lower prices. The 150 local businessmen interviewed in this area said we could overcome a price disadvantage of as much as 15 percent—if we gave thoughtful consideration to the needs of the local distributors on such matters as credit, delivery, service, parts, and packaging.

Thoughtful consideration to the needs of the customer—that's our problem everywhere. But so pitifully little is being done about it in relation to the need! Only about 1 percent of the people engaged in sales and service are taking extension courses in distribution. And less than 10 percent of industry's research dollar goes to improve the efficiency of marketing the products that are improved with the other 90 percent.

NEEDED: 6 MILLION EXPERTS ON SELLING

Without more training, where will we get the 6 million additional people who will be needed during the next decade in sales, clerical, and service occupations? How will they learn to sell and service the deluge of new products that's on the way—even today, about one-third of all sales revenue is from products that did not exist 10 years ago.

Salesmanship alone, of course, will not provide a magic solution to our complex economic problems. The President has sent to Congress a whole package of constructive proposals to help us grow. But I believe salesmanship can give just that extra push we need to get moving toward the new heights of which our economy is capable.

If we did a better selling job at home, it could bring about a slight but important shift in how we consumers divide our income between spending and saving. During the prosperous year 1955 we spent 93.7 percent of our personal income after taxes; in the last quarter of 1960, only 92.4. A 1-percent shift in favor of spending would mean sales of about $3,500 million more goods. Once consumer goods start moving faster, businessmen will be more inclined to invest in modern machinery, which is a key to prosperity at home to success in competing for the export market.

If we project a vigorous desire to serve we should also be able to do a much better job of selling abroad. Today we send only 4 percent of our gross national product into the channels of world trade, a far smaller percentage than other nations. We—business, labor, and Government together—have a heavy stake in increasing exports. For business it means greater profits. For labor, every $6,000 of export sales provides one job. For the Government, and that means for all of us, it helps to keep the dollar sound, as the President has pledged to do.

Any businessman who really wants to sell his products or services at home or abroad can get help from the U.S. Department of Commerce.

Suppose he wants to know where the best domestic sales opportunities are. He can draw on $135 million worth of our census statistics, some of them broken down as fine as a city block.

HELP IN SELLING OVERSEAS

If he wants to sell overseas (and I hope more manufacturers will—today less than 5 percent do) we can help him with information we and the State Department collect from 260 oversea points. (Much of this material is published in our Foreign Commerce Weekly, available for $6 a year from the U.S. Government Printing Office. A bit of selling by Luther Hodges, with no apologies made.)

Businessmen and women who have tapped the resources of our Washington or field offices often tell us that this act was the starting point of their selling-success stories. Mrs. Helen Sullivan, export manager of Mixermobile Manufacturers, Portland, Oreg., offers this colorful example:

"The first step we took was to analyze the foreign market with the help of the local department of commerce.

"It was up to us to make each one of our prospective dealers feel that he was the only one who could sell Scoopmobiles for us and that his success was the most important job that we had.

"We followed with the very best possible service we could render. To illustrate: A cable from Stockholm advised us they had a machine down at Kiruna, at the Arctic Circle, and could we air freight the repair part. Well, I dashed downstairs to make sure we had the part, tagged it for export, sent out an S O S for the boxer-carpenter, and dashed back upstairs to make up the shipping papers. Within 40 minutes that part was on its way to the airport. The Swedes now think that Scoopmobiles are the next best thing to nude bathing."

We may never face the same problem as Mrs. Sullivan, but whether we're doing business across the Atlantic or on Broadway or Broad Street, let's take the "how can I help you?" approach.

Businessmen must study intensively the customer's needs and wants, using both Government data and personal investigation. Then they should do some critical self-questioning: "Is our product, in the form we now make and package it, just what the customer can best use? Could we perhaps adapt it just a little better to his requirements?"

Having made sure what the customer wants, they face the all-important step of presenting the product to him. That boils down finally to an effective person-to-person contact. The best advertising in the world will be useless if a rude or uninterested salesperson handles the job.

We must face up to our growing need for salespeople who radiate courtesy and an attitude of service to the customer, and have the knowledge about the product to be really helpful. Anyone who wants to make a career in selling must recognize that it takes training, and from time to time retraining, to keep up with change.

THE ONE WORD SECRET OF SELLING

Some may ask, "Is a career in sales worth that much effort?" I can testify that it is, both in financial reward and the satisfaction that comes from being of service.

The problem of salesmanship is not a problem for businessmen alone. What I am talking about is an attitude toward people, which concerns every one of us. It could be boiled down to the one word "courtesy," defined as a regard for the other fellow.

If we breathe this spirit into our transactions, we'll get results. I know I have always found this so. During my first campaign for public office, I introduced myself to a stranger and told him I'd like him to vote for me as Lieutenant Governor of North Carolina. "I will," he said.

I was so taken aback by his prompt response that I asked, "Why?"

He said, "Because you're the first person who's ever been interested enough to ask me."

SECRETARY HODGES' THREE-POINT CODE FOR SALESMAN

1. The customer is a human being. As such, he deserves and will get my respect and courtesy whether he buys anything or not.

2. The customer is an individual. He has his own special needs and feelings. I will seek to understand his feelings, just as I hope he will try to understand mine.

3. The customer has a right to information and the salesman an obligation to provide it. As a salesman who takes pride in his job, I will make it a point to learn all there is to know about my merchandise.

Bids for Purchases of Coke

EXTENSION OF REMARKS
OF
HON. JOHN P. SAYLOR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1961

Mr. SAYLOR. Mr. Speaker, through some strange machinations between the State Department and the Department of Defense, bids for purchases of coke by the Armed Forces installations in Europe are reportedly about to be made on a wide-open basis. In other words, although our coal producing areas are most predominant among the Nation's labor surplus regions, a department of the U.S. Government is willing to ignore these conditions completely and abjectly. By opening bids as presently planned, it is not unlikely that some of the coke may come from coal produced within Communist nations.

Actually, Mr. Speaker, the maneuver would not only deprive the American coal industry and American coal miners of an important business order; it would also preclude coke producers in this country of an opportunity to enjoy much-needed business.

The whole philosophy involved in this issue is most perplexing. One of the most sensational steps in the very first weeks of the new administration was to clamp down on purchases of foreign-made products by American personnel abroad as a medium of halting the outflow of gold from this country. I remember particularly an instance in which an officers' club was prohibited from purchasing materials in Europe that would have amounted to several thousands dollars. A laudable project, one might surmise at first glance, but the amount is infinitesimal when placed alongside the jackpot that the Defense Department is willing to invest in alien coke.

The expenditures for the officers' club would have come from the pockets of American servicemen; money for buying the coke is to come from the U.S. Treasury. In contrast to the few thousand dollars which were held up to curb the outflow of gold from this country, the coke purchases would amount to approximately $18 or $20 million. I submit that this matter is completely counter to the stated policy of the administration and that it constitutes a shameful retreat from responsibility in international affairs.

Mr. Speaker, today is Flag Day. It should not be necessary to remind the Congress that many of our unemployed miners, railroaders, and others depending upon a vigorous coal industry for subsistence are veterans who so heroically served the flag in the far corners of the world within the past two decades. These are the men for whom the postwar picture was painted in glowing relief, yet were to come home to find that their interests had been subordinated to the desires of the nations they had liberated—yes, and those they had fought.

In central and western Pennsylvania are hundreds of families who, because of the devotion of the Federal Government—particularly the State Department—to international causes, have been forced to subsist on submarginal income almost from the end of World War II. Few industries are escaping the impact of foreign commodities that are welcomed into our domestic markets. Those who depend upon the coal industries are major victims. They have had their jobs washed away by the deluge of residual oil entering the east coast.

Now that the U.S. Government has an opportunity to create some job opportunities by purchasing coke for our Armed Forces from this Nation's producers, there comes the strange announcement that the order can be filled by any nation, including those in the Red orbit.

I suggest, Mr. Speaker, that if Congress wishes to observe this June 14 within the true spirit of its meaning, we indicate to the State Department and the Defense Department that we will no longer tolerate policies that disregard the welfare of our people in order to placate the beneficiaries of our largess who somehow are able to develop so many sycophants among American personnel abroad.

I wish to include as a part of my remarks communications which I have received from American firms who are desirous of participating in the bids for the coke requirements of the Department of Defense:

BOSTON, MASS., *June 12, 1961.*
Hon. JOHN P. SAYLOR,
House Office Building,
Washington, D.C.:

We request opportunity to bid on Department of Army's European coke requirements for fiscal year 1962.

EASTERN GAS & FUEL ASSOCIATES,
C. R. WALTON, *Vice President.*

PITTSBURGH, PA., *June 12, 1961.*
Hon. JOHN P. SAYLOR,
Representative, Old House Office Building,
Washington, D.C.:

We have two coke plants in Pennsylvania which are working at less than 40 percent capacity with resultant unemployment. We would be most anxious to bid on any coke sold to Armed Forces in Germany.

CARPENTERTOWN COAL & COKE CO.
PITTSBURGH, PA.

NEW YORK, N.Y., *June 12, 1961.*
Hon. J. P. SAYLOR,
House Office Building,
Washington, D.C.:

Unofficial advice received that State Department rules that domestic producers of coke will not be eligible to participate in U.S. Army requirements in Germany bids opening June 14. Please use your good offices to protect U.S. producers.

UNITED EASTERN COAL SALES CORP.

PITTSBURGH, PA., *June 13, 1961.*
The Honorable JOHN P. SAYLOR,
New House Office Building,
Washington, D.C.

On connection with the coke requirements for Germany during the next heating season we have available 800 idle coke ovens and a plentiful supply of high-grade coal for use in these ovens respectfully submit this information as indication if need for coke to be furnished from United States.

EMERALD COAL AND COKE CO.
W. L. AFFELDER, *President.*

WINSLOW-KNICKERBOCKER COAL CO.,
Philadelphia, June 9, 1961.
Hon. JOHN P. SAYLOR,
Cambria Congressional District, Pennsylvania

DEAR SIR: We are writing to inform you that we are actively interested in the American Army Board tender, calling for 810,000 tons of coke for use throughout western Germany. This tender opens in Germany June 14, 1961. To date, our information from the chief of procurement in Germany is to the effect they will consider only coke purchased on an international basis.

Please be advised that we, acting as sales agents, are firmly of the opinion that the entire tonnage can, and should be, purchased from America. In this instance, one of our principals is Bethlehem Steel Co.

Since time is beginning to run out, we earnestly ask that you place these facts before the Department of Defense.

As you are well aware of the American gold situation, we feel proper action should be taken strongly and immediately. Some of the pertinent facts involved over and above the gold shortage are:

1. 1,000,000-plus tons of American coal will be coked in the United States of America.

2. The extremely valuable chemicals produced as byproducts are in severe shortage in this country, and America is forced to purchase these distillates from Europe at exorbitant prices and freights.

3. Our labor surplus areas need help desperately.

4. Large amounts of foreign coke are produced from coals within the Iron Curtain.

It would appear that the United States of America cannot overlook this coke movement as we not only will be competitive, but more important is the tremendous flow of our dollars going the wrong way.

We respectfully ask your cooperation in this matter.

Very truly yours,
WINSLOW-KNICKERBOCKER COAL CO.,
DAVID E. WILLIAMS III, *President.*

Congressman Lane's Statement Before Veterans' Affairs Committee in Support of His Bill, H.R. 700

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1961

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following, which is part of my statement before the Veterans' Affairs Committee on June 13, 1961, in support of H.R. 700, my bill to remove

the discrimination that operates against disabled veterans under the National Service Life Insurance Act:

STATEMENT OF HON. THOMAS J. LANE, OF MASSACHUSETTS, BEFORE THE COMMITTEE ON VETERANS' AFFAIRS, HOUSE OF REPRESENTATIVES, IN SUPPORT OF H.R. 700, TO ESTABLISH A 1-YEAR PERIOD FOR THE ACQUISITION OF NATIONAL SERVICE LIFE INSURANCE BY INDIVIDUALS SUFFERING FROM A SERVICE-CONNECTED DISABILITY, JUNE 13, 1961

Mr. Chairman and members of the committee, the purpose of H.R. 700 is to remove the discrimination that operates against disabled veterans under the National Service Life Insurance Act. At the outset, we should recognize that there must be some difference between Government insurance for veterans and private insurance for civilians. It is standard practice for insurance companies to reject an application for life insurance when the applicant, upon examination, is found to have a disability.

I do not believe that the U.S. Government should follow such practices in denying coverage to disabled veterans of its military service. Their disabilities were caused by that service, and the Government has the moral duty to approve their applications for national service life insurance. In many cases, these disabilities were suffered by service men and women who neglected to take out insurance. In other instances, the disabilities were established after they had been separated from service, and it was too late for them to acquire such coverage.

According to the standards of good health that guide the Administrator, a veteran with a service-connected disability of 10 percent or more cannot qualify for NSLI. There seems to be a conflict between disability compensation and life insurance, whereby the presence of one rules out the other. Although these veterans receive monthly compensation at varying rates, neither they nor their survivors have any life-insurance protection as veterans to take care of those obligations that follow death.

There is irony in the fact that other veterans, and particularly those without any disabilities, are protected. Disabled veterans cannot qualify for any type of conventional life insurance—public or private. As a result of their sacrifices for the defense of our Nation and all of its people, these veterans find themselves in the paradoxical position where their own Government does not consider them a good risk for life insurance.

The National Service Life Insurance Act of 1940 overestimated the projected mortality rate of veterans. This, plus the advances of medical science that have lengthened the average life span of veterans, led to an overcharge on premiums paid. As a result, a large surplus was built up in the fund. To reduce this, a special insurance dividend will be paid this summer to veterans holding national service life insurance or U.S. Government life insurance. The administration has announced that there will be special refunds on premiums paid by 4.8 million World War II veterans, and 200,000 veterans of World War I. These will be in addition to the regular insurance dividends paid earlier. Korean veterans were offered less attractive national service life insurance contracts. No dividends would accrue for the nondisabled. A large surplus in the revolving fund developed. The availability of such insurance terminated on December 31, 1956.

I bring out these facts to show that the funds are "over-healthy" and would not, under any circumstances, be jeopardized by the proposal to make this insurance available to veterans with service-connected disabilities.

H.R. 700 will permit for 1 year after enactment, the granting of national service life insurance to such veterans, and will permit veterans with service-connected disabilities less than total, a grace period of 1 year to obtain disability income protection under national service life insurance.

Obviously, this will apply only to a limited number of veterans out of the whole veteran population who, by reason of wounds, injuries and diseases suffered as a result of their military service, are most worthy of this protection.

It provides that such veterans will have the opportunity for 1 year, to come under the coverage of national service life insurance upon payment of the specified premiums.

Neglecting Human Nature

EXTENSION OF REMARKS
OF
HON. DON L. SHORT
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 14, 1961

Mr. SHORT. Mr. Speaker, we are being bombarded from all sides today with propaganda favoring medical care for the aged, financed through the social security program. This, of course, is to be expected since many campaign promises were made to pass legislation of this type—regardless of the fact that in 1960 Public Law 778, commonly called the Kerr-Mills Act, was passed, by an overwhelming vote of 381 yeas to 23 nays in the House and an equally overwhelmingly vote in the Senate of 74 yeas to 11 nays.

The Kerr-Mills Act requires matching funds from States who desire to take part in the program. It is administered locally, on the basis of need. Benefits and beneficiaries are determined locally where it would be well known who were the malingerers willing to get "something for nothing."

That there are such malingerers is a fact known to all who have any knowledge of human nature. This has been pointed up by an editorial in the Wall Street Journal of June 13, 1961, entitled "Neglecting Human Nature." The editorial reminded me of the fact that human nature will not be changed by legislation, regardless of how praiseworthy it may be. It mentions the experience not only of Great Britain, but in one of our own States, Colorado, which had to face this unpleasant facet of human nature after launching a program of medical care in 1956.

North Dakota was also mentioned as having learned from Colorado's experience. Our State has a good program, established many years ago, and financed by our State sales tax. In addition, on March 20 of this year, our State legislature passed the Medical Assistance for the Aged Act, in response to the requirement of the Kerr-Mills Act which made it necessary for States to either pass legislation or use already existing legislation on their books if they desired to join in the program of health care for the aged. One of the wise provisions in the North Dakota act is that minor medical expenses are not intended to be covered, thus removing quite a bit of the temptation inherent in all Federal aid programs for people to "git while the gittin's good."

Kentucky, Massachusetts, Michigan, New York, Oklahoma, Washington, West Virginia, Puerto Rico, and the Virgin Islands have also passed the required measures and submitted their plans and are now making use of the program. North Dakota is among another five States who have passed the necessary legislation but are in the process of preparing their program for submission to the Federal Government for approval, and legislation is being considered by Delaware, Florida, Louisiana, Minnesota, the District of Columbia, and Guam.

Slowly but surely the Kerr-Mills Act is being implemented and put to use. I fail to see why the present administration is so insistent upon medical care for the aged under the social security program unless they do not care for the fact that the Federal Government cannot, under the Kerr-Mills Act, dictate who should be helped, the type of benefits they should receive, or more important—who should contribute. If they can successfully divert the attention of the public from the fact that Public Law 778 is wise legislation and being put to use, perhaps the social security approach can be sold. An official of the AFL–CIO, which of course supports the social security financing approach, has been quoted as saying "there is no massive disillusionment on the part of our people on what has happened to the States on the 1960 bill. Our people never really expected it to be an adequate answer to the health needs, and so far that opinion seems to be confirmed." Perhaps he should specify who "our people" are. It evidently doesn't mean many people represented by State legislatures in the 14 States who have passed the required enabling legislation in order to take part in this voluntary program for medical care for the aged.

I like to feel that wisdom is not reserved specifically to the Federal Government, but that it is altogether possible many in our State and local governments might possess just a mite at least of that precious commodity. There are times when it is difficult for the average person to remember that these all-wise Federal Government officials actually were born and reared in specific States and attained at least a portion of their wisdom back home. I am certain they were not all born in the shadow of the Capitol of the United States—the center of our Federal Government.

Let us cease downgrading our State and local governments, and treating them as poor relations with no educational advantages, and, of course, no wisdom. What is that magic alchemy which transforms the persons who come to Washington into the all-wise, all-benevolent creatures which some of the propaganda we read would have us believe them to be? Could it be that distance and the availability of unlimited tax funds from the States creates the magic?

In requesting permission to have the editorial "Neglecting Human Nature" inserted in the RECORD, I would like to

add a quotation of which it reminded me, which goes like this:

Whereas necessity ends, desire and curiosity begin; no sooner are we supplied with everything nature can demand, than we sit down to contrive artificial appetites.

And a further quotation:

A wise man will desire no more than he may get justly, use soberly, distribute cheerfully, and leave contentedly.

[From the Wall Street Journal, June 13, 1961]

NEGLECTING HUMAN NATURE

In their understandable concern with human problems, the advocates of Federal medical care for the elderly, paradoxically, seem almost oblivious to human nature. That is to say, the administration's immensely broad definition of "need" takes little account of the temptation thus offered to abuse.

We do not suggest for a moment that even a sizable minority of the 14 million prospectively eligible citizens would succumb to the lure of "something for nothing" at another's expense. In view of the generous array of benefits proposed, however, it would not take very many malingerers to throw the administration's program out of whack while denying assistance to the truly needy.

Great Britain's increasingly costly government health service has encountered precisely this difficulty. Complaints are common that hospitals and waiting rooms are crowded with the healthy "sick" to the detriment of the genuinely ill.

But there's no need to look abroad. Consider the experience of Colorado, reported in this newspaper the other day. Its program of medical care for State pensioners was launched in 1956 with a $10 million budget that seemed adequate for many years. Today, despite retrenching, Colorado's medical plan is running an estimated deficit of some $600,000.

State Welfare Board Chairman Walter R. McKinstry speaks bluntly of the main reason: "When the State put up that money, it was like everybody had come into a big inheritance. Too many pensioners with colds and hernias decided it was time to go to the hospital. It wasn't long before we reached the bottom of the barrel."

Other States with similar programs are learning from Colorado's experience. North Dakota plans to demand contributions from the families of patients whenever possible. New Mexico which found that unlimited benefits were rapidly exceeding the budget, now restricts hospital care to cases involving the most serious illness. More generally, private health plans across the country are tightening safeguards against cheating under the spur of alarming rate increases.

To be sure, possible abuse of health-care privileges is not the only, or even the main, objection to a Government program of mass medication. But it is surely a real one, which deserves far more serious consideration than Congress has so far given it.

Knowing Communism

EXTENSION OF REMARKS

OF

HON. EDWIN E. WILLIS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1961

Mr. WILLIS. Mr. Speaker, on Sunday last, June 11, the distinguished chairman of the House Committee on Un-American Activities, under whom I have the good fortune to serve, prepared an address for delivery at the graduation exercises of the Naval Reserves at the Willow Grove, Pa., Air Station.

No living American is more qualified to discuss the subject of his address, "Knowing Communism."

Unfortunately, my esteemed friend, "TAD" WALTER, was laid up with a virus infection on the date of his scheduled address and his prepared speech was delivered by Mr. Frank McNamara, research director of the committee. I am told that there was a standing ovation at the conclusion of the address, as well there should have been, because, having read it I can attest to its importance and appropriateness during these trying times.

The address follows:

Distinguished guests, ladies, and gentlemen, I feel particularly honored in having the opportunity to speak at this commencement exercise of the Willow Grove Naval Air Station's Reserve Officers School because, in addressing members of our military Reserves, I am addressing men who are potentially the most effective combatants our country has in the war it is now fighting for its very existence.

Many of you may wonder why I should say that Reserve officers can be more effective combatants than those in the active service. I say it because of the nature of the struggle in which we are engaged. Today we are actually at war, whether or not all of us realize it. It is not a war of our choosing. It is a war thrust upon us by others. A war that was first declared on us—and all free peoples—by Marx and Engels when they stated in the closing words of the Communist manifesto:

"The Communists disdain to conceal their views and aims. They openly declare that their ends can be attained only by the forcible overthrow of all existing social conditions. Let the ruling classes tremble at a communistic revolution. The proletarians have nothing to lose but their chains. They have a world to win."

Lenin reaffirmed the existence of this state of war on numerous occasions. In one speech, delivered on November 26, 1920, he stated:

"As soon as we are strong enough to defeat capitalism as a whole, we shall immediately take it by the scruff of the neck."

And, in this same speech, he also declared:

"As long as capitalism and socialism exist, we cannot live in peace. In the end, one or the other will triumph—a funeral dirge will be sung either over the Soviet Republic or over world capitalism."

Stalin was equally blunt about this state of never-ending war between the Soviet Union and the United States. In 1925, after referring to the two camps into which the world was—and still is—divided, the "socialist" camp, as he called it, headed by the Soviet Union and the capitalist bloc headed by Great Britain and the United States, he summarized the issue between them in these words: "Who will conquer whom?—That is the whole question."

Could anything be plainer than Khrushchev's "We will bury you"?—or his somewhat nicer sounding, but equally deadly statement made this March 21:

"We shall be happy when we build communism. But this is not enough. We shall be happy when the peoples of all countries stand under the banner of Marxism-Leninism, and when on the earth, on the whole earth, throughout the planet, the communist banner flies in a world communist society."

Last fall, 81 of the world's 87 Communist Parties met in Moscow and, on December 5, 1960, adopted a statement on what they, in their Aesopian language, called "the great struggle waged by the world Communist and working-class movement * * * for the triumph of the cause of peace and socialism."

By that, they meant the victory of communism, the subjugation of every nation on earth to a global Red totalitarian dictatorship with its ultimate source of power in the Kremlin—and, of course, they also meant the utter defeat of the United States of America.

After so many unequivocal statements by the leaders of world communism, there should be no doubt in the mind of any informed, rational person about the fact that we are at war.

Is this a shooting war? It is—at times. It was a shooting war in Korea, and in Cuba, and before then in China, the Philippines, and Greece. Today, it is a shooting war in Laos and South Vietnam—as it has been in Quemoy and Matsu. At any moment, when Khrushchev, the supreme commander of the enemy forces, decides the time is ripe, it can—and will—become a shooting war in other parts of the world. Berlin, for example, is one other spot where, in the near future, we may be forced to either shoot or pull out in abject surrender.

But the important thing about this war is that it is not just a military or shooting war, here and there, now and then. It is a total war, encompassing every phase of human life and every conceivable weapon. Often the most deadly weapons used by our enemy in this war are not conventional military weapons—bullets, tanks, planes, bombs, battleships or missiles. They are, rather, political, propaganda, and agitational weapons which can be as deadly as any guided missile—leaflets handed out on a street corner or at a meeting, a petition to ban nuclear weapons tests, a summit conference or a trade deal, a sitdown demonstration against civil defense exercises, a student riot.

It is a war that, as the Communist leaders have told us over and over again, will not end until they are destroyed or they have destroyed the United States. The war goes on every hour of every day, every day of the year, on the economic front, on the diplomatic and political front, the trade front, and the propaganda front; in the fields of espionage and sabotage; in guerrilla warfare, and in the exchange of cultural, scientific, educational, and other professional delegations between this country and the Soviet Union.

Can the professional military man fight this type of warfare? Because of our tradition separating the military from political life, he can play only a very limited role as a combatant. In the field of military science, he can learn as much as is humanly possible and see that all those under him do the same, so that if and when a military showdown comes, our forces—on the sea, on the land, and in the air—will make the best possible showing. He can also give his troops some knowledge of nonmilitary or political warfare and try to impress its vital importance upon his personal friends who are not in service. But that is about the limit of the role the average active duty officer can play.

Reservists such as you are in a different category. You are primarily civilians. As such, you can play a most active role as effective combatants in the nonmilitary phases of this total war—the phases that may decide its outcome without a shot being fired. It is an ironic fact that, though for years we have been spending billions for our military defenses—far more than at any time in history when we have not been actively engaged in a shooting war—the outcome of this life and death struggle with communism may be decided without our military forces being totally committed.

Many of our traditional fighting men may play no role in the final phases of the most momentous war the United States has ever fought.

We must worry about the Soviet Empire's military forces—and certainly about our own. We would be fools if we did not do so. But Khrushchev would like to conquer us peacefully. He would prefer not to risk hydrogen bombs and nuclear missiles on Moscow. Through subversion and revolutions in other nations, by successful trade, political, economic, and diplomatic warfare, and by hoodwinking us into surrendering our ultimate defense weapons or into never developing them, Khrushchev could eventually leave us isolated in a Communist-neutralist world, bring us to our knees economically—and then give us the choice of surrender or annihilation.

Unfortunately, our front is not limited to the battle lines of some possible future military engagements. Our front today is in Korea, on Formosa, in Laos, South Vietnam, Cuba, Guatemala, the Congo, Indonesia, Yugoslavia—and even within the walls of the Kremlin itself.

Day-to-day battles in our war are being fought in these places and also in the policy-making sessions of the State Department; on the floor of Congress; in our schools, churches, and colleges; in trade unions; in parent-teacher associations and civic clubs; foreign policy discussion groups; letters to the editors of newspapers and magazines; in books, films, radio, and television programs; in every type of organization and activity, governmental, and private, from the street and community level up to the White House.

Each one of you belongs in the front line in these engagements, just as surely as you will belong at your battle stations, if a shooting war starts.

Today, I ask all of you to ask yourselves this question: "Am I prepared to fight effectively in these engagements?"

Before you can answer that question, you must ask yourselves another one. It is this: "How much do I know about communism? And about political warfare?"

If the answer to these questions is "little or nothing," you know that you can be of little or no service to your country. The first rule of all warfare—and as men with military training, you realize this—is to know your enemy. You cannot fight an enemy you do not know, and you cannot successfully engage in any combat unless you know its fundamental principles and something of strategy and tactics. In this respect, you have an advantage over many civilians as far as the present crisis is concerned. Because of your military training, you can readily appreciate this truth and the fact that, if you lack knowledge in these fields, you must do something about it—or go down to defeat if you dare to enter the battle.

In addition, because you are military men, by avocation at least, you are aware of another basic principle of warfare that too many of our citizens—and, I am afraid, too many of our Government officials as well—seem to be completely unaware of: the fact that when you are engaged in warfare you have only one aim in view—victory, the defeat of your enemy. Until the moment he surrenders, you take the offensive whenever and wherever possible. You give him no quarter, and certainly, in any warfare in which the fate of your country is at stake, whether that warfare is military or nonmilitary, there is no substitute for victory.

Very soon, before it is too late, we Americans—every one of us—must realize that if we are to remain free and if our country is to be saved, there can be no substitute for the defeat of the forces of communism everywhere. There can be no substitute for victory over Castro, over Khrushchev, over Mao Tse-tung, and Ho Chi Minh, and every other Communist leader and Communist Party in the world. This is the reality we are confronted with. It is the reality we must perceive.

Why is victory not ours today? A few short years ago we were without question the most powerful, the richest nation on earth. Our educational level is high. Our schools and universities, as far as plant and technical facilities are concerned, are second to none. For about 15 years our national leaders have given at least verbal recognition to the fact that we have been in a cold war with communism. Some 13 years ago we took a definite foreign policy stand referred to as "containment." We announced to the world that, by military pacts and alliances, we would halt the spread of communism and contain it within its then-existing borders.

In spite of this, however, the Communists have since seized control of China. They have also seized control of North Vietnam and of Cuba. Laos may soon become their prey. The Soviet Union's influence and power has grown in many nations of Latin America and on the African Continent. Khrushchev now boasts that the balance of world power has changed—in his favor.

Are we inferior to the Communists? Is that why we are losing? Basically, of course, we are not. We are superior to them in many respects. But as a nation, we are inferior to the Communists in our understanding of the present struggle and of the enemy we face in it. They know us and our methods much better than we know them and theirs. For too long, we have been escapists. We have refused to face the harsh reality of the state we are in. For that reason, we have not adopted the only policy that can save us. We will continue to lose and the Communists will gain more and more power and territory until we learn to face the truth and act accordingly.

As a policy, containment was doomed to failure. It never would have been adopted by a nation that really understood communism. Under this policy, we, in effect, attempted to build a kind of maginot line around the Communist bloc countries to halt the spread of communism. But anyone who knows communism, could have told you how the Communists would penetrate this line.

They would do it—and have done it—with schools. Today, there is in Prague, Czechoslovakia, a Communist political warfare school which specializes in training Latin Americans in every form of subversion and warfare, military and nonmilitary. Hundreds, thousands of Communists spend months and years in this school, then return to their native lands to carry out their assignment of undermining the existing government and creating another Communist satellite. These are the kind of men who made Guatemala a Communist state after we had said we would contain communism. These are the kind of men who have taken over Cuba and who will probably take over British Guiana late this summer.

Communist agents pass readily back and forth through our NATO "maginot line." After their schooling behind the Iron Curtain, they return to their native countries as teachers, trade union leaders, writers, government employees, and so forth. They live among their fellow countrymen—hundreds and thousands of them—working day and night, for years on end, to complete their mission.

What can the United States do to defeat these men? Can we send a battalion of marines down to some Latin American country to engage these "civilians"—educators, trade unionists, newsmen, and government workers in open military combat? The very idea is ridiculous.

Can the Voice of America, broadcasting a few hours a day to the Latin American countries, offset the effect of the day-to-day propaganda and agitational activities of these men and women? Again, the answer is obvious.

Close to 40 years ago, Communists from all parts of the world began flocking to Moscow to attend the notorious Lenin School of Political Warfare. More recently, they have been attending similar institutions in Red China, Poland, Czechoslovakia, and Rumania. Many Americans wonder why it is that one Communist or a handful of Communists in this country can manipulate thousands of their fellow citizens into serving Soviet interests. The answer is because these American Communists, too, are graduates of the Lenin School. They have been taught not only the fundamental principles of nonmilitary, or political, or psychological, or fourth dimensional warfare—whatever you choose to call it—but also the use of every weapon that can be utilized in this type of combat.

Today, scattered in the four corners of the earth, there are hundreds of thousands of Communist agents who are graduates of such schools. They have been taught how to use machineguns and tommy guns, street fighting and guerrilla warfare, sabotage and demolition techniques, and, as I indicated a moment ago, all the weapons of political warfare. These men and women are Moscow's shock troops, operating behind the enemy's lines and within his borders. They are the ones who are making successful Communist revolutions.

NATO alone will never stop them, and neither will the Middle East Treaty Organization or any other purely military alliance established by the United States with its free world allies. The Voice of America and USIA alone are completely inadequate to stop them.

They will be stopped and the spread of communism halted only when the free world has within its own ranks an equal number of equally trained political and psychological warfare agents who are capable of meeting—and defeating—these Communist agents on their own ground.

The free world, under U.S. leadership, must match in number, skill, knowledge, and power—everywhere in the world—these Communist agents of destruction with our own agents of freedom.

It will cost money, and more than money—time, hard work, devotion, study of the enemy, and unceasing battle against him. But freedom cannot be secured cheaply or easily.

Sixty years ago Lenin called for men and women who would devote to the Communist revolution "not merely their spare evenings, but the whole of their lives." He got them. Khrushchev still has them. That is why we are in peril today.

I believe it is not so much great additional sums of money that are needed, as it is better allocation of the money we are now spending—of using it to really fight our enemy, instead of trying to buy and bribe halfhearted allies—and trying to convince the Communists that they should not act like Communists, but like us.

And most important of all, what this Nation needs today—on all levels—is the abandonment of escapism and wishful thinking. We must face reality, the reality of an actual state of war, with only one possible solution—victory.

And victory comes only, as you all know, from a will to win, a determination that there can, and will be, no other outcome; that victory will be ours and our enemy defeated just as quickly as we can bring it about.

I am afraid that all of you know from your contacts and experience in civilian life, that this is not the spirit of many Americans today. I hope you realize that it must become the spirit of the overwhelming majority of the people of this country; that such a spirit is as vital to the preservation of our Nation today as the spirit of 1776 was vital to its creation 180 years ago.

I trust that, having completed your courses of military study here, you will con-

tinue them as active reservists—and, equally important, that as citizens and soldiers of your country you will do everything humanly possible to make this spirit the American spirit of years immediately ahead.

H.R. 7546

EXTENSION OF REMARKS
OF
HON. ROMAN C. PUCINSKI
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 14, 1961

Mr. PUCINSKI. Mr. Speaker, recently I introduced H.R. 7546, a bill designed to provide medical assistance in our veterans' hospitals to members of the armed forces of nations who were allied with the United States in World Wars I and II. My proposal has been referred to the House Committee on Veterans' Affairs for further consideration.

I sincerely hope that this measure will be approved by the Veterans' Affairs Committee and subsequently by the Congress of the United States.

This proposal would make eligible for medical and surgical care in veterans hospitals those gallant soldiers who fought so heroically as our allies in both World Wars I and II, but who, for reasons beyond their control, have not been able to return to their native lands, particularly after World War II.

It appears to me that our Nation has an opportunity to show its gratitude to these heroic soldiers who have made a vast contribution in the defense of freedom, only to find at the conclusion of World War II that they were unable to return to their native lands because the Communists took over their countries in violation of the Atlantic Charter.

Most of these soldiers who have been lawful residents of the United States are today American citizens. It would seem to me that by denying these men the same medical care we provide American soldiers in our veterans hospitals merely compounds the great injustice which these allied soldiers have suffered at the conclusion of the war.

Our existing laws guarantee every American soldier hospital, surgical, and medical care in veterans hospitals for a service-connected disability. The present law also provides hospital, surgical and medical care to American veterans with non-service-connected disabilities on a "beds available" basis.

My amendment would provide the same degree of care for World War I and II soldiers who fought with the armed forces of nations allied with the United States and who since have been lawful residents of the United States for at least 10 years.

There are men and women in America who fought gallantly in the Polish Armed Forces, for example, during World War II and who, for reasons beyond their control, were not able to return to their native Poland after the war.

This same situation applies to soldiers who fought with armies of many of our other allies in Europe and in the Far East.

I believe these people have made a great contribution toward allied victory and just as we have recognized the contribution of our American soldiers, it would appear to me that common decency dictates we ought to provide these allied soldiers with at least the medical care which they need today and in many instances cannot afford in private hospitals.

It would appear to me that this is the least the United States can do for these heroic defenders of freedom. We need only look at the great sacrifice of the Polish armies at Tobruk, Monte Cassino or Normandy Beach to fully appreciate the depth of the gratitude we owe them for their heroism. I could list any number of great battles which led to victory for the allies with the dogged support of soldiers fighting under the banners of their respective countries.

I might add, Mr. Speaker, that Great Britain and Canada both have adopted similar legislation many years ago as a token of their gratitude to allied soldiers who are lawful residents of these two nations. As far as I have been able to determine, this would place no particular hardship on existing facilities now available in Veterans' Administration hospitals.

My bill also provides that these allied soldiers who are now lawful residents of the United States would be eligible for Government-insured housing loans under the present Veterans' Administration housing program. These allied heroes of World War II are today making a great contribution to our own country. It would appear to me that in the name of decency these men's heroic sacrifice should be given at least this amount of recognition.

It is my hope that in appraising the merits of this legislation, my colleagues will keep in mind the fact that allied soldiers now living in the United States were never given an adequate opportunity to establish their financial independence because most of them suffered limited employment opportunities when they came to America after the war as a result of their language difficulties. It would indeed be tragic to deny these allied soldiers adequate medical care when we recall their great contribution to the cause of freedom. I have included in this proposal for medical care soldiers of World War I, because, ironically, there is still a relatively small number of allied soldiers from that war who are today suffering perhaps the most pitiful medical needs and who, for all these years, have not been able to get decent medical care because they fought in the common cause for survival of democracy as members of an allied force.

This humanitarian gesture of providing medical and hospital care for allied soldiers, it would appear to me, deserves the unanimous approval of the Congress of the United States.

Mr. Speaker, a copy of H.R. 7546 follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 109 of title 38, United States Code, is amended by adding at the end thereof the following:

"(c)(1) Any person who served in the active service in the armed forces of any government allied with the United States in World War I or in World War II who has been a lawful resident of the United States for at least ten years, and who during such service was a member of forces which actually participated in armed conflict with an enemy of the United States shall, by virtue of such service, be entitled to hospital and domiciliary care and medical services under chapter 17 of this title, and to the benefits of chapters 31 and 37 of this title, to the same extent as if such service had been performed in the Armed Forces of the United States.

"(2) For the purposes of this subsection, World War I shall be deemed to have begun on July 28, 1914, and World War II shall be deemed to have begun on September 1, 1939."

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 15, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Proverbs 3: 5: *Trust in the Lord with all thine heart; and lean not upon thine own understanding.*

Eternal and ever gracious God, with eager and earnest hearts we are seeking the blessing of Thy favor as we assemble in this Chamber to discharge the duties of our high vocation.

Help us to cultivate every noble instinct and every lofty impulse and may we strive humbly and reverently to make our whole life a glorious adventure to achieve the true, the beautiful, and the good.

Show us how we may bear courageously the ills that befall us and the troubles that overtake us along the way for no explorer has ever discovered a land where hearts do not break and tears do not flow.

Deliver us from the fears which darken our days and dwarf our powers, holding us back from that which we can be and were meant to be.

Grant that under the direction and discipline of Thy Holy Spirit our own spirits may discover and develop that better self which unites us to Thee and our fellow man in the bonds of love and peace.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

FOURTH SUPPLEMENTAL APPROPRIATION BILL, 1961

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tomorrow, Friday, to file a report on the fourth supplemental appropriation bill, 1961.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BOW reserved all points of order on the bill.

LITHUANIA, ESTONIA, AND LATVIA

Mr. WALLHAUSER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WALLHAUSER. Mr. Speaker, this week we commemorate the anniversary of a most tragic period in the history of three Baltic nations—Lithuania, Estonia, and Latvia.

It concerns the events of 1940 and 1941 when these free and independent nations were overrun by the brutal forces of Communist Russia. It was in this period that the Soviet conducted mass deportations of Lithuanians, Estonians, and Latvians and exiled them to the distant corners of the Soviet Union in slave labor camps. Their "crime" was opposition to communism.

Now, two decades later the fate of these thousands upon thousands of liberty-loving men, women, and children is not known. Yes, Mr. Speaker, these were days of infamy. It was not only a tragic period for those who were kidnaped and enslaved. Those citizens of Lithuania, Estonia, and Latvia who were permitted to remain in their homelands were placed under the yoke of Communist rule. They still remain under that yoke.

The march of the Communist hordes from Soviet Russia ended the freedom and self-rule the people of these three nations had enjoyed since 1919. Yet, the Communist rule and domination has not quenched the thirst of these people for the restoration of their nations as independent entities.

Thus, Mr. Speaker, may we all join today in a prayer that the day of deliverance will soon be at hand for these courageous people and let us extend our pledge for a continuing and unending effort in behalf of their cherished cause of liberation.

COMMITTEE ON SCIENCE AND ASTRONAUTICS

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent that the Committee on Science and Astronautics be permitted to sit during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

MRS. CORNELIA FALES

Mr. LANE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2972) for the relief of Mrs. Cornelia Fales, with amendments of the Senate thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

(1) Page 1, line 6, after "$10,000" insert: , less the amount of the unpaid premiums that would have been payable had the national service life insurance issued to her brother, the late Sam E. Seager, effective October 24, 1942, been kept in force to the time of the death of the insured. This payment shall be in full settlement of all the claims of the said Mrs. Cornelia Fales against the United States for payment of the proceeds of the said national service life insurance issued to her brother (Veterans' Administration claim numbered XC-3466817).

(2) Page 1, strike out all after line 6 over to and including "1942." in line 1, page 2.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. HORAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently, no quorum is present.

Without objection, a call of the House will be ordered.

There was no objection.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 81]

Ashley	Hagan, Ga.	Rivers, S.C.
Aspinall	Hosmer	Roberts
Buckley	Jensen	Roosevelt
Carey	Kearns	Shelley
Cederberg	Loser	Short
Corman	Mason	Smith, Va.
Curtis, Mass.	May	Teague, Tex.
Dooley	Morrison	Trimble
Dorn	Moulder, Mo.	Walter
Durno	Multer, N.Y.	Westland
Fenton	Norrell	Williams
Grant	O'Hara, Mich.	Zelenko
Gray	O'Konski	
Green, Oreg.	Powell	

The SPEAKER. On this rollcall 396 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON EDUCATION AND LABOR

Mr. McCORMACK. Mr. Speaker, at the request of the gentleman from West Virginia [Mr. BAILEY], I ask unanimous consent that the General Subcommittee on Education of the Committee on Education and Labor may sit during general debate today.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COMMITTEE ON WAYS AND MEANS

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Friday next to file a report, along with minority views, on the bill H.R. 7677.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

U.S. TRAVEL SERVICE

Mr. HARRIS submitted a conference report and statement on the bill (S. 610) to strengthen the domestic and foreign commerce of the United States by providing for the establishment of a U.S. Travel Service within the Department of Commerce and a Travel Advisory Board.

DISAPPROVING REORGANIZATION PLAN NO. 2 OF 1961 (FEDERAL COMMUNICATIONS COMMISSION)

Mr. FASCELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of House Resolution 303, to disapprove Reorganization Plan No. 2 of 1961; and pending that motion, Mr. Speaker, I would like to determine what the consensus of the House is with respect to time, and I therefore ask unanimous consent that debate on this resolution may continue not to exceed 2 hours.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. HOFFMAN of Michigan. Mr. Speaker, I object to that. We would expect to take more time than that.

Mr. FASCELL. If the gentleman would withhold that for a moment, could he give us some idea as to what he would think would be an adequate amount of time for his side?

Mr. HOFFMAN of Michigan. From what I understand, they are very, very anxious to have all of the plans disposed of today, if possible, and Members have been coming here asking for time, and I think we could get further if we just do not limit the time. Of course, we are not disposed to take more time than is necessary.

Mr. FASCELL. Does the gentleman from Michigan think that 3 hours of debate on the first plan would be sufficient?

Mr. HOFFMAN of Michigan. I think so, but the requests we have here are for Reorganization Plans 1, 3, and 4 and especially Reorganization Plan No. 4; so why hurry us?

The SPEAKER. Each one of these matters will be taken up separately.

Mr. FASCELL. Mr. Speaker, just so the situation will be clear, pending the motion to go into Committee of the Whole, I ask unanimous consent that debate on this resolution may continue not to exceed 3 hours to be equally divided—1½ hours to be controlled by the gentleman from Michigan [Mr. HOFFMAN] and 1½ hours by myself.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Florida.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House

on the State of the Union for the consideration of the resolution (H. Res. 303) disapproving Reorganization Plan No. 2 transmitted to Congress by the President on April 27, 1961, with Mr. BURKE of Kentucky in the chair.

The Clerk read the title of the resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Florida [Mr. FASCELL] will be recognized for 1½ hours and the gentleman from Michigan [Mr. HOFFMAN] will be recognized for 1½ hours.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we are considering today House Resolution 303, which states that the House does not favor Reorganization Plan No. 2, transmitted to the Congress by the President. If the resolution is adopted, the disapproval goes into effect; the plan does not. Plan No. 2 deals with the reorganization of the Federal Communications Commission.

Briefly, the plan provides authority to the Commission to delegate any function—the word "any" is the key word because this includes adjudicatory functions, to any Commission member—that delegation by the Commission may be made to any Commission member or to any employee of the Commission subject, however, to two conditions. This is the first part of the plan, Mr. Chairman. This authority to delegate by the Commission is subject to two conditions—one, the Administrative Practices Act, section 7(a) which states specifically that adjudicatory functions can only be delegated to hearing examiners or the Commissioners themselves.

Mr. Chairman, the authority delegated provided in the plan is subject to two conditions: One is that all adjudicatory functions—those can only be delegated to hearing examiners or Commissioners because they are the ones who have those functions, and it is not intended that the delegation can be made of those functions to other personnel; and, second, that any delegation by the Commission shall be made by published rule or regulation in the Federal Register.

The plan further abolishes the present mandatory requirement for full-scale review from hearing examiners to the Commission on appeal. This is a specific repeal of part of section 409(b) of the Communications Act of 1934. In other words, if the plan goes into effect, no longer would there be the mandatory right for filing of exceptions to the report of the hearing examiner for the full-scale review in the Commission.

The plan further reserves the discretionary right of review in the Commission for any matter—that is the Commission by rule or regulation could reserve unto themselves the right to review any matter which is logically before the Commission. In preserving the rights of the minority, their rights are preserved by a vote of one less than a majority, so that any three members of the Commission of seven could bring a matter up or reserve the right of review of a matter before the Commission in the nature of a certiorari.

The plan further provides that in those cases where the Commission does not exercise its right of review, whatever action is taken is final action; and, therefore, all administrative action having been completed the applicant could immediately resort to whatever judicial remedy he might have in the courts.

Section 2 of the plan provides:

> There are hereby transferred from the Commission to the Chairman of the Commission the functions of the Commission with respect to the assignment of Commission personnel including Commissioners, to perform such functions as may have been delegated by the Commission to Commission personnel including Commissioners.

It sounds a little bit like double talk, but translated it means that the burden of actually making an assignment of matters which have been delegated by the Commission pursuant to rule, that that administrative work must be done by the Chairman. That is what this section 2 provides. Finally, the last section of the plan provides for the abolition of the review staff. Here again, this is statutory law specifically dealing with section 5(c) of the Communications Act of 1934.

The effect of that is this: Under present law the review staff reviews a case which is brought on appeal from the hearing examiner. They take this before the Commission and may take whatever stand they desire, but they may not make any recommendation. The effect of this plan will simply abolish that review staff.

So this, in brief, is the purpose of the plan, as seen in the eyes of the administration in submitting this plan to reorganize the operations and organization of the Commission.

The Committee on Government Operations held hearings on this subject. We had testimony, of course, from the Commission. The testimony was divided on the subject. The Chairman of the Commission supported the administration's plan, as did another member. The rest of them in varying degrees were not for the plan at all.

As far as our own committee was concerned, the vote was not unanimous. Several members were vehement in the thought that the plan submitted should go into effect as submitted. I am sure that before this discussion is over today you will hear from them in their own right. Other general testimony which would be of interest to Members in the House on this matter: The National Association of Broadcasters was opposed to the plan, as was the Federal Communications Bar Association.

These are the principal ones, I believe.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Iowa.

Mr. GROSS. I take it the gentleman's position is in support of the disapproving resolution?

Mr. FASCELL. The committee action was in support of the disapproval resolution. The gentleman's statement is correct.

Mr. GROSS. Let me ask the gentleman, he was one of the most active members in interrogating witnesses appearing before the committee on these reorganization plans.

Mr. FASCELL. I am delighted that my distinguished colleague read the transcript.

Mr. GROSS. I thank the gentleman. Is it not true that with the exception of the abolishment of the review board in plan 2, in connection with the Federal Communications Commission, plans Nos. 1, 3, and 4 are almost identical?

Mr. FASCELL. Except not only with reference to the abolishment of the review board but with respect to the repeal of the other statutory provisions I have reference to, that part of section 409(b) of the Communications Act. The gentleman is correct. That is to say, the other plans which will be considered later on 1, 3, and 4, provide for the same general trend of delegation of authority. The difference between those plans and this one being specifically the two points of statute change I have already discussed; namely, abolition and repeal of the mandatory right of review and abolition of the review staff functions. The gentleman is correct.

Mr. GROSS. And insofar as a vote on this proposed reorganization plan, and plans 1, 3, and 4, the same rule applies with respect to a majority vote?

Mr. FASCELL. That is correct.

Mr. GROSS. I thank the gentleman.

Mr. FASCELL. So, Mr. Chairman, our committee considered this matter rather thoroughly. We had before us the distinguished chairman of the Committee on Interstate and Foreign Commerce, who presented testimony to the committee on behalf of his committee. He discussed the legislative changes sought to be made by this plan. There was some considerable question raised of the danger and the uncertainties of the extent of the statutory changes attempted to be made by the plan; that is, specifically dealing with the two sections of the substantive law of the Communications Act. In view of the interest of the legislative committee in the subject, and because of the disagreement with respect to the interpretation of the statutory effect, and the statement of the committee that they would undertake to consider these statutory changes in legislative fashion——

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Florida.

Mr. HALEY. In this overall plan, has the committee taken up consideration of plans 1, 3, and 4?

Mr. FASCELL. The committee has, but they are not presently under discussion. They will be taken up separately. At the present time we are discussing Reorganization Plan No. 2 which involves the FCC and the disapproval resolution on that plan, House Resolution 303. So if you want to kill

the plan you would vote for the disapproval resolution.

Mr. HALEY. There is a time limitation on the disapproval of these various plans?

Mr. FASCELL. That is right. Reorganization Plan No. 2 would go into effect on June 27, unless Congress takes some action.

Mr. HALEY. Can the gentleman inform me as to when plans 1, 3, and 4 will go into effect?

Mr. FASCELL. Plans 1 and 3 on June 27, plan No. 4 would go into effect on July 9, if no action is taken by the Congress.

As I was saying, in view of the interest of the legislative committee, because of the question of the misinterpretation or the uncertainty of interpretation with respect to the statutory changes, because of the fact that the legislative committee assured us it would enter into the matter promptly and fully, because the chairman of the Board on interrogation felt that so far as he was concerned, if the objectives can be achieved either by the reorganization plan or by legislative changes, it would be all right with him, the committee recommended adoption of the disapproval resolution. My own personal feeling in the matter is that I would like to seek the changes made with respect to the reorganization plan, that is, those changes dealing with the delegation of authority so as to provide the necessary flexibility within the Commission to deal with the administrative problems or the adjudicatory problems. I would hope that the legislative committee could promptly eliminate whatever doubt or uncertainty exists with respect to the two statutory changes, which generally everybody seems to be agreed upon but were doubtful as to the extent of it. I would hope that those things could be done so that we could move on in this area and render better service by this very important agency.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from North Carolina.

Mr. BONNER. Will the gentleman explain to me what he means by one less than a majority vote? What effect does that have, and what does it do?

Mr. FASCELL. On this Commission we have 7 members, so 3 members could bring the matter of review before the entire Commission; any 3 members. In other words, it is a reservation of the right of the minority.

Mr. POFF. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Virginia.

Mr. POFF. I would like to ask the gentleman, Is it not a fact that the second proviso in section 1(a) of this reorganization plan does not appear in Reorganization Plans Nos. 1, 3, and 4?

Mr. FASCELL. If I understand the gentleman, you are talking about the elimination of the filing of exceptions?

Mr. POFF. Yes.

Mr. FASCELL. That is correct.

Mr. POFF. Is it not also a fact that even though it does not appear in haec verba in the other three plans, it appears there by implication, in view of section 1(b)?

Mr. FASCELL. Well, the difference is that you do not have an explicit statutory right in the other cases.

Mr. POFF. But it does have the effect, as I understand, in each of the other three plans, of nullifying an appeal as a matter of right.

Mr. FASCELL. Mandatory, yes. In other words, one of the principal purposes of Reorganization Plan No. 2 is to provide the Commission with authority to delegate its adjudicatory functions and to reserve unto itself the right of review on those matters which it determines. This, as the gentleman will understand, will give the Commission the right to determine which matters should come up for appeal and which are final by the consideration of the hearing examiner.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Arkansas.

Mr. HARRIS. I think it would be appropriate to mention at this particular point that in the other major regulatory agencies referred to in these reorganization plans, there is no mandatory provision for the right of review. It so happens that the Congress has provided that right by statute only to the Federal Communications Commission.

Mr. FASCELL. I thank the gentleman for that corroborating statement. I appreciate the explanation.

Mr. POFF. Mr. Chairman, will the gentleman yield further?

Mr. FASCELL. I yield.

Mr. POFF. Would it be fair, then, to say that any criticism contained in the committee report on Reorganization Plan No. 2, directed at the second proviso, would be applicable as criticism to the other three?

Mr. FASCELL. No, it would not be correct to say that at all, because, as the distinguished chairman pointed out, Congress has provided that right by statute only to the Federal Communications Commission. In the others it has not. So, when you raise the question of the uncertainty relating to changing that particular provision in the Communications Act by Reorganization Plan No. 2, it is not necessary nor logical nor reasonable, in my judgment, to make the same argument with respect to plan No. 2.

Mr. POFF. Then, it would be fair to say that the criticism contained in the committee report with respect to Reorganization Plan No. 2 would be equally applicable to the other three plans insofar as that criticism concerns the delegation or, more accurately, the subdelegation of congressional powers?

Mr. FASCELL. No; I do not agree with the gentleman at all on that. I would say that any discussion in the report with respect to the reorganization plan would only be applicable if the committee had made the same discussion in the other places and in the other reports. This we did not do.

Of course, the gentleman is at liberty to make whatever implications he desires with respect to his own judgment and decision; but I do not think he is at liberty, in view of the facts in the reports to make that judgment with respect to the position of the committee. So the answer is no.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, Reorganization Plan No. 3 deals with the Civil Aeronautics Board. Section 1, paragraph (a) provides as follows:

Provided, however, That the vote of a majority of the Board less one member thereof shall be sufficient to bring any such action before the Board for review.

So in plan No. 3 we have this question arising?

Mr. FASCELL. In all the plans.

Mr. GROSS. That is, that less than a majority can take action?

Mr. FASCELL. There is no question about the fact that the purpose of the plan is to give the majority of the Commission the right to delegate and to exercise powers which are provided by the plan. If it did not do that, it would not make any sense.

Mr. GROSS. To less than a majority?

Mr. FASCELL. No. What it does, as to the specific provision to which the gentleman refers, is to give protection and a right to the minority to insure that the full Commission will hear matters in which, by a vote of less than one of the majority—which in this case would be three members—they could bring a matter to the attention of the full Commission. In other words, it reserves the right of review before the full Commission by a minority of the Board in matters which they think are urgent or necessary in their judgment.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I am happy to yield to the gentleman from West Virginia.

Mr. STAGGERS. As I understand the provisions in the present law, there is a compulsory review?

Mr. FASCELL. That is correct.

Mr. STAGGERS. And this would change that section and make it discretionary?

Mr. FASCELL. One part of this plan would change it and make it discretionary; the gentleman is correct.

Mr. STAGGERS. Another point: If this plan were to go into effect it would change two fundamental parts of the present statute.

Mr. FASCELL. Of the Communications Act of 1934; the gentleman is correct.

Mr. STAGGERS. As I understood the gentleman, he had talked to the chairman of the appropriate legislative committee, the gentleman from Arkansas [Mr. HARRIS], chairman of the Committee on Interstate and Foreign Commerce; that is, he had appeared before the committee.

Mr. FASCELL. Yes, he appeared before our committee.

Mr. STAGGERS. And assured the committee that they would take the appropriate steps to amend whatever needed to be amended in the Communications Act.

Mr. FASCELL. There was not any "if" about it.

Mr. STAGGERS. That it would be done.

Mr. FASCELL. The legislative committee intends to go into these matters; in other words, it was not made as a condition to the consideration of this plan one way or the other.

Mr. STAGGERS. And further that this plan is quite different in many respects from plans 1, 3, and 4?

Mr. FASCELL. Only in two respects.

Mr. STAGGERS. That is what I mean; in these two which are fundamental?

Mr. FASCELL. That is right.

Mr. STAGGERS. If we talk about plans 1, 3, and 4 in conjunction with plan No. 2, we are really out of order, so far as considering Reorganization Plan No. 2 right now is concerned, is that right?

Mr. FASCELL. I am not the chairman; I would not want to make that statement.

Mr. STAGGERS. I was not implying that we would be out of order; I am only suggesting that we have only one issue before us for consideration now, Reorganization Plan No. 2; and plans 1, 3, and 4 will be taken up at the appropriate time and there is no reason or rhyme to connect them with No. 2 now.

Mr. FASCELL. The gentleman is correct; but I am glad to have the opportunity to point out the differences right now, early in this discussion, between plan No. 2, for which the Committee on Government Operations has recommended the adoption of the disapproval resolution, and plans 1, 3, and 4, on which the Committee on Government Operations has recommended the disapproval of the disapproval resolutions. So I am glad that we have had this colloquy, in order to point out the fact that there are two important points of difference with respect to plan No. 2, which are under consideration by the legislative committee having jurisdiction, which will be explained more thoroughly as soon as I sit down. Those two points are not points which can be raised or are raised with respect to plans 1, 3, and 4. There are two major differences. The plans are different, and it is for this reason that the Committee on Government Operations has asked that this disapproval resolution in the case of plan No. 2 be adopted.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield further, for a brief comment?

Mr. FASCELL. Certainly.

Mr. STAGGERS. I certainly appreciate the fact that the gentleman is willing to explain the differences between plan 2 and plans 1, 3, and 4; but for the purposes of this proceeding, it is just No. 2 that is before us.

Mr. FASCELL. That is right.

Mr. STAGGERS. And 1, 3, and 4 will be taken up at the appropriate time.

Mr. FASCELL. The gentleman is correct, and we shall confine our discussion as much as possible to plan No. 2.

Mr. STAGGERS. I thank the gentleman.

Mr. FASCELL. I thank the gentleman very much.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. ANDERSON].

Mr. ANDERSON of Illinois. Mr. Chairman, I rise in support of House Resolution 303, which provides for the disapproval of plan No. 2. However, I think it would be wise at the outset, in view of the colloquy which has just taken place between my colleague from Florida and the gentleman who is addressing you from the floor, to say that in the report which was filed in conjunction with this Resolution 303 it was pointed out both in the additional views which were submitted by myself and the other members of the Committee on Government Operations and also by my colleagues from the State of Michigan, and the gentleman from Wisconsin [Mr. REUSS], that they felt that the same defects which inhere in plan No. 2, with which we are concerned in House Resolution 303, inhere as well in plans 1, 3, and 4. You will find the comments of the gentleman from Wisconsin [Mr. REUSS] and the gentleman from California [Mr. Moss] in that regard on page 21 of the report that accompanies this resolution.

During the course of the 2 days of hearings that were held on these four plans when they were considered together, our subcommittee did have the opportunity, of course, of listening to the chairmen of the various regulatory commissions and members of the commissions as well as other witnesses. I would state to the House at this point that I was rather struck by one fact, and that was that during the course of these hearings we did not hear from Dean Landis, whom I would have suspected to be the author of these plans, who was in fact present and sitting in a chair immediately behind the chairman of our subcommittee [Mr. DAWSON], during the 2 days of these hearings, yet was not called upon to testify.

I think that of the many statements and communications that were made with respect to these plans that we are discussing here today or will be discussing perhaps the most succinct statement of disapproval was that which was filed by Robert Bartley, one of the Commissioners of the Federal Communications Commission. I call the attention of the committee to one paragraph of his statement, appearing on page 130 of the hearings, because I think it gets to the heart of the issue before us in considering plan 2 as well as plans 1, 3, and 4. He says:

> It is my opinion that the plan should be rejected.
>
> The Constitution places the regulation of commerce in the Congress. Section 2 of the proposed plan could be employed, I believe, to shift the regulation of interstate and foreign communications from an independent commission to the executive branch of our Government. Whether this power would be exercised is not the question.

The point is that under plan No. 2, which we are considering now, this attempt is being made. I consider it highly significant that Commissioner Bartley has not referred merely to the elimination or abolition of the Board of Review, he has merely talked about the elimination of a mandatory review in favor of a discretionary review. When he attacks plan No. 2 in that language and with those words he is saying the same thing exactly about plans 1, 3, and 4.

I should also like to point out another thought about this plan and the other plans to the members of the committee. There was a report which was prepared and submitted, I believe, during the 86th Congress, which condemned the practice of drafting reorganization plans in such broad and sweeping language that the consequences of their implementation are extremely difficult to foretell. This certainly is in direct and dire conflict with the avowed purpose of the reorganization plans, which is supposed to be to show us how there could be greater efficiency and economy, which are objectives with which no one can quarrel, how those things are going to be accomplished. You will note, if you have read the letters of transmittal that accompany each of these plans, the letters signed by the President, that he says this:

> It is, however, impracticable to itemize at this time the reductions of expenditures which it is probable will be brought about by such taking effect.

I think this was borne out during these 2 days of hearings, that the proponents of these plans failed utterly to provide our subcommittee of the House Committee on Government Operations with any details which would support the extravagant allegations which were made as to the beneficial results which were going to be obtained by the adoption of these plans.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I am happy to yield to my colleague from Illinois.

Mr. SPRINGER. Is it not a fact that when Dean Landis went down to the White House last December, one of the very things he complained about was that they did not have enough money and if he had his way he was going to increase tremendously the appropriations for each one of the departments instead of reducing any expenditures of these agencies and without any doubt had he had his way under these plans you would have substantially increased the expenditures which were going to be made by these agencies.

Mr. ANDERSON of Illinois. I thank the gentleman for his contribution. I recall in reading the Landis report, he said, for example, with reference to the Securities Exchange Commission that here was one regulatory agency that had been starved for appropriations. I recall in this House just a matter of a few days ago in passing on the independent offices appropriation bill, we increased the budget of the Federal Trade Commission by 25 percent over the preceding fiscal year, giving them something like 230 additional employees, thereby recognizing, I think, that the problem of that agency has been, perhaps, understaffing and that the danger as interestingly enough Mr. Bernard Schwartz who, I think, was one time counsel of the Legislative Oversight

Subcommittee pointed out—one of the dangers in adopting these reorganization plans, and he listed some of the extravagant claims made in that regard, is that you will believe they are going to accomplish far more as a cure than they actually will. I think there was very little in the way of any concrete information furnished to the subcommittee during the 2 days that I listened to the testimony to indicate the manner in which these economies were going to be achieved. I would further point out, now that we have mentioned Dean Landis in connection with the colloquy with my colleague, the gentleman from Illinois, that he makes the point himself in his famous report which was drafted. I think, and submitted last December, that these regulatory agencies are carrying out policies that have been laid down in statutes and enacted by the Congress and they are not an arm of the Chief Executive or an arm of the executive branch of the Government. They are not carrying out policies of the Chief Executive. They are carrying out policies decided by this Congress.

I think we ought to think long and we ought to think hard before we decide to abdicate completely our responsibility with respect to these important agencies. I would call the attention of the members of this committee to this point in conclusion, that in a bill regarding agriculture this House has been called upon to abdicate its functions with respect to drafting legislation in that important area. Now we are going to be called upon shortly in the field of foreign aid to give up the right we have to pass annual appropriations in that important area. Now here again there is an attempt, and I think a conscious attempt, despite the very clever artistry with which these plans are drawn—there is an attempt on the part of the executive branch to subvert and suborn these agencies which have long been regarded as within the province of the Congress. I think, gentlemen, we should not be misled into thinking the only thing wrong with these plans are these two particular sections of plan No. 2. The basic fact, as I pointed out initially in the statement quoting Commissioner Bartley, the basic thing wrong not only with plan No. 2 but with plans Nos. 1, 3, and 4 is that it is taking away from the Congress the power it has under the Constitution itself with respect to legislating in these important areas.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Illinois.

Mr. SPRINGER. I want to pay my tribute to Commissioner Bartley. Although he does not happen to be an appointee of my own party, he took a stand on the fundamental issue involved here, and that is whether or not you are going to transfer the functions of this Commission from the Commissioners who are supposed to make up policy and to transfer those functions so as to make this a one-man Commission instead of having the minds of seven men sitting down around a table and resolving policy by knocking heads together.

That is the thing that Commissioner Bartley brought out; and that, to me, is real Americanism, someone who can see through all these things and get to the point of what is being done.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield.

Mr. GROSS. I want to commend the gentleman for the excellent speech he is making and say that he certainly rendered invaluable service in the hearings, brief though they were, in eliciting information from the few witnesses who came before the committee.

Mr. BROWN. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield.

Mr. BROWN. I wish to state to the House that the gentleman from Illinois [Mr. ANDERSON] served with great distinction as a member of the subcommittee of the House Committee on Government Operations which conducted the hearings on these four reorganization plans; and I want to commend him very highly for the information he has furnished the House today, and the very cogent way in which he has explained the plans that were submitted and the effect they may have.

Mr. ANDERSON of Illinois. I thank the gentleman from Ohio.

Mr. Chairman, I rise in opposition not only to plan No. 2, which deals with the Federal Communications Commission, but would also like to register my opposition to plans Nos. 1, 3, and 4. I feel that the same defects which inhere in plan No. 2 are equally applicable to the other reorganization plans that have been submitted. Reference was made during the course of the hearings on these plans to the fact that the House Committee on Government Operations in a report prepared and submitted during the 86th Congress condemned the practice of drafting reorganization plans in such broad and sweeping language that the consequences of their implementation are extremely difficult to foretell. This is certainly in direct conflict with the avowed purpose of reorganization plans, which was supposed to be that they would effect greater efficiency and economy in the operation of agencies within the executive branch. I note that in the letter of transmittal signed by the President which accompanied each of these reorganization plans there appears the statement:

> It is however impracticable to itemize at this time the reductions of expenditures which it is probable will be brought about by such taking effect.

This was certainly borne out at the hearings in that the proponents of these plans failed completely to provide the Executive and Legislative Subcommittee of the House Committee on Government Operations with any details which would support extravagant allegations as to the beneficial results that would be obtained by an adoption of these plans. Once again, the Congress is being asked by the Chief Executive to assent to the delegation and subdelegation of legislative and rulemaking authority without the need for such action or its probable consequences being fully documented.

I feel that these plans are objectionable in that they will lead to the subordination of these regulatory agencies by the executive branch, and also to a loss of their bipartisan character. In the latter regard, I call the attention of the Members of this House to the testimony of Commissioner Sigurd Anderson. He pointed out that under the authority of section 2 of the plan affecting the Federal Trade Commission it would be entirely possible for the chairman to literally exile a commissioner with whom he did not agree. I should like to further point out in this regard that Mr. Anderson is now the sole Republican serving on the Federal Trade Commission, there being three Democrats and one Independent in addition to himself. Surely, under this particular set of circumstances it is not farfetched at all to consider the possibility that the position of a single member of the Commission could be made quite untenable.

As has been stated over and over again on the floor of this House, these regulatory agencies were created by the Congress as an arm of the Congress. I believe that when these reorganization plans are considered within the context of the Landis report, and some of the public statements that have been made by President Kennedy's appointees to these Commissions that it becomes quite clear that these plans have one grand design. That design is to subvert the role of these regulatory agencies as an arm of the Congress and render them submissive to the wishes and desires of the Chief Executive. In view of the quasi-legislative and quasi-judicial powers that they exercise this attempt is a clear violation of our basic constitutional doctrine of the separation of powers.

The argument was made during the hearings that these reorganization plans were necessary in order to effectively combat the present backlog of cases that exists in the Commissions. One Commissioner who appeared in opposition to plan No. 4, Commissioner Sigurd Anderson of the Federal Trade Commission, pointed out that the Commissions' greatest need was a sufficient appropriation to hire the required number of personnel. It is significant in this regard to note that the House of Representatives just the other day passed the independent offices appropriation bill for fiscal year 1962. In that bill the appropriation for the Federal Trade Commission is increased by about 25 percent over the preceding fiscal year, and it was given the authority to hire an additional 230 employees. This would seem to bear out the point made by Commissioner Anderson that what the Federal Trade Commission needed more than plan No. 4 was adequate personnel for which funds have now been provided.

There is yet another danger in these plans and in that regard I call the attention of the Members of the House to an article which appeared recently by Bernard Schwartz, former Chief Counsel to the House Subcommittee on Legis-

lative Oversight, in which he analyzes the suggestions by this administration for improving the regulatory agencies. He said:

Inadequate palliatives for the present regulatory system may do more harm than good. Once adopted, they will give the illusion of safeguards which in fact do not exist. Commissions composed of men who are insulated by neither the tenure nor the traditions of the judiciary cannot really be expected to act with true independence. To retain the essentials of the present system and still remedy its inherent defects is as impossible a task as the squaring of the circle.

In conclusion, Mr. Chairman, under leave to revise and extend my remarks to include extraneous material, I should like to insert at this point an excellent editorial which appeared recently in the Rockford Register-Republic written by Rex Karney, associate editor of the Register-Republic, entitled "Who Runs United States?":

REORGANIZATION GIVES POWER TO HIRED HELP—WHO RUNS UNITED STATES?

(By Rex Karney)

Under the guise of seeking to bring "efficiency" to the operation of the Federal Government, President Kennedy has laid down a blueprint that would not only change the structure of our National Government, but the philosophy behind it. If Mr. Kennedy's plans for the reorganization of several industry-regulating agencies become law, the wise men who wrote our Constitution would never recognize their offspring.

The Chief Executive, as this is written, already has sent to Congress programs to shake up four major Government bureaus. The President's "streamlining" proposals would affect the Securities and Exchange Commission, Federal Trade Commission, Civil Aeronautics Board, and the Federal Communications Commission. He plans similar shakeups for the Federal Maritime Board, National Labor Relations Board, and the Interstate Commerce Commission.

A study of the changes recommended for the Federal Communications Commission reveals pretty much what the President has in mind for all these agencies. In many areas, Mr. Kennedy wants to increase the authority of the FCC Chairman at the expense of other members of the Commission. The Chairman also would be permitted to delegate vast areas of authority to rank-and-filers in the agency. Both adjudicatory and regulatory matters, for example, could be handled by various divisions of the FCC, by individual Commissioners, by examiners and other FCC employees. The philosophy of "every man a king" would be applied to a tremendous number of FCC payrollers. The entire Commission would have the discretionary right to review the actions of the subordinates, but such review would not be mandatory.

In other words, FCC examiners and others named by the Chairman could hand down rulings, impose regulations and otherwise meddle in the affairs of privately owned FCC-licensed broadcast operations to their hearts' content, and there would be no assurance that broadcasters could appeal adverse rulings to the full Commission. Even rights to oral arguments and to decisions by the full Commission in important cases would be limited.

There are several things in this proposal that are repulsive to advocates of limited government.

This reorganization would be administrative law at its worst. No one could tell, from one day to the next, what the rules and regulations on broadcasting might be. FCC employees would be prosecutors, judge, and jury all at the same time. Conflicts in rulings and regulations, between hundreds of FCC examiners and subordinate employees, would be inevitable. And over all this would sit the FCC Chairman, a superman with more power over a great American industry than any elected representative except the President himself.

The reorganization act under which Mr. Kennedy made his proposals is itself a violation of our traditional American concepts of government. Under this act, the Chief Executive makes what is essentially a legislative proposal. And his proposal automatically goes into effect unless it is rejected by a majority in either House of the Congress within 60 days. In other words, we have the executive legislating, and the legislative body exercising the veto, if it wishes. This may be efficient, but it is a perversion of our basic system of law writing which calls for hearings, debate, and customary compromise between two Houses of the Congress.

We already have gone too far in giving to employees of Federal agencies vast control and regulatory powers. In the ideal, Federal employees should carry out the laws within the limit of the intent expressed by Congress in writing the laws. Reorganizing Federal departments along the lines, Mr. Kennedy proposes is stretching the Constitution completely out of shape.

I feel that the author of this editorial has with great perception laid bare some of the essential defects in all of these reorganization plans. As he so aptly points out with respect to the Federal Communications Commission, the adoption of this plan would vest in the Chairman of the Federal Communications Commission an inordinate amount of power and authority over a great and vital industry. The same thing exactly can be said of each of the other reorganization plans. Therefore, Mr. Speaker, I earnestly hope that the Members of this House will decline this cleverly worded invitation by the administration to abdicate its authority over these important agencies. We have been asked to do that very same thing with respect to the farm problem. We will shortly be called upon to surrender the traditional authority of Congress to make annual appropriations for foreign aid. I am fearful that if we go much further down this road that we will come to the day when the Congress of the United States will no longer be looked upon as one of the three great coordinate branches of Government.

Mr. BROWN. Mr. Chairman, I yield 12 minutes to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, Members of the House have suddenly become aware that there is little or no difference—depending upon your point of view—between Reorganization Plans Nos. 1, 2, 3, and 4.

These same people are asking why should Reorganization Plan No. 2, providing for reorganization in the Federal Communications Commission, come from the Committee on Government Operations as disapproved—while at the same time Reorganization Plans Nos. 1, 3, and 4 are receiving approval and recommendation that they do pass.

I have been opposed to all four of the plans since they were sent down here by the President. Why am I opposed to all of the plans, not just Reorganization Plan No. 2?

I think my opposition could be summed up in short by saying that all of them are bad legislation. They all have as their purpose the centralization of the functions of the Commission in the Chairman. Many of us have seen the effects of concentration of power in Washington—especially when that power is concentrated in one person.

All of these reorganization plans would concentrate powers in the chairmen of the commissions, all of which are extremely sensitive and much subject to political maneuvering—largely depending upon the political tenor of the occupant of the White House. The great protection which the commissions have had against political nepotism of all kinds has been the fact that the authority was divided among all seven members. Any time that any real decision had to be made, it represented the composite opinion of all seven commissioners. This included the assignment of personnel in regulatory matters.

Why have a Commission of seven men when, in effect, the reorganization acts would provide for commissions which would be a one-man show? It would be a one-man show because of the enormous power of the Chairman to assign all personnel, including the Commissioners.

The President has made numerous statements that he wants good men as Commissioners. I take him on his word that he does. However, under these reorganization acts, very few good men would accept a position as Commissioner to be nothing but a figurehead. I think all of you can see that the Commissioners who went along with the Chairman would get the prize assignments. Those Commissioners who chose, as a matter of policy, to differ with the Chairman would get whatever remained. The power of the Chairman to stultify opinion adverse to his own is simply tremendous. From my 8 years at watching the acts of these Commissioners, it would appear that strong public policy has been effected only as a result of strong-minded Commissioners working out things together and keeping the agency moving.

As you probably all know, the chairman in most of these agencies holds his position at the pleasure of the President. This means that the President can fire the chairman at any time and put another commissioner in his place as chairman. Basically, this is a method of effectuating ideas of the President or his assistants and would put regulatory power in the White House, rather than in the commission where policy ought to be made. All of you will recall statements that were made when Dean Landis was appointed by the President to review the powers of all of the agencies. Here was one extreme example of White House interference in the regulatory agencies, which are primarily legislative, and owe their first responsibility to the Congress—not the President.

In hearings which the Subcommittee on Regulatory Agencies had it became very evident that the right of appeal would be severely limited—largely subject to the whim of the commission itself. This is an important right which certainly ought not to be dealt with in the cavalier fashion contained in these reorganization plans. An appeal ought to be preserved at some level, either by a panel of commissioners or an employee board, and this right should not be discretionary. Major rights of a litigant should not be disposed of finally and forever merely by a hearing examiner.

Some of you may ask if we do not accept Reorganization Plans 1, 2, 3, and 4, then what is the alternative—and that is a good question.

It has become well known in the past 10 days that Reorganization Plan No. 2 for the Federal Communications Commission has been recommended disapproved by the House Committee on Government Operations. Since that time the distinguished chairman of the House Committee on Interstate and Foreign Commerce has introduced his own bill, H.R. 7333, dealing with this entire matter.

In addition, S. 2034 has been introduced in the other body by the chairman of the subcommittee having jurisdiction in the other body. The chairman in the other body asked the Federal Communications Commission to come up with legislation which would cure the objections to Reorganization Plan No. 2. S. 2034 is the result.

During this week the subcommittee on regulatory agencies of the House Committee on Interstate and Foreign Commerce held hearings. At these hearings Dean Landis, Chairman Minow, and all of the Commissioners had an opportunity to testify with reference to H.R. 7333 and S. 2034.

Considerable changes were made in both of these bills from Reorganization Plan No. 2. Without going into detail, it appears at this time that we will be able to come back to the House soon with a bill which has removed the objectionable material contained in reorganization Plan No. 2 At least, I can say at this time that I am most hopeful that we will be able to agree on a bill which will give the Federal Communications Commission the flexibility which it needs without putting on the dictatorial toga contained in Reorganization Plan No. 2.

I point this out to the House as to what can be done with Reorganization Plans Nos. 1, 3 and 4, if you will give the House Subcommittee on Regulatory Agencies an opportunity to correct the same defects in these plans as are contained in Reorganization Plan No. 2.

I hope that every Member of this House will take the message of the President on Reorganization Plans Nos. 1, 3, and 4 and read them carefully before you vote. If you will begin on page 2 of that message and read carefully sections 1 and 2, you will see that the language contained in all of the reorganization plans is almost identical. Not only are the ideas the same, but the language itself contained in each one of the reorganization plans is so identical as to leave no doubt that the President intended to concentrate the real functions of the Commission in the Chairman. The authority of the Chairman to delegate by virtue of the transfer of functions is so complete that there can be no misunderstanding. It does not take a legal mind to read the four paragraphs contained in each one of the reorganization plans. The wording is simple and can be understood even though you may not be a lawyer.

I am sure that many of you realize that when the Reorganization Plan No. 2 for the Federal Communications Commission was presented there was considerable righteous outcry from the people affected in the broadcasting industry—both radio and television. These people saw from past experience the inherent danger of the concentration of enormous powers in the Chairman. Radio and TV are extremely sensitive and subject to political pressures of all kinds. The only hope of radio and TV is to keep relatively free from one-man domination—and that one man subject to appointment and possible control by the administration in power.

As a result people back home took active steps to notify the Members of Congress of the dangers contained in the plan. Many of you were made aware by people back home of what was contained in the plan.

If Reorganization Plan No. 2 was wrong on principle, are not Reorganization Plans Nos. 1, 3, and 4 just as bad? Should the mere fact that people affected by Reorganization Plans Nos. 1, 3, and 4 have not notified you of their disapproval make these plans any more desirable than Reorganization Plan No. 2? You should be on notice today that these plans are all equally bad and against the longtime public interest.

If today you do disapprove Reorganization Plans Nos. 1, 3, and 4, I can assure you that the Subcommittee on Regulatory Agencies will also take up new legislation for these plans just as we have on Reorganization Plan No. 2. I think I can assure you also that the legislation we come forth with will correct the bad parts of plans Nos. 1, 3, and 4. In addition, it will give those agencies flexibility which they need in order to carry out their duties. There is no reason under the sun why we cannot pass legislation in this Congress particularly in the public interest and helpful to these agencies without creating a dictator in the chairman of each one of the commissions.

For these reasons I recommend that all four plans be defeated. Give us the chance on the Subcommittee on Regulatory Agencies and we will bring back to you legislation which is not only in the public interest but also good government. If you do this you will never have to apologize to anybody back home who challenges you as to why you voted for these plans which create a dictator in every one of them.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman spoke about the work of the committee and what had been accomplished. Does the gentleman not agree with me, then, that legislation in this field is necessary and that apparently most of the members of our committee feel it is needed and that we will undertake to get some legislation out in the very near future?

Mr. SPRINGER. I agree with the distinguished chairman with reference to that, and may I say that in these hearings which have been held thus far that he has conducted, he has been sincere and earnest. The subcommittee is working hard to come up with something which will be constructive and helpful to these agencies, especially with reference to the flexibility which they do not have at the present time.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I am glad to yield to the gentleman from New York.

Mr. STRATTON. I would like to ask the gentleman from Illinois this question. He referred a moment ago to the fact that this Reorganization Plan No. 2 created a dictator out of the Chairman. Is it not true that section 1 of the reorganization plan provides that any delegation of authority must be made by the Commission itself and not by the Chairman; and that section 3 provides merely that the Chairman shall designate the specific individuals to carry out the functions already delegated by the Commission?

Is this not different from having the Chairman himself make the delegation? Does not the gentleman from Illinois agree with me with respect to that?

Mr. SPRINGER. If the gentleman will read section 3, and read it to the House, I think it will cover his question.

There are hereby transferred, pursuant to paragraph 1——

Mr. STRATTON. Would the gentleman permit me to read a section of the report which appears on page 11 thereof? It says:

The reorganization plan increases the authority of the Chairman so that he would decide which individuals of the general class to which a delegation has been made should perform the delegated functions. Therefore, once the Commission had made an appropriate delegation, the Chairman would be able to decide which Commissioner or hearing examiner should hear a particular case or type of case.

Mr. SPRINGER. I think there is a considerable difference between what I have said and what the gentleman understands the situation to be.

Mr. STRATTON. The gentleman has not stated what is in the report; has he?

Mr. SPRINGER. The gentleman can read sections 2 and 3 if he so desires, to the House. It will explain the whole matter.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. FASCELL. Mr. Chairman, I yield 10 minutes to the distinguished chairman of the Committee on Interstate and Foreign Commerce, the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, I support the Committee on Government Operations in its decision to report the

rejection resolution of Reorganization Plan No. 2 which was submitted by the President of the United States. I am opposed to Reorganization Plan No. 2. I shall be glad to state to you, Mr. Chairman, why I think the Congress should reject this proposal. I desire to say, however, at the outset that I am talking now only about this one proposal, Reorganization Plan No. 2, which affects the Federal Communications Commission. I am not going to deal at this time with plans Nos. 1, 3, and 4, because there are involved in Plan No. 2 matters which are rather important and which are different from the other plans.

First, let me say that our Committee on Interstate and Foreign Commerce, and its special subcommittee, has for the last 4 years been studying, investigating and trying to improve procedures before the regulatory agencies. From the outset we had one particular purpose in mind which we have constantly striven to adhere to—as our beloved Speaker said, I believe in 1957, our purpose has been to try to find out if these agencies are carrying out the laws as the Congress intended them when they passed them; and second, to find out whether there are inadequacies in the law that they are called upon to administer, and to offer proposals to correct any defects. We have had those objectives in mind throughout.

I cay say to you without fear of contradiction from any member of our committee that we have learned that throughout these years there have been instances in which in our judgment the agencies referred to have not been carrying out the laws as the Congress intended them. I can further say that in our judgment we have found that there have been some inadequacies in the present laws, and we have made proposals to amend these laws in order to try to meet the defects which we have found in them.

In my judgment, Mr. Chairman, every member of our committee feels that under present conditions there ought to be some improvements in the administrative procedures of these various regulatory commissions, and it is going to be my purpose to try to help bring about those improvements.

In Reorganization Plan No. 2 we are dealing with the procedures before the Federal Communications Commission.

In the first place, as has been explained by the gentleman from Florida, in section 1 there would be granted to the FCC authority to delegate certain of its functions. Keep that in mind throughout this entire discussion.

I yield to no one in my determination to see that these agencies remain independent agencies of the Government and arms of the Congress of the United States. I yield to no one in my determination that these commissions remain as commissions and do not become in effect one-man operations. I have that in mind in arriving at my position regarding this proposal as well as the other three.

There are certain technical aspects involved in plan No. 2. Reorganization Plan No. 2 proposes, Mr. Chairman, to amend two basic provisions of the Communications Act of 1934. In the first place, under the 1952 amendments to the act which are referred to as the McFarland amendments to the Communications Act, it was provided that any party to a proceeding may file exceptions to the initial decision of the hearing officer and may request as a matter of right an opportunity for oral argument before the full Commission. One provision of Reorganization Plan No. 2 in effect repeals that right that is given to any party interested in the proceedings under the provisions of section 409(b) of the basic law. In my judgment that goes beyond what was ever intended when the Congress provided for reorganization plans. In my judgment, that goes beyond reorganizing the agency as to its internal administrative functions. In my judgment, that deals with a basic, fundamental policy and I think it was intended that such a change in basic policy should be considered by the regular legislative committee in the regular, ordinary way. That is just plain ordinary commonsense, and that should be adhered to.

Second, section 3 of Reorganization Plan No. 2 provides for the repeal of section 5(c) of the Federal Communications Act. Again, this is a basic policy provided in the Communications Act, and that policy is tied in closely with other provisions of the Communications Act.

Now by this reorganization plan without any discussion, without any hearings, and without developing the effects of the proposal, we are called upon in this request to repeal a basic provision of the communications leaving uncertain the effect of that repeal on other provisions of that act. I do not think the reorganization plan ever intended any such procedure.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Is the gentleman opposed to these two provisions or is he merely opposed to this being done through a reorganization plan?

Mr. HARRIS. I am opposed to dealing with them in this manner.

Mr. HARVEY of Indiana. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Indiana.

Mr. HARVEY of Indiana. I would say as one of the members of the subcommittee that drafted this plan providing for reorganization that the gentleman's statement is in complete accord with my concept, at least of what we were attempting to provide. I congratulate the gentleman on the statement he is making.

Mr. HARRIS. I thank the gentleman very much.

Mr. Chairman, I am not opposed to reorganization plans just to be against them. I think there should be some basic reason for opposing them. First, let me say—to give you a little background information—the President announced in one of his press conferences early in this year that he had conferred with me regarding the major regulatory agencies, and all of you are familiar with that announcement. That is true. We did discuss the problem and subsequently thereto I had conferences with other people regarding matters affecting the regulatory agencies. I do not think I betray any confidence when I say to you that the first draft reorganization proposal met with rather determined opposition insofar as I was concerned. We discussed the matter in some detail. As a result of these consultations, the original proposals were revised completely. Many of the serious objections which I had and the objections of others who expressed concern were met. So I say that to you I am not here just opposing this plan just to be against something but because I think I have justifiable reasons to oppose this particular plan.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. You do not mean by that statement that those who are opposed to the plans are opposed to them just because they want to oppose something; do you?

Mr. HARRIS. No. I hope the gentleman joins me in letting the country know that we have special reasons to oppose this particular plan.

Mr. HOFFMAN of Michigan. I sure will.

Mr. HARRIS. Yes, sir. And I am glad to have the company of the gentleman from Michigan.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. If I have followed the gentleman correctly, you have stated that you have been studying these things for 4 years and now as to the introduction of a bill by the chairman of the committee, I want to ask the gentleman this question. Your bill was introduced after the Reorganization Plan No. 2 came up here; is that correct?

Mr. HARRIS. Yes; and if the gentleman will permit me, I intend to explain that.

Mr. JONES of Missouri. And you are going to tell us the difference as to what your bill would do as compared with the proposed reorganization plan.

Mr. HARRIS. Yes, I will explain that.

Mr. JONES of Missouri. I wish the gentleman would touch on that, please.

Mr. HARRIS. If I can get the time, I will, but I do not want to take up too much of the committee's time.

Mr. Chairman, our committee held hearings on Reorganization Plan No. 2. There were one or two minority members who had some reservations, but we took action with substantial unanimity in opposing this plan. I was directed as chairman to go the Committee on Government Operations and express that opposition. I appeared before the Committee on Government Operations and told the committee that our committee had decided we would introduce legislation along the line of this plan, which we felt was needed in order to help the Commission itself to improve

its reorganizational features and, therefore, strengthen the Commission in its work.

Mr. JONES of Missouri. Could you give us the basis for the need for the reorganization? What brought about the need in the gentleman's mind that caused him to feel the necessity for introducing legislation? That is what I am trying to get at.

Mr. HARRIS. As a result I did introduce legislation because as suggested at the outset of my speech, in the course of our hearings we found, I will say to the gentleman, that there was need of action for improved procedures in most of these regulatory agencies of the Government. We have striven in preparing these bills, some of which we have gotten through, and others of which are pending, to give to these agencies what they need to help improve their procedure.

We have found that some of the commissions have taken action permitted under the law to reorganize themselves and therefore, they themselves have accomplished a great deal along these lines. The Federal Communications Commission, however, has been bound by more restrictive legislation than there has been in effect with regard to other agencies of the Government; consequently they are not in a position because of these restrictive provisions to go as far in their reorganization as some of the rest of them. As a result I just introduced a bill. We have conducted hearings on that bill. We concluded the hearings today; and as the gentleman from Illinois [Mr. SPRINGER] has said, on the facts before us it is undoubtedly true that something needs to be done, and I am sure our committee will report a bill.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. FASCELL. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. STRATTON. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. STRATTON. I wonder if the distinguished chairman of the legislative committee would verify what I rose to ask the gentleman from Illinois [Mr. SPRINGER] about: Is it not true that this plan No. 2 does not give to the Chairman of the Commission the authority to delegate functions? It only gives to the Chairman the authority to assign personnel to functions which are delegated by Commission action.

Mr. HARRIS. I might say to the gentleman that the one thing that I have insisted on is that the authority of the Commission be preserved. Section 1 of this plan authorizes the Commission to delegate by rule or order adjudicatory functions of that Commission to Boards of Commissioners or even to individual Commissioners or to employees if the Commission feels that such matter might properly be delegated. Nonadjudicatory matters can now be delegated to employees and Commissioners, and so forth, for their action and consideration.

Section 2 of this plan, then, does transfer from the Commission to the Chairman of the Commission the function of the Commission with respect to the assignment of Commission personnel to perform the delegated functions.

Mr. STRATTON. Mr. Chairman, will the gentleman yield further?

Mr. HARRIS. I yield.

Mr. STRATTON. Will the gentleman agree that this does not give to the Chairman by himself the right to delegate functions? I think there has been a good deal of misunderstanding about this phase of it.

Mr. HARRIS. The Commission has the authority to delegate functions, as is provided in section 1, and the Commission can cancel a delegation just as the Commission can give it.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. YATES. As I understand, one of the gentleman's objections to plan No. 2 is that it places too much power in the Chairman of the Federal Communications Commission.

Mr. HARRIS. No; I did not say that, I did not say that at all. I gave as my main objections to the plan that it amends basic law in several instances.

Mr. YATES. I gained the impression that the gentleman had also stated that he wanted to retain the Commission as a Commission, not as an operation dominated by the Chairman.

Mr. HARRIS. And I think section 1 does that, as a matter of fact, but I am not getting into that now; that will be a matter for discussion when we take up the other three plans.

Mr. YATES. Is the Chairman of the Federal Communications Commission under plan No. 2 given more authority under that plan than the chairmen of the other regulatory commissions in plans 1, 3, and 4, or that they have under existing law?

Mr. HARRIS. No.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to our distinguished Speaker.

Mr. RAYBURN. I would like to help the gentleman clarify the issue here. I was the author of the Federal Communications Act, and I think I know something about it.

My objection to this reorganization plan is that it attempts by a reorganization plan to amend the fundamental law in the Communications Act. I think that is a function of the Congress, and I think the gentleman from Arkansas believes something ought to be done about it but he does not think it ought to be done in this way, and I do not either.

Mr. HARRIS. I thank the distinguished Speaker. The committee is working at this time to amend the law in these two important respects. I can say that in my judgment we will bring to the House a bill that will help the Commission in its work. The Commission itself by a vote of 5 to 2 has opposed this Reorganization Plan No. 2. It is important to keep in mind how the Commission itself has reacted to it. That is not true with the other three plans referred to, which we will discuss a little later.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Illinois.

Mr. SPRINGER. I think it ought to be clear to the House that in H.R. 7333, and also in S. 2034, the Chairman would not have the right to assign Commissioners. That is where this dictatorial power we are discussing comes about.

Mr. HARRIS. Yes, the gentleman is correct. I wanted to mention that, if the gentleman will permit.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. FASCELL. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. HARRIS. Mr. Chairman, I appreciate the gentleman from Illinois raising this question. I would not have included in this plan, or in any plan, the authority of a Chairman to assign Commissioners. However, we go back to the basic authority of the Commission in section 1. It gives the Commission the authority to delegate functions by published order or rule, and under that authority functions may be delegated to panels of Commissioners or individual Commissioners. I would suspect that a commission like the Federal Communications Commission being opposed to having the Chairman assign Commissioners would never have delegated functions in the first place. The other commissions I might say have a different attitude, and they have already, in my judgment, taken action under that law. So that is the difference between the plans and the reason why I would oppose No. 2.

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from California.

Mr. MOSS. I think in simple justice to the administration in submitting this we should deal with the question whether or not the proposal in Reorganization Plan No. 2, even going beyond the position of the distinguished Chairman of the Committee on Interstate and Foreign Commerce, in granting to the Chairman of the FCC authority to delegate to individual Commissioners, that that authority would be circumscribed and would only permit him to delegate to the individual Commissioners the authority delegated to him by the Commission.

Mr. HARRIS. I think, as a matter of fact, that would be taken care of in any rule or published order referred to in section 1.

Mr. MOSS. That is the dictatorial power vested in the hands of the Chairman of the Commission.

Mr. HARRIS. In my judgment, section 1 retains within the Commission the authority to make whatever decision it wants to in this regard.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield myself 10 minutes.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Iowa.

Mr. GROSS. It is my understanding that the gentleman has been a member

of the Committee on Government Operations since its inception; is that correct?

Mr. HOFFMAN of Michigan. Well, since 1937.

Mr. GROSS. And the gentleman has seen reorganization plans come and go. I wonder what his opinion is of all four of these plans.

Mr. HOFFMAN of Michigan. Well, Mr. Chairman, that question presents a political issue. So far as I have been able to discover, all of these plans have in them one overall purpose and make possible one thing. In my memory—and it really goes back some 60 years—I have never known of a more efficient and, shall I say, ruthless political organization than the one we are now favored with from the White House, the administration. Of course, that was true, as we learned to our sorrow, before last November. It was what might be termed an "unholy alliance" between Mr. Reuther and his crew including Emil Mazey and some of those fellows later under prison sentence who demonstrated their efficiency as "goons." The gentleman from Iowa will recall that we did not get sufficient votes; at least, we did not get sufficient votes counted to place our candidate in the White House. That alliance and political organization put in by their counted votes another gentleman, a very fine young man, who now has the office as President. However, I do not care to discuss the political angle at this time and will just dispose of the question, if the gentleman will permit, in those few words.

SURRENDERING OUR LEGISLATIVE POWER

Our discussions of legislation often take the form of statements of fact, though usually they are no more than expressions of opinion.

The "New Frontier" is the name given to the drive to implement theories experience has demonstrated to be unsound.

The reason advanced is that we cannot stand still or, in the language of the more fervent, remain stagnant. Undoubtedly that is true. The immediate future is better or worse, depending upon the soundness of the remedies adopted.

It does not follow, however, that comparatively new ideas or policies mean progress forward. We should attempt to move forward toward better conditions for all but, in charting our course, we cannot safely ignore the lessons of experience.

History, written or printed, is not the whole story. From old records found deep in the earth, sometimes from pictures on the face of a rock, we learn of civilizations which flourished and died in centuries long gone.

The writers of the Constitution, from experience as well as from history, had learned of tyrannical dictators, of man's long struggle toward freedom. They knew that their comparatively recent Magna Carta had been wrested from King John only after a long, long struggle.

The ever-burning desire for freedom and opportunity, for a better life for those who would follow, called them to leave friends, home, and country. Here in America, they did not find an ever-kindly, easy, or pleasant existence. No homes made available by some friendly government—the final payment postponed for 40 years. To a large degree, each individual depended for existence upon his own efforts.

Necessity, the need to exist, made them capable of surmounting hardships, the acceptance of an adverse situation which forced them to grow strong and enduring.

Those who drafted the Constitution knew all this and more.

When they wrote the rules governing their new frontier, they had learned much from experience, and lessons so learned the hard way went into that document.

Seemingly inspired, they attempted to rule out the possibility of a government by a tyrant—either a dictator or a bureaucracy. Nor did they want mob rule with its accompanying bloodshed.

And so it was that, when they laid down the rules for the future of the new Republic, the powers granted to the then established Government were sharply separated, divided between the people's direct representatives, the Congress; the people's choice of an administrator, the Executive, the President; and what might be termed an overall safety valve—the judicial department, charged solely with the duty of attempting to interpret the language used by the Congress, advise as to whether the Executive had rightly used his power, performed his duties.

All other powers of government were retained by the people for themselves and the States.

Since the adoption of the Constitution, the world and the average man everywhere has concluded it to be the best form of government yet devised. Certainly under it, adhered to, the Nation has remained powerful and, until recent years, independent. People here have had more of their desires attainable than elsewhere. Proof of that is that in no other land have other people so persistently and in such great numbers sought a home.

Today's proposed legislation strikes at the foundation of our Government, the division of power. If adopted, the legislation transfers at least a part of the legislative authority, given to the Congress exclusively, to the executive branch of the Government.

In recent years, the Supreme Court, in effect, has amended the Constitution, usurping the power of the Congress, written legislation. That the people resent this is evidenced by the mail and statements coming to the Congress demanding the impeachment of members of the Court.

The executive department has steadily followed a course which tended to circumscribe the authority of the Congress—this sometimes through interpretation of legislation, sometimes through a deliberate refusal to act or comply with legitimate congressional requests.

The reorganization plans recently submitted have a common characteristic.

Schoolchildren who have passed the grade where civil government is taught know that to the Congress is granted the power to legislate, that proposals do not become law until both the Senate and the House have registered their approval by a formal vote.

The reorganization plans change the method of enacting legislation by providing that the President shall formulate a proposal, send it to the Congress, and unless vetoed by the House or Senate within a limited period, it becomes the law of the land.

It took 8 long years of bitter war for the people to obtain an acknowledgment of their freedom.

Experience over more than 100 years has demonstrated that, under our form of government, our national sovereignty can be maintained, our independence as a nation assured, our people, by world standards, free and prosperous.

Earlier this year, each Member with uplifted hand called God to witness that he would faithfully support the Constitution. The pending legislation, in effect, amends the Constitution in that it grants to the Executive legislative power vested in the Congress.

Now, on the road to a dictatorship, either by an executive or a bureaucracy, we are asked to violate that oath.

Forward with a New Frontier? Certainly, always forward, but not backward by repudiating policies and a form of government demonstrated by experience to be the best yet devised to give security to a government, freedom and opportunity to a people.

We all know—there is no question about it—and if we do not reason it out for ourselves, we get it from the letters coming to us asking for impeachment of the members of the Court—we all know that the Court has overstepped its function. We learn that the executive branch seems to think we should change the Constitution; that is to say, we should give to the President some of the authority which is vested by the Constitution in the Congress.

I was greatly interested in the statement by the Speaker of the House when he just said, if I understood him correctly—and if I did not, someone may correct me—just a few moments ago, that he was opposed to this legislation because it changed fundamental legislation. The chairman of the Committee on Interstate and Foreign Commerce is nodding his head. I accept, unless he contradicts me, the indication that he agrees with that statement?

Mr. HARRIS. Mr. Chairman, I understand that is what the Speaker said, and I agree with him.

Mr. HOFFMAN. Yes. And permit me to say to my colleagues that every one of these Reorganization Plans Nos. 1, 2, 3, and 4 does do just that. But look at the position of the majority party. They caused to be introduced resolutions disapproving all of these plans. They are on record as approving resolutions which disapprove all of them. Are they consistent? They come along here and they say—and I hope the gentleman will pardon me if I suggest that possibly they do it because of the opposition from those who control communications—they oppose No. 2, but the committee, mind you, now reverses itself and repudiates

the resolutions introduced by a member of their party disapproving of plans 1, 3, and 4 and now approves of plans 1, 3, and 4, all of which—all of which—do what the gentleman from Texas, the Speaker, said he was opposed to, and the chairman said he was opposed to. How they can do that—well, they can do almost anything over there. They can be in two places at once and on two sides of the same question at the same time. That is what the present record shows.

The gentleman over there said he would like to have the reasons for the opposition to the plans. My reason is that by this legislation we are attempting to amend the Constitution. The Speaker just a few moments ago in substance gave the same reason for opposing plan No. 2. The gentleman from Arkansas [Mr. HARRIS] gave the same reason. We are surrendering part of the authority given us by the Constitution to the Executive.

Mr. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from New York.

Mr. HOLTZMAN. I remember in the 83d Congress when the gentleman in the well was chairman of this committee I had the honor of serving on it, and he supported the plan to reorganize the Health, Education, and Welfare Department.

Mr. HOFFMAN of Michigan. The gentleman is in error as the record will show. You will find that an amendment to the reorganization act was pending. The committee was discussing a plan. If you will look at the CONGRESSIONAL RECORD, volume 99, part 2, page 2091, I said:

> I know what you were trying to get at, and that is all right, I cannot help it now, and as long as we have to take it, I am not going to relax and enjoy it, but I am going to relax and take what I am forced to take. I do not expect to vote for the plan. I do not believe in bureaucracy any more than I did when, in our former report with a plan similar to this, I think it was No. 27, we wrote that the plan was the answer to a bureaucrat's dream, only this time we have some folks, I think, I hope, who will be administering this plan who will have first in mind the good of our country and not the continuation of a certain group in power.

I did not vote for the plan. On rollcall, I voted "present."

As a rule, the Democrats at that time voted against the reorganization plans while today you are voting for reorganization plans. So, if there is inconsistency, who is inconsistent?

Take a look at the record. One of you gentlemen asked me one time why I favored Mrs. Hobby as Secretary and you remember my answer. I said, "Because she is a lady."

I am very, very happy to say to the leadership on both sides that while we have not used anywhere near the one hour and a half, we will be glad to vote now.

I ask the pardon of the Chair and the Members of the House. I yield 15 minutes to the other member of our party, that is the constitutional party, the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I should like to advise the Members of the House that I have at the desk three motions which, if no one else will call them up, I shall try to bring up. The motions deal with plans 1, 3, and 4. If no one else elects to call them up this afternoon, and if I can get recognition for that purpose, I simply want to put you on notice that I will attempt to call up the other plans. I hope someone else does call them up.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Florida.

Mr. FASCELL. I want to assure the gentleman that the committee intends to call up all three resolutions.

Mr. GROSS. I thank the gentleman. That takes care of that.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. HOFFMAN of Michigan. Then, as a matter of fact, if they do that, the gentleman will not need the motions he now has on the Clerk's desk.

Mr. GROSS. I will be glad to loan them to the members of the committee if they need them.

Mr. Chairman, I was surprised in reading the hearings to note that the Government Operations Committee took only 2 days on these four reorganization plans. As vital as are these plans, only 2 days of hearings were held before the committee. I have never seen a worse grab for power than is incorporated in these four plans. I read with interest the testimony by my friend from Arkansas [Mr. HARRIS] when he appeared before the committee. I notice that two or three of the members of the committee tried to sort of corner him on the issue of the grab for power, but the gentleman then and again this afternoon skirted the corners and was never quite pinned down as to his opinion of just how far reaching this grab for power was, this attempt to build up a few dictators or, in the case of plan No. 2, one dictator in the Federal Communications Commission.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am happy to yield to the gentleman from Arkansas.

Mr. HARRIS. I thank the gentleman for his comment with reference to my appearance before the Committee on Government Operations. May I state to the gentleman that the gentleman from Arkansas is not aware that he has ever skirted any corners. I was of the opinion that I had forthrightly answered any and all questions asked of me. I will say to the gentleman that I made it emphatic before the committee and in public statements on the floor of this House that I believe in retaining the independence of these regulatory commissions that come under our jurisdiction. That is about as emphatic as I can make it.

Mr. GROSS. I am not going to take the time now because I have some other quotations I want to read, but I invite the attention of Members to page 84 of the hearings and the pages preceding and following it. The gentleman did a good job of testifying before the committee, with the exception that he did not want to get around to specifics on the issue of delegation of power, nor did he this afternoon, to the delegation of power to the Chairman of the Commission.

Mr. Chairman, Reorganization Plan No. 2 would give the Federal Communications Commission the authority to delegate any of its functions to any of its employees and would transfer from the Commission to the Chairman of the Commission the power to assign Commission personnel, including Commissioners, to perform any of the delegated functions. Since the President appoints the Chairman of the Commission, this would tend to extend White House political control throughout the entire Commission down to the lowest echelon to which delegations are made.

The plan would authorize the delegation of important adjudicatory powers including the power to make final administrative decisions to employees not subject to Senate confirmation and thus far removed from the control of the people. Members of the Civil Service, in effect, would be placed in a direct chain of political command from the White House.

If, as appears to be the case, the President intends to apply this type of reorganization to all of the regulatory agencies, we will have instead of a number of independent regulatory commissions a centralized system of control with the center in the White House and the tentacles of control reaching down through the regulatory agencies.

Mr. Chairman, at this point I would like to read for the benefit of those on the floor and for the benefit of the RECORD, the statement of Commissioner Hyde of the Federal Communications Commission. This is what he said:

> If I was chairman of the Commission and had the opportunity to assign personnel to perform certain functions, believe me I could control policy. We get to know the viewpoints of personnel very well, indeed. We get to know their predilections. I think that would probably be the best possible way to do it.

What Commissioner Hyde said in this instance with reference to Reorganization Plan No. 2 can be said for Plans No. 1, 3, and 4 with equal force and effect.

Again Commissioner Hyde said:

> I mean by this to suggest that the Commission can make very significant delegations to the Chairman, to other staff people; but if the Board makes these delegations, they can feel a sense of participation in them, a sense of responsibility in them, something which I think would be lost if this power is transferred from the Commissioners to the Chairman.

Again, Mr. Chairman, this can be said with equal force and effect to Reorganization Plans Nos. 1, 3, and 4.

Mr. Chairman, Commissioner Bartley, whom many Members of the House who have been here a few years know very well because of his past connection with one of the leaders of the House of Representatives said:

> Mr. BARTLEY. I cannot now delegate my authority as a member.
>
> Mr. FASCELL. Even though the whole Commission agreed on it?
>
> Mr. BARTLEY. I could not be forced by a majority of the Commission to do things that I did not want to do. But a majority

of the Commission could delegate to the Chairman authority to assign members for certain tasks, and the minute he got that authority, if I were in the minority, I would be through.

Mr. FASCELL. Well, I would like to explore that because I agree with you that that is a very important consideration.

Supposing you did not want to do it?

Mr. BARTLEY. Well, I could resign or I could be fired for neglect of duty.

Mr. FASCELL. You mean that it is your understanding that if the Commission were to assign to the Chairman under a published rule the authority to delegate to an individual Commissioner a specific responsibility, and that Commissioner just refused to do it, that he could then be charged under the law and impeached or removed?

Mr. BARTLEY. I would feel that the least that could happen is that he could secure the President's ear long enough for the President to ask me to please leave.

Mr. GROSS. Mr. Chairman, what Commissioner Bartley said with respect to Reorganization Plan No. 2 can also be said for every other reorganization plan presently before the House of Representatives, and it does not make any difference how coarse or how fine you grind this stuff that you are putting through the grinder this afternoon, you come out with the same answer. It is a grab for power. These are reorganization plans delegating power and providing for grabs of power, and do not make any mistake about it. I think Commissioner Bartley is exactly right, that somebody will have a Siberia lined up here for those who do not go along—a political Siberia.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am happy to yield to my colleague.

Mr. BENNETT of Michigan. I think the gentleman from Iowa is discussing the key to this whole problem. Our committee has spent a good deal of its time during the past 4 years engaged in one prime thing and, that is improper pressures—how much influence the executive department of Government has attempted to place upon the independent agencies, the so-called regulatory agencies, of this Government.

We found in the case of Sherman Adams that even a telephone call to make an appointment for a friend, coming from a man in the White House, was regarded as highly improper. What has happened since the new administration has come to power? They have selected a White House czar in the person of Dean Landis. When Mr. Landis testified before our committee he would not admit that he was a czar, but he did admit that he was an overseer. I asked him this question: Would it be proper, in your opinion, for a man in your position in the White House to make an inquiry of a member of a regulatory agency as to the status of a case? And he said, "Certainly it would." He saw nothing wrong with that.

There is the crux of the problem. I want to say I am sure that if Sherman Adams as a weight thrower around the White House was regarded as influential; before Dean Landis gets through, if these reorganization plans are approved, Sherman Adams will look like a shrinking violet.

Mr. GROSS. I appreciate the gentleman's statement and certainly agree with what he has said.

Mr. POFF. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Virginia.

Mr. POFF. May I ask the gentleman if there is anything in section 2 of Reorganization Plan No. 2 which would prohibit the Chairman of the Commission from assigning himself as the person to fulfill the functions delegated by the Commission?

Mr. GROSS. I know of nothing.

Mr. POFF. Would the gentleman's answer be the same with respect to the other three reorganization plans?

Mr. GROSS. Yes; the same thing applies.

Congress did not intend, as others who have preceded me this afternoon have said, that we should undertake any such reorganization. Congress intended these agencies to be bipartisan and independent of President control.

In addition, the plan would amend sections of statutes in a manner that would undoubtedly require legislative clarification at some later date. Would it not be wiser to do it the right way at the outset, particularly in view of the fact that legislation has already been introduced to accomplish certain desirable objectives of the plan? Therefore, I say, let us reject this plan and follow the regular legislative process in effecting any necessary changes.

Mr. Chairman, I yield back the balance of my time and urge the adoption of the pending motion as well as the motions that will be made to reject the other reorganization plans. We need no czars running the agencies of this Government.

Mr. FASCELL. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. MONAGAN].

Mr. MONAGAN. Mr. Chairman, I rise in support of this resolution. It does seem to me that having heard from the Speaker, the gentleman from Arkansas [Mr. HARRIS], and the gentleman from Florida [Mr. FASCELL], we have rather thoroughly gone into the substantive questions that are involved in this proceeding and there is no need for me to discuss them further.

I would like, however, to mention a few points that I think are pertinent.

First of all, with reference to the procedure that is to be followed. My opposition to this plan is not based upon any opposition to the general proposals that are included in the plan, but it does seem to me that under the bill which has been introduced by the gentleman from Arkansas and upon which, as I understand it, hearings have not only been begun but today have been concluded, we have had an orderly consideration of the very points that have been raised by the reorganization plan.

In this connection I would like to read from page 182 of the hearings, where the gentleman from Illinois [Mr. ANDERSON], asked this question of Mr. Minow:

Would it not then be just as feasible and indeed perhaps better in view of some of the things that were said to not short circuit the normal legislative process but to amend the Communications Act in that regard and compile the normal legislative history as to what the Congress intended?

Mr. Minow replied:

I certainly think that that would be an entirely sensible course. I think that the objectives could be achieved in either way. This is the particular course that the President took and we are here only to give our opinion on that course. But I would certainly say that it could be done in either fashion.

It seems to me that the objectives of this plan will be achieved in the legislative process and in the normal course of a legislative record.

I would not want to have it considered that through the filing of these various resolutions of disapproval I was making any broad scale attack or furnishing any broad scale opposition to the reorganization proposals of the President, because they are fundamentally sound and I support them. I agree, too, with many of the objectives that Mr. Minow has set forth, and it is my feeling that these plans will contribute to the efficiency of operation of these agencies, and will particularly contribute to the improvement of the type of programs that are presently imposed on the public by the communication media.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MONAGAN. I yield to the gentleman from Iowa.

Mr. GROSS. It is my understanding that the gentleman introduced disapproving resolutions to all these plans?

Mr. MONAGAN. Yes; that is correct.

Mr. GROSS. The gentleman is now disavowing his own disapproval resolutions?

Mr. MONAGAN. No, I am not. I am not disavowing the resolutions. I am merely saying that my purpose in filing these resolutions was a procedural one in order to make sure there would be hearings, that the Government Operations Committee would have an opportunity to pass upon these questions, that public witnesses, members of the various Commissions, and others interested, would have a chance to come before the committee and present their views.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. Chairman, will the gentleman yield?

Mr. MONAGAN. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Did I understand the gentleman to say that he introduced a resolution disapproving the plans because he wanted a hearing on them?

Mr. MONAGAN. That is correct.

Mr. HOFFMAN of Michigan. Did you not know that I had already introduced resolutions disapproving each plan as it came in and that they were having hearings on them?

Mr. MONAGAN. I knew that.

Mr. HOFFMAN of Michigan. And you thought I might withdraw the resolutions?

Mr. MONAGAN. The gentleman represents a very small party, consisting of

only two members, and it seemed to me that we should have a resolution introduced by somebody representing a party with a few more members.

Mr. HOFFMAN of Michigan. The party to which I belong not so long ago had control of the House. Did you not know that the law provides that anyone might introduce a resolution disapproving a plan? You did not need another resolution and I suspect the chairman of the committee requested you to act and so have your party appear as sponsor of the move.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. MONAGAN. I yield to the gentleman from Florida.

Mr. FASCELL. I thank the gentleman for introducing this resolution, particularly for his valuable service on behalf of the committee: to make it possible for us to hold hearings and bring the matter to the floor.

Mr. MONAGAN. I thank the gentleman.

Mr. HOFFMAN. The resolutions I introduced required a hearing.

Mr. FASCELL. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. REUSS].

Mr. REUSS. Mr. Chairman, much of the debate so far has centered on the various legal niceties of the reorganization plan. I would like to address myself briefly to what I think is the fundamental and broader issue here this afternoon. I believe that Reorganization Plan No. 2 is a good plan, and that it ought to be adopted, even though it probably will not be. Here is why I think so.

Television in this country is in a bad way. Does anyone here really think that television is following the statutory objectives of the "public interest" that the Congress has held out for it? Too often television beams itself, with its violence shows, its giveaways, its soap operas, at the very lowest common denominator of the viewing audience. Far too seldom does it offer the kind of program that a substantial minority of the American people, who are learning to appreciate better programs, need and expect. Whatever became, for example, of fine drama programs like Philco Playhouse, or travelogs like Wide Wide World, or news documentaries like See It Now, or experimental programs like Omnibus, or fine musical programs like Firestone Hour?

Television ought to improve public taste. Too often it degrades it.

It seems to me that there are two reasons why television is not doing the job in this country that it ought to be doing.

In the first place, until very recently there was not much dynamic leadership toward a progress in television on the part of the Federal Communications Commission. Now there is a new and vigorous chairman, Chairman Newton Minow, who is sending a fresh, clean breeze around the airways of the Nation. He is calling for better programing, for public participation in license regulatory procedures, for trying to get a little competition and a little life into the television industry by taking a new look at UHF and at pay television.

The second reason television has not been doing the job of which it is capable is because the procedures of the Federal Communications Commission, even if it has all the dynamic leadership in the world, tend to hamstring it and immobilize it. Particularly is this true of the requirement that the Commission itself act on every adjudicatory matter. The Federal Communications Commission has become a giant Gulliver, tied down and immobilized to the earth by the Lilliputians who abound in the television industry.

The best thing we can do is to approve Reorganization Plan No. 2. As I say, this is not likely.

So, I hope we adopt the second best alternative, which is promptly to bring to the floor a very comprehensive reorganization plan on behalf of the House Committee on Interstate and Foreign Commerce, and then pass it, so that the Federal Communications Commission may do the job which Congress set it up to do.

Mr. FASCELL. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. JONES].

Mr. JONES of Missouri. Mr. Chairman, I think it is apparent here today that most people recognize that something needs to be done in the way of reorganization in the Federal Communications Commission. I join in that opinion. However, I agree with our beloved Speaker and with the distinguished Chairman of the Committee on Interstate and Foreign Commerce that it would be more desirable to have this done through the regular legislative process, and for that reason I am going to vote for this resolution and against Reorganization Plan No. 2.

But I want to say this, that I am doing this on the assurance that we will have some legislation on which this Congress can act, and if we do not get that legislation and do not have the opportunity to make these changes that I think most people feel should be made, through legislation I would certainly request the President to send down this same reorganization plan again.

I have observed the operations of the Federal Communications Commission over a rather long period of years. I have observed that the Federal Communications Commission has been dominated in its thinking and actions by the large radio chains and television chains. I know that we do have now as Chairman of this Commission a dedicated person, one who is not looking for any job with the industry after he gets through with the job he is filling with distinction. He has set about to try to improve radio and television and give the people that to which they are entitled.

Mr. Chairman, before I close, I want to reiterate a statement that I have made several times. I have talked with members of the Federal Communications Commission from the time that I came to Congress up until the present time on the desirability of those who apply for licenses to operate a radio station or a television station, or any other form of communication, to pay some sort of license fee. There is no reason why this Commission should not be supported by fees from the industry sufficient to pay its operation, and not have that paid by the taxpayers out of their own pockets. This is one field that I think needs to be explored. But up until this new Chairman, Mr. Minow came on the job, I could find no one in the Federal Communications Commission and I have found few in the Committee on Interstate and Foreign Commerce who felt that that was justified.

Mr. Chairman, I happen to be in the radio business in a small way in a small town. I have always felt that the station in which I am interested should pay something for the license that we receive; and I think all others who are licensed in this industry also should pay in the same proportion. I know that this is being considered by Chairman Minow; that the Appropriations Committee of the House has requested the FCC to furnish some estimates of revenue that might be made available through this source; and I know there are many Members of Congress who favor this approach. I hope the Committee on Interstate Commerce will give some attention to the possibilities under such a plan.

Mr. FASCELL. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Chairman, when I left this morning to come to the House Office Building, my wife said to me, "I don't know much about these reorganization plans but if you don't vote to support that fellow who wants to eliminate crime and shooting on television, then you better not come home tonight."

We have heard a lot of legal arguments today about some of the niceties of Reorganization Plan No. 2. As a Member of this House I have tried to examine these arguments and make up my mind about them. But when I vote this afternoon I am going to vote against the resolution. And I am going to vote against it not only as a Member of this body, not only as a husband, but also as a parent of five small children.

It seems to me that the simple question we are confronted with here in this resolution today is whether we as a House are going to uphold the hands of those who are trying to do something to bring about a recognition of some of the public responsibilities that are involved in the operation of the greatest communications system which has ever been devised, namely, television and radio, or whether, now that the opportunity has been given to us, we are going to sit on them and turn them down. It seems to me it is just as simple as that.

The other day we told my 7-year-old boy that a longtime friend of the family had passed away. His comment was, "Who shot her?" Something is very wrong, it seems to me, when our children have to spend, as they do, so many hours of the day before a television screen that brings them such an unadulterated assortment of shooting, crime, and cartoons.

Here, we in this House have an opportunity to do something to improve this situation. I for one believe we should not only uphold those who are trying to accomplish that worthwhile objective, but should also uphold the hand of the President of the United States.

Mr. FASCELL. Mr. Chairman, I yield such time as he may desire to the gentleman from Utah [Mr. KING].

Mr. KING of Utah. Mr. Chairman, I rise at this time to associate myself with the remarks of the distinguished gentleman from Wisconsin [Mr. REUSS], and also the distinguished gentleman from New York [Mr. STRATTON]. I share the feeling that television has not measured up to its great possibilities; that whereas it might have been an instrument of great culture, to raise the sights of the American people, to educate, to elevate, and to inspire them, it has, in general, failed to do so.

I read with great interest the remarks of Chairman Minow of the Federal Communications Commission. I commend him for his courage. I urge this House to take such action as may be necessary to enable the Federal Communications Commission to cooperate with the television industry to improve the quality of our televised programs, to the end that this great agency for good might achieve its greatest measure of fulfillment.

Mr. FASCELL. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, I had not expected to speak on this resolution but after hearing the remarks of the gentleman from Iowa [Mr. GROSS], and the distinguished chairman of the Committee on Interstate and Foreign Commerce [Mr. HARRIS], I believe I should do so because of several unusual factors in this debate. There is no stronger advocate of economy in this House than the gentleman from Iowa. He is the taxpayer's friend. On bill after bill, he has taken the floor to decry the waste and extravagance in the operations of the Government agencies and that is why I was so surprised today to learn that my friend from Iowa is opposed to this reorganization plan. If there is any justification at all for this plan, it is the need for making the operations of the regulatory agencies more efficient and economical, to speed their procedures and give them a chance to eliminate their backlogs.

I am a member of the subcommittee of the Appropriations Committee which allocates the funds for the regulatory agencies. Year after year their work has increased, and if the gentleman from Iowa had sat with us day by day as we listened to their requests for funds to hire additional personnel so that they could dispose of their ever mounting backlogs, I feel sure he might change his mind and vote for this reorganization plan. It seems to me that you have a choice between more efficient procedures and more employees. We may need both, but permitting the Commission to install a modernized procedural system will expedite the disposition of the Commission's business and cut down the number of employees which would otherwise be needed.

My friend from Iowa also declares so positively that this plan is a grab for power. In this he differs totally from the gentleman from Arkansas, Mr. HARRIS, whose testimony he suggested we read in the hearings on this plan. This is a good suggestion. Let me read the testimony of the gentleman from Arkansas on the point that the gentleman from Iowa makes. It appears on page 79 of the hearings.

I should say first that Reorganization Plan No. 2 has only three sections. This is what the gentleman from Arkansas said with respect to section 1:

> Section 1 provides the delegation of authority, but that delegation of authority cannot be made without the approval of the majority of the Commission, and if any member of a commission is not willing to take his independent stand against the chairman or anyone else, then, in my judgment, he should never have accepted the responsibility at the outset.
>
> It is anticipated that by this delegation of authority, the Commission, itself, will, by published order or rule, determine how the Chairman will conduct his affairs. The Commission itself will determine how the business or the functions of that Commission shall be carried out.
>
> Furthermore, there are safeguards in the plan with reference to the delegation of hearing and other powers. Review of an initial decision can be brought to the full Commission, first, by the Commission initiating review; second, by a party applying for it; and third, by the minority of the Commission. Any two members in a five-man commission, or three members of a seven-man commission, can require the initial decision to be brought before the full Commission for oral argument and consideration. Those are safeguards built into section 1.

Reading further, we find the testimony of the gentleman from Arkansas on section 2 and this is what he said:

> Section 2: The Chairman cannot do anything except as he has been authorized by the Commission in section 1.
>
> I think it is just as plain as the language can provide, and I am one of those who feel that some internal reorganizations can and must be brought about in these commissions to expedite the handling of the public's business. There have been many actions taken by the commissions, and I applaud these actions.

The gentleman's views on section 3 appear on page 76 and this is what he says:

> Section 3 of the present reorganization plan provides that the review staff should be abolished. Personally, I am for it. Many members of our committee are for it. As a matter of fact, we have recommended in our reports the abolishment of the review staff. But by doing it this way it leaves so many questions as to how the present review staff shall be dealt with in the future, and what their prerogatives and assignments will be.

Because of this possible ambiguity on this point, the gentleman from Arkansas recommends that the plan be rejected, and that the House give the opportunity to his committee to deal with the matter. I do not think he is really opposed to the plan. He argues that one plan should be voted down, and his argument is a cogent one; it is essentially the jurisdiction of his committee. As I have indicated, he has no real opposition to any of the provisions of the plan. His criticism is to the point that the plan amends the basic law in a manner which was not contemplated through the use of this reorganization procedure. Changes in the basic law, he says, should come before his committee and should not be made in this form. This, too, is the point made by Speaker RAYBURN a short time ago when he voiced his opposition to the plan. I, too, would favor changes in the basic law by the usual congressional legislative process; but where it appears, as it does here, that the chairman of the committee has no fundamental objection to the proposals of the reorganization plan, and as a matter of fact, favors them, I think in the interest of expediting the plan and permitting its benefits to be made available at once to the Commission, the plan should be approved.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I am glad to yield to my colleague.

Mr. GROSS. With respect to this delegation of power, the gentleman very well knows that under the whiplash of the White House, if the White House wants to apply it to a commission, with a preponderance of the political faith of the White House on that commission or board, the Commissioners are going to vote to give the Chairman this power or suffer political exile. That is exactly what Commissioner Bartley said in effect in the hearings before the committee. Now, if the gentleman will let me answer, and I will try to get him another minute; will the gentleman yield further?

Mr. YATES. I yield to the gentleman from Iowa.

Mr. GROSS. As to the savings—you refer to me as being an advocate of economy.

Mr. YATES. I referred to the gentleman as the taxpayers' friend—that is right.

Mr. GROSS. Witnesses were asked what this was going to save, and if the gentleman will read through the hearings, he will find that none of them came up with any estimate of any savings that would be obtained by any one of these reorganization plans, including Reorganization Plan No. 2, which is now before us. Read the hearings and you will find that no one made any estimate of any kind of savings.

Mr. YATES. Let me reply to both points the gentleman makes. First as to White House influence through control of appointments of the Chairman or Commissioner. There is no question but that the White House can have an influence on Commission activity if it is so inclined and if the Commissioners of the regulatory agencies are not responsible. That was made very plain with the intervention by key people in the Eisenhower administration in certain of the regulatory agencies as was brought out in hearings of the Legislative Oversight Subcommittee. What occurred was scandalous. But the fact that such things happened in the last administration does not mean that they

will happen in the present administration. And the fact that they occurred under a Commission established in using present procedures does not mean that they will occur again or that they will occur more easily under a Commission using the procedures authorized by the reorganization plans. Whether such evils are likely to happen is a question of men and not of procedures. As I have pointed out in my reference to the testimony of the gentleman from Arkansas, there are a number of valid protective devices in this reorganization plan which should protect against the evils which the gentleman from Iowa fears. Knowing Chairman Minow as I do, I do not believe he is likely to be the subject of political influence. He is a man of the highest integrity.

Secondly, with respect to the gentleman's point about prospective savings, I will say to the gentleman, if he reads the appropriations hearings on the regulatory agencies, as well as these hearings, he will find there are anticipated savings that will result through reorganizations to this type that will enable the Commissions to get rid of many of their backlog cases.

Mr. Chairman, I intend to vote against the disapproving resolution and in favor of Reorganization Plan No. 2. I think it is essential for the reorganization of the Federal Communications Commission, for the expeditious handling of its business and for holding in check prospective budgetary increases.

Mr. RYAN. Mr. Chairman, I wish to support Reorganization Plan No. 2, for the Federal Communications Commission. This plan would give the Commission much needed flexibility to deal with its procedural problems.

This plan is virtually the same as that for the CAB, the FTC, and the SEC. There is every likelihood that the plans for these agencies will go into effect. Why then should the plan for this one agency, the FCC, be disapproved?

We are told that the objectives of the plan are desirable and meritorious but that because of certain provisions of the Communications Act, the plan would result in uncertainty and confusion. Mr. Chairman, I have not time to engage in a lengthy legal analysis of this claim. The proponents strongly deny the claim. They point out that under the terms of the Reorganization Act, the provisions of the Communications Act can be changed by a reorganization plan which abolishes, transfers, or delegates existing functions. And, that is plainly and precisely what this plan does. It makes these changes exactly as specified in the Reorganization Act and for exactly the purpose specified in that act—to promote efficiency in the agency's operations to the fullest extent practicable.

History is repeating itself. In 1950, the Congress rejected disapproval resolutions for reorganization plans of the Federal Trade Commission, the Securities and Exchange Commission, and the Civil Aeronautics Board, but it voted down the identical plan for the Federal Communications Commission. Today we are asked to repeat that same mistake.

But there is a difference today. For, the backlogs before the agency are greater today, and the problems facing the Commission are more urgent.

I think that for those who believe in promoting Government efficiency the time has come to act. Hearing after hearing has established that the agencies are faced with logjams because of procedural redtape. This plan would remove the present procedural straitjacket, so as to enable the Commission to cut down the administrative lag and to concentrate on urgent matters. If the Commission fails to make full use of this flexibility, the fault will lie there. But if this flexibility is withheld, I feel that Congress cannot fairly continue much of its criticism of the administrative process.

The President has wisely acted to remedy the situation under powers we expressly bestowed upon him. Mr. Chairman, I urge that the disapproval resolution be rejected.

Mr. FASCELL. Mr. Chairman, I have no further requests for time.

Mr. HOFFMAN of Michigan. Mr. Chairman, I have no further requests for time.

Mr. FASCELL. Mr. Chairman, I move that the Committee do now rise and report the resolution back to the House with the recommendation that the resolution be agreed to.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BURKE of Kentucky, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H. Res. 303) disapproving Reorganization Plan No. 2 transmitted to Congress by the President on April 27, 1961, had directed him to report the resolution back to the House with the recommendation that the resolution be agreed to.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That the House does not favor the Reorganization Plan Numbered 2, transmitted to Congress by the President on April 27, 1961.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken.

Mr. SPRINGER. Mr. Speaker, on this vote I ask for the yeas and nays.

Mr. HOFFMAN of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently, a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent members, and the Clerk will call the roll.

The question was taken; and there were—yeas 323, nays 77, not voting 36, as follows:

[Roll No. 82]

YEAS—323

Abbitt	Addabbo	Alford
Abernethy	Albert	Andersen, Minn.
Adair	Alexander	Andrews
Arends	Glenn	Nelsen
Ashbrook	Goodell	Norblad
Ashmore	Goodling	Nygaard
Auchincloss	Granahan	O'Brien, Ill.
Avery	Gray	O'Hara, Ill.
Bailey	Griffin	Osmers
Baker	Griffiths	Ostertag
Baldwin	Gross	Passman
Baring	Gubser	Patman
Barry	Hagan, Ga.	Pelly
Bass, N.H.	Haley	Perkins
Bass, Tenn.	Hall	Peterson
Bates	Halleck	Pfost
Battin	Halpern	Philbin
Becker	Hansen	Pilcher
Beckworth	Harding	Pillion
Beermann	Hardy	Pirnie
Belcher	Harris	Poage
Bell	Harrison, Va.	Poff
Bennett, Fla.	Harrison, Wyo.	Price
Bennett, Mich.	Harsha	Pucinski
Berry	Harvey, Ind.	Quie
Betts	Harvey, Mich.	Randall
Blatnik	Hébert	Ray
Blitch	Hemphill	Reece
Boggs	Henderson	Reifel
Bolton	Herlong	Rhodes, Ariz.
Bonner	Hiestand	Riehlman
Bow	Hoeven	Riley
Boykin	Hoffman, Ill.	Rivers, Alaska
Bray	Hoffman, Mich.	Robison
Breeding	Holifield	Rogers, Colo.
Bromwell	Holland	Rogers, Fla.
Brooks, La.	Horan	Rogers, Tex.
Brooks, Tex.	Huddleston	Roudebush
Broomfield	Hull	Roush
Brown	Ichord, Mo.	Rousselot
Broyhill	Ikard, Tex	Rutherford
Bruce	Inouye	St. George
Burke, Ky.	Jarman	Saund
Burke, Mass.	Jensen	Saylor
Burleson	Johansen	Schadeberg
Byrnes, Wis.	Johnson, Md.	Schenck
Cahill	Jonas	Scherer
Cannon	Jones, Ala.	Schneebeli
Casey	Jones, Mo.	Schweiker
Chamberlain	Judd	Schwengel
Chelf	Kearns	Scott
Chenoweth	Kee	Scranton
Chiperfield	Keith	Seely-Brown
Church	Kelly	Selden
Clancy	Kilburn	Shelley
Collier	Kilday	Shipley
Colmer	Kilgore	Short
Conte	King, N.Y.	Shriver
Cook	Kirwan	Sibal
Cooley	Kitchin	Sikes
Corbett	Klucsynski	Siler
Corman	Knox	Slack
Cramer	Kornegay	Smith, Calif.
Cunningham	Kunkel	Smith, Miss.
Curtin	Kyl	Smith, Va.
Curtis, Mo.	Laird	Spence
Dague	Landrum	Springer
Davis, James C.	Langen	Stafford
Davis, John W.	Lankford	Staggers
Davis, Tenn.	Latta	Steed
Dawson	Lennon	Stephens
Delaney	Lesinski	Stubblefield
Derounian	Libonati	Sullivan
Derwinski	Lindsay	Taber
Devine	Lipscomb	Taylor
Diggs	McCulloch	Teague, Calif.
Dole	McDonough	Teague, Tex.
Dominick	McFall	Thompson, La.
Dowdy	McIntire	Thompson, Tex.
Downing	McMillan	Thomson, Wis.
Doyle	McSween	Thornberry
Dulski	McVey	Tollefson
Dwyer	MacGregor	Tuck
Edmondson	Mack	Tupper
Elliott	Madden	Utt
Ellsworth	Magnuson	Vanik
Everett	Mahon	Van Pelt
Evins	Mailliard	Van Zandt
Fascell	Martin, Mass.	Vinson
Feighan	Martin, Nebr.	Wallhauser
Findley	Mathias	Watts
Finnegan	Meader	Weaver
Fino	Merrow	Weis
Fisher	Michel	Whalley
Flood	Miller, N.Y.	Wharton
Flynt	Millikin	Whitener
Ford	Mills	Whitten
Forrester	Minshall	Wickersham
Fountain	Moeller	Widnall
Frazier	Monagan	Willis
Frelinghuysen	Moore	Wilson, Calif.
Fulton	Morgan	Wilson, Ind.
Garland	Morris	Winstead
Gary	Morrison	Wright
Gathings	Morse	Young
Gavin	Mosher	Younger
Giaimo	Murphy	Zablocki
	Murray	
	Natcher	

NAYS—77

Addonizio	Hays	Moorhead, Pa.
Anfuso	Healey	Moss
Barrett	Hechler	Nix
Boland	Holtzman	O'Brien, N.Y.
Bolling	Jennings	O'Hara, Mich.
Brademas	Joelson	Olsen
Brewster	Johnson, Calif.	O'Neill
Byrne, Pa.	Johnson, Wis.	Pike
Celler	Karsten	Rabaut
Clark	Karth	Reuss
Coad	Kastenmeier	Rhodes, Pa.
Cohelan	Keogh	Rodino
Daddario	King, Calif.	Rooney
Daniels	King, Utah	Rostenkowski
Dent	Kowalski	Ryan
Denton	Lane	St. Germain
Dingell	McCormack	Santangelo
Donohue	McDowell	Sisk
Farbstein	Macdonald	Smith, Iowa
Fogarty	Machrowicz	Stratton
Friedel	Marshall	Thomas
Gallagher	Matthews	Thompson, N.J.
Garmatz	Miller, Clem	Toll
Gilbert	Miller, George P.	Udall
Green, Pa.	Montoya	Ullman
Hagen, Calif.		Yates

NOT VOTING—36

Alger	Fenton	Powell
Anderson, Ill.	Grant	Rains
Ashley	Green, Oreg.	Rivers, S.C.
Aspinall	Hosmer	Roberts
Ayres	Loser	Roosevelt
Buckley	Mason	Sheppard
Carey	May	Trimble
Cederberg	Moorehead, Ohio	Walter
Curtis, Mass.	Moulder	Westland
Dooley	Multer	Williams
Dorn	Norrell	Zelenko
Durno	O'Konski	
Fallon		

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Dorn for, with Mr. Buckley against.
Mrs. May for, with Mr. Roosevelt against.
Mr. Hosmer for, with Mr. Multer against.
Mr. Durno for, with Mr. Powell against.
Mr. Fenton for, with Mr. Zelenko against.
Mr. Loser for, with Mr. Carey against.
Mr. Williams for, with Mr. Fallon against.
Mr. Walter for, with Mrs. Green of Oregon against.
Mr. Mason for, with Mr. Sheppard against.

Until further notice:

Mr. Ashley with Mr. Moorehead of Ohio.
Mr. Aspinall with Mr. O'Konski.
Mr. Trimble with Mr. Ayres.
Mr. Moulder with Mr. Anderson of Illinois.
Mrs. Norrell with Mr. Alger.
Mr. Rains with Mr. Cederberg.
Mr. Roberts with Mr. Curtis of Massachusetts.
Mr. Grant with Mr. Westland.
Mr. Rivers of South Carolina with Mr. Dooley.

The result of the vote was announced as above recorded.

The doors were opened.

REORGANIZATION PLAN NO. 1—SECURITIES AND EXCHANGE COMMISSION

Mr. FASCELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. Res. 302) disapproving Reorganization Plan No. 1, transmitted to Congress by the President on April 27, 1961; and pending that motion, Mr. Speaker, I ask the gentleman from Michigan if we can agree on a unanimous-consent request that debate on the resolution continue not to exceed 1 hour, the time to be equally divided between the gentleman from Michigan and myself.

Mr. HOFFMAN of Michigan. Could the gentleman make that 1½ hours? We did not use half as much time before as you did, and we probably will not this time, or at least I think we will not.

Mr. FASCELL. To be on the safe side then, Mr. Speaker, I will ask unanimous consent that debate on the resolution continue not to exceed 1½ hours, the time to be equally divided and controlled by the gentleman from Michigan and myself.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. Res. 302), with Mr. SHELLEY in the chair.

The Clerk read the title of the resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Florida [Mr. FASCELL] is recognized for 45 minutes, and the gentleman from Michigan [Mr. HOFFMAN] will be recognized for 45 minutes.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, pending before us is House Resolution 302, stating that the House does not favor Reorganization Plan No. 1 transmitted to the Congress by the President.

This reorganization plan deals with the reorganization of the Securities and Exchange Commission, and on this matter after consideration by the Committee on Government Operations, our recommendation is that the disapproval resolution be not agreed to; that is, that this plan be allowed to take effect.

Mr. Chairman, Reorganization Plan No. 1 of 1961, dealing with the reorganization of the Securities and Exchange Commission is similar in language and intent to the other reorganization plans which we will consider yet this afternoon, Nos. 3 and 4; that is, basically it deals with and provides authority to delegate. The report is short and the language is self-explanatory. I want to read it to you:

> In addition to its existing authority, the Securities and Exchange Commission, hereinafter referred to as the "Commission", shall have the authority to delegate, by published order or rule, any of its functions to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board, including functions with respect to hearing, determining, ordering, certifying, reporting, or otherwise acting as to any work, business, or matter.

Under present law the Commission has the right to delegate and has delegated authority and functions. This reorganization plan makes it clear that with respect to any function the Commission shall have the right to make such delegation either to a member of the Commission or any employee of the Commission. In the testimony by the Commission—by the way, it unanimously supported this reorganization plan—it brought out that there were matters at the present time under which it was not clear whether the Commission had the right to make delegations or not; for example, orders for private investigations, ruling on applications under the Public Utilities Holding Act of 1935, the Investment Company Act of 1940—broker-dealer proceedings and others which are listed in the report, about five or six of them which the committee has observed within which it might be possible to make delegation, or at least to consider such delegation to help them carry on their work.

I might just parenthetically state here that under the Reorganization Act, in making it possible for the Executive to send down a reorganization plan to the Congress for consideration, there are several considerations. One of the primary ones, and indeed the first one, is to promote the better execution of the law, the more effective management of the executive branch of the Government and its agencies, and its functions, and the expeditious administration of the public business. The second one deals with the reduction of expenditures and the promotion of Government efficiency, and so forth.

It would be hoped that you could get a reorganization plan that would accomplish all of the objectives of the Reorganization Act. Sometimes it is easy to delineate explicitly what every plan can and will do in respect to the expediting of business, efficiency of operation, and also in the economic sense of dollars and cents.

Sometimes, as we know, this is impracticable. It is not only impracticable under this administration, but it has been impracticable under any administration, depending on the nature of the reorganization plan and the specific provisions thereof.

I would simply say with respect to the question that has been raised here, there is no doubt about the fact that the objective to be achieved primarily with this reorganization plan is the better execution of the laws, better and more efficient management of the operation of the agency to better dispense the public business. This is the primary consideration, which would be in effect to bring about some economies, but it is impossible at this time to delineate specifically in dollar amounts what they would be.

With respect to other sections of the plan, the plan provides that the Commission shall retain the discretionary right of review on whatever matters it deems in the best interest of the operation of the Commission.

It also provides that one less than a majority may bring a matter to the attention of the full Commission in those cases where the Commission did not reserve the right in the first place, again preserving the right of the minority.

It finally provides that in those areas where the Commission has published rules or regulations determining that it is in the best interest of its operation and in the public interest to delegate a function, that the Chairman can carry out

the administrative details of that operation.

As you have heard from the chairman of the legislative committee which deals with the subject matter of regulatory agencies, and it has had these agencies under review for many, many years—its opinion is, and the evidence is substantial, that something needs to be done to expedite the business of these regulatory agencies to eliminate the backlog and make it possible in a reasonable way to expedite the public's business. You can read into this thing for whatever reasons you want, personal, political, or legal, all kinds of bugaboos, things under the bed, things that are not in the act, above the act, outside the act, and around it. I recognize this will be done. Or you can assume that reasonable and honest, intelligent people are going to continue to administer these regulatory agencies under the scrutiny of Congress for the best public interest. The latter view is the view which I choose to take. The latter view is the view that our committee in the main chose to take. I will not have any quarrel with anyone who wants to arbitrarily take the other view.

A question has been raised as to the fact that this is a grant of dictatorial power. Here again we get into the realm of opinion or pure fantasy, if you want to put it that way. You make your own choice. As far as I can read it, as far as the main part of it reads, or the Executive or the Commission reads it, the delegation of authority or of any function can only be made if the Commission in its judgment determines that such a delegation should be made. What in the world is wrong with that theory?

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from California.

Mr. HOLIFIELD. Is it not true that in settling this question of the Chairman having dictatorial powers the Commission itself can adopt a rule to let any one of the Commissioners hear a case or delegate it to any qualified employee, and then in that case the Chairman designates the person who is selected by the Commission?

Mr. FASCELL. There is no question about that.

Mr. HOLIFIELD. The Commission receives, in the last analysis, all of the power, and any time the Chairman acts in such a way that it runs afoul of the intent of a majority of the Commission, the Commission can call him on the carpet and take away that power if he has gone contrary to the wishes of the Commission?

Mr. FASCELL. The gentleman is correct. I do not think they even have to bother to call him up on the carpet. All they have to do is to change the delegation any time they can get together and do it.

Mr. HOLIFIELD. So all this talk about dictatorial powers sounds good for the record, but as a matter of fact what you are doing here is giving to the Chairman authority to handle the business of the Commission in an orderly fashion, as is handled by the chairmen of many boards of directors of corporations. Furthermore, they give the chairmen instructions as to how to do it if they want to.

Mr. FASCELL. As is done by a congressional committee chairman in carrying out the functions of his own committee. I do not see any difference. But, the gentleman from California is absolutely correct. The language in section 1 is explicit, that is, the delegation can only be made by the Commission to a member of the Commission or an employee of the Commission and only after the rule or the regulation has been published in the Federal Register.

I do not know how many more safeguards you can put on it. We are not going to abandon the legislative committee's oversight of these particular agencies. They are not going to operate in a vacuum or behind a wall some place. So, while there may be some who would fear that an unreasonable amount of power might be imposed by the head of one of these commissions, I would say as a fact that there is inherent in the reorganization plan and in the actual method of procedure under substantive law, power to render all of the safeguards necessary, whatever the fears may be. Now, we can cite them in the record to satisfy our own position if we want to; I will not argue that point at all, but certainly it is clear that those who do not approve the reorganization plan will take that position, because that position already has been taken.

And, I would say also, finally, that this idea of the delegation of functions by the Commission is not a new one. It is as old as the hills. This Congress itself has provided it time after time either in legislative acts or in reorganization plans. This is not anything new at all. And, it has turned up in reports of one kind or another, by one committee or another, or by one interested party or another under every administration that I know of since I have been here. So, I do not know that this can be rightfully or wrongfully, depending on your viewpoint, ascribed to any one particular individual.

Be that as it may, I think we should decide the question strictly on its merits: Does there exist in the Securities and Exchange Commission a problem with respect to the expediting of the public's business which should be in some way clarified and improved.

The answer is an unmistakable yes. That answer comes from the testimony of the Commission itself in the record. It comes from the investigation of the legislative committee. It comes from the people who have business before that regulatory agency. And, all of these regulatory agencies are in the same position.

Now, in the name of common sense, where you have already granted under legislative acts or under existing reorganization plans, the right to the Commission or the chairman to expedite the business in the public interest, what is wrong with spelling that out in a reorganization plan clearly so that there is no doubt that the Commission may, in retaining its own powers and its own independence, continue on in matters which they know and which good judgment tells you should properly be delegated to a commissioner or to a panel or to a particular employee and eliminate the necessity time after time and hour after hour and day after day of the full Commission sitting on matters of this nature?

Everybody admits that there are areas within every regulatory agency which could reasonably and properly be delegated. It is the purpose of the plan, therefore, simply to provide the Commission that power. That is the way I see it, and that is the way the committee sees it. There may be others who will obviously express a different opinion, but we think the plan is essential in the public interest in order to permit the Securities and Exchange Commission to carry on its orderly business and to expedite its business in the public interest.

Therefore, we recommend that the vote on House Resolution 302 be "no."

Mr. GRIFFIN. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, I voted to give President Kennedy the same power to reorganize the executive branch of the Government which Presidents Hoover, Roosevelt, Truman and Eisenhower have had. That law, as you know, had expired. We revived it for this administration, and my philosophy in supporting that action, and I basically do not like that way of legislating, was that the new President should have the opportunity to realine the executive branch of the Government in order to carry out his program.

The theory of the reorganization power is that it will eliminate duplication and overlapping; that it will eliminate obsolete functions and result in economy and efficiency in the operation of the executive branch of the Government. But every one of the plans that has been submitted so far this year has not dealt with the executive branch of the Government and has not consolidated functions in the bureaus and agencies. It has dealt with the regulatory, independent agencies which are not in the executive branch of Government, intentionally and carefully designed that way by the Congress over the period of years.

The four plans we have today all deal with regulatory agencies under the jurisdiction of the Committee on Interstate and Foreign Commerce. The next one, No. 5, has to do with the National Labor Relations Board; Reorganization Plan No. 6 has to do with the Federal Home Loan Bank Board, and Reorganization Plan No. 7 has to do with the Federal Maritime Board.

With the exception of No. 7, they are all essentially of the same pattern.

Let us take a look at these independent regulatory agencies; these administrative tribunals. When our economy developed so that the Congress could not legislate in detail and specifically in some of these new areas, transportation, communications, and so forth, we set out general, broad guide lines and selected

a board or a commission to carry out the general policies of the Congress, vesting in that board the legislative, administrative and judicial functions of the Government.

Our Government was set up to prevent an accumulation of power, and that is why we have the tripartite separation of powers among the executive branch, the legislative branch, and the judicial branch. But we combine these powers in these commissions, and that combination results in a great accumulation of power over the public in the regulation of business and the economic life of our country in various aspects.

So what did we do? We set up various safeguards. We required of most of these commissions that they be bipartisan, that not more than three out of five, or four out of seven, be of the same political party. We staggered their terms so that there would be continuity of policy. We required confirmation by the Senate. In some cases we went to great lengths to prescribe the qualifications of these commissioners. Why? Because we knew we were giving vast amounts of governmental authority to these new commissions, and we wanted to safeguard against abuse of that power.

What is the effect of all of these plans? The effect of all of these plans is to transfer that power that we carefully placed into the hands of people whom we could see to the hands of somebody we may not know. We can see the commissioners. They require confirmation by the Senate. But what happens to the X–Y–Z employees in the lower echelons of the commissions, to whom may be passed on this power which Congress so zealously guarded? There is the danger in these plans.

Why did the President not reorganize his own branch of the Government but instead go after these regulatory agencies? To gain control over them and to destroy their autonomy and independence. That is what is involved here.

We just passed a resolution of disapproval by a vote of over 4 to 1, 333 to 77, if I heard the vote correctly. Let me see if you can justify on this side of the aisle voting down plan 2 and voting to approve plans 1, 3, and 4. I submit to you that there is no logical basis for such a change of position.

Let me quote my colleagues on the committee who stated it better than I can. I refer to the gentleman from California [Mr. MOSS] and the gentleman from Wisconson [Mr. REUSS], whose additional views commence on page 18. I am going to read from page 19 of the report on Reorganization Plan No. 2:

> A number of arguments have been advanced in support of the resolution to disapprove the plan. It has been argued that Reorganization Plan No. 2 creates a one-man Federal Communications Commission; that it substitutes executive control for congressional control; that it abolishes satutory rights granted to private parties by the Communications Act; that it creates areas of uncertainty as to how far the plan supersedes provisions of the Communications Act; and that the needed changes in the law should be made by statute rather than by reorganization plan.
>
> It would be relatively easy to meet these arguments because most of them can also be advanced with respect to the other plans submitted by the President. What, then, is so different about Reorganization Plan No. 2? Why are these arguments advanced by the majority against plan No. 2 and not against plans 1, 3, and 4?
>
> The answers to these questions may be found not in any purported differences between plan No. 2 and the other plans. These differences are not substantial. The answer must be looked for elsewhere, and it can be found in the historical relationship between the broadcasting industry and the Government.

On page 20 they say,

> That is the real reason why individual broadcasters, the National Association of Broadcasters, and the Federal Communications Bar Association have waged a vigorous battle against this plan.

I hope those gentlemen did not mean to imply that the stature of the Members of this House would be such that they would depart from the principle involved in opposition to one plan while upholding it in another.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield.

Mr. BENNETT of Michigan. It was only a couple of years ago that a proposal was made in our committee, and I think, if I remember correctly, that it had the sympathetic endorsement of our chairman, to take away from the President of the United States authority to appoint the chairmen of these independent commissions. Their arguments were, and they came mostly from the other side of the aisle, and they made some sense, that the President in appointing the chairman of a commission would thereby exercise some influence over that man and as a result destroy the congressional intent of the integrity of those independent agencies. Look what you have today.

They wanted to take appointing authority away from the President. Now they not only want the President's appointing authority continued, and I personally do not object to the President having that authority; but they want to give the Chairman the autocratic authority to single-handedly run the Commission and make puppets out of the other commissioners. Therein lies the evil, as the gentleman from Michigan pointed out so well a few minutes ago. This is a move by the executive department and by the White House to destroy the regulatory agencies of this Government by destroying their independence.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Does not the gentleman agree that there is nothing whatever in these plans that affects the appointing authority of the President of the Chairman of the Commission?

Mr. BENNETT of Michigan. Of course, there is nothing in these plans to that effect, but I am saying a couple of years ago, you people said they wanted to take that authority away from the President because they said his appointing the Chairman gave him authority to run the Commission. Now, in addition to that authority, you want to give the Chairman of the Commission the autocratic and complete authority to run the Commission itself. If that is not a move to let the White House take over the regulatory agencies, I do not know what you would call it.

Mr. MEADER. I would like to ask the gentleman from Michigan a question while he is on his feet, since he was a member of the Legislative Oversight Committee.

First, I want to compliment the gentleman from Michigan and the gentleman from Arkansas and their colleagues for a thorough investigative job done by the Legislative Oversight Committee. I think it was done in the public interest. I am not sure that they completed what they started out to do, but at any rate I thought they performed a very useful function in showing up deficiencies and misconduct on the part of these regulatory bodies.

I recall very well that quite a good deal of the time of the committee was devoted to one Bernard Goldfine who was accused of using influence through Sherman Adams to get favors, I think, at the Securities and Exchange Commission and the Federal Trade Commission—although I do not believe he ever got to the Federal Communications Commission. But let me ask you—did not your committee make recommendations to avoid that interference by the White House with the operations of these Commissions?

Mr. BENNETT of Michigan. Why, certainly, the major part of our effort over the last 4 years had to do with improper pressures put upon these independent agencies and the kind of pressures put on by the White House itself. Much fuss was made and much to do was made about the case of Sherman Adams. I agree that what he did was improper. But, now since Dean Landis has taken over the White House czarship to run these agencies, nothing whatever is said. As a matter of fact, we are here today being asked to approve a plan to give him authority to do exactly the same kind of thing that Sherman Adams got fired for doing.

Mr. MEADER. Does the gentleman say that if these plans become effective, it will be easier or will it be more difficult for the White House or other people in the executive branch of the Government to influence the determinations of these independent regulatory bodies.

Mr. BENNETT of Michigan. It will facilitate it. First of all, there is the plain statement here by Dean Landis, the czar, saying it is not improper for him to call these agencies and ask about the status of a case. The second thing is, you will only have to deal now with one man. If these plans go through, the Chairman will have all the authority and instead of having to put the influence or the pressure on five or seven members, the pressures need only to be put on the Chairman and results can be gotten in that way.

Mr. MEADER. I would ask the gentleman what becomes of the safeguard

of minority membership on these Commissions, if this power is vested in the Chairman and as Commissioner Anderson said, "A Commissioner could be sent to the Far West and not be here to take part in the decisions of the Commission."

Mr. BENNETT of Michigan. The influence of the minority is completely nullified and the Chairman has the authority to operate and run these Commissions as he sees fit, and that authority will be vested in the Chairman regardless of what is said here. The authority to delegate, once it is delegated and once it is in his hands, can be used as he sees fit. This will destroy the very basis of our whole entire investigation of the last 4 years.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. BENNETT of Michigan. I yield.

Mr. FASCELL. Talking about practical aspects and political pressure, can the gentleman tell me what the difference is, if you are going to take the political approach, whether they take it on one member or on all five members of the party in power, or a majority of them?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FASCELL. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, I support the Committee on Government Operations in its report that the resolution to reject Reorganization Plan No. 1 be rejected. I do this because, Mr. Chairman, I am of the firm belief that it does not trespass upon the prerogatives or in any way on the powers and the policies which we have enunciated, and which this Congress has constantly and consistently intended over the years.

I realize full well that some Members have a different viewpoint, and I realize full well also that there are those who feel that this is an attempt by the Executive to encroach upon the prerogatives of the regulatory agencies of the Government, and thereby be in a position to exert influence on the actions of these commissions. I do not read that into this proposal.

It we would limit our thinking and consideration to what is included in the reorganization plan, in my judgment you could not get anything out of it except an effort on the part of the President to help to bring about some improved procedures within the Securities and Exchange Commission and without any attempt to exert any control over that Commission. I am not alone in this position; not only has the Committee on Government Operations evidently taken the position in its report, but the Securities and Exchange Commission itself has so reported. Let me read a letter from the Commission dated May 9 to Senator JOHN L. MCCLELLAN, chairman of the Committee on Government Operations of the U.S. Senate, referring to his letter and this particular reorganization plan. Here is what the Chairman on behalf of the Commission wrote:

> I have discussed this with my fellow Commissioners at our meeting today and can report that they have no objections to it. Indeed, we all regard it as offering an opportunity to delegate certain matters which at the present time have to be passed on by the Commission itself. Furthermore, there are matters coming from the field offices in which decisions have to pass through more hands than their importance would warrant.

That is what the present Chairman of the Securities and Exchange Commission said on behalf of the Commission unanimously reporting this to the Congress.

Who are the members of that Commission? They include Mr. Gadsby, who was Chairman of the Commission under the previous administration and a prominent Republican. Does anyone think for one moment that that distinguished public servant is going to submit to a proposed plan that he feels will permit the President or the Executive to exert any influence or control over the actions of that Commission? I do not think anyone feels that Mr. Gadsby would make such a recommendation.

The Securities and Exchange Commission at first had the authority for the five members to select their own Chairman. The gentleman from Michigan [Mr. BENNETT], my esteemed friend, and the ranking minority member of our committee, has made some comment. I still feel as a matter of policy that these Commissioners ought to select their own Chairman. I believe we have had a better record over the years with the Commissions that have consistently had that power and authority. Today, as I did a year or two ago, I feel that this is the proper policy. But, nevertheless, the law is different. The Congress has provided differently. What I am trying to do is to help bring about a proper procedure with what we now have.

In 1950, under Reorganization Plan No. 10, that took effect by operation of law in May of that year, the power of the Commissions to select their own Chairman was transferred to the President. It has been that way ever since. But, in addition to that, Reorganization Plan No. 10 of 1950 provided also authority for the Chairman to perform certain administrative and executive functions within the Commission itself. This plan here implements the action taken in 1950.

I do not see how anyone can read into it autocratic authority being delegated under any stretch of the imagination.

I am opposed to the White House—I do not care who is in there, Democrat or Republican—interfering with the Commission in reference to any of the decisions that the Commission has to make. But the White House does have a responsibility in some regard to these Commissions. It has a responsibility as to their budgets under laws passed by the Congress. The White House has the authority and responsibility to make selections and appointments to the commissions and to designate the chairmen of all of them but one. The White House has the responsibility for the removal of some of the Commissioners under certain conditions and circumstances. These are responsibilities of the White House. But so far as the independence of the Commissions is concerned, that belongs to the Commission, and their action should be notwithstanding any attempted influence of the White House itself. I yield to no one in my firm support of that policy, and I shall continue to do what I can to see that these Commissions will remain independent and not dominated by the White House with reference to their decisions in serving America.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Michigan.

Mr. BENNETT of Michigan. I am certain our distinguished chairman means exactly what he says about influence from the White House. I want to ask him about the testimony of Dean Landis when he appeared before our committee. When asked the question, Do you think it would be proper for you as an overseer or czar, whatever you want to call it, representing the White House in overseeing these regulatory agencies, to call a Commissioner and ask him about the status of a pending case? Mr. Landis replied he thought that was proper.

Now, I am asking you, Mr. Chairman, do you believe that that is interference by the White House, and do you think it would be the proper thing to do?

Mr. HARRIS. Personally I do not think, when the Commission has any matter before it for decision which it must pass judgment on, that there should be any contact whatsoever from the White House indicating that they may have an interest one way or another in that case.

Mr. BENNETT of Michigan. I agree with you.

Mr. HARRIS. Because I think that that in itself reflects something, by the mere fact that they contacted them about it. Now, if there is any information which must be obtained from the Commission with reference to the status of a certain case, anybody at any time can go down to the secretary or to whoever has charge of the records and find out what it is. That includes the White House or anyone else.

Now, I want to say this also with reference to the gentleman's statement about Mr. Landis and his comment being a czar or something. In the first place, I think the press of the country has played it up a little heavy about what was ever intended. I had the impression that Mr. Landis' report indicated that he wanted a White House czar, when I saw it. My investigation since has led me to believe that he actually did not intend that, but nevertheless, whether he did or whether he did not, I was opposed to it. I told him so. I said publicly that I was opposed to any White House czar over these regulatory agencies of the Government, and I do not think that we will need to worry too much about that, certainly in the near future.

Mr. BENNETT of Michigan. Mr. Chairman, if the gentleman will yield further, Dean Landis is the man who dreamed these things up. He has been down at the White House since last November drafting them. And, he has done

a very good job in drafting, I must say. But, since he is at the White House and he says that it is proper for someone in the White House to call up asking about the status of certain cases, I think——

Mr. HARRIS. If the gentleman will permit me to interrupt, I have already given the gentleman my views and expressed my position on that matter. I have a very definite thought on that subject, and I am not concerned about what is going to happen in the future now with reference to that, certainly in the immediate future.

Now, let me mention, Mr. Chairman, just one other thing. There has been some discussion here this afternoon about Commissioner Bartley of the Federal Communications Commission, relying on his statement about the general delegation of authority under this proposal. I think Commissioner Bartley as well as other Commissioners in the Federal Communications Commission and in other commissions, are doing a splendid job. I think they are really putting themselves into it with the legislation we have given them, and that they are doing an exceptionally good job for the American people. In our hearings the Commission has recommended a bill which, in their opinion, expressed the consensus of everyone; that is, all the Commissioners together, including Mr. Bartley. In section 2 of the bill, which is S. 2034, the identical language covering the general delegation of authority which they recommended you will find as to the general delegation of authority included in section 1 of this reorganization plan.

Now, Commissioner Bartley would never have agreed and recommended this language had he not had a feeling that it would be helpful to them in their reorganization procedures and, therefore, accomplishing the objectives which they must accomplish. It is what resulted after that, that Commissioner Bartley seriously objected to some of the things that I objected to. So, with this delegation of authority in section 1, I agree with what the gentleman from California [Mr. HOLIFIELD] said. The Commission retained the authority as a commission to delegate these functions, and as Mr. FASCELL, the gentleman in charge of these resolutions, and who is doing such a splendid job with them, so well said, it is so simple that it explains itself. As I said before, had I been writing it, I would not have included the language in section 2 including Commissioners in that assignment, but still the Commission itself can control it by its action in delegating this authority to the Chairman.

The Chairman of each of these commissions has always been recognized in every act as having certain administrative and executive functions; someone has to keep the store, and it is the chairman who does it. This will give him authority to do it by order of the Commission itself.

Mr. GRIFFIN. Mr. Chairman, I yield 10 minutes to the gentleman from Virginia [Mr. POFF].

Mr. POFF. Mr. Chairman, it has been said that the measure of a good lawyer is his capacity to argue both sides of the same issue with equal facility and with equal force. Essentially, we have the same issue involved in Reorganization Plan No. 1 as was involved in Reorganization Plan No. 2. Both these gentlemen, the gentleman from Arkansas and the gentleman from Florida, are good lawyers. It must be confessed by all concerned that both argued both sides of the same issue with great facility and great force.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. POFF. I gladly yield to my distinguished colleague.

Mr. FASCELL. I certainly would not want to associate myself with the gentleman's remarks, but I would commend to the gentleman that a careful reading of the RECORD tomorrow will disclose that the gentleman from Florida was not on both sides of the issue.

Mr. POFF. I believe it remains to be seen whether or not the words of criticism previously uttered in this debate apply with equal force to both reorganization plans. But I submit that essentially the same issue is involved, and if we have a difference of opinion I am sure we can agree to disagree agreeably.

I believe that most Members of this body are genuinely concerned about the continuing erosion of the soil of congressional jurisdiction and, perhaps, most unfortunate of all is the fact that the Congress itself, and let us admit it, has been contributing to this erosion by the delegation of its own constitutional powers.

I would like to emphasize the fact with respect to Reorganization Plan No. 1 that more than just a primary delegation of congressional power is involved. It is, rather in my judgment, a congressional delegation of the congressional power to subdelegate powers already delegated by the Congress. Under this reorganization plan the Congress empowers one of its own creatures to conceive an offspring of its own and yet the grandfather is not necessarily a relative of the grandson. Let me explain what I mean by that.

This reorganization plan authorizes the Commission to subdelegate, and I use the word advisedly, powers previously delegated to it by the Congress, not only to an individual commissioner, but to "an employee."

Now, the powers which may be subdelegated are not restricted to purely ministerial functions. The authority extends to any of its functions, including specifically functions with respect to hearing, determining, ordering, certifying, reporting, or otherwise acting as to any work, business, or matter. No one can deny that this language, read as a whole, is broad enough to cover a file clerk, performing practically any delegated function.

In connection with the power to subdelegate functions, I call particular attention to section 2 of the plan which authorizes the Chairman, not the entire Commission, to select the personnel to whom functions are to be subdelegated. It was contended a moment ago that the Chairman would have no powers except those powers which were delegated to him by the full Commission. I take respectful exception to that comment. I direct your particular attention to the language of section 2, which states:

> There are hereby transferred from the Commission to the Chairman of the Commission the functions of the Commission with respect to the assignment of Commission personnel, including Commissioners, to perform such functions as may have been delegated by the Commission to Commission personnel.

I place special emphasis on the words "hereby transferred."

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. POFF. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman stopped just a little bit short of the real punch line in it, "Commission personnel." What he did not read was "pursuant to section 1 of this reorganization plan."

Mr. POFF. Exactly. As the gentleman well understands the rule of grammar, that clause refers back to and modifies the clause immediately preceding which reads "Such functions as may have been delegated by the Commission to Commission personnel."

The reorganization plan itself specifically transfers the function to the Chairman to assign personnel.

Mr. HARRIS. No action can be taken under section 2 except as is authorized by section 1.

Mr. POFF. The Chairman may have that interpretation of the language, but I respectfully disagree. I repeat that the last clause of that paragraph refers back to and modifies the clause "to perform such functions as may have been delegated" and does not refer back to the earlier clause "there are hereby transferred." "Hereby transferred" means by this reorganization plan the power to assign personnel is transferred from the full Commission to the Chairman.

I submit, Mr. Chairman, that this gives an inordinate power to the Chairman to predetermine substantive decisions of the Commission by the selection of a subdelegate with a particular predilection.

My chief objection to the plan, however, touches another facet of the matter. Section 1(b) of the plan pretends to preserve the "right of review" by the full Commission.

However, this right is carefully described as discretionary, and even if one or more of the parties to the controversy should petition for a review the Commission could, in the exercise of its discretion, deny the petition for review. Does the distinguished chairman of the committee disagree?

Mr. FASCELL. I would disagree to this extent. Take first things first; that is, with respect to section 2 it is already provided that the Chairman has that authority under Reorganization Act No. 10. It is also there in respect to the other plan. That section reads, "transfer all functions to the Chairman." This is the present law now.

Mr. POFF. Will the gentleman give me more time?

Mr. FASCELL. The gentleman asked me a question. I was trying to answer it.

Mr. POFF. I would be glad to have the gentleman read it if he will give me more time.

Accordingly, from what I have just explained, a review is not a matter of right and is mandatory only on the vote of at least two of the five commissioners. Failing in such, the original decision is, for purposes of appeal and otherwise, deemed to be the action of the Commission.

In summary, then, while the plan does not specifically repeal the Commission's original jurisdiction over controversies which come before it, the Commission, as a body, would not be required to exercise original jurisdiction. If it cared to do so, the Commission could subdelegate most of its functions with respect to every controversy that comes before it to some subdivision of the Commission or to some subordinate employee of the Commission. Does the chairman of the committee disagree with that?

Mr. FASCELL. I certainly do, because present law does not have the mandatory right of review. It takes a majority vote. It is purely discretionary. As a matter of fact, under the present law you have a better protection of the right of the minority.

Mr. POFF. I did not suggest that the parties litigant had the right of review as a matter of right under the present law.

I maintain, however, it is still a fact that even if one member of the Commission insists upon a review and he is standing alone, the parties litigant are not assured of a review, and for that reason would be compelled to appeal to the courts without benefit of a review by the full Commission in order to protect their rights.

Mr. POFF. Mr. Chairman, in the short time remaining to me I will be unable to conclude that phase of the argument.

In connection with Reorganization Plan No. 2, which was just rejected, the committee saw fit to suggest that the committee would report to the floor of the House organic legislation to effectuate substantially what was proposed in the reorganization plan. Now my query is: Would it not be possible and would it not be advisable for the committee to do likewise in connection with the SEC reorganization plan?

Mr. FASCELL. Is the gentleman putting that question to me?

Mr. POFF. Yes, I am directing the question to the gentleman from Florida.

Mr. FASCELL. Unfortunately, the gentleman is not correct. I hate to say this but our committee had nothing to do with the substantive legislation. The distinguished Committee on Interstate and Foreign Commerce have the legislative jurisdiction.

Mr. POFF. The gentleman misunderstands me. I say, Do you not agree that this would be an appropriate approach?

Mr. FASCELL. Not necessarily. The chairman of the committee testified that this plan is a good plan and is essential for the operation of the SEC, which means that on points covered by this particular plan, in his considered judgment and opinion, legislation is not specifically necessary.

Mr. POFF. Mr. Chairman, I submit that every Member who saw fit to cast a yea vote on the last record vote has the same justification to cast a yea vote on the vote that will follow this debate.

Mr. GRIFFIN. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Chairman, I would like to approach this problem from a little different standpoint than has been considered heretofore. Both the distinguished chairman of our Committee on Interstate and Foreign Commerce and our beloved Speaker said that plan No. 2 has repeal features in it which were probably beyond the authority in the Reorganization Act. We discussed that question very thoroughly when Dean Landis appeared before our committee. He stated and he gave evidence of the fact by citing previous reorganization proposals of the President where they not only repealed parts of the statute but actually abolished a commission, and there was no question raised that under the authority of the Reorganization Act, the President could propose a plan which would be legal to abolish this commission or any of the other commissions. So I differ with our chairman and our Speaker.

I think the President was perfectly within his authority in proposing what he did. I disagree with them also on their reasoning for opposing plan No. 2 is unfounded, because they opposed it on the ground that the President exceeded his authority under the Reorganization Act. I do not believe that he did exceed his authority; I think he was perfectly within his authority, and I think that this plan No. 1 also repeals some of the basic legislation of the Securities and Exchange Commission in making the changes; and I think the President is perfectly within his authority under the Reorganization Act to do that.

My feeling on this is very definite. I asked Dean Landis when he was before us—I reminded him of the story and the report that was published in the paper when he supposedly headed the task force in December that was to make a recommendation to the President on these regulatory agencies—and you recall the story, it has been referred to before. The story said that he was recommending a czar in the White House.

If you will read the testimony before our committee you will see I specifically asked him why he abandoned that idea, and Dean Landis said:

> I have not abandoned that idea; I have changed my mind.

I replied:

> I agree with you that you have not changed your mind, but in working up those reorganization plans you have accomplished exactly the same purpose that you would have accomplished had you put a czar in the White House to oversee these regulatory agencies in the first instance; but that idea was so repugnant that you could not attempt to do it, and so by this roundabout manner you are achieving and placing in the hands of the President the same authority that he would have over these boards and commissions had you put a czar in there and that had been approved by the Congress.

My objections to Reorganization Plan No. 1 as well as plans Nos. 3 and 4 are identical. I think that we as the Congress are gradually whittling away and giving away our legislative process. That was admitted in plan No. 2 had it been approved. Our committee has gone to work to make the revision. We can do exactly the same with plan No. 1, plan No. 3, and plan No. 4, or any of these plans.

There is no reason in the world why Congress should allow the Executive to legislative on Commissions that are supposed to be the arms of Congress.

It would have been all right had he said in his message that he would recommend to Congress that we pass legislation to that effect. What did the Hoover Commission do in regard to this? Let me read you from their report. I quote:

> As a further measure we recommend that the responsibility and authority of the Chairman over administration should be expressly recognized and defined by statute.

The Hoover Commission did not say that we should by presidential reorganization plan put forth something that would reorganize a body that is an arm of Congress. The Hoover Commission said very definitely it should be by statute, and that is why I would oppose and will oppose any of these reorganization plans that come to us. Personally I would feel much better about the President's recommendation—I think he would have been much more honest, much more forthright, if he had proposed a reorganization plan and abolished the Commission and appointed an administrator. That would have laid the program definitely before us, we would know what he had in mind; but this program as it is proposed here leaves everything in doubt, but not in my mind. I think I know what is behind all of this, because Mr. Landis said he had not changed his mind in regard to a czar in the White House. That is in the record, you can read it. That is why I oppose these plans. I think we are losing a part of our legislative authority, and I would oppose reorganization plans for any of the regulatory agencies or bodies that are considered as arms of Congress.

Mr. FASCELL. Mr. Chairman, I yield 7 minutes to the gentleman from California [Mr. Moss].

Mr. MOSS. Mr. Chairman, I have heard a great many arguments as to why these plans should be disapproved. I did not agree with them in the instance of plan No. 2, and I find them even less persuasive as we apply them to plan No. 1.

I have spent considerable time over the past 4 years as a member of the Legislative Oversight Committee. The studies of that committee have convinced me of a need to proceed to reorganize these commissions in order that they may more effectively discharge the public business. I regard them as independent agencies, arms of the Congress. I see nothing in this plan, nor in the preceding plan, nor the two plans following, which in any way impairs the

independence of these agencies. If I were concerned with the impairment of independence, the area where the Executive can exert the greater influence, I would be inclined to study the provision of law which requires these agencies to submit their budgets to the Bureau of the Budget, because through the power to control the purse or to control the putting together of a budget, you can effectuate many important and significant policy changes.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the gentleman from Michigan.

Mr. BENNETT of Michigan. Does the gentleman agree with me about the impropriety of a man in the position of Dean Landis at the White House calling the Commissioner of one of these agencies and inquiring about a case?

Mr. MOSS. The gentleman from Michigan knows that the gentleman from California agrees with him wholeheartedly. At the time he put the question to Dean Landis before the Committee on Interstate and Foreign Commerce and Landis replied as he did, I told him I disagreed with him very strongly, that I would consider any inquiry on an individual case as contrary to good ethics. My feeling has not changed one whit from the time I criticized Governor Adams for conduct of a similar nature.

Mr. BENNETT of Michigan. Then I cannot understand why the gentleman is so complacent about this influence involved here, when we are giving the Chairman this new authority.

Mr. MOSS. Let me assure the gentleman, and the gentleman knows this full well, where there is a desire for improper influence, about the only effective means of controlling it is to ride herd, and wherever it is exhibited to display it publicly and denounce it. That has the most salutary effect on preventing these new contacts, whether they come from the White House—or as we know from repeated hearings by the Legislative Oversight Committee in reference to the Federal Power Commission—from the regulated industries, the practitioners, and anyone else interested in Commission business, ex parte contact was the order of the day. It was improper and we urged it be stopped. But it goes on and it will go on as long as you have these positions.

Mr. BENNETT of Michigan. One of the reasons I object to this is because I think it gives the White House the authority or the privilege to ride herd over the agencies.

Mr. MOSS. I can see absolutely nothing in giving to the Chairman the right to delegate that which is delegated to him by majority action of his fellow Commissioners; nothing at all which increases in any degree the influence of the White House. Then, to be absolutely certain of divorcement of the possibility of influence, I would look to the matter of appointive power, because certainly there is a greater effort to influence than the circuitous routes which would have to be pursued in the remote possibility of such occurring, if this enactment occurs.

Now, for the benefit of the gentleman from California, he referred to the Hoover Commission recommendation that these things be done by statute. Now, as I understand, when these reorganization plans become law, they are statutes, and so you have achieved it through a little different method. Now, if there is disagreement with the method, it is a method provided by law by this Congress. This presently sitting Congress granted the authority which instructs the President to study these agencies and recommend reorganizations. I am privileged to serve on both committees involved in this legislation. I think I am the only Member of the House with that distinction. I recall that the Federal communications bar came before the Committee on Government Operations and through the president of that association expressed grave concern that the adoption of these plans would impair the independence of these agencies.

So, I was somewhat startled this morning in the hearings before the Subcommittee on Regulatory Agencies of the Committee on Interstate and Foreign Commerce to have the immediate past president of the Communications Bar Association come in with a novel proposal to create an administrative officer who would carry out all of these delegated functions, and he would be appointed by the President, confirmed by the Senate, serve for a fixed term, exercise the powers, and the Commission could not touch him. This, to me, was an impairment of independence. But, members of the Committee, this is no impairment here. This merely provides a more effective means of handling the public's business, of expediting it, and believe me when I tell you that the situation existing in these independent regulatory commissions, with the backlog of work facing them each and every day approaches the scandalous. I think there is much truth in the old saying that "justice delayed is justice denied," and in this instance we are attempting to prevent the denial through delay.

Mr. GRIFFIN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. BENNETT].

Mr. BENNETT of Michigan. Mr. Chairman, so that the record may be straight, at least in my view, on the legality of this reorganization plan, I want to make the point that it goes beyond the President's authority. In section 1 of the plan the language reads this way:

> In addition to its existing authority the Commission can do thus and so.

The Reorganization Act provides that no reorganization plan shall provide for and no reorganization under this act shall have the effect of authorizing any agency to exercise any function which is not expressly authorized by law at the time the plan is transmitted to the Congress. This language appears in section 5, subsection (4), as follows:

> SEC. 5. (A) No reorganization plan shall provide for, and no reorganization under this Act shall have the effect of—
>
> * * * * *
>
> (4) authorizing any agency to exercise any function which is not expressly authorized by law at the time the plan is transmitted to the Congress.

Now, obviously, the Commission does not have the authority under present law that is sought to be given here and, therefore, the addition of this existing, or extension of the existing authority, is beyond the President's authority under the Reorganization Act. Furthermore, his delegation of functions to the agency is also forbidden in section 3, subsection 5 of the act, which reads that the authorization of any officer to delegate any of his functions—in other words, while he may authorize an officer of an agency to delegate his functions, there is no authority for him to authorize an agency itself to do so, unless you construe the word "officer" to include the word "agency" or "Commission."

I think this would be a pretty broad interpretation of the word "officer." So, in this instance, there are serious doubts as to whether the President has exceeded his authority on two counts: First, the one I mentioned with reference to giving additional functions to the Commission, which he does in the first sentence of the first section of the plan and, in the second part, under the permission to give an officer authority to delegate his functions, of extending this to include agencies or Commissions. I think the plan will fall flat on that basis, which leads me to this conclusion which I think is obvious: The Interstate and Foreign Commerce Committees of both bodies are adequately equipped to consider and act upon this type of proposal. Our chairman, the distinguished gentleman from Arkansas [Mr. HARRIS], apparently is trying to talk himself out of his job, because if these plans go into effect, I venture the prediction that there will be a flood of others coming up here from the White House. Naturally, then there will be no need for the House Interstate and Foreign Commerce Committee insofar as legislation on regulatory agencies is concerned.

The thing that is so distressing to me is the fact that after we have spent better than 4 years of careful study and scrutiny on these problems, and after we have spent about $1 million of the taxpayers' money—and I think for good purpose—investigating these agencies, reviewing and scrutinizing them; coming up with numerous recommendations all the way along the line; then all of a sudden we wake up and find that the White House has quickly appointed an overseer or a czar—or whatever you want to call him—to supersede not only the House and Senate Interstate Commerce Committees, but the Congress itself, in writing laws that regulate the independent agencies of the Government.

If we have no consideration for ourselves for the authority vested in us under the Constitution, we should consider the rights of the rank and file citizen in this country who wants and is entitled to have the laws governing him written by the Congress and not by Presidential edict or fiat.

There are no personalities in this thing as far as I am concerned. The

question is basic. If you continue to permit the extension of Executive authority in this fashion every Member of this House in some way or another, in some instance or another will be hurt. It may not involve any of the plans we are considering here, but I venture the guess and make the prediction that in some way or other you and the people you represent are going to suffer and regret that you permitted the Congress to be made a rubber stamp by the President of the United States in situations of this kind.

What are we up here, a bunch of imbeciles and idiots that we cannot have proposals like this presented to a committee and enacted into law in an orderly constitutional way? Have we refused to act on proposals of this kind? No. Has the President asked us specifically to approve legislation for the amendments he proposes in these plans? No, he has not. I think it will be a sad commentary on the record of this Congress if it permits itself to delegate and barter away its basic constitutional functions, as it will do if it approves the remaining three reorganization plans that are before us today.

Mr. GRIFFIN. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I am completely unable to follow the argument of the gentleman from California [Mr. Moss]. I find that his additional views, House Report 367, May 18, 1959, on H.R. 5140, 86th Congress, 1st session, pages 10 and 11, he said this:

> I desire to register my recognition of the fundamental objects to and defects in the Reorganization Act. In principle it is a part of the creeping encroachment on a power vested by the Constitution in the Congress; in practice it is a part of the arrogance associated with the claim of Executive privilege.
>
> From time to time as extensions of the act have come before the House, the proponents of the bills have shown a tendency to avoid the quicksands of an untenable constitutional argument and to seek a firmer ground for extension in the amenities which they say should be accorded the President to whatever party he may belong.
>
> After 6 years such courtesy, like that accorded a guest who overstays his welcome, becomes tenuous and unsubstantial. For me it no longer is a ground for extending the operation of the act.
>
> It remains constitutionally indefensible. I would let it die.

Yet today he stands before you willing to give away, apparently, under this reorganization presently before the House, some more of the constitutional authority of the Congress.

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from California.

Mr. MOSS. I would like to point out to the gentleman that my remarks went to the wisdom of the Congress continuing the reorganization authority. We have a situation here where the Congress is making a determination to continue the reorganization authority. The President, in pursuance of the law as it is now written, good, bad, or indifferent, has submitted a plan. I am willing to consider that plan on its merits, and that is precisely what I have done. If the gentleman wishes on a future occasion to debate the merits of reorganization authority, the gentleman from California will demonstrate that he is quite competent to handle the arguments of the gentleman.

Mr. GROSS. I have no desire to do so. I voted against these reorganization plans in the past. I have never been for this back-door approach. But I am not going to stand here today, contrary to the position of the gentleman, and compound the evil that already exists.

Mr. Chairman, I yield back the balance of my time.

Mr. FASCELL. Mr. Chairman, I yield 7 minutes to the distinguished gentleman from California and the ranking majority member of our committee [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I wish I had the brilliant legal ability of the gentleman from Virginia [Mr. POFF] and the gentleman from Arkansas [Mr. HARRIS], but unfortunately I am not a lawyer and I cannot argue from the legal standpoint as they so ably did. Although I do find from listening to their arguments, that able lawyers differ. If I have any competence in this field, it would be because under previous administrations, both Republican and Democratic, I handled 40 reorganization plans as chairman of the Subcommittee on Executive and Legislative Reorganization. I was forced to do a lot of studying during that time in order to know what I was doing, or at least have the idea that I knew what I was doing.

Mr. Chairman, I am not so sure about the basic value of a reorganization act, particularly the type of act we have at this time. But, like the gentleman from California, my colleague, Mr. Moss, the act is in the law and all the Presidents under the act have sent up reorganization plans. Therefore, we in the Congress have to do our part unless we repeal the act, and if it comes to an opportunity to debate that issue, I will make my decision at that time. It might be that I would be in favor of repealing the act—I do not know.

Why was the Reorganization Act passed in the first place? I think it was passed by the Congress because Congress realized it would give to the President some special power to streamline the functions of government within an agency.

It was not for the purpose of giving arbitrary power. It was for the purpose of giving the President a chance to send up a plan to the Congress on the basis of his knowledge and on the basis of the knowledge of his administrators and the different agencies and departments. It was for the purpose of lining up functions and the transfer of functions in a department and the streamlining of authority that we in the Congress had apparently not been able to do in the different committees. I am not saying that we should not have done it. I think we should have. But, we recognized the fact that Congress did not make these changes, and probably were not familiar enough with the day-to-day operation of these different agencies in order to do the job of improving and streamlining that needed to be done. So we gave the President the right to send up these plans. I heard the argument made today that reorganization plans are not constitutional. That argument amounts to saying that the Congress does not have the authority and the right to delegate to the President the right to send up a plan of his choosing. I say as long as we pass a reorganization act, we clearly make it constitutional. Now you may argue with the wisdom of a reorganization act, but nevertheless this plan and all other plans are being sent up pursuant to a direct mandate of the Congress and in a manner prescribed and limited by the Congress. So the question of constitutionality does not enter into the evaluation of these plans today. All of the plans must of necessity be limited in scope. This is one of the advantages of the plan as far as the Congress is concerned. In limiting its scope, it comes up under special provisions and it also prevents the President from going into a broad statutory change in an agency and from changing the statutory functions of that agency. The argument has been made that a person could not vote "yea" on one plan and vote "no" on another plan. I would say with reference to the 40 plans which I handled as chairman of the Subcommittee on Executive and Legislative Reorganization over the years, I have brought out plans which I disapproved of and plans of which I approved. Therefore, there is no conflict of consistency. You evaluate the plan on its merits. Let us take plan No. 2 for which I voted "yea," which meant that I voted to disapprove of the plan along with the gentleman from Arkansas [Mr. HARRIS] and others.

We had the assurance of the gentleman from Arkansas [Mr. HARRIS] that he was going to take this problem into his committee and consider it in a much wider scope and in much greater detail than we could under this reorganization plan. Every Member of this House respects the gentleman from Arkansas [Mr. HARRIS] and knows the fine work he has done in the investigation of regulatory agencies. His assurance was enough when brought to the attention of the chairman and members of our committee to cause our committee to report this plan out without approval and turn this consideration over to the gentleman from Arkansas [Mr. HARRIS] and his very able committee.

As to the other plans, they are much simpler; they do not go into the abolishment of one or more statutory functions. This is a matter of streamlining. The Hoover Commission—and I had the honor of serving on the second Hoover Commission for 2 years—the Hoover Commission advocated the principle that there should be a streamlining of authority so the line of authority ran pyramidlike from the apex down to the bottom, so that at any time the Congress wanted to call an agency before it for investigation, or criticism, or consultation, Congress would know where to go to get the responsible individual for that function in which they were interested. So many of these reorganization plans were to streamline the function of the agency; and this is exactly what we are

doing in plans Nos. 1, 3, and 4; we are streamlining the function, we are placing more of the responsible authority in the hands of the Chairman. The Commission can direct the Chairman to delegate to other Commissioners a responsibility. The Commission can direct the Chairman to delegate to any other capable employee in the agency a duty. This routine operation, this day-to-day impedimenta which comes into all of these agencies becomes burdensome and should be delegated so that it will leave the Commission itself free to operate on a high level of policy. This is what we are attempting to do in these reorganization plans.

The CHAIRMAN. The time of the gentleman from California has expired. All time has expired.

Mr. FASCELL. Mr. Chairman, I move that the Committee do now rise and report the resolution back to the House with the recommendation that it be not agreed to.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SHELLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the resolution (H. Res. 302) disapproving Reorganization Plan No. 1 transmitted to Congress by the President on April 27, 1961, had directed him to report the same back to the House with the recommendation that it be not agreed to.

The previous question was ordered.

The SPEAKER. The Clerk will read the resolution.

The Clerk read the resolution as follows:

Resolved, That the House does not favor the Reorganization Plan Numbered 1, transmitted to Congress by the President on April 27, 1961.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken; and the Chair announced that the noes appeared to have it.

Mr. MEADER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 176, nays 212, not voting 48, as follows:

[Roll No. 83]

YEAS—176

Abbitt	Beermann	Chelf
Abernethy	Belcher	Chenoweth
Adair	Bell	Chiperfield
Alford	Bennett, Fla.	Church
Andersen, Minn.	Bennett, Mich.	Clancy
Arends	Berry	Collier
Ashbrook	Betts	Colmer
Ashmore	Bolton	Conte
Auchincloss	Bow	Corbett
Avery	Bray	Cramer
Ayres	Bromwell	Cunningham
Baldwin	Broomfield	Curtin
Barry	Brown	Curtis, Mo.
Bass, N.H.	Broyhill	Dague
Bates	Bruce	Davis, James C.
Battin	Byrnes, Wis.	Derounian
Becker	Cahill	Derwinski
Devine	Knox	Riley
Dole	Kunkel	Robison
Dominick	Kyl	Rogers, Tex.
Dowdy	Laird	Rousselot
Dwyer	Langen	St. George
Ellsworth	Latta	Saylor
Findley	Lindsay	Schadeberg
Flynt	Lipscomb	Schenck
Ford	McCulloch	Scherer
Forrester	McDonough	Schneebeli
Frelinghuysen	McIntire	Schweiker
Fulton	McMillan	Schwengel
Garland	McVey	Scott
Gavin	MacGregor	Scranton
Goodell	Mailliard	Seely-Brown
Goodling	Martin, Mass.	Short
Griffin	Martin, Nebr.	Shriver
Gross	Mathias	Siler
Gubser	Meader	Smith, Calif.
Haley	Merrow	Springer
Hall	Michel	Stafford
Halleck	Miller, N.Y.	Taber
Halpern	Milliken	Teague, Calif.
Harrison, Wyo.	Minshall	Thomson, Wis.
Harsha	Moore	Tollefson
Harvey, Ind.	Morse	Tuck
Harvey, Mich.	Mosher	Tupper
Herlong	Natcher	Utt
Hiestand	Norblad	Van Pelt
Hoeven	Nygaard	Van Zandt
Hoffman, Ill.	Osmers	Wallhauser
Hoffman, Mich.	Ostertag	Weaver
Horan	Pelly	Weis
Jensen	Pillion	Whalley
Johansen	Pirnie	Wharton
Jonas	Poff	Widnall
Judd	Quie	Wilson, Calif.
Kearns	Ray	Wilson, Ind.
Keith	Reece	Winstead
Kilburn	Reifel	Younger
King, N.Y.	Rhodes, Ariz.	
Kitchin	Riehlman	

NAYS—212

Addabbo	Frazier	Machrowicz
Addonizio	Friedel	Mack
Albert	Gallagher	Madden
Alexander	Garmatz	Magnuson
Andrews	Gary	Mahon
Ashley	Gathings	Marshall
Bailey	Giaimo	Matthews
Baring	Gilbert	Miller, Clem
Barrett	Granahan	Miller, George P.
Bass, Tenn.	Gray	Mills
Beckworth	Green, Pa.	Moeller
Blatnik	Griffiths	Monagan
Blitch	Hagan, Ga.	Montoya
Boggs	Hagen, Calif.	Moorhead, Pa.
Boland	Hansen	Morgan
Bonner	Harding	Morris
Boykin	Hardy	Morrison
Brademas	Harris	Moss
Breeding	Harrison, Va.	Murphy
Brewster	Hays	Murray
Brooks, La.	Healey	Nix
Brooks, Tex.	Hébert	O'Brien, Ill.
Burke, Ky.	Hechler	O'Brien, N.Y.
Burke, Mass.	Hemphill	O'Hara, Ill.
Burleson	Henderson	O'Hara, Mich.
Byrne, Pa.	Holifield	Olsen
Cannon	Holland	O'Neill
Casey	Holtzman	Passman
Celler	Huddleston	Patman
Clark	Hull	Perkins
Coad	Ikard, Tex.	Peterson
Cohelan	Inouye	Pfost
Cook	Jarman	Philbin
Cooley	Jennings	Pike
Corman	Joelson	Pilcher
Daddario	Johnson, Calif.	Poage
Daniels	Johnson, Md.	Price
Davis, John W.	Johnson, Wis.	Pucinski
Davis, Tenn.	Jones, Ala.	Rabaut
Dawson	Jones, Mo.	Rains
Delaney	Karsten	Randall
Dent	Karth	Reuss
Denton	Kastenmeier	Rhodes, Pa.
Diggs	Kelly	Rivers, Alaska
Dingell	Kilday	Rodino
Donohue	Kilgore	Rogers, Colo.
Downing	King, Calif.	Rogers, Fla.
Doyle	King, Utah	Rooney
Dulski	Kirwan	Rostenkowski
Edmondson	Kluczynski	Roush
Elliott	Kornegay	Rutherford
Everett	Kowalski	Ryan
Evins	Landrum	St. Germain
Fallon	Lane	Santangelo
Farbstein	Lankford	Saund
Fascell	Lennon	Selden
Feighan	Lesinski	Shelley
Finnegan	Libonati	Shipley
Fisher	McCormack	Sikes
Flood	McDowell	Sisk
Fogarty	McFall	Slack
Fountain	Macdonald	Smith, Iowa
Smith, Miss.	Sullivan	Vanik
Smith, Va.	Taylor	Watts
Spence	Teague, Tex.	Whitener
Staggers	Thomas	Wickersham
Steed	Thompson, N.J.	Willis
Stephens	Thompson, Tex.	Wright
Stratton	Thornberry	Yates
Stubblefield	Udall	Young
	Ullman	Zablocki

NOT VOTING—48

Alger	Green, Oreg.	Rivers, S.C.
Anderson, Ill.	Hosmer	Roberts
Anfuso	Ichord, Mo.	Roosevelt
Aspinall	Kee	Roudebush
Baker	Keogh	Sheppard
Bolling	Loser	Sibal
Buckley	McSween	Thompson, La.
Carey	Mason	Toll
Cederberg	May	Trimble
Curtis, Mass.	Moorehead, Ohio	Vinson
Dooley	Moulder	Walter
Dorn	Multer	Westland
Durno	Nelsen	Whitten
Fenton	Norrell	Williams
Fino	O'Konski	Zelenko
Glenn	Powell	
Grant		

So the resolution was not agreed to.

The Clerk announced the following pairs:

Mr. Dorn for, with Mr. Buckley against.

Mrs. May for, with Mr. Roosevelt against.

Mr. Hosmer for, with Mr. Keogh against.

Mr. Durno for, with Mr. Multer against.

Mr. Fenton for, with Mrs. Green of Oregon against.

Mr. Mason for, with Mr. Sheppard against.

Mr. Moorehead of Ohio for, with Mr. Zelenko against.

Mr. Anderson of Illinois for, with Mr. Carey against.

Mr. Alger for, with Mr. Toll against.

Mr. Cederberg for, with Mr. Walter against.

Mr. Westland for, with Mr. Powell against.

Mr. Dooley for, with Mr. Anfuso against.

Mr. Williams for, with Mr. Moulder against.

Mr. Baker for, with Mr. McSween against.

Mr. Curtis of Massachusetts for, with Mr. Loser against.

Mr. Fino for, with Mr. Thompson of Louisiana against.

Mr. Glenn for, with Mr. Aspinall against.

Mr. Nelsen for, with Mr. Rivers of South Carolina against.

Mr. Roudebush for, with Mr. Roberts against.

Mr. Sibal for, with Mr. Trimble against.

Mr. ABERNETHY and Mr. KEARNS changed their vote from "nay" to "yea."

Mr. WILLIS changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

REORGANIZATION PLANS NOS. 3 AND 4 TO BE CALLED TUESDAY, JUNE 20—PROGRAM FOR WEEK OF JUNE 19

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to ask the majority leader about the program for the balance of the day and for next week.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McCORMACK. The program for next week will depend to some extent upon what takes place in the next few seconds. If we can arrive at an agreement in relation to Reorganization Plans Nos. 3 and 4, which I will schedule for Tuesday of next week, I can announce the program. To bring the matter to a

head, Mr. Speaker, I ask unanimous consent that when Reorganization Plan No. 3 is called up for consideration on Tuesday next that general debate be limited to 20 minutes to be equally divided.

Mr. ARENDS. Mr. Speaker, reserving the right to object, 20 minutes a side, a total of 40 minutes?

Mr. McCORMACK. My request was 20 minutes, but I have no objection to 40.

Mr. ARENDS. I thought the understanding was 20 minutes a side.

Mr. McCORMACK. The acting minority leader may be right; perhaps we did not have a meeting of minds; 40 minutes is all right.

Mr. Speaker, I modify my request and ask unanimous consent that general debate on Reorganization Plan No. 3 be limited to not exceed 40 minutes, to be equally divided between the gentleman from Florida [Mr. FASCELL], or whoever he may designate, and the gentleman from Michigan [Mr. HOFFMAN], or whoever he may designate.

Mr. GROSS. Mr. Speaker, reserving the right to object, that would be 40 minutes equally divided on Reorganization Plans 3 and 4?

Mr. McCORMACK. I will come to No. 4 in a minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I make the same request in relation to Reorganization Plan No. 4, that when it is called up for consideration, debate be limited to not to exceed 40 minutes, 20 minutes to be under the control of the gentleman from Florida [Mr. FASCELL], or anyone designated by him, and 20 minutes under the control of the gentleman from Michigan [Mr. HOFFMAN], or anyone designated by him.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, referring to the program for next week, there will be a conference report on the tourism bill called up on Monday.

Monday is also Consent Calendar day.

There will be five suspensions, as follows:

H.R. 5751, to amend the Subversive Activities Control Act of 1950.

House Joint Resolution 225, the Delaware River Basin compact.

H.R. 6765, charter, International Finance Corporation.

S. 1619, adjustment, old series currency.

H.R. 3385 relating to duty-free entry of electronic microscopes for research purposes.

Thereafter, the fourth supplemental appropriation bill for 1961 will be called up.

Tuesday is Private Calendar day. That will be followed by consideration of Reorganization Plans Nos. 3 and 4.

If a rule is reported out on Tuesday next—I understand that is when the Committee on Rules will meet for this particular purpose, while I understand they meet on Monday—on the housing bill, it will be programed for Wednesday and consideration will be continued until disposed of.

On either Wednesday or Thursday of next week, probably Thursday, His Excellency, the Prime Minister of Japan, will address the House. This matter will come up on Wednesday or Thursday. It will be taken care of definitely on Monday. My best information at this time is that His Excellency will visit and address the House on Thursday next, so I make it either Wednesday or Thursday.

With the regular reservation, conference reports may be brought up at any time, and any further program will be announced later.

Mr. ARENDS. Does the gentleman anticipate that we will adjourn from tonight until Monday?

Mr. McCORMACK. Yes. I am glad the gentleman made that inquiry.

ADJOURNMENT FROM TODAY UNTIL MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on House Resolution 302 and House Resolution 303.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

ELIGIBLE COMMUNITY FACILITIES PROJECTS

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. RAINS] may extend his remarks at this point in the RECORD and include tables.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. RAINS. Mr. Speaker, the housing bill will in all likelihood be before the House next week. One of the key features of that bill is an expanded and liberalized community facility loan program which will provide low interest rate financing for small towns and depressed areas up to 150,000 population.

One of our most pressing national needs is for more adequate sewer and water systems and other public facilities. Not only are we faced with a rapidly growing population but right now there is a tremendous backlog of need in this field. Moreover, this is a particularly favorable time in which to undertake the task since these projects will make an important contribution toward speeding up our sluggish economic recovery and then maintaining full employment in the future.

This title of the housing bill has aroused a great deal of interest—perhaps as much as anything else in the whole bill. A number of my colleagues have asked me just how this program will benefit their constituents. A ready measure of the potential impact of this program is given by the list of public works which have been planned under the section 702 advance planning program. These are projects which are either being planned right now or for which plans are fully completed but are not yet under construction. I know that in many cases they are being blocked by the prohibitively high interest rates which most small communities must pay on their bonds. The community facility provision in the general housing bill will overcome that obstacle. Of course the loans would not be confined just to this list of projects but these are the ones we know are just about ready to go.

Mr. Speaker, for the information of my colleagues I include at this point in the RECORD a list of those projects in small communities which have been planned and which could be financed with the aid of the housing bill:

COMMUNITY FACILITY PROJECTS ELIGIBLE UNDER TITLE V OF H.R. 6028

Approved advances under the program of advances for public works planning—Plans completed, active as of Mar. 31, 1961

Applicant	Type of facility	Approved advance	Total estimated cost
Alabama:			
Tuskegee	Sewer	$4,000	$365,000
Cullman	do	10,000	1,359,100
Chickasaw	do	13,650	385,945
Do	do	9,156	240,579
Haleyville	do	22,500	612,000
Sheffield	do	13,050	1,499,400
Jasper	do	28,000	1,000,000
Pritchard	do	30,000	1,234,131
Arizona:			
Eloy	Water	7,000	1,066,996
Avondale	do	7,000	125,000
Scottsdale	Streets	9,170	1,066,996
Sierra Vista	Sewer	27,965	363,406
Do	Streets	4,076	70,318
Eager	Sewer	14,060	215,127
Springville	do	9,150	139,804
Peoria	do	4,680	363,997
Willcox	Streets	13,175	1,050,829
Clarksdale	Sewer	8,394	26,570
Gila Bend	do	2,200	250,000
Arkansas:			
Yellville	do	825	130,300
Mineral Springs	Water	730	121,000
Van Buren	Sewer	8,500	1,217,629
Hope	do	4,500	210,000
Bearden	do	500	46,530
California:			
Pittsburg	Civic center	5,200	668,142
Yuba City	Storm drains	13,500	1,027,453
Do	Streets	8,710	1,918,347
Do	Sewer	7,200	512,265
Do	Water	6,000	539,026
Thermalito	Sewer	10,000	1,038,270
North Sacramento	do	7,000	2,247,000
Turlock	do	26,900	1,525,000
Redlands	do	8,000	870,000
Laytonville	Water	2,000	93,000
San Gabriel	Civic center	15,000	1,013,121

Approved advances under the program of advances for public works planning—Plans completed, active as of Mar. 31, 1961—Con.

Applicant	Type of facility	Approved advance	Total estimated cost
California—Con.			
Lompoc	Water	$47,000	$949,968
Laguna Beach	Streets	13,000	180,413
Delano	Sewer	5,000	447,740
Do	Storm drains	11,250	942,400
Wheatland	Sewer	4,000	179,600
Shell Beach	Water	7,500	315,000
Delhi	do	4,000	420,000
Imperial Beach	Storm drains	6,900	666,600
Do	Sewer	6,800	265,500
El Cerrito	Administration building.	5,150	242,548
Do	Corporation yard.	1,950	128,395
Do	Community building.	6,950	403,426
Yorba Linda	Sewer	5,000	1,071,140
Leucadia	do	4,885	941,700
Tipton	do	2,500	240,000
Pacifica	do	20,000	1,365,000
Selma	do	5,000	264,000
Salinas	Water	90,000	9,705,000
Marina	Sewer	4,000	567,000
Do	Water	5,000	500,200
Colorado:			
Sterling	Sewer	2,500	443,000
Fruita	Water	50,000	10,500,000
Grand Lake	do	4,000	175,000
Meeker	Sewer	5,000	217,388
Connecticut:			
Washington	Sewer	20,300	307,753
Willimantic	Water	4,600	462,200
Wallingford	Sewer	39,900	1,434,198
Danielson	do	17,100	624,980
Do	do	11,775	[1] 54,760
East Haven	do	60,023	2,796,000
Do	do	16,292	708,000
Do	do	37,523	100,560
Do	do	10,295	[2]
Stonington	do	7,500	1,718,500
Branford	do	105,600	3,612,000
Plainville	do	25,600	1,837,000
Middletown	do	45,700	1,860,000
Bethel	do	60,285	2,994,000
Florida:			
Lake Maitland	Gas distribution.	3,000	655,000
Altamonte Springs.	do	2,450	110,000
Do	Water	2,450	249,800
Carrabelle	Sewer	1,800	264,774
Homestead	do	2,025	150,000
Crescent City	Gas distribution.	2,500	710,000
Mulberry	do	2,000	145,000
Santa Rosa County.	Water	4,000	152,958
Ormond Beach	Sewer	60,000	4,350,000
Brevard County.	Gas distribution.	14,500	5,900,000
West Panama City.	Water	9,000	800,000
Key Colony Beach.	Sewer	1,800	467,000
Safety Harbor	Water	8,725	600,000
Sneads	do	800	324,800
Sebring	Sewer	8,000	1,513,340
Opa Locka	do	49,812	1,801,200
Valusia	do	39,375	2,130,000
High Springs	do	10,420	862,888
St. Augustine	Gas distribution.	19,500	2,550,000
Fort Meade	do	5,000	500,000
Wewahitchka	Water	6,675	267,496
Vernon	Sewer	1,900	107,885
Do	Water	600	34,900
Bradford County.	Hospital	6,630	164,657
Georgia:			
Soperton	Water	1,500	430,863
Clayton County.	Courthouse	12,900	875,000
Hartwell	Water	5,000	643,605
Conyers	Sewer	3,950	278,930
Do	Water	8,100	250,000
Thunderbolt	Sewer	6,600	457,374
Lavonia	Water	3,500	468,000
Athens	Sewer	84,000	2,458,000
Gainsville	Nursing facility.	7,500	349,000
Idaho:			
Deary	Sewer	1,400	75,000
Nampa	Storm drains	6,000	725,000
Do	Water	8,250	775,000
Pocatello	Fairgrounds	16,980	1,220,107
Koskia	Sewer	2,120	140,600
Alameda	do	4,300	478,400
Mountain Home.	do	3,250	337,000

[1] $54,760 in addition to cost of $624,980 for Danielson sewer project.
[2] Cost included in $708,000 under East Haven sewer project.

Approved advances under the program of advances for public works planning—Plans completed, active as of Mar. 31, 1961—Con.

Applicant	Type of facility	Approved advance	Total estimated cost
Illinois:			
Clinton	Sewer	$2,500	$790,000
Alton	do	25,000	5,708,000
Fairview	do	2,500	117,649
Tilton	do	2,000	436,000
New Lenox	Water	11,400	2,357,437
Jacksonville	Electric power.	45,000	1,000,000
Albany	Sewer	5,000	264,450
Malta	do	1,600	301,676
De Soto	do	2,200	160,000
Broughton	Water	4,140	174,000
Swansea	Sewer	8,900	1,050,200
Collinsville	do	15,300	3,126,000
Bartelso	Water	1,500	81,000
Bridgeview	do	47,000	2,050,000
Clayton	Sewer	3,200	239,700
Coal City	do	11,220	597,517
Wood River	do	5,000	384,000
Garrett	Water	3,354	91,697
McLean	Sewer	4,160	228,696
Manito	do	4,800	335,000
Hinckley	do	5,606	335,888
Abingdon	do	3,300	144,630
Oquawka	do	3,000	270,000
Champaign	Storm drains	26,000	4,500,000
Belleville	Sewer	24,187	3,349,400
Rantoul	Water	28,000	1,635,000
Godfrey Township.	Sewer	9,000	1,585,598
Glen Carbon	do	4,890	370,000
Arthur	Water	7,400	415,000
Belvidere	Storm drains	8,000	1,110,233
Bradford	Sewer	2,500	210,000
Beardstown	do	2,500	500,000
Allendale	do	2,700	176,000
Petoka	do	2,700	236,700
Coffeen	Water	1,800	246,872
Somonauk	Sewer	1,750	360,885
Dallas City	do	1,800	115,218
Livingston	do	4,000	293,900
Plainville	Water	1,200	76,000
Enfield	Sewer	2,900	186,000
Indiana: New Albany.	Hospital	42,400	3,745,084
Iowa:			
West Burlington.	Sewer	1,000	46,736
Do	Water	1,440	53,700
Do	do	1,225	104,814
Do	Sewer	2,250	209,000
Butler County.	Courthouse	3,855	320,000
Floyd	Sewer	1,800	104,686
Waucoma	do	1,500	133,465
Muscatine	Bridge	20,000	5,081,000
Kansas:			
Manhattan	Sewer	6,000	1,886,840
Atchison	do	27,660	460,122
Haysville	do	23,250	400,000
Hoisington	Water	11,250	912,000
Augusta	Sewer	17,100	275,000
Garden City	Community building.	20,000	2,388,314
Fort Scott	Sewer	11,000	210,214
Abilene	do	8,500	575,000
Salina	do	29,950	2,200,000
Wilson	do	650	41,000
Kentucky:			
Flatwoods	do	15,000	838,000
Floyd County	Courthouse	7,500	595,000
Owingsville	Sewer	1,935	300,000
Hazard	Municipal building.	3,400	329,519
West Point	Sewer	800	182,650
Hopkinsville	Municipal building.	5,825	633,025
Louisiana:			
Westwego	Sewer	21,998	2,000,000
Harahan	do	17,813	1,726,272
Do	Recreation	723	92,400
Basile	Sewer	2,800	460,000
Provencal	Gas distribution.	2,475	85,000
Elton	Sewer	2,500	300,000
Sunset	do	6,000	211,396
Winnsboro	do	7,500	465,000
Lutcher	Water	11,844	394,000
Do	Sewer	18,500	510,000
Do	Streets	9,380	253,400
St. James	Sewer	35,000	775,881
Bogalusa	Streets	35,206	1,496,801
Do	Park	2,450	139,934
Kinder	Streets	6,700	232,000
Sterlington	Sewer	4,600	188,200
Junction City	do	1,470	117,000
Chatham	do	3,750	164,000
Caddo	Water	7,500	600,000
Do	Sewer	16,000	1,179,000
Kenner	do	25,352	[3] 238,420
St. Joseph	do	12,134	316,320
Monroe City	Auditorium	27,000	4,500,000
Maringouin	Sewer	3,017	185,000
Arnaudville	Water	1,875	85,000
Youngsville	Sewer	2,420	175,750

Approved advances under the program of advances for public works planning—Plans completed, active as of Mar. 31, 1961—Con.

Applicant	Type of facility	Approved advance	Total estimated cost
Maine:			
Eliot	Water	$6,000	$394,575
Mars Hill	Sewer	2,500	178,201
Falmouth	do	15,000	1,116,200
Cape Elizabeth	do	12,200	228,000
Freeport	do	3,300	123,700
Corinna	do	5,500	531,500
Boothbay Harbor.	do	9,950	1,000,500
Kennebunkport.	do	6,000	1,650,000
Skowhegan	do	7,500	1,829,500
Maryland:			
Rockville	do	35,100	979,100
Princess Anne	do	27,280	650,000
Dorchester County.	do	2,000	430,000
Boonsboro	do	18,000	250,000
Union Bridge	do	20,500	546,059
Massachusetts:			
Ware	do	2,000	462,000
Do	do	35,000	[4]
Fall River	Water	75,700	982,400
Wilmington	Sewer	26,000	3,412,000
Marlborough	Water	40,000	938,555
Attleboro	Sewer	16,000	662,972
Hudson	do	10,000	700,000
Do	do	30,000	[4]
Billerica	do	15,000	2,400,000
Ludlow	do	15,700	108,058
Do	Storm drains	4,000	223,865
Marshfield	Sewer	86,000	1,945,000
Oxford-Rochdale.	do	3,500	381,500
Nahant	do	4,800	89,000
Agawam	do	8,000	532,250
Do	Storm drains	2,300	132,419
Southborough	do	17,700	2,310,000
Swampscott	do	6,100	399,500
Do	Sewer	10,800	[4]
Do	Storm drains	8,750	[4]
Do	Sewer	6,900	710,000
Danvers	Water	56,300	3,164,200
Peabody	Sewer	37,500	7,082,300
Brookfield	do	11,000	550,000
Holden	do	20,000	2,932,800
Lee	do	19,000	516,000
Hatfield	do	2,000	144,790
Westborough	Water	8,000	823,516
Do	Sewer	26,900	3,058,333
Do	Storm drains	17,500	1,826,630
Whitman	Sewer	30,800	2,702,000
Michigan:			
Alma	do	25,950	600,000
Oak Park	do	7,209	834,417
Cadillac	Water	47,900	1,429,700
Ishpeming	Sewer	2,000	297,500
Macomb	Storm drains	95,760	12,335,271
Do	do	47,880	5,754,902
Do	do	59,600	7,560,201
Do	do	72,320	2,690,786
Walker	Sewer	51,000	6,010,000
Grandville	do	11,000	1,425,000
Waterford	Water	100,000	12,756,516
Minnesota:			
Island Park	do	5,310	568,820
Do	Sewer	8,125	1,168,115
Excelsior	do	5,280	170,190
Dayton	Water	800	88,967
Spring Park	Sewer	4,395	373,226
Do	Water	2,275	236,083
St. Paul Park	Streets	7,500	1,774,333
Karlstad	Sewer	1,800	216,907
Golden Valley	Water	23,000	2,756,500
Braham	Sewer	1,800	105,000
Minnetonka	Storm drains	13,000	95,275
Jordan	Sewer	2,000	196,500
New Hope	Storm drains	8,900	1,498,000
Roseville	Water	20,000	5,000,000
Newport	Sewer	12,500	1,250,000
Mississippi:			
Okolona	Water	5,000	156,000
Do	Sewer	5,500	220,000
Corinth	do	6,600	638,995
Bude	do	1,800	241,664
Leland	do	5,700	330,000
Clarksdale	do	10,000	1,900,000
Missouri:			
Cape Girardeau.	do	25,000	1,798,000
Brunswick	do	1,275	180,000
Columbia	Civic center	10,000	1,205,000
Lilbourn	Sewer	1,750	250,000
Herman	do	2,800	362,600
Montana:			
Bozeman	Streets	9,000	712,500
Libby	do	5,000	1,412,842
Do	Sewer	2,500	197,500

[3] Cost included in $462,000 under Ware sewer project.
[4] Cost included in $700,000 under Hudson sewer project.
[5] Cost included in $710,000 under Swampscott sewer project.
[6] Cost included in $399,500 under Swampscott storm drain project.

***Approved advances under the program of advances for public works planning—Plans completed, active as of Mar. 31, 1961*—Con.**

Applicant	Type of facility	Approved advance	Total estimated cost
Montana—Con.			
Billings	Grade separations.	$25,000	$4,400,000
Yellowstone County.	Water	18,000	1,635,500
Missoula	Sewer	63,362	1,692,000
Do	do	25,725	770,000
Flathead County.	Courthouse	14,900	1,345,792
Boulder	Sewer	2,000	155,000
Lewistown	Streets	8,000	1,810,420
Do	Water	4,000	408,912
Philipsburg	Sewer	1,500	65,290
Livingston	Water	2,550	116,856
Do	Streets	2,500	172,598
Columbus	Water	2,500	202,910
Do	Sewer	1,500	169,550
Whitefish	do	4,500	451,000
Eureka	do	6,623	172,993
Townsend	Storm drains	2,000	105,000
Twin Bridges	Sewer	750	127,000
Columbia Falls	do	4,000	418,000
East Helena	Water	3,750	290,000
Custer County	Nursing home	5,474	451,430
Polson	Water	9,900	452,900
Laurel	Sewer	10,000	410,000
Kevin	do	2,160	79,279
Fairview	Water	2,000	68,000
Fromberg	Sewer	3,500	129,400
Miles City	do	5,000	280,000
Valley County	Courthouse	12,025	1,113,100
Superior	Sewer	2,500	205,000
Cascade	do	1,000	63,000
Dawson County.	Courthouse	8,144	506,367
Teton County	Hospital	3,519	240,843
Nevada: Lovelock.	Water	6,700	460,000
New Hampshire:			
Nashua	Sewer	12,000	1,349,000
Do	do	64,500	(7)
Do	do	21,450	(8)
Littleton	do	19,000	985,850
Concord	do	15,000	1,442,000
Do	Water	60,000	9,452,000
Boscawen	Sewer	4,240	132,390
Hudson	do	10,500	1,530,324
Peterborough	do	9,000	1,109,500
Laconia	do	43,500	4,136,000
Northumberland.	do	5,000	315,000
Lancaster	do	5,000	656,000
New Jersey:			
Atlantic City	City yards	17,000	2,788,973
Teaneck Township.	Recreation facilities.	12,000	1,359,000
Wildwood	Incinerator	5,000	500,000
Do	do	15,000	500,000
Long Branch	City hall	7,750	510,000
Scotch Plains Township.	Sewer	50,000	1,979,500
Hudson County.	Boulevard	150,000	10,752,000
Plumsted Township.	Sewer	10,425	590,000
Montclair	Municipal building.	15,000	1,311,600
East Brunswick.	Sewer	60,000	3,400,000
Little Silver	do	13,000	1,590,000
Lawnside	do	6,960	571,000
Wyckoff Township.	Park	7,500	500,000
Ewing-Lawrence.	Sewer	120,000	2,828,746
Long Beach Township.	Water	10,500	260,468
Totowa	Sewer	24,000	705,900
Clementon	do	15,800	1,188,000
Medford Township.	do	19,250	760,000
Cliffside Park	Library	18,000	248,000
Wayne Township.	Sewer	51,000	1,929,360
Franklin	do	77,000	1,946,958
Mount Holly	Storm drains	5,500	93,560
Burlington Township.	do	10,883	213,543
New York:			
Port Chester	Sewer	31,385	1,980,000
Do	do	26,615	[9]1,950,000
Southport	do	5,000	1,577,000
Long Beach	Municipal building.	50,000	2,147,400
Webster	Water	4,500	520,000
Patchogue	Sewer	2,000	140,636
Tupper Lake	do	30,000	997,041
Do	Fire station	3,500	59,800

[7] Cost included in $1,349,000 under Nashua sewer project.

[8] Cost included in $1,349,000 under Nashua sewer project.

[9] $1,950,000 in addition to cost of $1,980,000 for Port Chester sewer project.

***Approved advances under the program of advances for public works planning—Plans completed, active as of Mar. 31, 1961*—Con.**

Applicant	Type of facility	Approved advance	Total estimated cost
New York—Con.			
Beacon	Incinerator	$13,550	$523,250
Do	Sewer	39,650	1,152,000
Baldwinsville	do	28,700	439,000
Horseheads	Water	1,375	232,740
Haverstraw	Incinerator	16,450	582,000
East Greenbush.	Water	59,000	1,305,092
Tarrytown	Fire station	4,000	283,000
Elma	Water	35,000	3,250,000
Clarkstown	Sewer	6,500	526,260
Caldwell	do	5,660	606,643
Do	Water	4,420	569,270
Newburgh	Incinerator	19,000	830,000
Owego	Sewer	10,000	1,006,350
Heuvelton	do	7,600	400,600
Glen Cove	Streets	24,900	1,000,000
Stony Point	Sewer	62,700	2,578,000
Phoenix	do	22,060	450,755
Greenburgh	Incinerator	65,186	2,000,000
Chittenago	Sewer	14,348	1,306,164
North Carolina:			
Southport	do	6,125	188,837
Dobson	do	3,500	350,000
Mount Gilead	do	4,000	275,000
Williamston	do	10,021	366,757
Henderson	do	24,000	926,500
Ronaoke Rapids.	Streets	13,750	226,000
Belmont	Sewer	6,000	780,000
Spruce Pine	do	4,000	461,200
Do	Water	3,500	300,000
Grover	do	1,300	322,952
Jamestown	Sewer	20,296	777,000
Ohio:			
Sabina	do	23,000	730,000
Olmsted Falls	do	7,500	1,052,900
Weston	do	13,471	372,240
Zenia	do	29,000	4,418,000
Ripley	do	21,663	467,572
Massillon	do	61,200	1,850,000
Do	Storm drains	10,000	1,101,930
Hubbard	Sewer	5,500	253,000
South Amherst	do	8,000	697,605
Fairfield	do	10,000	3,500,000
Williams County.	Storm drains	24,000	552,000
Alliance	do	13,000	1,273,400
Zanesville	Water	3,500	656,600
Heath	Sewer	42,060	1,315,000
Mineral Ridge	do	33,000	845,185
Mahoning County.	County home	25,000	1,575,800
Warsaw	Sewer	6,798	197,812
Bellefontaine	do	24,775	548,025
Millersport	do	7,800	344,000
Eaton	do	4,600	233,480
Avon	do	12,600	1,347,000
Sycamore	do	4,750	384,450
Oregon:			
Jacksonville	do	1,500	211,800
Salem	do	18,000	1,937,800
Slayton	do	3,000	481,200
Echo	do	1,950	98,738
Rouge River	do	1,500	197,310
Lakeside	Water	1,800	176,000
Springfield	Sewer	18,000	2,325,000
Eagle Point	do	11,000	170,000
Marion County.	Court facilities.	4,500	375,000
Pennsylvania:			
Erie	Municipal auditorium.	47,350	3,650,000
Do	Land reclamation.	14,000	788,000
Do	Harbor	12,000	842,500
Do	do	15,000	8,854,000
Do	Water	40,000	1,140,000
Wyomissing Hills.	Sewer	3,750	638,955
Colebrookdale Township.	do	3,220	373,000
Do	do	6,980	56,200
Easton	Water	13,588	470,000
Lebanon	Sewer	75,000	2,300,000
Newton Hamilton.	Water	3,500	57,750
Bradford Township.	Sewer	27,000	807,000
Karthaus	Water	11,320	296,932
Do	do	5,000	[10]23,068
Foster Township.	Sewer	42,000	863,000
New Castle	do	15,000	9,300,000
Upper Dublin Township.	do	3,900	849,000
Athens-Sayre	do	76,000	3,331,213
Moon Township.	do	65,366	2,662,150
Do	Water	18,000	750,000
Carlisle	Sewer	17,632	610,000
Rostraver Township.	do	35,000	2,241,000

[10] $23,068 in addition to cost of $296,932 for Karthaus water project.

***Approved advances under the program of advances for public works planning—Plans completed, active as of Mar. 31, 1961*—Con.**

Applicant	Type of facility	Approved advance	Total estimated cost
Pennsylvania—Con.			
Harborcreek Township.	Water	$62,660	$2,199,386
Carmichaels	Sewer	27,400	827,800
Monessen	Streets	40,000	914,404
West Franklin	Sewer	8,300	155,000
Bristol Township.	do	40,500	2,976,000
Do	Streets	9,300	155,350
Do	do	8,000	137,993
Lower Alsace Township.	Sewer	16,079	408,000
Geistown	do	68,596	3,036,784
Middlestown	do	23,200	498,800
Washington Township.	do	64,000	1,868,260
West Grove	do	21,415	535,000
Milesburg	Water	10,500	289,300
Red Lion	Sewer	81,760	2,143,000
Pleasant Township.	do	12,600	315,000
McVeytown	Water	13,912	295,000
Sharon	Sewer	36,000	959,227
Tunkhannock	do	8,250	340,000
West Chester	Water	16,153	567,119
Topton	Sewer	19,030	1,225,000
Ambler	do	20,857	957,500
Adamstown	do	11,614	471,000
Rhode Island:			
North Kingstown.	Water	60,525	1,425,271
Cranston	Sewer	142,100	2,950,000
East Providence.	do	4,000	864,100
Woonsocket	Parking	11,000	645,000
South Carolina:			
Georgetown	Sewer	32,400	798,352
Abbeville	Water	5,154	615,000
Do	do	5,797	530,000
Hanahan	Sewer	6,873	750,106
South Dakota:			
Rapid City	Auditorium	16,000	1,500,000
Do	Water	35,000	3,065,807
Tennessee:			
Portland	Sewer	4,000	452,237
Erin	do	2,500	215,000
La Follette	do	8,000	859,650
Monterey	do	18,440	610,000
Pikeville	do	1,500	281,059
South Fulton	do	1,500	497,500
Obion	do	1,664	362,745
Charlotte	Water	600	132,500
Lafayette	Sewer	4,000	497,000
Erwin	do	23,220	555,400
Texas:			
Brownsville	Water	25,600	1,320,000
Groves	Storm drains	5,000	633,000
Crowley	Sewer	800	120,000
Waco	do	11,925	297,175
Haltom	Water	3,000	2,600,000
Rhome	Sewer	800	105,000
Port Neches	Streets	3,000	150,000
Do	Sewer	5,520	568,876
Do	Storm drains	2,000	100,000
Do	Water	6,650	475,000
Mineral Wells	do	5,000	1,635,400
Menard	Streets	6,900	127,000
Willacy County.	Water	4,500	503,440
Freer	do	20,000	780,760
Krum	Sewer	800	85,000
Utah:			
Payson	do	9,100	693,100
Roosevelt	do	1,800	196,000
Spanish Fork	Hospital	8,700	581,600
Lehigh	Water	3,800	227,170
Vermont:			
Barre	Sewer	5,000	702,830
Essex Junction	do	12,000	1,459,000
Winooski	do	5,000	897,000
Do	Water	9,500	500,000
Berlin	Sewer	2,675	262,700
St. Johnsbury	do	17,590	2,094,290
Middlebury	do	5,500	764,950
Montpelier	do	13,600	1,424,000
Newport	do	7,900	1,113,000
Rutland	do	11,000	1,151,000
Vergennes	do	4,500	298,175
Windsor	do	21,600	595,000
Manchester	do	2,000	366,400
Do	do	22,500	(11)
Proctor	do	5,000	444,000
Hartford	do	25,000	1,320,500
Waterbury	do	1,700	244,600
Randolph	do	2,500	276,000
Do	do	18,648	278,000
Plainfield	do	1,700	129,000
Marshfield	do	1,150	31,534
Cabot	do	1,000	53,500
Milton	do	1,350	139,840
Wells River	do	1,250	203,000
Richmond	do	1,800	135,000

[11] Cost included in $366,400 under Manchester sewer project.

Approved advances under the program of advances for public works planning—Plans completed, active as of Mar. 31, 1961—Con.

Applicant	Type of facility	Approved advance	Total estimated cost
Vermont—Con.			
Ryegate	Sewer	$1,250	$155,000
Groton	do	1,250	168,000
Colchester	Water	2,500	360,000
Cavendish	Sewer	2,000	306,000
Northfield	do	5,500	916,750
Burlington	Incinerator	48,000	696,104
Do	Sewer	7,500	885,100
Stowe	do	2,350	203,200
Virginia: Falls Church	Storm drains	15,000	365,607
Washington:			
Mount Vernon	Water	36,000	875,000
Edmonds	Harbor facilities.	19,500	1,650,000
Milton	Sewer	3,300	1,077,400
Bellevue	Storm drains	9,000	2,454,500
Do	do	121,278	[12]
Ronald	Sewer	246,594	4,914,500
Public Utility District No. 1 of Skamania County.	Hydroelectric facilities.	100,000	8,241,700
Public Utility District No. 1 of Klickitat County.	do	225,000	48,645,000
Yacolt	Water	940	98,342
Renton	Library	11,200	760,000
East Wenatchee	Sewer	10,500	2,320,000
Do	do	10,500	[13]
Toledo	do	2,500	125,500
Beacon Hill	do	3,500	300,000
Kennewick	City hall	15,450	298,500
Woodinville	Water	4,000	453,000
Cheney	Sewer	28,275	530,000
Cowlitz County.	Bridge	20,000	471,000
West Virginia:			
Blue Well	Water	9,540	646,738
Bethlehem	Sewer	20,475	575,000
Blackville	Water	1,500	40,000
Oceana	Sewer	6,500	376,473
Charleston	do	44,450	1,460,000
Gilbert	Water	9,700	180,000
St. Albans	Sewer	8,138	245,726
Rivesville	do	6,000	300,000
Wisconsin:			
Wild Rose	do	4,680	224,095
Two Rivers	Hospital	23,500	1,600,000
Cambridge	Sewer	3,587	164,180
Wyoming:			
Casper	Streets	35,000	9,350,400
Sheridan	Water	4,750	1,735,000
Do	Sewer	2,500	315,250
Sheridan	Streets	15,000	3,677,000
Kaycee	Sewer	2,940	61,900
Alaska: Kodiak	do	5,000	128,500

[12] Cost included in $2,454,500 under Bellevue storm drain project.
[13] Cost included in $2,320,000 under East Wenatchee sewer project.

Approved advances under the program of advances for public works planning—Plans to be completed as of Mar. 31, 1961

Applicant	Type of facility	Approved advance	Total estimated cost
Alabama:			
Gadsen	Sewer	$135,000	$4,500,000
Bayou La Batre	do	6,336	775,000
Leighton	do	3,000	300,000
Arizona:			
Scottsdale	do	31,250	677,750
Sierra Vista	do	14,733	226,821
Mammoth	do	12,100	245,000
Arkansas:			
Jasper	Water	1,900	99,200
Dardanelle	Sewer	3,800	251,000
Bradley	do	2,875	1,300,500
Ashdown	do	2,600	140,000
California:			
Montara	do	20,000	600,000
San Juan Capistrano.	do	7,100	309,390
Folsom	Streets	10,000	450,000
Ceres	Sewer	10,000	332,000
Pinedale	do	3,500	450,000
Amador County.	Water	4,800	605,200
Keyes	Sewer	2,100	190,000
Clearlake Oaks	Water	16,500	300,000
Placerville	do	8,800	352,700
Do	Sewer	11,200	444,200

Approved advances under the program of advances for public works planning—Plans to be completed as of Mar. 31, 1961—Con.

Applicant	Type of facility	Approved advance	Total estimated cost
Colorado:			
Westminister	Water	$23,000	$2,472,000
Aurora	do	106,500	33,000,000
Englewood	Storm drains	20,000	2,391,000
Gunnison	Streets	14,000	884,000
Durango	Water	3,500	575,000
Lafayette	do	2,326	387,826
Do	Sewer	1,725	170,450
Connecticut:			
Hamden	do	145,850	3,995,000
Groton	Water	17,000	483,000
Woodbridge	Sewer	16,000	370,000
Florida:			
Safety Harbor	Water	14,980	[1]
Winter Haven	Storm drains	35,000	2,480,000
Jacksonville Beach.	Municipal Building.	11,400	346,700
Lake Apopka	Gas distribution.	47,450	2,625,000
Springfield	Sewer	5,000	600,000
Melbourne	do	14,500	1,450,000
Georgia:			
Gainesville	Hospital	17,000	1,467,500
Clarksville	Water	1,500	225,000
Illinois:			
Glen Carbon	Sewer	120,000	5,000,000
Taylorsville	do	5,000	290,000
Alton	do	69,500	[2]
Valmeyer	Water	900	53,600
Do	Sewer	2,100	162,400
Avon	do	2,500	200,000
Argenta	do	1,500	253,000
East Alton	do	9,500	305,440
Cortland	do	2,242	97,312
Galva	do	6,750	325,000
Lakemoor	Water	1,609	200,650
Lakewood	do	1,487	99,350
Ava	do	2,400	160,000
Iowa:			
Farmington	Sewer	2,500	190,000
Clinton	Bridge	30,000	5,180,000
Kansas:			
Louisburg	Sewer	10,900	173,000
Park City	do	2,000	97,750
Lawrence	Storm drains	10,000	905,000
Lindsborg	do	1,225	45,125
Sabetha	Sewer	4,100	221,100
Paradise	Water	575	9,075
Carbondale	Sewer	1,150	126,165
Burden	do	1,050	120,790
Lorraine	do	600	46,690
Lebanon	do	600	125,860
Kentucky:			
Corbin	do	32,600	1,030,500
West Point	do	11,000	[3]
Bowling Green	do	135,000	4,346,000
Murray	do	28,000	770,000
Prestonburg	do	24,173	783,000
Paintsville	do	37,247	1,212,000
Monticello	do	2,500	509,000
Louisiana:			
Abbeville	Harbor facilities.	15,697	1,119,000
Morganza	Sewer	3,220	183,000
Maine:			
Rockland	do	7,000	1,365,000
Caribou	do	18,300	1,507,000
Old Orchard Beach.	do	20,200	321,700
Gorham	do	4,500	700,000
Maryland:			
Rockville	Storm drains	47,400	1,606,000
Annapolis	do	39,000	3,154,000
Oxford	Sewer	14,750	410,000
Massachusetts:			
Swampscott	Incinerator	18,000	400,000
South Hadley	Storm drains	7,200	514,000
Do	do	9,800	721,600
Do	do	4,100	313,100
Beverly	Water	31,000	657,000
Do	Incinerator	39,500	676,800
Millbury	Sewer	42,000	680,000
Lee	do	11,000	295,000
Salem	do	65,000	5,633,000
Shrewsbury	do	75,000	1,808,150
Westwood	do	36,000	3,194,000
Tewksbury	do	20,500	2,510,000
Milford	Police station	5,400	104,200
Spencer	Sewer	8,200	565,000
Do	Storm drains	7,000	495,000
Winchendon	do	4,200	142,000
Stoughton	Library	28,600	390,600
Taunton	Sewer	15,000	1,036,000
Fitchburg	Water	7,035	389,695
Yarmouth	Sewer	15,000	1,750,000
Michigan:			
Oakland	do	399,600	16,503,000
Paris	do	29,325	2,090,000

[1] Cost of $600,000 listed under Safety Harbor water project for which plans have been completed.
[2] Cost of $5,708,000 listed under Alton sewer project for which plans have been completed.
[3] Cost of $182,650 listed under West Point sewer project for which plans have been completed.

Approved advances under the program of advances for public works planning—Plans to be completed as of Mar. 31, 1961—Con.

Applicant	Type of facility	Approved advance	Total estimated cost
Michigan—Con.			
Norton	Sewer	$21,000	$1,706,000
Plainfield	Water	19,000	1,630,000
Minnesota:			
Plymouth	Sewer	57,000	1,838,000
Annandale	do	4,500	300,000
Mississippi:			
Yazoo City	do	22,500	1,610,000
Long Beach	do	6,000	1,159,000
Purvis	do	2,700	220,900
Tupelo	do	12,000	1,490,000
Do	Water	6,180	965,000
Petal	do	6,000	1,337,000
Missouri: Pilot Knob	do	526	81,610
Montana:			
Butte	Sewer	145,000	3,055,000
Cut Bank	Streets	12,570	207,729
Toole County	Water	5,460	149,700
Saco	Sewer	1,000	62,000
New Hampshire:			
Hanover	do	29,400	706,000
Claremont	do	17,000	1,013,500
Lincoln	do	11,000	1,000,000
Newport	do	10,000	1,020,000
Keene	Storm drains	11,000	500,000
Colebrook	Sewer	3,000	260,000
New Jersey:			
East Brunswick.	do	65,000	[4]
Totowa	do	35,000	[5]
Roxbury	Water	55,600	1,345,000
Butler	do	41,600	811,000
Lincoln Park	Sewer	15,000	1,262,000
Do	Water	5,000	197,000
Tenafly	Municipal building.	61,500	1,144,200
Edison	Sewer	35,000	2,350,000
Englishtown	Water	11,745	315,000
Piscataway Township.	Sewer	51,000	1,216,000
Pine Hill	Water	16,495	1,425,000
Denville	Sewer	57,200	1,473,000
Watchung	do	34,160	833,000
Madison Township.	do	91,000	2,079,950
Phillipsburg	Municipal building.	17,425	431,200
Bernards Township.	Sewer	42,000	1,500,000
Paramus	do	90,000	3,020,000
Parsippany Township.	do	129,675	3,100,000
Ocean City	do	38,550	1,050,230
South Brunswick Township.	do	79,840	2,585,000
New Providence.	Storm drains	33,000	1,000,000
North Brunswick Township.	Water	63,000	1,460,900
New York:			
Croton-on-Hudson.	do	6,000	119,000
Orangetown	Sewer	91,025	1,436,505
Erie County	do	28,000	2,510,000
Do	do	31,000	2,850,000
Rockland County.	do	70,000	12,000,000
Canastata	do	40,735	723,000
Brasher	do	23,675	355,000
Athens	do	12,200	230,650
Chaumont	Water	5,800	117,300
Poughkeepsie	do	15,600	2,585,000
Do	Sewer	17,800	3,227,000
Fulton	do	56,000	1,500,000
Hamilton	do	10,500	196,150
Wheatfield	Storm drains	10,800	618,500
Grand Island	Sewer	10,000	1,006,000
West Haverstraw.	do	34,000	750,000
Sherburne	do	3,000	486,600
Stockholm	do	16,000	230,000
Painted Post	Water	30,000	435,000
Guilderland	do	50,000	2,870,000
Erwin	Sewer	15,800	839,500
Jamestown	Administration building.	30,000	2,863,500
Colonie	Sewer	22,000	2,227,380
Niskayuna	do	53,600	1,640,850
North Carolina:			
Hendersonville	do	25,000	1,150,696
Garner	do	3,250	702,250
Hot Springs	do	2,000	100,000
Marshall	do	2,000	160,000
Ohio:			
East Liverpool	Highway	104,640	2,915,000
Lorain County	Sewer	30,000	4,070,957

[4] Cost of $3,400,000 listed under East Brunswick sewer project for which plans have been completed.
[5] Cost of $705,900 listed un der Totowa sewer project for which plans have been completed.

Approved advances under the program of advances for public works planning—Plans to be completed as of Mar. 31, 1961—Con.

Applicant	Type of facility	Approved advance	Total estimated cost
Ohio—Con.			
Navarre	Sewer	$9,850	$145,000
Kelleys Island	Water	12,000	204,000
Stark County	Sewer	43,500	1,134,000
Oregon:			
Salem	do	159,000	4,929,400
Tillamook	Hydroelectric facilities.	138,000	12,560,000
Brookings	Water	7,500	752,050
Oregon City	do	25,500	674,000
Newport	Sewer	3,500	344,000
Pennsylvania:			
Erie	Streets	29,000	6,410,000
McKeesport	Railroad crossing.	120,000	8,000,000
York	Sewer	39,400	1,052,000
Upper Dublin Township.	do	20,964	[6]
Cumru Township.	do	49,896	1,499,954
Penndel	do	20,025	711,000
Rostraver Township.	do	31,662	[7]
Bristol Township.	Streets	6,850	114,100
Do	Municipal building.	22,500	450,000
Belle Vernon	Sewer	80,000	945,000
Geistown	do	60,362	[8] 305,434
Bath	do	32,500	678,000
Glassport	do	25,000	800,500
Butler	do	66,720	2,333,400
Dravosburg	do	19,819	526,440
Ebensburg	Water	26,931	680,000
Allport	do	5,000	78,500
Whitpain Township.	Sewer	16,300	515,000
Douglas Township.	do	25,480	687,600
Copiay	do	42,000	880,000
Lower Gwynedd Township.	do	16,689	530,000
Fayette City	do	13,600	249,619
Cranberry Township.	do	29,900	1,031,925
Salisbury Township.	Water	28,700	878,000
Glenwillard	Sewer	28,000	845,000
Waterford	do	9,512	480,000
Allentown	City hall	86,000	2,000,000
Lower Southampton.	Sewer	130,500	4,200,000
Bern Township.	Water	19,450	500,000
Emporium	Sewer	16,000	635,000
Duncannon	do	28,000	761,000
Stonycreek Township.	do	29,186	790,000
Latrobe	do	58,000	3,044,435
Liberty	do	25,300	713,000
Dauphin	do	11,200	240,000
Patton	do	19,950	627,000
Terre Hill	do	27,450	494,000
Nanty Glo	do	18,497	748,000
Hallstead	do	24,000	525,000
Upper Southampton.	do	114,500	3,700,000
Jacobus	Water	5,300	89,500
Rhode Island:			
Middletown	Sewer	90,000	1,436,000
Portsmouth	Water	70,600	1,565,400
South Carolina:			
Ninety Six	do	5,100	400,000
Travelers Rest	do	4,200	291,787
Do	Sewer	7,200	351,671
Tennessee: Rutherford.	do	1,500	200,000
Texas:			
Lake Dallas	Water	1,000	135,000
Jackson	do	54,100	4,200,000
Commerce	do	2,873	253,513
Do	Sewer	3,990	324,686
Utah:			
Moab	Water	5,916	446,364
Layton	Storm drains	7,454	240,554
Vermont:			
Poultney	Water	12,260	190,800
Barre	Sewer	30,555	[9]
Essex Junction	do	33,000	[10]
Bellows Falls	do	29,880	664,000
Bradford	do	2,500	230,500

[6] Cost of $849,000 listed under Upper Dublin Township project for which plans have been completed.
[7] Cost of $2,241,000 listed under Rostraver Township project for which plans have been completed.
[8] $305,434 in addition to cost of $3,036,784 under Geistown sewer project for which plans have been completed.
[9] Cost of $702,830 listed under Barre sewer project for which plans have been completed.
[10] Cost of $1,459,000 listed under Essex Junction project for which plans have been completed.

Approved advances under the program of advances for public works planning—Plans to be completed as of Mar. 31, 1961—Con.

Applicant	Type of facility	Approved advance	Total estimated cost
Vermont—Con.			
Winooski	Sewer	$48,900	[11]
Berlin	do	14,000	[12] $47,700
St. Johnsbury	do	60,500	[13]
Middlebury	do	28,500	[14] 304,150
Brighton	do	1,875	160,000
Woodstock	do	3,500	550,000
Rutland	do	56,400	1,122,400
Proctor	do	14,000	[15]
South Burlington.	do	14,000	890,000
Do	Storm drains	8,500	494,000
Do	Water	13,500	669,000
Virginia: Augusta County.	do	26,600	500,000
Washington:			
Normandy Park.	Sewer	8,550	970,000
Everett	do	13,400	835,900
Mount Vernon	Water	25,000	[16] 60,000
Lakehaven	Sewer	58,000	1,700,000
Odessa	Hospital	6,100	344,088
Goldendale	Water	3,500	202,000
Mukilteo	Sewer	12,305	283,500
Olympia	Administration building.	108,000	2,140,000
East Wenatchee.	Water	9,500	500,500
Blaine	do	1,500	64,500
Do	Sewer	3,500	313,700
Port Orchard	do	11,920	353,790
Lynwood	do	10,000	1,000,000
Othello	do	7,300	158,000
West Virginia:			
Piedmont	do	7,000	95,000
Wellsburg	Water	22,000	473,645
Do	Sewer	55,000	1,193,500
Morgantown	do	99,080	3,450,000
Wyoming:			
Casper	Storm drains	127,000	[17]
Do	Water	5,500	375,000
Jackson	Streets	5,600	240,000
Do	Water	4,000	226,000
Alaska:			
Ketchikan	Electric power.	48,000	1,283,440
Do	Hospital	73,430	1,787,100
Cordova	Water	24,000	314,000
Fairbanks	do	150,000	6,000,000
Do	do	40,000	2,380,000
Seward	do	12,680	346,080
Juneau	Streets	20,000	245,000
Do	do	20,000	970,000
Do	Sewer	15,000	200,000
Do	do	13,000	475,000
Do	do	13,000	475,000
Do	Parking	1,000	65,000
Do	do	10,000	500,000

[11] Cost of $897,000 listed under Winooski project for which plans have been completed.
[12] $47,700 in addition to cost of $262,700 under Berlin sewer project for which plans have been completed.
[13] Cost of $2,094,290 listed under St. Johnsbury sewer project for which plans have been completed.
[14] $304,150 in addition to cost of $764,950 under Middlebury sewer project for which plans have been completed.
[15] Cost of $444,000 listed under Proctor sewer project for which plans have been completed.
[16] $60,000 in addition to cost of $875,000 under Mount Vernon water project for which plans have been completed.
[17] Cost of $9,350,400 listed under Casper Sts. project for which plans have been completed.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight tomorrow night to file a report on the bill H.R. 1159, with amendments.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

HON. EDWARD P. BOLAND

Mr. McCORMACK. Mr. Speaker, on yesterday I made remarks in connection with the honorary degree received by the distinguished gentleman from Massachusetts [Mr. BOLAND]. I ask unanimous consent that all Members who desire to do so may have 5 legislative days to extend their remarks in the RECORD in connection with this great event.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FATHER'S DAY

Mr. HORAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HORAN. Mr. Speaker, next Sunday, the fathers of America will again be honored by their families, for it is their day, Father's Day, 1961. I feel that I have a proprietary interest in Father's Day. Not just because I have 5 children of my own, and now 10 grandchildren. Rather, it is because Father's Day was founded 51 years ago, by the Spokane, Wash., Ministerial Association, in the Fifth Congressional District of Washington State, which I have the honor to represent.

The suggestion came from one of my most loved and distinguished constituents, a woman admired and respected throughout America and abroad for her many activities designed to make our world a better place in which to live, Mrs. John Bruce Dodd. Mrs. Dodd presented her suggestion in the form of a petition in June 1910, to the ministerial alliance. I would like to present for the record the wording of this petition which established the day which we know as Father's Day:

The beautiful custom of Mother's Day suggests the question, "Why not a Father's Day?" This question is further emphasized by the celebration in our Sunday Schools of Children's Day. A Father's Day would call attention to such constructive teachings from the pulpit as would naturally point out: The father's place in the home; the training of children; the safeguarding of the marriage tie; and the protection of womanhood and childhood.

The meaning of this, whether in the light of religion or of patriotism, is so apparent as to need no argument in behalf of such a day. Your petitioners therefore urge you to set apart the third Sunday of June to be known as Father's Day and suggest the use of the rose as a suitable flower.

Although this day has gained nationwide observance as a means of paying tribute to all fathers, it has never been given the official recognition of Congress which was granted to Mother's Day 47 years ago. Today I introduced a resolution which would bestow upon Father's Day this official recognition. It would give legislative status to the observance of Father's Day in the same manner that the Congress granted such status to Mother's Day through a similar resolution, passed May 8, 1914—title 36, United States Code, sections 141–142.

My resolution does not seek to declare a new holiday, nor does it extend any

holiday privileges to Government or other employees. It simply designates the third Sunday of June, each year, as Father's Day, and directs the President to proclaim this day as Father's Day and provide for its observance by public display of flags and other appropriate ceremonies.

I have introduced resolutions providing for this purpose in previous sessions, but no action has ever been taken on them. The reasons given for this inaction can be summed up by quoting from a letter on this subject dated 1957, which I received from the chairman of the House Judiciary Committee:

> The committee has pending before it this year, and every year, a large number of holiday and special day bills, each of which doubtless has merit. We have in this session bills ranging from Bill of Rights Day and Senior Citizens Day, to Friendship Day and Von Steuben Memorial Day. Each bill has the backing of some organization, or organizations, who are convinced of the merits of the one particular bill.

I can appreciate the fact that this committee is confronted with an extremely crowded hearing schedule, and I can also understand how the vast number of such proposals make it all but impossible for the committee to act upon each and every one of them. And, as the chairman pointed out in his letter, each of these proposals has the backing of some organization. Nevertheless, my resolution undoubtedly has the universal backing of all fathers, prospective fathers and their families. In addition, none of the other days mentioned by the committee have universal recognition as does Father's Day, nor have they been observed for 51 years without official recognition.

Thus, I invite my colleagues to join with me in sponsoring this resolution. In our present age of complex scientific activities, such as sending a man, or perhaps I should say a father, into outer space, it is indeed refreshing to take time to grant simple official recognition to our American fathers, individually and collectively, who are necessarily the paternal guardians of our Nation's future.

TEXTILE JOBS ARE IMPORTANT JOBS THAT AMERICA MUST BE CONCERNED WITH

The SPEAKER. Under previous order of the House, the gentleman from South Carolina [Mr. HEMPHILL], is recognized for 60 minutes.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HEMPHILL. Mr. Speaker, I take this time to talk again about the problems that are plaguing the textile people and the textile industry of this Nation. And, if I were to give some sort of a title, I believe that title would be "Textile Jobs Are Important Jobs That America Must Be Concerned With."

Not long ago in The State, Columbia, S.C., Wednesday, June 14, 1961, on page 14–B, I came across an article that the very fine textile institute which is known as Clemson College, which is the agricultural college of the State as well as the mechanical college, had come out with a statement by its president that the particular institution was now seeking the finest youths of this Nation and in our great State of South Carolina for the purpose of training them in textiles in the future.

The article reads as follows:

SEEKS FINEST YOUTH—CLEMSON UNVEILS MASTER TEXTILE EDUCATION PLAN

CLEMSON.—A master plan for textile education at Clemson College to attract a larger cross section of "our finest youth" was announced here by President Robert C. Edwards.

He said the plan is designed to teach students "to communicate the basic freedom which is our heritage and to enter the textile industry with the goal of maintaining it, improving it, and finally, managing it."

Dr. Edwards cited the following "plans and progress we expect to implement at Clemson:

"We visualize our textile chemistry curriculum becoming much more closely allied to our basic chemistry program. One cannot be a good textile chemist until he has first mastered basic chemistry, including the newer science of physical chemistry. We have a strong graduate program at the doctoral level which makes this move not only possible but very practical.

"A shift in emphasis that will consolidate our curriculum in Industrial Management, now in the School of Arts and Sciences, with the present Textile School. This will result essentially in a new school, perhaps the School of Industrial Management and Textile Technology.

"An acceleration of basic research in this newly created school, research on an even broader and more comprehensive basis than we now have.

"More graduate level education in both the managerial and scientific phases of this new program.

"More service to industry, in the form of short courses and executive development programs."

"The textile research department was cited as a vital element in the continuing progress of textile education here. We see nothing but a bright future for the department," the president said, "and still more accelerated growth in the years immediately ahead. Our cooperative programs with the U.S. Department of Agriculture and other agencies are working out quite satisfactorily.

"While we conduct research in the name of the textile research department, the total resources of the college, both physical and manpower, are available for and are used in organized team approaches to complex problems.

"Noncredit short courses offered during the summer months have become increasingly important to textile industry personnel desiring an opportunity for highly concentrated study in basic subjects related to textile manufacturing problems. We have been gratified by attendance and results in this area of service.

"In addition to recruiting students we are seeking actively to correct the mistaken image of the textile industry in the minds of South Carolinians.

"Our former curricula in textile engineering and textile manufacturing have been revised, up-dated, strengthened, and renamed.

"The previously offered curriculum in textile engineering has been revised and redesigned as textile science. In this change the applied engineering courses have been replaced with additional work in the basic sciences of mathematics, physics, and chemistry. These courses now represent about 40 percent of the curriculum.

"Textile technological courses have been streamlined and strengthened and consolidated to allow time for more courses in the humanities and social sciences. English requirements now parallel those of other curriculums offered through the college.

"The textile manufacturing curriculum was similarly revised and redesignated as 'textile management.'"

I wonder if these youths are going to have the jobs we hope for them. I want them to be able to apply their training.

Mr. Speaker, in a time when we are supposedly concerned with jobs, in a time when those who are at the head of this Nation and who are determining policies are stating to the Nation that we are concerned with unemployment, we are concerned with production, we are concerned with the gross national product, we are concerned with the future of this Nation economically, we are concerned with the people of this Nation and their ability to earn and produce, it is high time that the people in the textile industry receive the recognition that they have not received in the past. It is pure hypocrisy to say that we are concerned with these things in other parts of the Nation on the one hand and on the other hand not give the textile people the relief they need.

Mr. Speaker, we find that as of June 1, 1961, the Textile Workers Union of America, AFL–CIO, from their Washington office, sent to the Members of Congress from the textile areas a very significant letter. That particular letter relates to textile mill employment and production in the United States to 1961. I would like to read just the first paragraph of that letter and have the rest of it included in the RECORD.

That letter, in full, is as follows:

> Employment conditions did not improve in April over March. But there has, in fact, been a hardly noticeable advance since the beginning of the year. Employment in the textile mill products industry in January was 808,000, which remained at this level through March and rose in April to 811,900. The average weekly hours have improved from the beginning of the year when they were 38 hours. They are now 38.7, which contrasts with the 38.9 hours in March 1961.
>
> The rate of unemployment among textile workers in January and February was 8.6 percent and rose in March to 9. The number of unemployed formerly associated with the industry numbered 75,600 in January, increased to 85,500 in February and to 88,000 in March. There was a slight decline in April. Exact figures will be available shortly.
>
> Production has been increasing slightly since the beginning of the year, though the level is still below that of last year. The low point was in December 1960 when the seasonally adjusted index was 97.7. It had risen to 98.4 in January, to 101.5 in February, to 103.9 in March, and it is likely that it reached to 104.7 in April, making the total pickup 7 percent since December.
>
> Sales for the textile mill products industry have recovered from the low point in December 1960, but in March had not recovered beyond the November 1960 level. Inventories for the entire industry continued to rise through March 1961. However, in the cotton goods industry, there appears to be the beginnings of a cut in inventories. In contrast, there was a slight rise in March for synthetic silk and woolen apparel inventories.
>
> It would appear that in March the ratio of unfilled orders to inventories was 1.53, which represents a slight decline from the previous high level.

The print cloth and combed fabric mills have in a number of instances cut their days of operation from 6 to 5 or from 5 to 4 days. Such curtailment has already been effected in the other branches of the cotton goods.

No serious improvement in cotton goods prices has occurred; rather there has been a slight advance in cotton yarn. In the woolen and worsted branch, prices have risen by 5 to 10 cents per yard.

IMPORTS

Cotton and woolen textile imports have generally been lower in the first 2 months of this year than they were in 1960. Rayon fabric imports have risen but they are small in volume.

January–February 1961: Countable cotton cloth, 46 million yards; cotton yarn, 1.7 million pounds; synthetic woven fabrics, 1.1 million pounds; woolen fabrics, 4.2 million pounds.

January–February 1960: Countable cotton cloth, 80 million yards; cotton yarn, 2.1 million pounds; synthetic woolen fabrics, 0.7 million pounds; woolen fabrics, 10.7 million pounds.

PROFITS

Preliminary data on profits indicate that there was a sharp drop in textile earnings for the fourth quarter.

I now call to the attention of the people of this Nation through this RECORD some very significant remarks made by the Secretary of Commerce, formerly a distinguished and progressive Governor of the great State of North Carolina, now one of the hopes we have for the textile industry. In an interview reported in the U.S. News & World Report of April 24, 1961, beginning in the second column on page 65, a colloquy was had between the interviewer and Secretary Hodges as to import quotas. I quote from that interview.

Question by the interviewer: "How about quotas to limit imports?"

Answer: "The most successful situation that has developed on imports that have threatened this country, the most salutary thing has been done by Japan with its voluntary quota for 5 years on textile exports to the United States."

Question: "The textile industry says that has not worked because other countries have taken advantage of it to send more of their goods."

Answer: "What they mean is that a voluntary quota by Japan does not work for all the world. It has worked for Japan. If you had not had it for Japan the situation would be far worse."

Listen to this:

Now, if you could get it for Hong Kong and a few other countries and could at the same time wave a wand and say, "No other nation is going to ship us any more," then you could handle the problems voluntarily. Actually I think a realistic, hardheaded person who looked at it would have to agree basically with the textile industry that imports are rising geometrically now, so very fast it is almost difficult to do anything on a voluntary basis.

Now, pause right there to consider the situation. If we found it necessary as a stopgap—and that is what it was—to negotiate the voluntary quotas with Japan, why, with the power of this country, why, with the international complications in which we are involved, why, with the industries that we have abroad and here do we not have some delineation between those who are our friends and those who are not our friends? Why should the American textile worker be subjected to loss of jobs, of loss of hours, to concern, because of imports from countries which have not professed friendship? Wherein is the American public being served? Where is the patriotism in such a situation? If Hong Kong is the trouble why have not negotiations been undertaken to correct the situation in Hong Kong? If southeast Asia gives the trouble, why has not something been done about the southeast Asian situation? Whose responsibility is it? We in the Congress here from textile areas have begged and begged the departments involved through the years to do something about it. We have offered our services. We have received promises. We have been told something would be done. We have been told the problem has been recognized.

We have been told that the textile industry is valuable to the Nation, that not only are many people employed but that, including the dependent industries, over 15 million people in this country are involved. Then wherein has the responsibility been discharged on the executive level in the past 10 years, and how will it be discharged this year or next year, or will it be discharged? I ask the question because my people want to know the answers and I want to know the answers.

Mr. WHITENER. Mr. Speaker, will the gentleman yield?

Mr. HEMPHILL. I am happy to yield to my friend from North Carolina. He is one of the greatest proponents of relief of the textile industry.

Mr. WHITENER. I thank the gentleman for his kind remarks. I want to say to him that I appreciate his again bringing this great problem to the attention of the Congress and the people of the country. I know the gentleman is aware of the planned meeting on next Monday of the Special Voluntary Committee on Textile Imports under the leadership of the gentleman from Georgia [Mr. VINSON], and the plans of that committee to meet with representatives of the State Department on Monday of next week to discuss this problem. I am advised that at that meeting perhaps the Secretary of Commerce and representatives of the Departments of Labor and Agriculture will be present.

I would not want to be unkind to anyone, but I believe that the biggest hindrance we have to effective action on the part of our Government in this important field is the State Department and many of the people who apparently are in position to help make decisions in the State Department. So I am hopeful that at this meeting next Monday we may be able to ferret out some of the persons who are apparently trying to represent the economic interest of other countries rather than the economic interest of our own country.

I want to say to the gentleman from South Carolina that the people of the great textile-producing area which I am privileged to represent are appreciative of his effort, and that is true not only of management but of the persons who are employed in those plants.

I think one of the points some people overlook is the point which the gentleman just made with reference to the millions of people in allied industries who are dependent upon the textile industry for a livelihood. I could mention a great number of those, but particularly in our own area, which the gentleman from South Carolina represents adjoining the district which I am privileged to represent, we have manufacturers of textile parts, we have machine shops, we have oil jobbers, we have repair people who work on all phases of textile machinery; so when we give these figures which the gentleman has just given of the reduction in employment in the textile industry, while those figures are accurate they are not fully complete in reflecting just what is happening to employment as we see this great textile industry crippled.

May I again say to the gentleman that I personally appreciate the interest he is taking. I appreciate the fact that he advised me earlier in the week of his intention to bring this matter again to the attention of the Congress. I say to him that I hope the effort which he and so many are making will bear fruit not to serve any selfish interest that we may have but to serve the economic welfare of our country and the national defense posture of our country, because the textile industry is important to both of those phases of American life.

Mr. HEMPHILL. I thank the gentleman from North Carolina. I am happy he has pointed out here some very significant things. I hope the Department of Labor realizes the stake it has in affording the textile industry relief.

For many years now, we have been trying to meet the import crisis which exists in this Nation not only in the textile industry but in other industries not even related. We have endeavored to get labor in this country to recognize the fact that they must stand together, that these 400,000 jobs that the textile industry has lost in the last decade may be matched by loss of jobs in other areas.

I read only this morning that in the Great Lakes area of this country, with which I must say I am not familiar, that the ore boats which, of course, employ people to bring the ore in from various parts of this country and from Canada as well are no longer in competition. They are having to take the ore boats off Lake Erie because of the imports of ore from other countries and the imports of steel from other countries. It is a sad day in America—it is a sad day when all of us do not stick together, particularly labor in all industry, including the textile industry.

Agriculture has a stake in this. The domestic mills in this country consume most of the short staple cotton that is grown in the cotton growing areas so the people in California where they grow so much cotton—short, long staple and other kind, have a stake. The people in Arizona have a stake. The Department of Agriculture has a stake.

Mr. Speaker, the Department of State has a stake in this. The Department of State, whether or not it has given us any factual indication that it realizes this, the Department of State represents the people of this country, or at least they are supposed to do that. So far as the problems of the textile industry are con-

cerned, I say the Department of State has not represented the people of this country. I say if it does not represent the people, then it has betrayed the trust we have placed in that great Department.

While I do not stand here for the purpose of criticizing them nor did I get this time for that purpose, I must say they are the servants of the people of this country and are paid by the tax money which is raised in part by the textile people and to which you and I contribute. Their obligation is to the people of this country and when they depart from that obligation, then they have abused their privilege and betrayed their country, and are not serving the people of the country as they should.

My friend, the gentleman from North Carolina, spoke a minute about these other departments but he did not talk about the Department of Defense. One of the impacts that has taken place as a result of these imports is that in this country we have lost many of the skilled workers who would be necessary for our national defense in the event of a general mobilization or global war.

Now, people can say there is not going to be any global war and, heaven knows, we hope not, but we also know a war can be triggered either by accident or by design or to cover up some dictator's domestic difficulties. I have in my hand a statement made before the Office of Civil and Defense Mobilization in Washington by the Northern Textile Association dated May 17, 1961, which was sent to me by the president of the association. I deeply appreciate it. Here is what he says, and so far as I know, there is nothing to refute this:

An investigation will also disclose that textile manufacturers are essential to the national defense as well as national security and are vital in time of war as well as to the economic welfare of the Nation at all times. The military and civilian requirements for textile products in wartime are so great that the Nation cannot be dependent upon foreign sources located many thousands of miles from the United States.

Now, Mr. Speaker, let me go back to the unemployment problem. If those who have statements about the unemployment problem are sincere about their concern as to the unemployment problem in the textile industry in the last decade, let me point out that textile employment in New England declined 61 percent, in the Middle Atlantic States it declined by 47 percent, and in the Southeast by 14 percent.

Unemployment has been most severe in woolens and in worsteds where there has been a decline of 67 percent. It has also amounted to 30 percent in cotton and synthetics.

Not long ago we voted here an area redevelopment bill, and I voted for it because I was in great sympathy for any community which has lost an industry upon which it depends. I have great sympathy. There is nothing worse than hard times and breadlines.

Since 1947, 838 mills employing almost 250,000 workers have been liquidated. The reason we have area redevelopment legislation is because of the policies of the Nation, because of the reciprocal trade policy, because of the policy of the do-gooders who want to give away everything and want to wear a new medal and one thing or another. When I see these people getting medals I wonder what part of America they have given away to get the medal. It is a strange thing, but we have it.

If our leaders are not concerned with this let them tell the textile people they are not concerned. I notice in one of the reports that Portugal, Spain, Egypt, as well as other countries have become significant suppliers of the American market. We claim great friendship for Spain; certainly they are a great people. We claim great friendship for Portugal, and certainly they are a great people; and we are claiming great friendship for the great people of Egypt, but if they are our friends why not voluntary quotas? No one can tell me with all the money we have spent that we do not have the means or perhaps the foundation to negotiate. If we can negotiate with Japan we can negotiate with other countries.

What is one of the causes of this textile situation we find ourselves in? We find here advanced technology, low standards of living, low labor, material, and building costs, which generated a quantity of textile products available for export which seek to displace American goods in foreign markets and domestic markets as well.

I will discuss it in Congress here and I intend to discuss it again and again until something has been done. I am going to keep talking about this because my people sent me here to do something about it. I am going to keep talking about it until something is done, and if something is not done we are going to make an issue of it so that something must be done. We are just beginning, and we shall not stop until we get relief.

Not long ago we talked about an editorial in the Washington Post, a paper which I characterized at that time and still characterize as the "Washington Daily Worker." It was called "A Terminal Case" and after I said something about it here, somebody else picked it up and spoke of it. I was happy that he did. Then I note that there was published in the Washington Post a letter somebody had written to the editor.

Under consent previously given I insert that article at this point in the RECORD:

"A TERMINAL CASE"

Your May 10 editorial opposing quotas on textile imports says:

"Fixed textile import quotas would invite retaliation against our products and betray our whole foreign economic policy. Textile manufacturing is largely a low-wage, low-investment industry suitable for the early stages of a nation's development. With its high-wage, mature economy, the United States has outgrown much of textile manufacturing as an appropriate livelihood. Sustained protection of uneconomic mills would close our markets to struggling nations in whose advancement we have invested millions of dollars of foreign aid."

Allow me to deal briefly with the faulty assertions and implications in just this one paragraph:

1. In using the word "retaliation," the Washington Post implies that other nations freely accept U.S. exports. Yet industry after industry has advised the Government that other nations are continuing to impose a host of stringent restrictions on American exports in spite of the sharp tariff reductions made by the United States under the so-called reciprocal trade program.

2. You characterize textile manufacturing as a largely low-wage, low-investment industry. In 1960 the textile mill products industry had nearly 1 million employees and paid more than $3 billion in wages and salaries. Its chief customer, the apparel industry, has another million or more employees and together the two industries paid nearly $7 billion in wages and salaries.

3. You say textiles are suitable during a nation's early development. This would seem to suggest that Great Britain, France, and the other industrial nations also should give up their textile industries. You appear to feel that clothing, for which textiles are the raw material, no longer is one of man's three essential requirements along with food and shelter.

Does the Washington Post really want to rely on foreign mills for all or most of the vast quantities of apparel fabrics, knit articles, household and industrial textiles required by the United States?

4. The Washington Post's overweening concern about closing our markets to struggling nations where we have invested millions of dollars of foreign aid is difficult to understand in view of the nearly 1 million U.S. textile employees and the more than $8.3 billion in capital invested in the U.S. industry. The Washington Post would do well to ask why these struggling nations fail to use their textiles to better clothe their own people and thus increase their own standard of living.

American-made textiles and apparel provide high quality in unmatched variety at prices to fit every purse and have made Americans, civilian and military, the best clothed people in the world. The U.S. industry leads the world in development of new yarns, new fabrics and new finishes, to meet the most exacting civilian, military and industrial needs. Regarding defense essentiality, the Office of Civil and Defense Mobilization as recently as January 30, 1959, said:

"On this point there need be no equivocation. The OCDM regards the textile industry as an essential industry and considers it an essential part of the Nation's mobilization base."

The Washington Post to the contrary, the United States needs its textile industry. Imports—made under conditions prohibited by U.S. law—are unfair competition by American standards and quotas are required to hold them at reasonable levels and so prevent further damage to an essential American industry. Certainly the industry merits more than The Washington Post's ill-advised comment that the United States has outgrown much of textile manufacture.

EDWIN WILKINSON.

Who could be better qualified to determine what relief could be had to the people in the textile industry than the people themselves, rather than some egghead, longhead, or some fellow who thinks he knows a great deal about it but in reality knows nothing? He can have all the theories in the world, but they will not help the fellow who has lost his job, or the owner who has lost his mill, or the man who is not selling the cloth these mills could produce. These theories, to use a southern expression, we would call "hogwash." It does not have any meaning to it, it does not bring any relief; it is just promises, sometimes it is just ignorance.

I have here an article from a State newspaper in Columbia, S.C., dated

May 30 on textiles, which I insert in my remarks at this point:

COTTON EXECUTIVE CALLS FOR TEXTILE IMPORT QUOTAS

CHARLESTON.—R. Dave Hall, president-elect of the American Cotton Manufacturers Institute, speaking here Monday night to cotton importers added to the already loud cry for import quotas on textiles.

Hall, of Belmont, N.C., told the annual meeting of the Cotton Importers Association, "Our Government has substantially assisted the agricultural economy by not only limiting raw cotton imports, but, also, by offering a subsidy to foreign purchasers of American cotton moved into world trade.

"Yet we continue to shy away from quotas in manufactured products, the importation of which is aimed squarely at nullifying these same elements."

Hall added, "With labor and raw material accounting, as they do, for at least three-fourths of the production costs of textile products, the advantages held by our oversea competitors is tremendous."

In addition to the factors of cheap labor and raw material, Hall said, foreign manufacturers utilize the most modern machinery.

Hall said the textile industry considers the only practical solution to its problem to be a flexible system of imports quotas on textiles and textile products.

"In short," he explained, "we believe in balancing what has been done for agriculture with similar treatment for the industrial community."

Mr. GRAY. Mr. Speaker, will the gentleman yield?

Mr. HEMPHILL. I yield to the gentleman from Illinois.

Mr. GRAY. Mr. Speaker, I want to take this opportunity to congratulate the gentleman for a very correct, accurate, and very forthright statement. Although I do not have any textile industries in my district, I know the problem of reciprocal trade is something we have to look into. We do have fluorspar in my district, and we have the same situation. We are importing about 75 percent of the domestic market for fluorspar in this country, only to displace American workers. It is a shame and a disgrace to this country that we have these people downtown who allow all of this foreign competition to come in to displace our American workers. I want to associate myself with the gentleman's remarks and congratulate him for the fight he is making.

Mr. HEMPHILL. I thank the gentleman. I have been his neighbor here in the House and I have watched his diligence in representing his district. I am delighted with his association and I share his concern. We who are concerned with the textile industry are concerned with his problem, too. We are concerned with the problem of the people of West Virginia, represented by our distinguished friend, the gentleman from West Virginia [Mr. BAILEY]; with the problem of the people represented by the gentleman from Pennsylvania [Mr. DENT], and other people who are trying to represent their people, like you have done here today and have done so often in bringing this to the attention of the leaders of this Nation and the Congress by remarks made here on the floor of the House.

To those who might not be interested directly in the textile industry, may I say that we find the textile industry consumes vast quantities of dyestuffs, chemicals, lubricants, fuels, and other supplies. It is conservatively estimated that the textile industry requires 13 billion kilowatt-hours of electricity annually. When you shut down a textile mill, and it has been done in my district, it is tragic. When we heard of it we went all around, we tried to find relief. They sat back in their big chairs, with thick rugs on the floor and people running around them in obeisance to the big shots. They say, "We have sympathy for you," but nobody moves. The mill closes down. Two hundred of my friends have lost their jobs. Today there is no industry there, there is nothing. The community has lost the income, the people have lost their jobs, the unemployment offices pay what they can. But that community has been silent, almost as silent as death. When that happens to you it makes you feel curious about things; you know it is wrong, why will the Nation not respond?

What about this country? It wants to do so much for everybody, it wants to go overseas and try to implant its face, its image, and its ideas on everybody. It will spend money in every corner of the world; it will take money out of the pocket of the man whose job will be taken away from him. They send the money across the water. They take on all of the domestic problems and say, "We are spending a lot of money, we are doing this for so and so," although they do not have any sympathy for the textile man who wants to work. The textile people are great Americans. I represent them.

Mr. Speaker, I have read a lot lately about economic growth. I share the hope that economic growth will help this country, and that we will reach an economic growth that will bring this country to a position of leadership, strength, and prosperity that we all want. But economic growth must include economic growth in the textile industry. But there is a betrayal of that industry. It is hypocrisy. Economic growth does not include economic growth in the fluorspar industry or other beleaguered industries needing relief, the watchmaking industry, for instance, or other industries sacrificed by our stupid reciprocal trade policies. We have lost that. There is the leather goods industry, and there are many other industries.

Economic growth is not of a particular section, it is not for a particular area. It is for America. The textile part of America is a great part of America. We can guarantee that in the textile part of America more men and women per capita have volunteered for the services, more men and women per capita have lost their lives for their country than in any other area of this country. They are a great people to serve, and a great people to work for; a very sympathetic people to everybody. They are sympathetic to all the people that have difficulties everywhere.

Now, Mr. Speaker, I would like to include in the RECORD at this point some information sent to me again by the research department of the Textile Workers Union of America:

UNEMPLOYMENT IN THE TEXTILE INDUSTRY

The highest postwar employment in textiles was in 1948 when there were 1,280,000 production workers in all branches.

In January 1958 the textile mill products industry (exclusive of finished textiles and synthetic fibers) only employed 856,300 workers.

There were 78,000 fewer production workers in the industry in January 1958 than in January 1957. When new reports come in it is a certainty that this picture will be appreciably worse. There has been continued decline in the industry during February and March of this year.

Average weekly hours in the industry in January 1958 had dropped to 38.1 as compared with 38.8 hours in the previous January.

The greatest reduction in textile employment has taken place in the New England States—52 percent. In the Mid-Atlantic States, where contraction had occurred previously, the drop in employment was 38 percent. The reduction in the South was 12 percent. All States showed reductions of varying severity.

Another set of data revealed in the appended tables shows what increased mechanization and growing efficiency has achieved in the textile industry.

In 1947 production was 7.8 linear yards per man-hour.

In 1957 output per hour was 11.6 linear yards per man-hour.

The increase per man-hour between 1947 and 1957 was 50 percent. Over the 10-year span the annual rate of output increase per man-hour was 4¼ percent.

In this 10-year period average hourly earnings rose by 45 percent but real earnings only went up by 16 percent.

The actual earnings of textile workers have fallen far behind the rate of their productivity.

TABLE I.—*Number of production workers in U.S. textile manufacturing industries, selected dates*

Industry	December 1951	December 1953	December 1957	Change, December 1951–December 1957
Total [1]	1,277,000	1,165,000	1,037,000	−240,000
Yarn and broad woven fabric [2]	671,300	606,100	505,000	−166,300
Cotton, silk, and synthetic	555,800	516,100	448,000	−107,800
Woolen and worsted	115,500	90,000	57,000	−58,500
Knitting and hosiery	215,800	198,600	183,900	−31,900
Dyeing and finishing	83,600	79,900	78,000	−5,600
Carpets and rugs (wool)	28,700	28,000	22,000	−6,700
Finished textiles [3]	112,400	100,000	94,000	−18,400
Synthetic fibers	51,900	52,000	68,000	16,100

[1] Includes miscellaneous textile mill products industries not shown separately (jute goods, narrow fabrics, cordage, twine, etc.) but excludes hats and hat bodies.
[2] Includes cotton, silk, synthetic, and wool.
[3] Includes textile bags, handkerchiefs, curtains, draperies, and other housefurnishings.

Source: U.S. Bureau of Labor Statistics.

TABLE II.—*Employment in the textile mill products industry, by State, February 1951, July 1954, and December 1957*

[Thousands]

Region and State	Employment (wage and salary workers)			Change, February 1951–December 1957	Region and State	Employment (wage and salary workers)			Change, February 1951–December 1957
	February 1951	July 1954	December 1957			February 1951	July 1954	December 1957	
United States [1]	1,365	1,038	976	−389	Maryland	11.6	7.1	6.7	−4.9
					Virginia	42.7	37.4	36.3	−6.4
New England	286.1	176.0	136.8	−149.3	North Carolina	244.2	220.7	[3] 226.6	−17.6
					South Carolina	139.8	130.2	129.5	−10.3
Maine	27.5	20.5	15.1	−12.4	Georgia	114.8	96.5	100.1	−14.7
New Hampshire	21.1	13.9	13.0	−8.1	Alabama	55.5	47.3	43.7	−11.8
Vermont	5.2	2.9	1.1	−4.1	Mississippi	6.0	4.6	4.4	−1.6
Massachusetts	125.0	73.0	56.3	−68.7	Tennessee	39.9	33.8	31.8	−8.1
Connecticut	41.6	28.5	20.1	−21.5	Arkansas	2.3	1.7	[3] 1.9	−.4
Rhode Island	65.7	37.2	31.2	−34.5	Texas	10.2	8.4	8.3	−1.9
Middle Atlantic	307.2	219.0	191.5	−115.7	Midwest	32.2	23.7	21.9	−10.3
New York	96.1	69.6	56.1	−40.0	Illinois	13.5	10.7	10.4	−3.1
New Jersey	65.8	46.2	38.7	−27.1	Minnesota	4.9	3.1	2.3	−2.6
Pennsylvania	141.7	100.5	93.9	−47.8	Wisconsin	[3] 10.1	[3] 6.7	[3] 5.8	−4.3
Delaware	3.6	2.7	2.8	−.8	Missouri	3.7	3.2	3.4	−.3
South	669.9	590.0	591.4	−78.5	Far West	8.2	6.6	6.4	−1.8
West Virginia	2.9	2.4	2.1	−.8	California	8.2	6.6	6.4	−1.8

[1] Data include States not shown separately.
[2] December 1957 figures not available; figures are for November 1957.
[3] Production worker employment.

TABLE III

TEXTILE AREAS OF SUBSTANTIAL LABOR SURPLUS [1]

JANUARY 1958

New England

Maine: Biddeford-Saco.

Massachusetts: Fall River,[2] Lawrence,[2] Lowell,[2] New Bedford,[2] and North Adams.

Connecticut: Danielson.

Rhode Island: Providence.[2]

Middle Atlantic

New York: Utica-Rome.[2]

New Jersey: Paterson.[2]

Pennsylvania: Scranton,[2] Wilkes-Barre-Hazleton,[2] Berwick-Bloomsburg, Lewistown, and Sunbury-Shamokin-Mount Carmel.

South

Maryland: Cumberland.

Virginia: Radford-Pulaski.

Tennessee: Knoxville,[2] and Bristol-Johnson City-Kingsport.

Alabama: Talladega.

North Carolina: Asheville,[2] Durham,[2] Fayetteville, Kinston, Rocky Mount, Rutherfordton-Forest City, and Shelby-Kings Mountain.

[1] Six percent or more of labor force unemployed.
[2] Major area.

Source: U.S. Bureau of Employment Security.

TABLE IV.—*Number of mills and employees involved in textile mill liquidations, by industry branch, 1946–57* [1]

Year	Cotton-rayon		Woolen and worsted		Dyeing and finishing [2]		Total		Year	Cotton-rayon		Woolen and worsted		Dyeing and finishing [2]		Total	
	Mills	Employees	Mills	Employees	Mills	Employees	Mills	Employees		Mills	Employees	Mills	Employees	Mills	Employees	Mills	Employees
1946	[3] 4	[3] 300	2	450	1	200	7	950	1952	29	8,800	33	17,500	8	1,900	70	28,200
1947	[3] 13	[3] 5,500	11	2,000	3	200	27	7,700	1953	28	7,750	29	10,700	11	1,700	68	20,150
1948	[3] 26	[3] 9,300	22	3,000	12	1,600	60	13,900	1954	38	12,600	41	20,900	15	1,200	94	34,700
1949	[3] 36	[3] 9,000	31	5,400	8	1,400	75	15,800	1955	46	10,850	37	8,050	18	1,870	101	20,770
1950	24	2,600	17	3,900	4	950	45	7,450	1956	35	9,100	24	8,250	4	750	63	18,100
1951	28	5,600	17	2,800	4	1,500	49	9,900	1957	26	9,435	14	5,400	18	4,420	58	19,255

[1] Includes only cotton-rayon, woolen and worsted, and dyeing and finishing plants.
[2] Excludes small New York City area dyers.
[3] Excludes narrow fabric mills.

TABLE V.—*Employment, man-hours, production, and productivity of the basic textile industry, 1947–57*

	Production workers [1]		Production (millions of linear yards)				Yards per man-hour		Production workers [1]		Production (millions of linear yards)				Yards per man-hour
	Employment (thousands)	Man-hours (millions)	Total	Cotton	Silk and synthetic	Woolen and worsted			Employment (thousands)	Man-hours (millions)	Total	Cotton	Silk and synthetic	Woolen and worsted	
1947	768.7	1,589	12,371	9,817	2,039	516	7.8	1953	642.6	1,307	12,946	10,203	2,410	338	9.9
1948	784.3	1,603	12,405	9,640	2,267	498	7.7	1954	567.5	1,138	12,283	9,763	2,238	281	10.8
1949	680.9	1,322	10,923	8,406	2,086	414	8.3	1955	566.5	1,186	12,969	10,090	2,568	311	10.9
1950	718.5	1,490	13,091	10,013	2,578	471	8.8	1956	585.0	1,216	12,840	10,250	2,263	327	10.6
1951	707.9	1,438	12,887	10,136	2,350	375	9.0	1957 [2]	520.0	1,050	12,160	9,600	2,250	310	11.6
1952	654.3	1,320	12,160	9,514	2,294	351	9.0								

[1] Covers scouring and combing plants, yarn and thread mills and broad-woven fabric mills.
[2] Based on 1st 9 months.

Mr. HEMPHILL. Finally, Mr. Speaker, I read not long ago from a little booklet put out by the International Chamber of Commerce, U.S. Council, called Principles of an International Trade Policy for the United States. And, here is the sort of stuff that they base all their irrational arguments and all their unfair tactics on. It says:

We are convinced, as so many other Americans today, that the basic principles of Western civilization are on trial.

Granted, for the purpose of argument, we are on trial; granted, for the purpose of argument, that Western civilization offers the only hope for tomorrow; granted, for the purpose of argument, there are those who would destroy Western civilization. Let me tell you that Western civilization will never be destroyed from without but from within,

and, the surest way to restore the confidence of the people of this Nation in their form of government, which is the only hope of the world today and tomorrow, the only hope of protection of Western civilization, is to provide jobs and keep the mills running and the plants and the various industries of this Nation in production. It is silly to say that we should go abroad and spend money and make of ourselves a great image and have a great Nation and a great international policy and then neglect 15 million workers in America, neglect 400,000 that have lost their jobs. Where have they gone? Most of them, unfortunately, have not been able to gain other employment, because after they work 45 years in a textile plant, they cannot get a job.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. HEMPHILL. I yield to the gentleman from Florida.

Mr. SIKES. I have listened with great interest to a very fine statement by the distinguished gentleman from South Carolina [Mr. HEMPHILL]. I congratulate him upon the fight he is making for a very important segment of America's industry.

The textile industry of this Nation is important, and yet it is fighting a losing battle. We in the Congress who seek to help and protect this and other industries also have been fighting a losing battle, and yet I know, as I sit here and listen to the distinguished gentleman's remarks, that if a few more of our colleagues could be induced to make the same gallant fight that he is making and that some of the others are making, we would begin to win that fight, and if we win that fight, all of America, not just the textile industry, not just the many thousands of people who are dependent upon the textile industry but all of America, will benefit greatly.

Mr. HEMPHILL. I thank the gentleman from Florida. I might say that he has spoken to me privately on many occasions about this. His interest is not only sincere but inspiring. I recall going to his office during the first days I spent here and seeking his advice, which he most graciously gave. I consider him one of the ablest Members of the Congress, and it is a privilege to serve with him. I also appreciate his joining me today and for his very kind and flattering remarks.

Mr. Speaker, let me say this: I do not think this is the last time I will be here. I do not think this is the last time any of us will be here. I think not only will I have to come back to the well of this House but I think there will be countless others who will be here with the growing demand that not only something be done, but that something be done which amounts to something. I love beautiful words and fine promises as well as any man, but the thing I love more than anything else is to see someone produce.

In the area from which I come, where I practice law in a small country town, if one does not produce one does not stay in business. I am waiting to see what is done in these departments charged with the responsibility with which the President has charged them, and I am going to see if they are going to produce the results which the President said they would produce. I am waiting to see if those charged with the responsibility measure up to what the President said they were supposed to do.

For my part I shall continue to demand and I shall continue to raise my voice to see that they do produce, because textile jobs again, I say, are vital jobs of the great and fine American people.

VERY REV. VINCENT CYRIL DORE, O.P., PRESIDENT OF PROVIDENCE COLLEGE

Mr. ST. GERMAIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Lsland?

There was no objection.

Mr. ST. GERMAIN. Mr. Speaker, it is my pleasure to announce to the House the appointment of the Very Reverend Vincent Cyril Dore, O.P., as president of Providence College.

A sincere, learned, and humble man, Father Dore was born in New Haven, Conn., on January 31, 1900. An outstanding athlete in his youth, he came to Providence College as the first resident student shortly after its opening in 1919. During his 4 years at the college he distinguished himself in academic pursuits and excelled on the playing field. Father Dore was a member of the first class to be graduated from the college in 1923.

Inspired by a divine calling, he entered the novitiate of the Order of Preachers that same year and was ordained to the priesthood here in Washington in 1928. In addition to his theological training, he studied sociology at the Catholic University of America, receiving the degree of master of arts from that institution. He was appointed an instructor in sociology at Providence College in 1931.

After only 4 years as a member of the faculty, the excellence of his teaching was recognized by his promotion to the post of head of the sociology department in 1935. In 1941 he was named treasurer of the college and dean of studies in 1945. Father Dore was elevated to the office of academic vice president in 1950 and in 1956 took on the additional role of superior of the Dominican community at the college.

After the tragic death last April 24 of the late and beloved president of Providence College, the Very Reverend Robert J. Slavin, O.P., Father Dore was appointed acting president, a position which he held until last Saturday, April 10, 1961, when he was raised to the presidency of the college.

His dedication to the priesthood, his brilliance as an educator, and his kindness as a human being have earned him the respect of all those with whom he has come in contact. As an alumnus of Providence College, I know firsthand of his devotion to duty, his clarity of mind, and his fidelity to the college he has been appointed to lead.

The fact that he has been granted numerous honorary degrees attests to the high esteem in which he is held by his colleagues in the field of higher education. His participation in a wide variety of civic and community enterprises is eloquent proof of his sincere interest in the well-being of his fellow man. I join with all the people of Rhode Island in wishing him success and happiness as he embarks upon his new and important duties as president of Providence College.

ILL FARES THE LAND

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Maryland [Mr. MATHIAS] is recognized for 30 minutes.

Mr. MATHIAS. Mr. Speaker, Americans will need an area the size of the entire State of Indiana for the cities they will build in the next 40 years. Urban development in the United States for housing and industry, not including land for recreational and water supply purposes, will eat up approximately 24 million acres of farmland and wilderness. An increasing number of people in cities and rural areas, in business and labor unions, and in Government and industry are beginning to realize that rapidly growing urban America is facing a crisis in the problem of providing adequate parks, forests, and open spaces for its multitudes of city-dwelling citizens. The economic necessity for open land is easily made emphatic. The Nation must preserve farm and forest areas to provide areas for future urban expansion, to provide room for future transportation facilities, such as superhighways, commuter railways, and airports, and to provide watersheds for cities' water supplies. Equally important, yet more difficult to provide, because the need is less obvious, is land for proper and adequate recreation facilities provided by forests and fields within easy reach of city populations. The President expressed some sense of the need in a speech at the dedication of the new building of the wildlife association. He appealed for preservation of a country "of open spaces, fresh water, and green country—a place where wildlife and natural beauty cannot be despoiled." Hence, "an increasingly urbanized population will still be able to turn to nature for recreation, spiritual refreshment, and the material strength on which our great cities rest. Today we must once again call on the spirit of wild adventure and once again act to develop those resources on which the strength of our land and our people ultimately depends."

The crisis in the area is caused by the burgeoning of our population and the swift and generally unplanned and irresponsible expansion of our cities. Our people are multiplying at an astronomical rate. It is estimated that in 15 years the population of this country will be 235 million, and by the year 2000 we will have 300 million people, or 166 percent of the population of 1961. The overwhelming majority of these people

will live in cities—two-thirds of our population already does. There are no prospects of a future expansion of rural employment to draw families back to the country. We can expect that virtually all of the rise in the census in the next 40 years will be in our city populations. In the 50 years from 1950 to 2000, it is estimated that urban development alone, not including land for recreational purposes, will eat up 24 million acres. Some conception of the immensity of this area is provided by the fact that at present, in 1961, only 20 million acres of land are occupied by urban development. The urban expansion of the immediate future will consume more land for metropolitan development than we have used since the founding of Jamestown in 1607.

It is clear, then, that the American people must act now if open spaces close to cities are to be preserved for present and future generations. Not only is urban development digesting land at a great rate, but areas near and within cities where government has not acted to preserve them in advance have become so expensive that the cost of acquiring them to preserve them as nature reserves and recreational regions is nearly prohibitive. For proper preservation, it is necessary that open spaces be set aside long in advance of urban development so that the task may be done at reasonable cost.

If something effective is to be done in this area, it seems clear that the Federal Government must assume the burden of leadership. Local and State governmental bodies are not taking successful action, for various reasons. In many cases, local governments simply cannot raise the money necessary for the acquisition of land, especially land which should have been acquired earlier and which now has become prohibitively expensive. If something is to be done, Congress must take some responsibility for initiative.

The President has recognized the existence of the problem, but we must move faster than the steps he has taken toward a solution. He has instructed the Secretary of the Interior, in cooperation with the Secretary of Agriculture and other appropriate officials, both Federal and local, to formulate a program for recreational lands, to conduct a survey to determine where additional park, forest and seashore areas are needed, to insure that reservoirs are surrounded by adequate land for the development of recreational areas, and to establish a long-range program to provide adequate recreational facilities in urban areas.

I submit to you that a more vigorous and far-reaching program is needed. A more specific and concrete scheme is essential. A coordinating unit or Cabinet Committee could be formed by the Secretary of the Interior, with his obvious interest; the Secretary of Agriculture, with his interest in the related problem of crop acreage restriction; the Secretary of Commerce, with his specific information on population shifts and urban growth; and the Secretary of Labor, with his responsibility for the welfare of the industrial urban working force. The proper planning of industrial locations and residential housing is intimately connected with the problem of preserving open spaces. If combined action is not taken, and different problems of land use are attacked willy-nilly, not only will we lose the substantial savings in effort and money that can be gained from a correlated program, but we run the risk of colliding plans and bureaucratic competition at the lower administrative levels.

Open space and wilderness preservation must be combined with soil conservation, land retirement and crop production control and the conservation and replenishment of our national forest resources. In soil conservation, much land that has been destroyed by years of overfarming can be returned to grassland and forest and at the same time provide recreational facilities for the multitudes of metropolitan areas. The problem of providing proper open spaces can be fruitfully combined with a program for retiring land from agricultural use, thereby accomplishing two objectives with a single stroke. A combined assault can be made on problems of providing recreational areas and at the same time taking land out of agricultural production. There is tremendous opportunity in this area.

A study is presently being made of the "strip city" which has developed along the Eastern seaboard. The full report is not yet available, but preliminary analysis of the findings corroborate my own observation that there has been a remarkable change in agriculture in the East from mixed farming to specialization concentrated in buildings and hence in a relatively small area. The emphasis is on such activities as poultry and dairy establishments, nurseries and greenhouses. Typically, many supplies for such operations can be imported from the west. This provides a nonrecurring opportunity for the Government to retire land from production and at the same time preserve it from sprawling urban development. The President's directives are not calculated to take full advantage of this opportunity.

I wish to call the attention of the administration and the public to another area in which there are regrettable shortcomings. The Government's policy in the disposing of surplus property is extremely shortsighted in many instances where the regular procedure is to throw such land on the open real estate market. The huge areas of Fort Meade between Washington and Baltimore, and Fort Dix between Philadelphia and New York may presently become superfluous from a military standpoint because of the changing weapons systems. Serious consequences may result from the indiscriminate and reckless reassignment of such land to urban development. Not only are parts of that land needed for civilian public purposes, but local water systems, sewers and highways have been planned and built on the assumption that such land would remain undeveloped. Ground water levels, drainage and water supplies are threatened when such land is labeled surplus and sold.

Land, already owned by the Government and preservable at absolutely no additional cost, may be wasted. The disposal of surplus Government land should be referred to the coordinating unit which would consider whether such land might beneficially be preserved as a Federal wilderness area. Preservation under local control should also be considered if local government were willing to take the land over and develop it for proper local uses.

There is presently a Federal statute on the books dealing with the problem of conservation in the Washington metropolitan area. The Capper-Cramton Act has been in effect since 1930, when it was enacted because Congress recognized that the Federal Government has an interest in the preservation of open spaces and conservation practices in the environs of the Federal Capital. It provides that the Federal Government may contribute to the cost of acquiring park lands in the Capital, and in nearby Maryland and Virginia. I hope that the House will sustain the action of the Senate in appropriating funds this year for urgent needs in this area. But the problem is by now a national one, and the underlying principle of Capper-Cramton can be extended to make it a forward-looking law which looks to a solution of this problem on a national basis.

I therefore suggest consideration of a modernization and extension of the ideas which gave rise to the Capper-Cramton Act. It should be possible for local governmental bodies to petition the Secretary of Interior to provide a portion of the necessary funds for the acquisition of reserve land in and near cities. The act should also empower the Secretary to proceed on his own initiative to designate land which is to be used as parks, set aside for future development or be left as unspoiled wilderness as determined by the study of the coordinating unit. In execution of his responsibility he should be able to acquire the land in fee in the name of the Federal Government where necessary. Such action will serve to protect unspoiled lands until such time as local governments are able to purchase and preserve the land for all time or use it for some carefully planned urban purpose.

Provision should be made for the eventual return of land acquired under this program to the control and ownership of State and local governing bodies. The presence of the Federal Government in this program can only be justified by the incontestable fact that time is the exceedingly crucial element in saving the yet unspoiled land which by pure good fortune yet remains. The action of the Federal Government is also required on the basis that many local and State governments lack the financial depth to meet the challenge, and those who are aware of the needs often do not have the money to meet them. The suggested program in no way prevents local bodies from taking initiative when they wish to. At that future time when local governments see the need for unspoiled land, as circumstances dictate that they must, our action now will insure that there will be land around for acquisition at reasonable cost.

Halfhearted, halting measures will not be enough to solve this problem. The President's general directives represent a beginning which must be followed quickly by formulation of a farsighted and practical program. Without action now, we face in a frighteningly short time a gloomy and endless suburbia isolated from the recreation and spiritual strength of nature, unrelieved by any stretch of unspoiled land. We must initiate a comprehensive national program in the area of open space and wilderness preservation. The time for action is now.

Mr. MORSE. Mr. Speaker, will the gentleman yield?

Mr. MATHIAS. I yield to the gentleman from Massachusetts.

Mr. MORSE. I congratulate the gentleman from Maryland on his superb presentation and his identification with the pressing problem of our developing urban areas. I recall his resolution calling for the creation of an urban area study group. The gentleman from Maryland has rendered a real service to this Congress and the Nation in identifying himself with this movement.

Mr. MATHIAS. I thank the gentleman from Massachusetts.

IMPORT PROBLEMS OF THE TEXTILE INDUSTRY CANNOT BE SOLVED PIECEMEAL

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Florida [Mr. SIKES] is recognized for 15 minutes.

Mr. SIKES. Mr. Speaker, it is my purpose to alert the Members of the House who have taken an interest in the textile import problem that the State Department may be about to tie the President's hands so that whether or not his wishes to help the industry and its workers, he will be prevented from doing so. I refer to present attempts to set up international negotiations for voluntary export quotas by certain textile-producing countries.

To understand the full dimensions of this maneuver by the State Department, which is contrary to the will of many Members of this body and of the Senate who have taken an interest in the problem, and I judge, also contrary to the interests of the President, himself, a little history is necessary.

I am advised that prior to his election to the Presidency, the then Senator Kennedy wrote Governor Hollings of South Carolina that, if elected, he proposed to correct the textile import problem using the authority contained in existing laws which he described as adequate if administered in the spirit in which Congress intended.

Shortly after the new administration took office, the Pastore subcommittee of the Senate Interstate and Foreign Commerce Committee held hearings for the purpose of bringing its prior report on the textile import problem up to date. At those hearings all sectors of the textile industry, as well as important import interests, were heard. This supplemental investigation by the Pastore committee culminated on March 14, 1961, in a very strong report reviewing developments in the entire textile industry, including manmade fibers, and apparel, as well as textile mill products. On the basis of its investigation, the Pastore subcommittee report recommended, and I am quoting:

> That quotas on textile mill products and on garments and apparel, and on manmade fiber staple, filaments and filament yarn, be established by country and by category of product.

It is evident from the subcommittee's report that this recommendation embraced textiles and textile manufactures of cotton, wool silk, and manmade fiber.

One of President Kennedy's first actions following his inauguration, was to establish a Cabinet Committee to study and make recommendations to him concerning the textile import problem. Under the leadership of Secretary of Commerce Hodges, this Committee, established on February 15, 1961, appointed a subcommittee under the chairmanship of the Assistant Secretary of Commerce Hickman Price, Jr., including representatives of the Departments of State, Treasury, Labor, and Defense. This subcommittee held informal hearings and promptly made a report to the Cabinet Committee which, in turn, after deliberation, advised and consulted with the President.

Subsequent to the Pastore subcommittee report, and while the executive department was studying the textile import problem through the operation of the Cabinet Committee, Members of this body and of the Senate familiar with the textile import problem gave very serious consideration to the recommendations of the Pastore committee. On March 21 a discussion took place on the floor of the Senate in which many Senators participated, urging the administration to take prompt action to implement the recommendations of the Pastore committee utilizing the national security provision of the Trade Agreements Extension Act.

In this House, as the Members so well know, under the distinguished chairmanship of the gentleman from Georgia [Mr. VINSON], more than 100 Members with textile industry constituents met and consulted concerning the problem and the recommendations of the Pastore committee. As a result of this meeting and study, it was decided that representation should be made to the Cabinet Committee and to the President urging in the strongest possible terms that immediate action be taken to implement the recommendations of the Pastore committee by the exercise of the President's authority under the national security amendment.

Accordingly, Mr. Speaker, a committee representing the entire delegation of 100 or more Members of this body conferred with Secretary Hodges and later with the President himself to present these views. Previously Senator PASTORE, in behalf of his subcommittee and Members of the Senate interested in the textile problem, conferred with Secretary Hodges and later with the President.

As a result of these activities, there could be no possibility that the widespread interest of the Congress in a prompt solution of the entire textile import problem, including cotton, wool, silk, and manmade fibers, fabrics, and apparel, is not fully understood and appreciated at the Cabinet level and by the President himself. In these meetings the members of the delegations who have had the privilege of consulting with the President on the matter have been impressed with his keen interest in the problem, his familiarity with the dimensions of the problem, and his desire to see that it is solved.

Mr. Speaker, on May 2 the President announced his program of action to assist the textile industry. In announcing his program, the President stated, and I quote:

> The problems of the textile industry are serious and deep rooted.

He reviewed the extensive study which had been given these problems commencing in 1935 and extending through the study of his own Cabinet Committee, and then he said:

> I believe it is time for action.

The President noted that there are 4 million workers directly or indirectly affected by conditions in the textile industry, he referred to the findings of the Office of Defense Mobilization that the textile industry is essential to our national security, and he proposed seven measures. The sixth measure in the President's program consisted of a directive by him that the Department of State call an early conference of the principal textile exporting and importing countries to seek an international understanding that will provide a basis for trade that will avoid undue disruption of established industries.

From the context of the President's announcement and the history which led up to that announcement, it is to me inconceivable that an agency of the Government could now take the position that the President had in mind a program which deals only with a part of the textile import problem.

Yet, Mr. Speaker, this is precisely what is taking place in the current plan, calling for international negotiations concerning cotton textiles.

Before I go into the details of this proposed program, let me describe the seventh and last point in the President's program for the textile industry. His announcement to the press on May 2 stated, and I quote:

> An application by the textile industry for action under existing statutes, such as the escape clause or the national security provision of the Trade Agreements Extension Act, will be carefully considered on its merits.

After setting forth his seven measures, including the one which I just quoted, the President stated his belief that, and again I quote:

> This program will assist our textile industry to meet its basic problems.

So that there would be no misunderstanding of the President's program, the White House arranged for a briefing conference of representatives of all sectors of the textile industry—cotton, wool, silk, manmade fibers, textile mill prod-

ucts and apparel—on May 2. As a result of the briefing conference and of the President's announcement of his program, the entire textile industry cooperated in the preparation and filing of an application with the Office of Civil and Defense Mobilization for an investigation to determine whether or not textiles and textile manufactures are threatening to impair the national security. This application, consisting of 109 pages, was filed by the industry on May 15. It is complete and comprehensive in its coverage of the industry, in the definition of the import problem, and in the documentation which supports its development of the need for an immediate investigation and action.

Mr. Speaker, it is not at all inconsistent that the President would have directed the State Department to attempt a solution of the problem through international negotiation while at the same time encouraging the domestic textile industry to set in motion the procedure provided by the Congress under the national security amendment of the Trade Agreements Extension Act. Bearing in mind the President's desire that this problem be solved and solved promptly, it is logical to assume that while wishing to give the State Department an opportunity to solve the problem by negotiation, he nevertheless wanted to have in being and in progress an investigation which would cloak him with the legal authority to take mandatory action if the State Department failed in its mission.

Mr. Speaker, on the same day that the textile industry filed its application with the Office of Civil and Defense Mobilization, I am informed that State Department representatives commenced informal discussions with the British Government and, subsequently, with other governments with a view to establishing international negotiations dealing with the U.S. textile import problem. Unfortunately, Mr. Speaker, the many Members of Congress who had taken a deep interest in this problem and the members of the industry who had worked long and intensively, and in good faith with the administration, concerning the problem were not advised of this division of the basic problems; they were not kept informed by the State Department that only one segment of the textile industry is now being dealt with. The industry's problems are industrywide. They should be treated jointly and as a whole. The future of the entire industry depends on this.

Regretfully, Mr. Speaker, on June 6, 1961, the first concrete information about the present plan came to Members of the Congress and the industry through the pages of the public press. On that date it was reported in an article, which apparently was inspired by the State Department, that the international negotiations which were sought would commence sometime in July but that they would be limited to cotton textiles and apparel therefrom. This, of course, constitutes a direct departure from the industrywide program of relief as announced by the President.

As anyone who has studied the textile import problem to any extent must surely realize, any approach to regulate textile imports which is limited to one sector, such as cotton textiles, will simply result in transferring the intensity of the problem to wool and manmade fibers—which are already experiencing their own difficulties from imports.

Many Members of this body have communicated with the White House, with the State Department, and with the Secretary of Commerce concerning the inadequate approach being taken to these international negotiations. I am afraid that unless immediate action is taken by the White House to direct a reshaping of the scope of negotiations to include manmade fibers, filaments, and yarn, fabric and apparel, as well as fabric and apparel of silk and wool, matters will proceed to a point of no return for the United States. By that I mean with the United States as the sponsoring agency, these international negotiations scheduled to commence next month may go so far that the United States will be unable to repudiate or withdraw from the consequences of the action taken by the State Department.

I think it fair for me to state, that the program being pursued by the State Department will not satisfy the Congress and will not remove the very serious question which now exists and will continue to exist about the ability of the administration to secure an extension of the Trade Agreements Act next year unless the textile import problem is handled properly.

It is very important—I consider it essential—that the State Department deal adequately with the entire textile import problem, including manmade fiber, filament, and yarn, fabrics and apparel therefrom. There should be no separation of one segment of the industry from others in negotiations. Even though not intended, this could result in the destruction of major elements of the textile industry and in serious economic problems for American industry and American families.

Mr. Speaker, I ask unanimous consent that I may proceed for an additional 10 minutes in defense of the Army Chemical Center.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

IN DEFENSE OF THE ARMY CHEMICAL CENTER AND ITS COMMANDING GENERAL

Mr. SIKES. Mr. Speaker, the current hearings on Defense Appropriations contain a report from the General Accounting Office on the subject of the cost for renovation of the commanding general's quarters at Army Chemical Center in Maryland. The report is critical and has been held up as an example of waste of funds. This has been played up in the press. Unfortunately, an equal effort has not been made to show the other side of the story and to portray all of the facts. As an illustration of this situation, a reading of the report and the resultant publicity would indicate that the present commanding general, Brig. Gen. Graydon Essman, is responsible for the expenditure and for any bad management connected with the expenditure. All in all, the picture given to the public fails to portray the facts and is wholly unfair in its treatment of a very able officer.

The facts are these:

The building in question was originally an old residence. It was there when the Army took the property over during World War I. The building was not new then. It has since served for many years as the quarters of the commanding general, has been enlarged, and has had certain maintenance work done over the years. However, the house was deteriorating badly and finally, in the fall of 1959, the house was scheduled for major repairs and renovation. The tearing out of old walls and partitions commenced. When General Essman assumed command in January 1960, the house was only a shell. He was directed to put it in repair as soon as possible which he proceeded to do. As repairs progressed, it was discovered that the house was infested with dry rot and that all of the beams were rotten. This necessitated more work than was anticipated and the costs mounted accordingly. The costs of this project included, besides the labor and materials involved, maintenance stretching over a period of 3 years and a significant operational overhead which is only indirectly applied to the work of rebuilding, and make the figure of $61,212 quite misleading.

It is my opinion that, after General Essman arrived, to have torn down what remained of the house and built a new one, for which incidentally funds were not available, would probably not have made a significant saving in any tax dollars in spite of a different form of accounting. This difference of bookkeeping resulted in charges against the building which have no direct connection with the work of renovation.

It is unfortunate that these situations are not more fully and accurately portrayed. Sensationalism, of course, results in headlines but contributes little to defense and to the morale of the personnel affected. Admittedly, hindsight reveals that here, probably, was a case of bad judgment. But to headline it as waste and mismanagement is scarcely proper. It is a simple case of undertaking to repair a building which probably should have been torn down in the first place. But housing for military personnel is scarce and the services dislike to destroy a residence which is usable. Once the work of renovation was undertaken there probably would have been more criticism for junking the whole project than for completing it. In either case, General Essman moved onto the post at midpoint in the project. He was told to go ahead with the operation. That is what he did.

I am greatly concerned that the use of this case as a whipping boy by General Accounting Office and the press may do injury to a fine career and a distinguished officer. That is why I have taken the floor today to speak on this matter. I know from my own contacts

with General Essman that he is a strong and an able officer and a very fine gentleman. His work in the Chemical Corps has been valuable, indeed. I am fully convinced that he has been dealt with unfairly and that neither he, the personnel of the Army Chemical Center, nor the Chemical Corps should have been subjected to the degree of criticism directed at them in this instance.

WORLD WAR I POLISH WAR VETERANS IN U.S.A. IN NEED OF ASSISTANCE

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Connecticut [Mr. KOWALSKI], is recognized for 20 minutes.

Mr. KOWALSKI. Mr. Speaker, I am introducing today a bill for the relief of destitute, disabled and sick Polish World War I veterans who were not members of the U.S. Expeditionary Forces to Europe in 1917, but who nevertheless gave their all for a free Poland, fought side by side with the allies in France and later in Poland itself against Red oppression. When they volunteered for this service, most of them were residents in the United States and many of them had signified their intentions of becoming American citizens. This legislation provides benefits also for those volunteers who served with the British, French, and Italian military units during the war of 1914–18 and who qualify under the provisions of the bill. To be eligible for benefits, the veteran must now be a citizen of the United States.

In elaborating on my plan to help these old veterans, I shall discuss essentially the circumstances under which the Polish veterans came to be involved in the fate of a free Poland. The heroic contributions of the World War I volunteers who fought with the French, British, and Italians are equally deserving of our sympathetic consideration.

As with ancient Gaul in the time of Julius Caesar, in 1914 Poland was also divided in three parts, each under the domination of three distinct powers; namely, Germany, Austria-Hungary, and Russia. When war broke out in 1914, it soon became apparent that one of the dearest wishes of all Poles at home and abroad was to see the three parts of their country united into a single independent nation.

At the outbreak of war, there were approximately 3 million Poles in the United States. This number included many Americans of Polish extraction. Their sentiment regarding a united Poland was expressed in petitions directed by many Polish-American societies to President Wilson urging a free and independent Poland. The President replied to these petitions in the spring of 1915 that he "deeply sympathized with Poland."

The Polish Central Relief Committee of the U.S.A. early in the war began collecting large amounts of relief supplies—food, clothing, and medicines—that were shipped to Polish prisoners of war in Europe and wherever possible to the devastated areas on the eastern front.

Because of U.S. neutrality, little could be done initially except for the collection of money and supplies, to speed the eventual liberation of Poland. However, by the beginning of 1917, it was becoming increasingly evident that the United States could not possibly stay out of the war. With this realization and stirred by the hope of a free and independent Poland, the Union of Polish Societies in America meeting in Pittsburgh, Pa., on April 4, 1917, voted to form an "army of Kosciuszko" to be sent overseas at their own expense to participate in the liberation of the Polish nation.

No sooner had this resolution been telegraphed to all the member societies in the various States, than word came that the United States itself was at war with the Central Powers as of April 6, 1917.

Approximately 100,000 men of Polish extraction served gallantly in the military forces of the United States in World War I. These men as American veterans are entitled to all the benefits as well as bonuses given those who served in the official forces of the United States. I am not concerned in this legislation with these veterans.

The men I am concerned with served essentially in the Polish forces. They were living in the United States, but were not American citizens and not subject to the draft. Many had not yet declared their intentions of becoming citizens. Many were eager to serve, but for one reason or another were not accepted by the U.S. Armed Forces. This did not deter the Polish-American Societies—so-called Falcon societies—who, at their own expense, went ahead and recruited a New World Polish Army in the United States and Canada. Twenty-three thousand volunteers came forward.

The recruiting and enlistment was conducted with the full knowledge and permission of the U.S. Government. A military commission of the Polish National Department in North America was organized on September 20, 1917 and took charge of this volunteer army. U.S. Secretary of War Baker gave his official blessing to the force on October 6, 1917, when it was decided to train these recruits at Fort Niagara, N.Y., and Niagara-on-the-Lake, Ontario, Canada. In approximately 7 months, the force was ready for transshipment to Europe to do its share against the Central Powers.

In the meantime, a Polish National Committee for a Free Poland had been set up in Paris in early 1917 and was organizing a Polish legion in France to assist the Allies. Paderewski was sent to the new world where he was able to arouse enormous enthusiasm for a free Poland as well as to raise large sums of money, for the Polish volunteers in the United States as well as the legion in France. The success of his tours was enhanced by the Bolshevik revolution in November 1917 and the collapse of Russian resistance on the eastern front. An armistice was signed at Brest Litovsk on December 15, 1917 and peace negotiations began on January 8, 1918 to be culminated in the signing of the formal peace treaty on March 2, 1918. Russia was eliminated from the war although certain Russian units still held out in Russian Poland.

After the collapse of Russia, Josef Haller, a Polish general in the Austrian-Hungary army, threw off his allegiance to Austria early in February 1918, and went over to the Russian side with about 4,500 of his Polish soldiers. For 4 months he fought against the Germans on eastern Poland and was at last able to reach the Baltic coast with 1,500 men. Due to the impossibility of supplying him adequately with war material, the Polish National Committee for a Free Poland in Paris asked him to come to France and form a Haller legion there. On July 2, 1918, he embarked for France and within a few days was at the head of an army of over 100,000 Poles. This freedom army was integrated into the French forces, was supplied by it, and fought with the distinct understanding that they would transfer to Poland as soon as conditions warranted.

On the same day, January 8, 1918, that the Central Powers began their peace negotiations with Russia at Brest Litovsk, President Wilson announced to the world his famous 14 points for the settlement of a just peace. In this message to the U.S. Congress he enunciated his basis for a lasting peace and the conditions under which a peace treaty between the Allies and the Central Powers or Germany and Austria-Hungary should be signed. Of particular interest to the American-Polish Societies and the Polish National Committee in Paris was the 13th point dealing with a future independent Polish state.

Inspired by this American unequivocal demand for a free Poland, the Polish National Committee stepped up its negotiations with the other major Allied Powers for a similar undertaking to set Poland free. Early in June 1918, Clemenceau of France, Lloyd George of England, and Orlando of Italy met at Versailles to discuss the progress of the war, and on June 3 made a formal declaration supporting the creation of a free Poland. In the meantime, one of the free Polish leaders, Dmowski, had arrived in the United States to discuss the formation of a Polish Army in France as well as the integration of the American-Polish volunteers into the Haller legion. Dmowski's efforts were crowned with success when Lansing, the American Secretary of State wrote to him:

> The Government of the United States * * * experiences a sincere satisfaction in agreeing to your request to recognize the Polish Army, under the supreme political authority of the Polish National Committee as autonomous and cobelligerent.

Thus the future of a free Poland was assured and Poland also was recognized as a member of the Allied and Associated Powers by the United Kingdom, France, Italy and the United States.

Under these auspicious circumstances, the Polish volunteers were at last ready to leave the United States for France. All transportation of these troops was conducted under the supervision of the U.S. Army. By the end of June the American-Polish volunteers had been integrated in the new Haller legion to serve

under the famous Polish general who arrived from Russian-Poland during the middle of July with the remnants of his forces. This legion greatly distinguished itself on the battlefields of Champagne toward the end of July 1918.

Subsequent to the armistice in November 1918, efforts were made to ship the remnants of the Haller legion consisting of four divisions and the elements of two more across Germany to Poland. After prolonged wrangling, the legion was allowed at last to cross eastern Germany and became involved immediately in the Polish-Bolshevik war. The legion also assisted in the distribution of American food and relief supplies in the war-torn areas. Over $100 million worth of badly needed U.S. supplies were used to forestall starvation.

With the concurrence of Congress, the volunteer Polish legionnaires who served overseas in the Haller legion were authorized to return to the United States without having to meet immigration requirements. Under these circumstances, many of the volunteers decided to return to their homes in spite of the offers by the new Polish Government to provide specially for them in free Poland. Those who wished to return were duly processed by the U.S. authorities in Poland and returned to the United States on American troopships under the command of the U.S. Army. Just under 14,000 of the original 23,000 were repatriated and finally discharged to their homes from Camp Dix—now Fort Dix—New Jersey.

I am particularly concerned with the remnants of this volunteer legion who are still alive, because some of them are in dire need of medical attention and something should be done for them since after all they served voluntarily with the approval of the U.S. Government. They have, of course, not received any of the benefits that are accorded those veterans who served in the regular Armed Forces of our Nation.

Many of the returnees were disabled because of wounds received in the line of duty. The United States did not take any responsibility for the care of these unfortunates, since they had served as volunteers under a foreign flag. The newly formed Republic of Poland, likewise, did not feel any responsibility since they were not soldiers conscripted by the Polish authorities into service, but served as volunteers from a foreign land.

This unfortunate situation motivated and inspired the formation of an organization to find ways and means to serve disabled and incapacitated comrades. The Polish Army Veterans Association of America, of 19 Irving Place, New York, N.Y., has stated that of their membership of just over 4,800, most saw volunteer service in World War I. The approximate age of these veterans is now 64 years. At the moment, the association is giving aid to 220 disabled Polish veterans—a few are from World War II—men who served with the British, French, and Dutch, and have subsequently emigrated to the United States and who do not get any veterans benefits from any government.

The 125 posts of the association have raised money during the past 40 years by various drives—such as the sale of the blue cornflower—and altogether spend around $55,000 per year in medical payments for the infirm or small monthly pensions for those unable to earn a livelihood because of age. Currently, the need for added funds is increasing because of the advancing age of the veterans. The average disability pension is less than $250 a year. This obviously is not enough to provide medical attention and living expenses. In the many cases of death, the association also makes donations of $50 to $100 toward the payment of funeral expenses; where there is destitution in the family, small sums are donated by the post to the widow and the children. Such payments amount to approximately $11,000 per year.

Although these men did not serve in the forces of the United States, they were living in America at the time they joined the Polish volunteer units. Their recruitment went on with the express approval of our Government. They were trained at an American base and were transported from this country to the war zone and back home under control of the U.S. Army. They fought on the allied side for objectives endorsed by the President of the United States. Their sacrifices and contributions may have been made in a foreign army; they may have fought for the independence of their land of birth, but they never stopped to love their adopted country and returned to it when their task was finished.

These men may not be called American veterans, but the line that disqualifies them from this designation is technical rather than real. They may have served in a foreign uniform, but they fought for the United States. Now, 44 years after their service, living as citizens in this great democracy, they surely are entitled in their old age to the generosity of their fellow citizens. More significantly, if Congress can provide funds for indirect benefits to veterans of the Chinese Nationalists, surely these American citizens deserve equal consideration.

Aside from the moral justification involved, there are two legal precedents that deserve our consideration. Section 15 of the War Claims Act of 1948 authorizes the Commission "to receive and to determine, according to law, the amount and validity, and provide for the payment of any claim for compensation filed by or on behalf of any individual who, being then an American citizen, served in the military or naval forces of any government allied with the United States during World War II who was held as a prisoner of war for any period of time subsequent to December 7, 1941, by any government of any nation with which such allied government has been at war subsequent to such date." Section 109 of title 37, United States Code, veterans benefits, provides as follows:

SEC. 109. Benefits for discharged members of allied forces.—(a)(1) In consideration of reciprocal services extended to the United States, the Administrator, upon request of the proper officials of the government of any nation allied or associated with the United States in World War I (except any nation which was an enemy of the United States during World War II), or in World War II, may furnish to discharged members of the armed forces of such government, under agreements requiring reimbursement in cash of expenses so incurred, at such rates and under such regulations as the Administrator may prescribe, medical, surgical, and dental treatment, hospital care, transportation and traveling expenses, prosthetic appliances, education, training, or similar benefits authorized by the laws of such nation for its veterans, and services required in extending such benefits.

Section 109 of title 38 is based on agreements for reciprocal services. In the case of the Polish veterans of World War I, neither the Polish Government in existence before World War II nor the present Communist government have recognized any responsibility for these men. Furthermore, there are no reciprocal agreements with Poland. There are loans, however, that the Polish Government will begin shortly to repay to the United States under a schedule which is expected to continue for about 25 years. Part of these Polish payments logically could be utilized to cover the cost of the benefits proposed in my bill.

With this thought in mind, let us examine what money might be available for disbursement for this worthy cause, how much might be available, and what total may be needed each year for the purposes I have in mind for these veterans.

Under our Agricultural Trade and Development Act, we have disposed of over $6 billion worth of our surplus farm products for foreign currencies. In each contract with a foreign nation, we have specified how the local currencies are to be deposited to the account of the United States in the central bank of each recipient nation. These funds are entirely at the disposal of the United States and have been disbursed for many and varied causes. In many instances, very sizable funds have accumulated. In the case of Poland, however, we seem to have been able to come to a rather suitable repayment procedure. Since we do not assist the Iron Curtain countries in the same manner as our free world friends, there are few acceptable projects for which we would be willing to use these local currency funds. One of the few instances has been the building of a health institute and the training of workers.

In our contracts with Poland for our surplus agricultural products, the agreements have specified that Poland should place to our account in its central bank the amount in zlotys for the totals purchased. In addition to any U.S. zloty expenditure in Poland, the Polish Government has agreed at specific periods to convert a certain amount of zlotys into American dollars and to repay these dollars to the U.S. Treasury in Washington, D.C., until such time as the total amount of the contract has been liquidated.

As of March 31, 1961, we had sold Poland $365,300,000 of agricultural products and approximately $328 million in zlotys were available to us in annual increments that increased as the contracts came due.

The totals for the four contracts and the balances remaining were as follows:

Contract date	Amount of contract	Balance
June 7, 1957	$65,000,000	$60,672,456
Feb. 15, 1958	73,000,000	70,374,286
June 10, 1959	97,300,000	91,534,813
July 21, 1960	130,000,000	106,120,446

Our contracts with the Polish Government included a maintenance of zloty value provision as well as a guaranteed dollar conversion total. Since funds might be expended for other purposes, no end deadline can be given as to the length of the repayment period.

Under the terms of the repayment in dollars clause, the Polish Government agreed to make available dollars in the following set amounts after each period. For the four contracts the following dollar totals would become available:

June 7, 1957 contract, after June 1, 1962, $2,500,000 per year.

February 15, 1958 contract, after March 1, 1963, $2,810,000 per year.

June 10, 1959 contract, after June 1, 1964, $2,780,000 per year.

July 21, 1960 contract, after July 1, 1970, $4,330,000 per year.

According to my estimates, the following totals in dollars would accrue to the general fund of the U.S. Treasury from our Polish accounts each year:

1962	$2,500,000
1963	5,310,000
1964	8,090,000
1965	8,090,000
1966	8,090,000
1967	8,090,000
1968	8,090,000
1969	8,090,000
1970	12,420,000
1971	12,420,000
1972	12,420,000
1973	12,420,000
1974	12,420,000
1975	12,420,000
1976	12,420,000
1977	12,420,000
1978	12,420,000
1979	12,420,000
1980	12,420,000
1981	12,420,000
1982	10,000,000
1983	10,000,000
1984	10,000,000
1985	10,000,000
1986	10,000,000
1987	10,000,000
1988	7,000,000
1989	7,000,000
1990	7,000,000

And so forth.

By that time—1990—the youngest Polish volunteer war veteran will be at least 94 years old and some money will still be forthcoming from the Polish Central Bank.

As I have noted before, this money will accrue to the general fund of the U.S. Treasury. What I propose is the following:

A bill to amend section 109 of title 38, United States Code, to provide medical care for certain veterans of armed forces allied or associated with the United States during World War I

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 109 of title 38, United States Code, is amended by adding at the end thereof the following:

"(c)(1) The Administrator shall provide hospital care and medical services subject to the limitations prescribed for veterans of any war in sections 610 and 612 of this title to any individual—

"(A) who served in Europe during World War I with armed forces allied or associated with the Armed Forces of the United States, and was separated from such allied or associated armed forces under conditions other than dishonorable,

"(B) who is not entitled to pension, compensation, or hospital or medical care under the laws of any nation based on such service,

"(C) who was a citizen or resident of the United States at the time of his entry into such allied or associated armed forces, and

"(D) who at the time of his application for hospital or medical care pursuant to this subsection is a citizen of the United States and has been a resident of the United States for ten years.

"(2) There is hereby created on the books of the Treasury a fund consisting of payments made to the United States in dollars after the date of enactment of this subsection by Poland, or by any other nation for whom or on whose account armed forces were allied or associated with those of the United States within the meaning of this subsection, for assistance furnished to that nation under the Agricultural Trade Development Assistance Act of 1954. The fund shall consist of such portion of those payments as the Administrator determines are necessary to meet the expenses arising out of this subsection. The fund shall be utilized to reimburse the appropriations of the Veterans' Administration for such expenses."

One can argue that this is a proposal for back-door financing, since the money will actually accrue to the general fund and will be merely diverted to another use. The opponents can say that in the final analysis the taxpayer is the one who really pays. On the other hand, when we consider the way our counterpart funds have been used in the past, this proposal for the first time would directly benefit Americans in this country. By limiting zloty expenditure in Poland, we would make available a maximum amount of American dollars from Poland for our Polish veterans in America. In this way we will honor and reward the men who helped us fight our battles. This is little enough we can do for them to repay them for their sacrifices and loyalty.

The sums available for disbursement from this source are estimated to be sufficient to cover the cost of the benefits for the approximately 4,000 veterans of this category now living and qualifying under the provisions of my bill. The incident of actual need among these veterans is estimated to be about 5 percent of the living. Sums unexpended each year should be added cumulatively to future availability so as to insure adequate funds when needed.

I am convinced that my idea for financing this worthy program is feasible. Funds under my plan would begin to become available in 1962 and continue for at least 25 years. The need for this program is evident; justice demands it; our people should acknowledge our debt to these unsung heroes.

A TRIBUTE TO THE 101ST INFANTRY OF THE MASSACHUSETTS NATIONAL GUARD IN RECOGNITION OF 100 YEARS SERVICE AS A MAJOR ORGANIZATION IN THE ARMY OF THE UNITED STATES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, in times such as these, anxiety for the national safety stands paramount in the mind of every thinking American. No wonder, then, that we recognize today as never before the value of the National Guard. As the backbone of American defense against aggression from abroad and subversion at home, the guard is truly deserving of our thanks and admiration, which the people today are generously providing in ever increasing quantity.

No wonder, too, that the people of Boston, Mass., hail with unstinting praise the record of their National Guard regiment, the 101st Infantry, the centennial anniversary of its muster into Federal service, which takes place next Sunday, June 18, 1961,

The lineal predecessor of the 101st was a unit of Irish birth and blood of the pre-Civil War period, Company B, 5th Artillery, otherwise known as the Columbian Guards. This was prior to the Civil War. With the rise of an emotional political situation that existed in Massachusetts at that time, the company surrendered its charter. However, this company thereafter met privately until the outbreak of the Civil War.

As the civilian Columbian Association, the guards nonetheless kept up their drill, and when the war broke out, they became the nucleus of the 13th Massachusetts Volunteers, later and finally called the 9th, or by their popular nickname, the Fighting 9th.

As a major organization in the Army of the United States, the 101st traces its record directly to June 20, 1861, when the 9th was mustered into service in defense of the Union.

Encamped near Washington through the winter of 1861–62, the 9th went into action in the spring of 1862, engaging in the sanguine peninsular campaign of that year. On May 27, the regiment delivered a successful counterattack on the enemy at Hanover Court House where it earned from Corps Comdr. Fitz John Porter the sobriquet of "Fighting 9th"—a title that has remained with the regiment ever since.

The bloody 7 days of the peninsular campaign followed. In reserve during the battle of Mechanicsville, the 9th covered the withdrawal of the Union forces. For nearly 2 hours it held Stonewall Jackson's force of 20,000 men, and yielded only in the face of overwhelming enemy reinforcements.

The regiment served in Virginia and Pennsylvania, at Second Bull Run, Antietam, Fredericksburg, Chancellorsville, held the left flank of the Union position at Gettysburg on Little Round Top, and besieged the entrenched enemy at Mine Run.

It also took part in the Union assaults in the Battle of the Wilderness, at Laurel Hill, and suffered casualties at North Anna, Shady Oak, Totopotomoy Swamp, Bethesda Church, and Cold Harbor.

For the Spanish-American War, the regiment was mustered in May 11, 1898, spent some time near Washington, disembarked in Cuba on July 1, and served near Santiago until June 17, when the Spanish forces surrendered.

Prepared for World War I service by its duty at El Paso, Tex., from June to November of 1916, the regiment, augmented by troops from the 5th and 6th Massachusetts Infantry, was redesignated the 101st Infantry and mustered in August 22, 1917. It was the first National Guard unit of the AEF to land on French soil. In February, after training, it moved into a sector on the Chemin des Dames. It was also the first National Guard unit to enter the lines. Joining the French, it made a successful raid on February 23, 1918, the first raid in which American troops had participated and the first time that troops had attacked behind a barrage laid down by American artillery. On March 18, 2 days after sustaining a heavy gas bombardment and suffering many casualties, the regiment was relieved.

Two weeks later it was in the Boucq sector, an active front. In the lines near Rambucourt, then shifted eastward to Flirey and the Jury and Hazelle Woods, it was called upon to resist a raid of enemy shock troops at Humbert Plantation. A week later 300 volunteers conducted a carefully rehearsed raid on Richecourt, with complete success.

July found the 101st in the Chateau-Thierry sector, to function as the pivot in the huge turning movement in the Allied attack. For 10 days it was under searching enemy fire.

After the attack opened it remained in position 2 days until the units on the left came into line. Five days of bitterly contested advance followed. The regiment was not relieved until it had reached its objective.

After nearly a month in rest areas, the 101st was ordered to the Rupt sector for the great offensive of St. Mihiel. All objectives were reached the first day. The next day the regiment occupied Hattonchatel to help effect a junction with the American advance from the south. On October 2 it staged a raid on enemy posts in Warville and Hautes Epines Woods, bringing back 49 prisoners.

The 101st entered the lines October 16 to participate in a thrust at one of the enemy's main lines of communication north of Verdun. The attack was designed to converge on a point designated on the map as the "H" in Houppy Bois, a phrase that has become a common name for this engagement of the Meuse-Argonne offensive.

The regiment's immediate objective was the line of trenches in Belleau Bois. The initial attack, launched at 6 a.m., October 23, was met by a strong counterattack, and a second attack met the same fate. But on the 27th, after 4 days of bitter fighting, the position was taken.

Relieved here, the regiment was assigned to keep in contact with the enemy in front of Ville-devant-Chaumont and Flabas. As the Germans began to retire, the 101st closed in, raiding their lines.

On November 11, 1918, the regiment was about to move into reserve when the order came to mark the position with one company and march the remainder to the immediate rear.

So ended the glorious service of the 101st in World War I; a service for which it was praised mightily by the people of Boston, upon its return home. As the lineal descendants of the famed Fighting 9th, the 101st had come through in a manner befitting their traditions.

Nor has the pace at all slackened in recent years for those responsible for maintaining these traditions. Activated once again in World War II, the 101st became part of the 26th Division, and thereby engaged in the invasion of Normandy and ensuing actions in the European campaign of 1944–45, in northern France, the Ardennes, the Rhineland, and Central Europe. From Steinfort, Luxembourg, to Oberplan, Czechoslovakia, the 101st fought with the fire of its historical predecessors, carving the German war machine into small pieces, wherever resistance was encountered.

Of the memorable battles involved, the worst was undoubtedly the Battle of the Bulge, in which the 101st cut its way out of Belgium and back into France.

So it has been for the 101st since the beginning of its existence, driving before it the foes of freedom, in the name of all mankind. Surely this is sufficient service to merit the praise set forth by Michael Joseph Barry in the poem entitled "The Place Where Men Should Die."

As Barry observed:

> But whether on the scaffold high
> Or in the battle's van,
> The fittest place that man can die
> Is where he dies for man!

And so it is—and so the members of the 101st Infantry have believed, throughout their history as a major organization in the Army of the United States.

For this, the American people are truly grateful; especially those of Massachusetts, upon whom the glory of the 101st has come to hold a meaning all its own.

Men of the 101st Infantry, your loved ones, your townsfolk, and your fellow citizens of Massachusetts and Americans in general salute you on the centennial anniversary of your organization's existence. May the next century smile upon your traditions as proudly as the last.

LITHUANIA

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. DERWINSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, I join the other Members of the House today in commemorating the tragic days of Lithuania in which thousands of the brave people of that country were deprived of their freedom by the Soviet Government and exiled to Siberia in the opening days of World War II.

Commemorating this event is especially significant today in view of the continued belligerence of the Soviet Union and the growing realization that our Nation must take the counteroffensive in exposing the dictatorial colonial makeup of the Soviet Union.

Lithuania regained its freedom after World War II and in the brief period of 22 years made great strides in rebuilding, and once again achieving, the greatness it knew as a nation centuries ago.

The Lithuanian people suffered and are continuing to suffer under the slave rule of the Soviet Union which maintains the fiction that the Lithuanian-Soviet Socialist Republic represents the people of that country. We know this is not the case. Lithuanians, especially in the United States and other parts of the free world, who can still express their opinions, are vigorous in their denunciation of the Soviet Communist tyrants.

Mr. Speaker, I feel very strongly that deeds, more than words, are necessary at this point. That is why I appeal to the Members of the House this afternoon to urge that our Rules Committee approve my resolution—House Resolution 267—to create a special House Committee on Captive Nations, through which we can review the tragic enslavement of Lithuania, and point out to the world the true nature of Soviet colonization and the need for concerted action in maintaining a flame of freedom which burns in the hearts of the people of Lithuania and, for that matter, all the peoples now being held in bondage behind the Iron Curtain.

Certainly, in commemorating the tragic days of Lithuania, we can produce affirmative action by creating this Captive Nations Committee and through its efforts bring to light the true conditions in Lithuania today, so that the whole world will react against the Soviet Union, and bring about the proper international process and mechanism of eventually restoring freedom to the courageous Lithuanian people.

I am proud that the Fourth Congressional District of Illinois has within its boundaries a number of Lithuanian-American citizens who have been instrumental in developing the greatness of our country, and have continued to maintain their pride, knowledge, and

love for Lithuania—the land of their forefathers. I encourage all Lithuanian-Americans throughout the United States to continue their activities, to maintain their churches and schools, to perpetuate the Lithuanian traditions, language, and customs, and to look forward to the future with continued confidence, knowing that because "right is might" Lithuania and the other nations that presently share its misery shall be restored to freedom.

RETURN TO STATES OF 25 PERCENT OF FEDERAL TAX ON CIGARETTES

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. GOODELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. GOODELL. Mr. Speaker, I have today introduced a bill calling for the return to the States of 25 percent of the Federal tax on cigarettes for the purpose of assisting the States in developing their educational systems.

This bill is submitted as an alternative to the massive and unnecessary proposals for direct Federal aid to education.

This is the fourth in a series of bills I have proposed to return taxes to the States for education. The prior bills called for return of 1 percent of the Federal income tax collected in a State, the 10 percent Federal telephone tax and 2 percent of the income tax.

The highly touted administration bills calling for aid to education would operate in this fashion: Taxes would be collected in the several States and sent to Washington. They would then be distributed back to the States under a complex and unjust formula.

What could be more simple, Mr. Speaker, than to leave a portion of the taxes right in the States where they are collected? Under this plan there would be no need for a huge administrative distribution program in Washington.

Federal control of education is not wanted, Mr. Speaker. It would result from the administration plan. It could not under the proposals I have made.

LITHUANIA'S TRAGIC DAYS

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. SEELY-BROWN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SEELY-BROWN. Mr. Speaker, today and tomorrow are being commemorated, wherever there are men and women and children of Lithuanian blood, as the tragic days.

They are the sad anniversary of the events of June 15 and 16 in 1940 and 1941, when Soviet Russia overran free and independent Lithuania, and 60,000 Lithuanians were sent to Siberia.

This is an occasion when we must remind the whole world that Lithuania is not free while under Soviet oppression.

The spirit of freedom still lives in Lithuania, as it does in her sister captive nations behind the Iron Curtain.

The day of liberation surely will come, even though we cannot today give the timetable for that. In the lifetime of nations, the reign of tyrants has to be short. The fate of all of them is inevitable and as similar as the patterns of their tyranny.

Here in America, let the tragic days of Lithuania remind us that the freeing of the captive nations who are the colonies of communism is the great unfinished business of a world that is passionately devoted to terminating colonialism wherever it exists.

COMMENDATION FOR PROJECT HOPE

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. SEELY-BROWN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SEELY-BROWN. Mr. Speaker, on April 3 the Senate passed Senate Concurrent Resolution 8, which is an expression of the sense of Congress on Project Hope. The accomplishments and the work being done by Project Hope and its vehicle, the hospital ship, SS *Hope I*, which has been touring the islands of Indonesia since mid-October of 1960, have consistently reaped the praise of Members of both of the Houses of Congress, as well as from the executive branch of our Government, from the press and other media of communications, and especially from the American people, whose contributions support this project.

On January 25 last, I introduced in the House of Representatives House Concurrent Resolution 117, which expresses the commendation of the Congress for the work being done for our country, and for the people of the newly developing nation of Indonesia, by the medical men and women who are serving with Project Hope.

It is my earnest desire that we show these people who work on the front lines of peace that all Americans approve and support the work they are doing so well.

I sincerely hope that the House in the near future will pass unanimously House Concurrent Resolution 117 and show our friends in Indonesia and in the other nations of the world, and all of those who are making the Project Hope possible, that we are proud of the accomplishments thus far, and alert to the possibilities for further great humanitarian work of this kind in the future.

HIGH TWELVE CLUB OF EUCLID, OHIO, STATEMENT ON TRACTOR EXCHANGE

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentlewoman from Ohio [Mrs. BOLTON] may extend her remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mrs. BOLTON. Mr. Speaker, the High Twelve Club of Euclid, Ohio, has made available to me a statement concerning the private negotiations now underway to trade tractors for prisoners in Cuba. As their statement reflects the thinking of a great many Americans on this so-called exchange, I include it at this point in the RECORD.

HIGH TWELVE CLUB OF EUCLID.

Hon. FRANCES P. BOLTON,
Representative, Ohio 22d Congressional District, House Office Building, Washington, D.C.:

The officers and members of the Euclid High Twelve Club deplore the fact that citizens and members of our Government continue to negotiate with representatives of Communist countries, especially those now in power in Cuba. This is of much more concern when human barter has to do with American citizens committed to action by the Government.

It is our sincere feeling that the U.S. Government has a moral obligation to support, defend, and act decisively to secure the release of men captured in pursuit of American principles, especially when these men were sent under orders or went by implied consent.

We have already learned that we cannot trust any promise by a Communist dictator and that every deferment to his wish is only a further step toward his camp and to his advantage. We strongly urge that not one penny of money or materials be given in tribute nor in retribution but that firm demands be explored to secure an immediate release of all those held in bondage. Should democratic methods fail, our country is strong enough to use force in support of the principles in which we believe. Our concern should be for those now wasting away their years in concentration camps in various countries of the world. This seems to be a needless sacrifice for a country so dedicated to leadership, democratic principles, and individual freedom.

May we urge whatever action may be deemed expedient?

OLIVER LEMIEUX,
President.
GEORGE BREWSTER,
Secretary.

LITHUANIA

Mr. CAHILL. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MORSE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MORSE. Mr. Speaker, today's and tomorrow's dates are reminders of the real depravity of communism.

On the nights of June 15 and 16, 1940, some 30,000 Lithuanian men, women, and children were deported to Siberia.

Another 5,000 were thrown into Communist prison camps in their own nation.

Against its will, Lithuania became a slave state of the U.S.S.R.

I am bidden by my conscience to rise again in this House to ask consideration of my House Concurrent Resolution 163, introduced on February 16 and since pending in the Committee on Foreign Affairs. My resolution calls upon the Congress to request the President of the United States to bring up the Baltic States question before the United Nations and ask that the United Nations request the Soviets to withdraw all Soviet troops, agents, colonists, and controls from Lithuania, Estonia, and Latvia, to return all Baltic exiles from Siberia, prisons and slave-labor camps, and that the United Nations conduct free elections in Lithuania, Estonia, and Latvia under its supervision.

I further wish to associate myself with the remarks of my colleagues on the floor of this House yesterday in support of the captive nations resolution introduced by our very able colleague, the gentleman from Pennsylvania [Mr. FLOOD].

As leader of the free world, we can do no less than affirm the U.S. determination that one day all nations will rejoice in recapturing their liberties.

COMMITTEE ON WAYS AND MEANS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight tomorrow, Friday, to file a report on the bill H.R. 3385.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE TRAGEDY OF LITHUANIA

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FLOOD. Mr. Speaker, in 1919, at the end of the First World War, the Lithuanians finally gained their independence and were able to establish a model democracy. This relatively idyllic state of affairs was rudely shattered when, 20 years ago today, June 15, Soviet Russia began her invasion of Lithuania. In June 1941, 30,500 members of the Lithuanian intelligentsia were transported to Siberia, under incredibly inhuman conditions, most of them never to see their homeland again.

This tragic event signaled the beginning of Soviet Russia's incorporation of Lithuania into her own country. Deportation has been a typical weapon of the Russians in their "liberation" of racial groups. By this they exterminate the so-called unreliable and undesirable elements, and supply the slave labor needed by the Soviet state to foster its economy.

The "liberated" Lithuanian people struggled valiantly against the cruel domination of the Russians, and in retaliation the deportations continued. In 1944, Lithuania was invaded for the second time by the hordes of the Red army. This was followed by still more deportations. The people deported might come from any walk of life. Children, professional people, intellectuals, political leaders; anyone who incurred the suspicion of the Communists was subject to deportation.

The condition of the camps to which these people were taken was most primitive. The inmates worked up to 16 hours daily, without pay. The maximum life expectancy of several years is understandable when these conditions are considered.

In 1948–49, the Lithuanian people were hardest hit by deportation when about 10 percent of the population was forced to Siberia because of their resistance to the collectivization of the farmlands which had always belonged to them and been their source of food and livelihood.

Today, June 15, 1961, we remember the tragic fate of those first Lithuanians who were forced to leave their homeland. We continue in our hope that one day these people may again live and work under the democratic system that they were able to establish some 40 years ago. We fervently hope that the people of Lithuania will keep the ideals of democracy fresh in their memory, ready to turn out their oppressors and reestablish a government in which they are free from the fear and threat of an enforced departure from their homeland.

We look forward to a free and independent Lithuania: the individuality of her people recovered, her autonomy restored.

SPEAK UP FOR THE AMERICA YOU LOVE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PATMAN. Mr. Speaker, I am becoming increasingly concerned about hearing and reading so much anti-American comment—so much hatism within our Nation's own boundaries.

There are those who enjoy the benefits and benevolence of our way of life, but resent and recoil at sharing the obligations accompanying that precious citizenship. Some would support the Constitution as long as it suits their purpose. Some cry for freedom as long as it leaves them free to do anything at all.

HELP SUBVERSIVES UNKNOWINGLY

There are still others—and perhaps the largest group—who consider themselves loyal Americans, but actually are professional critics. They seem to find everything wrong with America, but never seem to have anything to say for all of the rights and privileges every American enjoys. They do not seem to realize that American citizenship is an endowed blessing. In most cases these persons, fully believing in their loyalty, unwittingly, and for lack of full knowledge of current events, spread the seeds of hate that Communists and other subversives would have them plant. Fortunately, they are a small, if obstructive, minority.

I agree with George Washington's remark:

> The mass of citizens of these United States mean well, and I firmly believe they will always act well whenever they can obtain a right understanding of matters.

Thomas Jefferson had another helpful thought:

> Every difference of opinion is not a difference of principle.

I think much of the strength of our great democracy rests on this basic respect of freedom in religion, in speech, and in the public press.

EXPRESS OUR LOYALTY

I have expressed similar thoughts in some of my recent weekly newsletters to my constituents. In one of them I mentioned that many public meetings are concluded with some expression of loyalty to our country—some patriotic touch. Of late, however, I have been reading of meetings where thoughts expressed appear to be critical anti-Americanisms. If not that, they tend to degrade our country and minimize her greatness, her glories, and the intranscendent opportunities she has offered to so many. Perhaps every public meeting where what-is-wrong-with-America thoughts are expressed should be concluded with some remarks on "what is right with America." If nothing else, I suggested in that letter, the meeting could be concluded by reciting "The Pledge of Allegiance."

One of my constituents, commenting on that newsletter, said, in part:

> Our representatives—our local government officials—and government in general have not pursued a vigorous enough educational program to teach our citizens the good and bad of government and how each individual can push the good and stop the bad.

These are excellent sentiments and I heartily endorse them. However, our Government does not have a public relations department. The preservation of good government must depend upon the people to help identify and publicize the good and bad in our Government. This requires an informed, alert, and dedicated electorate.

SPEAK WITH PRIDE

There will always be some bad, as well as good, people in institutions as large as our local, State, and Federal Governments. Of course, we cannot condone such people in government, but these are the facts of life. This is where individual ethics and alert citizens become important. One of the duties and opportunities of every American citizen is to speak up and accentuate the good things in American Government, just as they speak with justifiable pride of their

families, churches, businesses, colleges, and communities. Unless more articulate Americans speak with pride of their Government and stand up to those expressing a hate America doctrine, they will become the unwitting accomplices of those who would destroy our democratic institutions. Nothing would make Mr. Khrushchev happier.

LITHUANIA

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. FALLON] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FALLON. Mr. Speaker, the year between June 1940 and June 1941 is one of the most tragic years in the modern history of the Lithuanian people. In the spring of 1940 independent and sovereign Lithuania was ruthlessly destroyed by the evil designs of the men in the Kremlin. By June the country was overrun by the Red army and its inhabitants were enslaved and terrorized. While formalities for the incorporation of Lithuania into the Soviet Union were being rushed through, thousands of Lithuanian leaders were being summarily arrested and exiled to Asiatic Russia. This heartless effort of uprooting Lithuanians by the tens of thousands continued for about a year. It is this tragic year which has left its saddest impression on the people of Lithuania.

On the anniversary of those tragic days we think of those tens of thousands of Lithuanians who were forced to leave their country for Siberia and who to this day suffer in exile and still cling to their ideals of freedom. Unfortunately, we do not know of their unenviable lot, but only pray that some day and soon they will return to their ancestral home and regain their freedom. The Lithuanian question should, in my opinion, be kept alive as long as the Lithuanian people are under Soviet subjugation.

SOVIET DEPORTATION OF LITHUANIANS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. BURKE] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BURKE of Massachusetts. Mr. Speaker, many unforgivable and unforgettable crimes were committed by the Soviet Union during the last war, and many more since the end of that war. But one of the most unprovoked attacks that the leaders of Communist Russia made early in that war, and one of the most heartless steps they took then was the way they destroyed the three small and independent republics in the Baltic area. Lithuania, Latvia, and Estonia as neighbors of the Soviet Union were harmless independent entities, wishing and praying to be allowed to live free. But under a ludicrous and preposterous charge that these republics were a threat to the Soviet Union's security, the governments of these countries were bullied to submit to the Soviet Government's dictates, which meant the end of Lithuanian, Latvian, and Estonian independence.

Early in June 1940, the Red army moved into Lithuania unopposed, and in a matter of days independent Lithuania was no more. Terror and oppression reigned everywhere. Thousands of innocent and patriotic Lithuanians were arrested and exiled to the interior of Soviet Russia. This manhunt continued for more than a year, until the number of exiled totaled more than 50,000. To this day hardly any of these have seen freedom, but in observing the anniversary of their arrest and deportation by the Soviet authorities we would like to have the people of Lithuania know that we have not forgotten their righteous cause and wholeheartedly sympathize with the lot of their unfortunate kinsmen in exile.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ROUSSELOT (at the request of Mr. HALLECK) for 5 days, on account of official business.

To Mr. TRIMBLE (at the request of Mr. MILLS) for today, on account of official business.

To Mr. MULTER, for the balance of the week, on account of a death in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. SIKES (at the request of Mr. GRAY) on Tuesday next, for 15 minutes.

Mr. KOWALSKI (at the request of Mr. GRAY) today, for 20 minutes, to revise and extend his remarks, and to include extraneous matter.

Mr. JARMAN, for 30 minutes on Tuesday next, June 20, 1961.

Mr. GOODELL (at the request of Mr. CAHILL) for 15 minutes on Monday, June 26.

Mr. ALGER (at the request of Mr. CAHILL) for 1 hour on Wednesday, June 21.

Mr. STEED, for 1 hour, on Monday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. DENT.

Mr. PHILBIN in two instances and to include extraneous matter.

Mr. ANDERSON of Illinois, immediately following his remarks in the Committee of the Whole today, and to include extraneous matter.

Mr. VAN ZANDT.

Mr. RABAUT.

Mr. PUCINSKI.

Mr. ANFUSO.

Mr. SIKES.

(The following Members (at the request of Mr. CAHILL) and to include extraneous matter:)

Mr. SCRANTON.

Mr. WIDNALL.

Mr. LIPSCOMB.

Mr. AYRES.

Mr. HALPERN.

Mr. WALLHAUSER.

Mr. SCHWENGEL.

(The following Members (at the request of Mr. McCORMACK) and to include extraneous matter:)

Mr. WILLIS.

Mr. DINGELL in two instances.

Mr. DANIELS.

Mr. RODINO.

Mr. FRIEDEL.

Mr. CORMAN.

Mr. ALFORD.

Mr. PETERSON.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 311. An act to authorize the acceptance by the Government of gifts to be used to reduce the public debt;

H.R. 1877. An act relating to the effective date of the qualification of Plumbers Union Local No. 12 Pension Fund as a qualified trust under section 401(a) of the Internal Revenue Code of 1954, and for other purposes;

H.R. 5000. An act to authorize certain construction at military installations, and for other purposes; and

H.R. 6094. An act to amend section 4 of the Employment Act of 1946.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 16 minutes p.m.), under its previous order, the House adjourned until Monday, June 19, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1036. A letter from the Secretary of the Treasury, transmitting a draft of a proposed bill entitled "A bill to amend title 14, United States Code, entitled 'Coast Guard,' to extend the application of certain laws relating to the military services to the Coast Guard for purposes of uniformity"; to the Committee on Merchant Marine and Fisheries.

1037. A letter from the Assistant Secretary of the Air Force, transmitting a draft of a proposed bill entitled "A bill for the relief of Mrs. Sharon Lee Harden"; to the Committee on the Judiciary.

1038. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 21, 1961, submitting a report, together with accompanying papers and an illustration, on a letter report on Chuckatuck Creek, Va., authorized by the River and Har-

bor Act, approved March 2, 1945; to the Committee on Public Works.

1039. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 20, 1961, submitting a report, together with accompanying papers and an illustration, on a letter report on Jones Creek, Isle of Wight County, Va., requested by a resolution of the Committee on Public Works House of Representatives, adopted September 27, 1951; to the Committee on Public Works.

1040. A letter from the Acting Secretary of the Air Force, transmitting a draft of a proposed bill entitled "A bill to improve the active duty promotion opportunity of Air Force officers from the grade of major to the grade of lieutenant colonel"; to the Committee on Armed Services.

1041. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 31, 1961, submitting a report, together with accompanying papers and illustrations, on an interim report on a hurricane survey of Narragansett Pier, Rhode Island, made in partial response to Public Law 71, 84th Congress, approved June 15, 1955 (H. Doc. No. 195); to the Committee on Public Works and ordered to be printed with two illustrations.

1042. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 15, 1961, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control study of New Jersey coast of Delaware Bay from Cape May Canal to Maurice River, prepared under the provisions of section 2 of the River and Harbor Act approved July 3, 1930, as amended and supplemented (H. Doc. No. 196); to the Committee on Public Works and ordered to be printed with eight illustrations.

1043. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 31, 1961, submitting a report, together with accompanying papers and illustrations, on a survey of Hilo Harbor, Hawaii. This investigation was made in response to an item in section 101 of the River and Harbor Act approved July 14, 1960 (title I, Public Law 86–645) which provides for an immediate study to be made of a seawall to protect against tidal waves and excessive high tides at Hilo Harbor, Hawaii. It is also in response to an item in the River and Harbor Act approved July 24, 1946, and in partial response to a resolution by the Committee on Public Works, House of Representatives, adopted May 9, 1957 (H. Doc. No. 197); to the Committee on Public Works and ordered to be printed with two illustrations.

1044. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to authorize the classification, segregation, lease, and sale of public land for urban, business, and occupancy sites, to repeal obsolete statutes, and for other purposes"; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HARRIS: Committee of conference. S. 610. An act to strengthen the domestic and foreign commerce of the United States by providing for the establishment of an Office of International Travel within the Department of Commerce and a Travel Advisory Board (Rept. No. 540). Ordered to be printed.

Mr. JAMES C. DAVIS: Committee on Post Office and Civil Service. H.R. 6141. A bill to amend the act of September 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the application and operation of such Act, and for other purposes; without amendment (Rept. No. 541). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. S. 576. An act to amend section 216 of the Merchant Marine Act, 1936, as amended, to clarify the status of the faculty and administrative staff at the U.S. Merchant Marine Academy, to establish suitable personnel policies for such personnel, and for other purposes; without amendment (Rept. No. 542). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H.R. 1182. A bill to create the Wyandotte National Wildlife Refuge; without amendment (Rept. No. 543). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H.R. 1452. A bill to authorize the sale of a portion of the former light station property in Scituate, Mass.; without amendment (Rept. No. 544). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H.R. 7391. A bill to promote the conservation of migratory waterfowl by the acquisition of wetlands and other essential waterfowl habitat, and for other purposes; without amendment (Rept. No. 545). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MILLS:

H.R. 7677. A bill to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act; to the Committee on Ways and Means.

By Mr. TEAGUE of California:

H.R. 7678. A bill to amend the Tariff Act of 1930 to provide for the free importation of wild animals and wild birds which are intended for exhibition in the United States; to the Committee on Ways and Means.

By Mr. COLLIER:

H.R. 7679. A bill to amend the Federal Aviation Act of 1958, as amended, to provide for all-charter certificates of public convenience and necessity; to the Committee on Interstate and Foreign Commerce.

By Mr. FARBSTEIN:

H.R. 7680. A bill to provide for the establishment of a Federal Advisory Council on the Arts to assist in the growth and development of the fine arts in the United States; to the Committee on Education and Labor.

H.R. 7681. A bill to establish a program of grants to States for the development of programs and projects in the arts, and for other purposes; to the Committee on Education and Labor.

By Mr. GOODELL:

H.R. 7682. A bill to amend section 5(1) of the Railroad Retirement Act of 1937 to provide benefits for children of deceased railroad employees who are over the age of 18 and below the age of 21 and are attending an educational institution as full-time students; to the Committee on Interstate and Foreign Commerce.

H.R. 7683. A bill to amend the Internal Revenue Code of 1954 so as to provide that lawful expenditures for legislative purposes shall be allowed as deductions from gross income; to the Committee on Ways and Means.

H.R. 7684. A bill to amend title II of the Social Security Act to provide that the child of an insured individual, after attaining age 18, may continue to receive child's insurance benefits until he attains age 21 if he is a full-time student; to the Committee on Ways and Means.

By Mr. HARRIS:

H.R. 7685. A bill to amend the Federal Trade Commission Act, as amended, so as to equalize rights in the distribution of merchandise identified by a trademark, brand, or trade name; to the Committee on Interstate and Foreign Commerce.

By Mr. KOWALSKI:

H.R. 7686. A bill to amend section 109 of title 38, United States Code, to provide medical care for certain veterans of armed forces allied or associated with the United States during World War I; to the Committee on Veterans' Affairs.

By Mr. MULTER:

H.R. 7687. A bill to fortify the antitrust policy of the United States against concentration of economic power and the use or abuse of that power to the detriment of the national economy by preventing manufacturers from financing the sales of their products; to the Committee on the Judiciary.

By Mr. RYAN:

H.R. 7688. A bill to authorize the Administrator of the Housing and Home Finance Agency to assist States and their political subdivisions in preserving open-space land in and around urban regions which, for economic, social, conservation, recreational, or esthetic reasons, is essential to the proper long-range development and welfare of the Nation's urban centers and their suburban and rural environs; to the Committee on Banking and Currency.

By Mr. ROBERTS:

H.R. 7689. A bill to amend the Civil Service Retirement Act to increase to 2½ percent the multiplication factor for determining annuities for certain Federal employees engaged in hazardous duties; to the Committee on Post Office and Civil Service.

By Mr. TEAGUE of Texas:

H.R. 7690. A bill to amend the Water Supply Act of 1958 to remove certain restrictions in that act; to the Committee on Public Works.

By Mr. CORBETT:

H.R. 7691. A bill to amend title 39 of the United States Code relating to funds received by the Post Office Department from payments for damage to personal property, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HERLONG:

H.R. 7692. A bill to amend the Tariff Act of 1930 to require certain new packages of imported articles to be marked to indicate the country of origin, and for other purposes; to the Committee on Ways and Means.

By Mr. MACK:

H.R. 7693. A bill to amend section 3 of title III of the District of Columbia Income and Franchise Tax Act of 1947 with respect to deductions for charitable contributions; to the Committee on the District of Columbia.

By Mr. MATTHEWS:

H.R. 7694. A bill to provide for a national hog cholera eradication program; to the Committee on Agriculture.

By Mr. MOORE:

H.R. 7695. A bill to require the Secretary of the Army to accept the donation of certain real property to be held and administered as a part of the national cemetery situated at Grafton, W. Va.; to the Committee on Interior and Insular Affairs.

By Mr. SIKES:

H.R. 7696. A bill to amend the act of July 2, 1948, to repeal that portion reserving to the United States the right to take

control of certain real property situated on Santa Rosa Island, Fla., during a national emergency, and for other purposes; to the Committee on Armed Services.

By Mr. VINSON:

H.R. 7697. A bill to improve the active duty promotion opportunity of Air Force officers from the grade of major to the grade of lieutenant colonel; to the Committee on Armed Services.

By Mr. ALFORD:

H.R. 7698. A bill to authorize a program of Federal financial assistance for education; to the Committee on Education and Labor.

By Mr. GOODELL:

H.R. 7699. A bill to provide financial assistance for States and local units of government for educational purposes by returning a portion of the Federal taxes collected on cigarettes to the States; to the Committee on Education and Labor.

By Mr. TEAGUE of Texas:

H.R. 7700. A bill to amend section 204 of the Career Compensation Act of 1949, as amended, to provide incentive pay for duty involving participation in space flight performed by members of the uniformed services, including training therefor; to the Committee on Armed Services.

By Mr. UDALL:

H.R. 7701. A bill to amend the Tariff Act of 1930, as amended, to provide for reimbursement of services performed at special places, and for other purposes; to the Committee on Ways and Means.

By Mrs. BLITCH:

H.R. 7702. A bill to provide for a national hog cholera eradication program; to the Committee on Agriculture.

By Mr. GRAY:

H.R. 7703. A bill to provide for the conveyance of the U.S. vessel *Mississippi* to the State of Illinois for the purpose of preserving such vessel as a museum of Mississippi River history; to the Committee on Government Operations.

By Mr. HORAN:

H.J. Res. 451. Joint resolution relating to Father's Day; to the Committee on the Judiciary.

By Mr. JOHNSON of Maryland:

H.J. Res. 452. Joint resolution to provide for the honorary designation of St. Francis Xavier Church, known as Old Bohemia, near Warwick, Md., as a national historic site; to the Committee on Interior and Insular Affairs.

By Mr. RHODES of Arizona:

H. Con. Res. 337. Concurrent resolution to place temporarily in the rotunda of the Capitol a statue of Eusebio Francisco Kino, and to hold ceremonies on such occasion; to the Committee on House Administration.

H. Con. Res. 338. Concurrent resolution accepting the statue of Eusebio Francisco Kino, presented by the State of Arizona, to be placed in Statuary Hall; to the Committee on House Administration.

H. Con. Res. 339. Concurrent resolution to provide for printing of proceedings in connection with the unveiling of the Eusebio Francisco Kino statue; to the Committee on House Administration.

By Mr. ADDABBO:

H. Res. 346. Resolution creating a select committee to conduct an investigation and study of the effects on surrounding communities of the operation of aircraft from airports situated in the United States; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H.R. 7704. A bill for the relief of Chyung Sang Bak; to the Committee on the Judiciary.

By Mr. COOK:

H.R. 7705. A bill for the relief of Mrs. Helen Matsis; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 7706. A bill for the relief of Rosa Remise; to the Committee on the Judiciary.

By Mr. HALPERN:

H.R. 7707. A bill for the relief of Andrew Telesfor Kostanecki; to the Committee on the Judiciary.

By Mr. PATMAN:

H.R. 7708. A bill for the relief of Mr. and Mrs. Gerald Beaver; to the Committee on the Judiciary.

By Mr. RAYBURN:

H.R. 7709. A bill to provide that certain real property donated by the Chamber of Commerce of Greenville, Tex., shall be reconveyed to that organization upon a determination that such real property is surplus to the needs of the United States; to the Committee on Government Operations.

By Mr. ROSTENKOWSKI:

H.R. 7710. A bill for the relief of Nicolo Campagna; to the Committee on the Judiciary.

By Mr. STAFFORD:

H.R. 7711. A bill for the relief of John K. Wu; to the Committee on the Judiciary.

By Mr. WALTER:

H.J. Res. 453. Joint resolution relating to deportation of certain aliens, to the Committee on the Judiciary.

SENATE

THURSDAY, JUNE 15, 1961

The Senate met at 11 o'clock a.m., and was called to order by the Vice President.

Rev. Joe Z. Tower, D.D., executive secretary of the Texas Conference, the Methodist Church, offered the following prayer:

Our Heavenly Father, we give Thee thanks for this great Nation. We thank Thee for our heritage, for the intrepid men who across the years have given their lives in war and in peace, that this Nation, under God, may lead the races of men out of the lowlands of despair to the mountain peaks of freedom. May we merit the love and respect of free people everywhere as we give to the world spiritual and economic leadership.

Bless, we pray Thee, this great deliberative body. May the decisions here made bring honor to our country and lasting peace to our world. May each Member of this body feel the tremendous responsibility of these decisive days. With the Man of God, may we remember that "righteousness exalteth a nation, but sin is a reproach to any people." Give us faith and courage as a nation to face up to the needs of this age.

These things we ask in the name of the Father and the Son and the Holy Spirit. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 14, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H.R. 2972) for the relief of Mrs. Cornelia Fales.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 929. An act to amend the Internal Revenue Code of 1954 to permit the prepaid dues income of certain membership organizations to be included in gross income for the taxable years to which the dues relate;

H.R. 2244. An act relating to the deduction for income tax purposes of contributions of charitable organizations whose sole purpose is making distributions to other charitable organizations, contributions to which by individuals are deductible within the 30-percent limitation of adjusted gross income;

H.R. 2585. An act relating to the credits against the employment tax in the case of certain successor employers;

H.R. 3668. An act to amend the Tariff Act of 1930 to authorize informal entries of merchandise where the aggregate value of the shipment does not exceed $400; and

H.R. 4449. An act to amend paragraph 1774 of the Tariff Act of 1930 with respect to the importation of certain articles for religious purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 311. An act to authorize the acceptance by the Government of gifts to be used to reduce the public debt;

H.R. 1877. An act relating to the effective date of the qualification of Plumbers Union Local No. 12 Pension Fund as a qualified trust under section 401(a) of the Internal Revenue Code of 1954, and for other purposes;

H.R. 5000. An act to authorize certain construction at military installations, and for other purposes; and

H.R. 6094. An act to amend section 4 of the Employment Act of 1946.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on Finance:

H.R. 929. An act to amend the Internal Revenue Code of 1954 to permit the prepaid dues income of certain membership organizations to be included in gross income for the taxable years to which the dues relate;

H.R. 2244. An act relating to the deduction for income tax purposes of contribu-

tions to charitable organizations whose sole purpose is making distributions to other charitable organizations, contributions to which by individuals are deductible within the 30-percent limitation of adjusted gross income;

H.R. 2585. An act relating to the credits against the employment tax in the case of certain successor employers;

H.R. 3668. An act to amend the Tariff Act of 1930 to authorize informal entries of merchandise where the aggregate value of the shipment does not exceed $400; and

H.R. 4449. An act to amend paragraph 1774 of the Tariff Act of 1930 with respect to the importation of certain articles for religious purposes.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

SCHEDULE FOR ADMINISTRATION OF OATH TO SENATOR-ELECT TOWER

Mr. MANSFIELD. Mr. President, after consultation with the distinguished minority leader and the Vice President, I wish to call to the attention of the Senate the fact that Senator-elect TOWER will be sworn in at 12 o'clock noon today.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the following committees and subcommittee were authorized to meet during the session of the Senate today:

The Post Office and Civil Service Committee.

The Internal Security Subcommittee of the Committee on the Judiciary.

The Committee on Finance.

The Committee on Interior and Insular Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were presented, and referred as indicated:

By Mr. KERR:

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Foreign Relations:

"ENROLLED HOUSE CONCURRENT RESOLUTION 555

"Concurrent resolution recommending that the President of the United States appoint the Honorable William K. Shibley 'Good-Will Ambassador Without Portfolio' to the Republic of Lebanon; directing that copies of this resolution be presented to said William K. Shibley and that copies be forwarded to the Honorable John F. Kennedy, the President of the United States, and to the members of the Oklahoma congressional delegation

"Whereas the Honorable William K. Shibley, of Bristow, Okla., has continuously represented the Third District of Creek County in eight sessions of the Oklahoma Legislature; and

"Whereas during these 16 years he has distinguished himself and the constituents who elected him by his outstanding ability, great sincerity and high integrity; and

"Whereas Mr. Shibley has a distinguished record of service in many areas of legislation and has consistently been the champion and father of legislation to protect the rights of the orphan children of this State; and

"Whereas Mr. Shibley has loyally and diligently carried out many assignments in the Democratic Party, including: (1) County chairman of the Democratic Party in Creek County; (2) State director of American Lebanese division of the national Democratic campaign committee; (4) district chairman of the Fourth District during two terms; and (4) State chairman of the Roosevelt-Wallace Clubs; and

"Whereas Mr. Shibley, although a native of Lebanon, through his dynamic love of his adopted country, his ardent citizenship and his unselfish devotion to the principles upon which this Nation was founded, has demonstrated his great patriotism; and

"Whereas he was signally honored by his native Republic of Lebanon during his visit in 1954 by having conferred upon him the coveted Order of the Cedar by President of the Republic, and having also received the highest medal of the Greek Orthodox Church, the grand commander; and

"Whereas Mr. Shibley is one of the founders of the League of Americanized Syrians known as the Cedar Club of Oklahoma; and

"Whereas a prior resolution by this legislature honoring Mr. Shibley and asking that he be appointed Ambassador Without Portfolio to the Republic of Lebanon was included in the CONGRESSIONAL RECORD for June 13, 1955, and, upon that occasion the Honorable TOM STEED, Congressman from the Fourth District, described Mr. Shibley as one * * * "who has achieved great success in life, both as a businessman and as a public servant * * *. I know of no man who holds our country in higher esteem or who gives it greater love. He is to be commended for the fine work he has done in helping to build among other nations a better and closer understanding of our country and its aims. I think his services could well be used in greater degree if our State Department availed itself of his services"; and

"Whereas despite an outstanding and busy career as one of Oklahoma's outstanding citizens, Mr. Shibley has found it possible to devote much valuable time to such organizations as the Boy Scouts of America, the Salvation Army, the Infantile Paralysis Committee, war bond drives and other civic activities too numerous to mention; and

"Whereas on December 23, 1958, the State highway commission honored Mr. Shibley by designating State Highway 27 between Bristow and Drumright (a distance of 20 miles) as the 'William K. Shibley Highway,' which action was in recognition for his untiring efforts in services to his constituents and to the State of Oklahoma; and

"Whereas the said William K. Shibley is a man of great ability and highest integrity who is possessed of much love for his adopted country and a true understanding in love for the country of his birth, whose every act is one of good will toward his fellow men: Now, therefore, be it

"*Resolved by the House of Representatives of the 28th Legislature of the State of Oklahoma (the Senate concurring therein)*, That this 28th Legislature of the State of Oklahoma does hereby recommend to the President of the United States that he appoint the Honorable William K. Shibley Good Will Ambassador Without Portfolio to the Republic of Lebanon, with the firm conviction that such an appointment and designation of our esteemed colleague and citizen will do much to cement the splendid relations already existing between two great countries; and be it further

"*Resolved*, That a duly authenticated copy of this resolution be presented to the Honorable William K. Shibley, and that copies be forwarded to the Honorable John F. Kennedy, the President of the United States, and to the members of the Oklahoma congressional delegation in Washington, D.C., as the means of conveying the sentiments and recommendation herein expressed.

"Adopted by the house of representatives the 5th day of June 1961.

"J. W. MCCARTY,
"*Speaker of the House of Representatives.*

"Adopted by the senate the 6th day of June 1961.

"EVERETT C. CANNON,
"*President pro Tempore of the Senate.*"

RESOLUTION OF RHODE ISLAND GENERAL ASSEMBLY

Mr. PASTORE. Mr. President, on behalf of my colleague, the junior Senator from Rhode Island [Mr. PELL], and myself, I present for appropriate reference a certified copy of Resolution H. 1820, entitled "Resolution memorializing the Congress of the United States to enact legislation for Federal aid to education," passed by the General Assembly of the State of Rhode Island at the January session.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and, under the rules, ordered to be printed in the RECORD, as follows:

H. 1820

Resolution memorializing the Congress of the United States to enact legislation for Federal aid to education

Whereas in this period of rapidly changing concepts, education is recognized as being a prime factor; and

Whereas with the increasing student enrollments in the various institutions of learning, it is becoming more difficult for the communities to meet the accompanying rise in costs: Now, therefore, be it

Resolved, That the General Assembly of the State of Rhode Island earnestly urges upon the Congress of the United States the passage of the bill for Federal aid to education, now pending in the Senate of the United States; and be it further

Resolved, That the secretary of state be and he is hereby authorized and directed to transmit duly certified copies of this resolution to the Senators and Representatives from Rhode Island in the Congress of the United States earnestly requesting that each use his best efforts to assure passage of the said bill and that the State of Rhode Island receive its just and proportionate share of said Federal aid.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 19. A bill for the relief of Mrs. Takimi Yamada (Rept. No. 395);

S. 231. A bill for the relief of Helga G. F. Koehler (Rept. No. 396);

S. 332. A bill for the relief of Franciszek Roszkowski (Rept. No. 397);

S. 1007. A bill for the relief of Sara Mishan (Rept. No. 398);

S. 1405. A bill for the relief of Aram Fayda and his wife, Elena Fayda (Rept. No. 399);

S. 1576. A bill for the relief of Wen Nong Wong (Rept. No. 400);

S. 1645. A bill for the relief of Clarinda da Veiga (Rept. No. 401);

S. 1785. A bill for the relief of Eduardo Giron Rodriguez (Rept. No. 402);

H.R. 1441. An act for the relief of certain aliens (Rept. No. 403);

H.R. 1642. An act for the relief of Mrs. Lilyan Robinson (Rept. No. 404);

H.R. 1677. An act for the relief of Elie Hara (Rept. No. 405);

H.R. 1710. An act for the relief of Narinder Singh Somal (Rept. No. 406);

H.R. 1717. An act for the relief of Angelo Li Destri (Rept. No. 407);

H.R. 1718. An act for the relief of Jaime E. Concepcion (Rept. No. 408);

H.R. 1860. An act for the relief of Jovenal Gornes Verano (Rept. No. 409);

H.R. 1888. An act for the relief of Tomislav Lazarevich (Rept. No. 410);

H.R. 2152. An act for the relief of Mrs. Francisca Hartman (Rept. No. 411);

H.R. 2351. An act for the relief of Hans Hangartner (Rept. No. 412);

H.R. 2671. An act for the relief of Giovanna Bonavita (Rept. No. 413);

H.R. 2991. An act for the relief of Joseph Maz (Rept. No. 414);

H.R. 3146. An act for the relief of Jozef Gromada (Rept. No. 415);

H.R. 4023. An act for the relief of Mieczyslaw Bajor (Rept. No. 416);

H.R. 4201. An act for the relief of Evangelia Kurtales (Rept. No. 417); and

H.R. 4482. An act for the relief of Urszula Sikora, Radoslav Vulin, and Desanka Vulin (Rept. No. 418);

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 1100. A bill for the relief of Sang Man Han (Rept. No. 419);

S. 1432. A bill for the relief of Shau Ying Lin, and her children, Gee Chek Lin, Gee Ming Lin, and Chi Fong Lin (Rept. No. 420); and

S. 1673. A bill for the relief of Blagoje Popadich (Rept. No. 421).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 491. A bill for the relief of Emmanuel P. Skamangas (Rept. No. 422); and

S. 1549. A bill for the relief of Nardina Cocuzza (Leonarda Cocuzza) (Rept. No. 423).

By Mr. RUSSELL, from the Committee on Appropriations, with amendments:

H.R. 7444. An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes (Rept. No. 394).

CORRECTION OF TECHNICAL INACCURACY IN PUBLIC LAW 87–36—REPORT OF A COMMITTEE

Mr. EASTLAND, from the Committee on the Judiciary, reported an original bill (S. 2083) to correct a technical inaccuracy in the act of May 19, 1961 (Public Law 87–36), which was read twice by its title and ordered to be placed on the calendar.

REORGANIZATION PLAN NO. 1 OF 1961, RELATING TO SECURITIES AND EXCHANGE COMMISSION—REPORT OF A COMMITTEE

Mr. McCLELLAN. Mr. President, from the Committee on Government Operations, I report, without recommendation, the resolution (S. Res. 148) opposing Reorganization Plan No. 1 of 1961, and I submit a report (No. 393) thereon.

The VICE PRESIDENT. The report will be received and printed, and the resolution will be placed on the calendar.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON, from the Joint Select Committee on the Disposition of Papers in the Executive Departments, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States, dated June 2, 1961, that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. BYRD of Virginia, from the Committee on Finance:

Joseph P. Kelly, of New York, to be collector of customs for Customs Collection District No. 10, with headquarters in New York, N.Y.; and

Dr. Ernest I. Murai, of Hawaii, to be collector of customs for Customs Collection District No. 32, with headquarters in Honolulu, Hawaii.

By Mr. EASTLAND, from the Committee on the Judiciary:

William H. Craig, Jr., of New Hampshire, to be U.S. attorney for the district of New Hampshire;

Joseph S. Lord III, of Pennsylvania, to be U.S. attorney for the eastern district of Pennsylvania;

Harry C. George, of Illinois, to be U.S. marshal for the eastern district of Illinois; and

Frank W. Cotner, of Pennsylvania, to be U.S. marshal for the middle district of Pennsylvania.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DIRKSEN:

S. 2081. A bill to provide for the establishment of a regional research center for rural redevelopment; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. DIRKSEN when he introduced the above bill, which appear under a separate heading.)

By Mr. YOUNG of North Dakota:

S. 2082. A bill to authorize the construction of an addition to the Federal Building at Minot, N. Dak., to provide an additional courtroom for the district court of the United States, and for other purposes; to the Committee on Public Works.

By Mr. EASTLAND:

S. 2083. A bill to correct a technical inaccuracy in the act of May 19, 1961 (Public Law 87–36); placed on the calendar.

(See reference to above bill when reported by Mr. EASTLAND, which appears under the heading "Reports of Committees.")

By Mr. McCARTHY:

S. 2084. A bill to provide for the establishment of a permanent program of additional unemployment compensation, to provide for equalization grants, to extend coverage of the unemployment compensation program, to establish Federal requirements with respect to the weekly benefit amount and limit the tax credits available to employers in a State which does not meet such requirements, to establish a Federal requirement prohibiting States from denying compensation to workers undergoing occupational training or retraining and deny tax credits to employers in a State which does not meet such requirement, to increase the wage base for the Federal unemployment tax, to increase the rate of the Federal unemployment tax, to establish a Federal additional compensation and equalization account in the unemployment trust fund, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. McCARTHY when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (by request):

S. 2085. A bill to amend section 511(h) of the Merchant Marine Act, 1936, as amended, in order to extend the time for commitment of construction reserve funds; to the Committee on Commerce.

By Mr. JACKSON:

S. 2086. A bill to authorize the Secretary of the Interior to determine that certain costs of operating and maintaining Banks Lake on the Columbia Basin project for recreation purposes are nonreimbursable; to the Committee on Interior and Insular Affairs.

By Mr. JACKSON (by request):

S. 2087. A bill to direct the Secretary of the Interior to convey certain lands and personal property to the State of Washington; and

S. 2088. A bill to amend section 17(a) of the Revised Organic Act of the Virgin Islands pertaining to the salary of the Government Comptroller; to the Committee on Interior and Insular Affairs.

By Mr. DOUGLAS:

S. 2089. A bill for the relief of Kam Ng; to the Committee on the Judiciary.

By Mr. JOHNSTON (by request):

S. 2090. A bill to authorize the Bureau of the Census to reimburse between its own appropriations;

S. 2091. A bill relating to age limits in connection with appointments to the U.S. Park Police; and

S. 2092. A bill to amend title 13 of the United States Code to provide for the collection and publication of foreign commerce and trade statistics, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MUNDT:

S. 2093. A bill to authorize the Secretary of Agriculture to macadamize a portion of road leading to the U.S. Department of Agriculture field station outside the town of Newell, S. Dak.; to the Committee on Public Works.

By Mr. COOPER:

S.J. Res. 104. Joint resolution placing certain individuals who served in the Armed Forces of the United States in the Moro Province, including Mindanao, and in the islands of Leyte, Luzon, and Samar after July 4, 1902, and their survivors, in the same status as those who served in the Armed Forces during the Philippine Insurrection and their survivors; to the Committee on Armed Services.

By Mr. YARBOROUGH (for himself, Mr. KEATING, and Mr. CLARK):

S.J. Res. 105. Joint resolution to provide protection for the golden eagle; to the Committee on Commerce.

(See the remarks of Mr. YARBOROUGH when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTION

COMMENDATION OF SENATOR MARGARET CHASE SMITH OF MAINE

Mr. DIRKSEN (for himself and Mr. MANSFIELD) submitted a resolution (S. Res. 162) commending MARGARET CHASE SMITH, of Maine, for her devotion to duty

as senior Senator from that State, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. DIRKSEN, which appears under a separate heading.)

REGIONAL RESEARCH CENTER FOR RURAL REDEVELOPMENT

Mr. DIRKSEN. Mr. President, I introduce, for appropriate reference, a bill to provide for the establishment of a Regional Research Center for Rural Redevelopment, at the University of Southern Illinois. In connection therewith, the university has developed a very considerable statement showing the benefits which will accrue from the establishment of such a center. I ask unanimous consent that the entire statement be printed at this point in the RECORD, in connection with my remarks.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 2081) to provide for the establishment of a Regional Research Center for Rural Redevelopment, introduced by Mr. DIRKSEN, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The statement presented by Mr. DIRKSEN is as follows:

THE CASE FOR A REGIONAL RESEARCH CENTER FOR RURAL REDEVELOPMENT AT SOUTHERN ILLINOIS UNIVERSITY

Due to the increased emphasis being placed on rural development, it would be opportune to establish at Southern Illinois University a Regional Research Center for Rural Redevelopment. Such a center can be established by the Secretary of Agriculture under broad powers given him for administration of research programs. Or, it could be established by congressional action in line with previous similar legislative acts. In the latter case, it could be attached as a rider to one of the agricultural bills.

A Research Center for Rural Redevelopment would concern itself with the problems of unemployment and underemployment in communities which are representative of the various types of local situations prevalent in the areas of low-production farms.[1] One of its important functions would be to prepare reliable data on the human, agricultural and other resources of these selected communities and the extent to which each resource is being utilized. Major efforts would be concentrated on the development and evaluation of programs designed to improve economic and social conditions in such communities.

Research at the center certainly would be concerned with the three major objectives of rural redevelopment programs. These are: (1) To improve total farm incomes and per capita farm incomes; (2) to develop new opportunities for off-farm employment in the manufacturing, distributing and service industries of the area; and (3) to assist local farmers and laborers to acquire new skills required for available job opportunities. The Agricultural Extension Service is charged with the function of providing rural residents with information necessary for the attainment of these objectives. The research work which ordinarily should underlie such extension information, however, has been extremely limited.

Study of methods of improving farm incomes would be directed toward peculiar problems of these areas of small farms with low production. Consequently the emphasis would be on the potentialities of labor-intensive enterprises in contrast to the labor-extensive enterprises of the more productive cornbelt regions. In the selected communities, research would involve the development and testing of optimum scales of operations for each existing and prospective farm enterprise on full-time commercial family-sized farms and on the part-time farms justified by local conditions. Studies would project the size of the local labor force which would be supported by various systems, or combinations of systems, of farming and, thusly, determine the amount of surplus labor resources in the area. Since many of the low production farming areas have extensive acreages of timber, farm woodlots and forests as sources of farm income should be given particular attention. Although extensive research work on large forest areas has been carried on, studies of the smaller wooded areas and the contribution they could make to the local economy have been quite limited.

In developing new opportunities for employment within an area, two different lines of attack are suggested for research. One is the more common approach of studying local natural resources, including farm production, with the intention not only of increasing production and utilization of these resources but also of bringing more of the processing of such production into the area. The processing of broilers in the local area, along with an acceleration of broiler production, is an example of this approach. Another case is the utilization of potential water storage basins and local coal deposits for the production of needed electrical energy so as to cheapen power sufficiently to attract certain types of industries. Since this phase of the rural development research aggregate is not entirely agricultural, the center should be authorized and directed to develop projects in cooperation with agencies having a more direct interest in nonagricultural phases of the total problem.

Too often, some important resources are overlooked in the quest for new jobs. For example, the low-production farm areas often have underdeveloped recreational resources which have a potential for employing large numbers of persons within the area. Some communities may have other unique opportunities for utilizing local skills or resources.

A second and less-commonly explored approach to the development of new opportunities is to gear the search for new industrial and service opportunities to the composition of the local labor force after an inventory of the present and potential labor force in the area has been made. If the potentially available employees are mainly high school graduates and persons over 40 years of age because the in-betweens have left the area, the types of jobs and industries planned for the area should be ones which can use, or even prefer, such persons. If the area has a large number of persons with clerical training or potentiality, firms providing some of the service functions such as insurance may be attracted to the area. It should be emphasized that this inventory of the local community should include nonfarm as well as farm residents.

One other approach to the solution of problems of rural adjustment is that of training or retraining the available labor force represented by underemployed and unemployed workers in the area. This presumes the assemblying and analysis of data on types of jobs and positions where labor shortages exist and the location of such jobs. It also requires the projection of this information into the future so as to anticipate needs. Finally, it involves a determination of persons willing to participate in training or retraining programs for such jobs and the types of training for which each person would best be suited.

This research which the center would carry forward should be the keystone to the success of rural development or area redevelopment. The Secretary of Agriculture through the Agricultural Extension Service is charged with the duty of providing to disadvantaged areas assistance of the following types: "(1) Intensive on-the-farm educational assistance to the farm family in appraising and resolving its problems; (2) assistance and counseling to local groups in appraising resources for capability of improvement in agriculture or introduction of industry designed to supplement farm income; (3) cooperation with other agencies and groups in furnishing all possible information as to existing employment opportunities, particularly to farm families having underemployed workers; and (4) in cases where the farm family, after analyiss of its opportunities and existing resources, finds it advisable to seek a new farming venture, the providing of information, advice, and counsel in connection with making such change." Other State and Federal agencies have responsibilities for providing information and for action programs to improve economic and social conditions in low-production farm areas. The newly created regional office of the Illinois State Department of Industrial Planning and Development is such a State agency. The emphasis so far has been on information and action. Unfortunately, these improvement programs so far have not been buttressed by similar provisions for research on problems of such areas which would provide a sound basis for the programs.

Southern Illinois University provides an ideal climate for the proposed center. Its community development institute and community development service have been working for years with communities, both rural and urban, in developing, evaluating, and modifying programs of rural and urban development with particular emphasis on industrial development. The division of technical and adult education, particularly through the vocational and technical institute, provides facilities and programs for training youth and adults for a wide range of technical and professional trades and vocations. The staff of the school of agriculture has extensive experience with farm management and production research, with marketing surveys and analyses, and with other phases of research which will provide bases for establishing programs to improve farm incomes. Other institutes at Southern Illinois University, particularly labor, small business, and transportation, can make contributions to research programs.

Also, many departments of other divisions of this university, such as geography, geology, accounting, management, marketing, sociology, and economics have staff and resources which may be called upon to answer specific questions. Lastly, but not least, the area services division can serve effectively within southern Illinois in cooperation with the Agricultural Extension Service to bring to citizens, both rural and urban, the results of research studies and to assist these citizens to develop their own area programs which will best attain the objectives outlined above.

The Federal Government has already established two research centers in Carbondale which can make substantial contributions to the research programs of the proposed Regional Research Center for Rural Redevelopment. One is the Forestry Research Center with a professional staff of 17 researchers. This center could direct its attention to

[1] For a desription of such areas and their locations, see USDA Agriculture Information Bulletin Nos. 108 and 234.

some of the production, marketing, and utilization problems of farm wooded areas by expanding its research in this area. The other is the small fruits station which is concerned with the breeding and management of small fruits which are a potential intensive farm enterprise in many low-production farm areas.

The State of Illinois has two research stations at Carbondale which are operated jointly by Southern Illinois University and the University of Illinois. One is an agronomy station and the other is concerned with all horticultural crops suitable for southern Illinois.

The center should be established to serve a region of similar rural redevelopment problems. The center at Carbondale would be capable to serving the low-production farm areas in the southern portions of Illinois, Indiana and Missouri; the northern portion of Arkansas; and the western sectors of Kentucky and Tennessee. In carrying out its functions, it should be authorized to work with Southern Illinoios University, the landgrant colleges of the above-mentioned States and such other Federal, State and private agencies of the area which can make a contribution to the solution of problems of area development in this region.

If such a center were established, the School of Agriculture at Southern proposes to redirect its research programs, insofar as possible, toward the solution of problems of rural redevelopment. Its agricultural economists, particularly, will devote their research activities to problems of farm management, marketing, processing and rural public facilities in such areas. Its animal, plant and forestry scientists will consider problems of prospective farm enterprises. By teamwork within the school and with the professional staff of the center, a coordinated and powerful attack on area roadblocks to redevelopment should be forthcoming.

The center at the outset should be envisioned as an institution which ultimately would provide for the low-production farm areas of the United States the same services as those performed by the Center for Agricultural Adjustment at Iowa State University for the more productive agricultural areas of the Corn Belt. Such a center might start relatively small and work itself into its broader functions as it develops. At the outset, the professional staff should cover at least four areas of inquiry with at least one researcher of Ph. D. level in each area. One top-level researcher should have training and experience in farm management with knowledge of intensive enterprises. Another should be capable of analyzing the potentialities of agricultural processing plants and the types and sizes of facilities required. A third should be able to study the labor resources of the area and to determine the most effective use of such resources. The fourth should be a rural sociologist who can study the social problems of adjustment and determine the more effective means for solving such problems within the areas studied. Adequate funds for financing graduate study should be provided. In addition to costs of secretarial and clerical employees, travel, equipment and supplies, funds should be available for financing a substantial number of cooperative projects at Southern Illinois University and at other universities within the region served. The initial budget is estimated as follows:

Salaries:	
Professional	$60,000
Secretarial and clerical	20,000
Stipends, graduate students	48,000
Student wages	12,000
Travel	5,000
Equipment and supplies	5,000
Grants for cooperative projects	100,000
	250,000

It should be emphasized that the establishment of the center in proximity to Southern Illinois University implies close cooperation between the center and the university. The university will expect to assist in the establishment and development of local facilities for the center and to participate in the cooperative research and development programs. It would expect, on the other hand, a readiness on the part of the center to reciprocate by participation in some of the instructional activities of the university. Cross-appointment between the university and the center of certain key research personnel should be an important objective of this program.

EMPLOYMENT SECURITY AMENDMENTS OF 1961

Mr. McCARTHY. Mr. President, I introduce, for appropriate reference, a bill to provide for the establishment of a permanent program of additional unemployment compensation, to provide for equalization grants, to extend coverage of the unemployment compensation program, to establish Federal requirements with respect to the weekly benefit amount and limit the tax credits available to employers in a State which does not meet such requirements, to establish a Federal requirement prohibiting States from denying compensation to workers undergoing occupational training or retraining and deny tax credits to employers in a State which does not meet such requirements, to increase the wage base for the Federal employment tax, to increase the rate of the Federal employment tax, to establish a Federal compensation and equalization account in the Unemployment Trust Fund, and for other purposes.

Mr. President, this is the administration bill, and I am pleased to introduce it in behalf of President Kennedy and his administration.

The value of the unemployment compensation provision of the Social Security Act of 1935 has been demonstrated clearly over the years. It has reduced the economic, social, and psychological stress of unemployment on the individual worker and his family. In times of economic recession it has been a means of maintaining purchasing power and stimulating recovery. In 1958 alone about $4 billion in benefits were paid to the 8 million citizens who suffered some unemployment in that recession year.

The unemployment compensation system takes its place along with the old-age and survivors insurance as one of the great social welfare achievements of the Roosevelt administration, but unfortunately changes and adjustments in the unemployment compensation system have not kept pace with changes in the economic order. This bill is designed to strengthen and improve our Federal-State system of unemployment insurance, to close some of the gaps which have developed over the years, and to provide more realistic benefits and financing. The enactment of this bill would bring about the most extensive revision in the system since its establishment.

In 1958 and again this year the Congress has been forced to pass temporary unemployment compensation measures to meet the emergencies which have arisen because basic reform of the system has been delayed. The prolonged and high rates of unemployment of the last two recessions showed the weaknesses of the system and have demonstrated, I believe, the necessity for the Congress to revise the system if we are to maintain the objectives for which the unemployment insurance program was established. This bill provides a basis for the careful study which the Congress should undertake to bring the program into line with the needs of citizens and the nature of our economic structure.

President Kennedy has long supported efforts to improve the unemployment insurance system. In 1958 he introduced in the Senate a bill to establish minimum Federal standards and to improve the system generally, and at the same time I introduced a companion bill in the House of Representatives. Again, in the 86th Congress, Senator Kennedy introduced a similar measure with 34 Senators joining him as sponsors.

No action was taken on these bills, but the Senate recognized the seriousness of the unemployment problem and at the end of the session in 1959 established a special Senate Committee on Unemployment Problems. This committee, of which I was chairman, held extensive hearings and made a number of studies on the causes and effects of unemployment and recommended a number of measures to deal with this serious and difficult problem. Unemployment today differs in many respects from the mass unemployment of the depression of the 1930's and the committee concluded that a variety of private and public measures are required to reduce unemployment and to alleviate its tragic personal and social effects.

The committee strongly recommended a revision of the Federal-State system of unemployment compensation. It pointed out the need for extended coverage, for increased benefits and for longer duration of benefits, and of the necessity for adjustment in the methods of financing the system. The committee report also stressed that unemployment is a national problem and that at some point there is a national responsibility to assist employers and the States to finance an extended program. It recommended a permanent federally financed, State administered system of 13 weeks of supplementary insurance benefits for the long-term unemployed who have exhausted benefits under State coverage.

The administration bill which I am introducing today incorporates many of the features of the bills introduced by Senator Kennedy and of the recommendations of the Senate Committee on Unemployment Problems, as well as other provisions designed to bring the unemployment compensation system into line with the needs of the times.

Mr. President, I ask unanimous consent that the bill lie on the table for 1 week so Members who desire to sponsor the bill may have an opportunity to do so.

I also ask unanimous consent that the bill and the statement of the adminis-

tration in explanation of the bill be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and statement of explanation will be printed in the RECORD, and the bill will lie on the desk, as requested by the Senator from Minnesota.

The bill (S. 2084) to provide for the establishment of a permanent program of additional unemployment compensation, to provide for equalization grants, to extend coverage of the unemployment compensation program, to establish Federal requirements with respect to the weekly benefit amount and limit the tax credits available to employers in a State which does not meet such requirements, to establish a Federal requirement prohibiting States from denying compensation to workers undergoing occupational training or retraining and deny tax credits to employers in a State which does not meet such requirement, to increase the wage base for the Federal unemployment tax, to increase the rate of the Federal unemployment tax, to establish a Federal additional compensation and equalization account in the Unemployment Trust Fund, and for other purposes, introduced by Mr. MCCARTHY, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Employment Security Amendments of 1961."

TITLE I—AMENDMENTS TO THE SOCIAL SECURITY ACT

SEC. 101. The Social Security Act is amended by adding after title XV thereof the following new title:

"TITLE XVI—FEDERAL ADDITIONAL UNEMPLOYMENT COMPENSATION PROGRAM

"PAYMENT OF COMPENSATION

"Eligibility

"SEC. 1601. (a) Additional unemployment compensation shall be payable for any week of unemployment which begins after June 30, 1962, or after the end of the calendar month following the month in which this title is enacted, whichever is later, to an individual—

(1) who, after March 31, 1962, has exhausted (within the meaning prescribed by the Secretary by regulation) all rights under the State law and title XV and who has no rights (or potential rights) to unemployment compensation with respect to such week under any such law or under any other Federal or State unemployment compensation law, and

"(2) who was entitled (whether or not he received them) to State or title XV benefits (regular and extended) for at least twenty-six weeks of total unemployment pursuant to any monetary determination or determinations with respect to his most recent benefit year, or if pursuant to such a determination or determinations he was entitled (whether or not he received them) to State or title XV benefits for less than twenty-six weeks of total unemployment, has subsequent to his most recent exhaustion of State or title XV benefits had weeks of total unemployment (or the equivalent thereof in weeks of partial unemployment) equal to the difference between the number of weeks to which he was entitled and twenty-six weeks of total unemployment; provided that for each such subsequent week of unemployment he is able to work, available for work and not disqualified under the provisions of the applicable State law or title XV, and

"(3) who has been regularly employed in covered employment for not less than seventy-eight weeks out of the period of one hundred and fifty-six consecutive weeks (or twelve consecutive completed calendar quarters) immediately preceding his most recent benefit year: *Provided, however,* That he was so employed in at least thirteen weeks in each of the three fifty-two week (or four completed calendar quarters) periods in the one hundred and fifty-six-week period.

"(b) Additional unemployment compensation shall be payable to other individuals who do not meet the requirements of paragraph (3) of subsection (a) but who are otherwise eligible under subsection (a) only under conditions prescribed in section 1602.

"During periods of high unemployment

"SEC. 1602. (a) Additional unemployment compensation shall be payable to individuals other than those described in paragraph (3) of section 1601(a) for each week of unemployment which begins (1) within an extended duration period, and (2) after an individual exhausted his rights if such exhaustion occurred on or after the first day of the six-calendar-month period immediately preceding the month in which an extended duration period begins.

"Extended duration period

"(b) An extended duration period is a period—

"(1) beginning on the day specified in a proclamation by the President after the Secretary determines (i) that the total number of final benefit payments made in all States for the preceding three-calendar-month period equalled or exceeded 1 per centum of covered employment in such States, and (ii) that the rate of insured unemployment (seasonally adjusted) for all States for each of the three calendar months constituting the aforementioned three-calendar-month period equalled or exceeded 5 per centum of covered employment in such States, and

"(2) ending—

"(A) on the day after the day on which the Secretary makes the first subsequent determination that the total number of final benefit payments made in all States for the preceding three-calendar-month period was less than 1 per centum of covered employment in such States, or

(B) on a date 90 days after the determination specified in subparagraph (A), in the case of an individual who had a week beginning before such determination (and on or after the day specified in paragraph (1)) with respect to which additional unemployment compensation was payable.

In no event shall an extended duration period begin before July 1, 1962, or the day after the end of the calendar month following the month in which this title is enacted, whichever is later.

"(c)(1) The Secretary shall make the determinations described in subsection (b)(1) and subsection (b)(2)(A) before the tenth day of each month with respect to the preceding 3-calendar-month period, except that no further determinations shall be made as to the beginning of an extended duration period pursuant to subsection (b)(1) in any calendar month which begins in such a period, and no determinations shall be made as to the ending of an extended duration period pursuant to subsection (b)(2)(A) in any month which does not begin in such a period.

(2) For the purpose of determinations under this section "final benefit payment" means the last regular benefit paid to an individual, with respect to a benefit year, because his rights to regular benefits for that year have expired, excluding, however, the last regular benefit paid to an individual because his benefit year terminated if because of such termination he did not receive the total amount of regular benefits to which he was entitled; "the rate of insured unemployment (seasonally adjusted)" for a given month means the average weekly number of covered workers during the month certifying to a week of unemployment, adjusted for seasonal variations and expressed as a percentage of covered employment; "covered employment" means the average monthly employment for employers subject to State laws during the first four of the last six complete calendar quarters preceding the quarter in which the Secretary's determination is made; and "covered workers" means workers in all States engaged in covered employment.

"Weekly benefit amount

"SEC. 1603. (a) The additional unemployment compensation payable to an individual under this title for a week of total unemployment shall be his regular weekly benefit amount under the State law or title XV under which he last exhausted his rights before making his claim, or first claim, as the case may be, for additional unemployment compensation for the current compensation period if he is claiming under section 1601(a) and the current extended duration period if he is claiming under section 1602. The additional unemployment compensation payable to an individual for a week of less than total unemployment shall be computed on the basis of such weekly benefit amount, except that in such computation, allowances for dependents shall be taken into account in the manner prescribed by the applicable State law with respect to such week of less than total unemployment.

"Maximum aggregate amount

"(b)(1) The maximum aggregate amount of additional unemployment compensation payable to any individual—

(i) in a single compensation period if he is claiming under section 1601(a), and

(ii) in a single extended duration period if he is claiming under section 1602

shall not exceed whichever of the following amounts is smaller: an amount equal to fifty per centum of the total amount of regular benefits (including allowances for dependents) which was payable to him for the benefit year with respect to which he last exhausted his rights before making a claim for additional unemployment compensation with respect to an applicable period, or an amount equal to thirteen times his regular weekly benefit amount for total unemployment.

"(2) For the purpose of this section an 'applicable period' means—

"(A) in the case of any individual with respect to whom additional unemployment compensation is payable without regard to whether an extended duration period is in effect, the current compensation period, or

"(B) in the case of any other individual as described in section 1602, the compensation period in which he last exhausted his rights before making his first claim with respect to an extended duration period.

"Application of State law

"(c) Except where inconsistent with the provisions of this title, the terms and conditions of the State law or title XV under which an individual most recently exhausted his rights shall be applicable to his claims for additional unemployment compensation and to the payment thereof.

"Limitation

"SEC. 1604. No additional unemployment compensation shall be payable to individuals in any State—

"(a) which has not been certified by the Secretary for grants under title III of the Social Security Act with respect to the

calendar quarter immediately preceding such calendar quarter in which additional unemployment compensation would otherwise be payable, or

"(b) the law of which has been found by the Secretary not to meet the requirements specified in section 3304 of the Federal Unemployment Tax Act and such finding has become effective in accordance with the provisions of such section.

"Agreements with States

"In General

"SEC. 1605. (a) The Secretary is authorized on behalf of the United States to enter into an agreement with a State, or with the agency administering the State law, under which such State agency will make, as agent of the United States, payments of additional unemployment compensation in accordance with this title, and will otherwise cooperate with the Secretary and with other State agencies in making payments of additional unemployment compensation under this title.

"Amendment, suspension, or termination of agreement

"(b) Each agreement under this title shall provide the terms and conditions upon which the agreement may be amended, suspended, or terminated.

"Training or retraining

"(c) Any agreement under this title shall provide that an individual who claims additional unemployment compensation for a week during which he is in training or retraining shall be paid such compensation, if such training or retraining (1) is approved by an appropriate accrediting agency, or, where none exists for such training or retraining, meets quality and supervision standards approved by the Secretary, and (2) is approved by the State agency as suitable for achieving the occupational objective of the individual, such suitability to be determined, by testing and counselling when appropriate, in accordance with procedures approved by the Secretary.

"Any such agreement shall provide also that additional unemployment compensation shall not be paid to an individual who refuses, without good cause, to attend such approved training or retraining to which he has been referred by the State agency.

"No denial or reduction of State Benefits

"(d) Any agreement under this title shall provide that regular benefits otherwise payable to any individual will not be denied or reduced for any week by reason of any right to additional unemployment compensation under this title.

"Review

"(e) Any determination by a State agency with respect to entitlement to additional unemployment compensation pursuant to an agreement under this title shall be subject to review in the same manner and to the same extent as determinations under the State law, and only in such manner and to such extent.

"Additional unemployment compensation in absence of State agreement

"In General

"SEC. 1606. (a) If an individual files a claim for additional unemployment compensation in a State with which there is no agreement under section 1605 which applies to the weeks of unemployment concerned, or in the case of an individual in the Virgin Islands who has exhausted his rights to title XV benefits (regular and extended), the Secretary, in accordance with regulations prescribed by him, shall make payments to the individual from the Federal additional compensation and equalization account in accordance with the provisions of sections 1601 and 1602 and such other provisions of this title as may be applicable.

"Utilization of Other Agencies

"(b) For the purposes of paying additional unemployment compensation to individuals in a State described in subsection (a), the Secretary may utilize the personnel and facilities of such Federal and State agencies as may be appropriate, and for the purpose of paying additional unemployment compensation to individuals who exhausted their rights to title XV benefits in the Virgin Islands, the Secretary may utilize the personnel and facilities of the agency in the Virgin Islands cooperating with the United States Employment Service under the Act of June 6, 1933 (29 U.S.C. 49 et seq.). The Secretary may delegate to the agencies described in this subsection any authority granted to him by this title whenever he determines such delegation to be necessary in carrying out the purposes of this title, and may allocate or transfer funds or otherwise pay or reimburse such agency for the total cost of expenses incurred in carrying out the purposes of this title.

"Review

"(c) Any individual referred to in subsection (a) whose claim for additional unemployment compensation has been denied shall be entitled to a fair hearing and review as provided in section 1503(c).

"Penalties

"False Statements, and So Forth

"SEC. 1607. (a) Whoever makes a false statement or representation of a material fact knowing it to be false, or knowingly fails to disclose a material fact, to obtain or increase for himself or for any other individual any payment under this title shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

"Recovery of Overpayments

"(b)(1) If a State agency of the Secretary, as the case may be, or a court of competent jurisdiction, finds that any person—

"(A) has made, or has caused to be made by another, a false statement or representation of a material fact knowing it to be false, or has knowingly failed, or caused another to fail, to disclose a material fact, and

"(B) as a result of such action has received any payment under this title to which he was not entitled,

such person shall be liable to repay such amount to the State agency or the Secretary, as the case may be. In lieu of requiring the repayment of any amount under this paragraph, the State agency or the Secretary, as the case may be, may recover such amount by deductions from any compensation payable to such person under this title. Any such finding by a State agency or the Secretary, as the case may be, may be made only after an opportunity for a fair hearing, subject to such further review as may be appropriate under sections 1605(e) and 1606(c).

"(2) Any amount repaid to a State agency under paragraph (1) shall be deposited into the fund from which payment was made. Any amount repaid to the Secretary under paragraph (1) shall be returned to the Treasury and credited to the current applicable appropriation, fund, or account from which payment was made.

"Information

"SEC. 1608. The agency administering the State law shall furnish to the Secretary such information as he may find necessary or appropriate in carrying out the provisions of this title.

"Payments to States

"Payment on Calendar Month Basis

"SEC. 1609. (a) There shall be paid to each State which has an agreement under this title, either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made upon the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency.

"Certification

"(b) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State which has an agreement under this title sums payable to such State under subsection (a). The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, from the Federal additional compensation and equalization account.

"Money To Be Used Only for Purposes for Which Paid

"(c) All money paid a State under this title shall be used solely for the purposes for which it is paid; and any money so paid which is not used for such purposes shall be returned, at the time specified in the agreement under this title, to the Treasury and credited to current applicable appropriations, funds, or accounts from which payments to States under this title may be made.

"Surety Bonds

"(d) An agreement under this title may require any officer or employee of the State certifying payments or disbursing funds pursuant to the agreement, or otherwise participating in its performance, to give a surety bond to the United States in such amount as the Secretary may deem necessary, and may provide for the payment of the cost of such bond from funds for carrying out the purposes of this title.

"Liability of Certifying Officers

"(e) No person designated pursuant to an agreement under this title as a certifying officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to the payment of any additional unemployment compensation certified by him under this title.

"Liability of Disbursing Officers

"(f) No disbursing officer shall, in the absense of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this title if it was based upon a voucher signed by a certifying officer designated as provided in subsection (e) of this section.

"Costs of Administration

"(g) For the purpose of payments made to a State under title III of the Social Security Act, administration by the State agency of such State pursuant to an agreement under this title shall be deemed to be a part of the administration of the State law.

"Regulations

"SEC. 1610. The Secretary is hereby authorized to make such rules and regulations as may be necessary to carry out the provisions of this title. Such regulations shall include regulations prescribing the method of computing an average weekly benefit amount where there is more than one weekly benefit amount payable in a period.

"Definitions

"SEC. 1611. For purposes of this title—

"(1) 'Additional unemployment compensation' means the additional unemployment compensation payable under this title.

"(2) 'Benefit year' means the benefit year as defined in the applicable State law, or if the applicable State law does not define a benefit year, then such term shall have the meaning prescribed by the Secretary.

"(3) 'Compensation period' means, in the case of any individual, the period beginning with the first day of the benefit year for such individual and ending on the day before the first day of the next benefit year for such individual.

"(4) 'Covered employment', except where specifically otherwise defined, means employment as defined in a State law performed for an employer subject to such law and Federal service as defined in title XV.

"(5) 'First claim' means the first request for determination of an individual's right to additional unemployment compensation in an extended duration period, without regard to whether or not any compensation is paid.

"(6) 'Regular benefits' means the unemployment compensation payable to an individual under title XV as determined by a State agency pursuant to an agreement with the Secretary, or by the Secretary, as the case may be, or under the State law as determined by the State agency, excluding any extended benefits payable under a State law or title XV only during periods of high unemployment.

"(7) 'Regular weekly benefit amount' means the amount of regular benefits, including dependents' allowances, payable weekly under the State law or title XV with respect to an individual's most recent benefit year.

"(8) 'Secretary' means the Secretary of Labor of the United States.

"(9) 'State' includes the District of Columbia and the Commonwealth of Puerto Rico.

"(10) 'State agency' means the agency of the State that administers its State law.

"(11) 'State Employment Service' means the agency in the State cooperating with the United States Employment Service under the Act of June 6, 1933 (29 U.S.C. 49 et seq.).

"(12) 'State law' means the unemployment compensation law of the State, approved by the Secretary under section 3304 of the Federal Unemployment Tax Act.

"(13) 'Title XV' means title XV of the Social Security Act.

"(14) 'Week', when used with respect to a week of unemployment, means a week as defined in the applicable State law."

SEC. 102. The Social Securtiy Act is amended by adding after title XVI thereof (added by section 101 of this Act), the following new title:

"TITLE XVII—EQUALIZATION GRANTS

"Qualifications and conditions

"SEC. 1701. Equalization grants shall be made to a State with respect to any calendar year after 1961 as provided in this section if—

"(1) the State law has been certified by the Secretary under section 3304(c) of the Internal Revenue Code, and

"(2) after December 31, 1963, the State law has been approved by the Secretary under section 3309(a) of the Internal Revenue Code, and certification has not been withheld under section 3309(d) of such Code, and

"(3) the head of the State agency (or the Governor of the State) applies therefor within sixty days after the calendar year for which the grant is requested, and the Secretary determines that the cost of unemployment compensation paid under the State law during the calendar year for which the grant is requested exceeded the greater of

"(A) two and seven-tenths per centum of wages subject to contributions under the State law, or

"(B) the nationwide ratio of unemployment compensation payments in all the States to the total wages subject to contributions under all State laws.

"For purposes of this section wages subject to the contributions provisions of State laws shall include only the first $3,000 paid a worker during each calendar year through 1963, and the first $4,800 paid a worker during each calendar year after 1963.

"Amount of grants

"SEC. 1702. The equalization grant to a State with respect to a calendar year shall equal two-thirds of the amount by which the unemployment compensation paid in the State in the calendar year exceeded the greater of (A) or (B) in section 1701.

"Payments

"Certification

"SEC. 1703. (a) The Secretary shall certify to the Secretary of the Treasury, no later than the June 30 following the calendar year, with respect to which the equalization grant is to be made, the amount determined under section 1702. The Secretary of the Treasury shall, prior to audit or settlement by the General Accounting Office, transfer from the Federal additional compensation and equalization account to the account of the State in the Unemployment Trust Fund the amount certified under this subsection by the Secretary.

"Money To Be Used Only for Purposes Paid

"(b) Amounts transferred to the account of a State pursuant to subsection (a) shall be used only for the payment of cash benefits to individuals with respect to their unemployment, exclusive of expenses of administration."

SEC. 103. Title IX of the Social Security Act is amended by adding after the words "under section 3304" in section 903(b)(1)(B) the words "or section 3309", and by adding at the end thereof the following new section:

"FEDERAL ADDITIONAL COMPENSATION AND EQUALIZATION ACCOUNT

"Establishment of account

"SEC. 906. (a) There is hereby established in the Unemployment Trust Fund a Federal additional compensation and equalization account. For the purposes provided for in section 904(e), such account shall be maintained as a separate book account. There are hereby authorized to be appropriated, without fiscal year limitation, such amounts as may be necessary to make the payments of additional unemployment compensation provided by title XVI, and the equalization grants authorized by title XVII. The amounts so appropriated shall be transferred from time to time to the Federal additional compensation and equalization account on the basis of estimates by the Secretary of the Treasury after consultation with the Secretary of Labor of the amounts required to make such payments. Amounts so transferred shall be repayable advances (without interest), except to the extent that such payments are used to make the payments of compensation provided by sections 1601, 1602, 1606 of title XVI to individuals by reason of the exhaustion of their rights under title XV. Such repayable advances shall be repaid by transfers, from the Federal additional compensation and equalization account to the general fund of the Treasury, at such times as the amount in the Federal additional compensation and equalization account is determined by the Secretary of the Treasury, in consultation with the Secretary of Labor, to be adequate for such purpose.

"Transfer from Employment Security Administration account

"(b) Beginning on January 1 of the fiscal year ending on June 30, 1965, and for each fiscal year thereafter, the Secretary of the Treasury shall transfer (as of the close of each month) from the Employment Security Administration account to the Federal additional compensation and equalization account an amount determined by him to equal 50 per centum of the amount by which—

"(1) transfers to the Employment Security Administration account pursuant to subsection (b)(2) of section 901 during such month, exceed

"(2) payments during such month from the Employment Security Administration account pursuant to subsections (b)(3) and (d) of section 901.

"If for any such month the payments referred to in paragraph (2) exceed the transfers referred to in paragraph (1), proper adjustments shall be made in the amounts subsequently transferred."

TITLE II—AMENDMENTS TO THE FEDERAL UNEMPLOYMENT TAX ACT IN THE INTERNAL REVENUE CODE OF 1954

Employers of one or more workers

SEC. 201. (a) Section 3306 of the Internal Revenue Code of 1954 is amended by striking out subsection (a).

(b) Section 3301 of the Internal Revenue Code of 1954 is amended by striking therefrom "(as defined in section 3306(a))".

Nonprofit organizations

SEC. 202. Paragraph (8) of section 3306(c) of the Internal Revenue Code of 1954 is amended to read as follows:

"(8)(A) service performed by a duly ordained, commissioned or licensed minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order; or

"(B) service performed in a sheltered workshop owned or operated by an organization described in section 501(c)(3) which is exempt from income tax under section 501(a) other than service performed by instructors, foremen, or other regular staff of the workshop. As used in this subparagraph the term 'sheltered workshop' means a facility conducted for the purpose (i) of carrying out a program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, or (ii) of providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market."

Employee

SEC. 203. Section 3306(i) of the Internal Revenue Code of 1954 is amended to read as follows:

"(i) EMPLOYEE.—For purposes of this chapter, the term 'employee' includes an officer of a corporation, an individual who is an employee under the usual common law rules applicable in determining the employer-employee relationship, and any other individual performing service for another unless it is established that—

"(A) such individual has been and will continue to be free from control and direction in connection with the performance of such service, both under his contract for the performance of service and in fact;

"(B) such service is performed either outside the usual course of the business for which the service is performed or is performed outside of all the places of business of the enterprise for which the service is performed; and

"(C) such individual is customarily engaged in an independently established trade, occupation, profession, or business of the same nature as that involved in the service performed."

Agricultural labor

SEC. 204. Section 3306 of the Internal Revenue Code of 1954 is amended by—

(a) deleting subsection (k), and

(b) substituting for the words "subsection (k)" in the parenthetical phrase in paragraph (1) of subsection (c) the words "section 3121(g)".

Maritime employers

SEC 205. (a) Subsection (a)(1) of section 3302 of the Internal Revenue Code of 1954 is amended by inserting the following clause at

the beginning of the first sentence: "(1) Except as provided in subsection (f) of section 3305".

(b) Subsection (f) of section 3305 of the Internal Revenue Code of 1954 is amended by changing the period at the end thereof to a colon and by adding thereafter the following: *"Provided,* That such person shall not be entitled to the credit permitted by section 3302 against the tax imposed by section 3301 with respect to the amount of contributions paid by him into the unemployment fund maintained under the unemployment compensation law of a State if on December 31st of any taxable year after 1963 the Secretary of Labor certifies to the Secretary his finding, after reasonable notice and opportunity for hearing to the State agency, that the unemployment compensation law of such State is inconsistent with any one or more of the conditions set forth in this subsection or that the State has failed substantially to comply with any such condition or conditions with respect to the taxable year."

Definition of wages

SEC. 206. Section 3306(b) is amended by deleting therefrom the amount "$3,000" whereever it appears and substituting therefor the amount "$4,800".

Increase in rate of tax

Increased Tax

SEC. 207. (a) Section 3301 of the Internal Revenue Code (relating to the rate of the Federal unemployment tax) is amended by striking out the last sentence thereof and inserting in lieu thereof the following: "In the case of wages paid during the calendar year 1962 and the calendar years thereafter, the rate of such tax shall be 3.5 percent."

No Change in Credits

(b) Section 3302(d)(1) of such Code (relating to credits against tax) is amended to read as follows:

"(1) RATE OF TAX DEEMED TO BE 3 PERCENT.—In applying subsection (c), the tax imposed by section 3301 shall be computed at the rate of 3 percent in lieu of 3.1 percent, or in the case of the tax imposed with respect to calendar years 1962 and thereafter, in lieu of 3.5 percent."

Benefit requirements

SEC. 208. The Internal Revenue Code of 1954 is hereby amended by renumbering present section 3309 as section 3310 and inserting a new section 3309 as follows:

"SEC. 3309. (a) REQUIREMENTS.—The Secretary of Labor shall approve any State law submitted to him within 30 days of such submission, which he finds provides that—

"(1) with respect to benefit years beginning on or after January 1, 1964, the weekly benefit amount payable to any individual for a week of total unemployment shall be (A) the maximum compensation payable with respect to such a week under such law, or (B) an amount (exclusive of allowances with respect to dependents) equal to at least one-half of such individual's average weekly wage as determined by the State agency, whichever is the lesser;

"(2) the maximum weekly benefit amount payable to any individual for a week of total unemployment shall be an amount equal to at least the following percentages of the statewide average weekly wage:

"(A) 50% for benefit years beginning during 1964 and 1965,

"(B) 60% for benefit years beginning during 1966 and 1967,

"(C) 66⅔% for benefit years beginning January 1, 1968, and thereafter.

Any weekly benefit amount payable under a State law may be rounded to an even dollar amount in accordance with such State law.

"(b) DEFINITIONS—

"(1) 'Benefit year' means a period not to exceed one year beginning subsequent to the end of an individual's base period with respect to which the limitation of maximum duration of benefits is applicable.

"(2) 'Base period' means a period of not less than 52 consecutive weeks or 4 consecutive calendar quarters ending not earlier than 6 months prior to the beginning of an individual's benefit year.

"(3) 'Highquarter wages' means the amount of wages for services performed in employment covered under the State law paid to an individual in that quarter of his base period in which such wages were highest, irrespective of the limitation on the amount of wages subject to contributions under such State law.

"(4) 'Individual's average weekly wage' means an amount computed in accordance with the State law equal to not less than (A) one-thirteenth of an individual's highquarter wages, or (B) the amount obtained by dividing the total amount of wages (irrespective of the limitation on the amount of wages subject to contributions under the State law) paid to such individual during his base period by the number of weeks in which he performed services in employment covered under such law during such period.

"(5) 'Statewide average weekly wage' means the amount computed by the State agency at least once each year on the basis of the aggregate amount of wages, irrespective of the limitation on the amount of wages subject to contributions under such State law, reported by employers as paid for services covered under a State unemployment compensation law during the period of the first 4 of the last 6 completed calendar quarters prior to the date of the computation, divided by a figure representing 52 times the 12-month average of the number of employees in the pay period ending nearest the 15th day of each month during the same 4 calendar quarters, as reported by such employers.

"(6) 'Week of total unemployment' means a week in which an individual performs no services and with respect to which no wages are payable to him.

"(c) NOTIFICATION.—The Secretary of Labor shall, upon approving such law, notify the Governor of the State of his approval.

"(d) CERTIFICATION.—On December 31, 1964 and on December 31 of each taxable year thereafter the Secretary of Labor shall certify to the Secretary each State whose law he has previously approved, except that he shall not certify any such State which, after reasonable notice and opportunity for hearing to the State agency, the Secretary of Labor finds has changed its law so that it no longer contains the provisions specified in subsection (a) or has with respect to such taxable year failed to comply substantially with any such State law provision. For any State which is not certified under this subsection the Secretary of Labor shall on December 31 of taxable year 1964 and on December 31 of each taxable year thereafter notify the Secretary of the total credit allowable to taxpayers subject to the unemployment compensation law of each such State pursuant to section 3302(c)(2).

"(e) NOTICE TO GOVERNOR OF NONCERTIFICATION.—If at any time during the taxable year the Secretary of Labor has reason to believe that a State whose law he has previously approved may not be certified under subsection (d), he shall promptly so notify the Governor of such State."

No denial of compensation during training

SEC. 209. Section 3304(a) is amended by adding at the end thereof the following new paragraph:

"(7) compensation shall not be denied in such State to an otherwise eligible individual for any week during which he is attending a training or retraining course with the approval of the State agency; and such individual shall not be deemed to be not otherwise eligible for any such week by reason of any availability or active search for work requirement of the State law or by reason of his having refused to accept work."

Limitation on credit against tax

SEC. 210. (a) Section 3302(c) is amended by renumbering paragraphs (2) and (3) as paragraphs (3) and (4), respectively, and by inserting a new paragraph (2) as follows:

"If the unemployment compensation law of a State has not been certified for a taxable year pursuant to section 3309(d), then the total credits (after applying subsections (a) and (b) and paragraph (1) of this subsection) otherwise allowable under this section for the taxable year in the case of a taxpayer subject to the unemployment compensation law of such State shall be reduced from 90% to the percentage of the Federal unemployment tax (3%) represented by the 4-year benefit cost rate applicable to such State for such taxable year."

(b) Section 3302(c)(4)(C)(1) is amended by substituting the term "4-year" for the term "5-year".

(c) The heading for paragraph (5) of subsection (d) is revised to read "4-year Benefit Cost Rate", and the paragraph is amended to read:

"For purposes of subsection (c)(2) and subparagraph (C) of subsection (c)(4), the 4-year benefit cost rate applicable to any State for any taxable year is that percentage obtained by dividing—

"(A) one-fourth of the total compensation paid under the State unemployment compensation law during the 4-year period ending at the close of the first calendar year preceding such taxable year, by

"(B) the total of the remuneration subject to contributions in the State law with respect to the first calendar year preceding such taxable year. 'Remuneration' for the purpose of this subparagraph shall include remuneration with respect to employment paid to an individual by an employer during any calendar year up to $4,800; provided, however, that the Secretary of Labor shall for States for which it is necessary estimate the remuneration with respect to the first calendar year preceding taxable year 1964."

Effective dates

SEC. 211. The amendments made by title II of this Act shall apply with respect to remuneration paid after 1963 for services performed after 1963, except that the amendments made by sections 205, 208, 209, and 210 shall be effective January 1, 1964.

The statement of explanation presented by Mr. MCCARTHY is as follows:

STATEMENT IN EXPLANATION OF S. 2084

(A draft bill to provide for the establishment of a permanent program of additional unemployment compensation, to provide for equalization grants, to extend coverage of the unemployment compensation program, to establish Federal requirements with respect to the weekly benefit amount and limit the tax credits available to employers in a State which does not meet such requirements, to establish a Federal requirement prohibiting States from denying compensation to workers undergoing occupational training or retraining and deny tax credits to employers in a State which does not meet such requirement, to increase the wage base for the Federal unemployment tax, to increase the rate of the Federal unemployment tax, to establish a Federal additional compensation and equalization account in the unemployment trust fund, and for other purposes)

This draft bill contains two titles.

Title I would amend the Social Security Act by establishing new titles XVI and XVII and by amending present title IX. Title XVI would establish a permanent national program of additional unemployment compensation for unemployed workers who

have exhausted the benefit rights provided for them by State law and title XV of the Social Security Act. Title XVII would provide for equalization grants to States with heavy unemployment. Title IX of the Social Security Act would be amended to establish a new Federal additional compensation and equalization account in the unemployment trust fund and to make other necessary changes.

Title II would amend the Federal Unemployment Tax Act by extending coverage of the unemployment compensation system to more than 3 million workers, by providing for the enforcement of the conditions under which maritime workers may be covered by States, by reducing tax credits for employers in States which do not meet the Federal requirements with respect to benefit amount, by denying tax credits to employers in States which deny benefits to workers who are taking approved training, by increasing to $4,800 the wage base for the Federal unemployment tax, and by continuing the increased rate of the Federal unemployment tax effective for taxable years 1962 and 1963.

TITLE I

Amendments to the Social Security Act

A new title XVI in the Social Security Act would be established by title I of this bill. The purpose of title XVI is to provide a self-supporting program of additional unemployment compensation for weeks of unemployment beginning after June 30, 1962, or after the end of the calendar month following the month in which this title is enacted, whichever is later, to the unemployed whose entitlement to State or title XV benefits plus weeks of unemployment after exhaustion of such entitlement have been the equivalent of 26 weeks of total unemployment since the beginning of their current compensation period, and who exhausted their benefit rights under State and Federal unemployment compensation laws after March 31, 1962. Thus, the additional unemployment compensation program would commence immediately following the program established by the Temporary Extended Unemployment Compensation Act of 1961.

The additional unemployment compensation provided in title XVI would be payable in nonrecession and recession periods to workers with substantial past attachment to the covered labor force. To other workers, however, such additional unemployment compensation would be payable only in a recession period (as determined by the Secretary), upon proclamation of the President.

The additional compensation in both recession and nonrecession periods would be payable only to an individual who has exhausted his State or title XV benefits, and has been entitled to at least 26 weeks of State or title XV benefits, or if he has been entitled to a lesser duration, has been unemployed since his exhaustion of benefits long enough for the combination of benefit weeks to which he was entitled and weeks of unployment to total 26. For this purpose, an individual who exhausts his State or title XV benefits will be considered to have been entitled to benefits for the number of weeks specified in the monetary determination or determinations with respect to his most recent benefit year. Thus a worker entitled to State benefits of 26 times his weekly benefit amount could immediately after his exhaustion of State benefits (whether or not he actually received benefits for 26 weeks) become eligible for additional benefits. A worker entitled to State or title XV benefits of less than 26 times his weekly benefit amount, however, would need an uncompensated period of unemployment after exhaustion of his State or title XV entitlement before he could be eligible for additional benefits equal to the difference between his State or title XV entitlement and 26 weeks of total unemployment. For example, a worker entitled to State benefits of 20 times his weekly benefit amount would need the equivalent of 6 more weeks of total unemployment after he exhausted his State entitlement before he could become eligible for additional benefits. The general effect of this provision is to restrict the Federal compensation to the long-term unemployed, without limiting the program's application to workers in States which provide 26 or more weeks of benefits. Long-term unemployment is a national problem which should be financed on a nationwide basis.

The maximum amount of additional compensation payable under the bill with respect to a single compensation period, or for individuals claiming under section 1602 with respect to a single extended duration period, would not exceed the lesser of the following amounts: (1) 50 percent of the amount of the individual's regular benefits under State law or title XV for the compensation period in which he last exhausted his benefit rights, or (2) 13 times his regular weekly benefit amount. Thus in States which provide 26 or more weeks' duration of regular benefits, those who exhaust State benefits would be entitled to additional compensation of 13 weeks of total unemployment under the Federal program. Workers who receive State benefits for a shorter duration would receive less in Federal compensation.

While the maximum duration of the additional compensation is limited, no overall limitation on total Federal and State compensation with respect to a compensation period is provided. Some States provide benefits in excess of 26 weeks and should not be discouraged from doing so, if in their judgment their economies require a longer normal duration.

For workers entitled to State or title XV benefits of less than 26 weeks, the bill provides that they would certify to their unemployment during the remainder of the period prior to eligibility for additional compensation in accordance with regulations prescribed by the Secretary. To be counted for this purpose, weeks should be weeks for which the claimant could have received benefits if he had been entitled to 26 weeks of State benefits; that is, he should be able to work, available for work and free from disqualification. Weeks of partial unemployment should be accumulated toward the 26 weeks, as they would have been under the State law. The Secretary's regulations would cover the manner in which individuals would establish the fact that they had been unemployed, able to work and available for work and otherwise not disqualified during the weeks between exhaustion of State or title XV benefits and eligibility for additional benefits.

Additional unemployment compensation would be payable at the same weekly amount for total unemployment as the individual received under the State law or title XV under which he last exhausted his rights before he filed a claim for the current compensation period (or for individuals claiming under sec. 1602, the current extended duration period).

Under new title XVI additional compensation would be payable to individuals with a record of long attachment to the labor force during nonrecession as well as recession periods.

To qualify for additional compensation during nonrecession periods, the bill requires an individual to have been regularly employed in covered employment in each of at least 78 weeks during the 156 consecutive-week period, or during the 12 consecutive completed calendar quarters, immediately preceding his most recent benefit year and to have been so employed in at least 13 weeks of each year of such period. The 78-weeks-of-employment requirement is imposed to insure that extended compensation for the persistently unemployed is made available only to those with such evidence of continued past attachment to the labor force as to present little doubt that they have been earning their living for some years by work in covered employment.

The bill does not specify a test of regular employment. In order to permit flexibility in regard to such a test, it is believed that this matter should be provided for in regulations of the Secretary. Regular employment in a week might be determined on the basis of hours or days of work or amounts of wages. A week of less than full-time earnings or employment would be sufficient for this purpose, as it is now in the case of all State laws which determine entitlement to benefits on the basis of weeks of employment.

The need for providing additional protection for workers with long-term employment records who are experiencing prolonged unemployment is evidenced by the impact of industrial change in our dynamic economy on workers with long records of regular employment in basic industries. That this problem is not confined to recession periods is indicated by the fact that more than 1 million claimants exhausted their benefit rights in nonrecession years such as 1955. In 1960, more than one-third of all claimants in 11 States used up their benefit rights before finding work. More than one-fifth did so in States providing 26 weeks of duration to most or all claimants, such as Ohio, Pennsylvania, and Vermont. Between the 1958 and 1961 recessions, the number of unemployed out of work for more than 15 weeks never dropped below 700,000.

Employment opportunities have declined markedly in many industries which formerly provided steady work at good wages and a secure future for millions of American workers. To list steel, textile, automobile and aircraft manufacturing, coal mining and railroad transportation, for example, illustrates situations where technical advance and productivity gains have made it possible to obtain greater production with a smaller work force from year to year. In many centers of these industries, abandonment of older plants, or shifts in methods have caused the discharge of workers with long employment records, despite the protection of seniority rules. Rapid technological changes including those resulting from automation may well displace over a million workers per year at present production rates in this decade.

Displaced semiskilled and unskilled older workers remain out of work longer because they do not generally have the education and ready adaptability to perform the increasingly technical jobs called for by the growing industries which need more manpower. The faster growing trade, service, and research industries demand different skills and abilities than are possessed by displaced miners and factory hands and railroad workers. And where such workers are located in areas which have a persistent excess of job seeks over job opportunities leading to prolonged unemployment of even the younger skilled workers, the situation of the older, unskilled, and less-educated, although long-experienced workers, strikingly calls for longer unemployment insurance protection.

In their causes and effects, these problems are national in character and involve a national responsibility. A variety of measures to stimulate employment opportunities and to improve the skills of the work force are required to meet this responsibility. Unemployment insurance is the principal program for mitigating the hardships attendant upon unemployment by maintaining the income of unemployed workers and by keeping up the purchasing power of the community. In spite of the need for strengthening some aspects of the program, unemployment insurance has long proved its basic worth. Operations are quickly and automatically responsive to changes in economic

conditions. In general, however, the program now does not provide protection for unemployment which lasts more than 6 months.

In view of the difficulty which many workers with long employment records are encountering and will encounter in securing new employment after they have been laid off, it seems clear that income maintenance for more than 6 months must be considered as an important feature of such an overall program. The Congress has already recognized this need for longer unemployment insurance protection in the case of railroad workers. A Federal program to provide extended duration for other workers with long work experience is fully warranted and would be provided through the additional unemployment compensation provided in the bill.

During recession periods additional unemployment compensation would be payable to individuals who exhaust their State or title XV rights and have no further rights under any other State or Federal law, and whose weeks of State or title XV entitlement plus subsequent weeks of (total or partial) unemployment total the equivalent of 26 weeks of total unemployment, whether or not these individuals qualify under the test of substantial past attachment to the labor force required in nonrecession periods. Such additional unemployment compensation would be payable for any extended duration period beginning after June 30, 1962, to individuals who have exhausted their State or title XV benefits within the 6-calendar-month period preceding the month in which an extended duration period begins and after March 30, 1962. An extended duration period is a period beginning on the day specified in a proclamation of the President after the Secretary of Labor determines that the following two conditions obtain: (1) The total number of claimants throughout the country who have exhausted their regular State benefits during the 3 preceding calendar months equals or exceeds 1 percent of the total number of workers covered by State laws (such 1 percent is at present about 400,000); and (2) the average weekly number of covered workers certifying to a week of unemployment during each of these 3 months adjusted for seasonal variation and expressed as a percentage of covered employment in all States equals or exceeds 5 percent.

The beginning of this program is made subject to Presidential discretion to assure that it is not triggered when there is not sufficient need, as for example, at the bottom of a moderate recession with a fast recovery expected. The period would end on the day following the Secretary's determination that the total number of exhaustions of regular State benefits during the 3 preceding consecutive calendar months was less than 1 percent of all covered workers, except that payments would continue for weeks of unemployment beginning no later than 90 days following the the Secretary's determination to individuals with respect to whom additional unemployment compensation was payable for weeks beginning prior to the Secretary's determination.

The number of exhaustions is a good test as to whether additional benefits are needed. However, it is necessary to apply the test over several months, since exhaustions may rise in a single month without unemployment having increased seriously. In order to be sure that a recession period exists, the rate of insured unemployment over a period of several months also assures that the increase in unemployment is not so temporary as not to justify paying additional benefits. On the other hand, the rate of insured unemployment is not a good indication that recessional conditions have ceased, since one reason for a decrease in insured unemployment may be that there has been a rise in the number of persons who have exhausted regular unemployment benefits.

With the Temporary Unemployment Compensation Act of 1958 and the Temporary Extended Unemployment Compensation Act of 1961, the Federal Government has twice acknowledged its responsibility to extend unemployment insurance payments beyond the benefit duration provided by State programs during recession periods.

Since the end of World War II, the Nation has experienced four recessions, 1949–50, 1953–54, 1957–58, and 1960–61. Cyclical unemployment of serious proportions has become one of the principal problems challenging our economic growth. Extensions of unemployment compensation at such times would be best provided by a permanent standby program. A permanent program of this type would eliminate the need for establishing temporary ad hoc measures.

Employment conditions since the beginning of 1961 indicate that the long-duration unemployment which we are experiencing would have made such a program as that proposed available from January 1 of the present year. The seasonally adjusted national rate of insured unemployment has exceeded 5 percent since August 1960. Exhaustions of benefit rights of the volume required for starting the program began with October 1960 and remained above this level through December.

Payments of additional unemployment compensation under this title, both in recession and nonrecession periods, would be made by the States under the terms of agreements with the Secretary of Labor entered into for this purpose. Such agreements would be similar to those which have been entered into under title XV of the Social Security Act and under the present Temporary Extended Unemployment Compensation Act. In general, the agreements would provide that payments be made subject to the terms and conditions of the various State laws. In the absence of an agreement with a State, the bill provides for the Federal Government to make payments of additional unemployment compensation. This provision is similar to one appearing in title XV of the Social Security Act.

The bill also provides, as a complement to other measures designed to encourage and facilitate a broadening of retraining opportunities for workers who will thus be aided in finding jobs, that a claimant will be paid compensation for a week during which he is in training or retraining that has been approved by appropriate agencies. The training or retraining would be approved by an accrediting agency, or if there is none for the particular training or retraining, such training or retraining would have to meet quality and supervision standards approved by the Secretary. The training or retraining would be approved also by the State employment security agency as suitable for achieving the occupational objective of the individual after testing and counseling when appropriate. Many workers experiencing prolonged unemployment, and entitled to additional unemployment compensation under the bill, will be able to find work much more readily if they undertake approved training or retraining. Thus, there would seem to be justification for denying additional compensation to an individual who refuses, without good cause, to attend such approved training or retraining.

Equalization grants

Section 102 of the bill would add a new title XVII to the Social Security Act to provide for an equalization grants program under which the Federal Government would underwrite two-thirds of the benefit costs in excess of a specified level in each State which meets the requirements of the Federal Unemployment Tax Act, including the benefit requirements added by section 208 of this bill. During non-recession years, the Federal Government would finance two-thirds of the benefit costs in each State in excess of 2.7 percent of taxable wages. In those years during which the national average benefit cost rate exceeds 2.7 percent of taxable wages, the Federal Government would finance two-thirds of the costs of benefits in any State whose benefit cost rate exceeds this national average cost rate.

Although differences in benefit costs from State to State may be due partly to differences in benefit formulas, the primary influence is the incidence of unemployment over which there appears to be little control. Experience indicates that the rate of insured unemployment and benefit costs vary widely from State to State. Benefit cost levels have been increasing in recent years as a result of changes in labor force characteristics and industrial technology. These changes are expected to continue and to further increase benefit costs.

At present, a State with higher than average unemployment can have higher than average unemployment taxes, or it can keep its costs down by providing inadequate benefits. The higher tax rate may discourage industry, and thus increase the unemployment problem. The inadequate benefits are more serious in a situation of high unemployment that at other times, since they affect more people and for longer periods. Under section 208 of this bill, the Federal Government would establish a level of benefit adequacy for all States to meet. To enable States to meet these benefit expenditures without too much hardship on their employers, the bill proposes that a State which meets the Federal benefit requirements will receive Federal assistance in paying benefit costs which exceed either 2.7 percent of taxable payroll or the national average rate, whichever is higher. States which do not provide benefits equal to the Federal requirements will not be eligible for equalization grants.

The equalization grants are limited to two-thirds of the State costs in excess of the specified level. Because the remaining third must be paid by the State, the State will have a financial interest in assuring that benefits are not excessive.

There are practical limits to the extent to which an individual State may meet rising benefit costs through increases in employer tax rates. While the effect of tax rates upon the location of industry is not subject to precise measurement, the widespread belief in the importance of such rates in attracting and holding industry is persuasive to State legislatures and effectively limits the degree to which a State may impose tax rates above those existing in other States. In addition, it appears inequitable to impose upon employers in a particular State the full burden of disproportionately high costs to meet a level of unemployment largely beyond its control and resulting from the influence of national factors in the economy.

Federal additional compensation and equalization account

Section 103 of the bill amends title IX of the Social Security Act to establish a Federal additional compensation and equalization account within the Unemployment Trust Fund, and to add to section 903(b)(1)(B) a requirement that a State law be approvable under section 3309 of the Federal Unemployment Tax Act if the State is to be eligible for a distribution of excess funds under section 903.

The additional taxes of 0.4 percent (hereinafter explained) are to be transferred to the Federal additional compensation and equalization account beginning with respect to taxable year 1964, and all payments made under the proposed additional compensation and equalization grants programs will be charged against this account.

Since payments under the two programs begin prior to the date when the additional revenue provided by the bill will be collected, section 103 authorizes the appropriation and transfer to the additional compensation and equalization account of funds necessary to make such payments from the general funds of the Treasury. The amounts so transferred are repayable (without interest) to the general fund of the Treasury at such times as the amount in the account is determined to be adequate for the purpose.

The costs of the additional unemployment compensation and equalization grants programs that would be established under sections 101 and 102 of the bill will vary directly with economic conditions. The heaviest cost will be experienced during periods of business recessions when perhaps one-third of the States may be eligible for the proposed equalization grants and when additional unemployment compensation will be payable to long-term unemployed individuals whether or not they meet the test of substantial past attachment to the covered work force. During periods of favorable economic conditions, benefit costs in a very limited number of States are expected to exceed 2.7 percent so that total equalization grants will be relatively low during such periods. Similarly, the benefit costs of providing additional compensation are expected to be lower during such periods since fewer exhaustions are experienced during prosperous periods and additional compensation is limited to only those exhaustees with a substantial work history.

It is estimated that costs under the two programs provided for in the new titles XVI and XVII of the Social Security Act will average about 0.41 percent of taxable wages under a $3,000 taxable wage base or about 0.26 percent under a $4,800 taxable wage base. This assumes that 1 out of every 4 years will be a recession year. As hereinafter explained, section 206 of the bill would increase the taxable wage base under the Federal Unemployment Tax Act to $4,800, and section 207 of the bill would make permanent the temporary increases in the net Federal unemployment tax of from 0.4 to 0.8 percent which was provided in the Temporary Extended Unemployment Compensation Act for calendar years 1962 and 1963. The additional revenues from these changes should be sufficient to permit prompt repayment of the advances authorized under the bill to cover 1962 and 1963 costs, as well as covering costs for later years on a current basis. Barring unforeseen developments, it is anticipated that repayment of advances from the general fund of the Treasury may commence in 1965. The length of time required for full repayment of advances will depend upon the time and severity of future recession periods as well as the extent to which actual costs experienced agree with estimates. As cost experience is accumulated, a reappraisal of the financing provisions will be made.

TITLE II—AMENDMENTS TO THE FEDERAL UNEMPLOYMENT TAX ACT IN THE INTERNAL REVENUE CODE OF 1954

Title II of the bill would amend the Federal Unemployment Tax Act in the Internal Revenue Code to effect an extension of the coverage of the Federal-State unemployment insurance system to over 3 million additional employees. This would be done by extending the Federal unemployment tax to employers of one or more at any time, by revising the definition of employment to include certain agricultural processing services and services performed for nonprofit organizations not presently covered, and by revising the definition of "employee". This title would also amend the Federal Unemployment Tax Act to permit enforcement of conditions presently required to be met by the States in extending their unemployment insurance laws to maritime employers, to establish Federal requirements with respect to State weekly benefit amounts and to provide reduced tax credits for employers in a State not meeting such requirements, to deny tax credit for employers in States which deny benefits to workers who are taking approved training, to increase the taxable wage base from $3,000 to $4,800, and to provide for the continuation of the tax rate effective for taxable years 1962 and 1963 to finance the costs of the new additional unemployment compensation and equalization grants programs provided under title I of the bill.

Employers of one or more

Section 201 of the bill would bring about 1.7 million more workers under the Federal-State unemployment insurance system by extending the application of the Federal Unemployment Tax Act to employers of one or more, if the employment includes services covered by the act. The coverage would be achieved by deleting the definition of "employer" from section 3306 of the Federal Unemployment Tax Act, and by making appropriate deletions from section 3301 and other sections of such act.

At present, while the Federal Insurance Contribution Act (OASDI) applies to employers of one worker at any time, the Federal Unemployment Tax Act applies only to employers who have at least four workers in 20 weeks during the taxable year. The unemployment insurance laws of 28 States have a similar limitation on the size of the firms subject to the law. In 20 States, employers with 1 or more workers are covered, although in 13 of these, employers with less than a given amount of payroll or number of weeks of employment are excluded. The remaining four States limit coverage to employers with three workers, in three instances combined with a weeks-of-employment test.

Experience under the Federal OASDI program and under the laws of the 20 States which cover at least some employers of 1 or more workers has demonstrated that such coverage is feasible to administer. Those covering employers of one or more at any time avoid the administrative burden of determining whether payroll or number of weeks requirements are met. Experience has also demonstrated that protection of these employees is needed. In general, in the States which cover firms with fewer than four workers, the proportion of workers who receive benefits under the program is greater for small firms than for the larger ones. State experience indicates, on the other hand, that extension of coverage does not impose an unreasonable financial burden on small employers.

Since small firms are covered in some States, those workers receive the protection of Federal programs providing additional unemployment compensation, but their employers do not contribute to the Federal funds from which such compensation is paid. In those States, the employer with three workers has an unfair competitive advantage over the employer who has four workers.

Although States can cover small employers on their own initiative, it is apparent that for the most part they have been waiting for the Federal Government to act. Existing laws of nearly all of the States provide for automatic extension of the coverage of their laws if coverage under the Federal act is extended. Such provisions mean that Federal elimination of the size-of-firm restriction on employers could give unemployment insurance protection to the workers involved without the need for State legislative action. In the few States which have size-of-firm restrictions, but no automatic coverage, the employers can elect State coverage until the State legislature acts.

Nonprofit organizations

Section 202 of the bill would extend the protection of the unemployment insurance system to about 1.3 million employees of nonprofit religious, charitable, educational, and humane organizations, by revising the exclusion in section 3306(c)(8) of the Internal Revenue Code. The proposal would not cover the handicapped in sheltered workshops. No estimates are available on the number of such workers. Nor would the proposal cover about 600,000 individuals, more than half of whom are ministers and members of religious orders, and the remainder of whom are primarily students employed by their educational institutions, student nurses, interns, and individuals earning less than $50 per quarter.

About half of the workers who would be added are employed in hospitals, and about one-third by educational institutions. Only a small percentage are employed by religious and charitable institutions supported by donations.

The workers who would be covered include a wide range of occupations, not distinguishable from those performed in covered employment. They are printers, typists, elevator operators, cooks, busboys, janitors, scrubwomen, as well as teachers, nurses, and professional social workers. About 40 percent of the hospital workers are food, maintenance, and custodial workers. Such evidence as is available indicates that employees of nonprofit organizations have a risk of unemployment as do presently covered workers. While certain professional groups in the nonprofit field may frequently have the protection of tenure and stable employment, with provisions for severance pay, the same could be said for many presently covered workers. Other nonprofit organization employees, particularly in the nonprofessional occupations, are often low paid and have a high rate of turnover, which generally indicates unemployment.

To make nonprofit organizations liable to pay unemployment compensation contributions would not change the special status they enjoy in regard to Federal income tax and, in some instances, to property taxes. They are already covered, to some extent, by workmen's compensation, and such coverage has not affected their special status. Moreover, the traditional exemption of nonprofit organizations from revenue raising taxes should not be carried over to programs designed for the protection of their workers.

A substantial part of the funds of nonprofit organizations comes from sources other than voluntary contributions. Many such organizations sell goods and services in competition with profitmaking organizations. Again, using hospitals as illustrative since they employ half of the workers who would be covered by the proposal, a study of one group of 85 nonprofit hospitals indicated that only 10 percent of their revenue came from gifts and endowments, while about 70 percent represented payments by patients and their insurance carriers.

In about 23 States, action by State legislatures would be necessary to bring about mandatory coverage of services for nonprofit organizations, because Federal action would not automatically extend such coverage. Three States have provided fairly broad or universal coverage of these workers, and four others cover certain activities. In addition, some of the organizations have elected coverage. But only about 60,000 to 100,000 of the 1.3 million have been covered. Thus, it seems that Federal action is needed if this group is to be protected.

Employee

Section 203 of the bill would extend coverage to about 250,000 additional workers by revising the definition of "employee" to incorporate three tests which have become known as the ABC tests of employment relationship. Under the revised definition, anyone who performs services for another is to be considered an employee for the purposes of the statute unless it is determined

that: (A) The worker is free from control in performing his duties, not only under the contract but also in fact; (B) the service is either outside the employer's usual course of business or is performed outside his places of business; and (C) the worker is customarily engaged in an independently established business of the same nature as the services which he performs for his principal.

The ABC tests relate to the degree of control that is or can be exercised over the individual in the performance of services, the integration of the individual's work in the business for which he renders services, and the extent to which the individual is an entrepreneur. If all of the tests are met, the individual is not an employee and his services are excluded from unemployment insurance coverage.

The common law test of master-servant relationship is not an appropriate guide for separating those who should be protected against the risk of unemployment from those who are entrepreneurs and not to be insured against unemployment.

The common law test stems primarily from efforts to establish a just standard for determining when one person should be held responsible for the tortious acts of another. Since these acts normally result from the negligent manner in which work is done, the right to control the manner of performance provides a sound criteria of liability. In unemployment insurance, however, the dependence of an individual upon another for his livelihood is the primary consideration, not the degree of control to which the individual is subject in performing the services.

The revised definition would provide criteria specifically designed to carry out the purposes of unemployment insurance. Test (A) includes the normal control test, but is so phrased as to preclude determinations made on the mere form of the employment contract without regard to the degree of control actually exercised. Test (B) relates to the integration of the individual's services into the business. It is a dual test; if the individual's services are either outside the usual course of the employer's business, or are performed outside of his places of business, the individual meets this requirement for exemption from unemployment insurance coverage.

The (C) test requires a showing that the individual is customarily engaged in an independent business. It requires, in effect, that the worker be an entrepreneur and that the services be rendered by him in that capacity. It calls for an enterprise that exists apart from the relationship with the particular employer and could survive the termination of that relationship. It thus approaches, as nearly as a formal test can, the economic line that bounds the risk of unemployment.

The change would give unemployment insurance coverage to such occupational groups as outside salesmen in manufacturing and wholesale trade, shop operators working under lease agreements, and house-to-house salesmen, depending, of course, on specific situations. These individuals cannot realistically be deemed to be independent businessmen.

The proposal would make the Federal act more consistent with the provisions in many State laws. About 26 State laws now contain the ABC tests, and a number of others contain one or two of these tests. Substitution of these tests for the master-servant relationship in the Federal act would eliminate difficulties which some States have had with the interpretation of their own definitions, since some State courts have indicated a belief that the State law could not extend coverage beyond that of the Federal act. As there has sometimes been uncertainty over the relationship of the ABC tests to the common law concepts, the proposal makes clear that the ABC test is distinct from, and not a mere rephrasing of, the common law rules.

Agricultural processing workers

Section 204 of the bill would extend unemployment compensation protection to about 200,000 agricultural processing workers, that is, those engaged in drying, packing, packaging, processing, freezing, grading, storing, or similar activities performed in the employ of cooperative organizations, commercial handlers of fresh fruits and vegetables, or farm operators who produce 50 percent or less of the commodity being processed. This coverage would be accomplished by changing the definition of "agricultural labor" contained in section 3306(k) of the Federal Unemployment Tax Act to that contained in the Federal Insurance Contributions Act since 1950.

The services performed by agricultural processing workers are similar to those performed by workers in industrial and commercial establishments presently covered by the unemployment compensation system. Agricultural processing workers operate mechanical equipment such as graders or conveyors; they include stationary engineers tending steam boilers, box assemblers, truck operators, receiving clerks, and electricians as well as workers who handle, sort, grade, wash, polish, and pack the fruits and vegetables.

Equal treatment of Great Lakes seamen

Section 205 of the bill provides that if the Secretary of Labor has made a finding that a State law does not meet the requirements of section 3305(f) with respect to the coverage of maritime workers, the Federal unemployment tax liability of maritime employers is to be determined without any tax credit being allowed for any amount such employer paid under the law of such State. This section is intended to correct a long-standing State violation of a Federal requirement.

Section 3305(f) of the Federal Unemployment Tax Act, enacted in 1946, gives States permission to require contributions from maritime employers subject to several conditions. In granting this permission, however, Congress did not provide any sanction to insure enforcement of these conditions.

One of the conditions of section 3305(f) is that maritime workers must be treated, for purposes of wage credits, like shoreside workers. However, while the 1946 amendments allowed time for States to adjust their laws to this and other conditions, the Ohio law, unlike that of any other State, did not then and still does not provide Great Lakes seamen with treatment comparable to shoreside employees. Under the Ohio law, shoreside employment may be declared seasonal only if the period of operation is less than 36 weeks in a year. While there are restrictions on the benefit rights of a shoreside seasonal worker, such a worker may combine seasonal and nonseasonal wage credits for benefit purposes. By contrast, Great Lakes employment is declared seasonal in the statute, with a 40-week period beginning with the fourth Sunday in March, and wage credits earned in Great Lakes shipping may not be combined with any other wage credits.

This discrimination against Great Lakes seamen by Ohio is particularly significant because most Great Lakes shipping is covered under the Ohio law, regardless of the residence of workers. Even if vessels travel mainly between ports in other States, they are subject to the Ohio law if the offices controlling their operation are located in Ohio. The restrictions on benefit rights are therefore felt by residents of all the States which have Great Lakes ports.

In view of the Federal Government's constitutional jurisdiction over maritime employment, the present language of section 3305(f) means that a State which discriminates against maritime workers is acting without authority when it taxes maritime employers on the basis of wages paid to such workers. The proposed amendment would prohibit maritime employers from receiving Federal tax credit for such unauthorized taxes collected by the State.

Definition of wages

Section 206 would raise the tax base under the Federal Unemployment Tax Act to $4,800 by amending the definition of "wages" in section 3306(b), effective for taxable years after 1963.

The present $3,000 limitation on the tax base was established in 1939 in order to bring about uniformity in employer reports under the unemployment insurance and old-age and survivors' insurance programs. Since 1939, however, average weekly wages have more than tripled. Thus, in contrast to the estimated 95 percent of total covered wages taxed in 1939, only 63 percent of covered wages are currently taxed, with the gap steadily increasing with the rise in wage levels. Under the OASDI program, the wage base is geared to statutory benefit levels and is now $4,800, but no comparable adjustments have been made in the taxable wage base under the Federal Unemployment Tax Act.

Continued use of the $3,000 wage base has contributed to a steady decline in State reserve funds, since employer contributions, limited to this base, do not increase in proportion to rising benefit liabilities of the unemployment insurance program. This is of concern to the Federal Government as well as to the States, because there is a national interest in a soundly financed program and a Federal responsibility for assisting States whose reserves become inadequate.

States hesitate to take independent action in this area. Currently, only nine of them use a higher wage base than is used in the Federal Unemployment Tax Act and all but one use a base lower than $4,800. The laws of 26 others, however, provide for basing contributions on a wage base higher than $3,000 if and when the Federal Government does so. These States, it appears, are postponing an increase in the wage base until the Federal Government takes action.

An increase in the wage base to $4,800 would be especially desirable in the dozen or so States currently faced with seriously low reserves. In other States, the increased income would be used to build up reserves which have been declining. States which do not need additional revenues can adjust their tax structures so that the tax yield remains at approximately the same level.

An increase in the wage base would reduce the inequities created by the "freezing" of the base at the present $3,000. Currently, low-wage employers pay a much higher effective tax rate than do high-wage employers since a much greater proportion of their payroll is subject to contributions under the Federal Unemployment Tax Act. Financing new programs or rising administrative costs solely by increases in tax rates would make the Federal tax even more inequitable.

Also, continuation of the present base will operate, as it does at present, to prevent Federal tax income from growing, although administrative costs are increasing. The increased Federal unemployment tax revenues that would be derived from the $4,800 taxable wage base would build the Federal unemployment account to the specified $550 million and the employment security administration account to the specified $250 million faster than under the present law (thereby saving interest on advances from the revolving account to the employment security administration account), and would also contribute to the financing of the Federal additional unemployment compensation and equalization grants programs established by title I of this bill.

Already more of the proceeds from the recent increase in the Federal unemployment tax (Public Law 86–778) to 0.4 percent of taxable wages is needed for administrative costs of the program than was expected. (The Congressional expectation was that at least 0.1 percent of taxable wages would be used for the rebuilding of the Federal Unemployment Account.) The $3,000 limitation on the taxable wage base, if not increased, will continue to prevent Federal tax proceeds from increasing at the same rate as increases in administrative costs.

Increase in the rate of tax

For the purpose of financing the Federal additional unemployment compensation and equalization grants programs which would be established under title I of the bill, section 207 would raise the net Federal unemployment tax from 0.4 percent to 0.8 percent, effective with respect to wages paid after calendar year 1963. Under the Temporary Extended Unemployment Compensation Act, this increased rate of tax is made applicable with respect to wages paid in 1962 and 1963 in order to finance the temporary program provided under that act. Section 207 would continue this rate of tax with respect to wages paid after 1963.

Benefit requirements

Section 208 would add a new section 3309 to the Federal Unemployment Tax Act. This new provision would require State laws to provide that the weekly benefit amount payable to any individual for a week of total unemployment, exclusive of any compensation payable with respect to dependents, be the lesser of:

1. The maximum weekly benefit amount payable under the State law; and

2. An amount equal to not less than one-half of the individual's average weekly wage.

This requirement is intended to insure that eligible claimants at benefit levels below the maximum are entitled to receive, when totally unemployed, a weekly benefit amount equal to at least one-half of their average weekly wage, exclusive of any additional benefits which the State law may provide for claimants with dependents. Each State would have complete latitude to control weekly benefits above the Federal requirement. Thus, those States which pay benefits equal to more than one-half of average weekly wages to individuals at low wage levels or even those at higher wage levels could continue to do so.

At the present time 12 States augment basic weekly benefits for claimants with dependents. Such dependents' allowances are customarily paid in addition to the basic weekly benefit amount determined solely by the claimant's earnings, on the ground that basic benefits represent the minimum necessary insurance protection for any claimant. According to this bill, 50 percent represents this necessary minimum. Consequently the bill provides that the 50-percent computation to determine the individual's weekly benefit amount is exclusive of dependents' allowances.

New section 3309 also requires State laws to provide that the maximum weekly benefit amount payable to any individual for a week of total unemployment, exclusive of dependents' allowances, is an amount equal to at least the following percentages of the statewide average weekly wage:

1. Fifty percent for benefit years beginning on and after January 1, 1964, and before January 1, 1966;

2. Sixty percent for benefit years beginning on and after January 1, 1966, and before January 1, 1968;

3. Sixty-six and two-thirds percent for benefit years beginning on and after January 1, 1968.

To provide a weekly benefit equal to at least half their wages for the great majority of covered workers should they become unemployed, the maximum weekly benefit, exclusive of dependents' allowances, would have to be more than one-half of average wages in the State. The bill would require the maximum to equal at least two-thirds of the statewide average weekly wage in covered employment to be reached, however, in three stages. This gradual approach to the ultimate effective date for the two-thirds maximum is intended to give States time to adjust their financing arrangements to accommodate the additional costs that the higher maximum may entail. The purpose of having the maximum become effective with benefit years beginning on and after the dates specified is to avoid imposing on the States the administrative expense of making redeterminations for individuals who begin benefit years prior to these dates. The proposal relates the maximum basic weekly benefit to the statewide average weekly wage, thus taking account of differences in wage levels among the States and of changes in wage levels within a State.

In 46 States, the benefit schedules in effect as of January 1, 1961, contained maximum weekly benefit amounts that were less than 50 percent of the respective State's average weekly covered wage.[1] In each of these States, the maximum would prevent a substantial number of claimants from receiving 50 percent of their average weekly wage. In 31 States, for example, regardless of how high their weekly wages may have been, one-half or more of all 1960 claimants received the statutory maximum weekly benefit amount. In 17 States, moreover, 3 out of every 5 claimants in that year received the statutory maximum, even though their weekly wages in many cases might have been more than double this benefit. For most workers then, in more than 30 States, the program has been tending to become a flat benefit system rather than one where weekly benefits are related to weekly wages. In contrast, in 1939, the second year in which benefits were paid in most States, maximum weekly benefits were over 50 percent of the average weekly wage in all but two States, and were over 60 percent in all but 16 States.

No denial of compensation during training

Section 209 would add a new paragraph to section 3304(a) of the Federal Unemployment Tax Act requiring, as a condition for employers in a State to receive normal tax credit, State laws to provide that compensation shall not be denied to an otherwise eligible individual for any week during which he is attending a training or retraining course with the approval of the State agency. This new requirement provides also that such individual shall be deemed to be available for work and actively seeking work in a week during which he is attending such training or retraining course, and that he shall not be disqualified for refusing to accept work during his attendance at such course.

It has generally been held under most State laws that an individual is not available for work unless he is willing to quit his course at any time that a suitable job is offered to him. It has generally been held also that attendance at such a course is not good cause for refusing a job offer. Further, where a State law has an active search-for-work requirement, individuals who are attending a training or retraining course have been held not to meet this requirement.

The change in occupational skills required by modern industry results in persistent unemployment of those who do not have such required skills. It has become clear, therefore, that for many claimants occupational training or retraining is essential if they are to be suitably reemployed. Yet the laws of only 10 States furnish any assurance that workers will not be denied unemployment compensation if they undertake occupational training or retraining. Accordingly, it is necessary to require States not to deny unemployment compensation to an individual who takes such training so that he can have the assurance that he can complete the course that he has undertaken. Section 101 of this bill provides similarly that Federal additional compensation under new title XVI shall not be denied to a worker who is taking approved training or retraining.

Limitation on credit against tax

In order to provide a reasonable incentive for States to comply with the proposed Federal requirements with respect to benefit amount, section 210 of the bill would amend the tax credit provisions of section 3302 of the Federal Unemployment Tax Act. A State would not be required to meet the Federal benefit requirements in order to have an unemployment insurance program which is part of the Federal-State system. A State which does not meet the requirements would still be entitled for that year to Federal grants for administration under title III. Employers would still be entitled to some tax credit but not necessarily to a credit of 2.7 percent.

Tax credit for employers in a State which meets the Federal requirements with respect to weekly benefit amount would be determined as it is now. Tax credit for employers in a State which does not meet these requirements would be the lower of (a) the State's 4-year average annual benefit cost rate, and (b) 2.7 percent. All employers in that State, regardless of their individual tax rates assigned under the experience rating provisions, would pay an additional Federal tax equal to the difference between the 4-year average cost rate in the State and 2.7 percent.

Presumably, Congress provided the 2.7-percent tax credit to employers who paid State contributions on the assumption that on the average it would cost that amount to provide adequate benefits. This bill provides that, to the extent a State can finance an adequate program with taxes of less than 2.7 percent, employers will continue to be given the full 2.7-percent tax credit. In a State providing an inadequate program, however, employers would be allowed tax credits equal to no more than the actual cost of such program.

Effective dates

Under section 211, amendments made by title II of the bill would be effective with respect to remuneration paid after 1963 for services performed after 1963, except that the amendments made by sections 205, 208, 209, and 211 would be effective January 1, 1964.

[1] Although Puerto Rico joined the Federal-State unemployment insurance system Jan. 1, 1961, it is excluded from this statement and the remainder of this document since data for measuring the adequacy of its program have not become available.

PROTECTION OF THE GOLDEN EAGLE

Mr. YARBOROUGH. Mr. President, I introduce, for appropriate reference, for myself, the Senator from New York [Mr. KEATING], and the Senator from Pennsylvania [Mr. CLARK], a joint resolution to extend the protection of the present Bald Eagle Act to the golden eagle. This proposed legislation is needed to insure not only the protection of the magnificent golden eagle, a species of bird rapidly vanishing from our skies, but also of the bald eagle, our national symbol. Until bald eagles become 3 years of age they are so similar to the

golden eagle that only trained ornithologists are said to be able to distinguish the two species; therefore many bald eagles are taken by mistake. This legislation would enable the two similar and closely related species to receive identical protection in order that the bald eagle will survive.

The golden eagle is worth protecting in its own right because of its rapidly diminishing numbers. It has been stated that there are but 10 pairs of breeding golden eagles left in the Eastern United States. It has become rare in the Western United States except for those resident in and migrating from Alaska and portions of the Rocky Mountains.

A letter I have received from Dr. Clarence Cottam, widely known for his work in conservation and now director of the Welder Wildlife Foundation in Sinton, Tex., states:

I have a feeling the golden eagle bill is equally as important to the American public except for the fact that the bald eagle is the national emblem and it, therefore, commands extra support because of this single fact. I should point out that for the first 3 years or little more only a reasonably well-trained ornithologist can distinguish between the young or immature bald eagle and the golden eagle. The two look very much alike and off at a distance it is very difficult to separate the two birds. As a consequence, people who want to kill golden eagles may in fact be killing off a large supply of our diminishing bald eagles instead.

And further:

I am personally of the opinion that it is in at least as precarious a state as is the bald eagle.

Most students of natural history are convinced that the golden eagle is a very valuable bird to agricultural interests in that it destroys a great number of pests that would otherwise do great economic damage to crops and rangeland. However, since there are some instances when it is felt that golden eagles will attack young livestock, it is wise that the provisions of the Bald Eagle Act will also apply to golden eagle control, that the Secretary of the Interior may provide for the taking of golden eagles to protect livestock and wildlife in any area where the eagle may be shown to create a danger to those interests. I recommend that this protection of the livestock industry continue.

The resultant act will provide adequate protection for all golden eagles while preventing the indiscriminate slaughter which threatens the existence of both the golden and bald eagles. Conservationists have estimated that by 1970 the bald eagle will be extinct in the United States unless further major efforts are made to protect it. A major factor in insuring its protection will be the passage of this resolution which will prevent any destruction of bald eagles by mistake for golden eagles.

Mr. President, I ask unanimous consent that this resolution be printed in full in the RECORD and that there be printed in the RECORD at this point letters in support of this joint resolution which I have received from Miss Margaret Louise Hill, chairman, Texas Ornithological Society, Mr. Carl W. Buchheister, president, National Audubon Society, and Dr. Walter R. Spofford, associate professor of anatomy, State University of New York.

I also ask unanimous consent that the joint resolution lie on the desk until Monday of next week for Senators who may wish to cosponsor the bill.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution and letters will be printed in the RECORD, and the joint resolution will lie on the desk, as requested.

The joint resolution (S.J. Res. 105) to provide protection for the golden eagle, introduced by Mr. YARBOROUGH (for himself, Mr. KEATING, and Mr. CLARK), was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

Whereas the population of the golden eagle has declined at such an alarming rate that it is now threatened with extinction; and

Whereas the golden eagle should be preserved because of its value to agriculture in the control of rodents; and

Whereas protection of the golden eagle will afford greater protection for the bald eagle, the national symbol of the United States of America, because the bald eagle is often killed by persons mistaking it for the golden eagle: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act entitled "An Act for the protection of the bald eagle", approved June 8, 1940 (54 Stat. 250; 16 U.S.C. 668), is amended by inserting immediately after the words "American eagle" the words "or any golden eagle".

SEC. 2. Section 2 of such Act is amended by inserting immediately after the words "bald eagle" the words "or the golden eagle".

The letters presented by Mr. YARBOROUGH are as follows:

TEXAS ORNITHOLOGICAL SOCIETY,
Austin, Tex., May 28, 1961.

Hon. RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.

DEAR SENATOR YARBOROUGH: Protection for the golden eagle has been an objective of the Texas Ornithological Society for many years. The reasons for this are based on the following results of various biological studies.

1. The primary foods of the golden eagle, observed in stomach analyses, are cottontails, jackrabbits, prairie dogs, ground squirrels, opossums, fox squirrels, gophers, snakes, carrion.

2. The numbers of golden eagles are dwindling primarily because of the inroads of civilization on nesting habitat and killing.

3. Moving pictures of a pair of nesting golden eagles taken on a sheep and goat and deer ranch showed the young were fed daily on jackrabbit and nothing else. The feeding goes on for about 60 days.

4. Six jackrabbits have been shown to eat as much grass as one sheep.

5. Therefore, one pair of nesting golden eagles will destroy enough jackrabbits to permit a rancher to run 10 more sheep by the end of the nesting season. This does not include the rabbits taken for the adults own food nor for the rest of the year.

6. The fact that golden eagles eat carrion would indicate that sight observations of this bird on carcasses of lambs, kids, or fawns, are not evidence that the eagle did the killing.

7. Lifting tests made with golden eagles show that 10 pounds is the maximum weight they can carry. This would rule out stories of large animals or children carried off.

As the growth of our population replaces natural areas with cities, and as the need for producing more meat requires more grass and fewer rabbits, gophers, etc., to eat it; the protection of the dwindling numbers of their predators, such as the golden eagle, will become more advantageous and more necessary.

The Texas Ornithological Society urges you to support legislation which will protect the golden eagle—a magnificent part of our American heritage.

Sincerely,

MARGARET LOUISE HILL.

NATIONAL AUDUBON SOCIETY,
New York, N.Y., May 24, 1961.

Hon. RALPH W. YARBOROUGH,
Senate Office Building,
Washington, D.C.

DEAR SENATOR YARBOROUGH: The National Audubon Society is pleased to learn that you are considering introducing an amendment to the Bald Eagle Act of 1940 to extend its provisions to the golden eagle for the twin purpose of providing urgently needed, additional protection for the Bald Eagle and to prevent the further decimation of the endangered golden eagle.

The status of the bald eagle, our national emblem, has become so critical, the National Audubon Society has launched a 5-year continent-wide population survey and research program which we hope will provide a scientific basis for a conservation program that will assure the perpetuation of this magnificent bird. This study by the National Audubon Society will involve the expenditure of more than $50,000 in funds to be raised from private sources.

The relationship of the unprotected status of the golden eagle to the critical state of the bald eagle lies in the fact that it's next to impossible for anyone except a trained ornithologist to distinguish between the two species in the immature stage. This immature stage continues through the third year of the bald eagle because it is not until the fourth year that the bald eagle acquires the white head and tail feathers that distinguish the species. During the first 3 years the coloration of the two birds is remarkably similar. It is difficult even for a trained ornithologist to tell them apart except at close range and no casual hunter, or even a professional hunter, could be expected fairly to tell the difference at gunsight range.

All the evidence available to the National Audubon Society indicates the golden eagle itself is becoming an endangered species in North America. Observations by the Hawk Mountain Sanctuary Association at Kempton, Pa., an independent research agency, show a decline of 33 percent in golden eagle numbers through the period from 1954 to 1960, as against the similar period of 1935 to 1941. The decline in immature birds during this same period was over 50 percent.

In the considered opinion of the National Audubon Society, protection for the golden eagle is absolutely essential to the preservation of the bald eagle.

In the considered opinion of our society, protection for the golden eagle is necessary to prevent the eventual extirpation of this species itself.

We can assure you of the enthusiastic and vigorous support of Audubon Societies throughout the Nation for the kind of bill you have under consideration. Other National, State, and local conservation organizations, we are certain, will likewise join in supporting the measure.

It would be unrealistic to assume there will be no opposition. There is, of course, a feeling among some ranchers of the Southwest that the golden eagle is a predatory threat to livestock, particularly sheep. Food habits studies of the golden eagle made by reputable biologists indicate this feeling is not necessarily based on fact. However it is there, and without question certain individual eagles may develop a taste for lamb. Sheep ranchers and other farmers may be reassured, however, by the provision in the Bald Eagle Act that gives the Secretary of the Interior discretion, upon investigation, to issue permits "for the taking of eagles for the protection of wildlife or of agriculture or other interests in any particular locality." This same provision would apply to the golden eagle under your proposed bill.

There is likely to be some opposition also arising from the fact there exists today some commercialization of golden eagle feathers. This feather trade in itself constitutes a danger which would eventually, unless controlled, result in the extermination of the golden eagle and also the bald eagle due to the inability of hunters to distinguish between the two species in the immature stages.

We are hopeful the measure can be introduced soon and after due study and hearings be enacted into law by the 87th Congress.

Sincerely yours,

CARL W. BUCHHEISTER,
President.

STATE UNIVERSITY OF NEW YORK,
UPSTATE MEDICAL CENTER,
Syracuse, N.Y., May 25, 1961.

Senator RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.

DEAR SENATOR YARBOROUGH: This letter refers to the golden eagle, and to the desirability of securing Federal protection for this great bird before it becomes virtually extinct.

Mr. John Alderman has written to you concerning the introduction of an amendment to the Bald Eagle Act, which would extend coverage to the golden eagle as well.

I should like to add a few comments in support of the proposed legislation. I have been interested in eagles for over three decades and have made detailed studies of the golden eagle in particular over the last two decades. At the present time I would like to add to what Mr. Alderman has written, pointing out the rapid decline in numbers of both species of eagle, and the necessity for protection of the golden eagle as well as the more familiar American eagle, our national emblem.

In the first place, the law protecting the bald eagle is only partly effective because many bald eagles are shot under the impression that they are the unprotected golden eagle; in Alberta in the winter of 1960, six bald eagles were brought into Calgary shot by hunters in the belief that they were golden eagles.

But the golden eagle in itself should be protected in its own right. This eagle is by far the most revered bird and the most admired throughout all written history. It was equally esteemed in the unwritten history of our own American Indians.

At the present time it is being ruthlessly slaughtered in some regions where it may be found wintering in sheep pasture country. More generally, the widespread individual shooting and trapping of eagles by the misinformed and by hunters and outdoorsmen generally is greatly augmenting the already rapid decline in the eagle population.

In Eastern America, the golden eagle is now reduced to less than 10 pairs breeding in the Appalachian Mountain system south of the St. Lawrence River. Every effort should be made to keep this remnant of a once widespread population from disappearing entirely. Yet each year some of these birds are shot or trapped by the ignorant and the careless.

In Western America the golden eagle is rare except in certain regions and at certain times. Breeding golden eagles are not uncommon in certain parts of California, Wyoming, and Montana. The chief population is in Arctic Canada and Alaska.

These golden eagles migrate south in fall because their food supply of marmots, ground squirrels, etc., go underground to hibernate. Flying south into our Southwestern States, these eagles are now being shot on a wholesale scale with drastic success by airplanes equipped with machine-mounted shotguns. Not only are many thousand golden eagles shot over the years, but also any other large bird that flies, including hawks, vultures, and bald eagle.

The excuse for this is the belief of some sheep ranchers that the eagles menace their sheep and lambs. While there is no doubt that some eagles do occasionally take a newborn lamb, it is not a common practice and it is difficult to find real substantiation of such charges.

The chief food of eagles in winter is carrion. This is true for both the bald eagle and the golden eagle, and this is true for the golden throughout its range in America, Europe, Asia, and North Africa. Sheep pasture is an excellent source of carrion, and it is still-born lambs and other carrion which attracts eagles.

Many studies have been made of the food supply of the golden eagle. The Scotland golden eagles commonly nest on crags above glens where sheep are pasturing, yet the eagles pass over the lambs and ewes without pause to hunt for the mountain hare. Equally, the sheep pay no attention to the eagles.

The chief food of golden eagles is small mammals, marmots, jack rabbits, ground squirrels, etc. In winter, when this food is scarce, they resort largely to carrion, and pastures are a prime source of carrion. But at the Bear River Refuge in Utah a few years ago fish were poisoned by stream pollution. Frozen in the ice during winter the dead fish attracted eagles for great distances and a large number were recorded. These were mostly golden eagles.

In Texas, the golden eagles actually are an advantage to both the sheep and the cattle rancher. The eagle preys upon the jack rabbits, which compete with sheep for the minimal grass supply. The biology of such arrangements is usually lost to the sheep rancher, whose campaign against eagles is largely an age-old prejudice, stemming from our pioneer past when any animal which ate food which man himself wanted was hunted down and exterminated. In a country where excess food is the main problem, this outmoded viewpoint is a sorry one.

Sincerely yours,

WALTER R. SPOFFORD, Ph. D.,
Associate Professor of Anatomy.

EXTENSION OF NATIONAL DEBT LIMIT—AMENDMENT

Mr. WILLIAMS of Delaware (for himself, Mr. DIRKSEN, Mr. BUSH, and Mr. BENNETT) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 7677) to increase for a 1-year time, the public debt limit set forth in Section 21 of the Second Liberty Bond Act, which was referred to the Committee on Finance and ordered to be printed.

NOTICE OF RECEIPT OF NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the nominations of Dr. H. van Zile Hyde, of Maryland, to be the Representative of the United States of America on the Executive Board of the World Health Organization; Mercer Cook, of the District of Columbia, to be Ambassador to the Republic of Niger; and Philip M. Kaiser, of New York, to be Ambassador to the Republic of Senegal, and to serve concurrently and without additional compensation as Ambassador to the Islamic Republic of Mauritania.

In accordance with the committee rule, these pending nominations may not be considered prior to the expiration of 6 days of their receipt in the Senate.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. McCARTHY:

Commencement Day address entitled "The Four Enemies of Freedom," delivered by Senator HUMPHREY at Brandeis University on June 11, 1961.

FEDERAL AID TO EDUCATION

Mr. MOSS. Mr. President, no columnist on the American scene today writes with greater force and clarity than Walter Lippmann. His place as the dean of American columnists is unassailable—a place he has earned through objective interpretation of the policies and shortcomings of every administration since the days of Woodrow Wilson. He might well be called the conscience of America.

His voice is listened to with such respect that I am confident that a large segment of the adult population of this Nation will be before their TV sets tonight when he discusses the record of the Kennedy administration.

In this morning's Washington Post, Mr. Lippmann has written what I feel is the best of all of the fine columns he has turned out on Federal aid to education. He has removed from that highly controversial issue all of the emotionalism and religious connotations, all of the extravagant claims of the opposition, and has reduced it to what is essential.

If I may be pardoned, I should like to point out that the last half of the column particularly presents—in a much more lucid fashion than I did—the arguments and the essence of the facts and statistics which I offered to the Senate in behalf of the Federal aid to education bill on May 16. As Mr. Lippmann says so well, these are facts and arguments that cannot be wished away.

In order that this remarkable presentation may be given even more widespread distribution than it will receive

in Mr. Lippmann's column, I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

THE SCHOOL BILL

(By Walter Lippmann)

After foreign aid, the most urgent business before Congress is the bill known as the School Assistance Act of 1961. The Senate passed the Administration bill on May 25 by a vote of 49 to 34. This bill authorizes for a period of 3 years the payment of $850 million a year in grants to the States for the construction of public schools, for payment of teachers' salaries, for operating and maintenance costs. The funds are to be allocated among the States in proportion to the number of children of school age weighted by an equalization formula based on personal income per child of school age in each State. The Federal Government would then be paying about 10 percent, instead of 5 percent as now, of the Nation's bill for public school education.

In the House, a bill authorizing substantially the same amount and kind of aid has been voted by the committee, and will presumably come to the floor during the last week of June.

In order to arrive at this point the administration has had to unravel the tangled question, raised by the Catholic hierarchy at the beginning of March, whether Congress could give aid to the public schools without providing some kind of aid for the parochial schools. President Kennedy's view has been that it is unconstitutional for the Federal Government to give to the parochial schools the same kind of aid it proposes to give to the public schools. The hierarchy did not deny this. But it argued that it would be constitutional to authorize not grants, as to the public schools, but loans over a long term and at low interest rates, and that this be done in the same legislation which makes grants to the public schools.

The administration response was that the public school aid issue should not be confused by linking it inseparably with private school loans. If the Congress later chose to provide loans to private schools in separate legislation, well and good; its constitutionality could be tested in the Supreme Court. The administration went so far as to provide the Senate Education Subcommittee with a memorandum of law concerning the constitutionality of various forms of aid to private schools. Grants and loans for general purpose "across-the-board" and tuition payments for all church school pupils would be clearly unconstitutional, it said. But it is probably possible, according to the memorandum, to grant loans to private schools for special national purposes, as in the National Defense Education Act, without constitutional objections. This memorandum pointed the way to the present plan to give aid for special purposes to private schools through expansion of the National Defense Education Act.

This was, it seems to me, the right course to take. It would be a grave matter, divisive in its effect throughout the Nation, if Congress were prevented from voting aid to the public schools unless it also voted aid to the parochial schools. Speaker RAYBURN was surely right in his insistence last week that the original priorities be kept, that public school aid be considered before the question of limited aid to parochial schools.

On the other hand, the 5 million children in the parochial schools are just as important to the Nation as any other children. If, as has been made clear in an admirable series of articles by Terry Ferrer in the New York Herald Tribune, the parochial schools are in serious financial trouble, anything that can be done to help them which does not violate the constitutional principle of separation of church and state should be done.

It is often said by skeptics and by opponents that there is too much emphasis on money, and that what ails American education is not so much poverty as mediocrity. This might be described as a profound half-truth. It is true that a good educational system requires a lot more than money. It requires, in fact, a rising standard of intellectual interest and of moral purpose in the whole community. But it is also true that without money, without much more money, without at least twice as much money as is now spent on public education, the intellectual and moral standards of our schools will deteriorate in years to come. For with the enormous increase in the school population which is just ahead, the money now available will not pay for enough schoolrooms and enough qualified schoolteachers.

The most important and the most appealing point raised by the opponents of school aid is that education is a matter that belongs to the States and to the localities. There is no doubt of this. None of the supporters of the administration bill denies that education belongs to the States and localities, and there is nothing in the bill which impairs in any degree their control of the schools, their power to build them, their power to decide what shall be taught in them, their power to choose the men and women who shall teach in them.

With this principle undisputed, we are nevertheless confronted with a condition which cannot be wished away by ignoring it. The fact is that most of the States and localities cannot raise enough money to provide the public education which must be provided in the years ahead of us. In the past 10 years the States and localities have made a mighty effort. They have tripled their expenditure on public education from $5.8 billion in 1950 to $15.3 billion in 1960.

They cannot do what has to be done in the next 10 years, which at a conservative estimate is to raise the expenditure on education of $30 billion a year. Why not? Because the demands on State and localities have caused them to tax and to borrow at rates which cannot be raised much further. Besides the schools, they have gigantic burdens of public improvements made necessary by the growth of cities. In the postwar years, State and local tax revenues have tripled and their debt has quadrupled. Furthermore, even prosperous States and localities are prevented from utilizing fully their taxpaying ability by a host of administrative, jurisdictional and political factors.

Federal tax revenues on the other hand have less than doubled since the war and Federal indebtedness has risen only 6 percent, representing a decreased proportion of our GNP. The Federal Government has vast taxgathering advantages: Broad geographic distribution, freedom from fear of migration of people or industry, more efficient and better financed tax administration. The fiscal machinery of the Federal Government is such that given an adequate recovery and adequate economic growth, it can quite effectively and painlessly provide aid to the public schools.

The essence of the bill now before Congress is that it brings to the support of public education in America the fiscal powers of the Federal Government. Only if this is done can public education in America look to the future with hope.

YEAR-ROUND SCHOOL

Mr. MOSS. Mr. President, as a companion piece to the Lippmann column, I should also like to call attention to an editorial entitled "Year Round School," which appeared this morning in the Washington Post.

Many thoughtful persons have felt for a long time that it was inconsistent to be talking about our great need for more school buildings when we are not adequately using the buildings we already have. It is foolish and wasteful to allow classrooms to be empty and school halls to be silent through 3 long summer months, and then to crowd students into them so tightly, the other 9 months, that they do not have proper equipment or facilities, and over-burdened teachers cannot give them the individual attention they deserve.

This suggestion would also help meet one of our other vexing educational problems—that of the student who falls somewhat behind his class in one or more subjects, but who should not really have to be put back a full year, or even a half a year, to catch up. It would not slow down his educational process too greatly to hold him back for only 12 weeks, and it could greatly strengthen his preparation for the work ahead of him. This would be superior to the present system, which either holds a child back for a year, or for a half a year, or pushes him ahead when he is not ready to go.

All of us admit that these are times when we need new ideas and new approaches to our problems; and I join with the Washington Post in commending School Superintendent Whittier, of Montgomery County, for having the courage to suggest year round school.

I ask unanimous consent that the editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

YEAR-ROUND SCHOOL

School Superintendent C. Taylor Whittier of Montgomery County has had the courage to suggest for active consideration by the board of education what many others have merely talked about—a year-round operation of schools. Though he is not at present urging any lengthening of the 180-day school year for any child, he sees great advantages in using the county's educational plant 12 months of the year instead of 9.

What Mr. Whittier has offered, as we understand it, is a system of staggered educational trimesters. The students of each school would be divided into four groups. One group would start on a given date, another group 4 weeks later, and a third group 8 weeks later. At the end of 12 weeks the first group would go on vacation for 4 weeks, and the last group would take its turn at school. The result would be three groups in school and one on vacation all the time.

Under this plan, Mr. Whittier says, the county's 5-year building program could be stretched out to 9 years; school bond interest payments could be reduced as much as $30 million; education could be improved because children would forget less in shorter vacations; teachers, many of them already on 12-month contracts, could use the 4-week vacations to develop curricula, help gifted and problem children, and substitute for other teachers who might be ill.

It is worth noting that each group would have 4 weeks of vacation during the warm months. Care would have to be taken, of course, to put brothers and sisters in the same group so that family vacations would not be disrupted. No doubt many other adjustments would be necessary. The question is whether the advantages to be gained outweigh the inconveniences of this kind.

Any such drastic shakeup of a program affecting a majority of the people is likely

to run into heavy weather. But the advantages of shorter school vacations and almost continuous use of educational buildings seem to be so enormous that the public could afford a great deal of readjustment and accommodation at least to try out the proposal.

Nothing has been said about using this plan to lengthen the individual pupil's school year from 9 to 11 months, but that would seem to us the logical goal to work toward. The United States can scarcely hope to compete with the intensive educational systems of other countries by keeping its children in school only 9 months of the year. Meanwhile any well developed plan for utilizing school facilities to capacity, perhaps with air conditioning in the summer months, should be welcomed as a means of enhancing our educational potential in a period of exceptional demands upon long neglected schools.

VISITORS' CENTER AT ZION NATIONAL PARK

Mr. MOSS. Mr. President, I expect to be in Utah this weekend, and to participate in the dedication ceremonies of the Visitors' Center at Zion National Park, in the southern part of our State. Sponsoring the dedication of the Visitors' Center, in cooperation with the National Park Service, will be the Five Counties Organization of Southern Utah, whose president, Mr. Merrill MacDonald, of Kanab, will act as master of ceremonies. It will be dedicated by the Associate Director of the National Park Service, Eivind T. Scoyen, who formerly was superintendent of the park.

Visitors to Zion have become so numerous in recent years, there were 575,800 in 1960, that a place where they can go for informational and interpretative material on the park has become a "must." The new $360,000 visitor center and administration building, with its museum and exhibits, dioramas and relief maps, and its trained personnel to answer questions and give advice, will fill a real need, and will add immeasurably to the enjoyment of the park.

Zion, which is open the year round, was first established as Mukuntuweap National Monument, on July 31, 1909. Its name was changed to Zion National Monument in 1918, and to Zion National Park in the following year.

Zion is one of the world's most interesting geological phenomena. The erosive forces of nature have carved through multicolored sandstone, to form awesome gorges and unique and impressive monoliths and cliffs.

Almost everyone is familiar with pictures of the Great White Throne, and, to a lesser degree, pictures of the West and East Temples, the Temple of Sinawava, and the Towers of the Virgin. All have been molded, carved, or chiseled by the rains and winds of time, and are spectacular and moving in a way which is all their own. They must be seen, to be appreciated. No photograph can do them justice.

Charles Franklin Parker has caught the meaning of Zion in a word poem he entitles "Temples Not Made With Hands":

Zion is a setting of rejuvenated life. Here an old meandering stream regains its youth by an age-old uplift of the earth's crust. Now with the aid of water seepage it flows in a young deep canyon. However, faith, not science, motivated the early visitor and the place became named and revered as one of heavenly temples and a rich haven of peaceful pursuits. Zion is a place of peace, a valley nestling among "temples not made with hands." Little wonder that the early Mormons coming into this valley of the Virgin River saw here giant God-made altars, arches, temples and an Angels' Landing.

Here is a place of peaceful habitation in the midst of God-made wonders of nature. Truly this is a Zion—a land of heavenly rapture and a sanctuary from the unremitting forces of human strife. Man needs Zion. Not only this place of beauty, and peace, but the Zion of hope and anticipation. That place wherein there is sanctuary from the forces of human frailty, and rewards of peace and joy for the laborer in the vineyard. Such a place is the Zion of our faith. May it be ours to inhabit.

Mr. President, Zion National Park is very accessible. It lies between U.S. Highways 89 and 91. It can also be reached by air through Cedar City and St. George, and by railroad through Cedar City. There are excellent accommodations at the park and at nearby towns. I recommend that easterners who are going west this summer include Zion National Park, in Utah, in their itinerary.

TRIBUTE TO SENATOR MORTON

Mr. BRIDGES. Mr. President, a recent column by Earl Mazo in the New York Herald Tribune paid well deserved tribute to the energetic junior Senator from Kentucky [Mr. MORTON] who has handled with singular distinction the difficult dual role of U.S. Senator and chairman of the Republican National Committee.

Commenting on the Senator's efforts to breathe new life into the Republican Party after the losses sustained in 1958 Mr. Mazo states:

It was some job.

And the verdict of those who know is that THRUSTON MORTON did it superbly, and selflessly. Though losing the Presidency by a fraction of a percentage point of the total vote, Republicans gained substantially on all fronts. Significantly, Senator MORTON turned over to his successor a party with more zip than it has shown in many years.

Mr. President, I salute the junior Senator from Kentucky for a good job well done. I am pleased that his accomplishments as national committee chairman have received public recognition in this article entitled "The Republican's Kentucky Gentleman." I ask unanimous consent that the article be printed in the RECORD and I invite the attention of my colleagues to this excellent testimony of the achievements of my friend from Kentucky.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE REPUBLICANS' KENTUCKY GENTLEMAN

(By Earl Mazo)

WASHINGTON.—General Eisenhower, who isn't much for attending political dinners, went out of his way last night to show up at a fund raiser given by the Republican organization of Cincinnati. The speaker was Senator THRUSTON B. MORTON, the recently resigned Republican national chairman.

It was Senator MORTON's last major appearance in the party's behalf outside Kentucky until after his own campaign for reelection is over 17 months hence. And former President Eisenhower came to demonstrate, graphically, his friendship and high esteem for the Senator.

General Eisenhower and other top-echelon Republicans regard THRUSTON MORTON to be one of the finest public figures in Washington. And they consider his continued service in Congress a must.

But it is well known he faces serious obstacles in the balloting next year. He will have a formidable opponent in Lt. Gov. Wilson Wyatt, the probable Democratic nominee for Senator, one of Ambassador Adlai Stevenson's closest friends and political associates. Even more of a challenge is the fact that Democrats outnumber Republicans something over 2 to 1 in Kentucky, and thus, at best, it is extremely difficult for anyone labeled "Republican" to win a statewide contest.

The Republican national chairmanship brought prestige to the Senator and was in many ways a boon to his State. But it also required him to take positions from time to time that were more partisan than was natural for him. And that could prompt many home-state Democrats to judge him by party affiliation, alone.

On the other hand, Senator MORTON's strongest boosters, like General Eisenhower, believe it possible that the distinction with which he led it might, in the long run, make of his Republican chairmanship an overall vote-getting asset.

The tall, good-natured Kentuckian took over the party organization in April 1959, at President Eisenhower's behest. The great Democratic sweep—and Republican disaster—of the 1958 elections had just passed, and according to the Gallup poll, the Republican party had sunk to its lowest point with the voters in this century. The Gallup report said the party was in even worse shape than after the Franklin Roosevelt triumph in 1936 which practically decimated its membership in Congress and its Governors.

Senator MORTON's task was to breathe life into his harried political troops, inspire good men and women—"new faces"—to join the fray as candidates and workers in the Republican cause, dispel the apathy that prompted contributors to snap shut their wallets, and restore confidence all around. At the same time, he was to keep up with his duties and responsibilities as a Senator.

It was some job.

And the verdict of those who know is that THRUSTON MORTON did it superbly and selflessly. Though losing the Presidency by a fraction of a percentage point of the total vote, Republicans gained substantially on all fronts. Significantly, Senator MORTON turned over to his successor a party with more zip than it has shown in many years.

Originally, Senator MORTON hoped to resign the national chairmanship and begin concentrating on his own reelection effort last fall. But he stayed on at the urging of President Eisenhower and just about every other high-level party figure. All felt party unity could best be assured during the touchy postelection period only with Senator MORTON in charge.

He left the chairmanship early this month, after achieving agreement from all factions on his successor, Representative WILLIAM E. MILLER, of New York, and thus averting a possible party-splitting fight for the chairmanship.

That Senator MORTON succeeded in this, as he has in much else, was no surprise to his admirers. They knew the charming, homespun THRUSTON MORTON as a natural politician who, in a sense, isn't really a politician.

A grandfather (S. Thruston Ballard) had been Lieutenant Governor of Kentucky when Senator MORTON was a child more than 40 years ago. But he did not take a fling at politics himself until after World War II.

Like President Kennedy and former Vice President Nixon, Senator MORTON had served in the Navy—and then been elected to Congress in 1946. He remained in the House of Representatives (for three terms) until General Eisenhower was elected President. In the Eisenhower administration he became an Assistant Secretary of State, and in 1956 he ran for Senator—and won.

Recently, when a visitor from Kentucky was asked by a Democratic Senator how come the fine, Democratic Bluegrass State had produced, of all things, the Republican National Chairman, the reply was: "Well, THRUSTON'S a genuine Kentuckian, you know."

Senator MORTON and his antecedents for generations back were born in or near Louisville. In fact, he is descended (on one side of the family) from Dr. John Walker, who reputedly was the first white man to build a log cabin west of the Alleghenies. And that was a long time ago.

TERRIFYING TAX IDEAS

Mr. BRIDGES. Mr. President, during a period when personal freedom is being suffocated under the soft pillow of Federal control, certainly one of the foremost spokesman for individual liberty is the distinguished Junior Senator from Arizona [Mr. GOLDWATER].

I have heard the Senator repeatedly decry confiscatory taxation as a denial of the basic right of the individual to spend his earnings in a manner of his own choosing. In this connection I was very much impressed by a column which appeared in the Boston Globe under the byline of the Senator from Arizona entitled "New Treasury Assistant Has Terrifying Tax Ideas."

This revealing column describes certain proposals advanced by a private citizen who was later to be appointed to the sensitive position of Assistant Secretary of the Treasury on tax policies.

I wish to commend my colleague from Arizona for bringing these facts before the public eye. I share his grave concern that such terrifying tax theories can be attributed to a key policymaker in the Treasury Department. I believe that Members of the Senate should ponder carefully the observations of my friend from Arizona and I, therefore, ask unanimous consent that his column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR GOLDWATER SAYS NEW TREASURY ASSISTANT HAS TERRIFYING TAX IDEAS

Liberty is indivisible. A man cannot be physically free and politically slave, or economically slave and physically free.

Every new move by Government to confiscate through taxation the property of an individual is a move to enslave that individual. For most Americans, income is the principal property owned. Thus income or earnings, when made the target for Government grab, should be defended by all men who believe in liberty.

When Stanley S. Surrey was named an Assistant Secretary of the Treasury on tax policies, the Senate Finance Committee was properly disturbed by suggested tax changes Surrey had offered as a private citizen. .

These proposals were fully reported in the April 17 issue of U.S. News & World Report. I have been disappointed that so little notice to these suggestions was given by the Nation's leading daily newspapers.

Surrey at one time or another has suggested that:

1. We should tax as income the rental value of owner-occupied houses.

2. We should tax Social Security benefits on the same basis as other income.

3. We should tax a person's capital gains at the time of his death. (Under present law, capital gains in an estate pass on to heirs completely free of income tax.)

4. We should tax interest on life insurance policies.

5. We should tax interest on State and municipal bonds, giving the States and cities subsidies to make up any loss this change would produce for them.

Let us examine these proposals.

Almost every American instinctively yearns to own a home, to possess a piece of ground, to put down his roots. If, as Surrey suggests, we should tax as income the rental value of owner-occupied houses, it would not be long before this antagonistic tax, inflicting punishment on every thrifty homeowner, would force us to become a Nation of renters or, as perhaps Surrey really intends, tenants of public housing.

The social security tax is collected from us during our working years on the theory that we are buying retirement income. This is a compulsory program. The supporters of the social security idea do not believe the average American is provident enough to provide for his own old-age needs. So now Surrey suggests that we must tax as income the $1,200 to $1,500 per year we have purchased through the payment of the social security tax.

The third proposal, to tax an estate under the capital gains rule, is obviously intended to lessen the likelihood of anyone's heirs inheriting any significant amount of money.

The proposal to tax interest on life insurance policies—interest which, mind you, the owner of the policy usually does not receive in cash, and frequently not at all since the policy values enhanced by the interest most often benefit the individual's heirs—would, of course, operate to discourage anyone attempting to buy life insurance and provide security for families in the event of early death.

It must be obvious that the proposal to tax the interest on State and municipal bonds is merely another attempt to transfer all power to the Federal establishment and reduce the States and municipalities to a condition of total dependence.

That such proposals would be seriously offered is disturbing.

That such suggestions could be made without receiving the immediate condemnation of a majority of the Nation's press is alarming.

That such proposals are made by an individual assigned by the Kennedy administration to determine tax policies for the United States is terrifying.

VISIT OF FANFANI OF ITALY

Mr. KEATING. Mr. President, for the last 2 days the President has been holding conversations with Premier Fanfani of Italy. There are no immediate pressing problems between the United States and its NATO ally on the Mediterranean, but consultation and exchange of views is always helpful.

Italy itself has enjoyed considerable economic growth and political stability since the end of the war. But clearly there are dangers ahead. Social reform, control of crime in southern Italy, and sharing of economic benefits among the whole people are major needs. Nearly one quarter of Italy's voters are Communists or at least they vote for Communist candidates. Nenni's Socialists have a large following. The growing strength on the left is a real threat that can best be met by more vigorous government measures to help the poorer people.

Mr. President, the ties between Italy and the United States are strong despite differences in the past. They are ties of blood and ties of affection, which are even stronger than the formal bonds of alliance. Mr. President, I ask unanimous consent to include in the RECORD at this point a perceptive editorial from the New York Herald Tribune on Premier Fanfani's visit.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REMINDING OURSELVES ABOUT ITALY

Italy, as the visit of Premier Fanfani to Washington reminds us, is an important member of the Atlantic alliance and a dynamic partner in the new Europe of the Common Market. It is obviously appropriate for him, like his colleagues of Britain, France, and Germany, to make contact with President Kennedy and the new administration.

Why do we have to be reminded? Because, bluntly, we have not had to worry. Italy has the biggest Communist Party outside the Iron Curtain. Its political life is lacerated by regional and historical animosities. Its thriving economy cannot disguise some of the worst poverty in Europe. Yet Italy has enjoyed a stability in the last 15 years few students of history would have predicted.

It is true that this stability rests on a deadlock which the Italians do not expect to see broken until someone, Nenni probably, dies. No new leader has arisen from the ranks of the Christian Democrats to replace De Gasperi. Yet if it is a deadlock, it at least works. Meanwhile, Italy has been free to concentrate on internal development and to build up considerable international influence, not only in Europe, but in the Mediterranean too, where as the only noncolonial European power, it enjoys commercial and diplomatic relations of unusual cordiality.

Italy and the United States have, as the diplomats say, no outstanding problems. But our welcome to Mr. Fanfani can express itself in a much warmer and more positive formula than this.

PRESIDENT KENNEDY TO STUDY ITEM VETO

Mr. KEATING. Mr. President, on May 29 I spoke on the floor of the Senate urging that President Kennedy, as have all of his predecessors since Ulysses S. Grant, support the item veto. At that time, I write to the President calling his attention to my speech and urging that he take a position on this vital and important fiscal reform.

From Special Assistant to the President, Lawrence F. O'Brien, I now learn that the President is, and I quote, "concerned about changes in our budgetary procedures" and that he has "asked the staff to study this question in the light of current needs."

I hope that this projected study by the White House will be concluded in the near future and will result in strong and active presidential support for the item veto and for other needed and im-

portant reforms in our governmental fiscal machinery.

Mr. President, in connection with my remarks on May 29 the New York Herald Tribune editorialized on June 4 in support of the item veto. This newspaper and many others, along with a number of active civic groups and Members of the Congress, are firmly committed to the item veto. I am hopeful that the work of these individuals and groups will be fruitful in the 87th Congress and soon will be spurred and stimulated by enthusiastic support from the White House.

Mr. President, I ask unanimous consent that the above referred to editorial from the New York Herald Tribune, which is appropriately titled "The Item Veto Sprouts But Never Blooms," appear at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE ITEM VETO SPROUTS BUT NEVER BLOOMS

The item veto is one of those hardy perennials that sprout every year in the congressional garden without ever blooming.

Senator KEATING has just renewed his annual plea in its behalf; others in both Houses of Congress have been at least as diligent. But each year, regularly as the sowing and the reaping, proposals for the item veto wilt and wither.

The reason is simple enough. Without the item veto, Congress can present the President with a catch-all appropriations measure on a take-it-or-leave-it basis. The pork barrel can be stuffed with vote-catching projects designed to keep every Congressman happy.

Practically every President since Grant has asked for the item veto—that is, the right to veto specific items in an appropriations measure without turning down the whole bill. Messrs. Roosevelt, Truman, and Eisenhower all asked for it, Mr. Eisenhower doing so as recently as his budget message last January.

It would save the taxpayers millions of dollars now being wasted on political boondoggles. Congress could override it, the same as any other veto, but it would make Congress look more sharply (and let the public see more sharply) at the justification for some of the local benefit schemes now masquerading as essential public works.

Forty-one States now give this power to their Governors. It is a logical extension of the general veto power. A Congress jealous of its prerogatives may never yield it. But it should.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

ESSAYS ON THE EVILS OF COMMUNISM BY NEW HAMPSHIRE HIGH SCHOOL SENIORS

Mr. BRIDGES. Mr. President, the Manchester National Bank of Manchester, N.H., recently sponsored an essay contest, in which all seniors attending the public and parochial high schools of Manchester were eligible to participate. The title of the contest was "Define Communism and Offer, in Your Opinion, the Most Effective Means of Combating It in the United States." And, it is interesting to note, the essays were written under supervision by school authorities, with notes or other forms of prior written preparation not allowed.

The two winning entries were selected by a distinguished panel of judges, which included: the Honorable Wesley Powell, Governor of New Hampshire; the Honorable Stephen Wheeler, associate justice of the New Hampshire Supreme Court; the Honorable Robert Hill, former U.S. Ambassador and presently member of the New Hampshire Legislature; the Honorable Louis Wyman, former attorney general of New Hampshire, and Mr. Herbert Philbrick, who is well known for his activities in combating communism.

I take this opportunity to commend the officials of the Manchester National Bank for the fine public-spirited motivation which led to the sponsorship of this contest, as well as the school authority of Manchester for their splendid cooperation. In these crucial times, when the future survival of our country may well be at stake, it is absolutely essential that we have an informed and alert citizenry. Fundamental to this goal is the education of our youth, who must be prepared for the mantle of leadership in the years ahead to cope with the inherent and dangerous evil of communistic aggression.

The results of this essay contest are truly amazing. It is gratifying and reassuring to know that some of our young people, at least, have an intelligent awareness of the problem confronting us. The two winners: Miss Lisette Thibodeau, 105 Ashland Street, Manchester, N.H., a senior at St. George High School, and Mr. William Kavesh, 329 Ash Street, Manchester, N.H., a senior at Manchester Central High School, show a degree of knowledge and perception which reflects great credit upon their home environments and their level of education.

I believe the two fine statements by these outstanding young people of my State warrant careful reading by all Americans, and I ask unanimous consent that they be printed in the RECORD at the conclusion of my remarks.

There being no objection, the essays were ordered to be printed in the RECORD, as follows:

DEFINE COMMUNISM AND OFFER, IN YOUR OPINION, THE MOST EFFECTIVE MEANS OF COMBATING IT IN THE UNITED STATES

(By Miss Lisette Thibodeau)

"I can prophesy that your grandchildren will live under socialism. And please do not be afraid of that. Your grandchildren will not understand how their grandparents could not understand the progressive nature of a Communist society."

These are the words of Nikita Khrushchev, by which he has issued a direct threat to our freedom. But how does this threat affect my life? What does it actually mean to me as a future citizen of America? The basic step toward answering these questions is to understand the meaning of socialism, which is merely another term of communism.

Communism is a radical and revolutionary form of socialism; it is opposed to the property and profit principles of capitalism, and opposed to nationalism. But communism is more than a political, economic, social or philosophical doctrine. It is a way of life, a false, materialistic religion. It would strip man of his belief in God, his heritage in freedom, his trust in love, freedom, justice and mercy. It would deny man his individuality, ambition, and his independence of mind and spirit. Under communism all would become, as so many already have, 20th-century slaves.

Communism is a religion of promise. Its promise is twofold in nature. One aspect appeals to the poor, the ignorant, and the underprivileged. The other appeals to the rich, the intellectually superior, and the idealistic reformers. It offers remedies, equality, justice and a satisfactory existence to the poor and underprivileged. It is easy to understand the appeal of such a program in poverty-stricken lands of ignorance, illiteracy, hunger and disease. To the rich, educated, and idealists, it promises the creation of a new and redeemed mankind.

The main objectives of communism are: Abolishing private property; making all property national for laboring masses to use; workers to control industry; all factories to be nationalized; and banks to be nationally controlled.

These objectives are attained by use of infiltration in government and police; sabotage in scientific and military fields; propaganda in all methods of communication; Communist agitation in rural areas, within trade unions, in workers' unions, and other mass organizations; and subversive activities in schools, colleges, and youth-activity groups.

How far has communism progressed in America? We cannot deny the Communist Party's growing influence in the United States. The proof is all around us in newspaper headlines and editorials. Government officials and prominent community citizens are accused of having Communist inclinations. Workers go on strike in an effort to weaken our economic system. College professors teach atheism and un-Americanism under the guise of liberalism and academic freedom. Students riot and cause frequent disruptions to protest against what they disapprove of, without any consideration for its necessity or benefit. Authors of textbooks and best-sellers twist ideas and concepts, thus planting the initial seed of doubt in the minds of unsuspecting readers.

How does communism threaten me? It threatens my very future security and welfare, as well as that of every citizen and resident of these United States. It seeks to poison the roots of freedom and democracy, which we all enjoy in the United States.

Communism can succeed in the United States. Not because it is stronger than we are; it is not. Not because it has more to offer; it has not. But we may not learn, until it is too late, to recognize who the Communists are, what they are doing, and what we, ourselves, therefore, must do to defeat them.

The most powerful means of combating communism are knowledge, courage, faith, and consecration.

Communism must be studied and clearly understood so that innocent victims will be aware of its dangers and will not fall into the trap.

We must always remember the purpose of the Soviet Union in all its dealings. We must not be blinded by its false front of peaceful coexistence. We must be able to recognize Communist propaganda in newspapers, books, magazines, television and radio.

Courage is needed to face the Communist threat unflinchingly. We must be prepared to take action against propaganda, infiltration, and sabotage. We cannot permit communism to take the offensive.

America will remain free with the grace of God. We must rekindle our faith and trust in God. Surely He will aid us in this hour of trial. He will not permit his principles to be buried in a godless world dominated by Communists. We must consecrate ourselves to freedom and democracy. We must aim for goals that are better, higher, and more noble, trying to improve self, community, and nation.

Russia spreads propaganda about the advantages of communism. Why not issue our own campaign concerning justice, liberty, and democracy, as practiced in the United States? Make the American citizen wake up and appreciate his way of life under a democratic form of government, which grants him innumerable rights and privileges.

Americans are noted for stubborn optimism. If we remain confident of our eventual victory in the cold war, half the battle is won. We must fight to preserve our freedom against all enemies, foreign and domestic. We must not allow the careful work of past generations to be destroyed and rendered worthless. We must continue and improve their efforts so that we, as well as future generations, may be free from the threat of communism, in a world made safe for democracy.

DEFINE COMMUNISM AND OFFER, IN YOUR OPINION, THE MOST EFFECTIVE MEANS OF COMBATING IT IN THE UNITED STATES

(By Mr. William Kavesh)

Communism is extremely difficult to define today, because in its present form it differs markedly from the classic communism of Marx and Engels. Yet, this seems only natural, since classic communism, by its very nature, is nebulous, inconclusive, and contradictory. Milovan Djilas, intimately connected with the affairs of the Yugoslav Government and Communist Party, exposes the basic fallacy of communism in his best-selling book, "The New Class." Communists begin with "the basic premise that they alone know the laws governing society, and arrive at the oversimplified and unscientific conclusion that this alleged knowledge grants them the power and exclusive right to change society and control its activity."

Thus, we must view communism in a frame of reference entirely separate from our own. In this light, justification for the statements of the Communist manifesto—the bible of communism—that the end justifies the means and that the rights of individuals are secondary or that the eradication of religion is trivial and unimportant is given simply because the Communists, obviously recognizing the ultimate laws of social behavior, dogmatically declare their statements to be true. The fact that they are, or may be, completely wrong does not enter their minds, as it never did the mind of Marx when his theory was questioned. And that is precisely what communism is: a theory, a hypothesis, never proved successful, and quite contradictory. To cite, briefly, a few of the contradictions of classical communism, we must look again at the manifesto. First and foremost, it is utopian and impractical. The idea that hate and war may produce love and peace is inconsistent with all that history has taught us. Also, the thesis that the "dictatorship of the proletariat" will give way to a classless society in which all will work to the utmost of their ability for the sake of the group is contradictory to human nature, since most individuals (and, to be successful, communism must have the support of all) will not work to their capacity nor at a level commensurate with their abilities, while watching another get the same benefits with less work. The failure of such Communist enterprises as Brook Farm and the Pilgrim settlements in the 1600's attests to this fact.

These two enterprises were based on classical communism (not developed originally by Marx, but rather taken from many writers previous to him, as we note by the fact that the manifesto was published some 230 years after the Pilgrims settled America) which we shall here define as the theory that the means of production should be owned and operated by the proletariat—the workers. Embodied within this theory is the idea that communism can only be achieved through violent revolution of the workers over their "capitalist masters"—those who own the means of production; and also that the dictatorship of the proletariat set up after this revolution will, of its own volition, wither away to a classless society in which each shall work according to his capacity and receive according to his need.

In this definition, I have emphasized "classical communism," since the communism which exists today is so different from that which Marx and Engels envisioned. Let us categorize "contemporary communism," and from this arrive at a definition of this malignant outgrowth of Marx's theory. The three chief characteristics of "contemporary communism" are "the new class," "imperialism," and hypocrisy.

The first of these, "the new class," is a bureaucratic hierarchy which controls and administers the Russian dictatorship. It is a privileged class and is literally an "owner" class, since it runs the means of production much as a capitalist owner would run his factory. The betrayal of the Russian revolution, as personified in this class, is well expressed in George Orwell's parody on the Russian revolution, "Animal Farm": "Some people are more equal than others." Thus, the existence of this ruling class shows the fallibility of the Marxist theory and the unwillingness of the Russian Government to carry it to its ultimate end. The second characteristic is "imperialist," condemned by the Communists as a "capitalist contrivance," yet practiced by them on a scale as large as any Western country. There are several forms to this imperialism, the first and most obvious of which is the physical control of the satellite nations by the Russian Army. (In several of these countries, Communist control was established, not by a workers' revolution, but by the Red army, a clear contradiction of Marxist theory.) Another form of imperialism is economic imperialism by which the Russian Government has tied to itself such countries as Cuba and Finland, through the control of vast amounts of their industrial and agricultural output owed Russia.

The third important characteristic of contemporary communism is hypocrisy. This is shown in the Communist attempt to eradicate religion while holding up communism as an ideological god, and in fact, attempting to substitute this as a religion and way of life. Furthermore, the government policy of "the end justifies the means" seems absurd, when it appears that the Russian leaders are not seeking the end and, in fact, cannot see where it exists.

Their inconsistencies are shown in government rewards for output and recognition of a limited degree of free enterprise.

Now that we have observed the characteristics of contemporary communism, let us conclude by defining it: communism today is a totalitarian dictatorship of the Russian bureaucracy, seeking to enslave the world. This form of communism interprets the Marxist theory according to its needs and desires and has corrupted the theory to the point where its few chief characteristics are the only means by which it can be recognized in Russia today. These are a denial of the existence of God, belief in the inevitability of the world conquest of communism, and moral nihilism.

Now that we realize what communism is in all its forms—in my opinion the most important necessity is doing something about it. What must we do? In order to meet the enemy, we must understand it. In accordance with this theory, the first and chief means of combating it must be through education. FBI Director J. Edgar Hoover and former New Hampshire Attorney General Louis Wyman recognize and have emphasized the need for a thorough knowledge of communism by all.

This could best be accomplished by a series of courses, starting at the grade-school level, presenting communism in its true aspect and pointing out its fallibilities. Continued as a course in high school (in the senior year) similar to U.S. history, communism would be shown up for what it really is, hypocritical and utopian.

Second, we must promote loyalty and make people aware of our ideals. We must stop degrading ourselves and allowing Communist propaganda to convince us that we are inferior to the Communists and that necessarily their way of life is better. Americans must have faith in the strength of democracy to win out. Through education we gain this faith. As we become aware, we can realize the hypocrisy of communism and its impossibility of serving as a basis for a government.

Through education and an emphasis on the superiority of the democratic way of life, we can thoroughly defeat communism in our country and over the whole world.

FEDERAL-AID HIGHWAY ACT OF 1961

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business, House bill 6713, the Federal-Aid Highway Act of 1961, be laid before the Senate for its consideration.

The PRESIDING OFFICER. The Chair now lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes.

Mrs. NEUBERGER. Mr. President, I rise to call up my amendment to House bill 6713.

The PRESIDING OFFICER. Under the regular procedure, the committee amendments are first to be considered.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DIRKSEN. Insofar as I recall, I do not believe the committee amendments were acted on yesterday. Were they?

The PRESIDING OFFICER. They were not.

Is it desired that the committee amendments be considered and agreed to en bloc, with the bill as thus amended to be open to amendment?

Mr. MANSFIELD. Mr. President, in view of the circumstances, and because of the fact that the Senators in charge of the bill are not presently on the floor, let me suggest that at this time the absence of a quorum be noted, that the committee amendments be considered en bloc when the Senators who are in charge of the bill come to the floor to call them up, and that thereafter the amendment of the Senator from Oregon [Mrs. NEUBERGER] be considered.

The PRESIDING OFFICER. The absence of a quorum has been suggested, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, do I correctly understand that the committee amendments are at the desk for consideration?

The PRESIDING OFFICER. The committee amendments are printed in the bill.

Mr. MANSFIELD. Mr. President, I understand the distinguished senior Senator from Oklahoma [Mr. KERR] is prepared to ask for consideration of the committee amendments.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. KERR. Mr. President, I ask unanimous consent that the committee amendments provided by the Finance Committee to H.R. 6713 may be agreed to en bloc, and become as though they were a part of the language of the bill, with the usual right for any Senator to move amendments with reference to striking, and so forth.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma? The Chair hears none, and it is so ordered.

The Finance Committee amendments agreed to en bloc are as follows:

Under the heading "Title II—Internal Revenue Code and Highway Trust Fund Amendments," on page 13, after line 7, to insert a new section, as follows:

"SEC. 206. PAYMENT TO COMPENSATE RETAIL DEALERS OF GASOLINE FOR TAX PAID ON GASOLINE LOST BY SHRINKAGE, EVAPORATION, ETC.

"(a) PAYMENT TO RETAIL DEALERS.—Subchapter B of chapter 65 of the Internal Revenue Code of 1954 (relating to rules of special application for abatements, credits, and refunds) is amended by adding at the end thereof the following new section:

"'SEC. 6424. GASOLINE LOST BY SHRINKAGE, EVAPORATION, ETC.

"'(a) PAYMENTS TO RETAIL DEALERS.—The Secretary or his delegate shall pay (without interest) to a retail dealer of gasoline, to compensate such dealer for the tax paid on gasoline which is lost by shrinkage, evaporation, and other causes, an amount equal to 1 percent of the tax paid under section 4081 of the gasoline sold by him.

"'(b) TIME FOR FILING CLAIM: PERIOD COVERED.—Not more than one claim for payment may be filed under this section by any retail dealer with respect to gasoline sold during the one-year period ending on June 30 of any year. No claim for payment shall be allowed under this section with respect to any one-year period unless filed on or before September 30 of the year in which such one-year period ends.

"'(c) LIMITATIONS.—

"'(1) EXEMPT SALES; REFUNDS; ETC.—No amount shall be paid to any retail dealer of gasoline under this section with respect to any gasoline sold by him—

"'(A) which the Secretary or his delegate determines was exempt from the tax imposed by section 4081,

"'(B) the tax on which is refundable to any person under any provision of this title, or

"'(C) with respect to which any amount is payable under section 6420 (relating to gasoline used on farms) or 6421 (relating to gasoline used for certain nonhighway purposes or by local transit systems).

"'(2) SALES TO OTHER DEALERS.—No amount shall be paid to any retail dealer of gasoline under this section with respect to any gasoline sold by him to any other dealer (including any wholesaler or distributor) of gasoline.

"'(d) APPLICABLE LAWS.—

"'(1) IN GENERAL.—All provisions of law, including penalties, applicable in respect of the tax imposed by section 4081 shall, insofar as applicable and not inconsistent with this section, apply in respect of the payments provided for in this section to the same extent as if such payments constituted refunds of overpayments of the tax so imposed.

"'(2) EXAMINATION OF BOOKS AND WITNESSES.—For the purpose of ascertaining the correctness of any claim made under this section, or the correctness of any payment made in respect of any such claim, the Secretary or his delegate shall have the authority granted by paragraphs (1), (2), and (3) of section 7602 (relating to examination of books and witnesses) as if the claimant were the person liable for tax.

"'(e) REGULATIONS.—The Secretary or his delegate may by regulations prescribe the conditions, not inconsistent with the provisions of this section, under which payments may be made under this section.

"'(f) EFFECTIVE DATE.—This section shall apply only with respect to gasoline sold by retail dealers after June 30, 1961.

"'(g) CROSS REFERENCES.—

"'(1) For civil penalty for excessive claims under this section, see section 6675.

"'(2) For fraud penalties, etc., see chapter 75 (section 7201 and following, relating to crime, other offenses, and forfeitures).'

"(b) TECHNICAL AMENDMENTS.—

"(1) Section 6206 of the Internal Revenue Code of 1954 (relating to special rules applicable to excessive claims) is amended—

"(A) by striking out 'and 6421' in the heading and inserting in lieu thereof ', 6421, and 6424';

"(B) by striking out 'or 6421' each place it appears therein and inserting in lieu thereof ', 6421 or 6424'.

"(2) Section 6675 of such Code (relating to excessive claims with respect to the use of certain gasoline) is amended—

"(A) by inserting after 'use' in the heading the following: 'or sale';

"(B) by striking out 'or' before '6421' in subsection (a) and inserting in lieu thereof a comma, and by inserting after 'systems)' the following: ', or 6424 (relating to gasoline lost by shrinkage evaporation, etc.)'; and

"(C) by striking out 'or 6421' in subsection (b) and inserting in lieu thereof ', 6421, or 6424'.

"(3) Sections 7210 (relating to failure to obey summons), 7603 (relating to service of summons), and 7604 (relating to enforcement of summons) and the first sentence of section 7605 (relating to time and place of examination) of such Code are each amended by inserting after '6421(f)(2),' each place it appears therein the following: '6424(d)(2),'. The second sentence of section 7605 of such Code is amended by striking out 'or 6421(f)(2)' and inserting in lieu thereof ', 6421(f)(2), or 6424(d)(2)'.

"(c) CLERICAL AMENDMENTS.—

"(1) Section 4084 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"'(3) For provisions to compensate retail dealers for the tax paid on gasoline which is lost by shrinkage, evaporation, and other causes, see section 6424.'

"(2) The table of sections for subchapter A of chapter 63 of such Code is amended by striking out

"'Sec. 6206. Special rules applicable to excessive claims under sections 6420 and 6421.'

and inserting in lieu thereof

"'Sec. 6206. Special rules applicable to excessive claims under sections 6420, 6421, and 6424.'

"(3) The table of sections for subchapter B of chapter 65 of such Code is amended by adding at the end thereof the following:

"'Sec. 6424. Gasoline lost by shrinkage, evaporation, etc.'

"(4) Section 6504 of such Code is amended by adding at the end thereof the following:

"'(16) Assessments to recover excessive amounts paid under section 6424 (relating to gasoline lost by shrinkage, evaporation, etc.) and assessments of civil penalties under section 6675 for excessive claims under section 6424, see section 6206.'

"(5) Section 6511(f) of such Code is amended by adding at the end thereof the following:

"'(7) For limitations in case of penalties under section 6424 (relating to gasoline lost by shrinkage, evaporation, etc.), see section 6424(b).'

"(6) Section 6612(c) of such Code is amended by striking out 'and' before '6421' and inserting in lieu thereof a comma, and by inserting before the period at the end thereof the following: ', and 6424 (relating to gasoline lost by shrinkage, evaporation, etc.)'.

"(7) The table of sections for subchapter B of chapter 68 of such Code is amended by striking out

"'Sec. 6675. Excessive claims with respect to the use of certain gasoline.'

and inserting in lieu thereof

"'Sec. 6675. Excessive claims with respect to the use or sale of certain gasoline.'"

On page 19, at the beginning of line 4, to change the section number from "206" to "207".

On page 21, at the beginning of line 19, to change the section number from "207" to "208".

On page 22, line 3, after "June 30," to strike out "1961" and insert "1962".

On page 24, after line 8, to insert a new subparagraph, as follows:

"(e) TRANSFERS TO GENERAL FUND FOR PAYMENTS MADE TO RETAIL DEALERS OF GASOLINE.—Paragraph (3) of section 209(f) of such Act (relating to transfers from Trust Fund for gasoline used on farms and for certain other purposes) is amended—

"(1) by striking out 'and 6421 (relating to amounts paid in respect of gasoline used for certain nonhighway purposes or by local transit systems)' and inserting in lieu thereof ', 6421 (relating to amounts paid in respect of gasoline used for certain nonhighway purposes or by local transit systems), and 6424 (relating to amounts paid in respect of gasoline lost by shrinkage, evaporation, etc.)'; and

"(2) by striking out in the heading of such paragraph 'FOR GASOLINE USED ON FARMS AND FOR CERTAIN OTHER PURPOSES' and inserting in lieu thereof 'FOR PAYMENTS MADE WITH RESPECT TO GASOLINE'."

On page 25, at the beginning of line 1, to change the section number from "208" to "209".

On page 25, at the beginning of line 6, to strike out "and 203" and insert "203, and 206".

Mrs. NEUBERGER rose.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mrs. NEUBERGER. Mr. President, for myself and other Senators I call up my amendment C to H.R. 6713.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 4, between lines 11 and 12, it is proposed to insert the following:

"SEC. 105. EXTENSION OF TIME FOR AGREEMENTS WITH RESPECT TO AREAS ADJACENT TO THE INTERSTATE SYSTEM

"Subsection (c) of section 131 of title 23 of the United States Code is amended by striking out '1961' and inserting in lieu thereof '1963'."

Mr. MANSFIELD. Mr. President, will the Senator yield to me, without losing her right to the floor?

Mrs. NEUBERGER. I yield to the Senator from Montana.

Mr. MANSFIELD. I ask unanimous consent that there be a time limitation of 3 hours applied to consideration of the amendment, with 1½ hours to be under the control of the distinguished senior Senator from Oklahoma [Mr. KERR] and the remaining 1½ hours to be under the control of the distinguished minority leader [Mr. DIRKSEN].

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mrs. NEUBERGER. Mr. President, before stating my remarks of my amendment, I ask unanimous consent that the Senator from New Jersey [Mr. CASE] may be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon? The Chair hears none, and it is so ordered.

Mrs. NEUBERGER. Mr. President, a song well known to American school children describes our fair land as America the "beautiful for spacious skies, from sea to shining sea."

As every school child knows, not one word in this famous song would imply in any way that billboards contribute to the scenic grandeur of "purple mountain majesties, above the fruited plain."

I wonder, Mr. President, whether this vocal tribute to America's beauty will have real meaning for future generations of school children. I would dislike it if songs about the beauty of America were to become part of a dimly remembered folklore. Yet such may be the result if we in this generation fail in our obligation to provide adequate protection for scenic grandeur.

Mr. President, I wish to stress that the amendment we have offered in no way bans or prohibits all billboards along the highways. It merely permits the several States to enter into agreements with the Secretary of Commerce, based on a declared national policy, for a rather mild form of regulation on specified portions of the Interstate Highway System.

I ask unanimous consent to have printed in the RECORD at this point in my remarks that portion of section 122 of Public Law 85-381 which describes the national policy for signboard regulation and describing the general types of permissible roadside signs.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SEC. 122. AREAS ADJACENT TO THE INTERSTATE SYSTEM.

(a) NATIONAL POLICY.—To promote the safety, convenience, and enjoyment of public travel and the free flow of interstate commerce and to protect the public investment in the National System of Interstate and Defense Highways, it is hereby declared to be in the public interest to encourage and assist the States to control the use of and to improve areas adjacent to the Interstate System by controling the erection and maintenance of outdoor advertising signs, displays, and devices adjacent to that system. It is hereby declared to be a national policy that the erection and maintenance of outdoor advertising signs, displays, or devices within six hundred and sixty feet of the edge of the right-of-way and visible from the main-traveled way of all portions of the Interstate System constructed upon any part of right-of-way, the entire width of which is acquired subsequent to July 1, 1956, should be regulated, consistent with national standards to be prepared and promulgated by the Secretary, which shall include only the following four types of signs, and no signs advertising illegal activities.

(1) Directional or other official signs or notices that are required or authorized by law.

(2) Signs advertising the sale or lease of the property upon which they are located.

(3) Signs erected or maintained pursuant to authorization or permitted under State law, and not inconsistent with the national policy and standards of this section, advertising activities being conducted at a location within twelve miles of the point at which such signs are located.

(4) Signs erected or maintained pursuant to authorization in State law and not inconsistent with the national policy and standards of this section, and designed to give information in the specific interest of the traveling public.

(b) Agreements.—The Secretary of Commerce is authorized to enter into agreements with State highway departments (including such supplementary agreements as may be necessary) to carry out the national policy set forth in subsection (a) of this section with respect to the Interstate System within the State. Any such agreement shall include provisions for regulation and control of the erection and maintenance of advertising signs, displays, and other advertising devices in conformity with the standards established in accordance with subsection (a) and may include, among other things, provisions for preservation of natural beauty, prevention of erosion, landscaping, reforestation, development of viewpoints for scenic attractions that are accessible to the public without charge, and the erection of markers, signs, or plaques, and development of areas in appreciation of sites of historical significance. Upon application of the State, any such agreement may, within the discretion of the Secretary of Commerce, consistent with the national policy, provide for excluding from application of the national standards segments of the Interstate System which traverse incorporated municipalities wherein the use of real property adjacent to the Interstate System is subject to municipal regulation or control, or which traverse other areas where the land use is clearly established by State law as industrial or commercial: *Provided, however,* That any such segment excluded from the application of such standards shall not be considered in computing the increase of the Federal share payable on account thereof.

Mrs. NEUBERGER. Mr. President, the national policy for billboard regulation has the following major purposes:

First. To promote the safety, convenience, and enjoyment of public travel;

Second. To protect the public investment in the National System of Interstate and Defense Highways; and

Third. To control use of and to improve areas adjacent to the Interstate System.

To achieve these objectives, the statute authorized the Secretary of Commerce to enter into agreements with State highway departments to carry out the national policy. I ask unanimous consent to have printed in the RECORD at this point in my remarks the standards promulgated by the Secretary of Commerce as a basis for agreements with the States, as published in the Federal Register on November 13, 1958.

There being no objection, the standards were ordered to be printed in the RECORD, as follows:

TITLE 23—HIGHWAYS

CHAPTER I—BUREAU OF PUBLIC ROADS, DEPARTMENT OF COMMERCE

Part 20—National Standards for Regulation by States of Outdoor Advertising Signs, Displays and Devices Adjacent to the National System of Interstate and Defense Highways

Sec.
20.1 Purpose.
20.2 Definitions.
20.3 Measurements of distance.
20.4 Signs that may not be permitted in protected areas.
20.5 Signs that may be permitted in protected areas.
20.6 Class 3 and 4 signs within informational sites.
20.7 Class 3 and 4 signs outside informational sites.
20.8 General provisions.
20.9 Exclusions.
20.10 State regulations.

Authority: Sections 20.1 to 20.10 issued under section 131, 72 Stat. 904; 23 U.S.C. 131.

SEC. 20.1 Purpose: (a) In title 23, United States Code, section 131, hereinafter called the "act", the Congress has declared that:

(1) To promote the safety, convenience, and enjoyment of public travel and the free flow of interstate commerce and to protect the public investment in the National System of Interstate and Defense Highways, hereinafter called the "Interstate System," it is in the public interest to encourage and assist the States to control the use of and to improve areas adjacent to such system by controlling the erection and maintenance of outdoor advertising signs, displays and devices adjacent to that system.

(2) It is a national policy that the erection and maintenance of outdoor advertising signs, displays, or devices within 660 feet of the edge of the right-of-way and visible from the main-traveled way of all portions of the Interstate System constructed upon any part of right-of-way, the entire width of which is acquired subsequent to July 1, 1956, should be regulated, consistent with national standards to be prepared and promulgated by the Secretary of Commerce.

(b) The standards in this part are hereby promulgated as provided in the act.

SEC. 20.2 Definitions. The following terms when used in the standards in this part have the following meanings:

(a) "Acquired for right-of-way" means acquired for right-of-way for any public road by the Federal Government, a State, or a county, city or other political subdivision of a State, by donation, dedication, purchase, condemnation, use, or otherwise. The date of acquisition shall be the date upon which title (whether fee title or a lesser interest) vested in the public for right-of-way purposes under applicable Federal or State law.

(b) "Centerline of the highway" means a line equidistant from the edges of the median separating the main-traveled ways of a divided interstate highway, or the centerline of the main-traveled way of a nondivided interstate highway.

(c) "Controlled portion of the Interstate System" means any portion which

(1) Is constructed upon any part of right-of-way, the entire width of which is acquired for right-of-way subsequent to July 1, 1956 (a portion shall be deemed so constructed if, within such portion, no line normal or perpendicular to the centerline of the highway

and extending to both edges of the right-of-way will intersect any right-of-way acquired for right-of-way on or before July 1, 1956);

(2) Lies within a State, the highway department of which has entered into an agreement with the Secretary of Commerce as provided in the act; and

(3) It is not excluded under the terms of the act which provide that agreements entered into between the Secretary of Commerce and the State highway department shall not apply to those segments of the Interstate System which traverse commercial or industrial zones within the boundaries of incorporated municipalities, as such boundaries existed on September 21, 1959, wherein the use of real property adjacent to the Interstate System is subject to municipal regulation or control, or which traverse other areas where the land use as of September 21, 1959, was clearly established by State law as industrial or commercial.[1]

(d) "Entrance roadway" means any public road or turning roadway, including acceleration lanes, by which traffic may enter the main-traveled way of an interstate highway from the general road system within a State, irrespective of whether traffic may also leave the main-traveled way by such road or turning roadway.

(e) "Erect" means to construct, build, raise, assemble, place, affix, attach, create, paint, draw, or in any other way bring into being or establish.

(f) "Exit roadway" means any public road or turning roadway, including deceleration lanes, by which traffic may leave the main-traveled way of an interstate highway to reach the general road system within a State, irrespective of whether traffic may also enter the main-traveled way by such road or turning roadway.

(g) "Informational site" means an area or site established and maintained within or adjacent to the right-of-way of a highway on the Interstate System by or under the supervision or control of a State highway department, wherein panels for the display of advertising and informational signs may be erected and maintained.

(h) "Legible" means capable of being read without visual aid by a person of normal visual acuity.

(i) "Maintain" means to allow to exist.

(j) "Main-traveled way" means the traveled way of an interstate highway on which through traffic is carried. In the case of a divided highway, the traveled way of each of the separated roadways for traffic in opposite directions is a main-traveled way. It does not include such facilities as frontage roads, turning roadways, or parking areas.

(k) "Protected areas" means all areas inside the boundaries of a State which are adjacent to and within 660 feet of the edge of the right-of-way of all controlled portions of the Interstate System within that State. Where a controlled portion of the Interstate System terminates at a State boundary which is not perpendicular or normal to the centerline of the highway, "protected areas" also means all areas inside the boundary of such State which are within 660 feet of the edge of the right-of-way of the interstate highway in the adjoining State.

(l) "Scenic area" means any public park or area of particular scenic beauty or historical significance designated by or pursuant to State law as a scenic area.

(m) "Sign" means any outdoor sign, display, device, figure, painting, drawing, message, placard, poster, billboard, or other thing which is designed, intended, or used to advertise or inform, any part of the advertising or informative contents of which is visible from any place on the main-traveled way of a controlled portion of the Interstate System.

(n) "State" means the District of Columbia and any State of the United States within the boundaries of which a portion of the Interstate System is located.

(o) "State law" means a State constitutional provision or statute, or an ordinance, rule, or regulation enacted or adopted by a State agency or political subdivision of a State pursuant to State constitution or statute.

(p) "Trade name" shall include brand name, trademark, distinctive symbol, or other similar device or thing used to identify particular products or services.

(q) "Traveled way" means the portion of a roadway for the movement of vehicles, exclusive of shoulders.

(r) "Turning roadway" means a connecting roadway for traffic turning between two intersection legs of an interchange.

(s) "Visible" means capable of being seen (whether or not legible) without visual aid by a person of normal visual acuity.

SEC. 20.3 Measurements of distance: (a) Distance from the edge of a right-of-way shall be measured horizontally along a line normal or perpendicular to the centerline of the highway.

(b) All distances under section 20.7 (a) (2) and (b) shall be measured along the centerline of the highway between two vertical planes which are normal or perpendicular to and intersect the centerline of the highway, and which pass through the termini of the measured distance.

SEC. 20.4. Signs that may not be permitted in protected areas. Erection or maintenance of the following signs may not be permitted in protected areas:

(a) Signs advertising activities that are illegal under State or Federal laws or regulations in effect at the location of such signs or at the location of such activities,

(b) Obsolete signs,

(c) Signs that are not clean and in good repair,

(d) Signs that are not securely affixed to a substantial structure, and

(e) Signs that are not consistent with the standards in this part.

SEC. 20.5. Signs that may be permitted in protected areas. (a) Erection or maintenance of the following signs may be permitted in protected areas:

Class 1—Official signs: Directional or other official signs or notices erected and maintained by public officers or agencies pursuant to and in accordance with direction or authorization contained in State or Federal law, for the purpose of carrying out an official duty or responsibility.

Class 2—On premise signs: Signs not prohibited by State law which are consistent with the applicable provisions of this section and section 20.8 and which advertise the sale or lease of, or activities being conducted upon, the real property where the signs are located.

Not more than one such sign advertising the sale or lease of the same property may be permitted under this class in such manner as to be visible to traffic proceeding in any one direction on any one Interstate highway.

Not more than one such sign, visible to traffic proceeding in any one direction on any one interstate highway and advertising activities being conducted upon the real property where the sign is located, may be permitted under this case more than 50 feet from the advertised activity.

Class 3—Signs within 12 miles of advertised activities: Signs not prohibited by State law which are consistent with the applicable provisions of this section and sections 20.6, 20.7 and 20.8 and which advertise activities being conducted within 12 air miles of such signs.

Class 4—Signs in the specific interest of the traveling public: Signs authorized to be erected or maintained by State law which are consistent with the applicable provisions of this section and sections 20.6, 20.7 and 20.8 and which are designed to give information in the specific interest of the traveling public.

(b) A class 2 or 3 sign, except a class 2 sign not more than 50 feet from the advertised activity, that displays any trade name which refers to or identifies any service rendered or product sold, used or otherwise handled more than 12 air miles from such sign may not be permitted unless the name of the advertised activity which is within 12 air miles of such sign is displayed as conspicuously as such trade name.

(c) Only information about public places operated by Federal, State or local governments, natural phenomena, historic sites, areas of natural scenic beauty or naturally suited for outdoor recreation, and places for camping, lodging, eating and vehicle service and repair is deemed to be in the specific interest of the traveling public. For the purposes of the standards in this part, a trade name is deemed to be information in the specific interest of the traveling public only if it identifies or characterizes such a place or identifies vehicle service, equipment, parts, accessories, fuels, oils or lubricants being offered for sale at such a place. Signs displaying any other trade name may not be permitted under class 4.

(d) Notwithstanding the provisions of paragraph (b) of this section, class 2 or class 3 signs which also qualify as class 4 signs may display trade names in accordance with the provisions of paragraph (c) of this section.

SEC. 20.6. Class 3 and 4 signs within informational sites. (a) Informational sites for the erection and maintenance of class 3 and 4 advertising and informational signs may be established in accordance with the regulations for the administration of Federal aid for highways. The location and frequency of such sites shall be as determined by agreements between the Secretary of Commerce and the State highway departments.

(b) Class 3 and 4 signs may be permitted within such informational sites in protected areas in a manner consistent with the following provisions:

(1) No sign may be permitted which is not placed upon a panel.

(2) No panel may be permitted to exceed 13 feet in height or 25 feet in length, including border and trim, but excluding supports.

(3) No sign may be permitted to exceed 12 square feet in area, and nothing on such sign may be permitted to be legible from any place on the main-traveled way or a turning roadway.

(4) Not more than one sign concerning a single activity or place may be permitted within any one informational site.

(5) Signs concerning a single activity or place may be permitted within more than one informational site, but no class 3 sign which does not also qualify as a class 4 sign may be permitted within any informational site more than 12 air miles from the advertised activity.

(6) No sign may be permitted which moves or has any animated or moving parts.

(7) Illumination of panels by other than white lights may not be permitted, and no sign placed on any panel may be permitted to contain, include, or be illuminated by any other lights, or any flashing, intermittent, or moving lights.

(8) No lighting may be permitted to be used in any way in connection with any panel unless it is so effectively shielded as to prevent beams or rays of light from being directed at any portion of the main-traveled way of the Interstate System, or is of such low intensity or brilliance as not to cause glare or to impair the vision of the driver of any motor vehicle, or to otherwise interfere with any driver's operation of a motor vehicle.

[1] Effective date Jan. 12, 1960.

SEC. 20.7. Class 3 and 4 signs outside informational sites: (a) The erection or maintenance of the following signs may be permitted within protected areas, outside informational sites:

(1) Class 3 signs which are visible only to interstate highway traffic not served by an informational site within 12 air miles of the advertised activity;

(2) Class 4 signs which are more than 12 miles from the nearest panel within an informational site serving interstate highway traffic to which such signs are visible.

(3) Signs that qualify both as class 3 and 4 signs may be permitted in accordance with either subparagraph (1) or (2) of this paragraph.

(b) The erection or maintenance of signs permitted under paragraph (a) of this section may not be permitted in any manner inconsistent with the following:

(1) In protected areas in advance of an intersection of the main-traveled way of an interstate highway and an exit roadway, such signs visible to interstate highway traffic approaching such intersection may not be permitted to exceed the following number:

Distance from intersection:	*Number of signs*
0–2 miles	0.
2–5 miles	6.
More than 5 miles	Average of one sign per mile.

The specified distances shall be measured to the nearest point of the intersection of the traveled way of the exit roadway and the main-traveled way of the interstate highway.

(2) Subject to the other provisions of this paragraph, not more than two such signs may be permitted within any mile distance measured from any point, and no such signs may be permitted to be less than 1,000 feet apart.

(3) Such signs may not be permitted in protected areas adjacent to any interstate highway right-of-way upon any part of the width of which is constructed an entrance or exit roadway.

(4) Such signs visible to interstate highway traffic which is approaching or has passed an entrance roadway may not be permitted in protected areas for 1,000 feet beyond the farthest point of the intersection between the traveled way of such entrance roadway and the main-traveled way of the interstate highway.

(5) No such signs may be permitted in scenic areas.

(6) Not more than one such sign advertising activities being conducted as a single enterprise or giving information about a single place may be permitted to be erected or maintained in such manner as to be visible to traffic moving in any one direction on any one interstate highway.

(c) No class 3 or 4 signs other than those permitted by this section may be permitted to be erected or maintained within protected areas, outside informational sites.

SEC. 20.8 *General provisions:* No class 3 or 4 sign may be permitted to be erected or maintained pursuant to section 20.7, and no class 2 sign may be permitted to be erected or maintained, in any manner inconsistent with the following:

(a) No sign may be permitted which attempts or appears to attempt to direct the movement of traffic or which interferes with, imitates or resembles any official traffic sign, signal or device.

(b) No sign may be permitted which prevents the driver of a vehicle from having a clear and unobstructed view of official signs and approaching or merging traffic.

(c) No sign may be permitted which contains, includes, or is illuminated by any flashing, intermittent or moving light or lights.

(d) No lighting may be permitted to be used in any way in connection with any sign unless it is so effectively shielded as to prevent beams or rays of light from being directed at any portion of the main-traveled way of the Interstate System, or is of such low intensity or brilliance as not to cause glare or to impair the vision of the driver of any motor vehicle, or to otherwise interfere with any driver's operation of a motor vehicle.

(e) No sign may be permitted which moves or has any animated or moving parts.

(f) No sign may be permitted to be erected or maintained upon trees or painted or drawn upon rocks or other natural features.

(g) No sign may be permitted to exceed 20 feet in length, width or height, or 150 square feet in area, including border and trim but excluding supports, except class 2 signs not more than 50 feet from, and advertising activities being conducted upon, the real property where the sign is located.

SEC. 20.9. *Exclusions.* The standards in this part shall not apply to markers, signs and plaques in appreciation of sites of historical significance for the erection of which provisions are made in an agreement between a State and the Secretary of Commerce, as provided in the Act, unless such agreement expressly makes all or any part of the standards applicable.[1]

SEC. 20.10. *State regulations.* A State may elect to prohibit signs permissible under the standards in this part without forfeiting its rights to any benefits provided for in the act.

Dated: November 10, 1958.

Recommended:

B. D. TALLAMY,
Federal Highway Administrator.

Issued:

SINCLAIR WEEKS,
Secretary of Commerce.

Mrs. NEUBERGER. Mr. President, the 1958 act specified that if cooperative Federal-State agreements were entered into prior to July 1, 1961, the Federal share payable to the States on Interstate System projects would be increased by one-half of 1 percent of the total cost thereof. Unless we now act to extend that date, the national policy will be negated and the several States will be denied opportunity to qualify for the national standards of control. Such an eventuality would cost the States the loss of many millions of dollars.

Maryland, North Dakota, and Kentucky have entered into agreements for the control of outdoor advertising pursuant to the national policy. However, I am advised that 12 other States have enacted legislation designed to provide legal authority for such control. These States are: Connecticut, Delaware, Hawaii, Maine, Nebraska, New York, Oregon, Pennsylvania, Virginia, Washington, West Virginia, and Wisconsin.

In addition, proposed legislation on this subject was pending in nine State legislative assemblies still in session on June 2, 1961. These were the legislative assemblies of the following States: Alabama, Illinois, Missouri, New Hampshire, New Jersey, Ohio, Oklahoma, Vermont, and North Carolina.

Mr. KERR. Mr. President, will the Senator yield?

Mrs. NEUBERGER. I yield.

Mr. KERR. Will the Senator repeat what she said about Oklahoma?

Mrs. NEUBERGER. On June 2, 1961, legislation was pending in nine State legislative assemblies, of which the Legislature of Oklahoma was one.

I have been advised by Hon. Luther Hodges, Secretary of the Department of Commerce, that the time required to conclude agreements with the States depends largely upon the promptness with which the States act after they have enacted legislation, and the adequacy and completeness of the material submitted to the Bureau of Public Roads. Secretary Hodges tells me in a letter:

> We have followed the practice of not concluding an agreement until we are satisfied that the States can comply with the terms thereof and control advertising entirely consistent with the national policy and national standards.

The letter from Secretary Hodges further states:

> Whether sufficient time remains before June 30 to conclude work on agreements with the States depends largely upon the promptness and completeness with which the States act. We are confident that we can conclude work on agreements with those States which have already submitted the required material, even if some corrections or modifications must be made. We are hopeful that the States which have enacted legislation but not yet submitted the required material will act promptly so as to allow enough time for the necessary review and processing.
>
> If the interested States delay their submissions very much longer it is doubtful whether the necessary processing can be accomplished and agreements entered into with all of them by the deadline date of June 30. Of course, we will do everything humanly possible to complete our work on agreements for which application is made before June 30. However, we cannot control the passage of time.
>
> The fact that some 25 States have either enacted or are still considering legislation on this subject shows great public support for the national policy concerning the control of outdoor advertising. I do not believe that interested States should be deprived of the opportunity to receive the incentive payments provided by Federal law simply because of the expiration of an arbitrarily selected period of time.
>
> I deeply appreciate your interest and efforts concerning this subject, and am hopeful that you will accomplish our mutual objective of extending the deadline date for the execution of agreements to carry out the national policy established by the Congress.

I quite agree with Secretary Hodges that the States should have every opportunity to participate in the national program. I trust that my colleagues in the Senate will support the amendment which we have offered so the rights of the States will be protected.

President Kennedy also has given strong support to extension of the national policy for billboard control. In his special message to Congress of February 28, 1961, the President devoted one section of his message to a discussion of the desirability of extending the billboard control features of the Highway Act. I ask unanimous consent to have printed as a part of my remarks, President Kennedy's statement on billboard control.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

V. BILLBOARD CONTROL

The Interstate Highway System was intended, among other purposes, to enable

[1] Effective date March 26, 1960.

more Americans to more easily see more of their country. It is a beautiful country. The system was not intended to provide a large and unreimbursed measure of benefits to the billboard industry, whose structures tend to detract from both the beauty and the safety of the routes they line. Their messages are not, as so often claimed, primarily for the convenience of the motorist whose view they block. Some two-thirds of such advertising is for national products, and is dominated by a handful of large advertisers to whom the Interstate System has provided a great windfall.

The Congress took a wise though very modest step in 1958 by authorizing, through section 122 of the 1958 act, the control of outdoor advertising within designated limits of the routes of the Interstate System. States electing to comply with the Federal standards promulgated under that section were to receive an incentive payment of an extra one-half of 1 percent of the cost of interstate highway projects within the State.

Unfortunately that provision expires on June 30 of this year, and a variety of pressures has prevented all but one State (Maryland) from taking advantage of this provision. I urge the Congress to extend this billboard control section for 4 more years; and to increase the incentive bonus from one-half to 1 percent of a State's allotment. Should this measure still prove to be insufficient, it may be necessary to adopt more direct means of control, or to at least charge the billboard owners for the benefits they are receiving.

Mrs. NEUBERGER. The States which have already enacted enabling legislation are in various stages in regard to completing the steps leading to execution of the prescribed agreement. Some States are still in the process of considering regulations or preparing material for submission to the Bureau of Public Roads, while other States have completed this and are awaiting review and approval of their submissions.

President Kennedy's forthright statement on the desirability of regulating billboards reflects the widespread public support for extension of the national policy. Several national organizations, representing millions of American citizens, have urged an extension of the deadline. One of these is the American Automobile Association, which at its annual meeting in Cleveland, Ohio, in October 1960, enacted a resolution supporting the provisions of our amendment.

The AAA also filed a statement with the Roads Subcommittee of the House Public Works Committee urging stronger Federal action to curb billboards along interstate routes. I ask unanimous consent to have printed at this point a news release on this action, dated March 29, 1961.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

STRONGER FEDERAL ACTION TO CURB BILLBOARDS ALONG INTERSTATE ROUTES URGED BY AAA

WASHINGTON, D.C., March 29.—Stronger Federal action to curb outdoor advertising along the National System of Interstate and Defense Highways was urged on Congress today by the American Automobile Association.

In a statement filed with the Roads Subcommittee of the House Public Works Committee, the motorist organization pointed out that the Interstate System, estimated to cost a total of $41 billion, is designed and engineered to the highest standards.

"Unless corrective action is taken, this great dream system may become a $41 billion billboard nightmare," the AAA statement said.

In his highway message of February 28, President Kennedy recommended that the deadline for billboard bonus agreements with the States now set at next June 30 be extended for an additional 4 years and that the amount of the bonus be doubled—from one-half of 1 percent to a full 1 percent. Bills incorporating these provisions are now pending before the Public Works Committee.

"The desecration of the scenery is bad enough," the AAA statement said. "More important is the safety aspect. Much thought and research has gone into designing highway warning and directional signs adequate for the safe and orderly movement of high-speed traffic on interstate highways. This progress will be largely nullified unless outdoor advertising is controlled. If warning and directional signs on our new high-speed highways are blanketed or obscured by commercial signs, the inevitable result will be a large increase in confusion and accidents."

Mrs. NEUBERGER. In concluding at this time my remarks on the amendment, which I and so many other Senators have sponsored, I will not go into the whole philosophy of billboard control measures, which was established by Congress, in its wisdom, in 1958, and is now the law of the land. We merely ask for an extension of the act so that other States may comply with the provisions of the act.

Mr. COOPER. Mr. President, I am very happy to join the distinguished Senator from Oregon in sponsoring the amendment. It would extend for 2 years the time in which a State may enter into an agreement with the Bureau of Public Roads to gain advantage of the incentive of one-half of 1 percent of the funds allocated to the State for the construction of interstate highways—for the purpose of controlling outdoor advertising on areas adjacent to these highways.

It will be remembered that in 1958 the question of outdoor advertising, or what is popularly known as billboard advertising on areas adjacent to the Interstate Highway System, was thoroughly considered by the Congress of the United States. All of us remember the great speeches and arguments that were made then, by the late Senator Richard Neuberger of Oregon, by the Senator from California, Mr. Kuchel, and by the Senator from Tennessee, Mr. Gore, for the establishment of a national policy by the Congress.

I am happy, today, as I am sure all of the Members of the Senate are happy, that the present junior Senator from Oregon [Mrs. NEUBERGER] is continuing the fight her great husband made in 1958.

No argument need be made today, in my view, to support the bases on which the national policy was established. The arguments were made in 1958, and approved by the Congress. The then President of the United States, President Eisenhower, had requested that provision be made in the National System of Interstate and Defense Highways, for the control of lands adjacent to the rights-of-way, so they would not be cluttered up by billboards and other outdoor advertising. Only recently President Kennedy made the same request to Congress asking for an extension of the incentive payment provision, as we ask in our amendment.

The bill passed by the House failed to extend the time in which States could enter into agreements in this regard. When it came to the Senate, it was considered by the Public Works Committee. I had read the speech the Senator from Oregon [Mrs. NEUBERGER] had made a few days before, pointing out that unless Congress extended the time, many States would be denied the opportunity to enter into agreements with the Bureau of Public Roads. On that day I offered an amendment in committee to extend the time, for a period of 2 years. It was defeated by voice vote. I have never questioned the decision made by the chairman, Senator MCNAMARA. It did turn out later, however, that when the members of the committee who had not been present were polled, a majority of the Public Works Committee stated that they favored an extension of 2 years.

I should like to make it clear that those of us who ask for the 2-year extension are not suggesting a change of policy. We are asking that the policy which was established in 1958 be confirmed and be maintained. That policy is the national policy. It is stated in the act:

To promote the safety, convenience, and enjoyment of public travel and the free flow of interstate commerce and to protect the public investment of a National System of Interstate and Defense Highways, it is hereby declared to be in the public interest to encourage and assist the States to control the use of and to improve areas adjacent to the Interstate System by controlling the erection and maintenance of outdoor advertising signs, displays and devices adjacent to that system.

As the Senate knows, the Federal-Aid Highway Act of 1958 encouraged the States to exercise their police powers, and provide for regulation of outdoor advertising to a distance of 660 feet from the limits of the right-of-way of the system.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. CASE of South Dakota. Is it the Senator's understanding that the arrangement between the Bureau of Public Roads and the States which is contained under the authority of the 1958 act confers upon a State some special right to use police powers to prohibit advertising within the 660 feet the Senator has mentioned?

Mr. COOPER. No. The police power resides with the State. The provisions adopted by Congress provides funds to assist a State in exercising its police power.

Mr. CASE of South Dakota. When a State negotiates for a right-of-way for a highway, does it pay the landowner for both the land that is used for the right-of-way and for the restrictive easement on the 660 feet, or does it say to the landowner of the 660 feet: "You cannot put up anything because we are exercising our police power?"

Mr. COOPER. As the Senator knows, actual right-of-way used for the interstate highway requires the deeding of land, by purchaser or otherwise. The

control and regulation of billboards on adjacent lands would require, of course, the purchase of an easement on the land which extends from the edge of the highway.

Mr. CASE of South Dakota. Is the landowner paid for the restrictive easement on the 660 feet?

Mr. COOPER. That is my understanding.

Mr. KERR. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. KERR. Does not the Senator know that there is another provision in the act whereby the Federal Government offers to pay a certain amount of money up to 5 percent of the cost of any one project for the purchase of this easement, but that that is not a part of the amendment which the Senator seeks to extend?

Mr. COOPER. I want to make sure that we do not get involved in all of this detail. All of the detail was debated in 1958. All we are asking in our amendment is a simple extension for 2 years in order to enable the States to enter into agreements with the Bureau of Public Roads.

My time is limited. I would like to finish the discussion, then I will be glad to yield for questions. I appreciate the fact that questions are being asked, but I am fearful that in this debate, which is limited to 3 hours, we will get into a great deal of talk and haggling about the very questions that were debated in 1958. We argued them at great length in the Senate in 1958. We debated all the questions relating to this subject at that time, and voted on them and adopted a national policy with respect to the subject.

Mr. CASE of South Dakota. I do not wish to take too much of the Senator's time, but I trust he will give me credit for good faith in raising the question. I believe there is a fundamental difference between saying that we will simply pay the States a premium to induce them to use their police powers, and saying that we are offering a premium payment by which they can purchase this restrictive easement. The question has arisen because of the statement which is contained in the joint letter signed by the Senator from Kentucky and the Senator from Oregon, and which is on the desk of every Senator. It is dated June 13, 1961, and reads, in part:

> In 1958, the Congress provided that if the States, through their legislatures, decided they desired to prohibit advertising to a distance of 660 feet on lands adjacent to designated portions of the Interstate Highway right-of-way and entered into an agreement with the Bureau of Public Roads—

And so forth. It was my understanding that what a State actually does when it buys the land is that it purchases a restrictive easement and does not exercise police power. I wish to have that point cleared up, because of the statement contained in the letter which the Senators have submitted.

Mr. COOPER. If the Senator will permit me to complete my statement, I will then be glad to answer his questions. This is a debate, and Senators have a right to ask questions; I will answer them later, if I can. But in the short period of time we have for debate on this amendment, we can find ourselves arguing and debating contentious questions which were argued in 1958, which the Senate resolved, and then voted to include in the act the section establishing a national policy—which we are seeking to retain in full force and effect. I repeat, we do not seek any change in the policy. We seek to maintain the policy.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. LAUSCHE. Is it not a fact that when the policy was declared 2 years ago, it was in the interest of safety and convenience of the traveler to provide that billboards be kept off the Interstate Highway System, although one part of the bill provided money that could be used to reimburse for expenditures incurred?

Mr. COOPER. That is correct.

Mr. LAUSCHE. Congress thought it was of such importance that it said, in effect, "We will give you a one-half of 1 percent premium as an inducement to comply with this provision, but we will place a limitation on it until 1961.

Mr. COOPER. That is correct.

Mr. LAUSCHE. At that time Congress thought it to be of such importance that it offered the States a premium of one-half of 1 percent.

Mr. COOPER. The Senator is correct.

Mr. LAUSCHE. The Senator from Kentucky is now of the opinion that that time ought to be extended.

Mr. COOPER. That is the whole of the amendment—to provide an extension for 2 years.

Mr. LAUSCHE. The amendment provides an extension for a period of 2 years.

Mr. COOPER. Yes.

Mr. LAUSCHE. In other words, the need and the policy have not been changed by anything which has happened within the last 2 years.

Mr. COOPER. That is correct. I thank the Senator from Ohio.

Mr. President, my time is limited. I understand that a quorum call will take place at 5 minutes to 12. I do not wish to use all of the time that has been granted me, so I shall continue for the next 7 or 8 minutes.

I point out again that there is no change in policy. We ask for an extension of time in which the policy can be implemented.

Second, it has been argued that because a number of States have not taken advantage of the incentive payment provision, there is no need to continue the opportunity, by granting additional time to them. It is true that the billboard program has not moved as quickly as might have been hoped; but then the entire interstate highway program has moved quite slowly.

The very fact that the Senate is now considering new means to finance it adequately indicates that the whole program has not moved as well as was hoped.

With respect to regulation of advertising, three States have entered into agreements: Maryland, North Dakota, and, in the last few days, my own State of Kentucky. It is correct to state, I believe, that 12 additional States have enacted legislation which will permit them to enter into agreements with the Bureau of Public Roads. Also, I believe it is a correct statement that proposed legislation is now pending before the legislatures of nine other States, which, if passed, would permit the same kind of agreements.

So altogether, if my figures are correct, 24 States have completed agreements or are moving toward agreements. If the pending amendment is not adopted, the States which have passed legislation to enter into agreements will be denied the opportunity to do so after June 30 of this year.

Mrs. NEUBERGER. Mr. President, will the Senator from Kentucky yield?

Mr. COOPER. I yield.

Mrs. NEUBERGER. I have just received word that one more State has joined the ranks of the blessed. The State of Michigan has called its legislature into special session to consider two matters: First, some of its fiscal policies; second, the formation of a billboard act.

Mr. COOPER. I appreciate this information about Michigan. I think it indicates the fear on the part of States that our amendment may not be adopted, because they know that if it is not, States will be denied the opportunity to take full advantage of the provisions of the act establishing the National System of Interstate and Defense Highways.

I make this final point: The Interstate Highway System is considered by the Congress to be of such importance to the country that the Federal Government pays 90 percent of its cost. It is essentially a defense highway system. And it provides the most effective means of highway transportation contributing to the growth and effective use of the economy of the Nation.

Third—and I would not derogate this purpose—the act itself provides that the Interstate Highway System shall give an opportunity to the people of the Nation to enjoy the natural beauty of our country. A few days ago I read a book entitled "Power and Responsibility," written about Theodore Roosevelt. It tells the stirring story of the fight he began years ago to preserve the natural beauties of our country. We ought not to be ashamed today to continue the fight.

It has been made to appear to some billboard people—I have received letters from them to this effect—that our amendment is seeking to stop billboard advertising on all Federal-aid highways. This of course is not true. There are 800,000 miles of Federal-aid highways upon which billboards can be used. There are only 40,000 miles in the Interstate Highway System. Surely there ought to be some place in the country—on this great Interstate System of Highways—where the natural beauty of the countryside can be protected.

The billboard advertising industry seems to believe that they have some "right" to exploit the Interstate Highway System. They have no such right. The national interest is supreme.

I sincerely hope the Senate will not permit the provision encouraging the States to regulate such advertising to die. If it dies, we will see the Interstate Highway System become a jungle of billboards. We will deprive the people of their right to the conservation of the beauty of their country. We will deny the fruits of conservation to future generations.

I earnestly hope that the fight by Senator NEUBERGER, to continue the efforts begun by her husband, will be confirmed by the Senate today.

Mr. PROUTY. Mr. President, I support the amendment.

The proposal now before the Senate is a modest one. It would simply extend until July 1, 1963, the period during which States may receive additional Federal funds by agreements to regulate billboards on the Interstate Highway System.

As of this moment, the States of Maryland and North Dakota have reached agreements with the Secretary of Commerce so as to qualify under the bonus provision in the Federal-Aid Highway Act of 1958. Ten additional States have had their State legislatures act and they await now only the approval of the Secretary of Commerce. Several other States are expected to adopt billboard control legislation in keeping with national policy.

Several members of the Public Works Committee who filed supplemental views on the bill now before the Senate spotlighted the fact that the mere passage of time required in concluding agreements might make it impossible for several States which have enacted special statutes to beat the June 30, 1961, deadline, when the life of the bonus provision expires.

These circumstances alone make it imperative that we extend the deadline for an additional period of time.

There are, however, even more compelling reasons for continuing a national policy for the regulation of outdoor advertising along the Interstate Highway System.

The impact of roadside signs on traffic safety has been brought sharply to focus by several statewide surveys. One of the most thorough of these was conducted by the New York State Department of Public Works in 1946 when some 14,000 roadside signs of all kinds were studied as a basis for setting up standards for improvement of the highway system. The survey revealed that many of the signs were extremely dangerous because of such features as red or green illumination or reflector materials, flashing illumination and interference with driver sight distance.

Another outstanding study of the effect of billboards upon traffic safety was made by Minnesota in 1952. The results showed that an increase in the number of advertising signs along the roadside was accompanied by an increase in fatal traffic accidents.

Commonsense tells us that billboard control is an essential part of any comprehensive roadside protection program. Billboards frequently distract drivers. Indeed, billboard ads would not be sold if they did not take the driver's attention away from the highway long enough to impress upon him a commercial message. At 60 miles per hour, a car travels 88 feet per second. Every second that a driver's attention is diverted from the road means that a car travels 88 feet without an alert driver. Experts tell us that at 60 miles per hour, the total stopping distance, that is, reaction time plus braking distance, is about 16 car lengths. It is easy to picture the accident potential of a few seconds' distraction.

I cannot accept the contention that an advertiser, simply by paying a land rental, should be able to acquire a property right to display his advertisements when these advertisements have an adverse effect upon the safety and welfare of the public.

Mr. President, a myth crops up from time to time and is put forth as gospel on the billboard control issue. As the myth would have it, the necessity for billboards on public highways is called for by small local hotels, motels, and restaurants. A recent survey by the Florida Motel Association should put to rest this legend for all time. The Florida association sent out a questionnaire concerning the regulation of billboards to all member motels. The amazing result of the survey was that nearly every hotel with billboards today favored regulations and claimed that they erected billboards in self-defense.

Of the 273 questionnaires returned, only 9 operators definitely opposed any ban or regulation on highway signs along the Interstate System, while 177 favored a ban or strict regulation, and 87 favored some uniform method of directing traffic to motel areas through the use of State-controlled directional signs and other regulations.

The American Automobile Association also conducted a survey which should be brought to the attention of the Senate. The survey was an attempt to determine, among other things, where members of the association go, where they stay, and how they choose their accommodations. To the great surprise of everybody, the survey showed that only 1.4 percent used highway signs as a principal method of selecting overnight accommodations.

The courts have affirmed the power of the people, through their elected representatives, to protect their investment in the public highways.

In the case of Berman against Parker, the U.S. Supreme Court said:

> The concept of the public welfare is broad and inclusive * * *. The values it represents are spiritual as well as physical, esthetic as well as monetary. It is within the power of the legislature to determine that the community should be beautiful as well as healthy, spacious as well as clean, well-balanced as well as carefully patrolled.

We have a right and a duty to prevent our highway systems from degenerating into "a scar across the face of the countryside."

No individual, no industry owns our field of vision. And no individual and no group has an unqualified right to restrict that field of vision.

Thousands of miles of our new Interstate System have now been completed at a cost of more than $1 million a mile and much of the system is virtually walled in by advertising eyesores before the last bit of moisture has left the fresh concrete.

A checkup by the Bureau of Public Roads last year showed that 50 signs had mushroomed along 15 miles of interstate highway. The Administrator of the Bureau said:

> It is the same story along new interstate expressways scattered across 27 other States. And this is just the beginning. There is danger that some sections of the new system will become even more unsightly than the highways we are trying to replace.

I am proud to say that Vermont is protecting its great beauty. The motorist may view our mountains, our wildlife, our meadows, and our streams. Vermont needs only one amendment to its present law in order to qualify for the Federal bonus. As a people, we shall never consent to the desecration of our famous Green Mountain scenery. But the bonus is an incentive to all States to spur them to save the beauty of our countryside.

Ogden Nash, the humorist and satirical poet often has a searing message in his verse which he masks with wit. I think he comes nearer the crux of this whole debate in four lines than I have in several pages of manuscript. Ogden Nash said:

> I think that I shall never see
> A billboard lovely as a tree.
> Perhaps, unless the billboards fall,
> I'll never see a tree at all.

Mr. PELL. Mr. President, I support the Neuberger-Cooper amendment to the Federal Highway Act, designed to discourage indiscriminate building of billboards alongside our new, beautiful, rural interstate roads. I know, during the past campaign, how I would wince when I saw my own face staring out at me on a billboard in a lovely rural area.

To my mind, a motoring businessman or vacation-bound traveler should not be diverted from the beautiful countryside by excessive billboards.

This protection to our highways does not apply unless the State passes enabling legislation and signs the necessary agreement with the Federal Government. And if, as I hope is the case, our State does sign such an agreement, it can mean a bonus to our State treasury of some $50,000.

Actually, in our own State of Rhode Island, there are at present only about 40 out of 70 miles of interstate highways that might be protected by this legislation. But there are other parts of the country with longer expanses of open space which will benefit more than will we.

This new amendment does not apply to billboards in urban areas. Nor does it in any way prevent the right of a business establishment near a highway to advertise itself on its own property. Actually, such billboards can be posted within 12 miles of the place of business.

I take this position recognizing the fact that there is apparent a most active and vocal billboard lobby. I know that I have been the recipient of as much

mail urging that I vote against the Neuberger-Cooper amendment as I have in connection with any other piece of legislation. And the surprising thing is that the general public, whom we, as legislators, have been elected to protect, have not seen fit to write supporting this highway program.

However, I intend to support this legislation, as I believe it is in the best interest of our State and the country.

Mr. CASE of New Jersey. Mr. President, as a cosponsor of the amendment introduced on Tuesday by the Senator from Oregon [Mrs. NEUBERGER], I should like to state briefly why I believe we should extend the period in which States can take advantage of the billboard control provisions of existing law.

As Senators know, in 1958 Congress offered a bonus of one-half of 1 percent of the cost of the interstate and defense highways to States which met certain standards of billboard control. This provision was one of the most important, in my judgment, of those placed in the road program. As the States take giant steps to bring our road network up to the standards necessary for today's heavy motor traffic, it is essential that we maintain control of the roadsides.

Many of the new roads proposed will enable Americans and our foreign visitors to see beautiful areas of this country, but this will be difficult if there are no protections enacted to encourage the States to maintain control over billboards. A steady stream of billboards is a poor substitute for the beautiful views of our scenic attractions which would otherwise be available to the motorist.

Three States have now qualified for the Federal payments for billboard control and the legislatures of some 10 others have enacted the necessary legislation to make it possible to join in the program. In my own State of New Jersey, authorizing legislation is now pending before the legislature. The sponsors in the assembly believe that this legislation will pass if Congress acts to extend the existing law for 2 years. Throughout the State, for many years there has been a great and growing interest in preserving the beauty of our countryside. Numerous New Jersey groups and organizations have been active in this cause, and I am hopeful that Congress will act to help keep our roadsides beautiful. It is bad enough to see much of our country cut up for roads, but this is the price of a motorized civilization. The price is excessive when it also disfigures the roadside with billboards.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, the time for the quorum call not to be charged to the time on the Neuberger amendment, which is now before the Senate. I further ask unanimous consent that any remarks made after and in conjunction with the induction into office of the Senator-elect from Texas likewise be considered in the same category.

The VICE PRESIDENT. Is there objection? The Chair hears none and it is so ordered.

The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

[No. 78]

Aiken	Ervin	Monroney
Allott	Fong	Morse
Anderson	Fulbright	Morton
Bartlett	Gore	Moss
Beall	Gruening	Mundt
Bennett	Hartke	Muskie
Bible	Hayden	Neuberger
Blakley	Hickenlooper	Pastore
Boggs	Hickey	Pell
Bridges	Hill	Prouty
Burdick	Holland	Proxmire
Bush	Hruska	Randolph
Butler	Humphrey	Robertson
Byrd, Va.	Jackson	Russell
Byrd, W. Va.	Javits	Schoeppel
Cannon	Johnston	Scott
Carlson	Jordan	Smathers
Carroll	Keating	Smith, Mass.
Case, N.J.	Kefauver	Smith, Maine
Case, S. Dak.	Kerr	Sparkman
Church	Kuchel	Stennis
Clark	Lausche	Symington
Cooper	Long, Mo.	Talmadge
Cotton	Long, Hawaii	Thurmond
Curtis	Long, La.	Wiley
Dirksen	Magnuson	Williams, N.J.
Dodd	Mansfield	Williams, Del.
Douglas	McCarthy	Yarborough
Dworshak	McClellan	Young, N. Dak.
Eastland	McGee	Young, Ohio
Ellender	Metcalf	
Engle	Miller	

Mr. HUMPHREY. I announce that the Senator from Michigan [Mr. HART] and the Senator from Michigan [Mr. MCNAMARA] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

Mr. KUCHEL. I announce that the Senator from Indiana [Mr. CAPEHART] is absent on official business.

The Senator from Arizona [Mr. GOLDWATER] and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The VICE PRESIDENT. A quorum of the Senate is present.

SENATOR FROM TEXAS

Mr. DIRKSEN. Mr. President, I submit, and send to the desk, the certificate of election of JOHN G. TOWER, of Texas, to the Senate of the United States. The certificate is signed by the Governor of Texas.

The VICE PRESIDENT. The certificate will be read.

The legislative clerk read the certificate, as follows:

THE STATE OF TEXAS.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 27th day of May 1961, JOHN G. TOWER was duly chosen by the qualified electors of the State of Texas as Senator from said State to represent said State in the Senate of the United States for an unexpired term beginning on the 13th day of June 1961 and expiring on the 3d day of January 1967.

Witness His Excellency our Governor, and our seal hereto affixed at Austin, this 13th day of June, in the year of our Lord 1961.

PRICE DANIEL,
Governor of Texas.

[SEAL]

By the Governor:

P. FRANK LAKE,
Secretary of State.

The VICE PRESIDENT. The certificate will be placed on file.

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that the certificate of election of the junior Senator from Texas [Mr. TOWER] be referred to the Committee on Rules and Administration.

The VICE PRESIDENT. Is there objection to the request? The Chair hears none, and it is so ordered.

The Chair understands that the Senator-elect is present, and is ready to take the oath of office. If he will proceed to the rostrum, the oath of office will be administered to him.

Mr. TOWER, escorted by Mr. YARBOROUGH, advanced to the Vice President's desk; and the oath prescribed by law was administered to him by the Vice President. [Applause.]

Mr. TOWER thereupon subscribed to the oath in the official oath book.

Mr. DIRKSEN. Mr. President, I am sure that, particularly on the majority side of the aisle today, we will be a little indulged if we are a bit unrestrained in our rejoicing, or if our jubilation is just a little excessive, and if our confidence is, shall we say, energized to a high degree as we observe the installation of a great Senator from the great State of Texas, who carries the Republican flag.

That is really a matter of jubilation, especially when we look at the history book. It was in 1870, on the 22d day of February, Washington's birthday, that the first and last Senator, until now, bearing the Republican label, was elected in Texas. His name was Morgan Calvin Hamilton.

He served in this body from the great Lone Star State for a period of 7 years, until 1877, when he voluntarily retired. So there has been a lapse of 84 years before we pick up the stitches, a period of four score and four years, to bring us another great Senator from the great Commonwealth of Texas bearing the Republican label.

I suppose it will be said that this is probably transient rejoicing on our part; that probably this great phenomenon might be rubbed out in some subsequent years. Who shall say, unless he is endowed with the gift of prophecy? And it may be said that we make entirely too much of this great day. And of course we do not argue that point.

For a long time to come reasons will be assigned as to precisely how this happened, and I shall not dispute the reasons given; but, without exception, I think, first of all, everybody in and out of Texas will pay a great tribute to JOHN TOWER for a superb campaigning job. Some may say that Texas liberals forsook their own banner. That might be. I do not dispute it. But there is the one undeniable fact that will stand as a monument in history, that 6 months after the election of November 1960, those great, stalwart, and independent-minded Texans have reversed their course and sent us a redoubtable Republican Senator.

Mr. President, elections are not won by candidates, as you well know. Elections are won by people, regardless of the speeches and the advertisements, regardless of radio and TV, regardless of all the fanfare that goes into a campaign. It is people who volunteer their efforts and get to the polls and cast the ballots who finally determine the outcome of an election.

In a great State where we cannot boast of far-flung party machinery at the local level, and where we do not have the benefit of that vitality and cohesion which come from that party machinery, the fact is that the recent result in Texas becomes an extraordinarily outstanding event in our political life. The victory had to be the result of people in both parties working in the cause of JOHN TOWER and in behalf of great, independent, conservative principles.

To me, in a sense, it is not unlike another great election. In 1860 we sent Abraham Lincoln to the Presidency. We know there were many parties which were divided. They disagreed on pretty nearly everything, except the one incandescent course that confronted the country at that time. They were willing to preserve all of their differences, and they were willing to stand on unified ground with respect to that course. So there came a consolidated effort that was responsible for that great turning point in the history of the country.

There were probably many shades of opinion, and different points of view, in the great Lone Star State, but the fact is that on election day there were enough people in all parties to conjoin their efforts to make possible the choice which was made.

So is it too much to conclude that Texans, who draw their strength, their independence, their devotion to freedom, and their conservative bent, from the very bigness of their State, have set in motion a conservative trend after long years of extreme liberalism? Is it beyond reality to conclude that they are fearful of the policies and programs which weaken the vitality of our country, expand Federal controls, and threaten the fiber of our Federal-State system?

Today not only should we in the Senate be proud, and not only should JOHN TOWER be proud, but also every Texan should be proud today of the result which was accomplished, because it is a contribution to the vitality and to the perpetuity of free institutions in this country.

In so saying, Mr. President, I would not for a moment demean or cast aspersions upon anyone who may share a contrary view. I am sure that on this day there is rejoicing all through that farflung domain, the greatest unfrozen State in the Union. [Laughter and applause.]

Mr. MUNDT rose.

Mr. MANSFIELD. Mr. President, I wish to join the distinguished minority leader, the senior Senator from Illinois, my longtime friend with whom I have had the pleasure of serving in both the House and the Senate, and from whom I have learned a good deal, in extending felicitations and good wishes to our newest Member of this body.

The Senator from Illinois said this was an extraordinary and outstanding event. I agree with him, because I think it is always extraordinary and outstanding when any one of us is lucky enough to be elected to the U.S. Senate.

What we have seen is the result of a free election. What we are now discussing is the fact that once a decision is made, the people accept the decision, because their will has been expressed. It does not make much, if any, difference what each of us thinks personally, but it is the institution and the principle that counts.

On behalf of this side of the aisle I extend to Senator TOWER the best wishes of my party, and wish for him a fruitful and a worthwhile career in the Senate of the United States, representing not only the State of Texas, great and big though it is, but also the United States. I am sure he will be a worthy addition to this body. We are delighted to have you with us, sir.

Mr. DIRKSEN. Mr. President, the majority leader speaks with his customary magnanimity and greatness and out of his great concept of public service, for which we are all extremely grateful.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. DIRKSEN. Mr. President, I yield to our distinguished colleague from the great State of Texas [Mr. YARBOROUGH].

Mr. YARBOROUGH. Mr. President, I rise for a little addendum to the statement of the distinguished minority leader. I do not wish to detract one iota from the credit due my junior colleague from the great State of Texas, for I think he is due great credit for a vigorous campaign, representing the minority party. I think he won the election despite his party, instead of his party putting him in because of his campaign. He is extremely capable as a campaigner.

I am amazed by the modesty of the minority leader in his claims for the Republican Party, by taking credit for only one Republican Senator from Texas prior to the arrival of and qualification of our distinguished colleague today.

Mr. DIRKSEN. Oh, I am a modest person. [Laughter.]

Mr. YARBOROUGH. When the military powers installed two Senators from Texas in the Senate in 1870, the military general occupying Texas sent to the Senate not only Morgan C. Hamilton, but also J. W. Flanagan. Texas was represented by two Republican Senators from 1870 to 1875, when the term of Mr. Flanagan expired, and then by Morgan C. Hamilton until 1877.

I assure the distinguished minority leader that Texas has had not only two but three Republican Senators. He is too modest in claiming credit for his party.

Mr. DIRKSEN. Mr. President, this simply shows how feeble have been my efforts in research on the great State of Texas. I stand corrected, I am sure, and I am delighted to have the correction, because it makes me feel good.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the distinguished Senator from Vermont.

Mr. AIKEN. Mr. President, whenever an important event occurs in the history of our country, I invariably look to see what, if any, Vermont influence may have been involved in that occurrence. Very seldom am I disappointed, if I look long enough and hard enough.

Whenever an important event occurs within the Republican Party, I am almost sure the Vermont influence has come into the picture somewhere. After all, Vermont did cast its vote for Fremont for President before there was any Republican President. Vermont cast a larger percentage of its vote for Lincoln than any other State in the Union. Vermont has furnished, in effect, 5 of the 12 Republican Presidents which this country has had since 1860.

Presidents Arthur and Coolidge were born in Vermont; and Presidents Garfield, Hayes, and Taft would have been born in Vermont if their parents had not been in such a hurry to get to Ohio. [Laughter.] Actually, Vermont can claim 5 of the 12 Republican Presidents.

Mr. DIRKSEN. Mr. President, will the Senator yield to me at that point?

Mr. AIKEN. I yield.

Mr. DIRKSEN. I think we should all reexamine our antecedents a little bit, because there may be some further encouragement.

Mr. AIKEN. That is true.

Mr. DIRKSEN. Who knows? Perhaps the strain in my own case may go back to Vermont.

Mr. AIKEN. I have no doubt about it. If all the people of the country examined their antecedents and history, they would come to a more clear realization as to how much they owe to the State of Vermont.

Returning to the present occasion, when an event of great national significance occurs simultaneously with an event of great significance of the Republican Party, I am dead sure there is a Vermont angle to it somewhere. I find there is in this case.

Although Frank Tower, the great-grandfather of the Senator from Texas, left Rutland, Vt., in 1845 to go south, it appears that living outside the State for three generations cannot wash the Vermont blood out of a family, cannot wash out Republicanism, apparently, and cannot wash out the will to win.

I take this occasion, on behalf of the people of Vermont, to express our pride in this Vermont descendant now becoming a Member of the Senate of the United States from Texas, and to extend to him the congratulations of the people of our State.

Mr. DIRKSEN. Mr. President, I yield to the Senator from South Dakota [Mr. MUNDT], who had risen to participate in the debate.

Mr. MUNDT. Mr. President, I rose merely to ask whether it would not be appropriate to say that the great freedom lovers of Texas have stood fast in a second Alamo, and this time they have won the contest.

Mr. DIRKSEN. Well, that is a great historic fact upon which perhaps I ought to do a little research before I make a categorical answer.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the distinguished Senator from Kentucky, who was the chairman of the Republican National Committee when this great victory was consummated. At this point I add to the encomiums I expressed yesterday, by giving him further congratulations today.

Mr. MORTON. I thank the Senator, but I did not ask him to yield for that purpose.

I merely wish to say, on behalf of myself and my colleague, the junior Senator from Arizona [Mr. GOLDWATER], that we were in the State of Texas on several occasions during not only the 71-man contest, but also the 2-man runoff, and even prior to that. No two Members of the Senate are happier than the junior Senator from Arizona and the junior Senator from Kentucky. We welcome our new colleague, and express thanks to those who worked so diligently in his behalf.

In my case I look forward to perhaps a limited period of service with him but, hopefully, a long period of service with him.

Mr. DIRKSEN. Mr. President, with respect to the distinguished Senator from Arizona [Mr. GOLDWATER], who did spend some time in Texas in the course of the contest, I wish to say he is unavoidably absent from the Senate today. I am sure he would wish to concur in the felicitous sentiments which have been expressed on this occasion.

I have only one further statement. I was thinking about my remark with respect to the election of the Senator from Texas. It is my understanding that the two to whom my friend from Texas previously referred were actually appointed to the Senate, rather than elected; but I shall pursue Texas history further.

Mr. GORE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the distinguished Senator from Tennessee.

Mr. GORE. Upon this notable occasion, I join in extending congratulations to the junior Senator from Texas. On the majority side we would not detract from the exercise of unrestrained joy on the part of the minority leader upon this 84-year relapse in Texas history. In short, we would admonish my distinguished friend from Illinois to enjoy it while it lasts.

Mr. DIRKSEN. We shall.

The VICE PRESIDENT. Will the Senator from Illinois indulge the Chair very briefly?

Mr. DIRKSEN. I am happy to do so.

The VICE PRESIDENT. I extend my congratulations to the junior Senator from Texas on the very great opportunity the people of Texas have given him to serve that great State and the Nation. It is a very high honor and a very challenging one. I assure the junior Senator from Texas [Mr. TOWER] and members of his staff that they will have my earnest cooperation, and, I am sure, the cooperation of all Senators on both sides of the aisle, in connection with any matter destined to promote the best interests of Texas or the United States of America.

The Senator from Illinois expressed deep regret because of the absence of the junior Senator from Arizona [Mr. GOLDWATER]. For some time I have wished to be present and witness the swearing-in ceremonies; and although I had an engagement in New York today, I arranged to defer it in order to be present. I know how sorry the Senator from Arizona is that he could not be present.

Mr. CASE of South Dakota. Mr. President, I believe all Senators on this side of the aisle should feel a special gratitude to the people of Texas for the decision they have made, for Texas occupies a unique place with respect to senatorial representation. Under the agreement entered into between the United States and the sovereign nation of Texas, when Texas came into the United States, Texas had the right to divide into five States. If it had exercised that right, the people of Texas would have 10 votes in the Senate under such an arrangement. So when the people of Texas, who had the opportunity to speak with 10 voices, select 2 Senators to represent them we greatly appreciate the fact that 1 of them is a Republican.

Mr. BRIDGES. Mr. President, this day has not only been a milestone in the history of the Republican Party in the seating of a Republican Senator, our new and distinguished colleague from the State of Texas, JOHN G. TOWER, but it is also a milestone in the history of Texas itself in that Senator TOWER is the first Republican elected to the Senate from that vast State since the so-called days of Reconstruction.

Direct in action and thought, Senator TOWER has voiced his principles with firmness and conviction. The result was that the people of Texas responded to his principles of republicanism—fiscal responsibility, thrift, commonsense, and a faith and pride in his country—by sending him to the Senate to represent them.

Senator TOWER also demonstrated that such States as the great State of Texas are ready and eager to see a real two-party political system develop. Only when there is a strong two-party system, offering to the voters of a State a choice between two different philosophies of government, can the people profit.

It is to be hoped that this Republican victory in Texas is but a forerunner of other victories to come.

Mr. President, it gives me great pleasure to welcome our newest Republican colleague into this body and I look forward to working with him for many years to come on the numerous important problems confronting this Nation.

Mr. KEATING. Mr. President, it is with the warmest sense of pleasure that I join in welcoming the distinguished new Senator from Texas to the battle area of the U.S. Senate. The election of this outstanding Texan to the Senate marks an epochal event in the history of his great State and in the history of the Republican Party. It represents the first time that a Republican candidate for the U.S. Senate has been returned victorious in the popular election for a seat in this body. I suppose it is historic as well for the Democratic Party, but the event is one which they will remember rather than commemorate.

In JOHN TOWER, the U.S. Senate gains a distinguished Member whose recent victory is a tribute not only to his character and high qualities but also to the wisdom and discernment of the fine citizens of the State of Texas. It may well be said that Senator TOWER took on all comers and defeated them. His election marks a turning point in the political history of Texas. It marks, as well, the opening of a new era in our national political life, reflected in the trend to vote according to convictions rather than geography.

The victory of Senator TOWER has been extremely heartening to the valiant Senate minority, now less a minority than before, and more valiant by one. It reflects not only the basic strength of the Republican Party, but also the extension of that strength to new areas, and the indication that we are on the march toward the greater national successes that will assure Republican congressional control with all the salutary consequences such a bloodless revolution will involve.

Mr. DIRKSEN. Mr. President, I yield the floor.

JOINT COMMITTEE ON THE BUDGET

Mr. MCCLELLAN. Mr. President, I ask unanimous consent to have printed in the RECORD as part of my remarks at this point an editorial entitled "How To Write a Better U.S. Budget," published in the Kansas City Star under date of June 10, 1961.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HOW TO WRITE A BETTER U.S. BUDGET

The Budget of the United States is an imposing document of more than 1,000 pages, crammed with figures, footnotes and small type. Each year Congress is asked to pass judgment on spending that may exceed $84 billion in the next fiscal year and, we have no doubt, will some day reach the $100 billion level. We are not being uncharitable to the legislators when we suggest that they do not have the most efficient equipment for this job.

We bring up the subject because again this year there seems to be a ray of hope. Again, the Senate has passed a bill setting up a Joint Committee on the Budget. A similar measure was approved by the Senate in the 82d, 83d, 84th, and 85th Congresses. Each time it died in the House.

In the Senate the bill was introduced by Senator MCCLELLAN, Democrat, of Arkansas, whose Committee on Government Operations has done yeoman work on the budgeting problems of Congress. In the past, we recall, the name of a young Senator named Kennedy appeared on the measure.

The bill lacks drama. But it is important. It affects the pocketbooks of every citizen. It would set up a joint committee of House and Senate Members who would be charged with taking an overall look at the administration's budget. The committee would have a professional staff that could study the impact of each requested appropriation. It would be able to look ahead and see the long-range cost of any items. It would be able to tell the lawmakers where they stand in the budgeting process at any given time.

Under the present system Congress considers a dozen or so separate appropriations bills. It sees the trees. But never the whole forest. The House and Senate Appropriations Committees operate without adequate staff. Cabinet officials spend countless hours testifying before the committees of each House, a costly duplication of effort.

We have no illusions that a joint committee would reverse the upward trend of spending. A Congress that wants to spend will spend. But the committee would be the means of bringing some order out of confusion. It would give the lawmakers and the public a genuine picture of the fiscal pattern of Government. Congress needs help in the budget process and the Senate has

admitted as much. We hope that the House, too, will face the budget facts of our times.

Mr. McCLELLAN. The editorial relates to the bill (S. 529) sponsored by 67 Senators, which was approved by the Senate under unanimous consent agreement on May 26, 1961, and which is now pending before the House Committee on Rules.

The bill has been passed by the Senate on four different occasions, and we are very hopeful that this time favorable action will be taken by the House, because the bill deals with a problem that is increasing in intensity, and we need to have some results from the proposed legislation.

The purpose of this bill is to provide the Congress with the machinery necessary to enable it to meet its constitutional responsibilities in connection with the appropriation of funds required for the conduct of the Federal Government. It seeks to accomplish this objective by establishing a Joint Committee on the Budget, composed of members of the Senate and House Appropriations Committees, which would assist the Congress in exercising adequate control over the expenditure of public funds by the executive branch of the Government.

S. 529 is designed to provide the same kind of expert staff facilities and detailed technical information for the Appropriations Committees of the Congress as the Bureau of the Budget provides for the executive branch. Precedent for this action is found in the Joint Committee on Internal Revenue Taxation which has provided joint expert staff facilities and technical information for the revenue committees of both Houses of the Congress for more than a quarter of a century.

In view of the unanimous support given to the measure by the Senate and the urgent need to effect improvements in the legislative fiscal process and to restore the control of Federal expenditures to the Congress, I urge that Members of the other body give this matter their early and favorable consideration.

THE BERLIN CRISIS

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent that I may make a brief statement as in the morning hour.

The VICE PRESIDENT. Is there objection?

Mr. KUCHEL. Mr. President, will the Chair indicate when the controlled time will begin?

The VICE PRESIDENT. The controlled time is running now, although the Senator from South Dakota [Mr. CASE] has asked unanimous consent to proceed.

Mr. CASE of South Dakota. As in the morning hour, without affecting the agreement as to time.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. CASE of South Dakota. Mr. President, the suggestion the distinguished majority leader made yesterday that the entire city of Berlin, East and West, be established as a free city, with its access and freedom guaranteed jointly by the NATO and Warsaw Pact Powers is refreshing and deserves careful exploration.

It could get the world off the dead-center of threat and counterthreat that has marked relations between East and West since the breakup of the four power administration of a deflated Hitler Germany.

When the West wearied of the slow, stumbling operations of the Kommandatura and encouraged the formation of the Federal Republic for the three Western Zones, the Soviets protested; but their protests eventually subsided. It has been evident to anyone that sooner or later the Soviet would withdraw from Eastern Germany on the simple statement that the Western Powers had turned local administration of the Western Zones over to the resident Germans and that she, Russia, was simply following suit in the Eastern Zone.

The Soviet has occupied the unique position of being implored by the West to stay on in the Eastern Zone while staying on served the Soviet's own purposes. Military action to maintain access to West Berlin is conceivable, but a hot war to keep Russia in East Berlin would be about as logical as court action to keep Jimmy Hoffa in office as head of the Teamsters.

The suggestion by the Senator from Montana that East Berlin become an international city along with West Berlin is perhaps overly generous. It would seem that a population equal to that of West Berlin with territory to provide an access corridor to Berlin would be a contribution from East Germany more nearly equal to the proposed contribution from West Germany for the stabilizing of the continental pressures. But the idea as suggested is a good starting point for exploratory consultations.

The junior Senator from South Dakota would toss one additional possibility into the basket of ideas; namely, that an International City of Berlin be considered an auxiliary capital for the activities of the United Nations.

If a part of the United Nations Secretariat—of the bureaus and committees—were to be established in the new International City of Berlin, the stake of all the United Nations member countries in maintaining access to Berlin would be clear to all and compelling on all.

Mr. President, I commend the Senator from Montana [Mr. MANSFIELD] for venturing to think and to speak in terms of a new approach to the Berlin problem. Berlin is at the very heart of our current tensions. It is one direct cause of the heavy expenditures of the cold war and of the arms race.

Mr. President, if humanity is to find a way through the troubles of today, men must seek to find it. The Senator from Montana is seeking the way.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that I may proceed for 5 minutes.

Mr. KERR. Mr. President, reserving the right to object—and I do not expect to object—it is apparent that Senators would like to use some time to present some matters to the Senate. I make the unanimous-consent request that we set aside 30 minutes for a quorum call and for Senators to take time as though in the morning hour, without the time being charged to either side.

The PRESIDING OFFICER (Mr. LONG of Hawaii in the chair). Is there objection?

Mr. COOPER. What was the request?

Mr. KERR. The Senator from South Dakota used 5 minutes on another matter. The Senator from Missouri asks for 5 minutes. No doubt other Senators will desire some time. I make the unanimous-consent request that we take 30 minutes for a quorum call and to have Senators make insertions in the RECORD, without the time being charged to either side. After that time we will return to the time limitation on the pending amendment.

Mrs. NEUBERGER. Mr. President, may I inquire as to the status of the time?

The PRESIDING OFFICER. The proponents have 61 minutes remaining. The opponents have used no time at all.

Mrs. NEUBERGER. I yield 5 minutes to the Senator from Missouri from the time of the proponents.

Mr. SYMINGTON. I thank the Senator from Oregon for her typically gracious courtesy.

The PRESIDING OFFICER. The Senator from Missouri may proceed.

THE DU PONT SUPREME COURT DECISION

Mr. SYMINGTON. Mr. President, many people in my State have written me about the Supreme Court decision requiring Du Pont to divest itself of its General Motors stock. This decision creates two primary problems. Both vitally concern the 800,000 General Motors stockholders, and the 200,000 Du Pont stockholders, many of both of whom are in Missouri. These 1 million shareholders include many who have saved frugally to buy their shares.

Nearly 48 percent of General Motors shareholders own 50 shares or less and almost 70 percent own 100 shares or less. There are 72,000 institutional General Motors shareholders and 22,000 institutional Du Pont shareholders. These include many estates, trusts, and mutual funds where the beneficiaries or shareholders are people of small means, as well as educational, religious, and charitable organizations.

This Supreme Court decision has the effect of destroying part of the asset value of Du Pont shareholders and easily could have a long-range depressing effect upon the asset value of General Motors stock.

The first problem involves a tax liability created involuntarily because of forced distribution of General Motors shares while present laws would tax such distribution as ordinary income at full market value.

Although the divestiture ordered by the Court involves no tax on Du Pont itself, the Commissioner of Internal Revenue issued a ruling on May 9, 1958, stating that General Motors stock distributed under the proposal would be treated as an ordinary dividend to Du

Pont stockholders. On this distribution they would be required to pay ordinary income tax at rates ranging from 20 percent to 91 percent less 4 percent dividends received credit. At a market price of $50 a share, individual shareholders would be taxed from $8 to $43.50 for each General Motors share received. In certain instances the distribution will put the individual taxpayer in a higher tax bracket. Also, in many instances State income taxes will be imposed.

Thus, the Government by a decision of one of its own branches in effect confiscates a large portion of the distribution, forces thousands of stockholders to liquidate their shares in order to pay taxes with possible serious consequences upon the individuals themselves.

The second problem is the depressing effect on the market value of both General Motors and Du Pont shares.

This arises in several ways. The first is the uncertainty as to the form of distribution. So long as this uncertainty remains, existing prices for the shares of both corporations will reflect the hesitancy of new purchasers to acquire General Motors or Du Pont stock. This would tend to hold down the price of the shares.

The second instance involves the possibility of continued long-range liquidation of General Motors stock by Du Pont stockholders to help defray their income tax liabilities.

The third effect of continued pressure would be evident on Du Pont stock, for I surmise some shareholders would prefer to liquidate their stock rather than hold it and accept the General Motors share distribution with its attendant tax consequences.

Finally, the continued effect upon Du Pont and General Motors shareholders could be far reaching as their respective corporations might require equity financing in the future. Obviously, any situation which reduces the value of a corporation's stock conversely increases the number of shares of such stock necessary to raise equity funds.

The importance of shareholders value cannot be emphasized too strongly. In General Motors stock the Du Pont shareholders have an asset now worth over $60 per share of Du Pont stock, based upon the existing price for General Motors shares. Each $1 change in the market value of General Motors stock is worth $1.37 per share of Du Pont. It is difficult to appraise the existing loss of value due to the Supreme Court decision and its resulting uncertainty.

While the method of divestiture remains to be decided, we must consider consequences if Du Pont were to choose the route of paying future dividends partly in cash, partly in General Motors stock. This could have a continuing depressing effect not only upon General Motors but also upon Du Pont shares.

Similar action by at least one other large corporation has been ascribed as a reason for relatively low market valuation of that corporation's shares.

Fundamentally divestiture under present tax laws would cause involuntary and unnecessary destruction of asset value by changing a long term gain into ordinary income.

Thus the value of General Motors shares today represents the accumulation of many years of perseverance on the part of General Motors shareholders and the reinvestment of their profits by the corporation. To have this value destroyed through the tax route would take from the individual General Motors shareholder the fruits of many years of corporate income reinvested in the business to build up his equity.

Both Du Pont and General Motors have been regarded as leaders in their respective fields for many years. As such, their shares have been bought by individuals, directly or through pension funds and mutual funds, as well as the monthly installment plan of the New York Stock Exchange, for safety of principal and regular income to provide for living and medical expenses.

Both principal and income now are subject to unnecessary shrinkage unless something is done to correct the present inequitable tax laws. Consequences are far reaching on retired workers, upon families struggling to educate their children, and upon widows and minors whose income is partially dependent upon Du Pont and General Motors shares.

There is need for prompt and equitable treatment of this problem by the Congress of the United States.

FEDERAL-AID HIGHWAY ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes.

Mr. KUCHEL. Mr. President, will the Presiding Officer inform the Senator from California how much time is available on each side and who controls the time on each side?

The PRESIDING OFFICER. The Senator from Illinois [Mr. DIRKSEN] controls the time for the proponents. The proponents have 57 minutes remaining. The Senator from Oklahoma controls the time in opposition to the amendment. The opponents have used no time.

Mr. CLARK. Mr. President, will the Senator from California yield me 2 minutes? I wish to speak in favor of the amendment.

Mr. KUCHEL. The proponents allocate 2 minutes to the Senator from Pennsylvania.

Mr. CLARK. Mr. President, Pennsylvania strongly supports the pending amendment. The junior Senator from Pennsylvania, who is not able to be on the floor at this time, has asked me to advise his colleagues in the Senate that he supports the amendment. I support it. The Governor of Pennsylvania supports it. I ask unanimous consent that a telegram I received from the Governor of Pennsylvania may be printed in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

HARRISBURG, PA.,
June 13, 1961.

Hon. JOSEPH S. CLARK,
Senate Office Building,
Washington, D.C.:

Pennsylvania fully endorses the legislation providing bonuses for the elimination of billboards along the Federal Interstate Highway System. If we are to have a fully effective high speed roads system, we must do everything possible to eliminate distractive influences along the rights of way. I urge you and your colleagues in the Senate to continue this meritorious program.

DAVID L. LAWRENCE,
Governor of Pennsylvania.

Mr. CLARK. Mr. President, Pennsylvania's secretary of highways, Mr. Park H. Martin, supports the amendment. I ask unanimous consent that the telegram he sent me be printed in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

HARRISBURG, PA., *June 13, 1961.*

Senator JOSEPH CLARK,
Senate Office Building,
Washington, D.C.:

Extension of the Federal billboard provision of the Federal Highway Act of 1956 is vital if the great scenic resources which will be made available to the public from the development of the Interstate and Defense Highway System are to be preserved. Control of outdoor advertisement along the Interstate System is a national problem and your efforts to strengthen and expand the present legislation is most commendable.

PARK H. MARTIN,
Secretary of Highways,
Commonwealth of Pennsylvania.

Mr. CLARK. Mr. President, the Legislature of Pennsylvania has enacted and the Governor has signed legislation permitting Pennsylvania to participate in the benefits of this program, in opposition to the further spread of billboards.

The Pennsylvania administration is presently engaged in negotiations with the Bureau of Public Roads to carry into effect the impact of this legislation.

In my personal travels around Pennsylvania, I have seen the devastating effect on the scenery of my beautiful State, of billboards along State highways, the kind of desecration of the natural scenery which never should have been permitted to occur.

At least on the Interstate System we can do something to prevent the further spread of what is essentially rural blight. It is as important, in my view, to have a kind of rural redevelopment program to restore the scenery along our highways, at far less cost, as it is to have an urban renewal program, which we generously voted last week to restore our cities to something approaching decency.

I strongly urge the Senate to support the amendment of the junior Senator from Oregon. I commend her for following in the footsteps of her beloved husband. I pledge her my utmost support in her efforts.

Mr. KUCHEL. Mr. President, I wonder whether the distinguished Senator from Oklahoma, who is in control of the time in opposition to the amendment, de-

sires to speak at this time. If so, I suggest to my able friend that he proceed.

Mr. KERR. Mr. President, I presume the Senator from Oklahoma will use his own discretion as to when he asks for time.

Mr. KUCHEL. I am certain he will.

Mr. President, I yield myself 5 minutes.

Two years ago, the late able junior Senator from Oregon, Mr. Neuberger, and I offered an amendment to provide an incentive to the States of the American Union to participate in the beautification of the Interstate Highway System. The Senate held a long and vigorous debate on the amendment. Prior to that time, long and vigorous hearings were held in the Committee on Public Works. The Senate adopted our amendment by a rather close vote.

Today, the distinguished junior Senator from Oregon [Mrs. NEUBERGER] and the distinguished senior Senator from Kentucky [Mr. COOPER], and other Senators who have joined with them, urge the Senate to write into the act for an additional 2 years the beneficent legislation which the Senate and the Congress approved 2 years ago.

Former President Eisenhower recommended the adoption of this legislation; President Kennedy recommends it; and I believe the public interest requires it.

A national policy was adopted by Congress 3 years ago. I shall read it:

Sec. 122. Areas adjacent to the Interstate System.

(a) NATIONAL POLICY.—To promote the safety, convenience, and enjoyment of public travel and the free flow of interstate commerce and to protect the public investment in the National System of Interstate and Defense Highways, it is hereby declared to be in the public interest to encourage and assist the States to control the use of and to improve areas adjacent to the Interstate System by controlling the erection and maintenance of outdoor advertising signs, displays, and devices adjacent to that system. It is hereby declared to be a national policy that the erection and maintenance of outdoor advertising signs, displays, or devices within six hundred and sixty feet of the edge of the right-of-way and visible from the main-traveled way of all portions of the Interstate System constructed upon any part of right-of-way, the entire width of which is acquired subsequent to July 1, 1956, should be regulated, consistent with national standards to be prepared and promulgated by the Secretary, which shall include only the following four types of signs, and no signs advertising illegal activities:

(1) Directional or other official signs or notices that are required or authorized by law.

(2) Signs advertising the sale or lease of the property upon which they are located.

(3) Signs erected or maintained pursuant to authorization or permitted under State law, and not inconsistent with the national policy and standards of this section, advertising activities being conducted at a location within twelve miles of the point at which such signs are located.

(4) Signs erected or maintained pursuant to authorization in State law and not inconsistent with the national policy and standards of this section, and designed to give information in the specific interest of the traveling public.

Mr. President, that is the national policy. Congress adopted it. What is wrong with it? There is nothing wrong with it. In my judgment, the Senate ought to approve the amendment offered by the Senator from Oregon and the Senator from Kentucky.

Mr. KERR. Mr. President, I yield myself 1 minute of the time under my control to propound a question to the Senator from California.

Did I understand the Senator to be reading from the act of 1958, section 122?

Mr. KUCHEL. Yes.

Mr. KERR. I thank the Senator.

Mr. President, I ask unanimous consent that Mr. Francis C. Turner, Deputy Commissioner and Chief Engineer of the Bureau of Public Roads, be permitted on the floor of the Senate and available to either the proponents or the opponents for the providing of information during the debate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. KERR. I thank the Chair.

Mr. KUCHEL. Mr. President, I yield 2 minutes to the Senator from Hawaii [Mr. LONG].

Mr. LONG of Hawaii. Mr. President, the State of Hawaii, which I believe has justified pride in its beautiful scenery, has long enjoyed the absence of unsightly billboards.

The State, by law, has carefully controlled outdoor advertising. The prevention of erecting billboards along our roads and highways has been a very positive asset to our State.

It has been not only a matter of esthetic delight for our own people who consider our scenic delights as part of the very soul of the Aloha State, but it has been also an asset in terms of dollars and cents as an attraction for our tourist business.

The Legislature of Hawaii has recently passed a new State law to comply with the Federal requirements to be eligible for the bonus payment under the present highway act.

I am informed that final details on the agreement between the State of Hawaii and the Bureau of Public Roads are being worked out today. There is, therefore, little doubt that Hawaii will be eligible for the bonus whether or not the Neuberger amendment is adopted today.

Nevertheless, I support the amendment because I think that other States should have the opportunity of Federal encouragement to control billboards.

In the case of Hawaii which has pioneered in billboard control, it was not until last month that the necessary State legislation was signed into law to make the State eligible for the Federal bonus.

Surely, it will take other States longer to take similar action. Merely on the basis of equity, they should be given at least another 2 years to take advantage of the opportunity.

I therefore urge adoption of the Neuberger amendment. My advocacy of this is not because of the slight financial advantage to my State or any other State, but because I believe it is a thoroughly sound policy to keep the beautiful scenery of America for the people of America.

That is the real purpose of this amendment.

Mr. KUCHEL. Mr. President, three States have entered into the present program: Maryland, North Dakota, and Kentucky.

The following States have passed legislation to permit participation in the bonus program: Connecticut, Virginia, West Virginia, New York, Washington, Delaware, Pennsylvania, Oregon, Nebraska, Hawaii, and Maine.

State legislatures now in session, before which bills are pending to permit the States to enter into the agreements authorized by the present statute and by the amendment to continue that section of the present statute include: Alabama, Illinois, Missouri, New Hampshire, New Jersey, North Carolina, Ohio, Oklahoma, and Vermont.

According to today's newspaper accounts, the Michigan Legislature has been convened by the Governor with priority on its agenda in the special session to approve similar legislation.

I am glad Congress took the step 2 years ago to pass legislation which is in the public interest. I think the legislation ought to be continued. I hope the Senate overwhelmingly will reapprove what was originally approved in this Chamber 2 years ago.

Mr. KERR. Mr. President, will the Senator yield for a question on my time?

Mr. KUCHEL. I yield with that understanding.

Mr. KERR. Did the Senator say that Congress 2 years ago provided for this privilege, or passed the legislation to implement the program of prohibiting billboards on the rights-of-way adjacent to the Interstate System? Is that what the Senator said?

Mr. KUCHEL. Not precisely in the words in which the Senator from Oklahoma asked me the question, but generally speaking, yes.

Mr. KERR. Is not the Senator aware of the fact that the legislation was passed on April 16, 1958?

Mr. KUCHEL. Yes, that is correct.

Mr. KERR. And therefore was put into effect for 3 years and some months beginning in 1958.

Mr. KUCHEL. The Senator is correct on the date of passage.

Mr. KERR. I ask the Senator whether in his original amendment, which he offered, he had 1960, rather than 1961, as the expiration date.

Mr. KUCHEL. I state frankly, Mr. President, that I do not recall the original verbiage of the amendment which we submitted at that time, in that connection.

Mr. KERR. I read, from the hearing held before the subcommittee of the Senate Committee on Public Works——

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. KERR. Mr. President, I yield myself, out of the time available to me, the time necessary for this question.

The PRESIDING OFFICER. The Senator from Oklahoma may proceed.

Mr. KERR. I now read, from the hearing before the subcommittee of the

Senate Committee on Public Works, on March 10, 1958, a colloquy between General Grant, president of the American Planning and Civic Association, and representing that organization before the Committee on Public Works, and the Senator from California [Mr. KUCHEL], as follows:

To save time, sir, we have been in favor of this, as the record shows, and some legislation for the control of billboards, and in general, as to the bill before you, we agree entirely with what Admiral Phillips has just said. So I will not go into that.

There is one point that I think I might bring out, that he did not speak of, and that is the date that is fixed in S. 3218, the final date of July 1, 1960. As this bill may not be approved until later this year and some of the State legislatures do not meet but every 2 years, we point out that maybe it would be best to change that date, if such a terminal date is fixed, to July 1, 1961, instead of 1960.

Mr. KUCHEL. May I interrupt?

What you say has merit. The reason I put that date in the legislation was that, after speaking with members of the staff of the Bureau of Public Roads, they thought that might constitute a little additional persuasion on the legislatures to act.

However, there is the other point of view which you have expressed.

Now I ask the Senator from California whether that reading from the record was accurate as to what he said at the time.

Mr. KUCHEL. I say to my able friend that I do not have the slightest doubt that he is reading the record, which is in front of him, with his consummate capacity for correctness.

Mr. KERR. I have before me the letter signed by the Senator from Kentucky [Mr. COOPER] and the Senator from Oregon [Mrs. NEUBERGER], with reference to the amendment now pending. The second paragraph of the letter reads as follows:

Our amendment would not change existing policy. For, in 1958, the Congress provided that if the States, through their legislatures, decided they desired to prohibit advertising to a distance of 660 feet on lands adjacent to designated portions of the Interstate Highway right-of-way, and entered into an agreement with the Bureau of Public Roads, an additional sum equal to one-half of 1 percent of the Federal share of the interstate roads would be allocated to the States to help them secure the necessary easements. We emphasize that the States make the decision regarding such advertising.

Is the Senator from California familiar with the fact that in the 1958 act, there were two provisions for extra financing, in relation to what the States could receive if they had a program either of prohibiting or of acquiring easements?

Mr. KUCHEL. Yes, sir.

Mr. KERR. The first one is section 131(b), to which the amendment is offered; and it would provide one-half of 1 percent bonus, based on the control of billboards by the exercise of the police power of the State to prohibit.

Mr. KUCHEL. Yes.

Mr. KERR. The other is section 131 (e), which permits a State to obtain Federal funds in the amount of 90 percent of the cost of purchasing the easements against advertising, with an overall limitation of 5 percent of the cost of acquiring the right-of-way for the project—those being the two provisions for Federal bonus to the States, in connection with this program.

Mr. KUCHEL. I have subsection (e) before me.

Mr. KERR. And is the statement I have made correct?

Mr. KUCHEL. Does the Senator from Oklahoma mean to ask whether he quoted the language correctly?

Mr. KERR. No, I was not quoting the language; I was making a statement as to what the bill did.

Mr. KUCHEL. With particular reference to subsection (e)?

Mr. KERR. Yes. First, I asked about subsection (b), and the Senator from California said I was correct. Then I asked about subsection (e).

Mr. KUCHEL. If the Senator from Oklahoma will permit, let me say, for the sake of the RECORD, that subsection (e) is fairly short, so I shall read it, so it will be precisely before us.

Mr. KERR. Very good.

Mr. KUCHEL. I now read:

(e) Whenever a State shall acquire by purchase or condemnation the right to advertise or regulate advertising in an area adjacent to the right-of-way of a project on the Interstate System for the purpose of implementing this section, the cost of such acquisition shall be considered as a part of the cost of construction of such project and Federal funds may be used to pay the Federal pro rata share of such cost: *Provided*, That reimbursement to the State shall be made only with respect to that portion of such cost which does not exceed 5 per centum of the cost of the right-of-way for such project.

Mr. KERR. Now, having read the language of section 131(e), did the Senator from Olkahoma state approximately what it provided—that is, that the second approach permits a State to obtain Federal funds in the amount of 90 percent or more, depending on the formula within the States—which, as the Senator knows, go up to 95 percent of the cost of purchasing the easements against advertising, with the overall limitation of 5 percent of acquiring the right-of-way of the project. Is that the significance of that section of the law?

Mr. KUCHEL. The Senator from Oklahoma may be stating the precise situation with respect to this subsection; but let me say—so we do understand each other—that this section, as I interpret it—and I think the language is relatively clear—provides that, in those circumstances, when the State sees fit to purchase an easement, it is possible for the Federal Government to reimburse the State for those easements so acquired, but not more, however, than 5 percent of the cost to the State of acquiring the rights-of-way under the given project. Now I want to look past the benign countenance of my able friend, the Senator from Oklahoma, and to inquire of the gentleman from the Bureau of Public Roads whether I stated that correctly, in his opinion. I see that he is nodding his head affirmatively; therefore, I think that I have stated it accurately.

Mr. KERR. This additional statement should be made, to make it accurate: The section does not make it possible for the Fderal Government to do that; it provides that the Federal Government will do that.

Mr. KUCHEL. Yes.

Mr. KERR. Now I ask the Senator from California whether it is a fact that the Department of Commerce has interpreted this approach to be available to a State, even though it has not entered into the agreement.

Mr. KUCHEL. It is my understanding that that is correct.

Mr. KERR. And that the July 1, 1961, deadline would not cut off the right of any State to use this approach.

Mr. KUCHEL. If the Senator from Oklahoma makes that statement, I shall accept it.

Mr. KERR. I say to the distinguished Senator that this is correct in view of the fact that the Bureau of Roads verified it on August 25, 1960, through Comptroller Generals Opinion numbered B–142793 so held.

Then, in the part before us, there are two alternatives in the 1958 law with reference to States receiving funds from the Federal Government in connection with the regulation of billboards on the Interstate Highway System. First, one-half of 1 percent is available as a bonus if the State exercises its police power and prohibits the erection of billboards or enforces the formula of standards supplied by the Bureau of Roads with reference to the regulation of the area for billboards.

Mr. KUCHEL. Under the national standards?

Mr. KERR. Under the national standards.

Mr. KUCHEL. The Senator is correct.

Mr. KERR. Section 131(e) provides the funds whereby the Federal Government will participate, 90–10 percent, or, in excess of 90 percent in the publicly owned areas of States, where it may go to 95-percent-plus if the State wants to acquire those easements by purchase. That right continues after July 1, 1961, and is available to the States whether they have signed this agreement or not.

I ask the Senator if he is aware of that part of title 23, section 319, of the United States Code, the act of 1940, which is a third method by which a State may acquire Federal aid for the control of billboards:

The construction of highways * * * may include the purchase of such adjacent strips of land of limited width and primary importance for the preservation of the natural beauty through which highways are constructed, as may be approved by the Secretary. Not to exceed 3 per centum of such sums, apportioned to a State * * * may be used by it for the purchase of such adjacent strips of land without being matched by such State.

Is the Senator familiar with that provision of the law?

Mr. KUCHEL. I am not.

Mr. KERR. I would suggest to him that he familiarize himself with that provision of the law.

I thank him for having answered my question, and I yield myself an additional 5 minutes to discuss the questions I have been asking the Senator.

Mr. KUCHEL. If the Senator will let me carry on this colloquy——

Mr. KERR. On the time of the Senator from California.

Mr. KUCHEL. No.

Mr. KERR. I yielded myself such time as I required to ask questions of the Senator. Now I yield myself 5 additional minutes to discuss the questions which I have asked.

Mr. KUCHEL. I thank my able friend.

Mr. KERR. There are three provisions in existing law under which funds move from the Federal Government to the States in connection with the prohibition of billboards or the regulation of the use of billboards or the acquisition of land for the preservation of the natural beauty through which highways are constructed.

One of those provisions is in the form of an incentive, some call it. The Senator from Michigan [Mr. McNAMARA], in his report to the Senate day before yesterday, called it a bribe. The Senator from Oklahoma regards it as a bribe, because it is the offer of payment by the Federal Government to a State to persuade that State to use its police power to prohibit billboards on the affected areas of the Interstate Highway System. That section of the law expires June 30, 1961.

The distinguished Senator from Kentucky [Mr. COOPER] and the lovely, gracious, and distinguished Senator from Oregon [Mrs. NEUBERGER] told us that in 1958 the Federal Government declared a policy—and it did. A part of the policy was a program whereby the Federal Government would participate in an effort either to control or prohibit billboards; but as a part of the declared policy there was a termination date fixed which was as much a part of the policy and of the law as was the provision under which money could be had by the States for doing certain things.

The provision which expires on June 30, 1961, is the provision which seeks to persuade the States to use their police power to prohibit billboards along the interstate highways.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. KERR. On the Senator's time. That was the courtesy afforded me by the Senator from California. It is the courtesy extended by the Senator from Oklahoma to the Senator from California.

Mr. KUCHEL. The Senator from Oklahoma has more time on his side of the aisle.

Mr. KERR. I do not yield on my time.

What I referred to is the provision of the law which expires June 30. It is the provision that seeks to bring about a situation whereby the Federal Government pays a State to exercise its police power.

There are two other provisions in the existing law which do not expire. One was enacted at the same time as the one now sought to be extended, and is available to any State whether it signs an agreement to meet these standards or not. The only thing it does is require the State to pay from 4 to 10 percent of the cost of the acquisition of the easements, and under it the Federal Government agrees to pay from 90 to 95 percent plus of the cost of easements to control billboards along the rights-of-way of the Interstate Highway System. That provision, whereby the Federal Government agrees to pay up to 95 percent of the cost, does not expire.

The proponents of the amendment do not propose to extend the provision in the law which does not expire and which provides a method whereby a property owner may be paid for his property on the basis of 90 to 95 percent by the Federal Government. They seek to extend the provision of the law which constitutes a bonus, or bribe, to the State to persuade it to use its police power to prohibit billboards, because under it a State does not have to pay a penny.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. I yield myself an additional 5 minutes.

They are so interested in the beauty of the highways that they want to acquire on a basis that prohibits the owner of the property from being compensated for the right that is taken away from him, not by purchase, but by the exercise of the State's police power.

If they are so interested in the maintenance of beauty that they are willing to let the owner of that land be paid for the right that is being taken away from him, why would they not seek to amend some provision of the law—and there are two of them—under which the Federal Government and the State pays the owner for the right that he has in his property?

Mr. COOPER. Mr. President, will the Senator yield, on my time?

Mr. KERR. I yield to the Senator from Kentucky on my time. The Senator yielded on his time.

Mr. COOPER. As I said when I first spoke on the amendment, I hope very much the Members of the Senate will not be confused about issues which were decided 3 years ago. I think the Senator from Oklahoma is correct in saying that if the 2-year extension is not made, it will still be possible that 5 percent of the cost of acquiring the right-of-way on a particular project could be used to reimburse a State, if it acquired easements.

Mr. KERR. By purchase; not by prohibition, but by purchase.

Mr. COOPER. I hope the Senator will not contend that if the amendment we have offered to extend for 2 years the incentive payments, is agreed to, as I hope it will be, that would in any way affect the 5-percent provision.

Mr. KERR. It does not.

Mr. COOPER. It does not?

Mr. KERR. It does not.

Mr. COOPER. So the people who deed easements would still be paid under the 5-percent provision.

Mr. KERR. If the Senator wishes to have a program whereby the owners of property will get their money for what is being taken, he should seek to amend either section 131(e) of the 1958 act, or the act of 1940, which provide for the acquisition of property by purchase.

Mr. COOPER. I hope the Senator will not contend that the amendment we offer would change in any way the right of a State to exercise police power, or would change in any way the right of an owner of land to secure compensation for an easement, if the easement is acquired.

Mr. KERR. It would change what will be the law after June 30, with reference to the right of a property owner to be safe in the exercise of his property rights, because it would extend the bonus by the Federal Government to the State to take the right-of-way by the exercise of police power.

Mr. COOPER. From the standpoint of the Federal Government the amendment would simply give to the State one-half of 1 percent of the cost of a project.

Mr. KERR. To do what?

Mr. COOPER. The State would receive the bonus if it entered into an agreement.

Mr. KERR. That is not what the Senator's letter says.

Mr. COOPER. What is that?

Mr. KERR. That is not what the Senator's letter says. The letter the Senator signed, a copy of which I hold in my hand, says:

> If the States, through their legislatures, decided they desired to prohibit advertising to a distance of 660 feet—

Mr. COOPER. The letter describes what would happen. If a legislature passed a law, under the State police power, to prohibit advertising or to regulate advertising to a distance of 660 feet from the right-of-way, the State would get the bonus.

Mr. KERR. That is correct. What would the property owner get, I ask the Senator?

Mr. COOPER. He would be paid under whatever law obtains; the law of eminent domain.

Mr. KERR. The Senator, bless his noble heart—he has a noble heart, and I respect him highly—is entirely mistaken. I say to the Senator, on my responsibility as a U.S. Senator, that he is mistaken. I say to him that if he will investigate the law which is before us, since he is a distinguished attorney, learned in the law and familiar with the act, he can arrive at no other conclusion than the one I state. There are two provisions in the law whereby the rights of a property owner can be acquired by purchase. One of them is under section 131(e) of the 1958 act and the other is under the act of 1940. I say to my good friend from Kentucky that under the 1940 act the Federal Government will pay 100 percent without matching by the States.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has again expired.

Mr. KERR. Mr. President, I yield myself an additional 5 minutes.

Under section 131(c), which the Senator seeks to extend, there is no provision to pay the landowner for what he has.

Mr. COOPER. I simply disagree with the statement, with all the knowledge and strength I have. I say this with all respect for the Senator, and he knows the respect in which I hold him. That kind of statement is the kind which really could confuse Senators. If Senators did not look at the law, it might

cause them to vote against this simple amendment.

If a State decides to exercise its police power to prohibit advertising on areas adjacent to the Defense Highway System, it can do so. Then under the State law, if the State took rights-of-way or easements from the property owner, we know that under the fifth amendment of the Constitution the State would have to pay for the right-of-way. Whatever the Senator says or whatever I say about that cannot change the law.

Let us not get Senators to believing that some private property owner is going to be deprived of his right to be compensated if the amendment is agreed to. I say to the Senator flatly that the only purpose of the amendment—I say this with candor—is to continue for 2 years the time in which the States can get the bonus payment of one-half percent—to encourage them to use their police power to keep the areas adjacent to rights-of-way clear of outdoor advertising. We make no apology. We are glad we are offering such an amendment.

Mr. KERR. Mr. President, I yielded to the Senator from Kentucky for a question and he has made a speech. That is all right. I think enough of the Senator to permit him to do that.

I say to my good friend from Kentucky, he is the one who is confused. He says flatly that he seeks to extend the time in which a State can get a bonus. For what? For exercising its police power.

I say to my good friend from Kentucky that a State does not exercise police power to prohibit something with reference to property it has purchased. A State does not use police power to prohibit a billboard on an area adjacent to a right-of-way if the State has paid for an easement. The State would then exercise sovereignty to acquire the right to eliminate the billboard, or to determine what shall be put on the land.

I say to my good friend that he is the one who is confused. The amendment he presents would extend the provision, according to his own letter, which is on the desk of every Senator in this Chamber. The letter says:

> Our amendment would not change existing policy. For, in 1958, the Congress provided that if the States, through their legislatures, decided they desired to prohibit advertising.

Mr. President, if the legislature decided to acquire an easement on the land by purchase, it could then decide what would be done without prohibiting specific use. One prohibits by the exercise of police power. One acquires an easement by the process of purchase and payment.

I say to the Senator from Kentucky, the reason we have section 131(c) and section 131(e) is that one provides a bonus to the States to try to persuade them to use police power to prohibit, and the other provides a means whereby the Federal Government will pay the State to participate in the program if the State decides to use the process or the route of purchasing. Those are separate and distinct sections. They are separate and distinct principles. They are separate and distinct processes.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. KERR. Not at this moment.

If the great Senator wished to extend or to expand the program of payment for an easement, that would be done under an amendment to section 131(e), or to the act of 1940, which is a third method whereby the States may acquire Federal aid for the control of billboards.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has again expired.

Mr. KERR. Mr. President, I yield myself an additional 5 minutes.

Mr. President, there can be no question about this. I submit it to any lawyer who is familiar with basic principles of law and with this act. There is no other interpretation possible.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. KERR. I yield to the Senator from Ohio.

Mr. LAUSCHE. Did the committee explore at all the constitutional right, through a statute, to declare it a crime to place billboards within a certain distance from a highway? Can that be done through a criminal statute? Does it not in fact require there be a purchase of an easement, in which the seller gives up his right?

Mr. KERR. Not at all. Not at all.

Mr. LAUSCHE. Did the testimony deal with that subject?

Mr. KERR. It did not. I say to the distinguished Senator that the exercise of police power, of zoning power, is separate and apart from the exercise of the right of eminent domain to require a right. One is the exercise of police power to prohibit and the other is the exercise of the right of eminent domain, which a sovereign has, to acquire and pay for property.

The distinguished Senator from Kentucky said that the Constitution guarantees that we cannot take a man's property away from him without due process of law.

The Senator seeks to implement due process of law with the exercise of police power, which would prohibit the use of property in accordance with a man's right in the absence of the prohibition. That is not the exercise of the right or the principle of eminent domain, whereby ownership is acquired by the sovereign.

Mr. LAUSCHE. Does the Senator from Oklahoma believe that by a simple criminal or zoning statute we could prohibit the erection of billboards?

Mr. KERR. Yes; but it would be through the exercise of police power and not the exercise of the acquisition of property rights.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. KERR. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Did not the Senator from Ohio in his question refer to the States?

Mr. LAUSCHE. The Senator is correct.

Mr. KERR. I so understand.

Mr. CASE of South Dakota. The Federal Government could not exercise that kind of police power.

Mr. LAUSCHE. Why not? If States could do so, why could not the Federal Government do so also?

Mr. CASE of South Dakota. We defer to the power of States on questions of that kind.

Mr. LAUSCHE. I know what the rule in Ohio is.

Mr. KERR. I prefer that my answer in the affirmative remain as addressed to the power of the State. I am sure that the State, the county, and the municipality have zoning rights. I do not know whether the Federal Government has a zoning right within a State or not.

Mr. LAUSCHE. Let me state the Ohio law on the subject. The Ohio law provides that one cannot, by zoning or police power, impose criminal penalties when the only object is esthetic, as distinguished from the preservation of health, promotion of safety, and so forth.

Mr. KERR. I believe that provision is very wholesome, and if it is contained in the constitution of the State of Ohio, Ohio could not take advantage of section 131(c) if it wanted to.

Mr. LAUSCHE. Ohio could do so under the power of eminent domain.

Mr. KERR. But section 131(c) does not provide the power of eminent domain. The power of eminent domain is either contained in section 131(e) or the 1940 act, and in either event the property owner is paid for his property.

Under section 131(c), which is hereby sought to be extended, no payment to the property owner is provided.

Mr. LAUSCHE. It would be an inducement or a bonus to the State.

Mr. KERR. To exercise police power to prohibit, but not to exercise eminent domain to acquire.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. KERR. I yield.

The PRESIDING OFFICER. The additional time of the Senator from Oklahoma has expired.

Mr. KERR. I yield myself an additional 5 minutes.

Mr. CASE of South Dakota. It is my impression that the Federal Government has exercised police or zoning powers only with respect to the District of Columbia.

Mr. KERR. With respect to Federal lands in the public domain.

Mr. CASE of South Dakota. In the case of the District of Columbia, of course, express legislative jurisdiction is given to Congress, but with respect to States and privately owned land, I doubt that the Federal Government has ever exercised police or zoning powers.

Mr. KERR. It would not do so under the act. The amendment would give the State a bonus or, as I prefer to call it, a bribe, if the State will exercise its police power.

Mr. LAUSCHE. Earlier this afternoon the Senator from Oklahoma pointed out that there is one section in the bill which deals with a 5-percent——

Mr. KERR. Acquisition cost——

Mr. LAUSCHE. Which can be used for the acquisition of easements.

Mr. KERR. Yes; and the State does not have to enter into an agreement to receive that amount, and the right to receive that acquisition cost does not

expire until June 30 of this year. It continues with or without a contract.

Mr. LAUSCHE. The amendment states, in effect, "We will give you one-half percent if you will proceed to acquire easements."

Mr. KERR. No; it does not so state. I beg the Senator's pardon.

Mr. LAUSCHE. It is a bonus incentive to go forward.

Mr. KERR. If it is regulated out. The Senator from Ohio is a great lawyer. He can read the law, and it is that simple.

Mr. LAUSCHE. My understanding is that we would say to States, "Use this section under which we will give you 5 percent to acquire easements. Then we will give you an additional one-half percent to persuade you to act under that section." That is my understanding of the bonus.

Mr. KERR. The Senator ought to read the law. That is all there is to that question.

A great deal has been said about natural beauty. I glory in anyone's love of natural beauty. I call the Senate's attention to the fact that that provision in the law, which would be extended by the amendment, and as set forth in the letter signed by the Senator from Oregon [Mrs. NEUBERGER] and the Senator from Kentucky [Mr. COOPER], does not apply to 820,000 miles of Federal aid road system in the United States. It applies only to certain parts of the Interstate System.

The provision does not apply to all the Interstate System. It does not apply to that part of the Interstate System in metropolitan areas, municipalities, counties or States where zoning has been implemented by the local authorities.

Then, where does the provision apply? It applies to that part of the interstate highway that goes through the farmlands of our country.

The amendment would apply only to that part of the Interstate System that goes through farmlands. Who would be penalized under the act? Not the city owner, not the metropolitan owner, not the owner in a municipality or a county that is zoned. The incentive to prohibit and to deprive without compensation affects only the farm population that owns land along the highways.

Mrs. NEUBERGER. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mrs. NEUBERGER. I believe the Senator from Oklahoma would wish to be corrected. The Senator recalls the line "The purple mountain majesties." Out in the West there is a great deal of land which is unsuited for farming, but with its rocks and trees it is very beautiful. We would like to have that beauty maintained.

Mr. KERR. Then why does not the State of Oregon do so? By popular vote of 2 to 1 such a measure was rejected.

Mrs. NEUBERGER. Again I believe the Senator from Oklahoma is mistaken.

Mr. KERR. Was not a referendum on this question held in Oregon?

Mrs. NEUBERGER. The legislature recently passed such a measure, which the Governor has signed. The legislature and the Governor represent the people of the State of Oregon.

Mr. KERR. The people of Oregon voted on a measure concerning billboards and rejected it by a vote of 2 to 1.

Mrs. NEUBERGER. The billboard lobby is very effective.

Mr. KERR. I do not know about that. If it was effective, it was effective with the people, because the people were the ones who turned it down. They were not very effective with the legislature, because the legislature went ahead and passed an act.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. I yield myself an additional 5 minutes. I have been too well raised to argue with a lady, but I believe I speak the truth.

Mrs. NEUBERGER. I know that the Senator from Oklahoma has great respect for the legislative body of any State.

Mr. KERR. I have.

Mrs. NEUBERGER. When the legislative body and the Governor of a State have seen the error of their way and finally pass legislation to conform, I am sure the Senator recognizes the right of a sovereign State to act through its legislature.

Mr. KERR. I do, indeed. But the legislature did not wipe out the record, which shows that the people of Oregon, by popular vote, rejected the proposal by a vote of nearly 2 to 1.

I return to the statement that I made, that this implies only to rural areas.

Mr. KUCHEL. Mr. President, will the Senator yield at that point?

Mr. KERR. I do, on the Senator's own time.

Mr. KUCHEL. I yield myself 1 minute. The Senator knows that the last statement he made is not precisely correct.

Mr. KERR. Perhaps the Senator will correct me.

Mr. KUCHEL. I will. The reason we wrote the statute in this fashion is that under the constitution of some States, including my own, local control of zoning is given to municipalities. Municipalities, therefore, could determine a policy at variance with that of the State. What the law does is include areas outside municipalities which may or may not be farming areas, and which in the State from which I come in many instances are not farming areas. I merely say that I do not believe the Senator's description of the areas covered by the proposed legislation should be confined to "farming areas." I say that with the greatest respect for my friend from Oklahoma.

Mr. KERR. I say to the Senator that under the act——

Mr. KUCHEL. This is on the Senator's own time.

Mr. KERR. I am speaking on my time. The Senator from California spoke on his time. I say that under the act municipalities and metropolitan areas are exempt from the application of the law.

Mr. KUCHEL. The Senator knows that is not precisely correct. What we did was to give——

Mr. KERR. Mr. President, a point of order. The Senator from Oklahoma has the floor.

Mr. KUCHEL. Will the Senator permit me to speak for 30 seconds?

The PRESIDING OFFICER. The Senator from Oklahoma has the floor.

Mr. KUCHEL. Will the Senator let me yield 30 seconds to myself from my own time?

Mr. KERR. The Senator yields 30 seconds to himself.

Mr. KUCHEL. That is why we gave the permissive right, and did not make a mandatory direction so far as the Secretary of Commerce was concerned, to include them or not include them. If a constitutional question arose with respect to the rights of municipalities under a State constitution, to determine their own zoning legislation, obviously he would operate under his discretionary powers in connection with the law.

Mr. KERR. It would be a great thing if both the Secretary of Commerce and the Senator from California operated strictly in accordance with the law.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. CASE of South Dakota. In connection with the discussion of the applicability of the law, and because the RECORD will be examined by many people, the lands to which the Senator from Oregon referred in part, I assume, are public lands in the national forests and parks. Is that correct? The Senator from Oregon is shaking her head.

Mrs. NEUBERGER. No.

Mr. CASE of South Dakota. I am glad to know that she did not include them. There is a section of the law which is not repealed, and which has no time limit on it. It does permit and authorize and direct that the administrators of the public lands shall cooperate with the Secretary of Commerce in effectuating the policy. I refer to subsection (d):

> Whenever any portion of the Interstate System is located upon or adjacent to any public lands or reservations of the United States, the Secretary of Commerce may make such arrangements and enter into such agreements with the agency having jurisdiction over such lands or reservations as may be necessary to carry out the national policy set forth in subsection (a) of this section, and any such agency is authorized and directed to cooperate fully with the Secretary of Commerce in this connection.

I have read that subsection into the RECORD because I believe it is important that people who will consult the RECORD for a determination of billboard policy in connection with the interstate program, will understand that regardless of what we should do—unless we repeal the whole section—and certainly regardless of what we do with respect to the pending amendment, the public lands or reservations of the United States are covered by the declaration of national policy, and that all administrators of those public lands are not only authorized, but also directed to cooperate with the Secretary of Commerce in effectuating the policy.

Mr. KERR. And in the observation of standards fixed by the Secretary of

Commerce relating to the regulation of billboards. The Senator is entirely correct. Subsection (b) in part, reads:

Agreements entered into between the Secretary of Commerce and State highway departments under this section shall not apply to those segments of the Interstate System which traverse commercial or industrial zones within the presently existing boundaries of incorporated municipalities wherein the use of real property adjacent to the Interstate System is subject to municipal regulation or control, or which traverse other areas where the land use, as of the date of approval of this Act, is clearly established by State law as industrial or commercial; and any such segment excluded from the application of such standards shall not be considered in computing the increase of the Federal share payable on account thereof.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. I yield myself 5 additional minutes. Thus it is crystal clear that the provision in the law with reference to prohibiting billboards does not apply to any municipal area, either zoned or that could be zoned. That includes every municipal area.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. KERR. Not on my time.

Mr. KUCHEL. Why does the Senator yield to every other Senator?

Mr. KERR. Because the Senator from California declined to yield to me on his time.

Mr. KUCHEL. If I promise——

Mr. KERR. Mr. President, the Senator from California is out of order.

The PRESIDING OFFICER. The Senator from Oklahoma has the floor.

Mr. KERR. Where zoning exists in a municipality, the law does not apply. Therefore, its application is limited to agricultural or rural lands. What the proponents of the amendment seek to do is to extend for 2 years the incentive to the States to deprive the farm population of this country of their vested interest in their land.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. KERR. Without compensation from anyone.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. KERR. I do not yield. That is the cold letter of the law. I remind Senators that if they vote for the amendment, they do not seek to apply it to city dwellers, that they do not seek to apply it to municipalities where zoning exists or can exist, but that they apply it to rural areas.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. KERR. I do not. They seek to apply it to the areas owned by the farm population. They would seek to spend hundreds of millions of dollars to deprive the farm population of property it owns, while leaving all others along more than 800,000 miles of highway exempt from that penal application of police power of the State. I yield the floor.

Mr. CASE of South Dakota. I understand that the time for debate is under control. Will the Senator yield me 1 minute?

Mr. KERR. I yield 1 minute to the Senator from South Dakota.

Mr. CASE of South Dakota. First, I should like to make a parliamentary inquiry. The Senator from South Dakota desires to offer an amendment to the Neuberger amendment. What would be my right, and what would be the time situation?

The PRESIDING OFFICER. The agreement under which the Senate is operating contains no provision for an amendment to the amendment. There is no time situation specified.

Mr. CASE of South Dakota. I assume that at least I would have the right to offer an amendment to the amendment even if I had no time allotted on it.

The PRESIDING OFFICER. The Senator has the parliamentary right to offer an amendment to the amendment, but there is no time provision with respect to it in the unanimous-consent agreement. A unanimous-consent request would have to be made on it.

Mr. CASE of South Dakota. I ask unanimous consent that when I offer an amendment to the pending amendment the time may be extended for 20 minutes, with 10 minutes to each side.

The PRESIDING OFFICER. Is there objection?

Mr. KUCHEL. Mr. President, reserving the right to object, I should like to make one observation.

Mr. KERR. Mr. President, will the Senator from California speak louder?

Mr. KUCHEL. I will. The present law would never have been placed on the statute books without the help of the Senator from South Dakota. I am sure that what he has in mind is in the nature of a constructive proposal. However, I hesitate to take an action which would in any way confuse the simple issue before us now.

Mr. CASE of South Dakota. My amendment will not confuse the issue. All I want to do is to strike out "1963" and substitute "1962." There is a very good reason for doing that. I should like to have an opportunity to explain why.

The PRESIDING OFFICER. Is there objection?

Mr. GRUENING. I object.

Mrs. NEUBERGER. I object.

Mr. KERR. Mr. President, I did not hear the objection. May I inquire where it came from.

The PRESIDING OFFICER. The Senator from Alaska [Mr. GRUENING] objected.

Mr. CASE of South Dakota. Mr. President, do I correctly understand that a Senator objected to another Senator's getting a few minutes on an amendment?

The PRESIDING OFFICER. Objection was heard by the Chair.

Mr. KUCHEL. Mr. President, I allocate 3 minutes to the distinguished Senator from South Dakota. First, I should like to ask him a question.

In view of the fact that the pending amendment strikes "1961" and inserts in lieu thereof "1963" in the subsection to which he refers, could we have the Senator's reasoning concerning why he wishes to change "1963" to "1962"?

Mr. CASE of South Dakota. My amendment would provide a 1-year extension to permit States whose legislatures have acted and which have agreements pending to have ample time to complete the agreements.

My amendment would provide ample time for the legislatures now in session to conclude their action.

Actually, when we propose to have the Federal Government pay one-half of 1 percent of the cost of construction, and add that to the cost of the project, it means that the cost to the Federal Government is $5 million for each $1 billion worth of construction.

We already are running on thin ice. Not enough revenue is provided in the bill to put the program on a strictly pay-as-you-go basis. For each $1 billion, the one-half of 1 percent adds $5 million to the cost of the system.

I should like to provide time for the States which have taken some steps to enter into agreements or which have indicated that they want to do something about it to do so. One year will provide ample time in which to do it.

I understand that in cases where the State legislatures have acted, the Secretary of Commerce has been able to enter into agreements within a period of 6 months.

Congress extends the time on many items. A reasonable extension of time is a fair proposition; but it does not seem to me that Congress ought to increase the cost of the system any more than is necessary. If the time is extended to 1963, we are theoretically increasing the cost by $5 million, perhaps more. If it is extended to 1962, we will accomplish what I understood was the purpose of the sponsors of the amendment; namely, to act in good faith with the States which desire to enter into agreements.

The legislatures which have acted could complete their agreements within a year, and the legislatures in session could complete them within a year.

My only proposal is to change "1963" to "1962," which affords a year's extension. That is not confusing; it is not defeating; it is not complicating. It is a simple proposition.

Mr. KUCHEL. Mr. President, I yield myself 30 seconds.

Speaking with great respect for the able Senator from South Dakota, the issue is simply to provide a 2-year extension, which is designed to encourage the States which have not yet acted to act within the next 2 years. To that extent, I believe the purpose of the pending proposal would be defeated if the provision were continued only for an additional 12 months.

Mr. CASE of South Dakota. How would it be defeated?

Mr. KUCHEL. The present expiration date is July 1, 1961. If the States were given an additional 2 years, sufficient time would be afforded them in which to act. In some States the legislatures meet only in odd-numbered years.

Mr. CASE of South Dakota. All the legislatures have met or will have met within the 3-year period.

Mr. KUCHEL. That is true; but some of them will not have acted; and the intent, if I correctly read the amend-

ment of the distinguished Senator from Oregon and the distinguished Senator from Kentucky, is to give the State legislatures which meet only every other year one more biennial period in which to determine whether they wish to take advantage of the proposal.

Mr. CASE of South Dakota. My understanding is that three States have signed agreements, possibly four, if one has acted today. Agreements are pending in West Virginia and Nebraska which need only some typing. That would raise the number to either five or six.

Another State, Washington, has submitted an agreement. It has not yet been received. That would make the number of States seven.

Eleven States have enacted legislation. That would raise the number to 18.

Bills are pending in 10 States whose legislatures are now in session. That would increase the number to 28 States. They should be able to complete their action in the space of the next 3 months.

Mr. KUCHEL. Mr. President, I yield 1 minute to the Senator from Kentucky.

Mr. COOPER. Mr. President, I appreciate the spirit in which the Senator from South Dakota offers his amendment, but I believe there is no point in reducing the extension of time from 2 years to 1 year. Let us be frank. The reason we are asking for a 2-year extension is to permit the States which have already started upon a course of action to finish that course of action and enter into agreements with the Bureau of Public Roads. And we desire to give the other 25 or 26 States an opportunity to act. Two years would, we hope, afford an opportunity for all States to act.

With all due respect to the good purposes of the distinguished Senator from South Dakota, I hope his amendment will be rejected and that the Senate will adhere to the 2-year extension.

Mr. KUCHEL. Mr. President, I yield 2 minutes to the distinguished Senator from Ohio.

Mr. LAUSCHE. Mr. President, when the Ohio Turnpike was built for a length of about 250 miles, with good judgment and foresight it was decided to acquire easements along the right-of-way to prohibit the construction of billboards, signs, and other advertising devices.

Persons who travel along the Ohio Turnpike almost uniformly testify to the rich qualities of that road. Its entire length of 240 miles is devoid of neon signs and other advertising signs.

In the act we are now discussing, it was declared to be a policy, in the interest of the people of the United States, to provide certain inducements to the States for the adoption of programs which would prohibit the erection of billboards on the Interstate Highway System. That provision was adopted 3 years ago. I respectfully submit that nothing has happened in the last 2 years which would alter the propriety and the goodness of what was declared to be the policy in 1958. If anything, the reasons are stronger now than they were in 1958.

I am glad to report that the Legislature of Ohio has passed a bill which will eliminate billboards, neon signs, junkyards, and every other type of contraption which distracts the eyes, mars the beauty of the countryside, and makes driving a hazard and a load instead of a joy.

I gladly subscribe to the amendment. I do not believe the amendment of the Senator from South Dakota, that the time be reduced to 1 year, is sound. Let the extension be for at least 2 years.

Mr. KUCHEL. Mr. President, while I most respectfully disagree with the position which the able Senator from South Dakota [Mr. CASE] takes, nevertheless, it appears to me that if he desires to offer an amendment, his suggested unanimous-consent proposal might be incorporated in the present agreement. Does the Senator from South Dakota wish to offer his amendment?

Mr. CASE of South Dakota. I made a request for 10 minutes to a side on my amendment. If that does not appeal to the sense of fairness of Senators present, they will object to it. I shall not renew my request. I shall offer my amendment when the time comes and let it be considered on its own merits.

Mr. GRUENING. I withdraw my objection.

Mr. KUCHEL. Mr. President, I yield 3 minutes to the distinguished Senator from Colorado.

Mr. ALLOTT. Mr. President, in 1958 I had the privilege of joining with the late distinguished Senator Richard Neuberger in support of his amendment, which is sought, in substance, to be reinstated in the law by a new amendment now pending before the Senate.

I would be opposed to raising the ante, as has been suggested by the President, to the various States, for the purpose of accomplishing this. In my opinion, this is a good program, because it leaves control of this matter in the States. If the States wish to deface their parts of the Interstate Highway System with billboards and other matters which destroy the scenery and destroy the value of the roads, from the scenic standpoint, for those who wish to use them, the States can decide that question.

I wholeheartedly support the proposition of the amendment offered by the Senator from Oregon [Mrs. NEUBERGER] and the Senator from Kentucky [Mr. COOPER] and other Senators. I believe in it wholeheartedly. Therefore, I would not support, and would not feel that I could support, the proposed amendment of the senior Senator from South Dakota [Mr. CASE].

I know there are a great many persons who are interested in this matter from the standpoint of billboards; and they have a right to be interested in the expansion of what they rightfully consider their lawful business. But I also believe that when the United States is putting up 90 percent of the money for these roads, and when we leave the control of this matter in the individual States, that is a wholly sound and logical program.

Therefore, Mr. President, by means of these remarks I wish my position on this matter to be known, and I desire to let it be known that I will support this proposal.

Mr. CASE of South Dakota. Mr. President, if the Senator will yield, does not he believe that the greater the pressure to meet the deadline, the more likely it would be that the proposed action would be taken? But if this were to be deferred for 10 years, that would be too late. If Senators wish billboards to be controlled, the deadline should be as soon as possible, so as to permit the desired thing to be achieved, because after the roads are built, it will be too late to achieve it.

So the deadline should be soon, so as to put the "hot breath" on the States now, if Senators wish this to be done.

Mr. ALLOTT. I believe there should be a deadline, but I do not believe 3 months is a proper deadline.

Mr. CASE of South Dakota. The Senator has not proposed 3 months; he has proposed 1 year.

Mr. ALLOTT. I do not see why the deadline should not be 2 years, inasmuch as many of the State legislatures meet on a biennial basis.

Mr. CASE of South Dakota. All the State legislatures will have met within this period of time.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. RANDOLPH in the chair). The Senator from Illinois will state it.

Mr. DIRKSEN. I understand that the distinguished Senator from South Dakota [Mr. CASE] wishes to propose an amendment to the pending amendment. But under the time limitation, which applies only to the Neuberger-Cooper amendment, there would be no time to discuss the Case amendment; it could only be voted upon. Under the circumstances, if the Senator from South Dakota does wish to offer his amendment, I believe I should request unanimous consent that he be permitted to offer his amendment, and that 30 minutes be allowed for debate—15 minutes to each side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

Mr. BUSH. Reserving the right to object, let me ask how the proposed arrangement would affect the time schedule, and when would we be likely to reach a vote? I have asked this question because I shall be unavoidably required to leave the Chamber at about 3 p.m., and I hope to be able to vote in favor of the Cooper-Neuberger amendment.

Mr. DIRKSEN. The proposed additional 30 minutes would result in a total of approximately 2 more hours. But whether all that time would be used, I cannot tell.

The PRESIDING OFFICER. Let the Chair state that even if the proposed additional time were not allowed, the time already arranged for would run past the hour of 3.

Mr. BUSH. Then, Mr. President, I feel that, very reluctantly, I should object. The Senator from South Dakota [Mr. CASE] and I are in the same "fix," in connection with this matter. So I hope the vote will be taken by 3 o'clock.

The PRESIDING OFFICER. Let the Chair state that that will be impossible if all the time already made available is used.

Mr. DIRKSEN. The point is that if the Senator from South Dakota [Mr. CASE] offered his amendment at the end of the debate on the Cooper-Neuberger amendment, the Senator from South Dakota would have no time in which to discuss his amendment. Of course, in order to be helpful, I could now yield 10 minutes to the Senator from South Dakota, so as to permit him to discuss his amendment. Then the first vote to be taken would be taken on his amendment, and that arrangement would not increase the overall time allowance.

The PRESIDING OFFICER. That is correct.

Without objection——

Mr. CASE of South Dakota. Then, Mr. President, without objection, at this time I submit my amendment to the pending amendment.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

Mr. KERR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oklahoma will state it.

Mr. KERR. Have the yeas and nays been requested?

Mr. CASE of South Dakota. I wish to have my amendment to the pending amendment stated, and then I shall request the yeas and nays.

The PRESIDING OFFICER. Let the Chair state that the amendment to the amendment cannot be offered at this time, unless unanimous consent is given, because the time available for debate on the pending amendment has not yet expired.

Mr. CASE of South Dakota. But I understood the Senator from Illinois to request unanimous consent, and I understood that unanimous consent was given.

The PRESIDING OFFICER. Without objection, the amendment to the amendment will be stated.

Mr. KUCHEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KUCHEL. If no agreement were reached, so as to amend the present unanimous-consent agreement, would a Senator nevertheless have a right to offer an amendment to the pending amendment?

The PRESIDIING OFFICER. Yes; and that right would exist after all debate on the pending amendment had been concluded.

Mr. KUCHEL. And when such an amendment to the pending amendment was offered, would the Senator have a right to discuss the merits of his amendment?

The PRESIDING OFFICER. Only by unanimous consent.

Mr. KUCHEL. In the absence of unanimous consent, if an amendment were offered to the pending amendment, would the vote on the amendment to the amendment come before the vote on the pending amendment itself?

The PRESIDING OFFICER. The first vote would come on the amendment to the amendment—in this instance, on the Case amendment to the Neuberger-Cooper amendment.

Mr. KUCHEL. Very well.

Is there pending a unanimous-consent request with respect to the proposed amendment of the Senator from South Dakota to the pending amendment?

The PRESIDING OFFICER. Let the Chair point out that the Senator from Illinois requested that 30 minutes be allowed——

Mr. DIRKSEN. Mr. President, there was objection to that request. So I then yielded 10 minutes to the Senator from South Dakota (Mr. CASE), so that the total amount of time would not be increased.

Mr. CASE of South Dakota. Mr. President, the only request agreed to was, as I understand, that I now be permitted to submit my amendment to the pending amendment, rather than to submit it at the conclusion of the debate on the pending amendment.

The PRESIDING OFFICER. Without objection, the Case amendment to the pending amendment will be stated.

The LEGISLATIVE CLERK. In the pending amendment, it is proposed to strike out "1963", and insert "1962".

Mr. CASE of South Dakota. Mr. President, does the Senator from Illinois yield time to me?

Mr. DIRKSEN. Mr. President, I yield 10 minutes to the distinguished Senator from South Dakota.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 10 minutes.

Mr. CASE of South Dakota. I ask for only 5 minutes, Mr. President.

The PRESIDING OFFICER. Very well; the Senator from South Dakota is recognized for 5 minutes.

Mr. CASE of South Dakota. Mr. President, the parliamentary situation is that, basically, the pending Neuberger-Cooper amendment would add 2 years to the time in which the States could qualify for the additional one-half of 1 percent of Federal grant for the building of the Interstate System Highways; the so-called Neuberger-Cooper amendment would strike out "1961" from the present statute, and would insert "1963." That relates to the date "June 30." It is important, if the Senate wishes to be certain about this matter, for Senators to consider it at this time.

The amendment I have submitted to the pending amendment would substitute "1962" for "1963," as it appears in the Neuberger-Cooper amendment; and my amendment to that amendment would add 1 year, instead of 2 years, as regards the time in which the States may qualify for the additional one-half of 1 percent to be added to the 90 percent which the Federal Government grants as its share of the cost of the Federal highway system.

The reasons why I think 1962 is a better date than 1963 are these:

First, if compliance is wanted, if action is desired, it is necessary to have pressure in order to get that action. If it is logical to extend the period to 1963, to take 2 years, why not 1964, or 1965, or 1966, or 1967, and give all that time? No legislature will act if there is any particular opposition to a proposal. It will wait until the latest date possible. Its members will say, "There is plenty of time. We will not do it now."

On the other hand, if the 1962 date is used, when there is need for action, the States will feel the pressure of the deadline, and they will understand they have to do something about it.

The second reason is that one-half of 1 percent added to the Federal share means $5 million on each $1 billion of Federal cost for interstate highway construction. If it were applied to the entire $37 billion of the estimated Federal cost, it would mean $185 million would be added to the cost of the system. We know it does not apply to all of it, because there are certain exempted portions in cities or municipalities. For each $1 billion, if there is added one-half of 1 percent of the Federal cost, it will cost the Federal Government $5 million. That $5 million had better be used, in my judgment, in building the highway system.

As the Senator from Oklahoma has effectively pointed out, in addition to this carrot approach, the States today can use, out of their Federal aid funds, whatever they want up to 3 percent of their apportionment, for the purchase of easements to keep billboards away from the highways. They can use it under the 1940 act without having to match the funds. In other words, they can get 100 percent of the Federal cost for buying easements to keep billboards from the highways.

They can also take another approach. They can put it in as a part of the cost of the project, and get 90 percent of the cost.

So there are two ways, outside of this carrot and stick approach, with which the billboard proposal can be dealt with under existing law, regardless of what we do today on these amendments.

So it seems to me, in the interest of expediting action, in the interest of saving something of the Federal cost, we ought to make the year 1962, instead of 1963.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CASE of South Dakota. Mr. President, may I have 1 additional minute?

Mr. DIRKSEN. I yield 1 additional minute to the Senator from South Dakota.

The PRESIDING OFFICER. One additional minute has been granted to the Senator from South Dakota.

Mr. CASE of South Dakota. I want to repeat what the situation is with respect to the States today. Three States have signed: Maryland, North Dakota, and Kentucky. They have completed agreements.

Agreements are in from West Virginia and Nebraska, but both need to be retyped, in order to correct some minor matters.

Washington has submitted an agreement, which has not been received, but which can be done soon.

Twelve States have enacted legislation: Connecticut, Delaware, Hawaii,

Nebraska, New York, Maine, Oregon Pennsylvania, Virginia, Washington, West Virginia, and Wisconsin.

I think these States ought to have enough time to have their programs ratified by the Department of Commerce.

There are 12 States where the legislation is pending before the legislatures. One year's time would give those States time to act.

Mr. KUCHEL. Mr. President, I yield 2 minutes to the Senator from Maryland [Mr. BEALL].

Mr. BEALL. Mr. President, Maryland is one of the three States which have entered into agreements with the Federal Government to regulate advertising along the Interstate Highway System. Maryland, therefore, will receive the one-half of 1 percent bonus enacted in 1958.

Since this bonus provision will expire on July 1, the President has proposed that the law be extended for 4 additional years and that the bonus be increased to 1 percent.

I support the President's proposal. Governor Tawes, of Maryland, wrote me on June 14 expressing his support of the President's recommendations. I ask unanimous consent that the Governor's letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Hon. J. GLENN BEALL,
U.S. Senate Office Building,
Washington, D.C.

DEAR SENATOR BEALL: It has been brought to my attention that legislation is now pending in Congress to extend the Federal bonus to States which have enacted laws controlling the location of billboards along the Federal Government's Interstate Highways System.

Officials of the Maryland Roads Commission advise me that Maryland, along with North Dakota and Kentucky, have statutes in effect which conform to Federal requirements.

State roads commission officials further advise me that, under present law, Maryland receives approximately $1,700,000 bonus for prohibiting the erection of billboards within 660 feet of the Federal highway system.

I have been informed that President Kennedy, in presenting his highway program to Congress, requested that this Federal bonus not only be extended for 4 years, but also doubled. If doubled, Maryland's share of the bonus would increase to approximately $3,400,000, facilitating our task of building a 500-mile network of highways throughout the State.

I urge you to do your utmost to secure passage of this legislation in order to expedite the construction of our expanded highway network.

With kindest personal regards, I am

Sincerely yours,

J. MILLARD TAWES,
Governor.

Mr. BEALL. Mr. President, one need only ride through the State of Maryland to appreciate the value of maintaining the beauty of our highways. I take deep pride in the fine job done by my State. I hope that the Senate will approve an extension of the bonus provision and thus encourage other States to enact the necessary legislation.

Thirty years ago this year, as a member of the Maryland State Senate, I advocated such legislation. Later, some 23 years ago, as chairman of the Maryland Highway Commission, I went to the Maryland Legislature and asked for this type of legislation. Quite naturally, I agree with the sentiments expressed in Governor Tawes' letter.

Mr. KUCHEL. Mr. President, I yield 2 minutes to the Senator from New York [Mr. KEATING].

Mr. KEATING. Mr. President, I speak as a friend of the outdoor advertising industry. This industry has helped to promote the American economy and has compiled a laudable record of public service. Outdoor advertising has a definite place in our national life, and I would be the first to oppose any effort to remove it from that place.

I do not, however, feel that the Interstate Highway System that we are now constructing is the proper place for outdoor advertising. This system will sweep across the entire North American Continent, penetrating areas of solemn grandeur that previously have been almost untouched by human civilization. The mountain forests of the East, the rolling planes of the Middle West, the deserts and rocky peaks of the Far West, all will form the majestic background for this magnificent new highway system. Traveling through these areas, the motorist may be reminded of the great natural beauty of our country and may experience temporary relief from the concerns and necessities of the workaday world.

The amendment which has been proposed by the junior Senator from Oregon would do no more than preserve the existing law intact. It would impose no new controls; it would set up no new regulations.

One principal merit in the present law which this amendment seeks to extend is that the final decision in this matter would be left, as before, in the hands of the States. No controls would be placed on outdoor advertising on the Interstate System in any State without appropriate legislation by that State.

Much has been made of the fact that since this law was first enacted in 1958, only three States have entered into an agreement with the Federal Government to regulate outdoor advertising on their portions of the Interstate System.

The reason for this is, of course, that these agreements have necessarily moved slowly through the legislative mills in the States. Several States beside the three States so far qualifying, including my own State of New York, have actually passed the necessary legislation, but have not yet had their programs accepted by the Department of Commerce.

To abandon this program at this time would not only be unwise, but would actually be a breach of faith with the States that have passed legislation to regulate outdoor advertising. I therefore urge support of this amendment.

Mr. KUCHEL. Mr. President, I yield 6 minutes to the Senator from Alaska [Mr. GRUENING].

Mr. GRUENING. Mr. President, I rise to support the Neuberger amendment, of which I am a cosponsor.

I rise to support it although Alaska is the only State of the Union which cannot benefit from its provisions. Alaska cannot benefit because, uniquely among the 50 States, it alone is excluded from the Interstate System. I support it because, with the able and far-visioned junior Senator from Oregon, I do not want the words of our song, "America the Beautiful," to record merely a nostalgic memory of a vanished glory. I want to help keep America beautiful.

This is a very mild amendment. It does not bar billboards from our interstate highways. I wish it did. All it does is to extend by 2 years the period in which States that wish to take advantage of the provision in the highway bill to derive a slight financial benefit from limiting billboards within their borders may do so.

Mr. President, over a decade ago the legislature of the territory of Alaska, during my governorship, enacted legislation to bar all billboards from Alaska's highways—from all its highways. That legislation was maintained by the Legislature of the State of Alaska. It is the law in the 49th State.

We do not have many highways in Alaska. We do not have them because for 40 years as a territory, indeed as a colony, of the United States, Alaska was excluded from participation in the benefits of Federal highway aid legislation. Not until 1956 was Alaska included, but then only on a reduced and discriminatory basis. Even as a State, Alaska has been denied inclusion in the Interstate System.

Nevertheless, we, in Alaska, propose to keep such highways as we have, and such highways as we hope to secure when Alaska receives the equitable treatment to which justice entitles it, treatment which has been, I am glad to say, accorded to our sister State in the Pacific, Hawaii; we propose to keep these highways unmarred and undefiled. It will be possible therefore for visitors from the States and other nations, coming to see the glory of Mount McKinley, the highest peak on the North American Continent, to gaze upon its majestic splendor without the handicap of peeking between the scenery-obliterating billboards advertising the values claimed for them, of Old Raven and Old Grandma.

I want to take this occasion, and it is highly appropriate to do so, to pay tribute to the memory of a great Senator, a dedicated, a high-minded and courageous public servant, a practical idealist, my friend Richard Neuberger. To him the public interest was always paramount as it is to his beloved and worthy successor, MAURINE NEUBERGER.

Dick Neuberger loved America with every fiber of his being. But his love was not passive. It was active, constructive, militant.

Among his numerous achievements was his battle—always carried on with good nature and kindliness—to mobilize the American conscience for the preservation of the beauties of our natural heritage. And one important facet of this constructive pursuit was his efforts to prevent, or at least to limit as far as he could, the commercialization of our highways with that unsightly contraption known as a billboard.

It is hard to understand why anyone would oppose a mere extension of time in which our sovereign States may determine the course of action on this important matter.

Public opinion, I am convinced, overwhelmingly opposes the littering of our throughways with unsightly advertising. Public opinion, I am convinced, wants to keep America beautiful and to bar the desecration of our fair land by the ugly, view-impeding erection of billboards.

Finally there is a serious hazard to life and limb in the eye-distracting menace of the billboard. Our traffic casualties are shocking enough as it is. Let us not contribute to more traffic fatalities.

I ask unanimous consent that a statement on the highway legislation made before the Public Works Committee of the Senate on March 27 be printed at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Senator GRUENING. Alaska entered the Union in the unique situation—it has never happened before in any State—in which not merely some, but a majority, of its communities are unconnected with any other, either by highway or railway, a situation that is unthinkable in any of the older 48 States. That is due to the fact that when in 1916 Congress passed the first Federal-aid highway legislation, Alaska was omitted. Alaska was excluded because in addition to being a Territory, with no votes in Congress, its virtually 100 percent public domain—the Members of Congress undoubtedly shuddered at the vast size of Alaska, and at what its share of the program under the prescribed formula would be. Its correspondingly great needs were not considered.

For 40 years, until 1956, the voteless delegates from Alaska, which was all we had then to represent us since Alaska was a Territory, tried vainly to get some share of the Federal-aid highway funds. In 1956 we were for the first time included, but on a sharply reduced basis. The result is that today that situation, where a majority of our communities, including the State capital, have no highway connection, still exists and I am hopeful that this administration will come up with or cooperate in a program which it can present to the Congress by which this serious situation may be resolved.

Take this draft, for instance, in House Document 49, which is now before the committee. If you will refer to the map you will see the 48 earlier States represented, and Hawaii, but not Alaska. That shows the interstate highways. Alaska is not under the Interstate System.

If you will turn to page 4 you will notice a series of columns in which every column contains figures for every State except Alaska. We think that is all wrong and obviously unjust. Alaskans have paid all Federal taxes from the very beginning, since 1913, and we now pay the additional taxes on gas, tires, trailers and trucks. In fact, when this additional legislation to the existing Federal-Aid Highway Act was passed in 1956, the Congress agreed with the desirability of a throughway interstate program but disagreed with the President on the method of taxation. The President had recommended long-term bonding. The Congress felt that we should not burden posterity with the benefits which this generation would receive, and, so, instead, proposed a pay-as-you-go system with additional taxes on trucks, trailers, tires, and gas.

There was one respect, unfortunately, in which President Eisenhower and the Congress agreed, and that was that Alaska should be excluded from the benefits to the program but included in the taxation. In that form, despite the vigorous opposition of Alaska's voteless delegate, the bill was enacted.

To this day, whenever we Alaskans go to a gas station in our State and say "Fill her up," we are paying several cents a gallon to build those interstate highways in the 49 other States but not in Alaska. That is a flagrant injustice which we think should be rectified. We think a method should be found in which Alaska may be enabled to catch up for the years in which it was totally excluded from any participation in the Federal-aid highway legislation.

Hawaii was included in the system in 1925, and Congress voted a special appropriation to Hawaii to compensate for the funds it did not receive under the Federal-Aid Highway Act during those years from 1916 to 1925, in which Hawaii was excluded. We think a similar formula to that precedent then established should be applicable to Alaska.

I have discussed this matter with Administrator Whitton, and I am hopeful that before long the Department of Commerce and the Congress will come to a joint understanding by which this deficiency will be rectified. We cannot expect Alaska to be developed without highways. We are spending vast sums of money in foreign countries to build highways and much else, and if we had some of that in Alaska we would have had these highways by now.

Alaska is important strategically and it is ironic that this thing called National Interstate and Defense Highways is not in Alaska. Alaska is both a State and highly important to our defense.

I think that is a serious problem which relates not only to Alaska but to the whole Nation. National defense is involved in the building up of that area, which is not just a State but a tremendous domain.

Mrs. NEUBERGER. Mr. President, will the Senator yield?

Mr. GRUENING. I yield.

Mrs. NEUBERGER. I wish to state my great appreciation for the remarks of the Senator from Alaska, and to invite the attention of my colleagues to the fact that this is indeed statesmanship, because the Senator's great State of Alaska does not participate in the Interstate Highway System, yet Alaskans appreciate the interest other States have. The Senator is supporting us in our efforts to keep America beautiful.

Mr. GRUENING. I thank my friend from Oregon.

The PRESIDING OFFICER. The time of the Senator from Alaska has expired.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. COOPER. Mr. President, I yield 3 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 3 minutes.

Mr. JAVITS. Mr. President, I rise to support the amendment offered by the Senator from Oregon [Mrs. NEUBERGER] and the Senator from Kentucky [Mr. COOPER], and in opposition to an amendment which would limit the option time to 1 year.

Mr. President, I wish to make two points. I address myself specifically to the fundamental reason for the legislation, which is the beauty of the United States. This is nothing mawkish or maudlin, but is extremely important. This is where we live.

A great many Members of the Senate may have wondered, in recent weeks, why I even thought about the possibility of seeking the office of mayor of the city of New York, perhaps wondering how that could compare with the enormous issues faced in the Congress. Mr. President, I thought about it, because although we struggle with peace and war, with prosperity and depression, we have to remember we live every day. Our eyes see. Our ears hear. We wish to have a decent and orderly community in which to live, a thing of beauty.

Mr. President, this is one of the few opportunities we in the Senate will have to strike a blow for beauty. There is nothing "sissy" about that. This is a fundamental verity which one learns to value and treasure the older one gets.

The importance of this is that it will be a precedent. We are setting a precedent for a small amount of the highway system. We are to give leadership. We shall show we are interested in what happens.

My own State of New York has taken strides in this direction. My colleague [Mr. KEATING] and I have seen a general State policy to limit billboards and to keep them off the great throughways and the great parkways around our great cities, in which the people pride themselves. When the United States takes such an attitude, it will inspire people in other States to do the same.

My second point relates to the words of the committee report. I respect the hardheadedness of the committee members who ask, "Why is there a lack of interest in the States?" There is no lack of interest, Mr. President. There is simply the point that this is a people's movement. It takes the people time to learn about it and to really get started, in order to bring an impact upon a legislature. If we are to give the people an opportunity to manifest their desires we have to give them a little more time. This movement is only starting. If we cut it off now we shall cut it off at budding time. We should give the people an opportunity to bring the movement to full flower. Two years is certainly not too much for that.

Mr. President, my State is one of those which has already passed legislation in this regard. I hope very much the amendment will be approved by the Senate today, for the 2-year period, which is the minimum time needed.

Mr. BUSH. Mr. President, will the Senator yield me 2 minutes?

Mr. KUCHEL. Mr. President, I yield 2 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 2 minutes.

Mr. BUSH. Mr. President, I wish to associate myself with the Neuberger-Cooper amendment. As a member of the Committee on Public Works for 4 years I have supported legislation which would forbid advertising on the Interstate System. I am certainly in support of the amendment which would give to the States the right to forbid advertising by action under existing legislation.

It seems to me that if this is a desirable thing to do—and I certainly be-

lieve it is—it should not be restricted to a few months or to a year. Two years is the very minimum time which would be adequate for the States to focus attention on the issue.

I agree with the distinguished Senator from New York that, strangely enough, the public as a whole is not really acquainted with the importance of this issue. If I correctly understand the sentiment of the people of my State, however, I believe a large majority of the people are in favor of restraining advertising on the great Interstate Highway System.

A great many people visit our State during the course of a year. Perhaps no other State is traversed as much by tourists and visitors as is the State of Connecticut, the gateway to New England. We would like for those visitors to see the charms of our countryside and to enjoy the beauties of our State, rather than have them marred by advertising.

Mr. President, the proposed legislation leaves open to advertising all the other federally aided highways and all the State highways, if the States choose to permit it. I believe it is important that the States should have a full opportunity to cooperate in forbidding the use of advertising on the Interstate Highway System. I hope the Neuberger-Cooper amendment will prevail, and that the Case of South Dakota amendment will be rejected.

Mr. KUCHEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KUCHEL. How much time is available to the proponents and to the opponents of the amendment?

The PRESIDING OFFICER. Fourteen minutes and 39 minutes respectively.

Mr. KUCHEL. I thank the Chair.

The PRESIDING OFFICER. Does any Senator desire to yield time?

Mr. KERR. Mr. President, I yield 4 minutes to the Senator from Nebraska [Mr. CURTIS].

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 4 minutes.

Mr. CURTIS. Mr. President, I wish to ascertain the cost to the Federal Government of the extension of the act, assuming that its provisions are taken advantage of, and the program continues throughout the construction contemplated under the superhighway or Interstate Highway System. Can the distinguished Senator in charge of the bill or the sponsor of the amendment give me the information?

Mr. COOPER. I am sorry. I missed the question. I did not hear it.

Mr. CURTIS. What would be the cost of the program under the amendment, assuming that all States should take advantage of it? How much would it cost the Federal Government?

Mr. COOPER. Of course, the answer would be hypothetical. However, I read the statement of the counsel of the Bureau of Public Roads, who said that only 75 percent of the mileage under the Interstate System would be affected.

I read also a letter which the Secretary of Commerce wrote to the Senator from Oregon [Mrs. NEUBERGER], and he estimated that the cost of the provision would be $100 million.

Mr. CURTIS. $100 million for all year?

Mr. COOPER. Yes, the letter so stated.

Mr. CURTIS. That information is in conflict with a statement which I understood was made by the distinguished Senator from South Dakota [Mr. CASE]. I understood him to say that the cost would be $5 million for every $1 billion worth of expenditures under the bill, if such expenditures were made in an area where the provisions of the amendment would apply.

Mr. CASE of South Dakota. Five million dollars is one-half of 1 percent of $1 billion. Approximately $20 billion of the estimated $37 billion total Federal cost remains to be apportioned. The amount is somewhat hypothetical, as the Senator from Kentucky has pointed out. I believe it is impossible for anyone to know to what extent the cost would apply to portions of the Interstate System that are in municipalities or in exempted sections. But obviously if the $20 billion which is yet to be apportioned were apportioned in areas which would receive the benefit of an extra one-half of 1 percent, the extra cost to the Federal Government would be $100 million.

Mr. CURTIS. But the cost would not be confined to that amount which is yet to be apportioned, would it?

Mr. CASE of South Dakota. It would be applicable to the amount which had previously been apportioned and which had not been expended, but it would not be applicable to the portion with respect to which construction had already taken place.

Mr. CURTIS. In other words, if the provision were extended to a State, and a State had built part of its road system, no part of the funds provided by the amendment could be used on the portion of the road already built. Is that correct?

Mr. CASE of South Dakota. The billboards would already be there, or might be there.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. I yield to the Senator from Nebraska an additional minute.

Mr. CURTIS. Yes, but I think we ought to know the answer. Could the proposed bonus be used to reimburse for money already allocated, and could it be used to reimburse for money already spent?

Mr. COOPER. I can give my judgment, and it is merely a judgment. First, as to cost, is the Senator from Nebraska still interested in what the Secretary said about the cost?

Mr. CURTIS. I think it would depend upon the basis on which the cost was figured.

Mr. COOPER. Very well.

Mr. CURTIS. My immediate question is whether the bonus could be paid in reference to money already allocated——

Mr. KERR. Spent and projected in a State. It could not. If the Senator from Kentucky wishes to confirm the answer I have given to him, he can consult with the assistant director of the Bureau of Roads, who is present.

Mr. CURTIS. Could the money be spent in areas where roads are already built?

Mr. KERR. It could not.

Mr. CURTIS. I should like to ask the distinguished Senator another question. The proposal is rather far reaching. Originally I opposed paying States to do certain things. Two years have elapsed and not much has happened.

Have the proper legislative committees of the Senate and the House of Representatives held public hearings on the proposal and afforded interested parties an opportunity to testify?

Mr. KERR. They have not.

Mr. CURTIS. If the provision does not apply to funds already allocated and to funds already spent, if such proposal is to be made, is there any reason why there could not be hearings and the subject handled in a separate bill rather than to deny those who had wished to be heard a hearing?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. I yield myself an additional minute.

There are several bills pending in the Senate and in the House of Representatives, which have been referred to the appropriate committees. Announcement has been made by the appropriate committees in the House and the Senate that hearings will be held on the bills before the two committees. The bill before the Senate is the emergency highway financing and authorization bill, and abundant opportunity will be available for hearings on this or any other kindred proposed legislation before either the House or the Senate committee, or both, including the question which the Senator from Nebraska has raised.

Mr. CURTIS. I think such hearings should be held, because we have a very inconsistent, partial program that would apply in some places and not in others. The rights of the interested parties have not been heard, and the subject should not be dealt with through a floor amendment. I thank the Senator from Oklahoma.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. KERR. I yield 3 minutes to the Senator from Minnesota.

Mr. McCARTHY. Mr. President, I speak in opposition to the amendment. I had grave doubts about the approach, which was incorporated in the highway act, providing what has been called—though I think somewhat inappropriately—a bribe to the States to do something about billboards along the highways. It is my opinion that if we wish to approach this problem with reference to the interstate highway program, we ought to approach it after we have held comprehensive hearings, and then to lay down a national policy and a national program.

The question of billboards along the highways, either preserving the scenic beauty, or if not preserving it, at least making it easier for those who travel on

the highways to see the beauty of the individual States, I believe is one problem which could be left to the State legislatures and the local authorities. I am among those who are often accused of being too ready to centralize government and centralize authority in the Federal Government. I do not hesitate to do so when I believe the subject is such that it should be handled by the Federal Government. But this is one proposal, which may be called a problem by some, which I believe should very well be left to the States and the local authorities.

If there are States which for some reason or other think it better to have highway billboards in their areas, I think they should be permitted to allow such billboards to be constructed.

There is a second consideration which I believe is important. We have no certain estimate, of course, as to the amount of Federal money that would be spent if the amendment is agreed to. It is my opinion that since in this very act which provides financing, we have reduced the amount of money available for highway construction, we should go slowly in setting up another program which would provide or require additional expenditures at additional cost. If the amount involved is $100 million, I would suggest that instead of having the Federal Government provide the money for this program—a program which I believe the States could take care of without additional expenditures if they wish to do so—we could very well provide the proposed $100 million out of the general revenue to meet special social needs of our people, to meet the educational needs, to provide an additional $100 million for water pollution control or for many other projects over which the Federal Government has properly assumed responsibility.

The PRESIDING OFFICER. The time of the Senator has expired.

Mrs. NEUBERGER. Mr. President, will the Senator from California yield me some time?

Mr. KUCHEL. I yield to the Senator from Oregon such time as she may desire.

Mrs. NEUBERGER. I wish to make a brief comment on the statement which the Senator from Minnesota has made. I appreciate his points, but I do not think they are very well taken in regard to the pending amendment, because we are talking about control along Federal highways. Ninety percent of the funds for the building of these highways are Federal funds. The people in Oregon are contributing to the highways being built in the State of Minnesota, and vice versa. Therefore, the people of all the United States representing the Federal Government deserve a say over the control of the scenic beauties along those highways.

Mr. KERR. I yield 1 minute to the Senator from Minnesota.

Mr. McCARTHY. There is no particular point in the response of the Senator from Oregon with respect to my remarks. I said if there is a need for a national program, let us have a national program, but let us not offer a kind of bribe to individual States to set up or not set up a national program. The people of Minnesota are also making a contribution to the Federal share, or to the 90 percent of the money that goes into the building of the highways, even to the highways that are built in Oregon, just as the people of Oregon are making a contribution. I do not believe that the point that 90 percent of the money comes from the Federal Government in any way justifies having the people of Oregon determine what the policy shall be in Minnesota. If we are to have a national program, let us establish a national program, but let us not offer a kind of bribe to individual States to induce them either to set up or not set up such a national program.

Mr. KERR. I yield 1 minute to the Senator from Kansas.

Mr. CARLSON. Mr. President, based on the colloquy between the distinguished Senator from Nebraska and the distinguished Senator from Oklahoma, I believe that Kansas would be a State which would not benefit greatly from the program, because a large part of the Interstate System in Kansas is along what is known as the turnpike of our State, and the great percentage of that highway has already been constructed. What we have before us is a so-called Federal bonus for an extension of Federal control into what I believe is a State program and a State policy. It is a State function, Mr. President. The legislators of the State of Kansas have twice refused to pass legislation to apply for the Federal "bonus." Whenever the people of our State get concerned about billboards along the highways, the legislature of our State will determine what should be done about the situation. Knowing our people as I do I can assure the Senate that they will take action promptly.

Mrs. NEUBERGER. Mr. President, who has the floor?

The PRESIDING OFFICER (Mr. PELL in the chair). The Senator from Oklahoma had the floor, but at the moment the floor is not occupied. Does any Senator yield time? The time will be divided if it is not used.

Mr. KERR. Mr. President, I yield myself 5 additional minutes. I wish to put the RECORD straight with reference to certain publicity published in the city of Washington during the last few days. On June 8 in the Washington Daily News there appears this language:

> Senator ROBERT S. KERR, of Oklahoma, is the man who gaveled through a Senate committee the billboard lobby's plan to end the Federal program to control those odious signs along the highways.
>
> * * * * *
>
> But Senator ROBERT S. KERR, who presided as acting chairman, ruled that the motion had been defeated by a voice vote.
>
> * * * * *
>
> A voice vote was taken and Senator KERR ruled the billboard regulation had been killed.

Mr. President, that statement is false. The reporter who provided that information and the paper that published it knew that those statements were false.

On the 9th of June, the paper stated:

> Senator KERR, who is the committee's acting chairman, was reported by Scripps-Howard to have presided at the meeting, but Senator MCNAMARA said he, rather than Senator KERR, was presiding when the Cooper motion to extend the antibillboard program was made and ruled that it was defeated by a voice vote.

In other words, although the newspaper had been advised by numerous witnesses that the statement of the preceding day, published in the newspaper, was utterly and completely false, the newspaper did not make a correction as such.

On June 13, at page 19, of the same newspaper, there appears this language:

> Senator KERR it was who presided over the closed meeting of the Senate Public Works Committee at which time the antibillboard provision of the Federal highway aid program was killed, eviscerated, and interred with few intelligible words from any of the hired mourners present.

I charge that the statements in this newspaper with reference to Members of the Senate and a committee of the Senate are absolutely, completely, and deliberately false. I wonder what desperation moved them to make those statements. I wonder why they felt called upon to have this headline spread across their paper today: "Forty States Back Billboard Ban."

The Assistant Director of the Bureau of Roads is sitting on the floor of the Senate, by unanimous consent of the Senate. He has just told me again that only 3 States in over 3 years of legislative authority have effected contracts with the Bureau of Roads; that in addition to those 3—which is less than 1 per year—there are 10 other States which have passed legislation but which have not effected agreements. Yet the newspaper would have the people believe that 40 States back the billboard ban. I wonder why the desperate campaign of falsehood and misrepresentation about the facts should be indulged in by what ordinarily would be regarded as an institution of integrity and honesty.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. I yield myself an additional minute.

I wanted the RECORD to show for all time to come that these allegations are false. The Senator from Oklahoma did not preside at the meeting. The meeting was presided over by the distinguished Senator from Michigan [Mr. MCNAMARA], who was the chairman of the subcommittee that acted. A motion was brought before the committee by the distinguished Senator from Kentucky [Mr. COOPER]. It was submitted to the subcommittee by the Senator from Michigan [Mr. MCNAMARA]. The vote was taken by voice vote, after which the Senator from Michigan said that the amendment had not been agreed to. As the Senator from Oklahoma, I did not open my mouth except to vote against the Cooper amendment. The Senator from Kentucky is on the floor and will verify that statement.

Therefore, I want the RECORD to forever show that this newspaper has been guilty of journalistic dishonesty, desperate misrepresentation, and falsehood about Members of the Senate and about one of the great committees of the Senate.

Mrs. NEUBERGER. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mrs. NEUBERGER. I do not wish to claim any authenticity for the newspaper account, but I believe the Senator from Oklahoma did not report——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KUCHEL. I yield such time to the Senator from Oregon as she may desire.

Mrs. NEUBERGER. I believe the Senator from Oklahoma did not report it quite accurately by asking the question of the distinguished Representative on the floor, because as I read the opening line of the article, it is:

A special survey which shows that 40 States—

Therefore, the Member whom the Senator from Oklahoma was quoting would not have any authority. The article begins:

A special survey—

I believe the Senator has on his desk, as I also have on mine, the special survey, which reports 40 States. Because I felt this question would arise, when I saw those glaring headlines, I sent a telegram a short time ago to the person who submitted the survey. My telegram reads:

According to news story in the June 15 issue of the Washington Daily News your association has conducted a survey on the attitude of State highway officials regarding extension of time so the States can participate in the program for control of billboards along the interstate highway system. According to the story, some 40 States have expressed an interest in the extension of this feature of the Highway Act. Because of its importance during our consideration of H.R. 6713 now pending before the Senate, I will appreciate it if you will send to my office by messenger a copy of your survey.

The survey bears out the statement that 40 States have expressed such an interest.

Mr. KERR. Mr. President, I yield myself 2 minutes.

I thank the Senator from Oregon. I find no fault with her statement. The Senator from Oklahoma has read accurately what appears on the front page of the Washington Daily News. There it is. It reads: "Forty States Back Billboard Ban."

That is what the Senator from Oklahoma says.

The able Senator from Oregon has referred to a purported survey. I am glad the Senator from Kansas [Mr. CARLSON] has spoken and said that twice the Kansas Legislature has rejected the proposal to participate in this program. Yet according to the survey to which the able Senator from Oregon has referred, Kansas is listed as one of the 40 States.

I notice that in one column Oklahoma is listed as one of the 40 States. I say to the distinguished, lovely, and gracious Senator from Oregon that nothing could be further from the truth than that Oklahoma backs the billboard ban.

The Senator from Kansas has said that under no circumstances can it be interpreted that Kansas backs the billboard ban.

So, since the Senator from Oregon has addressed herself to the survey, with reference to which I had said nothing, my investigation into the survey convinces me, on the basis of what it says about two States with reference to which I am familiar, I must arrive at the conclusion that the survey itself is inaccurate.

But it was not the survey which the Senator from Oklahoma referred to. He referred to the headline on today's Washington Daily News, and there it is. It reads: "Forty States Back Billboard Ban."

The Senator from Oklahoma says that that is a deliberate journalistic falsehood.

Mrs. NEUBERGER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the survey and the letter accompanying it which I received from the American Association of State Highway Officials.

There being no objection, the letter and table were ordered to be printed in the RECORD, as follows:

AMERICAN ASSOCIATION OF STATE HIGHWAY OFFICIALS,
Washington, D.C., May 15, 1961.

To the Chief Administrative Officials of the American Association of State Highway Officials.

GENTLEMEN: Please find enclosed herewith a tabulation of a telegraphic survey made at the request of Chairman MCNAMARA of the Senate Roads Subcommittee on the subject of regulation of roadside advertising on the Interstate System.

You will note that three States did not reply in time to be included.

Yours truly,

A. E. JOHNSON,
Executive Secretary.

Tabulation on attitude and status of legislation on regulation of roadside advertising on Interstate System, May 12, 1961

	Interested in regulation	Status of legislation	For 2-year extension to qualify	Bonus increase ½ to 1 percent, would it affect attitude?
Alabama	Maybe	None	Yes	1 percent would cover cost.
Alaska	Not involved			
Arizona	Interested	None		Could help.
Arkansas	No	Died in committee	Yes	Could alter position.
Bureau of Public Roads				
California	Yes	None to date	Yes	Little effect.
Colorado	Yes	Died in committee	Yes	Do.
Connecticut	Yes	Enacted processing	Yes	Would welcome.
Delaware.[1]				
District of Columbia	Yes, but not under present law	District of Columbia has authority	No	Little effect.
Florida	Yes	Pending	Yes	Welcome, but not decisive.
Georgia	Yes	None	Yes	Little effect.
Hawaii	Yes	Expect enactment this month	Yes	Do.
Idaho	Maybe	None introduced	Yes	Don't know.
Illinois	Yes	Pending	Urges	Increased incentive.
Indiana	Yes	None pending	Yes	See wire.
Iowa	Yes	None	Yes	Would help.
Kansas	Yes	Dead this session	Yes	Do.
Kentucky	Yes	Enacted; in process	Yes	Would not change but favor.
Louisiana	No			
Maine	Yes	Now in legislature	Yes	Would help.
Maryland	Yes	Have qualified	Yes	Would welcome.
Massachusetts.[1]				
Michigan	Yes	Died in committee	Yes	Would help.
Minnesota	Yes	Dead this session	Yes	No effect.
Mississippi	Yes	Defeated twice	Yes	Favor.
Missouri	Yes	Defeated	Yes	Would help.
Montana	Yes, if bonus would cover cost	None	Yes	1 percent insufficient for cost.
Nebraska	Yes	Anticipate legislation, May 15, 1961	Yes	Would help.
Nevada	No	No legislation	Yes	Might help.
New Hampshire	Yes	Pending	Yes	Very helpful.
New Jersey.[1]				
New Mexico	Yes	Legislation failed	Yes	Would help.
New York	Yes	Enacted; in process	Yes	Would not affect position.
North Carolina	Yes	Legislation failed	Yes	
North Dakota	Yes	Enacted; in process		Favor 1 percent.
Ohio	Yes	Legislation pending	Yes	Increase incentive.
Oklahoma	Yes	do	Urges	Do.
Oregon	Yes	Enacted	Yes	Would not change position.
Pennsylvania	Yes	Enacted; in process	Urges	Would not alter position.
Puerto Rico	Not involved			

[1] Not in at time of tabulating.

Tabulation on attitude and status of legislation on regulation of roadside advertising on Interstate System, May 12, 1961—Continued

	Interested in regulation	Status of legislation	For 2-year extension to qualify	Bonus increase ½ to 1 percent, would it affect attitude?
Rhode Island	Yes	Legislation pending	Yes	Increase incentive.
South Carolina	No			
South Dakota	No			
Tennessee	Yes	No legislation	Yes	Questionable.
Texas	No			
Utah	Yes	No legislation	Yes	Increase incentive.
Vermont	Yes	Law does not qualify	Yes	See wire.
Virginia	Yes	Hope to pass in 1962	Yes	Would help.
Washington	Yes	Enacted 1961; in process	Yes	Favor 1 percent.
West Virginia	Yes	do	Yes	Strongly favor.
Wisconsin	Yes	Enacted 1961; challenged	Yes	Welcome, not change attitude.
Wyoming	Yes	No action yet	Yes	Would help.
Total	37 yes, 4 qualified, 6 no	1 already qualified, 7 in process of qualifying, 14 no legislation considered.	40 yes	

Mr. COOPER. Mr. President, in view of the statement made by the Senator from Oklahoma, I think I must in justice make this comment:

At the time the committee meeting was held, I arrived late due to another meeting. I think I made the quorum. We were about to vote to report to the Senate the highway bill. I offered an amendment to extend the incentive provision for 2 years. There was a voice vote. I asked for a voice vote because there did not seem to be any audible support for my amendment.

The Senator from Michigan [Mr. McNAMARA] was presiding. He ruled that the amendment was rejected. I accepted his ruling because it seemed to me, by the voice vote, my amendment was defeated. The Senator from Oklahoma [Mr. KERR] took no part in the proceedings except to vote. I have made this statement to newspapers who spoke to me about the vote.

Later, when Senator NEUBERGER and I began to secure sponsors for the amendment to be offered in the Senate, it appeared that a majority of the full committee favored the amendment.

In fairness to the Senators from Oklahoma and Michigan, I wanted to make this statement.

Mr. DIRKSEN. Mr. President, will the Senator from Oklahoma yield himself 2 minutes, that I may ask him some questions?

Mr. KERR. I yield myself 2 minutes.

Mr. DIRKSEN. For clarification, I understand there are five bills pending in the House at the present time dealing with this subject on which no action has been taken, and that there may be bills before the Senate committee. Is that a correct statement?

Mr. KERR. I am advised that a number of bills are before the House committee. A member of the House committee was on the floor a minute ago. At least two bills on this subject are pending before the Senate committee, and on them hearings have not been had.

Mr. DIRKSEN. I know that five bills are before the House committee.

The second question is: Has there been any testimony on this subject before the Senator's committee?

Mr. KERR. Not for the period of time since the 1958 act was passed.

Mr. DIRKSEN. There was some discussion about what this proposal would cost. In other words, if a bonus is offered, it adds materially to the cost of the highway program. I heard a figure of $100 million used. I cannot tell whether that is correct.

Mr. KERR. Would the Senator repeat his question, please?

Mr. DIRKSEN. In a colloquy between the distinguished Senator from South Dakota and the distinguished Senator from Kentucky, I thought it was indicated that the bonus, if used and applied to the 75 percent of the program where it does apply, would cost an extra $100 million. Is that a correct statement?

Mr. KERR. The program, if implemented on that part of the Interstate Highway System for which it is eligible, could cost up to $1 billion.

Mr. DIRKSEN. $1 billion?

Mr. KERR. $1 billion.

Mr. DIRKSEN. With reference to the time factor, I notice there are some States which passed enabling legislation as far back as 1958, some in 1959, some in 1960, and some in 1961. I take it that under the enabling act there is, then, authority for the highway commissions to enter into contracts; but that in the period of time going back to 1958, actually only three contracts have been entered into. So it appears that there has not been undue interest on the part of the States in this program.

I understand that in my own State, the committees in the General Assembly of Illinois, both house and senate, reported adversely with respect to the program.

However, it seems rather singular that they had all this time and never undertook to avail themselves of the opportunity to enter into contracts. Is that correct?

Mr. KERR. That is correct. Not only is it correct, but the time has not yet expired. The Bureau of Public Roads is available today to enter into an agreement with any State which wishes to enter into an agreement. The privilege and the right exist until June 30 of this year.

I have asked that question of the Assistant Director, and he has nodded his head in the affirmative.

Mr. DIRKSEN. Mr. President, may I ask that at this point the Bureau of Public Roads submit a statement, as a part of the remarks of the Senator from Oklahoma or myself, showing what the cost could be under the present formula?

Mr. KERR. I have just asked that question of the Assistant Director of the Bureau of Public Roads, and he has replied that theoretically the program could cost up to $1 billion.

Mr. MANSFIELD. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. MANSFIELD. I wish to ask some questions of the Senator from Oklahoma, who is in charge of the bill on the floor, relative to the proposed billboard amendment. Some of my questions may be repetitious, because I have not been in the Chamber at all times this afternoon, for a variety of reasons.

How many of the 50 States have, up to this time, agreed to enter into contracts with the Federal Government to eliminate billboards on the interstate highways?

Mr. KERR. Three, under this provision of the law.

Mr. MANSFIELD. How many are in the process of negotiating, with the possibility that contracts may be entered into or agreements may be entered into before the time of expiration, June 30 of this year?

Mr. KERR. Ten.

Mr. MANSFIELD. In other words, 13 out of 50 States may, on the basis of the time limitation placed on the proposal previously agreed to by Congress, become participants in the program by June 30 of this year?

Mr. KERR. The Senator is correct.

Mr. MANSFIELD. Did I correctly understand the Senator from Oklahoma to say to the distinguished Senator from Illinois [Mr. DIRKSEN], the minority leader, that if all the States participated in the program, the cost might reach $1 billion?

Mr. KERR. That is the answer given to me by the Assistant Director of the Bureau of Public Roads.

Mr. MANSFIELD. If I may ask a further question: Have any hearings been held on this in the House committee?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator may proceed.

Mr. KERR. Mr. President, the House committee has held no hearings on the amendment now before the Senate, with reference to this bill.

Mr. MANSFIELD. Does the House committee contemplate holding hearings on this proposal alone?

Mr. KERR. As the Senator from Illinois has stated, there are pending before the House committee at least five bills with reference to which the committee has announced that hearings will be held.

Mr. MANSFIELD. Will the Senator from Oklahoma be prepared to give the Senate any assurance that if this bill is passed in this respect, as reported out of the committee——

Mr. KERR. Without the amendment?

Mr. MANSFIELD. Without the amendment—that hearings would be held and action taken?

Mr. KERR. The Senate Committee on Public Works will be glad to have hearings on any bill, by any Senator, with reference to this matter, and act on it.

Mr. MANSFIELD. Were any hearings held on this particular measure before the Senate Public Works Committee when the legislation generally was being considered?

Mr. KERR. No, sir.

Mr. MANSFIELD. Were any hearings held in the Finance Committee on this particular matter?

Mr. KERR. No, sir; not on this part of the bill. The only measures before the Finance Committee were financing measures.

Mr. MANSFIELD. I see.

Well, Mr. President, on the basis of the assurance given by the distinguished senior Senator from Oklahoma, who is managing this proposal, at least in part, on the floor of the Senate today, I would express the hope that we would be able to pass the bill as reported by the committee; and I advance that hope on the basis of the promises made by the Senator from Oklahoma that hearings will be held on this matter in its entirety, so it can be considered in the proper procedural committee way; and I state this also on the basis of the fact that evidently there have been no hearings in either the House committee or the Senate committee on this particular proposal before it was brought to the floor of the Senate for debate. Is that correct?

Mr. KERR. Mr. President, I wish to thank the Senator from Montana for his statement.

Mrs. NEUBERGER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I shall be glad to yield if I have any time at my disposal.

Mr. KERR. Mr. President, I yield whatever time is needed.

Mrs. NEUBERGER. I should like to have 2 minutes.

Mr. KERR. Very well, Mr. President; I yield 2 minutes.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 2 minutes.

Mrs. NEUBERGER. Mr. President, I should like to correct a seeming misapprehension. The Secretary of Commerce offered testimony before the House committee; and in the record is a letter which I wrote to the chairman of the Committee on Public Works, the Senator from New Mexico [Mr. CHAVEZ], regarding my amendment. The bill was reported on May 8. On May 18, I wrote the following letter:

> DEAR SENATOR: I will appreciate being notified when your committee has scheduled hearings on the pending highway legislation. I should like to have an opportunity to testify on extension of the billboard control regulations which were contained in the 1958 act. Your assistance in this matter will be appreciated.
>
> With best wishes, I am,
>
> Sincerely yours,
>
> MAURINE NEUBERGER.

I was never called to testify; I was never given an opportunity to have a hearing on my amendment.

Mr. MANSFIELD. The Senator is certainly entitled to every possible consideration, on the basis of that letter; and I am sorry to know that she did not get the opportunity, as requested, to appear before that committee on this particular subject.

Mr. KERR. I will say that the letter of the distinguished Senator from Oregon stated:

> I will appreciate being notified when your committee has scheduled hearings on the pending highway legislation.

But the committee did not schedule hearings; and, therefore, there was no notification.

The reason for it is this: This is an emergency highway bill. It was urged as an emergency bill before the House. The outdoor advertising industry requested an opportunity for hearings before the House committee, but were advised that there would be no hearings; that the committee had before it other bills affecting this matter, on which hearings would be had, at which time they could be heard.

That information came to us. It was the attitude of the Committee on Public Works that if they were going to hold hearings on that matter and if the legislation would be handled on that basis, no hearings would be held on this bill. It was the desire of many members of the committee, and it seemed to prevail, that due to the fact that we had to get the measure from our committee to the Finance Committee, for it to deal with the matter of providing additional revenue, it should be handled on that basis. And it was handled on that basis, and it is now before the Senate on that basis.

I repeat that there are pending before the committee other matters on which hearings can be had, and will be had if request is made.

Mrs. NEUBERGER. Mr. President, I ask to be recognized, to speak on a matter of personal privilege.

The PRESIDING OFFICER. Under the unanimous-consent agreement, time cannot be accorded on that basis.

Mr. KERR. Mr. President, I yield 2 minutes to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 2 minutes.

Mrs. NEUBERGER. Mr. President, I feel that this is a point of personal privilege, since I have plainly shown that I asked to have my amendment considered with hearings before the committee; and I contend that it is an evasion of a request of mine to say that of course I could not testify if no hearings were held.

But in reply to my letter, I did receive a very polite letter from the chairman of the committee, in which he said:

> Receipt is acknowledged of your letter dated May 18, relative to hearings on pending highway legislation. I feel sure that Senator MCNAMARA, chairman of the Subcommittee on Public Roads, will schedule hearings on this matter at an early date.
>
> With kindest regards.
>
> Sincerely,
>
> DENNIS CHAVEZ,
> *Chairman.*

Mr. KERR. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 1 minute.

Mr. KERR. Mr. President, I say that the letter from the Senator from New Mexico [Mr. CHAVEZ], the chairman of the committee, is accurate. Hearings will be scheduled on this matter; and the Senator from Oregon or any others seeking to testify on this matter will be heard.

But, as I said a while ago, due to the emergency characteristics of the highway authorization and financing bill, it was decided that hearings would not be had on this bill—but on other legislative proposals pending before the committee.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Rhode Island will state it.

Mr. PASTORE. Who has control of the time in favor of the Neuberger amendment?

Mr. KUCHEL. Under the unanimous-consent request, which originally was proposed by the majority leader, the minority leader does. So the acting minority leader now has, in this case.

Mr. PASTORE. How much time is left?

The PRESIDING OFFICER. Eight minutes.

Mr. PASTORE. May I have 2 minutes in which to speak in favor of the amendment?

Mr. KUCHEL. Certainly; and I yield that time to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 2 minutes.

Mr. PASTORE. Mr. President, it strikes the Senator from Rhode Island that we are becoming overly technical in regard to a matter which has been considered and considered and considered.

All that this amendment seeks to do is extend this privilege, which was granted in the previous bill. I do not see why we have to hold new hearings or become technical. All that the Senator from Oregon [Mrs. NEUBERGER] is requesting at this time is an extension of the time provided in the previous bill, in which provision was made in order to allow the States to have an opportunity to take advantage of this privilege.

I see no harm in the amendment. Many of the State legislatures have already adjourned.

If we are to wait until they reconvene, this provision will have expired as of June 30th.

All that the Senator from Oregon is trying to do is to extend this privilege beyond June 30, for a period of 2 years, so that the States can take advantage of a privilege the Congress already has granted them, which will expire on June 30. The matter is as simple as that.

I do not think we have to be technical about the fact that hearings were not scheduled or held.

We have heard this matter before. All we are trying to do now is extend this privilege; and I hope the Senate will vote in favor of the Neuberger amendment. At least, the senior Senator from Rhode Island will vote "yea" on the question of agreeing to that amendment.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DIRKSEN. What amendment is now pending before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the Case amendment to the amendment offered by the Senator from Oregon [Mrs. NEUBERGER].

Mr. DIRKSEN. Do I correctly understand that the Case amendment proposes to extend the period for 1 year?

The PRESIDING OFFICER. Yes, to extend it for 1 year; that is correct.

Mr. DIRKSEN. Do I also correctly understand that the first vote to be taken will be on the question of agreeing to the Case amendment to the Neuberger amendment?

The PRESIDING OFFICER. That is correct.

Mr. DIRKSEN. Have the yeas and nays been ordered on the question of agreeing to the Case amendment to the Neuberger amendment?

The PRESIDING OFFICER. They have not.

Mr. KERR. Does the Senator request that the yeas and nays be ordered on the question of agreeing to the Case amendment?

Mr. DIRKSEN. Mr. President, I so request.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. KUCHEL. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from California is recognized for 1 minute.

Mr. KUCHEL. Mr. President, in 1958 the Eisenhower administration requested legislation of this kind. Long hearings were held. The Senate approved such a proposal, after its Public Works Committee had turned it down.

The incumbent President of the United States, our President—who is a member, I say to my Democratic brethren, of your party—has asked for a continuation of this legislation for 4 years and a doubling of the amount of the incentive. Thus it is with extreme modesty that the able Senator from Oregon and the able Senator from Kentucky join in asking that we continue the present law for 2 years. The pending amendment says, "Chop it down to 1 year." If that is done, the legislatures which meet biennially will be foreclosed from taking advantage of that which some of the States already have taken advantage of.

We need, first, to defeat the amendment to the amendment, and then approve the Neuberger-Cooper proposal.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KUCHEL. I yield 1 minute to the Senator from South Dakota.

Mr. CASE of South Dakota. I merely desire to point out that the States would not be foreclosed from taking advantage of it. Next year the period could be extended. But if Congress extends the period 1 year, it will have applied more pressure for the States to act than if it provides an extension of 2 years, or 5 years, or 6 years.

Mr. PASTORE. Mr. President, will Senator yield?

Mr. KUCHEL. Mr. President, I yield 2 minutes to the Senator from Kentucky [Mr. COOPER].

Mr. COOPER. Mr. President, the Senator from Rhode Island has expressed clearly the sole issue before the Senate. If the Senate adopts the 2-year extension, it will give every State an opportunity to act. Three States already have agreements. Twelve more have enacted the necessary legislation. Nine have legislation pending. Certainly we should provide a period of 2 years in order to give other States a chance to take action, if they desire to do so, and give to those States that have started action an opportunity to complete agreements with the Bureau of Public Roads.

I must comment on one point. It has been stated that it would cost $1 billion if the one-half of 1 percent payments to the States were added. Such a calculation would require a total cost of $200 billion for the Interstate System. Actually, its cost has been estimated at $41 billion. The Secretary of Commerce has said the additional one-half percent payments might cost $100 million.

I appreciate the good purpose of the Senator from South Dakota But, if the program is good enough to have been adopted 2 years ago by the Congress, and to be made a national policy, surely it deserves giving the States 2 more years in which they can participate.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. PASTORE. Will the Senator agree with me that many of the States, this past session, have had serious problems regarding taxation? I know that such is the case in my State of Rhode Island. I think it would be unfair to leave us in the position in which the States that have not had an opportunity to avail themselves of this provision are precluded from getting the benefits of the provision—States that possibly, through no fault of their own, have not had an opportunity to give proper consideration to the matter.

The Neuberger amendment merely extends something we have already done, and I see no harm in it. As a matter of fact, this particular legislation extends something we have already done. Why not go all the way?

The PRESIDING OFFICER. Does either Senator in charge yield any time? The proponents have 2 minutes remaining, and the opponents 7 minutes.

Mr. KERR. Mr. President, I yield myself 5 minutes. First, I want to make a correction. The $1 billion figure of the Bureau was on 5 percent of the cost of acquisitions. The one-half of 1 percent bonus, incentive, or bribe, amounts to $100 million. The Senator from Kentucky was right in that regard.

Mr. President, I have in my hand a number of communications from national organizations, commending the outdoor advertising people for their cooperation in public service programs, that I ask unanimous consent to have printed in the RECORD.

One is from the United Cerebral Palsy Associations, Inc.

One is from the United Community Campaigns of America.

One is from the American Cancer Society. I should like to read a paragraph from that:

> Outdoor advertising helps save lives from cancer now; by alerting people to ways to guard against it; and it helps hasten the day when all cancer is finally stopped and the American Cancer Society can go out of business.

One is from the American National Red Cross, the president of which is Gen. Alfred M. Gruenther, and which reads in part:

> The American Red Cross values highly the assistance given by members of the Outdoor Advertising Association of America, Inc.

One is from the National Easter Seal campaign.

One is from the National Foundation, Birth Defects, Arthritis, Polio, which is the National Foundation for the Prevention of Polio.

The Secretary of the Treasury, the Honorable Robert B. Anderson, has written a letter with reference to the campaign for the sale of U.S. savings bonds.

The California Federation of Business and Professional Women's Clubs wrote in part as follows:

> On behalf of the more than 16,000 members of the California Federation of Business and Professional Women's Clubs, I want to express our appreciation for the space donated in the interests of our organization's traffic safety program.

One is from the President's Committee for Traffic Safety.

One is from the Travelers Insurance Co., in which letter it is said:

> I have personal knowledge of the considerable assistance which the billboard has given to local safety campaigns in many communities, and it would seem that this praiseworthy civic help would certainly more than balance out any slight inconvenience—if there is such—which the billboards might cause to the motoring public.

A copy of an award by the National Safety Council presented to the Outdoor Advertising Association of America, Inc.,

an award of recognition for exceptional service to safety.

Mr. President, the charge has been made on this floor that outdoor advertising is a menace to public safety. I have placed in the RECORD a testimonial from the National Safety Council, an award of merit to this industry for the contribution it has made in behalf of safety.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Outdoor advertising has been a forceful factor in stimulating a greater awareness of the magnitude of the cerebral palsy problem in the United States. The increasing success of our fund-raising campaigns to provide rehabilitation services to the more than 600,000 children and adults who are afflicted with this multicrippling condition and to search out cerebral palsy's causes through research have been due in large measure to the support we have received from the outdoor advertising industry. I join with the cerebral palsied and our board of directors in expressing sincere gratitude for this invaluable contribution.

WILLIAM CLAY FORD,
Vice President, the Ford Motor Co.; National Campaign Chairman, United Cerebral Palsy Associations, Inc.

In the fall of each year nearly 5,000 24-sheet posters and many painted displays throughout the United States remind Mr. and Mrs. America to "Give the United Way" through their United Fund or Community Chest campaign.

Approximately $455 million is contributed by individuals and corporations in these campaigns.

On behalf of these 2,200 local drives, I want to convey to all members of the Outdoor Advertising Association our warm appreciation for their generous support which helps these United Community Campaigns to continue to support the more than 28,000 local programs serving millions of Americans.

OLIVER G. WILLITS,
Chairman of the Board, Campbell Soup Co.; National Chairman, United Community Campaigns of America.

Outdoor advertising helps save lives from cancer now; by alerting people to ways to guard against it; and it helps hasten the day when all cancer is finally stopped and the American Cancer Society can go out of business.

Edgar Forio, senior vice president of the Coca-Cola Co. and National Crusade chairman, joins me in thanking you for your help in this emergency battle to stop cancer and we appeal to you for your continued support.

RUTHERFORD L. ELLIS,
Chairman of the Board of Directors, American Cancer Society.

The American Red Cross values highly the assistance given by members of the Outdoor Advertising Association of America, Inc., in telling the American public about the organization's needs for financial support, for blood, and for volunteer workers. Annually, association members donate space to the Red Cross for thousands of 24-sheet posters. This is an important public service contribution and we are most grateful for it.

ALFRED M. GRUENTHER,
President, American National Red Cross.

Our Nation's crippled children and those who work for them and with them are eternally indebted to the outdoor advertising industry for the important and generous help it has given to the annual Easter Seal campaign—both in 1960 and in many previous years. As National Easter Seal chairman this year it has been tremendously gratifying to know that we have the support of such an important industry. Every poster which appeared on one of your outdoor advertising panels represented an act of faith, hope, and love—a way of showing that the crippled children of America have first call upon our interest and affection. We thank you from the bottom of our hearts.

HEDDA HOPPER,
National Easter Seal Campaign Chairman, 1960.

Outdoor advertising can rightly lay claim to a big share of the credit for the Salk polio vaccine.

It was the dimes and dollars of the American public—pooled through the March of Dimes—that made the vaccine possible. And it was the impact of outdoor advertising that helped, in large measure, to make the people aware of the March of Dimes and its aims.

Now, as the National Foundation broadens its scope, seeking to prevent two more vicious crippling diseases—birth defects and arthritis—outdoor advertising continues to play a major role in the public information program through which the people are learning of the new objectives. More and more each year we depend on the power of the billboard to tell the message of this great program of better health for ourselves and for our children.

BASIL O'CONNOR,
President, the National Foundation.

THE SECRETARY OF THE TREASURY,
Washington, June 2, 1960.

Mr. ODELL S. HATHAWAY,
Chairman, Outdoor Advertising Advisory Committee for U.S. Savings Bonds, Middleton, N.Y.

DEAR MR. HATHAWAY: The contributions of volunteers are largely responsible for the continuing success of the U.S. savings bonds program. None among them is more important, nor more valued by the Treasury, than the cooperation of the advertising industry in keeping the bond story constantly before the public.

The outdoor advertising industry has a distinguished record in this connection, and we are grateful for your consistent efforts to help us in this more important aspect of public debt management. The millions of Americans who own savings bonds have reason to be grateful, too, for having been helped along the way to regular savings habits through the reminders of outdoor poster boards.

Please accept, for your industry, my warmest thanks.

Sincerely yours,

ROBERT B. ANDERSON.

On behalf of the more than 16,000 members of the California Federation of Business & Professional Women's Clubs. I want to express our appreciation for the space donated in the interests of our organization's traffic safety program. Your cooperation is appreciated by all of us and the favorable reaction we have had from thousands of motorists is indicative that our message, through your help, has reached many drivers.

Our members, all business women in their respective communities, thank you for the time and the space you have given us.

ELIZABETH EVANS CHAPMAN,
President, California Federation of Business and Professional Women's Club.

THE PRESIDENT'S COMMITTEE FOR TRAFFIC SAFETY,
Washington, D.C., July 18, 1960.

OUTDOOR ADVERTISING ASSOCIATION OF AMERICA, INC.,
Chicago, Ill.

GENTLEMEN: As the outdoor advertising industry continues, year after year, to design and display traffic safety posters, there may be a feeling on the part of your members that this service is unappreciated or taken for granted by professional safety people. Such is not the case, I assure you.

I've always been impressed by the verve and imagination that are so much a part of outdoor advertising's efforts in behalf of traffic safety. And since outdoor advertising reaches the motorist during the act of driving, this makes the medium's efforts all the more valuable.

I wish I could be optimistic enough to foresee a time when your members need no longer reserve space for traffic safety posters—a time when the traffic accident problem is brought under control. For now, however, I must add to this note of appreciation the hope that we can continue to count on outdoor advertising's good works in what is truly a life and death matter.

Sincerely yours,

W. R. HEARST, JR.

NATIONAL SAFETY COUNCIL,
OFFICE OF THE PRESIDENT,
Chicago, June 22, 1960.

To the Outdoor Advertising Association of America, Inc.:

The National Safety Council sincerely feels that outdoor advertising and the Outdoor Advertising Association of America have made an important and continuing contribution to safer highways in America.

We are grateful to the outdoor advertising industry for this contribution in the united effort to reduce the traffic toll.

We ask that you continue, and in fact increase, your efforts for traffic safety and that you increase these efforts to meet the challenge the next 10 years present in preventing accidents in our highways.

Your help is needed.

HOWARD PYLE.

THE TRAVELERS INSURANCE COS.,
February 16, 1959.

OUTDOOR ADVERTISING ASSOCIATION OF AMERICA,
Chicago, Ill.

GENTLEMEN: As you know, the Travelers Insurance Companies were one of the first commercial organizations to conduct a campaign in an attempt to arouse public opinion to the needlessness of most automobile accidents. Since 1930, we have published and distributed more than 45 million copies of safety booklets, accident analyses, and other literature in which we have pointed out the causes of accidents and the methods of their prevention.

At no time have we ever seen enough evidence that signboards or poster panels are an accident hasard, to even mention it. Neither in the accident reports which we obtain from the various States, nor in our own claim files do we find any cases where accidents were actually caused because signboards or poster panels blocked the view of the road, or distracted the attention of the motorists.

I have personal knowledge of the considerable assistance which the billboard industry has given to local safety campaigns in many communities, and it would seem that this praiseworthy civic help would certainly more than balance out any slight inconvenience—if there is such—which the billboards might cause to the motoring public.

Very truly yours,

HARRY BARSANTEE,
Manager, Public Information and Advertising Department.

(The Pennsylvania Manufacturers' Association Casualty Insurance Co. of Philadelphia, Pa., and the Hartford Accident Insurance Co. of Hartford, Conn., corroborate the above statement.)

The National Safety Council hereby presents to the Outdoor Advertising Association

of America, Inc., this award of recognition for exceptional service to safety.

"The Outdoor Advertising Association of America, Inc., has rendered an outstanding public service by conveying safety messages to motorists and pedestrians during actual exposure to traffic hazards.

"It has enlisted its nationwide facilities, as a channel of communication with the public, in support of the recommendations of the President's Highway Safety Conference, as well as the National Safety Council's 'Operation Safety' program.

"The traffic safety public information program, conducted by the Outdoor Advertising Association of America, Inc., also has served to generate additional local traffic safety activity, through its policy of cooperation with State and local officials and supporting organizations."

(Awarded to the Outdoor Advertising Association of America, Inc., by the National Committee for Traffic Safety, as a result of the activities of the Outdoor Advertising Association in behalf of traffic safety, its members who operate the outdoor advertising facilities in over 15,000 cities and towns across the Nation participated in the "Stop Accidents" program. During 1960 traffic safety messages were shown to the general public in quantity that would represent, if purchased by an advertiser, in excess of $750,000.)

Mr. KERR. Mr. President, in conclusion, with reference to this amendment, as I said earlier, there are three provisions under existing law whereby the Federal Government participates, in cooperation with the States, to prevent, prohibit, or control billboards.

The first is the 5-percent provision in the law, whereby the Federal Government offers to participate in payment for the easement.

Second, the law of 1940, whereby the Federal Government pays up to 3 percent of the cost of any project for the acquisition of additional rights-of-way or land for the enhancement of beauty with reference to the highways.

Those two provisions in the law have to do with the process whereby the Federal Government and the States pay for the easement or for the property with reference to which billboards are sought to be eliminated.

The provision here sought to be extended is a prohibitory measure. It is an incentive to the States to exercise their police power, to deprive citizens of property without compensation, with reference to which not $1 is paid. Of the 825,000 to 850,000 miles of highways in this country, it would apply to about 32,000 or 33,000 miles of the Interstate System.

Under the provisions of the act, the Interstate System is excluded through municipalities and metropolitan areas, and it is excluded in counties where it is zoned——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KERR. Mr. President, I yield myself an additional 2 minutes.

In other words, the applicability of the law to take property from American citizens without compensation would apply only to the rural areas along the Interstate Highway System. It would not affect the metropolitan areas. It would not affect the city owners. They would not be affected. They would not be deprived of the exercise of their property rights. However, if the law is extended and implemented, whatever is done will apply only to the rural areas and will deprive agricultural America of an interest in property without any kind of compensation.

Mrs. NEUBERGER obtained the floor.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mrs. NEUBERGER. I yield to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, in perfecting the unanimous-consent request earlier in the day there was some confusion concerning control of time. When I returned from our policy session I yielded 10 minutes to the distinguished Senator from South Dakota [Mr. CASE] in opposition to the amendment and in behalf of his own amendment. I think, in all fairness, therefore, I should ask unanimous consent that the distinguished lady from Oregon be given a little additional time. The Senator has said 5 minutes will be enough. I believe there are 2 minutes remaining on this side. I ask unanimous consent that the Senator from Oregon be given 5 additional minutes.

Mrs. NEUBERGER. I thank the Senator from Illinois.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered. The Senator from Oregon is recognized.

Mrs. NEUBERGER. Mr. President, the concluding remarks of the Senator from Oklahoma were of great interest to me, but I think there is one point he overlooked. Regardless of whether my amendment or the Case of South Dakota amendment succeeds or is defeated, the same policies will be carried in the bill. All we seek to do is offer the States an opportunity for a bonus. The States can still pass prohibitions or not pass prohibitions. All that will expire on June 30 will be the allowance of one-half of 1 percent additional money. The Cancer Society can still have billboards in the cities. The farmers can receive compensation or not receive compensation, but after the expiration date States will not get a bonus for prohibiting billboards.

As my concluding remark I wish to say that, in a way, this is rather an historic occasion for me. I have been in the Senate for a little longer than 5 months. This is the first time I have participated in the debates, actually helping to explain a piece of proposed legislation by expressing my views. I should like to take time to tell Senators a story.

When my husband was a Member of this body he sat in the back row by a very distinguished colleague, the late Senator Alben Barkley. One day my husband was commenting with reference to another Senator, in effect, "Oh, I don't think he knows what he is talking about." Former Senator Barkley said to him, "Young fella"—he always called Dick "young fella"—"I should like to remind you of something. Many people have tried to come to the Senate of the United States and many have fallen by the wayside. Any Senator who achieves the prize of a seat in the U.S. Senate has certainly demonstrated to the people of his State his integrity, his ability, and his right to serve those people. You must remember that he is an outstanding citizen, whether he agrees with you or not."

I felt I should say this today, because we have welcomed a new Senator. Whether we agree or disagree as to the amendment, I am sure we all express the belief that we have a right to agree or to disagree.

I am very proud to come before the Senate today, with the other sponsors of the amendment, to give the Senate an opportunity to vote for a more beautiful America.

Mr. KUCHEL. Mr. President, has all time for debate expired?

The PRESIDING OFFICER. All time has expired.

Mr. KUCHEL. Mr. President, I shall suggest the absence of a quorum, and shall ask that the order be rescinded in a few minutes, and thereafter I shall make a parliamentary inquiry as to what is the pending question.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. Have the yeas and nays been ordered on the Neuberger-Cooper amendment?

The PRESIDING OFFICER. The yeas and nays have not been ordered on the Neuberger-Cooper amendment.

Mr. DIRKSEN. I ask for the yeas and nays on the Neuberger-Cooper amendment.

The yeas and nays were ordered.

Mr. CASE of South Dakota. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CASE of South Dakota. Do I correctly understand that the first yea-and-nay vote will occur on my amendment to the so-called Neuberger-Cooper amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. CASE of South Dakota. The amendment would make the term of the Neuberger amendment 1 year. Regardless of the outcome of the vote on the amendment to the amendment, subsequently there will be a vote upon the Neuberger-Cooper amendment, either as amended, should my amendment be agreed to, or on the Neuberger-Cooper amendment standing alone, if my amendment should not be agreed to?

The PRESIDING OFFICER. The Senator is correct.

The question is on agreeing to the amendment of the Senator from South Dakota. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from Michigan [Mr. HART], the Senator from Minnesota [Mr. MCCARTHY], and the Senator from Michigan [Mr. MCNAMARA] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Michigan [Mr. MCNAMARA], and the Senator from Minnesota [Mr. MCCARTHY] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Indiana [Mr. CAPEHART] is absent on official business.

The Senator from Arizona [Mr. GOLDWATER] and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent. If present and voting, the Senator from Arizona [Mr. GOLDWATER] would vote "yea."

The result was announced—yeas 38, nays 55, not voting 7, as follows:

[No. 79]

YEAS—38

Beall	Hayden	Moss
Bridges	Hill	Mundt
Butler	Holland	Randolph
Byrd, W. Va.	Hruska	Russell
Case, S. Dak.	Humphrey	Schoeppel
Curtis	Johnston	Smathers
Dirksen	Jordan	Sparkman
Dworshak	Kerr	Stennis
Eastland	Long, La.	Talmadge
Ellender	Mansfield	Thurmond
Ervin	McClellan	Tower
Fulbright	Monroney	Wiley
Hartke	Morton	

NAYS—55

Aiken	Douglas	Morse
Allott	Engle	Muskie
Anderson	Fong	Neuberger
Bartlett	Gore	Pastore
Bennett	Gruening	Pell
Bible	Hickenlooper	Prouty
Boggs	Hickey	Proxmire
Burdick	Jackson	Robertson
Bush	Javits	Scott
Byrd, Va.	Keating	Smith, Mass.
Cannon	Kefauver	Smith, Maine
Carlson	Kuchel	Symington
Carroll	Lausche	Williams, N.J.
Case, N.J.	Long, Mo.	Williams, Del.
Church	Long, Hawaii	Yarborough
Clark	Magnuson	Young, N. Dak.
Cooper	McGee	Young, Ohio
Cotton	Metcalf	
Dodd	Miller	

NOT VOTING—7

Capehart	Hart	Saltonstall
Chavez	McCarthy	
Goldwater	McNamara	

So the amendment of Mr. CASE of South Dakota to the amendment of Mrs. NEUBERGER was rejected.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the request previously granted for a yea-and-nay vote on the Neuberger amendment be rescinded and that the vote be taken on a voice vote basis.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

TRIBUTES TO SENATOR MARGARET CHASE SMITH, OF MAINE

Mr. DIRKSEN. Mr. President, I yield myself 2 minutes to call attention to the fact that the rollcall just completed has established in the Senate a record which has not been achieved or surpassed or equaled in the long history of the Senate, going back, I believe, to its first session, for by this rollcall Senator MARGARET CHASE SMITH has completed 1,000 consecutive rollcalls.

[Applause, Senators rising.]

Mr. DIRKSEN. Every Senator knows what that means. Senator SMITH has been attentive on all her committee work and her departmental work, no matter what the inconvenience may have been, often driving back from Maine in unseasonal weather. She has always been here to keep her record entirely unbroken.

It is an amazing tribute to her fidelity to duty and her devotion to her responsibilities as a public servant.

I know what it means in terms of inconvenience. I wish I could boast of an equivalent record. This is indeed a great testimony to our colleague.

To suitably note the event, I send to the desk a resolution in behalf of myself and the majority leader, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The resolution was read, as follows:

Whereas the senior Senator from Maine, MARGARET CHASE SMITH, has on this day cast her 1,000th consecutive rollcall vote in the Senate of the United States; and

Whereas this unbroken voting record is unparalleled in the history of the Senate: Now, therefore, be it

Resolved, That MARGARET CHASE SMITH be hereby commended for her devotion to duty as senior Senator from the State of Maine.

Mr. AIKEN. Mr. President, I know that all of us rejoice in the remarkable record made by this remarkable Senator from the State of Maine.

However, I wish to point out that although the record of a thousand consecutive rollcall votes without interruption is truly something that has never happened in the Senate, that is not the most important of MARGARET CHASE SMITH's accomplishments. The record of her public service to the country has been truly amazing.

She was a Member of the House of Representatives from 1940 to 1949, and has been in the Senate since 1949. In 1948 she was elected to the Senate by the highest percentage majority and the greatest total vote majority in the history of the State of Maine. In 1954, when she was reelected to a second full 6-year term in the Senate, she was the top votegetter of all of the candidates for all offices. In the primary she set a new record for the total vote received in a contested primary. In 1960, when she was reelected to a third full 6-year term in the Senate, for the third successive time she was the top votegetter of all candidates for all offices.

She set a new alltime record for Maine in the number of votes, as she received 7,652 more votes than the previous record set by President Eisenhower in 1956. She won by the highest percentage of all Republican senatorial candidates nationally, making her the 1960 top votegetter of all Republican senatorial candidates.

She is the only woman ever to have been elected to three full terms in the U.S. Senate.

But, Mr. President, that does not tell too much of her record. She has received national honors and other honors by the score.

Recently attention was called to the fact that some of us who are Members of the Senate have received honorary degrees from colleges. I was touched by the remarks of the majority leader when he called attention to the honorary degree which I had received. As a matter of fact, all the men of this body are simply pikers when it comes to receiving honorary degrees. MARGARET SMITH—I call her MARGARET SMITH; that is her name—has probably received more honorary degrees from colleges than all the rest of us together have received. She has received "only" 3 dozen; but previous to this year she had received 33 honorary degrees since she became a Member of Congress. I shall read into the RECORD the names of the colleges which have bestowed honors upon our great and beloved Senator from the State of Maine.

I shall begin with the year 1943, when Colby College, in her home State, bestowed an honorary degree upon MARGARET SMITH. Since that time she has received degrees from Pace College, Temple University, Hood College, Hamilton College, Lafayette College, Rollins College, Keuka College, Portia Law School, Wilson College, Coe College, Alabama College, Smith College, University of Maine, Bowdoin College, Syracuse University, University of New Brunswick, Drexel Institute, Wesleyan University, Tufts University, University of North Carolina, Columbia University, Western College for Women, University of Rhode Island, Russell Sage College, Mills College, Washington College, Gettysburg College, George Washington University, Bryant College, Lesley College, Park College, and Woman's Medical College of Pennsylvania.

This year she has been awarded honorary degrees by Lindenwood College, of St. Charles, Mo.; Beaver College, of Jenkintown, Pa.; and Eastern Michigan University, of Ypsilanti, Mich.

Mr. President, I shall not place in the RECORD the statements which have been made on each occasion when the Senator from Maine has been granted a degree, but I should like to read excerpts from three or four of the citations which she has received. The citation from Beaver College, Jenkintown, Pa., reads:

She has an outstanding record both for answering rollcalls and for doing her homework. Truly, she has her eyes on the stars and her feet on the ground. She has been, throughout her career, a true defender of

the institutions of the Republic, contributing to the achievement of that most worthwhile goal, free inquiry within a free society. MARGARET CHASE SMITH has been honored by many colleges and universities. It is we who are today honored by placing her name on the rolls of our alumni.

From the Coe College citation, I choose this excerpt:

A personality that commands confidence and admiration.

From Alabama College, the citation reads, in part:

Statesman, courageous, determined fighter.

The Temple University citation states:

One who would not surrender principle to political expediency, who stood unterrified and unmoved amid raging winds of demagoguery, who matched hysteria with that commonsense which is one of Maine's most precious products.

From the University of New Brunswick, Canada, the citation reads, in part:

A woman whose public service is above all politics and whose genius transcends all parties, the epitome of all that is strongest and finest in American public life.

The citation from Columbia University, in New York, reads, in part:

Scholarly is the word for her utterances; moderation and integrity of the individual her philosophy, relentless industry her trait. Fear she does not know as men have learned who thunder empty phrases.

Mr. President, those are a few excerpts from the citations which have been given MARGARET SMITH when she has received some of her 36 honorary degrees. We who have served with her know that she has deserved every one of them.

I simply express the hope that she will not try to add another 1,000 to her consecutive votes. If I were she, I would take time off and miss 20 in succession and simply have a vacation. [Laughter.]

Mr. MANSFIELD. Mr. President, I join with the distinguished minority leader, the distinguished senior Senator from Vermont, and other Senators who will speak this afternoon in commending the distinguished senior Senator from Maine on her outstanding record. To me, the figure 1,000 does not mean nearly so much as the Senator herself. Having served with her in both the House and Senate, I think I know her fairly well. I admire her for her integrity, her independence, her sense of judgment and good balance, and her commonsense.

I join with the senior Senator from Vermont [Mr. AIKEN] in expressing the hope that occasionally Senator SMITH will play hookey from now on.

Mr. BRIDGES. Mr. President, I join with the distinguished minority leader [Mr. DIRKSEN], the distinguished majority leader [Mr. MANSFIELD], and the distinguished senior Senator from Vermont [Mr. AIKEN], in paying tribute to our charming colleague, MARGARET CHASE SMITH.

I am a native of the State of Maine. I am today very proud of that State and proud that Maine has given MARGARET CHASE SMITH to the Nation. MARGARET SMITH has lived up to the best of Maine traditions, not only by her record of 1,000 consecutive votes, but also by the diligence with which she applies herself in the debates and votes on the floor of the Senate, and in the committees on which she serves—the Committee on Aeronautical and Space Sciences, the Committee on Appropriations, and the Committee on Armed Services. On all of these committees, I have the privilege of serving with her.

It is interesting to me, also, that this great record, which has never been equaled by a U.S. Senator, should be achieved by one of the two women who are Members of this body. I think the women, who are playing a more important part than ever before in the conduct of the affairs of our Nation, can well be proud of this contribution which has been made to good government. Senator SMITH has carried the banner for the women of the country and has demonstrated by her record that women are fully capable of assuming their responsibilities side by side with their male colleagues and associates.

I join with all Senators in expressing my admiration and esteem to Senator SMITH, and add the wish that she will remain here for the good of Maine and for the good of the Nation for a thousand more votes.

Mr. BUTLER. Mr. President, I am delighted to join with my colleagues in paying tribute to the distinguished Senator from Maine. On this occasion, her 1,000th consecutive vote, we pause to consider the dedication and faithful service which she has rendered to her constituents and to the Nation. I believe no one will disagree when I say the Senator is a lovely woman, possessed of unusual grace and intelligence. I join my colleagues in offering my most sincere congratulations to the Senator as she begins her next 1,000 votes.

Mr. MUSKIE. Mr. President, I am grateful to have the opportunity to join in the tribute being paid to my distinguished senior colleague, MARGARET SMITH. I consider this tribute a tribute to my State as well as to Senator SMITH.

As a member of the opposite party, I believe I can say more authoritatively than can Republicans in Maine that her record has been one of the really remarkable political records of the history of our State. As a matter of fact, I doubt that it has ever been equaled. I think it should be honestly recognized by those who oppose her politically as well as by those who support her that Senator SMITH's record has been forged on the basis of ability, dedication to her work, and conscientious service to her country, to her State, and to the causes in which she believes.

Speaking as her colleague from Maine, her record of consecutive votes is a greater challenge to me than it is to any other Member of the Senate.

It sets a standard of service by which I am sure the people of Maine will measure my service in the Senate; and I am delighted to have a standard of this high level toward which to shoot. I would not want to make a matter of record the number of consecutive votes—as of this moment—that I have cast in the Senate. I doubt that I shall ever match her record of 1,000; indeed, I am not sure that I want to try.

But to one who has tried and who has succeeded, I wish to say these few words of warmhearted tribute and appreciation.

Mr. SPARKMAN. Mr. President——

Mr. DIRKSEN. I yield to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, as a Senator from the Deep South, a Senator of the opposite party, and—by the way—a Senator from a State which contributed some of the honorary degrees to which the distinguished Senator from Vermont referred, I wish to pay my compliments to the distinguished, able, conscientious, hardworking, and effective senior Senator from the State of Maine [Mrs. SMITH].

I have known MARGARET CHASE SMITH for a long time. Her husband and I entered the House of Representatives at the same time, and our offices were directly across the hall from each other. The distinguished senior Senator from Maine [Mrs. SMITH] ran her husband's office, and did a very effective job. Following his death, she succeeded him as a Member of the House of Representatives.

A few years later she was elected to the Senate. I have followed her work with a great deal of interest. I have told her, from time to time, that I have not agreed with every vote she has cast; but it will be found that, largely, she has had a very fine voting record. I think my friend, the Senator from Illinois [Mr. DIRKSEN], and I can agree on that. In fact, I think there will be general agreement on it.

What she has accomplished is an outstanding feat. I certainly commend her for it, and also for the extremely fine record she has made as a Member of the U.S. Senate.

Mr. HOLLAND, Mr. CASE of South Dakota, and other Senators addressed the Chair.

Mr. DIRKSEN. Mr. President, some Senators wish to be able to leave in time to board airplanes, in order to attend out-of-town meetings. Will the Chair put the question on the pending amendment, so it can be disposed of now?

Mr. BUTLER. First, Mr. President, I wish to make a request. Immediately after the vote is taken, I must leave the Chamber. May I have permission to have printed in the RECORD, later on, remarks by me in support of the resolution paying tribute to the Senator from Maine?

Mr. DIRKSEN. Mr. President, I ask that all Senators be accorded that privilege.

The PRESIDING OFFICER (Mr. HICKEY in the chair). Without objection, it is so ordered.

FEDERAL-AID HIGHWAY ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 6713) to amend cer-

tain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes.

Mr. DIRKSEN. Mr. President, will the Chair put the pending question?

Mr. COOPER. Mr. President, if the Senator will yield to me, I ask unanimous consent to have printed at this point in the RECORD an editorial published today in the New York Times.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BEAT THOSE BILLBOARDS

The Senate has the opportunity today to show that it is bigger than the billboard lobby that has cowed so many erstwhile "liberal" and other Members of both Houses of Congress, not to mention vast numbers of legislators throughout all of the 50 States.

Authority for the slight incentive now being offered the States to control billboards along the new Federal Interstate Highway System will die the end of this month unless the Senate rises to the challenge on which both its own Public Works Committee and the House of Representatives as a whole have failed. This challenge is in the form of a simple 2-year extension of the existing provision in the Highway Act of 1958 that the Federal Government will pay a "bonus" of one-half percent to those States enacting acceptable billboard-control legislation. The Government already pays 90 percent of the cost of the new highway system.

As President Kennedy well stated last February:

"The Interstate Highway System was intended to enable more Americans to more easily see more of their country. It is a beautiful country. The system was not intended to provide a large and unreimbursed measure of benefits to the billboard industry, whose structures tend to detract from both the beauty and safety of the routes they line."

Thus far, only Maryland and North Dakota have fully qualified to receive the bonus provided in the 1958 act, although 13 additional States have passed appropriate legislation, and a dozen more have been considering it. The "bonus" is slowly taking effect, but the time extension is desperately needed if large parts of the Interstate System are not to become mere billboard alleys.

The PRESIDING OFFICER. The question is on agreeing to the so-called Neuberger amendment (putting the question).

The amendment was agreed to.

Mr. KUCHEL. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. JAVITS. Mr. President, I move that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

TRIBUTES TO SENATOR MARGARET CHASE SMITH, OF MAINE

Mr. SCOTT. Mr. President, will the Senator from Illinois yield to me?

Mr. DIRKSEN. If the Senator desires to speak he may proceed.

Mr. DOUGLAS. Mr. President, who has been recognized by the Chair?

The PRESIDING OFFICER. The Senator from Illinois [Mr. DIRKSEN] has been recognized, and he has deferred to the Senator from Pennsylvania [Mr. SCOTT].

Mr. DOUGLAS. The junior Senator from Illinois has been recognized?

The PRESIDING OFFICER. Yes, and he has stated the Senator from Pennsylvania may now proceed.

Mr. SCOTT. Mr. President, I am very happy to join in these tributes to the Senator from Maine [Mrs. SMITH], with whom I have now served for nearly 19 years.

It has been well said that she has set a standard for all of us in public life, and an unsurpassed encouragement and challenge to all men and women.

She has proved, in her own right, by her exhibition of courage under fire, by her adherence to principle, and by her devotion to her duties, that she—charming lady that she is—is, after all, "a better man" than any of us. Therefore, it is a great pleasure to pay this tribute to Senator MARGARET CHASE SMITH, of Maine, and to say that I envy her, because I believe she has more honorary degrees from my State alone than I would be able to boast. This, again, is merely a further tribute to a very fine Senator.

It is a great pleasure, indeed, to wish her continued good health which will permit her continued attendance, and all good fortune.

Mr. KEFAUVER. Mr. President——

Mr. DIRKSEN. I yield to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I could not allow this occasion to pass without indicating my high respect and esteem for the distinguished Senator from Maine [Mrs. SMITH].

It was my privilege to serve for a number of years with her in the House of Representatives, where she made a great record. In addition, we had campaigns at the same time, when we sought election to the Senate in 1948; and all of us know the outstanding work she has done in the Senate. It is an inspiration to all of us, and should give women all over the Nation encouragement to participate in public affairs.

I wish to add that a moment ago the Senate agreed to the Neuberger-Cooper amendment, which was sponsored by our other distinguished lady Member, the junior Senator from Oregon [Mrs. NEUBERGER]—which would almost lead me to state that what this legislative body needs is more women of the caliber of these two outstanding public servants. I am not suggesting that any woman campaign against me in Tennessee; but in other places it would be a very good thing.

Mr. HOLLAND. Mr. President——

Mr. DIRKSEN. I yield to the Senator from Florida.

Mr. HOLLAND. I thank the distinguished Senator from Illinois for yielding to me.

Mr. President, there is a saying that when something happens all the way from Maine to Florida, that pretty well covers the waterfront, at least on the eastern side of the Nation.

Speaking as one who comes from the far southeastern part of the Nation, I wish to say that we have nothing but the height of respect and the greatest of affection for the distinguished senior Senator from Maine [Mrs. SMITH]. To have participated in 1,000 consecutive votes on issues before the Senate, extending over these several years, not only is an indication of devotion to duty, it is also a record of courage, shown over and over again. There is not one Member of the Senate who does not know that there come, in the course of the work of the Senate, frequent votes upon which we would like to be excused, if we could, because the issues involved are close or are highly controversial in our States or throughout the Nation.

For a Senator to have cast 1,000 consecutive votes—without missing one—means that time after time she has risen courageously to the challenge on just the sort of issues I have mentioned.

Mr. President, speaking as one who serves with the senior Senator from Maine on the committee over which I have the honor to preside at this time—but over which I suspect she will be presiding at some time in the future—I wish to say that her duty there has been performed with such a fine measure of dedication that I think I should call attention to it. I do not believe I have ever held a meeting of the committee the senior Senator from Maine has not attended. If so, they have been very few. I must confess that there have been meetings of the committee which I could not attend, and therefore I had to call upon her courtesy and her devotion, in asking her to preside over the meetings in my absence.

I certainly wish to pay my unbounded respect to the distinguished senior Senator from Maine [Mrs. SMITH].

Mr. CASE of South Dakota. Mr. President, in view of what has been said, and properly said, with respect to the distinguished service of the Senator from Maine, there is no more fitting tribute, or one that more eloquently illustrates her attributes, than can be be found by looking at the Congressional Directory. Under "Maine—Senators" will be found:

MARGARET CHASE SMITH, Republican, Skowhegan.

Her modesty is among her attributes, too.

I, too, came to the Congress of the United States in the 75th Congress, after the election of 1936, and her husband, the former Representative from Maine, was among the Members of that class in the 75th Congress. So I have had the privilege of knowing MARGARET CHASE SMITH for a quarter of a century.

Her service in the House of Representatives, where she succeeded her husband, and in the Senate of the United States, is unmatched, I think, in its characteristic devotion to the cause in which she believes. She has maintained her independence. Her work has never been superficial. I sit next to her in

the Committee on Armed Services. I have marveled many times at the way in which, when she takes up a matter, she pursues it relentlessly and tenaciously to a logical conclusion.

I join in all that has been said today in tribute to MARGARET CHASE SMITH.

Mr. THURMOND. Mr. President, I join my colleagues in commending the able and distinguished Senator MARGARET CHASE SMITH, of Maine, for her outstanding record in the U.S. Senate. It is a remarkable record for a Senator to be present for 1,000 consecutive votes. I doubt whether many Senators have equaled this record.

I have had the pleasure of serving on the Armed Services Committee with Senator SMITH. She has proved to be a most valuable member of this important committee. Her penetrating mind and keen insight into the various subjects coming before our committee have been of great benefit to the committee. She attends committee meetings regularly, and is always well versed in the various topics on the agenda.

Incidentally, she holds a commission as a lieutenant colonel in the Air Force Reserve, and goes on active duty annually. Her experience as a member of the Armed Services Committee and as a member of the Air Force Reserve especially qualify her in military matters coming before the Senate.

In closing, I again commend Senator SMITH for her capable service and dedication to duty as a Member of the U.S. Senate.

Mr. DIRKSEN. I yield to the Senator from Alaska [Mr. GRUENING].

Mr. GRUENING. Mr. President, as a former resident of Maine, where, as editor, I conducted an independent newspaper for 5 years, the Portland Evening News, and as one who has never lost his affection for and interest in that beautiful State, I am happy to join in the tributes to MARGARET CHASE SMITH. It is an extraordinary record which she has made, not merely in the unprecedented record of continuity, but also in the character of her votes.

Those of us who have followed her career, as I have, with the special interest of a former resident of the State, I would say her career is an illustration of "the voice of conscience" which she sounded so unforgettably some years ago. She has been consistently guided by the voice of conscience. I hope she will be here for the next 1,000 consecutive votes. I am sure her record, as of now, and as it will be then, will never be surpassed. I want to join other Senators in warm congratulations to her, for a record of which the State of Maine may well be proud, and which raises the standard of performance for the whole Senate.

Mr. YOUNG of North Dakota. Mr. President, I wish to join other Senators in paying tribute to a wonderful lady for a remarkable record. It has been my pleasure to serve with MARGARET CHASE SMITH on the Appropriations Committee for several years. I have found her extremely well posted on every subject. The amazing thing to me is that MARGARET CHASE SMITH is probably one of the best authorities in the Senate on military matters. She probably knows as much or more about ships, guns, and tanks than any other Member of the Senate.

She has the respect of Members of the Senate for her unusual ability, courage, integrity, and good fellowship. Certainly, no one has a better sense of humor than has MARGARET CHASE SMITH. We like her for these and her many other fine qualities.

I join with other Members of the Senate in wishing her well on this very happy and memorable occasion.

Mr. PASTORE. Mr. President, I am delighted to join my colleagues in paying this highly deserved tribute to a great friend and neighbor, MARGARET SMITH. It has been an honor for me to know her during the time I have served in the Senate of the United States, and a privilege to work with her.

I know of no more dedicated or devoted public servant than MARGARET CHASE SMITH, and I desire to pay tribute to her.

I hope the Lord will grant her many, many more years of good health and happiness.

Mr. CURTIS. Mr. President, I do not know that I can add to what has been said, but I wish to endorse the tributes and join with other Senators in congratulating the distinguished Senator from Maine on a record that is an honor to her.

Mr. RANDOLPH. Mr. President, approximately 25 years ago it was my privilege to know Representative Smith from Maine and to cherish his friendship in our service together in the House. I knew his wife and helpmate, MARGARET CHASE SMITH, and for 2½ years it has been my pleasure to serve as her colleague in the Senate. I wish to express my very genuine appreciation for a gentlewoman who, in this body, exemplifies the very best in the Senate of the United States; namely, dedication and devotion, and courage and conviction. Her record of public service is in the finest tradition.

Mr. MUNDT. Mr. President, I wish to join Senators who are paying well-merited tribute for the outstanding record of MARGARET SMITH. Like many other Members of the Senate who have come to this body from the House of Representatives, I had the privilege there of serving not only with her husband, but also with MARGARET SMITH. In the Senate I serve on the Appropriations Committee with her, where she is my seatmate, and where she is diligent, active, and effective.

I think perhaps the best tribute I could give to her effectiveness on the Appropriations Committee is that I have watched, during the years, the term "Passamaquoddy" change from a word used by gagsters and quipsters to become a subject of serious engineering study on the coast of Maine—which I think illustrates the diligence and persistency with which MARGARET SMITH devotes herself when she decides upon a subject as having merit and one that has a genuine opportunity for success.

I join my colleagues in congratulating her on an outstanding record of 1,000 consecutive votes. I hope she can continue long to preserve that unequaled and unprecedented record.

Mr. WILLIAMS of Delaware. Mr. President, I wish to join my colleagues today in paying our tribute to one of the most able and respected Members of the Senate. I know that in complimenting MARGARET SMITH today we are joining many friends, not only in the U.S. Senate, the House of Representatives, and the State of Maine, but a host of friends throughout the United States.

It is a pleasure to pay my respects to this charming lady, who has established such a remarkable record of public service. The question in my mind is, How did she achieve such an outstanding record and yet retain her youthful appearance?

Mr. JAVITS. Mr. President, it is a great joy to join with my colleagues in congratulating a friend of long standing. She has set a model to which we can aspire, though we may not attain it.

I think every Member representing every State in this body should rise to thank Senator SMITH for the record of participating in 1,000 consecutive votes, in which she has served not only her State, but the Nation.

Having known her as long as I have, and being conscious of the fact, as attested by my colleagues, that she has won the mind of the Senate, I myself would also add, because I feel it very deeply, having known her so long, that she has won the heart of the Senate. This I know today is a real cause for joy.

Mr. ALLOTT. Mr. President, I rise in the latter portion of these tributes, and I hope it is the case that the first shall be last and the last shall be first, to pay tribute to our distinguished colleague from Maine.

It is an easy thing to say that a person has attended the Senate for 1,000 consecutive votes, but only Members of the Senate, I am sure, can appreciate what attending 1,000 consecutive votes means. When we consider the great pressures which come upon all Senators from the standpoint of work of committees, with many committee meetings at the same time, and when we consider the vicissitudes of life and of health, it is nothing less than phenomenal that a Member should be able to do it.

It is not, I am sure, simply an idle gesture on her part, but it is rather an expression of what she conceives to be her devotion to the job she so ably holds. I have particular reason to know her magnanimity and her understanding from working with her. I work with her on the Appropriations Committee. No person could attend to the job more assiduously than she.

I look upon the record of 1,000 consecutive votes not simply as 1,000 consecutive votes but as an outward expression of her inward determination to do the best job anyone could possibly do in representing her own great State.

Mr. KEATING. I am happy to associate myself and the expression of

tribute to our charming and able colleague, the distinguished Senator from Maine on the occasion of marketing her 1,000th consecutive rollcall. This represents a splendid and inspiring example of devotion to duty, and a testimonial, as well, to the historic virtues of dependability, hardiness and punctuality that distinguish the stanch citizenry of Maine. One may well say—in paraphrase of a famous line—that neither snow, nor rain, nor sleet, nor Washington traffic have stayed MARGARET CHASE SMITH from her ready response to the clerk's calling of the roll. Her presence makes the heart grow fonder, and the minority grow stronger. In honoring her dedication may each of us take fruitful example therefrom, and resolve to treat absenteeism as foe, not friend, in this distinguished body.

Mr. DIRKSEN. Mr. President, I assume the liberty of calling upon the very gracious, charming, able and distinguished Senator from Maine.

Mrs. SMITH of Maine. Mr. President, I am most appreciative of all the very generous observations my colleagues have made about me. I could not have achieved the record had it not been for very good luck, and had it not been for the wonderful courtesy and cooperation of the Senate majority and minority leaders and their staffs for the past 6 years. They have always responded when I have asked about the schedule and the possibilities of rollcall votes on any specific days, and I have been able to plan.

Without such cooperation, I should never have been able to achieve another consecutive record of which I am equally proud—the record of spending at least a part of each month back in my State of Maine for the past 50 consecutive months.

As my consecutive rollcall vote total has mounted, I think that I must know in a way what the magnificent Lou Gehrig thought as he built up the alltime record of consecutive games in which he played.

The pressure mounts as each time comes up, but as it took others to help the individual make such a record, it took the help of my colleagues to make it possible for me to make this mark; and I thank my colleagues who have been so abundantly generous to me.

I also thank the people of Maine, who in their generosity in sending me back to the Senate, have made this record possible. It is really their record—not mine.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 162) was unanimously agreed to.

SOCIAL SECURITY AMENDMENTS OF 1961

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a statement of the action taken today by the Senate Committee on Finance on social security amendments of 1961 as passed by the House.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The statement is as follows:

The Senate Finance Committee today approved and ordered favorably reported the social security amendments of 1961 as passed by the House of Representatives with the following amendments:

1. Allow the widow of a minister who died before April 16, 1962, to elect coverage for him even though the minister failed, at the time of his death, to exercise his option of electing coverage.

2. Changed from fractions to percentage points the self-employed contribution rates as follows:

In House-passed bill: 1962, $4\frac{11}{16}$; 1963–65, $5\frac{7}{16}$; 1966–68, $6\frac{3}{16}$; 1969, $6\frac{15}{16}$; in Senate bill: 1962, 4.7; 1963–65, 5.4; 1966–68, 6.2; 1969, 6.9.

3. Allow New Mexico to be included among those States which are permitted to divide their retirement systems into two parts for purposes of obtaining social security coverage under Federal-State agreement.

4. Allow those States who have utilized the "divided" system coverage method to give their State and local retirement system members who chose not to be covered another opportunity to elect coverage. Coverage for the new group would begin at the same time that the coverage of the original group began, and the additional option would generally expire by 1963.

5. For a temporary period of 1 year (to expire June 30, 1962) raises the Federal matching maximum from $65 (on average basis) to $67.50 per month for old-age assistance, aid to the blind and aid to permanent and totally disabled with a provision requiring State to pass such increase along to recipients.

6. Provides an authorization for the expenditure of Federal funds, through the Secretary of Health, Education, and Welfare, for temporary assistance to U.S. nationals who have returned to this country because of war or other crisis (or because of their destitution or illness) and are without available resources.

FEDERAL-AID HIGHWAY ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS obtained the floor.

Mr. HOLLAND. Mr. President, will the Senator from Illinois yield to me so that I may address an inquiry to and receive an answer from the chairman of the committee, the Senator from Virginia [Mr. BYRD]?

Mr. DOUGLAS. I yield.

Mr. HOLLAND. Mr. President, I have received a telegram from Mr. John R. Phillips, chairman of the Florida State Road Department, a very able official. He makes inquiry in regard to the regulation of the Bureau of Public Roads which was adopted in 1958, by reason of the financial shortage which was actual or threatened at that time. Under the regulation, control over contracting authority of all the States was placed on a quarterly basis. Mr. Phillips wishes to know whether that regulation is to continue or to be terminated with the passage of this bill.

Mr. Phillips invites attention to the fact that under the provisions of the bill and the so-called Byrd amendment, for which we are indebted to the chairman of the Committee on Finance, the Senator from Virginia, it is his understanding there will be ample funds to permit yearly allotments to be made to the States, so that contracts can be made as was done prior to 1958, and not suspended from time to time, as has been the case since the 1958 regulation.

I wonder if the Senator from Virginia can advise us as to what the situation will be upon the passage of the bill, on this difficult point.

Mr. BYRD of Virginia. The Senator from Florida has asked a question as to the extent to which contract controls will be used by the Bureau of Public Roads in the coming years. Contract controls really represent a type of rationing of the apportionments made with respect to each State. They limit or specify the earliest time when these apportionments can be converted into expenditure obligations on the part of the States.

These are controls which no one really likes to use, least of all the State road commissions whose contracting authority is thereby limited. In the past, however, these controls have made it possible to make apportionments sooner than otherwise would have been the case. Without limitation on the timing of the expenditure, smaller apportionments would have been necessary in order to achieve the same result.

I have discussed the use of these contract controls, however, with responsible officials in the Bureau of Public Roads and they have informed me they hope they will be able to dispense with the use of these controls by the end of the fiscal year 1962. This is based upon the assumption that the public roads system will have the assured financing provided by the bill as reported by the Finance Committee.

Mr. HOLLAND. Mr. President, I thank the distinguished Senator.

To clarify the point, I ask the Senator if I correctly understand that a sufficient showing of shortage of funds still exists to the extent that the Bureau of Public Roads proposes to continue, as it was stated it would, the quarterly control that has existed since 1958 through fiscal 1962.

Mr. BYRD of Virginia. The Bureau hopes to dispense with those controls by the end of the fiscal year 1962.

Mr. HOLLAND. Does the statement of the Senator mean that as soon as the Bureau is able to feel sure that money will be on hand to honor requisitions from the States, quarterly control will be dispensed with?

Mr. BYRD of Virginia. That is my understanding.

Mr. CASE of South Dakota. Mr. President, will the Senator yield for a further question on this point?

Mr. BYRD of Virginia. I yield.

Mr. CASE of South Dakota. Can the Senator advise us whether or not, in applying the quarterly controls, the amount available to a State will bear a relationship to the apportionment to the State, or will the first State in, receive the money regardless of its apportionment?

Mr. BYRD of Virginia. The amount available would have a relationship to the apportionment to the States.

Mr. CASE of South Dakota. It would bear a relationship to the apportionment to the States?

Mr. BYRD of Virginia. The Senator is correct.

Mr. CASE of South Dakota. I believe that point is most important, because obviously there would be some irregularity in which the bills would come in from the States, but a State ought not to lose because some other State might happen to file its papers a day or two ahead of some other State.

Mr. BYRD of Virginia. I understand the money will be paid in direct proportion to the apportionment to the States.

Mr. HOLLAND. Mr. President, will the Senator yield for one further statement?

Mr. BYRD of Virginia. I yield.

Mr. HOLLAND. During this debate it seems to me the record ought to be made abundantly clear that as soon as the Bureau of Public Roads is assured of having a strong financial base for its apportionment to the States, it will return to the annual apportionment which is called for under the law, and which had been the uniform practice up until the time of the shortage in 1958.

Mr. BYRD of Virginia. The Senator from Virginia entirely agrees with the Senator from Florida, and will cooperate with him in an endeavor to do so.

Mr. HOLLAND. I thank the Senator.

Mr. CASE of South Dakota. Further in the interest of clarity, when the Senator from Florida used the term "apportionment," he was referring to the apportionment of actual cash. My understanding is that the annual apportionment, so far as apportionment of authorization is concerned, will continue to be on an annual basis.

Mr. HOLLAND. My information is that the apportionment has been on the basis of contractual authority quarterly, and what the Road Board is worried about is that such procedure has not permitted it to go ahead and let contracts with the same freedom that prevailed prior to 1958.

Mr. CASE of South Dakota. That point refers to the cash. The apportionment is based upon the total amount received on an annual basis; and the amount apportioned to a State will, I presume, continue to be apportioned on an annual basis, so far as the total amount that will eventually be available to that State is concerned.

Mr. BYRD of Virginia. The contract authority is the one that is the basis for the apportionment.

Mr. HOLLAND. According to the advice of the Bureau of Public Roads, apportionment has been on the part of the contracting authority, which means, as the Senator from South Dakota has indicated, that such apportionment also prevails as of the time of the payment of the money, and the purpose of the apportionment, as I understand, is to assure that the Bureau of Public Roads will not be in default, but will be able to pay bills as they come in on the basis of a quarterly apportionment, rather than be required to meet at one time large contracts that would have been handled under annual apportionments, as had been the case prior to 1958.

Mr. DOUGLAS rose.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois [Mr. DOUGLAS].

Mr. CASE of South Dakota. Mr. President, before the Senator starts his discussion, I wonder if he has any thought of seeking a time agreement with respect to his amendment?

Mr. DOUGLAS. No; I have no time agreement.

Mr. CASE of South Dakota. I had hoped that consideration of the bill might be concluded tonight. I am among those who have plane reservations.

Mr. DOUGLAS. I assure the Senator from South Dakota that I do not intend to take an undue amount of time, but I do not wish to tie myself to a definite period.

Mr. President, it is with a certain feeling of modesty that I rise to address the throng of Senators in this crowded Chamber. But the issue is so important that I think I should conquer my feeling of modesty and address myself to the financing of the Interstate or National Highway System.

We face this problem because of the fact that the cost of the system has greatly increased since we first provided for it in 1956. At that time the cost of the entire system was estimated at approximately $27 billion, of which, under the 90-percent financing plan, the Federal Government was to provide approximately $25 billion, or perhaps an amount a little smaller than that figure.

During the 5 years that have elapsed since that time the estimated cost of the system has risen from $27 billion to $41 billion, and the share of the Federal Government, therefore, has increased from a little less than $25 billion to approximately $37 billion, or by approximately $12 billion. This was the situation which faced the Congress and the administration.

In his message of Februay 28, the President laid down a series of proposals which would have provided for the complete financing of the proposed plan out of taxes related to highway use. His proposal was that the 4-cent gasoline tax, which otherwise would revert to 3 cents a gallon, be retained; that the diesel tax be raised from 4 cents to 7 cents a gallon; that the user tax on trucks in excess of 26,000 pounds be raised from $1.50 per 1,000 pounds to $5 per 1,000 pounds; and there was also to be an increase in the tax on tread rubber. Those items provided for the full financing of the system out of these taxes, and put the plan on a "pay as you go" basis in conformity with the Byrd amendment of 1956.

The proposals of the President provided not merely for the financing of the plan out of these taxes, but also for an approximate distribution of the costs as between passenger automobiles, pick-up trucks, and heavy trucks over 26,000 pounds, according to the best estimates that could be made of the comparative costs created by those different types of vehicles.

That point leads us directly into a discussion of this fact. I have always thought that the best measure of cost is that of ton-miles, and if one considers the ton-mile basis, as the reports of the Department of Commerce indicate, one finds that greater costs are created by trucks than by passenger automobiles.

If we take the estimated costs of construction per gross ton-mile for this program passenger cars have an average cost of 0.228 cent, or a little less than a quarter of a cent per mile; pickup trucks, 0.228 cent a mile, or a little less than a quarter of a cent a mile; two axle, six-tire trucks, 0.572 cent a mile, or a little over a half cent a mile; three axle, semitrailer trucks, 2.373 cents a mile, or approximately 2 cents a mile; four-axle semitrailer, diesel driven trucks, 3.339 cents a mile, or 3⅓ cents a mile; and five-axle trucks, diesel driven, 5.1 cents a mile.

In other words, the estimated cost on a gross-ton-mile basis for the heaviest truck was 20 times that of the average passenger car.

This difference in cost has always been suspected. Because of this the trucking industry has always objected very strenuously to the use of the ton-mile costs. So in 1956, as a result of its protests, there was put into the bill the requirement that a special comparative study be made of the allocation of costs to various vehicles. That study was made. Most of the results were published in House Document No. 54, 87th Congress, 1st session, entitled "Final Report on Highway Cost Allocation Studies." It was not quite the final report, because a supplemental report has since been issued, embodying some further results.

As part of this further study, the Bureau of Public Roads laid out an experimental 8-mile highway system outside Ottawa, in my State of Illinois, under standards laid down by the American Association of Highway Officials. Over this highway, for several years, have run vehicles of five varieties—passenger automobiles, pickup trucks, fairly light trucks, heavy trucks, and very heavy trucks. These tests were conducted under all types of conditions and all kinds of weather; and on the straightaway, hills, declines, and curves. It was probably the most extensive and the most expensive study that has ever been made.

The study's figures on gross cost per ton-mile were derived more from a questionnaire than from this study, but the study added as a new feature consideration of incremental costs. These are the added costs which would be

created by constructing highways adequate to take care of heavier vehicles, assuming that there was first a basic cost for providing for the passenger automobiles, then added costs for the thickness of the highway and certain changes in the covering and in the concrete base in order to support heavier vehicles. By successive tests it was possible to measure the effect of running various vehicles on the highways and the costs of constructing highways adequate to endure various types and weights of vehicles.

As I have said, this was perhaps the most thorough study that has ever been made. It is interesting that the representative of the trucking industry, in testimony before the Committee on Finance this year, stated, at page 133 of the hearings:

> The trucking industry has supported the incremental method as the soundest approach to determining highway cost responsibility.

It is true that there are succeeding sentences which give the trucking industry something of an escape hatch. Apparently, however, the trucking industry endorsed the principle of incremental costs as being in general the soundest method that could be followed.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Ohio.

Mr. LAUSCHE. Where was the study conducted?

Mr. DOUGLAS. The incremental cost study was primarily conducted outside Ottawa, Ill., on the 8-mile experimental highway.

Mr. LAUSCHE. The test was intended to show, I assume, what the wear was on the highways as imposed by different types of vehicles.

Mr. DOUGLAS. That is correct. And it also showed the costs of the additional thickness, width, tensile strength, and so forth, which would be required beyond the features of the basic passenger automobile highway to have the highway endure under various additional weights and axles.

Mr. LAUSCHE. When the test was completed, was it possible to draw up conclusions relative to the impact upon the highways of the passenger cars——

Mr. DOUGLAS. That is what I am going to give in a minute. The study found that for a passenger automobile—and incidentally it was assumed that there would be six passengers in the car, and that the car and passengers together weigh 4,413 pounds—the average cost in cents per mile was 0.309 cent or a little under one-third of a cent per mile. For a 5,000 pound two-axle pickup truck, the cost was 0.265 cent per mile. For a 15,000 pound two axle, six-tire truck, the cost was 0.462 cent, or a little less than half a cent. For a 40,000 pound, three-axle truck, the cost was 1.427 cents a mile, or 1⅞ cents per mile. For a 55,000 four-axle semitrailer truck, diesel powered, the cost was 1.808 cents a mile, or just a little short of 2 cents a mile and for a 72,000 pound 5-axle truck, the cost was 2.527 cents a mile, or over 2½ cents a mile.

In other words, the heaviest truck had an incremental cost eight times as great as did the passenger car carrying six passengers. I wish to emphasize that point.

In addition to the gross ton-mile basis and the incremental cost basis, the Bureau of Public Roads threw out two other suggestions. One was the so-called cost function basis. When one penetrates that, he finds that it really amounts to a vehicle mile rather than a ton-mile basis. The other is the so-called differential benefit function. If we take all four of these and average them together, we get a figure for the passenger automobile which is substantially similar in all cases, three-tenths of a cent per mile. For the heaviest truck, we get an average of 3.4 cents a mile, or 11 times the cost for a passenger automobile.

In other words, on three of the four bases, we get a cost for the heavy trucks of from 8 to 10 to 11 times what it is for the passenger automobiles.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LAUSCHE. That test, then, clearly disclosed that the wear on the highway had a definite relationship to the size of the machine and the weight that it carried.

Mr. DOUGLAS. That is correct.

Mr. LAUSCHE. The final result, based on the various tests was that if the unit of one represents the wear imposed by an ordinary passenger car, the large truck including the tractor-trailers, have an impact 8, 9, 10, or 11 times greater.

Mr. DOUGLAS. And in some cases even more than that. The gross ton-mile figure is even greater—20 times.

Mr. LAUSCHE. In about 1950, a test was made in Maryland, in which a number of States participated, aimed at the same study which was envisioned by this test. I do not recall what the proportion of wear was, but it substantially corroborates what the Senator from Illinois has just stated.

Mr. DOUGLAS. I thank the Senator from Ohio. When he was Governor of Ohio, he stood for this principle in the tax system of that great State.

Mr. LAUSCHE. That is correct.

Mr. DOUGLAS. The President took the incremental cost comparison as the basis for his recommendations. The taxes which he apportioned meant that the final cost of the highway system was to be allocated in rough proportion—a fairly approximate proportion, I may say—to the costs as revealed by the incremental cost study. This has favored the trucks very much in comparison with what the ton-mile basis would have done and in comparison with what the vehicle-mile basis would have done.

So I think the President's program can be said to have given much consideration to the trucks and to the trucking industry. And as I have said, it kept the pay-as-you-go principle.

The trucking industry did not like the proposal of the President and opposed it. As a result, the House Committee on Ways and Means made very real changes in the President's proposal. They cut the tax on diesel fuel, which the President had proposed should be raised from 4 cents to 7 cents a gallon, back to 4 cents. This will result in a loss in revenue for the 11 years of approximately $1,200 million.

Mr. LAUSCHE. Mr. President, will the Senator further yield?

Mr. DOUGLAS. I yield.

Mr. LAUSCHE. So that I may correctly understand, the President recommended a 7-cent-a-gallon tax on diesel fuel.

Mr. DOUGLAS. That is correct.

Mr. LAUSCHE. The House Committee on Ways and Means adopted a 4-cent tax?

Mr. DOUGLAS. That is correct. That was passed by the House and was recommended by the Committee on Finance, with two opposing votes.

Mr. LAUSCHE. The reduction from 7 cents to 4 cents a gallon would result in a loss of $1 billion?

Mr. DOUGLAS. One billion two hundred million dollars over an 11-year period.

The President had also proposed a $5 per 1,000-pound tax on trucks and buses weighing more than 26,000 pounds. The House Committee on Ways and Means and the Senate Committee on Finance have cut this tax back from $5 per 1,000 pounds to $3 per 1,000 pounds. The loss in revenue to the program from this reduction is approximately $1,100 million.

Mr. LAUSCHE. Mr. President, will the Senator further yield?

Mr. DOUGLAS. I yield.

Mr. LAUSCHE. The Senator from Illinois has stated that the House cut the President's recommendation of $5 per 1,000 pounds to $3 per 1,000 pounds.

Mr. DOUGLAS. That is correct.

Mr. LAUSCHE. What does the bill before the Senate provide?

Mr. DOUGLAS. Three dollars per 1,000 pounds.

Mr. LAUSCHE. Is it not $1.50?

Mr. DOUGLAS. No; that is the present tax.

Mr. LAUSCHE. But it is the understanding of the Senator from Illinois that the bill now provides for $3?

Mr. DOUGLAS. That is correct.

Mr. LAUSCHE. The President recommended $5 per 1,000 pounds?

Mr. DOUGLAS. That is correct.

Mr. President, I ask unanimous consent that there be printed at this point in the RECORD a table entitled "Federal excise payments per mile to the highway trust fund under present law, the President's proposal, House bill, and your committee's bill, compared to cost responsibility indicated by the incremental and differential benefit cost studies," taken from page 18 of the Finance Committee's report on title II of H.R. 6713.

There being no objection, the table was ordered to be printed in the RECORD,

TABLE 1.—*Federal excise payments per mile to the highway trust fund under present law, the President's proposal, House bill, and your committee's bill, compared to cost responsibility indicated by the incremental and differential benefit cost studies*

Vehicle type	Cents per mile						Ratio to automobile tax responsibility indicated by incremental cost study					Ratio to automobile tax responsibility indicated by differential benefit study				
	Incremental cost	Differential benefit	Present law [1]	President's proposal [2]	House bill	Your committee's bill	Incremental cost	Present law [1]	President's proposal [2]	House bill	Your committee's bill	Differential benefit	Present law [1]	President's proposal [2]	House bill	Your committee's bill
Automobile	0.313	0.323	0.307	0.320	0.315	0.313	1.00	0.98	1.02	1.01	1.00	1.00	0.95	0.99	0.98	0.97
Single unit trucks:																
2-axle, 4-tire	.267	.356	.437	.451	.517	.516	.85	1.40	1.44	1.65	1.65	1.10	1.35	1.40	1.60	1.60
2-axle, 6-tire	.458	.458	.664	.702	.802	.799	1.46	2.12	2.24	2.56	2.55	1.42	2.06	2.17	2.48	2.47
Combinations with semitrailers:																
3-axle, 40,000 pounds gross vehicle weight:																
Gasoline powered	1.428	1.263	1.191	1.592	1.518	1.513	4.56	3.81	5.09	4.85	4.83	3.91	3.69	4.93	4.70	4.68
Diesel powered	1.428	1.263	1.023	1.882	1.371	1.367	4.56	3.27	6.01	4.38	4.37	3.91	3.17	5.83	4.24	4.23
4-axle, 55,000 pounds gross vehicle weight:																
Gasoline powered	1.808	1.452	1.428	1.833	1.781	1.774	5.78	4.56	5.86	5.69	5.67	4.50	4.42	5.67	5.51	5.49
Diesel powered	1.808	1.452	1.167	2.117	1.541	1.534	5.78	3.73	6.76	4.92	4.90	4.50	3.61	6.55	4.77	4.75
5-axle, 72,000 pounds gross vehicle weight:																
Gasoline powered	2.527	1.779	1.880	2.387	2.309	2.298	8.07	6.01	7.63	7.38	7.34	5.51	5.82	7.39	7.15	7.11
Diesel powered	2.527	1.779	1.486	2.691	1.938	1.927	8.07	4.75	8.60	6.19	6.16	5.51	4.60	8.33	6.00	5.97

[1] Tax ratio in effect Jan. 1, 1961.
[2] Included in the President's message of Feb. 28, 1961.

Source: U.S. Department of Commerce, Bureau of Public Roads.

Mr. DOUGLAS. Mr. President, I ask unanimous consent that there be printed at this point in the RECORD a table comparing the President's proposals for highway taxes increases which would reflect the relative benefits to various users with rates under present law and under the Finance Committee's proposed changes.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 2.—*Comparison of the President's proposals for highway taxes increases which would reflect the relative benefits to various users with rates under present law and under the Finance Committee's proposed changes*

	Tax base	Present rates	Rates as of July 1 under present law	Rates proposed by President	Committee's proposed changes
Diesel fuel and special motor fuel	Gallon	$0.04	$0.03	$0.07	$0.04
Trucks and buses over 26,000 pounds	1,000 pounds of gross weight	1.50	1.50	5.00	3.00
Highway tires	Pound	.08	.08	.10	.10
Inner tubes	do	.09	.09	.10	.10
Tread rubber	do	.03	.03	.10	.05

Mr. CASE of South Dakota. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. CASE of South Dakota. Reverting to the other item, what was the difference between the position of the House and the position of the Senate?

Mr. DOUGLAS. Does the Senator mean on diesel fuel?

Mr. CASE of South Dakota. Yes.

Mr. DOUGLAS. The President proposed a tax of 7 cents a gallon on diesel fuel instead of the present tax of 4 cents a gallon, which otherwise would have reverted to 3 cents a gallon. The House passed a tax of only 4 cents a gallon. This amount is continued by the Committee on Finance.

Mr. CASE of South Dakota. Four cents a gallon?

Mr. DOUGLAS. Yes. The same tax is imposed on diesel fuel as is imposed on gasoline.

Mr. CASE of South Dakota. Did the House change the weight tax, or was that changed by the Senate committee?

Mr. DOUGLAS. No. The President asked that we impose a $5-per-1,000-pound tax on trucks and buses weighing in excess of 26,000 pounds. The present tax is $1.50. The House Committee on Ways and Means and the Senate Committee on Finance have reduced the amount of the President's recommendation from $5 to $3.

Mr. CASE of South Dakota. The Senator used the word "reduced" in comparison with the present rate.

Mr. DOUGLAS. That is correct.

Mr. CASE of South Dakota. Actually it is double the present rate.

Mr. DOUGLAS. That is correct.

Mr. CASE of South Dakota. Today the tax is $1.50, and the bill before the Senate provides a tax of $3.

Mr. DOUGLAS. Yes.

Mr. CASE of South Dakota. That is a 100-percent increase.

Mr. DOUGLAS. Yes, but it still does not tax trucks in proportion to the incremental cost which they create.

Mr. CASE of South Dakota. That may be. Is the Senator from Illinois able to say whether anything is done about the collection or enforcement of the weight tax? Someone suggested to me at one time that one of the greatest leaks was the failure to collect the tax on the large trucks or heavy trucks; that if a stamp or a certificate could be provided, it would help in the enforcement, and the actual collection of receipts would be greatly increased.

Mr. DOUGLAS. That may well be.

Mr. LAUSCHE. Mr. President, will the Senator from Illinois allow me to speak on that subject?

Mr. DOUGLAS. Yes.

Mr. LAUSCHE. That argument was made in Ohio. It was said that the enforcement of the law would be impossible. Experience has demonstrated that not to be so.

Mr. CASE of South Dakota. I am not arguing that the law is unenforcible. I simply suggest that it ought to be enforced. If the tax is $1.50 or $3, or whatever it is, everyone who is subject to it ought to pay it.

I was simply trying to get clear what the difference was between what the House has done and the Senate has done, and what the President has recommended.

The record apparently is that the diesel fuel tax would stay as it was, but that the weight tax would be increased from $1.50 to $3.

Mr. DOUGLAS. That is what has been done.

The reduction in the tax on tread rubber creates a loss for 12 years of approximately $378 million.

So the cuts put into effect by the House and by the Committee on Finance would, in themselves, reduce the total revenue by approximately $2,700 million.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LAUSCHE. Does the Senator's amendment follow the recommendation of the President in all respects except his recommended increase on tires, innertubes, and tread rubber?

Mr. DOUGLAS. Except tread rubber. I shall be very glad if the Senator from

Ohio, at some period in the debate, would be willing to offer an amendment to restore the tax on tread rubber to the rate recommended by the President. I should be glad to accept that as an amendment. In other words, I am not trying to protect the rubber industry; I wish to make that clear.

Mr. LAUSCHE. Yes.

If that is done, will the Senator's amendment then conform to the recommendation of the President?

Mr. DOUGLAS. That is correct.

Mr. LAUSCHE. I shall ask the Senator to accept an amendment of that type, at a later time.

Mr. DOUGLAS. I give assurance in advance that I will accept it.

Mr. President, the House Ways and Means Committee faced this problem—namely, how to make good a loss of $2,700 million of revenue. They met the problem in two ways. First, they stretched out the program by 3 months in the year 1972—having it expire at the end of September, rather than at the end of June. This action would bring in additional revenue of approximately $1 billion—perhaps a little less, perhaps a little more—leaving a deficit of $1,800 million. Then they did a very interesting thing: For the remaining $1,800 million, they recommended that the entire 10 percent of the manufacturers' excise tax on trucks and buses be allocated from general revenues to the highway trust fund. Under present law, only half of this tax—5 percent—is allocated to the trust fund. The allocation of the additional 5 percent would increase the trust fund, over the 11-year period, by $1,800 million.

So some are saying triumphantly that the highway trust fund is solvent. But it is solvent only because we are to withdraw from the general revenues, during this period, $1,800 million.

Mr. CLARK. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. CLARK. Then will it not be necessary to obtain from some other tax source the $1,800 million thus transferred from the general revenues to the highway trust fund?

Mr. DOUGLAS. Certainly. Either a transfer of that sort must be made from some tax which already is being imposed, or an additional tax in that amount will have to be levied.

Mr. CLARK. Did the House Ways and Means Committee make any suggestion about where that amount of money would be raised?

Mr. DOUGLAS. No.

What has happened has been that in order to maintain the fiction of solvency of the highway trust fund, general revenues are to be drawn by $1,800 million during the next 11 years, thus confronting the Nation with the problem of where to obtain that amount of money.

Mr. CLARK. Will the Senator from Illinois yield further to me?

Mr. DOUGLAS. I yield.

Mr. CLARK. It would be easy to make the proposed transfer; but in that event, I believe they should be candid enough to admit that thereafter it would be necessary to provide for additional revenues, in order to make up for that transfer from the general revenues coming into the Treasury. Is that correct?

Mr. DOUGLAS. Yes, I think so—if the Senator agrees with the pay-as-you-go principle. Although I do not agree with the pay-as-you-go principle in each and every year over the business cycle, I think that over the 11-year or 12-year period it is a sound policy. In this respect, I find myself in agreement with the distinguished senior Senator from Virginia [Mr. BYRD]—provided that the user taxes are just, to begin with.

As I have said, the President's proposal would apportion that tax in rough proportion—in fact, in very close proportion—to the differential costs, as shown by the incremental cost study. The changes made by the House and by the Senate Finance Committee have failed to carry out this principle—with the result that trucks would pay less than their differential cost, and automobiles would pay more. This is the issue.

Mr. CLARK. Mr. President, will the Senator from Illinois yield further to me?

Mr. DOUGLAS. I yield.

Mr. CLARK. Can the Senator from Illinois explain to us why one of these user taxes—which he said, a minute or two ago, is presently $1.50—will be raised to $3? The President thinks it should be $7.

Mr. DOUGLAS. No, $5.

Mr. CLARK. Five dollars?

Mr. DOUGLAS. Yes.

Mr. CLARK. How did they get by, in the first instance, with a tax of only 20 percent of the damage they do to the highways?

Mr. DOUGLAS. Let me say, in justice, that in 1956, Congress did not have the advantage of this incremental cost study, and was shooting—in a sense—in the dark.

I think everyone who drives on the highways—and virtually the entire American public does—knows that the chief damage done to the highways is done by the trucks. But in 1956 Congress did not know how much, so there was an excuse for putting a low-user tax on the trucks. But in the face of this incremental cost study, I frankly do not think there is any real excuse, today.

Mr. CLARK. Does the Senator from Illinois have confidence in the equity and soundness of the incremental cost study?

Mr. DOUGLAS. Personally, I think the gross ton-mile is the best basis; and it will give a figure, for trucks, of approximately 20 times the cost for passenger automobiles. But I am ready to compromise; I am ready to take the incremental cost study, which the truck representatives say is a good basis. It shows a cost for the trucks of 8 times that of passenger cars.

Mr. CLARK. Is the Senator from Illinois of the view that the incremental cost study leans in favor, if anything, of the trucking companies far more than would seem to be just if one is to weigh equal justice in the scales?

Mr. DOUGLAS. I think that is true; it is more than just to the trucking industry. I am ready to be just to them; indeed, I am willing to be more than just to them. But I am not in favor of giving them the earth.

Mr. CLARK. Mr. President, will the Senator from Illinois yield further to me?

Mr. DOUGLAS. I yield.

Mr. CLARK. Does the Senator from Illinois have any doubt that the position taken by the trucking companies has had considerable bearing on the type of legislation which is now before us?

Mr. DOUGLAS. Mr. President, the Senator from Pennsylvania [Mr. CLARK] was formerly the mayor of a great city—Philadelphia, and he has been a Senator of the United States for 5 years, and he is an eminent lawyer, and the Philadelphia bar is reputedly the most astute in the Nation. So he knows the answer to that question. Of course it has an effect.

Mr. CLARK. The Senator is not suggesting that I am naive, is he?

Mr. DOUGLAS. No; I am suggesting that the Senator is not naive.

Mr. CLARK. I am glad of that—so that, therefore, it will not be necessary for me to invoke paragraph 2 of rule XIX.

Mr. DOUGLAS. I am sure the Senator would never think of invoking it.

But let me say that everyone knows the power of the trucking interests in the State legislatures, and we should know their power in the Hall of Congress.

Mr. President, before I had finally made up my mind as to whether I was going to submit these amendments, and before the amendments were printed, the newspaper reporters told me that telegrams and letters began to descend on the Members of the Senate, not only by the hundreds, but by the thousands; and I have heard that one Senator received 300 telegrams in one day urging him to vote against the Douglas amendments—and that he received them a day before I finally decided to submit the amendments. That indicates how the special interests and the producing interests are powerfully organized and well informed, and how they can bring an enormous amount of pressure to bear on the Congress, while the general public does not know what is going on.

Mr. CLARK. Mr. President, will the Senator from Illinois yield further?

Mr. DOUGLAS. I yield.

Mr. CLARK. I have received a great deal of mail in opposition to the Senator's position; I have received such mail from proprietors of gasoline stations. Does the Senator from Illinois think proprietors of gasoline stations would suffer any observable financial loss if his amendment were adopted?

Mr. DOUGLAS. No. This amendment does not increase the tax on gasoline. It does increase the tax on diesel fuel. But, of course, the truckers purchase gasoline from the gasoline service stations; and there is a good deal of fraternization, so to speak, between the truckdrivers and the gasoline station owners and operators.

Mr. LAUSCHE. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I am glad to yield.

Mr. LAUSCHE. As regards the small gasoline station operators, what does the Senator's amendment do with the committee's recommendation?

Mr. DOUGLAS. As to gasoline?

Mr. LAUSCHE. Yes.

Mr. DOUGLAS. With respect to gasoline, there is no change. The present tax of 4 cents a gallon is continued.

Mr. LAUSCHE. The committee's position on that question is the same?

Mr. DOUGLAS. That is correct.

Mr. President, I think that is the story. With the amendment which I hope the Senator from Ohio will put in shape, the result will be approximately $1,800 million in revenues, and the system will be made self-supporting. There would then be no need—and our amendment so provides—for the withdrawal from the general revenues of the Treasury of the added 5 percent on the excise tax on trucks. That amount could go into the general revenues, as it is now doing. The deficit would be removed.

The costs would be allocated between these types of uses, in accordance with the incremental cost study, and the program of the President will be carried into effect.

I think the President made a very courageous decision. The President was a Member of the House for 6 years, and a Member of the Senate for 8 years. He was well aware of the political forces at work. It would have been very easy for him to have hedged on this question, knowing the power of the truck lobby, but he did not hedge for a minute. He declared for fiscal responsibility, namely, that the system should be fully financed. He not only declared for fiscal responsibility; he declared for equitable allocation of costs, knowing that this would bring down upon his head the opposition of the great trucking interests.

It may be said, "Yes, the President is supposed to represent the Nation as a whole, but we represent our States and special interests." I think Members of the Senate and of the House should represent the national interests as well as special interests. It will be a sorry day when the Congress of the United States becomes merely an agency to reflect group, occupational, and economic pressures, and is unable to consider the general interest adequately.

I hope my remarks will not be misunderstood. I have not intended to ask for a yea-and-nay vote on this measure. for this reason: I have the feeling since I got only three votes in the Finance Committee on this proposal, that if it is brought to a yea-and-nay vote, it will probably be defeated, and then the boldest and bravest Members of the Senate, who would, in my judgment, vote for the increase in taxes, would then be exposed to the pressures of the truck lobby, and it would amount to killing off a good many of the best Members of this body.

I am not willing to have the political blood of these men on my hands. I am ready to take the risk, myself, but I am not ready to assist in the political slaughter of other Senators.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CLARK. Speaking only as one Senator, I think the Senator's proposal is equitable, fair, and just. Whether or not the Senator decides to call for a yea-and-nay vote, I should like to announce publicly my support of his position, and I shall vote high with him whether or not on rollcall or by voice.

Mr. DOUGLAS. That is the brave attitude typically shown by the Senator from Pennsylvania. I did not solicit it. I mention, in this connection, that though I believe in the liberation of the subject peoples behind the Iron Curtain, I have never advocated armed revolt there—at this time, at least—because I know if the patriots behind the Iron Curtain in Poland, Czechoslovakia, Hungary, Lithuania, and other lands, revolted, they would be shot down unmercifully.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. DOUGLAS. Let me finish this figure of speech. So while I believe in the ultimate freedom of those people, I am not willing to have their blood on my hands by advocating an armed revolt.

Similarly, I am not willing to have the political blood of the bravest and best Members of the Senate on my hands. I am willing to take my own life in my hands and abide by the results, but I am not willing to join in the slaughter of the rest. While I appreciate the statement of the Senator from Pennsylvania, and it is typical of him, and I think St. Peter should properly reward him, he should know some of the risks he is getting into.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. CLARK. I am not interested in a grandstand play in this connection.

Mr. DOUGLAS. Nor am I.

Mr. CLARK. But my own feeling is that those of us—including the Senator from Illinois, whose leadership in this regard I commend—who constantly vote for additional appropriations, should have the responsibility to vote for the revenues to sustain those programs. The proposal would take $1,800 million, over a period of time, out of the general revenues of the Treasury. I for one am prepared to pay for the programs which I support.

Mr. DOUGLAS. I thank the Senator. I say that is fiscal responsibility. The President is fiscally responsible. I want to be fiscally responsible. I am distressed that this is not the unanimous opinion of the Senate.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am glad to yield to the Senator from Ohio, with the understanding that I do not lose my right to the floor.

Mr. LAUSCHE. I wish to express my support of the proposal made by the Senator from Illinois. The sorrow that will be the consequence of his proposal will manifest itself in gigantic proportions in the future, and I can understand why he does not want the strength of the ones who are opposing his proposal to fall on his friends in the Senate.

Mr. DOUGLAS. That is correct.

Mr. LAUSCHE. The test that was made clearly discloses that the passenger car operator is subsidizing the large trucks in the use of the highways.

Mr. DOUGLAS. And the general taxpayer is subsidizing the trucks.

Mr. LAUSCHE. That is, the passenger car operator is paying more than he should pay, while the big truck operator is paying less.

It is my understanding that the proposal of the Senator from Illinois, in conformity with the recommendation made by the President, contemplates bringing into some alinement or harmony the requirement to contribute equitably in the expenses incurred in building and repairing highways.

Mr. DOUGLAS. That is what the Senator from Illinois is trying to do.

Mr. LAUSCHE. And it intends that, to the extent the users wear out the highways, that they shall contribute to the cost of construction and repair.

Mr. DOUGLAS. And to the extent that the highways have to be built in a more costly fashion, originally, in order to take care of the heavy trucks, they should bear the proportionate, added cost.

Mr. LAUSCHE. Mr. President, when one approaches the proposal objectively and from the standpoint of doing justice, the only answer is that the proposal should be supported. The facts are not disputed. The study which was made in Illinois clearly demonstrates the proportionate damage done to the highways by the respective vehicles using the highways. The test showed that, at a minimum, the wear upon a highway caused by a large truck is eight times greater than that caused by a small passenger car.

Mr. DOUGLAS. The Senator is correct.

Mr. LAUSCHE. The Senator from Illinois is making his proposal for the purpose of eliminating that inequity.

A moment ago I stated that about 1950 a Maryland test was conducted, participated in by approximately a dozen States. That test corroborated to a substantial degree the findings presented by the Senator from Illinois.

It is my further understanding that the Senator from Illinois is of the opinion that the principle which the Senator from Virginia enunciated at the time the highway bill was passed in 1956, that we should proceed on a pay-as-you-go basis, should be carried forward. That principle is sound, and ought not to be abandoned. It would be wrong to dip into the general fund and, to the extent we remove insolvency from the trust fund, transfer it to the general fund.

Mr. DOUGLAS. That is correct.

Mr. LAUSCHE. I cannot see any weakness in that proposal. For that reason I support fully the President's recommendation. I commend him for his courage in making it. I support fully

the proposal made by the Senator from Illinois.

The effort of the Senator from Illinois is to approach the problem with justice to all users of the highways, and that ought to have great impact.

Mr. DOUGLAS. I appreciate what the Senator says.

Mr. LAUSCHE. Will the Senator from Illinois accept my amendment, which will bring the Senator's proposal in complete conformity with the President's recommendation?

The proposal I make is, on page 6, line 7, to strike out "4 cents" and to insert in lieu thereof "10 cents", and on page 20, line 12, to strike out "2 cents" and to insert in lieu thereof "7 cents".

This proposal was suggested by a staff member, who states to me that if it is accepted the proposal of the Senator from Illinois will be in conformity with the President's recommendation, except for the shrinkage in the gasoline and the other item.

Mr. DOUGLAS. I am very glad to accept the modification. Mr. President, I have not formally called up my amendment. I now call up my amendment 6-13-61—D and ask to have it stated by title, not read by text, and I ask that the amendment of the Senator from Ohio be added to the amendment I have offered.

The PRESIDING OFFICER. The amendment will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. On Page 4, beginning with line 19, it is proposed to strike out all through line 2 on page 5 and to insert a new section 201, as follows:

SEC. 201. MOTOR FUEL TAX RATES

(a) DIESEL FUEL AND SPECIAL MOTOR FUELS.—

(1) DIESEL FUEL.—Subsection (a) of section 4041 of the Internal Revenue Code of 1954 (relating to tax on diesel fuel) is amended—

(A) by striking out "3 cents a gallon" and inserting in lieu thereof "7 cents a gallon"; and

(B) by striking out "1 cent a gallon" and inserting in lieu thereof "5 cents a gallon".

(2) SPECIAL MOTOR FUELS.—Subsection (b) of section 4041 of such Code (relating to tax on special motor fuels) is amended—

(A) by striking out "3 cents a gallon" and inserting in lieu thereof "4 cents a gallon"; and

(B) by striking out "1 cent a gallon" and inserting in lieu thereof "2 cents a gallon".

On page 5, strike out lines 15 through 18, and insert the following:

(c) CONFORMING AMENDMENTS.—

(1) Section 6416(b)(2) of such Code (relating to specified uses and resales in which tax payments are considered overpayments) is amended—

(A) by striking out in subparagraph (H) "or 4 cents" and inserting in lieu thereof ", 4 cents, or 7 cents";

(B) by striking out in subparagraph (H) "or 2 cents (where tax was paid at the 4-cent rate)" and inserting in lieu thereof ", 2 cents (where tax was paid at the 4-cent rate), or 5 cents (where tax was paid at the 7-cent rate)";

(C) by striking out in subparagraph (I) "or 4 cents" and inserting in lieu thereof ", 4 cents, or 7 cents"; and

(D) by striking out in subparagraph (I) "or at the rate of 2 cents a gallon where tax was paid at the 4-cent rate" and inserting in lieu thereof ", at the rate of 2 cents a gallon where tax was paid at the 4-cent rate, or at the rate of 5 cents a gallon where tax was paid at the 7-cent rate".

(2) Section 6421(h) of such Code (relating to nonhighway or local transit use of gasoline) is amended by striking out "July 1, 1972" and inserting in lieu thereof "October 1, 1972".

On page 6, line 23, strike out "$3 a year" and insert "$5 a year".

On page 7, line 13, strike out "75 cents" and insert "$1.25".

On page 21, beginning with line 20, strike out all through line 4 on page 22.

On page 22, line 5, strike out "(b)" and insert "(a)".

On page 22, line 7, strike out "such Act" and insert "the Highway Revenue Act of 1956".

On page 22, line 12, strike out "(c)" and insert "(b)".

On page 23, line 11, strike out "(d)" and insert "(c)".

On page 24, line 9, strike out "(e)" and insert "(d)".

(b) On page 6, line 7, strike out "4 cents" and insert in lieu thereof "10 cents".

On page 20, line 12, strike out "2 cents" and insert in lieu thereof "7 cents".

Mr. DOUGLAS. Mr. President, as I have said, it is not my intention to ask for a yea-and-nay vote, for the reasons I have stated, but I wish to give every Senator an opportunity to vote on the proposal by voice, so that we may at least have a verbal verdict, even though we do not identify the individuals involved. I therefore wish to serve notice in this regard.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LAUSCHE. My belief is that the question will again come before the Senate. It is well at this time to lay down the status and to show what are the issues.

Mr. DOUGLAS. If some other Senator wishes to ask for a yea-and-nay vote, I shall not oppose it. I shall not ask for it.

I serve notice, Mr. President, that when I suggest the absence of a quorum I shall insist upon a live quorum, so that a majority of the Members of the Senate may be present to vote.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from Colorado.

Mr. CASE of South Dakota. Mr. President, did the Senator have in mind suggesting the absence of a quorum immediately?

Mr. DOUGLAS. I shall be ready to yield the floor after I yield for a question to the Senator from Colorado. When the discussion is concluded, I shall suggest the absence of a quorum, and I shall not give my consent to having the quorum call terminated until a quorum is present.

Mr. BENNETT. Mr. President, will the Senator yield to me?

Mr. DOUGLAS. I agreed to yield to the Senator from Colorado. Then I shall be glad to yield to the Senator from Utah.

Mr. BENNETT. I thank the Senator.

Mr. CARROLL. I wish to ask a question of the able Senator from Illinois, who has given a great deal of study to the problem and who has made a brilliant presentation of the whole issue.

A businessman from Colorado, who is a distributor of diesel engines came to see me. He employs about 100 people in Denver and many more persons in other Rocky Mountain States. He traveled all the way from Colorado to tell me his story. I had not had the privilege of knowing him before or of his business problems, although his firm is well known in Denver.

This businessman told me that only 24 percent of the trucks of 50,000 pounds or over are powered by diesel engines.

Mr. DOUGLAS. I think that is approximately correct.

Mr. CARROLL. He said further that they are able to sell diesel-engine trucks by showing the trucks to be more economical in the use of fuel. According to him, in order to sell truck companies on using diesel engines it is necessary to show that at the point a truck is used more than 35,000 miles there can be reflected a saving in the cost of fuel.

The argument made is that if there is an increase in fuel cost by imposing an extra tax there will be no cost saving until the truck travels 65,000 miles. He says, "Of course, this destroys our sales argument. The increase in fuel cost would do great damage to our industry."

I said, "I do not think that was the intention of the tax proposal. I do not think that was the President's purpose at all." He said, "But these are the facts. I wish you would verify them."

I then called the office of the Secretary of the Treasury and asked them to answer the diesel company arguments. We were told to read pages 71, 72, and 73 of the Finance Committee hearings. I have read this testimony and I do not find it convincing at all.

I submit these problems to the Senator in all sincerity, because this proposal is important to the Rocky Mountain area, and to the people in my State.

If it is true that as a result of an increase in fuel costs the diesel engine industry would be placed in an adverse competitive situation compared to other engines, keeping in mind that diesels represent only 24 percent of the heavy trucks, it seems to me to be a reasonable or valid argument on their part that they not be burdened with an additional tax.

I said to my Colorado constituent "Is it not true, however, that diesel engine trucks are very heavy, and that therefore they should pay a proportionate share for wear and tear of highways?"

His response was, "Maximum weights are set by each State."

Mr. DOUGLAS. Are not the laws of the States very lax in this regard? I have attended meetings of the Illinois Legislature and I know something about

the difficulty of imposing maximum weight limitations upon trucks.

Mr. CARROLL. May I finish the presentation made by my constituent?

Mr. DOUGLAS. Certainly.

Mr. CARROLL. He said, "The maximum weights are set by the States." Whether they are enforced or not I do not know, but there are maximum weight limitations——

Mr. DOUGLAS. Which are very high.

Mr. CARROLL. Diesel engine trucks, he told me have a higher proportion of weight in the propulsion unit and hence, under maximum weight laws, carry a lighter payload.

He did not feel that the weight of a diesel truck and its effect on wear and tear of the highways, was any more of an argument than could be made with respect to the other 75 percent of the trucks, which are powered by gasoline.

Mr. DOUGLAS. The standards of weights, as I understand them, apply to loaded trucks and not unloaded trucks.

Mr. CARROLL. It is a question of overall weight, is it not, for the truck, loaded?

Mr. DOUGLAS. Exactly.

Mr. CARROLL. Thus, in the case of diesels, if the truck, to begin with, is heavier, its total payload must be lighter. At least such was the argument presented to me. I am very much impressed by the argument of the able Senator from Illinois, and I want to do what I believe in good conscience is right. At the same time I want to test the validity of this presentation by my very good constituent.

Mr. DOUGLAS. In reply to the Senator from Colorado, the economies of the diesel truck would still continue so far as the price of fuel is concerned. A gallon of diesel fuel, of course, would bring an appreciably greater mileage than a gallon of gasoline. The differential in the tax between 4 cents on gasoline and 7 cents on diesel fuel would be a difference of only 3 cents a gallon. We should not assume a proportionate increase in the cost of the diesel fuel as such.

The difference is merely a difference in the tax.

The point I am trying to make is that we should get at the added costs created by the diesel-driven truck. A gallon of diesel fuel will give greater use of the road—or more miles per gallon—than a gallon of gasoline used by a vehicle of the same weight and axle type.

Mr. CARROLL. In other words by virtue of the greater economy of its use, diesel fuel would yield greater mileage.

Mr. DOUGLAS. The Senator is correct, and therefore trucks using diesel fuel would produce greater wear and tear upon the road per gallon of fuel consumed.

Mr. CARROLL. Such was the position of the administration, I understand.

Mr. DOUGLAS. The Senator is correct. I read from the report to which the Senator from Colorado has referred. On page 73 of the hearings appears the following:

> The cost of supplying the road for a diesel vehicle is the same as for a gasoline vehicle, and the road-use payments therefore should be the same.

I interject here to say that gallon payments and not mileage payments would be involved.

> The fuel tax should not be thought of as a levy on a product but rather as a payment of a fair share of the cost of building the road and keeping it up. If a fuel or engine were to be developed that would go 10 times as far on a gallon of fuel as present engines, then we would have to adjust the tax rate. To a degree, this problem is already posed by the diesel engine. The differential of 3 cents per gallon on diesel fuel requested in the President's message was intended to overcome the disparity between the fuel tax payments of the diesel vehicle and the gasoline-powered vehicle. Since many of the very heavy vehicles are diesel powered, it would also help to cover the additional costs of highway construction required to be provided solely because of the very heavy vehicles.

Assuming that the ratio of mileage from gasoline to mileage from diesel is as 4 is to 7, it would mean that the cost per mile for the diesel fuel would be the same as the cost per mile for vehicles driven by gasoline. I believe that is approximately the case.

Mr. CARROLL. Mr. President, will the Senator yield further?

Mr. DOUGLAS. I yield.

Mr. CARROLL. I was much impressed by the young man who came to see me from Denver. I thought to myself that in our desire to have fiscal responsibility, as the able Senator from Illinois has said, the argument in behalf of the diesel differential might be valid. On the other hand, I do not wish to be placed in the position of eliminating someone from a competitive position by increasing the cost of the fuel. I believe that the point made by my constituent is valid.

I ask the able Senator from Illinois whether we know how much money would be raised as a result of his proposal as applied to diesel fuel? Have we the figure at hand? I understand an increase of 3 cents a gallon on diesel fuel is proposed.

Mr. DOUGLAS. Yes; I have that figure. The increase in the diesel tax from 3 cents to 7 cents would yield $1,568 million and an increase from 4 cents to 7 cents would therefore yield approximately $1,100 million.

Mr. CARROLL. $1,100 million?

Mr. DOUGLAS. Yes, over the 11-year period.

Mr. CARROLL. I thank the able Senator from Illinois. He has been very patient.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. BENNETT. I wonder if the Senator from Illinois would grant an unusual request. I have an appointment downtown that I am about to miss. I have an amendment which I would like to offer, and I shall use only a minute or two to discuss it. I should like to ask if his amendment may be laid aside temporarily while my amendment is voted upon, and then I shall be free to go on to my appointment.

Mr. DOUGLAS. Mr. President, in my desire to assist the Senator from Utah, I shall be glad to have that done, with the understanding that I do not lose my right to the floor.

Mr. BENNETT. Mr. President, I ask unanimous consent, on the condition that the Senator from Illinois does not lose his right to the floor, to call up my amendment 6-14-61—I for a brief explanation and a voice vote.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The amendment of the Senator from Utah will be stated.

The LEGISLATIVE CLERK. On page 19, before line 4, it is proposed to insert the following:

SEC. 207. PAYMENTS WITH RESPECT TO NONHIGHWAY USE OF CERTAIN HIGHWAY MOTOR VEHICLES.

Subchapter B of chapter 65 of the Internal Revenue Code of 1954 (relating to rules of special application for abatements, credits, and refunds) is amended by adding after section 6424 (as added by section 206 of this Act) the following new section:

"SEC. 6425. CERTAIN NONHIGHWAY USES OF MOTOR VEHICLES.

(a) OPERATION ON PRIVATE ROADS; ETC.—If a highway motor vehicle, whether licensed to operate upon a public highway or not, operates over (1) any road, thoroughfare, or property in private ownership, or (2) any road or thoroughfare pursuant to an agreement with any agency of the United States or of any State or with a licensee of any such agency, or both, if the agreement imposes upon the user of such road or thoroughfare the obligation either to construct such road at his own expense, to maintain the same at his own expense, or to pay any such agency or its licensee a reasonable consideration for the use of such road or thoroughfare, and such highway motor vehicle uses or consumes articles in respect of which tax has been imposed under section 4041, subsections (a) (1), (3), or (4) of section 4071, or section 4081, or such highway motor vehicle is one in respect of which tax has been imposed under section 4481, the Secretary or his delegate shall pay (without interest) to the ultimate purchaser of such articles or to the person in respect of whom tax has been imposed under section 4481, a proportionate part of such tax based upon the number of miles traveled by such highway motor vehicle over such road, thoroughfare, or property as compared to the total number of miles traveled by such vehicle, except that the amount of such payment shall not exceed an amount computed as though the tax imposed was at the rate of 1 cent a gallon in the case of articles under sections 4041 and 4081, or at the rate of 2 cents a pound in the case of subsection (a)(1) and (a)(4) of section 4071, or 1 cent a pound in the case of subsection (a)(3) of section 4071, or at the rate of $1.50 per year in the case of section 4481. The Secretary or his delegate shall have authority to prescribe regulations and recordkeeping requirements in respect of such payment.

"(b) OPERATION ON CERTAIN PUBLIC ROADS.—If a highway motor vehicle, whether licensed to operate upon a public highway or not, operates over any public road or thoroughfare constructed by, or maintained by, the owner of such motor vehicle, and

such highway motor vehicle uses or consumes articles in respect of which tax has been imposed under section 4041, subsection (a) (1), (3), or (4) of section 4071, or section 4081, or such highway motor vehicle is one in respect of which tax has been imposed under section 4481, the Secretary or his delegate shall pay (without interest) to the ultimate purchaser of such articles or to the person in respect of whom tax has been imposed under section 4481, a proportionate part of such tax based upon the number of miles traveled by such highway motor vehicle over such road or thoroughfare as compared to the total number of miles traveled by such vehicle: *Provided*, That the amount of such payment shall not exceed the share of the cost of constructing and/or maintaining such road by the claimant. The Secretary or his delegate shall have authority to prescribe regulations and record-keeping requirements in respect of such payment."

Renumber sections 207, 208, and 209 to be sections 208, 209, and 210, respectively.

On page 25, line 6, strike out "and 206" and insert "206, and 207".

The PRESIDING OFFICER. The question is on the amendment of the Senator from Utah.

Mr. BENNETT. Mr. President, the purpose of the amendment is to recognize the principle that there are many trucks which are not used on the highways, but on which, under the bill, their owners must pay the full taxes stated in the bill. The purpose of the amendment is to permit the operators of such trucks to apply for a refund, based upon complete records which they must keep, of only the new taxes added by the bill. The amendment would not affect the present existing taxes. If such refund can be supported by the figures, it would represent the portion of the total cost of operating the trucks during the year for which the refund is applied that the truck is operated off the highway.

The amendment is of particular interest to the logging industry, whose trucks use the highways only occasionally to move from one location to another. The same point is true of the mining and oil refining industries. The cost of the amendment would be less than $2 million a year. Its value is to establish the validity of the statement made by the Assistant Secretary of Commerce before the committee. He said,

It is no more proper that those who do not ride the facility to be charged for a ticket on it than for everybody to be forced by law to buy a season round-trip ticket on the B. & O. Railroad, whether they ever ride it or another train.

Unless there are questions, with that explanation I am happy to conclude my statement, and I ask for a vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah. [Putting the question.]

Mr. KERR. Mr. President, I request a division.

Mr. DOUGLAS. Mr. President, before we have a division, I should like to point out that while this amounts to only $2 million a year, over 11 years it is $22 million. It would throw us out of balance still more. I believe in fiscal responsibility. I ask for a division.

On a division, the amendment was rejected.

Mr. DOUGLAS. I wish to make one final point, and that is that the trucking industry is doing pretty well as things go. The revenues earned by the trucking industry have increased tenfold since 1939, at a time when the gross national product for the same period has increased only fivefold. The trucking industry has increased its revenues twice as rapidly as the economy of the country as a whole has gone forward. Its net profit or net worth over the last 10 years has ranged from a low of 8 percent to a high of 23 percent. In 1959 it was 12 percent. And, these figures are for net profit after all taxes.

Therefore, the trucking industry, as evidenced by its growth, is doing extremely well. My amendment would not heap a burden upon a struggling industry. Trucking is an industry which tears up the roads, and therefore should bear a proportionate burden of the cost of those roads.

I do not want the heavy trucks to run over the American people.

I suggest the absence of a quorum.

Mr. ALLOTT. Mr. President, I wonder whether the Senator desires to suggest the absence of a quorum prior to further discussion of the amendment.

Mr. DOUGLAS. Frankly, I face this fact. I am told that there are many Senators who have dinners they wish to attend this evening. In an effort to be obliging to my colleagues, I wish to suggest the absence of a quorum. Certainly I do not want to shut off discussion by the Senator from Colorado. If he wishes to discuss the subject further I shall be very glad to suspend my suggestion of the absence of a quorum, with the understanding, of course, that those Senators who miss the dinner engagement will have to charge the Senator from Colorado with the responsibility, not the Senator from Illinois.

Mr. ALLOTT. I am very happy to assume that responsibility, because my remarks will be very short and to the point.

I believe there is a great deal of merit in what the Senator from Illinois has said. There is no question about the load that is imposed upon the highways by large trucks. There is no question that that load is much greater than that imposed by passenger cars. I am aware of the studies that have been made. However, I believe there are certain pertinent facts with respect to his amendment that should be brought out. I wish to speak briefly on the subject, because I want to make my position very clear on this point, particularly because the vote on the amendment will be a voice vote.

First, let me point out that only a small proportion of all the heavy duty trucks are diesel trucks. Since this amendment will impose a great burden upon diesel trucks, it would impose an unfair burden upon the users of such equipment. Only 1.3 percent of all trucks are diesel. I have some statistics in my hand which I ask to have printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Diesel trucks as percent of total

	Total vehicles		Total trucks		Total heavy-duty trucks (over 26,000 pounds g.v.w.)	
	Percent	Number	Percent	Number	Percent	Number
Diesels	0.2		1.3	155,000	15	135,000
Total		73,560,000		11,500,000		900,000

Source: Bureau of Public Roads; Research and Economic Department, American Trucking Association, Mar. 8, 1961.

Mr. ALLOTT. Mr. President, in addition, only 15 percent of all heavy duty trucks over 26,000 pounds are diesels. Of the very heaviest trucks, those over 50,000 pounds, only 24.5 percent are diesels.

What is the impact of these facts upon the American economy and upon the people of this country? I should like to point out that in the mountainous areas of this country—in Montana, Idaho, Colorado, Wyoming, Utah, Nevada, New Mexico, and Arizona—the comparison of diesel trucks to gasoline trucks in the very large category, over 50,000 pounds, shows that diesel trucks constitute 54 percent of the total and gasoline trucks 46 percent. I have in my hand a chart, which I ask unanimous consent to have made a part of my remarks at this point in the RECORD.

There being no objection, the chart was ordered to be printed in the RECORD,

Distribution of gasoline and diesel trucks (50,000 pounds gross vehicle weight and over) (reference-classification of motor vehicles, 1956–57, Bureau of Public Roads, 1960, series III, tables 7 and 8)

Area	Gasoline		Diesel	
	Amount	Percent	Amount	Percent
Pacific	26,381	54	22,198	46
Mountain	12,055	46	14,337	54
West North Central	22,922	82	5,175	18
West South Central	40,701	91	4,133	9
East North Central	64,294	90	7,309	10
East South Central	13,415	76	4,132	24
South Atlantic, South	24,073	69	10,848	31
South Atlantic, North	12,422	78	3,551	22
Middle Atlantic	43,584	86	7,324	14
New England	16,267	86	2,518	14
U.S. total	276,114	77	81,524	23

Mr. ALLOTT. It will be easily seen that of all the areas of the country, the number of diesel trucks used in the large, heavy category is greatest in the mountain States. What does this mean? Since the diesels bear only a small relation to the total trucks, even in the heaviest category, it means that by placing a tax upon diesel trucks we are placing the greatest burden on the mountain States.

Here is an example of what I mean. In the extreme Pacific area, 46 percent of the heavy trucks are diesels. In the West North Central area, the figure is only 18 percent. In the West South Central, it is 9 percent. In the East North Central it is 10 percent. In the South Atlantic, South, it is 31 percent. In the South Atlantic, North, it is 22 percent. In the Middle Atlantic it is 14 percent. In the New England area, it is 14 percent.

But I call your particular attention to the Mountain States. There the number of diesels is 54 percent of the total number of trucks. What that means is that when we throw this extra, additional burden upon diesel fuel, the people of the Mountain States are paying more than their proportionate share for the use of the highways. It is not the truckers who are ultimately affected. In the Mountain States, the diesel is used predominantly because of its efficient qualities and its ability to sustain long heavy haul operations; the people who have goods and manufactured products and agricultural products transported by trucks, in the Rocky Mountain Region, would pay the heaviest burden of the tax, proportionately, to the entire Nation.

My colleague from Colorado mentioned the expense of diesel equipment, and I have had people discuss this point with me as well. A diesel engine is an expensive engine. I wonder whether it has occurred to my friend that the people who buy a diesel engine must spend $400 to $500 more in Federal excise taxes for their trucks than a man who buys a gasoline truck. Therefore, the buyer of a diesel truck starts out with a larger investment than the purchaser of a gasoline truck.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. LAUSCHE. Is it not true that to the extent that there is a greater use of diesel fuel, to that same extent, the States of the East have a greater use of normal fuel——

Mr. ALLOTT. Gasoline.

Mr. LAUSCHE. Yes; gasoline. Since gasoline produces far less mileage than does diesel fuel, it works itself out equitably. Is that not correct?

Mr. ALLOTT. Let me correct an erroneous impression of the Senator. The diesel is a more efficient engine.

However, the major portion of the efficiency is obtained by the ingenuity of the design itself. Diesels convert 36 percent of their energy into useful power, while a gasoline engine—assuming both types are in good condition—converts about 29 percent of its energy into power. So there is a slight difference. The diesel does get a greater mileage, that is true; but not to the extent that the Senator from Ohio thinks it does. I should say it is not in excess of 15 percent.

Mr. LAUSCHE. The study which was made declares that the formula which has been recommended is equitable. May I ask who provided the figures which the Senator from Colorado is quoting?

Mr. ALLOTT. They are the figures I asked to have printed in the RECORD. They came from the classification of motor vehicles in the Bureau of Public Roads.

Mr. LAUSCHE. I thank the Senator from Colorado.

Mr. ALLOTT. Mr. President, I shall have to oppose the amendment. In proportion to the overall system it proposes a great additional burden on the people in the Mountain States, where the proportion of heavy vehicles in the diesel classification is much greater. I have no doubt who will pay for this additional burden. The person who will pay it will not be the trucker, but the ultimate consumer.

Mr. CARROLL. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

Mr. CARROLL. I commend my colleague, the distinguished Senator from Colorado, for his presentation.

I recall the days of my youth, when Members of Congress from the Mountain States were fighting for lower freight rates in the West, because of the long rail haul over the mountains. This has always been a dominant issue in the West—higher freight rates. This issue before us today once more raises the specter of discriminatory freight rates in the West.

The senior Senator from Colorado has stated that the greatest use of diesel engines is in the mountain area. He is absolutely correct. This is because diesels have the great power necessary to haul heavy loads over mountain passes. In addition, there is the fuel economy factor, which I mentioned earlier of diesel engines against gasoline engines. So the senior Senator from Colorado has made a substantial contribution to the debate.

I was amazed when I examined the record made by the committee in its investigation. A large sum of money will be involved over a period of years if the diesel fuel tax is increased. It runs from $1,200 million, under one aspect of the amendment, to $1,500 million or $1,800 million.

Therefore, when the able senior Senator from Colorado says that 54 percent of the trucks in the Mountain States are diesel powered, he is talking about a region sparsely populated, and is already discriminated against in freight rates, and an additional tax means that our region will have to pay a proportionately excessive share of the tax, thereby making our freight rates even more oppressive.

I join with my colleague from Colorado in stating that it is my intention to vote against the amendment.

Mr. ALLOTT. I thank my colleague from Colorado.

I may say to the distinguished Senator from Ohio [Mr. LAUSCHE], who is still in the Chamber, and who asked me a question on this point, that the Bureau of Public Roads, in its third progress report on the section 210 study, showed from 5 percent less to about 18 percent more miles per gallon for diesel engines as compared with gasoline engines. I stated, as an offhand opinion, that it was not more than 15 percent.

I did not miss it by very much.

Mr. LAUSCHE. What has been recommended by the President and sponsored by the Senator from Illinois is the essence of the study made deliberately to ascertain how the cost of highways ought to be borne. That study was made by the Bureau of Public Roads; and the Bureau of Public Roads, which the Senator from Colorado has quoted, has recommended this figure.

Mr. ALLOTT. Regardless of how the Senator from Ohio feels, I wish to make it perfectly clear that I know he would not stand on the floor of the Senate and see any such advantage taken of his own State. I do not intend to have any such advantage taken of the State of Colorado or of the Mountain States, because there is no question, regardless of what the Bureau of Public Roads or anyone else has recommended, that this proposal will place a great additional burden, population-wise and in every other way, upon the Mountain States. I could not stand here and fulfill my duties to my section of the country and to my State if I were not to call this situation to the attention of the Senate.

Mr. LAUSCHE. I recognize the sincerity of the Senator from Colorado. I did not in any way mean to imply that he was not sincere in the judgments which he reached.

Mr. ALLOTT. Moreover, I say to the Senator from Ohio, who is one of my dearest friends in the Senate, that I believe we in the Mountain States have been discriminated against for a long time, freight-wise. The examples of that discrimination could continue endlessly. I hope that some day the situation may be cured. But it happens that our section of the country uses more of the heavy diesel-engine tractors in proportion to the rest of the country—in fact, the percentage is so large that I could not ignore it—accordingly I had to speak to this point.

Mr. DOUGLAS. Mr. President, I am ready to yield, temporarily, to Senators who wish to make insertions in the RECORD or to ask further questions.

Mr. ALLOTT. Mr. President, I thank the Senator from Illinois for withdrawing his request for a quorum call, so that I might speak.

Mr. DOUGLAS. I again serve notice that after I have yielded to other Senators, I intend to suggest the absence of a quorum and insist upon a live quorum.

Mr. SMITH of Massachusetts. Mr. President, will the Senator from Illinois yield so that I may address a question to the Senator from Oklahoma?

Mr. DOUGLAS. I yield, provided I may do so without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, notified the Senate that the House resolution, disapproving Reorganization Plan No. 1 of 1961, did not pass.

The message informed the Senate that the House had passed a resolution disapproving of Reorganization Plan No. 2 of 1961.

FEDERAL-AID HIGHWAY ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes.

Mr. CASE of South Dakota. Mr. President, is it in order to comment now on the action taken by the House of Representatives?

Mr. DOUGLAS. Mr. President, who has the floor?

The PRESIDING OFFICER. The senior Senator from Illinois has the floor.

Mr. DOUGLAS. Mr. President, I think the RECORD should show that I have been extremely indulgent in yielding, although at the same time I am being pushed by Senators to hurry with my presentation, so that various Members will be able to keep engagements downtown. With all due deference to my friend, the Senator from South Dakota, I must decline to yield.

Mr. CASE of South Dakota. Then I hope I may be recognized in my own right.

Mr. SMITH of Massachusetts. Mr. President, I appreciate the courtesy of the Senator from Illinois in yielding to me.

In reference to section 104(a) of the Federal-Aid Highway Act of 1961, amending section 111 of title 23 of the United States Code, that section provides for agreements which would authorize a State or political subdivision thereof to use or permit the use of airspace above or below the established grade level of the highway pavement. If such permission to use the airspace were given, would the State or political subdivision thereof be permitted use of the airspace by agreement, or would the State be required to purchase the airspace rights? For example, would the city of Fall River, which is intending to place its city hall on a platform over an interstate highway, be required to purchase the air rights over that highway?

Mr. KERR. Mr. President, the Senator from Massachusetts has asked a question about section 104, on page 3 of the bill, beginning in line 21. It reads as follows:

SEC. 104. AGREEMENTS RELATING TO USE OF AIRSPACE ON INTERSTATE SYSTEM

(a) The last sentence of section 111 of title 23 of the United States Code is amended to read as follows: "Such agreements may, however, authorize a State or political subdivision thereof to use or permit the use of the airspace above and below the established grade line of the highway pavement for such purposes as will not impair the full use and safety of the highway, as will not require or permit vehicular access to such space directly from such established grade line of the highway, or otherwise interfere in any way with the free flow of traffic on the Interstate System."

As I understand the Senator's question, he has asked whether, in a situation in which the provisions of this section are implemented, a contract could be made between the Bureau of Roads and a State highway department, as a result of which the city of Fall River would be able to place its city hall on a platform over an interstate highway, or whether it would be required to purchase the air rights over that highway.

Mr. SMITH of Massachusetts. Yes.

Mr. KERR. The answer is as follows: In the ordinary acquisition of right-of-way, the State highway department acquires fee simple title to the land included in the right-of-way. I am not in a position to say to the Senator that there is never an exception to that. Unless there would be an exception, the answer to his question is "Yes." In other words, unless the title acquired by the State highway department was less than fee simple title, the answer to his question is "Yes."

He can understand that if there might be a situation in which the State was unable to acquire fee simple title, but acquired, instead, only an easement to the use of the land for a right-of-way, then neither the State highway department nor the Bureau of Roads could, in such a situation, give the city a right to use something which had not been acquired.

But in view of the fact that, so far as I know—and certainly in every instance in which that is the case—the ordinary procedure is for it to acquire fee simple title, and when that is the situation, the Federal Bureau of Roads and the State highway department could make a contract whereby the city could have a right to place its city hall on a platform over the highway, so long as it did not—as the language of the bill states—"impair the full use and safety of the highway, as will not require or permit vehicular access to such space directly from such established gradeline of the highway, or otherwise interfere in any way with the free flow of traffic on the Interstate System."

Mr. SMITH of Massachusetts. I thank the Senator from Oklahoma.

Mr. KERR. I thank the distinguished Senator from Illinois for permitting us to have this colloquy.

Mr. SMITH of Massachusetts. I, too, thank the Senator from Illinois for yielding for this question.

ORDER OF BUSINESS

Mr. CASE of South Dakota. Mr. President——

Mr. DOUGLAS. Mr. President, I thought the Senator from South Dakota was seeking to have me yield, in order that he might speak on the President's reorganization plan, which is extraneous to the bill now under consideration or to the amendment now under consideration. That is why I declined to yield to him.

But if he wishes to speak on the amendment in question, I shall be very glad to yield the floor.

Mr. CASE of South Dakota. Mr. President, I should like to be recognized, but certainly I do not wish to accept recognition under any restriction which would prevent me from speaking on the action taken by the House of Representatives on the reorganization plan. I do not expect to speak more than 2 or 3 sentences, at the most, on that matter; I am not the most loquacious speaker, and my remarks will be brief.

Mr. DOUGLAS. Mr. President, as I read the RECORD this morning, particularly in regard to the order of business laid down last night by the majority leader, debate on the reorganization plan is to be made the order of business next Monday.

Mr. CASE of South Dakota. Mr. President, more time has already been consumed in discussing the matter of procedure than would have been used if I had been permitted to proceed with my brief statement.

Mr. MANSFIELD. Mr. President, that particular reorganization plan will be the order of business next Tuesday, but that will cover only one reorganization proposal, because I think the one on which the Senator from South Dakota would make a few remarks was defeated this afternoon in the House of Representatives.

REORGANIZATION PLANS NOS. 1 AND 2 OF 1961

Mr. CASE of South Dakota. I merely intended to call attention to the fact that the House has refused to approve a resolution disapproving Reorganization Plan No. 1. I had made a statement before the Government Operations Committee on that subject. I am gratified to know that the House has acted today, and has already disapproved Reorganization Plan No. 2, which will make it unnecessary for the Senate to act, because disapproval by either House defeats a reorganization plan. I am gratified by the action the House has taken. That is all I wished to say on that subject.

But I do want to say something about the Douglas amendment, either before or after the quorum call.

FEDERAL-AID HIGHWAY ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes.

Mr. DOUGLAS. I am glad to have this explanation by the Senator from South Dakota. I had not realized his remarks on the reorganization plan were going to be extremely brief. I was afraid we would be led off on a lengthy discussion of an extraneous issue. I did not want to shut off the Senator from South Dakota.

Mr. President, I ask unanimous consent that appropriate tables be inserted

in the RECORD at given points in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOUGLAS. Second, I shall yield the floor, with the understanding that at sometime tonight I shall suggest the absence of a quorum.

I am very glad to yield the floor.

Mr. CASE of South Dakota. Mr. President, I give assurance to Senators present, including the Senator from Illinois, that the Senator from South Dakota is as interested in having a vote come on the issue as is any other Senator. He canceled a plane reservation for 5:30. He has several other reservations during the night. I hope a vote will be taken before the Senator from South Dakota must cancel the other reservations on the plane, in order to get in South Dakota by 9:30 tomorrow morning.

With respect to the pending amendment, I wish to make two or three observations.

First, the States bear responsibility for the maintenance of highways. When a highway is once constructed, the maintenance of it falls on the State. In my State—and I assume it is true in other States—truck operators must pay not only for license fees, but for compensation plates. Those compensation plates are intended to take note of the wear and tear that the trucks cause. They differ from State to State. Some States use a ton-mile basis. Some States use a weight basis. In any event, it is a source of revenue for the States.

If, without hearings and consideration of what the States are doing in this field, we were to attempt, by Federal legislation, to impose a tax which would measure the difference in wear and tear as between an automobile and a truck, and add it to what the trucks already pay to the States, I do not see how we could possibly assume that we were doing equity.

Moreover, if the Federal Government is to take over the business of taxing trucks on the basis of the difference in wear and tear, the truck operators could logically go to the States and say, "The Federal Government is taxing us for this difference. You must readjust your tax schedule."

I am sure the distinguished Senator from Ohio [Mr. LAUSCHE], who was a Governor of a State, had to wrestle with the problem of how the State of Ohio would get enough money to maintain the highways, in view of the wear and tear on them.

Does the Senator from Ohio feel that the Federal Government ought to appropriate this source of revenue to the Federal Government, and take it away from the States; or does the Senator feel that both the Federal Government and the States should go into the field? Would not that be double taxation?

Mr. LAUSCHE. I do not feel that the Federal Government ought to take away from the States their right to collect money to build their internal roads or make repairs.

Mr. CASE of South Dakota. Or to maintain the roads that are built with Federal aid. The Federal Government does not maintain them; the States maintain them.

Mr. LAUSCHE. The reason why I am supporting the proposal of the Senator from Illinois is that we are trying to devise an equitable method of appropriating funds to build the original highways. When I was speaking, about a half hour ago, I said that the equitable method of collecting funds, both for construction and maintenance, is to ascertain what wear and tear is imposed upon the highways by various types of motor vehicles, and then to assign proportionately, reflecting the wear and tear that they impose, the cost of building and maintaining them. But comprehended in that statement was the recognition that I know this money is for the original cost of building the highways.

Mr. CASE of South Dakota. The President recommended that the tax on heavy trucks be increased from $1.50 to $5. The increase recommended in committee, both in the House and the Senate, was from $1.50 to $3.

I do not pose as an expert as to which is the proper amount of tax. That is the function of the committee on taxation. But I do know, as a matter of equity and general principle, that when a tax is doubled, a pretty heavy increase has been made.

The bill as it comes from committee proposes to double the tax, on a weight basis, on trucks from $1.50 to $3. That is a 100-percent increase. Perhaps it ought to go to $5, but that would be a 233-percent increase.

It seems to me that, as a matter of legislative practice, we ought not to go further than double a tax without rather extensive hearings.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. DOUGLAS. The Senator from South Dakota has said he is not an expert on this subject. Of course, the Senator from Illinois does not regard himself as an expert.

Mr. CASE of South Dakota. But the Senator from Illinois has studied finance and economics much more extensively than I.

Mr. DOUGLAS. Does the Senator consider the Bureau of Public Roads as an expert on this subject?

Mr. CASE of South Dakota. I am not sure the Bureau of Public Roads is an expert on the subject of taxation.

Mr. DOUGLAS. Is it an expert on the subject of comparative costs?

Mr. CASE of South Dakota. The Bureau of Public Roads should know something about comparative costs, but the Bureau of Public Roads does not have the problem of maintaining highways. That is a problem of the States, and I do not want to injure the tax structure of the States without adequate hearings.

I see present the Senator from Kansas [Mr. CARLSON], who was a distinguished Governor of a great State. I am sure he encountered the problem of getting tax revenues for the State of Kansas to maintain roads, once they were built. Our tax structure gradually develops through trial and error.

If, on the limited evidence, Senators would have when they came to a vote, we were to destroy the fabric of taxation in relation to Federal and State taxes, and say, "The Federal Government has decided that trucks create more wear and tear, so we are going into this field, already occupied by the States with their compensation plates," how could we tell what injury would be done to revenue sources so far as the several States are concerned?

I daresay there are some governors who would wonder whether they should call special sessions of the legislatures to deal with the problem.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. CARLSON. I commend the Senator from South Dakota for making a statement which I think should be made on the floor of the Senate before the Senate votes on the amendment.

This would present a real problem to many States. I speak as a former governor who handled highway operations for 4 years. This would present a very serious problem.

I agree with the Senator that a 100-percent increase in the truck tax is all we should put on at this time. I sincerely hope the Senate will not go further.

Mr. CASE of South Dakota. Mr. President, I have only one other point I wish to make now.

There is also a differential between the gasoline tax and the tax for other types of fuels for trucks in many States.

The State of California, for example, has a 6-cent tax on gasoline and a 7-cent tax on other combustibles and liquids to propel vehicles, other than gasoline.

The State of Montana has a 6-cent tax on gasoline, and a 9-cent tax on diesel fuel.

The State of New York has a 6-cent tax on gasoline and a 9-cent tax on diesel fuel.

The State of South Dakota has a 6-cent tax on gasoline and a 7-cent tax on other fuels, including diesel fuel.

The State of Texas has a 5-cent tax on gasoline and a 6½-cent tax on diesel fuel.

The States already have two differentials; one through the compensation plates on trucks and the other through the different rates of taxation on the fuels used.

Mr. President, I ask unanimous consent that a table which gives a contrast on fuel taxes levied by the States, so far as I have been able to assemble it, may be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Data on diesel fuels taxes as of Aug 24, 1960,
[Source: "State Regulations—Motor Taxation"]

	Cents per gallon
2 States	9
1 State	8
21 States	7
5 States	6½
13 States	6
1 State	5½
6 States	5
1 State	3
1 State	(1)

[1] No tax.

States that differentiate in fuel tax

State	Gasoline	Tax on all combustibles and liquids to propel vehicles except gasoline
	Cents	*Cents*
California	6	7
Iowa	6	7
Kansas	5	7
Mississippi	7	8
Montana	6	9
New York	6	9
South Dakota	6	7
Texas	5	6½
Wyoming	5	7

NOTE.—2 States, Vermont and Hawaii, tax 1 cent; all others taxed at same rate as gasoline.

Source: "State Regulations—Motor Taxation."

Mr. CASE of South Dakota. Mr. President, I have been one of the most stanch advocates of and thorough supporters of the idea that we should pay our way, so far as possible, with regard to financing the highway program. I do not like any provision which takes money from the General Treasury to put into a trust fund. I have reluctantly assented at times to whatever may have been done in the past in that direction, but for the most part I have opposed doing it. I think we ought to have a pay-as-you-go plan, so far as possible.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. DOUGLAS. Is the Senator aware of the fact that the provisions in the bill submitted to us, which the Senator from South Dakota seems about to support, call for a diversion of $1.8 billion from the general fund into the highway trust fund?

Mr. CASE of South Dakota. I assume that the figure the Senator uses is correct, but I also assume that it relates to the entire period of the program.

Mr. DOUGLAS. Eleven years.

Mr. CASE of South Dakota. Yes. It is not $1.8 billion a year.

Mr. DOUGLAS. It is about $165 million a year.

Mr. CASE of South Dakota. On various occasions the Senator from South Dakota has opposed the idea of taking either direct appropriations from the Treasury for the trust fund or increasing the amount of the division, which would have the effect of transferring a deficit from one fund to the other.

Believing, as I do, that the plan ought to be on a pay-as-you-go basis, if possible, this would not warrant at the same time assenting to a step which, on the basis of all the evidence presently available, would seem to do an injustice or would tend to destroy the balance which has been developed between the State and Federal systems of taxation as applied to trucks and to fuels.

Mr. President, that is really all I care to say at this time. I recognize that the Senator from Illinois and other Senators who support his amendment are concerned with equity and are concerned with sound financing. I do not say one word against their motives. I think their motivation is excellent, and they are to be commended, but I think in this instance to take such action would be a mistake for the Senate, for it would disturb the taxation relationship as between the States and the Federal Government at this time.

I think a doubling of the weight tax on trucks is as much as we should do at one time.

Mr. DOUGLAS. Mr. President, I think the Senator from South Dakota knows I am his friend, and in times of trial and stress I have stood by him. I hope the Senator will not take it amiss if I say that his comment, that he is in favor of keeping a "pay-as-you-go" program, but would not levy the taxes to enable us to do so, reminds me of a line written by Lord Byron, which is.

And whispering "I will ne'er consent"—consented.

Mr. CASE of South Dakota. Mr. President, when I have discussed this problem in the committee and before roadbuilders and other groups, I have suggested that if we cannot develop enough current revenue from highway users I would not object to stretching out the program a year or two in order to keep it on a strictly pay-as-you-go basis. I had some material ready on that point, and I contemplated offering an amendment in order to avoid taking an additional "bite" from the General Treasury. However, I concluded, as a matter of practical legislative action, that such an amendment would not get anywhere at this time, so I did not wish to delay the Senate by going into the question.

Mr. DOUGLAS. Mr. President, unless some Senator wishes me to yield, I shall suggest the absence of a quorum. I shall pause for 5 seconds.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. MANSFIELD. Mr. President, will the Senator withhold his suggestion for a moment?

Mr. DOUGLAS. Yes; I withhold the suggestion.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations tonight, it stand in adjournment to meet at 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

Mr. CASE of South Dakota. Mr. President, reserving the right to object, what does the Senator mean? Is it planned to complete consideration of the bill tonight, or not?

Mr. MANSFIELD. We shall try to do so. I rather doubt we shall succeed. There are some measures on the calendar to which there is no objection. If the Senate meets tomorrow and consideration of the bill is finished, there will be no votes. Some Senators wish to make speeches, if consideration of the bill is finished.

Mr. CASE of South Dakota. I had hoped that the Senator would withhold his request for a little while, in order that we might feel under a little more compulsion about completing action on the bill tonight.

Mr. MANSFIELD. Mr. President, I withdraw the request.

Mr. DOUGLAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 80]

Aiken	Ervin	Monroney
Allott	Fong	Morse
Anderson	Fulbright	Morton
Bartlett	Gore	Moss
Beall	Gruening	Mundt
Bennett	Hartke	Muskie
Bible	Hayden	Neuberger
Boggs	Hickenlooper	Pastore
Bridges	Hickey	Pell
Burdick	Hill	Prouty
Bush	Holland	Proxmire
Butler	Hruska	Randolph
Byrd, Va.	Humphrey	Robertson
Byrd, W. Va.	Jackson	Russell
Cannon	Javits	Schoeppel
Carlson	Johnston	Scott
Carroll	Jordan	Smathers
Case, N.J.	Keating	Smith, Mass.
Case, S. Dak.	Kefauver	Smith, Maine
Church	Kerr	Sparkman
Clark	Kuchel	Stennis
Cooper	Lausche	Symington
Cotton	Long, Mo.	Talmadge
Curtis	Long, Hawaii	Thurmond
Dirksen	Long, La.	Tower
Dodd	Magnuson	Wiley
Douglas	Mansfield	Williams, N.J.
Dworshak	McClellan	Williams, Del.
Eastland	McGee	Yarborough
Ellender	Metcalf	Young, N. Dak.
Engle	Miller	Young, Ohio

The PRESIDING OFFICER (Mr. SMITH of Massachusetts in the chair). A quorum is present.

Mr. DOUGLAS. Mr. President, the amendment before the Senate would restore the President's program in its entirety, and would provide additional funds in the amount of approximately $2 billion so that any additional drafts upon the general revenue would be eliminated.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. JAVITS. If the amendment of the Senator from Illinois is rejected, does the Senator intend to offer any parts of his program?

Mr. DOUGLAS. I do.

Mr. JAVITS. I thank the Senator.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Illinois.

Mr. HOLLAND. Mr. President, I ask for a division.

On a division, the amendment was rejected.

Mr. FULBRIGHT. Mr. President, I offer my amendment 6–14–61—J, as modified, which is at the desk.

The PRESIDING OFFICER. The amendment of the Senator from Arkansas will be stated.

The LEGISLATIVE CLERK: On page 4, after line 11, it is proposed to insert the following new section:

SEC. 5. Use of Funds Appropriated for Defense Access Roads.

Section 210 of title 23, United States Code, is amended by adding thereto the following new subsection:

"(h) Funds appropriated for the purposes of this section shall be available to pay the cost of repairing damage caused to highways by the operation of vehicles and equipment in the construction of classified military installations and facilities for ballistic missiles if the Secretary shall determine that the State highway department of any State is,

or has been, unable to prevent such damage by restrictions upon the use of such highways without interference with, or delay in, the completion of a contract for the construction of such military reservations or installations. This subsection shall apply notwithstanding any provision of contract holding a party thereto responsible for such damage, if the Secretary of Defense, or his designee, shall determine, in fact, that construction estimates and the bid of such party did not include allowance for repairing such damage. This subsection shall apply to damage caused by construction work commenced prior to June 1, 1961, and still in progress on that date and construction work which is commenced or for which a contract is awarded on or after June 1, 1961."

Mr. FULBRIGHT. Mr. President, the amendment involves a very difficult situation that has arisen in my State.

The Corps of Engineers, for the Air Force, is now constructing Titan missile bases at 18 sites near the Little Rock Air Force Base in Arkansas.

The material for the construction of these bases is being concentrated at several points in Arkansas and is being hauled from them across the roads of the State to the construction sites. The use of the roads, designed as farm-to-market roads, for purposes for which they were not built and in much greater volume than was anticipated they would ever be used, has resulted in great damage to them. One of the best State highways in the State, Highway 36, from Searcy west to two of the missile base sites, has been virtually destroyed, according to the State highway director. In a letter to me, he said:

This was one of the best secondary highways in Arkansas, constructed with adequate base and hot plant-mixed asphalt concrete surfacing. It was in very good condition and would have served regular traffic many years with normal maintenance.

On October 6, 1960, before construction began, at a meeting held in the Bureau of Public Roads office in Little Rock, attended by representatives of the interested Government agencies and the Arkansas State Highway Department, it was agreed that a condition survey would be made of existing State and county roads for restoration purposes in case of damage by missile base traffic. The Arkansas State highway director has written to me about that meeting, as follows:

Several clauses from other contracts were read to us and we were assured, especially by Mr. A. F. Siegle, of the Bureau of Public Roads in Washington, that any roads that were damaged would be restored to their former condition.

On this assurance, the Arkansas Highway Department's cooperation was promised and it has done its utmost to assist the Government and the contractor in the performance of the contract.

At a meeting in my office on May 31, attended by Congressman MILLS, of Arkansas, and representatives of the Government agencies concerned, a representative of the Bureau of Public Roads confirmed the fact that that agency had assured the State highway department that the damaged roads would be restored to their former condition. In fact, the purpose of the condition survey was to determine the condition of the roads prior to construction activity, in order that the Government might know the extent of damage.

The Corps of Engineers and the Air Force have been requested on several occasions to undertake responsibility for paying for the repair and restoration of the roads but have refused to do so. They rely on a provision in their contract with the construction company, which holds the latter responsible to obtain any permits necessary for execution of requirements of the contract and to protect the Government from any damages incurred by the contractor. They view this provision as relieving them of any responsibility.

In connection with this provision of the contract, however, there are several points which ought to be noted. In the first place, it has been acknowledged by representatives of the military that the original construction estimates did not include a cost item for restoring public highways, and the contractor did not include an allowance for such work in his bid. Furthermore, the contract was between the Government and the contractor and there is no means by which the State highway commission can enforce it, as the State is not a party. The Defense Department representatives have passed the buck to the contractor, but the contractor considers the destruction as being normal wear and tear on the highways for the type of construction he has under contract. Presumably he takes the position that, having complied with the law and obtained the necessary permission to haul equipment, he is not liable.

The State highway commission is, therefore, placed in the intolerable position of having to impose such highly restrictive requirements on the use of the roads as to bring highly essential defense construction to a halt or allowing the roads to be destroyed.

There are about 300 miles of Arkansas highways which are or will be used to carry construction traffic for the missile installations. The potential loss of that much highway is very serious to our State.

I am informed that in Oklahoma, and perhaps in other States, the Defense Department included in its estimates of the cost of construction of the missile bases items for the repair of highways damaged, the contractor included this cost in his bid, and the contractor is repairing roads as they are damaged.

This is an emergency situation in Arkansas. Unless and until financial responsibility for reconstruction of the roads which virtually have been destroyed is established, and provision is made for damage which will occur in the future, the highway commission must interfere with performance of the contract and delay its completion, or suffer the loss of several millions of dollars of highways by reason of circumstances beyond its control.

On behalf of the senior Senator from Arkansas [Mr. MCCLELLAN] and myself, I am offering the amendment to the bill to fix financial responsibility in the Defense Department.

Under Public Law 85-767, August 27, 1958, funds are authorized to be appropriated and used for repair of highways, which have been or may be used for training of the Armed Forces, to bring them into suitable condition for such training purposes and for repairing the damage caused to such highways by the operation of men and equipment in such training.

Our amendment is an extension of this authority. It would provide that funds appropriated for defense access roads shall be available to pay the cost of repairing damage caused to highways by the operation of vehicles and equipment in the construction of military reservations or installations and the installation of the necessary equipment if the Secretary of Commerce, through the Bureau of Public Roads, shall determine that the State highway department of any State is or has been unable to prevent such damage by restrictions upon the use of such highways without interference or delay in the completion of a contract for such construction. It would apply notwithstanding any provision of a contract holding a party thereto liable, if the Secretary determines in fact that the construction estimates and the bid of the party did not include allowance for repairing such damage.

Mr. President, in conferences this afternoon with the Chief of the Corps of Army Engineers, Gen. W. K. Wilson, Jr., Lt. Col. H. O. Johnson, Jr., U.S. Air Force, Mr. Alan I. McCone, special assistant for installations of the Air Force, Mr. Samuel Hannenberg, Assistant General Counsel of the Air Force, Col. A. H. Frye, Jr., Deputy for Military Construction, and Mr. John V. Boreu, Assistant General Counsel, this whole matter was discussed. They believe that the amendment is necessary in order to enable the Defense Department to pay for the damage that this installation has caused.

Mr. MCCLELLAN. Mr. President, I am happy to join my colleague from Arkansas in sponsoring the amendment. What is involved is a matter of simple justice. The damage which has been caused to the highways in my State by reason of the construction of defense facilities is a legitimate expense in connection with national defense. The people of the State of Arkansas should not be compelled to bear the whole burden which has come about by reason of the defense facilities which have been constructed for the defense of the whole Nation. The amendment merely provides for reimbursement for the actual damage that has occurred. I would say that if, in the course of preparing our defenses in this country, we destroyed a public building, or a courthouse, or a schoolhouse, or any other kind of facility owned by a State, we would expect the Federal Government to pay for it. This construction is being done for the good of all, for the welfare of the Nation as a whole, and for its defense and protection. It is only simple equity that the State be reimbursed to the extent of the actual damage done to the highways by reason of the establishment of a defense facility. I join my colleague in urging that the amendment be adopted.

Mr. FULBRIGHT. I thank my colleague from Arkansas. I hope the Sen-

ator from Oklahoma will be willing to accept the amendment.

Mr. KERR. Mr. President, I believe the amendment is a worthy one, and I recommend its approval.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, offered by the Senators from Arkansas.

The amendment, as modified, was agreed to.

Mr. DOUGLAS. Mr. President, I offer my amendment identified as "6–13–61—F."

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 6, line 23, it is proposed to strike out "$3 a year" and insert "$5 a year".

On page 7, line 13, it is proposed to strike out "75 cents" and insert "$1.25".

Mr. DOUGLAS. Mr. President, the amendment breaks up the previous amendment which I offered. It is confined to the users' tax. It would increase the rate per 1,000 pounds on trucks in excess of 26,000 pounds from $3 a year, as provided in the bill as passed by the House, to $5 a year, as recommended by the President. I shall not make any argument on this point, because I made my argument in connection with it earlier. However, certain Senators have stated that they would like to vote on these measures separately. I shall not ask for a yea-and-nay vote for the reasons I previously stated, namely, that I do not want to have the bravest and best Members of this body exposed to reprisals by the trucking lobby.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois.

Mr. JAVITS. Mr. President, I ask for a division.

On a division, the amendment was rejected.

Mr. DOUGLAS. Mr. President, I call up my amendment identified as "6–13–61—E."

The PRESIDING OFFICER. The amendment will be stated.

Mr. DOUGLAS. Mr. President, I ask unanimous consent that the amendment be not stated but printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 4, beginning with line 19, it is proposed to strike out all through line 2 on page 5, and insert the following:

"SEC. 201. Motor Fuel Tax Rates.

"(a) DIESEL FUEL AND SPECIAL MOTOR FUELS.—

"(1) DIESEL FUEL.—Subsection (a) of section 4041 of the Internal Revenue Code of 1954 (relating to tax on diesel fuel) is amended—

"(A) by striking out '3 cents a gallon' and inserting in lieu thereof '7 cents a gallon'; and

"(B) by striking out '1 cent a gallon' and inserting in lieu thereof '5 cents a gallon'.

"(2) SPECIAL MOTOR FUELS.—Subsection (b) of section 4041 of such Code (relating to tax on special motor fuels) is amended—

"(A) by striking out '3 cents a gallon' and inserting in lieu thereof '4 cents a gallon'; and

"(B) by striking out '1 cent a gallon' and inserting in lieu thereof '2 cents a gallon'."

On page 5, strike out lines 15 through 18, and insert the following:

"(e) CONFORMING AMENDMENTS.—

"(1) Section 6416(b)(2) of such Code (relating to specified uses and resales in which tax payments are considered overpayments) is amended—

"(A) by striking out in subparagraph (H) 'or 4 cents' and inserting in lieu thereof ', 4 cents, or 7 cents';

"(B) by striking out in subparagraph (H) 'or 2 cents (where tax was paid at the 4-cent rate)' and inserting in lieu thereof ', 2 cents (where tax was paid at the 4-cent rate), or 5 cents (where tax was paid at the 7-cent rate)';

"(C) by striking out in subparagraph (I) 'or 4 cents' and inserting in lieu thereof ', 4 cents, or 7 cents'; and

"(D) by striking out in subparagraph (I) 'or at the rate of 2 cents a gallon where tax was paid at the 4-cent rate' and inserting in lieu thereof ', at the rate of 2 cents a gallon where tax was paid at the 4-cent rate, or at the rate of 5 cents a gallon where tax was paid at the 7-cent rate'.

"(2) Section 6421(h) of such Code (relating to nonhighway or local transit use of gasoline) is amended by striking out 'July 1, 1972' and inserting in lieu thereof 'October 1, 1972'."

Mr. DOUGLAS. Mr. President, this is the second part of my original amendment. It would increase the tax on diesel fuel from the present rate of 4 cents, which otherwise would revert to 3 cents, to 7 cents, in conformity with the recommendation of the President. I shall make no extended statement on this point; nor shall I ask for a yea-and-nay vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment was rejected.

Mr. DOUGLAS. Mr. President, we have now drawn upon the General Treasury in the sum of $1,800 million over a period of 11 years to subsidize the trucking industry. I believe that fact should be known. This is not only fiscal irresponsibility, but it is class legislation to help a group which does not need help. The trucking industry is already making an ample profit, but it is to be additionally subsidized out of the General Treasury. Let no Senator, after voting "no" on these amendments, claim that he is fiscally responsible. I shall say no more on this tonight.

Mr. JAVITS. Mr. President, I call up my amendment identified as 6–13–61—B.

The PRESIDING OFFICER. The amendment will be stated.

Mr. JAVITS. Mr. President, I ask unanimous consent that the amendment be not read, but printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 4, following line 15, insert the following:

"SEC. 105. INCLUSION OF TENANT RELOCATION COSTS IN THE DEFINITION OF 'CONSTRUCTION'.

"The definition of the term 'construction' in section 101 of title 23, United States Code, is amended to read as follows:

" 'The term "construction" means the supervising, inspection, actual building, and all expenses incidental to the construction or reconstruction of a highway, including locating, surveying, and mapping (including the establishment of temporary and permanent geodetic monuments in accordance with specifications of the Coast and Geodetic Survey in the Department of Commerce), costs of rights-of-way (including the cost of relocation of building tenants), and the elimination of hazards of railway grade crossings.' "

Mr. JAVITS. I offer the amendment in behalf of myself, my distinguished colleague from New York [Mr. KEATING], the assistant majority leader, the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Connecticut [Mr. BUSH]. I shall take only a minute to explain it.

The amendment relates to the definition of the word "construction" in the law as it now reads.

The amendment goes to the proposition that the Federal highway law which we are dealing with tonight, unlike the Urban Renewal Act, for example, and other acts with which we have dealt, makes no provision whatever for the dislocation and enforced removal of tenants who are in the path of a Federal highway project. This is not their fault. They receive no compensation by way of a condemnation award. They are up against it and out of luck.

The President of the United States, in his message to Congress on February 28, takes special cognizance of this situation and urges that we do something about it. He draws an analogy with the urban renewal law. He urges a good deal more than is contained in the amendment. He urges that such people be given help in finding reasonable housing at reasonable cost, not merely the cost of relocating, or moving from one place to another.

The problem is very serious for thousands of families in New York City alone. At present, we are facing displacements which have already occurred or are about to occur with respect to 18,000 families. A survey by the Department of Commerce on this question, dated June 8, 1961, indicates that in six States alone the displacement of 90,000 families must be dealt with.

Mr. President, I ask unanimous consent that the survey by the Department of Commerce be printed at this point in the RECORD.

There being no objection, the survey was ordered to be printed in the RECORD, as follows:

TENANT RELOCATION, JUNE 8, 1961

The Bureau of Public Roads is assembling data on tenant relocation occasioned by interstate highway construction throughout the United States. This information was only recently requested, and since it is not readily available much of the reporting is based on estimates by officials and not factual data.

Reports were requested for all urban areas of over 50,000 population. Since between 80 and 90 percent of all interstate urban mileage is included in these urban areas, tenant relocation in other areas will be a relatively small portion of the overall problem. Pending completion of a national summary six States were selected with a wide geographical distribution as a representative sample of conditions in many States.

The six States are California, Louisiana, Massachusetts, Missouri, North Carolina, and Ohio. These States reported 4 urban areas

of more than 1 million population; 5 areas between 500,000 and 1 million; 5 between 250,000 and 500,000; 13 from 100,000 to 250,000; and 17 from 50,000 to 100,000.

At the beginning of the program in 1956 there were 950 miles of interstate routes to be constructed in the above urban areas at a total estimated cost of about $4,460 million. These portions of the Interstate System appear to involve the displacement of approximately 90,000 families of which over 40,000 have been already relocated as of January 1961. The acquisition of right-of-way for these sections of interstate highways will also involve some 9,000 businesses of which nearly half were removed before January 1, 1961.

Assistance given to displaced families and businesses has been spotty, consisting of various types of aid including counseling, mortgage insurance under section 221 of the Housing Act, and in some cities actual cash allowances to cover cost of moving. It is reported that over 6,000 families and 800 businesses in the selected States were provided assistance in accord with the above.

Mr. JAVITS. Mr. President, I have great hope that the distinguished Senator from Oklahoma may see fit to take the amendment to conference. The cosponsors of the amendment feel very deeply about it. I agree that it may require some consideration, but it really constitutes a vacant place in the law. It represents a real hardship to many persons who cannot stand the hardship and should not be subjected to it. There is a basic difference in principle from the urban renewal law. This proposal is contained in the President's recommendation. I hope the Senator from Oklahoma may see fit to accept the amendment and take it to conference.

Mr. KEATING. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. KEATING. Mr. President, I urge the adoption of the amendment proposed by my colleague from New York, of which I am a cosponsor.

This amendment will make it possible for the Government to pay the relocation costs of tenants who are forced to move due to the construction of some portion of the Interstate Highway System across properties on which they have been located.

Certainly, Mr. President, this is no more than simple justice. There is nothing unusual about this procedure. The Government now pays relocation costs for tenants forced to move by urban renewal projects, or by the construction of Government facilities. This is merely the rational extension of a proven procedure.

We are all eager to have the Interstate Highway System constructed as quickly as possible. In my State of New York, we are building the highways at an even more rapid rate than Federal appropriations are available under the existing schedule.

However, we must be careful that we do not permit progress to cause any undue hardship among innocent people.

Persons who established homes or businesses without any warning that they were occupying buildings which would some day be taken for construction of an interstate highway, should not be made to suffer for that reason. For the public good, they may legitimately be required to move their homes and businesses. The cost in emotion and discomfort to them may, in some cases, be great. There is little that the Government can do about that. The Government can, and should, however, assume the financial cost of moving them to new sites where they may take up their lives as comfortably and as efficiently as possible.

That is what this amendment does. The administration recognizes the need for this provision. It has asked the Congress to include it in this year's Federal highway bill. I urge the Senate to grant this just assistance to tenants who are forced to relocate their lives and businesses.

Mr. FULBRIGHT. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. FULBRIGHT. I do not quite understand the purpose of the Senator's amendment. The Senator mentioned urban renewal. Is this similar to the relocation of persons displaced by urban renewal projects?

Mr. JAVITS. The amendment has nothing to do with the dislocation of persons by urban renewal projects. I was referring to the fact that in his message to Congress on the highway program the President of the United States used the urban renewal program as an analogy. It was not my argument; I was only reporting what the President had said in his message.

Mr. FULBRIGHT. What would this amendment cost as an addition to the highway program?

Mr. JAVITS. The estimate which we have of the actual cost of moving a family is in the neighborhood of $60. However, that is not necessarily the way in which this proposal will work out, because the amendment provides an authorization. How the situation will be covered and what will be done under that authorization will be a subject for administration and approriation.

Mr. FULBRIGHT. Was the amendment submitted to the committee? Has any report been submitted by the Department?

Mr. JAVITS. The amendment was submitted last year to the Senator from New Mexico [Mr. CHAVEZ], who was then in charge of the bill. He said he would consider it very carefully in connection with this year's bill; therefore, the amendment was not pressed at that time.

Now we have a recommendation from the President on the subject. I suppose that is the highest form of consideration which could be given such a proposal.

In its report, at page 17, the committee recognized this problem but did not actually take any action on it. So the subject has had consideration. I have received the factual report of the Bureau of Public Roads, which I have just had printed in the RECORD, showing in six States the number of families which would be affected. So the subject has had consideration over a considerable period of time; and, as I have said, I believe the highest form of approval which could be obtained is the recommendation of the President himself. That is contained in the President's message of February 28, 1961, on the highway program.

Mr. FULBRIGHT. I am glad to know of the Senator's high esteem of the President, but I doubt that the Senator's amendment has been considered by the President. Has it been submitted to the committee so far?

Mr. JAVITS. It was submitted to the committee, and the committee actually considered the question. The Committee on Public Works discussed the proposal on pages 17 and 18 of the report.

Mr. FULBRIGHT. The committee rejected the proposal, did it not?

Mr. JAVITS. The committee did not reject it; it did not do anything about it.

Mr. FULBRIGHT. The committee did not adopt it.

Mr. JAVITS. I think there is a difference. I should like to read the statement of the committee, in all justice. We cannot treat this question lightly. It is a question of direct personal hardship to families which are being moved or will be moved through no fault of their own, and often they cannot afford to do anything about it. The committee said, at page 18 of the report of the Committee on Public Works:

> The committee is aware that the displacement of families caused by construction of highways is a serious problem, and is becoming increasingly more acute. It believes that such families should be afforded assistance where possible, by State or Federal agencies, in order to minimize the hardships involved in finding suitable dwellings in which to live. Such help should be limited to administrative and advisory assistance and not to construct or subsidize the necessary housing. Title I of H.R. 6713 includes no provision that would take care of this problem.

The committee made the finding of fact that this ought to be done, but it did nothing about it; hence this amendment.

Mr. FULBRIGHT. Would not the housing bill be a much more appropriate measure in which to include this provision, rather than saddle the highway bill with an unestimated, incalculable cost? Did the Senator say there would be 90,000 families?

Mr. JAVITS. There would be 90,000 families, based upon a survey of the Bureau of Public Roads, which may be involved in six States.

With respect to whether the amendment should be placed in the bill, these programs are autonomous. In connection with urban renewal, when we deal with the relocation of families, we deal with the problem in the urban renewal bill. It is properly an element of the cost of preparing a site.

All the amendment does is to allow the subject to be dealt with, but it does not specify the way in which it shall be dealt with in terms of the amounts of money to be spent. I gave the Senator an estimate based upon the cost experience of urban renewal, based upon the actual costs of moving families from place A to place B.

Mr. FULBRIGHT. Would this amount be in addition to what they received for their property?

Mr. JAVITS. They get nothing for their property. That is the point. They are only tenants who get nothing in any condemnation award. That is precisely the point. That is why the President made the request he made in his message.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. JAVITS. Mr. President, may I ask the Senator from Oklahoma, who is in charge of the bill, how he feels about the amendment?

Mr. CASE of South Dakota. Before the distinguished Senator from New York——

Mr. JAVITS. Mr. President, I have the floor. If the Senator from South Dakota wishes me to yield, I shall be glad to yield to him.

Mr. CASE of South Dakota. I would be happy to have the Senator from New York yield to me merely for an observation. Before he asks the Senator from Oklahoma to make a commitment on the amendment, I should like to make a statement.

Mr. JAVITS. I yield for that purpose.

Mr. CASE of South Dakota. I will wait until I can obtain the floor in my own time.

Mr. HOLLAND. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. HOLLAND. What is included in the parenthetical term which the Senator has added "including the cost of relocation of building tenants"?

Mr. JAVITS. That refers to the actual cost of moving a tenant from place A to place B, if in the administration of the act the administrators will approve it. For example, in the committee report itself, the committee has the feeling that something should be done about this problem.

Mr. KERR. Mr. President, in view of the fact that there seems to be much interest in the amendment on the floor of the Senate, I have a statement to make about it, but I think I should wait until Senators who wish to be heard have been heard.

Mr. JAVITS. Let me say to the Senator from Oklahoma that I thoroughly agree. I merely wished to yield to the Senator from South Dakota, so I could keep the floor and could answer the questions; that is all.

Mr. CASE of South Dakota. I wished to make a statement, not to get into a controversy.

Mr. JAVITS. I do not think the Senator from South Dakota would get into a controversy with me, in any case.

Let me use the words used by the committee:

> Such help should be limited to administrative and advisory assistance and not to construct or subsidize the necessary housing.

This amendment would not provide for any construction or subsidizing, of course; that is apparent from the words used in the amendment. The amendment would be confined to the actual cost of relocation, as I have said. If the appropriation would cover it and the administration of the act, that would be the extent to which the Administrator would go.

Mr. ANDERSON. Mr. President——

Mr. JAVITS. I yield.

Mr. ANDERSON. I wish to say that I do not understand how we are to start a program of relocating people under a highway program. I think the appropriate committee might consider such a matter in connection with the housing bill.

In my community, a highway has gone through what is called the narrow waist of Albuquerque; they found a narrow place, and put the highway through there. But in doing so, they had to tear down a number of apartment houses and dwelling houses. Am I to understand that it is now proposed that persons who receive what I thought exorbitant sums of money in connection with condemnation of the right-of-way are to receive additional awards, based on ascertaining how much it would cost to move their houses or their businesses?

Mr. JAVITS. Not at all; that is absolutely not what I am seeking to do or my amendment would do. My amendment does not deal with anyone who has received a condemnation award.

The amendment deals only with tenants, who receive no award of any kind or character, and they are being very unjustly used. They receive no award whatever. Yet they must remove from the site. That would be the only class which would be affected by the amendment. No one who received a condemnation award would in any way be affected by this amendment.

Mr. HOLLAND. Mr. President, will the Senator from New York yield further?

Mr. JAVITS. I yield.

Mr. HOLLAND. I note what seems to be a very real difference between the words used in the committee report and the words used in the amendment. The words found in the committee report indicate that the committee was limiting its consideration of this matter to—and now I quote from the report:

> Such help should be limited to administrative and advisory assistance and not to construct or subsidize the necessary housing.

Certainly there is no mention there of paying the costs of moving or installing a business or a household or anything else, anywhere else.

But the Senator's amendment includes words which, to my way of thinking, go very much further, because the amendment reads, in part, as follows: "including the cost of relocation of building tenants."

It seems to me that means that if a householder who himself is the owner of the building is displaced by this program, the amendment would involve moving him and his business and his household and his family to some place he might have found or to some place they would help him find, where he could relocate.

What is the intention of the Senator from New York in that regard?

Mr. JAVITS. I have not only an intention, but I have put it exactly into legal words. The tenant is not a "person" as defined by the Senator from Florida. Anyone who owns and occupies such property is not a tenant. A tenant is one who leases, and a tenant will not receive a condemnation award. Tenants are the only class of persons sought to be dealt with by the amendment.

As for the words used by the committee, the point is that the committee did nothing about this matter. Therefore, we have submitted the amendment in the same terms as those now incorporated, for example, in the urban renewal law—that is to say "the cost of relocation," which is a phrase of art, and means the cost of moving from place A to place B.

When I said what I did about my hope that the Senator from Oklahoma would take the amendment to conference, and when I added to that hope the strong view, expressed so well by my colleague from New York [Mr. KEATING], that the Senator from Oklahoma would fight for the amendment, I had in mind that undoubtedly the amendment would go through some refinement as the conferees got down to dealing with the problem.

But the idea is that something should be done, as recommended by the President, and as, I think, justice dictates.

If the Senate adopts this amendment, that will be accepted as the principle to be followed. That was my only thought.

Mr. HOLLAND. Would the Senator from New York accept an amendment which would include the words used in the committee report—namely: "Which cost is limited to administrative and advisory assistance."

Mr. JAVITS. If we did that, I think we would be passing up the whole matter before we even had an opportunity to speak on this proposal.

I believe we should ask the committee at least to accept this principle; and then I think the committee will work out the matter in accordance with what the Bureau of Roads thinks is best and in accordance with what is best for the whole program.

Mr. HOLLAND. Does not the Senator recognize that there is a very great difference between the words used in the committee report and the words used in his amendment?

Mr. JAVITS. I do not think there is a very great difference. I think a different kind of service is sought to be given.

I have submitted the amendment really in accordance with the way the matter has been proposed in the President's message and the way it is dealt with in the urban renewal law. After all, the committee did not do anything about this matter. Therefore, I could not accept the committee's solution, because the committee did not accept such a proposal at all.

Therefore, I thought the best solution was to entrust the entire matter to the committee—which I trust will be done, and I trust that the committee will pursue this matter most thoroughly.

Mr. ANDERSON. Did the Senator from New York say that the President's message dealt with relocating them, both as regards their homes and their places of business?

Mr. JAVITS. The message goes even further; the President said:

I urge that the Federal highway law be amended to require similar assurances of help in finding reasonable housing at reasonable costs for all those displaced from their homes by future Federal-aid highway projects.

Mr. ANDERSON. The message uses the words "help in finding." But that does not include the cost of relocation.

The Senator from Florida has suggested that if we use the language which is included in the committee report and if we provide that it shall be confined to the cost of advice and of stating what to do, that is one thing; but the Senator from New York would include the cost of moving. So if there were a department store in the way of such a development, he would include the cost of relocating the department store, because the department store owners would be tenants of the building.

Mr. JAVITS. I read only part of that paragraph of the President's message. At this time I should like to read that entire section of the message, and then the Senator will understand my point. I now read from page 6 of the President's message:

More specific and urgent, however, are the problems of families displaced by new highway construction. As more and more right-of-ways are acquired and construction begins, tens of thousands of families are required to move from their path and find new places to live—more persons displaced, it has been estimated, than are displaced by all our urban renewal and slum clearance programs combined. For many families of modest income, especially those displaced by expressways in congested urban areas, adequate housing is often difficult, if not impossible, to locate at prices or rents which they can afford, or in places reasonably convenient to their jobs. As a result, many are compelled to accept substandard accommodations. Others, by overcrowding otherwise adequate housing help to create new slums. Those already in substandard housing—crowded into a tenement in the path of a new expressway, for example—are hard put to find any housing at all, yet are given no help or priority by existing Federal housing programs.

To date this serious problem has been largely overlooked. Neither the Federal Government nor the State highway departments have assumed any positive or explicit responsibility for meeting these needs.

In contrast, the Federal urban renewal law, enacted in 1949, requires that every contract for Federal assistance include provisions assuring the availability of decent, safe, and sanitary housing at prices they can afford and in suitable locations for all families displaced by urban renewal projects. I urge that the Federal highway law be amended to require similar assurances of help in finding reasonable housing at reasonable costs for all those displaced from their homes by future Federal-aid highway projects.

As a practical matter, we actually have included in the urban renewal law a provision for paying the cost of relocating, and we set upper limits of $200 per family and $3,000 per small business.

We have done that for a very considerable time. My estimate of $60 for relocating a family is based upon experience under the urban renewal program.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. JAVITS. I yield.

Mr. HOLLAND. As appears on page 15 of the printed record of the hearings, this very question arose, as to what the President meant. The question was asked by the Senator from Michigan [Mr. McNAMARA] who was presiding over the hearing:

I certainly agree with Senator CASE; I hope that when you eventually furnish this information you will tell us whom you will pay, how much you expect to pay, and how much the entire program will cost.

Mr. Martin, the Assistant Secretary of Commerce for Transportation, said:

I see.

Senator McNAMARA. We realize you haven't had very much time since the Presidential message to work out these details. Will you furnish them for the record?

Mr. MARTIN. In a general way, it is the administration's present intent that relocation aid be confined to referral and location of reasonably adequate and convenient replacement housing. The cost of the service will be in the nature of administrative expenses that will be payable out of the highway project funds derived from trust fund revenues.

It seems to me that is a very specific description and explanation by an official representative of the administration of what the administration's recommendation was, and it covers only administrative and referral costs.

The Senator's amendment goes so much further than that that the Senator from Florida can hardly recognize it as of the same kind, and certainly not of the same degree.

Mr. JAVITS. I do not think the amendment goes much further than that. I think the amendment takes up a different aspect of the subject, and makes the analogy which I have made, as between the urban renewal law and the practice in connection with other Federal programs. That analogy is carried out in the amendment. That is what I said when I discussed the amendment with the Senator from Oklahoma.

I hope the amendment, following the pattern which we have already established as a regular pattern in this connection, can be taken to and defined in conference in accordance with what the conferees think would be a fair way to deal with the question. That is why I hope the amendment can be taken care of in that way.

In view of the fact that the committee did nothing, I follow the pattern which we have already established in the urban renewal law.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. JAVITS. I yield.

Mr. HOLLAND. I have heretofore suggested a simple amendment, incorporating the words from the committee's report, which are almost identical with the word "tenants," which is within the and which, I think, limit the additional cost to that recommended by the President. That amendment would read, "which shall be limited to administrative and advisory assistance," to come after the words from Mr. Martin's testimony, parentheses, on line 3, page 2, of the Senator's amendment.

Will the Senator accept that amendment?

Mr. JAVITS. No, the Senator from New York will not, because he does not think it is fair or just to the people involved. The Senator from Florida may offer the amendment. He has as much right to offer the amendment as I have. But the Senator from New York, in justice to the people he is trying to protect, thinks it would represent a diminution of equity. The people would receive absolutely no consideration under the amendment suggested by the Senator. I am trying to present an analogy between people who are displaced by highway construction and those displaced by urban renewal, and I am trying to assure them equivalent treatment. So far as I am concerned, I must maintain the integrity of my own position. Therefore, I cannot accept the amendment.

I yield the floor.

Mr. CASE of South Dakota. Mr. President, the denial by the Senator from South Dakota of the offer by the Senator from New York to yield is really a compliment to the Senator from New York. It has been the experience of the Senator from South Dakota that the Senator from New York is so facile with his words, so quick in wit, and so alert, that if the Senator from South Dakota wishes to make a point with continuity, he had better not do it as a result of a yielding by the Senator from New York, because the Senator from New York is in control of the time, and about the time the Senator from South Dakota gets to the place where he is about to clinch his point, the Senator from New York will say, "I have the floor."

So the declination by the Senator from South Dakota of the generous invitation by the Senator from New York to yield was a compliment to the ability of the Senator from New York, because I wished to present the arguments consecutively.

This question arose before the committee, when Mr. Martin was before the committee, at the very outset of the presentation of the highway program. If the Senator from New York will look at page 15 of the hearings, I think he will see that I grasped the impact of the problem he is trying to present. At page 15, the Senator will note, I stated:

Mr. Secretary, I see a problem with respect to the displaced renters who are tenants that is somewhat different from that of the landlords or landowners, that are displaced. The latter class gets compensation for what is taken. The tenant or the renter may be certainly discommoded and disadvantaged and injured, which is in no way compensable under the normal rules of right-of-way acquisition.

I went on to say:

But I would be a bit reluctant to encourage the Bureau of Public Roads to go into the business of providing housing, something presently done by the Housing Administration, or any subsidiary activity.

Then I followed up with a further question, which the Senator from Florida commented on when he picked up the

questioning by the Senator from Michigan [Mr. McNAMARA].

The Senator from Florida should have read one sentence further, because Mr. Martin, in responding to a question, said:

> The cost cannot be estimated at this time because of the recent nature of the proposals you mentioned.

I am aware of the argument being made. The landlord who has an apartment building can be compensated if a highway goes through his building, but the people living there who are tenants have no leasehold which can be compensated for under the ordinary rules of compensation. This is a problem.

I am afraid it is one of the hardships that go along with improvement generally, for if we were to attempt to deal with this problem, without more extended hearings and evidence than we have, we might arrive at an affirmative answer that would meet complaints of representatives of businesses that had been left high and dry because the route of a highway had been changed.

I can show Senators incident after incident in towns all over America in which an interstate highway has been moved a block or two away, and has left a filling station, hotel, or some other business high and dry. They, too, are disadvantaged. They did not sell anything to the Government. The Government did not take their land. But they are injured just as tenants are injured.

If we once establish the principle or precedent that we are to compensate anybody who feels some injury from the dislocation of an interstate highway, we shall be confronted by pressures from people who are left high and dry because the highway was moved a little.

I recognize that, because we cannot treat everybody fairly, that fact does not justify treating anyone unfairly; but it is an incident to certain public works programs. It is an incident to certain flood control programs. It is an incident to certain military installations. Whenever the economic pattern of a community is changed, some people will think, at least, they are damaged by it. I recognized the problem. I tried to show that there was a difference between the landowner or landlord and the tenant. But I am afraid if we start to identify an injured interest as one which should be compensated, until we have had hearings and go over the whole field, nobody knows what the cost will be. Nobody knows what this little attack on the problem will cost.

Mr. Martin said he could not tell, because this proposal was too new. I fear, Mr. President, that this would be hasty action. It would be ill-considered action if we were to adopt a positive amendment on this subject at this time, authorizing an additional charge upon the highway program.

I wish to preserve the sanctity of the trust fund as much as possible, I say to my friend from Illinois [Mr. DOUGLAS]. I do not wish to put any more burdens on it at this time, until we can have a comprehensive hearing and know how far we are going in setting precedents for increasing the cost of the program.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York [Mr. JAVITS].

Mr. JAVITS. Mr. President, I yield to the Senator from Oklahoma.

Mr. KERR. Mr. President, I told the distinguished Senator from New York that I should be glad to take the amendment to conference. I did not know we were going to stir up, at this late hour, an extended discussion. The amendment has been discussed. It has been explained. My position was stated to the Senator from New York.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

Mr. JAVITS. Mr. President, I thank my colleague.

I point out one thing in response to the remarks of the Senator from South Dakota, because Senators will have to vote on the amendment. I deeply appreciate the attitude of my colleague from Oklahoma.

The Senator from South Dakota failed to read the added sentence in the testimony with respect to expenditures, as stated at the bottom of page 15:

> But they should be only a very minor fraction of all these highway expenditures.

That is a pretty important qualifying phrase.

Second, my amendment does not deal in any way with loss of profits, which is what the Senator was talking about. The amendment deals only with the cost of physically taking family A from place A to place B. No loss of profits is involved. I would not seek anything like that. That very considerably narrows the field, and also would do the same elementary justice in this field that we have done in the urban renewal field.

I see no reason why these families should not receive the same consideration given to families under urban renewal. In urban renewal, the United States pays the full 100 percent cost of relocation. Under the proposal, the Federal Government would pay only 90 percent of the cost of relocation. These families would not get even the same deal available to families under urban renewal.

I hope very much, considering the outsiding position of the Senator from Oklahoma in the Senate, we shall entrust him with trying to do equity by taking the amendment to conference.

I point out that my amendment was submitted the day the President's message came to us. The committee did not choose to deal with it beyond the point shown in the testimony. It did make a finding of fact with respect to the report. The committee could very easily come back with a qualification, with the limitation the Senator from Florida wishes to impose, as part of the report coming from conference. That will be up to the conferees.

I very much hope that the Senate will see the basic equity and justice involved in the amendment and let it go to conference, as so graciously suggested by the Senator from Oklahoma.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

Mr. JAVITS. Mr. President, I ask for a division.

On a division, the amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HARTKE. Mr. President, I call up my amendment "6–14–61—H" and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 3, line 8, beginning with "the additional sum" it is proposed to strike out all through line 20 and insert in lieu thereof the following: "the additional sum of $3,800,000,000 for the fiscal year ending June 30, 1963, the additional sum of $3,800,000,000 for the fiscal year ending June 30, 1964, the additional sum of $3,800,000,000 for the fiscal year ending June 30, 1965, the additional sum of $3,800,000,000 for the fiscal year ending June 30, 1966, the additional sum of $3,800,000,000 for the fiscal year ending June 30, 1967, the additional sum of $3,800,000,000 for the fiscal year ending June 30, 1968, and the additional sum of $2,485,000,000 for the fiscal year ending June 30, 1969."

On page 5, line 6, strike out "1972" and insert "1973".

On page 5, line 10, strike out "October 1, 1972" and insert "July 1, 1973".

On page 5, line 18, strike out "October 1, 1972" and insert "July 1, 1973".

On page 6, line 8, strike out "1972" and insert "1973".

On page 6, lines 11 and 12, strike out "October 1, 1972" and insert "July 1, 1973".

On page 7, beginning with line 1, strike out all through line 14 on page 8, and in lieu thereof insert the following:

> (b) PERIOD TAX IN EFFECT.—Section 4481 (e) of such Code (relating to period tax in effect) is amended by striking out "July 1, 1972" and inserting in lieu thereof "July 1, 1973".
>
> (c) TECHNICAL AMENDMENT.—Section 4481 of such Code is amended by adding at the end thereof the following new subsection:
>
> "(g) CROSS REFERENCE.—
>
> "For privilege of paying tax imposed by this section in installments, see section 6156."

On page 10, strike out lines 18, 19, and 20, and insert the following:

"incurred in April, May, or June of any year."

On page 11, line 11, strike out "October 1, 1972" and insert "July 1, 1973".

On page 21, line 1, strike out "1972" and insert "1973".

On page 21, strike out line 9 through line 15 and insert the following:

> (3) by striking out "July 1, 1972" each place it appears and inserting in lieu thereof "July 1, 1973";
>
> (4) by striking out "November 10, 1972" each place it appears and inserting in lieu thereof "November 10, 1973"; and
>
> (5) by striking out "October 1, 1972" and inserting in lieu thereof "October 1, 1973".

On page 22, line 12, strike out "FISCAL YEAR 1973" and insert "FISCAL YEARS 1973 AND 1974".

On page 22, lines 16 and 17, strike out "October 1, 1972" and insert "July 1, 1973".

On page 22, lines 21 and 22, strike out "October 1, 1972" and insert "July 1, 1973".

On page 23, strike out lines 1 through 4, and insert the following: "inserting in lieu thereof 'after June 30, 1973, and before July 1, 1974, and which are attributable to liability for tax incurred before July 1, 1973,';".

On page 23, line 11, strike out "FISCAL YEAR 1973" and insert "FISCAL YEARS 1973 AND 1974".

On page 23, lines 15 and 16, strike out "October 1, 1972" and insert "July 1, 1973".

On page 23, line 21, strike out "October 1, 1972" and insert "July 1, 1973".

On page 23, after line 21, insert the following:

(3) Paragraph (4) of section 209(f) of such Act (relating to transfers from Trust Fund for floor stock refunds) is amended by striking out "July 1, 1973" and inserting in lieu thereof "July 1, 1974".

On page 23, line 22, strike out "(3)" and insert "(4)".

On page 24, line 6, strike out "(4)" and insert "(5)".

On page 24, after line 25, insert the following:

SEC. 209. REPEAL OF SECTION 209(g).

Section 209(g) of the Highway Revenue Act of 1956 (relating to adjustment of apportionments depending upon funds available) is repealed.

On page 25, line 1, in lieu of "SEC. 209." insert "SEC. 210.".

Mr. HARTKE. Mr. President, this is a rather simple amendment. It would have a very definite effect upon the highway program. It involves the term of financing. It is financially sound. I think it is the best bargain the American highway people could find.

The purpose of the amendment is to accelerate the highway building program by 2 years. The Bureau of Public Roads testified it could accelerate the highway building program by 2 years. The highway building industry has indicated it has the capacity to so build. The information submitted from the States indicates the States have the money to meet the Federal appropriations in the event the program is accelerated.

The amendment would repeal the so-called Byrd amendment, the proposal of the distinguished chairman of the committee, whom I honor and revere. I sincerely disagree with the Senator on this question, on the basis of principle.

The amendment involves section 209(g), which was put into the original Highway Revenue Act of 1956. The Byrd amendment permits the apportionment of only such funds and allocations each fiscal year as are within the amount available in the trust fund. This is the so-called pay-as-you-go provision.

This amendment, however, would continue the rate adopted by the Senate Committee on Finance and reported to the Senate for 9 months longer. By paying the rate 9 months longer, we would accelerate the program 2 years. After the 9-month payment there would be $794 million still in the trust fund which would not be utilized, whereas under the committee amendment the trust fund would be in arrears $293 million. That would mean that the actual availability for the general fund would be over a billion dollars.

Mr. MANSFIELD. Mr. President, will the Senator yield to me briefly, provided he does not lose his right to the floor?

Mr. HARTKE. I yield to the Senator from Montana.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I wish to ask the distinguished majority leader whether he can acquaint us with the program for the remainder of the evening and for tomorrow, and what he contemplates will occur next week.

Mr. MANSFIELD. Mr. President, it is the hope that we can finish consideration of the Federal aid highway bill tonight. It is my understanding that the Senator from Indiana does not anticipate a yea-and-nay vote on his amendment. It is my further understanding that the manager of the bill likewise does not anticipate a yea-and-nay vote.

If we can complete our work within a reasonable time—say by 8 o'clock—we shall consider adjourning until 12 o'clock tomorrow. Then there will be no controversy of any kind. Several Senators wish to make speeches upon very important subjects. We might consider the measures on the calendar to which there is no objection.

In other words, there will be a short session, with no votes, and then the Senate will adjourn from Friday until Tuesday, at which time we shall consider the proposed reorganization plan, as already agreed to; the Department of Agriculture appropriation bill; and other measures which might be ready for action at that time.

Mr. DIRKSEN. Mr. President, I thank the distinguished majority leader, and I thank the Senator from Indiana.

FEDERAL-AID HIGHWAY ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes.

Mr. LAUSCHE. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. LAUSCHE. If I am not becoming audacious, could we have an agreement on time on the amendment?

Mr. MANSFIELD. I believe the Senator from Indiana, who is always moderate and always cooperative, will complete what he has to say within 10 minutes.

Mr. HARTKE. Mr. President, I do not wish to be held to any such limitation. I shall complete my presentation as soon as I can, but I do not wish to be held to any such time, unless there is an agreement.

Mr. President, the present law calls for expiration of the taxes on September 30, 1972. By extending the taxes to June 30, 1973, the entire cost of acceleration of the program could be paid for by users' taxes and no amount of money would be taken from the general fund.

The amendment would also increase the yearly authorization from now until 1969, so that by 1970 the highway program could be completed.

An additional point which makes the amendment so worth while, so highly laudable, is that it is humanitarian in purpose as well as economical. The humanitarian aspects are very simple.

Four thousand lives a year will be saved after the highway program is completed. If 4,000 lives are saved in the year 1971 and also in the year 1972, that is a total of 8,000 lives. This represents a saving during the period of one life every 2 hours. Considering the massacre on the highways on the recent Memorial Day weekend, which was the worst in history, my proposal offers the most assurance of reducing fatalities on the highways. It has been proved that the fatality rate on the Interstate Highway System is 50 percent less than the fatality rate on other highways.

Personal injuries in accidents would be reduced 66⅔ percent. This would eliminate 150,000 annual personal injuries to our citizens. In the years 1971 and 1972 this would save 300,000 persons from injury. This will mean that one person every 4 minutes can be saved from having to suffer injury upon our highways.

The humanitarian aspects of an accelerated highway program alone would be convincing enough to accelerate it. But the economic loss in and of itself is almost beyond comprehension unless it is carefully examined. The economic loss which is occasioned upon the highways is conservatively estimated to be approximately $2,100 million per year. Therefore, in 2 years the program I propose would result in a saving of $4,200 million, and money required to pay for the repair of accidents and other economic loss which occurs on highways could be utilized by our citizens for some other purpose. A saving of $4,200 million in the years 1971 and 1972 would be a saving of money to American citizens at the rate of $66 a second, or in excess of $3,500 a minute.

So I point out to the Senate that we would save lives at the rate of one every 2 hours. We would save the occurrence of personal injuries at the rate of one every 4 minutes. We would save money at the rate of $3,500 a minute.

Someone will ask how we propose to pay for the program, and how much it would cost. The cost is estimated by the Treasury Department to be $1,600 million. That amount represents a borrowing of funds from the Treasury at the rate of 3¾ percent interest. The Treasury Department has also indicated definitely to us—and I do not dispute the figures, although I think they are somewhat optimistic—that to pay the bill will require only an additional 9 months. But, as I pointed out, at least $1 billion will practically be available for other uses by the Treasury Department. The suggested financing would not change the concept of the bill with regard to

user funds paying for the highways. The highways would be paid for through user funds, and not from the General Treasury.

There is probably a more important reason than those I have stated. I refer to our national defense. The highway would be available for purposes of national defense.

If during the years of 1971 and 1972 we should find ourselves unfortunately involved in an international situation which would require the use of a flexible highway system, such as the Interstate Highway System is intended to be, we would then be able to move our equipment, vehicles, and weapons in the manner in which they should be moved. Under the circumstances, during that 2-year period we would otherwise have to content ourselves with an inadequate defense system.

I point out that not only are the factors which I have suggested present, but also there are others such as the wear and tear on automobiles and nerves. Incidental benefits which would result from a saving of that wear and tear would be available to us.

The cost of the program, as I said, would be entirely self-financing. Unfortunately, Congress in 1958 was led into a program such as I have proposed, and was given an opportunity on a temporary basis at that time to follow it. The program was advanced by the distinguished Senator from Tennessee [Mr. GORE]. He brought the program to the attention of the Senate at a time of economic recession. The only difficulty with the amendment which was submitted by the Senator from Tennessee was that its provisions were not made permanent, and it was not interpreted by the Bureau of Public Roads as it was intended to be.

In the first place, the Senator from Tennessee submitted his amendment, which provided that the program should be accelerated. An amendment which would provide for the repayment of the funds in fiscal year 1961 was intended to be attached to the bill, but it was defeated on the floor of the Senate. In spite of the fact that the amendment of the distinguished Senator from Tennessee was defeated, the Bureau of Public Roads insisted that the funds expended be repaid in the fiscal year 1961. The net result was to accomplish exactly what had not been intended to be accomplished. Instead of the Byrd amendment being repealed during the temporary period, it was not repealed at all.

In substance, the argument is one which cannot be refuted on the basis of economics, being humane, or in the interest of national defense. Only 9 months longer would be required to pay the bill.

If we want to give the American people the benefit of the greatest public works there is, the amendment should be agreed to. It is estimated that a 4-to-1 ratio, the highest ratio of any public works project, results from this type of construction. To me, the project is worth while and should be endorsed by the Senate.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HARTKE. I am happy to yield to the distinguished Senator from Tennessee.

Mr. GORE. I appreciate the generous references which the able Senator from Indiana has made to me. I ask him if in his opinion earmarking is in and of itself a restrictive legislative device which would create no revenue and solve no problem, but would make the solution of existing problems more difficult.

Mr. HARTKE. The distinguished Senator from Tennessee is correct; but also I point out that in the hearings before the Subcommittee on Roads in the House of Representatives, testimony was given on this subject on page 52. Mr. D. H. Bray, president of the American Association of State Highway Officials, pointed out in his testimony exactly what happened as a result of the misinterpretation of the amendment of the distinguished Senator from Tennessee in 1958. He said that the elimination of the amendment would prohibit and require the discontinuance of reimbursement planning for contract control which was instituted by the highway department.

As the Senator from Tennessee pointed out, we still must pay taxes, and roads will have to be paid for. No one denies that fact. Depositing money in a separate trust fund would not make the roads any less expensive. It would not help accelerate the program. It would cause additional trouble, as was pointed out.

Mr. Bray said:

> We could then return to the concept of contractual obligation, which is important from the State standpoint.
>
> The disparity between the interstate authorizations of title I and the revenues provided by title II of the act of 1956, acted to introduce uncertainties in the program when the Byrd amendment was added to the program by the Congress, placing the program on pay-as-you-build financing, instead of term financing.

The proposed highway program, as we recognize, is one of the basic economic developments of our country. It is probably the greatest single asset we have in producing economic growth. That statement is repeated in every report and hearing. The highway system is one of the principal bases for the economic growth of our country, including the enlarging of our industrial base, the development of our natural resources, and the revitalization of our cities.

When I compare the industrial growth of Japan, which exceeded the 13 percent anticipated in the year 1960, with the industrial growth of the United States, the greatest industrial nation in the world, I find that our growth is far below that which it was anticipated it would be, and closer to 3 percent. I can only say that the proposed program would be an investment which we cannot deny our children.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a chart showing the comparison of interstate authorizations under the present law, and a chart showing the revenues and expenditures under the proposed amendment, together with a letter from Henry H. Fowler, Under Secretary of the Treasury.

There being no objection, the charts and letter were ordered to be printed in the RECORD, as follows:

Comparison of interstate authorizations under present law, H.R. 6713 and Hartke amendment

Fiscal year	Present law	Additional (over present law)	H.R. 6713	Additional (over H.R. 6713)	Hartke amendment
Balance	315		315		315
1957	1,000		1,000		1,000
1958	1,700		1,700		1,700
1959	2,200		2,200		2,200
1960	2,500		2,500		2,500
1961	2,000	−200	1,800		1,800
1962	2,200		2,200		2,200
1963	2,200	200	2,400	1,400	3,800
1964	2,200	400	2,600	1,200	3,800
1965	2,200	500	2,700	1,100	3,800
1966	2,200	600	2,800	1,000	3,800
1967	2,200	700	2,900	900	3,800
1968	1,500	1,500	3,000	800	3,800
1969	1,025	1,975	3,000	−515	2,485
1970		3,000	3,000	−3,000	
1971		2,885	2,885	−2,885	
Total	25,440	11,560	37,000	0	37,000

Revenues and expenditures under Hartke amendment

[In millions of dollars]

Revenues (under financing provisions of H.R. 6713, as amended by the Senate Finance Committee, with a 9-month extension as provided in the Hartke amendment)	54,857
Expenditures:	
Interstate program	37,000
ABC program	15,463
Interest (3¾ percent)	1,600
Total	54,063
Balance (trust fund June 30, 1973)	794

UNDER SECRETARY OF THE TREASURY,
Washington, D.C.

Hon. R. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE: In the executive session of your committee on H.R. 6713, you asked for an estimate of the interest cost of a borrowing program which would be required to complete the Interstate Highway System by the end of the fiscal year 1970.

Completion of the Interstate System by the end of 1970 would require that the tax rates under H.R. 6713 as amended by your committee be continued to the end of fiscal year 1973 and would involve an interest cost of approximately $1.6 billion. An interest rate of 3¾ percent was assumed in making this calculation.

I hope this information will meet your needs.

Sincerely yours,

HENRY H. FOWLER.

Mr. GORE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement I have prepared.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The statement of Mr. GORE is as follows:)

Mr. President, I am gratified that the Senate is considering legislation which will insure that substantially adequate funds will be made available to complete on schedule the highway construction program authorized by the act of 1956. I am constrained to observe, however, that the bill before the

Senate continues existing inequities in the imposition of highway user taxes.

Section 210 of the Highway Act of 1956 directed the Secretary of Commerce to make a study and to provide the Congress with information on "what taxes should be imposed by the United States, and in what amounts, in order to assure, insofar as practicable, an equitable distribution of the tax burden among the various classes of persons using the Federal-aid highways or otherwise deriving benefits from such highways."

The report of the Secretary of Commerce was submitted to the Congress this spring. Among other things, the report concluded that persons who do not use the highways derive benefits therefrom and that, accordingly, 8 percent of the cost of highways should be paid from revenues not obtained from highway user taxes.

I have heard rumors, Mr. President, that initial drafts of this report allocated to nonhighway users substantially in excess of 8 percent of the benefits. Whether these rumors be accurate or not, a careful reading of the report will reveal that the 8 percent figure is a minimum allocation in the light of the factual information contained in the report. For example, the report attributes to defense only those costs incident to increasing the clearance of overpasses by a foot or so to accommodate defense equipment. The 8 percent does not even pretend to take fully into account the contribution of the Interstate System to the defense of this country as reflected in the fact that the System is named "The National System of Defense and Interstate Highways."

Whether the 8 percent figure reflects an adequate allocation of nonhighway user benefits is perhaps an academic question. For the bill before the Senate rejects the concept that any contribution whatever should be made to highway construction expenditures from tax revenues other than highway user taxes.

On the contrary, the bill imposes still higher levies on highway users despite the fact that this class of taxpayer is already paying to the Federal Government in excise taxes approximately $1¾ billion annually over and above the amounts devoted to highway construction.

The House bill recognized this basic inequity and undertook to correct it in some degree. Under the House bill, an additional 50 percent of the receipts from the excise tax on trucks and buses was transferred to the highway trust fund. This action would reduce by approximately $143 million the amount highway users are asked to pay into the general fund over and above, bearing the full cost of highway construction. The committee has deferred this dedication of funds for 1 year, making it effective June 30, 1962, instead of June 30, 1961.

The effect of the committee amendment is to reduce by $143 million the amount which will be available for the highway program. I am apprehensive, however, that the ultimate effect may be much more far-reaching than the figure of $143 million would indicate.

Experience has indicated, Mr. President, that actions which are scheduled to become effective sometime in the future have a way of being deferred again before the effective date occurs. The 1-cent temporary increase in the gasoline tax was scheduled to expire this month but it is now to be extended. The Congress has previously authorized the use of some $800 million additional in highway user tax revenues for highway purposes to begin July 1 of this year. But this action is now to be repealed before it becomes effective. Unfortunately, Mr. President, there is a valid basis for a prediction that within a year it will be proposed that the transfer of funds postponed until 1962 be deferred "1 more year", or perhaps 2 more years. While it can be said that $143 million may not vitally affect the highway program over the full scheduled life of the highway trust fund, the loss of that amount per year over the life of the program would have a serious impact.

Mr. President, the exercise which we are now going through illustrates once more the fallacy of earmarking tax revenue. When the receipts from a particular tax are earmarked for a particular program, the Congress is placed in an inflexible position and its freedom is somewhat restricted. When there is a need for additional revenue, the Congress ought to consider the entire range of our tax structure to determine from which sources this additional revenue might most equitably be obtained. But it is now said that the only appropriate way to obtain additional money for the highway trust fund is to increase those specific taxes which have already been earmarked for the fund.

It seems to me that the scope of the highway program ought to be determined on some basis other than merely the amount of money that happens to be derived from certain specific taxes. The need for highways ought to be balanced against the need for other programs and the Congress ought to retain full freedom to allocate all available revenues in the manner best suited to promote the public interest.

In short, Mr. President, creation of the highway trust fund was a fiscal mistake. It should now be abolished. I recognize the fact that this suggestion is probably not legislatively feasible at the moment. We have the fund and I suppose we will have to make do with it, at least through fiscal 1972. As long as we have the trust fund and as long as we follow the erroneous concept that we must pay for highway construction entirely with highway user taxes, however, then we ought to recognize in full the amount highway users are already paying in Federal excise taxes.

There may be room for adjustment of the burden as between various classes of highway users and I am prepared so to vote. I feel strongly, however, that the overall burden of highway user excise taxes ought not to be increased under pressure of the argument that the users must pay for highways when the users are already paying far more than is spent on highways.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Indiana.

The amendment was rejected.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I send an amendment to the desk for myself, the Senator from Minnesota [Mr. HUMPHREY], the Senator from Connecticut [Mr. BUSH], and the Senator from New York [Mr. KEATING].

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may read the parenthetic insertion in the amendment, which is the only substance of the amendment as I have now framed it in deference to my colleagues. I might say that I have profited by their advice. They are the Senator from South Dakota [Mr. CASE], the Senator from Florida [Mr. HOLLAND], and the Senator from Oklahoma [Mr. KERR]. They have been very gracious and kind, realizing that there is a problem, and they have tried to help with the solution of that problem.

The portion of the amendment in parenthesis reads as follows: "(including the advisory and administrative expenses in relocation of building tenants)".

The PRESIDING OFFICER. Without objection, the amendment, as modified, will be printed in the RECORD.

(The amendment is as follows:)

SEC. 105. INCLUSION OF TENANT RELOCATION COSTS IN THE DEFINITION OF "CONSTRUCTION".

The definition of the term "construction" in section 101 of title 23, United States Code, is amended to read as follows:

"The term 'construction' means the supervising, inspection, actual building, and all expenses incidental to the construction or reconstruction of a highway, including locating, surveying, and mapping (including the establishment of temporary and permanent geodetic monuments in accordance with specifications of the Coast and Geodetic Survey in the Department of Commerce), costs of rights-of-way (including the advisory and administrative expenses in connection with the relocation of building tenants), and the elimination of hazards of railway grade crossings."

Mr. JAVITS. Mr. President, I hope very much that the Senator from Oklahoma may see fit to accept the amendment and thus help us a little bit of the way.

Mr. KERR. I accept the amendment as it has been changed.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the third reading of the bill.

Mr. LONG of Louisiana. Mr. President, I send an amendment to the desk. I ask that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment offered by Mr. LONG of Louisiana is as follows:

Strike out title II of the bill and insert the following:

"TITLE II—HIGHWAY TRUST FUND AND INTERNAL REVENUE CODE AMENDMENT

"SEC. 201. TRANSFERS TO HIGHWAY TRUST FUND.

"(a) AMOUNTS EQUIVALENT TO TAX ON TRUCKS, BUSES, ETC.—Subparagraph (C) of section 209(c)(1) of the Highway Revenue Act of 1956 (relating to transfer to Highway Trust Fund of amounts equivalent to certain taxes) is amended to read as follows:

"'(C) 50 percent of the tax received after June 30, 1957, and before July 1 1961, under section 4061(a)(1) (tax on trucks, buses, etc.), and 100 percent of the tax received after June 30, 1961, under section 4061(a)(1);.'

"(b) AMOUNT EQUIVALENT TO PORTION OF TAXES ON AUTOMOBILES, PARTS AND ACCESSORIES, ETC.—Paragraph (2) of section 209(c)

of such Act (relating to transfer to Highway Trust Fund of amounts equivalent to a portion of the excise taxes on automobiles and parts and accessories) is amended to read as follows:

"'(2) EXCISE TAXES ON AUTOMOBILES, PARTS AND ACCESSORIES, ETC.—There is hereby appropriated to the Trust Fund, out of any money in the Treasury not otherwise appropriated, amounts equivalent to that portion of the taxes—

"'(A) received in the Treasury after June 30, 1961, and before July 1, 1972, and

"'(B) received in the Treasury after June 30, 1972, and before July 1, 1973, which are attributable to liability for tax incurred before July 1, 1972,

under subsection (a)(2) (tax on passenger automobiles, etc.) and subsection (b) (tax on parts and accessories) of section 4061 of the Internal Revenue Code of 1954 which is equal to the amount which would have been so received if the tax rate under such subsection (a)(2) had been 5.5 percent and the tax rate under such subsection (b) had been 4.4 percent, in lieu of the applicable rates.'"

"SEC. 202. EXPENDITURES FROM HIGHWAY TRUST FUND.

"(a) FOREST HIGHWAYS AND PUBLIC LANDS HIGHWAYS.—Paragraph (1) of section 209(f) of the Highway Revenue Act of 1956 (relating to expenditures from the Highway Trust Fund for the Federal-aid highway program) is amended by adding at the end thereof the following new sentence: 'Amounts in the Trust Fund shall also be available, as provided by appropriation Acts, for making expenditures after June 30, 1961, and before July 1, 1972, to meet those obligations of the United States heretofore or hereafter incurred under chapter 2 of title 23 of the United States Code (or the corresponding provisions of prior laws) which are attributable to those forest highways and public lands highway which are on any of the Federal-aid highway systems, and to meet those obligations of the United States incurred as a result of contracts entered into before July 1, 1961, under chapter 2 of title 23 of the United States Code (or the corresponding provisions of prior laws) for forest highways not on any Federal-aid highway system.'

"(b) GASOLINE USED IN AIRCRAFT.—Section 209(f) of such Act (relating to expenditures from the Highway Trust Fund) is amended by adding at the end thereof the following new paragraph:

"'(6) TRANSFERS FROM TRUST FUND FOR GASOLINE USED IN AIRCRAFT.—The Secretary of the Treasury shall pay from time to time from the Trust Fund into the general fund of the Treasury amounts equivalent to 2 cents for each gallon of gasoline—

"'(A) which is sold by the producer or importer thereof before July 1, 1972,

"'(B) with respect to which the tax imposed by section 4081 of the Internal Revenue Code of 1954 is received in the Treasury before July 1, 1973, and

"'(C) which the Secretary of the Treasury or his delegate determines has been used after June 30, 1961, as fuel for the propulsion of aircraft.'

"SEC. 203. CERTAIN GASOLINE SOLD FOR FURTHER MANUFACTURE.

"(a) EXEMPTION FROM TAX.—Section 4221(d)(6) of the Internal Revenue Code of 1954 (relating to use in further manufacture) is amended—

"(1) by striking 'or' at the end of subparagraph (A),

"(2) by striking the period at the end of subparagraph (B) and inserting in lieu thereof '; or', and

"(3) by adding at the end thereof the following new subparagraph:

"'(C) in the case of gasoline taxable under section 4081, such gasoline is sold for use by the purchaser, for nonfuel purposes, as a material in the manufacture or production of another article to be manufactured or produced by him.'

"(b) USE BY MANUFACTURER OR IMPORTER CONSIDERED SALE.—Section 4218(a) of such Code (relating to use considered as sale) is amended by adding at the end thereof the following new sentence: 'This subsection shall not apply in the case of gasoline used by any person, for nonfuel purposes, as a material in the manufacture or production of another article to be manufactured or produced by him.'

"(c) CREDIT OR REFUND.—Section 6416(b)(3) of such Code (relating to tax paid articles used for further manufacture) is amended—

"(1) by striking out 'or' at the end of subparagraph (D),

"(2) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof '; or', and

"(3) by inserting after subparagraph (E) the following new subparagraph:

"'(F) in the case of gasoline taxable under section 4081, such gasoline is used by the second manufacturer or producer, for nonfuel purposes, as a material in the manufacture or production of any other article manufactured or produced by him.'

"(d) CONFORMING AMENDMENT.—Section 6416(b)(2)(E) of such Code is amended by striking out 'or (E)' and inserting in lieu thereof '(E), or (F)'.

"SEC. 204. ELECTION TO PAY TAX ON USE OF HIGHWAY MOTOR VEHICLES IN INSTALLMENTS.

"(a) INSTALLMENT PAYMENTS OF TAX.—Subchapter A of chapter 62 of the Internal Revenue Code of 1954 (relating to time and place for paying tax) is amended by renumbering section 6156 as 6157, and by inserting after section 6155 the following new section:

"'SEC. 6156. INSTALLMENT PAYMENTS OF TAX ON USE OF HIGHWAY MOTOR VEHICLES.

"'(a) PRIVILEGE TO PAY TAX IN INSTALLMENTS.—If the taxpayer files a return of the tax imposed by section 4481 on or before the date prescribed for the filing of such return, he may elect to pay the tax shown on such return in equal installments in accordance with the following table:

"'If liability is incurred in—	*The number of installments shall be—*
July, August, or September	4
October, November, or December	3
January, February, or March	2

"'(b) DATES FOR PAYING INSTALLMENTS.—In the case of any tax payable in installments by reason of an election under subsection (a)—

"'(1) the first installment shall be paid on the date prescribed for payment of the tax,

"'(2) the second installment shall be paid on or before the last day of the third month following the calendar quarter in which the liability was incurred,

"'(3) the third installment (if any) shall be paid on or before the last day of the sixth month following the calendar quarter in which the liability was incurred, and

"'(4) the fourth installment (if any) shall be paid on or before the last day of the ninth month following the calendar quarter in which the liability was incurred.

"'(c) PRORATION OF ADDITIONAL TAX TO INSTALLMENTS.—If an election has been made under subsection (a) in respect of tax reported on a return filed by the taxpayer and tax required to be shown but not shown on such return is assessed before the date prescribed for payment of the last installment, the additional tax shall be prorated equally to the installments for which the election was made. That part of the additional tax so prorated to any installment the date for payment of which has not arrived shall be collected at the same time as and as part of such installment. That part of the additional tax so prorated to any installment the date for payment of which has arrived shall be paid upon notice and demand from the Secretary or his delegate.

"'(d) ACCELERATION OF PAYMENTS.—If the taxpayer does not pay any installment under this section on or before the date prescribed for its payment, the whole of the unpaid tax shall be paid upon notice and demand from the Secretary or his delegate.

"'(e) SECTION INAPPLICABLE TO CERTAIN LIABILITIES.—This section shall not apply to any liability for tax incurred in April, May, or June of any year.'

"(b) TECHNICAL AMENDMENTS.—

"(1) Section 6601(c)(2) of such Code (relating to determination of last date prescribed for payment of tax) is amended by striking out '6152(a)' and inserting in lieu thereof '6152(a) or 6156(a)', and by striking out '6152(b)' and inserting in lieu thereof '6152(b) or 6156(b), as the case may be'.

"(2) The table of sections for subchapter A of chapter 62 of such Code is amended by striking out

"'Sec. 6156. Payment of taxes under provisions of the Tariff Act.'

and inserting in lieu thereof

"'Sec. 6156. Installment payments of tax on use of highway motor vehicles.

"'Sec. 6157. Payment of taxes under provisions of the Tariff Act.'

SEC. 205. EFFECTIVE DATES.

"(a) Except as provided in subsection (b), the amendments made by this title shall take effect on the date of the enactment of this Act.

"(b)(1) The amendments made by section 203 (a), (c), and (d) shall apply only in the case of gasoline sold on or after October 1, 1961.

"(2) The amendment made by section 203 (b) shall apply only in the case of gasoline used on or after October 1, 1961.

"(3) The amendments made by section 204 shall take effect on July 1, 1961."

Mr. LONG of Louisiana. Mr. President, I am asking that a copy of the amendment and an explanation of it be distributed to all Senators. My amendment shows what I believe the bill should provide. What would the amendment do?

First of all, it would eliminate all tax increases.

Second, it would allow the 1-cent increase on gasoline and diesel fuel of October 1959, to expire.

Then it would transfer enough of the excise taxes on automobiles and on parts and accessories into the highway fund to permit all Federal highways to be finished on schedule. This would require a transfer of 55 percentage points of the excise taxes on new automobiles and on parts and accessories. That is all that would be needed in order for the highway users to pay for all the highways that are needed.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. DOUGLAS. How much of a transfer would this mean per year?

Mr. LONG of Louisiana. About $800 million a year.

Mr. DOUGLAS. For 11 years that would amount to $8,800 million. Therefore, the budget would be thrown further out of balance by that sum. Is that correct?

Mr. LONG of Louisiana. I will get to that in a moment. It would also take

the aviation gas tax out of the highway fund and put it in the general treasury, where it belongs.

Mr. DOUGLAS. How much would that save?

Mr. LONG of Louisiana. That would save a considerable amount of money. Well, not a great amount, but it is a significant amount. It is the principle that appeals to me and I hope it will also appeal to the Senator from Illinois. It is $128 million, which should be available for the users of the airways.

Then the amendment also makes all the money in the highway trust fund available for forest and public lands highways obligations. That money would come out of the trust fund as well.

Mr. DOUGLAS. How much would that cost?

Mr. LONG of Louisiana. $397 million.

Mr. DOUGLAS. A year?

Mr. LONG of Louisiana. No; that would be the amount over the whole time of the program.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DOUGLAS. So the Senator would throw the budget out of balance by $9 billion.

Mr. LONG of Louisiana. Over 11 years.

Mr. DOUGLAS. Yes.

Mr. LONG of Louisiana. I will get to that point in a moment. The amendment would also continue the original completion date of the entire program, rather than provide for a 3-month stretchout, which is now contained in the committee bill.

Mr. DOUGLAS. How much would that cost?

Mr. LONG of Louisiana. It would not cost anything other than what I have already indicated.

Mr. DOUGLAS. Approximately $1 billion?

Mr. LONG of Louisiana. We simply would not have the stretchout, I will say to the Senator. I know the objection to the amendment is what the Senator from Illinois has indicated, that this would tend to attract some money away from the General Treasury into the highway trust fund.

Mr. DOUGLAS. Only $10 billion.

Mr. LONG of Louisiana. Over a period of 11 years. To be exact, the amount would be $9.7 billion over a period of 11 years.

I offer the amendment for this reason, Mr. President. We are being asked to vote first one regressive tax and then another. The bill is not before us because the Government does not have enough money with which to build highways. It is before us because it is a budget balancing proposal. That is why it is before us.

It has been argued that the highway users should pay for the highways. That is the argument we hear. Well, Mr. President, they are already paying for them. They are paying for highways, they are paying for foreign aid, and they are paying for everything that we can conceive of. They are paying for all of that in addition to paying for the highways. The taxes on trucks and buses are taxes on the users. The fact is that sooner or later we will have to give them credit for nearly 55 percent of the taxes on new automobiles. We will do it sooner or later, so why not do it sooner, and give them credit for the taxes that we promised we would repeal? All we need do is give them credit for the excise taxes that they are already paying. It is argued, in addition, that we ought to have taxes on gasoline and taxes on cars and taxes on buses and on trucks, and excise taxes on highway users, in addition to all the expenses of building the highways. That argument does not particularly impress me. The highway users are paying more than is necessary for the building of highways that are needed, with hundreds of millions of dollars to spare in excise taxes alone

This is all a part of the tax program. The President has sent a program to us to increase the social security taxes. That works out like a hidden sales tax. The general effect of it is similar to a hidden sales tax, in that it is passed along.

It is a regressive form of tax. Its benefits are desirable, but it is a regressive tax. Then we voted another tax increase, the increase in the unemployment insurance tax. That works out like a hidden sales tax. That is another regressive tax. Now we are confronted with another regressive tax. Then we are being asked to make an $800 million reduction in the corporate taxes of the big companies and various concerns. Then we will be asked to deal with the regulated public utilities, to meet foreign competition. Mr. President, they are monopolies and they do not have any competition.

So we have a tax program that is being voted through step by step. We are taking taxes off those who are best able to pay taxes and are imposing regressive taxes on the masses of the people. It does not make any sense to me. The highway users are already paying the taxes.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. DOUGLAS. Is it the contention of my friend from Louisiana that all excise taxes on automobiles should be used for the construction of highways?

Mr. LONG of Louisiana. We do not need it all.

Mr. DOUGLAS. But virtually all.

Mr. LONG of Louisiana. No, not virtually all—not now.

Mr. DOUGLAS. But ultimately.

Mr. LONG of Louisiana. This is the point involved: Right now there is a 10-percent tax on automobiles.

Mr. DOUGLAS. That is correct.

Mr. LONG of Louisiana. That is scheduled to drop from 10 points to 7 points, unless the House bill, which would continue it at 10 points, passes.

Mr. DOUGLAS. That is correct.

Mr. LONG of Louisiana. So far as I am concerned, let it go down to seven points. All we need is 5.5 percentage points—5½ cents out of 10 cents on the dollar. That is all we need to cover the expense of highways.

Mr. DOUGLAS. The Senator is saying that the excise tax should be devoted to the purposes of the product upon which it is levied. Would he say, then, that the excise tax on beer and spirits should be devoted to promoting the consumption of liquor; and that the excise tax on tobacco should be devoted to increasing the number of cigarette smokers and pipe smokers in the Nation?

Mr. LONG of Louisiana. To begin with, I am against imposing all these particular revenue taxes. Those taxes are not my idea. But someone proposed them, and they prevailed in the Senate.

The highway program apparently has been instituted on the basis that this is the least necessary thing in the entire Federal budget; that there is nothing in the budget so completely unnecessary as Federal aid to highways, based on the principle that only in the event that the highway users will pay the additional taxes to make the improvements, can there be highways at all.

I would simply look upon the highway program as a necessary improvement, one which should be paid for and one which is justified. I would consider it in an overall tax program.

But someone has said that the highway users should be made to pay for the highways. I say they already pay for them. There is no reason for increasing the taxes on highway users; they are paying for the highways now.

Someone has said we must balance the budget. There are a number of things to be done. First, let us see if it will be out of balance by the time we get through paying the appropriation bill. If it is desired to balance it, let us see, first, what can be done about it. Perhaps we cannot afford a $800-million tax reduction for corporations, such as has been recommended. Perhaps it would be better to allow the corporations to pay $800 million than to tax the highway users, when the highway users are already paying for the highways.

Mr. DOUGLAS. I do not wish to get into a dispute with the Senator from Louisiana.

Mr. LONG of Louisiana. We are in a dispute. We are there now.

Mr. DOUGLAS. First, I am not necessarily committed to the so-called investment program of the President. Second, it is understood that the President was pressing us with a package, and that the total amount of the tax rebate on the investment should not exceed the added revenues obtained by closing tax loopholes. I hope the Senator will help us close the loopholes in a depletion allowance and in other instances.

Mr. LONG of Louisiana. I will help on the proposal to eliminate the dividend credit. The Senator can count on that. There are a number of items for which I shall vote to raise more revenues. I am not completely committed to the big tax bill. Some of it does not make sense at all.

For example, a part of the President's program is to allow a 15-percent investment credit on all new construction and plant equipment. That makes good sense for the textile industry, which needs to modernize in order to compete with the Japanese and other foreign manufacturers. It makes no sense,

though, to apply such a credit to a regulated public utility, because a utility is entitled to make a fair return after taxes, and every nickel of tax savings it makes should be accompanied by a similar reduction in its rates.

Mr. DOUGLAS. The Senator from Louisiana is cooking on all burners from that standpoint.

Mr. LONG of Louisiana. Mr. President, I am not under any particular illusion that my logic will prevail. However, I think it is correct. I wish to go on record that I am opposed to this bill as it is presently written.

Mr. President, I ask unanimous consent that an explanation of my amendment may be printed at this point in the RECORD. So far as I am concerned, I shall yield back the remainder of my time.

There being no objection, the explanation of the Long of Louisiana amendment was ordered to be printed in the RECORD, as follows:

EXPLANATION OF THE LONG OF LOUISIANA AMENDMENT TO H.R. 6713, THE HIGHWAY BILL

Compared to the Finance Committee and the House-passed bill, the Long substitute would do the following:

1. Eliminate all tax increases.
2. Allow the 1-cent increase on gasoline and diesel fuel of October 1959 to expire.
3. Transfer enough of the excise taxes on automobiles and on parts and accessories into the highway fund to permit all Federal highways to be finished on schedule.
4. Take aviation gas tax out of highway fund and put it in the General Treasury.
5. Make money in the highway trust fund available for forest and public lands highways obligations.
6. Continue original completion date of June 30, 1972 (committee bill stretches it to September 30, 1972).

Thus, the Long substitute would recognize that highway users are already paying more than enough taxes for Federal road programs and gives them credit for it.

Objection: General Treasury fund would be reduced by $894 million per year.

Answer: Long substitute would look upon highways as being equally as essential as other Government functions such as foreign aid, public works, pollution control, aid to education, etc.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Louisiana [Mr. LONG].

The amendment was rejected.

Mr. BYRD of Virginia. Mr. President, I submit a series of perfecting amendments and ask unanimous consent for their immediate consideration. Two of them are to correct printing errors; all but two of the remainder perfect the committee amendments. The other two remove an administrative problem in the House bill. I ask unanimous consent that the amendments be printed at this point in the RECORD.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

On page 13, line 23, strike out "of" and insert "on".

On page 14, line 16, after the comma insert "or".

On page 14, line 18, strike out ", or" and insert a period.

On page 14, strike out lines 19 through 23.

On page 15, after line 3, insert the following:

"(3) Sales by retail dealers who are also producers.—No amount shall be paid to any retail dealer of gasoline under this section with respect to any gasoline sold by him if such retail dealer is the producer (within the meaning of section 4082) of such gasoline."

On page 16, line 12, after "6421" insert a comma.

On page 20, line 8, after the period insert "The tax on inner tubes imposed by this paragraph shall not apply to inner tubes for bicycle tires (as defined in section 4221(e)(4)(B))."

On page 20, line 12, strike out "2 cents" and insert "1 cent".

On page 21, line 13, strike out "and".

On page 21, line 15, strike out the period and insert "; and".

On page 21, after line 15, insert the following:

"(6) by adding at the end thereof the following new sentence: 'No credit or refund shall be allowable under this paragraph with respect to inner tubes for bicycle tires (as defined in section 4221(e)(4)(B)).'"

On page 22, line 1, strike out "1961" and insert "1962".

Mr. BYRD of Virginia. Mr. President, among the more important of these technical amendments is one which denies the 1-percent allowance in the case of gasoline for shrinkage or evaporation in the case of retail dealers who also are wholesale distributors. To grant an allowance in their case is unnecessary since their tax is not paid until they sell the gasoline.

Also, in connection with the same amendment, it has been found that it was unnecessary to deny an allowance in the case of refunds to farmers and for sales to local transit systems. Although it is true that such sales are tax-free in the sense that a refund may be claimed, nevertheless, the amount lost as a result of shrinkage or evaporation does not represent gasoline on which such a refund may be claimed. Therefore, it has been concluded that the initial amendment was in error in denying the 1-percent allowance with respect to such sales.

Two other technical amendments provide that no floor stock tax or refund is to be imposed with respect to inner tubes of the type designed for bicycles. The administrative bother of collecting this 1-cent tax or ultimately granting the 1-cent refund per pound in the case of these inner tubes where the tire itself is not subject to a floor stock tax or refund appears undesirable.

The PRESIDING OFFICER. The question is on agreeing to the amendments, en bloc, offered by the Senator from Virginia.

The amendments, en bloc, were agreed to.

Mr. CARROLL. Mr. President, the Federal-Aid Highway Act of 1961 is of paramount importance to my state of Colorado. As a matter of fact, Colorado stands to gain more, percentage-wise, in Federal assistance for roadbuilding by the passage of this bill than does any other State in the Union. The percentage rate of increase in Colorado's apportionment factor in fiscal years 1963–1966 over fiscal years 1960–1962 is plus 72.8 percent. The State which comes closest to meeting that rate of increase is South Dakota with an increase of 56.4 percent.

How does it happen that Colorado's apportionment has leaped so dramatically? The answer is—it did not just happen. It is the culmination of persistent hard work by many men who believed that a network of national highways could not really be complete or fully serve the purpose for which the program was conceived unless the link across the Continental Divide in the Central Rockies was included in the plans.

For the first time, in fiscal year 1963, the apportionment of Federal funds to Colorado will include a portion of interstate highway between Denver, Colo., and Cove Fort, Utah.

In a few years, passenger cars and commercial traffic will be able to drive through a 9,000-foot long-tunnel bored through the Continental Divide at 11,000-foot elevation. Traffic will enjoy an almost level passage through the mountain. The tunnel will be carved through solid granite. It will be an engineering marvel.

But the direct route through the Rockies did not come easily. The Bureau of Roads engineers believed that the awesome mountains were too formidable to even dream of such a route. Their recommendations were for routes traversing States to the north and to the south, leaving a tremendous gap in the Colorado-Utah region.

It is an interesting story how this Rocky Mountain route from east to west is about to become a reality, in spite of the opposition over the years. The first step in the fight was to obtain authorization for additional mileage, since the original 40,000 miles of the Interstate System had been fully planned for. The Senate had provided for an additional 2,500 miles. The House did not want to go over the 40,000 miles. The question became one for the Senate-House conference committee on the Federal Highway Act of 1956.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article written by Barnet Nover, chief of the Denver Post Washington Bureau. The article, published in the Denver Post on June 21, 1956, tells some of the obstacles which were overcome during that phase of the fight for the route.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAJOR VICTORY SCORED BY JOHNSON, CARROLL

(By Barnet Nover, Chief, Denver Post Washington Bureau)

WASHINGTON, June 21.—The agreement reached by the Senate-House conference committee on the multi-billion road bill to expand the Interstate Highway System by 1,000 miles represents a major victory for Colorado's Governor Johnson.

It represents a long step toward the fulfillment of his dream of a great defense highway running east-west across Colorado and Utah and connecting Denver and Salt Lake City.

Big Ed was powerfully aided in what proved to be a back-breaking effort by former Representative JOHN A. CARROLL of Denver who accompanied the Governor to

Washington early this month to work for the proposed road, by Senators GORDON ALLOTT and EUGENE D. MILLIKIN, by Representative BYRON G. ROGERS of Denver and others.

When Johnson and Carroll arrived in Washington 2½ weeks ago, the outlook for the proposed trans-Colorado highway was to the point of hopelessness.

Thanks to the efforts made by Big Ed last year and again in May, the Senate road bill included a provision expanding the Interstate Highway System by 2,500 miles, enough to give Colorado what it was asking and to take care of the unsatisfied interstate highway needs of other States.

So far so good. But a survey made by members of the Colorado House delegation made it clear that the Senate's friendly attitude toward interstate highway expansion found no reflection in the attitude of the seven Members of the House who had been named to confer with their Senate colleagues on title 1 of the bill, i.e., the nonfinancial provisions.

All seven of the House conferees were lukewarm to any idea of expanding the Interstate System beyond the 40,000-mile limit.

The problem that faced JOHNSON and CARROLL was a twofold one.

On the one hand, they had to insure that the Senate conferees consisting of Senators Chavez, of New Mexico, Gore, of Tennessee, Kerr, of Oklahoma, Martin, of Pennsylvania, Francis Case of South Dakota, and Bush, of Connecticut—the first four Democrats, the others Republicans—stand firm on the 2,500-mile provision.

On the other hand they faced what looked like the near-impossible job of persuading a majority of the seven House conferees to go along at least part of the way, with the Senate provision.

The task of winning over the House members was largely delegated to CARROLL.

The House conferees were Representatives Charles A. Buckley, of New York, chairman of the House Public Works Committee, George H. Fallon, of Maryland, Clifford Davis, of Tennessee, and John A. Blatnik, of Minnesota, all Democrats; and George A. Donderg, of Michigan, J. Harry McGregor, of Ohio, and James C. Auchincloss, of New Jersey, Republicans.

The first conferee to show any interest in the Johnson plan after prolonged explanation by CARROLL was JOHN BLATNIK, old friend and former colleague, who ultimately became the stoutest supporter in the House group in favor of the interstate highway expansion proposal.

Through a complicated maneuver which involved a phone call to a Utah supporter of Gov. Averell Harriman of New York and a call by Governor Harriman to Congressman BUCKLEY, the invaluable support of the leader of the House group was enlisted.

CARROLL then began to work on FALLON. It took some doing to win him over, but with the assistance of Speaker RAYBURN the Maryland Congressman fell in line.

This left the score in the House group three in favor to four against. Since a majority of both the House and Senate conferees was necessary to include a provision in the final bill this meant that the Colorado road plan might fall by the wayside through the lack of a single vote.

The fourth vote turned out to be extremely hard to nail down. It was no secret that Congressman Dondero, of Michigan, was hostile to any change in the Interstate System. So was McGregor, of Ohio.

The only hope to salvage the Senate interstate highway provision lay in winning over either DAVIS, of Tennessee, or AUCHINCLOSS, of New Jersey, or, if possible, both.

By that time JOHNSON and CARROLL, having spent 12 days in Washington and done all they could, had gone home. They delegated BYRON ROGERS, a past master in the art of winning friends and influencing people by means of the quiet, personal approach, to keep the three fringe Congressmen in line and do what he could to win over DAVIS.

RAYBURN spoke to DAVIS. By Wednesday morning, when the House-Senate conference met for what everybody expected would be its final session, DAVIS, while formally still uncommitted, was leaning to a compromise plan under which 1,000 miles of the 2,500 additional miles in the Senate bill would be included in the final compromise.

In the meantime Senator ALLOTT, working in close cooperation with Senator Millikin, began to work to win over at least one of the three Republican House Members on the conference committee.

The most likely prospect was AUCHINCLOSS.

The New Jersey Congressman was receptive but skeptical. He wanted to be assured that authorization of the additional mileage would meet with the approval of the Bureau of Public Roads, whose hostility to any such move was well known, that it had the support of the Department of Commerce and Treasury Secretary Humphrey; in general that it was not opposed by the administration.

ALLOTT conferred several times with Undersecretary Louis Rothschild of the Department of Commerce, the Department of Government which is in charge of the Bureau of Roads. He saw Humphrey and Sherman Adams. He contacted other members of the White House staff.

His night and day efforts produced results. Secretaries Weeks and Humphrey, urged to do so by ALLOTT and Adams, finally agreed to favor a 1,000 mile extension in the Interstate System provided it did not immediately involve any increase in cost.

This meant, in effect, that the financing of the proposed Denver-Salt Lake City highway, 90 percent of whose cost would be borne by the Government, would have to await the action of a future Congress.

A proposal to this effect was made to the House-Senate conferees by Senator FRANCIS CASE, of South Dakota, who with Senators KERR, GORE, and MARTIN, were among the fighters in the committee for the interstate highway expansion plan.

Mr. CARROLL. Mr. President, although the action of the conference committee added 1,000 miles to the Interstate System authorization, the actual locations and routes were to be determined by the Bureau of Public Roads. In October of 1957, the following year, the Bureau designated 547 miles of the 1,000 miles to be constructed between Denver, Colo., and Cove Fort, Utah.

It was now firm that Denver would be a gateway to the West over the Rocky Mountain route. But the legislative action which added the 1,000 miles to the program also stipulated that the added mileage would not be constructed until the original 40,000 miles were completed. In other words, the Colorado-Utah road would have to wait until the tail end of the program. In 1956, that waiting period was thought to be 13 years, but any stretchout in the program or delays of any kind in any other location in the country would have extended the day when construction could be started on the Denver-to-Cove Fort section.

But the need was urgent. The Denver-to-Cove Fort link as part of the Interstate Highway System was described by the Colorado State Administration as second in importance only to the discovery of gold in Colorado.

The highway link will mean gold to Colorado. The most conservative estimates indicate that tourist travel will double. That means the addition of approximately $370 million a year to the business revenue of my State.

It was obvious that the Federal law must be amended so that Colorado would not have to wait for this route. Again, the outlook for success was very dark. The Interstate Highway System, overall, was in trouble. The program was set up to be financed on a pay-as-you-go basis, and the money coming in was not matching the ever-growing costs of construction. Work was behind schedule in almost every State. The Bureau of Public Roads was forced to hold back on Federal funds in order to keep within the bounds of the highway trust fund. It was well known that drastic action would have to be taken to get the program back on schedule, and legislation permitting the added 1,000 miles to be financed on the same basis as the original 40,000 seemed very, very unlikely.

In the summer of 1960, the highway program was again before the Congress. The time had come to make the attempt to get an amendment to the law so that construction could get underway.

I went before the Public Works Subcommittee on Roads and presented the amendment that would include the 1,000 miles in the financing. I asked the chairman, Senator MCNAMARA, to consider the critical need for this transcontinental link. I urged the committee to remove the waiting-period provision from the law. But this was a joint effort again. Senator ALLOTT was working from his side with Senator CASE of South Dakota. Finally, between us all, we prevailed upon the committee to accept our proposal. The 1960 act was amended on the floor of the Senate on June 29, on the motion of Senator CASE of South Dakota, a member of the Senate Public Works Committee, who also had additional mileage in South Dakota. The amendment prevailed in conference with the House, and the Colorado and Utah Highways Departments now had the go-ahead signal for the Denver-to-Cove Fort section. We had worked tirelessly on this endeavor with the Public Works Committee, and now, through joint effort, Colorado was to get its transmountain interstate highway.

Mr. President, this brings us, in the legislative history, to H.R. 6713, being considered this afternoon. This bill, for the first time, provides authorization for financing which will reflect the increased mileage in Colorado's apportionment. In order to show very clearly for the record what this means in terms of money, I would like to draw a comparison of the funds which would have been apportioned to Colorado before the amendment last year and the funds apportioned under this bill, with the added mileage included.

The estimated funds required to finish Colorado's interstate mileage under the old legislative restriction were $163,886,000. The estimated funds required to finish Colorado's interstate mileage,

including the western link, are $340,042,000. The apportionments awarded to Colorado for fiscal years 1963 through 1966 are based on these estimated required funds. So, it can be readily seen that the added mileage has more than doubled Colorado's basis for apportionment.

In fiscal year 1963, the enactment of H.R. 6713 will provide $31.8 million—an increase over existing law of $5.3 million. In fiscal year 1964, the apportionment will be $34.5 million—an increase over existing law of $14.6 million. A similar increase will be reflected in the apportionments in the years to come.

What will the 1961 Highway Act mean to Colorado? Over the next 10 years, the total amount of new construction, on interstate and ABC roads combined, will be in excess of $650 million. The roadbuilding program during the next 10 years is the most important development in the State of Colorado. It will be the most essential factor in the economic growth of the State.

Mr. YOUNG of Ohio. Mr. President, the Federal Interstate Highway System was never intended to provide a windfall for the advertising industry. It was not conceived as a long stretch of pavement dotted with signs extolling the virtues of a sure-fire deodorant or pills to soothe nervous stomachs troubled by excess acidity.

It was never meant that Americans traveling these highways would be turned into a captive audience for a brewery or a lingerie manufacturer, or for someone's magic formula to stave off bad breath.

Mr. President, the Federal Interstate Highway System was envisioned as a convenience for the people whose taxes pay for it, not as a new land of milk and honey for the billboard lobby and the interests it represents.

Trapped by advertising almost everywhere they go, Americans deserve some respite from it on the highway system whose substantial construction costs they are shelling out through their taxes.

The Federal Interstate Highway System should be a model, not a muddle. It should be clean, not cluttered.

The preservation of scenic beauty was the distinct intent in the original bill. It should remain our intent and our determination.

We must extend billboard regulations in this program or we shall be selling American taxpayers down the river and charging them for the trip.

Mr. President, I do not dispute claims of the advertising industry that it performs a public service. Nor do I question its assertion that it is a vital segment of our economy whose health contributes greatly to our overall economic well being.

I assert, however, Mr. President, that the health of the advertising industry will not collapse if it is denied a gold-paved access route to the Federal Interstate Highway System.

I further assert that motorists who are paying for these roads through increased gas taxes have every right to resent subsidizing the advertising industry. A $10 billion industry which needs no subsidy from hard-working taxpayers.

They are entitled to view the scenery through which their highway system passes without the obstruction of massive billboards proclaiming to the world the wonders of a cure for corns or the unequalled happiness of smoking a filtered cigarette.

Mr. President, the billboard regulations adopted by Congress 2 years ago have received wide support in the States. Two have qualified; 10 have passed enabling legislation. Eleven are in the process of doing so including my home State of Ohio where it has already been passed by the House of Representatives and is presently pending before the Ohio State Senate where its chances for approval appears excellent. Unfortunately, the 2-year deadline imposed by Congress did not allow enough time for the States to complete necessary implementing action.

In my view, this provision must be extended to give all States an opportunity to truly express their positions on this important matter.

I assert the advertising industry can well afford to lick its chops for the duration of a proper extension period. If in that period more States take action, then the American people, not the advertising industry, will be the gainers. We, as Senators, owe American taxpayers this chance.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 6713) was passed.

Mr. KERR. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. CASE of South Dakota. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KERR. Mr. President, I ask that the bill (H.R. 6713) be printed with the amendments of the Senate numbered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERR. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate; there being one set of conferees for title I, and one set for title II.

The motion was agreed to; and the Presiding Officer (Mr. HICKEY in the chair) appointed Mr. KERR, Mr. MCNAMARA, Mr. RANDOLPH, Mr. CASE of South Dakota, and Mr. COOPER conferees on the part of the Senate for title I; and Mr. BYRD of Virginia, Mr. KERR, Mr. LONG of Louisiana, Mr. WILLIAMS of Delaware, and Mr. CARLSON conferees on the part of the Senate for title II.

ANALYSIS OF PROF. ARTHUR F. BURNS' CRITIQUE OF POSITION OF COUNCIL OF ECONOMIC ADVISERS ON CURRENT ECONOMIC ISSUES

Mr. DOUGLAS. Mr. President, earlier this year the Council of Economic Advisers testified before the Joint Economic Committee about the current economic situation. In my opinion, the testimony of Dr. Heller and his associates was among the best, if not the best, testimony that our committee has ever received from the Chairman and members of the Council. In fact, it was a superb presentation.

Later on in April, Dr. Arthur F. Burns, who was formerly Chairman of the Council and is now professor of economics at Columbia University, criticized the views of the present Council in a public address which was later reprinted in the CONGRESSIONAL RECORD on April 27 and in the May issue of the Morgan Guaranty Survey.

On May 4, I asked the present Council to analyze Dr. Burns' critique of the Council's position. Last Monday I received the Council's reply and released it publicly.

The analysis examines both points of agreement and disagreement with Professor Burns. It is done in a scholarly and nonpersonal way. It takes particular exception to Dr. Burns' characterization of the Council's views of the economy as a "new theory of secular stagnation," and of his criticisms of the calculations of the Council of the gap between what the economy could produce and what it is producing.

Mr. President, I think it is in the public interest that the analysis of the Council of Economic Advisers appear in the RECORD, and I ask unanimous consent that it be printed in the body of the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

AN ANALYSIS OF PROF. ARTHUR F. BURNS' CRITIQUE OF THE COUNCIL'S POSITION

Senator PAUL H. DOUGLAS has asked the Council of Economic Advisers to analyze the position taken by Dr. Arthur F. Burns on current economic issues with special reference to the questions he has raised concerning the Council's views. The Council welcomes this opportunity to respond to Senator DOUGLAS' request.

On April 21, 1961, Dr. Burns, first Chairman of the Council of Economic Advisers under President Eisenhower and now professor of economics at Columbia University and president of the National Bureau of Economic Research, appraised the views of the present Council in an address entitled "The New Stagnation Theory and Our Current Economic Policies" (later reproduced in the CONGRESSIONAL RECORD on April 27, and in the May issue of the Morgan Guaranty Survey under the title, "Examining the New Stagnation Theory." Professor Burns' critique relates to the diagnosis of the economy which the Council presented in its testimony before the Joint Economic Committee on March 6.[1]

[1] January 1961 Economic Report of the President and the Economic Situation and Outlook, hearings before the Joint Economic Committee (87th Cong., 1st sess.), pp. 290–419. See also pp. 563–614.

His address served as the basis for the substance and much of the wording of the statement of minority views in the 1961 Joint Economic Report of the Joint Economic Committee, dated May 2, 1961.

Economists are fond of saying (though tired of being told) that economics is not an exact science. It is thus not surprising that Professor Burns should differ on some important points from the conclusions reached by the present Council. We believe our analysis, based on careful research, to be sound and his criticism mistaken.

But if economics is not an exact science, neither is it guesswork. And so neither is it surprising that on some important issues Professor Burns comes to conclusions which parallel or coincide with the Council's views. We welcome the establishment of a broad area of agreement and hope that controversy can be focused where there are substantial differences of analysis and opinion.

A. MAJOR POINTS OF AGREEMENT

The four most important points of agreement seem to be these:

1. Professor Burns gives three mutually reinforcing explanations of the short and incomplete character of the 1958–60 recovery: the shock of the "violent shift" of the Federal cash budget from deficit in 1959 to surplus in 1960; tightening of money and credit by the Federal Reserve authorities; and confusion in Government and business circles and loss of momentum following upon the steel strike. With respect to governmental policies of restraint, he asserts that "they were pushed with excessive vigor and they were not checked in time." The Council has on various occasions mentioned the same points as reasons why the upswing after 1958 came to an end well short of full employment.[2] These factors are not in dispute among the majority of economists.

2. Professor Burns apparently accepts the Council's position that it is weak aggregate demand, not an unyielding core of structural unemployment, that stands between us and a 4-percent unemployment rate. This is implicit in his assertion that the American economy may well return to full employment in 15 to 18 months (from April).[3] We do not neglect the problem of structural unemployment, but neither do we believe that the relatively high unemployment rate at the cyclical peak in May 1960 can be traced to special structural factors.

3. Professor Burns also applauds the Kennedy administration for many of its programs for dealing with the recession and for its recognition of the need for revising the tax laws to stimulate private investment. Considerable agreement in prescription reflects considerable agreement in current diagnosis. The difference between Professor Burns and the Council in diagnosis concerns the probable speed of full cyclical recovery; the difference in prescription concerns the possibility of perverse timing of expansionary fiscal measures beyond those proposed before the date of his speech.

4. Even in his critique of the Council's analysis of the "gap" between actual and potential output, which occupies most of his attention, Professor Burns discloses large areas of agreement: he agrees that there is a gap, that "reasonable full employment" has been reached only fleetingly since 1956, that the peak from which the 1960–61 recession began was too low, and that the economy needs to do more than recover the ground lost in the recession. But here agreement ends, controversy begins, and labels are attached.

B. MAJOR POINTS OF DISAGREEMENT

1. "Neostagnation" theory

Unfortunately, Professor Burns has drawn attention away from issues and analysis by his emphasis on labels. This is doubly regrettable because the label he has chosen—"stagnation" or "neostagnation"—simply does not fit the Council's economic views. Having chosen this melancholy term to characterize the Council's position, he quickly distinguishes the Council's "stagnationism" from that of earlier economists by calling the Council's version a "gay and optimistic theory." He also concedes that the Council's theory "need not cause anxiety." What these disclaimers reveal is (a) that a label is a poor substitute for analysis; and (b) that, in this case, the label is wrong.

The distinguishing feature of the "secular stagnation" theory formulated in the 1930's was pessimism about the prospects for high private investment. Its exponents feared that full employment in a mature economy was impossible unless private consumption and Government expenditure moved in to plug the hole left by severely declining investment opportunities. Rapid growth would be impossible under such circumstances. The Council has expressed no such pessimism about private investment or growth. Quite the contrary: far from suggesting that more rapid growth is beyond our reach, we have shown that our economic potential—the true measure of our capacity to satisfy needs—has been growing throughout the postwar period at faster than historical rates. In the light of slower growth in the last few years than in the immediate postwar period, our contention has been that the growth of our economic potential can be and should be accelerated. Our prescription for acceleration of growth has been consistent and clear: it calls for a high-investment economy, a high-research economy, a high-education economy.

2. The gap: Facts and estimates

Professor Burns criticizes the Council's "gap" analysis. The "gap" is simply the difference between the actual output of the economy and the output which could be achieved at reasonably full employment. The existence of a gap at present is not in doubt. It is attested by the unemployment rate and by excess capacity throughout American industry. The size of the gap cannot be measured with precision because the level of potential full employment output cannot be directly observed. But a reasonable estimate of potential output can be derived from careful quantitative studies of the regularities of postwar economic life. Such studies were the basis of the Council's gap figures. Without such figures, it should be noted, the Council would not have the economic benchmarks required to carry out the intent of the Employment Act of 1946.

The most detailed method used by the Council to estimate the 1960 gap is an analysis of the increase in output which would result from a reduction in the unemployment rate to 4 percent. Although this computation—carefully anchored in the actual experience of the U.S. economy in recovering from the 1949, 1954, and 1958 recessions—is basic to the Council's analysis, Professor Burns failed to mention it in his critique of our estimate of the gap.

The Council, together with many other economic analysts, takes a 4-percent rate of unemployment as representing substantially full employment under present conditions.[4] Given this conservative definition of full employment, the fourth-quarter 1960 unemployment rate of 6.4 percent (seasonally adjusted) meant that excess unemployment amounted to 2.4 percent of the labor force or 1.7 million workers. The Council's computation showed that a reduction of unemployment to the 4-percent level would be accompanied by an increase of 8 percent in output.

At first glance, it seems paradoxical that a reduction in the unemployment rate by 2.4 percentage points would yield a percentage expansion in output more than three times as large. The explanation is that full employment conditions have a number of favorable effects on output in addition to the basic one of putting the jobless back to work. First, new members are attracted into the labor force as job opportunities increase. Second, full employment brings an increase in average hours worked as part-time jobs are converted into full-time jobs and as overtime work increases. Third, a rapid increase in productivity per worker typically accompanies the fuller use of resources in an economic recovery; nonproduction workers, in particular, tend to be underutilized in recession and their productivity rises as business picks up.

Another of the ways in which the Council estimated potential output, and reached an 8 percent gap estimate for the fourth quarter of 1960, was by passing a trend line rising at 3½ percent per year through the actual output series at the middle of 1955. The annual growth rate of 3½ percent was selected after a study of trends in labor force and labor productivity. The middle of 1955 was chosen as a base partly because it represented a period of full employment but also—and this Professor Burns fails to note—because the results thus obtained were confirmed by independent gap estimates made by the Council and others.

Professor Burns points out that if other potential growth rates and other base points are chosen, they imply results for the 1960 gap which differ, sometimes substantially, from ours. The Council's confidence in its trend projection arises from the fact that it implies gaps which bear a close and reasonable relation to observed rates of unemployment in 1960 and previous years. To be plausible, alternative trends using different growth rates and different base periods should also have this important property of consistency. We have examined Professor Burns' suggestions in this light.

(a) One suggestion was to use a 3½-percent trend of potential GNP anchored in the second quarter of 1957, when the unemployment rate was also near 4 percent. We have compared the percentage gaps between potential and actual GNP implied by this trend with unemployment rates observed in every quarter beginning in 1953. To accept this potential trend one must also believe (1) that actual output was above potential throughout the years 1955 and 1956, during which time the unemployment rate fell to 3.9 percent in only 1 month; (2) that the unemployment rate corresponding, on the average, to reasonable capacity output is 4.6 percent.

(b) Another suggestion was to start the 3½-percent trend in the second quarter of 1947. When the gaps implied by this procedure are compared with unemployment rates in the 1953–60 period the conclusions are: (1) that real GNP was above potential throughout the period from 1953 through 1957, and indeed that the recession of 1954 was a period of above-potential output; (2)

---

[2] See Hearings, pp. 564–565 and 572–573 (Council's answers to questions 3 and 17, respectively) for references to the steel strike and to the fiscal positon. In Life, March 10, 1961 (p. 24), Chairman Heller enumerated in the causes of the 1960 recession "a heavy foot on the fiscal and monetary brakes."

[3] In an interview in U.S. News & World Report, April 24, 1961, Professor Burns referred to an unemployment rate "close to 4 percent" as "virtually full employment."

[4] This figure is too high to serve as a long-run goal, but it is accepted as an interim target which could be achieved under current circumstances without serious inflationary risk. In the future, measures to improve geographic mobility, the skill structure of the labor force, and the health and education of workers, should allow the target rate to be lowered.

that the unemployment rate corresponding, on the average, to reasonable capacity output is 6 percent.

(c) A third suggestion was to fit a trend rising at 3.9 percent per year between actual GNP in the second quarter of 1947 and actual GNP in the second quarter of 1957. Continued to 1960, this trend yields a gap of $26 billion instead of our figure of $32 billion. It also implies: (1) that output was above potential from the very beginning of 1955 to mid-1957; (2) that the unemployment rate corresponding, on the average, to reasonable capacity output is 4.6 percent.

As this evidence strongly confirms, the Council's choice of a trend line for potential output was not capricious. We did not anchor it in 1947 or 1957, because to do so carries implausible implications about the performance of the economy in particular years and about the level of unemployment corresponding, on the average, to reasonable capacity output. And we did not use a higher growth rate than 3½ percent because of significant evidence that the rate of growth of potential in recent years has been lower than from 1947 to 1953.

We conclude from this review of the evidence that an 8-percent figure for the gap in the fourth quarter of 1960 is grounded in persuasive evidence.

3. The gap: Explanation

The Council does not hold the view that the gap is endemic to the American economy, or that it would not give way to standard fiscal and monetary measures to expand demand. On the contrary, in our statement of March 6, we assigned responsibility for the growth of unemployment and economic slack in recent years to "deficiencies in total demand, rather than to "changes in the structure of industry and manpower."[5] A Council member said in our oral testimony of March 6: "* * * [We] would not accept the idea that we have a chronic or growing long-run problem of unemployment but, rather, that we have a problem of unemployment that we can defeat by fairly standard fiscal and monetary means provided these are applied resolutely enough."[6]

Professor Burns misread the Council's explanation of the gap when he said: "But what, it may be asked, is the large and growing gap due to? The basic reason, we are told, is that there has been a retardation of investment." This misinterpretation is surprising in view of the pains the Council took to distinguish the problem of the gap from the problem of growth.

The gap problem is that demand has not been keeping up with the estimated 3½ percent annual increase in potential supply. The growth problem is that this 3½ percent annual increase falls short of an adequate rate of growth in our capacity to produce. We attributed the inadequate growth rate, not the growing gap, to "retardation of investment." It is faster growth, not the closing of the gap, that is the primary objective of increased private investment in plant and equipment and increased public investment in human beings. Undertaken in a time of economic slack, however, such increases have the welcome added virtue of helping to promote recovery by swelling the demand for goods and services.

A large part of President Kennedy's program for economic recovery consists of measures to expand consumption. For example, accelerated tax refunds and veterans' insurance dividends, temporary unemployment compensation payments, and aid to dependent children of the unemployed all expand consumer markets. These programs operate swiftly and surely to narrow the demand gap. Such measures as reduction of interest rates for small business, tax credits for investment, and expenditures for research, operate more slowly but have the virtue of simultaneously expanding demand and accelerating growth in productive potential.

4. Current policy for full recovery

The major operational difference between Professor Burns' position and that of the Council concerns current policy—the degree and duration of desirable fiscal stimulus.

In his April 21 speech, Professor Burns stated that "we would be courting inflation and a gold crisis if we now arranged new governmental spending programs so that they would mature when the economy is already advancing without them."

Since April 21, in the course of the present recovery, President Kennedy has recommended to the Congress new or expanded programs in the fields of space, national defense, training and retraining of unemployed workers, foreign aid, and several others. These programs, if adopted, would increase Federal expenditures in fiscal 1962 by $724 million. The Council must dissent from Professor Burns' implicit view that the enactment of such programs—all of them evoked by urgent national needs—will "court inflation and a gold crisis." On the contrary, we believe that there is room for such stimulation of the economy, and that public expenditures of high social utility ought not to be deterred by fears that the economy will soon be up against its capacity to produce.

Indeed, in our testimony we pointed out that the powerful Federal tax structure would generate a considerable budget surplus at full employment, an issue which Professor Burns ignores. We agree with other witnesses before the Joint Economic Committee that this large "latent surplus" in the Federal budget at present levels of expenditure makes full recovery more difficult.[7] We have not stated, nor do we believe, however, that a Federal surplus is incompatible with full employment. What we have stressed is the need for a rational allocation of the implicit surplus among increased Government outlays, decreased taxes, and debt retirement to achieve higher levels of investment for growth consistent with full employment.

Professor Burns foresaw in April that "Full employment * * * may well be reached some 15 or 18 months from now," without any further special stimulus to the economy. According to the Council's estimates, full recovery in the third quarter of 1962 would require a 14.8 percent increase in real GNP over the current quarter, and full recovery in the last quarter of 1962 a 15.8 percent increase. Recovery has not proceeded at this pace in any comparable postwar period of expansion, except in 1950 under the stimulus of the Korean conflict. While it is not physically impossible for recovery to proceed that rapidly, current evidence suggests that it is highly improbable. If we were to equal the pace of recovery from the 1954 and 1958 recessions, the unemployment rate would exceed 5 percent in the third quarter of 1962.

According to Professor Burns, "The problem of recovery that we face is not very different from that which we faced in 1949 or in 1954 or in 1958." The Council has not contended that there is any qualitative difference between the present recovery problem and earlier ones. Nor are the lessons learned from the errors of the past irrelevant to our present problem.

In every recession there is slack which must be taken up by expansion of demand; the important question is how much. According to our calculation, the percentage gap at the trough of the 1960–61 recession was greater than at the 1954 trough but about the same as at the 1958 trough. The Council has consistently stressed that the distance to full employment, not the drop from the previous peak, is the true measure of the magnitude of the recovery problem.

The 1958–59 recovery was accompanied by a much larger Federal deficit than we will experience in 1961–62. In its initial year, it was also stimulated by a strong inventory buildup in anticipation of the steel strike. As Professor Burns himself shows, a sharp reversal of the Federal fiscal position contributed to the premature end of the recovery. In retrospect, expenditure programs begun in 1958–59 and continuing or maturing in 1960 would not have been poorly timed. On the contrary, they would have given the economy a sustained stimulus just when the inevitably temporary stimulus of rapid inventory buildup was exhausted.

The Council believes that all governmental programs must meet the severe test of social priority relative to other public and private uses of the Nation's economic resources. This is true of Government spending to promote long-term economic growth, and of Government outlays for social welfare. We would not support for purposes of recovery any programs which cannot meet this test. But a time of economic slack may be an opportune occasion for initiating programs of high national priority which have been waiting for room in the Government budget and in the economy. The budget must not, of course, be built up by irreversible commitments during recessions to a level which would be regarded as undesirable at full employment. But some programs are reversible. Moreover, the needs of the Nation, the growing latent surplus produced by the revenue system, and the general growth of the economy indicate that there is economic room for the increases in Federal expenditure recommended by the President since April.

The Council is not in any sense proposing that the monetary and fiscal brakes be removed from our economic machine. If the recovery moves more rapidly than we now expect, these brakes can be applied to avert inflationary hazards. But the very existence of brakes permits the machine to go faster with safety. In a year of urgent needs and great opportunities there is little reason to lose precious time, production, and employment.

---

[5] Hearings, pp. 329–330.

[6] Hearings, p. 417.

[7] Hearings, p. 355, and in particular the testimony of Herbert Stein of the Committee for Economic Development, pp. 209–226. See also appendix to the 1961 Joint Economic Report of the Joint Economic Committee, pp. 119–125.

THE 43D ANNIVERSARY OF LITHUANIAN INDEPENDENCE

Mr. DOUGLAS. Mr. President, 21 years ago on June 15, 1940, the Soviet Union moved her armies into Lithuania and the neighboring Baltic States and instigated a plan for the mass deportations and executions of the native populations.

On February 16, 1918, the Lithuanian nation had declared its independence—a goal for which the Lithuanian people had been striving throughout a long period of Russian domination followed by German occupation during the First World War. After two decades of independence as a democratic state with a constitution which guaranteed the basic freedoms of speech, assembly, religion, and communication, Lithuania became one of the first countries to experience the aggression of both Hitler and the Soviet Union.

With the outbreak of the Second World War Lithuania had attempted to maintain a policy of absolute neutrality but

she was gradually engulfed. In 1939, the Soviet Union forced a mutual assistance treaty upon the country. Lithuania was required to grant air bases to the Soviet Union and to admit Soviet garrisons. On June 15, 1940, the Soviets demanded immediate formation of a "friendly" government and occupied the country. In August of that year the Baltic States were deprived of their independence and incorporated into the U.S.S.R. by means of force and fraudulent elections. The Soviets prepared to put into effect their plans to wipe out all opposition by means of murder and mass deportations.

On June 14, 1941, the Soviet police began the deportations. It is estimated that between June 14 and 21 close to 40,000 persons—young and old, men and women and children—were forcibly torn from their homes and loved ones and shipped off to slave labor camps in remote areas of Siberia and the Arctic. Several thousand more were executed when the Soviet forces retreated in haste under German attack. When the Soviet retook the country in 1944 new waves of mass deportations followed.

The United States has never recognized the forceful incorporation of Lithuania and her neighbors by the U.S.S.R. We have denounced this crime of aggression and refused to recognize Communist claims to these people and their territories. On the anniversary of these inhuman crimes against the Lithuanians it is only right that we should pay tribute to these brave, freedom loving people who have endured so much. We can only hope and pray that the time will soon come when Lithuania will once more be independent, and these brave people will regain their rightful place among freemen.

INJUSTICES OF PERMITTING PRIVATE PATENTS AT PUBLIC EXPENSE

Mr. LONG of Louisiana. Mr. President, one of the few publications to recognize some of the injustices and inequities of permitting private patents at public expense has been The Nation.

It has oftentimes seemed to me that the power of the advertising budgets expended annually by large corporations which are favored with Government research and development contracts accounts for the fact that the daily newspapers of this Nation have kept the public in the dark about the merits of this issue.

I ask unanimous consent that an article entitled "The $3 Billion a Year Giveaway," which was published in the June 3, 1961, issue of The Nation, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE $3 BILLION A YEAR GIVEAWAY

The question of who should own the patent rights on research projects financed by the Government involves what Senator RUSSELL B. LONG calls a $3 billion a year patent giveaway. Senator LONG has introduced a bill to give the Government title to patents which, in effect, it has already bought. He is supported by Vice Adm. Hyman G. Rickover, who says: "Where the Government bears all or nearly all of the cost, where the facilities belong to the Government and where the Government bears all the risks, the people should own the patents. The American people are spending their money for the research and development; therefore, the patents should belong to them."

But this is by no means the unanimous view in the Government itself; as usual, Rickover is a maverick. The Atomic Energy Commission and the National Aeronautics and Space Agency do in fact follow the policy advocated by Senator LONG and Admiral Rickover. The Defense Department does not. It retains a royalty-free license for Government-financed production and gives the patent to the contractor. The Navy is particularly opposed to the Long bill. It would seem that the Defense Department loves its contractors more than it loves the taxpayer, who is currently paying for about two-thirds of all research and development.

Industry really hasn't a leg to stand on in this controversy, but it has created an artificial limb and it stands on that. According to the Wall Street Journal (May 14), the Electronics Industry Association has mailed a circular letter to every Senator and Representative opposing the Long bill and similar measures, arguing that research contracts are usually for hardware or engineering or scientific reports. Patents cannot be contracted for, the argument runs, since they cannot be anticipated. This is technological nonsense. Thirty years ago Owen D. Young, then head of the General Electric Co., pointed out that in the modern technology inventions are made to order. He was ordering them, and getting them. You may not get them at the rate of one a week, but over the years they will accumulate. The Government is entitled to its own. Where industry wants the patents, let it pay the bills.

PRESERVATION OF THE BALD EAGLE

Mr. KEATING. Mr. President, in 1940, Congress passed special legislation to protect and preserve the bald eagle, which is our national symbol. It is only right and proper that this splendid and free creature, our national emblem, should enjoy a special protection from idle and wanton destruction. Today I am happy to cosponsor the bill introduced by the distinguished senior Senator from Texas [Mr. YARBOROUGH], to amend that act and to include the golden eagle, as well, among our protected birds.

There are two reasons for the bill:

First, the golden eagle resembles the bald eagle in so many respects that, as concerns the young birds, only trained ornithologists can recognize the difference. Federal protection of the golden eagle would, therefore, have a beneficial effect upon the survival of the bald eagle as well.

Second, the golden eagle is a magnificent creature in its own right, but it is on the verge of extinction in many areas because of the sport of shooting such birds from airplanes.

Mr. President, I am cosponsoring the proposed legislation at the request of the Audubon Society of New York. The State of New York already provides protection for the golden eagle, but a wider need for Federal protection has been emphasized.

APPOINTMENT OF JOSEPH F. FRIEDKIN TO INTERNATIONAL BOUNDARY COMMISSION

Mr. YARBOROUGH. Mr. President, I have just been advised that Mr. Joseph F. Friedkin, of El Paso, Tex., an engineer of nationally recognized ability and service, has been appointed by the President to be Commissioner of the U.S. Section of the Internation Boundary and Water Commission, whose jurisdiction includes boundary problems from San Diego, Calif., to the mouth of the Rio Grande.

The appointment of Mr. Friedkin, whose long record of service in the public interest has included the supervision of engineering, construction, operation, and maintenace of our great water projects along the entire Rio Grande, will be applauded by hundreds of thousands of residents on both sides of the United States-Mexico border.

Mr. Friedkin has served not only as an outstanding engineer, but as an exceptionally effective diplomat, as well. The law requires that the Commissioner be an engineer, but Mr. Friedkin, in his other activities with the Commission, was one of the leaders in arranging the division between the United States and Mexico of the waters of the Rio Grande and Colorado Rivers under the 1944 Water Treaty with Mexico.

I am informed that the President has just approved Mr. Friedkin's appointment. I sincerely believe it will prove to be not only an outstanding action toward the development of the great dams and conservation programs along the Rio Grande in the public interest, but will also mean continued stronger ties of friendship and cooperation with our friends south of the border.

Various names had been proposed for this appointment. I believe the President has proposed the very best man for the benefit of the people of both the United States and Mexico.

SOVIET SEIZURE OF LITHUANIA

Mr. PELL. Mr. President, one of the most tragic events in the onrush of the Second World War was the Soviet seizure of the sturdy, independent nation of Lithuania. After the perfidious Nazi-Soviet agreement, the Soviet Union made outrageous demands upon the free Government of Lithuania which this small nation could hardly resist and then occupied the country with the purpose of absorbing it into the Soviet empire on June 15, 1940.

In the tragic months which followed, the now-familiar pattern of Soviet absorption was followed. So-called elections controlled by Soviet forces were held and the results led to a foregone conclusion—the request of the Soviet-puppet Diet for absorption into the Soviet Union. This mockery of the democratic process was not taken quietly by the Lithuanian people who doggedly organized resistance to the Soviet Union. Passive resistance demonstrations marked the farcical elections and a year after Soviet occupation a spontaneous and general revolt against Soviet rule

broke out in which some 90,000 brave Lithuanian guerrillas took part. The Soviet Union with characteristic ruthlessness deported tens of thousands of Lithuanians to the barren wastes of Siberia.

At the end of the war, Soviet forces returned to occupy the helpless Lithuanian nation and perpetrated new mass deportations. It has been estimated that over 10 percent of the Lithuanian population were deported during 1948–49 as the Soviet Union strove to break Lithuanian resistance to forced collectivization of agriculture.

As a former Baltic desk officer in the Department of State, I know personally of the tribulations suffered by the undaunted Lithuanian people. I had the honor of knowing the late Mr. Povilas Zadeikas who for many years served, in an outstanding manner, as Lithuania's Minister to Washington. On this day, I am particularly reminded of my association with many wonderful Lithuanian friends.

This day is an anniversary of mourning for the sufferings of the people of Lithuania and for the loss of their national independence and personal freedoms. It is also a day for tribute to their sturdy and steadfast attachment to independence and freedom. We assure the Lithuanian people living under Soviet colonialism that we shall never forget them.

UNITED STEELWORKERS OF AMERICA CELEBRATE 25TH ANNIVERSARY

Mr. HUMPHREY. Mr. President, it gives me great pleasure to rise in the Senate today to pay tribute to one of America's greatest unions—the United Steelworkers of America—which on Saturday of this week will celebrate its 25th anniversary.

In the 25 years since 12 men sat down around a table in Pittsburgh, to set up the steelworkers organizing committee for the purpose of organizing steelworkers into a genuine labor union, giant strides have been made.

The United Steelworkers of America have won better working conditions, higher pay, and shorter hours for their members. But this is not all. The United Steelworkers of America have been just as much interested in helping the workers in other industries to build strong and progressive unions. As a matter of fact, the organizing of the steelworkers, back in 1936, was the beginning of the big CIO drive to organize industrial workers in other fields, as well. This was the big breakthrough. The SWOC proved that it could be done—even against great odds, against giant companies, with unlimited funds, determined to crush union organization.

The United Steelworkers of America have demonstrated throughout the years, under the great and dedicated leadership of Phillip Murray and David J. McDonald, that they are interested, first, last, and always, in promoting the general welfare of all Americans. The United Steelworkers of America have been leaders in campaigns for social reform and social justice. They have made their position known to the Congress, to the State legislatures, and to county and city governments throughout the land. They have spoken out and worked to better the lot of millions of fellow Americans who have no spokesmen of their own, who have no union to represent them.

Mr. President, America is a better country today because we have unions like the United Steelworkers of America. I am proud to be able to number the the steelworkers among my friends, and I take pleasure in having this opportunity to pay tribute to this great and dedicated union.

To President David J. McDonald, Secretary-Treasurer I. W. Abel, Vice President Howard R. Hague, and to thousands of other officers, international representatives, shop stewards, and the rank-and-file members, I pay my respects, and wish them as great success in the years ahead as they have experienced in the past 25 years.

In conclusion, Mr. President, I ask unanimous consent that a most interesting article, which reviews the highlights of the story of the United Steelworkers of America, and was published in the June issue of Steel Labor, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TWENTY-FIVE YEARS OF HUMAN PROGRESS—THIS IS HOW IT ALL STARTED

A quarter of a century has passed since the great steel organizing drive got underway. June 17, 1936, was the day it was formally launched. That was the day a small group of courageous men met in Pittsburgh to map the campaign of the steelworkers organizing committee.

It would be impossible to recite here all the background and history of the great American union that has grown in these 25 years. Set down here are a few of the highlights of that dramatic story, many of which are taken from "Twenty Years Later," compiled in 1946 by Vincent D. Sweeney.

Others have tried to travel this road since the days before the Civil War. But always there was something to stop them. Massacre and slayings have come out of the bitter strife waged around roaring blast furnaces and open hearth mills when men tried to organize into unions.

The 12 men who sat in an office on the 12th floor of a building in downtown Pittsburgh on that hot summer day of June 17, 1936, knew what they were facing.

Homestead 1892. The steel strikes of 1909 and 1919. Martial law. Tear gas. The power and wealth and might of an industry which had relentlessly fought unionism through the years.

After the 1892 strike, the great Carnegie Co. announced it would never again recognize a labor organization. A few years later, when the United States Steel Corp. was organized by J. P. Morgan, that attitude was made a positive policy. The Carnegie Co., as one of the important subsidiaries of the new corporation, insisted that any extension of union labor be opposed. This policy was made completely effective in 1909 when, after a 14-month strike, the union was eliminated from the few remaining subsidiaries where it had had a few contracts.

OLD AMALGAMATED

That union was the Amalgamated Association of Iron, Steel, and Tin Workers. After the setback of 1909, the Amalgamated was limited to a few small independent steel mills. It was not until 1919 that a serious attempt was made to organize the steel industry. In September of that year, 365,000 workers went on strike. Martial law was declared in various areas and 20 deaths were attributed to the conflict. Once again the steel industry fought the strike by importing workmen. The number on strike dwindled as weeks passed. By mid-December production had been restored to 50 to 60 percent of normal and by January the union cause was lost.

REMEMBER ERP?

The 1930's produced another phenomenon in terms of organization in steel. This was the employee representation plan, more accurately called company unions. They were designed to prevent true organization and to frustrate collective bargaining. Like a blight they hit the steel industry overnight. Printing firms worked overtime to produce the pretty little booklets which assured the workingman that he now had organization.

With legitimate unions rapping at the doors of steel in the days of the Blue Eagle, the industry turned to the employee representation plan—as a barrier to outside unions. That was management's pet curse—outside unions. Outwardly the ERP had the form; inwardly it was completely empty. Thus it was vulnerable to attack.

Against this background of futile organizing campaigns in the past, buttressed by what seemed to be a smoothly functioning plan to meet the problems of labor and management relations, the skepticism of the Nation, as expressed with such finality, is easily understood: You'll never organize steel. And these things were known to that dozen men who met on June 17, 1936.

REPORTERS GET STORY

In the late afternoon of June 17, 1936, reporters were called in and a formal statement of the policy of the committee made public. In simple language, devoid of any emotion, it set forth:

"The Steelworkers Organizing Committee wishes at the outset of this campaign to emphasize its main objective and the spirit of responsibility to the whole labor movement and to the Nation in which it is undertaking the gigantic task of organizing the steel industry.

"The objective of the committee is to establish a permanent organization for collective bargaining in the steel industry.

"Once a substantial proportion of the steelworkers have signified their desire to enjoy the benefits of collective bargaining through a genuine labor union, we shall approach steel management and request that they observe the public policy of the United States by peacefully negotiating a collective bargaining agreement."

The great steel drive was underway.

National headquarters were established on the 36th floor of the Grant Building, Pittsburgh, and three regional directors appointed—Mr. Golden for the northeastern region, Mr. Bittner for the Great Lakes and western region, and William Mitch in the South.

As seen by one writer at the time, the picture was this:

"The CIO has saved its first $500,000 pile of ammunition entirely for the steel industry on the theory that if that citadel can be captured the whole industrial line can be turned. Steel has become the Verdun of the American labor movement. Up and down the Monongahela, where the houses cling to the hills like migrant birds; into the rolling valleys of Youngstown; down the ample curves of the Ohio; along the flat shores of Lake Michigan in the shadow of great cranes and Hulett unloaders, the

CIO's voice is raised against entrenched hostility of steel.

"Offices have been opened in towns that never saw a union office before. Signs have been carried in streets where no union ever before dared to raise its head. And practically every day meetings are held in that vast territory, openly or furtively, in parks, in convention halls, in cockeyed shacks on the edges of towns, or even on isolated farms leased for the occasion."

The physical job of installing telephones and office equipment in the Chicago, Birmingham, and Pittsburgh offices was underway when, on the last day of June and the 1st of July, the American Iron & Steel Institute threw down the challenge. The institute bought full-page advertisements in 375 metropolitan newspapers at an expenditure of around $500,000 to appeal to "the public and the employees in the steel industry." It is interesting to observe that the Steelworkers Organizing Committee set out to organize the steel industry with $500,000 while the industry, in one advertisement, spent that much money.

FEARS—RESENTMENT

The fear that the advertisement was designedly aimed to instill in the workmen soon turned to resentment at the dictatorial attitude of the industry. There was no unanimity among industrialists in drafting or placing the advertisement, many have freely admitted since then. But the success of the advertising attack on unions in 1919 swayed the decision.

There was placed at the disposal of the Steelworkers Organizing Committee a staff of 150 organizers recruited from CIO unions. They were sent into vital steel areas throughout the Nation with the simple admonition from Chairman Murray: "We have a big job to do. Let's go out and do it."

When SWOC failed to fold up under the summer blasts of an angry industry, steel executives burned much midnight oil plotting its destruction. The four chief instrumentalities of antiunionism were doing a land-office business—as revealed years later by the La Follette committee, which was created to investigate violations of the right of free speech and assembly and interference with the right of labor to organize and bargain collectively. They are: Strikebreaking, industrial espionage, private police systems, and industrial munitions.

"The committee found," read one of the reports, "that the purchasing and storing of arsenals of firearms and tear- and sickening-gas weapons is a common practice of large employers of labor who refuse to bargain collectively with legitimate labor unions and that there exists a large business of supplying gas weapons to industry."

COMPANY WEAPONS

"The committee's investigation of the distribution of industrial munitions was most complete in the case of gas weapons. It found that during the years 1933 through June 1937, $1,255,312.55 worth of tear and sickening gas was purchased by employers and law-enforcement agencies chiefly during or in anticipation of strikes.

"The committee noted that all of the largest individual purchasers are corporations and that their totals far surpass those of large law-enforcement purchasers. In fact, the largest purchaser of gas equipment in the country, the Republic Steel Corp., bought four times as much as the largest law-enforcement purchaser."

Steel was girding for a war on unionism.

One of the first moves planned in the campaign of SWOC was to capture company-unions. It was apparent that many of these ERP leaders wanted a legitimate union.

Desperate to bolster them, management addressed letters to each employee and issued public statements.

But it was no use.

With the attack on company unions now in gear, steelworkers celebrated Labor Day—September 7, 1936—with meetings in East Chicago, Canton, Massillon, Portsmouth, Steubenville, Johnstown, Pittsburgh. In New England and in the South and west coast, and in the iron ore range with less spectacular but effective gatherings. The program was highlighted with a $5-a-day demand.

In a desperate effort to stop SWOC's progress, steel management granted a wage raise and offered to sign an agreement with the ERP. The wage raise brought common labor rates to 52½ cents an hour in the Chicago and Pittsburgh districts. Instead of slowing down the campaign the whole business added momentum. Steelworkers realized what had brought the increase.

This was proved by the first public announcement of results of the drive made at the time. Eighty-two thousand steelworkers had signed membership cards; an average of 2,000 were joining daily. Fifteen hundred out of 2,500 representatives under the ERP had signed with the SWOC. Religious, fraternal, and foreign-language groups now publicly announced their support of the union.

MURRAY SPEAKS

The year 1936 ended with a public announcement by Chairman Murray that 125,000 workers were in the union; that 1,954 local lodges had been established; that plans were being formulated for a national SWOC convention. The new year—historic 1937—was to prove most memorable. Perhaps most memorable of these first 10 years.

Groundwork for the historic announcement which was to electrify the Nation on March 2, 1937, had been laid months before. Naturally it had to be kept secret—so secret that reporters who came from all parts of the Nation that day believed, almost until the contract signing was announced, that they were in Pittsburgh to hear an announcement of a steel strike. But the union delegation, headed by Chairman Murray and Secretary-Treasurer McDonald, were spotted walking into a Pittsburgh skyscraper. The wires sped the news across the Nation. Headlines screamed the news to the passerby.

United States Steel had signed a contract with the Steelworkers Organizing Committee.

The $5-a-day minimum was won.

The corporation agreed to recognize the SWOC for its members.

It agreed to put the 40-hour week into effect with time-and-a-half for overtime.

STIRRING DAY

It was a stirring day in labor history.

The document signed on March 2, 1937, while incorporating improved wage and hour provisions, was more or less a peace pact. Eight days later the parties met again in Pittsburgh and wrote a complete bargaining agreement.

It was a 1-year agreement, which, in addition to wage and hour clauses, provided for a paid-vacation system granting a week's vacation to all employees with 5 years' service; a seniority system; a five-step system for adjustment of grievances.

That historic contract also carried clauses covering safety and health conditions in the mills, establishing July 4, Labor Day, and Christmas as holidays, and setting up machinery to iron out inequalities in wage rates in each plant.

The 62½-cent basic wage rate thus in effect represented an increase of 16.6 cents for steelworkers since the SWOC was founded only 9 months before.

The Big Steel agreement broke the dam, and action in the ensuing weeks was breathtaking. Smaller firms waged a hot race to sign. Within 4 weeks after Big Steel had signed, 41 companies negotiated contracts. And the union announced it had 492 active lodges. The week of May 3 to May 8 topped all current records. Secretary Treasurer McDonald announced that 37,048 members had signed in that short period.

What the new union had wrung from steel thus far was broken down into dollars and cents by the industry itself. The American Iron & Steel Institute announced that steel payrolls were boosted $130 million under union contracts.

BIG STEEL'S DECISION

Big Steel went before the National Labor Board in Washington to announce it was dissolving its employee representation plans.

But not all steel companies washed their hands so completely of the racket. Most of the independent steel companies hurriedly wrote amendments to their company union to circumvent the Supreme Court decision which had outlawed the racket. And girded for battle. Jones & Laughlin had withdrawn financial aid from the ERP but when it came to dealing with the SWOC and signing a contract—well, that was something different.

By the first week in May 1937, there were 110 firms under contract. Negotiations with Jones & Laughlin were getting nowhere. On Wednesday night, May 12, picket lines formed in front of the mill gates in Pittsburgh and Aliquippa. It was the first major strike in SWOC's history and involved 25,000 workmen.

Thirty-six hours later the strike ended when that corporation agreed to a Labor Board election and a signed contract if the union won. On May 20, workmen at Jones & Laughlin voted 17,028 for SWOC to 7,207 against.

But ominous signs were in the air. A combination of Little Steel companies—Bethlehem Steel, Republic Steel, Inland Steel, and Youngstown Sheet & Tube—rebuffed every effort at settlement with the same adamant attitude: We will not sign. On May 26 a strike of 78,000 steelworkers began. It stretched over seven States—at the mills of Republic, Inland, and Youngstown Sheet & Tube. But later it spread to the Johnstown plant of Bethlehem Steel, affecting 12,000 more.

The strike was but a few hours old when, at Republic Steel's South Chicago mill, a thousand persons gathered in meeting on Memorial Day. Headed by two bearers of American flags, they started across the prairie toward the street which fronts on the mill. There was a holiday spirit over the crowd.

Chicago police were lined up across the street with drawn clubs and hands on revolvers. Spokesmen for the strikers talked with police a few minutes. The peaceful paraders were commanded in the name of the law to disperse. A moment later, at some signal from the police captains, the line of police advanced upon the crowd. The marchers turned and many began to walk, some to run, back across the prairie. The police fired in volley point-blank at the people. Seven were killed, 90 wounded. Three of the injured died later.

MEMORIAL DAY MASSACRE

This was the Memorial Day massacre.

The fiendish care with which these steel corporations prepared to crush the union is seen from the huge purchases of tear gas and gas weapons. In addition, arsenals of the companies involved in the Little Steel strike are astounding. Republic Steel stated it possessed 552 revolvers, 64 rifles with 1,325 rounds of ammunition, 245 shotguns with 2,707 gas grenades. Youngstown Sheet & Tube furnished an inventory of its arsenal in the Youngstown district only—453 revolvers, 369 rifles, 190 shotguns, and 8 machineguns. These machineguns were not submachineguns but Regular Army model Colt and Lewis weapons.

In addition to 40,000 rounds of ammunition for the machineguns, the company

possessed over 8,000 Springfield rifle shells of .45–.70 caliber; over 2,000 rifle shells of .30 caliber; .30 caliber Remington rifle shells for Winchester and other heavy caliber rifles; nearly 20,000 rounds of .38 caliber police revolver cartridges; 109 gas guns, or billies; 24 gas machineguns; 689 gas grenades and 2,447 items of gas ammunition.

The Little Steel strike of 1937 provided the largest demand for gas munitions ever created in the United States, said the Senate's La Follette committee.

MANY KILLED

In addition to those killed on Memorial Day in Chicago, six other members lost their lives on picket lines. Three were killed in Massillon; two died in Youngstown, and another man was fatally injured by a tear gas projectile at Beaver Falls, Pa. There were other outbreaks at a half dozen mills, the work of provocateurs. Scabs and pickets fought in Warren; at Canton a foreman was wounded in both hands and both legs by a company policeman. A few days later Republic's regional chief was shot and wounded by company guards stationed outside his own home. A newspaper photographer was shot at four times by a guard, in Warren, while attempting to photograph the landing of a Republic food plane in the mill enclosure. A score of pickets were clubbed and tear gas was turned on many others. The Ohio Governor called out the State militia.

By late fall most of the men were back at work—without a signed contract. But a few years later the companies signed, which raises the question: Is a just strike ever lost?

Millions of dollars in backpay and damage suits were later paid by the companies involved.

ANOTHER MILESTONE

Another milestone in the growing history of the young union was the first convention—a 3-day session held in Pittsburgh beginning December 14, 1937. Nine hundred and twenty-four delegates from all parts of the United States and Canada represented a half-million organized Steelworkers. It is interesting to note that 837 resolutions were submitted by local lodges dealing with such subjects as wages, hours, and working conditions.

On the specific question of wages the majority favored a $6-a-day as the objective. Many dealt with wage increases for individual jobs and the adjustment of inequalities for specific jobs.

An interesting document read:

"Here we have an institution, now created, in being, that has come to be regarded today in the life of America as one of America's great institutions—the Steelworkers Organizing Committee. You are to be complimented. You are to be congratulated. You are to be commended. Carry on. Keep building."

And build they did.

LOOK TO SOUTH

Look to the South. A union man can walk the streets of Gadsden, Ala., today—safely; and in scores of other southern towns with the same impunity he can live and breathe the air of freemen.

Time was when the wearing of a union emblem was but the invitation to be slugged and beaten by the town and company thugs of nearly every southern town. Many a man was ridden on a rail to the edge of town and dumped with the threat that he would forfeit his life if he returned, simply because he was trying to alleviate some of the misery and destitution of the people through organizing them into unions. Other men were beaten with sadistic frenzy. And not an inconsequential number were killed by the forces which opposed the union.

Time after time men were waylaid at night, and found terribly beaten the next morning. Beatings were not restricted to the side streets, but with the open approval of the high sheriff and the city administration carried on in the heart of the business district.

The SWOC early began what proved for years to be a well-nigh hopeless organizing drive. Members came in slowly and left rapidly when threatened by the bosses in the plant. Many an organizer found the office smashed and the windows broken, with vicious notes warning them to leave. But they stayed.

But the SWOC refused to give up. And in 1941 there was the first sign of a change. Intense courage and skill on the part of the union finally enkindled like courage in the people of Gadsden. The efforts of the company and town, now redoubled against the union, were to no avail. Slowly and with increased pace all forces of reaction were dissipated. Gadsden and scores of other steel towns became free.

CANADA GAINS

Look to Canada. The campaign to organize steel was felt early when a joint board of Canadian steel locals was formed in Hamilton, and the drive pushed to Toronto, Montreal, Welland, Crownland, Niagara Falls, Sydney, Nova Scotia, Saskatchewan, Alberta, and British Columbia. Complete organization of basic steel in Canada is now a fact: Dosco, National Steel, Algoma Steel, Stelco, Dominion Bridge, General Steel Wares.

Look to the West. Until the SWOC, business and reactionary circles gloated over southern California—with its low wages, long hours, and miserable working conditions. Strong-arm police squads were maintained in the City of the Angels to smash picket lines and break the heads of workers who dared to organize. Within a few years the picture changed sharply. The steel union did its part to close the wide gap between southern and northern California where the labor movement had remained strong.

The union's main strength came from the larger fabricating section of the industry. The can manufacturing industry was strongly organized.

In the Rocky Mountains, in August 1942, SWOC defeated the company union at Colorado Fuel & Iron Co. in a Labor Board election by a vote of 2,723 to 1,986.

RANGES ORGANIZED

The iron range of Minnesota, northern Michigan, and northern Wisconsin was completely organized.

It was this strength—the growing power acquired by voluntary association in an industrial union that blocked a wage cut when the first contracts expired in February 1938.

The Nation was in the depth of a sudden and severe depression. A demand for wage reductions had been made. The SWOC took a firm and determined position against all such proposals. Some steel companies let it be known that unless wages were reduced they would take the union on. They were looking back at what had happened in the Little Steel strikes. It was touch and go almost to the last mine—peace in the industry or a renewal of industrial warfare. The membership held firm.

Conferences were underway in New York between United States Steel and the union. On February 9, a compromise was reached and the contract signed. Wages were held at $5 a day; the 40-hour week maintained. The union won no increase; neither did it suffer a cut. Agreement was reached through insertion of a clause giving both parties the right to reopen conference for modification of any part of the contract on 10 days' notice. It is difficult to evaluate the actual effects of the stability of wages in the industry upon the national economy in those critical days. The union was no small factor in helping to shorten that period of depression.

Every effort was being made at that time to discredit the SWOC. Little Steel companies were amazed that the union did not fold up after the strikes of 1937. A setback of that kind in the past had usually been enough to end all ambitions to organize. So other devices were used. They sought to pin a label of foreign alinement on the union.

The ensuing months saw local organizations begin to emerge from the awkward stage of youth and inexperience. Grievance committeemen lost their awe of management. A backlog of thousands of grievances, accumulated over the nonunion years, was handled. In one large company alone, the record shows upward of 30,000 grievances settled. Backpay collected was close to $500,000. The union had gone on the ballot in 120 Labor Board elections where 81,053 votes had been cast. The union got 51,534 of them, the remainder being scattered among the AFL independent unions, or just straight "no" votes.

LITTLE STEEL AGAIN

The situation, highlighted by the second SWOC convention, in the Morrison Hotel, Chicago, May 14, 15, 16, and 17, 1940, showed 654 companies under contract, and 823 lodges functioning and represented. The time was now opportune to close in on Little Steel.

The slow, legal processes before Government agencies, involving all these companies, bared their company unions for what they were, and pointed the finger at them for the strikes of 1937. Before the third convention of the union rolled around in 1942, successs on that front would be completed.

The story of the final drive on Little Steel is a long story in itself. It can only be touched on here. Decision was made to concentrate first on the biggest of Little Steel, Bethlehem. The usual pattern of organizing; that is, making each regional director responsible for the mills in his territory, was changed. Mr. Bittner came out of Chicago to head up a special Bethlehem Steel organizing committee; and staff men were sent to the huge mills in Lackawanna, N.Y., Sparrows Point, Md., and in Bethlehem and Johnstown, Pa.. The tempo of the campaign was stepped up until the spring of 1941. Strikes had flared at a half-dozen Bethlehem mills. The showdown was set for Lackawanna. Preliminaries were out of the way for a Labor Board election. The date was May 15, 1941.

BETHLEHEM ELECTION

There had been other Labor Board elections, but none so large or so significant. The union was definitely on the spot. Another setback by Little Steel would have national repercussions. The other Bethlehem plants, and Republic Steel, Inland Steel, Youngstown Sheet & Tube were watching.

Huge tents were erected off mill property for the voting, and into them poured the workmen, from early morning until late at night.

Then it was all over. SWOC—8,223. Against—2,961.

Then on to Johnstown, Bethlehem, Sparrows Point, to Steelton—to 12 elections in all at Bethlehem mills. At Johnstown—8,940 to 2,108. At Bethlehem—11,535 to 5,095. At Sparrows Point—10,813 to 4,198.

Republic Steel did not want a public showdown. It agreed to a crosscheck of membership cards against payrolls. So did Inland Steel, and Youngstown Sheet & Tube. At Republic plants the union had 28,482 signed members out of 40,585. At the Youngstown and Indiana Harbor works of Youngstown Sheet & Tube there were 14,800 members out of 20,133. At Inland Steel, 8,700 out of 11,800 were members of the union.

Meanwhile, on March 20, 1941, the union sat down with officials of United States Steel to negotiate for wage increases and an improved contract. On April 14 the conferences

were over. A new contract had been signed for a 10-cent-an hour increase. The minimum common labor rate was now 72½ cents an hour.

The rest of the industry followed Big Steel's lead.

PEARL HARBOR

War had enveloped the Nation through the sneak attack of the Japs at Pearl Harbor on December 7. Chairman Murray, with other leaders, immediately went to the White House to pledge that there would be no strikes for the duration of the war. President Roosevelt thereupon created the War Labor Board to handle all labor disputes.

A special panel agreed unanimously with the union's demand for $1-a-day increase, union security and other improvements, but on July 16 a directive order was handed down by the Board itself which cut the increase to 5½ cents an hour or 44 cents a day.

The union protested the formula.

The National Labor Relations Board was asked to conduct elections in plants of United States Steel to prove the union's majority. By the end of the year, all plants had voted. The union polled 151,326 votes to 12,589 against. At Crucible mills the union polled 15,535 to 703. When the final tabulation was made, at the end of this particular test, the union showed the amazing fact that it had won exclusive bargaining rights at 440 steel firms, employing a half million workers.

And victory, denied in Little Steel since the bloody strikes of 1937, was now at hand. Contracts with Inland, Bethlehem, Republic, and Youngstown Sheet & Tube had been drafted on the basis of the War Labor Board directive, which also included maintenance of membership and the checkoff. In its offices in Indiana Harbor, Inland Steel's officials on August 5, 1942, affixed signatures to a union contract. Youngstown Sheet & Tube was next—on August 12; and on August 13, both Bethlehem and Republic signed. The wage raise was retroactive to the previous February and employees of these four companies collected close to $9 million in backpay. Big Steel and the others were soon operating under similar contracts.

The annals of the union may mark the year 1937 as the most memorable, but 1942 will be noted as the year of stout achievement. And because the union bloomed forth in name as well as in fact.

The scene was the Public Music Hall of the Cleveland Auditorium, on Tuesday, May 19, 1942. Preliminaries in opening that steel convention were out of the way. The officers' report had been read and referred to the proper convention committee.

USWA BORN

Under a special order of business, the committee on constitution, of which Mr. Golden was chairman, reported:

"Article I. Name and affiliation: This organization shall be known as the United Steelworkers of America, hereinafter also referred to as the international union.

"This international union shall be affiliated with the Congress of Industrial Organizations."

A motion to adopt the partial report carried unanimously.

By late the following Friday, the complete constitution had been adopted. The session continued through the late afternoon to elect officers.

The Nation's war machine was now in high gear. Steel and more steel was the cry. The men of the mills delivered—and on time.

History will record in greater detail the recordbreaking production of the men of the mills during the years of war. They were to enscroll for posterity this accomplishment: The war machine was never wanting for steel.

Meanwhile, the United Steelworkers of America was growing in stature. Following the 1942 convention, and in accordance with action there, the final merger of the Amalgamated Association of Iron, Steel & Tin Workers was effected. The Amalgamated, in its 67th year, went out of existence. Then followed, in February 1943, the first of what was to be semiannual audits of the union's affairs. That report showed a membership of 725,625 and a net worth of $1,774,905.19. The audit as of December 31, 1955, shows a membership of over 1,200,000 and a net worth of $20,193,835.15.

The end of 1943 found the union engaged in what proved to be the beginning of a year's fight to better the contract. Groundwork for it was laid at a national wage and policy conference in Pittsburgh on December 1 and 2.

BETTER CONTRACT

But early in December, the union proposed that a supplemental agreement be signed continuing the contract pending negotiations, with the provision that any wage adjustment be retroactive to the date that the contract would otherwise have expired under the notice. Few companies accepted.

The War Labor Board was asked by the union to issue a directive. But no action was taken. This brought a situation that, as of December 24, no agreements were in existence. Between that date and December 27 the men at plants in which no agreements were in existence refused to work. The strike ended when the Board, on December 27, issued an order providing for retroactivity.

But when steel negotiators refused to discuss the points of the directive the meetings broke off after only a few hours.

The talks resumed after the Labor Board demanded further collective bargaining and most of the problems arising were solved by mutual agreement or submitted to the Board for clarification. Big Steel haggled for several more weeks, but finally signed the new contract in February. It agreed to establish the shift differential of a 4-cent-an-hour premium for employees on the afternoon shift, and 6 cents on the night shift. The general wage increase demanded by the union remained in the hands of the Federal Government.

The new pact lowered the length of service to 1 year for employees to become eligible for a week's paid vacation, and 5 years' service for 2 weeks' vacation.

It agreed to a commission under the War Labor Board whose chief aim would be to eliminate companywide wage rate inequities.

New improvements in the United States Steel contract spread throughout the industry as agreements were renegotiated with hundreds of other steel firms.

Shortly after the basic agreement was completed, United States Steel signed a contract with the union to cover 13,000 salaried and white-collar workers. It was the first contract to affect Carnegie-Illinois, but several other subsidiaries operated under white-collar agreements before. The 4- and 6-cent shift differential was made applicable to salaried workers.

DEMOCRATIC ELECTION

February 13, 1945, was one of the most important days in the steel union's history. On that day the Nation watched an impressive example of union democracy as more than 200,000 steelworkers all over the United States and Canada cast ballots to choose their own officers.

The pressure of high living costs on frozen wages of steelworkers brought a new demand of the United Steelworkers for a pay increase at the union's executive board meeting in Pittsburgh in May 1945. President Murray immediately carried the demand to President Truman who had taken over when death claimed President Roosevelt.

When all its arguments for more wages were lost in a mass of Washington redtape, the union called an extraordinary wage parley on September 11.

Under contracts allowing it to reopen the wage question at any time, the United Steelworkers sent a blanket demand to the steel industry that conferences must begin at once to remedy the low-wage problem.

Steel's reply to the wage plea came in a hurry. It was a blunt "no."

So, on October 29, leaders of the United Steelworkers walked into the National Labor Relations Board and filed a petition for a strike vote to involve over 750,000 steelworkers.

The industry's position did not set well with steelworkers, and with close to a half-million votes cast, there was a 5-to-1 majority authorizing the union to call a strike to win its wage program. The actual vote was 411,401 to 83,859.

The union's wage policy committee went back into session December 11, 1945, and gave over 1,000 local unions the green light to call a strike at 12:01 a.m., January 14, 1946.

TRUMAN COMPROMISE

In a last-minute effort to break the deadlock, President Truman proposed a compromise offer of an 18½-cent-an-hour raise—about midway between Steel's first offer of 12½ cents (later this was raised to 15 cents) and the union's demand for 25 cents.

The union accepted. It suspended the strike for a week and the Nation waited 6 more days for the industry to accept. But Steel said "No." It demanded a guarantee of price increases from the Government. Thus, with complete settlement in sight the Nation was thrown into the largest strike in history. By 1 minute after midnight on January 21, three-quarters of a million steelworkers had walked off the job.

The last shift poured out of the mills that Sunday night and stayed out for a month.

When it became apparent that Steel was going to hold out against the Government, steelworkers tightened their belts and their women made plans for a bitter fight. If the industry ever doubted whether there was a union in the mills, they found out in 1946.

BIG STEEL SIGNS

On February 15, John A. Stephens, vice president of United States Steel, met President Murray at 9 o'clock in the evening in the Carlton Hotel, Washington, and signed a contract.

The union celebrated its 10th anniversary when 2,600 delegates from local unions all over the United States and Canada gathered in Atlantic City on May 14, 1946, for the organization's third constitutional convention. Main theme of this convention was the remarkable progress the union had made—both in strength and in solid gains in wages and working conditions—during its first 10 years. Having won, just 3 months before, the 18½-cent-an-hour wage increase through the big strike in the basic steel industry, it was fitting that the union on its 10th birthday should take a look back, and with justifiable pride, get a perspective view of its growth and accomplishments.

What happened to wages in the steel industry in the first 10 years of the United Steelworkers' growth is in sharp contrast to the record of the previous 36 years. Aside from the important improvements in working conditions and the intangible but priceless gains in the rights and dignity of the individual worker, the wage gains ran like this:

[Cents per hour]

November 1936	6.6
March 1937	10.0
April 1941	10.0
February 1942	5.5
February 1946	18.5
Total	50.6

In short, instead of a 37-percent increase over 36 years, the steelworkers gained almost exactly 100 percent to double the average hourly wage in 10 years.

The Steelworkers Union was indeed, after 10 years of struggle, established on a solid foundation. During the previous 22 months, the union had won 526 victories in Labor Board elections, or membership card checks; 194 new local unions had been chartered, to bring the total to 2,044. Like a young giant, this relatively new labor union had tried its muscles in the tough 1946 strike and come through with confidence and hope, ready to march into the future.

POLICY STATEMENT

Further expression of the union's recognition of its responsibility came in a statement of policy adopted unanimously by the convention. The chief point of the statement:

"This union will not tolerate efforts by outsiders—individuals, organizations or groups—whether they be Communist, Socialist, or any other group—to infiltrate, dictate, or meddle in our affairs."

This point was emphasized that summer when Secretary-Treasurer David J. McDonald, speaking to a conference of District 28 members in Cleveland, placed the Communists in the same class with the Fascists and Nazis and said "our union cannot be a soundingboard of alien philosophies."

The October 1946 issue of Steel Labor headlined the big news that a wage inequity agreement had been reached with United States Steel Corp. This came as the result of detailed studies of jobs and corresponding wage rates by the union's wage inequity commission under the chairmanship of Elmer Maloy.

This program set a figure of 3⅝ cents per hour per employee, retroactive to January 4, 1944, to be applied in bringing wage rates into line with the agreed standards. This applied, of course, only to those jobs drawing below-level rates of pay—estimated at that time to include about 54 percent of the jobs in United States Steel—which of itself raised the average of those jobs by almost 7 cents per hour.

BACKPAY IN MILLIONS

Dated January 13, 1947, the agreement which put the program into effect amounted to the whopping total of $32 million a year. It was estimated at the time that some of the job rates being brought into line would be boosted as much as 29 cents per hour and that some individual steelworkers would get as much as $1,800 in backpay.

And this was the effect of the program in the properties of United States Steel alone. For the entire steel industry, once similar agreements were worked out, the estimated gains were $100 million in backpay and $50 million a year in wage boosts.

In the face of demands for the 1947 negotiations, the United States Steel Corp. asked, and was granted, an extension of the current contract to provide ample time for full collective bargaining. The extension proved to be well worth the extra time, for in April the steelworkers chalked up another impressive advance.

Foremost in the gains was an overall increase of 15 cents per hour. Of this, 12½ cents was a direct increase, amounting to a dollar a day, with the remainder applied to eliminate certain wage inequities and improve vacation plans. Probably the most significant use of the remainder was that which applied to reducing the "southern differential" in wage rates by 3 cents per hour. Here began a step-by-step program which in a few years would eliminate the old, discriminatory practice of paying workers in the South less money for a particualr job than they would receive in the North and West.

PENSION FIGHT

The Steelworkers—always trailblazers for new achievements by organized labor—set themselves at the beginning of 1949 to put through a program which would, in the years to come, have a tremendous, stabilizing influence on the economy of the entire Nation—the establishment of company-paid pensions, arrived at by collective bargaining and fixed in binding contracts. As usual, the union had been planning and building toward this for several years.

But Big Steel turned thumbs down on the union's proposal to negotiate on pensions. The contract in effect at that time had been signed in 1948 for a 2-year period. It provided for reopening after 1 year to negotiate on wages and on social insurance. The officials of United States Steel, taking refuge in a technicality, held to the position that the union had no right, under the contract, to discuss pensions at all.

Before the Steelworkers' meeting in Pittsburgh ended, President Harry S. Truman had sent a telegram to Philip Murray proposing a 60-day postponement of the strike until a special factfinding Board could study the merits of the dispute and make a recommendation for settlement.

The Steelworkers, by vote of the wage policy committee and executive board, accepted the President's proposal, believing it to be a fair one and knowing the rightness of their cause. The industry, perhaps not so confident of its position in the dispute, finally accepted the President's plan, but only—as some companies stated—with reluctance.

BITTNER DIES

Just a few days after the pension truce was called, on July 19, the United Steelworkers lost one of its creators and one of its ablest leaders, Vice President Van A. Bittner died at Mercy Hospital in Pittsburgh following a prolonged illness.

There followed almost 3 weeks of hearings, during which time the union placed before the Board a mass of thoroughly documented information to prove that the industry could and should provide a decent pension program for its employes.

On September 11, 1949, the decision of the fact-finding Board was made public—the three-man panel was unanimous in its approval of the union's demand that the steel corporations negotiate the establishment of company-paid pension and social insurance programs. The Board concluded that the industry, in the light of its profit position, could well afford to finance such programs; it recommended that the companies and the union set up a joint labor-management committee to work out a detailed pension program by not later than the following March; it suggested that the parties make an immediate agreement on social insurance covering hospitalilzation, sickness or disability benefits, surgical fees, and life insurance. To the union's demand for a wage increase as well, the Board, concerned for the general stability of the national economy, took the negative position and recommended that no wage increase be considered "at this time."

PEACE REMOTE?

The steel corporations made it plain that hope for a peaceful settlement was quite remote.

The leaders of the industry, however, still insisted on negotiating only on their own terms, which would require employes to contribute to a fund for retirement and insurance.

So, after three postponements totaling 77 days, the members of the United Steelworkers of America "hit the bricks" for what was to be one of their most significant contributions to the welfare and security of millions of Americans and to the stabilization of the Nation's economy.

That was on October 1, 1949. Meanwhile, not all of American industry was so shortsighted. Just 30 minutes before that deadline, in the city of Cincinnati, American Can Co. agreed to an 11-cents-per-hour settlement, with 6 cents to go into a trust fund for pensions and 5 cents for social insurance—this to cover some 15,000 Steelworker members in the company's plants throughout the Nation.

But the fight was by no means over. The issue was at stake in the aluminum industry, too, and after fruitless attempts to carry on genuine negotiations 20,000 members of the Steelworkers walked out of nine plants of the Aluminum Co. of America to back up their demand for a proper pension and insurance program.

BETHLEHEM BREAKS

Bethlehem Steel Corp. made new history in the basic steel industry when it broke the old form of letting U.S. Steel set the pattern and independently agreed to settle the strike. This was indeed the break in the dike.

A week after the Bethlehem settlement sent some 90,000 Steelworkers back to work with a contract for company-paid pensions and half-and-half contributory social insurance, there came forward Republic Steel, Jones & Laughlin, Youngstown Sheet & Tube. Finally, on November 11, the giant of the industry, United States Steel, also agreed to the company-paid pension plan. With this went a social insurance program, for medical care and life insurance, which in most contracts was financed by joint contributions from the company and the employee.

MEDICAL IMPROVEMENT

Extension and improvement of the entire medical and insurance program was to continue through the years.

As 1951 drew to a close the stage was being set, unfortunately, for a dispute which would be perhaps the most bitter in the history of the steel industry and which, before it was ended, would arouse strong public emotions and involve both the President of the United States and the Supreme Court.

The Wage Policy Committee then called on the members of the union to stay on the job until a special convention of the Steelworkers—already called for January 3—could vote a final decision on whether to postpone a strike until the Wage Stabilization Board could study the facts in the dispute.

That unprecedented convention—hastily called—met in Atlantic City for 2 days; and, after hearing the union's officials report on the situation and after full discussion, voted almost unanimously to accede to President Truman's request and postpone strike action for 45 days.

On January 10 the Wage Stabilization Board began formal hearings on the case.

The Aluminum Co. of America, after two contract extensions totaling 2 months of delay, appeared just as unwilling to engage in genuine collective bargaining as did the steel companies.

ALCOA BALKS

On March 20 the 18-member Wage Stabilization Board completed its recommendations while the Steelworkers' wage policy committee and executive board stood by in Washington to decide whether to accept or reject them. The Board's recommendations were handed in late that night. Although not everything the union had asked for was granted, the Board had approved the main items of the Steelworkers' demands—enough to form the basis of a satisfactory settlement—and in a dramatic session in the ballroom of the Roosevelt Hotel the wage policy committee at 2 o'clock in the morning voted to accept the recommendations.

The outstanding points granted the union were, a wage increase of 17½ cents per hour, with 12½ cents effective as of the previous

January 1 and the remainder to be added during the year; a 5-cent reduction in the southern differential; six paid holidays; the union shop, and improvements in vacation, shift differential, and overtime provisions.

The Steelworkers, willing to do all in their power to arrive at a fair settlement by collective bargaining and without a strike, continued on the job in this cliff-hanging situation until June 2, when the U.S. Supreme Court ruled that the President did not have the power to seize the steel industry. At once the Steelworkers, freed of their commitment to work without contract under Federal seizure, "hit the bricks" for the third industrywide strike in their 16-year history.

On July 25, after almost 2 months on strike, the Steelworkers started back to work with a great victory to their credit. Out of this agreement came the largest overall money package ever contracted with the steel industry—an average wage increase of 16 cents per hour plus fringe benefits which put the total gain at more than 20 cents. Two highly important items in the agreement were the achievement of paid holidays for the first time in the steel industry and the further reduction of the southern differential by 5 cents per hour.

MURRAY DIES

It had been a long, hard road—through the months of pulling and tugging and through the weeks of strike.

Friends and associates were to say later that they had never seen Phil Murray work as hard as he did through the summer and fall of 1952.

A very tired Philip Murray died of a heart attack in San Francisco, on November 9, 1952.

This was a great loss, not simply to the labor movement but to the Nation as a whole, and prominent leaders of different politics and various groups, great and small newspapers of all shades of opinion, churchmen of all faiths—all paid respect to Philip Murray.

Philip Murray was one of the founders of the United Steelworkers of America, but like any great, living organization, that creation became through the years much greater than any individual or group of individuals who helped to build it. So, although Phil Murray was dead, the Steelworkers Union was still a powerful, ongoing entity, with responsibilities to maintain and many tasks to perform. And it was a measure of the vitality and soundness of the union that it did not falter a single step when its president died. And the union was blessed in having top-caliber trained leadership available.

It was logical, practically inevitable, that the man chosen to direct the Steelworkers Union after Philip Murray's death was David J. McDonald. For years as secretary-treasurer of the USW, Dave McDonald had worked more closely with the actual administration of the organization than anyone else, including even Mr. Murray. He had indeed at many times and in many ways served as "acting president" of the union—such as during periods when Mr. Murray had been ill or when he was too heavily engaged in the task of his other post as president of the CIO. Dave McDonald had traveled thousands and thousands of miles across this land and was known by thousands and thousands of USW members. He had traveled extensively abroad, too, on labor missions, and was well known in Europe.

M'DONALD NAMED

The union's executive board named Dave McDonald to handle the office of president and they also selected I. W. Abel, director of district 27 with headquarters in Canton, Ohio, to assume the duties of secretary-treasurer, thus succeeding to the post formerly held by Mr. McDonald.

These men, along with Vice President James G. Thimmes, who remained in his elected post, were to direct the programs and activities of the Steelworkers as the unions moved into the future. In February of 1953 the action of the executive board was ratified by a referendum vote of the membership: David J. McDonald was elected president, I. W. Abel was elected secretary-treasurer, and James G. Thimmes was re-elected vice president.

The death of Philip Murray and the rise of Dave McDonald to the highest office in the Steelworkers Union was more than just a change of leadership. It was, in a very real sense, a big turn in the wheel of the union's history. For in the coming months it was to be seen that under their new leadership the Steelworkers were moving into a new era of unionism and labor-management relations.

The 1953 negotiations with the steel industry, which began in Pittsburgh on May 14, 2 months after Dave McDonald took office. The contract in basic steel was due to run until 1954, so wages were the only matter open for bargaining at this time. The 1953 negotiations proceeded smoothly and swiftly and on June 12, long before the June 30 deadline set in the contract, the industry's bellwether, United States Steel, signed a new agreement which brought steelworkers a wage increase of 9 to 10 cents per hour. This agreement also provided for setting up a joint union-management study of the pension and medical insurance programs to arrive at ways and means of improving these benefits in future collective bargaining.

DIFFERENTIAL NEW

However, there was something special in the 1953 agreement which brought joy to the hearts of some 30,000 USW members in basic steel in the Southern States—and that was a provision of five cents per hour to be applied to wipe out completely the old "southern differential."

The year 1953—David J. McDonald's first full year in office as president—was indeed busy with new ideas and new approaches for the Steelworkers Union. And it closed, fittingly, with the launching of something quite unusual in the realm of union-management relations. For the promising idea which came after the bitterness of the 1952 strike—the proposal that the head of the Steelworkers and the head of United States Steel should tour the company's plants together to mend the breaches and develop understanding and mutual confidence—that promise became a reality in November of 1953.

It was then that President McDonald and Benjamin F. Fairless, chairman of the board of United States Steel, together began their tours of the corporation's properties. These joint tours later were conducted by President McDonald with officials of other corporations in all sections of the country.

It was in May 1954, also, that the wage policy committee met in Pittsburgh and, building on the groundwork laid at Operation Sound-Off the previous October, adopted the program for coming negotiations, during which new overall contracts were to be drafted.

Without the fanfare of publicity, the negotiations proceeded quietly if not with complete ease—for day and night bargaining sessions were held in the last days before the contracts were to end. The settlement came only 24 hours before the deadline, but when it came it was good news of another great forward stride by the Steelworkers.

With a total package of 12 cents, the union had a straight 5 cents per hour increase in wages, 5 cents applied to pension increases and 2 cents to improve the medical insurance program.

Thus the Steelworkers Union under President McDonald had won in two negotiations, within about 1 year, a total of 22 cents per hour in general gains with a great improvement in pensions and insurance.

Among the other important actions taken by the 1954 convention, this stood out:

KLAN BANNED

1. A change in the Steelworkers' constitution which barred from membership in the union anyone "who is a member, consistent supporter, or who actively participates in the activities of the Communist Party, Ku Klux Klan, or of any fascist, totalitarian or other subversive organization."

The year 1955, beginning with good promise, opened also with unhappy news for the Steelworkers Union and many thousands of its members—news that USW Vice President James G. Thimmes had died on January 16, 1955. This loss was properly acknowledged for the entire union membership by a memorial issue of Steel Labor in February.

In March the USW executive board, meeting in Washington, appointed Howard R. Hague to fulfill the duties of the office of vice president.

A wage boost won by the union averaged more than 15 cents an hour, starting from a raise of 11½ cents at the bottom job class and running up to 27 cents in job class 32. Incentive rates will be computed on top of the new increase.

Mr. McDonald voiced the hope that the settlement "will provide for the ever-greater mutual respect and understanding and continued working together between the company (U.S. Steel, which was first to sign) and the union, which it has always been my purpose to further."

This big forward step of the steelworkers, in a few short weeks, was extended in contract negotiations with other companies—including the aluminum industry. For the office and technical workers of the basic steel industry who were in the USW it brought an average salary increase of $29.50 per month, with gains in individual job classes ranging from a minimum of $19.80 to a maximum of $48 a month.

Just after this victory had been chalked up for the union's members in the steel industry, another victory—and in many ways a more significant one—was achieved for the union's members employed in the can manufacturing industry. This was the so-called guaranteed annual wage, better described by the steelworkers' preferred name of "supplemental unemployment benefits" and sometimes called "SUB" for short.

SUB UNPRECEDENTED

The SUB was unprecedented in two important respects:

It was the first major plan in American industry calling for 52 weeks of benefits.

And it was the first big plan negotiated under the jurisdiction of the United Steelworkers of America.

In an atmosphere not altogether peaceful, the wage policy committee met in Pittsburgh May 14–15, 1956, and adopted a program calling for higher wages, weekend premium pay, supplemental unemployment benefits, the union shop, better insurance, improved vacation allowances and more paid holidays, and better contract terms on working conditions.

Two days afterward, on May 17, President McDonald announced that the union had invited seven of the basic steel companies to meet with USW officials in Pittsburgh to open negotiations.

Negotiations began in an atmosphere of good-natured optimism, despite the fact that some industry spokesmen had issued pretty strong talk against what they described as inflationary wage increases.

TOO LITTLE, TOO LATE

But the atmosphere quickly changed when, on June 13, the steel companies pre-

sented their "offer" which called for a 5-year contract with wage increases far too small.

President McDonald called it "too little, too late, and too long." On June 15 the wage policy committee unanimously rejected the companies' proposals.

Strike, lock-out, shut-down—whatever it may be called—on July 1 the giant steel industry was not operating. The steel strike of 1956 was on—and the USW members in the basic steel plants throughout the land made it plain that they intended to keep it on until they won a reasonable and fair contract.

Negotiations resumed in Pittsburgh on July 18, and while they came to a dead stop on July 21 that was to be the weekend of the break.

Just before noon on Sunday, July 22, Mr. Stephens phoned Mr. McDonald and the two met that Sunday afternoon at the Penn-Sheraton Hotel in Pittsburgh. It was at that meeting that the heart of what later became the settlement was worked out.

ERA OF SURVIVAL

The 5-year period from 1956 through 1960 were among the most momentous in the history of our union.

The period rightfully could be labeled "The Era of Survival," for within this relatively short time there was mounted an attack against the United Steelworkers which in sheer viciousness and intensity matched any our union met in the founding days.

This is no exaggeration for only violence and bloodshed were missing from the scene as industry joined in an alliance which imperiled the very existence of the union.

The era began in hope for permanent industrial peace in an atmosphere of mutual understanding after a 32-day strike in 1956 which brought the United Steelworkers the greatest contract in history.

In the period of high employment and general prosperity in which the 1956 contract was signed, little note was taken in the public press of the SUB benefit which provided that a laidoff worker with 2 or more years of service could realize up to 65 percent of his weekly take-home pay for up to 52 weeks of unemployment.

SUB proved a tremendous boon not only to the steelworkers but also to mill communities and the Nation's economy generally when the 1957–58 recession hit.

At a wage policy committee meeting in Washington in 1957, President McDonald projected for the first time in public a proposal that a top level conference of business, industry, public and union leaders be created to meet periodically with the President of the United States to lay before him their views of the state of the economy and their ideas of what should be done to keep the Nation in the strong and prosperous condition necessary to beat back the communistic tide.

He also proposed a 10-point program of needed public works to stave off the recession he had predicted months earlier and which had burgeoned into frightening reality in 1958.

As 1958 waned, unemployment became increasingly acute, particularly in the ranks of the United Steelworkers and the sharp-shooting at labor and our union from industry increased in volume.

Joblessness among steelworkers rose to about 200,000, the highest peak since the great depression, and an equal number were reduced to a short workweek with corresponding loss in income.

Industry's strategists assayed general conditions and in early January, 1959, it became obvious that this was the year they intended to take on the union in an all-out struggle when the basic steel contracts came up for renewal.

Then on April 10 came a so-called industry offer so shocking in its content that it was properly labeled by President McDonald as a "minus zero" proposal.

This so-called offer couched in terms which could be read as an ultimatum, proposed not only that the steelworkers should continue work on a 1-year extension but also that they yield, with no alternative, future cost-of-living gains.

On June 10 came another shocker from management—a development that proved beyond doubt that the industry was determined to turn the union into a mere vassal and to force its workers back into the dark ages of industrial relations.

This was the infamous eight-point proposal in which management asked the union to agree to repeal of the industrial bill of rights won over the years by dint of great sacrifice.

It quickly became apparent that industry intended to sit on its hands until the Taft-Hartley Act was invoked to force the steelworkers back into the mills under a "slave labor" edict.

TALKS BREAK OFF

Talks in New York broke off completely on September 25 and on September 30 both sides were summoned to the White House for conference with President Eisenhower.

The injunctive processes of the Taft-Hartley Act were imposed on October 19 and thereby opened another chapter in the history of the magnificent fight by the union.

COURT FIGHT

General Counsel Arthur Goldberg, now Secretary of Labor, fought the injunction in the courts, delaying its imposition until November 7 when the U.S. Supreme Court ruled 8–1 against the union.

The men trooped reluctantly back into the mills, in obedience as President McDonald put it to the law of the land—however onerous and unfair that law might be.

Thus ended a 116-day fight for social justice, the longest in the union's history, but the union's leaders and its courageous men made it plain that they would resume the fight when the injunction had expired.

There was one bright ray in this bleak period. Before the injunction finally was invoked, Kaiser Steel Corp. broke from the industry front and made a separate settlement with the union.

Industry still was deluded into thinking union resistance would collapse during the 80-day course of the injunction but that delusion was dissipated by the workers themselves.

A union survey showed the workers overwhelmingly in favor of returning to the picket lines as soon as the law allowed. Industry found out privately the truth of that solidarity.

INDUSTRY DRUBBED

So finally on January 4 in Washington the historic dispute was ended in an agreement in which industry was described as taking an awful drubbing by observers on every side.

The new agreement gave wage increases and other advances to the steelworkers and provided for the operations of a human relations committee during the course of the 3-year contract. This committee, like the Kaiser group except that it contains no public representatives, is intended to seek ways and means of avoiding future crises.

As in the past, the union must serve as the shock troops for all social and economic advance. The record is clear in respect to the results of the past 25 years. Many gains the entire Nation now enjoys come into being only because our union had the courage and foresight to spearhead the drive for the improvements.

So it will be in the years ahead. We can take courage in the record, bolstered by the knowledge that our demonstrated solidarity will carry us to any heights we care to achieve.

WORLD CONFERENCE OF LOCAL GOVERNMENTS

Mr. HUMPHREY. Mr. President, earlier today, I was honored to address the World Conference of Local Governments, meeting in Washington, D.C. The current meeting marks the first time the World Conference has conducted its sessions in the Western Hemisphere. We should be pleased and grateful that the delegates chose our Nation's Capital for this year's meeting.

More than 50 nations are represented at the current Conference. More than 1,000 mayors and civic officials have joined together, once again, to continue the important work of the Conference.

These distinguished community leaders, from every region of the world, are exchanging information and ideas to benefit each other and the people of their communities. They find that many of the problems in their communities are the same, no matter how many thousands of miles separate their countries.

These local officials—from Europe and Asia, from Africa and Latin America, from every corner of the earth—are willing and eager to learn from each other. By their own work and example, they emphasize the effectiveness of true people-to-people efforts.

The World Conference of Local Governments presents a challenge to every nation, including the United States, to work together as equals, as partners, as cooperators for the progress of man.

Mr. President, I hope the Senate of the United States will officially recognize the World Conference of Local Governments. I want the Senate to recognize this splendid people-to-people program, this program of community affiliation and of town affiliation.

For that purpose, Mr. President, I now submit a Senate resolution commending the Conference; and I ask unanimous consent for the immediate consideration of the resolution, which I now send to the desk. The resolution is sponsored by me and also by my good friend, the distinguished Senator from California [Mr. KUCHEL]. The resolution thus represents the sentiment on both sides of the aisle here in the Senate, as a means of presenting to these leaders of free cities, free countries, and free peoples our respects and our admiration for the fine work they are doing.

I add that this particular Conference is now discussing problems which affect the lives of millions of people, problems which affect our city and countless other cities and communities—for instance, traffic problems, problems of education, public-health problems, housing problems, urban planning problems, recreation problems, and the many other problems which so often are discussed in our country.

Fortunately, we in America are learning from the representatives of other countries, and, likewise, they are learning from us. This is one of the finest

developments in recent years; and, as I have said, it provides the United States with an outstanding and unusual privilege—namely, the opportunity to be host country, and for the city of Washington, D.C., to be the host city.

Therefore, I now ask unanimous consent for the immediate consideration of the resolution, which I ask to be read. I may say it has been cleared with both sides of the aisle.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 163), submitted by Mr. HUMPHREY, for himself and Mr. KUCHEL, was read, as follows:

Whereas there is convened in the city of Washington, D.C., at this time a conference of local government officials. This World Conference of Local Governments is founded on the following promise: "To promote and improve local government administration throughout the world by personal interchange of ideas and information between local government officials."

Whereas this organization is sponsored by the International Union of Local Authorities; and

Whereas this is the first meeting of this organization ever to be held in the Western Hemisphere; and

Whereas the resultant deliberation of this World Conference will be of direct benefit to all of the peoples of the world: Now, therefore, be it

Resolved, That the Senate does hereby commend the activities and objectives of the Conference and extends to the delegates the greetings of the Senate with the hope that their stay in the United States will be both rewarding and productive of a better understanding between the peoples of the world.

Mr. KUCHEL. Mr. President, the city of Washington is host to a unique meeting of elected officials representing peoples from 50 free nations of the world. The members of the Government of our country and the citizens of our Nation, I have no doubt, are very proud that our capital city is the scene of this historic meeting.

It is one of the truisms of government, as we know it, Mr. President, that government which is close to the people is good government; and local government in America has, I believe, reflected the correctness of that statement.

Assembled in the city of Washington today are representatives of many communities in the free world. They are meeting in Washington, D.C., as the Senator from Minnesota has suggested, to collaborate on problems which are common to all. On this occasion I am highly honored to join with my friend, the Senator from Minnesota, the majority whip, in sponsoring this Senate resolution to recognize this earnest venture in promoting free government by peoples among 50 free nations of the globe.

The PRESIDING OFFICER. Is there objection to the request for the immediate consideration of the resolution?

There being no objection, the resolution (S. Res. 163) was considered and agreed to.

Mr. HUMPHREY. Mr. President, I wish to thank my good friend, the Senator from California.

I am hopeful that on tomorrow, this World Conference of Local Governments will be notified of the action taken by the U.S. Senate. I believe this will be a very significant development in connection with the proceedings of the Conference. Many of its members have been attending the sessions of the Senate, and many of them will attend other sessions of the Senate. Some attended the session today, and some will attend the session tomorrow, as they will likewise attend the sessions of the other body.

I am most grateful to my esteemed friend, the Senator from California [Mr. KUCHEL], representing the Republican side of the aisle, for this example of fine cooperation and kind cooperation by our Republican associates in the Senate, for this is the kind of bipartisanship which I believe is most helpful in connection with these important international occasions; and in my opinion this is one of the most important international meetings that has taken place in this city for many years.

JOINT RESOLUTION OF OREGON LEGISLATURE

Mr. MORSE. Mr. President, I ask unanimous consent that there appear at this point in the RECORD, Senate Joint Memorial 10, which was adopted by the 51st Legislative Assembly of the State of Oregon.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

SENATE JOINT MEMORIAL 10

To His Excellency, the Honorable President of the United States, to the Honorable Stuart Udall, Secretary of the Department of the Interior, and to the Oregon Congressional Delegation:

We, your memorialists, the Fifty-first Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent that—

Whereas there has been designated by the Corps of Army Engineers a dam site on the upper Grande Ronde River in Union County, Oreg., known as Spring Creek Dam Site; and

Whereas there has been designated by the Corps of Army Engineers on upper Catherine Creek in eastern Union County, Oreg., a dam site known as Catherine Creek Dam Site; and

Whereas these dam sites were designated as such as a part of the flood control program of the Columbia River Basin; and

Whereas if Spring Creek Dam Site and Catherine Creek Dam Site are developed to their full potential by the construction thereon of dams, substantial benefits in the form of flood control, farm land irrigation and recreational development would be realized in Baker, Union, Wallowa, Grant and Umatilla Counties in northeastern Oregon: Now, therefore, be it

Resolved by the Senate of the State of Oregon, the House of Representatives jointly concurring:

(1) The Honorable Stuart Udall, Secretary of the Department of the Interior, is memorialized to take all steps possible to insure that projected flood control dams be constructed as soon as possible on Spring Creek Dam Site on the upper Grande Ronde River in Union County, Oreg., and on Catherine Creek Dam Site No. 1 in Union County, Oreg.

(2) Copies of this memorial shall be sent to the President of the United States, the Secretary of the Department of the Interior, and to all members of the Oregon congressional delegation.

Adopted by senate March 27, 1961.

MEDA COLE,
Chief Clerk of Senate.

———— ————,
President of Senate.

Adopted by house April 20, 1961.

———— ————,
Speaker of House.

FEDERAL WATER POLLUTION CONTROL ACT—RESOLUTION

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Portland Chamber of Commerce in support of H.R. 6441. The Senate will soon be considering legislation comparable to H.R. 6441, when we take up S. 120, the amendments to the Water Pollution Control Act. The resolution of the Portland Chamber of Commerce indicates how important this program has been to our State, and I wish to have the resolution appear for the information of my colleagues.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Portland Chamber of Commerce recognizes and supports programs to maintain reasonable standards of purity of the water of all rivers, streams, lakes, watersheds and coastal areas of the State consistent with the protection and conservation of the public health and recreational enjoyment of the people and for the protection of human life and property and conservation of plant, aquatic and animal life;

Whereas the Portland Chamber of Commerce recognizes controlled disposal of municipal sewage and industrial wastes into these streams as a basic and legitimate use necessary for the continued economic and industrial development of the State;

Whereas the Portland Chamber of Commerce recognizes and wholeheartedly supports the effective pollution abatement program carried on by the Oregon State Sanitary Authority; and

Whereas the Portland Chamber of Commerce believes the proposed Federal Water Pollution Control Act (H.R. 6441) would render desirable technical and fiscal aid to States and municipalities in their efforts to abate water pollution: Now, therefore, be it

Resolved, That the Portland Chamber of Commerce supports H.R. 6441.

LEGISLATIVE PROGRAM

Mr. HUMPHREY. Mr. President, before the Senate adjourns, let me say that the majority leader has asked me to indicate, for the record, the program for the coming week.

Next week, the Senate will take up the water-pollution-control bill, the agricultural appropriation bill, the excise-tax-extension bill, and, hopefully, the social security amendments, and the reorganization plans which have been presented.

It is the intention of the leadership not to have any votes tomorrow or any controversial measures before the Senate tomorrow.

When the Senate adjourns tonight, it will adjourn until 12 o'clock noon, tomorrow, Friday; but after the Friday session, the Senate will adjourn until Tuesday, next. That is the plan.

On Tuesday, so I was given to understand, it is hoped to have the Senate take up the water-pollution-control bill and the agricultural appropriation bill.

ADJOURNMENT

Mr. HUMPHREY. Mr. President, if there be no further business to come before the Senate, I move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 8 o'clock and 11 minutes p.m.) the Senate adjourned until tomorrow, Friday, June 16, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 15, 1961:

WORLD HEALTH ORGANIZATION

Dr. H. van Zile Hyde, of Maryland, to be the representative of the United States of America on the Executive Board of the World Health Organization.

DIPLOMATIC AND FOREIGN SERVICE

Mercer Cook, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Niger.

Philip M. Kaiser, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Senegal, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Islamic Republic of Mauritania, vice Henry S. Villard.

IN THE NAVY

Rear Adm. Floyd B. Schultz and Rear Adm. Emerson E. Fawkes, U.S. Navy, for permanent appointment to the grade of rear admiral.

EXTENSIONS OF REMARKS

Future Business Leaders Meet in Washington

EXTENSION OF REMARKS
OF
HON. EDWIN E. WILLIS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 15, 1961

Mr. WILLIS. Mr. Speaker, I was pleased to greet students and their sponsors from the Third Congressional District of Louisiana who were in Washington last week to attend the national convention of the Future Business Leaders of America. The interest taken by these young people in preparing themselves for the reponsibilities of leadership they will assume in the business field is gratifying and inspiring and the students and their instructors are to be commended and congratulated over the benefits being derived from this valuable training.

Attending the convention from schools in the congressional district I have the honor of representing were:

Thibodaux High: Miss Sarah Whaley, sponsor; Nellie Naquin, Janice Dufrene, Jane Rome.

Scott High: Mrs. Lena B. Trahan, sponsor; Samuel Ardoin, Carole Martinez, Patricia Ann Sonnier, Jane Pitt.

Lafayette Senior High: Mrs. F. J. Nugent, sponsor; Sandra Comeaux, June Boudreaux.

Carencro High: Mrs. W. W. deValcourt, sponsor; Michael Landry, Claude Kenneson, Wayne Prejean, Sarah Ann Comeaux, Frances Breaux, Judy Hutchinson, Gayle Brasseaux, Christine Arceneaux, Jeanette Martin, Robley Richard, Luke Coussan, Morgan Landry.

Judice High: Mrs. Charles C. Mouton, sponsor; Judy Smith, Minnie LaCour, Janette Broussard.

Morgan City High: Miss Bobbye Trichel, sponsor; Mike E. Mangham, Eugene Weber, Steve Loeb.

Accompanying the group from Scott High School were Mrs. Annalee Abercrombie and son, Drew, and accompanying the Carencro High School group were Mrs. Leon Comeaux, Mrs. George Cage, Mrs. George Duplex, Mrs. Ralph Prejean, Mrs. Hilary Burleigh, Mrs. Lester Breaux.

Members of the school groups and those making the trip to Washington with them were joined on a tour of the Capitol, where they attended sessions of the House and Senate, by Miss Ernestine Landry, Mrs. J. B. White and Miss Anita Landry, of Lafayette, and Miss Jennifer Landry of Lake Charles.

Heartless and Ruthless Treatment of Baltic Peoples by the Communists

EXTENSION OF REMARKS
OF
HON. WILLIAM B. WIDNALL
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 15, 1961

Mr. WIDNALL. Mr. Speaker, where the Communists are concerned a fatal mistake would be for us to grow so accustomed to the methods they employ in their quest for world domination that we become insensitive or indifferent to what they are doing. That is why I welcome every opportunity to show up the Communists for what they are—heartless and ruthless, who will stop at nothing and who therefore must be stopped.

The Soviet Union's duplicity and deceit in international affairs is today almost universally known. During the 1930's, however, the Soviet leaders had not shown their hand; had not revealed their intention to enslave the world. But their treatment of the Baltic peoples in 1940 exposed them and their evil purposes. They invaded Lithuania and by the end of June of that year had overrun that tiny nation and enslaved its proud people under Communist tyranny. Soon the country was absorbed into the U.S.S.R.

On orders from the Kremlin, thousands of Lithuanian leaders and men of prominence were summarily arrested, placed in freight cars, and exiled to distant parts of Asiatic Russia. It is estimated that during this terrorism that lasted more than a year, upwards of 50,000 innocent and helpless Lithuanians were deported to Russia.

Today, more than 20 years later, we have no knowledge of the fate of the abducted Lithuanians, except that those still alive are suffering in prison camps.

On this anniversary observance of their deportation it might be a good idea to take an accounting of what we as a Nation have done toward helping Lithuania and other enslaved nations achieve freedom; what we have failed to do; and what we intend to do.

Lithuania Remembered

EXTENSION OF REMARKS
OF
HON. LOUIS C. RABAUT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 15, 1961

Mr. RABAUT. Mr. Speaker, the sorrow of the Lithuanian people began on June 15, 1940, when the Soviet Army occupied their nation. Under czarist Russia, the Lithuanians had lived in virtual slavery. But they were on their own lands, with fellow kinsmen as neighbors. After having dwelled in independent peace and prosperity for two decades, to be suddenly invaded and treacherously uprooted was the tragedy inflicted upon the Lithuanians by their Soviet captors. In one night, June 14–15, 1941, over 30,000 were moved bodily to Siberia, never to return to their homeland. This was only the first of three mass deportations of Lithuanians to Siberia and northern Russia.

A brief respite from Soviet tyranny occurred when Nazi Germany invaded and occupied Lithuania for 3 years. Although still under military domination, the people fared better. When the German armies were forced to retreat before the massive Soviet attacks, 140,000 Lithuanians fled, too, to escape further Russian captivity. Eighty thousand managed to reach Western allied lines and safety; 60,000 were rounded up by the Russians and sent to Siberia. In Lithuania at this time, 1945–46, 145,000 were exiled permanently to Siberia. These enforced Siberian convoys comprised the second mass deportation of Lithuanians.

The third occurred in 1949 when, resisting against agricultural collectivism, 60,000 more traveled the same one-way road to Siberia.

It is on this day, June 15, that we must remember the fate of the Lithuanians; for Soviet domination began this day and the first mass enforced exodus occurred. Let us honor the Lithuanians who continue to fight for independence. Let us hope that they may once more dwell in independence in their homeland, safe from the threat of further tyranny and enforced slavery.

Arkansas: 125 Years of Statehood

EXTENSION OF REMARKS
OF
HON. DALE ALFORD
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 15, 1961

Mr. ALFORD. Mr. Speaker, once again it gives me great pleasure to mark another anniversary of the admission of Arkansas into the Union. Today, Arkansas completes 125 years as a great State in this Nation of ours, for it was on June 15, 1836, that the State became the 25th member of this Union. It is fitting indeed that we should pause and recognize this milestone.

Rich in heritage, Arkansas was first visited by the early European explorers in 1541 when Hernando de Soto crossed the Mississippi River and entered the Arkansas country. This early expedition occurred approximately a half century after America was first visited by Columbus.

Other explorers who followed De Soto were Jacques Marquette and Louis Joliet. Then on April 9, 1682, Robert Caveleir, Sieur de la Salle claimed all the land drained by the Mississippi River for France. Henry de Tonti established Arkansas Post in 1686 and this became the oldest permanent white settlement west of the Mississippi. De Tonti has often been called the Father of Arkansas.

After Arkansas was admitted to the Union 125 years ago today, the State government was housed in the Old State House which now stands as one of the outstanding examples of Old South antebellum architecture. In the Old State House one finds one of the finest existing State museums, with a record of the various roles played by Arkansas in the history of America.

Arkansas today is rapidly gaining stature in many fields—industry, agriculture, education, recreation, and so forth. The State's official nickname, "The Land of Opportunity," was adopted in 1953 in recognition of the vast potential in Arkansas and the citizens of Arkansas have not been disappointed in this selection, as evidenced by a rapid and steady economic growth.

Arkansas rivers and springs provide one of the State's major resources. The primary rivers of the State are the Mississippi, St. Francis, White, Arkansas, Red, and Ouachita Rivers and their tributaries. All of these offer ample surface water for industrial and recreational use.

The variety of Arkansas' minerals is almost unlimited. The State is blessed with rich deposits of bauxite, coal, chalk, manganese, natural gas, petroleum, clay, gypsum, glass sand, novaculite, nepheline, and syenite. These minerals are now being produced on a commercial scale and several others are awaiting development. Arkansas is the only State in the Union with a diamond mine.

There are numerous other resources with which Arkansas is more than amply endowed. I think most of us readily realize that Arkansas stands as a true land of opportunity in America. Only this year did our State rise to second in poultry production in America and I will always believe that we rank first in the finest people on earth. Arkansas looks to the future full of confidence and optimism, and I am proud to call this anniversary to the attention of this great body.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. WILLIAM H. AYRES
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 15, 1961

Mr. AYRES. Mr. Speaker, I have been a member of the House Education and Labor Committee since 1957. During this time many controversial issues have been before the committee. The Speaker assigned me to this committee at my request. With so many working people in our district, I wanted to be a member of the committee dealing with their problems. Also, having a deep interest in education, I knew I would enjoy the opportunity to work on legislation in this field.

When controversial labor bills were before the committee, I listened to all the testimony and then decided what would be most beneficial for the Nation and the people I represent. As a Member of Congress, I have always felt it was my responsibility to represent the best interests of my district.

In 1957 the Education and Labor Committee reported out a Federal aid to education bill which eventually came to the floor of the Congress. Like the pending bill, it was quite apparent that the committee bill did not have the popular support of the majority of the American people. After meeting with President Eisenhower, I offered a bill which was fair and adequate as a substitute. This bill was based on proven need, proven inability to pay, and full-scale local participation and control. Even that bill failed to pass a Democratic-controlled Congress.

Now, we are faced with an entirely different situation—a Democratic President, a Democratic Congress, and a top-heavy, drastically unbalanced budget. The majority leader in the Senate, the majority leader in the House, and the President of the United States, however, cannot agree on whether or not private schools should receive Federal aid.

At this point, I am inserting the letter that was sent to more than 5,000 people in my district who wrote me for information on provisions of the proposed Federal aid to education bill. Frankly, a great many of them, without knowledge of the bill, asked me to support President Kennedy's proposal. This was my answer:

HOUSE OF REPRESENTATIVES,
Washington, D.C.

DEAR FRIEND: Thank you for your recent communication. Please accept my apology for the delay in answering.

There are two subcommittees currently holding hearings on education—one on general education, the other on higher learning.

Frankly, at the present time the issues are so clouded that it is impossible to determine what legislation will be reported to the Congress as a whole.

The President has one point of view and the majority leader another. This difference of opinion is unfortunate, and may defeat all the legislation. They both share the same religious faith. However, I will not sit idly by and see our country divided on this issue.

A number of things must be agreed on before any general education bill, sponsored by the Federal Government, can become law.

1. Should we extend and expand deficit financing to provide funds for education?
2. If not, should taxes be raised so that the budget can be balanced?
3. What formula should be used in allocating the newly appropriated funds?
4. If we are to have deficit financing, how large should the deficit be?
5. Who will determine what program or programs the Federal money can be used for (construction, teacher salaries, equipment, bond retirement, etc.)?
6. Will private schools be allowed to participate in the program?

When the full Education Committee considers the bill, I intend to speak out as clearly as I can. It is my judgment that regardless of what the committee reports, the final bill will be written when the entire Congress considers the matter.

Thank you again for your interest.

Your Congressman,
WILLIAM H. AYRES.

In further support of my position, I am inserting the following editorial which appeared in the Akron Beacon Journal, Wednesday, June 7, 1961, entitled "Costly Help."

COSTLY HELP

As the issue of Federal aid to education moves toward a vote in the House of Representatives, this fact is worth noting:

Neither in the Senate debate nor in most of the testimony before the legislative committees nor in public discussion has much attention been given to the basic question of whether such help is needed.

Hours of talk and pages upon pages of writing have been devoted to the question of whether aid shall be given to parochial as well as public schools. Whether aid shall be given to or withheld from racially segregated schools has been debated. Also, the problem of allocations—what formula shall be used for distribution to the States? Varied views have been offered about control. Some say that Federal supervision must be avoided; others, that it is inevitable.

BUT WHAT ABOUT NEED?

Are schools suffering from lack of money? Is there no other place to turn for help?

The fact of the matter is that most States and most school districts have kept pace with rising needs and mounting expenses.

Public school expenditures have risen 1½ times as fast as national income in the last 10 years.

Moreover, most States are in better position to raise additional money than is the Federal Government. State and local debts, in relation to tax revenues, are scarcely half as large as the Federal debt.

We would concede that there are 8 or 10 States, where personal income is low, which justifiably could be given Federal help in order to bring educational standards up to a decent minimum.

But most States are fully capable of a do-it-yourself program of building and operating the schools they need.

Widely overlooked is the fact that the Federal Government doesn't have any magic supply of dollars all its own and available to hand out.

Any dollars which are given the States for schools will eventually have to come from taxpayers in the 50 States.

And a well-to-do State, such as Ohio, will naturally be paying in much more than it gets. Specifically, it has been computed that Ohio's share of the cost of getting $39 million a year will be nearly $60 million a year. In other words, for every $1.50, we'll get $1.

To the extent that Ohio's public schools may need more money, wouldn't it be better to raise it and spend it right at home? At least we'd get dollar for dollar.

This editorial states plainly and logically the reasons why I must, in the interests of the people of the 14th District, oppose the Kennedy Federal aid to education bill.

Much of the correspondence received on this measure has been from those occupationally connected with the education of our children. They are personally interested in several aspects of the Kennedy proposal.

Our teachers, contrary to widely circulated inferences, will not automatically receive pay raises through the Kennedy aid to education bill. The Kennedy bill, for instance, leaves the decision of whether or not allocated funds will be applied to teachers' salaries, to the individual States. In addition, the control of local taxes which have always provided, and will continue to provide, the bulk of funds used for educational purposes, and will remain under local control. Experience with past Federal programs has proven that when the Federal Government becomes a participant, the local government, being directly subservient to the influence of local citizens, tends to withdraw its financial support in proportion to the amount of Federal aid granted. If local citizens believe that the Federal Government has assumed responsibility for school financing, the pressure for local tax reduction will be automatic and irresistible.

It is apparent that one of the major effects of Federal aid, whether or not it benefits teachers' salaries, will inevitably be Federal control of curriculum, teacher qualifications, and other aspects of our educational system. This is not just theory. In 1934, the U.S. Supreme Court ruled that it is not only the privilege, but the responsibility of the Federal Government to exercise control over functions in which it is a financial contributor.

It would be far better for the Ohio Education Association and similar organizations in States which have done a good job of improving their educational systems to offer their support to a proposal advanced at the States Governors Conference. Under their proposal a percentage of personal income taxes paid to the Federal Government would be returned to the State and earmarked for education. If adequate funds cannot be raised at the local level, it is primarily because the Federal Government has preempted local sources of tax revenue.

I cannot support a bill such as the Kennedy bill which would cost taxpayers in my district $1.50 to earn a dollar in Federal aid.

I can, and will, support a proposal that would return dollar-for-dollar value on Federal funds local taxpayers have already paid. If there is a need for more school funds, and in some areas of Ohio there may well be, for education of our children, then let us be in favor of a plan that is economically sound—and morally right.

Let us keep our tax dollars working for us at home and not dilute them through a vast, rambling Federal bureaucracy with its attendant waste and inefficiency. Let us not let the Federal Government dictate to us what it wants our children to learn—let us control our educational processes as we have in the past. America grew to greatness under a free and independent educational system. Let us not bridle our children with the bit of Federal regimentation. The choice is still ours. Let us keep this portion of our priceless, traditional, and invaluable heritage.

Soviet Deportation of Lithuanians

EXTENSION OF REMARKS

OF

HON. WILLIAM W. SCRANTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1961

Mr. SCRANTON. Mr. Speaker, during the last 2 decades the government of the Soviet Union has committed so many crimes against humanity that one of its earliest inhumanities against the small, helpless, and innocent nations of the Baltic states has almost been forgotten. This June marks the 21st year of the beginning of that crime, which ended in the enslavement of the Lithuanians in their homeland and the exile of many others numbering in tens of thousands.

Lithuanians had regained their freedom at the end of the First World War, and in their ancient homeland were living in peace. Their main worry was the attitude of the Soviet Union towards them. Rightly, they were very apprehensive of Soviet intentions, and unfortunately their worst fears came true in 1940. Early in the spring they were first accused of anti-Soviet policies. They were forced to allow the stationing of Soviet troops in Lithuania. Their little country was overrun by the Red Army, and then, on orders from the Kremlin, all Lithuanian leaders were arrested and exiled to Siberia. In 1 year, from June 1940 to June 1941, it is reported that more than 50,000 innocent and patriotic Lithuanians were imprisoned in concentration or prison-labor camps in Asiatic Russia.

Today on the anniversary observance of their deportation, we pray that most of them are still alive and will one day return to freedom.

Ware's 200th Anniversary

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1961

Mr. PHILBIN. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include herein a speech which I recently made at the opening exercises of the 200th anniversary of the celebration of the establishment of the town of Ware, in my district, together with the very kind, generous and, so far as I am concerned, quite undeserved introductory remarks of my good friend, the very able and distinguished selectman of the town of Ware, Bernard Wilson.

Mr. Wilson's introduction follows:

Today, as we in Ware are gathered here to commemmorate the 100th anniversary of the Civil War, we are most fortunate to have in our midst, a gentleman whose name is familiar to us all. A gentleman whose name, no doubt, will be recalled by the residents of the Third Massachusetts District, probably as long as we remember the names of Generals Grant and Lee who were so prominent 100 years ago. A gentleman who will be remembered as the distinguished Congressman from Massachusetts who has served his district with dignity in the House of Representatives for 18 years.

I must admit that most of my affiliations with this gentleman have been through correspondence, with one single exception. Back in 1957 during my first year as selectman, I was fortunate to meet personally this man whom we keep sending back to Washington every 2 years to protect our interests and to take care of our problems at the national level.

* * * * *

It is, therefore, with great pleasure, that I present to my fellow citizens, the guest speaker on this occasion, a gentleman who is an outstanding Congressman, an outstanding son of Massachusetts and an outstanding American, our U.S. Representative, the Honorable PHILIP J. PHILBIN, of Clinton.

The following is the text of my speech:

REMARKS OF CONGRESSMAN PHILIP J. PHILBIN, WARE ANNIVERSARY CELEBRATION, SUNDAY, MAY 28, 1961

It is a real pleasure, honor, and happy privilege to join you today in this impressive commemorative service of the great anniversary celebration of the beautiful town of Ware.

In the first instance I must extend my warm compliments and heartiest congratulations to your brilliant bicentennial chorus, its leaders and accompanists for the very beautiful musical program, delightful singing of oldtime songs so dear to our hearts and the rendition and reading of the most appealing cantata, "Holiday Montage."

I want to compliment your committee upon the outstanding work of arranging a fine, suitable program for this anniversary, and am sure that it will bring many happy memories, much strong inspiration and renewed dedication for all the people of Ware and for many others who admire your outstanding history, your unsurpassed civic spirit and your staunch patriotism.

All of us may well take pleasure and satisfaction today in contemplating the early founding of Ware, its illustrious history, and the many magnificent contributions which its people have made, in war and in peace, to human progress and to our Commonwealth and Nation.

The proud history of Ware dates back to the early Indian wars, to a period long before the formal incorporation of the town November 28, 1761, before the establishment of the Union and before the Revolutionary War.

Some historians assert that John Read, owner of large tracts of land in Connecticut and Massachusetts, gave the name of "Manour of Peace" to this community because at the time the area was enjoying an uneasy peace from Indian raids.

In his scholarly, well-documented history of Ware, Rev. Arthur Chase gave the year 1726 as the first date of settlement, when Henry Dwight located on 200 acres of land in the southern part of the "Manour of Peace" which he had leased.

At an early date, in fact as early as 1730, the value of Ware's waterpower was recognized, because it was then that a mill was established near the falls of the river. This was run by Capt. Jabez Olmstead, a stalwart Indian fighter and officer in the expedition against the French at Louisburg in 1745.

From the very beginning the river has greatly influenced the town, and from it has come its name of today. The Indians called the river "the Nenamesec," which means fishing weir. The river in those days abounded in fish, especially salmon, and it was a favorite fishing spot for the Indians.

Today the town seal of Ware recalls the catching of fish by the Indians at the falls.

The Ware River has certainly been a principal source of the town's industrial strength because its swift running waters furnished a cheap source of power able to turn the wheels of industry.

Down through the years the town has seen many industries grow, prosper, and sometimes fade away with the changing needs of the times.

In 1937 the famed Otis Mills in Ware provided employment for about 1,700 of the town's population. That is the year, some will recall, when the town's economy received a crushing blow when the mills closed without much advance warning.

And that is the year, one of the most glorious in its long history, when the town fought back to become hailed as "the town that couldn't be licked," because in 11 days the townspeople dipped into their savings to put up $50,000 to organize an industrial comeback.

We all should be proud to recount the days when in a little more than 2 years, due to the courage, persistency, good judgment, and intelligent direction, and above all the loyalty of the people, Ware had more people working with larger payrolls than ever, in such diversified industries as hats, shoes, dresses, metal, woolens, and woolen goods.

Reared in struggle and sacrifice, profoundly devoted to freedom and its meaning, unshakeable in religious and patriotic faith, it was only natural that Ware should make great contributions in the Civil War.

Just a few days after the firing on Fort Sumter, a special Ware town meeting voted $5,000 to equip volunteers and provide for their families in their absence.

The Ware company, Company D, 31st Regiment, Massachusetts Volunteers with about 60 enlistees from Ware was the first to land for an attack on New Orleans in 1862.

The Civil War Memorial in Aspen Grove Cemetery bears the names of 42 honored dead from Ware who made the supreme sacrifice in that war. In all, 211 served from Ware, a most exceptional sacrifice for the then small community, and the history books abound with the heroic exploits of the noble sons of Ware who sacrificed so much to preserve the Union.

In the Spanish War, in World War I, in World War II, in the Korean war, in every crisis that confronted the Nation, the sons and the people of Ware were found in the foremost ranks of those who rallied in every way to the defense of freedom, the preservation of the Nation and the perpetuation of the great ideals of democracy and justice.

Certainly we must pause today and recall the unselfish service, the heroic deeds, the gallant sacrifices, the steady, loyal citizenship typical of Ware residents who have sprung to the defense of the Nation in times of danger, and have served with such shining example, warm inspiration and wholehearted dedication in the days of peace.

We must always remember with most grateful appreciation the struggles of the early American settlers who carved this beautiful community out of the wilderness, and set up their temples of worship, homes, schools, and civilized institutions and orderly free government, in this honored place. They were hardy, resolute people, fiercely and militantly committed to human freedom in all its ramifications. We can never forget the great debt we owe them.

As years sped along, peoples of other races have come to this community bringing their rich heritage of love of God and passion for liberty, representing the so-called newer races of many nationalities, that loyalty joined with the older ones to bring fulfillment to the American dream—the Irish, the Poles, the French, the Italians, the Germans, the Jews, the Scandinavians, people from the Near East, and many other parts of the world who have come to this community, some of them in larger numbers than others, all bringing with them something of worth and value to the building of a greater and better community and a stronger, greater Nation.

In intervening years great changes have occurred in the makeup of Ware's population, and today many peoples and strains are here—all loyalty working for the betterment of community and country.

We may well be proud and thankful today—proud of the achievements and accomplishments of the past wrought out of the hands and minds of sturdy pioneers, out of the loyalty and devotion of all the dedicated peoples who have followed them, thankful that this community and our Nation have been blessed by the Almighty to be endowed by such patriotic, able, intelligent leadership, strengthened and sustained by such wholehearted and devoted people, all seeking and working to sustain the great political ideals and moral truths of our way of life, building on the great foundation stones of the past, and steadily forging ahead in these crucial days with unabated vigor and faith, carrying the torch of freedom into the space age and wherever it may lead man in his quest for knowledge, human betterment, and spiritual enlightenment.

This troubled world would be better, I know, and the critical problems which face us today would be more easily solved, I am sure, if we of this generation are ever mindful, as we go into the future, of the great sacrifices that have been made to build this great Nation of ours, because it is only by living up to the principles, ideals, and values which the people of past generations fearlessly fought and died for, and which we must resolutely guard in our time and transmit to those who come after us, that the previous blessings of ordered liberty may be assured for this Nation and the world.

If we boldly face every problem and danger that confronts us in the spirit of this great heritage, no power on earth can ever prevail over us.

I congratulate the town and wonderful people of Ware upon this historic anniversary and hope and pray that in the time to come the good Lord will bring you and your inspiring American community his choicest blessings of good health, prosperity, and happiness and many anniversaries like this one, and a people, ever grateful to the glorious past, and resolutely dedicated under God to the principles and values of human freedom, security, and peace.

Thank you very much for the high privilege of being with you today.

History Can Never Erase the Tragedy of Lithuania

EXTENSION OF REMARKS

OF

HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1961

Mr. PUCINSKI. Mr. Speaker, 21 years ago today one of the most monstrous crimes ever perpetrated in the history of civilization was committed by the Soviet Union when it deported more than 30,000 Lithuanians to Siberia as a prelude to the Communist's barbaric plot to incorporate Lithuania into the Soviet Union.

During the nights of June 15 and 16, 1940, these 30,000 Lithuanians who constituted the intellectual leadership in Lithuania and who would have served as the nucleus of indomitable opposition to Communist rule in their country, were brutally removed and the world has never again heard from these people. Of all the barbaric crimes committed by the Communists in World War II, this tragic deportation of men, women, and children to Siberia shall continue to plague the conscience of the free world as long as the Communists are permitted to evade a full accounting for this crime.

We are indeed living in troubled times and with so many new international crises confronting the free world, it is lamentable that this great tragedy of Lithuania is too often overlooked.

I take this occasion today to mark this tragic anniversary so that the rulers of the Kremlin will know that sooner or later the Communists will be brought to the bar of justice for their brutal conduct.

The Communists would indeed desire for the world to forget about this great sacrifice which the Lithuanian people made in the struggle for freedom, but they are tragically miscalculating the spirit of the free world, for I am certain that my colleagues in Congress will join me in a firm vow that we shall never permit history to erase this atrocity.

Nothing will ever bring the 30,000 victims of Communist brutality back to life, but we as free people must continue to cite this monstrous act as just one more example of the futility of those who think

there can be some form of coexistence, some form of compromise, some form of understanding with the Communist mind.

I hope today's tragic anniversary will serve as yet another reminder of the full ugliness that motivates the Communist conspiracy to ultimately plunge the entire free world into the scope of Soviet captivity.

I hope that this anniversary will remind free people everywhere that to this day the United States has refused to recognize the complete annihilation of Lithuania by the Soviet Union in placing this great nation into its orbit. It is significant that to this day the United States continues to recognize the emigre government which is truly the constitutional government of Lithuania, and I hope the United States will soon find a way to give these Lithuanian exiles, who struggle so hard to keep alive the spirit of freedom which the Lithuanians have so gallantly defended through the centuries, alive.

I am sure all Americans join me in expressing the sincere hope that within our lifetime we will be able to see Lithuania, along with all the other captive nations, once again emerge as a symbol of freedom and democracy on the European continent. Otherwise, those 30,000 Lithuanians, whose deportation and subsequent death in Siberia we mourn today, will have given their lives in vain.

Soviet Deportation of Lithuanians

EXTENSION OF REMARKS
OF
HON. GLENARD P. LIPSCOMB
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 15, 1961

Mr. LIPSCOMB. Mr. Speaker, Lithuanians had suffered under foreign regimes during most of their modern history, but the suffering and misery which has been their lot since early 1940 has been quite unbearable and terrifying. In the spring of that year the Soviet Union began to undermine Lithuania's independence, and by the end of June, Lithuanians were enslaved under Communist tyranny.

When the country was overrun by the Red army, the people were terror-stricken and oppression prevailed everywhere. Then many thousands of prominent Lithuanian leaders in every walk of life were arrested, held incommunicado, put in freight cars and shipped to Asiatic Russia. Such arrests on a larger scale continued for more than a year, and by June of 1941 the number of innocent and patriotic Lithuanians arrested and exiled to eastern Russia was reported to be more than 50,000. Of this number very few have been accounted for so far; the rest still suffer in some distant part of the Soviet Union. All efforts on the part of the International Red Cross and other organizations have been of no avail, and the Soviet Government simply pays no attention to appeals made in behalf of these unfortunate Lithuanians.

This is the anniversary observance of their deportation, and we again hope that in the not too distant future all Lithuanians will regain their freedom.

Challenges to Graduates, 1961

EXTENSION OF REMARKS
OF
HON. SAMUEL N. FRIEDEL
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 15, 1961

Mr. FRIEDEL. Mr. Speaker, last Saturday we in Maryland were privileged to have a member of the President's Cabinet address the graduating class at the University of Maryland. I think we all agree that such an occasion calls for inspiring words to our young citizens who are starting out on their own for the first time.

What to say to these young people as they plan to take their responsible place in our society requires our utmost effort if we are to leave them with the proper impression of their duties as the leaders of tomorrow.

Secretary of Commerce Luther H. Hodges gave the graduates at the University of Maryland such an inspiring challenge in his address last week that I would like to have it inserted at this point in the RECORD so that all of my colleagues will have an opportunity to review his sage advice.

Secretary Hodges' address follows:

ADDRESS BY SECRETARY OF COMMERCE LUTHER H. HODGES AT COMMENCEMENT EXERCISES, UNIVERSITY OF MARYLAND, COLLEGE PARK, MD., JUNE 10, 1961

Governor Tawes, President Elkins, Mr. Holter, distinguished guests, ladies and gentlemen, I want to share with you, if I may, a letter that one of my colleagues received the other day from a little boy in Kansas. It was directed to our National Bureau of Standards, which, as you probably know, is one of the divisions of the Department of Commerce dealing with science and technology.

The letter was quite brief. "Dear Sir," it said, "if possible I would like you to send me some material on the universe or something related to it. Thank you."

I wish I knew how my colleague answered that letter, because I have a feeling that here this morning I am pretty much on the same spot. The interests of this graduating class of 1961 reach as far as there is stardust. And I wonder what a commencement speaker can tell you that will help you understand this changing, vast—indeed, limitless—domain that you are about to enter.

For my part, I intend today to take the only proved, intelligent approach there is to the problem. I am going to close my eyes, breathe deeply, and plunge—and hope to heaven that some scrap of information I have about "the universe or something related to it" will be of worth to you.

All this aside, I am really delighted to come again to Maryland and to join in these commencement exercises. The last time I was here was in 1957 for the "Queen's Game" between the Maryland and University of North Carolina football teams. This, you may remember, was the game that Queen Elizabeth and Prince Philip saw.

I had a wonderful time that day, shouted myself hoarse, and, except for one thing, you gentlemen could not have been more gracious to me. The one exception was that you didn't let North Carolina win. Maryland did.

This great University of Maryland has truly a long and proud heritage. Its history is the history of two institutions, both venerable: the old privately owned University of Maryland in Baltimore, which was chartered in 1812; Maryland State College at College Park, which dates from 1856.

Long before these two institutions were merged in 1920 to form the present University of Maryland, they had established one of the oldest medical schools in the United States, the first dental school in the world, and the second oldest agricultural college in the Western Hemisphere. Here, years before Americans came generally to accept the idea of universal higher education, the foundation was ready and in place for a great public university.

I know from my experience as chairman of the southern regional education board that Maryland—State and university alike—is very much on the move these days in many ways. President Elkins, I have been most impressed by your new business associates program. This project, which extends to industry the research services of the university and which builds a sound basis for work together, is most farsighted; and I think it ties directly to your own fine program, Governor Tawes, for bringing more scientific companies to Maryland.

And, of course, you have done a magnificent job with our armed forces in Europe in your classes and courses offered to tens of thousands of our boys and girls overseas.

Your graduate school is large and excellent, and if you maintain its quality, you will insure an overall good institution.

The President of the United States has said, and I think it is a great truth, that "our progress as a nation can be no swifter than our progress in education. Our requirements for world leadership, our hopes for economic growth, and the demands of citizenship itself in an era such as this requires the maximum development of every young American's capacity."

Not in my lifetime—and it goes all the way back to the 19th century—has this country needed so urgently a supply of talented, educated minds. Where once we could get by with a small corps of intellectuals and a mass of people with elementary and secondary educations, today we need much more. Today we require masses of intellectuals and quantity education, not just at secondary stages, but at the highest levels and at the highest standards of excellence.

To cope with the realities of this age, we need—we must have—higher education that can challenge for millions of young people the germ of genius, great or small, academic or technical, that every intelligent being has within him to some degree. As the President has said, our goals must be "a new standard of excellence in education—and the availability of such excellence to all who are willing and able to pursue it."

Let me take just a few minutes to make clear why these goals are so necessary and urgent.

In the last 20 years, particularly, the explosive pace of technological change has added a tremendous complexity to the tasks on which our society depends. You see this most dramatically in science. But it shows almost everywhere. Doctors, teachers, Government officials, union leaders, management men have all been affected by a demand for an increasing range of skills in their jobs.

At the same time, society has ben calling for more skilled people of all kinds. This is apparent if you just look back at the way the makeup of our labor force has changed.

In 1910, for instance, about one-third of all workers in the United States were skilled. That is, they were professional and technical workers; proprietors, managers, and officials; clerical employees; and skilled production workers and foremen.

In 1960, however, nearly one-half of all workers were in skilled categories requiring considerable educational background. What is more, the increase in skilled employment was greatest in just those areas that require the highest competence and the most extended training.

While this demand for talent has been building for a long time, it is now increasing at an accelerated rate. And it will continue to grow, probably even faster, as certain forces exert more of their pressures in the years ahead.

Automation, for one, is bound to raise the level of skills needed by industry, no matter what else it does. Routine jobs will be replaced by far more demanding ones involving supervision, regulation, and the production of new machines themselves.

The rewards of discovery have already produced a great growth in systematic research, both public and private. They will continue to do so, and the need for scientific personnel to man new efforts will grow proportionately.

Finally, and perhaps most compelling of all, the military and economic threat of the Soviet Union, will make an increased intellectual endeavor not a matter of choice, but a necessity for sheer survival.

Though the United States has not sought the leadership of the free world in this vast struggle with world communism, leadership has fallen to us, with all its obligations.

To our old allies in the northern half of the world, we bear grave responsibilities for the preservation of freedom. To the newly developing nations of the Southern Hemisphere, we have not only obligations, but great opportunities for demonstrating that social and economic progress can go hand in hand with the development of political democracy.

The United States cannot stand strong in the cause of freedom, certainly cannot hold a banner to which the awakening, disadvantaged people can repair, if it does not maintain its military, economic, and technological superiority.

Two years ago, I visited the Soviet Union with a group of American Governors. We toured factories, collective farms, schools and universities, and we talked to local and republic leaders and to Mr. Khrushchev himself. Everywhere we turned, we saw abundant evidence of their drive to excel the United States and of their emphasis on education as the means of doing it.

I came away from that trip more convinced than ever that the United States must develop not only more and better scientists and engineers, but better educated individuals of all kinds. Specialists we must have, to be sure. But we should be aware that at the pace the world is moving, the skills we may demand 10 years hence may be unknown today.

This makes things more difficult, for it means that our universities and colleges must give us men whose education has included both depth and breadth—men who have specialized, but who have not become chained to their specialty.

As the Carnegie Foundation has said in its report, "The Great Talent Hunt," "intelligence untempered by wisdom, competence unguided by a sense of values—these could be our downfall as surely as ignorance and incompetence."

In short, we have no choice but to demand from our schools and colleges men who have been prepared, who have intellectual and technical competence, to assume a versatile role—whether it be in science, industry, the arts, or education itself.

This, I know, is a great deal to expect, particularly from our public universities which are pressured so acutely today by the problem of handling swelling enrollments while maintaining and raising the quality of their instruction.

Higher education enrollments have been increasing steadily, and over the next 10 years they will jump spectacularly as the postwar baby crop reaches college age. Last fall, we had 3.6 million young men and women enrolled in degree-credit courses at colleges and universities. By the fall of 1970, the figure will be more than 6 million, or a near-doubling of student bodies in a single decade.

Here at College Park, I understand, you are forecasting a 49-percent increase in enrollment by 1964–65, and this will come on top of a rise from 7,540 to 10,168 in full-time equivalent enrollment over the past 5 years.

Now there are some people, I know, who will still argue that to seek excellence under such conditions is pure foolishness—that quantity and quality just won't mix.

Well, I am awfully tired of that argument and the nonsense that lies behind it. These people somehow assume that this society can afford to educate either a few people exceedingly well or a great number of people not so well, but only one or the other.

But how can you, in this Nation which so desperately needs masses of talented manpower, justify that argument? How can you close your eyes to the need to develop all individuals to their maximum potential? And how can you justify spending public funds—the total that went into higher education from all levels of Government in 1957–58 amounted to nearly $2.5 billion—to educate well the elite or to do just half a job for everyone else?

Believe me, I don't suggest that the task before us is easy. I merely say it has to be done. The President has recognized the urgency of the situation and has proposed a program of Federal assistance to higher education which will help materially to ease some of the financial problems ahead, both for the colleges and students. But whatever the Federal Government does must be considered as a "supplement" or a "challenge fund." The real job, now and always, is up to the States and localities.

I think, generally, the public senses a new importance to higher education. I think this is reflected both in increased support for the universities and colleges, public and private, and in greater recognition by many people of the role that the family must play in motivating youngsters to pursue a full education.

Finally, I know that most universities are keenly aware of their responsibility to educate increasing numbers of students at increasingly high standards. This Nation has already built a system of higher education that has no equal in the world. The plans that are now underway—for expanding facilities, improving curriculums, raising faculty standards—should be reassurance that most colleges have every intention of maintaining their superiority. This means, for one thing, that our public schools, elementary and high schools, must do a far better job of preparation than they are now doing.

I think it is unfortunate that in some colleges, however, there still seems a difference of opinion about which is more important—athletics or education.

Now I played on teams in college, and I am fully aware what a wonderful thing sports can be—in their proper place—and I am for sports and good teams. But their place is secondary. And when you start buying basketball teams, for example, start handing out scholarships for brawn and physical skill rather than brain, and a desire for education, you are mixing values badly and heading for trouble. We have recently seen again the sort of thing that can happen—the gamblers get in, and the fixes begin.

Much of our trouble here—the reason for this lingering nonsense that old alma mater must have winning teams—can be traced, I think, squarely to us alumni. Through some strange, immature quirk, we seek the prestige of association with a winner. Thus we apply pressure on the old school to build up its athletic plant, and the school, mindful of alumni contributions, may not be strong enough to say no.

I think it's about time the aging rah-rah boys grew up, and let up. If they really need to borrow prestige, let them borrow the best there is—the reputation of a school where education, quality education, comes first, last, and always.

On the whole, we have come a long way these past few years to waking up to our real needs for education. The accomplishments of the Soviet Union have been a rude stimulus, shaking us to the truth that the U.S. supremacy in science, which we took for granted, might actually prove to be technological inferiority. And again I raise a warning to all the public to take heed.

I think we are about ready to make sacrifices, to admit our life has been too smug and comfortable, and to recognize, as Edward Payson said, that "luxury is the first, second, and third cause of the ruin of all republics. It is the vampire which soothes us into a fatal slumber while it sucks the lifeblood of our veins."

In short, I think we are—we must be—ready to pay the price for excellence in education and for assuring, as the President said, "that every talented young person who has the ability to pursue a program of higher education will be able to do so if he chooses, regardless of his financial means."

Now just one last word. For you in this graduating class there will be most exciting opportunities in this expanding and changing world. There will be new things to be done in every field of endeavor, and there will be challenges, such as those imposed by our new Peace Corps, to develop new ways of doing things which now seem commonplace.

To these challenges, you will bring a freshness and vitality, and if you have spent your years here well, if you have developed character as well as your brain, you will make the most of your opportunities. Your horizons are limited by neither time nor space. You can make what you will of your talents and your energies in a world which is wide enough and high enough to encompass your broadest visions and highest ambitions.

I wish you luck and good fortune, and I thank you for letting me share this wonderful occasion with you.

Soviet Deportation of Citizens of the Three Baltic States

EXTENSION OF REMARKS

OF

HON. SEYMOUR HALPERN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1961

Mr. HALPERN. Mr. Speaker, today, June 15, is a day that must always be kept alive in the memories of freedom-loving peoples of the world. It is a day that must be looked on with dismay, with a resolve that it must not happen again. It was on this day, 21 years ago, that the Soviet Army took over the independent State of Lithuania by force; 2

days later, the Russians occupied the other two Baltic States, Latvia and Estonia.

As if the snuffing out of the liberty of these three nations was not a sufficiently brutal act, the Soviets just 1 year later, on June 15, 1941—20 years ago today—completed their first mass deportations of citizens from the three Baltic States to prison and work camps within the interior of Russia.

On this day, commemorating these two tragic occasions, let us express our hope that the peoples of the Baltic States may soon again live in freedom in their homeland.

Israel's Bar Mitzvah

EXTENSION OF REMARKS
OF
HON. GEORGE M. WALLHAUSER
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 15, 1961

Mr. WALLHAUSER. Mr. Speaker, it is indeed my great pleasure to pay tribute to the gallant State of Israel, the hope of the free world in the Middle East, on the recently celebrated 13th anniversary, or bar mitzvah, of their founding.

In a large sense, the Jewish nation is far older than 13 years. The founding of Israel occurred thousands of years ago—when the Lord appeared before Moses at the burning bush and commanded him to lead the children of Israel to the promised land. The Bible tells of the Jews' danger-fraught exodus from Egypt and entrance into Canaan. Many times in their ancient history since then, the Jews have been driven from Palestine but each time they have been willing to undergo similar hazards to return to the land of their forefathers. In 1948, their fists clenched, the Jewish people announced to the world that they would not be moved again. The United States supported their action and now, 13 years later, it can well be proud it did so.

Our world today is ideologically divided. In this cold war, democracy is pitted against communism, representative government vies with totalitarian regime, free people are threatened with enslavement. The free world owes a debt of gratitude to the State of Israel, long an outpost of democracy in a vital area where Communist penetration has been marked. Because of background, law, and social order, this nation has ever been committed to belief in God, freedom, and human dignity. Israel's many successes stand as proof to the rest of the world that prosperity and happiness are only gained through individualism, not through subjugation of the mind and will of man to the state and its leaders.

Since its beginnings, this tiny state has had held high the lamp of liberty, opening its doors to millions fleeing tyranny's crushing rule. Those terrorized, oppressed, humiliated in foreign lands have found sanctuary in Israel—a haven where they have been able to learn skills and professions, work for a fair wage, and pursue their individual happiness without intimidation. Most important, however, Israel has given to these people the opportunity to regain their self-respect and dignity—their humanity—which only a man free to think and act can enjoy. We Americans, whose Founding Fathers were forced to flee the Old World because they were not free to believe as they would, can well appreciate this.

Israel's future, judging from its past, must be a great one. But many dangers still confront these brave people. On three sides, hostile neighbors, jealous of her progress, continue to stockpile armaments and threaten war, and enforce blockades and boycotts against her in defiance of the United Nations Charter. Although the Israeli nation has barely passed into its adolescence, her enemies might well take heed of these words spoken by Josephus nearly 2,000 years ago:

> These men have inviolable attachment to liberty and say that God is their only Lord and Master. They also do not mind dying any death, nor could the fear of death make them call any man their master. This immutable resolution of theirs is well known to a great many. What I have said does not adequately express the determination that they show.

As I have urged before, our Government must continue to press for freedom of passage of all ships through the Suez Canal in keeping with international law, and this, of course, includes Israeli ships and ships dealing with Israel. We must continue as we have in the past to make mutual aid funds and loans available to Israel for its greater development. We must do this, not only in respect for her courage, creativity, and humanity, but also because it is in the best interest of America to strengthen so dedicated a democracy and so faithful a friend.

Lithuanian Memorial

EXTENSION OF REMARKS
OF
HON. JOHN H. DENT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 15, 1961

Mr. DENT. Mr. Speaker, on June 15, we commemorate the advent of Soviet rule in Lithuania in 1940. At that time an army of the Soviet Union marched into Lithuania and demanded the formation of a friendly government. In order to insure their dominance, the Soviet rulers during the course of the following year deported over 30,000 members of the Lithuanian intelligentsia to Siberia and executed about 5,000 others.

Twenty-one years later this crime seems nonetheless horrifying to us. We look back with grief and compassion at the fate of these Lithuanians and the other peoples of Eastern Europe and Russia who died in the wake of Soviet domination. Memories of these atrocities make it all the more difficult for us to strive to achieve mutual agreements with the Soviet Union in order to preserve peace throughout the world. When we recall this bloody record, we have trouble believing that the Soviet rulers will ever be content with a lasting peace. Too many peoples have been uprooted and perished under their heel.

Flag Day, 1961

EXTENSION OF REMARKS
OF
HON. FRED SCHWENGEL
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 15, 1961

Mr. SCHWENGEL. Mr. Speaker, on Flag Day, Wednesday, June 14, it was my distinct honor to once again serve as principal speaker at the Flag Day exercises on the steps of the east front of the Capitol. I am flattered that this same privilege has been accorded me 6 of the 7 years I have been in Washington.

This year's program, my role notwithstanding, was one of those events which would rekindle patriotism in the most casual citizen and inspire him to look with new meaning upon the Stars and Stripes. I am glad that I could have a part in it. I am convinced that this type of program should occur with greater frequency.

Special tribute should be paid to Mrs. Mary Nichols and her committee for making arrangements for the event and for carrying out the program, which was ably introduced by master of ceremonies, William J. Holliman, of the VFW.

A new and brilliant feature was included in this year's presentation—"The Flag Story," staged by Company C of the 1st Battle Group, 3d Infantry—the Old Guard—of Fort Myer, Va. All who have seen this moving display of State and National colors and heard the dramatic narrative which makes it live as a glorious capsule from American history, know what a wonderful spectacle this is. Special recognition should go to the commanding officer, Col. Richard M. Lee, Capt. Neale Cosby, Capt. Frank Belock and to Pfc. William F. Hennessey, the narrator.

In order that the Members, who could not attend the exercises, can know the scope of the program, I ask unanimous consent that the program and my address appear in the CONGRESSIONAL RECORD.

FLAG DAY EXERCISES, JUNE 14, 1961, THE EAST FRONT OF THE U.S. CAPITOL

(Sponsored by Department of Potomac Woman's Relief Corps, Auxiliary to the Grand Army of the Republic)

Prelude: U.S. Marine Band, Capt. Dale L. Harpham, assistant leader, conducting.

Fanfare of bugles, national honor guard, Veterans of Foreign Wars, Capt. George L. Ford, commander.

Presentation of colors: Woman's Relief Corps, Daughters of Union Veterans of the Civil War, Ladies of the Grand Army of the Republic, Woman's Army Corps Veterans

Association, Auxiliary to United Spanish War Veterans, American Gold Star Mothers, Inc., American War Mothers, Auxiliary to Veterans of Foreign Wars, 10th District of Virginia VFW, District of Columbia and Virginia Jewish War Veterans Auxiliary, Gold Star Wives of America, Sons and Daughters of Liberty, Catholic War Veterans Auxiliary, Ladies Auxiliary Fleet Reserve Association, Daughters of '98, Navy Mothers Club of America, Daughters of the American Revolution, National Society, Children of American Revolution, National Capitol Chapter, American War Mothers, Girl Scouts, Troop Nos. 46, 144, Boy Scouts, Children from Central Union Mission.

Invocation: Chaplain, Maj. Oden M. Pullen, USAF, 1020th USAF Special Activities Wing, Fort Myer, Va.

Pledge of allegiance: Mrs. Mary E. Nichols, department patriotic instructor, Woman's Relief Corps.

Introduction of master of ceremonies: William J. Holliman, national judge advocate, Veterans of World War I of the U.S.A., Inc.

American's Creed: Corp. Mary Ann Johnson, USMC, Company D. Headquarters, Battalion Headquarters Marine Corps, Washington, D.C.

Solo "America The Beautiful": U.S. Marine Band.

Introduction of Mrs. Myrtle Aron, President, Woman's Relief Corps.

Patriotic selections.

Address. Hon. FRED SCHWENGEL, Member of Congress from Iowa.

Entrance, State colors and national colors, First Battle Group, 3d Infantry, the "Old Guard".

"This is My America", Mr. Frank Topash, past department commander, Veterans of Foreign Wars.

"The Flag Story," First Battle Group, 3d Infantry, the "Old Guard."

National Anthem, audience.

Benediction, Maj. Oden M. Pullen, USAF.

Retiring of Colors.

Committee in charge of arrangements: Mary Nichols, department patriotic instructor; Bernice Ferris, past department patriotic instructor; Olive Minard, past department president; Louise Leone, department secretary.

Appreciation: U.S. Marine Band, Mrs. Francis Nelson, Department of Defense, National Organization Branch, Armed Services of the United States, J. George Stewart, Architect of U.S. Capitol, Mr. William J. Holliman, Chaplain Maj. Oden M. Pullen, USAF, Hon. Fred Schwengel, Mrs. Frank Topash, Mary Ann Johnson, USMC. All participating organizations.

FLAG DAY, 1961

(By Congressman FRED SCHWENGEL, of Iowa)

Flag Day in America is and should be a very special day. It is a time when every American should think again on his heritage.

It will quicken his heart and stir his mind toward a nobler and a more intelligent patriotism. A patriotism that is so much needed as we seek to restore, as we must, the original national purpose so evident among the authors of our Nation.

A kind of patriotism that will cause all to dedicate ourselves to the unfinished task of building a better world by building a better America.

It is a time to reflect on and to learn again from our own history—and especially to learn anew about the many blessings that come with liberty and freedom.

A great American historian reminds us that "History is not merely a great teacher of patriotism, but the one indispensable teacher; the more we know about the struggles which made the Nation, the great men who led it, and the principles which sustained its people in time of trial, the deeper will be our feeling for our country.

If we are to attain the great goals that our forebears set for us we must develop a deeper feeling for our country than now seems evident.

This very difficult and discouraging time demands that we call forth the very best of our talents and ability.

Our most beloved poet and biographer, Carl Sandburg, sounded a note of warning recently when speaking at Gettysburg.

He presented some appropriate questions and then gave some eloquent answers. Replies that give cause to pause and reflect.

He said, I quote:

"When we say a patriot is one who loves his country, what kind of love do we mean? A love we can analyze, or weigh, or measure? Or is a patriot's love of country a thing invisible, a quality, a human shade and breath, beyond all measurement of reckoning? These are questions old as the time of man and the earliest tribes and nations. We do know in part that when a society or civilization perishes it would seem they forgot the hard beginnings, struggles having human cost.

"We have heard that the dead hold in their clenched hands only that which they have given away. When men forget, if they ever knew, what is at the heart of that sentiment—and it is terribly sentimental—they are in danger of power being taken over by fantastic fools or beasts of prey or men hollow with echoes and vanities."

This is his way of telling that in forgetting, we lose.

And Edwin Burke tells us: "People will not look forward to posterity who never look backward to their ancestors."

Posterity depends on us. The present demands so much from us. In this difficult, discouraging time, let us revive and reflect on some admonitions of history. Admonitions that helped the early patriots meet their challenge; from this we can take courage.

As we see our national emblem unfurled against the background of this historic and meaningful dome set against the blue sky, we are thrilled again with the American story.

It recalls for us wonderful men, events, state papers and documents. All without peer and import in the history of any country; a story that is ours. The story of a nation, whose experience testifies eloquently to the faith, dedication and sacrifice that gave us liberty, equality and prosperity.

By recognizing and applying the eternal truths and the great principles which became the foundation of our Nation, we in this great land have achieved more for more people, in more ways, and in more places, than has been achieved by any other government ever known.

It should be noted and we should forever remember, that this was made possible through the leadership of elected representatives. Men and women who understood that it was their business as representatives to represent and serve their country and its ideals first; the interests of the people in the areas they represent second; and the political party of their choice, third.

The terrible tragedy of our time, and it could be fatal, is that the prosperity and easy life coming from liberty has, while making us great and strong, caused many of us—including those in high places—to accept the false belief that somehow liberty and freedom can live safely successfully, and peacefully with the tyranny of communism, a system that not only denies the spiritual values but destroys them, a system that crucifies all new ideas that aren't consistent with their materialistic viewpoints, a system that would have you believe that only a few can rule and that the masses are not to be trusted, a system that has a judicial system which is the arm of, rather than a check on the powers of government.

To agree with, to imitate its collectivism, to otherwise aid and abet this system as a solution to problems is to ignore the facts of history.

For it is in our own heritage that we find the seeds that bring forth the inspirations, the answers and desired results for ourselves and for the world.

Every era in our history gives us marvelous examples to call on for help and inspiration. A most effective and appropriate inspiration finds its original audience in the House of Burgesses in Williamsburg in the year of 1775. While pressing for resolutions to put the Colonies in a state of defense, Patrick Henry said: "Give me liberty or give me death."

Here was the clarion call that characterized the new Nation at its birth. Then came the "Unanimous Declaration" and it was signed. It made 1776 our Nation's natal year.

Beginning "When in the course of human events," it is an indictment of tyranny, an indictment—bold, perpetual and true.

In support of it and by it, "Our lives, our fortunes and our sacred honor," are forever pledged. "All men are created equal," "Unalienable rights," and "The consent of the governed," are words to which those early patriots and later Lincoln in his time consecrated their lives. They were the essence of important points which they argued in debate and talked of, wrote about, and fought for.

Those words burst and blazoned forth out of the darkest of days, dark as nights, as if to become a Bethlehem of civil government for all mankind, for magi and for statesmen to gaze upon.

Those words were the inspiration of the statesman; even more, they were their career.

Lincoln said, on the eve of a crisis he was to meet: "I have never had a feeling, politically, that did not spring from the Declaration of Independence."

To him that instrument was without a flaw. In his hand it became an instrument to set the slaves free.

The drama moves on. It includes doing the impossible—defeating the most powerful nation in the world—at Trenton, Valley Forge and Brandywine.

Soon our land is free and at peace.

The curtain rises again. The Great Convention is in session. The Founding Fathers are gathered; as grand a body of statesmen as ever met.

Washington presides. Madison is there leading many of the discussions. Weeks passed.

Came the Constitution. We boast it to be a vast achievement in human government. "We the people."

Gladstone, the eminent English jurist, called it "A most wonderful work."

It fused the States into "a more perfect union," a Nation to enjoy "the blessings of liberty."

Their task was to devise a government shorn of all kinds of despotism. In devising their plan, with its checks on power and its compromises on disputes, they attained the nearest to fulfillment and achievement of the aims of self-government that man had ever done.

And this day we ask: Where is there a government that towers above ours, as the Pilgrim Fathers said, for "just and equal laws?", Madison and his coworkers built better than they knew.

It early became an ectasy of Lincoln that the Thirteen Colonies had won for themselves their war; won their independence; defied prior civil heresies of the olden world.

And then in triumphant convention assembled, they begat that child of liberty, "we the people."

A new ship of state was launched. It and its affairs, and its course under the flag and the Constitution, its hopes, its welfare and

its perils, became and are the sole concern of major statesmanship.

In the course of time the helm goes to a succession of elected officials. Difficulties arise, the Nation needs to sacrifice now to save itself.

It finds a leader in Lincoln during the storm and fury of that terrific war. Hark! When the sky was blackest and all was at stake, Lincoln declared: "We shall nobly save or meanly lose the last, best hope of earth."

Note the words. Did truer, nobler diction ever flow from a statesman's tongue or pen? Listen again and see how they serve for today. "We shall nobly save or meanly lose the last, best hope of earth." Can words penetrate deeper into the souls of Americans than these do? Said to us 100 years ago.

They almost page us. Almost page by name every American alive in this year of our Lord, 1961.

How loud the call since the morning of Pearl Harbor, World War II, Korea, Yalta, Potsdam, Laos, Berlin, and the impending proposed summits.

No one in Government and living in the District of Columbia can deny that today the Ship of State is indeed on troubled waters. It seems to be heading into a terrible storm. It is being challenged on every front.

We have to contend, everywhere it seems, with international communism. There are demands that we recognize it as an equal or a competitor with freedom. Tragically there are some who believe that it has some advantages over freedom.

But, thinking men know better. In the name of humanity and all that is good and decent communism must not be allowed to prevail.

The Communists cannot win if we place our faith in the ancient truths spoken, lived by and fought for by the patriots in our heritage, statesmen who believed that no doctrine, faith, or knowledge is of value to man except as it bears fruit in action. The record shows that they gave us action and sacrifice almost beyond words to tell.

When the leaders of the Kremlin and their ilk call for peaceful coexistence let us remind them and the world that would be free that this idea of coexistence is not new. We have stool for this from the beginning.

Let's show them the evidence of two world wars fought to assure peaceful coexistence. In World War I we fought to make the world safe for democracy. In World War II to establish the Four Freedoms to which they agreed and then finally we helped and supported more than any the idea of a United Nations.

When Khrushchev prophesies that our children will grow up under communism, let us present the unanswerable record of history and our system which is based upon the moral law to show him and the world a record of freedom and liberty.

So long as men love truth and freedom they will never consent to the communism we know today. And, communism will not be successful unless they start imitating those who believe and practice the great ideals on which freedom was built.

When the enemies of freedom present their pious, half-truth accusations, hurl epithets of derision and point to our self-admitted and self-announced shortcomings—let us admit and not shrink and cower before a system and enemy whose background and record is one of the blackest in all history.

Rather, let us redouble our efforts to correct, improve and eliminate the causes of our shortcomings.

Then let us get some self-satisfaction in the knowledge that our system, under our flag and freedom, has done, does and can do more for people than any other system.

This will reassure ourselves of our own greatness. A greatness of which even they are jealous.

We should point often to the many virtues and advantages we take for granted which the tyranny of communism not only denies but destroys.

They insist on promoting and demanding conformity to their ideals while we recognize, if not promote, nonconformity but always under a law and a system that at least seeks the goals of equality.

Let us then on every occasion and especially on Flag Day speak and act with conviction and dignity to promote a mutual betterment program for all, using more, and more often, the great ideas found in the American legend expressed so often by the leaders in our ancestry.

The following are just a few. You can think of many more.

"Eternal vigilance is the price of liberty."

"I swear eternal hostility against every form of tyranny over the mind of man."

"Religion and morality are indispensable to political prosperity."

Any schoolchild can think of many others.

So, let us not retreat from reason. Rather, let us encourage the mind of man to think. And be prepared to advance our cause by friendly persuasion—to make other men wiser and better as we can find or make opportunity.

Let us remember there are times when we protect in this country even a minority of one, that it was our system that promoted the rise of the common man and all have more advantages under it.

On this Flag Day, 1961, let us be proud of our heritage but let us wear that pride in such a manner that it presents the true heart and soul of America; so that it shows that with our pride we have humility.

Believing that actions speak louder than words, let us practice what is at the heart and soul of America and expressed so well by our most American American—Abraham Lincoln—in the last paragraph of his last public document: "With malice toward none; with charity for all; with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in; to bind up the Nation's wounds; to care for him who shall have borne the battle, and for his widow, and his orphan, to do all which may achieve and cherish a just and lasting peace, among ourselves, and with all nations."

Grant that each of us think on and learn again from our heritage those things that can keep for ourselves and win for others true freedom and greater opportunity for all.

Thanks for this opportunity to speak before you this evening and for the courteous attention you have afforded me.

Soviet Deportation of Lithuanians

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1961

Mr. DINGELL. Mr. Speaker, the tragedy of the Lithuanian people in 1940 stemmed from the aggressive policy of the Soviet Union. Without any justification, and without provocation the men of the Kremlin put an end to independent Lithuania. Since then, for 21 years, unhappy Lithuanians have not known freedom either in their homeland or in other parts of the Soviet Union.

When the Red army marched into the country and the Communist Russians set up a regime completely subservient to Moscow, they rounded up all known and suspected public servants and popular leaders in the country, placed them in boxed freight cars and shipped them off to distant Siberia. This was done under terrifying conditions, and on such a mass scale that in the course of 1 year some 50,000 prominent Lithuanians were uprooted from their homes and found themselves in prison camps in Asiatic Russia. There these helpless souls were during the war, and, if they are still alive, there they may be today. That event, the arrest, imprisonment, and exile of these Lithuanians, marked the tragedy of Lithuania, and today its anniversary is being observed in all Lithuanian communities throughout the free world. We join all Lithuanians in common sympathy for this national tragedy.

Baltic Tragedy

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1961

Mr. RODINO. Mr. Speaker, the last 3 days of this week are days of solemn memory in the history of the people of the three Balkan States. For it was 21 years ago that the Soviet Army swept across the borders of the three tiny neutral nations and forced them under the Communist yoke.

On the 15th of June, Lithuania was overrun. On the 16th, Latvia. On the 17th, Estonia. In 3 short days, 6 million people lost the independence they had enjoyed, to a degree, for centuries, though politically for but 22 years.

Within a month puppet governments had been established which still function today in the Soviet Union. And from that time, terror and crime have reigned. Countless thousands of citizens in all three states were executed to prevent the resurgence of patriotism, justice, and freedom. One hundred and forty thousand were deported to remote regions of Russia, without regard for individuals, families, or communities. Some, fortunately, were able to flee to Western Europe and forge for themselves new lives in freedom, though generally without their loved ones.

Today, when the first objective of citizens of the free world is to keep other nations across the globe from falling within the paralyzing influence of the Reds, we must still not forget the peoples of these countries whose size and geographical position made them the first of the captive nations.

The story of these gallant people who have so long withstood the tyranny of Soviet rule has pierced the Iron Curtain and inspired the men and women of the free world and those who value freedom and liberty.

Let us pray that we shall see in our day the liberation of Lithuania, Latvia, and Estonia—that their peoples may again live under the skies of freedom in a free world.

Chambersburg, Pa., Lodge No. 600, Benevolent and Protective Order of Elks Observes Flag Day, June 14, 1961, With Impressive Program

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1961

Mr. VAN ZANDT. Mr. Speaker, continuing its outstanding record among the Elks clubs of the Nation in urging the annual observance of Flag Day, Chambersburg, Pa., Lodge No. 600, Benevolent and Protective Order of Elks sponsored on June 14 one of the finest programs it has been my privilege to attend during my congressional career.

Last year in a national Flag Day contest among Elks lodges which was won by Appleton, Wis., Chambersburg Lodge was awarded second place.

It was my privilege to participate in the Flag Day program on June 14 sponsored by Chambersburg Lodge No. 600 and to deliver the principal address which follows:

ADDRESS DELIVERED BY JAMES E. VAN ZANDT, MEMBER OF CONGRESS, 20TH DISTRICT OF PENNSYLVANIA, THE ELKS FLAG DAY PROGRAM AT J. FRANK FAUST JUNIOR HIGH SCHOOL, CHAMBERSBURG, PA.

As a member of Altoona Lodge No. 102, Benevolent and Protective Order of Elks, it is an honor to join with my brother Elks of Chambersburg Lodge No. 600 in celebrating the 184th anniversary of the birth of Old Glory.

For years the Benevolent and Protective Order of Elks has displayed national leadership in urging that appropriate exercises be held on Flag Day as a means of focusing special attention on the blessings we enjoy as citizens of their great Republic.

It is significant to state on this occasion that the Chambersburg lodge of Elks has enjoyed national distinction in sponsoring outstanding Flag Day celebrations.

This is evidenced by the fact that in 1960 lodge No. 600 was awarded second place in a national contest of Elk lodges that was won by Appleton, Wis.

The officers and members of Chambersburg Lodge are to be warmly commended for their dedicated zeal and devotion over the years in promoting love and respect for the flag of our Nation.

It is fitting and proper for the Benevolent and Protective Order of Elks to take leadership in patriotic exercises such as the annual observance of Flag Day—since the Elks is a typical American society whose members believe in Almighty God and in loyalty to the Stars and Stripes.

You will find on the altar of every Elks Lodge the Holy Bible, the antlers of elkdom, and the American flag.

Collectively they signify devotion to God, brotherhood, tolerance, good will, and patriotism.

Thus, we may be proud of our membership in the Benevolent and Protective Order of Elks.

We owe a debt of gratitude to Elks' lodges everywhere for awakening our patriotic impulses which, unfortunately, with respect to the Stars and Stripes, give evidence of being dormant.

We are reminded that schoolchildren in the early part of this century were thrilled by the words of Sir Walter Scott:

"Breathes there a man with soul so dead,
Who never to himself hath said,
this is my own, my native land."

It has been said that today's version of these stirring lines would read something like this:

"Breathes there a man so old fashioned,
That he takes his patriotism unrationed?"

Criticism of the deplorable lack of proper public appreciation and respect for Old Glory is not directed against teachers, students, parents, or any specific group. It is rather an indictment of a generation.

While it is true we display the flag on some special occasions, and in parades and celebrations where military units are participants, since World War I there has been a distinct lack of public respect and reverence for the Stars and Stripes.

We need a revival of the spirit of good old-fashioned Americanism as a means of restoring the spine-tingling, blood-stirring thrill when our flag passes by in a parade, or when we glimpse it flying proudly against the clear blue sky on a sunny day, or majestically ascending heavenward at a public ceremony.

Frankly, we need to arouse ourselves from the lethargy that engulfs us and leaves us prone to ignore the beauty and splendor of our flag.

This year's celebration of Flag Day marks the first time on such an occasion that we gaze at the 50-star emblem of our Nation which became official on July 4, 1960, with the final approval of statehood for the territory of Hawaii.

It has always been a pleasure for me to discuss the great traditions of our national flag.

I suppose this is the reaction of every patriot in every land.

And yet, there is something unique about such a discussion when conducted by Americans, in view of their highly individualistic background and national characteristics. It is traditional for Americans to play down certain of our traditions to a large extent.

As a people devoted to the cause of peace from the beginning of our entrance into the family of nations we have tended to emphasize a desire for international cooperation in contrast to boasting of our own great national achievements.

Yet it is not possible nor—for that matter—advisable to altogether neglect our record of national success and for that reason we periodically call attention to it through patriotic celebration.

Our record as a people is indeed remarkable.

Not only have we risen in less than two centuries from national infancy to international predominance, but we have done so with only the slightest occasional setback and with the most extraordinary exhibition of drive and fortitude.

As a result—the Stars and Stripes now hold an exalted place among the national banners of the world and our national might is either admired or grudgingly respected by every other nation on earth.

There is something perplexing and unexplainably powerful about a flag, either in battle or flying from a schoolhouse in the midst of a peaceful country village. It radiates pride and hope and a grandeur that even the cynical find hard to resist.

There is no ignoring its influence, for to do so would be like disregarding the destructive tendencies of a hurricane or the lifegiving effects of sunlight on a wheatfield.

Anyone who has gone out to battle under the American flag can tell you, or try to tell you, the confidence inspired by its gallant appearance.

Yet somehow words are not enough.

When one's life hangs in the balance in the midst of an enemy infantry attack or a barrage fired from an enemy battleship it is a common experience to momentarily think of self and to forget all the patriotic oratory ever spoken.

But the mere sight of the American flag at such a moment can restore confidence and determination, whereas an hour's worth of oratory would prove fruitless.

It is as though the American flag were some sort of history book, military marching band, orator and colorful pageant, all rolled into one, so powerful is its effect in time of crisis.

Nor in good times is this effectiveness in any way diminished for when peace and prosperity bless the land the flag takes on a new meaning.

Instead of crying out hope to the troubled it seems to take on an air of warning to the complacent alerting all Americans to present and future dangers.

With the world in constant turmoil it is difficult to understand the necessity of alerting the American people of the danger to our national security from the scourge of encroaching world communism.

We have the sorry spectacle of Khrushchev's defiant attitude regarding Berlin and his refusal to cooperate with the United Nations in the Congo crisis.

While we recently observed the cordial meeting in Vienna of President Kennedy and Premier Khrushchev we cannot close our eyes to the fact that the same Khrushchev who openly insulted President Eisenhower and who attempted to wreck the United Nations, has virtually taken over the Castro regime in Cuba, only 90 miles from American shores.

This is the same Khrushchev who, with Red China, plotted the loss of Laos and South Vietnam, and who has refused repeatedly to reach an agreement on a nuclear-test ban.

In addition, both Red China and Moscow have sinister aims in many other places on the globe, including South Korea, Iran, Vietnam, and the Congo.

Therefore, as we celebrate the 184th birthday of our national emblem we must emphasize the imperative necessity of realizing the menacing worldwide situations that threaten the precious American heritage of liberty and freedom symbolized by the flag of our Nation.

It has been truly said that we built this peace-loving Nation with the brick and mortar of justice and morality and we are admonished to strengthen by our sweat that brick and mortar.

This means discarding our lukewarm attitude born of apathy and indifference and taking to heart the sage advice that "eternal vigilance is the price of liberty."

By adopting a more vigilant attitude and expressing love and respect for our flag in a sincere and not a merely mechanical fashion we will be able to give a more satisfying account of our stewardship as custodians of American ideals.

During this annual Flag Day observance it is appropriate to recall that so impressive are the wonders of our flag that unorganized elements in American society began, early in our history, to call for its recognition in the form of an official day of reverence.

Yet, it was not until after the Civil War, when sectionalism was largely submerged by national feelings, that actual steps were taken toward launching an organized campaign for the establishment of a national Flag Day.

A distinguished patriot, Dr. Bernard J. Cigrand, conceived the plan and formed an organization in 1894 on the assumption that respect for the flag was deserving of more than offhand, occasional notice.

His efforts were untiring and under his direction the organized advocates of patriotic demonstration worked diligently for the accomplishment of their goal.

But changes in the popular mind are slow at taking place and for many decades the flag remained unrecognized in this official sense though quietly revered by the masses of American citizens.

In the meantime, however, numerous new influences were brought to bear on public opinion in such a way as to bolster and reinforce the patriotic American temperament.

As American youth went out under the Stars and Stripes again and again to fight for this great Republic and the suppression of despotism, the American people to a great degree, abandoned their apathy and began to adopt a new attitude toward their flag.

Assuredly, it was still the symbol of our Nation's eternal hope for peace.

In addition, it had earned a phenomenal record in the military sense—and further failure to honor such a record was deemed intolerable.

With this in mind Congress passed the National Flag Day Bill in 1949 in honor of the flag's adoption by the Continental Congress, June 14, 1777.

From that date as a Nation we have sought to celebrate Flag Day each year with typical American enthusiasm and with the stimulating support and influence fostered annually on June 14 by Elks lodges throughout the Nation.

Few congressional actions have received such a universally positive response from the American people and I am willing to hazard a guess as to why. It all comes back to our Nation's trials and tribulations and their solution through the magnificent zeal of the American people.

Our triumphs in both war and peace have been the marvel of the past two centuries and have drawn the applause of free peoples everywhere.

With an army composed almost exclusively of volunteers we confounded some of England's greatest military minds in our War of Independence and repeated the same trick in the War of 1812 even defeating the pride of the British Army—the Duke of Wellington's own troops in the historic battle of New Orleans.

Against the Mexicans in 1846 we sent our youth into combat to emerge triumphantly once again thereby extending the national domain in an unbroken chain from the Atlantic to the Pacific.

And demonstrating the resilience so typical of the American character—we emerged from our own Civil War to overwhelm the last vestige of Spanish tyranny in the New World in the 1890's and assumed the role of international leadership which we have never since relinquished.

Since then it has been necessary three times for American boys to serve the interests of humanity on foreign shores against the combined might of all the despotic powers that have arisen to plague 20th century civilization.

And in every case the American flag has earned added respect in lands where previously it was known only in the vaguest sense.

But not through warfare alone has this banner gained its fame.

Millions the world over have come to respect it as an outstanding symbol of the industrial revolution, as the symbol of mass production, and the consequent elimination of mass poverty.

Today we stand as the bulwark, both in the military and economic sense, upon which the weaker nations of the world must rely for strength.

And as a symbol of this strength our flag is held in many foreign lands with almost the same admiration as it receives on these shores.

It is symbolic of a free republic, of victory, of truth, of fairplay, and man's eternal efforts to tame the elements and develop a practical and logical world out of the chaos of the past. At least that is part of what our flag symbolizes. The rest cannot be spoken of in words, but only felt by the heart.

In conclusion, it is my hope that Flag Day 1961, will serve to further strengthen our faith and admiration in the greatest Republic in the history of civilized governments.

Since the Declaration of Independence has been described as the heart of America, the Constitution its backbone, and the flag the soul of America, we should all join with the Benevolent and Protective Order of Elks which since 1907 has been promoting love of country and greater respect for the emblem of our Nation through these annual Flag Day programs in tribute to Old Glory for it represents under one glorious banner the enduring ideals of this great Republic.

Individually and collectively we can succeed in reviving proper recognition of the stars and stripes which symbolizes the countless blessings we enjoy from our priceless heritage as free people.

On this flag day 1961, as we give a loving salute to our new 50-star-studded emblem, let us resolve that as a united Nation we will meet all challenges to America with full faith and confidence.

We can give real meaning to this flag day resolution by recognizing and discharging our responsibilities as American citizens with courage—perseverance and true patriotic fervor—thus making Old Glory more meaningful to posterity and giving added assurance that:

"The Star Spangled Banner in triumph shall wave,
O'er the land of the free and the home of the brave."

Lithuania's Tragic Days

EXTENSION OF REMARKS
OF
HON. DOMINICK V. DANIELS
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 15, 1961

Mr. DANIELS. Mr. Speaker, June 15 and 16 mark the "tragic days" for Lithuanians as well as for lovers of freedom throughout the world.

It is on these days that we commemorate that fateful series of events in 1940 when the Soviet Union assaulted the land of Lithuania.

Freemen will never forget that Soviet plunder which subjugated the Baltic States to the Communist yoke. Neither the 20 years which have since passed, nor the many similar conquests which have since occurred, can dull the memory of those early victims of Soviet tyranny.

On this occasion we recall the harsh measures which Russia imposed on the unwilling Lithuanians, who treasured and cherished their hard-won freedom. We recall the murders, the deportations, and the ruthless suppression which marked the end of a free Lithuania.

We know that despite this brutality, and despite two decades of Russification, the people of Lithuania have always retained their love of liberty. There will be no public celebration in Lithuania today, but we know that Lithuanian hearts will be full of memories, sorrow, and hope.

We join these oppressed people today in the solemn prayer that their hopes and aspirations for freedom may soon be fulfilled.

Deseret News Celebrates 111th Anniversary

EXTENSION OF REMARKS
OF
HON. M. BLAINE PETERSON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 15, 1961

Mr. PETERSON. Mr. Speaker, today marks the 111th anniversary of the advent of journalism into Utah with the first edition of the Deseret News, a weekly then, but now one of our country's foremost daily chronicles and the official organ of the Church of Jesus Christ of Latter-Day Saints.

The original equipment, an old Ramage press, a supply of paper and a few fonts of type were loaded into a wagon by the Mormons expelled from Nauvoo, Ill, in 1846, and teamdrawn more than 1,000 miles into the Great Salt Lake Valley, or Deseret.

The first editor, William Richards, his typesetter, Horace K. Whitney, and pressman, Brigham H. Young, nephew of the eminent President Brigham Young, were beset with trials and tribulations in the wilderness of the Rockies with a population of some 4,000. Supplies were scarce and expensive to bring from the East but the editor, true to his Mormon teachings, used the informality of his eight pages, three columns, to appeal to readers for wagon covers, cotton or linen rags for newsprint; molasses to make rollers for the machine and sponges to keep them clean. Oftentimes he also pleaded for sustenance to keep the human part of the newspaper alive.

A review of the first edition clearly indicates that the paper was not to be confined to religious subjects:

We propose to publish a small weekly sheet, as large as our local circumstances will permit, to be called Deseret News designed originally to record the passing events of our State, and in connection, refer to the arts and sciences, embracing general education, medicine, law, divinity, domestic and political economy, and everything that may fall under our observation, which may tend to promote the best interest, welfare, pleasure, and amusement of our fellow citizens.

The original editor, also the local postmaster, hand printed his newspaper in a small adobe building that, we are told, "was as easy to get on top of as into," but strict orders were issued frequently through editorial privilege for one and all to obey the "no admittance" signs for fear the files would be disturbed and valuable communications lost to readers of the News.

Equally severe were the editor's scorching recriminations to anyone borrowing a newspaper which, to him, was the same as asking a man to loan his horse.

In the East the newspaper had already become an integral part of civilization. Thomas Jefferson recognized the importance of the newspaper about the time of the first issue of the Deseret News when he wrote:

> The basis of our Government being the opinion of the people, the very first object should be to keep that right; and were it left to me to decide whether we should have a government without newspapers, or newspapers without a government, I should not hesitate a moment to prefer the latter.

But in the West the newspaper was still a novelty and some of the oldtimers were not immediately receptive to the idea based on the theory that the newspaper first elicited the information from you, printed it and then tried to sell it back to you as news.

These and other problems were ever present in the very early days of newspaper publishing in "winter quarters"—even before the existence of cities such as Denver, Omaha, or Kansas City. News of activities other than local were as scarce as money and oftentimes the only source available to the editor was from the newspapers infrequently brought by chance visitors from the East. On one occasion there was such a dearth of foreign news that the editor was forced to print:

> From all the immigrants we were not able to obtain one whole paper. They were all wet, damaged, or destroyed on the way.

Ready cash often prohibited expansion of subscriptions originally set at $5 a year payable in advance, but the enterprising editor offered to barter subscriptions in exchange for such items as: "otter, mink, marten, wolf, fox, sheep and other light skins which may be useful in manufacturing gloves, wash leather, linings, etc., or whose furs may be appropriated to clothing and various domestic purposes."

History reveals that even though sporadically published at times, the paper was intelligently written and in short order businessmen discovered the value of newspaper advertising. The second year the paper expanded into four times the size of the original print, a new press was added and the first Deseret News extra was issued and sold for 50 cents a copy.

Close attention to the earliest editions of the newspaper provides most interesting reading. Adolescent pains are clearly discernible even at times to the varied hues of the paper before the art of bleach was mastered, but much is to be said on the side of progress among untrained people forced to rely upon initiative and homespun facilities.

Nine years before the first edition of the Deseret News, the power of the press was acknowledged in Parliament by Edmund Burke who pointed out that there were three estates in Parliament—churchmen, noblemen, commoners—but, he said, in the reporters gallery yonder, there sat a fourth estate, more important by far than they all. This historic remark automatically gave membership in the fourth estate to members of the press for all time.

From such a picturesque beginning, therefore, we look with pride to a modern Deseret News—a powerful "pen of the people"—a news media sought eagerly each day by those who thirst for honest reporting and expression of sincere belief and philosophy. From the original staff of three we have a multitude of professional men and women whose sincerity of effort and dedication to the original motto, "Truth and liberty," contribute to and substantiate the well-earned reputation the Deseret News enjoys throughout the Nation. My fervent hope is that this newspaper will continue to mark anniversaries and retain its legend in the West through a free and democratic press devoted to their self-appointed inspiration: "We stand for the Constitution of the United States as being divinely inspired."

Anniversary of Baltic Deportations

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 15, 1961

Mr. ANFUSO. Mr. Speaker, this week marks the 20th anniversary of the first mass deportations of the Baltic peoples by the overlords in the Kremlin. This very tragic event in human affairs began on June 13 to 15, 1941, in the three little Baltic countries, Lithuania, Latvia, and Estonia, and was subsequently extended to the other captive nations occupied by the Communists.

The peoples of these captive nations today constitute a great symbol of mankind's struggle against its most ruthless enemy, international communism, which is aiming to subjugate and enslave all of humanity. We, in turn, must provide every possible aid and moral encouragement to the Baltic nations to continue their gallant struggle in the face of the most difficult odds, in order that they may some day regain their national independence, freedom, and human dignity.

We must give heart to these peoples by showing them that they have not been forgotten during this very black period in human affairs when they are enduring such inhuman mental and physical suffering. We must also provide to them the hope of future survival, as nations and as individuals, so that they can rehabilitate their national life and culture.

Today, many thousands of Lithuanians, Latvians, and Estonians are prevented from returning to their homelands and are forced to undergo physical and mental anguish in the slave labor camps of Siberia. Somehow we hope that our words of encouragement will reach them and sustain them in their ordeal. On this sad anniversary we hope and pray that their ordeal will soon come to a happy end and the Baltic nations will once again join the family of free nations.

Remarks of Hon. George P. Miller at First National Inner Space Conference

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 15, 1961

Mr. DINGELL. Mr. Speaker, pursuant to permission granted, I insert into the CONGRESSIONAL RECORD a speech delivered on May 25 by our distinguished and beloved colleague from California, the Honorable GEORGE P. MILLER, to the First National Inner Space Conference of the National Security Industrial Association, which was held in Washington, D.C., on May 24 and 25, 1961.

GEORGE MILLER has a valuable record of public service in the Congress and State government and has created a distinguished record as chairman of the Permanent Subcommittee on Oceanography of the House Committee on Merchant Marine and Fisheries and as ranking majority member of the House Committee on Science and Astronautics.

The speech follows:

REMARKS OF CONGRESSMAN GEORGE P. MILLER, OF CALIFORNIA, AT THE FIRST NATIONAL INNER SPACE CONFERENCE, MAY 25, 1961

It is with some trepidation that I stand before a group of distinguished industrialists to address them on a subject with which they should be quite familiar. I am a layman and I do not want to impart in any way that what I say can be taken in a technical sense.

I salute you and I honor you and respect you for the great contribution you have made in the field of science. Thinking people in the world are now coming to know that if we are going to survive on this planet we must study it and we must know it. We must go into space above, into the depths of the ocean and probe beneath the earth's crust to decipher her locked-in secrets.

As chairman of the Permanent Subcommittee on Oceanography of the House Committee on Merchant Marine and Fisheries, as well as ranking majority member of the House Committee on Science and Astronautics, I feel that my remarks and personal conclusions with respect to earth sciences should be of interest to you.

The question is often asked, What are the boundaries of our thinking with respect to the study of the earth? I feel that if one is to consider the question it is inevitable that the conclusion is reached that the earth, the atmosphere, and outer space are as inseparable as the fore and aft quarter of a domestic animal.

We must concern ourselves with the entire ensemble as well as its various component

parts. This truism creates problems of national importance especially in the field of properly and adequately funding the prosecution of our search for knowledge. Further, the determination of the natural laws governing the interrelation of the bits and pieces of our ensemble requires long-range thinking, planning and the scientific intuition of masterminds. We must take the lead in all phases of the problem for our very survival.

Let us for a moment contrast the study of the atmosphere and outer space with that of the earth and its interior. In both instances I prefer to regard these as studies of environments which have mutual interdependence. To formulate the laws governing the known and yet to be found phenomena which characterize both, it is necessary to employ all possible scientific disciplines separately and in combination. In addition the ability to measure and thus be able to describe the present state and forecast the future state of both environmental divisions has the common requirement of a vehicle to carry the equipage to the particular spatial location desired. Herein the similarity stops. I shall attempt to point out some of the differences.

THE ATMOSPHERE AND OUTER SPACE

The vehicle must manifestly leave the surface of the earth and needless to say the expense of each vehicle is fantastic. Recently I requested my staff to ascertain the amount of money appropriated by the Congress for the study of lunar geophysics. The amounts in millions of dollars are as follows:

Fiscal year:	
1959	31.9
1960	37.8
1961	60.0

It should be pointed out that the 1962 appropriation has not yet been enacted. However, some one remarked that the funding seems to be increasing logarithmically. Manifestly the motivation for this enormous expenditure is twofold in nature. One, to attain a national posture of world leadership in scientific exploration; secondly, to ensure our capability in the area of national defense. Programs of this nature by their very magnitude require Federal financing.

The establishment of nationwide tracking stations, computing centers, and test facilities is a governmental function. Private industry, universities, and other scientific institutions must be integrated into the program to achieve the maximum results in the least time.

No group possessing the scientific capability should regard itself as too small to make a contribution.

Again, another important consideration that enhances such programs is the public interest. These programs have no historical length. They are new, unusual, and often fantastic in the minds of the American citizens. The competition from the Russians is always apparent to even the youngest member of our society. He has seen sputnik. My grandson can buy a toy rocket at the corner store propelled by a jet of water under pressure which will attain an altitude of several hundred feet. He then relives, in actuality, the dreams of Jules Verne.

To summarize then, the geophysical programs in the atmosphere and outer space have the following attributes: It is possible to put a vehicle at any point in space, track it, and receive information from its sensors by telemetry for analysis; the cost is enormous; the popular appeal is universal; and as yet material benefits are unforeseeable.

THE EARTH AND ITS INTERIOR

Somehow, to me, being an earthling—although I have flown several times in jet fighters—the mystery of our daily contact with the crustal environment that we are born on, grow to maturity, and eventually meet our Maker, has always been fascinating. Perhaps it is because we are so close to the earth that it loses somewhat the feeling of the spectacular that space gives us. If we were practical in our thinking and realized that Mother Earth is responsible for all that we experience in our lives, in fact our very life alone, we should become more enamoured with seeking relationships between effect and cause.

With respect to vehicles, on the continents we have only a two dimensional capability if one excludes the drilling of holes at a point on the surface. The cost of the vehicle is less than the cost of the instrumentation. On the sea we have the possibility of three dimensional vehicles with the modern submarine and I am happy to see that the U.S. Navy has an oceanographic submarine, the U.S.S. *Archerfish*. This, of course, is only a start.

The other difficulty we face, as you gentlemen well know, is that even on the crust we have such extremely complicated relationships between stress and strain, the albedo of the earth, the production of heat within the earth, and the geomagnetic and gravity effects that simple causal relationships are at best understood by an extremely approximate model.

Adding to this the necessity of indirect measurements of effects through seismic, gravity, magnetic, and radiation means, the problem presented by this phase of geophysics is much more difficult than that of the geophysics of the atmosphere.

That which is of much concern to me is that we do not as yet have in being an integrated program of investigation of the geophysics of the earth. We have, of course, the seismic networks, the gravity and magnetic surveys currently being developed. Tied in with this are the surveys and investigations by the U.S. Navy, the Coast and Geodetic Survey and certain nonprofit institutions with respect to the oceans. All of these have been spotty in nature. True, the geophysical industry has produced marked material benefits to mankind, but I feel as of now the surface has only been scratched.

I very definitely feel that we must have an integrated national program of geophysical research to the end that we can understand the crustal phenomena around us as well as examine from all the data possible the structure of the interior of the earth.

Further, we have by our close association with the earth extreme difficulty in sustaining and, in fact, creating interest in this part of earth sciences. A friend of mine once said: "It is easy to popularize a rocket flight to the moon, but how can one sell an earthquake?"

As a result of our hearings in the last session of the Congress, a National Data Center for Oceanographic Data has been established by a joint venture between the National Science Foundation, the Department of the Navy, the Department of Commerce, the Department of the Interior, and the Atomic Energy Commission.

This is a great stride forward in that field of geophysics concerning the study of the marine environment. It is also contemplated to include certain biological data in the files of the data center.

However, this is only part of the solution to the problem of synoptic forecasting of the variables of the marine environment. To have the data processed realistically we must have standardization of our instrumentation. With respect to this phase of the problem, we are still in the horse and buggy age. We have the bathythermograph, the Nansen bottle and the reversing thermometer. We have had these with us for years, but I am afraid we have neglected and not used our industrial capability as effectively as we should.

To effect this desired standardization, I have filed legislation in the current session of the Congress which would establish a National Instrumentation Test and Calibration Center.

Another area of concern to the Congress is the lack of a comprehensive program for ocean surveys. We should be able to utilize, with proper instrumentation of a portable nature, any ship which traverses a part of the ocean which is unknown territory as far as the bathymetry is concerned. The excellent capability of the geophysical industry is not being utilized in the survey of the oceans. We must utilize every available means to accomplish this ocean survey in an expeditious fashion.

I feel that we have not approached oceanography from the point of view of an engineer. This we must do and immediately.

There is nothing wrong in having a profit motivation. The problems are so large that we need industry's help as well as the nonprofit institutions.

The Freedom Season

EXTENSION OF REMARKS

OF

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 15, 1961

Mr. CORMAN. Mr. Speaker, it has been said that patriotism is the last refuge of scoundrels. Today I address this distinguished body to give the lie to that cynical observation. I call attention, in doing so, to a group of citizens in my district who call themselves the freedom season committee.

This group, headed by Mr. Richard Tisch, of Woodland Hills, Calif., has organized and is conducting an event in that community which, if emulated across our great land, could bring forth a new birth of freedom-loving fervor and pride in the institutions that make us great. The event is called, simply, the freedom season. It will extend from last June 10, Flag Day, through July 4, Independence Day.

The colors of this season are not the gold and scarlet of autumn, nor the brilliant greens of spring. The colors of freedom season are those colors which symbolize America's strengths: red, white, and blue. Freedom season is not marked by the lethargy of springtime, but by the expressions of personal and community patriotism in the finest spirit of our Nation. Flags will be flown, parades, picnics, rallies, and contests will be held. The community of Woodland Hills will burst forth with a tide of love and reverence for our greatness that could sweep America.

Recognition will be paid to the institutions that keep our freedoms alive: the Constitution and our laws, our Congress and our guardian of law, the Supreme Court; the Presidency, and, of course, our flag.

If the rest of our country caught this fervor and propelled it into an expression of national joy for our hard-won liberty, it would serve as a clear demonstration to the rest of the world that, rather than the last refuge of scoundrels, the American brand of patriotism is a moving force for truth, justice, and good.

I would like to conclude this statement with the simple but expressive words which proclaimed freedom season in Woodland Hills. They are:

A PROCLAMATION

Be it hereby proclaimed that on June 10, 1961, Woodland Hills will begin to celebrate freedom season, during which the citizens demonstrate their awareness of the blessings of American citizenship and our true pride in those things we value most highly:

Freedom of political opinion and elective choice of the form of representative government we personally prefer;

Guarantee of continued flexibility of government, subject only to the will of the citizenry, expressed through constitutional methods;

Religious freedom to select the spiritual faith and mode of worship as prescribed solely by the dictates of the conscience of the individual;

Freedom of activity, restricted only where it might violate the personal or property rights of others;

Cultural integrity, where the individual may devote himself to the perpetuation of truth, moral ethics, and governmental integrity;

Freedom season officially terminates each year on Independence Day, may the enthusiasm over our love of America that is intensified during this period remain with us and guide us throughout the year.

Address by Senator George A. Smathers, of Florida

EXTENSION OF REMARKS
OF
HON. ROBERT L. F. SIKES
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 15, 1961

Mr. SIKES. Mr. Speaker, during early June in Pensacola, Fla., the golden anniversary of the birth of naval aviation was celebrated. This memorable occasion was held in conjunction with the Fiesta of Five Flags, a colorful event celebrated annually in Pensacola. With the thought that this was a most appropriate time for tribute to be paid to our military, Gov. Farris Bryant chose the evening of June 6 for his annual military appreciation dinner. On this occasion Senator GEORGE SMATHERS made a most impressive and timely speech which it gives me much pleasure to call to the attention of my colleagues in the Congress:

ADDRESS BY SENATOR GEORGE A. SMATHERS, OF FLORIDA

Governor Bryant, Congressman Sikes, and distinguished leaders of the military forces, I cannot help but join the others who admire the planning for this dinner. It would be impossible to find a more appropriate time or a more appropriate place for the State of Florida to honor the military during the golden anniversary celebration of the birth of naval aviation.

For it was here in Pensacola, 140 years ago, that Gen. Andrew Jackson officially took possession of the Territory of Florida for the United States of American and became its first military Governor.

And it was here in Pensacola that the first permanent U.S. Naval Air Station was established, just 3 years after the Navy entered the field of flight. The contributions of this station since then, both in the men it has trained, and the aviation advances it has pioneered, forms a proud chapter in the history of the U.S. Navy.

Every American knows of the exploits of men like Adm. William (Bull) Halsey, who qualified here as a naval aviator at the age of 52, and others who have gone on and are a part of America's and Pensacola's military heritage—Adms. Marc Mitscher, Ernie King, and John Henry Towers who started at this station in 1914 as a lieutenant.

And there are other pioneers still with us. Men like Adm. Robert Goldwaithe, the Chief of Naval Air Training, Admiral Radford, Chairman of the Joint Chiefs of Staff, Pensacola's mayor, Adm. Charles Perry Mason, who, I understand was the 52d naval aviator commissioned, Admiral Combs, native of Florida, Admiral Ingalls, Adms. Robert Pirie, John W. Reeves, and Austin Doyle.

Today's date is especially appropriate for this occasion for it was June 6, 1942, that marked the end of the Battle of Midway in which combined actions of the fleet, with naval and shore-based planes, broke the back of the Japanese offensive in the Pacific and turned the tide of the war. And it was the Navy that achieved the astounding record of shooting down 15,000 enemy planes, 477 enemy merchant ships, 13 Jap submarines, 63 Nazi submarines. That's why we're proud of the Navy.

We here in Florida have special reason to honor the military for the contributions it has made to this area since Florida was a territory and for the contributions which it is making now.

But it is regrettably true that no nation fully appreciates the value of its military establishment until it enters an era of danger.

As Rudyard Kipling once observed about the prototype British soldier Tommy Atkins:

"It's Tommy this, and Tommy that, and Tommy fall behind, but it's 'Pleace to walk in front, sir, when there's trouble in the wind.'"

And once again today, the military will be hearing "Please to walk in front, sir," for there is trouble in the winds from all points of the compass.

Because we Americans just naturally wish everyone well, we have been too trusting in our international relations. We are inclined to accept, at face value, the declarations of leaders in other countries who have proven themselves chronically untrustworthy. We have been reluctant to accept as absolute evil, the absolute evil that we see.

Several months ago in Orlando, a friend of mine's tiny 2-year-old daughter wandered into the carport beside the house and there—coiled under the car—was a rattlesnake. She reached down in her childhood innocence to pet the "kitty cat" and the snake struck.

The child made a miraculous recovery, but young as she is, she must now know that in this, our world, there are destructive things.

We, as a Nation, have been bitten and deceived many times and the painful lesson is ours to learn. We cannot indulge ourselves in the trusting innocence of utopian dreams and survive. For a deadly enemy is coiled and aimed at our destruction.

Without abandoning our ideals or our ethics we must understand that good guys do not necessarily always finish first. It grows daily more apparent that the good guy will not finish at all, unless he is strong, determined and willing to fight if need be.

As the President said in his defense message to Congress, we must chart a fresh, clear course for our security in times of rising dangers. These are the words of a nation which has learned hard lessons in the bitter school of experience.

It seems to me, the first reading we must take in charting this new course must be a reassessment of our commitments around the globe. We need to know which nations are merely paying lip service to the cause of freedom without really having the will or desire to make any effort to further or defend the cause of freedom.

It is my belief that the reassessment is now in process. President Kennedy's trip to Europe and Vice President JOHNSON's visit to the Far East indicate to me that reevaluations are going on. However, while we need allies, and want them and must therefore cultivate them, nevertheless we must recognize that destiny has thrust the United States of America into the forefront of the present fight for freedom and we must lead, for if we don't lead, the free world is without a leader.

The next step after the reevaluation of the position of our allies, and ourselves, is the development of "unyielding determination" to meet the necessary commitments in the face of any threat and at no matter what the cost. Liberty in this world will die if America tries to meet the challenge with half measures and a faint heart.

At this moment, the two great powers face a strategic nuclear standoff. Our own nuclear strength remains massive and impressive, as it must. Certainly we must constantly improve the strength of our retaliatory forces as well as our defenses to deter or defeat nuclear attack.

To be outstripped in our ability to deliver the bomb—whether the method of delivery be by Polaris submarine, Strategic Air Command or the intercontinental ballistic missile—could be fatal.

The Communists well know that we will not attack with nuclear bombs except in retaliation. This policy, plus the fact of their advances in the nuclear field means that we can no longer rely upon strategic nuclear forces to deter or defeat limited aggression.

This nuclear stalemate leaves the field open to the Communists for the pushing, probing and subversion of half war less than nuclear war that has marked their many conquests in recent years.

Today they exploit every opportunity to expand their sphere of influence, if it does not pose an undue risk to their own power base.

They talk of peace, negotiation, and solutions at conference tables—while all the time increasing their long-range nuclear missile capability and expanding and modernizing their conventional land, sea, and air forces.

They never fail to project their influence and power wherever unstable conditions are found—and instability is one of the dominant characteristics of our world today.

The quest for independence, for status, and for rapid economic development among the less well-developed nations of the world has created numerous power vacuums which the Communists attempt quickly to fill. We saw what they did in Cuba. We see what they are doing in Laos, and unless we stabilize the situation in the Dominican Republic quickly, to our satisfaction, they will move into that vacuum.

Theirs is a global strategy aimed at keeping the free world off balance. They play one trouble spot against another. They are making the moves that keep us busy trying to plug the holes and fill the gaps.

It grows ever more clear that to counter these threats and keep our own commitments, we must increase our capacity for limited war, on land, sea, and air. In the years when we were the sole possessors of nuclear weapons we had no need for a large capability for limited war. But times have changed. The development of a new offense requires development of a new defense. Our military strength must be on balance with our global commitments.

The President, in his defense message, has already called for powerful and mobile forces to prevent the steady erosion of the free world through limited wars. He emphasized

the need for increasing our nonnuclear firepower and military mobility so that we would have choices—both in weapons and in strategy—choices which would reduce the danger of escalation of a small war into a large one.

I welcome these improvements in our military posture. I would, as we head toward more direct "confrontations with the Communists" welcome more for we have already seen that power—even be it in the field of limited war—is an effective deterrent to the use of power by the other side.

The basic purpose behind the deployment of our naval fleet today, is the prevention of limited war. Balanced naval forces are kept deployed at sea in waters adjacent to areas of potential conflict. The presence of these forces exerts a powerful stabilizing influence in these critical areas.

Often just a show of force is sufficient to cool off a hot spot. For in the fleet, with its amphibious units, lies the ability for prompt ground, sea and air action. In this uncertain world, mobility is the key to the fleet's effectiveness. If intelligence so dictates, these naval forces can be quickly and unobtrusively moved nearer to areas of tension to wait, poised and ready for whatever has to be done.

None of us taste pleasure in contemplating the facts that make it necessary to increase our military power. But the grim truth is that the Communists are nibbling away the world before our very eyes.

At the outset of World War II they controlled 1 nation with 170 million people, 7 percent of the world's population. Today they are in control of 14 nations with a combined population of more than 1 billion, 44 percent of the world's people.

We know that they have not been stopped by the most solemn treaties entered into on the most ceremonial of occasions. Speeches with high-flown principles and high-sounding promises are ignored. They even laugh at our threats. But there is one factor they understand and respect, and that is power. And that is why all of our plans, our negotiations, our efforts must be grounded on that solid foundation of power.

This nebulous thing called world opinion is often used as the reason we should never take strong action. There are some people in the world who will not like us if we do. But most of those people won't like us no matter what we do.

But we should not permit this consideration to stop us from taking whatever steps are necessary to insure our own self-defense. Remember that many of the same nations that violently disapprove of any actions by the United States are able to shrug off flagrant aggressions by the Soviet bloc. The United States is really not in a popularity contest. And if we were, even that would not be won by being weak, indecisive, fainthearted.

Here at home there are still some who believe that it is possible to debate with the Communist world. And this is true, for they will gladly debate a question in Geneva, while at the same time they are solving it by force in Laos.

President Kennedy is a tough-minded man with a keen sense of history and plenty of courage. He is trying to listen to everybody before making agonizing and far-reaching decisions.

He has some aids and advisers who take the view that the way to stop communism is by making the rest of the world prosperous. Perhaps in the long run this method would prevail. We should certainly do what we can to help create middle classes in the nations of the world and to eliminate poverty and disease.

But, if we do not soon take stronger steps to stop the Communist advance, there will not be any "long run." By a "business as usual" approach we merely pile up a mortgage of time which will eventually be called with interest.

Columnist William S. White said that some of these people are "incapable of accepting the final responsibilities of power and are blind to the unalterable fact that honorable force is sometimes not only ethically permissible but actually obligatory."

It seems to me the average American has accepted the conclusion that we must very soon stand firm somewhere and stop the Communists.

The average American that I see is an angry, frustrated, worried man who sees his Nation flaunted and degraded with the free world slipping away. He sees the slow strangulation across the world of the ideals that he loves and honors.

Deep in his heart and soul still burn the fires of Valley Forge. He wants peace with all of his being, but he feels that subjection and personal slavery is too great a price to pay.

The Communist world would do well to listen to the voice of this average American, for he has proven himself throughout our history and throughout the world.

He has freely accepted the blessings of liberty, and he is now ready to assume its obligations.

Orra L. Stone

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 15, 1961

Mr. PHILBIN. Mr. Speaker, I desire some time today to pay tribute to the late very distinguished editor of the celebrated and noted Clinton Daily Item, Hon. Orra L. Stone, outstanding editor, lawyer and public figure, and a dear, beloved friend of mine.

The passing of Mr. Stone in February of this year was keenly felt by the community and State he served so capably and faithfully for many years and leaves an irreparable void in the ranks of our people and leadership.

Orra Stone was a dear friend of mine since my early boyhood and a warm friend of my father and my family throughout the years. He was one of the most accomplished men I have ever known. Son of a prominent Civil War veteran, he was descended from a long line of forebears who had rendered exceptional service in private and public callings to their community, State, and Nation.

Highly trained for and impressively adapted for the work which he performed in many rich fields of endeavor, he was a brilliant and keenly alert lawyer whose advice and counsel were sought by many. He served with great distinction before the bar, as clerk of the local district court, as executive assistant to one of my distinguished predecessors, Congressman Calvin D. Paige, and executive director of the Associated Industries of Massachusetts.

In all these high positions, he always conformed to highest standards of performance and achievement which notably and indelibly marked him as a man of outstanding character, and ability, with a spirit of patriotism and dedication.

It was probably in the newspaper field, however, which he entered when he was a high school youth, that his exceptional abilities and talents found richest expression. His long devoted service to the Clinton Daily Item as editor and editor emeritus which brought him into such close association with members of the distinguished Coulter family not only typified the noblest principles and finest concepts of the great newspaper business, but to this proud Clintonian was truly a labor of love and unselfish dedication. Over a long period of time many of the pages of the Item are eloquent testimony to the public spirit, versatile talents, sound commonsense, and tireless energy of this lovable American gentleman and scholar.

His literary and writing pursuits were virtually ceaselessly carried out, and he seemed as a human dynamo moving from one task to another with lightning speed, mental agility and rare versatility. He loved his work and his fellow workers and cherished his association with the Item.

He was an author of note and distinction and his History of Massachusetts Industries in four large volumes is a comprehensive, monumental work which required years of preparation and unflagging concentration.

In addition, he was an admirer, student and biographer of the great Abraham Lincoln and it is a coincidence that his passing occurred so close to the birthday of one of our greatest Presidents, of whose life and career he had written so extensively with dogged research that prompted him to visit and collect material in virtually all the places where the immortal Lincoln had ever lived.

While it was not known to many people, Orra L. Stone was also an accomplished fernologist, considered to be an authority in the field by many professional growers of ferns. In the garden of his home on Pearl Street in Clinton, he grew and cared for many species of ferns indigenous to New England and many other parts of the country.

He took a lively, informed interest in public affairs and was endowed with those fundamental civic virtues of loyalty and service which exemplify the very best traditions of the Nation. Great as all his accomplishments and achievements were, for which Orra L. Stone will long be gratefully and proudly remembered, his loftiest contributions were in the realm of the human spirit, for he was a God-fearing, clear-sighted, generous man who loved his fellow men and sought to serve with all his heart those causes which make for human betterment.

Loyalty and faith permeated his whole being. He trusted in his Creator. He labored for his church. He loved his town, his State, and his country. He was gracious, thoughtful, warmhearted, and generous in his personal relationships. He was a peerless citizen, a friend whose kindness, consideration, and helpfulness knew no bounds.

A very noble soul was Orra L. Stone and the world is the better for his long, rich life, so fruitful, constructive, and meaningful in all the things worth while.

I tender my most heartfelt sympathy to his beloved and devoted sister, Miss Ina C. Stone, his inseparable companion, who played such a great, yet self-effacing, part in the life and career of this fine Christian gentleman, and to the members of the Coulter family and the staff of the Clinton Daily Item with whom he was so closely associated.

With the passing of Orra Stone, Clinton lost one of its greatest sons and I lost one of my dearest friends. At a time like this there are no words that can adequately express our feelings. Orra Stone was one of the greatest and his memory will long remain green in the hearts and minds of his many friends and all those whom he so ably and unselfishly served. I join his sister, his relatives, the Clinton Daily Item and the community in mourning his passing.

May he find rest and peace in his heavenly home.

Mr. Speaker, under unanimous consent I include as part of my remarks the news account of Mr. Stone's passing and an editorial from the pages of the Clinton Daily Item of February 14, 1961:

ORRA L. STONE, 88, EDITOR OF ITEM, DIES

Orra Laville Stone, 88, editor of the Clinton Daily Item and weekly Courant for 21 years and editor emeritus for the past 4 years, died at his home, 22 Pearl Street, on Monday afternoon.

A veteran newspaperman, Mr. Stone conducted his regular duties at the Item on Saturday. He became suddenly ill on Sunday night, and death came shortly after 1 p.m. on Monday.

BORN IN WORCESTER

Born in Worcester, May 27, 1873, Mr. Stone was the only son of the late Mr. and Mrs. Louis L. Stone. Two years after the birth of their son they moved to Clinton, where the elder Mr. Stone worked as a letter carrier for many years.

Mr. Stone attended Clinton public schools, and during his high-school years was frequently called upon to assemble local news by the editor of the Clinton Courant, the late Wellington E. Parkhurst.

At that time Mr. Parkhurst was a member of the State legislature and had to be away from town on business in Boston much of the time. During his absence, Mr. Stone took over the job of gathering and preparing the news.

Since his schoolboy days, Mr. Stone was an ardent and conscientious newspaperman. At the age of 14 he became the Clinton correspondent for the now defunct Worcester Daily Spy, one of the oldest and most famous newspapers in New England.

He graduated from Clinton High School in 1890 and that fall he became a full-time reporter for the Spy, a position he held for 3 years.

When the Clinton Daily Item began publication in July 1893, Mr. Stone returned to this town and for 5 years worked for the Item as a reporter. During this period, he became correspondent for some New York dailies, wrote articles for several western papers, and became local correspondent for the Associated Press.

ENTERS LAW SCHOOL

His association with this newspaper continued until the fall of 1898, when in order to carry out a long-cherished wish to enter the legal profession he resigned and entered Boston University School of Law.

During his college years he was active in many extracurricular activities of the school. He was initiated into Sigma Alpha Epsilon Fraternity, one of the largest fraternities in the Nation, and later became president of the Boston University chapter.

He was graduated cum laude from Boston University in June of 1901 and was admitted to the Worcester County bar on September 26 of the same year.

The following month Mr. Stone returned to Clinton and entered into partnership with the late Judge Allan G. Buttrick. In 1903 he accepted appointments as clerk and probations officer of the second district court of eastern Worcester.

A student of the game of politics, Mr. Stone resigned his court duties in November of 1913 and left his association with Judge Buttrick to become private secretary to the late Congressman Calvin D. Paige, Republican, of Southbridge, of the Third Congressional District.

In April of 1917, he relinquished that position to become field secretary of the Associated Industries of Massachusetts. The following year he became general manager of that organization. He remained in that capacity until June of 1935 when he retired in order that a younger man might be chosen to fill the position.

AROMA OF PRINTING

In taking this step, Mr. Stone had no intention of, as he put it, "growing old gracefully" but reached the conclusion that after some 22 years away from the active practice of law, it would be difficult to "pick up the threads where I left them" and return to active practice.

He said, "From my earliest years, the aroma and association of a printing office have thrilled me quite as much as anything in life."

In the fall of 1935, Mr. Stone became editor of the Item, a position he held until November of 1956 when, following his return to work after a year's illness, he became editor emeritus.

Since that day until the time of his death, he rarely missed a day of work.

ORGANIZATIONS

Mr. Stone was former past commander of the Massachusetts Division, Sons of Union Veterans, a life member of the Hudson Sons of Union Veterans, a member of Clinton Lodge, B.P.O.E., and Clinton Lodge of Odd Fellows.

He was founder of the Lambsdec Club, a social organization noted for the shows presented annually at the townhall. The unique name was taken from the initials of the club organizers.

TRINITY LODGE

He was formerly associated with the following organizations: Trinity Lodge, A. F. and A. M., the Worcester East Agricultural Society where he was a trustee; the Clinton Hospital Association, where he was also a trustee, and the Clinton choral union.

He also formerly served as a member of the Massachusetts Republican Club and was also a former secretary of the Republican Congressional Committee.

He was a member of the First Unitarian Church.

He is survived by a sister, Miss Ina C. Stone, with whom he lived.

The funeral services will take place at the late home, on Thursday afternoon at 2 o'clock. The Rev. Dr. Alexander St. Ivanyi, pastor of the First Unitarian Church, will officiate. The King & Watson Funeral Home is in charge of arrangements.

Friends may call at the home at any time tonight and all day Wednesday.

NO FANCY PHRASES

We will mince no words over Orra Stone.

We will write no fancy phrases, no pretty sayings, no well-turned verse in this editorial. He would not want it that way.

Orra Stone was a newspaperman who exemplified the finest things in his profession. First and last, he was a newspaperman of the old school. His breed is hard to find today.

He loved his work and he lived it. He even sent us copy from a sickbed Monday to be set for publication. That was the day he passed away.

Orra was a reporter for the Item on the day this newspaper was born, July 17, 1893. He later returned as editor from 1935 to 1956 when he became editor emeritus. He remained at the job and seemed his usual self when he left work Saturday.

Under his guiding hand as editor he saw the paper grow to a circulation of more than 3,000.

It was Orra Stone who under the byline "The Observer" in his column "All Sorts and Kinds" told our readers about the wonders of Clinton's past history.

We in the Item family who have worked with Orra these past years will not forget him.

If we misspelled a name or left out a middle initial, Orra let us know about it.

If we didn't get a story straight or sentence structure became fouled, Orra let us know.

If we got "scooped" by any of our sister dailies, Orra let us know.

He is gone. But the Item he loved so dearly remains today a finer newspaper because of Orra Stone.

The Four Enemies of Freedom—Commencement Day Address by Senator Hubert H. Humphrey, of Minnesota, at Brandeis University

---

EXTENSION OF REMARKS

OF

HON. EUGENE J. McCARTHY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Thursday, June 15, 1961

Mr. McCARTHY. Mr. President, on June 11, 1961, the distinguished assistant majority leader and my good friend, Mr. HUMPHREY, was honored on the occasion of the 10th commencement exercises at Brandeis University with the degree of honorary doctor of laws.

I should like to read to my colleagues the very suitable and appropriate testimonial of this great university inscribed on the scroll of the degree awarded to Senator HUMPHREY:

Representing in his person and career the saga of American opportunity. With no initial advantages of wealth or position, attaining by innate ability many of the highest offices of public responsibility within the gift of the American people. Elected mayor of Minneapolis at the age of 34, winning the admiration of civic-minded men everywhere by fearlessness in his war on corruption in municipal politics. As U.S. Senator from Minnesota since 1948, a committed and outspoken liberal. In his forthright espousal of human rights and human freedom, he re-creates the figure of the historic American Populist as he seeks to

translate abstract sentiments into the concrete realities of social action.

Senator HUMPHREY was 1 of 10 distinguished men and women who received honorary degrees from Brandeis University on June 11. The other nine recipients included:

Lord Beveridge, the world-famous British leader in the field of social welfare, and author of the Beveridge report;

Dr. Harold Claude Case, president of Boston University;

Dr. George F. Davidson, one of Canada's outstanding leaders in the field of social welfare, and the author of the Canadian family allowance program;

Congressman JOHN FOGARTY, whose outstanding work in the field of health and welfare legislation is well known;

Mr. Maurice Hexter, the noted philanthropist;

Mr. Thurgood Marshall, the chief counsel of the National Association for the Advancement of Colored People;

Mrs. Frances Perkins, the first woman ever to hold a Cabinet post in the United States, as Secretary of Labor in the administration of Franklin Roosevelt;

Mr. Charles P. Taft, the respected and able son of former President Taft, and brother of the late Senator Robert Taft;

Mr. Abraham Feinberg, chairman of the board of trustees, Brandeis University.

Mr. President, the theme of Brandeis University's 10th commencement was "Social Welfare," and the speaker asked to make the commencement address was Senator HUMPHREY.

Senator HUMPHREY's address was entitled "The Four Enemies of Freedom," and has a theme which I commend to my colleagues as they give consideration to the foreign aid proposals now before the Congress.

Mr. President, I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD, an address delivered by Senator HUBERT H. HUMPHREY at Brandeis University on June 11, 1961.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE FOUR ENEMIES OF FREEDOM—COMMENCEMENT ADDRESS BY SENATOR HUBERT H. HUMPHREY, OF MINNESOTA, AT BRANDEIS UNIVERSITY, JUNE 11, 1961

The theme of this commencement—"Social Welfare"—is significant both for a growing nation and a restless world.

I use as my text for today's message, quotations from the writings of the distinguished and respected jurist, Louis D. Brandeis:

"Our social and industrial welfare demands that ample scope should be given for social as well as mechanical invention.

"The makers of our Constitution undertook to secure conditions favorable to the pursuit of happiness. They recognized the significance of man's spiritual nature, of his feeling and of his intellect. They knew that only a part of the pain, pleasure, and satisfactions of life is to be found in material things."

Today, in awarding its first doctoral degrees in social welfare, Brandeis University fittingly emphasizes and honors this basic American concept.

And this commencement rightfully honors the work and the heritage of Louis Brandeis, whose life was dedicated to justice and freedom to human welfare and dignity.

Your emphasis on social welfare today is needed.

For too long, social welfare programs in the United States have been downgraded and derided by defenders of the status quo.

Shrugging aside carping and criticism, men and women dedicated to social welfare have continued to improve and to humanize the processes of democratic government.

The goal of leaders in the social welfare movement has been to assure every American the basic security, dignity, and opportunity that is his birthright. We have moved far away from that long, sad epoch of indifference to basic human needs, of exploitation of women and children, of the arrogation to a privileged few of the fruits of industry. In housing, in health, in education—in all the branches of social welfare, we move ever closer to the goal of a Nation with a just, compassionate, and practical program for the welfare of every citizen.

In one very real sense, the United States is and has always been a welfare society, and we should be proud of it. Our Constitution specifies but two mandates to our Government—to provide for the common defense and to promote the general welfare.

And for Americans, welfare must signify not simply aid to the suffering, the poor, and the needy. It means all of this and more. It means adjustment of social inequities. It means the elimination of bigotry, intolerance, and discrimination. It means not only charity, but also the privilege for every citizen for education and health. It means not merely economic security, but social and economic opportunity.

The welfare state is not a restrictive state. It is a humanitarian state.

We must demonstrate that a democracy can mobilize its energies for the welfare of its citizens. This is the message we should take to the world. This is the true voice of America, the spirit of our continuing revolution.

The terse statistics of human need—83 percent of the world's people underfed; 62 percent illiterate; 70 percent sick or poorly housed—these ugly facts must challenge us to be the democratic revolutionaries and reformers of the 20th century.

Old tyrannies continue to suppress and to exploit people. And new tyrannies—masquerading as liberation—plunge people from one misery to another. The old and the new tyrants think not of human welfare but of their own arrogant power. To tyrants, old and new, man is flesh, not spirit and soul.

In vast regions of the world we see the results of the failure to promote human welfare and protect human rights. It is this failure that is the ally dictatorship and the enemy freedom.

If freedom is to survive, then we must concentrate our resources and our energies in the direction of reform, social progress, the general welfare of the people at home and abroad if freedom is to survive.

The real, the basic, the vital challenge in the world today is not the dogmatic militancy of a Mao, nor the design and plan of a Khrushchev.

The real challenge is to defeat the ancient adversaries of mankind, the loyal allies of tyranny, the four enemies of freedom—poverty, hunger, disease, and ignorance.

These are the conditions which have darkened the lives of untold millions, and still grip vast regions of the earth. On this broad base of misery and despair, tyranny has strutted, marched, conquered, and destroyed.

But, this need not be. It must not be.

The great zone of misery which circles the earth—including Latin America, Africa, the Middle East, and Asia—is being transformed by the knowledge that there can be a better life.

Decision is replacing despair. Passion for change is replacing passive acceptance of the status quo. Action is replacing submissiveness to the old conditions, and the old injustices.

It is time for Americans to abandon the travelog approach to Latin America, Asia, and Africa. We must think of Africa as a land of vital people demanding freedom and not as the setting for Hollywood jungle dramas. We must realize that the quaint charm of the Orient is a fragile veil covering squalor and starvation. We should know that Latin America is no longer the land of mañana characterized by sleepy villages, but rather a region of ferment in which a vibrant people expect and demand change and improvement today.

The conditions of poverty, hunger, disease, and ignorance are not new. The challenge to release mankind from their grip is not now.

But the pressing need for a sense of urgency is new. The restless millions of the world are awake and rising. They are not willing to wait for slow, evolutionary changes which might, perhaps—sometime in the distant future—bring security, dignity, and justice to their children or grandchildren.

A revolutionary wave is sweeping across the world's underdeveloped areas.

This is not a revolution for communism; it is a revolution against the intolerable conditions of the past.

The Khrushchevs did not create the conditions of this revolution. But they seek to manipulate it, to channel its force and its millions of participants toward their vision of a Communist world.

The peaks of this revolutionary wave—the moments of crisis and violence have come more frequently in recent months.

It has been all too easy to simplify a complex matter by labeling the revolutionary wave as Communist inspired, Communist motivated, Communist organized.

Such oversimplification has given the Communists credit for victories which they did not earn or deserve. Revolutions have succeeded and corrupt governments have been toppled without Communist direction or intervention. When we brand uprisings as Communist, Khrushchev happily sees the restless millions of the world accept our impetuous and inaccurate assessment.

Yes, the Communists do attempt to usurp specific revolutions. They do sometimes succeed in capturing popular uprisings.

But why should we hand them free victory after free victory?

We must understand that the overriding character of the world struggle is political and social—that ideas backed by action, not arms, will prevail in a world of nuclear stalemate.

We must turn away from the tolerance and support of dictators, and identify ourselves with the new forces of liberation, emancipation, and human welfare.

We must be more than mere anti-Communists.

We must prove that we are pro people—pro freedom.

If we are content to hide in the storm-cellars of anticommunism, we may indeed survive for a time. But we will emerge to find a world that has fallen away from us, left us alone and friendless in a waste of totalitarianism.

A policy based only on anticommunism is a castle built of sand. The cathedrals of freedom are built by positive, creative, and affirmative dedication to the welfare of human beings everywhere.

The cornerstone of world freedom will be laid when we have joined those who revolt against the tyranny of poverty, the slavery of disease, the corruption of ignorance.

An historic change in American policy is now underway, and it is symbolized by the President's aid program for Latin America—the alliance for progress.

We are now determined that our foreign aid will be used as an incentive for economic, political, and social reform. It will be used to develop and strengthen a true alliance for progress.

We are determined that our aid will be used to help the people of other nations to help themselves.

This is the new, democratic dimension to our foreign aid. We are expressing our true and deep concern for the aspirations of the restless millions of the earth for freedom, for dignity, for justice, for progress.

With the new principle of the alliance for progress, we must lead a massive cooperative program of economic aid and technical assistance.

More of our efforts must be channeled through the organization and agencies of the United Nations.

An expanded Peace Corps must send more skilled Americans to other lands.

Our food for peace programs must be increased to use America's agricultural abundance to banish hunger and spur economic progress.

An American White Fleet of mercy ships must be designed and launched to speed relief to peoples struck by disaster, and to play a creative role in training for modern health and sanitation.

We must help others expand and improve their educational systems, to provide schools and teachers for the battle against ignorance and illiteracy.

We must revamp and redesign our embassies and missions overseas, stressing the use of social welfare professionals, scientists, agricultural and labor specialists, and educators.

Our embassies should reflect American society as it is. We are not just diplomats. We are doers. We are builders. We are teachers. We are filled with the love of learning, with the excitement of achievement, with the dedication to human welfare.

Our oversea missions should reveal the true American character.

Let us strive to improve and refine that character. We can no longer tolerate slums, inadequate schools and hospitals, unemployment, hunger, and the twisted lives that are the result of our failure to complete the work of social welfare in America.

Above all, our own human relations must catch up with the revolutionary epoch in which we live. If ever there was a time when brotherhood was a requirement of our national security, it is now.

Denial of human rights in the United States represents a social malignancy more dangerous than any physical disease and more threatening to our security than any weapon of mass destruction.

To live the life of human dignity, to practice freedom of conscience, to believe in and exemplify human brotherhood—these are the essential requirements for the expression of freedom and the basic ingredients of our freedom doctrine. Isn't it far better for a nation to have "freedom riders" than secret police? I think so. Isn't it far more noble to have spiritual leaders who speak up for the rights of man than to be led by political demagogs offering to trade men for tractors? Indeed.

The 1960's must and can become the decade of America's mighty effort for the progress and freedom of mankind.

We must internationalize the concept and practice of social welfare, seeking for others throughout the world the same goals we seek for our own citizens.

We live in an era of potential catastrophe or potential glory. The same technology which produces weapons of destruction and death can—in our time—open the mysteries and wonders of outer space, cleanse the earth of disease, bring forth from the earth the food fiber to feed the hungry and to clothe the naked.

This is a wonderful time in which to live. This time challenges the best in us. It calls for doing the impossible—performing miracles. Mediocrity must give way to excellence; timidity to daring; fear to courage.

We dream of sending a man to the moon in this decade. We know that dream will be fulfilled with sacrifice, a commitment, a plan and a program. We shall do it.

Our greater responsibility—a more demanding challenge—is to achieve mankind's dream and hope of a better world—through sacrifice, commitment, a plan, a program, and inspiring leadership.

With such standards, our Nation will be known not for the power of our weapons, but for the power of our compassion and the strength of our dedication to human welfare.

Our strength as a nation—your strength as a generation—is not to be measured only by our military force, our industry, our technology.

The real strength of a free society is its people—and their commitment to freedom and social justice.

SENATE

FRIDAY, JUNE 16, 1961

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou Father of all mankind, at noontide, in this pavilion of prayer, help us to fling open the shuttered windows of our darkened lives to the effulgent light of Thy presence so that in our daily tasks we may reflect some broken beams of Thy glory.

Teach us by the adventure of faith how to be victors over life, not victims of it, and that to live worthily we must have a faith fit to live by, a self fit to live with, and a cause fit to live for.

Enlarge the sensitive area of our sympathy, we pray. Write deep upon our hearts the misery and pain of the shepherdless millions who are now crying out for relief from the ills that beset them.

Guide our Nation to such use of its power and privilege as may cause the needy peoples of the earth to rise up and call us blessed.

In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 15, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

VISIT OF FORMER SENATOR WILLIAM KNOWLAND

Mr. MANSFIELD. Mr. President, there is with us today, here on the floor, a distinguished American citizen, an outstanding Republican leader, a member of the fourth estate, from California, and, presently, a delegate on the U.S. Citizens' Commission on NATO.

But whatever his other pursuits, whatever other distinguished public services he performs, Bill Knowland is for us in the Senate first and foremost a colleague, an illustrious and well-loved colleague.

As a Senator and as majority leader and as minority leader, Senator Knowland of California left an indelible imprint upon the continuing history of the Senate. He may live in California; he may travel throughout the world; but, in reality, he will never be far from the Senate, in which he gave so much of his great ability and patriotic self to the Nation.

There was a time when the margin between the two parties in the Senate was very close. In those days, Bill Knowland used to speak of himself as a majority leader without a majority. But today I wish to say to him that, so far as the Senate is concerned, not only has he a majority of this body, but he has the unanimity of our affection and respect.

Welcome home, Bill.

Mr. DIRKSEN. Mr. President, I think today it is a common experience that when people have been away from old and sweet scenes for quite some time, they often record their impressions, perhaps in a book, by writing that a certain place is "revisited."

Today, I am delighted that my former boss on this floor, a real statesman in every sense of the word, has found time to revisit old scenes and to grasp the hands of old associates in welcome and felicitous friendship.

Welcome back; it is a delight to see you, indeed.

The fact that he has departed from here has in no wise diminished his interest in the great challenges which confront the country today.

It was my pleasure and at once my honor, when the Congress saw fit to create a Citizens Commission on NATO, to call him, in California, and ask whether he would accept service on the Commission. He kindly did so, and

that brings him to the Nation's Capital today. With all the challenges that are in the firmament of the world today, I know that out of the rich background and broad experience he has had, he will perform yeoman service for his country, even as he has done so in other days, when, with fidelity and courage, he served as the majority leader and the minority leader of this body.

So thrice welcome, as we extend the hand of fellowship and friendship.

Mr. SCHOEPPEL. Mr. President, I wish to associate myself with the statements made by the majority and minority leaders with reference to our distinguished former colleague in the Senate, Bill Knowland, from California, a man who has been revered and respected for what he has done in the Senate and for the service he has rendered to his country.

We are happy, indeed, we can have the pleasure of having him in the Senate Chamber again.

Mr. WILEY. Mr. President, when the majority leader and the minority leader say anything on a subject, they exhaust the subject; and when they speak about Bill Knowland and the affectionate regard of all the Senate for him, they are speaking about a verity.

Of course, when Bill left us, we missed him. Now that he is back here, we welcome him; and we ask him to take our sincere regards to his dear wife and family.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDENT pro tempore. If there be no reports of committees, the nominations on the Executive Calendar will be stated.

COLLECTORS OF CUSTOMS

The Chief Clerk proceeded to read sundry nominations of collectors of customs.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

U.S. ATTORNEYS

The Chief Clerk proceeded to read sundry nominations of U.S. attorneys.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

U.S. MARSHALS

The Chief Clerk proceeded to read sundry nominations of U.S. marshals.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of all these nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

IMPROVEMENT OF PROMOTION OPPORTUNITY OF CERTAIN AIR FORCE OFFICERS

A letter from the Acting Secretary of the Air Force, transmitting a draft of proposed legislation to improve the active duty promotion opportunity of Air Force officers from the grade of major to the grade of lieutenant colonel (with an accompanying paper); to the Committee on Armed Services.

EXTENSION OF CERTAIN LAWS TO THE COAST GUARD

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to amend title 14, United States Code, entitled "Coast Guard," to extend the application of certain laws relating to the military services to the Coast Guard for purposes of uniformity (with accompanying papers); to the Committee on Commerce.

AMENDMENT OF COMMUNICATIONS ACT OF 1934, RELATING TO AUTHORITY OVER TELEVISION RECEIVING APPARATUS

A letter from the Chairman, Federal Communications Commission, Washington, D.C., transmitting a draft of proposed legislation to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus (with accompanying papers); to the Committee on Commerce.

PUBLIC LANDS ACT OF 1961

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the classification, segregation, lease, and sale of public land for urban, business, and occupancy sites, to repeal obsolete statutes, and for other purposes (with accompanying papers); to the Committee on Interior and Insular Affairs.

MRS. SHARON LEE HARDEN

A letter from the Assistant Secretary of the Air Force, transmitting a draft of proposed legislation for the relief of Mrs. Sharon Lee Harden (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Government Operations:

"SENATE JOINT RESOLUTION 46

"Joint resolution relative to the disposal of certain surplus Federal lands

"Whereas an acute problem exists in the disposal of Federal lands having extremely high recreational value by the General Services Administration in California and throughout the Nation; and

"Whereas land surplus to the needs of the U.S. Government, as far as their original purposes are concerned, comprise some of the most valuable and most expensive lands in this and many other States; and

"Whereas last year military lands bordering San Francisco's Golden Gate became surplus and only through fast and hard work on the part of the State of California was it able to arrange to purchase those lands comprising 292 acres of old military Forts Baker and Cronkhite from the General Services Administration for $307,500 after the areas had been offered for subdivision sales by General Services Administration; and

"Whereas currently, the 116-acre Fort Funston which has been declared surplus and appraised by General Services Administration at over $2 million, includes 3,000 feet of beach on the Pacific Ocean, roughly in the center of San Francisco; and

"Whereas President John F. Kennedy has undertaken a bold and progressive outdoor recreation program, as outlined in his recent message to Congress on natural resources; and

"Whereas the administration's policy on disposal of lands with high recreational value has been exemplified in the policy of the Department of the Interior in freezing the withdrawal of sale of land under the jurisdiction of the Bureau of Land Management: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to require that the disposal of all Federal surplus lands under the General Services Administration having high recreational value for the people of the United States be immediately suspended for 18 months in order that the disposal method, the purchase price, and other pertinent factors be reevaluated in the light of a great public need for outdoor recreational opportunities; and be it further

"*Resolved*, That it is the sense of the legislature that this is an urgent matter and that all pending sales of such property should be suspended; and be it further

"*Resolved*, That the State of California will be most willing to assist the Federal Government in any cooperative study to accomplish a more equitable disposal of surplus Federal property; and be it further

"*Resolved*, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, the Secretary of the Interior, the Administrator of the General Services Administration, the chairmen of the U.S. Senate Interior and Insular Affairs Committee and the House of

Representatives Interior and Insular Affairs Committee, and to each Senator and Representative from California in the Congress of the United States."

Two joint resolutions of the Legislature of the State of California; to the Committee on the Judiciary:

"SENATE JOINT RESOLUTION 41

"Joint resolution relative to confidential communications

"Whereas there is presently no Federal legislation to protect any reporter, who through the use of any of the available communication media reports the news to the public, against being forced to disclose the sources of his information; and

"Whereas one of the bulwarks of democracy is the free exchange of information, through which the citizens may learn of the activities of their government in time to take steps to correct any evils that may exist; and

"Whereas it is safe to say that there have been countless misdeeds by public officials brought to light only because someone with knowledge of wrongdoing passed the information on to such a reporter of the news, secure in the knowledge that his confidence would be respected; and

"Whereas without the privilege of keeping secret his sources of information, such a reporter of the news would soon find that his sources of information had dried up, thus severely limiting his effectiveness; and

"Whereas this is an age in which we should be doing everything possible to keep the public informed rather than raising barriers in the channels of communication between the people and their government: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California, jointly, That the Congress of the United States is respectfully requested to enact legislation to protect all reporters, who through the use of any available communication media report the news to the public, against being forced to disclose the sources of their information; and be it further

"Resolved, That the secretary of the senate is directed to transmit copies of this resolution to the President and Vice President of the United States, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress."

"SENATE JOINT RESOLUTION 44

"Joint resolution relating to H.R. 4390

"Whereas H.R. 4390 was introduced in the House of Representatives on February 16, 1961, by Representative Overton Brooks of Louisiana and has been referred to the Committee on the Judiciary; and

"Whereas H.R. 4390 would amend the Submerged Lands Act (43 U.S.C. 1301 et seq.) to establish and confirm the seaward boundaries of all coastal States to a line extending 3 marine leagues (9 geographical or 10½ statute miles) from the coastline; and

"Whereas the present act limits seaward boundaries of coastal States to 3 geographical miles; and

"Whereas in the recent United States Supreme Court decisions in *United States* v. *Louisiana* (1960), 363 U.S. 1 and *United States* v. *Florida* (1960), 363 U.S. 121, it was held that Texas- and Florida-owned submerged lands out to 3 leagues from their coastlines and other gulf States were limited to 3 geographical miles; and

"Whereas H.R. 4390 would secure equality of treatment for all coastal States, including California; and

"Whereas the passage of this bill would be in the best interests of the State of California: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully urges the Congress to enact H.R. 4390 into law; and be it further

"Resolved, That the Secretary of the Senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A concurrent resolution of the Legislature of the State of New Hampshire; to the Committee on Foreign Relations:

"Whereas the Soviet Union has a prime objective the expansion of its domination of colonial areas; and

"Whereas the Soviet Union suppresses human liberty in the captive nations far more ruthlessly than the oldtime imperialists: Now, therefore be it

"Resolved by the house of representatives (with the senate concurring), That the General Court of the State of New Hampshire exhorts the Government of the United States to continue to use all the resources at its command to halt the further spread of Soviet colonialism; be it further

"Resolved, That the secretary of state transmit a copy of this concurrent resolution to each of the Members of the New Hampshire delegation in Congress and to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States.

"STEWART LAMPREY,
"Speaker of the House of Representatives.
"SAMUEL GREEN,
"President of the Senate."

"Passed June 7, 1961.
"Attest:
"ROBERT L. STARK,
"Secretary of State."

PERRY RESERVOIR ON TRIBUTARY OF THE KANSAS RIVER—RESOLUTIONS

Mr. CARLSON. Mr. President, the importance of the construction of the Perry Reservoir on a tributary of the Kansas River for the conservation and control of water runoff and water supply is being stressed by the city of Lawrence, the Douglas County Kaw Drainage District, and the Kaw Basin Water Management Association.

They have unanimously approved a resolution urging an appropriation of $100,000 for local flood protection for the city of Lawrence and $500,000 for construction money for Perry Reservoir.

I also wish to include a resolution adopted by the chamber of commerce of Lawrence, Kan., on this same matter.

I ask unanimous consent that these resolutions be printed in the RECORD, and referred to the appropriate committee.

There being no objection, the resolutions were referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

JOINT RESOLUTION OF THE CITY OF LAWRENCE, KANS.; DOUGLAS COUNTY KAW DRAINAGE DISTRICT; THE KAW BASIN WATER MANAGEMENT ASSOCIATION

Whereas the growth and development along the Kansas River in the vicinity of Lawrence, as well as the entire basin, points up the necessity for the rapid completion of authorized projects; and

Whereas it has become evident that we must use every means available not only to conserve but to control all of the sources of water supply: Now, therefore, be it

Resolved by the governing bodies of the city of Lawrence, the Douglas County Kaw Drainage District, and the Kaw Basin Water Management Association, That we respectfully urge the Subcommittee on Public Works of the Senate Appropriations Committee to recommend the appropriation of $100,000 for local protection for the city of Lawrence, and $500,000 for construction money for Perry Reservoir.

Passed and adopted by unanimous vote of the governing bodies of the agencies hereinabove set forth and signed by an appropriate officer of each group, this 6th day of June, 1961.

For the city of Lawrence, Kans.:
HAROLD E. HORN,
City Manager.

For the Douglas County Kaw Drainage District:
WESLEY E. BRUNE.

For the Kaw Basin Water Management Association:
EMIL HECK, *President.*

RESOLUTION BY THE CHAMBER OF COMMERCE OF LAWRENCE, KANS.

Whereas the Lawrence (Kans.) Chamber of Commerce has in the past supported the program for controlling and conserving water in the Kansas River Basin; and

Whereas this program has now reached the point of progress to allow construction of the Perry Reservoir on the Delaware River, a tributary of the Kansas River; and

Whereas the Perry Reservoir is a vital flood control project of the Kansas River Basin plan, and planning moneys have been appropriated for the purpose of bringing planning up to a point where construction moneys can now be used: Therefore, be it

Resolved, That the sum of $500,000 be requested of the Bureau of the Budget and the Congress of the United States, for use in beginning construction of the Perry Reservoir.

Adopted this 8th day of June 1961.
WARREN RHODES,
President.

Attest:
E. R. ZOOK, *Secretary.*

TRANSFER OF MANAGEMENT OF SENATE RESTAURANTS TO ARCHITECT OF THE CAPITOL—REPORT OF A COMMITTE (S. REPT. NO. 424)

Mr. MANSFIELD, from the Committee on Rules and Administration, reported an original joint resolution (S.J. Res. 106) transferring the management of the Senate restaurants to the Architect of the Capitol, and for other purposes, and submitted a report thereon; which joint resolution was read twice by its title and placed on the calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HOLLAND:

S. 2094. A bill to convey all right, title, and interest of the United States in and to certain lands in Lee County, Fla., to E. Glenn Grimes and William C. Grimes; to the Committee on Interior and Insular Affairs.

S. 2095. A bill to amend the act of July 14, 1954, providing for the conveyance of certain lands to the Armory Board of the State of Florida; to the Committee on Armed Services.

By Mr. MANSFIELD:

S.J. Res. 106. Joint resolution transferring the management of the Senate restaurants to the Architect of the Capitol, and for other purposes; placed on the calendar.

(See reference to the above joint resolution when reported by Mr. MANSFIELD, which appears under the heading "Report of a Committee.")

NOTICE OF MOTION TO SUSPEND THE RULE — AMENDMENT TO AGRICULTURE DEPARTMENT APPROPRIATION BILL

Mr. RUSSELL submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H.R. 7444), making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, the following amendment, namely: On page 30, after line 17, insert the following paragraph:

"CENTENNIAL OBSERVANCE OF AGRICULTURE

"Salaries and expenses

"For expenses necessary for planning, promoting, coordinating, and assisting participation by industry, trade associations, commodity groups, and similar interests in the celebration of the centennial of the establishment of the Department of Agriculture; and employment pursuant to section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the act of August 2, 1946 (5 U.S.C. 55a); $100,000, including not to exceed $20,000 for additional printing costs of the 1962 Yearbook of Agriculture, to remain available until December 31, 1962."

Mr. RUSSELL also submitted an amendment, intended to be proposed by him, to House bill 7444, making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

NOTICE OF HEARINGS BY COMMITTEE ON FOREIGN RELATIONS— ACT OF INTERNATIONAL DEVELOPMENT OF 1961

Mr. FULBRIGHT. Mr. President, I desire to announce that the Committee on Foreign Relations will hear public witnesses on the bill, S. 1983, the Act of International Development of 1961, on Tuesday, June 20, in room 4221, New Senate Office Building. The morning session will begin at 10 o'clock, the afternoon session at 2 o'clock.

NOTICE OF RECEIPT OF CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the nominations of Robinson McIlvaine, of Pennsylvania, to be Ambassador to the Republic of Dahomey; and James Leonard Reinsch, of Georgia, and Jonathan W. Daniels, of North Carolina, to be members of the U.S. Advisory Commission on Information.

In accordance with the committee rule, these pending nominations may not be considered prior to the expiration of 6 days of their receipt in the Senate.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, and so forth, were ordered to be printed in the RECORD, as follows:

By Mr. KEATING:

Address by Senator CASE of New Jersey delivered before the Eighth Annual Conference of International Economic and Social Development, Washington, D.C., June 15, 1961.

THE FORCEFUL OCCUPATION OF ESTONIA, LATVIA, AND LITHUANIA

Mr. WILEY. Mr. President, 21 years ago on June 15, the Soviet Union forcefully occupied the three Baltic states of Estonia, Latvia, and Lithuania. Since that day, the national, cultural, and religious aspirations of the Baltic peoples have been mercilessly strangled.

While the imperialism of the Western nations in Africa, Asia, and elsewhere is speedily coming to an end, the imperialistic policy of the Soviet Union is becoming a major threat to the national aspirations of many peoples.

A mass meeting of American citizens of Baltic descent was held recently in Racine, Wis. At the meeting a resolution was adopted commending the American Government for its position with regard to the Soviet occupation of Estonia, Latvia, and Lithuania. I ask unanimous consent that a letter from Mr. Peter Petrusaitis, secretary of the Lithuanian American Council, Racine branch, and a copy of the resolution be printed at this point in the RECORD.

There being no objection, the letter and the resolution were ordered to be printed in the RECORD, as follows:

LITHUANIAN AMERICAN COUNCIL, INC.,
RACINE BRANCH,
AMERIKOS LIETUVIU TARYBA,
Racine, Wis., June 11, 1961.

Hon. ALEXANDER WILEY,
Senate of the United States,
Washington, D.C.

MY DEAR SENATOR: Enclosed I am forwarding to you a copy of a resolution unanimously adopted at the mass meeting of American citizens of the Baltic descent of this community gathered to protest the forceful occupation of Estonia, Latvia, and Lithuania by Soviet Russia on June 15, 1940.

The mass meeting was held today at the St. Casimir's Parish Hall, 815 Park Avenue, Racine, Wis., and was sponsored by our organization.

I am,

Very truly yours,
PETER PETRUSAITIS,
Secretary.

Whereas this occasion marks the 21st anniversary of the forcible occupation of the Baltic nations by Soviet Russia; and

Whereas it is our never-ending hope that the Baltic countries of Lithuania, Latvia, and Estonia as well as all other captive nations will again be restored to the community of free nations; and

Whereas the Communist menace continues unabated with recent gains in establishing a base in Cuba, only 90 miles from the shores of the United States, creating turmoil, and chaos in southeast Asia and stalling nuclear negotiations in Geneva: Therefore be it

Resolved, That foreign policy based on vain promises and solemn eloquency fails to bring results but is harmful unless backed up by words and deeds; and further be it

Resolved, That unless increased attention is given to exposing communism's false claims and promises, the United States will continue to lose the cold war in the battle for men's minds; and, finally, be it

Resolved, That this mass meeting express its gratitude to the President of the United States and the legislative branch of the Government for maintaining steady course of foreign policy of nonrecognition the forceful incorporation of Baltic States into Soviet Union.

VIKTORAS KAZEMEKAITIS,
President, Lithuanian American Council Racine Branch.
VALENTIN JAUNKALNIETIS,
Latvian Representative.
Mrs. OLGA MALBE,
Estonian Representative.

RACINE, WIS., June 11, 1961.

MOSCOW FALLACIES

Mr. WILEY. Mr. President, apropos much of the discussion presently occurring, particularly in regard to the future of Berlin and the impact of Berlin upon the foreign relations of the United States, I wish to point out that a very thought-provoking article, written by Erwin D. Canham, recently was published in the Christian Science Monitor. The article is food for thought. It does not "go off the handle," so to speak; but it thoughtfully analyzes the remarks of Khrushchev. I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, June 12, 1961]

MOSCOW FALLACIES

(By Erwin D. Canham)

American and world public opinion now has a chance to study the two memoranda handed to President Kennedy by Premier Khrushchev at their Vienna meeting. The Soviets have finally given out these documents. They reveal shrewd and effective arguments in favor of the Soviet position on Berlin and Germany as a whole, on nuclear testing and on general disarmament.

There is nothing especially new in the arguments but they are likely to strike world opinion, particularly neutralist opinion, as positions that cannot lightly be dismissed. Even Americans, exposed to the Soviet arguments in their present form for the first time, will have to think hard and penetratingly in order to see the fallacies and traps that lie within the dialectic.

For instance, Mr. Khrushchev offers to leave the settlement of the German problem up to the two German Governments. He does not insist that the Western Powers recognize the East German Government. He claims repeatedly to be simply in favor of freedom for the people of Berlin. He declares they should have the chance of settling their own fate, free from military occupation. He points reproachfully to the rearmament of West Germany.

These and many other arguments have much surface persuasiveness. The trouble is that they are almost the exact reverse of the truth. The offer to let the two Germanys settle their own status is an empty one, since there is no likelihood they could reach an agreement. Indeed, the whole proposal implies dealing with and perpetuation of the East German state, and hence of the indefinite division of Germany. More directly, it is clear that the withdrawal of Allied forces from Berlin would leave that city in the midst of a great Communist sea, surrounded by forces committed to incorporating Berlin into Communist rule.

QUESTION OF MILEAGE

The withdrawal of American forces for hundreds or perhaps thousands of miles would leave Soviet troops and East German or Polish forces only a few miles away from Berlin. In short, termination of the guarantee of Berlin's freedom which is enforced by Allied power would turn Berlin over totally to Communist controls. Yet on the surface, the Khrushchev offer seems reasonable.

The same thing is true of his memo on disarmament. He says the Soviet Government would agree to any form of inspection of armaments if the West would agree to complete disarmament.

Here are Khrushchev's words: "The Soviet Government is willing unconditionally to accept any Western control proposals if the Western Powers accept the proposal for general and complete disarmament."

What, at first sight, could be fairer than that? But what does it really mean? It means that we should first destroy all armaments, and thereafter set up some form of controls. The United States and its Western allies affirm that the controls must be set up first, so as to assure and enforce the steady reduction of armaments. Otherwise, the United States is called upon to take the Soviet Government's word for it that it has disarmed. But if the United States, or its allies, were actually to disarm in good faith they might then be faced with Soviet military power still in being.

The same condition could work the other way round, so the United States has always proposed—for the safeguarding of the Soviets as well as of the United States—that controls and enforcement must be achieved first, and then reduction of arms will be possible, and can be agreed upon in advance.

VETO CONTROL DEMANDED

The Soviets have never been willing to accept any plan which put controls first and reduction afterward, or in a phased sequence with reduction going along with the achievement of controls. So the Soviets continue to call for total disarmament, with absolutely no check on them until it might be too late.

The Soviet position in demanding a veto on all forms of international machinery, but notably on the controls over nuclear testing, is also set forth very persuasively.

To expect one official—a neutral—to head such a control commission, say the Soviets would be to set up a dictator. How much better, they urge, to set up a three-member committee of a Soviet official, a westerner, and a neutral. Each would have equal power. The trouble with this proposal, of course, is that it would give the Soviets an absolute veto over the controls, thus reducing them to nullity.

The fact that the United States would also have a veto is of no value. Two vetoes don't make a right. Indeed, the position of the West is that truly independent authority, on which we, like the Soviets, would be represented but without veto power, is the only way of achieving genuine controls. We are willing to give up that much sovereignty, knowing the dangers of unrestrained arms competition. But the Soviets refuse. Yet their arguments against an independent authority are most impelling, until you dig beneath the surface and see what is really there.

President Kennedy and his press spokesmen only gave the most casual mention to these two documents which Premier Khrushchev had presented at Vienna. Now various spokesmen indicate the papers are being given careful study, although Chancellor Adenauer naturally and forcefully expresses total opposition to a separate peace treaty or to negotiations between the two Germanys looking toward that end.

KHRUSHCHEV PATIENT

The British, however, may not be quite so ready to reject the Soviet reasoning. The proposal to negotiate over Germany is most tempting. Indeed, the note of reasonableness which seems to run through the Soviet memos is scarcely consistent with President Kennedy's descriptions of his talks as somber. The President is undoubtedly more nearly correct.

Underneath the plausible rhetoric of these memos are the same old unyielding positions. However, Mr. Khrushchev is still patient. He knows the determination of the allies concerning Berlin. He shows no sign of pushing his case dangerously close to war. He is still apparently as aware as ever of the disasters of nuclear war. But he is totally unwilling to move toward agreements on either Berlin, nuclear testing, or disarmament which would be in any degree tolerable to the West. He shows no real sign of wanting agreements, but merely of holding his ground, and this despite the fact that armaments are getting more costly and more hazardous every day.

However, he is not provocative. He is wooing world opinion. Thus his spokesmen continue to describe the Vienna talks as valuable, and to present a sweetly reasonable outward visage to the world.

There would therefore seem to be a long road ahead, as the President told the American Nation, during which the drawing together and strengthening of anti-Communist forces remains very necessary.

The episode over Laos illustrates the difficulties. The President and the Premier agreed the Laos cease-fire must become a reality, and they agreed on the virtues of a neutralist government. But the pro-Communist Pathet Lao continued their fighting, and gained substantial advantages. Now, however, the Soviets and their supporters in Laos seem ready for a cease-fire. And soon the Geneva Conference may begin.

Meantime, Indian Defense Minister Khrishna Menon, a most vigorous neutralist, seems finally to have arranged a conference of the three Lao factions to be held in Zurich. From the Zurich session, and the Geneva Conference, may emerge an agreed government in Laos. But it seems virtually certain to have a strong pro-Communist orientation.

In the long run, however, the Soviets may have as much difficulty with their Lao allies as the United States has had, although Moscow and Peiping treat their allies considerably more forcefully than the United States has done. Anyway, Soviet words and promises seem again to have led not to what the West hoped—a fair neutral agreement—but a Soviet victory.

NEEDED: LABOR-MANAGEMENT COOPERATION IN THE NATIONAL INTEREST

Mr. WILEY. Mr. President, today the Nation has still not fully recovered from its economic setback. Because of this, all segments of the economy—including labor and management—have a special obligation to adhere to policies and to undertake actions that may not further adversely affect the national economy.

Last night, paralysis hit our shipping fleet, by a strike of 82,000 seamen and officers. This is a very serious matter. One of the problems to which the Senate and the entire Congress of the United States should give earnest consideration is the meaning of such developments and situations.

Naturally, we respect the rights of both companies and unions to attempt to protect their interests in collective-bargaining negotiations. But there is an interest that is bigger than the interest of any company or the interest of any union. It is the national interest. We must see to it that we have available the legislative tools with which to handle any situation which may arise.

We hear so much talk about pressures in the foreign field. We had better be thinking in terms of what action can be taken in the domestic field, such as in cases like this.

In discussions, however, we cannot forget that the public and the national interests also sit at the conference table.

The economic interests of the Nation and of the companies and unions involved, however, are not the only factors involved in this contest.

Today, our country is at war against a Communist bloc that threatens to bury us. Every impediment of progress helps the enemy.

We must see to it that in this critical period we have available the weapons and the means—and, by means, I mean the legislative means—to handle situations like the one I have referred to.

Consequently, it is extremely important, in my judgment, that leaders of both management and labor become more greatly aware of, and exercise, their obligations and responsibility to the national interest.

Mr. President, in the 1960 Wisconsin Labor Yearbook, I was privileged to review what I thought was a need for greater responsibility in this field. I request unanimous consent to have the brief article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A MESSAGE FROM SENATOR ALEXANDER WILEY: LABOR—POWER OF THE FUTURE

In the space age of new horizons, labor will play an increasingly significant role in turning the wheels of progress.

Historically, the voice of the workingman has not always been commensurate with his significant contributions to our economy.

Today, however, that voice is clear and strong—and getting stronger. Through their trade unions our working men and women are utilizing their power to assure a fair share of the rewards of production by workers—including wages, fostering better working conditions, retirement benefits, and job security.

In addition, the trade union movement, through its leadership, is speaking up—and making an impact upon—the design of national policy—for defense, homes, schools, and other essentials of our way of life.

With the newly significant role of leadership in our economy, of course, goes hand in hand a greater responsibility—not only toward the working force—but to the common welfare.

As our Nation leaps forward, there is a great need for mature cooperation among labor, management, consumer, and all other sectors of the economy. Ultimately, our objectives are mutual—that is, a better, progressing country in which to live.

Naturally, labor has its special interest—as does management, the consumer, and others. The major task for all of us is to attain the maturity and perspective which will allow each interest to pursue its special purposes—without, at the same time, losing sight of the impact which actions—particularly if powerful and far reaching—can have upon the overall interests of the Nation and its people.

Fortunately, the labor movement in America, with rare exceptions, has benefited from sound, responsible leadership. Particularly in Wisconsin, we have reaped the rewards of good, level-headed, hard-working, forward-looking leaders.

In the world of tomorrow, our Nation will demand, and require, an even greater sense of public responsibility from the leaders and rank-and-file members of labor, management, and all walks of life. The purpose: To assure our Nation the capability to meet the challenges of its security and fulfill the needs of its people.

Without this creative, farsighted, dedicated sense of civic and national responsibility, we may not survive. With it, we, as a nation, shall—I am confident—win victory over communism and create an ever-better life for our people—and, yes, mankind around the globe.

Sincerely,

ALEXANDER WILEY.

REFUSAL BY SEATTLE SUPPLIERS TO PROVIDE RUSSIA WITH AUTOMATIC LUMBER SORTERS

Mr. SCHOEPPEL. Mr. President, I received this morning a letter addressed to me from Mr. Mortimer B. Doyle, vice president of the National Lumber Manufacturers Association, which reads as follows:

MY DEAR SENATOR SCHOEPPEL: Two patriotic Seattle suppliers to the lumber industry have recently demonstrated the philosophy that represents the basic strength of the American business community.

M. E. Hillman, head of Republic Electric & Development Co., and Gordon B. Anderson, president of Puget Sound Fabricators, Inc., acting on principle, have turned down an opportunity to provide Russia six automatic lumber sorters at an estimated profit of $40,000. Supplying the patented memory-control systems would have helped Russia build "the largest and most highly automated sawmill in the world," according to the Seattle Daily Times. Full details of this business action in the national interest are reported in the enclosed reprint of two articles from that newspaper.

The statements by these two businessmen that they would not provide American know-how to a country whose leaders have sworn to conquer the United States is, I believe, worthy of special attention by all Americans. These patriotic citizens exemplify the willingness of the American business community to sacrifice profit for principles.

The eloquent statements by Mr. Anderson and Mr. Hillman stand on their own merits. Nothing I might say could add to their luster.

Anderson said: "We must be willing to be counted on as thinking of our own country's welfare before the dollar."

Hillman said: "Our move is a drop in the bucket, but we hope that other American industry leaders will follow suit in refusing to deal with an enemy which has vowed to conquer us."

The lumber industry is proud to depend upon industrial suppliers such as these, who have the courage to act forthrightly in protecting their Nation's interst.

Sincerely,

M. B. DOYLE.

Attached to the letter are articles from the Seattle Daily Times referred to in the letter. I ask unanimous consent that the two articles be printed in the body of the RECORD at this point as a part of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Seattle Daily Times, June 1, 1961]

FIRMS HERE DECLINE RUSSIAN CONTRACT

(By Boyd Burchard)

Two Seattle firms today announced they have declined "on principle" a profitable proposal, approved by the State Department, which would help Russia build "the largest and most highly automated sawmill in the world."

M. E. Hillman, head of Republic Electric & Development Co., and Gordon B. Anderson, president of Puget Sound Fabricators, Inc., both Seattle, said the proposal they are declining would have led to an estimated $150,000 order—and a profit of about $40,000.

It called for supplying an advanced type of automatic lumber-sorting equipment to the Russians.

The Russian proposal came to the Seattle firms through Yarrow's, Ltd., British Columbia engineering firm.

Hillman said Republic Electric would "have no part in handing the advantage" to the Russians to "close the gap in the superiority of North American technical know-how from 20 years to 2 years."

Six of the firm's patented memory-control systems were sought.

Anderson said that Puget Sound Fabricators, Inc., will have nothing to do with "giving aid and comfort to an enemy" by supplying fabricated portions of the six lumber sorters.

"We must be willing to be counted on as thinking of our own country's welfare before the dollar," Anderson said.

Both men acknowledged that the refusal to cooperate might block the Russian mill automation only temporarily.

"Our move is a drop in the bucket," Hillman said, "but we hope that other American industry leaders will follow suit in refusing to deal with an enemy which has vowed to conquer us."

[From the Seattle Daily Times, June 3, 1961]

TURNDOWN OF SOVIET DEAL TOOK COURAGE

(By Boyd Burchard)

Easily one of the most inspiring business-news developments of the past week originated in Seattle.

Two businessmen openly weighed the courage of their convictions and their sense of public responsibility against the dollar importance of a sure-profit deal with Russia—and told the Russians to take their dollars and go jump.

The pressures were great on M. E. Hillman, head of the Republic Electric & Development Co., and Gordon B. Anderson, president of Puget Sound Fabricators, Inc., both of Seattle, to agree to supply an advanced type of automatic lumber-sorting equipment for the largest and most highly automated sawmill in the world, to be built in Russia.

The sorter, a patented magnetic memory-control system correlated with mechanical lumber-handling equipment, was unveiled by the two companies more than a year ago.

It was shown to 1,500 government and industry representatives from all over the world last September at the World Forestry Congress in Seattle.

The mechanical sorter was widely acclaimed as a major advance toward eliminating slow and costly manual sorting of lumber. Many large Canadian and United States mills subsequently expressed interest in installing the equipment—but the domestic lumber business turned slow and no orders have yet been firmed up by North American mills.

When the Russian order came through, in the form of a subproposal from Yarrows, Ltd., of Victoria, British Columbia, to supply $150,000 worth of sorters for a 1,500,000-board-feet-a-day sawmill to be built by the Victoria firm and the Preston Woodworking Machinery Co., Preston, Ontario, for the U.S.S.R., it took some soul searching for the American firms to refuse.

But refuse the order they did—and with no illusions as to the very minor obstruction their decision would present to the growing momentum of the Russians' economic steamroller.

In declining to cooperate, Hillman explained to Yarrow: "The one advantage we in North America have over the Communist bloc is our production know-how. * * * To knowingly give away even the tiniest part of that production superiority represented by the excellence of the Magnestat Control System would represent to us admission of the inevitability of world domination by communism. * * *

"Redco will have no part in handing this advantage to our sworn enemy."

Following the Seattle firm's turndown of the proposal, a spokesman for Preston Woodworking commented in Canada: "Regardless of what was said in Seattle, we are pressing ahead on this job. We feel this export order would be most beneficial to Canadian secondary industry."

The order obviously would have been temporarily beneficial to Seattle industry, too.

The downright fortitude of the two Seattle businessmen in putting long-term national interest above short-term personal gain deserves recognition—preferably in the form of firm orders from North American sawmills faced with the growing threat of automated Russian competition.

RIGHT-TO-WORK LEGISLATION

Mr. MUSKIE. Mr. President, I call attention to the recent action by the 173d General Assembly of the United Presbyterian Church in the United States in reaffirming its condemnation of so-called right-to-work laws and in upholding the democratic processes of collective bargaining between management and labor as the pathway to industrial peace.

This eminent church body, which speaks for nearly 4 million Presbyterians in our Nation, merits the commendation of all fairminded Americans for having negated an attempt to sway the judgment and official pronouncement of the 171st general assembly, in its convocation 2 years ago, that "union membership as a basis of continued employment should be neither required by law nor forbidden by law," and the corrollary expression of "its confidence in collective bargaining as the most responsible and democratic way of resolving issues in labor-management relations."

I call attention to the fact that the 173d general assembly has declared that the propaganda labels "right to work" and "compulsory unionism" are "inaccurate" and that the term "compulsory

open shop" is a more accurate description of the legislative proposals that seek to destroy the right of management and labor to agree to union security provisions in collective bargaining.

It is important, in the interest of a truthful representation of the nature of these anticollective bargaining proposals, that the Presbyterian Church, in its latest pronouncement, states:

Compulsory open shop legislation interposes the power of State government to produce in that State a compulsory open shop in all industries, regardless of the size or nature.

The absence of compulsory open shop legislation permits management and union in each industry to bargain collectively and work out voluntarily the arrangement that is a workable compromise between their respective interests.

I have a special interest in the wise position taken by the United Presbyterian Church on this issue because of recent events in my home State of Maine.

An effort was made this year by a so-called national right-to-work committee to persuade the Maine Legislature to disrupt our excellent labor-management relations by enacting a compulsory open shop law, which they called a right-to-work law.

This reactionary proposal was opposed by Gov. John Reed and was defeated in both branches of the State legislature by bipartisan voting.

In view of the importance of this issue to continuance of the collective bargaining process and to sound and stable labor-management relations, I ask unanimous consent to have printed in the RECORD the recommendation of the Standing Committee on Social Education and Action as adopted on May 24, 1961, at Buffalo, N.Y., by the 173d General Assembly of the United Presbyterian Church in the United States.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

LABOR-MANAGEMENT RELATIONS

In 1959 the 171st General Assembly of the United Presbyterian Church in the United States of America made a pronouncement on collective bargaining which stated, in part, that "union membership as a basis of continued employment should be neither required by law nor forbidden by law."

The Presbytery of Omaha in its stated meeting on January 17, 1961, overtured the general assembly "to reconsider this matter, that it may possibly remove the present commitments against laws requiring or forbidding compulsory unionism."

The subcommittee has reconsidered the issue on labor-management relations and recommends no action.

Studies are now underway in the entire field of labor-management relations and will be continued under the auspices of the counseling committee.

We feel that the 1959 pronouncement dealt clearly and fairly with the issue of collective bargaining. The general assembly that year expressed its confidence in collective bargaining as the most responsible and democratic way of resolving issues in labor-management relations.

This brings up the issue related to "closed shop," "union shop," and "open shop." Closed shop practices are already prohibited by Federal laws. We feel that the 171st general assembly was correct in recommending that the question of union shop or other maintenance-of-membership arrangements should be settled by collective bargaining (and not by the force of government) which meets the basic requirements for responsible and democratic negotiation. And we feel the general assembly would be ill advised in taking an action which would be widely interpreted as recommending State legislation which makes open shop compulsory.

We feel that the terms "right to work" and "compulsory unionism" are not accurate as described in this overture, and that the term "compulsory open shop" is a more exact description. Compulsory open shop legislation interposes the power of State government to produce in that State a compulsory open shop in all industries, regardless of their size or nature.

The absence of compulsory open-shop legislation permits management and union in each industry to bargain collectively and work out voluntarily the arrangement that is a workable compromise between their respective interests.

There are really two questions involved: (1) Shall union and management together mutually decide the outcome of the collective bargaining process, or shall the Government predetermine the outcome by making an open shop compulsory (which is what right to work does)? (2) Beyond protecting both employer and employees from gangsterism, communism, kickbacks, racketeering, misuse of funds, and other forms of corruption, shall the State prohibit the kind of union-management contract (i.e., working conditions, wages, etc.) that the collective bargaining agents can agree upon?

The 171st general assembly answered by implication the first question in the affirmative and the second in the negative. This committee agrees and recommends "no action" on overture 8.

INTERVIEW OF WALTER LIPPMANN BY HOWARD K. SMITH ON CBS TELEVISION NETWORK

Mr. MANSFIELD. Mr. President, last night one of the great journalists of this era, Mr. Walter Lippmann, was interviewed on the CBS television network by Mr. Howard K. Smith. I want to say, first, that the interview was brilliantly conducted by Mr. Smith. His thoughtful questions led Mr. Lippmann into an integrated and cohesive discussion of a wide range of issues which are of the greatest importance to the people of the United States and to the future of mankind.

Mr. Lippmann responded to these questions with complete candor and out of the immense fertility of a whole, rational, and highly informed intellect.

There was no sensationalism in this hour of interview, no clichés or pomposity or conceit; no fear of censure, no currying of favor. The whole interview, Mr. President, was an unfolding of the truth, as one very human, highly perceptive, and deeply experienced man sees the truth of our times and its implication. Because it was that, this interview merits the respect and the thoughtful consideration of the people of this Nation and other nations—nations allied, adverse, or indifferent.

I should like to read to the Senate, if I may, one statement made by Mr. Lippmann toward the conclusion of the broadcast, which I had the pleasure to listen to last night, in which he said:

I don't agree with the people who think that we have to go out and shed a little blood to prove we're virile men. We're not that kind of country. And then behind that all, lies a very personal and human feeling—that I don't think old men ought to promote wars for young men to fight. I don't like warlike old men. I think it's their business to try as best they can, by whatever wisdom they can find, to avert what would be an absolutely irreparable calamity for the world.

I ask unanimous consent that the full text of the interview be printed at this point in the RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

ANNOUNCER. Walter Lippmann is 71 years old. One year ago, America's most distinguished newspaperman, whose column appears in the New York Herald Tribune and more than 200 other newspapers, made his television debut in a 1-hour conversation on leadership. The Louisville Courier-Journal called it a television landmark, and many newspapers stated, editorially, that Lippmann should be an annual television event. In the past few months, Mr. Lippmann has had private conversations with Premier Khrushchev, President de Gaulle, Prime Minister Macmillan, and President Kennedy, and we at CBS Reports are delighted to welcome him back to what we hope has become a television tradition. Now, from Washington, here is Mr. Lippmann and CBS chief Washington correspondent, Howard K. Smith.

Mr. SMITH. In a column about a year ago, you said in regard to the qualities a good President should have, the first thing is his ability to see through to what is permanent and enduring. This second sight is the quality of a great leader. Do you think that Kennedy has that second sight?

Mr. LIPPMANN. I think he's capable of having it. And when—if we get into this more, perhaps we'll show where he showed some weaknesses in that respect. But I think it's too early to say that he has or hasn't got it.

Mr. SMITH. Well, what has President Kennedy demonstrated so far?

Mr. LIPPMANN. What he has done in the 4 or 5 months is, first, to put—is first of all, to carry on in all its essentials the Eisenhower economic philosophy and the Eisenhower international commitments, and never explaining to the country that those can be changed. It's like the Eisenhower administration 30 years younger. Well, that's the way he started, but, in the meantime, he really doesn't—that isn't the way he's going to go. He's been—not moving in a new direction but changing the direction in which he's going to move. Now, I think that in the next year he will make the great decision, whether he can afford to balance the budget in the Eisenhower sense and allow the economy to remain at a fairly quiet level; or whether he wants to give it a real push upward by tax reduction and measures like that. That's going to be decided in the coming months. And a weakness of Kennedy is that he never explained these things to the American people.

Mr. SMITH. Now, Mr. Nixon has said that, Senator FULBRIGHT has said that, and you have said that. Yet, he's one of our most—he's spoken more than Mr. Eisenhower did.

Mr. LIPPMANN. I know—but he hasn't explained. He has not explained them. He has not explained what his economic challenge is, and what it's going to require in the way of much stronger measures of—in regard to tax reduction—probably Government spending and credit action. He never explained why, if he wants to do all these things such as fight the cold war and win it, really outdo the Communists, it's got to be done at full blast to the American economy, with a production of $50 billion more than we produced this year. He needs that money to do that. That's never been ex-

plained to our people, so they have no sense of urgency. And he has never explained to them the very unpleasant fact which he didn't create—it's not his fault—that we have moral commitments and legal commitments around—mainly around the rim of Asia, which were built up before he took office and when we were the supreme military power in the world. And coming down from being supreme to being only equal is an awful wrench for every country, and it makes people frustrated and angry and they don't think it ought to be true, and so on, and it's a hard thing to swallow, but that's what he's going to have to do.

Mr. SMITH. Well, can you understand why he has not communicated? He's an extremely articulate President. He seems to know the value of television. He's made a great many speeches. Yet he doesn't seem to have got his case across and there's a great deal of confusion in America as to what we're about.

Mr. LIPPMANN. Well, I put it to this—that he's a very quick and intelligent man, himself. Reads very fast, understands very fast, and it bores him to explain things. He hasn't got the patience. He ought to have the patience that a teacher must have, who is willing to start where the pupil or the hearer is, and explain it step by step from what he—he tells them what it is at the end, and he likes to make decisions and announce them, but he doesn't explain them.

Mr. SMITH. Well, Mr. Lippmann, I'd like to ask you something that I think is basic. Is it possible that a free, loosejointed, easy-going society like the American democracy can compete with a tightly concentrated, tightly controlled, secret dictatorship like that of the Soviet Union and Red China?

Mr. LIPPMANN. Well, that's the dream of our age. That's the question, and that is why many of us think that the Kennedy administration has to get going and moving rapidly, or we won't be able to do it. I don't—I wouldn't like, for a moment, to underestimate how formidable this competition is and this threat. It's very formidable, and when you see people running around this country, and wanting to abolish the income tax and turn the Federal Government back into a confederation of States, you despair of the possibility of persuading them to do what we're going to have to do, and what we're going to have to do is going to take a lot of money, and it's going to take a very strong government.

Mr. SMITH. Well, if Mr. Kennedy set himself one main goal in the election campaign, it was to resurrect America's fallen prestige. Do you think that in his legislative program he is doing the right things necessary to that end?

Mr. LIPPMANN. He's—I don't believe he's really got started doing that, because he is not sure of himself. Because he's conscious of his small majority; because he's conscious that he hasn't got a really effective working majority in Congress for important measures, and because, I take it, that he judges that the mood of the country is not in favor of doing the things which would really create a new sense of prestige, because, in the last analysis, American prestige depends not on arms, although we must have arms. It depends on the example we set to the world, and if we set the example of a very brilliantly active economy and society, in which we were dealing with all our problems actively, our prestige would rise in the world.

Mr. SMITH. Well, in the President's speech the other night, the only thing that he appealed to the American people about, was to give support to his program for foreign aid. Now, judging from the mood on Capitol Hill, this is not a good year for foreign aid. Lots of previous supporters are criticizing it, and this is the year in which Laos, which we heavily aided, has gone over to the adversary, and which South Korea, which we aided even more heavily, has abandoned democracy. Is there a good case in favor of foreign aid that isn't being made?

Mr. LIPPMANN. I would say that the United States can no more refuse to contribute to foreign aid, in the world, than the richest man in town can refuse to contribute to the community chest. You just can't live in the world community—we couldn't live refusing to aid anybody. Now, the nature of the method of aiding is very debatable. And I hope and believe that—that there is a movement on foot to reform some of its worst abuses. It is true, as some of the liberal critics in the Congress have been saying, that a lot of this money, as in Laos, which is a peculiarly bad case of how the thing failed—a lot of this money simply enriched the upper class who exploited, who flaunted their riches all over, and increased the hatred of the poor for the rich. And that made them very fertile ground for Communist propaganda. In other places, we've undoubtedly spent much too much money on armies that have no military value whatsoever from the point of view of our interests, but are kept there, are paid for by us, in order to keep them loyal to the king or ruler of the country so they won't overthrow us. Those are great abuses. On the other hand, if we are not going—if the world isn't going to go into that landslide into communism, which Khrushchev predicts, there have to be anchor points in all the continents, which show that prosperity and a certain amount of social justice can be achieved by another way than the Communist way. And that means that you must focus your energy, your aid on key countries. Now, if you ask me what they are—the key country in Asia is India. If India can be made to work as a successful, democratic state, the influence of that will spread all over southeast Asia, no matter who takes over in Laos in the next few months, and all over Indonesia and all over. The key country in Latin America is not Cuba. It's Brazil. And I don't know—I would hesitate to say just which is the key country in Africa, but I imagine it might be Nigeria. And I think in those cases, we ought to focus our aid, not necessarily stopping this other aid, which is really a form of bribery to keep them quiet, but focus it and do enough to do it. There's no use building half a bridge across a river—you've got to build a whole bridge.

Mr. SMITH. Now, you've made that point about foreign aid very strongly, and what impresses me is that the President, in talking to the American people and calling on them for action, did not make it as strongly.

Mr. LIPPMANN. Well, I—you've just talked about the conclusion of the speech, which dealt with foreign aid. I would say that that showed some of his defects as a political leader. He talked to the American people as if they were suffering from some terrible burden in foreign aid where they are not suffering from any burden. He should have told them, considering how grim the outlook is, that that was the first installment, and a very small one, of what they're going to have to pay, and that they mustn't think that they can just cut it down and have everything just the way they like it in the world. One of the great difficulties he runs into is that, in the public mind, what's talked about is spending, and he doesn't want to be labeled a spender, and he's quite right. I mean that's political poison. But you see, the public mind, it's—they'll have to get over it and learn better. If, let's say, if a man borrows money from a bank to build a movie house, or a dance hall, that is investment. If the city spends money to build a schoolhouse, that's spending. And that's wicked. Now, actually, we're about the only government in the world that keeps its accounts in this way—the only government in the world that doesn't distinguish between public spending and public investment—and that has to be cleared up. I don't know how to do it, but I think——

Mr. SMITH. Well, as long as the President fears the label "spender" and doesn't explain it, won't we always remain with this?

Mr. LIPPMANN. That's true. That is undoubtedly true. And he is haunted by this thing that Eisenhower probably could have been elected this time if he'd run again. And that—that's what the country believes.

Mr. SMITH. Well, some people see our salvation is not in what we do, but what happens to the Communists. Now, Charles Bohlen, who's probably our outstanding Soviet expert in the State Department, made a speech a short while ago, in which he said that if we can just hold things for another 10 years, Russian communism may lose its aggressive revolutionary momentum the way Islam did in the Middle Ages, and we may be able, then, to get along with it. Do you find any consolation in that thought?

Mr. LIPPMANN. Well, I would think it was dangerous to find consolation in that thought. I hope that'll be true, but that is a little bit like Khrushchev's inevitability doctrine in reverse, and I don't think things are inevitable. I think men have to act to make the inevitable happen.

Mr. SMITH. Now, this is the second time you've met Khrushchev in Russia, and I think you've met him, here, in the United States as well. Could you give us an assessment of him? Could you measure him against some American public figure?

Mr. LIPPMANN. I've been asked that by a number of people, and the only trouble is that everybody—the man who he most reminds me of is not known well enough to people today—it's too long ago—but that was Gov. Alfred Smith of New York. They have these things in common. Smith had an enormous instinctive sense of what every man in his constituency—New York—New York City—was thinking. Khrushchev has that. He's got antennas all over the place. He has the capacity to talk to them, and Smith had, about the most difficult subjects, the economy, and how to do it, and make them think it's funny and interesting. Al Smith used to go down to the Bowery when he was Governor of New York, and make a speech explaining the budget of New York State, than which there couldn't be anything more uninteresting, and he'd have them in roars of laughter. Well, that—Khrushchev has that quality, and then he has—I think that is the key to Khrushchev—that he is a politician and he would have been a successful politician in any country. He's not like Stalin—a sort of oriental despot who works in the back with cloak and dagger. The President and he ought to come to some common feeling, because they're both politicians.

Mr. SMITH. Well, now they've met. Do you think that these two politicians did achieve some common feeling? It's hard to detect any from what the President said on television the other day.

Mr. LIPPMANN. I think the common feeling they've achieved is a realization of the terrible danger that they both run. If the—their differences are allowed to bring them to the point of up some deadend street, where there's no choice for one or the other, or both, except surrender or a suicidal war, that's the common thing they've got.

Mr. SMITH. Now the President, in his speech to the people, afterward said that the most somber aspect of the talks was the discussion about Germany and Berlin.

Mr. LIPPMANN. Oh, well, I think there's no doubt at all that the central problem is Germany and Berlin, and that all these other things they discussed—Laos and nuclear testing and disarmament, and the general movement of communism in the uncommitted lands, are all related to this central issue, which is the focus of the cold war. That's the focal point where, if there's going

to be a third world war, it will come. Khrushchev said, when I talked to him, he said, "I would agree to a united Germany if it were Communist." He said, "But you won't agree to that; and I won't agree to a united Germany if it has to give up communism and become like Adenauer's Germany. So, he said, "There's no possibility of uniting them." In fact, on that, there is a curious agreement between Khrushchev and De Gaulle, for instance. Khrushchev and Macmillan. We have always adhered to the idea that Germany ought eventually to be reunited. But we don't press it, because we know it's not practical. Now, at the same time, there are left in Berlin, in West Berlin, 2½ million Germans who are not Communists at all, who are very anti-Communist, whose sympathies, whose ties, whose economic connections, whose culture, whose everything is with the West, and who are democratic people; and we have an absolutely unquestioned obligation of honor, and to see that they are not crushed, or not enslaved, or not starved, or anything else.

Mr. SMITH. Well, could you summarize on the basis of your conversation with Khrushchev what he wants and what he would be willing to negotiate about regarding Berlin?

Mr. LIPPMANN. All I can tell you is that Khrushchev says he wants to negotiate. When it came to negotiations he might stall, as we've had—as we know from the experience with the nuclear test ban and everything else. But I would not pass up the chance to do that—if we can negotiate with the Soviet Union a new treaty which guarantees the future of Germany—of Berlin. It specifies what roads shall always be open to it—what airports—what harbors—what canals—all that spelled out in great detail and signed by the four powers who occupy Germany—by the two Germanys, and that's one of the rubs, because that's what the West Germans don't want—but signed by the East Germans. I don't think the thing would be good unless you got their signatures, and registered at the United Nations. Then, in addition to that, there will have to remain in Berlin for some time to come British, French, and American troops. He does demand that if American and French and British troops are to stay, then Russian troops should also be there, and that they all should be there in very small numbers. I mean they should be symbolic, which is after all, all they are anyway. And my own view is that the thing he wants more than anything else—and I'd like to tell you why he wants it, I think—he wants to give legal status to the East German state. He said to me, "I know you wouldn't recognize the East German state. That is, I mean, we wouldn't have an Ambassador from the East German state. We wouldn't send an Ambassador to it. But it would be allowed to sign the document, which would give it a certain recognition and it's what's called in diplomacy de facto recognition."

Mr. SMITH. Yes. Well, if what Mr. Rusk mentioned takes place, that is a crisis that is provoked in the summer or fall, and the Russians hand over control of our communications with Berlin to the East German puppets; what would you be in favor of doing?

Mr. LIPPMANN. Well, as I understood Khrushchev, separate peace treaty is a last resort. He doesn't want to do it. He said that half a dozen times—"I don't want the tension. I know it'll create tension. I want to avoid it. But in the last run, I've got to do it." And I'll tell you, if you like, later why he thinks he's got to do it.

Mr. SMITH. Could you tell me now?

Mr. LIPPMAN. Yes. I asked him—I had been asked to ask him by an American authority whom I won't identify, but a friend of mine. He said, "See if you can find out whether he wouldn't, at least, be willing to have a standstill—that is, leave everything where it is for, say, 5 years. In 5 years, we'd all be older and wiser and a lot of things can happen, and we've cooled off, and maybe then we can negotiate, but it's all very difficult to negotiate now—what with the German elections and all these things." Well, I tried that on him, and I said, "Why are you in such a hurry?" And he said, "I'm in a hurry because I want the frontiers of Germany, and the status of Berlin, and the demarcation line between the two German states settled in a treaty before"—and then he said, "before Hitler's generals in West Germany get the atomic bomb." And he said, "They're going to get it. They're already being trained how to use it. They haven't got the warheads, but they're going to get it, and they surely will get it in 4 or 5 years. And they'll get it from you, or they'll get it from the French, who'll be able to make them by that time. And if that comes, then the great danger for Europe exists, because either by their attacking East Germany and overrunning East Berlin—or the other way around, that the East Germans rise and they go to their defense—either way, there'll be nothing to stop it. Nobody will have any agreements. You won't intervene—and there we'll be with a very dangerous war on our hands. So, we must have a treaty first. And that is what I'm pressing for. But I want to get those frontiers fixed so that if either Germany moves, in a military sense, in the next 4 or 5 years, it will be the aggressor." Now, that's his argument and that's why he's in a hurry.

Mr. SMITH. Well, what's the next step? What do we do now?

Mr. LIPPMANN. Well, I think, of course, the next step is one which involves a change in our basic approach to the German problem. We have taken the line, conventionally, that everything in Berlin is as good as it could be from our point of view; that any change in the situation of Berlin would be for the worse. Therefore, we must stand firm and stand pat. That's Dr. Adenauer's view. Change nothing—fight—threaten to fight if anything is changed. Don't negotiate. It can't be negotiated. You'll only weaken it. Now, the other view, which is the one I share, is that the situation in Berlin is not good—that it's—Berlin is in a state of chronic crisis, which means on the Russian side, Soviet side, that any time that Khrushchev wants to put on a little pressure, he could just turn the screw a little bit in Berlin, and the whole world is focused on Berlin, while something's going on in Iran or Cuba or heaven knows where. That is very disadvantageous to the West. The other thing is that I don't believe the people of Berlin, West Berlin, or of Germany, believe the present situation is good, because the reason—because they come back to us every few months, and demand that we should again cross our hearts and swear that we will go to war for Berlin. And if they were sure of it—if they didn't think it was something that couldn't last forever, they wouldn't feel—wouldn't be doing that. I think our position should be not that any change in the guarantees of the rights of the people of Berlin is a defeat and a surrender, but that those guarantees should be improved, if it's possible to improve them. They're not very good today. We should say—we should take the position that the freedom of Berlin, in the sense of their ability to govern themselves, to live their own life, to keep their physical and economic and spiritual and political contacts with the Western World, cannot be touched. We won't negotiate about that, but the legal basis and the statutory rights that go with that are negotiable. They never were negotiated. The thing is all a blotter of catch-can—the things made by generals and various people, and we ought to say to the—I would like to see the position of saying to Khrushchev, "We don't like Berlin the way it is. We want to improve it, and if you can negotiate with us an improvement, we'll be very interested."

Mr. SMITH. Well, people who say that you can't reach an agreement with the Russians generally cite the fate of the nuclear test ban talks in Geneva. The President sounded very pessimistic about that. Khrushchev doesn't seem, now, to want any agreement on it. How do you explain that?

Mr. LIPPMANN. We talked quite a lot about the nuclear test, and my explanation will have to be my guess, but the fact is that he's clearly not terribly interested in it. Now, there are several possible explanations, and they may, all of them, be true. One is, part of the agreement would have to be that China would be included and he may not be able to deliver China. I think—I'm inclined to think that has a large—a good deal to do with it, because he talks about our not being able to deliver France. But I think that's his way of saying that he can't deliver China, because when he talked about France to me, he said, "Well, what's the good of an agreement if France doesn't sign it? She'll test for you. You'll just ask her to go and test them in the Sahara Desert." And I said, "And China will test for you." And he sort of looked slightly amused, because he likes to be challenged sometimes, and he said, "That's a fair question, but China isn't able to test yet." He thinks the weapons they've got are really good enough. And while we seem to be very interested in developing bigger weapons that weigh less, he has these enormous rockets. I don't think that's a practical problem for him.

Mr. SMITH. Well, I'd like to talk to you now about the latest Russian diplomatic creation, and that is what Mr. Mikoyan called the troika system of control. Well, that is that almost everything, nuclear test bans and the United Nations and everything else, be controlled by three people. One, a westerner, one a Communist, and one a neutral, and each of those has a veto. Now, if that is applied, wouldn't that stagnate all international activity?

Mr. LIPPMANN. Yes. It's a fairly recent dogma. Troika, you know, comes from a Russian thing where three horses pull a cart or a sleigh, and if one horse sits down and then the two can't move. I didn't speak to Mr. Khrushchev about this particular point, but I did to a very close adviser of his, a Soviet official. I said, "Why three?" He said, "Well, we really mean two." He said, "We really mean that everything must be done by agreement between the United States and the U.S.S.R. We brought in the third because they're there. They have no power, of course, but they're there and it looks better to include them."

Mr. SMITH. Well, does this not threaten the entire future of the United Nations?

Mr. LIPPMANN. Yes. The future of the United Nations is very much threatened by the fact that, although Mr. Hammarskjold has another 2 years, I think, he couldn't be reelected at present, and nobody else like him could be elected, and there's quite a good chance that if there is no understanding reached with the Russians on this point, which is—I wouldn't regard it as inflexible. It's negotiable, but I don't know how negotiable. There just won't be a Secretary General, and if there's no Secretary General, the U.N. will be reduced to a debating society, or the Security Council will meet, and—but it won't be able to order anything.

Mr. SMITH. Well, in addition to Russian intransigence, there's another change in the United Nations, and that is the admission of a very great number of brandnew nations, the leaders of many of which have shown themselves to be not very responsible and to be highly volatile. Isn't it dangerous for the United States to leave our fate to be decided by a body in which these people have the balance of power?

Mr. LIPPMANN. You know, Khrushchev pointed that out to me, and he said, "Now you don't want a veto, because you still think you have a majority, and you can elect the Secretary General, and so on, and you'll—it'll be all favorable to you, but pretty soon you won't be able to elect a majority, and then you'll wish you had a veto. So, in the end, you're going to want just what we want.

ANNOUNCER. "CBS Reports"—"Lippmann 1961." Here is Howard K. Smith.

Mr. SMITH. Well, Mr. Lippmann, we haven't talked yet about NATO. Now, in a recent column, you said that the basis for our difficulties with De Gaulle is the fact that he does not believe that America can be depended upon as a protector of Western Europe.

Mr. LIPPMANN. His view is that modern and nuclear weapons are so destructive that it's suicide even for the biggest country to be attacked. Therefore, no country will risk being attacked for any other country. There'd always be the hope, well, I will stay out of this and let it go by me. Therefore, he says, the old idea of NATO, which was born before the nuclear weapons, before both sides had nuclear weapons, while we alone had it, is out of date. It cannot be depended upon. Now, the situation is such that if—which I don't think is likely at all—but if the Soviets were going to use a nuclear weapon, they would have to strike the United States first, and then they might strike other points in Europe, where there are American nuclear bases. And he doesn't want France to be in the line of fire. He also wants to have France able, on its own, to be sufficiently dangerous—too hot to handle is really the De Gaulle policy for France. Where our hope with De Gaulle lies is in finding a way to agree with him on the fact that nothing great in the world, nothing that might involve nuclear weapons, shall be done without full consultation in advance. That's what he wants. He's afraid that we won't protect him. He is also afraid that we'll start a war in which he'll be involved. And I'm sorry to say, or maybe I should—anyway, it is a fact that he has not got a high opinion of American military leadership or political leadership.

Mr. SMITH. Well, now, I wonder if Mr. De Gaulle's appraisal of American leadership is changed since he met President Kennedy. I noticed that in one of his toasts at a dinner he said, "I now have more confidence in your country."

Mr. LIPPMANN. Well, I think that there was a—I think President Kennedy made a strong personal impression on him as certainly General de Gaulle made on the President, and the personal relationship of those two men is better than the personal relationship between any head of the French Government and the American Government has been, I would say, since before World War II. I would say that the utmost that anyone can say, with any reasonable certainty, is that he feels that in President Kennedy he has a man who is capable of understanding his military views. I think he felt, beforehand, that he was up against a stone wall, and wouldn't be listened to.

Mr. SMITH. Now, the most mysterious of all the events that have happened is the Cuban debacle. Now, how could a decision like that go through our best military minds, and be okayed by the Chiefs of our Intelligence—be okayed by the brilliant men who surround Kennedy in the White House and the experts in the State Department, and get past the President, himself? That's still a mystery to me.

Mr. LIPPMANN. I think the answer you come to is that the advice to go ahead, the green light for doing it, or the energy demanding that we go ahead, all came from senior advisers. The junior advisers, the men who've come to Washington with Kennedy, were not strong enough, perhaps not wise enough, all of them, although some may have been, to tell the President to overrule people with such eminence as the people who advised him to do it. I think, there, he didn't feel that he knew enough to overrule the CIA—the Chiefs of Staff—what there was of the State Department, and so on.

Mr. SMITH. Well, I suppose when you think that Abraham Lincoln, perhaps our greatest President, took almost 2 years before he dared to fire his general, whom he thought was not doing his duty, then Kennedy's behavior is quite understandable.

Mr. LIPPMANN. I think that he's a man who can learn. I think he'd learned that more than any other thing from Cuba.

Mr. SMITH. Well, just after the Cuban fiasco, President Kennedy paid a visit to General MacArthur, and General MacArthur is said to have told the President, "A lot of chickens are coming home to roost and you're in the chicken coop." Do you believe it's true that most of these problems were situations the President inherited and has not had time, really, to correct or to change?

Mr. LIPPMANN. Laos is an inheritance. We got into that. If we mismanaged it, which I think we did, the consequences have come now. That's certainly not Kennedy's fault. If he's to be criticized about that, he can be criticized either one way or the other—either by the people who think we should go to war about Laos, or by the people who say that he should never have promised to defend it. Cuba is a—was a wrong and a foolish thing to do. It was wrong in itself. It was foolishly handled. If it had succeeded, it probably would have been worse than if—since it failed, because if it had succeeded, the utmost that was hoped for was that they'd get these 1,400 men ashore and that they'd be able to stay there. Then, we'd have had a civil war which might have dragged on for weeks and weeks, with everybody getting involved in it, and no end to it.

Mr. SMITH. Well, now, what should we do about Cuba and Castro?

Mr. LIPPMANN. The thing that put Castro over all in right perspective was a thing that Senator FULBRIGHT said in the private discussions beforehand, which is that Castro is a thorn in our flesh but he's not a dagger in our hearts. The question is, Is Cuba a military threat to the United States in view of the fact that it is so closely connected with the Soviet Union? I would say to that, that if it were, and I would call the establishment of a missile base or a submarine base, in Cuba, as marking a threat. I think we must keep the thing under really close watch, and it's perfectly easy to do. It's only fair to say, there, that up to this point, there is no evidence of any Soviet military base in Cuba. Mr. Allen Dulles told me, himself, not long ago, that in the invasion there were no Russian planes; that those planes that Castro used were old American planes. There is not a sign of a missile base, and of course, it stands to reason they can shoot missiles from Siberia to the moon, why should they shoot them 90—why should they come 90 miles away? Anyway, we'd match that. The next danger of Castro is that, through his embassies in Latin America, there is a funnel through which propaganda agents—propaganda and agents and money gotten from the Soviet Union or China, or somewhere, can be pushed into these various countries of South America, and the subversive propaganda supported. That is a problem about which we can't do anything. We can't break up the relations between, let's say, Brazil and Cuba. That's up to Brazil. But there's nothing to prevent us from watching it. Our counter-intelligence ought to be good enough to detect a good deal of it, and we ought to keep on supplying the evidence to these governments of what's happening. But the biggest danger of Castro is the one—much the biggest—bigger than all these others, is that he might succeed in Cuba, in solving problems which have not yet been solved in a great many South American—Latin American countries. That's where we have to compete with him. If he can succeed there and our friends and other Latin Americans fail, then his example is far more dangerous than anything he himself can do.

Mr. SMITH. Do you think we're on the right path toward meeting that threat?

Mr. LIPPMANN. I think we are. I think that President Kennedy's alliance for progress, as he calls it, a rather fancy name for helping, is basically right.

Mr. SMITH. Well, now, the statements of most politicians come back to haunt them later, and in Kennedy's case, many have come back very quickly. He was opposed to summit diplomacy very strongly before he was President. He was opposed to itinerant diplomacy. and yet his own men have been traveling quite a bit lately. He spoke extremely firmly about us taking a stand on Laos, which we did not take, and, in fact, on Cuba. Does this indicate a quality of impulsiveness or is it standard for political statements and political behavior?

Mr. LIPPMANN. Well, you take them in order. On the traveling, except for a day or two in Canada, which you really can't call traveling, they're our close neighbors. This is the trip that he made in June to Paris and Vienna and London—really his first trip out of the country. When you come to Dean Rusk, Secretary Rusk, there's a wholly different tale to be told, and that is a long story, I think.

Mr. SMITH. Rusk has traveled more in the same period of time, I gather, than John Foster Dulles did?

Mr. LIPPMANN. Yes. Now, the trouble with being a traveling diplomat, if you're Secretary of State, is that somebody else has to run the State Department. And he isn't such a wonderful diplomat that he, alone, can do these things. So, I think he's lost the best of both worlds, so to speak. Now, in the case of John Foster Dulles—he traveled and he didn't pay attention to the Secretary—the State Department. He paid very little attention to it, and he let it go its own way, and he didn't give it any power. But then, he—the reason he did that was that he had another foreign service which operated for him, and that was his brother's Central Intelligence—CIA.

Mr. SMITH. Well, what about the CIA? Can a democracy operate an effective intelligence and espionage service?

Mr. LIPPMANN. Well, Central Intelligence, you know, is a great, big grab bag of all kinds of things, and, in general, I would say absolutely indispensable to have intelligence agencies—and it has to do—it has to spy—it has to counterspy, which is just almost as important as spying. It has to do a lot of operations which wouldn't look very well in print, but which every country does, such as occasionally slipping something to a politician in a very backward country, or helping an editor who'll change his mind in a backward country. And it's all very immoral, but there's no use pretending that it isn't going to be done. The trouble with CIA has been, I think—I should have said one thing is very doubtful—whether it should ever mount expeditions like the Cuban expedition, that's so big you can't keep it secret, and, therefore, it's bound to fail. But really secret things are an inevitable part of government. What they did in the CIA was to take all these tihngs and put them in one thing—everything focused on the head of one man, who never knew whether he was trying to tell the President what was the truth about something or other, or what ought to be done, and there ought to be no connection between the two.

Mr. SMITH. Well, just after the Cuban debacle, you said that the Joint Chiefs and

the head of the CIA had to go. Do you still feel that way?

Mr. LIPPMANN. I do. I think it's going to be done, too—I hope with as little bloodshed as possible—but I think the CIA, itself, may disappear and be dissolved into its parts taken over in different directions.

Mr. SMITH. Well, in all these setbacks in which the CIA has been involved, the President, in a speech, has implied, and many of his aides have said, quite frankly to us reporters, in private, that they consider the press to be a limitation on our effectiveness in carrying out policy—a free press unrestrained. What do you think about that? Do you agree with that?

Mr. LIPPMANN. They're very confused about all that. I think, in some ways, the press—there are some things the press might do better or differently or not at all than it does. But what they were complaining about was something that they have—there's no criticism being made of it; namely, that the Cuban expedition was—that the news of that was published to the world before it happened. I consider it the duty of the press to expose that kind of thing to the light of day, because I don't think a democracy like this should have secret training camps and secret armies and secret navies in foreign countries—all in violation of its treaties and its own laws.

Mr. SMITH. You once said that one of the proudest achievements of your career was that you once exposed an incident like that. Could you tell me what that was?

Mr. LIPPMANN. Well, that was many years ago when there was a grave threat of the invasion of Mexico; yes, in the twenties.

Mr. SMITH. And what did you do?

Mr. LIPPMANN. Well, I was editor of the New York World, and we shrieked and howled about it much more than anybody has done about Cuba, and I think we had some effect. I think we had the effect of stopping it.

Mr. SMITH. Well, to me, the chief paradox of the time we live in is that most of the resources and the skills and the wealth of the world are with the Western nations; yet, the Communist nations appear to be winning the competition we call the cold war. How do you explain that?

Mr. LIPPMANN. I think that's an exaggeration, really, and somewhat of an optical illusion. They are winning it in the most backward and reactionary places, but I don't consider that they're winning it in—they are not winning it in Europe. In spite of Castro, I don't believe they're going to win it in Brazil, which is going to be determined more than anything else by what happens in South America. They haven't won it in Mexico. I think that one—they haven't won it in Japan. The fact that the Japanese are not—don't love Americans doesn't mean that they're Communists.

Mr. SMITH. Well, the one question on which Khrushchev and the President seemed less pessimistic than on other questions was on Laos. Yet, recent events don't seem to have borne out that relative optimism. What do you think about that?

Mr. LIPPMANN. I think the answer is that Laos is not a primary vital interest to the Soviet Union. Khrushchev regards it as quite secondary, and it's not a primary interest to the United States either. It's a country which is remote, very difficult to get at, very unsuited to American military type of American power—military power. There are no roads in it, no ports, no airfields, and I think that it's a wise thing for a country to measure its—to tailor its policy to its military powers.

Mr. SMITH. Well, do you believe in what's called the Domino theory, and that is that if we lose Laos, then we'll lose Thailand, and so on, until we've lost all southeast Asia because of this one country?

Mr. LIPPMANN. I remember the Domino theory first was brought up in the Middle East, and I remember when people said Nasser made a deal with the Soviets about arms, and they said, "Ah, Egypt's gone"—then Syria was gone, and then Iraq. None of them is gone, and I don't consider Laos gone. Laos is not going to be what we rather foolishly, I think, 2 or 3 years ago, tried to make it—an American satellite, whatever you like to call it. I mean, putting in a government that suited us—and that is not possible.

Mr. SMITH. Well, Mr. Lippmann, in the course of our long conversation in which we've ranged over many subjects, you have been opposed to taking action, military, forceful action in Laos, or unilateral action in Cuba. You have said you're in favor of negotiations over Berlin, which may involve making concessions to the Russians over Berlin. What would be your answer to those who would say that this is a policy of appeasement?

Mr. LIPPMANN. My answer to that would be that you can't decide these questions of life and death for the world by epithets like appeasement. Furthermore, I think the reasons for doing what I advocate are based on the soundest, strategical principle, and that is this: The Soviet Union is not engaged in any of these places. It hasn't sent its troops anywhere. As long as it isn't engaged, we mustn't be engaged. We must always keep the central power, which is the ultimate deterrent to the future—to war by the Soviet Union intact, as long as they're intact, but if we get ourselves involved in a Korean war in Indochina, and all our reserves begin flowing that way, or get ourselves involved in a thing we can't finish in Cuba, because the guerrilla war may go on forever, then we will weaken ourselves for what is really the issue, which is to keep the balance of power between ourselves and the Soviet Union intact, and that's the principle on which—that's the principle I have in the back of my mind in taking a position about not intervening in Laos, for example. I don't agree with the people who think that we have to go out and shed a little blood to prove we're virile men. This is too serious a business for that kind of thinking, and in regard to Cuba, my feeling was not only that, but also that we had no—it was illegal for us to do it, and we cannot go into the business of violating treaties. We're not that kind of country. And then behind that all lies a very personal and human feeling—that I don't think old men ought to promote wars for young men to fight. I don't like warlike old men. I think it's their business to try as best they can, by whatever wisdom they can find, to avert what would be an absolutely irreparable calamity for the world.

THE TWENTY-FIFTH ANNIVERSARY OF THE RANDOLPH-SHEPPARD ACT

Mr. MANSFIELD. Mr. President, this day marks the 25th anniversary of the enactment of Public Law 732, known as the Randolph-Sheppard Act, passed by the 74th Congress. There have been many similar anniversaries of legislation passed by the Congress of the United States, but this particular one is of significant importance and merits our attention today. At the same time we pay tribute to a distinguished colleague under whose guidance, 25 years ago, this particular legislation was enacted. I refer to the distinguished senior Senator from West Virginia [Mr. RANDOLPH], who was at that time a Member of the House of Representatives. The late Senator Morris Sheppard, who cosponsored the legislation in the Senate, realized with great satisfaction that he had participated in one of the most humanitarian pieces of legislation ever enacted by Congress.

The purpose of the Randolph-Sheppard Act is to provide blind persons with remunerative employment, to enlarge their economic opportunities, and thereby to stimulate them to greater efforts in order that they might become self-supporting. In accomplishing this objective, the law grants the privilege to blind persons to operate vending stands on Federal properties. Surveys of non-Federal buildings are made to find similar opportunities for blind persons. The Federal department which administers the act has authority to make surveys of industrial plants, with the cooperation of State vocational rehabilitation officers, in an attempt to find industrial processes which blind persons can perform on a par with sighted persons.

During these past 25 years many thousands of blind persons have been made self-sufficient under the provisions of the Randolph-Sheppard Act. Their outstanding performance in industrial occupations has been an inspiration to their fellow employees and an object lesson to their employers. When this country was plunged into World War II, the results of industrial surveys made possible by this legislation were made known to the Federal and State agencies in charge of manpower, and capable blind persons took their places alongside of their sighted coworkers in industrial plants from coast to coast. Studies made of the work record of these blind employees reveal that their production rate was as high as that of their sighted fellow workers. Their industrial accident experience was much lower than that of sighted workers. This was largely due to the fact that their industrial placement was carefully selected by trained placement officers plus the fact that blind workers are not easily distracted as is the case of sighted workers. Blind workers today are contributing to the national defense effort by their outstanding work in many of our large industrial plants.

The vending stand provision of the Randolph-Sheppard Act has also been a tremendous success for our blind citizens. The records of the Office of Vocational Rehabilitation of the Department of Health, Education, and Wefare, which administers the Randolph-Sheppard Act, reveal the success of this encouraging vending stand program. During the fiscal year ending June 30, 1960, there were 2,078 vending stands in Federal and non-Federal buildings operated by 2,216 blind persons whose annual gross sales amounted to $38,219,340 with net profits to the operators of $7,541,304. These figures grow with each passing year and this fact alone is proof of the practicability of the vending stand program for blind persons.

With respect to the importance of this legislation to blind persons, I quote from a statement made by Mr. Hulen C. Walker, executive director of the Amer-

ican Association of Workers for the Blind, who said:

Two of the most important milestones affecting the lives of blind persons have been the invention of braille by Louis Braille of France in 1829 and the passage of the Randolph-Sheppard Act by the Congress of the United States in 1936. The braille system was truly the beacon of light which enabled the blind to be removed from an existence of total darkness into an enlightened world of literature and learning. The Randolph-Sheppard Act has brought about universal recognition of the capabilities of blind persons to earn a living for themselves and for their dependents and thereby are enabled to live normal and useful lives in their respective communities.

The Members of Congress today are proud to take cognizance of the importance of the Randolph-Sheppard Act and we congratulate the Federal and State Government departments and their staffs for having done an excellent job in the administration of this legislation which has meant so much to many thousands of our blind citizens who are the beneficiaries of this program.

WHAT GOES UP

Mr. KEATING. Mr. President, the new administration has officially requested a $5 billion increase in the ceiling on our national debt.

President Kennedy's projected budget for the coming fiscal year is already out of balance by more than $5 billion. At present, the national debt ceiling is somewhere around $293 billion, while our total debt is about $290 billion. This $5 billion deficit plus the $3 billion leeway presently available does not, I hope, indicate that we face a budgetary deficit approaching the combined total of the two—$8 billion.

The inflationary consequences of a $5 to $8 billion deficit are serious indeed. If in good times—and our economy is presently on the upgrade—we cannot maintain a balanced Federal budget, then we are in for real trouble.

Mr. President, permit me to make a scientific observation. Our Federal debt clearly illustrates the fallacy of Newton's law that what goes up must come down. Perhaps we should have a Federal fiscal corollary to Newton's law; what goes up will more likely than not keep going up.

THE COMMUNIST PATTERN IN CUBA: A REIGN BY TERROR AND TONGUE

Mr. KEATING. Mr. President, this morning the fourth and last article in a series on Castro's Communist rule appeared in the New York Times. The articles, by R. Hart Phillips, the first of which I inserted in the RECORD on Monday, demonstrate that the typical pattern of communism, which we have seen in Russia and Red China, is being ruthlessly practiced by the Cuban dictator. Castro is choking out the heartbeat of democracy among the peoples of Cuba, for whom the United States has long had a warm regard.

Day and night Castro floods the Cuban people, whom he has cut off from every other source of information, with his lies and Communist propaganda. In this attempted indoctrination, he has followed the traditional Communist pattern of a supposed threat of constant aggression from the outside, which he creates by inciting and inflaming mobs into a white heat of hatred against the United States. Exploiting this supposed threat, he has terrorized and repressed any protesting voices of Cuban patriots.

Castro shows his inhumanity and demagogic love of power by following the Communist pattern of developing the state's power through arms and heavy machinery. He completely ignores the Cuban people's desire and need for consumer goods. Under Castro's dictatorial rule, the Cuban people must depend upon him for jobs, housing, food, clothing, education, pensions, information, entertainment and recreation. Castro, of course, promised sugar pie, but he is giving them vinegar. His great national promises are sweet, but his gross national product is turning sour.

The third pattern of communism which Castro is following down the line is that of establishing his iron-ruled Cuba as a central base for Communist propaganda, infiltration, subversion and interference in peace-loving Latin American States. His diplomatic corps, his propaganda machines, and any other instruments Castro can find, are promoting Castro-type revolutions throughout South America. What Russia had done to Eastern Europe, what Red China is trying to do in Laos and other Asian nations, Castro is attempting from his home base of Cuba.

The New York Times articles supplement the very valuable testimony of former Ambassador Robert C. Hill, which the Senate Internal Security Subcommittee heard Monday. Ambassador Hill, a man with long experience in Latin American affairs, testified that Castro's dictatorial regime has been Communist from the start, using a corps of technicians from Peiping and Moscow, even in 1959. As Mrs. Phillips states in her second article, Castro's present propaganda agency, Prensa Latina, is allied with Tass, the Soviet instrument of distortion, and Hsinhua, the Chinese Communist agency of propaganda.

Ambassador Hill urged the adoption of a complete air and sea embargo to be imposed on Cuba by the Organization of American States, a move which I proposed several months ago in this body. As the former Ambassador to Mexico, Costa Rica, and El Salvador stated, the shipments of Red arms to Cuba are in violation of numerous treaties. Mrs. Phillips' third article reveals that Che Guevara told the people in a speech that, actually, Cuba had no reserves. Today's article states that "A total embargo would certainly create greater dissatisfaction in Cuba," and, as Ambassador Hill stated Monday, cutting off the resources of U.S. dollars to Castro would be very effective.

Mr. President, I ask unanimous consent to have printed following my remarks the last three New York Times articles, which are excellent analyses of Castro's totalitarian regime.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, June 13, 1961]

CASTRO CONTROLS CUBANS BY HIS ORATORY AND ARMS

(Second of four articles)

(By R. Hart Phillips)

Premier Fidel Castro rules Cuba today by the magic of his voice and the power of the rifle. "If Fidel should lose his voice he would be overthrown in 2 months," one Cuban remarked bitterly after having listened to the Premier whip an audience of thousands to a fever pitch of loyalty to him and hatred of the United States.

Until a few weeks ago, Premier Castro spoke every 10 days or 2 weeks over a nationwide radio and television network. Now, as opposition rises against him, he speaks as often as three times a week.

The Premier once conceded that if he did not speak frequently the people became "confused" and lost some of their enthusiasm for the aims and sacrifices of his revolution.

Indoctrination is the daily diet of the Cubans. It follows closely the line set by the Premier. Day after day excerpts from his speeches are broadcast over the Government radio stations to inspire more patriotic fervor and more hatred against the United States.

WORKER IS SPURRED

The average Cuban worker awakens in the morning to hear the Government station of his choice urging him to produce more and to defend the revolution from a certain future attack by the United States. He is encouraged by being told of the arrival of shipments of merchandise from the Soviet Union, Communist China or other Communist countries and of their great and disinterested friendship for Cuba.

Interspersed with this news are pledges of support from groups of workers, students, and peasants in other Latin American countries and from similar groups in the Communist countries.

The worker also hears some current report about the "criminal discrimination" against Negroes in the United States, the unemployment situation in this country and Washington's latest "aggression" against Cuba.

The worker must listen for announcements of labor meetings or calls by his militia unit to be present at indoctrination assemblies or for special duty. These are broadcast daily.

Later the worker buys a copy of Revolución, the official organ of Premier Castro's 26th of July movement, or of El Mundo, also a Government-owned newspaper, or Hoy, the official Communist Party newspaper. In these, he finds the same news he has heard over the radio, except in greater detail.

His knowledge of events abroad is limited to the slanted dispatches of Prensa Latina, the propaganda press agency established by Premier Castro many months ago. Prensa Latina, which is allied with Tass, the Soviet press agency, and Hsinhua, the Chinese Communist agency, now operates throughout the world.

During the working day, which is believed to have been increased from 8 hours to about 10 since most workers have volunteered to work extra hours for the revolution, the worker maintains the proper attitude of enthusiasm for the present and future activities of the Government. He usually wears his militia uniform to work and after the working day ends he goes on guard duty at his own plant or at some other nationalized enterprise. If he does not go on guard duty, he may be assigned to supplement the police on patrol.

If there is a big labor rally, he marches from the plant to the appointed place and

cheers frenzied orators for several hours before he goes home to sleep the few remaining hours of the night.

Meanwhile, his wife, if she is not a member of the militia with an assignment, is attending a meeting of the national woman's organization or perhaps a meeting of the neighborhood Committee for Defense of the Revolution, which spies on its neighbors and does volunteer indoctrination work.

Or she may be teaching a group of illiterates as part of the year of education program for which so many women have volunteered.

SOMETHING FOR THE CHILDREN

The worker's children, dressed in the uniform of the Rebel Youth or some other revolutionary organization, usually are somewhere participating in the activities of such organizations.

Any television program the family may see is filled with indoctrination and praise of the Cuban revolution, whether it is an interview with some foreign visitor, a panel discussion, a speech by some official, a soap opera or a film. When this correspondent left Havana the public was being urged daily by television to read a book on Marxist doctrine just published by the National Printing Shop.

The indoctrination program of the Castro government has four aims:

First, to convince the Cuban people that the United States is the greatest enemy of Cuba and of all the "humble" of the world.

Second, to persuade them that the Communist system is the only hope for world peace and prosperity.

Third, to make them believe they are much better off and happier than previously.

Fourth, to destroy the influence of the Roman Catholic Church.

Every possible medium is utilized in this program and there is no disagreement among Cubans that it is being carried out with expertness and efficiency. With the Government operating the radio and television stations, printing the newspapers and thousands of books at cheap prices, directing all cultural and sports activities, cutting off the people from their former contact with the capitalist countries, which are constantly attacked, the campaign is having an effect.

INSTITUTE OF FRIENDSHIP

An important organ in Premier Castro's campaign for worldwide support of his revolution is the Institute of Friendship, which was established several months ago.

The institute acts as the liaison between foreign visitors and the Government. It also is taking charge of invitations to foreign officials and delegations of students, workers, professional persons, and others.

Moreover, the institute works closely with foreign correspondents. Visiting correspondents from the Communist countries are invited on tours, lavishly entertained, featured on television and radio programs, and interviewed by the local press.

Newsmen from neutral countries, and Britain, France, and other Western countries are welcomed and cooperation is extended. However, a West German correspondent said recently that once the institute had established that she was not from East Germany she had been treated coldly and had not been invited anywhere.

Most visiting correspondents are shown cooperatives, state farms, housing projects, new hospitals, and schools—in general, the best examples the Government has to offer.

For many months the favorite cooperative to be shown to visitors has been what is known as the Sainz Bros. tobacco plantation in Pinar del Rio Province.

Several hundred workers on the plantation, which was owned by an official of the Batista regime, once lived in small, insanitary huts. Now they live in houses built into a small town around a school and a Government store. The homes are painted in pastel shades and have modern plumbing and electricity.

The workers are happy and the cooperative, which is in Cuba's finest tobacco district, is thriving.

During visits under Government supervision to areas such as this, the visiting correspondent is unlikely to meet anyone who is critical of the regime. Moreover, Dr. Castro's declaration that anyone who speaks critically of his government is a counterrevolutionary has effectively silenced the usually talkative Cubans.

The fact that a foreign correspondent finds no overt opposition to the Government often leads him to believe Dr. Castro's contention that the regime is supported by all the Cuban people.

DIRECTED AT YOUTH

The Premier has directed his greatest indoctrination effort toward the youth. Education has become synonymous with indoctrination.

This year has been named by the Premier, an avid phrasemaker, as the "Year of Education," during which illiteracy is to be wiped out. This commendable project has opened a new channel to the minds of the Cuban youth and the masses.

The idea of a youthful "Army of Education," which was put forward several months ago by the Premier, caught the imagination of the children and teenagers, already fired by the desire to emulate the tall, bearded revolutionary hero, who has turned the island into an armed camp. The Premier set the number of this army at 100,000.

Children from the sixth grade through high school who were called by the Premier jubilantly joined the "Army of Education" despite the protests of the majority of their parents. Schools were closed in April and will not be opened until next January.

The selected boys and girls are being organized into uniformed brigades and given special courses of indoctrination that they are to pass on to the peasants whom they teach to read and write. The primer to be used in teaching the peasants and the teachers' manual are masterpieces of indoctrination. It is almost certain that the peasant will be imbued with the prescribed Socialist ideas and hatred of the United States as he learns his letters.

INDOCTRINATE OR LIQUIDATE

The Premier takes the position that those Cubans who cannot be indoctrinated into becoming his enthusiastic followers must be dealt with severely. He has repeatedly declared that every person who does not support his revolution is a counterrevolutionary.

This motivated his recent order that foreign-born Catholic priests be expelled. These priests, the Premier contended, were "poisoning the minds of the Cuban youth against the revolution." Yet the Premier has carefully refrained from attacking the Catholic Church itself. It is the "Fascist priests in the pay of the imperialistic United States" who are the target.

Last year faithful Castro followers established a religious organization known as "With the Cross and With the Fatherland." Although not recognized by the Catholic Church, this organization frequently holds masses. The few priests who participate in these religious rites are stanch supporters of the revolution.

Last Mothers' Day, just after the foreign priests were ordered to leave the island, the Government brought 10,000 peasant mothers to Havana to participate in a special observance of that day. A mass was held in the big Plaza Civica at which the Reverand Guillermo Sardinas, a major in the Cuban Army, officiated. Father Sardinas spent a year and a half with Dr. Castro's rebel troops during the 2-year revolution that overthrew the regime of Fulgencio Batista. He is the only priest who wears an olive green robe, the same color as the army uniform. He also wears the insignia of his rank on the shoulder of the robe.

RITES ARE BROADCAST

Although there were only a few churches in which mass was celebrated that Sunday, the Plaza Civica rites were broadcast over a nationwide television and radio network to demonstrate that the anger of the Castro regime was directed against the priests and not against the Catholic religion. A revolutionary aspect was given to the mass by the singing of the national anthem and the "26th of July Movement's March."

Harsh repressive measures are used by the Premier against his enemies. They are kept under surveillance by the Committees for Defense of the Revolution, which are composed of voluntary spies for the Government. According to the Government radio, there are thousands of these committees. But when this correspondent left Cuba the radios were calling for 500,000 more volunteers to establish additional committees.

The thousands of army intelligence men, policemen, and militia continually make arrests. Whenever a person disappears his relatives first look for him in one of the prisons. This is highly difficult because most of the time information as to the whereabouts of the prisoner is refused. There is no habeas corpus procedure.

The prisoners are held for days without questioning and without knowing the crime with which they are charged. Many times they are released without explanation only to be arrested again later.

The sanitary conditions of the prisons are deplorable and the food served is highly deficient. Medical attention is almost nonexistent. Protests presented months ago by the relatives of prisoners through the International Red Cross and the United Nations Committee on Human Rights have apparently been ignored. The Castro regime is said to have rejected a Red Cross request for permission to inspect the prisons.

Military courts continue to function and death sentences are imposed for crimes of terrorism and sabotage. Once an individual is brought before one of these courts his chances of acquittal are slight.

Most wealthy Cubans have long since fled from the island as have thousands of middle-class property owners. Those who remain are reduced in many cases to dire poverty.

Most middle-class Cubans have only one thought—to escape from the island. However, this is impossible in most cases.

Many of them have become hopeless and bitter. "Give Castro 2 more years in power," one Cuban said, "and Cuba will be Communist forever."

[From the New York Times, June 15, 1961]

CUBANS GRUMBLE OVER SHORTAGES—REDS SEND HEAVY GOODS, BUT FEW CONSUMER ITEMS

(By R. Hart Phillips)

(Third of four articles)

The owner of a tiny roadside stand selling coffee at 3 cents a cup and a few groceries in Camaguey Province recently leaned against the counter and spoke sadly to his lone customer.

"Yankee imperialism may be a bad thing but when we had Yankee imperialism I had plenty of things to sell," he said, gesturing toward his empty shelves. "Now I have nothing to sell and I can't make a living."

This is the greatest problem of Premier Fidel Castro's Socialist state today. Con-

sumer goods are becoming scarcer as the months go by.

Big freighters steam into Cuban harbors bringing steel plates, prefabricated factories, tractors and trucks, and tankers unload millions of gallons of petroleum—all from the Soviet Union and other Communist countries. But food, clothing, household appliances and all the other everyday items to which the Cubans have become accustomed over the years do not arrive.

RICE FROM RED CHINA

When this correspondent left Havana recently, the groceries had bags of rice from Communist China, canned lobster and beef from the Soviet Union, at high prices, and strawberry jam from Poland. But there was no cheese or butter, no breakfast food, no peanut cooking oil, no fish, fresh lobsters or pork.

For the first time since the Castro regime came to power, housewives were forced to stand in line to buy beef.

The items becoming more and more scarce included milk, eggs, chickens, beans, flour, salt, drugs, cosmetics, toilet paper, razor blades, writing paper and pencils, erasers, textiles, pots and pans and cutlery. Suddenly, several weeks ago, there was no beer. The people were stunned. "But there has to be, we've always had beer," one workman protested.

The most frequent phrase heard in all commercial establishments in Cuba is the terse "no hay," meaning "there is none." A former President of Cuba discussing the Cuban situation with a reporter recently was asked if he thought Premier Castro would be overthrown. "He might be—by no hay," the old man said whimsically.

The Cuban Government is the sole importer and exporter. All the former privately owned industries and commercial enterprises are owned and operated by the Government. It is the producer of agricultural products, the operator of all transportation and communications, the owner of all city property and most of the land on the island. In other words, most of the Cuban people must depend on the Government for food, clothing, employment, education, entertainment and information, pensions and recreation.

PRICES ARE FIXED

There are still many small merchants, particularly in the towns, but these merchants must buy from the Government at fixed prices, sell at fixed profits, pay their employees as directed by the Government and open and close their establishments as ordered. Most of these merchants are Spaniards and they are a sad, frustrated group.

How long this last stronghold of private enterprise will remain is problematical. Premier Castro has already promised the people he will eliminate the "intermediaries," who, he said, are to be blamed for the high prices in Cuba.

The Castro regime's attempt to increase greatly the production of food and manufactured articles has met with no notable success. Despite the Government's optimistic statements, reports from the interior indicate that there has been little increase.

Premier Castro even conceded recently that the program to raise hogs for food and lard had failed, but he assured the people that steps had been taken to reorganize the effort and to produce a quantity of vegetable cooking oils. Meanwhile, millions of pounds of lard are still being imported from the United States. The American embargo against exports to Cuba does not affect food or medicine, but Cuba's lack of dollars holds imports of these to a minimum.

U.S. CONTINUES PURCHASES

Nevertheless, the United States is still buying between $70 million and $80 million worth of Cuban products a year. These imports are mostly tobacco, fruits and vegetables. The dollars received by Cuba are being used whenever possible to buy products from Western Europe rather than from the United States. For instance, the Cuban Government has just announced that large quantities of medical supplies have been purchased from Switzerland.

Premier Castro has always maintained that his agrarian reform is the basis of his revolution. Under the agrarian reform law, most of the country's land was seized. Big and small rice, sugar and tobacco plantations, cattle ranches, vegetable and fruit farms, and even timber lands were taken over by the Government. The law provided for payment of some indemnity for this property, but the bonds that the law said would constitute the indemnity have not been printed, so far as is known.

Under the law, the landless were to be given 26⅔ acres each. About 22,000 titles have been distributed. Those receiving the land may never sell or mortgage it and only one child may inherit it. The peasants must grow the crops ordered by the National Agrarian Reform Institute, accept supervision and deliver their crops to the institute at the price fixed.

Premier Castro recently urged at a meeting of small farmers that they form cooperatives, retaining their lands but pooling their machinery, labor, and resources. The farmers would be given Government loans on this basis. It was noted in Havana that this followed the pattern set by Communist China before Peiping decided to dispense with all private ownership of land.

COOPERATIVES ESTABLISHED

Under the agrarian reform law, the Government established hundreds of cooperatives. Titles of the land were held by the cooperative and its members were to divide the profits. These have failed because of mismanagement and a lack of agricultural experts. There have been no profits. In fact, the Government is said to have suffered huge losses.

The proof of this is that the cooperatives are being converted into state farms. On the state farms, the Government owns the land and employs the workers, who are given houses in which to live and are paid daily wages.

The inducement offered the peasants on state farms, according to Premier Castro, is a plan under which the Government will feed, clothe, and educate all the children of the working peasants. This is fair, Dr. Castro said, because it will place the man with 10 children on the same economic level as the man with 3.

Is the peasant better off than he was under the private enterprise system? Premier Castro assures him constantly that he is.

The peasant is receiving lower wages than he did before the Castro regime came to power and is working longer hours, but he has almost steady employment instead of the few months of labor required by the sugar industry and other agricultural enterprises.

EATS SAME FOOD

He eats about the same simple food as before. Rice and beans were his principal foods previously. Now there is rice, but few beans. He may have meat occasionally and on the cooperatives and state farms he has milk for himself and family, which was formerly a luxury.

He also has vegetables, as before, including "malanga," which once the very poor ate when they had nothing else. He chants the revolutionary slogan that says that even if he has to eat malanga he is with Fidel. At the same time, he faces the same shortages as the rest of the inhabitants, such as those of soap and lard.

The peasant's children are being educated and indoctrinated with Socialist ideas and taught loyalty to Fidel, the maximum leader.

But the peasant has changed his viewpoint on life. For the first time he has achieved a sense of self-importance. He eagerly joins the militia, wears his uniform and carries a rifle or machinegun with pride, doing long hours of guard duty with a pleasant sense of authority.

He goes to local meetings or is taken by the Government to Havana for big rallies where he cheers the Premier, who tells him that the revolution is only for the long oppressed masses of Cuba. He listens with pleasure to scathing criticism of the former wealthy and property-owning classes as Premier Castro whips up class hatred. And he hears with satisfaction that the land, the factories, in fact the entire island, belongs to the people.

URBAN REFORM LAW

Another important step by Premier Castro was the urban reform law, which was to make every man a homeowner. But this is proving somewhat of an illusion, according to many Cubans. At the beginning of the Castro regime rents were reduced 20 to 50 percent. Then, under the reform law, all residences and apartment houses became the property of the occupant.

Later the renter found that he was buying his home from the Government and paying the same rent he formerly paid to the private owner. And the Government is proving to be extremely hardhearted. If payment is not made by the 15th of the month, there is a small surcharge. If no payment is made, the salary of the purchaser is garnisheed or his automobile, if he has one, may be attached.

Some of the former renters do not want to buy the houses in which they are living. In fact, there are thousands who have refused to become the owners of their houses or apartments.

For instance, a former tourist chauffeur told this correspondent that his wife had refused to become the owner of their apartment because it needed painting. Since he did not have the money to pay for the painting, the chauffeur went to Urban Reform officials, but they refused to discuss it. Therefore, he said, he was paying his rent as usual but had not filled out the document that would have made him the owner.

In a town in the interior, a man who lived in a shack told a friend:

"I am still living in this old hut, as you see, and paying the Government 15 pesos a month and now they tell me I'm the owner. I don't want it, but I have to pay for it."

Meanwhile, at least until the Government can build thousands of houses, it is almost impossible for anyone to move to a new home. The Urban Reform headquarters in Havana said recently that it had 6,000 houses available and 100,000 applications.

Thousands of houses were seized from those who fled from the island, but they are being occupied by Government officials and employees, officers of the army, newly established foreign embassies and the many foreign technicians now in Cuba.

PAYMENTS ARE ORDERED

Just before this correspondent left Havana it was announced that no one could live in a house without paying the Government. Anyone occupying a house he had taken over without Government permission was warned to leave or be subject to a prison sentence.

At the same time, the new home owner finds that if the roof falls in or the faucet leaks it must be repaired at his expense. There is still some confusion as to who is paying the water bill and the city taxes. At present, no one seems to be paying these, but eventually it will be the new owner. This is all added expense above the rent he previously paid. He will receive a title to the property, according to the law, within 5 to 20 years, depending on when the house was built.

The industrial, commercial or transportation worker finds himself with lower wages and longer hours.

He never paid an income tax, but now he pays a 3 percent labor tax, a 4 percent voluntary contribution to the Government industrialization program, 5 percent for social security, his union dues and the long-established maternity tax. As a result, about 15 percent is deducted from his wages monthly.

LABOR BODY IS WEAK

The once-powerful Confederation of Cuban Workers, which fought for higher wages and other benefits for the workers, is now a mere instrument of the Government.

"The only thing the confederation does now is demand more sacrifices from the workers," one worker grumbled to a close friend. He did not say this in public, since such a remark would be considered counterrevolutionary.

Workers are "ordered," not requested, to attend meetings. Thousands of them have yielded to pressure and joined the militia reluctantly with the other thousands who joined enthusiastically. Some are still resisting, but it is reported to be becoming more and more difficult to hold a job without joining the militia.

The unemployment situation in Cuba is difficult to assess. Premier Castro says he has solved this problem and that there is even a shortage of workers now. It was said at the time Dr. Castro took power that Cuba had 700,000 unemployed. But statistics have never been even reasonably accurate in Cuba.

The greatly publicized shortage of cane cutters for the present sugar crop resulted from several factors. About 500,000 workers and peasants were—and still are—guarding the cities, towns and villages, and manning the artillery, antiaircraft and antitank guns that are deployed at every beach, along highways, in mountains and swamps awaiting the expected invasion of mercenaries of U.S. troops. Moreover, many of the former cane cutters were working on cooperatives or state farms. Finally, the low price paid for cane cutting this year was not an inducement to former workers.

At the same time, thousands of youths from 15 to 20 years old are members of the labor brigades, which carry out volunteer work for the Government in the interior. These youths are given military training, some education, much indoctrination, and experience in some form of work such as clearing land or helping to build houses. They are not paid wages but receive food and uniforms.

Added to these are several thousand volunteer schoolteachers, who have been given military training and indoctrination and sent into the interior to teach in places where no schools previously existed. They receive a low salary compared with the former scale in Cuba.

The ranks of unemployed in towns and cities have been greatly increased. Purges of workers in industrial and commercial enterprises have left hundreds jobless. These purges have been going on for weeks and those purged are the workers who do not show sufficient enthusiasm for the revolution. Several months ago, about 300 were dismissed in a purge of the Cuban Electric Co. There is little chance to obtain new employment, since the Government is virtually the only employer.

Throughout the island many small businesses have failed, either from lack of merchandise or competition from the Government "stores of the people." The importing and exporting business has been wiped out, because the Government is the sole importer and exporter. Even customs brokers can no longer operate, since the Government pays no import or export duty and Government departments handle clearance of merchandise.

THOUSANDS LAID OFF

In the reorganization now going on in all administrative departments of the Government, thousands of employees have been put on the "extra" list. The consolidation of newspapers, cigarette and cigar factories, breweries and other industries has placed more workers on the same list. So far, the Government continues to pay the salaries of these workers. However, many of them fear this will not go on very long.

The actual financial position of the Government is known only to the top leaders. Figures obtained, which have no claim to accuracy, indicate that deficits are huge. The National Bank of Cuba statement shows that since the beginning of the Castro regime, when there were about 450 million pesos in circulation, the Government has issued up to 1,500 million pesos.

Maj. Ernesto Guevara, former president of the National Bank of Cuba and now Minister of Industries, told the people in a speech that actually Cuba had no reserves. The Government is apparently living on a hand-to-mouth basis so far as foreign exchange is concerned. Every U.S. dollar received from exports is rationed out to buy commodities that cannot be obtained from the Communist countries with which Cuba has barter contracts.

There is little inflation in Cuba because, although there is little to buy, with the reduction in wages there does not seem to be much money in the hands of the public. Most persons buy only necessities.

The recreational facilities, such as new beaches and resorts built by Premier Castro, are said to be losing heavily. The movie theaters, the dance halls and even the newly established workers' social centers are not filled.

The worker has neither the money nor the time to spend. His extra militia duty after work. the meetings he must attend and the voluntary labor he donates leave little time for recreation.

In Havana, the streets are almost empty by 10 o'clock at night. The famous Tropicana nightclub now has a minimum of $1.25, but few customers. The youth of the island is marching, drilling, and going to indoctrination meetings, which consume much time.

The Cuban economy still depends on the sugar crop. This year 4 million tons have been sold to the Communist nations at 4 cents a pound. But Cuba must accept products in exchange for this sugar. Some Cuban officials are complaining that the Communist countries are charging too much for their products, thus greatly reducing the return on the sugar crop.

MARKETS SOUGHT FOR SURPLUS

The remainder of this year's crop, which the Government hopes will exceed 6 million tons, must be sold to other countries to get U.S. dollars or British pounds if possible.

The United States, which formerly bought about 3 million tons of sugar a year at a price about 2 cents above the world market price, will buy no sugar from Cuba this year.

Today Premier Castro is making extravagant promises to the Cuban people about the golden economic future of the island.

On the other hand, Major Guevara, who fathered the present 5-year industrial development plan, tells the people bluntly that they will have to work harder, produce more, buy less, and do without many of the things they formerly enjoyed. He once told them they did not need to use "so much soap and deodorant."

Major Guevara concedes that production in the factories, with their American-made equipment, has declined because of a lack of raw materials and spare parts. He speaks encouragingly of the factories that are being sent to Cuba by the Communist countries, but he warns that it will take several years to make Cuba an industrial nation.

Meanwhile, the majority of Cubans are regarding with growing dissatisfaction and anger the sacrifices being demanded, the scarcities of products, and the harsh repressive measures of Premier Castro's Socialist state.

[From the New York Times, June 16, 1961]

CASTRO GOAL IS TO "LIBERATE" LATIN AMERICA FROM UNITED STATES

(Last of four articles)

(By R. Hart Phillips)

The burning ambition of Fidel Castro has confronted the United States with an embarrassing and dangerous situation in Latin America.

The Cuban Premier is determined to go down in history as a 20th-century Simon Bolivar who "freed Latin America from Yankee imperialism."

The Premier crushed the April 17 invasion by Cuban exiles. In doing so, he tested the fighting ability of his militia and army. He also tightened his government's control over the island's 6,500,000 inhabitants through mass arrests. Further invasions by Cuban exiles seem to be out of the question, and the danger of an internal uprising apparently has been eliminated, at least for the time being. What next for Cuba and her ambitious young Premier? The road would seem to be clearly marked.

On May 1 Premier Castro apparently blazed the way by proclaiming Cuba a "Socialist state" and once more telling his people that the Soviet Union and Communist China were their best friends. Now he is increasing his efforts to attain leadership of the peoples of Latin America and to discredit the United States there.

Hardly had the approximately 1,200 exiles captured during the invasion been lodged in prison when the Premier warned that U.S. Armed Forces would attack Cuba. In talking of what he calls the threat from the United States, he has always described Cuba as a "small, weak, inoffensive country" whose citizens want to live in peace and maintain their sovereignty and independence. At the same time, he has repeatedly boasted about the tremendous quantity of arms that he has received from the Communist countries and has declared that his militia and army are ready to meet any attack by U.S. Marines.

Political and economic aggression by the United States has been defeated, the Premier declares, because of the friendly and disinterested aid from the Communist countries. He tells his people that the capitalistic United States will disappear, and holds up the Socialist way of life as the only hope for world peace and the well-being of the masses everywhere.

Dr. Castro's opportunity to start on his chosen career as liberator of Latin America came in 1959 when he and his guerrilla fighters overthrew the strongly entrenched dictatorship of Fulgencio Batista. This made the revolutionary leader a hero among Latin Americans, who have traditionally resorted to revolts to bring about changes of government.

Only a few days after he had been welcomed into Havana in January 1959, with the largest and most enthusiastic demonstration ever accorded a Cuban hero, Dr. Castro flew to Venezuela. He returned home with the cheers of thousands of Venezuelans ringing in his ears.

Since that time Dr. Castro has spent a lot of energy and millions of dollars the country could ill afford in his attempt to become the leader of all Latin American peoples. Even at the beginning of his regime most of the Latin American governments did not regard Premier Castro with any great enthusiasm. However, the people, especially the students, workers and peasants, quickly hailed him as the leader in a fight against Yankee imperialism.

Today the Cuban revolutionary slogan, "Cuba yes, Yankee no," is heard repeatedly south of the Rio Grande.

Although Premier Castro expresses confidence that he has the full support of the peoples of Latin America, he is apparently not sure about the governments, several of which he terms "oligarchies in the pay of the United States."

He fears that these governments, under United States urging, might decide to break diplomatic relations with Cuba at a future meeting of the Organization of American States.

A DIPLOMATIC MISSION

For this reason he sent his top diplomats, Foreign Minister Raul Roa and Dr. Carlos Olivares, Under Secretary of the Foreign Ministry, to confer with officials in key Latin American countries. Both visited Mexico. Later Dr. Olivares visited Brazil and Ecuador.

The Cuban Government is counting heavily on these countries to prevent a unanimous break of relations with Cuba by members of the Organization of American States. Already the Dominican Republic, Haiti, El Salvador, Honduras, Guatemala, Nicaragua, and Peru have broken relations with Cuba, as has the United States.

A unanimous break of diplomatic relations with Cuba by the Latin American countries would shut off the flow of propaganda about Premier Castro's Socialist revolution into these nations. Cuba has been exporting this propaganda since 1959. Recently, according to reports, the propaganda is being supplemented by the regular Communist literature issued by the Soviet Union. The channels for distribution have been established through Cuban diplomatic missions and through book and magazine stores in the Latin countries.

For many months various Latin American governments have been complaining that Cuban diplomatic missions were acting as agents to spread Dr. Castro's propaganda and to stir up dissatisfaction among their people. Several of these countries have asked Cuba to recall diplomatic representatives for this reason.

A PRESIDENT LOSES PATIENCE

The President of one small country is reported to have said that he made no objection when the Cuban diplomatic representative in his country talked to university students, established Castro clubs throughout the country and distributed Cuban revolution literature. However, the President said he lost his patience when this representative began speaking over the radio twice a week and, in effect, promoting a Castro type of revolution.

A break in relations with Cuba by all the Latin countries would stop the exchange of delegations of officials, professional people, students and workers between these nations and Cuba. Such exchanges are a major feature of Dr. Castro's campaign.

Undoubtedly, the Soviet Union and Communist China would not regard the isolation of Cuba with pleasure since she is their first real ideological beachhead in this hemisphere. At the time this correspondent left Havana, it was said that Cuba was to be the largest center of Communist propaganda in the Americas. She will also serve as a center of espionage and headquarters for agitators who will attempt to promote nationalistic revolutions in various Latin American countries, according to the report. The Cuban Government press reported that the regime's national printing shop was going to sign a contract with the Soviet Union to print Moscow's Spanish-language literature for distribution to Spanish-speaking peoples.

Premier Castro has built what is probably the most powerful radio station in Latin America for use in his propaganda campaign. It went into operation May 1. Moreover, he also has the Prensa Latina press agency, which was established almost 2 years ago.

Both the station and the press agency carry to every Latin American country the speeches of the Premier, which are the basis of his propaganda campaign. The principal subjects of the broadcasts and press agency dispatches are speeches by Cuban officials and reports on the activities of the Cuban Government, the benefits granted to the masses through the revolutionary reforms, and the expressed support for the regime of the people of Cuba and other countries.

Other important features of the broadcasts and dispatches are reports designed to lessen the U.S. prestige and items praising the Communist countries.

The Cuban people hold opposing viewpoints on the conflict between the United States and the Cuban Government.

The followers of Premier Castro applaud his attacks on the United States and his ridicule of American Government officials. They believe the Premier has defeated every "aggression" by the United States and declare that they are ready to fight the U.S. Marines any day they land. They are convinced that the Soviet Union will retaliate with rockets if the United States attacks Cuba.

Enemies of the Castro regime still hope for some help from the United States to destroy the Socialist state, but many are becoming disillusioned. They believe "direct action" is the only way in which Premier Castro could be deposed. They think Dr. Castro's fighting forces are poorly trained and would not be willing to engage in an all-out fight with American troops. They express the opinion that the Soviet Union would not start World War III over the small island of Cuba.

These Cubans see little hope that Cuba will be isolated by the rest of Latin America. They feel that many Latin American countries will not be willing to follow this course because they have serious problems with Communist and leftist groups at home and are vulnerable to military coups or revolutions of the Castro type.

Whether the cutting off of all U.S. imports from and exports to Cuba would effectively shake the Castro regime is widely discussed in Cuba.

Some believe it would have considerable effect since the Communist countries have so far failed to provide any sizable amount of food and other consumer goods to Cuba. The United States still exports food and medicine to Cuba and imports tobacco, fruit, and some other products. A total embargo would certainly create greater dissatisfaction in Cuba, even among the peasants, who so fervently support Premier Castro.

Others feel such an embargo would be ineffective, because the Government would be able to buy at least the type of food to which the peasants are accustomed.

If Washington takes no action against the Castro regime, both the Premier's friends and his enemies think he will increase his propaganda efforts against the United States. They also believe that with the help of the Communist countries he will succeed in making himself the leader of a "Latin American bloc" hostile to the United States.

The personality of Premier Castro, which to all appearances has a mesmeric effect on many Cubans, is the rock on which the Cuban Government rests. This is the opinion expressed loudly by his friends and by some of his enemies.

Some Cubans predict that should the Premier disappear from the scene, neither of his chief aides, Maj. Ernesto Guevara, Minister of Industries, and Maj. Raul Castro, Armed Forces Minister, who is the younger brother of the Premier, would be able to hold the loyalty of the people. These observers feel that any attempt at forcible rule by either or both of these officials would result in bitter fighting that would involve even the Premier's present supporters.

"The individualistic Cuban people have been led down the road into communism by the personality of one man, Fidel Castro, who may yet achieve his ambition to win the support of the whole of Latin America and create active enemies at the U.S. back door," one thoughtful Cuban said.

OBJECTIVE OF FREEDOM RIDES TO INCITE VIOLENCE IN THE SOUTH

Mr. RUSSELL. Mr. President, there has come to my attention a very interesting article published in the Augusta Chronicle, of Augusta, Ga., which consists of the reproduction of an article written by Mr. Alexander F. Jones, the executive editor of the Herald-American, published at Syracuse, N.Y., which says that the sole objective of freedom rides is to incite violence in the South.

Mr. President, I ask that the article, which is one of the very few which has appeared in publications outside the South which depicts any understanding whatever of the southern viewpoint, may be printed in the body of the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW YORK EDITOR SAYS SOLE OBJECTIVE OF FREEDOM RIDES IS TO INCITE VIOLENCE IN THE SOUTH

(By Alexander F. Jones)

The propaganda strength of the freedom riders idea is that it is proceeding on a one-way street.

The sole objective of the plan is to incite violence by presenting a spectacle of mixing races, and particularly racial sexes, in a region where it was certain to be the equivalent of waving a red flag at a bull.

(EDITOR'S NOTE: The points made in this column have been made in Chronicle editorials on the freedom ride incidents. We consider it worth while to reproduce the column here, however, because the opinions are expressed by an editor from outside the South. We believe his comments reflect the same objective approach the Chronicle attempted to take in appraising the Alabama and Mississippi bus incidents.)

Attorney General Kennedy recommended a cooling-off period to allow tempers in Alabama and Mississippi to cool.

Roy Wilkins, executive secretary of the National Association for the Advancement of Colored People, and Dr. Martin Luther King, Negro leader of the student "nonviolent" plan, refused to accept the suggestion. Every effort to arouse passions and cause trouble must be drained dry, they have ruled.

No one can question the legal or moral right of citizens of any color to ride on a bus in interstate commerce. There was no interruption of the planned tour in the Carolinas or Georgia. Authorities there recognized it for what it is—a deliberate effort to cause trouble.

So the promoters, and it would be interesting to know how many of them are Communists, mixed the sexes going into Alabama.

There is no question that Gov. John Patterson of Alabama is a stupid man and that the exhibition in Montgomery, where freedom riders were beaten and their bus burned, was just what the promoters wanted to happen.

They also expertly judged the type of low class white, male and female, who would welcome a chance to indulge in mob violence.

There is no human being lower in any social scale than a low grade white man.

Granting all of this, I still say that the freedom rider plan could not have been better planned in Moscow to cause trouble for a Government that is trying very hard to improve American racial conditions and cause more misunderstanding not only at home but abroad.

Let us suppose that the Southern White Supremacy Council would finance buses to parade through Harlem and through the Negro district of northern cities urging segregation, race purity, keeping the Negro in his place, etc.

What would happen?

We all know what would happen.

There would be violence on a scale that would make the Montgomery incident seem a mild affair, indeed.

And it is a certainty such an occurrence would not attract a fraction of the attention in the northern press that the artfully designed freedom riders are getting from their propaganda tour for Mr. Roy Wilkins, the professional racial rabble rouser.

It is a deliberate libel of the United States and all of its people to picture the American Negro as the victim of something approximating South African apartheid.

In 20 years the average wage of Negroes in the United States has gone from $639 to $3,368 annually. This compares with $2,234 in Great Britain and less in West Germany and France for all workers.

The 19 million Negroes in the United States have an estimated annual income of $20 billion, or more than all the 300 million Negroes in the rest of the world put together.

They own 4.5 million automobiles, or 1 for every 5 members of the race against 1 for 350 persons in the Soviet Union. They have better schools, better teachers, more liberties and a higher standard of living than any Negroes outside the United States.

Everything is not perfect, naturally.

It never is, whatever the color of any man's skin.

But the progress that has been made, in the South as well as the North, in the status of the American Negro is something of which this Nation can well be proud.

And I cannot forgive the Wilkinses and the Martin Luther Kings who are only too happy to blacken this country's name around the world by putting on a useless, senseless demonstration that will only intensify racial feeling.

There is one thing for these gentlemen to remember—the United States has a white population of some 160 million citizens.

These citizens have rights, too.

They can worship as they please, live where they please, vote as they please and assess their fellow citizens for their value in a community as they please.

They build the great bulk of schools and colleges, the hospitals, the roads, the factories.

They pay 98 percent of the taxes.

This is not Africa and the whites cannot be pushed out.

If we all can understand that and proceed with our problems in orderly fashion both races will profit.

And if the politicians will quit overplaying race problems to gain votes and consider every question on an American basis, we will all be happier.

Mr. RUSSELL. I say further, Mr. President, I seldom pick up a magazine these days which does not continue to damn and to condemn the white people of the Southern States by claiming they are racists because they insist upon the separation of the races in public facilities and in social life. It is charged that this shows a desire to relegate the Negro to second-class citizenship.

The truth is that nothing could be further from the fact. The vast majority of the white people of the South, who are as patriotic as any people of this land, wish to see the Negro have every right the white people enjoy. They do take the position there is nothing in the Constitution of the United States or in the Christian religion which declares that all people must enjoy all their rights together at the same place and at the same time. They provide exactly the same facilities for the white race as they do for the Negroes.

If there is any inferiority involved in this system, Mr. President, it is in the minds of the Negroes who object to associating with members of their own race. I have never seen very many white people who felt they were being imposed upon or being subjected to any second-class citizenship if they were directed to a waiting room or to any other public facility to wait or to eat with other white people. Only the Negroes, of all the races which are in this land, publicly proclaim they are being mistreated, imposed upon, and declared second-class citizens because they must go to public facilities with members of their own race.

RECKLESS FISCAL ATTITUDES

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the RECORD a penetrating article by the well-known columnist, Robert C. Ruark, entitled, "Money Flows Like Oratory," which appeared in the New York World Telegram for Wednesday, June 14, 1961.

Mr. Ruark, who is a highly competent observer, raises the perfectly reasonable question as to how long representatives of the executive branch of Government will be permitted to commit millions of additional taxpayers' dollars to foreign governments, particularly where, as in some instances, there is little assurance as to the eventual use or disposition of these funds. As Mr. Ruark points out, reckless fiscal attitudes represent one certain way of depleting our national strength and substance.

I believe that Mr. Ruark's cogent observations deserve the careful attention of all Americans.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MONEY FLOWS LIKE ORATORY

(By Robert C. Ruark)

Among the multitude of things I do not understand is how various spokesmen for this country, including the President of the United States and Adlai Stevenson, can repeatedly commit us to the giving away of vast sums of your money to strangers without some slight permission from the people who pay the taxes.

I believe the figure on our share of what the United Nations spends to further reduce the Congo to utter confusion is $60 million, or about half the tab. In 1960 only 6 of 99 U.N. members paid up for the Congo. None of the Latin American countries pays more than a token peso.

I notice that in 1961, our legitimate assessment for the U.N. rap in the Congo is $40 million, as opposed to Great Britain's $9 million, as opposed to Russia's $16 million, as opposed to France's $8 million. So the Reds and France check out, and we grab their marker, as well. Who said we ought to? Did you?

There will be a tidy answer concerning leadership and ability to pay, and all that; but great God, what with the $500 million to South America and the new batch of graft for the South Vietnamese that LYNDON JOHNSON so blithely promised, and another chunk to India, and even such piddling hushpuppies as we toss to Haiti to keep it in dictators—like $6.5 million a year for nothing at all but slush—it mounts up. Did you give your permission?

But what I want to know is how ordinary people can get sore enough to say, "No, damit, no!" We don't want to read in the papers that we've unloaded another carload for some hogwallow republic that won't see it reflected except in the cars and mistresses of its politicians. And if you tell me to write my Congressman I'll scream, because with my own ears I hear Mr. Kennedy asking for ever bigger contingency and emergency funds which can get dealt out like cards in a game of seven-toed stud, with everything in the deck wild.

I have a clip from last spring which tells me that Adlai Stevenson gets up and tells the new African nations that America is ready to back a massive economic development program "which will encompass the whole African nation," and that, friends, is a lot of real estate with very few honest politicians at the top, if any. I see also, in the same breath, where a Mr. Jaja Wachuku of Nigeria adjusts his toga and rises to remark that "Africans are interested in dollars, not words," and that "the United States has just come forward with a concrete program for Latin America, dollars." The comment was that other delegates were amazed with Mr. Wachuku's crudeness. I wasn't. I admire Mr. Wachuku, who stated truthfully what all the others think, and drew a picture of just how the others see us. But I do not think we need to give him any dough.

Be all this as it may, I still would like to propound a point that supposing enough of us didn't want to pay for the Congo and subsidize all of Africa and create furs and jewelry for the fancy women of various tinpot dictators and Swiss bank accounts for all the cousins, how will we go about slapping our Government's hand out of the till?

I dunno. The executive arm seems to have a neat way of waving away details, and by the time Congress says you can't do it, it's done. Or else Congress says, "It's only zeroes, anyhow, shoot the other 10 billion."

In no way does the taxpayer seem to be consulted on any of this, except by such a long way round that he merely votes for changes in government, rather than for any fiscal policy that might be put into play by government.

We can be walked into a war, have been walked into a war, without consent or consultation. We can be spent dry, without consultation. We hear ceaseless prattle about dictators. Seems to me that about the only difference between our dictators and other people's dictators is that we elect ours, and don't shoot the outgoing crop.

TRIBUTE TO FEDERAL BUREAU OF INVESTIGATION

Mr. BRIDGES. Mr. President, since its revitalization, some 38 years ago, the Federal Bureau of Investigation has performed increasingly valuable service to the people of this Nation. As the principal law enforcement agency of the Federal Government, the Bureau's responsibilities encompass a far greater range of activity than is generally realized. Its personnel have developed so fine a repu-

tation for accomplishment that there has been an understandable tendency throughout the years to assign increasing numbers of difficult tasks to the Bureau. And whether it be a routine employment security check or the investigation of a bizarre homicide in the course of interstate commerce, the Bureau repays the confidence placed in it by doing each job efficiently, effectively and expeditiously.

The thoroughly skilled and highly trained operation which characterizes the FBI is due, in great measure, to the dedicated ability of its famed Director, J. Edgar Hoover. It has been said that great demands beget great men, and that most certainly is true of Mr. Hoover. In a time of national need, over a relatively short span of years, he has created a tremendously effective force for good. Indeed, he merits the commendation of all Americans.

The FBI's National Academy, as just one example, has contributed immeasurably to a higher level of law enforcement throughout the country, by training State and municipal police officers in the skills, techniques and procedures which the Bureau has developed. This spirit of cooperation, in itself, makes manifest the attitude of Mr. Hoover and his thoroughly competent assistants in discharging the Bureau's obligations.

The position occupied by this fine agency of Government is reflected in the title of an excellent article, by Jacob Hay, which appeared in the June 1961, issue of the National Geographic. Mr. Hay calls his article "The FBI: Public Friend No. 1." I can think of no truer accolade. I regret that it is not possible to reproduce the high quality photographic illustrations by Robert F. Sisson, but I believe the text of Mr. Hay's observations warrants widespread attention and I ask unanimous consent that it be printed in full at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FBI: PUBLIC FRIEND NO. 1

(By Jacob Hay)

Many Americans have never met or knowingly seen a special agent of the FBI. Yet day and night, throughout the Nation, 6,000 of these quiet, efficient G-men move among us, tracking down spies, kidnapers, robbers, and other enemies of our national and personal security.

Any hour of any day might find an FBI agent paddling a pirogue on a Louisiana bayou or trailing a suspect through the New York subway. Or, on an undercover job, an agent might be mixing sodas in a neighborhood drugstore.

From its Washington headquarters, the Federal Bureau of Investigation directs a network of 55 widely scattered field offices and hundreds of resident agencies. As Director J. Edgar Hoover pointed out to me recently, this deployment of strentgh enables the Bureau to place an agent at the scene of a Federal crime anywhere in the Nation within an average of 1 hour or less.

By special request of President Kennedy, Mr. Hoover now serves as Director under his sixth Chief Executive and 13th Attorney General. When I first listened to his staccato speech and sensed the penetrating power of his eyes, I was glad I had nothing more than an occasional parking ticket on my record.

"I hear you run a taut ship," I said, and Mr. Hoover grinned. Now 66, he seems 10 years younger.

"Let's continue the Navy analogy," he said, "and say that the FBI has a first-class crew, from my long-time friend, Associate Director Clyde Tolson, down to the newest clerical employee. I doubt that it could be equaled anywhere in the Government."

In his 38th year as Director, Mr. Hoover prides himself not only upon his Bureau's efficiency but upon the profit it shows annually. During fiscal 1960 the FBI received $114,600,000 in operating funds. Fines, savings, and recoveries of stolen property and contraband in cases investigated by the FBI amounted to $142,822,244, or $1.25 returned for every dollar invested by the taxpayer.

BULLETPROOF DOOR GUARDS COMMUNICATIONS

With Special Agent Charles E. Moore as my guide, I set out to look behind the scenes of the FBI. We started with visits to several field offices and ended with a tour of the command post in the Nation's Capital.

Our first stop was Baltimore, where the ASAC, or Assistant Special Agent in Charge, showed me through his office. Robert J. Lally helps direct a force of more than a hundred agents scattered strategically throughout Maryland and Delaware.

Behind a bulletproof door, Lally showed me his radio room, equipped to transmit voice and code. The Baltimore FBI network coordinates with the Maryland and Delaware police radio systems. High-speed teletype circuits carry a heavy volume of messages between FBI headquarters and the field offices.

Another heavy door guarded the arms room, with its array of spotlessly maintained weapons.

"Try this on," Lally said, tossing me a garment that resembled an Army field jacket.

"You are now bulletproof, more or less," he said, grinning at my astonishment. "No, it's not steel; it's plastic. You can wear it under a suit and not look too conspicuous."

Although they operate alike, each FBI field office must be flexible enough to adapt itself to a community's special crime problems. In addition to the types of crime peculiar to a seaport city, Baltimore has its share of bank robberies.

"One of the reasons is just sheer friendliness," Lally said. "Banks used to be cold, impersonal places with high counters, grilles, and plenty of bulletproof glass to protect the tellers. Now they're friendly. The counters are low and wide open.

"What's the result? The amateurs have gotten into the act. It looks so easy, and too often it is so easy. Bank robbery used to be a job for professionals, and with a pro you've got a chance, because you can recognize his m.o. [modus operandi]. But nowadays * * *," Lally shrugged sadly.

In consequence, FBI agents offer banks special classes in robber-frustration. Agents show bank employees how holdups are staged by bandits. Then in a question-and-answer period they test the skill of employees in spotting characteristics that might lead to identification. As a means of gaging how tall a robber is, for instance, the FBI advises tellers to estimate height against that of the counter or cage window.

Leaving Baltimore's narrow streets for the open spaces of the West, I found Special Agent Floyd W. Brown facing vastly different problems. From Flagstaff, Ariz., Brown enforces the Federal law in the wild moonscapes of the nearby Navajo and Hopi Indian reservations. Often he must ride horseback to the scene where he conducts inquiries through an interpreter.

"You run into some odd situations out here," Brown observed as he drove us to Tuba City on one of his regular calls on the Navajo tribal police. "Like the time a Hopi was charged with draft dodging. We had no problem finding him—he was the son of a snake doctor. And he had a good reason to avoid military service.

"Seems his forebears had instilled in him the tradition that he should not bear arms against other men.

"Well, this young brave figured that if he reported for military duty the tradition would be violated. He would be responsible to the tribe and would lose his right to become a snake doctor, a high honor in the Hopi tribe.

"Anyhow, an FBI investigation ultimately proved that the Indian youth was truly a pacifist, and the local draft board exempted him from military service as a conscientious objector."

SMUGGLING CAUSES PROBLEMS

In San Juan, Puerto Rico, SAC John Speakes has the challenging task of watching over the security of Uncle Sam's Caribbean citizens.

"One of our biggest problems," said Speakes, "is the illegal transportation of lottery tickets. The numbers lottery is legal in Puerto Rico, but not in the States, where there's a big demand among Puerto Rican immigrants. There's also a tidy profit for the smuggler, since a 25-cent ticket brings 50 cents or more on the mainland."

New York City, with its polyglot millions and the Nation's largest port of entry, has the biggest field office of all.

"Here," declared SAC Harvey G. Foster, "we've got everything. There is probably no form of crime we don't encounter."

So extensive is the New York City operation that not one but four assistant special agents in charge direct more than 1,000 FBI investigators.

"In New York, the bizarre is accepted as the usual," explained ASAC Alton M. Bryant. "Strangers aren't recognized as strangers, and the public has a live-and-let-live attitude. By which I mean that you and I could go out and start sawing our way into a truck in broad daylight. Chances are nobody would say a word; people would figure it was none of their business, and that we had a perfectly legitimate reason for doing it.

"You remember that cartoon about a man being dragged down a manhole by an octopus?" Bryant went on. "And the New York crowd walked on by, as if the thing were an everyday affair? That's what we're up against, a blasé city."

On our way back to Washington, Charlie Moore told me how the patterns of crime in the United States have changed in the three decades since outlaws like John Dillinger, "Pretty Boy" Floyd, and "Baby Face" Nelson terrorized whole regions.

Although gangs with their crude violence have not disappeared, today's criminal tends more and more to be a cunning individual on his own, bent upon the bold strike and the lightning getaway.

Among other factors, the ever-increasing speed of transportation works to the modern criminal's advantage. Today a man can rob, kidnap, or commit murder and be a continent or an ocean away before his crime has been discovered. A recent example: A pouch of payroll checks was stolen in Hollywood, Calif.; less than 24 hours later, some of the checks were cashed in eastern seaboard cities.

FBI'S STRONGEST WEAPON: SCIENCE

Fortunately for the citizenry's peace of mind, the FBI lives by the rule that for every offensive weapon there is a defense. This military truism was stated in more matter-of-fact terms by Special Agent Moore.

"As fast as criminals think up a new trick," said Charlie, "the FBI thinks up a dozen ways to outsmart them. Our ace in the hole is science—chemistry, biology, physics, electronics, and all the rest. The criminal thinks of a gun as the instrument that will bring about his downfall. He seldom realizes

that a microscope just as often spells the end of his career."

"Speaking of science," I said, "when the layman thinks of law enforcement, he most likely thinks of fingerprints. How about starting my tour of headquarters with the Identification Division?"

From the FBI nerve center in the Department of Justice Building we drove to a multiwinged structure in Southwest Washington where the Division keeps nearly 159 million sets of fingerprints—often more than one set to a person, as in the case of a man apprehended many times by the police and fingerprinted each time. More than 37½ million sets belong to criminals, and of these, some 88,000 bear "stop" notices, meaning that their owners are wanted by the FBI or some other law-enforcement agency.

Assistant Director C. Lester Trotter explained that a stop notice was a tiny red tab placed on a man's card.

"These are the greatest little criminal catchers we have," Trotter said. "We get about 1,500 fugitive identifications a month through these stops when prints are taken in connection with arrests or job applications.

"Putting the population of the United States at 180 million," Trotter continued, "we can say that our files contain the fingerprints of about 42 percent of this total—76 million persons. The system is set up so that we can locate any individual's prints in a jiffy."

"All right," I challenged, "find mine."

"Gladly," he replied. "Come and meet Orley Leeson, one of our classification experts."

Trotter deliberately concealed my identity when he introduced me to Leeson.

"Mr. Leeson," said Trotter, "meet Mr. X." To me he said, "Now look at your watch."

I did. It was 3:10 p.m.

Leeson took my fingers and rolled and pressed them onto a standard FBI form. The process took about a minute. He knew nothing about me, not even my name. Applying a lens to the prints, he swiftly classified them according to the Bureau's precise formula.

Then he led me briskly down a flight of stairs and into one of the huge file rooms, his eyes flicking over the numerical cards identifying each bank of cabinets. Suddenly he stopped and opened a file drawer, riffled through the hundreds of sets of fingerprints inside, and, with a pleased grin, withdrew one.

"Glad to meet you, Mr. Hay," said Leeson.

He handed me a card bearing my fingerprints—the card I had signed before entering the Army in 1941. The time was 3:14. To extract my 20-year-old card from among the millions had taken just 4 minutes.

HAIRS—FROM AARDVARK TO ZEBU

Charlie and I returned to headquarters to see the Bureau's most spectacular operation—the FBI Laboratory, which in criminal cases offers its many services and expert testimony free to any State or local police agency in the United States.

Here the 400,000 tourists who visit the FBI each year can watch firearms experts match bullets to gun barrels, serologists identify bloodstains, and other specialists toil doggedly toward solution of crimes by peering through microscopes. Under microscopic study, bits of bone, hair, fiber, and myriad other items of evidence daily point the finger of guilt at criminals or lift the stigma of suspicion from innocent persons.

"Give these people a single hair or a speck of blood," said Charlie, "and they can tell you whether it came from a human being or an animal. And if it came from an animal, they can tell you what kind of animal."

Charlie stopped at a cabinet and opened a drawer packed with glass slides arranged alphabetically. He rummaged among the W's and handed me a slide. It held a filament of hair and was labeled "Wallaby."

"Here's another one," he said. "Wombat. They're all here, from aardvark to zebu."

The laboratory often assists other Government agencies in answering difficult questions, even in noncriminal cases. Recently, the Archivist of the United States submitted five documents relating to the Philippine Insurrection of 1899 and asked the FBI to determine whether signatures appearing on them had been written in human blood. National Archives forwarded the inquiry at the request of a historian who sought to prove that the rebel leader, Emilio Aguinaldo, required such testaments of his followers.

Despite the age of the documents, laboratory experts proved the presence of blood in two signatures. Additional tests showed that the blood was of human origin.

In one laboratory room I noticed a rack hung with panels of brightly colored metal. This was the National Automotive Paint File, containing samples of finishes used on all American cars and some foreign makes.

LABORATORY SOLVES MARYLAND TRAGEDY

Sometimes, investigators send in a fleck of paint no bigger than the head of a pin. Perhaps it has been found on a hit-and-run victim. Such minute evidence, analyzed with the aid of complex instruments, can tell experts that the car involved was, say, a 1958 tropic-blue Plymouth, thus narrowing the search and leading eventually to an arrest or the clearing of a suspect.

Police of Montgomery County, Md., came to the laboratory for help in a particularly shocking hit-and-run case. A young mother had been pushing her 11-month-old son in a stroller along a quiet street in Bethesda, a suburb of Washington. Householders heard a splintering crash and rushed outside to see a car speeding away and the mother and child lying dead.

The police brought to the laboratory twisted pieces of the stroller and a bumper they had removed from a suspected automobile. Laboratory experts found that the stroller bore three coats of paint. Adhering to the bumper was a three-layered chip of paint about the size of a fingernail.

Not only did the paint chip match the stroller's finish in chemical composition; it fitted exactly into its original position on the stroller. After a jury heard laboratory examiners testify to these findings, it answered the defendant's not-guilty plea with a verdict of guilty. The driver went to prison.

FBI PROVES WOMAN INNOCENT

In many cases the laboratory's techniques and complex instruments help clear persons who have been wrongly accused of crimes.

"We get far more satisfaction out of proving innocence than we do out of establishing guilt," said Donald J. Parsons, Assistant to the Director of the FBI.

He told of a Virginia woman who was accused of murdering her husband. Police found the man dead in his bedroom, shot through the heart. In the adjoining room officers found an automatic pistol with a cartridge case jammed in the chamber.

The man had shot himself accidentally, the wife said. Police maintained, however, that this was not possible under the circumstances. She was thereupon arrested and charged with murder.

Two days later investigators noticed a bright indentation in a hot-air grille in the floor between bedroom and dining room. Could the mark have been made by the gun? Grille, pistol, bullet, and cartridge case were sent to the FBI.

Laboratory experts matched the fatal bullet to the gun barrel. The mark on the grille proved similar to that produced when the metal was struck with the pistol's rear sight and knurled hammer. Paint on the weapon matched that on the grille. The victim, it appeared, had thrown the gun against the grille, causing it to fire. Result: The shooting was ruled accidental, the woman innocent.

The laboratory provides an eye-opening demonstration of the deviousness of the criminal mind. Over the years it has amassed a vast reference collection of the work of the country's bad-check artists, extortionists, and confidence men. Charlie opened a file drawer and extracted a thick folder.

"Our master check passer, cum laude," he observed. "Frederick Douglas George, a dapper, glib little con man who could take all the banks in town in half an hour."

George's technique was simplicity itself. Appearing at a bank during a rush hour, he would deposit a sheaf of checks, using names selected from his private stock of 1,800 aliases. The checks were worthless, but on their face they added up to an imposing sum. Then, perhaps with a jocose quip or two, he would present a counter-check to be cashed by the hurried teller. He always asked for much less than the bogus deposit.

George would pocket the money and move on to the next bank and thence to the nearest airport. By the time the fraud was uncovered, he would be thousands of miles away.

During 1952–53 George deposited about $1 million—or so the luckless tellers believed at the time. In return for his worthless paper, he walked away with a cool $100,000. FBI agents finally caught him, and he died behind bars.

With the FBI Laboratory and the Identification Division, the Files and Communications Division forms the hard core of the FBI's criminal information center. It contains some 5 million case files and approximately 48 million index cards. John P. Mohr, Assistant to the Director, explained that the cards "are the keys that open the files to the right pages."

ATOMIC SCIENTIST TURNS TRAITOR

In one of the files rests the record of a case of espionage that presented the Soviets with the key to the atom bomb. The spy was Klaus Fuchs, atomic scientist.

FBI and British intelligence authorities reconstructed one of the most disastrous epics of betrayal in the annals of espionage. Piece by tedious piece they put together the story of the refugee German physicist who repaid Britain's hospitality and the trust of the United States in the coin of treason.

Mild-mannered and withdrawn, Fuchs was an unlikely traitor. While in the United States with a British atomic commission, he worked in New York and Los Alamos, New Mexico. Through him the Russians learned how the atomic bomb was constructed and how it was detonated.

Accused, Fuchs confessed, was tried and sentenced in 1950 to 14 years' imprisonment, the maximum penalty for violating Britain's Officials Secrets Act. With 5 years off for good behavior, he was freed in 1959. Today he is believed to be pursuing nuclear research in East Germany. U.S. courts convicted five of Fuchs's fellow conspirators, Julius and Ethel Rosenberg were electrocuted; David Greenglass, Harry Gold, and Morton Sobell went to prison.

The Files and Communications Division plays an important part in FBI investigations of the loyalty of applicants for Government employment. In 1960 alone, more than a quarter million names were checked in connection with loyalty inquiries.

Having heard a great deal of discussion of this phase of FBI work, I sought enlightenment from Assistant Director Cartha D. DeLoach of the Crime Records Division.

"You must understand," DeLoach said, "that the FBI cannot and does not 'clear'

anybody. We simply pass along whatever information we have to the Government agency involved. The agency evaluates the information and either does or does not clear the individual concerned.

"This, of course, is in line with the Bureau's primary job, which is fact finding," DeLoach went on. "By law and policy the FBI does not evaluate, prosecute, or judge the cases it is investigating."

I asked: "What about complaints or accusations that may have been inspired by malice or jealousy?"

"Whenever a person labels a job applicant a Communist, Fascist, or the like," replied DeLoach, "the FBI asks why he believes this, how he knows. Should the accuser have no supporting facts, the FBI clearly notes this in its report. The Bureau merely gathers all the available facts so that the interested Government agency may make a decision based upon the preponderance of evidence, which is in fact the way man judges man in a democracy."

From Assistant Director Nicholas P. Callahan, Chief of the Administrative Division, I learned that the selection and training of special agents is a process designed to weed out the faint of heart and discourage all but the most dedicated.

Callahan slid an official information sheet across his desk. An applicant for appointment as special agent, it stated, must be a male citizen between 25 and 41, a graduate of a State-accredited resident law school or a 4-year resident accounting school with at least 3 years' practical accounting experience, and willing to serve anywhere in the United States or its possessions.

"All applicants," the document advised sternly, "must be able to perform strenuous physical exertion and, further, must have no physical defects which would interfere with their use of firearms or with their participation in raids, dangerous assignments, or defensive tactics."

An applicant who meets these qualifications and passes the required tests must also survive a rugged investigation of his background. If, after all this, he remains in the running, he is accepted by the FBI.

"Once he's appointed, he goes to the Training and Inspection Division," Callahan said. "They make a special agent out of him."

NEW AGENTS TRAIN FOR 13 WEEKS

The pride of Assistant Director John F. Malone's Training and Inspection Division is its academy on the grounds of the U.S. Marine Corps Schools at Quantico, Va. Newly appointed agents divide their 13-week training program between the academy and Bureau headquarters in Washington.

At Quantico, Special Agent in Charge Henry L. Sloan, a tall Texan, invited me to assist in a demonstration of FBI methods for a visiting group of police recruits from Fairfax County, Va. He handed me a training revolver, with the firing pin removed, and we faced one another a few inches apart.

Obeying instructions, I said, "Hands up."

Suddenly I was aware of a blur of movement and a stinging sensation on my right wrist. When I recovered, Sloan held the gun pointed at me. Repeating the swift maneuver in slow motion, he showed how he had knocked my right hand aside with his right, simultaneously seizing the weapon with his left.

Elsewhere at Quantico I saw new special agents tossing one another about as they practiced the FBI's special brand of hand-to-hand defensive tactics, a blend of judo, jujitsu, and another Japanese technique, karate, which features quick crippling blows with hands, elbows, knees, and feet.

CRACK SHOTS SHUN USE OF GUNS

On the FBI academy's target ranges, agents staged dazzling exhibitions of marksmanship with revolvers, shotguns, and Thompson submachineguns.

"The FBI prefers not to be forced into using firearms," Special Agent George Zeiss, the rangemaster, told the police recruits. "In locating some 200,000 fugitives since 1934, when the FBI was authorized to carry guns at all times, agents have been compelled to kill only 33 people. Every law-enforcement officer should become proficient with small arms, but use them only when necessary."

The academy's trainees also practice raiding techniques, learn to set up roadblocks, and absorb other lore of the lawman.

Although the FBI emphasizes brains rather than brawn, the service attracts many athletes. The roster of special agents includes former stars of college and professional football and baseball, boxers, wrestlers, and even a world's champion badminton player.

Two agents have athletic backgrounds that mesh nicely with the FBI's reluctance to fire upon a running fugitive. Here the Bureau recognizes the risk of mistaken identity, the danger of injuring innocent bystanders, and the dishonor of shooting a man in the back. The situation calls for pursuit on foot. Special Agents Donald R. Lash and Frederick L. Wilt, former collegiate and Olympic track stars, are regarded as exceptionally well qualified.

The Investigative Division, headed by Assistant Director Alex Rosen, supervises from Washington the men who track down the criminals of today. It is this unit that earned for FBI agents the nickname "G-men."

This term for Government men was born when George ("Machine Gun") Kelly found himself surrounded by FBI agents who sought to arrest him for a kidnaping. From his hideout in Memphis, Tenn., Kelly saw that he was clearly outgunned.

"Don't shoot, G-Men!" Kelly bawled.

The sobriquet became popular during a strange era when a bemused public seemed to look upon gangsters as fun-loving chaps engaged in pranks that would become exciting movies starring James Cagney or Edward G. Robinson.

A more realistic attitude developed with a wave of kidnapings, especially after one of the Nation's most sensational crimes—the abduction of the infant Charles A. Lindbergh, Jr., in March 1932. A note demanded $50,000 ransom, which the famous parents paid. In May the child's body was found a few miles from the Lindbergh home near Hopewell, N.J. He had been killed shortly after he was stolen from his crib.

The crime unleashed a manhunt with few equals. The FBI, although it had no jurisdiction, worked in close cooperation with the police of New Jersey and New York. Congress enacted the Lindbergh law, making death the maximum penalty for transporting a kidnaped person across any State line.

By the time Bruno Richard Hauptmann was executed in 1936 for the Lindbergh kidnap-murder, the public largely had abandoned its view that crime was glamorous and romantic.

But the legend had died hard. In July 1934, gangster John Dillinger made the mistake of drawing his revolver on FBI agents and police as he left a Chicago movie theater with the "woman in red," who had told the FBI where to find him. Bullets from FBI guns put a period to the career of Dillinger, "public enemy No. 1" and leader of a gang that swept across the Midwest murdering, holding up banks, robbing police arsenals, and engineering jail breaks.

Ironically, FBI agents then lacked the power to arrest him for any of those offenses, which violated only State laws. They wanted him for the relatively mild misdeed of violating the Federal law prohibiting transportation of a stolen automobile across a State line. Dillinger had broken that law when, after staging his famous wooden-gun escape from the county jail at Crown Point, Ind., he seized a car and fled into Illinois.

After Dillinger, in quick succession, "Pretty Boy" Floyd, "Baby Face" Nelson, and other murderers toppled from public favor as the FBI answered bullet with bullet and emerged triumphant. When kidnaper Alvin Karpis announced that he had decided to kill Mr. Hoover, the Director issued an order: "Notify me when Karpis is located. I'll arrest him." Soon thereafter, in New Orleans, Mr. Hoover did just that. Karpis was sent to Alcatraz for life.

ALERT CITIZENS AID THE FBI

The Domestic Intelligence Division, headed by Assistant Director Alan H. Belmont, has the awesome responsibility of guarding the internal security of the United States against espionage, treason, and subversion.

Understandably, Belmont's division moves in deep secrecy, saying little or nothing about its current operations. While it faces problems challenging all the ingenuity of modern man, it sometimes uses techniques dating back to the Trojan horse.

There was, for example, the improper Bostonian who was a pillar of the Communist Party in Massachusetts. Although outwardly a respected businessman, he was known in party circles as an expert in subversive propaganda and organization. His party associates considered him a dedicated worker destined for great things.

Boston's Communists were staggered when this same Herbert A. Philbrick appeared as a Government witness in the trial of the party's national board, which, the prosecution charged, "did conspire * * * to organize * * * and advocate the overthrow and destruction of the Government of the United States by force and violence."

Philbrick had been for 9 years a confidential informant of the FBI, and his operation proved a classic demonstration of the technique known as infiltration. All 11 defendants were convicted and sent to prison.

For all the FBI's scientific skill and advanced techniques, nothing has been found to take the place of informants. Of the 134 "top ten" fugitives located in the past decade, 55 have been arrested as the direct result of information provided by citizens.

During my travels I had often noticed bulletin boards bearing flyers with photographs and description of the "Top Ten"—the 10 most-wanted criminals. One hard face in particular impressed me; it was that of Edwin Sanford Garrison, fugitive from an Alabama prison, who had been convicted of burglary, grand larceny, robbery, and murder. Under his picture were these words: "He should be considered armed and dangerous."

"I'd hate to meet him in a dark alley," I remarked to Charlie Moore.

"Can't say I blame you," said Charlie, and he added that Garrison was a remarkable criminal.

"He's a mathematical wizard," Charlie continued. "I understand you can read him a whole column of five-digit numbers from a telephone directory and he will give you the correct total instantly. Wherever he is, we figure he's making a living by preparing income tax returns, auditing books, or some such job."

In St. Louis, Mo., one day, Charlie and I stopped to chat with Calvin Howard, special agent in charge of that city's big field office. On his desk a "Wanted" poster caught my eye.

"There's that face again," I remarked. "It keeps haunting me."

"Which one?" Howard asked. I pointed out Edwin Sanford Garrison.

"Oh, yes," said Howard. "Garrison, the human Univac, the brainiest man ever to make the Top Ten. We bagged the old boy yesterday."

ROUNDING UP A TOP TEN CRIMINAL

Over lunch and later in his office, Howard reconstructed for me the capture of Garrison. The whole operation was a minor classic of investigative work, accomplished quietly and without bloodletting, which is the way the FBI likes to do its job.

This latest and probably final chapter in Garrison's career opened when FBI headquarters received a tip on his whereabouts. On a Wednesday evening in September 1960, just as Howard sat down to dinner at home, his telephone rang. It was the FBI field office, relaying the report that Garrison was working as a bookkeeper at a riverside resort somewhere near St. Louis.

"I'll have to go back to the office," Howard told his wife, and hurried through dinner.

He did not say why he was going or when he would be back; and his wife did not ask. Nor was anything said about the possibility that he would not be back at all.

Howard tucked a Smith & Wesson .38 into a holster on his right hip, kissed his wife goodbye, and drove downtown.

At his office, Howard mapped strategy with his top assistants. The outlook was discouraging. Hundreds of riverside resorts, which offer fishing and other recreation, line the Mississippi banks near St. Louis. It might be necessary to check each one.

One more piece of information was available: a license number from an automobile belonging to a friend of Garrison.

At 12:30 a.m. Howard adjourned his meeting. In the morning a force of 30 agents began canvassing the resorts. Other agents quickly learned the identity of Garrison's friend; he was a smalltime confidence man we will call Stanley. Stanley was soon located and placed under 24-hour surveillance.

At 1 a.m. Friday, Stanley was "put to bed" by the agents who, in their own term, were "surveilling" him. Up and about by 7, Stanley drove to a new apartment house development, picked up a man, and drove unhurriedly to an area dotted with riverside resorts.

The important break was provided by the apartment house manager. He looked at Garrison's photograph and thought he recognized him as a tenant. Incidentally, he mentioned that he had seen the suspect with a woman who wore a white uniform.

A detail of agents quickly learned that the woman in white was the owner of a riverside resort. Here was another clue bolstering the agents' belief that they were on the right trail, since the original report had said their quarry was working in such a resort. This information was radioed to the agents following Stanley and his passenger, still driving aimlessly about the countryside.

CARE AND SKILL PREVENT BLOODSHED

Using a blackboard sketch of the apartment house, Howard now briefed a detail assigned to capture Garrison. Mindful of the man's bloodstained record, he armed his agents with submachine guns, shotguns, and the powerful Magnum revolvers the FBI reserves for those expected to resist arrest.

With Special Agent Howard in command, this group moved discreetly to the apartments to await Garrison's return.

Finally, Stanley drove up, let Garrison out of the car, and departed. Rather than risk a gun battle in which innocent people might be harmed, the agents allowed Garrison to climb to his third-floor apartment, his progress watched through the glass walls of the stairwell. Now the stairs were guarded and the corridor leading to Garrison's apartment commanded by Magnums.

All it took was a knock on the door.

"Aren't you glad it's over, Garry?" Howard asked. Obviously Garrison was; wordlessly he was led away.

"A pretty tame affair, wasn't it?" Cal Howard said to me. "You may wonder why we armed ourselves so heavily. Remember that warning on the 'Wanted' flyer: 'Should be considered armed and dangerous'? We had no way of knowing that Garrison wasn't going to burst out of the apartment with a gun blazing.

"Actually, after we sized up the situation, we carried only Magnums; the shotguns and Thompsons were left in their cases. One other thing: We evacuated all tenants from Garrison's floor before we moved in."

Like all the other agents I had met, Howard seemed completely dedicated. I asked him what there was about the FBI that inspired such esprit de corps.

"I couldn't define it exactly," he said. "Maybe it's just the feeling of belonging to a good outfit, doing a job with other guys who feel the same way you do. Something like the Marines, say."

I had heard this simile before, and none seems more apt.

In its early years, the Bureau of Investigation—established in 1908—fell far short of its present standards. During the Coolidge administration, Attorney General Harlan Fiske Stone named J. Edgar Hoover, a young lawyer on his staff, to reorganize the Bureau.

"I'll take the job, Mr. Stone," Mr. Hoover told his chief, "on certain conditions."

"What are they?" Mr. Stone asked.

"The Bureau," Mr. Hoover replied, "must be divorced from politics and not be a catch-all for political hacks. Promotion will be made on ability, and the Bureau will be responsible only to the Attorney General."

"I wouldn't give it to you under any other conditions," Mr. Stone said crisply. "That's all. Good day."

DIRECTOR INSPIRES RIGID DISCIPLINE

Mr. Hoover has placed his personal stamp upon the FBI to a degree equaled in few organizations. His men live by a rigid code of discipline and personal conduct. One seldom sees an overweight agent; the slightest sign of paunch brings a curt warning to get more exercise—or else.

Even clothes must meet FBI standards. On duty, an agent must wear a conservative suit, never slacks or sports jacket; ties will be quiet; hats will be worn.

This rule goes by the board, of course, when agents find it necessary to don disguises on undercover jobs. A New York agent, in beard and sweat shirt, prowled the beatnik dens of Greenwich Village in search of an Army deserter. He was glad, he said, when he got his man and rejoined the earth people.

Despite their stern regimen, few agents ever leave the FBI for private business, although many have been offered positions at double or triple their Government earnings. Salaries have increased recently, and they know their boss believes in better pay. Mr. Hoover never misses an opportunity to denounce a system under which law-enforcement officers, in some cities, earn less than stenographers.

NINETEEN AGENTS HAVE DIED IN LINE OF DUTY

Calling on the Director for a final chat, I waited in an anteroom which had been converted into a small museum of crime-fighting mementos. On a wall hung a bronze plaque listing the 19 FBI special agents who have been killed in line of duty since 1925.

Mr. Hoover emerged from his office shaking hands with a group of youths in khaki.

"Those were Eagle Scouts," the Director explained. "Nothing about this job gives me more pleasure than the opportunity to meet and work with young people."

"What do you see happening to the FBI in the years ahead?" I asked Mr. Hoover.

"I may be the only bureaucrat in Washington who doesn't want to see his outfit expanded," he replied without hesitation. "I'd like to see us go forward in the future just about as we are now.

"The problem is," he continued, "that there are times when some particularly vicious crime will stir up a public outcry—a demand that the FBI be given jurisdiction over such and such a type of crime. In most of these cases, it's the sort of crime that should be handled on the local level. If that is so, I argue against bringing the FBI into the picture. Sometimes I win; sometimes I lose.

"As to the future," he concluded, "we have a number of factors to guide us. First and foremost there is the law, which tells us specifically what we can and cannot do. There is the Justice Department, which tells us where our jurisdiction lies. There is the Congress, which passes the laws and grants us the funds to operate. And there is the press, which stands ready to warn us if we get off base or fail to measure up to the standards expected of us.

"With these guideposts, I don't believe we can ever go too far wrong."

NATIONAL CONFERENCE OF INTERNATIONAL ECONOMIC AND SOCIAL DEVELOPMENT

Mr. CASE of New Jersey. Mr. President, yesterday the National Conference of International Economic and Social Development began its eighth annual conference here in Washington.

The Conference brings together from all parts of the country businessmen, representatives of organizations, administrators, and public officials, and just plain citizens who are concerned in one way or another with our mutual security programs. The Conference makes, I believe, a unique and important contribution to public exploration and public understanding of the many facets of our assistance programs.

Mr. President, I would like to insert in the RECORD at this point messages sent the Conference by two distinguished Americans, each with wide experience in this vital area of international relations. Former Secretary of State Christian Herter sent the Conference the following telegram:

Hon. CHARLES P. TAFT,
Cochairman, National Conference of International Economic and Social Development, Shoreham Hotel, Washington, D.C.

DEAR CHARLIE: I hope you know how sorry I am that I cannot be with you at your Conference dinner on June 15. However, I do wish to add my word to those distinguished individuals who favor the new foreign aid program. As you know, I have always been a strong supporter of such a program and I am particularly glad that this year emphasis is being put on the long-term (5-year) program for the Development Loan Fund. There is no question in my mind but what the entire lending and projects program can be tremendously improved if those who have the responsibility know in advance the limits within which they can operate over a period of years without being confined to a fiscal year's appropriation. Should such a program be approved, it would, in my opinion, add greatly to the efficiency and efficacy of the whole operation.

With kindest personal regards,
Most sincerely,

CHRIS.

Gov. Nelson Rockefeller, of New York, whose activities particularly in the inter-American field are well known, wrote to the Conference as follows:

MESSAGE TO THE EIGHTH NATIONAL CONFERENCE FROM GOV. NELSON ROCKEFELLER

As one who has been vitally concerned with the subject over two decades, ever since directing this Nation's program of assistance

in strengthening the forces of democracy in the Western Hemisphere during World War II, I consider extension and improvement of the U.S. foreign aid program in these days of maximum peril to be essential to the future of freedom.

I feel that it is especially necessary that our aid program be placed on a basis permitting long-range planning, as long recommended by leaders of both political parties. This will not only enable us to assist more effectively in orderly economic growth of developing nations to the end that they may remain free, but will also assure maximum usefulness of the U.S. contribution to the developing multilateral aid program of the free world.

Emphasis on long-term loans repayable in hard currencies, insistence on internal reforms to assure stability within recipient nations and separation of military and economic aid are all important.

But most important of all is a realistic appraisal of the future of our responsibilities as leaders of the free world, of the long and relentless struggle with communism that we must sustain if freedom is to live rather than dwelling on past errors or a lengthy recital of our great contributions in the past.

Now of all times is no time to flag or to fail. Now, freemen must press forward in turning their beliefs in freedom into action for freedom.

THE ROLE OF THE WORLD COURT IN ESTABLISHMENT OF WORLD PEACE THROUGH LAW

Mr. MORSE. Mr. President, the bar association of my State of Oregon is one of the most active in the country in attempting to educate the American people on the subject of the International Court of Justice and its potential role in world affairs. On August 31, 1960, the American Bar Association reaffirmed its opposition to the Connally amendment to the 1946 Declaration of Acceptance of the Jurisdiction of the World Court by the United States.

On September 22, 1960, the Oregon State Bar, by an overwhelming vote, also urged repeal of the Connally amendment. A committee was set up by the Oregon Bar Association and it has produced a remarkable series of articles and conferences on this subject. Many of the most distinguished lawyers in the State of Oregon are participating in this effort. They include Mr. William L. Josslin, chairman of the Multnomah Bar Committee on World Peace Through Law; Judge Alfred T. Sulmonetti, Oregon circuit judge; McDannell Brown, the former Oregon circuit judge and past president of the City Club of Portland; Howard M. Dupuy, Jr., president of the Gyro Club of Portland and a member of the public affairs committee of the junior chamber of commerce; Frank Bauman, past president of the World Affairs Council of Oregon and president of the Yale Law Association of Oregon, and many others. In fact, one of our most distinguished citizens, former Gov. Charles Sprague, is also active in this educational effort.

A series of articles on the potential role of the World Court to establish world peace through law has been published by the Portland Daily Reporter. These articles have been collected in one reprint, with a preface by the president of the Oregon State Bar, Dean F. Bryson, and Secretary John H. Holloway.

I ask unanimous consent that these articles be printed in the RECORD.

I think the program and work of the Oregon State Bar on this subject are exemplary, and I hope these articles will stimulate other State bar associations to conduct the same educational campaign in their communities on the importance of the International Court of Justice.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

WORLD PEACE THROUGH LAW: DREAM OR POSSIBILITY?—THE CONNALLY AMENDMENT MUST BE REPEALED

(By McDannell Brown)

Soviet Russia, as a prerequisite of subscribing to the charter of the United Nations, demanded and secured a provision for a built-in veto on any matter coming before the security council. Its oft-employed "nyet" has too frequently frustrated the efforts and programs of the United Nations. The United States, in 1946, in its declaration of adherence to the World Court, did precisely the same thing by appending to the resolution what is known as the "Connally amendment"—the right to call "nyet" whenever it sees fit.

The International Court of Justice, or the World Court, as it is commonly known, does not possess all-encompassing jurisdiction. It does not even include all disputes or controversies between two nations or states. Its jurisdiction is limited to controversies concerning: (a) The interpretation of a treaty; (b) any question of international law; (c) the existence of any fact which, if established, would constitute a breach of international obligation; (d) the nature or extent of the reparation to be made for the breach of an international obligation.

The U.S. declaration of acceptance provides: "This declaration shall not apply to * * * (b) disputes with regards to matters which are essentially within the domestic jurisdiction of the United States of America as determined by the United States of America." These last eight words are what is known as the "Connally amendment" or the "self-judging amendment."

Under this reservation the United States can withdraw any controversy or claim asserting that it is a matter essentially within the domestic jurisdiction of the United States. Its assertion on this point cannot be questioned.

The Connally amendment seriously compromises the leadership and prestige of the United States by making its nominal support of the Court and advocacy of the rule of law among nations appear insincere, mere sham. If the World Court and the rule of law which it is designated to maintain are not to be trusted, then the United States should stay out entirely.

The amendment is unbusinesslike because, although the United States would undoubtedly never use it as a pretext to escape a just liability, under the rule of reciprocal application any nation against whom the United States, or one of its citizens has a claim, could invoke this "Kings X" amendment or reservation and thus effectively close the door to any forum or tribunal where redress could be secured.

It was just 100 years ago that the United States was plunged into the bloodiest war of human history over this very issue, when the Southern States, by their nullification acts and secession legislation, attempted to arrogate to themselves a right to determine whether or not the Constitution and laws of the United States were applicable to them. America's most tragic ordeal was a repudiation of that doctrine.

The United States, whose institutions and history are living examples of the success of justice under law, and which is one of the most vocal advocates of world peace through law, has, nevertheless, through some ill-conceived and entirely erroneous conception of self-interest, taken a hypocritical position of insisting on its "nyet."

Repeal of this self-judging amendment would not only provide increased protection of national and private interests abroad, but would significantly enhance the prestige and restore the leadership of the United States in international affairs. It would be a long step toward the realization of world peace through law.

QUOTES FROM TWO U.S. SENATORS

Senator HUBERT H. HUMPHREY: "We cannot afford to leave a single stone unturned in our effort to develop the means for advancing international cooperation, understanding, and peace. One of these means is through the strengthening of the international law through the International Court of Justice."

Senator WARREN MAGNUSON: "I have long felt that the United States should stimulate among all nations a dependence upon the rule of law in international dealings."

WORLD PEACE THROUGH LAW: DREAM OR POSSIBILITY?—ETERNAL DILEMMA—PEACEFUL MEANS OR WAR?

(By William L. Josslin)

In the mountains of Norway and Sweden are mouselike animals known as lemmings. Every 3 to 10 years, they march down the mountains and drown themselves in the sea. Are we humans any wiser? During the 31-year period, 1914 to 1945, more than 40 million persons, military and civilian, lost their lives in two world wars. Today, the means of mass destruction are so far advanced that a major war would threaten the existence of all life on this planet.

Organized in 1945 by 51 countries, the United Nations and its agencies embody mankind's chief hope to avoid extermination. Its 99 members represent all but 700 million of the three billion persons on earth. Red China with its 600 million and divided Germany with its 70 million are the only great powers not members. In the U.N. general assembly, Victor Hugo's dream of a parliament of man approaches fulfillment. During 16 years of unprecedented international tensions, no major war has occurred. The assembly, the security council and the secretariat, now headed by Dag Hammarskjold, are entitled to much of the credit.

The U.N. is the focal point for international cooperation in all fields—food and agriculture, civil aviation, labor, telecommunication; education, science and culture; postal service, health, meteorology, money, reconstruction and development, refugees, children, atomic energy, trade and tariffs, maritime problems, trust territories, disarmament.

In his inaugural address, January 20, 1961, President John F. Kennedy declared: "To that world assembly of sovereign states, the United Nations, our last best hope in an age where the instruments of war have far outpaced the instruments of peace, we renew our pledge of support—to prevent it from becoming merely a forum for invective—to strengthen its shield of the new and the weak—and to enlarge the area in which its writ may run."

In 1945, much of the world's hope for peaceful settlement of international disputes centered in the U.N.'s judicial organ, the International Court of Justice of 15 judges sitting at The Hague. This hope was rudely dashed in 1946 when the United States attached to its declaration of acceptance of the Court's jurisdiction the Connally amendment, enabling this country to

avoid submission of any dispute by claiming that such dispute involved a matter within its "domestic jurisdiction." Russia and other countries promptly followed our lead with the result that in its 16-year history, the Court has decided only 19 disputed cases.

To strengthen the Court is the purpose of the 250,000 lawyers of the United States, as expressed during the past 3 years by the American Bar Association, the 50 State bars and local bar associations, through their committees on world peace through law, under the great leadership of Charles S. Rhyne, of Washington, D.C., past president of the ABA. U.S. lawyers are now contacting lawyers of every civilized country to exchange information and ideas and, in Rhyne's words, to harness "the manpower and brainpower of lawyers the world over in this tremendous effort to utilize the procedures, processes, principles, and institutions of the rule of law to bring order and stability into the world community."

In Oregon, under the chairmanship of Frank A. Bauman, and later, Circuit Judge Alfred T. Sulmonetti, the Oregon State Bar Committee on World Peace Through Law has made unusual progress. In behalf of Oregon's 3,346 active lawyers, it has contacted lawyers in its assigned countries of Thailand and Portugal. Last December it brought to Oregon a distinguished Thai judge, Khun Tanin Kraivixien. It has made a unique study of international law and tribunals.

It staged on May 1, 1960, a remarkable television program over KGW–TV, "The World Court in Action," recently submitted for the gaval award of the American Bar Association. It arranged the showing of Rhyne's eloquent half-hour film on "World Peace Through Law" over television stations in Portland, Corvallis, Eugene, and Roseburg. It presented special programs over radio KVAN. It brought Rhyne to Oregon to address the State bar and the City Club of Portland. It is engaged in a campaign of public education on the Connally amendment. And it is making plans for a visit of Oregon lawyers to Thailand.

Two years ago the Office of Civil Defense and Mobilization estimated that one 10-megaton bomb dropped on Portland, 1 of the Nation's 71 critical target areas, would destroy 259,000 of our people.

Isn't it about time we lemmings stop our march to the sea?

WORLD PEACE THROUGH LAW: DREAM OR POSSIBILITY?—OREGON LAWYERS ORGANIZE PEACE EFFORTS

(By William L. Josslin)

In 1959, five regional conferences were held in this country to develop and put into operation plans to organize the lawyers of the world for peace. Frank A. Bauman, of Portland, Walter C. Winslow, of Salem, Frank J. Van Dyke, of Medford, and the president and vice president of the Oregon State Bar participated in the conference of the 10 Western States at San Francisco, April 24 and 25.

Soon thereafter, the Oregon State Bar Committee on World Peace Through Law was appointed with Bauman as chairman and Van Dyke and Winslow as two of the members. Later, similar committees were named by some of Oregon's 25 local bar associations, including Multnomah, to work in close cooperation with the State and national committees.

To inform the committee members, special studies were made on international law, sovereignty, decisions of international tribunals and whether the so-called political disputes that divide the world are subject to judicial solution.

As part of the process of self and community education, the State and county committees staged a special 1-hour television program over KGW–TV on May 1, 1960, as part of the Law Day observances. The program depicted the International Court of Justice deciding in 1952 the Anglo-Iranian Oil case.

Every effort was made to make this dramatic portrayal historically authentic. Complete transcripts of the arguments of counsel and the majority, concurring and dissenting opinions of the judges were obtained from the registrar of the court in The Hague. This material had to be condensed but its essence was retained.

The arrangement of the stage setting and the costumes of the judges, attorneys, and court attaches were based on photographs of the court in session and other research. The white dickies of the judges were made by the wife of Circuit Judge Alfred T. Sulmonetti.

The program represented a high degree of community cooperation. Time for the program was released by the Oregon United Nations Association and by the Greater Portland Council of Churches, both of which organizations participated through their officials, President Karlin M. Capper-Johnson (Lewis and Clark College professor), and Dr. John L. Wallen, of Portland State College, respectively, who acted as moderators, explaining the background and import of the decision. Brief remarks were made by C. S. Emmons, of Albany, then president of the Oregon State Bar, and Gen. Lamar Tooze, chairman of Law Day.

The president of the Court was portrayed by U.S. District Judge John F. Kilkenny, a trustee of University of Portland, and the vice president by Chief Justice William M. McAllister, of Oregon. The other judges were played by Circuit Judges Sulmonetti, Lyle R. Wolff, of Baker; Eugene K. Oppenheimer, John J. Murchison, and Val D. Sloper, of Salem; American Bar Delegate Hugh L. Biggs, ex-U.S. Attorney Henry L. Hess, Dean Seward Reese, of Willamette University College of Law, Dean Jonas A. Jonasson, of Linfield College, Kalesh Dudharker, of Reed College, Lebanese Consul Robert A. Bitar, Rev. Stephen M. S. Lee, of the Holt Chinese United Presbyterian Church, President Philip M. Feingold, of the United World Federalists, and Dr. Khosrow Mostofi, of Portland State College.

Five of the judges gave their opinions in Spanish, Iranian, Chinese, Arabic, and an Indian dialect respectively.

Frank Bauman, director and past president of the World Affairs Council of Oregon, appeared in academic robe as Prof. Henri Rolin, of Belgium, counsel for Iran, and the writer in formal dress as Sir Lionel Heald, Attorney General of Great Britain. Past President Phillip J. Roth of the Multnomah County Bar and Portland Civil Service Commissioner Gladys M. Everett were cast as Registrar Hambro and the court reporter, respectively.

The theme of the production was well expressed in the opening remarks of Gov. Mark O. Hatfield: "The rule of law protects the rights of individuals—it can also protect the rights of nations. It can bring lasting peace to the world."

QUOTES FROM PRESIDENT JOHN F. KENNEDY AND TWO FORMER PRESIDENTS

John F. Kennedy, President of the United States: "No nation can remain free unless its people cherish their freedoms, understand the responsibilities they entail, and nurture the will to preserve them. Law is the strongest link between man and freedom, and by strengthening the rule of law we strengthen freedom and justice in our own country and contribute by example to the goal of justice under law for all mankind."

Franklin D. Roosevelt, President of the United States: "The people of the United States are as one in the opposition to policies of military conquest and domination. They are as one in rejecting the thesis that any ruler, or any people, possess the right to achieve their ends or objectives through the taking of action which will plunge countless millions of people into war and which will bring distress and suffering to every nation of the world, belligerent and neutral, when such ends and objectives, so far as they are just and reasonable, can be satisfied through processes of peaceful negotiation or by resort to judicial arbitration."

Woodrow Wilson, President of the United States: "What we seek is the reign of law based upon the consent of the governed and sustained by the organized opinion of mankind."

WORLD PEACE THROUGH LAW: DREAM OR POSSIBILITY?—LAWYERS BELIEVE RULE OF LAW ESSENTIAL

(By Charles S. Rhyne)

"World peace through law" is both the name and ultimate objective of the international program being undertaken by the organized lawyers of virtually every nation in the world. Lawyers participating in this program firmly believe that the international rule of law is essential to enduring international peace and the orderly conduct of relations between states.

In pursuit of this objective continental conferences are scheduled for lawyers of the Americas, of Asia, of Africa, and of Europe sponsored by the American Bar Association special Committee on World Peace Through Law with funds supplied by the Ford Foundation and the international cooperation administration.

The continental conferences will have the participation of the national bar associations of 23 nations in the Americas, 19 participating associations of Asia, 29 participating associations in Europe, and in Africa delegates from 33 nations. The continental conferences are to be exploratory and educational in character, with the purpose of helping to lay a proper foundation for a World Conference of Lawyers.

The first conference is that of the Americas and is scheduled to be held in San Jose, Costa Rica, on June 11–14, and the second, the Asian Conference is scheduled for Tokyo, Japan, September 17–20.

The world conference, with delegates invited from over 100 nations, should lead to crystallization of the ideas of the leading lawyers of the world as to effective steps that can be taken toward establishment of the international rule of law, and the best way in which lawyers can be organized to help achieve that goal.

It is not expected that merely through these conferences disputes over interpretation of substantive provisions of international law will be resolved, or political differences between nations will be eliminated; nevertheless, it is hoped that the groundwork for resolving these differences, and for filling gaps in international law can be laid.

If, through this organized effort, permanent national committees can continue the discussion of the means for further development of the international judicial process and institutions, can identify the problem areas of international law, and if the committees can be organized to cooperate on a worldwide basis, then it may be possible to gradually create institutions, procedures, and new rules of law necessary for the effective and peaceful resolution of international legal disputes.

QUOTES FROM WELL-KNOWN AUTHORITIES ON WORLD AFFAIRS

Harry S. Truman, President of the United States: "The principles and purposes expressed in the Charter of the United Nations continue to represent our hope for the eventual establishment of the rule of law in international affairs."

Dwight D. Eisenhower, President of the United States: "The world no longer has a choice between force and law; if civilization is to survive, it must choose the rule of law."

Chaudri Nazir Ahmad Khan, Attorney General of Pakistan and president of the Pakistan legal center: "For us Moslems, the rule of law is like an article of faith. When we talk of the rule of law we are talking of an Islamic concept and an Islamic way of life."

Arturo A. Alafriz, president, Philippine Lawyers Association: "The lawyers of our country are solidly behind the move, nay, the crusade for peace through law."

WORLD PEACE THROUGH LAW: DREAM OR POSSIBILITY? — THAILAND — UNDERSTANDING BUILDS PEACE

(By William L. Josslin)

How does one go about contacting and making friends with persons of a different race, in a country like Thailand (Siam), 6,000 miles from Oregon—people with a different history, culture, religion, and language? I was given that job in November 1959.

The Thai are a very warmhearted, kindly, sympathetic, and hospitable people of unusual intelligence, skill, and artistry. These qualities were manifested during the 1960 visit to the United States of their majesties, clarinet and saxophone-playing, young King Phumiphon Aduldej and his beautiful and gracious Queen Sirikit. The now 22 million Thais have created during the last 14 centuries a remarkable civilization in their enchanting land and have maintained their independence against all comers.

Thailand has been a bulwark of the United Nations since its admission in 1946, and is a key member of the Southeast Asia Treaty Organization (SEATO). E. E. Brodie, of Oregon City, was U.S. Minister to Siam from 1921 to 1923. From 1951 to 1956, Austin F. Flegel Jr., a Portland lawyer, was Chief of the U.S. Economic and Technical Mission to Thailand. Trade with Oregon has flourished since then.

With the aid of Charles S. Rhyne, chairman of the American Bar Committee on World Peace Through Law, the Thai Consul General in San Francisco, the royal Thai Ambassador in Washington, D.C., and the U.S. Ambassador in Bangkok, I was able to interest leading Thai lawyers in this subject. In June 1960, I received from Nai Chai Charoen Santisiri, the secretary-general of the Thai bar, and a senior judge of the Supreme Court of Thailand, a list of Thai lawyers for correspondence, an explanation of Thai legal history and administration of justice and other helpful information. In December 1960, Khun Tanin Kraivixien, a distinguished judge, and now Chief of the Legal Affairs Division of the Ministry of Justice, visited Oregon and was enthusiastically received at meetings here with judges, lawyers, and others.

Eighteen Oregon circuit judges now are corresponding with 10 supreme court and 8 other Thai judges. A retired U.S. Air Force colonel, Ashley Greene, of Oregon City, is writing to a colonel in the Thai Military College. Oregon lawyers are communicating with 40 other Thai lawyers, including 6 ministry of justice officials, 1 ministry of foreign affairs official, and 6 law school deans or professors. Friendly letters have been written to each of the 59 Thais by Gov. Mark O. Hatfield, of Oregon, Mayor Terry D. Schrunk, of Portland, Mr. Rhyne and President Dean F. Bryson, of the Oregon State Bar.

Here are some of the heartwarming Thai responses:

Supreme court judge: "Please let me know if there is anything more I can do for you or for the project."

Official high in ministry of justice: "It is a great privilege to work side by side with you for a common aim, i.e., world peace through law. Through mutual understanding and friendship, let peace remain with peoples of all races at all times."

Judge of juvenile court: "I am sure that our project will, in some way, help to maintain peace in this world, especially at this critical moment. I assure you that I will continue to work for its success."

One of top-ranking legal officials: "No other organization or movement can be in a better or more favorable position to carry out these tasks than ours, the legal institutions. We undoubtedly are the strongest unarmed forces in the world."

Bangkok barrister: "Personal friendship and understanding between individuals of the several nations can contribute in some good measure toward world peace and mutual international respect."

Bangkok lawyer: "Exchange of letters and visits between lawyers in the United States and Thailand would be an interesting and worthwhile step toward furthering the cause of international understanding and peace."

Public prosecutor to District Attorney Charles E. Raymond of Multnomah County: "I think it is a good idea."

Thai lawyer: "In our part of the world, our religion—Buddhism—has been preaching tolerance and peace loving for centuries. I think there is room for incorporating those two qualities in any program for world peace."

Key official of Ministry of Justice: "The idea of world peace through law is not at all inconceivable, especially when we have the legal professions of various parts of the world act as the media for international understanding and mutual international respect."

Provincial judge: "Civilized solutions to the problems that beset us in the modern world are the only hope of mankind."

Member of Thai royal family: "At the present moment a case is pending in the International Court of Justice between Cambodia and Thailand on the question involving some territorial disputes raised by the former country."

Prominent official of Ministry of Justice: "The concept of world peace through law represents a unique and valuable contribution to the cause of peace."

Plans of the subcommittee headed by State Representative George H. Layman, of Newberg, to establish contacts with lawyers in Portugal have not yet been fully completed, in spite of the 1960 visit to Lisbon by member Donald V. McCallum, due to current unrest.

QUOTES FROM TWO FORMER SECRETARIES OF STATE

John Foster Dulles, Secretary of State: "In international affairs it is impossible to sustain a just and lasting peace unless that peace is based upon law and order."

George C. Marshall, Secretary of State: "The Government of the United States believes that the surest foundation for permanent peace lies in the extension of the benefits and the restraints of the rule of law to all peoples and to all governments."

WORLD PEACE THROUGH LAW: DREAM OR POSSIBILITY?—CONNALLY AMENDMENT SHOULD BE RETAINED

(By Howard M. Dupuy, Jr.)

Under the Connally amendment the so-called World Court, or International Court of Justice, cannot decide that an issue, which by our standards is essentially domestic, is in fact by its standards an international dispute and thereafter subject us to its jurisdiction and disregard our sovereignty.

After our great World War II victory and along with the setting up of the United Nations, but before the full impact of Russia and the communistic bloc countries had reached us, we planned to accept jurisdiction of the World Court with the reservation that disputes which were essentially within the jurisdiction of the United States were not to be considered.

Senator Connally, of Texas, realized that this would leave up to the World Court the right to determine what issues were domestic policies and what were not.

We, therefore, wisely I believe, added the words, "as determined by the United States of America" to protect our national sovereignty and our ideals from any possibility of any foreign influence or control. We were cognizant of the fact, as we should be now, that there is no yardstick for determination as to what constitutes a domestic issue in the World Court.

If there existed then the need for that protection, there obviously exists today a greater need particularly, when we look at the present threat of domination of world affairs by Russia and the satellite countries.

The International Court of Justice cannot function as any court we know, for in the main the men who sit upon it are schooled in ideals and philosophies entirely alien to our own. They cannot understand our concepts of justice and they are at liberty while sitting upon this court to apply almost any concepts or ideals that they desire. Indeed the World Court is not limited to American ideals or concepts of jurisprudence. There does not even exist a right of appeal as we understand it.

Why should we accept unlimited jurisdiction of the World Court while Russia and the satellite countries who sit on the court in greater numbers than us, do not? We are already members of the World Court and our peaceful intentions are already known.

We thus have nothing to gain but everything to lose by repeal of the Connally amendment.

QUOTES FROM TWO AUTHORITIES ON WORLD AFFAIRS

Adlai E. Stevenson, former Governor of Illinois; U.S. Ambassador to the U.N.: "Building peace is the most important job in the world today. It cannot be built by arms. It can only be built by law. The lawyers of the world are equipped to be, and must be, the architects of peace."

Kotaro Tanaka, Chief Justice of the Supreme Court of Japan: "The realization of justice is a thing which interests not only one nation, but all the nations of the world."

WORLD PEACE THROUGH LAW: DREAM OR POSSIBILITY?—COURT OF JUSTICE—PROMISE AND REALITY

(By Frank A. Bauman)

On July 4, 1918, President Woodrow Wilson included in his 14 points a prayer for the establishment of the reign of law between nations. In 1920 the League of Nations was born and its Permanent Court of International Justice came into being.

This advent marked the greatest advance in the field of judicial settlement of international disputes. For the first time a state could bring a dispute to a permanent court without there being any need for the parties to reach prior agreement on the composition of the tribunal and the questions to be submitted to it. This had been the requirement of international arbitration which had found limited acceptance prior to the Permanent Court.

The Permanent Court dealt with some 79 questions; 51 were contentious and 28 had been referred by the league.

In 1945 a new judicial tribunal, the International Court of Justice was created by the Charter of the United Nations. It, too, sits at The Hague. It follows much the same rules of procedure as the old court.

The Court consists of 15 justices, each elected for 9 years by the General Assembly and the Security Council of the United Nations. It is required that the main forms

of civilization and the principal legal systems of the world be represented on the Court. In February 1961, Philip C. Jessup, the distinguished American international lawyer, was elected as a member. Other nations now represented on the Court are United Kingdom, France, U.S.S.R., Italy, Japan, Poland, Norway, United Arab Republic, Mexico, Argentina, Australia, Nationalist China, Greece, Panama, and Peru.

In the event a country is unrepresented in the Court and has a dispute before it, such as Iran in the Anglo-Iranian Oil case, a judge from the unrepresented country, called an ad hoc judge, is appointed. He sits with complete equality with the other judges.

Only states may be parties before the Court. Automatically, members of the United Nations are members of the Court. In addition, states who are not members of the United Nations may come before the Court provided they comply with the conditions determined by the General Assembly. Switzerland, historically the world's No. 1 neutral, was the first to participate on this basis.

The Court's jurisdiction to try contentious cases depends upon the consent of states, given generally in advance or as each dispute arises. This accords with traditional international law in that states are only bound by international law when they consent. This limitation is not found in domestic law, as a party before a domestic court has no independent authority to determine whether he shall submit to the Court. The Court's jurisdiction is limited to international disputes and excludes disputes local or domestic in concept.

The ability of the Court to acquire jurisdiction only when states consent and the resulting reluctance of the nations to submit disputes to the Court, is its fundamental weakness. Since 1946, the Court has tried only 19 disputed cases. Here we have an honorable Court, a respected Court and a Court with a history of scrupulous care to avoid touching on domestic matters, which nevertheles has a docket in numbers conceivably smaller, although concededly more complex in each instance, than any justice of the peace court in the land.

If the hope of mankind is to have meaning, this Court must be strengthened. One tangible way to repeal the Connally amendment, is provided in Senate Resolution 39, introduced by Senator WAYNE MORSE. Repeal is urged by Presidents Truman, Eisenhower, and Kennedy and by such organizations as the American Bar Association, Oregon State Bar and leading organizations of stature throughout the Nation.

QUOTES FROM TWO WELL-KNOWN MEMBERS OF THE U.S. SUPREME COURT

Earl Warren, Chief Justice, U.S. Supreme Court: "In these troublesome times, the hope for a peaceful world is of a world based on law as distinct from a world based on authority."

William D. Douglas, Justice, U.S. Supreme Court: "More and more people are coming to realize that peace must be more than an interlude if we are to survive; that peace is the product of law and order; that law is essential if the force of arms is not to rule the world."

MAKING DREAM A REALITY—CALL TO CITIZENS

(By William L. Josslin)

If the risk of the nuclear war with its probable extermination of the human race is to be eliminated, some chances will have to be taken. It would be small comfort to the 259,000 souls winging toward heaven or any survivors following the dropping of a 10-megaton bomb on Portland for them to realize that the Connally amendment still "protects our sovereignty." Actually, the United States has used the Connally amendment only once in 14 years—in a case brought by Switzerland, thrown out by the World Court on other grounds.

In an all-out war, nuclear weapons would be available with a strength 2,300 times greater than that of all bombs dropped by this country and its Allies in World War II. Devastating nuclear bombs will be deliverable by guided or ballistic missiles launched from land, air, or submarine over ranges of 1,500 miles or more.

The real hope of mankind is that we are all in one boat and if one nation or a group of nations pulls the plug, we'll all sink together. There's room for everybody on this old planet. But world peace can be secured only by developing mutual understanding among the peoples of the world and mutual respect and appreciation for each other's good qualities, accomplishments, culture, and institutions.

Americans rightly take pride in their remarkable achievements and progress during the 354 years since Jamestown. Yet we are beginning to realize that we can learn much from the 1,400-year history of Thailand and the many milleniums of experience of the English, French, Russians, Italians, Germans, Arabs, Indians, Japanese, Chinese, and other great historic peoples. We can learn from the smaller countries, too.

As I walk along the streets of Portland, I am frequently saddened by the fearful, worried, unhappy faces I meet. And I recall the serenity, the poise, the joyous good nature of Judge Tanin Kraivixien of Bangkok who visited Oregon last December. This Thai official was educated at the University of Thammasat and received his law degree from the University of London. He and his Danish wife have three beautiful children whose pictures he proudly displayed.

Judge Kraivixien has the unusual quality of being at ease in any group. He was given an ovation following his speech to Oregon's judges. He thoroughly enjoyed it and was one of the boys at a luncheon of the Downtown Lions Club, a Scottish Rite dinner and the Reed College Christmas party with its ceremony of the flaming boar's head.

He was a most gracious guest in Oregon homes, such as that of Mrs. Austin F. Flegel, Jr. Care was taken to invite to the reception in Judge Sulmonetti's courtroom Portland's Buddhist Bishop Daiyu Y. Henjyoji and other ministers and their families and to arrange for Judge Kraivixien to attend Buddhist services.

Too often America's friends are repulsed by our air of superiority and our lack of interest in their real welfare, culture and institutions.

People in Bangkok, Lisbon, Rome, London, Paris, Moscow, Tokyo, New Delhi, Peiping, Accra are much the same as those in Portland. They may talk a different language. The color of their skin may be different. But they too want good food and housing, health, education for their kids, opportunity for advancement, a decent old age, peace and progress for themselves and their fellows, and above all—justice.

World peace through law is not the job of the lawyers alone. It is the job of each citizen. Let's make a start today by writing Senator J. WILLIAM FULBRIGHT, chairman of the U.S. Senate Foreign Relations Committee, Washington, D.C., and urging immediate passage of Senate Resolution 39 for repeal of the Connally amendment. Let's put America back on the road to peace.

THE CONNALLY AMENDMENT

Perusal of the Portland Reporter's series on international law, which ended this week, leads us to the conclusion that the Connally amendment, limiting jurisdiction of the World Court, should be repealed.

In passing, we would like to voice our appreciation to the Oregon State bar, to Charles S. Rhyne, chairman of the American Bar Association Special Committee on World Peace Through Law, and to all the other attorneys and thinkers in the legal profession whose efforts helped prepare these articles. We feel they opened up for Oregon readers a too-neglected area of thought. We add our hopes that world peace through law may indeed become more of a reality.

Regarding the Connally amendment, it seems to us if the United Nations, which created the International Court of Justice, is to succeed in averting the nuclear oblivion which is the alternative to peace, then this organization should be freed of all possible restrictions. Arguments for and against repealing the amendment, which limits the Court's right to deal with matters which are within the domestic jurisdiction of member nations have been well presented in the Reporter's eight articles and need not be repeated.

To quote J. Lee Rankin, U.S. Solicitor General: "The United States cannot expect to be believed in its asserted desire for peace and a rule of law to govern nations if it continues to adhere to positions which cripple the influence and opportunity of the Court to make its contribution to the rule of law.

"We can expect to be branded as posers unless we place our vast influence behind what we claim to support. It is for us to remember that we are not acting only for ourselves. The entire world watches our acts for guidance as to the positions that are open to other nations and when we help the cause for peace, we do it for the whole human race.

"For us to have a special place in history worthy of the position of leadership we now occupy, it is time that we led the way and advanced along the road where justice under law, not as determined by us, but by the courts, will determine disputes between nations."

REORGANIZATION PLAN NO. 2 OF 1961

Mr. McCLELLAN. Mr. President, on June 13, 1961, the Committee on Government Operations, in executive session, ordered reported, without recommendation, S. Res. 142, expressing disapproval of Reorganization Plan No. 2 of 1961.

Under section 6 of the Reorganization Act of 1949, as amended, a reorganization plan may not become effective if a resolution of disapproval is adopted by a simple majority of either House. On June 15, 1961, the House of Representatives adopted House Resolution 303, to disapprove Reorganization Plan No. 2 of 1961. Since this action results in the final disposition of the matter, it is no longer necessary either for the Committee on Government Operations to file a report on S. Res. 142, or for the Senate to take any further action.

I call attention to the fact, however, that hearings on that resolution have been held and will be available shortly for the information of Members of the Senate. Legislation to enact certain provisions of Reorganization Plan No. 2 is now pending before the Senate Committee on Commerce—S. 2034—and the House Committee on Interstate and Foreign Commerce—H.R. 7333—and the House committee has now completed hearings on H.R. 7333.

I thought it proper to make this announcement in view of the fact that the committee had voted to report the resolution as I have indicated.

THE HUNGER FOR TRUTH

Mr. MORTON. Mr. President, totalitarianism seldom takes public opinion seriously, for inherent in communism and fascism is disciplined obedience, not free choice for the people.

In contrast, Americans, like most people of the West, enjoy their freedoms and the exercise of choice, without which, as without a sense of responsibility, democracy cannot exist. This places a double burden on their leaders, for it makes every one of their actions subject to review and criticism.

In the New York Times of June 15, 1961, there appeared, in bought space, an article entitled "The Hunger for Truth," prepared by International Latex Corp. and its founder, Mr. A. N. Spanel. It was presented in the public interest. Mr. Spanel pleads that the White House, the State Department, and the Pentagon should tell the American people the whole truth of their position in this threatened world.

Important as I believe this article to be as a contribution to America and to its allies, it is even more impressive as an example of serious and constructive interest by a company and its head who accept their freedoms and opportunities with a remarkable sense of responsibility and understanding.

Therefore, I ask unanimous consent that the article, by Mr. A. N. Spanel, which appeared in the New York Times on June 15, 1961, be printed in the body of the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE HUNGER FOR TRUTH

(By A. N. Spanel)

Sober and somber—these are the words used by our President to describe the 2 days of dialogue with Premier Khrushchev in Vienna. As more details of the confrontation become known, however, it appears that the reality was even blacker than these adjectives suggest.

It was a grim affair, without a ray of hope to relieve its gloom. What the chief of world communism demanded amounted to piecemeal surrender, and he left no margins for negotiation or compromise.

One of the President's main purposes in arranging the Vienna conference was to "size up" Khrushchev. What he found was a dictator arrogantly self-confident and utterly contemptuous of the world of freedom represented by Mr. Kennedy. But worse was to follow.

Only one area of agreement was mentioned in the brief communique released at the conclusion of the Vienna meetings. Both sides, it affirmed, were in accord on "the importance of an effective cease-fire" in Laos. The long-stalled negotiations on the Laos issue in Geneva, the world assumed, could now get down to meaningful work.

But within hours after the communique was issued, Communist forces in Laos launched a powerful and successful offensive against a vital strategic area, the mountain ridge of Padong. Then Khrushchev's foreign minister, Gromyko, who was expected to bring from Moscow new instructions in line with the communique, returned to Geneva only to announce that he came "with empty pockets."

The single item of supposed "accord" was thus demolished. Khrushchev's agreement was reduced to a hoax, the Geneva conference was turned into an insulting joke.

Six years ago, a spectacular summit meeting was staged in Geneva. It was an orgy of false optimism, marked by scenes in which President Eisenhower and Khrushchev indulged in smiling camaraderie while cameras clicked. Several agreements in principle were announced.

Within 3 months Soviet duplicity reduced the supposed agreements to ashes. The euphoria that had seized a wishful thinking world expired.

Currently the Kremlin betrayal came not in 3 months but in less than 3 days. Those who still cling to shreds of illusion that Communists can be trusted to abide by their solemn pledges have been once more disillusioned and frustrated.

Laos, which we are committed to defend against Communist conquest, is being swallowed as we look on in anguish. While we beg for a cease-fire and some formula of accommodation or form of retreat that will at least save face for us, the Communist-led and Soviet-armed Pathet Laos forces bloodily take over more and more of the country.

To suppose that the Moscow-Peiping axis will relinquish any of the fruits of this cold-blooded aggression in Laos—except to a new regime under its domination—would be unrealistic. In the end, if we retain anything at all, it will be the bleeding stumps of another brutally amputated country.

Already the tragedy of our failure to save Laos has spread despair in southeast Asia. The countries in that area—whether alined with the West like Thailand and South Vietnam or neutralist like Burma and Cambodia—have only their faith in American power and moral stamina to sustain them as the tides of Communist conquest come closer.

But that faith is being rapidly eroded. Even Thailand, hitherto the firmest of our allies in that area, has begun to veer toward neutralism, as a hedge against American weakness.

The repercussions of the Laos disaster, in fact, can be felt in neighboring India and beyond that in Iran. In the last year, alarmed by Red Chinese aggressions on its frontiers, India had taken a stronger tone in relation to the swelling Communist empire. Now pro-Western sentiment is again being muted, and kowtowing to Moscow and Peiping has become more evident. The Iranian Government, beset by internal troubles and Kremlin pressures, is openly trying to placate Moscow.

The simple but terrifying truth is that there are deepening doubts throughout the world about the capacity of the United States and its allies, psychologically, to defend their friends and halt the surge of Communist empire.

Are further retreats that further isolate America and erode its greatness, really inevitable? Are we truly as feeble in purpose and in spirit as we seem to be? We don't believe it. Do the American people know the full extent of the fumble and failure and what these portend for our Nation and our civilization?

The White House, the State Department and the Pentagon presumably know the answers. Nothing is gained by feeding us tranquilizers. However cheerless it may be, we believe people want to be told the whole truth. Only then can we live up to the thrilling promise made by President Kennedy in his inaugural address:

"Let every nation know, whether it wish us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend or oppose any enemy, in order to assure the survival and success of liberty."

COMMENDATION OF SENATOR NEUBERGER

Mrs. SMITH of Maine. Mr. President, I wish to express my admiration and commendation of the very effective floor management and leadership of the junior Senator from Oregon [Mrs. NEUBERGER] in the handling of her antibillboard amendment yesterday. Her performance was such as to make all women proud of her—and to give support to the argument and strong evidence that the Senate could very well do with more women Members.

MASS DEPORTATIONS OF BALTIC PEOPLES

Mr. DODD. Mr. President, on June 15 and 16, every year, freemen all over the world observe a tragic anniversary: the anniversary of the brutal mass deportations of 60,000 Lithuanians by the Bolshevik occupiers.

Almost simultaneously, mass deportations took place from the other two occupied Baltic countries, Estonia and Latvia.

These, Mr. President, were calculated acts of cultural genocide. Their purpose was to decapitate the Baltic peoples, politically and intellectually. They took the political leaders, the university professors, the priests, the protestant clergy, the writers, the jurists, the national figures in every field.

The men and women they selected for deportation were in every case the leaders of the community and those capable of exercising leadership at every level.

They were taken in dead of night, without warning, and were shipped in crowded cattle cars to the wastelands of Siberia. Many of them died during the journey. Many more perished in Siberia. Those who survive are still scattered through the slave labor camps and remote settlements of the Soviet east.

But I am certain that the memory of their homeland and the love of their homeland and the belief that their homeland will some day be free, still remain strong in their hearts—as they do in the hearts of the hundreds of thousands of Lithuanians in this country and in other parts of the free world.

To those who believe that the present Soviet regime is somehow different from the regime that perpetrated these crimes against humanity, I would point to one simple fact: The monster responsible for Stalin's mass deportations from the Baltic countries was a man by the name of Gen. Ivan Serov. The same General Serov, now acting under orders of Khrushchev, was responsible for the suppression of the Hungarian revolution. And the same General Serov accompanied Khrushchev to this country, as Khrushchev's chief of security, and, therefore, as a guest of this country.

Mr. President, murder does not cease to be murder, nor does genocide cease to be genocide, after the passage of 20 years. I believe we should keep the facts about the Baltic nations constantly before world opinion. I believe we should raise the issue in the United Nations, at every available opportunity.

I believe that when the Communists demand that we get out of Berlin, we should ask them to get out of the Baltic countries and the other captive nations of Europe, and we should challenge them

to permit the peoples of these countries to choose their own governments in elections under the supervision of the United Nations.

In commemorating the martyrs of the mass deportations from the Baltic countries, Mr. President, let us again dedicate ourselves to continue the struggle for the restoration of their lost freedoms.

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER (Mr. MUSKIE in the chair). Is there further morning business? If not, morning business is concluded.

PROCUREMENT OF EXPERTS AND CONSULTANTS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 338, S. 884.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 884) to authorize the Secretary of Commerce to procure the services of experts and consultants.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 884) to authorize the Secretary of Commerce to procure the services of experts and consultants, which had been reported from the Committee on Commerce, with an amendment, on page 2, line 1, after the word "rate", to insert "of the highest grade", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of February 14, 1903, 32 Stat. 826, as amended (5 U.S.C. 594), is hereby amended by the addition of the following sentence at the end of section 2 thereof: "The Secretary of Commerce is authorized to procure services as authorized by section 15 of the Act of August 2, 1946 (60 Stat. 810, as amended (5 U.S.C. 55a)), at rates not to exceed $100 per diem for individuals, and for not to exceed one hundred days in any calendar year in the case of any individual compensated at a rate in excess of the highest rate of the highest grade payable under the Classification Act of 1949, as amended."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD a statement in regard to the purpose of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

S. 884, which was introduced at the request of the Secretary of Commerce, would amend the act of February 14, 1903, as amended (5 U.S.C. 594), to authorize the Secretary of Commerce to procure the services of experts and consultants at rates not to exceed $100 per diem for individuals. Present law limits the per diem rate to $50. Individuals compensated at a rate in excess of the highest rate of the highest grade (GS–18) of the Classification Act of 1949, as amended, could not be retained in excess of 100 days in any calendar year. With the present $50 limitation, your committee is of the view that the Department of Commerce is seriously handicapped in obtaining the needed services of experts.

No opposition to enactment has been expressed.

AGENCY REPORTS

The following favorable agency reports and statements were received and considered by the committee:

THE SECRETARY OF COMMERCE,
Washington, D.C., January 16, 1961.

Hon. RICHARD M. NIXON,
President of the Senate,
U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT: There are enclosed four copies of a draft bill to authorize the Secretary of Commerce to procure the services of experts and consultants, and copies of a statement of purpose and need in support thereof.

On January 12, 1961, the Bureau of the Budget advised that there would be no objection to the submission of this draft legislation to the Congress.

Sincerely yours,

FREDERICK H. MUELLER,
Secretary of Commerce.

STATEMENT OF PURPOSE AND NEED

Section 15 of the Administrative Expenses Act of August 2, 1946, 60 Stat. 810, as amended (5 U.S.C. 55a), provides as follows:

"The head of any department, when authorized in an appropriation or other act, may procure the temporary (not in excess of 1 year) or intermittent services of experts or consultants or organizations thereof, including stenographic reporting services, by contract, and in such cases such service shall be without regard to the civil service and classification laws (but as to agencies subject to the Classification Act of 1949 at rates not in excess of the per diem equivalent of the highest rate payable under such act, unless other rates are specifically provided in the appropriation or other law) and, except in the case of stenographic reporting services by organizations, without regard to section 5 of title 41."

Under the foregoing provision and the current Department of Commerce Appropriation Act the Department is generally limited to payment of individuals at rates not in excess of $50 per diem, specified in the appropriation act, unless otherwise specified by law.

The purpose of procuring the services of experts and consultants is ordinarily to accomplish one or more of the following objectives:

1. To secure specialized opinion not available within the Department or accessible within other Government agencies;

2. To obtain outside points of view, to avoid too limited judgment on critical issues of administrative or technical action;

3. To obtain advice regarding developments in industrial, college or university, or foundation research;

4. To obtain for specially important projects the opinion of noted experts whose national or international prestige is conducive to success of an undertaking;

5. To secure citizen advisory participation in developing or implementing Government programs that by their nature or by statutory provision call for such participation; and

6. To obtain the services of specialized personnel who are not needed by the Government on a full-time basis, or who cannot serve full time or regularly.

To accomplish the objectives listed above, it is necessary to obtain the services of individuals who are truly expert. Under civil service requirements (Federal Personnel Manual, p. A–7–13) an expert must be a person of excellent qualifications and a high degree of attainment in a professional, scientific, technical, or other field. His knowledge and mastery of the principles, practices, problems, methodology, and techniques of his field of activity, or of an area of specialization within the field, must be clearly superior to that possessed by persons of ordinary competence in the activity. His attainment must be such that he will usually be regarded as an authority or as a practitioner of unusual competence and skill by other persons engaged in the profession, occupation, or activity.

In years past a maximum limitation of $50 per diem (equivalent to approximately $13,000 per annum) has generally sufficed to enable the Department to procure the services of persons who meet Civil Service Commission's criteria for experts. In recent years, however, increasing difficulty has been experienced in obtaining the services of individuals who are truly qualified as experts because of the fact that such individuals in private employment now receive compensation at rates substantially in excess of the $50 per diem ($13,000 per annum) rate available for serving the Government. In numerous instances the experts whose services are desired receive twice as much as the maximum Government rate, or more. As a result, the Department is handicapped severely in procuring the services of experts and consultants under 5 U.S.C. 55a.

The authority requested is substantially similar to that recently approved by the Congress for the Federal Aviation Agency (sec. 302(i), act of Aug. 23, 1958; 72 Stat. 731, 745; 49 U.S.C. 1343(g)); for the National Aeronautics and Space Agency (sec. 203, act of July 29, 1958; 72 Stat. 432; 42 U.S.C. 2473(b)(9)); for the Panama Canal Company (sec. 201, act of July 13, 1959; 73 Stat. 208; the Department of Commerce and Related Agencies Appropriation Act of 1960); and for the St. Lawrence Seaway Development Corporation (sec. 301, act of July 13, 1959; 73 Stat. 208; the Department of Commerce and Related Agencies Appropriation Act, 1960).

THE SECRETARY OF COMMERCE,
Washington, D.C., March 27, 1961.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Interstate and Foreign Commerce, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On January 16, 1961, before the present administration took office, the Department of Commerce submitted to the 87th Congress for introduction the following item of draft legislation to authorize the Secretary of Commerce to procure the services of experts and consultants.

The draft legislation was referred to your committee for consideration and introduced as S. 884.

You are advised that the Department has reexamined this item and we continue to support its enactment.

The Bureau of the Budget has advised that there is no objection from the standpoint of the administration's program to our continued support of this draft legislation.

Sincerely yours,

EDWARD ENDEMAN,
Under Secretary of Commerce.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill (S. 884) was ordered to be engrossed for a third reading, was read the third time, and passed.

AMENDMENT OF COMMUNICATIONS ACT OF 1934

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 339, S. 1371.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1371) to amend subsection (e) of section 307 of the Communications Act of 1934, as amended, to permit the Commission to renew a station license in the safety and special radio services more than 30 days prior to expiration of the original license.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have a statement in explanation of the measure before the Senate printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

GENERAL STATEMENT

This bill would amend subsection (e) of section 307 of the Communications Act so as to permit the FCC to renew a license in the safety and special radio services field more than 30 days prior to the expiration of the original license. This bill was introduced by Senator MAGNUSON at the request of the Federal Communications Commission.

At the present time section 307(e) reads as follows:

"(e) No renewal of an existing station license shall be granted more than 30 days prior to the expiration of the original license."

The language as presently contained in the act is sufficiently broad to include all types of licenses issued by the FCC—those for broadcasters and common carriers, as well as those in safety and special services area.

The FCC proposal will maintain the present restriction insofar as broadcast and common carrier licenses are concerned and it is in this area that the restriction of section 307(e) is more appropriately applied since application for broadcast licenses and common carrier services are usually granted on a competitive basis and the nature of the services offered under these licenses affects a major segment of the population and the 30-day limitation acts as a useful limitation.

The 30-day requirement of section 307(e) creates an obstacle to the Commission's constant effort to timely process the ever-increasing number of applications for authorization in the various safety and special radio services.

In many cases, a needless duplication of effort could be avoided if an application for license modification could also be treated as a renewal application. Since no renewal can be granted more than 30 days prior to the expiration of the original license under the law as now written, the Commission, in those cases where it is considering an application for the modification of a license which has an expiration date occurring more than 30 days later, must act solely on the modification notwithstanding that the same license will thereafter come up for renewal. Such a practice seems inefficient and needlessly burdensome, especially when, as in all of these safety and special radio type cases, applications for license modification contain all information needed for renewal consideration. Also, such licenses are not mutually exclusive so the rights of others are not prejudiced by a grant.

The magnitude of the problem may be illustrated by examining some statistics in the amateur radio service which is just one of the numerous safety and special radio services. During the fiscal year 1959, 10,500 modified licenses were issued. Eventually, each of these 10,500 licenses must be processed again on renewal, even though all the information necessary for renewal was at hand when the modifications were granted.

The bill herein reported would permit the Commission to consider such applications for modification as applications for modification and renewal. Accordingly, the Commission could then issue such modified licenses for a regular license term, thus eliminating most of the duplicate effort. A similar reduction of workload in relation to the overall application processing activities in this area would be a great advantage to the public and the Commission, without any reduction in the Commission's current fulfillment of its public-interest obligations.

The elimination of the 30-day restriction contained in the present law would eliminate needless duplication by authorizing the FCC to act on renewals at the same time they are modifying a license. In view of the sheer volume of applications in the safety and special services area, plus the noncompetitive nature of these licenses, the public interest would be served by minimizing the duplication and burdensome repetition now required because of the 30-day restriction. This is another step in the direction of making available to the FCC the flexibility that will lead to the reduction in workload and backlog of cases that has plagued the FCC for the past 10 years.

The letter from the Chairman of the Federal Communications Commission requesting this legislation, together with his explanatory statement, is set forth below for the information of the Senate. Neither the Department of Justice nor the General Accounting Office, to whom the bill was submitted for comment, has any objection to it. Your committee has received no protests from any source.

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D.C., March 8, 1961.

The VICE PRESIDENT,
U.S. Senate, Washington, D.C.

DEAR MR. VICE PRESIDENT: The Commission has adopted, as a part of its legislative program for the 87th Congress, a proposal to amend the Communications Act of 1934 to authorize the Federal Communications Commission to limit the prohibition against renewing existing station licenses more than 30 days prior to the expiration of the original license to the broadcast and common carrier services. As a consequence, if this proposal were adopted, the Commission could then grant renewals of station licenses in the field of safety and special radio services more than 30 days prior to the expiration of the original license. The Communications Act currently provides that no renewal of an existing station license shall be granted more than 30 days prior to the expiration of the original license (47 U.S.C. 307(e)).

The Commission's draft bill to accomplish the foregoing objective was submitted to the Bureau of the Budget for its consideration. We have now been advised by the Budget Bureau that, from the standpoint of the administration's program, there would be no objection to the presentation of the draft bill to the Congress for its consideration.

Accordingly, there are enclosed six copies of our draft bill on this subject and six copies of an explanatory statement with reference thereto.

The consideration by the Senate of the proposed amendment to the Communications Act of 1934 would be greatly appreciated. The Commission would be most happy to furnish any additional information which may be desired by the Senate or by the committee to which this proposal is referred.

Sincerely yours,

NEWTON N. MINOW,
Chairman.

EXPLANATION OF PROPOSED AMENDMENT TO SUBSECTION (e) OF SECTION 307 OF THE COMMUNICATIONS ACT OF 1934, AS AMENDED, TO PERMIT THE COMMISSION TO RENEW A STATION LICENSE IN THE SAFETY AND SPECIAL RADIO SERVICES MORE THAN 30 DAYS PRIOR TO EXPIRATION OF THE ORIGINAL LICENSE

The Commission recommends that section 307(e) of our act be amended so that the 30-day restriction on renewal of licenses would be deleted so far as the safety and special radio services are concerned (47 U.S.C. 307(e)). Language for the suggested amendment is attached hereto.

Section 307(e) now prohibits the granting of any renewal license more than 30 days prior to the expiration of the original license. This 30-day restriction creates an obstacle to the Commission's constant effort to timely process the ever-increasing number of applications for authorizations in the various safety and special radio services.[1]

In many cases, a needless duplication of effort could be avoided if an application for license modification could also be treated as a renewal application. Since no renewal can be granted more than 30 days prior to the expiration of the original license under the law as now written, the Commission, in those cases where it is considering an application for the modification of a license which has an expiration date occurring more than 30 days later, must act solely on the modification notwithstanding that the same license will thereafter come up for renewal. Such a practice seems inefficient and needlessly burdensome, especially when, as in all of these safety and special radio type cases, applications for license modification contain all information needed for renewal consideration. Also, such licenses are not mutually exclusive so the rights of others are not prejudiced by a grant.

The magnitude of the problem may be illustrated by examining some statistics in the amateur radio service which is just one of the numerous safety and special radio services. During the fiscal year 1959, 10,500 modified licenses were issued. Eventually, each of these 10,500 licenses must be processed again on renewal, even though all the information necessary for renewal was at hand when the modifications were granted.

Amendment of section 307(e), as recommended herein, would permit the Commission to consider such applications for modification as applications for modification and renewal. Accordingly, the Commission could then issue such modified licenses for a regular license term, thus eliminating most of the duplicate effort. A similar reduction of workload in relation to the overall application processing activities in this area would be a great advantage to the public and the Commission, without any reduction in the Commission's current fulfillment of its public interest obligations.

The 30-day limit also causes burdensome and needless repetition in processing renewal applications which are prematurely received by the Commission. In the fiscal year 1959, for example, approximately one-half of the 15,000 renewal applications received in the amateur radio service were submitted prematurely and had to be sorted and set aside until ripe for processing. An amended section 307(e) would eliminate this problem.

Moreover, it would appear that the restriction in section 307(e) is more appropriately applied exclusively to applications for broadcast licenses and common carrier services. Since these applications are often granted on a competitive basis, and the nature of the service offered affects a major segment of the population in the area proposed to be served,

[1] During the fiscal year 1959, the Commission received 250,000 applications for stations in the safety and special radio services.

the 30-day limit would seem to have a useful purpose. On the other hand, the private, noncompetitive nature of the safety and special radio services would seem to make such a 30-day limit unnecessary.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1371) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (e) of section 307 of the Communications Act of 1934, as amended (48 Stat. 1064; 47 U.S.C. 307(e)) is amended by striking out all after "(e)" and adding in lieu thereof the following:

"No renewal of an existing station license in the broadcast or the common carrier services shall be granted more than thirty days prior to the expiration of the original license."

AUTHORIZED STRENGTH OF METROPOLITAN POLICE FORCE

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 341, S. 1956.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1956) to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall not be less than 3,000 officers and members.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that consideration of the Senate bill be indefinitely postponed and that the Senate proceed to the consideration of Calendar No. 351, H.R. 7218, a bill which has already passed the House.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 7218) to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall not be less than 3,000 officers and members.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. MANSFIELD. Mr. President, before the Senate acts upon this measure, I wish to say I am extremely happy that the Senate and the House are both agreeing to increase the police force of the District of Columbia to 3,000 men. I hope that, under the outstanding Chief of Police and police force in the District, the employment of the additional officers and members will be completed shortly.

I ask unanimous consent that a statement regarding the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Under existing law (Public Law 514, 84th Cong., 70 Stat. 148), the Metropolitan Police Department of the District of Columbia has an authorized strength of not less than 2,500 officers and members. At the present time, the Metropolitan Police Department consists of 2,714 officers and members. The excess of 214 men above the minimum authorized strength of 2,500 was approved by the Congress after justification had been submitted by the Commissioners and the Police Department to the Appropriations Committee. As of June 6, 1961, there were actually 2,700 officers and members in the Department. There are 4 men on military leave and 10 class I vacancies.

Fully cognizant of the problems involved in recruiting and training new members, the committee urges the Civil Service Commission and the Metropolitan Police Department to proceed with all possible dispatch toward meeting the goal of a 3,000-man police force as one of the steps to control the rapidly increasing number of serious crimes in the District of Columbia.

On behalf of the full committee, the chairman invited the District of Columbia Law Enforcement Council to meet in a joint public session on May 22, 1961, for the purpose of receiving suggestions and recommendations with respect to crime and related problems in the District of Columbia. This Council, created by the District of Columbia Law Enforcement Act of 1953, is composed of the following:

President of the Board of Commissioners, Walter Tobriner.

Chief of the Metropolitan Police Department, Robert Murray.

Chief of the U.S. Park Police, Harold F. Stewart.

U.S. Attorney David C. Acheson.

Corporation Counsel Chester Gray.

U.S. Commissioner for the District of Columbia, Sam Wertleb.

Director of the Department of Corrections, Donald Clemmer.

Parole executive of the Board of Parole, Hugh F. Rivers.

U.S. marshal, John McShane.

Chief probation officer, Edward W. Garrett.

Clerk of the Municipal Court, Walter F. Bramhall.

Judge of the Juvenile Court, Orman W. Ketcham.

Chairman of the Council, Oliver Gasch.

Washington Bar Association, DeLong Harris.

Citizens' Crime Commission of Metropolitan Washington, Robert C. Simmons.

The Council was requested to select a priority list of programs to help contain the growing crime rate of the District. The Council was unanimous in selecting the establishment of a 3,000-man police force as the first and most important step to be taken.

Thereafter, on May 24, 1961, the chairman of the committee, Senator ALAN BIBLE, introduced (for himself and the entire committee membership) S. 1956, to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 3,000 officers and members. On June 9, 1961, the committee voted unanimously to report the bill favorably to the Senate.

The committee feels very strongly that the Metropolitan Police force should be strengthened by approximately 300 additional men in order to deal with the crime situation in the District of Columbia, and to provide more adequate protection to the citizens of the District of Columbia.

The enactment of this bill will cost the District of Columbia approximately $1,659,800 annually after the police force reaches the authorized strength of 3,000 men.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 7218) was ordered to a third reading, was read the third time, and passed.

The PRESIDING OFFICER. Without objection, S. 1956 will be indefinitely postponed.

DETERMINATION OF PETITION FOR ADOPTION FILED BY MARIE TALIAFERRO

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 342, S. 158.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 158) to confer upon the domestic relations branch of the municipal court for the District of Columbia jurisdiction to hear and determine the petition for adoption filed by Marie Taliaferro.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that pertinent information relative to this particular measure may be printed in the RECORD at this point.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

Under the existing adoption statute for the District of Columbia, no petition shall be considered by the court unless petitioner's spouse, if he has one, joins in the petition, except that if either the husband or wife is a natural parent of the adoptee, such natural parent need not join in the petition with the adopting parent but need only give his or her consent to the adoption (sec. 16–211, D.C. Code, 1951 ed., as amended).

Neither the petitioner, Marie Taliaferro, nor her spouse are the natural parents of the adoptee. Both have had custody of the adoptee for several years. The petitioner is now living apart from her spouse. The latter will consent to the adoption but he will not join in the adoption petition.

Accordingly, under these circumstances the court is unable to assume jurisdiction of the adoption petition. Without interfering with the merits of the case, this bill will remove the jurisdictional impediment imposed by the existing adoption statute and permit the municipal court to consider the matter, and to render any decree that it finds appropriate upon consideration of all the facts.

The Commissioners for the District of Columbia offer no objection to the grant of discretionary relief as provided by the provisions of this bill.

Enactment of this measure will involve no additional expenditure to the District of Columbia.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 158) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) jurisdiction is hereby conferred upon the domestic relations branch of the municipal court for the District of Columbia to hear, determine, and render a final or interlocutory decree of adoption upon, the petition for adoption filed by Marie Taliaferro and now pending before such court (adoption numbered A52–60).

(b) Proceedings for the determination of such petition shall be in the same manner as in the case of a petition for adoption regularly filed under the provisions of the Act entitled "An Act to prescribe and regulate the procedure for adoption in the District of Columbia", approved June 8, 1954 (68 Stat. 240), except that the provisions of section 4 of such Act providing that no petition shall be considered by the court unless petitioner's spouse, if he has one, joins in the petition shall not be applicable.

SEC. 2. Nothing in this Act shall be construed as directing the domestic relations branch of the municipal court for the District of Columbia to grant the petition for adoption referred to in the first section of this Act.

EXEMPTION FROM PAYING FEES IN COURTS OF THE DISTRICT OF COLUMBIA

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 343, S. 558.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 558) to amend the acts of March 3, 1901, and June 28, 1944, so as to exempt the District of Columbia from paying fees in any of the courts of the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement in explanation of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The purpose of this bill is to amend the act of March 3, 1901, as amended, and the act of June 28, 1944, so as to exempt the District of Columbia from paying fees as, for example, a fee for a certified copy of a judgment, in any of the courts of the District of Columbia.

Under existing law, the District of Columbia is exempted by the act of June 28, 1944 (sec. 11–1519, D.C. Code, 1951 ed.), from paying costs in any court in and for the District of Columbia, including the U.S. District Court for the District of Columbia. The act of March 3, 1901, as amended (sec. 11–1507, D.C. Code, 1951 ed.), exempts the United States from payment of both costs and fees in the U.S. district court. Under neither act is the District of Columbia exempted from the payment of fees, as distinct from costs, with the exception of fees payable to the U.S. Court of Appeals for the District of Columbia. The result is that the District of Columbia is required to pay fees assessed by the courts of the District of Columbia, while it is exempted from paying costs.

The courts of the District of Columbia are an integral part of the government of the District of Columbia, and are either wholly or in large measure supported by it. The District of Columbia government is required to conduct a large volume of business in the courts. Consequently, the requirement that the District pay court fees merely operates to translate money made available by Congress for certain purposes to moneys credited to the District of Columbia without adding to the District's revenues.

The Commissioners of the District of Columbia have advised the committee that the conduct of the District's business in the courts would be greatly facilitated by the enactment of the bill, and would relieve the District of an unnecessary bookkeeping operation. An identical bill (S. 3194) passed the Senate in the 86th Congress, but failed of enactment in the House.

Enactment of this bill will involve no additional expenditure to the District of Columbia.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 558) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 177 of the Act entitled "An Act to establish a code of law for the District of Columbia", approved March 3, 1901 (31 Stat. 1219), as amended (sec. 11–1507, District of Columbia Code, 1951 edition), is amended by inserting "or the District of Columbia" immediately after "than the United States", and by inserting "or by the District of Columbia" immediately before the period.

SEC. 2. Section 16 of the District of Columbia Appropriation Act, 1945, approved June 28, 1944 (58 Stat. 533; sec. 11–1519, District of Columbia Code, 1951 edition), is amended by inserting "or fees" immediately following "court costs".

CASTRO'S BLACKMAIL

Mr. CARLSON. Mr. President, the tractors for freedom committee has just returned from a meeting with Fidel Castro and his henchmen in regard to the exchange of prisoners for tractors.

As usual with blackmailers, Castro keeps asking. Now he declares he will go through with his tractor proposal providing we furnish tractors that cost $24,000 each. This means, of course, that the freedom committee, which thought it was going to buy 500 tractors for an estimated cost of $3½ million, now will be required to raise $28 million. In addition to this, Castro, according to press dispatches from Jaguey Grande, Cuba, yesterday, boasted that he does not need tractors, but wants Cuba paid for invasion damages.

In an editorial which appeared recently in the Salina Journal, the statement was made:

What will be the next condition to be demanded is a matter of conjecture. Blackmailers, once they have suckers on the string, always figure new ways to make them jump.

This editorial, which I think is not only pointed, but very timely, makes the interesting comment:

We would gladly send not only tractors but also other forms of economic assistance to Cuba, provided:

1. Political and personal liberties are restored.
2. Freedom of radio and press is reestablished.
3. Constitutional government is re-created.
4. A general election is called.
5. Castro and his ministers resign in favor of a provisional government composed of representative Cubans that would govern only until the ballots are counted.

This editorial, it occurs to me, merits the consideration of every American interested in our future relationship with Cuba.

I think the time has arrived when we as a Nation should not be kowtowing to this dictator, but should demand that he take into account the rights and freedoms of our Cuban neighbors.

The editorial concludes by stating:

This is a chancy proposition, of course, but it would underscore two points, that Cuba should be for the Cubans and that we want to be friendly neighbors.

All of Latin America would approve, only the Russian Communists would object.

We would not be bargaining for the control of Cuba.

We would only be asking a guarantee that any help we might give would go for the good of all the Cuban people as they freely see it.

I ask unanimous consent that this editorial, which appeared in the Salina Journal recently, be made a part of these remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

As usual with blackmailers, Castro keeps asking. Now he declares he will go through with his tractor proposal provided Milton Eisenhower or some equal figure comes to Havana to negotiate.

Castro's purpose, of course, is to make prominent Americans grovel in the dust to beg for his mercy.

What will be the next condition to be demanded is a matter of conjecture. Blackmailers, once they have suckers on the string, always figure new ways to make them jump.

There is no good reason to put up with this damned nonsense.

Unfortunately, we are constrained from policing the Cuban crooks with our troops. Too many innocent Cuban families would suffer from military action.

But we could make this sort of a proposition:

We would gladly send not only tractors but also other forms of economic assistance to Cuba, provided:

1. Political and personal liberties are restored.
2. Freedom of radio and press is reestablished.
3. Constitutional government is re-created.
4. A general election is called.
5. Castro and his ministers resign in favor of a provisional government composed of representative Cubans that would govern only until the ballots are counted.

This is a chancy proposition, of course, but it would underscore two points, that Cuba should be for the Cubans and that we want to be friendly neighbors.

All of Latin America would approve, only the Russian Communists would object.

We would not be bargaining for the control of Cuba.

We would only be asking a guarantee that any help we might give would go for the good of all the Cuban people as they freely see it.

THE BERLIN CRISIS

Mr. McGEE. Mr. President, I call to the attention of the Senate an editorial entitled "Berlin: A Third Way," which appeared last evening in the Washington Evening Star. It was a very solid editorial which based judgment on the brilliant address delivered by the majority leader in the Senate the day before yesterday, in his exploration for a third way in Berlin.

As we all know, of course, the impasse that is Berlin is a source not only of worry but of genuine alarm that lies ever beneath the surface of international waters, even though our interest is captured from day to day more readily by the headlines from Cuba, from Laos, or more spectacular fronts at the moment. The critical block between the Soviet position and the position of the free world and the West, which Berlin has come to epitomize, has made Berlin in all truth the potentially most explosive spot around the globe.

For that reason many who are close to the question of how to resolve that particular tension, and through it perhaps head off the most real threat to a more serious kind of conflict, applaud the efforts of the Senator from Montana [Mr. MANSFIELD] in his proposal of a third way, in the form of a free city. This plan, in an effective way, would retain and protect the position of the free world, regardless of whatever Russian maneuver were made in regard to recognition of East Berlin and East Germany in question.

I ask unanimous consent that the entire editorial be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BERLIN: A THIRD WAY

In his search for a third way in Berlin, Majority Leader MIKE MANSFIELD rests his case on the unassailable premise that the deadlock there may push the Western nations and the Soviet Union into a new vortex of irrationality at whose center lies the graveyard of humanity. Those on both sides who say they want to stand pat on Berlin, come what may, should give serious consideration to this prospect.

We do not know whether Senator MANSFIELD's remarks were of the inspired trial balloon variety, or whether he was speaking on his own responsibility. And perhaps it doesn't matter. The important thing is that his speech makes sense.

As matters stand, both the West and the Soviet Union are adhering to irreconcilable positions. These positions take little account of the changes in Europe since the end of World War II, some 16 years ago. And they are also positions which, far from serving real interests, promise nothing better to all concerned than the frightful consequences of a nuclear collision.

In this situation, the Montana Senator calls for the taking of a new look—a search for a third way in Berlin. Specifically, he thinks that this third way may lie in the creation of a free city which would encompass not just West Berlin, but all of Berlin. This free city would be held in trust and in peace by some international authority until such time as it can again serve as the capital of Germany, and its access routes would be garrisoned by international peace teams. Meanwhile, the hope would be that the East and the West Germans could work out their own unification problem.

Of course, all of this may be wishful thinking. Senator MANSFIELD does not pretend to know how Mr. Khrushchev would react to such a proposal, if it were put to him in formal fashion, and there is little in the record to encourage belief that the Soviet Premier would respond favorably. Still, as the majority leader has stated, uncertainty as to Mr. Khrushchev's reaction does not relieve us of the obligation to explore any and all avenues of peace "even as we steel ourselves for what must come if the way to peace cannot be found."

What is at stake here is the future of mankind—most certainly including Americans, Russians, and Germans. Even so, we cannot yield to unilateral action designed to force us out of Berlin. If Mr. Khrushchev will concede nothing—then we—and he—must accept the consequences. But such a disaster should not be called down upon the human race simply because an obsessive attachment to old and outdated positions precludes examination of rational alternatives.

AMENDMENT OF DISTRICT OF COLUMBIA TRAFFIC ACT, 1925

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 344, Senate bill 559.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 559) to amend the District of Columbia Traffic Act, 1925, as amended.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a pertinent excerpt from the report accompanying S. 559 be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The purpose of this bill is to amend the District of Columbia Traffic Act, 1925, as amended, so as to increase the maximum allowable imprisonment term from 10 days to 90 days for violations of traffic regulations promulgated by the Commissioners of the District of Columbia under the authority of such act.

Subsection (c) of section 6 of the District of Columbia Traffic Act, 1925, as amended (sec. 40–603(c), D.C. Code, 1951 ed.), authorizes and empowers the Commissioners of the District of Columbia to make, modify, and enforce reasonable regulations in respect to brakes, horns, lights, mufflers, and other equipment, the inspection of the same; the registering, reregistering, titling, retitling, transferring of titles, and revocation of the certificate of title to motor vehicles and trailers, and provides that any person violating this section shall be fined not more than $300 or imprisoned not more than 90 days, or both.

Subsection (g) of the same section of such act (sec. 40–603(g), D.C. Code, 1951 ed.), authorizes the Commissioners to prescribe within the limitations of the Traffic Act, as amended, reasonable penalties of fine, or imprisonment not to exceed 10 days in lieu of or in addition to any fine for the violation of any rule or regulation promulgated under the authority of such act not otherwise therein provided for.

Under one part of the Traffic Act, the Commissioners can promulgate regulations relating to brakes, horns, lights, mufflers, and other equipment, for which a penalty may be imposed for the violation of those regulations of not more than $300 or imprisonment for not more than 90 days, or both; while under another part of the Traffic Act, the Commissioners can make regulations of the nature of rules of the road—regulation of traffic—and for the violation of these regulations, the maximum penalty is $300 or imprisonment for not more than 10 days, or both.

The enactment of the bill would make the maximum penalty for violations of rules of the road identical to that for violations of regulations pertaining to the equipment of motor vehicles.

This increased penalty provision was proposed to the Board of Commissioners of the District of Columbia as a needed amendment to the Traffic Act by the board of judges of the municipal court for the District of Columbia, whose jurisdiction includes adjudication of all traffic violations in the District.

Likewise, the Traffic Coordinating Committee of the District of Columbia endorsed the proposed amendment after careful study and comparison of the amendment with related provisions of the Uniform Vehicle Code of the National Committee on Uniform Laws and Ordinances.

It should be noted that the proposed amendment merely increases the maximum allowable penalty under the Traffic Act and leaves unaffected the trial judge's prerogative to examine all circumstances surrounding a given traffic conviction and to impose a just sentence accordingly within a range varying from neither fine nor imprisonment up to a maximum of both a $300 fine and a 90-day jail sentence.

The committee feels that this legislation will have a substantial deterrent effect on careless motorists by providing a more appropriate penalty in cases of the most flagrant or repetitious traffic offenders.

The enactment of the bill will not result in any additional expenditures on the part of the government of the District of Columbia.

An identical bill (S. 3305) passed the Senate in the 86th Congress, but failed of enactment in the House.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 559) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of subsection (g) of section 6 of the District of Columbia Traffic Act, 1925, as amended (sec. 40–603(g), District of Columbia Code, 1951 edition), is amended by striking the word "ten" and inserting in lieu thereof the word "ninety".

DELEGATION OF FUNCTIONS OF APPROVING CONTRACTS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 345, S. 1651.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1651) to authorize the Commissioners of the District of Columbia to delegate the function of approving contracts not exceeding $100,000.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a pertinent excerpt from the committee report, Report No. 380, accompanying S. 1651 be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The purpose of the bill is to amend subsection (b) of section 3 of Reorganization Plan No. 5 of 1952 (66 Stat. 826) in order to permit the Commissioners of the District of Columbia to delegate the function of approving contracts not in excess of $100,000.

The justification for this legislation is set out in the Commissioner's letter of transmittal of the proposal to the President of the U.S. Senate, dated April 13, 1961, which is herewith made a part of the report.

APRIL 13, 1961.

Hon. LYNDON B. JOHNSON,
President, U.S. Senate,
Washington, D.C.

MY DEAR MR. PRESIDENT: The Commissioners have the honor to submit herewith a draft of a bill to authorize the Commissioners of the District of Columbia to delegate the function of approving contracts not exceeding $100,000.

The act of December 20, 1944, authorized the Commissioners of the District of Columbia to appoint contracting officers with power to enter into contracts on behalf of the District, provided that contracts involving over $1,000 must be approved by the Commissioners in order to bind the District.

The act approved August 16, 1949, increased to $3,000 the limit of the contracting authority of the contracting officers.

Reorganization Plan No. 5, submitted by the President to the Congress on May 1, 1952, pursuant to the Reorganization Act of 1949, provided that the Commissioners shall not delegate the function of approving any contract in excess of $25,000.

However, the number of contracts over $25,000 has greatly increased in recent years. In fiscal year 1957 there were 107 contracts over $25,000, of which 55 were under $100,000, while in 1960 there were 182 contracts for amounts over $25,000, of which 106 were under $100,000. In 1957 total obligations under District contracts were $37 million, as compared with approximately $69 million in 1960.

The proposed bill would relieve the Commissioners of some of the burden imposed by the greatly increased number of contracts over $25,000 in recent years. Also, the increased authority they would be empowered to delegate to the District's contracting officers would save administrative time and expense, and result in expediting contract awards, thereby making new facilities, equipment, and supplies available for District operations at an earlier date.

The Commissioners have been advised by the Bureau of the Budget that, from the standpoint of the administration's program, there is no objection to the submission of this legislation to the Congress.

Yours very sincerely,
WALTER N. TOBRINER,
President, Board of Commissioners,
District of Columbia.

Enactment of this legislation will involve no additional expenditure on the part of the District of Columbia Government.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill

The bill (S. 1651) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of section 3 of Reorganization Plan Numbered 5 of 1952 is amended by striking "$25,000" and inserting in lieu thereof "$100,000".

SMALL CLAIMS AND CONCILIATION BRANCH OF THE MUNICIPAL COURT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 346, S. 561.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 561) to amend the act relating to the small claims and conciliation branch of the municipal court of the District of Columbia, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a pertinent excerpt from the committee report, Report No. 382, accompanying S. 561 be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The purpose of this bill is to amend the act relating to the small claims and conciliation branch of the municipal court of the District of Columbia, so as to raise the jurisdictional amount of such branch from $50, as the law now provides, to $150.

Subsection (a) of section 4 of the act of March 5, 1938 (52 Stat. 103; sec. 11–804(a), D.C. Code, 1951 ed.), which the proposal would amend, provides that "said branch shall have exclusive jurisdiction over all cases within the jurisdiction of the court in which the amount of the plaintiff's claim or the claimed value of personal property in controversy does not exceed $50 exclusive of interest, attorney's fees, protest fees, and costs. Said jurisdiction shall not include actions for recovery of the possession of real estate, whether or not such actions include a claim for arrears of rent, or personalty, or both arrears of rent and personalty."

The present jurisdictional amount was established more than 20 years ago. According to the annual reports of the business of the municipal court for the District of Columbia submitted by the chief judge thereof to the Attorney General, the number of small claims actions filed in the municipal court during the fiscal years from 1946 to 1960 and, for comparison, the number of actions in excess of $50 filed during the same period, are as follows:

Fiscal year	Small claims	Claims in excess of $50
1945–46	19,584	9,818
1946–47	21,001	13,769
1947–48	25,082	21,189
1948–49	27,364	25,249
1949–50	25,021	25,953
1950–51	23,566	26,861
1951–52	22,844	28,899
1952–53	21,774	29,090
1953–54	22,979	32,636
1954–55	21,745	33,543
1955–56	19,840	35,374
1956–57	20,652	35,502
1957–58	20,066	42,081
1958–59	17,007	37,108
1959–60	14,824	37,287

An identical bill (S. 3304) passed the Senate in the 86th Congress, but failed of enactment in the House.

The foregoing figures show that during recent years the number of small claims actions has begun to sharply decrease. It is noted, however, that the number of actions for amounts in excess of $50 has generally increased over the number of actions filed in prior years. The committee is informed that a substantial percentage of these actions, perhaps 40 or 45 percent, are actions in which the amount claimed on the value of the property in controversy is $150 or less. This trend would seem to justify increasing to $150 the jurisdictional amount of this branch of the court, in order to allow more litigants to have the advantage of the simplified procedures prescribed by law for actions in this branch.

The bill has the approval of the Commissioners of the District of Columbia, the judges of the municipal court for the District of Columbia, the Women's Bar Association of the District of Columbia, the Washington Bar Association, and the Federation of Citizens Associations of the District of Columbia.

The committee is informed that the enactment of this bill will result in no increase in the expenditures of the government of the District of Columbia.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 561) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 4 of the Act of March 5, 1938 (sec. 11–804(a), District of Columbia Code, 1951 edition), is amended by striking "$50" and inserting in lieu thereof "$150".

APPORTIONMENT OF EXPENSES OF MAINTAINING WOODROW WILSON MEMORIAL BRIDGE

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 348, S. 564.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 564) to provide for apportioning the expenses of maintaining and operating the Woodrow Wilson Memorial Bridge of the Potomac River from Jones Point, Va., to Maryland.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a pertinent excerpt from the committee report, Report No. 374, accompanying be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The purpose of the bill is to provide for District of Columbia, and the States of Virginia and Maryland, to share equally the expense incident to operating and maintaining the Woodrow Wilson Memorial Bridge that is being constructed over the Potomac River from Jones Point, Va., across a certain portion of the District of Columbia, to a point in Maryland. The movable span of the bridge is within the boundaries of the District of Columbia.

The committee believes that the traffic load to be carried daily by the Woodrow Wilson Memorial Bridge will relieve traffic congestion in Southeast and Southwest Washington by curtailing traffic into and from the District of Columbia via the Rochambeau (14th Street) and South Capitol Street Bridges. Statistics provided to the committee show that an estimated 12,000 vehicles a day travel to and from Washington via the Rochambeau (14th Street) and South Capitol Street Bridges, with a 1,500-vehicle capacity during peak hours. It is estimated that a large percentage of these vehicles will use the Woodrow Wilson Memorial Bridge as a bypass, thereby saving distance and time. In fact, the District of Columbia Highway Department estimates that one full bridge lane of the Woodrow Wilson Memorial Bridge will be made available for traffic bound to and from the central part of the District of Columbia.

The committee was further informed that 8,500 of the 30,500 vehicles per day estimated to use the Woodrow Wilson Memorial Bridge in 1963 will travel between points in Virginia and Maryland, thereby relieving traffic congestion within the District of Columbia. In 1975, this number is estimated at 17,000 per day.

To the extent that traffic uses the Woodrow Wilson Memorial Bridge, which otherwise would use existing bridges across the Potomac and Anacostia Rivers, the District of Columbia would be relieved of the necessity to make possible expenditures for new structures that might be required by increased traffic. It is further estimated that this diversion in the 14th Street corridor in the District of Columbia would be relieved in the amount of one-fourth of the traffic in peak hours.

The bill, if enacted, would implement an understanding among officials of the District of Columbia, and the States of Virginia and Maryland, that the District of Columbia would assume a pro rata share of the operation and maintenance costs of the bridge following construction. The intention of the District of Columbia to share in this bridge expense is evidenced by a letter dated January 29, 1957, from Gen. T. A. Lane, Engineer Commissioner for the District of Columbia, to Gen. James A. Anderson, chairman of the department of highways for the State of Virginia. In pertinent part the letter reads as follows:

"DEAR GENERAL ANDERSON: This letter is to confirm what you have doubtless read in newspapers. The Board acted this morning to withdraw objections previously registered to the sharing of the cost of operation and maintenance of the Jones Point Bridge, in order to overcome legal doubts about the authority of the Maryland commission to enter an agreement without District participation and to avoid delay in the construction of the bridge. The Commissioners will support legislation to provide for the District sharing of the cost of operation and maintenance."

Under the provisions of the bill, the bridge expenses incurred shall be in accordance with such arrangements as can be agreed to by the District of Columbia, and the States of Virginia and Maryland. However, the annual portion of the expenses to be assumed by the District of Columbia shall not exceed one-third of the total cost of operating and maintaining the bridge. The Director of Highways and Traffic for the District of Columbia estimates that the average annual cost to the District of Columbia will be approximately $29,000.

Written communications of support for the bill were received from Hon. J. Lindsay Almond, Jr., Governor of the Commonwealth of Virginia, and Hon. J. Millard Tawes, Governor of the State of Maryland.

No testimony was given in opposition to the bill at the public hearing held on April 14, 1961.

The District of Columbia Commissioners recommend approval of this bill.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 564) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the bridge being constructed by the Secretary of Commerce in accordance with the provisions of title II of the Act entitled "An Act to authorize and direct the construction of bridges over the Potomac River, and for other purposes", approved August 30, 1954, as amended, shall be maintained and operated at the expense of the States of Maryland and Virginia and the District of Columbia in accordance with such arrangemnets as shall be agreed upon by such States and the District of Columbia: *Provided,* That the annual portion of such expense to be assumed by the District of Columbia shall not exceed one-third of the total annual cost of maintaining and operating such bridge.

INCREASE IN FEE CHARGED FOR LEARNERS' PERMIT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 349, S. 1291.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1291) to amend the District of Columbia Traffic Act of 1925, as amended, to increase the fee charged for learners' permits.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a pertinent excerpt from the committee report, Report No. 375, accompanying be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The purpose of the bill is to amend the District of Columbia Traffic Act, 1925, as amended, to increase the fee charged for learners' permits from the present statutory fee of $1 to $2.

Under the District of Columbia Traffic Act, 1925 (43 Stat. 1121), as amended (62 Stat. 173; 68 Stat. 732; sec. 40–301(a)(2), D.C. Code, 1951 ed.), the Commissioners are authorized to charge a fee of $1 for each learner's permit issued by the Department of Motor Vehicles, such learner's permit being valid for a period of 60 days.

The Board of Commissioners for the District of Columbia has projected an expansion of the District's traffic safety education program in an effort to curtail the rising toll of traffic accidents and deaths. To accomplish this traffic safety education goal, an increase of $36,200 was approved in the Department's 1961 budget (Public Law 86–412), bringing total expenditures for this purpose to $61,000. An amount of $63,200 has been requested for the program in the budget for fiscal year 1962.

The Commissioners have recommended that the additional revenue to offset the expanded cost of the traffic safety education program should be obtained by an increase in the fee charged for learner's permits. As approximately 40,000 learner's permits are issued yearly, the cost of the program will be met by the fee increment as provided for in the bill.

The $2 fee represents approximately a halfway or a median figure when taken into consideration with fees charged by other jurisdictions for learners' permits. Your committee feels that this proposed fee is a reasonable fee and the purpose for which it is to be applied is necessary and worthy. A similar bill (S. 3257) passed the Senate in the 86th Congress, but failed enactment in the House.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1291) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a)(2) of section 7 of the District of Columbia Traffic Act, 1925 (43 Stat. 1121), as amended (62 Stat. 173; 68 Stat. 732; sec. 40–301(a)(2), District of Columbia Code, 1951 edition), be amended by striking "$1" and inserting in lieu thereof "$2".

INCREASED AUTHORIZATION FOR FUNDS FOR CERTAIN PROJECTS FROM THE DISTRICT OF COLUMBIA INTO MARYLAND

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 350, S. 588.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 588) to amend the act of May 29, 1930, in order to increase the authorization for funds for the extension of certain projects from the District of Columbia into the State of Maryland, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 588) to amend the act of May 29, 1930, in order to increase the authorization for funds for the extension of certain projects from the District of Columbia into the State of Maryland, and for other purposes, which had been reported from the Committee on the District of Columbia, with amendments, on page 1, line 4, after "(46 Stat. 482)", to insert "as amended"; in line 5, after the word "out", to strike out "$9,000,000" and insert "$13,500,000", and in line 6, after the word "thereof", to strike out "$12,000,000" and insert "$16,500,000"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first sentence of the first section of the Act of May 29, 1930 (46 Stat. 482), as amended, is amended by striking out "$13,500,000", and inserting in lieu thereof "$16,500,000".

(b) Paragraph (b) of the first section of such Act is amended (1) by striking out

"$1,500,000" the first time it appears therein, and inserting in lieu thereof "$4,500,000", and (2) by striking out in the third proviso "$1,500,000", and "$3,000,000", and inserting in lieu thereof "$4,500,000" and "$9,000,000", respectively.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a pertinent excerpt from the committee report, Report No. 376, accompanying be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

The purpose of the bill is to increase the grant authorization for the acquisition and development of stream valley parks in the State of Maryland, under section 1(b) of the Capper-Cramton Act, from $1,500,000 to $4,500,000. This would make the grant authorization for the State of Maryland equal to that of the State of Virginia. The bill would also increase the loan authorization for the State of Maryland from $3 million to $9 million.

EXISTING LAW

The Capper-Cramton Act was first approved by Congress on May 29, 1930 (46 Stat. 482). This act authorized the appropriation of $9 million for the acquisition and development of such lands in the States of Maryland and Virginia as were necessary and desirable for park and parkway systems in the environs of the National Capital. Of this sum, $7,500,000 was authorized for the George Washington Memorial Parkway and $1,500,000 for the extension of District of Columbia parks into Maryland. In addition, the Capper-Cramton Act contained authority for loans up to $3 million to the State of Maryland for the acquisition of stream valley park lands.

The act of July 19, 1952 (66 Stat. 791), amended the Capper-Cramton Act by increasing the total authorization from $9 million to $13,500,000. The increased authorization of $4,500,000 was solely for use by the State of Virginia in acquiring park and parkway lands in the National Capital region.

A further amendment to the Capper-Cramton Act was made by the act of August 21, 1958 (72 Stat. 705), which authorized a decrease in the authorization for the George Washington Memorial Parkway acquisitions and a proportionate increase in the authorization for acquisition of stream valley parks in Maryland.

A RECORD OF ACHIEVEMENT

The record of the Maryland-National Capital Park and Planning Commission in the acquisition and development of parks in the Maryland counties adjoining the Nation's Capital is a proud achievement. Its park system today consists of 5,700 acres of which 3,800 acres are stream valley parks. This record has made the Capper-Cramton Act famous throughout the country as an enlightened formula of regional cooperation toward building a truly metropolitan park system enjoyed by visitors from all sections of the United States. Under the formula the Federal Government puts up one-third of the cost of acquisition of land and the State puts up two-thirds of such cost and bears the full cost of development and maintenance.

Since the inception of the program in 1930, when Maryland and the Federal Government entered into this partnership agreement, the Federal Government has contributed $3,563,752—$1,646,218 in grants and $1,917,534 in loans. Of the loans, $1,705,534 has been repaid by Maryland; the remaining $212,000 is not yet due. On the other hand the Maryland commission has contributed $3,127,534 for land acquisition and in excess of $7 million for development, maintenance, and operation of the stream valley park system. In addition the Maryland commission has advanced more than $1,200,000 (including by agreement the Federal Government's one-third share) to purchase certain critical tracts in order to preserve them for the stream valley park system until Federal funds could be made available.

STREAM VALLEY PARKS TODAY

The stream valley park system in the Maryland portion of the metropolitan area is 60 percent complete and without the increase in authorizations proposed in S. 588, the program will be halted at a time when the lands needed to complete the remaining 40 percent are being seriously threatened by subdivision encroachment.

Stream valley parks, as the name suggests, are parks located on both sides of streams in the watersheds of the Potomac and Anacostia Rivers. The reason for so locating these parks is to provide protection against flooding, erosion, and pollution in the water courses flowing through and around the District of Columbia, and at the same time to provide recreational facilities for the people who reside and work in the National Capital region.

The best known example of the stream valley parks is Rock Creek Park. Less well known, but equally important parks are located on the Anacostia River, Indian Creek, Northwest Branch, Paint Branch, Oxon Run, Sligo Creek, and Cabin John Creek.

In 1930, when Congress wisely foresaw the need of this program to preserve the open spaces and protect the streams which flow into the District of Columbia against pollution and flooding, the total population of the Washington metropolitan area was only 670,000 persons. Today, the population of this same area is over 2.2 million and by 1980 it is estimated that it will be nearly 3 million persons.

In the face of this swiftly expanding population the need to preserve green areas and unpolluted water resources is acute and will continue to become more acute with delay. Delay is also likely to make the completion of this program more costly as the land values in the area continue to rise under the spur of urbanization brought on by increased Government employment and real estate investment in the area. For these reasons the committee feels that additional Federal funds should be made available on a participating basis to complete the stream valley park system as originally provided for by the Capper-Cramton Act.

The Board of Commissioners of the District of Columbia and the Secretary of the Interior favor the enactment of the bill, and the Bureau of the Budget has advised that it has no objection to the bill from the standpoint of the administration's program.

Enactment of this bill will involve no additional expenditure to the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 588) was ordered to be engrossed for a third reading, was read the third time, and passed.

ADDITIONAL FUNDS FOR COMMITTEE ON COMMERCE

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 353, Senate Resolution 156.

The PRESIDING OFFICER. The resolution will be stated.

The LEGISLATIVE CLERK. A resolution (S. Res. 156) to provide additional funds for the Committee on Commerce.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an excerpt from the committee report, Report No. 383.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

This resolution would authorize the Committee on Commerce to expend not to exceed $10,000 from the contingent fund of the Senate during the 87th Congress for the routine purposes specified in section 134(a) of the Legislative Reorganization Act of 1946, such amount to be in addition to the $10,000 authorized by such section each Congress for each standing committee of the Senate.

A letter in support of Senate Resolution 156 addressed to Senator MIKE MANSFIELD, chairman of the Committee on Rules and Administration, by Senator WARREN G. MAGNUSON, chairman of the Committee on Commerce, is as follows:

U.S. SENATE,
COMMITTEE ON COMMERCE,
Washington, D.C., June 12, 1961.

Hon. MIKE MANSFIELD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, D.C.

DEAR CHAIRMAN MANSFIELD: There is pending in your committee Senate Resolution 156, providing $10,000 for the use of the Committee on Commerce to meet its day-to-day expenses such as telephone calls, telegrams, shorthand reporters, etc. You will recall that your committee authorized this same amount for our use in the last Congress.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

Resolved, That the Committee on Commerce is authorized to expend from the contingent fund of the Senate, during the Eighty-seventh Congress, for the purposes specified in section 134(a) of the Legislative Reorganization Act of 1946, $10,000 in addition to the amount authorized in such section.

INDEXING AND MICROFILMING OF CERTAIN RECORDS OF THE RUSSIAN ORTHODOX GREEK CATHOLIC CHURCH IN ALASKA

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 354, S. 1644.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 1644) to provide for the indexing and microfilming of certain records of the Russian Orthodox Greek Catholic Church in Alaska in the collections of the Library of Congress.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that an excerpt from the report, Report No. 384, be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The records of the Russian Orthodox Greek Catholic Church in Alaska, in 1940 removed from Alaska and taken to the headquarters of the church in New York and subsequently transferred to the Library of Congress for safekeeping, constitute a major source of vital statistics concerning the new State of Alaska. The purpose of Senate bill 1644 is to authorize and direct the Librarian of Congress to arrange and prepare the collection for study and research and to render accessible to the State and Federal agencies concerned the information contained therein relative to births, marriages, and deaths in what was until recently the Territory of Alaska.

Copies of specific items requested by States or political subdivisions thereof, by organizations, or by individuals would be supplied by the Librarian at cost. Any amounts thus collected would be deposited in the Treasury of the United States.

There would be authorized to be appropriated not to exceed $15,000 to carry out the provisions of the bill.

Additional information relative to the purposes of S. 1644 is contained in a letter from Hon. William A. Egan, Governor of the State of Alaska, which letter, together with a letter of transmittal to Senator MIKE MANSFIELD, chairman of the Committee on Rules and Administration, from Senator E. L. Bartlett, sponsor of S. 1644, is as follows:

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
May 4, 1961.

Hon. MIKE MANSFIELD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, D.C.

DEAR SENATOR MANSFIELD: Reference is made to my bill, S. 1644, to provide for the indexing and microfilming of certain records of the Russian Orthodox Greek Catholic Church in Alaska in the collections of the Library of Congress.

In that connection I am enclosing copies of a letter dated April 29, 1961, which I have received today from Governor Egan endorsing this legislation. I am hopeful that the committee might consider this measure at an early date.

With highest regards, I am,
Sincerely yours,
E. L. BARTLETT.

STATE OF ALASKA,
OFFICE OF THE GOVERNOR,
Juneau, April 29, 1961.

Hon. E. L. BARTLETT,
U.S. Senator, Senate Office Building, Washington, D.C.

DEAR BOB: This letter informs you of my approval and support of S. 1644, which would provide for the indexing and microfilming of certain records of the Russian Orthodox Greek Catholic Church in Alaska now in the collections of the Library of Congress.

The records referred to comprise most of the existing records of the several Russian churches in Alaska, prior to 1940. At that time these records were removed from Alaska and taken to the headquarters of the church in New York. Subsequently they were turned over to the Library of Congress.

Many Alaskans, especially the older ones of native descent, have no birth records in the official files of the State bureau of vital statistics, or with the local U.S. commissioners who, prior to statehood, provided Alaska's major recording facilities.

As one of the proofs needed to file a delayed birth certificate at the present time, or a substitute for such a birth certificate, those church records made are invaluable. In the past 20 years the inaccessibility of these records has been a subject of concern to many Alaskans.

In addition, these records will in many instances be of material help in determining eligibility for any benefits which may accrue from tribal or native rights and their court settlement.

The proposed microfilming and indexing will provide ready access to these records which are of vital concern to many Alaskans. Research will also be aided by adoption of this legislation.

I, therefore, endorse early favorable congressional action on S. 1644.

Sincerely,
WILLIAM A. EGAN, *Governor.*

The Honorable L. Quincy Mumford, Librarian of Congress, in reply to an inquiry from Chairman MANSFIELD has advised the committee of his support of S. 1644, as follows:

THE LIBRARY OF CONGRESS,
Washington, D.C., May 3, 1961.

Hon. MIKE MANSFIELD,
U.S. Senate, Washington, D.C.

DEAR SENATOR MANSFIELD: The bill, S. 1644, is, from our point of view, satisfactory and even desirable. It will enable the Library of Congress to organize, index, and microfilm the vital statistics records of the Russian Orthodox Creek Catholic Church in Alaska. These are in many instances the only records of births, marriages, and deaths available to the new State of Alaska and to Federal agencies concerned with such information.

By enabling the Library to make a negative microfilm of these records, S. 1644 will provide a means for inexpensive positive copies for distribution in Alaska and other parts of the Nation where they may be needed. This distribution will, of course, help to preserve the information in the records against loss and destruction. The index which is planned will permit specific facts to be easily and efficiently extracted from the mass of surviving records. This will be a great convenience to the Federal and State officials who must use the records.

I recommend the bill to your serious consideration.

Sincerely yours,
L. QUINCY MUMFORD,
Librarian of Congress.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) for the purpose of making the records of the Russian Orthodox Greek Catholic Church in Alaska in the collections of the Library of Congress more readily available for study and research and as evidence of the vital statistics set forth therein, the Librarian of Congress shall arrange, transliterate into Latin characters, index and microfilm such records.

(b) The Librarian of Congress shall, consistent with any limitation imposed on the use of or access to such records by their donors or by those placing such records on deposit in the Library of Congress, make available to any State or political subdivision thereof, and in the discretion of the Librarian, to any person or organization, copies of any index or microfilm prepared pursuant to subsection (a) upon payment by any such State, subdivision, person or organization of an amount determined by the Librarian to be the reasonably estimated cost of providing such copies. Any amounts collected by the Librarian under this subsection shall be deposited in the Treasury of the United States.

SEC. 2. There is hereby authorized to be appropriated such sum, not to exceed $15,000, as may be necessary to carry out the provisions of this Act.

PRINTING OF ADDITIONAL COPIES OF REPORT ENTITLED "THE UNITED STATES AND WORLD TRADE—CHALLENGES AND OPPORTUNITIES"

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 355, Senate Resolution 131.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 131) to print additional copies of report entitled "The United States and World Trade—Challenges and Opportunities."

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that an excerpt from the committee report, Report No. 385, be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The printing-cost estimate, supplied by the Public Printer, is as follows:

To print 3,000 additional copies.. $1,162.41

A letter in support of Senate Resolution 131 from Senator WARREN G. MAGNUSON, chairman of the Committee on Commerce, may be found in the report of the Committee on Rules and Administration to accompany Senate Resolution 130, a resolution which would provide additional copies of another report for the use of the Committee on Commerce.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

Resolved, That there be printed for the use of the Committee on Commerce, 3,000 additional copies of a report issued by the Committee on March 14, 1961, entitled "The United States and World Trade—Challenges and Opportunities."

PRINTING OF ADDITIONAL COPIES OF COMMITTEE PRINT ENTITLED "AGING AMERICANS"

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 356, Senate Resolution 145.

The PRESIDING OFFICER. The resolution will be stated.

The LEGISLATIVE CLERK. A resolution (S. Res. 145) authorizing the printing of additional copies of a committee print entitled "Aging Americans" for the use of the Special Committee on Aging.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be printed at this point an excerpt from the committee report, Report No. 386.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The printing-cost estimate, supplied by the Public Printer, is as follows:

Back to press, first 1,000 copies	$295.86
9,000 additional copies at $95.21 per 1,000	856.89
Total estimated cost, S. Res. 145	1,152.75

A letter in support of Senate Resolution 145, addressed to Senator MIKE MANSFIELD, chairman of the Committee on Rules and Administration, by Senator PAT MCNAMARA, chairman of the Special Committee on Aging, is as follows:

U.S. SENATE,
SPECIAL COMMITTEE ON AGING,
May 23, 1961.

Hon. MIKE MANSFIELD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: The Special Committee on Aging has received so many requests for copies of our committee print, "Aging Americans—Their Views and Living Conditions," both from members of our committee and interested citizens that I introduced Senate Resolution 145 to authorize printing an additional 10,000 copies.

I would be most appreciative if the Committee on Rules and Administration gives favorable consideration to this resolution.

Sincerely,

PAT MCNAMARA.

Mr. DIRKSEN. Mr. President, in connection with Senate Resolution 145, I directed a letter to the chairman of the committee this morning with respect to committee and staff reports. I doubt very much whether many of the members of the committee have had an opportunity to examine the report. It relates to a subject that is somewhat controversial. Over a long period of time I have uttered my protest in many committees that staff reports, even though they are marked as such, often in small print, are set out. Oftentimes they make excellent copy for the press. Too often they start with a thesis that is then fortified with testimony. Yet they are not reports from the committee. A distinction is seldom made. I believe that to permit staff reports to go into galley form is a bad and unwise custom. They are released and then become committee reports when they do not bear the approval and the imprimatur of the committee, or even a subcommittee.

So while I shall not try to have the resolution withdrawn at this point, I intend to belabor the subject constantly until there is a revision of the rule and some understanding with respect to uttering reports such as the one we are considering, which Senators who are members of the committee have not even seen.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

Resolved, That there be printed for the use of the Special Committee on Aging ten thousand additional copies of the committee print, "Aging Americans—Their Views and Living Conditions", a report by the Subcommittee on Problems of the Aged and Aging, issued by the Committee on Labor and Public Welfare during the Eighty-sixth Congress, second session.

PRINTING OF PROCEEDINGS OF THE GEORGE W. NORRIS NATIONAL CENTENNIAL CONFERENCE

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 357, Senate Resolution 157.

The PRESIDING OFFICER. The resolution will be stated.

The LEGISLATIVE CLERK. A resolution (S. Res. 157) to print with illustrations the proceedings of the George W. Norris National Centennial Conference.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that an excerpt from the committee report, Report No. 387, be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The printing-cost estimate, supplied by the Public Printer, is as follows:

To print as a Senate document (1,500 copies)	$1,132.01

A letter containing information relative to the conference and justification for printing the proceedings as a Senate document addressed to Senator MIKE MANSFIELD, chairman of the Committee on Rules and Administration, by Senator ESTES KEFAUVER, sponsor of Senate Resolution 157, is as follows:

JUNE 9, 1961.

Hon. MIKE MANSFIELD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, D.C.

DEAR MIKE: On June 8, I introduced Senate Resolution 157, to authorize the printing as a Senate document of the proceedings of the George W. Norris National Centennial Conference held in Washington, D.C., May 16 and 17, 1961. This resolution, cosponsored by Senators GEORGE D. AIKEN and LISTER HILL, has been referred to the Committee on Rules and Administration. I sincerely hope your committee will act promptly and favorably on Senate Resolution 157.

It is particularly fitting that the U.S. Senate pay tribute to the late Senator Norris by printing the proceedings of the Norris National Centennial Conference commemorating the 100th anniversary of the year of his birth. The Senate has had no more courageous, dedicated Member than the distinguished Senator from Nebraska.

Among the legislative landmarks of Senator Norris' career were the Anti-Injunction Act of 1932, which ended the era of so-called yellow-dog contracts; the 20th amendment to the Constitution, which terminated lame-duck Presidents and Congresses; the Tennessee Valley Authority Act, which created the great resource development agency headquartered in my home State of Tennessee; and the REA Act, establishing the Rural Electrification Administration.

It is significant that Senator Norris was one of the public figures depicted in President Kennedy's book, "Profiles in Courage." Another former Member of the U.S. Senate, the late Senator Richard L. Neuberger, wrote eloquently of Senator Norris in the volume "Integrity, the Life of George W. Norris."

I am pleased to state that the Post Office Department will issue a George W. Norris commemorative stamp, with the first public distribution of this stamp on July 11, 1961, the 100th anniversary of Senator Norris' birth. The Norris commemorative stamp will bear the words which President Franklin D. Roosevelt used to describe the late Senator: "Gentle Knight * * * of Progressive Ideals."

The George W. Norris National Centennial Conference was undertaken as a private endeavor. The initial committee of sponsors included Mrs. Eleanor Roosevelt, Speaker Sam Rayburn, Senator John Sherman Cooper, Senator Lister Hill, Clyde T. Ellis, general manager, National Rural Electric Cooperative Association, Murray Lincoln, president, Nationwide Insurance Cos., George Meany, president, AFL–CIO, James G. Patton, president, National Farmers Union, Alex Radin, general manager, American Public Power Association, and Walter P. Reuther, president, United Auto Workers. There were more than 200 additional sponsors, including Members of Congress, Cabinet members, and other distinguished Americans. No Federal funds were made available for the Conference.

I urge that the entire proceedings of the Conference be included in this Senate document, despite the fact that isolated portions have already appeared in the CONGRESSIONAL RECORD. In view of the importance of the subject, I believe it is reasonable and fitting to request that all pertinent material relating to the proceedings be combined in a single document.

The Norris National Centennial Conference was addressed by distinguished Members of the U.S. Senate, members of the Cabinet, members of the President's personal staff, and other leading citizens. The printing of their remarks in a single document will preserve the proceedings of this historic conference so they may be read by those to whom Senator Norris devoted his life, the "generations yet unborn."

Because various ceremonies, including the issuance of the Norris commemorative stamp, are scheduled for July 11, I urge that the committee consider Senate Resolution 157 at its earliest convenience.

Sincerely,

ESTES KEFAUVER,
U.S. Senator.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

Resolved, That there be printed with illustrations as a Senate document the proceedings of the George W. Norris National Centennial Conference, held May 16 and 17, 1961, in Washington, District of Columbia.

PRINTING AS SENATE DOCUMENT OF PROCEEDINGS OF THE NATIONAL WATER RESEARCH SYMPOSIUM

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 358, Senate Concurrent Resolution 27.

The PRESIDING OFFICER. The concurrent resolution will be stated.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 27) authorizing

the printing as a Senate document of the proceedings of the National Water Research Symposium.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the concurrent resolution.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that an excerpt from the committee report, Report No. 388, be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The printing cost estimate, supplied by the Public Printer, is as follows:

To print as a Senate document (1,500 copies)---------- $4,323.51

A letter in support of Senate Concurrent Resolution 27 addressed to Senator MIKE MANSFIELD, chairman of the Committee on Rules and Administration, by Senator CARL HAYDEN, sponsor of the concurrent resolution, is as follows:

U.S. SENATE,
COMMITTEE ON RULES AND ADMINISTRATION,
June 14, 1961.

Hon. MIKE MANSFIELD,
Chairman, Senate Committee on Rules and Administration, Washington, D.C.

DEAR MR. CHAIRMAN: I should like to urge your favorable consideration of Senate Concurrent Resolution 27, authorizing the printing as a Senate document of the proceedings of the National Water Research Symposium, sponsored by the National Reclamation Association and the National Association of Soil Conservation Districts, held March 28, 29, and 30, 1961, at the Sheraton-Park Hotel in Washington, D.C.

The National Association of Conservation Districts and the National Reclamation Association have long been concerned with the national water problem. The symposium was called for the purpose of acquainting the general public with the need for a more adequate research program.

The importance of this entire program is patent, and I feel the participants in this symposium have made definite contributions toward the solution of this pressing problem. For this reason I am urging that the Committee on Rules and Administration report Senate Concurrent Resolution 27 favorably to the Senate.

Yours very sincerely,

CARL HAYDEN.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the proceedings of the National Water Research Symposium, sponsored by the National Reclamation Association and the National Association of Soil Conservation Districts, on March 28, through 30, 1961, be printed with illustrations as a Senate document.

PRINTING OF ADDITIONAL COPIES OF REPORT ENTITLED "NATIONAL TRANSPORTATION POLICY"

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 359, Senate Resolution 130

The PRESIDING OFFICER. The resolution will be stated.

The LEGISLATIVE CLERK. A resolution (S. Res. 130) to print additional copies of report entitled "National Transportation Policy."

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration with an amendment in line 2, after the word "Commerce", to strike out "fifteen" and insert "fourteen", so as to make the resolution read:

Resolved, That there be printed for the use of the Committee on Commerce fourteen hundred additional copies of a report issued by the committee on January 3, 1961, entitled "National Transportation Policy".

Mr. MANSFIELD. Mr. President, I ask unanimous consent that an excerpt from the committee report, Report No. 389, be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The printing-cost estimate of Senate Resolution 130 as amended, supplied by the Public Printer, is as follows:

To print 1,400 additional copies-- $1,186.12

Additional information relative to Senate Resolution 130 is contained in a letter to Senator MIKE MANSFIELD, chairman of the Committee on Rules and Administration, from Senator WARREN G. MAGNUSON, chairman of the Committee on Commerce, which letter is as follows:

U.S. SENATE,
COMMITTEE ON COMMERCE,
May 4, 1961.

Hon. MIKE MANSFIELD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, D.C.

DEAR CHAIRMAN MANSFIELD: The Committee on Commerce hopes it will be possible for your committee to give early and favorable consideration to Senate Resolution 130 to authorize the printing of additional copies of the report on "National Transportation Policy," and Senate Resolution 131 to authorize the printing of additional copies of the report entitled "The United States and World Trade—Challenges and Opportunities."

These reports resulted from long studies of our transportation problems and the foreign trade situation, and they have been bestsellers. As a result our supply is down to bedrock and we are holding a great many requests from Senators, Representatives, libraries, students, and the general public. Every day additional requests come in for copies of both reports.

Your favorable consideration of the resolutions will be appreciated. As your committee records will disclose it is only on extremely rare occasions that we submit resolutions such as these for additional printing of documents. In this instance we think the printing of additional copies is justified.

Sincerely yours,

WARREN G. MAGNUSON,
Chairman.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution, as amended, was agreed to.

PRINTING OF CERTAIN REPORTS AS A SENATE DOCUMENT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 360, Senate Resolution 137.

The PRESIDING OFFICER. The resolution will be stated.

The LEGISLATIVE CLERK. A resolution (S. Res. 137) to print as Senate documents two reports entitled "The Timber Resources of West Virginia" and "A Report on the National Forests of West Virginia."

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration, with an amendment, to strike out all after "*Resolved,*" and insert:

That there be printed with illustrations as a Senate document two reports entitled (1) "The Timber Resources of West Virginia" and (2) "A Report on the National Forests of West Virginia", prepared by the United States Forest Service at the request of Senator ROBERT C. BYRD of West Virginia.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution, as amended, was agreed to.

PRINTING OF ADDITIONAL COPIES OF PART I OF HEARING ON MIGRATORY LABOR

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 361, Senate Concurrent Resolution 23.

The PRESIDING OFFICER. The concurrent resolution will be stated.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 23) to print additional copies of part I of hearing on migratory labor.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the concurrent resolution, which had been reported from the Committee on Rules and Administration, with amendments, in line 2, after the word "the", where it appears the second time, to strike out "Subcommittee on Migratory Labor of the", and in line 5, after the word "before", to strike out "the subcommittee" and insert "its Subcommittee on Migratory Labor"; so as to make the concurrent resolution read:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Committee on Labor and Public Welfare two thousand additional copies of part I of the hearing on migratory labor held before its Subcommittee on Migratory Labor during the Eighty-sixth Congress, first session.

The amendments were agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that an excerpt from the committee report, Report No. 391, be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The printing-cost estimate, supplied by the Public Printer, is as follows:

Back to press, 1st 1,000 copies	$2,971.23
1,000 additional copies	713.55
Total estimated cost, S. Con. Res. 23	3,684.78

Additional information relative to Senate Concurrent Resolution 23 is contained in a letter to Senator LISTER HILL, chairman of the Committee on Labor and Public Welfare, from Senator HARRISON A. WILLIAMS, JR., chairman of the Subcommittee on Migratory Labor and in Senator HILL's letter of transmittal to Senator MIKE MANSFIELD, chairman of the Committee on Rules and Administration, which letters are as follows:

U.S. SENATE,
COMMITTEE ON LABOR AND
PUBLIC WELFARE,
May 23, 1961.

Hon. MIKE MANSFIELD,
Chairman, Committee on Rules and Administration, Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: I am enclosing a letter from Senator HARRISON A. WILLIAMS, JR., chairman of the Subcommittee on Migratory Labor of the Committee on Labor and Public Welfare, in support of Senate Concurrent Resolution 23 which was ordered favorably reported by the Committee on Labor and Public Welfare.

The prompt consideration by your committee of this resolution will be greatly appreciated.

Sincerely,

LISTER HILL,
Chairman.

U.S. SENATE,
COMMITTEE ON LABOR AND
PUBLIC WELFARE,
May 22, 1961.

Hon. LISTER HILL,
Chairman, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: As you know, I reported an original concurrent resolution on May 3, 1961, on behalf of the Committee on Labor and Public Welfare, to print 2,000 additional copies of part I of the hearings on migratory labor held before the Subcommittee on Migratory Labor during the 86th Congress, 1st session.

The hearing information contained in part I of the hearings has been of considerable public interest and value, I feel, and, as a consequence of public demand, the initial printing supply has been depleted. Our backlog of orders is considerable and continually increasing. For these reasons, I believe an additional printing of 2,000 copies of this hearing volume is important.

Would you kindly transmit this letter to Senator MIKE MANSFIELD, chairman of the Committeee on Rules and Administration, with expressions of your support?

Sincerely yours,

HARRISON A. WILLIAMS,
Chairman, Subcommittee on Migratory Labor.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution, as amended, was agreed to.

PRINTING OF PUBLICATIONS OF THE INTERNAL SECURITY SUBCOMMITTEE

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 362, Senate Concurrent Resolution 24.

The PRESIDING OFFICER. The concurrent resolution will be stated.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 24) relating to printing of publications of the Internal Security Subcommittee of the Senate Committee on the Judiciary.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the concurrent resolution, which had been reported from the Committee on Rules and Administration, with amendments, on page 2 line 20, after the word "copies", to strike out "and", and on page 3, line 1, after the word "thousand", to strike out "copies." and insert "copies; and

"(9) 'Fair Play for Cuba Committee' (hearings before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary, United States Senate, April 29, May 5, and October 10, 1960, and January 10, 1961), five thousand copies."; so as to make the concurrent resolution read:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed, for the use of the Senate Committee on the Judiciary, the numbers of copies specified of the following publications of its Internal Security Subcommittee:

(1) "The Technique of Soviet Propaganda" (committee print, Eighty-sixth Congress, second session), ten thousand copies;

(2) "Khrushchev's Strategy and Its Meaning for America" (committee print, Eighty-sixth Congress, second session), five thousand copies;

(3) "Communist Leadership 'Tough Guy' Takes Charge" (hearing before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary, United States Senate, February 2 and 3, 1960), five thousand copies;

(4) "The Korean War and Related Matters" (committee print, report, Eighty-fourth Congress, first session), five thousand copies;

(5) "Subversive Influence in the Educational Process" (committee print, report dated July 17, 1953, Eighty-third Congress, first session), five thousand copies;

(6) "Interlocking Subversion in Government Departments" (committee print, report dated July 30, 1953, Eighty-third Congress, first session), five thousand copies;

(7) "Activities of United States Citizens Employed by the United Nations" (committee print, report dated March 22, 1954, Eighty-third Congress, second session), five thousand copies;

(8) "Documentary Proof That the Communist Party, U.S.A., Teaches and Advocates the Overthrow and Destruction of the United States Government by Force and Violence" (committee print, Eighty-second Congress, second session), five thousand copies; and

(9) "Fair Play for Cuba Committee" (hearings before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary, United States Senate, April 29, May 5, and October 10, 1960, and January 10, 1961), five thousand copies.

The amendments were agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that an excerpt from the committee report, Report No. 392, be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

This concurrent resolution would authorize the reprinting of eight publications of the Internal Security Subcommittee (82d–86th Congs.) which are in short supply but for which there is continuing demand. At the request of Senator JAMES O. EASTLAND, chairman of the Committee on the Judiciary and of its Subcommittee on Internal Security, the Committee on Rules and Administration has amended Senate Concurrent Resolution 24 to authorize the reprinting of additional copies of hearings held by the subcommittee during the present Congress.

It has been estimated by the Public Printer that to reprint the publications which would be authorized by Senate Concurrent Resolution 24 as amended would cost approximately $4,282.04. The titles of the publications, the quantities requested, the individual printing-cost estimates, and other pertinent data are specified in the following table:

Item No.	Number of copies	Title	Type of publication	Congress	Number of pages	Printing-cost estimate		
						First 1,000 copies	Added 1,000 rate	Item total
1	10,000	The Technique of Soviet Propaganda	Committee print	86th	48	$273.37	$26.64	$513.13
2	5,000	Khrushchev's Strategy and Its Meaning for America	do	86th	48	273.37	26.64	379.93
3	5,000	Communist Leadership—"Tough Guy" Takes Charge	Hearing	86th	108	405.74	85.86	749.18
4	5,000	The Korean War and Related Matters	Committee print	84th	32	133.69	33.49	267.65
5	5,000	Subversive Influence in the Educational Process	do	83d	40	176.79	39.30	333.99
6	5,000	Interlocking Subversion in Government Departments	do	83d	56	234.81	49.70	433.61
7	5,000	Activities of U.S. Citizens Employed by the United Nations	do	83d	60	250.37	58.53	484.49
8	5,000	Documentary Proof That the Communist Party, U.S.A., Teaches and Advocates the Overthrow and Destruction of the U.S. Government by Force and Violence.	do	82d	24	114.74	22.84	206.10
		Total estimated cost, S. Con. Res. 24, as referred						3,368.08
9	5,000	Fair Play for Cuba Committee	Hearing	87th	136	498.24	103.93	913.96
		Total estimated cost, S. Con. Res. 24, as amended						4,282.04

Additional information relative to the purposes of Senate Concurrent Resolution 24 is contained in Senate Report 254 (87th Cong., 1st sess.), issued by the Committee on the Judiciary, and in a letter to Senator MIKE MANSFIELD, chairman of the Committee on Rules and Administration, from Senator JAMES O. EASTLAND, chairman of the Committee on the Judiciary and its Subcommittee on Internal Security, which letter is as follows:

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
May 17, 1961.

HON. MIKE MANSFIELD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Periodically, the Senate Internal Security Subcommittee, of which I am chairman, finds it necessary to replenish its supply of documents which it has published to show Americans how the international Communist conspiracy is undermining their freedoms.

Its most pressing current needs are listed in Senate Concurrent Resolution 24, an original resolution of the Judiciary Committee which has been referred by the Senate to your committee.

Reprints of eight documents are requested. One of these is a hearing in which the principal witness is the present chairman of the Communist Party, United States of America. All are in continuing demand.

So far as the subcommittee is aware, only two of these documents are presently offered for sale by the Government Printing Office. At 15 cents a copy the Printing Office has disposed of many times the number which the subcommittee has given away, since the committee has a policy of referring to the Government Printing Office any requests for large quantities of its documents. Nevertheless, as the subcommittee has reported, it must be able to supply requests from senatorial offices, individuals who cannot afford even the small cost, and from groups who seek the documents for class study.

It has been several years since additional supplies of any of these documents were provided the committee. No more than a handful of any of them is now on hand and only a few reference copies of several remain.

Since the resolution was approved by the Committee on the Judiciary, I have been informed that our supply of the initial hearings on the "Fair Play for Cuba Committee," published early this year, is almost exhausted. It would be a great favor if you would amend the resolution to provide for reprinting 5,000 copies of that document.

I shall be grateful for your committee's approval of this resolution.

Sincerely,

JAMES O. EASTLAND,
Chairman, Internal Security Subcommittee.

RUTH B. WISSMAN

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 363, Senate Resolution 159.

The PRESIDING OFFICER. The resolution will be stated.

The LEGISLATIVE CLERK. A resolution (S. Res. 159) to pay a gratuity to Ruth B. Wissman.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Ruth B. Wissman, widow of Bertram O. Wissman, an employee of the Senate at the time of his death, a sum equal to nine months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

CORA MILLER

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 364, Senate Resolution 160.

The PRESIDING OFFICER. The resolution will be stated.

The LEGISLATIVE CLERK. A resolution (S. Res. 160) to pay a gratuity to Cora Miller.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on agreeing to the resolution.

The resolution was agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Cora Miller, aunt of Harry C. Nash, an employee of the Senate at the time of his death, a sum equal to six and one-half months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

MARJORIE S. FOX AND WILLIAM SUTHERLAND

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 365, Senate Resolution 161.

The PRESIDING OFFICER. The resolution will be stated.

The LEGISLATIVE CLERK. A resolution (S. Res. 161) to pay a gratuity to Marjorie S. Fox and William Sutherland.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to, and the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate to Marjorie S. Fox, daughter, and William Sutherland, son of Lena B. Sutherland, an employee of the Architect of the Capitol assigned to duty in the Senate Office Buildings at the time of her death, a sum to each equal to three months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. MANSFIELD. Mr. President, that concludes the items on the calendar, to which there is no objection, and which were to be considered by the Senate today. We have passed over items to which objections have been made or which authorize extraordinary expenditures. These, which have been carried over, will be taken up next week.

ORDER OF BUSINESS

Mr. PROXMIRE obtained the floor.

Mr. MANSFIELD. Mr. President, before the Senator begins his speech, will he yield to me, with the understanding that he will not lose the floor?

Mr. PROXMIRE. I yield.

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I yield to the Senator from South Dakota, with the understanding that I do not lose my right to the floor.

Mr. MUNDT. I thank the Senator.

THE SUPREME COURT DECISION ON THE INTERNAL SECURITY ACT OF 1950

Mr. MUNDT. Mr. President, since the memorable and epochal decision of the United States Supreme Court on Monday, June 5, validating the registration procedures of the so-called Mundt-Nixon bill, which comprises the first 17 sections of the Internal Security Act of 1950, the reverberations and repercussions of that significant decision have been far and wide.

We have all noted also, I am sure, the contemptuous remarks of the known leaders of the American branch of the Communist Party of Russia defying the law, and indicating that they will refuse to conform with the mandate of the Supreme Court. However, I imagine that their rebellion will be short lived, because I am convinced that Attorney General Robert Kennedy will move fast and hard and vigorously to make certain that the provisions of the Internal Security Act of 1950 are now fully and firmly enforced.

On the other side, it has been gratifying to observe the widespread editorial approval which has come to this important Supreme Court decision. I have read editorials in many of our metropolitan newspapers and in the smaller papers of America. In the smaller cities and towns, where the heart of America really pulsates, there has been an almost unanimous chorus of expression strongly approving the 5-to-4 decision and applauding the farsighted and courageous and constitutional attitude of the five Justices of the Supreme Court who comprised the majority in making the decision.

I am happy that that chorus of approval is not limited to the metropolitan papers of this country and to the

papers of the smaller cities and to the wide family of weekly newspapers in our country towns, which have done so much to support the American principle and the American dream down through the years.

I have noted, in several of the labor union newspapers, editorials strongly applauding this Supreme Court decision. As one who has had to say his share of things critical of some union leaders of this country during my term of service for over 30 months as the ranking Republican member of the so-called McClellan committee investigating improper activities in the labor and management field, the committee which the newspapers dubbed the "Labor Rackets Committee," I wish to take this opportunity to say something which I believe should be said in support of the overall record of the American trade union movement insofar as communism is concerned.

Throughout our investigations, one of the gratifying things we noted was that most labor unions and most labor union leaders, with some unhappy but rather notorious exceptions, stand in the vanguard of those who recognize communism for the international conspiracy that it is, and who recognize that we cannot win a cold war against communism while embracing it and coddling on the home front.

Typical of the attitude of most American labor unions and most American labor union newspapers is an editorial entitled "Liberties," published in the newspaper the Machinist, the organ of the International Association of Machinists.

Mr. President, I ask unanimous consent that the editorial may be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LIBERTIES

At long last, the Supreme Court has recognized the Communist Party for what it is. After 11 years in the courts, the Internal Securities Act has been upheld and the Communist Party tagged as "controlled by Moscow."

The 5-to-4 decision was written by Justice Felix Frankfurter. The Justice went to great pains to make clear that the Court's decision permitting Congress to require the registration of Communist action organizations does not extend to any group just because it advocates unpopular ideas.

Said Mr. Frankfurter: "The Subversive Activities Control Act applies only to foreign-dominated organizations which work primarily to advance the objectives of a world movement controlled by the government of a foreign country."

The Supreme Court described the Communist Party as "a worldwide integrated movement which employs every combination of possible means peaceful and violent, domestic and foreign, overt and clandestine, to destroy the Government itself."

The overwhelming majority of union members welcome the Supreme Court decision. We feel that American liberties are safer for it.

Mr. MUNDT. Mr. President, I do not wish to indicate that the Machinist is the only union newspaper in which there has been favorable editorial comment. It has come from others, as well. I do not wish it to appear that only the International Association of Machinists is arrayed in the fight against communism at home, because that is not true. As I have said before, most of the great labor unions and most of the well-known labor leaders are united in their stand against communism. Those who take the other side are in the minority. It is regretted that there are any of them, but there are some. However, speaking of the trade-union movement as a whole, it must be said that it has been a strong bastion of support for the concept which recognizes communism for the menace which it is, and is determined to give more than lipservice to rejecting communism.

Also, speaking as one who has signed many a committee report which contained very serious criticisms of a well-known labor leader by the name of James R. Hoffa, it is only fair and proper to note that listed among the labor organizations which have stood the test of time so far as the fight against communism is concerned is the International Order of Teamsters and Helpers and its head, that indefatigable character, Jimmy Hoffa. Whatever else one might say about that union or its leadership, it must be said, in all justice, that Jimmy Hoffa and his organization have consistently been numbered among those who have fought hard against the infiltration of communism in this country.

Mr. President, I wish to quote one paragraph from the historic decision of the Supreme Court of the United States on June 5, the decision written by Mr. Justice Felix Frankfurter, speaking for the majority. Before reading it, I may say that I am one who wishes to applaud the perspicacity, patriotism, and courage of Justice Frankfurter in writing the majority decision, adhering to the constitutional principles of the United States, and recognizing, as a member of the highest court in the land, that when one speaks about communism and the Communist Party, one does not speak about a political party; one speaks about an international conspiracy.

Some judges in this land have been slow to recognize that behind the innocuous label of the Communist Party there does not move anything remotely resembling a political party, but there moves a well organized apparatus, financed, in part, from Moscow. It is a movement directed entirely from abroad; an organization which has as its purpose the overthrow of the American system of government; a conspiracy which would make a shambles out of the very Constitution upon which the Communists so frequently rely to protect themselves as they take the fifth amendment and seek refuge in other provisions, which all decent Americans are entitled to have protect them under our concept of free government. In writing the majority opinion, Justice Frankfurter said, among other significant statements:

Where the mask of anonymity which an organization's members wear serves the double purpose of protecting them from popular prejudice and of enabling them to cover over a foreign-directed conspiracy, infiltrate into other groups, and enlist the support of persons who would not, if the truth were revealed, lend their support, it would be a distortion of the first amendment to hold that it prohibits Congress from removing the mask.

I selected that particular paragraph because frequently, before congressional investigating committees, Communists, their fellow travelers, their dupes, and their consorts seek to raise the issue of the first amendment as the reason for not providing Congress and its investigating committees with the information necessary to the conduct of this Government. I am glad Justice Frankfurter made that point as specifically as he did.

It might also be informative and worth while, because it was 11 years ago that the Mundt-Nixon bill was passed over the veto of then President Harry Truman—and it is both curious and distressing that it has taken 11 years to have a Federal anti-Communist statute finally adjudicated—to mention that in addition to the registration features of the legislation, which require all members of the Communist Party to register, and which require officers of other front organizations to register, the act provides several other penalties which are now enforceable. I hope and believe the present Attorney General will implement them all sharply, firmly, and promptly. In addition to the registration features, the act requires that the Communist Party and its numerous front organizations place the imprimatur of the Communist Party on all radio and television programs and on anything which is circulated through the U.S. mails by the Communists.

The Mundt-Nixon Act does not seek to outlaw the Communist Party, because, as J. Edgar Hoover has pointed out, to outlaw the party would give people a false sense of security and would tend to encourage the Communists to seek their objectives by other means. This is demonstrated by the experience in Canada. The Communist Party simply changes its name when it is outlawed and continues to function.

Instead of outlawing the Communist Party, the concept of identify, expose, curtail, and eliminate was employed in the writing of the Mundt-Nixon legislation. In other words, that legislation requires Communists to identify themselves or go to jail. The exposure procedure comes from the registration clause, and is based on the continuing belief of most of those who are working in the battle against communism here at home that once the Communists have been exposed, once the spotlight of public opinion has been turned upon them, they cannot continue to succeed in the peddling of their fake patent medicine in the form of political and economic nostrums.

The third requirement is that Communists must identify their front organizations so as to protect Americans, some of whom have habitually joined one front organization after another, and have then always given the weak alibi, "I did not know it was a front organization; it had a nice name; I saw some good members on the board of directors." Such weakling Americans have not made any investigation whatsoever; they have not

even consulted the list which is published, under this law, by the Attorney General's office, showing which front organizations have been labeled as Communist. Such persons have continued to lend their names, their purses, and their good purpose to Communist-front organizations to the great detriment of America and to the eternal shame of such "joiners" of Communist fronts.

We believe that by identifying the officers publicly as Communists, as required by law, at least some persons who have traditionally hidden behind the mask of complete innocence and who have not made the necessary and desirable effort to ascertain which organizations are good and which are bad, will no longer join organizations of this type. At least, if they now continue to do so all Americans will know they do so deliberately and not by innocent accident.

The concept of elimination, included in the provisions of the act, is one which eliminates from office all nonelected Communists; makes it a Federal offense for them to seek or secure Federal employment; and makes it a Federal offense for a Federal appointive officer knowingly to give them Federal positions.

The Mundt-Nixon language also provides that it shall be illegal to grant Communists passports to travel abroad, and makes it illegal for those who keep secret their Communist connections to apply for a passport to travel abroad.

Mr. President, I say again, as I did on the day following the Supreme Court decision of June 5, that it was a happy day for freemen everywhere when the Supreme Court rendered this historic decision. I rejoice over the response which has been given the decision by the press in general, by many publications of trade organizations, by publications in the field of trade unionism, and by commentators and observers who make it a habit to express themselves on the passing American scene. I again salute all five Supreme Court Justices who had the courage and the good judgment to join in this historic decision.

I thank the Senator from Wisconsin for yielding.

APPOINT WILLIAM R. CONNOLE TO THE FEDERAL POWER COMMISSION

Mr. PROXMIRE. Mr. President, the appointment and confirmation of the nominations of Joseph Swidler and Howard Morgan as members of the Federal Power Commission was good news for those who believe in full justice for all concerned with the regulation of power. We are now assured of having on this five-member Commission at least two men who understand the importance of regulation as a means of protecting the consumer from predatory power interests.

But the good we have done by confirming the nominations of these men will be more than counterbalanced if the fifth member of the Commission, to be chosen to fill the vacancy that comes up on June 22, is not of a caliber comparable to that of Mr. Swidler and Mr. Morgan.

As the Federal Power Commission now stands, there are two members who are holdovers. According to newspaper reports, the oil and gas lobby tried to have confirmation of the nominations of Mr. Swidler and Mr. Morgan held up until assurances were given that the vacancy coming up on the 22d would be filled with a fifth Commissioner acceptable to their interests.

This situation makes the third appointee the "swing man." The answer to the question of whether the Commission will swing to the side of the big oil and gas companies or will stand on the side of effective regulation in the public interest, hinges on the appointment of this all-important fifth Commissioner.

Mr. MORSE. Mr. President, will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. MORSE. Does not the Senator from Wisconsin think it is almost unbelievable that it would seriously be suggested that someone from the oil and gas industry be selected to sit on the agency whose public responsibility it is to regulate the oil and gas industry?

Mr. PROXMIRE. I certainly do. I am raising this point today because of the experience that American consumers have had with the Federal Power Commission over the years, and also because of the fact that the members of the Commission have handled their responsibilities in a way which has been extremely profitable to the big gas monopolies, but very, very costly to the American consumers.

Mr. MORSE. I am very glad the Senator from Wisconsin is making this speech, because I am utterly shocked and surprised that there is such a great lack of understanding in regard to the statutory purpose of the Federal Power Commission. It was established by Congress to regulate the oil and gas industry. Yet, today it is seriously proposed that someone from that industry be selected to serve on the Federal Power Commission, to regulate himself and his colleagues. That is utterly unbelievable.

Mr. PROXMIRE. Furthermore, as I have stated, the next appointee will be the "swing man," the one who will cast the deciding votes.

Mr. MORSE. Yes; he will really control. The appointment to that position of someone selected from the oil and gas industry would be comparable to placing the brother of an indicted murderer on the jury which was to hear the case and render the verdict. Such procedure simply cannot be reconciled with our entire conception of impartial justice.

The fallacious argument that is used by those who advocate the making of such an appointment, in an effort to sell this idea of packing the Commission—because they really wish to pack it against the public interest—is that there must be on the Commission someone who understands the industry, and that the only way to obtain such a person is to appoint a party at interest. Of course, that argument is absurd, on its face.

Literally hundreds of qualified persons, so far as knowledge of that industry is concerned, who have no conflict of interest at all involved in their records, are competent to serve on the Federal Power Commission. I am satisfied that the self-pleaders and special pleaders who want to pack the Federal Power Commission are going to get a complete turndown by the President of the United States, because he served in the Senate of the United States too long not to be aware of their manipulations and their lobby activities and their self-interest. I wish to say that I have complete confidence that the President of the United States will appoint to the Federal Power Commission a man with qualifications of the type for which the Senator from Wisconsin is now pleading, because the public is entitled to complete impartiality on the part of those who are members of the Commission. The members of the Commission should be persons who are completely dedicated to protection of the public interest.

That is what this fight is all about. It is over the question of whether we are to have a Federal Power Commission which will carry out the statutory purpose and function established in the act that created the Commission; namely, to regulate the gas and oil industry in the United States in this particular area in a way which protect the consumer interests. Therefore, Mr. President, certainly the President should not appoint to the Commission someone who would be guilty of a conflict of interest, at least ideologically, if not financially.

Of course, Mr. President, this is not a new position for me to take. Some years ago I stood on the floor of the Senate and fought against confirmation of the nomination of Mr. Kuykendall to be a member of the Federal Power Commission; and I warned the Senate what that man's record would be if he were to serve on the Federal Power Commission. He has proved that I was correct. That nomination never should have been confirmed by the Senate, because that man has not functioned on the Federal Power Commission in protecting the consumer interests of this country.

So I hope the Senate will not make another mistake; namely, confirm the nomination of a man of the stamp of Kuykendall. He never should have been appointed to the Commission, in the first place; and I hope the President of the United States will remove him as Chairman of the Commission.

In response to the Republican threats in regard to that matter I wish to say that if I were President of the United States, I would take that issue to court, if that is what is desired, because I am satisfied that the President of the United States has the power to remove him as Chairman of the Federal Power Commission, and the President ought to remove him as Chairman of the Commission.

Mr. PROXMIRE. Mr. President, I thank the distinguished Senator from Oregon, who not only is a great champion of the public interest on power questions, but also is extremely competent to deal with this issue, and has demon-

strated over and over again his great and deep understanding of it.

Although I was not a Member of the Senate at the time, it seems to me that I recall that in connection with a parallel and related question at one time, the Senator from Oregon was able—without any preparation—to talk for approximately 22 hours, I believe, on a question closely related to this one; and, as I have said, he did so without preparation. But his speech was one of the most pertinent, relevant, convincing, and persuasive speeches ever delivered in the Senate.

Exactly what the Senator from Oregon has been saying points up what I wish to say to the Senate this afternoon; namely, if the next appointee to the Federal Power Commission is a man like former Federal Power Commissioner William R. Connole, we might see a new and truly progressive era in the history of this important regulatory agency. We might see an end to a Federal Power Commission that the Landis report described as "without question the outstanding example in the Federal Government of the breakdown of the administrative process." Of course that confirms what the Senator from Oregon has said.

Mr. Connole distinguished himself, during his tenure on the Commission, as the one member who tried to regulate the oil and gas industry effectively in the public interest. He was sometimes called the lone advocate of the consumer's interest, but this is only a small part of his outstanding record. It is this issue that the Senator from Oregon has so well outlined—namely, the issue of competence and ability, as demonstrated by the performance of Mr. Connole, and as well known by those who have worked with and been associated with him.

From the standpoint of regulation, Mr. Connole has demonstrated his very great and superior competence, to the satisfaction of virtually everyone who observed his tenure. I think no one who has studied the record of Mr. Connole can come to any other conclusion than that he is one of the most competent men who has served on this Commission.

He thoroughly comprehended the many difficult and technical issues involved in the regulation of oil and natural gas.

On several occasions, the lone dissents of Mr. Connole were upheld by the Supreme Court. In the precedent-setting Catco case, where the majority of the Commission allowed new field gas sales worth $1 billion without final approval of the rate, the Supreme Court confirmed Connole's dissent by upholding the contention of the New York State Public Service Commission that the failure to set firm rates did not sufficiently protect the consumer.

Mr. President, the record of Mr. Connole was demonstrated in detail, as was his specific competence in the regulatory field. Here was a man who served not as a consumer man, but as a man who wanted to get both sides and have the clearest kind of evidence before he pronounced his decision.

President Kennedy could appoint Mr. Connole to the Federal Power Commission. It would be altogether fitting, proper, and right to do this, and by so doing the President would take a giant step toward setting the Federal Power Commission back on the road to integrity.

FEED GRAINS BILL POINTS WAY TO SUCCESSFUL LEGISLATION FOR AMERICAN AGRICULTURE

Mr. PROXMIRE. Mr. President, out in the country these hot and humid days there are nearly 16 million farm people, many of whom, in their mind's eye, are looking toward Washington, D.C. They are wondering what their fate will be next year and in the years to come. Will the prices the farmers pay continue to go up and up, and the prices they receive go down and down? Will the cost-price squeeze continue to shut farmers out of national prosperity?

I have said before, and I repeat, that the No. 1 victim of economic injustice in America is the American farmer. The average farmer works longer hours than the worker in any other economic group. Department of Agriculture studies have shown that the Wisconsin farmer works as long an average day as 12 hours. Farmers on an average have a far bigger investment in their business than have other groups. In Wisconsin that investment averages between $45,000 and $50,000 per farm. Farmers require an enormous amount of skill, because competition has become so intense that inefficient farmers are no longer left. They have to know soil chemistry, animal husbandry, how to operate complex machinery, and how to buy it. Farmers also have to be bookkeepers. They have to know about the principles of concentrates and feed. The business of being a farmer is really a very complex and difficult and challenging job.

Of course, farmers have to take a risk. In our free enterprise system, we insist that before a person can have a reward, he must work hard, have a skill, make an investment, and take a risk. I know of no group in America that is subject to any more risk than is the American farmer, not only with respect to prices they receive, which have been fluctuating from cruelly low to lower, but as to weather conditions and many other factors.

What has happened to farmers as a result of the kind of farm programs we have had in the past few years? The fact is that the average farmer—not the one with the low income, but the average; and I may remind the President that the average farmer has an investment of $45,000 to $50,000 per farm—had an income in Wisconsin of between 65 and 70 cents an hour. That was his reward for his risk, investment, work, and skill.

The Secretary of Agriculture is absolutely right in saying that, instead of talk about subsidizing the farmers, we should talk about the fact that the farmers have been subsidizing consumers. If farm prices had risen the way other prices have risen, the fact is that consumers would be paying billions and billions of dollars more for food than they are now. The Secretary of Agriculture estimated that the farmers have subsidized consumers by more than $35 billion.

In the rest of our economy we have rigidities. Many of us oppose the monopolistic practices in business and labor. But whether we oppose them or favor them, the fact is that they are a fact of life, and they are very, very likely to be here to stay. Therefore, it seems to me, the practical approach is for the farmer to see what we can do to help him in this real world, not in some fake world of pure and perfect competition which does not exist now and never did.

FEED GRAIN SUCCESS

Many faces in rural areas of the United States have perked up and smiled these last few weeks because the Congress has recognized a pressing problem, and has presented an effective approach to a farm problem, which it considered and approved. This was the 1961 feed grains program.

Let me remind Senators of the prompt, decisive actions taken by the administration and the Secretary of Agriculture and by both Democratic and Republican Parties in Congress to bring about the highly successful feed grains program. It was adopted because the Congress to a large extent shared nonpartisan concern and heeded realities rather than rigid political and selfish pressure group demands.

As I enumerate the various steps, please try to remember them in relation to other permissive agricultural legislation now pending before the Congress.

First, on January 27, 1961, the Secretary of Agriculture had named and called into session a farm advisory committee to consider and report if possible on a program for the feed grains.

Sitting with a group of 3 technicians designated by USDA were 16 representative feed grain farmers. Chairman was Fred Heinkel, president of the Missouri Farmers Association, Columbia, Mo.; vice chairman was Claude Wickard, former secretary of agriculture, Camden, Ind.; and executive secretary was Willard Cochrane, Minnesota economist and adviser to Secretary Freeman.

Facing this committee, representing the feed grain growers of America, was this situation:

> Uncontrolled production with a modest level of price support has resulted in more feed grains being produced than were utilized [including the distribution of feed grains outside commercial channels under Public Law 480 and other programs] in each of the past several years. Uncontrolled production has led to a sustained buildup of grain stocks in all positions and in Government hands; and uncontrolled production in 1961 can lead to a disastrous situation in terms of storage space and storage costs.

Faced with this situation, the feed grain committee concluded a positive program to deal with the worsening situation in 1961 would be absolutely necessary. Since time was short—farmers had only a few weeks to go in which to make crop planting arrangements—no program could be placed in operation with mandatory features through a producer referendum in 1961. Thus the committee recommended an emergency program of a voluntary type.

An effective program, the committeemen believed, could be developed and announced in 6 weeks' time.

This was done.

Main features of the recommended program were:

First. Some increase in the level of price support, where this guarantee of price support is limited to farmers who participate in the program.

I wish to underline that, because while many people object to it, the fact is that this is the only way the wheat farmer could possibly expect to improve his income. Farm income is the heart and soul of the farm problem.

Second. The retirement of a percentage of each producer's feed grain acreage into a nonproductive, soil-conserving practice,

Third. The payment to producers of a conservation practice payment to induce farmers to participate in the voluntary program.

Fourth. The provision of payments-in-kind feature for those program participants who wish to cut back more than required by those farmers eligible for price support.

The goals in brief were: increase producer income and halt buildup of feed grain stocks.

In other words the goals were to increase the farmer's income on the one hand and to reduce the cost of the program on the other. Many people think that is not possible, but this program has worked with great success.

Their report was sent to President Kennedy for his consideration. He approved it and directed prompt action be taken to implement the report. USDA prepared and Congress received the suggested legislation, and on March 25 the measure was passed. The Vice President and the Speaker of the House hurried directly to the White House with the legislation, and there President Kennedy signed it into law within minutes.

Within 48 hours the USDA administrative staff and information divisions had written and readied for printers a detailed general explanation of the new program, and delivered copies to each of the State ASC offices. On March 29 they ordered printed, and on March 31 had on the way to individual feed-grain farmers in virtually every State in the Union more than 2½ million informational leaflets.

State, county, and community meetings were promptly conducted by ASC farmer committee personnel, and the USDA Extension Service cooperated fully with information programs.

The results were quick and overwhelmingly successful. Participation in the program went far beyond the most optimistic expectations.

Mr. President, I make this speech today because so little attention has been called to the fact that this has been a great success of the Kennedy administration and of Secretary of Agriculture Orville Freeman. I repeat: The results were quick and overwhelmingly successful. Participation in the program went far beyond the most optimistic expectations.

As of today, 1,172,165 producers in 47 States have indicated their intention to participate in this program. These farms have a total feed grain base of 64,693,576 acres. Of this base, 41 percent, or nearly 26.7 million acres, have been signed for diversion this year. This represents 26 percent of the total acres planted to corn and grain sorghums in 1959–60. The 1,172,000 producers reflect a large share of the Nation's 3,707,000 farm units.

FEED GRAIN—SUCCESS STORY

Mr. President, this is a real success story, because no one anticipated the feed grain program could possibly be so successful in taking land out of production, thereby saving enormous costs to the taxpayer we otherwise would have had, with an increasing surplus, while at the same time increasing farm income.

These statistics are proof to me that farmers will participate in programs designed to bring their production more in line with need if the programs are sound in concept and operation. It is also proof that carefully selected farmer advisory committees, if given the opportunity, will develop agricultural programs to effectively deal with commodities in trouble.

At this point, let us stop and review briefly how this success was accomplished:

The need for action was recognized.

A farmer advisory committee was named and in consultation with USDA evolved a program.

It was presented to the Congress for study by its Committee on Agriculture and reported for action by the individual Members of the House and Senate.

Congress approved the legislation.

The President signed it.

The farmers involved were given thorough explanation of the various provisions.

As a completely voluntary program, they had the choice to either sign up for participation, or to go their individual ways.

They overwhelmingly signed up to participate.

What I have just reviewed for Senators in connection with the emergency feed grains bill is precisely the same sort of program which could be developed under the proposed Agricultural Act of 1961.

OMNIBUS PROGRAM LIKE FEED GRAIN

This is the same kind of program which has been so demeaned and attacked by critics all over the country. It is now pending in the Agriculture Committees of both the House and the Senate, and may be approved in this session of the Congress. It could both reduce the cost of the farm program, by literally billions of dollars, and also increase farm income. If people doubt that, all they have to do is to look at the success story on the feed grains program, which has done exactly that.

Any variety or combination of other programs for any other commodity producer could be developed. This new proposed legislation is purely and simply permissive legislation. It would merely set up guidelines and procedures.

The President and the Secretary of Agriculture have unmistakably declared that agricultural legislation proposals placed before the Congress are not rigidly unyielding. The administration has encouraged us to suggest changes which will make the legislation more workable and effective, without compromising the basic principles embodied in their proposal.

OMNIBUS BILL CAN AND SHOULD BE MODIFIED

I think there are errors in the proposal as it came from the Department of Agriculture. I think we have to change it. I think we have to modify it. In some respects, we have to modify it rather drastically. However, I am convinced that the Secretary of Agriculture and the President are willing to compromise with the Congress, and wish very much to end up with a workable, practical farm program.

DEMOCRATIC OBLIGATION TO FARMERS

I think that is the least the farmers of America expect from a Democratic Congress. There is no question about the fact that the shift in farm allegiance from the Republican Party to the Democratic Party over the past 12 years is one of the most dramatic and decisive stories in American political history. Why has it occurred? It is because the Republican Party failed to come up with a workable farm program.

I wish to stress, and to repeat if necessary in the face of the vicious misinformation with which political and selfish-interest foes have tried to kill the legislation: The proposed bill does not arbitrarily impose any program on any producer. I repeat, it does not institute a program on any commodity unless a vast majority of the growers vote in favor of such a program in a referendum.

Two-thirds of the farmers have to vote for it before it can go into effect.

Some people have said, "Perhaps we shall be excluded. Perhaps we shall not have an opportunity to vote. Perhaps we will not qualify under the definition of a 'producer' in the bill."

Many people have objected to the program, including some Senators who have come to me to discuss it, and some Senators who have brought up the subject in the committee. I think a convincing answer was given by the Secretary of Agriculture. It is that the program is designed to increase farm income. If the program goes into effect on any commodity, it can only increase the price of that commodity. It would reduce the supply and reduce production. The price could only go up.

The only way a farmer could be adversely affected would be if he went under the program and, under the program, reduced his production. He would not be required to reduce his production, according to the Secretary of Agriculture, unless he had an opportunity to vote for or against the program, and unless he and two-thirds of the other producers voted for it.

The legislation sets up procedures and guidelines under which programs can be developed for all commodities if, and only if, producers want them.

In other words, the primary goal of the pending agricultural legislation is very elementary but compelling. It is to give the farmer an even break in the economy of our Nation.

Farmers, acting as uncoordinated individuals in this vast, complex modern

society, cannot precisely control their output. A store can adjust inventory at will, and so can a factory trim or expand its output by decision of its management. But a crop, like a human being, takes time, patience, and work to reach maturity.

FARMER ALONE IN ECONOMY IS WHOLLY A VICTIM OF MARKET

Mr. President, a crop is quite different from, and a farmer's operation is altogether different from, any other aspect of our economy. As the distinguished and eminent economist from Harvard University, Edward Chamberlin, pointed out, almost all aspects of our economy can be differentiated, so that people will buy a certain brand of toothpaste, Colgate instead of Squibb's; a certain kind of toothbrush, Dr. West instead of Dr. Jones'; a certain kind of automobile, Chevy instead of Ford; because there is a distinct obvious difference on which consumer preference and a different price can be based and sustained.

It is possible to control the supply of that particular brand. It is possible for the seller to establish a price, and he does establish a price. The ability to control production is not only true of manufactured commodities, but also it is true of labor. Through labor unions labor certainly controls production.

The Federal Government has enacted laws which enable labor which is not covered by labor union contracts to demand, get and receive—and they must receive it by law—a minimum wage. They must receive time and a half for overtime. Labor supply thereby limited, its price increased.

The professions are certainly in a position to limit their production, because access to professions requires years of training. Doctors in particular and lawyers to a lesser extent, perhaps, but virtually all professional people are in the position of having a limitation on their supply of service.

But only the farmer is in such a position that he must produce undifferentiated commodities. Virtually every grain of wheat is like every other grain. Every quart of milk, after it reaches certain standards which are nearly universal, is like every other quart of milk. For that reason the farmer has no control of his price. He cannot possibly fix his price. If his price is but a fraction of a cent above other prices, he cannot sell a bit of his commodity.

Since farmers cannot alter their crops to any great extent once they are committed to Nature's will, they must have effective coordinated help on a national scale. Freedom obviously still will be theirs even though the National Government helps in coordinating production to meet indicated needs. If it takes only a simple voluntary program to achieve balance of supply and economic strength, I think we owe it to American agriculture to give them an Agriculture Act of 1961, enabling them to work out their own voluntary programs.

We must keep agriculture economically healthy. It is the most basic factor in our national existence, the factor which provides life's basic necessities—food, clothing and shelter.

American agriculture might well be the key weapon which will help us win the cold war against communism. When you consider that U.S. agriculture is the Nation's main provider of raw materials for business and industry, and that for every dollar of new wealth it takes from the soil it enables the generation of $7 throughout the rest of the economy, you can realize what a dramatic and great advantage we have over the Communist nations.

AMERICAN FARMERS GIVE UNITED STATES GREATEST COMPETITIVE ADVANTAGE OVER U.S.S.R.

I wish to stress that point because the most decisive difference in productivity between American producers and Communist producers is not in the factory, it is not in commerce, but it is on the farm. Herein lies the really overwhelming advantage that we have. Our productive efficiency is many, many times greater on the American farm than on the Russian farm. The reason for that difference, of course, is that we have privately owned and privately operated family farms as the basic unit of agriculture production in America. The family farmer is the most productive and the most efficient farm unit that has ever been developed. The proposed legislation is designed to help the family farm at a time when the family farm is in serious trouble from competition of the large corporate farm, which is a collective farm similar in some ways to the Russian collective farm. But the gigantic corporate farm has the advantage of capital, which has nothing to do with productive efficiency, but can be advantageous in surviving great price fluctuations. In many areas such corporate farms have marketing advantages, because they can restrain supply. The family farm does not have that advantage. Where the family farmer is enabled to receive reasonably stable prices, he can operate far more efficiently and far more productively than any other farmer in the world.

Six million U.S. farmers on their land now can produce 480 percent more than a like number of Russian farmers can on the same acreage in the Soviet.

Truly, American farm production is the success story of modern history and indeed of all time. If permissive legislation will bring agriculture's marketing problem more in line with need, we can reward skill, industry, risk, and hard work with its just reward.

DANIEL WEBSTER HOAN, MAYOR PAR EXCELLENCE

Mr. PROXMIRE. Mr. President, on Sunday of this week, the former mayor of my principal city, Milwaukee, Wis., Daniel Webster Hoan, died. Mr. Hoan was mayor of Milwaukee longer than any other man. He was mayor from 1916 to 1940. I have already remarked on Mayor Hoan's great service to Milwaukee and what a marvelous human being he was, as well as a great public official. I had printed in the RECORD editorials commending Mr. Hoan.

But there was a cover piece in Time magazine on Dan Hoan away back on April 6, 1936. Mr. Hoan was such a remarkable public servant that I think it is a real service to the Nation to call public attention to this man's amazing record.

Mr. Hoan was a Marxist Socialist, and yet he had the most economy minded, the most efficient, the lowest tax and highest efficiency city operation of any city in America. I shall state the facts to prove it.

Here was a man who was overwhelmingly opposed by the political forces in my State, including my own party, and yet he won election time after time. As Time magazine pointed out in that cover article in 1936:

> Whereas city reform movements commonly wither after a single victory at the polls, Dan Hoan is a reform mayor who has lasted for six terms, spanning 20 years. He represents a party which has only some 3,000 paid-up members in a city of 578,000 people. He counts the city's bankers, utilities men and big real estate owners his sworn enemies. The press, except for a small Socialist sheet, is solidly against him. Republicans and Democrats have virtually lost their separate identities in uniting to oppose him. Yet Daniel Webtser Hoan remains one of the Nation's ablest public servants, and under him Milwaukee has become perhaps the best-governed city in the United States.

That statement was made in 1936 at a time when there was racketeering, crime, vice, excessive taxes, and corruption in most of the American cities. This is the way Time magazine supported its extravagant praise of Dan Hoan. It stated:

> Under Mayor Hoan, Milwaukee has grown famed as a paragon of cities. Among cities of more than 500,000 population, only Baltimore has a lower per capita cost of government, only St. Louis has a lower per capita bonded indebtedness. Throughout depression it has kept notably solvent, has not once defaulted on a payroll or interest payment. It has set up an amortization fund which at the present rate of growth will wipe out its entire bonded indebtedness by 1943, put all city operations on a cash basis.
>
> Its election system insures absolute honesty. Under rigidly enforced civil service regulations, the merit system holds good in all city departments. Last year Milwaukee had only one murder, one manslaughter. Famed for incorruptibility, its police department, under a nonpolitical chief removable only for malfeasance, has rid the city of gangsters, given it rockbottom burglary insurance rates. Its fire department and fire prevention program have reduced fire losses from an average of $1,440 to about $256 per fire, secured for its building owners about the lowest fire insurance rates available.
>
> Milwaukee's 107 superbly equipped and managed schools provide ordinary, vocational and leisure education for every citizen over 4 years of age. It claims the biggest and best part-time vocational school in the world, the Nation's largest municipally owned educational museum, the largest per capita adult night school enrollment in the United States. It has a magnificent system of 67 city parks, 68 city playgrounds, 21 city social centers, produces outdoor opera, maintains free bathing beaches, operates dancehalls in the parks, uses 47 of its school buildings every night for drama clubs, bridge games, chess tournaments.

The record of Dan Hoan is an imperishable record which, as long as Milwaukee is a city, will be revered. Dan Hoan was a great man. I disagreed, of course, wholeheartedly and completely with his Marxist philosophy, but I think

we must recognize that here was a truly great public servant as well as a man of infinite humanity.

Mr. President, I ask unanimous consent that the cover article from Time magazine of April 6, 1936, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NATIONAL AFFAIRS—WISCONSIN—MARXIST MAYOR

Mr. and Mrs. Daniel Webster Hoan live in a cheap little frame house in Milwaukee's unfashionable 17th ward. They have lived there for 18 years. The Hoans' living room overflows with overstuffed furniture, a radio, a phonograph, a piano. On the piano stand photographs of Mrs. Hoan, her mother, the Hoans' son, Daniel Webster, Jr., their daughter, Agnes, at 2 and at 18. A picture of the Hoans, looking stiff and uncomfortable after their wedding in 1909, hangs in the stairway hall.

Mr. Hoan's hero is Abraham Lincoln. There is a bust of him in the living room, as well as a photograph, a statuette and a pair of bookends of him in Mr. Hoan's study. Mr. Hoan is built on the Lincoln line—a tall, lanky, restless Midwesterner with a high twangy voice, a shaggy mop of mouse-colored hair, a heavy mustache. He and Mrs. Hoan go to the cinema occasionally, spend a good many evenings playing bridge, usually with the same neighbor couple. Sometimes plump, jolly Mrs. Hoan plays at the Elks Club. She never misses a Sunday at her Roman Catholic Church. Once in a while Mr. Hoan goes with her. Mr. Hoan thinks Mrs. Hoan is the best cook in the world.

Last week certain people in Milwaukee were saying, as they have said many a time in the past, that Mr. Hoan wants to destroy the U.S. home. For Mr. Hoan is not a wholesale grocer or an insurance salesman but the longtime Socialist mayor of the 12th city of the land.

Whereas city reform movements commonly wither after a single victory at the polls, Dan Hoan is a reform mayor who has lasted for 6 terms, spanning 20 years. He represents a party which has only some 3,000 paid-up members in a city of 578,000 people. He counts the city's bankers, utilities men, and big real estate owners his sworn enemies. The press, except for a small Socialist sheet, is solidly against him. Republicans and Democrats have virtually lost their separate identities in uniting to oppose him. Yet Daniel Webster Hoan remains one of the Nation's ablest public servants, and under him Milwaukee has become perhaps the best-governed city in the United States.

Supposedly Milwaukee would be eager to have Dan Hoan as its mayor as long as it could. But last week, as city elections neared, Milwaukee was "seeing red," and Mayor Hoan was battling for his political life in the bitterest fight of his lively career.

SOCIALIST START

U.S. socialism is a German importation, brought by the political exiles of 1848 who started Milwaukee on its way to becoming a German metropolis. Even there, socialism might have remained no more than heady beer-table talk if it had not been for two facts. One was the organizing power of the late great Socialist Victor L. Berger, one-time (1911–13, 1923–29) U.S. Representative. The other was that, even in competition with those of New York, Chicago, St. Louis, and San Francisco, Milwaukee's city government was distinguished for its laxity and corruption. In 1904–6 more than 200 Republican and Democratic officials were indicted for graft. In 1910 disgusted citizens put a whole Socialist slate into office, including 29-year-old Daniel Webster Hoan as city attorney.

When the old-line parties got together and beat the Socialist mayor at the next election, it looked as if Milwaukee had gone the way of other night-blooming reform movements. But popular young City Attorney Hoan, whose term was for 4 years, was reelected in 1914, meantime kept the Socialist organization alive and kicking. In 1916 he got himself elected mayor.

GOOD THINGS

Under Mayor Hoan, Milwaukee has grown famed as a paragon of cities. Among cities of more than 500,000 population, only Baltimore has a lower per capita cost of government, only St. Louis has a lower per capita bonded indebtedness. Throughout depression it has kept notably solvent, has not once defaulted on a payroll or interest payment. It has set up an amortization fund which at the present rate of growth will wipe out its entire bonded indebtedness by 1943, put all city operations on a cash basis.

Its election system insures absolute honesty. Under rigidly enforced civil service regulations, the merit system holds good in all city departments. Last year Milwaukee had only one murder, one manslaughter. Famed for incorruptibility, its police department, under a nonpolitical chief removable only for malfeasance, has rid the city of gangsters, given it rockbottom burglary insurance rates. Its fire department and fire prevention program have reduced fire losses from an average of $1,440 to about $256 per fire, secured for its building owners about the lowest fire insurance rates available.

Milwaukee's 107 superbly equipped and managed schools provide ordinary, vocational and leisure education for every citizen over 4 years of age. It claims the biggest and best part-time vocational school in the world, the Nation's largest municipally owned educational museum, the largest per-capita adult night-school enrollment in the United States. It has a magnificent system of 67 city parks, 68 city playgrounds, 21 city, social centers, produces outdoor opera, maintains free bathing beaches, operates dancehalls in the parks, uses 47 of its school buildings every night for drama clubs, bridge games, chess tournaments.

IS IT SOCIALISM?

Conceding the excellence of a government which has produced these results, observers may well wonder what socialism has to do with it. The answer is that socialism as an economic doctrine has nothing to do with it.

The majority of Milwaukeeans decidedly do not want socialism. Out of about 250,000 voters there are only about 35,000 who vote the straight Socialist ticket, and hence presumably believe in the party doctrines. Never until 1932 did Mayor Hoan have a Socialist colleague in one of the city's other three major elective jobs. The city has never given him a working majority of the common council; he has had one since 1932 only because two opposition members went over to his side. The votes which have returned Dan Hoan to the city hall five times have come from conservative citizens who wanted him there in spite of his Socialist ideas.

Socialism, as no one knows better than Mayor Hoan, is a job for the State and Nation, not for the city. Let Milwaukee move to confiscate big incomes and inheritances or take over a private industry and it would be stopped dead in its tracks by the U.S. Constitution.

About the only step a city can take toward genuine socialism is to acquire its public utilities. Milwaukee lags behind hundreds of other U.S. towns and cities in that respect. Its only ventures which even smack of socialism are: (1) a 14-year-old cooperative housing project of 105 homes; (2) a municipal waterworks, sewage plant, stone quarry, harbor facilities, and street lighting equipment; (3) a system of financing itself without banks by issuance of $1 to $100 scrip bonds. Socialist Mayor Hoan, lacking a Socialist administration, handicapped by an antiquated city charter, able to put over most of his reform measures only by enlisting public opinion through ceaseless campaigning, has only this year felt ready to demand that Milwaukee buy its city power system.

KITCHEN BOY'S CREED

Dan Hoan's father, son of Irish immigrants, was the blacksmith and town radical of Waukesha, Wis.—a Democrat turned Populist and then Socialist. He died when his son was 14. Young Dan went to work in the kitchen of a nearby resort hotel, drifted on through several hotel kitchens in Milwaukee and Chicago. At 19, he went to the University of Wisconsin at Madison to earn his way by cooking at hotels and fraternity houses, to find out whether his father's socialistic ideas were wrong. He hoped they were, since his elders had warned him that holding them would hinder his advancement in the world. Most of what he learned about them he had to dig up for himself; his professors seemed never to have heard of them. But after stumbling on the teachings of Karl Marx and Friedrich Engels, he left the university convinced that his father had been right.

After a fling at running a restaurant on Chicago's State Street, Dan Hoan got a $6-per-week law clerkship, studied nights at Kent College of Law. In 1908, aged 27, he opened a Milwaukee law office. As counsel for the State federation of labor, a job he owed to Victor Berger, he led a winning fight for the first State Workmen's Compensation Act in the United States. In 1910 Victor Berger pushed him into politics as Socialist candidate for city attorney.

When Dan Hoan gives Karl Marx the credit for his municipal success, he means about what Abraham Lincoln did when he said he owed everything to his mother, or what a pious tycoon means by declaring that he has made his way in the world by trying to solve his problems on Christian principles. Mayor Hoan has a good working knowledge of Marxist economics. But he bears about the same relation to the hairsplitting theorists of his clan that a modern medical missionary does to a medieval monk. More significant than his profession of faith in Karl Marx's teachings is his worship of Abraham Lincoln. He subscribes to Marxist doctrines because he thinks they are the ideal means to his ends in life. Meantime he works toward those ends as best as he can under the current system. He has won office year after year, while other Socialists failed, not only because of his reputation for personal honesty and administrative ability but because he is a colorful campaigner. He talks his audiences' language, knows how to make them laugh and cheer, keeps them fascinated by the way he thumps a table, shakes his finger, wrinkles his face, hunches his shoulders, strides up and down, leaps in the air.

MILWAUKEE SEES RED

During most of his career, Mayor Hoan's Socialist ideas have hardly furnished a campaign issue. But since 1932, with a Socialist-controlled council and a Socialist city attorney also in power, Milwaukee has begun to see red. Since depression, say his opponents, Dan Hoan has swung left. Before, they cry, he only talked socialism; now he wants to put it into practice. That cry had by last week heated Milwaukee to its highest political fever in 20 years, brought out a record registration.

Chief factual basis for the Red scare is the Hoan proposal for public ownership of the city electric company. A referendum on that issue will accompany next week's elections. Businessmen make much of the facts that Milwaukee had 107 strikes in 1934, that the mayor's secretary and one of his chief organizers have marched in picket lines and made fighting speeches to strikers, that the mayor

himself was reported to have said to a group of strikers: "We must demand our rights. God bless you, I hope you win." They were aghast when Socialist City Attorney Max Raskin refused last year to prosecute a group of Communists arrested for creating a disturbance at a reception for German Ambassador Hans Luther. They profess vast alarm over an antistrike violence ordinance passed by the common council last autumn. This ordinance provides that if an employer refuses to bargain with his striking employees, thereby causing 200 or more resentful citizens to demonstrate around his plant for 1 hour on 2 successive days, the mayor or chief of police may, if they and a citizens' committee agree that the peace of the city is endangered, close the plant.

The president of Lindemann & Hoverston Stove Co. has threatened to move his $1-million-per-year payroll out of the city if the Socialists are kept in power next week. Other businessmen, say anti-Socialists, are canceling expansion plans or preparing to move because of the Red nightmare. New business, they assert, is being frightened away from Milwaukee.

Final source of conservative alarm is the Wisconsin Socialist Party's merger, effected last winter, with La Follette Progressives in a Farmer-Labor Progressive Federation, pledged to a "production for use" program. By this deal Progressives are to support Socialists in Milwaukee; Socialists, who cast only about 10,000 votes outside Milwaukee County, will support a federation slate composed chiefly of Progressives in State elections. First test of federation effectiveness will come at Milwaukee's polls next week. For Mayor Hoan, who has made a more than local name for himself not only by his Milwaukee record but by his leadership in the U.S. Conference of Mayors, the Great Lakes Harbor Association and the League of Wisconsin Municipalities, the new alliance seems to open the way toward the U.S. Senate, where he would one day like to sit. Ominously, however, Gov. Phil La Follette had not, up to this week, opened his mouth on the subject of Hoan for mayor.

Chief effect of the federation to date has been to win Milwaukee's Socialists a kiss of death from their city's tiny, impotent Communist Party. Mayor Hoan, who hates revolution and dictators with all his Midwestern soul, has vehemently disclaimed the Red endorsement. But William Randolph Hearst's Milwaukee Wisconsin News was screaming last week: "A majority of Milwaukee women do not intend to longer tolerate a Communist-endorsed city administration. Communists who openly demand the destruction of the family, the home and the Christian religion."

Next week, as it has been in every election since his first, it will be Dan Hoan against the field. After the Socialist landslide of 1910, Republicans and Democrats wangled through the legislature a State law requiring municipal primaries and elections to be nonpartisan. No party designations may appear on ballots. Only the two biggest primary votegetters may compete in elections. Thus it is assured that every non-Socialist vote will be an anti-Socialist vote.

The mayoral candidate behind whom anti-Hoan forces are massed is Joseph John Shinners, 54, a 6-foot, 4-inch, 255-pound Irish Democrat who was a first-rate rough-and-tumble policeman in Milwaukee's old days, went into the trucking and warehouse business in 1912 and since 1932 has been the able sheriff of Milwaukee County. A Grand Knight of the Knights of Columbus and father of 10, Candidate Shinners is expected to draw a strong Catholic vote. He is also backed by the American Legion and the Nazi Friends of New Germany. Asked whether it is true that he never got past the fourth grade in school, he replies, "I'm still going to school." Though he admits that municipally owned public utilities might be practical in small communities, he wants no reform in Milwaukee.

"The chief plank in my platform," says Candidate Shinners, "is to coax big industries to come to Milwaukee and take people off the streets and keep them out of the penitentiaries."

Many a citizen who has never heard of Daniel Webster Hoan and his municipal achievements knows Milwaukee as a great brewing town, home of Pabst, Blatz, Miller, and of Schlitz, "The Beer That Made Milwaukee Famous." The current Socialist campaign slogan: "Keep Milwaukee Famous."

DEPORTATION OF BALTIC PEOPLES IN 1940

Mr. PROXMIRE. Mr. President, fate has not been kind to the brave and stouthearted peoples of the three Baltic countries. Estonians, Latvians, and Lithuanians have had long and eventful histories, but during most of modern times their destiny has been in the hand of alien rulers. All three countries, however, had regained their freedom at the end of World War I, and did their utmost to remain free.

But soon after the outbreak of World War II they again found themselves threatened by alien forces. By mid-1940, the Soviet Union had overrun them. Then began the saddest period in the history of these people. Hundreds of thousands of innocent people were at once uprooted from their homes and exiled to the forbidding distant parts of the Soviet Union.

For 21 years millions of Estonians, Latvians, and Lithuanians have suffered under the unrelenting regime of Communist tyranny.

We in the West are fully aware of the fate they have endured for more than two decades. We wholeheartedly sympathize with these heroic peoples. We earnestly hope that soon a way will be found to free them from Communist totalitarian tyranny.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

A UNIFORM SYSTEM OF WEIGHTS AND MEASURES

Mrs. NEUBERGER. Mr. President, though there is no mention of it on the Senate Calendar, I would like to bring to attention some of the unfinished business of the Congress and the Senate. Specifically, I speak of a proposal urged upon the Continental Congress by the Articles of Confederation and upon succeeding Congresses by the Constitution to fix the standard of weights and measures throughout the United States.

Mr. President, as much as it distresses me to say it, there is no legally recognized system of weights and measures in the country today—some 180 years after the Congress was first instructed to determine such a system.

At best, the inch-pound system under which the country operates today has the sanction only of the Secretary of the Treasury, not of the Congress as the Constitution requires.

In 1781, the Articles of Confederation gave the Continental Congress certain powers. One of these was the fixing of the standard of weights and measures throughout the United States. It was never done.

The Constitution replaced the Articles of Confederation in 1789. Section 8 of article I of the Constitution provides:

> The Congress shall have power to fix the Standard of Weights and Measures.

Despite this very clear and specific instruction in the Constitution, the Congress has never come around to performing this important task.

The question of national standards for weights and measures has been presented to the Congress many times in the past. It is, I think, one of the anomalies of legislative history that nothing has been done on this important matter through all the years of the Republic.

In his first message to the Congress, a former President said:

> Uniformity in the currency, weights, and measures of the United States is an object of great importance, and will, I am persuaded, be duly attended to.

That President was George Washington, and the remarks were made in January of 1790.

As a result of this Presidential message, the House of Representatives requested the then Secretary of State, Thomas Jefferson, to prepare and report to the House a plan for establishing uniformity in the weights and measures of the United States. In the report, Mr. Jefferson suggested that we reduce "every branch to the same decimal ration already established in coins, and thus bring the calculation of the principal affairs of life within the arithmetic of every man who can multiply and divide plain numbers."

In December of 1790, President Washington addressed his second message to the Congress. Again he urged the establishment of standards of weights and measures. The Jefferson report, which had been languishing in the House, was then referred to the Senate where a select committee was asked to study the measure. The committee recommended in the late winter of 1791 that no changes be made in the system of weights and measures then in use in the United States. However, it must be remembered that no national system of weights and measures was in use. A pound in New York was not the same thing as a pound in Virginia. The problems affecting trade are obvious.

In the fall of 1791 Washington sent another message to the Congress in which particular mention was made of the problems of weights and measures. Legislation was introduced, and, in 1792, on four separate occasions, was before the Senate. Yet this body did not act. In subsequent years, diminishing efforts were made to secure the enactment of a uniform weights and measures law. None of these efforts were successful.

A considerable number of committees from each House of Congress studied and reported on the question. However, no legislation was passed.

The major effort of the early 1800's focused on a report prepared by John Quincy Adams, then Secretary of State, at the request of the Senate. In December of 1816, President Madison reminded the Congress that no laws had been enacted to implement the report presented by Thomas Jefferson more than a quarter of a century earlier. Madison said:

> The great utility of a standard fixed in its nature and founded on the easy rule of decimal proportions is sufficiently obvious.

In response to this urging, the Senate adopted a resolution referring the now aging and weighty problem to the Secretary of State, John Quincy Adams.

The Adams report stands even today as a scholarly and elaborate document. It ran to 250 pages, and, in discussing the theory of weights and measures, attempted to relate the topic to the natural history of man.

Unfortunately, there was no congressional reaction to the Adams report. It is interesting, however, to discover that Secretary Adams, later President, said of the metric system:

> This system approaches to the ideal perfection of uniformity applied to weights and measures.

At about this time, Mr. President, some effort was made by the State legislatures to establish weights and measures standards. All that the States did, however, was merely to formalize the hodgepodge system that they had been operating under. Clearly, the only viable solution was a national one—and the lead had to be taken by the Congress.

The period through the mid-1820's was filled with more commissions, committees, studies, and reports. No action was ever taken. But, the lack of a uniform standard began to pinch the Congress where it was the most sensitive—in the Federal pocketbook. Reports began arriving from customhouses up and down the coast that there was a substantial loss of revenue due in large part to inaccurate measuring devices and standards. At this point, it will be recalled, revenue from customs was the major part of the Federal income. The upshot of heated debate on the floor of the Senate was a resolution offered to establish an integrated system of weights and measures on standards corresponding to those adopted by England. This was never adopted.

In 1830, the Senate directed the Secretary of the Treasury to cause a comparison to be made of the standards of weights and measures now used at the principal customhouses in the United States and report to the Senate at the next session of the Congress. Such a study was made under the direction of Ferdinand Hassler, the Superintendent of the Office of Weights and Measures in the Treasury Department. The report showed serious discrepancies which the then Secretary of the Treasury, Louis McLane, referred to as "a serious evil." However, the Secretary believed that the Department had full authority to correct the evil by having uniform and accurate weights and measures to be supplied to all customhouses. The Department undertook to do this, and the Treasury Department set up fundamental units of a yard, an avoirdupois pound, a gallon and a bushel. It is important to note that the Treasury Department did this only for customhouses under its control with no direct congressional authorization.

The customhouse determinations made by Hassler for the standards were based on existing British standards. The historical record seems to indicate that Hassler always regarded the British yard as the real standard of length in the United States. He based the avoirdupois pound on the troy pound in the ratio of 1 avoirdupois pound equals 7,000/5,760 pounds troy. He copied the wine gallon and the Winchester bushel from outmoded English standards that were in general use in the Colonies, but had been superseded in England even before Hassler brought them here.

These fundamental standards that Hassler recommended were adopted by the Treasury Department. And, the weights and measures of the customs service were made to conform. But, they were never adopted for the Nation as a whole.

On June 14, 1836, Congress finally did legislate on weights and measures. Nearly a half century had passed since Washington's first address on this topic. And, despite the long history of studies, commissions, and reports, the joint resolution adopted in Congress merely directed the Secretary of the Treasury to have a complete set of weights and measures, as adopted by the Treasury Department for use in the customhouses, furnished to each State.

Three decades passed before Congress turned once again to weights and measures legislation. Then, in July of 1866, a joint resolution and a law passed Congress, and we came as near the establishment of a system of weights and measures as we have ever come. The resolution directed the Secretary of the Treasury to furnish to each State a set of standard weights and measures of the metric system for the use of the States. The law made the metric system a lawful system of weights and measures throughout the United States.

Mr. President, let me emphasize this point. The only legislation ever passed by Congress in carrying out its responsibility under the Constitution has been to make the metric system lawful throughout the United States of America.

The conclusion to which such an analysis must lead is only this: that the only system of weights and measures ever formally made lawful in the United States by Congress is the metric system.

In the 1866 law making the metric system lawful throughout the United States, there is a schedule giving the metric equivalents to the system "in use." The metric equivalents were not for the then legal system; they were merely for the system "in use." Subsequent codifications of the law of 1866 have retained this language, and today in the United States—title 15, section 205—the metric denominations and values are presented, and in the adjacent column are listed the "equivalent denominations in use."

I think Senators will be interested in the statements of a former Senator from Massachusetts on the subject of the metric system:

> There is something captivating in the idea of one system of weights and measures, which shall be common to all the civilized world; so that, at least, in this particular, the confusion of Babel may be overcome. Kindred to this idea is one system of money. And both of these ideas are, perhaps, the forerunners of that grander idea of one language for all the civilized world. Philosophy does not despair of the fulfillment of this aspiration at some distant day; but a common system of weights and measures and a common system of money are already within the sphere of actual legislation.

The Senator making this statement was Charles Sumner. The date on which he made it was July 27, 1866.

The decade of the 1870's was an active one in the field of weights and measures. The most important event was the treaty of 1875, known as the Metric Convention. This treaty was ratified by the President, on the advice of the Senate, in 1878.

France has taken the lead in this treaty. Two conferences at Paris in the early 1870's had agreed on constructing new meters and kilograms. Of these, one would be selected as the standard, and the others would be distributed to the nations signatory to the treaty. In 1890, meter No. 21 and kilogram No. 4 were received in Washington and were deposited in the Office of Weights and Measures, the forerunner of the National Bureau of Standards.

In 1893 the Superintendent of the Office of Standard Weights and Measures made a ruling of prime importance. It was approved by the Secretary of the Treasury, John G. Carlisle, and provided that in the future, the Office of Weights and Measures would regard the international prototype metre and kilogramme as fundamental standards. The customary units, such as the inch, foot, year, and pound would be derived from these standards, pursuant to the law of July 1866. The Superintendent making this ruling was T. C. Mendenhall, and it has been subsequently known as the "Mendenhall order."

So we have come to the curious situation today. The 1866 law, the only one ever passed by Congress, and the subsequent Mendenhall order, seem to make it quite clear that the basic legal system of weights and measures is the metric system. It, however, is not in common use. The customary system of inches and pounds has never been formally baptized.

For years, we have been able to get along quite well under our customary system. But the transportation revolution, the pace of which has been accelerating over the last two decades, and the increasing volume of international trade, are making us more aware of the need for one system of measurement the world over.

As our provisions for the defense of the Western World become more effi-

ciently integrated, a standard system of measurements would be beneficial in making more efficient the purchase of parts and materiel for cooperative military efforts.

Several days ago, Mr. President, I introduced a measure calling on the Secretary of Commerce to conduct a study to determine the advisability of putting the United States on the metric system in everyday use. I introduced into the RECORD a prelminary study by the metric study task force appointed by the Director of the National Bureau of Standards.

This study outlines some of the hard questions that will have to be asked to determine the value of switching to the metric system. There will doubtless be many problems. However, I think it would be a prudent expenditure of a limited amount of Federal money to determine whether there are not greater long-range benefits to be derived from the metric system, and in that spirit I urge the attention of Senators to this measure.

REORGANIZATION PLAN NO. 4

Mr. HRUSKA. Mr. President, I speak in support of Senate Resolution 147, of which I am the author. The resolution calls for the disapproval of Reorganization Plan No. 4, which pertains to the rearranging of the functions of the Federal Trade Commission.

Stated another way, I oppose Reorganization Plan No. 4.

While my remarks are primarily directed to the plan relating to the Federal Trade Commission, they are equally applicable to plans 1, 2, and 3 relating to the Securities and Exchange Commission, the Federal Communications Commission, and the Civil Aeronautics Board. All four of these plans are virtually identical, with the exception of provisions in plan No. 2 relating to review procedures. This is because of a statutory provision contained in the basic law for the Federal Communications Commission not found in the basic law of any of the other Commissions.

We need not concern ourselves with plan No. 2 relating to the Federal Communications Commission. It was overwhelmingly rejected by the other body of Congress only yesterday.

Plans Nos. 1, 3, and 4 should likewise be resoundingly rejected by Congress, and for the reasons which were the basis of the action on plan No. 2 by the other body.

Opposition to plan No. 4 is based principally on the following points:

First. The plan provides for virtually unrestricted and unlimited delegation of any of the committee functions to a "division of the Commission, an individual Commissioner, a hearing examiner, or an employe or employee board."

Second. The principles and policies which Congress sought to instill into regulatory bodies generally, and the Federal Trade Commission in particular, are grossly violated by this plan. It will be contrary to the best public interests.

Third. Under the proposed plan there will be substantial impairment, and in some cases destruction, of vital rights of those coming before the Commission.

Fourth. Undue power is vested in the Chairman, who will be able to dominate the Commission in its operation and influence the results to a degree that will render the Commission ineffective as an organization to carry out policies decided by the Congress.

It was Dean Landis himself who last December called the attention of the Nation to the fact that the regulatory agencies, of which the Federal Trade Commission is one, carry out policies laid down in statutes enacted by the Congress and that they are not an arm of the executive branch of the Government.

DECLARED OBJECTIVES OF PROPOSED PLAN

In his message transmitting plan No. 4 to Congress, the President stated that:

> The plan provides for greater flexibility in the handling of the business before the Commission permitting its disposition at different levels so as to better promote its efficient dispatch.

And at a later point in the message, the President wrote:

> By providing sound organizational arrangements, the taking effect of the reorganizations included in the accompanying reorganization plan will make possible more economical and expeditious administration of the affected functions.

The objectives of eliminating undue delays, of expediting procedures before the Commission, and of giving it greater flexibility to accomplish its mission are all very well, indeed. They are quite in order in view of the greatly increased volume and the growing complexity of the cases presented for decision and disposition.

But in the messages and discussions on this subject one very important and indispensable element is overlooked. The testimony before the congressional committees does not mention it either. This element has to do with the fundamental proposition that the elimination of delays should be achieved by sacrificing the proper administration of justice.

There still remains a need for each litigant to have his day in court. Each litigant should be afforded a fair trial before properly constituted and qualified officials, operating under laws and guided by procedures rather than by any individual's judgment, discretion, whim, or caprice.

As we proceed to the consideration of the reorganization plans before us, this thought should constantly be borne in mind.

Although he was writing about courts and court procedures in his book, "The Challenge of Law Reform," the following remarks by Chief Judge Vanderbilt could well apply in the instant discussion, because the regulatory bodies, including the Federal Trade Commission, are certainly quasi-judicial bodies. Judge Vanderbilt wrote:

> Mass production methods and assembly line techniques are utterly incompatible with sound administration. Every case is entitled to all the time and individual attention necessary for a fair trial considering all of the circumstances of the case, but not to 1 minute of delaying tactics.

PLAN NO. 4 EMBRACES RADICAL CHANGES

Mr. President, it should be clearly emphasized that the pending proposal does not call for a routine change, nor does it call for a simple extension of a previous plan of reorganization. It calls for substantial alterations, in substance as well as in scope.

It is particularly important to stress this point, because during the course of hearings on plan No. 4, both in the committee of the other body and in the Senate committees, there seemed to be a studied effort to establish the proposition that plan No. 4 involves no power that is not already contained in Reorganization Plan No. 8 of 1950. In fact, an attempt was made to link the present plans, including plan No. 4, with the recommendations of the Hoover Task Force, which made a study of the regulatory agencies and then made certain recommendations.

At one point in the testimony it was stated:

> Those who really in my opinion object to Reorganization Plan No. 4 should be addressing themselves to Reorganization Plan No. 8, which is and has been the law of the land since 1950.

Mr. President, I should like to state categorically that that is not an accurate interpretation of those plans.

In order to facilitate the discussion and consideration of this point, I ask unanimous consent that there be printed at this point in the RECORD the text of plan No. 4 which we are presently considering:

There being no objection, the plan was ordered to be printed in the RECORD, as follows:

REORGANIZATION PLAN NO. 4 OF 1961

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 9, 1961, pursuant to the provisions of the Reorganization Act of 1949, 63 Stat. 203, as amended)

FEDERAL TRADE COMMISSION

SECTION 1. *Authority to delegate.* (a) In addition to its existing authority, the Federal Trade Commission, hereinafter referred to as the "Commission", shall have the authority to delegate, by published order or rule, any of its functions to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board, including functions with respect to hearing, determining, ordering, certifying, reporting or otherwise acting as to any work, business, or matter: *Provided, however,* That nothing herein contained shall be deemed to supersede the provisions of section 7(a) of the Administrative Procedure Act (60 Stat. 241), as amended.

(b) With respect to the delegation of any of its functions, as provided in subsection (a) of this section, the Commission shall retain a discretionary right to review the action of any such division of the Commission, individual Commissioner, hearing examiner, employee or employee board, upon its own initiative or upon petition of a party to or an intervenor in such action, within such time and in such manner as the Commission shall by rule prescribe: *Provided, however,* That the vote of a majority of the Commission less one member thereof shall be sufficient to bring any such action before the Commission for review.

(c) Should the right to exercise such discretionary review be declined, or should no

such review be sought within the time stated in the rules promulgated by the Commission, then the action of any such division of the Commission, individual Commissioner, hearing examiner, employee or employee board, shall, for all purposes, including appeal or review thereof, be deemed to be the action of the Commission.

SEC. 2. *Transfer of functions to the Chairman.* In addition to the functions transferred by the provisions of Reorganization Plan No. 8 of 1950 (64 Stat. 1264), there are hereby transferred from the Commission to the Chairman of the Commission the functions of the Commission with respect to the assignment of Commission personnel, including Commissioners, to perform such functions as may have been delegated by the Commission to Commission personnel, including Commissioners, pursuant to section 1 of this reorganization plan.

Mr. HRUSKA. Mr. President, I also ask that there be set out at this point in the RECORD the text of Plan No. 8, which was approved by the 81st Congress, 2d session, 1950.

There being no objection, the plan was ordered to be printed in the RECORD, as follows:

REORGANIZATION PLAN NO. 8 OF 1950

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, March 13, 1950, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949)

FEDERAL TRADE COMMISSION

SECTION 1. *Transfer of functions to the Chairman.*—(a) Subject to the provisions of subsection (b) of this section, there are hereby transferred from the Federal Trade Commission, hereinafter referred to as the Commission, to the Chairman of the Commission, hereinafter referred to as the Chairman, the executive and administrative functions of the Commission, including functions of the Commission with respect to (1) the appointment and supervision of personnel employed under the Commission, (2) the distribution of business among such personnel and among administrative units of the Commission, and (3) the use and expenditure of funds.

(b) (1) In carrying out any of his functions under the provisions of this section the Chairman shall be governed by general policies of the Commission and by such regulatory decisions, findings, and determinations as the Commission may by law be authorized to make.

(2) The appointment by the Chairman of the heads of major administrative units under the Commission shall be subject to the approval of the Commission.

(3) Personnel employed regularly and full time in the immediate offices of members of the Commission other than the Chairman shall not be affected by the provisions of this reorganization plan.

(4) There are hereby reserved to the Commission its functions with respect to revising budget estimates and with respect to determining upon the distribution of appropriated funds according to major programs and purposes.

SEC. 2. *Performance of transferred functions.*—The Chairman may from time to time make such provisions as he shall deem appropriate authorizing the performance by any officer, employee, or administrative unit under his jurisdiction of any function transferred to the Chairman by the provisions of this reorganization plan.

SEC. 3. *Designation of Chairman.*—The functions of the Commission with respect to choosing a Chairman from among the membership of the Commission are hereby transferred to the President.

FUNDAMENTAL DIFFERENCES BETWEEN PLAN NO. 8 (1950) AND PLAN NO. 4

Mr. HRUSKA. The first striking difference between plan No. 8 of 1950 and plan No. 4 is that the former provides for the transfer from the Commission to the Chairman of the executive and administrative functions of the Commission with certain well defined limitations; whereas plan No. 4 authorizes the Commission to delegate any of its functions to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board, subject only to the limitation contained in section 7(a) of the Administrative Procedure Act.

Mr. President, it is one thing to transfer executive and administrative functions from the Commission to the Chairman. It is something altogether different to authorize the delegation of any of the functions of the Commission to a great number of employees. Moreover, it is one thing to transfer to the chairman of a commission certain circumscribed duties and powers. It is another thing to make a broad scale delegation of powers, duties, and responsibilities.

The extent of the proposed delegation is quite evident when we consider the words of plan No. 4—"to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board."

On plan No. 8 the transfer of executive and administrative functions of the Commission is circumscribed by the provision that the Chairman shall be governed by the general policies of the Commission and by "such regulatory decisions, findings, and determinations as the Commission may by law be authorized to make." Following this are other expressly stated restrictions:

First. The Chairman's appointment of heads of major administrative units is subject to the approval of the Commission.

Second. Personnel in the immediate offices of members of the Commission are not affected by the plan.

Third. The Commission's functions with respect to budget estimates and allocation of appropriated funds are expressly reserved to the Commission.

It is very apparent that throughout plan No. 8 a deliberate effort is made to maintain the functions and integrity of the Commission in accordance with the principles originally established by Congress. Studious effort is made to preserve that independence as a bipartisan body permitting its continued operation as an agency created to carry out policies of the Congress.

There is a negation of the concept that the regulatory bodies, including the Federal Trade Commission, are an arm of the executive branch of the Government. The fact is that these Commissions were not designed, nor are they intended, to carry out policies of the Chief Executive.

However, that will be the inescapable result if plan No. 4 is adopted due to its unrestricted terms. All of the precautions and careful safeguards of plan No. 8 are disregarded in the currently proposed plan No. 4.

There is no longer a "transfer" of powers to the Chairman in a limited sense. Authority is provided to delegate any function of the Commission subject only to section 7(a) of the Administrative Procedure Act.

Such a wide delegation of powers is inherently bad. It would be contrary to the best interests of the public to permit it.

SPECIFIC EXAMPLES

Mr. President, let us consider specific illustrations which show how potentially detrimental this plan No. 4 really is.

Under plan No. 4, the power to issue complaints against respondents can be delegated. Certainly it can be delegated to examiners. There is the reasonable possibility that it can also be delegated to employees or an employee board, since it could be argued that the issuance of a complaint is not an adjudicatory function within the meaning of section 7(a) of the Administrative Procedure Act.

Think what this would mean, Mr. President. The power to summon into court on serious, far-reaching charges is an awesome one.

In our system of jurisprudence, as developed through the centuries, this power is basically limited to a grand jury. That practice has been modified somewhat by permitting a Federal district attorney, under certain circumstances, to issue an information to which a defendant must respond. However, here we have a qualified official who has been scrutinized by the Senate through the confirmation procedure.

There was a further relaxation of the safeguards against abusive or improper use of this power to summon into court when the Federal Trade Commission was created. This was achieved by permitting the Commission to issue a complaint, in spite of the fact that it is the same body which will try the issue and sit in final judgment.

The basic Federal Trade Commission Act, section 5(b) reads in part:

> Whenever the Commission shall have reason to believe that any such person, partnership or corporation has been or is using any unfair method of competition or any unfair or deceptive act or practice in commerce, and if it shall appear to the Commission that a proceeding by it in respect thereof would be in the interest of the public, it shall issue and serve * * * a complaint stating its charges. * * *

Mr. President, it should be noted that this power of issuing complaints is vested in the Commission by the Congress. This has been done notwithstanding the mixed prosecutor-judge complex which pervades the structure of the Federal Trade Commission. We have become accustomed to this procedure over a long period of time.

However, the Commissioners are responsible persons. They are appointed by the President. Their careers and records are carefully considered by the Senate which then confirms them, or in rare instances, rejects them.

As Commissioners they are, as a result of this, subject to some discipline and restraint.

This is not so as to examiners or any lesser employee of the Federal Trade Commission. They are civil service employees and, under plan No. 4, would be under the control, supervision, and dominance of the Chairman, who can assign or transfer them at will. These examiners and other employees are not subject to the restraints and disciplines of Congress. For the most part, they will be anonymous in their actions. They are several steps removed from the legislative body and are not responsible to the people.

This is a far cry indeed from the fundamental principles to which we have tried to adhere in any adversary proceedings, particularly when we realize that the Government, in all of its majesty and power, can bring its forces to bear upon an individual person, company, or corporation.

Mr. SCHOEPPEL. Mr. President, does the Senator desire to complete his remarks before he yields for a question?

Mr. HRUSKA. Not necessarily. If the Senator from Kansas has an observation or question, I shall be happy to respond.

Mr. SCHOEPPEL. I thank the distinguished Senator from Nebraska. I wish to commend him for going into this matter as thoroughly as he has in the analysis he is making this afternoon on the Senate floor. I do not know whether the Senator shortly will get into the subject of the delegation of the rulemaking power that is inherent in these plans. Does the Senator agree with me that the delegation of the rulemaking power is, in effect, the delegation of the power to make law, because rules are promulgated and established and published, and they have, practically, the full force and effect of law?

Mr. HRUSKA. I do deal with that subject a little later in my remarks, and I fully agree with the Senator from Kansas in his observation that they have the full force and effect of law. I shall bring out some specific examples of that fact during the course of my later remarks.

Mr. SCHOEPPEL. I am glad to hear the Senator say that.

If the Senator will yield further, what disturbs me—and I am sure it disturbs the Senator from Nebraska and others who have been giving thought to the far-reaching effects of the reorganization plans—is that, for instance, when we discuss on the floor of the Senate certain matters of legislation or amendments that we find we desire to present, we make and establish in the discussions and debate the legislative history, as we adopt legislation, or an amendment we seek to apply to a particular part of the legislation as a modifying or strengthening part of it.

Does the Senator from Nebraska see any place where in these reorganization plans there is or would be an opportunity to make any legislative history?

Mr. HRUSKA. There is no place for that purpose. For example, in the appointment of a bureau head by the chairman, there is no opportunity for confirmation by the Commission. On the occasion of a confirmation of a nomination, the hearings and the discussion on the floor really constitute a legislative record. That is, in part, an answer to the observation of the Senator from Kansas.

Another aspect of the question has to do with the writing of opinions, for example, or the drafting of rulings of different kinds. The anonymity of the writer or draftsman is of concern not only to us, but also to the administration, for President Kennedy in a message on April 10, 1961, stated that: "When the actual source of the opinion is unknown, save only that it is issued in the name of the agency, it not only impairs its value as a precedent, but also makes for that very dissipation of responsibility that we are trying to reduce in our administrative action."

That statement bears on the very point which has been made, because on so many occasions actions taken which are anonymous in character. We have no background. All we have is the fact of the decision itself.

Mr. SCHOEPPEL. I thank the distinguished Senator. There are some other questions I shall desire to ask the Senator as he proceeds.

Mr. HRUSKA. I shall be happy to yield to the Senator on any occasion.

Mr. CURTIS. Mr. President, will my distinguished colleague yield?

Mr. HRUSKA. I am happy to yield to my colleague from Nebraska.

Mr. CURTIS. I commend my colleague for his contribution to the Senate and to the country in the field of reorganization plans. The Senator has made a study of all these plans, and has gone very much into detail on the plan dealing with the Federal Trade Commission, as well as the others.

It seems to me that although there are varying details with reference to each agency, there is a similar thread running through all these proposals, which is the concentration of power of all kinds in the head of the agency as distinguished from the agency itself, including rulemaking, decisionmaking, judicial functions, and many other things. Is that not true?

Mr. HRUSKA. Yes. As I have already pointed out, plans 1, 2, 3, and 4 are virtually identical save in one respect of plan No. 2, which has to do with the Federal Communications Commission. As I understand it, under the procedures of the Federal Communications Commission review is mandatory by statute and that agency has a unit known as a review staff. Review is not mandatory by statute for the agencies which are the subject of plan No. 1, plan No. 3, and plan No. 4. Plan No. 2 would abolish the review staff and amend existing law, and is, in that respect, different from the other plans.

With that exception, all four of the plans are virtually identical and contain the same inherent vices which the Senator referred to, in addition to many others.

Mr. CURTIS. Is it not true that when our citizens are called upon to live under and to operate under legislative law our citizens know whom to hold responsible?

Mr. HRUSKA. That is correct.

Mr. CURTIS. They have a remedy. An election will be held. Debates are public. Voting is public. Under our system of representative government, there is a direct responsibility to the people.

How can an individual citizen or a group of citizens know how to intelligently fix responsibility for the writing of a regulation? If they can fix responsibility, what remedy would self-governing people have?

Mr. HRUSKA. They would have no remedy. They would find it difficult to hold the authors of any such flagrant abuses responsible.

Mr. CURTIS. I thank my colleague. If the Senator will permit a personal observation, I believe that millions of citizens over the land are disturbed about the present trend of things; which is a concentration of power, an avoidance of responsibility, a taking of power away not only from the people, but also from their representatives. This trend appears in the reorganization proposals. It appears in the attempt to establish a national system of education as contrasted to local education run by parents, and in many other fields. It is an attempt to wipe out our Federal system of sovereign States within a sovereign nation. It is reactionary. It is totalitarian. It is the opposite of liberalism. It is the taking of power away from the people and from their representatives to put it in the hands of a despotic government.

Mr. HRUSKA. I thank the Senator for his observations. I fully concur with him.

Mr. President, it is true that the present Chairman of the Federal Trade Commission testified that he would not be in favor of delegating to examiners and to others below the Commissioner level the power of issuing complaints. In fact, he said he is against that. I wish to say that the present Chairman of the Federal Trade Commission is an extremely capable man of long experience in government, and particularly in the Federal Trade Commission. I believe he has spent 20 years or more in work which has been associated with or closely related to the functioning of the FTC.

However, Mr. President, the Chairman is not the Commission. It is the Commission which could delegate the power under plan No. 4. Moreover, the personnel of the Commission and the chairmanship change from time to time. The fact remains that the authority to delegate power to issue complaints is contained in the plan of reorganization which we are now considering.

If there is no intent to exercise that power and if it is considered to be unwise by even the Commissioners themselves, then the best way to assure that the power will not be exercised is to place an express declaration to that effect in a revised reorganization plan.

I submit, Mr. President, that the plan should be sent back to the Executive for revision and should be returned to the Congress with specific references to the functions which will be affected.

Mr. SCHOEPPEL. Mr. President, will the Senator yield further?

Mr. HRUSKA. I am happy to yield.

Mr. SCHOEPPEL. Does the distinguished Senator from Nebraska agree with me that the immediate reason for proposing some of the reorganization plans, with reference to several of the independent agencies, is the alleged or the actual large backlog of cases and proceedings which have piled up in the Commissions? Does the Senator agree that is one of the reasons why some of these plans have been advanced, so that there could be greater flexibility in moving cases forward?

Mr. HRUSKA. Yes. In fact, that is the only recited reason. The basic reason given is that the actions of the Commissions should be expedited and that they should be given greater flexibility, and so forth.

Mr. SCHOEPPEL. I should like to invite the attention of the Senator to another fact with which I know he is conversant, since the Senator has given great study and attention to these reorganization plans. I think that study has been most worth while, and I further commend the Senator.

I am sure the Senator knows that the Federal Communications Commission, under the law under which the Commission acts, has had for a long time the authority, the opportunity, the right, and the privilege of delegation of power. Does the Senator agree with me that the Federal Communications Commission is one of the Commissions which has a tremendous backlog of cases?

Mr. HRUSKA. Yes. The Commission does have a great backlog of cases. The same is true of the Federal Power Commission, as the Senator knows.

Mr. SCHOEPPEL. The fact that the Federal Communications Commission has had an opportunity and a right to delegate a lot of power and authority has not wiped out the backlog?

Mr. HRUSKA. The Senator is correct.

Mr. SCHOEPPEL. Does the Senator believe that by the delegation of power now sought under some of the other reorganization plans the backlogs could be eliminated?

Mr. HRUSKA. That in itself cannot possibly accomplish the goal. It simply will not do it.

Former Gov. Sigurd Anderson, now a member of the Federal Trade Commission, pointed this out in a statement that was presented to both the House and the Senate. He stated that while it is well to consider some changes in procedures, the nub of the problem is that there is a shortage of personnel on an examiner level to process the tremendous volume of cases, many of which are quite complicated and extensive in scope.

The Senator from Kansas is a man who, as a member of the Committee on Commerce, has become a recognized authority in this field. He has had a great deal to do with regulatory bodies. I know my colleague from the State of Nebraska, as a member of the Committee on Government Operations, is likewise a student of these affairs. Their observations are, therefore, of more than a mere passing interest.

Under Reorganization Plan No. 8, which was adopted in 1950, it is expressly provided that the appointment by the chairman "of the heads of major administrative units under the Commissioner shall be subject to the approval of the Commission."

Under plan No. 4, this could be changed so as to eliminate the necessity of having unit heads confirmed by the Commission.

The heads of the administrative units are important policymaking officials. In order to protect the public interest, it is important that there be an inquiry into their qualifications, background, and predilections. Their philosophical bent and their previous experience and associations should have due publicity in open hearings. All this could be achieved by an express provision that the Commission must be called upon to confirm such appointments.

Under the plan now before us there is no assurance that such will be the case. In fact, authority is provided for delegating that power without any qualifying restraint.

I should also like to mention that the present Chairman has testified that plans are now being made to establish a procedure in the Commission which would require that once a complaint is issued it will be set down at a time, place, and date certain and will be heard until completed with no interlocutory appeal lying until the final appeal. Again, I emphasize that there would be no interlocutory appeals granted.

This action is justified on the grounds that it would expedite the disposition of cases before the Commission.

Of course, there are instances in which requests for continuances, and other requests, are abused. But if the power to deal with such requests is delegated too far there is likely to be an impairment of the rights of the litigants.

Again, let us resort to specifics. The Federal Trade Commission is, so far as I know, the only regulatory body which possesses the power to use the investigational subpena.

The Chairman of the FTC has testified to the effect that the authority provided by Reorganization Plan No. 4 is needed to remove any doubt as to whether the Commission may delegate the power to rule on requests for additional time to furnish the information requested in the subpena.

It is now uncertain as to whether the Commission may lawfully delegate this authority to extend time under those circumstances.

It would be argued that these are fairly nominal requests and that the Commission should not be required to act upon all of them.

But, Mr. President, we must also remember that the so-called simple power to extend time also includes the power to deny a request for additional time. And, such a denial could cause grievous injury to a respondent in any given case. This damage would be irreparable if the proposed rule abolishing interlocutory appeals becomes effective.

It will not be a judge or a responsible body of men such as Commissioners who will be exercising the power to grant or deny requests for additional time. It will be a civil service employee who is responsible only to the Chairman. In this regard I would not want my remarks about civil service employees to be in any way construed as derogatory. It is merely a question of responsibility and independence of action.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. HRUSKA. I am happy to yield.

Mr. SCHOEPPEL. The Senator is pointing out a very important phase of the procedure that could be indulged in that would be injurious to the applicant. Does the Senator also see that coupled with the very points that he has been discussing there might be a lack of a right, under these reorganization plans, of what he would consider an equitable review of these decisions or determinations?

In other words, does the Senator agree that the delegation that he has been talking about, coupled with a review or a lack of review down the line, could be a very serious problem for any of the applicants who felt themselves aggrieved?

Mr. HRUSKA. It could indeed. I assure the Senator that the point is very important. I will deal with it a little later in my remarks. But I do wish to say on that score that under the procedure which is now followed and has been followed for many years in the Federal Trade Commission, either the Government or the respondent may, as a matter of right, have an examiner's decision reviewed by the Commission. Under plan No. 4 there would be no mandatory right of review.

If the Senator from Kansas does not mind; I shall reach that point to which he has made reference in 2 or 3 minutes.

Let us consider what harm would flow from an irresponsible, ill-advised denial of a request for additional time to comply with an investigational subpena and the further denial of an appeal from that ruling.

The Senator from Nebraska has in mind a subpena in the nature of an investigational subpena which was served upon some companies recently, calling for detailed records including balance sheets and profit and loss statements for a 6-year period. The companies involved are large organizations. One of them has as many as 20 divisions. Each division has several manufacturing plants, which are scattered throughout the 50 States, and, in some instances, in Canada and other countries.

In addition this subpena demanded the preparation and submission, within a relatively short time, of records extending over a 6-year period pertaining to some 1,000 products and showing all price changes in each division and sales organization.

Mr. President, this is not an imaginary case. Negotiations in connection with this case are going on at the present time.

Let us assume that there would be 10 price changes in a year for each one of these products. That would be 10,000 price changes for any one calendar year. It would mean that some 60,000 separate items would have to be carefully

listed as to dates, description, and so forth.

Mr. President, it would actually take months to compile the information requested by this subpena. It would be expensive, and it would be burdensome. This is all required because somewhere along the line the person in charge of the investigation believed it would be handy to have that kind of information around. There was no showing that it is relevant or pertinent. Neither was there a showing as to the purpose involved. The demand raised serious legal and constitutional questions.

Let us transfer this type of situation into the orbit of the Federal Trade Commission, where the power to issue such a subpena would lie with an examiner, employee, or employee board.

Let us remember, Mr. President, that there would be no interlocutory appeal, under the rule that is being considered and which, for all I know, may have already been adopted and put into effect. Let us remember that there is a tendency at times for some levels of law enforcement to become impatient with practical problems, which arises from a lack of familiarity with background to the problems and legal considerations involved. There would be no mandatory right of appeal from the decision of that examiner or that employee to the Federal Trade Commission itself. Such a situation could result in irreparable injury to a respondent. He would be deprived of his day in court. He would not be heard by properly constituted and qualified officials on a matter of vital importance.

This certainly is not within the keeping of the spirit and purpose of the regulatory agencies as intended by Congress.

Such a situation could lead to oppression and to a derogation of the public interest. It should not be allowed.

There should be some assurance expressly stated in the reorganization plan, that such a result could not be permitted to occur. Such express declaration should be set out in a new reorganization plan to be resubmitted to Congress.

In this connection, Mr. President, it should be borne in mind that Congress is without power to make any amendments in a reorganization plan. We can accept it or reject it. Aside from calling attention to weaknesses or deficiencies in the plan, there is no way we can change it. The Senate can only send it back to the Executive, and insist that it be drafted in a more proper and wise form.

PROPOSED APPEALS ON CERTIORARI-TYPE PROCEEDINGS

Mr. President, now I come to the matter of appeals, to which the Senator from Kansas referred a little while ago. The Senator from Nebraska is aware that the right to an appeal to the Commission itself from examiners is not mandatory by statute in the case of the Federal Trade Commission. However, a very radical change from present appeal review procedures is being proposed and provided for in the current plan No. 4.

Because it is a substantial departure and because it is accorded the dignity of a separate subparagraph in the proposed plan No. 4, it is entirely in order that Congress carefully scrutinize what is being done here.

This is especially in point because the House, by turning down Reorganization Plan No. 2, pertaining to the Federal Communications Commission, refused to interfere with or change the mandatory review procedure which is called for in the basic legislation creating and sustaining the Federal Communications Commission. This is an indication of congressional policy which should be considered very important indeed. As I have already indicated, that action was taken only yesterday in the House of Representatives.

One of the points which was stressed in the debates in the other House was right to review.

For approximately 15 years, under the rules of practice of the Federal Trade Commission, after the hearing examiner's initial decision has been issued, it has been provided that either side may appeal to the Commission for a review within a timely period. The Commission has always granted review as a matter of course.

The hearings on plan No. 4 indicate that the Commission is at present considering a rule which would provide for a procedure such as that under which the Supreme Court operates, namely, a rule of certiorari. Such a rule would impose upon either side the burden of offering proof that the case at hand should be reviewed, so that the review by the Commission as a matter of right would be abolished.

Under plan No. 4 an appeal from the decision of the hearing examiner, Commissioner, employee, or employee board could be allowed on initiative by the Commission itself or upon a petition of a party or an intervenor in such action, provided that the vote of a majority of the Commission, less one member thereof, were favorable to such a review.

It is argued that if this is good procedure for a court like the Supreme Court, it should be good procedure for the Federal Trade Commission and would greatly expedite its procedures.

Mr. President, it is not enough to say that because certiorari is used by the Supreme Court, it would be advantageous and proper for the Federal Trade Commission to use it.

The decisions of the Supreme Court are rendered by well-seasoned, well-qualified, Senate-confirmed officials. The rulings, opinions, and decisions of the lower courts are a matter of printed record for all to see. There is a wide distribution of them, long before they reach the Supreme Court for action under the rule of certiorari. Those men have spent a lifetime in their profession and have attained a high degree of proficiency. The rules, precedents, and procedures are well defined, well publicized, and efficiently administered. That is not quite the case with the Federal Trade Commission. We should remember that that Commission is a quasi-judicial body at best; and in many respects it is an administrative body.

In the case of the Federal Trade Commission we should remember that it will be civil service employees who will be issuing initial decisions. Some of their decisions will be weighty and of great proportion, indeed, not only to the respondents involved, but to the Government and to the public, as well.

Let us note also that those examiners will be more or less under the domination of the Chairman of the Commission, under the proposed Reorganization Plan 4, which I shall discuss later, with special reference to section 2 thereof.

With the assignment of cases by the Chairman at his own discretion, there is a great possibility of channeling given cases to examiners having a similarity of views and philosophy with those of the Chairman so as to assure virtual identity of his own views with those of the particular hearing examiner or other civil service employee to whom the assignment may be made.

This is said without any reflection upon the honesty or the integrity of any of the examiners. The procedure is simply a handmade and convenient method whereby, with a little forethought, given situations may be pretty largely controlled as to their final outcome by reason of the natural bent or previous experience or proclivities of a hearing examiner.

In the practice of law, we hear much condemnation of "judge shopping" under the system whereby a chief judge assigns cases in courts. The procedure just referred to by me is certainly subject to as great and severe criticism as it is with respect to a court of law.

As an affirmative suggestion, Mr. President, I suggest that if the vast power of potentially final decisions is to be vested in the examiners, then they should be appointed for a term of years, their nomination to be subject to Senate confirmation.

If that is done, there will be more nearly a parallel between certiorari as it is applied and employed in the judicial system and its application under the Federal Trade Commission.

Otherwise the burden of proving applicability of certiorari proceedings would put litigants at a very great disadvantage in derogation of the principle and policy upon which the Federal Trade Commission was founded, with its bipartisan characteristics and its quasi-judicial status.

If the well-established procedure of review in the Federal Trade Commission is to be changed, it should be done pursuant to full-fledged legislative hearings, not upon the basis of a reorganization plan such as that which is before the Senate.

Mr. President, I have made these specific criticisms so that my remarks will not be considered a general condemnation of the plan which we shall soon be considering.

As to the entire issue of the delegation of any function of the Federal Trade Commission, if the plan is for the purpose of expediting the work of the Commission and to free the Commission members for the more important responsibilities of policymaking, I pose this question: What is more important for the Commission than to make concrete decisions and to write opinions concerning the cases which they hear? After all, the true way to make policy is to apply principles to a given set of facts.

That is in accordance with our system under the common law. That is how our system of jurisprudence has developed since colonial days. The sound principle upon which that development is based for these purposes and in these areas, applies equally well to the functioning of the Federal Trade Commission.

In his message to Congress on regulatory agencies, dated April 13, President Kennedy devoted an entire section of one of its divisions to the subjects "Responsibility for Agency Decisions."

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an excerpt from that message, because it bears on this very point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The practice of rendering anonymous decisions, which has hitherto generally prevailed, has served as a means of escaping precision and responsibility. When the actual source of the opinion is unknown save only that it is issued in the name of the agency, it not only impairs its value as a precedent, but also makes for that very dissipation of responsibility that we are trying to reduce in our administrative action.

Fortunately, from the beginning of American law, our judges assumed an individual responsibility for uttering the bases which underlay their decisions. This practice has made not only for conscientiousness in undergoing the travail of decision, but has invited examination of each proffered brick that would seek a place in the structure of our law. The adoption of this practice by the regulatory agencies would, in my opinion, tend to develop the law that they administer, as well as be a continual challenge to each agency member to make his contribution to the advancement of administrative justice. I am requesting a wider adoption of this practice.

Mr. HRUSKA. Mr. Presdent, as a preface to that statement, the President was speaking of the practice of assigning to individual members of an agency or a commission full responsibility for the formulation of the rationale underlying important agency decisions and its release to the public under the individual Commission member's name.

It is an internal administrative device, the President said, capable of being immediately adopted by every regulatory agency, and already adopted by some of them. This is sound policy. Is should be adhered to. But plan No. 4 has a tendency to depart from it rather than to promote it.

Mr. President, I should like to discuss section 2 of plan No. 4, which deals with the transfer of functions to the Chairman. Up until now, I have been talking about the rulemaking power and the delegation of the functions of the Federal Trade Commission. The part of section 2 which I shall now discuss relates to the transfer of certain additional functions to the Chairman.

It reads, in brief:

In addition to the functions transferred by the provisions of Reorganization Plan No. 8 of 1950 (64 Stat. 1264), there are hereby transferred from the Commission to the Chairman of the Commission the functions of the Commission with respect to the assignment of Commission personnel, including Commissioners, to perform such functions as may have been delegated by the Commission to Commission personnel, including Commissioners, pursuant to section 1 of this reorganization plan.

Mr. President, that is another way of saying that the Chairman of the Federal Trade Commission will be a virtual czar of all the personnel of the Commission, including his fellow Commissioners. It would create a situation which I think the Congress should very carefully scrutinize because it would make other members of the Commission, minions of the Commission Chairman. As a matter of fact, all the proposals of plan No. 8 of 1950 would be completely wiped out. This would result in a most undue concentration of power in the Chairman of the Commission.

First of all, the appointment of all personnel of the Commission would be made by the Chairman of the Commission, without reference to the Commission itself.

Another undue and unwise concentration of power would be the resultant assignment of examiners on a potentially very dangerous basis. I submit that that would amount to—among other things—a violation of section 11 of the Administrative Procedures Act, which has to do not only with examiners of the Federal Trade Commission, but also with examiners of any other regulatory body to which that act applies.

Section 11 provides, in part, for examiners "who shall be assigned to cases in rotation, insofar as practicable, and shall perform no duties inconsistent with their duties and responsibilities as examiners."

Under plan No. 4 there is no provision for safeguarding the continued application of section 11 of the Administrative Procedure Act. Much less is there any safeguard or any equivalent provision which would take care of the duties of the other members of the Commission.

A most important point is that because of the general power of the Chairman, he would be dominant in regard to rulemaking. After all, in connection with plan No. 4, rulemaking is the key to all effectiveness which the Commission could possibly hope to have.

Another important point in connection with such undue and unwise concentration of power in the Chairman is the destruction of the bipartisan character of the Federal Trade Commission. Senators' views may differ in regard to the necessity or the desirability of retaining in the Federal Trade Commission the character and color of bipartisanship which it now enjoys, or suffers, as the case may be; but certainly it is a part of the congressional policy, and is in the law books. Until it is changed, it should be adhered to, not destroyed or distorted in the indirect fashion which would result from adoption of this plan.

As to assignment of cases and of examiners, testimony was given before the respective committees of the two Houses of Congress that such assignments are equivalent to the assignment by the chief judge of a trial court, or of an appellate court, to his associate judges. However, we must remember that the Commission Chairman would be dealing with subordinates, when he assigns cases. In the main, they would be employees and employee boards; and they would be on an entirely different level from that of the Chairman. Both in theory and in actual practice, the Chairman thus would be the dominant figure.

However, that is not true in the case of a chief judge who makes assignments. He is dealing with his peers, whose nominations also were confirmed by the Senate, as his was; with associates long accustomed to proceeding acccording to precedent, and who have had long years of training and of actual practice in the field in which they are acting as judges. So there is no parallel between the assignment of cases by a chief judge and the assignment of cases by a Chairman of the Federal Trade Commission.

Plan No. 4 is unwise. It should be rejected. It should be sent back to the executive branch, for amendment and modification, perhaps after additional hearings before the appropriate committee of either one House or the other, or perhaps before the appropriate committees of both Houses of Congress.

It seems to me that Congress still desires a system of justice with substance, equality, and stability. It seeks a government of law rather than a government of men, in the administration of justice by the Federal Trade Commission and the other regulatory bodies. But plan No. 4 will not give us this kind of justice or this type of administration. Under plan No. 4 there would be too much concentration, too much streamlining, too much emphasis upon expediting matters and hurrying the processes of the law.

Plan No. 4—and, Mr. President, this is the crux of the matter—would make of the Federal Trade Commission a segment of a chain of command leading, almost without a step of removal, directly from the Chairman of the Federal Trade Commission to the White House staff itself, and, if necessary, to the President. In fact, from the nature of things, it would very likely lead directly to the White House staff.

In that connection, there was considerable discussion of that point both at the House committee hearing and in the debate in the other body. I should like to refer to one of the letters which was introduced at the hearing before the House Committee on Government Operations, which held hearings on all four of the plans to which I have been referring. The letter is to be found on page 90 of the hearings held by the House committee, and is entitled "Memorandum to the Chairman, Interstate Commerce Commission, February 7, 1961." It is signed by Frederick G. Dutton, who designates himself as "Special Assistant to the President." I should like to call attention to the pertinent language included. It calls upon the various agencies to furnish the President with periodic reports on principal activities during the period to be reported upon.

I now read from the body of the letter or memorandum:

The President is most interested in being kept closely informed on important policy and administrative action taken or proposed,

and of concern to him as Chief Executive or in his other constitutional responsibilities.

That is the substance of the letter. A little later in the letter the following appears:

Decisions pending before independent boards or commissions should not be included, nor should these reports be only generalized progress reports, statistical compilations, or personnel lists.

Mr. President, in the second sentence to which I have referred, we may find some hope that perhaps reports from a regulatory body, such as the Federal Trade Commission, do not come within the purview of the so-called Dutton letter.

In order that the full text of the letter may be available to those who read this RECORD, I ask unanimous consent that the entire letter, as it appears in the House committee hearing, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MEMORANDUM TO THE CHAIRMAN, INTERSTATE COMMERCE COMMISSION, FEBRUARY 7, 1961

The President will appreciate receiving for informational purposes on the third Tuesday of each month, a brief, informal, written summary from the chief officer of the agency on its principal activities during the preceding month and pending for the period immediately ahead.

The President is most interested in being kept closely informed on important policy and administrative action taken or proposed, and of concern to him as Chief Executive or in his other constitutional responsibilities. He is particularly interested in having major problems of the agency flagged for his attention.

The reports should be kept as specific, incisive, and brief as possible—preferably but not necessarily under two pages. Matters highlighted in these summaries and of particular interest to the President can later be more extensively developed at his request. Decisions pending before independent boards or commissions should not be included; nor should these reports be only generalized progress reports, statistical compilations, or personnel lists. If nothing of significant note for the President's personal attention has occurred, please merely report that fact. These reports will supplement, not in any way displace, existing means of communication and consultation with the President. The reports will be used only by this office.

Please send duplicate copies of the monthly report to the President, attention: the undersigned.

FREDERICK G. DUTTON,
Special Assistant to the President.

Mr. HRUSKA. However, if the second sentence to which I have referred seems to exclude the Federal Trade Commission and some of the other regulatory bodies, I would like to suggest that consideration be given to an excerpt of a statement found in the CONGRESSIONAL RECORD for Thursday, June 15, 1961, at page 10459. I quote from the remarks of Mr. BENNETT, a Representative from Michigan:

We found in the case of Sherman Adams that even a telephone call to make an appointment for a friend, coming from a man in the White House, was regarded as highly improper. What has happened since the new administration has come to power? They have selected a White House czar in the person of Dean Landis. When Mr. Landis testified before our committee he would not admit that he was a czar, but he did admit that he was an overseer.

A question of semantics, Mr. President.

Resuming the quotation:

I asked him this question: Would it be proper, in your opinion, for a man in your position in the White House to make an inquiry of a member of a regulatory agency as to the status of a case? And he said, "Certainly it would." He saw nothing wrong with that.

There is the crux of the problem. I want to say I am sure that if Sherman Adams as a weight thrower around the White House was regarded as influential; before Dean Landis gets through, if these reorganization plans are approved, Sherman Adams will look like a shrinking violet.

Let me say, advisedly, Mr. President, I share the sentiments expressed therein by Representative BENNETT, of Michigan, to the fullest extent.

A little while ago, my colleague the Senator from Nebraska [Mr. CURTIS] suggested that there is in current vogue a trend toward the concentration of power, the centralizing of power, in many of the actions of the Federal Government. I subscribe to that statement. I believe we have evidences of that trend on every side. Let me suggest that the attempt to bypass this very Congress is quite plain. Let us take the case of back-door spending. It is not a newly made device, to be sure; but never in my experience here, and the Senator from Nebraska is now in his 9th year in the Congress, has there ever been a time when the effort has received such great emphasis and broad application. Notice, for example, that under the foreign aid proposal, the Secretary of State would be authorized, through his director of foreign aid, to draw upon a $7 billion fund over the course of the next 5 years, merely by signing a paper to the effect, "I owe you, Mr. Secretary, x million dollars, or x billion dollars."

That would be considered to be a public debt transaction. Once the Congress approves that $7 billion base, to be spent over the next 5 years—and, as I understand, there is no equalization of amounts provided for over the 5 years; if there is, I stand corrected—there will be no further way for Congress to interfere, short of deobligating that portion of the $7 billion which has not been obligated as of the time of congressional action to achieve that goal.

Another example of bypassing of Congress is now found in the famous Freeman-Cochrane farm plan.

Mr. President, when we were in school I thought I learned that the power of the veto was supposed to be exercised by the President. That is what I learned in the sixth or seventh grade. Not so any longer. A presidential appointee is going to write a law, or plan. Of course, he has to call in members of a farm advisory committee, but they will not be elected by the county committees or appropriate farm organizations. I may add, parenthetically, it is the Secretary who decides what an appropriate committee is. But that committee, after being consulted by the Secretary, is so much excess baggage, if he chooses to act without the committee. Any time he chooses to, after the committee has served its purpose, he can dissolve the committee. He does possess the power to determine the manner and the extent of the functions of the advisory committee.

All that I have described is contained in the pending proposals before the two Agricultural Committees of both bodies of Congress.

Mrs. NEUBERGER. Mr. President, will the Senator yield?

Mr. HRUSKA. Yes; I am happy to yield to the Senator from Oregon, who has been so patiently listening to my discourse here.

Mrs. NEUBERGER. And learning a great deal, I might add.

I was very much interested in the comments of the Senator, because I am a member of the committee that worked very diligently for lo these many weeks, listening to testimony, to try to bring about a solution of the farm problem. Since the Senator, who comes from a well-known farm State, has spoken on the matter here, I thought I would make a few comments. The bill is still open, and we would probably welcome some suggestions.

The Senator knows that during the recent 8 years, and for years before that, both Democratic and Republican Secretaries of Agriculture had really struggled with this problem. I think both parties have failed to find a solution. As one Member of Congress, and as one member of the Committee on Agriculture and Forestry, I would like to see some other plan tried, because I believe it is of a great deal of interest to people from the Senator's State, and my State, as well as the people of the Nation.

The proposals made by the current Secretary of Agriculture I think have a great deal of merit. Since none of the other plans proposed have been successful, would the Senator from Nebraska agree that perhaps we should try something else?

Mr. HRUSKA. Well, therein lies the crux of the matter. There is the impatience of the legislators and farmers and administrators. They say, "Nothing has worked so far. So let us discard and throw into the trash heap the historical, constitutional method of legislating. Let us disregard what the Founding Fathers put into the Constitution. Let us disregard 176 years, or 174 years, or whatever the exact period is, of congressional history and procedures. Let us throw all of that out and let us proceed in a way that is totally outside of the traditional, tried, and proven legislative practice."

To that I would not agree, I must advise the Senator from Oregon.

Mrs. NEUBERGER. Does not the Senator think that if something has proved useless, and has proved not successful, perhaps it should be thrown into the trash can?

Mr. HRUSKA. Exactly, but not by the method of indirection. If we want to bypass Congress as a legislative body, if we want to vest in Congress the veto power, instead of leaving it at 1600 Pennsylvania Avenue, where it is still, in spite of the Freeman-Cochrane proposal, let us amend the Constitution, and let us not try to circumvent the established constitutional procedures of legislation

as we have known them for all these years.

Mrs. NEUBERGER. If the Senator will yield for one more observation——

Mr. HRUSKA. I am happy to.

Mrs. NEUBERGER. I think the information is abroad in the land that the farmers do not have a part in the program. That is the point we should emphasize. We are trying to work out a farm program which really stems from the farmers, whose economy is at stake, and which comes to the Congress for congressional approval or disapproval and then goes back to the farmers for a vote on its acceptance.

I would contend Congress does have a say in the program. If it does not work, we can go back to the other method, which has proven to have cost us close to $2 million a day because of the oversupplies.

I would wish that Congress would see fit to try some other program, since some of the others have proved to be rather useless.

Mr. HRUSKA. I should like to ask the Senator from Oregon a question, so long as we are discussing a plan which holds such great promise in the minds of some people.

Is the Senator in a position to say whether, in the executive hearings of the Committee on Agriculture and Forestry, the plan has been amended so as to give to the Congress a right to amend any program which might be proposed by the Secretary of Agriculture before it is approved?

Mrs. NEUBERGER. We have not reached that stage in the markup of the bill. I think it is a very good suggestion.

Mr. HRUSKA. Unless that is done, the Congress will be completely abdicating its legislative power, the role which it has been traditionally conceived to exercise for over 170 years.

Mrs. NEUBERGER. The Senator from Nebraska is much more experienced in regard to legislation than I, and I shall be glad to carry that suggestion to the committee.

Mr. HRUSKA. After the performance of the Senator from Oregon on the floor yesterday, in the battle successfully waged in regard to another very important bill, I would not admit that I have any superiority over her qualities as a legislative leader and parliamentarian.

Before I leave this subject, Mr. President, I wish to comment on the claim that the Freeman-Cochrane farm bill is one under which the farmer can write his own ticket and that the plan stems from the farmers. I submit that is not so. That is not so because the Farm Advisory Committees will be handpicked by the Secretary. The Secretary does not have to accept any one of the members of the committee as prescribed by a county committee. The county committee will nominate in larger numbers, and the Secretary will handpick from the ranks, or he can send all the members home any time he wishes. Subservient as they will be to his will, and their continuing existence as a committee subject to his will, I say there is not any semblance of democracy in the plan whatsoever. It will be a plan written by the Secretary.

The Secretary has repeatedly claimed and made public statements to the effect that his powers under the plan will be less than they are at present. On that score I would not undertake to speak on my own authority; but one of our most revered Members of this body is the senior Senator from Vermont [Mr. AIKEN], and those claims captured his eye and his attention. He sat down with a long sheet of paper and a stub of a pencil and went through only title I of the famous Freeman-Cochrane farm plan, and started listing the grants of new authority which are found within its terms and provisions. The Senator from Vermont [Mr. AIKEN] did not stop writing until he had enumerated a list of 23 items by way of grants of new authority which do not now vest in the Secretary of Agriculture, but which would vest in the Secretary if the bill is approved in the form in which it was introduced in this body. I submit that information for whatever it is worth.

Mr. President, this is all a part of a trend and a program, it seems to me, in which far too many people have become impatient and frustrated with the normal, orthodox, conventional means of accomplishing results and determining national policy. These people say, "Let us throw those things out the window. Let us start something which will get better results." These people thereby confess a weakness in themselves and a sort of defeatest attitude, since they should be attacking problems and continuing their attack on them.

This is not the first time in our history when we have faced many difficulties, some of which are very perplexing. It is now suggested that we sacrifice some of the procedural values, some of the constitutional rights, some of the freedoms and liberties which the citizens, the members of the public, the respondents in lawsuits before the Federal Trade Commission, possess. This is a mighty high price to pay for an experiment looking toward a better farm plan, or a better way of administering foreign aid or a better way of trying a Federal Trade Commission case.

I say again that plan No. 4 should be sent back to the executive department by the Congress with the request, perhaps, that additional hearings be held and that definite recommendations be made, so that those recommendations can be included in a modified and revised plan.

More particularly, we should have the assurance that complaints of the Federal Trade Commission can be issued by the Commission only; second, that bureau head appointments must be confirmed by the Commission; third, that if the rules of certiorari are to be adopted, examiners who will be making decisions should be appointed for a term of years and their appointments should be confirmed by the Senate. There are several other points which could be included in that revision, to which I have already made reference.

Again I say, we cannot amend the plan. We have to accept it or reject it. Therefore, I suggest that we reject it.

Federal Trade Commissioner Sigurd Anderson a very notable man who is a good, experienced public official, testified before committees of both bodies. He drew attention to the fact that, in order to make progress with the vast backlog of cases before the regulatory bodies, we should not ask a change of procedures but should provide an addition to personnel of these regulatory bodies. He made quite a case in that regard. He said, among other things, that at the present time the Federal Trade Commission has 808 employees and its appropriation for fiscal 1961 is approximately $8 million. The Commission's staff is very little larger than it was 30 years ago, when American industry was far from the point of expansion, complexity, and prosperity it now enjoys.

I conclude, Mr. President, by urging again that the Congress—the Senate in particular—make a very careful study of, and give very earnest consideration to, these plans; and that the Federal Trade Commission Reorganization Plan No. 4, be rejected as unwise, with the request that it be modified and revised in such a way as to meet some of these objections I have pointed out.

It is my understanding that early next week we shall have a full dress debate on this subject. I shall certainly await the exchange of ideas and the criticism of the ideas which will be advanced with a great deal of interest.

Mr. President, I yield the floor.

SALUTE TO OUR GOOD NEIGHBOR: MEXICO

Mr. GRUENING. Mr. President, in this turbulent era in which a sorely troubled world finds itself, the United States is seeking, in the face of unremitting efforts on the part of totalitarian police states to enslave all mankind, to sound the clarion call of freedom. It cannot be said too often, that the United States, in its international relations, desires only peace on earth and the right of all peoples freely to choose their destiny. It desires for them the same rights which our forefathers enshrined in our Declaration of Independence, namely life liberty, and the pursuit of happiness.

We have, to our sorrow, in the last 2 years seen a small, formerly independent country in the Caribbean, penetrated and subverted by the forces of totalitarianism. We have seen there the suppression of freedom of speech and press. We have seen the abolition of elections. We have seen the ruthless execution and imprisonment of thousands because they did not subscribe to the ideology and practices of the imposed tyranny. In Cuba a dictatorship of the right has been succeeded by one of the left—the latter supported by the tanks, planes, and technicians of imperialistic communism. Both forms of dictatorship are objectionable.

It should be a cause for alarm to all the independent nations of the Western Hemisphere. But happily, to date at least, this has been an isolated example in the Western Hemisphere.

By contrast, the United States is fortunate in its two immediate far more important land neighbors, the Dominion of Canada and the Republic of Mexico.

In both these adjacent countries, a common purpose to maintain and strengthen existing freedoms is firmly established.

A graphic and heartening demonstration thereof may be found in the eloquent address on June 7 in celebration of Freedom of the Press Day by the able and far-visioned chief executive of our southern neighbor, Adolfo López Mateos, President of Mexico.

Mr. President, I have known Mexico for nearly 40 years since I first went there in 1922 as a journalist to report on the Mexican Revolution. Little was known about it outside of Mexico. Little was known about it north of the border which separates our two countries. Few understanding articles and no books on what had transpired in the second decade of the century there had appeared in print.

Little was known about the political and social revolution begun in 1910 by which the 30-year iron rule of Porfirio Diaz was overthrown under the leadership of a great idealist, Francisco Madero.

And when his liberating and peaceful movement was bloodily overthrown by counter-revolutionists, headed by the reactionary chieftain, Victoriano Huerto, and Madero brutally murdered, violent revolution broke out. It engulfed all Mexico. It ravaged the country until the end of the second decade. But, in the meanwhile, a sound philosophy of social justice and social reform had emerged. It was implemented by the Constitution of 1917, which harked back to the great reforms first sought by the greatest of all Mexicans in the middle of the last century, Benito Juarez. When I came there in 1922 peace had been established and the country was moving ahead under the enlightened leadership of President Alvaro Obregon.

Based on the principles of that social democratic revolution enshrined in Mexico's Constitution of 1917, Mexico has progressed and prospered. Human dignity and the rights of the individual have been respected and exalted.

It was my good fortune to be a member of the delegation of 12 Senators and 12 U.S. Representatives who went to Mexico last February to meet with a corresponding group of Mexican legislators, who, with us, constituted the first Mexican-North American assembly of the Interparliamentary Union of our two nations.

First, let me say that we were accorded in Guadalajara, capital of the State of Jalisco, and in Mexico City a welcome and a hospitality which, in point of graciousness, generosity, and friendliness could not be excelled. We were deeply touched by the painstaking solicitude, the innumerable and extraordinary courtesies and kindnesses of our hosts. It was an unforgettable occasion for all of us and an indelible experience of heart, mind, and spirit.

But apart from our mutually heartwarming and soul-lifting experience of a genuine people-to-people contact, I must also record my observation of the signs of far-reaching progress visible and palpable on every side, progress economic, social, cultural, spiritual.

It was, to me, a thrilling demonstration of what a people oriented toward the basic principles of freedom, and united under wise leadership with a firm purpose to maintain and amplify the basic liberties can, virtually unaided, achieve for themselves.

The keynote of that freedom was sounded in President López Mateos' opening words to the assembled journalists of Mexico and others when he said:

> Mexico prides itself in having freedom of expression without limitation * * * whereby all people have the right—and not only the right but the exercise of their right—in stating their opinion, their criticism, their desires and their aims.

President López Mateos' words, strong with the impact of moderate and restrained statement, made clear that Mexico rejects "the most extreme political philosophies," those of the extreme right and of the extreme left. Based on its Magna Carta of 1917, it rejects fascism and communism, either of which would, in the President's words, "strive to take away from the Mexican people the political thinking that gave birth to our Constitution of 1917"—and he refers to that document as "a direct product of Mexico's historic experience during its independent life."

And there is the truth and essence of what Mexico is. Like our own American Declaration of Independence and our Constitution, which were the products of the experiences of our Founding Fathers, so Mexico's Constitution was no imported, no imposed, no alien, ideology. It was, as the President said, "a direct product of Mexico's historic experience during its independent life."

In short, it was as indigenous as the maguey, the characteristic plant of the Mexico mesa, as the charro, the horseman of the Mexican altiplano, as the deep and wide-brimmed sombrero, as the rebozo and huipil of native folk-costume.

Mr. President, I salute our neighbor Republic, emerging as it did by evolution, as we did, after the necessity of revolution, and the free, kindly, warmhearted and brave people who compose its citizenry.

And I ask unanimous consent that President López Mateos' address be printed at this point in my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY ADOLF LÓPEZ MATEOS, PRESIDENT OF MEXICO, ON JUNE 7, 1961, TO NEWSPAPERMEN AND EDITORS CELEBRATING FREEDOM OF THE PRESS DAY

Gentlemen of the press, Mexico prides itself in having freedom of expression without limitation, without subordination, and without retrogression, whereby all people have the right—and not only the right, but the exercise of this right in stating their opinions, their criticisms, their desires, and their aims.

If, in theory, freedom of expression in Mexico has no more restrictions than those imposed by our constitution looking after the general welfare; in practice, complete freedom is enjoyed by all. That is because the limiting of it has been entrusted and left to the honor and responsibility of those who use this liberty, although not all have always known how to be worthy of this honor.

It is with great satisfaction that I join you once again on a day as this—a day that permits those who govern to talk directly and face to face with the men who shape and interpret public opinion. We are gathered together today in the wake of ever more active forces, some hidden and others visible, whose intention it is to try to confuse free and independent peoples, sowing among them undue antagonism or unfounded alarm that divide and weaken them. A growing insistence exists to employ freedom of expression toward personal gain and toward furthering one's own ends, tendentiously presenting news or judgments of daily events. It is a time of universal uneasiness that leads to international tensions and creates echoes and repercussions in sectors of our national life, establishing divisions between us which results illogical. It is a time when persons of the most extreme and antagonistic "isms," without weighing the consequences, or deliberately acting in bad faith, cause damage to the interests of the Nation and to those of its people. Acts are committed that instead of fostering unity and harmony between Mexicans try to seed division and conflict among them. We live in an age in which Government and those governed are mutually aware of the imperative need of proscribing inequitable economic maladjustments and expand the benefits of social justice to which our people genuinely aspire and for which they have tirelessly fought.

Freedom of the press, in order to be exercised with responsibility, requires an alert and constant self-criticism that serves to achieve an objective and truthful presentation of information. Only in this way can impartial and intelligent judgment be formed. Only then can news be given the accurate valuation it really has, and only then by the purpose of attracting its readers toward paths of agreement and harmoniously coordinated action does it permit them each time to better serve Mexico.

We feel sure that the press will know how always to fulfill its noble mission with the deepest social significance and patriotic feeling. Considering the liberties that we enjoy have cost so much effort and blood, the least we can do to correspond is to make good use of them.

Today, as in the days past, Mexico holds foremost the firm tradition of its policy of nonintervention in attempts to divide any given people. Our policy does not vary from that forged in the purest of patriotism by Benito Juárez, who left not only to his country, but to all the world, the unsurpassed formula in defense of the only possibility of peoples living side by side: "Nothing justifies attacking another's right, for in the existence of that right lies the basis of peace."

This is Mexico's thesis, handed down and gaining strength from generation to generation. It was this thesis that the Reform and its exemplary men endowed the Mexican nation with an invulnerable moral arm that is now the foundation and synthesis of a whole people—our people—the Mexico we know today.

We are also sure that in the development of the social and economic program the administration is carrying out for the assistance of the great majorities, we will be able to continue counting on the full collaboration of the Nation's press.

The fulfillment of the Mexican Revolution requires the collaboration of all. Its greatness, which needs no foreign examples or outside incentives, lies in the fact that it provides solutions to avoid the exploitation of man by his fellow man, or of man by the state, and permits him, at the same time, to attain livelihood and liberty.

Prejudices aroused from fruitless and inconsequential discussions, or false notions that exist on the outside and persist in

preventing a disclosure of the true facts concerning Mexico's particular horizons have tried to distort this categorical truth. We are a people who live with regard to our own efforts and if the orientation that public opinion receives slants those truths, then those efforts will meet with incomprehension and distortion internally as well as externally. In order not to lose view of the truth and reality of Mexico, we will not be disturbed by these differences if we keep foremost in mind the magnificent document which should be and is of great conciliation to all good Mexicans—the constitution of 1917.

An enormous responsibility exists because of this document for not giving officious arguments to those distortions. The world is in need of exemplary nations wherein constructive action will overcome the exorbitant debating of ideologies and come to the support of communities who are dedicated, in an environment of liberty and order, to giving man a greater dignity, not to lower him; to giving him the elements and the surroundings so that this inventiveness, his creative powers, his efforts, and his sacrifices achieve a human society that is free from retrogression, from ignorance, and from poverty, from insecurity and from prejudice, and that will not fall into a society of hate or sectarianism, hysteria, or disorientation.

If we look at Mexico, for whose well-being we have dedicated our efforts and our lives, if we examine her with objective eyes, in spite of problems which afflict us and in spite of unsolved deficiencies, we have to recognize that creativeness has multiplied throughout the Republic. Great masses of the population are dedicated to their work and to the materialization of their hopes. Faced with this peaceful and industrious reality, false alarms in which some would like to involve and entangle us dissolve themselves. The moral force of Mexico, the legality of its institutions, the validity of its principles are neither the work nor the expression of one administration, and less so, of only one man; rather, it is the result of its history, of its tradition, and of its experience. I have received the presidential mandate to defend all this, to defend that right of the Mexican people to carve its own destiny, to grasp with vigor and integrity its principles, to have the laws that govern us respected and apply them where they have not been in operation. We will not permit any steps backward that might wound its dignity or its patrimony, its laws or its rights, before pressures of external forces or of internal groups.

Nothing is more damaging for the welfare of the Republic and the organic peace that has cost such a great effort to consolidate than the struggle between the most extreme political philosophies. They debate between themselves in our world of today and now strive to take away from the Mexican people the political thinking that gave birth to our Constitution of 1917, a direct product of Mexico's historic experience during its independent life.

When we speak of peace we do not refer to the extinct "Porfirian" peace of yesteryear, but rather to a dynamic and constructive peace of the welfare of the majorities. To attempt against our ideological legacy would be a crime that the people and the constituted government would not tolerate. They have both the moral and the legal force to apply the law to those who forget that the supreme factor in Mexico is the strict observance of its political constitution.

Thanks to the humanistic principles of the revolution, the nation has surmounted, through the suffering and grief of her native sons, bloody periods of our history instigated by groups of extremists lacking nobleness of feeling and an authentic notion of what Mexico signifies. Therefore, my administration shall suppress excesses of demagogic persons or groups of the right or the left, that outside of the constitutional framework try to disrupt the life of the nation and violate constitutional order. Mexico is above group subordination or displays of passion that attempt against public tranquillity and the welfare of the majorities.

Friends of the press, there is no more adequate an occasion than that of today to remind ourselves of the orientating mission of Mexican journalism, considering the actions of external circumstances that search for sympathy within the country. Upon assuming the office of President, I expressed that truth requires the existence of a free press, but that a free press is only justifiable when it is at the service of truth.

Up to now, I have sustained confidence in that you, using the inescapable responsibility that concerns you, will hold foremost and above all else the interests of Mexico, the interests of our country and of our nation in each editorial published, in each piece of information, headline, and printed word so that the people to which you are obligated may be loyally served. If the government has done its part in watching over and guarding the respect for freedom of expression, nothing would justify the press not knowing how to use such a right.

You enjoy and will continue to enjoy this unrestricted liberty; however, this liberty should serve to defend the best causes of the nation as a whole. You have the duty of conveying the truth about national life without taking away its due and just dimension, nor increase it in proportion, nor distort it in any shape or form. You have the duty of guarding national values, of invigorating our traditions, of affirming our way of life, of supporting the historical sequence of our principles—distinguishing between that which is negative and that which is positive. You must be the first to reveal that which is particularly ours and what our path shall be. If the free press does not know how to reflect the authentic and true reality in which we live—the reality that surrounds us and expresses itself throughout our land in mutiple encouraging signs, and that is being built on the basis of effort, of incessant work and even today with sacrifice on the part of some of our people, then you violate your essential responsibility. However transparent the truth may be, you have in your hands the mirror with which to reflect it. Mexico is in need of clean and clear concepts, the knowledge of which would serve us so that we might not only better know ourselves, but that those outside of Mexico might know us exactly as we are.

We know that in order to make invulnerable those principles that regulate our national and international conduct and that form an irreplaceable part of our life, it is necessary to fight daily and courageously for them.

If from the War of Independence we chose the road of liberty, and our history is a summary of the struggle for political, economic, and social freedom, then we cannot allow this road that Mexico chose to fulfill its destiny to be twisted or changed. We must never permit the use of liberty to which democracy is dedicated to be used to destroy it, nor must we ever permit that the liberty conquered by our people be used to destroy that liberty.

In the Western Hemisphere, Mexico marches in unison along with all free wills that zealously seek to convert our hemisphere into an example of harmony, of international cooperation, of respect for the sovereignty of all nations, and of the consolidation of democratic institutions that guarantee the right of man to a life of liberty, of dignity, and of social justice.

We desire, gentlemen, on this day of freedom of expression, that the truth of Mexico may always radiate from the pages of our nation's press.

ADJOURNMENT TO TUESDAY, JUNE 20

Mrs. NEUBERGER. Mr. President, if there is no further business to come before the Senate at this time, I move that the Senate adjourn until 12 o'clock noon on Tuesday.

The motion was agreed to; and (at 3 o'clock and 35 minutes p.m.) the Senate adjourned until Tuesday, June 20, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate, June 16, 1961:

NATIONAL CAPITAL TRANSPORTATION AGENCY

Warren D. Quenstedt, of Virginia, to be Deputy Administrator of the National Capital Transportation Agency.

ATOMIC ENERGY COMMISSION

Gerald Johnson of California to be Chairman of the Military Liaison Committee to the Atomic Energy Commission, vice Herbert Bernard Loper, resigned.

U.S. MARSHAL

Leonard T. Heckathorn, of South Dakota, to be U.S. marshal for the District of South Dakota for the term of 4 years, vice Bernard A. Boos.

U.S. ATTORNEYS

Robert Nelson Chaffin, of Wyoming, to be U.S. attorney for the district of Wyoming for the term of 4 years, vice John F. Raper, Jr.

Theodore L. Richling, of Nebraska, to be U.S. attorney for the district of Nebraska for the term of 4 years, vice William C. Spire.

DIPLOMATIC AND FOREIGN SERVICE

Robinson McIlvaine, of Pennsylvania, a Foreign Service Officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Dahomey.

U.S. ADVISORY COMMISSION ON INFORMATION

The following-named persons to be members of the United States Advisory Commission on Information for terms expiring January 27, 1964, and until their successors have been appointed and qualified:

James Leonard Reinsch, of Georgia, vice Philip D. Reed.

Jonathan W. Daniels, of North Carolina, vice Erwin D. Canham.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 16, 1961:

COLLECTORS OF CUSTOMS

Joseph P. Kelly, of New York, to be collector of customs for Customs Collection District No. 10, with headquarters in New York, N.Y.

Dr. Ernest I. Mural, of Hawaii, to be collector of customs for Customs Collection District No. 32, with headquarters in Honolulu, Hawaii.

U.S. ATTORNEYS

William H. Craig, Jr., of New Hampshire, to be U.S. attorney for the district of New Hampshire for a term of 4 years.

Joseph S. Lord III, of Pennsylvania, to be U.S. attorney for the eastern district of Pennsylvania for the term of 4 years.

U.S. MARSHALS

Harry C. George, of Illinois, to be U.S. marshal for the eastern district of Illinois for the term of 4 years.

Frank W. Cotner, of Pennsylvania, to be U.S. marshal for the middle district of Pennsylvania for the term of 4 years.

EXTENSIONS OF REMARKS

Senator Case of New Jersey Addresses Conference of International Economic and Social Development

EXTENSION OF REMARKS
OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Friday, June 16, 1961

Mr. KEATING. Mr. President, yesterday the senior Senator from New Jersey addressed the eighth annual conference of International Economic and Social Development. The Senator from New Jersey [Mr. CASE] has long taken a keen interest in the mutual security program and its workings, and his speech reflects the concern of many of us for a more effective use of foreign aid funds. In the belief that most Members will find it both stimulating and constructive, I ask unanimous consent to have printed in the RECORD the text of his remarks.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

TEXT OF REMARKS BY CLIFFORD P. CASE, OF NEW JERSEY, PREPARED FOR DELIVERY AT LUNCHEON OF EIGHTH ANNUAL NATIONAL CONFERENCE OF INTERNATIONAL ECONOMIC AND SOCIAL DEVELOPMENT, SHOREHAM HOTEL, WASHINGTON, D.C., THURSDAY, JUNE 15, 1961

Debate over the mutual security bill has become an annual feature of the congressional scene. This year, however, it has taken on a new and critical cast.

I do not mean that there is any real chance the whole assistance program will be abandoned. There will continue to be a foreign aid program, of this I am sure. Simply because, as all but a very few recognize, there has to be. But whereas in the past the congressional debate has centered on the amount of funds requested, the questions in the forefront this year go to the form of the program, its size and scope, and most importantly the purposes it serves.

Congress will, of course, continue to concern itself with the amounts of dollars involved. Concern with costs is legitimate and proper and Congress is understandably jealous of its control over the purse strings. But the main battle is no longer chiefly over costs as such, or between those who believe in the mutual security concept and those who think most, if not all, foreign aid is a waste. It is among the friends of the assistance programs that the most searching questions are being asked.

Developments in Korea, in Laos, in Cuba, in Africa have been deeply troubling. What is our foreign aid program accomplishing, not only for us but for the recipient countries? How effective is the administrative setup? What about the quality of our personnel engaged in the various programs? To the extent that we are forced to concentrate on such questions and act to resolve them, the shift in emphasis can be a healthy and beneficial development.

There is no denying that there have been a number of instances of mismanagement, ineptness, and worse that are hardly calculated to inspire the confidence of either Congress or the public generally.

And the plethora of agencies and diffusion of responsibility have all too frequency left Congress frustrated and confused.

To these complaints, the executive branch has had ready answers. The mutual security program is a relatively new venture, beset by unusual difficulties and involving political and national factors by no means wholly within our control. Administration officials have repeatedly pointed to the difficulties of securing the kind of people who are crucial to the success of our efforts. And over and over again, they have hammered on the need for greater continuity and flexibility, impossible under the annual appropriations system so dear to the Congress.

Both sides make essentially valid points. Unfortunately, they have also proved to be handy excuses. Indeed the argument back and forth had become a tiresome refrain which the public heard but no longer listened to. This year will be different, I hope. The worsening situation in many parts of the world, the advent of Castro on our threshold and the background rumblings in Latin America have, I believe, stirred a new concern, a new awareness that demands action, not excuses.

Focal point of the debate now beginning is the administration's proposal to put the economic assistance programs on a long-term basis and to provide greater flexibility in the allocation of funds. This is not, of course, a new proposal. It was in its essentials put forward by the previous administration and has long been supported by virtually every serious study of the economic assistance programs.

The evidence is, I believe, incontrovertible that the element of continuity is vital to successful development. Economic growth does not happen overnight or over a year. It cannot be planned and carried out on an annual basis. The ability to make long-term commitments is fundamental to effective use of both our funds and those of the recipient country. And by effective use I mean economic and social development on a broad front—in education, health, public administration, and economic productivity—in which all the people of a country share the benefits.

Three years ago I recall saying to this conference that it seemed to me that unless we, the public and the Congress, are prepared to carry through, whatever the scale of the program that might be adopted, we should be better off not to start it in the first place.

I believe that even more strongly today. We cannot afford, from any point of view, to treat economic assistance as a kind of emergency or temporary program to be determined anew each year. This is a self-defeating approach and a positive encouragement to pool planning and faulty execution.

If Congress really wants to make sense in our assistance programs, it can and should approve the longer-term provisions.

Approval of these provisions need not derogate from the constitutional responsibilities of the Congress. In fact, adoption of the longer term basis would, I believe, enable Congress to hold the executive branch to far greater accountability than heretofore.

Putting the program on a long-term basis would give the executive branch the tools essential to do an effective job. Having provided them, Congress could and should hold those responsible to a high standard of performance.

We in Congress would then be more than justified in insisting on an end to the annual rush to commit funds almost willy-nilly before the end of the fiscal year, to piecemeal programing, and short-term projects that in Secretary Rusk's words, "emphasize the dramatic over the basic, the facade over the foundations."

Then there would be no excuse for not working out programs carefully tailored not only to the needs but to the capacity of a particular country to use our aid effectively. Then there would be no alibi for the failure to develop realistic targets and priorities.

In short, I believe congressional failure in the past to recognize adequately the long-term nature of the effort we must make has contributed to the very weaknesses of which Congress has most vociferously complained. To this extent the remedy lies in the hands of the Congress.

There is one further aspect of the whole debate on which I would like to comment. It is unfortunate, I believe, that even many of the strongest supporters of our assistance programs tend to look upon them and discuss them as a burden, albeit one that, unlike the opponents, they believe we have no choice but to assume.

This seems to me very wrong in a basic sense.

Far from being an onerous duty, an unavoidable obligation, the assistance programs offer an opportunity which should call out the best in the Nation, in men, in imagination, in the skillful use of resources of all kinds.

We are frequently told, and with some truth, I fear, that as a nation we have grown fat and complacent, unable or unwilling to bestir ourselves from our comfortable rut, oblivious to the forces that are sweeping the world except as they touch us directly and immediately. Thus, for example, proponents of foreign aid beginning with the Marshall plan have found it easier going if they presented their proposals as a defense against the threatened infiltration of communism. It is that, of course, but it is also much more.

It is true, too, that an overwhelming proportion of the money spent under the aid programs goes to purchase American industrial products and equipment, American skill and know-how. This is fine but it is surely not the justification for undertaking the programs in the first place.

The world today is one of social and political upheaval. The disparity between poor and rich nations could hardly be greater. Of the 3 billion people alive this year, 1 billion are behind the Iron Curtain. Of the 2 billion who live in the non-Communist world, over two-thirds live in nations where the average per capita income is less than $50 or $60 per year. Even without the existence of communism, the crumbling of the colonial structure, the surge for political and economic advance would confront the West with an enormous challenge.

More than a century ago, Lincoln declared that this Nation could not long exist half slave and half free. Today the question we must ask ourselves is whether the world can much longer exist half stuffed and half starved—and the division now is far less than 50–50.

What endeavor, even that of space exploration, holds more challenge than that of assisting the new and less developed nations to economic and social progress, of helping to harness the convulsive energies now loosed in the world into constructive achievement, of demonstrating that freedom and progress can go hand in hand?

To what better end could we direct the energy, the drive, the resources both human and material now latent among us? The opportunity exists. If we rise to meet it, all of us—not our Government alone, indeed not this Nation alone—but all who believe in freedom, who knows but what we might bring about a rebirth, a revitalization of those values which alone give meaning to human existence, the dawn of a new and worldwide renaissance.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 19, 1961

The House met at 12 o'clock noon.

The Reverend Dr. Charles J. Harth, vicar, Episcopal Church of St. Barnabas, Baltimore, Md., offered the following prayer:

Almighty God, our Heavenly Father, the fountain of all wisdom, at the start of another week we approach Thee in deep humility, asking for Thy guidance and direction.

Thou who art the source of all power and might, look, we beseech Thee, with Thy most gracious favor upon these men and women who are the chosen representatives of the people of our beloved country. Thou who art the way, the truth, and the life, lead them along the path of righteousness. Grant them vision and imagination, strength and courage, to do Thy will to the glory of Thy kingdom and to the advancement of Thy people. May their deliberations be conducted in a spirit of mutual understanding, harmony, and peace to the establishment of welfare, justice, and liberty among all generations.

We give Thee hearty thanks, O gracious Lord, for all the blessings bestowed upon us in the past, and pray for Thy continual favor in the days to come.

O merciful Saviour, inspire us all to outthink, outdo, and outlove Thine enemies who are ours, and keep us aware of Thy everlasting presence. Free us, Divine Master, we pray Thee, of earthly fears and anxieties, and help us while facing our responsibilities to be true and faithful servants of Christ, giving loving service to our fellow men in His holy name. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, June 15, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 7218. An act to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 3,000 officers and members.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6713. An act to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon and appoints as conferees on the part of the Senate on title I (Federal-aid highway program) Mr. KERR, Mr. MCNAMARA, Mr. RANDOLPH, Mr. CASE of South Dakota, and Mr. COOPER; and as conferees on title II (Internal Revenue Code and highway trust fund amendments) Mr. BYRD of Virginia, Mr. KERR, Mr. LONG of Louisiana, Mr. WILLIAMS of Delaware, and Mr. CARLSON.

The message also announced that the Senate had passed bills and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 158. An act to confer upon the domestic relations branch of the municipal court for the District of Columbia jurisdiction to hear and determine the petition for adoption filed by Marie Taliaferro;

S. 558. An act to amend the Acts of March 3, 1901, and June 26, 1944, so as to exempt the District of Columbia from paying fees in any of the courts of the District of Columbia;

S. 559. An act to amend the District of Columbia Traffic Act, 1925, as amended;

S. 561. An act to amend the act relating to the small claims and conciliation branch of the municipal court of the District of Columbia, and for other purposes;

S. 564. An act to provide for apportioning the expense of maintaining and operating the Woodrow Wilson Memorial Bridge over the Potomac River from Jones Point, Va., to Maryland;

S. 588. An act to amend the Act of May 29, 1930, in order to increase the authorization for funds for the extension of certain projects from the District of Columbia into the State of Maryland, and for other purposes;

S. 884. An act to authorize the Secretary of Commerce to procure the services of experts and consultants;

S. 1291. An act to amend the District of Columbia Traffic Act, 1925, as amended, to increase the fee charged for learners' permits;

S. 1371. An act to amend subsection (e) of section 307 of the Communications Act of 1934, as amended, to permit the Commission to renew a station license in the safety and special radio services more than 30 days prior to the expiration of the original license;

S. 1644. An act to provide for the indexing and microfilming of certain records of the Russian Orthodox Greek Catholic Church in Alaska in the collections of the Library of Congress; and

S. 1651. An act to authorize the Commissioners of the District of Columbia to delegate the function of approving contracts not exceeding $100,000.

S. Con. Res. 23. Concurrent resolution to print additional copies of part I of hearing on migratory labor;

S. Con. Res. 24. Concurrent resolution relating to printing of publications of the Internal Security Subcommittee of the Senate Committee on the Judiciary; and

S. Con. Res. 27. Concurrent resolution authorizing the printing as a Senate document of the proceedings of the National Water Research Symposium.

PUBLIC BUILDINGS PROSPECTUSES

The SPEAKER laid before the House the following communication, which was read and referred to the Committee on Appropriations:

JUNE 15, 1961.

Hon. SAM RAYBURN,
Speaker of the House,
The Capitol,
Washington, D.C.

MY DEAR MR. SPEAKER: Pursuant to the provisions of section 7(a) of the Public Buildings Act of 1959, the Committee on Public Works of the House of Representatives approved on June 14, 1961, prospectuses for the following public building projects which were transmitted to this committee from the General Services Administration:

LOCATION AND TYPE

California, Long Beach area: Customhouse Building.
California, Calexico: Border patrol station.
Florida, Jacksonville: FOB.
Florida, Marianna: PO CT (CR).[1]
Florida, St. Petersburg: FOB.
Idaho, Porthill: Border station.
Iowa, Des Moines: FOB.
Kentucky, London: CT FOB (CR).[1]
Kentucky, Louisville: FOB.
Kentucky, Louisville: PO CT CU (CR).[1]
Kentucky, Owensboro: PO CT (CR).[1]
Louisiana, New Orleans: PO CT (CR).[1]
Louisiana, New Orleans: FOB (CR).[1]
Maine, Houlton: BP Sec. Hq.[2]
Michigan, Detroit: PO CT (CR).[1]
Michigan, Grand Rapids: PO CT (CR).[1]
Michigan, Sault Ste. Marie: Border station.
Minnesota: Pigeon River: Border station.
Minnesota, St. Paul: CT FOB.
Nebraska, Grand Island: PO CT (CR).[1]
New Hampshire, Concord: PO CT.
North Carolina, Fayetteville: PO CT.
North Dakota, Grand Forks: PO CT (CR).[1]
Oklahoma, Oklahoma City: PO CT (CR).[1]
Oregon, Roseburg: PO Etc. (CR).[1]
Pennsylvania, Harrisburg: CT FOB.
Pennsylvania, Philadelphia: CT FOB.
Texas, Del Rio: BP Sec. Hq.[2]
Texas, Del Rio: Border station.
Texas, Fort Forth: FOB.
Texas, Houston: PO CT (CR).[1]
Virginia, Charlottesville: HEW Building.
Washington, Spokane: CT FOB.
District of Columbia: FOB No. 5.
Total, 34 projects.

Sincerely yours,
CHARLES A. BUCKLEY,
Member of Congress, Chairman,
Committee on Public Works.

PUBLIC BUILDINGS ALTERATION PROJECTS PROSPECTUSES

The SPEAKER laid before the House the following communication, which was read and referred to the Committee on Appropriations:

JUNE 15, 1961.

Hon. SAM RAYBURN,
Speaker of the House,
The Capitol, Washington, D.C.

MY DEAR MR. SPEAKER: Pursuant to the provisions of section 7(a) of the Public Buildings Act of 1959, the Committee on Public Works of the House of Representatives approved on June 14, 1961, prospectuses for the following alteration projects which were transmitted to this committee from the General Services Administration:

LOCATION AND TYPE

California, Sacramento, PO CT (revised).
California, San Francisco, Appraisers Building.
District of Columbia, Agriculture South Building.
District of Columbia, Treasury Building.
Illinois, Chicago, 536 S. Clark Street Building.
Illinois, Chicago, Main Post Office.
Illinois, Chicago, Railroad Retirement Board Building.
Maryland, Bethesda, National Institutes of Health.
Minnesota, Minneapolis, FOB.
Minnesota, Minneapolis, PO and Garage (two buildings).
New Jersey, Jersey City, PO.
New York, New York City, General Post Office.

[1] Conversion and remodeling of existing building.
[2] Border patrol sector headquarters.

New York, New York City, General PO and Morgan Annex.
New York, New York City, FOB, Vesey Street.
Oregon, Portland, CT.
Oregon, Portland, Interior Building.
Pennsylvania, Philadelphia, Penn AC Building.
Pennsylvania, Philadelphia, 5000 Wissahickon Avenue.
Pennsylvania, Pittsburgh, PO CT (new).
Tennessee, Knoxville, PO CT.
Texas, Dallas, 1114 Commerce Street Building.
Virginia, Arlington, Pentagon Building.
Total, 22 projects.

Sincerely yours,

CHARLES A. BUCKLEY,
Member of Congress, Chairman,
Committee on Public Works.

THE LATE HONORABLE GEORGE H. BENDER

The SPEAKER. The Chair recognizes the gentleman from Ohio [Mr. BROWN].

Mr. BROWN. Mr. Speaker, I ask unanimous consent that at the conclusion of my remarks all Members desiring to do so have 5 legislative days in which to extend their remarks at that point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN. Mr. Speaker, it becomes my sad duty as chairman of the Republican delegation in the House from Ohio to announce the death of one of our former colleagues, the Honorable George H. Bender. Mr. Bender died suddenly of a heart attack late Saturday night or early Sunday morning at his home in Chagrin Falls, Ohio. He would have been 65 in September.

He had a long and distinguished career in public life. As a youngster, on the streets of Cleveland, he was very active in support of the candidacy of Theodore Roosevelt for President in 1912. In 1920 he was elected to the Ohio State Senate, where he served with considerable distinction for 10 years, and where I first learned to know him as I was Lieutenant Governor and presiding officer of the senate at that time.

In 1938 George was elected to the U.S. House of Representatives as Congressman-at-Large from Ohio and served in this Chamber for 14 years. In 1954 he was elected to the short term in the U.S. Senate to succeed his lifelong friend, Senator Robert A. Taft of Ohio, and served 2 years in that body.

During the time Senator Taft was engaged in political life in our State, Senator, or Congressman, Bender, as most of us knew him, was most active in behalf of Mr. Taft's various campaigns for the Senate and for the nomination for President.

George Bender was a man of strong beliefs. He was an excellent speaker and debater. He was a truly great campaigner. He took an active part in every phase of political life. For many years he served both as a precinct committeeman in his own home county of Cuyahoga and as chairman of its Republican executive and central committees, which, of course, is the largest county in our State.

Mr. Speaker, George Bender was an affable and generous man. He was a friendly man. He made a great many friends on both sides of the aisle during his service here in the Congress. The news of his sudden death came, of course, as a shock to all of us.

He leaves behind him a wonderful wife, whom many Members have had the privilege of knowing personally. Mrs. Bender has been seriously ill in a Cleveland hospital, and up to this time has not been informed of her husband's death. Besides his widow, George leaves two daughters and several grandchildren. One of his daughters is the wife of our reading clerk, Joe Bartlett.

The funeral services for Mr. Bender will be held at Chagrin Falls at 2:30 on Wednesday afternoon of this week. I am sure all the membership of this House, as well as of the other body, join me and the other Members of the Ohio delegation in offering to his widow, to his children, and to his grandchildren our deepest sympathy in the great loss which has been theirs.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BROWN. I am glad to yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, it was with deep regret that I heard the news announcing the death of my good friend, George Bender. As the gentleman from Ohio [Mr. BROWN] has so well and ably said:

> George Bender had a long and distinguished career in public life. He was affable and friendly.

George Bender and I became very close friends from the time that he first became a Member of this House. Every thought in his mind was big in his relationship to his fellow man. George Bender had many outstanding attributes that commanded the respect of all of us. In the field of human relationship there was no thought in his mind other than that which was noble, broad, and understanding.

I shall miss him very much. He has made his imprint upon the legislative history of our country. I join with the Ohio delegation in extending my deep sympathy, and I know I speak the sentiments of all Members, to Mrs. Bender and her loved ones in their bereavement.

Mr. BROWN. I thank the gentleman.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BROWN. I yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Speaker, it was with a sincere and deep feeling of personal loss that I read in the paper this morning of the passing of our late colleague, George Bender. George and I were close personal friends. We were friends here, we were friends in Cleveland, where I had occasion to be with him numerous times. George Bender had the respect of his colleagues here in the House as he had the respect and the friendship of the people he was privileged to represent here in his service in the Congress of the United States. It is indeed a sad thing that he has been taken from us at this time. He brought great enthusiasm to everything that he did. He was sincere, he was honest, his word was good, he was a man of integrity. We shall all miss him very, very much.

Mr. BROWN. I thank the gentleman.

Mr. SCHENCK. Mr. Speaker, I would like to associate myself with the remarks made by my distinguished colleague from Ohio [Mr. BROWN], in expressing my shock and sorrow over the untimely death of our former colleague, George H. Bender.

My first real contact with George Bender came during the election in 1950. I found him to be an indefatigable campaigner who worked from early until late each and every day and who was so ably assisted by his charming wife. George Bender literally bubbled over with enthusiasm and work for the causes in which he believed. He had unbounded confidence and faith in his own convictions and never hesitated to express his thoughts in a most forceable manner.

Later, when I also became a Member of the House of Representatives, I found George Bender always completely willing to express his views and opinions.

Later when George Bender left the House of Representatives and became a U.S. Senator, I found him to be a willing helper in my efforts and the efforts of our colleague, the Honorable CLARENCE J. BROWN, when we tried to make sure that the wonderful facilities and highly skilled personnel on Wright Patterson Air Force Base were used to the highest and best use of our Nation.

I was shocked when I was informed Sunday of his unexpected and untimely death. With the passing of George Bender a colorful era in Ohio politics has come to an end. Mrs. Schenck and I express our sincere sympathy to his lovely wife, his daughters, and his grandchildren.

We also express our very sincere best wishes for a speedy and complete return to good health for his widow, Edna Bender, who is presently seriously ill in the hospital.

Mr. MINSHALL. Mr. Speaker, it was with great shock and sorrow that I learned this morning of the death of the Honorable George Harrison Bender, a man who truly gave his entire life in his country's service. From his schooldays to his death, he was an active political campaigner. Actually, he was in politics at the age of 15, when in 1912 he was an ardent Bull Mooser, even though he could not vote. His interest in politics was further awakened by Theodore Roosevelt, and he worked vigorously on the Rough Rider's reelection to the Presidency with all the enthusiasm of a schoolboy's aroused heart. That enthusiasm remained ardent for over 40 years.

He was distinct in having served in all levels of government—local, State, and Federal, and, in the latter, in both Houses of the Congress. He was most noted when he campaigned for the late Robert A. Taft's nomination for the Presidency.

George Bender was the youngest man to serve in the Ohio State Legislature—serving in that office at the incredibly youthful age of 21.

He had been engaged in numerous business ventures, and at the time of his death was engaged in an insurance business with offices in Cleveland, Ohio. He was my distinguished predecessor as Representative of the 23d District; upon the death of his beloved Senator Taft, he filled out Taft's term of office.

With the death of George Bender, the Nation has lost a colorful, vigorous supporter of a conservative cause, and one of the Republican Party's most loyal members.

George Bender's death cut short his plans to again be a candidate for public office. Only a few weeks ago he obtained petitions to run as a candidate for the Republican nomination for U.S. Senator or Congressman at large at the 1962 primaries. We all know that George Bender would have been in there to win and would have given it his all. We will miss George, and the Republican Party loses one of its most tireless, devoted, and fervent workers.

My deepest sympathies to his widow, Mrs. Edna Bender, and to their two charming daughters, Mrs. Dorsey Joe Bartlett and Mrs. Ernest B. Stevenson.

Mr. ARENDS. Mr. Speaker, God in His wisdom has called home to eternal rest one of our former colleagues and a good friend of all of us who were privileged to know him. While I know that the Maker of all of us has set a day to come home for each of us, I cannot but be deeply distressed with the passing of George Bender.

George impressed me as a man of unlimited energy and drive. Everything he did, he did with enthusiasm and vigor. He was a determined and tireless advocate of things in which he believed. That is one of the reasons he accomplished so much as a U.S. Senator and as a Member of this House from Ohio. His many accomplishments will be a lasting monument to him.

Everyone who serves in the Congress likes people. If we did not, we would not be here, or should not be. But George Bender was one of the rare individuals that literally radiated a personal interest in you, whoever you were, that was instantly felt upon meeting him. He was indeed "a friend to man."

I extend to his wife and family my deepest sympathy. Our loss is great. Theirs is greater. May they find some consolation in the knowledge that this loss of a truly fine man is widely shared by countless many.

Mr. FEIGHAN. Mr. Speaker, It was with deep regret that I learned of the sudden passing of our former colleague, George H. Bender.

It was my privilege to know George for over a quarter of a century. I considered George a close personal friend. George was highly respected by his colleagues because his word was his bond. He was a militant fighter for the cause of social justice and human freedom. George was a dedicated and enthusiastic public official whose warm personality generated good will and good fellowship. He was steadfast in his political beliefs.

I am deeply saddened by the death of my long time good friend and I extend to his widow and daughters my deepest sympathy in their bereavement.

Mr. AYRES. Mr. Speaker, the American political scene in the passing of George Bender has lost one of its most interesting personalities. He will be remembered for many things. I shall always remember him as a loyal friend. I first met George in 1950. He was running for Congressman at large from the State of Ohio. He was campaigning just as hard for the late Senator Taft as he was for himself. I shall never forget his speeches during that campaign when he said over and over again: "I hope you will vote for George Bender but if you are only going to vote for one Republican, scratch me in favor of Bob Taft."

Had it not been for the tireless effort of George Bender, Ohio probably would still have straight-ticket voting. Had there been no change prior to the election of 1950 I probably would not have been elected to Congress. George Bender's fine qualities were missed by many. One had to know him well to appreciate his devotion.

I extend my deepest sympathy to the family.

Mr. CHENOWETH. Mr. Speaker, I was deeply shocked and saddened when I learned of the passing of our former colleague, George Bender. I wish to extend sincere sympathy to our colleagues from Ohio, and to join in paying tribute to the memory of our beloved colleague.

George Bender was a Member of the House when I was first elected. He came to the House 2 years before I did. I was happy to have George as a friend, and I greatly enjoyed my association with him in this body. He had a most kind and genial disposition and made friends with everyone. He was truly a Christian gentleman.

I considered George Bender an outstanding Member of the House, and a most devoted public servant. He was sincere and conscientious in all that he did. We need more men like him in public life.

The passing of George Bender is an irreparable loss to the State of Ohio and to the Nation. I have not seen him recently and I know nothing of any political plans he may have had. However, he was a fine citizen and was a leader in every good movement. The world is a better place in which to live because of George Bender.

I wish to extend my sincere sympathy to the widow and the other members of his family.

Mr. VANIK. Mr. Speaker, I want to take this opportunity to express my profoundest sympathy to the family of the late Senator George H. Bender on his untimely passing.

Senator George Bender served with great distinction in this House and in the Senate. He was devoted to his many public duties and gave generously of his time and energy to thousands of his constituents. Unlike most legislators, he sought out the excitement of controversy—he never missed a good debate. This characteristic endeared him to his colleagues and his countless friends and admirers in Cleveland, in Ohio, and throughout the Nation.

Mr. PHILBIN. Mr. Speaker, I am greatly shocked and deeply grieved to learn of the untimely passing of my dear and esteemed friend, Hon. George H. Bender.

For years Senator Bender served faithfully and effectively in the House and the other body. During much of that period, it was my high privilege to know and come to esteem him.

Like many other Members of the Congress I came to regard him as a fine, warmhearted humane gentleman, a public servant deeply imbued with love of his country and love of his fellow man, devoted to his country, loyal to his friends.

George Bender was deeply interested in people and their problems and thus he possessed a natural aptitude for the public service.

Of unbounded energy and exuberant enthusiasm, it was his custom to throw himself into every cause with tremendous nerve and eclat. He was virtually a human dynamo endowed with seemingly untiring zeal and energy, virtually a human highly gifted with many of the attributes of perpetual motion. Once committed to an objective, he was literally irrepressible and never rested easy until some conclusion or decision was reached.

George Bender moved in a wide circle and had many friends in all walks of life, in all groups, in both political parties.

He was strongly committed to fundamental political and spiritual principles in which he believed, and had a loyalty to his friends that endeared him to all who knew him and won for him widespread respect and repute.

Able, zealous, energetic, patriotic, strong in conviction, warm and personable in personal relationships, kind and generous in nature, George Bender will long be remembered in the Congress for his fidelity to duty, his many contributions and his warmth and loyalty to his friends.

With a heavy heart, I tender my deepest sympathy to his sorely bereaved family and the people of his great State.

I hope and pray that his family may find in their trust in the living God comfort and consolation in this period of grievous loss.

May George Bender find peace and rest in his heavenly home.

Mr. KIRWAN. Mr. Speaker, it was with profound regret that we learned of the passing of our former colleague George Bender. Our deepest sympathy is extended to his wife and children in their sad bereavement.

George Bender was a faithful, loyal friend. He worked tirelessly and diligently for the people of Ohio and our Nation and served them to the best of his ability.

He leaves a host of friends who with his loved ones, will cherish his memory and good deeds.

Mr. McCULLOCH. Mr. Speaker, I am sorry, indeed, that our longtime colleague in House and Senate, the Honorable George H. Bender, has passed away.

I first became acquainted with George Bender when he was the youngest, most colorful and effective member of the Ohio Senate.

George Bender was a resourceful, imaginative and tireless legislator.

Many laws, both State and Federal, show the good effect of his interest therein and work thereon.

George Bender's lovely wife, and his fine family, including our excellent reading clerk, Joe Bartlett, all have my deepest sympathy.

Mr. O'HARA of Illinois. Mr. Speaker, in the passing of the Honorable George Bender I have lost a personal friend. Although we were of opposite political parties, I found him, in our associations together in this body, kindly, understanding and always willing to help a colleague or a friend. Wherever he went he projected good cheer, and his smile was as penetrating as the sunshine itself. I shall miss him. To his devoted family I extend my warmest sympathy.

Mr. FISHER. Mr. Speaker, the sudden passing of George Bender has shocked and saddened his host of friends everywhere. It was my privilege to serve with George for several years in the House of Representatives. He was later elected by the people of Ohio to represent them in the U.S. Senate. His entire career was one devoted to the people and to their well being.

As an individual George Bender possessed many unique qualities. He was affable and personable, and was gifted with a personality that literally sparkled. His sense of humor was a part of his life. He was big hearted, generous, always unselfish.

George was my friend, and I was proud of that friendship. Above everything he was sincere. He was never a pretender. It was but natural that some would disagree with him, but they knew precisely where he stood. When singing "Bringing in the Sheaves" or when telling a witty story, George was always beaming and enjoying himself. He got a lot out of life, and he gave a lot.

To Mrs. Bender and the other members of his bereaved family I extend my deepest sympathy.

MR. ROBERT F. WOODWARD

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, the President of the United States has indeed made a wise choice in nominating Mr. Robert F. Woodward to be the Assistant Secretary of State for Inter-American Affairs.

As a career diplomat, Mr. Woodward's excellent record of service admirably equips him for the important duties he will assume. He has served in consular and embassy posts in Argentina, Paraguay, Colombia, Brazil, Bolivia, Guatemala, and Cuba. He has served as Ambassador to Costa Rica, Uruguay, and Chile.

This wide experience makes him one of the best informed men on hemispheric relations. He is a working diplomat who is both imaginative and realistic in implementing the policies of the United States. There are few Americans who understand so well the problems and aspirations of our South American neighbors.

He is a person-to-person diplomat who can wear with equal ease the striped pants of officialdom and the working clothes of the man in the street and in the fields. In the words of Kipling, "He can walk with kings and still not lose the common touch."

The President has assigned him a man-sized task, and he is the man to do it if it can possibly be done. Without fuss or fanfare, he will roll up his sleeves and get down to the job at hand.

The United States, as well as our Central and South American friends, will benefit from his first-rate intelligence and capacity for action. He will be ably assisted by his charming and able wife. To both of them, I extend my personal congratulations and best wishes.

I also congratulate the President on his choice for this important post; a better selection could not have been made.

THE LATE HONORABLE GEORGE H. BENDER

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. Mr. Speaker, I was shocked and deeply grieved to learn of the passing of our former colleague and our esteemed friend, the Honorable George Bender, of Ohio.

George Bender was the friend of man, a patriotic American gentleman of the highest order.

My heart goes out to his good wife and family. May the same God who took George Bender to his heavenly home give his loved ones strength to bear the great loss they have suffered. God rest his soul.

RECEPTION OF PRIME MINISTER OF JAPAN ON THURSDAY, JUNE 22, 1961

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Thursday, June 22, 1961, for the Speaker to declare a recess for the purpose of receiving the Prime Minister of Japan.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

COMMITTEE ON EDUCATION AND LABOR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor and all subcommittees thereof may be permitted to sit during general debate this week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEGISLATIVE PROGRAM—H.R. 4591, SUSPENSION OF DUTIES ON METAL SCRAP

Mr. McCORMACK. Mr. Speaker, I desire to announce that the distinguished chairman of the Committee on Ways and Means, the gentleman from Arkansas [Mr. MILLS] will make a unanimous consent request tomorrow for the consideration of the bill (H.R. 4591) a bill to continue until the close of June 30, 1962, the suspension of duties on metal scrap, and for other purposes.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently, no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 84]

Adair	Giaimo	Multer
Alexander	Glenn	Murphy
Alger	Grant	Nelsen
Anfuso	Gray	Norrell
Baker	Green, Oreg.	O'Neill
Baring	Hagan, Ga.	Osmers
Barry	Hardy	Poage
Bass, N.H.	Harrison, Va.	Powell
Blitch	Healey	Reifel
Bonner	Henderson	Rhodes, Ariz.
Brademas	Hoffman, Ill.	Rivers, Alaska
Brewster	Holifield	Rivers, S.C.
Brooks, La.	Hosmer	Roberts
Broomfield	Hull	Roosevelt
Buckley	Jarman	Rousselot
Carey	Keogh	St. Germain
Cederberg	Kilburn	Santangelo
Clancy	Kitchin	Shriver
Clark	Kluczynski	Siler
Cramer	Laird	Springer
Davis, James C.	Lesinski	Staggers
	Loser	Steed
Dawson	McSween	Stephens
Dole	Macdonald	Taber
Dooley	MacGregor	Teague, Tex.
Downing	May	Thompson, La.
Edmondson	Meader	Tuck
Evins	Merrow	Wharton
Farbstein	Miller, Clem	Willis
Findley	Miller, N.Y.	Wright
Fino	Monagan	Young
Flynt	Morrison	
Fogarty	Moulder	

The SPEAKER pro tempore [Mr. MILLS]. On this rollcall 340 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONSENT CALENDAR

The SPEAKER pro tempore. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

DELAWARE RIVER BASIN COMPACT

The Clerk called the joint resolution (H.J. Res. 225) to grant the consent of Congress to the Delaware River Basin Compact and to enter into such compact on behalf of the United States, and for related purposes.

Mr. WALTER. Mr. Speaker, application has been made for a rule on this

joint resolution. I ask unanimous consent that it be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AMENDMENT OF SUBVERSIVE ACTIVITIES CONTROL ACT OF 1950

The Clerk called the bill (H.R. 5751) to amend the Subversive Activities Control Act of 1950 so as to require the registration of certain additional persons disseminating political propaganda within the United States as agents of a foreign principal, and for other purposes.

Mr. WALTER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. LINDSAY. I object, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. LINDSAY. I object to the consideration of the bill, Mr. Speaker.

BRIDGES TO BE CONSTRUCTED ACROSS THE MISSISSIPPI RIVER

The Clerk called the bill (H.R. 5963) to amend the General Bridge Act of 1946 with respect to the vertical clearance of bridges to be constructed across the Mississippi River.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PROVIDING PROTECTION FOR THE VICE PRESIDENT, VICE PRESIDENT ELECT AND FORMER PRESIDENT

The Clerk called the bill (H.R. 6691) to amend title 18, United States Code, sections 871 and 3056, to provide penalties for threats against the successors to the Presidency, to authorize their protection by the Secret Service, and for other purposes.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. It there objection to the request of the gentleman from Iowa?

There was no objection.

EFFECTIVE TIME OF DISCHARGE OR RELEASE OF VETERANS

The Clerk called the bill (H.R. 6269) to extend the provisions for benefits based on limited periods immediately following discharge from active duty after December 31, 1956, to veterans discharged before that date.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 106(c) of title 38, United States Code, is amended to read as follows:

"(c) For the purposes of this title, an individual discharged or released from a period of active duty shall be deemed to have continued on active duty during the period of time immediately following the date of such discharge or release from such duty determined by the Secretary concerned to have been required for him to proceed to his home by the most direct route, and in any event he shall be deemed to have continued on active duty until midnight of the date of such discharge or release."

SEC. 2. No monetary benefits shall accrue by reason of the amendments made by this Act for any period prior to the date of enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSPORTING BODIES OF DECEASED VETERANS

The Clerk called the bill (H.R. 7148) to equalize the provisions of title 38, United States Code, relating to the transportation of the remains of veterans who die in Veterans' Administration facilities to the place of burial.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 903(b) is amended to read as follows:

"(b) In addition to the foregoing, when such a death occurs in a State, the Administrator shall transport the body to the place of burial in the same, or any other State. For the purposes of this subsection the term 'State' includes the Canal Zone."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAND CONVEYANCE TO TRINITY COUNTY, CALIF.

The Clerk called the bill (H.R. 2249) to authorize the Secretary of Agriculture to convey certain property in the State of California to the county of Trinity.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Reserving the right to object, Mr. Speaker, I should like to ask the author of the bill what the justification is in this instance for the proposed transfer without consideration to the Federal Government?

Mr. JOHNSON of California. Mr. Speaker, last session we passed this bill in the House. The facts behind this transfer are these: The county deeded to the Federal Government 12 acres for the construction of a Forest Service headquarters in Trinity County. Since that time a highway has moved through a part of this property and there is a half-acre parcel separated from the original parcel deeded by the County of Trinity to the Forest Service. The Board of Supervisors are asked for this half-acre back. This land was originally given by the county, 12 acres. Since the highway separated this property there is a half-acre left. Now the county wants to place a fire house on this small parcel of land.

Mr. FORD. Several years ago we said that no transfer from the Federal Government to other governmental agencies should be made unless a fair and equitable compensation was paid. At the same time we took cognizance of the kind of situation which the gentleman describes, where these local Government agencies have donated the land or part thereof in the first place to the Federal Government and where the land would now be transferred back to the local governing body.

Based on that fact, that this is a retransfer to the local government by the Federal Government, which was given the land in the first instance, this seems to be an adequate justification for the transfer without compensation at this time.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized to convey by quitclaim deed, without consideration, to the county of Trinity, State of California, all the right, title, and interest of the United States in and to the following described lands, which were conveyed to the United States by deed dated April 28, 1934, and recorded in book 53, page 186, in the records of the county of Trinity, California:

PARCEL A: All the fractional portion of lot numbered 2 in block numbered 13 of the townsite of Weaverville, Trinity County, California, described as:

All that portion of said lot numbered 2 lying northeasterly of a line parallel to and 50 feet northeasterly of the centerline of State highway, and is more particularly described as beginning at a point on the southeast boundary of said lot numbered 2, north 31 degrees 43 minutes east, 50.44 feet from the centerline of State highway at engineers' station 806+89.71, said station being a point south 31 degrees 43 minutes east, 92.14 feet from the easterly corner of said lot numbered 2, thence from the point of beginning first north 31 degrees 43 minutes east 41.70 feet to the easterly corner of said lot 2; second north 70 degrees 02 minutes west, 122.69 feet on the boundary of said lot 2; third north 62 degrees 33 minutes west, 26.54 feet on boundary of said lot 2; fourth from a tangent bearing south 54 degrees 47 minutes 21 seconds east along a 1,900-foot radius curve to the right through a central angle of 4 degrees 26 minutes 42 seconds, a distance of 147.34 feet to the point of beginning. Excepting that portion of the above described parcel that part within the boundary of the following described parcel which was conveyed by a deed dated September 26, 1895, and recorded November 6, 1895, in book 23 of deeds at page 260; that portion of lot numbered 2 of block numbered 13 of the townsite of the town of Weaverville particularly described as follows to-wit: Commencing at a stake on the southeast corner of Garden Gulch Street and Union Street and running northwesterly 30 feet along Union Street to a stake; thence southwesterly 50 feet to a stake; thence 30 feet southeasterly to Garden Gulch Street to a stake; thence northeasterly 50 feet along Garden Gulch Street to the place of beginning and containing about 0.034 of an acre, more or less. Said parcel A containing about 0.034 acre.

PARCEL B: All that portion of lots numbered 1 and 2 in block numbered 13 of the townsite of Weaverville, Trinity County, California, lying southwesterly of a line running parallel to and 50 feet southwesterly of the centerline of State highway and southeasterly of a line running north 41 degrees 40 minutes east to a point 50 feet southwesterly of the centerline of State highway and running south 41 degrees 40 minutes west, to the southerly boundary of said lot numbered 1 from a point which bears south 46 degrees 55 minutes east 148.28 feet from corner numbered 1 in the survey of lot numbered 47 in township 33 north, range 10 west, Mount Diablo base and meridian, which corner is also the 10th corner in the survey of the Weaverville townsite; said portions of said lots being more particularly described as follows: Beginning at a 1-inch iron pipe set in the ground at a point south 46 degrees 55 minutes east 148.28 feet from corner numbered 1 in the survey of lot numbered 47 in township 33 north, range 10 west, Mount Diablo base and meridian; a 1-inch iron pipe set in the ground bears south 41 degrees 40 minutes west 146.13 feet; running thence, first north 41 degrees 40 minutes east 32.41 feet; second from a tangent that bears south 49 degrees 51 minutes 05 seconds east, on a curve to the right with a radius of 1,800 feet, through a central angle of 3 degrees 08 minutes 50 seconds, a distance of 98.72 feet to a point on the southeast boundary of lot 2 in block numbered 13 of the townsite of Weaverville, Trinity County, California, which point bears south 31 degrees 43 minutes west 50.47 feet from the centerline of State highway at engineers station 806+89.71 P.O.C.; third south 31 degrees 43 minutes west 130.63 feet on the boundary of said block numbered 13 to the southeast corner of said lot numbered 1 in block numbered 13; fourth south 89 degrees 39 minutes west 154.00 feet on the boundary of said lot 1; fifth north 41 degrees 40 minutes east 191.71 feet to the point of beginning. Containing 0.462 acre, more or less.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF LAND TO SUSANVILLE, CALIF.

The Clerk called the bill (H.R. 2250) to authorize and direct the Secretary of Agriculture to convey certain lands in Lassen County, Calif., to the city of Susanville, Calif.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, would the gentleman from California give us an explanation of this transfer, again a transfer of land without consideration?

Mr. JOHNSON of California. As the gentleman from Michigan knows, last year we also passed this bill in the House. The Forest Service was going to locate their Lassen National Forest headquarters in Lassen County, Calif., and the National Forest Service chose the city of Susanville. At that time the city and a number of individual citizens got together and donated a parcel of land for the construction of this facility. In the meantime, the Forest Service decided to go elsewhere and they located their facilities on another site. At the present time the city is asking for this site back for the construction of a city firehouse in the city of Susanville. They donated this property to the Federal Government in the first instance, and today they are asking for the return of it since the Federal Government is not going to use it for the purpose for which it was given.

Mr. FORD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized and directed to convey by quitclaim deed, without consideration, to the city of Susanville, California, all the right, title, and interest of the United States in and to the following lands which were previously donated to the United States by C. D. Mathews and Ethel M. Mathews, his wife, by deed dated December 6, 1939, and recorded in book 38 of deeds, at page 218, in the records of Lassen County, California:

All those certain lots, pieces and parcels of land situate, lying, and being in the county of Lassen, State of California, and particularly described as follows, to wit:

PARCEL 1. Commencing at the corner common to sections 29, 30, 31 and 32, in township 30 north, range 12 east, of the Mount Diablo base and meridian; thence north 89 degrees 22 minutes east along the section line 497.37 feet; thence south 16 degrees 50 minutes west 1,908.58 feet to the point of intersection of the centerline of Roop Street with the centerline of Main Street of the city of Susanville; thence south 73 degrees 10 minutes east along said centerline of Main Street 1,525.6 feet to the centerline of Weatherlow Street of said city; thence continuing along said centerline of Main Street of said city south 73 degrees 08 minutes 15 seconds east 1,264.25 feet; thence continuing along said centerline of Main Street south 73 degrees 37 minutes 15 seconds east 445.12 feet; thence north 19 degrees 52 minutes 45 seconds east 40.07 feet to the northerly line of the California State Highway and the true point of beginning; running thence north 19 degrees 52 minutes 45 seconds east 229.20 feet; thence south 73 degrees 07 minutes 15 seconds east 115.0 feet; thence south 15 degrees 22 minutes 45 seconds west 227.80 feet to the northerly right of way line of the California State Highway, and thence north 73 degrees 37 minutes 15 seconds west along the said northerly right of way line to the California State Highway, a distance of 136 feet to the true point of beginning.

PARCEL 2. Lots numbered 1, 2, and 3 of block numbered 16 of the east addition to the city of Susanville, as shown on the map entitled "Map of East Addition to Susanville, Lassen County, California", filed in the office of the county recorder of Lassen County, California, January 6, 1911.

With the following committee amendment:

On page 3, line 3, strike out "to" and insert "of".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENT OF JUDGMENTS AND COMPROMISE SETTLEMENTS

The Clerk called the bill (H.R. 6835) to simplify the payment of certain miscellaneous judgments and the payment of certain compromise settlements.

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2414 of title 28 of the United States Code is amended to read:

"§ 2414. Payment of judgments and compromise settlements

"Payment of final judgments rendered by a district court against the United States shall be made on settlements by the General Accounting Office. Payment of final judgments rendered by a State or foreign court or tribunal against the United States, or against its agencies or officials upon obligations or liabilities of the United States, shall be made on settlements by the General Accounting Office after certification by the Attorney General that it is in the interest of the United States to pay the same.

"Whenever the Attorney General determines that no appeal shall be taken from a judgment or that no further review will be sought from a decision affirming the same, he shall so certify and the judgment shall be deemed final.

"Except as otherwise provided by law, compromise settlements of claims referred to the Attorney General for defense of imminent litigation or suits against the United States, or against its agencies or officials upon obligations or liabilities of the United States, made by the Attorney General or any person authorized by him, shall be settled and paid in a manner similar to judgments in like causes and appropriations or funds available for the payment of such judgments are hereby made available for the payment of such compromise settlements."

SEC. 2. The last item in the analysis of chapter 161 of such title is amended to read:

"2414. Payment of judgments and compromise settlements."

SEC. 3. Section 1302 of the Act of July 27, 1956 (70 Stat. 694; 31 U.S.C. 724a), is amended by deleting the words "judgments (not in excess of $100,000 in any one case) rendered by the district courts and the Court of Claims against the United States which have become final" and inserting in lieu thereof the words "final judgments and compromise settlements (not in excess of $100,000, or its equivalent in foreign currencies at the time of payment, in any one case) which are payable in accordance with the terms of sections 2414 or 2517 of title 28, United States Code".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MINNESOTA-NORTH DAKOTA BOUNDARY LINE COMPACT

The Clerk called the bill (H.R. 7189) granting the consent of Congress to the compact or agreement between the States of North Dakota and Minnesota with respect to the boundary between such States.

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is hereby given to the compact or agreement between the States of North Dakota and Minnesota with respect to the boundary between such States as set forth in the Act of North Dakota designated

as house bill numbered 587, as approved by the Governor of such State on February 4, 1961, and as set forth in chapter 236, session laws 1961 of the State of Minnesota.

SEC. 2. The right to alter, amend, or repeal this Act is expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF ESPIONAGE LAWS

The Clerk called the bill (H.R. 2730) to repeal section 791 of title 18 of the United States Code so as to extend the application of chapter 37 of title 18 relating to espionage and censorship.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I would like to ask the author of the bill, the gentleman from Virginia [Mr. POFF] to explain to the House the basis or the need for this legislation.

Mr. POFF. Mr. Speaker, twice before this legislation under the sponsorship of the distinguished gentleman from Pennsylvania [Mr. WALTER] passed the House of Representatives but died in the other body. Had this legislation been on the books, Mr. Scarbeck who was recently apprehended and who will be indicted for certain offenses alleged to have been committed abroad would have been subject to prosecution under the anti-espionage act.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. FORD. I am glad to yield to the distinguished gentleman from Pennsylvania [Mr. WALTER].

Mr. WALTER. Mr. Speaker, I think the case just mentioned by the distinguished gentleman from Virginia [Mr. POFF] dramatizes the need for this legislation because were it not for the fact that this traitor was an employee of the United States, there would be no statute under which he could be prosecuted. That is the very reason why this legislation is so badly needed. May I say, it is a mystery to me why the other body has sat on this badly needed legislation for so long.

The House cannot be blamed for the delay in placing this urgently needed legislation on the statute books.

May I remind my colleagues that the Attorney General of the United States first requested the enactment of this legislation by letter to the Speaker of the House of Representatives dated July 29, 1958. The Speaker referred the communication to our committee, the bill was introduced on August 5, 1958 and reported to the House in just one week's time, on August 12, 1958. It passed the House by unanimous consent 6 days later, on August 18, 1958 and reached the Senate on that very day.

No action was taken in the Senate by the time the 85th Congress adjourned.

In the 86th Congress, I introduced the bill on February 4, 1959 and the subcommittee of which I am the chairman reported it to the full committee on the next day, February 5, 1959. The bill passed the House, again by unanimous consent, on March 2, 1959.

The 86th Congress remained in session until September 1, 1960, which means that the other body had the remaining 6 months of the first session and all of the 8 months of the second session of the 86th Congress to take action.

As the House has just been informed, no action was taken. This is why we have the bill before us again today.

Mr. FORD. In the 85th and 86th Congresses, this identical bill was approved in the House; is that not correct?

Mr. POFF. That is true.

Mr. FORD. And no action in either instance was taken in the other body. Does the gentleman feel that there is a possibility that the other body will now consider this legislation and act affirmatively on it?

Mr. POFF. I am inclined to believe that in view of the Scarbeck case the other body will recognize the urgent need for this legislation and will act affirmatively in this session of the Congress. May I emphasize what the gentleman from Pennsylvania has just stated. If Mr. Scarbeck had not been a Government official and had been only a private citizen, he would have been completely immune to any prosecution whatever. Under the Internal Security Act of 1950, Mr. Scarbeck will, upon conviction, be subject to a maximum penalty of $10,000 fine and 10 years in jail, either or both. If this bill were on the statute books, he would be subject to a maximum penalty of death or imprisonment for life or for any term of years.

Mr. FORD. Mr. Speaker, I withdraw my reservation of objection.

There being no objection the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 791 of title 18, United States Code, is repealed.

SEC. 2. The analysis of chapter 37 of such title is amended by deleting the following: "791. Scope of chapter."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL SECRETARY OF LABOR

The Clerk called the bill (H.R. 6882) to provide for one additional Assistant Secretary of Labor in the Department of Labor.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HOFFMAN of Michigan. I object, Mr. Speaker.

Mr. BAILEY. Mr. Speaker, will the gentleman withhold his objection?

Mr. HOFFMAN of Michigan. So the gentleman can make a talk? If that is what he wishes, I will be glad to.

Mr. BAILEY. I wanted to make an explanation rather than a talk.

The SPEAKER pro tempore. The gentleman from Michigan reserves the right to object.

Mr. HOFFMAN of Michigan. Mr. Speaker, I reserve the right to object. That is what I am going to do when the gentleman gets through.

Mr. BAILEY. Mr. Speaker, in the absence of the chairman of the Committee on Education and Labor, and also in the absence of the gentlewoman from Oregon [Mrs. GREEN], who is chairman of the subcommittee that handled this legislation, I think we should take advantage of the opportunity at this time to have the sponsor of the legislation, the gentlewoman from Washington [Mrs. HANSEN], explain why this legislation is essential and necessary.

The SPEAKER pro tempore. Does the gentleman from Michigan yield to the gentlewoman from Washington?

Mr. HOFFMAN of Michigan. I yield, Mr. Speaker.

Mrs. HANSEN. Mr. Speaker, the reason for the bill is clearly set forth in the report. It was introduced at the request of the administration and was presented in behalf of the increased number of women who are part of the work force across the entire United States.

If you will turn to page 2 of the report on the bill you will find these precise reasons set forth. President Kennedy in writing to the Speaker of the House of Representatives, stated:

> This bill, H.R. 6882, will better enable the Department of Labor to meet its increasing responsibilities in connection with the growing role of women in the work force of the Nation.

In describing the need for this bill Secretary of Labor Arthur Goldberg has stated:

> The Department of Labor is faced with the need for meeting the challenge of employing the skills of women workers as effectively as possible * * * an additional Assistant Secretary of Labor, whom I can designate to supervise the work of the Department of Labor relating to women workers, would materially aid the Department in fulfilling its mission.

I have been informed by the Department of Labor that an estimated 6 million more women workers will be required by 1970 to meet growing consumer needs, an increase of 25 percent as compared to 15-percent increase for men.

The need for enactment of H.R. 6882 arises from this increasingly essential role of women in our labor force, and from the expanding responsibility of the Department of Labor to stimulate appropriate action necessary for safeguarding the welfare of women workers and for providing the opportunity for full realization of their abilities.

Finally, may I add there is increasing necessity to develop the skills of our displaced women and our older women, and make for them the best possible in society so that they make their fullest contribution to our Nation.

Mr. HOFFMAN of Michigan. Mr. Speaker, in view of the fact that the Committee on Government Operations has Reorganization Plan No. 5 under consideration, under which this matter can be taken up, and inasmuch as the Committee on Education and Labor is holding hearings on the same subject, I will have to object.

The SPEAKER pro tempore. Objection is heard.

REIMBURSEMENT OF THE CITY OF NEW YORK

The Clerk called the bill (H.R. 74) to reimburse the city of New York for expenditure of funds to rehabilitate slip 7 in the city of New York for use by the U.S. Army.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the city of New York the sum of $8,872.56. The payment of such sum shall be in full settlement of all claims of the said city of New York against the United States for reimbursement for actual expenses borne by the city of New York in excess of $100,000 for its allotted share in the rehabilitation of slip 7 in the city of New York for the use of the United States Army, and such rehabilitation inured to the benefit of the United States: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim.

With the following committee amendment:

Page 1, line 7, strike the word "the" following the word "said".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FORGED CHECKS ISSUED AT PARKS AIR FORCE BASE, CALIF.

The Clerk called the bill (H.R. 4528) for the relief of certain persons involved in the negotiation of forged or fraudulent Government checks issued at Parks Air Force Base, Calif.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ALLOWANCES TO CERTAIN MEMBERS OF U.S. COAST GUARD

The Clerk called the bill (H.R. 7099) to validate payments of certain per diem allowances made to members and former members of the U.S. Coast Guard while serving in special programs overseas.

There being no objection the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all duly authorized payments of per diem allowances made to members of the United States Coast Guard who served in the precommissioning details of the Mediterranean loran program of the United States Coast Guard from September 17, 1958, to April 1, 1959, are validated. Any member or former member who has made repayment to the United States of any amount authorized and so paid to him as a per diem allowance is entitled to have refunded to him the amount so repaid. No member or former member who has received per diem payments referred to in this section shall be entitled to receive quarters or subsistence allowance in addition to the validated per diem payments for the same period.

SEC. 2. The Comptroller General of the United States, or his designee, shall relieve disbursing officers of the United States from accountability or responsibility for any duly authorized payments described in section 1 of this Act, and shall allow credits in settlement of the accounts of those officers for duly authorized payments which are found to be free from fraud or collusion.

SEC. 3. Appropriations available to the United States Coast Guard for operating expenses are available for payments under this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AWARD CERTIFICATES TO CERTAIN SERVICE PERSONNEL

The Clerk called the bill (H.R. 1935) to amend chapter 79 of title 10, United States Code, to provide that certain boards established thereunder shall give consideration to satisfactory evidence relating to good character and exemplary conduct in civilian life after discharge or dismissal in determining whether or not to correct certain discharges and dismissals; to authorize the award of an Exemplary Rehabilitation Certificate; and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 79 of title 10, United States Code, is amended as follows:

(1) Section 1552 is amended—

(A) by amending the first sentence of subsection (a) to read as follows: "Under uniform procedures prescribed by the Secretary of Defense, the Secretary of any military departments, acting through boards of civilians of the executive part of that military department, may correct any military record of that department when he considers it necessary to correct any error or remove an injustice.";

(B) by adding the following new sentence at the end of subsection (a): "When it considers the case of any person discharged or dismissed, before or after the enactment of this sentence, from an armed force under conditions other than honorable, the board shall take into consideration the reasons for the type of that discharge or dismissal, including—

"(1) the conditions prevailing at the time of the incident, statement, attitude, or act which led to that discharge or dismissal;

"(2) the age of the person at the time of the incident, statement, attitude, or act which led to that discharge or dismissal;

"(3) the normal punishment that might have been adjudged had that incident, statement, attitude, or act occurred or been made in civilian life; and

"(4) the moral turpitude, if any, involved in the incident, statement, attitude, or act which led to that discharge or dismissal."; and

(C) by adding the following new subsections at the end thereof:

"(g) In the case of any person discharged or dismissed, before or after the enactment of this subsection, from an armed force under conditions other than honorable, the board may, with the approval of the Secretary concerned, issue to that person an 'Exemplary Rehabilitation Certificate' dated as of the date it is issued, if, after considering the reasons for that discharge or dismissal, including those matters set forth in clauses (1)–(4) of subsection (a), it is established to the satisfaction of the board that he has rehabilitated himself, that his character is good, and that his conduct, activities, and habits since he was so discharged or dismissed have been exemplary for a reasonable period of time, but not less than three years.

"(b) Applications and reapplications for correction of records under subsection (g) may be filed at any time, but not before three years after that discharge or dismissal.

"(i) For the purposes of subsection (g), oral or written evidence, or both, may be used, including—

"(1) a notarized statement from the chief law enforcement officer of the town, city, or county in which the applicant resides, attesting to his general reputation so far as police and court records are concerned;

"(2) a notarized statement from his employer, if employed, attesting to his general reputation and employment record;

"(3) notarized statements from not less than five persons, attesting that they have personally known him for at least three years as a person of good reputation and exemplary conduct, and the extent of personal contact they have had with him; and

"(4) such independent investigation as the board may make.

"(j) No benefits under any laws of the United States (including those relating to pensions, compensation, hospitalization, military pay and allowances, education, loan guarantees, retired pay, or other benefits based on military service) accrue to any person to whom an Exemplary Rehabilitation Certificate is issued under subsection (g) unless he would be entitled to those benefits under his original discharge or dismissal. Except as otherwise provided in this section or section 1553 of this title, no Exemplary Rehabilitation Certificate may be issued except under subsection (g), and after a specific finding by the board that it is issued under that subsection.

"(k) The Secretary of Defense for the military departments, and the Secretary of the Treasury for the Coast Guard when it is not operating as a service in the Navy, shall report to Congress not later than January 15 of each year the number of cases reviewed by each board under subsection (g), and the number of Exemplary Rehabilitation Certificates issued under that subsection."

(2) Section 1553 is amended to read as follows:

"§ 1553. Review of discharge or dismissal

"(a) The Secretary concerned shall, after consulting with the Administrator of Veterans' Affairs, establish boards of review, each consisting of five members, to review, under uniform procedures prescribed by the Secretary of Defense in the case of a military department, the discharge or dismissal of any former member of an armed force under the jurisdiction of his department upon its own motion or upon the request of such former member or, if he is dead, his surviving spouse, next of kin, or legal representative.

"(b) A board established under this section may, subject to review by the Secretary concerned, change a discharge or dismissal, or issue a new discharge, to reflect its findings.

"(c) A review by a board established under this section shall be based on the records of the armed force concerned and such other evidence as may be presented to the board including those matters set forth

in clauses (1)–(4) of section 1552(a) of this title. A witness may present evidence to such a board in person or by affidavit. A person who requests a review under this section may appear before such a board in person or by counsel or an accredited representative of an organization recognized by the Administrator of Veterans' Affairs under chapter 59 of title 38.

"(d) In the case of any person discharged or dismissed, before or after the enactment of this subsection, from an armed force under conditions other than honorable, the board may, with the approval of the Secretary concerned, issue to that person an 'Exemplary Rehabilitation Certificate' dated as of the date it is issued, if, after considering the reasons for that discharge or dismissal, including those matters set forth in clauses (1)–(4) of section 1552(a) of this title, it is established to the satisfaction of the board that he has rehabilitated himself, that his character is good, and that his conduct, activities, and habit since he was so discharged or dismissed have been exemplary for a reasonable period of time, but not less than three years.

"(e) Applications and reapplications for correction of records under subsection (d) may be filed at any time, but not before three years after that discharge or dismissal.

"(f) For the purposes of subsection (d), oral or written evidence, or both, may be used, including those matters set forth in clauses (1)–(4) of section 1552(1) of this title.

"(g) No benefits under any laws of the United States (including those relating to pensions, compensation, hospitalization, military pay and allowances, education, loan guarantees, retired pay, or other benefits based on military service) accrue to any person to whom an Exemplary Rehabilitation Certificate is issued under subsection (d) unless he would be entitled to those benefits under his original discharge or dismissal. Except as otherwise provided in this section or section 1552 of this title, no Exemplary Rehabilitation Certificate may be issued except under subsection (d), and after a specific finding by the board that it is issued under that subsection.

"(h) The Secretary of Defense for the military departments, and the Secretary of the Treasury for the Coast Guard when it is not operating as a service in the Navy, shall report to Congress not later than January 15 of each year the number of cases reviewed by each board under subsection (d), and the number of Exemplary Rehabilitation Certificates issued under that subsection."

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DOYLE. Mr. Speaker, the Doyle bill, H.R. 1935, authorizing award of Exemplary Rehabilitation Certificate to certain discharged service personnel who received less-than-honorable discharges for comparatively minor offenses while in the military, is on the Consent Calendar for today. While it is the Doyle bill which is on the Consent Calendar on this important and very pertinent subject, I wish to call your attention, and the attention of all my other colleagues, to the fact that a goodly number of other Members of this great legislative body have either filed identically the same bill as H.R. 1935, or similar bills, for substantially the same objective. They are as follows: H.R. 2706, the gentlewoman from Pennsylvania [Mrs. GRANAHAN]; H.R. 3243, the gentleman from California [Mr. COHELAN]; H.R. 4364, the gentleman from California [Mr. MCFALL]; H.R. 2712, the gentleman from Pennsylvania [Mr. HOLLAND]; H.R. 2328, the gentleman from Washington [Mr. WESTLAND]; H.R. 709, the gentleman from Massachusetts [Mr. LANE]; H.R. 250, the gentleman from Illinois [Mr. LIBONATI]; H.R. 1279, the gentleman from New York [Mr. FARBSTEIN]; H.R. 1187, the gentleman from California [Mr. MCDONOUGH]; H.R. 3185, the gentleman from New York [Mr. ZELENKO]; H.R. 193, the gentleman from California [Mr. WILSON]; H.R. 2243, the gentleman from Florida [Mr. HERLONG]; H.R. 2241, the gentleman from New York [Mr. HEALEY]; H.R. 673, the gentleman from New York [Mr. GILBERT]; H.R. 2703, the gentleman from Pennsylvania [Mr. FULTON]; H.R. 2462, the gentleman from New York [Mr. CELLER]; and H.R. 1202, the gentleman from New York [Mr. MULTER].

I wish to thank each and every of the above-named colleagues and all the other many, many colleagues in the House who have helped along the way, even though most of them have not authored a bill on this important subject this 87th Congress. I deeply appreciate the most gracious and unselfish courtesies extended me by my colleagues who authored other bills on the same and related subjects and all of whom have most graciously cooperated in pushing along H.R. 1935.

Mr. Speaker, whereas on June 5, 1961, in the CONGRESSIONAL RECORD for that date, beginning on page 9452, I communicated to this distinguished legislative body some of the history and pertinency of H.R. 1935 and related bills, I wish to now further supplement that record by some of the very pertinent information contained in the unanimous report of the Committee on Armed Services under date of June 13, 1961, as follows:

The Committee on Armed Services, to whom was referred the bill (H.R. 1935) to amend chapter 79 of title 10, United States Code, to provide that certain boards established thereunder shall give consideration to satisfactory evidence relating to good character and exemplary conduct in civilian life after discharge or dismissal in determining whether or not to correct certain discharges and dismissals; to authorize the award of an exemplary rehabilitation certificate; and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The purpose of the proposed legislation is to amend existing law with regard to the Boards for the Correction of Army, Navy, and Air Force Records, and the Boards of Review, Discharges, and Dismissals.

Both of these boards were established to correct or review military records of discharges.

The proposed legislation is based upon the original recommendations of a special subcommittee, composed of five members of the Committee on Armed Services. This subcommittee held extensive hearings in the 85th Congress and recommended a bill, H.R. 8772, to the full committee which was approved and was reported to the House of Representatives. The bill passed the House, but was not considered in the Senate.

At the beginning of the 86th Congress, H.R. 88 was introduced, which was similar to H.R. 8772. The special subcommittee recommended unanimously to the committee that H.R. 88 be enacted, and the Committee on Armed Services unanimously recommended the enactment of H.R. 88. This, too, passed the House but was not considered in the Senate.

The Committee on Armed Services again recommends enactment of H.R. 1935 which is identical to H.R. 88 of the 86th Congress, as it passed the House.

The main purpose of the proposed legislation is to authorize the Boards for the Correction of Army, Navy, and Air Force Records and the Boards of Review, Discharges, and Dismissals, to grant, under certain circumstances, an exemplary rehabilitation certificate to individuals who have previously received less than honorable discharges, or discharges under conditions other than honorable, from the armed services.

Another purpose of H.R. 1935 is to authorize these respective boards to take into consideration postservice conduct when reviewing the discharges of individuals who have been separated from the service. The Boards will take postservice conduct into consideration for the purpose or determining the type of discharge that should be awarded, and in addition, will take this matter into consideration in determining whether they should issue an exemplary rehabilitation certificate if a change in the original discharge is not otherwise justified.

The proposed legislation also gives to the Boards of Review, Discharges, and Dismissals, the authority to review discharges issued pursuant to a general courts-martial. Heretofore this authority has been confined to the Boards for the Correction of Military, Naval, and Air Force Records.

In considering postservice conduct as a factor, it should be noted that the Boards for the Correction of Military, Naval, and Air Force Records, as well as the Army, Navy, and Air Force Boards of Review, Discharges, and Dismissals, take postservice conduct into consideration today when reviewing records of discharges of separated service personnel.

The proposed legislation makes such consideration a statutory requirement, and in addition authorizes the boards to issue exemplary rehabilitation certificates—the significant objective of this proposal.

This certificate will not be a substitute for the previous discharge. It will be dated as of the date it is issued by the Board, and it will not be issued in lieu of the original discharge. In addition, the certificate, if granted by the Board, will not entitle an individual to any benefits to which he was not otherwise entitled under the original discharge.

The net effect of the proposed legislation is that individuals will be given an opportunity to submit evidence of exemplary postservice conduct for a period of 3 years after separation, which, when taken into consideration with all other factors surrounding the original discharge, will entitle them, if recommended by the board, to a certificate which, it is hoped, will be of assistance to them in readjusting to civilian life.

ADMINISTRATIVE DISCHARGES

Prior to January 14, 1959, the Army, Navy, Air Force, and Marine Corps had different procedures for processing administrative discharges. In the report to the House with regard to H.R. 8772, the committee stated:

"It is apparent that a uniform system for the processing of undesirable discharges is long overdue. An undesirable discharge carries with it a stigma that remains with an individual for the rest of his life. Certainly that individual should be entitled to the equivalent amount of protection that surrounds an individual who is finally awarded a punitive discharge, pursuant to the action of a court-martial."

Therefore, the committee notes with interest that on January 14, 1959, a Depart-

ment of Defense directive was issued which revised the standards and procedures governing administrative discharges for personnel discharged from the Armed Forces. The following is a copy of the Department of Defense directive:

I will not herein set forth the text of the said directive; however, I wish to say that it, in my humble judgment, constitutes a noticeable step in advance—and a very timely step. I do, however, call attention to the fact that this directive dated January 14, 1959, by the Defense Department, which made a beginning for a uniform system for processing undesirable discharges, in many ways and places carries forward into a very timely directive an approach to some of the intent of H.R. 8772 of the 85th Congress and H.R. 88 in the 86th Congress, both of which were almost identical with the present bill, H.R. 1935. So while the Department of Defense is to be complimented upon adopting some of the language and expressed intents of the bills above numbered dealing with the subject of less-than-honorable discharges, nevertheless, Mr. Speaker, no directive does have the stability of endurance and life which is included in statutory provisions. I am informed that it is not an uncommon thing for directives to be altered.

Furthermore, Mr. Speaker, in my travels overseas as well as within the confines of our beloved Nation, I have found that in too many military commands of the U.S. Forces, the aforesaid directive dated January 14, 1959, and other directives have not yet filtered down to the level of the privates in U.S. military uniform so that they were actually not informed as to what their rights were in the areas concerned. And, as said in the Armed Services Committee unanimous report, with reference to directives from the military department and which directives emanated from the Defense Department subsequent to the filing of H.R. 8772 in the 85th Congress and H.R. 88 in the 86th Congress, to wit:

This is a step in the right direction. It does nothing, however, for the more than 130,576 personnel who have received undesirable discharges from the uniformed services since fiscal 1954. It does nothing for the more than 278,000 individuals who have received undesirable discharges since 1940. These individuals, along with the more than 200,000 persons who since 1940 have received bad conduct discharges or dishonorable discharges pursuant to the sentence of courts-martial, are not aided in any way by the new directive of the Department of Defense.

With reference to the directive of January 1959, the letter in opposition to H.R. 1935 from the Department of Defense, reciting that they believed such directive would be helpful, virtually admitted that when H.R. 88 and H.R. 8772 were filed there was need for additional legislation in this area. Also, Mr. Speaker, I call your attention to the fact that even now by their own language they only claim that much of the justification for additional legislation in this area has been obviated. Mr. Speaker, even now they do not claim that all of the justification has been obviated. And since Mr. Webster's definition of much is many in number it must, therefore, be accepted by their own language that our Defense Department recognizes that there are still many in number who are not justly treated through their directives. As long as one deserving military personnel is not treated as he should be and could be, Mr. Speaker, it is my argument that the fact that many in number have been helped by the directives is not sufficient. Since it is well known and generally admitted that there are thousands who are entitled to just treatment and have not yet received it, it is, therefore, vigorously claimed that our Defense Department should be told by Congress to make their procedures such that all who deserve shall receive justice.

It is noted that the Military Establishment—that is some of it, I am informed, not all of it—still opposes the enactment of H.R. 1935 or any legislation in this area which binds them to change their procedures, outlook and policy in the area. But in this connection, as to their opposition, I call your attention to page 9452 of the CONGRESSIONAL RECORD for June 5, 1961, wherein was quoted a letter from the distinguished gentleman from Georgia [Mr. VINSON], to the distinguished chairman of the Senate Armed Services Committee on February 5, 1960, in which the distinguished gentleman from Georgia referred to the opposition of the military to the then pending bill, H.R. 88, in which the distinguished gentleman from Georgia said:

I think it is rather ridiculous.

And to at least tend to prove that some of the highly responsible military personnel at the judicial level are not opposed to H.R. 1935, I herewith set forth a copy of a most inspiring and helpful letter to me dated June 15, 1961, from the distinguished Chief Judge of the U.S. Court of Military Appeals.

U.S. COURT OF MILITARY APPEALS,
Washington, D.C., June 15, 1961.

MY DEAR CONGRESSMAN: Thank you for your letter. I'm sure H.R. 1935 is a step in the right direction. A d.d. or a b.c.p. or an undesirable discharge is a very heavy penalty lasting through a boy's whole life. Very few realize its severity. Your efforts to correct a bad situation are highly commendable. More power to you.

Warmest regards,
Sincerely yours,

ROBERT E. QUINN.

Further quotations from the House Armed Services Committee unanimously approved are as follows:

And, in that connection, the Committee on Armed Services again notes the development of an alarming trend in the administration of justice in the armed services. In fiscal 1954, 23,805 members of the armed services received undesirable discharges; in fiscal 1957, 27,211 individuals received undesirable discharges through a nonjudicial process. In fiscal 1958, 30,784 individuals received undesirable discharges through this administrative process.

In fiscal 1954, 18,390 individuals were awarded dishonorable or bad conduct discharges. In fiscal 1957 this figure had dropped to 11,658; and in fiscal 1958, the figure had further been reduced to 10,000 bad conduct or dishonorable discharges awarded pursuant to the sentence of courts-martial.

The trend then is quite apparent. As the punitive discharge rate pursuant to the sentence of courts-martial goes down; the administrative undesirable discharge rate goes up. It is perfectly apparent, notwithstanding the new Department of Defense directive, that an individual's rights in a proceeding to determine whether he should be awarded an undesirable discharge are relatively meaningless compared to his rights when subjected to a bad conduct or dishonorable discharge through courts-martial proceedings. In this connection, it is interesting to note a portion of the 1960 Annual Report of the U.S. Court of Military Appeals, which stated:

"The unusual increase in the use of administrative discharge since the code became a fixture has led to the suspicion that the services were resorting to that means of circumventing the requirements of the code."

Perhaps the new directive issued by the Department of Defense will have some effect upon the tendency of the military services to turn to the undesirable administrative discharge in lieu of a courts-martial proceeding, but this will be of no benefit to the more than a quarter of a million individuals who have already received undesirable discharges. The very least, therefore, that can be done for these individuals and others to follow is to give them an opportunity to earn the certificate recommended in the proposed legislation.

The Department's recommendation that a civilian agency award the rehabilitation certificate is ridiculous. A certificate issued by a local civilian agency would pale into insignificance when compared to a certificate awarded by a board under the auspices of the Armed Forces.

The whole purpose of the exemplary rehabilitation certificate is to give an individual a piece of paper which will help him in his effort to readjust to civilian life and to obtain gainful employment where possible. It is an attempt to mitigate a lifetime blemish on his record.

And yet the Department of Defense will not even agree to a proposal that would permit such a certificate to be issued by a board with a military connotation. The attitude of the Department of Defense with respect to the proposed legislation appears to be that once an individual has been discharged from the armed services, any stigma attached to his record is for life, regardless of the original reasons for the discharge and all other factors that may subsequently intervene.

On the other hand, the committee is seriously concerned about the many thousands of individuals who must go through life with a dishonorable, bad conduct, or undesirable discharge. Many of these individuals find it difficult to obtain employment because of the nature of their discharges.

Some of them entered the armed services at an early age. Some were immature and were rapidly exposed to a new way of life to which they were not able to immediately adjust. Some of them became involved in serious crimes; others in a series of petty offenses. Some are hardened criminals; but many are not. There should be some method by which an individual who has successfully rehabilitated himself in civilian life may at least be awarded a certificate by the armed force that issued him a discharge under conditions other than honorable attesting to the fact that in the opinion of that armed force he should no longer be subjected to the stigma that necessarily flows from the receipt of a discharge under other than honorable conditions.

Certainly the committee does not desire to recommend any type of program that would in any way adversely affect discipline in the armed services or would in any way cheapen the honorable discharge, or the discharge under honorable conditions earned

by so many millions of former American servicemen. But the committee does question the soundness of a system which does not allow an individual to have his exemplary postservice conduct taken into consideration with a view toward awarding a certificate attesting to the fact that he has rehabilitated himself, at least in those cases where the original offenses were relatively minor contrasted with the lifetime punishment inflicted.

The boards of review of dicharges and dismissals have reviewed many thousands of cases of individuals discharged from the armed services except those discharged pursuant to the sentence of a general court-martial. For example, the Army from October of 1944 to February of 1957 reviewed 54,983 cases. Of this number, the Army Board changed 8,855 from under less than honorable conditions to a discharge under honorable conditions. From January of 1947 to March 31, 1957, the Army Board for the Correction of Military Records reviewed 8,927 discharge cases and changed 786, but of this number only 178 were changed from less than honorable to honorable conditions or better.

In the Navy and Marine Corps from January of 1946 to March of 1957 the Boards of Review, Discharges, and Dismissals considered 41,699 cases and changed 9,337 discharge cases. But of this number only 3,454 were changed from less than honorable conditions to honorable conditions or better. From April of 1947 to April of 1957 the Navy Board for the Correction of Naval Records reviewed 6,279 cases and changed 826 discharges, of which 733 were from less than honorable conditions to honorable conditions or better.

While this indicates that the Boards of Review, Discharges, and Dismissals have changed a reasonable number of discharges, it does not reflect the substantial number of individuals with less than honorable conditions discharges who have not even applied to the Boards for the review of their discharges.

The committee also recommends two additional changes in existing law dealing with the Board of Review, Discharges, and Dismissals.

At present, these Boards do not have authority to review the sentences of general courts-martial since discharges issued pursuant to a general courts-martial can be reviewed by the Board for the Correction of Military, Naval, or Air Force Records. However, an individual with a dishonorable or bad conduct discharge issued pursuant to a general court-martial will, under the proposed legislation, be able to submit his case to the Boards of Review, Discharges, and Dismissals in order that that Board, composed entirely of military officers, may first review the case before it is again submitted for review by the Boards for the Correction of Military, Naval, or Air Force Records, which is composed entirely of civilians.

In addition, the committee has eliminated the termination date, contained in present law, for the filing of applications of review by the Boards of Review, Discharges, and Dismissals.

It should be noted that the Boards for the Correction of Military, Naval, and Air Force Records exercise the right to assume jurisdiction or to decline jurisdiction as they see fit. Nothing in the proposed legislation will alter this procedural prerogative of the Boards for the Correction of Military, Naval, or Air Force Records.

The proposed legislation, as indicated, will permit the services, through Board action, to grant an exemplary rehabilitation certificate in certain cases where no other form of relief may otherwise be awarded.

Many Members of Congress have introduced proposed legislation similar to or identical with H.R. 1935, including the following:

Member	Similar bill	Identical bill
Bob Wilson		H.R. 193.
Jacob H. Gilbert		H.R. 673.
Clyde Doyle		H.R. 1150.
James C. Healey		H.R. 2241.
A. Sydney Herlong, Jr.		H.R. 2243.
Emanuel Celler		H.R. 2462.
James G. Fulton		H.R. 2703.
Kathryn E. Granahan		H.R. 2706.
Elmer J. Holland		H.R. 2712.
Herbert Zelenko		H.R. 3185.
Jeffery Cohelan		H.R. 3243.
John J. McFall		H.R. 4364.
Roland V. Libonati	H.R. 250	
Thomas J. Lane	H.R. 709	
Gordon L. McDonough	H.R. 1187	
Leonard Farbstein	H.R. 1279	
Jack Westland	H.R. 2328	
Alfred E. Santangelo	H.R. 5993	

In addition, the following organizations indicated their approval of H.R. 88, or its objective, in the 86th Congress:

Veterans of Foreign Wars.
American Veterans of World War II.
American Veterans Committee.
Disabled American Veterans.
American Federation of Labor and Congress of Industrial Organizations.

Mr. Speaker, during all of the 4-year period or thereabouts which I have been pleased to emphasize the necessity of some such legislation as H.R. 1935 and its predecessors, H.R. 88 and H.R. 8772, whenever I was asked by any of my distinguished colleagues as to what I expected to reasonably result therefrom, I have always made it crystal clear previously, and I now do so, to wit: That I was reasonably sure that such legislation would accomplish two worthy results, to wit: First, at least a little of the stigma attaching to any recipient of less-than-honorable discharges—and who did not receive a court-martial—would be removed; second, that some reasonable percentage or number of the total number involved, to wit: over 200,000 or thereabouts, would be thus more enabled to obtain dignified employment commensurate with ther ability instead of being foreclosed therefrom on account of their type of discharge received; to wit: undesirable or unsuitable, when they had never committed a crime nor had a court-martial for anything with criminal intent attached thereto. My belief is that very many sound, fair employers will at least grant the holder of an exemplary rehabilitation certificate, as provided for in H.R. 1935, an interview when they apply for employment. This is true because most men in their youth or early years have made mistakes without ever involving any intent of violating Federal statute.

I frequently recall what Adm. Charlie Brown, U.S. Navy, told me aboard the flagship in the Mediterranean Sea a few year ago: That he had been so full of mischief at the Academy that if he had been in a military establishment himself he would, no doubt, have received an unsuitable or undesirable discharge. I again refer to him because a couple of years ago I placed in the CONGRESSIONAL RECORD further comments about him and his authorizing me to say that he was in favor of the Doyle bill.

Mr. Speaker, this bill is purely a humanitarian bill. That is all it is. Therefore, you and my other distinguished colleagues can readily see that we are hopeful that H.R. 1935 will be unanimously approved on the Consent Calendar and that it shall go forward to the other body on the other side of the Capitol at the earliest possible hour where I am sure it will have fullest and fairest consideration by the members of the Armed Services Committee of that distinguished legislative body and in which body, I am reliably informed, some members thereof are ready to file a bill similar to H.R. 1935 and that it may go forward to the Armed Services Committee on the other side of the Capitol at the earliest possible date.

In this connection, Mr. Speaker, I well remember how the distinguished chairman of the other Armed Services Committee, told me most sincerely and cordially and emphatically when I was conferring with him a couple of years ago on H.R. 88 in substance that as long as there was one who deserved the benefits of H.R. 88 it was a good bill.

Mr. LANE. Mr. Speaker, when a man commits a relatively minor offense in civilian life, and it is his first infraction of the laws, he is given a suspended sentence, and is placed on probation. In other words, he is given a break. Should he repeat the offense, or one similar to it, he is sentenced to serve a few weeks or months in the house of correction. If he learns his lesson and does not run afoul of the law from then on, he can live a normal life. His record does not prejudice his social and economic future.

I have never had a man with this background complain to me, after several years have passed, that he is being treated as a second-class citizen, or that he finds the doors to employment shut in his face. On the other hand, at least 100 veterans over a period of 20 years, have requested my help to have their less-than-honorable discharges changed to honorable discharges.

"My children are growing up, and what am I going to say when they ask me about my military service during the war?" or—"I apply for a job and it looks as though I'm about to be hired until I am asked to show my discharge. Then I get the polite 'so sorry' business. 'But, we will put your name on file in case something else turns up.' I do not even try those companies working on Government contracts. There is not a chance for men like me—no matter how well we can do the job."

Upon looking into their cases, I have found that most of these men were charged with minor violations of military discipline while in service. They did not desert under fire, strike an officer, commit robbery or rape. There was no rehabilitation or retraining for these offenders that would return many of them to an honorable duty status, and the chance to earn an honorable discharge.

The normal punishment that might have been adjudged had the act or incident been committed in civilian life, was not determined. He was not given the opportunity to make amends and to clear his name, but was summarily separated from service "under a cloud" that

continues its subtle punishment of him for the rest of his life. This carryover, continuing and inescapable punishment—oftentimes for misdemeanors—is what we seek to eliminate by this bill.

We recognize that there must be punishment for breaches of discipline. At the same time we believe that, in too many cases, the indifference of the Military Establishment to rehabilitation and retraining that would give the offender the chance to pay his debt to the military, has forced veterans to suffer from this stigma and the resulting economic and social discrimination without hope of ever clearing their names. In effect, for relatively minor offenses—they have received a life sentence.

We hold no brief for those who became involved in serious crimes while they were members of the Armed Forces. At the same time, we do not believe that petty offenders should be lumped together with them, and be compelled to bear the same burden. Furthermore, it is not our purpose to equate the service of minor offenders, with the honorable discharges earned by so many millions of former American servicemen.

We do believe, however, that they have suffered enough and that their continuing ineligibility for veterans' benefits maintains the differentiation between those who served honorably, and those who did not. It is our purpose to change the present unfair practice of branding a man for life because of some not-too-serious misconduct while in service. When organizations like the Veterans of Foreign Wars, the American Veterans of World War II, the American Veterans' Committee, and the Disabled Veterans, who are vigilant in protecting the prestige and the rights of all honorably discharged veterans, recognize that the inflexible attitude of the military toward those veterans with less-than-honorable discharges, is too harsh and far reaching; we have the most impressive testimony in favor of a change.

The House confirmed the need for this legislation by passing it unanimously under the two-thirds rule, in the 86th Congress. The award of an "Exemplary Rehabilitation Certificate" to a veteran who has established, after 3 years from the time of his separation from service, proof as to his good character and adjustment to civilian life, will do much to balance the scales of justice in those worthy cases where the punishment inflicted by a less-than-honorable discharge has been excessive.

I wholeheartedly support H.R. 1935, because it will restore freedom of opportunity to those veterans with less-than-honorable discharges who are presently the victims of discrimination when seeking employment.

Mr. COHELAN. Mr. Speaker, I would like to warmly endorse H.R. 1935 and my own companion bill, H.R. 3243, which would provide for boards to determine whether or not, on the basis of satisfactory evidence of good character and exemplary conduct in civilian life, certain discharges from the Armed Forces should be corrected.

Essentially, this legislation provides increased opportunities for justice. By providing a review of less-than-honorable discharges, it allows those who have made mistakes in the past to redeem themselves through good conduct in civilian life. The charges which result in a less-than-honorable discharge are often very minor and often would not even constitute a felony in civilian life. A review of such discharges would provide for the application of civilian standards to civilians.

This review would not result in an increased cost to the taxpayer. In essence, it would provide more justice per taxpayer's dollar.

The humanitarian character of this legislation is obvious. We cannot ignore the need for equal justice for less-than-honorable dischargees under civilian standards. H.R. 1935 and 3243 provide that necessary justice, and therefore I urge the House to grant them rapid approval.

Mrs. GRANAHAN. Mr. Speaker, as a cosponsor of H.R. 1935 introduced by Congressman CLYDE DOYLE, I want to extend my congratulations to the conscientious gentleman from California for the hard work and the effective work he has put into the task of achieving House consideration of this measure. As we all know, he sponsored a similar bill in the previous Congress, H.R. 88, which unanimously passed the House but not in time to be considered in the Senate Armed Services Committee prior to final adjournment of the 86th Congress.

I trust that in acting on H.R. 1935 at this comparatively early stage of the 87th Congress, the House will be assuring full opportunity for the bill also to be considered and acted on by the Senate. I hope so.

Mr. Speaker, we all know of cases in our congressional districts of men who were separated from the armed services under a cloud and who have been paying for that fact throughout their lives. The same thing is true, of course, of any citizen who is convicted of a serious crime. Sometimes it occurs in the case of an upstanding citizen accused even of some minor offense. The Senate, as we know, recently had a long-drawn-out confirmation battle over the nomination of a high Government official who, as a youth on a college vacation logging job, was arrested for being involved in a fist fight. His arrest record had been brought up frequently in his political service career. Apparently, he neglected to mention it on the formal Government employment form, and as a result his confirmation was bitterly fought.

I do not propose that we wipe off a man's record all of the background facts, but I do think that some means should be available to enable a veteran who has gotten in trouble while in the service to have his record later put in some perspective. Sometimes servicemen who committed very minor infractions, later found it almost impossible to get employment because their discharge certificates were other than honorable.

The bill before us would enable a deserving veteran to achieve a review of his service record under very definite standards which would be uniform for all of the services. Right now, the standards vary as between the services. Also, this bill would give to a man who has later proved in civilian life that he has rehabilitated himself an opportunity to obtain a review of his record so that he can obtain a certificate of rehabilitation to accompany his discharge form. Of course, this would not entitle the veteran to any Federal benefits—it would just attest to his character and reputation.

Of great importance, is the provision of the bill which would require Boards of Review, Discharges and Dismissals to take into consideration, when asked to change a discharge, the following facts in reviewing an undesirable discharge: the conditions which prevailed at the time of the incident; the age of the individual; the normal punishment which might have been adjudged had the act or incident occurred in civilian life; and the moral turpitude, if any, involved in the incident.

If such standards are in effect, I think we can look for greater fairness to men who had at sometime or other committed offenses in the service which have led to lifetime punishments which far surpass the crime, including the punishment of lifetime employment hardship because of possibly a minor incident of misconduct as a youngster in his first few months away from home.

Again I want to thank the gentleman from California [Mr. DOYLE] for the long and unselfish hard work he has put into this legislation. My husband, while in Congress, was interested in this same problem as a result of cases called to his attention, and I am grateful that Mr. DOYLE, in tribute to Bill's interest and activity in this area, asked me to cosponsor H.R. 1935, which I have done by introducing H.R. 2706, a companion measure.

Mr. Speaker, I urge the passage of H.R. 1935.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPEALS IMPROVIDENTLY TAKEN

The Clerk called the bill (H.R. 75) to amend section 2103 of title 28, United States Code, relating to appeals improvidently taken.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2103 of title 28, United States Code, is amended to read as follows:

"§ 2103. Appeal from State court or from a United States court of appeals improvidently taken regarded as petition for writ of certiorari

"If an appeal to the Supreme Court is improvidently taken from the decision of the highest court of a State, or of a United States court of appeals, in a case where the proper mode of a review is by petition for certiorari, this alone shall not be ground for dismissal; but the papers whereon the appeal was taken shall be regarded and acted on as a petition

for writ of certiorari and as if duly presented to the Supreme Court at the time the appeal was taken. Where in such a case there appears to be no reasonable ground for granting a petition for writ of certiorari it shall be competent for the Supreme Court to adjudge to the respondent reasonable damages for his delay, and single or double costs."

With the following committee amendment:

Page 2, line 8, at the end of line 8 add the following new section:

SEC. 2. Item 2103 of the chapter analysis of chapter 133 of title 28, United States Code, is amended to read as follows:

"2103. Appeal from State court or from a United States court of appeals improvidently taken regarded as petition for writ of certiorari."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. MILLS). That completes the call of bills on the Consent Calendar.

ANNOUNCEMENT

Mr. WALTER. Mr. Speaker, in view of the fact that references have been made to the committee concerning the extent of a bill that is on the suspension list this morning, I am not going to offer a motion to consider it under suspension of the rules at this time.

The SPEAKER pro tempore. The gentleman has two bills on the suspension list.

Mr. WALTER. Mr. Speaker, when the bill authorizing approval of compact between the States of New Jersey, Pennsylvania, New York, Delaware, and the United States was called on the Consent Calendar, I announced that an application for a rule had been made for consideration of that bill; therefore, the motion will not be made.

AMENDMENT TO CHARTER OF INTERNATIONAL FINANCE CORPORATION

Mr. SPENCE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6765) to authorize acceptance of an amendment to the articles of agreement of the International Finance Corporation permitting investment in capital stock.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the International Finance Corporation Act (22 U.S.C. 282c) is amended by adding immediately after the first sentence thereof the following: "The United States Governor of the Corporation is authorized to agree to an amendment to article III of the articles of agreement of the Corporation to authorize the Corporation to make investments of its funds in capital stock and to limit the exercise of voting rights by the Corporation unless exercise of such rights is deemed necessary by the Corporation to protect its interests, as proposed in the resolution submitted by the Board of Directors on February 20, 1961."

The SPEAKER pro tempore. Is a second demanded?

Mr. GROSS. Mr. Speaker, I ask a second.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill, H.R. 6765, would authorize the Secretary of the Treasury as the U.S. Governor of the International Finance Corporation to cast the vote of the United States in favor of an amendment to the articles of agreement, which will authorize the Corporation to invest in capital stock.

The Corporation was organized in 1956, with a capitalization of $100 million, $35.2 million of which was subscribed by the United States. Its purpose is to furnish aid to the underdeveloped areas of the free world. It is an affiliate of the International Bank for Reconstruction and Development.

The Corporation has sustained no losses during its life, but it finds itself hampered by the fact it cannot render the services it should render because of the limitation of its investments.

The amendment would authorize it to purchase capital stock in order to furnish equity capital where it is greatly needed.

If the United States approves the amendment, and that question is now being submitted to you, there is no doubt that it will be adopted. The Secretary of the Treasury has asked for the amendment, and he feels it would be essential to the continued successful functions of this Corporation to have this power.

The adoption of the amendment would not result in the Corporation invading private enterprise or the Government competing with private business. This stock, if purchased, will have no voting power to control ordinary operations. It can only be voted by the International Finance Corporation in exceptional cases, such as, reorganization, increase in capital stock, or in cases of liquidation of assets.

I understand that Hon. Eugene Black, the President of the International Bank for Reconstruction and Development, has agreed to assume the additional duties as President of IFC. This would assure the continuous operation of the Corporation in a sound and progressive manner.

We have been the leader in international finance and we must continue to lead.

The free nations associated with us are relying on us. The legislative bodies of 27 nations have already approved this resolution. If we make any changes or if we refuse to pass it, the whole program will collapse.

Mr. Speaker, I commend this bill to the House.

Under leave to extend my remarks, I insert the pertinent part of the report of the Committee on Banking and Currency on the bill.

The Committee on Banking and Currency, to whom was referred the bill (H.R. 6765) to authorize acceptance of an amendment to the articles of agreement of the International Finance Corporation permitting investment in capital stock, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

WHAT THE BILL WOULD DO

H.R. 6765 would authorize the Secretary of the Treasury, as U.S. Governor of the International Finance Corporation, to vote in favor of an amendment to the charter of the IFC so as to allow the IFC to invest in capital stock under limited conditions. IFC is an international organization, established to stimulate private investment, including equity investment, in the less developed countries which are members of the International Bank for Reconstruction and Development. It carries out its purpose by making investments in private enterprises in association with American and foreign private investors. Under its present charter, IFC investments may take the form of conventional, interest-bearing loans or they may be equity-type investments, involving convertible debentures, stock options, and other devices, but IFC is not permitted to invest in capital stock. The proposed amendment to its charter would allow it to invest in enterprises through the acquisition of stock, but would not allow it to vote the stock for purposes of managing any corporation in which it has invested. This prohibition against voting stock would be subject to the exception that IFC could exercise its voting rights in any situation which in its opinion threatens to jeopardize its investment.

HISTORY OF IFC

IFC was established in July 1956 as an affiliate of the International Bank for Reconstruction and Development (or World Bank). Unlike the IBRD and other similar international lending institutions, it invests solely in private businesses. Its purpose is to give direct encouragement to the stimulation and growth of private enterprise in the less developed countries of the free world.

Any country which is a member of the World Bank may become a member of IFC, and 59 of the Bank's 68 members have now joined. IFC's total authorized capital is $100 million, of which the present members have actually paid in $96.6 million, in dollars. The U.S. subscription, which we paid when we joined in 1956, is $35.2 million.

Through last December, IFC had made investment commitments totaling $44.8 million, of which $29.3 million had actually been disbursed. The average size investment is about $1¼ million. Thirty-six investment commitments have been made, covering 17 countries. In each case, additional private investment funds have been committed alongside the IFC's investment. These private investments have amounted to over $125 million, or nearly $3 of new private investment for each dollar IFC invested.

Most of the enterprises assisted by the Corporation are engaged in light and medium manufacturing in such fields as furniture, rubber products, automotive components and replacement parts, electrical equipment, steel products, and food packing. A number of firms in which IFC has invested produce basic materials such as cement, bricks, lumber products, fertilizers, and paper pulp. All of the firms have aided local economies by providing additional employment, and all contribute importantly to the growth of the private sector of the developing economies.

To date, IFC has sustained no losses on its investments.

DISADVANTAGES OF PRESENT RESTRICTION AGAINST IFC'S HOLDING STOCK

Secretary of the Treasury Douglas Dillon's testimony before your committee indicates that IFC has been severely limited in its operations by the provision in article III, section 2(a) of its articles that "financing [by the Corporation] is not to take the form of investments in capital stock."

Because of this limitation, IFC has had to resort to the use of convertible debentures or long-term stock options; that is, instruments which are not themselves common stock and may be converted to common stock only under prescribed conditions and only after they have been transferred out of IFC's hands.

However, convertible debentures are not well known in foreign capital markets, especially in the developing countries. In many of these countries legal provisions for the issuance of such debentures do not exist. Arrangements for long-term stock options have involved techniques which are legally complex and present substantial negotiating difficulties.

In sum, the charter limitation on the purchase of capital stock has severely restricted IFC's ability to carry out its primary function of stimulating private enterprise in the less developed areas.

Similar difficulties encountered by small business investment companies trying to operate under a similar restriction embodied in the Small Business Investment Act of 1958 led to an amendment last year removing this limitation and allowing such companies to invest in stock of small business corporations.

SAFEGUARDS AGAINST ABUSE OF AUTHORITY TO HOLD STOCK

The original reason for including a prohibition against equity investment in the articles of agreement was to insure that IFC would not, as a result of stock ownership, have management responsibilities in the private enterprises in which it invested. Such responsibilities properly lie with the private owners of the enterprise. This concept is a sound one and remains applicable today. Therefore, safeguards have been incorporated in the proposed amendment to insure that IFC will not become involved in the operational or management decisions of the enterprises in which it invests.

The form of the proposed amendment to the articles of agreement is embodied in the proposed resolution of the Board of Governors of the International Finance Corporation. It proposes that article III, section 2, of the Corporation's articles, which contains the restriction against investments in stock, would be deleted, and a new section 2 would be substituted, reading simply:

"The Corporation may make investments of its funds in such form or forms as it may deem appropriate in the circumstances."

In order to safeguard the Corporation's role in exercising voting rights attached to capital stock which it acquires, subsection (iv) of article III, section 3, which now reads, "The Corporation shall not assume responsibility for managing any enterprise in which it has invested," would be amended by adding: "and shall not exercise voting rights for such purpose or for any other purpose which, in its opinion, properly is within the scope of managerial control."

This formulation would achieve the purpose of the original prohibition on the purchase of capital stock. Yet it would also permit the Corporation to take the necessary steps to protect its interests in the event it is legally required, as a stockholder, to vote on such matters as corporate reorganization, increase of capitalization, etc.

Notwithstanding this prohibition, IFC would also have the right, under section 4 of article III of the articles of agreement, to vote its stock where necessary to protect its interests "in the event of actual or threatened default on any of its investments, actual or threatened insolvency of the enterprise in which such investment shall have been made, or other situations which, in the opinion of the Corporation, threaten to jeopardize such investment."

Mr. GROSS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to ask the gentleman from New York, since I was unable to hear the gentleman from Kentucky, if he can give us a brief explanation of this bill. What is proposed to be done?

Mr. MULTER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. MULTER. This bill has been requested by the Secretary of the Treasury, representing the United States in the International Finance Corporation in order to make its operation more effective. It calls for no additional money on the part of the United States. It calls for no further contribution. It merely is an attempt to make the operation more effective. We found during the operation of this organization that merely offering money as a loan, on a straight loan basis, does not meet the needs of some of these countries that are members of the World Bank and its subsidiary the International Finance Corporation. I think the gentleman in the well knows, as Members of the House do, that only members of the Bank and of the Corporation can avail themselves of their facilities, either by way of loans or equity investment.

Up to now equity investments have not been possible. This will permit equity investments.

Mr. GROSS. This will permit loans to nonmember countries?

Mr. MULTER. No, it will not.

Mr. GROSS. Specifically, what does the gentleman mean by straight loans?

Mr. MULTER. Straight loans are loans which they are presently authorized to make and which must be repaid in full. They are loans to companies within these foreign countries that are members of the Bank, not to the countries themselves. Presently the charter permits the making of loans but not the making of equity investments in any of the enterprises set up in these foreign countries. This bill will permit the organization to take an equity position in a company in these countries that are members of the organization.

Mr. GROSS. It is not anticipated that on the basis of this legislation there will be an increase in the U.S. subscription to this international organization?

Mr. MULTER. Not one dollar more will be subscribed, nor is it intended that this will open the door to further subscriptions. This, if anything, may decrease or at least tend to decrease the call on us for money in our foreign aid programs which we, the United States, support on our own.

Mr. GROSS. Are the loans made in hard or soft currencies?

Mr. MULTER. These are hard currency loans.

Mr. GROSS. What is the rate of interest charged?

Mr. MULTER. The rate varies from country to country in accordance with what the going rate may be in those countries. It is always at a profit to the institution. There have been no losses sustained to date.

Mr. GROSS. I thank the gentleman.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. HOFFMAN of Michigan. What security do we get for the repayment?

Mr. GROSS. I could not answer that question; perhaps the gentleman from New York can.

Mr. HOFFMAN of Michigan. Can the gentleman from Iowa ask the gentleman from New York?

Mr. MULTER. Mr. Speaker, will the gentleman yield further?

Mr. GROSS. I yield.

Mr. MULTER. The security invariably depends upon the situation in the country where the loan is being made. In every instance the security taken is such as any good banker would deem guarantees reasonable assurance of repayment of the loan. These are sound loans.

Mr. GROSS. I am glad to hear there is one international lending institution that at least makes some effort to operate on the basis of sound banking principles.

Mr. MULTER. There are others, too.

Mr. GROSS. I have not heard of them.

Mr. MULTER. The Export-Import Bank is another one. That is solely within the control of the United States. It is a solely owned U.S. corporation. It has always operated on that basis.

Mr. GROSS. I hope the gentleman is correct.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. BOW. The gentleman has received the information that these loans are made in hard currencies. I wonder if the gentleman could find out whether the repayment is made in hard currencies or whether it is made in local currencies.

Mr. GROSS. I yield to the gentleman from New York.

Mr. MULTER. When I talked about hard currency loans, I thought that it was implicit in my statement that not only did we lend in hard curencies, but that the loans are repayable in hard currencies. None of these loans is repayable in soft currencies.

Mr. BOW. Then there will be no further creation of foreign currencies under this act?

Mr. MULTER. No currencies are created under this act and none will be created by this amendment to the charter.

Mr. GROSS. I thank the gentleman; and, Mr. Speaker, I yield back the balance of my time.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill, H.R. 6765?

The question was taken; and the Speaker announced that in the opinion of the Chair two-thirds had voted in favor thereof.

Mr. HOFFMAN of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were yeas 328, nays 18, not voting 89, as follows:

[Roll No. 85]

YEAS—328

Abbitt	Davis, Tenn.	Jennings
Abernethy	Dawson	Jensen
Addabbo	Delaney	Joelson
Addonizio	Dent	Johnson, Calif.
Albert	Denton	Johnson, Md.
Andersen, Minn.	Derounian	Johnson, Wis.
	Derwinski	Jonas
Anderson, Ill.	Devine	Jones, Ala.
Andrews	Diggs	Jones, Mo.
Arends	Dingell	Judd
Ashbrook	Dole	Karsten
Ashley	Dominick	Karth
Ashmore	Donohue	Kastenmeier
Aspinall	Doyle	Kearns
Auchincloss	Duiski	Kee
Avery	Durno	Keith
Ayres	Dwyer	Kelly
Baldwin	Edmondson	Kilday
Barrett	Elliott	Kilgore
Barry	Ellsworth	King, Calif.
Bass, Tenn.	Everett	King, N.Y.
Bates	Fallon	King, Utah
Becker	Fascell	Kirwan
Beckworth	Feighan	Knox
Belcher	Fenton	Kornegay
Bell	Finnegan	Kowalski
Bennett, Fla.	Fisher	Kunkel
Bennett, Mich.	Flood	Kyl
Berry	Fogarty	Landrum
Betts	Ford	Lane
Blatnik	Forrester	Langen
Blitch	Fountain	Lankford
Boggs	Frazier	Latta
Boland	Frelinghuysen	Lennon
Bolling	Friedel	Libonati
Bolton	Gallagher	Lindsay
Bow	Garland	McCormack
Bray	Garmatz	McCulloch
Breeding	Gary	McDonough
Bromwell	Gathings	McDowell
Brooks, Tex.	Gavin	McFall
Brown	Gilbert	McIntire
Broyhill	Goodell	McMillan
Burke, Ky.	Goodling	McVey
Burke, Mass.	Granahan	Mack
Burleson	Gray	Madden
Byrne, Pa.	Green, Pa.	Magnuson
Byrnes, Wis.	Griffiths	Mahon
Cahill	Gubser	Mailliard
Cannon	Hagen, Calif.	Marshall
Carey	Haley	Martin, Mass.
Casey	Halleck	Martin, Nebr.
Celler	Halpern	Mason.
Chamberlain	Hansen	Mathias
Chelf	Harding	Matthews
Chenoweth	Harris	Miller, George P.
Chiperfield	Harrison, Wyo.	
Church	Harvey, Ind.	Milliken
Coad	Harvey, Mich.	Mills
Cohelan	Healey	Minshall
Collier	Hébert	Moeller
Colmer	Hechler	Montoya
Conte	Hemphill	Moore
Cook	Herlong	Moorehead, Ohio
Cooley	Hiestand	
Corbett	Hoeven	Moorhead, Pa.
Corman	Holifield	Morgan
Cunningham	Holland	Morris
Curtin	Holtzman	Morse
Curtis, Mass.	Horan	Mosher
Curtis, Mo.	Huddleston	Moss
Daddario	Ichord, Mo.	Multer
Dague	Ikard, Tex	Murray
Daniels	Inouye	Natcher
Davis, John W.	Jarman	Nix
Norblad	Rogers, Fla.	Sullivan
Nygaard	Rogers, Tex.	Taylor
O'Brien, Ill.	Rooney	Teague, Calif.
O'Brien, N.Y.	Rostenkowski	Teague, Tex.
O'Hara, Ill.	Roudebush	Thomas
O'Hara, Mich.	Roush	Thompson, N.J.
Olsen	Rutherford	Thompson, Tex.
O'Neill	Ryan	Thomson, Wis.
Ostertag	St. George	Thornberry
Passman	Saund	Toll
Pelly	Saylor	Tollefson
Perkins	Schadeberg	Trimble
Peterson	Schenck	Tupper
Pfost	Scherer	Udall
Philbin	Schneebeli	Ullman
Pike	Schweiker	Vanik
Pilcher	Schwengel	Van Zandt
Pillion	Scott	Vinson
Pirnie	Scranton	Wallhauser
Poff	Seely-Brown	Walter
Powell	Selden	Watts
Price	Shelley	Weaver
Pucinski	Shipley	Weis
Quie	Shriver	Westland
Rabaut	Sibal	Whalley
Randall	Sikes	Whitener
Ray	Sisk	Wickersham
Reece	Slack	Widnall
Reuss	Smith, Calif.	Williams
Rhodes, Ariz.	Smith, Miss.	Wilson, Calif.
Rhodes, Pa.	Smith, Va.	Wilson, Ind.
Riehlman	Spence	Yates
Riley	Stafford	Younger
Robison	Steed	Zablocki
Rodino	Stratton	Zelenko
Rogers, Colo.	Stubblefield	

NAYS—18

Alford	Fulton	Patman
Bailey	Gross	Short
Battin	Hoffman, Mich.	Smith, Iowa
Bruce	Johansen	Van Pelt
Dorn	Lipscomb	Whitten
Dowdy	O'Konski	Winstead

NOT VOTING—89

Adair	Grant	Monagan
Alexander	Green, Oreg.	Morrison
Alger	Griffin	Moulder
Anfuso	Hagan, Ga.	Murphy
Baker	Hall	Nelsen
Baring	Hardy	Norrell
Bass, N.H.	Harrison, Va.	Osmers
Beermann	Harsha	Poage
Bonner	Hays	Rains
Boykin	Henderson	Reifel
Brademas	Hoffman, Ill.	Rivers, Alaska
Brewster	Hosmer	Rivers, S.C.
Brooks, La.	Hull	Roberts
Broomfield	Keogh	Roosevelt
Buckley	Kilburn	Rousselot
Cederberg	Kitchin	St. Germain
Clancy	Kluczynski	Santangelo
Clark	Laird	Sheppard
Cramer	Lesinski	Siler
Davis, James C.	Loser	Springer
	McSween	Staggers
Dooley	Macdonald	Stephens
Downing	MacGregor	Taber
Evins	Machrowicz	Thompson, La.
Farbstein	May	Tuck
Findley	Meader	Utt
Fino	Merrow	Wharton
Flynt	Michel	Willis
Giaimo	Miller, Clem	Wright
Glenn	Miller, N.Y.	Young

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Roosevelt with Mr. Adair.
Mrs. Green of Oregon with Mr. Utt.
Mr. Giaimo with Mr. Rousselot.
Mr. Hagan of Georgia with Mrs. May.
Mr. Rivers of Alaska with Mr. Osmers.
Mr. Brademas with Mr. Baker.
Mr. Brewster with Mr. Cramer.
Mr. Evins with Mr. Glenn.
Mr. Morrison with Mr. Hoffman of Michigan.
Mr. Willis with Mr. Griffin.
Mr. Thompson of Louisiana with Mr. Bass of New Hampshire.
Mr. Young with Mr. Cederberg.
Mr. Hull with Mr. Dooley.
Mr. Hardy with Mr. Reifel.
Mr. James C. Davis with Mr. Wharton.
Mr. Harrison of Virginia with Mr. Hosmer.
Mr. Loser with Mr. Beermann.
Mr. Sheppard with Mr. Alger.
Mr. Moulder with Mr. Findley.
Mr. Wright with Mr. Broomfield.
Mr. Alexander with Mr. Fino.
Mr. St. Germain with Mr. Hall.
Mr. Clark with Mr. Laird.
Mr. Lesinski with Mr. McGregor.
Mr. Staggers with Mr. Merrow.
Mrs. Norrell with Mr. Siler.
Mr. Murphy with Mr. Meader.
Mr. Monagan with Mr. Springer.
Mr. Clem Miller with Mr. Michel.
Mr. Hays with Mr. Nelson.
Mr. Farbstein with Mr. Miller of New York.
Mr. Keogh with Mr. Kilburn.
Mr. Anfuso with Mr. Harsha.
Mr. Buckley with Mr. Clancy.
Mr. Santangelo with Mr. Taber.

Mr. SMITH of Iowa changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

GENERAL LEAVE TO EXTEND

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, and that I may include the report of the committee in my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

OLD SERIES CURRENCY ADJUSTMENT ACT

Mr. SPENCE. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1619) to authorize adjustments in accounts of outstanding old series currency, and for other purposes.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Old Series Currency Adjustment Act".

SEC. 2. For the purposes of this Act—

(a) The term "Secretary" means the Secretary of the Treasury.

(b) The term "United States notes" means currency notes issued pursuant to the first section of the Act of February 25, 1862 (12 Stat. 345), the Act of July 11, 1862 (12 Stat. 532), the resolution of January 17, 1863 (12 Stat. 822), section 2 of the Act of March 3, 1863 (12 Stat. 709), or section 3571 of the Revised Statutes of the United States (31 U.S.C., sec. 401).

(c) The term "Treasury notes of 1890" means currency notes issued pursuant to the Act of July 14, 1890 (26 Stat. 289).

SEC. 3. The Secretary of the Treasury is hereby authorized and directed to transfer to the general fund of the Treasury, to be credited as a public debt receipt, the following:

(1) Gold held as security for gold certificates issued prior to January 30, 1934.

(2) Standard silver dollars held as security for, or for the redemption of, silver certificates issued prior to July 1, 1929.

(3) Standard silver dollars held as security for, or for the redemption of, Treasury notes of 1890.

SEC. 4. The Board of Governors of the Federal Reserve System, with the approval of the Secretary, may require any Federal Reserve bank to pay to the Secretary, to be credited as a public debt receipt, an amount equal to the amount of Federal Reserve notes of any series

prior to the series of 1928 issued to such bank and outstanding at the time of such payment.

SEC. 5. Any currency the funds for the redemption or security of which have been transferred pursuant to the provisions of section 3 of this Act, and any Federal Reserve notes as to which payment has been made under section 4 of this Act, shall thereafter, upon presentation at the Treasury for redemption, be redeemed by the Secretary from the general fund of the Treasury and thereupon retired.

SEC. 6. (a) Except as provided in subsection (c) of this section, upon completion of the transfers and credits authorized and directed by section 3 of this Act there shall be carried on the books of the Treasury as public debt bearing no interest the following:

(1) Gold certificates issued prior to January 30, 1934.

(2) Treasury notes of 1890.

(3) United States notes issued prior to July 1, 1929.

(4) Silver certificates issued prior to July 1, 1929.

(b) Except as provided in subsection (c) of this section, there shall be carried on the books of the Treasury as public debt bearing no interest Federal Reserve notes as to which payment has been made to the Secretary under section 4 of this Act and the amount of the payment credited as a public debt receipt in accordance with such section.

(c) The Secretary is authorized to determine, from time to time, the amount of—

(1) outstanding currency of any type designated in subsections (a) and (b) of this section,

(2) circulating notes of Federal Reserve banks, issued prior to July 1, 1929, for which the United States has assumed liability, and

(3) circulating notes of national banking associations, issued prior to July 1, 1929, for which the United States has assumed liability,

which, in his judgment, has been destroyed or irretrievably lost and so will never be presented for redemption, and to reduce accordingly the amount or amounts thereof outstanding on the books of the Treasury and to credit such amounts to the appropriate receipt account.

SEC. 7. The first paragraph of the Act of May 31, 1878, entitled "An Act to forbid the further retirement of United States legal-tender notes" (31 U.S.C., sec. 404), is amended by inserting immediately before the period at the end thereof the following: ": *And provided further,* That in the event of any determination by the Secretary of the Treasury under section 6 of the Old Series Currency Adjustment Act that an amount of said notes has been destroyed or irretrievably lost and so will never be presented for redemption, the amount of said notes required to be kept in circulation shall be reduced by the amount so determined".

SEC. 8. (a) The fifth paragraph of section 16 of the Federal Reserve Act (12 U.S.C., sec. 415) is amended by adding at the end thereof the following new sentence: "The liability of a Federal Reserve bank with respect to its outstanding Federal Reserve notes shall be reduced by any amount paid by such bank to the Secretary of the Treasury under section 4 of the Old Series Currency Adjustment Act."

(b) The seventh paragraph of section 16 of the Federal Reserve Act (12 U.S.C., sec. 416) is amended by striking out the third sentence and inserting in lieu thereof the following: "Any Federal Reserve bank shall further be entitled to receive back the collateral deposited with the Federal Reserve agent for the security of any notes with respect to which such bank has made payment to the Secretary of the Treasury under section 4 of the Old Series Currency Adjustment Act. Federal Reserve banks shall not be required to maintain the reserve or the redemption fund heretofore provided for against Federal Reserve notes which have been retired, or as to which payment has been made to the Secretary of the Treasury under section 4 of the Old Series Currency Adjustment Act."

SEC. 9. Nothing contained in this Act shall impair the redeemability of any currency of the United States as now provided by law.

SEC. 10. In order to provide a historical collection of the paper currency issues of the United States, the Secretary of the Treasury is authorized, after redemption, to withhold from cancellation and destruction and to transfer to a special account one piece of each design, issue, or series of each denomination of each kind of paper currency of the United States, including bank notes, heretofore or hereafter issued, and to make appropriate entries in the redemption accounts and other books of the Treasury to cover any such transfers.

The SPEAKER. Is a second demanded?

Mr. McDONOUGH. Mr. Speaker, I demand a second.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the purpose of this bill is to adjust the accounts of old series currency in the Treasury Department. The physical character of our currency was changed in 1929. At that time there were about $5 billion in old series currency in circulation. Since that time the old series currency has gradually disappeared. Now there is about $140 million in old currency that is unaccounted for.

The Treasury, by reason of its long experience, believes, and it has evidence to believe, that at least $100 million of this currency has been lost or destroyed. The Treasury has merely asked that it be permitted to make a bookkeeping entry of this fact. This entry would relieve the Government from paying interest and would release the gold and silver redemption fund for this $100 million. The Government is now paying interest at the rate of 3 to 4 percent on this $100 million. In other words, the Government is paying about $10,000 a day in interest on this lost or destroyed currency. This bill merely involves a bookkeeping entry. If you pass this bill, the Government will cease to pay that interest and will save from $3 million to $4 million a year. To save this money is certainly a policy against which there is no argument.

The bill has been passed by the Senate. It had the approval of the last administration and it has the approval of the present administration. I ask you to vote for the bill. In doing so, you will be rendering a service to your country.

Mr. McDONOUGH. Mr. Speaker, this bill came out of the Committee on Banking and Currency without any opposition. It is a good bill, in my opinion. It will restore some $98 million of gold, silver, and other assets held as security for our currency.

One of the original sponsors of the bill is the gentleman from Washington [Mr. WESTLAND], to whom I will be glad to yield for whatever time he desires to take.

Mr. WESTLAND. Mr. Speaker, I rise in support of S. 1619.

This is legislation which was conceived almost 4 years ago following a conversation I had with Mr. Charles E. Putnam, of Seattle, who suggested it might be possible to write off certain old currency no longer in circulation. This led to correspondence with Treasury Department officials who advised it had for some time considered the matter, but felt the details should be worked out by the Congress. With their cooperation, a bill was drafted which I introduced August 26, 1957, as H.R. 9444.

The 85th Congress failed to consider the bill, so I introduced the legislation again April 27, 1959, as H.R. 6678. Later, the chairman of this committee, the gentleman from Kentucky [Mr. SPENCE], introduced a similar bill. Also, similar legislation was introduced in the Senate. The Senate version, S. 3712, passed, but failed to reach the floor of the House. When the 87th Congress convened January 4, 1961, once more I introduced the old currency bill, H.R. 1844. My bill is similar to and would accomplish the same purpose as S. 1619 which found overwhelming support in the other body.

Mr. Speaker, I am not concerned with who introduced the legislation or with whose bill is considered. What I am concerned with is passage of the old currency legislation so that our taxpayers can be saved millions of dollars.

The Treasury and the Federal Reserve System are carrying gold, silver, and other reserves against old currency, a large portion of which has been destroyed while in circulation and consequently will never be presented for redemption. This legislation would free these reserves and permit the Treasury to obtain the benefit of their use for current purposes. The bill provides for the amount of the old currency which is outstanding to be carried as a part of the public debt bearing no interest. Any such old currency presented to the Treasury would be redeemed from the general fund and the amount of public debt would be correspondingly decreased.

The amounts carried as public debt would not be subject to the debt limitation. These transfers to the public debt accounts will not have any immediate effect on the current budgets until such times as the Treasury decides that the currency had been destroyed or will never be presented for redemption. When this determination is made, the amounts involved will be converted into the Treasury as miscellaneous receipts.

Mr. Speaker, this approach is along the line of the precedent established by laws and regulations for the adjustment of discontinued national bank circulation and Federal Reserve bank notes.

The Treasury has never reduced its outstanding currency accounts for currency held in private ownership and destroyed by fires, floods, and other disasters, except for a reduction of $1 million

in the amount of outstanding U.S. notes destroyed with the Subtreasury during the Chicago fire of 1871, and for write-offs of $8,375,934 in 1880 and $4,842,066 in 1920 of the fractional currency issued in the 1870's.

This bill would in no way prevent redemption by holders of old series currency nor would it prevent use of this currency as collector's items. The proposed bill would permit the Treasury to withhold from destruction pieces of each currency issued to provide a historical collection of the paper money of the United States.

Mr. Speaker, I believe this bill would be a businesslike step to provide savings to the taxpayers, without any adverse effect on our credit and without impairing the redeemability of the old currency. If the legislation I introduced back in 1957 had been passed and had become law, we could have saved the American taxpayers more than $10.5 million already.

Mr. Speaker, I sincerely hope that S. 1619 passes in this body so that it may become law. I believe this is an opportunity to take a positive step toward saving money for the taxpayers of this Nation.

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. BATES] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BATES. Mr. Speaker, over 2 years ago, the gentleman from Washington [Mr. WESTLAND] advised me of the substance of the bill now under consideration. I was impressed by its purpose and encouraged by the favorable reports concerning it. I have introduced H.R. 1733 which is similar to the Westland bill.

The purpose of these bills is well known to you. The need for them arose because, under law, it is necessary for the Treasury Department to carry gold, silver and other reserves against outstanding currency, some of which was issued 70 years ago and has never been redeemed. Undoubtedly, much of it has been lost or destroyed in one way or another. The bill would provide that the amount of this old currency be carried as part of the public debt bearing no interest. It would improve the Treasury's cash position by $100 million and save approximately $3 or $4 million annually in interest by reducing the need to borrow an equivalent amount.

All of the outstanding money would still be redeemed if presented. There is a precedent established by law and regulation for action of this kind.

This bill has been approved by the Treasury Department and a year ago was passed by the Senate. I urge its enactment.

Mr. McDONOUGH. Mr. Speaker, I now yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

The chairman of the Banking and Currency Committee, the gentleman from Kentucky [Mr. SPENCE], says that the character of our money has been changing. I am sure that he is 10,000 percent right, if any figure can be applied to rightness, that the character of our money has changed over the years. It is becoming cheaper and cheaper and cheaper. That same dollar which we used to talk about as being a dollar is now worth only about 45 cents, or 46 cents, is that correct?

Mr. McDONOUGH. The value of the dollar certainly has been reduced in its purchasing power.

Mr. GROSS. The basic purchasing power of our money has really changed?

Mr. McDONOUGH. It has, and by that I mean one cannot buy so much today with a dollar as one could 10 years ago.

Mr. GROSS. This bill does not provide for any of that multicolored money which they were talking about a week or so ago?

Mr. McDONOUGH. No, sir; this has reference only to old currencies that are presumed to be lost or burned or destroyed, for which we are holding $98 million in gold and silver in the Treasury.

We want to release that gold and silver and in that manner will actually reduce the national debt by $98 million.

Mr. GROSS. I was going to ask the gentleman if it did not have the effect of reducing the debt by that much.

With reference to this old currency, is that an estimated figure, or do you have a good, firm figure as to the amount of old currency involved?

Mr. McDONOUGH. These are the best estimates which we could obtain from the Department of the Treasury, and they certainly ought to know.

Mr. GROSS. What is the specific figure? Is it $100 million, $98 million, or $90 million?

Mr. McDONOUGH. The report on the bill indicates that the Treasury Department is holding approximately $98 million.

Mr. GROSS. Approximately $98 million?

Mr. McDONOUGH. Yes; in gold and silver. It is close to that amount.

Mr. GROSS. This will not provide as a replacement any of this multicolored money they have been talking about?

Mr. McDONOUGH. It would have no effect on that at all.

Mr. GROSS. Is the gentleman's committee considering that bill providing for blue, green, red, or gold colored money?

Mr. McDONOUGH. Up to now we have had no hearings on any such bills of that nature.

Mr. GROSS. I thank the gentleman.

Mr. McDONOUGH. Mr. Speaker, I yield back the balance of my time.

The SPEAKER. The question is, will the House suspend the rules and pass the bill (S. 1619).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

FREE ENTRY OF ELECTRON MICROSCOPES

Mr. IKARD of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3385) to provide for the free entry of an electron microscope for the use of Wadley Research Institute of Dallas, Tex., with committee amendments as printed in the bill.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 201 of the Tariff Act of 1930, as amended (19 U.S.C., sec. 1201), is amended by adding at the end thereof the following new paragraph:

"PAR. 1825. Apparatus utilizing any radioactive substance in medical diagnosis or therapeutic treatment, including the radioactive material itself when contained in the apparatus as an integral element of the apparatus, and electron microscopes, and parts or accessories of any of the foregoing, imported for its own use and not for sale by, or on behalf of, any nonprofit society, institution, or organization, whether public or private, incorporated or established for educational, scientific, or therapeutic purposes."

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of enactment of this Act and to articles covered by entries or withdrawals which have not been liquidated, or the liquidation of which has not become final, on such date of enactment.

The SPEAKER. Is a second demanded?

Mr. BYRNES of Wisconsin. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. IKARD of Texas. Mr. Speaker, the purpose of H.R. 3385, as amended and unanimously reported favorably by the Committee on Ways and Means, is to place on the free list of the Tariff Act of 1930, as amended, apparatus utilizing any radioactive substance in medical diagnosis or therapeutic treatment, including the radioactive material itself when contained in the apparatus as an integral element of the apparatus, and electron microscopes, and parts or accessories of any of these articles, when imported for its own use, and not for sale, by, or on behalf of, any nonprofit society, institution, or organization, whether public or private, incorporated

or established for educational, scientific, or therapeutic purposes.

At the time the Committee on Ways and Means considered H.R. 3385, there were pending before the committee bills which would have permitted the duty-free importation of one or more electron microscopes for Tulane University, New Orleans, La.; Wadley Research Institute, Dallas, Tex.; Stevens Institute of Technology, Hoboken, N.J.; Stanford University, Stanford, Calif.; University of North Carolina, Chapel Hill, N.C.; Duke University Medical Center, Durham, N.C.; Marine Biological Laboratory, Woods Hole, Mass.; and the University of Louisville, Louisville, Ky.

In each instance, the named institution had ordered from abroad highly specialized electron microscopes for use in connection with its research, medical, and educational activities. Your committee is of the opinion that neither these institutions nor others similarly situated, presently or in the future, should be burdened with having to pay substantial import duties on these needed tools of scientific research and educational pursuits.

Much the same consideration led your committee to include in the bill a provision for apparatus utilizing any radioactive substance in medical diagnosis or therapeutic treatment, including any radioactive material when contained in such apparatus as an integral element thereof. This provision would cover such articles as cobalt 60 therapy units used in cancer therapy.

The bill also provides for duty-free treatment of parts or accessories of the articles covered, such as kits to increase magnification, voltage focusing kits, hot or cold stage kits, and so forth.

Section 2 of H.R. 3385 would establish duty-free treatment for articles covered by the bill which were entered, or withdrawn from warehouse, for consumption after enactment of the bill and also for such articles covered by entries or withdrawals which had not been liquidated, or the liquidation of which had not become final, on the date of enactment.

Your committee feels that the general public interest in developing and advancing scientific or medical research and inquiry and diagnostic and therapeutic techniques will be served by permitting nonprofit societies, institutions, and organizations, whether public or private, established for educational, scientific, or therapeutic purposes to import free of duty the articles covered by H.R. 3385, as amended by your committee.

Mr. BYRNES of Wisconsin. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, I join in the request that the House suspend the rules and pass the bill, H.R. 3385. This legislation would transfer from dutiable status to duty-free status certain apparatus used in medical diagnosis and treatment, and electron microscopes, as well as the parts or accessories for these articles. It would be required that for the duty-free status to apply the articles would have to be imported by nonprofit organizations organized for educational, scientific, or therapeutic purposes, for its own use.

The committee report accompanying the legislation to the House sets forth a number of the institutions which are interested in the importation of articles under this authority. A review of that list brings to mind the outstanding contributions these organizations have made in the research and educational fields. The Committee on Ways and Means, in unanimously reporting this legislation, was of the opinion that such institutions should not be burdened with the costs of import duties on imports of this character.

I urge my colleagues in the House to concur in the request for suspension of the rules and passage of this bill.

Mr. GROSS. Mr. Speaker, will the gentleman from Texas yield?

Mr. IKARD of Texas. I yield to the gentleman from Iowa.

Mr. GROSS. What I do not understand is, Do we not have good microscopes in this country?

Mr. IKARD of Texas. As the gentleman is well aware, this is a highly technical subject. I am told that the electron microscopes manufactured in the United States do not have a sufficiently large specimen chamber to permit the performance of certain experiments which are essential in the cancer or research and educational programs, that foreign microscopes such as these have a double condenser lens which is still in the developmental and experimental stage in the United States. I am further told that the use of these microscopes by scientists is much the same as when the gentlemen and I are fitted for eyeglasses, that each scientist has different requirements for a specific type of research. It was our feeling that those scientists who are working on cancer or basic research, all of the fields of pure science, should have at their disposal whatever instruments they feel can best do the job for them, as long as the instruments are not for sale and as long as they are used by nonprofit educational institutions.

Mr. GROSS. In what countries are these electron microscopes produced?

Mr. IKARD of Texas. As I understand, and again, this is in a field in which I am not an expert at all, I am told they are made in West Germany, Holland, and Japan. England also makes a certain type of these instruments.

Mr. GROSS. Is this a question of price as well as a matter of better equipment?

Mr. IKARD of Texas. This is a very expensive instrument. It is my further understanding that certain types of these instruments are just not available in this country. It is also my further understanding that certain American firms are at the present time doing research on this particular type of instrument, and that they will probably be available within the next few years. The cost of these instruments runs between $30,000 and $50,000 each and the duty is 25 percent.

In most cases the funds used to purchase them are either donated or come from some governmental research or from some nonprofit research group.

Mr. GROSS. The gentleman says that these electronic microscopes cannot be sold. Who is going to check on this and who is going to ride herd on these people to see that they are not sold?

Mr. IKARD of Texas. That is a normal customs problem and I think it is one that they are used to policing. There is not going to be any great flood of these instruments into this country. They will know when these instruments come in and what institutions have them. This is not an item where there will be thousands or hundreds of them. Probably just about 25 or 30 of them will be brought in, so I think it would be a relatively easy problem to take care of that part of it.

Mr. GROSS. Is there anything in the legislation to provide that they cannot be sold?

Mr. IKARD of Texas. Yes, there is.

Mr. GROSS. Is there any penalty for selling them?

Mr. IKARD of Texas. There is the general penalty that would apply as to any violation of the customs laws, and such law would apply here if the law was violated.

Mr. GROSS. I thank the gentleman.

Mr. IKARD of Texas. Mr. Speaker, I yield back the balance of my time.

The SPEAKER. The question is: Will the House suspend the rules and pass the bill, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend the Tariff Act of 1930 to provide for the free entry of electron microscopes and certain other apparatus imported by, or on behalf of, certain institutions."

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. IKARD of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks with reference to the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ESTABLISHMENT OF A U.S. TRAVEL SERVICE IN THE DEPARTMENT OF COMMERCE

Mr. HARRIS. Mr. Speaker, I call up the conference report on the bill (S. 610) to strengthen the domestic and foreign commerce of the United States by providing for the establishment of a U.S. Travel Service within the Department of Commerce and a Travel Advisory Board, and ask unanimous consent that

the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. GROSS. Mr. Speaker, reserving the right to object, the gentleman plans to take ample time to explain the conference report; does he not?

Mr. HARRIS. The gentleman would be glad to take such time as is necessary. I think the report of the managers on the part of the House is very explicit and when the gentleman hears the report of the managers, I think he will be satisfied but, then, of course, I will take some time also to explain the report.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (REPT. NO. 540)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 610) to strengthen the domestic and foreign commerce of the United States by providing for the establishment of a United States Travel Service within the Department of Commerce and a Travel Advisory Board, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: "That it is the purpose of this Act to strengthen the domestic and foreign commerce of the United States, and promote friendly understanding and appreciation of the United States by encouraging foreign residents to visit the United States and by facilitating international travel generally.

"SEC. 2. In order to carry out the purpose of this Act the Secretary of Commerce (hereinafter in this Act referred to as the 'Secretary') shall—

"(1) develop, plan, and carry out a comprehensive program designed to stimulate and encourage travel to the United States by residents of foreign countries for the purpose of study, culture, recreation, business, and other activities as a means of promoting friendly understanding and good will among peoples of foreign countries and of the United States;

"(2) encourage the development of tourist facilities, low cost unit tours, and other arrangements within the United States for meeting the requirements of foreign visitors;

"(3) foster and encourage the widest possible distribution of the benefits of travel at the cheapest rates between foreign countries and the United States consistent with sound economic principles;

"(4) encourage the simplification, reduction, or elimination of barriers to travel, and the facilitation of international travel generally;

"(5) collect, publish, and provide for the exchange of statistics and technical information, including schedules of meetings, fairs, and other attractions, relating to international travel and tourism.

"SEC. 3. (a) In performing the duties set forth in section 2, the Secretary—

"(1) shall utilize the facilities and services of existing agencies of the Federal Government to the fullest extent possible including the maximum utilization of counterpart funds; and, to the fullest extent consistent with the performance of their own duties and functions, such agencies shall permit such utilization of facilities and services;

"(2) may consult and cooperate with individuals, businesses, and organizations engaged in or concerned with international travel, including local, State, Federal, and foreign governments, and international agencies;

"(3) may obtain by contract and otherwise the advice and services of qualified professional organizations and personnel;

"(4) after consultation with the Secretary of State, may establish such branches in foreign countries, as he deems to be necessary and desirable.

"(b) The Secretary, under the authority of this Act, shall not provide or arrange for transportation for, or accommodations to, persons traveling between foreign countries and the United States in competition with business engaged in providing or arranging for such transportation or accommodations.

"SEC. 4. There is hereby established in the Department of Commerce a United States Travel Service which shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate, who shall be compensated at the rate of $19,000 per annum, and who shall report directly to the Secretary. All duties and responsibilities of the Secretary under this Act shall be exercised directly by the Secretary or by the Secretary through the Director.

"SEC. 5. The Secretary shall submit semiannually to the President and to the Congress a report on his activities under this Act.

"SEC. 6. For the purpose of carrying out the provisions of this Act, there is authorized to be appropriated not to exceed $3,000,000 for the fiscal year ending June 30, 1962, and not to exceed $4,700,000 for each fiscal year thereafter.

"SEC. 7. This Act may be cited as the 'International Travel Act of 1961'."

And the House agree to the same.

That the title of the bill be amended to read as follows: "An Act to strengthen the domestic and foreign commerce of the United States by providing for the establishment of a United States Travel Service within the Department of Commerce."

OREN HARRIS,
PETER F. MACK, JR.,
JOHN D. DINGELL,
ROBERT W. HEMPHILL,
JOHN B. BENNETT,
MILTON W. GLENN,
WILLARD S. CURTIN,
Managers on the Part of the House.

WARREN G. MAGNUSON,
GEORGE A. SMATHERS,
E. L. BARTLETT,
JOHN MARSHALL BUTLER,
NORRIS COTTON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 610) to strengthen the domestic and foreign commerce of the United States by providing for the establishment of a United States Travel Service within the Department of Commerce and a Travel Advisory Board, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment to the text of the bill struck out all of the Senate bill after the enacting clause and inserted a substitute. The Senate recedes from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment.

The differences between the House amendment and the substitute agreed to in conference are explained below, except for minor changes made for purposes of clarification.

The substitute agreed to in conference is essentially the same as the House amendment, with exceptions as follows:

The bill as passed by the Senate provided for the establishment in the Department of Commerce of a United States Travel Service to be headed by an Assistant Secretary of Commerce for Travel, to be appointed by the President by and with the advice and consent of the Senate. It was provided that all duties and responsibilities of the Secretary set forth in section 2 of the act should be exercised through the Assistant Secretary. The House amendment provided for the establishment in the Department of Commerce of an Office of International Travel and Tourism, to be headed by a Director to be appointed by the President by and with the advice and consent of the Senate and to be compensated at the rate of $18,000 per annum. It was provided that the Director should perform such duties in the execution of the act as the Secretary might assign. The substitute agreed to in conference provides for the establishment in the Department of Commerce of a United States Travel Service, to be headed by a Director to be appointed by the President, by and with the advice and consent of the Senate, and to be compensated at the rate of $19,000 per annum and who is to report directly to the Secretary. It is provided that all duties and responsibilities of the Secretary under the act shall be exercised directly by the Secretary or by the Secretary through the Director.

The bill as passed by the Senate provided that the Secretary of Commerce should submit a quarterly report to the President and the Congress with respect to his activities under the act. The House amendment provided for the making of such reports, but provided that it then should be submitted annually. The substitute agreed to in conference provides for the making of such reports semiannually.

The bill as passed by the Senate contained a short title providing that the act should be known as the International Travel Act of 1961. The House amendment contained no such provision. The substitute agreed to in conference contains this provision from the Senate bill.

The bill as passed by the Senate provided for the establishment in the Department of Commerce of a Travel Advisory Board with power to elect its own chairman, personnel, and for exempting its members from certain conflict-of-interest statutes. The House amendment contained no specific provision for the establishment of an advisory board. With respect to this feature the substitute agreed to in conference is the same as the House amendment, so that no provision is specifically made for the establishment of such a board. The conferees were in agreement as to the House position as expressed in the House committee report; namely, that the Secretary already has established a Travel Advisory Committee in line with the general format of advisory groups which he has established in connection with many activi-

ties of the Department, and in accordance with the customary exchange of letters and arrangements with the Attorney General that apply in this field. The conferees believe that the Secretary has adequate authority to constitute an advisory committee in a fashion that would be most helpful to his exercise of the new responsibilities with which he is charged.

In addition to the amendment to the text of the bill, the House amended the title. The committee of conference has agreed to a modification of the title of the bill so as to make it conform to the changes otherwise agreed to in conference.

OREN HARRIS,
PETER F. MACK, JR.,
JOHN D. DINGELL,
ROBERT W. HEMPHILL,
JOHN B. BENNETT,
MILTON W. GLENN,
WILLARD S. CURTIN,
Managers on the Part of the House.

Mr. HARRIS. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, as has been observed from a reading of the statement of the managers on the part of the House, the conference report virtually accepts the provisions of the bill that passed the House in most respects. There are some four differences, I think, in the conference and what we did when we passed the bill in the House.

The Senate provided for the establishment in the Department of Commerce of a U.S. Travel Service to be headed by an Assistant Secretary of Commerce. The House provided in its bill an Office of International Travel and Tourism in the Department of Commerce.

The conferees agreed to establish the organization in the Department of Commerce and that it would be called the U.S. Travel Service, but that it would be administered by a Director to be appointed by the President with the advice and consent of the Senate, and his compensation to be $19,000.

As the bill passed the Senate the Assistant Secretary of Commerce would have been entitled to the usual compensation that is paid to an Assistant Secretary. The House bill provided for a Director, and his salary would be $18,000. The conference report provides for a Director in lieu of an Assistant Secretary of Commerce and the salary will be $19,000.

There were minor differences with reference to reporting. The Senate bill provided for a quarterly report to the President; the House bill provided for an annual report. We compromised this question by making it semiannual, every 6 months. Then there were two other differences. One that might be considered of some importance, and that is the House bill contained no provision for an advisory board; the Senate bill had a provision for such a board. The House conferees felt that there were already a number of such advisory boards within the Department of Commerce available to that Department and felt it was not necessary to set up another. The Senate yielded.

On the matter of the sum authorized, the House figure was $3 million for the first year and $4,700,000 for each year thereafter. The Senate had a limitation of $5 million for the first year, and it was open for all years thereafter. The House provision prevailed. Those virtually are the differences between the two bills and the conference report.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. GROSS. But there still is no limitation; this thing can go on at the rate of $4,700,000 a year from now to the end of time. Is that correct?

Mr. HARRIS. Provided the Appropriations Committee and Congress pass the appropriations for it.

Mr. GROSS. But I say there is no limitation in the bill.

Mr. HARRIS. $4,700,000 annually is the limitation, yes.

Mr. GROSS. That is for all time.

Mr. HARRIS. Until the Congress changes it.

Mr. GROSS. I understand there is a Director, not a Secretary; is that correct?

Mr. HARRIS. That is true.

Mr. GROSS. That is provided in the conference report?

Mr. HARRIS. Yes. We felt, and the Secretary of Commerce had the same feeling, that we preferred a Director instead of an Assistant Secretary. There were many reasons for that. We did not feel that this should be considered on an equal basis with some of the other programs which have far greater significance and more far-reaching implications.

Mr. GROSS. And you did sweeten the salary from $18,000 to $19,000; is that correct?

Mr. HARRIS. This was a compromise as reached between the House and Senate conferees.

Mr. GROSS. It is a pretty good compromise for the Director. That should make him the best paid travel director in the United States.

Mr. HARRIS. I understand his position will be rather important. The top civil service position is about $18,500; and taking that into consideration, we felt the Director should be paid more than a top civil service employee, and that is the reason we decided on that figure.

Mr. GROSS. $19,000 a year for all time for a new Director in Government, a new bureaucrat in Government. Did the conferees give any thought to the fact that tourism to the United States apparently increased by 5 million last year? I believe I read that figure in some hearings I read in connection with another bill. Five million more came to this country last year than the preceding year, yet we have to have a travel bureau. Is that not increasing fast enough?

Mr. HARRIS. The conferees did give a great deal of attention to this matter; the House did when it considered the bill on the floor of the House, as the gentleman recalls; our committee did, and the subcommittee headed by the distinguished gentleman from Illinois, made quite a record on it. So that subject has been given a great deal of thought and consideration.

Mr. GROSS. Will the gentleman agree with me it will be interesting to watch the performance of this new tourist bureau for the next year to see if it can still produce another 5 million tourists?

Mr. HARRIS. I agree with the gentleman, we will be interested in watching the development, the administration of it and the results. That will be the purpose of our committee.

Mr. GROSS. I may say to the gentleman I was opposed to this bill when it first went through the House, and I am still opposed to it.

Mr. HARRIS. I appreciate the gentleman's feeling.

Mr. Speaker, I now yield to the gentleman from California [Mr. YOUNGER] such time as he may desire.

Mr. YOUNGER. Mr. Speaker, as far as I know, there is no other objection on this side.

The bill came out of our committee unanimously, and the conference report has been signed by all the conferees.

Mr. WILLIAMS. Mr. Speaker, will the gentleman yield?

Mr. YOUNGER. I yield to the gentleman from Mississippi.

Mr. WILLIAMS. The bill did not come out of the full committee unanimously. The gentleman refers to the conference committee?

Mr. YOUNGER. I am referring to the conference committee. So far as I know, there was no rollcall.

Mr. WILLIAMS. There was no rollcall, but it was not unanimous.

Mr. YOUNGER. If there was an objection on the part of the gentleman from Mississippi, it was not very pronounced or very strong.

Mr. HARRIS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

FOURTH SUPPLEMENTAL APPROPRIATION BILL, 1961

Mr. THOMAS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7712) making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Ohio [Mr. Bow], and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7712, with Mr. IKARD of Texas in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. THOMAS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I do not think there is too much in this short supplemental bill that is going to give the House any considerable amount of worry. May I say in advance that this is technically the fourth supplemental appropriation bill for 1961, and I think we can all say with sincerity that we hope this is the last one for this fiscal year 1961. I am sure it is because the year is just about out.

There are some half a dozen items in here with a budget estimate of $88 million. The committee passed upon them, and we are requesting your support to the tune of about $47 million. There is some retired military pay in here, which is a debt we have to pay. We gave it a slight reduction of about 10 or 15 percent on the theory that there was quite an element of guesswork in it, because you cannot tell exactly how many are going to retire at any particular time. But, whatever amount is necessary to pay, that retirement involves a debt, and certainly we will pay it, and we have not the the slightest intention to try to dodge our obligations.

Other than that there are items in here for support of Federal prisons, international organizations and the Secret Service. An item amounting to some $40 million for "Military personnel, Army," mostly for travel has not been allowed. The regular Committee on Appropriations headed by the gentleman from Texas [Mr. MAHON] and the gentleman from Michigan [Mr. FORD] and his group have been wrestling with this item for years. As a matter of fact, there is a limitation, the 1961 bill on travel for the armed services, in round figures, amounting to some $677 million. Through perhaps no fault of the armed services, there was an increase in manpower, and they came in for a supplemental of around $63 million, and we gave them $55 million. Now they are back with another supplemental. We thought since this item was not apportioned by the budget on a deficiency basis, nor did we find on record that any deficiency law will be waived by the President and by virtue of one more fact, that the fiscal year is coming to an end, that under this military appropriation the armed services would have at their disposal $3,514,500,000 and we thought they could absorb this.

Mr. BROWN. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Ohio.

Mr. BROWN. I wonder if the gentleman would give us more definite information on this appropriation of $32,204,000 supplemental to the Department of State as contributions to international organizations. I understand we are already paying between 32 and 33 percent of the cost of all the United Nations operations, but according to the report on page 2, it is necessary for us to make a contribution to the United Nations to meet a special assessment for the Congo operation. I am wondering why we are paying this special assessment and just what country we are paying for. I understand that the Communist bloc of nations has refused to make any contribution for the Congo operation. I understand that Cuba has refused or failed to make any contribution. Now, does the gentleman mean to say that we are, as Americans and as a government, going to be stupid enough to pay these assessments for the Communist nations whom we are spending billions of dollars trying to defend ourselves against? Is that what this means? I would like to know what this means.

Mr. THOMAS. May I say to our genial and distinguished friend from Ohio, we are meeting our full obligation here.

Now, let us go back, in the first place, and see what this is. There are 19,000 troops over there, which involves some 21 or 22 nations except ourselves.

In this operation our assessment is about one-third of it; to be exact, 32.51 percent. But if you will look a little closer you will find we have been taking some money out of the President's Contingency Fund under the Mutual Security Act and, as a matter of fact, instead of this being $32,204,000, you can add $15 million to it. That is what we have already appropriated. It looks as if to date we have spent in the neighborhood of $97 million. How much longer it will last I do not know, and neither do the other people know.

Mr. BROWN. Permit me to ask one additional question of the gentleman from Texas. You have been very kind in explaining this to me. You say we must meet our obligations. Do you mean to say to me and to the House and to the country that someone in behalf of the United States made an obligation to pay these assessments for these Communist nations? Who made them, may I inquire?

Mr. THOMAS. Well, as you know, the organization makes a budget and it is voted on and the assessment is made, and this is our assessment. We have undertaken or agreed to assume that part of the burden.

Mr. BROWN. We paid our assessment.

Mr. THOMAS. That is right.

Mr. BROWN. This is to pay the assessment of others who have failed to pay?

Mr. THOMAS. No; this is our assessed part. I know what you are getting at, and I cannot disagree with you.

If you will turn to the hearings you will find all of the contributing members—those who have paid and those who have not paid. You have not made a misstatement yet. The Communist nations are not putting up one red cent for this operation, and neither is our distinguished ally, France. If you will turn to the hearings you will find that, to be exact, we are paying 48 percent of the load.

Mr. BROWN. Who made the obligation? Was the obligation made by the State Department?

Mr. THOMAS. The Congress gave to the representatives of the State Department the authority to bind us, and that is what happened.

Mr. BOW. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this bill has come to the floor with the unanimous agreement of the subcommittee. There are some portions, however, that I do not like, but have to go along with because, as the gentleman from Texas has said, this is a commitment which was made for this country to make the payments. I think, however, the House should pay some attention to it and I would like to discuss this United Nations item, particularly if we are going to have a mutual security or foreign aid or foreign giveaway bill, or whatever you want to call it, coming up in the future. These are figures that ought to be considered by the House when we are called upon to pass a large bill of this kind, some of which money actually comes out of mutual security that we have been discussing here, and is not in this particular bill. It should be borne in mind that the amount asked in this bill is $32 million plus and is actually an assessment which was made under article 17 of the articles of the United Nations where the assessment is made by the United Nations against its members. This item is $32 million. The $15 million item which we discussed is taken out of mutual security funds, so what you are appropriating here is the levy made against the United States by the United Nations, which is 32 percent of the total cost of the United Nations.

I would like to discuss for a moment what we are actually paying, because if you will turn to the hearings at page 16 you will find there the list of nations in the Communist bloc that are not paying their contribution to the Congo operation. They just refuse to pay. They do not honor their obligations. Their total is about $26 million. So if this bill is going to be paid, you can rest assured that out of the funds of the United Nations, to which we contribute 32 percent, we are to that extent contributing 32 percent of the cost of the Communist bloc for the Congo operation. To that extent, we are contributing 32 percent of the Communist obligation to pay in the Congo. The American taxpayers have that load on their shoulders, and we might just as well face up to it.

There is one other item here that I think is important on the 79 nations

that have been given some relief. That voluntarily came about. We said, "You people are up against it. You are not rich nations. We are going to relieve you of part of your obligation under article 17." So 79 nations received this aid.

Who is going to pay that bill? Who is paying the total of the 79 nations that are receiving relief? Of course, you know the answer to that one. The American taxpayer is paying for the whole 79 nations, $15 million. Where is it coming from? Five million dollars is from the mutual security contingency fund. The other $10 million, by what authority they are getting it I do not know. They claim they have the authority. I do not think they have. Already there, you see, the American taxpayer is paying the whole load of the $15 million of the 79 nations. Mark you, among those 79 nations of which you are paying 100 percent of that part forgiven is Cuba, so you are paying Fidel Castro's bill. I think it is about time that the American taxpayers began to get some of these facts and that we began to look into it and see if there is not some way that we either do not pay these other people's bills or we get out.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield.

Mr. SMITH of Virginia. We are paying for 79 of the small impoverished nations just as a gift in assuming that obligation.

Mr. BOW. That is correct.

Mr. SMITH of Virginia. I want to know where there is anything in the law that authorizes us to assume those obligations.

Mr. BOW. I asked that question time and time again in the hearings of the representatives of the State Department, to name the authority of law to do this. They came up with the general provisions of the Mutual Security Act, particularly that portion which has to do with the President's contingency fund. They admitted that there is only $5 million left in that fund. They had to get the other $10 million some place. I said to them, as you will find if you refer to the hearings, "Send up to us the opinion of your counsel on which you base the authority to pay this out of the Mutual Security Fund." They sent that up to us but I do not understand it and I do not think it is authority at all. I do not believe the authority exists.

Mr. SMITH of Virginia. We ought some day to get to the root of who is obligated to bind Congress up to the point where they have to make an appropriation to just plain give away the money of our taxpayers. On foreign aid, we always get the authorization bill every year. That does obligate us. But here, why are we paying any more than our share of the obligation? There is $32 million in this bill which it says is going to the Congo. Did Congress ever pass any authorization of any kind for us to bear the cost of the mess down in the Congo?

Mr. BOW. Yes; I would say to the gentleman I think on the $32 million they are on firm ground, because of article 17 of the articles of the United Nations which provides for a group within the United Nations to make this assessment against nations. Under treaty and under law we have accepted the United Nations. So as long as we are in the United Nations I think under article 17 they could make this assessment against us. But on the $15 million that we are talking about on this voluntary contribution, there is the place that I do not believe there is authority and that is what I believe the gentleman is referring to.

Mr. SMITH of Virginia. Where do you find in any congressional authorization any authority to pay our share when the other fellow does not pay his share?

Mr. BOW. I do not find any, and I do not like it.

Mr. SMITH of Virginia. When is somebody going to do something about this mess?

Mr. BOW. I am trying in my small way to call the attention of the Congress to this in the hope that we will do something about this, that we will some day come in here and not have to point out year after year that people are not paying their contributions but we are always up-to-date.

Mr. SMITH of Virginia. Then, in view of the fact that that is your objection; why do we not have a minority report here so that we would have something to put our teeth into and so that we might have a vote on this thing and stop some of this foolishness. I understand we are paying, as you just stated, we are paying the Russian's share of this thing.

Mr. BOW. That is correct.

Mr. SMITH of Virginia. Is there any authorization to pay Russia's share?

Mr. BOW. Yes; there is an authorization for the $32 million that we are appropriating in this bill. The authority comes through the United Nations under article 17. That is the reason there is no minority report here because there is authority for the $32 million. The point I am making is that there are additional payments being made for Cuba and for these small nations for which I do not think there is authority. But, unfortunately, that is not included in this bill.

Mr. SMITH of Virginia. Then, do I understand the gentleman to say, if all the nations in the world except the United States defaulted on their payments, we would still be paying $32 million a year?

Mr. BOW. I will say to the gentleman—I think we would—but not with the vote of the gentleman from Ohio who is now addressing the Committee of the Whole.

Mr. SMITH of Virginia. I am just wondering how soon the gentleman from Ohio and some of the other Members are going to vote "no" on some of this stuff and maybe stop something from happening instead of the Congress keeping on doing the same thing.

Mr. BOW. The gentleman from Ohio votes "no" many times and I think we will have that opportunity again within the next few weeks.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. BOW. I am delighted to yield to my colleague.

Mr. JONAS. If I may have the attention of the gentleman from Virginia [Mr. SMITH], I think we need to distinguish here between these two items. The $32 million in this bill is, as the gentleman from Ohio says, a legal obligation. The $15 million was a voluntary contribution made partly out of the $250 million contingency fund that was granted to the President. Five million dollars came out of that and the remaining ten million dollars will come out of 1962 mutual security funds. But, that item, the $15 million item, is not involved in this appropriation and there is nothing we can do about it; is that not true?

Mr. BOW. That is correct. That is what I was trying to convey to the gentleman from Virginia. There is nothing that we can have a minority report on because we do have this legal obligation.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. BOW. I am glad to yield to my colleague, the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Am I correct in understanding the gentleman to say that some of the nations which are controlled by the Communists have not paid their share and that, therefore, we the United States had to pick that up?

Mr. BOW. They have refused to pay—not that they just neglected to pay—they have refused to pay any part of it.

Mr. HOFFMAN of Michigan. And do we pay that? Pay the share they should have paid?

Mr. BOW. Since it is going to have to be paid by the United Nations and since we contribute 32 percent of the funds of the United Nations, we are picking up 32 percent of their share.

Mr. HOFFMAN of Michigan. What percentage of the amount that they do not pay do we have to pick up?

Mr. BOW. Thirty-two percent.

Mr. HOFFMAN of Michigan. And then we have our own payment besides.

Mr. BOW. That is correct.

Mr. HOFFMAN of Michigan. So we are financing both sides of it?

Mr. BOW. That is correct.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. BOW. I am glad to yield to my colleague.

Mr. JONAS. I think the record will show that we have not picked up the defaulted items from the Soviet bloc. The Secretary General of the United Nations has robbed other funds to take care of their defaulted obligations. The $15 million was to take up the rebates that were allowed the 79 nations.

Mr. BOW. The gentleman should also point out that of the funds that the Secretary General of the United Nations robbed to pay that portion of the Soviet bloc, 32 percent of those funds

are paid by the taxpayers of the United States. So, in effect, we are paying 32 percent of the Soviet bloc payments. It is just as plain as that.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from California.

Mr. HIESTAND. I would like to ask the gentleman from Ohio if there is anything in any part of this $32 million that could in any way be interpreted as a contribution to Castro's request to the United Nations for a loan of $5 million.

Mr. BOW. Not of the $32 million. But, of the $15 million I would say yes—but not of the $32 million.

Mr. HIESTAND. Not of the $32 million?

Mr. BOW. That is correct.

Mr. HIESTAND. The gentleman hinted that we might have that request coming; has he any idea that it is coming soon?

Mr. BOW. It will come in under the so-called mutual security bill. That will have provisions in it and you will find it in the record of the hearings here when I was pressing him: "Where do you get the authority to pay this?" He said: "$5 million contingency, $10 million mutual security funds."

I asked: "Where is the authority for that?" They said: "We are asking for it now." They do not have it, and they are going to come back here to get the authority. That is the day when the gentleman from Virginia and some of the rest of us can do something about it, when we can take away the authority in the bill to make those payments.

Mr. HIESTAND. If and when the United Nations agrees to lend $100 million, they will assess us and we will be obligated to pay $32 million?

Mr. BOW. Yes; 32 percent.

Mr. CONTE. In regard to the gentleman's question, that would come out of the general funds of the United Nations.

Mr. BOW. That is correct.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield.

Mr. PELLY. If the proposal for back-door spending should continue they could keep on making payments and Congress could do nothing about it.

Mr. BOW. If the back-door approach on foreign aid, foreign giveaway, mutual security, or whatever you want to call it, continues when we would lose all control of any kind. We can talk from now until kingdom come but would not be able to do anything about it.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield.

Mr. AVERY. I notice in the last section of the bill that a deficiency appropriation for the Treasury Department is carried for extra money needed to cover the President's and Vice President's trips abroad. Of course, I do not question that for a minute, but it did seem to be a related matter. On the trip of the Vice President to the Orient and Asia I read newspaper accounts that the plane that was leased by the State Department cost approximately $145,000. Each reporter was charged only $1,200. If all 31 paid that full amount that would be about $37,000, leaving a deficit to be picked up by the State Department of roughly $110,000. Of course, Members of Congress go abroad and we hear a lot about junkets of Congressmen, and we have been the recipients of some very cryptic remarks. I just wonder if the gentleman could tell us what is the policy of the Government as far as subsidizing press coverage of a trip like that taken recently by the Vice President, what the policy is?

Mr. BOW. I do not have those figures at hand and cannot answer the gentleman.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. BOW. I shall be glad to yield.

Mr. HOFFMAN of Michigan. When comes the time for some of us Members who want to vote against some of these bills, the one the gentleman is speaking on now and others? We are told we have to vote for this one. Can you tell me when it would be proper for me to vote in opposition?

Mr. BOW. Yes; I will tell the gentleman: When the mutual security bill comes up soon, when the authorization bills come in, defeat them. Oppose the authorization bills; defeat them; do not pass it on to the Appropriations Committee. They have to meet the obligations of this Nation. I do not want the United States to be in default. So long as we have an obligation, and it is a legal obligation, I am compelled to vote the funds to pay it. I hope the day will come when the Congress will quit authorizing these things so that we do not have the obligations against us. That is the time to vote against it. So long as my country is committed to a legal obligation, I, for one, am going to vote the money to pay that obligation. I will also say that we could act to repeal some of these authorizations.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield further?

Mr. BOW. I shall be glad to yield.

Mr. HOFFMAN of Michigan. I can understand the gentleman's high regard for legal obligations, but when you have given away your last shirt and promised to give another, which you do not have and cannot get, what are you to do?

Mr. BOW. I say let us not get in the position where we have to give away our last shirt.

Mr. HOFFMAN of Michigan. But you already have.

Mr. BOW. The time to oppose is when the authorizations come up for consideration. Let us vote down the authorizations rather than have to turn down the appropriations.

Mr. HOFFMAN of Michigan. Can the gentleman tell me when I have voted "yes" on foreign aid?

Mr. BOW. Yes, on some motions to recommit the gentleman has voted "yes."

Mr. HOFFMAN of Michigan. Sure. But a vote to recommit was a "no" vote on the bill.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. If I may comment, I want to commend the gentleman's statement about authorizations. Where all this trouble starts is right in the authorizations that come from the legislative committees. Right now the country is $290 billion in debt. We have new obligations awaiting hearings by the Rules Committee aggregating some $4, $5, $6, $7, or $8 billion, those that are now pending and those we have already passed during this session. You will have before the first of July a bill from the Committee on Ways and Means increasing the temporary debt limit by another $13 billion. The gentleman was never more right in his life than in the statement he has just made; that is, if we do not have the authorizations your committee would not have to recommend the appropriations.

Mr. BOW. We could not do it if we wanted to because there would be points of order raised, if there were no authorizations.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Missouri.

Mr. CANNON. It might be said also that General Eisenhower said he left us a balanced budget. We are now $1 billion in the red, and before the end of the session we will be $5 billion in the red. In addition to refunding the $290 billion we already owe, we will have to take up that much new money. The people are getting wary. They are not buying bonds. They are not taking our paper money or bonds overseas. The time has come to stop not only in the legislative committees, the time has come to stop in the Appropriations Committee.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Florida.

Mr. FASCELL. With this fourth supplemental appropriation bill, can the gentleman tell us what the appropriation total will be for fiscal 1961?

Mr. BOW. No; I am sorry I cannot. It is possible before the debate is over we can get that figure for the gentleman, but I cannot give it at this time.

Mr. THOMAS. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Chairman, it occurs to me that it might be in order to now answer the distinguished gentleman from Kansas, who spoke about a chartered airplane that went to southeast Asia, I believe in the early part of last month. That plane was going the route anyway. There were 25 or 30 Government employees aboard it.

The press wanted to go along. So the State Department decided that if they went an arbitrary amount of $1,200

would be set as their fare to travel on this chartered airplane. I think the gentleman stated the figure correctly, there were 31 who went, and I understand they paid $1,200 each, which cut down the overhead cost of the chartered plane by almost $40,000.

There was a misleading story on this subject in the Los Angeles Times of June 11, 1961.

Does the gentleman from Kansas have any further questions?

Mr. AVERY. I appreciate the response of the gentleman from New York. I was not questioning the figures at all, I was merely inquiring about policy, as far as press coverage is concerned.

Is it the policy that the Government defrays the cost, or most of the cost, of these press men, or is it a combination proposition?

Mr. Chairman, I include here a newspaper article which appeared in the Los Angeles Tribune on June 11, 1961:

UNITED STATES SUBSIDIZED JOHNSON TOUR NEWS COVERAGE—PRESENCE OF REPORTERS SOLICITED; SPECIAL JET PROVIDED FOR PRESS AT REDUCED RATES

(By John H. Averill)

WASHINGTON.—The administration solicited and subsidized some 38 newsmen to provide U.S. press, radio, and television coverage of Vice President JOHNSON'S recent global good will mission, investigation by the Times has disclosed.

The State Department advertised 4 days before the Vice President took off on his 3-week, 30,000-mile trip May 9 that "a special jet for press has been arranged with transportation costs of $1,200."

The regular round-the-world commercial jet fare is $2,023, not allowing for costly charter stopovers en route in which the aircraft is out of service.

FARE ADJUSTED

The same cutrate $1,200 fare was paid by President Kennedy's sister Jean, who accompanied her husband, Stephen E. Smith, in the Vice Presidential party. He is a special assistant in the State Department.

Normally, representatives of news media pay their pro rata share of the cost of aircraft chartered by the White House or State Department for Presidential and Vice Presidential travels. Some Government personnel are usually accommodated on the press plane but the cost to newsmen, though it obviously cannot be figured fairly in advance, sometimes exceeds normal commercial fare for comparable air travel.

SHARES IN CUT

For example, newsmen who covered President Eisenhower's 11-nation trip to India and back in 1959 were billed $3,375 for jet travel in tourist-class seats. The pro rata roundup charge for Vice President Nixon's 1959 press party in the Soviet Union was about $1,900 plus internal air fares on Aeroflot, the Russian airline, which demanded cash in advance.

Nixon's comparable round-the-world Asian mission shortly after he became Vice President was made in lower-cost propeller planes. It was covered only by the three U.S. wire services. There was, however, some fare adjustment for representatives of American Negro publications whom the State Department was anxious to have accompany Nixon to Africa in 1957.

In the present instance, however, a rough calculation shows that all newsmen and nongovernmental passengers were subsidized by the State Department to the amount of some $760, although Assistant Secretary of State William J. Crockett denied persistent reports that there were any free riders.

He challenged the use of the term "press plane" and said a second backup aircraft would have been provided in any event. The Vice President, Mrs. Johnson, and VIP members of his official party used a de luxe 707 jet of the Military Air Transport Service similar to the one usually used by President Kennedy.

When the Government jet developed hydraulic trouble at Wake Island, Crockett explained, JOHNSON'S party flew to Saigon aboard the chartered commercial plane and with the newsmen almost filled its 76 first-class seats.

"The rest of the time, it was pretty plushy," one reporter (who prudently asked his name be withheld) told the Times.

THREE THOUSAND DOLLAR COST SEEN

The Johnson press charter plane was equipped throughout with first-class lounge chairs, two on each side of the aisle, and there was continuous first-class food and beverage service for the 2 score passengers and 5 stewardesses. This was a sharp contrast to the crowded 6-abreast, 120-passenger tourist configuration of the Kennedy press plane on last week's summit journey to Paris and Vienna.

Industry sources said the approximate cost of chartering a jet for a 3-week round-the-world tour would be about $150,000, subject to adjustment, and Crockett agreed this was a fair estimate. A spokesman for Pan-American World Airways, which furnished the charter, declined to give any cost data and referred all inquiries to the State Department.

Using this figure, the pro rata cost if all seats were filled would be $1,960. With an average of 45–50 passengers, both press and Government, it would be around $3,000 apiece rather than $1,200.

Crockett, who is Assistant Secretary of State for administration, told the Times he made no effort to prorate the cost of the second aircraft among the newsmen but set the $1,200 fee "by guess and by gosh." He said the commercial jet would have been chartered anyway and whatever the press contingent paid "was just so much gravy" for the Government. No suitable military aircraft was available at the time, Crockett contended.

He acknowledged, however, that press officers of the State Department "probably called a few people and said the price would be attractive." Other sources said that the New York Times and several Texas newspapers were among those solicited.

Mr. ROONEY. The newspaperman's newspaper or the periodical he is employed by would pay that cost. There is nothing new about this. This has been going on for a number of years and in the last administration, such as the Nixon trips. It is of advantage to everybody that the press go along and report back actually what is happening and whether or not a trip such as that taken by the Vice President and Mrs. Johnson was productive of good results. Apparently the trip to which reference has been made was highly productive.

Mr. AVERY. I thank the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Iowa.

Mr. GROSS. Why resort to this subterfuge of going through the State Department? The State Department raids some unknown fund in the State Department to provide for this transportation. I tried to get at it through the Defense Department, and the Defense Department said, "Oh, no; we didn't provide a plane for the press." Now I find that the State Department dipped into some fund over there to provide for this thing.

Mr. ROONEY. The State Department provided the plane just as it did for Nixon.

Mr. GROSS. Yes. It does not make any difference to me whether it was under this administration or any other administration 25 years ago, it is still wrong.

Mr. ROONEY. Well, I just do not agree with the distinguished gentleman in this regard.

Mr. JENSEN. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS. Mr. Chairman, I do not plan to use all of the 10 minutes, but do want to take a little time to comment on one or two items that have not received attention so far.

Of course, this United Nations item and foreign-aid programs always attract the attention of Members, but there are a number of other items in this bill that should be noted but have not been alluded to here today. They bear on this general subject of spending.

For example, you will find on page 65 of the hearings a table showing the gross debts of all of the central governments of the free countries of the world. Those who are interested in how we compare with the rest of the free world in debt should examine that table with care. You will find listed country by country the gross debts owed by the central governments of the free world, and you will find that we owe more money; that is, the United States of America owes more money than all of the rest of the nations of the free world put together. The table does not include the Soviet bloc, but if you include debts owed by the Soviet bloc countries, I am informed by the gentleman from Louisiana [Mr. PASSMAN] that actually we owe more money than all of the rest of the countries of the world put together, including the Soviet bloc, those behind the Iron Curtain. I will include that table as a part of my remarks for the information of all who read the CONGRESSIONAL RECORD.

There is another item in this bill that has not been discussed, and I think it should receive a little consideration. That is the item to provide $15 million, in addition to $775 million previously appropriated, to meet our obligations to provide the men who have retired from military service with their pensions. Now, I will ask permission, when we go back into the House, to put a table in the RECORD, and it is found on page 52 of the hearings, which shows the extent of our obligations to retired military personnel. Now, they do not contribute to this fund; it is all paid as part

of the fringe benefits for military service. But, the interesting thing about it is that the amount budgeted for this year was $775 million but that turns out not to be enough, so we have to add some supplemental funds, and the total will run up to $790 million this year. However, and please listen to this, testimony before the committee indicated that by 1980 we will be paying $3 billion a year for military pensions That has nothing whatever to do with Civil Service pensions. We are $32 billion in the red on that, and by about 1980 the reserve will be exhausted and we will be asked to appropriate each year billions of dollars to take care of our obligations for Civil Service pensions.

So, it is not accurate to say that we only owe $290 billion, as large as that sum is, but if you count the unfunded obligations that we have already incurred and if you count what will be required to complete the projects that we are already embarked upon, you will find that the total will be pretty close to three-quarters of a trillion dollars instead of $290 billion.

As the gentleman from Virginia pointed out, we will be called upon later this week to vote to increase the national debt limit. And if we keep on going the way we are and do not start reducing this debt instead of increasing it, in just a little more than 30 years we will pay out an amount equal to the entire funded debt of the United States in interest alone and will still owe every dime of the principal.

I do not see how any government can continue to follow such a course and remain sound. The time is long past when we in this Chamber who have a responsibility to the taxpayers should refuse to authorize expanded programs and new programs unless they are absolutely essential, and begin, as the gentleman from Ohio said, to scrutinize the authorization bills when they come in here and reject them.

We are an appropriations committee. We cannot ignore the wishes of Congress. You authorize a project. You authorize a program, and the President of the United States sends up a budget item saying what he thinks it will cost to finance that program. We can disagree with the President and frequently reduce his estimates; but we do not have authority to reverse the Congress, and to throw programs that you have authorized out the window. We are making substantial reductions in them. If there is anything of which I will be proud when I leave my service in this body it is the fact that on the subcommittees on which I have served we have reduced budget estimates by about $5 billion which otherwise would have been spent and added to the national debt. I do not know whether anyone in my district will find out about that or appreciate it if they do, but I will look back upon it with some satisfaction. But we cannot just throw out an item of $32 million that someone other than the Appropriations Committee committed this country for.

But, if you will read the report and review the hearings you will see that we went into this Congo item quite exhaustively, and we bring you a bill that represents the best judgment of the subcommittee.

I am going to ask permission to include as a part of my remarks some additional tables taken from the hearings which will show this entire picture, the nations that have contributed, those that have refused to pay their assessments, what the money goes for—tables explaining the entire picture.

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield to the gentleman from New York.

Mr. OSTERTAG. I want to commend the gentleman for the fine work he has done as a member of the Appropriations Committee. I have been privileged to serve alongside Mr. JONAS as a member of the Independent Offices Subcommittee, and I know of the great contributions he has made in reducing expenditures, and he has done it sanely, sensibly and well.

Mr. JONAS. I thank the gentleman from New York.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I will be glad to yield.

Mr. FASCELL. I want to commend the gentleman for his analysis and for his statement that he intends to include in the RECORD certain material and charts which would be very helpful to those of us who are not on the Appropriations Committee.

Does the gentleman, as a part of his presentation, intend to submit a chart which would show the estimated expenditures for 1961 as against the total appropriation for fiscal 1961, including this supplemental?

Mr. JONAS. May I say to the gentleman from Florida that this is only a very small supplemental bill, comparatively speaking. Actually, it is the fourth one we have brought in here.

Mr. FASCELL. That is the point. I realize it is small, but it is the little bites that hurt. We just wondered what all of the bites were.

Mr. JONAS. As the gentleman from Virginia has said, it looks now as if we wind up in the red—but we did not in our hearings on this bill tabulate the estimates and compare those with the appropriations that have been made to date on all of the regular and supplemental bills that have been enacted.

The fiscal year will end in about 10 days, and soon thereafter the gentleman from Missouri, the distinguished chairman of the committee, as he always does, will put a table in the RECORD which will disclose the information sought by the gentleman from Florida.

Mr. FASCELL. I thank the gentleman from North Carolina.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield to the gentleman from Texas.

Mr. THOMAS. Our friend from Florida [Mr. FASCELL] has asked a very pertinent question. The overall original 1961 request for funds was $79.5 billion. Added to that perhaps will be another $4 billion. Part of that was by our distinguished former President and part of that additional $4 billion is by our present distinguished President.

As to the overall spending program, I doubt if the Committee on Appropriations is in a position at this time to give my good friend an exact picture. It is considerably more than the $79.5 billions because coming into play is that iniquitous thing that we call, sometimes facetiously, but there is more truth than poetry in it, back-door spending, which we cannot control, nor can the House control, because when the Members of the House vote for back-door spending they vote to release their power over the purse strings. Nobody can dispute that.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield to the gentleman from Washington.

Mr. PELLY. In testifying before the Finance Committee in the other body in 1958 the president of the Tax Foundation made this statement, that the entire budget in that year was about $71 billion, and that they had estimated that the Congress had control over only about $30 billions of those funds.

Mr. JONAS. When we engage in back-door spending we not only give up the future right to control spending but we give up two reviews of those spending programs, one to be made by the Budget Bureau and the other to be made by the Committee on Appropriations. No greater device was ever invented to destroy the power of Congress to control spending than back-door spending.

The following tables will show:

First. Gross debts of all central governments of free world countries;

Second. Number of retired military personnel on the pension rolls, including money required to pay these pensions;

Third. Breakdown of operating costs of the United Nations forces in the Congo from January 1 to October 31, 1961;

Fourth. Payments received as of April 30, 1961 from member nations to support United Nations operations in the Congo;

Fifth. List of United Nations members whose assessments were reduced;

Sixth. List of United Nations members whose assessments were not reduced;

Seventh. List of United Nations members which have not paid their Congo assessments;

Eighth. Detailed list of U.S. contributions to United Nations specialized agencies and special programs for fiscal year 1952, fiscal year 1961 and estimates for fiscal year 1962; and

Ninth. List of allocations by the United States from the mutual security contingency fund.

Gross Debts of Central Governments

Gross debt of central governments, free world countries

[Millions of dollar equivalents]

Region and country	Total gross debt outstanding		
	Date	Amount	Percent of GNP
Near East:			
Egypt	June 30, 1959	1,133	31.5
Greece	Dec. 31, 1959	408	13.5
Iran	Mar. 21, 1960	590	17.3
Iraq	Mar. 31, 1958	109	10.4
Israel	Mar. 31, 1960	1,211	54.9
Jordan	do	30	15.5
Lebanon	Dec. 31, 1959	21	3.5
Syria	Dec. 31, 1957	42	5.1
Turkey	Feb. 28, 1960	624	14.0
South Asia:			
Afghanistan	Sept. 23, 1960	161	23.0
Ceylon	Sept. 30, 1960	457	35.8
India	Mar. 31, 1960	11,692	37.7
Pakistan	June 30, 1960	1,454	25.2
Far East:			
Burma	Sept. 30, 1960	228	18.6
Indonesia	Dec. 31, 1959	989	21.3
Japan	Mar. 31, 1960	3,486	10.7
Korea (South)	Dec. 31, 1959	190	13.3
Malaya	do	421	23.7
Philippines	June 30, 1960	[1]577	12.4
Thailand	Dec. 31, 1959	428	17.8
Laos	June 30, 1960	6	4.3
Vietnam	Dec. 31, 1959	427	20.8
Singapore	Sept. 30, 1959	38	5.8
Africa:			
Ethiopia	Sept. 30, 1960	59	6.6
Ghana	June 30, 1960	96	8.4
Liberia	Dec. 31, 1959	55	48.7
Morocco	do	415	25.7
Nigeria	Dec. 31, 1958	134	5.2
Sudan	June 30, 1960	34	3.8
Tunisia	Mar. 31, 1960	274	44.1
Union of South Africa	do	3,312	48.7
Europe:			
Belgium-Luxembourg	Dec. 31, 1959	7,629	64.1
Denmark	Mar. 31, 1960	1,276	23.1
France	Dec. 31, 1959	16,371	31.7
Germany	Mar. 31, 1960	6,095	10.3
Iceland	Dec. 31, 1958	16	11.0
Italy	June 30, 1960	10,044	34.0
Europe—Continued			
Netherlands	Dec. 31, 1959	4,811	47.2
Norway	June 30, 1959	1,262	30.9
Portugal	Dec. 31, 1959	503	23.2
United Kingdom	Mar. 31, 1960	76,021	114.6
Austria	Dec. 31, 1959	705	13.7
Ireland	Mar. 31, 1960	1,198	70.0
Sweden	Dec. 31, 1960	4,400	36.3
Switzerland	Dec. 31, 1959	1,453	18.4
Finland	do	546	13.9
Spain	do	2,533	27.0
Latin America:			
Argentina	Dec. 31, 1959	[2]1,370	17.9
Bolivia	do	216	115.5
Brazil	Nov. 30, 1959	1,201	8.9
Chile	Dec. 31, 1959	472	12.1
Colombia	do	208	6.0
Costa Rica	do	86	18.5
Cuba	June 30, 1959	1,280	50.2
Ecuador	Dec. 31, 1959	72	8.6
El Salvador	do	45	8.9
Guatemala	June 30, 1959	71	11.3
Haiti	do	63	27.0
Honduras	Dec. 31, 1959	26	7.0
Mexico	do	596	6.1
Nicaragua	June 30, 1960	5	1.7
Panama	Dec. 31, 1959	66	16.9
Paraguay	do	13	5.8
Peru	do	269	17.0
Uruguay	do	154	28.3
Venezuela	June 30, 1960	145	2.1
Oceania:			
Australia	do	3,479	23.3
New Zealand	Mar. 31, 1960	2,365	68.6
North America:			
Canada	do	20,997	60.7
United States	Dec. 31, 1960	290,400	57.7
Total of countries listed		487,563	
Total (excluding United States)		197,163	

[1] Estimate.

[2] Domestic debt only as Central Government has no direct foreign borrowing. Government-owned enterprises owed about $1,600,000,000 of foreign debt, either with or without Central Government guarantee on Dec. 31, 1959.

GENERAL NOTE

1. The debt figures in this table are on a gross basis; i.e., no deductions are made for reserves or Government securities held in sinking or reserve funds.

2. These debt figures of the Central Government exclude—

(a) Debt of Government-owned enterprises not financed by the Government's tax sources, whether or not guaranteed by the Central Government.

(b) Other guaranteed debt; i.e., debt incurred by local units and other government agencies which carry a guarantee by the Central Government to assure debt servicing in case of default by the borrowing unit.

(c) Dormant debt; i.e., debt which is not serviced.

3. Domestic debt and debt to the United States repayable in national currency has been converted into U.S. dollar equivalents by use of official exchange rates in most instances; where official exchange rates were not applicable, effective rates were used. These dollar equivalents do not reflect the substantial variations in the purchasing power of the dollar from country to country and exact comparisons of gross debt among countries are subject to limitations.

4. Debt repayable in foreign currencies is included on the basis of the original currency with nondollar debt converted at dollar cross rates.

5. Debt as a percentage of GNP has been added as an indicator of the burden of the debt on the economy. The size of the debt service may be a better indicator of the debt burden. However, reliable data on debt service, i.e., the amount of interest and debt retirement, are not available.

Source: Office of Statistics and Reports, International Cooperation Administration, Apr. 17, 1961.

Number of annuitants on retired rolls

Category	Actual June 30, 1959	Actual June 30, 1960	Actual Sept. 30, 1960	Actual Dec. 31, 1960	Actual Mar. 31, 1961	Estimated June 30, 1961
Nondisability	118,950	133,254	139,564	145,713	151,977	160,113
Temporary disability	13,150	14,064	14,487	14,872	15,065	15,836
Permanent disability	69,629	71,233	71,523	71,924	72,308	73,584
Fleet reserve	26,660	35,144	38,139	39,923	41,676	44,280
Survivors' benefits	1,881	2,312	2,441	2,547	2,659	2,787
Total	230,270	256,007	266,154	274,979	283,685	296,600

Additional requirements

Category	Actual obligations through Mar. 31, 1961	Estimated requirements for balance of fiscal year 1961	Revised estimates for fiscal year 1961	Presently available fiscal year 1961	Amount of supplemental fiscal year 1961
Nondisability	$342,599,341	$124,658,359	$467,257,700	$451,647,700	$15,610,000
Temporary disability	24,129,075	7,868,925	31,998,000	31,088,800	909,200
Permanent disability	152,237,212	50,909,388	203,146,600	203,146,600	
Fleet reserve	60,083,400	24,379,900	84,463,300	85,982,500	(1,519,200)
Survivors' benefits	2,208,870	925,530	3,134,400	3,134,400	
Total	581,257,898	208,742,102	790,000,000	775,000,000	15,000,000

Comparison of revised estimates with amount presently available

Category	Presently available, fiscal year 1961			Revised estimates, fiscal year 1961		
	Year end	Average number	Cost	Year end	Average number	Cost
Nondisability	153,819	143,800	$451,647,700	160,113	147,256	$467,257,700
Temporary disability	15,329	14,722	31,088,800	15,836	15,329	31,998,000
Permanent disability	72,884	72,062	203,146,600	73,584	72,062	203,146,600
Fleet reserve	46,892	41,264	85,982,500	44,280	40,532	84,463,300
Survivors' benefits	2,787	2,550	3,134,400	2,787	2,550	3,134,400
Total	291,711	274,398	775,000,000	296,600	277,729	790,000,000

United Nations operation in the Congo (ONUC) from Jan. 1 to Oct. 31, 1961

PT. A. OPERATING COSTS INCURRED BY THE UNITED NATIONS

I. Military personnel		$26,310,000
1. United Nations daily allowance	$11,100,000	
2. Movement of contingents	11,850,000	
3. Travel and subsistence	1,260,000	
4. Leave payments	2,100,000	
II. Civilian personnel		8,790,000
1. Pay of international staff	3,150,000	
2. Pay of local staff	1,340,000	
3. Travel and subsistence	4,300,000	
III. Maintenance and operation of equipment		31,080,000
1. Maintenance and operation of vehicles	4,100,000	
2. Maintenance and operation of aircraft	26,980,000	
IV. Rations		13,660,000
V. Supplies and services		15,850,000
1. Freight	4,680,000	
2. Rental and maintenance of premises	4,270,000	
3. Communications	400,000	
4. Other supplies and services	6,500,000	
VI. Purchase of equipment		7,860,000
1. Transport and heavy mobile equipment	3,990,000	
2. Aircraft	600,000	
3. Other equipment	3,270,000	
VII. Welfare		600,000

PT. A. OPERATING COSTS INCURRED BY THE UNITED NATIONS—continued

VIII. Contingencies		$2,850,000
Total, pt. A		107,000,000
Global reduction		−7,000,000
Total		100,000,000

PT. B. REIMBURSEMENT OF EXTRAORDINARY COSTS

IX. Reimbursement to governments		28,000,000
1. Costs relating to pay and allowances	$22,500,000	
2. Costs relating to equipment and supplies	5,000,000	
3. Death and disability awards	500,000	
Total, pt. B		28,000,000
Global reduction		−8,000,000
Total		20,000,000
Total, pts. A and B		120,000,000
10 months' pro rata costs and total assessments		100,000,000

United Nations operation in the Congo, payments received as of Apr. 30, 1961

Period, July–December 1960:

Total due	$48,500,000
Amount received	$26,387,793
Percent received	54.41

Collected contributions

Country:	Amount
Australia	$433,465.50
Canada	1,506,232.00
India	595,712.50
Ireland	77,491.00
Japan	530,329.50
Netherlands	489,162.00
New Zealand	203,414.00
Turkey	142,874.00
United Kingdom	3,768,002.00
United States	15,745,211.00
Total	23,491,893.50
Credits under UNGA resolution 1583(XV)	2,895,899.50
Total	26,387,793.00

UNITED NATIONS CONGO ACCOUNT, JANUARY–OCTOBER 1961

Countries entitled to rebate

(a) Countries in the 0.04- to 0.25-percent range; 80 percent:

Afghanistan, Albania, Bolivia, Bulgaria, Burma, Cambodia, Cameroun, Central African Republic, Ceylon, Chad, Congo (Brazzaville), Congo (Leopoldville), Costa Rica, Cuba, Cyprus, Dahomey, Dominican Republic, Ecuador, El Salvador, Ethiopia, Gabon, Ghana, Greece, Guatemala, Guinea, Haiti, Honduras, Iceland, Iran, Iraq, Ireland, Israel, Ivory Coast, Jordan, Laos, Lebanon, Liberia, Libya, Luxembourg, Madagascar, Malaya, Mali, Morocco, Nepal, Nicaragua, Niger, Nigeria, Panama, Paraguay, Peru, Portugal, Saudi Arabia, Senegal, Somalia, Sudan, Thailand, Togo, Tunisia, Upper Volta, Uruguay, and Yemen.

(b) Countries from 0.26 to 1.25 percent receiving ETAP aid, 80 percent:

Argentina, Brazil, Chile, Colombia, Hungary, Indonesia, Mexico, Pakistan, Philippines, Spain, Turkey, United Arab Republic, Venezuela, and Yugoslavia.

(c) Countries above 1.25 percent receiving ETAP aid, 50 percent:

China, India, Japan, and Poland.

UNITED NATIONS OPERATION IN THE CONGO

Countries not entitled to a rebate for the period January–October 1961:

	Assessed amount
Australia	$1,773,155
Austria	425,953

UNITED NATIONS OPERATION IN THE CONGO—Continued

	Assessed amount
Belgium	$1,287,766
Byelorussian S.S.R.	465,577
Canada	3,080,733
Czechoslovakia	861,813
Denmark	594,354
Finland	356,612
France	6,339,772
Italy	2,228,826
Netherlands	1,000,495
New Zealand	416,047
Norway	485,389
Rumania	336,800
Sweden	1,376,919
Ukrainian S.S.R.	1,783,061
Union of South Africa	554,730
U.S.S.R.	13,491,828
United Kingdom	7,706,785
United States	32,204,061
Total	76,770,676

No collections have been received on the assessments for the period January–October 1961 as of the current date (June 13, 1961).

NOTE.—For countries who have paid their assessments for 1960, see page 9.

United Nations Congo account—Shares of the U.S.S.R. and certain other countries in 1960 and 1961 assessments for the Congo account

Country	1960 and 1961, percent	1960 assessment	1961 net assessment	Total	Country	1960 and 1961, percent	1960 assessment	1961 net assessment	Total
Albania	0.04	$19,373	$7,925	$27,298	Rumania	0.34	$164,668	$336,800	$501,468
Bulgaria	.16	77,491	31,699	109,190	Ukrainian SSR	1.80	871,774	1,783,061	2,654,835
Byelorussian SSR	.47	227,630	465,577	693,207	U.S.S.R.	13.62	6,596,425	13,491,828	20,088,253
Czechoslovakia	.87	421,358	861,813	1,283,171	Total	19.09	9,245,650	17,740,466	26,986,116
Hungary	.42	203,414	83,210	286,624					
Poland	1.37	663,517	678,553	1,342,070					

U.S. contributions to U.N. specialized agencies and special programs, fiscal year 1952, fiscal year 1961, and fiscal year 1962

	Actual, fiscal year 1952	Estimated, fiscal year 1961	Estimated, fiscal year 1962
A. U.N. and specialized agencies:			
United Nations	$16,394,244	$19,269,331	$22,332,810
Food and Agriculture Organization	1,355,000	2,999,210	3,000,000
Intergovernmental Maritime Consultative Organization		40,813	45,329
International Civil Aviation Organization	698,610	1,395,000	1,428,000
International Labor Organization	1,466,412	1,975,364	2,448,967
International Telecommunications Union	109,264	326,456	300,000
United Nations Educational, Scientific, and Cultural Organization	2,785,400	3,832,952	4,676,765
Universal Postal Union	13,867	26,145	29,480
World Health Organization	2,481,159	5,355,110	6,070,273
World Meteorological Organization	24,855	125,918	117,897
Subtotal	25,328,811	35,346,299	40,449,521
B. United Nations Emergency Force:			
Assessed			6,115,519
Voluntary		3,200,000	1,800,000
Subtotal		3,200,000	7,915,519
C. ONUC: [1]			
Military:			
Assessed calendar year 1960		15,745,211	
Assessed calendar year 1961		32,204,061	
Voluntary calendar year 1960		14,217,622	
Voluntary calendar year 1961		5,000,000	10,305,596
Voluntary calendar year 1962			16,694,404
C. ONUC—Continued			
Economic		$30,000,000	$35,000,000
Subtotal		97,166,894	62,000,000
D. Special programs financed by voluntary contributions:			
International Civil Aviation Organization, joint support	$576,312	842,991	993,000
United Nations Children's Fund		12,000,000	12,000,000
United Nations Educational, Scientific, and Cultural Organization, education in Africa		1,000,000	
United Nations Expanded Program of Technical Assistance	11,400,000	17,812,817	40,000,000
United Nations High Commissioner for Refugees		1,300,000	1,200,000
United Nations Korean Reconstruction Agency	10,000,000		
United Nations Relief and Works Agency	50,000,000	23,500,000	24,700,000
United Nations Special Fund		18,811,809	[2]
World Health Organization:			
Water supply		175,000	400,000
Malaria eradication		4,000,000	2,500,000
Medical research		500,000	500,000
Subtotal	72,076,312	79,942,677	82,293,000
Total	97,405,123	215,655,870	192,658,040

[1] No funds requested to date for calendar year 1962 assessment; therefore, no amount shown.

[2] Included in UNTA request.

Allocation of mutual security contingency fund for fiscal year 1961 as of April 30, 1961

[In thousands of dollars]

AFRICA	
Cameroun	2,000
Central African Federation	500
Congo (Leopoldville)	[1] 46,838
East Africa	780
Entente States	7,700
Ethiopa	1,200
Ghana	600
Guinea	210
Liberia	550
Libya	21
Malagasy	550
Mali	2,475
Mauritania	50
Morocco	49
Nigeria	3,042
Northern Rhodesia	300
Senegal	3,658
Sierra Leone	252
Somalia	550
Sudan	500
Do	284
Togo	916
Tunisia	5,000
Regional technical support	165
Classified project	3,355
Total	81,545
NEAR EAST AND SOUTH ASIA	
Cyprus	75
Iraq	400
Jordan	5,000
Pakistan	427
Do	400
Turkey	22,900
United Arab Republic	97
Yemen	2,000
Indus Basin	6,807
Regional	15
Do	150
Total	38,271
FAR EAST	
Korea	20,000
Philippines	73
Classified projects	3,000
Total	23,073

Allocation of mutual security contingency fund for fiscal year 1961 as of April 30, 1961—Continued

[In thousands of dollars]

LATIN AMERICA	
Brazil	490
Bolivia	10,000
British Guinea	300
Chile	20,000
Colombia	500
Do	90
Costa Rica	140
Ecuador	295
Do	25
Guatemala	10,025
Do	200
Haiti	5,970
Honduras	3,500
Panama	6,000
Venezuela	90
West Indies Federation	2,500
Central American Bank	2,000
Total	62,125
EUROPE	
Iceland	6,000
Yugoslavia	25,000
NATO science program	128
Total	31,128
NONREGIONAL	
Aid to American schools abroad	2,500
Cuban refugees	5,000
Disaster relief (worldwide)	180
Freight differentials	1,050 1,150
Ocean freight, voluntary relief agencies	250
Project Hope	1,000
Peace Corps	5,000
UNTA and Special Fund	3,450
Other programs	25,000
Total	44,580
Total, all programs	280,722

[1] In addition, $20,000 included under "Nonregional, other programs," is programed for the U.N. operation in the Congo.

The CHAIRMAN. The time of the gentleman has expired. All time of the gentleman from Iowa has expired.

Mr. THOMAS. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I have had nothing to say about this bill up to this time. It so happens that because of a death in my family I could not attend the hearings on this bill, but our good colleagues and minority members of the committee with me, the gentleman from Ohio [Mr. BOW] and the gentleman from North Carolina [Mr. JONAS], have done a commendable job in helping our very able chairman, the gentleman from Texas [Mr. THOMAS], and the majority members in reducing this bill to the present figure.

I can understand the anxiety in the hearts of my colleagues who are concerned about the fiscal situation of our beloved land as it exists today. It is something about which every deep-thinking patriotic American should be concerned. In full committee not long ago, the full Committee on Appropriations is composed of 50 members, 20 minority members and 30 majority members, I had this to say when a bill was before the full committee which requested billions of our taxpayers' dollars be appropriated. I said, "On the shoulders of we 50 Members of this Congress, the members of the Committee on Appropriations, rests the greatest responsibility for the survival of our way of life." I am sure almost every member of that committee recognizes that responsibility. Why did I say that? Because under our U.S. Constitution all appropriations are supposed to originate in the House of Representatives, since that committee has control of the purse strings in the first instance. Over the past 19 years as a member of that committee I have offered motions in subcommittees of which I am a member to

reduce budget requests totaling hundreds and millions and possibly billions of dollars. I am more concerned today about the future of our country and the stability of the American dollar than ever before. When we know that the President of the United States has requested billions over and above what the Eisenhower budget requested for fiscal year 1962 and when we know also that in a few days, a bill will be presented to this House to raise the debt limit at least $5 billion, I have voted against the last two bills that came to this floor to raise the debt limit, and some of my colleagues have said to me, "Ben, we must raise the debt limit or Uncle Sam will not be able to pay his bills as they come due."

Now, you and I know that when an individual has signed notes in amounts more than his or her total worth, that persons signature on a note is worthless. That is about where Uncle Sam stands today. What happens then? Bankruptcy is the easy way out, then next rank inflation will follow. Uncle Sam can continue to pay his bills, but only if we begin now to retrench. Thus it would not be necessary to raise the debt limit. We should all be smart enough to know at this late date that so long as this Congress continues to vote to raise the debt limit, the administrative bureaucrats will continue to spend, spend, spend, on the theory that did not the Congress want them to spend, spend, spend, the Congress would not have raised the debt limit.

So when the bill comes to the floor soon to again raise the debt limit, I shall again vote against it. For as I said before, so long as we raise the debt limit, the bureaucrats will continue to spend, spend, and then spend billions more, until that evil day, which has befallen every nation on earth that traveled the full spending road to financial destruction and on which this Nation has been traveling full speed ahead for almost three decades.

Mr. THOMAS. Mr. Chairman, I yield myself 30 seconds and, in the absence of further requests for time, I shall then respectfully ask that the Clerk read.

Mr. Chairman, may I ask my colleagues to refer to the committee hearings. They are short, but there are worlds of good tables contained in the hearings. Our friend, the gentleman from North Carolina [Mr. JONAS] has very ably pointed that out to you, and he certainly made a very analytical statement. I suggest, if you have time, look over those tables and also refer to the report. After all, with the exception of one item, every item was cut—and, as I say, with the exception of that one item, the average was cut about 45 percent.

Mr. Chairman, I ask that the Clerk read.

The Clerk read as follows:

DEPARTMENT OF DEFENSE—MILITARY

Military personnel

Retired Pay, Department of Defense

For an additional amount for "Retired pay, Department of Defense", $14,500,000.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is the fourth deficiency appropriation bill this year. We are 11 days away from the end of the fiscal year, and we are still passing deficiency appropriation bills. That, I think, is a record. This House ought to be ashamed to pass deficiency appropriation bills within 11 days of the beginning of a new fiscal year.

Once more, the chickens are coming home to roost in this bill. The taxpayers are going to get their tail feathers plucked again. Bad as is back-door spending, even worse is this delegation of power to foreigners as well as fuzzy-brained representatives of this country, meeting in New Delhi, India, Bangkok, Hong Kong, or Timbuktu, and voting increases in the U.S. contributions to various foreign organizations. Foreigners voting what amounts to tax increases on American citizens.

Talk about delegations of power. I noticed in the newspapers over the weekend that Congress apparently is going to be confronted with another delegation of power. It is suggested that the President now must have power to raise or lower taxes. No longer is Congress competent to fix the tax policy of this country, raising or lowering taxes; it must now be given to the New Frontier, to President Kennedy, to raise or lower taxes. As far as I am concerned, I am not going to vote to give Kennedy or any other president the power to raise or lower taxes and by the procedure that Congress reject such a plan in 60 days or it will go into effect. That is not for me.

The taxpayers are going to get rapped over the knuckles again in this bill, all because the representatives of some foreign governments hold a meeting in some distant place and vote that we Americans have got to pay so much money for the support of this Congo outfit.

The gentleman from New York [Mr. ROONEY] on page 21 of the hearings questioned the witnesses:

Mr. ROONEY. What are the accounts you say the Secretary General of the U.N. has dipped into?

Mr. GARDNER. The Working Capital Fund, I think.

Mr. ROONEY. How much?

Mrs. WESTFALL. The Working Capital Fund has been drawn down completely. He has drawn some from the U.N. Special Fund and also from the Children's Fund. We will be glad to give you a statement on that.

After the committee adjourned, the witnesses provided a statement showing that U.N. officials got $12 million from the United Nations Special Fund and grabbed $10 million from the United Nations Children's Fund, UNICEF.

Now, I would like to ask the chairman, Mr. Thomas, this question: Is any part of the money appropriated here to replenish the Children's Fund; to provide money that was robbed from the poor children?

Mr. THOMAS. No. This is the cost of the Congo assessed to the United States. You have $32.2 of appropriated funds here and the remainder is in pledges to the United Nations. They tell us in committee that the head man of the United Nations has dipped into the meal barrel to keep his organization going; and they say that in the very near future if certain funds do not come in that it will be very very critical for the United Nations.

Mr. GROSS. One minute, there. Who is going to put the money back in the Children's Fund? Every time a difficulty comes up is the Secretary General going to dip into the barrel and rob these poor, downtrodden children? Who is going to put the money back?

Mr. THOMAS. I think there are about 79 members in the United Nations organization.

Mr. GROSS. All right, but they refuse to contribute to the Congolese army?

Mr. THOMAS. Not all of them.

Mr. GROSS. You bet your life they do not. Who is going to put the money back that the Secretary General looted from these others funds?

Mr. THOMAS. I hope that the members who belong to the United Nations will put it back. I hope that we will not have to carry forever any more than our agreed share of 32.5 percent.

Mr. GROSS. The gentleman knows, as does the gentleman from New York [Mr. ROONEY], and let me quote his words:

Mr. ROONEY. You say you have been seeking a remedy for this unfortunate financial condition? When did you start to do that?

The situation—

Says Mr. ROONEY—

has been unfortunate for many years now, since the beginning of the U.N.

Sure it has. Somebody said a while ago that we ought to make them pay up or we ought to get out of the U.N. No truer statement was ever made.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for 5 additional minutes.)

Mr. GROSS. Mr. Chairman, I suspect my good friend from New York [Mr. ROONEY], will vote for every dime of this $32 million, despite the fact Americans have had to carry the load ever since the organization began.

Mr. ROONEY. After the inquiry and statement of the gentleman, I asked this question:

What would happen if this committee were not to approve the full amount of $32,204,000? Would that throw the books of the United Nations out of kilter and cause the Secretary General to dip into other accounts?

Mr. GARDNER. If we fail to come forward with this money, I think the whole United Nations operation at the Congo will be put into jeopardy. You might have to have a drastic withdrawal of troops with deleterious results, which might include Soviet penetration and widespread civil war.

I am going to vote for the $32 million. I do not want these things to happen.

Mr. GROSS. The same old leaping from crisis to crisis, the same old argument.

Mr. ROONEY. I did not create these crises.

Mr. GROSS. But the gentleman is perfectly willing to vote the way he does because somebody conjures up another crisis.

I notice in the hearings that the U.N. has gone so far as to rebate to some of these foreign countries, while they were loading it on the American taxpayers. Is that not true?

Mr. THOMAS. I did not hear the gentleman.

Mr. GROSS. Does not your hearing record show that the United Nations is rebating to some of these countries?

Mr. JONAS. Seventy-nine nations received rebates ranging up to 80 percent of their assessments.

Mr. GROSS. Yes, 79 nations received rebates up to 80 percent of their assessments.

Mr. JONAS. Yes. That is what part of this $15 million went to replenish.

Mr. GROSS. Yes. This is being loaded on the backs of the American taxpayers, and they keep pouring it on.

I would like to ask the chairman of the subcommittee how much the Congo airlift has cost the United States?

Mr. THOMAS. Ten million dollars. And it is a pretty good guess it is going to cost another ten or twelve million dollars. I think those figures are reasonably accurate.

Mr. GROSS. How much did these wonderful friends of ours, the British, put up for the original airlift? Your hearings show the British put up $600,000 of the original cost. We put up $10 million. The French refused to contribute anything. Is that correct?

Mr. THOMAS. That is correct; and the Soviets did not put up a dime either.

Mr. JONAS. We had a discussion about the cost of the airlift in the subcommittee. Frankly, I was disappointed when the State Department witnesses made the categorical statement that the Air Force had been repaid for the cost of the airlift. I talked with Air Force officials this morning, and understand that the total bill is about $26 million.

Mr. GROSS. And they told you $10 million.

Mr. JONAS. They told us it was $10,300,000 but they had reference to an interim charge. There still remains about $16 million of the airlift cost unpaid. The $10.3 million was paid to the Air Force from mutual security funds.

Mr. GROSS. Apparently it is about double. I may say to the gentleman I shall offer an amendment when we get to the $32 million item to cut that amount by $10 million. Maybe that will help a little bit. Let us save the taxpayers just a little bit out of this.

Mr. JONAS. Originally we were told that the agreement was that the different countries who provided the airlift would do that as a contribution and not as an assessment.

Mr. GROSS. And, Congress has been loading in on top of assessments and all kinds of so-called voluntary contributions not only to the main body of the United Nations but to all the special programs and subsidiary organizations of the United Nations. I am sick and tired of it.

The Clerk read as follows:

DEPARTMENT OF STATE

International organizations and conferences
contributions to international organizations

For an additional amount for "Contributions to international organizations", $32,204,000.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 2, line 15, strike out "$32,204,000" and insert "$21,886,378".

Mr. THOMAS. Mr. Chairman, will the gentleman yield? And I will ask that this does not come out of the gentleman's time.

Mr. GROSS. Yes.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate on this paragraph end in 5 minutes following the gentleman, and that the remaining 5 minutes be allotted to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GROSS. I thought the gentleman was rising to accept the amendment on behalf of the taxpayers.

We discussed this situation earlier. The hearing record shows that the original cost of the airlift was $10,317,000. I do not know of any better way to cut this appropriation and pay off just about half of what the airlift has already cost and still leave them more money than anyone should expect our taxpayers to cough up. The amendment is fair and reasonable. It is a small cut in this appropriation, and I am sure that they will be able to understand our huge debt situation in the United Nations. I hope the gentleman and the subcommittee will accept the amendment.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment.

Of course, the Committee of the Whole in its wise judgment will not accept the pending amendment. This sort of hit or miss approach to an important appropriation bill, such as the one now under consideration by the Committee of the Whole, is, in my humble estimation, not proper.

Now, let us see what the facts are in regard to the Congo airlift. The cost incurred by the Department of Defense for the initial airlift of United Nations troops to the Congo amounted to $10,317,621.53. This amount was reimbursed to the Department of Defense out of Mutual Security funds for the current fiscal year. Now, of course, you must remember this airlift started back in July 1960. Now, in addition to this amount $10,317,621.53, as of April 11, 1961, 2 months ago, the United States billed the United Nations for $9,909,213.19 incurred by the Department of the Air Force in connection with the airlift of United Nations troops to the Congo and an additional $1,779,684 for supplies. Furthermore, the United Nations has been requested to reimburse us, and this Government expects it will be reimbursed for this additional $11,688,897.19 by the United Nations.

Now, in connection with the further costs of the United Nations in the remainder of calendar year 1961, whatever the costs of the airlift may be, it is expected that this Government will bill the United Nations for them.

It is highly important that we do not here renounce this successful U.N. method of bringing peace to Africa, and to the Congo particularly, by adopting an amendment such as the one now under consideration by the Committee of the Whole. I therefore ask, Mr. Chairman, that the pending amendment of the gentleman from Iowa [Mr. GROSS] be defeated.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Iowa.

Mr. JENSEN. Do I understand that other nations are furnishing troops in lieu of dollars?

Mr. ROONEY. That is correct. There are 19,000 troops in the Congo, not one of whom is an American.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa, Mr. GROSS.

The amendment was rejected.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, may I have the attention of my colleague, the gentleman from Iowa [Mr. GROSS]?

Mr. Chairman, today, as I listened to the discussion, it seemed that almost everyone seemed to think there is too much money in this bill; that it was bad legislation. And while almost everyone condemned the bill, I understood from what I heard on both sides that this was not the time to vote against this type of legislation. The gentleman from Ohio [Mr. BOW] said that we should watch for authorizations. Certainly, but authorizations have a way of passing. Now we were stuck.

The situation calls to mind something that happened in the House Restaurant the other morning at breakfast. I walked in and there was a very good friend, an able, respected gentleman, a Member of this House. He had with him a friend, evidently from his district. As I sat down at their invitation, he said, "CLARE, what are you going to do about Cuba?" "Well," I said, "that is up to the administration. I do not believe that I have anything to say about it. In the first place I do not know enough about the agreements we have made to say anything about it. I lack the information; and in the second place, the remedy is not for me to determine. The responsibility is that of the President. We must support him until it comes to a decision of war or peace. But," I said, "what would you do?"

He said, "Well, I would blockade that island—Cuba. I would have done that long ago."

I said, "Fine, but if I remember correctly, you have voted for foreign aid

and participation in all these international agreements ever since you have been here."

He said, "Yes, that is true."

I said, "What are you going to do now?"

This falls right along the line of the argument made by the gentleman from Ohio [Mr. Bow] that it was a legal obligation and high water or low we must keep our promise. I said, "What would you do?"

He said, "I would violate our promise."

I said, "Why are you going to do that, an honorable gentleman like you? You are law abiding, you want to keep your word."

"Well," he said, "you know, when it comes down to the last stand and necessity calls when it is our national existence or keeping a promise then we must protect ourselves."

Apparently, that is about where we are now on this matter. It helps not at all now to chide those who got us to this end.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to my colleague.

Mr. GROSS. There was some discussion a moment ago about this army over in the Congo.

Mr. HOFFMAN of Michigan. Do not worry. As always, we will send our men over there, do not worry about that. Just how many men have we killed helping others—sticking our national nose into other nations' business, reforming the world, trying to force others to accept our thinking, our way of doing things? How many widows? How many orphans? All because some of us cannot go along with Washington's advice to avoid entanglements with other nations. Oh, our do-gooders have something to answer. Here comes another war.

Mr. GROSS. We are taking care of every dime of their expenses. They have surplus manpower. Is it not interesting, India has 5,000 so-called troops in the Congo today, but she could not furnish a single combat troop in Korea—not one. I wonder if this Indian Army would be in the Congo today if there were any shooting worthy of the name over there.

Mr. HOFFMAN of Michigan. You do not need to worry about our not having any troops over there. I have one grandson in Germany. I do not know whether he is to fight to keep Berlin or not. You remember we gave Berlin or part of it away. I have another over in the Mediterranean, on a ship. I do not know whether he is to be sent down to the Congo or not. It is not only our dollars that are going over there. Our own flesh and blood will be over there pretty soon.

Not so long ago it was Britain's proud boast that the sun never set on the British flag. Today is there a land or a sea which does not hold the body of an American boy?

We have made a bad bargain and some day we will have to get out of it. As was said to the gentleman from Ohio [Mr. Bow] when he was here in the well, "You promised to give two shirts, and you have only got one."

What are we to do about it? We will have to renege sometime, much as I dislike any procedure of that kind. I try to keep my word, but I am quite careful about promises. Instead of saying "Yes," sometimes I say "Maybe." More often a "No." Sometimes we will be forced to just quit sending and spending all this money for we will not have it and will be unable to borrow it. Then we will stop the Russians. As far as I am concerned, it is my purpose to keep on voting "No."

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. GROSS. We are being asked here this afternoon to pick up $32 million worth of bad debts of the rest of the world.

Mr. HOFFMAN of Michigan. We are financing both sides of the issue as we have done many and many a time. The only justification I can see for it is that we are a fairminded people; as in a horserace, when we have a handicap in order to try to make the running for all a fair one. So we finance both sides in a pending war. How silly and worse can we get? In Laos we financed all three factions; $41 million a year, according to the Hardy committee, we poured in there, for an army and fighting force with three factions fighting each other and not one supporting us. I just cannot see it.

As usual I will vote "no"—a "yes" vote for my country.

Mr. THOMAS. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. IKARD of Texas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7712) making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. THOMAS. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

Mr. LIPSCOMB. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. LIPSCOMB. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. LIPSCOMB moves to recommit the bill H.R. 7712 to the Committee on Appropriations.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 292, nays 63, not voting 81, as follows:

[Roll No. 86]

YEAS—292

Addabbo	Feighan	McDonough
Addonizio	Fenton	McDowell
Albert	Finnegan	McFall
Andersen, Minn.	Flood	McIntire
Ashley	Fogarty	McMillan
Ashmore	Ford	Machrowicz
Aspinall	Fountain	Mack
Auchincloss	Frazier	Madden
Avery	Frelinghuysen	Magnuson
Ayres	Friedel	Mahon
Bailey	Fulton	Mailliard
Baker	Gallagher	Marshall
Baldwin	Garland	Martin, Mass.
Barrett	Garmatz	Mathias
Barry	Gary	Matthews
Bass, N.H.	Gathings	Michel
Bass, Tenn.	Gavin	Miller, George P.
Bates	Gilbert	Millikin
Battin	Goodell	Mills
Beckworth	Goodling	Minshall
Belcher	Granahan	Moeller
Bell	Gray	Montoya
Bennett, Fla.	Green, Pa.	Moorehead, Ohio
Blatnik	Griffin	Moorhead, Pa.
Blitch	Griffiths	Morgan
Boggs	Gubser	Morris
Boland	Hagen, Calif.	Morse
Bolling	Haley	Mosher
Bolton	Halleck	Moss
Bow	Halpern	Multer
Breeding	Hansen	Natcher
Brooks, La.	Harding	Nix
Brooks, Tex.	Harrison, Wyo.	Nygaard
Broyhill	Harvey, Mich.	O'Brien, Ill.
Burke, Ky.	Hays	O'Brien, N.Y.
Burke, Mass.	Healey	O'Hara, Ill.
Byrne, Pa.	Hechler	O'Hara, Mich.
Byrnes, Wis.	Henderson	Olsen
Cahill	Herlong	O'Neill
Cannon	Holland	Ostertag
Carey	Holtzman	Passman
Celler	Horan	Patman
Chamberlain	Huddleston	Pelly
Chelf	Ichord, Mo.	Perkins
Chenoweth	Ikard, Tex	Peterson
Chiperfield	Inouye	Pfost
Church	Jarman	Philbin
Coad	Jennings	Pike
Cohelan	Jensen	Pilcher
Collier	Joelson	Pirnie
Conte	Johnson, Calif.	Poff
Cook	Johnson, Md.	Powell
Cooley	Johnson, Wis.	Price
Corbett	Jonas	Pucinski
Corman	Jones, Ala.	Quie
Curtin	Jones, Mo.	Rabaut
Curtis, Mass.	Judd	Rains
Curtis, Mo.	Karsten	Randall
Daddario	Karth	Reuss
Dague	Kastenmeier	Rhodes, Ariz.
Daniels	Kearns	Rhodes, Pa.
Davis, John W.	Kee	Riehlman
Davis, Tenn.	Keith	Riley
Dawson	Kelly	Robison
Delaney	Kilday	Rodino
Dent	Kilgore	Rogers, Colo.
Denton	King, Calif.	Rogers, Fla.
Diggs	King, N.Y.	Rooney
Dingell	King, Utah	Rostenkowski
Dominick	Kirwan	Roush
Donohue	Kornegay	Rutherford
Doyle	Kowalski	Ryan
Duiski	Kunkel	St. George
Durno	Landrum	Saund
Dwyer	Lane	Saylor
Edmondson	Langen	Schadeberg
Elliott	Lankford	Schneebeli
Ellsworth	Lennon	Schweiker
Everett	Libonati	Schwengel
Fallon	Lindsay	Scott
Fascell	McCormack	
	McCulloch	

Scranton	Sullivan	Wallhauser
Seely-Brown	Taylor	Walter
Selden	Teague, Calif.	Watts
Shelley	Thomas	Weaver
Shipley	Thompson, N.J.	Weis
Shriver	Thompson, Tex.	Westland
Sibal	Thomson, Wis.	Whalley
Sikes	Thornberry	Whitener
Sisk	Toll	Wickersham
Slack	Tollefson	Widnall
Smith, Iowa	Trimble	Wilson, Calif.
Smith, Miss.	Tupper	Yates
Spence	Udall	Younger
Stafford	Ullman	Zablocki
Steed	Vanik	Zelenko
Stratton	Van Zandt	
Stubblefield	Vinson	

NAYS—63

Abbitt	Devine	Moore
Abernethy	Dole	Murray
Alford	Dorn	Norblad
Anderson, Ill.	Dowdy	O'Konski
Andrews	Fisher	Pillion
Arends	Forrester	Ray
Ashbrook	Gross	Reece
Becker	Hall	Rogers, Tex.
Beermann	Harris	Roudebush
Berry	Harsha	Schenck
Betts	Harvey, Ind.	Scherer
Bray	Hiestand	Short
Bromwell	Hoeven	Smith, Calif.
Brown	Hoffman, Mich.	Smith, Va.
Bruce	Johansen	Teague, Tex.
Burleson	Knox	Utt
Casey	Kyl	Van Pelt
Colmer	Latta	Whitten
Cunningham	Lipscomb	Williams
Derounian	Martin, Nebr.	Wilson, Ind.
Derwinski	Mason	Winstead

NOT VOTING—81

Adair	Green, Oreg.	Moulder
Alexander	Hagan, Ga.	Murphy
Alger	Hardy	Nelsen
Anfuso	Harrison, Va.	Norrell
Baring	Hébert	Osmers
Bennett, Mich.	Hemphill	Poage
Bonner	Hoffman, Ill.	Reifel
Boykin	Holifield	Rivers, Alaska
Brademas	Hosmer	Rivers, S.C.
Brewster	Hull	Roberts
Broomfield	Keogh	Roosevelt
Buckley	Kilburn	Rousselot
Cederberg	Kitchin	St. Germain
Clancy	Kluczynski	Santangelo
Clark	Laird	Sheppard
Cramer	Lesinski	Siler
Davis, James C.	Loser	Springer
	McSween	Staggers
Dooley	McVey	Stephens
Downing	Macdonald	Taber
Evins	MacGregor	Thompson, La.
Farbstein	May	Tuck
Findley	Meader	Wharton
Fino	Merrow	Willis
Flynt	Miller, Clem	Wright
Giaimo	Miller, N.Y.	Young
Glenn	Monagan	
Grant	Morrison	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Rousselot against.

Until further notice:

Mr. Sheppard with Mr. Adair.
Mr. Roosevelt with Mr. Wharton.
Mr. Moulder with Mr. Cederberg.
Mr. Keogh with Mr. Bennett of Michigan.
Mr. Buckley with Mr. Fino.
Mr. Anfuso with Mr. Glenn.
Mr. Brademas with Mr. Kilburn.
Mr. Brewster with Mr. Hoffman of Illinois.
Mr. Farbstein with Mr. Nelson.
Mr. Giaimo with Mr. Reifel.
Mrs. Green of Oregon with Mr. Siler.
Mr. Morrison with Mr. Alger.
Mr. Willis with Mr. Dooley.
Mr. Thompson of Louisiana with Mr. Laird.
Mr. McSween with Mr. McVey.
Mr. Wright with Mr. Clancy.
Mr. Young with Mr. MacGregor.
Mr. Loser with Mr. Merrow.
Mr. Macdonald with Mr. Cramer.
Mr. Murphy with Mrs. May.
Mr. Hagan of Georgia with Mr. Taber.
Mr. Harrison of Virginia with Mr. Meader.
Mr. Evins with Mr. Osmers.
Mr. Santangelo with Mr. Miller of New York.
Mr. St. Germain with Mr. Findley.
Mr. Rivers of Alaska with Mr. Hosmer.
Mr. Hull with Mr. Springer.
Mrs. Norrell with Mr. Broomfield.

Mr. GREEN of Pennsylvania changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

RETRAINING OF JOBLESS WORKERS

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. PERKINS. Mr. Speaker, on Sunday, June 18, 1961, the Washington Post published in its "Outlook" section a full-page article by Julius Duscha on the retraining of jobless workers. This excellent story was built around the work done at the Mayo Vocational School in Paintsville, Ky., which is in my district.

Under the leadership of James Patton, assistant State superintendent of schools for vocational education; George Ramey, general manager of Mayo Vocational School; C. F. Esham, in charge of the State's adult education program; and Luther Safreit of the Mayo Vocational School, students of all ages are receiving valuable training not only in vocational skills, but also in basic school subjects.

While the article was primarily directed at retraining of older workers, it made reference to the bill which is being considered by this committee. I am, therefore, placing it in the RECORD.

Throughout this country there are many fine vocational schools as well as vocational departments in regular high schools. The resources of these schools and the know-how of their professional staffs can be utilized effectively in meeting the problems which we are considering here. In some instances it may be possible to make these services available to youth in the conservation camps where they are located in the same areas, but perhaps more important, the title of the bill dealing with public service projects for unemployed youth lends itself to a very effective utilization of the vocational and regular educational programs. It will be possible to set up such work progams in localities serviced by the vocational schools so that youth employed on them can receive training in both vocational and basic school subjects.

CAN LIFE BEGIN AT 40 FOR A NATION'S JOBLESS? THERE IS HOPE FOR SOME, BUT HOW MANY CAN BE RETRAINED AND MOVED?

(By Julius Duscha)

PAINTSVILLE, KY.—Elias Wolford swung himself across the crowded shop floor. An aluminum crutch helped support his good leg while a wooden crutch replaced the leg he had lost in a coal mine 10 years before. Now, however, there was no work for Wolford in the mines.

At the age of 40 and after spending 18 years digging coal out of the harsh, uncompromising hills of eastern Kentucky, Wolford was learning to be an auto body mechanic. He had not been to school since the fourth grade, and that was more than 30 years ago. But, Wolford said with a smile that creased his lined face, "I'm getting straight A's."

At the other end of the Mayo Vocational School, 48-year-old Hobart Jackson was working with an acetylene torch. He had finished the eighth grade, gone to work in the Harlan County coalfields when he was 15, lost his right arm in a mine when he was 25 and his job last year, and now after 27 years as a miner was learning to be a welder.

When a visitor apologized for interrupting Jackson, he carefully put down his torch, slowly removed the steel plate he had been holding in the grip of his aluminum artificial arm, pushed his goggles onto his forehead and said that he was getting hot anyway. Yes, Jackson realized that it was late in his life to be learning a new trade, but he was confident that he would find a job when he finished his course 2 years from now, at 50.

Two benches away from Jackson sat William Markland, a 47-year-old miner who was also hoping to begin life anew as a welder after 32 years in the mines. He, too, had only an eighth grade education. He said he had no trouble reading but that "math was tough." He was enjoying himself nevertheless. "I always thought I'd like welding," he added.

Wolford, Jackson, and Markland are but three of the hundreds of thousands of Americans who have been thrown out of work in recent years either by machines or by the changing needs of the Nation's economy. They have discovered that whatever skills they had developed in half a lifetime or more of labor can no longer be marketed. It is as if the men had been tossed on a scrap heap, like a wornout pickax or a broken shovel.

To help the chronically unemployed, President Kennedy has proposed a program to retrain and relocate them. It is part of the administration's efforts to train workers in the skills demanded by an increasingly mechanized economy. The President has also asked Congress to set up a pilot on-the-job training program for youths, a youth corps to carry out public service projects in cities and a conservation corps of youths to live and work in parks and forests.

To attack the problems of depressed areas directly, Congress has approved Mr. Kennedy's $389 million loan and grant program designed to bring industry into the Nation's more than 100 areas of chronic unemployment. This program is just getting started, and no loans have yet been made under it.

If any of these programs are to succeed, however, the Nation's economy must be vigorous and expanding. This is basic to the administration's whole approach to the depressed areas. If, for example, there is not enough work in the cities for the men who are already there, it will do no good to send trained men from eastern Kentucky to the cities to search for work.

The retraining and relocation legislation submitted to Congress by the President last month would provide Federal funds for the first time specifically for these purposes. The

program, however, would be carried out largely through existing State and local vocational schools like the Mayo School in eastern Kentucky.

The Government not only would pay for the reeducation of the chronically unemployed and up to half the cost of relocating them; it would provide subsistence funds for them while they were going to school. The payments could not exceed unemployment compensation benefits, which would mean a ceiling of around $40 a week. Laws in most States now prohibit the payment of unemployment benefits to persons attending school.

Subsistence allowances are essential to the success of a retraining program. Few of the chronically unemployed have the resources to sustain themselves through even a 6-month retraining program.

At the Mayo School, practically all of the older men who have enrolled have been disabled miners eligible for benefits under the United Mine Workers' health and welfare programs. Former miner Wolford gets a $30-a-week living allowance while going to school. The UMW also pays his rent and utilities as well as his tuition.

I have just completed a trip along the winding roads through the picturesque valleys, across the green ridges and into the shady hollows of eastern Kentucky, where some of the country's most breathtaking scenery masks some of its most incredible poverty.

In this beautiful but depressed coal mining and tobacco farming region, heroic efforts are being made by the State of Kentucky and by local school districts to help the unemployed pick up the broken threads of lives that were always hard.

The work that has been done in eastern Kentucky, however spotty and insufficient it may be, is considered by both Federal and State school and vocational education authorities as a useful pilot study if not a model for the proposed Federal retraining programs.

At the highly successful Mayo Vocational School in Paintsville, Ky., Luther Safriet, the school coordinator, believes that older men can be trained almost as easily as youths. But he does not know whether even well-trained men in their thirties or forties will be able to find jobs.

"I'm 44," said Safriet, a big energetic man who looks stronger than a 20-year-old all-American tackle, "and I'd hate to try to sell myself to somebody at my age.

"Companies that come to us for people," Safriet went on, "seldom want to hire anyone who is over 25 and won't even talk to anyone over 40."

Still another drawback facing the chronically unemployed—nearly all of whom are unskilled and have little education—is the demand made by most employers for a high school education. A vocational school can take a man with just a third or fourth grade education and make a mechanic or a welder out of him, but a big company is not likely to employ the man unless he is a high school graduate.

In the hills of Kentucky as well as in other depressed areas such as West Virginia, western Maryland, southern Illinois, and northern Minnesota, the level of education is depressingly low. For generations the pattern had been a grade school education followed by a lifetime of hard but well-paid work—usually in the mines.

Kentucky is acutely conscious of the shortcomings of its schools. With a limited amount of funds, the State is not only upgrading its elementary and secondary schools but also is providing night classes for adults in the depressed areas as well as training in vocational schools.

Four nights a week Maynard Caudill, a miner with a sixth grade education, goes to the Elkhorn City High School in Pike County to make up for the hours he spent in a mine instead of a classroom. He is lucky, though: he still has a job. But Caudill, who is not yet 30, realizes that his job too may soon be gone and that he will undoubtedly need a high school diploma to get another job.

"Why," said his pretty, dark-haired wife, Ethel Marie, who also is going to night school to get her high school diploma, "even truck drivers around here are required to be high school graduates."

Mr. and Mrs. Caudill have a long way to go even to get the new high school "equivalency" certificate that Kentucky is offering to persons who have not completed high school but who can pass a test indicating that they are as qualified as a high school graduate.

Handicapped as the Caudills may be with their sketchy educations, they at least can read and write. Many of their friends and neighbors cannot. In two Kentucky coal counties—Harlan and Johnson—literacy classes have been started for adults. When a bookkeeping instructor asked the 17 members of his night class in the Elkhorn school how many knew people who could neither read nor write, two-thirds of the students raised their hands.

Then there is the corrosive effect that years of poverty have had on the once proud and independent people of the Kentucky hills. Relief has become an accepted way of life. The distribution of surplus foods is now almost a social occasion as well as a grim necessity of life in the valleys and hollows where there is no longer any work. There are traffic jams along the winding mountain roads on food distribution days; this is still an economy on wheels, however old and rusty the wheels may be.

The man who has never been over the ridge to the next valley is now hard to find, but the hollows are still filled with men and women who have been bypassed by most of the amenities of civilization.

At night, lighted television screens glow eerily through the open, unscreened doors of the dismal, unpainted houses sitting precariously on the hillsides along the roads. There are drive-in movies, too, and washing machines on front porches.

The sleek supermarket can be found in the mountain towns, along with the chrome-spotted, glass-enclosed drugstore. In a few counties there are new courthouses, and in some towns new banks are being built.

But there is still a distressing antipathy toward education. If an eighth grade education was good enough for the old man, why does the kid need more?

The unlettered, free-swinging fundamentalist ministers are still powerful mountain potentates standing in the way of change. The banker and coal operator prefer the blue chip securities of the New York stock market to the chancy investment in their own hollow.

And the man in his thirties, forties, or fifties is often frightened at the thought of moving even to Louisville, let alone Cincinnati, Cleveland, Detroit, or Chicago. Yet move he must if he hopes to find a job after he is retrained.

The Mayo School has discovered that one of the greatest needs of its students is training in such rudiments of modern life as meeting and dealing with people, filling out forms, making estimates, reading blueprints, and simply following instructions. So Mayo has included a Dale Carnegie course on how to win friends and influence people as part of its curriculum.

In the last decade, tens of thousands of young men and women have made the often difficult transition from the protective hills of eastern Kentucky to the impersonal uncertainties of the cities, and many more will do so in the 1960's. But few older persons have moved from their beloved valleys and ridges.

Yet any Federal retraining programs in Kentucky will have to include relocation. In eastern Kentucky, as in the other depressed areas of the Nation, jobs of any description are scarce. Auto mechanics are needed in eastern Kentucky; so are radio and television repairmen. In some counties there is work for skilled printers, carpenters, and plumbers. But the list ends just about there.

Welders, machinists, electricians, draftsmen, and other skilled workers must move out of Kentucky to Ohio, Indiana, Illinois, Pennsylvania, New York and other heavily industralized States to find jobs. Nowhere, in or out of Kentucky, is there a demand for men without skills.

Business and political leaders in eastern Kentucky are hopeful that the low-interest loans which the new depressed areas program will make available will help to attract industry to the valleys and hollows. But no one foresees an influx of industry which would provide work for all of the people of the area.

In the opinion of such experienced Kentucky educators as James Patton, assistant State superintendent of schools for vocational education, and C. F. Esham, who is administering the State's new adult education program, a retraining program must include such traditional high school subjects as English and mathematics as well as training in a skilled trade.

Nor, adds Mayo coordinator Safriet, should a retraining program seek to speed up existing vocational school schedules. It now takes Mayo 2 years to train a man, and officials who administer the State-financed school contend they need all of that time.

The officials point out that industry does not want mere machine operators or wartime riveters; companies are looking for skilled machinists, electricians and other workers who can carry through on complicated tasks.

But, vocational and adult educators caution again and again, employers must also be "retrained" so that they will hire older men. During the last 10 years, only about 4 out of every 100 students at the Mayo School have been more than 30. Thus, out of the present annual enrollment of 1,000, no more than 40 or so students are older men.

With such a small percentage of older men, the school has had relatively little difficulty placing them. But school officials do not think they could easily find jobs for large numbers of older men because of the age barriers erected by most employers throughout the Nation.

"If," says educator Safriet, "you train a man as, say, a welder and then he cannot find a job, you have done more to defeat that man than anything else you could possibly do.

"That man," Safriet adds, "goes back home dejected, defeated. Industry is simply going to have to change its attitude."

There are many reasons for industry's negative approach to older men. Executives and foremen alike feel that younger men are easier to train, that they produce more. Furthermore, older workers generally are a greater burden on the health and pension plans which are now so common in industry.

But what is to be done with these men if they are not to be put to work? Can the United States afford to push aside men simply because they are past 40 and have been thrown out of work by the vagaries of an ever-changing and irresolute economy?

The alternative to a retraining and relocating program can only be more surplus food, more relief payments, more unemployment compensation, more subsistence-level living.

And even the most successful retraining program will never touch all of the chronically unemployed. There will always be a residue of men who prefer to live out their days in poor but familiar surroundings rather than start over again in prosperous but unfamiliar places.

Men like Elias Wolford do not want a crutch; they want a job. Hobart Jackson needs a helping hand, but only to get started again. William Markland wants a job as a welder—not a handout—to support himself, his wife and their 14-year-old daughter.

But Wolford, Jackson, and Markland—and the hundreds of thousands of other chronically unemployed—cannot make the transition from surplus coal miner to skilled, in-demand worker without the help of a sympathetic Government that is as concerned about obsolete workers as it is about wornout machines.

PORT OF NEW YORK AUTHORITY

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include a decision by U.S. District Judge Luther W. Youngdahl.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, on June 15, last week, U.S. District Judge Luther W. Youngdahl announced an important and comprehensive decision which completely justifies the contempt citation which this body voted against Austin J. Tobin, director of the Port Authority of New York, for his failure to turn over records to Subcommittee No. 5 of the House Committee on the Judiciary subpenaed in connection with an inquiry into activities of the authority. Every contention raised by the port authority was denied. This revealing and cogent reasoning of Judge Youngdahl makes valuable reading for each Member. I am including this opinion with my remarks. It can well be a lodestar for guidance of committees of Congress:

U.S. DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—CRIMINAL CASE NO. 986–60

(*United States of America, plaintiff* v. *Austin J. Tobin, defendant*)

OPINION

Mr. William Hitz, assistant U.S. attorney, and Mr. John C. Keeney, attorney, Department of Justice, with whom Mr. Oliver Gasch, U.S. attorney at the time of argument, was on the brief, for the plaintiff.

Mr. Roger Robb and Mr. Sidney Goldstein, general counsel, the Port of New York Authority, pro hac vice by special leave of court, with whom Mr. Daniel B. Goldberg, Mrs. Rosaleen C. Skehan, Mr. Joseph Lesser, Mrs. Isobel E. Muirhead, and Mr. Michael Zarin were on the brief, for the defendant.

Mr. David D. Furman, attorney general, State of New Jersey; Mr. Burrell Ives Humphries, deputy attorney general, State of New Jersey; Mr. Daniel M. Cohen, assistant attorney general, State of New York, each pro hac vice by special leave of court, with whom Mr. Louis J. Lefkowitz, attorney general, State of New York, was on the brief, amici curiae by special leave of court for the States of New Jersey and New York.

Mr. Woodson D. Scott, attorney for the New York Chamber of Commerce, pro hac vice by special leave of court (Mr. Harry A. Inman, of counsel), amicus curiae.

Mr. Richard W. Ervin, attorney general, State of Florida, filed a brief on behalf of that State and other States, as amici curiae by special leave of court.[1]

This is a contempt of Congress prosecution against Austin J. Tobin, executive director of the Port of New York Authority.[2] The authority is an agency established by the States of New Jersey and New York pursuant to congressionally approved interstate compacts.

The charge is brought by the Government under 2 U.S.C. sec. 192, which provides that one "who having been summoned as a witness by the authority of either House of Congress * * * to produce papers * * * willfully * * * refuses to [produce papers] pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor."

Prosecution followed defendant's citation for contempt by the House of Representatives and subsequent certification of the citation by the Speaker of the House to the U.S. attorney for the District of Columbia.[3]

The alleged contempt was Mr. Tobin's refusal to produce certain authority documents and memoranda subpenaed by Subcommittee No. 5[4] of the House Judiciary Committee[5] in connection with its investigation of the authority during the 2d session of the 86th Congress. Mr. Tobin is, in his own words, "in complete charge of all files of the port authority, both * * * the official records and the internal records."[6]

[1] These States and the names of their respective attorneys general who joined in Mr. Ervin's brief are: Mr. MacDonald Gallion, Alabama; Mr. Duke W. Dunbar, Colorado; Mr. Januar D. Bove, Jr., Delaware; Mr. Eugene Cook, Georgia; Mr. Shiro Kashiwa, Hawaii; Mr. Edwin K. Steers, Indiana; Mr. Jack P. F. Gremillion, Louisiana; Mr. Frank E. Hancock, Maine; Mr. Joe T. Patterson, Mississippi; Mr. Clarence A. H. Meyer, Nebraska; Mr. Rodger D. Foley, Nevada; Mr. T. W. Bruton, North Carolina; Mr. Leslie R. Burgum, North Dakota; Mr. Mark McElroy, Ohio; Mr. Daniel R. McLeod, South Carolina; Mr. George F. McCanless, Tennessee; Mr. Will Wilson, Texas; Mr. Walter L. Budge, Utah; Mr. Thomas B. Debevoise, Vermont; and Mr. John W. Reynolds, Wisconsin.

[2] The case was tried to the court without a jury. Motions were made by the defendant, both at the conclusion of the Government's case and at the conclusion of the trial, for judgment of acquittal. The court reserved decision on these motions and took the case under advisement.

[3] See 2 U.S.C. sec. 194, and note 54, infra. The charge was brought through an information, Mr. Tobin having waived his right to grand jury presentment and prosecution by indictment, and having joined with other high officials of the port authority in stipulating that "upon entry of a final judgment of conviction against defendant Tobin herein, the port authority will produce upon the request of said subcommittee all of the papers demanded in said subpena duces tecum and held by the court to be pertinent to the matter under inquiry by said subcommittee. In furtherance of the intent of this paragraph, the port authority hereby agrees forthwith to initiate and to pursue all proceedings necessary to effect final ratification of this paragraph."

[4] Hereinafter referred to as the "subcommittee" or the "committee."

[5] Hereinafter referred to as the "committee."

[6] H. Rept. No. 2117, 86th Cong., 2d sess. (Report citing Austin J. Tobin) app. I, p. 33 [hereinafter referred to as "June 29 tr."].)

Although two other authority officials were also subpenaed to produce the same documents, and cited by the House for failing to produce them, only Mr. Tobin's failure has been made the subject of a prosecution under 2 U.S.C. sec. 192.

Pursuant to the subpena Mr. Tobin did produce authority bylaws, organization manuals, rules and regulations, annual financial reports, and minutes of meetings of its board of commissioners.[7]

However, he did not produce certain internal documents, including financial and management reports, agenda of meetings, staff reports, and other communications relevant to dealings and policies of the authority in the fields of construction, insurance, public relations, real estate, revenue bonds, and rail transportation.[8] It is his refusal to produce these documents that resulted in this prosecution.

INTRODUCTION

(a) Historical background:[9] Early in this century numerous groups and individuals urged that rapid and efficient handling of commerce flowing through the bistate area surround New York City could be accomplished only by treating the region as a single entity and by creating a bistate agency to promote this end. Thus prompted, the New York and New Jersey Legislatures, in 1921 and 1922, ratified compacts creating the authority and specifying its initial functions.[10] Congressional approval was given

[7] He also furnished nonsubpenaed material and made an apparently unqualified offer to answer on oral examination any questions about the authority.

[8] As reproduced in the information, the subpena's call for the documents was divided into four categories. Those in brackets were produced; the others were not:

1. [All bylaws, organization manuals, rules, and regulations;]

2. [Annual financial reports;] internal financial reports, including budgetary analyses, postclosing trial balances, and internal audits; and management and financial reports prepared by outside consultants;

3. All agenda [and minutes] of meetings of the board of commissioners and of its committees; all reports to the commissioners by members of the executive staff;

4. All communications in the files of the port authority and in the files of any of its officers or employees including correspondence, interoffice, and other memoranda and reports relating to:

(a) The negotiation, execution, and performance of construction contracts; negotiation, execution, and performance of insurance contracts, policies, and arrangements; and negotiation, execution, and performance of public relations contracts, policies, and arrangements;

(b) The acquisition, transfer, and leasing of real estate;

(c) The negotiation and issuance of revenue bonds;

(d) The policies of the authority with respect to the development of rail transportation.

A subsequent letter from the subcommittee to Mr. Tobin advised that "production * * * of all documents described in that subpena dating from Jan. 1, 1946, to June 15, 1960, [would] be full compliance with the subpena." June 29 tr. 32.

[9] Additional background may be found in *Commissioner* v. *Shamberg's Estate* (144 F. 2d 998, 1000–1002 (2d Cir. 1944), cert. denied, 323 U.S. 792 (1945)); *Bush Terminal Co.* v. *City of New York* (273 N.Y.S. 331, 335–337 (Sup. Ct. 1934)); and the factual material included in the brief filed on behalf of Mr. Tobin, pp. 8–18 (hereinafter referred to as "Br.").

[10] The 1921 document was the "compact" establishing the authority and delineating its powers and duties; the 1922 document was the "comprehensive plan" for its initial operations. For purposes of this case the

pursuant to article 1, section 10 of the Constitution.[11]

The authority is headed by commissioners appointed in equal number from each compacting State, and its day-to-day operations are conducted by a staff selected by the commissioners. Mr. Tobin, as executive director, is the highest ranking staff member.

The authority has the right to own and operate terminal and transportation facilities and related property within a delineated port district, and the responsibility of making recommendations to the two States legislatures for improving or adding to existing projects. These recommendations can become effective only through identical legislation in the two States; by a similar process the two States can expand the port district's boundaries.[12] Further, the authority has power to raise funds through sale of bonds to the public,[13] to appear before various Federal and State bodies on behalf of port commercial operation, and to "intervene in any proceeding affecting the commerce of the port."[14]

The compact also allows each State to grant its Governor the right to veto any action taken by its Commissioners. While both Governors have been granted this power,[15] vetoes are rare; discussions between the authority staff and commissioners on the one hand and the Governors and their authority liaison representatives on the other, produce agreement on the kinds of projects the Governors will approve.[16]

Though originally established to aid solution of the port area's freight transportation difficulties,[17] the authority subsequently has been granted additional powers to construct and maintain facilities for the conduct of passenger movement by car, rail, boat, bus, and plane. Thus at the time of its 1959 annual report it was operating "21 terminal and transportation facilities; 6 interstate bridges and tunnels; 4 air terminals and a heliport; 6 marine terminal areas; 2 union motor truck terminals; a motor truck terminal for rail freight; and a union bus terminal."[18]

The authority's investment in these facilities is nearing $1 billion and its gross operating revenue exceeds $100 million annually. Legislation is presently pending in New York and New Jersey which would empower the authority to construct and operate a $355 million World Trade Center.

In addition, representatives of the authority appear before Congress and other Federal bodies on behalf of the port of New York, and promote the port through five domestic and four foreign offices and other projects and activities.

Although power to control the authority's day-to-day operations is thus placed in the commissioners, the staff and the compacting States, Congress, in approving the compacts, included three principal reservations. First, no "right or jurisdiction of the United States in and over" the area within the port district is impaired.

Second, "no bridges, tunnels, or other structures shall be built across, under, or in any of the waters of the United States, and no change shall be made in the navigable capacity or condition of any such waters, until the plans therefor have been approved by the Chief of Engineers and the Secretary of War."

Third, Congress retained "the right to alter, amend, or repeal" the resolutions of approval to the compacts. In addition, the 1921 compact, as passed by the States, provides that authority rules and regulations are to be "not inconsistent with the Constitution of the United States * * * and subject to the exercise of the power of Congress for the improvement of the conduct of navigation and commerce."[19]

Until this investigation, manifestations of Federal interest in the authority had been sporadic and principally directed to specific operations. The Army Corps of Engineers had examined bridge and tunnel construction proposals and investigated, several times, the reasonableness of authority toll charges; the Federal Aviation Agency had exercised continuing control over flights in and out of authority-operated airports; and Congress had granted Federal funds for construction at these airports and had investigated at least one series of plane crashes involving Newark Airport. In addition, in 1952 another subcommittee of the House Judiciary Committee conducted 2 days of hearings on a resolution[20] which would have withdrawn congressional consent from the compacts until amendments could be attached to them. These hearings ended in an adverse committee report on the resolution after members had attacked it as "not completely followed through"[21] and unwise.

The present investigation, and the subpena here at issue, are thus not part of continuing congressional supervision over the authority. Rather, this is the first time Congress has attempted to gain an overall picture of authority operations, and the first time the subpena power has been employed in connection with any congressional inquiry regarding the authority.

(b) Chronology of the present investigation: The spark which set off the inquiry was an announcement by the authority in December 1959, that it favored construction of a jet airport in Morris County, N.J. Because this location is apparently outside the present boundaries of the port district, and for other reasons not here relevant, this announcement caused considerable concern among New Jersey's congressional representation about the authority and its operations. As a result, sometime in February 1960, a delegation purporting to represent the unanimous sentiment of the full New Jersey group requested the chairman of the House Judiciary Committee to intiate a study of the port authority.[22]

Following this request, the chairman proposed a joint resolution[23] which would have amended the port authority compact resolutions to (a) require advance congressional approval of any legislation by the two States "amending or supplementing" the compacts; (b) require submission to Congress of all periodic reports made by the authority to the two States; and (c) permit congressional committees to (1) demand disclosure of any information deemed relevant, (2) inspect any books, records, and papers requested, and (3) view any authority facility.

At about the same time, the chairman directed the Judiciary Committee staff "to make a study of the activities and operations of the authority under the 1921 and 1922 compacts, including a review of the scope of the authority's major operations."[24] Shortly thereafter, the chairman wrote to Mr. Tobin informing him of the committee's purposes and requesting him to permit committee investigators to inspect certain enumerated files and records located at the authority's New York headquarters.[25] The investigators journeyed to New York but, by the authority's own admission, were permitted to see only documents which were matters of public record. They were told that the other requested materials were being withheld pending decision by the authority commissioners "after consultation with either or both of the Governors of New York or New Jersey."[26] However, the documents were not produced.

The next significant step in this chronology occurred on June 1, 1960, when the House of Representatives, on the recommendation of its Rules Committee and at the request of the Judiciary Committee chairman and ranking minority member, unanimously resolved to grant the Judiciary Committee subpena power in connection with matters "involving the activities and operations of interstate compact."[27]

Thereafter, on June 8, 1960, Subcommittee No. 5 of the Judiciary Committee formally voted an inquiry of the New York Port Authority. On that same day, the subcommittee informed Mr. Tobin and the authority of its decision and stated:

"The purpose of the inquiry is to determine whether pending or other legislation is necessary in respect to the interstate compacts creating the * * * authority. For that reason the subcommittee will inquire into the organization, structure, and activi-

---

two documents are referred to as the "compacts," and the congressional resolutions approving them—42 Stat. 174 and 42 Stat. 822—as the "compact resolution."

For their text see also June 29 tr., 5–13.

[11] "No State shall, without the consent of Congress * * * enter into any agreement or compact with another State.

[12] The authority is also required to make annual reports to the two legislatures.

[13] Power to pledge the credit of either State without its legislature's consent is denied to it; 1921 compact, art. 7.

[14] Id., art. 13.

[15] Each State has exercised this option by empowering its Governor to veto, within 10 days forwarding to him minutes of an authority meeting, any action of his State's commissioners reported therein. Since every authority action must be concurred in by the unvetoed action of a majority of commissioners from each State, the veto power gives each Governor, in effect, the ability to prevent any authority action.

[16] Official verbatim transcript, inquiry into the activities and operations of Port of New York Authority under the interstate compacts approved by Congress in 1921 and 1922, hearings in New York City, Nov. 28, 1960, to Dec. 2, 1960, pp. 520–525 (hereinafter referred to as "November–December tr.").

Additional potential ability for the compacting States to chck on authority operation is found in legislation giving the appropriate budgetary official of each State the right to audit authority operations.

[17] See, e.g., the 1922 comprehensive plan and 61 CONGRESSIONAL RECORD 4920–4921 (1921) (remarks of Congressman Ansorge, which also indicate that at that time, over one-half of the Nation's foreign commerce passed yearly through the port of New York).

[18] Defendant's exhibit No. 2, p. v.

[19] Art. 18.

[20] H.J. Res. 375, 82d Cong., 2d sess. (1952).

[21] Hearings on H.J. Res. 375 before a special subcommittee of the Judiciary Committee of the House of Representatives, official verbatim transcript, May 14, 21, 1952, pp. 7–8, 10 (remarks of Chairman CELLER), 48–49 (remarks of Congressman [now Senator] KEATING).

[22] CONGRESSIONAL RECORD, vol. 106, pt. 13, p. 17281 (remarks of Congressman CELLER); id. 16066 (remarks of Congressman CAHILL).

[23] H.J. Res. 615, 86th Cong., 2d sess. (1960). [Government exhibit 6].

The resolution also would have reenacted the present compact resolution provisions reserving to Congress "the right to alter, amend, or repeal" the resolutions.

[24] June 29 tr. 2 (remarks of Chairman CELLER).

[25] Id. 14.

[26] Id. 15 (letter from Chairman CELLER to Mr. TOBIN, reporting his understanding of the conversation at the authority's headquarters.)

[27] H. Res. 530, 86th Cong., 2d sess., amending H. Res. 27, 86th Cong. 1st sess., *id.* 13–14, CONGRESSIONAL RECORD, vol. 106, pt. 9, pp. 11593–11594.

ties of the * * * Authority to ascertain (1) whether or not it has exceeded the scope of its activities as contemplated by Congress in approving the interstate compacts of 1921 and 1922; and (2) the extent to which the authority is carrying out its duties and responsibilities under these interstate compacts." [28]

The subcommittee indicated it would send two members of its staff to the authority's New York headquarters on June 15, and it requested that the authority make available certain specified documents. These were the documents later called for in the subpena.

On June 10, Mr. Tobin replied.[29] He detailed the material which the authority had already furnished and stated that because the authority was a "State agency" and because the subpenaed documents related "solely to the internal administration" of the authority, they never could assist in any valid purpose of the committee and were not pertinent to its stated purpose. He added that an investigation of the type proposed would inhibit use by the States of the interstate compact device, and closed with an expression of hope that the June 15 meeting between the authority and committee staffs could result in agreement as to any future production of documents.

On June 13, the chairman answered that the subcommittee had considered carefully and rejected these objections, and he directed that the demanded documents be furnished as requested on the 15th.[30] At the conclusion of the meeting on the 15th, which was devoted principally to a restatement of the previously developed positions, Mr. Tobin was served with the subpena requiring him to produce the enumerated documents when the committee met in Washington on June 29.

Several days later, the Governors of the two States wired the chairman expressing concern over what they asserted to be grave questions of constitutional principle involved in the investigation, and requesting postponement of the return date until they could meet with the committee. This request was rejected on assurance that all objections had been considered and that representatives of the authority would be given further chance to raise them on June 29. On receipt of this rejection, the Governors sent identical letters [31] to their representatives on the board of commissioners "instruct[ing]" them to "direct" Mr. Tobin not to comply with the subpena. The Governors indicated that their "only purpose [for ordering noncompliance] is to insure that these basic questions of constitutional propriety and legality will be fully considered and determined by the appropriate tribunal."

On June 27 the port authority board of commissioners, at a specially called meeting, 'directed" Mr. Tobin to comply with the Governors' instructions as set forth in the two letters.[32]

Finally, on June 29, the subcommittee met to receive the return of the subpena.

Following preliminary statements by the chairman and committee counsel, Mr. Tobin was ordered to produce the subpoenaed documents. He did not comply, relying on all the reasons he had theretofore given, including the Governors' letter, the lack of pertinency of the documents, and the general immunity of "State agency" documents from congressional demand. The chairman then ruled Mr. Tobin in default.[33]

The hearing concluded with statements by the attorneys general of the two States and the authority general counsel. Subsequently the subcommittee voted to report to the full Judiciary Committee a resolution citing Mr. Tobin for contempt; the full committee voted to report the alleged contempt to the House of Representatives; and, after efforts failed to arrange a meeting between the two Governors and the subcommittee, the House voted to cite Mr. Tobin for criminal prosecution.[34]

Thereafter, in the week of November 28, 1960, the subcommittee, over the authority's objection, held hearings in New York City in pursuance of the investigation. Although resolution of the factual issues posed by this case depends principally on the events of June 29 and the months preceding, the transcript of these later hearings [35] was received in evidence for any light which they might shed on disputed questions raised by the earlier events.

To this prosecution Mr. Tobin has raised numerous defenses. They fall, in the Court's view, into five categories:

1. The subcommittee was not authorized to conduct an investigation in which it could call for the documents here at issue.

2. The subject matter of the inquiry and the pertinency of the documents was not sufficiently established or made clear to him.[36]

3. The committee had no proper legislative purpose in conducting the inquiry.

4. The documents called for were privileged and immune from congressional demand.

5. He cannot be found guilty of contempt of Congress because his action was compelled by orders from his "superiors," the two Governors.

For reasons which the court will now state, each of these defenses is rejected, and the court finds Mr. Tobin guilty of the offense charged.[37]

I. The subcommittee's authorization

A congressional committee cannot legally exercise the investigative power of its parent body unless it is the recipient of that power through proper delegation.[38] Thus it is a requirement in a contempt of Congress prosecution that the committee's authorization be proven to conduct the investigation or issue the subpena in question.[39]

Because it is important that the interests of groups and individuals outside Congress not be subjected to unauthorized committee actions, courts in contempt prosecutions have, in effect, imposed a requirement for clearly stated authorization by construing vague or ambiguous authorizations narrowly.[40]

This judicial requirement for unquestioned authorization also has as its purpose in some cases the avoidance of unnecessary constitutional adjudication; for by construing a vague resolution narrowly, courts avoid the risk of passing on the constitutionality of committee action which Congress may never have intended to authorize. In this way they refrain from making far-reaching constitutional pronouncements that "would affect not an evanescent policy of Congress, but its power to inform itself, which underlies its policy-making function." [41] Such avoidance also gives Congress the opportunity to consider with "full awareness of what is at stake" [42] what responsibilities it will delegate to a committee, and has the additional effect of preventing unnecessary disharmony between the legislative and judicial branches.[43] On the other hand, if Congress has given clear authorization for committee action, it must be presumed willing that the action be submitted to any legal challenge that may ensue.

At the outset, the Court notes that the Reorganization Act of 1946, which distributes functions among congressional committees, assigns to the Judiciary Committee jurisdiction over "interstate compacts generally." [44] While it is true that the other committees of the House have been given jurisdiction over certain specific compacts, exclusive jurisdiction over the port authority compacts has traditionally been in the Judiciary Committee.[45]

Therefore, the question posed here is whether, having this jurisdiction, this committee was authorized to conduct an investigation into the substantive operations of the authority of depth sufficient to permit requests for documents of the type called for by this subpena. The answer to this question is to be found in an examination of the resolution, passed by the House on June 1, 1960, granting to the committee authorization "to conduct full and complete investigations and studies relating to * * * the activities and operations of interstate compacts," using the subpena power, if necessary.[46]

H. Res. 27 granted to the Judiciary Committee the power "to conduct full and complete investigations and studies," using the

---

[28] June 29 tr. 15–16.
[29] Id. 16–19.
[30] Id. 20.
[31] Id. 39–40.
[32] Defendant's exhibit 5.
[33] June 29 tr. 54–55.

[34] CONGRESSIONAL RECORD, vol. 106, pt. 13, pp. 17278–17313.
[35] See note 14, supra.
[36] The defense of "excessive breadth" of the subpena, which was argued at trial as though a separate issue, is subsumed in the Court's present analysis as an ingredient of the pertinency defense.
[37] Mr. Tobin also contended that the documents demanded by the subpena were not identified with sufficient particularity and that his acquittal was mandated unless the Court held the subcommittee "entitled to each and every document withheld." The former defense was not open to him because he did not raise it, as required, before the committee, see infra note 94, and the latter defense is not reached in this case in view of the Court's finding that the Government has proved, for the reasons stated infra note 60, that all demanded documents were pertinent to the committee's stated subject.
[38] *United States* v. *Rumely* (345 U.S. 41 (1953)); *Watkins* v. *United States* (354 U.S. 178, 200–201 (1957)); *Brewster* v. *United States* (103 U.S. App. D.C. 147, 149, 255 F. 2d 899, 901 (1958)).

For reasons of "simple procedural efficiency" and with consideration for the separation of powers principle, however, courts will not entertain contentions that a committee is acting illegally until the parent house in question has attempted, through citation for contempt, to impose sanctions upon an individual for refusal to comply with a committee's order to answer questions or supply subpenaed material. *Pauling* v. *Eastland*, — U.S. App. D.C. —, 288 F. 2d 126 (1960).

[39] *Barenblatt* v. *United States* (360 U.S. 109, 116–123 (1959)).
[40] *Watkins* v. *United States*, *supra*, at 198–206. *United States* v. *Peck* (154 F. Supp. 603, 606–611 (D.D.C.) (1957)).
[41] *United States* v. *Rumely*, *supra*, at 46.
[42] Id. See generally, Bickel and Wellington, "Legislative Purpose and the Judicial Process: The Lincoln Mills Case," 71 Harv. L. Rev. 1, 27–35, 38–39 (1957).
[43] *Bickel and Wellington*, *supra*, at 34–35.
[44] 60 Stat. 827, rule XI, sec. (1) (L) 18 of the Standing Rules of the House of Representatives.
[45] It was the House committee which considered and recommended passage of the 1921 and 1922 compacts, and which considered the resolution, supra note 19, which would have withdrawn congressional consent from the compacts until they could be further amended.
[46] Supra note 26. When the Court refers to the "June 1 resolution," it intends to include as well reference to the basic resolution that was amended on that date, H. Res. 27, 86th Cong., 1st sess.

subpena power where necessary, relating to several of the areas assigned to the jurisdiction of the committee by the Reorganization Act of 1946. H. Res. 530, the resolution actually passed on June 1, added the area of "the activities and operations of interstate compacts."

Congress' authorization to the full Judiciary Committee here discussed was also its authorization to Subcommittee No. 5; for it was stipulated at trial that whatever power the full committee received, it properly delegated to the subcommittee.

Defendant contends that this resolution should be read to permit inquiry only into "those aspects of an interstate compact agency which are peculiar to its interstate compact status." [47]

The court assumes, arguendo, that so read, the resolution would not authorize the committee to probe as deeply as it did, and the constitutional issue of whether Congress has power to secure "internal documents" of a compact agency would be avoided.

However, it is clear to the court from the language, context, and floor discussion preceding passage of the June 1 resolution that it authorized an investigation of much greater depth than defendant argues. First, the resolution itself is unqualified; it speaks of "full and complete investigations and studies relating to * * * the activities and operations of interstate compacts."

Second, the resolution was introduced by the chairman of the Judiciary Committee on May 17, 1960,[48] shortly after the committee had failed in its efforts to obtain nonpublic authority documents through informal means.[49]

Third, during the short floor discussion on June 1, several significant statements were made. Congressman BROWN, of the Rules Committee, which had recommended passage of the resolution, stated:

"I have been assured by both the ranking member of the [Judiciary] Committee on our [Republican] side and by the chairman * * * that the committee does not expect to use or abuse this power through a great many investigations but, instead, go look into one particular State's compact [sic] where, under present laws and under the compact, there is no control or knowledge of just how a great many public funds are being expended. * * * [T]he Committee on Rules has had explained to it the need for this investigation and the good that can come from it." [50]

Later in the debate the chairman of the Rules Committee stated that the Judiciary Committee was "given blanket authority to investigate" [51] in connection with those interstate compacts coming within its jurisdiction.[52] At no point in the history of the resolution was any limitation on this "blanket authority" suggested.

The authority contends, however, that Congress could not have intended to authorize the Judiciary Committee to inquire into areas of authority activity that affect Federal interests normally within the legislative purview of other House committees.

This argument is not persuasive. There is no doubt that the diverse and extensive operations of the authority cut across a great many areas of Federal concern. Precisely because this is so, it is not unreasonable to assume that both for purposes of internal efficiency and to prevent undue burdens on the authority, Congress might focus its visitatorial powers with respect to the authority in a single committee.[53]

The court finds, therefore, that it was the clear import of the June 1 resolution that the Judiciary Committee be authorized to conduct an investigation that could encompass a request for the subpenaed documents here at issue.[54]

II. Subject matter of the inquiry and pertinency of the documents

The Court assumes, arguendo, that the contempt-of-Congress statute imposes a requirement that before a person who stands in default may be convicted, the Government must establish that a request for documents, no less than questions propounded at a hearing, be pertinent to the subject matter under investigation.[55] The Supreme Court has made it clear, in addition, that when a person is called by a legislative committee to give information, he must be given a clear explanation of the subject matter under inquiry and the pertinency of the request for information to that subject.[56] Since a witness "must decide at the time the questions are propounded whether or not to answer," [57] fundamental fairness requires that he be given information upon which to make this decision that is as explicit and clear as "the due-process clause requires in the expression of any element of a criminal offense." [58]

(a) The explanation of subject matter: The Court finds that the opening statement of the chairman at the June 29 hearing on the return of the subpena made indisputably clear the subject matter of the investigation. That statement said in its most relevant part:

"The port authority's operations affect the economic lives of millions of Americans living outside as well as inside the port development area and the States of New York and New Jersey. They intimately affect the operation of Federal agencies responsible, among other things, for the national defense, navigable waterways, and air, rail, and highway traffic. In short, they profoundly affect Federal interests of many and various kinds.

"Nevertheless * * * neither the Judiciary Committee, to which is assigned responsibility for interstate compacts of this character, nor any other congressional committee, has ever conducted a general investigation of the Port of New York Authority to determine its conformance or nonconformance to the limits of its authority or the extent or adequacy of its performance of its responsibilities in the public interest.

"What is more, in recent months, complaints varying widely in character and gravity concerning the operations of the port authority under the compacts have come to the attention of the subcommittee. * * * [T]he staff of the House Judiciary Committee was directed last March to make a study of the activities and operations of the authority under the 1921 and 1922 compacts, including a review of the scope of the authority's major operations. * * *

"Notwithstanding [a request for certain files], the port authority failed for the most part to make available the documents requested. Rather, it limited itself to supplying documents virtually all of which were already matters of public record.

"Against this background, the subcommittee voted on June 8, 1960, to begin a full inquiry into the activities and operations of the Port of New York Authority under the 1921 and 1922 compacts. * * *

"Congress has responsibilities both under the compact clause of the Constitution and under the resolutions, with reservations thereto, by which it approved the compacts, the port authority, and the comprehensive plan.

"Congress also has responsibilities in many areas affected by the operations of the authority, such as, interstate commerce, the national defense, navigable waters, air, rail, and highway transportation, and the operation of Federal agencies, including independent agencies. * * *

"It remains for the Chair to indicate the purpose and scope of the investigation in aid of which the subject subpenas were issued. The purpose of the investigation is to ascertain conformance or nonconformance of the Port of New York Authority with the congressionally imposed limitations on its powers and the extent and adequacy with which the authority is carrying out its duties and responsibilities under the congressionally approved compacts in order to determine whether Congress should legislate 'to alter, amend, or repeal,' its resolutions of approval.

"The need to reevaluate congressional consent to the 1921 and 1922 compacts arises in part from complaints which have come to the attention of the subcommittee concerning various of the port authority's activities and operations. To give a few examples, it has been alleged that the policy of the port authority in combining revenues for financing purposes from all its facilities, rather than reducing tolls on each facility as it is amortized, placed an undue burden on the channels of interstate commerce and is contrary to national transportation policy—indeed, contrary to the publicly announced policy of the Bureau of Public Roads.

"It has been alleged that certain activities of the port authority unjustifiably discriminate against certain types of interstate carriers. It has been alleged that the port authority has extended its operations be-

---

[47] Br. 95.

[48] CONGRESSIONAL RECORD, vol. 106, pt. 9, p. 10483.

[49] These informal efforts were part of the preliminary committee study, by the staff of the full committee, referred to in the introduction. Since the Court is here concerned only with the authorization for the investigation voted by Subcommittee No. 5 on June 8, 1960, it need not and does not decide whether this preliminary, informal study was authorized under the committee's general jurisdiction over the port authority compacts.

[50] CONGRESSIONAL RECORD, vol. 106, pt. 9, p. 11593.

[51] Id. 11594.

[52] I.e., it did not entitle the committee to investigate "interstate oil compacts," which rule XI, sec. (1)(K)6, assigns to the jurisdiction of the Committee on Interstate and Foreign Commerce, or "interstate compacts relating to apportionment of waters for irrigation purposes," which rule XI, sec. (1)(n)9, assigns to the Committee on Public Lands. See CONGRESSIONAL RECORD, vol. 106, pt. 9, p. 11594.

[53] *Cf. United States* v. *O'Connor* (135 F. Supp. 590, 595 (D.D.C. 1955)), rev'd on other grounds, 99 U.S. App. D.C. 373, 240 F. 2d 404 (1956); 92 CONGRESSIONAL RECORD 10043 (remarks of Congressman Wadsworth, one of the leading proponents of the Reorganization Act of 1946).

[54] *Cf. Hopkins Federal Savings & Loan Assn.* v. *Cleary* (296 U.S. 315, 334–35 (1935)).

[55] The statute, in its express terms, provides only that one summoned to produce papers or give testimony who does not appear at all, and one summoned who appears, but "refuses to answer any question pertinent to the question under inquiry" shall be guilty of a misdemeanor—appearing to make no special provision for one who is summoned to produce papers and appears, but does not produce them. The Government having stated on oral argument that the requirement of pertinence probably applies to this latter situation, and that it would satisfy the burden of proving pertinence as though the requirements existed, without conceding as a general proposition that it does [trial transcript pp. 17–18 (hereinafter referred to as "tr.")] the Court has assumed arguendo that it does.

[56] *Watkins* v. *United States*, supra, note 37, at 208–215.

[57] Id. at 208.

[58] Id. at 209, 214–215.

yond the geographic limits contemplated by the Congress. It has been alleged that in the letting of certain service and construction contracts, the port authority has not permitted competition and has failed to grant the award to the lowest qualified bidder.

"It has also been asserted that the overall operations of the port authority have at no time been subjected to a comprehensive independent audit by any governmental agency.

"The subcommittee in its inquiry will study these and other matters to determine whether legislation is warranted with respect to congressional consent to the port authority compacts in order more adequately to protect and preserve the manifold Federal interests involved. The subcommittee deems access to the documents sought in the subpenas necessary to the effectuation of the investigation." [59]

Although isolated portions of this statement might, if taken out of context and subjected to close analysis in the comparative calm of a lawyer's office, suggest a somewhat narrower subject matter or yield ambiguities, the statement must be considered in its entirety as it was made to the defendant at the hearing. So read, its clear import is, in summary, that the subject under inquiry was twofold: (1) Whether the authority was operating functionally and geographically as envisioned by Congress when it approved the 1921 and 1922 compacts; and (2) whether it was carrying out the tasks given it pursuant to the compacts in a manner that showed sufficient concern for Federal interests. The ultimate purpose of the investigation was to determine whether legislation to alter, amend, or repeal the congressional resolutions of consent to the compacts might be desirable in order to protect the Federal interests involved.

(b) Pertinency: On the trial of a contempt of Congress case, the Government must prove [60] as a matter of law and beyond a reasonable doubt, that the request for documents was pertinent to the subject matter under investigation.[61] The Government must also prove beyond a reasonable doubt [62] that the explanation of pertinency made to the witness at the hearing [63] was sufficiently clear to enable him to determine for himself whether the proper nexus existed between the request and the subject matter.[64]

The Court recognizes that in some cases there may be a fine line between the question of the sufficiency of a committee's explanation of pertinency and the question of actual pertinency in law; but in this case they may be treated as a single question. The Court finds that the Government has proved beyond a reasonable doubt that the explanation was sufficient, and the same analysis justifies a finding that the Government has proved beyond a reasonable doubt that there was legal pertinency.

Mr. Tobin's principal complaint regarding the explanation of pertinency is that it did not spell out in detail the "Federal interest" which the authority's operations may be adversely affecting, and the way in which the subpenaed documents might reveal this fact.

The Court has already noted that the activities of the port authority obviously touch upon many areas of Federal concern. For example, the importance of these activities to the interstate and foreign commerce of the United States is so clear that in any discussion of the authority it may be taken for granted.[65]

The real question, then, is with what specificity the committee was required to identify the particular elements of those broad areas of Federal concern, and with what detail it was required to link the requested documents with these elements. In answering this question it is important to remember the nature of the committee's inquiry: although stimulated by specific complaints, it was to a degree exploratory; for in the 40 years of the authority's existence, Congress had never undertaken to inform itself fully as to the interrelation between authority operations and the areas of responsibility committed to Congress by the Constitution. Because the stated subject matter of the inquiry was to determine whether and to what extent Federal interests were being affected, the committee performed its task of explaining pertinency by relating the subpenaed documents to this subject. To say that it was required to delineate with ultimate precision the particular elements of Federal interests which the inquiry might reveal to be adversely affected would be to require the committee, in effect, to have stated its subject in the narrow terms of the conclusions it might later reach. This was obviously impossible.

Taking into account these factors, the Court finds that the Government has proved beyond a reasonable doubt that the committee's explanation of pertinency, which is set out as appendix A hereto, clearly related the request for documents to the broad subject of inquiry. For example, the request for audits and financial statements was related to the questions whether any discriminations within or burdens upon interstate commerce resulted from authority financial policies and whether the authority was complying with the supervisory requirements imposed by various Federal agencies; the request for agenda and minutes of board meetings was related to the question whether policy formation within the authority was consistent with congressionally approved objectives; the request for communications concerning public relations contracts was related to reported efforts by the authority to influence legislation and governmental decisions relating to matters of national concern.[66]

The Court does not believe it necessary to elaborate this conclusion by discussion of the committee's explanation in terms of each category of nonproduced documents, but for purposes of illustration, examination of one category in this fashion will suffice.

The subpena required, inter alia, that Mr. Tobin produce "all communications * * * relating to (a) the negotiation, execution, and performance of construction contracts * * *." [67] The explanation given by the committee was:

"Construction contracts are important to the subcommittee because most construction undertaken by the authority is for facilities used in, or in the aid of, interstate commerce or national defense. The subcommittee desires to ascertain whether this construction satisfies Federal requirements, policies, and responsibilities and whether other construction work by the authority affects or interferes with any Federal projects or construction policy.

* * * * *

"Further, if in the negotiation or letting of * * * construction contracts clothed with Federal interests, practices are followed that prevent full competition or otherwise conflict with national policies, again, legislation modifying consent in these regards may become important." [68]

It cannot be a serious complaint that the explanation spoke of "contracts" while the subpena called for production of "communications" relating to their negotiation, execution, and performance. The words "construction contracts" should have been understood to refer not merely to the printed instruments alone, but to the complex of relations between the authority and its contractors. Only with information as to how contracts came to be executed and how they were being performed could the committee make a rational judgment as to their effect on Federal interests. The explanation clearly relates the request to the subjects under inquiry: most authority construction projects involve facilities, such as airports, bridges, and tunnels, that have an important relationship to interstate commerce and national defense. As the explanation indicated, the committee also desired to know whether other authority projects interfered with the construction of facilities that were matters of Federal concern. Although reference was made in general terms to "Federal requirements, policies and responsibilities," the Court does not think the committee, in explaining pertinency, was required to catalog them in detail. For example, the Federal Government's ultimate responsibility for the adequacy of authority facilities vital to the national defense is clear, and an elaboration of complex policies and

---

[59] June 29 tr. 2–5.

[60] *Bowers* v. *United States* (92 U.S. App. D.C. 79, 85, 202 F. 2d 447, 453 (1953)). Accord, *Deutch* v. *United States* (No. 233, Supreme Court, June 12, 1961, pp. 13–15).

[61] *Braden* v. *United States* (365 U.S. 431, 435–437 (1961)). The Government need not prove that every document requested would, if produced, have been material to the committee's inquiry. It need only show that the request was such that it might reasonably have been expected to elicit information which, under all the circumstances, could have been material. *United States* v. *Orman* (207 F. 2d 148, 156 (3d Cir. 1953)). And under the contempt of Congress statute it is the request which must be pertinent, Id., at 154, 156, and "[i]f it is principally pertinent, it need not exclude every possible irrelevancy, at least until there is objection by the witnesses." *United States* v. *Kamin* (136 F. Supp. 791, 799–800 (D. Mass. 1956, Aldrich, J.)). See also *United States* v. *Kamin* (135 F. Supp. 382, 289 (D. Mass. 1955.)) In this case Mr. Tobin did not, either before or after the committee's explanation, make the kind of particularized objection to the pertinency of specific documents that would have called for a negation of possible irrelevancies.

[62] *Knowles* v. *United States* (108 U.S. App. D.C. 148, 151, 280 F. 2d 696, 699 (1960)).

[63] This assumes that a proper objection was made on the grounds of pertinency. *Barenblatt* v. *United States, supra,* at 123–125.

[64] *Watkins* v. *United States, supra* notes 55–57.

[65] Indeed, by its contention that other House committees would have jurisdiction over some of the matters which were the subject of this inquiry, the authority has, in effect, conceded this point.

[66] It may be that the authority did not have any "public relations contracts," but this fact would not vitiate the explanation of pertinency. "[T]he question is: was the question and the possible answer pertinent at that time to the [committee's] inquiry?" *United States* v. *Orman, supra,* at 154. It may also be true that not all public relations "policies and arrangements" related to the subject matter mentioned in the explanation, but the explanation demonstrated that such documents were "principally pertinent." See note 60 supra. No objection was made at the hearing to the possible irrelevancy of some of this material. These and the other principles set out in note 60 supra, and applied here, are equally applicable to the other alleged deficiencies in the explanation.

[67] See request (4) (a) of the subpena, supra, note 7.

[68] June 29 tr. 50.

requirements relating to defense facilities could not reasonably have been expected in these hearings.

Finally, the pertinency of contract negotiations to Federal antitrust policy was made evident in the second paragraph quoted above. The national economy and national policies regarding competition in the field of public contracts are, without doubt, influenced as greatly by actions of a large public contracting purchaser like the authority, as by private contracting sellers like General Electric and Westinghouse whose internal operations have also been scrutinized by congressional committees in connection with effectiveness of the antitrust laws.

III. The committee's legislative purpose and Congress' power to alter, amend, or repeal

The stated purpose of the committee's investigation was "to determine whether Congress should legislate to alter, amend, or repeal its resolutions of approval." Defendant concedes that by virtue of the reservations in the consent resolutions Congress does have power to alter, amend, or repeal in order to protect "existing Federal interests.[69] Since the context of the committee's statement of purpose makes clear that any exercise of the power would be to preserve the integrity of Congress' approval of the compacts or to protect Federal interests that might be adversely effected by authority operations, the question presented here is whether an inquiry of the scope announced can be justified as preliminary to a valid exercise of that power for this purpose.

An examination of the legislative history of the reservations, as well as interpretations of the compact clause itself, suggests the lengths to which Congress may go in exercising its power.

Floor discussion of the 1921 compact resolution in the House of Representatives included assent by Congressman Ansorge, the resolution's sponsor, to an assertion that "the port of New York is an asset of the entire Nation * * * [and] as the trustees of that asset, the people of New York and New Jersey owe it to themselves and to the country to properly develop it."[70]

He also stated that "the joint resolution before the House fully protects the Federal Government by the [Federal jurisdiction reservation] * * *."[71]

This reservation was suggested by Treasury Secretary Andrew Mellon.[72]

In 1922 the same legislator, also sponsor of the second compact resolution, assured the House that the cities, States, and Nation are fully protected,[73] and noted:

"The cost of doing business at the port of New York is reflected throughout the entire country. The port of New York is not a local matter. It is distinctly national in scope and function."[74]

These statements indicate that the reservations were not included in the compacts as an automatic, purposeless gesture; rather they reflect congressional and executive awareness of the port of New York's unique status in the Nation's commercial life, and appreciation that a compact providing for comprehensive development of the port was charged with Federal interests.

A further recognition of these facts appears in contemporaneous statements made by Julius Henry Cohen, the authority's first counsel.[75] Their thrust is that since the comprehensive plan is "a regulation of interstate commerce * * * the port authority [is] the instrumentality in that sense of the Federal Government for the purpose of effectuating the * * * plan."[76]

The authoritative commentary on the compact clause, Frankfurter and Landis, "The compact clause of the Constitution—a 'Study in Interstate Adjustments'," [77] indicates that the clause was the blend of several objectives. Principally, it was intended to provide a nonlitigious method for settlement of boundary disputes between States. It also provided authorization for other interstate "political adjustment," [78] retaining to Congress the power to determine whether "the national, and not merely a regional, interest may be involved," and to "exercise national supervision through its power to grant or withhold consent, or to grant it under appropriate conditions." As the authors summarized:

"The framers thus astutely created a mechanism of legal control over affairs that are projected beyond State lines and yet may not call for, nor be capable of, national treatment. They allowed interstate adjustments, but duly safeguarded the national interest." [79]

The cases which have interpreted the compact clause have confirmed these statements, and established that Congress has a twofold duty: first, to prevent undue injury to the interests of noncompacting States; [80] second, to guard against interference with the "rightful management" by the National Government of the substantive matters placed by the Constitution under its control.[81] Where the subject of an agreement between States is "of merely local concern," Congress has no responsibility under the clause; [82] but as the Supreme Court emphasized as recently as 1959, the duty of Congress to protect substantive Federal interests such as interstate commerce and national defense in its actions under the compact clause is a clear one.[83]

In view of the frank recognition that the port of New York is a "national asset" and that Congress has responsibility under the compact clause to "exercise national supervision" over compacts, it is clear to the Court that the power of Congress to legislate pursuant to the reservations must be coextensive with any threat to national interests caused by activities of the authority. It is not necessary and would be improper to speculate as to the type of legislation that might emerge from an inquiry such as this,[84] but the potential threats that might justify legislation have been suggested by the record before the Court. Improvident or excessive expenditures for the construction, operation, or administration of facilities might result in tolls and charges that burden the flow of interstate commerce. Decisions relating to a particular mode of transportation may be taken without proper consideration of their impact upon national transportation policy. Planning and construction of facilities may be carried out without sufficient concern for the requirements of national defense. The Court does not intend to imply that these threats actually would appear; it is sufficient, from the nature of the authority and its operations and the type of complaints received by the committee, that such threats might be uncovered.

There is no question that the inquiry proposed by the committee was broad in its scope, but the Court holds it was justified as groundwork for valid congressional action in view of the substantial national interests which could have been found to be adversely affected by the authority's operations.

The defendant raises several arguments in support of his contention that the committee had no valid legislative purpose.

First, he says that since any legislation must necessarily relate only to the port of New York, the "port preference" clause of the Constitution would be violated. That clause provides:

"No Preference shall be given by any Regulation of Commerce or Revenue to the Ports of one State over those of another * * *."[85]

There are several answers to this argument. The port preference clause has been given a narrow construction by the Supreme Court, and measures that benefit one port while only incidentally causing disadvantage to others have been said not to violate the clause.[86]

In addition, it seems evident that the clause must be read to allow reasonable classifications among ports.[87] It cannot be supposed that there would be no rational justification for legislation relating solely to the Nation's largest port. It is entirely possible, moreover, that legislation might result from the inquiry relating to the authority as an operational agency rather than as a port—a requirement for periodic reports or audits, for example—and it seems clear that such action would not be an unconstitutional preference among ports.[88] Any significant objection on this ground must await specific legislation by Congress.

A second argument put forth by defendant is that there was no valid legislative purpose because the inquiry looked to legislation that would regulate the "internal administration" of the two States and the authority in violation of the 10th amendment. There is no claim made that the

---

[69] Br. 87–88.

[70] 61 CONGRESSIONAL RECORD 4920.

[71] Id. 4921. See also id. 8589–90 (remarks of Congressman Appleby).

[72] S. Rept. No. 161, 67th Cong., 1st sess., 1 (1921).

[73] 62 CONGRESSIONAL RECORD 7975.

[74] Id. 7976. See also id. 13750–52 (remarks of Congressman Chandler).

[75] Mr. Cohen had been one of the important moving figures in the negotiations leading to the authority's creation.

[76] June 29 tr. 73 (brief in support of this investigation prepared by the committee, quoting this and other statements).

[77] 34 Yale L.J. 685 (1925).

[78] Id. at 729.

[79] Id. at 695.

[80] See, e.g. *Rhode Island* v. *Massachusetts*, 12 Pet. 657, 724–26 (1838).

[81] See, e.g. *Wharton v. Wise*, 153 U.S. 155, 169–70 (1894).

[82] *Petty* v. *Tennessee-Missouri Bridge Commission*, 359 U.S. 275, 289 (Frankfurter, J. dissenting); *Virginia* v. *Tennessee*, 148 U.S. 503, 518 (1893).

[83] *Petty-Tennessee-Missouri Bridge Commission, supra* note 81 at 282 n. 7, 288–89 (dissenting opinion).

[84] To so speculate as to the type of possible legislation and also to rule on its constitutionality without knowledge of its language and legislative history and the context in which court challenge to it would arise, would be, in effect, to render an advisory opinion, an exercise forbidden to the courts by the constitutional requirement that they decide cases and controversies.

[85] Art. I, sec. 9, clause 6.

[86] *Louisiana Public Service Commission* v. *Texas & New Orleans Railroad Co.*, 284 U.S. 125, 131–132 (1931).

[87] Cf. *Morey* v. *Doud*, 354 U.S. 457, 465–469 (1957) (applying the equal protection clause of the 14th amendment). The principles applied in this case and those it cites also refute at this stage the contention that this investigation represents invidious discrimination against the States of New Jersey and New York. Cf. *New York* v. *United States*, 326 U.S. 572, 575–576 (1946).

[88] The Court also notes that while the port preference clause speaks of preferences given by regulation of commerce or revenue, the legislation that would emanate from this inquiry would be an alteration, amendment, or repeal of the consent resolution. Such action would be taken pursuant to the reservations in the original resolutions, and not an enumerated power of Congress.

reservation of power to alter, amend, or repeal the consent was itself unconstitutional, and it is evident to the Court that the reservation was a proper exercise of congressional power under the compact clause. Further, the Court has held above that valid legislation pursuant to the reservation could emerge from the inquiry. In view of this there is no real substance to the 10th amendment argument. As the Supreme Court said this term,[89] quoting from James Madison:

"Interference with the power of the States was no constitutional criterion of the power of Congress. If the power was not given, Congress could not exercise it; if given, they might exercise it, although it should interfere with the laws, or even the constitutions of the States."

Since the power here was "given," the contention that its exercise would unconstitutionally interfere with "internal administration" falls. The Court need not determine the scope of the power, for "the possibility that invalid as well valid legislation might ensue from an inquiry does not limit the power of inquiry; invalid legislation might ensue from any inquiry."[90]

Finally, the defendant argues that the committee's stated purpose was not in fact its purpose, and that the true ends of the inquiry were not proper ones for a legislative committee. The real purposes, he alleges, were, in summary, exposure for exposure's sake, "punishment" of the authority and its officials, and assumption of supervisory powers over the day-to-day operations of the authority.

The task of determining whether a committee was acting in pursuance of a proper legislative purpose is, in effect, a determination of whether it was acting constitutionally, and it is not a task lightly undertaken by the courts. It cannot be a search for motives of individual legislators; "[t]heir motives alone would not vitiate an investigation which had been instituted by a House of Congress if that assembly's legislative purpose is being served."[91] Only when it cannot be established that "the primary purposes of the inquiry were in aid of legislative processes" can a court conclude that the inquiry was improper.[92]

The Court finds on the record before it that the committee's true purposes were those stated. The propriety of these purposes was substantial; this was not a case where a committee's announced aims were themselves questionable or open to serious attack. The inquiry itself was, in effect, voted by the full House, and the subpena was in fact voted by the full committee.[93]

In view of this, a holding that the purpose of the inquiry was invalid because of the motives of individual legislators would be to impute such motives to the entire House.

That the inquiry was sparked by the authority's announcement that it favored construction of a jet airport in Morris County, N.J., is not sufficient to establish that the committee's purpose was to prevent the airport's construction. Dramatic incidents frequently stimulate far-ranging inquiries when it appears they may be symptoms of deeply rooted problems. Neither does the fact that the subpena requested documents closely related to the authority's day-by-day operations require a conclusion that the committee's purpose was to regulate these operations. To require information about the authority is not to regulate the authority,[94] and as the Court pointed out earlier, these documents were relevant to valid broader purposes.

IV. Privileges and immunities attaching to the requested documents

The Court must consider now whether, since Congress has the power to legislate regarding the compact resolutions, and since it would be aided in this task by studying the subpenaed documents, it also has the power to order their production.

The authority contends that the right to demand the documents does not automatically follow from the existence of an area of legislative competence to which they have relevance. Where, as here, the documents are closely related to the operations of a non-Federal agency which is principally the creation of two sovereign States, the doctrine of "executive privilege" reinforced by considerations of comity basic to the successful operation of our Federal system, it is argued, bars Congress from access.

The documents sought to be immunized may be divided into three categories: (a) Communications to and from the Governors and their staffs; (b) those prepared and circulated solely among the authority staff and commissioners; and (c) confidential reports to the authority by outsiders.

At the outset the matter of the Governors' communications must be considered. Although they relate to the operations of the Authority, these documents are directly involved in the functioning of the office of the chief executive of a sovereign body in our dual form of government. Thus it is arguable that they occupy a uniquely privileged status. However, the court need not here decide whether Congress has the power to require the production of these documents, since the defense of special gubernatorial privilege was never properly raised before the committee. At no time during the course of the inquiry—or, indeed, during the contempt proceeding in the House—was Congress apprised that the committee's subpena called for documents of this unique character.

Had Mr. Tobin so indicated to the committee, with anything approaching the particularity he has achieved in his presentation to this court, the committee might then have determined, upon deliberation, whether to test its power in this area or to seek some mutually satisfactory resolution of the problem.[95]

Having failed to give the committee the opportunity to deal with the issue, Mr. Tobin may not properly assert it here; and the court would be stretching the limits of its discretion to rule upon an issue neither properly raised nor necessary to decision which is of such potentially great constitutional and political importance.

As to the other materials the Authority contends, first, that the documents in each of these categories are absolutely privileged from demand by Congress. In the alternative, it maintains that if the proper test is to balance Congress need for them against injuries to this compact and to the Federal system that might ensue from disclosure, the balance is in favor of nondisclosure.

Preliminarily, the Court notes that it has been unable to find any clear authority relating to the right of Federal agencies and departments to withhold documents from congressional scrutiny on the grounds of executive privilege.[96] Moreover, while the Supreme Court has upheld the power of a congressionally created commission to secure State voting records,[97] the scope of the doctrine of executive privilege as claimed by State agencies against Congress is not clear.

The port authority, however, is a hybrid; [98] its very existence depended upon joint action by the States and Congress, and aspects of its continued operation remain subject to the legislative power of both. Thus, neither the doctrine of separation of powers nor considerations of federalism can alone be dispositive of the arguments here, and it is necessary to look to the analogous cases and to factors bearing upon the use of the compact device to determine whether and to what extent these documents may be immune from congressional scrutiny either constitutionally or as a matter of public policy.

The instances are few where absolute immunities have been judicially created. They include the right of an individual to invoke the self-incrimination bar of the fifth amendment against the demands of a congressional committee; [99] the right of litigants and witnesses in court proceedings to invoke the recognized common law privileges; [100] the Federal Government's right, in civil proceedings in which it is a defendant, to withhold military secrets; [101] the right of members of

---

[89] *Reina* v. *United States*, 364 U.S. 507, 512 (1960).

[90] *Barsky* v. *United States*, 83 U.S. App. D.C. 127, 131, 167 F. 2d 241, 245 (1948); cert. denied, 334 U.S. 843.

[91] *Watkins* v. *United States*, *supra*, note 37, at 200.

[92] *Barenblatt* v. *United States*, *supra*, note 38, at 133.

[93] CONGRESSIONAL RECORD, vol. 106, pt. 13, p. 17283 (remarks of Congressman CELLER).

[94] See, e.g. *Barsky* v. *United States*, *supra*, note 89, 83 U.S. App. D.C. at 131, 167 F. 2d at 245.

[95] Cf. *McPhaul* v. *United States* (364 U.S. 372, 378–79 (1960)), the cases there cited, and *United States* v. *Morton Salt Co.* (338 U.S. 632, 653 (1950)). *Quinn* v. *United States* (349 U.S. 155, 162–65 (1955)), is distinguishable, principally on the ground that the objection there claimed to have been raised before the committee, the self-incrimination bar of the fifth amendment, was a familiar one in congressional inquiries, so that the standard of what "a committee may reasonably be expected to understand as an attempt to invoke the privilege" could be a lower one.

Here knowledge that the subpena called for Governors' communications was uniquely the knowledge of those connected with the authority, and they chose to attempt to gain immunity for all documents subpenaed, rather than indicate to the committee their individual characteristics.

[96] See Bishop, "The Executive's Right of Privacy: An Unresolved Constitutional Question," 66 Yale L.J. 477, 478 n. 5. (1957.)

By "clear authority" the Court means judicial decisions or unambiguous statements by the drafters of the Constitution. Unilateral declarations by the Executive, see, e.g. the memorandum by Attorney General Brownell, id., or by Congress, see, e.g., staff of Special Subcommittee on Legislative Oversight, House Committee on Interstate and Foreign Commerce, 85th Cong., 1st sess., right of access by Special Subcommittee on Legislative Oversight to CAB files and records (committee print 1957), are not such authority. See also 5 U.S.C. sec. 22.

[97] *Hannah* v. *Larche* (363 U.S. 420, 452 (1960)), rev'g on other grounds, 177 F. Supp. 816, 819–21 (W. L. La.) (1959). See also *Alabama* v. *Rogers* (187 F. Supp. 848, 853–54 (M. D. Ala. 1960)), aff'd per curiam, 285 F. 2d 430 (5th cir. 1961); *In re Wallace* (170 F. Supp. 63, 67–68 (M. D. Ala. 1959)).

[98] From time to time there has been argument as to whether the port authority is a "State" agency. Whatever value such conclusionary characterizations may have, it is clear that they must be limited to the context in which they are made, none having been made on constitutional grounds. For purposes here relevant the authority must be treated as a repository of both Federal and State interests, sui generis in the Federal system.

[99] E.g., *Quinn* v. *United States*, *supra*, note 94.

[100] I.e., Husband-wife, lawyer-client, doctor-patient. Of course, in some jurisdictions, these privileges have been subject to statutory addition or modification.

[101] E.g., *United States* v. *Reynolds* (345 U.S. 1, 11 (1953)).

the Federal executive to be absolutely free from private suits for libel based on statements made in connection with "matters committed by law to [their] control and supervision;" [103] and the like privilege enjoyed by members of the judiciary.[104]

The thread that ties these cases together is the importance of preserving uninhibited freedom to communicate or not to communicate where certain relationships are present. It would be impossible to qualify this freedom in any one situation without seriously impairing it or destroying it altogether.[105]

However, in analogous situations where a conflict has been presented between asserted rights and privileges, often having constitutional origins, courts have attempted to resolve the problem by balancing the interests in the particular case. This has been so, for example, where first amendment rights have conflicted with the congressional investigatory power; [106] where a criminal defendant's right to prepare his defense has clashed with the Government's interest in protecting the flow of information from informants; [107] where a State's interest in maintaining an important activity has conflicted with the Federal power to tax; [107] and, significantly, where the interest of a defendant in a civil contempt case in preparing a full defense has conflicted with a Federal agency's asserted executive privilege for "internal" documents.[108]

The defendant argues, in contending for absolute immunity of compact authority documents, that permission for congressional investigations into agency operations, even to the extent here contemplated, would "supersede the States in their control of the internal management and policies of their agencies," [109] and would "destroy" compacts and severely inhibit States from entering into them. This would result, it is argued, because legislative scrutiny of agency internal documents would inevitably result in legislative dictation of agency decisions.

Furthermore, he says, with anything less than absolute immunity, administrative efficiency and the atmosphere of candor necessary to well-considered agency decisions would be destroyed; raw files containing unverified reports about innocent individuals might fall into the hands of publicity seekers; and sources of confidential information necessary to agency functioning would be exposed or inhibited. In addition, it is argued, other sources of information exist from which the information can be secured.

In opposition to these arguments the Government contends that the Federal legislative function cannot be fettered by immunities attaching to non-Federal instrumentalities. The compact clause itself, it is argued, confers power to act in the national interest, and the power to investigate in furtherance of an exercise of this power cannot be defeated by asserted interests of lesser dimension.[110]

Neither of these arguments in its full thrust is persuasive. First, as the court has already noted, the existence of a power to investigate does not, irrespective of the extent of that power, immutably lead to control by the investigating agency. Moreover, the fact that in several recent compacts the Federal Government has been included as a participant and that Congress has expressly reserved power to secure compact agency documents of the type here at issue strongly suggests that no serious inhibition to use of the compact device is presented. In two instances, the Tennessee River Basin Water Pollution Control Compact [111] and the Wabash Valley Compact,[112] provision is made for Presidential appointment of a "Federal representative." In two others, the New York-New Jersey Transportation Agency Compact [113] and the Washington Metropolitan Area Transit Regulation Compact,[114] Congress has reserved the right of "access to all books, records, and papers * * * as well as the right of inspection of any facility * * *." Moreover, the recently signed compact to develop the water resources of the Delaware River Basin includes the Federal Government as a full partner with the States of Delaware, New Jersey, New York and Pennsylvania.[115]

Finally, any impediment to the ideal effectiveness of compact agencies that might result from the denial of an absolute privilege cannot outweigh the impediment to Congress ability to legislate effectively that would result from a grant of an absolute privilege.

On the other hand, the court is not prepared to rule that in no situation can a privilege attach to documents of a compact agency. The court believes that it is appropriate in this situation to establish a test which balances congressional need for documents subpenaed from compact agencies against the dangers to the particular compact involved and to the compact process in general which would result from the particular subpena and investigation. If possible, attempt should be made to accommodate conflicting powers which overlap before it is decided that one must yield absolutely to the other. Honest and vigilant administration of the balancing test by the courts can accomplish this result. The Federal system is itself the product of accommodation between the need for central direction of affairs affecting the entire Nation and the desire to prevent overcentralization; the compact clause is a more refined product of the same problem. In resolving the conflict between the interests, asserted in cases such as this, accommodation is also the natural course.

The committee's need for the documents is based principally on these factors: since its inception over 40 years ago, the authority has not been the subject of any continuous public scrutiny, nor has any detailed investigation into its operations been made; oral testimony and documents already available to Congress cannot convey a complete picture of the authority or provide adequate groundwork for potential legislation; the importance of the national interests that may be adversely affected requires that any action by Congress be based upon the fullest possible information and an attempt to act on anything less would subject Congress to a charge of arbitrariness.[116]

The authority's interests in nondisclosure have been stated above, but they may be summarized as a desire to preserve free communication to and among authority personnel, and a fear that confidential information may be used for improper purposes.

The court believes that on the facts of this case the balance must be struck in favor of disclosure. First, two factors indicate strongly that there is no overwhelming need to keep these particular documents secret.

In 1952, when Congress was presented with the resolution to withdraw consent from the compact resolutions until reservations could be added, Mr. Tobin offered "to place at the disposal of your committee whatever records, information, data, or other material which may be helpful to your staff in preparation for the hearings on this resolution." [117]

Moreover, the executive privilege argument was not raised by the authority when a committee of the New Jersey Legislature recently inquired into its operations, and by defendant's own admission he was, in connection with this inquiry, "producing every paper in the port authority that the Commission [sic] asks for. They are entitled to every scrap of paper and every memorandum and everything we have * * * [w]ithout exception." [118]

Defendant's attempts at trial to counteract the unfavorable implication of these statements was not convincing.

Second, the court is confident that the committee will not needlessly reveal publicly authority documents that would otherwise be confidential. That preservation of confidentiality wherever possible was, in fact, the committee's purpose is indicated by its original offer to inspect and sift the documents at the authority's New York headquarters. This purpose is further borne out by a statement made by a member of the full Judiciary Committee on the floor of the House during debate preceding the vote on the committee's recommendation to cite Mr. Tobin for contempt:

"I, for one, fully realize that much of the material could and properly should be examined in executive session. Such a procedure would enable the committee to cull out the material from the immaterial. This procedure is frequently followed in judicial proceedings and as members of the Judiciary Committee, I am satisfied that such will be the course followed by the committee." [119]

---

[103] *Barr v. Matteo* (360 U.S. 564 (1959)).

[104] E.g., *Bradley* v. *Fisher* (13 Wall. 335 (1871)).

[105] *Gregoire* v. *Biddle* (177 F. 2d 579, 581 (2d cir. 1949)).

[106] E.g. *Barenblatt* v. *United States, supra* note 38.

[107] *Roviaro* v. *United States* (353 U.S. 53, 58–62 (1957)).

[108] E.g. *New York* v. *United States, supra* note 86, at 586–590 (concurring opinion of Stone, C. J.).

[109] *Olson Rug Co.* v. *NLRB* (No. 12303, 7th cir., May 25, 1961, pp. 9–10). [29 U.S.L. Week 2576]. See also *Kaiser Aluminum & Chemical Corp.* v. *United States* (157 F. Supp. 939 (ct. claims 1959, Reed, J.) (semble)). In addition, there are situations, exemplified by *Jencks* v. *United States* (353 U.S. 657, 670–72 (1957)), and the cases there approved, in which the Government is given the choice of declining to prosecute a man or revealing documents which otherwise might be covered by an "executive privilege," e.g., *United States* v. *Andolschek* (142 F. 2d 503, 505–06 (2d cir. 1944)), whose thrust is to place below other constitutional values the interest in secrecy of internal and informer communications engaged in by Federal agencies.

[110] Br. 58–59.

[111] Brief for the Government, p. 23.

[112] 72 Stat. 823 (1958), sec. 3(a).

[113] 73 Stat. 694 (1959), sec. 2.

[114] 73 Stat. 575 (1959), sec. 2(e).

[115] 74 Stat. 1031 (1960), sec. 7(c).

[116] Interstate-Federal compact for the Delaware River Basin, formally approved by the representatives of the compacting members on Feb. 1, 1961, New York Times, Feb. 2, 1961, p. 1.

[117] The committee also urges the premise implicit in the Supreme Court's observation in *McGrain* v. *Daugherty* (273 U.S. 135, 175 (1927)), that "[e]xperience has taught * * * that information which is volunteered is not always accurate or complete * * *," and relies strongly, and in the Court's view validly, on the inferences to be drawn from the record, as to its need for the documents, from two specific kinds of documents whose existence among those subpenaed was revealed: i.e. the authority's "assumptions" regarding the "profitability" of individual authority facilities, tr. 536, and communications revealing the way in which authority decisions are made, which may indicate whether Federal interests are properly considered in making them: e.g. November–December tr. 224–31 (memorandum "to file" from Mr. Tobin regarding conversations with Dwight Palmer, New Jersey authority liaison representative concerning proposals that the authority participate in commuter railroad equipment financing).

[118] 1952 tr., supra note 20, at 346.

[119] Tr. 527.

[120] CONGRESSIONAL RECORD, vol. 106, pt. 13, p. 17288 (remarks of Congressman WILLIS).

These facts indicate to the court that if the committee is given access to the documents, it will not reveal to the public, by leaks or otherwise, any which are not essential to its proper legislative purposes.[120]

Third, the argument that enthusiasm for the compact device will be dampened if Congress is afforded access to documents such as these is not persuasive in view of the fact that the very States involved in this case have entered into another compact, in approving which Congress reserved the right to subpena such documents.

It cannot be emphasized too strongly that the conclusion reached here is the result of a balancing of the unique facts of this case. In a future situation involving this agency or another, the factors will have to be weighed afresh, and clearly relevant will be the way in which the powers here recognized are exercised.

V. The defense of superior order

Mr. Tobin's final defense is that his noncompliance with the subpena was ordered by the Governors in their letters to the Commissioners on June 25.

The purpose of the misdemeanor statute upon which this information rests is "to facilitate the gathering of information deemed pertinent to the purpose of an investigating committee," [121] by deterring those who consider obstructing such work and by punishing those who actually do.[122] The statute's requirement that the contempt be "willful" is satisfied if "the refusal was deliberate and intentional and was not a mere inadvertence or an accident." [123] "No moral turpitude is involved;" [124] for example, willfulness is not negatived by good faith reliance on the advice of counsel.[125] Of course, if the individual subpenaed is not physically able to comply with the request, he cannot be convicted—unless he purposely caused the disability.[126]

It is a generally accepted doctrine in criminal law that orders of another are no legal defense to a charge of performing an act otherwise illegal, except where they carry a threat of physical retaliation.[127] However, with one significant exception,[128] orders from a superior have been held a defense in certain contempt of court proceedings involving subordinate Government employees.[129]

Thus, if the June 25 letters, when viewed in total context, (a) deprived Mr. Tobin, without his assistance or consent, of the physical ability to produce the documents, or (b) constituted a legally sufficient justification for his refusal to produce, or (c) caused his default to lack the statutorily required willfulness, it would be a valid defense to this prosecution.

(a) The record makes it clear that the defense of physical inability to comply cannot be invoked, for the materials were not removed from Mr. Tobin's control. After the Governors' letters they remained exactly where they were, and Mr. Tobin retained access to them. This is borne out by his trial testimony that he has, without the Governors' consent, offered to produce for the New Jersey Legislature all authority documents.[130]

(b) Although no court has ever decided whether the order of a superior justifies a Government official in not complying with a congressional mandate to produce information, a body of precedent does exist with regard to court orders. The relevant cases [131] reveal that refusals to comply, based upon the Federal housekeeping statute [132] and regulations promulgated thereto, will generally be honored by the courts.

There are two principal policy motives which underlie this judicial attitude: (1) Since requests for documents and information come from a great number of sources, it is desirable, in order to assure that consistent and responsible decisions are made, to centralize in one authority in each department the power to determine whether to honor such requests,[133] and (2) it is necessary, in order to avoid inhibiting those who furnish information to the Government, to insure that such information will not be released except by officials of high rank, in whose discretion informants presumably would have greater confidence.[134] However, where neither policy is operative, and where the sole purpose of the superior's directive is to resist the order to produce, the superior's mandate will not constitute justification.[135]

The court is of the view that this case is controlled by the reasoning implicit in *Sawyer* v. *Dollar* [136] and that the policies operative in the Housekeeping Statute cases are not present here. The purpose of the Governors' letters, by their own language, was not to centralize determinations about release of authority documents; such power was already centralized in Mr. Tobin. Nor was it to preserve the continued flow of outside confidential communications to the authority; the defense of privilege of the subpenaed documents could have been and, indeed, was forcefully asserted before the committee by Mr. Tobin, the custodian of the documents, who reflected the attitude of all connected with the authority. Rather, the letters' objective was either to compel the committee to confer with the Governors before the inquiry proceeded, or to insure default on the subpena to precipitate a court test of the committee's power to demand the subpenaed material.[137] As such, it could not constitute a justification for Mr. Tobin's refusal to produce the documents.

(c) Mr. Tobin also seeks to establish by the letters that his conduct lacked the willfulness required by the statute. As phrased by the amicus brief filed in this case by New York and New Jersey "[i]t runs contrary to our system of justice to allow a person to be held criminally liable when he has acted in accordance with orders from his superiors and his oath of office." [138]

This is so, it is argued, principally because if Mr. Tobin disregarded the directive, the Governors would then dismiss him from office or veto the commissioners' action renewing his contract; while if he disobeyed the subpena and it were upheld, he would be found guilty of a Federal crime and would face the possibility of a jail term. The court, it is contended, should construe the statutory requirement of willfulness to avoid such a result.

Had the record only contained Mr. Tobin's statement at the return of the subpena that he had recommended nondisclosure to the two Governors, the court might conclude that he acted only within the scope of his proper duties as the Governors' adviser, and thus the construction contended for might be permissible. However, from a study of the entire record, the court is satisfied that the Governors' letters were the product of efforts to justifying Mr. Tobin's continuous position of noncompliance. His role was thus more than that of an adviser, and the letters were a ratification of his position rather than a command to assume that position. When the letters are thus viewed, the court concludes, refusal to obey the subpena was willful within the meaning of the statute.

These factual conclusions are justified by Mr. Tobin's own statements and by documents presented to the committee and to the court. He testified on trial that from the time he received the first letter from the Judiciary Committee chairman in March 1960, he thought "it would be a grave mistake for the two States to permit this sort of investigation * * *." [139] The import of the remainder of his testimony is that he encouraged, assisted, and concurred in a letter sent to the two Governors on March 18, 1960, over the signatures of the authority chairman and vice chairman, the last sentence of which stated:

"We will not grant them [the committee] access to internal administrative material or the day-to-day working files of the various departments of the port authority until we receive your authorization to do so." [140]

Further, Mr. Tobin testified that he participated in many meetings between the authority staff and commissioners and the Governors, which were held not to discuss whether there ought to be production of the authority documents, because all agreed that there should not be, but to resolve "differences * * * as to procedure * * * the two Governors should take." [141]

Just as one summoned by a congressional committee cannot destroy subpenaed documents and then claim that his failure to produce them was not willful, one cannot take a position of noncompliance, play a major role in procuring a directive to confirm that attitude, and then argue that he has been so deprived of free choice that his actual failure to comply was not willful. It is no argument that had Mr. Tobin wanted to comply, the Governors still might have issued a contrary directive; the statute focuses on his conduct, not theirs, and it is enough that had his attitude been one of

---

[120] Another important indication that the committee was attempting to limit the range of documents requested and will limit the uses to which they are put—thus reducing the effects of their disclosure on internal authority operations—is the fact that the full committee's original requests for personnel documents, June 29 tr. 14, 15, were not included when the subpena itself was issued. The court concludes, as the Government conceded on trial, tr. 776, that the subpena as issued must be read as not calling for personnel records, even though such records might otherwise be included within one of the categories enumerated in the subpena.

[121] *Fields* v. *United States*, 82 U.S. App. D.C. 354, 357, 164 F. 2d 97, 100 (1947), cert. denied 332 U.S. 851 (1948).

[122] *United States* v. *Bryan*, 339 U.S. 323, 329 (1950).

[123] *Fields* v. *United States*, *supra*.

[124] *Braden* v. *United States*, *supra* note 60, at 437; *Licavoli* v. *United States*, No. 15764, D.C. Cir., February 16, 1961.

[125] Id.

[126] *United States* v. *Bryan*, *supra* note 119, at 330–31; cf. *Societe Internationale* v. *Rogers*, 357 U.S. 197, 208–09 (1958) (dictum).

[127] ALI, Model Penal Code (tentative draft No. 10) sec. 2.09, p. 7; *Susnjar* v. *United States*, 27 F. 2d 223, 224 (6th cir. 1928); *State* v. *Western Union Telephone Co.*, 12 N.J. 468, 97 A. 2d 480, 493 (1953), appeal dismissed 346 U.S. 869.

[128] *Sawyer* v. *Dollar*, 89 U.S. App. D.C. 38, 190 F. 2d 623 (1951), vacated as moot, 344 U.S. 806 (1952).

[129] E.g. *United States ex rel Touhy* v. *Ragen*, 340 U.S. 462 (1951); *Boske* v. *Comingore*, 177 U.S. 459 (1900); *Appeal of SEC*, 226 F. 2d 501 (6th Cir. 1955).

[130] Tr. 527.

[131] Supra note 126.

[132] 5 U.S.C., sec. 22.

[133] *United States ex rel. Touhy* v. *Ragen*, *supra* note 126 at 468.

[134] *Boske* v. *Comingore*, *supra* note 126, at 469–470.

[135] *Sawyer* v. *Dollar*, *supra* note 125, 89 U.S. App. D.C. at 46–55, 190 F. 2d at 631–640.

[136] Id. cf. *United States* v. *United Mine Workers*, 330 U.S. 258, 293–94 (1947).

[137] Supra note 30.

[138] P. 59.

[139] Tr. 437.

[140] Defendant's exhibit No. 3a.

[141] Tr. 438.

compliance, the directive might not have issued.[142]

Because the facts here presented reveal that the Governors' letters, which theoretically faced Mr. Tobin with a conflict between two orders, was the product of his own efforts and a ratification of his own attitude, the court need not and does not decide whether noncompliance with a congressional subpena would be willful where a subordinate was instructed by a superior's directive, unsolicited by him, to defy it. Nor does the court decide whether sanctions could be applied to the superior who retaliates when the congressional mandate is obeyed.

VI. Conclusion

It is regrettable that the differences between two members of our governmental family should have ripened into litigation such as this. Hostile lawsuits, like wars between nations, are a poor substitute for effective diplomacy where interacting governmental units are concerned. Conflicts of power are, of course, inevitable in our Federal system, with its built-in fragmentation of power centers, but the greater the chance of conflict, the greater the need for statesmanship on the part of those who head the various units.

The fact that the court decides that Congress has the power to request the documents here subpenaed and to investigate this compact agency is neither carte blanche to excessive use of that power nor an excuse for failure by the committee to reexamine the relative necessity and desirability of some of its requests and the manner in which it conducts its hearings. As the court has previously indicated, one of the controlling factors in this case is that this is the first full probe into the port authority ever conducted by Congress.

Finally, the court must comment on the way in which it was necessary for Mr. Tobin and the authority to challenge, in good faith, Congress' right to subpena these documents: to stand in contempt and be liable for criminal prosecution. During the House debate on the contempt citation, the committee inserted in the CONGRESSIONAL RECORD a memorandum purporting to show that declaratory judgment procedures were not an available means for procuring judicial resolution of the basic issues in dispute in this case.[143] Although this question is not before the court, it does feel that if contempt is, indeed, the only existing method, Congress should consider creating a method of allowing these issues to be settled by declaratory judgment. Even though it may be constitutional to put a man to guessing how a court will rule on difficult questions like those raised in good faith in this suit,[144] what is constitutional is not necessarily most desirable.

Especially where the contest is between different governmental units, the representative of one unit in conflict with another should not have to risk jail to vindicate his constituency's rights. Moreover, to raise these issues in the context of a contempt case is to force the courts to decide many questions that are not really relevant to the underlying problem of accommodating the interest of two sovereigns.

Upon a finding of guilty of the offense charged against the defendant the statute requires a sentence of a fine of not more than $1,000 nor less than $100, and imprisonment for not less than 1 month nor more than 12 months. The defendant, therefore is sentenced to a fine of $100 and 30 days in jail. However, because defendant has stipulated his willingness to turn over the documents to the committee in the event of a finding of guilty, the sentence[145] will be stayed for a period of 30 days, and in the event of compliance with the subpena, will then be suspended.

Assuming a review and affirmance of this conviction, the sentence will be further stayed until 30 days after the mandate of the appellate court has been filed.

LUTHER W. YOUNGDAHL,
Judge.

JUNE 15, 1961.

APPENDIX A

Statement entitled "The Documents Required by the Subpenas as Modified by the Letters Are Pertinent to the Authorized Purpose of This Investigation," authorized by Subcommittee No. 5 to be read at the June 29, 1960, hearing, and read at that time by committee chief counsel [H. Rept. No. 2117, 86th Cong., 2d sess. (report citing Austin J. Tobin), pp. 48–52]:

"Questions have been raised as to the pertinence to the subcommittee's inquiry of the documents required by the subpenas served upon these witnesses. With respect to those questions, the Chair wishes to make the following statement:

"In the judgment of the subcommittee, the pertinence to the stated purpose of the subcommittee's inquiry of each of the categories of documents required by the subpenas served upon these witnesses on June 15, 1960, is clear on the face of the subpenas.

"Virtually all these documents were first requested from the port authority in March of this year. Since then, other letters have been sent to the executive director of the port authority setting forth generally the scope of the inquiry, particularizing the requests, and making clear that the subcommittee will consider production of all documents described in these subpenas dating from January 1, 1946, to June 15, 1960, to be full compliance with the subpenas.

"Thus, the port authority, its officers and employees, including these three witnesses, have had ample opportunity to study these requests and ascertain their pertinence.

"While in the view of the subcommittee further explanation is not necessary, nevertheless, to avoid any possible question and in order to make abundantly clear to these witnesses wherein the documents requested by the subcommittee are pertinent to the subcommittee's inquiry, the Chair will explain briefly some of the reasons for requesting each of the categories of documents listed in the subpenas.

"As the Chair pointed out in his opening statement, the purpose of this inquiry is 'to ascertain conformance or nonconformance of the Port of New York Authority with the congressionally imposed limitations on its powers and the extent and adequacy with which the authority is carrying out its duties and responsibilities under the congressionally approved compacts in order to determine whether Congress should legislate "to alter, amend or repeal" its resolutions of approval.'

"The documents listed in the subpenas are sought to aid the subcommittee in performing this legislative purpose. Each category of documents was considered by the subcommittee and was concluded to be necessary and pertinent to the accomplishment of this purpose.

"1. Item (1) of the subpenas calls for production of 'all bylaws, organization manuals, rules, and regulations' of the port authority.

"These documents are needed to apprise the subcommittee of the scope and extent of the port authority's activities in order that the subcommittee may ascertain whether or not the authority is adhering to the duties, responsibilities and limitations placed upon it by Congress in the enabling resolutions of 1921 and 1922.

"A thorough knowledge of the port authority's structure, lines of authority, and its rules and regulations governing the activities of its officers and employees is needed so that the subcommittee may fully comprehend the scope of the authority's operations.

"Furthermore, article XVIII of the 1921 compact, approved by the Congress in Public Resolution 17 of the 67th Congress, authorizes the port authority to make suitable rules and regulations 'not inconsistent with the Constitution of the United States' and 'subject to the exercise of the power of Congress for the improvement and conduct of navigation and commerce.'

"Manifestly, the subcommittee must examine, among other things, all rules, regulations, and manuals promulgated by the authority to find out whether they are in conformity with the limitations expressed in that article.

"2. Item (2) of the subpenas calls for production of 'annual financial reports; internal financial reports, including budgetary analyses, postclosing trial balances, and internal audits; and management and financial reports prepared by outside consultants.'

"These materials, in addition to the port authority's annual two-page summaries of financial condition, are required by the subcommittee so that it may learn with particularity the extent and scope of the port authority's operations and activities with respect to specific undertakings.

"It is, therefore, necessary for the subcommittee to find out how much of the authority's revenues are derived from, and how much of its expenditures go toward carrying out, each of its various projects.

"Such information is essential to determine whether or not certain channels of interstate commerce in the port district are being discriminated against, or unduly burdened by, the policies—including financial policies—of the authority.

"In addition, it has been alleged that the policy of the port authority in combining revenues for financing purposes from all its facilities, rather than reducing tolls on each facility as it is amortized, places an undue burden on the channels of interstate commerce and is contrary to national transportation policy.

"The subcommittee needs the information specified in this item in considering the advisability of legislation conditioning congressional consent to the compacts upon agreement to modify existing policies of the authority.

"Moreover, some of the receipts and expenditures of the port authority are, under the terms of the interstate compacts and under Federal law, subject to the scrutiny of various Federal agencies. For example, the Department of the Navy, the U.S. Army Engineer Corps, the Federal Aviation Agency, the General Services Administration, and the General Accounting Office, among others, all have legal responsibilities over some of the authority's activities and finances.

"Accordingly, it will be necessary for the subcommittee to examine all audits and internal financial data of the authority to determine the manner and extent to which the port authority has complied with the supervisory requirements imposed by the Federal agencies with responsibility for various port authority activities under the interstate compacts and to determine whether or not congressional consent should be conditioned upon added safeguards.

"3. Item (3) of the subpenas calls for all 'agenda and minutes of meetings of the

---

[142] *Cf. United States* v. *Fleishman*, 339 U.S. 349 (1950), *Societe Internationale* v. *Rogers*, *supra*, note 123, at 205.

[143] CONGRESSIONAL RECORD, vol. 106, pt. 13, pp. 17308–17312.

[144] *Watkins* v. *United States*, *supra* note 37, at 208. No court has, however, passed on the constitutionality of the contempt statute from this viewpoint, and it was not argued in this case. But cf. Comment, 11 Stanford L. Rev. 164 (1958); note, 47 Colum. L. Rev. 416, 428–30 (1947).

[145] By "sentence," the court means the fine and the jail term.

board of commissioners and of its committees; all reports to the commissioners by members of the executive staff.'

"These documents are pertinent to the inquiry to enable the subcommittee to learn what policies have been adopted by the board, the manner and extent to which those policies have been carried out by the authority personnel and staff, and how those policies conform to obligations and limitations imposed by the congressionally approved compacts.

"This will permit a thoroughgoing review of the scope and extent of the activities and operations of the port authority at the top levels. It will also enable the subcommittee to determine whether or not policy formation and execution by the authority is consistent with congressionally approved objectives.

"The agenda and the reports of the staff are also required in order to afford a full view of the authority's activities and operations. For example, failure of the authority to follow staff recommendations with respect to any Federal interest affected by the authority's operations might frame issues significant in the subcommittee's assessment of those operations.

"Item 4(a) of the subcommittee's subpenas calls for all files relating to 'negotiation, execution, and performance of construction contracts; negotiation, execution, and performance of insurance contracts, policies and arrangements; and negotiation, execution and performance of public relations contracts, policies and arrangements.'

"This request was made because those three categories of authority activities represent areas having direct impact upon Federal interests.

"Construction contracts are important to the subcommittees because most construction undertaken by the authority is for facilities used in, or in the aid of, interstate commerce or national defense. The subcommittee desires to ascertain whether this construction satisfies Federal requirements, policies and responsibilities and whether other construction work by the authority affects or interferes with any Federal projects or construction policy.

"Insurance contracts are necessary to the inquiry, in part, because of the huge risks involved in the day-to-day operation of authority facilities and the potential liability of the port authority with respect to important national defense instrumentalities and with respect to the movement of persons and goods in interstate commerce.

"In the event of any casualty for which the authority is liable, the possible indemnity could reach hundreds of millions of dollars, as was the case, for example, in the Texas City disaster. Should the files show that insurance coverage has not been adequate to protect fully all of the Federal interests affected by the port authority, modification of the interstate compacts may be necessary.

"Further, if in the negotiation or letting of insurance or construction contracts clothed with Federal interests, practices are followed that prevent full competition or otherwise conflict with national policies, again, legislation modifying consent in these regards may become important.

"Public relations contracts are needed for similar reasons and for the additional reason that such contracts can be, and according to reports brought to the subcommittee's attention, have been used for the purpose of affecting legislation and other governmental decisions on a variety of subjects, including diversion of interstate and foreign commerce from certain U.S. ports to the port of New York.

"Such activities of the port authority are of manifest significance to the Congress because the very purpose of the constitutional requirement of congressional consent is to safeguard the interests of the many States from the combined efforts of those acting under a compact.

"Item 4(b) of the subcommittee's subpenas calls for all records relating to 'the acquisition, transfer, and leasing of real estate.'

"These documents are sought by the subcommittee, in part, because of its concern over certain real estate practices of the port authority as reported in various allegations coming to the subcommittee's attention. The subcommittee's duty to ascertain whether amending legislation to the consent resolutions of 1921 and 1922 is necessary with respect to these matters, makes it essential for it to examine these files.

"In this connection, the subcommittee wishes to consider, for example, whether real estate acquisitions, transfers and leases by the port authority outside the specified geographical limits of the port district as contemplated by Congress should be further limited by modifying legislation. It also wishes to consider, as an additional example, whether the acquisition, transfer and leasing of real estate by the port authority for industrial development and similar commercial purposes not related to the initially approved purpose of coordinating transportation should be curtailed or regulated.

"These legislative aims require that the subcommittee have full knowledge of current and past practices and policies of the port authority with respect to all real estate transactions.

"Item 4(c) of the subcommittee's subpenas requires the production of files relating to 'the negotiation and issuance of revenue bonds.'

"These documents are sought, in part, because it has been alleged that full and free competition is not permitted by the authority in underwriting arrangements for issuance of its bonds.

"In addition, it appears that issuance of these bonds is not subject to regulation by the Securities and Exchange Commission. The effectiveness with which the port authority conducts these financing operations bears directly upon its ability to carry out its responsibilities under the compacts.

"Accordingly, it is essential that the subcommittee scrutinize these files in considering whether to condition further consent to the compacts upon changes in financial policies of the authority.

"Item 4(d) of the subcommittee's subpenas calls for files relating to 'the policies of the authority with respect to the development of rail transportation.'

"These documents have been requested because of the subcommittee's desire to ascertain the extent to which one of the authority's principal purposes has been carried out. In article 6 of the 1921 compact as approved by Congress, certain primary powers granted under the compact are conditioned upon approval of a comprehensive plan for the development of the port.

"In 1922, this comprehensive plan was presented to the Congress and approved. The 1922 comprehensive plan dealt extensively with development of rail transportation into and out of the port district. Accordingly, examination of files dealing with policies concerning the development of rail transportation are necessary to give the subcommittee information as to how this part of the authority's mandate as approved by Congress in 1922 has been and is being carried out.

"The foregoing explanation, the Chair wishes to emphasize, illustrates only some of the respects in which the documents required by its subpenas are necessary to the effectuation of the subcommittee's inquiry.

"The Chair has made the foregoing statement to make clear to all concerned that the selection of documents required by the subpenas is reasonably calculated to aid the subcommittee in carrying out the duties and responsibilities imposed upon it by its parent Committee on the Judiciary and by the U.S. House of Representatives. However, the foregoing in no way exhausts the reasons why the documents called for by the subpenas are pertinent and necessary to the subcommittee's inquiry."

DEBT LIMIT

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I call the attention of the House to the fact that the debt limit bill will be before us probably this week, and I am including with my remarks at this point a copy of the separate minority views on this important legislation. We are now going to increase the temporary debt limit by $5 billion, making a total increase of $13 billion in an administration which avowedly is following a course of deficit financing. I recommend to all of my colleagues these supplemental views.

The minority views to which I refer are as follows:

IV. SEPARATE VIEWS OF THE MINORITY ON H.R. 7677

On January 20, 1961, the American people were admonished:

"Ask not what your country will do for you—ask what you can do for your country."

This utterance occurred 4 days after President Eisenhower submitted his last budget message to the Congress. Nothing has occurred since January 20 in Federal fiscal affairs—or, indeed, in any other area of Government affairs—that would suggest that these hope-inspiring words were anything but an empty expression, devoid of purpose and destitute of meaning.

These minority views on H.R. 7677 will be devoted to a consideration of the fiscal experience of the past 5 months which has found the only things asked of our citizens are (1) impaired purchasing power of earnings and savings because of inflation and (2) higher taxes—for the most part to be imposed not upon ourselves but upon succeeding generations—because of mounting public indebtedness. Consideration will also be given to the grave fiscal implications involved in the compulsive and unrestrained spending practices of the Kennedy administration that have necessitated a record peacetime debt ceiling recommendation of $298 billion for fiscal year 1962.

The above-mentioned Eisenhower budget message of January 16, 1961, was for fiscal year 1962, and contained budgetary estimates involving receipts of $82.3 billion, expenditures of $80.9 billion, a surplus of $1.5 billion, and a public debt at the end of the fiscal year of $283.4 billion. That budget was neither penurious nor neglectful in recommending the timely performance of essential responsibilities of the Federal Government.

President Eisenhower in submitting his budget message said that his recommendations "will meet the essential domestic needs of the Nation, provide for the national defense, and at the same time preserve the integrity and strength of our Federal Government's finances." President Eisenhower went on to say that his budget proposal recognized "national priorities" to "help foster noninflationary prosperity at home and strengthen confidence in the dollar abroad." In presenting his recommendations to the Congress, he warned:

"Our resources will not be unlimited. New and expanded Federal programs being urged by special groups are frequently appealing, but, added to existing commitments, they

threaten to swell expenditures beyond the available resources.

"The Federal Government cannot reasonably satisfy all demands at the same time. We must proceed first to meet those which are most pressing, and find economics to help pay their costs by reappraising old programs in the light of emerging priorities. We must encourage States and localities to increase further their participation in programs for meeting the needs of their citizens. And we must preserve and strengthen the environment in which individual initiative and responsibility can make their maximum contribution."

Thus did President Eisenhower describe his budget and its underlying principles. Unfortunately, President Kennedy did not agree with respect to either dollar magnitudes or fiscal objective. The Kennedy administration in 5 months' time has changed surpluses to deficits and has abandoned any semblance of concern for a balanced budget. The administration has vainly attempted to substitute bigger Government spending for effective leadership as it has temporized with crises at home and abroad. The present administration now estimates fiscal year 1962 will involve receipts of $81.4 billion, expenditures of $85.1 billion, a deficit of $3.7 billion, and a public debt of $290.1 billion.

There follows a comparison of the estimated budget projections of the Eisenhower administration (as of January 16, 1961) and the Kennedy administration (as of June 15, 1961) for fiscal years 1961 and 1962. In submitting these data caution is urged in recognizing that expenditure estimates may be lower than experience will prove to be the fact.

It is evident from table 1 that the Kennedy administration has required only 5 months in which to increase recommended budgetary expenditures by a total of $6 billion for fiscal years 1961 and 1962. And in all likelihood this is only the beginning unless Congress imposes the fiscal restraint and responsibility urgently required for sustainable national progress. The spending policies of this administration are largely responsible for converting fiscal year 1962 from a year of debt reduction to a level of $283.4 billion, as forecast by President Eisenhower, to a year of debt increase to a level of $290.1 billion. The annual cost of interest alone to carry this $6.7 billion addition to the total debt level projected for June 30, 1962, over the Eisenhower estimated debt level is $268 million, assuming an interest rate of 4 percent.

The increases in budgetary spending and budgetary deficits referred to above do not reflect the only increases in cost of Government recommended by the Kennedy administration.

Other nonbudgetary spending affecting the cost of Government includes trust fund expenditures, which are currently proposed, for fiscal year 1962 at $1.5 billion higher than recommended by the previous administration. In regard to deficits in trust fund operations, President Kennedy recommends, for fiscal year 1962, that a projected even balance be allowed to become a $1 billion deficit. Trust fund expenditures will be in the magnitude of almost $27 billion for fiscal year 1962.

A second nonbudgetary area of spending is concerned with what has been descriptively characterized as back-door spending. The primary budget prepared by the Eisenhower administration sought to avoid any new back-door financing as well as to redirect existing back-door programs to the regular appropriations process. The Kennedy administration advocated a shift from regular appropriations procedures to back-door financing on the area redevelopment legislation. This was followed by two other huge administration supported back-door financed programs. The first is the Kennedy administration foreign aid bill which contains $8.8 billion in back-door spending for loans for underdeveloped countries. The second is the $8.8 billion called for in back-door financing in the administration's housing bill. When these programs are added to the administration's education program, it becomes evident that the Kennedy administration has endorsed or proposed approximately $20 billion in additional back-door spending in the first 5 months of its existence. There is reason for genuine concern over the extent to which the back-door spending may become a front-door demand on the Treasury because of unrealistic optimism over the recoupment potential in the Kennedy administration proposed back-door programs.

The full impact of Federal operations is demonstrated by a consideration of total receipts from and payments to the public. These statistical data combine receipts and payments from the budget, trust funds, and Government-sponsored enterprises. Under the Kennedy administration a January estimated surplus of $1.1 billion in combined operations would be converted to a June estimated deficit of $1 billion for fiscal year 1961, and the comparable figures for fiscal year 1962 would be a January estimated surplus of $1.3 billion and a June estimated deficit of $4.8 billion. The Kennedy administration has recommended an increase in payments to the public in fiscal years 1961 and 1962 totaling $6.9 billion. The data in table 2 set forth the budget, trust fund, and cash budget information discussed above.

TABLE 1.—*Budget totals*

[Billions of dollars]

Budget item	Fiscal year 1961		Fiscal year 1962	
	Jan. 16, 1961	June 15, 1961	Jan. 16, 1961	June 15, 1961
Receipts	$79.0	$78.2	$82.3	$81.4
Expenditures	78.9	80.7	80.9	85.1
Surplus (+) or deficit (−)	+.1	−2.5	+1.5	−3.7
New obligational authority	82.1	87.1	80.9	87.6
Debt at end of year [1]	284.9	289.0	283.4	290.1

[1] The change in public debt is not the same as projected budget surplus or deficit because it reflects changes in Treasury cash balances, etc.

TABLE 2.—*Principal fiscal totals in Federal budgets, fiscal years 1961 and 1962* [1]

[Billions of dollars]

	1961		1962		Difference, JFK versus January budget	
	January budget	JFK	January budget	JFK	1961	1962
Budget receipts	79.0	78.2	82.3	81.4	−0.8	−0.9
Budget expenditures	78.9	80.7	80.9	85.1	+1.7	+4.2
Budget surplus (+) or deficit (−)	+.1	−2.5	+1.5	−3.7	−2.6	−5.2
Trust fund receipts	24.2	24.8	25.2	25.7	+.6	+.5
Trust fund expenditures	24.1	24.5	25.2	26.7	+.4	+1.5
Trust fund surplus (+) or deficit (−)	+.1	+.3	----------	−1.0	+.2	−1.0
Receipts from the public [2]	99.0	98.5	103.1	102.3	−.5	−.8
Payments to the public [2]	97.9	99.5	101.8	107.1	+1.6	+5.3
Excess of receipts (+) or payments (−)	+1.1	−1.0	+1.3	−4.8	−2.1	−6.1
New obligational authority	82.1	87.1	80.9	87.6	+5.1	+6.7

[1] 1961 and 1962 estimated in Eisenhower budget document in January and Kennedy revisions in March and May.
[2] Budget and trust fund totals combined, minus intragovernmental transactions and minor items.

NOTE.—Detail in this and subsequent tables may not add to totals because of rounding.

It is proper to inquire the extent to which this increased spending that is being spent today and presumably paid for at an undetermined future time may be for essential items involving major national security or is for items of possibly a more discretionary nature. Table 3 relates to this consideration:

TABLE 3.—*New obligational authority by major function*

[Fiscal year 1962; dollar figures in billions]

	January budget	Current budget	Difference
Total new obligational authority	$80.9	$87.6	+$6.7
Major national security	46.3	48.6	+2.3
Other purposes and functions [1]	34.6	39.0	+4.4

[1] Includes such items as increases for agriculture, education, housing, and space proposals.

Of the total increase of $6.7 billion in new obligation authority proposed during the course of 5 months by the Kennedy administration over and above the $80.9 billion recommended in the January budget, 34 percent ($2.3 billion) is for major national security items and 66 percent ($4.4 billion) is for other purposes and functions of the Federal Government.

The allocation of the increased obligational proposals between defense and other functions as revealed in table 3 suggests a serious question as to the propriety of the Congress acting at this time on the full $13 billion increase in the debt ceiling. Not a single departmental appropriation bill for fiscal year 1962 has as yet cleared the Congress; and still undetermined is the disposition of recommended programs involving literally billions of dollars in "back-door" spending. It might be that the Congress should now act to approve a lesser increase in the debt limit pending a determination as to the willingness of a majority in the Congress to subscribe to the spending proclivities of the

Kennedy administration largely in support of pressure group programs not generally urged or desired by the American people.

An indication of estimated budget expenditures proposed for fiscal year 1962 (excluding Department of Defense military expenditures) dependent upon new authorizing legislation or new obligation authority is set forth in table 4. An examination of this table suggests some of the areas of proposed spending that should receive careful study by the Congress in terms of deciding priorities and the justification, if any, for engaging in deliberate deficit financing.

TABLE 4.—*Estimated budget expenditures in fiscal 1962 dependent upon new authorizing legislation (as well as new obligational authority) (excluding Department of Defense, military)*

[In millions]

Program or proposal	Estimated expenditures, 1962		
	Jan. 16, 1961, budget	Revisions since Jan. 20, 1961	Total
Judiciary: Judgeship bill		$4	$4
Funds appropriated to the President: Mutual security program—economic and contingencies	$539	75	614
Independent offices:			
Atomic Energy Commission: Plant acquisition and construction	26		26
Civil Service Commission: Payment to certain retired employees, widows, and widowers from trust fund rather than appropriated funds for certain benefits enacted in 1958	−45		−45
Federal Home Loan Bank Board: Temporary premium rate increase for member banks (equivalent to reduction in high requirement for investment in stock)	−164		−164
National Aeronautics and Space Administration: Annual authorization	537	415	952
Veterans' Administration:			
Direct loans to veterans (January proposal would confine to Korean veterans)	−30	30	
Selective increases in veterans' compensation rates		65	65
Housing and Home Finance Agency:			
Low-cost housing		60	60
Other housing proposals		44	44
Department of Agriculture:			
Special milk program	94	9	103
Sugar Act program	69		69
Conservation reserve program	19	−19	
Farm housing loans		40	40
Forest Service		2	2
Department of Commerce: Area redevelopment program	10	40	50
Department of Health, Education, and Welfare:			
Education:			
Aid to federally impacted school districts	60	−5	55
Promotion and further development of vocational education	4		4
Department of Health, etc.—Continued			
Education—Continued			
Aid to elementary and secondary education		$500	$500
National Defense Education Act		15	15
Aid to higher education		21	21
Medical education		9	9
Health:			
Environmental health activities	$3		3
Community health activities		9	9
Water and air pollution control		12	12
Welfare:			
Medical benefits for the aged (January budget proposal replaced by a trust fund proposal)	25	−25	
Aid to dependent children		215	215
Effect on budget of proposed liberalization of old-age, survivors, and disability insurance program		−27	−27
Department of Justice: Judgeship bill		1	1
Department of Labor:			
Minimum wage legislation		4	4
Training, retraining, and increased worker mobility program		60	60
Post Office Department: Postal rate increases	[1] −741		−741
Department of State:			
Acquisition, operation, and maintenance of buildings abroad	12	7	19
Payment of Philippine war damage claims	49		49
Treasury Department: Internal Revenue Service (social security numbers for taxpayers' accounts)		7	7
Total	467	1,568	2,035

[1] Revised from $843,000,000 to take account of administrative and other actions since January which require a smaller legislative increase in postal rates.

Thus, we find that the present administration has taken the Eisenhower budget of January 16, 1961, made only token gestures to cut back any of the budgetary recommendations contained therein, and has built thereon a new maze of Government programs involving the expenditure of added billions in deficit financing to feed the fires of inflation and to burden the coming generation of taxpayers with our obligations. Involved in this budgetary transition is more than a question of dollars, as grave and serious as that question may be. There are also involved basic questions of fiscal policy and budgetary philosophy that have far-reaching implications for the relationships between our citizens and their governments and for the strength and character of our free enterprise system. There exists a dangerous trend toward greater reliance on public expenditures compared with private expenditures and on Federal intervention than on State and local action in meeting so-called essential needs. This tendency toward bigger Central Government as the solution to all problems may serve to impair our national strength at a time when world conditions demand of us maximum accomplishment. As we evaluate what we expect of government, we must remember that the cost of Government is inescapably computed as a price in terms of deprivation of liberty. We must inquire of ourselves as to whether or not what is proposed in spending is in the national interest. Congress is not obligated to accept blindly the budgetary recommendations of the administration; instead Congress is obligated to exercise a carefully considered judgment as to priorities of programs and as to what is best for our country.

The signatories to these separate views are not unanimous as to whether or not the bill, H.R. 7677, should be approved but we are united in asserting that the passage of the administration's request for a debt limit increase of $13 billion cannot be construed as a commitment of approval of the spending proposals of the Kennedy administration. We are also united in the conviction that the administration must immediately address itself to the urgent task of bringing order to our fiscal affairs instead of creating problems and then vastly compounding them by massive spending programs that cause an alarming state of fiscal affairs.

NOAH M. MASON.
JOHN W. BYRNES.
HOWARD H. BAKER.
THOMAS B. CURTIS.
VICTOR A. KNOX.
JAMES B. UTT.
JACKSON E. BETTS.
BRUCE ALGER.
STEVEN B. DEROUNIAN.
HERMAN T. SCHNEEBELI.

WATERSHED PROGRAM

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a table.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. PERKINS. Mr. Speaker, I am taking this time to call to the attention of the House H.R. 5513, pending before the House Committee on Agriculture, supplementing the present watershed program. The proposal that I introduced is a supplement to the present watershed law. As I understand, H.R. 5513 meets the approval of the Secretary of Agriculture and is before the Budget Bureau for comment.

The Secretary, under the bill that I introduced, would be required to determine that the area has undeveloped natural resources which will provide a basis through development, protection, and utilization, for a permanently improved economic status within the area. The Secretary would also have to find that the area ranked among the highest 20 percent of all such areas in the Nation in low-income families and in the existence of substantial and persistent unemployment and underemployment.

Mr. Speaker, this legislation, or similar legislation, will be more beneficial to many of the low-income farm counties in the country than the present area redevelopment law. Practically all of the low-income farm-producing counties cannot qualify for assistance under the present watershed program. I am taking this opportunity to insert in the CONGRESSIONAL RECORD various congressional districts by number throughout the country where thousands of investigations have been made at the county

level and no projects approved in Washington for the congressional district.

I hope the Members of the House will note the chart that I am inserting in the RECORD. I am only listing the districts where investigations have actually been made and denied at the State level because of the benefit-cost ratio requirement in the present law. This does not mean by any means that projects have been approved in all the other congressional districts not enumerated below. I am only listing congressional districts where many important projects have not met the cost-benefit ratio requirement.

State:	*Congressional District*
Alaska	1
Arkansas	3
California	2, 3
Colorado	4
Florida	8
Georgia	2, 8
Idaho	1, 2
Illinois	23, 25
Indiana	8
Kansas	5, 6
Kentucky	5, 6, 7, 8
Maine	1, 2, 3
Maryland	6
Massachusetts	1, 2, 6
Michigan	9, 10, 11, 12
Minnesota	6, 8
Mississippi	6
Missouri	7, 8, 10
Montana	1, 2
Nebraska	4
Nevada	1
New Hampshire	1, 2
New Jersey	7
New York	28, 29, 31, 32, 33
North Carolina	7
Ohio	6, 10, 15
Oregon	2
Pennsylvania	17, 18, 20, 21, 22, 23, 25, 26
Rhode Island	1, 2
South Carolina	2, 6, 7
South Dakota	2
Tennessee	1, 2, 3, 6
Texas	18, 19
Vermont	1
Virginia	6, 9
Washington	4, 5
West Virginia	1, 2, 3, 4, 5, 6
Wisconsin	6, 7, 8, 10
Wyoming	1
Puerto Rico	1

Mr. Speaker, in conclusion, I am hopeful that the membership of the House will support our efforts in obtaining legislation that will promote watershed programs in the low-income farm counties in the Nation.

SILVER ANNIVERSARY OF THE ROBINSON-PATMAN ACT

The SPEAKER. Under previous order of the House, the gentleman from Oklahoma [Mr. STEED] is recognized for 1 hour.

Mr. STEED. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. STEED. Mr. Speaker, today we wish to honor one of our beloved and distinguished colleagues, the gentleman from Texas [Mr. PATMAN], and pay tribute to a notable product of his labors, the Robinson-Patman Act. That act was signed into law by President Roosevelt on June 19, 1936. On this, the silver anniversary of the act, we desire not only to commemorate this anniversary of the approval of the law, but also, we wish to pay high tribute to the gentleman from Texas [Mr. PATMAN] who, as the champion of small business and of others who seek equality of opportunity, understood and endeavored to help them in solving their problems.

We who have served in the Congress with the gentleman from Texas [Mr. PATMAN] know quite well that he was not content to rest upon his laurels when he secured approval of the Robinson-Patman Act 25 years ago. He has continued his efforts to secure an equal opportunity for small businessmen and other deserving Americans and today he still stands in the forefront of this battle. Certainly all who know him will be quick to acknowledge that his friends admire him and those who oppose him respect him. For one thing, he is respected for his untiring efforts. Let no one underestimate the true meaning of those words. He expects untiring efforts from us who are his colleagues. We have reason to believe that he is disappointed that our efforts do not match his, although under his prodding we have tried.

References to an example or two of our attempts to keep up with the gentleman from Texas [Mr. PATMAN] in his fight for the interests of small business perhaps would be of interest to you. They will serve to indicate what I mean when I say his efforts are untiring. Back in December 1957, he directed that hearings be held by a special subcommittee of the House Small Business Committee on certain small business problems in Dallas, Tex. That was in the period between Christmas and New Year's. I was in Miami and had settled down in anticipation of seeing a great Oklahoma team play in a great Orange Bowl game on New Year's Day. Soon I found myself sitting with the gentleman from Texas [Mr. PATMAN] in Small Business Committee hearings in Dallas, Tex. Those hearings continued into New Year's eve. It is believed that those hearings proved of benefit to small business and the public interest. However, I can assure you that for my part it required some effort. The gentleman from Texas [Mr. PATMAN] did not seem to mind. Let me refer to another example. Last Monday at this hour, at the gentleman from Texas' [Mr. PATMAN] direction, I was down near the Mexican border presiding over a hearing before a special subcommittee of the Small Business Committee. On that occasion we were endeavoring to ascertain why the price of tomatoes to growers had dropped to levels at less than 2 cents per pound, with disastrous consequences to the growers and small business firms engaged in the distribution of that product. Before the hearing ended last Monday night at 7:30, we had heard testimony and received other evidence from 25 witnesses. These references will serve to illustrate the gentleman from Texas' [Mr. PATMAN] interest in equality of opportunity for small businessmen and others.

Ten years ago, on the 15th anniversary of the Robinson-Patman Act, members of the House Small Business Committee addressed the House and paid tribute to the gentleman from Texas, WRIGHT PATMAN, and the Robinson-Patman Act. They paid tribute to him as the champion of the cause of free competitive enterprise throughout his distinguished career in the House.

On December 27, 1960, the House Small Business Committee of the 86th Congress, submitted its final report as House Report No. 2235. Chapter V of that report is devoted to the silver anniversary of the Robinson-Patman Act. The following statements are quoted from that chapter:

It is likely that before a report can be made to the House in the 87th Congress about the Robinson-Patman Act, the 25th anniversary of that law will have passed. Therefore, advantage is taken of this opportunity to make a brief reference to the Robinson-Patman Act in commemoration of it as the "Magna Carta" for small business. The members of the Select Committee on Small Business of the House of Representatives in the 86th Congress also wish to take advantage of this opportunity to salute Hon. WRIGHT PATMAN, one of the authors of the Robinson-Patman Act, for his work on that law in the interests of small business.

* * * * *

House Report No. 2287 of the 74th Congress, in reporting on the Patman bill (H.R. 8442), explained that the purpose of the proposed legislation was to restore, as far as possible, equality of opportunity in business by strengthening the antitrust laws, and by protecting trade and commerce against unfair trade practices and unlawful price discrimination, and also against restraint and monopoly for the better protection of consumers, workers, and independent producers, manufacturers, merchants, and other businessmen.

To accomplish those objectives, the Robinson and Patman bills, as passed by Congress, amended and strengthened the Clayton Act.

The records clearly show that Congress understood what the problem was, what it was doing to meet it, and that it believed the public interest required the enactment of the Clayton Act and the Robinson-Patman Act.

The Patman bill passed the House with only 16 votes recorded against it. There were no recorded votes against the legislation in the Senate.

* * * * *

In its current, stepped-up activity to enforce the Robinson-Patman Act, the Federal Trade Commission has appealed to businessmen throughout the country to operate in such manner that the task of the Commission will be facilitated. The trade press has seen fit to join in this appeal. As recently as October 24, 1960, the Food Field Reporter, a highly respected and widely read newspaper for the food industry, lent its voice to this appeal, and in a full-page editorial explained that it was doing so "because Robinson-Patman is an act which must be supported for the benefit of the entire food industry."

In a recent public statement, the Chairman of the Federal Trade Commission, in discussing the Robinson-Patman Act said:

"I think it is fair to say that two of its primary objectives were and are (1) to prevent unscrupulous buyers from abusing their economic power by extracting favorable prices which are not granted to others less powerful, and (2) to prevent unscrupulous suppliers from attempting to gain an unfair advantage over their competitors by discriminating among competing buyers."

Quite recently one of the most caustic critics of the Robinson-Patman Act wrote a book about "The Price Discrimination Law," in which he paid a compliment to the Robinson-Patman Act in the following language:

"There is strong reason to believe that the statute has afforded effective protection against the price-cutting activities of predatory would-be monopolists and that it has substantially reduced the discriminatory advantages in price enjoyed by large buyers."

These things being said about the Robinson-Patman Act as its silver anniversary approaches do not rise to the height of those said by its supporters and friends about it as the years have gone by, but these things tend to confirm what the friends and supporters of the Robinson-Patman Act have said about it through the years.

On the 15th anniversary of the Robinson-Patman Act, June 19, 1951, the members of the Select Committee on Small Business of the House of Representatives addressed the House in commemoration of the Robinson-Patman Act as the "Magna Carta" of small independent business, and noted that it had stood the test of time in living up to that designation. On that occasion, the members of the Small Business Committee who addressed the House about the Robinson-Patman Act included Hon. Charles L. Deane, of North Carolina; Hon. William S. Hill, of Colorado; Hon. Abraham J. Multer, of New York; Hon. R. Walter Riehlman, of New York; Hon. Clinton D. McKinnon, of California; and Hon. Mike Mansfield, of Montana (now U.S. Senator).

Hon. R. WALTER RIEHLMAN, of New York, perhaps can be said to have summed up what other Members said about the Robinson-Patman Act on that occasion when he referred to it in the following words:

"When it became apparent that the destructive forces of unfair competition would wipe out our system of competitive enterprise, if not further curbed, the Congress passed the Robinson-Patman Act to insure to small businessmen an opportunity to operate on a basis of equality with their larger competitors. This act was not designed as a means of protecting so-called weak-sister enterprises which fell by the wayside under normal conditions; nor has it had that effect. It was a means of codifying into law the principles of fair play which have made the free, competitive enterprise system of these United States the foundation of democracy."

The members of the Select Committee on Small Business, U.S. House of Representatives, in the 86th Congress, after reviewing the 25-year history of the Robinson-Patman Act, conclude that throughout its history the Robinson-Patman Act has served the interests of small business and that it continues as the means of codifying in the law the principles of fair play which have made the competitive private enterprise system of these United States one of the foundations of a real democracy.

The Robinson-Patman Act was directed against unfair and discriminatory pricing practices. These destructive discriminatory pricing practices have destroyed the businesses of Democrats and Republicans alike. These practices have been bipartisan. Consequently, there has been bipartisan recognition of the need for laws such as the Robinson-Patman Act to combat destructive pricing practices. For example, on October 16, 1952, when General Eisenhower was a candidate for the Presidency, he stated:

Our laws against unfair and destructive pricing practices as well as other practices leading to monopoly must be fearlessly, impartially and energetically maintained and enforced.

I am for such necessary rules for fairplay because they preserve and strengthen free and fair competition, as opposed to monopolies which mean the end of competition.

On April 7, 1961, the Honorable Lee Loevinger, the Assistant Attorney General of the United States, who currently heads the Antitrust Division of the Department of Justice, addressed the antitrust section of the American Bar Association in Washington, D.C. On that occasion, he paid high tribute to our Federal legislation directed against destructive and discriminatory pricing. He emphasized that these laws, such as the Robinson-Patman Act, are necessary, and, to use his words "are quite consistent with free and vigorous competition in a civilized society."

On November 4, 1960, President Kennedy—then a candidate for the Presidency—in writing to representatives of small business firms with reference to our antitrust laws, which, of course, include the Robinson-Patman Act, made clear that he is opposed to trade practices carried on according to the laws of the jungle. He said that we need to take effective steps of strengthening our historic policy of preventing monopoly and providing a business climate favorable to growth and prosperity of small and independent business.

On August 30, 1960, in the course of a session of the American Bar Association antitrust section regarding the role of the Robinson-Patman Act in the antitrust scheme of things, the Honorable Earl W. Kintner—then Chairman of the Federal Trade Commission—in addressing several hundred of the leading members of the American Bar Association with reference to the action by the Congress in passing the Robinson-Patman Act, said it was necessary to keep competition in distribution clear of abuses of economic power. On October 10, 1960, he addressed the grocery manufacturers representatives in New York City. The theme of his address was "What the Robinson-Patman Requirements Mean to You." In that connection, he said:

By aggressive but fair affirmative action to enforce the existing laws against discriminatory pricing and discriminatory promotional allowances the Federal Trade Commission can strengthen the hand of those who already wish to avoid unfair special deals and would prefer only a fair opportunity for their products to compete on the merits.

Today, the Honorable Paul Rand Dixon, the present Chairman of the Federal Trade Commission, addressed the midyear meeting of the Grocery Manufacturers of America, Inc. He spoke about our laws designed to promote a free and competitive economy. In that connection, he said:

As I have said, the function of the Federal Trade Commission is to help industry grow within the framework of our competitive economic system. The Commission does this, primarily, by enforcing several statutes, principally the Federal Trade Commission Act and the Clayton Antitrust Act, as amended by the Robinson-Patman Act.

* * * * *

Because today, June 19, 1961, is the 25th anniversary of the passage of the Robinson-Patman Act on June 19, 1936, I should like to believe that your regard for this statute is so high that you deliberately planned this meeting on its birthday to accord it the praise which it so richly deserves.

In any event, I salute the Robinson-Patman Act, wish it many happy returns of the day, and pledge myself to do all that I lawfully can to assist it in becoming what it was designed to be—the charter of freedom for businessmen, both large and small, to operate in a competitive economy.

Mr. Speaker, at this point under leave to extend my remarks I include a number of letters which have been received within the last few days from representatives of many thousands of small business firms. These letters emphasize that small businessmen consider it a high privilege to have the RECORD show on this occasion that they consider the Robinson-Patman Act the Magna Carta of small and independent business, and that it has stood the test of time as one of the greatest safeguards of our free and competitive private enterprise system. The letters to which I have made reference are as follows:

SMALLER BUSINESS ASSOCIATION
OF NEW ENGLAND, INC.,
Boston, Mass., June 15, 1961.

Hon. TOM STEED,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN STEED: The 25th anniversary of the Robinson-Patman Act brings to vivid recollection the unwavering battle fought for its enactment with our fine knight in armor as a leader, WRIGHT PATMAN.

The act over the years has prevented a tremendous volume of depredations on the part of the more powerful companies aimed at destroying annoying competitors. We think it is extremely important to remind Congress of the 25th anniversary of the act, so that it will lead other Congressmen to back measures for the conservation of the health and growth of small business in our economy.

The general public, unfortunately, does not realize that there are men in Congress ready to fight to the death to see that small business gets its fair shake in the issues in which it is involved. I think it is particularly gratifying that you who have fought so well in this cause will be one of the spokesmen to call attention to this great measure in the Congress of the United States.

With best wishes, I am,

Sincerely yours,

JOSEPH D. NOONAN,
Executive Vice President.

NATIONAL TIRE DEALERS & RETREADERS ASSOCIATION, INC.,
Washington, D.C., June 14, 1961.

Hon. TOM STEED,
Congressman, State of Oklahoma,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. STEED: Small business makes up a formidable portion of all of American business. Yet because of its very nature it passes unnoticed and because of its multiple aspects, its casualties pass unrecognized.

However, 25 years ago, a man with vision saw this problem and in a fashion typical of him did something about it. This June 19, we tire dealers are grateful for the chance to salute the Honorable WRIGHT PATMAN and pay tribute to his works. His sincerity and keen understanding, his wisdom and his energy have insured opportunity for many thousands in business today.

Sincerely yours,

NATIONAL TIRE DEALERS AND
RETREADERS ASSOCIATION, INC.,
W. W. MARSH, *Executive Secretary.*

AMERICAN ASSOCIATION OF SMALL BUSINESS,
New Orleans, La., June 13, 1961.

Hon. TOM STEED,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN STEED: Monday, June 19, 1961, will represent the 25th anniversary of the signing of the Robinson-Patman Act by President Franklin D. Roosevelt.

This bill was finally enacted into law because, in great measure, of the diligent and dedicated statesmanship on the part of the Honorable WRIGHT PATMAN.

Thousands of small businesses, independent proprietors, and ultimate consumers have benefited over the years because of the legislative acumen of Congressman WRIGHT PATMAN. Millions of our citizens give thanks this day for the great good that he has wrought.

The American Association of Small Business, Inc., was organized in 1941, and since those days we have enjoyed the friendship and cooperative counsel of the Honorable WRIGHT PATMAN. As early as November 1942, members of the American Association of Small Business, Inc., participated in hearings conducted by the House Small Business Committee here in New Orleans, presided over by Congressman PATMAN. This organization has also participated in many hearings, and supported legislative action sponsored by Congressman PATMAN.

In all of our transactions I have found Congressman PATMAN, the members of his immediate staff, and those of the Select Committee on Small Business of the House of Representatives to be most kind, considerate, and most helpful.

I am happy to have this opportunity to congratulate the Honorable WRIGHT PATMAN on his many legislative achievements and especially because of the passage of the Robinson-Patman Act. I hope you will express my sentiments to Congressman PATMAN, for I wish him many more years of health, happiness, and success in the great field of endeavor in the interest of over 4,500,000 small businesses in our Nation. In the meantime, I send you and yours every good wish, and I look forward to the pleasure of seeing you soon.

Yours for keeping small business in business, and

Very sincerely,

J. D. HENDERSON,
National Managing Director.

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
Burlingame, Calif., June 12, 1961.

Hon. TOM STEED,
House Office Building,
Washington, D.C.

MY DEAR CONGRESSMAN STEED: It is my understanding that on June 19 it will be the 25th anniversary of the signing of the Robinson-Patman Act. It is hard to believe that a quarter of a century has passed, and that the basic principles of the law are as well known today in the minds of small business as they were the day it was signed by the President a quarter of a century ago.

It so happens that at that time I was secretary-general manager of the reorganized National Association of Independent Tire Dealers, the present organization, which was incorporated a few months before, to be exact, in January 1936.

At that time, struggling to put new life in the tire dealers association, I became acquainted with the coauthor of the act, Congressman PATMAN, and Mr. John Dargavel of the National Association of Retail Druggists—also Mr. Roland Jones of the same group, and through them I was invited to participate in arranging for a gathering that took place early in March at Constitution Hall.

I was privileged to be on the platform to address that group, in conjunction with others, and also the late Senator Robinson, of Arkansas, also coauthor of the act.

The outcome of this tremendous mass meeting in Constitution Hall was that on March 6, 1936, we had the honor and privilege to confer with the President of the United States at which time we urged the President, if and when the legislation was approved by the Congress, to affix his signature to the bill, which he did.

In the industry I was connected with at that time I stated that the "Magna Carta" for small business had actually arrived—that they would find themselves in a profitable position in our overall economy.

Shortly after the enactment of the act, there were in existence two major contracts in the rubber tire industry—one with possibly the largest mail order house in the Nation—and that contract was canceled by the rubber company, stating that they couldn't justify the price under the new law. A short time later similar action was taken by another major rubber company canceling its tire arrangements with a leading petroleum company.

What a healthy inspiration to small business in that industry that their day had at last arrived.

However, as time marched on we faced disappointments in discouragement—not as to the law itself but as to the interpretations put on the law by certain Federal courts, and then again by the failure of vigorous enforcement of the law by the Agency. In other words, this condition brought about, in reality, disregard for and nullification of the law in the minds of many large factors.

We hold to the original premise, and we see it more today in our daily action with small business throughout the Nation (I am talking about the membership in the National Federation of Independent Business—all independent business and professional men in the 50 States—not groups—numbering 169,580) and that is that the bulk of the complaints received from members is as to the continual price discrimination from their source of supply, which, in itself, substantiates the failure of industry to pay heed to this law, and more important, to the enforcing agency who should stop, look, and listen, and enforce what the law originally provides for.

If such action is instituted by this administration and succeeding administrations the Robinson-Patman Act can go a long way to protect the future business life of efficient independent business, both at the production and distribution levels, and through this enforcement it will create and continue consistent employment in all branches of our economy.

Of course congratulations are in order to Congressman PATMAN, in the first instance as being coauthor of this major piece of legislation.

Sincerely,

GEORGE J. BURGER,
Vice President.

NATIONAL ASSOCIATION OF RETAIL GROCERS OF THE UNITED STATES,
Chicago, Ill., June 9, 1961.

Hon. TOM STEED,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN STEED: In commemoration of the 25th anniversary of the enactment of the Robinson-Patman Act, the National Association of Retail Grocers of the United States salutes the economic progress achieved by this law.

Dedicated to the proposition that equality of opportunity in the marketplace is essential in a democracy, this law has helped to strengthen our competitive enterprise system and preserve the political and economic freedom we enjoy.

Community food retailers regard this statute as the Magna Carta of independent distributors. It is a charter of rights in distribution, preserving for all an equal chance to serve the consumer more efficiently.

At this time, we also salute the Honorable WRIGHT PATMAN, father of the act. Congressman PATMAN and the law which bears his name are closely associated together. Through his untiring efforts, this act has been preserved over the past 25 years. Its success in large measure is due to his energetic support.

In addition, we salute the many Senators and Congressmen, such as yourself, who have continuously protected this law and sought to make it more effective.

Lastly, we commend the members and staff of the Federal Trade Commission for their efforts in administering and enforcing the statute.

All of these combined efforts have made this law a strong force for economic justice.

Respectfully submitted.

HENRY BISON, Jr.,
General Counsel.

NATIONAL FOOD BROKERS ASSOCIATION,
Washington, D.C., June 12, 1961.

Hon. TOM STEED,
House of Representatives
Washington, D.C.

DEAR CONGRESSMAN STEED: I understand that you and several other leading Congressmen plan to observe the 25th anniversary of the Robinson-Patman Act on the floor of the House Monday, June 19. Coming from Oklahoma the same as you, I am proud to note your participation in this momentous event.

I say this because the Robinson-Patman Act has made a major contribution to the freedom of the American competitive system in general and to the food industry in particular. It acts as a stabilizing force by preventing vicious practices which would otherwise destroy, in time, both competition and many of the individual competitors who are the components of any competitive system.

It is therefore most fitting that the Congress observe, on the 25th anniversary of this act, the significance of this legislation and pay tribute to the wise legislators who developed this outstanding law.

You will probably recall the tragic conditions that existed in the food industry down in Oklahoma prior to the passage of this law. It was the same situation throughout the Nation. Unfair price discriminations were rampant. There was great unrest on the part of businessmen.

The Robinson-Patman Act has had remarkable success. I am sure you will agree that today there are many fine, progressive merchants who would not be in business had it not been for this law. Not only merchants but the general public has profited. This law has had a powerful effect on suppressing unfair methods of competition which serve to restrain the competitive race.

This anniversary cannot be complete without a tremendous tribute to the father of this law who continues his fearless fight for good government in the Congress today. The Honorable WRIGHT PATMAN, of Texas, had the foresight then to draft a bill of real merit. His bill has withstood many tests through the years. Today this law is even more vital than when it was originally passed.

We should pay tribute too to you, and other able lawmakers who have through the years recognized the value of such antitrust legislation. You have fought to preserve this law and even to strengthen it.

So this is an occasion for celebration on many counts.

Though this is a happy occasion it reminds one also of the tragic circumstances that were narrowly avoided. One cannot but think of the serious situation that would have resulted had this law not been enacted. How fearful this would have been for so many businessmen. This anniversary is therefore more than just an occasion for celebration. It is an occasion for thanksgiving.

As we start another quarter century under the Robinson-Patman Act we look forward to continued effort to maintain equality of opportunity in business. We look forward to the continued opportunity for success in business of all who have the know-how, the ambition, and the desire to make hard work and tireless efforts their helpmates.

Sincerely yours,

WATSON ROGERS, *President.*

NATIONAL INDEPENDENT DAIRIES ASSOCIATION,
Washington, D.C., June 9, 1961.

Hon. TOM STEED,
House of Representatives, U.S. Congress, Washington, D.C.

MY DEAR CONGRESSMAN: June 19, 1961, will be the 25th anniversary of the enactment of the Robinson-Patman Act.

Knowing you to be a colleague of long standing of the Honorable WRIGHT PATMAN, a coauthor of the act, and one who has worked closely with him on the House Select Committee on Small Business, I address the following comments to you with the hope that you will bring them to the attention of your and his colleagues in the Congress of the United States.

The Robinson-Patman Act is an integral part of the all-important antitrust laws of our Nation. Its enactment provided Federal enforcement agencies with a valuable weapon with which to combat unfair and destructive trade practices. Many small- and medium-size-business concerns, now in the marketplace, would have long since disappeared from the business scene had it not been for this important amendment to the Clayton Act.

In coauthoring and successfully leading the fight for the enactment of this vital statute, Representative PATMAN made a signal contribution to the preservation of our free and competitive enterprise system and our way of life.

At its fourth annual meeting, April 11, 1961, the National Independent Dairies Association presented to Representative PATMAN a testimonial of appreciation—"In recognition of his distinguished service, outstanding achievements, and tireless efforts in championing the cause of small business to preserve and improve the American competitive free enterprise system."

We take genuine pleasure in saluting this great American, the Honorable WRIGHT PATMAN. The fine people of the First Congressional District of Texas are unusually fortunate in having him as their representative.

Sincerely,

D. C. DANIEL.

NATIONAL CONGRESS OF PETROLEUM RETAILERS, INC.,
Detroit, Mich., June 14, 1961.

Hon. TOM STEED,
U.S. House of Representatives.
Washington, D.C.

DEAR REPRESENTATIVE STEED: In commemoration of the 25th anniversary of the enactment of the Robinson-Patman Act, the Nation's service station operators and gasoline retailers represented by our national organization ask that you express to the Congress of the United States the reaffirmance of our support for the principles and legislative objectives embodied in the Robinson-Patman Act and our unfaltering loyalty to the ideals of free and fair competition of which this act is an indispensable safeguard.

We service station operators know from the experience of our own industry that preservation of small business and our free competitive system would have been impossible during the past quarter century, and would be impossible today and in the years ahead, without the protection afforded by the Robinson-Patman Act for essential conditions of fair competition.

Overwhelming evidence from the oil industry has been accumulating for nearly 100 years to show the appalling effects of price discrimination in destroying free competition and in leading to monopoly. As shown in the record of the Government's case against the Standard Oil trust (*U.S.* v. *Standard Oil Company*, 173 Fed. 177, modified and affirmed, *Standard Oil Company* v. *U.S.*, 221 U.S. 1), during the years 1870 to 1882 the Standard Oil trust used rebates, preferences, and other price discrimination practices as primary instruments of acquiring approximately 90 percent control of the entire industry.

With the adoption of the Robinson-Patnam Act, the free enterprise principles of fair and equal opportunity for those engaged in productive activities, trade, and commerce to purchase the goods essential to their competition at proportionately fair and equal prices, and the means for protecting these basic business rights, were spelled out in sound legal and legislative terms.

To be sure, not all of those against whom its sanctions are directed have obeyed its spirit or its provisions. Its enactment did not cause them to abandon every misuse of concentrated wealth by which they had previously controlled or impoverished the businesses of others. There have been evasions, erosions, shocking violations, and protracted delays in seeing the act's provisions fully enforced.

Yet none of these discouragements, erosions, or violations, however numerous, however serious in themselves, has detracted one iota from the soundness of the principles of the Robinson-Patman Act. They have, in fact, only emphasized the need for strengthening these principles and for steady perseverance both in enforcing the law and in supporting its purposes.

The ideals of the Robinson-Patman Act are precious and, in fact, indispensable to our way of life. It is not only proper but a solemn responsibility for us to affirm and reaffirm our faith in these ideals, and to work harder than ever before for their realization.

Though we are a small business trade association, this is not a small business issue alone, but an issue in which the rights of all our citizens and the future of our Nation are bound together.

We honor those whose foresight gave us the Robinson-Patman Act and those who have defended its principles through the years by working and continuing to work for realization of these principles in the economic life of our Nation.

Sincerely yours,

THE NATIONAL CONGRESS OF PETROLEUM RETAILERS,
CASH B. HAWLEY, *President.*
JOHN W. NERLINGER, *Executive Secretary.*
WILLIAM D. SNOW, *General Counsel.*

WASHINGTON, D.C., *June 19, 1961.*

Hon. TOM STEED,
U.S. House of Representatives,
Washington, D.C.:

On the occasion of the 25th anniversary of the Robinson-Patman Act, we would like to join with the many friends of this legislation in tribute to the authors of the act, and especially to the Honorable WRIGHT PATMAN who has been so diligent in guarding the act from weakening amendments. We can testify to the great value this amendment to the Clayton Act has been to our industry, consisting of over 5,000 independent distributors of confectionery, tobaccos, and related products. We believe that this act has stood the test of time and has come to be accepted by businessmen everywhere as important to their survival and the preservation of our free enterprise system.

C. M. MCMILLAN,
Executive Secretary, National Candy Wholesaler's Association, Inc.

PHILADELPHIA, PA., *June 19, 1961.*

Hon. WRIGHT PATMAN,
House Office Building,
Washington, D.C.:

Congratulations and good wishes on this 25th anniversary of the Robinson-Patman Act. Our 62d annual convention has just adopted a resolution of commendation in honor of your outstanding public service and for your heroic efforts in bringing about the enactment of this important law. We salute you on this the birthday of a great law the existence of which is a true measure of your greatness.

SCOTT DETRICK,
President, National Association of Retail Grocers.

SMALL BUSINESS ADMINISTRATION,
Washington, D.C., June 19, 1961.

Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN PATMAN: I want to join your many other friends and admirers in expressing warm congratulations on this the 25th anniversary of the Robinson-Patman act.

Few, if any, events have been as significant for small business as is this measure. Your efforts on this act and on many other measures have indebted the entire small business community to you.

We all admire and honor you today and hope that you enjoy many more years of good health and vigorous leadership.

With kind personal regards, I am,

Sincerely,

JOHN E. HORNE,
Administrator.

Mr. Speaker, a number of our colleagues who are members of the House Small Business Committee, due to other commitments, are unable to be on the floor at this time. They were prepared to speak on this subject here today. Therefore, they have asked that their statements to the House be received under this special order at this time. I so request on behalf of the gentleman from Tennessee [Mr. EVINS], the gentleman from New York [Mr. MULTER], the gentleman from Illinois [Mr. YATES], and the gentleman from California [Mr. ROOSEVELT].

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

(The statements referred to follow:)

Mr. EVINS. Mr. Speaker, I should like to join with my colleagues in paying a tribute to our esteemed friend and colleague, the gentleman from Texas, WRIGHT PATMAN. We who have known and served with our esteemed Congressman PATMAN want to take advantage of the 25th anniversary of the passing of the Robinson-Patman Act to take note of his distinguished legislative career and service.

Today marks the 25th anniversary of the enactment into law of an important legislative proposal which our colleague and friend, the gentleman from Texas,

Congressman PATMAN, authored along with the late Senator Joseph T. Robinson, of Arkansas. I refer to the Robinson-Patman Act as an amendment to the Clayton antitrust law.

The gentleman from Texas, Congressman PATMAN has served continuously in the Congress since his election in 1928 and has achieved widespread recognition as the Nation's No. 1 champion of small business. His name is well known throughout the United States. His reputation as a legislator has been notably connected with his authorship of the Robinson-Patman Act, as well as other great legislative measures. Indeed Congressman PATMAN's contributions to the passage of legislation are legion and embrace many fields. Today, however, is the 25th anniversary of the passage of the Robinson-Patman Act, which is one of the most important laws on our statute books.

At the time WRIGHT PATMAN introduced this legislation the Clayton Act seemingly prohibited price discrimination. However, the Clayton Act did not prohibit monopolistic price discrimination. Competing customers could be charged entirely different prices if the quantities ordered differed only slightly. Advertising allowances, special services, secret gratuities and discounts, free goods, split brokerage, and many other forms of discriminatory treatment were practiced without fear of being in violation of the old law. Some of our big business concerns exploited ruthlessly the gaping holes in that antitrust law in order to further entrench themselves in their position of economic domination. Discriminatory prices aimed squarely at capturing market after market were the order of the day. The locally owned, hometown small business enterprise was a frequent helpless victim.

In 1935 WRIGHT PATMAN conducted a searching investigation which brought to light the seriousness of the situation then prevailing. In his report to the House, the facts became a matter of record—the weakened competitive status of small business was documented—the need for legislation demonstrated. As a result, there was enacted the Robinson-Patman Act which President Roosevelt signed 25 years ago today.

The Robinson-Patman Act has, over the years, served to promote fair competition and stands today as a barrier to ruthless, monopoly making price cutting. It requires businessmen to deal equitably with competitors—to show no favoritism—to sell honestly and fairly.

The Robinson-Patman Act has outlawed destructive, competitive merchandising methods and conferred benefits upon all businesses—both big and small. None today seeks its repeal.

Informed antitrust attorneys recognize its achievements.

It has stood the test of time.

It is in the public interest.

This law—the Robinson-Patman Act—constitutes a living memorial to our colleague, the distinguished chairman of the House Select Committee on Small Business, Hon. WRIGHT PATMAN—an outstanding Member of Congress and a great statesman.

As one who has served as a member of the Select Committee on Small Business for a number of years and been closely associated with Congressman PATMAN, I want to say in a personal way that there is no Member of the House who is more fully entitled to receive tributes of recognition of his great public service than our genial friend, the gentleman from Texas [Mr. PATMAN], whose service in the Congress has been distinguished by his dedication and devotion to the promoting of our free enterprise system.

Mr. MULTER. Mr. Speaker, the 25th anniversary of the enactment of the Robinson-Patman Act is an occasion worthy of special notice and it is a pleasure to join with my colleagues in paying tribute to its author, that great statesman and distinguished Member of Congress, our esteemed colleague, the Honorable WRIGHT PATMAN.

The Robinson-Patman Act has become one of the most valuable of all the antitrust laws that Congress ever placed on the statute books. It has earned fully its characterization as the Magna Carta of small business. As we all know, its passage resulted largely from the valiant efforts of WRIGHT PATMAN, the chairman of the House Small Business Committee, who has championed the cause of small business ever since the day he was elected to the U.S. House of Representatives in 1928.

Congress long ago proclaimed its determination to protect small business and to curb monopoly in this country. It passed the Sherman Act in 1890. It passed the Federal Trade Commission Act and the Clayton Act in 1914. Although the intent of Congress in passing the Clayton Act became largely dissipated due to imperfections in its language and subsequent interpretations by the courts, it was only a short time later that WRIGHT PATMAN, sensing the seriousness of the threats to small business, conducted a comprehensive investigation which showed the need for legislation correcting, amending, and strengthening the Clayton Act. He introduced a bill, which became the Robinson-Patman Act, and it was this bill that converted the Clayton Act from a crippled, misinterpreted legislative enactment into a pillar of strength for small business.

Throughout the history of the Robinson-Patman Act, the independent businessmen of the Nation—the druggists, the retail grocers, the independent tire dealers, and many others—have been its strongest supporters. They know that the act has given them a fair opportunity to exist. They have resisted every effort to weaken or destroy it. Throughout the history of the act, its opponents have been those forces which represent the concentration of economic power in the Nation. These forces are attempting to destroy the act. Their efforts are proof that the Robinson-Patman Act still is a vital force in promoting competition and in preventing further concentration of economic power.

Some prominent attorneys specializing in antitrust practice have sought to emasculate the act, but their efforts along this line have met with little success. The Honorable Earl W. Kintner, former Chairman of the Federal Trade Commission, just recently addressed the members of the Antitrust Section of the American Bar Association. He told these aristocrats of the legal profession that the Robinson-Patman Act is necessary to keep competition clear of abuses of economic power. He warned them that the requirements of the statute were well known and clear cut; that instead of encouraging disrespect for the law, they had best begin to advise their clients how to comply.

Our colleague, WRIGHT PATMAN, author of the law and who also contributed so importantly to its enactment, has earned in full the plaudits, the commendations, and the recognition being awarded him today.

So long as WRIGHT PATMAN continues to devote his great abilities to the service of the people, independent business and the consumer will never lack a champion. I know that every Member joins me in honoring him on this occasion.

Mr. YATES. Mr. Speaker, on a number of occasions since the enactment of the Sherman Act 70 years ago, the Members of the Congress have demonstrated their determination to preserve the free enterprise system of which we are so proud. One of these occasions occurred 25 years ago at which time the Congress voted, in overwhelming numbers, to pass the Robinson-Patman Act, a law that has proven to be of great importance to our economy and which has contributed mightily to the preservation of small business enterprise. It is, therefore, altogether fitting and proper that we commemorate this, the 25th anniversary of the enactment of that law and to pay tribute to the gentleman primarily responsible for its passage. That gentleman, of course, is our distinguished colleague, the Honorable WRIGHT PATMAN.

In reviewing briefly our antitrust statutes, we see that the Sherman Act clearly prohibits price fixing, boycotts, and other types of conspiracies in restraint of trade. It outlawed monopoly, but, unfortunately, did not outlaw those practices which lead toward monopoly. It did not supply complete protection against the growth of monopoly, and for this reason the Congress, in 1914, passed the Clayton Act. This law was intended to prohibit certain corporate mergers and injurious price discriminations but, due to imperfect language, the act failed to accomplish that which Congress had intended.

The need for remedial legislation became more and more obvious as time passed. Congressman PATMAN introduced a bill to amend and clarify the Clayton Act. The late Senator Robinson, of Arkansas, then majority leader, introduced a similar bill in the Senate a few weeks later. Twenty-five years ago today, this bill, the Robinson-Patman Act, became law.

The bill traditionally is referred to as the Magna Carta of small business, and there are valid reasons for this.

It prohibits injurious price discriminations, secret rebates, special discounts,

and many other unfair practices that tend to create monopolies. It stipulates that all customers should be treated equitably; for instance, it requires that advertising allowances be granted not just to big customers, but to all customers on proportionally equal terms. The act removed all doubt regarding the determination of Congress to see that small business be preserved and protected.

In this connection, let me mention that as a Member of the House Small Business Committee for the past 9 years, I have often been reminded of the vital role that small business plays in our system of free enterprise. In like manner, I have often been reminded of the importance and far-reaching benefits conferred upon our economy by the provisions of the Robinson-Patman Act. The author of that law, therefore, deserves fully the tributes and the commendations being bestowed upon him today.

The gentleman from Texas has worked tirelessly and effectively for small business ever since the day that he was first elected to Congress in 1928. In 1941, he introduced the resolution that called for the creation of the House Small Business Committee and has served as the chairman of that committee ever since that date except, of course, for those infrequent interruptions when our Republican friends were in the majority.

In 1951, WRIGHT PATMAN introduced legislation that created the Small Defense Plants Administration, an agency of the Government which later became the Small Business Administration.

I could continue and talk about many other bills of importance that he has sponsored, but today we are commemorating the 25th anniversary of the enactment of his Robinson-Patman Act and paying our respect to him for the many benefits our country has received by virtue of his constant and untiring efforts in behalf of small business and in maintaining the effectiveness of our antitrust laws.

It has been a pleasure, therefore, to join with my colleagues in celebrating this occasion today and to extend to our friend and colleague, WRIGHT PATMAN, our heartiest congratulations and best wishes.

Mr. ROOSEVELT. Mr. Speaker, I am very happy to have this opportunity to pay tribute to a great American, a dedicated statesman, a keen student of our complex economy, and my personal friend, the Honorable WRIGHT PATMAN. Because of his sincere interest in democratic institutions and sensitive social conscience, WRIGHT PATMAN has been identified with many of the most significant pieces of legislation of the past 30 years. But I can think of no higher tribute than to call him the founder of the Robinson-Patman Act. And he has done much more than father an historic act. He has for 25 years nurtured its effective enforcement and interpretation. Few American statesmen have had the opportunity both to conceive a great act and to encourage its growth to maturity. His conscientious efforts to improve the act and see it adequately enforced have not always been successful and never easy. But fortunately for America, neither have they been in vain.

The Robinson-Patman Act is appropriately referred to as the Magna Carta of small, independent business.

As chairman of Subcommittee No. 5, Small Business Problems in Food Distribution, of the House Small Business Committee, I have had the opportunity to learn at first hand the significance and value of this act to literally hundreds of thousands of small businesses in food distributing industries.

Food distribution long has been one of the strongholds of independent small businessmen. And experience has demonstrated that small businesses can survive and operate profitably if they are not forced to pay discriminatory prices for the things they buy and if they are not subjected to predatory treatment by their large rivals. But, unhappily, concentration in food distribution has proceeded to a point where large, dominant firms are in a position to exact preferential treatment from their suppliers. Such preferential treatment does not rest on social economies of large size but on sheer market power deriving from the buyers' vast absolute size and market dominance. Given these facts of life, the only thing standing between the survival and the destruction of thousands of small businesses is the Robinson-Patman Act. If any man here doubts me, I welcome him to study the record and to travel with me as I visit with small businessmen across the breadth of the land. You will find grateful men; men who have felt the discriminatory and predatory practices of vast rivals and suppliers; men who know that were it not for the Robinson-Patman Act they would be powerless to combat their more powerful adversaries.

Just who are these grateful Americans? Are they malcontents, inefficient operators, or poor managers who need a crutch to steady them against the winds of competition? Nothing could be further from the truth. These men are the backbone of America. They may be relatively small, but this does not mean that they are also inefficient. Destroy them and you will have destroyed much of the best of America. They are not pleaders for special treatment. All they ask for is fair treatment in the marketplace. And the Robinson-Patman Act is the chief assurance they will receive it.

Experience with enforcement of the Robinson-Patman Act has demonstrated to the business community the harmful results of discriminatory practices. On November 9, 1959, Mr. Earl W. Kintner, then Chairman of the Federal Trade Commission, in a speech to the Grocery Manufacturers of America, emphasized this new recognition by many American businessmen when he said, "No responsible members of the food industry advocate doing away with the law and permitting discriminations to prevail as an accepted standard for doing business." He added further, "It is encouraging to know that the great majority of you agree with Paul Willis—president of the Grocery Manufacturers Association—that compliance with the Robinson-Patman Act is good business."

Of course, the Robinson-Patman Act is not a perfect law. But then none outside the Scriptures is. WRIGHT PATMAN always has been in the forefront of those striving to increase the act's effectiveness, and he has always been equally vigorous and ready to do battle with those who would destroy its effectiveness.

Critics of vigorous antitrust policy have coined slogans to discredit the act. They have denounced it as being for soft as opposed to hard competition. But these are only Madison Avenue labels. And when those using them are forced to describe the kinds of competition they have in mind, it becomes manifestly clear that by soft competition they refer to the presence of restraints on predatory and discriminatory practices by oligopolists, whereas by hard competition they mean situations where no such restraints on behavior exist. Of course, these observers of competitive rivalry stay for only part of the competitive battle. If they were to watch it out, they would discover that once only oligopolists remain in an industry, competition becomes nonaggressive, collusive, and really soft competition becomes the order of the day. Thus those arguing against the Robinson-Patman Act in the name of hard competition, really are the unwitting handmaidens of oligopoly and monopoly; and what they label as soft competition is really a major obstacle to the emergence of oligopoly.

WRIGHT PATMAN has had the wisdom to see through this fuzzy thinking. He long ago identified this distinction when others did not. He has had the courage to do something about it when others would not.

I am certain that as long as free enterprise survives in America, economic historians will conclude that WRIGHT PATMAN played an invaluable role in making competition work.

It is indeed an honor and privilege to serve with him. And because of my friendship for him and for the good of America, I sincerely hope that WRIGHT PATMAN will serve his country for many more years.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, I desire to commend my colleague on his splendid statement. It is a pleasure for me to join him and other Members of the House in commemorating the silver anniversary of the Robinson-Patman Act and to pay tribute to one of its coauthors, our distinguished colleague and friend, the gentleman from Texas [Mr. PATMAN].

Small Business has never had a better friend nor has the American system of competitive enterprise ever had a stronger advocate. The Robinson-Patman Act has been commended from every quarter for its contribution toward equality of opportunity. Indeed, it has been referred to as "the Magna Carta for small business."

An accomplishment of this magnitude, with its ramifications for the future of all American business, might have been enough for some. But not for WRIGHT

PATMAN. As chairman of the Select Committee on Small Business, he has continued his efforts to make the ideal of equal opportunity a living reality. He has worked unceasingly to protect the rights of the small businessman. At the same time, he has sought to preserve the healthy atmosphere of competition in which a small business can grow and prosper and eventually become a great enterprise.

I have never known a man who demands more of himself. Anything less than the best effort he or his associates can put forth is too little. No problem is too small nor none too big to demand his attention. No situation which smacks of injustice is too insignificant to incite his righteousness.

WRIGHT PATMAN is a leader of men and ideas. His work in the Congress has been in the highest traditions of this body. His interest is truly national without sacrificing concern for the rights and interest of the individual. He does not spare himself for he is a tireless worker. He asks no quarter and gives none for he is a man unwilling to compromise principles. He offers constructive solutions to plaguing problems for he is a man of great ability.

I am proud to call WRIGHT PATMAN my colleague. I am even prouder to call him my friend. I am proud to represent a part of the great Red River country, which he also represents. His leadership in my area of the United States is recognized far and wide, and his contribution to the great Southwest will live as a memorial to him for generations to come. He is a hard worker; a man of principle; a credit to this House and the Nation it serves. I can offer no higher tribute.

Mr. GEORGE P. MILLER. Mr. Speaker, will the gentleman yield?

Mr. STEED. I yield to the gentleman from California.

Mr. GEORGE P. MILLER. Mr. Speaker, as a former executive officer of the California Division of Fish and Game for a number of years I have occasion to know the intricacies of the Robinson-Patman Act. I take this occasion to point out that WRIGHT PATMAN, the coauthor of that act, performed a great service to those who want to see the wildlife of this country preserved. The Robinson-Patman Act has done more than any other thing to preserve the wildlife for future generations and to afford recreation for those who like to hunt. It is one of the most progressive pieces of conservation legislation that was ever written on the statute books. I was very happy to see it followed later by the Johnson-Dingell bill, to protect and increase fish life.

I thank the gentleman from Oklahoma for bringing this to the attention of the House. He has earned the respect and thanks of all the conservationists in honoring WRIGHT PATMAN.

Mr. HARVEY of Indiana. Mr. Speaker, will the gentleman yield?

Mr. STEED. I yield.

Mr. HARVEY of Indiana. First of all, I should like to compliment my colleague from Oklahoma for his very fine address today in which he paid tribute to the chairman of our Small Business Committee, the distinguished gentleman from Texas [Mr. PATMAN]. It has been my pleasure throughout the years I have served in Congress to see the operation of the Robinson-Patman Act. It is only when a person has had an opportunity to study the act as to its performance in trying to bring a certain amount of equity into our business and industrial world that he really appreciates the benefit it has brought.

I compliment the gentleman from Texas for having a part in bringing this act into being, and to say it has meant a great deal through the years in promoting the general economy of the country.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Speaker, I should like to join my colleagues in expressing my deep personal appreciation to the gentleman from Oklahoma, who is also a champion of small business, for taking this time to bring to the attention of the House and the entire Nation the role of the great Texan, our distinguished colleague from the Lone Star State, the Honorable WRIGHT PATMAN, in his field.

Mr. Speaker, I welcome this opportunity to join in this well-deserved tribute to a distinguished American, the Honorable WRIGHT PATMAN.

The work of this great Texan has done more to safeguard the rights of the small businessman than anything else which has happened in Washington in our century.

Congressman PATMAN has not only fought and worked tirelessly to safeguard these rights, but has also done more than any other Member of this body to see that small businessmen have a chance to obtain credit at reasonable and fair rates of interest.

Every small business in America owes an enduring debt of gratitude to this able and courageous Texas Congressman. It has been a real privilege to serve with him in the House.

Mr. TRIMBLE. Mr. Speaker, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Arkansas.

Mr. TRIMBLE. Mr. Speaker, I wish to join my colleagues in tribute to the gentleman from Texas [Mr. PATMAN], chairman of the Select Committee on Small Business. Those in small business have no more devoted friend in the Congress and that devotion has been loyally manifested throughout his service in the Congress. Those of us in the Congress and small business in every part of the country are indebted to him for keeping this segment of our economy on a forward and solid path. More power to him and the committee.

Mr. STEED. I thank the gentleman.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. STEED. I am happy to yield to my colleague.

Mr. HARRIS. I am glad to join the gentleman from Oklahoma and my other colleagues in paying tribute to our distinguished friend and colleague, the gentleman from Texas, WRIGHT PATMAN, one of the sponsors of the Robinson-Patman Act.

Mr. PATMAN and I have adjoining districts. My district in Arkansas joins his district in Texas. He lives in Texarkana, part of which city is in the State of Texas and part of which is in the State of Arkansas. We work together harmoniously in all matters affecting our areas. It is a pleasure to work with him.

Mr. PATMAN has a long record of outstanding service to small business in the United States. As chairman of the Committee on Interstate and Foreign Commerce, I have had a lot of experience with the Federal Trade Act and the administration of the Robinson-Patman Act. That act was designed for small business. It has been of tremendous value to the small business of this country and to business in general as well as the consuming public. I am glad to join with others in the Congress today on this 25th anniversary of the Robinson-Patman Act in tribute and my compliments to my friend and neighbor, WRIGHT PATMAN.

Mr. STEED. I thank the gentleman.

Mr. WICKERSHAM. Mr. Speaker, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. Mr. Speaker, may I join my colleague from Oklahoma in his remarks concerning WRIGHT PATMAN. No one stands higher in the esteem of the Congress than WRIGHT PATMAN, not only because of the Robinson-Patman Act, but because of his knowledge of monetary matters, and his outstanding work as chairman of the Small Business Committee.

I desire to compliment him further on his ability to select capable employees on his staff who know how to do the job. I hope the gentleman from Oklahoma [Mr. STEED] continues his work in a similar fashion to that of the chairman. I trust that his tenure of office may be as long as the past service of Mr. PATMAN.

I sincerely wish both the gentlemen from Texas and Oklahoma a long and successful tenure in the future.

Mr. STEED. I thank the gentleman.

GENERAL LEAVE TO EXTEND

Mr. STEED. Mr. Speaker, I ask unanimous consent that all Members may have the privilege of extending their remarks on this subject.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. McCORMACK. Mr. Speaker, this is a memorable occasion. It is an admirable thing that our good friend, the gentleman from Oklahoma [Mr. STEED] has undertaken to commemorate the silver anniversary of the Robinson-Patman Act by paying tribute to that law and one of its authors, the Honorable WRIGHT PATMAN. It is fitting that our good friend the gentleman from Oklahoma [Mr. STEED] participate as he has in this commemoration of the Robinson-Patman Act and Mr. PATMAN, because I know of no one who has worked

more closely and devoted himself more completely to the work of the Small Business Committee, in which Mr. PATMAN is interested, than has Mr. STEED in these recent years.

Our distinguished colleague, the Honorable WRIGHT PATMAN, deserves all the tributes we are paying to him today for his great foresight and untiring effort in bringing about the enactment of the Robinson-Patman Act. Few men saw as clearly as he did and as early as he did the need for legislation of this kind as a bulwark for the preservation of our free and competitive enterprise system. Although many of us did not have that foresight to see that need as early as he did, he soon demonstrated to us that need and as a result, the Robinson-Patman Act became law with the almost unanimous approval of the Congress. As years have passed, the act and Mr. PATMAN as one of its authors, have gained more converts to the philosophy that one of the surest ways of preserving our free and competitive enterprise system is to help the small business community in its effort to survive and prosper. In that endeavor, we frequently salute the unquestioned champion of small business and its cause, the Honorable WRIGHT PATMAN, chairman of the Select Committee on Small Business of the House of Representatives of the United States.

Mr. PRICE. Mr. Speaker, I have asked the gentleman from Oklahoma to yield that I might add my voice to the well deserved tribute he is paying to our colleague, the Honorable WRIGHT PATMAN.

WRIGHT PATMAN is known throughout the land as a champion of small business and as a protector of the American free enterprise system, which he understands as well as any other man in our country. He has been courageous in his activities to eliminate the abuses in business practices which tend to destroy fair competition and thereby eventually destroy our capitalistic system, under which America has grown and prospered since its beginning.

It is fitting that we give this recognition today to one of the authors of the Robinson-Patman Act, on the silver jubilee of its enactment, June 19, 1936. Through the years, since that memorable date, WRIGHT PATMAN has continued his work in behalf of American business, ever seeking to preserve a system of free enterprise in which the keystone upon which it succeeds is fair competition.

HOUSING BILL WOULD FEED FIRES OF INFLATION

Mr. DEVINE. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. FINDLEY. Mr. Speaker, my colleagues should not overlook the inflationary dangers in the $9 billion housing bill soon to be considered by the House.

A deficit of over $3 billion for fiscal 1962, is already in prospect. This bill would add between $500 and $2 billion to that deficit, and for that reason would feed the fires of inflation.

But that is not the biggest inflationary danger in the bill.

The bill would have the effect of adding tremendously to the U.S. money supply by making no-down-payment housing fantastically easy. In previous years the American people have seen the tremendous impact of installment credit regulations in boosting, or diminishing, money supply. For example, curbs on installment credit worked effectively in helping to avoid runaway prices during World War II.

When a banker loans money, and when a merchant extends a new line of credit, our total money supply is expanded. Prudent business management—insisting, for example, on a substantial downpayment and demonstrated ability to pay off over a reasonable period of time—ordinarily effectively curbs undue credit expansion.

When money supply gets out of hand and threatens to cause a general price rise, the Federal Reserve Board can and should use tools at its disposal to cut back the total supply. This is done by Federal Reserve Board open market operations, altering rediscount rates or reserves requirements of banks.

The new housing bill would throw away the business rule book. No down payment would be required. The American people would be invited to mortgage themselves for 40 years, well into their declining years. Interest would be at a below-cost subsidized rate.

The lure of these easy credit features would be irresistible. All taxpayers would ultimately share in the cost of this mammoth subsidy, so each would figure he must dip his own hand in the pot to stay even with his fellow Americans.

All this would add tremendously to the money supply, and consequently would add tremendously to the problems of our Federal Reserve Board in keeping the monetary system in balance to avoid inflation.

If the bill is passed and if the Federal Reserve Board does its duty, the Board will have to impose restrictions some place in our economy in order to balance off this new money supply. This bill may be a shot in the arm to the construction industry, but some other segment of the economy will have to pay.

The alternative would be another round of inflation.

The housing bill should be defeated for many reasons.

The most important of all is that it would heap new fuel on the fires of inflation.

CATASTROPHIC HEALTH INSURANCE FOR THE AGED

Mr. DEVINE. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I want to call to the attention of the House another major step forward in our society in coping with the problems that confront our older people in meeting their health costs.

On May 3, 1961, the Governor of the State of Connecticut signed into law a measure which will permit the insurance companies doing business in the State of Connecticut to offer catastrophic health insurance to people over 65 at premiums well within the means of most older people.

On June 12, 1961, in carrying out the provisions of this law, Public Act 95, 10 Connecticut insurance companies signed an agreement forming a voluntary unincorporated association to market the plan. Other health insurance companies domiciled in or out of Connecticut are eligible to join this association.

Catastrophic health insurance is one of the greatest needs, not just of our older citizens, but of all people in our society. It is a relatively new idea and it is being purchased by our people in increasing numbers all over the country. Soon I anticipate we will all have it, just as automobile liability insurance is almost universally carried by auto drivers.

The action in Connecticut with the State authorities working with the private sector proves forcibly that we can solve the problems that the great success of our health care program has produced in our society, increasing the life span 10 or 15 years for our people, within the framework of the program without destroying it or moving away from it into a stultifying system of socialized medicine.

I think it is unfortunate that the Secretary of Health, Education, and Welfare, Mr. Ribicoff, has not publicly acclaimed the action of the State of which he was formerly the Governor and the great step forward taken by the private insurance companies. Any step forward in the field of meeting the problems of health care for the aged should be acclaimed by all those who are truly interested in solving these problems.

Many people are beginning to believe that the promoters of a Federal health care for the aged program through the social security system are merely using the problems of the older people as a front to try to bring about the beginning of socialized medicine in our society and care not too much about the aged.

Certainly, their denigration of the Kerr-Mills Act and their behind scenes dragging of feet to discourage the States from implementing this law lends support to this theory. So does their lack of concern for the aged who are not covered by social security. So also does their silence when major steps, like that taken in Connecticut, occur.

I am including after my remarks the statement made by a representative of the insurance industry before the Connecticut Legislature setting forth the plan. I am also including the proposed plan itself.

I want to commend the gentleman from Connecticut [Mr. MONAGAN] for calling this matter to the attention of the Congress on April 18, 1961—CONGRESSIONAL RECORD, page 6121—at the time the matter was pending before the Connecticut Legislature.

STATEMENT IN SUPPORT OF S. 615 AND H.R. 3640—IDENTICAL ACTS CONCERNING AUTHORIZATION FOR INSURANCE COMPANIES TO JOIN TOGETHER TO OFFER TO SENIOR CITIZENS OF CONNECTICUT HEALTH INSURANCE AGAINST MAJOR FINANCIAL LOSS, TO THE INSURANCE COMMITTEE, CONNECTICUT GENERAL ASSEMBLY, MARCH 7, 1961

Mr. Chairman and members of the committee, my name is William N. Seery of West Hartford, Conn. I am vice president of the Travelers Insurance Co., and I am speaking in support of this bill on behalf of Connecticut-chartered insurance companies which now write health insurance in this State.

This bill would authorize any insurance company, domestic or foreign, which writes health insurance in Connecticut to join with other companies in developing and offering to Connecticut's senior citizens comprehensive health insurance coverage against major financial loss.

May I begin by stating our conviction that most senior citizens want to and can take care of their own needs, given an appropriate vehicle. So that they may do so, we propose to offer them an additional insurance opportunity, especially designed to protect against major financial losses due to the cost of medical care. In your consideration of this bill, it may be helpful to review:

First, what health insurance coverages are now available to our senior citizens;

Second, the gaps in coverage which we propose to try to fill if this bill is passed; and,

Third, the reason why we must come to the general assembly for authorization to join together in this endeavor.

I

There are many forms of health insurance coverage now available to those who are 65 years of age or older. An increasing number of employers in Connecticut are continuing group health insurance coverage on their employees after they retire. More than two dozen insurance companies which do business in this State are offering individual health insurance policies on an original issue basis to senior citizens. Senior citizens can also buy original coverage from Blue Cross and Blue Shield. We believe that well over two-thirds of the 240,000 people in Connecticut who are 65 or older now have some form of health insurance protection.

Most of these coverages, however, provide what is known as "basic protection." For example, hospital room and board benefits may run to $10 or $15 per day for a limited number of days. Surgery is generally covered under schedules with maximums ranging from $200 to $300.

II

This basic coverage is of course very valuable. However, it does not and cannot cover the so-called catastrophic situation—hospital illness of long duration, plus large medical and surgical expenses, the cost of nurses and medicines, all of which may run into thousands of dollars.

In the past decade the health insurance companies have developed what is known as "major medical" or "comprehensive" coverage to meet the need for protection against such catastrophic costs. This coverage is spreading rapidly. Over 600,000 Connecticut citizens now have some form of major medical insurance coverage.

Individuals who are over 65, however, cannot generally buy major medical coverage. These are the people we want to help. To many of our aged citizens, one of the greatest fears is not death itself, but long lingering illness with heavy expenses.

In the health insurance business we are keenly aware of the need for coverage in this type of situation. Many companies, including my own, have studied the problem of how best to offer such protection. Individual insurance companies have not moved aggressively in this field because of many unknown factors, in addition to the large potential liability.

For some time, the health insurance companies of Connecticut have been studying this problem. We want to pool our experience and underwriting capacities to experiment and develop this kind of coverage for older people. We believe they need this protection and will welcome its appearance.

To the extent that we can successfully sell this coverage to individual older people, then to that extent the State of Connecticut will save tax dollars. Many of these people, if they had no such insurance protection, might become "medically indigent" or totally indigent and therefore require State help under present and future welfare programs.

If this bill becomes law, we propose to form a voluntary unincorporated association through which any Connecticut resident who is 65 or older can buy this coverage for himself and his spouse. We propose to operate this program so that any excess of premiums over losses, expenses, and a small risk charge will be used for the benefit of the people insured.

III

I have explained in brief the coverages which are now available to senior citizens and what we propose to offer if this bill becomes law. It remains to answer the question in your mind as to why we must come to the general assembly for authority to embark on this experiment.

The reason is simple. Fifteen years ago in 1945 the U.S. Congress enacted legislation commonly known as the McCarran Act, or Public Law 15. This law says in effect that the Sherman Antitrust Act, the Clayton Act and the Federal Trade Commission Act will not apply to the business of insurance to the extent that the States regulate the activity in question. The bill before you regulates us in this area. If we did not get such authorization from the general assembly, our proposal to join together in joint experiment with a common policy and common premiums might otherwise constitute a violation of these Federal laws.

This is the reason for this bill. You will see from its text that we must file our policies, applications, certificates, and the schedule of premium rates with the Insurance Commissioner. If he finds that these forms are not in the public interest or if he thinks the premium rates are not in line with the benefits, he can call us to account. It is State regulation of this type which Congress had in mind in enacting Public Law 15, 15 years ago.

This is the first time, to our knowledge, that the legislature of any of the 50 States has been requested to grant permission for this kind of an experiment. We think it appropriate that Connecticut assumes such leadership. We cannot undertake this program without action of the general assembly. Therefore, we sincerely hope that you will give the bill a favorable report so that it may become law at the earliest possible date and so that we may start this program for Connecticut senior citizens.

Thank you.

SENIORS HEALTH INSURANCE PLAN PROPOSED BY ASSOCIATED CONNECTICUT HEALTH INSURANCE COMPANIES

The plan would provide major medical expense benefits which may be complemented by a plan of basic hospital-surgical benefits. Each person joining the plan will select one of two levels of major medical expense benefits. If he does not have basic hospital-surgical coverage he may also secure such coverage under the proposed plan.

Eligibility: Any resident of the State age 65 or over may participate in the plan if not confined in a hospital or similar institution within the 31 days immediately preceding the effective date.

Basic hospital-surgical expense benefits: The basic hospital-surgical expense benefits, available to complement the major medical coverage, pay hospital room and board charges up to $12 per day for a maximum of 31 days in each calendar year. They also pay up to $125 per calendar year for other hospital charges. For any surgical procedure, regardless of where performed, they pay the surgeon's fee in accordance with a schedule with a maximum of $360 per calendar year. For example, up to $60 is payable for a simple fracture of the ankle, and up to $210 for gallbladder removal.

Major medical expense benefits: The principal purpose of the plan is to provide protection against the financial drain of the expense of severe illness or injury. Major medical expense benefits, which provide this protection, cover a broad range of hospital, surgical, and medical expenses both in and out of hospital up to a high maximum. After an individual has incurred covered expenses in a calendar year equal to his deductible, the plan pays a portion of the additional covered expenses of that year up to $2,500, with a maximum of $10,000 being payable under the high option during the lifetime of the individual. The deductible in each calendar year is $100, plus the amount of the basic hospital-surgical benefits to which he is entitled under the basic benefits part of the plan or to which he would be entitled if he had elected the basic benefits.

For the purposes of the major medical expense benefits, "covered expenses" consist of two types: A and B. With respect to type A, the plan pays 100 percent of the first $250 of expenses incurred in a calendar year and 80 percent of the balance. With respect to type B, the plan pays 80 percent of the expense incurred in the calendar year.

Type A medical expenses include hospital room and board charges up to $18 a day under the high option, plus charges for ancillary hospital services. Under certain circumstances, when an individual is transferred from a hospital to a convalescent hospital the charges of the convalescent hospital will be counted as type A expenses up to $10 per day under the high option with a maximum of $900 per calendar year.

Under the high option, type B expenses include surgeon's fees in accordance with a $600 schedule, physician's fees for other than surgery up to $6 per day, fees of registered graduate nurses up to $18 per day. Also included are charges for certain other medical services and supplies when not hospital furnished, such as prescription drugs, X-rays, laboratory examinations, etc.

Under the low option, type A and type B expenses include the same kinds of expenses as under the high option but to a lesser extent. The maximum lifetime benefit is $5,000 under the low option plan rather than the $10,000 under the high option plan. The principal exclusions of the plan are as follows: Injuries and diseases covered by workmen's compensation; care for mental and nervous conditions outside a hospital; dental care; expenses paid for under any employer plan or any government plan; diseases and injuries arising out of any war. In addition, no benefits are payable during the first 9 months of coverage for a condition for which the individual had medical expenses during the 90 days preceding the effective date of his coverage.

Preliminary estimates of the monthly cost per individual are: Low option major medical only, $7.50; high option major medical only, $10; low option major medical plus basic hospital-surgical, $14.50; high option major medical plus basic hospital-surgical, $17.

Modification or termination of coverage: An individual's coverage will not be canceled unless the plan is discontinued for all mem-

bers. However, it is not anticipated that the plan will be discontinued unless a Federal or State program is enacted which makes continuance impractical. In view of the experimental nature of the coverage the plan reserves the right to modify benefit provisions or to revise premium rates.

COLLEGE HOUSING LOAN APPLICATIONS

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. RAINS] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. RAINS. Mr. Speaker, the general housing bill will soon be on the floor of the House for consideration. One of the important titles of this omnibus bill would authorize an additional $1.2 billion in college housing loans in annual increments of $300 million over a 4-year period.

Currently all available loan funds available to the college housing loan program are exhausted. And it is vital that we provide the necessary additional funds to permit this outstandingly successful program to continue its job of helping our colleges meet the tremendous problem of mounting student enrollments.

Mr. Speaker, a number of our colleagues have asked just how this program would benefit their constituents. For this reason, I am including at this point in the RECORD a listing of the applications now pending before the Community Facilities Administration which cannot be approved or proceed unless the Congress authorizes additional funds. In addition, of course, it should be pointed out that hundreds of other institutions are now in the process of making plans to submit applications to provide the dormitory housing which our institutions of higher learning will need to meet the soaring enrollment which faces them in the immediate years ahead. Mr. Speaker, we must provide the funds necessary to translate these plans into reality.

College housing program pending applications, June 15, 1961

INSTITUTIONS

	Federal funds
Alabama:	
Stillman College	$70,000
University of Alabama	1,181,500
Alaska: Alaska Methodist University	1,400,000
Arizona: University of Arizona	1,500,000
Arkansas:	
Arkansas State College	1,500,000
Arkansas State Teachers College	250,000
California: Chapman College	562,500
Colorado: Colorado State University	436,000
Florida:	
University of Miami	1,500,000
Jacksonville University	385,000
Florida Presbyterian College	2,450,000
Georgia: Oglethorpe University	1,570,000
Illinois: Lake Forest University	1,000,000
Indiana:	
Indiana University	3,525,000
Anderson College	500,000

College housing program pending applications, June 15, 1961—Continued

INSTITUTIONS—continued

	Federal funds
Kentucky:	
Morehead State College	$725,000
Kentucky Wesleyan College	485,000
Eastern Kentucky State College	2,540,000
Louisiana: Louisiana State University & A&M College	2,700,000
Mississippi:	
Mississippi State University of Agriculture and Applied Science	750,000
Mississippi Vocational College	600,000
New York: Columbia University	3,000,000
North Carolina: Pfeiffer College	958,000
Ohio: Malone College	300,000
Oklahoma: Sayre Junior College	180,000
Pennsylvania: Delaware Valley College of Science and Agriculture	1,275,000
South Carolina:	
The Columbia College	700,000
Morris College	200,000
Tennessee:	
Cumberland University	194,259
Maryville College	950,000
Texas:	
Howard Payne College	450,000
Ranger Junior College	122,500
Stephen F. Austin State College	1,212,500
Texas Technological College	3,816,240
Washington: Whitman College	550,000
West Virginia: West Virginia Wesleyan College	1,450,000
Wisconsin: Milwaukee School of Engineering	1,570,000
Total (37 institutions)	42,558,499

HOSPITALS

California:	
Donald N. Sharp Memorial Community Hospital	285,000
The Santa Monica Hospital	330,000
The California Hospital	812,000
Missouri: Burge-Protestant Hospital	166,000
Total (4 hospitals)	1,593,000

THE FEDERAL TRADE COMMISSION

Mr. JOHNSON of California. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include an address.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PATMAN. Mr. Speaker, today, the Honorable Paul Rand Dixon, Chairman of the Federal Trade Commission, addressed the midyear meeting of the Grocery Manufacturers of America, Inc., and discussed with them the role of the Federal Trade Commission and the laws it administers in the promotion of our free and competitive enterprise system.

He stressed the important work of the Commission in maintaining the rules of fairplay in commerce and trade. We are mindful of the attention and consideration President Kennedy has devoted to the Federal Trade Commission and other Federal regulatory agencies and commissions with a view to improving their performance. It appears that Chairman Dixon is undertaking to provide additional expression and effort in that direction. It is my thought that the Members will be interested in reading what he had to say in the course of his address today. Therefore, I wish to extend and revise my remarks by including at this point a copy of his address. It is as follows:

THE FEDERAL TRADE COMMISSION: BUILDING SOUNDLY FOR GROWTH THROUGH PROMOTION OF A COMPETITIVE ECONOMY

(An address by Hon. Paul Rand Dixon, Chairman of the Federal Trade Commission, to Grocery Manufacturers of America, Inc., Greenbrier, White Sulphur Springs, W. Va., June 19, 1961)

Because of the necessity for emphasizing economic growth in America today, I heartily congratulate you for selecting as the theme of this midyear meeting of GMA: "Building Soundly for Growth—Together." Wanting to place my remarks within the boundaries of your theme, I have entitled them "The Federal Trade Commission: Building Soundly for Growth Through Promotion of a Competitive Economy."

It is most appropriate that I, being Chairman of the Federal Trade Commission, should address myself to this subject, for it is the function of the Federal Trade Commission to promote a competitive economic system, the only sound basis upon which we in America can build for growth. Please accept my sincere thanks for the opportunity to do so.

The Federal Trade Commission investigates, prosecutes, and adjudicates alleged violations of antitrust law. Unfortunately its orders to cease and desist are usually regarded as restraints by those to whom they are directed. The truth is, however, the purpose of all Commission activity is to free the economic system from restraints in order that it may be more nearly competitive. Thus, the true function of the Commission is not to restrain business conduct but to promote the competitive system by freeing it of restraints.

This point of view concerning the function of the Commission and of other administrative agencies, is in marked contrast to that held by some businessmen. Confronted, perhaps almost daily, with the impact of the requirements of these agencies which are felt to be restraints of freedom, these businessmen, or those who speak for them, excoriate those who are scornfully referred to as bureaucrats. Perenially they condemn us for allegedly depriving them of their constitutional liberties and for creeping toward, if not galloping further into, socialism.

But, if we review what has occurred in America since the War Between the States, we will see that the growth of industrialism and the growth of democracy have combined to produce these new agencies of Government.

The growth of industrialism—the introduction and development of new mechanical and scientific inventions from railroads to rockets—caused social and economic pressures and maladjustments which could not remain unmodified in our country where more and more citizens were continually gaining and using political power. The democratic forces flowing from ballot boxes forced the Government to find answers to the problems raised by the growing industrialism.

The use of traditional processes of government proved ineffectual. The difficulty was that the Government, in its classic tripartite, and more or less watertight, divisions of legislative, executive, and judicial, was not competent to do the job.

It was not enough, for example, that a shipper, if he could afford it, or a public prosecutor, if he could find time, could sue a railroad for an alleged injury and that a

court would adjudicate the suit. Such isolated and unrelated events could not bring adequate relief to a citizenry which was armed with the right to vote and who felt that the railroads were abusing them by the use of monopoly power.

It became clear that solutions to problems such as this demanded continuous activity by an agency which was endowed with all the necessary powers of government, regardless of whether they were executive, judicial, or legislative, or all three. In time, the Interstate Commerce Commission came into being and slowly developed.

Administrative agencies such as ICC have helped to preserve private enterprise in economic areas where other countries have resorted to governmental operation. State-owned railways, for example, are common throughout the world, but instrumentalities comparable to ICC are rare, if not, in fact, nonexistent.

In contrast with such agencies as the Interstate Commerce Commission, which are interested in almost every aspect of a single industry, is another type which is concerned with a single economic problem in a great many industries. Among the latter type is the Federal Trade Commission, which, together with the Antitrust Division of the Department of Justice, is charged with the maintenance and promotion of competition in all industries except for some exclusions.

The development of different types of administrative agencies, each with powers of government requisite to its task, yet consonant with our Constitution, is a dramatic illustration of the political ingenuity of the American people. Some designed to regulate monopoly, others to promote competition, all have maintained private enterprise. They are not perfect, but they work. And, when they don't work as well as we think they should, we do not destroy them; we devise ways to make them work better. That is American pragmatism, not Soviet socialism.

Prior to the Administrative Procedure Act of 1946, interested parties in and out of Congress directed their attention mostly to the fairness of the administrative process. Now emphasis is focused upon efficiency. The inquiry is: How efficiently is each agency doing the job that its charter authorizes and directs it to do? The Federal Trade Commission has always had just cause to be proud of the fairness of its procedure. Its efficiency score, while not always high, is not unique.

The efficiency of administrative agencies, must be substantially improved, for, as Dean Landis said the other day, "the efficiency of their operation is basic to the continued economic growth of this country under a system of private enterprise." So, we at this meeting, which is wholly devoted to building soundly for growth, are necessarily deeply interested in increasing the efficiency of administrative agencies.

Performance of the task of increasing the efficiency of the Commission is well underway. Every effort is being made to expedite the investigation, trial, and decision of cases. Investigation and trial work will be consolidated. Responsibility for a case from inception to completion will be in one lawyer who will head a team. This will avoid untold delays arising from the present separation of these two functions, such as those caused by conflicts, paperwork, and reviews.

At every stage, use will be made of the quickest, simplest, most inexpensive, and fairest methods. I have in mind, for example, what one branch of the food industry has called mail-order investigations; namely, the use by the Commission of its power to require special reports under section 6 of the Federal Trade Commission Act. Recently, as the result of an investigation which utilized these special reports, the Commission issued 45 consent orders prohibiting brokerage in the citrus fruit industry. Commenting on this operation, I said that it was "the most equitable way of halting unlawful practices common throughout an industry." I must, however, emphatically warn you that my efforts to achieve fairness by seeking industrywide coverage will fall far short of not requiring anyone to comply until everyone complies. I shall never be a proponent of or be a party to any such "futilitarian" approach to law enforcement.

What promises to be an important time-saver at the adjudication stage is a policy which, to the greatest extent practicable, will require that trials be held at one place and continuously until completed. When hearings are held, as they are now, only for a day or so in each of a great many towns and cities, the time actually spent in presenting evidence is only a small fraction of the total time consumed, even if there are no formal recesses. Of course, when formal recesses, often long and sometimes prolonged, occur between hearing dates, there is a disgraceful waste of time. This must stop.

We are also planning to transfer consent order proceedings from hearing examiners to a special administrative office. Of the cases in which formal complaints are issued, from 70 to 80 percent are settled without trial by means of a consent agreement. It is ridiculous to burden our hearing examiners with this tremendous volume of nonjudicial work. When this heavy load is removed, hearing examiners should become substantially more productive in the disposition of cases which must be litigated.

Appeals to the Commission, both during a hearing before the examiner and also after the hearing examiner has rendered his decision, are destined to be limited. I believe that appeals to the Commission during the course of a trial should be completely eliminated. They are misused to cause delay. No one will prejudice any right by waiting, as in judicial practice, until the trial is complete before seeking to appeal.

But even an appeal on the hearing examiner's initial decision, after the close of the hearings, should not be, as it is now, a matter of right regardless of how inconsequential the points are which are sought to be raised. Justice can be served and time can be saved by permitting appeals to the Commission at this time only with respect to issues that counsel, in a petition for review, can show are of substantial importance. Respondent's right to review by a court would not be affected by these changes designed to prevent appeals from being used to buy time within which to continue challenged conduct.

All of the foregoing aids to increased efficiency derive from changes in the organization and rules of practice and procedure of the Commission which it can make on its own initiative.

Further efficiencies would undoubtedly result from delegations by the Commission of some functions to lower levels. Reorganization Plan No. 4 of 1961, which the President submitted to Congress on May 9, 1961, would provide the Commission with additional authority to delegate functions and also transfer from the Commission to the Chairman the authority to assign employees to perform such functions. This plan would remove any doubt as to the power of the Commission to make such delegations as may be appropriate in the interest of efficiency.

The matter of delegating functions furnishes me with a welcome opportunity to praise the Commission's staff. It is peopled with many recognized experts, whose expertise is the result of great ability, long applied. Decisionmaking can confidently be entrusted to them. Commissioners come and Commissioners go, but these dedicated civil servants, who have devoted all or most of their professional lives thus far to the work of the Commission, really constitute the Commission as an institution.

Further possibilities of improving the efficiency of the Federal Trade Commission are on the legislative horizon. Again in this session of Congress, there is a proposal to require that the Commission be notified of, and supplied with certain information covering, proposed mergers of potential significance, and also to give the Commission power to issue orders holding up a merger until its legality can be adjudicated. This measure would go far toward expediting and making effective the Commission's anti-merger work.

Notification of intended mergers would relieve the Commission, and the Antitrust Division, of the burdensome search for that which can be readily supplied. A requirement that bans be posted for corporate marriages can only result in preventing undesirable unions—desirable ones will be promoted.

Giving the Commission the power to temporarily enjoin a merger until it is adjudicated on the merits would, perhaps for the first time, allow the Commission to fulfill completely the destiny that was foreseen for it at its creation—to stop anticompetitive practices in their incipiency. In the merger field, such temporary orders would be used only to require the separate operation of the corporate parties to a proposed merger until the effect could be determined. This is necessary because joint operation during trial almost inevitably results in scrambling them to the point where they cannot be unscrambled if the merger is found to be unlawful.

The Commission, moreover, favors preliminary injunctive powers not only for merger cases, but for all instances in which it issues cease-and-desist orders. Unless the Commission is given the power to issue preliminary cease-and-desist orders, the Commission will never be able to achieve its full potential.

As I have said, the function of the Federal Trade Commission is to help industry grow within the framework of our competitive economic system. The Commission does this, primarily, by enforcing several statutes, principally the Federal Trade Commission Act and the Clayton Antitrust Act, as amended by the Robinson-Patman Act.

The nature of these statutes is most interesting. Nowhere will you find that anyone is affirmatively commanded or required to compete. Competition is to be achieved by providing an economic climate in which competition should flourish. This is to be accomplished by preventing monopolization, attempts to monopolize, restraints of trade, and unfair or deceptive acts, practices, or methods of competition. Included also are specific prohibitions with respect to such things as mergers, price and service discriminations, pseudo brokerage, exclusive dealing, and interlocking directors.

This presents to even well-intentioned businessmen quite an imposing array of possibilities for law violation, and it would appear that members of the food industry have missed few, if any, of the possibilities. Historically, the food industry has been afflicted by almost every species of noncompetitive practice. As a result grocery manufacturers, grocery retailers, and others in the food industry, have received a lot of the Commission's attention over the years.

And they are not exactly being ignored now. About 40 percent of all antimonopoly complaints now pending at the Commission involve the food industry. Included in these complaints are those charging a violation of the Robinson-Patman amendment of the Clayton Act, of which about 50 percent are food cases, and those charging mergers in violation of section 7 of the Clayton Act, of which about 30 percent involve members of the food industry.

Of the antimonopoly complaints issued in the first 11 months of this fiscal year, about 50 percent named firms dealing in food.

Turning to orders to cease and desist issued so far in this fiscal year in the antimonopoly field, approximately 70 percent were concerned with food. This included two merger orders—the only merger orders issued by the Commission.

Since its organization in 1915, the Commission has made approximately 25 economic investigations of one or more aspects of the food industry. In 1958, just prior to undertaking its current economic inquiry into food marketing, the Commission considered investigating a number of other industries. Food was selected fairly quickly, however, because, as stated in the resolution authorizing the inquiry, a substantial percentage of all the Commission's antimonopoly investigations had related to alleged violations in the food industry, and the Commission had received many complaints about concentration of economic power and the use of unfair methods of competition in the industry.

The current food marketing inquiry will be in two parts. Part I, dealing with concentration and integration at the retail level, was published in May 1961. Part II, which will be concerned with supplier groups, was launched last summer, and an interim report covering frozen foods was released in February 1961.

The part I report shows a substantial vertical integration movement among chain stores and heavy concentration in their sales. Concentration by acquisition was much in evidence, with a dramatic increase after 1955. All of this points to an increase in the economic power of the chains.

Part II, concerned with a similar structural study of suppliers, will include an examination of the effect on them of the growing economic power of the chains. The interim report in this area on frozen food, for example, shows that there is a rather high sales concentration in the big freezers who, bloated by recent mergers, stand out from quite a large number of small concerns, and also that there is an affinity between big freezers and big chains.

Work is progressing on this inquiry, but it is far from complete. The results will be important, for noncompetitive patterns and trends which are brought to light will be studied to determine the necessity, scope, and direction of future enforcement activity.

You may be sure that the Commission will continue and, to the extent that increased funds and efficiency permit, will increase its efforts to promote competition in the food industry as well as in other industries by the application of all of the statutes which it administers.

Because today, June 19, 1961, is the 25th anniversary of the passage of the Robinson-Patman Act on June 19, 1936, I should like to believe that your regard for this statute is so high that you deliberately planned this meeting on its birthday to accord it the praise which it so richly deserves.

In any event, I salute the Robinson-Patman Act, wish it many happy returns of the day, and pledge myself to do all that I lawfully can to assist it in becoming what it was designed to be—the charter of freedom for businessmen, both large and small, to operate in a competitive economy.

Born during the great depression of the discriminatory practices which were developing chain stores at the expense of their small rivals, nourished by an investigation of those chains and practices by the Federal Trade Commission, the Robinson-Patman amendment to section 2 of the Clayton Antitrust Act of 1914 has had, it seems to me, more scorn and less approval heaped upon it than any of the other antitrust laws. In view of the identity of its friends and its enemies, this speaks well for the legislation, for statutes, like men, can be judged by their enemies as well as their friends.

Concede that the syntax of the legislation leaves something to be desired. Admit that it does not readily lend itself to being parsed. These things are only the scars of vigorous legislative combat. Its substance, nevertheless, is both sound and clear.

The substance of the statute is that the economic discriminations with which it deals violate, on their face, the concept of freedom of opportunity inherent in both our competitive economic system and in our democratic political system; but that, despite this, some of these discriminations shall not be prohibited unless their tendency to destroy competition specifically appears to be probable and unless they cannot be justified by bringing them within the scope of other concessions found necessary in order to accommodate imperfections that must be lived with in a necessarily imperfect world.

Of all the criticisms made of the Robinson-Patman Act the one which is most astonishing to me is the contention that it is inconsistent with the Sherman Act.

It would be logical for one to expect that those who voice this criticism are stanch defenders of—no, more than that—rampant crusaders for a strict interpretation of the Sherman Act, and that price and other discriminations are competitive practices permitted by that statute.

Of course, such is not the case. Price discriminations may be and have been of such magnitude and duration that they violate or contribute to a violation of the Sherman Act.

Discriminations of far less magnitude and of shorter duration than those which violate the Sherman Act are prohibited by the Robinson-Patman Act but that is what was intended. It was designed to supplement the antitrust laws by stopping monopolistic practices in their incipiency instead of waiting until they have ripened into Sherman Act violations.

The Robinson-Patman Act, then, requires closer adherence to competitive standards and at an earlier time than does the Sherman Act. The Robinson-Patman Act in its prohibitions therefore requires and promotes harder and more nearly perfect competition than the Sherman Act; and, in my opinion, some of those who contend to the contrary may well be apologists for monopolistic power and practices who cloak their position by calling it "workable competition," a euphonism for an economy that can satisfy the Sherman Act only after very generous applications of the so-called rule of reason, a euphonism for the process of finding that Congress doesn't mean what it says.

As stated in your theme, we must build for growth together. Without your cooperation the Commission cannot successfully perform its function. It needs you to help it promote the competitive system. If you should ask me how you can do this, I would suggest that you emulate some eary American businessmen in Philadelphia, whose "'peculiar practices'—the truthful labeling of merchandise, the habit of offering goods for sale at a single open price—did much to make them both trusted and rich."[1]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. RIVERS of Alaska, for June 19 through June 21, on account of illness in family.

Mr. HAGAN of Georgia (at the request of Mr. DOYLE) for today, June 19, 1961, on account of death in family.

Mr. BURKE of Kentucky, for Tuesday, June 20, and Wednesday, June 21, on account of death in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. CURTIS of Missouri (at the request of Mr. DEVINE), for 1 hour on June 28.

Mr. SCHWENGEL (at the request of Mr. DEVINE), on June 20 for 1 hour.

Mr. CONTE (at the request of Mr. DEVINE), on June 20 for 30 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. WALTER and to include an address he delivered on Saturday.

Mr. JOHNSON of Wisconsin.

Mr. LESINSKI.

Mr. CONTE and to include extraneous matter.

Mr. DOYLE, immediately before the passage of H.R. 1935, No. 108 on the Consent Calendar, and all Members who may desire to do so.

Mr. JONAS, to revise and extend his remarks made in the Committee of the Whole and to include tables and extraneous matter.

Mr. AVERY (at the request of Mr. DEVINE) to revise and extend the remarks he made in the Committee of the Whole and include extraneous matter.

Mr. ALGER.

(The following Members (at the request of Mr. DEVINE) and to include extraneous matter:)

Mr. NYGAARD.

Mr. CURTIS of Missouri.

Mr. YOUNGER.

Mr. KEITH.

Mr. SAYLOR.

(The following Members (at the request of Mr. JOHNSON of California) and to include extraneous matter:)

Mr. FLOOD.

Mr. MCDOWELL.

Mr. DENTON.

Mr. DADDARIO.

SENATE BILLS AND CONCURRENT RESOLUTIONS REFERRED

Bills and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 158. An act to confer upon the domestic relations branch of the municipal court for the District of Columbia jurisdiction to hear and determine the petition for adoption filed by Marie Taliaferro; to the Committee on the District of Columbia.

S. 558. An act to amend the acts of March 3, 1901, and June 28, 1944, so as to exempt the District of Columbia from paying fees in any of the courts of the District of Columbia; to the Committee on the District of Columbia.

S. 559. An act to amend the District of Columbia Traffic Act, 1925, as amended; to the Committee on the District of Columbia.

S. 561. An act to amend the act relating to the small claims and conciliation branch of

[1] Chamberlain, John, "A History of American Business," Fortune, May 1961, pp. 135–136.

the municipal court of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

S. 564. An act to provide for apportioning the expense of maintaining and operating the Woodrow Wilson Memorial Bridge over the Potomac River from Jones Point, Va., to Maryland; to the Committee on the District of Columbia.

S. 588. An act to amend the act of May 29, 1930, in order to increase the authorization for funds for the extension of certain projects from the District of Columbia into the State of Maryland, and for other purposes; to the Committee on Public Works.

S. 884. An act to authorize the Secretary of Commerce to procure the services of experts and consultants; to the Committee on Post Office and Civil Service.

S. 1291. An act to amend the District of Columbia Traffic Act, 1925, as amended, to increase the fee charged for learners' permits; to the Committee on the District of Columbia.

S. 1371. An act to amend subsection (e) of section 307 of the Communications Act of 1934, as amended, to permit the Commission to renew a station license in the safety and special radio services more than 30 days prior to the expiration of the original license; to the Committee on Interstate and Foreign Commerce.

S. 1644. An act to provide for the indexing and microfilming of certain records of the Russian Orthodox Greek Catholic Church in Alaska in the collections of the Library of Congress; to the Committee on House Administration.

S. 1651. An act to authorize the Commissioners of the District of Columbia to delegate the function of approving contracts not exceeding $100,000; to the Committee on the District of Columbia.

S. Con. Res. 23. Concurrent resolution to print additional copies of part I of hearing on migratory labor; to the Committee on House Administration.

S. Con. Res. 24. Concurrent resolution relating to printing of publications of the Internal Security Subcommittee of the Senate Committee on the Judiciary; to the Committee on House Administration.

S. Con. Res. 27. Concurrent resolution authorizing the printing as a Senate document of the proceedings of the National Water Research Symposium; to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of this House of the following titles, which were thereupon signed by the Speaker:

H.R. 2972. An act for the relief of Mrs. Cornelia Fales; and

H.R. 7218. An act to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 3,000 officers and members.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on June 15, 1961, present to the President, for his approval, bills of the House of the following titles:

H.R. 311. An act to authorize the acceptance by the Government of gifts to be used to reduce the public debt;

H.R. 1877. An act relating to the effective date of the qualification of Plumbers Union Local No. 12 pension fund as a qualified trust under section 401(a) of the Internal Revenue Code of 1954, and for other purposes;

H.R. 5000. An act to authorize certain construction at military installations, and for other purposes; and

H.R. 6094. An act to amend section 4 of the Employment Act of 1946.

ADJOURNMENT

Mr. JOHNSON of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 57 minutes p.m.) the House adjourned until tomorrow, Tuesday, June 20, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1045. A letter from the Chairman, Federal Communications Commission, transmitting a draft of a proposed bill entitled "A bill to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus"; to the Committee on Interstate and Foreign Commerce.

1046. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting a copy of the order suspending deportation in the case of James Wong Teng, A11925176, pursuant to the Immigration and Nationality Act of 1962; to the Committee on the Judiciary.

1047. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting a copy of the order suspending deportation in the case of Domingo Contreras, A4386589, pursuant to the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of June 15, 1961, the following bills were reported on June 16, 1961:

Mr. MILLS: Committee on Ways and Means. H.R. 3385. A bill to provide for the free entry of an electron microscope for the use of Wadley Research Institute of Dallas, Tex.; with amendment (Rept. No. 546). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMAS: Committee on Appropriations. H.R. 7712. A bill making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes; without amendment (Rept. No. 547). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOYKIN: Committee on Merchant Marine and Fisheries. H.R. 1159. A bill to amend the Merchant Marine Act, 1936, in order to eliminate the 6 percent differential applying to certain bids of Pacific coast shipbuilders; with amendment (Rept. No. 548). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. H.R. 7677. A bill to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act; without amendment (Rept. No. 549). Referred to the Committee of the Whole House on the State of the Union.

[Submitted June 19, 1961]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAVIS of Tennessee: Committee on Public Works. H.R. 6676. A bill to designate the Kettle Creek Dam on Kettle Creek, Pa., as the Alvin R. Bush Dam; without amendment (Rept. No. 550). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of June 15, 1961, the following bill was introduced June 16, 1961:

By Mr. THOMAS:

H.R. 7712. A bill making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes.

[Introduced and referred June 19, 1961]

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KEOGH:

H.R. 7713. A bill to amend section 170(b)(1) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. McINTIRE:

H.R. 7714. A bill to amend section 17 of the Small Business Act to provide that property acquired by the Small Business Administration as the result of lending operations shall be subject to State and local taxation; to the Committee on Banking and Currency.

By Mr. MILLER of New York (by request):

H.R. 7715. A bill to amend the Agricultural Adjustment Act of 1933, as amended, relative to marketing of apples; to the Committee on Agriculture.

By Mr. MOSS:

H.R. 7716. A bill to authorize the modification of the existing project for the New Melones Dam and Reservoir, Stanislaus River, Calif., and for other purposes; to the Committee on Public Works.

By Mr. O'NEILL:

H.R. 7717. A bill to amend the Internal Revenue Code of 1954 to provide an additional income tax exemption for a taxpayer or spouse who has had laryngectomy; to the Committee on Ways and Means.

By Mr. PERKINS:

H.R. 7718. A bill to provide disability retirement benefits for civilian employees of the Government in certain additional cases; to the Committee on Post Office and Civil Service.

By Mr. RIVERS of South Carolina:

H.R. 7719. A bill to amend section 6(d) of the Universal Military Training and Service Act (50 App. U.S.C. 456(d)) to authorize certain persons who complete a Reserve Officers' Training Corps program to be appointed as commissioned officers in the Coast and Geodetic Survey; to the Committee on Armed Services.

By Mr. VINSON:

H.R. 7720. A bill to amend chapter 147 of title 10, United States Code, to authorize the Secretary of Defense, or his designee, to dispose of telephone facilities by negotiated sale; to the Committee on Armed Services.

H.R. 7721. A bill to authorize the Secretary of the Army to adjust the legislative jurisdiction exercised by the United States over lands within the Fort Sheridan Military Reservation, Ill.; to the Committee on Armed Services.

H.R. 7722. A bill to amend section 3579, title 10, United States Code, to provide that

commissioned officers of the Medical Service Corps may exercise command outside the Army Medical Service when directed by proper authority; to the Committee on Armed Services.

H.R. 7723. A bill to amend section 303(a) of the Career Compensation Act of 1949 by increasing per diem rates and to provide reimbursement under certain circumstances for actual expenses incident to travel; to the Committee on Armed Services.

H.R. 7724. A bill to provide for advances of pay to members of the armed services in cases of emergency evacuation of military dependents from oversea areas and for other purposes; to the Committee on Armed Services.

H.R. 7725. A bill to authorize the Secretary of the Army to reconvey to the town of Malone, N.Y., certain real property heretofore donated by said town to the United States of America as an Army Reserve center and never used by the United States; to the Committee on Armed Services.

H.R. 7726. A bill to authorize the loan of naval vessels to friendly foreign countries and the extension of certain naval vessel loans now in existence; to the Committee on Armed Services.

H.R. 7727. A bill to amend title 10, United States Code, to permit members of the Armed Forces to accept fellowships, scholarships, or grants; to the Committee on Armed Services.

H.R. 7728. A bill to amend title 10, United States Code, to authorize the Secretary of a military department to sell goods and services to the owner of an aircraft or his agent in an emergency, and for other purposes; to the Committee on Armed Services.

By Mr. WESTLAND:

H.R. 7729. A bill to provide an adequate, balanced, and orderly flow of milk and dairy products in interstate and foreign commerce; to stabilize prices of milk and dairy products; to impose a stabilization fee on the marketing of milk and butterfat; and for other purposes; to the Committee on Agriculture.

By Mr. BERRY:

H.R. 7730. A bill to authorize the Secretary of Agriculture to macadamize a portion of road leading to the U.S. Department of Agriculture field station outside the town of Newell, S.Dak.; to the Committee on Agriculture.

By Mr. CELLER:

H.R. 7731. A bill to fix the fees payable to the Patent Office and for other purposes; to the Committee on the Judiciary.

By Mr. KEARNS:

H.R. 7732. A bill to amend the District of Columbia Redevelopment Act of 1945 to provide for the restoration of the home of John Philip Sousa, to provide for the development by the National Capital Planning Commission of a long-range plan for a stable residential and business area on Capitol Hill which shall represent the best in our Nation's architectural history, and to encourage private industry to provide hotels and restaurants on Capitol Hill to serve those constituents and that part of the more than 7 million American and foreign visitors to the National Capital annually who desire such accommodations in the area; to the Committee on the District of Columbia.

By Mr. SHORT:

H.R. 7733. A bill to amend the Soil Bank Act, as amended, to provide a uniform procedure for the alleviation of damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, and for other purposes; to the Committee on Agriculture.

By Mr. NYGAARD:

H.R. 7734. A bill to amend the Soil Bank Act, as amended, to provide a uniform procedure for the alleviation of damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, and for other purposes; to the Committee on Agriculture.

By Mr. ANDERSON of Illinois:

H.J. Res. 454. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. BURKE of Massachusetts:

H.J. Res. 455. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. DOWDY:

H.J. Res. 456. Joint resolution proposing an amendment to the Constitution of the Unted States; to the Committee on the Judiciary.

By Mr. KUNKEL:

H. Res. 347. Resolution declaring the Eastern Orthodox Church to be a major faith in the United States; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the State of New Hampshire, memorializing the President and the Congress of the United States to advise the Government of the United States to continue to use all the resources at its command to halt the further spread of Soviet colonialism, which was referred to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. BOLTON:

H.R. 7735. A bill for the relief of Maria Marinelli Verrocchi; to the Committee on the Judiciary.

By Mr. COOLEY:

H.R. 7736. A bill to amend the act of May 13, 1960 (Private Law 86-286); to the Committee on the Judiciary.

By Mr. GREEN of Pennsylvania:

H.R. 7737. A bill for the relief of Dr. Gloria Enrile Punzalan; to the Committee on the Judiciary.

H.R. 7738. A bill for the relief of Dr. Serafin Punzalan; to the Committee on the Judiciary.

By Mr. LANE:

H.R. 7739. A bill for the relief of Arthur C. Berry and others; to the Committee on the Judiciary.

H.R. 7740. A bill for the relief of Mrs. Sharon Lee Harden; to the Committee on the Judiciary.

By Mr. PIKE:

H.R. 7741. A bill to permit the vessel *Lucky Linda* to be documented for limited use in the coastwise trade; to the Committee on Merchant Marine and Fisheries.

By Mr. ROGERS of Florida:

H.R. 7742. A bill to convey all right, title, and interest of the United States in and to certain lands in Lee County, Fla., to E. Glenn Grimes and William C. Grimes; to the Committee on Interior and Insular Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII,

182. Mr. McCULLOCH presented a resolution of the Board of Education, Wapakoneta, Ohio, in opposition to Federal aid to education which was referred to the Committee on Education and Labor.

EXTENSIONS OF REMARKS

Address by Congressman Francis E. Walter, of Pennsylvania, Department of Pennsylvania, Inc., Catholic War Veterans, State Convention, Saturday, June 17, 1961

EXTENSION OF REMARKS

OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1961

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address:

Mr. Toastmaster, distinguished guests, and officers and members of the Catholic War Veterans, Department of Pennsylvania, I appreciate most deeply your conferring this award upon me and thank you for it. It has, and always will have, special meaning to me because of the organization it comes from and the men it represents.

The Catholic War Veterans was organized in 1935, primarily for the purpose of uniting the Catholic veterans of this country in fighting communism. While there are some among us who still cannot see the evil and danger communism represents, the founders of your organization saw it clearly 26 years ago—and have never lost sight of it since then.

They chose as your motto, the words "For God, Country, and Home." In doing so, they expressed clearly not only the foundations of Americanism, but also the reasons why all of us should—and must—fight communism with all our strength.

I have often thought that the major reason why the Communists have been able to hand us a series of serious setbacks in recent years is because too many Americans have forgotten or lost the ideals expressed in your motto—religion, patriotism, and, finally, the family as the core and foundation of our way of life. For too many years there has been, in our so-called intellectual circles and in our schools, colleges, and universities, far too much mockery and subverting of these virtues.

It is because you have not forgotten these things that the Catholic War Veterans is still most active in fighting the Red Fascist enemies of our country and our homes. And, it is for this reason, too, that I feel indebted to your organization and particularly honored in the award you have conferred upon me.

On more than one occasion in the recent past, I have looked back over the 29 years I have spent in our National Legislature and have tried to assess them in the light of how much I have been able to do for my country. I have come to the conclusion that, without any doubt, the work which has been most productive from the viewpoint of our national welfare—and the work that has given me the greatest personal satisfaction—has been the 12 years I have served on the Committee on Un-American Activities, the last 6 of them as chairman.

I say this in spite of the fact that work on this committee is usually unpleasant, bringing its members, time and time again, face to face with facts and realities that are repulsive and disheartening. Looking into the face of treason and near treason, year after year, is anything but encouraging.

And, of course, the Communist Party, its members, fronts, fellow travelers, and dupes have done everything they can—they have used every trick they can think of—to try to smear and discredit me, simply because I have been a member and the chairman of that committee of the House of Representatives which, for 22 years, has been assigned a major role in protecting our country against those who would betray it to Moscow.

Communist attacks on the committee and attempts to destroy it started in 1938, the very year the committee was formed, and have never let up. In recent years, this drive has been greatly intensified through the party's Operation Abolition campaign. When a subcommittee of the committee was sent to Puerto Rico to hold hearings there in 1959, Clark Foreman, one of the party's field agents in this campaign, preceded the members and went about his usual work of vilifying the committee and arousing deep resentment and hatred of it among certain elements. He was so successful in this undertaking that the subcommittee members had to have police protection during the hearings.

Last May, Frank Wilkinson, the chief agent of the Communist Party in its current abolition campaign—a man who has since been sent to prison for contempt of Congress—arrived in San Francisco before the subcommittee I had assigned to conduct hearings in that city. With the all-out help of Communist Party officials and members in the area and of party fronts—and also with the assistance of some woolly-headed, liberal professors and clergymen—he succeeded in inciting rioting and mob violence against the committee.

On two occasions last year when the committee held hearings in Washington—one before the San Francisco hearing and the other following it—the party dispatched busloads of young people, mostly students from New York and Philadelphia, to try to disrupt the proceedings.

Not long before the Supreme Court upheld his conviction and he went to prison, Frank Wilkinson prepared a 5½-page memorandum outlining the steps to be taken by the Communist Party and all its supporters, from March of this year to February 1962, in their efforts to discredit and bring about the abolition of the committee. Among other things, he urged in this memorandum that "all future hearings called by the HUAC be countered by every possible, effective public demonstration." His memo was prepared and is being put into effect by the National Committee to Abolish the Un-American Activities Committee, a new Communist front established last summer to spearhead the stepped-up drive against the committee.

Because of these developments, I know full well what the remaining 1½ years of this 87th Congress will be like. But, there is one thing I can assure you of, and that is that as long as I am chairman, nothing the Communists can do will ever stop the committee from carrying out its proper function.

As I outline these facts, some of you may wonder how I can say that I have received my greatest personal satisfaction from my service with the committee, and that its activities have been the most productive from the viewpoint of our national welfare. I say this because there is another side to the coin—the side of the committee's importance and accomplishments.

Though I do not in any way underrate our many problems or the work of other congressional committees, I believe that the overriding and most pressing problem our country faces today, and has faced for years, is that of communism. It is for this reason that the work of the Committee on Un-American Activities is so vital to all of us and to our Nation.

Each year we spend billions for military defense against communism. The CIA spends many, many millions—only a handful of persons knows just how much—for the same purpose each year. A very large part of the millions appropriated to the State Department are spent, in effect, to fight communism. The same is true of the $85 billion we have given in foreign aid during the last 15 years and the millions spent each year by the USIA and the Voice of America. It is also true of a significant part of the FBI budget, and the budgets of other departments and agencies of the executive branch.

Certainly, all these expenditures contribute to our security, to impeding the spread of communism both at home and abroad, and to slowing up its plans for conquest of the United States. Basically, however, it is the American people themselves who, in the final analysis, will defeat—or succumb to—communism. And all this country's laws, its expenditures, its policies, both foreign and domestic, ultimately derive from the American people, whose will they express and who elect the men who make them.

And what agency is it that has done more than any other to give the American people the knowledge of communism they must have to formulate sound policies and laws to protect themselves against the most deadly enemy they have ever faced?

Overall, I believe, it is the Committee on Un-American Activities. In the 22 years of its existence, the committee has distributed to the American public over 6½ million copies of hearings and reports, all of which, except for a handful, have dealt with communism. These documents have been the products of extensive research, investigation, and hearings by the committee, and also of scholarly studies made by many outstandng authorities in the field in cooperation with the committee. They are the product of information the committee has been able to develop through the interrogation of over 3,500 witnesses who have testified before it. Yet, the budget of the comittee, compared with those of the agencies I have named, is minute, a mere drop in the bucket. This year the committee's appropriation is the highest it has ever been—$331,000. I do not believe that there is any other agency, public or private, that can match this record.

What do you want to know about communism? Its basic philosophy and doctrines? Its strategy and tactics as they have changed over the years? How the party sets up and operates fronts? How it has infiltrated government, labor, education, and moving pictures; our political institutions? Do you want facts on the structure, operations and agents of the Soviet secret police? On Soviet espionage in the United States? On how the embassies of Communist nations here in our country, and also their missions to the United Nations in New York, are used for spy purposes?

The answers to these and dozens of other questions concerning numerous phases of Communist activity can be found in the committee's publications.

In a free, representative government such as ours, the first essential for meeting any problem is an informed citizenry. To the extent that the American people are informed about communism, our country is indebted in very large part to the Committee on Un-American Activities and the Members of the Congress who have served on it through the years.

We have a government of laws, not of men. Here, in this country, an informed citizenry develops laws—which are tested for conformity to the Constitution—to solve their problems, promote the general welfare, and generally bring about the accomplishment of their desires. During the past 20 years, a considerable body of law has been enacted by the American people, through their elected representatives, to meet the problem of Communist subversion. And again in this field, there is no other agency that has contributed as much as has the Committee on Un-American Activities.

Thirty-five of the existing laws of this land which deal with the problem of communism are based on the committee's recommendations. At the close of the last Congress, 57 bills containing recommendations made by the committee were pending in the House which had passed 7 bills based on committee proposals. Today, although it is still relatively early in the new Congress, the committee is giving consideration to over 30 separate legislative proposals in this field. Over the years, the committee has made 129 legislative recommendations to the House on the subject of communism.

Just a short while ago, on June 5, the Supreme Court of the United States upheld a key anti-Communist law which had been enacted as the result of hearings and recommendations of the Committee on Un-American Activities. I am referring to the Internal Security Act of 1950. It is an important law in many respects, but I would like to emphasize one which was stressed by the Attorney General of the United States, the Honorable Robert F. Kennedy, when he said in an official statement:

"After 10 years of litigation, the Supreme Court has held that the Communist Party of the United States is directed, dominated and controlled by the Soviet Union.

"For this reason this is a momentous decision. The control of the Communist Party in the United States is no longer a matter of charges and accusations, but a matter of judicial finding. The Communist Party of the United States has had its day and, in fact, its years in court.

"The case * * * should be studied by all non-Communist governments and groups, such as teachers, students and labor organizations around the world. What the Communist Party preaches and what it practices is for all to see."

If it is clear now and a matter of judicial decision—as it certainly is—that the Communist Party, U.S.A., is controlled lock, stock and barrel by Moscow—and if there now exists a court case that merits worldwide study—then credit for this fact goes largely to the Committee on Un-American Activities.

This, then, is part, at least, of the legislative record of the committee. But despite the facts I have just cited, many enemies of the committee claim that it has done little or nothing to fulfill its primary function, which is that of recommending legislation to cope with Communist subversion.

Obviously, the Communist Party itself would not complain about this alleged failure of the committee. This lie about the committee has been, and is still being, spread chiefly by allegedly respectable non-Communist sources which, by their falsehoods, are aiding and abetting the Kremlin itself. And inasmuch as I have mentioned this seat of Communist power, I should also bring out the fact that it, too, frequently attacks the committee in broadcasts emanating from Moscow and other Communist capitals.

The committee still has plenty of work cut out for it. J. Edgar Hoover testified recently that the FBI now has approximately 200 suspected Communist fronts and Communist-infiltrated organizations under investigation. The committee knows from its

own investigation and research that in the last year or so the Communist Party has greatly stepped up its activities in the field of youth work and racial agitation, as well as in other areas.

I promise you again that the committee will go on about its work of finding constitutional, legislative means to cope with the problems Khrushchev creates for this country through his control of the Communist Party. It will also continue to carry out its function of giving the American public reliable information on the nature of these problems.

At the same time, the attacks on the committee will continue. The Communist Party will intensify its efforts to destroy it and, as in the past, it will have the assistance of some of our so-called liberal newspapers, magazines, organizations, and individuals in its efforts. These organizations and publications, like the Communists, will not hesitate to use Hitler's big-lie technique to promote their aims. They have done it many times before.

Despite this, I am confident that with the continued help and support of the Catholic War Veterans and many similarly minded groups in our country, the Communists will fail in their aim of destroying the committee.

It may be quite some years from now, but if and when the Committee on Un-American Activities ever ceases to function, it will never be because the American people have been so foolish as to give up one of their most effective weapons for combating their most deadly enemy. Rather, it will be because that enemy no longer exists on American soil.

Proposed Postal Rate Increases

EXTENSION OF REMARKS

OF

HON. JOHN LESINSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1961

Mr. LESINSKI. Mr. Speaker, under leave to extend my remarks I should like to insert in the RECORD the following text of a speech which I was scheduled to make over WJBK-TV, Detroit, Mich., on Sunday, June 18, 1961:

TEXT OF BROADCAST OVER WJBK–TV, DETROIT, MICH., BY HON. JOHN LESINSKI, MEMBER OF CONGRESS FROM MICHIGAN, JUNE 18, 1961

Good afternoon, ladies and gentlemen of the WJBK–TV audience. I want to talk to you today about a problem that concerns every American—the U.S. Post Office. For over 10 years it has been my privilege to represent you, during which time I have served on the House Post Office and Civil Service Committee which concerns itself with postage rates and Federal salaries, among other matters.

For nearly 2 months, the committee has been considering another increase in postage rates. We have held 6 weeks of hearings and are now engaged in executive consideration of a $741 million rate increase. While this bill—the largest ever proposed—was sent to the Congress by the Kennedy administration, it is really a holdover from the previous administration. The proposal really stems from former Postmaster General Summerfield rather than his able successor, J. Edward Day. The Kennedy administration inherited this problem and this bill. The budget for 1962 had already been prepared before John F. Kennedy took office, and the White House decided to go along with the budget request insofar as the Post Office is concerned. The bill is not in accord with the Democratic Party platform.

The rate increase bill before our committee, known as H.R. 6418, would raise the first-class letter rate from 4 to 5 cents an ounce, the post card rate from 3 to 4 cents, and the airmail rate from 7 to 8 cents, the rate on third-class circulars by 40 percent, the charge on second-class publications by an average of 79 percent, plus certain other increases. These are steep boosts indeed, and would come very soon after the last rate increases imposed in 1958, some of which have just recently concluded their course.

I am opposed to H.R. 6418, in its present form, and hope that another large rate increase can be avoided at this time. The Kennedy administration has been making strenuous efforts to pull the Nation out of the Republican recession. I have supported such efforts and will continue to do so. But I do not believe imposing an added stamp tax, just for more revenue, will create any new jobs, improve business conditions, or contribute to an expanded economy.

I have been heartened to learn recently of progress made by the current administration in the direction of improved service, and at lower cost. Recently Deputy Postmaster General H. William Brawley made a speech calling for rate increases, but he also predicted annual savings in postal operating costs of $300 million, if given time and authority. There is no bill before our committee asking for the authority that the Deputy Postmaster General mentioned, but I am sure he will have the cooperation of my committee and the Congress if he needs legislation to save such a significant sum as $300 million a year. This is more than one-third of the annual loss on postal operations. With recognized public services of $300 million, this accounts for $600 million of our postal deficit. We therefore will not have to raise $741 million when $300 million is the closer gap between revenues and costs.

Before we take any action to make additional increases in the postage rates, I sincerely hope that the present postal officials will complete their studies of the problem and come to us with comprehensive recommendations. I am sure they will receive every consideration.

Thank you very much.

How To Start Things Booming Again

EXTENSION OF REMARKS

OF

HON. J. ARTHUR YOUNGER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1961

Mr. YOUNGER. Mr. Speaker, a recent article from This Week magazine, by Secretary Hodges, contains a number of worthwhile suggestions which if accepted and put into operation by our people will undoubtedly go a long way toward improving business conditions. I feel that this article by our Secretary of Commerce should be made a part of the CONGRESSIONAL RECORD:

HOW TO START THINGS BOOMING AGAIN

(By Luther H. Hodges, Secretary of Commerce)

(Prosperity is everybody's business. The Secretary of Commerce, in one of the most important articles we've ever published, writes a prescription for a better America.)

WASHINGTON, D.C.—It appears that I touched a sensitive spot when I said to a press conference recently:

"If you really want to find what's wrong with this country, then you ought to see how little we are trying to sell. Try to go to a hotel and see how you are handled by the clerk or try a railroad for courtesy and you'll see we are not doing a half-job of selling in this country."

Aggrieved cries came from representatives of industries I had cited as showing discourtesy and lack of attention to customers. Spokesmen for hotels, airlines, railroads all pointed out, and quite correctly, that for some years they have conducted training programs in customer service.

Yet all of us—housewives as well as businessmen—have had experiences of the kind I complained about. Your letters made plain to me that we need to put a lot more courtesy and enterprise into our selling. They'd be wonderful qualities in our daily lives, whatever our occupation, and applied to selling, would do much to get our economy moving to higher ground.

Listen to what a Tennessee man wrote me:

"What an understatement you made. I have visited six auto dealers to try to trade for a new car. Only one dealer really tried to trade with me and I purchased his car, and honestly, I least preferred his make. One tried a little to sell me and the other four left the impression they would rather keep their cars."

Or a man from Lancaster, Pa.:

"I am a small businessman and I know how rough it is to try and get someone to sell something."

A Norfolk, Va., man who has been in sales work 53 years says:

"Customers should be treated right and not given any fancy upstaging. I could recite instances again and again of my own experiences, when I've wanted to buy something, some item I really needed, and had the cash right in my hands—and I just didn't get the service."

HOTELS AND AIRLINES, HEAR THIS

From Winston-Salem, N.C., comes a complaint that an airline "has thrown me off more flights because they have been oversold and haven't been the least bit courteous about it." After noting also that in hotels with national reputations he has been put in rooms not reconditioned for occupancy, this citizen declares:

"If they would do a good job of selling their product, the public would bend over backward to support them."

The same anemic attitude toward salesmanship that is draining vitality from our domestic economy also drags our export level below what it can and should be.

The U.S. Department of Commerce sent export survey teams to key areas of the world last year. Our experts who went to Australia and New Zealand came back and told us of a startling number of cases in which potential new customers had been almost literally turned away. They heard complaints from executives of more than 100 firms "down under." Though growing in the special soil of the export situation, most of them originate in the same root as our selling troubles at home—we're just not being courteous to the customer.

I was shocked and ashamed to hear that Australian businessmen, and many of their colleagues in other lands, said that a number of U.S. firms failed to answer their mail, acknowledge orders, or supply needed technical information.

The situation is similar in our own backyard—Mexico and Central America. Though we are still the leading supplier there, our share of the market has been declining, while West Germany, Japan and others are improving their positions. Why? Not just

lower prices. The 150 local businessmen interviewed in this area said we could overcome a price disadvantage of as much as 15 percent—if we gave thoughtful consideration to the needs of the local distributors on such matters as credit, delivery, service, parts, and packaging.

Thoughtful consideration to the needs of the customer—that's our problem everywhere. But so pitifully little is being done about it in relation to the need. Only about 1 percent of the people engaged in sales and service are taking extension courses in distribution. And less than 10 percent of industry's research dollar goes to improve the efficiency of marketing the products that are improved with the other 90 percent.

NEEDED: 6 MILLION EXPERTS ON SELLING

Without more training, where will we get the 6 million additional people who will be needed during the next decade in sales, clerical, and service occupations? How will they learn to sell and service the deluge of new products that's on the way—even today, about one-third of all sales revenue is from products that did not exist 10 years ago.

Salesmanship alone, of course, will not provide a magic solution to our complex economic problems. The President has sent to Congress a whole package of constructive proposals to help us grow. But I believe salesmanship can give just that extra push we need to get moving toward the new heights of which our economy is capable.

If we did a better selling job at home, it could bring about a slight but important shift in how we consumers divide our income between spending and saving. During the prosperous year 1955 we spent 93.7 percent of our personal income after taxes; in the last quarter of 1960, only 92.4. A 1-percent shift in favor of spending would mean sales of about $3,500 million more goods. Once consumer goods start moving faster, businessmen will be more inclined to invest in modern machinery, which is a key to prosperity at home to success in competing for the export market.

If we project a vigorous desire to serve we should also be able to do a much better job of selling abroad. Today we send only 4 percent of our gross national product into the channels of world trade, a far smaller percentage than other nations. We—business, labor, and Government together—have a heavy stake in increasing exports. For business it means greater profits. For labor, every $6,000 of export sales provides one job. For the Government, and that means for all of us, it helps keep the dollar sound, as the President has pledged to do.

Any businessman who really wants to sell his products or services at home or abroad can get help from the U.S. Department of Commerce.

Suppose he wants to know where the best domestic sales opportunities are. He can draw on $135 million worth of our census statistics, some of them broken down as fine as a city block.

HELP IN SELLING OVERSEAS

If he wants to sell overseas (and I hope more manufacturers will—today less than 5 percent do) we can help him with information we and the State Department collect from 260 oversea points. (Much of this material is published in our "Foreign Commerce Weekly," available for $6 a year from the U.S. Government Printing Office. A bit of selling by Luther Hodges, with no apologies made.)

Businessmen and women who have tapped the resources of our Washington or field offices often tell us that this act was the starting point of their selling-success stories. Mrs. Helen Sullivan, export manager of Mixermobile Manufacturers, Portland, Oreg., offers this colorful example:

"The first step we took was to analyze the foreign market with the help of the local department of commerce.

"It was up to us to make each one of our prospective dealers feel that he was the only one who could sell Scoopmobiles for us and that his success was the most important job that we had.

"We followed with the very best possible service we could render. To illustrate: A cable from Stockholm advised us they had a machine down at Kiruna, at the Arctic Circle, and could we airfreight the repair part. Well, I dashed downstairs to make sure we had the part, tagged it for export, sent out an SOS for the boxer-carpenter, and dashed back upstairs to make up the shipping papers. Within 40 minutes that part was on its way to the airport. The Swedes now think that Scoopmobiles are the next best thing to nude bathing."

We may never face the same problem as Mrs. Sullivan, but whether we're doing business across the Atlantic or on Broadway or Broad Street, let's take the "How can I help you?" approach.

Businessmen must study intensively the customer's needs and wants, using both Government data and personal investigation. Then they should do some critical self-questioning: "Is our product, in the form we now make and package it, just what the customer can best use? Could we perhaps adapt it just a little better to his requirements?"

Having made sure what the customer wants, they face the all-important step of presenting the product to him. That boils down finally to an effective person-to-person contact. The best advertising in the world will be useless if a rude or uninterested sales person handles the job.

We must face up to our growing need for sales people who radiate courtesy and an attitude of service to the customer, and have the knowledge about the product to be really helpful. Anyone who wants to make a career in selling must recognize that it takes training, and from time to time retraining, to keep up with change.

THE ONE-WORD SECRET OF SELLING

Some may ask, "Is a career in sales worth that much effort?" I can testify that it is, both in financial reward and the satisfaction that comes from being of service.

The problem of salesmanship is not a problem for businessmen alone. What I am talking about is an attitude toward people, which concerns every one of us. It could be boiled down to the one word "courtesy," defined as a regard for the other fellow.

If we breathe this spirit into our transactions, we'll get results. I know I have always found this so. During my first campaign for public office, I introduced myself to a stranger and told him I'd like him to vote for me as Lieutenant Governor of North Carolina. "I will," he said.

I was so taken aback by his prompt response that I asked, "Why?"

He said, "Because you're first person who's ever been interested enough to ask me."

SECRETARY HODGES' THROUGH-POINT CODE FOR SALESMEN

1. The customer is a human being. As such, he deserves and will get my respect and courtesy whether he buys anything or not.

2. The customer is an individual. He has his own special needs and feelings. I will seek to understand his feelings, just as I hope he will try to understand mine.

3. The customer has a right to information and the salesman an obligation to provide it. As a salesman who takes pride in his job, I will make it a point to learn all there is to know about my merchandise.

School Aid Proposal

EXTENSION OF REMARKS
OF
HON. HJALMAR C. NYGAARD
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 19, 1961

Mr. NYGAARD. Mr. Speaker, when the administration presented its general education bill to Congress, it outlined the needs of the various States and justified the expenditure of Federal funds on the grounds of inequities in educational facilities among the States.

While it may be that such inequities in the distribution of educational facilities exist, we are still faced with the problem of providing Federal funds with minimum interference by the Federal Government.

It has been generally assumed that one of the major defects in any Federal aid to education program is the control that the Federal Government must ultimately exercise over these funds on the very sound theory that to do otherwise would be irresponsible on the part of Congress.

With this in mind, I have introduced H.R. 7352 which will provide the States with the same amounts of money set forth in the Thompson bill as recommended by the House Committee on Education and Labor but would not require Federal supervision of these funds. The presumption is that the administration is concerned not with control of the schools but with providing the States with supplementary funds which would insure greater equality of educational facilities. This education bill, H.R. 7352, provides that individual State income taxpayers be permitted to deduct from their Federal tax payments an amount proportionate to the State's allotment as compared to the total individual income tax paid by the taxpayers within the State.

Here is how this would work. If a State's total individual income tax contribution to the Federal Government were $1 billion and the State's allotment under the education bill is $30 million, the ratio on which the taxpayer would base his payment would be 3 percent.

A taxpayer who has a total Federal tax obligation of $1,000 would then deduct $30 from his Federal tax payment and would make a payment in that amount to the school fund of his State. This payment will be known as a national education tax credit.

The percentages are established by the Commissioner of Internal Revenue each year on the basis of the total funds to be distributed within States as related to the previous year's individual income tax payments by State. This approach offers several advantages. Primarily, it leaves control of the funds entirely in the hands of the States and will remove any temptation on the part of the Federal Government to try its hand at assisting the States in the planning and operation of their school programs. Secondly, it will mitigate some of the constitutional questions which disturb those of us who are concerned with the prob-

lems arising out of dissemination of Federal funds.

Administration of the national education tax credit will be in the hands of the Commissioner of Internal Revenue. Procedures for establishing allotments are outlined in the bill and the Commissioner's duties would include notifying individual income taxpayers of the percentage amount of their national educational tax credit and subsequently in notifying the States of the amounts deducted by individual income taxpayers.

The effect is that the Federal Government will be permitted to make its contribution by virtue of the amounts deducted from its tax receipts and the States will benefit from a more equitable distribution of tax resources while retaining complete control over their school systems.

The following tables show how State allotments compare with the estimated tax contributions by States:

How States would fare under the School Assistance Act of 1961. H.R. 7300, as reported by the House Committee on Education and Labor

DURING FISCAL YEAR 1962

State	Federal allotment	Estimated taxpayments	Net aid received from other States	Net aid paid to other States
Alabama	$19,443,951	$7,056,000	$12,387,951	
Alaska	720,000	792,000		$72,000
Arizona	5,998,094	4,104,000	1,094,094	
Arkansas	10,425,320	3,384,000	7,041,320	
California	44,544,000	78,912,000		34,368,000
Colorado	7,205,967	6,768,000	437,967	
Connecticut	6,756,000	15,624,000		8,868,000
Delaware	1,404,000	4,032,000		2,628,000
Florida	17,757,438	18,072,000		314,562
Georgia	22,716,881	9,576,000	13,140,881	
Hawaii	3,028,821	2,160,000	868,821	
Idaho	3,570,943	1,944,000	1,626,943	
Illinois	28,848,000	51,624,000		22,776,000
Indiana	18,452,603	16,416,000	2,036,603	
Iowa	11,652,942	8,568,000	3,084,942	
Kansas	9,000,142	6,912,000	2,088,142	
Kentucky	17,341,707	7,560,000	9,781,707	
Louisiana	17,984,197	8,568,000	9,416,197	
Maine	4,191,943	3,096,000	1,095,943	
Maryland	11,081,647	13,824,000		2,742,353
Massachusetts	13,260,000	24,984,000		11,724,000
Michigan	30,721,893	32,184,000		1,462,107
Minnesota	14,900,449	11,592,000	3,308,449	
Mississippi	15,112,712	3,240,000	11,872,712	
Missouri	15,001,658	16,488,000		1,486,342
Montana	3,149,840	2,016,000	1,133,840	
Nebraska	5,959,285	4,536,000	1,423,285	
Nevada	912,000	1,512,000		600,000
New Hampshire	2,208,165	2,376,000		167,835
New Jersey	16,620,000	31,320,000		14,700,000
New Mexico	5,160,180	2,664,000	2,496,180	
New York	44,748,000	98,496,000		53,748,000
North Carolina	27,338,120	9,936,000	17,402,120	
North Dakota	3,673,773	1,368,000	2,305,773	
Ohio	32,009,124	41,616,000		9,606,876
Oklahoma	10,207,565	6,696,000	3,511,565	
Oregon	7,324,074	6,840,000	484,074	
Pennsylvania	35,660,985	50,040,000		14,379,015
Rhode Island	2,781,172	3,816,000		1,034,828
South Carolina	16,796,164	4,392,000	12,404,164	
South Dakota	3,612,393	1,440,000	2,172,393	
Tennessee	19,056,525	8,568,000	10,488,525	
Texas	47,031,161	31,176,000	15,855,161	
Utah	5,120,050	2,592,000	2,528,050	
Vermont	1,687,444	1,224,000	463,444	
Virginia	19,280,433	12,240,000	7,040,433	
Washington	10,510,741	11,736,000		1,225,259
West Virginia	10,459,897	4,896,000	5,563,897	
Wisconsin	16,217,215	14,904,000	1,313,215	
Wyoming	1,452,761	1,152,000	300,761	
District of Columbia, American Samoa, Guam, Puerto Rico, and Virgin Islands	19,901,625	4,968,000	14,933,625	
Total	720,000,000	720,000,000		

DURING FISCAL YEAR 1963

State	Federal allotment	Estimated taxpayments	Net aid received from other States	Net aid paid to other States
Alabama	$22,504,711	$8,114,400	$14,390,311	
Alaska	792,000	910,800		$118,800
Arizona	7,331,394	4,719,600	2,611,794	
Arkansas	11,779,714	3,891,600	7,888,114	
California	46,680,000	90,748,800		44,068,800
Colorado	8,698,243	7,783,200	915,043	
Connecticut	6,936,000	17,967,600		11,031,600
Delaware	1,488,000	4,636,800		3,148,800
Florida	21,837,266	20,782,800	1,054,466	
Georgia	26,749,075	11,012,400	15,736,675	
Hawaii	3,607,526	2,484,000	1,123,526	
Idaho	4,200,073	2,235,600	1,964,473	
Illinois	30,407,252	59,367,600		28,960,348
Indiana	21,990,119	18,878,400	3,111,719	
Iowa	13,697,699	9,853,200	3,844,499	
Kansas	10,719,925	7,948,800	2,771,125	
Kentucky	20,120,039	8,694,000	11,426,039	
Louisiana	21,408,585	9,853,200	11,555,385	
Maine	4,872,276	3,560,400	1,311,876	
Maryland	13,262,209	15,897,600		2,635,391
Massachusetts	14,015,876	28,731,600		14,715,724
Michigan	36,931,307	37,011,600		80,293
Minnesota	17,652,930	13,330,800	4,322,130	
Mississippi	17,463,880	3,726,000	13,737,880	
Missouri	17,719,213	18,961,200		1,241,987
Montana	3,762,672	2,318,400	1,444,272	
Nebraska	7,066,508	5,216,400	1,850,108	
Nevada	1,052,285	1,738,800		686,515

DURING FISCAL YEAR 1963—Continued

State	Federal allotment	Estimated taxpayments	Net aid received from other States	Net aid paid to other States
New Hampshire	$2,610,512	$2,732,400		$121,888
New Jersey	17,124,000	36,018,000		18,894,000
New Mexico	6,199,557	3,063,600	$3,135,957	
New York	45,648,000	113,270,400		67,622,400
North Carolina	32,062,401	11,426,400	20,636,001	
North Dakota	4,299,323	1,573,200	2,726,123	
Ohio	38,335,257	47,858,400		9,523,143
Oklahoma	11,814,383	7,700,400	4,113,983	
Oregon	8,659,682	7,866,000	793,682	
Pennsylvania	41,802,507	57,546,000		15,743,493
Rhode Island	3,267,013	4,388,400		1,121,387
South Carolina	19,704,975	5,050,800	14,654,175	
South Dakota	4,269,517	1,656,000	2,613,517	
Tennessee	22,151,170	9,853,200	12,297,970	
Texas	56,358,889	35,852,400	20,506,489	
Utah	6,103,607	2,980,800	3,122,807	
Vermont	1,953,072	1,407,600	545,472	
Virginia	22,825,041	14,076,000	8,749,041	
Washington	12,464,423	13,496,400		1,031,977
West Virginia	11,921,971	5,603,400	6,291,571	
Wisconsin	19,248,015	17,139,600	2,108,415	
Wyoming	1,718,826	1,324,800	394,026	
District of Columbia, American Samoa, Guam, Puerto Rico, and Virgin Islands	22,711,082	5,713,200	16,997,882	
Total	828,000,000	828,000,000		

DURING FISCAL YEAR 1964

State	Federal allotment	Estimated taxpayments	Net aid received from other States	Net aid paid to other States
Alabama	$25,079,145	$9,172,800	$15,906,345	
Alaska	852,000	1,029,600		$177,600
Arizona	8,652,896	5,335,200	3,317,696	
Arkansas	12,808,341	4,399,200	8,409,141	
California	53,293,666	102,585,600		49,291,934
Colorado	10,089,676	8,798,400	1,291,276	
Connecticut	7,200,000	20,311,200		13,111,200
Delaware	1,584,000	5,241,600		3,657,600
Florida	25,910,790	23,493,600	2,417,190	
Georgia	30,330,252	12,448,800	17,881,452	
Hawaii	4,011,288	2,808,000	1,203,288	
Idaho	4,719,828	2,527,200	2,192,628	
Illinois	35,136,142	67,111,200		31,975,058
Indiana	25,330,840	21,340,800	3,990,040	
Iowa	15,528,589	11,138,400	4,390,189	
Kansas	12,277,757	8,985,600	3,292,157	
Kentucky	22,479,722	9,828,000	12,651,722	
Louisiana	24,540,642	11,138,400	13,402,242	
Maine	5,463,133	4,024,800	1,438,333	
Maryland	15,411,124	17,971,200		2,560,076
Massachusetts	15,877,587	32,479,200		16,601,613
Michigan	42,996,522	41,839,200	1,157,322	
Minnesota	20,210,408	15,060,600	5,149,808	
Mississippi	19,294,787	4,212,000	15,082,787	
Missouri	20,249,152	21,434,400		1,185,248
Montana	4,335,525	2,620,800	1,714,725	
Nebraska	8,024,585	5,896,800	2,127,785	
Nevada	1,255,657	1,965,600		709,943
New Hampshire	2,983,880	3,088,800		104,920
New Jersey	18,569,947	40,716,000		22,146,053
New Mexico	7,145,930	3,463,200	3,682,730	
New York	47,064,000	128,044,800		80,980,800
North Carolina	36,091,394	12,916,800	23,174,594	
North Dakota	4,806,778	1,778,400	3,028,378	
Ohio	44,512,064	54,100,800		9,588,736
Oklahoma	13,113,226	8,704,800	4,408,426	
Oregon	9,872,629	8,892,000	980,629	
Pennsylvania	47,499,844	65,052,000		17,552,156
Rhode Island	3,721,699	4,960,800		1,239,101
South Carolina	22,175,416	5,709,600	16,465,816	
South Dakota	4,821,186	1,872,000	2,949,186	
Tennessee	24,841,316	11,138,400	13,702,916	
Texas	64,942,995	40,528,800	24,414,195	
Utah	7,033,486	3,369,600	3,663,886	
Vermont	2,194,802	1,591,200	603,602	
Virginia	26,064,333	15,912,000	10,152,333	
Washington	14,266,018	15,256,800		990,782
West Virginia	13,102,449	6,364,800	6,737,649	
Wisconsin	22,097,312	19,375,200	2,722,112	
Wyoming	1,952,725	1,497,600	455,125	
District of Columbia, American Samoa, Guam, Puerto Rico, and Virgin Islands	24,182,517	6,458,400	17,724,117	
Total	936,000,000	936,000,000		

Source of data: Col. 1, H. Rept. 445, "School Assistance Act of 1961." Other columns computed by the Chamber of Commerce of the United States.

The Need for More Rigid Restrictions on Imports

EXTENSION OF REMARKS
OF
HON. JOHN P. SAYLOR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 19, 1961

Mr. SAYLOR. Mr. Speaker, today I presented testimony on the need for more rigid restrictions on imports to the Subcommittee on the Impact of Imports and Exports on American Employment, a part of the House Education and Labor Committee, and wish to extend my remarks to include the statement I presented before that distinguished group:

Mr. Chairman, the subcommittee is to be congratulated for this most important undertaking. I am particularly happy to notice that so many sections of the country are represented in your membership. I have followed closely the circumstances involving the formation of this subcommittee, and I have observed reports of your plans for a most penetrating pursuit of the subject.

It is my experience that out of this committee could emerge a nucleus of members around which a new approach to international trade may be developed. None of the districts represented by your group has escaped the fearful impact of foreign competition. On the other hand, each district has no doubt enjoyed at least some economic benefit through the movement of American-made goods into other nations.

It is unlikely that any member of this subcommittee would care to be considered an advocate of free trade, any more than his colleague would care to be listed as a complete isolationist with respect to international commerce. I will tell you frankly that, while I have insisted upon more rigid restrictions against imports that take away American jobs, no one is more interested in expanding an interchange of goods between nations than I. I can foresee that free trade would have enormous benefits—social as well as economic. So would complete freedom to cross international borders and reside where anyone might choose without the necessity of visas or citizenship papers.

But neither free trade nor unrestricted immigration is practical, now or in the immediate future. Speaking from our own viewpoint, it would be entirely illogical to give any serious thought to such theories.

Mr. Chairman, I do not intend to impose upon your time by further expanding on my philosophies in these matters. Nor do I intend to present a statistical analysis to impress upon you the reasons why I feel that we must adopt more stringent import policies. I recognize that today's hearing is to be devoted to the imports and exports of fuels, and from your list of scheduled witnesses today, it is obvious that any attempt on my part to submit documentary data would largely be repetitious and superfluous. For this reason I shall limit my statement to some observations that I have absorbed over the decade or more since jobs in my district first started to disappear when east coast fuel markets began to become submerged in a sea of alien oil.

From the time that I entered Congress, I have recognized residual oil imports as one of the most unfair and damaging handicaps to which the American coal industry has ever been subjected. I have sponsored bills calling for quota restrictions, and I have communicated with Members of both the House and Senate in an effort to enact necessary legislation. I frankly look to this subcommittee as a vehicle through which this effort may finally come to fruition.

I had been a Member of the House only a short time when subcommittees were created on both sides of the Capitol to make a study similar to the objectives of your group today. That was in 1950. In the preceding year, 74½ million barrels of residual oil—which would be equivalent to about 18 million tons of bituminous coal in energy value—were imported into the east coast. Now, Mr. Chairman, you and I have always been very close to the coal mining industry. We have watched some little mining camps grow into important communities; we have seen others gradually disappear as breadwinners found that it would not be inconvenient for them to drive 10, 20, or even 30 miles to their place of work in order that their families might select residential areas of their preference.

With this improvement in transportation facilities, we also witnessed mechanization of the mining processes, whereby the pick and shovel disappeared into the oblivion of obsolescence, and monstrous electric-powered drills, cutters, loaders, and other equipment came in to assume leading roles in the job of extracting solid fuels. This equipment was installed at great expense to management; at the same time it required courage, foresight, and confidence on the part of the mine union.

The United Mine Workers of America would not attempt under any circumstances to be a part of hindering their industry's remarkable advancement. Obviously, when automatic equipment is able to double productivity within a short space of perhaps 10 years, less jobs are going to be available unless output increases proportionately.

Yes, Mr. Chairman, you and I know that the coal industry had girded for a normal if not prosperous postwar period. Domestic competition was growing rapidly, yet there was no doubt that coal could keep its industrial customers and gain new ones by keeping its price static as other commodities were carried high along in the updrafts of inflation. Certainly automation would keep an important percentage of the miners from getting back into the industry. But there would be other jobs for them, or so we thought. With coal sales vigorous, you necessarily have to employ more operating men on the railroads. More maintenance men. More shop workers. You have a greater number of men working to provide timber, roof bolts, and the myriad of supplies and equipment required in and around the mines.

Then there are the other business aspects in coal and railroad communities—haberdasheries, banks, service stations, hardware stores—you name any single enterprise in a large number of cities and towns of central and western Pennsylvania and I will show you that the number of persons it hires will depend largely upon the state of affairs in the coal industry.

By now there had developed a vast bureaucracy of debonair doctrinaires overwhelmingly enamored of their social ability with the diplomats from here, there, and everywhere. American jobs were no consideration in this game of international politics and diplomacy. The interests of our industries and our workers were completely subordinated to appeals and demands from outside our borders.

International oil shippers also took part in these early discussions here on Capitol Hill. As I recall, these shippers were also very heavily represented among State Department officials engaged in foreign oil policies.

So, Mr. Chairman, back 11 years ago it was established without any question whatsoever that foreign residual oil was usurping the marketplaces upon which our neighbors—yours and mine—had depended for their livelihood. That determination was made on the basis of investigations surrounding the importation of 74½ million barrels of residual oil, for a single year.

Now let us examine last year's figures. In 1960 a grand total of 230 million barrels of residual oil came into this country—a shocking reflection upon the Government's business sense, or sense of feeling for American workers, or just plain horse sense. Looking back over the years, it is inconceivable that any responsible Federal department could possibly advocate, or support, or even tolerate a program that constantly eradicates more and more job opportunities in this country.

The only semblance of relief that has come about over this long period of distress for coal and related industries resulted from a Presidential Proclamation of 1959 in which mandatory restrictions on residual oil imports were invoked. The levels set under that order have since been tampered with to such an extent that their effectiveness has been completely diluted by those in charge of the program. The new Secretary of Interior was in office only a short time when he found it expedient to boost allowable volumes. I personally am convinced that he was in error in lifting the permissible import levels. I do not think there is any question but that we would find ourselves in a critical fuel shortage if an emergency should develop before the coal industry resumes a semblance of its normal production activities and railroads begin to get more coal freight cars into operation.

The Secretary of Interior himself made this statement last week before the Senate Interior and Insular Affairs Committee:

"In short, we should take action now to insure against an energy gap."

I submit that this excerpt is charged with a great deal more interest and responsibility than is immediately apparent. There is every reason to believe that, unless domestic fuels production is permitted to increase during the interim period, a critical energy gap could become a distinct possibility in an emergency.

This matter must, of course, be dealt with at diplomatic levels where other nations are concerned, but the liability that is ours requires prompt action to prevent America's defense structure from becoming bogged down in an energy shortage. While the defense aspects are not of primary concern to this subcommittee, I feel that the information should be made a part of this record in hopes that responsible officials of the Interior Department will reconsider the prevailing residual import quota levels. I am confident that a close study will convince the Secretary that a cutback is a prerequisite to returning our coal and railroad industries to a ready condition.

Mr. Chairman, the 18½ million tons of bituminous coal equivalent that entered the Atlantic Seaboard in tankers during 1949 were less than 4 percent of the Nation's bituminous coal production. The comparable tonnage for 1960 was in excess of 13 percent of national output. In other words, the sharp rise in volume of incoming residual oil has more than tripled in ratio to domestic coal production.

Gentlemen, you are going to hear the detailed, statistical story of our economy losses from industry and union witnesses. Unfortunately, however, only those members of this subcommittee whose districts comprise or are within close proximity of mining communities can fully appreciate the hardship directly attributable to too much foreign oil. I find that hearings are scheduled for next month in Pittsburgh and Wheeling, and I hope that in these visits you might have an opportunity to stop in one or more towns in western Pennsylvania where residual imports have created hunger and general poverty over the past decade. Needless to say,

in that part of the country you will also find distress brought about by the importation of glass, pottery, machine tools, electrical equipment, ceramics, and innummerable other items produced in countries where wages are shamefully low.

Now, I would imagine that no one on this committee has the good fortune to represent a district which is not in some way affected detrimentally by import competition. I say that I believe this group can become the nucleus for a strong crusade to set up necessary protection when the Trade Agreements Act expires next year because these hearings will without question produce indisputable evidence that the Nation's economy will not move forward properly unless safeguards against unfair competition are established and adhered to. The people in my district are not insensitive to the problems of their neighbors whom you represent. We do not protect tariffs and quotas on agricultural products, leather goods, fish, textile, headwear, and the numerous other commodities whose production must continue at high levels in this country if surplus labor areas are to be eliminated.

Wisconsin Has Many "Firsts" in Dairying

EXTENSION OF REMARKS
OF
HON. LESTER R. JOHNSON
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 19, 1961

Mr. JOHNSON of Wisconsin. Mr. Speaker, under leave to extend my remarks, I would like to make a few observations about the importance of the dairy industry to my home State of Wisconsin as well as to the Nation as a whole.

The silver anniversary of the observance of June Dairy Month calls attention to the gold brought to Wisconsin dairymen through the unceasing flow of milk during the past 25 years. There have been slight variations in the total cash value, but in that time, the income from milk have averaged out at better than a half billion dollars a year for State farmers.

Well known as America's Dairyland, Wisconsin leads in the manufacture of dairy products. Since our State's population is modest, around 85 percent of the milk produced in Wisconsin is shipped out of State in many forms for sale and consumer consumption across the Nation.

Wisconsin ranks first in the production of American cheese, brick cheese, munster cheese, blue mold, limburger, and Italian cheeses, malted milk powder, condensed whole milk, dry whey, condensed skim milk and evaporated milk. It is second in the production of swiss cheese, butter, dry buttermilk, and dry skim milk for both human and animal uses—and ranks third in dry whole milk production and ninth in ice cream gallonage.

Obviously, June Dairy Month means much to Wisconsin, but the observance also has considerable national significance. The nutritional value of milk and dairy products in the diet of young and old alike is widely recognized, and the nutrients in dairy foods represent a tremendous bargain the year around. According to U.S. Department of Agriculture estimates, dairy products make up about 28 percent of our total food supply, yet they take only 19 cents out of each market-basket dollar.

The dairy industry not only helps to maintain the Nation's health but also plays an important role in our total economy. About 14 percent of total cash farm receipts comes from milk and dairy products, providing a leading source of agricultural income which is spread throughout virtually every State in the Union.

Farm Migrants May Get a Break at Last

EXTENSION OF REMARKS
OF
HON. WINFIELD K. DENTON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, June 19, 1961

Mr. DENTON. Mr. Speaker, in the area of migratory farmworker problems and the legislation pertaining directly to these problems which the Congress considers, there is a great inconsistency between the principles we profess and the policies we initiate. The most recent example of this "double standard" manifests itself in the passage of H.R. 2010, which would extend for 2 years Public Law 78, generally known as the bracero program.

The bracero program, the origins of which date to World War II, originally resulted from labor shortages during this period. In 1951, the Congress enacted Public Law 78 as an amendment to the Agriculture Act of 1949. The purpose of Public Law 78 was to authorize the importation of Mexican nationals into the United States for temporary agricultural employment, thereby supplementing our domestic farm labor force. Today, our domestic farm labor force is no longer in need of supplementary workers. Secretary of Labor Arthur J. Goldberg has stated that rural underemployment is the equivalent of 1,400,000 fully unemployed workers. Yet despite this high rate of underemployment, 315,000 Mexican nationals were admitted into the country last year under the provisions of Public Law 78. Logic tells us that many of the farm jobs performed by Mexican nationals could be performed by our own domestic farmworkers.

As if this situation is not, in itself, serious enough, Public Law 78 gives Mexican farmworkers better protections than we afford our own citizens engaged in farmwork. Mexican nationals are provided workmen's compensation, free housing while at employment centers, free transportation from Mexican migrant stations to reception centers in the United States, guarantees of minimum work periods, and guarantees of wages not less than the prevailing wages paid to domestic farmworkers for similar work within the area of employment.

This year, Congress is considering the continuation of this program in its present form. Although such an extension will adversely affect our domestic farmworkers, its real impact will be felt by our migratory workers who are already at the bottom of the economic and social scale.

It was, therefore, with a great deal of interest that I noted an excellent editorial in the Louisville (Ky.) Courier-Journal on May 17, entitled "Farm Migrants May Get a Break at Last."

The editorial points out that—

> The Mexicans, who flock thankfully from depressed villages and rural areas, are an effective guarantee that there will be a surplus of domestic migrant workers. The latter, therefore, will take what they can get as wages and working conditions and are afraid of union attempts to organize them into fighting for something better.

It is encouraging to know of the effective work of the Senate Subcommittee on Migratory Labor. Senator HARRISON A. WILLIAMS, JR., the distinguished junior Senator from New Jersey, who is chairman of the subcommittee, has introduced an 11-point legislative program relating to migratory farmworker problems. This program includes measures for improved educational opportunities for migratory farm children and adults, Federal crew leader registration and improved health services and facilities for migratory farm families—to mention only a few.

The editorial notes that these bills—

> have strong administration backing and public opinion * * * has at last stirred to an uneasy consciousness of the plight of these poorest of Americans.

Because this editorial is indicative of the "uneasy consciousness" which has been aroused in light of the deplorable conditions under which our migratory farmworkers live and work, under unanimous consent I include the editorial in the RECORD at this point:

FARM MIGRANTS MAY GET A BREAK AT LAST

A Mexican farm labor bill, passed last week by a conservative coalition in the House of Representatives, enables the factory farmers of the Southwest to bring in another 300,000 Mexican nationals over a 2-year period. The bill significantly says nothing about domestic migrant workers and every amendment to tie their pay rates and working conditions to those of the Mexicans was defeated.

The importation of Mexicans began as a World War II emergency measure. A powerful farm lobby has insured its renewal ever since for brutal but effective economic reasons. The Mexicans, who flock thankfully from depressed villages and rural areas, are an effective guarantee that there will be a surplus of domestic migrant workers. The latter, therefore, will take what they can get as wages and working conditions and are afraid of union attempts to organize them into fighting for something better.

The Mexican worker, low though his lot is, is better paid, better fed and better housed than the U.S. migrant. The Mexican Government, aroused by earlier scandals over the treatment of migrants, insists upon a treaty defining the working conditions of its nationals. The U.S. migrant worker has no such protection. He takes what he can get; his entire family must work in the fields.

BRIGHTER HOPE IN THE SENATE

But the coalition which passed the Mexican labor bill shouted down every effort to

tie the wages received by Mexicans to those received by U.S. citizens, and every effort to reduce or liquidate the import program.

Fortunately the chances for effective legislation bringing U.S. migrants under some sort of Government protection are far higher in the Senate. An effective subcommittee on migratory labor, of which Senator HARRISON A. WILLIAMS, JR., is chairman, has held hearings over the past 20 months with field trips and hearings in the eight States using the largest number of migratory workers. The committee has begun hearings on bills covering minimum wages and educational opportunity for migrant child workers, Federal registration of migrant labor contractors, health service grants for improving health services and living conditions, and the like. Other bills still to be considered would establish a minimum wage pattern, set minimum housing standards, and improve the programs of recruitment, transportation, and distribution of farmworkers.

These bills will meet with powerful hostility from farm interests in the Senate, and with a tough fight when they return to the House. But they have strong administration backing and public opinion, aroused by the bleak documentary "Harvest of Shame," which CBS produced last year, has at last stirred to an uneasy consciousness of the plight of these poorest of Americans.

Results of Questionnaire to the First District of Massachusetts

EXTENSION OF REMARKS
OF
HON. SILVIO O. CONTE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, June 19, 1961

Mr. CONTE. Mr. Speaker, a poll of public opinion on the great questions that face our Nation today is not a new means of ascertaining the feelings of the people on those issues. Instead, polls have become almost common in their usage. To be an accurate reflection of the feelings of any group of people, the results of a public-opinion survey must be taken either from the total group or from a representative proportion of the group.

From time to time, I submit to my constituents a questionnaire, not intended to be a poll, that gives them the medium for expressing their opinions directly to me. I am gratified that I have received 2,300 replies to my most recent questionnaire, many of which contained excellent comments and reasons for the respondents' position.

Mr. Speaker, under leave to extend my remarks in the RECORD, I include the questions and the results of this questionnaire:

	No opinion expressed	Yes	No
FEDERAL AID TO EDUCATION			
Do you favor—			
Federal funds for teachers' salaries?	157	597	1,546
Federal funds for public school construction?	138	1,449	713
Federal loans to private and parochial schools?	115	650	1,535
Federal grants to private and public schools?	214	458	1,628
Federal funds for school districts burdened with children of Government employees?	246	1,255	799
MEDICAL AID FOR THE AGED			
Do you favor—			
Compulsory plan, administered by Federal Government and financed by employer-employee increases in social security taxes?	212	796	1,292
Voluntary, State-administered plan, financed by State, Federal, and individual contributions?	292	1,192	816
FEDERAL HIGHWAY PROGRAM			
Do you favor—			
Continuing present "temporary" 1-cent-per-gallon gasoline tax and adding ½-cent-per-gallon tax?	398	473	1,429
Continuing present "temporary" 1-cent-per-gallon gasoline tax and increasing truck, diesel, and tire taxes?	304	1,160	836
Removal of present "temporary" 1-cent-per-gallon gasoline tax and increasing truck, diesel, and tire taxes?	410	740	1,150
FOREIGN AID PROGRAM			
Do you favor—			
Continuing economic aid under the mutual security program to nations committed as our allies?	223	1,719	358
Continuing military aid under the program to nations committed as our allies?	282	1,657	361
Continuing economic aid to independent and uncommitted nations?	364	927	1,009
Continuing military aid to independent and uncommitted nations?	407	587	1,306
Increased economic assistance to underdeveloped countries?	334	1,398	568
Economic aid to former independent nations like Poland and Hungary now behind the Iron Curtain?	338	539	1,423
PRESIDENT KENNEDY'S ADMINISTRATION			
Do you favor—			
The proposed Peace Corps?	347	1,248	705
A summit meeting between President Kennedy and Khrushchev soon?	295	646	1,359
President Kennedy's proposals to correct the balance-of-payments deficit?	827	1,039	434
President's proposal for increased spending for national defense buildup?	366	1,409	525
An unbalanced budget to enable completion of the President's economic and defense programs?	363	798	1,139
SOLUTION OF ANNUAL POST OFFICE DEFICIT			
Do you favor—			
Increasing 1st class postal rates from 4 cents to 5 cents, airmail from 7 cents to 8 cents?	217	1,040	1,043
Increasing 2d and 3d class rates?	192	1,685	423
No increases in rates, with Treasury appropriation to offset the deficit?	524	430	1,346
ASSISTANCE TO COLLEGE ATTENDANCE			
Do you favor—			
Long-term, low-interest, Federal loans for tuition and expenses?	156	1,662	482
Tax deductions to parents with children attending college?	117	1,587	596
GI-bill-type assistance to peacetime soldiers?	244	808	1,248
HOUSE UN-AMERICAN ACTIVITIES COMMITTEE			
Do you favor—			
Continuation of this committee, often accused of contravening individuals constitutional rights, and its program of investigation of communistic activities within the United States?	188	1,646	466

A Living Memorial for F.D.R. Supported by the Wilmington (Del.) Morning News

EXTENSION OF REMARKS
OF
HON. HARRIS B. McDOWELL, JR.
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES
Monday, June 19, 1961

Mr. McDOWELL. Mr. Speaker, recently I introduced a bill, H.R. 7664, to establish the Franklin Delano Roosevelt Memorial National Park.

I am pleased to say that the Wilmington, Del., Morning News has supported my proposal editorially. My bill would establish a formal public garden which, the Wilmington Morning News says, "President Roosevelt would have liked."

The editorial continues:

Anyone who has visited his home at Hyde Park, N.Y., knows that he had an eye for natural beauty. The estate is a beautiful place, worth seeing as much for its own sake as for the fact that it was Roosevelt's home. And the memorial there is simple—in marked contrast to the one that would be built in Washington.

I include here, as part of my remarks, the text of the editorial, my press release on my bill at the time of its introduction, and the text of my bill, H.R. 7664:

[From the Morning News, June 17, 1961]

THE IDEA HAS APPEAL

U.S. Representative HARRIS B. McDOWELL, JR., doesn't like the looks of the proposed memorial to President Franklin D. Roosevelt—and judging from the pictures we've seen, we can hardly blame him. There's a pagan look about those 17-story slabs that

just doesn't seem fitting as a memorial to one of our past Presidents.

Mr. McDOWELL has done something in line with his feelings, and we'd call it constructive. He has prepared a bill to block construction of the slabs. More than that, Mr. McDOWELL would have formal gardens created in their place.

This, we suspect, President Roosevelt would have liked. Anyone who has visited his home at Hyde Park, N.Y., knows that he had an eye for natural beauty. The estate is a beautiful place, worth seeing as much for its own sake as for the fact that it was Roosevelt's home. And the memorial there is simple—in marked contrast to the one that would be built in Washington.

This business of building memorials to Presidents seems to be getting out of hand. If it keeps up, Washington is going to be littered with monumental structures or sculptures that only mar the landscape.

Mr. McDOWELL's idea of a living memorial has both appeal and merit. We hope he will be successful in his intention—and venture to suggest that it might be a good idea to extend it to memorials for other Presidents. Living memorials are far more in keeping with the essential nature of America than are cold stone temples.

NEWS RELEASE FROM THE OFFICE OF HARRIS B. McDOWELL, JR., CONGRESSMAN AT LARGE, DELAWARE

Congressman HARRIS B. McDOWELL, JR., Democrat, of Delaware, today introduced a bill to establish the Franklin Delano Roosevelt Memorial National Park.

The park would be located on the 27-acre tract which the Congress set aside in 1959 for an F.D.R. memorial in the Nation's Capital between the Lincoln and Jefferson memorials.

Recently the F.D.R. Memorial Commission proposed a memorial in the form of 17-story slabs on the site; a memorial which has proven to be one of the most controversial memorials ever conceived.

Congressman McDOWELL said his plan was "a compromise which should receive wide support, and even among the members of the F.D.R. Memorial Commission."

Congressman McDOWELL, on the floor of the House, has declared that the "Stonehenge slab" memorial was "tasteless" and would destroy badly needed parklands.

"What irony," said Congressman McDOWELL, "to destroy parklands in the name of one of the greatest champions of parks the people have ever known; a man who specifically asked for a simple memorial."

Congressman McDOWELL today pointed out that there is rising opposition throughout the country, and on the part of the residents of the Nation's Capital, to the bookend slabs, and that what the people really want is a living memorial.

Congressman McDOWELL said his bill would "provide a formal public garden which would combine features of the Longwood Gardens on the Du Pont estate near Wilmington, Del., with some of the features of the formal gardens at Mount Vernon, which were developed by George Washington, and the gardens at Monticello which Jefferson developed—to provide a public park so beautiful in its seasonal display of the glories of nature as to live for all time in the memory of the millions of American and foreign visitors to our Nation's Capital."

The text of the new McDowell bill follows:

"H.R. 7664

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there is hereby established the Franklin Delano Roosevelt Memorial National Park (referred to hereafter in this Act as the 'park'). The site of the park shall be the site reserved in the first section of the joint resolution of September 1, 1959 (73 Stat. 445).

"SEC. 2. The Secretary of the Interior (hereafter in this Act referred to as the 'Secretary') shall develop the park on a continuing basis to enhance its cultural, artistic, and educational value to the public. In the original plans for such development, provision shall be made for a formal public garden. The Secretary shall landscape the park and shall include therein statues, fountains, and such other embellishments as may be suitable and fitting. The Secretary shall provide facilities for cultural, artistic, and educational activities. Plans for the entire park need not be completed in detail before construction is begun in a part thereof, and revisions and modifications may be undertaken in the light of experience and changing circumstances. It is the intention of the Congress that the development of the park shall proceed over a period of years, so that each part thereof not only will harmonize with the whole, but also will in itself represent the highest attainable standards of excellence.

"SEC. 3. In selecting or formulating plans and designs (including any revisions thereof) to carry out section 2 of this Act, the Secretary shall consult the Franklin Delano Roosevelt Memorial Commission, the Commission of Fine Arts, the National Capital Planning Commission, the Commissioners of the District of Columbia, the Chairman and Superintendent of the District of Columbia Recreation Department, the President of the District of Columbia Board of Education, and the Superintendent of Schools of the District of Columbia.

"SEC. 4. The Secretary is authorized to accept on behalf of the United States such gifts of money or other property as may in his discretion be appropriate for use in carrying out the purposes of this Act.

"SEC. 5. The provisions of the Act of August 25, 1916, entitled 'An Act to establish a National Park Service, and for other purposes,' as amended and supplemented, shall, except to the extent inconsistent with this Act, apply to the Franklin Delano Roosevelt Memorial National Park."

Washington Report

EXTENSION OF REMARKS
OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1961

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newsletter of June 17, 1961:

WASHINGTON REPORT

(By Congressman BRUCE ALGER, 5th District, Texas)

JUNE 17, 1961.

The Dallas Federal Building has become the symbol of a challenge which may well affect the very foundation of representative Government. The House Public Works Committee this week turned down the Dallas project on a straight party-line vote with 16 Democrats voting against the project and 14 Republicans favoring approval. The question which the Congress must now decide is—can a Federal project be denied to a district for political reasons, or should it be decided upon its merits, whether or not it will best serve the people at the least cost to the taxpayers? Following the vote of the Public Works Committee, I addressed a letter to every Member of the House of Representatives in which I pointed out that the issue involved could affect any Member of Congress who may come under the disfavor of the House-Senate leadership. After 7 years, in which I have tried every reasonable means within the procedures of the House of Representatives to have this matter settled upon its merits, the action of the committee this week forces me to reluctantly agree with those who have claimed from the beginning that the Federal Building for Dallas would not be approved so long as a Republican member represents that district.

I have defended the leadership of Congress against those charges because I refused to admit that any Member of Congress could be guilty of political coercion or attempted bribery of the people of a congressional district to influence the selection of a Representative acceptable to those who happen to be in control of Congress. Now, as a result of the vote of the members of the majority party on the Public Works Committee and the long history of discrimination against this project, I have no other choice than to reach the conclusion that the Dallas Federal Building is being held up for purposes of political retaliation and in an attempt to punish me as the Representative of the people of the Fifth District of Texas.

Perhaps it would be politically wiser for me to go along and not make an issue of the principle at stake here. It may be that if I were to keep quiet the House leadership might give the word at some uncertain date in the future and the Dallas Federal Building would be approved. If I take that course of forbearance in the face of intimidation, what then confronts any individual Member of the House when any action in which the man engages brings down upon him the displeasure of the leadership? How can we truly represent the people of our individual districts in a manner in keeping with our beliefs if we can be reprimanded or the people bribed into electing only representatives acceptable to certain leaders?

Because I feel that the very foundation of representative government is threatened by the political manipulation manifest in handling approval for the Dallas Federal Building, I see no other course in honestly representing the people of Dallas County than to face the issue squarely and determine once and for all that political reprisal and bribery and the tyranny of leadership are not to be tolerated in the Congress of the United States.

In a determined effort to bring about fair and impartial consideration of the Dallas Federal Building with a decision being reached on merit alone as to whether the project is in the best interest of the people of Texas and the Southwest and will save money for the taxpayers, I will take the issue to the floor of the House during the coming week.

The cost of bureaucracy to the taxpayers was clearly demonstrated in the House this week by Congressman PHIL WEAVER, of Nebraska, during debate on the Commerce-General Government appropriations bill. Mr. WEAVER presented examples of some defense contracts in which arbitrary decisions were made to pass up the low bidder when it was decided the firm making the bid was too big. There is merit in giving favorable consideration to small business in order to insure smaller companies a fair distribution of Government contracts. However, giving a single individual power to declare a bid "unresponsive" (a new bureaucratic term) has doubled the cost of some projects.

The greatest moment in the entire 7 years I have served in Washington came on Thursday when a packed Senate gallery (several hundred of the spectators from Texas) gave unprecedented and prolonged applause to JOHN TOWER as he took the oath of office as Senator of the United States from Texas. Many Senators, as well as those in the galleries, were seen to wipe away a tear as the emotion-packed scene stirred every patriotic

fiber of all of us, as Texans, as Americans. We were witnessing an historic moment and every heart received the message. Our prayers, our friendship, our unqualified pledge of support goes to the newest U.S. Senator, JOHN TOWER. His election will mean a better America in the years to come.

The Ways and Means Committee this week approved a bill providing for a (temporary?) addition of $13 billion in the debt limitation. I joined with Congressman JAMES UTT in calling for an honest approach by either repealing the debt limit outright or, more desirably, of living within the limitation of our willingness to tax.

Fish Flour

EXTENSION OF REMARKS
OF
HON. HASTINGS KEITH
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1961

Mr. KEITH. Mr. Speaker, while America rockets across the threshold of the space age and daily records evermore dramatic advances in science and technology, there remains today—earthbound and inescapable—the tragic fact that in restless nations the world over people are not getting enough to eat.

Hunger is not a new frontier. To half the people of the world, however, it is a day-to-day matter of life or death, and to those starving millions food for their children and themselves is the central, if not the only, issue in a cold war that has spread to even the most remote villages of Africa, Asia, and Latin America.

An article by Rowland Evans Jr., of the Herald Tribune News Service, which appeared yesterday on the front page of the Washington Post and in other newspapers throughout the country, pointed up the shocking economic conditions existing in the northeastern provinces of Brazil—perhaps the most critical situation in this hemisphere. In this area an estimated 20 million peasants are poverty stricken, underfed and certainly in their tragic circumstances vulnerable to the radical forces now plotting to exploit their discontent.

Brazil may now be the hot spot of the hunger war, with all its potent international implications, but those 20 million peasants are almost insignificant in number when compared to the worldwide total of others like them. More than half the world's rapidly expanding population now suffers the misery and physical devastation of malnutrition, or what health experts describe as "chronic starvation." This is not the painful emptiness that can be mitigated by a bowl of beans or rice. It is the ancient hunger of the tissues and cells of the body which never had the necessary quantities and qualities of food for proper growth and health.

Malnutrition annually claims more lives than cancer, malaria and tuberculosis combined, because it is a basic affliction that opens the way for attack by other diseases.

In Mexico, where the mortality rate among preschool children is 600 percent higher than in this country and attributed directly to an insufficient diet, large masses of the population scarcely ingest 60 percent of the calories needed to produce an average day's work.

India, so strategic in the struggle between the Communist and free worlds, is perhaps the worst fed nation on earth. Two-thirds of its population is undernourished, and the problem has become worse instead of better since the end of World War II. The average Indian's inadequate daily diet of 1,880 calories today is 130 calories less than he received in the middle thirties.

In Brazil, Mexico, Tanganyika, Ghana, and dozens of other underdeveloped countries, the most severe need, and what these people in many cases have lacked for centuries, is enough health-giving animal protein. Yet, the waters adjacent to these hungry nations teem with the raw material to solve this oldest of problems.

Use of fish and marine animals as a source of protein has been seriously hampered by inferior means of harvesting, processing, and storage. But, now, with more advanced fishing techniques and more than 5 years of experimentation, a practical method has been perfected to meet the urgent demand to supply the 2 billion undernourished people of the world with an abundant and inexpensive source of protein to supplement their native diets.

This remarkable new food from fish could be of firstline importance to the stepped up freedom from hunger campaign of the United Nations and our own food for peace program—one of the agencies which may be used to combat the crucial situation in Brazil. It could also, conceivably, be a major boon to the ailing American fishing industry.

Known as whole fish flour, it is more accurately described as fish protein concentrate, and appears to be the most efficient product yet developed for converting protein from the sea into human food.

A tasteless and odorless powder, fish flour is made from the whole fish and is the world's cheapest, most abundant and biologically richest source of animal protein—two and a half times the food value of milk powder at the same cost. One of its chief qualities is an ability to withstand adverse storage conditions, and it is particularly suited to the unrefrigerated facilities of the tropics. As a human food it has growth-promoting characteristics that surpass even the widely used flour made from soybeans.

The VioBin Corp., of Monticello, Ill., a pharmaceutical preparation company, has set up a pilot plant for the production of fish flour in New Bedford. Early cost estimates indicate it can be successfully produced at a price of only 14 cents a pound, with a protein content in excess of 80 percent by weight.

Considering the great world need for protein of high quality, the market for fish flour is limitless. The source, too, is virtually inexhaustible, as the raw material is not prime fish—commercially marketable—but sizes and species of fish which until now have been cast from the nets as worthless by the industry.

The exciting potential of such a food is illustrated by the fact that 1 million tons of fish flour could provide the annual protein requirements of 100 million people.

This food supplement is now being used and tested on a limited scale in 48 nations. In cooperation with ICA and various other organizations it has undergone exhaustive study. In El Salvador, where one such test was conducted, the introduction of fish flour into the native diet brought amazing results. Mixed with other foods, it "markedly increased the rate of weight and height gains in children exhibiting various degrees of malnutrition and tended to increase the resistance of the subjects against illnesses and intercurrent infection."[1]

This should be wonderful news—a genuine breakthrough in the age-old fight against hunger and illness.

Unfortunately, however, there is still a serious obstacle to the worldwide distribution of fish flour. As a new food product, this dietary supplement is subject to the approval of the Food and Drug Administration. Such approval has been withheld because the FDA takes the position fish flour is "adulterated" and therefore unfit for human consumption because it is made from the whole fish. Our sources report this is not a health question, but what has been termed an "esthetic judgment."

FDA has argued the average American consumer would reject fish flour as a food on esthetic grounds. In defense, proponents point out that the use of whole fish—dried, defatted, deodorized and reduced to a fine powder—should be more attractive from an esthetic standpoint than oysters, sardines, clams and other seafoods which we all enjoy and which are eaten whole or often contain the viscera.

In an effort to satisfy FDA that fish flour will be a uniform, high-quality product for the benefit of the consumer and that the consumer would be protected by accepted food handling techniques and standards of sanitation, a strict "standard of identity and definition for whole fish flour" is being prepared. These standards are being drawn up by the Bureau of Commercial Fisheries in conjunction with the manufacturer, Dr. Ezra Levin, and Harold Putnam, counsel for the Senate Select Committee on Small Business.

It is anticipated FDA will publish the standards in the Federal Register and subsequently conduct a public hearing on the question of whether whole fish flour should be permitted to be marketed for human consumption in the United States. The hearing will probably be this fall.

At such a hearing, the weight of public opinion will, of course, play a vital role in obtaining a favorable decision, as will the amount of support received from Members of Congress, the administration, and health and nutrition experts.

It is particularly important, if only from a psychological standpoint, that

[1] From a report published in 1958 by the University of El Salvador's Instituto Tropical De Investigaciones Cientificas.

this health-giving discovery have the full endorsement of the U.S. Government before we attempt to distribute it to underdeveloped countries, where the need is greatest and where field tests are now being conducted with fish flour by U.S. agencies or agencies which are sponsored in part and endorsed by the United States.

Its value in such a program as food for peace, in Brazil or elsewhere, would be utterly destroyed if it carried overseas a labeling branding it "unfit" for Americans, even though a present exemption in our law allows for exportation.

In a joint statement issued by Senators SALTONSTALL and SMITH of Massachusetts, it was rightly pointed out that in the development of this protein-rich food there has been no scientific "lag" by the United States. They added:

All the information we have indicates we are years ahead of the Soviet Union. But, it is important that we stay ahead.

If we do not push boldly on, we expect Russia will be ready in a short time with an acceptable process and once its fish flour is available we are sure there will be no delay in Russia pouring its production out to all corners of the hungry earth.

Fish flour offers great promise to our foreign policy by helping in a positive sense those people President Kennedy spoke of in his Inaugural Address, "in the huts and villages of half the world, struggling to break the bonds of mass misery."

Its continued development and effective production is a challenge to us and to our fishing fleets. The profitable use of that untapped mine of industrial fish in waters off our shores presents a dramatic possibility, as well, for the domestic economy.

However, all the significant benefits of fish flour can be lost. The officials who must make the final judgment as to its desirability as a human food must be assured that an "esthetic objection" alone—if indeed one exists—should not delay the worldwide distribution of a product that could become a singularly effective weapon in our global war for peace.

House Resolution 211—Special Committee on Captive Nations

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1961

Mr. FLOOD. Mr. Speaker, on March 8, 1961, I introduced a measure calling for the establishment of a special Committee on Captive Nations in the House of Representatives. This measure is now House Resolution 211. There are not sufficient words to express my profound gratitude and personal delight to the more than 20 Members of the House who joined with me in that most stimulating and very enlightening discussion which took place then on the subject of the captive nations—CONGRESSIONAL RECORD, March 8, 1961, "Russian Colonialism and the Necessity of a Special Captive Nations Committee," pages 3518–3544.

The popular response to House Resolution 211 has been so enthusiastic and impressive that I feel dutybound to disclose the thoughts and feelings of many Americans who have taken the time to write me on this subject. These citizens are cognizant of the basic reasons underlying the necessity of the proposed committee. They understand clearly the vital contribution that such a committee could make to our national security interests. In many cases, they know that no public or private body is in existence today which is devoted to the task of studying continuously, systematically, and objectively all of the captive nations, those in Eastern Europe and Asia, including the numerous captive nations in the Soviet Union itself.

Because their thoughts and sentiments are expressive and valuable, I request that the following responses of our citizens to House Resolution 211 be printed in the RECORD:

[From the Ukrainian Bulletin, May 1–15, 1961]

REPRESENTATATIVE FLOOD'S STATEMENT ON HIS RESOLUTION TO ESTABLISH HOUSE COMMITTEE ON CAPTIVE NATIONS

Thank you, Mr. Chairman, for this opportunity to testify in support of my resolution (H. Res. 211) to establish a special Committee on Captive Nations.

From the endorsements and scores of letters I have received supporting House Resolution 211, one can extract over a dozen sound and convincing reasons for the necessary creation of the special committee which I have proposed. In brief form, however, I should like at this time to advance what I consider to be 10 solid reasons why such a committee should be formed.

1. From his vantage point President Eisenhower in two proclamations on Captive Nations Week summoned the American people "to study the plight of the Soviet-dominated nations and to recommit themselves to the support of the just aspirations of the people of those captive nations."

2. President Kennedy in answer to a question raised on this subject during the presidential campaign said: "I am, of course, in agreement with the Presidential proclamations. The captive nations should be studied intensively. If a Joint Congressional Committee on the Captive Nations is the best way to insure such popular study, I would naturally not be opposed to it."

3. There is a hazardous gap in our official and private facilities as concerns this necessary task of studying systematically, objectively, and continuously all of the captive nations, especially those in the U.S.S.R. Nowhere is there any agency, public or private performing this essential task.

4. Passage of House Resolution 211 would be the first concrete implementation of the Captive Nations Week Resolution, passed by Congress in 1959. The fearful reaction of Moscow to this resolution shall never be forgotten. We can show now that we meant what we resolved then.

5. House Resolution 211 is realistically based on the aggregative concept of the captive nations—meaning those inside the U.S.S.R. as well as outside, in Asia as well as in Eastern Europe. It emphasizes the strategic value—of all these nations for peace and also for cold and hot war purposes.

6. As advocates of freedom everywhere, we must always realize that the cold war is not just between Moscow's totalitarian empire and the free world, but also and essentially between the captive peoples and the imposed puppet governments. House Resolution 211 is based on this realization, and its passage would provide the necessary and prudent leverage for the captive nations in their cold war against colonial Russian domination.

7. The studies, facts and truths educed by a special committee would give the constant lie to the propagandized and overblown Russian image, particularly in the underdeveloped areas of Africa, Asia and Latin America.

8. Such a committee, engaged in continuous work based on the aggregative captive nations concept, would become a rich reservoir of new dimensions of thought, of new and fresh ideas, of solid and grounded recommendations for positive and constructive action against the traditional imperialism and colonialism of Moscow.

9. The existence of such a committee would be a permanent reminder to Khrushchev that we do not now nor shall we ever write off the captive nations. This committee would give concrete evidence to the position by the President in his state of the Union message: "We must never forget our hopes for the ultimate freedom and welfare of the Eastern European peoples."

10. With the second anniversary of Captive Nations Week observance only 2 months hence, the House can take the lead in making this year's observance a still more successful one by creating this special Committee on Captive Nations. The vital and basic subject of the captive nations in the aggregate perhaps deserves the resources of a joint committee and also the steadfast attention of a Cabinet officer, but we can take this first step to insure that the subject will receive adequate and continuous attention in the troublesome days ahead.

[From the Ukrainian Bulletin, May 1–15, 1961]

LEGISLATORS SUPPORT FLOOD PROPOSAL FOR CAPTIVE NATIONS COMMITTEE

(EDITOR'S NOTE.—This is a continuation of the remarks of U.S. Congressmen who supported the proposal of Representative DANIEL J. FLOOD, of Pennsylvania, to establish a permanent Committee on Captive Nations in the House of Representatives, which would deal exclusively with the problems of the enslaved and captive nations.)

Hon. MICHAEL A. FEIGHAN, of Ohio: "The gentleman from Pennsylvania has rendered a real public service in pointing up the fact that our national observance of Captive Nations Week for the past 2 years has become a matter of grave concern to the leaders of Russian communism. I am convinced that the concern of the Kremlin hierarchy over Public Law 86–90 is very deep and upsetting. The greatest fear held by the leaders of the international Communist conspiracy is that the people of the free world will awaken to the true nature of the vast empire which they have established by subversion, terror, and armed aggression. They have every reason to believe that, should the full facts become common knowledge in the free world, the popular demand for justice toward the many non-Russian nations submerged behind the Iron Curtain will reach proportions which no democratic government can ignore, and this will lead to action; that is, positive action in support of the just aspirations of the captive nations. This is precisely what the Russian leadership has long sought to prevent because they would have no defense; their position with regard to imperialism and colonialism is indefensible.

"I am also convinced that the work of such a House committee would strengthen the work of hundreds of committees set up by Governors, mayors, and private groups in the United States for the purpose of carrying out appropriate ceremonies about the captive nations during the third week of each July. Such committees, by the very nature

of their work, are bringing the American people closer to the realities of life under communism. Such knowledge not only strengthens our national will to resist, but provides the stimulus for positive political actions in support of human and national rights the world over.

"President Kennedy has well said: 'The enemy stands without our gates. The threat of Red dictatorship is now only 90 miles off our coastline. This threat is real; it is close by. The American people are clamoring for positive action and programs in support of our own political ideals and way of life. A special Captive Nations Committee of the House would be one of the answers to the call for action at the national level.'

"There is another important consideration. The people behind the Iron Curtain, the people living in the captive non-Russian nations, look to the United States as the citadel of human freedom. They are our proven allies against the common enemy. They are the victims of the common enemy. They continue to resist the imposed order of communism and await the opportunity to cast off the Red chains of Moscow. Their hopes were lifted when Congress enacted the Captive Nations Week resolution. They saw in this action an affirmation that the people of the United States had not forgotten them and that our primary national objective remains individual and national freedom for all. The establishment of a special committee of the House to promote the ideals of Public Law 86-90 would lift up the spirits of millions of people behind the Russian Iron Curtain.

Hon. DONALD C. BRUCE, of Indiana: "May I extend my compliments to the gentleman from Pennsylvania, Mr. FLOOD, for the initiative that he has given in this most important area of reemphasizing the fact that the American people will never recognize as final the present line of the establishment of what we call the Iron Curtain. Certainly the testimony that can be had in volume after volume of the terror and the tyranny that has been imposed upon the people in these many nations who once knew a measure of independence in varying degrees stands as a new monument to the tyranny of one man over another.

"It is imperative that we in the year 1961 not just utilize words, not just repeat cliches, not deal alone in semantics and dialectics, but undertake a reanalysis of the entire policy of the United States and our influence in the rest of the nations outside of the Iron Curtain."

Hon. WILLIAM S. MOORHEAD, of Pennsylvania: "In this country which gave to the world the Declaration of Independence, this is a time of rejoicing and a time of sadness. It is a time of rejoicing because many former colonies have achieved their independence. It is a time of sadness because so many once-free nations have lost their independence. We should not forget those countries who have lost their precious freedom, not through any fault of their own, but because they border the flanks of an aggressive political power. Some of these countries—I think especially of Poland—contributed much help to our own struggle for freedom nearly two centuries ago—help from men like Pulaski as well as sound theories of democratic government."

PHILADELPHIA, PA., *June 3, 1961.*

The Honorable DANIEL J. FLOOD,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. REPRESENTATIVE: I wish to thank you, dear Mr. Representative, from the very bottom of my heart for your very important proposition to create a special Captive Nations Committee for the purpose to study the fate of the subjugated peoples under the Soviets and bring the facts into the open.

Latvia, the country where I came from, was before World War II a peaceloving, prosperous state at the Baltic Sea. Then the Soviets forcibly occupied Latvia, as well as Lithuania, and Estonia, and all the freedom and basic human rights were destroyed overnight, and tortures, mass deportations, arrests without reason, and genocides came instead. I left my beloved country and all my relatives and friends and all my belongings behind, and saved nothing but bare life. And now, thanks to the generosity of the U.S. Government, I am here.

I feel it is my sacred duty to do something about this menace of our times, called communism, and therefore I am going to ask you, dear Mr. Representative, to help with all the force and all the respect in your hands to further this very important proposition, namely, the Captive Nations Committee. You will be thus helping greatly, at least morally, not only the three subjugated peoples of the once free Baltic States, the Latvians, Lithuanians, and Estonians, but the free world also to hold its ground.

Respectfully yours,

JĀNIS ŠMITCHENS.

MAY 22, 1961.

DEAR SIR: As the Honorable D. J. FLOOD, of Pennsylvania, you drafted the resolution to create a special Committee on the Captive Nations. This I wholeheartedly support.

The existence of such a committee would show that we Americans are aware that the cause of the eventual liberation and independence of the captive nations is indispensable to our future as a free nation.

This will also show that Russia without the captive non-Russian nations in the Soviet Union would itself be a third-rate power.

Yours,

MAXIM KOLYSNYK.

NEW YORK, *June 6, 1961.*

Congressman DANIEL J. FLOOD,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN FLOOD: As a son of the Turko-Tatar people and as one who has experienced the bloody regime of the Communist dictatorship in the U.S.S.R., I fully associate myself with your view that more publicity has to be given to the enslaved condition of the Moslem and Turko-Tatar peoples inside the Soviet Union.

I heartily wish you continued success as the author of several historical works on the Moslem and Turko-Tatar peoples. I enclose a list of titles of materials for the study of the condition of these peoples under the Communist regime in the U.S.S.R.

Very truly yours,

DR. ISKENDER AKTCHURA.

CLEVELAND, OHIO, *May 22, 1961.*

DEAR SIR: The House Resolution 211 which you submitted to the House on March 8 deserves our special attention and has our active support.

Its aim is to establish a special Committee on Captive Nations, the function of which would be to conduct an inquiry into and a study of all captive non-Russian nations, with particular reference to the moral and legal status of Red totalitarian control over them and the means by which the United States can assist them.

The new resolution should get the full support of Congress.

Very truly yours,

BOHDAN DOSHETSKY.

AMBLER, PA., *May 30, 1961.*

The Honorable DANIEL J. FLOOD,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. REPRESENTATIVE: Please accept my deepest gratitude and my appreciation to you, Dear Mr. Representative, for your very important resolution to create a special Captive Nations Committee for the purpose of studying the fate of the subjugated peoples under Soviets.

After Latvia, the country I came from, was forcibly occupied by the Soviet forces and all the freedom and basic human rights destroyed, I left my beloved country and thanks to the generosity of the U.S. Government, found shelter here in this country. Therefore, I feel it is my duty to ask you, Dear Mr. Representative, to help bring this resolution into being. This would not only help the subjugated Latvians, Lithuanians, and Estonians, but it would also clarify some very unclear opinions about the Soviets in this country and the world over.

Respectfully yours,

ARNOLDS TREIBERGS.

COSSACK NATIONAL HEADQUARTERS, INC.,
Cleveland, Ohio, June 3, 1961.

The Honorable DANIEL J. FLOOD,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN FLOOD: It is with great satisfaction that we have learned about House Resolution 211, introduced by you on March 8, 1961. Permit us to express to you our deep appreciation and gratitude for this courageous action on behalf of all those associated with the Cossack National Headquarters, Inc.

We believe that the establishment of a permanent Committee on Captive Nations in the House of Representatives will greatly contribute toward the understanding by the American people of their most potent allies in the struggle with the Kremlin imperialism—the non-Russian peoples enslaved within the U.S.S.R. and among them also our Cossack people.

The Cossacks are little known in the Western World, and what is known doesn't always correspond with the historical facts. Very little is known even about comparatively recent events of our history, about our statehood after the 1917 revolution. Little is known also about the never-ending struggle of the Cossack people against Moscow. Through the efforts of the proposed Committee on Captive Nations all these facts would become of public record, and valuable arms in the arsenal of democracy in the struggle against the Russian Communist imperialism.

We are writing also to our Congressmen, asking them, that they lend their hands in helping to pass H.R. 211 by the House of Representatives in the nearest possible future

Yours respectfully,

F. A. MOSHOWOI,
Chairman.

BETTER GOVERNMENT FORUM,
St. Augustine, Fla., June 5, 1961.

Congressman DANIEL FLOOD:

May we of the Better Government Forum, as a group, and as individuals, profoundly commend you on your sponsorship of House Resolution 211, and all that its conditions imply. I as librarian of Freedom Library in the Better Government Forum during brief leisure moments dig out little-publicized congressionaal activities, tucked away in the congressional records. Often I meet with your name, as sponsor of an enactment designed to benefit humanity. On this matter I had the privilege of corresponding with you a few weeks ago. We consider you a bulwark of protection of our Constitution, as written.

We are solidly backing House Resolution 211.

Assuring you of our unbounded admiration.

Fraternally,

LILLIAN BRACH.

CLEVELAND, OHIO, *May 22, 1961.*

DEAR SIR: I have read that you drafted the resolution to establish a special Com-

mittee on the Captive Nations, House Resolution 211.

I strongly support this resolution.

The fact of the existence of such committee will have more concrete meaning and hope for millions, who are subjugated by the only real colonialism and imperialism existing in the world today—as is the communism—especially Russian.

For both them and us, this committee is the basis of our living revolution toward freedom and peace with justice. It is the means for us to preserve our freedom, it is the means for them to regain it.

Very truly yours,

MAXIM KOLIPNYK.

PHILADELPHIA, PA., *June 3, 1961.*

The HONORABLE DANIEL J. FLOOD,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. REPRESENTATIVE: I wish to express my deepest gratitude and my appreciation to you for your very important resolution to organize a special Captive Nations Committee to study the fate of the enslaved peoples in the Communist Colonial Empire of the Soviet Union.

I came from Latvia, a well know Sovereign State at the Baltic Sea before World War II. It is now suffering under the terror of Soviet forces, which forcibly occupied Latvia, and the other Baltic States, Lithuania and Estonia. From my own experiences I know well what it means to live in such a Paradise of the "Proletariat's Dictature." I ask you, dear Representative, to do all in your power to bring this very important resolution into being. It would help morally not only the enslaved Latvians, Lithuanians, and Estonians, but it will be of great support to all the fighting forces against the menace of our century, called communism, in this country of the United States, and the world over as well.

Respectfully yours,

PAULS AVOTS.

AMERICAN-BYELORUSSIAN CULTURAL
RELIEF ASSOCIATION,
Cleveland, Ohio, June 4, 1961.

Hon. DANIEL J. FLOOD,
New House Office Building,
Washington, D.C.

DEAR MR. CONGRESSMAN: We support in full your initiative in introducing the Resolution in the House of Representatives which calls for the establishment of a special permanent Committee on Captive Nations in Congress. This committee will render a tremendous service to the United States as well as aid the cause of freedom of the many non-Russian nations who at present are being enslaved and oppressed by the aggressive Soviet Russia empire which is threatening to conquer the rest of the free world.

Very sincerely yours,

ART SACEWICZ,
Chairman.

CLEVELAND, OHIO, *May 24, 1961.*

DEAR SIR: The House Resolution No. 211 which you submitted to the House on March 8, 1961, deserves the serious attention of all Americans.

With the weapons of truth, the facts and the common ideal, it would be possible to overwhelm Moscow's worldwide propaganda campaign in the newly independent and underdeveloped nations.

Therefore, I hope that the new Resolution No. 211 gets the full support of the Congress.

Very truly yours,

JOSEF CHIMIAK.

ROCHESTER, N.Y., *May 31, 1961.*

Hon. DANIEL J. FLOOD,
New House Office Building,
Washington, D.C.

DEAR CONGRESSMAN FLOOD: The board of directors of the Rochester, N.Y., branch of the American Friends of the Anti-Bolshevik Bloc of Nations passed a resolution complimenting you on your initiative in introducing a resolution in the House of Representatives calling for the establishment of a special permanent Committee on Captive Nations in Congress.

Our organization wholeheartedly approves of this type of resolution, as such a committee would constitute a powerful source of all information on the captive nations and which information would then be made available to the U.S. Government and the general public as well.

Respectfully yours,

WILLIAM ANDRUSHIN,
President, American Friends of the Anti-Bolshevik Bloc of Nations, Rochester, N.Y. Branch.

CLEVELAND, OHIO, *May 22, 1961.*

DEAR SIR: I compliment you, Hon. DANIEL J. FLOOD, for your resolution to the congressional Committee on Rules calling for a special Committee on the Captive Nations.

I strongly support this idea.

The existence of such a committee means that we are ever mindful of the captivity of these nations and that we shall never acquiesce in its permanence. Its existence will give the lie to the wishful statements made by Khrushchev and other Moscow tyrants that the United States has retracted its policy of liberation.

This affirms also that the United States will make no deals with Moscow that in any way would impede progress toward national and individual freedom. Furthermore, it means that we are not deceived by the peaceful coexistence gestures of Moscow and its so-called good will emissaries. Deeds that spell out progress toward freedom can now be our only test.

Very truly yours,

PETRO HUPALOWSKY.

Distribution and Service: The Ugly Stepsisters

EXTENSION OF REMARKS
OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1961

Mr. CURTIS of Missouri. Mr. Speaker, I recently had the opportunity to address the convention of the Roadside Business Association on the role of distribution and service in making our mass production economy work. As I note in the speech, our techniques of mass production and manufacturing are often portrayed as a Cinderella while the fields of distribution, including advertising, and service are the ugly stepsisters of the fairy tale. In reality, this is hardly the case; distribution and service deserve to be given credit for making Cinderella the beautiful thing she is. I would like to place this speech in the record at this point:

SELLING OUR RAPIDLY INCREASING NATIONAL PRODUCT

(By Congressman THOMAS B. CURTIS, Republican, of Missouri, South St. Louis, St. Louis County, Mo.)

There have been so many eulogies about the mass production capabilities developed in our society that the advancements in the ancillary sectors of our economy, distribution and service, have almost been ignored. Ironically, the manner in which the slight attention has been paid to mass distribution and to mass servicing has been derogatory, so they could well wish to be completely ignored.

Manufacturing is presented as Cinderella—the newly discovered beauty, and distribution and service are the ugly stepsisters who are accused of spiteful and harmful actions against Cinderella.

Whenever something goes wrong in our economy, distribution-marketing—the ugliest of the stepsisters—according to this modern fable, is blamed, never Cinderella or the teller of the fairy story.

Actually, all economists know, and it is within our common knowledge, that without mass distribution there can be no mass production. This stepsister, far from hurting Cinderella, makes her beauty possible and sustains it. Indeed, she is beautiful herself, if we will wipe off the mud and smut with which she has been bespattered.

WITHOUT MASS DISTRIBUTION WE'D HAVE CARRIAGE-TRADE ECONOMY

Without mass distribution the goods and services produced in our society would not be spread to the maximum number of our people. We would have a carriage-trade economy, an economy of a few rich and many poor. The consumer in America, the famous little man beloved by the American politician, should be as grateful to the great mass distribution system in our economy as he is to mass manufacturing. He should bless the middleman who enables him to purchase, at reasonable prices, the same goods and services that all Americans, regardless of wealth, likewise purchase. Indeed, if he will only stop and think, he will realize that he himself is predominantly one of the middlemen.

Mass distribution is based upon mass advertising. If we had a carriage-trade economy there would be no need for mass media advertising, be it outdoor advertising, newspaper, radio, television, or magazine advertising.

If mass distribution is looked upon by the public as Cinderella's ugly and spiteful stepsister, then I can assure you that mass advertising is regarded as her most ungainly feature and outdoor advertising would be listed as a hairy wart on her nose.

Isn't it strange that advertising, or selling, should have this unfavorable public image? It is strange because the people in this vital, attractive and socially beneficial economic endeavor are in the business of creating good public images for their products and services they are marketing. Surely, if they have the know-how of creating good public images for products and services, they should be able to create a good public image for their profession.

I suppose the trouble is one common to all professions. The worst designed house is the one the great architect designs for himself. The doctor who treats himself has a poor patient. A lawyer who handles his own case has a fool for a client. And what a public image we politicians have created for ourselves.

The answer is quite clear. The advertising profession in aggregate must hire and pay well a good public relations expert to create the proper and good public image of advertising and then refrain from giving him their own professional and selective advice. They should not permit favoring or even recognizing one media of advertising over another. The sole objective of the job should be to set straight the important economic function that advertising serves, particularly an affluent society such as ours, where this affluence is widely spread among all our people.

POLICE ATTACKS ON MEDIA

One of the functions of the job should be to act as a policeman when one medium of

advertising in its competitive zeal attacks another in a way which is not limited to the affirmative advantages it feels it possesses over its competitor, but in a way which denigrates the profession of advertising itself.

For example, newspapers and magazines make a mistake when they indiscriminately attack roadside advertising by emphasizing the faults and flaws out of context with its basic goodness. We all know that there are abuses in roadside advertising that, incidentally, hurt the fair name of all advertising and undoubtedly do a negative job for the product they are promoting. But we also know that any objective study of roadside advertising reveals that it is probably the oldest and most basic form of all advertising and performs a very valuable economic and social function.

The newspapers and magazines owe it to themselves as well as to the public to make their negative criticism affirmative, which means keeping the criticism in context with the good economic and social function all advertising media serve.

So outdoor advertisers owe it to themselves and to the public to be understanding of the problems of the radio and TV advertising media which today are being subject to negative attack out of context. When the Chairman of the Federal Communications Commission, Mr. Minow, attacks these media out of context of the goodness they serve, it behooves all segments of the advertising profession, whatever their media, to rise to their defense. Not to defend the abuses, because we all, whatever our professions or our fields, create abuses—but to defend against attacks out of context.

I am no public relations expert, but I think the Roadside Business Association could do nothing that would help the public image of advertising more than to pass a resolution commending the radio and television media for the good things they have been doing for the truly fair but besmirched stepsister, mass distribution. The resolution should show an awareness that there can be a justification for criticism against these two media, as there can be against roadside advertising, but that any criticism should be weighed in context with the overall goodness so that, in the process of disposing of the bath water, we don't lose a beautiful baby.

RELATES TO ALL PRIVATE ENTERPRISE

The issue I am trying to point up here is not limited to roadside advertising, or to the entire advertising field, or even to mass distribution. The issue I am trying to point out relates to the entire private enterprise system. The entire private enterprise system is under attack, and it is time that those in the manufacturing sector took their noses out of their productive machinery to assist in keeping criticism of any segment of the private enterprise system in context with its essential goodness. I want to emphasize again—the issue is not to stop criticism—far from it and just the reverse. The private enterprise system and all its essential component parts thrive on criticism. That is the way it moves forward, grows and does a better job. The issue is criticism out of context.

Let me illustrate again by a specific. Edward Murrow put on television what was billed as a documentary presentation of the social and economic problems of our itinerant farm laborers. It was given the title "Harvest of Shame." This title, of course, revealed to any thinking person that this was not a documentary presentation, but a propaganda presentation—the conclusions were drawn for the public before the public was presented with the evidence. The evidence, if such it can be called, was one-sided and as prejudicial as was the title of the production.

I wrote to Edward Murrow protesting this presentation—not on the grounds that there were no real and serious social and economic problems among our migratory farmworkers, or that his documentation in the television production was untrue. I protested that it was out of context. It failed to show the goodness of the economic process of raising, harvesting and distributing agricultural products—and the essential goodness of the process under the private enterprise system. It failed to show the progress—rapid progress—made in recent years in coping with some of the social and economic problems still unmet. It presented the matter completely out of context so that the proper criticism was harmful, rather than helpful, for further progress.

Who had to rise to protest? The people involved in this economic endeavor. Who should have risen to protest? Everyone in our society concerned with the fair name of the private enterprise system.

Today there is a massive attack from all parts being conducted against the private enterprise system. Make no mistake, whatever the motives—good or bad—of those engaged in the attack, it is out of context and it is not conducive to the progress and advancement of our society. It's no wonder, under this kind of operation, that the prestige of the United States abroad, based as it is on the private enterprise system, in economics and on the representative system of government is low. In my judgment, we must get our criticism back into context and quit downgrading the United States. Our national public image has been bespattered. We are not an ugly, spiteful stepsister. I think we are beautiful, but we can and must be more beautiful.

RESULT FROM SUCCESS, NOT FAILURE

The economic problems we are experiencing are one result of the success, not the failure, of the private enterprise system. The problems have been created because our economy has been advancing rapidly. Isn't it strange that those in charge of our political machinery in Washington have viewed the same phenomena and called our economy sluggish, stagnant, tired, and even sick. They agree that the bulk of our unemployment results from automation—making the need for the skill or the raw human brawn, obsolete. They agree that 30 percent of our productive plant and equipment is obsolete. What creates obsolete skills and equipment—rapid growth or stagnation? The answer is obvious—under stagnation nothing new comes about. It is the new that renders obsolete the old.

Thirty percent of the goods and the services on the market today were not on the market 5 years ago. This is dynamism, not stagnation. This is progress, not decay. This is rapid economic growth, not growing too slowly.

Part of the trouble of these pessimists who downgrade America and the success of the private enterprise system with which they are so obviously surrounded comes from their failure to understand economic change and to understand the limitations of our economic statistics in measuring growth. All of this stems in turn from their failure to realize the part that distribution plays in a dynamic and affluent economy.

The employment statistics reveal a constant and steady increase in the distributive and service sectors—even during the four post-World War II recessions employment in distribution and service continued to rise. More jobs were created here. More investment of money was going on here. On the other hand in the manufacturing sector employment continued to decline, even in periods of prosperity. Although I hasten to state that with rapid automation manufacturing capacity continued to move forward by leaps and bounds.

This was good, not bad. This showed our economy was succeeding in two important ways: (1) It was spreading its improved goods and services to more and more of our people, (2) it was increasing its flexibility and mobility which is important for both peace and war.

The accentuation, of course, had to be in the distributive sector of the economy. It is mass distribution that produces these achievements, yet the shift from emphasis on manufacturing to distribution does not show up well in the major set of economic statistics we have been using to measure growth, gross national product. The error is not in the GNP series; the error lies in trying to have GNP measure economic growth which it was never intended to do. It was designed to measure economic activity of a certain kind in a given year. Activity can be just jumping up and down going nowhere—or it can actually be going backward. To measure growth we need to look at many other things. One major thing to look for is innovation in the field of goods and services. Here we know our growth has been great.

The problem in moving ahead lies heavily in the area of marketing these new goods and services. It lies in the area of selling or advertising to all of our people what is new in the marketplace. Here is the job of roadside advertising along with other advertising media. But as you sell the goods and services start doing a better job of letting the public know the essential social and economic function your profession is performing in our dynamic economy.

Speech of Hon. Robert N. Giaimo, of Connecticut, Before the National Association of Social Workers

EXTENSION OF REMARKS

OF

HON. EMILIO Q. DADDARIO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, June 19, 1961

Mr. DADDARIO. Mr. Speaker, I would like to submit a speech given by my fellow Congressman from Connecticut, the Honorable ROBERT N. GIAIMO. I feel that this speech is worthy of the attention of the Members of the House:

SPEECH OF HON. ROBERT N. GIAIMO, OF CONNECTICUT, BEFORE THE NATIONAL ASSOCIATION OF SOCIAL WORKERS, NEW HAVEN, JUNE 9, 1961

It is indeed fortunate for me that a change in Senator MORSE's schedule required him to remain in Washington. Fortunate, because it has given me the opportunity to meet with you people who are closest to the many problems facing our people. I am here to learn from you, and I must admit that I am a bit unsettled by the thought that you are here to learn from me. My mind conjures up the tired images of bringing coals to New Castle.

But, then I was reminded of a story of a young man who approached the father of his intended bride to seek his approval of the marriage. The father was skeptical. "I doubt very much," he said, "that you would be able to support my daughter. I can hardly do it myself." To which the young suitor offered this bright suggestion: "We'll just have to pool resources."

And that is what we must do. You people who are the closest to the problems of our communities must diagnose and prescribe: the legislator will then provide the needed medicine.

It is you people who are the eyewitnesses to the effects of neglect of our human needs, and by lending us the wealth of your ex-

periences, you supply the mortar and brick essential to legislative action.

Frankly, I find this neglect shocking and sometimes I wonder whether the price we are paying for indolence can ever be reckoned.

In the 15 years since the end of World War II, America has recorded an almost unbelievable growth in the total value of goods and services produced by its factories, mines, mills and business establishments. The once visionary goal of a gross national product of $500 billion a year is now an immediate certainty.

But while amassing this tremendous wealth and demonstrating to an unbelieving world its productive capacities, America has starved out and is continuing to starve out the essential public services that affect every citizen.

Continual striving for higher and higher output is a major goal of our economy. But increased output by itself has little meaning unless it can be made to serve the interest of all citizens. This means bringing greater facilities to Americans, not only by expanding the goods and services produced by the economy, but also by expanding the vital public services on which the future health and well-being of the population depends.

These public services deal with the essentials of living—the education of the Nation's children, improved housing, expanded hospital facilities, the development of natural resources and the necessary expansion in all fields of community services that affect hourly the lives of all Americans.

Since 1946 we have devoted less than 20 percent of the gross national product to the "public sector" of our economy. More than half this amount has been devoted to the needs of our national defense. Only 9 percent of the total goods and services produced during the postwar years has been used for nonmilitary, public purposes.

Our failure to face and deal realistically with our public needs amounts to a kind of paralysis in our social thinking. The scope of our action is determined not from a forthright analysis of the facts which all admit, but by preconceived limitations growing out of inertia, timidity, and outmoded thinking. This inertia, timidity, and 19th century thinking comprises what John Galbraith has termed "the conventional wisdom."

Galbraith says in his book, "The Affluent Society," "because economic and social phenomena are so forbidding and because they yield few hard tests of what exists and what does not, they afford to the individual a luxury not given to physical phenomena. Within a given range, he is permitted to believe what he pleases. He may hold whatever view of the world he finds more agreeable or otherwise to his taste. We adhere, as though to a raft, to the ideas which represent our understanding. This is a prime manifestation of vested interest, for a vested interest in understanding is more preciously guarded than any other treasure."

Therefore, when we in Congress argue that perhaps the pursuit of life, liberty, and happiness is dependent to some extent upon public, as well as private activity, we are met by very fixed and stolid concepts in the minds of some of our colleagues. Sure, there is agreement that pink telephones, color television sets and tailfins should not measure the end-all of our existence as a society: they recognize the great need for schools, housing, hospitals, and recreational areas. But they find it difficult to recognize the social and economic changes that have taken place and today challenge their fixed beliefs that all can be rectified through the power of local government. The single most important factor to stagger conventional thinking is the growth of urban America and I would like to discuss this phenomenon with you in the context of the current congressional debate on Federal aid to education.

The metropolitan explosion cannot be stopped. We are going to have central cities and rapidly growing fringe areas which surround and swallow many smaller cities.

Within another generation, the remaining gaps of open space will be filled in by a continuous urban and suburban belt, reaching from Portland, Maine, to Alexandria, Va., and this process is being duplicated in many other areas of our country. The problem is to make these urban concentrations as civilized an environment as possible.

I submit to you that this problem can never be solved so long as people think of America as a collection of sectional suzerainties called local governments rather than the central integrated urban Nation we have become. Even the most conventional thinker is becoming aware of the fact that mass transit is not merely a State and local problem.

Traffic crosses State lines; railroads involved serve many States; highways stretch from one urban complex to another, joining suburb with city. Dimly, the truth is breaking down fixed, conventional thinking and it is realized that State and local governments are incapable of dealing with the transportation problem in most areas, just as urban renewal was generally an impossible task until assistance came from the National Government.

But, what about our schools? How far must we travel this road of inertia, timidity, and unwillingness to give up the convenience of familiar thinking in this area?

Quite properly, the Founding Fathers who drafted the Constitution were concerned with welfare and defense of the citizens of the young Nation. The preamble itself indicates the broad area of concern which the Federal Government assumed. It is true that the Constitution does not anywhere specify education as a duty or concern of the Federal Government, but education is not to be separated from any of the duties or concerns for which the very Constitution was framed. Education is the essence of both welfare and defense; it is one of the blessings of liberty; it is the vital element of justice and domestic tranquility. It was so in the early days of the Republic; it is more so today.

Of the nearly 4 million people of the early Republic, most were independent farmers. Schools, as was shown in the wording of the Ordinance of 1787, were considered essential for good government and the happiness of the populace. In other words, the welfare of the people was a primary concern, and the need for schools was tied in with attempts to raise the standard of living. Defense, in the sense of needing trained standing armies, was not a serious problem. There was little connection between the schooling found in the early schools and the squeezing of a trigger of a long rifle. Other than the rather simple mathematics required for calculation of artillery fire, defense was remote from education.

Most of our States were first territories in which the Federal Government established schools that were later taken over and incorporated into local and State school systems. By this token, it may be properly stated that the Federal Government established the schools in a majority of our States; yet, when the State and local governments assumed that responsibility, the Federal Government relinquished its authority to the State.

The pattern of authority was thus set for administering the schools. The general welfare was of more concern to the localities than to the National Government in our Republic's early days because of the local scope of welfare problems at that time. Therefore, schools were established to serve local authority in meeting what were essentially local needs.

But the population of our Nation grew and small communities dissolved into large metropolitan areas. The problems of individual localities became enmeshed with those of a sprawling urban network of communities defying State lines. The means for coping with these problems became dependent upon interstate, interregional, and, finally, national cooperation and coordination.

The depression of the 1930's revealed in dramatic terms the value of the National Government in mobilizing the resources of our Nation to cope with problems affecting the general welfare in our contemporary society. Although the National Government was reluctant to reenter the field of education, the needs of a dynamic unified Nation demanded national attention to the problem of properly educating a highly mobile, fast-growing youth population.

The National Government had, for so long, left its interests in education to be administered by the States, that many persons have debated, and still debate, on whether education is a proper concern for the Federal Government. The traditional thinking of these people poses the primary legislative hurdle that must be overcome before we are to properly meet the educational problems of urbanization.

But once we have breached this wall of traditional thinking we immediately find ourselves coping with the far more constructive, but no less difficult, questions of how much and in what manner should Federal funds be distributed.

Lest you grow complacent while thinking that the battle to secure recognition of the National Government's responsibility in education is about to be won, permit me to call your attention to the further problem of arousing a greater national interest in our urban schools.

I have supported vigorously all efforts to establish a national program to assist our school systems. However, I cannot deny that I now have the bothersome thought that in our anxious efforts to establish the principle we have lost sight of the problems we hope Federal aid will alleviate. The school systems that have been under the greatest pressure, whose advanced problems dramatized, at a very early stage, the need for Federal action, are the very school systems receiving the least assistance under both the Senate and House bills now before Congress.

Among the States, which contain within their borders some of the most highly urbanized sections of our country—New York, New Jersey, Massachusetts—none will receive as much aid per school-age child as such States as Mississippi, New Mexico, Alabama, Georgia, and Arkansas.

The 20 largest cities in terms of population are located in 14 different States. The assistance which these States will receive in the first year that the Federal education program is in operation amounts to an average of $14 per school-age child under the House bill. On the other hand, the assistance available for five States in the Deep South—Arkansas, Alabama, Georgia, Mississippi, and South Carolina—will be more than $22 per school-age child. While New York will receive $12 per student. Utah will receive $19.18. While Michigan receives $14.30 per child, New Mexico will receive $19.62.

We were told that these discrepancies are based upon the greater need of our less urbanized States. I wonder. When a sudden storm or similar disaster hits a community, we offer it relief whether it is a rich or poor community. The population explosion in urban areas has hit like a sudden tornado, and if your locality was not prepared, as most of us were not, the conditions of your school system could have been reduced almost overnight to the same level and worse than that of the rural school that has not had to cope with sudden change. Some rural schools are only beginning to sense the problem of population

growth and mobility, but the cities of our Nation have suffered their increasing blows for decades.

Every day the United States becomes more urban, less rural. Only a half century ago a majority of American families still lived on farms or in rural areas. Today four-fifths of all American families live in cities or in the suburbs which surround them. By 1975, only 15 years away, our explosive population will sweep 55 million additional people into metropolitan areas and 50 million into existing or newly created suburbs. If the population growth nationally has been a strain on all our school systems, think of what it is doing to the urban areas which have had to absorb much of our population gains.

At the suburban town hall and at the city hall local officials have unhappily watched tax rates spiral upward. Suburban towns need suddenly to supply all the services that cities developed over many years. The requirements of an ever-increasing number of families for schools, roads, water supply, waste disposal and protection is forcing suburban finances to their limit. Suburban schools in many areas are new but overcrowded; double shifts are common and programs for the exceptional and handicapped are lacking. In the central city, schools are often antiquated and lacking in play space and athletic facilities and are unable to provide a balanced and complete school program.

My friends, I feel we are repeating in our Federal legislation the very same mistake that is still being perpetrated in our States: We are building into the Federal program a provision which penalizes the large urban areas for the benefit of rural sections. "Equalization plans" as stated in an NEA memo of February 1961, "have recognized the hardships created by sparsity of population but not those created by density of population. The big cities, because of their former greater relative resources, have tended to develop better serviced schools and higher paid staffs than we find elsewhere. But now they are in severe financial straits to maintain former services. Further advances are often held to an inadequate minimum."

The NEA memo concludes: "In a decade when the largest cities have declined in relative population growth and economic strength, the burden of school support has been growing. The loss of high income families to the suburbs and the influx of the low income families into the central cities have created school problems of crisis proportions, and heavier tax levies on the central urban population. Greater help from State government and support from the Federal Government all seem to be needed if additional progress is to be maintained."

I seriously question whether our urban areas are going to obtain this "new support from the Federal Government" through the legislation now pending in the Congress.

We must remember our purpose when we first sought Federal school support. We must help children—not States. It is not necessarily true that a child in a high per capita income State is better off than one in a poor State. Density of youth population, rate of population growth, and the effects of population mobility all must be considered or we may end up pouring millions into open fields while scattering a few bills to the thickening crowds.

What is done in our classrooms today will determine the success or failure of our civilization tomorrow. The foundations for a national educational program will be set within the next month. I am confident that with your continued interest and your efforts we will build a sound structure to meet the rapid changes coming in tomorrow's world.

SENATE

TUESDAY, JUNE 20, 1961

The Senate met at 12 o'clock meridian and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Thou God of love and hope, through all the length of changing years Thy goodness faileth never. Away from all the divisive forces of the world in which our lot is cast, forces which tear, and separate, and push apart, we would bow in penitence at the altar of the one God whose love shed abroad in our hearts alone can send us forth on our differing and often difficult task, hoping all things and enduring all things.

We pray that Thou wilt enable, with the light of Thy wisdom and the strength of Thy might, those who in these fearful times in the ministry of public affairs have been entrusted with the stewardship of the national life.

Grant unto us that greatness of spirit which shall match the stupendous patterns of this creative day. May we never hesitate when the choice is between honor and selfish expediency.

O Thou God to whose kingdom the future belongs, use us in our loyalty to America at its best, as pioneers of a better habitation for humanity, both for ourselves and for all the peoples of the earth.

We ask it through riches of grace in Christ Jesus, our Lord. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 16, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 16, 1961, the President had approved and signed the following acts and joint resolution:

S. 133. An act giving the consent of Congress to a compact between the State of Arizona and the State of Nevada establishing a boundary between these States;

S. 215. An act for the relief of Ennis Craft McLaren;

S. 546. An act for the relief of In Fil Chung, In Ae Chung, In Sook Chung, and In Ja Chung;

S. 751. An act to terminate the existence of the Indian Claims Commission, and for other purposes;

S. 949. An act for the relief of John G. Tiedermann;

S. 1064. An act for the relief of Samuel Pisar;

S. 1941. An act to authorize construction of community support facilities at Los Alamos County, N. Mex.; and

S.J. Res. 34. Joint resolution designating the week of October 9–15, 1961, as National American Guild Variety Artists Week.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1619) to authorize adjustments in accounts of outstanding old series currency, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 610) to strengthen the domestic and foreign commerce of the United States by providing for the establishment of a U.S. Travel Service within the Department of Commerce and a Travel Advisory Board.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 74. An act to reimburse the city of New York for expenditure of funds to rehabilitate slip 7 in the city of New York for use by the U.S. Army;

H.R. 75. An act to amend section 2103 of title 28, United States Code, relating to appeals improvidently taken;

H.R. 1935. An act to amend chapter 79 of title 10, United States Code, to provide that certain boards established thereunder shall give consideration to satisfactory evidence relating to good character and exemplary conduct in civilian life after discharge or dismissal in determining whether or not to correct certain discharges and dismissals; to authorize the award of an Exemplary Rehabilitation Certificate; and for other purposes;

H.R. 2249. An act to authorize the Secretary of Agriculture to convey certain property in the State of California to the county of Trinity;

H.R. 2250. An act to authorize and direct the Secretary of Agriculture to convey certain lands in Lassen County, Calif., to the city of Susanville, Calif.;

H.R. 2730. An act to repeal section 791 of title 18 of the United States Code so as to extend the application of chapter 37 of title 1[illegible], relating to espionage and censorship;

H.R. 3385. An act to amend the Tariff Act of 1930 to provide for the free entry of electron microscopes and certain other apparatus imported by, or on behalf of, certain institutions;

H.R. 6269. An act to extend the provisions for benefits based on limited periods immediately following discharge from active duty after December 31, 1956, to veterans discharged before that date;

H.R. 6835. An act to simplify the payment of certain miscellaneous judgments and the payment of certain compromise settlements;

H.R. 7099. An act to validate payments of certain per diem allowances made to members and former members of the U.S. Coast Guard while serving in special programs overseas;

H.R. 7148. An act to equalize the provisions of title 38, United States Code, relating to the transportation of the remains of vet-

erans who die in Veterans' Administration facilities to the place of burial;

H.R. 7189. An act granting the consent of Congress to the compact or agreement between the States of North Dakota and Minnesota with respect to the boundary between such States; and

H.R. 7712. An act making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 2972. An act for the relief of Mrs. Cornelia Fales; and

H.R. 7218. An act to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 3,000 officers and members.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 74. An act to reimburse the city of New York for expenditure of funds to rehabilitate slip 7 in the city of New York for use by the U.S. Army;

H.R. 75. An act to amend section 2103 of title 28, United States Code, relating to appeals improvidently taken;

H.R. 2730. An act to repeal section 791 of title 18 of the United States Code so as to extend the application of chapter 37 of title 18, relating to espionage and censorship;

H.R. 6835. An act to simplify the payment of certain miscellaneous judgments and the payment of certain compromise settlements;

H.R. 7099. An act to validate payments of certain per diem allowances made to members and former members of the U.S. Coast Guard while serving in special programs overseas; and

H.R. 7189. An act granting the consent of Congress to the compact or agreement between the States of North Dakota and Minnesota with respect to the boundary between such States; to the Committee on the Judiciary.

H.R. 1935. An act to amend chapter 79 of title 10, United States Code, to provide that certain boards established thereunder shall give consideration to satisfactory evidence relating to good character and exemplary conduct in civilian life after discharge or dismissal in determining whether or not to correct certain discharges and dismissals; to authorize the award of an Exemplary Rehabilitation Certificate; and for other purposes; to the Committee on Armed Services.

H.R. 2249. An act to authorize the Secretary of Agriculture to convey certain property in the State of California to the county of Trinity; and

H.R. 2250. An act to authorize and direct the Secretary of Agriculture to convey certain lands in Lassen County, Calif., to the city of Susanville, Calif.; to the Committee on Agriculture and Forestry.

H.R. 3385. An act to amend the Tariff Act of 1930 to provide for the free entry of electron microscopes and certain other apparatus imported by, or on behalf of, certain institutions;

H.R. 6269. An act to extend the provisions for benefits based on limited periods immediately following discharge from active duty after December 31, 1956, to veterans discharged before that date; and

H.R. 7148. An act to equalize the provisions of title 38, United States Code, relating to the transportation of the remains of veterans who die in Veterans' Administration facilities to the place of burial; to the Committee on Finance.

H.R. 7712. An act making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes; to the Committee on Appropriations.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. GORE, and by unanimous consent, the following committees were authorized to meet during the session of the Senate today:

The Committee on Aeronautical and Space Sciences.

The Subcommittee on Patents, Trademarks, and Copyrights, of the Committee on the Judiciary.

The Subcommittee on Public Health, Education, and Welfare, of the Committee on the District of Columbia.

VISIT TO THE SENATE BY THE PRIME MINISTER OF JAPAN ON JUNE 22

Mr. MANSFIELD. Mr. President, after consultation with the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN], I ask unanimous consent that it be in order on Thursday, June 22, 1961, to declare a recess, for the purpose of receiving the Prime Minister of Japan.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the order is entered.

Mr. DIRKSEN. Mr. President, let me ask the majority leader whether he knows at what time the Prime Minister will come to the Senate.

Mr. MANSFIELD. So far as we can ascertain, it is anticipated that he will be here at about 2:50 or 3 o'clock.

I express the hope, and I know the minority leader joins me in it, that there will be a good attendance in the Senate on that auspicious occasion.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

DISSOLUTION OF FEDERAL FACILITIES CORPORATION

A letter from the Acting Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to dissolve Federal Facilities Corporation, and for other purposes (with accompanying papers); to the Committee on Banking and Currency.

AMENDMENT OF SECTION 416(b)(1) OF THE FEDERAL AVIATION ACT OF 1958

A letter from the Chairman, Civil Aeronautics Board, Washington, D.C., transmitting a draft of proposed legislation to amend section 416(b)(1) of the Federal Aviation Act of 1958 (with accompanying papers); to the Committee on Commerce.

AMENDMENT OF SECTION 109 OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, RELATING TO GENERAL SUPPLY FUND

A letter from the Acting Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the general supply fund (with accompanying papers); to the Committee on Government Operations.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law pertaining to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of Texas; to the Committee on the Judiciary:

"HOUSE CONCURRENT RESOLUTION

"Whereas the U.S. Government is presently indebted in an approximate sum of $295 billion and the debt increases each year; and

"Whereas the U.S. Government now pays approximately $9 billion in interest on the present indebtedness each fiscal year; and

"Whereas the value of a dollar continues to decrease, particularly since World War II, largely due to the inflationary fiscal policy of the Federal Government; and

"Whereas the people of the United States are already bearing a practically confiscatory and excessive burden of taxes, particularly from the Federal Government: Now, therefore, be it

"*Resolved by the house of representatives (the senate concurring)*, That the State of Texas hereby urges and memorializes the Congress of the United States to propose to the States an amendment to the Constitution of the United States as provided by article V of the Constitution, to read as follows, to wit:

" 'SECTION 1. On or before the 15th day after the beginning of each regular session of the Congress, the President shall transmit to the Congress a budget which shall set forth his estimate of the receipts of the Government, other than trust funds, during the ensuing fiscal year under the laws then existing and his recommendations with respect to expenditures to be made from funds other than trust funds during such ensuing fiscal year, which shall not exceed such estimate of the receipts. The President in transmitting such budget may recommend measures for raising additional revenue and his recommendations for the expenditure of such additional revenue. If the Congress shall authorize expenditures to be made during such ensuing fiscal year in excess of such estimate of the receipts, it shall not adjourn for more than 3 days at a time until such action has been taken

as may be necessary to balance the budget for such ensuing fiscal year. In case of war or other grave national emergency, if the President shall so recommend, the Congress by a vote of three-fourths of all the Members of each House may suspend the foregoing provisions for balancing the budget for periods, either successive or otherwise, not exceeding 1 year each.

" 'SEC. 2. This article shall take effect on the first day of the calendar year next following the ratification of this article.

" 'SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission to the States by the Congress;' and, be it further

"Resolved, That a certified copy of this resolution be furnished to the President of the Senate and the Speaker of the House of Representatives of the Congress, and to each congressional representative from the State.

"BEN RAMSEY,
"President of the Senate.
"JAMES A. TURMAN,
"Speaker of the House.
"DOROTHY HALLMAN,
"Chief Clerk of the House.
"CHARLES SCHNABEL,
"Secretary of the Senate."

Resolutions adopted by the Pennsylvania Department of Veteran Affairs, I.B.P.O.E. of W., at Farrell, Pa., relating to the purchasing power of the dollar, and so forth; to the Committee on Finance.

A resolution adopted by the house of delegates of the State Medical Society of Wisconsin relating to compulsory medical care; to the Committee on Finance.

A resolution adopted by the Baltic States Joint Committee of Southern California, Los Angeles, Calif., pledging their support of the President and the Congress in establishing peace throughout the world; to the Committee on Foreign Relations.

A resolution adopted by the City Council of the City of Bountiful, Utah, favoring the enactment of legislation to expedite the planning and construction of power transmission lines of the Colorado River storage project; to the Committee on Interior and Insular Affairs.

A resolution adopted by Montgomery County, For America, Royersford, Pa., expressing concern about States' rights; to the Committee on the Judiciary.

The petition of Henry Stoner, a citizen of the State of Florida, relating to the power of the Government to maintain a republican form of government in each State; to the Committee on the Judiciary.

A resolution adopted by the Ft. Lauderdale and Greater Hollywood Chambers of Commerce, both of the State of Florida, relating to the enactment by the Legislature of Florida of a redistricting bill, and requesting its veto by the Governor of Florida; to the Committee on the Judiciary.

A resolution adopted by the board of directors of the Texas Surveyors Association, at Washington, D.C., remonstrating against the legality of the secondary boycott; to the Committee on Labor and Public Welfare.

A resolution adopted by the National Council of the Boy Scouts of America, New Brunswick, N.J., expressing thanks to the Congress for help given to make the scouting program effective in the life of the Nation; ordered to lie on the table.

RESOLUTION OF RHODE ISLAND GENERAL ASSEMBLY

Mr. PELL. Mr. President, on behalf of my colleague, the senior Senator from Rhode Island [Mr. PASTORE] and myself, I ask unanimous consent that H. 1603, "memorializing Congress with respect to amending the internal revenue laws so that the personal exemption on the income tax of individuals may be increased," which was recently passed by the General Assembly of the State of Rhode Island and Providence Plantations, be inserted in the RECORD, and that the resolution be referred to the Committee on Finance.

There being no objection, the resolution was referred to the Committee on Finance, and, under the rule, ordered to be printed in the RECORD, as follows:

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

(H. 1603)

Resolution memorializing Congress with respect to amending the internal revenue laws so that the personal exemption on the income tax of individuals may be increased

Resolved, That the Members of the Congress of the United States be and they are hereby respectfully requested to make such amendment to the internal revenue laws so that the personal exemption on the income tax of individuals be increased from $600 to $800; and be it further

Resolved, That the secretary of state be and he is hereby requested to transmit to the Senators and Representatives from Rhode Island in the Congress of the United States duly certified copies of this resolution in the hope that each will use every endeavor to have favorable action taken by Congress on this important matter.

RESOLUTION OF GROUP HEALTH ASSOCIATION OF AMERICA, INC.

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by Group Health Association of America, Inc., of Chicago, Ill., urging the enactment of certain pending legislation before the Congress.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION 3

Whereas to make the benefits of modern medicine available to all Americans requires, in addition to better arrangements in the financing of health care, a substantial increase in the number of professional health personnel, and a significant expansion of community health facilities and services; and

Whereas Federal action is urgently required to bring about these critically needed improvements, since:

1. Existing sources of financial support cannot meet the costs of a construction, expansion, and scholarship program adequate to the Nation's need for more physicians and other health personnel, and

2. Local communities need Federal financial aid to develop better services for the aged and chronically ill, such as organized home care, and other services not now widely available, and

3. The improvement of the abysmal state of currently available nursing home care requires an increase in the funds available through the Hill-Burton program for the construction of high quality nonprofit nursing homes, and

4. The combination of comprehensive prepayment with the group practice of medicine holds great promise for making high quality care more readily available, but the difficulty of financing needed facilities has been a major obstacle in the further development and expansion of such plans; and

Whereas legislation has been introduced in the Congress of the United States to provide for effective Federal action toward these ends: Therefore be it

Resolved, That the Group Health Association of America convey to the members of the Senate Committee on Labor and Public Welfare, and the House Committee on Interstate and Foreign Commerce, and other Members of Congress the unanimous belief of its members and affiliates that favorable action is urgently required this year on the following three legislative proposals:

1. S. 1072 and H.R. 4999, Health Professions Educational Assistance Act, to provide grants to medical and dental schools for construction, expansion, cost of education, and for scholarships to gifted students in health professions who are in need of Federal assistance, and

2. S. 1071 and H.R. 4998, the Community Health Services and Facilities Act, to provide funds for the construction of nursing homes; grants to State and local governments, and voluntary agencies and institutions to stimulate the development, improvement, and expansion of health services, particularly for the aged and chronically ill; and to provide funds for research and demonstration in the utilization and provision of hospital services, and

3. S. 1158 and H.R. 5887, the Health Services Facilities Act, to provide long-term, low-interest loans to comprehensive medical care plans for financing of necessary facilities.

REPEAL OF FEDERAL TRANSPORTATION EXCISE TAX—RESOLUTION

Mr. JAVITS. Mr. President, the transportation section of the New York Board of Trade has adopted a resolution favoring the repeal of the Federal transportation excise tax. I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION URGING REPEAL OF FEDERAL PASSENGER TAX

Whereas on April 4, 1960, the transportation section of the New York Board of Trade presented a resolution requesting the immediate and complete repeal of the wartime excise tax of 10 percent on passenger transportation; and

Whereas the plight of the rail lines, buslines and airlines has steadily worsened, the transportation section of the New York Board of Trade repeats its urgent appeal for speedy action to eliminate this unreasonable burden; and

Whereas the transportation section of the New York Board of Trade is vitally interested in the preservation of all transportation systems servicing the port of New York; and

Whereas the 10-percent tax on passenger transportation in the United States imposes an excessive and unnecessary burden upon all who travel in the pursuit of business vital to the national economy and welfare; and

Whereas this levy, imposed as an emergency wartime measure nearly 20 years ago to discourage nonessential use of an overtaxed transportation system, has long since ceased to serve any part or semblance of its original purpose; and

Whereas the similar wartime excise tax on the transportation of goods was repealed in 1958; and

Whereas this unnecessary and inequitable excise tax, by adding to the cost of travel and thereby discouraging use of transportation, poses an immediate and serious threat

to common carrier services essential to the health and well-being of the Nation: Now, therefore, be it

Resolved, That the transportation section of the New York Board of Trade does support the railroads, the airlines and the buslines in their earnest request for the needful elimination of the 10 percent Federal transportation excise tax immediately and in its entirety, as this is in the public interest and essential to the national economy and places the board on record as favoring that repeal; and

Whereas this immediate and complete repeal is incumbent upon the Congress of the United States; be it further

Resolved, That the position of the transportation section of the New York Board of Trade favoring the repeal of this tax be made known to the Congress, and that the Congress be urgently petitioned to take immediate corrective legislative action.

H. E. SHIPLEY,
Chairman, Transportation Section,
New York Board of Trade.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD of Virginia, from the Committee on Finance, with amendments:

H.R. 6027. An act to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes (Rept. No. 425).

By Mr. MAGNUSON, from the Committee on Commerce, with amendments:

S. 901. A bill to advance the marine sciences, to establish a comprehensive 10-year program of oceanographic research and surveys, to promote commerce and navigation, to secure the national defense, to expand ocean, coastal, and Great Lakes resources, to authorize the construction of research and survey ships and laboratory facilities, to expedite oceanographic instrumentation, to assure systematic studies of effects of radioactive materials in marine environments, to enhance the public health and general welfare, and for other purposes (Rept. No. 426).

By Mr. HAYDEN, from the Committee on Appropriations, without amendment:

H.R. 7712. An act making supplemental appropriations for the fiscal year ending June 30, 1961, and for other purposes (Rept. No. 427).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 3283. An act to revise the boundaries and to change the name of Fort Vancouver National Monument, in the State of Washington, and for other purposes (Rept. No. 429);

H.R. 5416. An act to include within the boundaries of Joshua Tree National Monument, in the State of California, certain federally owned lands used in connection with said monument, and for other purposes (Rept. No. 430);

H.R. 5475. An act to transfer a section of Blue Ridge Parkway to the Shenandoah National Park, in the State of Virginia, and for other purposes (Rept. No. 431);

H.R. 5760. An act to revise the boundaries of the Scotts Bluff National Monument, Nebr., and for other purposes (Rept. No. 432); and

H.R. 5765. An act to authorize the purchase and exchange of land and interests therein on the Blue Ridge and Natchez Trace Parkways (Rept. No. 433).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with amendments:

S. 857. A bill to provide for the establishment of Cape Cod National Seashore Park (Rept. No. 428).

By Mr. MOSS, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 6422. An act to add federally owned lands to, and exclude federally owned lands from, the Cedar Breaks National Monument, Utah, and for other purposes (Rept. No. 434).

By Mr. JORDAN, from the Committee on Agriculture and Forestry, with amendments:

S. 614. A bill to authorize the use of surplus grain by the States for emergency use in the feeding of resident game birds and other wildlife, and for other purposes (Rept. No. 435).

By Mr. YOUNG of North Dakota, from the Committee on Agriculture and Forestry, without amendment:

S. 2113. A bill to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions (Rept. No. 436).

By Mr. PROXMIRE, from the Committee on Agriculture and Forestry, without amendment:

S. 146. A bill to extend and increase the special milk program for children (Rept. No. 437).

By Mr. HILL, from the Commiteee on Labor and Public Welfare, without amendment:

S. 2051. A bill to afford children of certain deceased veterans who were eligible for the benefits of the War Orphans Educational Assistance Act of 1956 but who, because of residence in the Republic of the Philippines, were unable to receive such assistance prior to enactment of Public Law 85-460, additional time to complete their education (Rept. No. 438).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MANSFIELD:

S. 2096. A bill for the relief of Ding Lam Tam and Ding Yun Tam; to the Committee on the Judiciary.

By Mr. METCALF (for himself and Mr. MANSFIELD):

S. 2097. A bill to set aside certain lands in Montana for the Indians of the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.; to the Committee on Government Operations.

S. 2098. A bill to govern the harvesting of Indian timber; to the Committee on Interior and Insular Affairs.

By Mr. BARTLETT:

S. 2099. A bill for the relief of Tina Jane Beland; to the Committee on the Judiciary.

By Mr. DODD:

S. 2100. A bill to allow the importation free of duty of certain stained glass windows for use in St. Joseph's Cathedral, Hartford, Conn.; to the Committee on Finance.

S. 2101. A bill for the relief of Aida Mary Sorino Boccalery; to the Committee on the Judiciary.

(See the remarks of Mr. DODD when he introduced the first above-mentioned bill, which appear under a separate heading.)

By Mr. YARBOROUGH:

S. 2102. A bill to redesignate the Jefferson division of the eastern district of Texas as the Marshall division; to the Committee on the Judiciary.

(See the remarks of Mr. YARBOROUGH when he introduced the above bill, which appear under a separate heading.)

By Mr. JAVITS (for himself and Mr. KEATING):

S. 2103. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Relations.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. KEATING (by request):

S. 2104. A bill to amend section 1498 of title 28, United States Code, to permit patent holders to bring civil actions against Government contractors who infringe their patents while carrying out Government contracts; to the Committee on the Judiciary.

By Mr. MUNDT:

S. 2105. A bill for the relief of Evert G. Fletcher; to the Committee on the Judiciary.

By Mr. HILL:

S. 2106. A bill for the relief of Lee Fong Yu; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 2107. A bill to amend title 14, United States Code, entitled "Coast Guard," to extend the application of certain laws relating to the military services to the Coast Guard for purposes of uniformity;

S. 2108. A bill to amend the Communications Act of 1934 in order to provide for summary judgment procedure in appropriate cases in the consideration of license applications; and

S. 2109. A bill to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus; to the Committee on Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bills, which appear under separate headings.)

By Mr. HILL:

S. 2110. A bill to provide for a memorial to the memory of the late Senator George W. Norris, at McCook, Nebr.; to the Committee on Interior and Insular Affairs.

By Mr. BIBLE (by request):

S. 2111. A bill to change the penalty for violation of section 4(e) to the Outer Continental Shelf Lands Act relating to the promotion of safety of life and property on islands and structures built upon submerged lands, and for other purposes; and

S. 2112. A bill to authorize the Secretary of the Interior to create trial boards for the U.S. Park Police, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. YOUNG of North Dakota (for himself and Mr. BURDICK):

S. 2113. A bill to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions; to the Committee on Agriculture and Forestry.

By Mr. HARTKE:

S. 2114. A bill to authorize the Commissioners of the District of Columbia to appoint two individuals as referees of the Juvenile Court of the District of Columbia; to the Committee on the District of Columbia.

(See the remarks of Mr. HARTKE when he introduced the above bill, which appear under a separate heading.)

By Mr. DIRKSEN:

S. 2115. A bill to authorize the sale of a portion of the former light station property in Scituate, Mass.; to the Committee on Commerce.

(See the remarks of Mr. DIRKSEN when he introduced the above bill, which appear under a separate heading.)

By Mr. KEATING:

S.J. Res. 107. Joint resolution designating the fourth Sunday in September of each year as "Interfaith Day"; to the Committee on the Judiciary.

FREE IMPORTATION OF CERTAIN STAINED GLASS WINDOWS

Mr. DODD. Mr. President, I introduce, for appropriate reference, a bill to relieve St. Joseph's Cathedral of Hartford, Conn., from the payment of a duty on the importation of its stained glass windows.

I would like to briefly state the history behind the introduction of this bill.

The tariff law exempts from the payment of duty various kinds of stained glass windows which are judged to be works of art. Such an exemption was applied for in the case of the stained glass in question and was denied by the Treasury Department on the ground that these windows, composed of thick pieces of colored glass laid over an artistically created window design, chipped so as to facet the glass and cemented together, are not stained glass windows within the scope of paragraph 810 of the Tariff Act.

The Treasury Department had made a similar ruling on an identical case last year with respect to the Mission of San Gabriel, in California. The Mission of San Gabriel appealed the Treasury Department's ruling before the customs court of Los Angeles and won its appeal, thus establishing legal precedent on the side of the position taken by St. Joseph's Cathedral.

The Treasury Department, however, though it did not choose to appeal the court decision, did not accept it as a basis for changing its ruling.

There is a legislative as well as a court precedent in favor of the action proposed in this bill. Public Law 1001, enacted on August 6, 1956, granted a similar relief to the First Presbyterian Church of Stamford, Stamford, Conn., despite the opposition of the Treasury Department.

Identical legislation to that which I now introduce has been introduced in the House of Representatives by Representative EMILIO Q. DADDARIO, of the First Congressional District of Connecticut.

The PRESIDING OFFICER (Mr. METCALF in the chair). The bill will be received and appropriately referred.

The bill (S. 2100) to allow the importation free of duty of certain stained glass windows for use in St. Joseph's Cathedral, Hartford, Conn., introduced by Mr. DODD, was received, read twice by its title, and referred to the Committee on Finance.

REDESIGNATION OF JEFFERSON DIVISION OF EASTERN DISTRICT OF TEXAS AS THE MARSHALL DIVISION

Mr. YARBOROUGH. Mr. President, I introduce, for appropriate reference, a bill to redesignate the Jefferson division of the eastern district of Texas as the Marshall division. I ask unanimous consent that the bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2102) to redesignate the Jefferson division of the eastern district of Texas as the Marshall division, introduced by Mr. YARBOROUGH, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 124(c)(5) of title 28, United States Code, is amended to read as follows:

"(5) The Marshall Division comprises the counties of Camp, Cass, Harrison, Hopkins, Marion, Morris, and Upshur.

"Court for the Marshall Division shall be held at Marshall."

U.S. PARTICIPATION IN NEW YORK WORLD'S FAIR

Mr. JAVITS. Mr. President, on behalf of myself, and my colleague, the junior Senator from New York [Mr. KEATING], I introduce, for appropriate reference, a bill to make possible U.S. participation in the New York World's Fair.

Several New York Representatives are introducing similar bills today in the other body; the proposed legislation was drafted by the Department of Commerce to implement Commerce Secretary Hodges' recommendation that the Federal Government should participate fully in the World's Fair. The bill authorizes the President to investigate and make recommendations to Congress for U.S. participation in the fair and to designate an agency and to appoint a U.S. Commissioner to carry out such preliminary work as is necessary.

The extraordinary planning that is now underway for the New York World's Fair of 1964 and 1965 makes it clear that this will be an historic milestone of our Nation of vast benefit, direct and indirect, to the United States and the world. The theme of the fair is "Man's Achievement on a Shrinking Globe in an Expanding Universe." Its main objective is "Peace Through Understanding." Its purpose is predominantly educational.

President Kennedy has given the New York World's Fair his complete support as did President Eisenhower before him. The three living ex-Presidents of the United States are honorary chairmen. Outstanding leaders in American life comprise the board of directors. And the Nation's great No. 1 city planner and master builder, Robert Moses, is president of the fair.

My colleague and I hope Congress will approve this legislation promptly to pave the way for U.S. participation in this truly historic American event.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2103) to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes, introduced by Mr. JAVITS (for himself and Mr. KEATING), was received, read twice by its title, and referred to the Committee on Foreign Relations.

Mr. KEATING. Mr. President, I am delighted today to join with my senior colleague [Mr. JAVITS] in support of a bill to authorize a full study of Federal participation in the New York World's Fair, 1964–65. As a member of the board of directors of the fair, with my colleague, I have been watching with great interest the development of this exciting international project to promote and enhance peace through understanding. I am happy that the New York delegation in the other body is today introducing the same legislation which we offer here in the Senate. This bill is identical to proposed legislation sent to the Congress by the Secretary of Commerce Luther Hodges.

This is an historic moment for the World's Fair. An administration backed bill authorizing Federal participation will go a long way toward expanding the number of exhibits at the fair and increasing interest in it. Already, there are some 42 committed governmental exhibits including the Organization of American States.

The World's Fair is a symbol to all nations of the progress of man. In a way, nothing could be more fitting to express man's achievements than to have the 1964–65 World's Fair located on the former site of a dump on Long Island. Certainly, this is a symbol of man's constant endeavor to improve his environment.

The old Corona dump at Flushing Meadow which was leveled for the 1939–40 World's Fair was made famous in the novel by F. Scott Fitzgerald, "The Great Gatsby." Fitzgerald described the site of the 1939–40 World's Fair and the site to be of the 1964–65 World's Fair as a valley of ashes—a fantastic farm where ashes grow like wheat into ridges and hills and grotesque gardens.

Today, we are taking one more step in revitalizing this now important park in Flushing Meadows, N.Y. The Federal pavilion of the 1964–65 fair will, I am certain, be a shining symbol of man's achievements both on the earth and in space, which in this decade of the 1960's is the real new frontier, the real challenge to man's insatiable urge to conquer new worlds.

APPLICATION OF CERTAIN LAWS RELATING TO MILITARY SERVICES TO THE COAST GUARD

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend title 14, United States Code, entitled "Coast Guard," to extend the application of certain laws relating to the military services to the Coast Guard for purposes of uniformity. I ask unanimous consent to have printed in the RECORD a letter from the Secretary of the Treasury, requesting the proposed legislation, together with a comparative type showing changes in existing law by the proposed legislation.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter and comparison will be printed in the RECORD.

The bill (S. 2107) to amend title 14, United States Code, entitled "Coast Guard," to extend the application of certain laws relating to the military services to the Coast Guard for purposes of uniformity, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Commerce.

The letter and comparison, presented by Mr. MAGNUSON, are as follows:

THE SECRETARY OF THE TREASURY,
Washington, D.C., June 14, 1961.

Hon. LYNDON B. JOHNSON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is transmitted herewith a draft of a proposed bill, "To amend title 14, United States Code, entitled 'Coast Guard,' to extend the application of certain laws relating to the military services to the Coast Guard for purposes of uniformity."

The purpose of the proposed legislation is to amend the laws relating to the Coast Guard in four particulars to make them uniform with similar provisions applicable to the other Armed Forces. An explanation of the four changes is set forth in the following discussion.

The Secretaries of the Army, Navy, and Air Force possess authority at the present time to remit or cancel any part of an enlisted member's indebtedness to the United States at the time of his honorable discharge if they consider such remission or cancellation in the best interests of the United States (10 U.S.C. 4837(d), 6161, 9837(d)). The Coast Guard is thus the only branch of the Armed Forces without such remission or cancellation authority. In order to provide uniformity in that regard, the proposed bill would grant the Coast Guard the same authority already possessed by the other branches of the Armed Forces.

Prior to the enactment of the Career Compensation Act of 1949, enlisted members of the Army and Navy who had been awarded certain medals, such as the Medal of Honor or the Distinguished Service Medal, were entitled to additional pay at the rate of $2 per month (10 U.S.C., 1946 ed., 696; 34 U.S.C., 1946 ed., 357, 364b). These provisions for additional pay were repealed in 1949 by section 531(b)(20), (22), and (23) of the Career Compensation Act (63 Stat. 838). However, similar authority with respect to enlisted members of the Coast Guard was inadvertently not repealed at that time due to the fact that the enactment of both the codification of title 14 containing the provision and the enactment of the Career Compensation Act occurred within a relatively short period of time. Thus, enlisted members of the Coast Guard appear to be at least technically entitled to such additional pay. The proposed bill would correct this situation by specifically repealing the Coast Guard authority in the matter.

With respect to the time limit on the award of medals, existing law applicable to the Navy Department provides that a recommendation for a medal must be made by a superior officer within 3 years of the act justifying the award (10 U.S.C. 6248). A comparable provision applicable to the Coast Guard provides for a limit of 1 year, which has proven too short (14 U.S.C. 496). Also, a provision was recently added to the Navy Department authority to cover a situation where a recommendation for a medal was lost or not acted on through inadvertence (Public Law 86-582; 74 Stat. 320). No comparable provision exists with respect to the Coast Guard. The proposed bill would make the Coast Guard authority in regard to the award of medals conform to that of the Navy Department.

Under existing law, firearms, and ammunition bought with funds appropriated for a military department are exempt from sales or transfer taxes (10 U.S.C. 2385). No similar exemption is provided for the Coast Guard and it expends approximately $6,400 per annum in payment of such taxes. Inasmuch as the Coast Guard is by statute a branch of the Armed Forces (14 U.S.C. 1), there would appear to be no justification for this discriminatory treatment and the proposed bill would grant the Coast Guard the same exemption presently accorded the military departments.

It would be appreciated if you would lay the proposed bill before the Senate. A similar proposed bill has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection from the standpoint of the administration's program to the submission of this proposed legislation to the Congress.

Sincerely yours,

DOUGLAS DILLON.

COMPARATIVE TYPE SHOWING CHANGES IN EXISTING LAW BY THE PROPOSED BILL

(Matter proposed to be omitted enclosed in black brackets; new matter in italic)

SECTION 461, TITLE 14, UNITED STATES CODE (1958 EDITION)

§ 461. Pay and allowances; pay of officers indebted to *the* United States[.] *; remission of indebtedness of enlisted members.*

(a) Commissioned officers, commissioned warrant officers, cadets, warrant officers, and enlisted persons shall, except as otherwise provided by law, receive the same pay, allowances, increases, additions, and gratuities as prescribed by corresponding ranks, grades, or ratings for personnel of the Navy, including any extra pay and allowances for special duty.

(b) The pay of officers of the Coast Guard may be withheld under section 82 of title 5 on account of an indebtedness to the United States admitted or shown by the judgment of a court, but not otherwise unless upon a special order issued according to the discretion of the Secretary.

(c) If he considers it in the best interest of the United States, the Secretary of the Treasury may have remitted or canceled any part of an enlisted member's indebtedness to the United States or any of its instrumentalities remaining unpaid before, or at the time of, that member's honorable discharge.

ANALYSIS OF CHAPTER 13, TITLE 14, UNITED STATES CODE (1958 EDITION)

§ 461. Pay and allowances; pay of officers indebted to the United States[.] *; remission of indebtedness of enlisted members.*

SECTION 495, TITLE 14, UNITED STATES CODE (1958 EDITION)

[§ 495. Additional pay for holders of medals.

[Each enlisted man in the Coast Guard who is awarded a medal of honor, a distinguished service medal, or a Coast Guard medal shall be entitled to additional pay at the rate of $2 per month from the date of the deed or service for which the award is made, and each emblem or insignia in lieu of a medal of honor, a distinguished service medal, or a Coast Guard medal shall entitle him to further additional pay at the rate of $2 per month from the date of the deed or service for which such award is made, and such additional pay shall continue throughout his active service, whether such service shall or shall not be continuous.]

ANALYSIS OF CHAPTER 13, TITLE 14, UNITED STATES CODE (1958 EDITION)

[495. Additional pay for holders of medals.]

SECTION 496, TITLE 14, UNITED STATES CODE (1958 EDITION)

§ 496. Time limit on award; report concerning deed.

(a) No medal of honor, distinguished service medal, *distinguished flying cross,* Coast Guard medal, *or bar,* [or] emblem, or insignia in lieu thereof [shall be issued to any person after more than five years from the date of the deed or service justifying the awarding thereof, nor unless a specific statement or report distinctly setting forth the deed or service and suggesting or recommending official recognition thereof shall have been made by his superior through official channels at the time of the deed or service or within one year after the deed or termination of the service.] *may be awarded to a person unless—*

(1) the award is made within five years after the date of the deed or service justifying the award;

(2) a statement setting forth the deed or distinguished service and recommending official recognition of it was made by his superior through official channels within three years from the date of that deed or termination of the service.

(b) If the Secretary determines that—

(1) a statement setting forth the deed or distinguished service and recommending official recognition of it was made by the person's superior through official channels within three years from the date of that deed or termination of the service and was supported by sufficient evidence within that time; and

(2) no award was made, because the statement was lost or through inadvertence the recommendation was not acted upon; a medal of honor, distinguished service medal, distinguished flying cross, Coast Guard medal, or bar, emblem, or insignia in lieu thereof, as the case may be, may be awarded to the person within two years after the date of that determination.

SECTION 655, TITLE 14, UNITED STATES CODE (PROPOSED NEW SECTION)

§ 655. Arms and ammunition; immunity from taxation.

No tax on the sale or transfer of firearms, pistols, revolvers, shells, or cartridges may be imposed on such articles when bought with funds appropriated for the United States Coast Guard.

ANALYSIS OF CHAPTER 17, TITLE 14, UNITED STATES CODE

655. Arms and ammunition; immunity from taxation.

AMENDMENT OF COMMUNICATIONS ACT OF 1934, RELATING TO SUMMARY JUDGMENT PROCEDURE IN CERTAIN CASES

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend the Communications Act of 1934 in order to provide for summary judgment procedure in appropriate cases in the consideration of license applications. I ask unanimous consent to have printed in the RECORD a letter from the Chairman of the Federal Communications Commission, requesting the proposed legislation, together with a justification therefor.

The PRESIDING OFFICER. The bill will be received and appropriately

referred; and, without objection, the letter and justification will be printed in the RECORD.

The bill (S. 2108) to amend the Communications Act of 1934 in order to provide for summary judgment procedure in appropriate cases in the consideration of license applications, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Commerce.

The letter and justification, presented by Mr. MAGNUSON, are as follows:

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D.C., June 7, 1961.

The VICE PRESIDENT,
U.S. Senate, Washington, D.C.

DEAR MR. VICE PRESIDENT: The Commission has adopted as a part of its legislative program for the 87th Congress a proposal to amend the Communications Act to provide for summary judgment procedure in the consideration of license applications, in appropriate cases.

The Commission's draft bill to accomplish the foregoing objective was submitted to the Bureau of the Budget for its consideration. We have now been advised by that Bureau that from the standpoint of the administration's program there would be no objection to the presentation of the draft bill to the Congress for its consideration.

Accordingly, there are enclosed six copies of our draft bill and explanatory statement on this subject.

The consideration by the Senate of the proposed amendment to the Communications Act of 1934 would be greatly appreciated. The Commission would be most happy to furnish any additional information that may be desired by the Senate or by the committee to which this proposal is referred.

Sincerely yours,

NEWTON N. MINOW,
Chairman.

JUSTIFICATION FOR PROPOSED AMENDMENTS TO THE COMMUNICATIONS ACT TO PROVIDE THAT THE FEDERAL COMMUNICATIONS COMMISSION MAY ACT UPON LICENSE APPLICATIONS UNDER A SUMMARY PROCEDURE AFTER ACCORDING PARTIES AN OPPORTUNITY TO BE HEARD

The Commission's legislative proposal would amend sections 309(d)(2) and 309(e) of the Communications Act of 1934, as amended (47 U.S.C. 309), so as to permit the Commission, when it was unable to find that a grant would be in the public interest, to consider and determine its action on license applications after according applicants and parties in interest an opportunity to be heard, but without resort to full evidentiary hearings where no genuine, substantial, and material issues of fact have been presented.

This procedure would afford applicants and parties in interest an ample opportunity to be heard and at the same time it would serve to sharply reduce the number of protracted evidentiary hearings. In cases where the Commission finds after examination of the application and pleadings that there is no real dispute on any substantial fact that would be material to the Commission's decision, there would be no need to hold a full evidentiary hearing. The participants would be afforded the opportunity to address themselves to the questions before the Commission by the filing of additional pleadings and oral argument, thus giving the Commission their views before it reaches its ultimate decision on the matter. This procedure would not, of course, affect the Commission's present authority to dismiss, without evidentiary hearing or oral argument, any application which is not in accordance with the Commission's published rules and regulations.

Section 309(d)(2) now provides that where the Commission finds that there are no substantial or material questions of fact and that a grant of an application would be consistent with the public interest, it may make such grant, issuing a statement of the reasons therefor. This subsection, together with subsection 309(e), also provides that if a substantial and material question of fact is presented, the Commission shall designate the application for a full hearing in which the applicant and all other parties in interest shall be permitted to participate and introduce evidence. This approach accords with the generally accepted proposition of administrative law that questions concerning adjudicative facts—facts about the parties, their activities, businesses, and properties which are material to a decision—are best determined on the basis of a record made in an evidentiary hearing.

Section 309(e) of the present statute goes, however, much further than this. It provides in so many words for what is seemingly the same kind of hearing if the Commission for any reason is unable to find that a grant of an application would be consistent with the public interest. In the words of the Supreme Court in *U.S.* v. *Storer Broadcasting Co.*, 351 U.S. 192, 202, "a full hearing under section 309 means that every party shall have the right to present his case or defense by oral or documentary evidence, to submit rebuttal evidence, and to conduct such cross-examination as may be required for a full and true disclosure of facts."

Where there are no genuine and substantial issues of fact, the resolution of which is material to the ultimate decision, the language of section 309(e) with its apparent requirement for an evidentiary hearing in any case involving a denial of an application, seems to misconceive the very purpose of this kind of hearing and goes beyond the requirements of due process. As was said by the U.S. Court of Appeals for the Tenth Circuit in *Producers Livestock Marketing Association* v. *U.S.*, 241 F. 2d, 192, 196 (1957), aff'd. 356 U.S. 272, "It is fundamental to the law that the submission of evidence is not required to characterize 'a full hearing' where such evidence is immaterial to the issue to be decided. Where no genuine or material issue of fact is presented, the court or administrative body may pass upon the issue of the law after according the parties the right of argument."

It may be noted that where the courts have been confronted with the full impact of this statutory language, efforts have been made to circumscribe its far-reaching scope. In the *Storer* case cited above, the Supreme Court, in setting forth its views as to when a hearing is required, said that "We agree with the Commission that a full hearing would not be necessary on all such applications. We do not think that Congress intended the Commission to waste time on applications that do not state a valid basis for a hearing." And in holding that where the Commission had promulgated a proscriptive rule of general application, the denial of an application thereunder did not require a prior evidentiary hearing unless the application and accompanying papers "set forth reasons, sufficient if true, to justify a change or waiver of the rules," the Court was apparently atempting to restrict the right to a full evidentiary hearing to those cases presenting substantial issues of fact which were material to a decision on a waiver of the rules. When the *Storer* case was before the U.S. Court of Appeals for the District of Columbia, 220 F. 2d 204, the court indicated in its opinion that an application could be denied without hearing if the applicant admitted to being an alien or denied without further hearing on any other issue if he is found to be an alien. Again, if an application seeks a license for an unlawful use or purpose, the Supreme Court has indicated that it may be rejected without hearing. *F.C.C.* v. *American Broadcasting Co.*, 347 U.S. 284. Another attempt to clarify the impact of the statutory requirement for hearing is reflected in Judge Prettyman's concurring opinion in the *L. B. Wilson* case, 170 F. 2d 793. In taking issue with the majority view that a petitioner for intervention, no matter what he said in his petition, is entitled to his statutory and constitutional right to an oral hearing, Judge Prettyman stated at pages 807–808 that—

"If the facts alleged in a petition clearly show that rights of the petitioner are involved in the principal proceeding, the petition cannot be denied without a hearing in which the petitioner has an opportunity to prove those facts. If the facts are disputed but there is also a question of law as to whether, even if the facts be true, petitioner's rights are involved, the petition cannot be denied without a hearing upon the legal question; that hearing may consist of an oral argument upon the legal question alone; if it then appears that the alleged facts, if true, show petitioner's rights to be involved, the petition cannot be denied without further hearing upon the truth of the alleged facts."[1]

While these cases would indicate that in the absence of substantial factual questions material to a decision, something less than a full evidentiary hearing would be appropriate under section 309, they constitute only inroads, made in particular situations, on the otherwise all-encompassing language used in this section of the Communications Act. Storer talks in terms of a denial under an established rule of general applicability. Judge Prettyman's statement is simply a concurring opinion in the L. B. Wilson case. The dictum on denial of an alien's application and the American Broadcasting Company case deal with matters of specific statutory prohibition. It is open to serious question that they constitute a basis upon which the Commission can clearly assume authority to deny an application without a full evidentiary hearing after having determined that no genuine and substantial issue as to any fact material to a decision had been presented.

It is proposed to amend section 309 so as to remove any doubt as to the authority of the Commission to follow the above-quoted procedure, described by Judge Prettyman as being in accord with the constitutional requirements of due process. These proposed legislative changes would make clear the responsibility of the Commission initially to determine whether or not there are genuine and substantial issues as to any fact which in its judgment and under its criteria would be material to a decision. If the Commission found such to exist, it would direct the holding of an evidentiary hearing on those issues of fact, the resolution of which it deemed material to an ultimate Commission decision. If the Commission found that no genuine and substantial issue as to any fact material to a decision was presented, but was nonetheless unable to find that a grant would be in the public interest, it would notify the applicant and all of the parties in interest of the reasons therefor and afford them an opportunity to file pleadings with and present oral argument to the Commission with respect to any conclusions and determinations of legal issues by reason of which the Commission was unable to make an affirmative public interest finding. Such a procedure would accord the parties ample opportunity to be heard with respect to the

---

[1] It may be noted that as section 309 then read, a petition for intervention was the means by which a "party in interest" could become a party to the proceedings.

Adopted: March 1, 1961.

conclusions and legal determinations to be drawn from the undisputed, substantial, and material facts set forth in the pleading, without resort to a trial-type hearing, and would not be dissimilar to the summary judgment procedure followed by the Federal Courts under rule 56 of the Rules for Civil Procedure for the U.S. district courts, as promulgated by the U.S. Supreme Court under 28 U.S.C. 2072.

AMENDMENT OF COMMUNICATIONS ACT OF 1934, RELATING TO CERTAIN REGULATORY AUTHORITY OVER TELEVISION RECEIVING APPARATUS

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus. I ask unanimous consent to have printed in the RECORD a letter from the Chairman of the Federal Communications Commission, requesting the proposed legislation, together with a justification therefor.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter and justification will be printed in the RECORD.

The bill (S. 2109) to amend the Communications Act of 1934 in order to give the Federal Communications Commission certain regulatory authority over television receiving apparatus, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Commerce.

The letter and justification presented by Mr. MAGNUSON are as follows:

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D.C., June 15, 1961.

The VICE PRESIDENT,
U.S. Senate,
Washington, D.C.

DEAR MR. VICE PRESIDENT: The Commission has adopted as a part of its legislative program for the 87th Congress a proposal to amend the Communications Act of 1934 by adding new sections 303(s) and 330 to provide that the Commission may prescribe minimum performance capabilities for television receivers, and that no person shall trade or ship in interstate commerce or import from a foreign country any television receiver not complying with such minimum performance capabilities (47 U.S.C. 303(s), 330).

The Commission's draft bill to accomplish the foregoing objective was submitted to the Bureau of the Budget for its consideration. We have now been advised by the Bureau of the Budget that, from the standpoint of the administration's program, there would be no objection to the presentation of the draft bill to the Congress for its consideration.

Accordingly, there are enclosed six copies of our draft bill on this subject and six copies of an explanatory statement with reference thereto.

The consideration by the Senate of the proposed amendment to the Communications Act of 1934 would be greatly appreciated. The Commission would be most happy to furnish any additional information that may be desired by the Senate or the committee to which this proposal is referred.

Sincerely yours,
NEWTON N. MINOW,
Chairman.

JUSTIFICATION FOR PROPOSED AMENDMENTS TO THE COMMUNICATIONS ACT, WHICH WOULD EMPOWER THE FEDERAL COMMUNICATIONS COMMISSION TO REGULATE THE PERFORMANCE CHARACTERISTICS OF TELEVISION RECEIVERS (47 U.S.C. 303, 330)

In the Communications Act of 1934, Congress vested the Federal Communications Commission with the responsibility of making available to all people of the United States an efficient and nationwide communications service, and certain authorities to carry out these responsibilities. Our request for this legislation is an expression of our feeling that in the area of television reception systems, our present authority is not commensurate with our responsibilities, and of our belief that Commission jurisdiction over the performance capabilities of television receivers is necessary to carry out this responsibility. Identical legislation was introduced in the Senate, and similar legislation in the House, during the 86th Congress at the behest of this Commission.

By its very nature, the electromagnetic spectrum is limited, resulting in a ceiling on the number of channels which might be utilized for television. Therefore, to get the greatest television service possible, expansion must be in the direction of more efficient utilization of the portion of the spectrum available for television.

The portion of the spectrum available for nongovernmental television use provides 82 channels. Of these 82 channels, 12 are in the VHF portion of the spectrum and 70 are in the UHF portion. Notwithstanding the availability of many more UHF channels than VHF for television broadcasting, the present situation finds most of the television broadcasting stations crowded into the 12 VHF channels, leaving 70 UHF channels only sparsely occupied. The existing television service is being provided by approximately 450 VHF stations and only 76 UHF stations.

A major reason why the 70 UHF channels are only sparsely occupied is the scarcity of television receivers which are capable of tuning to the UHF frequencies. It is estimated that of some 52 million television receivers throughout the country, only some 8.7 million (less than 17 percent) are capable of receiving television signals which are broadcast in the ultrahigh frequencies (UHF). In 1959, of some 6.35 million television sets manufactured, approximately 7 percent or less than half a million, are capable of receiving UHF signals.

The production of all-channel receivers is somewhat more expensive than either VHF only or UHF only receivers. We are advised, however, that mass production of all-channel receivers would substantially reduce the price differential between VHF-only receivers and all-channel receivers. In any event, we must face the fact that the considerations which impel manufacturers to produce 12-channel sets (VHF only) are fundamentally inconsistent with our allocation of, and national need for, 82-channel channels for television broadcasting. In our view, the two cannot be reconciled.

The scarcity of television receivers capable of tuning to the UHF channels discourages broadcasting on the UHF channels because of the great initial disadvantage of the limited potential audience. UHF stations find it difficult, and in most cases impossible, to compete in markets served by VHF stations mainly because of the aroused skepticism on the part of the advertisers who show a marked preference for VHF outlets in sponsoring programs. UHF broadcasting has only proven to be a success in those few areas where there is no competition with VHF broadcasting. The viewing public has not shown any willingness to unilaterally purchase receivers capable of receiving UHF signals except in those areas where no VHF programs are available. The result is that the public has shown that it will not purchase UHF sets until there are more UHF broadcasters and UHF broadcasting will not increase until the public purchases UHF sets.

The Commission, in order to provide adequate television service within this framework, has examined various methods of extending the use of the 12 VHF channels from merely reducing present minimum cochannel and adjacent channel spacing to an overall reshuffling of television assignments. It has explored the various factors which have frustrated full realization of the goals set forth in its sixth report and order, and it has concluded that although immediate shortages in some communities could be alleviated, no rearrangement of the assignments of the 12 VHF channels can provide for an efficient nationwide television system, adequate for the needs of our growing population and expanding economy. Moreover, the negative reply of OCDM regarding the possibility of obtaining additional VHF spectrum space from the Government makes it clear that television cannot be expanded in the VHF portion of the spectrum in the foreseeable future.

The Commission has now concluded that adequate nationwide television service is not possible within the framework of the 12 VHF channels and that greater use must be made of all of the 82 channels allocated to television, including the 70 UHF channels.

We must recognize receiver incompatibility as a major factor inhibiting development of UHF stations. The Commission proposes to combat receiver incompatibility by legislation designed to promote the manufacture and sale of all-channel receivers capable of satisfactorily receiving UHF television signals. It should be noted that the Commission, in 1952, in its sixth report and order, concluded that a free intermixture of VHF and UHF channels is the solution to the allocations problem. However, to date, the utilization of the UHF has failed to come up to the Commission's expectations in its role as a part of the allocations plan. In a statement to the Senate Interstate and Foreign Commerce Committee on February 2, 1960, our Chairman concluded that deintermixing the VHF and UHF assignments to individual cities would not satisfactorily solve the allocations problem facing television broadcasting.

After very comprehensive study over the past several years and repeated explorations of every possibility that has been suggested, we believe the most feasible course with a reasonable prospect for success is the enactment of the legislation to promote the distribution of all-channel receivers.

Without the receiver legislation development of UHF stations will continue to be retarded. In the face of the limited use of the large portion of UHF spectrum space now allocated to television broadcasting, it may be necessary to surrender substantial portions for other pressing needs. The result will be the ultimate confinement of television broadcasting to the wholly inadequate 12-channel VHF system.

It is clear that the 12 VHF channels do not provide adequate opportunities for growth to meet the demand of our expanding economy and that full use must be made of all 82 channels available for television. Any attempts to "squeeze in" any substantial number of additional VHF stations can only result in serious degradation of the quality of television service to metropolitan areas and virtual elimination of such services to many rural areas. Obviously, such a program could not provide an adequate solution to this problem.

Another aspect of this problem which is of deep concern to the Commission is the development of noncommercial educational television and the desire that adequate television services be made available to as many people as possible. This concern is demonstrated by the fact that a television channel

(VHF or UHF) has been reserved for educational use in every large city or educational center in the country. But in many areas where educational service is needed and desired, there are no available VHF channels, necessitating an assignment of a UHF channel to an educational broadcaster. Because of this lack of available VHF channels, the growth and expansion of educational broadcasting must be in the UHF, making the growth of educational television go hand in hand with the growth of the utilization of the UHF. Educational broadcasters find the UHF at the present time to be less desirable (as the commercial stations do) because of receiver incompatibility and they are discouraged by the limited potential audience. In our view, the only hope for an adequate educational television service lies in full utilization of the 70 UHF channels which are not now being fully exploited. So long as most generally available commercial receivers are limited to the VHF portion of the spectrum, educators will be reluctant to go forward with a program for extensive use of UHF frequencies.

If this legislation is not enacted we believe that the Nation will be handicapped with a limited television system with inadequate opportunities for local outlets and adequate educational service and effective competition. We could expect the inequities and monopolistic elements in the present system to become magnified. This would be a result opposed to our national policy and desire for increased competition and inevitably pressures will mount for the adoption of strong measures to overcome the shortages. This may include breakdowns in the technical standards to squeeze in more assignments in the VHF and such regulatory measures as rationing of time on stations.

In closing, we might mention that the UHF project in New York City, authorized by Congress, is progressing satisfactorily and every effort is being made to get the station in actual operation by early fall. One of the principal purposes of the experiment is to determine the feasibility and workability of UHF within large metropolitan areas where many receivers are shielded by high buildings. Additionally, there will be useful byproducts in the form of information concerning receiver characteristics, receiving antennas, transmitter operation, etc. As this information becomes available, it will be used to further UHF development in whatever way practicable.

In view of these circumstances, the Commission must conclude that enactment of the legislation here requested is of utmost importance to the national welfare. We believe that this proposed legislation will promote the interest of the public by better enabling the Commission to carry out its responsibility to make available so far as possible to all of the people of the United States, a rapid, efficient, nationwide wire and radio communication service.

CONCURRING STATEMENT OF COMMISSIONER ROBERT E. LEE

I concur in the legislation proposed. However, in justification, the Commission has stressed the need for 82 channels for broadcasting. It is my opinion that the public interest would be better served were television to be shifted to UHF, thereby promoting a more competitive and adequate television system and releasing the VHF bands to meet the needs of other services.

APPOINTMENT OF TWO REFEREES IN DISTRICT OF COLUMBIA JUVENILE COURT

Mr. HARTKE. Mr. President, I introduce, for appropriate reference, a bill to authorize the appointment of two referees in the District of Columbia juvenile court. The juvenile court today labors under a backlog of cases which is indefensible by any standards of either legal justice or social compassion.

The District juvenile court is modeled after the Standard Juvenile Court Act, but is not identical with it. The Standard Juvenile Court Act was written by a distinguished group of juvenile court judges and other experts under the auspices of the National Probation and Parole Association.

The standard act has been adopted in whole or in part by approximately one-third of our States. Although the District juvenile court is modeled after this act, referees were not included when the District juvenile court was established.

As chairman of the Judiciary Subcommittee of the District Committee, I am very concerned over the impasse which has been reached in providing additional judges for the District juvenile court. While this matter is debated, and agreement not reached, there are youths in the District who need the help which an efficient juvenile court system could, but cannot now, provide. There is a backlog of cases of juveniles who are not being rehabilitated, and the incidence of juvenile delinquency remains high.

The function of the two proposed juvenile court referees would be to hold preliminary hearings under assignment from the juvenile judge. The findings and hearing record of the referees would be remitted to both the judge and the juvenile's parents or guardians. If the parent, child, or guardian does not appeal within 3 days, the referee's findings shall become the order of the court when signed by the judge.

The Judiciary Subcommittee of the District Committee soon will begin hearings upon this and other pending legislation concerning the District juvenile court. We hope to explore the procedures by which the juvenile court handles cases, and examine the District's methods of providing constructive opportunities for its youth. I expect the Congress will benefit from these hearings which will develop the reasons for legislation authorizing referees in the District juvenile court.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2114) to authorize the Commissioners of the District of Columbia to appoint two individuals as referees of the juvenile court of the District of Columbia, introduced by Mr. HARTKE, was received, read twice by its title, and referred to the Committee on the District of Columbia.

CONVEYANCE OF CERTAIN PROPERTY TO MRS. ELMER J. BLOOM

Mr. DIRKSEN. Mr. President, I introduce, for appropriate reference, a bill to authorize the town of Scituate, Mass., to convey to Mrs. Elmer J. Bloom of Peoria, Ill., a portion of town park property underlying the veranda of a porch of a house owned by her without the park property reverting to the United States.

The necessity for legislative action arises from the fact that the plot in question is a part of a former lighthouse station which was conveyed for $1,000 to the town by the Secretary of Commerce by deed dated June 6, 1917. The deed contained a provision for revision of the property to the United States if it ceased to be maintained by the town as a historic landmark.

It appears that the present occupant of the land involved built a house in 1926, the veranda of which encroached a few feet on the land of the town of Scituate. When an attempt was made recently to rebuild, the encroachment became known. The town cannot cure the situation by a conveyance by reason of the reversionary interest to permit the sale.

The bill would make no changes in existing law, and the Treasury Department and the Bureau of the Budget have expressed no objections. The Treasury Department stated, however, that—

It would seem only equitable that since the property was originally conveyed for the sole purpose of its being managed as a historic landmark, the United States should receive * * * the fair market value of any land which may be conveyed for waiving its reversionary interests in the land.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2115) to authorize the sale of a portion of the former light station property in Scituate, Mass., introduced by Mr. DIRKSEN, was received, read twice by its title, and referred to the Committee on Commerce.

AGRICULTURAL ACT OF 1961—AMENDMENT

Mr. HUMPHREY submitted an amendment, intended to be proposed by him to the bill (S. 1643) to improve and protect farm prices and farm income, to increase farmer participation in the development of farm programs, to adjust supplies of agricultural commodities in line with the requirements therefor, to improve distribution and expand exports of agricultural commodities, to liberalize and extend farm credit services, to protect the interest of consumers, and for other purposes, which was referred to the Committee on Agriculture and Forestry, and ordered to be printed.

IMPROVEMENT OF BENEFITS UNDER OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE PROGRAM—AMENDMENTS

Mr. CLARK (for himself and Mr. GOLDWATER) submitted amendments, intended to be proposed by them, jointly, to the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes, which were ordered to lie on the table and to be printed.

TO REDUCE TEMPORARILY THE DUTY-FREE ALLOWANCE OF RETURNING AMERICAN TOURISTS

Mr. JAVITS. Mr. President, I submit, for printing and appropriate reference, an amendment to the bill (H.R. 6611) to amend paragraph 1798(c)(2) of the Tariff Act of 1930 to reduce temporarily the exemption from duty enjoyed by returning residents, and for other purposes, which passed the House of Representatives on May 17, 1961.

This bill had been requested by the President as one of the means for dealing with our Nation's balance of payments problem. I believe that the consideration of this legislation should provide the Congress with an opportunity for considering related legislation to eliminate inequities in the tariff laws applicable to tourists which have been a source of irritation both to returning U.S. residents and to foreign visitors coming to our shores.

I therefore propose an amendment to this bill, which would permit visitors to the United States to bring in gifts duty-free up to $100 instead of the present $10 limit. The current limit has been a source of irritation to foreign visitors who cannot understand why U.S. tourists abroad can spend up to $500 while they are limited to $10. This amendment would equalize their situations.

There being no objection, the amendment was referred to the Committee on Finance and ordered to be printed.

DETERMINATION THAT CERTAIN COSTS OF OPERATING BANKS LAKE ON COLUMBIA BASIN PROJECT ARE NONREIMBURSABLE—ADDITIONAL COSPONSOR OF BILL

Mr. JACKSON. Mr. President, I ask unanimous consent that the name of my colleague the senior Senator from Washington [Mr. MAGNUSON] may be added as an additional cosponsor of the bill (S. 2086) to authorize the Secretary of the Interior to determine that certain costs of operating and maintaining Banks Lake on the Columbia Basin project for recreation purposes are nonreimbursable, introduced by me on June 15, 1961.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROTECTION OF THE GOLDEN EAGLE—ADDITIONAL COSPONSOR OF JOINT RESOLUTION

Under authority of the order of the Senate of June 15, 1961, the name of Mr. SALTONSTALL was added as a cosponsor of the joint resolution (S.J. Res. 105) to provide protection for the golden eagle, introduced by Mr. YARBOROUGH (for himself and other Senators) on June 15, 1961.

NOTICE OF HEARINGS ON S. 2000, THE PEACE CORPS BILL

Mr. FULBRIGHT. Mr. President, last Saturday the Committee on Foreign Relations issued a press release indicating that on June 22 and 23 it was scheduling hearings on S. 2000, the Peace Corps bill. As this is the first time the Senate has been in session since the announcement was made, I wish to repeat the information that on June 22 at 10:30 a.m. and 2:30 p.m. Mr. Robert Sargent Shriver, Jr., Director of the Peace Corps, and other administration witnesses will present testimony on S. 2000. On June 23 at 10:30 a.m. the committee will hear private citizens and organization representatives interested in testifying on the bill. All of these hearings will be open to the public and will be held in room 4221, New Senate Office Building.

NOTICE OF RECEIPT OF CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that today the Senate received the nominations of Edward T. Wailes, of the District of Columbia, to be Ambassador to the Czechoslovak Socialist Republic; and William P. Snow, of Maine, to be Ambassador to Paraguay.

In accordance with the committee rule, these pending nominations may not be considered prior to the expiration of 6 days of their receipt in the Senate.

NOTICE OF HEARINGS ON PROPOSED CONSTITUTIONAL AMENDMENTS CONCERNING FEDERAL ELECTIONS

Mr. KEFAUVER. Mr. President, on June 27, 28, and 29, 1961, the Subcommittee on Constitutional Amendments will continue its hearings on proposed amendments relating to the system of Federal elections.

Twenty-one Senate Joint Resolutions are under consideration. They concern the method of nomination and election of the President and Vice President, including presidential primaries and electoral college reform, and qualifications for voting including 18-year-old voting, poll taxes, and residence requirements. The numbers of these resolutions are 1, 2, 4, 9, 12, 14, 16, 17, 20, 23, 26, 28, 48, 54, 58, 67, 71, 81, 90, 96, and 102.

Previous hearings have been limited to the testimony of Senators who are sponsors of the various resolutions. The forthcoming meetings are for the purpose of hearing other witnesses, including other Senators, Congressmen, eminent political scientists, and representatives of the executive branch and interested organizations.

The hearing will begin at 9:30 a.m. in room 457 of the Old Senate Office Building on each of these days. Persons interested in appearing as witnesses should contact the subcommittee staff in room 141 of the Old Senate Office Building, or by calling extension 5581.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Robert F. Morey, of Massachusetts, to be U.S. marshal, district of Massachusetts, term of 4 years, vice Ralph W. Gray, deceased.

Leonard T. Heckathorn, of South Dakota, to be U.S. marshal, district of South Dakota, term of 4 years, vice Bernard A. Boos.

Robert Nelson Chaffin, of Wyoming, to be U.S. attorney, district of Wyoming, term of 4 years, vice John F. Raper, Jr.

Bernard J. Brown, of Pennsylvania, to be U.S. attorney for the middle district of Pennsylvania for the term of 4 years, vice Daniel H. Jenkins.

Frank R. Freeman, of Washington, to be U.S. attorney for the eastern district of Washington for the term of 4 years, vice Dale M. Green.

Thomas B. Mason, of Virginia, to be U.S. attorney for the western district of Virginia for the term of 4 years, vice John Strickler.

James J. Moos, of Illinois, to be U.S. marshal for the southern district of Illinois for the term of 4 years, vice Gilbert B. Scheller.

Orville H. Trotter, of Michigan, to be U.S. marshal for the eastern district of Michigan for the term of 4 years, vice Clark W. Gregory.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Tuesday, June 27, 1961, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

NOTICE OF HEARING ON NOMINATION OF WILLIAM HAROLD COX TO BE U.S. DISTRICT JUDGE, SOUTHERN DISTRICT OF MISSISSIPPI

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 27, 1961, at 10:30 a.m., in room 2228, New Senate Office Building, on the nomination of William Harold Cox, of Mississippi, to be U.S. district judge for the southern district of Mississippi, a new position.

At the indicated time and place persons interested in the hearings may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas [Mr. MCCLELLAN], chairman, the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Nebraska [Mr. HRUSKA].

NOTICE OF HEARING ON NOMINATION OF ROGER J. KILEY TO BE U.S. CIRCUIT JUDGE, SEVENTH CIRCUIT

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 27, 1961, at 10:30 a.m., in

room 2228, New Senate Office Building, on the nomination of Roger J. Kiley, of Illinois, to be U.S. circuit judge for the seventh circuit, vice W. Lynn Parkinson, deceased.

At the indicated time and place persons interested in the hearings may make such representations as may be pertinent.

The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Nebraska [Mr. HRUSKA], and myself, as chairman.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, and so forth, were ordered to be printed in the RECORD, as follows:

By Mr. PROXMIRE:

Article entitled "How To Start Things Booming Again," published in This Week magazine for June 18, 1961.

ARTICLE ON KANSAS BY ANGELOS TERZAKIS

Mr. CARLSON. Mr. President, inasmuch as this is centennial year in Kansas, we have many visitors, not only from our own country, but from many foreign countries.

In April, the College of Emporia, Emporia, Kans., presented the world premiere in English of the modern Greek drama, "Theophano," by Angelos Terzakis. Mr. Terzakis, the outstanding playwright in Greece today, spent 2 weeks in Emporia during the run of his play. Upon his return to Athens, he wrote some of his impressions of Emporia and Kansas for Vima—Tribune—the leading newspaper of Greece, and one that is referred to as the "New York Times of Greece."

Emporia is the hometown of the late William Allen White, former editor of the Emporia Gazette. Mr. White's articles were recognized both nationally and internationally. He truly represented rural America.

In writing of Kansas, Mr. Terzakis compared life in our large cities and industrial areas with the quiet, serene life in the rural areas. It is regrettable that many of our guests from foreign countries see life only as it prevails in the large cities.

Mr. Terzakis wrote of Kansas:

This State offers to its people everything; namely, health, humanitarian concepts of life, comfort, education, vitality, and peace. In this great State there is no feeling that you live hidden from God, but quite the contrary, "in the right hand of God."

I ask unanimous consent that the article be made a part of my remarks in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE RIGHT HAND OF GOD

Where do men go to find life? In the great centers. There, where flesh and bone are crushed together, where the air becomes rare, full of stagnation, expensive and unhealthy, where avarice dominates, where commonality abounds, where man loses his measurements and becomes a monster.

I understand very well my friends, who returning from America, told me that they couldn't live there. The way of life there does not please them. They had visited the big cities. They had experienced the fever of New York or Chicago. Oh, how I bless my fate that presented me a less ambitious opportunity. I had the privilege and joy to spend 15 days living without the glamorous tones of an American big city.

The real life of a country has nothing to do with its windows (New York, Chicago, etc.). This life is so superb in quality in contrast to the windows. This is because the big city in the final analysis, despite its attempt to present local color, is losing its essence. The impurities that find refuge in them, disforms them. The rushing, pushing, and panting manages to poison their blood. What could you expect from these monstrous blocks where even the air, a basic element of our life, ceases to be natural? Yes, the air, the breath of God, becomes poisonous. You breathe this air constantly and your inner world changes you. But here in this blessed corner of the earth the air smells fresh with the fragrance of new mown hay.

Here the atmosphere elevates the soul and leads your soul to distant memories far behind the individual, personal life and reminds you of Paradise Lost. This peaceful city, which carries the name Emporia, represents a quite different picture from what a European observer is accustomed to seeing in the European Mosaic. Nothing crowded; no cement cities; here an endless park; adorned with lovely dwellings which are charming and joyful; no fences separate neighbors; all things coexist in harmonious company.

I am thinking of the ambiguous picture we have from our distance about life in America. In this blessed city where people sleep without locking their doors, where children leave their bicycles overnight on the grass, I recollect the idea we have of a country dominated by gangsters. This is the distortion of the windows, but it is also the bitter fruit of the many senseless pictures offered by Hollywood.

Not that there are no gangsters in Chicago, but these gangsters do not represent America. America is represented by the people of Kansas who look at you innocently and with faith. People smile at you on the street even though you are a total stranger to them and wholeheartedly offer you their hand and believe whatever you say for the sole reason that you said it. Deep, remote from the noisy megatropolisis, the genuine heart of America functions.

Your soul relaxes seeing so many open sincere faces. One accustomed to the heartless indifferences of foreign countries, to the cold, and neutral glances that pass you, one is surprised upon entering a store to realize that people look at you with warm interest, almost tenderly, and ask about your country proving that they care for you.

This may be rationalized by the remoteness of the Midwest and the fact that a foreigner is a rarity there. This is not the case. And even if this virtue is a result of being remote, then they are truly blessed by God. They revive in you faith and love to man that this century is passionately struggling to destroy.

I have visited large countries where men, if they don't ignore you, are cynical, and never attempt to descend from the icy stage of their political superiority to communicate with you. Or simply, they treat you in an undignified manner. Or they present you with an artificial politeness, paid and mechanical.

In Kansas, nothing of this sort. Not once during my stay in Kansas, and it is hard to say how many I met, did I meet anyone displaying indifference, cynicism, and an affected politeness. The adornment of the American is the simplicity of his heart. And in this sense he is a genuine humanitarian.

Here I met men and women who had never visited New York and, even more surprising, they do not intend or desire to do so. You realize this and feel very happy. In the souls of these people the virus of flight and escapism does not enter. The truth is that that State offers to its people everything; namely, health, humanitarian concepts of life, comfort, education, vitality, and peace. In this great State there is no feeling that you live hidden from God, but quite the contrary, "in the right hand of God."

GEORGE H. BENDER

Mr. YOUNG of Ohio. Mr. President, it is with a feeling of sadness that I announce the death of former U.S. Senator George H. Bender.

By election by the citizens of Ohio, he served in the U.S. Senate from November 1954, to fill the unexpired term, ending January 3, 1957, of the late Senator Robert A. Taft.

Former Senator George H. Bender died a comparatively young man, being only 64 years of age.

In his lifetime he was a great protagonist and a powerful leader of the Republican Party in Ohio. He and I waged seven bitterly contested campaigns against each other, for the privilege of representing Ohio as Congressman at Large.

George Bender was a most vigorous and intelligent campaigner and a powerful votegetter.

His activities as a Republican commenced at the age of 16, when he was known as the boy orator of West Commerce High School, in Cleveland.

As a matter of fact, in 1912, when former President Teddy Roosevelt was traveling throughout the Nation being acclaimed by crowds of enthusiastic citizens in various cities, George H. Bender, then only 16 years of age, was in the crowd at the old Union Depot in Cleveland, to cheer Teddy Roosevelt as his train was passing through that city. It is noteworthy that on that occasion George Bender obtained from Teddy Roosevelt the information the entire country was waiting to learn. He shouted to the former President, "Are you going to run against President Taft?" Teddy Roosevelt shouted back to George Bender and to the entire throng, "My hat is in the ring." That was the historic reply of Teddy Roosevelt to the 16-year-old boy who later attained statewide and national prominence.

I knew George Bender well, over the years. As I have said, we were bitter political rivals. In later years we came to know each other even better, and I have held him in the highest personal regard. Throughout his life George H. Bender was a very personable, engaging, pleasant, and most intelligent man. As a Member of the other body for 14 years and as a Member of the Senate for 2 years, he justifiably took pride in the service he rendered his constituents and his country. He was vigorous and boisterous in politics and intensely hard working in every office—appointive and elective—which he held.

In the course of his political career, he addressed more Republican meetings than any two leaders of the Republican Party in my State throughout that same period.

He crisscrossed the State of Ohio many times in his campaigns, from his first political speeches in Teddy Roosevelt's 1912 campaign for the Presidency to a few days before he suddenly died of a heart attack last Sunday. At one time he was justly regarded as one of the greatest vote getters of the Republican Party in Ohio.

Early in his career he was a member of the Ohio Senate for five consecutive terms. He ran unsuccessfully for the U.S. House of Representatives in 1930, 1932, 1934, 1936, and 1948. In 1938 he was elected Congressman at Large. In 1940 he and I were both elected to that office. He was reelected continuously to 1948. Then in 1950, which was the last time Ohio elected a Congressman at Large, he defeated me for that office. In 1952, he was elected from his district. In 1940, the last year Ohio was represented by two Congressmen at Large, the citizens of Ohio were good to me and reelected me for my third term. They also reelected George H. Bender who ran ahead of every Republican candidate on the ticket in Ohio that year and defeated my running mate, a very able and active campaigner. It was one of his greatest victories.

I would say that another great victory achieved by George H. Bender was when he defeated me in 1950, after intensive campaigns by both of us.

Those two occasions, and his election in 1954, when he was elected to the Senate, and defeated a notable Democrat, a former mayor of Cleveland, were three outstanding victories in the political career of George H. Bender.

During that time the confidence and the love that the Republican Party of Ohio had for George Bender was evidenced by the fact that he served as the elected chairman of the Republican Party of Cuyahoga County, Ohio, the most populous county in the State.

Following his defeat for reelection to the U.S. Senate in 1956 by my distinguished colleague, the senior Senator from Ohio, George Bender was appointed and served as special assistant to Secretary of the Interior, Fred A. Seaton. Among his duties was the important function of promoting tourism in Alaska and the Virgin Islands. He handled this assignment with characteristic vigor. He performed outstanding work in that capacity and spoke with fervor in favor of Alaska's admission into the Union.

Throughout the years, he was an effective party leader and helped elect many Republican candidates for office in Ohio.

He, of course, was to the end a controversial figure. He had many, many friends and supporters throughout the entire State of Ohio. Without a doubt, he had spoken in every county, every city, and practically every village in Ohio in the course of his many campaigns.

George H. Bender was a strong, stalwart Republican leader in the State and in our Nation. Furthermore, he was an affable, genial man personally, and during the past 10 years no political rivalry existed between him and me. On occasions when I would meet with him I came to regard him as a friendly, personable, jovial fellow townsman.

I know that the Republican Party of my State of Ohio has lost an attractive, outspoken leader. Where political leaders meet in Washington, in Cleveland, and elsewhere in the Nation, men and women who have been drawn to George H. Bender during the course of his colorful career will speak with affection regarding him personally, his political activities, and his achievements throughout an active life.

Our sympathy goes to his wife, who was his loving partner throughout the years; to his two daughters, and to his grandchildren. May I testify that Mrs. Bender was always a great asset to her husband.

Mr. DIRKSEN. Mr. President, I am delighted to note the testimony and tribute paid to the late George Bender by our distinguished friend and colleague from Ohio [Mr. YOUNG]. I served in the House with George Bender for many years, and also served with him in the Senate. He was, by all odds, one of the most vigorous and one of the most courageous persons who ever served in public life. I did not always share his views. I did not always agree with him in either body of Congress. There were many times, I believe I can say, when he was on one side of a proposition and I was on the other. But it must be said that, in courageous and uninhibited fashion, he expressed his convictions as he felt them, and I believe rendered great services to his constituency in Cleveland and the people of the State of Ohio.

I join my distinguished colleague in extending sympathy to his family, and noting the fact that a great public servant has passed away.

Mr. JAVITS. Mr. President, I should like to express my tribute to the late Senator Bender, with whom I served in the House, and who was devoted to his party. I shall never forget the convention at Philadelphia, when George Bender, who was supporting the great Bob Taft, sang "I Have a Four-Leaf Clover." That is one of the freshest memories I have of him.

I join my colleagues in extending condolences to his family. He was a very distinguished, fine, and outgoing human being.

Mr. GORE. Mr. President, I join my distinguished friend from Illinois and my distinguished colleague from Ohio in the expression of regret at the passing of George Bender, a man with whom I served in the House of Representatives and the Senate, a man who had a notable career, and whose character exemplified all that we should expect in a public servant.

Mr. CARLSON. Mr. President, I wish to note and join in the statements that have been made by Members of the Senate in regard to the death of a former great Member of this body, George Bender. George and I served together in the House of Representatives and the Senate. He was an outstanding leader, and one of my good friends.

I extend my sympathy to his family.

JOHN PAUL JONES, AMERICA'S FIRST NAVAL HERO

Mr. ERVIN. Mr. President, history and tradition unite in declaring that one of North Carolina's most eminent citizens of all times, Willie Jones, admitted a wandering and penniless Scotch lad, John Paul, into his famous home, Grove House, which formerly stood in the town of Halifax, one of the colonial capitals of North Carolina. Here John Paul lived for a time as a member of the Jones family and no doubt acquired the devotion to his adopted land which ultimately made him America's first great naval hero. All the schoolchildren of our land are familiar with his heroic exclamation, "I have not yet begun to fight," when the commander of the British frigate, *Serapis*, called upon him to surrender his damaged ship, the *Bonhomme Richard*, when these two vessels met in combat off Flamborough Head, England.

As a consequence of his appreciation for the kindness shown him by the head of Grove House, John Paul adopted the surname of Willie Jones as his own, and for this reason is known to history as John Paul Jones.

Some years ago, Mrs. Margaret Overman Gregory, of Salisbury, N.C., and other patriots, who treasured in their memories the valiant services rendered by John Paul Jones in the naval service of our country, formed the John Paul Jones Association and acquired the site upon which his North Carolina home, Grove House, stood. At that time, Mrs. Gregory made a statement concerning the connection between Grove House and John Paul Jones, which should be of interest to all Americans who revere the memory of John Paul Jones. For this reason, I ask unanimous consent that this statement be printed in the body of the RECORD as a part of my remarks.

In acquiring the site of Grove House, the John Paul Jones Association was desirous of restoring this famous dwelling and perpetuating the memory of John Paul Jones who had resided there in his formative days. As president of the John Paul Jones Association, Mrs. Gregory is anxious to see these objects accomplished and to have this historic site made a national shrine with title to the property vested in some appropriate governmental agency or some patriotic society. This is a most worthy objective and ought to be consummated.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WOMEN ORGANIZE A SOCIETY TO SAVE THE HOME OF JOHN PAUL JONES

WASHINGTON, D.C.,
June 4, 1915.

"I am too devoted an American," said Mrs. Edwin Clark Gregory of Salisbury, N.C., "to admit our country is more ungrateful than republics are generally, but I do wish we had shown more appreciation of John Paul Jones. The intrepid naval commander, dead or alive, should give the national conscience a twinge whenever the subject is prominent, and it is every time we study the history of the war of independence.

"Of course, the splendid service of Gen. Horace Porter in a large measure made

reparation for the century of neglect, but it is almost humiliating to reflect that this service was the work of love of one generous-spirited public man rather than the prompting of the Nation. Still, we have the revered remains of John Paul Jones reposing in a stately mausoleum at Annapolis, and every embryo naval hero going forth from the hallowed shades of the Naval Academy is steeped in reverence to his memory.

"For this we are all very grateful. But down in the old colonial capital of North Carolina, Halifax, the splendid home where John Paul Jones spent his happy days, the only home he ever knew or loved, is crumbling to decay. Every North Carolina woman with a grain of patriotism has been saddened at the picture of ruin the old Jones mansion presents, and we tried many means to rescue it before we came before the Nation with our plea. John Paul Jones is a national hero, and not altogether a North Carolina celebrity, so it seems proper to have the entire Nation take up the work we have been vainly urging in the State, in the local DAR, and afterward at the Continental Congress.

"It is our purpose to found a society similar to that which has preserved Mount Vernon; to have regents and vice regents from every State, with as large membership as we may. The financial obligation will be almost negligible, and the glory of having accomplished something of splendid, patriotic usefulness will be great. Our president is to be Gen. Horace Porter, and the honorary presidents will be Mrs. Marshall, all of the cabinet ladies, Mrs. George Dewey, Mrs. Donald McLean, and Mrs. Matthew T. Scott. There will also be a list of honorary presidents selected from eminent naval officers, of whom Admiral Dewey is typical.

"Vice presidents will be selected from every State, with the central authority vested in the board resident in Washington. Just now all we have decided to do is to organize this memorial society to preserve the home. Later we will decide to what use we will put the venerable mansion. A home for aged women has been suggested, or, again, a school wherein patriotism will be the inspiration, but where boys and girls will be equipped for the battle of life, the boys in technical pursuits, the girls along domestic economic lines.

"It is also proposed simply to restore the old home, furnished as nearly as it was in the days when the sad eyed, youthful Scotch sailor, John Paul, accepted the cheery invitation of Willie Jones to visit him at the Grove, and to keep it in perpetuity as a memorial of our greatest revolutionary naval hero. Personally, I favor this last idea, as more dignified, more useful, and more in harmony with historic traditions.

"Of the mansion, I find so few know of it even superficially that to spread this knowledge is of itself a useful propaganda. The benefactor of John Paul figures in the annals as Willie Jones. Possibly he was the son of that Robin Jones, a highlander of gentle blood, who was attorney general of North Carolina under royal rule. His manorial estate, called the Grove, was renowned in prerevolutionary days for hospitality and for the distinguished guests entertained there.

"Allen Jones, brother of Willie Jones, became a general in the patriotic army and later served his State signally in the legislature. The Jones mansion, though now in pathetic ruins, retains much of its former beauty. All the wood, carved and richly stained, came from England. No home in the South can show more stately halls and drawing rooms, while the stairways are marvels even yet. The daintiest of parquetry, still intact after 3 years of neglect, adorns the floors of the pretty music room, and satinwood in panels, with lovely Cupids flying about the dado, proclaims the wealth and culture of the Jones family.

"It was to this beautiful home that Willie Jones brought the youthful Scotch sailor, John Paul. Mr. Jones had met him previously in Virginia. Later when the adventuresome were gathering in large numbers about Halifax he again encountered the Scotch boy and, feeling pity for his lack of success in the new country, cordially asked him to the Grove until his fortune mended. From that time the history of John Paul mingles intimately with that of the Jones family, and to study the one is to secure records of both. From letters and papers of the day we learn that the Scotch sailor was almost unlettered and that at once the generous host began to take his education in hand.

"His great intellect showed itself instantly, so that after a few years' tutorship in the home of his benefactor we find the daring sea fighter emerging a polished man of letters, graceful and accomplished, versed in the ways of the world, but yet so unworldly that he asked and received permission to add the name Jones to his own, the greatest tribute he could pay and one which assured its immortality. It is John Paul Jones henceforth in the record, and while its bearer remained on American soil his steps bent toward the Grove and it was to him a refuge and support, even as Mount Vernon was to Washington, Monticello to Jefferson, Sunnyside to Irving.

"It was in the grand and sumptuous main drawing room that Commodore Jones received the sword now so sacredly guarded in the Navy Department. And in the fine old library, where the ancient mahogany has defied time and the abuse of Negro tenants, Willie Jones wrote his friend, Joseph Hewes, chairman of naval affairs in the Continental Congress sitting in Philadelphia, commending to his good offices his young protege John Paul. This letter undoubtedly obtained for the ambitious youth his first commission in the Continental Navy.

"Then, at the request of Willie Jones, Hewes interested himself in the valor of young John Paul Jones and gave him full support from his adopted State, North Carolina. Lastly, Gov. Samuel Johnson wrote to Mr Jones in 1789 that the State intended to present a bust of Chevalier John Paul Jones to the statehouse in Raleigh, Chevalier Jones being among the foremost revolutionary heroes who derived their appointment from North Carolina. This intention unfortunately seemed to have been deferred and finally was lost sight of in the lapsing years.

"Though the mansion has been so long neglected, we of North Carolina, who always hoped to restore it, have sufficient records of the interior decoration to refit the home with historical accuracy. We have some of the wallpaper from the drawing rooms and the sleeping apartments. Among the ancient gentry there are pieces of the tapestry and of the brocade which adorned the staterooms, and splendid old furniture like that of Monticello and Mount Vernon can easily be traced to the purchasers. Indeed, though the society is merely peeping out of its shell and we have as yet had no chance to make a general appeal, we have received hundreds of offers to aid in the restoration, by gift or by duplicating known ornaments in the Jones home."

Under the direction of Miss Ursula Daniel of Halifax, the house has been taken down and the timbers saved, so that it can be restored at any desired time. Much interest and history have been connected with the site. On May 3, 1915, the John Paul Jones Association was started. On July 3 of that year, it was incorporated under the laws of the State of North Carolina and the deed to the Grove House with 3 acres of land, including the historic burial ground, was signed, sealed, and delivered to the association.

The following members were elected the first officers: honorary presidents: Mrs. Josephus Daniels, Mrs. George Dewey, Mrs. Donald McLean, and Mrs. Matthew T. Scott; honorary vice presidents, Mrs. William Jennings Bryan, Mrs. William G. McAdoo, Mrs. Thomas W. Gregory, Mrs. Albert S. Burleson, Mrs. Franklin K. Lane, Mrs. David F. Houston, Mrs. William C. Redfield, Mrs. William B. Wilson, Miss Ursula Daniel, and Mrs. Edwin C. Gregory; secretary, Mrs. Gregory; treasurer, Mrs. Herbert Jackson; and historian, Mrs. William Owen.

Grove House, was built in 1764 by Willie Jones, much of the material having been brought from England. From the standpoints of colonial architecture and beautiful location, it was exceptionally interesting, as well as from its historic associations.

The father of Willie Jones was Robin Jones, agent and attorney for Lord Granville. He settled at Roanoke and attained wealth and distinction. Two of his children, Allen and Wiley, were educated at Eton, England. The former was a general in the Continental Army during the Revolutionary War.

Wiley Jones was a noted pre-Revolutionary and Revolutionary patriot. As president of the committee of Safety for North Carolina, he was Acting Governor. He had an important part in the forming of the State and the Constitution. His wife was Mary Montford, of a famous colonial family.

The incorporators of the John Paul Jones Association were U.S. Senator Lee Overman, Hon. Edwin C. Gregory, Mrs. Edwin C. Gregory, and Miss Ursula Daniels.

"In my association with women of every section," said Mrs. Gregory, "I find patriotism is a theme to which almost everyone will respond. I have met with some touching instances of devotion to an ideal while assisting in the formation of this John Paul Jones Association. There is Mrs. William Owen, wife of Colonel Owen, who is the executive head of the Southern Industrial Congress. Mrs. Owen was one of the earliest to join the ranks of those committed to preserve the home of John Paul Jones and of the other honorable occupants of the grove. She at once set about devising means for revenue, for the country is sorely stricken and few have available money to put into any society, no matter how worthy.

"We do not wish this new patriotic effort to be a drain on any of the members, and our aim from the beginning has been to make the cost of the project small, so that all will feel able to afford it. Mrs. Owen conceived the idea of presenting the entire life of Commodore Jones in a scenario and to get the motion films produced under such auspices as would most profit our organization. She intends to turn over the entire proceeds to the society, and it is the most generous offer we have yet received.

"She has at infinite pains produced the early scenes of John Paul's life, the ancient sea town of Arbigland, where he was born; the tiny school in the hills which he attended for a few months; the old kirk, rising white and inviting from the knolls, where he went to service with his relatives; then, his sea life with its thrilling adventures, and all portrayed to inspire veneration for the youth who became so renowned a hero. His sad life, when, at the tender age of 12, he was bound as an apprentice to a merchant at Whitehaven, which led to his voyage to Virginia, where his brother was a planter. All this has been done so delicately and so many points brought forward which are good for all to know.

"The scenario shows that John Paul went into the slave business, but left it in disgust, and the rollicking days of his freelance career at sea and on down until fortune brought him to the favorable notice of Willie Jones. From this part on, the home at the Grove will be depicted in all its aspects and

in this way we will present to those members not able to see the mansion itself a faithful view of it as we hope to keep from this time forward.

"I think this scenario alone a worthy patriotic service to the nation and I am sure it is one which will meet with instant success. We hope to begin in the public schools throughout the country, and the various State regents will be charged with this program. Later we will exhibit generally and always with full explanation of the purpose. Our American women, I think, rise most nobly to all such work as this. It is only necessary to look at Mount Vernon and see the possibilities of these memorial associations. It is a gentle work for the present and succeeding generations. I hope to see the day when every home of the founders of the republic are cared for by the women of the country."

ADDRESS BY SENATOR DODD AT NINTH ANNUAL CONGRESS OF CATHOLIC YOUTH ORGANIZATION AND CATHOLIC YOUNG ADULT CLUBS OF NEW ENGLAND

Mr. DODD. Mr. President, on Sunday, June 18, it was my privilege and pleasure to address the ninth annual congress of the Catholic Youth Organization and the Catholic Young Adult Clubs of New England.

I was greatly encouraged and pleased by what I saw at this congress. Here was a large group of vigorous, intelligent, earnest young people who are anxious to act constructively and effectively in improving the moral and ethical tone of our society. I congratulate these young people on the achievements of their organizations and on the success of their ninth annual congress.

I ask unanimous consent that my remarks on that occasion be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR THOMAS J. DODD BEFORE THE NINTH ANNUAL CONGRESS OF THE CATHOLIC YOUTH ORGANIZATION AND THE CATHOLIC YOUNG ADULT CLUBS OF NEW ENGLAND, HOTEL STATLER HILTON, HARTFORD, CONN., SUNDAY, JUNE 18, 1961

It is a genuine pleasure for me to be here with you this afternoon.

I enjoy being with groups of young people. I always gain something from your infectious spirit of optimism, enthusiasm, and confidence.

In thinking about what to say to you this afternoon, there came to my mind an incident that occurred 25 years ago when I was a young man of about the same age as some of you.

I was attending the ceremonies at Franklin Field in Philadelphia at which Franklin D. Roosevelt accepted renomination for a second term. This scene, with its flags and bunting, its pageantry and martial music, its throng of over 100,000 excited, cheering people, was an event for any young man to remember.

During his memorable acceptance speech, President Roosevelt made one statement which impressed me then and has stayed in my mind since. He said: "To some generations, much is given. Of other generations, much is expected. This generation of Americans has a rendezvous with destiny."

Every part of that statement applies to the young people of your generation.

To you, much has been given.

You are the heirs of Western civilization, of a 3,000-year spiritual heritage, and of the American experiment in freedom and opportunity.

You have been spared all of the ancient curses of man—toil, disease, famine, poverty, war, enslavement, exploitation.

Throughout your lives you have been safe, secure, well fed, well cared for.

From you, therefore, much is expected. It is for you to prove that safety need not breed weakness, that freedom from toil need not breed softness, that material wealth need not breed selfishness, that inherited success need not breed incompetence, that well-being need not breed complacency.

Your generation will surely have a significant encounter with destiny. It will be your fate either to meet and throw back the advancing tide of Communist tyranny or to be subjugated and enslaved by it.

You are opposed by a young generation behind the Iron Curtain which is being trained to wage war while you are being raised to enjoy peace. You are opposed by a generation which is driven to exertion which you would regard as inhuman and fantastic, a generation which works harder, studies harder, sacrifices more than you do.

You are opposed by millions and millions of youths who are ruthlessly disciplined and purposefully directed, not to serve their own well-being but to advance the welfare of the regime which has sworn to bury us.

A successful career for you may involve talent in art or literature or entertainment, or skill in any of the industries built around the satisfaction of consumer wants and desires, or mastery of those professions dedicated to the satisfaction of human needs and comforts.

But to your contemporary behind the Iron Curtain, all personal success, all hope of personal achievement, is measured by his or her ability to contribute to the aggressive designs of world communism. The rewards in the Communist world go to technicians, not television stars; to saboteurs, not salesmen; to political propagandists, not public relations men.

We know that our free society is superior to theirs in the attainment of every decent, praiseworthy objective of mankind. What remains to be proven is whether or not our society is superior in the mortal struggle for survival which they have forced upon us.

The crucial question is whether or not freemen can discipline themselves, whether or not they will make the effort by their own consent that their opponents are forced to make, whether or not they will use the thousandfold superiority of a free society over a slave state primarily for ministering to their own material desires or for advancing the cause of freedom and social justice in the world.

Your opponents may be unwilling conscripts in the war to impose slavery upon the world; but they will win unless you become willing volunteers in the struggle to preserve and extend freedom.

In the words of Edmund Burke, "All that is necessary for evil to triumph is for good men to do nothing."

You may say that it is all well and good to state the problem in general terms, but what can you, a single individual, do about it?

In a free society, everything starts with the individual. If the average American is strong, physically, mentally and morally, then our country will be strong.

If the average American is dedicated to preserving his civil rights and freedoms and those of his neighbor, then our country will be effective in extending those rights and freedoms.

If the average American has courage, then our foreign policy will reflect that courage.

If the average American is generous and self-sacrificing, then our country will make those grave sacrifices which it must make to help our unfortunate friends in the world achieve a decent existence and to protect their independence and their freedom.

So the first thing you can do is to take a critical look at yourself.

Let's talk, for instance, about physical fitness.

All of our young people ought to be deeply interested in this question of physical fitness. The average American youth is unable to pass a physical examination that his contemporaries who grew up in war-ravaged Europe can pass easily. On some physical tests, European girls came out better than American boys. The strength of our Nation is directly involved here. One out of every two American boys is either physically or mentally unfit to serve in our Armed Forces.

So you ought to be concerned, for your own sake and the sake of your country, lest a life of ease and softness makes you unfit for the exertions which may be required of you.

If you are a student, the chances are that you ought to be working harder, studying harder, than you are or than your school requires you to. Dr. WALTER JUDD, that outstanding Congressman who many of you remember as the keynote speaker at the Republican National Convention, recently told of graduation exercises in one of the largest high schools in his home State of Minnesota. The five top honor students in this high school were all children who had come here from Eastern Europe as displaced persons. Dr. JUDD pointed out that these honor students were not necessarily smarter than many other boys and girls in that class. Certainly they had grown up without many of our advantages. But they worked harder, they appreciated more the privileges offered by American life, and as a result they outclassed their American classmates.

If you are a young man of military age, don't shrink from service in our Armed Forces. Don't try to find ways to get out of it. Don't be cynical about it.

Our armed services are desperately in need of people of the highest quality, people who are intelligent and dedicated, who will wear their uniform with pride and distinction, who can master a tougher and more exacting course of training than ever before and who are willing to serve out their full term and then some more if their country needs them.

The other day in Washington the Senate was debating a $9 billion housing bill. The debate was in its 12th consecutive hour. Complicated amendments affecting perhaps millions of people were being voted upon every hour. As the time advanced toward midnight, Senators grew more and more weary and nerves became more and more frayed. At that point, someone began circulating a card from desk to desk with a question printed on it in bold letters.

It said, "Do you have a solution or are you part of the problem? It was of course intended to be humorous and it had that effect.

But as I have thought about it since, it seems to me that that card contained a question that each of us might well ask himself. Are we providing answers, solutions, improvements for our society and our country, or are we merely adding to the burden which our country must carry as it tries at the same time to meet its implacable foe?

You can serve yourself and the Nation by resolving now to prepare yourselves for a lifetime of independence and self-reliance; to be a producer as well as a consumer; to be a giver rather than a receiver; to take care of yourself rather than be taken care of, to support your Government rather than be supported by your Government.

Equally important is the influence you can have on shaping our national attitudes. The American Government does not automatically base its policies on what is in the best national interest. The national interest might call for sacrifice, for struggle, for risk and our Government, being free, can only take those steps if the American people are willing to take them.

You can throw your weight, if you will, behind action, public and private, local and national, that a strong, successful America requires, action that will remove racial discrimination, throttle organized crime, clean up our television, movies and magazines.

You can support greater national and personal effort to build a more powerful military posture, to provide more effective assistance to those impoverished nations which are trying to preserve their freedom, to embark upon a vastly more extensive program in space and other areas of scientific research.

We will not survive unless we do these things and we will not do these things unless you of the new generation are willing to support with your tax dollars, with your service, with your votes and with your zeal these policies and the men and women in public life who advocate them.

You have a grand adventure ahead of you and an unprecedented opportunity to leave your mark for good upon human history. Your active membership in the Catholic Youth Organization and the Young Adult Clubs shows that you are already at work in the kind of activity that will make all the difference in coming decades.

It has been a real privilege and a pleasure for me to participate in your Ninth Annual Congress and I wish you good luck and success in the coming year and in all the years ahead.

NEED FOR CIVIL RIGHTS LEGISLATION

Mr. JAVITS. Mr. President, I rise to call attention to the fact that the administration, notwithstanding the great need for it, has not been coming to Congress for civil rights legislation at this session of Congress.

I point out that a Federal judge in Virginia has just denied intervention by the Department of Justice to join in litigation seeking to reopen schools in Prince Edward County, which schools have been closed. This is another evidence of the assertions which I and others have made that the Department needs statutory authority to intervene and initiate suits in civil rights cases.

I hope very much the administration will come to the same conclusion I have reached, that in order to deal with the situation Congress must be tied in it. This is one of the problems we have been having in regard to some disorder which has taken place in certain Southern States. Until Congress takes its responsibility, the executive will find itself handicapped and, indeed, crippled, in endeavoring to deal with the situation.

I do not believe this is advancing the President's program one bit. I think the President is simply avoiding a very essential issue in terms of the country.

Mr. President, I ask unanimous consent to have printed as a part of my remarks an editorial from the Washington Post and Times Herald entitled "Investment in Ignorance."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INVESTMENT IN IGNORANCE

Federal Judge Oren Lewis has taken a very narrow view of the facts in rejecting the intervention of the Department of Justice to reopen the public schools in Prince Edward County. The Department's plea to enter the case as a plaintiff was admittedly a departure from previous practice, but there was the justification of an effort to speed a remedy for a situation in which some 1,400 Negro children have been deprived of schooling for 2 long years.

In particular, Judge Lewis magnified out of proportion the Government's request to enjoin Virginia from spending public funds for support of schools anywhere until those in Prince Edward are reopened. This was patently not an attempt to close schools elsewhere; it was an effort to devise a lever by which to induce State and local authorities to meet their responsibility. The broad focus of the action was upon the obvious denial of equal protection of the laws.

Whether the timing of the Department's course was politically wise, in view of the ammunition it gave the diehard forces in the contest for the Virginia gubernatorial nomination, is a matter of some debate. But the closure of public schools, which in effect enshrines ignorance as a public policy, is a situation to which no one can really be indifferent, and every legal means is warranted to bring relief.

Actually, a great many Virginians have troubled consciences about the plight of Prince Edward County. There are even indications that county authorities, even though they have again denied funds for operation of public schools, have begun to heed the moral pressures. If public schools were available to those who wished to attend them, what other children did would be immaterial.

Irrespective of the outcome of the court case bearing upon the legality of public grants for private school tuition, and irrespective of the action of Prince Edward County officials, the State of Virginia itself has a direct obligation in the matter. Section 129 of the Virginia constitution reads: "The General Assembly shall establish and maintain an efficient system of public free schools throughout the State." This remains the basic law; and so long as it is not enforced in Prince Edward County children there are being deprived of their rights under the Virginia as well as the Federal Constitution.

NIGERIA

Mr. JAVITS. Mr. President, many people like myself are always pointing out our problems with respect to race relations, especially when violence results in hurting us very materially abroad.

I ask unanimous consent that a column entitled "We Help the Reds in Nigeria," written by Ralph McGill, the great southern editor, published in the Washington Evening Star the 14th of this month, be printed in the RECORD.

Mr. President, the article shows very clearly how, in this great country, which contains a larger population than any other independent country in Africa and upon which we depend very heavily in the struggle for freedom, all of our efforts tend to be colored by the fact that the newspapers take a very dim outlook of what happened, for example, in Alabama when the racial situations took place there.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

WE HELP THE REDS IN NIGERIA—SEGREGATION EVENTS IN AMERICAN SOUTH VIEWED AS BOON TO COMMUNISTS

(By Ralph McGill)

A young man in the Foreign Service of the United States in Africa sent along tear sheets of 1 day's issues of two of Nigeria's major newspapers, the Daily Express and the Nigerian Outlook.

The headlines, on stories from Alabama, were these:

"Negro Boy Soaked With Petrol, Then Set afire by U.S. Mob."

"Race Horror Flares Up."

"Another Major Race Clash in America; Martial Law Declared."

In a letter written from Enugu, Nigeria, he said:

"It is difficult to appreciate the rapid change in this part of the world without being on the scene. The amount of work here is vast and the problems difficult. The rising issues in the Congo, the nationalist outlook and the emerging independent nations of Africa need all the help and sympathy the more advanced nations can offer. The sooner the response, the better it will be for us and the world. This experience, as I see it, unveils our lack of efforts in this part of the world. We should have been here 20 years ago, even longer.

"Our most difficult job here is not with the people but with a well-organized conspiracy that uses every chance to deceive and discredit. The racial issue in the United States has been one of the most valuable weapons in the hands of those looking for an opportunity to drive a wedge between the African countries and the Western Powers. Naturally, we get the brunt of the complaint, and it is simply because they can point to New Orleans, Little Rock, and incidents involving African dignitaries visiting the United States. Now comes the news from Alabama.

"The Congo has added a lot to the feeling of mistrust. The attacks on the Embassy in Lagos and other demonstrations can, of course, be traced to a latent feeling aroused by our adversaries. There remains a lot to undo here and a lot to do at home to regain and continue to build American prestige. We make progress only to have it nullified by news from the South.

"The appointments of qualified American Negroes to high posts by President Kennedy have won considerable favor from African leadership here. The fact that white and black can work together in America is another fact that interests them very much. The appointment of more qualified Negroes to serve abroad would, at this time, be an 'ace card' in the hands of the United States. These appointments need not be restricted to African countries alone. Small European nations are being used indirectly to infiltrate Africa with communism. I am sure you are aware of this. If Americans can be made to understand how much racial violence and discrimination assist communism, perhaps they would be willing to bring it to an end. If we don't * * *"

The problem is a national one, but the immediacy of it is in the South.

The States of Alabama, Mississippi and Louisiana cannot forever agitate and provoke violence by refusing to follow court rulings and Interstate Commerce Commission rulings, some 16 years old, which forbid segregation of interstate bus and railway stations.

Montgomery cannot long endure the absurdity of having long had desegregated lo-

cal bus service, but still turning out mobs to enforce segregation at the bus terminal.

If persons who are within their rights are mobbed and thrown into jail, we will sow and reap a harvest of greater violence.

The Freedom Riders, and those citizens who are denied the right to vote, do not need Communists to tell them of injustices. But if indefensible defiance of laws and ICC regulations continues, the Communists will profit most. They already are profiting in Nigeria.

The real leadership of the South, which so long has been doing nothing, now must act. It can only begin with acceptance of the fact that the Negro citizen is entitled to the rights which citizenship gives—no more and no less. This is a simple admission. It does no violence to private or social life. But nothing can be done in the South that does not start from this basic admission.

COMMUNIST FOREIGN AID

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks a news statement published in the New York Times, which shows that the Communists are giving us very hot competition in foreign aid. This fact bears very materially upon what we shall do with regard to our foreign aid program, which will be one of the most contested of all programs to come before the Senate this year.

The Communists are giving away about a billion dollars in economic aid this year. Let those who are deeply concerned about the size of our foreign aid program ponder that situation before they come to a final conclusion.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RED BLOC SPURS AID TO NEUTRALS—GRANTED BILLION IN ECONOMIC FIELD ALONE LAST YEAR—TRADE DRIVE PRESSED

(By Seymour Topping)

Moscow, June 18.—At a gay party in the Kremlin for President Sukarno of Indonesia, Premier Khrushchev pulled out his pockets and said, beaming: "Look, he took everything I had."

Mr. Khrushchev was jesting in the expansive mood of the successful banker. Indonesia is one of the 20 underdeveloped countries of Asia, Africa, and Latin America that are receiving Soviet aid.

The Soviet Union and other members of the Communist bloc are rapidly expanding their economic, technical, and military assistance to the uncommitted nations.

The Communist countries allocated more than $1 billion in economic aid alone last year, according to Western estimates. This was the biggest annual outlay since the Communist program for the underdeveloped countries made its modest beginning in 1954. In 1960 more than 6,000 Communist technicians were present in those countries.

The Communists' plan for economic penetration also relies heavily on growing trade, including the sale of equipment that will require replacement parts from the Communist suppliers. Communist bloc salesmen are increasingly active at trade exhibitions and as members of exchange missions.

A study of the bloc's trade with the underdeveloped countries in the first half of 1960, compared with the same period of 1959, indicated an increase of about 20 percent.

By comparison with U.S. aid outlays, Communist bloc expenditures are relatively small.

Since 1954, it is estimated, the bloc has provided credits and some grants amounting to roughly $5 billion, about 70 percent in the economic field and the rest military. Actual deliveries, however, have averaged less than $200 million a year.

Proposed U.S. foreign aid for the next fiscal year alone would allocate $2,890 million for economic assistance and $1,885 million for military help.

Some Western and neutral experts here believe that, proportionately, the Communist bloc has reaped greater propaganda benefits than the United States.

Communist aid often is tied more closely to political objectives than is U.S. assistance, although there are no obvious strings attached. The Communists make greater propaganda flourishes in every phase of their aid programs, from the negotiating to the supplying stages. Dramatic impact is achieved through a careful selection of showpiece projects, such as the giant Aswan High Dam in the United Arab Republic and the Bhilai iron and steel plant in India.

The nature of Soviet projects usually requires that Moscow train the recipient country's technicians and workers. For the Bhilai plant, more than 700 Indian engineers and other personnel were trained in the Soviet Union. Several thousand Indian construction workers were trained on the site by Soviet specialists.

Like the United States, the Soviet Union is having its share of unhappy experiences with aid recipients. Moscow is learning that an aid program does not insure the favorable orientation of a country's policies.

This is the case with the United Arab Republic and Iraq. The Soviet Union has invested heavily in both and now finds the attitudes of their Governments decidedly cool.

Despite these disappointments, Premier Khrushchev apparently is going ahead with programs for these two countries and is rapidly expanding foreign assistance generally.

The importance the Communists attach to the programs can be judged by the fact that a country as hard pressed economically as Communist China has since 1954 allocated almost $400 million. The East European countries have provided somewhat less than $1 billion. The rest of the $5 billion earmarked up to the end of 1960 came from the Soviet Union.

According to Soviet statistics, Moscow has already granted credits totaling more than 2 billion rubles ($2,222 million) in economic assistance to 20 underdeveloped countries. More than 4,000 Soviet technicians were said to be at work in these countries.

SENECA NATION OF INDIANS SUPPORTS AMERICAN INDIAN DAY

Mr. JAVITS. Mr. President, I am particularly gratified to have received from the president of the Seneca Nation of Indians a resolution adopted by the council of the Seneca Nation, expressing its support for Senate Joint Resolution 84, which I sponsored, to establish the fourth Friday of September of every year as American Indian Day, in which 43 of my Senate colleagues joined me.

The support of this Indian nation, whose treaty rights are even now being considered under the Kinzua Dam project, is particularly gratifying.

I ask unanimous consent that the letter which I received from Basil Williams, president of the Seneca Nation of Indians, be printed in the body of the RECORD. I hope that this additional expression of support from an Indian nation, like many others which have been received by Members of the Senate, may result in prompt enactment of Senate Joint Resolution 84, and the proclamation of this celebration by the President.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SENECA NATION OF INDIANS,
Salamanca, N.Y., June 12, 1961.

Hon. JACOB K. JAVITS,
U.S. Senate,
Senate Office Building,
Washington, D.C.

Re Senate Joint Resolution 84.

DEAR SENATOR JAVITS: The council of the Seneca Nation of Indians, at a regular session held June 5, 1961, took the following action relative to the "Joint resolution to establish the fourth Friday in September of every year as American Indian Day":

"That the Seneca Nation of Indians go on record as urging the adoption of Senate Joint Resolution 84 and that Senator JAVITS be so advised."

Thank you for your interest in not only the Seneca Indians but all American Indians.

Very truly yours,

BASIL WILLIAMS,
President.

STATEMENT OF NEW YORK ATTORNEY GENERAL LEFKOWITZ ON SCHOOL CLOSINGS IN LOUISIANA

Mr. JAVITS. Mr. President, in reply to a request to State attorneys general from the U.S. District Court for Eastern Louisiana, the distinguished attorney general of New York State, Louis J. Lefkowitz, submitted a letter to the court setting out his strong belief, and that of the State of New York, in the constitutional protection of the right to public education. I believe that his reply will be of interest to the Members of the Senate and to the entire Nation, and I ask unanimous consent that his letter addressed to the court be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Hon. JOHN MINOR WISDOM,
Hon. HERBERT W. CHRISTENBERRY,
Hon. J. SKELLY WRIGHT,
U.S. Courthouse,
New Orleans, La.

YOUR HONORS: I have received a copy of your circular letter sent to the attorneys general of the several States inviting them to file briefs amicus curiae dealing with questions pending before the court in the St. Helena Parish school case.

I am grateful for the opportunity to present my views. However, recognizing the paucity of decisional precedent, and particularly in view of that which follows in this letter, I hope that this will be accepted in lieu of a more formal brief.

In *Wolf* v. *Colorado* (338 U.S. 25 (1949)), the Supreme Court wrote (p. 27):

"Due process of law thus conveys neither formal nor fixed nor narrow requirements. It is the compendious expression for all those rights which the courts must enforce because they are basic to our free society. But basic rights do not become petrified as of any one time, even though, as a matter of human experience, some may not too rhetorically be called eternal verities. It is of the very nature of a free society to advance in its standards of what is deemed reasonable and right. Representing as it

does a living principle, due process is not confined within a permanent catalog of what may at a given time be deemed the limits or the essentials of fundamental rights.

"To rely on a tidy formula for the easy determination of what is a fundamental right for purposes of legal enforcement may satisfy a longing for certainty but ignores the movements of a free society. It belittles the scale of the conception of due process. The real clue to the problem confronting the judiciary in the application of the due process clause is not to ask where the line is once and for all to be drawn but to recognize that it is for the Court to draw it by the gradual and empiric process of inclusion and exclusion (*Davidson* v. *New Orleans*, 96 U.S. 97, 104). This was the Court's insight when first called upon to consider the problem; to this insight the Court has on the whole been faithful as case after case has come before it since *Davidson* v. *New Orleans* was decided."

Public education, in grade and high school at the very least, it seems to me, today demands the protection of the due process clause not alone for the well-being of our citizens of tomorrow but as an absolute essential for the preservation of our free American way of life against the onslaught of foreign ideologies.

In *Brown* v. *Board of Education* (347 U.S. 483 (1954)), the Court, in considering "public education in the light of its full development and its present place in American life throughout the Nation," wrote (pp. 492–3):

"Today, education is perhaps the most important function of State and local governments. Compulsory school attendance laws and the great expenditures for education both demonstrate our recognition of the importance of education to our democratic society. It is required in the performance of our most basic public responsibilities, even service in the Armed Forces. It is the very foundation of good citizenship. Today it is a principal instrument in awakening the child to cultural values, in preparing him for later professional training, and in helping him to adjust normally to his environment. In these days, it is doubtful that any child may reasonably be expected to succeed in life if he is denied the opportunity of an education."

It is only 7 years ago that these words were written. The epochal events since that time have given immeasurable emphasis to the important role which public education must play in the lives of each and every one of us. The two questions posed in your letter may be novel, but the guide to their determination has been laid down by the Supreme Court and, I respectfully submit, none but an affirmative answer should be given.

I have the honor to remain,

Very respectfully yours,

LOUIS J. LEFKOWITZ,
Attorney General.

AWARD OF HONORARY DOCTOR OF LAWS DEGREE TO SENATOR WARREN G. MAGNUSON

Mr. BARTLETT. Mr. President, only a few among us have known that our colleague, WARREN G. MAGNUSON, had an honorary doctor of laws degree conferred on him by Gonzaga University in Spokane, Wash., when the school's commencement was held May 28, 1961.

The senior Senator from Washington has given this new honor no more mention than he has his 25th anniversary in Congress.

However, I obtained a copy of the seventy-fourth annual commencement program from Gonzaga University.

On the third page is this reference to our respected colleague:

WARREN GRANT MAGNUSON, doctor of laws: The biblical "Senator in the gates of the land" has an awesome and honorific office. He may sometimes rule, as in ancient Rome and in modern Britain; he may sometimes—and with longer ranged and greater responsibility—legislate and advise and consent.

Our son WARREN GRANT MAGNUSON for 25 years has served the State of Washington and the Nation in the highest elective offices our State can confer. Without wearing the formal toga and without the mace bearers to prepare his way, he has quietly emerged as one of the most influential persons in the gates of this land. His quickness of intellect and gift of expression have made him appreciated on both sides of a body where parliamentary maneuver is a noticed art.

He has consistently concerned himself with the well-being of his country, without, however, forgetting the needs of those at home who seek his intercession. This perfect balance, expected of one whose function it is to advise and consent, merits alma mater's conferring on him this day the degree of doctor of laws.

This citation was delivered by the Very Reverend Edmund W. Morton, S.J., president, Gonzaga University, as the degree was conferred.

Being one of five outstanding individuals honored at the Gonzaga University with degrees ranging from doctor of literature to the De Smet Medal, Senator MAGNUSON made no formal remarks. Had he done so, I would ask that they be made a part of the RECORD.

It is good, Mr. President, that this honorary degree has been conferred upon Senator MAGNUSON. Actually, it could have been bestowed in many fields with equal justification.

All of us know the key role which Senator MAGNUSON has taken in advancing programs, serving our Nation better today, because they came for review before the Senate Commerce Committee, the Senate Appropriations Committee, or the Senate Aeronautics and Space Sciences Committee, on which he serves with distinction.

Talking with our colleague WARREN MAGNUSON, he told of the friend in the newspaper profession who had written a congratulatory letter following the award of the doctor of laws degree, noting that the Senator could put this to good use, because "many of our laws need doctoring."

But that would be a modest answer to this man whose stature rises so high in the United States which he has helped so much to further in so many ways and so unforgettably.

THE ROAD TO PEACE—ADDRESS BY REPRESENTATIVE WALTER H. JUDD

Mr. BUTLER. Mr. President, the Southern Maryland Woman's Club was recently privileged to hear Representative WALTER H. JUDD, of Minnesota, deliver an address on the subject, "The Road to Peace." It was described as a talk that "the parents will be proud to tell their children about in the years to come."

Representative JUDD told his audience that the road to peace begins with the recognition of the Communist conspiracy in all its subtle horror, that victory will not come about through military might alone, but that "you must win with ideas."

Mr. President, I ask unanimous consent that the article in the Times Crescent of La Plata, Md., reporting the address of Representative JUDD be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DR. WALTER H. JUDD DIAGNOSES "SICK WORLD"—MINNESOTA CONGRESSMAN SPEAKS IN LA PLATA; GUEST OF WOMAN'S CLUB

The world is "sick," but not beyond all hope of recovery.

That, in summary, was the diagnosis and prognosis presented to the Southern Maryland Woman's Club by Dr. WALTER H. JUDD, U.S. Congressman from Minnesota, world traveler, medical missionary, and recognized specialist on the principal disease from which the "sick world" suffers, viz, the international Communist conspiracy.

Dr. JUDD spoke for an hour and a half to a rapt audience of more than 200 persons, at the La Plata High School auditorium Tuesday evening. The title of his talk was, "The Road to Peace."

DISTINGUISHED AREA RESIDENTS

At the conclusion of the memorable address, Isaac Don Levine, a well-known writer and authority on foreign affairs, now a resident of Charles County, called it one of the finest speeches he had been privileged to hear—one that "the parents will be proud to tell their children about in the years to come."

Mr. Levine and Hon. Maynard Barnes, former U.S. Minister to Turkey and Bulgaria and Chargé d'Affaires in Paris at the outbreak of World War II, now a St. Mary's County resident, were seated on the stage with Congressman JUDD and participated in the question-and-answer discussion that followed the main address.

Mr. Barnes introduced the distinguished speaker, following the "Pledge of Allegiance to the Flag" and appropriate introductory remarks by Mrs. Walter Espach, program chairman.

GLOOMY PROGNOSIS

Dr. JUDD, during the wide range of his thought-provoking, fact-filled address, covered the whole spectrum of the rise of communism and decline of freedom over the past 30 years. And while his medical training prompted him to observe that miracles do happen in diseases of the human body—a new drug is discovered to effect a cure—there was an underlying feeling of despair in Dr. JUDD's speech about the ability of the free world to recover from the disease which affects its body politic.

"The letters reaching a Congressman's desk," he said, "show that there was never a time characterized by greater uneasiness. The people don't see any way out, other than an atomic holocaust."

In answer to his own questions of "How did we get into this situation? How did we miscalculate so bady?" Dr. JUDD said it resulted from "apathy and cowardice from within. We have just refused to believe that the Communists mean what they say on the subject of the worldwide revolution.

BASIS OF REVOLUTION

"When Lenin said 'there can never be peace until private ownership of property is abolished,' he meant just that."

This is the very basis of the Communist revolution. It is a war between those who own property and those who have only what they collect on Saturday night.

"The Chinese Communists are not Chinese," said Dr. JUDD; "they are world revolu-

tionists. When an American becomes a Communist he is no longer an American, he is a world revolutionist.

"We don't study this adversary," Dr. JUDD continued. "We fail to realize that he doesn't play the game according to our rules."

RECOGNITION ILL ADVISED

The speaker tied in those observations with the diplomatic recognition of Russia by the United States in 1933 and with our continuing efforts to deal at the conference table with the Communist leaders.

He said Stalin had just executed 6 to 7 million of his people when he sent Litvinov to America in 1933 to sell us on the idea that diplomatic recognition and trade with Russia would help us recover from the depression.

"Stalin's objective was political, not economic," said Dr. JUDD. "Trade between the two countries has been less since 1933 than before; but Stalin got what he wanted because we broke the back of the peasants' will to resist by recognizing him as the head of their government."

SUMMITRY FUTILE

The speaker was equally critical of summitry.

"Perhaps I shouldn't tell this," he said, "but President Eisenhower made this statement to me: 'I will travel anywhere in the cause of peace.'

"Yes," I said, "but you shouldn't go to the wrong places."

He would offer the same advice to President Kennedy in connection with his proposed Vienna meeting with Khrushchev. He is convinced that the only purpose the Communists have in such meetings is to get the free world to relax its guard so that the next blow might be more easily struck.

"The Communists don't want Cuba," the speaker continued; "they want the Western Hemisphere. They don't want Berlin; they want Europe. They don't want Vietnam; they want Asia."

Any attempt to deal with them on these matters, he said, is equivalent to the FBI calling in leading gangsters for a conference on how to cope with a crime wave that they were engaged in.

In conclusion, the Minnesota Congressman told his La Plata audience that the United States has put too much dependence on the Army, the Navy, and the Air Force in this global war.

"You don't win with arms," he said; "you only hold with arms. You must win with ideas."

One idea which Dr. JUDD advanced is to organize, as he expressed it, a new club of Nations that will unite and work together in the interest of peace, based upon effective machinery for the administration of justice.

This did not mean disbanding the United Nations, he said, but the U.N. might well be superseded by such a club; just as the adoption of the Constitution and establishment of the United States of America superseded the Articles of Confederation.

SALT WATER CONVERSION PLANT DEDICATION AND PADRE ISLAND INSPECTION

Mr. YARBOROUGH. Mr. President, Texans are indeed proud of two important and significant events which will take place in their State tomorrow.

I refer first to the dedication ceremonies for the saline water conversion plant at Freeport, the pilot project for converting sea water into fresh water.

President Kennedy will participate in the project by a special long-distance telephone arrangement, and Vice President Johnson and Secretary of the Interior Udall and Parks Director Conrad Wirth will attend the ceremonies and be principal speakers.

A number of distinguished leaders of both the Senate and House will also participate in the dedication ceremonies. Among those expected to take part are the Senator from New Mexico [Mr. ANDERSON], the extremely able chairman of the Senate Interior and Insular Affairs Committee, and the Senator from Utah [Mr. Moss], also a leader of that distinguished committee.

Several outstanding leaders of the House of Representatives, including a number from my own State of Texas—Representatives J. T. RUTHERFORD, CLARK THOMPSON, JOHN YOUNG, BOB POAGE, JOE KILGORE, and several others—Representative DON MAGNUSON, of Washington, and MIKE KIRWAN of Ohio.

In addition to marking the opening of this vital new water conversion project, Vice President Johnson, Secretary Udall, Director Wirth and most of the other Senators and Representatives will go to Padre Island for a personal inspection tour of the proposed Padre Island National Seashore Recreation Area site.

Mayor Ben McDonald, the efficient and personable leader of the city of Corpus Christi, is working with the chamber of commerce, the Coastal Bend Tourist Association, and many other groups to hold a fish fry on Padre Island honoring Secretary Udall. Right now four fishing boats are working two choice fishing banks of the Texas gulf coast, despite some squally weather, to catch the fish for the dinner. Members of the Laguna Madre Fishermen's Association are going to fry the fish and prepare the rest of the meal.

Following the fish fry, the group will make an aerial inspection the length of Padre Island, landing at Brownsville for a meeting with Cameron County Judge Oscar Dancy and other Rio Grande Valley leaders.

Mr. President, Texans in all areas of the State are pleased to welcome these governmental leaders who are interested in both of these important projects.

We look forward to giving them a Texas-size welcome and to working with them toward the completion of these two outstanding programs in the fields of water research and natural resource preservation.

I regret that arrangements have not been made for the Presiding Officer [Mr. METCALF] and other distinguished Senators present to attend this affair, which will be one of the outstanding events of the year in Texas. We are glad that the Vice President, the Senator from New Mexico [Mr. ANDERSON], Secretary of the Interior Udall, I believe Secretary of the Navy Connolly, and many others will be present on that flight in the morning.

DEPORTATIONS FROM THE BALTIC STATES

Mr. KEATING. Mr. President, mid-June is the anniversary of the brutal mass deportations carried out by the Soviet Union in the three Baltic nations, Lithuania, Estonia, and Latvia. Two decades ago the brutal dictators of Soviet Russia ordered the Baltic peoples to leave their century-old homes and exiled them to distant Communist work centers or concentration camps in remote parts of the Soviet territory.

What was their crime? They believed in freedom. They had once, for a brief period, enjoyed freedom. They could not be trusted to endure the tyranny and degradation of communism. For that reason, they were forcibly driven from their homelands into a bitter Siberian exile.

Today it is unknown whether these refugees are living or dead, whether they survived the rigors of forced labor camps, of wartime captivity, and of Soviet ruthlessness. The ones that do survive, in Siberia, in other parts of Russia, or still in the Baltic nations, are often ignorant of the fate of their closest kin. Families were wrenched apart. As many as 50,000 were seized in 1 year for deportation.

In paying homage to these brave Baltic people, the people of the United States are expressing their deep conviction, their never-ceasing prayer that freedom will one day return to Eastern Europe and to the lands that nestle around the Baltic Sea. Here in America where we enjoy freedom it is only fitting to pay homage to the continuing hopes and endurance of the people behind the Iron Curtain for whom freedom does not exist today but for whom freedom remains a bright dream that will never be forgotten.

RESOLUTIONS OF NEW YORK STATE ORGANIZATIONS

Mr. KEATING. Mr. President, in order that the Congress may be advised of the position of two key groups in New York State on issues of national importance, I ask unanimous consent to have printed in the RECORD at this point a copy of a resolution of the Tompkins County Bar Association in support of H.R. 10 and a copy of a resolution of the Medical Society of the State of New York urging the acceleration of drug inspection services to safeguard the public health.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION BY TOMPKINS COUNTY BAR ASSOCIATION, ITHACA, N.Y.

Resolved, That the Tompkins County (N.Y.) Bar Association recognizes the need for the establishment of voluntary pension plans by self-employed individuals with appropriate legislative provisions for tax deduction of employer's contribution, and, to this end, recommends the adoption of the self-employed individuals tax retirement bill of 1961 now before Congress (H.R. 10).

RESOLUTION BY MEDICAL SOCIETY OF THE STATE OF NEW YORK

Whereas a special National Academy of Sciences Committee advisory to the Secretary of Health, Education, and Welfare, composed of C. Phillip Miller, M.D., professor of medicine, University of Chicago, Chairman; John H. Dingle, M.D., professor of preventive medicine, Western Reserve University; Maxwell Finland, M.D., associate professor of medicine, Harvard Medical School; Colin M. MacLeod, M.D., professor of medicine, New York University; Karl F. Mayer,

M.D., director emeritus, George Williams Hooper Foundation, University of California Medical Center, San Francisco; John R. Paul, M.D., professor of preventive medicine, Yale University; Carl F. Schmidt, M.D., professor of pharmacology, University of Pennsylvania; and Wesley W. Spink, M.D., professor of medicine, University of Minnesota, has reviewed the policies and procedures of the Food and Drug Administration concerning the acceptance and certification of new drugs; and

Whereas this Committee has recommended:

(a) That the Food and Drug Administration be authorized to carry on continuous inspection of drug manufacturing facilities and drug products to guarantee compliance with quality standards before marketing; and

(b) That several other procedures be instituted with the purpose of safeguarding the public health with regard to drug therapy; and

Whereas, the Medical Society of the State of New York believes that these recommendations are sound and urgent: Now, therefore, be it hereby

Resolved, That the Medical Society of the State of New York endorse these recommendations and urge that the Congress of the United States adopt legislation to enact them into law; and be it further

Resolved, That a copy of this resolution be sent to U.S. Senators JACOB K. JAVITS and KENNETH B. KEATING, of New York; and be it further

Resolved, That the delegates of the Medical Society of the State of New York to the house of delegates of the American Medical Association be instructed to introduce this resolution into the house of delegates of the American Medical Association in June 1961.

WILLIAM L. WHEELER, Jr., M.D.,
Secretary.

IMPORTANCE OF FOREIGN AID

Mr. MUSKIE. Mr. President, on June 15, Secretary of State Dean Rusk delivered an address before the Eighth National Conference on International Economic and Social Development, which was held at the Shoreham Hotel in Washington. I was privileged to hear Secretary Rusk's address, and I considered it to be one of the most effective explanations of the foreign aid program, its purposes, and the means by which it would be implemented that I have ever heard.

I think the address was particularly remarkable in that it was a completely off-the-cuff response to the audience on this important subject. I invite the attention of Senators particularly to two paragraphs of the address:

When a new administration comes in, it is a suitable occasion for a serious and critical review of such a 15-year experience; indeed, it is a necessary occasion. * * * This review should include an examination of our successes to try to understand how they came about, to find those elements of success which might be transferred to other situations—the innovations, individuals, ideas, and institutional structures and procedures which might be drawn from one success to build another somewhere else. We should also look at some of our disappointments to find out whether they were caused by action or inaction on our part or whether they resulted from forces beyond our control, and to see to what extent we can protect ourselves against such disappointments in the future.

How can we make our investments better investments? How can we increase their yield? How can we make a dollar go further? We must try to teach the public good administration by practicing it ourselves. We must find out how we can act more speedily, more effectively, more perceptively, more relevantly as we go about this business of aid.

I suggest that the quotations I have read from Secretary Rusk's address should constitute assurance to the taxpayers of our country that this administration, in approaching the whole problem of foreign aid, is doing so soundly and constructively.

I ask unanimous consent that the text of the address be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE DEAN RUSK, SECRETARY OF STATE, BEFORE EIGHTH NATIONAL CONFERENCE ON INTERNATIONAL ECONOMIC AND SOCIAL DEVELOPMENT, WASHINGTON, D.C., JUNE 15, 1961

Mr. Taft, distinguished Members of the Senate, of the House of Representatives, honored guests, ladies and gentlemen, I greatly appreciate your invitation to be here this evening, although I must say that I am somewhat reluctant to proceed after the moving statements which you have already had before you.

I must confess to mixed feelings as I find myself on this particular spot this evening, after having sat at more comfortable tables, for most of your previous annual meetings. I shall not attempt to compete with the galaxy of experts on your programs, but rather to make some brief and quite informal personal remarks about my own reactions to the foreign aid issues now before the Nation.

Let me say that we are deeply grateful for your presence and for your demonstrated interest in economic and social development beyond our borders. It is sometimes said that foreign aid has no natural constituency in the United States. I think this is wrong, even though the constituency is not highly organized and not always as vocal as some of those who oppose it. This conference itself—bipartisan, nonpartisan, much of it nonpolitical—is broadly representative, and the voices here deserve attention and respect.

But the solid support of the participating organizations and of those individuals who have made this conference possible is itself a public service of the highest order.

The main constituents of foreign aid, as I see it, are those Americans who by the tens of millions have shown their readiness to do what has to be done to build a decent world order, who have carried on the traditional reputation of the American people for concern about misery and want, both at home and abroad, and who have made a deep commitment in their own personal lives to the survival and growth of freedom.

We would make a great mistake in the midst of our political debates were we to underestimate the American people at this sobering moment in our national history—underestimate their mixture of idealism and practicality, their mixture of impatient energy and determined resistance—for I believe the American people know that the stakes in foreign aid involve every home and every community across the land. I am also convinced that our foreign aid programs are the principal instruments we have to support the vital interests of the American people in a peaceful way.

I wish it were possible for every county courthouse to show a map of the world with pins on it showing where the men and women of that county have served in the defense of freedom in the last 20 years, and a map of the county itself showing the homes of those who have made sacrifices in this great struggle for freedom. For the issues of this struggle reach us all in the remotest corners of the land wherever we go about our business.

There is a phrase around Washington these days that foreign aid is in trouble. You have heard it; you will hear it again. I hope I am right in understanding what that phrase means and what it does not mean. For as we move into the consideration of our aid programs for another year, we cannot help but be conscious of the fact—and it has been mentioned here in your conference—that we can now look back upon some 15 years of experience in postwar foreign aid—those emergency days of immediate postwar relief, those necessary days of aid to Greece and Turkey, those challenging days of the Marshall plan, the inspiriting idea of the point 4 program, the initiation of development loans and grants, the use of agricultural surpluses for assistance abroad.

It would be natural and right if we as a nation should pause and look back over those 15 years of experience. Let's start with you yourself in this conference. As I have sat at one or another of these tables in past years as a constituent of foreign aid, I have found myself hoping a little anxiously that those who were proposing the program would give us something to support; those who are committed to foreign aid cannot help but want to know whether the best job possible is being done, whether the right questions are being asked, whether the resources are being put to the best advantage.

When a new administration comes in, it is a suitable occasion for a serious and critical review of such a 15-year experience; indeed, it is a necessary occasion. President Kennedy has himself led the way in looking deeply into this bipartisan experience in the postwar period to see what can be learned from it which will help us in the years ahead, as well as to reexamine the character and the purpose of foreign aid. This review should include an examination of our successes to try to understand how they came about, to find those elements of success which might be transferred to other situations—the innovations, individuals, ideas, and institutional structures and procedures which might be drawn from one success to build another somewhere else. We should also look at some of our disappointments to find out whether they were caused by action or inaction on our part or whether they resulted from forces beyond our control, and to see to what extent we can protect ourselves against such disappointments in the future.

How can we make our investments better investments? How can we increase their yield? How can we make a dollar go further? We must try to teach the public good administration by practicing it ourselves. We must find out how we can act more speedily, more effectively, more perceptively, more relevantly as we go about this business of aid. We must learn to share these burdens with those who are ready, willing, and able to share them. We and other advanced countries must act more effectively together, must join public and private effort in a more effective common campaign and must deal intelligently with questions of priorities.

If resources are scarce, the more important, the more urgent, the more enduring must come first. In addition to the administration's searching—a searching which is still going on—the Congress, too, is giving the aid program a rigorous review. No one knows that better than those of us who have recently been witnesses before congressional committees. It is right that they should make this review, not merely because it is their constitutional duty, but also because when you look back over these last 15 years,

you will find on the congressional committees an accumulation—indeed, a wealth—of responsible experience which would be hard to match anywhere in the country.

One can sympathize with the remark of the distinguished Senator who referred to all the "revolving experts who have paraded before us down through the years." For these representatives of the people have had to accept their own responsibilities in the development of most of our aid programs since World War II. They have struggled with the national policy involved; they have studied the situations to which aid is applied. Many of them have visited programs in the field, and they have acquired much knowledge to contribute to these programs. The programs will be better for having been thoroughly examined and criticized in this process.

That we must do a better job in foreign aid, no one can seriously deny. But if we say that foreign aid is in trouble and mean by that that we as a nation are unwilling to make a serious effort on the scale now proposed to Congress—roughly 1 percent of our gross national product—then, we have cause for deep concern; for that would mean that we citizens are in trouble, that the free world is in trouble, that the future of this Republic is in trouble.

Do we, each one of us, occasionally have isolationist nostalgia? Perhaps so, but there are no isolationists in the Kremlin. Are we preoccupied, as understandably we might be, with our own great unfinished tasks here at home in our schools, in our unemployment, in our health, in the care of our aged?

The Red Chinese are pressing their programs abroad in the face of desperate and widespread hunger at home, making large demands upon their slender resources of foreign exchange. Can we imagine that we can be secure while others are living at the edge of terror, or that we can be prosperous if others are in misery? Are we worried about costs, and have we thought of the costs of war?

We are approaching our aid effort this year in an attempt to find the right answers to a number of the questions which have been actively discussed here in this conference. We are looking genuinely for simplified administration, for responsibility which runs from the group in the country involved under the leadership of the Ambassador through a regional assistant administrator to the Administrator. We are looking for an organization which can be expected to make timely decisions when resources can be used to the best advantage, to delay only when delay is intentional, and to put responsibility upon identifiable individuals.

We hope to gear our assistance programs to the special situation in each country. For, looking back over the last 15 years, I think it is becoming more and more apparent that each country is unique in its situation. One country may be moving by historical accident to independent nationhood with limited natural resources, with relatively underdeveloped talents, with limited administrative apparatus, but with a people who are sharing fully all of the revolution of rising expectations.

Another may have reached a higher stage of development and be ready for longer range planning and for major capital investment if such can be mobilized both internally and in external financial markets. Others may be attempting gallantly to get on with their development, but may be subject to direct penetration, terrorism and subversion by those who would strike down development by violence in the very heart of the society itself.

But in each country these things can be studied under the leadership of an Ambassador who must turn now more and more to what Eugene Black, Director of the World Bank, has called development diplomacy. Each country must try to put together the types of arrangements which will bind into a general national program the various elements of aid which might be available through a consortium, through multilateral agencies, through private organizations, but most of all through self-help.

We hope to be able to take a longer range look at development, to recognize that development is not just a dam here or a factory there or a road over here, but that development requires advance on a broad front and that development takes time—that first things have to be done first. One of the first of these is the development of human talent.

But in doing so, we must not make what might be a fatal mistake. I have mentioned it before, and I expect to mention it more than once again. We in the West have tended to say that development obviously takes a long time. Look at us. It took two or three centuries for us to get where we are following our industrial revolution. But we cannot concede this point to totalitarianism, nor need we do so. For the rate of development which has occurred in the Western world—in the free world—since 1917 has been breathtaking. It has transformed the lives of the peoples of the West. Science, knowledge, and technology can be transferred. Indeed, that has explained a good deal of the rapid development of the Soviet Union.

People in the so-called underdeveloped countries are not sentenced to two centuries of development. There are the means at hand to move promptly, to build with satisfying speed if they and we and other free peoples can help them do so—and do so under free institutions.

We are consulting closely with our friends to work out modes of partnership in aid programs through the OECD and the Development Assistance Committee, which is to become the new agency of OECD for that purpose. We are looking with our friends for some division of labor so that each can concentrate his efforts where they will be most effective.

We are concerned about the knowledge needed for development. Indeed, one of the most interesting parts of the new aid program is provision for research on these matters, not just the technical and scientific research needed to answer specific programs such as bilharziasis in Egypt or the problem of particular food crops adjusted to unusual climatic conditions of heredity of salic soils or whatever it might be—but knowledge about the processes of change.

How do you get people to accept promptly a new variety of bean, shall we say, which produces four times the yield of the accustomed variety if the bean turns out to be the wrong color and of a somewhat different taste? How do you get people to change social habits to take prompt advantage of the opportunities for public health? There are many elements here about which we know much too little.

We expect to give a great deal of attention to talent—the talent of those who extend aid as well as of those who receive. For in most situations, it would not be hazardous to say that the genuine bottleneck in development is perhaps not money, but people—people with the training, professional capacity, leadership and motivation to take charge of development processes and to lead nations in their development effort.

Our own search for talent here in this country will continue. I would like to comment—this has of course been done before—on some of the caricatures that have been made about people in our aid programs overseas. There is no question but that we have had some misfits. There is no question but that all those who have gone abroad have not made a success of their efforts. For they, too, are people, and people are just that way. But there is great dedication, great capacity, and great gallantry in the experience of those who have served this country in our foreign aid programs in all parts of the world.

I am thinking, too, of the wives of those who have gone abroad to serve, committed to bringing up children under difficult health hazards, or to finding an adequate way to educate their children so that they can take their place again in the educational life of our own country upon returning home. We shall continue to need talent of the highest order. The combination of professional capacity and willingness to serve is still scarce in our society and talent hunts shall go on and on.

There will be adjustments in our aid programs flowing from some of the concepts we have been talking about. One of the most important adjustments is a new emphasis on the need for mobilizing peoples in their own development. For here is where self-help is important. We have learned in our own society, we have learned from experience elsewhere, that economic and social development cannot come from outside one's own border, that it requires a people on the move, and also interested, dedicated, committed, alert, ambitious, energetic effort on the part of the people themselves.

The premiums go to those leaders who know how to mobilize that dedication, take advantage of this upsurge of interest and demand and transform it into a spirit of achievement and hope throughout the society. Some of these adjustments in our program will of course take time. We cannot dart in and out of situations on a moment's notice. Aid programs involve other governments and other peoples, and changes require careful and sometimes lengthy negotiations. Education, persuasion, and preparation will be necessary, and some of the changes will not and cannot be apparent for some time to come.

I would urge, Mr. Taft, that members of the conference consider going back to their constituencies with certain central ideas in mind. In response to questioning—public questioning, congressional questioning, administrative questioning—we shall try to register our determination to do the best possible job with the resources which are entrusted to us. This is something which we cannot prove overnight, but the determination is there.

I hope you can go back with a sense of exhilaration of what is happening to peoples' lives as a result of our help. Many of you have visited programs conducted by voluntary and private organizations or by the United Nations. Some of you have been in villages in so-called backward countries which are already far more advanced scientifically and technically and in social terms than were the farms on which you and I grew up.

Some of you may have visited the great medical center now being built in New Delhi which was started by a million pound grant from New Zealand under the Colombo plan, to which the Government of India contributed its own resources, and which ICA and private agencies also supported. This center of teaching and research may well match the best of our medical institutions in the Western World.

You may have visited community development programs where villages themselves have taken charge of their own affairs, building schools, developing sanitation, and improving crops. Or you may have seen something of the tens of thousands of men and women who have been trained under these programs and who are back at their posts and getting on with the world's work more effectively as a result. These things are hard to measure in dollar terms, but one

is deeply reassured when he sees them at first hand.

I should like also to mention the fundamental issues which are involved in our readiness to go ahead with foreign aid. We cannot afford to be weary; we cannot afford to say we have done enough. If each of us could have been in Vienna to hear Mr. Khrushchev talk about the kind of world he sees coming into being, foreign aid would not be in trouble in the United States. For the nature of the struggle in the world is such that it makes some of our problems here a home appear insignificant.

It sometimes seems remarkable that with this deadly struggle in process, we tear ourselves to pieces here at home while deciding what we are to do. Yet, when one stands back and looks at the somewhat boisterous process of democracy, one would not wish it to be otherwise.

I hope you can take back with you some of the quiet assurance which comes from comradeship with men and women all over the world in these joint undertakings. Mr. Khrushchev uses the word "peace," the word "democracy," the words "the people," and thereby pays tribute to the power of some of the great central ideas of the human race. In that sense, he is a hobo catching a free ride on others' ideas.

One thing that has been deeply impressive to me is to see in how many directions and in how many ways the American people have stretched out their hands to establish ties with men and women all over the earth with whom they share common purposes. We find few who would rather be hungry than fed, or ignorant than informed, or naked than clothed. We find few men and women who do not believe in the worth of individual dignity, peace, and justice.

These are the people with whom we are in partnership in quiet ways, whether in universities or in rice paddies, whether in great enginering projects or in home economics demonstrations in distant villages. I think there is no distortion of any serious import in this part of our activity.

Let people understand through these associations what America is all about. I think they have confidence in that kind of America because that is America at its best.

Thank you very much.

JAMES A. FARLEY, COMMENCEMENT ADDRESS AT SAN ANTONIO, TEX.

Mr. BRIDGES. Mr. President, James A. Farley, Postmaster General under President Roosevelt, is known to all Americans as an astute political leader. He is also an elder statesman of the Democratic Party.

A few days ago Mr. Farley delivered a commencement day address in San Antonio, Tex. We are indebted to the New York Journal-American for publishing some brief excerpts from that speech.

Because of Mr. Farley's acknowledged eminence in and many contributions to the Democratic Party, I hope that President Kennedy and his foreign policy advisers will carefully study Mr. Farley's speech, particularly that section dealing with certain eternal principles. I quote:

Let us stand by our principles though the heavens fall. No man and no nation ever compromises an eternal principle; they only succeed in compromising themselves.

Appeasement will not work. Baldwin, blindfolding himself, did not stop the buildup of Nazi forces which swept over Europe. Chamberlain's appeasement umbrella did not stop the rain of bombs on British cities.

Dictators, brown, red, or black, are stopped by minutemen, not "rabbitmen."

Because of the timeliness and high patriotic order of Mr. Farley's remarks, I ask unanimous consent that they be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Journal-American, June 18, 1961]

APPEASEMENT IS ROAD TO WAR

(By James A. Farley)

The very soul of Western civilization is under devastating attack today. It is a great temptation to gloss over the fact, to bestow upon the black cloud of communism a fictitious silver lining, at least for your commencement day.

To me, however, that would be close to spiritual treason, because I believe that the first disagreeable task we must face is that communism intends to destroy us, and has come very far on the road to accomplishment.

Fifteen countries have been imprisoned, hundreds of millions of people have been enslaved, and still the Red tide sweeps onward. Let us not pay tribute to the enemy's zeal; that is only half the story of his success. The other half we have contributed through our folly, our childlike ineptitude and our forthright appeasement.

TWENTY MINUTES OFFSHORE

What possible explanation is there for the fact that Communist forces are within 20 minutes striking distance of our Florida cities?

What crevice in our armor does Mr. Khrushchev believe he has perceived that makes him think he can penetrate the Western Hemisphere now? The answer, it seems to me, is crystal clear. He relies not on his strength but on our folly; not on his striking force but on our befuddled breast-beaters—those who apologize for the American civilization—instead of upholding it.

If fear of atomic war is great in the West it must be equally great in Moscow. They (Communists) intimidate our timid by threatening that of which they have every reason to be more terrified than we.

Let us stand by our principles though the heavens fall. No man and no nation ever compromises an eternal principle; they only succeed in compromising themselves.

Appeasement will not work. Baldwin, blindfolding himself, did not stop the buildup of the Nazi forces which swept over Europe. Chamberlain's appeasement umbrella did not stop the rain of bombs on British cities.

Dictators, Brown, Red or Black, are stopped by Minute Men, not Rabbit Men.

PUSHED OFF EARTH?

I feel that to yield further to them (Communists) is to add to their delusion that they can, in the end, pressure the West off the earth without war.

It is my conviction that should President Kennedy elect to order the Armed Forces of the United States into action against Communist Castro his action would be hailed by the free governments and the free peoples of the world. In these times of agonizing decision, their prayers are already with him.

Furthermore, even more important than the preservation of the Western Hemisphere, the avoidance of global war may well depend upon giving unmistakable evidence to the Kremlin that to the extent it believes itself on the road to world conquest it is in fact on the road to global war.

I should be less than frank if I did not say that I, as an American, am appalled more at our appeasers than I am intimidated by the Communists.

I count it ignominious for any American statesman to indicate that he believes we must have good moral reasons for intervention in Cuba when, in my opinion, we are hard put to it to find good moral reasons for failure to intervene at once.

CEDING OF POLISH TERRITORY TO RUSSIA

Mr. BRIDGES. Mr. President, I was much interested in reading in the Evening Star of Monday, June 19, a column written by David Lawrence entitled "A Summit Secret After 17 Years."

The content of this column, based upon the recent release of State Department papers on World War II conferences between the Allied Powers, is indeed shocking, and bears out repeated warnings by me and others against our Government entering into secret agreements which should, under the Constitution of the United States, be considered by the U.S. Senate.

This revelation must come as a very depressing one to the millions of American citizens of Polish descent who have prided themselves in their fight to suppress territorial expansion on the part of foreign powers.

The American people and the U.S. Congress are entitled to know and should be given the full disclosure of all agreements entered into by our Government during and after World War II. For the benefit of those who have not read this astounding revelation, I ask unanimous consent that the David Lawrence article be made a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A SUMMIT SECRET AFTER 17 YEARS—ROOSEVELT REMARKS TO STALIN LINKING POLISH BORDER, POLITICS HELD SHAMEFUL

(By David Lawrence)

A shameful chapter in American history now has been revealed after 17 years of secrecy. Documents just published by the State Department show that a President of the United States went to a summit conference during World War II and made a deal with the Communist leader—Josef Stalin—whereby much of Poland's territory was deliberately conceded to Russia and the way was paved for similar deals that permitted the Communists to grab small countries.

What was even worse, a President of the United States told a foreign ruler that his own decisions were related to a fear he might not retain a bloc of votes of American citizens of Polish extraction and that, for this reason, the deal had to be kept secret—at least until a Presidential election was over. Actually, these facts were not disclosed until now.

Franklin D. Roosevelt, Democrat, was the President of the United States who participated in these secret negotiations in 1943 at Teheran, Iran. He disregarded the rule of the Constitution which says that the Chief Executive "shall have power by and with the advice and consent of the Senate to make treaties, provided two-thirds of the Senators present concur."

It is out of this clause in the Constitution that a President derives his power to conduct foreign policy. The right to make temporary agreements or understandings directly related to the military conduct of a war has never been questioned, but any pact which is as far reaching as a division of territory after a war certainly comes with-

in the category of a treaty. The Senate should have been consulted.

The carving up of territory—utterly disregarding the wishes of the people and their future opportunities for self-government—is something associated usually with the absolute monarch. A President of the United States is supposed to be the champion of freedom and of the self-determination of peoples. The Polish people didn't start World War II. On the contrary, it was Hitler's attack on Poland that drew Britain into the conflict. Yet President Roosevelt was later a party to the partitioning of Poland so as to satisfy Communist Russia, which had seized a large part of Poland in 1939 while a partner of Hitler.

It might be asked why a Democratic administration in Washington today makes public hitherto undisclosed documents that reflect so gravely on the conduct of foreign policy by a previous Democratic administration. The reason may be inferred from an Associated Press dispatch of February 17 last quoting from an exclusive story in the New York Daily News which stated that President Eisenhower, on leaving the White House, took with him proof sheets of the papers on the Teheran Conference. The article said that Republican leaders, who had conferred with Mr. Eisenhower, asked him to keep a copy of the papers indefinitely to see whether they would be withheld or released in part by the State Department. So apparently the Kennedy administration had no choice but to give them in full of the press.

Much of the Teheran story has been told over the years, but never have the American people learned the details of the secret deal between President Roosevelt and Marshal Stalin. It so happens that Charles E. Bohlen, who at the time was First Secretary of the American Embassy in Moscow and acted as interpreter for Mr. Roosevelt, accompanied President Kennedy at his recent conference in Vienna with Nikita Khrushchev.

The State Department's published record—based on Mr. Bohlen's extensive notes—now shows Mr. Roosevelt discussing the Polish question in a private talk with Marshal Stalin on December 1, 1943, as follows:

"The President said he had asked Marshal Stalin to come to see him as he wished to discuss a matter briefly and frankly. He said it referred to internal American politics. He said that we had an election in 1944 and that while personally he did not wish to run again, if the war was still in progress he might have to. He added that there were in the United States from 6 to 7 million Americans of Polish extraction, and as a practical man, he did not wish to lose their vote.

"He (the President) said personally he agreed with the views of Marshal Stalin as to the necessity of the restoration of a Polish state but would like to see the eastern border moved further to the west and the western border moved even to the River Oder. He hoped, however, that the Marshal would understand that for political reasons outlined above, he could not participate in any decision here in Teheran or even next winter on this subject and that he could not publicly take part in any such arrangement at the present time.

"Marshal Stalin replied that now the President explained, he had understood.

"The President went on to say that there were a number of persons of Lithuanian, Latvian and Estonian origin, in that order, in the United States. He said that he fully realized the three Baltic Republics had in history and again more recently been a part of Russia and added jokingly that when the Soviet armies reoccupied these areas, he did not intend to go to war with the Soviet Union on this point."

Thus did an American President lend his power and influence to the formation of the present bloc of satellite states in Eastern Europe. Recently some enthusiastic admirers of President Kennedy have been saying that he is "very much like Franklin D. Roosevelt." One wonders whether, after Mr. Kennedy's secret conference alone with Nikita Khrushchev in Vienna, the comparison will some day be pressed by Republicans instead of by Democrats.

OCCUPATION OF LITHUANIA AND OTHER BALTIC NATIONS

Mr. LAUSCHE. Mr. President, last week Americans of Lithuanian, Estonian and Latvian descent observed the anniversary of the tragic occupation of these free and independent nations by the relentless armies of Red Russia.

It was during 1940–41 that the Soviet conducted mass deportations of citizens from these three occupied countries and exiled them to the slave labor camps of Soviet Russia.

Now, more than 20 years later, these nations still lie prostrate under the military power of the Soviet and those who remained in the homeland are deprived of their natural rights and the fundamentals of a free people.

Mr. President, I join with all Americans and those who love freedom throughout the world, in recalling to mind these tragic nations and pray that in due time deliverance from the hand of the captor will come. In the meanwhile, they can be assured they are not forgotten and that our hopes and prayers join with theirs in the cause of liberty and national free sovereignty.

NINTH ANNUAL STUDENTS COMPOSERS AWARDS

Mr. LAUSCHE. Mr. President, the State of Ohio is very proud of the selection of Arthur Murphy, 64 Spring Street, Oberlin, Ohio, by Broadcast Music, Inc., as a recipient of a cash award in its Ninth Annual Student Composers Awards.

The Ohio winner is only 19 and is studying at the Juilliard School of Music. Mr. Murphy's award was based on three original entries in the annual composers contest. These compositions included "The Innocence" for chorus and four instruments; "Bebeke Quartet" for strings; and "Prelude to Death After Rain" for orchestra.

It is most encouraging that these young people are being inspired and assisted by established music organizations.

It is my sincere hope that the art of music will receive a new impetus through the young composers of the United States.

USE OF EDUCATIONAL TELEVISION

Mr. MORSE. Mr. President, on March 21, the Senate passed S. 205, relating to the educational use of television facilities. The measure is now awaiting action in the House of Representatives.

On June 3, I received from the superintendent of public instruction of my State of Oregon, a most informative, detailed letter relating to the use of educational television which Oregon hopes to make, if S. 205 becomes law. With the hope that this letter will be informative and helpful to Members of the other body, I ask unanimous consent to have Mr. Minear's letter printed in the RECORD.

There being no objection the letter was ordered to be printed in the RECORD, as follows:

STATE OF OREGON,
STATE BOARD OF EDUCATION,
Salem, Oreg., May 31, 1961.

HON. WAYNE MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: The Oregon State Department of Education is interested in the passage of Senate bill 205. After a decade of developments in the field of educational television, the schoolchildren of this State are not yet being provided with any widespread access to this new communication medium. As yet, there has not been a single educational television channel activated in this State by a local school district or combination of school districts, by a local community organization, or association of private schools or colleges, or by any other combination of educational and cultural interests. The only access to educational television, and especially in-school viewing of planned educational broadcasts, has been provided in 1957 to a limited area of western Oregon by KOAC–TV channel 7, Corvallis, and since January 1961 by KOAP–TV channel 10, Portland, both stations being operated as an educational television network by the General Extension Division of the Oregon State System of Higher Education. So far as programs for in-school viewing for elementary and secondary schools of the State are concerned, the nearly 400,000 Oregon schoolchildren have had only 2 hours per week of programing during the past year and almost nothing prior to that time.

Lest this seem a reflection upon the concern of Oregon citizens for their children's educational opportunities, it should be pointed out that there has been no dearth of interest in educational television on the part of many groups both in professional education and among lay people. The simple truth is that Oregon's pattern of population distribution and geographical conformation does not now and will not in the foreseeable future provide the concentrated density which can afford educational television facilities on the basis of local areas. For example, outside of the Portland area there is not a single metropolitan region which can boast of more than 100,000 persons and not a single incorporated city of more than 60,000. The largest of these—Eugene and Salem—count their populations somewhere in the 40,000's. Thus, it is not within the realm of possibility for these limited population complexes, whether they work through local school districts, other official agencies, or voluntary organizations representing cultural groups of the community, to support educational television facilities. The school districts of each of these areas have an attendance of less than 13,000 pupils daily, which indicates how frail the base is for local educational television installation. Only the Portland school district of Multnomah County with its approximately 75,000 pupil enrollment could hope to do so, and then apparently only with some outside assistance.

For the rest of Oregon, the population is widely distributed and Oregon's elementary and secondary school pupils are to be found in numerous small cities, towns, villages, and the rural countryside. In eastern Oregon, particularly, there are many sparsely settled and somewhat inaccessible regions for which there is no present prospect to provide educational television opportunities through local action.

It is the considered opinion of the Oregon State Department of Education that not only the best, but the only, avenue for providing educational television for in-school viewing programs is through strengthening and extending the educational television network now operated by the State system of higher education. This network as it now exists, comprising stations in Corvallis and Portland tied together with a microwave relay, is able to reach approximately 70 percent of the people of Oregon. However, for reasonable effectiveness it needs funds such as S. 205 provides for extensive improvement of broadcasting installations and equipment. Chief among these are the relocation of channel 7 transmission facilities on Mary's Peak at Corvallis in order to vastly increase the range and power, and the construction of a broadcast studio in Portland where at the present time there are no studio facilities.

Also, funds from S. 205 would permit the installation of a series of microwave relays connecting with satellite stations or translators which could extend the present network into corners of the State not now reached, including all of eastern Oregon. These pockets of population which need to be reached in order to create a complete State network include northern and southern regions of the coast, southern Oregon, and the several population concentrations of Oregon east of the mountains. This situation, of course, is a direct result of our population distribution and geographic problems. Once these facilities are installed, it would be entirely feasible for local communities, school districts, and cultural agencies to combine in providing the operating funds which, when utilized through the one network, could support a very rich educational program with a number of strategically located studios permitting regionally if not locally originated programs, and bring the benefits of cooperatively created effort as well as stimulating instructional and enrichment materials to school districts and localities of all sizes.

Therefore, the educational television network in Oregon, extended as indicated through the assistance of funds provided by S. 205, becomes the key to providing educational television opportunities, both for adult education and cultural needs and for daytime in-school viewing by the elementary and secondary schoolchildren.

In addition, funds made available by S. 205 for closed-circuit installations could be provided to a number of larger school districts which are ready to utilize this kind of ETV for improvement of instruction and in-service education for teachers within their own district boundaries. Experimentation is indicating the values of closed-circuit ETV to medium-sized school districts for accomplishing some educational goals now beyond their grasp. No Oregon school district at the present time has installed closed-circuit television, but many school districts are interested, costs being the dampering factor. Assistance through this bill would undoubtedly bring many such installations into operation and provide the opportunity to utilize and extend a number of new methods and media of instruction in Oregon public schools.

The evidence now is that it will take substantial funds to place this program into operation. The department hopes that the time will not be unduly delayed when this can be realized. The State of Oregon has already contributed what it has felt it could to the development of educational television in this State. The additional funds through S. 205 would make constructive use of educational television in Oregon a reality.

LEON P. MINEAR,
Superintendent of Public Instruction.

CIVIL DEFENSE

Mr. MORSE. Mr. President, recently there has come to my attention a series of articles which have appeared in a television magazine called Prevue, circulated in the Metropolitan Portland area of my State. These articles are by Jack De Ment, and relate to civil defense. They are an excellent summary of the many ways in which war can be waged against a civilian population, and include some suggestions as to what form practical civil defense should take.

I ask unanimous consent to have these three articles printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

PROJECT CIVICARE

(By Jack De Ment)

Is civil defense an idiot in the closet, about which you'd rather not think? Is it half-baked pap, giving you false and deadly reassurance, stultifying and warping your views of the hard facts of life in the sixties? Is CD in step with reality? Do you know whether it's geared to modern warfare? Is insurance on your life worth less than 25 cents a year? Do you, in all frankness and honesty, believe that current CD should be junked? Or do you recognize that it will be valuable once it's given a real shot in the arm?

These and similar views recently jelled in the city of Portland, when Commissioner Stanley M. Earl forthrightly and realistically spoke out in your behalf about your sick civil defense. Mr. Earl's down-to-earth appraisal was long overdue, and is well taken in these very perilous times.

Commissioner Earl's stand was a result of OPAL 61, an exercise in CD, in which he refused to take part. By so doing, Mr. Earl dramatized just how feeble the patient, CD, actually is. Earl's stand was largely backed by editorials and letters to the editors of Portland's newspapers—the Oregonian, the Oregon Journal, and the Portland Reporter—with the exception of going so far as to scrap civil defense entirely.

Do you know why CD is a flyweight in a heavyweight contest? Do you assume that an attack will be with atomic and hydrogen bombs only? Do you think that delivery will be by plane or missile only? Do you believe you'll have plenty of warning—time enough for you and yours to jump into the family jalopy and drive away without getting hurt? Have you thought much about mass evacuation? And whether it will work? Do you have a shelter in your basement, and if you don't, where's your nearest shelter? If you have a shelter, do you really think it's good enough? Have you trained in CD procedures and first aid? Can you explain conelrad? Do you know the difference between the steady wail of a siren, and a wavering tone or series of short blasts?

Have you ever asked yourself: "How would I stand up under an actual attack alert—or—outright attack?" Would you panic before, during, or after attack?

All of this is intensely personal and vital to you and your family—and it's not meant to scare you, just make you think and act. Take panic and forewarning: Do you know of the studies of recent years, notably by the Committee on Disaster Studies of the National Research Council, which tell you: "In no sense can it be concluded that the availability of disaster warning information would necessarily result in the desired behavior and the desired saving of life and property"?

Do you know what CEBAR means? To the military man it's chemical, biological, atomic, and radiological warfare. But to you it can stand for death and disaster—unless you and civil defense are properly prepared. Let's glimpse at CEBAR.

Excepting atomic weapons, CEBAR weapons have one thing in common: they're not physically destructive, except to life—and that makes them tools of choice for many targets. In most cases they are cheap, can be made and used on a vast scale, often surreptitiously—as when a nation declares "a state of war" but doesn't declare "outright war" against a named enemy.

Chemical agents—poison gas—the "humane weapon" of World War I, are now sophisticated and deadly "nerve gases." A whiff or two results in convulsions and death within a few minutes if an antidote isn't given.

Biological warfare—"BW"—throws disease germs and viruses at plants and animals—and you. Food poisoning (botulinus) is a favored example (though militarily not a good one): its toxin is so potent that one expert figured that a cubic inch of the stuff could wipe out the entire world's population if handed out evenly.

Radiological warfare—"RW"—came before fallout and like fallout, relies upon the maiming and killing properties of radioactive materials. A city properly doped with the stuff is made uninhabitable. Your "nuclear neurosis"—morbid fear of radioactivity—can prop the punch of RW.

World war III has already begun—so say many people who should know—but it hasn't yet reached the "hot stage." It could at any time in a surprise attack from CEBAR weapons. If this makes you shudder, it's fully understandable—though, like death and taxes, this is one of the hard facts of life we're to face and live with.

How should we "live with it? A large part of the answer is with you. Another part is with a thoroughly revamped and beefed-up civil defense. Both are important—one can't get along without the other.

First, let's look into the poor state of affairs with CD. The reasons are many; probably you and many of those who represent you, have had a hand in it: public apathy and indifference; an unrealistic outlook, a refusal to face up to modern weapons technology; a head-in-the-sand attitude about what is coming up by way of new weapons; lack of money (CD people like Jack Lowe, as well as many volunteers—not do-gooders—have the frustrating and perhaps heartbreaking half-done job of limping along on less than 25 cents a year for each of you who is to be protected); buck passing, dilly-dallying by many legislators; confusion caused—intentionally or unintentionally—by certain "peace" and "ban the bomb" groups; and others, ad infinitum and ad nauseam.

Not well and not good, you say? You are right. At the same time you'll also say, what will we do about it? Junk civil defense or revamp civil defense? Junking CD won't do any good—and will do harm—for basically there are good qualities in CD. Revamp CD? Only if horse-and-buggy and World War II "think pieces" are larded off.

With fresh views of the problem, the facts of life help in getting a healthy, vigorous, and flexible civil defense program going for you—again, only with your cooperation. Among the facts of life are: you'll have to assume the worst and be able to act accordingly; you probably will have no warning whatsoever; you are not always going to be able to evacuate or get to a shelter (though evacuation and shelters certainly have their place); and * * *

You will have to help yourself as well as be helped—namely, keep your wits and act as you've been taught, then survive because of a revitalized civil defense.

This isn't "money-and-mouth disease"; I have a proposal to make—which I call Proj-

ect Civicare—which, when put into action will answer many problems—though, by no means, is it a cure-all. Project Civicare will have one or more of the following to offer to you, your family, your friends, your community, and your country: (1) It will save lives, quite possibly your own; (2) it will teach—and constantly remind—each of us of our obligations and responsibilities in facing up to survival head on; (3) it will be excellent in peacetime disaster—and equally good in war; (4) it will give civil defense a completely new face-lifting job, and boost its stock; (5) it will boost your interest and morale—as regards your survival; (6) it will reinforce and complement the evacuation-shelter approach to CD without compromising it; (7) it will not be inordinately expensive; (8) it will be a permanent asset and investment for each person and his community; (9) it will be flexible and dynamic, easily up-dated to weapons and warfare changes; (10) it will provide an entire new series of industries which, in turn, will give jobs and create demand for services and products; (11) it will not be a flash-in-the-pan affair—but definitely lasting for some years to come; (12) it will give an "out" for "special publics" now "on the hook," not wasting, but focusing, the talents and energies of many people against threats to your survival.

This is not the end: Project Civicare will be described in detail in coming issues of TV Prevue, so that each and every person in the atomic-aerospace age will know and understand it.

Meanwhile, "it's 2 minutes till midnight * * *."

"CIVICARE" IS "CIVILIAN CARE"

(Pt. 2 on Project Civicare)

(By Dr. Jack De Ment)

When you cut yourself, do you just stand there and bleed? Of course not. You make tracks for the medicine chest, where you keep your first aid supplies. You don't make a mad dash to get away, nor do you stand around and wait for someone to happen along.

Simply knowing there's a medicine chest handy sets your mind at ease, helps you face the crisis when it comes. In short, you've taken adequate preparations against injury—which, of course, you try to avoid—but realize that it's not always possible. In a way, this perhaps crude and oversimplified instance can be likened to the gist of Project Civicare, in which * * * you make advance preparations to help yourself as well as be helped. There is a great deal you can do to prepare to survive. If you are able and capable of helping yourself—or getting help for those about you—you ask: "What do I have available here and now with which I can help myself?—not later on when I may not need it at all."

First and foremost in any advance preparation is this: you must keep yourself informed about goings-on in the world from the very personal viewpoint of your "survival capability." Then you make sure that this interest is actively applied to civil defense—and that you help make CD into a workable and realistic structure. Make your views and ideas known, and don't be afraid to call a spade a spade when you feel strongly about an issue—though make all spadework constructive, for it's in your best interest.

Civicare is based upon a simple notion: Science-engineered health and lifesaving supplies will be within your immediate reach when you're most likely to need them—no matter where you are at the time.

You may be in your home, at the office, strolling along the walk, in your auto—or one of a thousand other places. A peace-or-war injured civilian always runs a certain risk—but his chances of survival are many times increased by easy-to-get supplies. Perhaps not able to run or hide (evacuate or seek shelter), he should always be within a short distance of lifesaving items. Not hurt—but still not able to run—he has a far better than even chance of coming through it.

Picture your own city and the districts where you live and travel and work: If hurt, what would you need most? Answer: a nearby science-engineered "medicine chest"—a CIVICARE unit. Envisage your city or town or rural area as having public "medicine chests" strategically placed to serve a given number of people. Their mere presence gives reassurance, which is a big part of survival.

No ordinary "medicine chests" these, the CIVICARE units are specially designed and scientifically built to hold emergency supplies for you when you direly need them during and immediately after a disaster. In this way, a glaring gap in the "survival spectrum" is filled.

Instead of trying to rush supplies in to you right after a disaster—which will usually be an impossibility—the principle behind Project CIVICARE is just the opposite: supplies are cached over the United States well in advance of a disaster. Thus, CIVICARE units will be an integral part of large and small city civil defense complexes, as well as rural areas. As a new dimension in survival fitness, they reinforce and complement the customary bring-it-in-to-you approach.

CIVICARE units will help to make your future brighter and safer; will add in making a foreign nation think twice before throwing a punch, because of the greater survival capability of the target people; and will give you, Mr. Citizen U.S.A. more awareness of your responsibilities, as well as pride in tackling a very knotty problem—that of better civil defense.

What will your CIVICARE unit look like? Both pleasing to the eye and highly functional, picture a model a little higher than a big mailbox, several times longer than it is high. With neat letters telling what it is and how to use it, it will not be an eyesore or a constantly grim reminder, because its architecture fits neatly in with the most modern of structures—being, however, so uniquely designed that it can't be mistaken for anything else.

Of heavy steel or reinforced concrete, so as to be blast, fire, water, gas, and fallout proof, CIVICARE units will be as commonplace as your fire alarm or mailbox—for they will be placed right out in the open so that every man, woman and child can benefit from them.

Opened by radio command from conelrad headquarters, the CIVICARE unit will be designed tamper- and burglar-proof. It will have its own alarm, as well as be connected to the central fire alarm station, so that efforts to gain unauthorized entry in nondisaster times will bring "Johnny Law" on the run. Moreover, it will be a felony—under Federal statute—to crack open a CIVICARE unit and rob it unless it's specifically unlocked for you.

PART III: "WHAT'S INSIDE?"—PROJECT CIVICARE

(By Dr. Jack De Ment)

What's inside? Within its rounded top is a reservoir of fresh, clean water for drinking and first aid. Replenished at necessary intervals, there is then no mistake about whether the water is good. Otherwise, the unit is highly compartmented, to hold supplies—and to prevent adult or tot from climbing inside.

Within the compartments are those things most needed for fast thinking and fast acting. Routinely checked and restocked with fresh or new goods to meet the changing times, the unit will be a living, permanent structure—an integral part of other municipal facilities, right along with your fire hydrant and fire alarm box. It's multi-functional, holding goods to meet situations arising out of fire, flood, earthquake, hurricane, nuclear and CEBAR disasters.

The emergency supplies include those for first aid, communications, radiation equipment, and outright survival tools. Sealed in gastight plastic bags when necessary (to be used for other purposes and labeled as well as transparent so you can see what's inside), here are a few of the items a CIVICARE unit will contain.

First Aid: tape, gauze, bandages; antibiotics and antitoxins; burn jelly; burn shock injectables; sedatives, analgesics, stimulants; detergents; atropine syrettes (for nerve gas); antinauseant (for radiation nausea); probably antiradiation drugs (certain sulfur drugs should make their appearance for this purpose in 5–10 years, or less). Locked in a special compartment will be those items used only by a physician, dentist or trained first aid operator, including emergency surgical tools. Such qualified persons will carry keys to this inner safe, or know the combination. If space permits, a stock of medications for the chronically ill will be present.

Communications-radiation equipment: walkie-talkies; crystal sets permanently tuned to Conelrad; portable public address speaker; radiation detectors; markers. Also, complete sets of easy-to-read, clear instruction sheets on what to do and how to do it, including a Holy Bible. A CIVICARE unit will have mounted flush with its surface—but in a protected position—a radio receiver and speaker that will enable Conelrad to broadcast directly to people gathered around. Wild rumor, then, has much less chance of getting foothold. Idea: A "pop-open" self-inflating tethered, small balloon to show exactly where the CIVICARE unit is—to be actuated by radio signal.

Survival tools: to dive into the tough job of getting the injured out—which you may have to help with—a unit will have hydraulic jacks (for lifting heavy objects); crowbars, sledgehammers, shovels, picks, axes, rope; flashlights and electric lanterns.

"What about fallout?" you ask. The answer is: Quick, on-the-spot survival measures are obviously better than no protection at all or help that comes sometime later or help that's promised but never does come.

In that short interval—the gap in the survival spectrum—immediately after man-made nuclear disaster, few of those directly involved are going to think about invisible fallout and radiation when all effort and energies will be directed to burns, mechanical and blast injuries, and to shock.

So it's a matter of dealing with first things first—not second-guessing or fighting phantoms when there are clear-cut emergencies at hand. Dealing with fallout patterns and radiological throwdown is properly in the domain of outside help—the CD people trained for this purpose, those who get into the act after the immediate and more pressing problems are dealt with by self-help and on-the-spot help.

This, then, outlines the main part of project CIVICARE. Of course, like any plan the detail must be worked out by suitable feasibility and engineering studies—as is the case with modifications and ramifications.

A CIVICARE unit can be available to you for 29 cents—a small sum for preparedness. Then: Make CIVICARE a reality with your support.

CONVENTION OF SOCIETY FOR THE PRESERVATION AND ENCOURAGEMENT OF BARBERSHOP QUARTET SINGING IN AMERICA, INC.

Mr. SCOTT. Mr. President, when people have good will in their hearts and a song on their lips, the world becomes a little better for all of us.

Such people will gather in Philadelphia on June 20 to 24 for the 23d International Convention and Contests of the Society for the Preservation and Encouragement of Barbershop Quartet Singing in America, Inc.

From 50 States and the Canadian Provinces, about 5,000 of the society's 28,000 male members, accompanied by families and friends, will gather in the City of Brotherly Love for 5 full days of good fellowship and close harmony singing. The outstanding quartets and choruses in North America, selected through regional competitions, will compete in Convention Hall for the International championship trophies. Afternoons and evenings on Thursday, Friday, and Saturday will be devoted to singing and judging in order to determine the world's best barbershop quartet and top chorus.

Outside Convention Hall—in hospitality suites, hotel rooms, and lobbies—scores of organized and impromptu quartets will "woodshed" for their own amusement and for the amazement of all who care to gather around and listen. It is called the most uninhibited convention in the world and harmony reigns supreme.

The slogan for the convention is "Let Harmony Ring," and men from every section of the United States of America and Canada and representing every trade and profession, will exemplify democracy at its best as they raise their voices in the good old songs of yesteryear.

Who are barbershoppers? They are males of all ages who have an ear and soul for music and better-than-average voices, trained or untrained, who get a big thrill from perfecting a quartet presentation of a ballad. Barbershopping appeals to men of all ages. A teen-age quartet registered as the Four Teens from the U.S. Air Force won an international championship at the Kansas City Convention a few years ago. The society membership has included a President of the United States, Harry Truman, scores of U.S. Congressmen, governors, judges, and mayors.

The convention host chapters, Philadelphia and Delco—Delaware County—have been planning and working for a year on convention and contest arrangements, assisted by the society's headquarters staff from Harmony Hall, Kenosha, Wis. The society's executive director, Bob Hafer, got into barbershopping as the tenor of a small-town quartet in Ohio. The international president is John Cullen, Washington, D.C., attorney, who was active in musical activities at Holy Cross College and helped start the District of Columbia chapter in 1945.

TRIBUTE TO SENATOR JENNINGS RANDOLPH ON THE 25TH ANNIVERSARY OF PASSAGE OF THE RANDOLPH-SHEPPARD ACT

Mr. BYRD of West Virginia. Mr. President, paying tribute to JENNINGS RANDOLPH requires effortless indulgence on my part, for I know few men who are more deserving of respect and admiration—who are more devoted to the public good, and to helping their fellow men—than is my distinguished colleague, the senior Senator from the State of West Virginia.

Back in 1936, when our country was still in the grip of the great depression, and when all official thinking was dedicated to getting masses of people back to work, it would have been very easy to overlook the handful of blind people in our midst. They were few in numbers compared to the millions of jobless who walked the streets.

But thanks to the humanitarianism of the late Senator Morris Sheppard, and to JENNINGS RANDOLPH, the blind were not overlooked. They were provided with remunerative employment and economic opportunities to become self-supporting.

At the time the Randolph-Sheppard Act was passed in 1936, by the 74th Congress, there were only four or five blind persons gainfully employed in private employment in the District of Columbia, and earning a total annual income, of approximately $8,000 a year. Today, as a direct result of the Randolph-Sheppard Act, there are approximately 250 blind persons employed in private industry and in the Government, with an estimated total annual income of approximately $1,250,000.

Today, too, there are almost 2,100 vending stands in Federal and non-Federal buildings operated by about 2,220 blind persons, whose gross sales currently amount to approximately $38,225,000, out of which net profits of approximately $7,555,000 are realized.

I especially call the figures, which I have just quoted, to the attention of the "doubting Thomases" of 1936, who thought the blind were necessarily public charges, and who believed that the Randolph-Sheppard Act was a mere "do-gooder" gesture of little value.

Mr. President, today marks the 25th anniversary of passage of the Randolph-Sheppard Act. I just want to call this to the attention of my colleagues, and I also want to pay tribute to Senator RANDOLPH for his vision and his efforts of 25 years ago. His good work at that time has brought succor and comfort to many of our less fortunate citizens throughout the intervening 25 years. I am sure that the people who have been served have a high esteem for my colleague, and I, like my fellow West Virginians, feel that he has earned it.

CAMOUFLAGE OF CONFUSION

Mr. PELL. Mr. President, all of us in Congress are aware that a serious and critical problem in agriculture confronts us. In this connection, an article by Mr. Asher Byrnes entitled "Camouflage of Confusion," which appeared in the May 1961 edition of Esquire magazine, provides some stimulating thoughts about past experience with the price support program.

Let me cite some statistics which Mr. Byrnes mentions. In 1959 the U.S. Department of Agriculture spent $1,663,000 to assist our wheat farmers. In 1957 the Department lent one farmer $330,000 just to keep his wheat off the market, and in the same year another farmer billed the Department of Agriculture nearly $300,000 for not planting any wheat at all.

Mr. President, I do not pretend to be an agricultural expert, and I fully realize that the farm problem is a complex one. It is my hope that the new feed grains program will help remedy some of the obvious abuses cited in Mr. Byrnes' article. In any event, I think Mr. Byrnes' article serves to highlight some of the problems which must be remedied. Certainly there is no equitable reason why one single farmer should have received $330,000 in the past under the price support program, nor should this happen again in the future.

I ask unanimous consent that Mr. Byrnes' most interesting article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAMOUFLAGE OF CONFUSION

(By Asher Byrnes)

Years ago Mencken said, "The farmer is praised by all who mention him. * * * He is praised for his industry, his frugality, his patriotism, his altruistic passion. He is praised for staying on the farm, for laboriously wringing our bread and meat from the reluctant soil * * *. To murmur against him becomes a sort of sacrilege.

"It is the theory of the zanies who perform at Washington that a grower of wheat devotes himself to that banal art in a philanthropic and patriotic spirit, so that the folks of the cities may not go without bread. It is the plain fact that he raises wheat because it takes less labor than any other crop—because it enables him, after working 60 days a year, to loaf the rest of the 12 months."

There have been improvements since then. Now it takes 30 instead of 60 days to plant and harvest a crop of wheat. Farmers also use better seed and sprinkle the ground with fertilizer so that more than 2 bushels grow where 1 came up before. And still better seed is in the offing which will triple this fourfold yield.

What bothered Mencken was that most farmers were asking for Government money, and when these 2-month wheatgrowers joined the others his cup of wrath ran over. Now they have pushed their way up to the head of the line. Wheat farmers are getting the benefit of a third of the Federal funds spent to hike food prices at home and two-thirds of the Government subsidies to promote foreign sales and provide for the free distribution of food abroad—about $1,750 million in 1959. And they are still asking. The only special farm legislation seriously considered in the last session of Congress was a wheat bill.

The other big change is that wheat farmers don't loaf any more. Way out there in the Great Plains States where most wheat is grown they run barbershops, diners, dry goods and furniture stores, gas stations, repair shops, implement dealerships, and other businesses in the 11 or 10½ months that they do not work at tuning up and driving the complex machinery for raising wheat. Others feed cattle on the side. Still others, the wealthier ones, live like resort concessionaires and commute to Florida or California. Actually, all take time off from other occupations in order to raise that wheat.

These part-timers produced more than twice as much wheat as we would eat in 1960. When their harvest was brought in and measured alongside the stock of old wheat [illegible] September, the total supply amounted

to about 2,750 million bushels. All of the people in the United States, including those who are expected to be born, could not possibly consume that much in the next 4 years. There would be a reserve left over in the fifth year to assure the country of a steady flow of bread, cakes, crackers, breakfast foods and seed for the next crop.

It sounds like a nightmare. To the growers and officials of the U.S. Department of Agriculture it is, of course, a business. The laws, regulations, administrative decisions, and local usages that have multiplied around it in the past quarter century are numerous and for the most part lengthy and complex. Wheat is surrounded by a camouflage of confusing detail.

The best known of the large operators is Tom Campbell, of Montana, called, "the Wheat King." He is so good at growing it that he has been invited to the Soviet Union in order to show Communists how to run their big collective farms. Here in the United States he works closely with the Government, too. In 1957 the U.S. Department of Agriculture lent him $330,000 to keep his wheat, temporarily, off the market. But negotiations on this scale are common among the big growers. In the same year another large operator, Garvey Farms of Kansas, eliminated all the risk of raising it by billing the Department nearly $300,000 for not planting any.

Such farmer magnates are sometimes talked about as "in-and-outers" in the Wheat Belt, which runs up and down rather than across the country, starting from Montana and proceeding due south to the Texas Panhandle. When the big fellows decide to spread into a new area they arrive with plenty of capital, buying or renting land far and wide. Crews of machine drivers and mechanics follow. Within a week or so the planting (or, later on, the harvest) is through as far as the eye can see, for they give the landscape a workover at the rate of 85 acres per man per day.

These monster wheat enterprises may be 40,000 to 50,000 acres in size, with an investment of $1,500,000 or more in land alone; their machine inventories, even at secondhand prices, are valued at several hundred thousand dollars. Utilizing a third of their acreage in any single crop year, they can produce $500,000 worth of wheat while the rest lies fallow, building up moisture for the next season. This is the big business of agriculture, with its own agronomists, repair shops, supply dumps, two-way radio networks, and airplanes for the top brass.

The ordinary sort of successful wheat farm in the Great Plains is much smaller. It covers from three to nine 640-acre sections of land, with a valuation of $35 an acre in areas of erratic production and about three times as much where the rainfall is dependable. There is on record the case of a wheat farmer who bought a section of land in a high-risk area of Colorado and moved up in time to put in a crop of winter wheat for harvest the next year. The yield was good and the farmer began to buy more land with every dollar he could save or borrow. He accumulated most of his present holding, 6 sections or nearly 4,000 acres, at $5 to $8 per acre—the prices that prevailed a decade ago. Today his land at $35 an acre is worth $140,000 and his implements are valued, in good secondhand condition, at $65,000. He has still other assets, of course, and some debts too; like any good businessman he is not afraid of owing his bank money. To make a long story short his net worth is more than $200,000.

Now all this would not make him outstanding if it were not for the fact that he decided to make a trip to Washington, D.C., to celebrate his eleventh crop, the biggest of them all. He wanted to see the country and, without being bumptious about it, he wanted to tell the Department of Agriculture how one man made good in wheat.

The Department has what is called an Outlook Conference in the fall of each year, with morning and afternoon sessions devoted to the problems of the various farm commodities. The farmer turned up at a wheat session on the forenoon of the fourth day. After the speakers were through he arose and to the surprise of the audience said that for the past 6 years he had not sold a bushel to anybody—he sealed all his wheat for the Government loan. He concluded that the way to succeed in wheat farming was to concentrate on raising it and let the Government take care of selling it, or distributing it or giving it away. "As long as you folks want the wheat, I can produce."

The wheat farmers who are in trouble now are the smaller growers. They are small because they failed to take the chance to expand their enterprises in the 1940's, the Golden Forties when war hunger and postwar relief operations lifted prices from 70 cents to $2.50 a bushel. These little fellows outnumber the business farmers two to one, but they produce only about a tenth of the crop. They are more numerous in cotton, and still more in tobacco, where their advantage as suppliers of cheap labor—their willingness to work for very little—is not offset by agricultural implements that can do the job for even less.

Wheat grows in flat country where the largest implements can be used: tractors with engines that develop as much horsepower as the heaviest trucks, special plows that disk or cultivate the soil as well as plow it in a single operation (wheat farmers call them "one-ways"), tandem drills or seeders with a 36-foot sweep and self-propelled combines that complete the harvest in one pass over the land. Against such competition the small wheat farmer operates precariously, nursing along his overage machinery by dint of his skills as an amateur mechanic and welder.

He's up against another difficulty, too. The Department of Agriculture keeps boosting the price of wheat in the United States—it is now about 54 cents a bushel higher than the average world price. As a result there is a mountainous stockpile of it, and so much new wheat accumulates every year that all efforts to sell, barter, donate or otherwise dispose of it have failed to reduce the surplus.

At the same time, on the production side, the Department tries to control output through a system of wheat-acreage allotments or licenses. It is administered by a force of 9,000 full-time and 3,500 part-time wheat inspectors and bookkeepers, or 1 official to 40 wheat growers. They register and check each allotment or right as part of a specific parcel of land. When any such land is sold, the next farmer buys the right along with the title deed to the property. These allotments are not stable, however; they continue to shrink in commercial wheat areas. They are being cut down by a quirk of the law that has backfired and encourages widespread wheat production in other areas. Marginal commercial operators with 600 to 700 acres, the farmers whom the law is supposed to help, are hurt most by this procedure. Meanwhile, whatever happens, the stockpiles of surplus wheat that have to be bought in by the Government to maintain the price continue to rise higher and higher. Last year's crop was 225 percent of domestic needs.

Congress put together the present wheat-allotment law in the late thirties to replace an older system of quota controls (so many bushels of production allowed to each farmer in proportion to the size of his operation and the capacity of the American consumer to eat it) which proved unworkable for an interesting reason. Farmers always overplant to make sure of reaching their production targets. Who can figure what the weather will be like a season ahead? The result was that overquota wheat kept turning up everywhere; black markets flourished from coast to coast. New legislation was drawn to remove temptation; bushel quotas were translated into acreage allotments at the rate of about 13.3 bushels to the acre. It is so much more difficult for a man to hide the land on which his wheat is growing.

In those days, the difference between the price of wheat and other grains such as corn was small, as little as a nickel a bushel (now the difference is about 80 cents), and farmers in the poultry or livestock business used to raise some of it for feed along with rye, oats, and field corn. They outnumbered the regular wheat farmers and had more votes. If the full weight of the control program were imposed on them they might react and upset everything. So they were given 15-acre exemptions; anybody could grow that much wheat without penalty.

As the controls were applied, the price began to rise. Since the law prevented farmers from planting more, they paid increasing attention to their wheat yields. They began to use synthetic fertilizers and other growth stimulants. The yield of wheat on an acreage basis has now doubled while the bushel price has risen three and a half times. It has become much too valuable to feed to animals. Today the 15-acre exempters are seriously in the wheat business too, and they are so numerous that they could swamp the commercial wheat growers in any referendum by a majority of 25 percent. These sideline wheat farmers are not only livestock and poultry men; they are also growers of garden truck, cotton, soybeans, tobacco, peanuts, and practically everything else produced for the market.

They are united by their ability to recognize a good thing when they see it. In fact, they see it so well that a wheat-State Senator complained, in the debate on a wheat bill in the last session of Congress, that they have taken to splitting up their farms under fictitious ownerships to create additional 15-acre allotments. Still others, he said, are renting these wheat rights from their neighbors far and wide.

Under this act of legislative wisdom, wheat acreage in Alabama has risen 537 percent, in Vermont 407 percent. These 15-acre exempters generally give their wheat the kind of careful cultivation that collectivized peasants in Russia bestow on their private allotments. In good areas they grow three times as many bushels to the acre as the national average. We now have a full year's supply of wheat for the entire country just from these little patches.

Every time another one of those 15-acre plots is planted to wheat in places like Mississippi and Louisiana, farmers in the Great Plains who have been growing it all their lives lose the same amount of acreage, pro rata, when the next reapportionment is made. For the law provides that there shall be a national wheat allotment of no more that 55 million acres. There isn't any limit on the number of 15-acre privileges. Anybody can take up one if he wants it. So the commercial wheat farmers of Kansas have lost 494,000 acres of wheat allotments, Minnesota farmers 700,000 acres, and the wheat farmers of North Dakota 1,041,000 acres.

The wheat problem is a war baby that has never been weaned. It was born 44 years ago, when the United States of America got hitched to the First World War. This offspring of a shotgun marriage was put on a forced diet of dollars to make it grow because what the Allies wanted pronto were groceries and soldiers.

At that time large areas of our Great Plains were still a God-forsaken wilderness. The Homestead Act of 1862 was in full operation, with settlers dribbling in on the fringes to take up their quarter sections (one each for man and wife, or 320 acres per family).

Soil scientists had just discovered that wheat would grow in such semi-arid country if it were planted in alternate years. Since any growth draws moisture from the soil they recommended a new kind of fallowing which involved the destruction of every blade of grass on the uncultivated half of the farmer's acres for a year, then a turn around the next year, and so on. This procedure also required, of course, twice the acreage needed by farmers elsewhere. That was the reason for all those man-and-wife claims to acreage in the Great Plains.

To stimulate wheat farmers the Government guaranteed the price at a dollar a bushel extra, but the demand was so great that it rose still another dollar at terminal markets, making a top of 300 percent above the prewar figure. At the same time the land sown to wheat expanded about 50 percent—and this is the most interesting part of the story.

Boom-time wheat prices triggered a scramble for what was left of the free land. The virgin grasslands of Kansas, Nebraska, and Oklahoma were plowed up far and wide. So were the wild pasture lands in the semi-arid sections of Montana and in the western part of the Dakotas. Sharply rising prices for farm real estate back East reinforced the pressure: good Iowa plowland rose from an average of $200 (in dollars of current value) to $500 an acre, and some of it sold as high as $1,200 an acre. A delirium of speculation in real estate and crops spread over rural America. We've had some of that in the past decade, though on a less frantic basis; nice and easy, in fact, with all cropland owners feeling fine right up to the year before last.

What happens in such cases is that the expectation of rising profits from farm operations is capitalized into the value of the land on which (hopefully) even more money is going to be made.

People sometimes talk as if these inflated values of farmland are similar to the paper profits or unrealized capital gains of speculators in common stocks. That might be so if farmers put their acres in a safe-deposit box, like a bundle of stock certificates. They don't. They're in business on that land. They are tempted to use the new, big value of it as security for a new big loan or mortgage and expand their operations on still more high-priced acreage. Finally, the entire farm economy is jacked up to a price level which permits no backing down without loss. Even a pause in the pace of inflation may produce disaster.

That's what happened 17 months after the war in which the farm problem was born. Wheat was still selling a dollar higher than the figure at which the U.S. Government pegged it—yet when the Government withdrew, the bottom fell out. Prices promptly dropped a dollar and continued falling until they settled around 50 percent below the boom-time peak. The production of wheat, however, fell only 10 percent and fluctuated near that level until the great depression arrived a decade later. This is the clue to all the agrarian hell-raising that so infuriated the sage of Baltimore. The price fell, export demand fell, domestic consumption remained stationary, yet farmers insisted on growing more wheat. They were driven to this irrational behavior by their mortgages and other debts.

The search for a farmer's Messiah began where you'd expect Americans to start, among the politicians. After discarding a succession of public figures they accepted a bankrupt implement manufacturer named George Peek. One day he was looking at the plunging sales charts of the Moline Plow Co., of which he was president. "You can't sell a plow to a busted customer," he decided; and then set to work to develop a gimmick that would raise farm prices at no cost to the U.S. Treasury.

Peek's homebrewed formula is of little interest because it could not have worked. However, the immense agitations involved in debating this nostrum through five Congresses solidified and disciplined the so-called farm bloc and fixed in the heads of farmers a mischievous idea that aggravates the agricultural situation today. They stand united on parity.

What is parity? Briefly, it is a way to figure how much to raise farm prices so that farmers can enjoy the same standard of living as city people without any allowance for their investment income or inventory appreciation. Technically, it is the mathematical relationship or ratio between two indexes, "Prices Received by Farmers," and "Prices Paid by Farmers"; and it is used to measure the purchasing power of products sold by farmers in terms of the things they buy as related, further, to prices and costs in a base period, 1910–1914, the most prosperous period for farmers since the Civil War. These complex figures are computed monthly by the Price Statistics Branch of the Agricultural Marketing Service of the Department of Agriculture in Washington.

Peek was a high-tariff man and an isolationist. He sold the farmers on the idea that his gimmick would enable them to enjoy the equivalent of the tariff protection which, they and he agreed, accounted for the health of American industry. A Government corporation would be set up to buy the whole crop of wheat, for instance, at the parity price; and the amount needed by American consumers would be resold to them at that price. The surplus left over would be sold abroad at the lower prices prevailing in the world market. To cover the loss on exports the Government would charge farmers a small equalization fee in advance. This assumed there never would be much surplus, even though farmers were again given an incentive price for wheat production.

In time, legislation for this crop was enacted by a Congress anxious to do something special for the farmers who suffered from the big wind that came after the great depression. However, as is the way of things, the beneficiaries were not the busted people Steinbeck talked about in "The Grapes of Wrath." They were the farmers in wheat areas untouched by the duststorms.

The Agricultural Adjustment Administration Act of 1938, which still prevails, provided for the national wheat allotment of 55 million acres, just a bit more than was then required to supply current needs, and permitted those 15-acre exemptions to give all farmers, commercial and noncommercial ones alike, a stake in the benefits. One contingency was overlooked—the progress of scientific agriculture in multiplying yields and increasing productivity. Considering what science had done for the farmer up to that time, this is a mystery. It was assumed that wheat cropping would bumble along on the same basis, around 13 bushels to the acre. But last year it was 26. In 1958 it was 27½ and thus, what with double-size yields and the 15-acre loophole for everyone, wheat has become the most widespread, wasteful, and ridiculous of the farm programs. The present wheat surplus is so awesome that cotton, tobacco and peanut Congressmen became alarmed about the possible effect of this scandal on their own programs last year. They debated measures for cutting it down to size in both Houses, but nothing happened because politicians are loath to cut back anything in an election year.

The wheat problem can't be handled without wringing somebody's heart. Does the new administration mean business this time? In the protracted wheat debates last year, Senators and Members of the House stood up and assured each other that something had better be done before the voters demanded instant action. Then other farm programs might be swept away too.

Remember the rotten eggs that smelled for miles and the thousands of heaps of potatoes along the roadside that were doused with kerosene or dyed blue? The farm bloc was then a mighty band. Now the farm bloc's busted. Returns on the census of 1960 are out. The wealthier farmers have taken over so much of agriculture that the farm population has dwindled to 9 percent of the total. Their political strength is in the Senate and House Committees on Agriculture, not on the floor of Congress.

It's time for friends of the farmer to meet reality halfway. Wheat is the main problem. More farmers grow it than any other crop. The surplus stockpiles of wheat are the biggest, the storage and other overhead costs of the wheat program are the highest, and the outlook is the most hopeless. We are eating less wheat every year, and the rest of the world grows more, so we can look to increased sales neither at home nor abroad.

The wheat farmers of the United States received $2 billion for their crop in 1959, a year in which production was a bit above average. Out of this total they had to pay their operating costs. These costs were debated on the floor of the Senate in the early summer of 1960, and it was decided that they averaged half the gross income from wheat. (Actually, the average production cost in the business is less.) When farmers paid their debts for operating expenses in 1959 they were left with a total net wheat income of $1 billion.

Farm accountants figure interest on fixed and working capital, or the cost of the investment in land and implements plus bank loans or personal savings used in production, at the rate of 4 and 6 percent of asset or face value, respectively. At this point we must remember that the wheat industry is scattered and mixed up with other sorts of farm enterprises. We can only arrive at an approximation of the total charge for capital in that business. The average of charges for fixed and working capital as a percentage of net wheat income in five out of seven types of commercial wheat farms was 60 percent in 1959. Subtracting that percentage from the total net wheat income we have a return—call it pay or profit—of about $400 million to wheat farmers and their families.

To enable them to make that much profit, the U.S. Department of Agriculture spent $1,663 million for the stabilization and support of wheat prices in fiscal 1959. This is a net USDA figure for direct expenditures for this purpose only, without administrative overhead.

This cost for raising the price of wheat contrasts sharply with the amount of extra money farmers received as a result of the program. Last year the international price of wheat averaged $1.24 per bushel, and the domestic price was maintained at an average of 50 percent more, or $1.78. Thus one-third, or $665 million of the $2 billion received by U.S. wheat farmers for their crop in 1959 was added by the wheat-support program of the Department of Agriculture. But, as we have seen, the direct cost of that program was $1,663 million. The difference between what the wheat farmers got and how much the Department spent to give it to them is $1 billion.

Wheat is the inclusive farm problem. The first thing we have to recognize is that the 15-acre allotment holder is in wheat for an income supplement, then decide if he ought to get it, and if it should be given him in some other way. As for middle-size commercial growers, they've had several good years. They are worth, as a typical case in the CONGRESSIONAL RECORD showed, upward of $175,000. They are able to finance some of their own adjustments.

The nine-tenths of us who are not farmers have to make a more difficult adjustment. Such waste in a world so troubled

as ours argues that we are a reckless people, insulated from the realities that hurt other nations by a cushion of dollars, spiritless and evasive in the management of our own affairs—the natural prey of any pressure group that can raise a shout because we respond by throwing out clouds of money. "Our grandchildren may well ask," said one of the Senators last June, " 'What manner of people were these who wasted the soil as though their lives depended on full production when there was no visible outlet for what they produced?' "

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

Mr. RUSSELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATION BILL, 1962

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 397, H.R. 7444.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to and the Senate proceeded to consider the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, that the bill as thus amended be considered as original text for the purpose of amendment, and that no points of order be waived.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 3, line 4, after the word "to", to strike out "a total of $50,000 for".

On page 3, line 10, after the word "stations", to strike out "$76,558,000" and insert "$78,015,500".

On page 4, line 5, after "(21 U.S.C. 114b-c)", to strike out "$55,165,000" and insert "$55,540,000".

On page 5, after line 6, to strike out: "For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for market development research authorized by section 104(a), and for agricultural and forestry research authorized by section 104(k) of that Act, to remain available until expended, $5,265,000: *Provided,* That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses; and, in lieu thereof, to insert: "For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for market development, research authorized by section 104 (a), and for agricultural and forestry research authorized by section 104(k) of that Act, to remain available until expended, $5,265,000: *Provided,* That the dollar value of the unexpended balances, as of June 30, 1960, of allocations of foreign currencies heretofore made available to the Agricultural Research Service for the foregoing purposes of section 104(a) is appropriated as of that date and shall be merged with this appropriation: *Provided further,* That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses."

On page 6, line 18, after the word "expended", to insert a colon and *"Provided,* That the Secretary may purchase land at a price not in excess of $10 for construction of facilities at Columbia, Missouri."

On page 7, line 2, after the word "Agriculture", to strike out "$34,053,000" and insert "$36,053,000", and in line 5, after the word "all", to strike out "$34,553,000" and insert "$36,553,000".

On page 8, line 13, after "(7 U.S.C. 347a)", to strike out "$57,220,000" and insert "$58,220,000", and in line 16, after the word "all", to strike out "$58,790,000" and insert "$59,790,000".

On page 9, line 10, after the word "possessions", to strike out "$2,452,000" and insert "$2,477,000".

On page 12, line 8, after the word "expended", to strike out "$25,000,000" and insert "$22,231,500".

On page 13, line 18, after the word "products", to strike out "$9,049,000" and insert "$9,364,000".

On page 14, line 15, after the word "laws", to strike out "$8,688,000" and insert "$8,978,000".

On page 15, line 13, after the word "evaluations", to strike out "$4,515,000" and insert "$4,795,000".

On page 15, line 18, after the word "States", to strike out "$33,187,000" and insert "$33,370,000".

On page 16, line 9, to strike out "$1,400,000" and insert "$1,325,000".

On page 16, line 19, after the word "Act", to strike out the colon and *"Provided further,* That for the purpose of providing additional assistance based on program participation and needs in the States as may be necessary to aid in meeting the nutritional and other requirements of section 9 of the National School Lunch Act (7 U.S.C. 1758), not to exceed $10,000,000 of this appropriation shall be available for assistance under sections 4 and 10 of that Act (42 U.S.C. 1753–1754) under such regulations as the Secretary may prescribe and without regard to provisions of that Act governing the apportionment of funds."

On page 17, at the beginning of line 14, to strike out "$30,000" and insert "$35,000".

On page 18, at the beginning of line 6, to strike out "For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes of market development activities under section 104(a) of that Act, $3,444,000, to remain available until expended: *Provided,* That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses" and in lieu thereof, to insert "For purchase of foreign currencies which accrue under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), for the purposes of market development activities under section 104(a) of that Act, $3,444,000, to remain available until expended: *Provided,* That the dollar value of the unexpended balances, as of June 30, 1960, of allocations of foreign currencies heretofore made available to the Foreign Agricultural Service for the foregoing purposes of section 104(a) is appropriated as of that date and shall be merged with this appropriation: *Provided further,* That funds appropriated herein shall be used to purchase such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph, and such foreign currencies shall, pursuant to the provisions of section 104(a), be set aside for sale to the Department before foreign currencies which accrue under said title I are made available for other United States uses."

On page 19, line 15, after "(7 U.S.C. 1–17a)", to strike out "$1,000,000" and insert "$1,007,000".

On page 20, line 22, after the word "inclusive", to insert "and the amount of a State's basic allocation not so expended shall be available for the State's succeeding program in addition to such program otherwise authorized"; on page 21, line 17, after the word "practices", to insert "including related wildlife conserving practices", and in line 19, after the word "administration", to insert "except that hereafter not to exceed 15 per centum of the basic allocation for any State may be used to increase the State's preceding program".

On page 24, line 2, after the numerals "1961", to strike out "$15,000,000" and insert "$18,500,000".

On page 24, at the beginning of line 9, to strike out "$300,000,000" and insert "$312,000,000", and in line 13, after the word "than", to strike out "$10,425,000" and insert "$10,625,000".

On page 25, line 10, after the word "program", to strike out "$125,000,000" and insert "$195,000,000"; in line 11, after the word "program", to strike out "$120,000,000" and insert "$150,000,00"; in line 12, after the word "exceed", to strike out "$70,000,000" and insert "$50,000,00", and in line 13, after the word "and", to strike out "$30,000,000" and insert "$12,500,000".

On page 27, line 13, after the word "amended", to strike out "$31,900,000" and insert "$40,000,000"; in line 20, after the word "amended", to strike out "$225,000,000" and insert "$237,500,000", and on page 28, at the beginning of line 2, to strike out "$25,000,000" and insert "$37,500,000".

On page 28, at the beginning of line 13, to strike out "$33,017,000" and insert $33,167,000".

On page 28, line 23, after the figures "$3,650,000", to insert a colon and the following proviso: *"Provided,* That the Secretary may, if he finds it necessary for the more effective and efficient operation of the Department, transfer additional amounts to this appropriation from other appropriations

available to the Department for salaries and expenses for the current fiscal year, but this appropriation shall not be increased by more than 7 per centum by reason of such transfers."

On page 29, line 14, after the word "Agriculture", to strike out "$3,096,000" and insert "$3,103,500".

On page 29, line 24, after the word "Department", to strike out "$1,584,000" and insert "$1,597,000".

On page 30, after line 17, to insert:

"CENTENNIAL OBSERVANCE OF AGRICULTURE

"Salaries and expenses

"For expenses necessary for planning, promoting, coordinating, and assisting participation by industry, trade associations, commodity groups, and similar interests in the celebration of the centennial of the establishment of the Department of Agriculture; and employment pursuant to section 706(a) of the Organic Act of 1944 (5 U.S.C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U.S.C. 55a); $100,000, including not to exceed $20,000 for additional printing costs of the 1962 Yearbook of Agriculture, to remain available until December 31, 1962."

On page 31, line 10, after the word "members", to strike out "$1,000,000" and insert "$1,057,000".

On page 35, line 5, after the word "exceed", to strike out "$47,500,000" and insert "$47,916,000".

Mr. RUSSELL. Mr. President, I wish to make a brief statement with regard to the bill. It is the supply bill for the Department of Agriculture, which has greatly increased in size in recent years. The bill before the Senate provides $5,967,382,500. This amount represents a very modest increase of $18,916,500 over and above the amount provided in the bill as it passed the other body. The total amount contained in the bill before the Senate, however, is $121,861,500 under the budget estimates.

APPROPRIATIONS FOR SPECIAL ACTIVITIES

The increase of $1,939 million over the appropriations for 1961 is due principally to a doubling up of the appropriations for several items carried in the past as "Special activities." These items, such as sales for foreign currencies under Public Law 480, emergency famine relief, the International Wheat Agreement, and bartered materials for supplemental stockpile, total $1,861,915,000 for 1961 costs.

It should be understood that these are reimbursements to the Commodity Credit Corporation, and the total sum is $418 million greater this year than the amount that was carried for the same items in last year's bill.

The pending bill provides $1,600 million of estimated costs for these items for fiscal year 1962, to put them on a current or pay-as-you-go basis. This is $109 million under the budget estimate. If the costs of Public Law 480 programs exceed this amount, more funds will have to be provided later.

This appropriation of $1,600 million makes it current and thereby provides the Commodity Credit Corporation with that much more borrowing authority for use in carrying out the regular price support programs.

RESTORATION OF CAPITAL IMPAIRMENT

The item for restoration of capital impairment to the Commodity Credit Corporation is $1,017,610,000. This covers the balance of losses that were realized for fiscal 1960. The total losses for 1960 were $1,612,100,000, of which $594.5 million were provided in the regular bill for 1961.

REGULAR ACTIVITIES OF THE DEPARTMENT

For the regular activities of the Department, the committee recommends an appropriation of $1,397,822,500, an increase of $39.6 million over 1961. This is $12 million under the estimates, and $18.9 million over the amounts carried in the bill as it came to us from the other body.

RESEARCH AND COOPERATIVE EXTENSION PROGRAMS

The committee recommends some modest changes in the appropriations for research, for the Federal research and the "Payments to States" item.

The bill provides $78 million for the Agricultural Research Service, an increase of $6,782,500 over the 1961 appropriations.

I may say that this is one item which is over the budget estimate and the amount recommended by the other body.

The bill provides for the first time $1 million for a contingency research fund, to meet unforeseen and urgent research needs.

The committee also recommended a number of increases totaling one and a half million dollars for what it considers urgent needs on current research.

PAYMENTS TO STATE EXPERIMENT STATIONS

For the research payments to the State experiment stations, an increase of $4 million over 1961 is proposed. This makes the total $36.5 million. One million dollars of this is directed toward investigations of research on the elimination of weeds. This has become a very serious problem.

For payments to States for cooperative extension work, $59,790,000 is provided. This is an increase of $3.2 million of new funds for distribution to the various States under the formula.

SOIL AND WATER CONSERVATION PROGRAMS

For the agricultural conservation program, the committee recommends an advance authorization for the 1962 program of $250 million, this being the amount that has been authorized for this program for many years.

For soil and water conservation programs administered by the Soil Conservation Service, the committee recommends $176 million, an increase of $20.8 million over 1961. This increase is principally for installing works of improvements in the watershed programs.

SCHOOL LUNCH PROGRAM

The committee recommends an appropriation for the school lunch program of $125 million, an increase of $15 million over 1961. I am sure all the Members of the Senate are aware that a much larger amount than that is furnished for the program through the allocation of surplus commodities and the expenditure of section 32 funds.

LOAN AUTHORIZATIONS

The committee recommends loan authorizations totaling $318 million for the lending programs administered by the Farmers Home Administration. These authorizations are $51 million over 1961 and are $33 million over the amounts provided in the bill as it came from the other body.

For rural electrification loans, the committee recommends the full budget estimate of $195 million, plus a contingency authorization of $50 million, making a total $245 million of new loan authorizations available for 1962.

For the rural telephone authorizations, a total of $162,500,000 is recommended, of which $12,500,000 is for contingency reserve authorization.

I believe that brief statement covers the larger items in the bill.

Mr. YOUNG of North Dakota. Mr. President, as the ranking Republican member of the Subcommittee on Agriculture Appropriations, I commend the senior Senator from Georgia for the excellent work he has done in handling this complicated and exceedingly important bill now before the Senate. Only modest increases have been made over the House figures. These are mainly increases in authorizations for the REA, RTA, and the Farmers Home Administration, all of which were well justified in the hearings.

The bill as a whole represents a very sound approach to the fiscal problems of agriculture, and the amount that is being asked for is needed.

I support the bill as reported by the Committee on Appropriations.

Mr. DIRKSEN. Mr. President, I should like to ask the distinguished chairman of the subcommittee about a matter on which I addressed a letter to him, which appears at page 1090 of the hearings.

I ask unanimous consent that a copy of the letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 24, 1961.

Hon. RICHARD B. RUSSELL,
Chairman, Subcommittee on Agriculture, Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: There is a small fruit-breeding station at Southern Illinois University at Carbondale, Ill., and in connection with the work they have been doing, there is belief that they could use five greenhouses to good advantage.

It is estimated that the cost of such greenhouses would be approximately, and I repeat approximately, $70,000 and an alleyway to join the greenhouses in the sum of $30,000.

Representative ROBERT MICHEL, a member of the House Subcommittee on Agriculture Appropriations, has also made some comments in support of this project when hearings were held.

One of the reasons for the $30,000 request for alleyways is that due to the nature of the project it is necessary to isolate the greenhouses.

Any consideration the subcommittee can give to this need will be appreciated.

Sincerely,

EVERETT MCKINLEY DIRKSEN,
U.S. Senate Minority Leader.

Mr. DIRKSEN. I may interpolate at this point by saying that the matter relates to the building of greenhouses for a fruit-breeding station proposed at the University of Southern Illinois. The whole amount involved would have been

$100,000, but it is my understanding that these greenhouses would have to be built on State, rather than Federal property, and that the committee is apprehensive about setting a precedent that could have no end if that were done. I understand that the committee actually did approve the item, and then decided to take it out because of the State ownership of the land. I should like to have a little amplification as to what the committee would do if the State or university did surrender sufficient land to the Federal Government for this purpose.

Mr. RUSSELL. The committee was very anxious to provide for this item. We realize that the distinguished Senator from Illinois does not request a great deal from the Committee on Appropriations. We are familiar with his long record of dealing with the agricultural appropriations bill when he was a member of the other body. He handled it for years. I do not know whether I should say it was at that time my "privilege" or "misfortune" to meet him in conference on many occasions, because in those days he was a very hard man to convince about the appropriation of money.

The committee considered this item. We approved it provided the funds were to be expended on Federal lands. The clerk of the committee investigated and ascertained that the Federal Government owned no lands at this installation. It is, I understand, a worthwhile State station, but we did not feel we could appropriate funds for the building of greenhouses on State land without yielding in the future to the numerous similar requests which the committee frequently receives. So we were compelled, regretfully, to deny the Senator's request.

There are instances, I understand, when title is conveyed to the Federal Government to lands on State stations. But in this instance we were powerless to assist the Senator on this item.

Mr. DIRKSEN. The Senator may or may not be able to answer, but in the event sufficient land were conveyed to the Federal Government for this purpose, what, in the Senator's judgment, would be the action of the committee?

Mr. RUSSELL. It is always difficult to undertake to predict what action any committee of the Senate will take; but if this were a cooperative project—and I understand that State experimental work is carried on there with both State and Federal funds—I know of no reason why the committee should not approve this very modest request, if the greenhouses were to be constructed on lands owned by the Federal Government.

Mr. DIRKSEN. I thank the distinguished Senator from Georgia.

BERLIN—A STRATEGIC AREA

Mr. BRIDGES. Mr. President, the city of Berlin today occupies in world affairs one of the great strategic areas of the world.

I intend to discuss this issue from a bipartisan point of view. As the senior Republican in the U.S. Senate, it is my judgment that the paramount question to which the Berlin issue relates in many aspects is that of our national survival—and the survival of this Nation transcends all consideration of partisanship.

The safety and protection of the American people transcend all considerations of political parties. The least we can do for the American people is to give them all the facts and let them know where they stand in this hour of continued crisis.

We have had a desperate need for a foreign policy which Americans can understand; and which our allies understand; and—most of all—which our enemies can understand.

In our approach to some problems of our foreign relations we have seemed at times to blow hot, and then to blow cold. During those times in the past we did not assume a clear, concise position which the world could understand. We have had a clear position on Berlin in the past, but now, because of a suggested new proposal, we need to emphasize the firmness and clarity of our position.

Last Wednesday, the distinguished senior Senator from Montana [Mr. MANSFIELD] delivered in the Senate an important address, during the course of which he advanced one solution to the problem. While he made clear that he was speaking for himself, he still is known as his party's spokesman in the Senate. His proposal was that Berlin, East and West, might be reunited as a free city, to be held in trust by an international authority.

Under his plan, the free city would be guaranteed jointly by the Western Powers united in NATO and Eastern Powers united in the Warsaw Pact. Entrance to the city from the West would be controlled by what he termed "international peace teams."

The highly respected majority leader, as we all know, made the proposal in all good conscience. I also know he will welcome the opinions of others.

Mr. President, I am strongly opposed to the proposition that has been suggested.

The proposal, in some respects, resembles the short-lived Trieste agreement. It might work if Mr. Khrushchev wanted it to, but it seems quite obvious that if he actually desired any settlement on Berlin he would not have been using it to make trouble for so long a time.

The importance of the proposal suggested by the distinguished majority leader has raised questions in newspapers, on TV and radio, and among people generally as to the extent to which someone else might try to use it as a trial balloon for the President and his Department of State. The Senator was speaking on his own, but I know he recognizes what importance is attached to his suggestion.

The Trieste agreement, for example, was signed February 10, 1947, and held as a free territory under United Nations supervision. By October 5, 1954, it was divided between Yugoslavia and Italy, and the free territory is no more. Yugoslavia got what it wanted of the free territory.

Under four Presidents—Roosevelt, Truman, Eisenhower, and Kennedy—the United States, as well as other Western Powers, has been committed to defend the independence of the western part of Berlin and to maintain contact with it. Of course, this formula could, I suppose, be interpreted in varying degrees by the world's diplomats. But the position of the United States has been absolutely firm; we spent millions of dollars and sacrificed many of our young airmen in the famed airlift which stood forth as a symbol before the world that we act on what we say.

This is no time for weakness. It is a time for a cold, realistic clarification of where we stand, what we propose to do, and what we expect the U.S.S.R. to do.

Mr. Khrushchev continues to make the cold war colder, and abuse of the United States has been one of the principal methods he has used to discredit and belittle the United States.

At all times we must maintain our honor, respect, and prestige. We cannot for a moment back down on Berlin. American leadership in world affairs would be greatly weakened.

If history has taught us anything, it has shown that where peace is concerned there can be no vacillation or retreat.

Mr. President, it seems to me that now is the time to take a forceful step in the direction of respect by making it definitely known, once again, that our position on Berlin has not changed.

Berlin represents one of the few remaining symbols of the free world's determination not to be cowed by the bully tactics of the Russian bear.

Briefly, our position on the future of Germany and the issue of Berlin has been that:

First. East and West Berlin should be united by free elections, and the city's freedom should be guaranteed by the United States, France, Britain, and the Soviet Union until such time as Berlin becomes the capital of a reunited Germany.

Second. German reunification would become a fact with the election of an all-German parliament, formation of an all-German government, conclusion of a peace treaty between Germany and her former enemies, and withdrawal of all foreign troops under adequate safeguards.

Again, I point out, these have been basic objectives of our foreign policy through the administrations of Presidents Truman, Eisenhower, and Kennedy.

In reporting on his Vienna talks with Premier Khrushchev, Mr. Kennedy reaffirmed our intention not to be intimidated into backing out of West Berlin. What Mr. Kennedy told us sounded like tough, straight-from-the-shoulder talk, as indicated by this excerpt from his remarks:

> I made it clear to Mr. Khrushchev that the security of Western Europe and therefore our own security are deeply involved in our presence and our access rights to West Berlin; that these rights are based on law, not on sufferance; and that we are determined to maintain these rights at any risk

and thus our obligation to the people of West Berlin and their right to choose their own future.

The President, in those words, upholds the same principles on Berlin that were maintained by the three previous Presidents.

If the suggestion of the distinguished majority leader ever came to pass, it would be a definite change. I, for one, see no reason why a Russian threat to sign a separate peace treaty with East Germany should cause us to change our course.

Of course, I have no quarrel with the majority leader's right to express his opinion. In our justly cherished free society with opportunity for debate and free expression, all viewpoints must be explored and given due weight. This country of ours is the greatest and strongest on earth. It was made that way through the qualities of courage, intelligence, morality, and plain commonsense of individual Americans.

We are, perhaps, sometimes slow to act, and too often leave the impression that we are soft. But the world is beginning to understand that humanity is not softness—that the fiber of America is no less strong than it was in 1776.

Our military posture, our domestic prosperity, in fact, our very survival as a nation, are affected by success or failure in the conduct of our foreign relations. In my opinion, any weakening of our position on Berlin would constitute a major foreign policy failure.

Regardless of the zigs and zags of Russian diplomacy, regardless of their frowns and smiles, we must never forget that the Communist goal always remains to make the world bow down before the hammer and sickle. So, in my judgment we should not retreat on Berlin.

If we back down in any degree on Berlin, I doubt that many nations of the earth will count on our word again. And, in my opinion, we cannot afford to stand alone.

First things must come first. The urgency of the moment, I repeat, is survival itself. The people of this country must prepare themselves for a rough and tough road ahead; but they cannot expect the Nation to wipe away each of their tears.

I cannot in good conscience, Mr. President, let the proposed new status of Berlin pass without my opposition. And I shall vigorously and strenuously oppose any change which would weaken our position, until the very end.

In conclusion, let me state that the threat to the United States is many sided. One is by internal subversion; another, by economic penetration; others, by espionage, blackmail, and military might. But there is still another—an important one—and that is a show of weakness which might be taken as appeasement. And, appeasement is nothing more than surrender on the installment plan.

For that reason, I am utterly opposed to changing our position on Berlin.

Mr. MANSFIELD. Mr. President, first I wish to express to my friend, the distinguished senior Senator from New Hampshire [Mr. BRIDGES], who is the ranking Republican Member of this body, my deep appreciation and thanks for the speech he has made this afternoon, and I desire to compliment him for the high tone in which it was delivered.

Whether one speaks for or against the proposal advanced by the senior Senator from Montana is immaterial. The point is that we ought to speak and think and cogitate while there is still time to do so, and in an unemotional way. Time is of the essence in connection with this matter. In my opinion, the distinguished senior Senator from New Hampshire has rendered the country and the Senate a service, today, in bringing to our attention his views on this question, the most important immediate question of our time.

The Senator from New Hampshire was gracious enough to tell me ahead of time that he was going to make his speech, and to furnish me with a copy of his remarks.

If I may, I should like to make a few comments on what he has said, and then make some comments of my own.

For example, the Senator from New Hampshire stated:

> The safety and protection of the American people transcend all considerations of political parties. The least we can do for the American people is to give them all the facts and let them know where they stand in this hour of continued crisis.
>
> We have had a desperate need for a foreign policy which Americans can understand—and which our allies understand—and most of all, which our enemies can understand.

I agree completely with the distinguished Senator from New Hampshire.

A little later he said:

> Last Wednesday, the distinguished senior Senator from Montana delivered in the Senate an important address, during the course of which he advanced one solution to the problem. While he made clear he was speaking for himself, he still is known as his party's spokesman in the Senate. This proposal was that Berlin, East and West, might be reunited as a "free city," to be held in trust by an international authority.

I appreciate what my friend, the Senator from New Hampshire, has said relative to his acknowledgment of the fact that I was speaking for myself, because I was; and, as a matter of fact, to this day I have not discussed this matter with either the President of the United States or the Secretary of State, because I feel that I have some responsibilities as a Senator of the United States.

A little later, the Senator made reference to the Trieste agreement. He said:

> The Trieste agreement, for example, was signed February 10, 1947, and held as a "free territory" under United Nations supervision. By October 5, 1954, it was divided up between Yugoslavia and Italy and the "free territory" is no more. Yugoslavia got what it wanted of the "free territory."

Let me call to the attention of the Senate the fact that that treaty, which seems to have been agreed to by both Italy and Yugoslavia as being eminently satisfactory at that time, came about because of the outstanding work done in its behalf by Clare Boothe Luce, who at that time was U.S. Ambassador to Italy, and by Llewellyn Thompson, who at that time was U.S. Ambassador to the Republic of Austria. In fact, Ambassador Thompson spent so much time on the treaty that he was almost always in London, trying there to work out the arrangements, and rarely was in Vienna.

Later in his remarks the distinguished Senator from New Hampshire said:

> This is no time for weakness. It is a time for cold, realistic clarification of where we stand, what we propose to do, and what we expect the U.S.S.R. to do.

I agree completely.

Further on in his speech, the Senator from New Hampshire stated:

> If history has taught us anything, it has shown that where peace is concerned there can be no vacillation or retreat.

Again I wholeheartedly agree.

Further on in his speech my friend had the following to say:

> The distinguished majority leader's suggestion, if it ever came to pass, would be a definite change.
>
> I, for one, see no reason why a Russian threat to sign a separate peace treaty with East Germany should cause us to change our course.

Let me say that that possibility had nothing to do with the remarks I made last week, because if I correctly understand the historical situation, whenever the Soviet Union desires to sign a treaty of peace with East Germany, it can do so, and there would be nothing that we or our allies could do about it.

Further on, the Senator from New Hampshire said:

> Our military posture, our domestic prosperity, in fact, our very survival as a nation, are affected by success or failure in the conduct of our foreign relations. In my opinion, any weakening of our position on Berlin would constitute a major foreign policy failure.

At this time, I should like to read an excerpt from an editorial published in the Christian Science Monitor on June 17, 1961. I believe that these few words, more than anything else I have read or heard, sum up what I was trying to do when I was privileged to address the Senate, last Wednesday, on this question. I quote now from the editorial:

> In this respect the proposals advanced in the U.S. Senate by Senator MIKE MANSFIELD, of Montana, a day before the Khrushchev broadcast make a great deal of sense. These proposals, which are put forward by the Senate majority leader personally and not on behalf of the Kennedy administration, should be read—

And I wish to direct the attention of the Senator to this—

> should be read not as a substitute for full insistence on Western rights in West Berlin but as a possible supplement to the Anglo-French-American diplomatic position.

Further on, the distinguished senior Senator from New Hampshire says:

> First things must come first. The urgency of the moment, I repeat, is survival itself. The people of this country must prepare themselves for a rough road ahead, but they cannot expect the Nation to wipe away each of their tears.
>
> I cannot in good conscience, Mr. President, let the proposed new status of Berlin pass without my opposition. And, I shall vigorously and strenuously oppose any change which would weaken our position, until the very end.

I can find no real argument there, because I do not think that I was advocating a weakening of our position in Berlin, or a backing away, or a retreat, in the proposal which I advanced. As the Christian Science Monitor indicated, I was trying to bring about a possible supplemental position insofar as our status in that area was concerned.

There has been some reference to the fact that I am the majority party's spokesman in the Senate. I do not know how to answer this. I suppose that is a cross I have to bear on occasion, just as the distinguished minority leader has to bear a somewhat similar burden if he makes a speech and is thereby considered as the spokesman of his party. But let me say, knowing the 100 Senators of this body, no Senator can speak for any other Senator. So far as we are concerned, leader or not, we are on an equal basis.

Before any Senator is a majority leader, he is the Senator of the State from which he comes, and he is a Senator of the United States. Before a Senator has responsibilities to any administration, he has responsibilities to the people of the United States in the light of his conscience.

Several days ago I made a statement on Berlin as a Senator from Montana, as one Senator with responsibilities to the people of his State and the Nation. The statement was not at any time, or in any way, discussed in advance with any person in the executive branch. It was not intended as praise for this administration or criticism of its predecessor. And it was in no sense a "trial balloon."

The statement proposed that we face the facts of the situation which is developing at Berlin and that we face them now and discuss them fully, just as the distinguished Senator from New Hampshire did in his service to the country this afternoon. It contained a proposal which suggested a third way on Berlin—neither that which the Soviet Union has proposed nor that which presently exists. The statement was designed to invite discussion in the Senate of this grave situation and to elicit further proposals with respect to that situation. For in this matter, the Senate has a responsibility, even as the President of the United States has the ultimate responsibilty.

The developments in Berlin involve the entire future of the United States, the Soviet Union, Europe, and the world. Therefore I trust that any discussion will reflect the seriousness and soberness of this situation. And I trust, furthermore, that the discussion will not be bent to political purposes.

Let me say again that I commend and compliment the Senator from New Hampshire for the nonpartisan, frank, and honest way in which he discussed his reaction to the Berlin situation on the floor of the Senate this afternoon.

Finally, I trust that we will bear in mind in this discussion the weight of responsibility which rests on the shoulders of the President. He must make decisions on behalf of all of us—decisions which bind us all. He must make these decisions knowing that, in the end, if reason fails, either here or elsewhere, what may be involved is the life of every man, woman, and child in the Nation.

In these circumstances, every responsible citizen of this Nation, and especially those with public responsibilities, will think and speak with the soberness the situation requires. That, may I say, was characteristic of the discussion in the Senate on the part of both Republican and Democratic Senators after my statement the other day. And I hope that it is a characteristic which will be maintained as this discussion widens, and I am sure it will be, based on the statement by the Senator from New Hampshire this afternoon.

Following my previous speech I received a large response, for a Senator from Montana, in the mail. More than half the letters I received were from Texas, California, New York, Illinois, and Pennsylvania. The letters were unfavorable to the proposals which I made on Berlin in a ratio of about 4 to 1.

A great many of these letters contained attacks on my integrity, motives, and patriotism. I do not relish these attacks, since my skin is no thicker than that of any other Senator. But if personal vilification is the price which must be paid for full public discussion of this critical issue, then it will be paid, regardless of whether the discussion tends to support my view, or oppose it, or take some other turn.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. BRIDGES. As the distinguished Senator knows full well, speaking for myself, and I think for most people of this country, and certainly for my colleagues on this side of the aisle, there is no question about the integrity or patriotism of the Senator from Montana, or his effort to do what he considers in his conscience to be for the best interests of this country. I for one am very happy the Senator from Montana occupies the position that he does. I happen to differ with him on his approach, but I know his motives are of the highest, and I am sorry anyone would vilify him or question his motives in the discussion of this issue.

Mr. MANSFIELD. I am deeply grateful to my friend, the distinguished Senator from New Hampshire, for these remarks; but as far as my colleagues in this body are concerned, I have no doubt that every Member feels toward me as I feel toward them—and I say this with all due modesty—as the Senator from New Hampshire has expressed himself, because I think we get to know one another here and to have an understanding of the problems and confrontations which occur from time to time.

I do not mind this criticism, and I did not rise to protest it. All of us, being in the profession we are in, have to anticipate some criticism. If we were not criticized, I would say there was something wrong with us, because nobody in this Chamber or anywhere else can advance proposals which will meet with the full approval of the people of this country or with the full approval of the people of a State, and neither can anyone vote without that chance, because there is always someone who will criticize. That is fine. I only hope that when criticism is made it will be made on the basis of the criticism advanced by the distinguished Senator from New Hampshire, which is criticism of a constructive nature, because on that basis we can all benefit and the country will be better off.

Mr. President, the issue which confronts the people of this Nation at Berlin is fundamental. We are fully committed at Berlin, all of us, and lest there be any misunderstanding of this commitment, I repeat what I said last Wednesday:

> We will not be driven, pushed or barred from fulfilling our responsibilities to ourselves and to freedom in Berlin by any nation, half-nation, group of nations or whatever. Such measures as may be necessary to assert that responsibility will be taken. * * * The range of this commitment extends from a beginning of the words of firmness to a midpoint of expenditure of immense resoures and enormous taxes and other sacrifices, to a final pledge of the lives and fortunes of every man, woman and child in the Nation.

I do not take this commitment lightly. And because I do not, Mr. President, I regard it as an inescapable responsibility on the part of the Senate to see to it that the question of Berlin is discussed fully and completely and in advance of payment on the commitment. So long as I represent the State of Montana as a Senator of the United States, I shall not regard as closed and beyond discussion any matter which involves the welfare and the very life of every citizen of this Nation as directly as does the Berlin situation. And I shall speak out on these matters whenever my judgment and conscience compel it.

In my statement last Wednesday I offered a proposal for a possible approach to solution of the Berlin question. It was neither the way suggested by Mr. Khrushchev nor merely a continuance of the status quo in that city. It was an attempt to find a third way, not in retreat from where we now stand but in an advance to what I believe may be a firmer ground for peace in Europe. I have based this proposal on the assumption that if West Berlin is defensible as a free city, as an allied enclave 110 miles inside the Communist world, all Berlin as a free city would be even more defensible if it is threatened, for it would still be backed by allied guarantees, as is now the case, and, in addition, by the weight of a world opinion which is overwhelming for peace. The small garrisons in West Berlin, Mr. President, are not what defends that city—it is the allied guarantees of that city's safety, and these will be strengthened, not weakened, under the proposals which I have made, even though some of the interpretations of these proposals may for one reason or another suggest otherwise. I have based these proposals, furthermore, on the belief that any policy which, in effect, insists that the Russians remain in Berlin and Germany, as ours now does, is not only impracticable but also wrong on its face, for our object must be to encourage the withdrawal of Soviet forces eastward if the present costly stalemate in Europe is ever to be brought to an end.

The suggestions which I have made may or may not have merit. They were obviously not intended to be the last

word on this subject. Other proposals may be offered by other Members which may or may not have merit. More important than any particular proposals, mine or those of anyone else, is that this issue and its possible solution be thoroughly explored and, one would hope, explored without rancor or considerations of political advantage, in the light of the best interests of this Nation. As I see it, Mr. President, it is not in the best interests of this Nation to go on spending billions of dollars abroad without bringing closer the day when these one-sided expenditures may be terminated in a more constructive situation—and Berlin alone and directly has already cost this Nation in excess of $1.5 billion. It is not in the best interests of this Nation to spend the lives of citizens and to risk the devastation of this Nation and the world if we can create a situation where this need will be obviated.

To be sure, there may be no alternative. To be sure, in the end we may have no choice but to spend the billions and the lives, but until that end arrives, I, for one, shall go on seeking a better way.

I do not now believe and have never believed in change for the sake of change in public policy any more than in automobiles. But I believe it is essential to the security and welfare of the people of this Nation that we do not doom ourselves to the mental prison of equating all change with retreat and defeat. For in foreign policy, no less than in all other aspects of human existence, an ordered change is the key to rational survival and progress. Unless we are not afraid, first, to consider changes in a world of change and, second, to make changes if reason tells us they should be made, we shall find ourselves, in foreign policy, time and again in pursuit of the last car of a train that is always pulling away from us.

Mr. President, again I commend the Senator from New Hampshire. In my opinion he has performed a real public service this afternoon.

Mr. President, I ask unanimous consent that a number of editorials both for and against the proposal advanced by me last week in the Senate be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, June 17, 1961]

IF MOSCOW REALLY WANTS A GERMAN TREATY

Premier Khrushchev's report to the people of the Soviet Union on his talks at Vienna with President Kennedy is a new statement of old pretensions. These pretensions do not take on any more validity from the fact that they have been voiced for 2½ years, but there is danger of their becoming partly accepted by familiarity.

The head of the Communist bloc says, "The absence of a peace treaty with Germany has created a deeply abnormal and dangerous situation in Europe." He adds the charge that Britain, France, and the United States broke postwar agreements by turning West Germany into a militarist state, whereas the facts are the Soviet authorities first closed off their occupation zone and began there development of paramilitary forces under the Soviet Army.

Thus began the problem of a divided Germany and of a Communist puppet regime in East Germany which has no basis in the wishes of the people but ruled by Russian-backed force. That is "a deeply abnormal and dangerous situation" but it is not the one Mr. Khrushchev likes to talk about.

He prefers to focus attention on West Berlin, where he proposes what would technically be called a free city but which would, in fact, end the freedom of more than 2 million West Berliners within a few years. Unless that proposal is accepted, he threatens before the end of the year to make a treaty with his pawns, Walter Ulbricht and company, which he pretends would give them complete control over access to Berlin.

COMMUNIST PLANS FOR WEST BERLIN

If they used that control with scrupulous respect for the rights of West Berliners to come and go, and for the rights of others to visit and trade with them, the situation would not be materially worsened. But what Mr. Ulbricht has in mind is indicated by a press conference in which he suggests that the Tempelhof Airport, which was West Berlin's lifeline in the blockade of 1948, be closed, and that West Berlin cease to grant asylum to East German refugees.

What Mr. Khrushchev envisages can be inferred from his parroting of a completely fictitious Communist claim that the half city of West Berlin "is situated on territory of the German Democratic [East German] Republic." There was no East German state when the postwar outlines of Berlin were drawn. As a matter of fact, especially if they protest a West German Parliament meeting in West Berlin, the Communists have no right to install the East German Government in East Berlin, since even the Soviet sector of that city is on a different legal footing from the Soviet occupation zone around it.

In this respect the proposals advanced in the U.S. Senate by Senator MIKE MANSFIELD, of Montana, a day before the Khrushchev broadcast make a great deal of sense. These proposals, which are put forward by the Senate majority leader personally and not on behalf of the Kennedy administration, should be read not as a substitute for full insistence on Western rights in West Berlin but as a possible supplement to the Anglo-French-American diplomatic position.

CONCESSIONS AND COUNTERCONCESSIONS

So long as Soviet arrogance tries to undermine the safety of West Berlin and its people (with stratagems reminiscent of the Nazi encompassment and capture of the free city of Danzig) the West should stand flatly on every sentence and comma of its occupation rights in defense of the West Berliners.

One of the hollow aspects of the Khrushchev position is the pretense that Moscow seeks a peace treaty as to all of Germany in conjunction with its wartime allies. If this were more than a sham, the Kremlin would deal seriously with the Western contention that the whole German people should have an opportunity to vote on their future status.

If Mr. Khrushchev and his foreign office have any thought of achieving an agreed settlement on the narrower and included question of Berlin, they might consider what arrangements in return could conceivably compensate for the concessions they ask and provide reliable safeguards for the people of West Berlin. This, in effect, is what the Mansfield plan asks the Communists—or others who pass judgment on issues of the cold war—to do.

First, for example, if a free and internationalized status would be good for half a city (West Berlin), why would it not be at least twice as good for a whole city, including East Berlin? The first postulate that should be laid, therefore, in any thought of changed conditions for Berlin is that the change should apply to the whole city.

REAL INTERNATIONAL AUTHORITY NEEDED

Even that would be far from enough to assure the security of the city's government or the ultimate physical safety of its citizens. Earlier statements have suggested that some international authority guarantee the neutrality and self-government of West Berlin. The only authority remotely capable of doing this—and its capability in such a great-power vise would be very doubtful until proved in other cases—would be the United Nations. Yet the United Nations would certainly be estopped from giving any effective protection to an area such as Berlin if Mr. Khrushchev should succeed in introducing his fragmentation of the secretariat by a three-party veto.

The residents of Berlin also would need absolutely dependable and even enlarged guarantees of freedom of passage for themselves, their goods, and their guests going to and from Berlin through the 110-mile corridor to West Germany. As to this, Mr. Khrushchev says with one breath that the Soviet Union favors free access and with the next breath that the East German Communists could take it away.

The Mansfield formula is that the city's neutrality be guaranteed by the members both of the North Atlantic Treaty and the Warsaw Pact, and that Western access routes to the city be garrisoned with international peace teams.

These points, it should be recognized, are counterproposals to the Soviet demands, not modifications of the American, French, and British insistence on their right to protect West Berliners at the West Berliners' request.

Incidentally, one translation has Premier Khrushchev saying, "The Western Powers say they will insist on their rights in West Berlin. That is a threat to peace." Since when did it become a threat to peace for any nation to insist on its rights? The official Tass version has smoothed up this passage, but the characterization is essentially true of the Communist position.

CHANGES SHOULD NOT BE ONE SIDED

Premier Khrushchev goes out of his way to say that if any country "violates peace and crosses the borders" of East Germany it will be met with Soviet weapons. President Kennedy explicitly assured the Soviet leader at Vienna that so long as the rights of access are respected there would be no use of force. But if either Soviet or East German authorities should interpose barriers, that would be the initial use of force.

The Communists have no moral or other right to demand that the West sacrifice the safety and liberties of 2 million people even in the name of peace—that is, to dissuade the Communists from breaking the peace.

Theoretically, it is quite possible to imagine a better and more stable situation for Berlin than now exists. But to accomplish this would require substantial concessions from both sides, not just from one. If a bargain is to be struck, it should be for the benefit of all, particularly the West Berliners. If Moscow expects the West to consider modification, it should be willing to consider equally important and more necessary ones.

Only on this basis should the Western three powers contemplate any bargaining about Berlin. Not one cardboard kopeck should be given up without full value for the security of West Berliners in return. If anyone calls this intransigeance, let him ask if he would like his own security dealt with on any other basis.

Viewed as an exercise in analysis of what guarantees the Communists ought to be willing to give in return for what they now are brashly and brazenly demanding, the Mansfield plan has value. It should not be regarded in any other light, certainly

not as any weakening of Western resistance to attempted intimidation.

[From the Washington Daily News, June 16, 1961]

BERLIN DILEMMA

Senate Majority Leader MANSFIELD has contributed an idea to the latest battle over Berlin.

He says Nikita Khrushchev's proposal to convert West Berlin into a free city and to kick out the Western Powers is unacceptable. But he adds that the Western policy of standing on the status quo is not necessarily the way to peace.

A third way, he suggests, might be to convert the entire city—East and West—into a free city; "held in trust and in peace by some international authority until such time as it is again the capital of Germany." Access routes to the city would be guarded by international peace teams.

Senator MANSFIELD's suggestion has the merit of some fresh thinking on a problem that has plagued the world since the end of the war and periodically becomes a dangerous crisis area. Khrushchev indicates he is heading for another flash crisis there at the end of this year.

The Senate leader also calls for widespread discussion and debate about the Berlin problem. The best place to start would be at the beginning—way back in the late 1940's—to refresh the world's memory on why Berlin exists today in an extremely abnormal state.

To listen to Moscow, this is all the fault of the Western Powers and the West Berliners.

The fact is that the Soviets, in 1948, walked out of the four-power (United States, Britain, France, Russia) kommandatura after they got the short end of a free, Berlin-wide election. They set up their own puppet municipal regime in East Berlin and thus divided the city in two. They even cut the telephone cables between the two halves of the city. Even today it is impossible to make a telephone call between East and West Berlin.

There is going to be a lot of shouting about Berlin in the months ahead and the world should be reminded how the present situation developed.

It is difficult to believe that anyone who knows the facts about Berlin—or who has had the fascinating experience of seeing that divided city—ever could give even second thoughts to Khrushchev's outrageous proposal.

[From the Washington Post, June 16, 1961]

SONG BY THE FIRESIDE

It's all very simple. If the United States and the West will just agree to Soviet policy on Berlin, Laos, the United Nations, nuclear tests and disarmament, we'll all coexist splendidly. Last one to give in is a warmonger.

That, in essence, represents the chatty content of Mr. Khrushchev's fireside chat to the Soviet people. He expressed satisfaction over his talks with President Kennedy in Vienna; but the satisfaction, if any, must have derived principally from the opportunity to clarify what are almost completely opposite positions. From the standpoint of the United States and its allies, about the only reasonable aspect of Mr. Khrushchev's presentation was its relatively restrained tone.

The Soviet leader has adopted the troika as his mode of international conveyance to the United Nations, nuclear tests and virtually every other issue. He wants general and complete disarmament, and unless his terms are accepted the United States is against it. He wants a neutral and independent Laos, but the Americans are somehow responsible for the continued truce violations by the Communist Pathet Lao. The Soviet Union does not want a war, but it is going to sign a treaty this year giving control of the access to Berlin to East Germany, and anyone who resists will be guilty of aggression.

Well, it is a pretty dismal line—about as reasonable as the sort of stuff once spouted by a fellow named Hitler. Berlin is of course the most troublesome issue, and there is considerable point to Senator MIKE MANSFIELD's call for the West to abandon some of its fictions about the problem and seek to mount some counterpressure for improved status of Berlin. But to use a Soviet metaphor, the chance of anything better, in Mr. Khrushchev's present mood, seems about as likely as fried snowballs. All of which means that the West had better prepare for a tough test of nerves this fall.

[From the New York Herald Tribune, June 17, 1961]

ACHESON HEADS TASK FORCE TO WATCH BERLIN

(By Marguerite Higgins)

WASHINGTON, June 16.—President Kennedy has formed a special task force to keep watch on the Berlin crisis. It is headed by former Secretary of State Dean Acheson.

Mr. Acheson, who is widely known for his tough unyielding stand on maintaining the freedom of West Berlin, is currently completing a report on the alternative responses open to the West in light of heightening Soviet pressure designed to drive the Allies out of the city.

After the report is finished Mr. Acheson is expected to serve as the administration's chief crisis watcher on the Berlin situation, ready to give warning and advice on all new developments.

ENCOURAGES BERLIN

The key role on Berlin to be played by Mr. Acheson is particularly welcome to the West Germans, who in the past few days have been fretful over reports of alleged changes in American policy.

In fact, the State Department has spent much of this week trying to calm fears aroused:

1. By a speech in which Senator MIKE MANSFIELD, Democrat, of Montana, Senate majority leader, proposed accepting the "free city" idea for West Berlin if the same system were extended to East Berlin. This alarms the West Germans, who feel psychologically that the physical presence of Americans in Berlin is the best deterrent to Russian action against the city. Under the Mansfield idea, all Allied occupation troops, including American, would in due course leave Berlin.

2. By reports out of London that the United States was contemplating a radical new approach to Berlin.

The State Department has diplomatically disowned the Mansfield idea and denied that it was in any sense an administration trial balloon—a conclusion drawn by most European papers. It also denied that any radical new approach on Berlin was contemplated.

Mr. Acheson's assignment to the Berlin problem will be a reassurance to the Europeans in itself, for he agreed completely with West German Chancellor Konrad Adenauer in opposing Soviet desires to make unilateral changes in Berlin's status.

Mr. Acheson is on record as saying: "The present status of the Western Allies in Berlin is highly satisfactory. Why fuss around with other ideas? Premier Khrushchev is the only one who wants it changed."

U.S. REPLY IS FIRM

The American reply to Mr. Khrushchev's most recent memorandum on Berlin was the subject of consultation here today with both Britain and France. The American draft reply is firm, refuses to contemplate the changes proposed by the Russians, but leaves the door slightly ajar for negotiations on the issue.

Mr. Acheson will be assisted in his Berlin task force mainly by specialists from within the administration such as Walt Whitman Rostow, Deputy White House Assistant on National Security Affairs; Foy Kohler, Assistant Secretary of State for European Affairs; and others.

There have been unconfirmed reports that Gen. Lucius D. Clay, the commander in Europe during the Berlin blockade of 1948, might be included in the task force of crisis watchers because he has had decision-making experience in dealing with Soviet pressure. It was not ruled out at the White House today that General Clay might be consulted, but his aid has as yet not been requested.

[From the New York Post, June 18, 1961]

SENATOR MANSFIELD'S HERESY

Once again Senate Majority Leader MANSFIELD, Democrat, of Montana, has made a valiant effort to generate fresh thought on the problem of Berlin and rescue the West from the peril of its own cliches. His suggestion that the status quo in the divided German city is not sacrosanct seems to have sent a shudder of horror through Bonn and provoked frenzy in the top echelons of the GOP. It deserves a more responsible hearing.

MANSFIELD's proposal, similar to a plan he advocated 2 years ago, would erase the line between East and West Berlin and unify the two sectors as one city whose freedom and accessibility would be internationally guaranteed by NATO, the Warsaw Pact countries and both West and East Germany. In view of Mr. Khrushchev's drive to sign a peace treaty with the German Communist regime and transfer to it the responsibility for keeping West Berlin's communications lines open to the free world, MANSFIELD's plan might honorably save the city from the attrition that Communist leader Ulbricht has outlined. It might also avert an explosive world crisis.

Our adamant insistence that a position adopted more than a decade ago must remain unchanged despite a major shift in the East-West balance of power plainly remains the battlecry of West German politicians; no one dares to question the formula. But must German internal politics mute all debate here? Is no new idea tolerable? Must we sit back and wait for Khrushchev to set the timetable of crisis?

Senator MANSFIELD is basically asking whether we can properly ignore the possibility of a third way out of the dangerous Berlin deadlock. He sees more clearly than most Western statesmen that to stand firm on Berlin while it remains a pivot of new disaster for mankind may be a fetish rather than a policy. When and how the flashpoint will be reached, as Joseph Barry notes in his dispatch from Paris on magazine page 9, no one precisely knows. Nor is there any allied agreement on how to recognize it, to say nothing of handling it. MANSFIELD's third way provides hope that the explosive issue can be solved without either side surrendering any crucial principle or special advantage.

The proposal is not, as Senator DIRKSEN and Representative HALLECK were so quick to charge, a renunciation of our pledge to defend West Berlin. Neither does it mean abandonment of Germany's hope of eventual reunification—for which, incidentally, there is more lipservice than real longing in today's prosperous Federal Republic. It simply reflects, as MANSFIELD stated, an "honest recognition of the fact that it is too late in the game to expect that Germany will be reunified in peace by fiat of the United States, France, Great Britain, and Russia, as was expected 15 years ago."

MANSFIELD wants to do more to preserve Berlin as a symbol of freedom than issue periodic declarations of our fidelity.

If it is said that his plan is unacceptable because it may involve the recognition of East Germany, which is one of Mr. Khrushchev's goals, let us not panic. Nonrecognition of the Communist regime is one of Dr. Adenauer's most precious pieties. But in terms of world peace and Berlin's freedom, it may also be one of the most dispensable.

Admittedly there are hazards involved in Senator MANSFIELD's proposal, but Senator CASE, Republican, of South Dakota, observed sanely that it was a good starting point for exploration.

And that is the vital point. Reasonable men may differ on the merits or practicality of MANSFIELD's ideas. What is inexcusable is the suggestion that he was guilty of some high crime by bringing up the subject. In a world as precarious as ours, no man has the right to say that the last word has been spoken on any great issue.

(This editorial was broadcast on June 15, 1961, over WRDW Television, Augusta, Ga.)

This is a WRDW–TV editorial.

"Berlin is likely to become the pivot of a new disaster for mankind"—these 13 words concluded an address made by Senate Majority Leader MIKE MANSFIELD on the floor of the U.S. Senate. In that address Mr. MANSFIELD suggested a third alternative in the Berlin situation.

The Senator stated that he did not believe that "the way to peace can be found either in the maintenance of the status quo in Berlin or in the change which Mr. Khrushchev proposes."

Senator MANSFIELD suggests that the entire city of Berlin be put under an international trusteeship. Under such a plan, routes of access would be garrisoned by international peace teams * * * both East and West governments would pay the cost of such an arrangement under written agreements, and the interim status would be guaranteed by the NATO and Warsaw Pact countries. Such a change in Berlin would be terribly difficult, but as the Senator put it, "It is not, really, an infinitesimal task when compared with the full implications of an essay in military solution with what comes after it."

As Mr. MANSFIELD states, "This approach may evoke no response from Mr. Khrushchev. But do Mr. Khrushchev's reactions, whatever they may be, dissolve us from our rational responsibilities to ourselves and to the world in this situation?"

Mr. MANSFIELD has thought well when he says, "If the present positions of the parties concerned remain unchanged, sooner or later, this crisis postponed, this crisis avoided, will cease to lie dormant. If we wait for the moment of heat, it may be too late to think at all."

The Montana Senator concluded, "Sooner or later the Western nations and the Soviet Union must seek a new way, a third way to the solution of the Berlin problem. Unless this search is pursued with energy and dispatch and to fruition, sooner or later, Berlin is likely to become the pivot of a new disaster for mankind."

Once again, we feel that Senator MANSFIELD has displayed cogent observance and realistic approach and we would agree wholeheartedly with his Berlin proposal.

This was a WRDW–TV editorial, Jack Belt, speaking for WRDW Television.

[From the Washington Evening Star, June 18, 1961]

BERLIN

If, as Premier Khrushchev says, the lack of a German peace treaty "keeps alive the smoldering coals of World War II," then Berlin is the bellows that could enflame the world in another conflagration.

During the 16 years Germany and Berlin have been divided, the Russians have had only to squeeze the bellows and world tensions have flared anew.

Premier Khrushchev fanned the flames again last week in calling for a peace treaty which would recognize formally the existence of two German states and end the West's occupation rights in West Berlin. Mr. Khrushchev said if the West was willing to sign such a treaty then he would help guarantee West Berlin's existence as a free city, with necessary access routes.

If the West does not join the Soviet Union, however, in signing such a treaty, he said the Russians would sign unilaterally with the East Germans before the end of the year. This would force the West to make its own arrangements with the East Germans, a situation observers fear might lead to war if the East Germans try to block access routes to the city.

In his latest speech, Premier Khrushchev said "the conclusion of a peace treaty with Germany cannot be postponed any longer. A peaceful settlement in Europe must be attained this year."

The Premier's haste is due apparently to a fear that West Germany might become so strong it would be willing to start a war to liberate East Germany or to reclaim land ceded at the end of the war to Poland.

To the West, Mr. Khrushchev's fears seem groundless, but as any visitor to the Soviet Union can testify, the fear in Russia of a rearmed Germany is real indeed.

Premier Khrushchev said a treaty formalizing the borders could help prevent hostilities which he said would "mean war—and a thermonuclear war at that."

The United States supports West Germany's demand for a unified Germany. The United States has no intention of recognizing East Germany, and President Kennedy has said no peace treaty would be signed until free and universal elections were held throughout Germany.

President Kennedy said 2 weeks ago that "we are not seeking to change the present situation" in which allied troops are stationed in West Berlin and have access rights guaranteed by treaty with the Russians. In a Soviet-East German treaty there is an implied threat that war might break out over access rights if the East Germans try another Berlin blockade.

With little compromise visible in these conflicting views, Senate Majority Leader MANSFIELD brought a fresh approach to the subject in urging that all of Berlin be made a free city under international protection.

This, he said, would be a third way between the two positions. He said it was his own idea, and not the administration's. The concept, however, met strong opposition.

West Germany immediately rejected the idea, because it would "deepen the division" of Germany. Observers also doubted if the Mansfield proposal would be acceptable to the Communists who carefully have avoided including East Berlin in any plan to set up a free city.

Immediate prospects were for a hardening of positions and an increase of tensions this summer. There is a possibility that the Russians will call an international conference to sign a peace treaty, in which case it is not likely the West would attend.

[From the New York Times, June 15, 1961]

DISPUTED AREAS IN THE STATE OF THE UNION

(By Arthur Krock)

WASHINGTON, June 14.—Difference of opinion and full freedom to express and promote them, supply the lifeblood of an open, creative and free society. This is no less the fact because, as is being widely noted, the depth and duration of some of these differences among Americans are producing consequences which suit Premier Khrushchev as well as if he had planned them. But there are controversies which the President has the power to settle insofar as national policy is concerned, yet which continue to rage because of the irresolution or the conflict of policy.

For example, the administration builds up the North Atlantic Treaty Organization in Europe, and in the United Nations it weakens the alliance. It is committed to nonintervention in the Western Hemisphere, but the administration trained, equipped and transported the anti-Castro interventionists in Cuba. And then it denied them the air-power coverage without which this amphibious landing had no chance to succeed.

The President is sworn to preserve the purchasing power of the dollar—specifically to leave undisturbed the price of gold. Nevertheless, he has been deluging Congress with Government spending programs for public welfare projects (of which the current $6 billion housing bill as submitted is typical), each in the same tone of urgency that confers a No. 1 priority on each. The administration justifies this nonmilitary deficit spending on the unproved theory that its annual stimulation of the national gross wealth will make it self-liquidating before it can become inflationary. And this calculation is based on an even shakier theory—that "real income" is produced by Government spending and private spending alike, despite the fact that the former can spend only what it subtracts from the latter.

The administration evaluates the spread of international communism to West Berlin, Asia and Africa as a menace which must be resisted by positive and aggressive measures, including military ones if these are required to make the resistance effective and are technically feasible. But its policy is wholly passive toward Cuba, where the Castro government is becoming more and more closely allied with Moscow and by covert and open acts is working on other Latin American peoples to follow its lead. Yet no military base which the United States maintains on the Russian periphery as a deterrent to Soviet attack on the West is nearer, or in war more dangerous potentially, to the Soviet Union than Cuba is to the United States.

The President in person has notified Premier Khrushchev that we will use force if necessary to support our occupation rights and protect the people in West Berlin against his plan to make it a free city, with access facilities transferred to East Germany. But while, in this grim showdown, our rights ultimately might survive, West Berlin itself might not. This is a sober military judgment which calls for new but not surrender-type thinking on an awesome problem. However, the only thinking of this kind revealed thus far in administration quarters was Senator MANSFIELD's today—a "free city" composed of the two Berlins with sound guarantees, which he also specified.

In sum, the indecisions of the President and the administration—indecisions either because no policy choice has been made or because two policies are running in conflict—already are fostering, in at least six vital areas of controversy, consequences most suitable to Khrushchev. In the sixth area is the controversy over further prolonging the Geneva test-ban talks.

Although (1) no fallout peril would be created by resuming seismic or even weapons testing underground by the United States, (2) no check on disarmament would be involved because the existing stockpiles already are sufficient to destroy civilization, (3) and members of the Atomic Energy Commission and the associated joint congressional committees are urging that at a minimum test preparations be made at once, the President continues to hesitate.

He has been persuaded that world opinion would not understand why test resumption as a measure of vital security has been forced on the United States by the Soviet Union. Strange that this speculation should so much influence a President with his powers

of statement, an ironclad case and reports from qualified sources that there are at least 200 seismic events a year in Soviet territory.

[From the Washington Evening Star, June 15, 1961]

BERLIN: A THIRD WAY

In his search for a "third way" in Berlin, Majority Leader MIKE MANSFIELD rests his case on the unassailable premise that the deadlock there may "push the Western nations and the Soviet Union into a new vortex of irrationality at whose center lies the graveyard of humanity." Those on both sides who say they want to stand pat on Berlin, come what may, should give serious consideration to this prospect.

We do not know whether Senator MANSFIELD's remarks were of the inspired "trial balloon" variety, or whether he was speaking on his own responsibility. And perhaps it doesn't matter. The important thing is that his speech makes sense.

As matters stand, both the West and the Soviet Union are adhering to irreconcilable positions. These positions take little account of the changes in Europe since the end of World War II, some 16 years ago. And they are also positions which, far from serving real interests, promise nothing better to all concerned than the frightful consequences of a nuclear collision.

In this situation, the Montana Senator calls for the taking of a new look—a search for a third way in Berlin. Specifically, he thinks that this third way may lie in the creation of a free city which would encompass not just West Berlin, but all of Berlin. This free city would be "held in trust and in peace by some international authority" until such time as it can again serve as the capital of Germany, and its access routes would be garrisoned by international peace teams. Meanwhile, the hope would be that the East and the West Germans could work out their own unification problem.

Of course, all of this may be wishful thinking. Senator MANSFIELD does not pretend to know how Mr. Khrushchev would react to such a proposal, if it were put to him in formal fashion, and there is little in the record to encourage belief that the Soviet Premier would respond favorably. Still, as the majority leader has stated, uncertainty as to Mr. Khrushchev's reaction does not relieve us of the obligation to explore any and all avenues of peace "even as we steel ourselves for what must come if the way to peace cannot be found."

What is at stake here is the future of mankind—most certainly including Americans, Russians and Germans. Even so, we cannot yield to unilateral action designed to force us out of Berlin. If Mr. Khrushchev will concede nothing, then we—and he—must accept the consequences. But such a disaster should not be called down upon the human race simply because an obsessive attachment to old and outdated positions precludes examination of rational alternatives.

[From the Great Falls Tribune, June 17, 1961]

MANSFIELD'S FREE CITY PLAN FOR BERLIN MAKES GOOD SENSE

Senator MIKE MANSFIELD'S proposal that all of Berlin be turned over to an international trusteeship as a free city makes good sense. That would be a practical solution to the renewed threat of a suicidal East-West arms conflict over the Berlin trouble spot, now building up.

MANSFIELD'S warning that "we are not engaged in Berlin with the fast draw and TV wax bullets any more than the Russians are engaged in a harmless game of chess" is in line with President Kennedy's report on his exchange of views on Berlin with Khrushchev at Vienna.

As the President put it: "Our most somber talks were on the subject of Germany and Berlin."

Kennedy reaffirmed the U.S. determination to maintain at any risk Western access routes to West Berlin and the freedom of the city's 2 million inhabitants.

Khrushchev, in turn, was emphatic in expressing his determination to change the existing arrangement at Berlin.

As MANSFIELD sees it, "sooner or later the Western nations and the Soviet Union must seek a new way"—an alternative to war—for settlement of the Berlin controversy. Few informed observers disagree with his further statement that unless a search for settlement is pursued with energy and dispatch, sooner or later, "Berlin is likely to become the pivot of a new disaster to mankind."

[From the Providence Evening Journal, June 17, 1961]

SENATOR MANSFIELD'S PLAN TO EASE THE BERLIN CRISIS

As a counter to the Kremlin's demand that West Berlin be turned into a free city under United Nations protection, Senator MIKE MANSFIELD has revived his proposal that the free-city status be applied to all Berlin.

This approach to the future of the former German capital, now split in two by the cold war and the source of a new crisis threat, has not excited any more cheers in Bonn than it did the first time Senator MANSFIELD advanced it 2 years ago. Indeed, the proposal has been greeted in West Germany with even more dismay than in 1959 since in the interim Mr. MANSFIELD has become Senate majority leader, exercising greater influence than before.

From one point of view, the West German perturbation has some basis in fact. Any attempt to reunite the East and West sectors of Berlin, one side a free society supported economically by the West and the other side totally communized, poses almost as many practical problems as the reunification of Germany itself.

Indeed, the chances of the Soviet Union's accepting the idea are slight since the Kremlin designated East Berlin as the capital of the Communist East German Government and would be reluctant to remove Ulbricht's headquarters from the city which still is the emotional capital of all Germans.

Yet no move could be devised to break the dangerous deadlock over Berlin that did not arouse substantial objections. In contrast, Senator MANSFIELD'S proposal has several significant virtues.

Khrushchev, whether intentionally or not, has turned Berlin into a powder keg by demanding, in the form of successive near-ultimatums, that the Western Big Three retire from West Berlin, which he has characterized as a "bone in the throat" of the Communist bloc that must be removed.

He sharpened the ultimatum in his meeting with President Kennedy in Vienna and in his fireside chat to the Soviet people. It will be increasingly hard for him not to deliver something in the near future. Thus, Western insistence on the status quo for West Berlin helps to keep Khrushchev on his collision course.

The Mansfield idea, on the other hand, would end the status quo and take the Big Three stamp off West Berlin. Yet, it would wring a matching concession from the Soviet Union by forcing the ouster of the Ulbricht government from East Berlin and restoring the organic unity of the city.

Thus, a change of status, satisfying an acute Soviet need, would be achieved, but the withdrawal from Berlin would be mutual. One-sided concession by the West, demanded by the Kremlin, which would be a disastrous and intolerable defeat for the Atlantic community and free world, would be voided. Further, the danger of war over Berlin, now a very real potential, would be avoided for a few more years, giving the cold war antagonists time to negotiate their critical differences.

At least, the proposal offers a talking point, beyond the Soviet demands, and that is more than anyone or any nation in the Western coalition has come up with yet.

The idea is worth exploring further, even if it turns out only as a gambit that would place the Kremlin in the position of dog in the manger, and take the West off the defensive in the propaganda war over Berlin and Germany.

[From the Washington Star, June 15, 1961]

GOP HEADS QUERY POLICY ON BERLIN

Republican leaders said yesterday the country is entitled to know whether the proposal of Senate Democratic Leader MANSFIELD to have all of Berlin declared a free city under international control indicates any change in the foreign policy of the Kennedy administration.

Senate Republican Leader DIRKSEN and House Republican Leader HALLECK said that when President Kennedy returned from his Vienna meeting with Soviet Premier Khrushchev he made positive statements that this country's position on Berlin had not been changed and that the United States would stand by its existing rights in West Berlin.

But Mr. HALLECK said it is hard to conclude that speeches in the Senate yesterday by Senator MANSFIELD and other Democrats were "made out of a clear sky."

Senator DIRKSEN said he got the impression the remarks of both Democratic Leader MANSFIELD and his assistant, Senator HUMPHREY, were trial balloons to get the reaction of the American people.

Advised of their statements, Senator MANSFIELD said he made his suggestion "entirely on my own" and the administration "had nothing whatever to do with it."

"I didn't even send copies of it to the President or the State Department," Senator MANSFIELD told reporters. "It was not a trial balloon, but a development of suggestions I have been making for many months."

[From the Baltimore Sun, June 15, 1961]

EAST GERMANY ISSUES CALL FOR PEACE TREATY MEETING

LONDON, Thursday, June 15.—Communist East Germany has demanded that West Germany ban all rallies in a 3-mile-wide zone along the border between the two Germanys, especially demonstrations on June 17, anniversary of the 1953 anti-Communist uprising in East Germany.

(By Bynum Shaw, Bonn Bureau of the Sun)

BONN, June 14.—Communist East Germany today issued an appeal to the United States, Britain, France, the Soviet Union, Poland, and Czechoslovakia for the convocation of a conference to conclude a German peace treaty.

The appeal, aimed at the beginning of talks on a peace treaty with "both parts of Germany" also called for a "normalization of the situation in West Berlin."

West Berlin at present is occupied by the United States, Britain, and France. The fourth part of the city, that which under wartime agreements was occupied by the Soviet Union, now has been turned over to East Germany. Communist appeals for normalization never include that portion of the city in the text.

Today's East German resolution was approved by the Communist Central Committee, the State Council, the Council of Ministers, and the National Front. In all of these organizations except the National Front, Walter Ulbricht, former Red army colonel, is the dominant figure. The resolution said the Bonn Government for years

has evaded all proposals based on peaceful understanding.

It said Bonn now faces a decision of "truly historic importance."

In Bonn, a Government spokesman shrugged off the East German proposal as "parrot talk."

The spokesman said there is no reason to believe that the Western Powers are retreating before Soviet Premier Khrushchev's Vienna demands.

Government officials also were studying a proposal by U.S. Senator MANSFIELD, Democrat, of Montana, calling for the creation of a free city of Berlin which would include not only the Western but also the Eastern sectors of the city.

While criticizing MANSFIELD's contention that Berlin for the West is an untenable position, these sources welcome the possibility of a reestablishment of Greater Berlin as a unit.

Officials pointed out that in 1950 West Germany had proposed free elections for all of Berlin and the creation of an elective council perhaps under four-power supervision for the operation of the city as a whole.

JUDICIARY BILL GETS AN OK

There is no hope here, however, that the Soviet Union would relinquish an inch of territory in the hope of gaining more.

Meanwhile, in Bonn, the Bundestag approved a bill which redefines the status of the West German judiciary.

The bill would allow 72 judges who served under the Hitler regime and are known as "hanging judges," to ask for retirement in the next year.

If they retire voluntarily, they will retain full pension rights even if they are not yet at the pensioning age of 65, if they decline to accept this easy way out, they later will be removed from office through a change in the Constitution.

The enforced retirement would deprive the judges of pension rights.

[From the Cincinnati Enquirer, June 16, 1961]

PRELUDE TO RETREAT?

This week's speech by Senator MIKE MANSFIELD, the Democratic floor leader in the Senate, is illustrative of one of the gravest weaknesses in the formulation of U.S. foreign policy since the end of World War II.

Senator MANSFIELD, who is normally the administration's spokesman on such matters, suggested as a third alternative that the Berlin crisis be solved by converting the prewar German capital into a free city governed by an unnamed international authority.

The Mansfield proposal is strikingly like Soviet Premier Nikita S. Khrushchev's longtime advocacy of United Nations control of Berlin. In view of the dismal record of the U.N. as an impartial arbiter in the Congo, a U.N. mandate in Berlin would be tantamount to a total surrender to the Soviet Union and its East German satellite.

Quite apart from its basic unsoundness, there are two particularly amazing features in the Mansfield plan for Berlin.

First of all, Senator MANSFIELD told the Senate that he was speaking simply as one lawmaker. But a majority leader never speaks as a mere lawmaker. Whether he wants to be or not, he is armed with the prestige that his role as an administration spokesman affords him. Every word he utters, consequently, will be interpreted throughout the world as having at least the foreknowledge of the White House.

Secondly, Senator MANSFIELD could scarcely have chosen a less opportune time to suggest that the United States is thinking of a Berlin retreat. Too often in the past, we have approached an international crisis apparently united, apparently committed, apparently determined not to backtrack. And at that crucial moment, someone steps forward with an intimation that the United States might settle for far less than its official spokesmen have sought. This procedure is like advertising in advance that we don't mean what we say. Our enemies are encouraged to stand pat, to enlarge their demands.

The entire U.S. position in Berlin rests on the occupation agreement concluded between the Big Four at the end of World War II. We have been insisting all along that the Russians fulfill their obligations under that compact and that they permit the Western Powers to fulfill theirs.

Entering into any new agreement would immediately nullify the 1945 agreement. Our rights in Berlin would be wiped away. So would the obligations of the Russians.

Nothing, we think, would please Khrushchev more.

The administration should lose no time in repudiating a surrender in Berlin and in seeking to repair the damage that inevitably accompanied the Mansfield proposal. Even with such a disavowal from the White House, the Western position will be seriously impaired.

[From the Dallas Morning News, June 16, 1961]

NO MERIT IN MANSFIELD PLAN

Senator MIKE MANSFIELD's proposal that all Berlin be turned over to an international trusteeship as a free city immediately raises a question. Does President Kennedy approve?

Only recently the President said flatly, "We will fight for Berlin."

Then, at the summit conference, Khrushchev slammed the issue of West Berlin down on the table and issued an ultimatum to the Western Powers to get out of the city within 6 months.

While this now appears to have been the most important thing that happened at the conference, the President did not mention it in his report to the Nation. This creates speculation as to whether the suggestion of the Senate Democratic leader is a move to open the way for the President to back down from his bold statement, "We will fight for Berlin."

MANSFIELD's proposal is utterly without merit. It would merely strengthen Soviet Russia. The original proposal for administration of Berlin was through a four-power agency, including Russia. But Russia would never cooperate and has schemed constantly to put Berlin under Communist control. This would be Russia's strategy under any such program as MANSFIELD now suggests.

Russia desperately wants control of West Berlin because that city is a constant exhibit of Western freedom against Soviet slavery. A large majority of West Berlin citizens have been constantly loyal to the West. To desert them would be a cowardly retreat by the Western Powers. This would depreciate their prestige with the nations of the world more than anything else that has been done. The President should immediately voice his opposition to the Mansfield proposal. The Senate should turn it down.

[From the Philadelphia Evening Bulletin, June 16, 1961]

THE FUTURE OF BERLIN

Premier Khrushchev has now served warning, for the third time, that the problem of Berlin and a divided Germany must be solved within a fixed period of time.

In 1958 he set the limit at 6 months, but took no action to implement his threat. Last year he fixed the new limit as "in 1961." Now he has repeated this warning, in a speech to the Russian people reporting on his Vienna meeting with President Kennedy.

His speech contained little that was new, and his manner was not bellicose. He simply restated the Russian conditions for a settlement—utterly unacceptable to the West—but he stated them with a firmness that left little doubt that East and West this year will see a test of courage and determination centering on Berlin.

His speech confirms President Kennedy's report that the meeting at Vienna was a somber one. What is worse, it gives little support to the one hope that President Kennedy brought home: that as a result of the meeting the chances for a dangerous misjudgment on either side should now be less.

The President's principal concern at Vienna was to impress upon Khrushchev that the West is in deadly earnest in declaring its intention of defending its rights in Berlin, and will take whatever steps are necessary to meet its commitments to the free people in West Berlin.

If Khrushchev was impressed, or his plans altered, by the Vienna meeting, his address to the Russian people did not show it. He seems convinced that the West will, when the chips are down, retreat from its firm position.

If he continues to hold to this view and acts upon it, President Kennedy and our Western allies will be compelled to find means of showing him that he is still misjudging the West; or make an ignominous retreat which would be interpreted throughout the world as meaning that the cold war is lost.

FLIRTING WITH APPEASEMENT

President Kennedy's difficulties, in showing that the West will not retreat at Berlin, have been complicated meanwhile by the fact that Senator MIKE MANSFIELD has now proposed, for the second time, exactly such a solution for Berlin.

The danger doesn't lie in the scheme itself, since it's not likely to get far. What's dangerous is the fact that it has been put forth by the Senate majority leader, and that some of our European allies (and perhaps Russia) are already wondering if it is a trial balloon sent up by the administration.

Senator MANSFIELD proposes that East and West Berlin should be unified in a single free city, which could better be called a defenseless city. It would be held in trust by an international authority. Both Soviet and Western garrisons would be withdrawn, and the city and its access routes would be guarded by international peace teams.

The bugs in his plan are dragon size. Khrushchev, for one thing, has repeatedly declared of late that he will insist on a three-sided makeup for any major international control group, with a built-in Soviet veto to paralyze its work. If this were agreed to here, Berlin would be gone in a day.

Senator MANSFIELD has ignored some important questions: How long would West Berlin remain free if its freedom depended on the determination of international troops from, say, India, to resist aggression or encroachment by Russia's East German puppets? Does he seriously believe that the Soviet Union is prepared to let East Berliners and East Germans be suddenly exposed to all the freedoms and prosperity now enjoyed by West Berliners? If he does, he is entitled without contest to the Pollyanna medal of 1961.

Senator MANSFIELD puts forth his plan as a third way to avoid dangers growing out of the rigid positions taken by Russia and the West.

His language suggests that both sides are being stubbornly unreasonable.

The fact is that the West is standing on agreements reached with the Soviet Union in 1944. The Soviets are threatening to violate them, to gobble up Berlin and one-third of Germany. The difference is like that between the rigid positions of an honest citizen and the robber, who, at the point of a gun, demands his purse.

[From the New York Herald Tribune, June 16, 1961]

SENATOR MANSFIELD'S INVITATION TO MISCALCULATE

Senator MANSFIELD'S proposal for making a free city of Berlin was prompted, no doubt, by that irresistible desire to be helpful which frequently animates Members of Congress when they happen to ponder great international problems.

Whether from vanity or discretion, he insists that this is his own idea, and not that of an administration whose majority he leads in the Senate.

But surely had he stopped to think, Senator MANSFIELD might have considered the immediate background of events against which this proposal was paraded. President Kennedy's meeting with Mr. Khrushchev in Vienna disclosed that Berlin is to be the target of a fresh onslaught by Soviet diplomacy.

The fact that the Senate majority leader openly suggests a Berlin solution radically different from the position taken by the West, and halfway toward Mr. Khrushchev's own, is a serious diplomatic blunder.

We may be all too used to Senators speaking only for themselves, but nobody else is. Indeed, one of the oldest ruses of diplomacy is to characterize as purely personal something which is later to be unmasked as official. We cannot blame Mr. Khrushchev, or even Dr. Adenauer, if they see a trial balloon in Mr. MANSFIELD'S suggestion. Nor will the foolish impracticability of its details influence their judgment; trial balloons, after all, are not meant to stay aloft very long.

[From the New York Times, June 16, 1961]

THE TROUBLES KHRUSHCHEV SELDOM MENTIONS

(By James Reston)

WASHINGTON, June 15.—There is an odd distortion in Premier Khrushchev's report today on his Vienna talks with President Kennedy.

In discussing what the West might do if Moscow made a separate peace treaty with the Communist regime of East Germany, he said: "Some threaten they will not recognize the treaty and will use force to oppose it. Any force against us will be answered by force. We have the means."

This is odd because President Kennedy personally reassured Mr. Khrushchev on this point in Vienna. He drew a sharp distinction between the legal aspects of signing a treaty with East Germany and the practical problem of getting supplies through to West Berlin.

The President emphasized that the United States would continue to meet its obligations to supply the 2,200,000 people of West Berlin, by force if necessary, but that it was not particularly concerned about who stamped the papers at the East Berlin border, just so the supplies went through.

Nevertheless, in his fireless-side chat tonight, the Soviet leader set up the strawman and threatened to use force under circumstances which the President had told him would not occur. In fact, when President Kennedy went on to London from Vienna, the point was repeated that the Western nations were not going to war over the color of the stamp on scraps of paper but that they were determined to get the supplies through.

Khrushchev, however, is setting the stage for summoning a big peace conference on Germany at the October meeting of the Communist parties. Washington won't like this and won't participate in such a conference, but nobody here is going to mobilize the troops to bang through Helmstedt toward West Berlin just because the Soviet leader needs to sign a peace treaty with East Germany for internal Communist reasons.

Having had previous problems with his own allies, President Kennedy understands Mr. Khrushchev's political problems. There is plenty of trouble in the Communist paradise. Their agricultural policies have been a spectacular failure. This was supposed to be Khrushchev's specialty when he came to power, but it has been his greatest disappointment. In China the food situation is desperate and may prove by the end of this year to be the biggest flop and tragedy of 1961.

One result of this is that China is constantly pressing the Soviet Union for more supplies than Moscow wishes to give and at the same time challenging Khrushchev's ideological and political leadership.

All is not well for Khrushchev in other places either. His dreams of conquest in the Middle East have not materialized. Nasser has turned on him and vice versa. Iraq has not fallen into his lap as the Communist brethren anticipated. Albania has been defying Moscow and forced Khrushchev to dismantle his submarine base in that country.

In fact, Khrushchev's whole campaign to establish a three-headed control of international machinery is a direct result not of Soviet successes recently but of a spectacular Soviet defeat in the Congo, where the U.N. forced the Communists out.

It is no wonder Khrushchev wants to prepare the way for at least the impression of a victory at the big Communist blowout in October. In Communist terms, his record is not one of unrelieved success. He is picking up some easy victories in Laos and other places close to Soviet borders, but his difficulties with Peiping, Cairo, and Albania, his failure to get the supplies anticipated from East Germany, the increasing pressure for more food and freedom in Eastern Europe and even in the Soviet Union itself—all these make his life less serene than it sometimes appears to be in the West.

Thus, his threats to use force in Germany sound brave enough but actually mean very little. If he really wants to show how brave he is, all he has to do is to encourage the East Germans to block the supply routes to Berlin, and then he will have a test of courage that will make Stalingrad look like a tea party.

For this Government is not thinking of making all of Berlin a free city, no matter what Senator MIKE MANSFIELD says, and it is not thinking of war to keep Khrushchev from signing a peace treaty with East Germany.

It is merely saying that it will not abandon the West Berliners; that it will supply them no matter who stamps the papers, and it is advising Khrushchev not to let the supplies be stopped unless he wants to risk everything achieved by the Soviet revolution in the last 40 years.

[From the New York Daily News, June 16, 1961]

APPEASEMENT AND DEFEATISM

—to come out for a new Berlin setup that has the mackerel-in-the-moonlight smell of appeasement and defeatism.

It is the Montana Democrat's (and Senate majority leader's) thought that, pending unification of Germany, all Berlin should be trusted to some international authority, with entrances and exits kept open by peace forces like those which have prevented war between Israel and Egypt but have not prevented persistent unrest in the former Belgian Congo.

Such a rejiggering in Berlin would obviously open the whole city to conquest by Communist mobs, with the Red army backing them up, unless the peace forces were big enough to beat back the Russian legions.

By agreeing to it, the Western allies would recognize East Germany's Communist "government," at least unofficially, and cause the captive nations to lose all hope of liberation.

Concerning the Mansfield proposal, Senator EVERETT M. DIRKSEN, of Illinois, wants to know whether it is a trial balloon indicating that the Kennedy administration now plans to weasel gradually and slyly out of its repeated promises to stand firm on West Berlin.

MANSFIELD says it is not; but, with all due respect to him, it seems to us that what is needed is some reassurance from the President himself. Khrushchev, you'll remember, said long before the 1960 election that he expected to be able to deal with a new U.S. President, whereas he couldn't get to first base with Eisenhower.

[From the Washington Star, June 16, 1961]

WEST GERMANS PROTEST PLAN OF MANSFIELD

BONN, GERMANY, June 16.—The West German Government has come out strongly against the Mansfield proposals for a compromise solution to the Berlin problem.

Foreign Ministry spokesman, Guenther von Hase, told a news conference yesterday the plan would mean deepening the division of Germany and legalizing to a certain degree Communist East Germany. Mr. Hase said West Germany would never agree to this.

U.S. Senator MIKE MANSFIELD had proposed uniting the present Communist and Western sectors of Berlin and creating a unified free city. It would be held in trust by an international organization until Germany is reunified.

Senator MANSFIELD argued in his speech before the Senate that this would be one way to avert the threat of nuclear war that hangs over the Berlin issue because of the seeming impossibility of the United States and the Soviet Union to agree on a solution. He emphasized that he was speaking for himself, not for the administration.

"We are convinced that the Senator put forward this plan with the best of intentions, but we regret that we cannot call it good," Mr. Hase said.

"To follow the plan would mean dividing Germany into three parts," Mr. Hase said, meaning West and East Germany, plus the new free city of Berlin.

The longstanding policy of West Germany is to end the present division of the country through free elections and reestablish Berlin as the national capital.

"The solution of the Berlin problem cannot be treated separately," Mr. Hase said. "Berlin is a part of free Germany and must become the capital of a unified Germany."

Then Mr. Hase bore down on the Mansfield proposal that West Germany and East Germany get together on a new status for Berlin. Mr. Hase said this would give a form of recognition and legalization to Communist East Germany, a step West Germany has firmly opposed. It even refuses to maintain diplomatic relations with countries that extend them to East Germany.

Praise was given Senator MANSFIELD for treating Berlin as a whole, in contrast with Premier Khrushchev. In his memorandum to President Kennedy Mr. Khrushchev demanded that only the western sector of the city be internationalized and demilitarized. The eastern sector would remain the capital of East Germany, fully under Communist control.

Mr. Hase said: "The Senator speaks correctly of the whole of Berlin," but that was all he had good to say about the Mansfield plan.

[From the Washington Daily News, June 16, 1961]

MIKE DENIES FLYING BERLIN BALLOON

WASHINGTON, June 15.—Republican congressional chiefs demanded to know today whether Senate Democratic Leader MIKE MANSFIELD'S proposal that Berlin be made a

free city was a trial balloon for an administration policy shift.

MANSFIELD promptly denied that his suggestion yesterday in a Senate speech was designed to test public reaction. The Montana Democrat said the speech merely was a compilation of views he and others had expressed previously. MANSFIELD said he had not given an advance copy of his remarks to the White House or the State Department.

Asked about the GOP statement, Associate White House Press Secretary Andrew Hatcher declined comment.

MANSFIELD said yesterday that Russia and the United States must compromise their differences on Berlin or risk nuclear war. He proposed a third way—making East and West Berlin a free city. It would remain under international trusteeship pending German reunification.

WONDER IF IT'S A FEELER

Senate Republican Leader EVERETT M. DIRKSEN and House GOP Chief CHARLES A. HALLECK questioned whether MANSFIELD'S statement was a feeler to determine public reaction to any new Berlin policy.

HALLECK said the people are entitled to know "whether there is an official change in our position toward Berlin."

President Kennedy told the Nation after his Vienna meeting with Khrushchev that he emphasized to the Soviet Premier this country's determination to defend its treaty rights and access to West Berlin.

BONN, June 15.—West Germany never would sign a proposal, such as Senator MANSFIELD suggests, to make Berlin a free city under an international trusteeship, a Government spokesman said today.

Foreign Ministry Spokesman Karl Gunther Von Hase said that MANSFIELD'S suggestion was "incompatible with the inalienable claim of the German people toward reunification and freedom."

Von Hase said East Germany's leaders would have no right to sign such a plan either, since East Germany "is far from sovereign."

MANSFIELD'S remarks came as something of a shock in West Germany, where they received banner headlines.

BERLIN, June 15.—East German Communist Leader Walter Ulbricht today openly threatened interference with West Berlin's traffic should a German peace treaty be signed. He hinted that Allied planes would be forced down if they tried another Berlin airlift.

Speaking in East Berlin, Ulbricht advised the United States, Britain and France to start immediate negotiations if they want to travel to Berlin after a treaty is signed. He said road, rail and air traffic would be interrupted unless the West signed agreements with East Germany.

GERMAN RAPS "FREE CITY"

The proposal by Senator MIKE MANSFIELD, Democratic majority leader, to turn Berlin into a free city would make the German metropolis "a city without freedom," Baron Karl T. Guttenberg, member of the German Parliament, declared yesterday. He spoke at Waldorf ceremonies commemorating the 8th anniversary of the East German uprising.

Guttenberg said that replacing the occupying powers—the United States, Great Britain and France—by any international authority would mean setting up an instrument for Eastern intervention.

[From the Washington Post, June 17, 1961]

RUMORS OF CONCESSIONS: WEST AGAIN FACES ISSUE OF ACTION ON BERLIN

(By Chalmers M. Roberts)

Once again the United States and its British and French allies face this question over Berlin: should they attempt to stand pat on the present arrangement; should they offer to negotiate but only in a limited way which could lead to no new agreement with the Soviet Union; or should they take the risk of some daring new proposals?

Officially, the United States is standing pat. But everyone who went through the last Berlin crisis, the one precipitated by Soviet Premier Nikita S. Khrushchev's ultimatum of Thanksgiving Day, 1958, assumes the West will go to the conference table once again to avert a military showdown.

The real question, then, is whether the West will again offer some small concessions or whether it will try for a settlement on the basis of some major new proposals.

Yesterday both the State Department and the British Foreign Office flatly denied a London Daily Telegraph report that Western experts were working on a plan in which the West would concede some kind of recognition of Communist East Germany and the present Oder-Neisse border between East Germany and Poland in exchange for a permanent arrangement for free West Berlin.

Secretary of State Dean Rusk told newsmen the article was "just not accurate," that he foresaw no change in the policy of standing firm on Berlin.

Denials to the contrary notwithstanding, it is a fact that there has been at least discussion—some time back, not just since Khrushchev's demand for a German peace treaty in 1961—of this very idea. How far it has gone is unknown but it is a fact that some very important persons in the administration have at least scouted the idea as a possibility.

The State Department also took pains to knock down the idea that Senate Majority Leader MIKE MANSFIELD'S Wednesday speech, calling for establishment of a free city composed of both East and West Berlin, was an administration trial balloon.

MANSFIELD has said he was talking entirely on his own. In fact he avoided telling anyone in the administration in advance lest they try to argue him out of making it. His point was to get discussion going.

These are not the only people in Washington talking about a bold approach to the Berlin issue. Columnist Walter Lippmann alluded to it on a television interview Thursday night.

Where it will come out is now totally uncertain since agreement will be necessary not just among the experts but among President Kennedy, French President Charles de Gaulle and British Prime Minister Harold Macmillan. Their current posture is to "stand firm."

Today in West Berlin there will be a massive rally, called by Mayor Willy Brandt, to give the West Berliner's answer to Khrushchev. It will be the eighth anniversary of the abortive 1953 East Berlin and East German uprising, an uprising crushed by Soviet military power.

The White House yesterday had no comment on Khrushchev's radio-television speech of Thursday though the President received a transcript of the text.

[From the New York Mirror, June 17, 1961]

ARE WE READY?

In the teeth of the Khrushchev ultimatum, the free world must make a choice. Its nations must stand up and be counted.

There is no "third way."

For if a third way is to be entertained, the way proposed by Senator MANSFIELD, for instance, to the disservice of his country, in our opinion, then there is to be more compromise and appeasement.

The time for all that is past.

This may be our last chance.

Khrushchev's ultimatum is that there must be a German peace treaty on his terms by the end of this year, December 31, 1961.

This means a treaty agreement between East and West with both Germanys or a unilateral treaty on Communist Russia's part with Communist East Germany.

It is not enough to say that we must call Khrushchev's bluff; we must stand firm even at the risk that he is not bluffing.

But is this a time for utter pessimism? We believe not. All the cards are not in Khrushchev's hands, for—

We hold some aces on our own side, if we've got the guts to play out the game—we and our allies.

Our advantage lies in the enemy's weakness; he is weak in many ways.

1. The Russian people, with whom we have no quarrel, insistently are demanding more of the fruits of peace, more of the good things of life which communism promised and never gave.

2. We are in West Berlin by right and treaty.

3. The only solution of the so-called German problem is by free, supervised elections conducted throughout all Germany. The world should be reminded continually that Soviet Russia agreed to elections—and reneged.

4. West Berlin, an enclave within East Germany, has become the world's brightest showcase of freedom. By thousands each week, refugees flee to its sanctuary from the Communist surroundings.

5. More important than all else is the economic power which we, and to a greater extent our allies, hold over the Communist heartland and its subverted satellites. Are we and our allies ready to take a decisive step now and cut off all trade with communism and its bullyragging leader? Therein lies a positive and powerful reply to Khrushchev.

All trade means all in both directions. It means not only the strategic goods but the nonstrategic as well—the "soft" goods, the luxury items, the machine tools (how can they be called nonstrategic), the food, the loans, the grants, etc. It means we should buy nothing from Russia or any other Communist land, no oil, no furs or raw materials, no gourmet's delights such as caviar and Polish hams, no geegaws for the Christmas trees, or felt hats, pocketbooks, leather goods—anything.

It is with the hard currencies Russia gains from her trade with the West that she finances propaganda, subversion, espionage, riots in which the mobs and students are paid performers. That money should be cut off.

Such a program would call for courage, for patriotism ahead of profit; for survival ahead of greed.

Are we ready to stand up? Are our allies ready?

The chance to answer the questions affirmatively may never come again.

[From the New York Times, June 18, 1961]

WESTERN DIFFERENCES

As to the possibility of negotiating a new agreement on Berlin, there have been differences in the West. The British have leaned toward flexibility on negotiating a new agreement, while the West Germans have spoken strongly against any compromise.

Talk of a "new approach" to the problem was heard in the Senate where Majority Leader MIKE MANSFIELD repeated a proposal he has made before. It calls for making all Berlin a free city to be held in trust by an international authority, and for garrisoning the access routes with international peace terms.

The proposal aroused speculation that Mr. MANSFIELD was sending up a trial balloon for the administration, but he insisted he was speaking only for himself. Secretary of State Dean Rusk, in an effort to counter suspicion that a revision of policy might be in

the making, declared there had been no change in the U.S. determination to stand firm on its rights in West Berlin and to protect the city's people.

Perhaps the strongest comment of the Khrushchev proposals came from Dirk U. Stikker, the new Secretary General of the North Atlantic Treaty Organization, who accused the Soviet Premier of deliberately provoking tension. Dr. Stikker said: "We must make up our minds about what we are ready to do."

Thus it appears the anti-Communist alliance will face a stern test of nerves and will in the next few months.

[From the New York Times, June 18, 1961]

GERMAN UNITY CRY HAS WEAKER SOUND—HOPES FOR A FREE, UNDIVIDED COUNTRY ARE DIMMED BY THE INCREASED PRESSURE FROM KHRUSHCHEV

(By Gerd Wilcke)

BONN, GERMANY, June 17.—Today is National Unity Day in West Germany and West Berlin and hundreds of thousands of free Germans are gathering to commemorate the uprising 8 years ago of the population of East Germany against Communist rule.

In essence, the words spoken at today's rallies are similar to those used last year and the years before. But the cry for unity has attained a hollow sound. As one of the more responsible newspapers of West Germany put it this week:

"We will commemorate the day as we did in the past 7 years. But next year's June 17 will not be the same. We can predict this without resorting to crystal balls. It is self-explanatory because Premier Khrushchev has left no doubt that he is determined to settle the German and Berlin questions before the end of the year."

The editorial and other written and spoken comment on this "Tag der Einheit" reflect a far greater sense of reality than Germans were willing to subscribe to in the past. Although used to propagandistic pinpricks from the East there is, after Premier Khrushchev's Thursday speech, a greater conviction among Germans that he means business.

GERMAN DOUBTS

At the same time there is an increasing lack of conviction that the West means business to the same degree. As one German put it: "The impact of Premier Khrushchev's radio and television address was great here not because he said anything new but because he said it after seeing the American President."

Although Germans admired the firm way President Kennedy presented the West's case in Vienna, they are not entirely convinced that the President will stick it out.

They read with amazement of Senator MIKE MANSFIELD'S suggestion for a compromise in Berlin. Although they cannot be certain from this distance whether Senator MANSFIELD reflects the President's views, they are certain that he represents a current of thought.

What will happen if the Russians put through their plan?

In Vienna President Kennedy was extremely forthright in telling Premier Khrushchev what the Western allies were ready to do to maintain their access to Berlin. But the feeling is that the President did not make clear enough what the West would do if the Russians sign a separate peace treaty with Communist East Germany.

This, it is felt, provided Premier Khrushchev with an important opening that could allow him to sign a treaty without fear that the West would offer any vigorous military response.

Now the prospect is that Premier Khrushchev will call a conference before the year is out to proceed with a treaty for East Germany. The West, as has been indicated, will ignore the conference.

Once the treaty is signed, Germans feel, a period of quiet may follow to settle nerves and allow the West to get accustomed to the idea before the squeeze is put on. The squeeze could take several forms.

First the East Germans could demand the right to stamp the papers of the Western allies using the access routes to Berlin.

PERSONNEL CHECKS

Even if the West took the view that it would not be worth while to go to war over rubber stamps or even if the late John Foster Dulles' theory was followed—that the East Germans were merely acting as agents of the Soviet Union—the question of East Germans checking on allied personnel would be a ticklish one.

Then, as East Germany's Communist Chief Walter Ulbricht discussed in his news conference this week, there is the question of air safety over Berlin.

The Russians could someday withdraw their representative from the allied air control center and send an East German instead. The West would have to take a stand immediately. Aside from the military needs, it would have to consider the safety of the 100-odd commercial planes that touch on Berlin every day.

Then there are the more than 2 million Berliners who have remained free because they had the protection of the allies. A cutoff from West Germany would bring back old hardships even if a new airlift—if that is still feasible—would keep open a lifeline.

Although present supplies of vital foodstuffs, coal, building materials, gasoline and so forth are so huge that West Berliners could get by for up to a year, immediate problems would arise in other fields.

Because the city is not self-sufficient Bonn pumps about 1,500 million deutsche marks ($375 million) into Berlin each year. Bonn also buys more than 60 percent of the city's manufactured products.

If the money were cut off, the city's budget would be unbalanced and it would have no funds to extend business credits, pay old-age pensions or restitutions to Nazi victims.

An isolation of Berlin also would shut the gateway of the thousands of East Germans who seek refuge in the West every month, Herr Ulbricht calls the refugee camps "spy nests" of the Western allies. For those who go there the reception centers are the last ray of hope that there still is freedom and human dignity.

DECISION NEEDED

The squeeze on Berlin, which for the Soviet camp would be a step-by-step fight to gain recognition for East Germany, could go on indefinitely but surely a point would come where the West would have to decide how much it wants to take.

One cannot judge from here where this point is as it involves the great unknown of the West's contingency planning going on in Western capitals.

But this much is clear. Premier Khrushchev's apparent conviction that he can get away with a separate peace treaty and its consequences for Berlin despite allied warnings has made a deep impression on Germans and has disturbed them.

Although the West has said no to Premier Khrushchev's formula, people here feel that a negative response alone is no policy. What is more, they fear that any compromise on Berlin is the first step out of Berlin.

What weapons can West Germans use to fight a compromise? The biggest, it seems, is the weapon of discouragement.

After the United States, West Germany makes the largest manpower contribution to the North Atlantic Treaty Organization. If the Germans were to lose faith in the West, the concept of Western defense would go by the board. It also would bring up the danger that a future West German Government might look for its own accommodations with the Russians. It would not be the first time in history.

All this reflects a great turning point in the Germans' thinking. They feel Premier Khrushchev is determined to have things his way. But they ask themselves: "How determined is the West?"

[From the Wall Street Journal, June 16, 1961]

THE BONE IN KHRUSHCHEV'S THROAT

Berlin, the bone Khrushchev says must come out of the Soviet throat, is usually regarded as the one object above all that the United States will not release. Yet a good many Americans have long felt that, because our position there is so awkward and potentially dangerous, some new arrangement needs to be worked out with the Soviets.

The position is awkward and potentially dangerous, as it must be in an enclave 110 miles east of the Iron Curtain. A new arrangement is needed—the kind that would reratify Western rights in West Berlin and make the Soviets and their East German stooges respect them once and for all.

That, however, is not what is usually meant by a new arrangement; increasingly the talk is of a compromise between the Soviet and the United States positions. One of the most thoughtful of such plans in Senator MANSFIELD'S for a "third way" out of the Berlin problem which Khrushchev posed once more in his speech yesterday.

Khrushchev proposes that West Berlin be made a free city, detached from West Germany, with East Berlin an integral part of East Germany; in this way he hopes to gain, gradually if not at once, all Berlin. MANSFIELD proposes that the whole city be united as a free city held in trust by an international authority, presumably the U.N. Its status would be guaranteed by NATO and the Communist Warsaw Pact satellites; its access routes would be garrisoned by international peace teams.

Like all "third ways" we have so far heard of, this falls short of the requirements of U.S. security. U.N. troops are too easily used for the political purposes of their national masters, as has been notoriously the case in the Congo; they are not safe substitutes for United States, British, and French soldiers in Berlin. Indeed, if Khrushchev were to accept such a proposal, it would be cause for real alarm, for it would mean he saw his dream of grabbing all Berlin coming true.

The reality, we suspect, is that it is all but impossible to negotiate a safe new arrangement with the Soviets along these lines. We are in Berlin by our rights of conquest; we remain by power. But does this make it an intolerable situation?

Let us remember that Berlin is in truth a bone gagging Khrushchev's throat; to that extent, his discomfort should be a comfort to us. West Berlin is the gateway to freedom for millions from the East. It is living proof, day in and day out, of the lie of the Communist promise. No wonder Khrushchev can't stand it. But we can.

Khrushchev is expected to make more trouble in Berlin later in the year—interfering with traffic and a lot of other things. Certainly the harassments and complications he can cause are almost limitless, as we know from the Berlin blockade and lesser annoyances since then. This prospect has led some to fear that he may be able to nibble us out of Berlin, somewhat as he is doing in Laos.

It could happen—but only if we let it happen. Berlin is not Laos. Rightly or wrongly, we let Laos go because everything, including the apathy of the people, seemed against us; and we could let it go without abandoning all Asia. In Europe, the dividing line was long since clearly drawn, and Berlin is the outpost. Our determination

to defend Berlin represents nothing more nor less than our determination to defend Western Europe and America.

With that resolve, we can meet Khrushchev's provocations, whatever they may be. And if he should throw at us the ultimate provocation of war, then we must face that in the realization only surrender could have averted it. The worst thing that could happen to America is not war but the despairing notion that nothing is worth fighting for. The firmer we are, the less chance of war.

Fundamentally, Berlin is Khrushchev's problem, not ours. Let him push and prod, nibble and seek to negotiate us out; we need only stand fast. It is not up to us to offer new arrangements to accommodate his greed; it is up to him to begin acting civilized.

If he ever should, then it might be possible to make a safe and more peaceful settlement of the status of Berlin. But if he persists in belligerence, our first duty is to make clear there is no third way out of our commitment to freedom.

Mr. DIRKSEN. Mr. President, I had occasion to comment last week that I thought the distinguished Senator from Montana had rendered a very distinct public service in making the statement he did on the Berlin situation. I can say as much for my distinguished friend from New Hampshire, the senior Republican in this body. The problem discussed by these Senators which seems to loom on the horizon, and which takes on the dimensions of a crisis, is, after all, a symbol of the much larger problem which I think confronts the entire free world. Probably I could express it by paraphrasing the title of a book which was published last year and which had considerable currency. I believe the title was "When the Kissing Had To Stop." One can paraphrase that by saying, "When the Nibbling Had To Stop," for if one goes back to the beginning of our relationships with the Soviet Union in 1933 one finds, in essence, a pattern of nibbling constantly at the whole free world.

Those present who are familiar with that period recall the exchange of 11 letters between Maxim Litvinov and the then incumbent Roosevelt administration. We thought we had finally contrived an agreement and understanding which, among other things, included stout pledges that there should be no interference with the free system of this country. However, hardly had the ink dried before espionage, subversion, and intrusion into the affairs of this country by the agents of the Soviet Union started; and it has continued from that day to this.

Over the weekend I had occasion to devote a great deal of time to the chronological summary of our relationships with the Soviet Union. When that record is taken apart, it reveals one grand, relentless, and incessant process of nibbling at the free world. The process began by pressures upon the small group of Baltic countries from which has been taken the right of self-determination. I refer particularly to Latvia, Lithuania and Estonia. Among other things, the process included the intrusion of Russia into the upper reaches of Iran. It included the pressure that the Soviet-dominated fronts put upon all the countries of Eastern Europe—Rumania, Bulgaria, Czechoslovakia, Albania, Poland, and all the rest. The process included the differences we had with the Soviet Government with respect to the so-called Lublin Committee, which was undertaking to develop free elections in Poland. It did not prevail. The nibbling process continued, and finally Poland came under the Red heel.

The process has continued to this hour; and we see it in Laos. As I recall, there was an understanding that Red arms should never be delivered into Laos. I regard the air ferry and the airlift, whether from China or the Soviet Union, or whether in the name of Vietnam forces in North Vietnam, as a distinct violation of the pledge and agreement that was entered into, and for practical purposes everyone now concedes that Laos is pretty well down the drain. The pressures are now on Vietnam, a country with roughly 11 million people in the north section under Red domination, and another 11 million in the southern part, referred to as South Vietnam. The nibbling process is present in that area.

Recently in Washington I listened to the British Foreign Secretary when he estimated that probably as many as 4,000 small civil administrators and another 4,000 troops were being killed in Vietnam every year by the guerrilla tactics stemming from the northern reaches of the country. The guerrillas are inspired by the leadership of Ho Chi-minh, who received his indoctrination in Moscow. So the nibbling process continues, in Europe, Africa, and Asia.

I raise the question again; and I am confident that people everywhere in the country, even as we quiz ourselves in the cloakrooms of the Senate and discuss this subject, are asking, "When will the nibbling stop?" The nibbling process is in line with the crisis in Berlin that now confronts us.

I pay tribute to the distinguished Senator from New Hampshire [Mr. BRIDGES] for making a very stout and redoubtable statement on this subject, even as the distinguished Senator from Montana [Mr. MANSFIELD] had done previously, to the effect that this is no time for defeat, and no time for retreat. As surely as we grace this Chamber today, our generation has a rendezvous with freedom. As freedom in all sections of the world is nibbled away, we can well ask, "How long will it last?" The inevitable question arises, "When will the nibbling stop?" Only one country in the world can give the necessary leadership to provide the answer, and that country is the United States of America, where freedom is still intact.

I have only one further thing to say. I spent part of the weekend developing some remarks on the subject of the Soviet Union's hottest weapon in the cold war. In my judgment, the hottest weapon of the Soviet Union is oil. I shall ask shortly to have a statement printed in the RECORD as a part of my present remarks, but I shall allude to and interpolate one or two points now.

In 1957 Khrushchev remarked that in 15 years Soviet oil production in the Baku field and in the Volga area would exceed 3 billion barrels, which would surpass U.S. production by 500 million barrels.

Russia has the oil. She has techniques, because she adopted our techniques, research, and development. She operates under no legal restraint. She indulges in price cutting. At present, when the differentials of transportation are calculated and we think in terms of Middle East oil produced by American international companies in the Middle East and laid down in Eastern and Western Europe, we find that we can scarcely compete. But Russia can sell her oil to the satellites for twice what they receive for it from the underdeveloped countries. That is one weapon that Russia possesses.

The second weapon Russia has in the ability to use Soviet oil, production of which is now reaching great proportions, for barter purposes. Since the Soviet oil industry is owned and operated by the Soviet Union, what is obtained by way of barter goes back to the same country, which can dispose of it to its people as it sees fit.

Cuba is an example. Russia made a deal with Cuba, saying, "We will take a million tons of your sugar." What did Castro take? He took some cash, commodities, and Soviet oil. All the oil that Cuba today needs, which is 2 million barrels a month, comes from the Soviet Union.

Of the 90,000 barrels a day that Italy now receives from the Soviet Union, 60,000 barrels a day are on a barter basis for steel pipe, pumping equipment, and other supplies. If one takes the trouble to examine a map showing the pipelines in place in the Soviet Union and those that are planned within the next 4 years, not only to the large centers but to the seaports, he can see that Russia will be delivering by pipeline directly to Poland, East Germany, and other places. So Russia can barter; it can cut prices. It is not harassed by congressional committees investigating monopoly practices or antitrust ventures. There are no committees or legislatures to jump upon Mr. Khrushchev and his minions. They can do precisely as they please.

So oil is becoming the hottest weapon in the cold war, for when a country becomes dependent, and suddenly there comes coercion and the threat, "We will cut off your energy supply," such countries become submissive; and too often the political, social, and economic influence which the Soviet Union is espousing to all the world is imposed.

Today, Finland gets all of its oil from the Soviet Union. What will Finland say when the oil supply is cut off? Norway, Sweden, and Denmark to a considerable degree depend on Soviet oil. So does East Germany. Therefore, as the Soviet oil industry expands and the oil distribution facilities are increased, with the sky the limit, so far as barter and price cutting are concerned, we are confronted with the real threat. This is all a part of the nibbling process against the free world. This is one of those gradual and incessant erosions, but at the end there is the real erosion of freedom as we have known it. The President has emphasized that fact and given

point to the great issue that is before us at the present time. Therefore I am raising this question: At what point must the nibbling stop? That is the real issue that confronts the country and the whole world today.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. LONG of Louisiana. Does not the Senator realize that so far as American companies producing in the Near East are denied the right to sell oil in Europe, they put additional pressure for the right to bring that oil into the United States, with the result that the oil industry in this country is required steadily to cut back on its capacity to meet our own demand. When a country becomes increasingly dependent on Soviet oil and then has its supply cut off, we no longer have the capacity, as we did during the Suez crisis, to cover the short fall, during a time when the oil is not available.

Mr. DIRKSEN. That is exactly correct. We either have an oil glut, or employment drops. This is not only true of Eastern Europe, but also of Japan. Under the trade agreement we signed with Japan, in fiscal 1961 Japan will take 10 million barrels of oil. In 1962, it will be 12 million barrels. The ante goes up, Mr. President, and as it does, it becomes a real weapon.

Soviet geological teams are working in Afghanistan and in other countries of Asia. The Soviets are sending refinery equipment and drilling equipment to the Argentine and to Bolivia, and elsewhere. This is a nibbling process in the economic field, Mr. President, and it must be halted. I raise it as a question, because this is merely one item in the long procession of events which started in November 1933, when we recognized the Soviet Union, under Franklin D. Roosevelt, after the Soviet Union made solemn pledges, but which pledges the Soviet Union violated even before the ink on the instrument was dry.

Mr. President, I ask unanimous consent that my statement be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OIL: SOVIET'S HOTTEST WEAPON IN ECONOMIC COLD WAR

The advance of civilization can be read in the use and application of new forms of energy from the Cave Age until today. From nothing but manpower, men went to animal power, to sail power, to steam power from coal, to electric power from coal, to the power from falling water, to oil power and gas power, and now to atomic power. In this power procession, oil is probably the most important because it is widely diffused over the earth and easily transported.

The Soviet political leaders, engineers, and strategist have discovered the importance of oil as a political and trade weapon and are now earnestly intent on using oil to the full in their conquest of the free world.

First let it be recited that the Soviet Union has oil in abundance. The old Baku area on the Caspian Sea has been supplemented by a large producing area in the Volga-Ural section. More than that, they are increasing the number of exploration teams equipped with techniques and instruments which we have developed and will find new producing areas to tap. In the 4-year period from 1955 to 1959, Soviet exports of crude oil jumped from 21 to 92 million barrels of crude oil and from 38 to 96 million barrels of refined products. Small wonder that Khrushchev boasted to the Supreme Soviet in 1957 that in 15 years the U.S.S.R. would be producing oil at an annual rate of 3 billion barrels, 500 million barrels greater than U.S. production in 1960. They have the oil, they are producing in increasing quantities, and they have the advantage of utilizing all the techniques, instruments, and methods which the U.S. oil industry developed and perfected over a long period of years. Thus, the U.S.S.R. has become the world's number two oil producer.

Along with production, the U.S.S.R. has steadily built up an improved distribution system. This includes not merely tankers to reach foreign markets but pipelines as well. Pipelines in place plus those planned for the next 5 years will provide pipeline service to East Germany and Poland, to Hungary and Czechoslovakia, to Turkey and Mongolia, in addition to seaport service to the Black Sea, the Caspian Sea, and the Baltic Sea. Here then is an industry with limitless petroleum resources, increasing production facilities using the very best techniques, and an expanding distribution system which can and will be used as an effective instrument in the cold war.

Just how can oil be a dangerous cold war weapon? In the Soviet Union, oil is a Government-owned industry and is subject only to the direction which the Communist leaders may employ in achieving the political results they have in mind, and from which they have never deviated. There is no congress or legislature to harass it; there is no Government agency to pursue it under tax statutes or antitrust laws; there are no investigations except such as the Red leaders may wish to impose; and there is no limit whatsoever on the trade methods it might employ in order to open foreign markets for Soviet oil; no need to make a profit if the political results are acceptable; no accounting to be made to stockholders; no strikes by labor. It is one complete, uninhibited operation, designed for specific results and directed by iron hands. Given such powers over an industry whose product is not only acceptable in every country on earth but in fact indispensable to virtually all countries, it must become quickly apparent what a threat this can be to the free world.

Consider its indispensability. Oil is the stuff which moves airplanes through the skies and tractors through the fields. It moves autos through the streets and over the countrysides and drives the millions upon millions of hydrocarbon engines which do the everyday work of the world whether it be a power mower, a pump to bring water from the earth, a hoist or compressor, a cream separator or earth-moving truck, a dynamo to generate power, or hundreds of other devices which have lifted human drudgery and multiplied the efficiency of human hands. This is oil, and if the flow of this black gold should suddenly stop, the world would come to a virtual standstill. It is this amazing dependence upon petroleum and its products which gives such effectiveness to oil as a cold war weapon.

What then are the Soviet techniques for expanding the foreign market for Soviet oil and making other countries nearly dependent upon it for the continuing flow of energy derived from oil?

First, it can cut prices sharply to meet or destroy competition. The Soviet oil industry is not restricted by statutes or trade policies. The sky is the limit, if necessary to get the business, and when an oil-purchasing country has become in large part dependent upon Soviet oil, the Soviet Union is in a position to force any social, political, or economic concession under threat of having its energy supply cut off. Today it supplies all of the oil used in Iceland, 95 percent of Finland's requirements, 40 percent of Norway's industrial oil requirements, and 10 percent for Sweden. It is the principal supplier of industrial oils for Denmark and is the major supplier to Italy. It supplies most of the oil required by Eastern Germany, Poland, Hungary, and Czechoslovakia.

Not only can the Soviet oil industry make other countries dependent upon it for energy supplies but can by price reductions ranging from 10 to 20 percent effectively throttle competition by private companies in other lands. This has a twofold effect. It unbalances the efforts of American companies operating in foreign fields to operate at a rate which will keep labor employed but can develop an oil glut which could prove disastrous. Their offer to supply all of India's oil requirements for 20 percent less than any other bidder is a case in point. They also underbid British and American companies for the larger part of Egypt's oil requirements. There you have economic warfare in its most unrefined form.

But the Soviet oil industry has another weapon, barter. There are no laws with which to comply, no restrictions, no obstacles. Merely swap oil for whatever another country has to export which the Soviet Union can use to advantage. It is that easy.

In December of 1960, Japan made a trade agreement with the Soviet Union. By its terms, Japan takes 10 million barrels of oil in 1961 and 12½ million barrels in 1962.

Brazil has cocoa, coffee, and meats. Khrushchev has oil. Khrushchev takes Brazilian commodities and Brazil takes Soviet oil. This agreement involved $100 million.

Castro has sugar, Khrushchev has oil. So its a million tons of sugar over a 5-year period for Soviet oil, cash, and commodities.

The Soviets now supply all of Cuba's needs—2 million barrels per month. Similar arrangements have been made with India and Egypt, with Uruguay and Chile, with Burma and Guinea. They involve all manner of commodities from bananas to copper. And all this means the growth of the Soviet oil business in non-Communist as well as Communist countries.

Nor is this the whole story. Soviet geologists are prospecting for oil in Syria and Pakistan, in Iraq and Afghanistan and Ethiopia, and possibly other areas. The Soviet oil industry has been sending drilling and refinery equipment to Ethiopia, the Argentine, and India. Once established in a country through technicans, equipment, and refinery operations, the political overtones begin to appear.

Much information on this subject was developed by the Internal Security Subcommittee of the Senate Judiciary Committee in conjunction with the Library of Congress and can be found in a committee report released earlier this year (1961).

As a member of this subcommittee and as a member of the subcommittee of the Judiciary Committee under the chairmanship of the late Senator O'Mahoney which investigated oil operations by American companies both at home and abroad, I was therefore more than ordinarily interested in a report designated as Information Circular No. 8023 issued by the Bureau of Mines and prepared in the Department of the Interior by Mr. Donald J. Frendzel on the "The Soviet 7-Year Plan for Oil" (1959–65) and issued in 1961.

What heightened my interest was the author's comment appearing on page 15, following table 7 in the report, and as a result I sent a letter to Secretary Udall of the Interior Department which I set out in full:

MAY 25, 1961.

The Honorable STEWART L. UDALL,
The Secretary of the Interior,
Department of the Interior,
Washington, D.C.

DEAR MR. SECRETARY: There has come to my attention the Information Circular No.

8025 from your Department under the by-line of Mr. Donald J. Frendzel, dealing with the Soviet 7-year plan (1959–65) for oil.

On page 15 following table 7 of this circular there appears this language in Mr. Frendzel's report: "The foregoing comments have dealt with the possible adverse implications of Soviet oil for the free world. There may be some positive aspects of increased U.S.S.R. oil output and exports: (1) The availability of Soviet oil will increase the economic competition in the sale of oil. (2) The availability of Soviet oil will allow some consumers to become less dependent on Middle Eastern oil."

These two comments by Mr. Frendzel have astonished me some because I was a member of a subcommittee under the chairmanship of Senator O'Mahoney in the 85th Congress, which made a most extensive investigation of the Middle East oil situation.

It must be obvious to all by now that Soviet oil presents a new danger for the West and for the countries allied with the free world.

First, I point out for your attention the study prepared by the Library of Congress at the request of the Subcommittee of the Senate Judiciary Committee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws.

I serve as a member of that subcommittee and we have sought to point out on the basis of documented facts the danger that lies in the expansion of the Soviet oil industry in the cold war. No later than May 11, 1961, there appeared in the Philadelphia Inquirer an article with a New York UPI dateline, under the title of "Crisis Seen For Oil Companies," which is, in fact, a comment on an article by Prof. James F. McDevitt in the Challenge magazine for May 1961, in which Mr. McDevitt points out that the Soviet state oil monopoly is growing like a Frankenstein monster.

Other documentation can be cited, including an article in the Saturday Evening Post by Mr. Ira H. Cram under the title "Russian Oil: New Danger For the West."

I might call attention also to an article in the New York Times, dated May 21, 1961, under the title "Russian Oil Fuels Industrial Drive."

In view of all this it seems surpassingly strange that an employee of the U.S. Department of the Interior should author an information circular on the Soviet 7-year plan for oil and conclude his study with the suggestion that Soviet oil will increase economic competition and will allow some consumers to become less dependent on Middle Eastern oil.

It would appear to me that these conclusions are indeed not in the national interest of this country nor in the interest of American enterprisers who are willing to go abroad, invest their capital and assume all the risks and hazards in order to develop the oil resources of Middle East lands.

I would like to have some responsive and detailed comment not only on Mr. Frendzel's study and with respect to his background and orientation in this field, but upon the other studies made by various groups in Congress from time to time and their relationship to the Soviet danger and to the development of a prejudicial status for the United States.

Having served on the Oil Investigating Committee and also on the Internal Security Subcommittee of the Senate, I deem this matter of transcendant importance to the well-being and security of the United States at a time when so many feverish forces are at work, and I shall want to make suitable comment on the Senate floor after I have received your response to this letter.

Sincerely,

EVERETT MCKINLEY DIRKSEN.

First let me comment on Mr. Frendzel's observation that "the availability of Soviet oil will increase the economic competition in the sale of oil." If competition can be regarded as a fair endeavor to secure and hold business through fair prices, quality products, and good service, Mr. Frendzel's statement will not stand up.

In comparison with American international companies one need but point out that the Soviet oil industry can cut prices at will and as much as is necessary, it pays no taxes as such, it pays no royalties, wages are low, it can barter at will and the same government which owns and operates the Soviet oil industry also accepts and disposes of the bartered commodities, it can indulge in price differentials such as $1.89 per barrel of crude oil to free world countries as against $3.02 per barrel to satellites. This is not competition but economic infiltration at any price.

Nor is barter competition when carried on by the Soviet Union. Italy is now the largest non-Communist user of Soviet oil. Of the 90,000 barrels being purchased daily, 60,000 barrels per day over a 5-year period will be paid for with steel tubing, synthetic rubber, diesel engines, and pipeline pumping station equipment. This barter deal prices out at about $1.10 per barrel. This is the equivalent of 85 cents for Persian Gulf oil. This scarcely covers taxes and royalties paid by oil companies to the governments in the Middle East countries.

In the case of sales to developing countries, Russian offers are nearly always politically inspired. Their objective is to pull such countries into the Soviet economic orbit and then to use government-to-government trade contacts to extend and strengthen their political influence. If, for example, a country should have a surplus of some commodity such as coffee or cocoa and Russia is able to dispose of it in its domestic economy, the Soviets are able to hold out an offer which few countries can resist. Since the surplus commodity is absorbed without entering free world markets, it does not depress going market prices. In this case, a country can be said to receive Russian oil for practically nothing. It not only has realized substantial foreign exchange savings, but also has traded a commodity which otherwise would probably have been destroyed or dumped on world markets. This kind of deal puts great pressure on a government to acquiesce to any Soviet demands.

The second point in Mr. Frendzel's report, "the availability of Soviet oil will allow some consumers to become less dependent on Middle East oil" can hardly be regarded as an advantage for the free world. It would be fallacious to regard politically motivated Soviet oil as more secure than oil from the countries in the Middle East. It would be further erroneous to consider that private oil companies are, at the present time, overly dependent on crude oil from the Middle East. The fact is that vast new oil areas are being developed in north and west Africa and that the traditional sources of supply in Latin America continue to provide a substantial part of the petroleum requirements of the free world.

Even during the Suez crisis private oil companies supplied oil to all parts of the free world without serious interruptions. Contrary to the implications in Information Circular No. 8023, Russian oil is quite insecure because, if it serves Soviet political intentions, there is no question in my mind that Soviet oil would be immediately cut off.

Politically motivated Soviet competition puts pressure on posted prices of crude oil in the Middle East countries and Venezuela. It was this kind of pressure that forced the international oil companies in August 1960 to lower posted prices in the Persian Gulf. Soviet price cutting for political purposes, therefore, affects not only consuming areas, but also has an impact on the economies of the Middle East and Venezuela, which, in turn, contributes to political problems there. Unless underdeveloped countries learn to be wary of the short-run benefits of low-priced Soviet crude, there is danger of the pillars coming down under posted prices in all the free foreign producing countries. This could be a serious problem for the West.

Soviet oil prices to countries in the free world are likely to remain low only as long as it suits the political and economic gains of the U.S.S.R. It seems evident that the extortionate prices charged satellite countries by the Soviets indicates that when they have once established a captive market, their low price policies will be thrown into reverse. Similarly, the Soviet use of petroleum as a cold war weapon and the Soviet needs for foreign exchange to buy free world technical processes and industrial equipment will dictate Soviet oil buying policies.

No country can afford to become heavily dependent on Russian oil for its energy supply. Any country which does might well find the supply abruptly turned off, as has happened in the past. With the Russians, everything is seen in terms of political priorities. They will not hesitate to cut short their obligation to supply any country with oil if they find they have higher priority opportunities elsewhere.

Since Soviet oil is sold mainly in the wholesale market, it does not bring with it capital funds for investment in distribution, refining, and marketing facilities in consuming countries. In fact, purchasers of Russian crude and products encourage investments in oil facilities behind the Iron Curtain. On the other hand, the heavy investments of the international companies make a tremendous contribution to the economies of the consuming countries. As a result, tens of thousands of jobs have been created, and hundreds of millions of dollars are generated annually in the form of wages, taxes, and purchases of local supplies and equipment.

The concept that trade in itself is a desirable aim does not apply to trade with the Soviets. There may be a short-run advantage to a free world nation in trading its capital goods for Russian oil. But as soon as the Russians become self-sufficient in a particular line, the Western country finds that it has lost a market. Time after time, the Soviets have purchased equipment, and even entire factories from the West, in order to copy products and processes without regard for patent rights. Oil exports, which provide the Russians with foreign exchange, help make such deals possible. Thus, trade agreements involving Russian oil are not designed to promote trade over a long period. Their purpose is to help the Russians catch up with the West.

One of the greatest threats to the free world from Soviet oil lies in bilateral trade practices, wherein a country such as Italy imports Russian crude to help supply its state-owned marketing outlets in other European countries and in Africa. Such a practice permits Russia to enter free world markets by the back door. Soviet political influence invariably follows Soviet economic penetration. Oil companies attempt to stay out of local politics, whereas Russian state enterprise, by definition, represents a direct political arm of the Soviet Government. A developing country that trades its commodities for Russian oil and technological aid is leaving itself wide open to political infiltration.

Mr. President, I consider it particularly unfortunate that a department of the executive branch of the Government of the United States should issue a report indicating purported benefits in Soviet oil trade at a time when our Government should be raising a warning to our allies. Leaders in oversea

countries may easily misinterpret Mr. President, unfortunately the executive as well as the legislative branches of the U.S. Government are issuing staff studies without realizing that the Government leaders, the public, and the press throughout the world construe those staff studies as either official reports of the Congress or of the executive branch of the Government, as the case may be. In my minority views of 1957, "Report of the Subcommittee on Antitrust and Monopoly to the Committee on the Judiciary, U.S. Senate," relating to Middle East oil and the Suez Canal crisis, I stated that it was inappropriate and a departure from long established procedures for staff assistants to prepare papers, especially since the papers contained ill-founded statements, conclusions, and recommendations, which created confused ideas throughout the world, especially in the Middle East and Europe. It became apparent that the world press, as well as the public, had assumed that the papers by staff assistants were the reasoned conclusions by the Senators responsible for conducting the hearings and the full Senate.

I further noted that a Congressional Daily so construed the staff papers in one of its issues and that if attacks of any kind upon American companies holding concessions in the Middle East areas became the foundation for other attacks by Communist forces who seek to gain control of these areas, one way or the other, the end result would inevitably be to jeopardize some of the energy sources of the United States and thereby weaken our national security. This was in 1957, and Mr. President, we have seen the struggle by Soviet Russia for power and control of Middle East areas since that time.

Several prominent newspapers in Lebanon, France, and Italy published front-page stories and headlines to the effect that the U.S. Senate Antitrust Subcommittee concluded that big American oil companies were accused of controlling the Saudi Arabian oil market, when those were not conclusions of the U.S. Senate but merely staff statement erroneously made and without basis of fact.

Mr. President, innumerable cases of Russian use of the Federal Trade Commission staff report on international oil could be cited. This FTC staff report was not adopted by the Federal Trade Commission. However, a report by Tass on the 19th of November 1952 is illustrative of the kind of use made of such documents:

Moscow.—Tass, in Russia Hellschreiber to Europe, November 19, 1952. (New Times article by Dikansky describing the machinations of the international oil cartel).

"A report of the Federal Trade Commission on the international oil cartel was published in Washington, August 25.

"But even the merger figures which the Commission has decided to publish provide a clear enough picture of the control of the economic and political life of all capitalist countries by the oil monopolies, of their plunder of colonial countries, of the active part played by the cartel in the conspiracy against peace and democracy.

"The struggle to refashion and portion out the world for the looting of colonial and dependent countries, which is what the oil monopolies are doing with the direct support of the Governments of the United States and Britain, runs like a red thread right through the history of the past decades."

Such a citation effectively demonstrates the dangers to American interests and to American policy which result from the departure from the long-settled tradition that each report by a Senate committee should have executive consideration by the committee and not be merely reports of its staff. This is to prevent erroneous information and ill-founded statements from being released to the public and then construed as the conclusions and recommendations of the committee itself. The danger is ever present that people outside the United States will assume that the findings and conclusions of the staff are necessarily those of the investigating committee. Too often errors and unsustained conclusions have become imbedded in history to the confusion of the foreign policy of the United States.

It seems to me that it is now incumbent that the United States help oversea countries to see that their long-term interests will be best served by recognizing the full implications of the Soviet trade offensive. This Government should cite the dangers of becoming dependent on the Russians and make certain that the political element in Soviet oil offerings is fully understood by our friends.

Russian oil is not just a competitive threat to the oil industry; it is a new, insidious challenge to all nations that are seeking to maintain their political and economic independence.

Mr. CARLSON. I do not wish this debate to end without expressing my appreciation for the soundness of the excellent statements which have been made on foreign policy by the distinguished majority leader, the distinguished ranking Republican Member of the Senate, and, of course, our outstanding minority leader.

I mention this because there appears in the Washington Post this morning an editorial which bears on this whole question. It is an excellent editorial, from which I would like to quote a sentence or two, before I ask unanimous consent that the entire editorial be printed in the RECORD. I quote:

Public debate upon questions of foreign policy must not be diminished, curtailed, or inhibited by fears that foreign countries will misconstrue the public discussion indispensable to a democratically governed people.

There is another sentence in the editorial which I should like to quote, as follows:

It is to be hoped that no one will raise the old-fashioned admonition about politics ending at the water's edge. That was sufficient to a day when domestic issues predominated and could be separated from foreign issues.

Then I conclude with this quotation, which has to do with former Vice President Nixon's statement on foreign policy:

It may be noted, parenthetically, that the Nixon statement is hardly likely to comfort any hostile foreign power. It might be expected rather to persuade our enemies abroad that sentiment in the country is hardening and not softening. If the President chooses to take a tough and uncompromising line, he will not lack support at home—even in the opposition.

I ask unanimous consent that the entire editorial be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NIXON'S NEW VOICE

Nothing contributes more to making the utterances of politicians or statesmen models of clarity, force, decision, and certainty than an absence of power. The encumbrance of office, responsibility, and authority burdens the conscience, quickens apprehension, and raises doubts. It is much easier to be sure of the future when divested of the discretion to so act as to make that future.

Such are the advantages that former Vice President Richard M. Nixon now enjoys. In the first of a series of 10 articles, appearing in the Washington Post and other newspapers, Mr. Nixon makes the most of his new-found prerogatives of the man out of power. Those who have availed themselves of the same advantages while on the way to office cannot deny him his say, although they well may envy him the free-wheeling certitude with which he speaks about the great issues that confront the country.

Foreign policy is the subject of Mr. Nixon's first comment. It is to be hoped that no one will raise the old-fashioned admonition about politics ending at the water's edge. That was sufficient to a day when domestic issues predominated and could be separated from foreign issues. Public debate upon questions of foreign policy must not be diminished, curtailed, or inhibited by fears that foreign countries will misconstrue the public discussion indispensable to a democratically governed people. It may be noted, parenthetically, that the Nixon statement is hardly likely to comfort any hostile foreign power. It might be expected rather to persuade our enemies abroad that sentiment in the country is hardening and not softening. If the President chooses to take a tough and uncompromising line, he will not lack support at home—even in the opposition.

There is a clear and uncompromising aspect to Mr. Nixon's position that makes it all seem very simple. But are things quite as simple in Berlin, in Geneva, in Laos, and in Cuba? Is our only mistake in the past, or in the present, an infirmity of action—a failure to respond with force, if and when necessary?

Even where we have the force, the means of applying it do not always come quickly to hand. There are some situations that do not yield to sheer military power. There are others, of course, in which the readiness to use power if necessary may be essential to a diplomatic solution. It is to be hoped that Premier Khrushchev, for all the advantages he presently holds, will not deceive himself about that readiness in this country. We are, in a way, back where we were in the 1958 Berlin crisis. There is willingness in this country to explore any honorable and logical alternative to even the defensive use of force; but it must not be misconstrued as a readiness to yield to bluster and ultimatum. Perhaps the Nixon statement, critical of the administration as it may be, will make this fact ever more apparent abroad.

Mr. DIRKSEN. Mr. President, somewhat in line with the general theme of this discussion, I would say it requires a high degree of patriotism and unselfishness for American industries to forgo profitable contracts with the Soviet Union when in their judgment accepting orders under such contracts might tend to place the Soviet Union in a position of competitive advantage which would not be in the interest of our own producers and our own economy.

Mr. M. E. Hillman, president of Republic Electric and Development Co. and Mr. Gordon B. Anderson, president of Puget Sound Fabricators, Inc., both from Seattle, Wash., merit our thanks and appreciation for thinking in terms of America and not in terms of profits and private advantage. They truly merit a salute for this action.

I ask unanimous consent that the statement published in the Seattle Daily Times be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Seattle Daily Times, June 1, 1961]

FIRMS HERE DECLINE RUSSIAN CONTRACT

(By Boyd Burchard)

Two Seattle firms today announced they have declined on principle a profitable proposal, approved by the State Department, which would help Russia build the largest and most highly automated sawmill in the world.

M. E. Hillman, head of Republic Electric & Development Co., and Gordon B. Anderson, president of Puget Sound Fabricators, Inc., both of Seattle, said the proposal they are declining would have led to an estimated $150,000 order—and a profit of about $40,000.

It called for supplying an advanced type of automatic lumber-sorting equipment to the Russians.

The Russian proposal came to the Seattle firms through Yarrow's, Ltd., British Columbia engineering firm.

Hillman said Republic Electric would "have no part in handing the advantage" to the Russians to "close the gap in the superiority of North American technical know-how from 20 years to 2 years."

Six of the firm's patented memory-control systems were sought.

Anderson said that Puget Sound Fabricators, Inc., will have nothing to do with "giving aid and comfort to an enemy" by supplying fabricated portions of the six lumber sorters.

"We must be willing to be counted on as thinking of our own country's welfare before the dollar," Anderson said.

Both men acknowledged that the refusal to cooperate might block the Russian mill automation only temporarily.

"Our move is a drop in the bucket," Hillman said, "but we hope that other American industry leaders will follow suit in refusing to deal with an enemy which has vowed to conquer us."

TURNDOWN OF SOVIET DEAL TOOK COURAGE

(By Boyd Burchard)

Easily one of the most inspiring business news developments of the past week originated in Seattle.

Two businessmen openly weighed the courage of their convictions and their sense of public responsibility against the dollar importance of a sure-profit deal with Russia—and told the Russians to take their dollars and go jump.

The pressures were great on M. E. Hillman, head of the Republic Electric & Development Co., and Gordon B. Anderson, president of Puget Sound Fabricators, Inc., both of Seattle, to agree to supply an advanced type of automatic lumber-sorting equipment for the largest and most highly automated sawmill in the world, to be built in Russia.

The sorter, a patented magnetic memory-control system correlated with mechanical lumber-handling equipment, was unveiled by the two companies more than a year ago.

It was shown to 1,500 Government and industry representatives from all over the world last September at the World Forestry Congress in Seattle.

The mechanical sorter was widely acclaimed as a major advance toward eliminating slow and costly manual sorting of lumber. Many large Canadian and United States mills subsequently expressed interest in installing the equipment—but the domestic lumber business turned slow and no orders have yet been firmed up by North American mills.

When the Russian order came through, in the form of a subproposal from Yarrows, Ltd., of Victoria, British Columbia, to supply $150,000 worth of sorters for a 1,500,000-board-feet-a-day sawmill to be built by the Victoria firm and the Preston Woodworking Machinery Co., Preston, Ontario, for the U.S.S.R., it took some soul searching for the American firms to refuse.

But refuse the order they did—and with no illusions as to the very minor obstruction their decision would present to the growing momentum of the Russians' economic steamroller.

In declining to cooperate, Hillman explained to Yarrow: "The one advantage we in North America have over the Communist bloc is our production know-how. To knowingly give away even the tiniest part of that production superiority represented by the excellence of the Magnestat Control System would represent to us admission of the inevitability of world domination by communism.

"REDCO will have no part in handing this advantage to our sworn enemy."

Following the Seattle firm's turndown of the proposal, a spokesman for Preston Woodworking commented in Canada: "Regardless of what was said in Seattle, we are pressing ahead on this job. We feel this export order would be most beneficial to Canadian secondary industry."

The order obviously would have been temporarily beneficial to Seattle industry, too.

The downright fortitude of the two Seattle businessmen in putting long-term national interest above short-term personal gain deserves recognition—preferably in the form of firm orders from North American sawmills faced with the growing threat of automated Russian competition.

SEARS, ROEBUCK & CO., WORLD'S LARGEST MERCHANDISER, JOINS WITH FREEDOMS FOUNDATION IN AMERICAN FREEDOM CENTER GROUNDBREAKING AT VALLEY FORGE

Mr. DIRKSEN. Mr. President, an event of considerable significance took place recently—May 1—at Valley Forge when leading officials of numerous corporations and business firms exemplifying the American free enterprise system marked the breaking of ground of the American Freedom Center.

These executives voluntarily organized themselves as the Sears' 75th Anniversary Committee both to honor Sears, Roebuck & Co., of Chicago, on its three-quarter century birthday and to raise at least $1 million as a tribute to that company for the support of activities of Freedoms Foundation at Valley Forge.

On this occasion Mr. Charles H. Kellstadt, board chairman of Sears, Roebuck & Co., presented to Freedoms Foundation a check for $115,000 as an initial donation from this anniversary committee. This amount and subsequent committee donations will be used toward construction of a free enterprise library and research area; to finance circulation of freedom libraries to American schools nationally; to assist in support of Valley Forge classroom teachers' medals for teachers emphasizing the free way of life; and to help finance seminars on the American way of life for large numbers of foreign students in this country.

Mr. President, I ask unanimous consent to insert in the CONGRESSIONAL RECORD the speech made on that occasion by Mr. Kellstadt representing the world's largest merchandising organization and an outstanding example of the Nation's free enterprise system.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY MR. CHARLES H. KELLSTADT, CHAIRMAN OF THE BOARD, SEARS, ROEBUCK & CO., AT THE GROUND-BREAKING CEREMONY FOR THE AMERICAN FREEDOM CENTER OF FREEDOMS FOUNDATION AT VALLEY FORGE, PA., MONDAY, MAY 1, 1961

I am honored to represent Sears, Roebuck & Co. in these ceremonies today, to know that the name of Sears will be associated with the Freedom Center.

Certainly it is appropriate that the Freedom Center be erected at Valley Forge, the national shrine which has for all of us an atmosphere of personal sacrifice for national achievement. It is fitting that the Freedoms Foundation should include in the Freedom Center a library of free enterprise—for free enterprise is an essential extension of personal freedom. Freedom is indivisible.

Any act which deprives an individual of some portion of his freedom is a threat to all who enjoy these freedoms. In a sense, free enterprise as a system is suspect in the minds of many but this is a reflection of the past. Every freedom possessed by man has a history of license—man has always had to learn to live responsibly with whatever degree of freedom possessed.

The economic freedom that we possess in this country is more and more coming to be used in keeping with the national interests. All who have faith in the nature of our system welcome this ever-growing sense of responsibility because they recognize that it strengthens their own individual freedoms. Just as a free people erect a system of government based on a structure that balances out a variety of interests, so is an enterprise operating under that system concerned with balancing a variety of pressures.

There is the overall pressure for progress which can only come from the profitable operation of the business. This pressure is generated internally—within the business itself. It stems from the form of the business—the corporate form that can extend beyond the lifetime of any individual.

Every business is capable of indefinite survival so long as it has understanding and dynamic leadership. There needs to be wide understanding of the fact that profit is the outcome of every successful economic activity regardless of the political system in which that activity occurs.

The Socialist and Communist political organizations have as much need for profitable economic performance as the nations operating in a free economy.

Basic to survival is the ability of a business to serve a profitable economic function. I underline "profitable" because, in my opinion, free enterprise in this country has a vital educational job to perform on the function of profit.

The irrational indictment of the profit motive or profits as an economic fact must be applied to all systems because all systems must produce a profit if a nation is to survive. A free enterprise economy is characterized by a higher degree of private control of economic resources—and the profits that result from their use.

If these resources are used unskillfully, the individual bears the penalty of the failure. If the resources are used skillfully, the individual bears the responsibility for the wise use of the profit produced. Not only must profit be used responsibly, it must be generated in a responsible fashion.

In a free enterprise system, the operation of every business calls for a constant balancing of responsibility to our customers, shareowners, sources of supply, employees, and the public at large. The responsibility of the shareowners brings the function of profit more sharply into focus in the free enterprise system.

Management at any one time must have a sense of history—an awareness of the past and present because of the effect on the future.

The span of management activity in any one company at any one time will, in the long run, represent only a fraction of that company's life.

There must be close attention to the future effects of managements' acts—and nowhere is this better illustrated than in the decisions that must be made on the use of the profit generated by the business. As a single illustration, consider the matter of the reinvestment of earnings. Policies of reinvestment are important to this country's national interests, both at home and abroad.

Reinvestment is vital to our national growth—it produces the percentages with which this growth is measured. Reinvestment can be translated into a personal meaning for our people because it converts the abstract term of opportunity into the reality of jobs.

One area in which business has claimed leadership and taken initiative is in this matter of giving substance to the dream of opportunity—the chance to get a job and to progress in keeping with ability. Reinvestment is a commitment to the future—an act of faith. And reinvestment overseas is equally significant to our national interests. We must face up to the fact that the United States must fast become a trading nation and the business community has a responsibility to prove itself in the markets of the world.

This proof, of course, must be a dollars and cents proof—but over and above that, it must be measured by the standards of free enterprise at its most constructive best. We must prove abroad what we have come to prove in this country—that free enterprise willingly accepts its responsibility of using the inherent strength in service for the common good. I believe I can say from Sears' experience with successful oversea operation that the decision to invest abroad must carry with it a decision to reinvest abroad.

Free enterprise at its best accepts a responsibility for those who are employed in the business. This responsibility takes many forms, starting with the initial one of proper selection and placement of those employed. This is essential to the full development of the individual's abilities and his use of them in the enterprise. There is a responsibility for fair wages. There is a responsibility for providing proper benefit plans which aid the individual to protect himself and his family against the contingencies of life. There is a responsibility to provide a type of organization which permits people to work together in a way that allows them to make full use of their skills—to create a working environment that permits people to progress in keeping with the contribution they make to the success of the business.

The ability of Sears—or any company—to sell its wares—and prosper—to provide continuous employment—to earn a return on the shareowner's investment, depends on the dedication of the organization and the climate of public opinion in which it must operate. It must constantly earn and deserve public respect and good will. A company's most precious asset and the most fragile is its reputation. It can be preserved only by constant exposure, increased or diminished in size and importance by how it is won.

Next most precious asset of any company is its people. Some would have you believe that conflict between management and employees is inescapable; that should not be so. The interests of each are the same. Together they form the power of the effort. The company is also an asset of the employee—individually and collectively. Its success is his success. During his productive life it represents an equity holding, an estate to care for him beyond the productive years—and his family beyond even that.

In the free enterprise system we must also take into account the relationship of the enterprise with the public. There is a responsibility to strengthen the system through accounting for stewardship. Public understanding of the economic role of business is the best guarantee of a continuing freedom our economic system requires.

Wise management reinvests in public understanding through skillful communication and the support of community efforts which are worthy of and require a portion of the profits generated by the business community.

No business is completely self-sufficient, it must rely to one extent or another upon the goods and services provided by others.

There is an obligation to respect the economic role of sources of supply, to recognize that in the long run the success of these interacting businesses are bound together inseparably. The ability to discharge all of these responsibilities depends in the final analysis upon the ability to serve the customer; and this, too, must be done responsibly in a free enterprise system.

It is the freedom of the customer to buy; how, when, and where, he and he alone desires, that is the central crucial fact in a free enterprise system. It is the customer's freedom to choose; business' freedom to compete, that makes a free market—one means nothing without the other. An enterprise which does not respect the customer's freedom has no claim for respect of its own freedom. The success stories of American enterprise are the stories of businesses which have met these responsibilities.

I hope that in the years to come the accumulated records of these businesses will find a home in this Freedom Center library, that those who use this library will find in those records cause for dedication to the free enterprise system—that these records will make it plain that free enterprise is an expression of personal freedom. This library must be more than simply a repository for past records; its purpose should not be to commemorate the past, but to serve the future. This is the attitude that prevails at Sears during our 75th anniversary year.

We are proud of what has been accomplished in the past, but we recognize that is merely a prolog, a prolog to a future that is bright with promise for service in the free enterprise tradition.

I must express the gratitude of Sears, Roebuck & Co. to our many friends who have made this building possible. I am pleased that Sears' conduct of its business over the years has warranted the tribute they have seen fit to pay. If Sears were unique as a development of a free enterprise system, we would not be here today.

I hope that all of us can be more confident of the future through a realization that Sears, Roebuck & Co. is not unique, but typical of what can be accomplished in a free enterprise economy.

Mr. WILLIAMS of Delaware obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield briefly to me?

Mr. WILLIAMS of Delaware. I yield.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROPOSED CHANGES IN REVENUE CODE

Mr. WILLIAMS of Delaware. Mr. President, today I wish to discuss two of the administration's proposals as they relate to changes in our revenue code. First, the administration would liberalize the present method of computing depreciation on property, and second, it proposes to repeal the present 4-percent tax credit on dividends.

The administration is recommending these two changes presumably on the assumption that their enactment would encourage investment capital, thereby promoting an expanded economy, but the administration overlooks the fact that these two proposals are contradictory.

The repeal of the present 4-percent dividend tax credit—which was approved in 1954—would mean a $400 million increase in taxes for the investors of America. Certainly this $400 million tax increase on the stockholders of American industry would diminish their ability to reinvest in an expanded economy.

Another important argument in favor of the 4-percent dividend credit is that Congress at the time it enacted the provision recognized that some adjustment was due in order to minimize the effect of the double taxation on corporate income. Under existing law the corporations already pay a 52-percent tax on their earned income, and the dividends which are distributed by the corporations are a part of the remaining 48 percent. Under existing law these dividends are fully taxable again to the stockholders except as the 1954 legislation provided for an exemption of the first $50 in dividends received plus a 4-percent tax credit on those dividends in excess of $50.

To repeal this tax credit at this time would be a step backwards and would seriously lessen the inducement or the ability of the investors to furnish the capital necessary for the expansion of our economy.

When the administration recommended this backward step, it failed to take into consideration that it would be a direct contradiction of its second recommendation, which was to liberalize the depreciation rates and thereby encourage the necessary capital to finance the growth of our economy.

I favor the liberalization of our present outmoded depreciation schedules. In a period of rapid obsolescence of machinery and factories it is essential that we have a more realistic depreciation basis, but I do not think that the method of approach as recommended by the administration is sound and fair.

The administration's formula of allowing as a tax credit a percentage of the new investment is so complicated that the average taxpayer who cannot afford a tax attorney would never understand it and thereby would lose most of its benefits.

It gives little or no relief whatever to the farmer or to the small businessman, nor does it help the large business operation which is going through a period of low earnings or a period wherein the industry is already overexpanded.

For example, of what benefit would the administration's formula for computing more liberal depreciation allowances on new construction be to the American railroads? The benefits under the administration's bill will be of use only to industries which are expanding their existing capacities or facilities, and certainly we have enough railroads.

The administration's formula for depreciation would provide substantial benefits or tax reductions for those industries or taxpayers who are more prosperous and who are connected with an expanding industry.

The administration's formula of giving a tax credit for a percentage of the cost of new construction is in effect a favored tax reduction for a certain group. The tax credit would not be charged against the depreciable value of the property.

I repeat: It is my opinion that we need a more realistic approach in our depreciation allowances for American industry; but the formula should be one which will give comparable benefits to all segments of American economy, and the formula should be one which is readily understandable by all taxpayers, large or small.

Instead of the administration's complicated formula for tax credits, I would suggest that we use the formula for depreciation in existing tax laws as a base. It would be a very simple matter to amend that section of existing law allowing for accelerated rates of depreciation under what is defined as the declining balance method.

For example, under existing law a taxpayer building a factory with a 20-year life or a farmer building a barn with a 20-year life can choose between taking a straight line depreciation of 5 percent annually or he can elect to use the accelerated rate method under which he would double the rate of depreciation in each of the years on a declining balance method.

For instance, suppose the barn cost $10,000. Instead of depreciating the barn at 5 percent annually the taxpayer can take double the rate or 10 percent the first year, thereby reducing his investment to $9,000 in the first year. In the subsequent years he can do the same; for instance, the second year his depreciation would be 10 percent of the remaining $9,000, or $900, thus reducing his investment to $8,100, and so on.

Instead of the administration's recommending an additional formula which is so complicated that few can understand it, my suggestion would be merely to amend the present law and to allow the taxpayers to treble, instead of double, their depreciation rates in each of the years on the same declining balance formula. Under this simple liberalization of a formula already in our existing law, the benefits to the taxpayers would be practically the same as under the administration's plan, but there would be the advantage of having a formula which everybody can understand.

Mr. President, I cite examples of how this further acceleration of the present declining balance method would work, and I ask unanimous consent that they be printed at this point in the RECORD.

There being no objection, the examples were ordered to be printed in the RECORD, as follows:

Example:

Building cost, $100,000—Life, 25 years

Present law Declining balance method of doubling rate—2×4 percent=8 percent		Suggested change to treble rate on declining balance method—3×4 percent=12 percent	
1st year:		1st year:	
Cost	$100,000.00	Cost	$100,000.00
Depreciation, 8 percent	8,000.00	Depreciation, 12 percent	12,000.00
Balance	92,000.00	Balance	88,000.00
2d year: Depreciation, 8 percent of $92,000	7,360.00	2d year: Depreciation, 12 percent of $88,000	10,560.00
Balance	84,640.00	Balance	77,440.00
3d year: Depreciation, 8 percent of $84,640	6,771.20	3d year: Depreciation, 12 percent of $77,440	9,292.80
Balance	77,868.80	Balance	68,147.20
Etc.		Etc.	

Mr. WILLIAMS of Delaware. Mr. President, if this formula is not liberal enough, the rate could be accelerated further by using quadruple the basic rate.

In order that this simple formula may be compared with the complicated one recommended by the administration, I ask unanimous consent to have incorporated in the RECORD an analysis of their formula, along with specific examples of how it would work.

One point which must not be overlooked is that the administration's formula is more of a tax reduction than a liberalization of depreciation schedules. If a tax reduction is the objective, that could be accomplished by a simple lowering of existing tax rates.

This analysis of the administration's formula was prepared by the staff of the Joint Committee on Internal Revenue Taxation.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

MEMORANDUM, JUNE 12, 1961

Subject: Credit for investment in certain depreciable property.

The President's tax message recommended the adoption of a tax credit available to taxpayers under the conditions described.

1. The credit is computed on the basis of the investment made in new plant and equipment put into use for the first time by the taxpayer.

2. The amount of the credit is determined by reference to the current depreciation allowance of the taxpayer for the first year in which the taxpayer can depreciate the property. The credit is the sum of: (a) 15 percent of all new plant and equipment investment expenditures in excess of current depreciation allowances, plus (b) 6 percent of such expenditures in excess of 50 percent of depreciation allowances and not in excess of 100 percent of depreciation allowances.

In the alternative, a minimum credit is provided of 10 percent on the first $5,000 of new investment for the benefit of small taxpayers.

3. The credit is used as an offset against the taxpayer's income tax liability up to 30 percent of that liability in the year in which it arises. The amount of any credit not used can be carried over against future taxes for 5 years. Of course, the 30-percent limitation continues to apply to all current or carryover credits.

4. The credit applies to industrial, commercial, and agricultural property and to personal property and to buildings. However, real estate and personal property used in connection with furnishing lodging (apartment houses, motels, hotels, private houses) does not qualify, and expenditures by public utilities in connection with the public utility business (other than transportation) do not qualify for the credit.

5. To prevent manipulation, provision is made that a deficiency in expenditures from a prior year must be made up before a credit is applicable. These deficiencies will be carried over for 5 years, but, of course, there is no deficiency as to any taxpayer for the first taxable year to part of which the statute is applicable.

6. Lessees using eligible property for 6 or more years will be given the credit and not the lessors.

7. Recapture provisions are provided under which the tax credit is "recaptured" if the property with respect to which a credit has been given is disposed of or ceases to be used in the appropriate manner within 6 years.

EXAMPLES

Example 1: Taxpayer A, in its first taxable year to which the credit is applicable, has a depreciation deduction for the year of $110,000 and invests and begins to use new plant and equipment of appropriate kind which cost it $150,000. Its credit is computed as follows:

Computation of 15 percent credit:	
New investment	$150,000
Minus depreciation deduction for year	110,000
Basis for computation of 15 percent credit	40,000
15 percent credit on $40,000	6,000
Computation of 6 percent credit:	
New investment not in excess of 100 percent of depreciation deduction	110,000
Minus 5 percent of depreciation deduction	55,000
Basis for computation of 6 percent credit	55,000
6 percent credit on $55,000	3,300
Total credit	9,300

If taxpayer A, has an income tax liability for the year of $31,000 or more, the full $9,300 credit can be used in the year of acquisition (this is because 30 percent of $31,000 equals $9,300). On the other hand, if the income tax liability before the credit is less than $31,000, the 30-percent limitation applies. So, if the tax before the credit were $25,000, the limitation for the year would be $7,500 ($25,000 times 30 percent); $7,500 of the credit could then be used during the year and the remaining $1,800

($9,300 minus $7,500) would be carried over to later years.

Example 2: Taxpayer B, during its first taxable year to which the credit is applicable, has a depreciation deduction of $110,000 and invests and begins to use new plant and equipment which cost it $75,000. Its credit is computed as follows:

Computation of 15 percent credit:	
New investment	$75,000
Minus depreciation deduction for year	110,000
Basis for computation of 15 percent credit	None
15 percent credit on none	None
Computation of 6 percent credit:	
New investment not in excess of 100 percent of depreciation deduction	75,000
Minus 50 percent of depreciation deduction	55,000
Basis for computation of 6 percent credit	20,000
6 percent credit on $20,000	1,200
Total credit	1,200

The $1,200 would be fully available against the income tax liability for the current year if such liability were $4,000 or more (because $4,000 times 30 percent equals $1,200). If the tax liability for the current year were only $3,000, only $900 (30 percent times $3,000) could be used up against such liability, and the remaining $300 would be carried over to later years.

Example 3 (minimum credit): Taxpayer C, during the first year to which the credit is applicable, has a depreciation deduction of $5,000 and invests in and begins to use new plant and equipment which cost it $7,000. The credit is computed as follows:

Computation of 15 percent credit:	
New investment	$7,000
Minus depreciation deduction for year	5,000
Basis for computation of 15 percent credit	2,000
15 percent credit on $2,000	300
Computation of 6 percent credit:	
New investment not in excess of 100 percent of depreciation deduction	5,000
Minus 50 percent of depreciation deduction	2,500
Basis for computation of 6 percent credit	2,500
6 percent credit on $2,500	150
Total tentative credit on above computation	450

However, in this case it is necessary also to make the computation for the minimum credit which is as follows:

Minimum credit of 10 percent on first $5,000 expenditures	$500

Since the minimum credit is greater than the credit as otherwise computed, the minimum credit is applicable and the taxpayer's credit for the year is $500.

Example 4: Taxpayer D, for its first taxable year to which the credit applies (the credit applying to the full 12-month year) has a depreciation deduction of $100,000 and invests in and begins to use new plant and equipment which cost $45,000. Thus, its 15 percent credit and its 6 percent credit are both zero. However, as illustrated by example 3 above, it is entitled to a credit of 10 percent on the first $5,000 of new investment or $500. Its credit for the year is, thus, $500. In addition, however, it has deficiencies in expenditures computed as follows:

Computation of 15 percent credit (deficiency):	
New investment	$45,000
Minus depreciation deduction for year	100,000
Deficiency for purposes of 15 percent credit	55,000
Computation of 6 percent credit (deficiency):	
New investment not in excess of 100 percent of depreciation deduction for year	45,000
Minus 50 percent of depreciation deduction for year	50,000
Deficiency for purposes of 6 percent credit	5,000

Accordingly, in the next year taxpayer D is only entitled to a 15 percent credit on the amount by which its new investment exceeds its depreciation deduction, plus $55,000, and only entitled to a 6 percent credit on the amount by which its new investment is less than 100 percent of the depreciation deduction and exceeds $5,000 plus one-half the depreciation deduction. Thus, if in the immediately succeeding year the depreciation deduction is $100,000, and the taxpayer acquires and begins to use new plant and equipment which cost it $160,000, the computations are as follows:

Computation of 15 percent credit:	
New investment	$160,000
Minus sum of: (a) depreciation deduction for year, $100,000 and (b) deficiency carryover, $55,000	155,000
Basis for computation of 15 percent credit	5,000
15 percent credit on $5,000	750
Computation of 6 percent credit:	
New investment not in excess of 100 percent of depreciation deduction	100,000
Minus sum of (a) 50 percent of depreciation deduction, $50,000, and (b) deficiency carryover, $5,000	55,000
Basis for computation of 6 percent credit	45,000
6 percent credit on $45,000	2,700
Total credit for year	3,450

Mr. CARLSON. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. CARLSON. I wish to commend the distinguished Senator from Delaware for coming forward with a depreciation program that is so simple that the people of the United States can understand it.

I am receiving a large quantity of mail from industrial and business leaders all over the Nation, who state frankly that they do not understand or approve of the administration's proposals in this field. So if the Senator from Delaware has arrived at a simple answer to this problem, it will be received with favor by industry generally, and will be helpful, I believe, to our committee which in a short time will wrestle with this matter.

Mr. WILLIAMS of Delaware. I thank the Senator from Kansas.

I have checked on this matter with the committee staff, and they have assured me that the formula I propose will work, and it is simple.

Under present law, the taxpayer is allowed to double the depreciation rate in each of the years on a declining-balance method. This formula is applicable to the United States Steel Corp. building a new steel plant or to a farmer building a new barn. It would be a simple matter to amend the law tripling instead of doubling, the depreciation rate each year on the same declining-balance method.

Under present law, for example, in the case of a new $10,000 barn, assuming a 20-year life, the farmer could, by doubling the rate, take 10 percent depreciation the first year, thereby reducing his investment to $9,000; and the next year he could take an additional 10 percent of the remaining $9,000, or $900, thus reducing his investment to $8,100; and so forth.

The method I propose as a simple formula for further liberalization of the depreciation schedule would work as follows:

In the first year, this farmer would take depreciation at three times the normal rate, or 15 percent, which would amount to depreciation of $1,500 the first year and would leave him with a net investment of $8,500—assuming that the barn cost $10,000, and had a 20-year life. The second year he could take another 15 percent depreciation of the balance; in that case it would be 15 percent of the remaining $8,500—and so on in succeeding years.

This formula is one which any Kansas farmer who is building a corncrib or a manufacturer who is building a steel plant in Pennsylvania can understand without employing a lot of Washington lawyers to explain the formula or to obtain permits for them.

In contrast, the joint committee staff has prepared an analysis of the administration formula, and it has taken the joint committee five pages to analyze the administration's formula. I have inserted that analysis in the RECORD to show just how complicated it is.

The staff did an excellent job in preparing an analysis of the administration's formula; but I do not understand the administration's formula, and I do not think any other Member of Congress understands it. I can readily understand how it is that members of industry say they cannot understand it. I am opposed to placing on the statute books any tax law so complicated that the Treasury Department itself scarcely understands it.

Mr. CARLSON. Mr. President, will the Senator from Delaware yield further?

Mr. WILLIAMS of Delaware. I yield.

Mr. CARLSON. After listening to the distinguished Senator from Delaware explain his proposal, I believe I understand it. However, it seems to me that his proposal is so simple that perhaps it would not be too well received by some, because of the very fact that some persons seem to feel that the tax laws must be complicated.

Mr. WILLIAMS of Delaware. I am afraid my proposal is subject to that objection. As the Senator from Kansas remembers, when the declining-balance method was first placed into the law it

was objected to by many of the so-called tax experts who came before the committee. Frankly, the only conclusion I reached from their testimony was that the formula was so simple that it would put them out of their jobs of interpreting the tax law. I think that is the only objection that can be found to this proposal which I am advancing to liberalize our present depreciation rates.

I believe we should liberalize the depreciation rates because plants and equipment become obsolete very quickly. But in liberalizing the present rates, I believe we should have a formula which will be readily understandable and which will be fair to all taxpayers, regardless of whether they are engaged in industry or are engaged in farming.

RECOMMENDATIONS OF NEW YORK BAR ASSOCIATIONS FOR NEW FEDERAL JUDGES

Mr. KEATING. Mr. President, following approval of the omnibus judgeship bill, my distinguished colleague, the Senator from New York [Mr. JAVITS], and I wrote to all the bar associations in New York State, and asked them to recommend the best qualified attorneys for the newly created vacancies. We specifically suggested that such recommendations be made "without regard to the political affiliation of the prospective candidates, and solely on the basis of their qualifications to serve as Federal judges."

As a result of our request, over 60 candidates were proposed by the bar associations. The names and material in support of all these candidates were transmitted to the Attorney General. Several of the bar associations advised us that they would make no recommendations, because their members did not practice before any of the courts involved. The courts involved are the Southern District Court of New York, the Eastern District Court of New York, and also the court of appeals. By their responses, they meant, I am sure, that their members do not practice before the southern district court or the eastern district court.

Several others indicated they would not recommend candidates, but would like an opportunity to consider the qualifications of any nominees proposed. At least one bar association, the Queens County Bar Association, is still continuing its review of possible candidates, and is expected to make recommendations thereafter.

We received replies from virtually every bar association, and they were overwhelmingly favorable to our request for candidates. The Attorney General also expressed his appreciation for our efforts, and gave us his written assurance that the recommendations of the bar associations "will be given the most careful consideration when the selection of the additional judges as provided for by S. 912 is made." Our efforts were also commended by the chairman of the American Bar Associations' Committee on Federal Judiciary, Bernard G. Segal, whose selfless nonpartisan efforts in this field extend over many years, and who is personally known to many of the Members of this body.

Frankly, Mr. President, I would have been surprised if such approval of our efforts had not been forthcoming. It seems obvious to me that the bar associations of any area are in the best possible position to canvass the legal talent available and to propose, on the basis of objective criteria, the names of the lawyers most qualified for appointment to the judiciary.

We emphasized throughout our interest in nonpartisan designations. We have transmitted the names to the Attorney General without regard to personal preference. In fact one of the lawyers whose name we transmitted was the chairman of his county Democratic committee and I am sure that in his position he worked against the election of both New York Senators. I learned of this candidate's position because he was thoughtful enough to write to us after he learned that we had transmitted his name to the Attorney General, to advise us of his position in order to avoid, as he put it:

> Even the slightest embarrassment to the distinguished Senators from this State.

In our reply to this distinguished lawyer we stated:

> We made no inquiry respecting the politics of any of the candidates recommended by the bar associations in New York in transmitting the names of the candidates to the Department of Justice and we intend to continue our efforts in this regard in the same spirit.

Of course, some of the candidates recommended did not have to tell us about their political affiliation. They were well-known Democrats. At least two of them were Democratic Members of the House of Representatives. We were, of course, delighted at the recognition these Members received from their bar associations and if anything considered it a special privilege to be able to bring their high standing in the law to the attention of the Attorney General.

With this background, Mr. President, you will understand the utter disbelief with which I read in one of our reliable New York newspapers that we had been bitterly attacked by another Democratic Member of the House of Representatives—the chairman of the House Judiciary Committee—for our conduct. He was quoted as having described our effort to obtain recommendations as "the brashest thing I ever heard of." According to this same story he went on to accuse us of the "most untoward, unseemly conduct."

In checking this story, I found—unfortunately—that these quotations were accurate and not typographical errors, as I had hoped.

(At this point Senator KEATING yielded to other Senators for consideration of other matters, which appear elsewhere under the appropriate headings.)

Mr. KEATING. Mr. President, it occurred to me that perhaps the gentleman was not fully apprised of our correspondence, but I am informed that he is familiar with every detail of our efforts including the fact that we passed on the recommendations of two of his colleagues. I thought then that perhaps the gentleman's ire was aroused because he had not been recommended by any of the bar associations including that of Kings County, from which he comes—but I have been informed that he is not interested in Federal judicial office or in retiring from his present seat of power. I have exhausted every possible explanation for his bitter remarks, but none seem satisfactory to me even after the most thorough reconsideration of our actions.

Some explanations I rejected immediately. I cannot believe, for example, that anyone at this date in our history would be so callous as to suggest that lifetime appointments to the Federal judiciary should be dispensed as political plums without consultation with any bar associations.

That has not been the case for at least 8 years; perhaps longer. Not a single person was appointed to the Federal bench during the entire period of the Eisenhower administration who was not first found qualified by the American Bar Association after a full investigation. I cannot believe that this practice will be discontinued by President Kennedy, and in fact I know that assurances already have been given to the contrary.

What we have proposed admittedly goes one step beyond this practice. But there are reasons for taking this additional step which I believe every reasonable person would find compelling.

As Mr. Segal pointed out in a recent address on this subject, this year may well be regarded in the future as the start of a new era in the history of the Federal judiciary. He gives three basic reasons for this prophecy:

First, for the first time in 40 years, the judges sitting in the Federal courts throughout the Nation are just about evenly divided as to their preappointment political party affiliation.

Second, as a result of vacancies, impending retirements and the enactment of legislation creating 73 new Federal judges, President Kennedy will be called upon to nominate at least 125 judges during his first year in office—more judges than any other President has appointed during his entire term in office.

Third, to quote Mr. Segal again:

> The campaign of the organized bar for appointment of only the most qualified lawyers and judges to the Federal bench, without regard to political party, now has the widest public acceptance it has ever received.

I have no reason to believe that either President Kennedy or his Attorney General are insensitive to these factors. Indeed, while it is too early to draw any conclusions, both the President and the Attorney General have given repeated assurances that only the best qualified individuals will be appointed to our Federal courts. And as I have already indicated, the Attorney General received the recommendations of the bar associations gratefully and with interest.

Moreover, the President last year, while he was still serving in the Senate, wrote a very significant letter to the president of the American Bar Associ-

ation, in which he pledged his full cooperation in the efforts of the association to promote the nonpartisan appointment of judges. Senator Kennedy stated in his letter:

I would hope that the paramount consideration in the appointment of a judge would not be his political party, but his qualifications for the office.

Let me recollect also for those who have forgotten, that Attorney General Rogers likewise pledged that under the conditions that now prevail, judges would be nominated on a wholly bipartisan basis. Vice President Nixon joined in this pledge and explicitly stated in a letter to the president of the American Bar Association:

I believe it is essential that the best qualified lawyers and judges available be appointed to judicial office, and that the number of judges in Federal courts from each of the major political parties be approximately equal.

Much of the same sentiment is reflected in the Republican Party platform adopted last year which contained a plank recommended by the American Bar Association calling for Federal judges to be "appointed on the basis of highest qualifications and without limitation to a single political party."

I know from conversations I had with Attorney General Rogers last year, when I was doing my best to obtain enactment of judgeship legislation recommended by the Judicial Conference of the United States, that he and President Eisenhower—and, if he had been elected, Vice President Nixon—would have carried out this principle to the letter. I am not, therefore, suggesting to the present administration a course of action I did not fully endorse during the last administration. I have been entirely consistent throughout and I intend to continue my efforts regardless of who the nominating power may be, to prevent forevermore a return to the spoils system which prevailed under both parties in the past and which resulted in as much as 98 percent of all judges being appointed from the same political party during some administrations.

We are talking now about 125 judges, almost one-third of the total number of judges serving in the Federal courts. To pick these appointments out of a patronage grab bag would be a gross disrespect for the integrity and independence of the Federal judiciary. To suggest such a course reveals contempt for the public interest. I do not believe that our President, who came into office with the promise that he would lead the American people across new frontiers, would cooperate in any such process. To keep faith with the American people, he must firmly reject this advice, no matter how ancient its source, or powerful the pressures behind it.

No nominations have been made to date for any of the newly created judgeships. There have been cynical explanations for this delay which usually involve the word "leverage." I prefer to believe that the delay indicates the President is fully aware of the importance of the task facing him and that he intends to proceed carefully in his search for those best qualified to serve our Nation as judges. I hope that we have been of some assistance to the President in contacting our State's bar associations for suggestions and that he does not consider our conduct in any way brash or unseemly. Indeed, I would go so far as to hope that the President would invite, or at least welcome, similar efforts on the part of bar associations throughout the Nation to determine who are the most eminent members of the legal profession available for service on the bench.

There is a great reservoir of legal talent in this country. If it is tapped properly, it can add new luster and respect to our courts. Justice is the hallmark of freedom. The quality of justice is really what I have been talking about. Let no one taint this sacred concept with the nonsensical notions that filter out of smoke-filled back rooms. In this vital area we must not yield to considerations that would make political interest rather than national interest the prime test of fitness for judicial office.

Mr. President, recently a brief with regard to judicial appointments was submitted to the President of the United States by the American Bar Association through its special committee on nonpartisan selection of the Federal judiciary. This brief urges the President to follow a policy which would completely remove judicial appointments from the area of political patronage, proposes the creation of an independent commission as an agency of the President to advise with the President on appointments, stresses that nominations should rest solely in the President of the United States, and calls for recognition of a general principle that a substantial percentage of the members of any Federal court should be from the ranks of the party other than that of the President who is to make the appointment.

I have found this brief very persuasive and I hope that it will receive the attention and agreement of the President. It contains advice for the Members of Congress as well as the Chief Executive, and because of its general importance to the whole problem of judicial appointments, I ask unanimous consent that the text of the American Bar Association's brief be printed at this point in the RECORD.

There being no objection, the brief was ordered to be printed in the RECORD, as follows:

To the PRESIDENT OF THE UNITED STATES, HONORABLE JOHN F. KENNEDY:

In your letter of August 30, 1960, while you were a Member of the U.S. Senate, addressed to John D. Randall, then president of the American Bar Association, you expressed your approval of the concept of a "qualified and independent judiciary" and stated you "hope that the paramount consideration in the appointment of a judge would not be his political party, but his qualifications for the office."

The American Bar Association believes that the best qualified persons available should be appointed as Federal judges and that political affiliation should be considered only to the extent it may be necessary so to do in order to maintain a fair balance on the Federal bench between the two major political parties.

In Los Angeles on August 26, 1958, after most extended study [1] and debate,[2] the House of Delegates of the American Bar Association, its policymaking body, by an overwhelming vote set forth a statement of fundamental principles which should underlie selection to the Federal judiciary and made certain specific recommendations.

Mr. President, you have now the opportunity to set a splendid precedent for succeeding Presidents.[3] The Federal courts are now in balance for the first time in at least 100 years. A rough equality between the two great political parties should be maintained, and in the future political affiliation should be regarded as secondary and the effort should be to secure the best qualified person available irrespective of his political affiliation.

When President Franklin D. Roosevelt first assumed office there was a gross imbalance as to the Federal courts—for approximately 72 percent of the then sitting Federal judges were Republicans as of the dates of their appointments.[4] Yet you may not know that President Eisenhower when he assumed office on January 20, 1953,[5] faced an even greater imbalance than did President Franklin D. Roosevelt.[6]

It is true that the great majority of our Federal judges have been persons of high integrity, diligently seeking to administer justice fairly and impartially. Such is the genius of our country that men and women do rise above themselves when placed in positions of power and responsibility.

Nevertheless when political affiliation is an important factor in the appointments to the Federal judiciary, State judges, because of their withdrawal from political activities during their judicial tenure, with rare exceptions are not considered for Federal judicial appointments.

---

[1] Since August 1957, when the resolution was first introduced.

[2] See Journal, American Bar Association, November 1958, pp. 1109–1112.

[3] When Cleveland became President in 1884 the Federal judiciary was better than 95 percent Republican. Not a single Democrat had been named to the Supreme Court since 1861. The percentages of partisan appointments by each President beginning with Cleveland to November 4, 1955, are as follows: Cleveland, 97.3 percent Democratic; Harrison (when he took office more than a majority of the Federal bench was Republican), 87.9 percent Republican; McKinley, 95.7 percent Republican; Theodore Roosevelt, 95.8 percent Republican; Taft (when he took office the Federal bench was already predominantly Republican), 82.2 percent Republican; Wilson, 98.7 percent Democratic; Harding (when he took office the Federal bench was approximately equally divided between the parties), 97.7 percent Republican; Coolidge, 94.1 percent Republican; Hoover (when he took office the Federal bench was already predominantly Republican), 85.7 percent Republican; F. D. Roosevelt (during his term the Federal bench was for the first time predominantly Democratic), 97 percent Democratic; Truman (when he took office the Federal bench was still more predominantly Democratic), 92.2 percent Democratic. Reports of American Bar Association, 1956, vol. 81, p. 439; see also "Political Influences in the Selection of Federal Judges," Judge Evan A. Evans, C.C.A. (now deceased), Wisconsin Law Review, 1948; and "The Federal Judges as Political Patronage," Chief Judge J. Earl Major, C.C.A. (now deceased), Chicago Bar Record, October 1956, vol. 38, No. 1, pp. 7 et seq.

[4] 172 Republicans; 57 Democrats; for a percentage of 72 percent. The CONGRESSIONAL RECORD, vol. 96, pt. 1, p. 626.

[5] 80 percent.

[6] Reports of the American Bar Association, 1956, vol. 81, at p. 438.

Moreover in any period there will be a substantial number of our States in which highly qualified persons are precluded from consideration for appointment to the Federal judiciary because of the accident that during their particular fruitful years their own party may have been out of power in the presidency.

More serious, however, is the threat to the foundation upon which our Federal courts must rest. As was said by the Federal Judiciary Committee of the American Bar Association in its report of February 1956:

"In this critical period when the attention of the public is focused on the judiciary perhaps more keenly than ever before, it is important that our people do not come to believe judicial decisions are partisan pronouncements or pronouncements by partisan judges.

"We know that when the American lawyer becomes a judge he can and almost invariably does throw off all partisan ties and prejudices. But the lay public does not understand this unique trait of the lawyer.

"This committee and its predecessors, therefore, have deplored the selection of Federal judges on a partisan basis, not only almost entirely from the political party then in power but often from those who had been most active on behalf of that party. We fear the loss of the great public confidence our courts must always have."

From your own experience we know the danger it would be to our security if those who are to lead us in the Armed Forces, in the major capitals of the world and at the conference tables, had been first chosen for partisan or patronage considerations rather than on merit alone and from the best qualified for the position. Almost as dangerous would be a selection practice that tended to cause the American people to believe that a partisan or patronage consideration, rather than merit, was the controlling factor.

We are not unmindful, Mr. President, of your earnest desire to select the best persons available for appointment to the Federal judiciary, and we are appreciative of the fine cooperation you and the office of the Attorney General intend to give to the American Bar Association's Committee on the Federal Judiciary, and to avail yourself of its services. Yet the selection of judges of our Federal courts, guardians of our people's lives, liberty and property (certainly internally and in time of peace), has been for many years under a system which does not necessarily result in the selection from the best qualified for the position irrespective of party affiliation and activity.

We recognize that Senators of the same political party as the President exert heavy pressure for the appointment of persons to the Federal judiciary who are affiliated with their political party, all too often on a patronage level and rendering it difficult for the President to select the best person available for judicial appointment notwithstanding his sincere desire so to do.

We believe that the time is most propitious for you to adopt a plan for judicial selection that will assure appointments to the Federal judiciary only of those best qualified, on merit and irrespective of party affiliation.

In the words of the resolution of the American Bar Association:

"The nominations of all persons to serve as members of the Federal judiciary should rest solely in the President of the United States; and the U.S. Senators in a spirit of unselfish public service should restrict themselves to their constitutional duty of conducting thorough investigations, and expressing their considered judgment on the qualifications of the nominees."

The great constitutional principle and the inherent dangers involved were pictured by Hamilton in The Federalists when he said.[7]

"A third objection to the Senate as a court of impeachments, is drawn from the agency they are to have in the appointments to office. It is imagined that they would be too indulgent judges of the conduct of men, in whose official creation they had participated.

"It will be the office of the President to nominate, and with the advice and consent of the Senate to appoint. There will of course be no exertion of choice on the part of the Senate. They may defeat one choice of the executive, and oblige him to make another; but they cannot themselves choose—they can only ratify or reject the choice he may have made. They might even entertain a preference to some other person, at the very moment they were assenting to the one proposed; because there might be no positive ground of opposition to him; and they could not be sure, if they withheld their assent, that the subsequent nomination would fall upon their own favorite, or upon any other person in their estimation more meritorious than the one rejected. Thus it could hardly happen, that the majority of the Senate would feel any other complacency toward the object of an appointment, than such as the appearances of merit might inspire, and proofs of the want of it destroyed."

Mr. President, it is next our duty to call to your attention that portion of the resolution of the American Bar Association of August 26, 1958,[8] urging that: "Suggestions for nominations should originate in an independent commission established as an agency of the President, to advise with the President on appointments, and to receive from outside sources and from all segments of the organized bar, suggestions of names of persons deemed highly qualified for appointment as judges in their respective jurisdictions."

When this resolution had been first introduced, such a highly respected publication as the Journal of the American Judicature Society editorially stated: [9]

"A resolution calling for the creation of an independent commission to aid the President in screening candidates for Federal judgeships and take the selection of Federal judges out of the area of political patronage was presented to the Assembly of the American Bar Association last month and by it referred to the association's Committees on Federal Judiciary and on Judicial Selection, Tenure, and Compensation. We cherish the hope that something good may come of that, but of course it will take time."

After its adoption the Journal of the American Judicature Society had this to say: [10]

"Since 1937 the American Bar Association has been on record in favor of a nonpartisan State judiciary selected by executive appointment with the assistance of an independent nominating commission. In this resolution the association for the first time takes formal cognizance of the like need in the Federal judiciary and commits itself to a continuing effort to procure it.

"Predicting widespread support for this action of the American Bar Association, the Washington Post and Times Herald observe that 'perhaps the best safeguard is a vigilant bar and public sounding frequent demands for judicial-minded men of the law instead of political office seekers on the bench.'"

Such a commission chosen by the President and to serve during his pleasure would be constituted of persons of the highest personal integrity, character, and objectivity; and capable of judging the qualifications of persons for a judicial appointment. This should assure that political considerations would not predominate in their recommendations with respect to persons to be considered for judicial office. It is not contemplated by one committee that the commission would be a statutory one.

The only function and responsibility of the commission would be to screen and obtain suggestions from any source and advise the President of its recommendations.

The sole criterion for the guidance of the commission would be for judges to be chosen on a non-political basis, solely on merit and "be as far removed as possible from the vicissitudes, contentions, hostilities, and prejudices of party politics," [11] and be only those who possess the highest qualifications. We do not intend to imply that persons who have engaged in political activities or have held political office should be precluded from appointments to judicial positions, but political affiliations should be a secondary consideration, and high qualifications for judicial service should be the test. It is submitted that such a commission so constituted and so instructed, could not help but afford a President invaluable assistance in the performance of his constitutional duty in the selection of judges.

It is also believed that a commission functioning in the manner above stated, would be able, whenever a vacancy occurred or a new judgeship was to be created, to act promptly in obtaining information as to the most qualified persons to be considered for appointment and to screen the qualifications of those suggested to it from any sources—reporting its findings to the President.

More and more the Federal courts have come to concern all of our citizens and to affect the lives, liberties, and properties of countless millions aside from the actual litigants. It is not enough that the judges be completely impartial and nonpartisan—they must be so believed and accepted by the lawyers of America, the litigants, and the American people. The entire selection process, therefore, must be such as to insulate the Federal judges against even a suspicion that they are not or cannot be, impartial or nonpartisan. Even as Caesar's wife, they must be above suspicion.

It is contemplated that the President will have the assistance of the Department of Justice in investigating the qualifications and fitness of persons under consideration for judicial appointment and reporting to the President its findings and its recommendations with respect thereto.

It is also recognized, of course, that the functions of the commission will be advisory and the final selection of persons to be nominated for judicial office, is and should be, the constitutional responsibility and prerogative of the President.

To conclude and summarize, Mr. President, on behalf of the American Bar Association, we respectfully urge that you lend your own tremendous prestige, great reservoir of confidence and personal affection and unbounded energy to establishing a precedent that: "Judicial appointments should be completely removed from the area of political patronage and made only from those lawyers and judges, irrespective of party affiliation and political consideration, who possess the highest qualifications.

"Suggestions for nomination should originate in an independent commission established as an agency of the President, to advise with the President on appointments, and to receive from outside sources and from all segments of the organized bar, suggestions of names of persons deemed highly

---

[7] The Federalist, No. 66.

[8] See footnote 2.

[9] Journal, American Judicature Society, August 1957, vol. 41, No. 2, at p. 37.

[10] Journal, American Judicature Society, October 1958, vol. 42, No. 3, at p. 91.

[11] American Bar Association resolution, footnote 5.

qualified for appointment as judges in their respective jurisdictions.

"The 'nominations' of all persons to serve as members of the Federal judiciary should rest solely in the President of the United States; and the U.S. Senators in a spirit of unselfish public service should restrict themselves to their constitutional duty of conducting thorough investigations, and expressing their considered judgment, on the qualifications of the nominees.

"To avoid any suggestion of partisanship and to make the courts truly nonpartisan or bipartisan, it is desirable that there should be some recognition of a general principle that a substantial percentage of the members of any Federal court should be from the ranks of a party other than that of the President who is to make the appointment."

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. JAVITS. First, I believe my colleague from New York has rendered the country a real service in the analysis which he has made.

Second, when we undertook to poll the bar associations of our State, we did so in utmost good conscience, in terms of our being both lawyers and Senators representing our State and the Nation. I am proud of what we did. I fully support my colleague in standing by the action. I join with him in a sense of gratification that what we did was considered a service by the Attorney General. I cannot see how it can be considered brash or unseemly for Senators who are required to confirm appointments to busy themselves with trying to find the best qualified men, especially when the President has invited such action.

Furthermore, a considerable amount of cynicism was involved in not expanding the number of Federal judges for a very long time, notwithstanding the best efforts of my colleague and myself, he in the other body and in the Senate, and I here, together with many other Senators. So I do not believe those who are parties to that operation have any right to talk about cynicism, or anything being done that is unseemly.

Finally, my colleague has pointed out the core of this entire proposal. One-third of the number of judges of the United States will be newly appointed. The very weight of that number of appointments completely outweighs any party or other considerations which might normally enter the mind of the new President.

The President has an enormous responsibility. I think it is our duty to contribute to enabling him to carry it with the greatest credit to the country, in every way we can.

I again express my appreciation to my colleague from New York for his knowledge of this subject and for his research into it, and for presenting the matter as forcibly as he has. It will be an honor for me to continue as his brother in arms until the job is done properly for the American people.

Mr. KEATING. I am grateful to my distinguished colleague from New York for the very fine remarks he has made and for his stalwart position in support of what both of us feel is right and just. I stress again that I know he shares my hope and my expectation that the President of the United States will welcome this material in the same way that the Attorney General has greeted it. We have no reason for believing that the President will do anything other than endeavor to select outstanding men for Federal judgeships.

VISIT TO THE SENATE BY MEMBERS OF THE PARLIAMENT OF FINLAND

Mr. HUMPHREY. Mr. President, we are privileged today to have in the Senate Chamber a delegation of 10 from the Parliament of Finland. The delegation has been at luncheon with members of the Committee on Foreign Relations and other Senators. We have had a very delightful gathering, and have had an opportunity to become acquainted with these fine men, who represent the great and courageous country of Finland.

The people of the United States hold the people of Finland in the highest esteem and respect. Finland has demonstrated her passion for freedom and independence. She has exhibited the qualities of leadership and understanding that have marked her as a great nation.

The people of Finland, in peace and in war, have been steadfast to the purposes of freedom and democratic government.

We are highly honored to have the representatives of the Finnish Parliament with us. The parliamentary group represents the Social Democratic Party, the Swedish Party, the Agrarian Party—which is now the Government party, the Liberal Party, and the Conservative Party.

The spokesman for the Finnish parliamentary group was the Honorable Toivo Antero Wiherheimo. He was the parliamentary spokesman at our luncheon.

The other members of the delegation are as follows:

Hon. Kalervo Feliks Haapasalo, Member of the Finnish Parliament (Social Democratic Party); editor in chief, Vapaus, Mikkelo.

Hon. Sven Axel Hogstrom, Member of the Finnish Parliament (Swedish Party); judge, Raseborg judicial district.

Hon. Nestori Johannes Kaasalainen, Member of the Finnish Parliament (Agrarian Party); farmer.

Hon. Esa Heikki Kaitila, Member of the Finnish Parliament (Liberal Party); assistant professor of economics, University of Helsinki.

Hon. Niilo Vilho Kosola, Member of the Finnish Parliament (Conservative Party); farmer.

Hon. Lars Sebastian Lindeman, Member of the Finnish Parliament (Social Democratic Party); secretary, Finnish-Swedish Trade Union; agricultural editor, Arbetarbladet.

Hon. Atte Mikael Johannes Pakkanen, Member of the Finnish Parliament (Agrarian Party); director, Finnish Association of Savings Banks); agronomist.

Hon. Jussi Jaakko Saukkonen, Member of the Finnish Parliament (Conservative Party); headmaster, secondary school, Helsinki.

Hon. Arvo Tuominen, Member of the Finnish Parliament (Social Democratic Party); editor in chief, Kansan Lehti, Tampere.

I ask my colleagues in the Senate to join me in a hearty, enthusiastic, and cordial welcome to this distinguished group of parliamentarians. [Applause, Senators rising.]

VISIT TO THE SENATE BY SENATOR HENRIK VOS, THE NETHERLANDS; AND HON. GUNNAR HECKSCHER, MEMBER OF THE SWEDISH RIKSDAG

Mr. JAVITS. Mr. President, I, too, have escorted two parliamentarians into the Chamber, who are guests, the Honorable Gunnar Heckscher, member of the Riksdag of Sweden; and the Honorable Henrik Vos, a senator from the Netherlands. They are here in the United States in connection with the parliamentary activities of the organization for Economic Cooperation and Development. They are seated behind us in the Chamber. [Applause, Senators rising.]

IMPORTATION OF CUBAN MOLASSES

Mr. ELLENDER. Mr. President, I call to the attention of the Senate two telegrams that have been sent to the President today in regard to a shipment of molasses from Cuba which is being unloaded in New Orleans today. Some months ago, the Publicker Industries, of Philadelphia, requested our Department of Agriculture to sell them surplus corn at greatly reduced prices in order to convert it into alcohol. The implied threat was made by Publicker Industries that, unless negotiations were successful in getting the Department to sell them this surplus corn at reduced prices, they would make every effort to obtain the necessary molasses from Cuba.

For the last 4 or 5 months now I have been advocating a complete embargo on all trade between our country and Cuba. Here we are confronted with a situation today that to me is intolerable. Today, there is being unloaded in the city of New Orleans a tanker-load of molasses from Cuba, notwithstanding the fact that negotiations are being carried on by Publicker Industries with the Department of Agriculture for this surplus grain. The Department had entered into these negotiations in good faith, but apparently, Publicker Industries wanted more.

I wish to read into the RECORD two telegrams sent to the President as well as to Mr. Dean Rusk, the Secretary of State, and Mr. Luther Hodges, Secretary of Commerce:

The telegram is dated today, and it reads:

We wish to protest in strongest possible manner recent action by Publicker Industries in importing into New Orleans tanker-load of Cuban molasses which we understand is being unloaded today. It is our understanding that the Department of Agriculture was negotiating with Publicker in good faith to arrive at terms to provide them with surplus grain for conversion into alcohol; yet, at the same time this company in defiance of President's request is importing black strap molasses from Cuba at a price substantially lower than other importers have paid.

Your prompt action to halt this shipment would be appreciated.

The telegram is signed by me, by my colleague from Louisiana [Mr. LONG], as well as by HALE BOGGS and E. E. WILLIS, Members of Congress.

A few minutes thereafter I had a telegram dispatched to the President, with copies going to the Secretary of State, Dean Rusk, and the Secretary of Commerce, Luther Hodges, as follows:

Hon. JOHN F. KENNEDY,
The President,
The White House,
Washington, D.C.

With reference to our earlier telegram concerning shipment of Cuban molasses into New Orleans by Publicker Industries, it is now our understanding that the shipment currently being unloaded is only one of a number planned by Publicker. Since there is no other alternative, we respectfully request at this time that you invoke the Trading With the Enemy Act to halt this and future shipments of black strap molasses from Cuba.

This telegram is signed by me, by my colleague from Louisiana [Mr. LONG], and by HALE BOGGS and E. E. WILLIS, Members of Congress.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. KEATING. Mr. President, I have the floor. I am happy to yield to my other colleague from Louisiana, with the same understanding.

Mr. ELLENDER. I thank the Senator for permitting me to engage in this colloquy. I have a meeting of the Appropriations Committee to attend, and he was most kind to allow me the opportunity to speak at this time.

Mr. KEATING. I am happy to yield to the Senator.

Mr. LONG of Louisiana. Mr. President, I ask my friend if he does not find himself confused to find Castro firmly back in the saddle again? Some of us though that this administration had found Castro to be unfriendly. Apparently, whether the tractors-for-prisoners deal goes through or not, Castro is now in charge and now has the American market available to him, for whatever he wishes to send to America, with the full backing of American industry.

From time to time, this Nation should act with some degree of unanimity. We should not make way for people who have current demands for some selfish advantage in dealing with the Cuban Government.

Perhaps the administration will be able to stand up to Castro for a change, and tell him that market is no longer his. Certainly in the absence of Castro making a deal on tractors that should be done, since he is holding it up at this time.

Where has this procedure been authorized. Who gave authority for the deal?

Mr. ELLENDER. As I stated a moment ago, in order to preclude the Publicker Industries from going to Cuba for the molasses, an effort was made to sell them surplus grain. The company took the position that if we were able to let them have the surplus grain at reduced rates, they would not purchase the molasses from Cuba. But notwithstanding the fact that efforts are now being made to meet the demands of Publicker Industries, and that negotiations are underway between their representatives and those of the Department of Agriculture, they have maneuvered to such an extent that they have obtained this molasses from Cuba. It strikes me that the President should make every effort and should use all the power at his command to prevent this. As I said, the longer we feed that scoundrel from Cuba, the stronger he will get and the more trouble we will have with him.

It is my hope that the President will take action now—not tomorrow, but now, because the molasses is being unloaded now, and there is more to come. The more trade we have with Castro the stronger he will get. I simply cannot understand it. I am puzzled.

We sent these telegrams to the President in the hope that he will act immediately.

Mr. LONG of Louisiana. Would the Senator not agree that this is a great victory for Castro? This Government is so big and unwieldy that Castro can continue to raid the American market notwithstanding the fact that he is no longer acceptable to some quarters?

Mr. ELLENDER. I cannot understand why that action is taken. The Publicker Industries must have some great amount of influence, to be able to buy this product from Castro notwithstanding the fact that they are still negotiating to buy this surplus grain. I cannot understand it. It is a puzzling situation.

Mr. KEATING. Mr. President, before yielding to my colleague from Delaware [Mr. WILLIAMS] I wish to say to the Senators from Louisiana that I agree with them thoroughly. Long before this we should have ended all trade with Castro's Communist government. The sooner we come to a realization that this step must be taken, the better it will be for all concerned.

I am very happy that the two Senators from Louisiana and their House colleagues have joined in sending a forceful telegram on the subject to the President. I hope it will get the desired results.

Mr. President, I now yield, with the same understanding, to my good friend from Delaware [Mr. WILLIAMS].

Mr. WILLIAMS of Delaware. Mr. President, I wish to join the Senators from Louisiana and the Senator from New York in protesting any trade with Castro. It is indefensible that we in the United States should be buying molasses or anything else from Castro, particularly since many officials in high places in the Government are criticizing our neighbors to the north for carrying on trade with this same Cuban regime.

I have no brief whatever for the Publicker Industries' point of view that if they cannot get cheap corn or subsidized corn from the Government in order to manufacture their products they shall insist upon the right to trade with Cuba. So far as I am concerned, we should stop all trade with Cuba, and at the same time we should let Publicker Industries pay the regular price for corn in the United States. Certainly we should not be held up by blackmail in our own country with the position that we have to subsidize the alcohol industry in this country in order to keep it from trading with Cuba. The time has come when the President and the administration should stop the Cuban trade—period—and let Publicker and other companies buy American products and pay American prices.

Mr. KEATING. Mr. President, before resuming my remarks I wish to say it is my understanding that all the colloquy on unrelated subjects will be printed in the RECORD following my remarks.

FORMER VICE PRESIDENT NIXON'S ARTICLE ON THE MAJOR PROBLEMS FACING THE NATION AND THE FREE WORLD

Mr. MILLER. Mr. President, in this morning's edition of the Washington Post appears the first in a series of 10 articles to be published in the coming year by Richard M. Nixon, former Vice President of the United States. This first article is of particular timeliness and importance, because it places the finger squarely on the major problem facing this Nation and the free world today. That problem is one of firmness of our national will to resist the aggression of the Communist world—a willingness to fight, if necessary, to maintain our freedom.

Mr. Nixon well points out the long-recognized principle that when dealing with Communists action and not words is what counts. We learned at the cost of thousands of casualties in the Korean war that the slightest indication on our part that we are unwilling to fight will be interpreted by the Soviets as a green light to more aggression. Such a miscalculation results in war.

I must say that I am deeply disturbed over the negative results of the recent summit meeting, so-called, in Vienna. If the purpose of this meeting, as far as the administration is concerned, was to convince Premier Khrushchev that we mean business when we say that we will not permit Communist aggression, direct or indirect, as far as Berlin and other sensitive areas of the world are concerned, then this purpose has failed miserably—so miserably that it might well be that we would be better off had the Vienna meeting not taken place at all—at least at this time. The principal result of this meeting appears to be that Premier Khrushchev became convinced that we would back down on Berlin, and so he gave the President his timetable which is to have the Berlin problem settled—in the Soviet way—by the end of this year.

If the purpose of this meeting, as far as the administration is concerned, was to obtain cooperation from Premier Khrushchev in working out an agreement for inspection and control in nuclear test ban talks, then this purpose has failed miserably—for the Soviets have called off further talks in this area.

If the purpose of this meeting, as far as the administration is concerned, was to further the cause of peaceful coexistence with the Communists, then this purpose was doomed to failure from the beginning—because there can be no such thing as peaceful coexistence, as we define those words, with an aggressive philosophy dedicated to world domination, with the United States as its number one target.

This is no time for so-called authoritative sources in the administration to suggest that the admission of Red China to the United Nations is inevitable. This is no time for responsible leaders in the administration to suggest a solution to the Berlin problem which, as Mr. Nixon says, has its origins in the war councils of the Soviet Union. This is no time for the President to say "Our greatest adversary is not the Russians. It is our own unwillingness to do what must be done," when the American people are, as Mr. Nixon assures us, far ahead of the administration in their willingness and determination to do what is necessary to defend our freedom against aggression.

This, Mr. President, is the time for leadership which matches eloquence in words with decisiveness in deeds. I ask unanimous consent that the article by Mr. Nixon be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONVINCE KHRUSHCHEV WE WOULD FIGHT FOR FREEDOM, NIXON SAYS

(By Richard M. Nixon)

It was all but inevitable that Premier Khrushchev would follow up the summit conference by precipitating a new Berlin crisis.

Things have been going too well for the Soviet dictator, in space, in Laos, and even in our own hemisphere, for him to pass the opportunity to return to what he considers to be his No. 1 target of this stage of the cold war—the West German Republic.

No matter how you rationalize it, this is what Khrushchev is after in Berlin—and what he may get, if we falter. A victory in Berlin, no matter how limited, would give Khrushchev the leverage he wants on the mind and spirit of the West Germans. Men will not long oppose the reality of historical inevitability, and Khrushchev well knows this fundamental human truth. If he can shake the faith of the West Germans in the ultimate victory of the free system, he will have opened a major break in the ramparts of the West.

This, then, is the central core of his overall cold-war strategy. It is the explanation of why he returns again and again to the outflanked city of Berlin.

The "bone in the throat," as he calls it, is actually the morsel he would bite off in order to chew at the vitals of the West.

President Kennedy has expressed a great concern that Khrushchev might make a major miscalculation about the will of the West to preserve this exposed outpost of freedom. That essentially is why he sought out the summit conference. He believed that a face-to-face confrontation would set Mr. Khrushchev straight about the will of the West, as it was to be measured in the person of the new President of the United States.

The confrontation has apparently not had the desired effect on Khrushchev. For in his first major utterance since Vienna he has delivered a new ultimatum to the West to be gone from Berlin by the new year. If we do not do so, he threatens to encourage his East German puppet to close the access routes to the city from West Germany by force of Soviet arms.

It is clear that President Kennedy must at the earliest possible time take further measures to convince Khrushchev of what he apparently failed to convince him at the summit—that the United States means what it says about the defense of freedom.

SEES NATION BACKING HIM

I am confident he will have the overwhelming support of the Nation for such measures, if he will but put the facts squarely to the people.

Unfortunately the postsummit stance in Washington has lacked the simplicity and clarity of Khrushchev's arrogant ultimatum. The administration's top leaders in the Senate even have seen fit to suggest weakness rather than strength of will about Berlin by recasting one of Khrushchev's own proposals for making Berlin a free city. To be sure, the revised proposal would make all Berlin, not just West Berlin, a free city.

This means in effect an undefended city, surrounded entirely by major Soviet and Soviet puppet forces, and abandoned by its present Western defenders.

But even if the arrangement were to include East Berlin, which seems highly impractical in Khrushchev's present state of self-assurance, it is quite evident that without the presence of Western troops it would be only a matter of time until the free city of Berlin would fall prey to the Communist action squads.

How could a few hundred thousand Berliners, indomitable as they have been until now, long resist what whole nations like Czechoslovakia could not?

JOB FOR THE PRESIDENT

If this proposal was intended as a trial balloon for administration policy experimentation, as has been reported by Washington correspondents, it should be shot down by the President himself.

If it is intended as a piece of bait to tempt Khrushchev into demanding a new conference on Berlin, it is equally dangerous. We have already discovered that Khrushchev is not impressed by mere reiteration of our determination. He is much too tough and ruthless to mistake verbiage for the real thing.

The sad truth is that there is no pat solution for the Berlin situation any more than there is for any other of the tough situations that confront us around the world today and will continue to confront us as long as the Communists remain what they are, aggressors, zealots, intent on domination of the entire world.

Yet there is a way of dealing with the kind of aggression which communism presents. This is not communism's first attempt to grab Berlin. Most of us living today still remember the airlift victory over Stalin's blockade of the city.

Nor is this Khrushchev's first ultimatum that the West quit Berlin. As long ago as November 1958, Khrushchev made an identical demand.

THREAT FIRMLY REJECTED

Then Secretary of State John Foster Dulles rejected the threat firmly. His critics began speaking of brinkmanship and the peril of war and the substitution of so-called flexibility for strength of will and conscience. The parade of Soviet pressures marched on just as today.

Finally, on the 27th of November 1958, came Khrushchev's proposal to make West Berlin a free city. Today let us not forget that this free city idea had its origins not in the Senate of the United States, but in the war councils of the Soviet Union.

It was on the same day and in the same pronouncement that Khrushchev delivered his first ultimatum on Berlin. Then, as now, he gave the West 6 months to pick up and get out on his terms.

What happened? The West held firm. The Soviets backed down. The political realists of the Soviet must evaluate the cost of war and the timing of war just as coldly as we must. And the cold facts are that we are in Berlin. It requires no aggressive action to stay in Berlin. It is upon the heads of the Soviet leaders that a decision to use force to change the situation must always rest.

Failure in Berlin would be a failure of nerve in a war of nerves. We have won battle after battle in that war in West Berlin. The alternatives remain the same. The option is ours. Stand firm or get out. Soviet threats to push us out carry no more weight today than they did in the past. It is our will that is being tested, not theirs.

This ill-timed free-city proposal is the latest of a series of events that have weakened America's position of world leadership since this administration came into office. Grave doubts may have been raised in Khrushchev's mind as to America's will and determination to resist his aggressive actions.

In Laos, we talked big and backed down when the chips were down. As a result, the whole American position in Southeast Asia has been jeopardized. And, unless, we soon find a time and a place to back up our words with action, the other nations in that vitally important area will be gobbled up by the Communists one by one.

In Cuba, we committed our prestige and failed at the critical moment to commit our power. As a result, we witness the sorry spectacle of American citizens asking for the privilege of paying blackmail to the pipsqueak dictator who not only holds 1,200 freedom fighters in prison, but who is wiping out the last vestiges of freedom for the 5 million people of Cuba.

In the atomic-test talks, we made additional concessions in the hope of getting an agreement. The Communist negotiators, as we should have expected, merely accepted our concessions and made their own previously unacceptable proposals even more unacceptable.

America has never known a time in its history when we have spoken more bravely and eloquently and acted with more indecision and timidity.

It has been suggested that we could not back up our words with action because we lacked the military power to do so. This is nonsense. Our defeats in Laos and in Cuba were not due to a lack of American power but to a lack of American will.

President Kennedy has asked for more money for defense. I believe the Congress should appropriate whatever funds are necessary to maintain our military strength at adequate levels. But our greatest need today if we are to turn back the Communist offensive against freedom is not more missiles, more guns, and more planes, but more will to use our power where necessary in the cause of freedom.

Nor can the American people be blamed for these failures. President Kennedy could not have been more mistaken when he said recently in Chicago: "Our greatest adversary is not the Russians. It is our own unwillingness to do what must be done." The American people are far ahead of the administration in their willingness and determination to do what is necessary to defend our freedom against aggression.

Nor can inaction be excused on the ground that a course of firmness would lead to war. We have learned from history that in dealing with a dictator the greatest danger of war arises when he is willing to risk war to gain his objective and he becomes convinced that his opponents are not willing to take the risk in order to defend the areas of freedom from his aggression.

Every time an aggressor bluffs and the defenders back down, he is encouraged to become more aggressive still. Eventually he pushes too far—and war inevitably results.

Mr. Khrushchev knows the destructive power of modern weapons just as well as we do. He fears the consequences of war as much as we do. But the only way to avoid war in dealing with him or any other aggressive dictator is to make it clear at all times that while we are always willing to negotiate our differences we will do so from strength and not weakness and that we are just as determined to fight for freedom as he appears to be determined to fight against it.

REQUEST FOR AUTHORIZATION FOR SUBCOMMITTEE TO MEET DURING SESSIONS OF THE SENATE ON WEDNESDAY AND THURSDAY

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Subcommitteee on Reorganization and International Organization of the Committee on Government Operations be permitted to sit during the sessions of the Senate on Wednesday and Thursday of this week, to conduct hearings on bills to establish a Department of Urban Affairs.

Mr. KUCHEL. Mr. President, reserving the right to object, may I inquire of my able friend from Minnesota whether this matter has been cleared with the minority?

Mr. HUMPHREY. I do not believe it has. It is normal procedure. I do not know whether the Senate will be in session on Wednesday and Thursday. However, I will wait until we check with the minority.

SECRETARY UDALL SPELLS OUT NEED OF YOUTH CONSERVATION CORPS

Mr. HUMPHREY. Mr. President, this morning Secretary of the Interior Stewart L. Udall testified before the Senate Subcommittee on Employment and Manpower in support of establishment of a Youth Conservation Corps, such as I have proposed in my bill, S. 404.

I take this opportunity to commend Secretary Udall for this excellent statement spelling out the benefits which our country will derive from such a corps. If anyone has any doubts as to whether a YCC would be doing useful work, I urge him to read Secretary Udall's testimony and the estimates made by the Department of the Interior of the number of young men that could be put to work on various projects just within the Department of the Interior itself. The estimate would indicate that my bill, S. 404, which provides for a YCC of 50,000 young men in the first year, and a top of 150,000 after 3 years, is, if anything, far too little to do the job that has to be done.

I ask unanimous consent, Mr. President, that Secretary Udall's statement and estimate of the number of corpsmen that could be used by the Department be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SECRETARY OF THE INTERIOR STEWART L. UDALL ON S. 404 AND S. 2036 BEFORE THE SENATE SUBCOMMITTEE ON EMPLOYMENT AND MANPOWER OF THE COMMITTEE ON LABOR AND WELFARE, JUNE 20, 1961

I am quite certain you all know how I feel about the establishment of a Youth Conservation Corps. But to make the record clear, let me state my position without qualification.

I favor the establishment of a Youth Conservation Corps.

A Youth Conservation Corps would conserve and develop the capacities of our two most precious national assets—our youth and our natural resources. From a modest beginning, carefully shaping the developing program to today's needs, I believe the Department of the Interior alone can provide useful work experience and training for a corps of thousands of young men.

For youth, a soundly operating Youth Conservation Corps will provide employment on useful work that gives dignity to those performing it.

It will develop constructive work habits.

It will provide, informally, on-the-job training in use of a variety of tools and simple machines.

It will offer an opportunity for additional classrooms and other training and education outside of work hours.

It will provide a living experience of established merit in helping young men get along with others and with themselves.

It will instill an appreciation of the natural world and an understanding of the land and our dependence upon it.

It will build strong bodies.

For the Nation, a soundly operating Youth Conservation Corps will yield a high percentage of young men better equipped to earn and maintain a useful place in society.

It will spread public understanding of our natural resources and conservation.

It will ease the explosive combination of young men concentrated in urban areas with nothing constructive to do.

Finally—and this is the value that elevates the corps to high levels of usefulness—a sound Youth Conservation Corps under the supervision of experienced Federal and State conservation agencies can provide the American people with more enjoyable park and recreation lands, more productive forests, more fish and game, cleaner streams, better protected watersheds.

In short, a corps can help provide over years, even decades, a more abundant and more enjoyable life for us and for generations to come through the conservation of natural resources.

These twin benefits—to youth and to the public—must both be considered in evaluating the corps program.

S. 404, Senator HUMPHREY's fine bill, is exclusively a Youth Conservation Corps measure.

The administration bill, S. 2036, includes a Youth Conservation Corps, and also provides for programs of on-the-job training and local public service training and employment. I am not an expert in these fields, but—before going on to document our case for a corps—I would like to say that it makes good sense to me to use more than one approach to the problems of our unemployed young people. Secretary Goldberg made a strong case for the administration's three-part program when he appeared before you last week, and I hope you were persuaded of the program's basic soundness.

But it is the Youth Conservation Corps that is of most interest to me, both as Secretary of the Department that carries the major Federal responsibility for conserving and managing our resources, and as an individual who believes that there is nothing healthier for the minds and bodies of young men than hard work outdoors.

This personal conviction has been strengthened by the testimony of many who saw and were inspired by the results of the old Civilian Conservation Corps, especially Conrad L. Wirth, now Director of the National Park Service and one of the Nation's great conservation figures. As many of you know, Connie was a key figure in Interior's work in the CCC. He was in the program from beginning to end.

I want to emphasize to you that Connie is of the firm opinion still—after nearly two decades—that the CCC was a sound and productive program for young men and for natural resources.

At the end of the CCC program, Connie made a final report to Secretary Ickes in which he documented the far-reaching conservation accomplishments of CCC on Interior lands. As Connie noted, "Perhaps one of the greatest accomplishments of the Civilian Conservation Corps was that it brought to the minds of the people of this country the need and value of a sound active conservation program."

It is my strong belief that this same understanding is even more important today, and our very survival in the long run may well depend on our willingness and ability to conserve and use wisely our national resources. There is one other passage in Connie's report I would like to quote to you on the relationship of the work to those performing it:

"The work necessary to conserve and protect these natural resources can generally be performed best by the establishment of camps. In the case of the CCC, the camps brought together groups of boys who were taught to work, live, and play, with common interests and community respect.

"Working in the open, with nature, brings optimum beneficial results to an individual which are almost impossible to obtain otherwise. It builds the body and the mind; it teaches the basic principles of existence; and it creates an understanding of what must be done to protect and properly use natural resources."

There is impressive evidence all around us—in maturing trees, in trails and bridges, protected hillsides, popular campgrounds—of the lasting public benefits of the CCC.

Unhappily, there is equally impressive evidence of the tremendous backlog of conservation work that has piled up over the years since the abandonment of the Civilian Conservation Corps. We are continuing to fall behind, at an alarming rate, in reforestation, reseeding of our rangelands, improvement and protection of our watersheds, and other soil and moisture conservation measures essential to the protection and sound development of our natural resources. The present need is intensified by the fact that time has had its way with many conservation improvements and recreation facilities constructed by the CCC, and rebuilding is necessary.

While our performance has lagged, the pressures on our resources have mounted. Increased population, higher living standards and foreign commitments are placing unprecedented demands on our basic natural resources. People with more leisure time, more money to spend and increased mobility are crowding open spaces which in turn are being preempted for industry, housing, highway and other purposes. We must, therefore, move without delay to act as responsible stewards of these resources through wise and vigorous conservation programs. Let me say flatly that young men in camp operations could be invaluable help in this job. A Youth Conservation Corps would not replace any adult workers in regular programs. The type of work contemplated for

a corps is either not being done, or being done inadequately today, and I might note that it is frequently impossible to hire regular workers for the work.

These are the broad generalizations which I feel justify the establishment of a Youth Conservation Corps as proposed in the legislation. But our needs in the Department of the Interior are specific. There are five bureaus—the National Park Service, the Bureau of Land Management, the Bureau of Reclamation, the Bureau of Sport Fisheries and Wildlife, and the Bureau of Indian Affairs—with extensive lands and facilities in serious need of work suited to the talents and limitations of a Youth Conservation Corps. Estimates compiled by these bureaus reveal the need for camp operations in almost all States of the Union.

The Department has prepared, at the request of the chairman, a summary of the kinds and amounts of work that can be done by enrollees in a Youth Conservation Corps. This information is attached; I will highlight it here.

You will note, and I emphasize, that the Department of the Interior alone has work, useful work, sufficient to occupy many thousands of young men for a period of years. The pilot program proposed in S. 2036 will, we trust, establish the wisdom of expanding the program to the level indicated by our needs.

Here is a partial listing of the types of work that could usefully occupy several thousand enrollees on National Park Service areas: construction of minor roads, trails, camp and picnic grounds; fencing and boundary marking; restoration of historic sites and structures; water supply and storage development; soil and moisture conservation; forest preservation; wildlife control and preservation; and grounds maintenance.

The Bureau of Sport Fisheries and Wildlife has important work programs which would center on the national wildlife refuges, devoted to the preservation and production of waterfowl, game animals and birds, and rare and endangered species of all types.

The projects would be similar to those listed above, and would include also construction and maintenance of impoundments, nesting islands and potholes for waterfowl, dune control, habitat improvement, control of noxious plants, construction and repair of public recreation facilities and other structures, and soil and moisture conservation measures.

The national land reserve of 477 million acres in 11 States, under the jurisdiction of the Bureau of Land Management, presents excellent opportunities for constructive and, in some areas, desperately needed work in fire prevention and protection, construction and maintenance of roads, trails, recreational sites, detention dams, reservoirs and fences. Reforestation, range rehabilitation, and soil and moisture conservation projects would also be part of a corps program.

The Bureau of Reclamation has recreation-rich shorelines and other project lands under its jurisdiction in need of soil and moisture conservation, control of phreatophytes and other undesirable vegetation, road and trail construction and maintenance, campsite and building maintenance, and the development of recreational facilities on Reclamation projects.

A properly functioning Youth Conservation Corps would be of unique significance to the Bureau of Indian Affairs, and would bring far-reaching and beneficial results for the Indians of the United States. Here, the program would have a threefold purpose—the employment of Indian youth, the training of Indians in leadership and management, and the highly important work in the development and conservation of natural resources on Indian lands.

The needs which such a program would help to meet have been documented and publicized extensively. This administration is making a determined effort to help solve the problems which have plagued our Indian citizens. Among these, neglect of the Indians' resources is one of the major obstacles to a fuller life for Indians. We are determined that Indian reservations shall be developed to their full potential for the benefit of the Indians. A Youth Conservation Corps with camps on Indian reservations would be an invaluable supplement to the regular programs of the bureau.

The work would follow the same pattern as that proposed by other bureaus of the Department. The character of Indian lands, with large areas of forest and range is ideally suited to the program.

I think it is clear that the establishment of a sound Youth Conservation Corps has the unqualified support of the Department of the Interior. We have evidence of our ability to use the work of Youth Conservation Corps enrollees to the advantage of the American people by improving the land, water, forest and recreational resources of the Nation—and, our judgment tells us, to the advantage of the enrollees themselves.

I commend again to your attention the fact that, in S. 2036, the administration proposes a pilot approach to the entire matter of youth employment and training opportunities. The pilot corps has our enthusiastic and vigorous support. The pilot program will permit informed judgment on whether or not the Youth Conservation Corps serves the interests of young people and sound resource conservation in the sixties as it did in the thirties. Lessons learned in the pilot program will improve efficiency of operation of an expanded program if—as we anticipate—the Youth Conservation Corps is found to be worthy of long-term support as a way to conserve young men and the Nation's resources.

I want to end these remarks by expressing my appreciation to Senator HUBERT H. HUMPHREY for his pioneering efforts to establish a modern Youth Conservation Corps. We are now close to realizing the fruits of his long labors, and we are all in his debt.

DEPARTMENT OF THE INTERIOR PROPOSED YOUTH CONSERVATION CORPS—DESCRIPTION OF NEEDED WORK AND ESTIMATES OF NUMBERS OF ENROLLEES, NATIONAL PARK SERVICE, BUREAU OF SPORT FISHERIES AND WILDLIFE, BUREAU OF LAND MANAGEMENT, BUREAU OF RECLAMATION, BUREAU OF INDIAN AFFAIRS

(Numbers of enrollees (with exception of the Bureau of Reclamation, which estimates a gradual decline after the first year) represent estimated average enrollment for first 10-year period)

NATIONAL PARK SERVICE

Estimated number of camps, 129.

Estimated number of enrollees, man-years per year, 15,000.

Proposed Projects: Capital improvements

Camp and picnic grounds

Will consist of providing new camp and picnic grounds and the rehabilitation of some existing sites. It involves grounds preparation and installation of such facilities as fireplaces, picnic tables, etc. Enrollees would acquire skill in masonry and carpenter trades and elementary landscaping. Total estimated, 9,820 sites.

Minor structures and signs

Includes the construction of small structures such as trail shelters, footbridges, comfort stations, ranger cabins, fire lookouts, etc. Also the construction and erection of signs. This work will provide excellent training for enrollees in simple wood, concrete and stone masonry construction, and equipment usage. Total estimated, 9,945 signs and structures.

Historical and archeological work

Archeological remains in many known sites are threatened with damage or loss through construction activities, or inundation by lakes created by new dams. There are also protected sites that need further investigation and preservation. Much common and skilled labor is needed for digging, salvaging, preserving these sites and the artifacts taken therefrom. Also this Service has numerous historic structures and sites that need preserving. In many instances partial or total restoration of historic structures is planned. This project affords excellent enrollee training opportunities in several scientific fields, research, use of hand tools, etc. Total estimated, 858 man-years.

New minor roads and trails

This is the construction of back country roads and trails for fire control, ranger protection work, saddle horse use, visitor hiking, and other miscellaneous management purposes. The type and standard to be determined by the particular need. Enrollees would be trained in the use of handtools, light and heavy equipment. Total estimated, 1,153 miles.

General grounds improvements

This work consists of the developing and improving of grounds around existing structures such as historic homes, memorials, monuments, etc., and those grounds surrounding new park developments such as visitor centers, beaches in recreation areas, etc. The usual landscaping chores are all involved, such as grading, seeding, sodding, fertilizing, planting, drainage, etc. Much "pick and shovel" work is required. Enrollee training would consist of hand and power tools use, light and heavy equipment and landscaping. Total estimated, 2,159 man-years.

Boundary marking and fencing

Many areas of the national park system have inadequate boundary marking and in some cases none at all. Work includes surveying, monumenting, signing, and in some instances the erection of fencing. Enrollees will learn survey and mapping work. Total estimated, 5,146 miles.

Water supply and storage

Many of our wilderness areas need small water sources developed in the back country for use by campers, hikers, ranger patrols, wildlife, and forest-fire fighting. Enrollees would acquire skills in woodmanship and the use of hand tools. Total estimated, 659 projects.

Maintenance

Forest protection

Park forests require protection from insects, diseases, fire, wildlife, the elements, and man. Application of prevention and corrective measures entail treatment of diseased and insect infested trees; detection, suppression, and prevention of fires; seeding and planting to rehabilitate denuded areas and to prevent soil erosion; construction of small water detentions or spreaders; pruning, thinning, and doing other tree cultural work. All of these are outdoor activities in which the enrollees will acquire skills in woodmanship, use of hand tools, and power equipment, land surveying, and map reading. Total estimated, 742 man-years.

Vista clearing

This project consists of selective trimming, cutting, and removal of trees and bushes along the parkways, roads and trails so that visitors may better see and enjoy the parks. Training would be in the use of hand tools, simple landscaping and forestry practices. Total estimated, 1,480 miles.

Grounds maintenance

Thousands of acres of developed grounds in national memorials, cemeteries, military parks, around historic homes, etc., require special treatment such as mowing, seeding, sodding, tree and shrub pruning and preservation, trimming around headstones, etc. Enrollees would acquire skills in the use of hand tools, light equipment, and simple landscape techniques. Total estimated, 2,041 man-years.

Roads and trails maintenance

Many miles of roads and trails in the 190 parks and other areas require daily attention involving roadside cleanup, maintenance of road shoulders, drainage measures, patching, removal of trees and brush from trails, painting, and repair of bridges, etc. This project would train enrollees in several skills and the use of equipment. Total estimated, 3,312 miles.

Soil and moisture conservation

Many acres of park lands have and are deteriorating from man's use. Conservation measures are needed to restore historic farm lands, or natural conditions in scenic parks. Seeding, fertilizing, stabilizing, and maintenance of water run-off facilities are needed. Some minor structures would be built. Both hand tools and mechanized methods would be used in training enrollees. Total estimated, 945 man-years.

Wildlife control and protection

This is a major management responsibility in more than 50 parks. It involves research, census taking, food habit studies, migration studies, reduction of high population of animals, restoration of rare species, destruction or removal of exotics, fish planting, etc. This project would train enrollees in several types of scientific and manual endeavors. Total estimated, 233 man-years.

Building maintenance

Consists of maintaining by carpentry, masonry, and painting a portion of the numerous buildings located in the national park system. Training would be given enrollees in these trades. Total estimated, 2,893 buildings.

BUREAU OF SPORT FISHERIES AND WILDLIFE; BRANCH OF WILDLIFE REFUGES

Estimated number of camps, 53.

Estimated number of enrollees, man-years per year, 6,380.

Proposed projects—Capital improvements

Impoundments

Includes the construction of levees, water control structures, canals, ditches, drains, spillways, irrigation systems, pipelines and pumps. Enrollee training would consist of learning to operate heavy and light equipment, such as dozers, draglines, concrete mixers, and dump trucks. They would learn how to water and dewater pools, and do mapping and survey work. Total estimated: 883 miles dikes, 1,664 structures.

Biological

Consist of mechanical, chemical and hand control or removal of brush, trees, and pest plants. Construct nesting islands and potholes for waterfowl, plow, disc, and otherwise prepare lands for cropping purposes, build wood duck nesting boxes. Enrollee training would be in operating equipment, mapping, timber stand improvement, soil surveys, water analysis, rough fish removal, use of explosives, and general soil and water conservation. Total estimated: Nesting islands 1,475, habitat improvement 422,553 acres.

Roads, trails, fences, and utilities

Build roads and trails from improved paved-type to truck trails, construct bridges, fencing, electric and telephone lines. Enrollees would learn how to use miscellaneous equipment. They would grade and shape roads, haul gravel, string wire on utility lines, build barbed or woven wire fencing, survey and post refuge boundaries, use boating equipment. Total estimated: Construct 93 bridges, 1,699 miles fencing, 1,111 miles road.

Recreation

Would include construction of vitally needed information centers, picnic tables, fireplaces, boat ramps, parking areas, display pools, restrooms, campgrounds, roadside signs. Enrollee would be trained in building all of above functions, use equipment and hand tools, plus design, drafting and mapping work. Total estimated: 253 campsites, 1,867 picnic tables, restrooms, and so forth.

Maintenance

Buildings and facilities

Would maintain all buildings by painting, building repairs, floor sanding, cleaning wells, renovating water distribution systems. Enrollee would be trained in roofing buildings, painting, and use of carpenter tools. Total estimated: 986 buildings.

Roads and trails, fencing

Rebuild truck trails, patrol roads, and fencing. Training would be in use of maintenance equipment and tools. Total estimated: 3,475 miles road, 2,703 miles fencing, 5,704 miles posting.

Biological

Farm croplands, censusing wildlife, banding birds, fire suppression and presuppression. Enrollee would be trained in all up-to-date farming and fire suppression methods. Total estimated: 6,417,000 miles grassland, 950,000 acres forest, 87,000 acres cropland.

Dikes, levees, canals

Repair levees, canals, ditches, damaged by floods or by burrowing animals. Enrollees would trap burrowing animals, and learn to use miscellaneous equipment. Total estimated: 2,351 miles levees, 2,565 structures, 433 bridges.

BUREAU OF LAND MANAGEMENT, YOUTH CONSERVATION CORPS

Estimated number of camps, 110.

Estimated number of enrollees, man-years per year, 10,000.

Proposed projects, capital improvements

Forest development

Includes such activities as brush removal and other site clearing for reforestation. It also includes direct seeding of tree seed, the planting of tree seedlings, and stand improvement work which is thinning and pruning of the timber stand. Enrollee training would consist of surveying, mapping soil conservation, and horticultural techniques. Total estimated, 7,582,192 acres.

Trail construction

Will be the building of livestock trails over difficult terrain in order to provide access for livestock from feed to water. It will also be the building of recreation trails in wild areas. Trainees will learn surveying, mapping, and possible use of explosives. Total estimated, 2,133 miles.

Road and bridge construction

Will consist of the building of roads from the highest standards to the lowest jeep trail. Bridges vary from large concrete structures to small log stringer types. Enrollee training will be the use of heavy equipment, engineering and design, surveying, mapping, and drafting. Total estimated, 21,571 miles of road, 1,066 bridges.

Fence construction

Is the building of standard four-wire fences for the control of livestock and intensive management, for protection of seedings, and in some cases to keep livestock from densely infested areas of poisonous weeds. Enrollee training would consist of surveying, mapping, and construction methods. Total estimated, 116,125 miles.

Range seeding

Is the seeding of perennial grasses on prepared sites in the range areas. Enrollee training would cover surveying, mapping, equipment use, and soil conservation. Total estimated, 12,323,000 acres.

Brush control

Consists of the mechanical and chemical control of brush species which have a natural grass understory. This activity would train the enrollees in equipment use, surveying, mapping and soil conservation. Total estimated, 32,283,000 acres.

Water management

Covers the construction of large detention dams, diversion dams, waterspreading dikes, stockwater reservoirs, spring developments, wells and pipelines. Enrollees would be trained in equipment use, soil and water conservation, surveying and mapping. Total estimated, 64,575 projects.

Buildings and facilities

Include the construction of some badly needed buildings of our various district headquarters as well as fire stations and lookouts. Some buildings and many facilities will be built for the recreation program. These will run from elaborate camping grounds with running water, latrines, fireplaces, tables, etc. to the simple roadside stop. Enrollees will learn wood, concrete and stone masonry construction, equipment usage, design, surveying, mapping and drafting. Total estimated, 21,755 projects.

Maintenance

Roads and trails

Will be the maintaining of present and newly constructed roads and trails. Primary training will be the use of equipment. Total estimated, 586,268 miles.

Fence maintenance

Is the maintaining and/or reconstruction of portions of existing and newly constructed fences. Training will be primarily the use of small tools. Total estimated, 123,103 miles.

Maintenance of buildings and facilities

Is the maintaining of all existing and newly constructed buildings and facilities described under construction above. Training would consist of use of small tools and painting. Total estimated, 22,127 projects.

BUREAU OF RECLAMATION

Estimated number of camps, 148.

Estimated number of enrollees, man-years per year, 6,052.

Proposed projects, capital improvements

1. Conservation of natural resources on reclamation lands

Will include seeding of grasses to control and prevent erosion; operation of tree nurseries and planting seeds, seedlings and cuttings of trees; stream channelization and bank stabilization; building of small dams, jetties, chutes, flumes, and other water control structures; dune planting; building and placing of wind erosion barriers; making fire breaks and fighting grass fires; building protective fences; construction of log booms or comparable devices across streams and reservoirs for collection of debris; and any other land or reservoir treatments to aid in conserving our natural resources and the protection of irrigation structures. Enrollee on the job training will include instruction in the various trades and skills required in the performance of these activities. Total estimated acres, 162,000.

2. Control of undesirable plants

Will include operation of weed control equipment like bulldozers, root rakes, mow-

ers, cutters, spraying devices, burners for mechanical and chemical elimination of undesirable plants such as halogeton, phreatophytes, noxious and poisonous weeds. Where feasible it will include replacement of such plants with grasses and other weed competing plants which will use less water and have an economic value. Enrollee training will include instruction in the skills required in the proper pursual of plant control operations. Total estimated acres, 160,000.

3. New roads

Will consist of the building of roads and parking areas in connection with the recreational use of reservoir areas. These will be mostly access roads not requiring standards of construction to meet heavy traffic requirements. Enrollee training will include the use of heavy equipment, engineering and design, surveying, mapping and drafting. Estimated road mileage, 830.

4. Recreational use areas

Construction of public use facilities at existing reclamation reservoirs by enrollees will vary according to use requirements anticipated for specific areas. Construction will incluude campgrounds, water supplies, sanitary facilities, fireplaces, picnic tables, picnic shelters, boat launching ramps, boat docks, and similar facilities. Enrollees will learn concrete and stone masonry construction along with equipment use, design surveying, mapping and drafting. Total recreation use areas for construction, 148.

Maintenance

1. Conservation of natural resources on reclamation lands

Will include maintenance of erosion control and water saving structure devices and equipment; maintenance of treated areas, and reworking of areas where necessary; and the collection and disposition of debris and repair and upkeep of facilities. Total estimated acres, 34,600.

2. Control of undesirable plants

Will include reworking of treated areas, maintenance of planted areas and unkeep of all equipment, devices, and structures required in the operations. Estimated total acres, 31,300.

3. Road maintenance

Work by enrollees will be that needed to maintain access roads and parking areas in good repair. Work would include handling of materials and use of equipment for this purpose. Total road mileage, 2,375.

4. Maintenance of trails

This work would include maintenance of trails in public use areas of reclamation reservoirs. Enrollees would make periodic inspections of trails and carry out whatever minor maintenance work was required to keep them in good repair for use by the public. Total mileage of trails, 2,850.

5. Cabinsite maintenance

This work would include maintenance of cabinsites used for recreational purposes at existing and future developed public use areas. Enrollees would repair any damage done to facilities along with other work needed consistent with public use interests and primary project needs. Total number cabinsites, 475.

6. Building maintenance

Maintenance program for existing and future buildings constructed for public use purposes will be required. The buildings involved would include those constructed as minimum basic facilities as reclamation reservoirs. Enrollees would be required to carry out whatever work was needed to keep these buildings in proper repair. Total number of buildings, 4,750.

BUREAU OF INDIAN AFFAIRS

Estimated number of camps	320
Estimated number of enrollees, man-years per year	7,444

Proposed projects, capital improvements

Brush control

Consists of mechanical and chemical control of brush. This practice would afford enrollees training in the use of equipment and chemicals and education on the value of this practice to soil conservation. Total estimated, 2,635,421 acres.

Gully control

This practice consists of various mechanical and vegetative devices to control gullies and protect stream banks. Enrollees would receive training in the use of equipment, concrete work, and various vegetative practices. Total estimated, 566,181 miles.

Pest and weed control

This practice consists of controlling all types of weeds and pests such as prairie dogs, grasshoppers, etc. Enrollees would receive training in the use of equipment and chemicals. Total estimated, 24,793,474 acres.

Tree planting

This practice consists of planting trees for wind breaks, gully control, etc. Enrollees would receive training in the use of mechanical equipment and hand tools. Total estimated, 50,901 acres.

Seeding and sodding

This practice consists of planting seed and sodding range and pasture lands by hand and mechanical means. Enrollees would receive training in the use of equipment and education in agronomy. Total estimated, 3,258,795 acres.

Structures

This practice consists of the building of various structures for the control of soil erosion. Enrollees will receive training in the use of equipment, building materials, etc. Total estimated, 36,899 structures.

Forest regeneration, improvement and protection

Includes forest seeding and planting, thinning, and pruning of reproduction stands, fire hazard reduction, pest control, etc. Enrollee training would consist of forest culture techniques, use of simple tools, elements of forest pathology and entomology and the techniques of fire presuppression and suppression. Total estimated, 1,610,000 acres.

Trails and firebreaks

Includes horse and foot trails, landing strips, and firebreaks. Enrollee training would consist of survey and simple road construction methods. Total estimated, 750 miles construction.

Truck trails construction

Will consist of constructing new and existing truck trails to provide access to Indian lands for forest protection, forest marketing, and recreation. Enrollee training will be the operation and maintenance of heavy construction equipment, bridge construction, and surveying. Total estimated, 7,106 miles.

Water management

Covers construction of detention dams, diversion dams, water spreading dikes, stockwater reservoirs, spring developments, wells and pipelines. Enrollees would be trained in equipment use, concrete and masonry construction. Total estimated, 11,309 projects.

Range improvements

Covers the construction of range boundary and drift fences, corrals, and cattle guards for the control of livestock and intensive management; fences for the protection of seeded areas, water facilities, and range sample plots established for management purposes. Enrollees would be trained in equipment use and concrete construction. Total estimated, 95,210 miles of fence, 3,150 other projects.

Recreational development

Covers the construction of picnic areas and boat landings; wildlife stocking. This work would encourage expanded use of the valuable recreational resources. Enrollees would be trained in equipment use, concrete and masonry construction. Total estimated, 16,689 projects.

Maintenance

Dams

This will include the repair or rehabilitation of various types of erosion control dams. Enrollees will receive training in the use of equipment, building materials, concrete, steel, etc. Total estimated, 168 dams.

Laterals, levees, and dikes

This will consist of rehabilitation and repair of these erosion control structures. Enrollees will receive training in the use of equipment and various materials. Total estimated, 5,333 miles.

Structures

This will consist of repair of the various erosion control structures. Enrollees will receive training in the use of equipment, materials, etc. Total estimated, 83,416 structures.

Trails and firebreaks

Includes horse and foot trails, landing strips and firebreaks. Enrollee training would consist of survey and simple road construction methods. Total estimated, 740 miles maintenance.

FOREIGN POLICY AND FORMER VICE PRESIDENT NIXON'S ARTICLE

Mr. HUMPHREY. Mr. President, I know the Senate wishes to continue with the consideration of the agricultural appropriations bill. However, I should like to make one brief comment.

I listened with keen attention to the comments of the Senator from Iowa [Mr. MILLER] relating to the article written by Mr. Nixon, as printed in this morning's press. At a later date I shall have something to say about this article. I shall speak in more detail then.

I merely wish the record to be clear on this one point. I know that so far as the Vienna meeting is concerned, the President of the United States made it manifestly clear to the leaders on both sides of the aisle that no concessions were made by the President, that our position on West Berlin is one of firmness and determination, and that we have no intention to sacrifice the freedom of the people of West Berlin; nor do we have any intention of giving up our legal rights for our garrison in West Berlin and our access to West Berlin under the terms of the agreements that relate to that city.

It is misleading to the American people for anyone to indicate that there is any appeasement, any doubt, or any equivocation on the part of the administration.

Senators can make their own comments, as they have in this body. That is our privilege as Senators. However, the President of the United States will ultimately state American policy. He has done so. He has made it abundantly clear. The fact is that before the President went to Vienna, our Government knew that Mr. Khrushchev had taken a

very dogmatic and a very arrogant position on West Berlin now, as he did in 1958.

I was the first American representative in Berlin in November of 1958, after Mr. Khrushchev's ultimatum of November 27, 1958. I was there with Mayor Willie Brandt. I was the first American official to declare, insofar as it was possible for a Senator to do so, our position of determination to resist any Soviet encroachment upon the city of Berlin. I made it manifestly clear as one Senator and as a Democrat to Mr. Khrushchev himself that we had no intention to, and under no circumstances would we, yield to Soviet pressure on West Berlin.

I may say that this is still the position of our Government. I for one do not relish comment by a former Vice President or by anyone else to the effect that the United States is in any way engaging in appeasement or uncertainty. The President of the United States has been very definite about this question. Mr. Khrushchev is again testing our nerve and our strength. He will find that on both sides of the aisle and in all parts of America there is a determination to fulfill our commitments; that we do not run away either from commitments or from danger. We seek no trouble, but we are determined to defend our rights and to protect them.

I simply wish the record to be perfectly clear that that is where I stand. I stand unequivocally for the position of our Government to insist upon our right to access and our presence in West Berlin. We have no intention of sacrificing them for any momentary easing of tensions, for to do so would only cause a mounting of tensions later.

Mr. JAVITS. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. JAVITS. Mr. President, first, I think the country will welcome the statement of the Senator from Minnesota. I understood the President in that way myself.

I respectfully submit, laying aside the normal feelings of partisanship, that as I read the former Vice President's article, that is what he was trying to say. Sometimes we do not say things so artistically as we might. I really do not believe anyone questions at all the determination which has been expressed on both sides of the aisle. This is very good notice for Mr. Khrushchev and all his henchmen.

However, I believe an entirely legitimate area of discussion was raised by the majority leader concerning whether the time has come, as he put it, to propose a third way for the settlement of the Berlin problem. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Illinois [Mr. DIRKSEN], and the Senator from Montana [Mr. MANSFIELD] have discussed the question in that spirit. I, too, shall discuss it in the Senate in that spirit. Such discussion is good. Not only must we be firm, but we must be rational, in the interest of the people of America. It is good for us to discuss possible alternatives. Although I myself believe there is no alternative, nevertheless we shall have explored possible alternatives.

I think the country will welcome what the Senator from Minnesota has said. There is no question about his record, just as there is no question about the record of anyone else, on the question of the determination of the United States to stand on its commitments and responsibilities.

I see no harm whatsoever—in fact, I see much good—in discussing what might be done. If the conclusion is reached that there is nothing else to be done than to stand where we are, so much for that. I am one who believes that that is all right; but that does not make it right. However, I believe it is good for the country to have the benefit of our views.

I understand the attitude of the Senator from Minnesota and the attitude of Democrats and Republicans alike who have discussed the question of Berlin in recent days.

Mr. HUMPHREY. Mr. President, I express my thanks to the distinguished Senator from New York, who has made a clear and forthright statement. I, too, welcome the opportunity for discussion. Discussions are helpful and informative. I believe they will solidify our position. In our debates there may be momentary misunderstandings; but I feel certain we will arrive at a consensus. That consensus will be for the security of our country and the fulfillment of our commitments.

Mr. JAVITS. I thank the Senator from Minnesota.

AMERICA'S WORD MUST BE HER BOND

Mr. KUCHEL. Mr. President, any Senator has the right—indeed, he has the responsibility—to speak out and voice the honest convictions which are his with respect to the dread, grave questions which confront our free country and the free world. No one is held in higher respect in this Chamber than is the distinguished senior Senator from Montana [Mr. MANSFIELD]—a great patriot, a great American, and a great leader in this Chamber. Some of us, however, with great respect, take complete and vigorous exception to the views which he uttered the other day respecting West Berlin. Some have used them to contend—without any warrant or right—I believe and pray—that America may be on the threshold of a new policy on this indomitable German city. Vacillation, Mr. President, is a confession of weakness, of which we cannot and must not be guilty. Evil thrives on the wavering of its adversary.

At best, the reputation of SEATO is tarnished, and the free peoples of Asia soberly ponder its capability of assistance to them in time of emergency and of danger to their freedom. At best, in this hemisphere, the exalted Monroe Doctrine is bruised and bleeding, and the people of this hemisphere and elsewhere may be pardoned for questioning what is the position of the United States in its age old resolve to keep the new world free of alien ideology.

Whence comes the respect for America? It comes solely, as I see it, from the recognition by all nations that a dedicated and unflinching America seeks only peace with justice. When our vaunted decisions on foreign policy are eroded or weakened by vacillation, by equivocation, or by doubt, the free world, confused, is filled with foreboding, while communism smiles. We may, on occasion debate America's foreign policy divisions. But the entire globe must realize that we are a united people, and that our word is our bond. Is this not crucially true respecting Berlin?

I remember the Berlin airlift. I remember the United Nations resolution for a free plebiscite for the peoples in that beleaguered city. I remember, too, the truculent refusal of Communism to permit free elections. I remember the repeated pledge by America that we and our allies would keep Berlin free. How proud our country was. How proud, indeed, was the cause of freedom for this honorable and unyielding resolve.

Some doubts have been created as to where the people and the Government of the United States stand today on Berlin. We may discuss it. It may be debated in this Chamber, but the position of the United States, honorably given and honorably iterated and reiterated throughout the years on this tragic question, must remain the foreign policy of the Government and the people of our country.

Under those circumstances, let the President himself repeat to the country and to the world that we mean what we say; that America's promises are neither hollow nor false. We shall nourish, we shall protect the Berliners, whatever Soviet communism may do with their puppet East German satellite. Let our allies repeat that they, too, stand firm under freedom's banner. Let none, no one, mistake this resolve.

This is not the path of belligerence. It is simply a rededication to those truths which are in America's heart. It may be a little more. It may help to erase an uneasy feeling that we seek peace even without justice.

VISIT TO THE UNITED STATES BY PREMIER HAYATO IKEDA, OF JAPAN

Mr. KUCHEL. Mr. President, today I had the honor to attend a luncheon given by the distinguished Vice President of the United States for a great world citizen. Premier Hayato Ikeda, of Japan, flew to the Capital of our Nation today to engage in a series of preeminently important discussions with the President, the Vice President, and the Secretary of State. Americans welcome as an honored guest and as a friend of freedom this distinguished representative of the great Japanese people.

It was only last fall when, as a member of the delegation from this country to the Interparliamentary Union in Japan, a number of us were invited one evening to be the guests of Premier Ikeda. I listened to the gallant and respected representative of the Japanese people as he spoke in his native tongue, and as his speech was translated to us who spoke no Japanese, of how his country loved freedom and wanted it; of how

the great Japanese people desire to strengthen their bonds of amity and friendship and good will with their friends, the people of the United States. Our country, of course, reflects precisely those same exalted and attainable aims.

I feel certain that I speak for all of us as I say, Welcome to the representative of a great nation, and a people who share our aspirations for liberty with justice for all mankind.

The nature of the issues which will be discussed between the heads of our Government and the Japanese Premier will be of a most sensitive nature. The problem of Red China, and the problem of trade relations between the United States and Japan unquestionably will be upon the agenda.

I take it that the people of Japan may be somewhat more flexible in their attitude with respect to the Communist Chinese than we are. But while it may be that some persons in Japan favor trade with Red China, I believe it fair to say that no one in Japan is anxious to contribute at all to the strength or the prestige of that evil Communist government, nor indeed does the Japanese Government desire, willingly or intentionally, to offend their friends, the people of the United States. Nor do we desire at all to offend them.

Mr. President, trade will be important in these discussions; and I believe we need to keep in mind that Japan is one of the largest customers of the United States. She purchases particularly the articles for which we are anxious to find markets. They include wheat, coal, production machinery, aircraft, and cotton.

Japan is to be lauded for her responsiveness in the past to the political storms touched off by heavy imports of low-cost Japanese textiles; for example, she has voluntarily limited some such shipments to the United States. I look forward to an expanding and mutually profitable trade between our two nations, and to the constant strengthening of friendship between our peoples.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, following my remarks, an editorial from the Washington Post; an article entitled "A Japan-United States View Swap," published in the Christian Science Monitor; an interesting article entitled "Japan's Climbed High in Decade," from the Washington Post; and an article entitled "Premier Leaves Japan Today for Talks in United States," published in the New York Times of June 19.

There being no objection, the editorial and the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 20, 1961]

A TIME FOR CANDOR

Washington welcomes a good friend today in Hayato Ikeda, the Premier of Japan. The extreme sensitivity of the issues to be discussed during his visits to the White House and the State Department does not alter the generally good relations between the United States and Japan.

Red China is a subject that for a decade has lain almost beyond the bounds of rational discourse. But Mr. Ikeda's diplomacy can ignore the Communist Chinese no more easily than Britain, over the centuries, has been able to ignore the powers, however hostile, of continental Europe.

Mr. Ikeda is an economist, and he will want to talk about trade. Japan has been very responsive in the past to the political storms touched off by heavy imports of low-cost Japanese textiles, for example, and has voluntarily limited textile shipments here. The chief result of his remarkable act of self-restraint has been, not a diminution of the foreign pressure on American producers, but Japan's loss to her share of this market to other low-cost exporting nations.

When Mr. Ikeda turns to this subject, Americans must keep it in mind that Japan cannot buy where it does not sell. Japan is not only our third biggest customer but also buys products for which we are especially anxious to find markets. These include wheat and coal, production machinery and aircraft, and especially cotton. If we make money selling raw cotton to the Japanese, we can hardly take umbrage if they hope to make money selling finished cotton here.

The military coup in Korea poses rather similar difficulties for Japan and the United States; certainly this will be included in the Ikeda-Kennedy canvass of world troubles. It is fortunate that Mr. Ikeda comes with an unoriental reputation for blunt talk. These are conversations that will require candor.

[From the Christian Science Monitor, June 17, 1961]

A JAPAN-UNITED STATES VIEW SWAP—WHAT TO DO ABOUT PEIPING?

(By Takashi Oka)

HONG KONG.—Policy toward Communist China is likely to be the major topic of Japanese-American conversations when Premier Hayato Ikeda visits Washington next week.

Trade with mainland China and a seat for Peiping at the United Nations are the most urgent aspects of the problem. Mr. Ikeda and his advisers have arrived at no clearcut conclusions regarding either issue, and will go to Washington as much to hear President Kennedy's views on the subject as to express their own.

Japan wants more trade with Peiping. The present level, at $30 million or so one way, is only half the peak attained in 1957.

FORMOSAN TRADE

Japan also would not object to seeing Peiping in the United Nations, if a majority of members favors this. On this issue it parts company with Washington, which actively seeks to prevent this.

But Japan has a profitable trade with Formosa. It would like nothing better than to formulize the two-China policy which in fact it has been conducting for several years. The difficulty is that neither Peiping nor Taipei are willing to go along.

Some Western sources suggest that Japan is the one country which could cut the Gordian knot by boldly recognizing Peiping while still retaining ties with Taipei. This is because Japan recognizes the Nationalists as sovereign only over the territory which they now control or may in the future control—practically speaking, of Formosa and the offshore islands.

PEIPING POSITION

But Peiping would most certainly reject a recognition under such circumstances, while the least Taipei would do probably would be to sever all trade if not diplomatic relations. Recent Japanese visitors to the Chinese Communist capital report their hosts as specifying that future delegations must commit themselves in advance to rejecting the two-China thesis and upholding the people's republic as the only legitimate representative of China.

A group of liberal-democratic parliamentarians will be visiting Peiping at the same time Mr. Ikeda is in Washington. They will be able to test the Chinese Communist attitude toward the Ikeda administration.

Mr. Ikeda's own attitude on a U.N. seat for Peiping is said to be "flexible." Tokyo expects no firm conclusions to emerge from the Premier's talks with President Kennedy and Secretary of State Dean Rusk, though it believes the United States will not command sufficient votes to block debate on the China issue at the U.N. General Assembly this fall. If President Kennedy seeks Japan's cooperation in preventing the seating of Peiping, Mr. Ikeda is expected to make a noncommittal reply. Much can happen between now and the U.N. General Assembly and the Premier does not want to show himself irrevocably hostile toward Peiping unless the Chinese Communists themselves force a break.

ATTITUDE ON SEOUL?

The Japanese Premier will take to Washington a similarly undetermined attitude toward the military junta now ruling in Seoul. The South Korean Army coup of May 16 came just as Japanese-Korean relations seemed to be improving. The new army regime seems less friendly to Japan than did the deposed civilian John W. Chang regime, and Tokyo shares Washington's misgivings about the junta's stability. It is not likely to commit itself for or against the regime for the time being.

As a sop to Japanese nationalists, Mr. Ikeda will ask for American-Japanese cooperation to improve the welfare of Japanese-owned but American-administered Okinawa and Bonin Islands. He is not expected to press for immediate transfer of administrative rights over the islands.

PLEDGE TO INDIA

Mr. Ikeda is an economist who believes in aid to underdeveloped countries. Earlier in the year he sought to promote a "rice bank" scheme under which Japan would buy rice from Southeast Asia surplus countries and sell or loan it to countries in need. The scheme fell through. But the Government is pushing cooperation with Indian, Pakistani, and other development plans and has pledged $80 million toward India's third 5-year plan.

Solution of the post-World War II debt problem, left over, as in West Germany's case, from the days of the American occupation, will promote Japanese-American cooperative aid to underdeveloped Southeast Asian countries. According to a memorandum signed by Foreign Minister Zentaro Kosaka and Ambassador Edwin O. Reischauer, part of Japan's debt repayments ($490 million spread over 15 years) will be allocated for such aid.

[From the Washington Post]

ECONOMIC EQUAL OF WEST—JAPAN'S CLIMBED HIGH IN DECADE

(By Hessell Tiltman)

TOKYO.—Ten years ago September 8, the San Francisco Peace Treaty was signed by 49 nations with only the Soviet Union, Poland, and Czechoslovakia abstaining. By this treaty, which went into effect in April 1952, Japan was freed of Allied occupation and regained its national independence.

At the same time, the original United States-Japan Security Treaty was signed. Its purpose was to insure the security of unarmed Japan and to maintain peace in the Far East.

The official coming of peace altered little in Japan. The occupation had long before become, in Gen. Douglas MacArthur's words, "the friendly guidance of a protective force."

Nevertheless, September 8, 1951, was a memorable date for the nation and its people—just how memorable can be seen in retrospect 10 years later.

In 1951, Japan was confronted with the immense task of restoring political and economic normalcy in a nation in which the population was rapidly expanding. By 1957, what formerly represented normalcy had been left behind. Today, the country is the economic equal of the industrial nations of the West.

Ten years later, the question marks confronting Japan are, economically, whether the Government's target of doubling the national income by 1970 can be attained, and politically, whether the country should remain closely alined with the United States and the West or turn to a policy of neutrality in the cold war between the two major power blocs.

Any such change in basic foreign policy has been firmly rejected by Prime Minister Hayato Ikeda and the ruling Liberal Democratic Party, which has a large majority in both Houses of the National Diet, and any drastic change such as the Socialist opposition advocates would, of course, create difficulties for the industrialists who are a major support of the ruling conservatives.

Much the same factors apply in determining how far nationalistic trends in the country are permitted to go. The Japanese are highly race conscious and acutely concerned with exerting their rights. But the nationalism of today is a far cry from the fanatical ultranationalism of prewar times.

Considerably more of the reforms enacted during the occupation era remain in force today than was expected, including the model constitution with its guarantees of individual freedoms and human rights. Japan's big industrialists may not all be overly democratic by Western standards, but they suffered as much as anyone during the militaristic era and shun any revival of the prewar mentality.

The truth would appear to be that, while repudiating any retreat into neutrality, some within the Conservative Party subscribe to the contention of many members of the older generation that the indiscriminate embracing of Western ideas and habits by the younger generation has had some undesirable social results.

In the closing days of the occupation, many Japanese economists and businessmen expressed the view that the artificial orientation of trade toward the United States and away from short-haul Asian sources of raw materials could not last. Now, with Communist China absorbing more of its raw materials at home and Japan's exports to the United States totaling 30 percent of all exports, the Nation has come to realize that any major disturbance in present trading patterns would be economically disastrous.

Japan returned to the world community faced with the necessity of first regaining its former markets and then expanding them. How much has been accomplished is disclosed by a few figures.

From the beginning of the Maiji era to the start of World War II, Japan's economy expanded at an average rate of 4 percent annually. Between 1945 and 1956, it grew at an average rate of 10 to 11 percent each year. In the past 4 years, the index of industrial production has risen from 122.4 to 227.2. In the same 4 years, exports increased from $2.5 billion to $4 billion last year.

Today, despite a population 12 million larger than in 1940, the Japanese people are better fed and better clothed than ever before. Consumption of milk has risen from 3.1 kilograms per person prewar to 19.8 kilograms in 1959. Consumption of meat has increased from 1.8 kilograms per person in 1934–36 to 4.5 kilograms today.

Rice consumption has declined from 131.5 kilograms per person prewar to 114.4 kilograms today while the amount of wheat products consumed has risen from 9.6 kilograms per person prewar to 26 kilograms in 1960.

The national income has expanded in the last 10 years from 5 trillion yen to 11 trillion yen in 1960. In terms of real national income, taking the prewar index as 100, the index rose to 203 in 1959 and an estimated 220 in 1960.

Ahead lie some imponderables. Asian competition may develop into a real threat. The hopes of a large-scale revival of Japan-China trade may not be fully realized. And Japan may have to spend more than the present 1.43 percent of the national income on defense (compared with 12.7 percent in the United States and 8.1 percent in Britain).

But so far and fast has the Japanese economy expanded that there is a shortage of technical skills and skilled labor in some industries and a 10-year plan is being carried out by the Ministry of Education to enroll more students in scientific and technical courses.

[From the New York Times, June 19, 1961]

PREMIER LEAVES JAPAN TODAY FOR TALKS IN UNITED STATES—IKEDA LIKELY TO SET SOFT KEY FOR PARLEY WITH KENNEDY—LEFTWING AND MOSCOW RADIO OPPOSE WASHINGTON VISIT

(By A. M. Rosenthal)

TOKYO, June 18.—Premier Hayato Ikeda will leave by air tomorrow on what is for him a delicate mission to the United States.

The Premier, a 61-year-old politican with a husky frame, a gravelly voice, and a background in finance, is a man whose trademark in office has been playing things soft and easy—the "low posture," the Japanese call it.

This is likely to be reflected in the tone of his talks with President Kennedy on the differences between the United States and Japan. Mr. Ikeda is due in Washington Tuesday.

Mr. Ikeda has been harried by leftwingers who have staged demonstrations to oppose his trip to Washington. He has been denounced by the Moscow radio and he is facing clique sniping in his own conservative-minded Liberal Democratic Party.

NO COMMITMENT SOUGHT

The Premier has made it clear that he is not looking for any commitments from President Kennedy and that he is not eager to give any himself.

A CHANCE TO LISTEN

What he wants to do is to listen to Mr. Kennedy and then to paint a picture of how the Japanese see some of the problems facing both countries—Communist China, trade, Asian military security—differently than the United States does. "Delicately differently," as the Japanese put it these days.

The definition of a "delicate difference" seems to be one that is not sharp enough to create a crisis and about which both sides can talk like gentlemen. But such a difference is nevertheless plain enough to point to the possibility of trouble and the loss of gentlemanliness in the future.

Some Japanese are saying jokingly that the most important part of Mr. Ikeda's visit will come when the photographers snap him shaking hands with Mr. Kennedy at the White House. There is some truth in that remark.

Mr. Ikeda is having some problems at home and his supporters hope that the glamour and publicity of the Washington visit will bolster him. He faces a convention of his party next month, and although his tenure as head of the party will not be voted upon, he is reported to be having some difficulty keeping the party in line.

NO THREAT NOW

There is no direct threat to Mr. Ikeda at the moment. But in Japan Government downfalls are more often a result of shifting alinements among the cliques of the party in power than of policy.

When the talk of the White House gets to Communist China, Mr. Ikeda is expected to tell Mr. Kennedy that many politicians feel the people of Japan lean toward recognition of Peiping, but that the Government has no intention of taking that step now.

The reasons are, first that the Government feels such a move would seriously "disturb" the United States—a country Japan does not want to antagonize—and, second, that Japanese politicians have deep qualms about contributing to Communist China's strength and prestige.

However, judging the carefully foggy official comments so far, the point Mr. Ikeda will try to get across is that Japan regretfully thinks the U.S. policy toward Communist China is too rigid, that the pressures are building up in Tokyo for more "elasticity" on the part of Japan toward Peiping and that while no one in the Government has any affection for Peiping, still, Communist China is a reality.

On the problem of Asian military security, Washington will be most eager to find out from Mr. Ikeda whether the United States can count on full use of its bases in Japan and on her industrial strength in the event of hostilities with the Communists somewhere on the continent.

The answer, as it shapes up here, would probably be: "That depends." The United States would be much more likely to win trouble-free consent to the use of its bases if the Communists attacked again in Korea than if war started in Laos. The Japanese seem to have only a nervously detached interest in Laos.

Trade is also very much on Mr. Ikeda's mind. The announcement a few months ago by the Amalgamated Clothing Workers Union that it would boycott Japanese textiles caused a scare here. Even though that threat was called off at Washington's request, the fear remains that American industries and unions will continue a campaign against Japanese goods.

THE FEDERAL-STATE WATER CONTROVERSY

Mr. KUCHEL. Mr. President, last week the distinguished junior Senator from New Mexico [Mr. ANDERSON] convened 2 days of hearings before the Subcommittee on Irrigation and Reclamation of the Committee on Interior and Insular Affairs, to inquest into the jurisdiction controversy between the Federal Government and State governments respecting water and the right to use water. In my judgment, this constitutes an exceedingly grave problem for the orderly development of water projects all across the Nation, particularly in the semiarid West from which I come.

At the opening of those 2 days of hearings, I made a statement; and I ask unanimous consent that my statement be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FEDERAL-STATE WATER CONTROVERSY

(Opening statement of Senator KUCHEL at hearing, June 15, 1961, before Subcommittee on Irrigation and Reclamation, U.S. Senate)

First of all, I express my genuine appreciation and thanks to the able chairman of this committee [Mr. ANDERSON] for calling this highly important hearing today. From my work with him for 2 years on

the Select Committee on National Water Resources and for many more years on the Senate Interior Committee, I realize that he may not share fully my own convictions, and those of some other Senators, that Federal-State jurisdictional conflicts over water rights are an unwarranted deterrent on State and local activity for water-resource development. I believe that the sweeping claims made by the Department of Justice that the Federal Government has overriding paramount rights, and indeed outright ownership, of all of the water rights in all of the unappropriated waters in California and other Western States do, in fact, constitute a "clear and present danger" to State and local progress. In my view, the problem is one of great urgency that Congress must resolve.

The fact that the chairman may not necessarily share these views to the extent that some of us do, makes his scheduling of these hearings the more praiseworthy. I repeat my thanks to him.

As one basis for my strong conviction of the need for congressional action at least to clarify the certainly confused situation with respect to problems in the field of water rights arising from our Federal system, under which both our States and our National Government exercise sovereignty, I would like to cite the findings of the Select Committee on Water Resources. As the members of the committee know, this select committee was established by Senate Resolution 48, 86th Congress. It was composed of 17 Members of the Senate from all sections of the United States—East, West, North, and South.

In the select committee's report, under a sectional heading entitled "Action Areas for Meeting National Goals," there is a subsection called "Clarification of the Federal Position in Connection With Water Rights." I would like to quote a few paragraphs from the select committee's findings on this matter, beginning at page 65 of the report:

"(c) Clarification of the Federal position in connection with water rights: With demand for water far outreaching increases in present sources of supply, conflicts between the States and the Federal Government over the control and use of water are growing sharper and more serious. The problem is a national one, but its threat is especially grave in the public land States of the semiarid West, where not only is water even more scarce than elsewhere in our country but where Federal ownership of millions upon millions of acres of land give the Federal Government an asserted basis for claiming proprietorship, paramount rights, or title in fee simple absolute to all unappropriated waters in many of our States.

"Inevitably, such sweeping claims by the Federal Government might retard State plans and projects for development of their own water resources to meet local needs and conditions for their own citizens in accordance with their own local law and custom. As a result, all of our people everywhere are the losers.

"A few specific examples will serve to illustrate the danger. California, with its nearly 16 million citizens—to whom a half million more are being added each year—has a far-reaching State water resource development plan, estimated to cost $11 or more billions of dollars within the next 25 years. Last November the voters of the State adopted a proposal to bond themselves in the amount of $1,750 million to bring the waters of the Feather River from the northern to the southern part of the State over a transmission system hundreds of miles long.

"At the very time this project was under consideration by the people of the State, the Federal Government asserted in a California court action that when the United States acquired the area that is now California, and five other States, under the 1848 peace treaty of Guadalupe Hidalgo which ended the war with Mexico, the Federal Government became the owner of all lands and all rights to use water within the area. This ownership is still retained unless it has been divested pursuant to act of Congress. There has been no such divestment (*City of Fesno* v. *State Water Rights Board*, California Superior Court, Fresno County, No. 105245).

"This claim by the Federal Government, based on a 112-year-old peace treaty, of outright ownership over all unappropriated water in the State, is described by California officials as casting a dark and ugly cloud over California's water development program. If this situation is to deter the development of California water resources or the development of the resources of any other State, this conflict must be cleared up and the Congress should take leadership in doing it.

"Examples of the conflicts of Federal-State jurisdiction in the field of water abound. One arose in Iowa where a State law sought to prevent diversion of water from one river to another within the State but where a private utility, licensed by a Federal agency, contended it did not need to comply with the State law. The Supreme Court agreed with the utility's contention. The Hawthorne case in Nevada represents a controversy between the Navy, occupying property in that State, and the State of Nevada over the applicability of a State law controlling underground water to a Federal military reservation. We make no comment on the validity of the Federal and State contentions. We point to them simply to indicate our belief that what can be done to compose the conflicts in this field ought to be done by both the Federal Government and by the several States.

"These cases mentioned briefly above are but a few specific examples of the ever-increasing conflict between the Federal Government and the States over water rights. As stated, such conflicts operate to the disadvantage of both, retarding the maximum development of water resources by the States."

And here, I am glad to say, the chairman and I reached complete agreement in supporting the findings I have just read.

Mr. Chairman, and members of the committee, this is the finding by the Select Committee on National Water Resources, on which I had the honor to serve as vice chairman under the chairmanship of the very able Senator from Oklahoma, BOB KERR. It may be recalled that sometime prior to the writing of this report, I had occasion to call the attention of the Members of the Senate to this threatening situation. On May 26, 1960, I made what was for me rather a lengthy speech in the Senate, pointing out the then proposed report of the Supreme Court's special master in the case of *Arizona* v. *California* would deny the 16 million citizens of California their long recognized rights in the waters of the Colorado River, and also pointing out the grave implications of the sweeeping claim asserted by the Department of Justice in the Fresno case to outright ownership by the Federal Government of all rights to all unappropriated water in California.

Because of its pertinency to the subject matter of this hearing, Mr. Chairman, I request that the text of this speech be printed as an appendix to this hearing.

I regret to report to this committee that the fears I expressed in that speech have been justified once again. Only last month, in May 1961, the Department of Justice filed a brief in the Supreme Court of the United States in support of the exceptions the Federal Government is taking to the special master's report in the *Arizona* v. *California* case. The master had found, and had recommended in his proposed decree, that water rights within a State under contracts entered into pursuant to the Boulder Canyon Project Act would be subject to the laws of the State. That is, in the words of the special master: "* * * State law governs intrastate rights and priorities to water diverted from the Colorado River." This finding is from pages 216 and 303 of the master's report.

But the Department of Justice has vigorously objected to such a finding and has urged that it be purged from the report and recommended decree. The Justice Department on page 32 of its brief asserts, as a general rule, the claim that "the rights of landowners to receive and use the waters developed by a Federal reclamation project have been derived under and determined by contracts made with the United States in pursuance of applicable Federal law." Again, on page 43 of its brief, the Justice Department asserts: "The power of the Secretary to determine, without threat of veto by State authorities, the quantities and priorities of the water to be delivered is essential to efficient and effective operation intrastate as his power to select the persons to whom the water will be supplied."

Under this doctrine advocated by the Department of Justice, namely, that even the apportionment, priority, and use of an individual State's share of the waters of an interstate stream are governed by Federal law, not State law, what becomes of our historic American concept of local self-government?

I submit, Mr. Chairman and members of this committee, that such a doctrine does indeed cast what I have referred to previously as a "dark and ugly cloud" over the rights of a State in waters within its State boundaries. Inevitably, such a position by our National Government is a deterrent to action by a State to develop its water resources.

At our meeting earlier this year with the National Reclamation Association, considerable time and attention was devoted to a discussion of State and Federal water rights. The chairman, referring to a letter written him by the then Solicitor General of the United States, J. Lee Rankin, on a proposed section in the select committee's report, asked for specific examples of instances in which the Federal Government had stepped in and taken away water rights without just compensation. This was a proper question for the chairman to ask.

But I respectfully submit that the issue we have before us so urgently today is much broader than that posed by the chairman's question. The 16 million American citizens of my own State of California voted last November to burden themselves with a debt that might total $1,750 million for water resource development. But with the Justice Department asserting, as in the Fresno case, that the Federal Government owns all rights to unappropriated waters within the State, and claiming, as in its brief in the Arizona case, that Federal law controls the apportionment and use of California's share of the waters of the Colorado, there necessarily and inevitably must be some uncertainty, to say the least, as to just what steps my State safely may take in the development of our water resources, even within our borders and at our own expense.

I come from a State which is eternally grateful for the prodigious assistance the Federal Government has given us. Hoover Dam and the Central Valleys project are prime examples. My concern is simply to remove roadblocks from maximum cooperation between the Federal Government and the several States. As I said last March in a talk I made to the California Municipal Utilities Association meeting in San Francisco:

"We are at the beginning of an era, I hope and believe, of genuine cooperation, both legally and physically, between the Federal Government and our State and local governments for the maximum development

and use of our water resources in accordance with State and local needs and customs, and the desires of the people of California. At the same time, the Federal function and responsibility will be carried forward far more effectively.

"This new approach will be, I hope and believe, one of greater recognition and greater respect by the Federal Government for the historic principle of local autonomy and self-government under which our Nation has grown great. At the same time, the State will recognize the responsibilities of the Federal Government under our constitutional system and have due respect for and appreciation of its role in water resource development."

I want to reiterate that hope and belief here and now.

THE NEED FOR EQUAL EDUCATIONAL OPPORTUNITIES

Mr. KUCHEL. Mr. President, this Congress will be false to the future of the Nation if it fails to discharge a bipartisan promise to the American people to give assistance to the education of our youth.

Of 36 million public elementary and secondary school pupils, an estimated 8 million are in overcrowded classrooms. Two million more go to school in obsolete buildings. Upward of 700,000 of our children attend half-day schools, an ugly fact when contrasted with the advances in education attained by the Soviet, to mention one.

The so-called impacted school district law expires on June 30, 1961. California, with a heavy incidence of defense installations, cannot afford to pick up the check for the education of thousands of children, the parents of whom, civilian and military, pay no State or local taxes, for the most part, in support of our State school system.

The Senate has faced up to this problem. It has passed a bill dealing with these grave questions. In the main, it is a constructive piece of legislation. It is now the responsibility of the House of Representatives to act on this matter.

On this subject, Mr. President, I ask unanimous consent that a letter I recently sent a constituent be incorporated at this point in the RECORD.

There being no objection, the letter was ordered to be printed the the RECORD, as follows:

JUNE 17, 1961.

DEAR SIR: I have read with interest your recent letters to the Los Angeles Times and to me in which you condemn my vote for a 3-year program for Federal aid to education. The essence of your charges are:

1. That by voting for a national program under which California will receive approximately $46 million per year over the 3-year period while paying in over $60 million I have voted for spending $14 million worth of "California" money in other States, and

2. That I have not followed Lincoln's criterion for Federal action that "The Government only should do for the people what the people cannot do for themselves."

The Federal aid to education measure which I supported consisted of two basic programs: One, a new 3-year program of general assistance to precollege education; the other, a continuation for 3 years of the so-called federally impacted area legislation. This latter program has been in effect for over a decade. During this period California has received almost $340 million of Federal assistance to aid in the construction, operation, and maintenance of its public school system in those areas where children of military and civilian personnel on defense installations are located. I have hundreds of letters from school board members, principals, schoolteachers, and taxpayers generally indicating that without this program it would have been impossible to meet the educational challenge posed by the great influx of this defense-related population. Without this Federal assistance, the local property holder, in many parts of California, would have been compelled to asume an inequitable and intolerable local property tax burden. For fiscal year 1960, almost $31 million was granted 496 school districts under this program. For those who believe in naive accounting, that amount alone should more than take care of the alleged $14 million deficit with which I am charged.

But secondly, and more important, such naive accounting shows little faith in the future of our Nation and little understanding of our past heritage. I am sure that the first Republican President, Abraham Lincoln, would have decried such an attempt to pit one State or even a group of States against the rest of America. He would have been correct philosophically and, if he had had the figures, even more correct economically.

While no accurate summary can be made of the Federal funds which flow in and out of California, I point to some obvious facts. In fiscal year 1960, California residents and corporations paid almost $8 billion in Federal taxes. In that same year, the U.S. Government awarded 23.7 percent of the defense construction and procurement of our Military Establishment to California firms. This totaled almost $4.9 billion. In addition $1.5 billion was expended during that period on military and civilian employees of the Department of Defense who are located in our State. In fiscal year 1960, approximately $678 million in Federal funds were granted to our State and local Governments and private individuals and institutions for diverse Federal programs such as agricultural experiment stations, highways, public assistance, airports, needy children, unemployment compensation, and heart and cancer research, university, and individual scientific research among others. Besides these expenditures, I have not included the cost of vast Federal programs such as the postal service or the money spent on water development. Our State has more Federal employees than our Nation's Capital, Washington, D.C.

In the field of water resource development, the Federal Government has been of untold help in attempting to contain, store, and put to effective use our State's most valuable resource—its water. Since becoming a Senator in 1953, I have been especially concerned with assuring an appropriate Federal contribution to the water development which is so badly needed if our industry, people, and economy are to continue to flourish. I am proud to have played a role in securing the authorization of such great developments as the Trinity ($300 million) and San Luis ($300 million) projects among others. At the end of this month, the Senate Interior and Insular Affairs Committee on which I serve will consider authorizing the Auburn Dam and Folsom South Canal projects ($225 million). So much for the accounting.

Now to the policy. Federal aid to education legislation does not undermine local control; it does not abolish local school boards; it does not mean the dictation of what should be taught in our schools. This is something for the local residents and their elected representatives on the school board and in the State senate and State assembly to decide, and rightly so.

My late colleague, Senator Robert A. Taft, was the author of the approach which I preferred in the field of Federal aid to education. However, when one is a member of the minority party, one cannot always precisely obtain what one prefers. Earlier in this session, I coauthored a bill which was based on the Taft approach. That proposal would have provided a minimum foundation grant of $20 per public school child and then an equalization grant for those States, some 18 in all, where the level of precollege education is drastically in arrears compared with the rest of the Nation. This is the same approach we use in our own State. Many of our so-called "poorer" counties do not have the industrial base of a county such as Los Angeles and thus the property taxes they impose do not generate the full revenue which is needed to educate our youth adequately. Thus the richer counties in California provide some equalization funds to aid the poorer ones.

For the sake of our own State and Nation is there a need for any Federal action in this area? I think so. So does the Republican National Platform. At home and abroad we are faced with a challenge whose outcome will depend on the full utilization of the best talent and manpower our Nation can offer. In this, we know no State lines. This is a critical national problem. California is considered to be a leader in the field of public education. Yet at the beginning of this school year, California still had 93,952 students on half-day sessions in its elementary and high schools. California is a leader; yet in 1959 according to the Surgeon General of the Army, our State ranked 28th among the 50 States when 20.6 percent of the selective service registrants failed the mental test. In Iowa, only 5.6 failed, while in Louisiana, 50 percent, in Mississippi, 53.4 percent, and in South Carolina, 61.9 percent failed. Our Nation cannot afford such a loss in manpower because of inadequate educational opportunities.

In 1960, there were approximately 16 million Californians. This was 5 million more than in 1950. It is conservatively estimated that at the end of the coming decade there will be 22 million residents of our State. As we both know, they are not all born here. Rather, a great many move to California because of the economic opportunities which we offer. The mobility of our industrial society and the needs of our national defense have truly made us one nation and we cannot afford ill-educated men and women in any part of our land.

A study completed last year by the U.S. Department of Labor concluded that the kinds of jobs industry will need workers for are changing and that "the biggest increases will occur in occupations requiring the most education and training." For example, it is predicted that there will be a 40-percent increase of those in the professional and technical occupations, almost a 25-percent increase in proprietors and managers, the same for skilled workers, and even more for those in the clerical and sales category. There will be little change in the number of unskilled workers and a drastic reduction of farmworkers. In this decade, 29 million Americans will enter our labor force. If they are to be able to meet the requirements of an increasingly complex industrial economy, if they are to be able to earn a living in tomorrow's world, and if they are to do their part to further democracy and stop communism, then they will have to be properly educated.

During this decade our Nation's elementary and secondary school enrollment will increase 8.1 million over what it was during the 1950's. No letup in the annual increase of over 1.1 million will occur until after 1965. The bill which the Senate recently passed will expire in 1964.

It has been charged that by voting for a Federal aid to education bill, rich States

are giving away money to the poor States and the latter are not making any effort to solve their own problems. I think the best way to find out where the truth lies with this charge is to look at what the 18 States who would get the most money per school age pupil under the bill have done to put their own house in order.

Under the legislation which the Senate adopted, California will receive $12.45 per school age pupil. The 18 States which I have mentioned include Alabama, Arkansas, Georgia, Idaho, Kentucky, Louisiana, Mississippi, New Mexico, North Carolina, North Dakota, Oklahoma, South Carolina, South Dakota, Tennessee, Utah, Vermont, Virginia, and West Virginia. The amounts per pupil they would receive range from $22.50 for Oklahoma to $27.79 for Arkansas and Mississippi. Have they tried to help solve their own problems in the last decade? They have. In terms of the total expenditures per pupil in average daily attendance, comparing the figures in constant prices to eliminate the inflation factor, California spent 16.4 percent more in 1959–60 than it did in 1949–50 per public school pupil. The group of 18 States I have mentioned ranged from an unusual low of a 1.3-percent increase by Idaho to a median increase of 17.5 percent for South Carolina, and great increases by Virginia (29.5 percent), Kentucky (30.2 percent), Utah (32 percent), and Mississippi (127 percent).

Another index of effort is the amount of taxes collected by State and local government per $100 of personal income. In 1959, the national average was $8.49 per $100. Our own State had a rate of $9.50 per $100. Of this group of 18 States, most of them inhabited by people of lower incomes than our own, 10 of them were above the national average of $8.49 and one-third had higher tax levies than California. Some of the tax levies which were higher than California included Mississippi ($10.57), Louisiana ($11.24), Vermont ($11.31), North Dakota ($12.01), and South Dakota ($12.28). Obviously for those States which are taxing below the national average more effort should be made. But I think it is clear that the majority of the States who would be aided have tried, and, having tried, have not been able to keep pace with the ability of the larger, urbanized States with a greater industrial base, in meeting their school needs.

In summary, there is a Federal responsibility to do part of the job to bridge the educational gap which exists in our Nation. President Eisenhower and the last Republican administration recommended Federal aid to education. The Republican Party, in 1960, in our platform unanimously endorsed this principle. Vice President Nixon campaigned on it. Now is the time for action. And I think Lincoln, under whom the great Land Grant College Act was enacted, would agree.

Sincerely yours,

THOMAS H. KUCHEL.

PROPOSED REPEAL OF 4 PERCENT CREDIT FOR DIVIDENDS RECEIVED FROM DOMESTIC CORPORATIONS

Mr. KUCHEL. Mr. President, 1 year ago today, the Senate, by a margin of 1 vote, approved an amendment to repeal the 4 percent credit for dividends received from domestic corporations. The vote was 42 for repeal, 41 against repeal, and 17 absent and not voting. I call the roll on that dismal, hypocritical occasion:

Yeas, 42: Anderson, Bartlett, Bible, Byrd of West Virginia, Cannon, Carroll, Case of South Dakota, Church, Clark, Cooper, Dodd, Douglas, Engle, Ervin, Frear, Fulbright, Gore, Gruening, Hart, Hill, Jackson, Johnson of Texas, Lausche, Long of Hawaii, Long of Louisiana, Lusk, McCarthy, McGee, Mansfield, Monroney, Morse, Moss, Muskie, O'Mahoney, Pastore, Proxmire, Symington, Talmadge, Wiley, Williams of New Jersey, Yarborough, Young of Ohio.

Nays, 41: Aiken, Allott, Bennett, Brunsdale, Bush, Butler, Byrd of Virginia, Capehart, Carlson, Case of New Jersey, Chavez, Cotton, Curtis, Dirksen, Dworshak, Ellender, Fong, Hickenlooper, Holland, Hruska, Javits, Johnston of South Carolina, Jordan, Keating, Kuchel, McClellan, Martin, Morton, Mundt, Prouty, Randolph, Robertson, Saltonstall, Schoeppel, Scott, Smathers, Smith, Stennis, Thurmond, Williams of Delaware, Young of North Dakota.

Not voting, 17: Beall, Bridges, Eastland, Goldwater, Green, Hartke, Hayden, Hennings, Humphrey, Kefauver, Kennedy, Kerr, McNamara, Magnuson, Murray, Russell, Sparkman.

That regrettable rollcall, on that regrettable occasion, convicted the Senate in my judgment, of favoring double taxation. It was an ill-considered and contemptuous assault on the investment in American business by the ordinary citizen. It went the "soak-the-rich" advocates one better: it proposed to soak anybody, big or little, whose faith in the Nation prompted him to buy stock in American corporate business. It was, therefore, an assault upon our system of free, competitive enterprise. Our people are grateful to the House conferees who steadfastly refused to go along.

Now comes the administration, urging that this Congress vote the selfsame repealer which the last Congress refused to do. I speak today briefly, Mr. President, to urge the Senate, particularly the new Senators and those who were absent from last year's rollcall, to weigh carefully the retrogressive effects of the administration's position, and to oppose it when again we confront it on this floor.

The President has sent the Congress a number of proposals for change in our tax laws. With some of them, I am in agreement. But I propose today to take vigorous exception to wiping out the woefully small relief presently available against two income tax "bites" into the same dollar of profit. I oppose, too, his request for withholding on income of this type.

In 1954, at the request of the Eisenhower administration, the Congress amended the Internal Revenue Code to provide with respect to dividends, from domestic corporations, first, an exclusion of the first $50 of dividend income, and second, a 4-percent tax credit on the balance.

This action was taken from a variety of compelling reasons. There can be no moral or equitable justification in having the Federal Government take two income tax bites out of the same dollar of profit; the tax credit provided is some slight relief from double taxation, far less than that afforded under the tax laws of other nations in the free world. Far more will be gained from interesting our people in security holdings by giving them some incentive to invest in American business.

Senators know that an American corporation, with some slight exceptions not relevant here, pay 52 cents out of every dollar of profit to the Federal Government under the revenue laws. If any or all of the remaining 48 cents is distributed to the owners, that is, the stockholders, a second income tax is levied on what is distributed, again under Federal revenue laws. Thus, the stockholder is taxed from 20 percent up, on the same profit dollar from which 52 cents has already been taken. Thus, even at the lowest income levels, the effective tax rate for the individual stockholder is 62 percent, and up—three times the rate the lowest-bracket taxpayer would otherwise be called upon to pay. If the business were not a corporation, the 52-percent tax bite would not, of course, apply. If the business were a partnership, if the stockholders were partners, the Federal revenue laws would provide—as they should provide—for one tax bite only on each dollar of profit.

A very large percentage of today's shareholders are persons of modest income. According to the New York Stock Exchange Census of 1959, there were 12.5 million shareholders in 1959. About 3.5 million of these had annual family incomes under $5,000. Another 6 million shareholders had incomes between $5,000 and $10,000. This means that families with incomes of $10,000 or less accounted for about 60 percent of the dividends on 1958 income tax returns. Furthermore, the exclusion alone relieved about 3 million taxpayers—one-fourth of all shareholders—from the entire double tax burden. Contrariwise, the President contended that the credit and exclusion gave either insufficient or no relief to shareholders with smaller incomes. I deny it, and point to the foregoing facts.

It may be worth while to bear in mind that the exclusion and credit give relative or proportional relief to all shareholders. Obviously, the more dividend income, the greater relief against two Federal bites. But those in this category carry the greatest burden of the dividend tax in absolute dollars. We cannot slight the fact that stockholder investment is essential to the very commencement of any corporate enterprise. Without stockholders to provide some or all of the capital, the corporation could not commence business or provide employment opportunities other than by borrowing. And the smaller and more speculative the enterprise, the more necessary is stockholder investment.

Tax treatment of dividends, thus, can either discourage or encourage broadening the base of equity financing. The 1954 provisions have accomplished one of its goals—an increase in individual investment. Stockholders today number over 15 million, more than double the number in mid-1954. While many factors have gone into this remarkable growth, the dividend exclusion and credit have certainly played an important part.

At this particular time, there can be no doubt as to the urgency of speeding up our annual rate of growth. In the

light of this, how can we even contemplate a measure—this proposed repealer—which is inconsistent with the attempt to encourage a climate favorable to capital investment?

With the encouragement of our economic health in mind, we could, I think, learn from the examples of other countries, most of which afford special treatment to dividend income.

In 1949, the Canadian Parliament adopted a 10-percent tax credit for dividends. Official evaluation of this step toward greater equity and increased investment was so favorable that the Dominion Government, in 1954, subsequently increased the tax credit for dividends from 10 percent to 20 percent.

Great Britain treats corporate and individual tax identically with that part of the tax paid by the corporation credited to the individual. The result is an elimination of double taxation, and an impetus to investment in England.

And the tax policies of Canada and Great Britain are not merely isolated, successful cases. Many other governments afford special treatment to dividend income, ostensibly to eliminate or alleviate penalizing the investor, and thereby encouraging investment and growth.

Some countries levy no tax whatsoever on dividends received by individuals. This is the practice in Costa Rica, Finland, Indonesia, Iraq, Ireland, Lebanon, Liberia, Venezuela, New Zealand, and Nicaragua, among others.

Other countries, such as Argentina, Israel, and Japan, give credit on personal income tax for dividends received by individuals or corporate income taxes paid by the companies declaring these dividends.

Still other countries, Belgium and Germany among them, tax distributed profits at a lower rate than undistributed profits or exclude them from the corporate tax base.

Among those nations treating dividends more leniently than the United States are several of the fastest growing nations in the world—in economic terms, not population. While the forces responsible for economic growth are diverse and complex, nevertheless, we must acknowledge that among the primary determinates are the level and expansion of investment.

If we attempt to restrict that investment by allowing the President's proposal to materialize, we may well be reducing the level of private funds available for financing our own economic expansion. If such were the case, debt financing would become more favorable. I need not go into depth for this body when I say that debt financing is an undesirable development. It tends to decrease the financial flexibility of business. It makes our free system more vulnerable in periods of depressed economic activity.

There may be even a more serious implication to this course of action. Equity capital is most important to small business. The big corporations can get by. What is the point of putting all the small business relief provisions into our tax law, if, at the same time, we initiate actions which will make it substantially more difficult for the small businessman to attract needed capital?

Finally, on the subject of the dividend allowances, no discussion of any tax law is complete without a discussion of the revenue yield. The administration anticipates a revenue gain of $450 million per year, if the repealer is approved. True, there may be more revenue for the Government in the short run, but the long-run repercussions may well result in decreased revenue to the Government. The 1954 law did not reduce tax revenues. By broadening the investment base, revenues from dividends have actually increased by about $200 million annually ever since.

WITHHOLDING

In order to obtain full payment of taxes, the Treasury Department has proposed a system of an across-the-board withholding of 20 percent on dividend and interest income. Of course, everyone is in accord with the objectives of the Treasury to obtain full payment of all taxes legally due and owing. Taxable dividend and interest income must be fully reported on Federal income tax returns. Nevertheless, in this instance, I can think of no more cumbersome method than the withholding procedure.

As indicated by the statistics on stockholders, the number of small investors is so great as to make the effort perhaps more costly than the realization of unreported taxes. Career people in the Internal Revenue Service have told me this is their view.

Permit me to expand on this point. Anticipating the consideration of mandatory withholding, the American Bankers' Association took a sample survey of 300 commercial banks.

The most revealing finding obtained from the survey—

According to testimony in behalf of the ABA before the House Ways and Means Committee—

is the very large concentration of small savings accounts.

It is significant to note that two-thirds of the savings accounts in the reporting banks pay less than $15 in annual interest. Another 15 percent pay annual interest between $15 and $45. Only one-half of 1 percent of the accounts received interest in excess of $600.

If we project this representative sample to the 52 million savings accounts nationwide, approximately 34 million savings accounts in commercial banks earn interest amounting to less than $15 a year. One need not be too imaginative to deduce the amount of unnecessary bookkeeping as a result of the multitudes of small accounts.

The National Association of Mutual Savings Banks, representing 515 mutual savings banks, reached a similar conclusion:

The great majority of regular accounts in mutual savings banks have small balances.

The prevalence of the small depositor can be still further verified by figures sent to me, at my request, from the Bank of America. Almost 4 million depositors with the Bank of America have accounts under $500, and 3¼ million of these have accounts under $100.

Another factor to be considered in connection with the proposed withholding is refunding. Without a doubt, refunds under such an arrangement would reach phenomenal proportions—and phenomenal costs.

By 1962, there will be an estimated 11 million accounts held by individuals 65 years of age or older; a large percentage of these would be eligible for refunds. Another 5½ million accounts will be held by individuals under the age of 20, most of whom would also be entitled to refunds. Finally, there are the many depositors who, in any event, would be entitled to refunds, because the effective tax rate on their income will be less than 20 percent.

With all these factors, it should be obvious that no practical withholding system can possibly be achieved. It is complicated still further by another Treasury proposal. Under this proposal, provision is made for a quarterly refund of withheld tax of $10 or more on dividends and interest received during the previous 3 months.

Banks and corporations, already burdened with Government paperwork, would become the tax collectors of America. It would be particularly onerous to all savings institutions. Not only affected under the proposed system by the withholding of interest and dividends paid to their own stockholders and depositors, they would also be encumbered by the withholding of the dividends of many organizations for whom they act as paying agents.

There surely must be a more reasonable solution to curbing tax evasion or avoidance. It should be reasonable to assume that the Government itself could undertake the responsibility of seeing to it that there is more complete reporting of interest and dividends. Over the next few years, it should be possible for the Internal Revenue Service, by means of electronic data processing, to make more effective use of information to prevent underreporting or failures to report. This, also, is the opinion of career people in the Internal Revenue Service.

The acceptance of either recommendation—the discontinuance of the tax credit on dividends and the establishment of a withholding system for dividends and interest income—carries with it the elements of inequality and unsound economics. Such an approach would hamstring American banking and industry. As a member of the Senate Committee on Appropriations, I would be happy to aid the Internal Revenue Service in any way that I can by approving legislation enabling them to employ additional qualified agents to uncover those who are failing to report dividend and interest income.

The average individual, by savings and investment, is endeavoring to help himself and his family prepare for the future and to assure greater independence in the years of retirement. In so doing, he is adding to the economic strength of the Nation. Thus, for the sake of our citizenry and of our system of free, competitive enterprise, we can-

not afford to penalize efforts of self-help by the people of the country.

Withholding taxes on dividends and interest only complicates the issue. Aside from the staggering amounts of auditing required, such a proposal siphons off from the investment stream moneys otherwise available for investment and expansion.

We grew to greatness as a Nation by putting our private capital to work. Why now discourage this when the challenges of the day demand still greater strength from the Nation and from the system of free enterprise? The Senate, in my opinion, ought to reject both these proposals.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. RUSSELL. Mr. President, I ask unanimous consent that further proceedings under the quorum call may be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1962

The Senate resumed the consideration of the bill (H.R. 7444) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes.

The PRESIDING OFFICER (Mr. HICKEY in the chair). The bill is open to amendment.

Mr. DOUGLAS and Mr. HRUSKA addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DOUGLAS. Mr. President, for myself and the Senator from Delaware [Mr. WILLIAMS], I call up an amendment and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 21, line 19, after the word "to," strike $250,000,000" and insert "$150,000,000."

Mr. DOUGLAS. Mr. President, I think we should all know precisely what the amendment would do and what it would not do. The amendment proposes to reduce the so-called agricultural conservation program advanced authorization for the calendar year 1952, from $250 million as stated in the bill before us to $150 million and hence to make a saving of $100 million.

The agricultural conservation program to which my amendment relates is not the soil conservation program. It is sometimes called a part of the soil conservation program, but it is very important we realize it really has almost nothing to do with soil conservation.

The Soil Conservation Service does a very excellent job in spreading knowledge of, and assisting in the practice of, conservation operations such as contour plowing, terracing, prevention of wind and water erosion, prevention of floods, and the new program to conserve the Great Plains.

In the bill under consideration approximately $176 million is to be provided for the Soil Conservation Service. This amendment would not touch a single cent of that amount. What this amendment would do is require the reduction of ACP expenditures for limestone, phosphate, and other chemicals; for the draining of marshland; and for certain irrigation programs.

In the budget which President Eisenhower submitted on the 16th of January he requested an ACP advance authorization of $100 million for the program for calendar year 1962. When President Kennedy reviewed the Eisenhower budget he raised President Eisenhower's request by $50 million, to $150 million. However, the House Appropriations Committee raised that by $100 million more, to a total of $250 million.

There was a very lively debate on the floor of the House on this matter, but the advance authorization of $250 million was finally upheld on a rollcall vote by 184 to 196. Those who wish to consult the debate will find it in the CONGRESSIONAL RECORD for June 6 at pages 9620 to 9628.

According to my rough estimates based on actual ACP assistance expenditures for 1959, the latest year for which data is available, of the $100 million by which the amendment seeks to reduce the ACP authorization, approximately $73 million would be spent for lime, phosphate, and other commercial fertilizers to be placed on the soil. These chemicals would increase the yield of land in the first year and they would have similar effect, to some degree, in the second year. These are not permanent soil-conserving or soil-enhancing expenditures.

The application of lime, phosphate, and other chemicals is designed to increase current yields. At a time when American taxpayers are being asked to spend several billions of dollars to reduce acreage, and therefore to reduce production of farm goods, it is extraordinary that we now propose to spend $73 million to increase production of farm products. Such a proposal raises the question of how foolish we can be. How can we, on the one hand, seek to reduce production of farm products in order to eliminate the surplus and raise income—and I believe farm income will be raised if output is reduced because of the inelastic demand for farm products—and at the same time expend $73 million for lime, phosphate, nitrogen, and other chemicals designed to increase yields per acre? Such proposals are beyond my understanding.

I realize that the program is well established. I realize that since 1936 more than 406 million tons of liming materials have been put on the land of this country under the ACP program. A very powerful limestone lobby has been built up, a lobby which is always present when appropriation bills are considered, and which always seeks a large appropriation. Lobbies in other branches of the fertilizer industry are extremely busy. In fact, the bill is more properly one to help the fertilizer lobby than it is to help the farmer. Its whole purpose is contradictory to the purpose of reducing production of farm products.

ACP expenditures for 1959 also indicate that the $250 million authorization would result in expenditures of some $16 million for drainage of excess water from the marshlands of the country. Such drainage will have the ultimate effect of increasing the acreage available for the raising of farm products at a time when, presumably, we are trying to decrease the acreage elsewhere. Such expenditures would diminish the area of marshlands which now give shelter to ducks and geese, of which there is a shortage. So we would spend $16 million to diminish the hunting opportunities of those who like to shoot geese and ducks at the same time the Department of the Interior is being given added funds with which to flood lands and create more shooting facilities.

The program is contradictory, not merely from the standpoint of encouraging land productivity in the face of other programs to reduce surpluses, but also with respect to the removal of so-called excess water, which results in the bringing into crop production of more lands and in the destruction of badly needed wildlife havens currently being artificially created under other Government programs.

Additionally, the $250 million authorization would provide some $11 million for the reorganization of irrigation systems and the leveling of irrigation land. Such programs are also in large part contradictory, for reasons similar to those already stated.

Mr. President, if we are really for economy, I believe I have shown one of the first places where we should begin. Last week we provided a subsidy of $165 million a year, or $1,800 million over the course of 11 years, to the large trucking companies and the truck lobby. Today we would continue a subsidy of $73 million a year to the fertilizer lobby.

I believe that we should return to the recommendations of the President of the United States. Sometimes the President is criticized by Senators on the other side of the aisle, and sometimes by Senators on this side of the aisle, for desiring to spend too much money. As Senators know, I am for the welfare programs of the President. But I have pointed out a case in which the Congress is trying forcibly to stuff the President's budget with an added $100 million, which he did not request, which fulfills no defensible purpose, and which I hope will be eliminated.

Mr. RUSSELL. Mr. President, I do not agree with all the conclusions stated by the Senator from Illinois, but I commend him for attacking a program in which he does not believe, but which is very generally utilized in his own State. He is entitled to great credit for courage on that score.

Mr. DOUGLAS. I am perfectly well aware of the fact that Illinois would receive more than $5½ million. An attaché of the committee came to me prior to this time and said, "I understand you are going to try to cut off money from your own State."

I defend the interest of my State, but I put the interests of the taxpayers of the United States first.

Mr. RUSSELL. Mr. President, I am not responsible for any statements made by any attachés of the committee. I have made my statement. I did not direct or suggest that any attaché of the committee approach the distinguished Senator from Illinois. I had no knowledge of it. Had I thought it would be done, I would have interposed a very vigorous objection, because I know how the Senator from Illinois resents approaches of that kind.

The Senator is being consistent. Many times persons oppose programs that would not benefit their own States. It would be easy for a man in my part of the country to oppose irrigation projects in areas where such projects are proposed. Another would vigorously oppose flood control programs in other sections of the country. I do not agree with the Senator's conclusion. In my opinion, the proposed program is one of the most valuable programs affecting agriculture that has been in existence in this country over a long period of years.

I do not know where the Senator obtained his figure of $73 million for fertilizer. I am sure that he got it from some authoritative source. The figures I have been able to obtain indicate that for liming, 16 percent was spent throughout the entire country, but in the State of Illinois the percentage is 41 percent.

On page 446 of the Senate hearings appears a graph or chart which shows the way in which liming is used. If Senators will turn to that graph, they will see that in the Great Lakes area liming is the primary program that is utilized. In my part of the country liming is not such a popular practice. People practice terracing, the planting of cover crops, the planting of forests, and other things of that nature.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. RUSSELL. I am happy to yield.

Mr. DOUGLAS. The Senator said that he did not know where I obtained my figure of $73 million for liming and fertilizing. I refer him to the volume entitled "The Agriculture Conservation Program: Statistical Summary, 1959," table 20, page 95, which shows that the total for liming in 1959 was $37,993,015, and that commercial fertilizers amounted to $34,821,132, making a combined total of $72,814,147.

Mr. President, I ask unanimous consent that there be printed at this point in the RECORD, this table, titled "Amount and cost-share per ton of liming materials, and total assistance for liming materials and commercial fertilizers, agricultural conservation program, by States, 1959."

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 20.—*Amount and cost-share per ton of liming materials, and total assistance for liming materials and commercial fertilizers, agricultural conservation program, by States, 1959*

REGULAR ACP

State	Liming materials [1]				Assistance for commercial fertilizers [2]		Assistance for all minerals [3]	
	Amount [4]	Cost-share per ton	Assistance					
			Total [5]	Portion of State total	Total	Portion of State total	Total	Portion of State total
	Tons	*Dollars*	*Dollars*	*Percent*	*Dollars*	*Percent*	*Dollars*	*Percent*
Alabama	240,420	3.28	787,684	13.30	2,351,702	39.71	3,139,386	53.01
Alaska					6,010	10.18	6,010	10.18
Arizona								
Arkansas	346,038	2.94	1,018,369	21.63	650,605	13.81	1,668,974	35.44
California	4,955	2.38	11,784	.23	73,336	1.45	85,120	1.68
Colorado					25,755	.86	25,755	.86
Connecticut	15,024	4.39	65,940	15.78	182,874	43.77	248,814	59.55
Delaware	45,448	4.07	185,110	56.95	15,555	4.79	200,665	61.74
Florida	174,866	3.97	694,028	25.50	914,255	33.60	1,608,283	59.10
Georgia	278,008	4.36	1,213,044	16.58	3,061,973	41.85	4,275,017	58.43
Hawaii	264	14.02	3,700	2.10	19,312	10.96	23,012	13.06
Idaho					16,454	.98	16,454	.98
Illinois	1,925,065	1.59	3,055,407	42.26	2,601,218	35.98	5,656,625	78.24
Indiana	1,440,650	1.68	2,424,719	45.33	141,492	2.64	2,566,211	47.97
Iowa	756,717	1.58	1,193,505	21.83	70,188	1.28	1,263,693	23.11
Kansas	270,136	2.34	632,277	10.19	202,429	3.27	834,706	13.46
Kentucky	832,179	1.76	1,462,026	21.54	1,750,141	25.78	3,212,167	47.32
Louisiana	153,014	5.18	792,935	18.92	930,287	22.19	1,723,222	41.11
Maine	62,156	6.99	434,432	47.27	334,839	36.43	769,271	83.70
Maryland	172,770	3.69	636,910	50.47	171,401	13.58	808,311	64.05
Massachusetts	59,179	5.38	318,556	59.56	98,261	18.37	416,817	77.93
Michigan	317,342	2.94	933,743	25.29	323,244	8.76	1,256,987	34.05
Minnesota	483,918	2.00	969,227	18.12	453,839	8.48	1,423,066	26.60
Mississippi	283,053	3.87	1,096,396	17.00	2,407,002	37.33	3,503,398	54.33
Missouri	1,604,964	2.00	3,204,446	34.05	2,743,829	29.16	5,948,275	63.21
Montana					10,092	.35	10,092	.35
Nebraska	70,153	2.17	152,155	3.04	36,414	.73	188,569	3.77
Nevada					8,230	2.34	8,230	2.34
New Hampshire	22,146	5.71	126,505	24.54	211,399	41.02	337,904	65.56
New Jersey	33,559	4.36	146,440	22.01	77,407	11.64	223,847	33.65
New Mexico					4,018	.21	4,018	.21
New York	660,724	4.28	2,825,914	61.72	464,954	10.16	3,290,868	71.88
North Carolina	380,936	4.41	1,679,197	27.45	1,778,849	29.09	3,458,046	56.54
North Dakota								
Ohio	1,136,658	2.35	2,667,473	48.47	169,019	3.07	2,836,492	51.54
Oklahoma	100,251	3.31	332,192	4.97	845,382	12.65	1,177,574	17.62
Oregon	42,092	6.46	272,113	12.49	71,421	3.28	343,534	15.77
Pennsylvania	591,796	3.84	2,270,554	46.74	1,307,730	26.92	3,578,284	73.66
Puerto Rico	188	4.00	752	.09	536,680	63.43	537,432	63.52
Rhode Island	3,693	4.81	17,746	23.30	27,743	36.41	45,489	59.71
South Carolina	95,573	3.31	316,478	9.16	512,321	14.84	828,799	24.00
South Dakota					53,946	1.17	53,946	1.17
Tennessee	662,900	2.21	1,462,021	7.20	1,890,491	9.32	3,352,512	16.52
Texas	126,808	4.21	533,447	10.47	3,183,826	62.50	3,717,273	72.97
Utah					1,818	.14	1,818	.14
Vermont	79,706	3.76	299,674	32.11	426,515	45.70	726,189	77.81
Virginia	328,460	2.58	847,265	19.28	1,975,050	44.95	2,822,315	64.23
Virgin Islands					52	1.20	52	1.20
Washington	4,935	6.08	29,991	1.95	153,406	9.95	183,397	11.90
West Virginia	145,572	3.69	537,659	22.75	701,430	29.67	1,239,089	52.42
Wisconsin	1,220,870	1.92	2,341,201	45.57	773,645	15.06	3,114,846	60.63
Wyoming					53,293	2.60	53,293	2.60
Total	15,173,186	2.50	37,993,015	19.79	34,821,132	18.14	72,814,147	37.93

[1] Includes data for the liming materials used under National Bulletin Practice A-4, and for all other practices which included cost-shares for liming materials. The tonnage item was computed on the basis of the total cost-share for all liming materials used and the county average rate of assistance, as reported by counties on form ACP-300.

[2] Includes all eligible minerals other than liming materials.

[3] Includes liming materials and commercial fertilizers.

[4] In terms of standard ground limestone equivalent.

[5] These data are included in the applicable columns for the related National Bulletin practices contained in table 2 and are not in addition to such data.

Mr. DOUGLAS. That was the figure which I used, approximately $73 million. I submit that is the correct figure for 1959, and that it is the best estimate that we have of the amount that will be spent under the appropriation for calendar 1962.

Mr. RUSSELL. I am not disposed to debate the details of this program with the distinguished Senator from Illinois, but, in my opinion, the table to which he refers not only includes the cost of the fertilizer and all of the lime and phosphate, but it also includes a number of other items which go with it, and it is not exclusively devoted to the acquisition of the fertilizer.

But whether that is true or not, I wish to point out that every State of the Union has a right to prescribe its own soil conservation program, subject, of course, to review here in Washington, and to cancel any practices for which demands are too great or which are otherwise inappropriate or not applicable.

In the last few years we have found it necessary to freeze the program throughout the Nation, because of the disposition on the part of the Department of Agriculture here in Washington to impose its views on the State committees.

I wish to say, too, that this plan is the most economical program the Department of Agriculture has ever promulgated to assist farmers. We had the so-called conservation reserve under the soil bank. That deals with many of the same practices that are applicable in this program, and the Federal Government supplied the cost of the full program by paying the cost of installing the practice and then continued to pay rent on the land for 3 to 10 years, whereas under this program the Federal Government pays 50 percent of the practice, and that ends its responsibility and liability. Under this program we have planted 3 million acres of trees. There is no liability for rental payments over a period of years, as there is in the so-called conservation reserve program under the soil bank.

I am surprised that the distinguished Senator from Illinois should pay such high tribute to the Soil Conservation Service on the one hand, and attempt to be so critical of this program on the other hand, because these two programs go hand in hand; indeed, there is a provision in the pending bill which permits the utilization of a small percentage of these funds for the soil conservation districts, and, as I recall, that has amounted to $7½ million a year. These funds support activities of the soil conservation districts, and the supervisors of the soil conservation districts often prescribe conservation practices that are carried out under this program as a means of developing and improving conservation of our soil and water resources in this country through the utlization of these very modest payments. This is a program which has been in existence for a great number of years. It may be that in some sections of the United States it has been abused in the acquisition of lime and other fertilizer materials. I refuse to be too critical of the lime industry for their activities which might be denominated as lobbying. I do not know that they are greatly different from what is pursued by any other beneficiary of any other Federal program. They all have their Washington offices. They all have their ways and means of appearing to undertake to protect their interests. It is true that representatives of the limestone industry have appeared before our committee from time to time to support this program. That is not greatly different from any other program of which I have any knowledge, and I refer not only to the Maritime Commission but to other aspects of government.

Mr. DOUGLAS. Mr. President, I am not fully acquainted with the entertainment provided by the various lobbies. Is it true that the Limestone Institute gives very good dinners?

Mr. RUSSELL. I would not know about that. I have never attended one. I cannot qualify as an expert in that field. Perhaps some of our brethren who have attended such dinners may wish to purge themselves. If they wish to do so, they may do so now. I have never attended one myself. If any of our colleagues has attended such a dinner, apparently they do not desire to herald that fact on the floor. However, that is not greatly different from any other lobbying activity in Washington. I have been invited to dinner by every conceivable kind of organization that is present in Washington to promote its interests in the expenditure of Federal funds.

I have received many invitations to attend dinners. The meat people have a dinner. The milk people give a dinner. The homebuilding people give a dinner. I suppose I get invitations perhaps a hundred times a year to go to some kind of dinner given by these various organizations. I have not attended any of them for a number of years. When I first came to Washington, in my innocence I did go around to a number of these dinners. However, for the last 20 years I have attended none of them.

Mr. President, that is all I desire to say on the merits of the issue, that is, that the conservation of the soil and water in our country is worth the expenditure of this very modest $250 million each year. That expenditure generates expenditures of approximately $600 or $700 million a year for this purpose. The farmers must contribute at least 50 percent. In many cases they contribute more. It is true that efforts have been made to reduce the program. It was cut down in the 80th Congress, over very violent opposition on my part in the Senate. The recently retired Secretary of Agriculture, Mr. Benson, endeavored violently to cut this program. The budget estimate for 1958 was $125 million; in 1959, $100 million; in 1960, $100 million; in 1962, the earlier estimate was $100 million. Congress was so convinced of the merits of this program that it carried it on at $250 million a year.

When I analyze all of the different items in this enormous agricultural bill, I must say that in my opinion the future welfare of this Nation is better served by the expenditure of this $250 million than by any equivalent sum that is carried in the bill.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. RUSSELL. I am glad to yield.

Mr. MORSE. Each year I have had the privilege of rising on the floor of the Senate to commend the Senator from Georgia for his statesmanship in regard to the agriculture appropriation bill. I do not want to miss the opportunity to do it again this year. Again I wish to thank him in behalf of the best interests of our country. He knows my views on the subject of conservation. I strongly support him.

I was disappointed some time ago, when I fought on the floor of the Senate for conservation of open spaces in connection with the housing bill, to find some of my good friends in the Senate voting against that proposal. That was a mistake. I believe it would be making a mistake to vote against conserving the soil of this country for future generations.

The Senator knows my speech on this subject. I am not going to repeat it. However, I believe that it has never been successfully answered. It is simply that he and I and all the rest of the American people are but the trustees of this land. No farmer owns a farm in the United States. All the farmer has is a legal title to it, recorded in the courthouse.

But it really belongs to future generations. It is God's gift to us, and we have the obligation of serving as trustees in order to leave it in better condition. The Senator from Georgia knows the meaning of trusteeship in connection with soil conservation. I applaud him again for his leadership.

Mr. RUSSELL. I thank the Senator from Oregon, both for his kind words and for his cooperation in sustaining this very important program.

Much could be said to illustrate the vital importance of the program to future generations. I shall not discuss that subject in detail. However, it so happens that 1 million acres of land in this country are being taken out of cultivation every year for the construction of highways and airports and for the development of subdivisions to take care of our almost exploding population. One million acres a year are gone.

When I first came to the Senate, there were about 5½ acres of cultivable land for every person in the United States on which to furnish the food and fiber necessary for his sustenance. Due to the decrease in the number of acres and the increase in the population, less than 3 acres of land are now available for the support and maintenance of every American and that amount will decrease as the years pass. That trend charges the Congress with the fearful responsibility of making certain that those acres which remain in production will prove adequate, so far as we can project our minds into the future, so that the Americans who will follow in succeeding generations will have available to them the soil necessary to provide the good life which we now enjoy.

Mr. CAPEHART. Mr. President, will the Senator from Georgia yield?

Mr. RUSSELL. I yield.

Mr. CAPEHART. How much money does the bill provide for the Agriculture Research Service? I think that is title 1. How much money is provided for the finding of new uses for farm products to be used in industry and for new markets for farm products?

Mr. RUSSELL. It would take a few minutes to compile that information. For utilization, research, and development, a little less than $20 million is provided.

Mr. CAPEHART. I do not find that in the report. Under what heading is it?

Mr. RUSSELL. It is not in the committee report. This is a very large volume, and the subject is covered in much detail in it.

Mr. CAPEHART. Where does it appear in the report?

Mr. RUSSELL. It is not in the report.

Mr. CAPEHART. Under what heading is it?

Mr. RUSSELL. It is under research, which is the first item in the report.

Mr. CAPEHART. The amount under research, the first item, is $71 million.

Mr. RUSSELL. I believe it is $78 million.

Mr. CAPEHART. Yes, $78 million. What proportion of that amount will go toward the finding of new uses for farm products in industry and for new markets?

Mr. RUSSELL. A little short of $20 million.

Mr. CAPEHART. And the balance of it?

Mr. RUSSELL. Oh, it goes for all kinds of research—to develop new seeds and new strains to cope with diseases which attack plants. It provides for insect control and many other research activities.

Through the test tube, we have seen the most spectacular increase in the production of agricultural commodities in this country that the world has ever seen. Despite all his economic difficulties and handicaps the American farmer is unchallenged as the leading agricultural producer of the world.

We talk about this, that, and the other thing, and put much of the blame for what is happening on Khrushchev and the Soviet Government. However, one area in which we have unquestioned superiority is the American farm. Each American farmer produces many times as much as the Russian farmer; and the Russians have food shortages, while we have surpluses. One American farmer furnishes more food and fiber than 23 of his fellow Americans can use. In Russia one farmer affords scanty fare and clothing for two of his fellow Russians.

Mr. CAPEHART. I am in hearty accord with the amount of money which is appropriated for these purposes, and I have always been. I have no objection to it at all. I think it is a worthwhile cause.

Mr. RUSSELL. I may say to the Senator that that is not all the money which is provided; this amount is for purely Federal activities. Some $36 million are also provided for the State experiment stations, which do a large amount of research in cooperation with the Federal Government.

Mr. CAPEHART. I am in hearty accord with the program as the Senator from Georgia has outlined it. I am in hearty accord with the work of the State universities.

However, one of the things which I think we as a Congress ought to do—and I have been talking about it and introducing bills concerning it for many years—is to show the farmer how to grow and produce more and more for new industrial purposes. I believe we make a mistake when we do not appropriate money and pass legislation to spend whatever amount of money is necessary to discover new uses for farm products in industry, so that when the farmer produces bigger crops, as a result of the money Congress is appropriating to show him how to do so, he will have the markets for them. That is what I have been fighting and arguing for over a period of many years. I think it will require separate legislation, because laboratories and other facilities must be provided.

Mr. RUSSELL. The Senator from Indiana has made many interesting statements about the many benefits which could flow from a crash program for increased agricultural production for industrial uses.

Mr. CAPEHART. I should like to have new uses found for cotton, corn, and wheat. If we help the farmer to grow more per acre, then we should help to provide larger and newer markets for what he grows. That will require separate legislation. I shall offer a bill for that purpose or an amendment to a farm bill, if that be appropriate.

Mr. RUSSELL. As I recall, the Senator from Indiana has offered such a proposal in previous years.

Mr. CAPEHART. I believe I am correct in stating that the Senate passed such a bill on three occasions, but on each occasion the House failed to do so. I wish to make a record now, because to me such a proposal is the only real solution to the farm problem. We are now considering a $6 billion appropriation bill for the benefit of farmers.

Mr. RUSSELL. All of that amount is not for the farmers. About $3.4 billion is provided for foreign aid.

Mr. CAPEHART. We are giving away surplus food products because there is no market for the surpluses which are grown.

Mr. RUSSELL. That is correct.

Mr. CAPEHART. We propose to spend $2 billion, or whatever the amount is, for agricultural foreign aid because the farmers grow more than they have a market for.

When a farm bill is before the Senate, I shall offer an amendment to this effect. I should like to see whatever amount of money is necessary, spent to develop new uses and markets for surplus farm products—and not only surplus products, but also to enable the farmers to grow more and more.

My vision of the American farm is to have every acre tilled every year, to grow more per acre, instead of paying the farmers for not growing, but letting the land lie idle. I should like to see new industrial uses developed for the farm products, so that farmers may grow more and more, and not less.

If that can be done, as the able Senator from Georgia knows so well, then the general economy of the Nation will be improved. The railroads and trucks will haul more farm products; the farmer will buy more fertilizer, more lime, more gasoline and oil, and the general economy of the country will be improved.

Mr. RUSSELL. The Senator from Indiana overlooks one important factor. The Nation will save the expense of disposing of surplus farm produce.

Mr. CAPEHART. The United States will be saved hundreds of millions of dollars.

I hope the Senate this year will again legislate on this subject as it has on a number of occasions in the past. Then I hope the House this year will concur in the action of the Senate, so that we may move forward with a program to develop new uses for farm products in industry; so that we may enable the taxpayers to save the hundreds of millions of dollars a year which are spent to buy the surplus products which farmers grow; and thus to improve the general economy of the Nation.

Throughout our Nation's history, there have been times when new industries and new products have improved the economy. Before the 1900's, it was the railroads. Later it was heavy industry. Then came the automobile industry, and in the last 20 years it has been the electronics industry.

Mr. RUSSELL. Electronics offers great possibilities for a program of finding new uses, such as the Senator speaks of.

Mr. CAPEHART. As a manufacturer and as one who has had much to do with research, I can visualize a 20-year period in which money could be spent for research, engineering, and new plants in order to develop new uses for farm products in industry. I believe we would find that such a program would give a boost to the general economy of the Nation, would reduce taxes, would increase employment, would create new jobs, and give the economy a real lift.

I am so sold on the idea that I think if we had gone into it in earnest 10 years ago, or less, we would today possibly have no unemployment. We would have general prosperity without subsidies, and would benefit industries and farmers.

I know the able Senator from Georgia has always been in favor of this sort of thing.

Mr. RUSSELL. The Senator from Indiana has indeed been a valiant exponent of a real program of utilization research and development.

Mr. CAPEHART. I thank the Senator from Georgia.

Mr. AIKEN obtained the floor.

Mr. CLARK. Mr. President, will the Senator from Vermont yield for a question? I thought the Senator from Vermont desired to ask a question; but, first, I should like to ask a question, if I may.

Mr. AIKEN. I yield briefly.

Mr. CLARK. Can the Senator from Georgia advise me whether the amount

recommended by the committee for this item exceeds the amount set forth in the budget?

Mr. RUSSELL. It does; it exceeds it by $100 million.

Mr. CLARK. Will the Senator from Georgia state why the committee felt as it did?

Mr. RUSSELL. Yes; I shall be glad to do so. In my opinion, a program of $250 million is as small a program as we can carry on and still justify the administrative expense involved in the program. If the program is cut to $150 million, the administrative expense is just as great as it is for a $250 million program—or almost $40 million. In my judgment, it would be preferable to eliminate the program entirely, rather than make it a $150 million program, because I do not think we could justify spending almost one-third for administrative purposes.

Mr. CLARK. I thank the Senator from Georgia.

Mr. AIKEN. Mr. President, coming from a State which has cooperated 100 percent on the ACP program since the first year it began, I have perhaps more than usual interest in this program.

When the Senator from Illinois states that we need no more acres to support our population today, he is correct—provided the population would remain stable. When he says the lime and fertilizer business is a good business, he is also correct. Our agriculture makes good business for many persons. As of the recent reports from the Department of Agriculture, more than 7 million persons today are working on the farms, and more than twice that number are supplying farm materials or are processing farm commodities. So, actually, today at least one-third of all the people of this country depend upon our farms for their living.

When the Senator from Illinois states that the farmers obtain some increased benefits from the application of lime and phosphate, he is also correct, because a good farmer will obtain increased benefits from the application of lime, from the second year until the twentieth year, when most of its value will have been lost.

The Senator from Illinois might also have said that despite the benefits received, today the per capita farm income is something less than half the per capita income of all the people of the United States.

The reason why we have to keep this program going and the reason why we have had to keep it going is that we wish to keep ahead of our requirements.

I have no sympathy with those who say we should produce only what we need, and that that is all there is to it. Instead, we must look ahead.

The work we do under the ACP, as I have said, is most important. The value of the superphosphate will probably be gone in 5, 6, or 8 years; I am not quite sure how long it will take. The value of the lime which is applied to the soil will remain in the ground to some degree for nearly 20 years, and then it will be necessary to apply more lime.

However, the reforestation work that is carried on is of benefit to those who will come two or three generations from now. Undoubtedly, a farmer who plants trees today will never see them harvested, unless he is a young man and unless he happens to be planting slash pine or the pulp pine which now is grown extensively in some of the Southern States.

The other work of leveling the ground and providing ditches, drainage, and so forth, will be there for the next generation, and the generation after that, to make use of.

Our population is increasing at the rate of 3 million a year; and when the value of lime which is applied today is completely exhausted from the land, the population of our country will be at least 60 million more than it is today.

As the Senator from Georgia has pointed out, we are losing a million acres of land a year for housing developments, factories, airports, highways, and for other purposes. Unfortunately, much of that land is our best land—particularly that which is taken for housing developments and for industrial purposes.

Today, our food production is the strongest argument we have in dealing with other nations. When our representatives sit down at the bargaining table with the representatives of other countries, the very fact that we have a large supply of wheat, grain, and other farm commodities at our backs strengthens our hand tremendously; and it goes without saying that many countries of the world which today are associated with us are now considered friends of the West because we were able to meet their requirements for food and fiber at times when perhaps they could not have continued to exist as independent or democratic nations if we had not been able to help them in that way.

As the Senator from Oregon has said, we hold this land in trusteeship for those who will come after us; and I believe we must hold this land in good condition.

Frankly, I am worried because of the strenuous efforts being made to reduce the production of our farms today, because we will need it sooner than we now realize. Therefore, I say we must keep the land which now remains—that which remains after we take out of production the land that is needed for the construction of airports, highways, and so forth—in the very best condition, for the benefit of those who will come after us.

Thus, Mr. President, I support the bill, rather than the amendment submitted by my friend, the Senator from Illinois.

Mr. STENNIS. Mr. President, I shall certainly be brief in my remarks in support of the position taken by the committee in regard to the pending matter, and also in regard to the position taken by the committee in regard to the Douglas amendment. In support thereof, I have a very pertinent and at the same time quite an interesting and revealing statement made by Dr. Byron Shaw, before the Senate Appropriations Committee, at the hearings this year. Dr. Shaw is given to making accurate statements; and in his official testimony he stated:

> The Nation's consumers are not aware of the great savings that come to them as a result of improved farming efficiency. If our farmers were using today the methods they used in 1940, it would cost an extra $13 billion—or 40 percent more than was spent in 1959—to produce the Nation's food and fiber. This figures out to $288 for each family in the country.

In other words, Mr. President, improved efficiency, improved methods, better land, better fertilizers, and a combination of these, have improved methods so much since as recently as 1940 that the consumers are saving $13 billion a year—or, in 1959, 40 percent of the cost—in their expenditures for food and fiber; and that amounts to $288 for each family.

Let me say that one of the major contributing factors in this great saving and reduction has been the investment which has been made over these years in this very program of ACP payments that improve the land and the production.

Mr. CAPEHART. Mr. President, will the Senator from Mississippi yield?

The PRESIDING OFFICER (Mr. BURDICK in the chair). Does the Senator from Mississippi yield to the Senator from Indiana?

Mr. STENNIS. I yield.

Mr. CAPEHART. Is it not unfortunate, however, from the farmer's standpoint that, as the able Senator has just stated, although he is possibly in the most efficient of our industries, producing foodstuffs costing the consumer some $13 billion less than it would have many, many years ago, yet the farmer is making so little profit or money and is so hard up, because the prices he receives are so low?

That is true in every phase of farming. The farmer is engaged in a cost-price squeeze. It is discouraging to the farmer to feel that he is so efficient in producing foodstuffs, and produces them so cheaply in comparison with everything else the consumer purchases, that he makes very little money, if any. It is one of those things that I think is not good in America.

Farming is our biggest industry. Yet it is suffering, although it is efficient and is contributing much to the wealth of the Nation, because foodstuffs are produced so cheaply compared to wages and everything else the farmer has to buy.

Mr. STENNIS. The Senator's alertness in the subject has covered another related point of Dr. Shaw's testimony, when he says:

> However, returns to labor from 1 hour of farmwork in 1950 averaged only 75 cents, compared to earnings from an hour's factory work of $2.22.

Another surprise to many was the statement that "investment per worker in farming now averages $21,300, compared to $15,900 per worker in manufacturing industries."

So there is a striking comparison of investment and return, as well as an increased saving to the consumer.

Mr. CAPEHART. Which makes it so much more important that the Government should attack the farm problem on the basis of finding new uses and markets for farm products, so there may be a greater demand for what the farmer grows and produces.

Mr. STENNIS. I know of the Senator's very timely interest and support of the subject which he mentions.

Mr. President, I think the Senator from Georgia [Mr. RUSSELL] and other Senators have fully covered the merits of the pending proposal and the figure inserted in the bill by the committee, and I conclude my remarks on that subject.

I may be compelled to leave the Chamber when other sections of the bill are discussed. I want to mention one item with reference to the valuable Extension Service, which extends through 50 States. The committee, based on a calculation considered to be correct, intended to provide enough in the item "Payment to States" in the Extension Service to approximately equal the salary increase voted for last year for civil service workers, when we increased their salaries 7½ percent. According to this calculation, the increase in the bill available for those purposes, plus the increase in last year's raise and available for that purpose, will approximately equal the Federal share of the salary increase—a very wholesome provision that I feel sure will have the unanimous support of the Senate. It is hoped this figure will be adequate to meet that intention. If it does not, it will certainly be the purpose of the Senator from Mississippi, and I believe other Senators, to make up the amount next year, so as to generally equalize the Federal share for that important purpose.

Mr. President, I ask unanimous consent that a statement on the subject may be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHN STENNIS IN SUPPORT OF APPROPRIATIONS FOR EXTENSION SERVICE

Included in the agricultural appropriations bill by the Senate Appropriations Committee is an item of $59,790,000, for payments to States for the Extension Service, representing an increase of $3,212,000 over the fiscal year 1961 appropriation. Included in this bill also is $2,477,000 for the Federal Extension Service, an increase of $25,000 over the House bill and $23,000 under the budget request.

These increases will make it possible to provide State and county extension personnel with more adequate salaries, in line with the percentage increase granted to Government employees last year. Further, these additional funds will permit the employment of a very limited number of specialized personnel at the Federal level. This will enable the Extension Service to strengthen its educational efforts in efficiency in production and marketing, farm and home management, understanding of Government programs, family living, forestry, and 4–H Club work, with special emphasis on the rural areas development program.

At no time since the inauguration of extension work has the job required a higher degree of skill. Modern agriculture is highly complex, requiring the best scientific knowledge and technical know-how.

The Cooperative Extension Service is the educational and informational arm of the U.S. Department of Agriculture and the land-grant colleges. It is positive education in action. With the many farm problems confronting us at the present time, these additional funds are necessary for the Extension Service to effectively perform its task of getting research and technical information to farmers, along with furnishing factual information about the programs of the Department of Agriculture to farmers and other people of the Nation.

Throughout the years I have strongly supported appropriations and programs to strengthen our Agricultural Extension Service, because I think the program is the foundation of a strong and prosperous agriculture.

In a large part of the country, including Mississippi, agriculture is still the biggest industry. I know that in my State over 40 percent of all people who work in agriculture or in business depend directly upon farming and farm products. The value of extension work to the agricultural economy of the Nation cannot be measured, but anyone familiar with progress in agriculture will testify that extension work is primarily responsible for many of the outstanding accomplishments over the years. Our extension agents employ a wealth of experience and continuous training in agriculture at the grassroots, helping our farmers improve their methods and crops.

Extension work is an outstanding example of the real result of Federal-State cooperation, and I urge the Senate to approve this appropriation, including the increases, to continue this work which means so much to the country. Surely, no one program of the Federal Government means so much to so many people.

Mr. STENNIS. Mr. President, again, for the reason that I may be compelled to leave the floor, I ask unanimous consent that an additional brief statement be inserted in the RECORD at this point on another item in the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHN STENNIS IN SUPPORT OF APPROPRIATION FOR STAFFING BOLL WEEVIL LABORATORY AT MISSISSIPPI STATE UNIVERSITY

Included in the agriculture appropriations bill by the Senate Appropriations Committee is an item of $395,000 for staffing the boll weevil research laboratory at Mississippi State University.

The boll weevil, our No. 1 agricultural insect pest, needs and should have the full attention of our scientists. It must be controlled, and I firmly believe it can be eliminated entirely as a major cotton problem. New methods of insect control employing radiant energy, new insecticides, and germ warfare—all harmless to humans, but effective as insect killers—look promising in the fight to eliminate the weevil.

When we review carefully all our agricultural research projects, I do not believe we can find a single problem more critical or more pressing than boll weevil eradication. This pest has been a problem for many years and is one of the most destructive and costly factors in cotton production. This insect alone has resulted in a loss of billions of dollars to the cotton farmer and the cotton industry, and is a major cost factor in about 80 percent of the total cotton acreage in the United States and affects more than 95 percent of all cotton producers.

In recent years, the boll weevil has caused an average annual direct loss of more than $300 million in yields. This annual loss has been suffered although many growers have spent 5 to 6 cents per pound for control measures. Indirect costs resulting from deterioration in quality and immature fibers have also been severe.

My own State of Mississippi has suffered the highest boll weevil loss of any State in the Cotton Belt. During a recent 5-year period, estimates indicate the Mississippi cotton farmers lost 2½ million bales of cotton to the boll weevil and over a million tons of seed—a total cash loss of $407 million. The boll weevil threat will be even greater in the years ahead if we do not find a sound method of eradication.

Mr. President, the Congress has already appropriated funds for the construction of a boll weevil research laboratory at Mississippi State University, and it is rapidly nearing completion. This laboratory will be ready for full operation early during the next fiscal year. The appropriation of $395,000, included in the present bill, is for necessary staffing of the laboratory for the first year's operation. It should be approved so that this vital research work can be commenced.

Mr. STENNIS. Mr. President, I yield the floor.

Mr. WILLIAMS of Delaware. Mr. President, I believe the Congress and the Government does have the responsibility of enacting those measures which will protect the soil of the country, and I have supported such measures, but I do not believe the amendment of the Senator from Illinois, which I have cosponsored, provides any restriction of soil conservation in this country.

For instance, the drainage program in which the Government participates would not be restricted if the amendment were adopted. All that we are trying to do is to stop the giving away by the U.S. Government of a lot of free lime and fertilizer to increase the productive capacity of our farms at a time when we have more production than we know what to do with.

At a time when we have $8 billion to $10 billion worth of surplus crops, at a time when the Government is supporting the production of crops at a profit to benefit the farmers, and at a time when the Government is paying $40 to $50 an acre to take land out of production, it does not make sense to have the Government provide free fertilizer and lime in order to increase productivity on the land which is left in production.

This fact that this was not needed was recognized by the preceding administration, by both the President and the Secretary of Agriculture, and the increased appropriation is opposed very properly this year by the present Secretary of Agriculture. I repeat, the Bureau of the Budget has not approved the additional $100 million, nor do I find where the Secretary of Agriculture, Mr. Freeman, has recommended it as being necessary. To the contrary, they said it is unnecessary and contrary to the other phases of the agricultural program. They are in favor of our amendment to cut this $100 million.

I think it is time we stop and ask ourselves the question of how long the Government can continue to borrow money, paying interest on it, in order to increase the productive capacity of land on the one hand, and borrow money and pay interest in order to take agricultural land out of production on the other hand. It is these contradictory programs which are bankrupting us.

Someone may say that $100 million is a small part of a $6 billion program, but $100 million is still a lot of money to provide over and above the sum which was recommended by the Bureau of the Budget and over and above what was testified was necessary by the Department of Agriculture. It means $2 million a week. That is $400,000 a day for

a 5-day working week. It means $50,000 an hour for each 8-hour day.

If we do not accept the amendment we shall be paying out $100 million above the budget request to increase the productive capacity of farms to increase the agricultural surpluses being stored in Government warehouses.

I think it would be much better to strike out the provision for $100 million, and then restore in the bill a small amount of money for research. Research is something which farmers cannot do for themselves. The Government can really help by providing more research. Certainly, more research is something we need. For too often we find the Government and unfortunately the committees of Congress being miserly whenever we approach research programs, but at the same time we spend millions of dollars on programs which in effect hurt rather than help the farmer.

This $100 million is not for conservation of the soil. Let us be realistic—it just produces more crops.

I think the $100 million should be stricken out in the name of good commonsense, not only for this program but also in order to cut back the cost of the storage program for storing surplus agricultural commodities. It will still leave $150 million for other real conservation programs.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. Is the pending amendment an amendment to eliminate something from the bill?

Mr. WILLIAMS of Delaware. I have joined the Senator from Illinois in an amendment to reduce the $250 million item to $150 million, which is exactly the amount recommended by the Bureau of the Budget and by the Secretary of Agriculture. Our amendment would reduce the appropriations to be provided by the bill by $100 million.

Mr. LAUSCHE. The reasoning supporting the amendment of the Senator from Illinois and the Senator from Delaware is that on the one hand we are paying money to reduce farm production, and, on the other hand, by such a provision in the bill we would be paying money to increase production. One or the other is wrong; both cannot be right.

Mr. WILLIAMS of Delaware. The Senator is correct. I think I have had as much experience with agriculture as some other Senators. The argument that one can build the soil up for 20 years in advance is misleading. By putting on fertilizer and lime today that will not be the result. The effect of the fertilizer will be gone in a couple of years, and the lime will last not more than 5 years. Those items must be put on the land at regular intervals. Fertilizer in most areas should be put on the land every year, and lime should be put on every 3 or 5 years at the outside.

This free lime and fertilizer means increased production on the farms and more agricultural commodities to be put into Government warehouses.

It is a direct contradiction with respect to the program upon which we are spending hundreds of millions of dollars to take land out of production, good agricultural land, in order to cut down the surpluses. I think this will be a complete waste of money in itself and, in addition, it will cost us another $40 to $50 million to support and to store the agricultural commodities which will be produced as a result of spending the $100 million.

The amendment should be agreed to.

Mr. LAUSCHE. Mr. President, will the Senator yield further?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. The statement of the purpose which has motivated the Senator from Illinois and the Senator from Delaware in espousing the amendment declares the soundness of it. I simply cannot see why we should, on the one hand, pay to take land out of production so as to reduce surpluses, and, on the other hand, pay $100 million to increase production or to make the land available 20 years from now for increased production.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. DOUGLAS. This increased production potential is not to be used 20 years from now. As the Senator from Delaware has said, phosphate would improve the yield for perhaps 2 years. Lime, as I understand the situation, would improve the land for not more than 5 years. These are not permanent processes of soil building, but temporary processes to increase yields. Like the flowers of the field, they will shortly vanish and disappear.

Mr. LAUSCHE. Mr. President, will the Senator yield further?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. I gladly subscribe to the views expressed by the Senator from Illinois and the Senator from Delaware, and I shall be glad to vote for the amendment.

Mr. WILLIAMS of Delaware. I thank the Senator from Ohio and the Senator from Illinois. I certainly hope the amendment will be agreed to.

I think in the field of good, constructive research the Government can very properly spend even more money than it has spent, but I do not think we would be helping the American farmer by refusing to adopt this amendment. The strongest support given before the committee—and I have read the testimony—was by the Limestone Institute, by the people who will sell the lime. The proposal was opposed by one of the leading farm organizations of America.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. COOPER. I support the bill and the chairman of the committee in the argument for the increased appropriation. I say that at the beginning. I have always supported these programs.

I believe there might be an implication, on the part of one who reads what the Senator has said, that fertilizer and limestone apply directly toward the production of row crops or grain, which are in surplus; for example, corn or wheat. Is it not correct that the fertilizer and lime to be made available under the program could not be applied to the land in the year in which they are made available toward the production of grain or row crops?

Mr. WILLIAMS of Delaware. Perhaps; but it does not mean anything, because, as I said before, the lime will improve the soil for an average of 3 to 5 years and the fertilizer will improve the soil for a year or two. The lime and fertilizer can be applied to the soil this year with a cover crop, then next year the farmer can have a corn crop and thereby get the benefit. Therefore, the program would increase the production of the land, as the Senator from Kentucky well knows.

Mr. COOPER. I understand the purpose of the program is to improve the soil and to promote better soil practices. I believe it could be inferred by someone who did not understand—I know it is not the Senator's intention to give such an implication—that the fertilizer and lime are to be used in a year to produce the crops which may be in surplus in that same year. That, as the Senator knows, is not the true statement of fact.

Mr. WILLIAMS of Delaware. The fertilizer and lime may not be used in the same year, but they will produce increased crops for the next year. Crops are being produced this year with last year's lime, and the Government will put those crops into a Government warehouse. Those crops are being produced with the free lime and fertilizer furnished last year. While the crops may come along a year late the answer is the same although technically they may not be crops resulting directly from the use of fertilizer and lime in the year in which it is provided.

Mr. COOPER. For example, if in 1961 lime or fertilizer should be applied to a particular acreage, there would be grass or some legume on that acreage and not corn or wheat or some crop in surplus. That is correct; is it not?

Mr. WILLIAMS of Delaware. The lime would be good for an average of 3 to 5 years, depending upon the soil. The fertilizer would provide benefits for 1 or 2 or 3 years. The mere fact that the lime and fertilizer are put on in one year and that corn or wheat or some other crop is not produced that particular year would not mean anything. The fertilizer and lime would produce those same crops the next year. It will be in use over a 5-year period of time. The field can be used the next year to produce surplus crops. That is certainly true. The result is the same.

Mr. COOPER. In each year the particular acreage is withdrawn.

Mr. WILLIAMS of Delaware. In each year the particular acreage is withdrawn as a result of the Government paying another $40 or $50 per acre under another program.

Mr. COOPER. The acreage is withdrawn from the production of the crop each year.

Mr. WILLIAMS of Delaware. It is withdrawn if the Government pays.

Mr. COOPER. The land is withdrawn from the production of the crop.

Mr. WILLIAMS of Delaware. The land is withdrawn from the production of the crop for the year in which the farmer gets free lime and fertilizer, but the land goes back into production immediately the next year unless the Government pays $40 to $50 an acre to keep it out of production.

Mr. COOPER. The point is that every year the program is in effect x acres are withdrawn from the production of crops which might be in surplus.

Mr. WILLIAMS of Delaware. I would say that every year there are x acres out of production, but the land is not necessarily withdrawn from production, because the farmers, long before Washington bureaucrats ever heard of the soil conservation program, rotated their crops. I have been on a farm. Farmers rotated crops before the Department of Agriculture ever heard of it. Frankly, I think the Department got the idea from the farmers. Some farmer came in to tell them about it, and the Department said, "That is a wonderful idea; now we will tell the farmers how to do it."

The farmers have rotated crops for years, and in fact for generations. The Senator's father did.

Mr. COOPER. He did.

Mr. WILLIAMS of Delaware. Our grandfathers did. All we are doing is paying the farmers for something they would do anyway, the farmers knew before the Secretary of Agriculture did that this is a good practice.

Mr. COOPER. I do not think that is quite correct. It is true that the program has taught many farmers or has helped to teach many farmers, even as a result of payments, that rotation of crops is a good thing, which will improve farming and farmland throughout the country. The Senator knows that. One has only to drive through the country to know that this program has improved farming throughout the country.

Mr. WILLIAMS of Delaware. I would agree that it has improved some farmland, but to say that the farmland would not have been improved without the program I do not think is proper. Many farmers have never participated but have built up their soil. In some instances they have done equally as good a job without the program, if not better. To say that the only way this soil improvement could have been achieved was by having the Federal Government pay them is in my opinion not correct.

I have said that there are many features of the program of soil conservation of which I approve and which I will support. I have supported them. I think we should build up the soil for the future. However, I do not think that by giving free fertilizer and lime we shall be building for the future. We will simply build up surpluses for tomorrow or, to be exact, for the next year.

It will not help the position of the American farmer who is already handicapped in the market by these surpluses which are holding down farm prices.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. I merely wish to repeat what I said a year ago. Following my affirmative vote to reduce the amount to be appropriated for limestone and other fertilizers from $250 million to $150 million, the limestone dealers circulated a letter to the farmers of Ohio in which they said, in effect, "Dear Mr. Farmer, you will be interested to know that your Senator, FRANK LAUSCHE, voted to reduce from $250 million down to $150 million the appropriation providing you with limestone. We do not write you this letter for the purpose of influencing you against him, but we thought, Mr. Farmer, that you would like to know what he did."

Such was the purport of the letter which the limestone dealers sent out 2 years ago. If I had any question about the propriety of what I did when I cast my vote, after I read that letter I became more than ever convinced that the sponsors of the bill ought to have my vigorous rebuff.

Mr. WILLIAMS of Delaware. The Senator is correct. The Limestone Institute sent such a letter to the farmers in the States of all Senators who supported the position stated by the Senator from Ohio. I am confident they will do so again. Significantly that letter was signed by a man who is making an easy living in Washington as a lobbyist for the Limestone Institute. He is a man who I doubt has ever done a day's work on a farm in his life. It could be said he makes his living farming the farmers, not the farm. I doubt if he knows what a real farm looks like. He makes his money in Washington selling lime to the U.S. Government. This bill represents a $100 million order for him. Nevertheless one of the largest farm organizations in America testified that the extra $100 million was not for the benefit of farmers, and they agreed it would be better if the item were deleted.

The Secretaries of Agriculture under both the preceding and the present administrations, men who are supposed to have the interests of farmers at heart, have said that the farmers of America would be better off if the extra $100 million provided in the bill were saved for the taxpayers rather than spent to increase the productive capacity of farms.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. To what farm organization does the Senator refer?

Mr. WILLIAMS of Delaware. It is my understanding that the American Farm Bureau and others have repeatedly taken a position against the proposal on the basis that it was not in the interest of farmers. Yet no organization has stood more strongly for good soil conservation practices and good farming methods than the American Farm Bureau. That organization has assisted and supported such programs as drainage, research, development, and other sound phases of the farm program. It has been a strong advocate of such programs as would help the farmers.

There are many areas of farming in which the Government can help the American farmer. As I said before, I believe research is one of the fields.

These farm organizations have been strong advocates of extended research programs.

If only 5 percent of this $100 million were earmarked for research both the farmers and taxpayers would benefit.

If there were a shortage of productive capacity or a shortage of food, the full program could be justified. If a war were going on and we needed the food there would be a reason for the full appropriation. Certainly there is no reason for it today.

Mr. LAUSCHE. Do I correctly understand that both the conservative Secretary of Agriculture, Mr. Benson, and the allegedly liberal Secretary of Agriculture, Mr. Freeman, expressed opposition to the appropriation?

Mr. WILLIAMS of Delaware. I so understand. The Budget Bureau in both administrations opposed a $250 million annual program. I have read the testimony, and I have failed to see any point at which Mr. Freeman endorsed the program.

Mr. KEATING. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. KEATING. For the benefit of the distinguished Senator from Ohio, I can say that the same organization sent out letters to farmers in New York State. I received a copy of such a letter. It merely enclosed a brochure that the organization had sent out. I think most farmers have shown the good sense, as evidenced by the support of the American Farm Bureau Federation, to favor this amendment, and I am happy to join the Douglas-Williams axis in support of the amendment. The Senators are sound in the position that they have taken. Under their amendment, we can save a little money without seriously impairing a good program. I certainly will support the amendment.

Mr. LAUSCHE. The saving would be $100 million.

Mr. KEATING. The amount is minor when considered alongside the astronomical figures in which we customarily deal. But unless we watch very carefully items like the one about which we are speaking, we shall not be able to meet the huge national defense needs and other national needs our country must fulfill. We are being given an opportunity today to make some of the sacrifices that we have heard so much about lately. It seems to me that this is an appropriate place for a saving to be made.

Mr. WILLIAMS of Delaware. I thank the Senator. As I said before, the strongest testimony that was given for the full appropriation was given by Mr. Robert M. Koch, official representative of the Limestone Institute. I have not noticed this year the testimony of the representative of the American Farm Bureau Association, but I know that in preceding years representatives have testified in favor of cutting the program, and I understand that this year their testimony was the same.

Mr. KEATING. I am told that representatives did testify this year and that their position on this issue is unchanged.

Mr. WILLIAMS of Delaware. While the saving, as has been pointed out, may be small in the minds of some as compared with the $6 billion in the bill, nevertheless a saving of $100 million a year amounts to approximately $2 million a week, $40,000 a day, figuring an 8-hour day and a 5-day working week. The adoption of this amendment would result in a saving of $100 million to the American taxpayers. Furthermore, the Budget Bureau did not approve this $100 million.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. BUSH. Has the Senator asked for the yeas and nays?

Mr. WILLIAMS of Delaware. I have not, but I shall ask for the yeas and nays. I think there should be a record vote.

Mr. BUSH. Mr. President, will the Senator from Illinois ask for the yeas and nays on the amendment?

Mr. DOUGLAS. I have not.

Mr. BUSH. Mr. President, I ask for the yeas and nays.

Mr. DOUGLAS. I see that I am beginning to find support for the amendment.

The yeas and nays were ordered.

Mr. CARLSON. Mr. President, before the vote on the amendment, we should realize that the program is a cooperative program. The Federal Government makes a substantial contribution over the Nation as a whole, but when it gets down to the individual farmer, he must participate in the program, and then receives only a portion of the benefits from the Federal Government. I believe it is an essential program, and I sincerely hope that the Senate will not reduce the amount of the item as reported by the distinguished chairman of the subcommittee of the Senate Committee on Appropriations. I refer to the item of $250 million for building soil and assisting the farmers, in view of the testimony given that the items are most helpful and necessary. I sincerely hope that Senators will not vote against the proposal.

If I may have the attention of the chairman of the subcommittee, I wish to speak on an item appearing on page 15, line 11, of the pending bill under the title "Agricultural Marketing Service, Marketing Research." I note that the committee increased the item from $4,515,000 to $4,795,000.

The report on this bill, page 8, entitled "Agricultural Marketing Service, Marketing Research," reads as follows:

> For marketing research, the committee recommends $4,795,000 be appropriated. This is an increase of $280,000 over the estimate and the House bill and an increase of $577,800 over 1961. The recommended increase consists of: (a) $160,000 to develop plans and specifications for a research facility on a site to be obtained without cost, and to intensify the marketing research on peanuts; (b) $60,000 to initiate a study of maintenance of quality in citrus; (c) $40,000 to accelerate horticultural research in the packaging, handling, and related problems affecting the quality of flowers after harvesting; and (d) $20,000 to conduct a study of methods for objective gaging of maturity of apples as an aid to harvesting and quality control.

I appreciate these projects are valuable research products.

During the hearings I appeared before the subcommittee, under the very able chairmanship of the distinguished senior Senator from Georgia [Mr. RUSSELL] and stressed the need for a grain marketing research center and suggested that it be built at Manhattan, Kans.

I have prepared an amendment, which, if approved, would make available $140,000 for planning this project. There can be no question as to the need for early construction of the marketing research center and I am pleased to advise that Kansas State University at Manhattan, Kans., has offered to deed to the Federal Government a site of 5 acres for such a laboratory. As most of you know, Kansas State University is considered among the outstanding agricultural universities of the Nation; and in the field of wheat, flour, and related products, it is the outstanding university. It works very closely with the Department of Agriculture.

Great Plains Wheat, Inc., which is an organization representing more than 250,000 wheatgrowers in the Midwest, has been working quite closely with Kansas State University and myself in support of this laboratory. At this time we think that the building and related facilities could be constructed for an estimated $1,900,000.

The Grain Marketing Research Center I propose would be the type of activity that is a function of marketing research in the Agricultural Marketing Service of USDA. The objective of this proposed grain research center would be to develop new and more efficient ways of making U.S. grain and grain products more desirable to domestic and foreign buyers and users. This research would seek to prevent waste and spoilage and maintain quality in the channels of trade, improve efficiency and lower cost of handling, storage, transportation, and distribution of grain and grain products, and improve grade standards and sampling and grain grading methods and equipment.

Five States—Kansas, Nebraska, Colorado, Missouri, and Oklahoma—raise 50 percent of the winter wheat, and 41 percent of the total wheat produced in the United States. The four States besides Kansas all border Kansas, and would of course have access to this proposed laboratory.

I appreciate the problem of the chairman of the subcommittee. I do not like to offer the amendment at this time. However, I wonder whether the chairman has any suggestions to make.

Mr. RUSSELL. The distinguished Senator from Kansas has been very diligent in pursuing this matter. I believe this is the second year that he has presented it to the Committee on Appropriations. It is a very worthy project, and one that eventually will be constructed. Certain difficulties are involved in connection with the subject. In the first place, we did not have a budget estimate, although I understand the project stands very high on the list of priorities for facilities within the Agricultural Marketing Service.

Another little difficulty has been in connection with the matter of the location of the laboratory. The committee was not unanimous in its views as to where the laboratory should be located. Wheat is grown in a great many States of the Union. Kansas is a great wheat State. There are other great wheat States. Therefore, the committee decided to pass the matter over for this year in the hope of having a budget estimate submitted for the item, which would establish the location of the site, and in that way we would be absolved of the responsibility of deciding its location between several great wheat producing States. We have no budget estimate to guide us. Generally speaking, when a budget estimate is submitted, the location is determined. In my judgment, we will get a budget estimate on the laboratory—not right away, but in the very near future.

Mr. CARLSON. I appreciate the statement of the distinguished chairman. I have every reason to believe that the Senator has made a correct estimate of the situation. As I have said, when it comes to the location of the laboratory, I merely wish to say again that Kansas is in the center of a five-State area—Missouri, Oklahoma, Nebraska, Colorado, and Kansas—which raises 50 percent of the winter wheat of this Nation.

It seems only logical that that area should be given consideration when it comes to deciding on the location. I sincerely hope that next year we may have the privilege of having a budget recommendation on this item. I thank the distinguished chairman.

Mr. RUSSELL. I assure the Senator that it would certainly resolve embarrassment for the chairman of the committee if we had a budget estimate, so as to locate the laboratory at a definite place.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS] and the Senator from Delaware [Mr. WILLIAMS]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. I announce that the Senator from California [Mr. ENGLE], the Senator from Alaska [Mr. GRUENING], the Senator from Hawaii [Mr. LONG], the Senator from West Virginia [Mr. RANDOLPH], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

On this vote, the Senator from Alaska [Mr. GRUENING] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Alaska would vote "yea," and the Senator from Florida would vote "nay."

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from New Hampshire would vote "yea," and the Senator from New Mexico would vote "nay."

I further announce that, if present and voting, the Senator from West Virginia [Mr. RANDOLPH] would vote "nay."

Mr. KUCHEL. I announce that the Senator from Wisconsin [Mr. WILEY] is absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] is detained on official business.

The Senator from New Jersey [Mr. CASE] is necessarily absent.

On this vote, the Senator from New Hampshire [Mr. BRIDGES] is paired with the Senator from New Mexico [Mr. CHAVEZ]. If present and voting, the Senator from New Hampshire would vote "yea" and the Senator from New Mexico would vote "nay."

Mr. BARTLETT (after having voted in the affirmative). On this vote I have a pair with the junior Senator from California [Mr. ENGLE]. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withdraw my vote.

The result was announced—yeas 26, nays 64, as follows:

[No. 81]

YEAS—26

Beall	Douglas	Miller
Bennett	Fong	Pastore
Boggs	Goldwater	Pell
Bush	Hartke	Smith, Mass.
Butler	Hickenlooper	Tower
Clark	Hruska	Williams, N.J.
Cotton	Javits	Williams, Del.
Curtis	Keating	Young, Ohio
Dirksen	Lausche	

NAYS—64

Aiken	Hayden	Morton
Allott	Hickey	Moss
Anderson	Hill	Mundt
Bible	Holland	Muskie
Burdick	Humphrey	Neuberger
Byrd, Va.	Jackson	Prouty
Byrd, W. Va.	Johnston	Proxmire
Cannon	Jordan	Robertson
Capehart	Kefauver	Russell
Carlson	Kerr	Saltonstall
Carroll	Kuchel	Schoeppel
Case, S. Dak.	Long, Mo.	Scott
Church	Long, La.	Smith, Maine
Cooper	Magnuson	Sparkman
Dodd	Mansfield	Stennis
Dworshak	McCarthy	Symington
Eastland	McClellan	Talmadge
Ellender	McGee	Thurmond
Ervin	McNamara	Yarborough
Fulbright	Metcalf	Young, N. Dak.
Gore	Monroney	
Hart	Morse	

NOT VOTING—10

Bartlett	Engle	Smathers
Bridges	Gruening	Wiley
Case, N.J.	Long, Hawaii	
Chavez	Randolph	

So the amendment offered by Mr. DOUGLAS and Mr. WILLIAMS of Delaware was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. RUSSELL. Mr. President, in the other body an effort was made to provide some funds for the study of the agricultural market center at Boston, Mass. However, through an error in the other body, the $75,000 which was involved was placed under the heading of "Payments to States."

The Senate committee, not being informed of what the money was for, struck out that item. As a matter of fact, it should be under the item of "Marketing research."

The project seems to be a desirable one. Therefore, I move that the bill be amended on page 15, in line 14, by striking out the figure "$4,795,000", and inserting in lieu thereof "$4,870,000", in order that this important study may be made.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Georgia.

The amendment was agreed to.

Mr. HRUSKA. Mr. President, I should like to make inquiry of the chairman of the Subcommittee on Agricultural Appropriations with reference to an item found in the budget and in the bill for research on amylose corn. I understand some $277,000 has been allocated for that purpose for fiscal year 1962, which is an equivalent amount to that which will have been expended for the current fiscal year.

It is my further understanding a request had been made for an increase in that figure. I am wondering what the reasons were for having rejected that increase.

Mr. RUSSELL. Mr. President, let me say to the distinguished Senator from Nebraska, several elements were involved in that action.

In the first place, the sum which was set up in the budget for the project was relatively small. I do not have the figure before me at this time, but it was $40,000 or $50,000. The committee felt, when it compared this program with the other research programs, that the $277,000 for its support was a very substantial sum. When it is considered that the total for every phase of agricultural research in this country is only $78 million and is divided up into several hundred different projects, $277,000 constitutes a very substantial project.

We increased the overall appropriation for research in this area, and if the Department desires to allocate more funds for this purpose, it may do so. We have never been penurious in our allocations for research. A very large request was submitted by some organization for research on grain, something like $1 million, and we did not feel that the facts presented justified it.

There are other funds provided in the bill. There is a contingent fund of $1 million which could be allocated for this purpose, in addition to the increase in the general appropriations for research.

Mr. HRUSKA. Did I correctly understand the Senator from Georgia to say that the total appropriation for research approximated $2 million?

Mr. RUSSELL. No; $78 million.

Mr. HRUSKA. The entire agricultural research service?

Mr. RUSSELL. That does not include the payment to the States. The States direct that research.

Mr. HRUSKA. It was in the range of $78 million?

Mr. RUSSELL. Seventy-eight million dollars.

Mr. HRUSKA. I thank the Senator.

Mr. RUSSELL. As the Senator knows, that includes almost every conceivable form of research to deal with insects, diseases that attack plants, diseases of animals, new diseases that bring about great losses. Personally, I feel this is a very substantial sum for this research, but there is other money available there if the Department desires to allocate it.

Mr. HRUSKA. I am grateful for the Senator's explanation.

Because of industrial purposes to which amylose corn can be devoted, there is great interest in high amylose corn in Nebraska. Starch refined from ordinary corn is about 25 percent amylose and 75 percent amylopectin. But in my State the high amylose corn ranges up to 65 percent amylose content. The aim is to do even better.

There are vast possibilities for diverting this crop from normal channels of consumption and Government storage to industrial purposes. Hence the constant effort to advance even higher amylose content and processes for separating pure amylose and amylopectin fractions from ordinary dent corn.

Among those active locally and regionally in this field are the Corn Industries Research Foundation, the Midwest Research Institute, the A. E. Staley Manufacturing Co., and the Institute of Paper Chemistry. They have cooperated with the Nebraska Department of Agriculture in this program. In fact, the progress and efforts along this line were noted recently in a June 11, 1961, Saturday Evening Post editorial, and I ask unanimous consent that the text of the editorial be printed at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SCIENCE CALLED ON TO FIND NEW USES FOR FARM SURPLUS

Scientific research conducted by the U.S. Department of Agriculture and State agricultural experiment stations has tremendously increased farm production. But there has been no corresponding research to develop uses and markets for the increased production. The State of Nebraska has set out to correct this by establishing an agricultural products industrial utilization research program.

Fourteen research projects are underway. The State's chief grain crops—corn and wheat—furnish most of the materials of these research explorations. Scientists know that many nonfood products can be developed from them. The problem is to create the products desired for commercial uses and to make them economical enough to sell at competitive prices.

Starch is the major component of both corn and wheat and much of the research involves its possibilities. The paper industry is one of the largest users of starch, and research being carried on with the Institute of Paper Chemistry is aimed at the development of improved and more versatile starch products for this market. Other research seeks new uses in the growing plastics field.

Interest in Nebraska's program has spread to neighboring States, and a broader research development seems in sight. To facilitate a regional approach, an Agricultural Products Utilization Association, a nonprofit organization, was incorporated in Nebraska. It will provide the machinery to coordinate the different State programs.

By creating new wealth out of our farm abundance, the Nebraska plan looks like an example of the self-reliance that once was known as an American trait.

Mr. HRUSKA. Mr. President, considerable research has been done already by the U.S. Department of Agriculture in the amylose field. From 1955 through fiscal year 1961 about $1¼ million was spent on research, and for fiscal year

1962 there is an allocation of about $277,000. After expenditure of that amount, some $1½ million will have been spent by the Federal Department of Agriculture.

This is good foundational work. It is a good pioneering effort upon which States like Nebraska have been able to build. Nebraska is grateful for this pioneering work. There is a large industrial demand, and it is felt that more could be allowed than the $277,000 which is the current level of research work in the Federal budget. However, with the explanation given by the Senator from Georgia on this subject, I am sure further progress will be made and will be in good order. It will be a further foundation for efforts like those being currently conducted in my home State of Nebraska.

Again I thank the Senator from Georgia for his very fine explanation and for his obvious sympathy with this type of agricultural research.

Mr. RUSSELL. Mr. President, I am in thorough sympathy with every form of agricultural research. It is the only weapon we have had to enable the farmers to keep pace with modern-day life in this country.

Mr. HRUSKA. The obvious merit of this type of research is that if it is successful it will divert part of the corn crop for industrial purposes, instead of use in normal channels of consumption, particularly in Government storage, of which there is already too much.

Mr. RUSSELL. There is room to strengthen every aspect of research to increase utilization of our farm products.

Mr. HRUSKA. I thank the Senator.

Mr. FULBRIGHT. Mr. President, the chairman and the members of the Agriculture Subcommittee have done their usual fine job on this difficult appropriation bill. I extend my thanks to this subcommittee for their diligent efforts.

I would like to have had certain additional items included in the bill, but it is impossible for such a committee to satisfy completely every Member of this body. We can always be sure, however, that our requests are given fair and equitable treatment.

The committee's recommendations on agricultural research items are to be commended. Of special significance to Arkansas are additional funds for soybean research and research on air sac diseases in poultry. Soybeans are the second most important crop in Arkansas and research on soybean problems has not kept pace with the growth of this industry. It has been estimated that an increase in productivity of 1 bushel per acre would result in increasing income to soybean producers by $50 million. The committee's approval of $100,000 to strengthen the research program will pay ample dividends in future years.

I was pleased that the committee recommended an additional $250,000 above the House appropriation of $387,800 to accelerate research on air sac diseases in poultry. Poultry producers, and those of us who represent poultry producing areas, have wrestled with the air sac problem for years. These additional funds will insure that the problem is at last given the attention it deserves. I hope that the Government's research will soon result in finding a permanent and practical solution to the air sac problem.

The House committee's action in providing a $1 million contingency fund for special research problems should be very helpful to farmers throughout the Nation. This fund will give the Agricultural Research Service the capability of taking prompt and effective research action whenever a serious problem arises. It will give needed flexibility to Agricultural Research Service in coping with emergency problems.

I regret that the committee did not provide funds for construction of a soil and water conservation research station in the lower Mississippi Valley. Although this project is rather low on the Agricultural Research Service priority list, I am convinced that the soil and water conservation problems in the delta area are not receiving the attention they should. I intend to continue to work to get the Agricultural Research Service to move this project up on the priority list in hopes that we can get appropriations to initiate construction on it in the 1963 fiscal year.

In another phase of soil and water conservation, the committee is to be complimented for its approval of the full budget estimate for the watershed protection program. This program has been neglected far too long. It has been hampered by inadequate funding and by unrealistic feasibility criteria. The amount for the program contained in the bill represents an increase of slightly more than $17 million above the amount appropriated last year. There is a tremendous backlog of projects, both for planning and construction. These additional funds will help in reducing this backlog. It has been estimated that flood losses in small unprotected watersheds throughout the country each year are substantially greater than the small amount spent on the watershed program. The small watershed program has proven its worth and I know that it will continue to grow in importance as the results become more evident.

I was pleased at the committee's action to continue the agricultural conservation program at the present level. The conservation practices financed through this program have resulted in greatly strengthening the Nation's soil and water resources. This program recognizes that our soil is a highly perishable asset and that it is in the national interest that we conserve it to the best of our ability. The farmers of my State are completely sold on this program and continuation of it at the existing level is necessary if they are to be given the proper encouragement and incentive to continue the fine work they are doing.

The committee has taken a realistic attitude by increasing the authorization for the Rural Electrification Administration. It was obvious that with the recent approval of the large loan to the Indiana cooperative there would not be sufficient funds available unless there was a substantial increase in the budget request. The $50 million increase in the authorization should insure that the REA program is continued at an adequate level.

I am pleased that the committee increased the appropriation for the school lunch program. Many States, including Arkansas, ran into difficulties in financing their lunch programs this year. The $15 million increase in the direct appropriation above last year's appropriation should go a long way toward preventing such problems from happening again next year.

I was especially interested in the language contained in the committee's report on the bill concerning the importance of the foreign market development program. As the committee pointed out, this cooperative program between Government and industry has been most successful in promoting increased exports of many agricultural products. I agree fully with the committee's recommendation that the program should be substantially expanded in size and broadened in scope. Market development programs are in operation around the world promoting sales of the products which are of great importance to Arkansas—cotton, soybeans, rice, and poultry. Foreign markets have always been essential to American farmers, and there is no indication that this situation will change in the foreseeable future. Indeed, exports are of greater significance to agriculture than to business. Total exports represent only about 4 percent of our gross national product, while agricultural exports average about 13 percent of farm commodity sales. Foreign sales are increasing for such products as soybeans and poultry. The poultry industry has been selling in foreign markets for only a few years, but these markets have already become a substantial outlet for our poultry production. There is no doubt in my mind that we could greatly expand foreign markets for poultry if the Department of Agriculture would give more assistance in helping to introduce this product in countries where it is not now available.

Again I wish to express my thanks to the committee for doing such a fine job on this bill. I know that the farmers in Arkansas and other agricultural States will be grateful.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question now is, Shall the bill pass?

The bill (H.R. 7444) was passed.

Mr. RUSSELL. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House on the matters in disagreement between the two bodies, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. RUSSELL,

Mr. HAYDEN, Mr. HILL, Mr. ROBERTSON, Mr. ELLENDER, Mr. YOUNG of North Dakota, Mr. MUNDT, and Mr. DWORSHAK the conferees on the part of the Senate.

Mr. HUMPHREY. Mr. President, I wish to take a moment to commend the distinguished Senator from Georgia [Mr. RUSSELL] for the diligence and great effort that he gave to the Senate Committee on Appropriations report on the Department of Agriculture. As chairman of the Subcommittee on Agricultural Appropriations, he listened to many witnesses and gave guidance and direction to the subcommittee and the full committee relating to the agriculture appropriations. This appropriations bill represents a decided improvement in funds for many of the programs of the Department of Agriculture, particularly in the field of agricultural research. We added additional moneys to the request of the administration in the field of agricultural research.

We also improved the Farmers Home Administration program. I mention this point in particular because of my long interest in the matter of farm credit, particularly farm credit for family farmers. Later on I shall present to the Senate a statement on the Farmers Home Administration in terms of a program that I believe is necessary for modern agriculture and modern family farming.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, notified the Senate that House Resolution 304, disapproving Reorganization Plan No. 3, failed in passage.

The message also notified the Senate that House Resolution 305, disapproving Reorganization Plan No. 4, failed in passage.

The message announced that the House had passed, without amendment, the following bills of the Senate:

S. 32. An act for the relief of Jeno Becsey;
S. 68. An act for the relief of Kay Addis;
S. 70. An act for the relief of Mah Ngim Hay (Joe Mah);
S. 71. An act for the relief of Mah Ngim Bell (Bill Mah);
S. 186. An act for the relief of Dr. William Kwo-wei Chen;
S. 219. An act for the relief of Dr. Nobutaka Azuma;
S. 268. An act for the relief of Hok Yuen Woo;
S. 395. An act for the relief of Fausto Lavari;
S. 400. An act for the relief of Mrs. Keum Ja Asato (Mrs. Thomas R. Asato);
S. 441. An act for the relief of Rodopi Statherou (Statheron);
S. 452. An act for the relief of Nellie V. Lohry;
S. 485. An act for the relief of Charles Edward Pifer;
S. 746. An act for the relief of Yee Mee Hong;
S. 759. An act for the relief of Sadako Suzuki Reeder;
S. 865. An act for the relief of Wieslawa Barbara Krzak;
S. 921. An act for the relief of Martha Uchacz Barras; and
S. 1093. An act for the relief of Sze-Foo Chien.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H.R. 1425. An act for the relief of Marian Walczyk and Marya Marek; and
H.R. 2346. An act for the relief of Maria Cascarino and Carmelo Giuseppe Ferraro.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that on title I of the bill Mr. FALLON, Mr. DAVIS of Tennessee, Mr. BLATNIK, Mr. SCHERER, and Mr. CRAMER were appointed managers on the part of the House at the conference, and that on title II of the bill Mr. MILLS, Mr. KING of California, Mr. O'BRIEN of Illinois, Mr. MASON, and Mr. BYRNES of Wisconsin were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H.R. 6765) to authorize acceptance of an amendment to the articles of agreement of the International Finance Corporation permitting investment in capital stock, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 1619) to authorize adjustments in accounts of outstanding old series currency, and for other purposes, and it was signed by the President pro tempore.

HOUSE BILL REFERRED

The bill (H.R. 6765) to authorize acceptance of an amendment to the articles of agreement of the International Finance Corporation permitting investment in capital stock, was read twice by its title and referred to the Committee on Foreign Relations.

REQUEST FOR AUTHORIZATION FOR SUBCOMMITTEE TO MEET DURING SESSIONS OF THE SENATE ON WEDNESDAY AND THURSDAY

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Subcommittee on Reorganization and International Organizations of the Committee on Government Operations be given permission to meet while the Senate is in session on Wednesday of this week to conduct hearings on bills to establish a Department of Urban Affairs.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ELECTORAL COLLEGE REFORM

Mr. THURMOND. Mr. President, the Constitutional Amendments Subcommittee of the Judiciary Committee has recently been holding hearings on various proposed constitutional amendments pending before that subcommittee. Among those proposals now pending are a number of resolutions proposing electoral college reform—a different method of election of President and Vice President than that now pertaining. On June 8, I appeared before the Constitutional Amendments Subcommittee, to testify on behalf of Senate Joint Resolution 12, of which I am a cosponsor with Senators MUNDT, MCCLELLAN, HRUSKA, MORTON, and BLAKLEY. Senate Joint Resolution 12 embodies what is commonly referred to as the "district plan" for the election of presidential electors in the various States. During the course of my testimony before the subcommittee, certain questions were raised which I felt deserved more elaborate discussion than was possible at that time; so I requested, and obtained, permission to file with the subcommittee a supplemental statement with reference to these questions. I ask unanimous consent that a copy of my statement before the subcommittee on June 8, and also a copy of the supplemental statement which I submitted to the subcommittee, be printed in the RECORD at the conclusion of my remarks. I sincerely hope that all Members of the Senate and House of Representatives will avail themselves of the opportunity to read these statements, in order that they may better judge the issues and factors which bear on the various proposals for electoral reform.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR THURMOND BEFORE JUDICIARY SUBCOMMITTEE OF THE SENATE ON ELECTORAL COLLEGE REFORM, JUNE 8, 1961

Surely there can be no doubt that there exists a need for a change in the constitutional provision which provides the method and process whereby a President of the United States is elected. There are those who are of the opinion that the defects in the electoral college system have existed from the very time of the adoption of the Constitution, and there also exists a substantial difference of opinion as to the manner in which the drafters of the Constitution intended that the electoral college system operate.

During the consideration of the Constitution by the various States, there is no evidence to indicate that any controversy of substance centered around the operation of the electoral college and the manner prescribed for the election of the Chief Executive of the National Government. Hamilton stated in the 68th Federalist: "The mode of appointment of the Chief Magistrate of the United States is almost the only part of the system, of any consequence, which has escaped without severe censor, or which has received the slightest mark of approbation from its opponents." History does not reveal to us whether this initial lack of criticism of the electoral college system stemmed primarily from general public approval of the prescribed method of election of a Chief Executive, or from widespread inability to perceive, with any substantial degree of clarity, the consequences of its implementation.

Defects in the system did become apparent within a very short time after the Constitution was adopted. As early as the election of 1797, it became apparent that the system was so designed as to insure a high proba-

bility that the President and Vice President would be of conflicting political philosophies. Further complications became apparent in the election of 1800 when the House of Representatives took 35 votes to decide the election between Jefferson and Burr, who had an equal number of electoral votes and each a majority of electoral votes.

The difficulties we are experiencing with the electoral college in contemporary times are not identical, however, to the difficulties experienced in those early elections. The difficulties in the early days of the Republic with the electoral college were largely eliminated by the 12th amendment adopted in 1804, which provided that the electors would designate on their ballots which candidate for whom they were voting for President and for whom they were voting for Vice President.

The weaknesses of the electoral college system with which we are confronted today are of a different nature and derive neither from an error in design of the electoral college process, nor yet from any departure from the intent of those who drafted it. The inequities and miscarriages possible today under the electoral college system are attributable to the changed circumstances to which the constitutional provision is applicable. These changed circumstances have themselves existed in substantial degree from an early date beginning with the development of national political parties as an extra-legal institution; for although the electoral college system may have been devised in full contemplation that either a formal or informal polarization of political philosophy might well result in a more or less evenly divided electorate, it is impossible to believe that the drafters of the Constitution anticipated the development of a two-party system which functions as de facto nominating machinery by which eligibility to election to the office of President is limited to two men.

The problem, then, does not arise from a basic defect in the electoral college system, nor do the weaknesses now apparent mitigate against the usefulness of the electoral college. The defects exist because we have failed to reform the process to the degree necessary to implement in practice the principles incorporated, not only in the provision of the Constitution which relates to the election of a President, but which are also incorporated in the whole cloth of the document. The changes must, therefore, take into account the practical operation of circumstances as we know them to exist, while maintaining an approach consistent with the fundamental concepts of the Constitution.

I am a cosponsor, with Senators Mundt, McClellan, Hruska, Morton, and Blakley, of Senate Joint Resolution 12. This is a proposed amendment to the Constitution of the United States which would make two simple and desirable changes regarding the election of the President and Vice President:

1. Instead of allowing the legislatures of the States a free hand in the manner of appointing presidential electors, as is now the case, Senate Joint Resolution 12 prescribes that those presidential electors in each State who correspond to Members of the House of Representatives be elected by the people in single-elector districts, established by the legislatures; and requires that these districts be composed of compact and contiguous territory containing as nearly as practicable the number of persons which entitles the State to one Representative in Congress. The two presidential electors who correspond to each State's two U.S. Senators would continue to be elected statewide.

2. Instead of allowing the House of Representatives, voting by States, to choose the President in the event no one has a majority of the electoral vote, it requires that he be chosen by a joint session of the House and Senate with each Member having one vote.

Both of these changes are limited to the forms and principles of representation of the people of the United States in choosing the President and Vice President—the forms and principles of representation which are the foundation on which rests the executive power of the National Government.

The first change compels the use in presidential elections of the same principles of representation of the States long established for the Senate and House of Representatives—the Federal principle of the Senate and the national principle of the House. The second change extends these same principles to the contingent election of a President and a Vice President by Congress, should that become necessary.

It is the Federal principle of the Constitution that gives the States, as coequal political societies, equal representation in the Senate; and it is the national principle which gives the States unequal representation in the House of Representatives according to their inequalities in population.

By retaining the office and person of the elector as a State officer performing the single Federal function of voting for President and Vice President—the two elective national officers of the United States—Senate Joint Resolution 12 does not transfer control of elections from the States to the National Government.

Abolition of the person of the presidential elector necessarily will require the establishment of some substitute for the performance of his vital function. His function, with his fellow electors, is the formal, constitutional nomination and election of the President and Vice President by a majority vote, or, if there is no majority, merely the nominations for these offices to the House and Senate, respectively. In performing his function, the elector acts in a representative capacity—an agent of the people who appointed (elected) him.

Today in each State, slates of electors are nominated under State law by political parties organized under that law. What is often overlooked is that national parties and their presidential conventions are extra-legal, being merely voluntary associations of State parties.

Party nominees for President and Vice President have no legal status as candidates for office under the Constitution or any laws of the United States. It is the office and person of presidential elector which permits the functioning of national parties without any constitutional provision. Without the elector, some constitutional provision would have to be made if the Constitution is to provide a certain means for filling the offices of President and Vice President.

The elector's elimination would create a constitutional vacuum unless some substitute is provided. Former Representative Frederic R. Coudert, Jr., of New York, has stated this problem. He was writing about a proposed amendment in 1955 that would abolish the electoral college, retain the electoral votes, and permit their proportional division among presidential candidates. He wrote:

"Most important is the constitutional vacuum in the election of the President created by the abolition of the State offices of presidential elector. For, any organic instrument of government is incomplete that fails to provide for the filling of its own offices by established and competent authority.

"The Constitution now provides imperatively that each State 'shall' appoint electors, that the electors 'shall' meet and vote and 'shall' sign and certify and transmit certificates to the President of the Senate who 'shall' open them and a person 'shall' be President. These imperative provisions will produce a President without the agency of a party nominating convention. This permits conventions to be extra-legal, and to continue so.

"Senate Joint Resolution 31 says: 'The President and Vice President shall be elected by the people of the several States,' and speaks of 'persons for whom votes were cast for President.' But, Senate Joint Resolution 31 is silent on the vital first step of who, where, when, and how shall be legally selected 'persons for whom' votes can be cast for President and Vice President. Presumably, candidates are to be named by the extra-legal, but lawful, 'national' conventions of the legal State parties. If this power is implied in Senate Joint Resolution 31, doesn't the 'national' convention become an instrument of the Constitution?

"Should an attempt be made to fill this constitutional vacuum by an addition to the proposed amendment, the foremost question is: Can nominees of national party conventions be given constitutional status without making the party conventions themselves instruments of the Constitution under the authority of Congress? If this is not possible, a whole body of Federal law would be necessary to supplant present State laws and self-made convention rules with respect to the nominating process.

"The presidential elector, a so-called 'rubberstamp,' unknown and unsung, has a constitutional importance as great as his anonymity. Senate Joint Resolution 3, by Senator MUNDT, by maintaining the office of presidential elector, avoids this and other major criticism.

"I suspect," Congressman Coudert concluded, "that few of the friends of Senate Joint Resolution 31 have looked at it in terms of a part of the Constitution, and some of its ultimate consequences on our Federal system. I fear that its immediate positive political effect has dominated most of the thought about it."

The abolition of the elector, it seems to me, raises a whole series of questions that have not even been considered by those who advocate it.

Since the last election, some highly placed people have urged that presidential electors be bound by the Constitution to vote for the presidential candidate of his party. Any attempt to do this will necessarily require constitutional status for political parties and their candidates for President and Vice President.

More important, this proposal to bind the elector by the Constitution is pure trivia. As Senator MUNDT has pointed out in his testimony, more than 14,000 presidential electors have served since 1820, and not more than 8 are alleged to have voted contrary to the wishes of their constituents. In no instance did any of these alleged vote changes affect the result. In 1948, in Tennessee, one elector voted for me even though he was on the regular Democratic slate of electors, but he was also on the States' Rights ticket and had announced before his election that he would vote for me. To seize on such infrequent and more often meaningless occurrences as a pretext for abolition of the entire electoral college system and the fundamental concepts of representation incorporated is unthinkable.

In trying to improve the Constitution, we must be most careful that we do not, knowingly or unknowingly, upset the balance of our constitutional structure. We should always remember that ours is a limited constitution of government—limited to the objects for which its powers were granted.

The Constitution of the United States rests on two fundamental principles: (1) The limited dual sovereignty of State and Nation—each has the sovereign power to declare the law as to certain things, and not as to other things, and (2) the division and separation of legislative, executive, and judicial powers, according to function. On these foundation principles are erected our system of checks and balances.

In our Federal Union of States, the proper objects of government are divided between

the National Government and the governments of the several States. This is the the limited dual sovereignty of State and State, and is the source of our dual citizenship. We are, at the same time, citizens of the United States and of our own States.

It is the principle of separation of powers in the National Government which brought about the establishment of the electoral college as the election link between the States—in a federal union—and the National Government. For example, were the British to introduce a separation of powers into their unitary government, they would have to establish an elective body counterpart to the House of Commons to choose the executive. As it is, the Commons—without the separation of powers—performs the function of electoral college when it chooses the Prime Minister.

I submit, therefore, that no amendment to the Constitution with respect to the election of the President and Vice President should go further than to the manner of electing presidential electors. For, to do so will necessarily violate the basic principles on which this Nation was established.

Senate Joint Resolution 12 is carefully designed to accomplish the limited purpose of establishing for the election of the President and Vice President the same principle of representation that has been long established for the election of Members of Congress—Senators and Representatives.

Each of us, as citizens of our States and of the United States, is represented in Congress by two U.S. Senators and by one Representative. Thus, a citizen's representation in Congress is two parts Federal and one part national. Under Senate Joint Resolution 12, a citizen would be represented in the electoral college on exactly the same principles. We would vote for two Federal electors, corresponding to our Senators, and for one national elector, who would correspond to our own Representative in Congress. In so voting, each of us would be two parts Federal and one part national.

Senate Joint Resolution 12 would give the President and the Congress similar and parallel roots into the electorate. This is the proper foundation for both the executive and legislative branches of our National Government.

In our Federal union of States, we cannot correctly speak of "a majority of the American people," for we are reckoned in presidential elections on both the Federal and National principles. Nor should the Chief Executive be described as "President of all the people" or "President of the American people." He is "President of the United States," the title of the office established by the Constitution, a title which comprehends the Federal and National principles of representation of our political society.

For my part, I wish to see our Federal union of States maintained. It is, I believe, our greatest contribution to the knowledge and art of government for the protection of liberty. May I urge the committee to report Senate Joint Resolution 12 with the recommendation that it be passed.

STATEMENT BY SENATOR THURMOND BEFORE THE SUBCOMMITTEE ON CONSTITUTIONAL AMENDMENTS OF THE SENATE JUDICIARY COMMITTEE, JUNE 20, 1961

Upon the occasion of my appearance before the Subcommittee on Constitutional Amendments on behalf of Senate Joint Resolution 12, a question was raised concerning the advisability of providing in the Constitution that each elector should be bound to support the nominees endorsed by the party on whose ticket he offered for office. When the question was raised, I stated that I thought it would be inadvisable and unnecessary, but perhaps the lesser of the evils if we should be reduced to a choice between binding the electors or abolishing the electoral college altogether.

Because of the far-reaching consequences which would flow from binding the electors to support party nominees by constitutional mandate, I would like to elaborate further and review some of the many effects that would follow such a step.

As I stated in my first appearance before the subcommittee, we must approach the question of electoral college reform in the light of existing practice, while adhering to the basic concept of the Constitution. Existing practice clearly demonstrates that there is no need to bind the electors to support nominees of a party by constitutional provision. Out of the more than 14,000 electors who have served since 1820, not more than 8 are alleged to have voted contrary to the wishes of their constituents, and in no instance did any of these alleged vote changes affect the results.

Since no miscarriage has occurred, it is proper next to examine the circumstances to determine if there is any logical reason to expect an increase in such occurrences, and whether any check exists by which their frequency can be controlled.

As a matter of practice, the candidates for elector are nominated in 47 of the 50 States by the State political parties. As of 1961, the laws of 35 States require the nomination of electors to be made by a convention of the State political party. In 10 other States, the laws provide that the electors be nominated by either the State executive committee of the political party or some other link in the party machinery. Alabama is one of those States where candidates for elector are nominated by the State party organization. Normally, the State party officers in Alabama follow the advice of a referendum in which the voters express themselves on the nomination of electors. This referendum is merely advisory, however, as is indicated by the fact that in 1952 the court upheld the right of the executive committee to refuse to certify as an elector one nominee who refused to pledge his electoral vote for the party's presidential endorsee, although the individual involved had been successful in the primary referendum. In one State—Florida—the Governor selects the candidates for presidential elector for all parties, but in practice he names those recommended by the State political parties. In Pennsylvania, which my research has revealed as the only State in which the nominee of a national political convention is accorded statutory recognition, the electors are nominated by the presidential nominee of the national convention. In practice, of course, the State political party makes the choice. In the other three States, the electors are nominated by a primary election.

In practical operation, therefore, the State political parties in 47 of the 50 States nominate the electors for their own tickets. It is inconceivable that except in the rare and infrequent instances when the State party makes a gross misjudgment in its selection of nominees for elector, that the elector would, if elected, cast his electoral vote for other than the presidential and vice presidential nominees endorsed by the State party which nominated the elector. Each of the infrequent departures by an elector from the normal procedure would have the natural effect of making the State parties more cautious in the selection of nominees for elector.

In the other three States—Arizona, Kansas and Oklahoma—the elector candidates are nominated by primary election. In these States, it is the majority of the people within the particular political party who select those in whom to repose their trust. No peculiar factors exist which would make the misplacement of a trust more likely in this selection of a person to act in a representative capacity than in any other type of election.

The laws of the great majority of States do provide means other than those above characterized for the nomination of candidates for elector by what are usually called minority parties. In most such instances, the nominations are left even more within the discretion of the parties which initiate a separate candidacy than in the case of the major parties.

It should be obvious, then, that there is no prospect of any greater frequency, if indeed as much, of an elector voting for other than the presidential and vice presidential nominees endorsed by the political organization under whose banner the elector runs in the election than in the past. The prospect of a miscarriage between the expression of a preference by the voters who elect the presidential elector, and its reflection in the electoral vote cast by the elector, is remote to the extent that it has no practical significance.

There is indeed even another assurance that it is unnecessary to include in the Constitution a provision binding the electors to cast their ballots for the nominees endorsed by the party under whose auspices the elector-nominees were placed on the ballot. The States now have the authority to require an oath from a nominee for elector to support the presidential and vice presidential nominees supported by the party which certifies his name on the ballot. Some States—Florida, for example—now require such an oath. The States, therefore, now have the power to deal with the situation in the remote possibility that it should become a problem.

To provide in the Constitution that the electors should be bound to support a particular nominee would be useless. I feel it is necessary, however, to go further and point out several of the many very dangerous potentials of such a step in view of the fact that when considering any particular proposal for new legislation, many persons adopt an attitude that the proposal might be useless and if it can do no harm, it might as well be passed to be doubly sure.

If nominees for elector are to be bound by constitutional mandate to support some particular nominee for President and Vice President in the electoral college, some specification must be written into the provision with respect to which nominee they will be bound. At this point the first and major stumbling block is reached. Nominees for President and Vice President selected by the conventions of national parties have no official status as candidates, either under the laws of the United States or the laws of the 50 States, with the possible exception of Pennsylvania. The national parties themselves are but unofficial, cooperative efforts of various State parties which have a legally recognized status individually and a quasi-official function in the political structure under the laws of their own States. It is important to recognize and acknowledge the fact that the nominees for President and Vice President are not nominated by the State parties themselves, but by the national conventions. With the exception of infrequent variances, there is no reconvening of State political parties subsequent to the nomination of national candidates at the national convention of the major political parties, and no formal action taken to ratify the nominations made at the national conventions.

In order to bind a nominee for elector to cast his vote in the electoral college for a particular nominee of a national political convention, the Constitution would have to be so modified as to include within the electoral machinery, and give legal status to, the national political parties. Such a step would inevitably give rise to both uncertainties, and to changes in our political structure to which the rare deviations of

electors from normal custom would pale in significance by comparison.

The control and regulation of elections by the several States comprises the undergirding and strength of our entire political structure. Under our existing system, the political parties of each State are regulated by State laws and are, therefore, an integral part of the election process. The national political parties must now operate through the State parties in each State in order to fulfill any goal of political activities. By this means, the several States retain almost exclusive control of the electoral process.

Were the national political parties and their conventions to be given legal recognition by the U.S. Constitution, and thereby to become an integral part of the election process by virtue of a constitutional provision binding nominees for elector in the several States to cast their votes for the nominees for President and Vice President of the national parties' conventions, control of elections would necessarily pass from the several States to the National Government. It should be quite obvious that no one State could assert jurisdiction over a national political party; and since the national party, as a part of the official electoral process, would necessarily have to be subjected to governmental control—as does any portion of the electoral process—the National Government would be the only level of Government capable of performing the requisite regulation.

This would not involve a mere change in theory, but would occasion a very serious departure in practice from the traditional operation of the electoral process. That such a departure could not be avoided is easy to demonstrate. Were the vote in the electoral college of a particular elector to be challenged as being contrary to the requirement that the vote of the elector be cast for the nominees of the national convention of a particular political party, an essential question of fact before the court, in which the challenge was made, would be the sufficiency of the nomination by the national party convention of the Presidential or Vice Presidential nominee in question. This would open the door in the judicial inquiry to reviews of question ranging from the sufficiency of determinations by the credentials committee of the convention down to and including the tabulation of delegate votes. Having brought the national parties and their nominating conventions within the jurisdiction of the courts by a constitutional provision giving official status to their deliberations and actions in the nomination of Presidential and Vice Presidential candidates, the Congress would find itself facing the alternative of either leaving the regulation of national political conventions to the discretion of the courts, or undertaking, itself, to legislate guidelines and minimum requirements and safeguards for the conduct of both the parties and their conventions.

I cannot believe that the Congress is yet willing to propose either to transfer the power to control elections from the States to the National Government, nor to have the National Government interfere in the operation of national political parties and their conventions. Such a step would not only be an unthinkable stride toward centralization of power in the National Government, but would also insure a degree or rigidity in our national political activities which would contradict the principles of political liberty on which our country was founded.

As I stated in my previous testimony before the committee, it might well be that to bind electors to particular presidential and vice presidential nominees is a lesser evil than an outright abolition of the electoral college and the office of elector. Upon reflection, it would be difficult for me to make a choice between these evils. Fortunately, there is no need to make such a choice, for neither has there been any ill effects from the discretion allowed under the Constitution to the presidential electors, nor is there any prospect that such discretion may create a problem in the future. As I have pointed out, occasions where electors deviated from the normal course of procedure in casting their electoral votes have been extremely rare; and each such infrequent occasion lessens the likelihood of its recurrence. Additionally, each State itself has the power to bind the elector, and some States have seen fit to exercise this power. If such a power is to exist, it should by all means be left to the States.

There is one other matter upon which I would like to comment briefly. It has been suggested to the subcommittee that under the district plan, proposed by Senate Joint Resolution 12, the personality and popularity of individual presidential elector-nominees might become a factor in the presidential election to an extent that it is not under our present system. Such a suggestion, I submit, is illogical and is refuted by practical experience under our existing presidential electoral system.

A number of States now require that all but two of the nominees for elector reside each in a particular congressional district. This requirement prevails in Louisiana, for instance, and is practiced in my own State of South Carolina. The fact that an influential and popular person is a nominee for elector has, under the existing system, no more influence than an active and vigorous participation in the campaign by the same individual would have, even were he not an elector.

I would also call to the attention of the subcommittee the fact that in no less than 30 of the 50 States, the names of the presidential electors do not even appear on the ballot. There is nothing in the plan proposed by Senate Joint Resolution 12 which would require a change in the laws of the several States which prescribe that the names of the nominees for elector not be on the ballot.

In addition to the 30 States which do not now place the names of the electors on the ballot, there is another State which does not print the names of the electors on the ballots which are used in voting machines. This State, incidentally, is New York, from the Senator of which came the suggestion that the personality and popularity of the electors might, under the district plan, influence the electorate.

OPPOSITION TO THE OMNIBUS HOUSING BILL

Mr. THURMOND. Mr. President, in the Wall Street Journal of June 15 appeared an editorial entitled "House Without Foundation."

This excellent editorial clearly points out the excesses and impracticalities of the omnibus housing bill recently passed by the Senate, and now pending in the House Banking and Currency Committee. I ask unanimous consent that this editorial be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. THURMOND. Mr. President, the Wall Street Journal is, of course, a conservative newspaper. In view of the scathing denunciation of the housing bill set forth in the editorial, it is obvious that the Wall Street Journal has allowed its conservatism to prevail in this cautious editorial. This is aptly illustrated by the fact that the editorial conservatively estimates the cost of the housing bill passed by the Senate at "more than $6.1 billion," whereas simple arithmetic proves conclusively that the cost estimate is a good 30 percent below reality, for the cost in fact exceeds $9 billion.

At a time when fiscal responsibility is more imperative than ever before in our history, this bill demonstrates that both the administration and the Senate are rising to new heights of fiscal irresponsibility. Let us hope that for the good of the country the other body will demonstrate the prudence which is lacking in the Senate and executive branch, and will reject this housing bill.

EXHIBIT 1

[From Wall Street Journal, June 15, 1961]

HOUSE WITHOUT FOUNDATION

So many things are wrong with the housing bill in Congress that it would be impossible to catalog them here. But if there is a word that sums up these proposals, it is irresponsibility.

The version passed by the Senate this week, incorporating most of President Kennedy's requests, would cost more than $6.1 billion which a debt and deficit-ridden Government obviously cannot afford. In some respects the bill reported by the House Banking and Currency Committee, with its 40-odd amendments, is even more reckless.

One of these amendments would more than double, to over $1.5 billion, the administration's request for the Federal National Mortgage Association's special assistance fund. Another amendment would boost from $50 million to $650 million the administration's request for community facilities. The House committee's minority report calls this provision, among other things, a needless federalization of municipal finance.

But the provision which seems to us to set the tone of the bill as a whole is the key one concerning housing for families of modest incomes; that is, in the $4,000- to $6,000-a-year range. The White House asked Federal Housing Administration insurance of 40-year mortgages, with no downpayment, on homes costing up to $15,000. The Senate finally stuck in a token downpayment requirement, but even this small sop to responsibility may well disappear before the bill becomes law.

Certainly a case can be made that the community should try to provide tolerable housing for the truly indigent, despite the considerable abuses associated with public housing in practice. But when it comes to this sort of assistance for people of moderate incomes, we are leaving the standards of prudence far behind.

By definition, people of moderate incomes do not need public assistance. What the Government is in effect saying with this proposal is that if such a family does not have exactly the house of its heart's desire, it is the duty of Government to help provide that house. That is a concept of Government which has no place in any system short of socialism.

Consider, moreover, the demoralizing implications of the aid. One of the soundest principles of homeownership is that the buyer have an equity in his property; this is abandoned in the administration proposal. The authorization of 40-year mortgages is no less flagrant a departure from prudent lending procedures; on that basis, to mention just one objection, it has been estimated that the $15,000 home would cost the borrower something like $38,000 before he owned it, if it or he lasted that long.

To call such proposals by the name of assistance is to debase the language; they are nothing but an invitation to folly. Unfortunately that approach is typical of the whole bill.

For what is the broad housing problem this bill is supposed to remedy? Certainly

this country is not up against a general housing shortage requiring the slam-bang measures of desperation in this catchall bill. There is increasing evidence that housing is catching up with demand; in some places, plain evidence of overbuilding and excessive speculation. Into this market the Government proposes to pour new billions for everything from public housing to farm and college housing. The one clearly discernible effect would be massive new inflation of a market in no need of stimulus.

And what is the fiscal background against which these huge new expenditures must be viewed? It is that of a Government increasing its spending for all conceivable domestic, military and foreign programs, of a Government plunging ever deeper into deficits and debt. Even if the housing bill were otherwise desirable, it would not do in such circumstances. As the House committee minority puts it, the "overriding issue in this housing bill * * * is the issue of fiscal responsibility. The bill contains excessive budget spending authorizations. The bill contains unsound and unnecessary provisions."

We are not sure it is still possible to hope that some wisdom will be instilled into this measure. But as it is, the country ought to know that the administration and Congress are heedlessly slapping together a house without foundation.

THE SO-CALLED FAIR EMPLOYMENT PRACTICES COMMITTEE IN GOVERNMENT CONTRACTS

Mr. THURMOND. Mr. President, for a number of years there has been an increasing tendency for the executive branch of the National Government to usurp legislative functions delegated to the Congress. One of the most extreme ventures in furtherance of the trend is exemplified by Executive Order No. 10925, issued by the President on March 6, 1961, and the subsequent actions of the committee appointed by the President to implement this Executive order.

This Executive action contemplates the incorporation into each Government contract of a six-point plan which includes:

1. An agreement that affirmative action will be taken to employ applicants and treat employees without regard to race, creed, color, or national origin; to display posters prescribed by the Government in conspicuous places setting forth this policy;

2. An agreement to state in all solicitations and advertisements for employees that all qualified applicants will receive consideration without regard to race, creed, color, or national origin;

3. An agreement to notify any workers' representatives of the agreements made, and to post appropriate notices of the fact;

4. An agreement to comply with all provisions of the Executive order, and with all rules, regulations, and relevant orders of the committee established by the order;

5. An agreement to furnish all information and reports required by the order or rules, regulations and orders of the committee, and to permit access to all books, records, and accounts by the committee and the contracting agency;

6. An agreement to secure from each subcontractor or vendor an agreement to abide the points outlined here, plus, an agreement to take whatever action against any subcontractor or vendor that the Government contracting agency directs—including cancellation of business dealings with him.

Mr. President, as is obvious from the reading of it, this Executive order contemplates conditioning Government purchase contracts on compliance with terms that go far beyond anything necessary to orderly and economic administration of purchases authorized and appropriated for by the Congress.

Congress, according to judicial decisions, has rather broad discretion to condition purchases by the Government. Congress has not, however, authorized the executive branch to undertake a broad reform of our social structure by the use of arm-twisting tactics in letting Government contracts.

Many far-reaching consequences fall within the legislative prerogatives included in this Executive order. Presumably, it applies only to domestic procurement; and, therefore, when the specified conditions are not met by the domestic suppliers, acquisition will be made from foreign suppliers, without requiring the same conditions to be met by the foreign suppliers.

Mr. President, the rules and regulations for the implementation of this Executive order are in the process of being framed by a subcommittee composed of nonofficial members, or to put it bluntly, men who are not officeholders, nor subject in their appointments to confirmation by the Senate. There are serious questions as to whether the procedure being followed for the implementation of this Executive order complies with the procedural due process guarantees of the U.S. Constitution. Mr. President, a subcommittee of the committee appointed to implement Executive Order No. 10925 is in the process of holding hearings to take testimony on proposals for procedural regulations by which this Executive order shall be implemented. On June 15, Mr. Arthur Erwin, representing the Spartanburg Development Association, presented a splendidly analytical protest to the subcommittee which clearly outlines the departure from the separation-of-powers doctrine which prevails in the structure of our National Government. I ask unanimous consent that the testimony of Mr. Erwin be printed in the RECORD at the conclusion of my remarks, and I sincerely hope that every Member of the Senate and House of Representatives will read this statement so that they may be aware of the gross and unjustifiable usurpation by the Executive of powers which are the exclusive responsibility and authority of the legislative branch of the National Government.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF ARTHUR ERWIN, EXECUTIVE SECRETARY, SPARTANBURG DEVELOPMENT ASSOCIATION, SPARTANBURG, S.C., BEFORE THE SUBCOMMITTEE HEARING COMMENTS ON THE ADOPTION OF RULES AND REGULATIONS UNDER EXECUTIVE ORDER NO. 10925, WASHINGTON, D.C., JUNE 15, 1961

My name is Arthur Erwin. I am executive secretary of Spartanburg Development Association—an association of individuals residing in, and firms doing business in, Spartanburg County, S.C.—formed to promote the sound industrial development of the county.

Our interest in this hearing is prompted by the fact that members of our association are manufacturers and suppliers whose normal business activities may well bring them within the broad scope of Executive Order No. 10925 of March 6, 1961, as contractors, subcontractors, or vendors, as these terms are used in the order.

I do not feel that I should proceed without registering a strong protest with respect to the limited period of time that was provided for the study of these proposals, the preparation of a presentation, and the making of plans to be present here. The procedure evidences a complete disregard for the problems encountered in preparing comments for a hearing of this sort, especially as to those who are in areas away from Washington who will be affected by, and who have an interest in the proposals being discussed. It is my firm belief that in order for this to be a fair hearing, it should be continued at a later date so as to permit all concerned to give adequate study to the proposals and their many ramifications. I formally make this request now, and ask that it be ruled on.

As we understand the order, it requires that contractors, subcontractors, and vendors providing goods or services used or to be used in the performance of any Government contract with certain limited exceptions shall—as a condition of securing such contract, or as a condition of furnishing such goods or services—be forced to agree to abide by a prescribed six-point plan which includes:

1. An agreement that affirmative action will be taken to employ applicants and treat employees without regard to race, creed, color or national origin; to display posters prescribed by the Government in conspicuous places setting forth this policy;

2. An agreement to state in all solicitations and advertisements for employees that all qualified applicants will receive consideration without regard to race, creed, color, or national origin;

3. An agreement to notify any workers representatives of the agreements made, and to post appropriate notices of the fact;

4. An agreement to comply with all provisions of the Executive order, and with all rules, regulations, and relevant orders of the committee established by the order;

5. An agreement to furnish all information and reports required by the order or rules, regulations, and orders of the committee, and to permit access to all books, records, and accounts by the committee and the contracting agency;

6. An agreement to secure from each subcontractor or vendor an agreement to abide the points outlined here, plus an agreement to take whatever action against any subcontractor or vendor that the Government contracting agency directs—including cancellation of business dealings with him.

As we view the order and the proposed rules and regulations of the Committee, we see a tremendous bureaucracy in the making which will hold the power of life and death over much of the industrial might of this country. This bureaucracy, mind you, is not fashioned through the normal legislative process by the representatives of the people, nor is this bureaucracy subject to review by the judicial arm of our Government. It is fashioned by Executive order, is to be administered by a Committee selected by the executive department, which Committee may extract promises at will from those who would do business with the Federal Government, and which, by the threat of the application of sanctions, or by the actual application of sanctions can dominate the entire operation of firms doing business with the Federal Government.

By securing agreements from contractors that they will police the activities of their subcontractors and suppliers, the power of the Committee could easily extend to virtually every employer in the United States.

In all practical effect, this is a national law. And, nowhere in this entire scheme of operation is there a semblance of the employment of the traditional checks and balances which form our system of government. Instead, the Committee is empowered to act as rulemaker, investigator, prosecutor, jury and judge, and to operate under undisclosed standards with respect to rules of evidence and undisclosed rules with respect to burden of proof.

Woe to the businessman or industry leader whose personality or view might clash with that of an influential member of the Committee, or with that of the Committee's chief executive officer. By the same token, those who would curry favor with the Committee or its chief executive, could be placed in a favorable position with respect to Government business. The power of the Committee and its chief executive is that great.

This statement is made not as an indictment against any member of the Committee, and certainly not as an indictment of its chief executive officer, but it is made to emphasize that we in the United States believe in a system based on the soundness of laws—not a system based on the frailties of men.

At this critical time when every action of our Government is apparently being weighed as to how it will affect our "image" abroad, does not this offer an excellent opportunity to demonstrate how a balanced system of representative government operates? Why not utilize the legislative, the executive, and the judicial arms of our Government in this instance? The picture of this Committee—despite its high aims—operating under the conditions outlined here would not be a pretty picture, nor a realistic picture, for the rest of the world to see as an example of how a republic operates.

It is most unfortunate that neither the Executive order, nor the proposed rules and regulations, cite specific statutory authority for their issuance. The primary test for the validity of the scope and content of specific rules and regulations issued by administrative agencies is the measurement of whether they conform to the authority granted to the agency by Congress.

According to legal precedent, the rule is that if the administrative action exceeds the authority granted by Congress, the agency is in effect usurping the legislative power. It must stay within its statutory authority. This is a constitutional requirement with which even the President must comply. Failure to do so is a violation of due process guaranteed by the Constitution.

When, however, administrative action is taken that is within statutory authority, and otherwise meets the requirements of due process, even the judiciary cannot interfere, since to do so would result in judicial usurpation of the legislative power in violation of the separation of powers.

Thus, despite the fact that so much depends on what statutory authority the President acted in issuing Executive Order No. 10925, and on what statutory authority the committee now acts in developing rules and regulations for its operation, we are forced to speculate as to precisely where the authority lies.

We speculate that the President and the Committee may feel that the Supreme Court approved action of the nature contained in the Executive order when it decided *Perkins v. Lukens Steel Co.* (310 U.S. 113, on April 29, 1940).

There, a group of steel companies protested against an administrative wage determination, made by the Secretary of Labor which would be applicable to Government contractors, and which was authorized by the Walsh-Healey Act. The Supreme Court decided that the companies in that instance had no standing to sue—basing its holding on reasons deeply rooted in the constitutional divisions of authority in our system of government.

The Supreme Court, in effect, decided that the action of the Secretary of Labor was within the statutory authority granted in the Walsh-Healey Act, and that should the judiciary interfere where not authorized, it would result in usurping the legislative power in violation of the separation of powers.

The important feature for our purposes here is that there was express authority by Congress for the action of the Secretary in the *Lukens* case.

The same is not true of the Executive order and the proposals being discussed today. The development and application of these rules and regulations by you and your committee constitutes a usurping of the legislative power, which is forbidden by the Constitution.

Another important fact about the *Lukens* case that the Court clearly says that questions on supplying the needs of Government are rightfully decided by Congress. The Court said:

"The Government can supply its needs by its own manufacturing or by purchase. And Congress can as it always has, either do the purchasing of the Government's goods and supplies itself, or it can entrust its agents with final power to do so and make these agents responsible only to it."

The wisdom of developing these matters through legislation rather than executive edict is emphasized in another manner in this instance. Even though Congress did initially give authority in the Walsh-Healey Act to its "agents" to act and to answer only to Congress the legislative policy in this regard was reversed subsequently when the act was amended to permit a review of the wage determinations and to permit judicial review of legal questions, notwithstanding any stipulations that may have been extracted from the contractor by the Government. Thus, we view this effort to achieve the desired good through executive action as unwise, as well as unconstitutional.

We suggest that the proper manner to secure the ends sought here is to seek legislation authorizing the executive action that is about to be undertaken, and to provide as is provided in the Walsh-Healey Act, a procedure for full judicial review of such executive action—thus permitting each department of Government to play its part in the proper formation and proper execution of Government policy.

We are of the firm opinion that issuance of this Executive order with its many ramifications is unwise. And, we just as firmly believe that it will ultimately be found to be a usurpation of the legislative power and declared to be of no effect.

We urge that the Committee recommend to the executive department that its position with respect to content of Executive Order 10925 be reexamined. The executive department can make real and substantial progress in this area—as has been done previously—through methods not involving the compulsory features of the present order. At the same time the Executive can request legislation, if it is deemed necessary, to authorize specific sanctions and penalties.

We make a sincere request that you give this recommendation ample study and thought.

Meanwhile, other problems will arise here. For a contractor to do business under the conditions provided, there will unquestionably be added costs, and added risks. Prices must be raised to offset the added risks and costs involved in dealing with, and policing his subcontractor and suppliers, for example. And, should the contractor become involved in litigation with a subcontractor or a vendor as a result of action taken by him under the dictates of the contracting officer, the contractor must still extricate himself—the United States will enter the suit to protect the interests of the United States, not those of the contractor. Thus, another added cost.

We predict that there are many firms who will decide that they can better do without Government contract work if it means additional risks, additional costs, higher prices, and the odius control that will accompany Government contract work in the future.

What would happen if a substantial portion of some industry took this view—say a portion large enough to affect the availability of some item needed by the Government?

I presume that the contracting agency would turn to foreign suppliers who would not be bound by the same rules and regulations that bind domestic manufacturers.

We see no earthly reason why a foreign firm should stand in a superior position to a domestic firm with respect to furnishing goods or services to be used in the performance of government contracts. It may be true that the Government of the United States should not attempt to set labor standards in foreign countries. But, reflecting on the thought that these provisions are stated to be mere terms of a contract, the obligations of which are assumed as a condition of being accepted as a contractor, we see no reason why foreign firms should not be required to compete on equal terms with domestic firms for this business.

Notably absent in the rules and regulations are the standards to be used in deciding questions of fact in investigations by the contracting agencies and by the Committee. Also, conspicuous by their absence are rules for sustaining the burden of proof. It is inevitable that there will be conflicting accounts as to the actions taken by parties concerned. There must be some settled standard to decide—if it can be done in this manner—the questions of fact that arise. And, in like manner, there must be set rules as to who will carry the burden of proof. In this respect—and I say this in all seriousness—the provisions of section 301 of the Executive order appear to assume a contractor is guilty until he proves himself innocent. Establishment of standards for at least these two important features is an absolute necessity.

It would be much more satisfactory to all concerned in the investigation of a complaint if the contractor were to be furnished with a copy of the complaint at the time that such a complaint is filed. It is not foreign to our system of justice that the so-called accused be served with a copy of the accusation made against him. We suggest that this be made a requirement in proceedings following the filing of a complaint.

We suggest, also, that in those cases where the contracting agency has found an apparent violation and settlement by conciliatory means has failed it be made mandatory for the contractor to be provided opportunity for a hearing by the contracting agency prior to the time that it reports its findings and recommendations to the executive vice chairman.

It is important that at every level where findings and recommendations are made that the contractor have an opportunity to appear and rebut the findings, if he desires to do so—in other words that he have an opportunity to defend himself before any person at any level where a finding of fact is being made.

Finally, the provision required in the Government contract by section 301 of the order and 60–129 at the proposed rules and regulations with respect to permitting access to books, records, and accounts is unwarranted and obnoxious.

We predict that "fishing expeditions" into the books and records of firms in the United States will be a favorite pastime for Government contracting agencies, employees of

the Department of Labor, and representatives of the Committee.

As the proposal stands, all that will be necessary for a "fishing" license will be one complaint from an employee, or even an applicant for employment and an employer's books, records, and accounts will be virtually open to the public. This is grossly unfair. Any such procedure should be surrounded with safeguards sufficient to protect a contractor against such "fishing expeditions."

In summary, let me repeat: We see Executive Order No. 10925 and the rules and regulations that you are developing here today as creating a vast bureaucracy, which will not have been created under, and which is not intended to operate under the traditional checks and balances of our system of government.

We see this powerful force created as one that will eventually dominate virtually every industry of significant size in the United States.

We believe that if restrictive measures are necessary for carrying out the purposes of the order that they should be embodied in legislation enacted by Congress—that the present Executive order and the regulations being discussed here today exceed the authority of the executive department of our Government.

Real and substantial progress has been made in this area in the past without the compulsions contained in the present order. We urge that you recommend to the executive department that it reconsider its position with respect to the order.

We see inequities and omissions in the proposed rules and regulations—for example, placing a foreign contractor in a position superior to that of a domestic contractor with respect to Government contracts—the absence of any mention as to what rules of evidence and as to what rules with respect to burden of proof will be employed by the hearings contemplated in the order and the proposals—the danger of "fishing expeditions" into the books, records, and accounts of private firms by a multitude of Government as well as civilian personnel.

We believe the proper manner to secure the ends desired is to seek action by the legislative arm of our Government to authorize the action needed by the executive arm and make all action of the executive in this respect subject to full judicial review. In this manner the three important arms of our Government can work together in the proper development and proper administration of Government policy.

MANAGEMENT OF SENATE RESTAURANTS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 398, Senate Joint Resolution 106.

The PRESIDING OFFICER (Mr. HICKEY in the chair). The resolution will be stated by title.

The LEGISLATIVE CLERK. A joint resolution (S.J. Res. 106) transferring the management of the Senate Restaurants to the Architect of the Capitol, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

Mr. HRUSKA. Mr. President——

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. MANSFIELD. Mr. President, has the joint resolution been passed?

The PRESIDING OFFICER. The motion to proceed to its consideration has been agreed to. The joint resolution is open to amendment.

Mr. DIRKSEN. Mr. President, in connection with this resolution, I have discussed it with the Senator from North Carolina [Mr. JORDAN] and the distinguished majority leader. This proposal has been in the making for a considerable time. What it does is to transfer the management of the restaurants to the Architect, under limitations, and under supervision by the Committee on Rules and Administration.

Mr. JORDAN. That is correct, Mr. President.

The PRESIDING OFFICER. The joint resolution is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That effective August 1, 1961, the management of the Senate Restaurants and all matters connected therewith, heretofore under the direction of the Senate Committee on Rules and Administration, shall be under the direction of the Architect of the Capitol under such rules and regulations as the Architect may prescribe for the operation and the employment of necessary assistance for the conduct of said restaurants by such business methods as may produce the best results consistent with economical and modern management, subject to the approval of the Senate Committee on Rules and Administration as to matters of general policy: *Provided,* That the management of the Senate Restaurants by the Architect of the Capitol shall cease and the restaurants revert from the jurisdiction of the Architect of the Capitol to the jurisdiction of the Senate Committee on Rules and Administration upon adoption by that committee of a resolution ordering such transfer of jurisdiction at any time hereafter.

SEC. 2. The Senate Committee on Rules and Administration after the close of business July 31, 1961, is hereby authorized and directed to transfer to the jurisdiction of the Architect of the Capitol all accounts, records, supplies, equipment, and assets of the Senate Restaurants that may be in the possession or under the control of the said committee in order that all such items may be available to the Architect of the Capitol toward the maintenance and operation of the Senate Restaurants.

SEC. 3. The Architect of the Capitol is hereby authorized and directed to carry into effect for the United States Senate the provisions of this Act and to exercise the authorities contained herein, and any resolution of the Senate amendatory hereof or supplementary hereto hereafter adopted. Such authority and direction shall continue until the United States Senate shall by resolution otherwise order, or until the Senate Committee on Rules and Administration shall by resolution order the restaurants to be returned to the committee's jurisdiction.

SEC. 4. There is hereby established with the Treasurer of the United States a special deposit account in the name of the Architect of the Capitol for the United States Senate Restaurants, into which shall be deposited all sums received pursuant to this Act or any amendatory or supplementary resolutions hereafter adopted and from the operations thereunder and from which shall be disbursed the sums necessary in connection with the exercise of the duties required under this Act or any amendatory or supplementary resolutions and the operations thereunder. Any amounts hereafter appropriated from the Treasury of the United States for such restaurant shall be a part of the appropriation "Contingent Expenses of the Senate", for the particular fiscal year involved and each such part shall be paid to the Architect of the Capitol by the Secretary of the Senate in such sum as such appropriation or appropriations shall hereafter specify and shall be deposited by such Architect in full under such special deposit account.

SEC. 5. Deposits and disbursements under such special deposit account (1) shall be made by the Architect, or, when directed by him, by such employees of the Architect as he may designate, and (2) shall be subject to audit by the General Accounting Office at such times and in such manner as the Comptroller General may direct: *Provided,* That payments made by or under the direction of the Architect of the Capitol from such special deposit account shall be conclusive upon all officers of the Government.

SEC. 6. The Architect, Assistant Architect, and any employees of the Architect designated by the Architect under section 5 hereof shall each give bond in the sum of $5,000 with such surety as the Secretary of the Treasury may approve for the handling of the financial transactions under such special deposit account.

SEC. 7. This Act shall supersede any other Acts or resolutions heretofore approved for the maintenance and operation of the Senate Restaurants: *Provided, however,* That any Acts or resolutions now in effect shall again become effective, should the restaurants at any future time revert to the jurisdiction of the Senate Committee on Rules and Administration.

REORGANIZATION PLAN NO. 1 OF 1961

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 366, Senate Resolution 148.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 148) opposing Reorganization Plan No. 1 of 1961.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. DIRKSEN. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield.

Mr. DIRKSEN. A number of Senators may want to be heard on the resolution, and I am certain action cannot be completed on it tonight. So I thought perhaps if the Senate continued until some time just before 6 o'clock, and then went over until tomorrow, we could resume at that time, and, if there is some intention of securing a limitation of time agreement, I do not believe the majority leader will have any difficulty in that respect tomorrow.

Mr. MANSFIELD. That would be perfectly agreeable with me. With that statement in mind, we will proceed until approximately 6 o'clock in debate on the reorganization plan, and I shall try to agree upon a time limitation at the conclusion of the morning hour.

Mr. DIRKSEN. Under those circumstances, I believe the majority leader can assure Members of the Senate there will be no yea-and-nay votes tonight.

Mr. McCLELLAN. Mr. President, will the majority leader yield?

Mr. MANSFIELD. I yield.

Mr. McCLELLAN. As I understand, there will be no votes tonight, only debate, and no request for a limitation of time will be made tonight, but it will be made some time tomorrow, when consideration of the resolution is resumed, after the morning hour. Is that correct?

Mr. DIRKSEN. The Senator is correct.

Mr. JAVITS. Mr. President, is that satisfactory to the chairman of the committee?

Mr. McCLELLAN. Yes. I wanted to be sure what the understanding was.

Mr. JAVITS. I wanted to be sure it was satisfactory to the chairman.

Mr. McCLELLAN. I wanted to make the record clear.

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement I have prepared in opposition to Reorganization Plan No. 1.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CAPEHART

In the pattern of reorganization plans which have been submitted to the Congress by the White House we find a definite design to tie the Commission Chairmen closer to the President, who has the appointive power.

This obvious power-seeking device is not, however, the principal objection I have to the provisions of Reorganization Plan No. 1, which was reported to the Senate without recommendation by the Committee on Government Operations.

In fact, that committee suggested in its report that the plan should be carefully studied by all Members of the Senate. This suggestion is an ominous warning that the provisions of the reorganization plan might not be favorable in their entirety.

Senate Members will note the three points raised in the committee report conclusions: One, that the plan would authorize the delegation by the Commission of any and all of its functions to subordinates; two, that the plan would provide only for a discretionary right of review which, if denied, would result in the action of the subordinate being final; and three, it would vest in the Chairman of the Commission authority to choose the individuals who would exercise the delegated power.

At this point I want it to be perfectly clear that in my opposition to this plan I bear no feeling whatsoever that the present members of the Securities and Exchange Commission would, in any way, permit the conduct of SEC business to rest at any level except that of fairness and proficiency.

In fact, this feeling I have of utmost confidence in the members of that Commission adds to the reasons I have for contending the reorganization plan, as proposed, is not required.

The Senate Banking and Currency Committee, of which I am the ranking Republican member, conducted hearings on the reorganization plan at the suggestion of the chairman of the Committee on Government Operations. Our committee made no formal recommendations to the Government Operations Committee, another indication of a lack of solid feeling that the plan is desirable or necessary.

In those hearings, I believe Mr. G. Keith Funston, president of the New York Stock Exchange, hit on a very vital point in his opposition to the plan when he said: "I want to repeat that we do not believe rulemaking authority and the power to put people out of business should be subject to delegation."

I heartily concur with Mr. Funston's opinion.

Dr. William L. Cary, Chairman of the SEC, is a man for whom I hold great respect. He did not, in his testimony, present an argument which would be convincing that all of the powers contained in Reorganization Plan No. 1 were considered by him as a "must" package for changing SEC functions.

Quite the contrary, Dr. Cary gave firm testimony that the delegation of powers would necessarily require careful attention by the Commission. He said: "Mr. Funston was quite correct this morning in indicating what I previously have stated, and I now reaffirm, that we do not plan a delegation of our general rulemaking."

In this statement Dr. Cary obviously clearly recognizes a most serious weakness in the reorganization plan. If the Commission has no idea of such delegation, then why was the reorganization plan submitted to the Congress containing provisions for such delegation?

I submit that Dr. Cary doubtlessly was speaking the judgment of the existing members of the Commission, but, with those powers in the law, what might happen if others were serving on the Commission?

The Congress is left in the same unfortunate position by the testimony of Dean James M. Landis, special assistant to the President, who recommended the reorganization plan and apparently dictated its terms.

Dean Landis also told the committee that he could foresee no delegation of major rulemaking power to subordinates regardless of the provisions of the plan, but in the next breath he admitted the authority to do so is contained in the plan.

Again we find that the Congress is being called upon to have trust, not only in the existing Commission members, but in Commission members not yet known to the Congress, that the delegation authority will not be used to whatever extremes the Commission might desire.

We have witnessed a growing tendency in the last several decades to concentrate more and more power in a centralized Government in Washington and, now, we are experiencing the first steps to concentrate that centralized Government power into the hands of the President through his absolute control of the functions of Commissions by the appointive power of their Chairmen.

PROPOSED DISCONTINUATION OF PRODUCTION OF MANNED STRATEGIC BOMBERS

Mr. YARBOROUGH. Mr. President, I desire to address some remarks to the question of proposed discontinuation of the production of manned strategic bombers, as reflected in the budget presentation of the Department of Defense for fiscal year 1962. I wish to aline myself wholeheartedly in support of the action of both U.S. Congressional Committees on Armed Services in providing appropriation authorization for this much-needed procurement. The deep-rooted wisdom of the Congress in such matters has proved itself many times in the past, and I sincerely hope that this action will cause reconsideration and a more thorough study of the problem by the Secretary of Defense before he allows this Nation to lose the priceless asset of the time and battle-proved flexibility, not only of the strategic deterrent capability of manned strategic bombers but their offensive might as well.

The B–58 is the only supersonic manned bomber in the free world. The proposal of the Secretary of Defense to discontinue procurement of the B–58, the only supersonic manned bomber in the free world, is the subject to which I address my remarks.

In his testimony before the Senate Committee on Armed Services on April 5, 1961, which is recorded on page 95 of the report of those hearings, Secretary McNamara stated that if subsequent events should dictate the restart of production lines after a lapse of 12 to 18 months, the cost would be in the order of $300 million and "there would be hiatus between termination and the start of deliveries approximating 24 months."

The Secretary was asked what would happen if we needed these bombers and we stopped production now, with the production lines going. It has cost a great deal to get the two wings we have. With the production going we could provide the third wing at a minimal cost. The Secretary said it would cost $300 million to start the production lines again, if we stopped them, but that "there would be a hiatus between termination and the start of deliveries approximating 24 months."

But, would our potential adversary afford us the luxury of 24 months to regain our stature?

On the contrary, Mr. President, prudence would dictate that we spend this same $300 million to procure long-range supersonic B–58 bombers and thus provide for continuity, allow exploitation of growth potential, enhance our deterrent posture immediately, and above all avoid hiatus and loss of irretrievable time.

Mr. President, there are three Senators who have flown the B–58, though there is only one general in the Pentagon who has done so. I have been assured by the proper authorities that there is only one general in the Pentagon who has flown the B–58, but three of our colleagues in the Senate have flown it. I hope Senators will talk to Members of this body who have flown the B–58, who say it is the "hottest" plane in the air.

The supersonic B–58 airplane is the product of the technical ingenuity of the Fort Worth division of General Dynamics Corp. The suppliers of its various components and subsystems cover virtually every State of the Union, but the concept and the statement of specifications come from the technical team of this great company.

The B–58 represents one of the greatest technological jumps in manned strategic bombers that has been demonstrated and proved in the free world today. This supersonic bomber development is an area in which we appear to excel the Soviets. The technical team that produces this airplane represents a very real and vitally important national asset.

I should like to have printed at the conclusion of my remarks an editorial from Aviation Week of June 12, 1961, entitled "New Image at Paris." The

editorial sets out how this is the one field in which we excel the Soviets, and how the Soviet observers gave much attention to the B–58 at the Paris airshow. It is the one plane which seemed to worry the Soviets, judging from the time they spent observing it.

I ask unanimous consent that the editorial and articles from Aviation Week be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. PELL in the chair). Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. YARBOROUGH. Mr. President, from virtually every source imaginable, alarm is expressed at the growing technical capability of the Soviet and the necessity that we match and surpass this growth.

Mr. Khrushchev makes his boasts of future world domination; he has bragged about his goals in his recent talks with President Kennedy in Vienna. It is up to us in America, in this generation, in this decade, in this Congress, here and now, to see that we, not they, hold the rein of the future.

The whole character of the Southwest has undergone a gradual change during the last 20 years. Prior to this, the economy of this area was largely extractive from mineral resources and from agricultural production. The character of the colleges and universities of the South and Southwest reflected this. With the establishment of aeronautical business in this area, a gradual and subtle change in this situation has taken place.

Associated industries such as electronics, and so forth, have sprung up and taken root to the end that many major and significant contributions have already been made in the fields of aerospace, propulsion, electronics, nucleonics, guidance and control.

Basic contributions in all of the physical sciences are now coming from the Southwest and South.

The Fort Worth division of General Dynamics has been a major contributor to this general pattern. They have wholeheartedly joined the community and served as a focal point and stimulus in tapping the unused resources of this great area. They have aided in the training a teams of highly competent technical manpower. They have enhanced to a large and marked degree the technical resources of our colleges and universities.

I would like to illustrate my point with a few examples. Encouraged by the management of General Dynamics, Fort Worth—

First. Thirty-three engineering and scientific employees of the company now serve as part-time instructors in nearby technical schools.

Second. Skilled presentation teams have been trained and are available to student groups in the Southwest.

Third. Engineering teaching awards are presented annually to nominated members of the faculties of engineering schools in the Texas area.

Fourth. Teaching excellence awards are presented annually to the faculties of high schools and junior high schools.

Fifth. With the consent and encouragement of the management, 15 valued employees have left to become permanent members of engineering faculties of local institutions of higher learning.

Sixth. Four former employees are now serving as heads of their respective departments and one is the President of Arlington State College, Arlington, Tex.

Seventh. Six scholarships are awarded annually.

Eighth. Six fellowships for the attainment of graduate degrees are awarded annually.

In 1959, the engineering group of the Fort Worth division of General Dynamics had built up to a total of 2,900 people of at least baccalaureate level. Of these, 56 had Ph. D. degrees and 304 have attained masters degrees.

But, Mr. President, a decline has set in. The engineering force now numbers 2,109 B.S. or better, of which 34 are Ph. D.'s and 354 masters degree. If the supersonic B–58 program is allowed to die as proposed, this invaluable national asset of trained manpower will be lost.

Can we as a nation afford this extravagance? I do not propose to let the facts go unstated. We appear to have a lack of distribution and disproportionate concentration of our technical talent in this Nation; as one yardstick, I will quote a most recent statistic for a scholastic year:

Scholastic year 1957–58

Numbers of Ph. D.'s graduated per year per million of population:	
Eastern United States	100
Midwestern United States	70
Southwestern United States	25

This summary data illustrates the vital need to keep these teams of highly qualified personnel geographically distributed in the United States. A vital area is the great Southwest. Defense plants must be located in safe areas and be distributed rather than concentrated.

The whole character of the Southwest has undergone a gradual change during the last 20 years, with diffusion of industry, particularly of the aircraft industry into the southwest part of the country and on to the west coast in California. The development of this potential for the production of these magnificent speed vehicles is a great value the country should not disperse at this time, and then try to reclaim at a later time and a much greater expense.

If the supersonic B–58 weapons system program is ruthlessly cut off, this invaluable reservoir of highly trained personnel, as a team, will be lost to the United States. Furthermore, a vital sinew of American defense will be severed, perhaps beyond recovery or repair.

What are the alternatives? It has been stated several times that there does not seem to be any imperative current requirement for these airplanes by the Air Force. But the people who fly these airplanes state, without reservation, that they are the only strategic airplanes which can effectively penetrate Soviet defenses and deliver their warheads reliably and accurately. They base their statements on their personal experience in tests run against our own air defenses. How can they be rebutted by members of the air staff who have not talked with them nor seen, ridden in, or flown these airplanes themselves?

The so-called experts who say, "You cannot do it" have not flown the planes, yet three Senators have flown the planes as pilots.

We are told that the war games show that the B–58 is less desirable than the B–52. That was based on computed radar visibility, not an actual test.

Radar visibility is an important factor in assessing the vulnerability of an aircraft. Yet, I am advised that much war gaming has been done using an assumed radar visibility number for the B–58 as much as four times the value measured in recent actual tests. This erroneous assumption robs the supersonic B–58 of one of its real advantages—in war games—but not in real war.

This is not intended to discount the very great value of the war game technique; however, it does illustrate how assumptions can control the conclusions and how, perhaps inadvertently, one erroneous assumption has acted to discount one important aspect of the unique configuration and performance of the B–58.

The ability of the manned bomber to exercise intelligent evasive maneuvers, employ tactics, and operate successfully around subsystem failures; to seek out and destroy targets either unknown or of unknown location is the basis for the case for the retention of manned bombers from now on.

The unguided missiles cannot do so. They do not have the intelligence to undertake evasive action, to seek out new targets if they find one gone, or change their course to hunt up another target. Only the manned bomber can do so.

I point out that the plane can travel more than 1,300 miles an hour. It travels at more than twice the speed of sound.

I have a globe in the Chamber with ribbons on it. The red ribbons illustrate how far the plane can fly without refueling. It has been said that the plane is not feasible because it has a short range. The red ribbons illustrate that the B–58 could take off from West Germany, cross the southern part of Russia, India, and land in Burma without refueling. The B–58 could take off in England, cross the northern part of the Soviet Union and make its way to the Sea of Japan without refueling. With one refueling, it could take off at Chicago, cross the top of the globe, cross Russia, and land in India.

We have spent already $2 billion to make planes to refuel the B–52. Those same refueling planes could refuel the B–58.

It has been said that the need will be served by the Polaris submarine. I believe that the Polaris submarine is a great deterrent weapon but, after all, when the Polaris submarine is at its home base, it cannot strike. The B–58 can strike from its home base at any time. There are 766 bases in the free world suitable for the dispersion of these planes. They can be dispersed.

The plane is small, much smaller than the B–52. It can be run back into a mountain side, where it is relatively easy to bore holes, and the plane can be protected there. When a Polaris submarine goes out on a patrol, it fires a missile but it does not know whether the missile strikes its mark and, if so, what damage has been done. A manned bomber has a crew which can see what it is doing. It has visibility. It carries multiple loads, and the crew can see what damage is wrought.

Of equal importance is the ability of the manned bomber to observe the results of his strike and either release another weapon, proceed to destroy other assigned targets and/or report the situation to the commander as the basis for intelligent command decisions.

A guided missile cannot perform any of these functions.

During the past few days, I have personally reviewed the testimony concerning the subject of bomber flight range. Now, I can tell you that after first reading that the supersonic B–58 had very little range, I was very much surprised to find out how far it can actually go.

Without refueling, and flying 100 miles per hour faster than any other SAC bomber, it now seems clear that it can make the distance shown by the red ribbons on this global map.

Using the same tankers already bought to refuel the B–52 at the cost of over $2½ billion, the B–58 can make the distance shown by the yellow ribbon on the global map. Of course, with more than one refueling, its range is only limited by crew endurance.

Senators may recall that in its recent 1961 record smashing flight to Paris, only 3 hours and 19 minutes was required from New York—one-tenth the time required by Lindbergh. Whenever the B–58 uses its 1,300 mile-per-hour capability, as it did on its trip to Paris, it requires more fuel than when it is loafing along 100 miles per hour faster than present day bomber speeds. Using the top speed inside of Russia on its way to the target and loafing at other times, it can strike nearly all potential targets from the United States with only one refueling on the way.

Opponents of the B–58 claim that it will only carry one warhead while for the last month the airplane has repeatedly demonstrated its ability to carry five warheads.

Detractors of the B–58 claim that they are too expensive but we find that one more wing of B–58's would cost less per airplane than the B–52 which has been in production for many years.

Opponents claim that the B–58 will not carry missiles yet I am reliably advised that this ability was designed into this airplane from the very start and was successfully demonstrated several years ago.

Others claim that it has limited range at low levels, yet one recently flew unrefueled and nonstop from Forth Worth to Edwards, Calif., and back with adequate fuel reserves remaining. This flight, I am informed, was made at the speed of 690 miles per hour as compared to the low level speed of the B–52 which is 490 miles per hour—even with difference in speed we are entering a costly modification program to allow the B–52 to operate at low altitudes.

OTHER USES

I have read the proceedings of the NATO discussions with considerable interest, and I find increasing determination on the part of these allies that they be equipped with strategic deterrent capabilities of their own. I noted that the President has stated that he is willing to transfer at least five Polaris submarines to NATO forces for this purpose.

I read from the record that a Polaris submarine with its missiles cost about $130 million. I understand that to exploit its potential, one must have at least two highly skilled crews of about 60 people each and to maintain it, one also needs one expensive submarine tender for each nine submarines or fraction thereof. I am unable to find from the testimony the cost of supporting the submarine tender but, based upon the cost to maintain an outboard motorboat, the cost must be very high.

By simple arithmetic, I find that the total bang from the 16 Polaris missiles is just about the same as the yield of the five warheads carried by the supersonic B–58 and that one can get a minimum of 12 B–58's for the price of one complete Polaris submarine, less crews and tenders. We would, therefore, get twelve times as much bang potential with the B–58 for the same price.

While the thought of the Polaris submarine lurking beneath the sea paints a grim picture for the potential foes, the submarine must be lurking within its missile range of the target to be of any immediate use.

If not in range, the submarine must proceed to the launch area at speeds which do not remotely compare to the speeds of the supersonic B–58.

It has already been proven that, when placed on ground alert status, the B–58 can be off the ground in less than 2½ minutes.

The B–58 can go to its target at speeds up to 1,300 miles per hour and can be recalled anytime up to the release of the first bomb.

We know that three-quarters of the earth's surface is covered by water and/or ice, but 100 percent is covered with air.

The supersonic B–58 commander can observe the effects of his bomb and make a logical decision about the use of the other four. On the other hand, a missile launch commander never knows what happened to his missiles or its target once it is launched and, therefore, has nothing but mathematics to go by as to where he should aim his next missile. I do not say this to detract from our fine Polaris submarine capabilities; I merely demonstrate the folly of putting all our eggs in one basket. We must retain our multiple-delivery capability.

All of the NATO nations have skilled and trained air forces. Hence, the supersonic B–58, due to its unique small size, can be dispersed on nearly every commercial airport in Europe and can, if necessary, be sheltered in hardened revetments at reasonable costs.

Secretary McNamara, in his testimony, stated that his basic reason for not requesting funds for the continued production of manned strategic bombers was because of their relative vulnerability on the ground in the age of ICBM's. He concluded that he would use the available resources for, amongst other things, increased production capability for Minuteman and more Polaris submarines. His stated reasoning was that increased production potential for the Minuteman was caused by the fact that existing and planned Minuteman sites would invite concentrated Soviet ICBM attack on those sites. He would, therefore, need more units to insure adequate retaliation capability.

This logic is all right as far as it goes, but he stops far too short. In the same budget request, there is provision for the procurement of 22 conventional ships in addition to accelerated production of Polaris submarines.

I do not question the need for ships, but the vulnerability of ships in port even to conventional bombs was elaborately demonstrated at Pearl Harbor.

Fighting ships at sea are totally dependent on continuous logistic support from supply ships sailing from these same bases—they need constant replenishment in fuel, food, ammunition, and other supplies together with elaborate shipyard type facilities for repair.

Where are these bases?

On the seacoast and, in most cases, surrounded by major cities. How many of these are there compared to the number of bases and the disposition of such bases available for the operation of the B–58. There are 766 bases in the free world suitable for the dispersal and operation of the supersonic B–58.

Can we use base vulnerability as the reason to suspend production of manned strategic bombers and at the same time support the production of conventional ships?

The subject is deserving of the most careful and serious study before this Nation divests itself of such an invaluable resource as the flexible and supersonic B–58.

Before the lead times run out on the B–58 in July of this year—1961, we must act positively to insure that continuity is not lost.

If calm judgment and sound evaluation of the facts does not convince the Air Force and the Department of Defense of the wisdom of the Congress, we should consider whether or not to furnish these airplanes to NATO forces as a supplement to the Polaris submarine. Our bargaining on the Berlin situation would be most formidably enhanced by the presence of these supersonic bombers in the hands of NATO.

We must bear in mind that in the event of a nuclear outlawing, the supersonic long range B–58 still has a most impressive conventional weapons delivery capability.

Due to conflicting reports in the current statements of Department of Defense officials, we in the Congress should wisely and with calm judgment, appropriate the $525 million authorized and insist that at the very minimum our

most modern bomber production lines be kept open.

Certainly we cannot do otherwise in safety and with prudent judgment, until a thorough investigation determines the future defensive and offensive posture of the United States of America.

The coming decade and in particular the next 5 years are critical years.

Until the B–70 or other new systems become available in significant quantities, we cannot carelessly gamble with the future defense of America.

In conclusion, I wish to say again that the plane flies twice the speed of sound, and it is the only supersonic manned bomber in the free world. We are definitely far ahead of the Russians in this plane. That is why representatives of that country spend time at air shows watching the plane. It would be a great mistake to cut off production in one field where we definitely know we are far ahead of our opponents.

EXHIBIT 1

[From Aviation Week, June 12, 1961]

NEW IMAGE AT PARIS

(By Robert Hotz)

Any American who has traveled extensively in Europe during the past few years has needed no Gallup poll or U.S. Information Agency survey to tell him that U.S. prestige generally, and particularly in technical areas, has deteriorated badly in the face of Soviet space achievements contrasted with apparent U.S. reluctance to extend its traditional pioneering spirit into space. Thus, it was indeed heartening to every American at the Paris Air Show to see the United States at long last put its very best foot forward by displaying its technical capacity from light planes to outer space, along with appropriate technical and operational personnel that reflected a genuine image to Europeans of what our country is really like.

U.S. participation in the Paris Air Show was expensive in money, material and lives, yet only Commander Shepard's Mercury space shot has done more in recent years to restore the picture of the real America that Europeans hope fervently still prevails. It is understandably difficult for anybody sitting behind a desk in Washington to feel the tremendous impact of U.S. participation in this show on more than half a million Europeans ranging from French schoolchildren to technicians from 24 nations. He could not see the tremendous flow of people surging through the U.S. space exhibit that impressed both the schoolchildren and the technicians.

Crowds around Commander Shepard's heat-scorched Mercury capsule were so thick it was necessary to move outside the space exhibit tent and organize the mass flow of people past it. Accompanied by French-speaking Clotaire Wood, Advanced Research Program Coordinator for National Aeronautics and Space Administration, the Mercury capsule appeared on every European television network and radio hookup possible during its 10-day exhibition.

Deskbound Pentagonians could not imagine the impact of Maj. William Payne greasing a B–58 onto Le Bourget's wavy runway with hardly a puff of rubber smoke after a 6-hour 15-minute nonstop flight, including an incredible 3-hour 19-minute leg from New York to Paris, then taxiing up to the plaque on the airport tarmac where Lindbergh cut the engine of the *Spirit of St. Louis*, just 34 years earlier.

The French understood and felt deeply this "Lafayette we are here" gesture as Major Payne emerged from the cockpit looking lean, tanned, and competent, and managed a big grin and wave at the cheering crowd. A French policeman turned to American reporters and said, "That is how we like to think Americans still are." The French tried hard to win the Bleriot Cup, which has been standing as an exclusive challenge to designers and pilots for 30 years. They came close with the Mirage IV in a 21-minute run at 2,000 kilometers per hour before blistering heat cut the run short 9 minutes from Bleriot requirements. They appreciated the skilled performance required by the B–58 and its pilot Maj. Elmer (Gene) Murphy to win this coveted trophy.

In their all too brief days in Paris, Major Murphy and his crew made a tremendous impression on the technicians and military airmen of many nations they met, and all of them shared with us the tragedy of the fatal flight. Americans at the Paris show will never forget the sight of French villagers near the crater dug by the B–58 lining its blackened rim early Sunday morning with flowers, or the lines of French schoolchildren bringing flowers to Le Bourget Sunday and laying them on the Mercury capsule because it was the most tangible thing American accessible to them at the show, or the silent handshakes from French airmen and technicians conveying feelings too deep to be spoken. They understood far better than many deskbound Americans that tragedy is an inexorable part of the price of progress, and they respect us as a breed that does not shrink from this prospect.

Another outstanding aspect of American participation in the Paris Air Show was the static and flying exhibition by the very latest USAF, Navy, and Army planes, including four aircraft and two helicopters holding world records.

In contrast, the Soviets exhibited only the old familiar Tupolev 114, which has now pretty well established itself as an exhibition piece rather than a useful airline transport. This contrast between United States willingness to show its record-holding planes and Soviet reluctance to even display photos of its record-claiming planes was not lost on the European audience.

The Soviets' inability or unwillingness to display the promised new Tupolev 124 and Antonov 24 transports also raised European eyebrows.

U.S. exhibition of record-holding aircraft and flying display of the latest mach 2-plus aircraft, such as the Republic F–105, Lockheed F–104, North American A3J, McDonnell F4H, and Chance Vought FSU, coming on the heels of the open Mercury shot at Cape Canaveral, gave Europeans the impression of a strong, competent nation again flexing its technical muscles, dedicated to achieving the required superiority regardless of tardy starts in some fields, determined to reach its goals despite temporary setbacks and with the stamina to run the full course required.

This growing contrast of U.S. frankness in displaying its strength and discussing its problems with Soviet furtive secrecy regarding backup proof of its technical claims is making a tremendous impression on Europeans, and this pressure on the Soviets should be maintained at every opportunity to emphasize better than any words or propaganda broadcasts the essential difference between freedom and state slavery.

There may be some timid souls in Washington who might want to seize on the B–58 accident as an excuse for abandoning U.S. participation in international air shows. This same group fought desperately but unsuccessfully to ring down Iron Curtain secrecy on the Mercury shots, apparently under the same philosophy the Soviets show in announcing only successes. If this view prevails, the United States will suffer irreparable damage.

The significant point of both the open Mercury shot and the B–58 performances in Paris was the image they present to the world of a vital young nation still challenging the unknown and determined to master and harness new frontier science technology with the same vigor with which we expanded across the Alleghenies, the Rockies, and the Pacific—willing to risk the chance of occasional failure, but determined to press on undaunted toward ultimate success. If we ever lose that feeling as a nation or fail to convey this to people everywhere, we can begin to carve our own epitaph on our tombstone as a nation.

[From Aviation Week, June 12, 1961]

RECORD-SETTING B–58's CRASH MARS PARIS

(By Cecil Brownlow)

PARIS.—Flying display of aircraft from 14 nations that capped the successful 24th Paris International Air Show was marred on the first of 2 flying days by the loss of a Convair B–58 supersonic bomber and its three-man crew seconds after a low pass over Le Bourget Airport.

U.S. Air Force investigators from the Strategic Air Command's 16th Air Force based in Spain and the 7th Air Division stationed in England were still sifting for clues late last week in the deep crater the B–58 dug into a field of oats 6 miles northeast of Le Bourget when it exploded on impact with the ground.

On the scene reverberations from the crash were doubly severe since the aircraft itself had earlier provided a highlight of the show by setting a new transatlantic speed record and the crew flying it at the time of the accident had received the Bleriot trophy here for establishing a new closed-course speed record (see pp. 108–109).

As a part of the static display on the days prior to the flight exhibition, the aircraft had vied for popularity with another U.S. exhibit—the National Aeronautics and Space Administration's "Freedom"—Mercury capsule that carried Comdr. Alan B. Shepard, Jr., on his flight down the Atlantic Missile Range in early May (Aviation Week, May 15, p. 61).

The B–58, piloted by Maj. Elmer E. Murphy, was one of six late-model U.S. aircraft in the air at the time for individual high-speed passes over the airport. The flight plan called for Major Murphy to make a low pass at a speed of approximately 550 knots, begin his climb to altitude with afterburner and execute a roll while still in view of the air show crowd.

Major Murphy made his pass, began his climb, turned on the afterburners, closed them again and was in the process of the roll when his aircraft disappeared into the low ceiling hanging over Le Bourget at an estimated altitude of approximately 4,000 feet.

That was the last seen of the aircraft by observers at the show or by Major Murphy's comrades in the air, although some on the gound and in the air witnessed a thin trail of white smoke rising from the ground northeast of Le Bourget seconds after the plane disappeared.

The smoke trail was formally reported to the Le Bourget tower for the first time by the pilot of the Lockheed F–104 in the flyby demonstration as he passed over the area.

Also in the aircraft at the time were Major Murphy's fellow recipients of the Bleriot trophy—Maj. Eugene F. Moses, navigator, and 1st Lt. David F. Dickerson, defensive systems operator. All three were attached to SAC's 43d Bomb Wing, Carswell AFB, Tex.

SHOW FLYBY

Award of the trophy at the air show stemmed from a May 10 flight by the Murphy

crew in the United States in which the crew's B–58 flew a closed course of 669.438 miles in 30 minutes 43 seconds at an average speed of 1,302.07 miles per hour. The flight was the first to meet the stipulations laid down in 1930 by pioneer French aviator Louis Bleriot for the permanent possession of the trophy which specified that an aircraft should fly a closed-circuit course at a minimum speed of 620 miles per hour for a period of at least 30 minutes.

On May 26, opening day of the air show, the B–58 then piloted by Maj. William Payne, also a member of the 43d Bomb Wing, had gained a stroke for the United States in the international prestige race with its nonstop transatlantic flight that initially began at Carswell AFB. Total elapsed time between Carswell and Le Bourget including two in-flight refuelings was 6 hours 15 minutes of which 1 hour 49 minutes was flown at speeds of mach 2.

Flight leg between New York and Paris was 3 hours 19 minutes.

Some top U.S.A.F. officials and Convair personnel at the air show urged after the crash that a second B–58 be rushed from the United States to France so that it could fill the gap in the final day's flyby and dampen, if not completely offset, any adverse effects on French public opinion from the previous day's crash after the aircraft had made such a promising beginning in this area.

MILK PROGRAM

Mr. HUMPHREY. Mr. President, I intended to offer today an amendment to extend the special milk program. I withheld it because this morning the Senate Committee on Agriculture and Forestry acted favorably on the special milk bill introduced by the Senator from Wisconsin [Mr. PROXMIRE] and other Senators, and of which I am one of the cosponsors. The proposed program will extend the special milk program for another year.

I ask unanimous consent, however, that certain documentation which I have received from the Department of Agriculture on this special milk program, stating the number of outlets participating in the months of July and August 1960, as well as the amount of milk consumed, and for which there was reimbursement in July and August 1960, be printed in the RECORD at this point in my remarks.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF AGRICULTURE,
AGRICULTURAL MARKETING SERVICE,
Washington, D.C., June 12, 1961.

Hon. ———— ————,
U.S. Senate,

SENATOR: This is in response to your request for information on schools and child-care institutions, including summer camps, that normally participate in the special milk program during the summer months.

Our records show that over 6,000 schools and institutions were in the program in July of last year and more than 8,000 in August. Tables providing this information, State by State, are attached.

The two additional tables show the number of half pints of milk that were consumed and on which Federal reimbursement was paid during July and August 1960. The larger quantity in July—35 million half pints compared with 31.1 million in August—reflects the summer camp participation which begins in June and is heaviest in July.

Records maintained under this program do not provide information on the number of children participating.

Sincerely yours,

S. R. SMITH,
Acting Administrator.

Special milk program—Number of outlets participating, July 1960

State	Schools	Child-care institutions [1]	Total
Alabama	3	39	42
Alaska	1	3	4
Arizona	6	31	37
Arkansas	114	22	136
California	409	633	1,042
Colorado	17	40	57
Connecticut	----	----	----
Delaware	----	27	27
District of Columbia	----	3	3
Florida	4	82	86
Georgia	6	68	74
Hawaii	4	22	26
Idaho	2	21	23
Illinois	----	----	----
Indiana	----	----	----
Iowa	5	56	61
Kansas	----	----	----
Kentucky	7	46	53
Louisiana	21	52	73
Maine	----	58	58
Maryland	6	88	94
Massachusetts	24	282	306
Michigan	10	161	171
Minnesota	6	136	142
Mississippi	135	18	153
Missouri	61	59	120
Montana	2	29	31
Nebraska	5	25	30
Nevada	1	14	15
New Hampshire	----	62	62
New Jersey	1	201	202
New Mexico	115	8	123
New York	466	464	930
North Carolina	4	91	95
North Dakota	1	15	16
Ohio	15	278	293
Oklahoma	20	48	68
Oregon	----	70	70
Pennsylvania	93	320	413
Rhode Island	1	26	27
South Carolina	8	49	57
South Dakota [2]	----	----	----
Tennessee	101	70	171
Texas	83	80	163
Utah	2	20	22
Vermont	2	23	25
Virginia	11	64	75
Washington	9	165	174
West Virginia	----	42	42
Wisconsin	17	169	186
Wyoming	----	----	----
Total	1,798	4,280	6,078

[1] Primarily represents summer camps.
[2] Consolidated with August report.

Special milk program—Number of outlets participating, August 1960

State	Schools	Child-care institutions [1]	Total
Alabama	144	26	170
Alaska	----	2	2
Arizona	10	26	36
Arkansas	158	14	172
California	255	545	800
Colorado	27	61	88
Connecticut	----	91	91
Delaware	----	24	24
District of Columbia	----	3	3
Florida	8	62	70
Georgia	22	50	72
Hawaii	6	19	25
Idaho	96	24	120
Illinois [2]	----	----	----
Indiana	19	220	239
Iowa	33	33	66
Kansas	2	55	57
Kentucky	162	35	197
Louisiana	206	38	244
Maine	38	62	100

[1] Primarily represents summer camps.
[2] Data not available. Consolidated with September report.

Special milk program—Number of outlets participating, August 1960—Continued

State	Schools	Child-care institutions	Total
Maryland	6	67	73
Massachusetts	23	237	260
Michigan	7	167	174
Minnesota	6	122	128
Mississippi	165	14	179
Missouri	197	46	243
Montana	2	14	16
Nebraska	6	15	21
Nevada	1	6	7
New Hampshire	----	63	63
New Jersey	2	178	183
New Mexico	143	3	140
New York	463	445	906
North Carolina	230	92	322
North Dakota	12	6	18
Ohio	15	244	259
Oklahoma	207	41	248
Oregon	----	54	54
Pennsylvania	497	294	791
Rhode Island	----	23	23
South Carolina	143	43	186
South Dakota	66	9	75
Tennessee	494	46	540
Texas	101	66	167
Utah	85	15	100
Vermont	3	22	25
Virginia	9	48	57
Washington	9	114	123
West Virginia	----	22	22
Wisconsin	55	117	172
Wyoming	----	23	23
Total	4,133	4,046	8,179

Number of half-pints reimbursed, July 1960
[In thousands]

State	Schools	Child-care institutions [1]	Total
Alabama	3	189	192
Alaska	----	8	8
Arizona	21	98	119
Arkansas	193	116	309
California	765	2,622	3,387
Colorado	83	2,554	2,637
Connecticut [2]	----	----	----
Delaware	----	116	116
District of Columbia	----	9	9
Florida	30	249	279
Georgia	6	287	293
Hawaii	5	28	33
Idaho	3	123	126
Illinois [3]	----	----	----
Indiana [3]	----	----	----
Iowa	18	391	409
Kansas	----	----	----
Kentucky	6	246	252
Louisiana	43	215	258
Maine	----	654	654
Maryland	38	549	587
Massachusetts	407	1,641	2,048
Michigan	69	1,516	1,585
Minnesota	25	785	810
Mississippi	406	122	528
Missouri	137	449	586
Montana	8	70	78
Nebraska	36	122	158
Nevada	2	30	32
New Hampshire	----	638	638
New Jersey	4	1,875	1,879
New Mexico	6	141	147
New York	1,610	3,910	5,520
North Carolina	8	551	559
North Dakota	6	88	94
Ohio	133	1,787	1,920
Oklahoma	13	157	170
Oregon	----	251	251
Pennsylvania	150	3,047	3,197
Rhode Island	1	286	287
South Carolina	52	376	428
South Dakota [3]	----	----	----
Tennessee	238	337	595
Texas	393	408	801
Utah	----	93	93
Vermont	11	209	220
Virginia	41	386	427
Washington	70	542	612
West Virginia	----	170	170
Wisconsin	58	1,521	1,579
Wyoming	----	----	----
Total	5,118	29,962	35,080

[1] Represents primarily summer camps.
[2] Consolidated with August report.
[3] Consolidated with September report.

Number of half-pints reimbursed, August 1960

[In thousands]

State	Schools	Child-care institutions [1]	Total
Alabama	180	89	269
Alaska		7	7
Arizona	43	79	122
Arkansas	348	39	387
California	401	2,334	2,735
Colorado	57	420	477
Connecticut		1,039	1,039
Delaware		101	101
District of Columbia		8	8
Florida	11	161	172
Georgia	34	192	226
Hawaii	4	44	48
Idaho	16	94	110
Illinois [2]			
Indiana	13	1,411	1,424
Iowa	30	169	199
Kansas	2	329	331
Kentucky	126	179	305
Louisiana	102	130	232
Maine	6	441	447
Maryland	28	344	372
Massachusetts	359	1,219	1,578
Michigan	61	1,143	1,204
Minnesota	19	593	612
Mississippi	774	66	840
Missouri	379	165	544
Montana	8	17	25
Nebraska	32	58	90
Nevada	5	7	12
New Hampshire		504	504
New Jersey	7	1,555	1,562
New Mexico	494	100	594
New York	1,405	3,571	4,976
North Carolina	143	536	679
North Dakota	43	27	70
Ohio	136	1,242	1,378
Oklahoma	155	128	283
Oregon		176	176
Pennsylvania	256	2,017	2,273
Rhode Island		211	211
South Carolina	108	326	434
South Dakota	278	12	290
Tennessee	897	151	1,048
Texas	373	268	641
Utah	53	65	118
Vermont	13	109	122
Virginia	15	226	241
Washington	67	445	512
West Virginia		75	75
Wisconsin	61	934	995
Wyoming		48	48
Total	7,542	23,604	31,146

[1] Represents primarily summer camps.
[2] Consolidated with September report.

Mr. HUMPHREY. Mr. President, this program is one of the important food programs, and I know that Congress will act quickly to assure the continuation of the program. It will expire unless we act in the next few days.

I also observe that the bill on agricultural appropriations provided moneys for the activities of the Commodity Credit Corporation, the soil conservation program, the school lunch program, the direct food distribution programs. We provided funds for the rural redevelopment program as well as the agriculture research program, the farm income and price support programs, the national food reserves and, the food-for-peace program.

As a member of the Subcommittee on Agriculture Appropriations and a former member of the legislative Committee on Agriculture and Forestry, I strongly urge that the Secretary of Agriculture use the farmer-owned and farmer-developed cooperatives and their facilities to the maximum extent practicable, consistent with the accomplishment of the objectives of the laws and programs which I have mentioned, and the effective and efficient conduct of his responsibilities in respect to those programs.

I make this statement because it is important that in the administration of the agricultural policies that the use of the farmer-developed and farmer-owned institutions for these programs be maximized. Later on in the basic legislation which the Committee on Agriculture is considering, I intend to offer more specific language on this point, then it will be not merely a matter of legislative history and Congressional intent but it will be manifestly clear that the Secretary be directed to use the farmer cooperatives and their facilities to the maximum extent practicable consistent with the accomplishment of the objectives of the programs and policies that are outlined in the so-called agricultural programs.

Again I wish to express my personal commendation and thanks to the Senator from Georgia [Mr. RUSSELL] for his expert handling of the agricultural appropriations bill. I am pleased that we were able to defeat an amendment which would have cut very sharply the soil conservation payments under what is called the ACP program. This is one of the better programs. It would have been unwise to have reduced it at all. I wish to thank my colleague from New York [Mr. JAVITS] for his courtesy in permitting me to make this statement.

Mr. DOUGLAS obtained the floor.

Mr. CLARK. Mr. President, will the Senator yield briefly for two short insertions?

Mr. DOUGLAS. I yield briefly.

THE TEST BAN

Mr. CLARK. One of the matters which is now undergoing wide national debate, which debate is also taking place in the Senate, is whether we should resume nuclear testing because we have been unable to reach any agreement with the Soviet Union.

I commend to my colleagues a very carefully thought-out article on this subject which appears in the Washington Post this morning, written by Mr. Walter Lippmann. He points out something to which we should give careful attention. He says:

What is certain in the whole business is that we cannot assume, as some among us do, that the resumption of testing would benefit only the United States and not the Soviet Union.

He points out:

That the decision which the President will now have to make is not obvious, is not open and shut, is shown by the fact that, while warning the Soviet Union that without treaty we shall be free to resume testing, he has not yet ordered testing to be resumed. For he has first to determine whether the net balance of advantages would be substantially on our side.

I ask unanimous consent that the entire article may be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE TEST BAN

(By Walter Lippmann)

The negotiations on testing were resumed at Geneva on March 21 after they had been suspended for about 10 months as the result of the Eisenhower-Khrushchev quarrel. During the interval there had been important changes in the positions of both sides.

The United States went to considerable length in offering concessions, calculated carefully with one eye on what it was hoped that Khrushchev would accept and with the other eye on what the Senate would ratify. What was not foreseen was that during the long recess, the position of the Soviet Union would change radically.

The change was marked by the new demand for the Troika, for a three-man administration, and the change was accompanied by many signs that the Soviet Union has lost interest in the whole idea of a treaty to prohibit nuclear testing.

This loss of interest in any treaty is, I believe, far more important than the disagreements at Geneva. The memorandum which Mr. Khrushchev handed to the President in Vienna on June 4, and which was published on June 12, shows that the Troika business could become negotiable if there existed a will to conclude a treaty. Thus the Soviet memorandum denies that it wants a veto on inspection. The American memorandum of June 17, a very able document, disagrees sharply with the Soviet memorandum which says that there would be no veto against "on the spot inspection within the limits of the agreed quotas * * * at the request of the side interested in the inspection without any voting on the control position or any other agency." But the disagreement is not so wide here that it could not be bridged if there was a will to do so.

The evidence is strong, however, that the Soviet Government does not now want a treaty, and that it looks without regret upon the breakdown of the whole negotiation. Thus it has proposed that the negotiations be carried over into the coming disarmament conference, which amounts to proposing an indefinite delay in reaching an agreement. Moreover, I have a strong impression that there is more to the matter than emphasizing the Troika problem, which is soluble in the narrow confines of the nuclear test ban. It is in order to establish a precedent for the much greater crisis of the United Nations, which is coming.

The central question for the President in forming American policy is why the Soviet Government is now so little interested in concluding a treaty. A part of the answer, but truly not the whole answer, may well be that the Red Chinese are refusing to adhere to the treaty because they are determined to become a nuclear power in their own right. Were Mr. Khrushchev to conclude a treaty with the United States, it might mean a serious break with Mao Tse-Tung.

Another part of the answer, though I would guess a small part of it, may be that if we reject the treaty because of the Troika, we shall be the country that resumed nuclear testing which the neutrals fear and hate because we refused to let neutrals participate in administering the ban.

But I cannot help thinking that there is some harder reason than either of these why the Soviet Union has lost interest in the treaty.

Presumably, this harder reason lies in the relative advantages to each side if the present moratorium on testing were removed. Initially, this is a problem for the experts. The experts, however, will not be unanimous and laymen, notably the President himself, will have to decide between them. The President's decision will have to be based on a searching examination and cross examination of the experts.

What is certain in the whole business is that we cannot assume, as some among us do, that the resumption of testing would benefit only the United States and not the Soviet Union. We cannot assume this because if the benefits were one-sided, the Soviet Union would be much more concerned

than it is to conclude an agreement. For the Soviet Union is not in the business of helping the United States.

I am told by those who ought to know that while the Soviet scientists and technicians are as good as our own, our weapons and our technology are considerably more advanced and more sophisticated than theirs. If this is true, the question is whether with a resumption of testing, they will catch up with us, perhaps surpass us. For we must remember that the end of the moratorium would permit testing not only underground but anywhere.

We can be certain, I believe, that if the Soviet Union decided that testing in the air was vital to its security, it would test in the air. Also, we do know with reasonable certainty that the Soviet Union is interested in the biggest nuclear weapons, not in tactical nuclear weapons. For as a matter of policy, the Soviet Union does not engage itself directly in small wars, like the Korean war for example, and in conventional forces it is paramount on its own frontiers and within its own sphere of influence.

Moreover, with its superiority in rockets, it is less interested than we are in smaller and lighter weapons. It is concerned primarily that, if nuclear weapons are used at all, they should be big enough to be decisive. All this may help to explain why the Soviet Union looks with so much equanimity on the resumption of testing.

That the decision which the President will now have to make is not obvious, it not open-and-shut, is shown by the fact that, while warning the Soviet Union that without a treaty we shall be free to resume testing, he has not yet ordered testing to be resumed. For he has first to determine whether the net balance of advantages would be substantially on our side.

TIME FOR A UNITED NATIONS CONFERENCE

Mr. CLARK. In this morning's New York Times there appears an editorial which I commend to my colleagues. It is entitled "Time for a U.N. Conference." I have urged on the floor that the time is long past due when we should be seeking an opportunity to revise the charter of the United Nations in the light of modern conditions. The charter is at present obsolete. We know the earnest efforts of the Soviet Union to revise it drastically. We should not meet that threat with negativism on our part, with merely a refusal to change the charter in any way.

In my judgment, comprehensive changes are required. I expect to address the Senate on this subject at a later date.

In the meantime, I commend to my colleagues the comments of the editorial to the effect that there is urgent need for the United States to seek to preserve the world organization as an instrument of peace, and to insist on a general conference for a review of the United Nations Charter as provided in the charter itself. Such a conference is long overdue.

I ask unanimous consent that the editorial may be printed at the end of my remarks.

The PRESIDING OFFICER (Mr. PELL in the chair). Without objection, it is so ordered.

(See exhibit 1.)

Mr. CLARK. Mr. President, in conclusion I express my deep regret that the State Department in general, and the Assistant Secretary of State for International Affairs in particular, does not at the moment seem disposed to recognize the justice and the soundness of the position taken by the New York Times in its editorial.

I thank the Senator from Illinois for his courtesy in yielding to me.

EXHIBIT 1

[From the New York Times, June 20, 1961]

TIME FOR A U.N. CONFERENCE

The latest proposals by a committee of experts for the reorganization of the United Nations emphasizes the urgent need for all nations seeking to preserve this world organization as an instrument of peace to insist on the general conference for review, as provided in the charter.

Such a conference, long overdue, has been prevented by Soviet opposition. Now the Russians themselves demand a reorganization. The other members must not stand aside or consent to a piecemeal emasculation of the United Nations by "compromise" proposals ostensibly designed to head off the Soviet attempt to rule or wreck it.

The Soviet drive concentrates on three immediate objectives. The first and most dangerous—resulting from the Soviet debacle in the Congo—is to oust Secretary General Hammarskjold, to abolish his office and to paralyze all United Nations executive capacity. The second Russian objective is to oust many present members of the Secretariat to make room for additional Communist or doubtfully neutralist personnel. And the third objective, for which the Soviets exploit incidents of racial discrimination in this country, is to move the United Nations headquarters from New York to Vienna.

In brief, Khrushchev seeks to break up the United Nations from top to bottom into power blocs and to substitute for its universally valid principles the intrigues of power politics. This would represent a drastic change in the very concept on which the United Nations has been founded—a change which would imperil not the big powers that can take care of themselves but the smaller nations who would become mere pawns in the Soviet imperialist game that does not admit the possibility of true neutrality.

Most of the smaller nations do, in fact, recognize this peril. But rather than meet the Soviet drive head on they propose compromises which play into Russian hands. Such a compromise is the modified "troika" plan to create three Deputy Secretaries General who, though working under Mr. Hammarskjold, would be able to undercut his authority and hamper United Nations action. Such a compromise is the plan to allocate the 3,100 posts in the Secretariat according to the population of member nations. This plan would replace the concept of an independent international civil service with a system of political patronage, based on national subservience. It would be a violation of the charter, which forbids member nations to seek to influence the Secretary General or his staff and provides, with due regard for the widest possible geographical distribution, that the "paramount consideration" in the selection of the staff must be "the highest standards of efficiency, competence and integrity." The present employment quotas based on each member's budgetary contribution have roughly met these demands. The population scheme could not.

ORDER FOR RECOGNITION OF SENATOR JAVITS TOMORROW

Mr. JAVITS. Mr. President, I ask unanimous consent that I may be recognized to open the debate on Senate Resolution 148, which is the pending business, and that upon being recognized I may yield the floor, for independent remarks by them, to the Senator from Illinois and the Senator from Oregon; and that after the morning hour tomorrow, when the consideration of Senate Resolution 148 is resumed, I may be recognized to resume the debate.

The PRESIDING OFFICER (Mr. PELL in the chair). Is there objection? The Chair hears none, and it is so ordered.

THE REPORT OF THE COMMISSION ON MONEY AND CREDIT

Mr. DOUGLAS. Mr. President, the long-awaited report of the Commission on Money and Credit, established by the Committee for Economic Development, and sponsored by several of our large foundations, was released yesterday. This Commission, made up of a diverse group of distinguished Americans, assisted by an able staff and a group of advisers of great competence, has been considering the structure and policies of our monetary institutions. The Commission's report will undoubtedly receive and certainly deserves a great deal of study and consideration and I have no doubt that it will get it.

As in any such Commission report, there is much with which one can agree and disagree. I am sure that on further study, I will find some specific proposals with which I cannot concur fully, or perhaps approve. These points will come out as one has an opportunity to study the Commission's report more thoroughly.

At the same time, it is gratifying, to find that this distinguished and conservative group of men from the business, banking, and professional communities, after mature consideration and study extending over nearly 3 years, has come to many of the same conclusions and recommendations which I have been urging based upon my study as a member of the Banking and Currency Committee and as a member and sometime Chairman of the Joint Economic Committee. It is not only gratifying but I suppose we in Congress should feel reassured that many of the principles advocated in our reports have received acceptance from this distinguished group.

When the Joint Economic Committee ended its year-long study of the economy in January of 1960, we made many similar recommendations. We thought that these recommendations were well thought out, orthodox in conception, and aimed at a more competitive and more efficient economy. But our recommendations were opposed by most of the banking community, by almost the entire financial press and financial writers, and by most of the Republican members of our committee. I have seldom received such a tongue lashing as was meted out to me at that time by some of my Republican colleagues.

Now we find that this distinguished group of people have made numerous recommendations which are either very similar or in some cases exactly like

those which we Democrats on the committee made.

I am very pleased with this fact. I think it vindicates our recommendations. I hope that the banking community, the financial papers and financial writers, and some of the leading members of the minority party in the House and Senate may at long last give us some of the credit which was originally due.

While my examination of the items is limited because of time, I would like to cite a few of the many parallel recommendations between those of our committee or of myself and the Commission on Money and Credit.

First. In the 1960 Joint Economic Committee report, presented while I was chairman in the last Congress, as well as on numerous other occasions, we have urged "in the area of monetary policy, we offer as a general prescription, that the supply of money—that is, currency held outside banks and adjusted demand deposits—should increase over time at about the same rate as gross national product, allowing for normal velocity," page 15.

The Commission on Money and Credit, coming to a similar conclusion, states:

> The relatively slow growth of the money supply since 1951 was, in considerable measure, a reflection and embodiment of the generally restrictive tone of monetary policy.
>
> The average rate of growth of the money supply should reflect the rate of growth of real output at high employment and stable prices (p. 61).

Second. The majority of the Joint Economic Committee have repeatedly recommended that "the Federal Reserve System should abandon its bills-only policy"—Employment, Growth, and Price Levels, Senate Report 1043, 86th Congress, page 34; 1960 Joint Economic Report, Senate Report 1152, 86th Congress, page 16.

This recommendation was bitterly fought by the Federal Reserve Board itself and bitterly fought by the financial writers and by most of the Republican members of the committee.

The Commission, in recommending the use of open market operations states:

> Instead of relying on a bills-only policy, the Federal Reserve should be willing, when domestic or international conditions warrant, to influence directly the structure as well as the level of interest rates in pursuit of countercyclical monetary policies and should deal in securities of varied maturities (p. 64).

Third. The Joint Economic Committee last year included, as a major recommendation—

> The Federal Reserve should use open market operations rather than lowering reserve requirements as the means of bringing about the secular expansion of credit which the Federal Reserve and the banks desire. (S. Rept. 1152, p. 16.)

The Commission states that it "believes that the power to change reserve requirements should be used only sparingly and favors major reliance on the use of open market operations for countercyclical adjustments," page 67.

Fourth. Nearly 10 years ago, a subcommittee, of which I was chairman, stated:

> We recommend that all banks which accept demand deposits, including both member and nonmember banks, be made subject to the same set of reserve requirements and that all such banks be given access to loans at the Federal Reserve banks. (Document No. 129, 81st Cong., p. 2.)

In the report just issued today, the Commission on Money and Credit "recommends that the demand deposits reserve requirements of all member banks be made identical and that the classification of banks into country banks and reserve city banks be eliminated," page 69.

Fifth. In the same 10-year-old subcommittee report, we recommended that—

> Every effort be made to build up the quality and prestige of the Federal Reserve officials; among these measures should be a reduction in the number of the members of the Board of Governors from seven to not more than five * * * and an increase in their compensation. (Document No. 129, 81st Cong., p. 2.)

The Commission on Money and Credit, noting that—

> A reduction in numbers should enhance the status of members recommends that the Federal Reserve Board should consist of five members * * * occupation and geographical qualifications for Board members should be eliminated. Instead the statute should stipulate that members shall be positively qualified by experience or education, competence, independence, and objectivity commensurate with the increased responsibility recommended for them * * * the salaries of top officials throughout the Government should be sharply increased and in view of the gravity of their responsibilities, FRB members should be compensated at the highest salary level available for appointive offices in the Government (pp. 87–88).

Sixth. The Joint Economic Committee has repeatedly urged the Treasury Department to place more reliance upon the auction method for selling not only short-term but long-term securities—Senate Report 1043, 86th Congress, page 47; Senate Report 1152, 86th Congress, page 16; House Report 328, 87th Congress, page 39.

Mr. President, the joint committee urged this upon former Secretary of the Treasury Anderson again and again and again, but had no response.

The Commission on Money and Credit, urging that less reliance upon administrative pricing of Treasury offerings is desirable, recommends "that the Treasury should continue to experiment further with the use of the auction technique," page 115.

Seventh. In its report on Employment, Growth, and Price Levels, the Joint Economic Committee noted that—

> Advance refunding * * * can be an important means of lengthening the debt. Through advance refunding, the Treasury substantially reduces the attrition which it ordinarily suffers when long-term issues are refinanced." (S. Rept. 1043, 86th Cong., p. 36.)

The Commission on Money and Credit, noting that under the advance refunding technique, there would be less market "churning" recommends "that the Treasury continue to experiment with the use of advanced refunding technique," page 114.

Eighth. The Joint Economic Committee reported to the Congress some time ago that—

> The greatest contribution which debt management could make to the long-run attainment of our economic objectives would be to reduce its interference with monetary policy. A longer average maturity of the debt would help to attain this objective. The Treasury would have to come to the market less often and the switching in and out of Government securities over the business cycle by financial institutions, which reduces the effectiveness of monetary policy, would be somewhat reduced. (S. Rept. 1043, 86th Cong., pp. 35 and 36.)

The Commission on Money and Credit notes that—

> Regularization of Treasury offerings would reduce the difficulty of refunding operations occurring at erratic intervals. It would broaden the interest in Treasury securities by encouraging the periodic allocation of funds for new Treasury issues by both individuals and institutional investors and by reducing uncertainty about the timing and maturity of new issues (p. 113).

Ninth. The Joint Economic Committee has repeatedly urged and I am happy to say that with its promptings and insistence upon the disclosure of statistical information relating to the trading in the Treasury security market, data is now published weekly on the operations of the so-called 17 dealers in Treasury securities.

Mr. President, I assure the Senate that when this recommendation was first made, it was treated very coldly, indeed. In its report, the Commission on Money and Credit, having conducted most of its study before these statistics became publicly available, comments upon the desirability and "welcomes the publication of the new weekly data," page 120.

Tenth. One problem which has been of great concern to me personally on which I have commented in hearings before various committees on more than one occasion, has been the danger of placing too great confidence in our standard unemployment statistics since they make no allowance for what I call involuntary part-time unemployment.

The Commission on Money and Credit, after its extensive study, expresses a similar concern, noting that—

> The present system of reporting unemployment makes no allowance for the loss of man-hours which occur when people work fewer hours than they wish (p. 24).

Eleventh. In its annual report this year, the Joint Economic Committee called for a review of the actions of the Federal Reserve Board and the Open Market Committee, as reported in the Board's Annual Reports, and just this month, under the chairmanship of Representative PATMAN, the trend of testimony seemed to suggest that there was much to be desired in this area of publicity respecting the exercise of these great monetary powers, page 47.

The Commission on Money and Credit, noting that accurate information would probably be less dangerous than rumors

being continuously circulated about Federal Reserve policy, stated:

Although there is no easy solution to this issue, the Commission believes that the Federal Reserve should follow the general rule that the public should be kept informed with reasonable promptness and with reasonable detail of the reasons for its policy decisions and actions in order to avoid misunderstanding and misinterpretation (p. 92).

Twelfth. In considering the solution to our balance-of-payments problem, the Joint Economic Committee, among other things, stated, in its annual report:

We recommend elimination of the dollar gold reserve requirement, now equal to 25 percent of Federal Reserve notes and deposits. This requirement is irrelevant to both the supply of and the value of the dollar, and removing the requirement will reenforce the President's pledge, made in his state of the Union message, that the full strength of all our reserves stands behind the value of the dollar for use if needed. (H. Rept. No. 328, 87th Cong., p. 39.)

The Commission on Money and Credit has arrived at much the same conclusions:

The Commission believes that threat of a confidence crisis would be greatly reduced if it were generally recognized, both here and abroad, that all of the U.S. gold is available to meet our international obligations. Any doubts about the U.S. policy should be removed by elimination of the gold reserve requirement at the earliest convenient moment so that all of the U.S. gold stock is available for international settlement.

Thirteenth. Upon a number of occasions we have commented on the need for coordination of monetary and fiscal policies, most recently in the Joint Economic Committee's annual report, where we state:

We would be remiss if we failed to observe that present coordination of monetary and fiscal policies appears to be less than desired. * * * In any case, the Nation cannot afford to have the highest policymaking bodies of the Federal Government following conflicting policies, supported though they may be by different assumptions as to what the economic facts are. (H. Rept. No. 328, 87th Cong., p. 37.)

The Commission on Money and Credit recognizes this problem sufficient to offer one possible solution, namely:

The FRB Chairman and Vice Chairman should be designated by the President from among the Board's membership to serve for 4 years coterminous with the President's.

Mr. President, I call attention to that recommendation and say that if it were to be carried out, the President of the United States would at this time have the power to appoint a Chairman and a Vice Chairman of the Federal Reserve Board.

Again, I find some satisfaction in discovering that these diverse experts gathered from the financial and business community have, after such thorough deliberation, come to much the same conclusions which some of us in Congress have been urging. I have listed only a few of them, I am sure.

But I hope that these conclusions will be noted by the financial community and writers and that they may now have the good sportsmanship to admit that our proposals were, in the main, sound.

Mr. MORSE. Mr. President, I thank the Senator from Illinois for the speech he has just made. As usual, when the Senator from Illinois speaks, he conducts an educational seminar on any subject he takes up. The one he discussed tonight is most enlightening to those of us who had the pleasure of hearing it, and it will be very educational to those who read it.

Mr. DIRKSEN. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

WABASH RIVER FLOODS

Mr. DIRKSEN. Mr. President, during the week of June 8 a delegation from Illinois and Indiana representing the Wabash Valley Association at Mt. Carmel, Ill., and the Wabash Valley Interstate Commission at Terre Haute, Ind., came to Washington to testify in behalf of necessary funds for the survey and other related flood control projects along the Wabash River and its tributaries. I understand that most of these businessmen and farmers traveled here at their own expense. On Wednesday of last week I appeared before the Senate Appropriations Committee in support of their Wabash Valley program.

My interest in this whole situation is by no means recent. The Senate Public Works Committee, back in 1956, adopted a resolution I submitted to cause a flood-control study to be made. Again, in 1958, the committee adopted another of my resolutions to enlarge the scope of the study and investigation to include the development and conservation of water and related resources in the Wabash River Basin.

Over the past 14 years this area of Illinois and Indiana has suffered great and severe losses from 11 major floods. The farmers in the valley have had to plant two or more crops over the years. Emergency repairs to the damaged levees and other related projects caused by the floods last month are now underway in 10 Indiana and 5 Illinois counties. Also the Army Engineers are furnishing teams to make a survey estimate of flood damage due to debris and silting of streams in the disaster area counties of both States for the Office of Civil and Defense Mobilization.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial published in the Mercury-Independent of Grayville, Ill., with respect to the damages in this area.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Grayville (Ill.) Mercury-Independent, June 15, 1961]

DAMAGES CAUSED BY MARCH FLOOD

The delegation from the Wabash Valley Association which went to Washington last week to ask for increased appropriations for flood control told the Public Works Subcommittees of the House and the Senate that damages caused by the March flood amounted to $100 million.

This may appear to many folks to be an enormous sum and much higher than the loss sustained by Illinois and Indiana property owners. But who is in a better position to estimate the flood losses than George Gettinger, the executive vice president, who travels up and down the valley and talks to individuals as well as groups in the 80 or more counties in the immense watershed of the valley. He traveled 59,000 miles last year.

Losses by flood affect everyone. Everyone knows, of course, floods damage farms, that they cause even more loss to farmers if they occur during crop seasons. The March flood destroyed thousands of acres of wheat and clover, delayed farmers in preparation of ground for spring planting of corn and soybeans.

What many people do not realize is that tax bills of virtually everyone who pays local taxes are apt to be higher because of flood damages to public property. Floods damage local roads, State highways, city streets, bridges, and other public installations; taxes must be continued at present or higher levels, which may even be insufficient, to repair those damages.

All private business in the valley is affected. When farm crops and farm property are damaged, when public property must be repaired at high tax costs, when city folks driven out of their homes sustain damage to their homes and furnishings merchants ring up less sales on their cash registers. Who is in a position to deny the loss in the Wabash Valley is less than $10 million this year?

There have been 11 major floods since 1947. The loss in each of those floods may not have been as high; but at half the estimate for this year the total amount is stupendous. They can be prevented. But they will not be prevented or stopped unless more and more people realize they are hit in their own pocketbooks there won't be enough pressure to convince Congress of the need for sufficient Federal appropriations.

The prosperity, even the livelihood of thousands in the valley, is directly dependent on how many people will join in the campaign.

NEWSPAPER ARTICLE ALLEGING USE OF RUSSIAN PLANES IN CUBAN INVASION

Mr. MORSE. Mr. President, the early edition of the Washington Star of yesterday, June 19, carried an article headlined "Pilots of Migs in Cuba Know Their Business."

I ask unanimous consent that the entire article be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PILOTS OF MIGS IN CUBA KNOW THEIR BUSINESS

NEW YORK, June 19 (NANA).—There is no doubt that Russian Migs were in action in Cuba during the recent invasion attempt, but it is not known with certainty who was flying them, according to an unimpeachable Washington source.

A spokesman for the Cuban Revolutionary Council here, a pilot himself, said that the planes' approach and strife tactics were "highly professional," which would imply a training in formation flying for several years.

"When attacking ground targets with either rockets or machineguns," he continued, "a high-speed plane of the Mig type has only from 2 seconds to a fraction of a second in which to fire.

"The planes sighted in Cuba," he said, "attacked in perfect inline formation and appeared to be operating against the freedom fighters in Cochino Bay and Matanzas from San Julian Air Force Base at San Antonio de los Banos, near Havana."

According to reports from recently defected Cuban Air Force pilots, 70 of the 200 Cubans who had been sent to Czechoslovakia for aviation training are still in Czechoslovakia. The remaining 130 have been brought back to Cuba, the reports say.

The defectors, according to the spokesman, said that the brevity of the pilots' training in Czechoslovakia gives reason to believe they did not complete their course.

"The air force base at San Julian," they said, "is the most guarded military installation around Havana, and only a handful of Cuban Air Force officers have been allowed to go near it."

The same air force defectors indicated that an unspecified number of Czech test pilots and gunnery instructors were stationed at San Julian Air Force Base.

Mr. MORSE. Mr. President, I call attention to the first paragraph of the article, which attributes to "an unimpeachable Washington source" the statement that Russian Migs were used in repelling the invasion attempt by Cuban exiles.

As the chairman of the Senate subcommittee which has been hearing from many witnesses who took part in either the planning or the operation of that invasion attempt, I can state that every official source from which we have heard has agreed that no Russian Migs appeared in that action.

I do not know who "the unimpeachable Washington source" may be; but his statements are completely contrary to what our subcommittee has been told about that situation; and in the course of our hearings we have heard testimony from top-ranking officials in the Department of Defense, the State Department, and the Central Intelligence Agency.

In fact, Mr. President, I wish to say that we were offered no evidence that any Russian planes of any make were involved in the Cuban invasion. To the contrary, Mr. President, I am satisfied that the evidence is perfectly clear that the planes used by the Castro forces were United States and British planes, in origin, apparently supplied to Batista, when the United States wrote in American history the very unfortunate chapter of supporting with military arms the tyrant Batista in his misrule of Cuba.

I certainly have a right to make comment about the Batista regime, because I led the fight, here in the Senate, against American military support of Batista; and in my capacity as chairman of the Subcommittee on Latin-American Affairs, I warned the Senate and the country that we were making a grievous mistake. I was also the first Member of the Senate to protest the tyranny of Castro, because insofar as human rights and individual liberties are concerned, the totalitarian procedures of Castro are no different from the totalitarian procedures of Batista; it is a truism that two wrongs cannot make a right.

Mr. President, when Castro came into power, he took over the Batista planes, and they were American and British made planes. It is within the framework of propriety to say that on the basis of information given at our hearing, I am satisfied that very, very few of those planes were used in repelling the Cuban invasion—less than half of the number of planes used by the Cuban exiles, although there was some difference in type. But that small number of Castro planes very quickly gained supremacy in the air, apparently because they were better planes and had better pilots.

That was a very unfortunate development, from the standpoint of the Cuban exiles, although as I have considered the complexities of the Cuban invasion, I have often wondered who might have thought of an answer to the question, "Suppose the Cuban exiles had won: where would we have been then; would we have been ready to take the necessary steps"—which I think would have had to have been military steps—"thereafter?"

But, Mr. President, be that as it may, I have a lurking suspicion that this "unimpeachable Washington source" might very well have been some of the Cuban exile pilots who were defeated by the Castro pilots in that wholly unfortunate maneuver, and that that may be what we call an alibi for a defeat.

Mr. President, if there had been any Russian Migs, or, for that matter, any Russian planes, I do not have to tell the Senate that we would have heard about that from our official Government sources, because they, too, needed some alibis. But, to their everlasting credit, they presented what we have every reason to believe were the facts in regard to the airpower which was used in that fiasco; and apparently that airpower did not include either Russian Migs or any other Russian planes.

But, Mr. President, I am disturbed about such newspaper articles as this one; and there are other articles of that sort—sometimes referred to as "dope stories" or "smoking-out stories" or "trial-balloon stories"; and I think we can probably expect more of them to appear. I am fully aware of the fact, as are other members of my subcommittee, that there is some disappointment, if not actual criticism and opposition, because of the fact that my subcommittee has been conducting executive hearings. Of course I believe we should. We hope to close them this week, or not later than the first part of next week.

The information we have received fully justifies, in my judgment, the unanimous decision of the committee to conduct executive hearings.

For the benefit of the press, or at least the critical segment of the press, I announce again that it is my intention to recommend to the full Senate Committee on Foreign Relations that the transcript of record be transmitted to the President when the hearings are concluded, with the offer to place ourselves at his service and command if, after reading the transcript, he might wish to discuss any of the points raised in the manuscript with either members of the subcommittee or members of the full committee or with any individual members thereof.

It is my hope that, after such a report has been made to the President, subject to his pleasure and his decision, a chronological summary might be published that will set forth, in step-by-step fashion, the events of that ill-fated adventure, so as to remove doubts and questions and unfair criticisms on the part of those in the public who are greatly puzzled as to how the adventure came about.

It seems to me only with the submission to the public of such a chronological summary, duly and properly edited from the standpoint of protecting the security of our country, can there be any basis for debate and discussion of the questions of policy.

I think such a summary would tend to end charges and countercharges and end the efforts to frighten the American people into unsound action.

I want to make very clear that, so far as the senior Senator from Oregon is concerned, the President is my Commander in Chief. This study was undertaken only to be of help to the President. We felt that in so doing we would also be carrying out our constitutional responsibilities to serve in an advise-and-consent capacity. And we have a responsibility to the voters to function as a check upon any administration, whether it is this one or any other one, in the field of foreign policy—recognizing that under the Constitution it is the President who is the administrator of foreign policy, but, in the last analysis, it is the inalienable and constitutional right of the American people to determine what that foreign policy shall be.

As a constitutional liberal, I shall, of course, always seek to prevent the development in the administration of this Government of any secrecy in the handling of the public business, unless it can be clearly shown that such secrecy is absolutely esential from the standpoint of protecting the security of this Republic.

It is sometimes difficult to tell just where the line of demarcation falls. It becomes a matter of judgment.

I have complete confidence in the judgment of my President. I am completely satisfied that he will exercise his discretion wisely. I am of the opinion that no one among us is more determined to maintain the system of governmental checks and balances than is the President of the United States.

It is my advice, and will continue to be my advice, in any report that I make to the President in regard to the Cuban matter, that he tell the American people everything they can be told, consonant with the security of our country, in regard to the Cuban invasion attempt, going back for more than a year, during the Eisenhower administration.

MUTUAL SECURITY

Mr. MORSE. Mr. President, I turn to another matter. I have a series of amendments that I propose to submit to the mutual aid bill, and I want to comment on each one of them.

The first is a very brief amendment. It reads:

It is the sense of Congress that an important contribution toward peace would be made by the establishment under the Organization of American States of an international military force.

Mr. President, this is no new amendment. I have not had an opportunity to talk to the Senator from Tennessee

[Mr. GORE] about the amendment, because it is one that the Senator from Tennessee supported in other terms, and which I supported in other terms.

I indicated in the Foreign Relations Committee the other day that I was going to offer this amendment. I become more and more convinced that it is a mistake for us to seek to handle the matter of hemispheric defense almost alone, as we are doing now, on the basis of bilateral military agreements, arrangements, and understandings entered into between individual Latin American countries and the United States.

That relationship constantly arises to plague us.

The history of Latin America in recent years shows that too frequently things go awry in some Latin American country, and then it is pointed out that we have given a great deal of military aid to that country. So we get branded as a sort of collusive ally with the regime that has become highly unpopular; and, unfortunately, too many times it has become unpopular for good cause.

This also gives rise, as shall be seen, to another amendment which I shall submit shortly, involving the whole problem of aid for internal security. It is a pretty difficult line to draw. Where does the military aid to a country, necessary to protect itself from external aggression, stop, and aid necessary for internal security begin?

Furthermore, as many of our Latin American friends who have advised with my committee will point out, if aid is given for so-called hemispheric defense, can it be doubted that if internal trouble should develop in a country, such aid is going to be used to suppress it?

They point out that that has been the pattern. I am not saying that we can end all aid on the basis of bilateral arrangements between the United States and the various countries of Latin America for hemispheric defense, nor am I saying that we can end all aid on the basis of bilateral arrangements between the United States and various Latin American countries for internal security purposes. But I am saying that this problem of hemispheric defense is one of hemispheric responsibility. It is not a responsibility which rests solely upon the United States. In my judgment, it is a responsibility which rests primarily upon the Organization of American States.

The Organization of American States ought to function as a military alliance for the defense of the Western Hemisphere. We ought to recognize it, in that sense, as an extension of the Monroe Doctrine. The time has come in Western Hemispheric relations for all nations in the hemisphere pledged and devoted to freedom to work in concert for their mutual defense.

The more we make dominant in our military relationships with Latin American countries these bilateral arrangements for military aid to an individual country, allegedly for hemispheric defense, the more we shall raise the demands from their neighbors to get at least as much, if not more. Of course, Latin Americans will tell us this. It is typical throughout Latin America. They follow the old human practice of wanting to do as well as the Joneses. Therefore, if the United States gives aid to X country, Y country immediately would like at least as much, if not more, and prefers to have more, because it gives a feeling of being in a preferred position.

We have had some very sad and sometimes almost ludicrous situations develop in respect to the competitive struggle in Latin America for more and more military aid based on the allegation that it was needed for hemispheric defense.

Although we shall have to continue these bilateral arrangements to some extent, I think the time is upon us when we ought to look to the Organization of American States to start doing some policing of its own, so far as hemispheric defense is concerned.

Therefore, I propose to continue the movement in the Senate which the Senator from Tennessee [Mr. GORE] has been so instrumental in putting forward. I shall be delighted, of course, to have the Senator as a cosponsor of the amendment, if he cares to be one, or, for that matter, to be its principal sponsor, with me as a cosponsor.

Mr. President, I therefore ask unanimous consent that the amendment lie on the desk until 5 o'clock tomorrow, to give the Senator from Tennessee or any other Senator who may wish to cosponsor it an opportunity to cosponsor it. I should like to have the amendment printed in the RECORD so that my colleagues can read the amendment. That is within my parliamentary rights, and in no way prevents cosponsorship tomorrow, because the amendment will not be officially printed by the Government Printing Office.

The PRESIDING OFFICER. Without objection, the amendment will be printed in the RECORD, and will lie on the desk, as requested.

The amendment is as follows:

On page 24, after line 22, add the following new paragraph:

It is the sense of the Congress that an important contribution toward peace would be made by the establishment under the Organization of American States of an international military force.

Mr. MORSE. I have only one additional comment, Mr. President, about the amendment. If we could start the development of a Western Hemispheric police force, under the sponsorship and authority of the Organization of American States, it would have many good effects. There are two I wish to mention.

In the first place, it would help resolve some of the problems which confront us with regard to arms for internal security, because the more we succeed in having the Latin American countries work on an alliance or teamwork basis with regard to protecting the security of the hemisphere, the more we shall find they will resolve some of the internal security problems at the same time. However, more important is the fact that the adoption of this policy would really make something of the Organization of American States.

I wish to say, most respectfully, the Organization of American States needs to be greatly strengthened. It needs to become a more effective parliamentary alliance instrumentality in the Western Hemisphere for a mutual resolving of hemispheric problems.

I think there is great merit in the amendment, and I hope it will receive favorable consideration in the Foreign Relations Committee and favorable consideration in the Senate.

Mr. President, I now send to the desk another amendment which I ask unanimous consent to have printed in the RECORD at this point, and to have printed and appropriately referred immediately.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred; and, without objection, the amendment will be printed in the RECORD.

The amendment was referred to the Committee on Foreign Relations, as follows:

On page 30, after line 16, insert the following:

"SEC. 511. Restrictions on military aid to Latin America. (a) The value of programs of defense articles for American Republics, pursuant to any authority contained in this part other than section 507, in any fiscal year beginning with the fiscal year 1961, shall not exceed $55,000,000.

"(b) Internal security requirements shall not, unless the President determines otherwise, be the basis for military assistance programs for American Republics."

Mr. MORSE. Mr. President, this amendment is on the subject of restrictions on military aid to Latin America.

This has become an exceedingly controversial subject matter in the Foreign Relations Committee in the Senate. Speaking most respectfully, I am at a complete loss to understand why the administration would propose to change the existing law in respect to the two matters covered by my amendment.

For some years there was considerable discussion and many debates on this subject matter in the Senate. It was a hot issue in the Senate Committee on Foreign Relations. Finally, the committee recommended and the Senate adopted a ceiling on military aid to Latin America. We not only did that but we also provided that internal security requirements should not, unless the President determined otherwise, be the basis for military assistance programs for American Republics.

Now the Secretary of Defense, Mr. McNamara, and his generals have come to the Congress with what is represented to be the administration's bill proposing to do away with the ceiling and proposing to require no longer the specific passing of judgment upon this matter of arms for internal security by the President of the United States.

I say on the floor of the Senate, as some of my colleagues are reported in the press to have said publicly elsewhere, that this proposal of the administration is in trouble.

As I said to a representative of the administration the other day in the Committee on Foreign Relations, even assuming—and I do not so assume—that a bare majority vote can be obtained in the Senate Committee on Foreign Relations for lifting the ceiling and doing away with the specific requirement that

the President must pass judgment upon any aid to any Latin-American country for internal security, that victory would be won at too dear a price, because any such victory would destroy an enthusiasm and confidence of at least several members of the Senate Committee on Foreign Relations as to what the administration is up to in Latin America.

I say most respectfully to the President of the United States, "You had better tell your generals that sometimes it is good military strategy to retreat to a stronger line of defense."

I have worked in the field of Latin America for some years. I wish to say for the benefit of the President of the United States that in my judgment if he insists upon his proposal to lift the ceiling in regard to American military aid to Latin America, we will pay dearly in many parts of Latin America so far as America's prestige is concerned, and we shall play directly into the hands of the Communists throughout Latin America. We will give them more fuel for their propaganda machines. I am at a loss to understand why the Pentagon, where the real responsibility for the proposed program rests, should advance any such proposal as this one.

Everyone knows that if we ever get into a war with Russia, the amount of money that is proposed for military aid to Latin America will not be of much help to us anyway. That aid will not win a nuclear war. If we get into a war with Russia, the defense of the nations of Latin America will be completely dependent upon the United States. They will be completely dependent upon the nuclear power of the United States. They do not belong to the nuclear club. Latin America cannot be of any help in a nuclear war with Russia.

No one can tell me that the types of military equipment covered by the bill in respect to military aid to Latin America will be worth anything from the standpoint of the defense of this hemisphere in case of a nuclear war with Russia. We can take judicial notice that it will not be of any material help. So, in what kind of situation would there be need of some military aid to Latin America for hemispheric defense or for the kind of defense that would be necessary if one Latin American country should attack another? Judging from past history, we would not decrease the opportunities of such an occurrence by increasing military aid to Latin America.

I am not a military strategist, but when I listen to the generals from the Pentagon on this point I doubt that they are, either. More military aid to Latin America of the kind the generals are advocating will not decrease the possibility of difficulties between and among certain Latin American countries, but quite the contrary.

It is interesting to note that when we supply more ammunition, arms, and devices of military engagement, there are always those in Latin America who seem to find it difficult to resist the temptation to use them. So we have the Pentagon asking not for $55 million, which is the present ceiling, and which is the ceiling I would maintain, but their request adds up, in round numbers, to around $68 million.

What will the reaction in Latin America be? What will the reaction be in those countries whose futures are nip and tuck, when it is announced that we are going to give $68 million and not $55 million of military aid? The Communists will have a field day with that information.

Again, we should remember what we are dealing with in the battle of information in Latin America as to the legitimate aims of the United States and the legitimate aims of Russia and the other parts of the Communist world, including China.

The American people do not realize the stepup in program of the Red Chinese in many parts of Latin America. It is a stepup in an economic program. It is a stepup in technical assistance. It is a stepup in their Communist propaganda program. It is not a stepup in military aid. Perhaps what is needed in this field in the Pentagon is a new course in the War College on psychological warfare in Latin America. If there were a course in psychological warfare in Latin America, perhaps we could get some of the brass in the Pentagon to understand that it is not good psychology to be increasing the ceiling on military aid to Latin America.

I shall have more to say on this subject later when my amendment comes before the Senate for debate, because on this subject I serve notice on the administration that I will never go along with the lifting of the ceiling on military aid to Latin America. I am convinced it would not be in the interest of my country, and it would not be in the interest of the security of many countries in Latin America.

Also, I point out that in the past several days I have been consulted by a considerable number of diplomatic officials from Latin America who themselves cannot understand the lifting of the ceiling. But they are placed in a very embarrassing position. They cannot say, "Do not make that aid available to us," because they have their problems, too. I am satisfied that a great sigh of relief would sweep over Latin America if it were announced that the ceiling would stand.

A great deal has been said by the Pentagon about a training program. I am in favor of a training program. It is fine. I would like to see most or all of it spent for a training program, although the Senator from Vermont [Mr. AIKEN] has a suggestion to make to which I will refer in a moment.

Then it is pointed out that because of past bilateral agreements between the United States and certain countries, we have certain commitments that we must fulfill.

That is what we must watch so far as the Pentagon is concerned. It is an old story of the Pentagon. I believe I have heard it for 17 years. Every year when we get to military appropriations, skies become full of clouds and crises. More crises can develop at the time of appropriations in Congress than at any other time during the year. This great Pentagon lobby is masterful in frightening people. We must get ready for a great many crises in print.

Mr. President, we cannot justify many of the bilateral agreements for military aid for hemispheric defense in Latin America. However, we are stuck with them. I do not want to get stuck with more. I do not want to give the Pentagon some $13 million more to get us involved in more bilateral agreements for military aid to Latin America. I would like to reduce what we already have just as fast as it is possible to do so. Certainly, I am not going to vote to increase the ceiling or to do away with the ceiling.

We reinforced it a little the other day. One of our Democratic Party officials on the committee made it perfectly clear that he was not buying their argument. So we got a little retreat there. Then it was said that we might give some consideration to keeping the ceiling but increasing the amount. That did not fool me. I do not want to change the ceiling and I do not want to change the amount. I will not vote for either.

When we are talking about the training program, the Senator from Vermont [Mr. AIKEN] made the suggestion that we may be able to present American military aid in a more acceptable program in Latin America, to really help strengthen the security of Latin America from the hemispheric defense standpoint, if we gave some military aid in conformity with our program for the Army Engineers in this country. I thought it was a splendid idea. I do not know how much of it we could channel into that program of aid.

However, if, in connection with the military training program under which these countries send some of their best officer material to the United States for training in the war colleges and other military establishments, we could funnel some more of this money into an engineer program which will assist them, for example, in Army engineering projects, harbor development, road development, and development of dams and public works necessary to protect the security of a country; in many places in Latin America, it would be more beneficial to their security than to send them an obsolete destroyer or a great deal of obsolete military equipment, or even modern conventional military equipment outside the nuclear field. That would certainly put American military aid in a different light in Latin America.

The Senate must give consideration to this question when we come to vote on whether we are to do away with the ceiling and increase the amount. If we accept the administration request, I am perfectly willing to predict and prophesy tonight it will be a much more serious retreat for the American military than will be the case if they accept the retreat of just letting this law stand the way it is, which has in it the $55 million ceiling and which has in it the language that requires the President to determine whether any military aid upon the basis of a specific request shall be used for internal security reasons.

I hope the Senate will not fall for the bureaucratic argument which the Pen-

tagon frequently uses: "The President is too busy." I do not know of anything that is more important in carrying out his constitutional responsibilities as Commander in Chief of the Armed Forces of the United States than to review any request for American military aid for internal security in any Latin American country. Certainly all the research work, and all the paper work, and all the analyses can be prepared in advance. They can come in and present their case. The President, being the highly intelligent man that he is, is not going to take very long to reach his judgment. He did not sit on the Committee on Foreign Relations for some years and with us on the floor of the Senate not to be fully aware of the techniques of the Pentagon when it seeks to get through Congress the legislation it wants.

I say again to the President, most respectfully: "Do not let them maneuver you into this position of where the question as to whether or not military aid for internal security is going to be granted to any Latin American country will depend on the determination of the Secretary of Defense and his advisers and the general staff of the Pentagon."

Have we not learned anything from our past aid for so-called internal security? Have we not learned yet that the use of American arms for such purposes in the past in Latin America has caused governments to topple and has created one of the major arguments used against us as the imperialist of the north? When are we going to learn? I almost give up hope so far as the Pentagon is concerned. I know the White House will. The White House should not make this mistake on the advice of the Pentagon.

To the contrary, the President ought to give to the American people the assurance that they can rely upon him to pass judgment upon any specific request for American arms for purposes allegedly of maintaining internal security in any Latin American country.

Oh, I know, there will be much said about, "Well, you have the Cuban threat, and you will have to give them some arms because of the Cuban threat."

If we come to this matter, in connection with my first amendment, whereby the Organization of American States will start performing some of the functions it ought to perform in regard to internal security in Latin America, and then meet the Cuban threat head on through this wonderful program that President Kennedy calls the Alliance for Progress, Castro will not make any headway in Latin America.

The security of Latin America, may I say, is not going to be maintained by American arms. The security of Latin America is only going to be maintained by the United States cooperating with its Latin American neighbors through the Alliance for Progress program, by helping the mass of the people of Latin America receive the economic benefits that they must receive if we are going to win the battle for progress in Latin America. It is as simple as that.

Either we must do something about the stomachs of Latin America, or else we will lose the minds of Latin America. We shall not help the stomachs of Latin America by sending more bullets. We must face the fact that for some decades to come we shall face the problem of people in Latin America insisting upon a better way of life. If we do not support the procedures of freedom in Latin America, then we shall be playing right into the hands of revolutionary forces, some of them anti-Communist, some of them Communist. The task is not pleasant; it is not easy.

Mr. President, it is not by choice that I speak about some of the ugly realities which face us in Latin American relations. Nevertheless, the realities are there. I say again, most respectfully, that the Pentagon has demonstrated, in the testimony I have heard concerning this matter, that it does not comprehend the problem. It simply does not comprehend the problem.

Mr. President, this is a little preview of the debate in which I propose to participate before final action is taken on this subject. I yield to no Secretary of Defense, and I yield to no general, I do not care how many stars he has on his shoulders, in my dedication to protecting the security of my country in Latin America and elsewhere in the world. The security of the United States will not be strengthened by American military aid in any such amounts as the Pentagon is recommending, either for military aid for hemispheric defense or military aid for internal security. Certainly our security will not be strengthened by leaving the impression throughout Latin America that we are so determined to be on the military march in that area that now we do not even require the President to review the decisions of the Pentagon for military aid and for internal security in Latin America.

I am very sad about this section of the foreign-aid bill. I sincerely hope that upon reflection the administration will change its course and make it even unnecessary to press for action on my amendment either in committee or on the floor of the Senate. It could do that very easily.

One more comment on this particular amendment. This battle was won in the Senate. This proposal on the President's review is a victory won here only 2 or 3 years ago. Can anyone tell me what has happened in Latin America that would justify going back to the status quo? We shall not make any progress in Latin America by sitting on our status quos. We shall make progress in Latin America by getting behind the President on his Alliance for Progress program. That is the way to win the battle for freedom in Latin America.

I respectfully urge the Senate to give careful consideration to the proposals of some of us—and I shall not be alone on the Committee on Foreign Relations on this subject—calling for the rejection of what I consider to be the very unwise recommendations of the Pentagon.

Mr. President, I turn to my next amendment. I ask unanimous consent that it be printed at this point in the RECORD and that it be appropriately referred.

The PRESIDING OFFICER. Without objection, the amendment will be printed in the RECORD and will be referred to the Committee on Foreign Relations.

The amendment is as follows:

On page 26 designate the language in section 506 as "(a)", redesignate the subordinate paragraphs accordingly, and on page 27, after line 19, add subsection 506(b) reading "It shall be a condition of eligibility that the President be satisfied that a nation is adequately taxing itself to support its military establishment."

Mr. MORSE. Mr. President, it has been pointed out in some of our past reports on Latin America that one of the national pastimes in many parts of that region is to make tax payments at least negotiable, if not to engage in tax evasion.

The distinguished Senator from Iowa [Mr. HICKENLOOPER] and I were the two Senate delegates to the Conference of Bogotá We worked shoulder to shoulder with that great statesman of our country, now the Secretary of the Treasury, then the Under Secretary of State, Mr. Douglas Dillon. As Under Secretary of State, Douglas Dillon performed magnificently at that conference in making it clear that the Latin American countries had to be willing to help themselves if they were to expect help from the taxpayers of the United States.

We pointed out in that conference that one of the best ways for Latin American countries to help themselves would be for the governments to start to enforce reasonable tax programs based upon ability to pay. Many countries in Latin America are asking for military aid, but they do not have an effective income tax. Many countries of Latin America are asking for huge sums for military aid, but their wealthy citizens do not even invest in the future potentialities of their own country and their own people the profits they skim off the economy of their country; they invest them in New York and Swiss banks.

Mr. President, that practice will have to stop. The Pentagon was quite surprised when I raised this question the other day in committee and asked for any information they might have as to the tax structures of the countries for which they are recommending that Congress provide larger appropriations for military aid. There are no economists or tax experts of renown at the Pentagon, but I should have thought that, at least, someone would have done his bookwork and that the Pentagon would have been able to give us some information as to the extent to which the countries of Latin America have been willing to tax themselves to help pay for some of their own military needs.

Mr. President, this is one of the reforms which the countries of Latin America must adopt if they expect to look to us to cooperate with them through the Alliance for Progress. Therefore, before I vote, and before I think the Senate should vote, on military aid to any specific country in such amounts as the Pentagon is asking for, we should examine the tax structure of that country and determine how much money it is willing to tax its own people, and how much it is willing to contribute to its own defense. We simply

cannot continue this pace of providing largess out of the goodness of the American people. We cannot afford it at the rate at which we are spending money. Therefore, I shall press for action on this amendment.

Mr. President, I submit my last amendment on which I shall comment. I ask that it be appropriately referred and I ask unanimous consent that it be printed at this point in my remarks.

The PRESIDING OFFICER. The amendment will be received and referred to the Committee on Foreign Relations; and without objection, it will be printed in the RECORD.

The amendment is as follows:

On page 25, line 18, add the following: "The number of such persons shall be reduced 10 percent below the number on January 1, 1961, and shall be held at that level."

Mr. MORSE. Mr. President, this amendment is an economy measure. Yes, it is more than an economy measure. Sometimes I think some of the personnel which are sent to some parts of the world are greater in number than is needed to do the job which should be done, and the resulting impression is not favorable to the United States. I think this is a very sound amendment from that standpoint, and I hope it will be favorably considered.

Mr. President, for the benefit of those who might seek to read into my remarks motives, intentions, and meanings which I do not possess, I have made this speech this evening because I consider it timely, in view of the work that the subcommittee of which I am chairman has been doing in the field of Latin American affairs. I consider it timely because I believe these statements need to be made before opinion crystallizes in the Senate on the mutual aid bill.

Mr. President, I am well aware—as a result of my experience in the past with mutual-aid bills—that during the consideration in the Senate of mutual security bills, the point is reached where Senators crystallize their judgment. They make up their minds; and then it is very difficult to permeate beyond that crystallization, and persuade them to change their minds. Their votes become set.

I plead with them not to make up their minds yet in regard to this mutual aid bill. I plead with them not to form any set opinions on this bill until they examine the evidence—which will be forthcoming from the Senate Foreign Relations Committee—that I believe will be such that fair judgment will cause them to decide that any doubts they may have should be resolved in favor of the position I have taken on the several amendments I have submitted this afternoon.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 20, 1961, he presented to the President of the United States the enrolled bill (S. 1619) to authorize adjustments in accounts of outstanding old series currency, and for other purposes.

ADJOURNMENT

Mr. MORSE. Mr. President, unless the minority leader has other business for the Senate today, I now move that the Senate adjourn until tomorrow, at 12 o'clock noon.

The motion was agreed to; and (at 7 o'clock and 2 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, June 21, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 20, 1961:

DIPLOMATIC AND FOREIGN SERVICE

Edward T. Wailes, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Czechoslovak Socialist Republic.

William P. Snow, of Maine, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Paraguay.

JUDICIARY

Roger J. Kiley, of Illinois, to be U.S. circuit judge for the seventh circuit, vice W. Lynn Parkinson, deceased.

William Harold Cox, of Mississippi, to be U.S. district judge for the southern district of Mississippi, vice a new position.

U.S. ATTORNEYS

Bernard J. Brown, of Pennsylvania, to be U.S. attorney for the middle district of Pennsylvania for the term of 4 years, vice Daniel H. Jenkins.

Frank R. Freeman, of Washington, to be U.S. attorney for the eastern district of Washington for the term of 4 years, vice Dale M. Green.

Thomas B. Mason, of Virginia, to be U.S. attorney for the western district of Virginia for the term of 4 years, vice John Strickler.

U.S. MARSHALS

James J. Moos, of Illinois, to be U.S. marshal for the southern district of Illinois for the term of 4 years, vice Gilbert B. Scheller.

Orville H. Trotter, of Michigan, to be U.S. marshal for the eastern district of Michigan for the term of 4 years, vice Clark W. Gregory.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 20, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Psalm 113: 3: *From the rising of the sun, unto the going down of the same the Lord's name is to be praised.*

Our Heavenly Father, may our hearts daily expand and enlarge with praise and penitence as we think of how marvelous are the works of Thy hand and how merciful are the wonders of Thy grace.

Purge us of the moods of pessimism and cynicism, of despair and defeatism and may they be supplanted by the pressures of noble aspirations, impelling us to dedicate ourselves anew to the great concerns of humanity and the vast national and international problems and issues which are still unsettled and unsolved.

Help us to believe that the anxious and restless feelings which come over us, during these days are perhaps divinely intended to turn our prodigal minds and hearts back and nearer to Thee that we may have a richer and more satisfying experience of Thy love and find the secret of conquest and peace.

To Thy name, through Christ Jesus, our Lord, we ascribe all the praise. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

FEDERAL-AID HIGHWAY ACT OF 1961

Mr. FALLON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? The Chair hears none and appoints the following conferees: On title I, Messrs. FALLON, DAVIS of Tennessee, BLATNIK, SCHERER, and CRAMER; on title II, Messrs. MILLS, KING of California, O'BRIEN of Illinois, MASON, and BYRNES of Wisconsin.

CALL OF THE HOUSE

Mr. HARSHA. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 87]

Adair	Grant	Powell
Alger	Green, Oreg.	Reifel
Auchincloss	Hagan, Ga.	Rivers, Alaska
Baring	Harrison, Va.	Roberts
Betts	Hosmer	Roosevelt
Blitch	Inouye	Rousselot
Burke, Ky.	Kilburn	Santangelo
Cederberg	Laird	Scherer
Celler	McSween	Shelley
Diggs	Macdonald	Siler
Evins	Magnuson	Thompson, La.
Findley	May	Thompson, N.J.
Fino	Michel	Williams
Flynt	Moore	Wright
Gavin	Norrell	Young
Giaimo	Poage	

The SPEAKER. On this rollcall 393 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON PUBLIC WORKS

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent that the special subcommittee of the Highway Investigating Committee of the Committee on Public

Works be permitted to sit during general debate this afternoon and for the balance of the week.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

SUSPENSION OF DUTIES ON METAL SCRAP

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 4591) to continue until the close of June 30, 1962, the suspension of duties on metal scrap, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 2 of the Act of September 30, 1950 (Public Law 869, Eighty-first Congress), is hereby amended by striking out "June 30, 1961" and inserting in lieu thereof "June 30, 1962": *Provided,* That this Act shall not apply to lead scrap, lead alloy scrap, antimonial lead scrap, scrap battery lead or plates, zinc scrap, or zinc alloy scrap, or to any form of tungsten scrap, tungsten carbide scrap, or tungsten alloy scrap; or to articles of lead, lead alloy, antimonial lead, zinc, or zinc alloy, or to articles of tungsten, tungsten carbide, or tungsten alloy, imported for remanufacture by melting.

SEC. 2. This Act shall not apply to any article provided for in section 4541 of the Internal Revenue Code of 1954.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEAVE TO EXTEND

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. MASON], and I may insert our remarks at this point in explanation of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MILLS. Mr. Speaker, the purpose of H.R. 4591, which was introduced by our colleague on the Committee on Ways and Means, the Honorable THADDEUS MACHROWICZ, is to continue for 1 year, from the close of June 30, 1961, to the close of June 30, 1962, the suspension of duties on metal scrap. This bill provides for continuing for 1 year the suspension of duties on metal scrap, which have been suspended from time to time since 1942. Under the bill, the proviso of existing law that the suspension shall not apply to lead scrap, lead alloy scrap, antimonial lead scrap, scrap battery lead or plates, zinc scrap, or zinc alloy scrap, or to any form of tungsten scrap, tungsten carbide scrap, or tungsten alloy scrap, or to articles of lead, lead alloy, antimonial lead, zinc, or zinc alloy, or to articles of tungsten, tungsten carbide, or tungsten alloy, imported for remanufacture by melting, would be retained. The bill also continues the existing provision that the suspension shall not apply to any article provided for in section 4541 of the Internal Revenue Code of 1954, relating to copper-bearing ores and concentrates and articles of which copper is a component material.

The Committee on Ways and Means received favorable reports on the bill from the Departments of the Treasury, State, Defense, Commerce, and Labor. An informative report was received from the U.S. Tariff Commission. The committee has received no information which would indicate any opposition to this legislation.

The Committee on Ways and Means is unanimous in urging the enactment of H.R. 4591.

Mr. MASON. Mr. Speaker, the legislation before the House, H.R. 4591, pertains to the suspension of import duties on certain metal scrap. This is legislation that is similar to bills that have passed the House in previous years accomplishing the same thing. The suspension to be provided by this legislation would be for the period from July 1, 1961, to June 30, 1962.

The metals covered by the legislation have been referred to by the distinguished chairman of the committee, and are further described in the committee report accompanying the legislation to the House. These metals include iron and steel, aluminum, nickel, magnesium, and so forth.

In its deliberations on this legislation the Committee on Ways and Means received favorable reports from interested Government departments, and the committee was unanimous in recommending approval of the bill, H.R. 4591. The Tariff Commission in its report to the committee stated that the United States has for some years been a net exporter of scrap metals other than lead scrap.

While U.S. imports of metal scrap are not large relative to U.S. domestic production, the imports of scrap have been important sources of supply to some consumers in certain geographical sections of the Nation. Therefore, it is appropriate that the Congress should approve legislation extending the duty suspension on metal scrap for an additional year.

COMMITTEE ON HOUSE ADMINISTRATION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the subcommittee on accounts of the Committee on House Administration may be permitted to sit today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HOSPITAL FACILITIES IN THE DISTRICT OF COLUMBIA

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 4913) to further amend the act of August 7, 1946 (60 Stat. 896), as amended by the act of October 25, 1951 (65 Stat. 657), as the same are amended, by providing for an increase in the authorization for funds to be granted for the construction of hospital facilities in the District of Columbia; by extending the time in which grants may be made; and by authorizing a grant for funds to the George Washington University Hospital, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. AVERY. Mr. Speaker, reserving the right to object, could I inquire of the gentleman from Massachusetts whether this proposal has been cleared on this side of the aisle?

Mr. McCORMACK. Yes, it has been cleared. And, I might say that the amendment I shall offer simply extends the Hospital Act for the District of Columbia from June 30, 1961, to June 30, 1962.

Mr. AVERY. Could I inquire from which committee this came?

Mr. McCORMACK. The Committee on the District of Columbia. They have authorized me to ask unanimous consent for its consideration because I introduced the original bill.

Mr. AVERY. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subparagraph (c) of section 1 of the Act of August 7, 1946 (60 Stat. 896), as amended by the Act of October 25, 1951 (65 Stat. 657), as the same are amended, entitled, "An Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, to authorize the making of grants for hospital facilities to private agencies in the District of Columbia, to provide a basis for repayment to the Government by the Commissioners of the District of Columbia, and for other purposes," is hereby further amended, by inserting after the words "including, in addition thereto," the words "George Washington University Hospital," and by striking the figure "$17,320,000" after the word "appropriation" and inserting in lieu thereof the figure "$19,820,000".

SEC. 2. Section 6 of such Act of August 7, 1946, as amended, is further amended (1) by striking out the figures "1961" and inserting in lieu thereof the figures "1965", and (2) by striking out the figures "$40,730,000" and inserting in lieu thereof the figures "$43,230,000".

Mr. McCORMACK. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK:

Strike out all after the enacting clause and insert in lieu thereof the following: "That section 6 of the Act entitled 'An Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, to authorize the making of grants for hospital facilities to private agencies in the District of Columbia, to provide a basis for repayment to the Government by the Commissioners of the District of Columbia, and for other purposes,' approved August 7, 1946, as amended, is further amended by striking out '1961' and inserting in lieu thereof '1962'."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend the act of August 7, 1946, relating to the District of Columbia hospital center to extend the time during which appropriations may be made for the purposes of that act."

A motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the calendar.

WORTHINGTON OIL REFINERS, INC.

The Clerk called the bill (H.R. 1414) for the relief of the Worthington Oil Refiners, Inc.

Mr. AVERY. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

MRS. MAURICIA REYES

The Clerk called the bill (H.R. 3843) for the relief of Mrs. Mauricia Reyes.

Mr. ANDERSON of Illinois. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ANNA CATANIA PUGLISI

The Clerk called the bill (H.R. 1336) for the relief of Anna Catania Puglisi.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Anna Catania Puglisi, who lost United States citizenship under the provisions of section 349 (a)(5) of the Immigration and Nationality Act, may be naturalized by taking prior to one year after the effective date of this Act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said Act. From and after naturalization under this Act, the said Anna Catania Puglisi shall have the same citizenship status as that which existed immediately prior to its loss.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMELIA ANDREOLI D'ATTORRE

The Clerk called the bill (H.R. 1337) for the relief of Amelia Andreoli D'Attorre.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Amelia Andreoli D'Attorre, who lost United States citizenship under the provisions of section 401(e) of the Nationality Act of 1940, may be naturalized by taking prior to one year after the effective date of this Act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under this Act, the said Amelia Andreoli D'Attorre shall have the same citizenship status as that which existed immediately prior to its loss.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JUNG NGON WOON

The Clerk called the bill (H.R. 1390) for the relief of Jung Ngon Woon.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Jung Ngon Woon shall be held and considered to be the natural-born minor alien child of Thomas Wook Jung, a citizen of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. WONG, LAU SAU KAM

The Clerk called the bill (H.R. 1391) for the relief of Mrs. Wong, Lau Sau Kam.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Wong, Lau Sau Kam shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Mrs. Wong Lau Sau Kam. From and after the date of the enactment of this Act, the said Mrs. Wong Lau Sau Kam shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read: "A bill for the relief of Mrs. Wong Lau Sau Kam."

A motion to reconsider was laid on the table.

EN2C. HIDEO CHUMAN, U.S. NAVY

The Clerk called the bill (H.R. 1459) for the relief of En2c. Hideo Chuman, U.S. Navy.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, EN/2 Hideo Chuman, United States Navy, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WOODY W. HACKNEY

The Clerk called the bill (H.R. 3863) for the relief of Woody W. Hackney of Fort Worth, Tex.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Woody W. Hackney of Fort Worth, Texas, the sum of $9,894.31. The payment of such sum shall be in full satisfaction of his claim against the United States for compensation for all losses directly or indirectly sustained by him through injury or damage to livestock, real property, crops, and equipment, and all losses in milk production, resulting from the crashing upon his real property on April 23, 1960, of an F-86L aircraft (SN 53-4085) while such aircraft was engaged in a training flight of the One Hundred and Thirty-sixth Air Defense Wing, Texas Air National Guard: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be find in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 5, strike out "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JENO BECSEY

The clerk called the bill (S. 32) for the relief of Jeno Becsey.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Jeno Becsey shall be held and considered to have been lawfully admitted to the United States for permanent residence as of January 3, 1957: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KAY ADDIS

The Clerk called the bill (S. 68) for the relief of Kay Addis. There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Kay Addis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAH NGIM HAY (JOE MAH)

The Clerk called the bill (S. 70) for the relief of Mah Ngim Hay (Joe Mah).

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mah Ngim Hay (Joe Mah) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAH NGIM BELL (BILL MAH)

The Clerk called the bill (S. 71) for the relief of Mah Ngim Bell (Bill Mah).

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mah Ngim Bell (Bill Mah) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. WILLIAM KWO-WEI CHEN

The Clerk called the bill (S. 186) for the relief of Dr. William Kwo-Wei Chen.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor William Kwo-Wei Chen shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 27, 1947, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. NOBUTAKA AZUMA

The Clerk called the bill (S. 219) for the relief of Dr. Nobutaka Azuma.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Nobutaka Azuma shall be held and considered to have been lawfully admitted to the United States for permanent residence as of March 18, 1951.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

HOK YUEN WOO

The Clerk called the bill (S. 268) for the relief of Hok Yuen Woo.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Hok Yuen Woo shall be held and considered to be the minor natural-born alien child of Chew Yat Woo, a United States citizen.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNA LEKOS

The Clerk called the bill (S. 304) for the relief of Anna Lekos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Anna Lekos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Anna Lekos. From and after the date of the enactment of this Act, the said Anna Lekos shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAUSTO LAVARI

The Clerk called the bill (S. 395) for the relief of Fausto Lavari.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the periods of time Fausto Lavari has resided in the United States since March 13, 1921, shall be held and considered to meet the residence and physical presence requirements of section 316 of the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. KEUM JA ASATO (MRS. THOMAS R. ASATO)

The Clerk called the bill (S. 400) for the relief of Mrs. Keum Ja Asato (Mrs. Thomas R. Asato).

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Mrs. Keum Ja Asato, the widow of a United States citizen who served honorably in the Armed Forces of the United States, shall be held and considered to be within the purview of section 101(a)(27)(A) of that Act and the provisions of section 205 of that Act shall not be applicable in this case.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RODOPI STATHEROU (STATHERON)

The Clerk called the bill (S. 441) for the relief of Rodopi Statherou (Statheron).

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Rodopi Statherou (Statheron) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES EDWARD PIFER

The Clerk called the bill (S. 485) for the relief of Charles Edward Pifer.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Charles Edward Pifer, shall be held and considered to be the natural-born alien child of Joy J. Pifer and Griffin Watson Pifer, citizens of the United States: *Provided,* That the natural parents of the said Charles Edward Pifer shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

YEE MEE HONG

The Clerk called the bill (S. 746) for the relief of Yee Mee Hong.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Yee Mee Hong, shall be held and considered to be the natural-born minor alien child of Jew Num Yee, citizen of the United States: *Provided,* That no natural parent of the beneficiary, by virtue of such parentage, shall be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SADAKO SUZUKI REEDER

The Clerk called the bill (S. 759) for the relief of Sadako Suzuki Reeder.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the Immigration and Nationality Act, Sadako Suzuki Reeder shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WIESLAWA BARBARA KRZAK

The Clerk called the bill (S. 865) for the relief of Wieslawa Barbara Krzak.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Wieslawa Barbara Krzak, shall be held and considered to be the natural-born alien child of Stanley Krzak and his wife, Maria Krzak, citizens of the United States: *Provided,* That the natural parents of the said Wieslawa Barbara Krzak, shall not, by virtue of such parentage, be accorded any right, privilege or status under the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARTHA UCHACZ BARRAS

The Clerk called the bill (S. 921) for the relief of Martha Uchacz Barras.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child Martha Uchacz Barras shall be held and considered to be the natural-born alien child of Anne Barras, a citizen of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SZE-FOO CHIEN

The Clerk called the bill (S. 1093) for the relief of Sze-Foo Chien.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Sze-Foo Chien shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DOCTOR TUNG HUI LIN

The Clerk called the bill (S. 1343) for the relief of Doctor Tung Hui Lin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Tung Hui Lin shall be held and considered to have been lawfully admitted to the United States for permanent residence as of November 27, 1952, upon payment of the required head tax. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Page 1, line 6, strike out "November 27, 1952" and substitute in lieu thereof "November 25, 1959".

Page 1, line 7, strike out the words "head tax" and substitute the words "visa fee".

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM W. STEVENS

The Clerk called the bill (H.R. 1338) for the relief of William W. Stevens.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That William W. Stevens, 28 Little Nahant Road, Nahant, Massachusetts, is hereby relieved of all liability to pay the United States the amount of $1,325.10, representing an indebtedness resulting from the payment by the Veterans' Administration for a nonservice pension.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. JACOB HABERLE

The Clerk called the bill (H.R. 1507) for the relief of Capt. Jacob Haberle.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Captain Jacob Haberle (Army serial number 864763) is relieved of all liability to refund to the United States the sum of $4,876.82 which represents the aggregate amount of retired pay alleged to have been erroneously paid to him by the United States computed on the basis of the retroactive application of a decision of the Comptroller General dated April 1, 1959, to the retired pay he received in the period from May 1, 1953, through September 30, 1959. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full

credit shall be given for the amount for which liability is relieved by this section.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Captain Jacob Haberle (Army serial number 884763), Route 2, Greenfield, Ohio, the amount certified to him by the Secretary of the Army as the aggregate amount paid to the United States by the said Captain Jacob Haberle, or withheld by the United States from amounts due him, on account of the liability referred to in the first section of this Act: *Provided*, That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 3, strike out "884763" and insert "0183349".

Page 2, line 7, strike out "884763" and insert "0183349".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. AMINA YOUSSIF COSINO

The Clerk called the bill (H.R. 1903) for the relief of Mrs. Amina Youssif Cosino.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Amina Youssif Cosino (nee Simaan) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bond, which may have issued in the case of Mrs. Amina Youssif Cosino (nee Simaan). From and after the date of the enactment of this Act, the said Mrs. Amina Youssif Cosino (nee Simaan) shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. LEON B. KETCHUM

The Clerk called the bill (H.R. 2656) for the relief of Capt. Leon B. Ketchum.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Captain Leon B. Ketchum, Army of the United States, retired (service number O162966), is relieved of liability to pay to the United States the sum of $1,422.75, which sum represents the balance due the United States on account of an overpayment of retired pay in the amount of $1,907.15 during the period beginning October 1, 1949, and ending December 31, 1958, both dates inclusive. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for the amount for which liability is relieved by this section.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Captain Leon B. Ketchum, Army of the United States, retired (service number O162966), the sum certified to him by the Secretary of the Army as the total amount withheld by the Secretary of the Army from retired pay due the said Captain Leon B. Ketchum beginning February 1, 1960, on account of the indebtedness of $1,422.75 referred to in the first section of this Act. No part of the amount appropriated in this section in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, lines 12–13: strike out "in excess of 10 per centum thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUCILLE COLLINS

The Clerk called the bill (H.R. 3132) for the relief of Lucille Collins.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any period of limitation or lapse of time, refund or credit shall be made or allowed to Lucille Collins, Milwaukee, Wisconsin, of any overpayment of income tax made by her for any taxable year after 1948 and before 1954 and resulting from the application of section 22(b)(5) of the Internal Revenue Code of 1939, if claim therefor is filed within one year after the date of the enactment of this Act: *Provided*, That no interest shall be allowed or paid on any overpayment to which this Act applies.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LT. COL. EDWARD C. CAMPBELL

The Clerk called the bill (H.R. 3862) for the relief of Lt. Col. Edward C. Campbell.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress asembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lieutenant Colonel Edward C. Campbell, Army of the United States, retired, the sum of $427.83, in full settlement of his claims against the United States for reimbursement of expenses and losses incurred by him during the period beginning September 14, 1959, and ending October 1, 1959, both dates inclusive, during which period he was required to travel from Fort Sill, Oklahoma, to Fort Sam Houston, Texas, for the purpose of submitting to physical and medical examinations in connection with his application for correction of his military record to indicate his retirement from military service for physical disability: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 6, strike out "in excess of 10 per centum thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WALTER H. HANSON

The Clerk called the bill (H.R. 4381) for the relief of Walter H. Hanson.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Walter H. Hanson of Denver, Colorado, the sum of $7,680. The payment of such sum shall be in full settlement of all claims of Walter H. Hanson against the United States on account of the loss of the mid fore leg of his right leg as the result of injuries sustained by him on May 13, 1957, while he was operating a mobile crane unloading sand and gravel from a scow at the Still Harbor Dock at the United States penitentiary at McNeil Island, Washington: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

This claim is not cognizable under the tort claims procedure.

With the following committee amendments:

Page 2, line 2, strike "appropriated" and insert "appropriated".

Page 2, line 3, strike the words "in excess of 10 per centum thereof".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. DAVID ISHMAEL

The Clerk called the bill (H.R. 5501) for the relief of Mrs. David Ishmael, Manhattan, Kans.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $862.17, to Mrs. David Ishmael, Manhattan, Kansas, in full settlement of her claim against the United States for the reimbursement of the amount of expenses and other losses and damages occurred in resettlement as a result of her displacement in connection with the acquisition of land (tract numbered A–154) due to the construction of Tuttle Creek Dam and Reservoir project, Kansas: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 8, strike out "occurred" and insert "incurred".

Page 2, line 2, strike out "in excess of 10 per centum thereof".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADOLPHE C. VERHEYN

The Clerk called the bill (H.R. 6158) for the relief of Adolphe C. Verheyn.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

Mr. SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

ESTATE OF GEORGE S. RUMLEY

The Clerk called the resolution (H. Res. 249) providing for sending the bill H.R. 6012 and accompanying papers to the Court of Claims.

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the resolution be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

NELLIE V. LOHRY

The Clerk called the bill (S. 452) for the relief of Nellie V. Lohry.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Nellie V. Lohry of Ashland, Nebraska, the sum of $3,000. The payment of such sum shall be in full settlement of all her claims against the United States for payment of an additional amount for certain property purchased from the said Nellie V. Lohry and Fred H. Lohry (deceased), pursuant to an option signed by them on November 14, 1941, by the United States in connection with the construction of an Army ordnance plant, such option having been exercised by the United States notwithstanding a previous attempt made on behalf of the said Nellie V. Lohry and the said Fred H. Lohry (deceased) by the project officer acquiring such property to have such option withdrawn on the grounds that it did not adequately reflect the value of the property: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HYACINTH LOUISE MILLER

The Clerk called the bill (H.R. 1383) for the relief of Hyacinth Louise Miller.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Hyacinth Louise Miller shall be held and considered to be the natural-born alien child of Robert Miller.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. VICENTA A. MESSER

The Clerk called the bill (H.R. 1486) for the relief of Mrs. Vicenta A. Messer.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Vicenta A. Messer may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That Mrs. Vicenta A. Messer, the widow of a United States citizen, shall be deemed to be within the purview of section 101(a)(27)(A) of the Immigration and Nationality Act, and the provisions of section 205 of that Act shall not be applicable in this case."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MANUEL NIDO

The Clerk called the bill (H.R. 1499) for the relief of Manuel Nido.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Manuel Nido shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NICK GEORGE BOUDOURES

The Clerk called the bill (H.R. 1699) for the relief of Nick George Boudoures.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Nick George Boudoures shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Nick George Boudoures shall be held and considered to be the minor natural-born alien child of Mr. and Mrs. Peter Gregory Boudoures, citizens of the United States: *Provided,* That the natural parents of the beneficiary shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADELA MICHIKO FLORES

The Clerk called the bill (H.R. 1706) for the relief of Adela Michiko Flores.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of the Immigration and Nationality Act, Adela Michiko Flores shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that the further call of the Private Calendar be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

MARIAN WALCZYK AND MARYA MAREK

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1425) for the relief of Marian Walczyk and Marya Marek, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, lines 6 and 7 strike out "John and Stanislawa Walczyk, citizens of the United States" and insert: "John Walczyk, a citizen of the United States".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MARIA CASCARINO AND CARMELO GIUSEPPE FERRARO

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 2346) an act for the relief of Maria Cascarino and Carmelo Giuseppe Ferraro, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, lines 11 and 12, strike out "and Mrs. Carmelo Leo, citizens of the United States" and insert: "Carmelo Leo, a citizen of the United States".

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

REORGANIZATION PLAN NO. 3 OF 1961—CIVIL AERONAUTICS BOARD

Mr. FASCELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. Res. 304) disapproving Reorganization Plan No. 3 transmitted to Congress by the President on May 3, 1961.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution, House Resolution 304, with Mr. ULLMAN in the chair.

The Clerk read the title of the resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

The CHAIRMAN. Under the consent agreement of Thursday, June 15, 1961, the gentleman from Florida [Mr. FASCELL], will be recognized for 20 minutes, and the gentleman from Illinois [Mr. ANDERSON], will be recognized for 20 minutes.

The gentleman from Florida is recognized.

Mr. FASCELL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the present resolution deals with one of the two reorganization plans which were carried over from last week until today under the unanimous consent request. This pending resolution is a resolution of disapproval, and it comes out of the Committee on Government Operations with the recommendation that the disapproval resolution be not agreed to; in other words, the Government Operations supports the plan for reorganization and recommends that it be allowed to take effect as proposed.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from California.

Mr. HOLIFIELD. Then, the gentleman is implying that those in favor of the plan should vote "No" on the disapproving resolution when the roll is called?

Mr. FASCELL. The gentleman is correct.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I am happy to yield for a contrary opinion.

Mr. GROSS. And those who do not want to see the Chairman of the Civil Aeronautics Board become a czar will vote "Aye"; is that correct?

Mr. FASCELL. Those who favor the resolution would vote "Aye."

Mr. Chairman, as I say, the language of this plan is identical to the language of the plan which was before the Committee last week. It provides that the Civil Aeronautics Board may by published rule or order delegate to a member of the Board or any employee of the Board any function of the Board; and it provides, of course, that the Board in making this delegation shall retain a discretionary right of review. It also has a safeguard on all adjudicatory matters. They cannot supersede the provisions of section 7(a) of the Civil Procedures Act. Cases shall only be heard by trial examiners, and also the discretionary right of review is retained. A matter becomes final and the parties may go directly to review, as they now do.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield.

Mr. MEADER. I wonder if the gentleman from Florida, or possibly the gentleman from Arkansas, chairman of the Committee on Interstate and Foreign Commerce, would be willing to give us examples of the powers of the Board which can be delegated to employees other than trial examiners.

Mr. FASCELL. I would simply say in response to that, without having a specific case before me, that it would apply to nonadjudicatory functions under the statute administered by the commission.

Mr. MEADER. I am unable to clarify in my own mind what nonadjudicatory functions or powers of the Board it might delegate to employees other than trial examiners or to members. Of course, some of the important functions of the Board are the granting of certificates of convenience and necessity for air transportation, also the granting of subsidies.

In the judgment of the gentleman from Florida or the gentleman from Arkansas, are those adjudicatory or nonadjudicatory powers?

Mr. FASCELL. I yield to the gentleman from Arkansas [Mr. HARRIS], to answer that question.

Mr. HARRIS. Mr. Chairman, I may say to the gentleman from Michigan any matter that is referred by the Board to a hearing examiner on which a decision may be rendered is obviously an adjudicatory matter. There is a fine distinction on certain other functions of any of these regulatory agencies, or most of them, of matters that become adjudicatory. As an example, in some of their rate problems they may very well become adjudicatory within the framework of the proceedings submitted that could very well be worked out by the Board in its administrative capacity; but usually those types of things, where there is a contest on proceedings filed before the Board, they are referred to hearing by a member of the Board or a hearing examiner as adjudicatory.

Mr. MEADER. Would the granting of such power be an adjudicatory power or nonadjudicatory power?

Mr. HARRIS. That, I assume, could be considered adjudicatory, in that in some instances they are referred to hearing examiners on which a record is made. I think they would become adjudicatory in the sense of a record being made.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Michigan.

Mr. BENNETT of Michigan. What my distinguished chairman is saying is that no one knows for sure what is or what is not an adjudicatory function; is that true?

Mr. HARRIS. You get into the problem of rulemaking, as the gentleman knows, insofar as adjudicatory matters are concerned. It has been argued from time to time that many matters, in which other regulatory agencies, including the Board, attempt to arrive at a decision by rulemaking, become adjudicatory, but when they are administrative in their functions then they are nonadjudicatory. It is pretty difficult to give a definition that will cover all facts and circumstances before the Board.

Mr. FASCELL. I would just add that certainly under the operations as they exist now from the standpoint of procedure, practice, administration, and law, it is pretty well determined what are adjudicatory matters and what are not. If the Board decides to make a record, it is up to the members themselves to determine whether or not any of their rights have been in any way circumscribed. I would doubt very much that that would be the case.

Mr. BENNETT of Michigan. That illustrates again the difficulty of trying to determine what powers are delegated here, and to whom. What I mean is this: It seems clear that the adjudicatory functions are not intended to be delegated to employees of the Board. You get into this gray area of what is adjudicatory and what is nonadjudicatory. I assume the Board then can exercise its own discretion and hand these important decisions out to employees.

Mr. FASCELL. I do not agree with the theory of the gentleman at all. The intent of the plan is very clear with respect to adjudicatory rights under section 7(a) of the Administrative Procedures Act. I do not see any difference between the Board exercising its judgment subsequent to the adoption of the plan than it is in exercising its judgment now. If it is difficult, as the gentleman says, to distinguish now between adjudicatory and nonadjudicatory matters, it will not be any easier or more difficult after the plan is adopted. Neither will it be any easier if the plan is rejected. You still have the same problem.

Mr. BENNETT of Michigan. At the present time the Board cannot delegate its functions to employees. That is one of the things this plan would do.

Mr. FASCELL. How do you know whether it has delegated that authority or not?

Mr. HARRIS. In further reply to the gentleman from Michigan, I think probably we could use as an example the matter of a route structure. The Commission by rulemaking procedure will determine a certain route structure to be in the public interest. That would be a nonadjudicatory proceeding, in my judgment. But when it becomes a question of who is going to serve that route structure as between applicants, then it becomes adjudicatory.

Therefore each case must be determined on the facts and circumstances, and I might say to the gentleman from Florida that that is the reason this plan ought to be adopted, because under the existing situation there are many of these things, administratively speaking, that are permitted to be dealt with in this manner, but the Board must proceed on the basis now along the lines as outlined in this reorganization plan, and then ultimately, sooner or later, they must come back and ratify that action in order to make it affirmative and final.

Mr. FASCELL. I thank the gentleman from Arkansas. As a matter of fact, in the colloquy with the Chairman of the Board before our committee this very point was raised, and the Board unanimously supports this plan for that very reason in order to be able to dispense with some of the routine things which come before it now.

Mr. MEADER. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Michigan.

Mr. MEADER. The thing that I was trying to get at—and perhaps I should have made this statement before I asked the question—the Board presently is set up with safeguards. It says that not more than three of the five members shall be appointed from the same political party. Their 6-year terms are staggered. And, it provides that no member of the Board shall engage in any other business, vocation, or employment. There is a Board vested with all of these vast powers. Now, the Board also has the right to appoint temporary employees. What I am trying to get at is just what we are authorizing this Board to do, a Board that we can see and which we have circumscribed with safeguards against abuse of powers, including Senate confirmation, limited terms, and so forth. Now, what can they transfer to some unknown employee? What powers can they transfer? Apparently they can transfer to all employees who are not trial examiners all of their powers which could be regarded as nonadjudicatory, and I want to know just what those functions are. As the gentleman from Arkansas said, if they can call in some consultant as a temporary employee and then delegate to him the power to establish air routes, I think that is going pretty far. But, I think we ought to know before we act on something just what we are doing.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Arkansas.

Mr. HARRIS. In order to make the record complete on it, I think it would be perhaps advantageous to refer to the statement of the Chairman of the Board before the gentleman's committee, which appears on page 35. I think this would shed some light on the matter. He said:

> The Board would expect to delegate certain types of cases which require hearing before an examiner as well as nonhearing cases. In most categories of cases, particularly those requiring hearing, the Board may wish to limit its delegation to routine or simple cases.
>
> The use of employee boards presents a number of advantages. While the Board has had no experience with employee boards, it would appear that their use may consume considerable time of high-level employees. We would thus utilize this type of delegation with considerable caution.

And that is what we would expect.

Mr. FASCELL. I would say that already, under prior reorganization plans, the executive and administrative functions of the Board are already in the Chairman; so I do not see where we have any problem on that.

Mr. Chairman, the record is clear from the investigations by our legislative committee and from the hearings before our committee and from many other independent studies that we have to give these regulatory agencies all of the tools possible, circumscribed, as we have made them, in order to carry out their functions in the best interest of the public.

I would say that in this view, with the Board unanimously supporting this plan, authorizing the delegations only by the Board itself, under public rules and order, as with the other plans, we are doing that which is reasonable and logical in allowing the Board to carry out their business, expedite their functions, and doing a service for the public. This is the intent of the plan. This is the purpose of it. This is the reason it is recommended. Accordingly the Committee on Government Operations has recommended that the House resolution disapproving the plan be not agreed to.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman.

Mr. GRIFFIN. Would it not be a fair statement, after reading the hearings—and I know the gentleman participated in all of the hearings—to say that with regard to each one of these four reorganization plans that we are considering, the witnesses were very vague and very indefinite about what kinds of duties and functions they would in fact delegate, if these reorganization plans were adopted?

Mr. FASCELL. I would not agree with the gentleman at all. I will say this, that they gave us examples in each case of the kind of things they would consider, but they were not prepared at the present time without full collaboration of the Board, based upon experience and judgment, actually to begin to decide now, that is, under the consideration of the plan, on the specific delegation.

Mr. GRIFFIN. In almost every instance they indicated that they had to have further time and study before they could develop any definite program as to what they would be delegating.

Mr. FASCELL. I think I know what my interpretation of the testimony is—that with these plans being adopted the Board would then sit down and begin to formulate the public rules and regulations under which they would make their delegations, but they did not have any right at the moment; in other words, they had not taken a vote then on that Board for a specific delegation.

Mr. GRIFFIN. Mr. Chairman, I thank the gentleman for yielding. I would

only make the observation that it seems to me we are operating in reverse. We ought to let them come up first with the specific request for what they want to delegate and then we ought to legislate on the basis of that.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. FASCELL. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. As I understood the gentleman, in answer to the question by my colleague from Michigan [Mr. GRIFFIN], what he is saying is that the Board wanted some more power, but they did not know what they wanted it for.

Mr. FASCELL. I did not say that at all. The gentleman knows that I did not say it. The gentleman may answer any way he wants on his own time. But what I do say is this specifically: the basic purpose is to give the Board the right in adjudicatory matters to delegate to trial examiners the final decision. Everybody knows that. That is specific. It is not nebulous. It is not in the clouds. It is not underground, overground, or out of ground. It says specifically that is what we are seeking to do. Heretofore, in other plans, and by other legislation, we have already delegated the nonadjudicatory matters in many cases. Specifically, basically, and fundamentally these plans deal with the right of trial examiners to make final decisions in routine cases, as the Board may direct in certain adjudicatory matters, giving the right to the applicants immediately to go into judicial review, but retaining the right in the Board or the Commission discretionary review in those cases where they believe the matter is of such complexity that it ought to go to the Board, or it is of an unusual character, or it sets up some new precedent. In that case the Board has the right by rule and order to reserve unto itself the right of discretionary review. But in all cases applicants in any of these Boards and Commissions would have the right to go to a judicial review.

So, basically and fundamentally, despite all of the smokescreen that has been thrown up this morning, and all the nebulousness which others would like to read into these plans—fundamentally what they do is to deal with the right of making final decisions by the hearing examiner in an adjudicatory matter which the Board in its judgment determines is reasonable and right in carrying out the public's business, determines that it should be final so the parties can get into court for final review.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I have already commented on the floor of this House in connection with the debate held here the other day on plan No. 2 that there is a basic and fundamental objection that inheres in all the plans; namely, that by the adoption of these plans it will centralize more authority and power in the hands of the Chairman. What we are doing, whether we know it or not, is placing these regulatory agencies under the control of the Chief Executive, whereas they were specifically created by the Congress to carry out legislative policies decreed by the Congress.

However, I want to take the very brief time I have this afternoon to point out something with respect to the colloquy that just occurred between my colleague, the gentleman from Michigan [Mr GRIFFIN] and my colleague on this committee, the gentleman from Florida [Mr. FASCELL]. I would quote in that connection from page 35 of the hearings that were held:

> While time has not permitted the finalization of a plan to implement Reorganization Plan No. 3, I would like to make some general observations.

There, Mr. Chairman, is the word of the Chairman of the Civil Aeronautics Board that he himself has not had time to appreciate what the impact and import of this plan is, yet we in the Congress are expected to go along and vote on something on which we are not fully informed.

I said the other day and I say again that these plans presumably were drawn by Dean Landis. Presumably they were drawn with the Landis report very much in mind, since he authored that as well. It may be that in the mind of Dean Landis it is entirely clear what the impact of these plans is going to be, but we on the subcommittee did not have the benefit of the testimony of Dean Landis. He sat there but he did not testify. Therefore we find ourselves on the floor today exactly in the position of the Chairman of the Civil Aeronautics Board, we simply do not know what this plan is going to amount to.

Let me point out another portion of the testimony that I do not think has been mentioned, on pages 43 and 44 of the record of this hearing. I asked the Chairman of the Civil Aeronautics Board, Mr. Boyd:

> Mr. Boyd, do you have any general categories or classifications of authority or duties presently exercised by the Board itself that you feel should not be delegated?

This is the answer that he gave:

> No. I am in no position to make a categorical statement, Congressman.
>
> I can only say that it will be the plan of the Board to make haste very slowly; that we will proceed in areas where there is clear-cut policy established by the Board.

Mark this well:

> I just do not want to say that there is any area that would be out of bounds so far as we are concerned in the distant future because I do not know.

We may certainly appreciate the good intentions of the Chairman of the Civil Aeronautics Board with respect to the use of this particular delegation of authority, but remember, we are changing the law not for this Chairman or this Board but perhaps for many, many years to come. We owe it to ourselves and the people of this country to know what we are doing when we give away or permit the delegation of power by a board which was set up by Congress to implement its policies.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the distinguished gentleman from Arkansas.

Mr. HARRIS. In view of the discussion I should like to clarify some apparent misunderstanding and emphasize just what is being done here. Referring to the statement of the Chairman of the Civil Aeronautics Board on page 35 in the same paragraph which the gentleman read, he said:

> In order to assist the committee, we have attached as appendix A a statement outlining the various functions and responsibilities of the Civil Aeronautics Board. Obviously, many of these matters which are now being handled by the Board members could and should be resolved at a lower level.

All we have to do is refer to the end of his statement and there will be found an outline of those functions.

Chairman Boyd stressed the importance of giving the Board more time for planning when he told the Committee on Government Operations:

> It is important to note that the enactment of Reorganization Plan No. 3 will not only permit a more expeditious handling of the Board's workload, but will enable the individual Board members to devote more time to major policy and planning.
>
> During my tenure as Chairman, I can think of no problem that I have dealt with where there is more agreement than in the need for an all-out planning effort.

Chairman Boyd assured the committee that the Board has no ambitious plans to jump into this reorganization without adequate consideration of the consequences:

> The Board believes that it will be desirable to begin with a relatively modest initial program and expand it gradually as experience is gained.

He said:

> This is necessary to insure that the Board will retain primary responsibility for the more important problems, and that overburdening of the staff will be avoided.

There is no justification for a partisan approach to plan No. 3. The Board is a bipartisan body and every member favors the plan, as Chairman Boyd told the subcommittee.

The Board has very important and far-reaching responsibilities in the regulation of civil aeronautics.

The Board needs to be freed from as many trivial matters as possible to give more time to the consideration of such major problems as airlines scheduling, the reduction of subsidy payments, and developing policies to promote the financial stability of the industry, which is skating on mighty thin ice, profitwise, due largely to the very huge investments made necessary by the advent of the jets.

In fact, during the first 4 months of this year the domestic trunk airlines of the United States lost nearly $16 million.

Mr. ANDERSON of Illinois. I appreciate the contribution of the gentleman from Arkansas. May I say this: I feel with respect to this plan just as he felt the other day on the floor with respect to plan No. 2, that this is a matter which we might well take time to consider in the proper legislative committee of this House. If the basic law creating these commissions and boards has to be changed, then let us hold hearings and make changes, but let us not rush

through a reorganization plan without knowing what we are doing.

Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Chairman, there are two things I would like to call to the attention of the Committee that were not mentioned the other day. I think the RECORD should be clear on this matter.

One is that our Committee on Interstate and Foreign Commerce, which has the jurisdiction over these regulatory agencies, has had the privilege of considering only one of these reorganization plans, that is, plan No. 2, and we turned it down. I asked the chairman if we could not consider the other plans. The chairman, evidently, decided otherwise. But, I have felt all the time that the Congress is entitled to the recommendation and opinion of the committee which has jurisdiction over these regulatory agencies. I think you are entitled to it, and I regret exceedingly that our committee did not have the privilege of having hearings, debating and making a recommendation to the House as we did on Reorganization Plan No. 2 which you turned down.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. YOUNGER. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman referred to me with reference to a decision regarding the possibility of hearings on all four plans. Is it not a fact when the gentleman did call this to my attention, I explained to him that we had a time limitation and by the time we got through with Reorganization Plan No. 2, the Committee on Government Operations was holding hearings and we had to act within what time we had in connection with holding hearings on these programs? In addition to the fact that we did develop in that plan in two specific instances that the basic law was being changed, the statute applicable to that agency was being changed, which is not true in these other three plans.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. YOUNGER. I yield to the gentleman from Michigan.

Mr. BENNETT of Michigan. I think it is recognized that the Committee on Government Operations and not our committee had jurisdiction to consider these plans. But, the thing I believe our chairman will someday regret is the fact that he took such little interest in these plans with the exception of that one plan, the reorganization of the FCC, and that no hearings were held by our committee in spite of the fact that many Members expressed interest in going into these plans to see what inroads they were making on our jurisdiction.

I would like to say to the gentleman, to my distinguished chairman, that with the approval of these plans, and they do have his approval, he is eating into the heart of the jurisdiction of his committee. Furthermore, this is not the last of these plans—this is only the first of them and the chairman well knows it. The President sent up 10 or 12 different suggestions here which our chairman rejected informally, which would have completely changed the philosophy and the characteristics of these independent agencies. Do you think Dean Landis is going to stop now? He is going to keep on going, Mr. Chairman, and you are going to have to put a sign on your committee door saying—"We are closed for business so far as regulatory agencies are concerned—go and see Dean Landis."

Mr. YOUNGER. I thank the gentleman from Michigan.

Mr. Chairman, I also would like to read into RECORD this statement so that my colleagues on the right may have a peg on which to hang their hats when they vote on this measure.

I would like to quote from your own Democratic platform on which you were elected. I read this:

> The Democratic Party condemns the usurpation by the Executive of the powers and functions of any of the independent agencies and pledges the restoration of the independence of such agencies and the protection of their integrity of action.

I have yet to hear in the debate on these reorganization plans any reasons for promoting them such as to restore the independence of the agencies. I would like to have the RECORD show this, and I would like to have the Members take this into consideration when they cast their votes.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, the gentleman from Florida [Mr. FASCELL] says that those who oppose these reorganization plans are operating behind a smokescreen.

It seems to me that those who are operating behind a smokescreen or smogscreen, are the Members who last Thursday voted against Reorganization Plan No. 2, dealing with the Federal Communications Commission and then turned right around in a matter of an hour and voted for basically the same kind of a reorganization for the Securities and Exchange Commission. I have no doubt these same Members will vote this afternoon to make dictators out of the Chairmen of the Civil Aeronautics Board and the Federal Trade Commission.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Did not the gentleman ever hear of the payoff?

Mr. GROSS. Payola?

Mr. HOFFMAN of Michigan. Yes, you scratch my back and I'll scratch yours; did you never hear of that?

You heard the gentleman from Arkansas [Mr. HARRIS] tell us of the iniquity of plan No. 2. This pending plan and the others all have the same basic fault—a surrender of power by the Congress to the executive agencies.

Mr. GROSS. I have heard of payola, and I have heard of back-scratching. I am sure a lot of the latter has been involved here.

This is just another grab for power, as I said the other day. I join with the gentleman from Michigan [Mr. BENNETT] in imploring the gentleman from Arkansas [Mr. HARRIS], chairman of the Committee on Interstate and Foreign Commerce to help us save these independent agencies and remind him that if he does not, he may soon have a sign hanging on his office door reading: "Closed for business with the independent agencies."

Yes, the Kennedy administration is seeking unbridled powers. The President apparently wants the power to levy taxes on the people of this country. We, the Congress, are to have no further responsibility in the matter of taxes. The Attorney General, another Kennedy, wants the power to fix the salaries of 800 class act attorneys in the Department of Justice up to $19,000 and $20,000 a year. Each passing day finds this administration reaching for more naked power. Unless the public demonstrates its wrath and brings pressure to bear on Congress, we may as well disband the House and Senate and let it be known that we have capitulated.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, I think all Members should be impressed by the remarks of the gentleman from Illinois [Mr. ANDERSON], quoting the Chairman of the Civil Aeronautics Board saying that he himself did not know what delegations could be made under this plan, and he did not recognize any limits upon that power of delegation.

What is the significance of this power of delegation? It simply means that the safeguards that Congress consciously, intentionally, and with careful consideration wrote into the law, in which vast power was vested in these independent commissions over our economy and our business community, are being done away with. It means an accretion of power to the executive branch of the Government, contrary to longstanding congressional policy. I tried to find out just what important powers and functions could be delegated.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from Florida.

Mr. FASCELL. The gentleman said certain safeguards would be abolished. Will he name one of them?

Mr. MEADER. Yes; the fact that these decisions will not be made in the open by men who have been confirmed by the Senate, whose qualifications are prescribed by statute. They will be made by some anonymous employee.

Mr. FASCELL. Is it not true that the plan says adjudicatory matters must be heard by a trial examiner or the Board?

Mr. MEADER. That is why I was asking the question about adjudicatory matters, and I could not get a very good reply.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from California.

Mr. HOLIFIELD. If the gentleman will read page 39 of the hearings, he will find there about nine paragraphs.

Mr. MEADER. I have read that, and I was going to read it to the House.

Mr. HOLIFIELD. There are the nonadjudicatory functions which can be delegated.

Mr. MEADER. You are permitting these powers to be exercized by some anonymous future employee or temporary employee who is not required to be confirmed by the Senate, who does not have the other qualifications, such as not having stock in any air carrier, or being prohibited from engaging in any other business, vocation, or employment. This anonymous employee could be delegated the power to do this, for example: I read from page 39 of the hearings:

> The Board is empowered to guarantee loans to air carriers engaged in local, feeder or short-haul air transportation. These guarantees may be made without hearing.

In other words, I say, and I want to be contradicted if I am wrong, that is a nonadjudicatory function which may be transferred even to a temporary employee and would bind the United States of America on a guarantee of loans to feeder air carriers, for equipment, and so forth.

Mr. FASCELL. That can be done now. It will not be changed under the plan one bit.

Mr. MEADER. This power is vested in the Board. These men of outstanding character, whose appointment is confirmed by the Senate, make that decision and bind the United States now. Under this plan that power could be delegated to anybody. We do not know who he may be.

Mr. BENNETT of Michigan. In that connection, the Board gives away some $83 million a year of the taxpayers' money in what we call airline subsidies. In determining whether an airline should get a subsidy, and particularly how much of a subsidy it should get, is not strictly an adjudicatory matter. Hence under this broad authority the Board can delegate to employees the gentleman is talking about, who have no responsibility to the Congress, the people, or under the law the power to dispense the $83 million. The question of whether the taxpayer will be harmed or not seems to be entirely beside the point. That is one of the more harmful things that definitely, it seems to me, could be done under this program.

Mr. MEADER. I thank the gentleman.

In connection with these adjudicatory matters which are required to be delegated to no other than trial examiners, we are placing in the trial examiners a power which we placed in a board, where we could hold them responsible. Even if the subsidy matter of $83 million is an adjudicatory function of the Board it could be delegated to a trial examiner. We do not seem to be sure whether it is or is not adjudicatory. But under this plan the CAB could let some trial examiner dispense the taxpayer's funds; a man who could not be held responsible to Congress. He does not have a limited term, nor is he required to submit to Senate scrutiny and confirmation. The trouble is that the vast power we have vested in these commissions is going to be shuttled around. Who has the authority? You will never know who has responsibility for important powers and important decisions if you adopt the pending reorganization plan.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from Michigan.

Mr. GRIFFIN. With respect to the primary function, as the gentleman from Florida said, of this reorganization plan to make it possible to delegate adjudicatory functions only to hearing examiners, if this were the primary function, would it not be much better to have that additional language in the reorganization plan instead of this very broad language which indicates that any function whatsoever may be delegated to anybody, including employees.

Mr. MEADER. I certainly agree with the gentleman. I certainly do not think we should deal with an independent administrative tribunal by a reorganization plan, with such broad, sweeping language that nobody knows what it means, and we do not know where to look for the person who is responsible for making decisions. That is the effect of this: to hide responsibility for making decisions in a great big bureaucratic agency, and Congress can never hold them accountable.

Mr. GROSS. This argument over adjudicatory powers is a part of the sidetracking smokescreen. This reorganization plan and all the rest of them have no meaning unless the power is delegated to the Chairman; is that not correct? They have no real meaning unless the power to run the agencies is given to the Chairmen.

Mr. MEADER. The language says that the board does the delegating, but the Chairman is given the right to assign personnel pursuant to that delegation.

Mr. GROSS. Of course, and the majority members are dictated to by the White House; they are appointed by the White House; they vote to transfer their individual power to the Chairman, and from there on a majority minus one takes over.

Mr. MEADER. The safeguard of minority membership—that is, having two political parties—is completely wiped out by this type of reorganization plan.

Mr. FASCELL. Mr. Chairman, I yield the remainder of the time to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, as I said a few days ago during the consideration of Reorganization Plan No. 2 on the Federal Communications Commission, it is one thing to investigate and find out some inadequacies in connection with these major regulatory agencies and their administration, but it is another thing, and most difficult, to bring about the kind of reform necessary to correct such inadequacies. Now, there is not a man, in my judgment, in this Congress that does not recognize that there are or have been inadequacies in these agencies and that there should be adequate reform. This plan is in the nature of reform.

Let me again remind the Members of the Committee that notwithstanding the apparent confusion that is attempted here in considering this reorganization plan and what it provides, as to authority in section 1, which you cannot overlook, we must keep in mind for consideration the authority of the Board to delegate. As I said in debate on Reorganization Plan No. 2, as long as we retain authority within an agency to control the operation of that agency and its decisions, then we have ample safeguards whereby the Congress and the American people can require the agency, the responsible members who have been appointed and confirmed by the Senate, to assume their responsibility.

Let me repeat for emphasis:

> Section 1. Authority to delegate. (a) In addition to its existing authority, the Civil Aeronautics Board, hereinafter referred to as the "Board", shall have the authority to delegate, by published order or rule, any of its functions to a division of the Board, an individual Board member, a hearing examiner, or an employee or employee board, including functions with respect to hearing, determining, ordering, certifying, reporting, or otherwise acting as to any work, business, or matter: *Provided, however,* That nothing herein contained shall be deemed to supersede the provisions of section 7(a) of the Administrative Procedure Act (60 Stat. 241), as amended.

No action can be taken under this authority except by approval of the Board. There must be composite action of the Board.

The CHAIRMAN. The time of the gentleman from Arkansas has expired. All time has expired.

Mr. FASCELL. Mr. Chairman, I move that the committee do now rise and report the resolution back to the House with the recommendation that it be not agreed to.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. ULLMAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H. Res. 304) disapproving Reorganization Plan No. 3, transmitted to Congress by the President on May 3, 1961, he reported the resolution back to the House with the recommendation that it be not agreed to.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

> *Resolved,* That the House does not favor the Reorganization Plan Numbered 3, transmitted to Congress by the President on May 3, 1961.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the "noes" appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were yeas 178, nays 213, not voting 46, as follows:

[Roll No. 88]

YEAS—178

Abernethy	Dwyer	Morse
Adair	Ellsworth	Mosher
Alford	Fenton	Natcher
Andersen, Minn.	Ford	Nelsen
	Forrester	Nygaard
Anderson, Ill.	Frelinghuysen	O'Konski
Arends	Fulton	Osmers
Ashbrook	Garland	Ostertag
Ashmore	Glenn	Pelly
Auchincloss	Goodell	Pilcher
Avery	Goodling	Pillion
Ayres	Griffin	Pirnie
Baker	Gross	Poff
Baldwin	Gubser	Quie
Barry	Haley	Ray
Bass, N.H.	Hall	Reece
Bates	Halleck	Rhodes, Ariz.
Battin	Halpern	Riehlman
Becker	Harrison, Wyo.	Riley
Beermann	Harsha	Rivers, S.C.
Belcher	Harvey, Ind.	Robison
Bell	Harvey, Mich.	Roudebush
Bennett, Fla.	Herlong	St. George
Bennett, Mich.	Hiestand	Schadeberg
Berry	Hoeven	Schenck
Bolton	Hoffman, Ill.	Scherer
Bow	Hoffman, Mich.	Schneebeli
Bray	Horan	Schweiker
Bromwell	Jensen	Schwengel
Broomfield	Johansen	Scott
Brown	Jonas	Scranton
Broyhill	Keith	Seely-Brown
Bruce	King, N.Y.	Short
Byrnes, Wis.	Knox	Shriver
Cahill	Kunkel	Sibal
Chamberlain	Kyl	Smith, Calif.
Chelf	Landrum	Springer
Chenoweth	Langen	Stafford
Chiperfield	Latta	Taber
Church	Lindsay	Teague, Calif.
Clancy	Lipscomb	Thomson, Wis.
Collier	McCulloch	Tollefson
Colmer	McDonough	Tupper
Conte	McIntire	Utt
Corbett	McMillan	Van Pelt
Cramer	McVey	Van Zandt
Cunningham	MacGregor	Wallhauser
Curtin	Mailliard	Weaver
Curtis, Mo.	Martin, Mass.	Weis
Dague	Martin, Nebr.	Westland
Davis, James C.	Mason	Whalley
	Mathias	Wharton
Derounian	Meader	Whitten
Derwinski	Merrow	Widnall
Devine	Miller, N.Y.	Williams
Dole	Milliken	Wilson, Calif.
Dominick	Minshall	Wilson, Ind.
Dooley	Montoya	Winstead
Dorn	Moorehead, Ohio	Younger
Dowdy		
Durno	Morris	

NAYS—213

Abbitt	Daddario	Griffiths
Addabbo	Daniels	Hagan, Ga.
Addonizio	Davis, John W.	Hagen, Calif.
Alexander	Davis, Tenn.	Hansen
Andrews	Dawson	Harding
Anfuso	Delaney	Hardy
Ashley	Dent	Harris
Aspinall	Denton	Hays
Baring	Dingell	Healey
Barrett	Donohue	Hébert
Bass, Tenn.	Downing	Hechler
Beckworth	Doyle	Hemphill
Blatnik	Dulski	Henderson
Boggs	Edmondson	Holifield
Boland	Elliott	Holland
Bolling	Everett	Holtzman
Bonner	Evins	Huddleston
Boykin	Fallon	Hull
Brademas	Farbstein	Ichord, Mo.
Breeding	Fascell	Ikard, Tex.
Brewster	Feighan	Inouye
Brooks, La.	Finnegan	Jarman
Brooks, Tex.	Fisher	Jennings
Buckley	Flood	Joelson
Burke, Mass.	Fogarty	Johnson, Calif.
Burleson	Fountain	Johnson, Md.
Byrne, Pa.	Frazier	Johnson, Wis.
Cannon	Friedel	Jones, Ala.
Carey	Gallagher	Jones, Mo.
Casey	Garmatz	Karsten
Celler	Gary	Karth
Clark	Gathings	Kastenmeier
Coad	Giaimo	Kee
Cohelan	Gilbert	Kelly
Cook	Granahan	Keogh
Cooley	Gray	Kilday
Corman	Green, Pa.	Kilgore
King, Calif.	Murphy	Selden
King, Utah	Murray	Shipley
Kirwan	Nix	Sikes
Kitchin	Norblad	Sisk
Kluczynski	O'Brien, Ill.	Smith, Iowa
Kornegay	O'Brien, N.Y.	Smith, Miss.
Kowalski	O'Hara, Ill.	Smith, Va.
Lane	O'Hara, Mich.	Spence
Lankford	Olsen	Staggers
Lennon	O'Neill	Steed
Lesinski	Patman	Stephens
Libonati	Perkins	Stratton
Loser	Peterson	Stubblefield
McCormack	Pfost	Sullivan
McDowell	Philbin	Taylor
McFall	Pike	Teague, Tex.
McSween	Powell	Thomas
Macdonald	Price	Thompson, Tex.
Machrowicz	Pucinski	Thornberry
Mack	Rabaut	Toll
Madden	Rains	Trimble
Mahon	Randall	Tuck
Marshall	Reuss	Udall
Matthews	Rhodes, Pa.	Ullman
Miller, Clem	Rodino	Vanik
Miller, George P.	Rogers, Colo.	Vinson
	Rogers, Fla.	Walter
Mills	Rogers, Tex.	Watts
Moeller	Rostenkowski	Whitener
Monagan	Roush	Wickersham
Moorhead, Pa.	Rutherford	Willis
Morrison	Ryan	Yates
Moss	St. Germain	Zelenko
Moulder	Santangelo	
Multer	Saund	

NOT VOTING—46

Albert	Harrison, Va.	Rivers, Alaska
Alger	Hosmer	Roberts
Bailey	Judd	Rooney
Betts	Kearns	Roosevelt
Blitch	Kilburn	Rousselot
Burke, Ky.	Laird	Saylor
Cederberg	Magnuson	Shelley
Curtis, Mass.	May	Sheppard
Diggs	Michel	Siler
Findley	Moore	Slack
Fino	Morgan	Thompson, La.
Flynt	Norrell	Thompson, N.J.
Gavin	Passman	Wright
Grant	Poage	Young
Green, Oreg.	Reifel	Zablocki

So the resolution was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Moore for, with Mr. Roosevelt against.

Mr. Hosmer for, with Mr. Harrison of Virginia against.

Mr. Kearns for, with Mr. Rivers of Alaska against.

Mrs. May for, with Mr. Burke of Kentucky against.

Mr. Rousselot for, with Mrs. Green of Oregon against.

Mr. Judd for, with Mr. Morgan against.

Mr. Slack for, with Mr. Sheppard against.

Mr. Gavin for, with Mr. Rooney against.

Mr. Laird for, with Mr. Zablocki against.

Mr. Kilburn for, with Mr. Thompson of Louisiana against.

Mr. Michel for, with Mr. Thompson of New Jersey against.

Mr. Findley for, with Mr. Diggs against.

Mr. Betts for, with Mr. Magnuson against.

Mr. Alger for, with Mr. Shelley against.

Mr. Curtis of Massachusetts for, with Mr. Albert against.

Mr. Fino for, with Mr. Roberts against.

Mr. Reifel for, with Mr. Young against.

Until further notice:

Mr. Wright with Mr. Siler.

Mr. Bailey with Mr. Saylor.

Mr. Flynt with Mr. Cederberg.

Mr. DAVIS of Tennessee changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

REORGANIZATION PLAN NO. 4—FEDERAL TRADE COMMISSION

Mr. FASCELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. Res. 305) disapproving Reorganization Plan No. 4.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. Res. 305) with Mr. SMITH of Mississippi in the chair.

The Clerk read the title of the resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

The CHAIRMAN. Under the consent agreement of Thursday, June 15, 1961, the gentleman from Florida [Mr. FASCELL] will be recognized for 20 minutes, and the gentleman from Illinois [Mr. ANDERSON] will be recognized for 20 minutes.

The gentleman from Florida is recognized.

Mr. FASCELL. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, pending before the Committee is House Resolution 305 which would disapprove Reorganization Plan No. 4. It comes before the Committee today on the recommendation of the Committee on Government Operations that the pending resolution of disapproval be not agreed to.

Mr. Chairman, this reorganization plan, dealing with the Federal Trade Commission, is identical in language to the previous reorganization plan before the Committee. The arguments that were made for and against that plan can be made for and against this plan, and I see no reason, therefore, since we have had adequate discussion both on the language and other arguments concerning the plan, to go into detail on the matter. I would simply add this, Mr. Chairman, that at the present time, as the Chairman of this Commission has testified before our committee, and he has been amply substantiated by the investigation of the legislative committee over a long period of time, something needs to be done. The average time to close a case before this Commission is 3½ years. Now, I think anybody who is reasonable would realize that some tangible step must be taken to cut down on that time lag, which is the largest single factor, perhaps, which thwarts the service to the public of these regulatory agencies.

The Chairman of this Commission testified that if Reorganization Plan No. 4 is not put into effect, "the increasing of manpower at the lower levels will only further bog down the Commissioners themselves since more work will be channeled up to them. As the overall action of the Commission increases, the need for clear delegation authority becomes even more acute."

Now, Mr. Chairman, in this case, as it was with the others, we have previously delegated administrative and executive functions to this Commission, and this plan deals primarily with the right to give the trial examiners freedom to make final decisions in those cases where the Board, by published rule, or regulation, determines that a delegation should be made. The plan is no different in that

respect than in the others. The Chairman of the Commission has indicated in his testimony that it is desirable and that there is a need for having it. Our committee, after its study, as well as the legislative committee, says that this plan should be put into effect.

Therefore, Mr. Chairman, we urge and recommend that the resolution of disapproval be not agreed to.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, the gentleman from Florida [Mr. FASCELL] is correct when he says all of these reorganization plans are from the same pattern. I believe one aspect of these plans has not been emphasized sufficiently. The delegation of powers and functions which the Congress vested in the Board to employees of the Board and the assignment of functions to members and employees by the Chairman has the necessary effect of eliminating one of the important safeguards that Congress enacted in order to prevent abuse of power. I speak now of the provision that these boards and commissions be bipartisan in membership.

The Federal Trade Commission which has broad authority over the business community in the enforcement of the antitrust and other laws is a five-man commission and it provides, as is the case with the rest of the administrative tribunals, that not more than three of the Commissioners shall be members of the same political party.

Commissioner Sigurd Anderson, who happens to be a Republican and was Chairman of the Commission under the last administration, testified against these plans. His testimony commences on page 65 of the committee hearings. This is what Commissioner Anderson had to say on this point about down-grading the Commissioners and doing away with their power and their authority. He says:

> I am of the further opinion that Reorganization Plan No. 4 of 1961 vests too much power in the Chairman. I feel that the imposition of the plan would reduce the status of individual Commissioners. I am sure that it is not the intention of the Executive to create a one-man agency out of our multimember agency. This will, however, be the inevitable result if the individual Commission members are further reduced in status and the powers of the Chairman increased. I feel that the members of a regulatory body who serve in quasi-judicial, quasi-legislative, and administrative capacities should not be reduced to staff status.

Then, on page 68:

> I would also like to point out that according to the plan it would appear that the Commission members could be sent to any place in the United States, provided, of course, a majority of the Commissioners so agreed, and I could see how three Commissioners, under the aegis of a very aggressive Chairman, would exile other Commissioners to remote sections of the United States.

What does this mean? In the Federal Trade Commission you have three Democrats under a Democratic administration, and two Republicans. The delegating authority of the Commission could be controlled by the three Democratic members and the Chairman is given authority under the plan to make assignments. He could assign the two Republican members, one in California and one in Oregon, and destroy the bipartisan character of the independent agency.

Will the people of the country be protected by this very important check against abuse or misuse of power?

Suppose there should be misconduct on the part of a commission member or political maneuvers and political influence in the use of these very important powers of independent regulatory agencies, such as were exposed by the Legislative Oversight Subcommittee.

Where is the watchdog of the opposite party who can stand up and shout to high heaven against improper conduct? Under this plan the minority commissioners can be circumvented, rendered impotent and be kept in the dark concerning the operations of the commission.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield.

Mr. BENNETT of Michigan. We have heard a great deal in the last few months about the impact of Executive orders, particularly as they affected our friends in the South. Those orders go further, I must say, and are more far reaching because they do not have any congressional veto. I was surprised to see some of my friends from the South voting for this vast delegation of power in all these agencies. They are the people who are screaming to high heaven about the adverse effect upon them of having the President of the United States issue Executive orders which have the force of law without the approval of Congress to govern and to change their way of life and their way of living. I have supported their point of view in my 17 years in Congress. I have voted for just one civil rights bill. I want to say this, Mr. Chairman, that I will shed no more tears for my brethren in the South when they start complaining about the adverse effect of these Executive orders and decrees upon them and their people and their way of living.

Mr. MEADER. Under this plan it is possible for a majority to take any real power away from the minority members of a commission. They can either send the minority into exile, as Commissioner Anderson suggests, or they can assign cases to everybody but them, and they will have no real power to prevent any political maneuvering that the majority of the commission wants to engage in.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from Michigan.

Mr. GRIFFIN. Would it not also be possible through the maneuvering the gentleman is describing for the chairman, because he is given the power to make assignments of personnel, to assign and transfer the personnel who are going to work for the various commission members and to give any commissioner people who would have different political views and with whom he would not even want to work, under this reorganization plan?

Mr. MEADER. It is clear that the power of assignment of personnel and commissioners is vested in the chairman under the express terms of this reorganization plan. I think it is a bad plan. I think we are establishing a bad precedent. I do not think the Reorganization Act was ever intended to reach to these independent agencies. I think what is being done to the independent agencies under these plans is something the American people would not want to have happen.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman from Arkansas [Mr. HARRIS] in the preceding debate spoke of the delegation of power. Basically, is not the delegation of power in plans 1, 3, and 4 the same as that under plan 2, for which the gentleman from Arkansas voted, that is, against the reorganization of that agency?

Mr. MEADER. I listened carefully to the gentleman's attempt to distinguish between them and I cannot say that he made any clear or persuasive distinction.

Mr. GROSS. I do not think so, either.

Mr. MEADER. I agree with the gentleman from California [Mr. Moss] when he said there was no difference in these plans.

Mr. FASCELL. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Chairman, I ask unanimous consent to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MCCORMACK. Mr. Chairman, if there is a Member of the Congress who deserves recognition and honor, it is our valued friend from Rhode Island [Mr. FOGARTY]. His service in this body has brought honor and glory to the House of Representatives. Of the many dedicated men and women who have served in the Congress, there has been no one more dedicated than JOHN FOGARTY of Rhode Island. Referring particularly to a special field of legislation and appropriations, under the leadership of JOHN FOGARTY, with, of course, the able members of his subcommittee cooperating, there has been no Member of the Congress in the history of our country who has done more for medical research and medical progress to protect the health of the people of America and in other parts of the world than JOHN FOGARTY. JOHN FOGARTY is a dedicated legislator. He has a love for the House of Representatives, which is clearly shown by the fact that last fall he was offered, without opposition, the Democratic nomination for the U.S. Senate, the other coequal branch of the Congress. In the State of Rhode Island, this meant that JOHN FOGARTY would have been elected. But, he did not accept the nomination, first, because dedicated to the public service as he is, he felt that with his position and his seniority in the House of Representatives he could render

greater, broader, and more effective service to our people and our country, and, secondly, he did not accept that nomination because of his love for the House of Representatives.

These are qualities of greatness and at the same time qualities of humbleness which JOHN FOGARTY possesses so abundantly. The name of JOHN FOGARTY, the legislator—JOHN FOGARTY, American—JOHN FOGARTY, the man, has grown by leaps and bounds. This is evidenced by the many honors he has received in the past and the many honors he will surely receive in the future and which he so richly deserves.

It was only within the last few weeks that JOHN FOGARTY received a number of additional honors.

On June 5, 1961, our valued friend received an honorary degree of doctor of laws from Brown University in the State of Rhode Island.

On the same afternoon of June 5, 1961, JOHN FOGARTY received an honorary degree of doctor of laws from Salve Regina College in Rhode Island.

On June 11, JOHN FOGARTY received another honorary degree, doctor of laws, from Brandeis University in Massachusetts.

Mr. Chairman, these are great honors which JOHN FOGARTY richly deserves and which reflect great credit on the House of Representatives of which he is a great Member. But these are not all the honors that JOHN FOGARTY has received in the last few weeks. In addition, the following things have been done in honor of our colleague:

First. A rehabilitation center for retarded children was named in honor of JOHN FOGARTY.

Second. A fourth-degree class in the Knights of Columbus was named in his honor.

Third. He was recently named "outstanding Catholic layman" by the Newport public speaking class of the Newport council.

Fourth. He received the Annual Award of Merit from the Rhode Island Optometric Association.

Fifth. He was awarded the national citation for distinguished service in the field of cystic fibrosis by the National Cystic Fibrosis Association.

Mr. Chairman, I congratulate our colleague, JOHN FOGARTY, personally and on behalf of my colleagues. I also congratulate the three institutions of higher learning and the other organizations I have mentioned for selecting this great and humble gentleman, JOHN FOGARTY, of Rhode Island, as a recipient of these honors and awards.

Mr. Chairman, I include at this point the following resolutions commending our distinguished colleague:

THE PRESIDENT OF
BROWN UNIVERSITY,
June 5, 1961.

JOHN EDWARD FOGARTY, DOCTOR OF LAWS

For two decades you have served this State with increasing distinction as its Representative in Congress. Your concern for medical care, education, and research has changed the pattern of our lives and improved the health of our people. At home you have seen that all must rise beyond ethnic origins and inherited prejudices to work together as citizens of this State and Nation. We honor you as a thoughtful and compassionate man and a devoted public servant.

Ergo, auctoritate michi commissa te ad gradum in legibus doctoris admitto, omniaque jura atque privilegia ad hunc gradum pertinentia, tibi concedo. In testimonium serviti vestri hoc diploma tibit respectuose do.

SALVE REGINA COLLEGE,
Newport, R.I., June 5, 1961.

THE HONORABLE JOHN E. FOGARTY, LL.D.

JOHN EDWARD FOGARTY, distinguished Member of Congress; devoted leader in the advancement of education, scientific research and the cause of improved public health; warmhearted humanitarian, and exemplary Catholic layman.

For over 20 years you have directed your efforts in the U.S. House of Representatives on behalf of social justice and the public good. As a legislator, and as chairman of the House Subcommittee on Appropriations for the Departments of Labor, Health, Education, and Welfare, you have risen above merely partisan considerations to create programs which have brought not only hope but help to retarded children, the disabled, the mentally ill, and those who suffer from the most dreaded diseases that afflict mankind.

As a pioneer in promoting research in environmental health problems, you have shown your farsighted awareness of a growing modern need. In a similar way, you have responded to the urgent necessity to ease world tensions by helping to create the Institute for International Health and Medical Research as an effective instrument of world peace.

A national leader in the fight against harmful influence upon youth, you have also been responsible for the White House Conference on Aging and have shown a genuine concern for the welfare of our older citizens.

You were instrumental in the development and passage of the National Defense Education Act and its program of financial aid to students in colleges and universities, and you continue to play a conspicuous role in broadening opportunities for education in the medical and nursing professions.

In your efforts for conservation and flood control, you have shown a profound sense of the inestimable worth of those natural resources with which God has endowed our Nation. In your work for the development of libraries, you have shown an equal sense of the need to conserve and make available the treasures of the intellect.

For these reasons and especially for your personal interest in the progress of Salve Regina College, we gratefully bestow upon you the degree of doctor of laws (honoris causa) with all its rights and privileges.

BRANDEIS UNIVERSITY,
June 11, 1961.

JOHN EDWARD FOGARTY, DOCTOR OF LAWS

Representative of the State of Rhode Island in the Congress of the United States but guardian for all of America in health and welfare programs. Undeterred by humble beginnings, and with virtually no formal schooling, sensitively aware of the import which today's spectacular science developments hold for man's well being. As chairman of the House Subcommittee on Appropriations for the Departments of Labor and Health, Education, and Welfare, giving incisive leadership to the expansion of the National Institutes of Health, vigorously promoting generous subventions by Congress for its burgeoning program. Sponsor of legislation which helps alleviate the tragedy of the Nation's retarded children through subsidies for teaching and research. Combining the talents of an expert parliamentarian with the zeal of a crusader, stimulating Federal agencies so that the vast resources of the Government may be utilized in man's unceasing struggle against the attritions of disease.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I am glad to yield to my colleague.

Mr. MARSHALL. It is my privilege to serve on the Appropriations Subcommittee with JOHN FOGARTY as chairman. I join with our distinguished majority leader in congratulating our colleague, JOHN FOGARTY, on receiving these well merited and well earned awards that have been given to him. JOHN FOGARTY is a great American. His interest is not only nationwide, but worldwide. The people of this country will forever be grateful to JOHN FOGARTY for the dedicated service he has rendered in the fields of medicine and health.

Mr. McCORMACK. I thank the gentleman.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to my colleague.

Mr. YATES. Mr. Chairman, I should like to associate myself with the very eloquent remarks of the gentleman from Massachusetts, our distinguished majority leader. I have served with JOHN FOGARTY on the Committee on Appropriations for a number of years and have seen the masterful way in which he has contributed to the growth and development of medical science and research in institutions of learning and in various institutions of medicine and medical research throughout the country. The great National Institutes of Health in Bethesda, Md., stand as landmarks to the progress made in the field of medicine and they stand, too, as testimonials to the magnificent work that JOHN FOGARTY has done in this Congress. I am proud to join with the gentleman from Massachusetts in saluting him today.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I am glad to yield to the former Speaker of the House, the gentleman from Massachusetts, Mr. MARTIN.

Mr. MARTIN of Massachusetts. Mr. Chairman, I would like to join with the distinguished majority leader, Mr. McCORMACK, in congratulating my friend and neighbor, Mr. FOGARTY, of Rhode Island, upon the high honors that have been conferred upon him by Brown, Brandeis, and several other institutions. Mr. FOGARTY richly deserves these high honors.

He is a man of great ability and high integrity. He has served his State and country in Congress for many years. He has rendered particularly outstanding service in behalf of the unfortunate and the ill. The results of his labors will be of lasting benefit to the country. I am delighted to see that this unselfish work has found appreciation.

Mr. DENTON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Indiana.

Mr. DENTON. Mr. Chairman, I have had the pleasure of serving a great many years on the subcommittee that deals with appropriations for Labor, Health, Education, and Welfare, of which the gentleman from Rhode Island is chairman. I want to associate myself with the remarks made by the majority leader. I know of the time the gentleman from Rhode Island [Mr. FOGARTY] has put in working on health problems. He worked hard for the retarded children's program. He is a great humanitarian. His heart beats for the people. I know how dedicated he has been to the subject of health and public welfare in general.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. HARRIS. I would like to join our distinguished majority leader and other colleagues in paying tribute to a great American, a great public servant, our colleague, and my friend, JOHN FOGARTY. JOHN and I came to the Congress at the same time, January 1941. We have had the most pleasant associations during all these years. From my experience and associations in the Congress, no Member has contributed more to the health and welfare of the people of the United States than JOHN FOGARTY.

I have served on the Committee on Interstate and Foreign Commerce during these many years, the committee which has jurisdiction over the health problems of this country. The gentleman from Rhode Island is chairman of the Subcommittee on Appropriations handling these health matters. He and I have had occasion to work together. I am, therefore, glad to join the gentleman from Massachusetts in paying a most deserving tribute to the great service of this great man.

Mr. McCORMACK. I thank the gentleman, and when we get back in the House I shall ask unanimous consent that all Members may extend their remarks at this point in the RECORD, and also for 5 legislative days, on the public service of this great man, JOHN FOGARTY.

Mr. BOLAND. Mr. Chairman, I want to join with the remarks of our esteemed majority leader concerning the honors that have been conferred upon our distinguished colleague from Rhode Island, Congressman FOGARTY, who is one of the most able, understanding, and capable legislators in this House.

I can think of no Member who is more deserving of receiving three honorary doctorates in law, from Brandeis University in Massachusetts, and Brown University, and Salve Regina College in Rhode Island, all within a period of several days, than Congressman FOGARTY. He now adds these honorary doctorates to the honors that have been given to him in the past by other colleges and universities for his illustrious service to his people in Rhode Island and to humanity during the past 21 years as a Member of Congress. His alma mater, Providence College, had conferred upon him an honorary doctorate in political science; the University of Rhode Island an honorary doctorate in law; Rhode Island School of Pharmacy an honorary doctorate in science; and Bryant College, in Providence, R.I., an honorary doctorate in human letters.

Mr. Chairman, it is a privilege to know and serve in Congress with JOHN FOGARTY. I know that the people of Rhode Island take equal pride in his accomplishments and the deserving academic honors that have been conferred upon him this month by three outstanding New England colleges having Jewish, Baptist, and Roman Catholic sponsorship, respectively, Brandeis University, Brown University, and Salve Regina College in Newport, R.I.

Mr. DOOLEY. Mr. Chairman, I would like to take this opportunity to join with the host of friends and colleagues of JOHN FOGARTY, the distinguished Representative from Rhode Island, in congratulating him on the recent honors which were showered on him most deservingly.

Few men in our lifetime have had the opportunity to render such helpful service as Mr. FOGARTY has to the people of this country.

His judicious direction of public funds into the fields of cancer research, heart studies, and other humanitarian areas is to be commended.

Few men in the House are as erudite in the field of medical research as the Representative from Rhode Island. His dedicated work and long periods of devotion to the responsibilities confronting him have resulted in substantial financial aid to those fields of medical research which if properly explored might result in adding many years to the life of the average citizen.

Brandeis University, Brown University, and Salve Regina College are to be commended for their part in honoring so worthy a gentleman.

Mr. PHILBIN. Mr. Chairman, I was very happy to learn of the two high academic degrees recently conferred upon my dear and distinguished friend, Congressman JOHN E. FOGARTY, of Rhode Island, by Brown University and Brandeis University, two of the great liberal arts schools of the country.

Brown University is long established and has won a precious niche in American education.

Brandeis University has been established for only a few years, yet it has won the approbation and admiration of all students of American education who are familiar with its fine work and its marked progress.

Both of these institutions are distinguished for their fine leadership in American education, their accomplished teaching staffs and competent managers.

It is most appropriate that Congressman FOGARTY should be selected for these high degrees, because his great work in the Congress in the field of health, labor, and human welfare has been preeminent. Through his dedication to the alleviation of human misery and uncompromising warfare against so-called great killer diseases that afflict the people of our Nation and the world, he has unselfishly labored for the people and his leadership has been outstanding.

Congressman FOGARTY has been unceasing and determined in his superb work and has demonstrated great ability, zeal, and high purpose in furnishing the leadership necessary to shape essential Government programs to better the lot of the sick, the afflicted, the handicapped, and the lowly.

I take genuine pleasure in congratulating him and his family upon these new honors, which I am sure he will wear with characteristic modesty.

Congressman FOGARTY may well be proud of this richly deserved recognition of his outstanding work. The Nation is greatly in his debt. I am proud of him, too, and wish for him and his family every measure of success and happiness in the future.

Mr. DONOHUE. Mr. Chairman, it is a very personal and particular privilege to join with the Members here in extending warmest congratulations to my dear friend, and our distinguished colleague, Congressman JOHN E. FOGARTY, for the great academic honors most recently bestowed upon him by Brown University, Salve Regina College, and Brandeis University, and for those that he has so thoroughly merited in the past.

I truly think the officials of these outstanding educational institutions should also be given our congratulations for their selection of a man so preeminently deserving of their highest academic awards in the exacting fields of laws and humanities.

Those of us in this House, and thousands of people throughout this country, who have been associated with JOHN FOGARTY have long esteemed him in our minds, in our friendship, in our affection, and in our admiration unofficially, you might say, as a practicing, learned doctor of laws and dispenser of all the humanities; of course, we are all overjoyed that our judgment has been officially substantiated through the formal degrees recognition of these great universities and colleges.

If there is any living man who knows as much as our distinguished colleague about the foundation and superstructure of what we call the humanities, I have never met or heard of him. I know there is not a living man who exercises such knowledge for the benefit of his country and his fellow men with a truer character, more generous heart, more genial nature, more inspiring spirit, more unselfish humility, or more understanding encouragement and sympathy than the Honorable JOHN E. FOGARTY.

Mr. Chairman, not only is this a very joyful day for us and our honored colleague, but it is also, in a deep and significant sense, a great day in the educational history of this blessed Nation.

JOHN would be the first man in the world to shun the pretensions of formal educational labels for their descriptive nature alone.

Early circumstances denied him most of the average opportunities but by sheer integrity of character, determination of will, and persevering industry, he has advanced to the heights of public responsibility and formal educational recognition.

His knowledge and practice of the art of legislating and the applied science of government has indeed been hard earned.

Salve Regina College, Brown, and Brandeis Universities, together with

those other institutions that have honored JOHN FOGARTY in the past, have done a distinct service to the people of this country by demonstrating that the custodians of formal educational award can apply their most rigid standards to the essential work and superior achievements of uncommon character and rightfully and realistically bestow their academic laurels accordingly.

Congressman JOHN E. FOGARTY, in the highest patriotic devotion over a period of 21 years, has helped mightily to make and keep this country great; the directors of these various universities, by their actions, have helped to prove its greatness by the distinctions they have conferred upon our colleague.

JOHN, you have once more brought great honor upon yourself and this House. Sincere congratulations to you and may the good Lord grant many more long years of heavenly blessings to you and yours.

Mr. MONAGAN. Mr. Chairman, I am happy to join all the other Members in expressing my appreciation of the magnificient services of the gentleman from Rhode Island [Mr. FOGARTY] to his State and to our country.

JOHN FOGARTY'S principal characteristics are fearlessness and independence. These characteristics added to his personal integrity have made him one of the outstanding Representatives in the history of the Congress of the United States.

In his work as chairman of the Appropriations Subcommittee of Labor and Health, Education, and Welfare, he has contributed more than any other American to the development of Government-sponsored research into the cause of disease, and in the National Institutes of Health, he has created a living monument to his zeal and dedication that will endure as long as the United States.

We Members of the House of Representatives are grateful for his decision to stay in this body rather than to move, as he might have, to the Senate and it is my firm hope that JOHN FOGARTY will be with us for many years to continue to give his outstanding public service to the State of Rhode Island and to the United States of America.

Mr. KIRWAN. Mr. Chairman, I would like to join with our distinguished majority leader and other colleagues in paying tribute to a great American, a great humanitarian, and a dedicated public servant, my good friend, the gentleman from Rhode Island, JOHN FOGARTY.

The honorary degrees which have recently been bestowed upon him are a tribute to the courageous leadership that he has exerted here in the House of Representatives on behalf of all mankind. As chairman of the Appropriation Subcommittee on Labor and Health, Education, and Welfare, he has done an outstanding job for medical science and research by creating more moneys each year than has been requested by the budget.

JOHN FOGARTY is a man of character and integrity. He is one of those individuals who is endowed with the vision of greatness and the determination to see it accomplished. I shall never forget the fight that JOHN FOGARTY made in defense of the Labor, HEW appropriation bill for fiscal 1958. On April 4, 1957, efforts were made to delete moneys that were not only needed, but in some instances vital for the continuation of medical research, and medical studies in the fields of mental and physical disabilities; the defense against this action on 14 rollcall votes was led successfully by JOHN FOGARTY. The great National Institutes of Health is also a monument to the great efforts put forth by this great son of the State of Rhode Island.

It has been my privilege to serve on the Appropriations Committee with this distinguished colleague for almost 20 years, and I sincerely believe that this country owes a great debt of gratitude to JOHN FOGARTY for the service he has rendered to our country and the world. Again, I congratulate him today for being the recipient of these high honors.

Mr. LANE. Mr Chairman, Congressman JOHN FOGARTY, of Rhode Island, is a man of few words, but of many constructive actions.

His biography in the Congressional Directory, is brief and modest:

JOHN EDWARD FOGARTY, Democrat, of Harmony, R.I., elected in 1940 and reelected to succeeding Congresses.

His work and his popularity speak for him.

In the 1960 election, he received the impressive total of 151,000 votes with a plurality of 87,749 over his opponents.

Our colleague is one of the most industrious Members of the House. His specialty is legislation in the field of health, education, and welfare. Having had to work overtime to pay for his own education, and with firsthand knowledge of the social and economic burdens of the textile employees of his home State, he came to Congress with the single-minded determination to do everything within his power to solve these problems.

By his concentration on the facts, and by his devotion to the objective of helping his fellow man, he has succeeded in shaping much of the humane legislation that has been enacted by the Congress in recent years.

He has never sought appreciation for his accomplishments in behalf of so many, but it came to him naturally from those who believe in the recognition of his merits.

In the month of June 1961, Congressman FOGARTY was awarded honorary degrees for his excellence as a national legislator by Brown University, Salve Regina College, and Brandeis University of Massachusetts, in addition to the previous distinctions bestowed by Providence College, University of Rhode Island, Bryant College, and the Rhode Island School of Pharmacy.

His colleagues in the Congress are proud and happy for Representative JOHN FOGARTY and for the honors conferred upon him.

We hope and expect that this is but the beginning of the greater appreciation that he deserves—from the Nation.

Mr. O'HARA of Illinois. Mr. Chairman, America has never produced a finer man than JOHN FOGARTY. There is not anyone in this body who is higher in the esteem and in the affection of his colleagues. It is he more than any one other person who is responsible for a program of medical research that is directed toward lifting the fog of fear over every American home that cancer, heart, and other fatal diseases will strike at that home. To pursue this work to which he has dedicated his life, JOHN FOGARTY passed up a seat in the other body offered him on a silver platter. I join heartily with my colleagues in congratulating JOHN FOGARTY on the new honors and recognition that deservedly have come to him. No man in one lifetime could accomplish more for mankind.

Mr. ST. GERMAIN. Mr. Chairman, I am very pleased to have the opportunity to extend my remarks concerning recent honors which have come to my friend and colleague from Rhode Island, JOHN FOGARTY.

Three great institutions of higher learning have conferred honorary degrees upon Mr. FOGARTY within the past month. These degrees have been awarded for his great contributions to this Nation, particularly in the area of public health. As chairman of the House Appropriations Subcommittee for the Departments of Labor and Health, Education, and Welfare, his devoted interest in medical research, the training of doctors, and the expansion of modern facilities for the care of the sick have earned him a national and international reputation.

JOHN FOGARTY has worked untiringly to promote projects for the benefit of the State of Rhode Island and to advance the well-being of its people. His election to the House for 11 consecutive terms is proof of the trust and confidence which the people of Rhode Island's Second Congressional District have in him.

His outstanding record in the Congress, the respect and affection in which he is held by his fellow Members, and his efforts on behalf of his country have been recognized on numerous occasions by the many educational, professional, and civic organizations which have paid him tribute. It is my privilege to join with them and others in expressing my admiration for JOHN FOGARTY.

Mr. RHODES of Pennsylvania. Mr. Chairman, I take this opportunity to join with my colleagues in paying tribute to the distinguished gentleman from Rhode Island, the Honorable JOHN E. FOGARTY, for the high honors which were recently bestowed upon him.

Within the past month, three great institutions of higher learning have conferred honorary degrees upon Mr. FOGARTY in tribute to the tremendous contribution he has made to the American people and the Nation in the field of public health.

As a member of the Health and Safety Subcommittee of the Interstate and Foreign Commerce Committee, I have become very familiar with the work of Mr. FOGARTY and his untiring efforts in the important field of public health. I am sure that many of our fellow citizens have been saved from crippling disease or death because of the progress that has been made through programs which

he sponsored or supported to seek the cause and cure of crippling and killing diseases.

In his position as chairman of the Appropriations Subcommittee of Labor and Health, Education, and Welfare, Mr. FOGARTY has contributed immeasurably to many indispensable programs.

It is indeed a pleasure, Mr. Chairman, to commend the gentleman from Rhode Island on the magnificent job he has done. I am personally appreciative of his help to the Schools of Public Health which give essential service to the Nation in training doctors, technicians, nurses, and other specialists for public health service in the United States.

Congressman FOGARTY played a leading part in the enactment of several bills which I introduced for aid to these Public Health schools. He has recognized the essential role these schools play in the field of public health.

The honors bestowed upon our colleague are well earned. I trust that he will serve many more years as a Member of this House so he may continue his outstanding work and service to the people and to the Nation.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield 1 minute to the gentleman from Missouri [Mr. HALL].

Mr. HALL. Mr. Chairman, I ask unanimous consent to revise and extend my remarks, and to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Mr. Chairman, today I have introduced in the House a bill to amend the Internal Revenue Code which, I believe, will make it possible for our elder citizens to meet the cost of medical care. It is my firm belief that this bill, if adopted, together with the Kerr-Mills bill passed in the last session of Congress, will go a long way toward enabling our senior citizens and their families to meet their own responsibilities without relying on the Federal Government to care for them at the risk of toppling our entire social security structure. I would like to discuss this bill in some detail so that Members of the House will have an opportunity to reflect on the philosophy which it embodies.

As a surgeon who practiced for 26 years in the armed services and in my district before coming to Congress, I have more than a passing knowledge of the medical problems confronting our elder citizens and I also am aware of the threat to our system of high quality medical care posed by the administration's plan for socialized medicine.

I have analyzed section 213 of the Internal Revenue Code with respect to the amounts which may be deducted in providing medical care for persons who have attained age 65, and also with regard to the incentives, if any, which might exist in encouraging taxpayers to provide for their own medical care in their declining years.

I believe that the existing law is inequitable and discriminatory. Under certain circumstances a full deduction may be taken for the medical expenses incurred by a taxpayer on behalf of an aged individual, but under slightly different yet equally meritorious circumstances a considerably smaller or no deduction is allowable. Furthermore, there is no tax incentive which would encourage a taxpayer to look ahead and provide for the medical care which he might need in his old age.

Under existing law, a taxpayer is entitled to deduct, without limitation, the amounts he has spent for the medical care of his parents or his wife's parents who are his dependents and who have attained age 65. However, with respect to his sister, brother, grandparents, or other dependents who have attained age 65, the general rule applies which permits the taxpayer to deduct only those medical expenses which exceed 3 percent of his gross income. There is no reasonable basis for restricting the taxpayer to a smaller deduction merely because the dependent is not a parent. The financial hardship to the taxpayer is the same regardless of the degree of family relationship. In terms of incentive, there is perhaps an even greater necessity and reason to encourage a taxpayer to furnish medical care to a distant relative than a parent.

Another gross inequity is the requirement of dependency before a taxpayer can deduct for the medical expenses which he has paid for another person. Assume the following case: The taxpayer has paid $1,500 during the year toward the medical care of his father, aged 65. The father's income consists of $1,400 in nontaxable income derived from a source such as social security, railroad retirement, VA disability, or similar benefits. The father's other income amounts to $600 in dividends produced by the corporate stocks which comprise his life's savings. Because the father's taxable income is less than $675, he files a short-form tax return and pays no income tax.

Since the taxpayer did not contribute more than half of his father's support, the father is not a dependent and the $1,500 paid for the latter's medical care is not deductible by the taxpayer. If the taxpayer had refused to provide for his father's medical care, the father might have sold some of his assets to pay for his own medical care but since he pays no income tax there would be no tax benefit. This is not a farfetched example but a common situation which emphasizes the need for appropriate tax relief.

This bill would amend section 213(a) of the Internal Revenue Code to permit a taxpayer to deduct, in full, the amounts paid for the medical care of any person who has attained the age of 65, irrespective of whether that person receives the majority of his support from the taxpayer as is presently required by section 152.

During the hearings in the other body conducted by the senior Senator from Tennessee, it was alleged that the high cost of drugs creates a particular hardship upon the aged who consume proportionately more drugs than the rest of the population. Under existing law, the total amount paid for medicine and drugs must first be reduced by 1 percent of the taxpayer's gross income. Only the excess is treated as a deductible medical expense.

The Treasury has defended the 1-percent rule with regard to medicine and drugs on the basis that even healthy persons spend a consistent percentage of their income for drugs. Whatever justification this argument may have, it would seem to have little application to persons who have attained 65 and with whom the consumption of drugs is more likely to be necessary because of actual illness rather than minor symptoms. Furthermore, insulin, cortisone, and other costly drugs are just as vital to medical care as bedpans and heating pads which are not subject to the 1-percent rule.

Section 213(b) should be amended so that the rule which permits only the amounts spent for medicine and drugs in excess of 1 percent of gross income to be treated as medical expenses should not apply to persons who have attained age 65.

I have given consideration to the idea of devising some mechanism by which the Federal tax system might be used to encourage people to provide for their own medical care during their declining years. I believe that we have the germ of an idea which the insurance industry and possibly the Blue Cross and Blue Shield plans could develop.

Millions of employees are now under tax-deferred pension plans which assure them of retirement income during their old age. If the tax system is a valuable adjunct in helping the population to be self-sustaining when they become senior citizens, why cannot the tax system also be used to encourage people to purchase medical care insurance during their working years which will become effective when they have attained age 65?

Under existing law, a taxpayer who has attained the age of 65 can deduct in full the cost of medical care insurance. Why not permit a taxpayer who has not attained the age of 65 to deduct in full the cost of prepaid medical care insurance which is to become effective when he has reached this age?

I have not discussed the possibilities of an insurance contract of this type with the insurance industry but it would seem that such insurance should be obtainable at a modest rate with broad comprehensive coverage. From the standpoint of the insurance company, the money received in the years before benefits begin will earn income which in turn will provide a larger fund for benefits. The fund will also be increased because of the mortality of those policyholders who do not attain 65 or who die shortly after they have attained this age. This prepaid coverage could be provided as a supplement to contracts which provide for present benefits.

There is reason to believe that labor organizations might also be interested in procuring protection of this type for their members through collective bargaining as an additional fringe benefit.

The cost of prepaid medical care insurance which is to become effective after age 65 should be made deductible in full.

A taxpayer is always entitled to at least one exemption. A taxpayer is entitled to another exemption if he is blind or over 65. If he is blind and over 65, he will then have 3 exemptions. The theory upon which the additional exemptions are granted is that the aged or the blind person has a handicap which is reflected in his basic cost of living and therefore a compensating tax benefit is justifiable.

Similarly, additional exemptions might be given to a taxpayer who has incurred hardship medical expenses. An additional exemption might be allowed to a taxpayer—aged 65—who has spent 25 percent or more of his income for medical care and 2 additional exemptions if he has spent 50 percent or more of his income for such care.

My bill would provide additional exemptions for catastrophic medical care expenditures. A taxpayer aged 65 who pays medical care expenses which amount to 25 percent or more of his adjusted gross income should be given an additional exemption and a taxpayer who pays such expenses in an amount equal to 50 percent or more should be given 2 additional exemptions.

Medical expense deductions are of no value if the taxpayer has no taxable income. The taxpayer over age 65 who has not worked during the year because he has retired or has been sick is likely to have incurred the largest medical bill. Yet in these instances, where the hardship is the greatest, the taxpayer without income is barred from any tax benefit.

The carryback and carryover principle is part of the system by which corporations are subject to income tax. A corporation that has lost money this year but earned money last year can obtain a refund on the taxes paid last year to help offset this year's loss. Applying this principle, the taxpayer over age 65 whose income is insufficient to give him tax benefit for his current medical care expenses should be able to carry back or carry over for a period of 5 years his medical expense deduction so as to make it possible for him to realize tax benefit. For example, if a taxpayer had no income in 1960, but $1,000 in medical expenses, he should be allowed to recompute his 1959 tax return, or if necessary his 1958, 1957, 1956, or 1955 returns so that he will be assured of a medical expense deduction for the entire $1,000. If he still has no tax benefit for his medical expenses, then he should be allowed to carry the deduction over to future years.

My bill would permit medical care deductions to be carried back for as many as 5 years, or if necessary carried forward for 5 years so that the taxpayer over age 65 can receive full tax benefit for such expenses.

Mr. Chairman, the Congress must make a choice between two vastly different approaches in its attempts to ease the problems facing our elder citizens. It can go in the direction of more Government, less fiscal responsibility and complete chaos; or, it can go in the direction basic to our tradition of making it possible for individuals to meet their own responsibilities. The bill I have introduced today would take us on this latter course and I urge its consideration and adoption by the House.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Chairman, I take this time for two purposes. First of all, I wish to echo a statement made by the gentleman from California [Mr. Moss], and the gentleman from Wisconsin [Mr. REUSS], in their separate views contained in the report which accompanied Reorganization Plan No. 2. On page 19 of that report, they said:

> What, then, is so different about Reorganization Plan No. 2?
>
> Why are these arguments advanced by the majority against plan No. 2 and not plans 1, 3, and 4.
>
> The answers to these questions may be found not in any purported differences between Plan No. 2 and the other plans. These differences are not substantial.

Mr. Chairman, I cannot bring myself to endorse what I believe is the implication of their next statement when they say:

> The answer must be looked for elsewhere, and it can be found in the historical relationship between the broadcasting industry and the Government.

However, Mr. Chairman, those who have voted to disapprove Reorganization Plan No. 2 affecting the FCC, but have, or will, vote to approve Reorganization Plans Nos. 1, 3, and 4, can point to only tenuous and insubstantial distinctions to justify such a shift in position.

It is true that Reorganization Plan No. 2 would abolish a review staff established by statute. However, it is most interesting to notice how far beyond this difference the great legislative Committee on Interstate and Foreign Commerce is going now that it is asserting jurisdiction and is considering legislation in the normal procedure to reorganize the FCC.

On page 16 of the report accompanying Reorganization Plan No. 2 there is set forth a bill (H.R. 7333) introduced by the distinguished chairman of that committee, the gentleman from Arkansas [Mr. HARRIS]. I want to focus attention upon some of the safeguards which he has written into his bill and which his committee is likely to adopt—safeguards which are not included in the reorganization plans.

As the gentleman from Florida [Mr. FASCELL] has mentioned several times, one of the principal purposes of the several plans is to permit the delegation of adjudicatory functions to hearing examiners; but the broad language of the reorganization plans goes far beyond that and provides that powers over and beyond the adjudicatory function can be delegated to an employee.

One of the most important, if not the most important, nonadjudicatory function exercised by these boards or commissions is the rulemaking or ordermaking function. I have noticed with considerable interest that in his bill the gentleman from Arkansas [Mr. HARRIS] provides, with respect to the FCC, that any rule or order may be adopted only by a vote of a majority of the members of the Commission then holding office but may be rescinded by a vote of the majority, less one. This is a very important safeguard. This makes it clear with respect to rulemaking that this important function, at least, cannot de delegated to an employee or to others not members of the Commission. The bill proposed by the gentleman from Arkansas [Mr. HARRIS] makes it clear that rulemaking must be done by the Commission, and a rule once adopted by the Commission may be rescinded by a majority, less one. This is a very important protection which is not included in the reorganization plans proposed by the President and which we are obliged to approve or disapprove without opportunity for amendment.

Further, the legislation proposed by the distinguished chairman of the Interstate and Foreign Commerce Committee provides that every application for review shall be passed upon by the Commission. On the other hand, the several reorganization plans give the Board or Commission carte blanche, absolutely discretionary power of review. There is no requirement in the reorganization plans that Board or Commission pass upon an application for review.

In addition, the distinguished chairman, in his bill, has made it clear that upon review the Board or Commission may affirm, modify, or set aside the action being reviewed.

A further safeguard is provided in the Chairman's proposed legislation, which is not contained in the reorganization plans. In his bill, he would limit the power of the FCC Chairman in making personnel assignments and would allow him to make assignments of personnel exclusive of Commission members. This limitation is extremely important if the bipartisanship nature of the Commission and the independence of the Commission are to be maintained, as my distinguished colleague from Michigan [Mr. MEADER] was pointing out.

Although I realize that the legislation affecting the FCC is still being considered by the Interstate and Foreign Commerce Committee, I understand after talking with members of this legislative committee, that very serious consideration is being given to incorporating certain provisions of a Senate bill which would provide a limited mandatory right of review by the Commission and also a right, in such instances, to present oral argument before the Commission. These are important safeguards which were not in Reorganization Plan No. 2, and they are not in the other reorganization plans.

Considerable discussion has been devoted to the possible functions which could be delegated to persons other than hearing examiners under these plans. It should be noted that under Reorganization Plan No. 4, affecting the Federal Trade Commission, the nonadjudicatory function of issuing a complaint could be delegated.

Under the present law the Federal Trade Commission itself, issues a complaint. However, under proposed reorganization plans this and other nonadjudicatory functions could be delegated to any employee of the Commission.

If the President's proposed reorganization plans were sufficiently limited and were clear in their purpose, I would support them. I should like to be able to support them for I realize well that a heavy workload burdens and slows down the activities of these regulatory agencies; and I appreciate the need for streamlining some of their functions.

But, Mr. Chairman, I believe the Congress should be told precisely what functions are to be delegated and to whom. In 1959, the Congress passed a labor-management reform bill. That act provides that the NLRB may delegate the processing of representation cases (not any function whatsoever); and the act specifies that this delegation can be made only to regional directors of the NLRB, not to any employee of the agency.

We should proceed in a similar manner in authorizing the delegation of functions by other agencies.

Mr. ANDERSON of Illinois. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I take this time merely to point out briefly what I have taken the floor to point out with respect to the other plans that we have considered, namely that the full implications of the broad delegation of authority contained in this plan are something of which even the Chairman of the Commission is not fully aware. I call the attention of the committee to page 47 of the transcript of the hearings on Plan No. 4 where Mr. Dixon, Chairman of the Federal Trade Commission, stated:

> We have not yet determined what delegations should be made in implementing the planned reorganization, or which of those delegations the Commission may desire to make can be made under existing authority.

I would also like to call the attention of the committee to the fact that section 2 in this plan, which provides for the transfer of functions to the Chairman, gives the Chairman of the Commission the power to delegate individual Commissioners to certain specific tasks. As has been pointed out by previous speakers, in the testimony before the subcommittee by Commissioner Sigurd Anderson, a member of the Federal Trade Commission, the possible effect of this part of the reorganization plan is clear. He says, for example, on page 67:

> I would like to say I think that the Commissioners—we have five on our Commission—they have a status of being appointed by the President, and they are confirmed by the Senate. That if this plan goes into effect, the way I read it, it seems to me that the individual Commissioner is going to be kind of reduced insofar as status is concerned.

There is just one additional point that I want to call to the attention of the committee, particularly to the members on my side of the aisle. Under the basic law, as I understand it, that created the Federal Trade Commission, it provides that no more than three members of this five-member Commission shall belong to one political party. According to the testimony which we heard in our subcommittee, Commissioner Anderson is the only Republican on that Commission. The rest of them are Democrats, and there is one independent. I think it is pretty clear that the bipartisan character of this Commission can be and will be destroyed, when this lone Republican member of the Commission can be subjected to the dictates of the Chairman who belongs to the other party.

Mr. Chairman, I now yield 2 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, I yield back the balance of my time. I am interested in hearing what they are saving their time for.

Mr. FASCELL. Mr. Chairman, I yield to the chairman of the House Interstate and Foreign Commerce Committee [Mr. HARRIS] such time as he may consume.

Mr. HARRIS. Mr. Chairman, I will consume only a few minutes.

Now, what do we have before us? The Chairman of the Federal Trade Commission said to the Committee on Government Operations that Reorganization Plan No. 4 of 1961, first, would provide the Federal Trade Commission with additional authority to delegate functions and, second, transfer from the Commission to the Chairman the authority to assign personnel to perform the functions which the Commission might delegate.

What else does the Chairman of the Commission say? He says that the work load of the Commission is greater today than ever before in its history.

Indeed, that is true with reference to all of these major regulatory agencies.

In response to the request made by the chairman of this subcommittee, the Chairman of the Commission said that they had prepared tabulations which show the tremendous increase in the work load of the Commission even during the past 5 years.

I invite the Members to read this information which is included in the RECORD.

Now, something has been said about Executive order. There is no Executive order involved in this. This is a reorganization plan. I did not originate the reorganization procedure. I have always been leery of reorganization proposals myself. I do not think it is the appropriate way to legislate, but the Congress has for many years decided otherwise. So this is an effort to carry out what the Congress has consistently over the years said should be done. There is no Presidential encroachment involved here, nor interference. We do not provide for that at all.

I want to say that my distinguished colleague, the ranking member of our committee, the gentleman from Michigan [Mr. BENNETT] is a great public servant, and I enjoy working with him. He need have no fear. We are not going to be out of business.

There is such a thing as oversight provided by this Congress. It is the result of an enactment of the Congress and provided for in the rules of this House. So we are going to be in business, and do not fear. We are going to be watching in the future the administration of these laws as we have in the last few years.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. Yes; I yield to the gentleman from Massachusetts.

Mr. CONTE. Speaking of oversight, I have a great deal of respect and admiration for the chairman of the House Interstate and Foreign Commerce Committee, and for that reason I would like to bring this issue up for his consideration, or set of facts, that happened to me on Sunday, and see if I cannot bring it before the Oversight Committee.

I contracted with the Allegheny Airlines—the gentleman from Connecticut, Congressman SEELY-BROWN, and I—here at the Capitol to obtain an airplane ticket to fly out of Bradley Field, Conn., Sunday evening. We called the airline to make reservations for Sunday afternoon. When we got there, there was a long line waiting. When we talked to the person in charge of the Allegheny ticket counter he stated that the flight was oversold by 21 seats at Providence, R.I. I told him I had contracted for and bought the tickets 5 days before. He said he was sorry, that they were oversold, and this I could understand. But I happened to see him sell tickets to several persons there, and one of the persons happened to be the chairman of the National Democratic Party, Mr. Bailey.

Mr. HARRIS. The gentleman is using up my time on something which I would be glad to discuss with him at some appropriate time. I sympathize with him in his problem—I certainly do—but we do not operate the airlines. We do not run them, but we will be glad to take it up and go into it.

That does not have a thing in the world to do with the Federal Trade Commission. This is the Federal Trade Commission we are considering now, not the CAB.

Mr. CONTE. I felt that this was a matter for the Oversight Committee.

Mr. HARRIS. That has nothing to do with what we are discussing here. One of the best ways to attack a problem when you do not really have a good, substantial ground to stand on is to confuse the issue. Let us not confuse the issue here. Let us stay within the framework of what we are doing.

The gentleman from Michigan mentioned the bill I introduced. Yes, I introduced a bill. I told the House I would. We have held hearings. We are now in executive session trying to write the legislation. I might say to my distinguished friend from Michigan that the delegation of functions contained in the bill, and the one we have already agreed to in executive session is identical to the delegation of functions contained in these reorganization plans we are considering here today. It was other basic features of that proposal that we objected to, which I have explained, or tried to, emphatically, and have said so over and over again. I think if we will keep our minds on what we are undertaking here and the difference between that proposal and this, there will be no doubt about it.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Michigan.

Mr. GRIFFIN. My chairman will recall I enumerated five or six important safeguards surrounding the delegation in the gentleman's legislation this year included in the reorganization plan. Does not the gentleman feel that those same safeguards are important as far as the other commissions are concerned, just as they are with regard to the Federal Communications Commission?

Mr. HARRIS. In the first place, the gentleman does not understand what our committee has done in executive session regarding the Federal Communications Commission proposal. Our committee is following along the line of the delegation of functions here. The gentleman read from a bill. We have virtually taken out of the bill some of the things the gentleman read, and proceeded along the lines of adopting some of the things the gentleman mentioned.

Mr. FASCELL. Mr. Chairman, I ask unanimous consent that the gentleman from Minnesota [Mr. KARTH] may extend his remarks at this point in the RECORD and include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. KARTH. Mr. Chairman, I support the Committee on Government Operations in its report that the resolution to disapprove Reorganization Plan No. 4 be rejected.

I firmly believe that this reorganization plan should go into effect to help revitalize the Federal Trade Commission in this day when it is called upon to deal with a rapidly advancing technology and increasingly complex economic structure. Reorganization Plan No. 4, I believe, will go far toward achieving the high purpose of, in the words of Federal Trade Commissioner Philip Elman:

> The harnessing of political and economic forces to meet the needs of the people in a democratic society pledged to the fullest enjoyment of life, liberty, and the pursuit of happiness.

Commissioner Elman in his speech to the American Marketing Association today has some significant observations on the administrative process which I think are especially appropriate to the matter under consideration. I commend his speech to the attention of my colleagues and ask that it be ordered to be printed in the RECORD as follows:

THE ADMINISTRATIVE PROCESS AND THE RULE OF LAW

(Remarks by Philip Elman, Federal Trade Commissioner, before the American Marketing Association, Los Angeles, Calif., June 20, 1961)

I appreciate the opportunity to participate in this 44th national conference of the American Marketing Association. When your kind invitation came, I, of course, accepted with alacrity. However, when the time approached for me to prepare a speech, I was filled with misgivings. What could I, out of the fullness of 2 months' experience as a member of the Federal Trade Commission, say to this group of economists and marketing experts? Whatever competence I have in economic matters is, at this stage at least, largely ex officio. It would be foolish and indeed presumptuous for me to utter Delphic pronouncements here on such subjects, for example, as workable against real competition, the theory and fact of administered prices, etc. On these esoteric matters, as I'm sure you will agree, I would do better to listen and learn.

But perhaps my experience and background as a lawyer—more particularly, one whose entire professional life has been devoted to the public service in the Federal Government—may enable me to make some modest contribution to your deliberations. Lawyers are supposed to be experts in the administration of law, experts in the art of getting things done and in ways that are fair and just. And lawyers in Government, especially, become inescapably involved in that most challenging process: The attainment of justice through legal institutions administered by men.

I count myself fortunate to have been able to spend many years observing, and to some extent participating in, that process as manifested in the work of the Supreme Court of the United States, and of another institution of Government which is no less deserving of honor and respect because it is so little known to the general public, namely, the Office of the Solicitor General of the United States. The Solicitor General—who represents the Government at the bar of the Supreme Court—is an extraordinary, and I think wonderful, kind of lawyer. He cannot be an advocate of narrow partisan interests; his client is the United States and its 180 million people. The Solicitor General's concern, therefore, is not to win a particular litigation, but to do justice and to help establish broad and enlightened principles of law which will benefit all our people.

Self-appraisal is always treacherous, but I think I can say that my experience in the Solicitor General's Office, and the association with the Supreme Court that it brought, have left their mark on me. I bring to my present assignment a deep and abiding conviction—a prejudice, if you will—that, in all aspects of government, there is no acceptable alternative to the rule of law. And it is this lofty subject, and its relation to the administrative process and the Federal Trade Commission, that I should like to discuss with you.

The theme of my remarks is that while the rule of law is a lofty subject, we should bring it down to earth. It should be a living reality of the present, not an abstract ideal for the distant future. I submit to you, unabashedly, that the rule of law, and what we do about it in our everyday life, has bread and butter, even life and death, significance to each of us.

What do we mean by the rule of law? It is, of course, a shorthand phrase which summarizes the deposit of centuries of experience in the progressive development of Anglo-American law. "The liberty of the subject"; "due process of law"; "equal protection of the laws"; "fundamental fairness"; "even-handed justice"; "day in court"; "a fair hearing"; "he who decides must hear"; "justice delayed is justice denied"—these are phrases familiar to us all. But they are not empty cliches, to which we merely pay lipservice on ceremonial occasions. They express the principal elements of the rule of law, for which, I submit, there is absolute, uncompromising need in the day-to-day conduct of government.

Now, you may say, this is all very well, but isn't it Fourth of July talk—at best, idealistic, naive, and without much relation to the practical affairs of life? I could not disagree more.

Believe me, the cynical, wordedlywise view is not necessarily wise or even realistic. President Kennedy, in his inaugural address, eloquently articulated the basic, hard realities of our times. The way this generation of Americans meets its responsibilities may determine whether liberty will survive in the world. The question all Americans must ask is, "What together can we do for the freedom of man?" This is not a rhetorical, abstract question. Each of us in his daily life is called upon to answer. And if we do not trouble ourselves to ask the question, or if we do not answer as we should and must, America and the cause of freedom are in deep trouble.

Perhaps Mr. Khrushchev is right in his belief that the tide of history is running against us, that Americans are too preoccupied with narrow, selfish, materialistic concerns. I think he is wrong—but we must prove him wrong if we are to survive as a free people. I say to you, with all the earnestness I can muster, that acceptance of the rule of law, with all that it implies, as the governing standard by which we live, and rejection of the cynical counsel of expediency and narrow self-interest, is our wisest, safest, most profitable course of action. The future will be what we make it. The world of 1984 will be determined by how we live in 1961 and the years to come. If we regard the rule of law as something we need not observe today, we should not be surprised if it does not exist tomorrow.

Now, what does all this have to do with the subject-matter of your conference? What connection does it have to the "impact on the businessman of the laws regulating marketing?" In every situation in life, it is important to ask the right question in order to get the right answer. If one asks, "Should these laws be repealed because they are too burdensome to business?" he will get one kind of answer. But if he asks, "What can we do to improve the administration of these laws?" the answer will be far more meaningful and constructive.

The American businessman has always prided himself on being realistic and hardheaded. He would have to be hopelessly naive to deny that, for the foreseeable future at least, big government, like big business and big labor, is a fact of modern life. So, business should not dissipate its time and energy in chasing an illusion. Government regulation of business in the public interest will not disappear from this land no matter how often it is decried as socialism. The right kind of regulation aids business and expands freedom of enterprise.

In the last analysis, a civilized society must place ultimate reliance on law and agencies of law for protection of the values it holds dear. An example is the Federal Trade Commission, which was established by Congress in 1914 in response to the felt need for a more effective legal mechanism for preserving the benefits of a free economy by eliminating actual and potential abuses: the use of predatory or restrictive trade practices; what Brandeis called the competition that kills; the striking, not of hard, but of foul blows in the fight for profits; the exploitation of monopoly power; fraud in the marketing of goods and services. The laws the Commission administers are directed to these diseases, not the healthy manifestations, of a free economy. As President Kennedy pointed out in his recent message to Congress on the regulatory agencies, "these agencies are not merely regulatory; they are designed to further the expansion of certain facets of our economy, as well as the basic tenets that underlie our system of private enterprise." In our society free enterprise does not and cannot exist in vacuo. Free and unrestrained enterprise are not synonymous. Freedom has never been thought to include the right to act unfairly or irresponsibly in relation to the rights of others and the public.

Nor are freedom and regulation inconsistent or mutually exclusive. In a jungle, for example, there can be no real freedom. A degree of government regulation is neces-

sary, therefore, and indeed must be insisted upon by free men. For without such regulation, freedom itself would be lost in chaos and disorder. The liberty which government seeks to preserve and enlarge is, as Judge Learned Hand has said, "not the ruthless, the unbridled will; it is not freedom to do as one likes. That is the denial of liberty, and leads straight to its overthrow. A society in which men recognize no check upon their freedom soon becomes a society where freedom is the possession of only a savage few, as we have learned to our sorrow."

Power in whatever form thus imposes responsibility for its fair and enlightened exercise, and this is no less true of economic power. Beginning in the latter part of the 19th century in the United States, enormous changes in the social and economic structure of our society have taken place, mainly because of the introduction of new and vastly advanced technology and the consequent revolution in our industrial complex. The Square Deal of Theodore Roosevelt, the New Freedom of Woodrow Wilson, the New Deal of Franklin Roosevelt, and the New Frontier of John Kennedy, all have had a common heritage and purpose: the harnessing of political and economic forces to meet the needs of the people in a democratic society pledged to the fullest enjoyment of life, liberty and the pursuit of happiness.

We are faced today in the United States with the greatest concentration of economic power in the history of the Western World. A relatively few corporations control two-thirds of the industrial economy. And these few corporations are in turn ultimately controlled by a much smaller group of managers and financiers. This extreme degree of concentration and control of economic power poses questions of the first magnitude in a society which places maximum value on maintenance of individual initiative and freedom. At the very least, it demands a correlatively high degree of responsibility from those who possess such vast power to destroy as well as to create.

But all of us, whether our power be great or small, would do well to ponder what was recently said by Mr. Henry Ford 2d:

"Morality is not just avoiding price-fixing or conflict of interest. Obedience to the law is not enough. The law is negative. It tells us only what we must not do. As Crawford Greenewalt, president of Du Pont, has suggested, we in industry must be concerned more specifically with 'obedience to the unenforceable—the things we do not because they are required but because they are right. This strength is more potent and compelling than the law.' "

We hear a good deal of talk nowadays that businessmen find it hard to comply with the antitrust laws because of uncertainty and doubt as to what the laws prohibit. I commend to your attention a statement made to the Federal Trade Commission on April 30, 1915, by Mr. Louis D. Brandeis before his appointment to the bench:

"Now, I do not believe * * * that the difficulty for the businessman is nearly as great as he imagines it to be. I have been at times counsel for a few trusts. The president of one of the largest of them, when we were discussing the law some 4 or 5 years ago—and he was full of his attacks against the Sherman law—said to me, 'Now, you have been speaking in favor of this Sherman law, and I have been going around and trying to find out what I can do, and I can't get any advice as to what I can do.' And he said, in rather a pleasant enough way, but in certain ways rather sneering, 'Perhaps you can advise me.' I said, 'I can advise you perfectly, but it is a question what advice I can give you. If you ask me how near you can walk to the edge of a precipice without going over, I can't tell you, for you may walk on the edge, and all of a sudden you may step on a smooth stone, or strike against a little bit of a root sticking out, and you may go over that precipice. But if you ask me, how near you can go to the precipice and still be safe, I can tell you, and I can guarantee that whatever mishap comes to you, you will not fall over that precipice. * * * You must not expect from the Sherman law any more than you do from any other law you are dealing with. You must not expect that you can go to the verge of that law without running any risks. Why should you? You do not in any other relation of life that I know of."

I think you will agree that Mr. Brandeis' remarks are just as timely today. In sum, let me put this to you: If perchance the antitrust and other laws administered by the Federal Trade Commission—though, to some, they seem burdensome and difficult to live with—were suddenly to be erased from the statute books, there would be an immediate and overwhelming demand from the public, including almost all segments of business, for new laws to take their place. I suggest to you that we would be fortunate indeed if the new laws were as good as those now on the books.

We should join, therefore, in a common determination to help the regulatory agencies fulfill the important functions for which they were created.

Consider the Federal Trade Commission. Woodrow Wilson envisaged it "as an instrumentality for doing justice to business where the processes of the courts or the natural forces of correction outside the courts are inadequate to adjust the remedy to the wrong in a way that will meet all the equities and circumstances of the case." In a notable opinion (*FTC* v. *Gratz*, 253 U.S. 421, 435), Mr. Justice Brandeis, after noting that the Commission represented a new experiment on old lines in dealing with monopoly and unfair trade practices, stated:

"The task of the Commission was to protect competitive business from further inroads by monopoly. It was to be ever vigilant. If it discovered that any business concern had used any practice which would be likely to result in public injury—because in its nature it would tend to aid or develop into a restraint of trade—the Commission was directed to intervene, before any act should be done or condition arise violative of the Anti-Trust Act. * * * Its action was to be prophylactic. Its purpose in respect to restraints of trade was prevention of diseased business conditions, not cure."

Today the Commission is no longer a new experiment. The Commission, more than 46 years old, cannot be regarded as a small child whose afflictions can be excused along with growing pains. It is a going concern, elaborately organized into bureaus, divisions, sections and field offices, with an annual budget of more than $8 million and a staff of more than 800 men and women. I should doubt, however, that any dispassionate observer would say that, in preventing diseased business conditions, the Commission has fully realized the hopes of Wilson, Brandeis, and the other statesmen who presided over its birth.

I don't think it would serve any useful purpose to recount here the long, and somewhat disappointing history of the Federal Trade Commission's activity—or, if you will, inactivity. I should prefer to look to the opportunities of the present and the future, not those that may have been neglected in the past. And it is certainly true that, to the extent the Commission has failed to make the impact on our economy that its Founding Fathers hoped for, the causes of failure are largely to be found in conditions and circumstances for which it cannot be held solely accountable.

The administrative process generally is passing through a period of crisis. New stresses and strains are increasingly being put upon it. The country is growing by leaps, and the responsibilities of Government have multiplied correspondingly. The Federal Trade Commission, also, must raise its sights. I have already mentioned the growing concentration of economic power, particularly in the basic industries. Standards of truth in advertising are appallingly low. The Commission's workload is increasing. It needs more basic policy planning, so as to allocate its limited resources most effectively. The woods should not be missed because there are so many trees. There are inordinate delays in the disposition of the Commission's business. The Commission should concentrate more on industrywide reforms, rather than on ad hoc formal litigation of isolated cases. Its functions should complement, not overlap, those of the Department of Justice.

Under the energetic leadership of its present Chairman, Mr. Paul Rand Dixon, the Commission is directing its attention to these urgent matters.

The problems of the regulatory agencies, as you know, are occupying the attention of the President, the Congress, the legal profession, and scholars, and the agencies themselves. Many proposals, general, and specific, are under consideration, and I shall not take the time to detail them here. I should like, rather, to emphasize the broad areas where, in my view, the reforms, particularly in relation to the Federal Trade Commission, are to be sought and found. In short, I think we should adhere more closely to the original design of the Commission as an agency of law applying the rule of law in all its implications. I would lay stress on two fundamental factors: (1) The nature of the tribunal; and (2) the procedures for disposition of its business.

The confidence of our people in legal institutions is derived ultimately from the integrity, high-mindedness, and sense of disinterested responsibility which are the prime qualifications of a judge or administrator. Never more than today must these qualities of character be infused in those who govern us. In 1778 John Adams wrote into the Massachusetts Declaration of Rights that "it is essential to the preservation of the rights of every individual, his life, liberty, property, and character, that there be an impartial interpretation of the laws, and administration of justice. It is the right of every citizen to be tried by judges as free, impartial, and independent as the lot of humanity will admit."

Today, almost two centuries later, that remains our ideal. Are we closer now to attaining it? I'm not sure that we are, but it makes a difference, perhaps all the difference in the world, how intensely we hold and cherish our ideals. The high moral tone of President Kennedy's administration has brought about a reinvigoration of government at all levels. The spirit of his inaugural address has communicated itself to the public service and has created a new mood and determination in dealing with problems of government.

In his message to Congress on the regulatory agencies, for example, the President recognized that the way to begin was to find the right men. He said:

"No amount of reorganization or new procedures can be effective without, or substitute for, high quality personnel in charge of these agencies. No other single step can accomplish as much.

"I shall continue to pursue that policy as the occasion demands, drawing from within and without the Government men of competence and imagination, who are anxious to further the ideals and goals that the Congress has formulated."

There has been much discussion recently of expertness in the administrative agencies—and exactly how much, or how little, can actually be found. But surely the solution to the problems besetting the administrative agencies is not to be found by searching for expertness. The broad responsibilities and policy judgments entrusted to the Federal Trade Commission cannot be left to narrow technicians, whether they be economists or lawyers. In his book on "The Administrative Process," published in 1938, Dean Landis, referring to the enormous range of the Commission's jurisdiction, said:

"Expertness may well be expected to give answers to some of these questions * * *. But to assume that any 5, 10, or 20 men have the ability to acquire, within their brief official lifetime, the expertness to comprehend the full range of our industrial problems, from aluminum to zinc, is once more to put our trust in supermen."

The same prescience was shown by Mr. Gerard C. Henderson in his book on the Federal Trade Commission which, though written in 1924, is still the most scholarly and penetrating analysis of its work:

"In the long run, and until current ideals of public service change very radically, it cannot be expected that a Government Commission, paying modest salaries and exposed to the vicissitudes of political life, can command the services of those supermen whose decisions are always made of the substance of justice and wisdom, and who can scorn the adventitious aids of a correct formal procedure. The science of administration owes its being to the fact that most Government affairs are run by men of average capabilities, and that it is necessary to supply such men with a routine and a readymade technique, and to confine them to a formal procedure which may indeed at times clip the wings of genius, but which will serve to create conditions under which average men are more likely to arrive at just results" (p. 328).

Mr. Henderson's insight—that the administrative process, to be fair and effective, must be devised with a view toward those who will operate it—has great value for us today, and I shall return to this point in a few minutes.

What are the other qualities to be sought in an administrator? Independence, of course, is a prime requisite. In the famous *Humphrey* case (295 U.S. 602, 625–26), the Supreme Court said of the Federal Trade Commission that it "is to be nonpartisan; and it must, from the very nature of its duties, act with entire impartiality. It is charged with the enforcement of no policy except the policy of the law. * * * [it was] the congressional intent to create a body of experts who shall gain experience by length of service—a body which shall be independent of executive authority, except in its selection, and free to exercise its judgment without the leave or hindrance of any other official or any department of the Government."

Mr. Henderson spelled this idea out a bit more (p. 327): "Primarily, of course, impartiality and fair-mindedness are personal qualities. There are men who can preserve a detached and judicial point of view, however much their relation to the controversy may draw them toward one side or another. There are other men who become bitter partisans at the first opportunity, although every condition of formal impartiality has been carefully observed. In any problem of administration, these personal factors are in reality far more important than the questions of form and procedure."

Joseph B. Eastman, one of the great civil servants in American history, perhaps said it all on the occasion of the 25th anniversay of his appointment as a member of the Interstate Commerce Commission: "Good men can produce better results with a poor law than poor men can produce with a good law."

The problem of finding and keeping competent personnel is not, of course, confined to the level of agency members. A regulatory body is no better than the people on its staff. In his report to the President, Dean Landis observed that "the prime key to the employment of the administrative process is the selection of qualified personnel. * * * As long as the selection of men for key administrative posts is based upon political regard rather than competency, little else that is done will really matter."

To attract competent people to the public service, we must select and promote them on the basis of merit alone; we must offer them challenge and responsibility; we must treat the people's servants with the respect that their high calling deserves; and, as a bare minimum, we owe them a living wage. (In this regard, we can learn a lot by looking to England, which has a civil service excelled by none.) Those who complain how our agencies are staffed should ask themselves whether they do not bear a measure of responsibility. We cannot bewail the low caliber of our civil servants and at the same time maintain the conditions which make it so difficult for government to secure competent people.

Then there is the matter of ethics in government. The President has submitted a message to the Congress on this subject, with recommendations for legislative and administrative actions designed to raise moral standards in the handling of the public's business. These actions must and doubtless will be taken. But none of us should degrade conscientious public officials by subjecting them to improper pressure or influence, political and otherwise. If a person has a problem with an agency, he or his lawyer should go to the responsible officials—and without the aid or intervention of a political fixer or operator. If improper pressure is constantly put on an agency or its officials, how can one be surprised if it makes its decisions on a meretricious basis? In the long run, all of us will be better off if we allow the agencies to act on the basis of law and principle.

Another important facet of the problem was emphasized by President Kennedy in his message to the Congress on ethics in Government: "* * * public officials are not a group apart. They inevitably reflect the moral tone of the society in which they live. And if that moral tone is injured—by fixed athletic contests or television quiz shows—by widespread business conspiracies to fix prices—by the collusion of businessmen and unions with organized crime—by cheating on expense accounts, by the ignoring of traffic laws, or by petty tax evasion—then the conduct of our Government must be affected. Inevitably, the moral standards of a society influence the conduct of all who live within it—the governed and those who govern."

Elsewhere, the President has stated: "I have tried to make the whole tone and thrust of this Office and this administration one that will demand a higher standard of excellence from every individual in his private life."

This higher standard of excellence is one to which all of us, in and out of Government, must repair.

To return to the point that Dean Landis and Gerard Henderson made: The administrative procedures we adopt, to be realistic and effective, must take into account the weaknesses, as well as the strengths, of those to whom they will apply. While we should do our utmost to secure the best people for the agencies, inevitably they will not be supermen. They will still have all the frailties to which the flesh is heir. That is the basic reason, historically, for strict insistence on compliance with the basic requirements of fair procedure implicit in due process of law. The history of liberty, as the Supreme Court has frequently had to remind us, has largely been the history of observance of procedural safeguards.

The rule of law, as applied to administrative adjudication, makes certain minimum demands, beyond an independent, unbiased tribunal: full notice in advance of the nature of the controversy; a procedure giving fair opportunity for a party to present evidence in support of his case, to confront and cross-examine witnesses, and to argue the credibility, weight, and relevance of the evidence; and a reasoned judgment according to law, not the will of the tribunal, based solely on the record and not dictated or influenced from without.

There is much concern these days, and rightly so, about the incredible delays in administrative proceedings. A man is entitled to a day in court—but, too frequently in agency proceedings, the day stretches into years and even decades. There is nothing inherent in the administrative process that requires proceedings not to be conducted with all deliberate speed. (Whatever the explanation, surely it should not take 16 years to enter a final order deleting the word "liver" from the name of a brand of "little pills.") The causes for delay are not too hard to find. To be sure, in many cases the issues are complicated and cannot be determined without broad factual inquiry. This is also true, for example, of the big antitrust cases tried in the Federal courts. But the courts have not sat idly by, watching the problem getting worse without doing something about it.

One of the reasons for the establishment of administrative agencies was to get away from what were believed to be the technicalities and rigidities of the judicial process. It was thought that the agencies could and would be more flexible, imaginative, and resourceful in devising efficient and expeditious procedures. It is ironic, and almost funny, that the converse has turned out to be true. The Federal courts have faced up to the problem of delay and have acted forthrightly to remedy it. The agencies, on the other hand, seem by comparison to have been stricken with rigor mortis.

The Federal judges, becoming increasingly concerned over the handling of so-called big cases, appointed a study group, which submitted a comprehensive report to the Judicial Conference of the United States, along with numerous recommendations for procedural changes. The report, adopted by the Judicial Conference last year, stated:

"The chief faults causing the difficulties in protracted cases were easily uncovered. They were (1) lack of central control, so that issues were cloudy, examination and cross-examination meandering and proffered material unlimited; (2) inadequate organization of personnel and material prior to the beginning of formalities, an absolute essential to any successful performance involving numbers of people or masses of materials; (3) lack of an overall plan for proceeding; and (4) an obstinate adherence to the possible use of surprise as a tactic, a tactic obviously impossible in proceedings such as these. Time and thought have yielded suggestions for remedies. These are in this handbook."

These causes of delay, and the proposals for eliminating them, would seem to be no less relevant to administrative adjudication. I have been dismayed to find, for example, that at the Federal Trade Commission, and it may also be true of other agencies, there has developed the practice of so-called peripatetic hearings and hearings at intervals. A hearing is treated as a kind of continuing investigation which sometimes proceeds at a relaxed, even languorous pace, interrupted from time to time by recesses lasting weeks, months, or even years. Perhaps I am only

revealing my own inexperience in the ways of agency practice, but I am bound to say that this seems to me an Alice-in-Wonderland way to try a lawsuit.

I do not think it is naive or impractical to suggest that agencies should show as much determination, resourcefulness, and enterprise in dealing with the problem of delay as the courts have. Nor does it seem unrealistic to urge that full investigations should come before, not after, the complaint is issued and the case is heard; that the issues should be defined in advance of the hearing; that the hearing is not a contest between opposing counsel to determine the "winner," but is an inquiry for the ascertainment of truth; that, to achieve that objective, the examiner should actively preside, guide, and firmly control the proceedings, and not simply sit there as a passive onlooker or moderator; that full use should be made of prehearing procedures designed to simplify the issues and expedite presentation of evidence; that a case should be proved only once, not many times over, and that the examiner should prevent the record from becoming cluttered with extraneous or only remotely relevant matter; and that the hearing should be held at one place and, once begun, should proceed to its conslusion without suspension or interruption, except for the usual kind of short recess incident to a judicial proceeding.

There are reasons to expect that progress in these matters will be made. One is the President's issuance of an executive order establishing the Administrative Conference of the United States and his designation of Judge Prettyman as chairman. Another is the President's recent message to Congress on the regulatory agencies and his direction to the agencies to take immediate steps to reduce delays and excessive workloads. And the Federal Trade Commission, I am glad to report, is now in the process of reexamining and revising its rules of procedure to achieve maximum expedition in the handling of cases.

But there are no panaceas or talismanic formulas that will achieve perfection overnight. Improvement of the performance of the regulatory agencies will require continuing, unremitting endeavor. There is much to be done but, if I may quote the President again, "Let us begin."

The sum and substance of what I have been trying to say here this afternoon was expressed very well by Judge Prettyman in 1959 at the University of Virginia Law School. Let me conclude by reading this excerpt from his remarks: "* * * a government administrative officer ought always to have in the forefront of his thought his sole function, with all the duties, the obligations, the limitations, the glories, and the frustrations embodied in that lone duty. The function of an administrative agency is the administration of law—no more, no less. It has no other function. It has no other power. It has no other duty. It is circumscribed, restricted, bound by that proposition. * * * If I had my way with the administrative agencies I would have the assembled staff roar each morning in unison, 'The operation of this agency is the administration of law.' If they knew that basic theorem and kept it in mind every day in every task, they could easily figure out the rest of it."

Mr. FASCELL. Mr. Chairman, I move that the Committee do now rise and report the resolution back to the House with the recommendation that the resolution be not agreed to.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. SMITH of Mississippi, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H. Res. 305) disapproving Reorganization Plan No. 4 transmitted to Congress by the President on May 9, 1961, he reported the resolution back to the House with the recommendation that the resolution be not agreed to.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That the House of Representatives does not favor the Reorganization Plan Numbered 4 transmitted to Congress by the President on May 9, 1961.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. ANDERSON of Illinois. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were yeas 178, nays 221, not voting 38, as follows:

[Roll No. 89]

YEAS—178

Adair	Devine	McVey
Alford	Dole	MacGregor
Alger	Dominick	Mailliard
Andersen, Minn.	Dooley	Martin, Mass.
Anderson, Ill.	Dowdy	Martin, Nebr.
Arends	Durno	Mason
Ashbrook	Ellsworth	Mathias
Ashmore	Fenton	Meader
Auchincloss	Fisher	Merrow
Avery	Ford	Miller, N.Y.
Ayres	Forrester	Milliken
Baker	Frelinghuysen	Minshall
Baldwin	Fulton	Moorehead, Ohio
Barry	Garland	Morse
Bass, N.H.	Gathings	Mosher
Bates	Glenn	Natcher
Battin	Goodell	Nelsen
Becker	Goodling	Nygaard
Beermann	Griffin	O'Konski
Belcher	Gross	Osmers
Bell	Gubser	Ostertag
Bennett, Fla.	Haley	Pelly
Bennett, Mich.	Hall	Pilcher
Berry	Halleck	Pillion
Bolton	Halpern	Pirnie
Bow	Harrison, Wyo.	Poff
Bray	Harsha	Quie
Bromwell	Harvey, Ind.	Ray
Broomfield	Harvey, Mich.	Reece
Brown	Herlong	Rhodes, Ariz.
Broyhill	Hiestand	Riehlman
Bruce	Hoeven	Riley
Byrnes, Wis.	Hoffman, Ill.	Rivers, S.C.
Cahill	Hoffman, Mich.	Robison
Chamberlain	Horan	Roudebush
Chelf	Jensen	St. George
Chenoweth	Johansen	Schadeberg
Chiperfield	Jonas	Schenck
Church	Judd	Scherer
Clancy	Kearns	Schneebeli
Collier	Keith	Schweiker
Colmer	King, N.Y.	Schwengel
Conte	Knox	Scott
Corbett	Kunkel	Scranton
Cramer	Kyl	Seely-Brown
Cunningham	Landrum	Short
Curtin	Langen	Shriver
Curtis, Mo.	Latta	Sibal
Dague	Lindsay	Smith, Calif.
Davis, James C.	Lipscomb	Springer
	McCulloch	Stafford
Derounian	McDonough	Taber
Derwinski	McIntire	Teague, Calif.
Thomson, Wis.	Weaver	Williams
Tollefson	Weis	Wilson, Calif.
Tupper	Westland	Wilson, Ind.
Utt	Whalley	Winstead
Van Pelt	Wharton	Younger
Van Zandt	Whitten	
Wallhauser	Widnall	

NAYS—221

Abbitt	Green, Pa.	Moulder
Abernethy	Griffiths	Multer
Addabbo	Hagan, Ga.	Murphy
Addonizio	Hagen, Calif.	Murray
Albert	Hansen	Nix
Alexander	Harding	Norblad
Andrews	Hardy	O'Brien, Ill.
Anfuso	Harris	O'Brien, N.Y.
Aspinall	Hays	O'Hara, Ill.
Baring	Healey	O'Hara, Mich.
Barrett	Hébert	Olsen
Bass, Tenn.	Hechler	O'Neill
Beckworth	Hemphill	Passman
Blatnik	Henderson	Patman
Boggs	Holifield	Perkins
Boland	Holland	Peterson
Bolling	Holtzman	Pfost
Bonner	Huddleston	Philbin
Boykin	Hull	Pike
Brademas	Ichord, Mo.	Powell
Breeding	Ikard, Tex.	Price
Brewster	Inouye	Pucinski
Brooks, La.	Jarman	Rabaut
Brooks, Tex.	Jennings	Randall
Buckley	Joelson	Reuss
Burke, Mass.	Johnson, Calif.	Rhodes, Pa.
Burleson	Johnson, Md.	Rodino
Byrne, Pa.	Johnson, Wis.	Rogers, Colo.
Cannon	Jones, Ala.	Rogers, Fla.
Carey	Jones, Mo.	Rogers, Tex.
Casey	Karsten	Rooney
Celler	Karth	Rostenkowski
Clark	Kastenmeier	Roush
Coad	Kee	Rutherford
Cohelan	Kelly	Ryan
Cook	Keogh	St. Germain
Cooley	Kilday	Santangelo
Corman	Kilgore	Saund
Curtis, Mass.	King, Calif.	Selden
Daddario	King, Utah	Shelley
Daniels	Kirwan	Shipley
Davis, John W.	Kitchin	Sikes
Davis, Tenn.	Kluczynski	Sisk
Dawson	Kornegay	Smith, Iowa
Delaney	Kowalski	Smith, Miss.
Dent	Lane	Smith, Va.
Denton	Lankford	Spence
Dingell	Lennon	Staggers
Donohue	Lesinski	Steed
Dorn	Libonati	Stephens
Downing	Loser	Stratton
Doyle	McCormack	Stubblefield
Dulski	McDowell	Sullivan
Edmondson	McFall	Taylor
Elliott	McSween	Teague, Tex.
Everett	Macdonald	Thomas
Evins	Machrowicz	Thompson, La.
Fallon	Mack	Thompson, Tex.
Farbstein	Madden	Thornberry
Fascell	Mahon	Toll
Feighan	Marshall	Trimble
Finnegan	Matthews	Tuck
Flood	Miller, Clem	Udall
Fogarty	Miller, George P.	Ullman
Fountain	Mills	Vanik
Frazier	Moeller	Vinson
Friedel	Monagan	Walter
Gallagher	Montoya	Watts
Garmatz	Moorhead, Pa.	Whitener
Gary	Morgan	Wickersham
Giaimo	Morris	Willis
Gilbert	Morrison	Yates
Granahan	Moss	Zablocki
Gray		Zelenko

NOT VOTING—38

Ashley	Harrison, Va.	Rivers, Alaska
Bailey	Hosmer	Roberts
Betts	Kilburn	Roosevelt
Blitch	Laird	Rousselot
Burke, Ky.	McMillan	Saylor
Cederberg	Magnuson	Sheppard
Diggs	May	Siler
Findley	Michel	Slack
Fino	Moore	Thompson, N.J.
Flynt	Norrell	Wright
Gavin	Poage	Young
Grant	Rains	
Green, Oreg.	Reifel	

So the resolution was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Moore for, with Mr. Roosevelt against.

Mr. Hosmer for, with Mr. Harrison of Virginia against.
Mr. Reifel for, with Mr. Rivers of Alaska against.
Mrs. May for, with Mr. Burke of Kentucky against.
Mr. Rousselot for, with Mrs. Green of Oregon against.
Mr. Slack for, with Mr. Sheppard against.
Mr. Michel for, with Mr. Ashley against.
Mr. Laird for, with Mr. Thompson of New Jersey against.
Mr. Betts for, with Mr. Magnuson against.
Mr. Kilburn for, with Mr. Rains against.
Mr. Gavin for, with Mr. Diggs against.
Mr. Kilburn for, with Mr. Rains against.
Mr. Fino for, with Mr. Roberts against.

Until further notice:

Mr. Wright with Mr. Cederberg.
Mr. Flynt with Mr. Siler.
Mr. Bailey with Mr. Saylor.

The result of the vote was announced as above recorded.

The doors were opened.

COMMITTEE ON RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, at the request of several Members on this side of the aisle, I object.

Mr. McCORMACK. Mr. Speaker, will the gentleman withhold his objection for the moment?

Mr. GROSS. Yes.

Mr. McCORMACK. Mr. Speaker, I might say simply that if a rule is reported out on the housing bill, the gentleman's objection will preclude its being brought up tomorrow, in which event it will be programed for Thursday and will continue until the bill is disposed of.

Mr. GROSS. I understand.

Mr. McCORMACK. Very well; it is the gentleman's own responsibility.

Mr. Speaker, I am putting on notice that if a rule is reported out and we are unable to bring it up tomorrow, I am programing the bill for Thursday, and consideration of the bill will continue the rest of the week until it is disposed of.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, I object.

POSTPONEMENT OF CERTAIN LEGISLATIVE ACTION JULY 3 AND 4 TO JULY 10

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that motions to suspend the rules, in order on Monday, July 3, be transferred to Monday, July 10; that the call of the Consent Calendar, in order on Monday, July 3, be transferred to Monday, July 10; and that the call of the Private Calendar, in order on Tuesday, July 4, be transferred to Monday, July 10.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HONORARY DEGREES AWARDED HON. JOHN E. FOGARTY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend the remarks I made in Committee of the Whole today with reference to our friend from Rhode Island [Mr. FOGARTY], and to include therein copies of three citations in connection with honorary degrees he received; also that all Members desiring to do so may extend their remarks at that point in the RECORD; and also that all Members have 5 legislative days in which to extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE FARM PROBLEM

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from South Dakota [Mr. BERRY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BERRY. Mr. Speaker, the Agriculture Committees in both the House and the Senate are holding hearings on one of the most highly publicized pieces of farm legislation in many years. The bill is entitled "The Agriculture Act of 1961"; across the country it has become known as the omnibus farm bill; in Washington it is called the Freeman-Cochrane farm bill. Officially, it is H.R. 6400 and S. 1643.

The bill has been publicized as an authorization for the farmers of America to write their own agriculture legislation by electing an advisory committee in each commodity group, which committee will write the law dealing with that commodity.

The serious truth is the advisory committee is appointed by the Secretary of Agriculture from a list of names submitted to him. The bill says "the Secretary shall consult and advise with such committee." But with or without their advice the Secretary writes the law. The so-called law is then submitted to Congress and must be affirmatively rejected by Congress within 60 days after its submission. If it is not affirmatively rejected, the program becomes law subject to referendum.

The Constitution provides that Congress and Congress alone is vested with the legislative authority. This bill would vest the legislative authority in the executive branch of government.

The Washington Newsletter of the National Farmers Union of June 9, 1961, echoed the defense of the argument for the Secretary of Agriculture to legislate, when they said:

> Although this procedure has been followed for years without crumbling the Republic, in the case of reorganizations of the executive branch, opponents have shouted that it is unconstitutional for farm programs.

This argument was completely discredited on the floor of the House June 15, 1961, when the House rejected Reorganization Plan No. 2 of 1961. Representative OREN HARRIS, of Arkansas, said in part:

> I yield to no one in my determination to see that these agencies remain independent agencies of the Government and arms of the Congress of the United States.

Later he said:

> In my judgment, that deals with basic, fundamental policy and I think it is intended that such a change in basic policy should be considered by the regular legislative committee in the regular, ordinary way. (See CONGRESSIONAL RECORD, p. 10455:)

The Reorganization Act applies, as Representative HARRIS pointed out, to regulatory bodies which serve as an arm of Congress, the legislative branch, and not the executive branch. The Secretary of Agriculture is part of the executive branch as established by the Constitution.

Speaker SAM RAYBURN clinched the argument by saying:

> My objection to this reorganization plan is that it attempts by a reorganization plan to amend the fundamental law in the Communications Act. I think that is a function of the Congress, and I think the gentleman from Arkansas believes something ought to be done about it, but he does not think it ought to be done in this way, and I do not either. (See CONGRESSIONAL RECORD, p. 10456.)

In other words, Speaker RAYBURN is saying that legislation is the function of the Congress and that to amend or change fundamental law is the sole function of Congress and the committees of Congress. The authority to "veto" is not legislating.

The bill would also provide complete credit needs for agriculture, supplanting the functions and purpose of the banking industry in the Midwest.

More serious than all of these objections, however, are the sections dealing with the establishment of "National Marketing Quotas" and the establishment of "Total Supply." In establishing each, the bill would require the Secretary to take into account first, the estimated carryover at the beginning of such marketing year; second, the estimated imports during such marketing year; and, third, the estimated production of the commodity.

In other words, with the possible exception of sugar, this is the first time in the history of agricultural legislation when the American farmer is being legally deprived of his production acreage and required to "move over" and make room for his foreign agricultural competitor.

There is not one word in the bill which proposes in any way to limit competitive agricultural imports. Quotas are established, but those quotas will only be enforced against the American producer. The foreign producer is in no way limited from flooding the American market with agricultural imports, which in fact this bill invites.

THE PROBLEM

The farmer has seen a growing bureaucracy taking more and more control over what he can plant and the acreage he can use, and tinkering with his market price.

While he has been told by the politicians that the cutbacks and controls are designed to bolster his income, he knows the program has failed when he looks at his bank account and the growing mortgage on his plant.

The U.S. Department of Agriculture spent $8.127 billion in 1960. The payroll covered a total of 81,751 man-years. Department officials, putting on their best "bib and tucker" when they came before Congress, told us this year that they got back more than $1.648 billion from the sale of farm commodities. Then they say that services the Department performs for agriculture, like the services the Department of Commerce performs for business and like the Labor Department performs for the U.S. workingman, cannot be charged to farm support programs any more than the school lunch and milk programs can. They amounted to another $1½ billion.

They add that our foreign relations and military programs, using money and surplus commodities, amounted to another $1½ billion. The conservation program still cost $237 million; the soil bank cost $324 million; payment, allotment, and marketing-quota programs cost $207 million; and the Commodity Credit Corporation lost $1.5 billion in commodity loan and purchase programs.

Using the Department's own "charge-off to other uses" system, they still show that the taxpayers in 1960 fiscal year paid $4 billion for farm subsidies. While that money was being paid out in loans and payments and to put American production into expensive storage, with other money spent to give it away for school lunches, relief, and foreign aid, look what else was happening. The United States imported $4 billion worth of farm products.

During the past 10 years, farm programs have cost the taxpayers $25.75 billion. During that same period we imported agricultural products valued at nearly $42 billion. While this was going on, we piled up in Government storage, according to the latest figures, a record 1.1 billion bushels of wheat, 1.4 billion bushels of corn, 2.6 million bales of cotton, 2 million pounds of tobacco, and about 336 million pounds of butter, cheese, and dried milk, to name some of the major items. Those are valued in Government inventory at $5.8 billion.

Those kinds of figures give us pause in Congress when we are called upon to vote for a new farm bill or new foreign trade legislation. The administrations of Presidents Truman and Eisenhower were so involved in postwar foreign policy programs to strengthen our allies and build a strong defensive ring around the Communist bloc countries that our foreign-trade program has gotten completely out of balance with our domestic farm price support program.

When the United States emerged from World War II as leader of the free world, emergency trade programs were tools badly needed at the time. But it is time now for these programs to face a realistic appraisal in the light of foreign economic recovery.

We do not have a domestic farm surplus problem today, we have an import problem which subsidies to the American farmer will not solve. No amount of money spent to fix minimum prices for U.S. farm products will do the job when American markets are left open to imported products from the low-labor-cost foreign countries.

FARM LEGISLATIVE HISTORY

Present type farm programs started with Henry Wallace as Secretary of Agriculture, using first, acreage and production controls to create a planned scarcity, thereby forcing prices up in the marketplace; and, second, Government purchase and storage of surpluses.

That theory was not working too well when agriculture—as well as the rest of our depression-ridden economy—was bailed out by the outbreak of World War II.

The Government set guaranteed prices for commodities and promised further that when war ended these prices would not be suddenly chopped back. The American farmers switched production on millions of acres, rangeland was converted to cultivated cropland, resulting in a magnificent production effort, in some crops, far beyond the needs of this Nation in times of peace.

The war effort called for production of staple transportable and storable commodities, so much of the heavy new investments and new crop acreages went into the so-called basic commodities such as cotton, corn, wheat and the like.

After the war was over, the Government lived up to its promise to continue supporting these basic commodity prices and strange things began to happen to the "balance" in our domestic farm production situation. It became more profitable for the farmer to sell his corn to the Government at a fixed price than to feed it to hogs, which then had to be sold on a nonsupported market. The corn went into Government storage.

Simultaneously the Nation was awakening to its new responsibilities in world reconstruction. With the necessity of building strong economies in the friendly nations—under the new threat of international communism—we began slashing American tariffs by international agreements. Foreign products began to take over more and more of our markets while our products went into Government storage.

Congress began to study the problem again but approaching it from a viewpoint of maintaining prices by curtailing production, it became just a patchwork affair tacked onto the old programs. And with the role of world leadership being new to both Congress and the administration, they failed to coordinate the foreign policy and trade programs with the farm programs.

Outbreak of war in Korea brought new demand and higher prices, postponing the showdown on these issues that had been shaping up in 1950. In 1954 with an uneasy truce in Korea, Secretary Benson's plan for flexible price supports ranging as low as 65 percent of parity ran headon into the unyielding opposition of congressional farm leaders who did not believe the economy would be served by drastic farm price cuts.

Since 1954 the Democrats have had control of Congress, and with a Republican President from 1953 to January 1961, we saw one of the strangest periods in political history, as it affects agriculture. Secretary Benson and the Agriculture Committees of Congress were at loggerheads on every major issue. The Secretary was unable to get his proposals through Congress. Bills brought out by the committees generally faced bitter administration opposition and certain veto if they were not changed by Congress as a whole.

PROBLEM IS OVERSUPPLY

With a growing recognition of the circumstances involved, the politicians this year should be a little wary of crying out that our farm problem is one of overproduction. A check of the records clearly shows that this is not the case, that the problem instead is one of oversupply. At first glance these two terms may seem synonymous; actually, there is a vast difference.

Oversupply of agricultural commodities for our domestic economy can be caused by three things: First, excessive domestic production; second, excessive imports; and, third, a lag in exports. An economic analysis of the situation leads to a pretty definite conclusion that it is the latter two causes which provide the oversupply situation in the United States.

To illustrate this with simple figures, here are some things the Congress must face up to when they try to keep their promises to solve the problem with new farm laws and programs.

In 1960 we imported live, or the carcass equivalent of 1,504,000 head of beef, 1,341,000 head of hogs, 1,105,000 head of sheep and lambs. It is difficult to determine just how many acres are required to produce a beef, a hog, or a lamb on a national average basis.

My section of South Dakota is fairly typical, though, of the great wheat and livestock producing areas of the Nation. The Federal Government owns a considerable portion of that area. On their land they permit the grazing of 22 head of cattle per section per year, meaning a requirement of almost 30 acres per beef for natural grazing. It takes 2 years on the range to get the beef ready for the feedlot. That means 60 acres total grazing, then the production of many more acres of grain are needed to finish out that beef in the feedlot.

IMPORTS—IDLE ACRES

However, there are many areas where a beef can be produced on considerably less acreage, so consulting with some experts in the Department of Agriculture, I have set a conservatively low estimate, that nationwide it would require an average of 20 acres to produce a finished beef. That means that the imports of beef alone in 1 year have supplanted more than 30 million acres of production in the United States. The total national wheat allotment is only 55 million acres and we think we are in trouble on wheat. Give the American farmer the privilege of producing just the beef that goes onto the American tables and you have solved a large share of the problem.

The acreage supplanted by imported pork, lamb, and mutton is also very large. Last year we imported half our sugar supply, which the Department of

Agriculture estimates it would require 1,380,000 U.S. acres to produce if we had not imported it. But our domestic sugarbeet growers are under the strictest of production controls. For years we have been importing most of this sugar from Cuba at prices far above the world market. In 1959 that Castro-controlled country received the equivalent of a $178 million subsidy above world prices while the Government here was paying growers to keep land idle.

It is conservatively estimated that it would require the annual production of from 50 to 75 million acres to produce the wool that is imported for use in this country. In wool we have a real example of the impact of imports on our farm support programs. Prior to World War II this country produced 80 percent of the domestic consumption of apparel wool. After the war this country reduced its import duties on wool. By 1953, even with supports at 90 percent of parity and most of the U.S. wool going into Government storage, foreign competition had driven over 40 percent of American production out of existence.

The producers sought tariff protection from Congress. The President announced that he would veto any bill raising the wool tariff because it might interfere with our trade and relations with Australia and New Zealand. Congress adopted an alternate plan, allowing the American grown wool to be sold on the U.S. market at the price set by the imports. Then the Government pays the U.S. growers the difference. That one little item cost the American taxpayers $55 million last year—charged to farm subsidies, not foreign economic aid.

Much is made of the fact that we have in storage some 167 million bushels of barley, 268 million bushels of oats, costing us $20 million per year just to store. During the past 10 years we have imported 225 million bushels of barley and 310 million bushels of oats. Considering these figures, whose feed grain is being stored at the taxpayers' expense?

Of course, we cannot now suddenly cut off all foreign imports and live in this world today. But some commonsense can be brought into the program, working toward the day when the American farmer will at least have an equal opportunity to feed and clothe the American people. Then we will need no soil bank, no set aside, no payment in kind, no acreage controls, no Government loan or purchase subsidy program, and we can take the Government out of the farm commodity storage business.

Congress and the Nation must recognize the fact that while these excessive imports were pouring into this country and the taxpayer was spending billions for farm price supports, the net income of the American farmer continued to drop.

Weighing the domestic farm problem and the foreign relations problem, the Congress must make some determinations. How much of the American market is the American farmer entitled to? How much farm subsidy can and will the taxpayers continue to pay as an adjunct to foreign aid? Should we sacrifice American agriculture to the foreign producer as the omnibus farm bill proposes in view of the international situation and try to maintain our Nation's economic strength solely as an industrial Nation? In case we adopt the latter, may God help us in the event of war.

AGRICULTURAL EXPORTS

As to the third cause listed for an "oversupply" situation—a lag in exports—we face another hard fact of postwar world economics and foreign relations in this. Throughout our national history prior to World War II, America was an agricultural exporting Nation. This is no longer true. This fact is just catching up with us because we exported all we could spare during the war and very heavily in the world relief period following the war, with the Korean conflict hiding the true situation for another period of time.

Our first act to aid the free world nations after the war was to assist in getting their agricultural production rolling. We provided modern equipment, tools, seed and technical know-how to build their production for their own consumption and as the fastest way to provide them with products for international trade. We helped them build dams and develop irrigation projects. Soon these countries were taking advantage of their cheap labor to not only ship their products into the United States but to take over foreign markets to which we had traditionally exported. And you should hear the cries of "foul" when we try to sell or give away some of our surplus storage crops on foreign markets where these allies of the free world have now developed their own markets.

STRANGE EXPORT BUSINESS

Last year by using export subsidies of various kinds, our agricultural exports amounted to $4.5 billion. Even that figure came about to a large degree because our Government needed to get rid of its farm program stockpiles. We disposed of much of it by export under Public Law 480.

This law permits the Department of Agriculture to give part of it away in the form of foreign relief and to sell part of it in foreign countries accepting their soft currencies in payment and agreeing to spend the money in that country, not bring it back home. These countries then generally spend that money to build dams, power projects, highways, industrial plants—many of which are then turned over to American firms to operate—and other things that will help them produce more and compete better.

Of the $4.5 billion of agricultural exports last year, more than $1 billion was disposed of through Public Law 480—$2.2 billion received taxpayer subsidies through the Government selling their stocks at less than the market prices, and by export payments in cash or in kind and in short-term credits. Ocean transportation subsidies to get these commodities overseas cost another $110 million. The subsidy paid by the taxpayer amounted to more than 10 percent of total value.

Agricultural exports which are not gifts or which are not subsidized in one way or another are very small indeed. Yet the Government agencies use these subsidized export figures in calculating our trade balance while the Department of State claims we must keep our imports high to protect our farm export market.

We do not just have a lag in exports; we have almost a nonexistent market for legitimate exports because of the difference in the cost of production under the American standard of living and the standards of the low wage countries abroad.

Included in the cost-of-living figure is a tax upon the American farmer and consumer of $48 billion annually for defense. Defense of whom? The entire free world, including our agricultural competitors. This defense figure must be added to the cost of everything we produce and sell; it is not included in the cost of production by our competitors.

Worse than this, however, is the dollar differential. The American farmer takes a cow to the packinghouse. He receives a dollar bill which, because of inflation, will purchase only 48 cents' worth of wire, grass, tractor, automobile, and everything else needed by him to operate his farm. His foreign competitor imports and sells a cow at the same packinghouse, receives an American dollar bill which appears to be exactly like the one received by the American farmer, except that the foreign farmer can take his dollar bill to any International Bank in the world, demand and receive 100 cents' worth of gold from our gold deposits at Fort Knox.

The boys with the striped pants in the State Department may be able to figure out how this is fair competition, but the man in overalls on the tractor is beginning to wonder just how this adds up to equality of opportunity.

IDLE ACRES

The situation is very serious. Out of the 391 million acres of cropland in the United States, only 321 million acres produced harvests in 1960. There were some crop failures and some land laying idle for summer fallow, but most of this idle acreage was not in production because of economic conditions, and the U.S. Government was paying farmers to keep 23 million acres of it idle in the so-called Soil Bank. Too few people today realize that the Soil Bank has long-term contracts, running as far ahead as 1969. The taxpayers have already paid out approximately $2½ billion since 1956—including 1960—and are obligated, under existing rental agreements, to pay out another $1.7 billion before the contracts expire.

The Government is paying to keep 28½ million acres out of commodity production this year—up 5½ million from 1959—meaning there are no tenant farmers or farmworkers producing income from that land. Coupled with another 14 million acres idled because of the economic situation, you can see what this is doing to the economy in the small farming communities. The tractor salesman, the filling station operator, and even the tax collector are feeling the pinch. And the American taxpayer is footing quite a bill.

THE SOLUTION

Congress must face up to the facts of life. We cannot continue to drift aimlessly along hoping to solve all problems by simply dishing dollars out of the Federal Treasury. Congress must make a determination on the basic policy of how to give the American farmer a fair and first chance at the American market, then on how to bring our own distorted production picture into balance.

The welfare-staters know full well the American people will not surrender their God-given freedom except on the promise of something for nothing. They plan to completely break the farm market with imports and then through plans to be offered under H.R. 6400 and S. 1643 they will give the farmer the choice between high price supports with strict regulation and regimentation or no support with freedom of operation and freedom of sale on a market broken with cheap foreign imports and constant market breaking disposal of Government surpluses. Yes; the farmer will have the right to vote on the acceptance of the program, but as in the case of plebiscites held in certain other countries, if he wants to stay in business he is forced to vote "yah."

With the majority in Congress preferring not to tackle the real problems confronting agriculture, but being willing to just pitch cash at the problem hoping it will go away, there is little hope of anything constructive coming out of this session. It will be easier just to sit back and accept the welfare state. Maybe the next generation will be willing to fight its way back to freedom.

OFFICE OF EDUCATION DREAM

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. JOHANSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, a current U.S. Office of Education report sets some new records for bureaucratic arrogance and doubletalk.

The document is entitled "A Federal Education Agency for the Future." It is a blueprint for a grandiose expansion of the personnel, operating costs, programs, prestige, and power of this unit of the Department of Health, Education, and Welfare.

Empire building is nothing new for eager beaver bureaucrats and Government planners, but this report has its own special touch of brashness.

It develops much of its alleged case for the proposed expansion of the agency by, in effect, telling Congress what it—Congress—is going to do in the way of enlarging Federal intrusion in the field of education.

The report lists no less than 11 areas in which, it states, new or significantly expanded Federal assistance and activity in public education may be anticipated—all, of course, to be administered by this glorified, superduper agency.

The report gives top position on this list to Federal grants to States for elementary and secondary education. This is a presumptuous counting of chickens before they are hatched, with this very issue scheduled for debate and decision in the House within the next few weeks.

The report dogmatically proclaims as gospel the popular line of Federal aid advocates regarding "the substantial revenue resources available to the Federal Government as opposed to those available to the States and localities." A great many Members of Congress, worried about the $290 billion national debt, the administration's new multibillion dollar spending programs, and the prospect of a request for a $298 billion debt ceiling, do not accept this self-serving bureaucratic dictum.

One of the 11 items of anticipated expanding Federal activity is described as "Broadening of Federal interest in curriculum and improvement of instruction."

This serves to underscore the dangerous doubletalk involved in this report.

The usual perfunctory bows are made in the report to the principle of State and local control of education. The reassuring word is offered that "the center of gravity in American education rests well outside the Federal Government."

Yet the preponderance of the report points in an exactly opposite direction—including the reference to "Federal interest in curriculum."

For example, the report clearly relegates to the past "a society in which virtually all responsibility for the conduct of American education rested outside the Federal Government." Equally it describes in the past tense, and as something belonging to a past era, "a situation in which the directive force of American education resided in States, local communities, and autonomous institutions."

The report is too adroit to forthrightly acknowledge the objective of Federal control of education.

But the increasing responsibility of the Federal Government, in terms of direction, activity, leadership, assistance, and so forth is constantly stressed. So is the change in public conviction as to the role of the Federal Government in the area of education.

Clever words cannot—and do not—conceal the intention or the consequence. However described, it adds up to Federal domination of education in the areas of financial support and policy determination. And that is a Federal control.

The report, "A Federal Education Agency for the Future," is a clear notice to every Member of Congress that a vote for Federal aid to education is a vote for Federal control of education—and a vote to make the Office of Education bureaucrats' dream come true.

SOMETHING MORE VALUABLE THAN THE DOLLAR

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from South Dakota [Mr. BERRY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BERRY. Mr. Speaker, the brief remarks that I have to make today might well be titled "Hurrah For Our Team."

I refer to the two Americans from Seattle, Wash., who replied to a business proposal from Russia with a "No" that may be heard round the world.

I am so very grateful to this kind of American that it is difficult for me to limit my praise. They are not only courageous men but modest men, and I do not wish to embarrass them. Yet, they must be cited honorably for what they have done, not only to their own credit—but also because they are a symbol of our system. Men such as these abound throughout our country and supply its strength.

These are the two businessmen, suppliers to the lumber industry, who have declined what could have been a $600,000 order for machinery for shipment to the Soviet Union. The reason, given in the words of one of them, was that his company would have nothing to do with "giving aid and comfort to the enemy."

Mr. Speaker, I think we all owe a debt to the senior Senator from Wisconsin [Mr. WILEY], for calling to our attention June 14 this act. He referred to this deed in a speech on the Senate floor. It is clearly one of self-sacrifice on the part of Americans who rejected a profitable business transaction—a transaction that was perfectly legal and would have been sanctioned by our State Department—in order to avoid giving to the Communist world the "largest and most highly automatic sawmill in the world."

I have labeled this an act of self-sacrifice because I believe these men have the truest perspective of American destiny in this world and a recognition of their responsibility. For a company to turn down an order representing 10 percent of its normal annual business is proof indeed of putting principle before profit. Who among us would not want to increase our profitable business by that rate on the basis of a single order?

But I suggest, Mr. Speaker, that all Americans must adopt for themselves a standard of personal judgment for action based upon much more than immediate loss or gain. The long-term investment that each of us has in securing freedom for our children, our grandchildren, and, yes, men and women throughout the world, involves much more than an annual profit-and-loss statement.

The senior Senator from Wisconsin has made available for our reading an article from one of America's leading newspapers describing in detail the action of these two Americans, M. E. Hillman and Gordon B. Anderson. This story was also made available to the Senate by the senior Senator from Kansas [Mr. SCHOEPPEL].

One facet of this act of patriotism I think deserves special mention at this time. But first let me tell you briefly what happened. Let me summarize for those who have not had an opportunity to take note of these facts, what actually transpired. About a year and a half

ago, a survey of the 1,000 largest sawmills in the United States disclosed that 94 percent were interested in the development of automatic lumber sorting equipment, and that not less than 17,000 manhours a year could be saved in each of these sawmills by using such equipment to replace the manual sorting of lumber in such large mills. The effect of such a development on the price that consumers pay for this most excellent product of construction is obvious.

Just last spring the prototype of the new automatic sorting equipment was demonstrated at Seattle for our domestic and Canadian lumber producers. In September of last year it was demonstrated at the World Forestry Congress to 1,500 government and industry representatives from all over the world. Apparently the Soviets were sufficiently impressed to place an order with the developers of this equipment.

There is at present a tendency to tar all businessmen with a brush of unsavoriness. It takes the kind of action that these two businessmen pursued to demonstrate once again that there are in our business community men of principle and purpose, dedicated to a system of private enterprise—with conscience—that is the example for all the world to follow.

Let me use the words of Mr. Hillman and Mr. Anderson in their response to the Soviet order. Mr. Hillman wrote the following letter to the company through which the Russian order had been placed:

You have advised us of your decision to use the REDCO Magnestat Memory Control System for the six complete lumber sorting machines in an immense new sawmill you will be engineering for installation in the U.S.S.R. This represents to us attainment of a goal toward which we have been striving for the past 2 years.

The proposed mill will be the largest in the world, with a planned capacity of 1,500,000 board-feet per day and will be superior in its automation controls to any lumber mill in North America.

Your purchase order to us would be in the neighborhood of $150,000 which represents almost 10 percent of our annual volume and we would expect to gross in the neighborhood of $40,000 on that order.

We are nevertheless declining your offer even though the shipment of our control apparatus is perfectly legal and unrestricted by any State Department restrictions and at the same time fully realizing that somewhere, somehow, other controls can be purchased by you or by the U.S.S.R. to achieve some form of control which will do the job. Certainly not as well as our controls would do it, nor as reliably, nor as inexpensively. We also realize that our decision, while representing a noticeable loss in sales and earnings to our company, will only have the slightest impact on the total productive capacity of the U.S.S.R.

We at REDCO are unanimously convinced of the following facts:

The Russian Government has vowed innumerable times to achieve the ultimate destruction and elimination of democracy either by all-out warfare or by economic warfare. The result would be the same.

Daily, throughout the world in a relentless, predictable program we see Russia slowly but surely achieving that goal. Hungary, China, Tibet, North Korea, Vietnam, Laos. Next comes Formosa, South Korea, Japan, India, and their final victory by one means or another will be North America.

The one advantage we in North America have over the Communist bloc is our production know-how, and it was that single ability more than any one factor which brought about victory in World War I and World War II, and, at the moment, still insures our victory in world war III. To knowingly give away even the tiniest portion of that production superiority represented by the excellence of the Magnestat Control System would represent to us the admission of the inevitability of world domination by communism. To this we will never admit.

On his recent visit to Moscow, your representative was told by the Russian purchasing committee that they could not train enough technical people in the next 20 years to achieve the building of this tremendous lumber mill and were therefore purchasing North American technical know-how to close the gap from 20 years to 2 years. REDCO will have no part in handing this advantage to our sworn enemy.

Mr. Speaker, the perspective that these men have to me is amazing. Recognizing what they thought would be a limited impact of their action, they, nevertheless, adhered to their beliefs. Would that all Americans would heed their cry. Mr. Anderson of the Puget Sound Fabricators, Inc., responded in this way in a letter turning down the Russian offer:

We wish to thank you for inviting our company to make a proposal for six automatic lumber sorters utilizing our design.

We have, after considerable soul searching, come to the conclusion that because these sorters would be shipped to the U.S.S.R. for automation in what they propose to build as the largest automated sawmill in the world, exploiting the technical skills and knowledge of industry of North America, we cannot participate in this project.

It has been stated that the Russians recognize that they are many years behind in technical know-how in this particular industry. In the openly declared economic warfare which they have challenged us to, we believe that our cooperation would be little less than giving aid and comfort to an enemy, who hope to dominate our way of life.

We recognize that this action on our part will probably not be of too great an effect on this whole project and that we are eliminating a large potential source of business, but somewhere, and this seems to be the point, we must be willing to be counted as thinking of our own country's welfare before the dollar.

We believe that many Canadian and American mills will soon be installing this automatic equipment and we look forward to collaborating with you in Canada in keeping our countries the leaders in the lumber industry of the world.

It is my sincere hope that the courageous decisions of these two American businessmen—suppliers to the lumber industry—will be heralded by every believer in the integrity of man and the eternal spirit of freedom. This is the image of the American businessman—the product of America's private enterprise system. Our friends in Europe, in Asia, in Africa, in South America, yes, even in the Soviet Union, should note this American spirit. I offer my personal thanks in public to these two businessmen and commend to all Americans their earnest patriotic fervor.

Mr. Speaker, we should all applaud this action of these Seattle businessmen in dealing with this situation.

THE LATE GEORGE H. BENDER

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentlewoman from Ohio [Mrs. BOLTON] may extend her remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mrs. BOLTON. Mr. Speaker, on Sunday, June 18, 1961, one of the most colorful figures in Ohio politics, George H. Bender, former U.S. Senator from Ohio, passed away.

Born in Cleveland, Ohio, on September 29, 1896, he developed an early interest in and love for politics, which remained with him throughout his lifetime.

Mr. Bender was first elected to public office in 1920 when at the age of 24 he served his first of five consecutive terms in the Ohio Senate. During the period 1938 to 1954 he served seven terms as a Member of this House, representing the State of Ohio as Congressman at Large for six terms, and the newly created 23d District of Ohio in his last term as a Member of this body. In 1954 he was elected U.S. Senator to fill the unexpired 2-year term of the late Senator from Ohio, Robert A. Taft.

Mr. Bender was a vigorous and enthusiastic chairman of the Cuyahoga County Ohio Republican Party organization for many years, relinquishing this leadership upon his election as U.S. Senator in 1954. He served his party long and faithfully under extremely trying local political conditions.

As a Member of the House, and as U.S. Senator, he was a willing and effective servant of his constituents, and a courageous, forceful supporter of his party's legislative goals. The son of immigrant parents, Mr. Bender served his country, his State, his community, and his political party with a determination and devotion that will long be remembered by his many friends.

My sympathy goes out to his devoted wife who has long been loved by all the people of Ohio as well as to his two daughters.

OUR FOREIGN POLICY PROBLEMS FROM LAOS TO WEST BERLIN

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. FRELINGHUYSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, I should like to call attention to the first of a series of 10 articles by former Vice President Richard M. Nixon, now

appearing in newspapers across the country.

The first of these articles discusses our foreign policy problems from Laos to West Berlin. It offers, I believe, cogent thinking on these crucial problems. His views on other topics, I am sure, will be equally helpful and thoughtful regarding matters of current interest.

The article follows:

CONVINCE KHRUSHCHEV WE WOULD FIGHT FOR FREEDOM, NIXON SAYS

(First article in a series of 10 to be published in the coming year)

(By Richard M. Nixon)

It was all but inevitable that Premier Khrushchev would follow up the summit conference by precipitating a new Berlin crisis.

Things have been going too well for the Soviet dictator, in space, in Laos, and even in our own hemisphere, for him to pass the opportunity to return to what he considers to be his No. 1 target of this stage of the cold war—the West German Republic.

No matter how you rationalize it, this is what Khrushchev is after in Berlin—and what he may get, if we falter. A victory in Berlin, no matter how limited, would give Khrushchev the leverage he wants on the mind and spirit of the West Germans. Men will not long oppose the reality of historical inevitability, and Khrushchev well knows this fundamental human truth. If he can shake the faith of the West Germans in the ultimate victory of the free system, he will have opened a major break in the ramparts of the West.

This, then, is the central core of his overall cold-war strategy. It is the explanation of why he returns again and again to the outflanked city of Berlin.

The "bone in the throat," as he calls it, is actually the morsel he would bite off in order to chew at the vitals of the West.

President Kennedy has expressed a great concern that Khrushchev might make a major miscalculation about the will of the West to preserve this exposed outpost of freedom. That essentially is why he sought out the summit conference. He believed that a face-to-face confrontation would set Mr. Khrushchev straight about the will of the West, as it was to be measured in the person of the new President of the United States.

The confrontation has apparently not had the desired effect on Khrushchev. For in his first major utterance since Vienna he has delivered a new ultimatum to the West to be gone from Berlin by the new year. If we do not do so, he threatens to encourage his East German puppet to close the access routes to the city from West Germany by force of Soviet arms.

It is clear that President Kennedy must at the earliest possible time take further measures to convince Khrushchev of what he apparently failed to convince him at the summit—that the United States means what it says about the defense of freedom.

SEES NATION BACKING HIM

I am confident he will have the overwhelming support of the Nation of such measures, if he will but put the facts squarely to the people.

Unfortunately the postsummit stance in Washington has lacked the simplicity and clarity of Khrushchev's arrogant ultimatum. The administration's top leaders in the Senate even have seen fit to suggest weakness rather than strength of will about Berlin by recasting one of Khrushchev's own proposals for making Berlin a "free city." To be sure, the revised proposal would make all Berlin, not just West Berlin, a "free city."

This means in effect an undefended city, surrounded entirely by major Soviet and Soviet puppet forces, and abandoned by its present Western defenders.

But even if the arrangement were to include East Berlin, which seems highly impractical in Khrushchev's present state of self-assurance, it is quite evident that without the presence of Western troops it would be only a matter of time until the free city of Berlin would fall prey to the Communist action squads.

How could a few hundred thousand Berliners, indomitable as they have been until now, long resist what whole nations like Czechoslovakia could not?

JOB FOR THE PRESIDENT

If this proposal was intended as a trial balloon for administration policy experimentation, as has been reported by Washington correspondents, it should be shot down by the President himself.

If it is intended as a piece of bait to tempt Khrushchev into demanding a new conference on Berlin, it is equally dangerous. We have already discovered that Khrushchev is not impressed by mere reiteration of our determination. He is much too tough and ruthless to mistake verbiage for the real thing.

The sad truth is that there is no pat solution for the Berlin situation any more than there is for any other of the tough situations that confront us around the world today and will continue to confront us as long as the Communists remain what they are, aggressors, zealots, intent on domination of the entire world.

Yet there is a way of dealing with the kind of aggression which communism presents. This is not communism's first attempt to grab Berlin. Most of us living today still remember the airlift victory over Stalin's blockade of the city.

Nor is this Khrushchev's first ultimatum that the West quit Berlin. As long ago as November 1958, Khrushchev made an identical demand.

THREAT FIRMLY REJECTED

Then Secretary of State John Foster Dulles rejected the threat firmly. His critics began speaking of brinkmanship and the peril of war and the substitution of so-called flexibility for strength of will and conscience. The parade of Soviet pressures marched on just as today.

Finally, on the 27th of November 1958, came Khrushchev's proposal to make West Berlin a free city. Today let us not forget that this free city idea had its origins not in the Senate of the United States, but in the war councils of the Soviet Union.

It was on the same day and in the same pronouncement that Khrushchev delivered his first ultimatum on Berlin. Then, as now, he gave the West 6 months to pick up and get out on his terms.

What happened? The West held firm. The Soviets backed down. The political realists of the Soviet must evaluate the cost of war and the timing of war just as coldly as we must. And the cold facts are that we are in Berlin. It requires no aggressive action to stay in Berlin. It is upon the heads of the Soviet leaders that a decision to use force to change the situation must always rest.

Failure in Berlin would be a failure of nerve in a war of nerves. We have won battle after batle in that war in West Berlin. The alternatives remain the same. The opinion is ours. Stand firm or get out. Soviet threats to push us out carry no more weight today than they did in the past. It is our will that is being tested, not theirs.

This ill-timed free-city proposal is the latest of a series of events that have weakened America's position of world leadership since this administration came into office. Grave doubts may have been raised in Khrushchev's mind as to America's will and determination to resist his aggressive actions.

In Laos, we talked big and backed down when the chips were down. As a result, the whole American position in southeast Asia has been jeopardized. And, unless we soon find a time and a place to back up our words with action, the other nations in that vitally important area will be gobbled up by the Communists one by one.

In Cuba, we committed our prestige and failed at the critical moment to commit our power. As a result, we witness the sorry spectacle of American citizens asking for the privilege of paying blackmail to the pipsqueak dictator who not only holds 1,200 freedom fighters in prison, but who is wiping out the last vestiges of freedom for the 5 million people of Cuba.

In the atomic-test talks, we made additional concessions in the hope of getting an agreement. The Communist negotiators, as we should have expected, merely accepted our concessions and made their own previously unacceptable proposals even more unacceptable.

America has never known a time in its history when we have spoken more bravely and eloquently and acted with more indecision and timidity.

It has been suggested that we could not back up our words with action because we lacked the military power to do so. This is nonsense. Our defeats in Laos and in Cuba were not due to a lack of American power but to a lack of American will.

President Kennedy has asked for more money for defense. I believe the Congress should appropriate whatever funds are necessary to maintain our military strength at adequate levels. But our greatest need today if we are to turn back the Communist offensive against freedom is not more missiles, more guns, and more planes, but more will to use our power where necessary in the cause of freedom.

Nor can the American people be blamed for these failures. President Kennedy could not have been more mistaken when he said recently in Chicago: "Our greatest adversary is not the Russians. It is our own unwillingness to do what must be done." The American people are far ahead of the administration in their willingness and determination to do what is necessary to defend our freedom against aggression.

Nor can inaction be excused on the ground that a course of firmness would lead to war. We have learned from history that in dealing with a dictator the greatest danger of war arises when he is willing to risk war to gain his objective and he becomes convinced that his opponents are not willing to take the risk in order to defend the areas of freedom from his aggression.

Every time an aggressor bluffs and the defenders back down, he is encouraged to become more aggressive still. Eventually he pushes too far—and war inevitably results.

Mr. Khrushchev knows the destructive power of modern weapons just as well as we do. He fears the consequences of war as much as we do. But the only way to avoid war in dealing with him or any other aggressive dictator is to make it clear at all times that while we are always willing to negotiate our differences we will do so from strength and not weakness and that we are just as determined to fight for freedom as he appears to be determined to fight against it.

OUR FOREIGN POLICY

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. GOODELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GOODELL. Mr. Speaker, Richard M. Nixon has launched a new and important venture with a column in this morning's newspaper. His comments on foreign policy are incisive. They are in clear focus and create an unmistakable image of strength. May his words be heeded before it is too late.

I commend particularly these passages from Mr. Nixon's column:

In Laos, we talked big and backed down when the chips were down.

In Cuba, we committed our prestige and failed at the critical moment to commit our power.

In the atomic-test talks, we made additional concessions. * * * The Communist negotiators, as we should have expected, merely accepted our concessions and made their own previously unacceptable proposals even more unacceptable.

America has never known a time in its history when we have spoken more bravely and eloquently and acted with more indecision and timidity.

President Kennedy could not have been more mistaken when he said recently in Chicago: "* * * Our greatest adversary is not the Russians. It is our own unwillingness to do what must be done." The American people are far ahead of the administration in their willingness and determination to do what is necessary to defend our freedom against aggression.

Perhaps the greatest service performed by Mr. Nixon in this instance is his sincere attempt to shoot down what appears to have been an administration "trial balloon" on Berlin. Senator MANSFIELD'S proposal that all Berlin should be recast into a "free city" has all the earmarks of disaster. Pointing out that the proposal to make West Berlin a free city originated with Khrushchev in November 1958, Mr. Nixon effectively dispels illusion in these words:

This means in effect an undefended city, surrounded entirely by major Soviet and Soviet puppet forces, and abandoned by its present Western defenders.

Perhaps the most telling comment upon the recent summit meeting is this Nixon appraisal:

We have already discovered that Khrushchev is not impressed by mere reiteration of our determination. He is much too tough and ruthless to mistake verbiage for the real thing.

For the convenience of the Members of this body, under unanimous consent I include Mr. Nixon's entire column in the RECORD at this point:

[From the Washington Post, June 20, 1961]

CONVINCE KHRUSHCHEV WE WOULD FIGHT FOR FREEDOM, NIXON SAYS

(First article in a series of 10 to be published in the coming year)

(By Richard M. Nixon)

It was all but inevitable that Premier Khrushchev would follow up the summit conference by precipitating a new Berlin crisis.

Things have been going too well for the Soviet dictator; in space, in Laos, and even in our own hemisphere, for him to pass the opportunity to return to what he considers to be his No. 1 target of this stage of the cold war—the West German Republic.

No matter how you rationalize it, this is what Khrushchev is after in Berlin—and what he may get, if we falter. A victory in Berlin, no matter how limited, would give Khrushchev the leverage he wants on the mind and spirit of the West Germans. Men will not long oppose the reality of historical inevitability, and Khrushchev well knows this fundamental human truth. If he can shake the faith of the West Germans in the ultimate victory of the free system, he will have opened a major break in the ramparts of the West.

This, then, is the central core of his overall cold war strategy. It is the explanation of why he returns again and again to the outflanked city of Berlin.

The "bone in the throat," as he calls it, is actually the morsel he would bite off in order to chew at the vitals of the West.

President Kennedy has expressed a great concern that Khrushchev might make a major miscalculation about the will of the West to preserve this exposed outpost of freedom. That essentially is why he sought out the summit conference. He believed that a face-to-face confrontation would set Mr. Khrushchev straight about the will of the West, as it was to be measured in the person of the new President of the United States.

The confrontation has apparently not had the desired effect on Khrushchev. For in his first major utterance since Vienna he has delivered a new ultimatum to the West to be gone from Berlin by the new year. If we do not do so, he threatens to encourage his East German puppet to close the access routes to the city from West Germany by force of Soviet arms.

It is clear that President Kennedy must at the earliest possible time take further measures to convince Khrushchev of what he apparently failed to convince him at the summit—that the United States means what it says about the defense of freedom.

SEES NATION BACKING HIM

I am confident he will have the overwhelming support of the Nation for such measures, if he will but put the facts squarely to the people.

Unfortunately the postsummit stance in Washington has lacked the simplicity and clarity of Khrushchev's arrogant ultimatum. The administration's top leaders in the Senate even have seen fit to suggest weakness rather than strength of will about Berlin by recasting one of Khrushchev's own proposals for making Berlin a "free city." To be sure, the revised proposal would make all Berlin, not just West Berlin, a "free" city.

This means in effect an undefended city, surrounded entirely by major Soviet and Soviet puppet forces, and abandoned by its present Western defenders.

But even if the arrangement were to include East Berlin, which seems highly impractical in Khrushchev's present state of self-assurance, it is quite evident that without the presence of Western troops it would be only a matter of time until the free city of Berlin would fall prey to the Communist action squads.

How could a few hundred thousand Berliners, indomitable as they have been until now, long resist what whole nations like Czechoslovakia could not?

JOB FOR THE PRESIDENT

If this proposal was intended as a trial balloon for administration policy experimentation, as has been reported by Washington correspondents, it should be shot down by the President himself.

If it is intended as a piece of bait to tempt Khrushchev into demanding a new conference on Berlin, it is equally dangerous. We have already discovered that Khrushchev is not impressed by mere reiteration of our determination. He is much too tough and ruthless to mistake verbiage for the real thing.

The sad truth is that there is no pat solution for the Berlin situation any more than there is for any other of the tough situations that confront us around the world today and will continue to confront us as long as the Communists remain what they are, aggressors, zealots, intent on domination of the entire world.

Yet there is a way of dealing with the kind of aggression which communism presents. This is not communism's first attempt to grab Berlin. Most of us living today still remember the airlift victory over Stalin's blockade of the city.

Nor is this Khrushchev's first ultimatum that the West quit Berlin. As long ago as November 1958. Khrushchev made an identical demand.

THREAT FIRMLY REJECTED

Then Secretary of State John Foster Dulles rejected the threat firmly. His critics began speaking of brinkmanship and the peril of war and the substitution of so-called flexibility for strength of will and conscience. The parade of Soviet pressures marched on just as today.

Finally, on the 27th of November 1958, came Khrushchev's proposal to make West Berlin a free city. Today let us not forget that this free city idea had its origins not in the Senate of the United States, but in the war councils of the Soviet Union.

It was on the same day and in the same pronouncement that Khrushchev delivered his first ultimatum on Berlin. Then, as now, he gave the West 6 months to pick up and get out on his terms.

What happened? The West held firm. The Soviets backed down. The political realists of the Soviet must evaluate the cost of war and the timing of war just as coldly as we must. And the cold facts are that we are in Berlin. It requires no aggressive action to stay in Berlin. It is upon the heads of the Soviet leaders that a decision to use force to change the situation must always rest.

Failure in Berlin would be a failure of nerve in a war of nerves. We have won battle after battle in that war in West Berlin. The alternatives remain the same. The option is ours. Stand firm or get out. Soviet threats to push us out carry no more weight today than they did in the past. It is our will that is being tested, not theirs.

This ill-timed free-city proposal is the latest of a series of events that have weakened America's position of world leadership since this administration came into office. Grave doubts may have been raised in Khrushchev's mind as to America's will and determination to resist his aggressive actions.

In Laos, we talked big and backed down when the chips were down. As a result, the whole American position in southeast Asia has been jeopardized. And, unless we soon find a time and a place to back up our words with action, the other nations in that vitally important area will be gobbled up by the Communists one by one.

In Cuba, we committed our prestige and failed at the critical moment to commit our power. As a result, we witness the sorry spectacle of American citizens asking for the privilege of paying blackmail to the pipsqueak dictator who not only holds 1,200 freedom fighters in prison, but who is wiping out the last vestiges of freedom for the 5 million people of Cuba.

In the atomic test talks, we made additional concessions in the hope of getting an agreement. The Communist negotiators, as

we should have expected, merely accepted our concessions and made their own previously unacceptable proposals even more unacceptable.

America has never known a time in its history when we have spoken more bravely and eloquently and acted with more indecision and timidity.

It has been suggested that we could not back up our words with action because we lacked the military power to do so. This is nonsense. Our defeats in Laos and in Cuba were not due to a lack of American power but to a lack of American will.

President Kennedy has asked for more money for defense. I believe the Congress should appropriate whatever funds are necessary to maintain our military strength at adequate levels. But our greatest need today if we are to turn back the Communist offensive against freedom is not more missiles, more guns, and more planes, but more will to use our power where necessary in the cause of freedom.

Nor can the American people be blamed for these failures. President Kennedy could not have been more mistaken when he said recently in Chicago: "* * * Our greatest adversary is not the Russians. It is our own unwillingness to do what must be done." The American people are far ahead of the administration in their willingness and determination to do what is necessary to defend our freedom against aggression.

Nor can inaction be excused on the ground that a course of firmness would lead to war. We have learned from history that in dealing with a dictator the greatest danger of war arises when he is willing to risk war to gain his objective and he becomes convinced that his opponents are not willing to take the risk in order to defend the areas of freedom from his aggression.

Every time an aggressor bluffs and the defenders back down, he is encouraged to become more aggressive still. Eventually he pushes too far—and war inevitably results.

Mr. Khrushchev knows the destructive power of modern weapons just as well as we do. He fears the consequences of war as much as we do. But the only way to avoid war in dealing with him or any other aggressive dictator is to make it clear at all times that while we are always willing to negotiate our differences we will do so from strength and not weakness and that we are just as determined to fight for freedom as he appears to be determined to fight against it.

FEDERAL AID TO EDUCATION

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. FRELINGHUYSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, if my mail is any indication, Members of Congress are soon to be deluged with a new flood of mail regarding Federal aid to education. One reason this is to be expected results from the stepped-up activities of some of the major lobbies interested in this subject.

Because of its genuine interest I am asking that a letter from a constituent of mine be carried in full below. Because I have not had the opportunity of asking permission to use his name, I am omitting his name and address.

An interesting feature of this letter, apart from its contents, is the manner in which it was written. My constituent wrote me his views on the back of a form letter from the New Jersey Education Association. I believe this letter, representing an all-out effort by those on the Washington scene to drum up support for Federal subsidies for teachers, is also worthy reprinting in the RECORD.

The letter from my constituent, and the letter sent out by the New Jersey Education Association follows:

JUNE 16, 1961.

Hon. PETER FRELINGHUYSEN,
House Office Building,
Washington, D.C.

DEAR MR. FRELINGHUYSEN: I received the attached letter this morning. I am supposed to urge you to vote for H.R. 7300. Even though I am a teacher, and have been for 6 years, I cannot with a clear conscience, ask you to vote for this bill which will appropriate Federal money for local education. It is possible that my reason is shortsighted or erroneous but I fail to see how sending additional money to Washington in the form of additional Federal taxes can benefit local schools any more (or even as much) as spending it on the local level in the first place. I don't believe there is any question but that Federal aid for anything inevitably involves an assortment of bureaus, agencies and politically appointed commissioners, heads of departments, supervisors or some other such titular head and almost as inevitably a costly Senate investigation.

If you, or any other Congressman, would really help education I would suggest a campaign to awaken taxpayers to the need to support their local school districts. If the locally collected tax dollars were spent efficiently, including elimination of such modern "necessities" as drinking fountains in every room, relatively useless "all-purpose rooms," school baby-sitting services such as hot lunches for children who walk to school, free dental and medical clinics, and many of the other free services which pass in the guise of modern education.

If, in addition, you could awaken the taxpayer to the need to support their local schools, providing decent salaries and equipment for teachers in efficiently built buildings by paying additional local taxes and receiving a dollar's worth of education for each dollar spent you would also do a great service.

I'm sorry but for the above reasons I must disagree with NJEA, NEA and other educational pressure groups and urge you to vote against Federal aid to education.

Respectfully yours,

_____ _____.

NEW JERSEY EDUCATION ASSOCIATION,
Trenton, N. J., June 12, 1961.

DEAR FELLOW TEACHER: Here is a big chance to help get more money for education.

Word from Washington is that all New Jersey teachers should write their Congressmen just as soon as possible urging support for H.R. 7300. This is the Federal school aid bill now actively under consideration; the general proposal has already passed the U.S. Senate. The voting in the House will be very, very close.

If possible secure additional letters—ask your family, your friends, and anyone you know who supports Federal aid to write also.

The bill now before the House of Representatives would mean approximately $12 million a year in Federal money for New Jersey schools over the next 3 years. This money could be used for teachers' salaries or for school construction, as our own State decides.

If it were used for teachers' salaries, it would be just about $225 per teacher.

The voting of these funds in Washington could greatly encourage our New Jersey Legislature to adopt A–9, our own State minimum salary schedule proposal.

So write to your Congressman, write right away—even though you feel sure that he is already in favor of Federal aid. The important thing is to let him know you are counting on him to vote for it.

Your letter should be individually written and carefully written, and it should express your personal interest in this issue. It should be addressed to your Congressman (see list below) at the House Office Building, Washington, D.C.

Your letter can make the difference.

Write today—and then, happy vacation.

JAMES M. LYNCH, Jr.,
President.

(William T. Cahill, First District; Milton W. Glenn, Second District; James C. Auchincloss, Third District; Frank Thompson, Jr., Fourth District; Peter Frelinghuysen, Jr., Fifth District; Florence P. Dwyer, Sixth District; William B. Widnall, Seventh District; Charles S. Joelson, Eighth District; Frank C. Osmers, Jr., Ninth District; Peter Rodino, Jr., 10th District; Hugh Addonizio, 11th District; George Wallhauser, 12th District; Cornelius Gallagher, 13th District; Dominick V. Daniels, 14th District.)

A SUMMIT SECRET AFTER 17 YEARS

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BECKER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BECKER. Mr. Speaker, I am inserting herewith, a column by David Lawrence, published in the Evening Star of June 19, 1961.

The information contained in this article and now published as a part of the Teheran Conference in 1943, is truly a shameful incident in our history.

Many of us in the Republican Party had condemned the results of these conferences for many years but it was understandable, however, that the American people found it difficult to believe the truth of these charges. Now there can be no longer any doubt that the late President Franklin D. Roosevelt sold out Poland and other countries for mere political expediency. The word "shameful" is too mild to condemn. However, this must come as a great blow to our American citizens of Polish extraction, as well as American citizens whose ancestry lies in the Balkan States. This "deal" was made at a "secret summit conference." These secret summit conferences have been the most disastrous things that have happened to the United States and to other countries of the world. I can only offer a fervent prayer

that history will not be able to record further disasters of similar nature.

The article follows:

A SUMMIT SECRET AFTER 17 YEARS—ROOSEVELT REMARKS TO STALIN LINKING POLISH BORDER, POLITICS HELD SHAMEFUL

A shameful chapter in American history now has been revealed after 17 years of secrecy. Documents just published by the State Department show that a President of the United States went to a summit conference during World War II and made a deal with the Communist dictator—Josef Stalin—whereby much of Poland's territory was deliberately conceded to Russia and the way was paved for similar deals that permitted the Communists to grab small countries.

What was even worse, a President of the United States told a foreign ruler that his own decisions were related to a fear he might not retain a bloc of votes of American citizens of Polish extraction and that, for this reason, the deal had to be kept secret—at least until a presidential election was over. Actually, these facts were not disclosed until now.

Franklin D. Roosevelt, Democrat, was the President of the United States who participated in these secret negotiations in 1943 at Teheran, Iran. He disregarded the rule of the Constitution which says that the Chief Executive "shall have power by and with the advice and consent of the Senate to make treaties, provided two-thirds of the Senators present concur."

It is out of this clause in the Constitution that a President derives his power to conduct foreign policy. The right to make temporary agreements or understandings directly related to the military conduct of a war has never been questioned, but any pact which is as far reaching as a division of territory after a war certainly comes within the category of a treaty. The Senate should have been consulted.

The carving up of territory—utterly disregarding the wishes of the people and their future opportunities for self-government—is something associated usually with the absolute monarch. A President of the United States is supposed to be the champion of freedom and of the self-determination of peoples. The Polish people didn't start World War II. On the contrary, it was Hitler's attack on Poland that drew Britain into the conflict. Yet President Roosevelt was later a party to the partitioning of Poland so as to satisfy Communist Russia, which had seized a large part of Poland in 1939 while a partner of Hitler.

It might be asked why a Democratic administration in Washington today makes public hitherto undisclosed documents that reflect so gravely on the conduct of foreign policy by a previous Democratic administration. The reason may be inferred from an Associated Press dispatch of February 17 last quoting from an exclusive story in the New York Daily News which stated that President Eisenhower, on leaving the White House, took with him proof sheets of the papers on the Teheran Conference. The article said that Republican leaders, who had conferred with Mr. Eisenhower, asked him to keep a copy of the papers indefinitely to see whether they would be withheld or released in part by the State Department. So apparently the Kennedy administration had no choice but to give them in full to the press.

Much of the Teheran story has been told over the years, but never have the American people learned the details of the secret deal between President Roosevelt and Marshal Stalin. It so happens that Charles E. Bohlen, who at the time was First Secretary of the American Embassy in Moscow and acted as interpreter for Mr. Roosevelt, accompanied President Kennedy at his recent conference in Vienna with Nikita Khrushchev.

The State Department's published record—based on Mr. Bohlen's extensive notes—now shows Mr. Roosevelt discussing the Polish question in a private talk with Marshal Stalin on December 1, 1943, as follows:

"The President said he had asked Marshal Stalin to come to see him as he wished to discuss a matter briefly and frankly. He said it referred to internal American politics. He said that we had an election in 1944 and that while personally he did not wish to run again, if the war was still in progress he might have to. He added that there were in the United States from 6 to 7 million Americans of Polish extraction, and as a practical man, he did not wish to lose their vote.

"He (the President) said personally he agreed with the views of Marshal Stalin as to the necessity of the restoration of a Polish state but would like to see the eastern border moved further to the west and the western border moved even to the River Oder. He hoped, however, that the marshal would understand that for political reasons outlined above, he could not participate in any decision here in Teheran or even next winter on this subject and that he could not publicly take part in any such arrangement at the present time.

"Marshal Stalin replied that now the President explained, he had understood.

"The President went on to say that there were a number of persons of Lithuanian, Latvian, and Estonian origin, in that order, in the United States. He said that he fully realized the three Baltic Republics had in history and again more recently been a part of Russia and added jokingly that when the Soviet armies reoccupied these areas, he did not intend to go to war with the Soviet Union on this point."

Thus did an American President lend his power and influence to the formation of the present bloc of satellite states in Eastern Europe. Recently some enthusiastic admirers of President Kennedy have been saying that he is very much like Franklin D. Roosevelt. One wonders whether, after Mr. Kennedy's secret conference alone with Nikita Khrushchev in Vienna, the comparison will some day be pressed by Republicans instead of by Democrats.

USE OF LABOR UNION DUES FOR POLITICAL OBJECTIVES

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HIESTAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HIESTAND. Mr. Speaker, there is a hopeful sign in yesterday's decision by the Supreme Court that a labor union may not use dues of a member, over his objections, for political objectives he opposes. The Court's ruling concerned a railway union, and just how far reaching it is, we cannot say. However, the principle has now been made clear and it should apply to all unions. It is wrong, legally, for labor bosses to use members' money for political action which the members themselves oppose. But it is their responsibility to comply with the law.

With that principle in mind, labor leaders should take the initiative in altering their widespread political aid programs. They could set a magnificent example not only for their own members but for all Americans. A man should be allowed to support the political candidate or party by the use of his own free will and funds.

Active participation in a political campaign is a necessary and proper part of our system. However, when a dues-paying member of a union is forced to support a candidate or party he objects to it is a serious break in the system.

I hope labor leaders will accept the responsibility in fairly spending union funds for political purposes.

INTEREST CHARGES FAIR TO ALL

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BECKER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BECKER. Mr. Speaker, I have today introduced legislation that I hope to see enacted into law. This bill merely provides that no loans shall be made by the U.S. Government unless an interest rate is charged not less than the average rate of interest payable by the United States on its marketable obligations, having a maturity of 10 years or more, after their date. There are one or two other minor provisions, but the main effect of this legislation would merely see to it that any one borrowing money from the Government, either domestic or foreign, would be paying the interest rates charged to the Government. I am sure that any citizen or any lawmaker must consider this as being a fair and just proposition. I sincerely hope that this bill will have early consideration by the committee and report to the House for action. A bill of this kind, enacted into law, will save the taxpayers many millions of dollars a year that they are now paying unjustly.

LITHUANIAN TRAGIC DAYS

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from Nebraska [Mr. CUNNINGHAM] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, June 15 and 16 are days of sad memories for all who cherish freedom and individual liberty. We mark these days, the "Tragic Days," on which over 60,000 Lithuanians were forcibly driven from their homes in 1940 and 1941. They were taken by Soviet Communists to Siberia to serve as slave labor.

Let us never forget the methods used by the Soviets to subjugate the people of nations which fall to communism.

Let us not be fooled by Russian peace offensives, which are designed to lull the West and the free world into complacency.

We must remember the recent testimony of FBI Director J. Edgar Hoover that "while Communists speak of peace, their intelligence setup is the most extensive in history."

There can be no peace, no peaceful coexistence with communism. As we mark these tragic days, let the sad experience of the Lithuanian people show how impossible it is to live a life of freedom under communism.

SOVIET OIL IMPORT POLICY THREAT TO FREE WORLD

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. ALGER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ALGER. Mr. Speaker, many people in this country and, unfortunately, many in key positions in our Government, have never recognized the fact that the Communists use every phase of their national life in furtherance of their objective, world domination. The Soviets have committed all of their national resources to the goal of victory and use foreign trade only as a weapon in the cold war.

In spite of the Communist objective and the certain knowledge that their economy and trade is geared to winning the war in which we are now engaged, the American people have been given another demonstration of the naivete of the present administration in dealing with international policy, through a recent release by the Department of the Interior involving the important problem of oil.

In Information Circular No. 8025 from the Interior Department under the byline of Mr. Donald Frendzel, dealing with the Soviet 7-year plan, 1959–65, for oil, there appears this language on page 15 following table 7:

> The foregoing comments have dealt with the possible adverse implications of Soviet oil for the free world. There may be some positive aspects of increased U.S.S.R. oil output and exports: (1) The availability of Soviet oil will increase the economic competition in the sale of oil, and (2) the availability of Soviet oil will allow some consumers to become less dependent on Middle Eastern oil.

Mr. Speaker, those who are informed on this subject are quite cognizant of the fact that Soviet oil presents a new danger for the West and for those countries allied with the free world.

Those who claim that the Soviet oil could enable some countries to reduce the proportion of their oil that they buy from the Middle East overlook the fact that there is no security of supply of Soviet oil as compared to private international oil companies. Certainly political reasons could cause interruption of Russian oil supplies, and Russian oil has frequently been bartered for unneeded commodities in the instances of under-developed nations where political gain is the main Soviet motive for oil exports. This supply will always be exposed to interruptions, as contrasted to private oil companies, who have made oil available without serious interruption even during the Suez crisis.

Also, I might point out that overdependence on Middle East oil is an obsolete concept, since neither private oil companies nor their customers are overly dependent on oil from any one source. Since the Suez crisis, for example, companies have developed large new sources such as those in north Africa.

The artificially low Russian oil prices can hardly continue over the long term. As long as it suits the political and economic aims of the Russian Government, Soviet oil prices to the free world may remain low, but it is unrealistic to count on price stability for Russian oil. The Russians must continue to be able to subsidize low prices by charging higher prices, $1 per barrel, to their satellites. Their industries must continue to need foreign exchange to procure pipe, chemical plants and other goods. They must continue to need oil trade as a cold war weapon. If these conditions no longer exist, artificially low prices will not continue one moment longer.

The claim that Soviet oil will increase economic competition in the sale of oil is also not true. Increased supplies of Soviet oil will merely cripple the ability of private oil companies to compete, since it is the Russian Government that competes with private enterprise of the West. The willingness of the Soviet Government to sell on a government-to-government basis and their vast oil resources will give the Russians an edge in any oil-exporting venture in which they choose to engage. This is, of course, not competition in the American sense of the word. We cannot compete on this basis. The economic offensive of the Russians, spearheaded by oil, can obliterate competition and eventually eliminate it completely. The consumer can only benefit economically if prices are lowered by sound competition.

When Secretary Seaton headed the Interior Department, he refused to release this type of publication. However, as so often has been the case, "Udall tells all" has been the battle cry of the new administration. Releases such as this, under the auspices of the U.S. Government, tend to give Soviet ideology a new economic bridgehead to the West and to the uncommitted nations. The Senate Subcommittee on Internal Security recently reported on Soviet oil in the cold war, and stated that—

> Soviet ideology is reflected in its desire for economic and political penetration of weak, underdeveloped, and politically uncommitted countries. As far as our Government is concerned, action may be required, not to protect U.S. business interests, but to prevent Russia from enveloping many of the new independent nations of the world.

It seems to me that these conclusions in the Interior study are not in the national interest of this country nor in the interest of the American enterprisers willing to go abroad, invest their capital, and assume risks and hazards in order to develop the oil resources of Middle East lands. The Soviet state oil monopoly is growing like a Frankenstein monster and, as usual, we are assisting rather than opposing its might. As long as the Government gives sanction to its seal on publications such as this one, we are aiding and not stopping communism.

The Secretary of the Interior has several times in the past 4 or 5 months engaged in activities more poltical than statesmanlike. However, in this instance he has released a document far more significant than his ordinary political pressure pronouncements. He has fought the economic battle of future generations, and lost. This administration has belligerently retreated in Laos, Cuba, and perhaps other areas of the world. They have mortgaged the future of our children and grandchildren by making housing, education, and minimum wages a concern of the centralized bureaucracy in Washington. Therefore, it is not at all surprising that their own publications have subtly sold the struggling oil industry of this Nation down the river. I call this matter to the attention of the American people and hope they become aware, before it is too late, the subtle forces working against our free enterprise system and threatening our very survival.

HOW TO LOSE YOUR FREEDOM

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, I have read many articles, editorials, and essays on the subject of freedom. But one of the finest treatments of this subject caught my eye recently in a fine weekly newspaper in my congressional district.

The article impressed me so much that I would like to call it to the attention of my colleagues in the House of Representatives, and suggest that they read it carefully.

Under unanimous consent to do so, I herewith include with my remarks the editorial, "How To Lose Your Freedom" which appeared in the Wood River (Ill.) Journal, of Thursday, May 25, 1961:

> HOW TO LOSE YOUR FREEDOM
>
> Many 10-easy-steps articles have been written on how to do various things. We felt that it would be of value to our readers to know the "10 easy steps to losing our freedom as Americans."
>
> First, whatever we do, ignore election day. People who have the right to vote are pretty hard to handle when it comes to any power group or faction taking them over. However, if we diligently ignore our right to elect our officials we can be sure that we are on the highroad to being uut under the thumb of ambitious, double-talking groups.

2. Be a complainer, not a doer. People who get out and actively participate in community projects are too apt to know what's happening in their own backyards and will be able to avoid being "taken in."

3. Don't think. Thinkers are always dangerous to totalitarian groups. In addition, don't bother to find out the meaning of "totalitarianism." If we ignore it, maybe, just maybe, it will go away.

4. Don't be well informed. The very basis of freedom is an informed public, and the first move by any dictatorial group is to keep the public ignorant and thus, manageable.

5. Be narrow minded. A narrow minded person, who is ready to deny freedom to others is a perfect tool in the hands of people who are out to take freedom away from everyone, including the narrow-minded people.

6. Let the other fellow do it. Whatever it is, it's not important enough to do personally. After all, the more we ignore our individual responsibility as citizens, the more opportunity we leave for someone else to take over.

7. Don't speak out against injustice in any form. Adopt the attitude of "that's the way it goes," or "that's the way the old cookie crumbles." Just sit back and let the world go by, and you'll be sure that like the ostrich who sticks his head in the sand, everything will come out OK.

8. Don't bother to know your own rights. After all, if people know their rights, they'll protest when those rights are taken away, while people who don't know their rights might not miss what they didn't know they had in the first place.

9. Assume that everything is too "big" or "complicated" for the average fellow to understand. If this is taken as a way of life, it will be easy for those who wish to "dupe" the public to do so.

The 10th, and most important step in "how to lose your freedom," is to assume "it can't happen here." This is the attitude that every people has taken prior to the rise of any power group or dictator in the past. To number a few, Germany, Russia, Italy, and so forth. So there it is, the sure-fire road to losing freedom, a check-list for really disinterested citizens.

PEACE CORPS

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, naturally I am interested in the Peace Corps. I think every American of good heart, and that means the great majority of our people, shares in this interest. It is the instrumentality by which from the grassroots of America our faith and our reliance in democracy will be transplanted in the grassroots of other and newer nations. The men and women who enlist in the Peace Corps will work without pretense and without the comforts of home, not for money and not for glory, but for that enrichment of all mankind that in its political approaches is possible only in democracy.

Democracy is the only form of government ever devised that recognizes the brotherhood of all who inhabit the earth by giving to each, regardless of the position in which the circumstances of life have placed him, an equal voice in determining the government of the country of which he is a part.

The men and women in the Peace Corps, living in foreign lands in the homes and under the conditions of natives in those lands, humbly working with them in the solving of their problems of daily existence, truly will be missionaries of democracy in its finest expression. They will be ambassadors from the hearts of the American people to the hearts of the peoples in the lands to which they are assigned.

Mr. Speaker, I have an especial pride and interest in the Peace Corps stemming from the fact that the concept originated with a distinguished constituent of mine in the Second Congressional District of Illinois, Theodore A. Jones, recently honored by the great Governor of Illinois, the Honorable Otto Kerner, by appointment as a member of the Pardon and Parole Board of Illinois. Doubtless, there are others entitled to share in the credit. Noble concepts never are the product of one person.

I think it is proper that the story of my constituent's important role in the birth of an ennobling concept should be related to the House. There came to me early last autumn, a memorandum from a warm personal friend and a former constituent, Charles A. Davis, now a constituent of my distinguished colleague from the Third District of Illinois, Mr. MURPHY, setting forth a proposal by Theodore A. Jones, to the then junior Senator from Massachusetts. It read to this effect: That Mr. Kennedy pledge in a major address to the American people, that if elected President he would undertake to reach agreements with governments of underdeveloped nations to send young American specialists and technicians to work with their citizenry in developing manpower and natural resources.

My colleague from Illinois, the Honorable WILLIAM T. MURPHY, and I placed a copy of this proposal in the hands of the Honorable Chester Bowles, then our colleague on the Committee on Foreign Affairs, and an adviser to Senator Kennedy, the candidate. I understand that other copies were placed in the hands of Senator MONRONEY and others who were advising Mr. Kennedy.

The House well knows the electrifying effect of this bold new proposal enunciated in Mr. Kennedy's memorable San Francisco address, which followed shortly thereafter.

Mr. Jones urged in his proposal that special consideration be given to the wisdom of assigning Negro young people in areas where our racial attitudes are suspect. And he conceived of crash training programs at the college level to equip our young emissaries to lead toward material well being, rather than toward the institutionalization of privation.

CIVIL LIBERTIES

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, yesterday the Supreme Court handed down what I believe to be one of the most important civil liberties decisions of the postwar period. The Court found, without limitation, that—

> All evidence obtained by searches and seizures in violation of the Constitution is * * * inadmissible in a State court.

Although the Court had held, since the 1914 Weeks case, that evidence illegally seized was inadmissible in the Federal courts; it had refused to prohibit the use of illegal evidence in the State courts. The Wolf decision of 1949 held that the Weeks decision would not be "imposed" upon the States.

In yesterday's opinion Justice Clark wrote for the majority:

> The ignoble shortcut to conviction left open to the State tends to destroy the entire system of constitutional restraints on which the liberties of the people rest. Having once recognized that the right to privacy embodied in the fourth amendment is enforceable against the States, and that the right to be secure against rude invasions of privacy by State officers is, therefore, constitutional in origin, we can no longer permit that right to remain an empty promise.

Although the decision in yesterday's Mapp case was restricted to the seizure of material evidence by illegal means, I am confident that the decision will open the door to a great range of new protections for individual rights. At the moment, although Federal law prohibits interception and divulgence of telephone messages, the use of illegally seized evidence of this kind has been prohibited only in the Federal courts. We can confidently expect, I think, that the Mapp decision will be extended to prohibit the use of illegal wiretap evidence in State courts.

Now that we are given this firm and unyielding foundation in Supreme Court decision, perhaps the Congress will be able to move ahead with full force to protect the rights and privacy of the individual against other forms of "rude invasions of privacy." Presently, there are three distinct areas in which I believe the Congress must act to implement protections for the individual which are already provided by the Constitution:

Though wire-tapping and the divulgence of wiretap information are now prohibited by law; it is not clear that wiretapping in and of itself is a crime. Although it is, in my view, clearly an invasion of the rights guaranteed to the individual under the fourth amendment, this is not clear in legislation and the Court decisions on the legislation. The Congress should act to clarify this situation.

Moreover, even though wiretapping and divulgence are made a crime by Federal statute, the prosecutor in these cases must inevitably be just those law enforcement officials who often feel they benefit most in their work by practicing various forms of wiretapping. It is diffi-

cult, therefore, to expect that the provisions of the statute will be prosecuted to the fullest extent. It seems to me that other penalties should be imposed to insure that wiretapping, when prohibited by law, will be prohibited in fact.

Finally, I feel that there is an even greater need to insure that other forms of eavesdropping are both prohibited by law and by effective penalty. I feel very strongly that the all-too-clever techniques of modern electronic eavesdropping require the vigilance of the Congress to protect the right of the individual. This most insidious invasion of privacy demands full recognition and certain action.

I have been happy to note that the Senate Constitutional Rights Subcommittee of the Senate Judiciary Committee has been greatly interested in questions of this nature. The list of Members of the House who have introduced legislation in this area in the past is also long. It indicates, I think, the great interest that many have shown in safeguarding the privacy of the individuals. Among the many distinguished Members who have submitted their own legislation on wiretapping alone are the names of the President, the Speaker, and Chairman of the Judiciary Committee. But even though the men who have made proposals are among the most eminent men in the country, progress in this area has not been as much as one could reasonably desire.

Mr. Speaker, the Supreme Court has now shown us the way to a new freedom and a new conviction in the protection of the rights of the individual. In the near future, I will introduce legislation to further strengthen the rights of privacy and to give, thereby, further statutory expression to the Constitution in this vital field. I will welcome the ideas and suggestions of other Members of the House as to how best legislation can achieve these goals. And I will welcome the support of Members who are interested in the passage of legislation embodying new ways to deal with the old problems of individual constitutional rights.

HOUSING FOR MODERATE-INCOME FAMILIES AND FOR ELDERLY PERSONS

Mr. LINDSAY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LINDSAY. Mr. Speaker, now that a rule has been reported on the housing bill, I want to again alert the House to my intention to offer, by way of a substitute for title I—the administration's 40-year, no-downpayment mortgage provision—an amendment which contains a middle-income housing program that is in my judgment a far more effective, and far less costly, proposal than that offered by the committee bill.

The greatest housing need in this country is for moderate or middle-income housing, particularly in cities and suburbs. The amendment that I expect to offer is embodied in H.R. 3778, which I introduced in the House in February, and which was sponsored in the other body by the senior Senator from New York [Mr. JAVITS]. A year ago this measure was reported out of the Senate Committee on Banking and Currency but was not called up for action on the floor. It is important to know, however, that it received the majority vote of the Senate committee.

The bill would establish a Federal Limited Profit Mortgage Corporation, which would be self-financed and which, it is estimated, over a 4-year period would be responsible for about 160,000 moderate-income family units at the rate of 40,000 units a year.

The Corporation would be financed by $100 million of stock investment by the Federal Government. The Corporation would have power to issue bonds which it is expected would raise $2 billion from the public over 4 years. The Corporation would lend money to cooperative entities—foundations, trade unions, and similar organizations, or to private groups (subject to limitations as to profits) to build moderate-income housing with restrictions on rents or carrying charges and on occupancy by middle-income families and the elderly.

The administration's proposal calls for an appropriation of $750 million, and this is only a beginning. My program calls for $100 million for capital, and no more. Yet the amount of housing is at least equal in terms of its potential, and in the long run would exceed the middle-income housing potential of the administration's bill.

The responsibility for financing this program would be borne by the public at large—contrary to the proposal of the committee bill under which the Government may and probably will be required to take over issued mortgages under the buy-back provision.

Obligations issued by the Corporation are to be exempt both as to principal and interest from all Federal, State, and local taxes. Interest may not be higher than 4 percent.

The mortgage loans provided by the Corporation are 90-percent loans. They provide for complete amortization within a period of up to 50 years. The interest to the actual builder of the housing would be the interest rate which represents the cost to the Corporation plus one-half of 1 percent for administrative expenses, which is equivalent to the FHA premium of one-half of 1 percent charged today on all mortgages. There would be no subsidies.

The Corporation would be authorized to issue and have outstanding on and after July 1, 1961, notes and other obligations in an aggregate annual amount not to exceed $500 million, except that with the approval of the President and, based upon certain findings and upon certain limitations, the annual amount may be increased by additional amounts aggregating not more than $1.5 billion.

The bill is modeled on a very successful middle-income program in New York State which has received growing acceptance around the country. Trade unions and cooperatives have been the most active participants. Up to now there have been financed some 30,000 units and approximately $450 million has been raised in New York State precisely in this fashion. The plan does not exclude private development. The private developer, however, is limited in his profit. He has this advantage of being able to redeem the whole project at the end of 20 years if he can refinance it.

Mr. Speaker, I should like to insert at this point in the RECORD excerpts from the 1960 report of the Senate Committee on Banking and Currency on this proposal:

HOUSING FOR MODERATE-INCOME FAMILIES, AND FOR ELDERLY PERSONS

INTRODUCTION

Proposals designed to provide Federal assistance for housing families who are not eligible for low-rent public housing, but who cannot afford decent privately financed housing, are not new to this committee. Rather consistently since 1950, the housing problems of low- and middle-income groups have been considered by the committee, and several reports recommending favorable action in behalf of these groups have been made. As recently as April 15, 1960, the Subcommittee on Housing of this committee made a report on its study of mortgage credit and, among other things, reiterated the pressing needs of middle-income families. The subcommittee reached the following conclusion:

"Existing institutions available to help achieve the national housing policy of 'a decent home and suitable living environment for every American family * * *' are inadequate. It is evident that families of low and moderate income cannot be housed decently, within the foreseeable future, unless new programs for this purpose are fostered by the Federal Government, or by State and local governments, or by all levels of government."

S. 1342, introduced by Senator JAVITS, for himself and Senator CLARK, was included in hearings held by the Subcommittee on Housing during the period May 9–27, 1960. The committee received the comments of interested departments and agencies of the Government. In general, these comments were not favorable, raising questions which will be discussed later. During the hearings, many witnesses gave enthusiastic support for the bill and answered questions regarding the practicability of the proposal. Competent witnesses from the State of New York related the success of a New York State program similar to the one proposed in S. 1342.

The committee carefully considered the bill, and the views of those who favor it and who oppose it; and, after amending it in several respects, recommend it for the favorable consideration of the Senate.

PURPOSE AND NEED FOR LEGISLATION

The hearings of the Subcommittee on Housing in its study of mortgage credit (1958–60) contain a consistent series of statements by witnesses from various walks of life—college professors, mortgage bankers, consulting economists, and others—that existing Federal programs do not provide

housing for low- and middle-income families. The following excerpt from the report of the subcommittee summarizes these views:

"Most outspoken in calling the attention of the subcommittee to the plight of the low- and moderate-income family, and the need for Federal aids to help provide them decent housing, were Dr. William Wheaton of the University of Pennsylvania, and Mr. Charles Abrams of the Massachusetts Institute of Technology. Both of these men pointed out the high cost of financing home construction and suggested methods to reduce these high costs through Federal aids.

"Other witnesses also testified about the need for special attention to housing problems of low- and moderate-income families. Mr. H. E. Riley of the Bureau of Labor Statistics said:

" 'Although the bulk of the housing need can be met in the future, as in the past, by private builders, operating for a profit, there remains a segment of the population with substandard incomes who will require special Government assistance if they are to occupy housing meeting reasonable standards.'

"Mr. James N. Morgan of the University of Michigan pointed to the failure of the FHA program to meet the needs of the low-income family. He said that 'there is a real problem at the very bottom of the income scale that neither the FHA nor public housing is really helping.'

"He also said that 'data seem to show that FHA does not really help people with very low incomes, that they have to go to conventional lenders and probably pay a higher interest rate, which they are perfectly willing to pay.'

"Mr. Morgan's theme was that many of these low-income families have such an urgent desire for better housing that they would be willing to make great sacrifices in order to have decent shelter.

"FHA experience was pointed out by Mr. Abrams when he reported that 'during 1957, only 5.7 percent of all new single-family homes insured by FHA were purchased by families with an effective income of $4,200 or less'; also, that 'the median effective income of purchasers of single-family FHA-insured homes was approximately $6,600 annually.'

"Mr. Abrams, who prepared his paper in collaboration with Mr. Morton Schussheim of the New York State Rent Commission, stated further 'that median income (before taxes) of spending units in the United States in 1957, according to the Survey of Consumer Finances, was $4,350 annually and only 31 percent of all families had incomes of $6,000 a year or more.'

"Mr. Abrams contended that public housing, in which rents are subsidized by the Federal Government, is not the answer to better housing for low- and moderate-income families. A homeownership program is needed and this can be achieved primarily through a reduction in the carrying charges of the loans. He presented the following table to show the reductions in carrying charges that could be achieved by reducing interest charges. The table also demonstrates the effect of lower interest charges in making new housing available to lower income groups. For example, a 3-percent, 35-year loan would require a monthly housing expense of $89, compared with a 5¾-percent, 25-year loan requiring $119 a month. The lower monthly cost could be carried by a family making $4,272 a year, whereas the higher cost would require a yearly income of $5,712.

"In order to make housing loans at a low rate of interest, a Government subsidy would be required. Mr. Abrams proposed the establishment of a Government corporation with borrowing powers similar to FNMA, the Federal home loan banks, and the Federal land banks. Any deficit incurred by the Corporation as a result of lending at a low rate of interest and borrowing at a higher rate of interest would be made up by annual appropriations. Mr. Abrams estimated that on every $1.3 billion loaned, maximum annual contributions would be $39 million. This would make possible direct Government loans at subsidized interest rates to 100,000 low- and moderate-income families.

"Without taking a position regarding the advisability of a Federal housing subsidy for middle-income families, Prof. Sherman J. Maisel, of the University of California, described for the subcommittee the California veterans' program for homeownership, called the Cal-Vet plan. Since 1921, the State of California has assisted eligible veterans desiring to purchase homes in that State. Under this plan, the State of California raises funds through publicly approved bond issues. These funds are used to purchase homes in the name of the State of California Department of Veterans' Affairs, and the homes are subsequently sold to eligible veterans at minimum interest rates.

"The eligible veteran may enter into a temporary purchase agreement for any home in any location he desires. If the home meets the State agency's standards of construction, price, and value, the agency purchases the home and sells it to the veteran on very liberal repayment terms. The agency also purchases fire, life, and disability insurance at bulk rates and this insurance is sold to the veteran at cost. Thus, the veteran's housing expense is minimized by low interest rates, liberal repayment terms, and minimum insurance costs.

"TABLE 35.—*Estimated monthly housing expense and required annual income*

[Composite for Nation, mortgage of $12,000]

Cost items [1]	FHA loan, 25 years, 5¾ percent	3-percent loan, 35 years	2-percent loan, 35 years	0-percent loan, 35 years	0-percent loan, 45 years
Interest and amortization	$76	$46	$40	$29	$22
Real estate taxes	18	18	18	18	18
Heat and other expenses	25	25	25	25	25
Total	119	89	83	72	65
Required gross annual income [2]	5,712	4,272	3,984	3,456	3,120

[1] Based partly upon financial characteristics of mortgagors and properties, new homes purchased with FHA, sec. 203, insurance in 1957. Housing and Home Finance Agency, 11th Annual Report, 1957, table III–53, p 116.
[2] Assumes that ¼ of monthly income is spent on housing.

"At the present time, the insurance rate to the veteran is 3.5 percent, the maximum value of home which can be purchased is $25,000, and the maximum amount of State funds which may be used is $15,000. Eligibility of the veterans depends upon his net worth as it may be indicative of his need for assistance, and upon his ability to repay the loan. Professor Maisel suggested that the California experience might be worthy of consideration as the Congress attempts to find a solution for the housing problems of middle-income families.

"The most comprehensive presentation on middle-income housing credit requirements was made by Dr. William Wheaton. His material paralleled that submitted by Mr. Abrams.

"According to Dr. Wheaton, an effective middle-income housing program is essential to the health of our cities, to stability in the housing industry, and to decent housing for millions of American families. He defines middle-income families as those whose incomes are too high to permit them to be housed in public housing and too low to be able to afford new privately built housing.

"The tables below, concerning Philadelphia, Pa., presented by Dr. Wheaton, show that new housing is generally made available only to the upper third of Philadelphia families. These tables are based upon the assumption that families would be willing to spend 20 percent of their incomes for housing.

"TABLE 36.—*Family income distribution, Philadelphia metropolitan area, December 1956*

Income class	Percent	Percent
Under $2,000	12	32
$2,000 to $3,999	20	
$4,000 to $4,999	17	32
$5,000 to $5,999	15	
$6,000 to $6,999	10	
$7,000 to $7,999	8	36
$8,000 to $9,999	8	
$10,000 and over	10	
Total	100	100

Source: National Housing Inventory.

"TABLE 37.—*Family income distribution and ability to purchase a home, Philadelphia, December 1956*

Income group	Percent of families	Maximum monthly housing payment [1]	House price required [2]	Normal housing payment
Under $4,000	32	Under $66	About $6,000, none produced	$50.
$4,000 to $5,999	32	$66 to $100	$6,000 to $10,000, none produced	$50 to $75.
$6,000 and over	36	$100 and over	$10,000 and up [3]	$75 and up.
Total	100			

[1] Assuming 20 percent of income for monthly payment.
[2] With normal downpayment and financing.
[3] The lowest priced new home in the Philadelphia metropolitan area in 1956. Only 3 percent of new dwellings were at this price level; 20 percent were priced at $10,000 to $12,000; 77 percent were priced over $12,000. The 1957 average price was over $15,000. Only 10 percent of Philadelphia families can afford these homes at the average ratio of income to housing expense (15 percent) characteristic of such families.

"Source: Institute for Urban Studies.

"The above data for Philadelphia are typical for urban places in most of the United States. According to family income data recently released by the U.S. Census Bureau, about 30 percent of urban families had annual incomes in 1958 of less than $4,000, another 30 percent had incomes between $4,000 and $6,000, and 40 percent had incomes of $6,000 and over.

"If new housing is being made available only to families with incomes of $6,000 and over, only 40 percent of urban families can afford it. This raises the questions—why not house low- and middle-income families in existing houses? Why must new housing be supplied? Is it not feasible to expect the higher income family to purchase new homes and the remaining families to occupy existing homes as they become older and depreciate in value?

"Most low- and moderate-income families have obtained decent shelter through the normal operation of a "filtration" process whereby the new homes bought by the higher income families filter down to the lower income group as they become older and depreciate in value. There is nothing wrong with this if it works properly. The only way it can work properly is by maintaining a flow of good reasonably priced new housing at the top and elimination of wornout and dilapidated houses at the bottom. The principal difficulty has been our inability to supply enough new units, thereby requiring the continued use of wornout and substandard units.

"Some have advocated that the answer to a smooth flowing filtration process is code enforcement and rehabilitation. The claim is made that adequate housing can be provided for the moderate-income families through a maintenance and fix-up program. There is no question that rehabilitation has great possibilities, but it can never be a substitute for a constant new supply.

"Dr. Wheaton said that 'the major issue facing the housing economy is the extent to which filtration can be induced by positive credit policy.' He theorized that if the homebuilding industry could be enabled to serve an additional 25 percent of the population, it could presumably produce an additional 200,000 to 500,000 new homes per year. This new volume would force older homes to depreciate in value, and eventually force them off the market.

"Dr. Wheaton lists the following items which contribute to the cost of new homes: (1) construction costs, (2) land costs, (3) profits, (4) operating costs, (5) property and other taxes, and (6) financing costs.

"There is no question but that constant pressure should be maintained to hold down the costs of these various items. Government policy can be directed in a number of ways to help accomplish this end, for example, through support of research to reduce construction and land development costs. The one item which is most accessible to public control is financing costs. This is the second largest and sometimes the largest single component in housing cost. When families purchase homes on amortized mortgages of more than 30 years' term, they will pay $20,000 or more for a $10,000 house. See table below for examples of financing costs.

"TABLE 38.—*Total payments per thousand dollars over life of loan for various interest rates and amortization periods*

Interest rates	10 years	20 years	30 years	40 years
6 percent	$1,333.20	$1,720.80	$2,160.00	$2,640.00
5 percent	1,273.20	1,584.00	1,933.20	2,313.60
4 percent	1,214.40	1,454.40	1,717.20	2,006.40
3 percent	1,159.20	1,332.00	1,519.20	1,718.40
2 percent	1,104.00	1,214.40	1,332.00	1,454.40

"By cutting financing charges in half, the total cost of the $10,000 house, cited above, over the 30-year life of the mortgage, can be reduced by one-fourth—from $20,000 to $15,000.

"The table below demonstrates the reductions that can be achieved by various public aids on interest rates:

"TABLE 39.—*Estimated total monthly housing expense under various financing terms*

IN TYPICAL NORTHERN CITIES WITH HIGH COSTS

Sales price and down-payment	Total monthly housing expense under—						
	Typical 1956 Federal financing aids			Financing terms required for middle-income families			
	FHA 4½+½ percent 20-year (1)	FHA 4½+½ percent 30-year (2)	FHA 4½+½ percent 40-year (3)	3½ percent 40-year (4)	2½ percent 40-year (5)	1½ percent 40-year (6)	1 percent 40-year (7)
$10,000 3-bedroom home:							
No downpayment	$90	$87	$82	$72	$67	$61	$59
5 percent down	96	85	79	70	65	60	58
10 percent down	93	82	77	68	63	59	56
$9,000 2-bedroom home:							
No downpayment	90	79	74	65	61	57	54
5 percent down	87	76	72	64	60	55	53
10 percent down	84	74	69	62	58	54	52
IN AVERAGE-COST AREAS							
$10,000 3-bedroom home:							
No downpayment	$95	$83	$78	$68	$63	$57	$55
5 percent down	92	81	75	66	61	56	54
10 percent down	89	78	73	64	59	55	52
$9,000 2-bedroom home:							
No downpayment	86	75	70	61	57	53	50
5 percent down	83	72	68	60	56	51	49
10 percent down	80	70	65	58	54	50	48
IN LOW-COST AREAS							
$8,000 3-bedroom home:							
No downpayment	$78	$68	$64	$56	$51	$47	$45
5 percent down	75	66	62	54	50	46	44
10 percent down	73	64	60	53	49	45	43
$7,000 2-bedroom home:							
No downpayment	69	61	57	50	46	43	41
5 percent down	67	59	55	49	45	42	40
10 percent down	65	57	54	48	44	41	39

NOTES

Cost estimates: All cost data are FHA estimates for new homes built under sec. 203 and insured in 1952. Operating expenses, taxes, and insurance are as follows for the several price classes: $10,000—$18.80, $9.20, $1.50; $9,000—$17.93, $8.43, $1.24; $8,000—$16.75, $7.10, $1.15; $7,000—$15.77, $6.41, $1.02. Cf. HHFA, 6th Annual Report, p. 280, table 27. In all cases costs used are for value class below price shown to allow for difference between FHA value and market price.

Northern cities: FHA cost data are national averages. They therefore understate heat and utility costs in northern cities. $4 have been added to FHA estimates to cover this difference in northern cities.

Average-cost areas: FHA cost data.

Low-cost areas: FHA cost data for $8,000 and $7,000 homes probably represent cases occurring almost exclusively in southern areas and in smaller towns in such areas. Available data do not reveal major cities in which $7,000 homes are currently being marketed in significant quantities.

Single homes: All data are for single homes sold for owner-occupancy.

Rental housing: Structures of similar floor area built for rent in typical rental housing projects would probably rent for $4 to $8 per month more than the figures shown. This cost difference would arise from higher maintenance materials, fuel, and utilities.

Financing terms:
(1) Conventional FHA-insured, 20-year loan. The insurance charge is approximate.
(2) FHA-insured, 30-year mortgage at 4½ percent plus insurance as proposed in pending legislation.
(3) FNMA-made, FHA-insured, 40-year loan at 4½ percent plus insurance. This rate is below current rates on sec. 220–221 loans.
(4) A 3½-percent, 40-year level payment loan.
(5) A 2½-percent, 40-year level payment loan.
(6) A 1½-percent, 40-year level payment loan.
(7) A 1-percent, 40-year level payment loan."

The need for this legislation is not confined to any one State or locality. However, inasmuch as the State of New York recognized this need and put a State program into operation, the committee heard several witnesses from that State, including a sponsor of the New York law. State Senator MacNeil Mitchell, of New York, coauthor of the New York law, explained that in New York it is difficult for a private entrepreneur to provide rental housing at less than $40 a room per month. The average needs of middle-income families, he explained, range approximately from $17 to $29 a room per month. The alternatives facing the State were, on the one hand, an expansion of the volume of public housing, at a staggering cost in the form of subsidies, or, on the other hand, to find some legitimate inducements for private entrepreneurs to enter this "no man's land," as he described it.

New York chose the inducement to private enterprise, which was described to the committee in the words of Senator Mitchell, as follows:

"On our New York State statute books we have had ever since 1926 aids for private enterprise that have consisted mainly in the form of assistance in land acquisition and abatement of local real estate taxes, but it was not until the enactment of the Mitchell-Lama law in 1955 that any appreciable dent could be made in the middle-income market, providing as it does a most attractive vehicle for private builders.

"Limited profit housing companies formed pursuant to this law, and armed with the power of condemnations may borrow or mortgage from the State or the municipalities up to 90 percent of the development costs of the project for a term up to 50 years. In addition, partial tax exemption is granted

up to 50 percent of the completed project cost.

"Lest this be considered a major subsidy—because we like to feel that this particular legislation is in no way to be a subsidy—all loans are repayable in full with interest, and we like to think it is strictly a form of private enterprise taking hold of the market. Lest it be considered a major subsidy, I should like to point to the example of the Contello Towers in Brooklyn, now being built under this law on vacant land, and nearing completion.

"Originally, the net annual tax return to the city of New York was $2,000, and the day Contello Towers is completed, with 40 percent tax exemption, it will produce more than $90,000 annually to the city, more than 45 times the original return.

"The law in this case provides for supervision of construction, management, and other costs, and places a reasonable limitation on the return of private investors at 6 percent. On the repayment of the mortgage and tax concessions, the project is removed entirely from Government supervision; and that is normally after a period of 35 years.

"I call to your attention, though, that the law has just lately been amended to permit a voluntary withdrawal from such supervision at an earlier date upon repayment in full merely of the mortgage loan. This has a dual advantage of placing the property on the full tax rolls at a much earlier date, while on the other hand providing something that until this minute has been lacking, namely, an incentive to the private entrepreneur on a capital gains basis."

Section 12 would make both the real and tangible personal property of the new Corporation subject to State and local taxation. This section also would permit a borrower to obtain partial or complete tax exemption from State or local political subdivisions, and would exempt the Corporation's franchise, capital, reserves, surplus, income, assets, and other property (except real estate and tangible personal property) from Federal, State, and local taxes. Exemption is also provided on all obligations issued by the Corporation, and the interest paid on such obligations, from Federal, State, and local taxes. With respect to the tax exemption features of the bill, Senator JAVITS provided the committee a compilation of other Federal statutes providing for the issuance of securities on a tax-exempt basis. This compilation lists 15 Federal statutes affecting corporations, financial institutions, or agencies of the Federal Government with tax exemption provisions. Thus, it would appear that the tax exemption provisions in S. 1342 are not unusual. This compilation is as follows:

1. Federal Reserve banks (12 U.S.C. 531).
2. Federal land banks (12 U.S.C. 931).
3. Federal Farm Mortgage Corporation (12 U.S.C. 1020f).
4. Federal Intermediate Credit Bank (12 U.S.C. 1111).
5. Central Bank for Cooperatives, Production Credit Association, banks for cooperatives (12 U.S.C. 1138c).
6. Federal home loan bank (12 U.S.C. 1433).
7. Federal savings and loan associations (12 U.S.C. 1464).
8. Federal National Mortgage Association (12 U.S.C. 1723a).
9. Federal Savings and Loan Insurance Corporation (12 U.S.C. 1725).
10. Federal housing, certain debentures (12 U.S.C. 1747g).
11. Federal Deposit Insurance Corporation (12 U.S.C. 1825).
12. Reconstruction Finance Corporation (certain securities) (15 U.S.C. 607).
13. Commodity Credit Corporation (15 U.S.C. 713a-5).
14. Public Housing Administration (42 U.S.C. 1405(e)).

Senator Mitchell explained that a recent session of the legislature had created a State housing finance agency with power to sell up to $500 million in bonds exempt from taxation. He quoted the former commissioner of housing in the State of New York, Joseph P. McMurray, as saying:

"No other housing program of which we have record, whether Federal, State, or municipal, has evidenced such celerity in getting actual construction underway."

Senator Mitchell stated, in opposition to the position taken by the Administrator of the HHFA, that in New York State, FHA and VA loans had not satisfied the market affected by the middle-income housing program. Together with New York State Housing Commissioner James W. Gaynor, he endorsed S. 1342.

J. Clarence Davies, chairman, Housing and Redevelopment Board, New York City, also supported the bill. He stated that the New York State middle-income housing program had helped in alleviating the housing needs of American families who neither qualify for low-income, federally subsidized housing, nor can meet the rental payments of privately financed housing. He stated:

"In New York City, for example, an income study conducted by the State in 1956 indicated that more than 88 percent of the city's 2,228,000 families had incomes of $10,000 a year or less, and that more than 46 percent—almost half of the population—was in the $5,000- to $10,000-a-year bracket. Now consider this in relationship to the statistics we have in regard to new housing completed. In 1958, less than one-quarter of the private units completed was in the $85- to $125-a-month rental range. The average monthly rent per room in privately financed or title I multiple dwellings was $47—or an average of $155 per month per dwelling unit.

"Cognizant of this problem, the city and the State have moved to establish and strengthen numerous legislative and administrative tools to stimulate the construction of housing in the moderate rental range. Through these programs we have completed more than 53,000 middle-income units. Almost an equal amount is approved or under construction. In terms of the need, however, this falls far short of the number of middle-income units necessary to serve the community. The gap between demand and potential supply in area becomes sharply evident as we attempt to program urban renewal on a broader community basis, with the desirable goal of providing economically balanced neighborhoods."

It will be noted in the above testimony of Mr. Davies, who is engaged in the everyday practical application of all housing and urban renewal programs in New York City, that he stressed two important points, in addition to the obvious need for middle-income housing aid, namely, (1) that despite the good work of the New York State program, New York City needs a Federal program to supplement the State program, and (2) the progress of urban renewal accentuates the gap between middle-income housing demand and potential supply

Mr. James W. Gaynor, State housing commissioner, who actually operates the New York middle-income housing program, listed five rule-of-thumb factors that are prime considerations in developing a program to produce housing for middle-income families. This portion of his statement follows:

"1. For every decrease in interest rate of 1 percent, rents will decrease at least $2 per room per month.

"2. Fifty percent abatement of real estate taxes will reduce rents approximately $4.50 per room per month.

"3. Every 5 percent reduction in profit on 10 percent equity will reduce rents about $1.60 per room per month; or assuming a standard 15 percent profit on investment for conventional housing, limiting profit to 6 percent will reduce rents about $2.85 per room per month.

"4. Tight standards that reduce construction cost $500 per room will reduce rents about $3.50 per room per month.

"5. Site costs are affected by many variables, but all else being equal, every $1 per square foot reduction in cost will reduce rents about 30 cents per room. The write-down benefits under urban renewal could therefore contribute a rental reduction of $1.50 or more per room per month.

"These cost reductions applied to the average 4½-room apartment mean a reduction in rent of over $60 per month. In other words, the same builder who can produce a 4½-room apartment under conventional financing to rent at $140 to $160 a month, can, given all of the assistance I have outlined, produce that same apartment to rent at $80 to $100 a month. While it is improbable that all of those cost reduction factors would be applicable to the maximum in a given project, the figures indicate the importance of assistance to the construction industry.

"The bill that would create the Federal Limited Profit Housing Mortgage Corporation is drawn to produce those results."

With respect to the exodus from cities due to the lack of middle-income housing, Mr. Davies gave the subcommittee some important information in his capacity as chairman of the Housing and Redevelopment Board of New York City:

"The middle-income family is, in a sense, the backbone of any community. We have recognized that New York, following a pattern common to many American cities, has lost more than 900,000 middle-income families during the past decade. Of course, a like number came into the city, but their income level was much lower. This significant change bears heavily upon the city's need to provide special services and facilities, and of course affects our general economy. It is a common bromide of the critics to infer that New York is becoming a city of the very rich and the very poor. While the statistics belie this, there is good reason to take the necessary steps to insure that the middle-income resident is not taken for granted at a time when construction costs and a tight housing market have placed him in a vise which we can and must remove.

"The legislation introduced by Senator JAVITS and Senator CLARK (S. 1342) would make available, on a national scale, and for the first time, Federal support for the kinds of programs that New York State and New York City have proved to be successful. On the basis of the numbers of units completed and planned, it is evident that we have had little difficulty in developing responsible and enthusiastic private sponsorship for the kind of moderate-rental housing that is so desperately needed to meet the pocketbook demands of nearly one-half of our city's population.

"In this regard, I am sure New York City is not atypical, and that a federally backed program along these lines would bring new housing hope to America's forgotten majority—its middle-income families—and since our cities need to retain their middle-income families it would give, in addition, new hope to them."

It will be noted from Mr. Davies' statement that New York City has lost more than 900,000 middle-income families during the past decade.

Mayor Richard C. Lee, New Haven, Conn., testifying on behalf of the American Municipal Association as chairman of its urban renewal committee, presented the association's recognition of the need for middle-income housing aid and endorsed S. 1342. He stated:

"In the area of new moderate-cost housing, we must face one serious fact—it just

is not being built. We in AMA have come to the realization that new middle-income housing can be provided only with some form of Government assistance. Our 1960 policy statement includes specific recommendations in this area.

"It seems to me that the Javits-Clark bill, S. 1342, which provides for direct mortgage loans would be a good point of departure toward the stimulation of new moderate cost construction."

Nathaniel S. Keith, president of the National Housing Conference estimated that the "gap" between low-rent housing and private or cooperative housing programs involved more than 13 million families. He strongly endorsed the bill and called this type of program a necessity in the decade of the sixties, if expansion of housing production to the levels required is to be achieved. Excerpts from his statement, which contain pertinent statistical and financial data, follow:

"The subcommittee may be interested in our analysis of the rent levels which might be accomplished under the formula of the Javits-Clark bill. We assume a 2-bedroom apartment in a 2- or 3-story walkup apartment development involving a total development cost of $12,500 per apartment, which on the basis of experience is about the minimum cost feasible under prevailing conditions in major metropolitan areas. On the basis of typical operating expenses and full real estate taxes for such a unit and assuming its development by a limited-profit housing corporation, we estimate that the required rental would be approximately $110 per month, or slightly under $25 per room. On the generally accepted yardstick that rent may absorb up to 20 percent of annual gross family income, such a unit would be suitable for families with annual income of $6,500 and up. By comparison, the identical unit financed under the prevailing terms for rental housing under section 220 of the FHA program would require a monthly rent of about $130, suitable for families with annual incomes of $7,800 and up. Thus, the formula proposed under the Javits-Clark bill under current conditions would produce a reduction of about 15 percent in required rents as compared with the section 220 FHA formula and a consequent broadening of the market which could be served. If this hypothetical unit also received a 50-percent abatement in real estate taxes, we estimate that a further reduction in rent to about $100 per month would be achieved, which would be suitable for families with annual incomes of $6,000 and up.

"Even under prevailing high interest rate conditions in the private money market, the financing formula in the Javits-Clark bill thus would make possible a considerable reduction in the rents required for privately developed housing as compared with the rents achievable under the section 220 and similar existing programs. This would clearly represent a definite advance in the tools available to meet housing needs on a broad basis. Nevertheless, it would still leave a substantial gap between the upper income limit of families eligible for admission to low-rent public housing and the lower limit of families served by private or cooperative housing programs. Again in terms of national averages, this gap would represent generally the families within incomes between $4,000 and $6,000 which in 1958 represented approximately 25 percent of the total nonfarm households. It is for this reason that the NHC, after study, has concluded that the only broad basis for closing this gap, which in human terms involves more than 13 million families, is to establish a Federal program under which interest rates would be matched to the income requirements and costs of construction required to serve families in this income category, even though the market rate for private money may be at substantially higher levels. For example, using the same hypothetical $12,500 unit and assuming a 50-year 100-percent loan to a nonprofit corporation at 3 percent interest and receiving a 50-percent abatement in real estate taxes, we estimate that a rental of about $80 per month could be achieved which would be suitable for families with annual incomes of $4,800 and up. At a 2-percent interest rate, the same unit would require rent of only $70, suitable for families with annual incomes of $4,200. We are convinced that the achievement of a complete housing program for the sixties will require an approach along this line and we recommend it to the study and consideration of this subcommittee."

Reliable financial interests in New York have supported the State program. The 13 persons announced August 10, 1959, by the Governor of New York, as temporary members of the Board of Directors of the Limited Profit Housing Mortgage Corporation, represented the following financial institutions or organizations:

Brooklyn Savings Bank.
Metropolitan Life Insurance Co.
The Bowery Savings Bank.
Equitable Life Assurance Society of the United States.
Manhattan Life Insurance Co.
International Basic Economy Corp.
The Buffalo Savings Bank.
Chase Manhattan Bank.
New York Life Insurance Co.
Harlem Savings Bank.
East New York Savings Bank.
Security Mutual Life Insurance Co. of Binghamton.
Seamen's Bank for Savings.

The above list indicates substantial support from well-known and substantial institutions.

Senator JAVITS, who, together with Senator CLARK, sponsored the bill, testified before the subcommittee and reviewed the need for S. 1342, as well as the soundness and workability of its provisions. He indicated that the bill was not intended to supplant other housing programs. Senator JAVITS made it clear that this bill is intended to help families that other programs are not helping. When asked about the apparent feeling in the HHFA that the present FHA system adequately takes care of the needs of middle-income families, Senator JAVITS stated:

"The basic impression of the agency is that there is really no middle-income housing shortage, or at least not one that could not be met by established media. The facts absolutely fly in the face of any such assertion. The fact is that the most crying need in the largest city in the country, New York City, and in other cities in my own State, is this very program for this very purpose. Our State program is just strained to the limit and cannot meet the need. It has been availed of tremendously, to the full limit of its capacity. Any civic agency that makes a report, whether it is a housing council in New York City or whether it is any upstate agency in my State which is doing the civic duty of analyzing the housing needs, never fails to come up with this No. 1 recommendation that we must do something about middle-income housing. The people who fall in that gap are out."

The testimony of other witnesses supported Senator JAVITS' statement.

CONCLUSION

After careful consideration of the problems which S. 1342 is designed to solve, the committee believes that this new program is required to achieve the national housing policy of "a decent home and suitable living environment for every American family."

BRIEF DESCRIPTION OF NEW PROGRAM

This bill would create a Federal Limited Profit Mortgage Corporation which would make loans secured by housing projects for moderate-income families or for elderly persons. The Corporation would be started with a $100 million stock subscription by the Treasury and would obtain its funds by borrowing in the private market.

The loans would be made for a period of 50 years at interest rates equivalent to the rates at which tax-exempt Treasury bonds are sold, but not to exceed 4 percent. These loans could not exceed 90 percent of development cost, and the Corporation would charge one-half of 1 percent in addition to the cost of money to the Corporation.

Borrowers would be limited to a return of 6 percent, and rents and carrying charges would be regulated to insure the production of housing to rent at levels within the means of elderly persons and moderate-income families.

Families of moderate income are defined to mean families, or individuals, whose incomes preclude them from purchasing or renting conventionally financed new housing with total monthly housing expenditures of 20 percent of their normal stable income, as defined by the Federal Housing Administration. Elderly persons are defined to mean a person 60 years of age or over, or a family, the head of which or his spouse is 60 years of age or over.

SECTION-BY-SECTION SUMMARY

Section 1 finds that the goal of a decent home and suitable living environment for every American family is not being achieved for families whose means are too high for admission to low-rent public housing but too low to afford the range of sales prices and rents required for satisfactory new private housing. It finds further that there is an urgent need for a supplementary system of housing financing to enable private enterprise to provide homes of sound standards of design and construction for families of moderate income and for elderly persons; and that there are means available to State and local governments to assist in the production of such housing.

Section 2 states that the purpose of the bill is to provide housing for middle-income and elderly persons, whose needs are not now being served through existing programs, by making financial assistance available on terms which will permit reduced rents or charges.

Section 3 creates a body corporate known as the Federal Limited Profit Mortgage Corporation. It would be given authority to exercise usual corporate powers, to make and service mortgage loans, and to issue obligations in such amounts, and on such terms, as it may determine.

Section 4 vests the management and administration of the Corporation in a board of five directors appointed by the HHFA Administrator, who would be Chairman, from among the officers or employees of the Corporation. It also permits the Chairman to appoint an advisory committee to assist and advise members of the board in the management and administration of the Corporation.

Section 5 authorizes appropriations to permit the Treasury to subscribe to $100 million in capital stock of the Corporation. Such stock or any part thereof may be retired at any time by the Corporation. Any residue of the assets of the Corporation upon any liquidation shall be covered into the Treasury of the United States.

Section 6 permits the Corporation to make direct loans to public or private nonprofit or limited profitmaking corporations. It establishes mortgage terms: (1) Maximum maurity 50 years (not to exceed 60 years in certain cases of refinancing); (2) an interest rate computed on cost of money to the Corporation, plus one-half of 1 percent for administrative expenses; and (3) the maximum mortgage may equal 90 percent of development cost of a mutlifamily project and

may not exceed 90 percent of such amount as the Corporation shall determine is necessary to make the housing units available for families of moderate income and elderly persons. The Corporation would have complete control over the nature of the project, development costs, and the schedule of rents.

Section 7 authorizes the Corporation to issue for purchase by the public (on or after July 1, 1960) up to $500 million in obligations and, with approval of the President, up to $1.5 billion annually beginning July 1, 1961. Maximum outstanding obligations at any one time cannot exceed the aggregate of all assets of the Corporation. Maximum interest on obligations of the Corporation shall not exceed 4 percent per annum. In the event of default by the Corporation, the obligations would be replaced by debentures fully guranteed by the United States.

Section 8 establishes an insurance fund as a reserve account for losses, equal to one-fourth of 1 percent annually of the outstanding balance of mortgages held by the Corporation.

Section 9 gives priority for loans on projects which receive assistance from State or local government in ways specified in section 1(b).

Section 10 defines the following terms:

(a) "Families of moderate income" means families, or individuals who cannot purchase or rent conventionally financed new housing with total monthly housing expenditures of 20 percent of their normal stable income as defined by the Federal Housing Administration.

(b) "Eligible borrower" or "borrower" means (1) any private or public nonprofit organization (including cooperative ownership housing corporations), or (2) any private corporation, borrowing directly on a commitment from the Federal Limited Profit Mortgage Corporation and authorized to provide dwellings (i) the occupancy of which is to be permitted in consideration of agreed charges, or (ii) for sale to an organization of the character described in clause (1) of this paragraph.

(c) "Corporation," except when used to describe the Federal Limited Profit Mortgage Corporation, means either "corporation" or "trust."

(d) "Housing project" is defined to permit the inclusion of such stores, offices, or other commercial facilities, recreational or community facilities, or other nondwelling facilities as are necessary appurtenances to such housing project.

(e) "Development cost" includes all normal and reasonable expenses incurred in the development of a housing project, as approved by the Corporation.

(f) "Mortgage" or "mortgage loan" means a first mortgage on real estate, in fee simple, or on a leasehold (1) under a lease for not less than 99 years which is renewable, or (2) under a lease for a period of not less than 75 years to run from the date the mortgage was executed.

(g) "Veteran" means a person who has served in the active military or naval service of the United States at any time (i) on or after September 16, 1940, and prior to July 26, 1947, (ii) on or after April 6, 1917, and prior to November 11, 1918, or (iii) on or after June 27, 1950, and prior to February 1, 1955, and who shall have been discharged or released therefrom under conditions other than dishonorable.

(h) "Going Federal rate" means the annual rate of interest (or, if there shall be two or more such rates of interest, the highest thereof) specified in the most recently issued bonds of the Federal Government having a maturity of 10 years or more.

(i) "State" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories, dependencies, and possessions of the United States.

(j) The term "elderly person" means a person 60 years of age or over or a family the head of which or his spouse is 60 years of age or over.

Section 11 makes certain technical amendment to related Federal statutes.

Section 12 makes real and tangible personal property of the Corporation subject to State and local taxation. Permits borrowers to obtain complete or partial tax exemption from State or other political subdivisions, and exempts the Corporation's franchise, capital, reserves, surplus, income, assets, and other property (except real estate and tangible personal property) from Federal, State, and local taxes. Also exempts all obligations issued by the Corporation and interest paid on such obligations from Federal, State, and local taxes.

Section 13 provides for certain minimum labor standards on construction assisted by this act, including provisions of the Davis-Bacon Act.

Section 14 provides for certain criminal penalties.

Section 15 provides that the act may be cited as the "Federal Limited Profit Mortgage Corporation Act."

Mr. Speaker, for the benefit of those who have not had an opportunity to examine the bill as originally introduced, I am setting forth at this point in the RECORD the text of H.R. 3778:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS

SECTION 1. (a) While the Congress, in the declaration of national housing policy set forth in the Housing Act of 1949, established the goal of a decent home and a suitable living environment for every American family, experience has demonstrated that this goal is not being met or even approached for the millions of American families whose incomes are too high for admission to low-rent public housing but too low to afford the range of sales prices and rents required for satisfactory new private housing being produced under the existing Federal programs of assistance to private enterprise in housing. Therefore, to further implement the declaration of national housing policy, and consistent with the provision thereof that governmental assistance shall be utilized where feasible to enable private enterprise to serve more of the total housing need, the Congress hereby determines that there is an urgent need for a supplementary system of housing finance to enable private enterprise to provide homes of sound standards of design and construction for families of moderate income and for elderly persons.

(b) The Congress further determines that there are means available to State and local governments to further assist private enterprise to meet this need at little or no direct cost to such governments by (1) granting exemptions, in whole or in part, from taxation on the increased value of real property, (2) assisting in the assembling of sites through the use of the power of condemnation and eminent domain, and (3) promoting the use of sites, cleared under the slum clearance and urban renewal provisions of the Housing Act of 1949, as amended, for such housing. While not making such assistance mandatory, it is the sense of the Congress that such assistance should be given to housing constructed under this Act.

PURPOSE

SEC. 2. The purpose of this Act is to provide satisfactory housing in well-planned, economically sound residental neighborhoods for families of moderate income and elderly persons whose needs are not now being served through existing programs of assistance to private and public enterprise, and to accomplish this purpose, this Act makes financial assistance available to eligible borrowers for the provision of housing of sound design and construction which will promote such economies as will be fully reflected in reduced rents or charges.

CREATION AND POWERS OF FEDERAL LIMITED PROFIT MORTGAGE CORPORATION

SEC. 3. (a) To effectuate the purpose of this Act, there is hereby created a body corporate to be known as the "Federal Limited Profit Mortgage Corporation" (hereinafter referred to as the "Corporation") with authority, as herein provided, to make and service loans, issue obligations in such amounts, at such times, and on such terms as the Corporation may determine, and to exercise the other powers and duties prescribed in this Act. In the performance of, and with respect to, the functions, powers, and duties vested in it by this Act, the Corporation, notwithstanding the provisions of any other law, may—

(1) adopt and use a corporate seal;

(2) sue or be sued in any Federal, State, or local court of competent jurisdiction;

(3) enter into contracts with regard to section 3709 of the Revised Statutes and make advance, progress, or other payments with respect to such contracts without regard to the provisions of section 3648 of the Revised Statutes, and include in any contract or instrument made pursuant to this Act such other provisions as the Corporation deems necessary to assure that the purposes of this Act will be achieved;

(4) foreclose on any property or take any action to protect or enforce any right conferred upon it by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any project or part thereof in connection with which it has made a loan pursuant to this Act;

(5) pay all expenses or charges in connection with, and deal with, complete, reconstruct, improve, rent, manage, make contracts for the management of, or establish suitable agencies for the management of, or sell for cash or credit, or lease in its discretion, in whole or in part, any project acquired pursuant to this Act and to pursue to final collection by way of compromise or otherwise all claims acquired by, or assigned or transferred to, it in connection with the acquisition or disposal of any housing project pursuant to this Act, notwithstanding any other provisions of law relating to the acquisition, handling, or disposal of real or personal property: *Provided*, That any such acquisition of real property shall not deprive the State or any political subdivision thereof of its civil or criminal jurisdiction in and over such property or impair the civil rights under State or local laws of the inhabitants on such property;

(6) acquire, hold, sell, or exchange at public or private sale, or lease, or otherwise dispose of, real or personal property, and sell or exchange any securities or obligations;

(7) subject to the specific limitations in this Act, consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security, or any other term, of any contract or agreement to which it is a party or which has been transferred to it pursuant to this Act;

(8) utilize and act through, with regard to section 3709 of the Revised Statutes, any Federal, State, or local public agency or instrumentality, or nonprofit agency or organization, with the consent of the agency or organization concerned, and contract with any such agency, instrumentality, or organization for the furnishing of any services or facilities; and may make advance, progress, or other payments with respect to such contracts without regard to the provisions of section 3648 of the Revised Statutes;

(9) enter into contracts with any Federal Housing Administration approved mort-

gage to service loans made by such institutions;

(10) have succession in its corporate name; and

(11) do all things which are necessary or incidental to the proper management of its affairs and the proper conduct of its business.

(b) The Corporation may determine the necessity for and the character of its obligations and expenditures and the manner in which they shall be incurred, allowed, and accounted for. The business of the Corporation shall not be considered official business of the United States within the meaning of any statute permitting the free use of the United States mails.

(c) The Corporation may make available to eligible borrowers technical and other assistance which they may require in the initiation, development, and administration of their project.

BOARD OF DIRECTORS

SEC. 4. (a) The management of the Corporation shall be vested in a Board of Directors (hereinafter referred to as the "Board") consisting of five persons, one of whom shall be the Housing and Home Finance Administrator as Chairman of the Board, and four of whom shall be appointed by the Administrator from among the officers or employees of the Corporation, of the immediate office of the Administrator, or (with the consent of the head of such department or agency) of any other department or agency of the Federal Government. The Board shall meet at the call of its Chairman, who shall require it to meet not less than once each month. Within the limitations of law, the Board shall determine the general policies which shall govern the operations of the Corporation. The Board shall select and effect the appointment of a qualified person to fill the office of President of the Corporation. The basic rate of compensation of the position of President of the Corporation shall be the same as the basic rate of compensation established for the heads of the constituent agencies of the Housing and Home Finance Agency. The Board shall select, employ, appoint, and fix the compensation of such other officers and employees as may be necessary to carry out the duties of the Corporation, without regard to the provisions of law applicable to the employment, compensation, leave, or expenses of officers and employees of the United States; except that the rates of basic compensation of such officers and employees shall be comparable to those established for officers and employees under the Classification Act of 1949, as amended. The members of the Board, as such, shall not receive compensation for their services.

(b) The Board shall supervise the Corporation, shall perform the other duties prescribed herein, and shall have the power to adopt, amend, and require the observance of such rules, regulations, and orders as shall be necessary from time to time for carrying out the purposes of this Act and for coordinating the activities of the Corporation with the housing functions and activities administered within the Housing and Home Finance Agency, or any of its constituent agencies, and with the general economic and fiscal policies of the Government, and in carrying out these responsibilities the Board shall consult with the Advisory Committee, established under subsection (c) of this section. In the performance of, and with respect to, the functions, powers, and duties vested in it by this Act, the Board, notwithstanding the provisions of any other law, may exercise any of the powers enumerated in the second sentence of section 3(a) of this Act and shall—

(1) estimate the need for housing for moderate-income families and elderly persons in each housing market area of the country and allocate and reallocate to each area its appropriate share of the loan funds authorized by this Act;

(2) delegate, in its discretion, any of the functions, powers, and duties vested in it by this Act to any officers or employees under its direction and supervision;

(3) take such steps as it deems necessary and desirable to assure that the benefits of this program are not dissipated through speculative devices, to assure that the organization of any corporate borrower and its proposed methods of operation are such as will avoid its use for speculative purposes or the payment of excessive fees, salaries, or charges in connection with any housing project, and to encourage borrowers to adopt methods by which occupants of dwellings may be permitted to reduce their rentals or other occupancy charges by occupant maintenance and repair or other means of self-help and methods whereby they may acquire (subject to the right of a cooperative to repurchase) ownership of their individual dwellings where such dwellings are free standing; and

(4) make an annual report to the President of the United States, for transmission to the Congress, to be submitted as soon as practicable following the close of the year for which such report is made.

(c) (1) An advisory committee shall be appointed by the Board to consist of seven members. In appointing such members the Board shall seek to obtain persons whose knowledge and experience in one or more of the fields of State or local government, the building of rental and cooperative housing projects, or the promotion or development of such projects, would be of assistance in the administration of the program authorized by this Act. From the members appointed to such committee the Board shall designate a chairman. The committee shall meet on the call of the Board which shall be not less than twice during each calendar year.

(2) Members of the advisory committee shall be entitled to receive compensation at a rate to be fixed by the Board, but not exceeding $50 per diem, and shall be entitled to receive an allowance for actual and necessary traveling and subsistence expenses, while attending meetings of the committee or otherwise serving at the request of the Board.

CAPITAL STOCK

SEC. 5. (a) The Corporation may issue capital stock from time to time which shall be subscribed for by the Secretary of the Treasury on behalf of the United States, and payments for such subscriptions shall be subject to call in whole or in part by the Corporation: *Provided*, That the total amount of such stock subscribed for and held by the Secretary of the Treasury at any time shall not exceed $100,000,000. Stock held by the Secretary of the Treasury shall be entitled to cumulative dividends for each year equal to a return on the average amount, at par, of such stock outstanding during such fiscal year at a rate determined by the Secretary of the Treasury, taking into consideration the current average interest rate on outstanding marketable obligations of the United States as of the last day of the sixth month of such fiscal year. The Corporation shall issue to the Secretary of the Treasury receipts for payments by him for or on account of such stock, and such receipts shall be evidence of the stock ownership of the United States. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the amounts necessary to enable the Secretary of the Treasury to make payments on such stock when called. Such stock or any part thereof may be retired at any time by the Corporation.

(b) The assets of the Corporation, upon any liquidation, shall be used to retire all outstanding stock at par, to pay any accrued dividends, and to retire, pay, or settle all outstanding obligations. Any residue shall be covered into the Treasury as miscellaneous receipts.

MORTGAGE LOANS

SEC. 6. (a) To assist the production of housing of sound standards of design, construction, livability, and size for adequate family life available for families of moderate income, and for elderly persons, the Corporation, upon application of an eligible borrower (as defined in section 10(b)) and subject to the terms and conditions of this Act, may make a mortgage loan (including advances during the development of the housing project) to such borrower, or enter into commitments to purchase or repurchase loans to finance the development of a housing project to be undertaken by such borrower. No such loan shall be made unless—

(1) The Corporation shall have determined that—

(A) the borrower is an eligible borrower of the character described in section 10(b) hereof and that, in the case of a nonprofit cooperative ownership housing corporation, the membership thereof is comprised predominantly of families of moderate income, or elderly persons (or both) or that, in the case of a borrower other than a nonprofit cooperative ownership housing corporation, the dwellings in such housing project are to be made available to families of moderate income or elderly persons;

(B) the proposed housing project will meet a need for housing of families of moderate income or elderly persons;

(C) the location and physical planning of the housing project will afford reasonable assurance as to the stability of the neighborhood, and the dwellings in the housing project will meet sound standards of design, construction, livability, and size for adequate family life or for elderly persons; and

(D) the housing project will not be of elaborate or extravagant design or construction, and such design and construction and the proposed methods of construction and of operation and maintenance are such as will promote such economies as are contemplated to be achieved through the nonprofit character of the borrower, increased efficiency in production through the use of new or improved materials and techniques and methods of construction or otherwise, increase efficiency in operation and management, minimum necessary operating services, occupant maintenance, or otherwise; and

(2) the borrower shall have agreed with the Corporation—

(A) not to incur or pay any excessive fees, salaries, or charges in connection with the housing project;

(B) to establish an initial schedule of rents or charges for the dwellings in the housing project which will permit such dwellings to be made available for families of moderate income, or for elderly persons, and such initial schedule of rents or charges and all revisions thereof shall be subject to the prior approval of the Corporation: *Provided*, That the Corporation shall not approve any initial schedule of rents or charges unless the Board has certified (i) that such rents or charges will permit the dwellings to be made available for families of moderate income or for elderly persons, and (ii) that such schedule is consistent, insofar as applicable, with the requirements of paragraph (2) (E) of this section, and reflects any savings derived by the borrower under any tax exemption which may have been obtained by such borrower in accordance with the proviso to section 12 of this Act;

(C) to give preference in the selection of tenants for the housing project (as among eligible applicants) first, to families displaced by public clearance or enforcement action; second, to families living in substandard homes; and, third, to families living

in overcrowded homes, veterans to have preference in each category: *Provided*, That in respect to dwelling units specifically designed and designated for elderly persons, such persons shall have a preference for the tenancy of such housing, without regard to the foregoing preferences;

(D) to maintain the housing project, including all equipment therein, and all appurtenances thereto, in good condition throughout the life of the mortgage loan, and to establish and maintain adequate reserves for repairs, maintenance, and replacements necessary to so maintain such housing project;

(E) to pay dividends, if the borrower is a corporation of the character described in clause (2)(i) of section 10(b) of this Act, at a rate which is not in excess of 6 per centum per annum: *Provided*, That, if in any year the Corporation is unable to pay dividends at the rate agreed to hereunder, dividends may be paid out of surplus earned in any subsequent year at a rate in excess of that agreed to but only to the extent necessary to give stockholders a return on their investment (not including any allowance for interest) equal to that which they would have received if dividends had been paid consecutively at the approved rate; and

(F) to comply with such other terms and conditions as the Corporation finds, prior to the mortgage loan, are necessary or desirable to carry out the purposes of this Act; and

(3) in the case of a cooperative ownership housing corporation, the members at the time of making application for the mortgage loan are equal to at least 30 per centum of the number of members proposed to be served by such housing project: *Provided*, That, prior to the receipt of any proceeds of such mortgage loan, the members of such cooperative borrower shall be equal to at least 80 per centum of the number of members proposed to be served by such housing project.

(b) The mortgage loan shall involve a principal obligation in an amount (1) not exceeding 90 per centum of the development cost (as defined in section 10(e)) of the housing project as determined by the Corporation, and (2) not exceeding 90 per centum of such amount as the Corporation shall have determined to be the maximum within which the project must be constructed in order that it may be made available for families of moderate income at rentals or charges within their means. No loan shall be made unless the mortgagor has agreed to certify the cost in the manner provided by section 227 of the National Housing Act for Federal Housing Administration mortgage insurance.

(c) (1) If a mortgage loan made under this Act to any eligible borrower involves a principal obligation which is less than that authorized under subsection (b) of this section, and the borrower proposes to raise additional funds through sources other than the Corporation to be secured through insured or guaranteed mortgages, debentures, bonds, or otherwise, the total mortgage loan and such other borrowing shall not exceed in the aggregate the maximum principal obligation authorized under subsection (b), and the rights of the Corporation under any such mortgage loan shall not be subordinate to the rights of any other creditor supplying such additional funds. The provisions of this Act shall apply to any project financed in whole or in part by the Corporation.

(2) A mortgage loan may be made under the provisions of this Act to an eligible borrower involving a principal obligation which is less than that authorized under subsection (b) of this section, to represent part of the obligation secured by a single mortgage with equal priorities, when the remainder of the funds obligated under such single mortgage are secured from State or local government funds, and the total mortgage loan and any other borrowing under the provisions of paragraph (1) of this subsection does not exceed in the aggregate the maximum principal obligation authorized under subsection (b) of this section.

(d) The mortgage loan shall provide for complete amortization within a period of fifty years by periodic payments upon such terms, including a program providing for level payments of principal and interest, as the Corporation shall prescribe, and shall bear interest, on the amount of the principal obligation of such mortgage loan outstanding at any time, at a fixed rate, based on the cost to the Corporation of capital investment and borrowings from the private market, plus one-half of 1 per centum to compensate the Corporation for its estimated overhead and administrative expenses in connection with such loan and for proportionate payments to required reserves. In the event of the refinancing of the loan (within such period as the Corporation shall prescribe), if the cost to the Corporation of capital investment and borrowings from the private market makes necessary an increase in the rate of interest which pursuant to this subsection, the Corporation is required to charge on the mortgage loan, the amortization period may be extended to a date not later than sixty years after the date of the original mortgage: *Provided*, That no such extension shall be made unless the Corporation determines that the increase otherwise resulting in the rents or charges for the dwellings in the housing project would adversely affect the stability of such housing project. The mortgage loan may, in the discretion of the Corporation, include provision for the deferment of payments of principal and interest thereunder: *Provided further*, That such deferments shall not in the aggregate result in an extension of the maturity of the mortgage for a period of more than three years nor shall any such deferments result in an extension of the maturity of the mortgage for more than three years beyond the mortgage maturity otherwise authorized herein.

(e) Subject to the provisions of this section, the mortgage loan shall be in such form, contain such provision as to security, repayment, and redemption, and be subject to such other terms and conditions as the Corporation may determine: *Provided*, That in the case of a borrower of the character described in section 10(b)(1), the mortgage loan shall contain provisions requiring that such borrower have, to the extent permitted by State and local law, a priority for the purchase of the interest of each of its members in the dwelling of such member in the event of sale of such interest.

(f) The borrower may, with the consent of the Corporation, pledge the contract or commitment of the Corporation to make a mortgage loan hereunder as security for a loan of construction funds from other sources.

(g) The Corporation may charge to the borrower (in addition to any interest charges) an amount not exceeding one-half of 1 per centum of the principal amount of the mortgage loan for inspection and other services during the construction of any housing project. The Corporation may also charge to an applicant for a mortgage loan under this Act a reasonable fee for the cost of processing applications, which shall be payable by the applicant whether or not such application is approved. If the borrower proposes to raise additional funds through sources other than the Corporation to be secured through insured or guaranteed mortgages, debentures, bonds, or otherwise, the inspection charge herein authorized shall be computed on the total amount borrowed from the Corporation and such other sources for the construction of such project. Such service charges may be included as a part of the development cost of the project and may be payable from the proceeds of any mortgage loan or advances thereon.

(h)(1) Each recipient of a mortgage loan under this section shall keep such records as the Corporation shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such mortgage loan, the total cost of the housing project in connection with which such loan is made, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Corporation and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the eligible borrowers that are pertinent to mortgage loans received under this section.

(i) In any State where a State or local agency has been created pursuant to State law to supervise the operation of a housing program found by the Corporation to be substantially similar to the provisions of this Act, the Corporation may provide by agreement with such agency for the supervision and administration by such agency of the mortgage loans made under the provisions of this section, in order to prevent duplication of functions, and to achieve administrative economies and coordination between the program established under this Act and any State or local programs to deal with the needs of middle income families and aged persons.

(j) If a local agency has been designated pursuant to the provisions of subsection (i) of this section, mortgage loans under this section shall be limited to borrowers organized or approved with the consent of the local agency pursuant to the provisions of applicable State law.

(k) After the expiration of twenty years from the date of the original mortgage loan under the provisions of this section, a borrower may relieve itself of further supervisions by the Corporation or any agency designated under the provisions of subsection (i) of this section, upon repayment of the mortgage loan and of such portion of the value of tax abatement as may have been granted it by State or local government and to which such government does not at such time waive the rights of repayment.

OBLIGATIONS OF CORPORATION

SEC. 7. (a) The Corporation is authorized to issue and have outstanding on and after July 1, 1961, notes or other obligations in an aggregate annual amount not to exceed $500,000,000 except that with the approval of the President such aggregate annual amount may be increased at any time or times on or after July 1, 1962, by additional amounts aggregating not more than $1,500,000,000 upon a determination by the President, taking into account the general effect of any such increase upon conditions in the building industry and upon the national economy, that such increase is in the public interest: *Provided*, That the aggregate amount outstanding at any one time shall not exceed the unpaid principal of mortgage loans contracted for or held by it under this Act (without regard to amounts of prior advances on such loans), plus the value (as determined by the Corporation) of any acquired properties, the amount of its cash on hand and on deposit, and the amount of its investments authorized herein: *Provided further*, That the interest on obligations issued by the Corporation under this section shall not exceed a rate of 4 per centum per annum.

(b) The failure of the Corporation to make any payment due under or provided to be paid by the terms of any note or other obli-

gation issued by the Corporation pursuant to subsection (a) of this section shall be considered a default under such note or other obligation, and, if such default continues for a period of thirty days, the holder of such note or obligation shall be entitled to receive debentures (in principal amount equal to the unpaid principal of the defaulted note or other obligation of the Corporation plus any interest due and unpaid on such note or other obligation), as hereinafter provided, upon assignment, transfer, and delivery to the Corporation, within a period and in accordance with rules and regulations to be prescribed by the Corporation, of the note or other obligation in default. Debentures issued under this subsection shall be executed in the name of the Corporation as obligor, shall be signed by the Chairman of the Board by either his written or engraved signature, and shall be negotiable. Such debentures shall bear interest at a rate determined by the Corporation, with the approval of the Secretary of the Treasury, at the time the defaulted note or other obligation of the Corporation was issued, but not to exceed the rate of interest applicable to the defaulted note or other obligation, or the going Federal rate, whichever is the lower, payable semiannually on the 1st day of January and on the 1st day of July of each year, and shall mature three years after the 1st day of July following the maturity date of the defaulted note or other obligation of the Corporation in exchange for which such debentures were issued. Such debentures shall be paid out of the Insurance Fund or out of any funds of the Corporation which shall be primarily liable therefor, and shall be fully and unconditionally guaranteed as to principal and interest by the United States, and such guaranty shall be expressed on the face of the debenture. In the event the Corporation fails to pay upon demand when due, the principal of, or interest on, any debenture so guaranteed, the Secretary of the Treasury shall pay to the holder or holders the amount thereof which is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and thereupon, to the extent of the amount so paid, the Secretary of the Treasury shall succeed to all the rights of the holder or holders of such debentures. Debentures issued under this subsection (b) shall be in such form and denominations in multiples of $50, shall be subject to such terms and conditions, and shall include such provision for redemption, if any, as may be prescribed by the Corporation, with the approval of the Secretary of the Treasury, and may be in coupon or registered form, and shall not be subject to the limitations prescribed by subsection (a) of this section. Any difference between the amount of debentures to which the holder of the defaulted note or other obligation of the Corporation is entitled under this subsection (b) and the aggregate principal amount of the debentures issued, not to exceed $50, shall be adjusted by the payment of cash by the Corporation. The Corporation may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued under the provisions of this subsection (b). Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this Act. Debentures so purchased shall be canceled and not reissued.

RESERVES, DIVIDENDS, AND INVESTMENT OF FUNDS

SEC. 8. The Corporation shall carry to a specific reserve account for losses, to be known as the Insurance Fund, semiannually from interest receipts on mortgage loans amounts equal to one-fourth of 1 per centum per annum of the then outstanding balance of such mortgage loans. The Corporation shall make such chargeoffs on account of depreciation or impairment of its assets as the Board shall require from time to time. In addition to the Insurance Fund reserve account for losses, the Board shall require the establishment and maintenance of, and the Corporation shall establish and maintain, such reserve or reserves as it deems necessary. Such reserves, including the Insurance Fund, and all other funds of the Corporation not invested in mortgage loans or operating facilities, shall be kept in cash or on deposit or invested in bonds or other obligations of, or guaranteed as to principal and interest by, the United States.

PRIORITY ACCORDED TO APPLICATIONS

SEC. 9. In the processing of applications for financial assistance under this Act the Corporation shall give priority to applications with respect to projects which will receive assistance from a State or local government in one or more of the ways specified in section 1(b) of this Act.

DEFINITIONS

SEC. 10. As used in this Act, the following terms shall have the meanings, respectively, ascribed to them below, and unless the context clearly indicates otherwise, shall include the plural as well as the singular number:

(a) "Families of moderate income" means families, or individuals, whose incomes preclude them from purchasing or renting conventionally financed new housing with total monthly housing expenditures of 20 per centum of their normal stable income as defined by the Federal Housing Administration.

(b) "Eligible borrower" or "borrower" shall mean (1) any private or public nonprofit organization (including but not limited to cooperative ownership housing corporations), or (2) any private corporation, borrowing directly on a commitment from the Corporation and authorized to provide dwellings (i) the occupancy of which is to be permitted in consideration of agreed charges, or (ii) for sale, at cost plus an amount representing profit not exceeding 6 per centum (as certified in the manner prescribed in section 227 of the National Housing Act), to an organization of the character described in clause (1) of this paragraph.

(c) The term "corporation" (except when used to designate the Corporation created by section 3 hereof) shall mean either "corporation" or "trust" and references to members of such corporations shall with respect to trusts mean the beneficiaries thereof.

(d) "Housing project" shall mean a project (including all property, real and personal, contracts, rights, and choses in action acquired, owned, or held by a borrower in connection therewith) of a borrower designed and used primarily for the purpose of providing dwelling: *Provided*, That nothing in this Act shall be construed as prohibiting the inclusion in a housing project of such stores, offices, or other commercial facilities, recreational or community facilities, or other nondwelling facilities as are necessary appurtenances to such housing project.

(e) "Development cost" shall mean (1) the amount of the reasonable costs incurred by the borrower in, and necessary for, carrying out all works and undertakings for the development of a housing project and shall include the cost of all necessary surveys, plans and specifications, architectural, engineering, or other special services, land acquisition, site preparation, construction and equipment, interest incurred during the development of the housing project up to the time of completion, initial working capital for the administration of the housing project, necessary expenses (including any initial operating deficit) in connection with the initial occupancy of the housing project, and the cost of such other items as the Corporation shall determine to be necessary for the development of the housing project, or less net rents and other net income received from the housing project prior to the time of its completion, as determined by the Corporation, or (2) the cost, as approved by the Corporation, incurred by the borrower in, and necessary for the acquisition of, a housing project developed with a loan made under this Act. For the purposes of this subsection, the Corporation shall consider in determining the reasonable cost of land acquisition the effect of local assistance for assembling and clearing the site and securing title thereto as provided in section 1(b) of this Act.

(f) "Mortgage" or "mortgage loan" shall mean a first mortgage on real estate, in fee simple, or on a leasehold (1) under a lease for not less than ninety-nine years which is renewable or (2) under a lease having a period of not less than seventy-five years to run from the date the mortgage was executed; and the term "first mortgage" shall mean such classes of first liens as are commonly given to secure advances on, or the unpaid purchase price of, real estate, under the laws of the State in which the real estate is located, together with the credit instruments, if any, secured thereby.

(g) The term "veteran" shall mean a person who has served in the active military or naval service of the United States at any time (i) on or after September 16, 1940, and prior to July 26, 1947, (ii) on or after April 6, 1917, and prior to November 11, 1918, or (iii) on or after June 27, 1950, and prior to February 1, 1955, and who shall have been discharged or released therefrom under conditions other than dishonorable.

(h) The term "going Federal rate" shall mean the annual rate of interest (or, if there shall be two or more such rates of interest, the highest thereof) specified in the most recently issued bonds of the Federal Government having a maturity of ten years or more.

(i) "State" shall mean the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories, dependencies, and possessions of the United States.

(j) The term "elderly persons" means a person sixty years of age or over or a family the head of which or his spouse is sixty years of age or over.

AMENDMENTS OF OTHER ACTS

SEC. 11. (a) The sixth sentence of paragraph Seventh of section 5136 of the Revised Statutes, as amended (12 U.S.C. 24), is amended by inserting before the comma after the words "or obligations of the Federal National Mortgage Association" the following: ", or notes, debentures, or other obligations of the Federal Limited Profit Mortgage Corporation".

(b) Section 5200 of the Revised Statutes, as amended (12 U.S.C. 84), is amended by adding at the end thereof the following:

"(14) Notes, obligations, and debentures of the Federal Limited Profit Mortgage Corporation shall not be subject to any limitation based upon such capital and surplus."

(c) Section 101 of the Government Corporation Control Act (31 U.S.C. 846) is hereby amended by striking out the period at the end of the section and inserting in lieu thereof a semicolon and the following: "Federal Limited Profit Housing Corporation.".

TAXES

SEC. 12. All real property and tangible personal property of the Corporation shall be subject to State, county, municipal, or local taxation to the same extent according to its value as other similar property is taxed, and any real property shall be subject to special assessments for local improvements: *Provided*, That nothing contained herein shall be construed to prohibit any eligible

borrower from contracting with any State, or political subdivision thereof, for the purpose of obtaining a complete or partial exemption from any taxation or assessments otherwise authorized by this section. Except as to such taxation of real property and tangible personal property, the Corporation, including but not limited to its franchise, capital, reserves, surplus, income, assets, and other property, shall be exempt from all taxation now or hereafter imposed by the United States or by any State, county, municipality, or local taxing authority. All notes, debentures, and other obligations of the Corporation shall be exempt, both as to principal and interest, from all taxation imposed by the United States, or any State, county, municipality, or local taxing authority.

PROTECTION OF LABOR STANDARDS

SEC. 13. In order to protect labor standards—

(a) any contract for a loan pursuant to this Act shall contain a provision requiring: (1) that not less than the salaries prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Corporation, shall be paid to all architects, technical engineers, draftsmen, and technicians employed in the development, and to all maintenance laborers and mechanics employed in the administration, of the housing project involved; (2) that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Act of March 3, 1931 (Davis-Bacon Act), as amended, shall be paid to all laborers and mechanics employed in the development of the housing project involved; and (3) that certifications as to compliance with the provisions of this subsection be made prior to the making of any payment under such contract;

(b) the provisions of section 874 of title 18, United States Code, and of section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c), shall apply to any housing project financed in whole or in part with funds made available pursuant to this Act;

(c) any contractor engaged on any housing project financed in whole or in part with funds made available pursuant to this Act shall report monthly to the Secretary of Labor, and shall cause all subcontractors to report in like manner, within five days after the close of each month and on forms to be furnished by the United States Department of Labor, as to the number of persons on their respective payrolls on the particular housing project, the aggregate amount of such payrolls, the total manhours worked, and itemized expenditures for materials. Any such contractor shall furnish to the Department of Labor the names and addresses of all subcontractors on the work at the earliest date practicable.

PENALTIES

SEC. 14. (a) Any person who induces or influences a borrower hereunder to purchase or acquire property or to enter into any contract, in connection with any housing project to be financed, in whole or in part, with a loan made under this Act, and willfully fails to disclose any interest, legal or equitable, which he has in such property or such contract, or any special benefit which he expects to receive as a result of such contract, shall be fined not more than $5,000, or imprisoned for not more than one year, or both.

(b) No individual, association, partnership, or corporation (except the Corporation established under this Act) shall hereafter use the words "Federal limited profit mortgage corporation", or any combination of words which might reasonably lead to confuse with the Federal Limited Profit Mortgage Corporation as the name or a part thereof under which he or it shall do business. Any such use shall constitute a misdemeanor and shall be punishable by a fine not exceeding $1,000.

(c) Whoever, for the purpose of obtaining any loan under this Act, or any extension or renewal thereof or the acceptance, release, or substitution of security therefor, or for the purpose of influencing in any way the action of the Corporation under this Act, makes any statement, knowing it to be false, shall be punished by a fine of not more than $5,000, or by imprisonment for not more than one year, or both.

(d) Whoever (1) falsely makes, forges, or counterfeits any obligation, in imitation of or purporting to be an obligation issued by the Corporation, or (2) passes, utters, or publishes, or attempts to pass, utter, or publish, any false, forged, or counterfeited obligations purporting to have been issued by the Corporation, knowing the same to be false, forged, or counterfeited, or (3) falsely alters any obligation issued or purporting to have been issued by the Corporation, or (4) passes, utters, or publishes, or attempts to pass, utter, or publish, as true, any falsely altered or spurious obligation issued or purporting to have been issued by the Corporation, knowing the same to be falsely altered or spurious, shall be punished by a fine of not more than $10,000, or by imprisonment for not more than five years, or both.

(e) Whoever, being connected in any capacity with the Corporation, (1) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to it or pledged, or otherwise entrusted to it, or (2) with intent to defraud the Corporation or any other body, politic or corporate; or any individual, or to deceive any officer, auditor, or examiner of the Corporation, makes a false entry in any book, report, or statement of or to the Corporation, or without being duly authorized draws any order or issues, puts forth, or assigns any note, debenture, bond, or other such obligation, or draft, bill of exchange, mortgage, judgment, or decree thereof, shall be punished by a fine of not more than $10,000, or by imprisonment for not more than five years, or both.

(f) All general criminal and penal statutes of the United States relating to public moneys, property, or employees of the United States shall apply to public moneys, property, and employees of the Corporation. No officer or employee of the Corporation shall participate in any manner affecting his personal interests or the interests of any corporation, partnership, or association in which he is directly or indirectly interested.

SHORT TITLE

SEC. 15. This Act may be cited as the "Federal Limited Profit Mortgage Corporation Act".

UNITED STATES INTERNATIONAL AIRLINES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Oklahoma [Mr. JARMAN] is recognized for 20 minutes.

Mr. JARMAN. Mr. Speaker, this distinguished body and the other body have both recently been concerned with factors precipitating the deterioration of United States international airlines. On May 9, I addressed the House concerning official proposals to grant additional air routes to foreign airlines and at that time noted the adverse impact such concessions would have upon U.S.-flag carriers—CONGRESSIONAL RECORD, pages 7673–7675. Today, I want to call to your attention another illustration of foolish bargaining and to urge a reevaluation of one of the most inferior international agreements made over the last several years.

Mr. Speaker, prior to August 1957, air service between Australia and the United States was the subject of an agreement which initially came into effect on December 3, 1946. Under the terms of this agreement, there was a balanced exchange of air routes between the two countries, with the United States having a route from San Francisco via intermediate points to Sydney, Australia, and the Australian Government airline, Quantas, having a route from Sydney via intermediate points to San Francisco. However, on August 12, 1957, after days of negotiations, an exchange of notes took place between the Secretary of State and the Australian Ambassador to the United States.

This exchange authorized extension of the Australian air route eastward from San Francisco to New York, to London, and to areas beyond, in exchange for an American route from Sydney to Djakarta, Singapore, and other points. As a result of the 1957 agreement, Australia was given entry into the world's greatest traffic flow—the North Atlantic—while the United States was granted entry into a questionable market within a very troubled portion of the world. But, Mr. Speaker, the most onerous feature of the exchange of notes was that it laid the foundation for a State Department interpretation that the island of Tahiti should be considered as an intermediate point on the route from San Francisco to Sydney. This interpretation is very seriously disputed. However, if it be true that the Department traded the San Francisco-Tahiti route to the Australians in exchange for an American route from Tahiti to Australia, then the "trade" at best is foolish and exceedingly unwise. Mr. Speaker, I am not unaware that such an accusation is serious, but I believe that the facts substantiate its accuracy. For example, air traffic to Tahiti from the United States is six times larger than that from Australia. A Foreign Service report of February 1959 also states that 75 percent of all tourists to French Polynesia are American citizens. Yet, in spite of these facts, the State Department would have us trade this American-derived market to a foreign carrier who has absolutely nothing by way of comparison to offer in exchange.

Mr. MAILLIARD. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from California.

Mr. MAILLIARD. I want to thank the distinguished gentleman from Oklahoma for yielding. I am certainly impressed with your very able statement on a very serious problem. The gentleman has raised this question of air service to Tahiti. I would like to describe briefly a case history which illustrates the problem of giving consideration to foreign airlines and none to our own. That is the history of this air service to Tahiti. U.S. citizens are traveling more and more in the Pacific and Tahiti is one of the last and most desirable

destinations to be opened up to tourists. Almost 90 percent of the Tahiti passengers carried are from the United States. Since the overwhelming majority of traffic originates in the United States, several U.S. carriers have sought an extension to Los Angeles and to San Francisco. A majority of the CAB members voted for an extension, but they have, as yet, been unable to agree on the carrier and the case is still bogged down in reconsideration procedures. Since May 4 of this year, a French company, TAI, has been operating DC-8 nonstop flights between Los Angeles and Tahiti and has been operating a second flight weekly between San Francisco-Honolulu and Tahiti. No action of any kind has been taken by our Government to permit a U.S. carrier to protect our country's interest in a market which it opened.

I do not think there is any other instance in the world where the United States has placed itself at as great a disadvantage as is now being experienced by our carriers against this French airline. One of our distinguished companies in San Francisco, the Dollar organization, a pioneering steamship company and now a pioneer in air service to Tahiti, has already lost over $800,000 in keeping this operation going. This company, in the tradition of its founder, the late Capt. Robert Dollar, is investing its own money in this enterprise and has not asked for any subsidy.

But how can this company, for one, hope to give adequate representation to American interests when we have given France such a significant competitive edge? How much more money is going to have to be lost before the Government recognizes that U.S. carriers ought to be given some possibility of competing equally with foreign carriers? It seems elementary to me that in situations of this kind the United States ought to first decide what international air service it wants to provide rather than let a more aggressive foreign carrier come in and skim the cream off the U.S. traffic while our own carriers who attempted to pioneer in this area stand by absolutely helpless while they are tied up in bureaucratic redtape?

Mr. JARMAN. I thank my colleague for his excellent contribution.

Mr. Speaker, I would like to ask permission that the gentleman from Florida [Mr. FASCELL] be permitted to extend his remarks at this point in the RECORD and include extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. FASCELL. Mr. Speaker, the distinguished gentleman from Oklahoma [Mr. JARMAN] has on several occasions spoken on the specific problem areas of air transportation in our international operations. In calling attention to this very sensitive and difficult field of international and diplomatic negotiations, he is performing a very valuable public service.

We all need to know more about the subject generally and it would be beneficial to carefully and prudently review our specific actions. Obviously, it is difficult to maintain a fair balance between the interests of our own airlines who must operate in foreign countries and the interest of foreign carriers which operate in the United States. But we must always strive for this balance.

We do not desire and should not ask any undue advantage for our own airlines operating in foreign countries, and I am sure they do not want any advantage in U.S. reciprocity unless it is voluntarily given to them.

There is a case to be made, however, for the stiff competition which U.S. airlines are bucking in the international field. Just 10 years ago our U.S.-flag carriers handled 75 percent of the traffic between this country and foreign lands; we now handle less than half of that market even though the major portion of those traveling are U.S. residents.

Our dwindling position in the international market is of vital concern to Dade County since over a million air passengers passed through Miami's portals last year. If foreign competition continues to diminish our country's share in the market it will have a devastating effect on the payrolls and economy in our community and throughout the Nation.

A recent editorial in the Miami Herald graphically illustrates what we face if this trend is allowed to continue:

FOREIGN LINES BOOM, WE DWINDLE—OUR SHARE AND AIR TRAVEL

Danger signals are flying for the U.S. international air carriers. Just 10 years ago they were handling 75 percent of the traffic between this country and foreign lands. Today that share has dwindled to half and the loss to foreign carriers last year alone was 5 percent.

On the North Atlantic route—the busiest in the world—our flag carriers flew only 38 percent of the passengers last year. The bulk of the enormous increase in volume was captured by the 17 competing countries.

The decline of our relative position in the international air picture concerns us in Dade County in an intimate way. Our stake in aviation is large and we are a major international gateway, by far the most important for Latin America. Last year 1,065,436 foreign travelers passed through Miami International Airport.

The current campaign to make Miami a coterminal with New York for the expanding North Atlantic traffic, if successful, would give us clear supremacy as an airport of entry because of our excellent year-round flying weather. But if this traffic is increasingly handled by foreign lines it would adversely affect our payrolls and economy.

But the concern is not ours alone. The increasing foreign competition means a dollar drain and affects the health of U.S. airlines already in financial difficulty. Stuart G. Tipton, president of the Air Transport Association, warned in a recent speech:

"What we are witnessing is a modern day version of the sad decline of our merchant marine—only the airline decline is occurring at a much more rapid rate."

Who or what is to blame? Senator GEORGE SMATHERS told his colleagues the other day that the situation is largely diplomatic and political—the result of "peculiar handicaps" placed on our airlines by our own Government to the advantage of competitors.

"These handicaps," said the Senator, "are the outgrowth and consequence of a failure on the part of our State Department to maintain a firm, established policy in awarding air routes and a failure to see that the legitimate economic interests of U.S. airlines are properly protected.

"The major reason for our decline in international air carriage," the Senator continued, "can be found in the bilateral air agreements the State Department has negotiated with foreign governments and the way these agreements have been carried out. Our negotiators have disregarded principles of equity and reciprocity and have in effect, offered to foreign carriers a silk purse in return for a sow's ear."

Every nation aspires to have its flag carriers in the international air and some spend huge subsidies to keep them there. U.S. carriers recognize these aspirations and are willing to face this competition on equal terms.

But when the United States generates the great bulk of international travel only to see it handled increasingly by foreign carriers granted concessions damaging to our own civil aviation establishment, there seems justification for the rising criticism in the aviation industry and in Congress. No one respects a man, however well intentioned, who builds his neighbor's house while his own is falling to pieces. By the same token it is hard to see how long-range foreign policy goals can be expedited by diluting the strength of our own hard-pressed international air carriers.

Mr. YOUNGER. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I am happy to yield to my colleague from California.

Mr. YOUNGER. I want to compliment the gentleman from Oklahoma, Mr. Speaker, on a fine statement and on bringing to the attention of the House a condition that has been hurting our air commerce.

I think the gentleman realizes that we had a similar case with Mexico where we were about to be deprived of a route from Los Angeles to Mexico City, yet we were giving a route to the Mexican airline from Mexico City to Los Angeles, two very, very fine terminals for air traffic. I cannot understand why our State Department, which has jurisdiction and final say in the granting of these routes, should continue to give weak routes and weak consideration to our own flag carriers. It is beyond my conception. I certainly congratulate the gentleman from Oklahoma on bringing this to our attention.

Mr. JARMAN. The gentleman's remarks certainly pinpoint the kind of problem we face when it comes to trying to protect our domestic carriers from State Department decisions.

Mr. SHELLEY. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from California.

Mr. SHELLEY. I would like to associate myself with the remarks of the gentleman from Oklahoma and with my colleague, the gentleman from San Francisco [Mr. MAILLIARD] and my colleague, the gentleman from California [Mr. YOUNGER]. It seems to me that there are people in the State Department who have forgotten for whom we work and whom we are to represent, whose zeal seems to be that we must have a foreign policy of reciprocity. But I say reciprocity must stay in, and I think we have weakened ourselves domestically, nationally, and internationally, because some people down there have

simply forgotten that there must be a quid pro quo of equal value. In case after case they surrender the best interests of the business interests of the United States, of the traveling public of the United States, and the people who are really paying the freight.

And, very interestingly, we find ourselves as Members of Congress who have tried to protest these things before the CAB just sort of a party after the fact, and we are now confronted with the proposition that under rule 14 we are prohibited from appearing before this body. I commend the gentleman for calling this to the attention of the House and I also hope he will suffer with me if I make this statement, that the Committee on Interstate and Foreign Commerce of this House should look into the newly adopted rule 14 of the CAB.

Mr. JARMAN. I can assure the gentleman that as one member of that committee I will do all I can to see that that action is taken. I thank the gentleman for this contribution.

Mr. Speaker, I have had an opportunity to ride on the South Pacific Air Lines from Tahiti to Honolulu. I was impressed with the service and the enthusiasm with which this American carrier is developing the route. Since April of 1960, each month has shown a decrease in their operating loss and a trend toward a profitable operation. All signs indicate that a financially profitable position will be reached within the not too distant future. However, if the Australians should be granted additional authority between Tahiti and the United States, South Pacific Air Lines would suffer irrevocable harm and perhaps even bankruptcy. Therefore, Mr. Speaker, I think it would be extremely unfair if this carrier, which has pioneered this new route, were to undergo a grave financial crisis as a result of unwise bargaining.

There is another factor relevant to the entire subject, however, which darkens the agreement of 1957 even more strikingly. In 1956, a Senate subcommittee investigated international aviation agreements. On that occasion, the Civil Aeronautics Board solemnly assured the subcommittee that U.S. carriers affected in route exchanges were always notified and given chances to comment on the demands of foreign countries. Despite these grave assurances, during the course of the 1957 negotiations, the U.S. carrier now operating to Tahiti and whose market was being given away was not even notified of the negotiations, let alone given any chance to comment on the fantastic demands of the Australians. Or in other words, Mr. Speaker, to this particular American carrier, the 1957 agreement was totally indefensible.

In an earlier address, I pointed to the gross violations of the capacity restrictions by the Dutch carriers as more than sufficient justification for refusing additional routes. As bad as is the Dutch situation, the Australian case is worse. In the South Pacific market, Quantas, the Australian carrier, is predominant. Where an American airline carried over half of the traffic between North America and Australia in 1949, its percentage has declined to less than 25 percent in 1959. In like manner, across the North Atlantic, only 12 percent of the traffic carried by Quantas is of Australian origin. This means that 88 percent of the passengers aboard the foreign carrier originates either in Europe or the United States, and, as a result, could be considered as belonging to U.S. carriers. Mr. Speaker, the 1957 exchange of notes very plainly states that if either party should violate its terms, the other is not bound to grant any further applications for rights covered by the agreement. However, the State Department and the CAB apparently refuse to recognize breaches in the 1957 accord and seem to be expediting the application of the Australian carrier for more authority in servicing the Society Islands, or Tahiti.

With incidents similar to this occurring more often than we would like to think, I believe it is imperative that commonsense be introduced into the international aviation picture. Entry into U.S. markets at the expense of U.S. carriers has been granted almost on demand. The State Department apparently feels that the operations of American airlines are protected by the capacity limitations written into aviation agreements. However, such thinking is just an exercise in delusion for foreign carriers are not inhibited by the sacred words. Each foreign airline continues to operate as many flights as it can get U.S. passengers to fill, maintaining that their operations are legal as a result of the vague and unenforcible limitations.

I think, Mr. Speaker, that the moment has arrived when we must stop bargaining away entry into rich U.S. markets under the delusion of capacity limitations. It is time to reopen agreements where this mistake in the past has resulted in huge giveaways. I would be the first to agree that we should be generous in our international agreements, but not to the extent, I think, where our negotiators are deluded by language that means nothing to their foreign counterpart.

The U.S. international airline system is without a doubt the greatest in the world. But can it remain so if its position is constantly being eroded by the State Department? Can even America remain strong if its air fleet is impaired? On both counts, Mr. Speaker, I think not, for nothing could be more disastrous to the welfare of the free world, and certainly to the welfare of the people of the United States, than for the American air system to deteriorate from a position of strength to one of weakness. If we are to prevent such a degeneration, then we as a nation should consider the perils of granting foreign entry into further U.S. air markets. We should take a long and cautious look at future accords, and we should reevaluate and reopen agreements such as the 1957 exchange of notes, where extremely foolish trades were made and where there have been gross violations of agreed limitations. I suggest to the House, Mr. Speaker, that we should act—act decisively and concretely, and we should do it now.

Mr. MACK. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Illinois.

Mr. MACK. Mr. Speaker, I would like to commend the gentleman for calling this matter to the attention of the Members of the House. I should also like to mention the fact that we now have about a half-billion-dollar deficit each year, a deficit in international balance of payments, caused by the deficit in international travel. At the present time the foreign airlines are receiving nearly half a billion more than the American airlines are receiving on foreign traffic. Our American airlines in the last 15 years have yielded much of the traffic that they carried, to the other international carriers. As I mentioned, there is about a half a billion dollar deficit. I believe it is $470 million. That was revealed in our hearings in the Committee of International Tourism this year. I think the statement the gentleman has made is very appropriate, and this is a matter that we should all be concerned with.

Mr. JARMAN. I thank the gentleman for his contribution. The gentleman from Illinois has an outstanding personal background in aviation and a long service on the House Committee on Interstate and Foreign Commerce, which places him in an excellent position to make this statement today.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Ohio.

Mr. BOW. Mr. Speaker, I should also like to congratulate the gentleman for bringing this matter to the floor, as he has other matters on several occasions. It seems to me that the gentleman has done this many times, and many of us have joined with him, but we do not seem to be getting very far with this group in the State Department in working these things out for American industry and the American airlines. I think it should be pointed out that American industry has done a splendid job. Most of these carriers that we have been talking about are subsidy free. The State Department is permitting these foreign airlines to come in in competition with them, and those foreign airlines are either heavily subsidized by their own governments or owned by their own governments. Here we have a situation where many of these people riding these airlines are American citizens and not able to get the kind of service they should have because of this competition. And, I say to the gentleman, is it not about time that we do something about it? We have been talking and talking, and I just wonder whether the gentleman's committee could not take some action, as well as perhaps the committee of which I am a member, a subcommittee of the State Department appropriations, which could well look into this question of why the American interests are not being protected by this group that is going to these conferences. I think perhaps we have talked long enough and it is about time that we take some action. I do not mean by that that I do not admire the gentleman for bringing these matters to our attention, but I should be pleased to join him on this side of the aisle in trying to get some real

action, some real understanding that we mean what we say; that this is not window dressing but that we mean that they ought to be doing something for this great American industry.

Mr. JARMAN. I thank the gentleman for his contribution, and I certainly agree with him that the time for action is now. If we in the United States do not take care of our own domestic business interests, certainly no one else will take care of them for us.

DANGEROUS LAG IN CBR DEFENSE CAPABILITY

The SPEAKER pro tempore (Mr. PRICE). Under previous order of the House, the gentleman from Florida [Mr. SIKES] is recognized for 15 minutes.

Mr. SIKES. Mr. Speaker, we have in recent months heard a great deal about what sort of military posture this country should achieve.

We have been told that we should prepare for hot wars, cold wars, limited wars, and big wars. We should have a balanced weaponry system which will give us a capability in any direction. We must have bigger and better missiles. We must have more aircraft. We must have nuclear submarines. We must have a strong thermonuclear capability. We must have special forces to fight guerrilla warfare. We hear much about the need to furnish strong military support for our allies.

Yet in all of this talk, I have heard but little emphasis from those in top military positions that along with all these varied capabilities, we should have equal capability in chemical and biological weapons.

I have spoken on this subject before, and I have stated that I would speak on this subject whenever the security of the Nation demands it. I feel that one of the greatest dangers which this country can face is being ignored to a serious extent. I feel that if the military planners are going to play cat and mouse with an important facet of this country's security, then we in Congress must take a hand. We must insist now that a program which will give this country proper capability to defend itself against these weapons, and to use them if necessary, be adopted and carried out to its full potentialities, and without further delay.

In hearings before the House Subcommittee on Appropriations which were released on June 6, we heard testimony by the Army Chemical Corps. Much of this testimony was classified and was deleted from the printed hearings. Yet enough was made public to reveal that we are in a shocking position.

If this country were faced with a chemical and biological attack tomorrow—and we know the Russians are capable of delivering such an attack—we would be in a grave defense position.

The Army stated that all available information points with certainty to the fact that the Sino-Soviet bloc is ahead of the United States and our allies in both offensive and defensive chemical and biological research and development. More ominous is the fact that they have a strong capability to wage a chemical and biological attack.

The Soviets have a well organized civil defense CBR training program in comparison with the programs conducted by the United States. Actually ours are virtually non-existent. Civilian protective masks are distributed through the Soviet civil defense organization stores. Civil defense teams are supplied with military decontamination equipment. The citizens of this country have no civilian protective masks and have no civil defense teams supplied with decontamination equipment. They know little about the dangers of chemical and biological weapons, how they would be affected, and what they should do to protect themselves.

How about our allies?

The Army testified that all Western powers have limited their activities to the defensive field. From what I have learned there is very little of that. It was stated that both our European and Asiatic allies look to the United States for know-how, understanding, training, defensive equipment, and deterrent retaliatory strength. They recognize that the CBR threat is very real and are concerned.

This is not in the least reassuring. The fact that our allies are only concerned with the threat and have little or no capability to fight and defend themselves in a war in which these weapons are used is small consolation.

The Soviets are well equipped to wage a war with these weapons. They are equipping their satellite nations. Some of the satellites have attained a capability of their own. They have chemical agents and can produce them in quantity.

We can only assume that if the Soviet bloc has these weapons and knows how to defend its people against them, it intends to use them, if that day should come when our earnest efforts to preserve peace misfire and we are faced with attack.

The scientific knowledge and potential capacity to produce chemical and biological agents are worldwide. Any nation with a chemical or pharmaceutical industry can produce them in quantity. Chemical and biological weapons offer a wide variety of effects and are suitable for use in many military situations. The nuclear weapons have limitations. Their use in limited war situations is questionable. The present trends in weapons and training is an acceptance of that fact.

Unlike the nuclear weapons, the chemical and biological weapons can be used in small wars as well as in big wars. They can be used in guerrilla fighting in the jungles as well as upon the open battlefield. They can have an infinite variety of effects, ranging from the mildly incapacitating which simply make a man too sick to fight, to those which bring death in a matter of a few minutes.

Where do we stand?

It was brought out in the testimony that we have only a minor capability to fight a war with these weapons. In other words, with the speed that wars can be fought now, we would have too little, too late.

How about our civilian population? Would they have any defenses against these weapons?

We heard a representative of the Army Surgeon General's office say that there is probably not one one-hundredth of one percent of the doctors in the United States who have ever seen a nerve gas casualty. In other words, there would be too few to furnish proper medical assistance. Yet nerve gas casualties must be treated expertly in a matter of minutes if treatment is to be effective.

Many of our doctors would not recognize some of the diseases that might be used in a biological attack. We have succeeded in wiping out many diseases and our young doctors have never been in contact with them and know little about them. Couple this with the fact that in a biological attack, the enemy would very likely use diseases which are no longer common. They could use combinations of diseases to make detection and treatment more difficult. They could mix diseases which are effective against man with those which are effective against animals to multiply the effect, and further confuse the medical men. It is entirely possible, and it has been done, to develop mutant strains of diseases which are resistant to antibiotics and which would not be readily recognized.

What about international arms control? Does this offer any hope that our necks may be saved by international agreements and that we shall escape the penalty of our failure to prepare ourselves?

Insofar as I can determine, in our considerations of arms control we have failed to take into account the potential of CBR weapons and the need to include them in any disarmament agreement. In his preface to the study of the disarmament aspects of CBR warfare, Senator HUMPHREY reported to the Senate on August 29, 1960:

> Apparently, neither the executive branch of the Government nor private research institutions have instituted studies of ways in which these weapons might be controlled in a disarmament agreement. Such studies need to be undertaken so that if chemical and biological weapons were to be incorporated as a part of an arms control agreement, effective inspection measures would be known and could be applied.

Chemical and biological weapons offer potentially a more dangerous likelihood of international anarchy than even the nuclear weapons. At present four nations—the United States, the U.S.S.R., the United Kingdom, and France—have a nuclear capability. Very shortly other nations with advanced attainments in science and technology may have nuclear capabilities as well.

For example, Red China, East Germany, West Germany, Sweden, Switzerland, Japan, and others may achieve similar results. But few of these countries, even including Red China, are likely to attain an effective nuclear capability on a world-decisive scale.

This is not equally true of CBR weapons, which are easily obtainable at a moderate cost in terms of manpower and raw materials, by any nation on earth.

Therefore, even if the United States could come to terms with the Soviets for the establishment of effective controls over these weapons, there would still be no assurance that a third nation, hostile to both, might not do irreparable mischief by a quiet and sustained effort in CBR. In this regard, there are some indications that the Red Chinese are concentrating efforts in this field.

I know of no simple panacea for these problems. We have let them accumulate too long. But, as you no doubt are aware, CBR is an area to which I have devoted much attention, thought, and study. On the basis of these studies, I recommend for the consideration of my colleagues—

First. The continuation of congressional support for CBR programs and increase in this support. Research performed in this field already has yielded a variety of knowledge which has military applications. But we must have more than research. Knowledge gained from our research must continue until we have a capability second to none. We must have production and stockpiling along with research.

Concurrently, support should be provided for programs to examine the feasibility of fashioning an acceptable arms control plan for CBR weapons. This is a matter in which we need to proceed with great caution to insure that recommendations for governmental policies and positions are consistent with the national interest and that they entail the least acceptable degree of risk.

Second. The Government should continue its efforts to bring about greater public knowledge and awareness of the nature and potentialities of chemical and biological weapons. Efforts which already have been undertaken are beginning to bear fruit and they must be continued and strengthened. In this regard, I should like to mention the outstanding work of the House Committee on Science and Astronautics and its report published in 1959. Representative OVERTON BROOKS, able chairman of that important committee, in his letter transmitting the report to the Speaker, stated:

> It deserves emphasis that research in several countries of the world is opening up astonishing new capabilities in CBR, and, short of an extremely complete inspection system (which seems unlikely now), the United States cannot afford to lag behind in its own program if it is not to fall victim to one of these new forms of warfare.
>
> The committee in adopting this report and approving its submission to the House wishes to convey the strong sense of urgency it feels that the American people should gain a better understanding of these new weapons.

To those of you who have not read that report, I recommend that you do so. And to those of you who have read it, I recommend that you read it again. It is a report with which every man and woman in the country should be familiar.

Third. There is the possibility that some forms of CBR weapons can be developed which would provide the United States with a new deterrent to limited war, a deterrent which, from the record, we do not have at this time. I refer here to the hope and the prospect of bringing into being in quantity incapacitating weapons which would provide a means of winning battles without taking human life or destroying homes and factories. If we are thoroughly prepared in these weapons, and conspicuously prepared so that our potential enemies as well as our friends know of our strength, we will obviously possess an added deterrent to war.

If deterrence fails, and force must be used, certainly the use of incapacitating weapons would rest far more easily on the conscience of mankind than many of the alternatives.

Fourth. We should concentrate more of our resources on the development of a broader spectrum of chemical and biological weapons tailored to the wire variety of situations likely to be encountered in the precarious times in which we live. Furthermore, if we do not so concentrate our efforts, and if we are not so prepared, then it is quite likely that our enemies will be. They would like nothing better than to be able to discover and exploit our weaknesses. I should like to add here that some scientists and students of warfare believe that the magnitude of the chemical and biological threat approaches and even surpasses that of the nuclear weapons. We must be prepared to counter this threat.

Fifth. We should be strong in CBR for the same reasons that we must maintain our nuclear retaliatory strength so that we can negotiate on the international scene from a position of strength, rather than one of weakness. Part of this strength must be a strong civil defense program, including the provisions of shelters which are proof against CBR attack; the provision of effective means for detecting a CBR attack; the provision of masks and protective clothing for our citizens; and more public instruction in defensive measures. We should understand that intelligent, rational action can provide positive defenses for every man, woman and child in the event of CBR attack upon our citizens. Moreover, the creation of such defenses will in itself provide a major deterrent against the use of such weapons.

Sixth. To develop properly the spectrum of chemical and biological weapons and defenses which we must have to make this country secure against attack, we must have the unstinting and wholehearted cooperation of the scientific community throughout the nations of the free world. Chemical and biological weapons are essentially weapons which affect the human mechanism. We can support only so much research and development and the time which we have to carry it out is limited. There is, in the laboratories of our scientific institutions and industrial plants, a vast amount of knowledge which can contribute to the knowledge that we must have.

It is the patriotic duty of every scientist who has knowledge which can assist in developing our capabilities in these fields to come forward with his information.

The Army is interested in the widest variety of information concerning chemical compounds and biological materials which affect the mental or physical processes and which have varying effects. It needs to know more about detection and protection. A lot of this knowledge may be available in the scientific community. To have it available will reduce research and development time and will hasten the time when we can have assurance that our strength in chemical and biological weapons is in balance with our nuclear capabilities.

I consider these matters to be of urgent importance. We have too long neglected this aspect of our defense. We can no longer afford to ignore what I consider to be a grave and serious threat. We must have proper action now. All of our other defense preparations can be useless if lack of preparation for chemical and biological attack should be the Achilles heel through which this Nation is brought down. It would give little comfort to say of a departed civilization, "They were magnificent and strong in every way but one."

FLAG DAY, 1961

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mr. CONTE] is recognized for 30 minutes.

THE AMERICAN FLAG: IT IS WHAT WE MAKE IT, NOTHING MORE

Mr. CONTE. Mr. Speaker, on June 14, 1961, Americans throughout our great Nation celebrated Flag Day. As we join together in honor of our great national emblem, it is fitting that we ask ourselves what is the meaning of our flag, what is it that we pledge our allegiance to. Nearly everyone has an answer, but rarely do two answers agree.

Every thoughtful American, when he sees his national emblem, sees not only the flag, but the Nation itself. He sees in the flag his heritage, the principles, the truths, the history which belongs to our Nation and which sets it forth. For the American flag is the spirit of our Nation, its past, its present, and its future.

When we pledge allegiance to our flag I believe we dedicate ourselves to the basic principles, the great foundations of our glorious way of life. Perhaps the cornerstone of our democracy and the main pillar of all our other beliefs is our belief that every person has dignity and value and importance as an individual human being. From this ennobling principle comes our hatred of communism and any other form of totalitarianism under which the individual has no value or importance but is just one of many anonymous beings in a voiceless mass.

I believe that the American flag is a symbol of the principle that all men are created equal. This does not imply that men develop equally or have equal ability or that they should be forced to equality of thought, speech, or material possessions. That would be equality without freedom, and Americans have always believed the two should go together. Today, we think of equality as equality of opportunity for all men to enjoy their God-given right to life, liberty, and the pursuit of happiness.

From the days of the Declaration of Independence and the writing of our

Constitution, Americans have been wise enough to know that although life and liberty are granted to man by his Creator, they require protection by man, himself. Toward this end, in our Constitution and in other laws of our land there are set forth principles to protect the rights and freedoms and the equality of individuals. Our flag is a symbol of these principles: the right to freedom of speech; the right to freedom of assembly, which permits individual Americans to act together for the benefit of all; the right to freedom of worship; the right to security of person and property; the right of every man to be judged by his own record—and not by his family background, his racial or religious group. We Americans believe that every man is free to achieve as much as he can, that to achieve a man should be willing to work, and that achievement depends upon the ability to do a good job. The phenomenal record of individual achievement in our Nation's history has been the result of the combination of a willingness to work hard and the ability to produce results.

I believe that our flag is a symbol of the principle that every man has the right to a fair share of the results of his work and that fair and free competition is a good thing because it encourages greater effort which in turn brings greater benefits to all.

We Americans support the principle that freedom carries with it the responsibility to use our freedom wisely if we are to remain free. The individual is responsible for himself and his family and he has responsibilities to the groups of which he is a part. He must give of his best to his community, his church, his employer and to every group in which individuals cooperate for their mutual benefit.

Today, in the 1960's, the individual American's responsibility under the American flag extends beyond our own borders. Man's horizons have expanded, and what the American thinks and does at home affects the entire family of mankind. Today, therefore, when we pledge allegiance to our flag, we must pledge allegiance to a responsibility to act and to encourage our country to act so that freedom and cooperation will be encouraged among all people and all nations of the world.

Most of us are confident of ourselves and of our country. We do not claim perfection, but we have faith in our ability to move forward, to improve, to grow, to provide more and more of the necessary and good things of life to more and more of our fellow men. The United States flag has always been an inspiring and enobling symbol of freedom and hope to all mankind and it must continue to be a beacon of liberty to the world's oppressed.

In this crucial time in our national and world history, our American flag, which waves for freedom, is being threatened by the flag of communism, the flag which enslaves men. We Americans, in this perilous period, must do more than pledge allegiance to our flag, our symbol of the American way of life. We must translate our pledge into an active contribution. We must not talk freedom and liberty and equality, we must live them, every day. We must teach our children the principles of democracy and freedom. We must be a living example to every man, woman, and child in the world of what democracy is. We must recapture for ourselves the confidence, the enthusiasm, the faith in our country and in our way of life that earlier generations of Americans had and which we must have if we are to beat the system which would change Americanism for an ism of another sort.

Let us, as we look upon our beautiful flag, recall that this is not the first period of crisis and challenge in which the American people have found themselves. Our Nation was born in crisis. It was founded upon a political ideal held in contempt by rulers of powerful and unfriendly nations. We must not forget the fears and doubts of the brave and courageous men who pledged their "lives and sacred honor" to the task of founding our democracy in the face of both internal dissensions and external opposition. Our fathers emerged from those struggles in the past with added strength and wisdom. Our children and their children demand no less of us.

So, my friends, let us, as we pledge allegiance to our flag, remind ourselves that our flag and the great and free Republic for which it stands is no stronger than the combined strength of the men and women who make up our communities, that the strength of each of us comes from within, not from without. Let us remind ourselves that each of us must indeed do his part to make democracy meaningful to all, that we cannot sit back and expect democracy to work for us alone.

The American flag has proudly waved over a people who by heritage and tradition have been builders, not destroyers, and it will continue to wave "o'er the land of the free and the home of the brave" only to the extent that you and I make it our personal responsibility. For the American flag is whatever we make it, nothing more. The American flag is all that we hope to be and all that we have the courage to try for. We are the makers of the flag and let us glory in its making.

INTERNATIONAL CROSSROADS BREAKFAST

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Iowa [Mr. SCHWENGEL] is recognized for 60 minutes.

Mr. SCHWENGEL. Mr. Speaker, every Sunday morning at 9 a.m. in the east lobby of the Central YMCA of Washington, D.C., an important international event takes place. It is the International Crossroads Sunday morning breakfast sponsored by the Young Men's Christian Association and friends of the YMCA in Washington.

To this meeting come visitors and friends from all over the world—people who are either Christian or have a great desire to learn about Christianity and about the heart and soul of America and its people.

Since this movement began a number of years ago, some 13,000 people from 118 countries have graced the breakfast table and while there heard some statesman, government leader, scientist, clergyman, prominent businessman, or just a citizen talk on some phase of morality—problem or issue—that needs strengthening or resolving.

The International Crossroads Sunday morning breakfast found its beginning the first Sunday in May 1946. In some respects it may be considered as an outgrowth or resuscitation of the wartime Sunday morning breakfast, which was carried on for about 3 years, with an appeal to the servicemen in our Armed Forces, under the leadership of the late Dr. Page McK. Etchison, religious work director of the YMCA and president of the Organized Bible Class Association.

After the war and by the spring of 1946, this group had dwindled in attendance to about 12 or 16 persons and due to the lack of general interest there was some speculation of what should be done with the activity.

At the suggestion of Dr. Etchison, Mr. Paul Brindle was asked to obtain the speakers and arrange the program in May of 1946. He has since been carrying the major load of this program which has been so effective.

At this point, it might be well to review Mr. Brindle's background and his qualifications. Paul Luther Brindle was born February 11, 1899, and was raised on the family homestead farm near Carlisle, Pa., as seventh generation in America. Son of Solomon D. and Florence M. Brindle, he was the seventh child in a family of eight children. He married Virginia Brereton Poole, February 24, 1934, who died July 24, 1934.

Educated in public schools, business college, Washington Preparatory School, and Southeastern University; LL.B., 1928; LL.M., 1941, he is a member of the bar of the District of Columbia since 1939.

He has been employed by the Southern Railway from 1921 to 1928, and the Young Men's Christian Association of Washington, D.C., as associate business secretary and dormitory secretary from 1928 to 1933; Home Owner's Loan Corp. as senior administrative assistant, 1934 to 1945; Treasury Department and General Services Administration, 1945 to 1953; and has practiced law since 1953.

He has, as the record will show, done a magnificent job with limited and oftentimes inadequate facilities. Often he had to call on his imagination and unbounded energy to assure its continuation, influence, and growth.

It was agreed that it was necessary to have fine speakers if busy people were expected to attend. In the scheduling of speakers it became necessary to book them in advance and thus the program grew with the calendar. The most intelligent and interesting speakers were sought.

For a good speaker there should be a suitable audience, either in point of numbers or in the quality and potentials of those present. A renewed effort was made to extend in both categories, but

the latter predominated by the nature of the program. There was inaugurated a weekly flier announcing each program in its most appealing form. Fliers were posted on the bulletin boards on each floor of the building during the week and placed in the residence rooms on Saturdays. A news release was mailed on each Tuesday to the newspapers, radio, and television stations.

The program soon attracted transient travelers with many coming from abroad and having standing of importance as well as people of significant promise. Then it was observed that regardless of the favorable acceptance of the program, many departed before a succeeding session was held and a way had to be found to meet the situation with the result that the words "International Crossroads" was added as part of the name and the emphasis beamed more specifically to travelers. By accepting the fact that travelers had to make their departure, the situation was looked upon as an opportunity to reach many more people and the law of attraction brought its own reward.

It was suggested that there should be a guest register wherein the visitor could register as a permanent record and furnish statistical data, and this was established near the end of 1946. In the course of the time Mr. Irwin Potter, the recorder, has filled eight books with the names of the most wonderful people who walk the earth.

Then followed the idea of issuing a life membership card to each registrant in recognition of their cooperation and as a visible evidence of their participation. These life membership cards have now been issued to 13,000 persons and carried into 118 countries and geographical areas.

The visitors from abroad were usually in need of maps and information with the result that packets of literature were assembled for their use. Whenever a piece of public relations literature, speech, or publication was thought to be appropriate and useful for this purpose, a request was made for a supply. No request has ever been refused and always supplied without charge.

As a part of the packets of literature there is enclosed an invitation to maintain correspondence and to supply the home address. The file has grown to over 1,100 names and several times a year circular mail and reports go forward to them and many personal letters are exchanged.

As the correspondence has grown with life members abroad it has become a common occurrence to receive over 100 messages, cablegrams, and letters—especially for the 14th and 15th anniversaries, and these letters are always answered personally even if understandably belated. The letters are read or narrated at the anniversary session, the first Sunday in May, when the session is devoted entirely to hearing from those who have returned to their homes.

WHAT OUR CORRESPONDENT SAYS

A student at Oxford may describe life at his university which has been a force in the field of education since 200 years before Columbus sailed. An engineer in India may write from his heart for the desired success of the Peace Corps but at the same time give some frightening concern for the difficulties ahead. A student of the University of Capetown will write of the racial turmoil in South Africa with a clarity that is penetrating beyond the usual channels of news. A ham radio operator in Salisbury, Southern Rhodesia, will comment on his delightful climate in contrast to the snowstorms as related to him in conversations with radio operators in the United States. A German lad who saved his money and took a bus trip and mingled with the people all across this country urges more travel as a means of avoiding another war. An Englishman teaching in a technical school in Nigeria gives warning to Peace Corps applicants to expect deprivation and hardship. A retired soldier in Honduras shows what one man can do for social betterment in a host of ways. A YMCA secretary in India tells of the efforts of his association in behalf of the poor and homeless boys of his city. A businessman in Bristol, England, comments on the comparisons of culture and the deep bonds of friendship. A South American appeals for the need of reciprocal appreciation.

There are many letters that are less personal from which extractions are of general interest and which deserve wider circulation. These extractions are selected for variety of interest and to avoid repetition. They are of such interest publicly as to be introduced into the House of Representatives and printed in the CONGRESSIONAL RECORD, which receives wide circulation, and from which reprints are obtainable.

ANNUAL REPORTS

It is not only the visitors who are a moving procession, but also the speakers who give so generously of their time to extend hospitality and appreciation and to share with others the best of their experience. An annual report is prepared each year in which is listed the names of the speakers and the wide range of subjects on which they chose to speak. The list of speakers over the years reads like a Who's Who of Fame—the patriotic, the wise, the elder brother. All of these efforts were contributed freely and gladly, without any material remuneration, but with a lasting satisfaction that they have passed to others the best of their learning and experience. About one-third of the speakers over the years have left this mundane stage with the satisfaction that the most useful parts of their experience or impressions have been picked up by some younger man for possible reactivation someplace in the world.

The entire program has been carried forward on a self-supporting basis by volunteer workers who have been confronted with all kinds of the most difficult problems, which were trying beyond expression, but these became the diamond dust that produced the rewarding polish and the reactuation of its own challenge.

CONTINUITY OF SESSIONS

There has been a continuous series of breakfast sessions for 15 years with each one unique, in that the personalities are continuously changing. As visitors and strangers come together from many varying backgrounds, cultures, languages, outward appearances, and such unseen differences as religious convictions it becomes necessary to find areas of agreement. From the standpoint of rationality it is almost impossible to attain and it becomes necessary to apply another dimension. In spite of all kinds of language differences one will always know if he is appreciated or not—these are spiritual values. Among the gifts of spirit come wisdom, knowledge, and understanding. The warmth of the handclasp, the understanding smile, and a feeling of sincere appreciation, become a bond of oneness, which is universally understood among men.

SOME ADDITIONAL COMMENTS

As has already been indicated, those men who meet around the table number 13,000 from 118 countries and they are literally the heirs of all ages—coming from the four corners of the world. These people are in search of knowledge and understanding and they want to be understood and appreciated for what they are and hope to attain. You may be sitting next to a grandson of the donor of the Japanese cherry trees that surround our tidal basin, or a person who may one day be a man of influence or the ruler of his land. In any event the people who are our visitors today may well figure prominently among the leaders of our world during the last quadrant of this century. From the ranks of the young American servicemen who may happen in on week-end leave will come aspirants for leadership in our own Government. A mind that is once stretched with a new idea will never again return entirely to its original dimensions.

Representative group of speakers:

SENATORS

Hon. RALPH WEBSTER YARBOROUGH, of Texas, March 16, 1961.

Hon. JENNINGS RANDOLPH, of West Virginia, January 24, 1960—almost annual.

Hon. JOHN SHERMAN COOPER, of Kentucky, February 8, 1959.

Hon. ROBERT C. BYRD of West Virginia, September 20, 1959.

Various others over the earlier years—WILEY, HRUSKA, and so forth.

CONGRESSMEN

Hon. BEN REIFEL, April 30, 1961.

Hon. J. ARTHUR YOUNGER, April 23, 1961.

Hon. HENRY C. SCHADEBERG, March 26, 1961.

Hon. FRED SCHWENGEL, March 5, 1961—annually.

Hon. E. Y. BERRY, February 26, 1961, and annually.

Hon. EDWIN E. WILLIS, February 5, 1961.

Hon. W. J. B. DORN, January 29, 1961, and annually.

Hon. FRANK T. BOW, June 26, 1960.

Hon. JAMES B. UTT, June 12, 1960.

Hon. D. R. MATTHEWS, May 29, 1960.

Hon. ALVIN E. O'KONSKI, May 15, 1960, and annually.

Hon. DANIEL K. INOUYE, March 20, 1960.

Hon. A. S. T. Carnahan, May 19, 1959, now in State Department.

Hon. BOB WILSON, almost annually.

Hon. Alvin E. Bentley—formerly in Congress.

Hon. SAMUEL S. STRATTON.

Hon. WALTER H. JUDD, about every 2½ years.

Hon. John M. Robison, when in Congress, of Kentucky.

Hon. George S. McGovern—now in food distribution.

Hon. CHET HOLIFIELD.

Hon. CLYDE DOYLE, every couple years.

Hon. BRUCE ALGER, January 29, 1956.

About 100 or more others over the past 15 years.

EDUCATORS

Dr. James Harold FOX, dean of Graduate School of Education, George Washington University—annually.

Dr. Leon E. Dostert, director, Institute of Languages and Linguistics, Georgetown University—annually.

Dr. Franklin L. Burdette, professor of government and politics and director of Bureau of Government Research at Maryland University—annually.

Dr. Raymond W. Miller, lecturer in public relations, at Harvard's Graduate School of Business Administration—annually.

Dr. Williard E. Givens, who was the dedicated of the NEA for so long—annually.

Dr. Leroy J. Maas, president of Southeastern University.

Dr. Bela C. Meday, associate professor of research at American University—annually.

Dr. Jan Karski, professor of political science, Georgetown University, April 26, 1959, December 8, 1957.

Dr. Elmer Louis Kayser, dean of university students, George Washington University, March 31, 1957.

INTERNATIONAL COURT OF JUSTICE (AT THE HAGUE)

Sir Muhammad Zafrulla Khan, Pakistan, April 21, 1957.

Sir Percy Spender, Australia, when Ambassador to Washington.

FOREIGN DIPLOMATS

His Excellency, Dr. Henrik de Kauffmann, Ambassador from Denmark. He was almost an annual speaker and chose to make his farewell address at the breakfast on August 17, 1958, when he appraised his 50 years of diplomatic work, and he was one of the greatest, under the subject: "Have We Improved Our World in the Past 50 Years?"

His Excellency, Dr. George K. C. Yeh, Ambassador from China, September 6, 1959, and previously.

His Excellency, Dr. Hollington Tong—predecessor to Ambassador Yeh—annually.

His Excellency, Pote Sarasin, Ambassador from Thailand—now Secretary of SEATO.

His Excellency, Howard Beale, Q.C., Australian Ambassador, October 18, 1959.

His Excellency, Tran von Chuong, Ambassador of Vietnam, June 2, 1957.

His Excellency, Carlo Christensen, counselor of Danish Embassy, July 15, 1960.

STATESMEN

Dr. Jose A. Mora, Secretary General, Organization of American States, November 20, 1960.

Hon. Francis B. Sayre, former Assistant Secretary of State, annually.

Dr. Harry Seamans, liaison officer, Department of State.

INTERNATIONALISTS AND ORGANIZATION LEADERS

Dr. Frank C. Laubach, teacher of millions to read, November 29, 1959.

Dr. Morris A. Greene, FAO of U.N., June 5, 1960, almost annually.

William J. Handly, Director of Oversea Libraries, USIA, December 11, 1960.

Dr. J. S. Noffsinger, director of International Voluntary Services, December 6, 1959.

Dr. Joy Elmer Morgan, president of Senior Citizens of America, annually.

Dr. Luther Evans, Brookings Institution, UNESCO, and Library of Congress.

Dr. John L. Peters, president, World Neighbors, Inc., almost annually.

Dr. Caspar Nannes, religious news editor, Washington Evening Star, August 7, 1960.

RELIGIOUS LEADERS

Dr. Frederick Brown Harris, Chaplain of U.S. Senate, annually.

Dr. Charles Wesley Lowry, president of Foundation for Religious Action in the Social and Civil Order—FRASCO—annually.

Dr. Joseph R. Sizoo, professor of religion, George Washington University.

Dr. Karlis Leyasmeyer, field representative, International Christian Leadership.

SCIENTISTS

Dr. Emmanuel Ben-Dor, Biblical archeologist on leave from the Department of Antiquities, State of Israel, annually.

Dr. S. Fred Singer, professor of physics, University of Maryland, May 21, 1961.

Dr. M. H. Tritten, National Academy of Sciences, December 4, 1960.

MILITARY

Brig. Gen. Donald Armstrong.

Mr. Speaker, I should like to comment further on this unique and interesting program that contributes so much to our international understanding and good will by calling to your attention some excerpts from some of the speeches that have been made as they are reflected in the letters that have been written by visitors from foreign countries as well as from those who are citizens of our own country.

They give eloquent testimony to the virtue and value of this project. They suggest ways and means by which we can bring about a better understanding between various farflung sections of this world which could lead to peace and understanding.

Antonio Rivas Munoz, Santiago, Chile, attorney, writes:

"That Sunday breakfast in February 1956, remains for me as one of the most agreeable and nice experiences which I keep from my visit to the United States of America. I come to realize now, how important is their significance. That is, to unite the men who have happened to meet at their crossroads in life, by means of a common conversation and breakfasting, cordially and friendly, in a simple manner, where the hearts speak out frankly and without protocol or formalities. Our Lord, Jesus, during the first period of His preaching—certainly the most beautiful—had already practiced that system in countries and villages of ancient Galilee, awakening amongst His audience the natural fraternity which dwells and lives about the human soul, even within the most hardened egotists. These are solid reasons why I consider that the purpose you are aiming at may be quite a success, as I trust it to be quite practicable to newly attract to your friendly table those coming from all parts of the globe, who, like me, have had the great pleasure of participating in your dominical breakfast, so that we may personally be there, or else be represented in some other way.

Valentine Soine, Ministry of Justice, Finland, in the United States for study of our prison parole system, says:

I can personally recollect after many years how lonely a young fellow can feel when abroad, and how encouraging it is to be among friendly people. Your Sunday morning breakfast tables are such refreshing oases for a large number of foreigners who are visiting your country for various reasons. I am continuing my daily work leading the Prison Administration in Finland, visiting all penal institutions, holding lectures, and participating in criminal politics. Having been such a long time in public service (22 years in police work and now over 15 years in the Ministry of Justice), I am one of the best known in these matters in my country, and have much to do in this field. I feel happy to be in such a position that has possibilities of carrying out many of the fine ideas I imported from the United States to Finland. It has redounded to the advantage of many thousands of people in our penal institutions and otherwise.

R. N. Chawla, superintending engineer, Assam Investigation Circle, Ulubari, Gauhati, Assam, India, communicates:

How very true, Paul, when you say that it is basically a contest of spirit in the world affairs. It is a struggle of ideas today; ideas representing different values in human relationship. It is over 2 years since I met you and attended, on two occasions, the ICSMB. The memory is still fresh in my mind, and I lose no opportunity in talking about it and what it meant to me to attend the function. It meant to me a kind of confirmation of the ideas that I had formed, during my travel in the United States, about the values and the spirit of life in your country where everybody is quietly telling everybody, "Welcome, my friend. Can I do anything for you?" Rise so that we may rise, for in that way lies the good of everybody. I like the international aspect of the Sunday morning breakfast function.

Ignatious Kawall, Georgetown, British Guiana, businessman, writes:

Greetings from British Guiana. It seems only yesterday I had the privilege of being with you nice people at Sunday morning breakfast. It was the first Sunday in August 1951, when as a visitor to Washington, I was invited to attend the Sunday morning breakfast, and it has been one of my happiest recollections since. Being an Indian and of another color, I was just like a stranger among strangers, but as I entered and sat down to breakfast, the feeling passed and I knew I was among friends. It was just like being at home away from home. Prejudices were forgotten, and we were all one people, sharing as brothers in the Fatherhood of the Almighty. In this

troubled world of ours, with so much achieved in science, and yet so much tension in the air, it must be heartwarming to the very many people of all races and colors from so many different lands who have attended one of those inspiring breakfasts to realize that the world in general and people as a whole are not so inhuman after all—as evidenced by this magnificent achievement extending over 15 years.

Eric Freeborn, teacher of photography, the Polytechnic, London, writes:

Like many Englishmen, I was slightly anti-American and am thankful that I had the opportunity to see Americans at home, how they live, and to work and play with them, and discover that we are all alike in the things that matter. Now, being absolutely convinced that an Anglo-American bond is essential for future survival, I do what little I can to persuade my countrymen that you have good big hearts as well as big automobiles. I was one of six men from this country sent over to study color photography with Eastman Kodak. The work produced on that visit has now been exhibited in Rochester, N.Y., Paris, and twice in London, and has aroused considerable comment each time. The kind folk at Rochester gave of their best in work and friendship, and not one of us is likely to forget it. At the moment, a committee is sorting out another six men to send over in June, so you may meet some more of us then. Whether or not it is due to the prestige of the American visit I do not know, but I have just been commissioned to write two textbooks on photography which are going to keep me very busy for the next 2½ years.

Dr. Ugo M. Colombo, director of public assistance for the city of Milan, Italy, contributes:

From all countries we see Washington, D.C., as a pilot light in the world. From Italy I send you my message of peace and comprehension. Your activity is well known here, and I enjoyed your marvelous hospitality in 1951–52. About 10 years have passed, but my heart is yet in your land of freedom as in the period of my visit.

Dr. D. R. Malhotra, chemical and metallurgical engineer, S.B., Harvard; D. Sc., London, recalls in a letter from Ajmer, India:

I cannot possibly forget the most interesting time I spent in your charming and inspiring company when I visited the United States of America. I can assure you that I very often think of you, and whenever possible, I give expression of my views to the various organizations which I have the opportunity to address about the useful work you are doing by bringing together visitors from various countries who happen to go to your beautiful country. I would like to inform you that after my return to India, I discussed the proposal of organizing such a movement in this country. May God bless you all, and may this spirit of cooperation and understanding continue to prevail all future participants in these functions, and may God give you many years of useful service to humanity, the work to which you have dedicated yourself all these years.

Raymond Paul, civil administrator, Paris, communicates:

Although 8 years have passed since I had the opportunity to take part in your meetings, I have not forgotten the atmosphere that was created or the significance that they carry. At this hour, more than ever before, men of good will, and of the same ideals, must be induced to promote and improve the human welfare. I wish to associate myself with it and offer to you the testimony of my profound admiration.

Hon. Gustav Adolph Gedat, member of the German Bundestag, contributes:

Whenever I have been in Washington, I have visited the Sunday morning breakfast conducted under the leadership of my good friend, P. L. Brindle. Each time I have been impressed by the spirit in which young and elderly men met, by their friendship and understanding in the great Capital of the United States of America. It is only in that spirit that the people of the free world have any future, and I am convinced that these breakfast hours inspire all who participate in these meetings. I shall not miss joining you on my next visit, and I extend to you all my best wishes for this important work of Christian brotherhood and good will.

Maj. G. M. Safdar, Administrative Office, Pakistan Industrial Development Corp., says:

I am 9,000 miles from you, but because of the concord of belief, I feel as if I am one of the participants in the anniversary of the august body of the international brotherhood. Please accept my heartiest congratulations over this achievement of your celebrating the 15th anniversary. Since I sent you a message on the last anniversary, much water has flown under the bridges. I have left the army and have joined business. But whatever my circumstances may be and whatever my age may be, I can assure you that the vicissitudes of my career cannot affect the firm and tried principles of life and belief which I possess, and as such, I join you in the great cause of propagating the universal brotherhood of mankind.

Manuel C. Magbee, M.D., medical director of a hospital and a member of the National Board of Philippines YMCA, sent a photograph and writes:

In my present associations, I have had opportunity to mention with pride my experience with you back in 1955, when I had the chance of exchanging ideas on a number of situations that come to my mind. I have come a long way since then, and indeed, I realize that I have benefited much from that experience. I have been speaking before youth and adult groups all over the country, both in my capacity as past intercontinental vice president of the International Association of Y's Men's Clubs and as a member of the National Board of the YMCA of the Philippines, and have made it a point to share with them some of the impressions I gathered while with you.

James W. Cornish, airport construction engineer, Wellington, New Zealand, sends this:

I feel very humble when I realize that I have the honor of being one of the few New Zealanders who have taken part in several of the International Crossroads Sunday morning breakfasts. My opportunity came when I was on my 7-months world tour studying airport design in 1951, and I knew it was God who led me to your meeting. The number of coincidences and the unusual nature of those who brought me to your breakfast for the first time, to me, are one of those personal miracles which a Christian sometimes experiences. Anyone who has traveled to any extent has a certain feeling of loneliness in a far country, and even attending a church service does not always reassure him of the great hand of God, although He is always present. It is by Christian fellowship, as experienced at Crossroads that one is made ready for a further advance along the road. I regularly pray for Crossroads on a Sunday evening about 8 p.m., our time.

Bunfaro Taira, a teacher in Naha, Okinawa, writes:

Until I attended your breakfast, I had not heard of such a plan and was deeply impressed with the good will of the promoter. The seeds you sow will spread and grow and bear fruit in the form of international understanding and friendship.

Rupert D. Eden, proud possessor of life membership card No. 12399, writes from his native island, Utila, Republic of Honduras, Central America. He lives in retirement in the "banana Republic" and devotes all of his time to serving others; from managing baseball and volley ball clubs, superintending the library, to supplying children under 7 years of age with a glass of milk as the representative of CARE. He sent eight pages of praise and appreciation, from which is extracted:

The response, applause, and congratulations I received after speaking at the breakfast was so overwhelming I could hardly believe it myself, and perhaps was not wholly worthy of the many handshakes and kind words showered upon me. While I may not be present in person, my spirit and thoughts will be there May 7. It is my humble opinion that if gatherings such as this could take place in all the capitals of the world, it would be one of the greatest measures taken for the promotion of good will, as proclaimed by the Great Master centuries ago. This is a challenge to the life members of this institution to put into effect my suggestion that such gatherings take place in all the capitals of the world.

Algernon R. Thompson, public health officer, Georgetown, British Guiana, says:

It was indeed a pleasure to be among you and to take part in a fellowship of peace and understanding among the nations of the world. I pray that God in His mercy will bless you and the good work you are doing, aiding and inspiring us who meet with others at the crossroads of life.

Urpo Ratia, engineer and manufacturer, Finland, writes:

In this cross-minded and confused world, activities and endeavors of your kind represent the only realistic approach to keep evil under control; if not completely so, partly however. It is hard work which yields good results only slowly. The major provision of success is strong belief and hard necked and industrious striving toward a high goal. My extensive journey all over the United States of America in the years 1958 and 1959, and many short visits in many European countries, have opened my eyes to comprehend the importance of international friendship. The exchange of ideas and experiences helps everyone to widen one's horizon and grasp the behaviors of individuals and nations in this changing world. Personally, my responsibilities have altered since we met in Washington. I am now a director of a group of three plants and a commercial enterprise, as a chairman of the board of directors in two companies, in one foundation, and in a high school. Naturally, I try to apply the gains, findings, and innovations from abroad on my job and to foster mutual understanding, both on domestic and international bases. In such a climate, many progressive ideas find a fertile soil to breed

and grow. The achievements encourage me to continue. I'll strive forward along these lines and work for a better world and future for my fellow men.

Lt. Raymond D. Reel, U.S. Navy research and development engineer, stationed at Vienna, Austria, reports:

I well remember on October 27, 1957, Hon. Francis B. Sayre (the famous diplomat), spoke on "The Pathway Ahead." At that time, we also had in attendance your first Russian visitors. What a curious coincidence at the crossroads—for today, on the April 12, 1961, the Russians have announced their being ahead in the pathway with a human being in outer space around the earth. You and your crossroads programs are ahead, to my way of thinking, as being happy examples of putting our American principles into practice in such a friendly fashion as to be fascinating intellectually and impressively moving in their impact on the individuals from so many different countries, who thereby gain good impressions of what America and we Americans are really like. Each trip back to my home and country, after my long sojourn abroad in Europe, there comes to me an enhanced appreciation of the true values of our national unselfishness, our deep interest in the welfare of other peoples, and our actual assistance toward human betterment everywhere.

T. E. Warth, Huntington, England, writes:

Your friendly, informal atmosphere is just the thing for getting to know people. I remember that when the meeting broke up, a lady came to me and said she worked for a time in England and in return for the hospitality she had received there, would like to show me around Washington. She went and got her car and a very pleasant Sunday morning was spent in a tour of the city, my seeing parts that I would otherwise have missed.

Other recollections of Washington include eating bread-and-cheese suppers on a park bench outside the White House with a Bristol University student to save money, as I had underestimated expenses between England and Wisconsin. Thanks to the permanent residents, who work so hard to make us, the once-in-a-lifetime visitors, feel very welcome.

Hermann Eimterbaumer, teacher of English and economics, Uber Bielefeld, Germany, reports:

The Sunday morning breakfast in March 1961 was the high point of my whole Washington trip and I am very thankful for those hours I spent with this group. I was delighted by the unity and by the spirit among the members of your group coming from all corners of the world. I personally had the feeling of being at home and a part of a happy family gathering. I thank you also very much for the nice way you welcomed me and made me a member of the international gathering, and would like to express how helpful I consider these meetings for the understanding of other people and other nations. You are practicing true Christian love by establishing a spirit of good will and peace among all members of your group. I hope that this spirit will be carried into the whole world.

H. L. D. Selvaratnam, a banker in Ceylon, writes:

There is a Christian atmosphere prevailing, and tolerance and good will to those who differ from you. It is these qualities that have made the United States of America a great Nation.

John L. Handley, associated with his family's motor distributorship in Birmingham, England, writes:

I remember quite clearly my good fortune in visiting the fellowship in May 1959. I was so interested in the conversation going on around me that for the only time in my life, I allowed an excellent breakfast to go cold. I feel very strongly the challenge presented to Western civilization by Soviet aggrandizement in different areas of the world. In May 1959, when I sat at your breakfast, it was Berlin that was the subject of conversation. That problem is still with us and to the problem of Berlin has been added new problems. Southeast Asia is in the news at the moment and we do not know where the next challenge to the integrity of freedom will come from. I do earnestly suggest that men of good will, everywhere, as embodied by your fellowship, no matter what part of the world they may come from, must at all times endeavor to unify their aims and purposes to meet the Soviet challenge.

Heinz Gechter, of Cologne, Germany, leader of the Carl Duisberg Society for the exchange of trainees, sent the following:

I am writing in behalf of the 25 German exchange students who were given the excellent opportunity of participating in the ICSMB with Hon. H. C. SCHADEBERG, on March 26, 1961. All the students and myself were very much impressed by that delightful speaker. I would like to extend my sincere thanks and to express my admiration to you, dear Paul, being the promoter of this program and having done the challenging work for 15 years. Our society is planning to exchange each year 200 trainees from Germany to America. For all the new groups, I shall arrange a stay over the weekend in Washington at the YMCA so that they are able to participate in the breakfast on Sunday morning and will get the marvelous and, I think, unique chance to meet you and other outstanding people from other countries.

C. Rajagopalan, professor of geology, Alagappa College, Kavaikudi, India, says:

It is almost 3 years since I met you and yet to me it appears only yesterday. I am making plans to return, and the very first thing that I would like to do in the United States of America is to attend the Crossroads breakfast and meet the people there. I have seen several things while in the United States, and met several people, too, but nothing has caught me as the International Crossroads. It is my sincere prayer that Almighty God, in His infinite wisdom, will give you sufficient strength and life to carry on this self-imposed good work of the Crossroads.

Dr. Deane Stout, Uganda, east Africa, reports:

On my way to Uganda the first of July 1960, I heard General Armstrong address a capacity audience at the ICSMB on "Independence in the Cold War." One thought that he expressed has helped me daily in my work as a teacher of physics under the Fulbright plan. I am teaching native boys in a secondary school. General Armstrong said, "A Christian believes in the dignity and worth of all men." Using this as my guide, I have worshipped side by side with naked Karamonjong tribesmen, talked as a friend with fierce Masai, eaten with the primitive Acholi, and explained the American way of life to chiefs and assembled men in remote Teso villages. In every case, I have approached each opportunity as a Christian friend and received friendship in return. My thanks go out to Mr. Brindle for securing such forceful and thought-provoking speakers as General Armstrong. May the ICSMB continue its influence, and my wish from half way around the world is that each one present at the 15th anniversary will carry away one challenging idea for world brotherhood.

M. V. Krishna Murthy, industry relations, Bangalee, India, writes:

I look back with pride to the wonderful time I spent in the States and the nice people I met. It is no wonder that the time I spent with you certainly, to me, is most precious. I saw the true American spirit in you and I will not forget my evening rounds with you to the Lincoln Memorial, Washington Monument, and Jefferson Memorial. That is America. I have no doubt that the ICSMB will carry its torch further in the cause of peace and democracy and make people appear and feel this world a small single unit rather than separate parts with different cultures. Apparently, the differences appear too many, but when you analyze, you will find common qualities so many as to make us feel more at home. You and the "Y" will certainly be able to achieve better practical results than millions of dollars could otherwise achieve.

William T. van Wijk, of Haarlem, Holland, comments:

I was in Washington in August 16, 1959, when Dr. Seamens of your State Department spoke and that made it even more international, and from that point of view, more worthwhile. Dr. Miller, of Harvard University, was also present and I often think about his words, as I was sitting next to him during breakfast. The international understanding of people is, in my opinion, very important.

Ishimatsu Nohara, safety specialist, Japanese Government, writes:

I learned many things at your Crossroads meeting through the wonderful speeches and nice discussions after that. Speakers came from various fields, such as education, Congress, diplomatic, and so forth. Moreover, I have made many friends from other countries. I keep up correspondence with some of them. Many impressions from this meeting will live with me as long as I live and encourage me all the time. I hope to have similar meetings in Tokyo.

Dr. Deitrich Gurlitt, Freiburg, Germany, geologist in Middle East oil and repeated visitor at the Crossroads, writes:

I am writing on March 15 and thinking about the 15th birthday of your child, the ICSMB. When I first met it, it was 11, and as it grows older, I love it more and more. On February 15, I saw an eclipse of the sun at home, which started Lent and Ramadau. When I called at a friend's home, his house number was changed from 17 to 15. And on the same February 15, at 1515 hours, I just had a coke with three secretaries when the radio announced the hour and said, "Fuenfzehn uhr fuenfzehn." Fifteen must be my number of luck. I hope that 15 is your child's number of luck, too. As human beings reach the peak of beauty at 15, spiritual beings may get the same blooming.

Dr. P. G. Gollerheri, professor at Kasturba Medical College, Mangalore, India, writes:

You have been able to build up such a tremendous volume of real good will and understanding, internationally, from this

simple idea of meeting together for a breakfast, from among the guests who may be sojourning in Washington on every Sunday of the year. From such an eyewitness evidence of generated good will only once in your country, I felt there is hope for the future international peace of the world, despite the alarms and excursions of pure politics pointing the other way. Every time I meet a Westerner, and this happens to be more often a citizen of the United States of America, my mind goes back to the self-introduced friendships that I, a small person from India, could achieve from among the travelers from the four corners of the world and from all walks of life, meeting informally for an hour or two in your improvised dining room at the YMCA. Although it is 9 years since that Sunday morning, the indelible memory of the scene is as fresh as ever. I will cherish it as long as I live. May your idea of fostering real international good will and amity in this unique manner grow in volume and strength and be so irresistible for the nations to desist from all wars—hot or cold—and give all mankind the world over everlasting peace, happiness, and social harmony.

Don Jefferies of Brisbane, Australia, writes:

Though I be only one of the thousands whom you have met and talked to at the International Crossroads, I want you to know that I have not forgotten you as you have not forgotten me.

Dr. George Dissanaike, lecturer in physics, University of Ceylon, writes:

On this anniversary, we must feel not only a sense of pride at our past achievements, but also a sense of dedication to our obligations and responsibilities in the future. It is my belief that cooperation is perhaps best achieved among people who understand each other's weaknesses, and perhaps there can be no better way of revealing such weaknesses than over the breakfast table. Let us learn more about each other and cherish the ideals of peace and cooperation.

Herbert Gropel writes from Germany:

I am a schoolteacher in a tiny village in the Bavarian Forest. I teach the seventh and eighth graders and do something in adult education. I think it would be a good idea to have such Sunday morning breakfasts in some places in Europe, too. Unfortunately, I live in a very small village now and have no opportunity of meeting people from other countries. The more I appreciate your reports and letters. The interesting Sunday morning breakfast in the spring of 1952 is still a vivid memory to me."

Kyros L. Savvides, soil conservationist in Cyprus, comments:

The 12 months I spent among students and other citizens of the United States of America revealed to me the real brotherhood of nations. This is an excellent demonstration of the possibility for the establishment of peace on our planet, which can be made a reality if the rules of Christianity for love and helping each other are made part of our lives.

Toshinhiko Suzuki, electrical engineer at Itami, Japan, writes:

I returned to the Kansai Electric Power Co. after I finished my assignment at Westinghouse. It is really hard to tell you how much I have been affected by just staying 1 year in your country. The world situation, at present, is not a happy one. But we can create a peaceful world if we can understand each other. Your ICSMB has contributed very much to a better understanding among people from abroad and will continue to do this more and more.

Jorge Villegas Duncan, an engineer in Santiago, Chile, writes:

I wish you and the association the greatest success. Your labors deserve it. All the Americas may hope it to be of very useful results. Men of good will are what this continent and the whole world requires to save it from impending catastrophe. This is a work requiring the joint action of all spiritual forces.

B. K. Shivalingappa, executive engineer, Mysore State, India, comments:

I, being at a place half way around the globe, am pleased and thrilled to hear about the 15th anniversary. It would certainly be a privilege and joy to be there to witness the occasion, but though I regret my inability to be there physically, my mind and heart will be there at that time on that day. I cannot forget the friendships developed by casual meeting at the Crossroads, some 2 years back in Washington, and I am greatly benefited by it. Meetings of this type make possible friendships and intimacies among people, irrespective of color, creed, country, or nationality and develop a sense of universal brotherhood. I wish the function all success, and best wishes to all the members who participate in the meeting.

Mats Blom, in the grain business at Norrhaping, Sweden, sent a photograph of his lovely family and writes:

I can't do less but congratulate you and all friends 'round the Sunday morning breakfast table for the very prominent lecturers you have secured, and for all the interesting and actual matters that have been under discussion. You are marvelous to keep this going from week to week for 15 years. But I know, dear Paul, that what you are doing is of great value.

J. L. F. Lawalata, a government official in Indonesia, writes:

I am proud to have known you as my friend and I have always appreciated the Sunday morning breakfast under your inspiring leadership. I met people from all the far-flung corners of the world and many of them created a favorable impression upon me. You hear there a great variety of speakers covering a wonderful series of fascinating topics. Their speeches opened some windows in my mind, which I did not realize at first.

I would strongly recommend that foreign students participate in the Sunday morning breakfast, since it will surely help them in their studies and enrich their lives abundantly. Although I knew you for only about a year, I learned to appreciate you as a man of deeds rather than words, giving an example of fellowship and brothership in the true Christian spirit.

Raymond Issid, who graduated in engineering from the University of Montana, writes from his home in Beirut, Lebanon:

Since I was a little boy, I wanted to be a Christopher Columbus II. My dreams came true, and I discovered and learned about the truth of the free world in the United States of America. One of my beautiful memories is the great opportunity that I had of sharing the fellowship at the ICSMB where I met so many people from different nations. I shall not forget my unique experience, and I pray to God to preserve you—peaceful agent—through the years to come.

Wollert A. Hille-Dahl writes from Geneva:

A year and a half has passed since I visited the United States of America at which time I was lucky enough to attend the Thanksgiving breakfast and hear Dr. Raymond W. Miller, of Harvard University, speak. This breakfast stands for me as something unique which I shall never forget. It is regrettable that we do not have something similar in Europe.

C. S. Parthasarathy, civil engineer with the Planning Commission at New Delhi, writes:

It was indeed my good fortune to meet you and your colleagues during my short stay at Washington, early in 1957. I continue to be engaged on the task of preparation and implementation of our 5-year plans, of which you are aware. It is an exciting and rewarding experience to be associated with the 5-year plans for a country like ours. Since returning from the United States, there are occasions, not infrequently, when I find opportunities to apply some of the knowledge and experience acquired during my deputation in the United States to study the water resources development projects there. My sincere appreciation and thanks for the most interesting delightful session I had with you all. It has been a great value to me in many different ways, both in my official and personal life.

Heinz Brockstedt, of Germany, writes from Bombay, India, where he is constructing a pharmaceutical plant:

The ICSMB is forever connected with Washington in my memories, and many a time I have thought of the words of Dr. Bowman, who addressed us on May 22, 1960. It's certainly something to feel among friends right from the beginning, something so far from home, and I only hope still many visitors will share the same feeling in the future. Kindly give my special regards to and thanks to Mr. Stan Craige, who was so kind to show and explain to me so much on a tour of Washington.

Panit Sampawakoop, Member of Parliament, Thailand, reports:

I am very happy to recollect my past memory of being with you during my last year's visit, which was kindly arranged by the Department of State. After returning home, I have missed all of you, and wish to be with you again when the opportunity arises in order to participate in the ICSMB which cherishes the aim of mutual understanding which leads to peaceful coexistence among free world nations. There is, at present, unrest in Laos, my neighboring country, where Communist activities are working fruitfully, and government troops are retreating. Simultaneously, the revolution party is being defeated in Cuba by Castro. I cannot help feeling worry about the free world deteriorating. Anyhow, I hopefully believe that through the unity of our free world nations, the International Crossroads' mutual understanding, we will win over communism eventually.

Dr. Radgo Kukuroi, Professor of Tahoku University, Research Institute of Metals, Sendai, Japan, sends:

I wish to inform you that I and my colleagues who visited and learned in the United States have become members of the Tahoku Japan-American Association in Sendai, under the good offices of the American Cultivation Center. It is earnestly hoped that your kind treatment will be given other young students who will visit Washington in the future and also look forward to the opportunity of meeting you.

Wolf Luckterhand, a young man in Berlin, Germany, comments:

Just about 11 months ago I visited you, and it was one of the most interesting times

I had on my trip through your country. You might remember, the trip was my childhood dream becoming a reality. I saved money for years to enable it. I started from Vancouver, Canada; went down to San Francisco, Los Angeles, the Grand Canyon, Texas, New Orleans, then up through Georgia, Washington, D.C., Delaware, New York, and Niagara Falls, to Montreal. I saw the country. I saw people, and I learned to understand. That was the most remarkable experience that I had, understanding the people. Everybody, at least every student on this world, should be forced to travel; to see other countries, and to meet people of other opinions. There would not be another war. I believe in people like you and your Crossroads' Sunday. There is something that helps to establish a contact between people of different nationalities, to create understanding.

Raimo Raevouri, principal of a school in Finland, writes:

You may be sure that in me you have a trustworthy friend, although it is 10 years since I was in the United States. I would like very much to visit your wonderful country once again. As an evidence of my friendship for Americans, I am a member of the Finnish-American Society.

Hyung Chull Lee, Department Vice Manager, Korean Reconstruction Bank, Seoul, writes:

I really enjoyed the Sunday morning breakfasts which gave me actual understanding of the friendship between the United States of America and other free nations. I am very happy that I obtained a lot of valuable knowledge about the United States of America through the speeches of many erudite speakers at the breakfasts. I believe that International Crossroads is very helpful to many people from foreign countries in improving their mutual relationship and understandings with each other.

David Hudson, chartered accountant, Lusaka, Northern Rhodesia, reports:

I most certainly have never forgotten the time I spent in your lovely city, nor the welcome I received at the Sunday morning breakfast and the kindness which prompted your invitation to attend. Most of the African States are going through a time of turmoil and change, but it will all turn out for the best if those concerned have enough patience and understanding.

Karl Moll, exchange teacher from Germany, had this to say:

It was wonderful being with you on February 15 and February 22, 1959, when I was in the United States as a teacher in the Fulbright program. I had the opportunity to speak to various groups in my country since then about the United States and your unique organization. It was really a fine experience for me, this gathering of people from all over the world. Whenever I think of that cordial welcome and atmosphere when I participated in the Crossroads breakfast, I realize how much good is done by your institution. Whenever my students ask me about my impression of the United States, I tell them of my wonderful and inspiring experience at the Crossroads in Washington, D.C.

A. Hugo Grassi, general secretary, YMCA, Montevideo, Uruguay, writes:

The amazing way in which we can travel quickly by air points out how right you are in trying to offer opportunities for people of many lands to get together. To get together even for a breakfast session and to try to know each other and each other's point of view, in order to build up a better understanding is very important in a world that more and more is bound to become one. I want to congratulate you and those connected with this enterprise for your fine initiative and for your persistence on it.

Dr. Carlos Henrique Mayr, physician and surgeon, Rio de Janeiro, said:

I have recalled many times those nice Sunday mornings when I was a student there, and I wish that more foreign students would take advantage of the warm welcome and friendships established there. It was a wonderful and good experience. I have been sending many of my friends to join you in your purpose.

Desmond R. Lovatt, Wellington, New Zealand, comments:

It would be a fine extension of this fraternity which the breakfast has created if members who find themselves in other countries could obtain from you addresses of those in that country who are members. In this way, a far stronger bond could be forged and may lead to some interesting groups.

Masashi Mori, attorney in Japan, says:

My meeting with you on one rainy day and my attending your ICSMB on New Year's Day, 1961, became one of the most precious experiences I had during my stay in the United States. It will remain in my memory my lifetime.

Dr. Hanns D. Ahrens, public relations, Germany, sends as a contribution, an experience as told to him on a recent visit to Berlin, by an elderly lady who had gone through very difficult times in the war, its aftermath, and now participating in the rebuilding:

"God," she said, "was mentioned in the past to be with the strong battalions. That time, believe me, sir, is past forever. We experience day by day that God works through strong souls. There is nothing in the world that the godless materialists fear more than people who believe in God and act as though they were His assistants on earth. We need men with souls stronger than atoms."

As you see, many of these letters indicate the great respect these people have for our system and way of life. What to them before had been a distorted picture became more clear as they visited our Capital and listened to the guest speakers and had an opportunity to personally meet distinguished American citizens and to make their own contribution about their own system and their own basic beliefs.

One cannot know about and participate in this program without realizing the truth of the statement made by Edwin Markham, quote:

There is a destiny that makes us brothers,
None goes his way alone.
All that we send into the lives of others,
Comes back into our own.

I care not what his temples or his creeds,
One truth holds firm and fast.
That into his heap of days and deeds,
The soul of man is cast.

Mr. Speaker, I am enthusiastic about this voluntary, effective, and meaningful program sponsored by the YMCA here in Washington, D.C. I am convinced that it is doing much to give this country of ours the image that we want it to have.

This type of thing and this program in particular needs to be encouraged. I would like to see this program in Washington expanded and made available to a larger percentage of the visitors who come to this place where we find the evidence of what liberty and freedom can do and where we have done, do, and can do more for more people in more ways to give them the abundant life than anywhere else in the world.

It is my hope that more Members of Congress, public officials, and just plain citizens of America will show an interest in this program and find ways and means to aid and abet its noble and worthwhile objectives.

FARM HOUSING LOAN PROGRAM

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. RAINS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. RAINS. Mr. Speaker, one of the finest programs we have in the field of housing is that which provides financing for our farm population. Since this program was created in 1949, it has made 43,000 loans and at present another 7,000 applications are pending. Under this program these families have been able to make improvements in their farm homes which would in all likelihood have been impossible without this assistance. This is because rural areas do not have ready access to the large mortgage lenders who are centered in our cities.

This fine program will expire on July 1 of this year unless the Congress acts. It would be a tragedy if this were allowed to happen, since housing needs in our rural areas are as great as in any part of the country.

To keep this program going, H.R. 6028, the general housing bill, provides a 4-year extension. It also authorizes an additional $200 million for this particularly worthwhile program which, together with the $207 million remaining from past authorizations, will make it possible for many families to take advantage of these benefits. The housing bill also makes a number of improvements in the program. For example, it would extend the benefits to a now neglected market—nonfarm families living in rural areas. These people are faced with the same disadvantage in obtaining mortgage credit as farm families and should be made eligible. In fact, this is a provision urged in the strongest terms by such groups as the National Grange, the National Farmers' Union, and the National Rural Electric Cooperative Association.

Mr. Speaker, these loans have been made to families in every State in the country. It has been particularly helpful to the South and, as the table shows, Southern States account for over half of the applications now pending. For the information of my colleagues, I would like to insert at this point in the RECORD a table showing the distribution of the 43,000 loans which have been made and the 7,000 applications on hand.

U.S. Department of Agriculture, Farmers Home Administration

FARM HOUSING LOANS MADE THROUGH DEC. 31, 1960, AND APPLICATIONS PENDING AS OF MAY 31, 1961

State	Total number of borrowers	Total loans	Unpaid principal balance	Number of borrowers paid in full	Applications for new loans on hand May 31, 1961
U.S. total	42,674	$274,967,199	$198,596,232	10,141	7,072
Alabama	2,593	17,405,328	12,677,040	528	533
Alaska	11	66,120	61,925	1	5
Arizona	154	1,375,861	728,590	71	18
Arkansas	2,130	9,414,866	6,565,488	551	270
California	841	6,676,255	4,256,108	324	114
Colorado	304	1,970,344	1,007,258	127	84
Connecticut	54	253,021	98,602	32	6
Delaware	15	76,115	46,257	5	4
Florida	1,452	12,487,569	9,818,160	259	221
Georgia	2,580	15,129,144	10,576,561	625	326
Hawaii	172	1,586,000	1,045,254	48	24
Idaho	616	4,593,203	3,124,856	164	91
Illinois	579	2,713,838	1,563,737	230	53
Indiana	524	3,094,401	2,060,666	176	118
Iowa	794	4,810,841	3,584,172	186	99
Kansas	590	3,609,898	2,525,169	153	125
Kentucky	989	6,524,621	4,773,443	192	116
Louisiana	1,275	8,083,694	5,380,713	323	136
Maine	701	4,774,362	3,769,532	148	104
Maryland	275	2,038,920	1,406,119	83	39
Massachusetts	46	326,233	245,843	10	7
Michigan	895	5,709,975	4,153,975	234	167
Minnesota	773	4,150,536	3,149,031	158	204
Mississippi	3,602	19,382,695	14,449,073	660	479
Missouri	2,202	10,914,709	7,752,486	601	312
Montana	433	$3,388,416	$2,467,011	110	98
Nebraska	545	2,888,877	1,610,537	235	54
Nevada	39	307,389	209,867	9	5
New Hampshire	29	116,967	66,336	10	5
New Jersey	249	1,604,268	1,024,108	89	14
New Mexico	370	2,530,652	1,599,395	123	64
New York	340	2,156,714	1,528,655	92	107
North Carolina	1,646	11,765,764	8,564,014	357	315
North Dakota	745	6,495,430	5,434,748	81	260
Ohio	485	2,845,094	1,961,435	172	88
Oklahoma	1,854	11,228,181	7,740,573	498	351
Oregon	474	3,585,524	2,620,808	123	102
Pennsylvania	669	3,495,023	2,407,215	226	170
Rhode Island	5	15,090	13,359	0	1
South Carolina	1,425	10,764,101	8,262,854	243	192
South Dakota	537	3,860,472	3,042,753	109	105
Tennessee	1,917	12,748,162	9,994,243	298	343
Texas	2,376	17,243,494	12,241,712	575	316
Utah	640	5,462,862	4,177,983	112	92
Vermont	42	218,825	161,114	9	12
Virginia	583	4,265,398	2,872,473	149	111
Washington	614	5,174,132	4,111,135	109	128
West Virginia	611	4,463,152	3,351,963	91	115
Wisconsin	887	5,581,780	4,473,216	164	238
Wyoming	280	1,963,035	1,332,277	78	25
Puerto Rico	689	3,488,790	2,366,633	177	106
Virgin Islands	23	141,118	49,757	13	0

URBAN RENEWAL OUT OF FUNDS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. RAINS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. RAINS. Mr. Speaker, the urban renewal program, begun in 1949, has made a vital contribution toward eliminating slums and making our towns and cities better places in which to live. Under this program Federal capital grants are made to local governments to cover up to two-thirds of the net cost of acquiring and clearing slum areas. Pending housing legislation would increase the Federal share to three-fourths for small towns and for depressed areas up to 150,000 population. So far, 900 projects in nearly 500 communities have been undertaken.

Because of the failure to pass a general housing bill last year, and because of the rising level of activity under the program, the Urban Renewal Administration exhausted its present authority back in January. Since then a backlog of applications has mounted steadily. By the early part of this month there were applications totaling $265 million for urban renewal projects in every part of the country pending in the Washington office. An additional $132 million in applications are pending at the regional office level. Not one of these projects can be undertaken unless and until additional funds are provided. This means that the hope for these communities to clear up some of their worst slum areas depends on the enactment of H.R. 6028, the Housing Act of 1961. That bill would authorize an additional $2 billion for this program to meet the growing backlog and carry it at a high level of operation for an estimated 4 years.

Mr. Speaker, I include in the RECORD a list of those projects whose fate depends on prompt approval of the General Housing Act:

Applications pending in Urban Renewal Administration central office for which funds are not available as of June 9, 1961

STATE, CITY, AND PROJECT NUMBER	*Capital grant requested*
U.S. total	$265,112,805
Region 1—Total	109,571,368
Connecticut:	
Ansonia, R–18(c)	141,171
Hartford, R–51	5,501,181
New Britain, R–50	7,226,345
New Haven, R–48(GN)	3,800,000
Waterbury, R–53	906,769
West Haven, R–47	1,865,841
Maine: Waterville, R–6	1,268,900
Massachusetts:	
Dedham, R–39(GN)	910,000
Holyoke, R–40	2,035,000
Stoneham, R–52(GN)	855,000
New Hampshire: Manchester, R–4(GN)	1,000,000
New York:	
Gloversville, R–85(GN)	629,705
Lindenhurst, R–81	2,040,808
Lockport, R–86	4,555,666
Mamaroneck, R–78(GN)	1,553,000
Mt. Vernon, R–87	11,250,000
New York:	
R–83(GN)	4,000,000
R–18	4,440,000
R–68	4,453,450
R–90	2,050,000
R–43	15,619,443
Niagara Falls, R–91	655,750
Rochester, R–80	10,520,000
Utica, R–89	2,446,723
Rhode Island:	
Newport, R–6(GN)	1,284,866
Providence:	
R–4	13,061,750
R–7	5,500,000

Applications pending in Urban Renewal Administration central office for which funds are not available as of June 9, 1961—Continued

STATE, CITY, AND PROJECT NUMBER—continued	*Capital grant requested*
Region 2—Total	$46,536,369
Delaware: Wilmington, R–3	155,580
District of Columbia—Washington:	
R–8	11,021,266
R–7	
Maryland, Baltimore:	
R–14	504,543
R–15	4,394,930
New Jersey:	
Belmar, R–76	837,500
Keansburg, R–69	610,866
Mt. Holly, R–47	364,662
Passaic, R–71	4,254,200
Plainfield, R–75	261,978
Trenton:	
R–68	706,800
R–74	3,923,172
Union City, R–70	1,174,166
Pennsylvania:	
Bethlehem:	
R–110	1,064,681
R–111	400,573
Collier Township, R–76	124,812
East Stroudsburg, R–116	699,903
Harrisburg:	
14–1	276,631
R–77	10,553
Hazleton, R–105	630,033
Lower Merion Township:	
R–109(GN)	3,348,242
R–112(GN)	1,475,167
New Brighton, R–118	120,072
Pottsville, R–74	325,974
Rochester, R–114	808,990
Scranton, R–108	1,744,341
Wilkes-Barre, R–117	1,485,000
Virginia:	
Norfolk, R–21(GN)	4,289,658
South Norfolk, R–19	131,623
West Virginia:	
Huntington, R–7	504,106
Moundsville, R–6	886,347

Applications pending in Urban Renewal Administration central office for which funds are not available as of June 9, 1961—Continued

STATE, CITY, AND PROJECT NUMBER—continued

	Capital grant requested
Region 3—Total	$26,032,912
Alabama:	
Birmingham, R–35	2,623,299
Luverne, R–37	96,869
Mobile, R–34	2,500,000
Opelika, R–36	336,054
Georgia:	
Athens, R–50	423,887
Atlanta, R–48(GN)	1,066,000
Brunswick, R–47(GN)	486,666
Carrollton, R–40	21,286
Kentucky:	
Glasgow, R–17(GN)	114,050
R–16(GN)	715,101
R–19	4,460,564
Mississippi:	
Clarksdale, R–5	206,631
Cleveland, R–2	138,677
Tupelo, R–1	617,944
North Carolina:	
Charlotte, R–14	
Winston-Salem, R–18	4,684,393
Tennessee:	
Jackson, R–39(GN)	786,000
Knoxville, R–40	6,717,650
South Pittsburg:	
R–32	27,699
R–33	10,142
Region 4—Total	40,241,417
Illinois:	
Alton, R–27	71,709
Cairo, R–36	464,800
Chicago:	
R–31	2,692,807
R–24	55,768
R–6	92,333
Indiana:	
Batesville, R–27(GN)	266,200
Elkhart, R–26	729,184
Evansville, R–21(GN)	1,751,667
Jeffersonville, R–22(GN)	506,600
La Porte, R–18(GN)	311,464
Mishawaka, R–9	951,842
South Bend, R–19(GN)	1,915,000
Terre Haute, R–16	1,009,732
Michigan:	
Clinton Township, R–51 (GN)	448,500
Detroit:	
R–52	5,409,175
R–50(GN)	8,584,284
Wayne, R–48(GN)	1,179,485
Minnesota:	
Minneapolis, R–12(CR)	482,238
St. Paul, R–4(GN)	1,816,255
Ohio:	
Akron, R–38(CR)	73,374
Cleveland:	
R–43	10,400,000
R–44	
Wisconsin, Madison, R–2	1,029,000
Region 5—total	19,143,495
Arkansas:	
Fort Smith, R–19	639,736
Harrison, R–21(C)	1,838,133
Junction City, R–7	201,965
North Little Rock, R–18	2,912,368
Colorado: Denver, R–9	1,066,000
Kansas: Kansas City, R–13	4,367,111
Louisiana: Monroe, R–3	5,639,172
Missouri:	
Joplin, R–19	
Mexico, R–22	65,125
St. Joseph, R–32(CR)	39,820
Oklahoma, Tulsa, R–3	184,548

Applications pending in Urban Renewal Administration central office for which funds are not available as of June 9, 1961—Continued

STATE, CITY, AND PROJECT NUMBER—continued

	Capital grant requested
Region 5—Continued	
Texas:	
Lubbock, R–33	$1,252,414
Waco, R–51	840,840
Wink, R–34	96,263
Region 6—Total	23,587,244
California:	
Fresno, R–24	542,281
Salinas, R–53	1,154,932
San Francisco:	
R–54	14,254,000
R–7	2,683,521
Santa Rosa, R–45	1,774,734
Hawaii: Honolulu:	
R–7	1,348,352
R–6(GN)	1,204,353
R–5	(1)
Oregon:	
Coos Bay, R–5	135,475
Monmouth, R–6	119,240
Washington: Tacoma, R–3	370,356

[1] No new authority.

Applications pending in Urban Renewal Administration regional offices for which funds are not available as of June 9, 1961

State and city	Number of applications	Capital grant requested
U.S. total	120	$131,609,002
Arkansas, total	8	3,227,931
Junction City	2	293,624
Little Rock	4	2,702,724
Morrilton	1	130,441
Texarkana	1	101,142
California, total	6	8,005,042
Oakland	1	3,343,502
Pasadena	1	3,083,800
Richmond	1	31,113
San Francisco	1	193,906
Seaside	2	1,352,661
Colorado, total	1	1,417,044
Arvada	1	1,417,044
Connecticut, total	6	17,477,074
Bridgeport	1	4,200,330
Bristol	1	691,977
Meriden	1	413,037
Norwich	2	106,130
Stamford	1	12,065,600
Georgia, total	2	1,485,539
Athens	1	1,388,187
Decatur	1	97,352
Illinois, total	2	4,584,208
Bloomington	1	3,416
Chicago	1	4,580,792
Iowa, total	2	3,950,786
Des Moines	1	1,514,600
Sioux City	1	2,436,096
Kansas, total	1	31,950
Wichita	1	31,950
Kentucky, total	1	138,750
Corbin	1	138,750
Maine, total	1	285,488
Bangor	1	285,488
Massachusetts, total	5	7,629,812
Cambridge	1	3,142,311
Fitchburg	2	1,683,001
Lynn	1	824,500
Springfield	1	1,980,000
Michigan, total	4	$2,370,270
Benton Harbor	1	12,200
Hamtramck	1	569,632
Muskegon	1	1,731,687
Wayne	1	56,751
Missouri, total	5	15,153,297
Kansas City	1	185,383
Olivette	1	527,484
St. Louis	1	13,736,000
University City	1	650,000
Webster Groves	1	54,430
New Hampshire, total	1	748,165
Somersworth	1	748,165
New Jersey, total	17	6,953,390
Camden	2	1,009,126
Clifton	1	144,000
East Orange	1	87,993
Edison	1	425,295
Long Branch	1	166,748
Newark	3	1,552,150
Park Ridge	1	229,495
Passaic	1	16,000
Pitman	1	230,999
Plainfield	1	694,908
Stanhope	1	320,400
Trenton	1	4,320
Wayne Township	1	1,116,670
West Orange	1	967,775
New York, total	9	10,401,344
Albany	2	1,501,232
Auburn	1	819,950
Island Park	1	658,725
Niagara Falls	1	4,583,332
Nyack	1	271,949
Port Jervis	1	1,410,667
Sloatsburg	2	1,155,489
North Carolina, total	2	1,843,310
Asheville	1	393,000
Greensboro	1	1,450,310
North Dakota, total	1	1,005,653
Fargo	1	1,005,653
Ohio, total	6	13,500,006
Akron	1	3,484,751
Columbus	1	901,451
Hamilton	1	37,104
Springfield	2	2,710,123
Youngstown	1	6,366,667
Oregon, total	2	544,818
Eugene	1	381,478
Monmouth	1	163,340
Pennsylvania, total	11	4,993,396
Cheltenham Township	1	486,351
Lancaster	1	338,819
Moosic	1	861,333
New Kensington	2	97,215
Pottstown	1	8,000
Pottsville	1	738,493
Scranton	1	721,604
Uniontown	1	48,106
Wilkes-Barre	1	1,547,000
York	1	146,477
Puerto Rico, total	6	1,417,975
Aguadilla	1	443,500
Arecibo	2	892,257
Juana Diaz	1	70,000
Loiza	1	1,835
San Sebastian	1	10,383
Rhode Island, total	1	10,300,000
Providence	1	10,300,000
South Carolina, total	2	1,050,080
Columbia	1	550,080
Spartanburg	1	500,000
Tennessee, total	4	842,279
Athens	2	233,367
Lebanon	1	82,387
Sweetwater	1	526,525

Applications pending for Urban Renewal Administration central office for which funds are not available as of June 9, 1961—Continued

State and city	Number of applications	Capital grant requested
Texas, total	4	$1,250,049
Austin	2	686,995
Crystal City	1	186,425
Port Isabel	1	376,629
Virginia, total	4	3,134,140
Danville	1	56,777
Norfolk	2	1,744,363
Portsmouth	1	1,333,000
Washington, total	1	798,200
Seattle	1	798,200
West Virginia, total	2	728,537
Bluefield	1	722,187
Wheeling	1	6,350
Wisconsin, total	3	6,340,477
Milwaukee	3	6,340,477

COMMITTEE ON RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file certain reports.

The SPEAKER pro tempore (Mr. PRICE). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HARRISON of Virginia (at the request of Mr. McCORMACK), for today, on account of a death in the family.

To Mr. THOMPSON of New Jersey (at the request of Mr. RODINO), for today, on account of official business.

SPECIAL ORDER GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HECHLER (at the request of Mr. McCORMACK), for 20 minutes, on Thursday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. HOLLAND.

Mr. BROOKS of Louisiana.

Mr. SMITH of Virginia and to include a speech by Gov. William M. Tuck, of Virginia.

Mr. DOYLE and to include extraneous matter.

Mr. LESINSKI and to include extraneous matter.

Mr. KEOGH and to include extraneous matter.

Mr. MICHEL and to include an editorial.

(The following Members (at the request of Mr. CONTE) and to include extraneous matter:)

Mr. SCHNEEBELI.

Mr. WILSON of Indiana.

Mr. VAN ZANDT in two instances.

Mr. LATTA.

Mr. SCHERER.

(The following Members (at the request of Mr. McCORMACK) and to include extraneous matter:)

Mr. ANFUSO.

Mr. ADDABBO in two instances.

Mr. GARMATZ.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1619. An act to authorize adjustments in accounts of outstanding old series currency, and for other purposes.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 47 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 21, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1048. A communication from the President of the United States transmitting a draft of a proposed bill entitled "A bill to provide increased Federal assistance to State and local governments in planning new or improved transportation facilities and services as a part of comprehensive planning for metropolitan and other urban areas, and for other purposes"; to the Committee on Banking and Currency.

1049. A letter from the Acting Administrator, General Services Administration, transmitting a draft of a proposed bill entitled "A bill to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, relative to the general supply fund"; to the Committee on Government Operations.

1050. A letter from the Deputy Director for Congressional Relations, International Cooperation Administration, transmitting a copy of the agency's reply to the Comptroller General of the United States relating to a report to the Congress on a review of the mutual security program for fiscal year 1961, numbered as (B-133175); to the Committee on Government Operations.

1051. A letter from the Chairman, Civil Aeronautics Board, transmitting a draft of a proposed bill entitled "A bill to amend section 416(b)(1) of the Federal Aviation Act of 1958"; to the Committee on Interstate and Foreign Commerce.

1052. A letter from the Chief Justice, Supreme Court of the United States, transmitting a copy of the report of the proceedings of a special meeting of the Judicial Conference of the United States, held at Washington, D.C., March 13-14, 1961 (H. Doc. No. 198); to the Committee on the Judiciary and ordered to be printed.

1053. A letter from the Secretary of State, transmitting a draft of a proposed bill entitled "A bill to implement the provisions of the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954"; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McMILLAN: Committeee on the District of Columbia. H.R. 4913. A bill to further amend the act of August 7, 1946 (60 Stat. 896), as amended by the act of October 25, 1951 (65 Stat. 657), as the same are amended, by providing for an increase in the authorization for funds to be granted for the construction of hospital facilities in the District of Columbia; by extending the time in which grants may be made; and by authorizing a grant for funds to the George Washington University Hospital, and for other purposes; with amendment (Rept. No. 551). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY: Committee on Post Office and Civil Service. Report on reducing the reporting requirements of transportation industries; without amendment (Rept. No. 552). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAVIS of Tennessee: Committee on Public Works. H.R. 4300. A bill to designate the Bear Creek Dam on the Lehigh River, Pa., as the Francis E. Walter Dam; without amendment (Rept. No. 553). Referred to the House Calendar.

Mr. THORNBERRY: Committee on Rules. House Resolution 350. Resolution for consideration of H.R. 6028, a bill to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes; without amendment (Rept. No. 554). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. GRIFFITHS:

H.R. 7743. A bill to provide for the issuance of a postage stamp in honor of the life and contributions of Henry Ford; to the Committee on Post Office and Civil Service.

By Mr. INOUYE:

H.R. 7744. A bill to provide for a Peace Corps to help the people of interested countries and areas in meeting their needs for skilled manpower; to the Committee on Foreign Affairs.

By Mr. LANGEN:

H.R. 7745. A bill to amend the Soil Bank Act, as amended, to provide a uniform procedure for the alleviation of damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, and for other purposes; to the Committee on Agriculture.

By Mr. LENNON:

H.R. 7746. A bill to extend for 3 years the temporary provisions of Public Laws 815 and 874, 81st Congress, and to make certain changes in such laws; to the Committee on Education and Labor.

By Mr. MacGREGOR:

H.R. 7747. A bill to amend title 39 of the United States Code to permit the private carriage of letters and packets in certain cases, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. O'KONSKI:

H.R. 7748. A bill to amend section 314(s) of title 38, United States Code, to provide that the compensation payable under that subsection may be payable to veterans who are entitled to compensation at total disability rates and who are permanently housebound; to the Committee on Veterans' Affairs.

By Mr. O'KONSKI (by request):

H.R. 7749. A bill to amend title II of the Social Security Act to provide for the payment of maximum old-age or disability in-

surance benefits to any veteran who is entitled to such benefits and who meets the service requirements applicable to the payment of pension for non-service-connected disability; to the Committee on Ways and Means.

By Mr. ROGERS of Texas (by request):

H.R. 7750. A bill to amend section 9(d)(1) of the Reclamation Project Act of 1939 (53 Stat. 1187; 43 U.S.C. 485), to make additional provision for irrigation blocks, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SCOTT:

H.R. 7751. A bill to extend for 3 years the temporary provisions of Public Laws 815 and 874, 81st Congress, and to make certain changes in such laws; to the Committee on Education and Labor.

By Mr. ST. GERMAIN:

H.R. 7752. A bill to amend the District of Columbia Alcoholic Beverage Control Act, as amended, and for other purposes; to the Committee on the District of Columbia.

By Mr. SMITH of Mississippi:

H.R. 7753. A bill to establish certain qualifications for Justices of the Supreme Court of the United States and for judges of U.S. courts of appeals; to the Committee on the Judiciary.

By Mr. BECKER:

H.R. 7754. A bill to prescribe the minimum permissible rate of interest on loans made by the United States; to the Committee on Ways and Means.

By Mr. DIGGS:

H.R. 7755. A bill to provide for an investigation and study of means of making the Great Lakes and the St. Lawrence Seaway available for navigation during the entire year; to the Committee on Public Works.

By Mr. HALL:

H.R. 7756. A bill to amend the Internal Revenue Code of 1954 so as to provide additional deductions and exemptions for the expenses of medical care of persons 65 years of age and over; to the Committee on Ways and Means.

By Mr. HERLONG:

H.R. 7757. A bill to amend subsection (b) of section 512 of the Internal Revenue Code of 1954 (dealing with unrelated business taxable income); to the Committee on Ways and Means.

By Mr. MONAGAN:

H.R. 7758. A bill for the relief of the housing authority of the city of Derby, Conn.; to the Committee on the Judiciary.

By Mr. McCORMACK:

H.R. 7759. A bill to further amend the act of August 7, 1946 (60 Stat. 896), as amended by the act of October 25, 1951 (65 Stat. 657), as the same are amended, by providing for an increase in the authorization for funds to be granted for the construction of hospital facilities in the District of Columbia; by extending the time in which grants may be made; and by authorizing a grant for funds to the George Washington University Hospital, and for other purposes; to the Committee on the District of Columbia.

By Mr. ASPINALL (by request):

H.R. 7760. A bill to amend section 9(d)(1) of the Reclamation Project Act of 1939 (53 Stat. 1187; 43 U.S.C. 485), to make additional provision for irrigation blocks, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McCORMACK:

H.R. 7761. A bill to provide for a Peace Corps to help the peoples of interested countries and areas in meeting their needs for skilled manpower; to the Committee on Foreign Affairs.

By Mr. CELLER:

H.R. 7762. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. DELANEY:

H.R. 7763. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. DEROUNIAN:

H.R. 7764. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. DOOLEY:

H.R. 7765. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. FARBSTEIN:

H.R. 7766. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. HALPERN:

H.R. 7767. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. MULTER:

H.R. 7768. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. PIRNIE:

H.R. 7769. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. RAY:

H.R. 7770. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. RIEHLMAN:

H.R. 7771. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. MONTOYA:

H.R. 7772. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. MORRIS:

H.R. 7773. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. STAGGERS:

H.R. 7774. A bill to provide that standard time shall be the measure of time for all purposes and to authorize Congress to establish daylight saving time for any year by concurrent resolution; to the Committee on Interstate and Foreign Commerce.

H.R. 7775. A bill to amend the Standard Time Act of March 19, 1918, so as to provide that the standard time established thereunder shall be the measure of time for all purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 7776. A bill to require the Secretary of the Army to accept the donation of certain real property to be held and administered as a part of the national cemetery situated at Grafton, W. Va.; to the Committee on Interior and Insular Affairs.

By Mr. DIGGS:

H.J. Res. 457. Joint resolution to establish the Emancipation Proclamation Centennial Celebration Commission, and for other purposes; to the Committee on the Judiciary.

By Mr. FRELINGHUYSEN:

H.J. Res. 458. Joint resolution designating the 8-day period beginning on the 12th day of October of each year as Patriotic Education Week; to the Committee on the Judiciary.

By Mr. HAYS:

H. Res. 348. Resolution to authorize the Committee on Foreign Affairs to employ an additional employee, and for other purposes; to the Committee on House Administration.

By Mr. PRICE:

H. Res. 349. Resolution authorizing the printing of "U.S. Defense Policies in 1960" as a House document; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States relative to urging the Congress to propose to the States an amendment to the Constitution of the United States as provided by article V of the Constitution, relating to the budget and the national debt, and the inflationary fiscal policy of the Federal Government, which was referred to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H.R. 7777. A bill for the relief of Elisabetta Marchegiani; to the Committee on the Judiciary.

By Mr. FINNEGAN:

H.R. 7778. A bill for the relief of Cynthia Ann Fili; to the Committee on the Judiciary.

H.R. 7779. A bill for the relief of Rose Babayan; to the Committee on the Judiciary.

By Mr. INOUYE:

H.R. 7780. A bill for the relief of Mrs. Rita Alison; to the Committee on the Judiciary.

By Mr. LANKFORD:

H.R. 7781. A bill to authorize the Administrator, General Services Administration, to convey by quitclaim deed a parcel of land to the Silver Hill Voluntary Fire Department and Rescue Squad; to the Committee on Government Operations.

H.R. 7782. A bill to authorize the Secretary of the Interior to convey certain lands in the State of Maryland to the Prince Georges County Hospital, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LOSER:

H.R. 7783. A bill for the relief of Dr. Lourdes Casas Ocampo, Cely Carrillo Onrubia (Maria Celia O. Carrillo Onrubia), Mrs. Carmen Ocampo Carrillo and her three minor children, Tomas Antonio Jesus Carrillo, Maria Corinto Asuncion Carrillo, and Marie Cecile Carrillo; to the Committee on the Judiciary.

By Mr. MORRISON:

H.R. 7784. A bill for the relief of Dr. John P. Chiasson and his wife, Alice Chiasson, and their minor children, Louis, Marc, Marina, and Nicolee Chiasson; to the Committee on the Judiciary.

By Mr. PELLY:

H.R. 7785. A bill for the relief of Huan-pin Tso; to the Committee on the Judiciary.

By Mr. RYAN:

H.R. 7786. A bill for the relief of Juan Alejandro Luis Berenguer; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Volunteer Fire Department of Howard, Pa., Dedicates New Equipment With an Appropriate Program, June 17, 1961, 2:30 P.M.

EXTENSION OF REMARKS
OF

HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 20, 1961

Mr. VAN ZANDT. Mr. Speaker, the residents of Howard, Pa., are justly proud of their fine volunteer fire department and are always eager to cooperate in any effort to improve its efficiency through the acquisition of modern firefighting equipment.

Recently through community effort the Howard Volunteer Fire Department was able to purchase a modern $18,000 fire pumper, which was dedicated, June 17, 1961, with an appropriate program.

It was my privilege to deliver the dedicatory address which follows:

ADDRESS BY REPRESENTATIVE JAMES E. VAN ZANDT, MEMBER OF CONGRESS, 20TH DISTRICT OF PENNSYLVANIA, AT THE DEDICATION OF A NEW FIRE PUMPER BY THE VOLUNTEER FIRE DEPARTMENT OF HOWARD, PA., JUNE 17, 1961, 2:30 P.M.

A volunteer fire department is more than a group of men with shining red equipment and high rubber boots.

A volunteer fire department is, indeed, an example of that quality which has made America great—individual initiative.

It is hardly necessary for me to say that it is a great honor for me to be with you on the occasion of the dedication of your $18,000 fire pumper.

The citizens of Howard have labored tirelessly and earnestly toward this purchase.

You now see the results of your efforts.

It is eminently fitting that such a dedication should crown the devoted and self-sacrificing hours of labor of the many who have given freely of their time, energy, and means in behalf of this community.

This piece of equipment represents more than an up-to-date fire pumper.

It embodies the principles of community service.

It embodies the principles of cooperation which exist within your volunteer fire company for the good of all.

A fireman occupies somewhat the same position in a community as a doctor—his importance is only fully realized in time of need. But when we do need a fireman or a doctor, how desperately we need him.

America is a Nation of hero worshipers. Since the days of the American Revolution this Nation has paid homage to scientists, inventors, and intrepid adventurers. She takes to her heart in great crowds our returned soldiers. And rightly so.

But not enough homage is paid to the army of firefighters—the men who go forth each day, ready to suffer or die in the performance of their duties.

This dedication should call forth the heartfelt thanks of the entire community to the firemen of the Howard Volunteer Fire Department.

Also it is an occasion which should emphasize in our thinking the efficiency with which our firemen tackle the problems of caring for those who need assistance.

It is through voluntary groups such as yours that Howard can assume its rightful place as a progressive town in the Commonwealth of Pennsylvania.

Have you ever stopped to consider that fire is the world's greatest paradox?

It is at once man's worst enemy and his best friend.

At some time during the prehistoric ages man learned to make fire, and he learned how to use it.

This discovery might properly be considered among the most important achievements in civilization.

By day man roasted the meat of slaughtered beasts over his fires.

By night the glow of the flames at the entrance to his cave held prowling things at bay.

His fire kept him warm, gave him a certain security, and its lively glow served as a focal point for the nightly gathering of his clan.

Yes—fire became man's most useful companion, while at the same time it became his worst enemy.

The pages of history hold many tragic accounts of fires that have ravaged the cities of the world; fires which have followed in the wake of conquest and war; fires born of earthquake and volcano; fires due to man's own carelessness or neglect.

Down through the ages man has been constantly exposed to this ruthless destroyer.

He has learned to respect its force.

He has learned to know how quickly he must flee from its path.

He has learned what measures to take to confine it for his needs.

And at last man learned how to fight and extinguish fire whenever it springs beyond bounds.

Today many more than 300,000 well-trained men throughout America stand ready to answer the fire alarm tappers and gongs.

You, as a portion of that great group, know it is your compelling duty to protect your fellow man from destruction and loss.

You know how patiently fire waits for some proper carelessness.

You know, too, how fast you must work once the tiny spark is given life.

Fire knows no retreat.

It is fiercely determined.

But with an equally fierce determination you firemen engage your enemy.

You protect your fellow citizens from its ravages.

I am certain you will agree with me that fire prevention is a most important element in the art of firemanship. In spite of the fact that the average citizen does not practice fire prevention very thoroughly, and most of the burden falls on our fire departments, it is not too complicated a thing to do.

It has been said—and wisely—that five principal causes of home fires in this country are:

1. Carelessness with matches and smoking materials.
2. Misuse of electricity.
3. Defective chimneys and flues.
4. Faulty stoves, furnaces, and pipes.
5. Misuse of flammable liquids.

At the 65th annual conference of the National Fire Protection Association in Detroit last month (May 1961) speakers warned of the hazards of home and clothing fires, which cause about 7,000 deaths a year.

It was emphasized at this conference that deaths in home fires could be sharply reduced if families planned ahead for fire emergencies.

The most important precaution in every family's planning, the general manager of the National Fire Protection Association pointed out, for a fire, is to determine quick and safe routes of escape from every room in the house.

He suggested, and I quote: "Be sure these routes are rehearsed regularly and by all members of the family so there will be no confusion or panic when they need to be used."

I feel certain that every member of the Volunteer Fire Department of Howard agrees with me that the acquisition of this modern and efficient new fire pumper is not a cue for the citizens of this community to leave the entire program of fire prevention to those who protect you when fire breaks out as an enemy.

Part of the duties of a fire department call for inspection of buildings to seek out any fire hazards which might exist.

During our annual Fire Prevention Week—each year in October, I believe—our entire Nation is reminded that fire is dangerous and that it is everyone's job to abolish fire hazards.

This annual Fire Prevention Week comes on the anniversary of the great Chicago fire of 1871.

We can, however, each one of us, find time during the remainder of the year to keep our eyes open for fire hazards.

We can find them in schools, in our churches, in stores, in theaters, in fact everywhere.

May I remind you that eternal watchfulness is the price of fire safety.

It is important to this Nation that we emphasize not only the marvelous developments in the areas of science, of atomic energy, of space travel, but also that we continually strive to decrease the hazards of everyday living.

This community has shown progressive interest in efficient firefighting and your volunteer firemen have left a distinguished record of service on the history pages of Pennsylvania.

Although modern inventions and new methods have made the task of firefighting more scientific, the fact remains that each time a fire company responds to an alarm its members risk their own safety and well-being in their service to others.

There is no need to search beyond the records of this community for stories of bravery.

The firemen of Howard have performed acts of bravery that mark them as men with the courage and resourcefulness of the true hero type.

I am reminded that the Father of our Country, George Washington, was a volunteer fireman.

He was an enthusiastic supporter of his local fire company, Friendship, in the Commonwealth of Virginia.

History records that in Philadelphia the volunteer firemen were unusually well entrenched there in the early days of our Nation, due primarily to the fact that Benjamin Franklin had organized America's first volunteer fire company in Philadelphia. Ours is a noble heritage, indeed.

Volumes have been written about military strategy, but the story of the battle against fire, the strategy of firefighting, has gone largely unrecorded.

The strategy of firefighting whether in city, county, or town taxes the genius of man as a military engagement rarely does.

It has been said that when Germany declared war against France, Field Marshal von Moltke sent a telegram and went to bed. The entire campaign had been worked out previously, through years of patient preparation. The terrain was known down to the last square foot. The forces to be met with could be predicted with almost math-

ematical certainty. Every possible move of the enemy had been discounted. Every subordinate officer knew precisely what to do when the day arrived. The entire military machine was loaded and aimed. All the commander had to do was pull the trigger.

This illustration is perhaps slightly overdrawn but it points to an interesting comparison.

The volunteer fireman cannot possibly work out his strategy until he arrives on the scene of the engagement.

He has no idea where the action will take place until the bell rings—even then it may be 1 of 20 buildings. Nor can the volunteer fireman predict the strength of the enemy's attack. The very nature of fire puts a staggering premium on quickness of decision.

Time is of the essence to the fireman.

It is an American habit to boast of one's community.

I hope you will never tire of boasting of your volunteer fire company—of its importance to each and every one of you.

I trust you will prize your new equipment.

In conclusion may I salute your fine group of volunteer firemen. You are doing a vital job and are doing it well. It has been a genuine pleasure to join with you on this occasion.

Salute to Summer

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 20, 1961

Mr. ANFUSO. Mr. Speaker, a few weeks ago, in the city of New York, Mayor Robert F. Wagner, the city commissioners, and the people themselves paid tribute to the summer season, and especially to the American woman, and a man who has done so much to keep her beautiful and fragrant. That man is Edouard Cournand, president of Lanvin Parfumes. In a special ceremony at the renowned Pulitzer Fountain in front of the Plaza Hotel, Mr. Cournand, Mayor Wagner, noted actress Hermione Gingold, and their friends filled the fountain with a priceless perfume, My Sin, making the fountain give off a most pleasant aroma throughout the summer, thereby helping to give more pleasure to the citizens of this great city. This ceremony, however, has national note, for Mr. Cournand's perfume, which includes the famous Arpege, as well as My Sin, Crescendo, Spanish Geranium, and many others, are sold in stores throughout the country and are used by beautiful American women everywhere.

For his devotion and his years of painstaking care in developing these fragrances, he was honored by the city of New York. Equally important, the ladies of the city had the opportunity of being seen and noted with pleasure. Other cities throughout the country might find the same pleasure in arranging ceremonies that are similar in scope. With the summer upon us, there can be no more pleasant idea than a fragrant city and there is no better man to head a national committee to help make every city in the United States a fragrant capital of its own than Lanvin Parfumes President Edouard Cournand. I would like to include here a copy of the proclamation issued by the mayor of the city of New York to Mr. Cournand:

Know ye by these presents that I, Robert F. Wagner, mayor of the city of New York, do hereby present this salute to seasons certificate of appreciation to Mr. Edouard Cournand for his inspired conception and participation in the development of the 1961 Fragrance and Flower Salute to Summer and his leadership in developing the support of the fragrance industry to enable this to be an annual event. Sponsored by the department of commerce and public events.

In witness whereof, I have hereunto set my hand and caused the seal of the city of New York to be affixed this day.

Bossier City High School Band

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 20, 1961

Mr. BROOKS of Louisiana. Mr. Speaker, on yesterday, June 19, I missed a quorum call and I missed the opportunity of voting on H.R. 6765, a bill to amend the charter of the International Finance Corporation. I was absent from the Chamber due to the arrival in Washington of the Bossier City High School Band, one of the crack high-school bands in the United States. I left the Capitol and drove downtown to meet this group of 108 people arriving from Bossier City, La., in my district, and on their way to the International Lions Convention at Atlantic City, N.J.

Had I been present, Mr. Speaker, I would have voted against this measure. I think the time has come to cut down on some of these foreign agencies that have been built up throughout the years.

Mr. Speaker, the Bossier City High School Band arrived in three buses from the South about noon yesterday. I met these young people downtown and stayed with them through most of the lunch period, taking care of their needs insofar as they needed congressional help and greeting them. They left for Atlantic City shortly after I came back to Capitol Hill.

The "Bearcat Bandsters," as they are called, are well known in the Southwest, is comprised of a well organized, well drilled, accomplished band of 93 people. They march with pride and precision and are a credit to any school anywhere. Over the years the "Bearcat Bandsters" have won many championship honors. They made a trip to Miami, Fla., in 1956; San Francisco, Calif., in 1957; and New York City in 1959, winning honors on each occasion. They are now on the way to Atlantic City as the official Louisiana band to appear before the Kiwanis International. I predict they will push any other band for first place.

The "Bearcat Bandsters" came through Washington yesterday arriving about 12:30 p.m.—getting here an hour later than expected. They rested and stretched their legs after a long trip over the Skyline Drive in Virginia to Washington, ate lunch, and then after a short period of recreation, they boarded the three buses again for Atlantic City. The previous stop had been made at the University of Virginia campus at Charlottesville.

The band was headed up by the following: School Superintendent of Bossier Parish Schools, Prof. T. L. Rodes and Mrs. Rodes; Principal Frank Lampkin and Mrs. Lampkin; the directors, Frank Hess, Kenneth Larsen, Douglas Peterson, and Baily Winderweedle; and other competent chaperons including Mrs. George Adams, Mrs. Banfield, Mr. Humphrey, Mrs. Clark, and Mrs. Smith.

The Secret of Freedom Is Courage

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 20, 1961

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Vice President LYNDON B. JOHNSON at the American-Italy Society dinner in New York City on June 15, 1961, together with the introductory remarks of our colleague, Hon. VICTOR L. ANFUSO, of Brooklyn, N.Y. The remarks of Representative ANFUSO and the Vice President follow:

INTRODUCTION OF VICE PRESIDENT LYNDON B. JOHNSON BY VICTOR L. ANFUSO, THE AMERICAN-ITALY SOCIETY DINNER, JUNE 15

First of all, I wish to thank the American-Italy Society and particularly Minister Peter Grimm and Mrs. Lenhem for the very exquisite arrangements made on this auspicious occasion.

It is a great pleasure for me to be given the honor of introducing to this very distinguished audience, the Vice President of the United States. No other Vice President in all the history of the United States has done more for his country in the short time he has been in office than the Honorable LYNDON B. JOHNSON. Indeed, he has been President Kennedy's right arm in these crucial days when we are fighting for our very survival. He is a man of indefatigable energy. He thinks nothing of traveling around the world in 14 days—serving as the President's eyes, ears, and his voice, doing a job that would take others many months—then returning to Washington and immediately joining the President in tackling important foreign and domestic problems facing both the Congress and the administration.

I knew the job he did as majority leader of the Senate in moving some of the most important legislation now on our statute books. I often wondered how he would react being second man on a team, but he resolved this himself at the Democratic convention in Los Angeles. When asked by Presidential Nominee Kennedy to run with him, he replied, "I am a soldier in the ranks and no soldier has the right to refuse to serve his country in any capacity."

It was at such a convention in 1956 that Vice President LYNDON B. JOHNSON first met our guest of honor, Prime Minister Fanfani. He has met him several times since and a

warm friendship has grown between these two great leaders.

Vice President JOHNSON is here tonight because he is a sincere friend of Italy. At this point, let me pause for a minute to tell you that the President of the United States this past Monday gave a luncheon to the Prime Minister of Italy and after the President got through lauding Italy, he asked the non-Italians in the group, "Who among you would like to be an Italian after those great achievements?" And believe it or not, the first man to stand up was the Vice President, LYNDON B. JOHNSON.

We of the American-Italy Society and all Italo-Americans are grateful to Vice President JOHNSON for his part in cementing the bonds of friendship between the United States and Italy and we hope that he will continue to inspire those of Italian blood, both here and abroad.

To my Italian friends, I should like to say—Signor Presidente Fanfani, il nostro Vice Presidente LYNDON B. JOHNSON e un nomo di grande cuore—yes, ladies and gentlemen, the Vice President is a man of great heart—a warm heart which extends from New York to Texas and throughout the United States.

Ladies and gentlemen, it is my great honor and privilege to present to you, the heart of America and the free world—the Vice President of the United States.

ADDRESS BY VICE PRESIDENT LYNDON B. JOHNSON, PREPARED FOR DELIVERY AT DINNER IN HONOR OF PRIME MINISTER FANFANI, AMERICAN-ITALY SOCIETY, NEW YORK CITY, JUNE 15, 1961

THE SECRET OF FREEDOM IS COURAGE

Our two guests of honor come to us from a land old in its tradition of freedom and undaunted in its loyalty to democracy. We are privileged to renew the sources of our own faith as we welcome them tonight.

Three times has Italy shown mankind the way to greatness. For long centuries men looked to Rome for the blessings of law and order. For even longer centuries men looked to Rome, as they still do, for the consolation and inspiration of religious faith. In the last century, when national independence became the great ideal, it was Italy once again that provided the leadership.

The story of the unification of Italy will always be cherished by friends of freedom as a triumph of the human spirit over grievous odds. But it has a profound and urgent lesson for us even now as we watch the fever chart of world affairs.

We all know that ours is the age in which many new nations have arisen and are reaching for their inheritance, so long denied to them all too often, in the days of colonial rule. Yet the supreme need today is for a system of interdependence to replace the systems of competing nationalisms which has been the source of war and misery through the ages. Here again it is to Italy that we must look for the example that will save us.

For the men who shaped the unity of Italy—that grand triumvirate of genius, Cavour and Garibaldi and Mazzini—also worked for the unity of Europe and for the unity of mankind. They knew that internationalism must be between nations, not over nations. That is why they made their first task the achievement of national independence. But they also knew that independence would be a barren glory unless it served a larger cause and advanced the hopes of freedom for all men struggling to win their way to a more abundant and creative life.

Can there be a better guide now? Nationalism can be a fever or a faith; it can be content to sit on the grave of dead tyranny or it can rejoice to become the nursery of new freedoms; it can brood on ancient wrongs or it can be aglow with vibrant hopes. I have seen in recent weeks many of these new nations in Asia and in Africa; and I am sure you join with me in wishing them an endless adventure of freedom and honor. But we must learn to use nationalism instead of being abused by it, or else we will stumble into disaster.

We must also learn to trust our own good sense. We must realize that we cannot attack our own institutions with impunity—the Congress, the courts, the Executive, the military command, the Department of State, the Department of Justice—and beyond the Government, the churches, the universities, the unions of laboring men, the corporations of the businessmen, the enterprises of our farmers and the quality of our youth. We must resist the rising cry for America to withdraw from the world, retreat from our opportunities, surrender our gains, and turn inward on ourselves with suspicion and distrust.

UNITY OF EUROPE

As Europe looks beyond its old divisions of trade rivalry to a larger Common Market and ultimately to a closer form of political cooperation, it is not without significance and hope that it finds so much encouragement and help in the government and people of Italy. For some countries the doctrine of the unity of Europe may be no more than a mere flourish of rhetoric; but for Italy the unity of Europe must always be the sacrament of history. Russia has already partitioned Europe by exporting her tyranny to the center of the old Continent. Are free nations to divide Europe yet again by their failure to rise above their own divisions and their own fears?

The road to European unity will be long and difficult. Honorable men will differ on the best policies to follow. But on the importance of the aim there can surely be neither doubt nor dispute. For we will muster only half our strength in the contest with the Communist world unless the free world manages to find the supreme strength that comes from unity.

TO WORK TOGETHER

When you reached our shores a few days ago, Your Excellency, you said with grace and with generosity that there are no bilateral problems of great importance that now trouble relations between Italy and the United States. Instead of divisive grievances, we have common problems and common tasks.

We want to work together for a stronger North Atlantic Community. We want to give the cooperative free nations of Europe a design of unity within which they can achieve the largest measure of national greatness. We want to save the United Nations from the Communist attacks that are trying to discredit and destroy this great hope of peace. We want to use our shared skills and strength to help the less developed lands to grow in freedom instead of looking for guidance to the deceptive promises of Moscow and Peiping.

Above all, we want to work together to replace suspicion with trust, and to build the ramparts of peace so firmly that they can never again be overthrown by dictators eager to measure their own power by the amount of suffering they have caused.

Here surely is an inspiring enterprise for both our countries; and in this labor for peace, this service for freedom, there will be no more courageous or devoted ally than Italy, no wiser or more valiant counselors than the guests whom we are now privileged to honor.

ITALIANS IN AMERICA

No American can ever forget that in our Nation's trials and difficulties, there has never been the slightest doubt of the willingness of Americans of Italian descent to accept the supreme sacrifice for our country. More than 1,600,000 of these Americans—the highest rate of any ethnic group—have worn the uniform of the United States in time of war.

They served with honor and we remember them with gratitude. They have earned our gratitude, too, in the toils of peace as well as the anxieties of war.

They have adorned our cities with the trophies of art and the triumphs of commerce. They have brought their genius for agriculture to sustain and enrich our rural life. They have graced our national life with music and literature; just as we have learned to respect their wisdom in our places of learning and have followed their leadership in our centers of government.

It is the perpetual glory of America that men and women of all races and religions have strengthened our inheritance by bringing their diverse gifts to the service of our common citizenship. To no group is the debt of all America greater than to Americans of Italian descent for many heroic and admirable deeds of citizenship.

ENCHANTED GROUND

Thomas Jefferson said that a visit to Italy was like "a peep into Elysium." Washington Irving spoke for an endless succession of Americans when he said that every step in Rome was on "enchanted ground." Hawthorne called St. Peter's "the world's cathedral." Henry James said "Italy is an idea to conjure with," and added that any lover of the arts always takes Italian satisfactions upon easier terms than any other.

Compared with the storied splendor of Italy, our own country is still very young though we have already grown old in the ways of freedom. But Italy is not a monument to the past; it is a glory to the present and a guide to the future.

To welcome the accredited leaders and spokesmen of this immortal land of Italian liberty, and to wish them happy memories of their stay with us, is something far removed from a routine courtesy. It is a deep act of homage to a people which has striven across the generations like an undaunted pilgrim of freedom.

Now, with strength undismayed and courage unfaltering, they stand proudly at our side as a trustee of peace and guardian of our faith in the indestructible power of democracy.

In welcoming two such guests, we do more than admit them to the full hospitality of our most generous welcome. We thank them for this opportuinty of remembering yet again that the secret of freedom is courage.

Italy, so often the champion of freedom, is still its inspiring guardian and our own faithful and honored friend.

Soviet Deportation of Lithuanians

EXTENSION OF REMARKS

OF

HON. ELMER J. HOLLAND

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 20, 1961

Mr. HOLLAND. The deportation of tens of thousands of innocent Lithuanians more than 20 years ago was part of the larger European and world tragedy. Throughout the interwar years Lithuanians clung firmly to their freedom and independence, and they were also well aware of the dangers threatening

their existence as a free nation. Soon after the outbreak of the war their worst apprehensions came true. After being threatened and bullied for months by Soviet authorities, Lithuanians were forced to allow the stationing of Soviet troops in several strategic parts of the country. Then early in the spring of 1940 the Soviet Government accused the Lithuanian Government of anti-Soviet policies. In mid-1940, Soviet troops marched into Lithuania, occupied it and thus came to an end Lithuanian independence.

At this time Soviet authorities made wholesale arrests throughout the country, and all those arrested were shipped to Siberia. Such indiscriminate mass arrests continued for more than a year, until those arrested and exiled numbered about 50,000. Through such ruthless and heartless moves Soviet authorities succeeded in silencing and eliminating all opposition elements in the country to their oppressive rule.

To this day the fate of those innocent victims is not known. A few of them have managed to escape from their concentration camps, but the large majority of them still suffer in exile. On the observance of the anniversary of that tragic event, their deportation by Soviet authorities, let us all hope and pray that they will soon regain their freedom.

Father's Day Observance by Blair Lodge No. 958, Sons of Italy, Altoona, Pa., June 18, 1961

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 20, 1961

Mr. VAN ZANDT. Mr. Speaker, Father's Day was celebrated in an appropriate manner, June 18, 1961, by Blair Lodge No. 958, Sons of Italy, Altoona, Pa.

It was a pleasure to participate in the fine program and to be invited to deliver the principal address which follows:

ADDRESS DELIVERED BY REPRESENTATIVE JAMES E. VAN ZANDT, MEMBER OF CONGRESS, 20TH DISTRICT OF PENNSYLVANIA, AT THE FATHER'S DAY CELEBRATION SPONSORED BY THE BLAIR LODGE NO. 958, SONS OF ITALY, ALTOONA, PA., JUNE 18, 1961

It is an honor to be invited to address members of Blair Lodge No. 958 of the Sons of Italy in connection with the observance of Father's Day.

As some of you are aware, the observance of Father's Day had its formal and official beginning only a few decades ago.

But the idea must have had much earlier origin.

About 50 years ago someone is said to have thought of honoring a father who successfully reared a family of children after the death of his wife.

Then, in 1913, President Wilson inaugurated the celebration of this day.

Thus, as I said, it has a rather brief actual history but the idea must have been in the minds of men and women centuries ago—perhaps as old as the ageless Father himself.

Thus, Father's Day might have been as old as the beginning of fatherhood.

We in this country, however, were perhaps the first to recognize it officially and to proclaim the role of father as being of paramount importance—by designating a day in the year to honor him.

In doing this, of course, none of us ever thought of overlooking or minimizing the very important role of the mother in the family.

But in our sound sense of fairplay, since we already had a day set aside as Mother's Day, we thought it well and proper to have also a Father's Day.

There is, in these days of confusing and misleading counsels—and endless misunderstandings—some question in certain quarters, prevalent among some classes of people, in the minds of educated people, as to the proper role and place of the father in today's family.

But I should not bore you or disturb you with such novel ideas and queer notions about the father and his place at the very foundation of this Nation.

For me—and I am sure also for you proud members of the Sons of Italy the old, long-accepted, highly respected, and rightly venerated idea that the father is the planner and the provider—while the mother is the improviser and the spiritual custodian of the family—still holds good.

This idea so firmly rooted in the minds of our ancestors—and so faithfully adhered to by nearly all human beings since the emergence of man from his cave dwelling, is still valid.

And the family unit with the father as its dutiful provider—and the mother as the ingenious and unfailing improviser—still remains as the foundation of our community, of our society, of our Nation.

Let there be no mistake and no misunderstanding about it.

In saying this I do not mean to praise the old autocratic role of the father in the family. Not at all.

I do not mean to cling firmly to old traditions indiscriminately, but my plea is for retaining and honoring those traditions which have proved, through the centuries, as the mainstay of our civilized life.

Today we live in an age of division of labor, and one in which the idea of mutual aid should be a guiding light.

American fathers like to think in terms of equality but they are also aware that everyone cannot be equal to everyone else in all respects.

Being fully aware of this reality they know exactly where their place is in well-ordered, well-cared, and happy families.

A father knows that he must work harder for the good and well-being of the family than does a mother. He must be prepared to do harder physical work and do this cheerfully, knowing that without his performing this sacred duty his family will not be provided for and be happy.

This inborn and inspired feeling drives him hard to do what he can to try to provide for all the needs of his loved ones, knowing that only through such hard but cheerful work he can contribute to the well-being and happiness of his family.

Even in this age of extreme specialization and scientific advances the place of a father in a family and his role in the making or breaking of a family is clear and definite if properly understood.

He is the pillar of the household but that pillar is of little value without the mutual aid and encouragement of the mother.

In this sense, in the building of a house the father is, figuratively, the brick, while the mother is the mortar.

Just as both bricks and mortar are essential materials in the construction of a house, so father's and mother's unquestioned cooperation is absolutely indispensable for the making and maintaining of a happy family.

Having thus recognized and understood and duly appreciated the proper role and importance of the father in the family, we are proud to honor him on this anniversary—on this Father's Day.

In short, on Father's Day, Dad, the fellow who pays the bills is honored with a day all his own.

I am sure that many of you share my sentiments when I say that such anniversaries and celebrations generate a fine spirit, create new bonds of friendship, and bring about better understanding between fathers and other members of families, and all this in turn will increase mutual respect between fathers, sons, daughters, and mothers.

In this glorious Republic we owe a great obligation to the fathers of America.

It is the solemn duty of youth to look to the fathers for inspiration and guidance, for help and assistance in their work.

The contributions by way of counseling and guidance which fathers make go a long way in determining and shaping the type of life we will live in the future.

It is my firm belief that fathers today, whatever their status in our society—rich or poor, laborers or administrators, technicians or scientists are fully aware of their paternal obligations and responsibilities to their families.

They are not the terror-inspiring and autocratic types that were sometimes described in books and stories nor the carefree and indifferent types that unfortunately and frequently make newspaper headlines.

The typical and model American father I would like to picture—and leave that picture with you—is he who works and works hard for the welfare of his family and in a spirit of love and devotion—does his level best to provide them with all the necessities of life.

At the end of a busy day's work he yearns to return home and there to enjoy the rest of the day surrounded by members of his family.

Truly, a model father deserves all the honors and respect which we can bestow upon him on Father's Day.

In these random but appropriate remarks my fervent hope is that some of them will impress you with the importance of the Biblical injunction, "Honor thy father and thy mother."

Fortunately and happily, the proud members of this great fraternal society, devout children of the Sons of Italy, have been known for their loyalty and fidelity to ageless traditional values.

It is common knowledge that members of the Sons of Italy have always shown reverential respect and filial love toward their fathers and mothers which is an attribute of your Italian ancestry.

Such a fine example of love and respect is worthy of being emulated by those who are careless in their duties toward their parents.

In this era of rapid decline in true and timeless traditional values, it is the duty, especially of the members of organizations such as the Sons of Italy to propagate among the young the idea of respect and reverence toward their elders and of consideration and a willingness to be of help to their juniors.

You of the Sons of Italy are to be commended for your wholesome influence upon American life.

It has been a great pleasure for me to join you on this day and to participate in your program designed to pay tribute to the fathers of our Nation.

Your observance of Father's Day is in keeping with your similar family celebrations all of which stress the importance the

Sons of Italy places on the family circle as the possessor of the key to happiness and contentment.

In honoring the father of the household we bring joy also to the mother of the family whom he selected with her consent, to be his companion for life.

On anniversaries and observances such as Father's Day we give public acknowledgment of our obligation to our parents and above all, we recognize the command of Almighty God—contained in the Ten Commandments: "Honor thy father and thy mother."

Results of a Questionnaire

EXTENSION OF REMARKS
OF
HON. DELBERT L. LATTA
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 20, 1961

Mr. LATTA. Mr. Speaker, I have just released the results of my 1961 questionnaire which I sent to the Fifth District of Ohio for the purpose of ascertaining my constituents' views on many of the important subjects before the Congress this year. I was highly gratified by the tremendous response to this year's questionnaire and the comments made by my constituents thereon will be extremely helpful to me. The questions propounded by me and the percentages voting for and against are as follows:

	Percent	
	Yes	No
1. The administration is recommending that the cost of mailing a letter go to 5 cents and that other postal rates be increased to offset postal deficits. Do you favor this proposal?	43	57
2. Do you favor a compulsory Federal medical-care hospitalization program for those receiving social security to be financed by increasing social security taxes?	21	79
3. If your answer to (2) is no, would you favor such a proposal if it also included those not on social security but past 65?	26	74
4. Would you prefer that the Federal Government not enter the medical-care hospitalization field?	70	30
5. Should the Social Security Act be amended to permit voluntary retirement at age 62 with reduced benefits?	68	32
6. Should the income limitations be removed from the Social Security Act?	42	58
7. Should the Federal Government be given the power to regulate and fix minimum wages paid by businesses not engaged in interstate commerce?	29	71
8. Do you favor the proposed Youth Peace Corps?	55	45
9. Do you favor President Kennedy's Federal aid to education bill?	39	61
10. Should the Federal Government be authorized to make loans to private schools?	21	79
11. Do you favor the use of Federal money to assist depressed areas to attract new industries?	55	45
12. The administration has recommended that the "temporary" 1 cent a gallon gasoline tax be extended and that truck taxes be increased to continue the Interstate Highway program on a pay-as-you-go basis. Do you agree?	68	32
13. Do you believe a meeting between President Kennedy and Khrushchev would ease world tensions?	23	77
14. For farmers only: Do you approve of Secretary Freeman's legislation for feed grains and soybeans?	28	72

Commerce Secretary Hodges Boosts Courteous Salesmanship

EXTENSION OF REMARKS
OF
HON. WILLIAM PROXMIRE
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Tuesday, June 20, 1961

Mr. PROXMIRE. Mr. President, Secretary of Commerce Luther Hodges has written a striking article on the fading art of salesmanship in the United States. The piece appears in the June 18 issue of This Week magazine, and is entitled, "How To Start Things Booming Again."

In this article Secretary Hodges proposes a three-point code for salesmen, which might be summarized by the one word: "courtesy."

The Secretary points out that if we did a better selling job at home it could bring about an important shift in how the consumers divide their income between spending and saving. A 1-percent shift in favor of spending would mean sales of about $3.5 billion worth of goods. Once consumer goods sell better, businessmen will be more inclined to invest in modern machinery, which is a key to prosperity at home, and to success in competing for the export market. This is but one of many challenging points in the Secretary's essay.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW TO START THINGS BOOMING AGAIN

(By Secretary of Commerce Luther Hodges)

WASHINGTON, D.C.—It appears that I touched a sensitive spot when I said to a press conference recently:

"If you really want to find what's wrong with this country, then you ought to see how little we are trying to sell. Try to go to a hotel and see how you are handled by the clerk or try a railroad for courtesy and you'll see we are not doing a half job of selling in this country."

Aggrieved cries came from representatives of industries I had cited as showing discourtesy and lack of attention to customers. Spokesmen for hotels, airlines, railroads, all pointed out, and quite correctly, that for some years they have conducted training programs in customer service.

Yet all of us—housewives as well as businessmen—have had experiences of the kind I complained about. Your letters made plain to me that we need to put a lot more courtesy and enterprise into our selling. They'd be wonderful qualities in our daily lives, whatever our occupation, and applied to selling, would do much to get our economy moving to higher ground.

Listen to what a Tennessee man wrote me:

"What an understatement you made. I have visited six auto dealers to try to trade for a new car. Only one dealer really tried to trade with me and I purchased his car, and honestly, I least preferred his make. One tried a little to sell me and the other four left the impression they would rather keep their cars."

Or a man from Lancaster, Pa.:

"I am a small businessman and I know how rough it is to try and get someone to sell something."

A Norfolk, Va., man who has been in sales work 53 years says:

"Customers should be treated right and not given any fancy upstaging. I could recite instances again and again of my own experiences, when I've wanted to buy something, some item I really needed, and had the cash right in my hands—and I just didn't get the service."

HOTELS AND AIRLINES, HEAR THIS

From Winston-Salem, N.C., comes a complaint that an airline "has thrown me off more flights because they have been oversold and haven't been the least bit courteous about it." After noting also that "in hotels with national reputations" he has been put "in rooms not reconditioned for occupancy," this citizen declares:

"If they would do a good job of selling their product, the public would bend over backward to support them."

The same anemic attitude toward salesmanship that is draining vitality from our domestic economy also drags our export level below what it can and should be.

The U.S. Department of Commerce sent export survey teams to key areas of the world last year. Our experts who went to Australia and New Zealand came back and told us of a startling number of cases in which potential new customers had been almost literally turned away. They heard complaints from executives of more than 100 firms "down under." Though growing in the special soil of the export situation, most of them originate in the same root as our selling troubles at home—we're just not being courteous to the customer.

I was shocked and ashamed to hear that Australian businessmen, and many of their colleagues in other lands, said that a number of U.S. firms failed to answer their mail, acknowledge orders, or supply needed technical information.

The situation is similar in our own backyard—Mexico and Central America. Though we are still the leading supplier there, our share of the market has been declining, while West Germany, Japan, and others are improving their positions. Why? Not just lower prices. The 150 local businessmen interviewed in this area said we could overcome a price disadvantage of as much as 15 percent—if we gave thoughtful consideration to the needs of the local distributors on such matters as credit, delivery, service, parts, and packaging.

Thoughtful consideration to the needs of the customer—that's our problem everywhere. But so pitifully little is being done about it in relation to the need. Only about 1 percent of the people engaged in sales and service are taking extension courses in distribution. And less than 10 percent of industry's research dollar goes to improve the efficiency of marketing the products that are improved with the other 90 percent.

NEEDED: 6 MILLION EXPERTS ON SELLING

Without more training, where will we get the 6 million additional people who will be needed during the next decade in sales, clerical, and service occupations? How will they learn to sell and service the deluge of new products that's on the way—even today, about one-third of all sales revenue is from products that did not exist 10 years ago.

Salesmanship alone, of course, will not provide a magic solution to our complex economic problems. The President has sent to Congress a whole package of constructive proposals to help us grow. But I believe salesmanship can give just that extra push we need to get moving toward the new heights of which our economy is capable.

If we did a better selling job at home, it could bring about a slight but important shift in how we consumers divide our income between spending and saving. During the prosperous year 1955 we spent 93.7 percent of our personal income after taxes; in the last quarter of 1960, only 92.4. A 1 percent shift in favor of spending would mean sales of about $3,500 million more goods. Once consumer goods start moving faster, businessmen will be more inclined to invest in modern machinery, which is a key to prosperity at home to success in competing for the export market.

If we project a vigorous desire to serve we should also be able to do a much better job of selling abroad. Today we send only 4 percent of our gross national product into the channels of world trade, a far smaller percentage than other nations. We—business, labor, and Government together—have a heavy stake in increasing exports. For business it means greater profits. For labor, every $6,000 of export sales provides one job. For the Government, and that means for all of us, it helps keep the dollar sound, as the President has pledged to do.

Any businessman who really wants to sell his products or services at home or abroad can get help from the U.S. Department of Commerce.

Suppose he wants to know where the best domestic sales opportunities are. He can draw on $135 million worth of our census statistics, some of them broken down as fine as a city block.

HELP IN SELLING OVERSEAS

If he wants to sell overseas (and I hope more manufacturers will—today less than 5 percent do) we can help him with information we and the State Department collect from 260 oversea points. (Much of this material is published in our Foreign Commerce Weekly, available for $6 a year from the U.S. Government Printing Office. A bit of selling by Luther Hodges, with no apologies made.)

Businessmen and women who have tapped the resources of our Washington or field offices often tell us that this act was the starting point of their selling-success stories. Mrs. Helen Sullivan, export manager of Mixermobile Manufacturers, Portland, Oreg., offers this colorful example:

"The first step we took was to analyze the foreign market with the help of the local department of commerce.

"It was up to us to make each one of our prospective dealers feel that he was the only one who could sell Scoopmobiles for us and that his success was the most important job that we had.

"We followed with the very best possible service we could render. To illustrate: A cable from Stockholm advised us they had a machine down at Kiruna, at the Arctic Circle, and could we airfreight the repair part. Well, I dashed downstairs to make sure we had the part, tagged it for export, sent out an SOS for the boxer-carpenter, and dashed back upstairs to make up the shipping papers. Within 40 minutes that part was on its way to the airport. The Swedes now think that Scoopmobiles are the next best thing to nude bathing."

We may never face the same problem as Mrs. Sullivan, but whether we're doing business across the Atlantic or on Broadway or Broad Street, let's take the "How can I help you?" approach.

Businessmen must study intensively the customer's needs and wants, using both Government data and personal investigation. Then they should do some critical self-questioning: "Is our product, in the form we now make and package it, just what the customer can best use? Could we perhaps adapt it just a little better to his requirements?"

Having made sure what the customer wants, they face the all-important step of presenting the product to him. That boils down finally to an effective person-to-person contact. The best advertising in the world would be useless if a rude or uninterested salesperson handles the job.

We must face up to our growing need for salespeople who radiate courtesy and an attitude of service to the customer, and have the knowledge about the product to be really helpful. Anyone who wants to make a career in selling must recognize that it takes training, and from time to time retraining, to keep up with change.

THE ONE-WORD SECRET OF SELLING

Some may ask, "Is a career in sales worth that much effort?" I can testify that it is, both in financial reward and the satisfaction that comes from being of service.

The problem of salesmanship is not a problem for businessmen alone. What I am talking about is an attitude toward people, which concerns every one of us. It could be boiled down to the one word "courtesy," defined as a regard for the other fellow.

If we breathe this spirit into our transactions we'll get results. I know I have always found this so. During my first campaign for public office, I introduced myself to a stranger and told him I'd like him to vote for me as Lieutenant Governor of North Carolina. "I will," he said.

I was so taken aback by his prompt response that I asked, "Why?"

He said, "Because you're the first person who's ever been interested enough to ask me."

Statement by Hon. John Lesinski, of Michigan, on Recent Drop in Consumer Price Index

EXTENSION OF REMARKS

OF

HON. JOHN LESINSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 20, 1961

Mr. LESINSKI. Mr. Speaker,

Down goes the beefsteak
Up goes the rent
This lowers the index
By one-tenth percent.

Take time out
For three strong cheers
We'll be living on nothing
In 83 years.

On June 27, 1961, the slight drop in the May consumer price index was announced by the Department of Labor in the poetic language I have just quoted. Webster defines poetry as "the embodiment in appropriate language of beautiful or high thought."

I do not know what my colleagues think about this, but personally I do not find the language used by the Labor Department to be either appropriate or beautiful. I think I can take a joke with the rest, but, believe me, consumer prices these days are no joke to the thousands of unemployed we have in the Detroit area, especially to those whose unemployment benefits have expired.

I do not mean to make a Federal case out of this, but it seems to me that the Department of Labor is the last place you would expect to find such serious matters being joked about.

Samuel Devine on the Manion Forum

EXTENSION OF REMARKS

OF

HON. GORDON H. SCHERER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 20, 1961

Mr. SCHERER. Mr. Speaker, my distinguished and capable colleague from Ohio [Mr. DEVINE] had the honor of appearing as guest speaker on the Manion Forum on June 11, 1961. His excellent presentation over the forum's national hookup, entitled "National Debt: Financial Tower of Babel," should be must reading for every Member of Congress.

The broadcast follows:

DEAN MANION. Several years ago, a young man went to Congress from the State of Ohio bearing the prayerful good wishes of many people in South Bend, Ind., where he was born, and where his forebears had lived in honor and distinction for generations.

I was among those who hoped and prayed for the success of the Honorable SAMUEL LEEPER DEVINE, and I have not been disappointed. It is with a very special pleasure that I present him to you at this time. Congressman DEVINE, welcome to the Manion Forum.

Mr. DEVINE. Thank you, Dean Manion. You know, a little over 20 years ago, when I walked into a law school class for constitutional law, the professor greeted all of the students with this statement: "Anyone on the final examination who cannot write in detail the preamble to the Declaration of Independence will fail the examination and fail the course in constitutional law."

And I can assure you that every student in that class knew that the professor meant what he said and complied, and I don't think that anyone failed in that particular question.

The professor of the constitutional law class at that time was Clarence Manion. I am not sure but I feel, Dean Manion, that the philosophy that you engendered in your many students while a law school professor has perhaps, in a subliminal fashion, molded my philosophy, as has been indicated in my voting record in the Congress of the United States during the past 2½ years.

My purpose in appearing on your program is to talk about one of the problems of Government today that I feel is in a very, very serious field. And that is the question of reduction of our national debt.

On March 8, 1960, I introduced a bill. Of course, Congress adjourned before final action was taken on the bill and I have again, in this recent session of Congress, on January 12, 1961, introduced another bill. The purpose of this bill is to have a percentage of the estimated revenue each year applied to national debt reduction.

Under the Budget and Accounting Act of 1921, the President, whoever he may be, is required to transmit the budget to Congress within the first 15 days of each regular session. This section also gives general directions for submitting this estimate and allows latitude in recommending expenditures,

except for those of the legislative branch and the Supreme Court of the United States.

Section 202 of the act provides that the President shall recommend the manner in which any deficiency in the budget shall be financed, that is, through new taxes, loans or other means. I find no specific reference in this act to congressional intent indicating that the budget should be balanced or the national debt reduced.

CUT PRESIDENT TO 90 PERCENT SPENDING MONEY

I propose a new section outlining such intent on the part of Congress. Although this bill is short, it would have quite an impact on the present method of submitting budget proposals. It is apparent under this bill, and the number, by the way, is H.R. 2471, that the President in submitting the budget could only consider 90 percent of the estimated revenues for general expenditures because 10 percent must be applied to the reduction of the national debt.

It is also apparent, under present law, that he cannot revise any estimates for expenditures submitted by the legislative branch or the Supreme Court. The initial burden is placed on the executive branch to effect economies and give a budget to the Congress providing for systematic debt reduction. Congress must then assume the responsibility of supporting such a program.

I have suggested the method of limiting the President, whoever he may be, and you should keep in mind that this bill was introduced during President Eisenhower's administration, as well as under the current President, in submitting his budget primarily because we do not have the authority to limit congressional action.

To place such a restriction on Congress would require a constitutional amendment, since the present wording of article 1, section 7, of the Constitution places no restrictions on Congress in making appropriations. Secondly, since most of the appropriations are to finance the executive branch of the Government, most of the improvement in budgetary procedures must be accomplished there.

It seems logical, therefore, to suggest changes in the area where they can reasonably be expected to be accomplished under law. Congress could not escape the responsibility of any resulting increased expenditures affecting the budget program under this proposal and this is precisely where the responsibility belongs.

You know, so many people are inclined to criticize an administration because of expenditures, but we must always keep in mind that the President cannot appropriate money, the departments cannot appropriate money; the Congress of the United States must appropriate the money and, of course, there is where the responsibility is and should be.

All of us have received the benefits of studies, opinions, dissertations and advice on the pros and cons of debt reduction. I happen to be one of those who strongly believe the debt must be reduced. My main reason is the prohibitive cost required to maintain it. The second largest expenditure in the budget is the interest on the national debt. In fiscal 1961 it is $9.585 billion, or 12 percent of the budget expenditures. Think of the constructive programs that could have been financed with only a portion of this, not to mention tax relief for the general public.

I shall not belabor you with statistics and arguments to support this contention, but I would like to give you one illustration. If we were to adopt this debt reduction proposal, and Congress were to accept such budget reduction recommendations, it would take approximately 34 years to clean up the entire national debt and interest. It would cost $434.9 billion over the 34-year period for both principal and interest.

TIME FOR YOUR TRANQUILIZER

I have for this illustration used a basic 3 percent interest figure for my computations, and in addition to the $285 billion principal, there is $149.9 billion of interest. If we do not pay anything on the public debt and it remains static for 34 years, we will pay $325.6 billion in interest alone.

So, for an additional $109 billion over a period of 34 years, we will end up completely free of the debt of over $285 billion. One question that occurs to anyone studying this proposal concerns the relatively large percentage of revenue I have suggested for the debt payment.

Let me say that I deliberately decided on a substantial payment since it is not my intention to make this a painless operation. It may take just such a shock as I propose in this bill to bring out the magnitude of this problem.

Under the 1961 budget it would have been required to apply $8.4 billion for debt reduction and $9.6 billion for interest. Perhaps a first year appropriation of $18 billion just for what we owe will awaken many to realize there isn't any money tree here in Washington; that all of the so-called Federal funds really come originally from the taxpayers back home.

There is no easy, quick solution to saving 10 percent in the budget. It can only be accomplished by forced economy. I personally believe that the executive and legislative branches could operate just as efficiently on 10 percent less money than what we are presently spending. I think there have been examples cited time and again of tremendous Government waste and expenditures which are needless. Savings can be made in our operation and the best way to do it is to limit expenditures of the various departments.

You know, Mark Twain once said: "Everyone talks about the weather but nobody does anything about it." He could just as well have been talking about the national debt.

Even though many congressional reports are full of statements regarding the national debt, positive action on the program has been meager.

WIDE OPEN ROAD TO BANKRUPTCY

Almost 100 years ago in 1862, Congress did enact legislation which in part made a permanent appropriation for 1 percent of the entire debt to be set apart as a sinking fund for the purchase or payment of national debt.

This provision was restated in a section of the code and remained on the books until after the enactment of the Victory Liberty Loan Act in 1919. And that superseded one section of the code—it also provided for a sinking fund in which annual payments of 2½ percent of the outstanding national debt, as of July 1, 1920, should be made.

And it goes on and on, but still this debt has become more and more vast, continually increasing, and, in fact, I suppose this session of Congress will be asked by the administration to again increase the debt ceiling to meet some of their so-called deficit spending programs.

This staggering debt and interest can only perpetuate inflation, and lead to more financial problems and an ultimate bankrupt economy.

I think we have a duty to face up to the fact that we owe this debt and start paying on it. We can't continue to ignore it—it won't go away by itself.

Let's not worry about why it is so large or what has made it or who is responsible, but simply how can we effectively reduce it without hindering the necessary services of the Federal Government.

One of the current books by Parkinson has a law that can be summarized as: "Expenditures will always rise to meet income."

This seems to be particularly true of government. Since we apparently cannot repeal Parkinson's Law, maybe we can accomplish the desired result by enacting a new law.

I think the people back home are sick and tired of hearing about all of the programs that the Government plans to do for them; they are sick and tired of paying more and more taxes for more and more things, and I think that, if the people of the United States would face up to our responsibilities in meeting this problem, inflation can be thwarted; materially we can cut our governmental expenditures.

You know, the President in his inaugural address said that the people should ask what they can do for their Government rather than what the Government can do for the people.

This country became great, not through big government, but through the free enterprise system, through individual initiative and through freedom of the individual—not through the many, many Government controls that all of these programs seem to perpetuate from time immemorial.

Thank you, Dean Manion.

DEAN MANION. Thank you, Congressman SAM LEEPER DEVINE, of Ohio.

My friends, this courageous Representative has gone to the root of the most serious danger threatening our country today, namely, national bankruptcy.

A spokesman for the administration, Congressman A. J. MULTER, has introduced another bill in Congress now (H. Res. 6900) which would wipe out all gold reserves behind the dollar and leave us holding printing press money—dollars worth merely the paper they are written on.

If this happens, our economic system will collapse and we will fall into the hands of the Communists without a shot being fired by either side.

Forced economy is precisely what the Federal Government needs now and this bill will supply that need. Tell your Congressman to join Congressman DEVINE in sponsoring and promoting H.R. 2471.

The best defense against this impending disaster is the radical offensive operation proposed in the speech you have just heard.

Joint Baltic States Freedom Committee

EXTENSION OF REMARKS

OF

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 20, 1961

Mr. ADDABBO. Mr. Speaker, on Sunday, June 18, 1961, a Joint Baltic States Freedom Committee solemnly commemorated the 20th anniversary of the first mass deportations—June 13, 14, 15, 1941—from the Baltic States to Siberia and Asia. These deportations were carried out by the Soviets because these freedom-loving people protested the occupation and communization of their land. This commemoration was held at the Carnegie Endowment for Peace Auditorium in New York City.

Under leave to extend my remarks, I include the message I sent to this meeting:

I wish to join with you in solemn commemoration of the tragic days 20 years ago when the first mass deportations from the

Baltic States were carried on and these countries subsequently taken over by Communist tyranny.

It is fitting and proper that we in this free country remember those who are not so fortunate. It is only through reminding ourselves of this tragedy and the other tragedies of Eastern Europe that we can safeguard our Nation from the threat of communism. We must continue our fight to maintain freedom and bring to all nations the right of self-determination.

Signs of the Times

EXTENSION OF REMARKS
OF
HON. EARL WILSON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 20, 1961

Mr. WILSON of Indiana. Mr. Speaker, as a Member of this body for 10 terms, I have learned by experience to look around me for what I consider to be signs of the times.

Certainly, I have been worried by the pell-mell rush toward an omnipotent Federal Government that I have observed. Each succeeding day and each succeeding action of this administration has been nothing to quiet this worry. To the contrary, it has been sharpened.

Just this week, Mr. Speaker, a group of Hoosiers went to Chicago to try and halt, by legal means, the blackmail of this country by Fidel Castro, the Eichmann of the Caribbean. Their purpose was clear—to stop by litigation the paying of ransom by our Nation under any guise.

While there, one of their group, 22-year-old Richard Allen, an Indianapolis claims adjuster, was asked to be a guest on a Chicago television program called "At Random" and presided over by Irv Kupcinet, a Chicago newspaperman. He was not a guest, however; he was picked as a victim. His inquisitors included Mr. Steve Allen, of entertainment and lost-cause fame; Allen's wife, Jayne; UAW Vice President Duane Greathouse; and others.

A sign of the times was much in evidence in one of Mr. Steve Allen's questions. The thought of Federal omnipotence was clear in Mr. Allen's question of the Hoosier Mr. Allen:

What right has a peasant, so to speak, to file against the Attorney General of the United States?

This, Mr. Speaker, is a sign of our times. What right has a single citizen to take action against the lordly Federal Government, indeed.

I say that every citizen has every right in the world to do just that; question the Federal Government. The day that right is also usurped will be a black day, indeed, for the freedom of all men.

Mr. Allen, of Indianapolis, has an inherent right to act in this way, if for no other reason than the fact that he is an American citizen. His rights were won at Yorktown and cemented anew at Gettysburg, on San Juan Hill, at Tokyo, in Berlin, on every battlefield where American soldiers fought and died for the right of the individual as opposed to the rights of the Federal Government.

Mr. Allen, of Indianapolis, not only has the right to act but should act as he sees fit. Such muddleheaded entertainers as Mr. Allen, of California, should stick to their pianos and television sets and stop going about campaigning for every cause they can latch onto for publicity purposes.

I rise today, Mr. Speaker, to commend Mr. Allen, of Indianapolis, and to say that I, for one, support this move to stop, by legal means, the administration approved machinations of the tractor committee and Castro, the Eichmann of the Caribbean, who would trade tractors for people even as his Nazi predecessor would have swapped trucks for Jews.

President John F. Kennedy Establishes the President's Committee on Juvenile Delinquency and Youth Crime

EXTENSION OF REMARKS
OF
HON. CLYDE DOYLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 20, 1961

Mr. DOYLE. Mr. Speaker, by reason of unanimous consent heretofore granted me so to do, I wish to bring to your attention and the attention of my other colleagues, a copy of the Executive Order No. 10940, "Establishing the President's Committee on Juvenile Delinquency and Youth Crime," dated at the White House, May 11, 1961.

My continuing interest in the subject of juvenile delinquency and youth crime chiefly extends from my great privilege a goodly number of years ago in Los Angeles County, Calif., when I had the great privilege of being the chief juvenile officer of the Los Angeles County juvenile court under the Honorable Curtis T. Wilbur, one of the most able, beloved juvenile judges in the history of our beloved Nation.

Executive Order No. 10940 as made by the President of the United States, John F. Kennedy, is but another crystal-clear evidence of the established fact of his vigorous interest in and concern for the future citizenship of our beloved Nation, as well as the present adult citizenship.

I congratulate the President of the United States and his associates, and specifically include therein the Attorney General of the United States, Robert F. Kennedy, for his manifestly vigorous interest and activity in this same vital area:

THE WHITE HOUSE,
Washington, D.C., May 18, 1961.

Hon. CLYDE DOYLE,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: Thank you for your letter of May 15. As you requested, I am enclosing copies of Executive Order No. 10940, dated May 11, 1961, which establishes the President's Committee on Juvenile Delinquency and Youth Crime.

Your interest in the Committee is very much appreciated.

Sincerely yours,
LAWRENCE F. O'BRIEN,
Special Assistant to the President.

EXECUTIVE ORDER 10940, ESTABLISHING THE PRESIDENT'S COMMITTEE ON JUVENILE DELINQUENCY AND YOUTH CRIME

Whereas the U.S. Government has an obligation to maintain and develop programs and policies to promote the welfare of its younger citizens; and

Whereas the steady growth in the incidence of juvenile delinquency and youth crime has long been recognized as a national problem of major concern; and

Whereas there is a demonstrated need that the resources of the Federal Government be promptly mobilized to provide leadership and direction in a national effort to strengthen our social structure and to correlate, at all levels of government, juvenile and youth services; that training of personnel for juvenile and youth programs be intensified; and, that research to develop more effective measures for the prevention, treatment, and control of juvenile delinquency and youth crime be broadened: Now, therefore, by virtue of the authority vested in me as President of the United States, it is ordered as follows:

SECTION 1. (a) There is hereby established the President's Committee on Juvenile Delinquency and Youth Crime (hereinafter referred to as the "Committee"). The Committee shall be composed of the Attorney General, the Secretary of Labor, and the Secretary of Health, Education, and Welfare. Each member of the Committee shall designate an official or employee of his department as an alternate member who shall serve as a member of the Committee in lieu of the regular member whenever the regular member is unable to attend any meeting of the Committee; and the alternate member shall while serving as such have in all respects the same status as a member of the Committee as does the regular member for whom he is serving. The Chairman of the Committee shall be the Attorney General.

(b) The Committee may invite representatives of the Judiciary to participate in its deliberations.

SEC. 2. The Committee (1) shall review, evaluate, and promote the coordination of the activities of the several departments and agencies of the Federal Government relating to juvenile delinquency and youth crime; (2) shall stimulate experimentation, innovation, and improvement in Federal programs; (3) shall encourage cooperation and the sharing of information between Federal agencies and State, local, and private organizations having similar responsibilities and interests; (4) shall make recommendations to the Federal departments and agencies on measures to make more effective the prevention, treatment, and control of juvenile delinquency and youth crime.

SEC. 3. There is hereby established the Citizens Advisory Council (hereinafter referred to as the "Council") which shall consist of not less than 12 and not more than 21 members, who shall be persons (including persons from public and voluntary organizations) who are recognized authorities in professional or technical fields related to juvenile delinquency or youth crime, or persons representative of the general public who are leaders in programs concerned with juvenile delinquency or youth crime, and who shall be designated by the Chairman of the Committee after consultation with the Committee and serve at the pleasure of the Committee. The Chairman of the Council shall be

designated by the Chairman of the Committee.

SEC. 4. The Council shall furnish the Committee advice and recommendations with respect to the matters with which the Committee is concerned under section 2 of this order and any other matters relating to the functions of the Committee on which it may desire information or advice.

SEC. 5. The Committee shall make reports to the President from time to time with repect to its activities and shall make recommendations to the President regarding policy, programs, and any additional measures including legislation which it deems desirable to further the objectives of this order.

SEC. 6. All executive departments and agencies of the Government are authorized and directed to cooperate with the Committee and to furnish it such information and assistance, not inconsistent with law, as it may require in the performance of its functions and duties.

SEC. 7. Consonant with law, the Departments of Justice, Labor, and Health, Education, and Welfare shall, as may be necessary for the effectuation of the purpose of this order, furnish assistance to the Committee in accordance with section 214 of the Act of May 3, 1945 (59 Stat. 134; 31 U.S.C. 691). Such assistance may include the detailing of employees to the Committee to perform such functions, consistent with the purpose of this order, as the Chairman of the Committee may assign to them. One of such employees may be designated to serve as Executive Director of the Committee. The necessary office space, facilities, and supplies for the use of the Committee shall be furnished by the three Departments concerned as they shall agree.

JOHN F. KENNEDY.

THE WHITE HOUSE, *May 11, 1961.*

The American Legion in Queens County, N.Y.

EXTENSION OF REMARKS
OF
HON. JOSEPH P. ADDABBO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 20, 1961

Mr. ADDABBO. Mr. Speaker, on June 16 and 17, 1961, the Queens County Council, American Legion, Department of New York, held its 43d annual convention in the Fifth Congressional District of New York, which I have the honor to represent in this body. The Fifth District was proud to be host to this fine organization.

The American Legion in Queens County, N.Y., is an organization that we are all proud to call our own. It has a long and distinguished service to veterans and to the community at large. It is militantly patriotic and anti-Communist. The men who have headed this organization have been outstanding citizens in every respect.

It is my pleasure to here congratulate the outgoing County Commander, Melvin Wolinsky, and his staff on the fine record of achievement in the past year, and to welcome the new County Commander, Ramon L. Tinagero, and his staff and to wish them a most successful year of service.

Address by the Honorable William M. Tuck, of Virginia, at the Commemorative Ceremony Marking the 100th Anniversary of the Killing in Combat of the First Uniformed Officer in the War Between the States, Capt. John Quincy Marr

EXTENSION OF REMARKS
OF
HON. HOWARD W. SMITH
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 20, 1961

Mr. SMITH. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I insert a very fine and scholarly speech made by my colleague, former Gov. WILLIAM M. TUCK, of Virginia, at Fairfax, Va., at the commemorative ceremony marking the 100th anniversary of the killing in combat of the first uniformed officer in the War Between the States, Capt. John Quincy Marr.

Ladies and gentlemen, the occasion that brings us together today in the historic county of Fairfax naturally suggests the earlier and later history of our country. We have met here to participate in the commemorative ceremony, incident to the passing of Capt. John Quincy Marr of the Warrenton Rifles, who was the first commissioned officer killed in the Civil War. He was killed at Fairfax Courthouse on June 1, 1861. He is said to have been the first to be killed in combat between uniformed soldiers. It is beyond dispute that he was the first commissioned officer killed on either side.

Let us go back and review and relive for a few moments what happened here in this village of the Confederate frontier 100 years ago today:

Fairfax, once known as Providence, was important mainly as a county seat. The Truro Episcopal Church was here, and so was the Methodist Church, both forerunners of the buildings we know today. Gathered around them was a scattering of houses, some large, some small, enough to accommodate a population of about 300. The hub of the settlement was along the streets immediately adjacent to the courthouse. Through the village, as now, ran Route 236, the Little River Turnpike, generally referred to as Main Street. The Fairfax Station Road, as now, met it at right angles, and so did Route 237 from Falls Church.

As the war clouds developed, Confederate troops congregated on the outskirts of Washington, occupying Alexandria and the ridges in Arlington County overlooking the Potomac. There they lay, watching, and waiting.

At 2 a.m., May 24, Union troops pushed across the Potomac by way of Chain Bridge, the Potomac Aqueduct at what is now Key Bridge, the 14th Street Bridge, and by steamer. They occupied Alexandria and the Arlington ridge.

In the face of this advance, the southern forces fell back to Fairfax and Manassas and threw out patrols for reconnaissance purposes. The Federals did the same, nervously trying to learn the dispositions and plans of the enemy.

On the night of May 31, at 10:30 p.m., a Federal force of about 75 officers and men—Company B of the U.S. Dragoons, more formally known as the 2d U.S. Cavalry, just back from months of Indian fighting in Texas—left Camp Union in Arlington County and rode toward Fairfax, the most advanced position held by the Confederates. They were not supposed to come all the way to Fairfax, but their leader, Lt. Charles H. Tompkins, took matters into his own hands and pushed on, ignoring orders. The war was young. There had been virtually no battle action.

Tompkins and his men came along Route 237, the road from Fairfax Circle past the old Fairfax Golf and Country Club. A few miles from the courthouse they encountered two Confederate pickets, one of whom was captured and the other of whom dashed back to warn the town.

Here at the time was Lt. Col. R. S. "Dick" Ewell, later a famed Confederate general. For 2 weeks he had been in command of the troops at Fairfax. He was stopping at the Union Hotel, which stood on the corner across from the courthouse now occupied by the Bank of Fairfax, a hostelry that once had been operated by James Jackson, the irate southerner who only a few days before had shot and killed Union Colonel Ellsworth for taking down a Confederate flag from the roof of Jackson's inn in Alexandria. Also on hand was former Gov. William "Extra Billy" Smith, of Warrenton, Va., recently resigned from the U.S. Congress. He had arrived in town that afternoon and was staying at the home of Joshua Gunnell, now the Walter Oliver residence across from the courthouse. He was 64 years old.

Troops quartered in the town included 84 members of the Warrenton Rifles, which became Company K of the 17th Virginia Infantry. They were under command of Capt. John Quincy Marr and were armed with ordinary rifles, without bayonets. Also here were the Rappahannock Cavalry, commanded by Capt. John Shack Green, and the Prince William Horse, under Captain Thornton. Scattered through these last two units were a few guns and swords, but virtually no ammunition.

These troops occupied the heart of town, the Prince William Horse sleeping in the Truro Episcopal Church, the Rappahannock Cavalry in the courthouse, and the Warrenton Rifles in the Methodist Church.

It was 10 minutes after 3 o'clock in the morning when the Federals reached Fairfax, arriving before the Confederate companies could be formed. As the invaders turned into the main street of the town and dashed through it, they were met with scattered firing from the hotel, the courthouse, and other buildings. A famous diarist was staying that night at the home of the Episcopal rector in Fairfax. She was Mrs. Judith McGuire, whose accounts have given us some of our best pictures of the war period. This is how she described the appearances of the Federals:

"We were aroused by a volley of musketry not far from our windows. Every human being in the house sprang up at once. We soon saw a body of cavalry moving up the street, and as they passed below our window we distinctly heard the commander's order, 'Halt.' They again proceeded a few paces, turned and approached slowly. In a few moments there was another volley, the firing rapid, and to my unpracticed ear there seemed a discharge of a thousand muskets. Then came the same body of cavalry rushing by in wild disorder. Oaths loud and deep were heard from the commander. They again formed and rode quite rapidly into the village. Another volley and another, and then such rushing as I never witnessed. The cavalry scampered by, the commander calling out 'Halt, Halt,' with curses and imprecations. On, on they went."

Mrs. McGuire, as her writing indicates, had witnessed a stirring race. The Dra-

goons actually did ride madly through town, firing at random, and continued on down the hill toward what is now Camp Washington. The Confederate troops in the meantime were still trying to organize. The Prince William Horse were assembling in the churchyard and along the street, and the Rappahannock Cavalry were gathering behind a high board fence that stood on the north side of the courthouse. Captain Marr formed his Warrenton Rifles on the southwest side of the courthouse, in a field of clover that lay in front of the Stevenson home, the home today of Col. Edward M. Offley.

When Governor Smith arrived on the scene, he immediately took charge. Quickly he tried to bring organization into the confusion. The Warrenton Rifles were the soldiers with the guns, he was told, so he tried to find their leader, Captain Marr, but Marr could not be found. Presently a man, bareheaded, in his shirt sleeves, bleeding from a wound in the shoulder, came up. Smith recognized him as Colonel Ewell, who explained that he had attempted to run across the street ahead of the Dragoons and had been shot. His uniform coat he had thrown aside to keep the enemy from identifying him not only as an officer, but as a former member of the Dragoons.

After a few minutes, the Federals came charging back up toward the court house, and this time the Confederates were ready. They had been formed behind buildings and trees and the court house fence, and they poured a hot fire at the invaders, such a defense that the Federals scampered off through the fields to the road leading to Oakton and Vienna. As they retreated, they left behind nine horses and a few prisoners. Two of the horses had fallen under Tompkins, one of them badly bruising his foot.

While the attack was at its peak, women of the village herded their children and slaves into their basements and other points of relative safety and waited. This was the case at the Thomas Moore home next door to the Methodist Church. Among the servants who hovered in the basement of this house was Jack Rowe, a Negro who had been with the family for many years.

Lieutenant Tompkins later told the press that during the entire time his men were in the village there was constant firing from windows and doors. Doors would open long enough for the discharge of a gun and then they would close to open again as soon as the firearm could be reloaded.

As dawn came on, the excitement died down. Casualties were relatively few. Several men had been wounded on both sides.

But what about Captain Marr?

Jack Rowe, the Negro servant, brought the answer. Shortly after daylight, when he was permitted to leave the basement of the Thomas Moore home, he came upon the body of Captain Marr lying face down in the high clover of the field where he had formed his troops. It lay 800 feet south, 46 degrees west, of the present monument to Marr erected on the court house square by the Marr Camp of Confederate Veterans on June 1, 1904. He had been killed by a spent bullet that struck above the heart, causing his death without breaking the skin.

Marr was one of Virginia's outstanding citizens, a tall man with black hair and eyes, a full deep voice, a popular speaker with great natural wit and humor. He had served as mayor of Warrenton, his native town, as treasurer and high sheriff of Fauquier County, as presiding justice of its county court, as commissioner of chancery, and as a member of the Virginia Convention that voted for secession. The Warrenton Rifles had been organized by him in 1859, at the outbreak of the John Brown troubles. The Richmond Examiner said of him: "In the death of this young and talented officer, the State has been deprived of one of the brightest of her military ornaments, and the country of one of the purest and best of men."

Marr was born in 1825, a member of a family long active in the American scene. His great grandfather had served under George Washington, his grandfather had fought in the Revolutionary War and his father in the War of 1812. During the Revolution, his mother's father had raised and equipped a company of soldiers at his own expense and had died early from exposure in the field.

So it was a citizen of fine reputation who fell under fire here this June night 100 years ago. He had been graduated from the Virginia Military Institute at Lexington in 1846, second in his class. After teaching school for a time at Winchester, Va., he was employed as assistant professor of mathematics and tactics at VMI. In this capacity he served until the death in 1848 of his father, whom he succeeded as commissioner of chancery for Fauquier County.

Marr's company was among the first to take the field. It left Warrenton April 16, only 4 days after the firing on Fort Sumter began. Quickly it moved from Dumfries to Fauquier Springs, to Bristow Station, to Centerville, and finally here to Fairfax.

In his last public address, delivered at Warrenton, Marr said: "As for myself, whether in a representative capacity or as a private citizen, my fortunes are indissolubly connected with Virginia, the land of my birth, and by whom I have been nurtured more than a parent's care and on whose bosom I shall repose when time with me shall be no more. She shall know no peril but that it shall be my peril; no conflict but that it shall be my conflict; and there is no abyss of ruin to which she may sink so low that I shall share her fall."

At the time of his death, he had just been commissioned lieutenant colonel by Virginia's Governor Letcher, but the commission was missent to Harpers Ferry and never reached him.

Marr was brought back to his home at Warrenton late the afternoon of June 1. Funeral services were held the following afternoon on the public green, because no building in the town was large enough to accommodate the throng that assembled. The Reverend O. S. Barten, rector of the Episcopal Church, officiated, and this first officer to die in action during America's great civil strife was laid to rest beside his father and sister in the Warrenton cemetery.

A monument erected over his grave bears this inscription: "On the threshold of his State, this Virginian met the invader, and was the first to fall for the rights of the South."

How valuable it is today to study these incidents out of our past, this chapter out of our American history that fortune saw fit to visit upon Fairfax Court House at a time when it was unprepared, when its outskirts were undefended, and its homes were occupied by helpless women and children. That indeed was a time of peril. But men of Fauquier and Prince William and Rappahannock were here to act, to drive back the invader, and to display the sort of courage and patriotism which we want so much to instill in our manhood of today. If we are to preserve our American liberties, we must produce not only the weapons needed to sustain them, but we also must provide capable manpower to use them, manpower steeped in the same courage and patriotism that stimulated John Quincy Marr and the other defenders gathered here that night to come at the first call to the protection of Virginia.

The men who charged into Fairfax on that distant day were professional soldiers, members of the Regular Army of the United States, experienced in warfare and the use of firearms, hardened after long months of frontier fighting in Texas. The home guards who faced them were not so experienced, not so well trained, not so hardened. But not one among them was without the courage needed for the occasion. Records, official or otherwise, give no mention of individual cowardice, or of men fleeing on foot from the scene.

We are again today living in times of great peril. We are threatened from without and from within by the sinister and dastardly hordes of godless Communists who would not only destroy our liberty and freedom and our way of life, but who would violate and murder our men, women and children. We need the means and the weapons with which to defend ourselves from these flagitious forces, but above all we need and must have men of the fidelity and courage and determination to use them when necessary.

Memorial Services: General Joseph Haller Post No. 95

EXTENSION OF REMARKS

OF

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 20, 1961

Mr. GARMATZ. Mr. Speaker, as a legal holiday in many States, Memorial Day provides an excellent opportunity for us, not only to pay tribute to the many citizens who have made the supreme sacrifice, but also to ponder the high cost at which our freedoms were obtained, and the price we must pay to maintain these freedoms.

Since the close of World War II the General Joseph Haller Post No. 95 of the American Legion has been sponsoring a memorial service every year in Baltimore. This year it was again my privilege to attend this service.

The post commander, Adam Kozlowski, paid tribute to the deceased of all wars, in the following statement:

Reverend Father, Madam District President, Hon. Congressman GARMATZ, distinguished guests, and fellow Legionnaires, we are gathered here today to pay tribute to our departed comrades of all wars. For the past 15 years, we have been having memorial services at this plot for all deceased veterans. For the past 15 years, we have been having threatening rain, or rain, for this service. Today, we have a clear day, no threat of rain, and yet the smallest crowd that has ever attended our memorial service.

Some 40 years ago, our fathers fought a war against Kaiserism. Some 20 years later you and I were called in to fight a war against fascism and Hitlerism. You and I have seen our buddies fight and die against this cause. So after the wars, we came home and saw in the windows, "Welcome Joe and Welcome John." Everyone was waving a flag. So now 16 years later the flag waving days are forgotten. Oh, how they forget. The only over. The men that had died fighting are flag waving today is by the veteran organizations that put flags out on this Memorial Day. In the coming week, things will happen. We have elected a young President, John Kennedy, who will travel over the ocean, who will meet with a man who is trying to dictate to the world. A man who does not even believe in God, just communism, which is spreading within 90 miles of our shores.

As a memorial to our men and women of our Armed Forces who gave their lives for

our country, and President Kennedy, I, as commander of General Joseph Haller Post No. 95, and the American Legion, ask you to display your American flag this coming week. Show Mr. Khrushchev that we are backing our President 100 percent in his talk.

Mr. Speaker, the following invocation was given by the Reverend Father Valentine, of St. Stanislaus Catholic Church:

INVOCATION, MEMORIAL DAY SERVICES, MAY 28, 1961, ST. STANISLAUS CEMETERY

O, almighty and merciful God, we Thy people have gathered here today to commemorate the death of those who have sacrificed their lives for the freedom of our country, the United States of America. It is our holy and patriotic duty to pay tribute to the few known and thousands of unknown heroes, who died so that we could live and enjoy life in a country, which since the Declaration of Independence through Thy grace has remained free, and which through all these years gave equal rights to every man and woman, regardless of nationality, state, and creed. We are grateful to Thee for giving us such brave men, who with the price of their own blood purchased for us the freedom which we so much love and the ideals for which men and women of our Armed Forces so vigilantly guard today, ever willing to sacrifice their own blood and lives.

Be mindful, O God, to Thy servants, who have gone before us, and sleep the sleep of peace. Grant them the reward for their faithfulness to Thee and their country, a place of refreshment, of light, and peace everlasting.

And to us, Thy servants, we through Thy mercy are still allowed to partake of the privilege of freedom and of a free country, grant that peace which the world cannot give, that our hearts may be set to obey Thy commandments and being defended by Thee from the fears of our enemies, we may serve Thee in peace and quickness of spirit.

Fill the entire world with Thy glory, we pray Thee, and show Thyself by the radiance of Thy light to all nations of the world, through Jesus Christ, our Lord. Amen.

Mr. Speaker, the national anthem was sung by Miss Virginia Mieczkowski, past president of unit No. 95. The present president of the unit, Mrs. Augusta Karczewska, brought greetings from her organization.

Among the distinguished guests presented to the group were Mrs. Eslin, department president; Mrs. Wann, department vice president; and Mr. William Robinson, district commander.

The remarks of John E. Dekowski, welfare officer of the Catholic War Veterans, Department of Maryland, were as follows:

Reverend Father, Reverend Toastmaster, Hon. EDWARD GARMATZ, honored guests, ladies and gentlemen, we are here today to honor our dead of the past wars and in memory of those men I would like to take this opportunity to read to you the poem "Our Dead" written by the Reverend Lodge Curran for the Catholic War Veterans, Department of Maryland, which reads as follows:

"Our dead are not unknown soldiers.
We know who they are and wither they seek to go.
We know that they must languish in purgatory until the last earthly stain is wiped away and until the last earthly injustice is repaired.
We also know that we can speed their passage from purgatory of shadow and pain to a paradise of happiness and light.
We can hasten the dawn of eternal rest and the rays of perpetual light.
Our prayers and masses and works of charity can become eternal ransom money in the justice of God.
We love our dead.
We can help our dead.
Let us pray for them always.
Flowers wither upon their graves.
A daily garland of prayers is better than an armful of roses.
As we approach the golden memorial hour of the Catholic War Veterans, 11 o'clock,
Stand for a moment in silence, and let there rise from your heart a prayer beseeching Almighty God, the Father of us all, to grant to the souls of our departed comrades, a peace and a glory that is theirs because of the sacrifice they made that other men might live."

Mr. Speaker, the Catholic War Veterans were also represented by the third vice commander, John A. Jarosinski, whose remarks I include:

Reverend Father, Reverend Toastmaster, Hon. EDWARD GARMATZ, Department District Vice Commander of American Legion, Welfare Officer of the Catholic War Veterans Department of Maryland, Commander, Holy Rosary Post, Catholic War Veterans Department of Maryland, ladies and gentlemen: I deem it an honor and privilege to speak to you this day, a Memorial Day which we are here to honor the dead veterans of all wars. But, I must say that my heart is filled with sorrow due to the fact that I see so few here present this day. I have attended these services for the past 17 years and it seems that from year to year our group seems to grow smaller and smaller mainly due to the fact of the complacencies of our people who feel secure in an insecure time such as we now live in. It would do well for us to speak to all and to remind them that this day and age we more than ever should remember the purpose for which these boys who now lie here have died, for at this day and age we are fighting a much greater war then we have ever fought in the past and we pray to God that America will come out at the top as we have in the past. We must all when we leave here today go forth and bring to our people the things that are going on about us and awaken them to the fact that today we must be more alert and more willing to sacrifice in order to bring forth the ideals which we Americans have fought for in the past and we trust we'll have in the future, not by the blood of our young men but by forms of negotiations. I wish to take this opportunity to congratulate the General Joseph Haller Post and its officers for the wonderful job they have been doing in holding forth the tradition of Memorial Day and not letting the memory of these boys die for they are doing it against great odds, odds which are sufficient to disgust anyone for as we see there are very few here to attend these wonderful ceremonies for which a great deal of time and energy have been spent to put forth and again I take this opportunity in thanking all of you who have taken your time out on this beautiful day to come forth and to pay homage to our boys; and I must say I feel that it has been an honor and privilege to be able to come forth and speak to you this day. Thank you one and all.

Mr. Speaker, I was privileged to make a few remarks, which I would like to insert:

It is indeed a privilege to join with you at this Memorial Day observance in respectful tribute to those brave Americans, not only of World Wars I and II, but to the generations of earnest young men who left their homes to defend them at Concord, Antietam, San Juan, the Argonne, Okinawa, and Korea.

The years may pass, but our fervent gratitude and highest respect for the supreme sacrifice of our war dead will never be dimmed. The people of our Nation can always take courage and strength in the realization that those whose graves are marked with the American flag and the white cross were ready and willing to answer our country's call to defend our shores from would-be aggressors. Today, that same brave blood flows through the veins of gallant Americans throughout the length and breadth of the land.

All of us realize that we are living in serious and challenging times, for we need only to watch our television, read our papers, or listen to our radio, to hear reports of crisis upon crisis confronting not only the United States of America but freedom-loving people everywhere.

It is important, therefore, that we be united in support of our President and those elected and appointed over us to guide the destiny of our Nation. We must be willing to make sacrifices and not cringe from the necessity of meeting issues boldly with principle, resolution, and strength. As Gen. Omar Bradley indicated some years ago, we must live bravely by convictions from which the free peoples of the world can take heart.

We must translate to reality, the precepts President Kennedy included in his inaugural address when he said: "And so, my fellow Americans, ask not what your country can do for you—ask what you can do for your country"—and—"let us go forth to lead the land we love, asking His blessing and His help, but knowing that here on earth, God's work must truly be our own."

So on this Memorial Day, 1961, we pay homage to all fallen comrades of all wars in which our Nation has been involved, and proudly—but reverently and sadly—we honor them. Our prayer is that they will ever rest in peace. We will ever be mindful of their brave and glorious deeds.

Mr. Speaker, wreaths were placed on the graves of the veterans by Mrs. Miller and Mrs. Pamek, on behalf of unit 95, and Frank A. Pilarski and Anton Swieczkowski, in behalf of post No. 95. Taps was sounded by Bob Perkin, then the flag was raised by John Kinder, past commander. Flags and poppies were placed on the graves by Mrs. August Karczewska and Adam Kozlowski.

Father Valentine pronounced the benediction, given below, after which the colors were retired:

O Eternal God, lifegiver to all mankind, look upon us benignly, upon us who still enjoy the free way of life, and who today invoke Thy benediction upon those whose lives have been shortlived. We pray to give them the eternal rewards which they have so justly deserved. Grant unto them in Thy infinite mercy and justice everlasting peace and happiness in eternity. Their burdens have been heavy, please make them light and rewarding. Accept our thanks and appreciation in their behalf for the privilege to be here today and pray for their eternal rest. May their deeds be always before us. Ever mindful of the words of our Lord, Jesus Christ: "I am the resurrection and the life; he who believes in Me, even if he dies, shall live, and whoever lives and believes in Me, shall never die." Eternal rest grant unto them O Lord, and may eternal light shine upon them. Amen.

The chairman in charge of the arrangements, Louis Sidire, deserves recognition and thanks for the planning of a very inspirational and impressive program.

Berwick 175 Years Old

EXTENSION OF REMARKS
OF
HON. HERMAN T. SCHNEEBELI
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 20, 1961

Mr. SCHNEEBELI. Mr. Speaker, this Saturday, June 24, will mark the beginning of a celebration of the 175th anniversary of the founding of the borough of Berwick, Pa. The pageantry honoring the historic event will extend over a full week and will feature such things as parades, a queen's coronation ball, a giant carnival, fashion and antique shows, and a series of fireworks displays.

Berwick was settled by Evan Owen in 1786 and named for Berwick-on-Tweed, Scotland, former home of its early settlers. Since those early post Revolutionary times, the history of Berwick has paralleled the history and development of the United States.

Berwick has grown into an industrial community of renowned vigor, ambition, and progress—a community whose citizens are representative of many nationality groups which have stood united through peace and through wars to provide each successive generation with a history that is typically American.

It is to mark these achievements that Berwick is celebrating its 175th anniversary with this special observance. In the tradition of true neighborliness, the people of Berwick have issued an open invitation to join them in the celebration.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 21, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Isaiah 50: 7: *The Lord God will help me, therefore I shall not be confounded, and I know that I shall not be ashamed.*

O Thou gracious Benefactor, to whose might and mercy there are no limits and whose blessings of love and grace fall upon all alike in impartial benediction, grant that we may be more worthy and appreciative of Thy goodness.

In our darkness Thou art our light, in our weakness Thou art our strength, in our sorrows, Thou art our consolation, and in our restlessness, Thou art our peace.

May we seek and strive eagerly and earnestly for those qualities of character which were regnant in the life of our Master and which Thou wouldst have us achieve.

Inspire us to grow in knowledge of His noble ways of thinking and living and give us a finer perception of those moral and spiritual laws by which we must govern our conduct.

Help us to hasten the dawning of that blessed day when men and nations everywhere shall hunger and thirst after righteousness and enter into the fullness of the more abundant life.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 7444. An act making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1962, and for other purposes.

The message also announced that the Senate insists on its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. HAYDEN, Mr. HILL, Mr. ROBERTSON, Mr. ELLENDER, Mr. YOUNG of North Dakota, Mr. MUNDT, and Mr. DWORSHAK to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 106. Joint resolution transferring the management of the Senate restaurants to the Architect of the Capitol, and for other purposes.

BAN CUBAN MOLASSES

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS of Louisiana. Mr. Speaker, I wish to join with my Louisiana colleagues who already have protested the bringing into this country of 2 million gallons of low-priced blackstrap molasses from Cuba. This molasses has been unloaded at New Orleans in Louisiana and is to be sold in competition with domestic producers of molasses and syrups. This is bad enough, but Mr. Speaker, there is no rhyme or reason for trading with this Communist dictator.

Mr. Speaker, this man Castro rose to power over the dead bodies of his compatriots. He is now the undisputed dictator of the island of Cuba. He came into power on a program of doing justice to the peons and peasants in Cuba. He has now thrown off all constitutional and legal impediments to his action in remaining in power without elections in this island to the south of us.

Mr. Speaker, this dictator has seized more than $1 billion in American property located in the island without paying for it. He has taken American lives, violated every American idea that he could think of and repeatedly boasted of this action. He takes his orders from Moscow in Russia, is undeniably a puppet of the Russian Communist regime, he seeks to give this Nation all of the trouble which he possibly can give us in Central and South America, stirring up peoples in these areas against us and in favor of communism. He seeks in every possible way to hinder, handicap, and destroy our Government.

AGAINST FEDERAL AID TO EDUCATION

Mr. DORN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, I polled every newspaper, radio station, and television station in South Carolina regarding Federal aid to education—a total of 180. The response was excellent. Of the 180 mailed, I received a reply from 135; 113 opposed Federal aid to education, 18 were for Federal aid, and 4 were undecided.

Mr. Speaker, I know of no group closer to the grassroots of our country than the newspapers, television stations, and radio stations. They literally live with the people. This is overwhelming opposition to Federal aid in one of the States which would receive the most Federal aid. May I plead with my colleagues who represent States which will lose money under Federal aid? Please do not tax your people to give my people something we are bitterly opposed to receiving.

All basic needs for education are being met at the local and State level at a much faster rate than the advocates of Federal aid say is needed. Then what is the reason for the tremendous propaganda and agitation for Federal aid? It can only be Federal control of education and Federal empire building. The passage of Federal aid itself by this Congress will be dangerous education. It will immediately result in the American people looking more and more to Washington. It will educate the American people to lean here on a powerful central Government rather than to our time-honored institutions—the individual citizen, local and State government which is the foundation of our freedom. It will add hundreds of thousands more of our people indirectly and directly to the Federal payroll.

Mr. Speaker, may I again plead with my colleagues not to turn the clock back to socialism, federalism, national brainwash, and totalitarianism. Socialism and Federal control are old. These isms are decadent and were found wanting in the days of ancient Babylon, Greece, and Rome. Americanism is modern. Americanism is new. Let us continue to move forward with individual, State, and local responsibility which is the essence of refreshing progressive Americanism.

Mr. Speaker, I hope the so-called Federal aid to education bill will stay in the Rules Committee and will never come up.

Mr. MARSHALL. Mr. Speaker, will the gentleman yield?

Mr. DORN. I yield to the gentleman from Minnesota.

Mr. MARSHALL. I am sorry to disagree with my good friend. I hope that bill comes out so that I can vote against it.

Mr. DORN. I thank the gentleman.

CROOKED RIVER PROJECT

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ULLMAN. Mr. Speaker, I am introducing today a bill to authorize the Crooked River project extension, which will provide needed additional reclamation facilities in Crook County, Oreg. This extension of the Crooked River project will provide irrigation water to 2,890 acres of land adjacent to the present project. This is largely land which was formerly irrigated but was reverted to dry land due to lack of adequate water supply.

The additional facilities to be authorized by my bill, Mr. Speaker, have always been included in local plans for development and the Congress authorized in 1959 modifications of the central project works to make possible this subsequent extension. New works proposed to be built include pumping plants, canals, laterals, and drains. Construction costs on the extension are estimated at $995,000, of which part will be repaid by the water users over a 50-year period with the remainder of the reimbursable costs being repaid from surplus power revenues of the Dalles Dam. A portion of the costs will be allocated to fish and wildlife purposes and thus will be nonreimbursable.

Enactment of the measure I have introduced will follow through on the action taken by the previous Congress in authorizing modification of the original Crooked River project. It will make possible the utilization of a part of the excess reservoir capacity being developed in that project. I would like to point out that the proposed extension has a very favorable benefit-to-cost ratio of 2.6 to 1 on the basis of a 100-year life. As in other desirable reclamation projects, authorization and construction of the Crooked River extension will represent another sound investment in our land and water resources. It will provide for greater stability and development of the area's economic base and for the utilization of presently unused land area.

A final report on this important project is under preparation now in the Department of the Interior and I hope that the authorizing legislation I have introduced can be given early and favorable consideration by the Congress.

WILL AMERICA GO SOCIALISTIC?

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, some years ago Norman Thomas, six-time candidate for President on the Socialist Party ticket, remarked:

> The American people will never knowingly adopt socialism, but under the name of liberalism they will adopt every fragment of the socialistic program until America will one day be a socialistic nation without knowing how it happened.

I am reminded of this quotation when I think of the housing bill which is to come before this body today.

NICK J. HALL

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, I wish to bring to the attention of this body a signal honor bestowed this week on a young Michigan citizen. He is Nick J. Hall, age 17, of Saginaw, Mich., who has been elected Governor of the 24th Annual Wolverine Boys State, sponsored by the American Legion, currently convened at East Lansing, Mich. This is a great achievement for any young person; and it is one well deserved, as Nick has distinguished himself both at Saginaw High School, where is a junior, and in the community as well. He is also presently captain of the Saginaw High School football team. I am pleased to take this opportunity to pay tribute to a young man who has received such a noteworthy distinction and to commend those who chose him for their discernment. I feel certain that this honor will inspire Nick to continue to excel in whatever he undertakes and to be always a credit to his home, his church, his school, his community and his race.

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. YATES. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 90]

Barrett	Hall	Powell
Blitch	Hébert	Rivers, Alaska
Buckley	Hosmer	Roberts
Burke, Ky.	Kearns	Rogers, Tex.
Carey	Kilgore	Roosevelt
Casey	Kirwan	Shelley
Cederberg	Laird	Staggers
Coad	Magnuson	Teague, Tex.
Corbett	May	Thompson, Tex.
Findley	Moulder	Van Pelt
Flynt	Norrell	Wright
Grant	Pfost	Young
Gray	Pilcher	
Green, Oreg.	Poage	

The SPEAKER. On this rollcall 396 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

RESOLUTION CONTINUING APPROPRIATIONS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that it may be in order any time next week to call up for consideration a joint resolution providing for the continuation of appropriations.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, reserving the right to object, and I shall not, this continuing resolution is the same thing we have had every year, so far as I can remember.

Mr. CANNON. It is the usual stereotype resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

SUBCOMMITTEE ON TRANSPORTATION OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Transportation of the Committee on Interstate and Foreign Commerce may have permission to sit during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

HOUSING ACT OF 1961

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 350 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6028) to assist in the provision of housing for moderate- and low-income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes. After general debate, which shall be confined to the bill and continue not to exceed four hours, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider, without the intervention of any point of order, the substitute amendment recommended by the Committee on Banking and Currency now in the bill, and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration the committee shall rise and report the bill to the House with such amendments as may have been adopted and any Member may demand a separate vote in the House on any of the amendments

adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions. After the passage of the bill, H.R. 6028, it shall be in order in the House to take from the Speaker's table the bill S. 1922 and to move to strike out all after the enacting clause of said Senate bill and to insert in lieu thereof the provisions contained in H.R. 6028 as passed by the House.

Mr. THORNBERRY. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN], and at this time I yield myself such time as I may consume.

Mr. Speaker, House Resolution 350, as was indicated by the reading of it by the Clerk, provides for consideration of the bill (H.R. 6028) a general comprehensive housing bill. The resolution provides for an open rule, waiving points of order, and 4 hours of general debate; also it makes in order taking from the Speaker's table the bill S. 1922, striking out all after the enacting clause and substituting H.R. 6028 in lieu thereof.

As I stated, this is a comprehensive bill which provides for extensive improvements in our existing housing program, including some new approaches.

In accordance with the testimony as furnished the Committee on Rules, this bill is necessary because of a backlog that has developed in a number of programs as a result of the failure of the Congress to enact a general housing bill last year.

The bill will be explained in detail, if this rule is adopted and the House goes into Committee of the Whole, by the distinguished gentleman from Alabama, Mr. RAINS, chairman of the subcommittee which reported this bill. I think it is fair to point out in connection with this discussion that the gentleman from Alabama furnished a very able presentation of this bill before the Committee on Rules, as he always does, and is entitled to great credit for his sponsorship of beneficial housing legislation to the people of this Nation.

The bill has nine titles. Title I contains several new programs recommended by the administration. The first would expand FHA's present section 221 home ownership program. This section was added to the law in 1954 to help families displaced by urban renewal or other government action by allowing them to buy lower priced homes with only $200 down and maximum terms up to 40 years. The committee bill would make these liberal terms available to buyers of lower priced housing generally.

Title I would also liberalize the FHA section 221 rental housing provision to provide loans with low interest rates.

Title II of the bill includes two separate parts. The first authorizes additional funds for the program of direct loans for housing for the elderly. The second covers the low-rent public housing program and would restore the full dollar authorization for annual Federal contributions provided in the Housing Act of 1949 thereby permitting the construction of approximately 100,000 additional public housing units.

Title III of the bill would add $2 billion of new authority to the urban renewal programs. That program has exhausted its present authority and a backlog of $400 million in applications has built up. This title also makes a number of other improvements in the urban renewal program.

Title IV provides additional authorization for the college housing loan program—one of the most successful programs from the standpoint of repayment that we have. This program has also recently exhausted its authorization. To meet the backlog that is developing and to carry the program forward, the bill authorizes $300 million in new loan funds in each of the next 4 years.

Title V would authorize an expanded and liberalized program of loans for community facilities.

Title VI would make several amendments to the FNMA and FHA programs. A new authorization of $750 million would be added to the FNMA special assistance fund and in addition FNMA would be permitted to use the balance of the special assistance authorization made in 1958 which amounts to about $200 million and for 4 years it would be permitted to use repayments it now receives on its portfolio of loans purchased prior to 1954.

Title VII provides for two new programs. The first would authorize the appropriation of $100 million for partial Federal grants to State and local governments for the acquisition of open land to be held permanently as parks and recreational areas. The second would authorize a new program of FHA mortgage insurance for the acquisition and development of land for residential use.

Title VIII of the bill would extend the present farm housing loan program for 4 years and would provide an additional $200 million for these loans. Also, the program which is now limited to farm families, would be made available to nonfarm families in rural areas.

The principal provisions of title IX, the last title of the bill, are those benefiting savings and loan associations. These amendments would make it possible for savings and loan associations to provide financing for housing for the elderly and for urban renewal and would facilitate trade-in home financing.

Mr. Speaker, as I stated a moment ago, this is a comprehensive bill. There are varying figures offered as to the amounts contained in the bill, according to the testimony offered by the chairman of the subcommittee. It authorizes $4.93 billion with approximately $2.8 billion representing repayable loans.

I think there is one point that needs to be made to the House. I urge the adoption of the rule because I believe this House is capable of discussing and debating and offering amendments wherever it is considered needed to provide a good housing program to meet the needs of this Nation. I can well understand why some persons may disagree with some provisions of the bill, that some provisions cost too much or that in some way there is a better way to meet the needs. But, I cannot understand any opposition to a housing bill based on a lack of faith in the American people who desire to own homes for themselves and their families. If there is one distinction in this Nation, it is that the people of this Nation have throughout the years been encouraged to purchase and own their own homes for themselves and their families.

I would doubt that anyone serving his Nation well would want to express a lack of faith in the people of this Nation who are anxious to purchase their homes and to pay for them.

I urge the adoption of the rule.

Mr. BROWN. Mr. Speaker, I yield myself 8 minutes.

Mr. Speaker, as the gentleman from Texas [Mr. THORNBERRY] has so ably explained, this rule or resolution makes in order the consideration of this omnibus housing bill with 4 hours of general debate, under an open rule so amendments to any section may be offered.

The gentleman from Texas was very modest when he made the statement this is a comprehensive bill. I can assure the Members of the House that this is undoubtedly the most "comprehensive" housing bill which has ever been presented to this body, or to any other body in the history of parliamentary procedure. Not only is it comprehensive, but I think it is, perhaps, the greatest legislative monstrosity I have ever seen brought before the House for consideration.

This bill is so written that no one can understand it fully, in my opinion. Certainly the members of the legislative committee which considered this bill for many, many weeks, as I understand, disagreed among themselves, and often, too, and, I might add, as to what this bill contains and what it will or will not do. They even disagreed among themselves as to how much the cost of this legislation may be to the people of the United States.

The sponsor of the legislation, and the chairman of the subcommittee, advised the Rules Committee in his testimony that the cost would be just a little under $5 billion. On the other hand, the minority report shows—signed by some 10 members of the committee—that the overall cost to the American taxpayers of this legislation will be a little over $9.2 billion.

Presumably, this housing bill would take care of all housing problems and housing legislation for 4 years to come, which would mean that the Congress will more or less abdicate its rights, or at least, perhaps, will not be called upon to enact future housing legislation for 4 years to come.

However, rather strangely, the testimony before the Rules Committee indicated and showed that in title after title of this measure, the funds carried therein and the authorization set forth under those titles, could all be committed, obligated, or even spent, in the first year of the 4-year program. Therefore, it would be entirely possible, and perhaps probable, that in another year the spenders may come back and say "We ran out of those funds you authorized for 4 years, so we want more."

This bill contains a great deal of backdoor spending—some $8 billion and considerable more—of the funds carried

in this bill, either as direct expenditures, or as loans, would be obtained through that backdoor spending. In fact, 97.2 percent of all the funds carried in this bill, either for grants-in-aid or for loans, would come from backdoor spending, and would not come through appropriations voted, of course, and passed upon, by the Appropriations Committee and this House. Therefore, through the passage of this bill the House itself will be taking away from this body, and taking away from its Appropriations Committee, the right to pass upon the necessity and the validity of 97.2 percent of all the moneys and all the expenditures authorized in this legislation.

There are a number of other technical sections in the bill which I am sure will be debated and discussed fully, first in general debate, and later under the 5-minute rule.

There is a provision in the bill to provide for the granting of 40-year loans on housing without any downpayment whatsoever by the individual borrower. Not only can the individual go out and borrow money on a 40-year basis under this bill, without any downpayment of any kind except $200 to cover closing costs, but he can actually go out and borrow enough to build four housing units. In other words, he could borrow, without making any downpayment under the provisions of this bill, enough money to build four housing units, live in one, and rent the other three.

Strangely, the testimony before the Rules Committee shows that, while the statement was made that this particular 40-year loan with no-downpayment arrangement was written to take care of the poor, and the folks who could not finance a home otherwise, the group, we were told, in the $4,000 to $6,000 income range, there is no wording in this bill which spells out exactly just who should be entitled, and who should not be entitled, to these 40-year loans, nor does the bill anywhere fix the income bracket people must have to come under in order to qualify for these long-term loans.

We were told in the Rules Committee, by members of the House Committee on Banking and Currency in the testimony, that the wealthiest man in America, if he desired to do so, could make one of these 40-year loan mortgage arrangements and borrow money without any downpayment to build these housing units even up to four in number.

The testimony before the Rules Committee shows something else, too, that is rather interesting, when some talk about how they want to help the poor man and the little man.

The testimony shows that if a man should borrow, under the provisions of this bill, $10,000 to build a home, on which he would have to pay only $200 in closing costs, with nothing down, that after meeting his payments for interest and principal for 10 long years, at the end of that 10-year period he would have an equity in his $10,000 house of only $350, and would still owe $9,650 on it, based on present interest rates, while the house itself, at present depreciation rates, would be worth only $7,500, believe it or not. Just how would he be able to sell that home? Who would want to pay $9,650 for it so he could come out even, for a used home evaluated at only $7,500, or perhaps even less? And we say we are doing something for the poor man. We would be selling him down the river.

One other matter the testimony shows which I want to call to your attention: If this same man with the same $10,000 house, the poor fellow we talk about trying to help, should pay off his loan in 40 years, the cost to him of that $10,000, that is the principal payment and the interest, would be at least $25,000, or even more.

I could go on into other sections of this bill.

For instance, the President asked for $50 million for grants for community facilities. This bill carries $500 million for community facilities. Certainly already we have a number of laws on the statute books to help communities to get the facilities they need. There are all sorts of Federal legislation on that subject.

I should like to call your attention to this fact, according to the testimony before the Rules Committee, that this gigantic spending measure carries in it about $1,250 million more than the President of the United States, Mr. Kennedy, requested in his message on housing, and he has not been a bit reluctant, let me add, in his requesting expenditures by the Congress.

Mr. THORNBERRY. Mr. Speaker, I yield 15 minutes to the gentleman from Virginia, the chairman of the Committee on Rules [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, this is known as the Housing Act of 1961. It is a monumental piece of work and a monumental piece of spending of your taxpayers' money. It is the most liberal housing bill that has ever been before this House. When I say the bill is liberal, I do not mean just one feature of it. If you had the opportunity to study it, you would find that almost every page has some liberal provision that works in favor of the person who is buying the house and works against the interest of the taxpayers you represent.

Now, I do not recommend to you that you try to study this bill because I have been trying during 3 days of hearings, and 2 nights of hard work, to understand it. I do not understand it and I do not think I ever would understand it, and I do not think anybody outside of the committee would ever understand it.

The gentleman from Ohio just spoke of the 40-year, no-downpayment provision of this bill. That is so ridiculous and so absurd that I can hardly think this House would ever pass a bill with that provision in it. I am sure, certainly, we have enough sense of responsibility left to take that out of the bill. That is just one example of the liberality of this bill.

This bill does not even form a foundation for what we ought to be working on in this House because of the extreme provisions in it. This bill is a good example of the story of the fellow who was driving down the road and stopped an old country man and asked him for the directions to go to a certain city. I imagine you have all heard this story. The old country man said, "You go down this road and then you go down that road—no, that would not do—that would not get you there." Then, the old country man started again and said, "Suppose you go down that road and then you go down another road—no" he said, "that would not get you there." Then he said, "Neighbor, if I was going to that town, I would not start from here."

Now, Mr. Speaker, that is what I say about this bill—we ought not to start from this bill. It is too liberal—it is too confused and it lays too heavy a burden upon our already too burdened taxpayers.

Mr. Speaker, I was in the Committee on Rules until a few minutes ago, when that committee was hearing the application of the Committee on Ways and Means for a rule to increase the debt limit of this Nation by $13 billion. Here we come down to the floor and proceed immediately to work on this bill, which it is claimed provides for the expenditure of some $9 billion. Now I have tried to find out what the bill will really spend, but no two people who appeared before the committee could agree on what the bill would spend. I tried to find out from the genial chairman of the committee, the gentleman from Alabama [Mr. RAINS] who sat there already to jump on me when I got through, and I could not get from him any such information because he was so much smarter than I was that he just had a plausible answer for every question that I asked.

Let us take a few of the provisions in this bill, and I will try to run through two or three of them. The other day we passed a bill from the Committee on Public Works which doubled the amount for building sewers in the various cities of the country.

That is one of the many functions this Congress should not be engaging in.

We authorized $100 million for the committee having jurisdiction of the subject. Do you know what this bill does? This bill aside from housing authorizes five times as much as the Public Works Committee thought was desirable for sewers. Five hundred million dollars is provided in this bill fo loans and grants to build sewers, not houses. That is just one of the outstanding things.

We have a lot of bills around here, a lot of committees dealing with parks and public lands. The Banking and Currency Committee has branched out, however, and is now in that field. They provide $100 million in this bill to buy parks and playgrounds so that these people may not only have the houses to which they would like to be accustomed, but they also want the parks and playgrounds to which they would like to be accustomed; and they are going to be paid for by the taxpayers all over the country under a so-called housing bill. Parks and playgrounds have nothing in the world to do with housing. This is just to buy public lands so they may have open space.

Just a little quirk in this bill on low-cost housing: Instead of having the average rate on long-term bonds on

which we are going to build these houses, the rate of interest is the average rate of interest. But if you figure the average rate of interest on all the Government obligations you will find that many of our obligations now as we cannot float long-term bonds because we are spending so much money that the Government's credit is impaired, so we have to deal in 6-months notes, 3-months notes, and 1-year notes, and they are selling at 2 percent, whereas the average of all our long-term debt is far above that. So there is just another little hidden explosive in there on this housing business.

Remember another thing, in this bill you are providing a 4-year program. All these great liberal things where we are going to let a fellow have a house for 40 years and not pay anything for it—all of them are for 4 years. What is the effect of that? You not only legislate for yourself, for which you are going to have to account to your taxpayers, but you are also legislating and foreclosing the legislative functions of the next Congress, because 4 years will carry you through not only the 87th Congress but the 88th as well. You are preempting the functions of the 88th Congress, because you are tying us to a 4-year program. Do you want to do that?

I just mention a few examples that struck my eye as I waded through this long bill and this longer explanation of it in the report. I never can talk about housing that I do not have to say a few words about public housing. We considered a public housing bill years ago. I am saying this for the benefit of new Members who were not here then. We turned it down in the House year after year, year after year, until it began to come back to us in conference reports from the other body. That is how this camel got its nose under the tent, and each year we have been authorizing more—25,000 units, 30,000 units. But in our attempt to preempt the functions of the 88th Congress we are now providing 100,000 public housing units.

Do you know what that public housing does? There are many new Members here who may not understand it. Those supporting this bill want to take care of people who do not have as good houses as they would like to be accustomed to—a laudable ambition. I do not know if we were paying our own money if we would accustom ourselves to it, but as long as we are paying the taxpayers' money we are not bothered much about what it costs.

But the general idea of that bill is that the Government is going to put them in a good house, with modern conveniences, and the Government is going to pay the difference between the rent they are accustomed to paying and the rent of the new house. It was testified by the chairman of the committee that that subsidy is costing your taxpayers $500 per house. The ranking Member of the minority says that it is $600. But whether it is $500 or $600, do you know what it will cost this year, and I mean that subsidy? It is going up every year. It costs $125 million of your taxpayers' money to pay just the subsidy on these houses. Keep in mind that $125 million.

Do you know what it is going to cost next year? It has already been provided for. It jumps from $125 million last year to $165 million this year of your taxpayers' money which in your liberality you are giving to those folks who would like to have such a house.

They are not satisfied with that. Somebody asked, How about these old folks? They ought to have a little better break. So we put in the bill, in addition to all the other subsidies on public housing, that that particular class shall have an additional subsidy of $120. I do not have time to discuss this bill in detail. I am just bringing your attention to a few of the highlights in this matter.

I want to ask your serious consideration in general debate on this bill, form your own opinion, whether you are doing the right thing in trying to usurp the functions of the next Congress by allowing a 4-year program, whether you are doing the right thing in this matter of sending the present housing situation on a 40-year, no-downpayment proposition when it was testified that if he lived in the house for 10 years all he would accumulate would be an equity of $350. Do you want to vote for that kind of absurdity? Do you want to vote for the absurdities that are sprinkled all through the bill from page 1 clear to the end of the bill?

I put this question to you seriously, because we are going to bring in here just as soon as consideration of this bill is over, day after tomorrow, a bill to increase the debt limit by $13 million.

Are we ever going to stop, look, and listen to the warnings that are ringing around our ears that we are spending this country into bankruptcy, we are spending it into a crash? If you do not pass this next debt limit bill, then on the 1st of July the Treasury will not have the money to pay its obligations.

I wish you could have been up there this morning and heard the eloquent statement of the chairman of the Committee on Ways and Means, the statement of the ranking member of the Committee on Ways and Means, and the statement of the next ranking member of the Committee on Ways and Means. You would have shuddered for the future of your country.

Mr. BROWN. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. SMITH].

Mr. SMITH of California. Mr. Speaker, in my opinion there are a number of bad features in this particular bill, but the one I would like to confine my remarks to at this time is title I, which provides for the 40-year, no-downpayment proposition. The gentleman from Texas, in his very able explanation of the rule on this particular bill, mentioned that one of the things that we as Americans take pride in is the owning of your own home, being a person in a community where the people own their own homes.

When I was a young boy I can remember my parents saying, "We want you to remember this, keep your family together, work as a unit, and protect one another." Furthermore, when you are able to do so, buy a home and get it paid off, get the mortgage or the paper or the plaster paid off and get it free and clear as fast as you can so that you will have an interest in the community and pride in your particular home and can take your responsibility as an American. I have followed that advice. I paid as many extra dollars as I could each month until eventually I got it free and clear. I told my boys the same thing and raised them along the same line. So, I feel I have some pride in the community.

My oldest son is married. Now he wants to buy a home, I was informed a couple of months ago when I was out there. We discussed the matter. We looked at some property. He finally decided he did not have enough of a downpayment to start and still carry on his other expenses, to keep up the home as he wished to do; in other words, he looked forward to having a home in the community and taking pride in the community and participating in local affairs, getting it clear, having some incentive in saving a little, which I feel is part of the American way of life and the way I was raised and the way I feel he should do.

Now, here in title I, I cannot help but feel that we are completely reversing the thoughts that I had along that line and that my parents instilled in me and that I have tried to instill in my own children, because here we are allowing homes to be obtained with no downpayment. Of course, the statement will be made that they will have to pay the closing charges, which will be about $200. The Senate bill does provide for $500 downpayment, and this bill, if passed, and to conference could not be more than $500.

It is said that this applies to people of modest income. What is a modest income? They say people making between $4,000 and $6,000 a year. But, from testimony appearing in the committee hearings and the definition of "modest income" before the Committee on Rules, in my opinion it can mean anybody. I think any one of us can qualify; any Member of the Congress could actually qualify and obtain a 40-year loan with no downpayment under this particular bill. So, if we follow that particular theory and allow an individual to buy a $15,000 home—and the builders will build plenty of them now with 100 percent guaranteed loan here, and they will be out to get everybody to sign up on Sunday saying "Sign here and you will have a house with no downpayment, with a 40-year loan; the rental will only be about $40 a month, and that will be less than you are paying now," he will pay, if he lives long enough, over these 40 years, and if the house is still standing at the end of that time, about $38,000, including principal and interest, on that particular home. Now, if he only obtains after some 10 or 20 years an equity of $300 in that house, why would he have any desire, with the house depreciating in value, to keep up the loan to keep the flowers planted, keep it painted, the roof repaired, and do all of those things? No particular reason why. After all, if the house is not what

he likes, he can let it go; live in there as long as he wants to and then give it back to the loan company, and the Government will pay 100 percent on foreclosure and the Government will be in the real estate business in the next 10 years owning a tremendous amount of property in the United States of America.

So, again I ask you this, Will the purchaser of such a house feel that he is a responsible property owner in the community in which ownership is at least a partial measure of citizenship and concern for the state of the Union? I personally feel that he will not. I feel that the owner of such a house as this will consider that he is simply a renter; that he will not have the desire to pay off the property. It will provide loans for almost anybody. It will harm the financial institutions. In my opinion it is entirely wrong.

With this important thought which I believe is part of America, of owning your own home and becoming a part of the total community, paying off the home and having some incentive, I think if we allow title I of this bill to pass as it is now written, we will do irreparable damage to our children, our grandchildren, and all people in the future, in our efforts to help preserve the United States of America.

Mr. BROWN. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. AVERY], a member of the Committee on Rules.

Mr. AVERY. Mr. Speaker, as far as I am concerned I feel we are making legislative history today. Certainly that is true in my case, and I think it is true in the case of many Members on the floor this afternoon. The reason I think we are making legislative history is this: I think this is the worst bill that has come to the floor of the House since I have been a Member of it, and I am now in my fourth term. I recognize that this bill probably is a reflection of an honest difference in philosophies, on both sides of the aisle. The lines do not divide quite that way, but I think basically that is true.

Mr. Speaker, I would agree with the gentleman from Texas [Mr. THORNBERRY] that the gentleman from Alabama, the chairman of the subcommittee [Mr. RAINS], made a most eloquent statement to the Committee on Rules. However, I did not feel that Mr. RAINS' presentation, exhaustive as it was—it occupied 2 whole days—in any way offered a justification for the broad, new authorizations that are contained in this bill we are considering here this afternoon. It is a bit presumptuous, as has been suggested, for the members of the Committee on Rules who hear 4 days of testimony on a bill to appear before the House and in an hour's time talk as experts on a bill that takes up almost 200 pages. Notwithstanding the fact that we recognize that we are not altogether expert, I believe we are qualified because of the nearly 4 days we had on this bill to point out what we consider to be some very obvious inequities and weaknesses in the proposed legislation before us.

The 40-year mortgage, no-downpayment plan, I think, has not been altogether exhausted—most certainly we could talk on that alone all afternoon, but I think the pertinent points have been made. But I would like to supplement what has been said in one respect. It has been pointed out, I think, by the gentleman from Virginia [Mr. SMITH] and the gentleman from California [Mr. SMITH] that at the end of 40 years a $10,000 house could cost $35,000, or some figure in that general area, in principal and interest.

I want to remind the House that that does not take into consideration the discount practice that we have to recognize in all the money markets. The members of the Committee on Banking and Currency were a little reluctant to talk about this discount practice, when they came before the Committee on Rules. But not talking about it is not going to make it go away. It is there, it is going to be there, and when you consider the cost of the 40-year house to the buyer, it is necessary to take into account that there is a discount practice in the money market. It will increase the cost of the house to the buyer. It will also, in my opinion, provide an incentive for the lender to make submarginal loans.

He has nothing to lose. He can collect the prevailing interest on the loan as long as it is paid. If it goes into default, he can collect the full amount of the mortgage that he did not loan from the Federal National Mortgage Association. So I feel that there is economic imbalance in the program in addition to the excessive cost to the buyer of the house.

In respect to public housing, the Committee on Banking and Currency, I believe, told the Committee on Rules that this actually would not authorize additional public housing units; it would just remove some roadblocks from units that had been authorized some 10 years ago. Whether or not that is the technical situation, it is not important. The important considerations are that, as pointed out by the gentleman from Virginia [Mr. SMITH], this year we are going to pay about $165 million subsidy for the public housing units that are now occupied. This figure will go up about $78 million a year. Eventually, if all the public housing units are built that are implemented in this bill and that are now in this bill, the annual cost will be about $336 million a year to the taxpayers.

If that is the philosophy to which you subscribe, there is no reason why you should not support this bill.

Moving rapidly to two other areas, I hope the Committee on Banking and Currency during general debate this afternoon will explain to the House why in a housing bill we should have an authority to make grants to suburban areas and metropolitan communities to acquire land under what we describe as an open-space program. Certainly there was very little evidence given to the Committee on Rules as to why that should be included in this bill. On reviewing the hearings, there is practically no support for that title of the bill. I hope that will be developed.

As I understood the unanimous-consent request by the gentleman from New York [Mr. MULTER], he was introducing this afternoon legislation that he called a transportation program.

Mr. THORNBERRY. Mr. Speaker, I yield such time as he may desire to the gentleman from Alabama [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Speaker, I support the rule on the housing bill and urge its adoption.

I believe this is the best housing bill we have had since the Housing Act of 1949. It is a testimonial to the monumental labors of the gentleman from Alabama [Mr. RAINS] and his staff. I support it.

I support long-term housing loans for low-income families. The attempt to help these people own homes is imaginative; it steps into an area where, otherwise, public housing might eventually spread.

Also, I am thoroughly in accord with $10,000 loans for home improvement. The millions of American homes which can be repaired and renovated for another generation of efficient use challenges us to do what we can to bring that about.

I support the $100 million of additional loan funds to finance houses for the elderly.

I support the provisions which would increase the Federal share of urban renewal cost for the smaller communities.

I support the $1.2 billion for college housing. The University of Alabama and other colleges in Alabama have applications pending for this housing. These applications cannot be approved unless this money is authorized.

I support the section which provides $500 million for public facility loans. Towns in my area are faced with serious water, sewage, and other public facility problems and needs. This section will greatly help.

I favor the additional $200 million for farm housing.

I support the title which provides for 100,000 additional units of public housing.

All in all, this is a good bill. It will provide much help to the people of America where help is greatly needed.

The arguments against this rule, and against this bill, are by and large the same arguments we heard against the Housing Act of 1949. I helped to pass the Housing Act of 1949. I supplied one of the very small majority of votes in favor of the public housing provisions of that bill. Now, 12 years later, I am proud to say that my district has built 30 projects of public housing. The communities are proud of the housing. It is being put to good use. The total need has not yet, in my judgment, been more than half met.

As I have stated, I am proud to support this fine bill, which the gentleman from Alabama, Congressman RAINS, brings to the floor this afternoon.

The rule provides for 4 hours of general debate.

Mr. BROWN. Mr. Speaker, I yield the remainder of the time on this side to the gentlewoman from New York [Mrs. ST. GEORGE], a member of the Committee on Rules.

Mrs. ST. GEORGE. Mr. Speaker, this bill comes before us this afternoon under a rule allowing 4 hours of general debate. It is an open rule. I am glad that it is an open rule because I think this bill is certainly subject to many amendments.

As has been well said by those who have spoken before me, this is a tremendous bill. It covers a great deal of territory. It is almost impossible for a Member who just listens on the floor of the House or even who has listened to the testimony before the Committee on Rules to understand entirely what is in this bill.

One thing, however, comes out which is worth repeating although it has been already said, that this bill comprises larger appropriations, in other words, more money than was asked by the administration.

Next to that, it has been very difficult in questioning members of the committee to find out exactly what this bill is going to cost. I am one of those who feel that as a representative of my people I should be able to go home to them and not start saying, "Well, it is going to cost nearly $5 billion, but of course that does not include public housing; public housing should not be included," and so forth. I think I should be able to go back to them and explain to them in clear language exactly what this bill is going to cost because, after all, they are the ones who are going to have to pay for it.

On looking over the minority report, I find this question answered very succinctly and very correctly, and here it is:

> The other program fund authorizations which are to be provided through the regular appropriations process amount to only $248.5 million. These include $100 million for elderly housing loans; $10 million for planning advances for public works; $100 million of grants for acquisition of open-space land; $1 million for farm research grants; $7.5 million for hospital grants; and $30 million for urban planning grants. The total budget expenditures, including both back-door and regular appropriations process financing, come to $9.05 billion, and of that huge total 97.2 percent is back-door financing.

Now I know that back-door spending is a very unpopular name for this kind of financing, but nevertheless it is well understood. I am using it, and I am using it with my own people because when I use it, I know they will know what I am talking about.

Another thing about this bill is that it unquestionably will be a bonanza for fly-by-night builders. There is no question about that. The part that allows for a four-unit holding by one individual, of course, does nothing else and I trust that that will be corrected before we get through with our deliberations here.

Then, why the 4 years? Why are we going out time after time in these various bills and in all this legislation trying to talk ourselves out of a job and trying to prove to the people back home that we are not needed—oh, dear, no—let George or the administration do it—the two are synonymous. Give them the power. Let them run the country for 4 years. Why do you and I come back? Why should we pull down a salary to represent people when we are not representing them?

Finally, I would like to say this. I heartily agree with the very stirring words that were said by my colleague, the gentleman from Texas, when he said that, above all, he had faith in the people of the United States. I yield to no one in my faith in the people of this Nation, and for that reason I oppose this bill because I believe the people themselves can do better for themselves than by what is included in this bill.

This bill is aimed at helping towns, in the loan program for development of community facilities that have less than 10,000 population. However, in the first 3 months of this year, 305 towns with less than 10,000 population floated 305 issues of general obligation at interest rates lower than 4 percent. They did that for themselves. This bill, that is, the public housing aspect of it, is aimed at giving a helping hand to big cities. I can present to you a list, and I have that list here before me, of over 93 towns that have already turned down provisions similar to the provisions contained in this bill. That list includes big towns and cities like Los Angeles, Milwaukee, Flynt, Tucson, and so forth.

Mr. Speaker, it is said that this bill is aimed at helping the farmers, and yet the American Farm Bureau and its 4½ million members have consistently opposed this type of legislation. Yes, these are the people I have faith in. These are the people my colleague from California mentioned, the people who believe in paying their bills and saving for their homes, in taking care of their old people—these are the Americans that we neglect to represent because they are not organized in little pressure groups who are constantly coming to our offices and threatening us with their votes.

Let us remember them. Let us have faith in the American people, let us have faith in our country, and let us vote down the monstrosity that is coming before us this afternoon.

Mr. THORNBERRY. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Indiana [Mr. MADDEN].

Mr. MADDEN. Mr. Speaker, the rule now under consideration brings before the House the long delayed and much needed legislation to provide suitable and adequate low priced housing for small income groups throughout the Nation. This legislation, among other things, will eventually eliminate a great deal of the unspeakable slums existing in cities and industrial communities throughout our Nation. We do not have any problem with housing in our urban areas which sell for 20, 30 or 40 thousand dollars and up, but we do have a critical situation in providing homes for families in slum areas when a program is inaugurated to tear down these dilapidated buildings for modern housing or future development. I fully realize that a number of Members of Congress come from rural areas where there is no highly concentrated industry and the housing problem is not as serious. A few years ago a survey over the Nation found that over 1 million families in the $4,000–$6,000 annual income group lived in housing which lacked necessary plumbing facilities, adequate bedrooms for members of the family, and over 300,000 people lived in buildings which were condemned or completely dilapidated. This survey also showed that 1,500,000 families in this low income group were living in substandard homes.

This legislation will provide for more liberal FHA insured lowered loans for sales housing and low interest rate financing for rental type housing for modest income families. Home construction has dropped off sharply over the past several years while unemployment has risen substantially. This fact makes it almost impossible for a low-income homeowner to make substantial downpayments, pay high interest and monthly payments on a building to provide shelter for his family. Today approximately 5 million American men and women are out of work and something needs to be done before this economy regains full employment. The value of homebuilding is an outstanding economic stimulant which was abundantly approved during the 1957–58 recession. I am also glad to know that this legislation calls for a reduction of interest rates generally for the home buyer. This legislation also recommends a new program for liberal home improvement financing. It also provides assistance for smaller communities to meet their sewer, water, and public facilities needs. It has ample provisions to meet most of the problems concerning our urban groups. Our suburban areas have grown and expanded rapidly during the last 10 years.

One of the outstanding provisions of this legislation provides that parks and recreation areas must be constructed as community assets for the recreation of our American youth living in these communities. A couple of years ago, J. Edgar Hoover, head of the FBI, stated that juvenile delinquency is costing the American taxpayer between $3 and $4 billion per year. Proper parks, recreation areas and buildings will contribute greatly to eliminate this cost on the American taxpayer.

The problem of providing adequate homes for low-income groups will become more serious as the years pass.

In this week's issue of the Saturday Evening Post, on page 40, is a full-page advertisement inserted by the Caterpillar Tractor Co. The title of this advertisement says: "By 1975, 30 million people could be living in slums or substandard homes—added to our low-income housing problem and slum areas." I think it would be well to set out verbatim the message which this advertisement conveys to the readers of that magazine and I quote several paragraphs from the same:

> One need not travel far in most American cities to find desperately overcrowded slums,

where misery, squalor, and danger are as common as well-kept lawns in suburbia. True, in many of these same cities the journey is also short to well-planned, low-income housing projects, where hope and dignity are attainable.

But, unfortunately, the long and difficult fight against urban blight was not begun in most metropolitan areas until physical and social decay reached staggering proportions. A successful holding action has been started—but the real battle is ahead. And time is short. By 1975, our population will have increased by 55 million. Unless the pace of urban renewal is increased, 30 million of us will live in slums. The means of improving our cities are readily available. There are competent and enthusiastic citizens' groups, city planners, architects, and builders. There is substantial financial support from the Federal Government. But it takes even more. It takes your own pride in your city—your enthusiasm—your awareness of the problem—and your vote. Remember, by rebuilding our cities today, we'll avoid the need to rehabilitate people tomorrow.

And the advertisement further states that within the next 15 years we will need 25 million new homes; rehabilitation of many metropolitan areas; over a 50-percent increase in our present supply of water; double the number of our present hospital beds; in 15 years we must have 60 percent more classroom facilities; more than double our electric power; 30 percent more lumber and 50 percent more pulpwood; over 100 million additional farm acres under soil conservation; 50 percent more mineral ores; and twice our present oil supply.

The above factual information from a statistical standpoint for the next 15 years does not come from a Member of Congress or any political group, but from surveys made by some of the thinking of the board of directors of the Caterpillar Tractor Co., of Peoria, Ill.

Separate and aside from the necessity of providing opportunities to purchase reasonably priced homes for millions in the low income bracket, this building project will provide employment for millions of people among the families of carpenters, painters, bricklayers, and all construction crafts. Also, as the Caterpillar Co. advertisement sets out, it will call for the manufacture of thousands of tractors, diesel engines, motor graders, earth removing equipment, mechanical tools, and other machinery that will bring employment back to the steel mills, lumber camps, and dozens of other mills and factories throughout the Nation. Legislation of this type is what President Kennedy was speaking about last fall which is one of the real requirements for the 1960's and also additional years in the distant future.

This bill is made up of 171 pages, and during the last couple of days Congressman RAINS and other members of the Banking and Currency Committee, very ably and in detail, explained the provisions of this legislation. I do hope all Members will stay on the floor of the House and listen to Congressman RAINS and the other Members when they outline the details of this bill.

It is my hope that this low income housing legislation is enacted into law without any serious crippling amendments.

Mr. THORNBERRY. Mr. Speaker, I move the previous question.

CALL OF THE HOUSE

Mr. RHODES of Arizona. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. THORNBERRY. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 91]

Baring	Gray	Rivers, Alaska
Barrett	Green, Oreg.	Roberts
Blitch	Halleck	Rogers, Tex.
Boykin	Hosmer	Roosevelt
Buckley	Kearns	Shelley
Burke, Ky.	Kilgore	Staggers
Casey	Kirwan	Teague, Tex.
Cederberg	Laird	Thompson, Tex.
Coad	Machrowicz	Van Pelt
Findley	Magnuson	Wright
Flynt	May	Young
Forrester	Moulder	Zablocki
Granahan	Norrell	
Grant	Poage	

The SPEAKER. On this rollcall, 393 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

HOUSING ACT OF 1961

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

INCREASING PUBLIC DEBT LIMIT SET FORTH IN SECTION 21 OF SECOND LIBERTY BOND ACT

Mr. THORNBERRY, from the Committee on Rules, reported the following privileged resolution (H. Res. 351, Rept. No. 555), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7677) to increase for a one-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill, and continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means. Amendments offered by direction of the Committee on Ways and Means may be offered to the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

AMENDING GENERAL BRIDGE ACT OF 1946

Mr. THORNBERRY, from the Committee on Rules, reported the following privileged resolution (H. Res. 352, Rept. No. 556), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5963) to amend the General Bridge Act of 1946 with respect to the vertical clearance of bridges to be constructed across the Mississippi River. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

HOUSING ACT OF 1961

Mr. RAINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 6028) to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 6028, with Mr. BOGGS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Alabama [Mr. RAINS] will be recognized for 2 hours, and the gentleman from California [Mr. MCDONOUGH] will be recognized for 2 hours.

The Chair recognizes the gentleman from Alabama [Mr. RAINS].

Mr. RAINS. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, this is the housing bill of 1961. This is one of the most important pieces of domestic legislation that will come before this Congress. It is with a feeling of pride and a little gladness that I rise to discuss the bill, and, I must confess, some apprehension. The pride I have in the bill represents many long months of arduous toil on the part of myself and the distinguished members of our subcommittee and the members of the Committee on Banking and Currency on both sides of the aisle.

I want to express my deep appreciation to my colleagues on the committee, especially those on the subcommittee, because on both sides of the aisle whether they agreed with the bill or not, they were good workers and they toiled hard—that I know.

The feeling of apprehension that I have arises from the fact that this is a complex bill and I can already see it has, in a great many instances, been misunderstood. I have no doubt in my own mind that if every Member of the House understands the bill fully and thoroughly, many more would vote for it than might as of now.

So I would like for the Members on our side of the aisle to get from their respective page's desk at the back of the Chamber a green sheet that is furnished by the committee so that you will be able to follow and to interrogate about specifics in the bill.

I want to say this in all sincerity: This is a complex bill, because the housing problems of our country are many, and varied, and complex. There is no doubt about it. This is the first time in 10 years, since 1949, that we have been able to review our housing laws and the housing needs of the Nation without the impending threat of a veto hanging over us. We have been able to draw on the experience and knowledge of all our committee members, on the thoughtful advice of our administration, and I want to emphasize at this point that this is the administration bill. This bill is basically the bill H.R. 6028, sent to us by the President. It has also, in my judgment, been made a better bill by improvements which we added in the committee.

The bill has two or three different aspects. The first one is that it will in large measure help us to meet the needs of people for housing. The second is the boost it would give to employment. In my judgment we cannot be complacent about the present state of the economy. It is true that we have passed the low point, no doubt, of the recession of 1960, but we still have nearly 5 million people out of jobs in this country, to say nothing about the number of June graduates who are soon going to be flooding the job market.

I think in considering this bill we should first consider as to whether or not it helps to meet the needs of our people for housing; and secondly, we should consider whether or not it will be of value in bolstering the economy in which we find ourselves today.

In 1958 in 30 minutes' time this House passed a billion-dollar emergency housing bill. Even those who oppose all types of housing have told me time after time that that housing bill was the one great aid that did the most to pull us out of the 1958 depression. Yet last year when we passed a billion-dollar housing bill on the floor of the House it was allowed to die in the Senate under the impending stated threat of a Presidential veto. So I make the statement that had we enacted the housing bill which this House in its wisdom passed, we would not have 5 million people out of jobs and we would not be seeing the housing market of this country dragging near the bottom. I want to compliment the House for what I call wisdom, because every single witness that looked at the picture squarely knew that we needed it then.

I want to commend the present administration—and I believe all of you will agree regardless of which side of the aisle you are on—for the vigorous action the administration has taken to reinvigorate the housing market by lowering the interest rate wherever it is possible, because that has been the real drag on homebuilding in this country—high discounts and unreasonably high interest rates bouncing against the usury ceiling of many of the States of the Union. It is widely recognized that the 8-year continual climb in interest rates on housing has been the strangling feature that has helped to keep housing down. However, there is no way I know of that you can legislate to tell a man what he can charge for the use of his money. The only thing you can do is to make possible lending at reasonable rates in the hope that the competition will bring about what ought to be a reasonable supply of mortgage credit for housing.

Some people have said that many of the ideas contained in this bill are new. The truth is the new items in the bill are only about one or two. Most of the items in the bill have long been written into law by this House and the Congress or have been studied by your Subcommittee on Housing for as long as 5 years back in some instances. Therefore, with few exceptions, there are no completely new or untried programs in this housing bill.

It is true that this bill involves substantial sums of loan and grant money, but you must remember this bill is in the main a 4-year bill. It is not a 1-year bill. Some of the programs which we are activating for a period of 4 years have already run out of money because we did not pass a housing bill last year. So, naturally, the overall figure of loans and grants in this bill is somewhat higher than it would be otherwise. Here are the figures and the reasons.

This bill is some $60 million less than the bill which the President sent up here. How anybody can say differently is an amazing thing to me. The record does not speak differently. It is under the budget figure which the President sent up here and it is under the Senate figure; it is not above the figure which the President sent up here in the administration bill, as I heard stated on the floor today.

The dollar amounts in this bill are in the main loans which are fully payable to the Federal Government. The large figures in this bill that are grants are in the continuing program of urban renewal which is going on in hundreds of cities of this country. Unless this money is provided the urban renewal program will grind to an absolute stop.

Another large figure in the bill, that for college housing loans—$1.2 billion. It is a 4-year program at a rate of $300 million a year. This is a program that has been in effect now for about 10 years, and the Federal Government has not had one single default. It is a program that is generally accepted throughout the Nation as the best way to meet what seems to be the never-ending problem of finding houses for our kids in college. This amount in the bill is fully repayable, and does not involve a subsidized interest rate.

Nearly $2.8 billion of the $4.9 billion represented in this bill is for loan or mortgage purchases of various kinds. The loans and mortgages, as I have stated, will be fully repaid.

Mr. Chairman, I would like to take up, item by item, certain sections of the bill.

In the first place, may I say that I have been somewhat amazed at the press and at Members who have asked me question after question about the 40-year, no-downpayment provision. May I say I do not regard that as the important section of the bill at all. In the second place, I think that Members and other people fail to remember that on a 40-year loan you have to borrow the money from a bank or savings and loan association at 6 percent interest.

I am sure you know about how much of it he would loan for 40 years. You have to buy that single house of $15,000 under FHA credit reports just like you buy it today, and yet I have heard statements around here that a sodajerker could just walk in and borrow $15,000. I would like to see him get it from a banker. And that is why I say I was amazed at the amount of heat that has been generated because of the debate in the other body and because of certain newspaper headlines; I have been a little amazed at the intense heat on the particular section. If the bill itself hinged around that section only, it could not begin to meet the needs of the people.

I will say this: We have had 40-year loans, no downpayment, in the housing bills for some 8 or 10 years. It is in it now; has been all the time. I will say further that over the 30-year programs that we had with no downpayments with the GI's in this country after the war, we had a fantastic repayment record and the Government did not lose any money. I will say further that on every 40-year loan that we have had for cooperatives and some of the others the Government has not lost any money. It is a mistaken idea that this is to be a Government loan. This is to be strictly a private-enterprise loan.

Just in order to ease the pain of some of my colleagues, I have no real objection to cutting it down to 35 years and putting in a 3-percent downpayment. So, at the proper time I intend to offer a substitute to make it 35 years with a 3-percent downpayment. This should end the matter. I never understood quite all the sweat about it. If it was going to be a Government loan handout to everybody, there might be something to it.

Furthermore I will say this: In the congressional district of every Member of this House the two greatest unmet needs for housing today are for the people who make between $4,000 and $6,000

a year. The intent and purpose of this longtime loan—even though I do not believe it would solve all the problems—is to get at the root of the problem of the very people who today are not getting the houses they ought to have. In 1950 some 50 percent of all the loans made under FHA were in the bracket of people making between $4,000 and $6,500 a year. Today, 10 years later, only 25 percent of the FHA loans are in that bracket, and the number of people who have moved into that particular income group has risen sharply. So, let us not make any mistake about that. So, unless we are able to extend terms with reasonable rates and to provide aid and assistance to those people to whom even $5 or $10 a month in income is most important when it is paid out in housing, we are not meeting the housing needs of the people of this country, and this bill seeks to do it under the private enterprise system and not by Government loans.

Now, there are some people who say you never have an equity even in a 30-year or 35-year housing loan. I have often said to myself, as I have watched these people buy these houses with no downpayment, and I saw them fix up their yards and build a picket fence and a barbecue pit in their backyard, strain to make the payments which they did, that in my judgment there are two things that the people of America will pay for if they can get the money at all. One is a home, and the other is an automobile. I have often said, and I believe it sincerely, that one of the best things you can do to a man is to give him a deed to a little piece of this good earth with a house on it even though he does have a mortgage on it. It is better—10 times better—than 35 or 40 years later to have that same man wind up with a dresser bureau drawer full of rent receipts and no equity in anything.

If you will go back and look at the figures of homeownership in 1929 and look at the high percentage of homeownership today, you will be pleased and happy with the progress we have made in this country. It does not mean that we have done all we could, nor all we should, so long as it is not costing the Government any money. I have heard pessimistic people say: "Yes; but we have not gone through the wringer yet. Yes, but we have never been through a depression like the days of the thirties." I can only say to you—and most of you, like myself, lived through it—that God forbid that we ever have to go through another one of that kind. I do remember one story which came out of the depression, and that is a fantastic story. I remember when the hammer was falling on farm, houses and homes all across the land, and I remember in the days long before I came here the wise men and women in this House who passed what was called the HOLC. It was my privilege as a member of the Committee on Banking and Currency in recent years to help and assist in winding up the affairs of the HOLC which saved the homes of countless Americans. Do you know what happened? The Federal Government made a profit of $30 million on that program.

So I am going to tell you this: If the time ever comes that my pessimistic friends fear when everybody is going to fail to meet their FHA payments, surely we will not foreclose the homes in America; and if that time ever comes, those of us here today will see to it that somehow or other the people will retain their homes.

The truth is that under FHA and all of the kindred programs which will be talked about here today as if they represent some kind of dragon aimed at the taxpayers, this Government of ours has already reaped nearly $1 billion in profit from these programs that we are talking about. I sometimes wonder if that is fair. I think the profit ought to be cut and given back to the people. But in addition to that—and I sincerely believe this, and this is true in my district; I do not know what the situation is in other districts—the best citizen in my district is the man who owns his home.

I was quite impressed with one of my beloved and distinguished friends on the Rules Committee who told us a story about a certain city in Mississippi in which some people had cheap houses and as long as the Government owned them, they were going to seed. But one day they bought them, and when they did flowers grew up and the grass grew green, and the fences were painted, and awnings were put up. It is the same story whether it is Mississippi, Alabama, Connecticut, or New York, where people own their homes.

Of course, I am one who wishes that all of us could walk up to a banker and say: "I want to buy this house, and here is the cash for it." But how many people would own their homes in America? I do not know how many men like you and I, even, would have owned our first home if we had been compelled to walk down and lay the cash on the barrelhead. Not too many. A great many of us do not have our mortgages paid up today, but we have pride in the fact that we own our home and we are building an equity in it.

Mr. Chairman, the second part of section 101 is designed to help moderate-income families who want and need good rental housing within their means. This would be provided by expanding the present section 221 rental housing provisions to permit lower interest rates. Under the terms of the bill, the FHA Commissioner would be authorized to establish the rate, and the bill contains a formula setting a lower limit. That formula, which is based on the actual current yield of outstanding Treasury debt, works out to 3⅛ percent at present. It is not a subsidy rate because it could not go lower than the current cost of money to the Treasury, and yet it would be less than could otherwise be obtained in the mortgage market. Also the FHA Commissioner would have discretion to eliminate or reduce the mortgage insurance premium. Under this authority rents could be reduced by as much as $20 a month per unit, and perhaps even more if as is apparently contemplated maturities up to 50 years will be permitted. This is a substantial saving to families of modest income and for many of them will make the difference between living in decent, safe, and sanitary housing or being confined to slums.

These loans could be made only to private nonprofit or limited dividend corporations, cooperatives, and public bodies other than low-rent public housing authorities. These restrictions on types of borrowers will prevent profiteering and assure that rents will be kept to a minimum. A further restriction in the committee bill limits initial occupancy to families and individuals whose income excludes them from acceptable housing in the private market.

Since private lenders will not be interested in these below-market interest rate loans, the bill provides additional FNMA special assistance authority to finance them.

If the administration were to decide to use the bulk of the $750 million in new authority provided to FNMA for this program—and there are indications that this may be their intention—about 50,000 units could be built. Because of the experimental nature of this program the committee bill would limit it to a period of 2 years.

Mr. Chairman, this is one of the provisions which I am particularly pleased to see in the administration proposals. It is very similar to a plan included in last year's housing bill (H.R. 12603). It is not a new idea to those of us on the committee or to others concerned with our housing problems. The need for such help has been clearly established and the approach containing this provision has been carefully thought through. It will fill a gap in our present housing programs and meet a long neglected need.

Title I of the bill provides another important innovation to help us improve our housing conditions. Substantially liberalized FHA loan insurance for property improvement financing is sorely needed to protect the value of our existing stock of good housing and restore those homes which have begun to deteriorate, but which can still be saved. New construction can never meet all of our housing needs. Even at the height of a homebuilding boom only about four new homes are added for every existing 100 homes and much of this relatively small addition must go simply to accommodate population growth. If we are to make progress in improving housing conditions we must undertake a bold effort to help property owners maintain and improve the more than 50 million homes now in existence. A relatively modest amount of assistance, if extended in time, can forestall the spread of blight which would create slum conditions and cause a drain on local and Federal finances.

To achieve this purpose the bill would authorize FHA mortgage insurance on property improvement loans in amounts up to $10,000 per dwelling unit and with terms running as long as 20 years. This

will make it possible to finance major renovations and, because of the long term involved, at monthly costs which can more easily be borne by the average family budget.

These loans could be in addition to any existing financing on the property to avoid the necessity of complete refinancing which often involves raising the interest rate on the entire loan, as well as sizable closing costs. The FHA Commissioner would have discretion in the type of security he would require. In the case of smaller loans this could be simply a personal note as is now done under the existing FHA title I home improvement loan program. For larger loans, or longer terms, he could require a second mortgage.

This liberal financing would avoid the evils often associated with second mortgage financing. These would be fully amortized loans which would not involve the dangers of the balloon-payment type. By providing for an extended term, monthly payments would be kept within reason. Also, total indebtedness relating to the property would be kept within the amount which would apply if FHA were insuring a regular mortgage for the purpose and rehabilitation of the property.

Interest rates on these loans would be limited to not more than 6 percent. This is less than is usually obtainable on this kind of financing and is far less than the existing FHA title I program under which the interest rate works out to about 9½ percent.

Special incentives are provided for the use of these home improvement loans in urban renewal areas by two provisions. First, FNMA would be authorized to purchase them under a special assistance function. Second, the FHA Commissioner could authorize cash payments in case of default as is now done under the title I program. These loans could also be used outside urban renewal areas though without FNMA assistance and with payment in the form of a 10-year debenture in case of default.

Mr. Chairman, I would like once more to call attention to the fact that this is not a novel idea. Back in 1956, my Subcommittee on Housing made a field investigation of needed improvements in housing legislation and this was one of the measures which we recommended. Unfortunately, it has taken some time for the need to be generally recognized but now, at last, we will have the opportunity to see this approach tried out in actual practice.

Another provision of title I is designed to bring about a reduction in housing costs and improvements in housing design and technology. This would be done by authorizing FHA mortgage insurance on new homes built through cost-saving methods or with new experimental materials.

TITLE II. HOUSING FOR THE ELDERLY AND LOW-INCOME FAMILIES

Title II of the bill covers two separate programs. The first deals with the program of direct Federal loans authorized in the Housing Act of 1959 to provide housing for our older citizens. Although this program had the strongest possible support in the Congress, it was opposed at that time by the administration. As a result, when it finally became law, it was hedged in with restrictions and delays. The new administration, however, is well aware of the tremendous need for this assistance to our rapidly growing number of older citizens whose incomes are well below the average of the population as a whole. Now that the program is being operated more sympathetically, there has been a rapid increase in applications. At present, applications received approximately equal the $50 million originally authorized for these loans. To continue this valuable program, the committee bill would authorize the appropriation of an additional $100 million. Also, the 2 percent equity requirement would be eliminated so that the loans could cover the full amount of development cost. And finally, these loans which are now confined to private nonprofit corporations would be made available to cooperatives as well.

The second part of title II deals with the low-rent public housing program for our lowest income families. This program in recent years has been faced with every obstacle its opponents could throw in its way. It has been starved for authorizations and it has been examined and reexamined with the sole purpose of delay and destruction. As a result, the intent of the Housing Act of 1949 has been continually frustrated. At the same time, however, the need for such housing has continued and even increased. Expanded activity under the urban renewal program and under the highway program and other construction activities have displaced thousands of families whose only hope for decent housing has been through the low-rent program. It is estimated that about 45,000 low-income families eligible for public housing will be displaced in 1961 alone.

Urban renewal and low-rent public housing are inseparable parts of the same effort. We cannot, in good conscience, uproot families from their present homes, however, inadequate they may be, unless some provision is made for providing them with places to live. Such activity, moreover, would be shortsighted and self-defeating—they would simply create overcrowding and slum conditions elsewhere. If our efforts to rebuild our cities through urban renewal and other construction activities are to succeed, we must provide adequately for the rehousing of displaced families.

To meet this need, as well as the urgent need for housing other low income families, particularly the elderly, the bill would restore the unused balance of the 1949 authorization thereby permitting the construction of about 100,000 additional low-rent units. This authorization will take care of applications now on hand and carry the program for perhaps 3 or 4 years.

Another provision in this title would help to meet the problem created by the extremely low incomes of many of our older citizens. Experience has shown that elderly persons often have incomes so low that they cannot pay the rents required to meet the operating expenses of low-rent projects. Therefore the bill provides that where this factor threatens the solvency of a project, an additional Federal payment of up to $120 a year could be made for elderly families.

Finally, the bill would reduce the income gap requirement in certain cases. The law requires that there be a gap of at least 20 percent between the maximum income for admission to public housing and the minimum income necessary to afford decent housing in the private market. This income gap need be only 5 percent in the case of families displaced by urban renewal or other Government action. Because of our special obligation to displaced families, the bill would eliminate this 5 percent requirement for them. Also, the gap requirement would be eliminated for elderly families. All others would still be limited by the present 20 percent requirement.

TITLE III. URBAN RENEWAL AND PLANNING

The slum clearance and urban renewal program, begun by the Housing Act of 1949, has proven to be of tremendous benefit to our towns and cities. It has made possible a direct attack on the slums which blight nearly every community of any size in the country. Its success has won support in every quarter, including business and civic groups and local government officials. Many of the sore spots of our cities are being converted into healthy and attractive assets to the community. A special side benefit of these efforts has been the improvement in local financial resources. Slums place a heavy burden on local government because they require far more in health, police, fire, and other municipal services than they return in taxes. By replacing them with new and rehabilitated construction, the urban renewal program has increased tax rates manifold and thereby enabled local government to meet the many other demands for municipal services.

The existing authorization for Federal and urban renewal grants is now exhausted. To meet this need and to carry the program for an estimated 4 years, the bill would authorize an additional $2 billion. In my judgment, this amount is an absolute minimum. It is less than the mayors of our Nation have requested. They have long urged a program of $600 million a year for 10 years. However, balancing the needs of this program against our other requirements, the committee felt that this amount should be adequate to carry the program at a high level over the next 4 years.

Mr. Chairman, the bill also contains a provision which would give more equitable treatment to small communities, and to some depressed areas, to encourage them to obtain the benefits of the urban renewal program. It would do this by raising the Federal share of net project cost from two-thirds to three-fourths for communities up to 50,000 population and depressed areas up to 150,000 population.

This aid to small towns is needed to offset the special advantage which larger

cities have. Present law provides that the Federal share of urban renewal costs can be met either in cash or through noncash grants-in-aid such as donation of land or construction of roads, schools, or other public works necessary to the project. Experience has shown that large cities are better able to meet their share of cost though this noncash assistance than are small communities. To offset this advantage, the bill authorizes a moderate increase in the Federal contribution.

Another important provision would provide help to small business firms displaced by urban renewal. The need for relief in this area is generally recognized and a similar provision was recommended by the Banking Committee last year. Two benefits are provided. First, the Federal Government would be authorized to pay the full amount of moving costs for displaced business firms. Existing law limits this to $3,000 and while this is more than adequate in most cases, it is not enough for firms with heavy equipment. Thus, such firms suffer a net loss through no fault of their own. The committee bill would correct this unfair burden.

In addition, displaced business firms would be made eligible for loans on liberal terms through the Small Business Administration to provide financing to get them back on their feet. These loans presently carry an interest rate of 3 percent and a maximum term of 20 years, and are the same as those available to business firms uprooted by storm, flood, or other natural disaster. It is only fair that a store or other business which has been forced to move by a Government program should be given some assistance to help it get started again.

Mr. Chairman, I am sure my colleagues will agree with me the support of a business community is essential to the success of our efforts to rebuild our cities. We must not do less than provide fair treatment and help them to continue in business if urban renewal is to succeed in its purpose.

Another provision of the bill would extend to private nonprofit and public hospitals the same advantage under the urban renewal program now available to universities. In many cases our downtown hospitals are faced with the same problems as our downtown universities. They are often located in older parts of the city and have come to be surrounded by blighted areas. Because of the special importance of hospitals we must not abandon them to slum neighborhoods.

The bill would encourage urban renewal projects around these hospitals by recognizing certain hospital expenditures as part of the local share of cost and by waiving the "predominantly residential" requirement of the law just as is now provided for universities.

The need for city planning has increased with the sharp population growth in recent years—a growth which there is every reason to expect will continue. To encourage this, the bill authorizes the appropriation of an additional $30 million urban planning grants and increases the Federal share from one-half to two-thirds.

TITLE IV. COLLEGE HOUSING

Title IV of the committee bill would provide additional funds for the college housing loan program. This has been one of the most successful programs that the Federal Government has ever undertaken. In its 10 years of operation it has helped to provide housing for nearly 400,000 students in over 1,500 different projects—and it has done this without ever experiencing a single default.

Because of the tremendous need for these loans the existing authorization has been entirely used up and a backlog is developing. Moreover, college enrollments are expected to rise sharply in the years just ahead which will place even greater pressure on dormitory facilities. To continue this important program of aid to our universities the bill would authorize additional loan funds of $300 million in each of the next 4 years, a total of $1.2 billion.

TITLE V. COMMUNITY FACILITIES

One of our most pressing needs is an increase in our investment in local community facilities, particularly water and sewer works. The past years of neglect and of rapid population growth have resulted in a heavy backlog of need for these projects. In recent years many communities have had to forego investment, no matter how greatly needed, because they simply could not meet the heavy financing charges required in the private money market.

I am very pleased to see that some reduction in interest rates has been made in recent months. One of the first steps taken by the new administration this year was to cut a quarter of 1 percent off the interest rate charged under the public facility loan program. However, I am in wholehearted agreement with President Kennedy's statement that interest rates are still too high and are blocking many worthwhile projects, particularly in smaller communities. Therefore, the committee bill would expand the loan authorization of the existing public facility loan program by $500 million. These loans would be available to smaller towns of less than 50,000 population and depressed areas up to 150,000 population.

Mr. Chairman, the additional loan funds in the committee bill amount to $450 million more than the amount requested by the administration. This change was made to improve the balance of the bill and treat the problems of small towns more adequately. To keep within the total dollar amount of the administration's recommendations, we offset this increase by reducing the amount provided for outright grants under the urban renewal program from $2.5 billion to $2 billion. The urban renewal program is of primary benefit to our larger cities while the public facility loan program is, in a sense, the urban renewal program for small towns.

The bill also would liberalize the existing public facility loan program by reducing interest rates. In spite of the administration cut, the cost of money under this program is still above 4 percent. This is well above the level at which most larger cities can raise funds by issuing tax exempt securities to private lenders. In order to provide more equitable treatment for these small communities, the committee bill would set the interest rate on these loans under the same formula now used for the college housing loan program. For the present fiscal year, this produces a rate of 3½ percent.

TITLE VI. AMENDMENTS TO NATIONAL HOUSING ACT

Title VI of the bill contains a number of basic amendments to the present programs under FNMA and FHA.

There are two principal provisions affecting the Federal National Mortgage Association. The first would increase its special assistance authority by adding $750 million in new funds. In addition, it would give the President discretionary authority to use $200 million which remains unused from the Emergency Housing Act of 1958. These funds are now carried on the FNMA's books as available for the purchase of FHA and VA mortgages for the purposes of the Emergency Act which was to stimulate the economy generally. Under the terms of the bill the President could also use these funds for other designated special assistance purposes, such as low-cost sales housing under section 221, urban renewal housing, housing for the elderly, and cooperatives. In addition, the bill would permit FNMA to use the funds it is now receiving as repayments on mortgages purchased prior to 1954. In that year, the Housing Act set up a new classification in FNMA's bookkeeping called the management and liquidation fund and put all of the portfolio existing at that time in this fund. Currently FNMA receives about $150 million a year in repayments on the mortgages purchased under these earlier authorizations. The bill would allow these funds to be used for other special assistance programs for a period of 4 years.

Mr. Chairman, FNMA's special assistance is vital to the success of many of our most important housing programs. It will be the sole source of financing for the new low-interest rate section 221 rental housing loans. It is likely that the bulk of the $750 million in new authorization will be set aside for that one program. In order to make financing available for other needed programs, such as the expanded homeownership program under FHA section 221, it is important that the agency be permitted to use other funds which it received under previous congressional authorization. This will be particularly important if these programs are to receive adequate financing in areas such as the South and Southwest where mortgage money is normally in short supply.

The second amendment affecting FNMA is one which has long been sought by the homebuilding industry. At present the Agency is limited to outright purchase of home mortgages. This denies its resources to a mortgageholder who has only a short-term need for

money. For example, a builder who takes back FHA and VA mortgages for his houses may not be able to sell them immediately on favorable terms. To avoid tying up his capital and forcing a curtailment of his homebuilding operation, he needs interim financing until he can dispose of the loans. Therefore, the bill would permit FNMA to make short-term loans on security of pledged FHA and VA mortgages. These loans would be limited to 12 months' maturity and 80 percent of the value of pledged mortgages.

The FHA, which has been one of the most successful programs ever undertaken by the Federal Government, has in the past been faced with the problem of recurring exhaustion of its mortgage insuring authority. Just a few weeks ago, FHA came dangerously close to the ceiling on its power to insure and it was necessary to rush a resolution through the Congress authorizing additional authority. Even this added amount is expected to be exhausted before the middle of next month.

Mr. Chairman, it is important that the Congress set a limitation on the FHA program to insure periodic review of its operations. At the same time, it is also important that the Agency be able to operate with the necessary freedom and that homebuilders and mortgage lenders be able to plan ahead with confidence. To accomplish both objectives, the committee bill would remove the dollar limitation on FHA's insuring authority altogether and instead set a cutoff date of 4 years. At that time the ceiling on FHA insuring authority would become the amount of insurance and commitments then outstanding unless the Congress took further action.

Another important provision of the committee bill would liberalize FHA's basic homeownership program under section 203 of the National Housing Act. This program has long since proven its value in expending homeownership and encouraging home production. It has been successively liberalized over the years and its record has amply justified the confidence of its supporters. Only one-half of 1 percent of loans insured under this program have ever gone into foreclosure and the program has not only never cost the taxpayer a cent but has built up substantial reserves against future losses. The committee bill would authorize a modest reduction in the downpayment requirements by giving the FHA Commissioner discretion to require only a 3-percent downpayment on the first $15,000 of value, 10 percent on the next $5,000, and 25 percent of any amount above $20,000. The maximum mortgage which would be insured on a single-family home would be set at $27,500—presently it is $22,500. In comparison, existing law requires 3 percent down on the first $13,500, 10 percent of the next $4,500, and 30 percent of any amount over $18,000, with a maximum mortgage of $22,500. To permit lower monthly payments, the maximum maturity would be increased from 30 to 40 years. These changes will permit lower downpayments above the $13,500 level, enabling families to obtain homes more adequate for their needs, and at the same time increase housing demand and stimulate our sagging homebuilding industry.

Other provisions of this title would give the FHA Commissioner discretionary authority to reduce the FHA insurance premium to as low as one-fourth of 1 percent. Presently the charge is one-half of 1 percent, the minimum set by law. Also, the loan-to-value ratio of FHA insured mortgages on nursing homes would be increased from 75 to 90 percent. Finally, the section 810 program for off-base defense housing would be amended to encourage construction activity and a $25 million special assistance fund would be set up in FNMA to assure the availability of financing.

TITLE VII. OPEN SPACE AND LAND DEVELOPMENT

The first part of this title authorizes partial Federal grants to State and local government units to help them acquire land for parks and recreational uses. As our cities have grown under the impact of rapidly rising population, we have seen vast areas built up entirely for housing, shopping centers, and other purposes. Often one must go miles to find a park of any size. Under the tremendous pressure of the postwar housing shortage little thought was given to this problem. The need at that time was simply to get housing and more housing. I think everyone will agree that a neighborhood is far better if it has ready access to a nearby park or playground. They are essential to the health and sound development of our children. To meet this need the bill authorizes the appropriation of $100 million for the acquisition of open land for these purposes. Partial grants could equal 20 percent of the acquisition cost for a community acting alone, or it could be up to 30 percent where the land would serve the needs of more than one community thereby encouraging comprehensive area-wide planning. This aid could not be used for the acquisition of land outside the given urban area.

The second part of this title would authorize a new program of FHA mortgage insurance for the acquisition and development of land for housing projects. The need for such aid has long been evident and a similar proposal was recommended by the Banking Committee in last year's housing bill.

No component of housing cost has risen more rapidly than land. There is a pressing need for financial assistance to enable builders to develop land more efficiently and at lower cost. To help meet this need the bill would permit FHA to insure loans to builders and developers in amounts up to 75 percent of the value of the land and improvements. The maximum interest rate would be set at 6 percent and the maximum term of the loans would be 5 years. To prevent any possibility that these loans would be used for land speculation, the FHA Commissioner would be required to enter into an agreement with the builder or developer assuring that construction would begin within a reasonable period after the land is developed. Because this program is experimental in nature, it would be limited to a 2-year period to give the Congress a clear opportunity to review it carefully.

TITLE VIII. FARM HOUSING

The farm housing loan program established by the Housing Act of 1949 has been of tremendous benefit to our farm population by making financing available for them to improve their homes. In order to continue this worthwhile assistance, the bill would extend the program for 4 additional years. Also, a new authorization of $200 million would be provided which, added to the $207 million of remaining authority, will be enough to carry the program for this period.

An important improvement in the program—one strongly urged by such groups as the National Grange, the National Farmers Union, and the National Rural Electric Cooperative Association—would be the extension of eligibility to nonfarm families living in rural areas. These families are faced with much the same difficulty in obtaining financing as is our farm population and yet to date they have been excluded from the benefits of the program.

Another provision of title VIII would authorize a new program of loan insurance to provide housing for farm laborers. Such loans would be limited to not more than $25 million a year.

TITLE IX. MISCELLANEOUS

Title IX, the last title of the bill, would provide three important provisions affecting Federal savings and loan associations. Financing for housing for the elderly would be encouraged by a provision permitting savings and loans to invest up to 5 percent of their assets in such loans with a maximum term of 30 years and a loan-to-value ratio of up to 90 percent. Second, trade-in home financing would be aided by permitting loans of up to 80 percent of value on a nonamortized basis with terms up to 18 months. Third, savings and loans would be permitted to invest up to 5 percent of their assets in certificates of urban renewal trusts, thus permitting a number of associations to pool their resources to finance urban renewal housing.

Another provision of title IX would extend for 4 years the voluntary home mortgage credit program which otherwise would expire in October. This program helps to make FHA and VA financing available in small towns and rural communities which do not normally have access to the large money centers.

Mr. Chairman, this completes the review of the major provisions of H.R. 6028. I realize that this is a large and a complex bill, but that is because our housing problems are equally large and complex. While I have not taken the time to touch on every detail in the legislation, I assure you that the members of the Banking Committee and our Subcommittee on Housing, as well as the experts of the housing agencies and outside groups interested in the legislation, have considered every point carefully. We have made every effort to bring forth

a well-balanced bill and, in my judgment, we have succeeded. We have not given in to those who argue that any one program is all-important and should have a disproportionate share of our available resources. Nor have we given in to those who bear a grudge against particular programs and want to see them cut out entirely. I believe that this bill will mark an important forward step in our housing legislation and will enable the country to embark on an intensive 4-year program to improve housing conditions in every part of our country and for all of our people.

I am hopeful that the Members of the House will recognize the broad range of needs which this bill will meet and approve it as recommended by the committee by an overwhelming margin.

Mr. Chairman, I have only hit the high spots, because I am going to yield the floor in a few minutes. The review I have made only touches these highlights. In my judgment it is the best housing bill that has ever come to the House since I have been connected with the Committee on Housing. It uses to best advantage private enterprise. If you want to be completely opposed to private enterprise, oppose all sections of the bill, because this bill is the American way to get a good job done for people who need housing throughout the length and breadth of the land.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from Texas.

Mr. THOMAS. Mr. Chairman, I want to commend our very able, as well as genial, friend for perhaps one of the most analytical statements I have heard made on this floor in many, many years. May I respectfully request of our able chairman that sometime during debate, certainly in the revision of his remarks, he go through this bill section by section and put the dollar mark cost on it. The reason I make that request is there are too many Members who think this bill is going to cost far more money to the taxpayer than it is. Take for instance FHA.

FHA has not cost the taxpayers of this country 1 penny, and this is the 29th year it has been in existence. Instead of that it has a $1.4 billion surplus that it has made.

Mr. RAINS. That is correct.

Mr. THOMAS. College housing has not cost anything, and your elderly housing provision, even though it has a limited market—and I use that word advisedly—your housing for the old folks should not cost one penny, even with the subsidy you have in there. That is going to be a big help, and perhaps if the bill is administered correctly for your first $50 million to $100 million, it should not cost the taxpayers one red cent. FNMA has not cost the taxpayers any money; it has made money.

Now let us get onto one thing that is troubling the taxpayers, and that is the 40-year no downpayment. It is not a loan now, if I understand the gentleman correctly; it is an insurance problem.

Mr RAINS. That is correct.

Mr. THOMAS. Please do not make the mistake of getting your interest rate at 6 percent. It is too high.

Mr. RAINS. I will say to the gentleman that I heartily agree.

Mr. THOMAS. Now listen. Herein lies the seed. Mark my words, if there is an answer to public housing, here it is. Take your pencil and paper: Build a unit under this new program, take the cost of a unit under the public housing program for 40 years—that is what your public housing program is—it is my judgment that this new program will cost the taxpayers less per unit. But listen now. You cannot make it work on a 6-percent interest basis, so I do hope the gentleman will consider a committee amendment to put that interest rate down on an average rate that the Government pays and make it lower. You will save money. I am going to support your program. I think you have done a good job generally but I hope you will do something about back-door spending. I want to vote for the housing program but I do not want to vote for back-door spending and I reserve the right to vote against back-door spending.

Mr. RAINS. I will say to the gentleman when I saw him get up and heard him with that delightful approach I was a little bit afraid, but I am so happy that we are together. I think everything is going to be fine.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from New Jersey.

Mr. WIDNALL. One of our colleagues said that this bill would cost, I believe, $328 million as far as the 1962 budget impact was concerned. How do you figure that when there is $2 billion for urban renewal in the bill that can be committed within the first week after this bill goes into effect?

Mr. RAINS. Not a single dollar on urban renewal in this particular bill—and that is a point we so often fail to remember—can be expended during 1962. Urban renewal is a long-range, long-time contract program, and that is why we have to legislate in advance for the program.

Mr. WIDNALL. When can the $3 million in your program be expended for urban renewal?

Mr. RAINS. The $2 billion will be committed over the next 3 or 4 years but actual payouts by the Treasury will not really begin until 1963 and the bulk of the expenditures in even later years.

Mr. WIDNALL. In the community facilities program where the committee upped the President's request from $50 million to $500 million—and that is immediately available—why is that $500 million not included in the budgetary impact for 1962?

Mr. RAINS. As a matter of fact, a part of it may be included, but as of now we are unable to tell what part, because you are unable to tell whether any of the program presently before us will come into existence this year or not. First, the Federal Government signs a loan commitment so that the community can go ahead and start a project. The actual payment of the loan funds—and the budget impact—does not come until later. There is no definite statement that you can make.

I would like to know this. If you are going to charge everything the Government has loaned against the budget of the United States, then you had better dig up those billions that we lent through the Export-Import Bank, the Inter-American Bank, and so forth; if you are going to charge to the budget what we lend to the little cities in America for sewers and water systems, let us charge all these other items that came rolling through. That is a loan, and not a grant.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield further?

Mr. RAINS. Yes.

Mr. WIDNALL. In order to be able to lend that money to the cities of the United States the Government has to borrow money, which is paid for by the taxpayers of the United States. It seems to me, if this is enacted, if I understand what is in the housing report on page 57, the committee felt it was necessary to raise the amount from $50 million to $500 million for this purpose, and the committee said this:

> The administration bill requested an increase of $50 million in this authorization. The committee boosted the increase tenfold to $500 million to provide for the enlarged demands that would be made on the program because of changes proposed in the basic character of the program. These include (1) placing the program on a subsidized, submarket interest rate basis, (2) introducing a new nonmarketable type of municipal security under which interest payments could be postponed for 10 years, (3) permitting a $10 million loan limit per project, with (4) setting up a new business department to stimulate activity with the customers.

The $500 million will be committed in the first week, and the gentleman knows it.

Mr. RAINS. I will say to the gentleman that he should go back and study the bill further. The gentleman was asking me the reason why the loans are not charged to the budget. I answered a moment ago that these are loans instead of grants. That has been the system always.

Mr. WIDNALL. As I understand it, they are charged to the budget. I should like to ask the gentleman another question, if he will yield further.

Mr. RAINS. I yield.

Mr. WIDNALL. The gentleman just made the statement, I believe, that public housing would be used mainly for displaced people from urban renewal and Federal highway programs. Does this mean that you are killing the housing for the elderly and the veterans priorities that exist in public housing today? And if it is going to be mainly for the displaced and relocated people, why are we including in this $120 per year additional per unit for the elderly, thinking that this is going to be used almost entirely for housing for the elderly?

Mr. RAINS. I am sure I did not say that it was limited only to those who were displaced. I said that most of it is needed to rehouse those who were being uprooted. And I point out to the gentleman that that would include uprooted

and dislocated elderly people as well as others.

Mr. WIDNALL. I believe the gentleman said that would be used mainly to relocate displaced people.

Mr. RAINS. It would be, in my judgment.

Mr. WIDNALL. At the same time, it is being held out to the country that this would be housing for the elderly and that it would enlarge the program and help that program.

Mr. RAINS. There has been no holding out on my part except to say that there are 100,000 units in the bill; and it is my understanding that some portion would be used for housing for the elderly.

Mr. WIDNALL. I thank the gentleman.

Mr. WHITENER. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman.

Mr. WHITENER. Mr. Chairman, I would like to call the gentleman's attention to the home improvement loan insurance program provided for in this legislation. My observation has been that title I perhaps has been the most abused feature of all the housing programs in this country, and more people have been victimized in my section of the country by unscrupulous operators in that field than any other that I know. In casually looking through the hearings, the only place I observed any reference to any protection for these homeowners is on page 107 of the hearings in a statement of the Housing and Home Finance Administrator, where he says:

> Under the bill the basis would be the sum of (i) the estimated cost of the repair and rehabilitation and (ii) the Commissioner's estimate of the value of the property before repair and rehabilitation.

Then on page 13 of the report I notice that it is said:

> A service charge and appraisal, inspection and design fees could be included in the amount of the loan.

Mr. RAINS. Of course, the program about which the gentleman is speaking is not the title I program at all. It is one that has every safeguard around it, which title I never had and maybe ought to have.

Mr. WHITENER. This is the point I want to make here and get the gentleman to put in the RECORD, because certainly the gentleman is the leading expert in this field. Is it contemplated that notwithstanding the language in the bill now being discussed adequate safeguards will be provided to see that before the improvement is done there has been a commitment from the FHA or some supervision so as to assist in guaranteeing to the homeowners that they will not be victimized by these siding and roofing shysters and others who pretend to be home improvement people but who are actually carrying on a skin game in which they are taking money off the needy people, such as we have in our country?

Mr. RAINS. The section that has $10,000 and 20 years has every safeguard around it that any FHA loan ever had. It is not title I, which is only a repair loan; this section is a rehabilitation loan for an old house. The title I loan is only for $3,500 and only for 3 years, and carries about a 9½-percent interest rate.

When we come to saying, "We are going to write restrictions around the $3,500 loan for 3 years," the banker says, "If you do that, I do not want to make the loan anyway." So I welcome the gentleman's assistance on this. I am talking about the $3,500 repair loan, which is not this provision of the bill. If the gentleman could suggest to us the means whereby we could keep these suede-shoe boys out, I would be glad to have it.

Mr. WHITENER. I would be happy to assist in every way possible in seeing to it that there will be an inspection and all the safeguards we can put around these people, who are probably going to be involved in this for $10,000.

Mr. RAINS. They cannot get it in this one. I want to emphasize that. There is no way for the suede-shoe boys to get into this program. It is only in the ones where you do not have the inspection. Here you have the FHA inspection, appraisal, and everything.

Mr. WHITENER. I hope the gentleman will have the regulations changed to keep the suede-shoe boys from taking us one-gallus boys for a ride.

Mr. RAINS. We will try to do that.

Mr. McDONOUGH. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. KILBURN].

Mr. KILBURN. Mr. Chairman, I have been here a little over 20 years, but I have never been and never wanted to be on the housing subcommittee, so I do not profess to know all the details. It is a very complicated subject, of course. I have seen quite a few housing bills before this House. Many of them have been beaten in the House. But in my judgment this bill is at least five times worse than any housing bill that has ever been defeated in this House. I hope I may have the attention of the distinguished gentleman from Alabama. The gentleman from Alabama is a close friend of mine—whom I call a real friend, and he is, and I admire him greatly. But one morning when we were in the committee room, he was reading a newspaper. I said to him, "How do you get that newspaper?" He said, "I have it sent to Alabama." It was the Wall Street Journal. He said, "I think it is the greatest newspaper in the country." So I would like to read to the Committee here the lead editorial from the Wall Street Journal. It is dated June 15. The title is "House Without Foundation." It goes like this:

HOUSE WITHOUT FOUNDATION

So many things are wrong with the housing bill in Congress that it would be impossible to catalog them here. But if there is a word that sums up these proposals, it is irresponsibility.

The version passed by the Senate this week, incorporating most of President Kennedy's requests, would cost more than $6.1 billion, which a debt and deficit-ridden Government obviously cannot afford. In some respects the bill reported by the House Banking and Currency Committee, with its 40-odd amendments, is even more reckless.

One of these amendments would more than double, to over $1.5 billion, the administration's request for the Federal National Mortgage Association special assistance fund. Another amendment would boost from $50 million to $650 million the administration's request for "community facilities." The House committee's minority report calls this provision, among other things, a needless federalization of municipal finance.

But the provision which seems to us to set the tone of the bill as a whole is the key one concerning housing for families of modest incomes; that is, in the $4,000 to $6,000 a year range. The White House asked Federal Housing Administration insurance of 40-year mortgages, with no down payment on homes costing up to $15,000. The Senate finally stuck in a token downpayment requirement, but even this small sop to responsibility may well disappear before the bill becomes law.

Certainly a case can be made that the community should try to provide tolerable housing for the truly indigent, despite the considerable abuses associated with public housing in practice. But when it comes to this sort of assistance for people of moderate incomes, we are leaving the standards of prudence far behind.

By definition, people of moderate incomes do not need public assistance. What the Government is in effect saying with this proposal is that if such a family does not have exactly the house of its heart's desire, it is the duty of Government to help provide that house. That is a concept of Government which has no place in any system short of socialism.

Consider, moreover, the demoralizing implications of the aid. One of the soundest principles of home ownership is that the buyer have an equity in his property; this is abandoned in the administration proposal. The authorization of 40-year mortgages is no less flagrant a departure from prudent lending procedures; on that basis, to mention just one objection, it has been estimated that the $15,000 home would cost the borrower something like $38,000 before he owned it, if it or he lasted that long.

To call such proposals by the name of assistance is to debase the language; they are nothing but an invitation to folly. Unfortunately that approach is typical of the whole bill.

For what is the broad housing problem this bill is supposed to remedy? Certainly this country is not up against a general housing shortage requiring the slambang measures of desperation in this catchall bill. There is increasing evidence that housing is catching up with demand; in some places, plain evidence of overbuilding and excessive speculation. Into this market the Government proposes to pour new billions for everything from public housing to farm and college housing. The one clearly discernible effect would be massive new inflation of a market in no need of stimulus.

And what is the fiscal background against which these huge new expenditures must be viewed? It is that of a Government increasing its spending for all conceivable domestic, military, and foreign programs, of a Government plunging ever deeper into deficits and debt. Even if the housing bill were otherwise desirable, it would not do in such circumstances. As the House committee minority puts it, the "overriding issue in this housing bill * * * is the issue of fiscal responsibility. The bill contains excessive budget spending authorizations. The bill contains unsound and unnecessary provisions."

We are not sure it is still possible to hope that some wisdom will be instilled into this measure. But, as it is, the country ought to know that the administration and Congress are heedlessly slapping together a house without foundation.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. KILBURN. I yield.

Mr. MULTER. The gentleman from New York is always very fair, and I am sure he would not want an unfair implication in the RECORD from what he said with reference to a statement made by the gentleman from Alabama. I am sure that what the gentleman from Alabama was referring to in that conversation was the news items of the Wall Street Journal. At the same time the gentleman from Alabama also said that he wished its editorial policy was as good as its news-gathering facilities.

Mr. KILBURN. I think they are better.

Mr. JOELSON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. JOELSON. Mr. Chairman, I rise in support of H.R. 6028, and to speak particularly in favor of that portion of the bill dealing with urban development and renewal.

The new frontiers in America lie not in the open prairies, but in the centers of our teeming and deteriorating cities.

If we are to preserve much that is great in our American democracy, we must now declare war on our festering slums. We have several weeks ago extended a Federal highway program costing billions of dollars, but what profit is there in building shining highways from slum to sordid slum.

Go through the heart of almost any large American city, and you will find appalling slums and choked streets. You will see habitations which breed despair and lawlessness in their inhabitants. You will see vacant stores and antiquated factory buildings. In short, you will see conditions which give aid and comfort to our enemies who would bury us.

For our national hope, pride, health, crime prevention, commerce, and for the continuation of our faith in our democracy to solve its own problems, I implore upon you the passage of this vitally needed legislation.

Mr. GILBERT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILBERT. Mr. Chairman, I appreciate the opportunity to speak in favor of the administration housing bill of 1961—H.R. 6028—and to urge its passage. I agree with President Kennedy that it is our responsibility to remold our cities, to improve our patterns of community development, and to provide for the housing needs of all segments of our population.

The housing shortage remains acute, and is one of the most crucial problems requiring our attention—14 million American families currently live in substandard dwellings; we are told that another 39 million families must be protected from the encroachment of blight and slums. These millions look to us for rescue from their sad plight; everyone is entitled to decent housing.

I represent the 23d District of New York, the Bronx, and I receive many requests, daily, from my constituents, who describe the intolerable housing conditions under which they exist and ask my help in securing decent housing. The unfreezing of the 100,000 units of public housing left in the original 1949 housing authorization would provide a substantial stimulant for the low-rent program which has been sadly neglected during these past years. Such construction must proceed to enable us to go forward with slum-clearance operations and to rehouse those displaced by such operations.

Although we have tried to meet the needs of the ill-housed among our low-income families, we have seriously neglected another segment of our population—those in the moderate-income bracket who earn too much to entitle them to public housing and yet cannot afford privately built, nonassisted housing. I am, therefore, pleased with the broadened FHA section 221 program which provides for 40-year, no-down-payment mortgages for housing for low- and moderate-income and displaced families. Although it has been termed a "2-year experiment" so far as others than displaced families are concerned, it is a new and important approach to the housing problem of the moderate-income group. This group is comprised mainly of young factory and white-collar workers who are entitled to have homes of their own and suitable places in which to rear their families. Although it is contemplated that this new approach will be revised and adjusted as experience is gathered, it is certainly worth trying and it is hoped that the experiment will prove successful.

The new program of low-interest FHA-insured loans for rental and cooperative housing projects will be a great boon to those now forced by circumstances into substandard housing and declining neighborhoods.

The provisions of the bill which would help the elderly with their housing problems are sorely needed; there is a great shortage of suitable housing for our older citizens and they look to us for this assistance.

It has been emphasized that a workable program of rehabilitation is vitally important if cities are to deal effectively with the spread of blight. The assistance provided in this bill is a step forward in this direction.

Other important provisions of the bill provide for a 4-year $2.5 billion authorization of funds of slum clearance and urban renewal. Other factors, as well as bad housing, must be considered; a long-range program is the most necessary and satisfactory. Under this bill, cities can look forward to receiving funds over a period of years and proceed with their renewal programs on an effective basis.

The larger cities of our country are particularly in need of help to combat increasing problems of blight and growth. Although real progress has been made in recent years, there is much evidence to indicate that new slums are growing even faster than old ones are being eliminated. To outdistance the spread of blight and to carry out an effective program of urban renewal and economic growth, our cities must have Federal assistance; they cannot manage to carry out comprehensive proposals regarding renewal projects without adequate Federal funds.

As the President pointed out, we must continue to clear and redevelop slum areas only where suitable housing is elsewhere available for occupants of these areas who can be humanely and fairly relocated.

Also, small businessmen in clearance areas deserve more consideration than they have had in the past. The provision which would permit payment of full moving expenses for business firms displaced by urban renewal and which makes such firms eligible for liberal loans through the Small Business Administration would assure the small businessmen the help they need.

All the provisions of the bill covering assistance in the categories specified therein, merit our favorable consideration and are important to the well-being of our people.

Positive action must be taken in all areas to help cities recover their economic stability, improve transportation systems, attract middle and upper income residents and business. We can look for great improvement with the help provided by this bill.

Tremendous benefits will accrue to our important construction industry and to related industries and services, as programs provided by this bill are carried out. There will be a great increase in employment of construction workers and others whose services are required by the housing industry. All this will, in turn, act as a stimulant to our Nation's economy.

I am pleased to support this bill which provides so many long-needed benefits; which will help our poorly housed people, and which will rescue our cities from permanent deterioration and give them incentive and help along the positive approaches of urban renewal, rehabilitation, and renewed economic growth.

Mr. VANIK. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Chairman, I take this time to commend the chairman of the Subcommittee on Housing, the distinguished gentleman from Alabama [Mr. RAINS] on his excellent and thorough analysis of the bill which is before us today. His comprehensive and concise explanation reveals his deep understanding of America's housing problems. I was privileged to attend many hearings of the Subcommittee on Housing and appreciate the care with which the subcommittee studied every item in this bill.

The $2 billion in urban renewal grant funds to be spent in a period of over 4 years is urgently needed to carry out a rebuilding of our cities which has just commenced. In my city of Cleveland as

well as in the other large cities of America, it would be tragic to see urban renewal suspended at the very moment results are beginning to be apparent. Unless these programs can be carried through to ultimate completion, our cities will face the tragic circumstances of a half cure for the fatal urban cancers of slum and blight.

By increasing the Federal national mortgage assistance authorization, this legislation seeks to create an adequate secondary market for mortgages thereby causing a downward pressure on interest rates to the advantage of every homebuyer.

The sections reducing downpayments to 3 percent and extending repayment on a 35-year basis for moderate income families should enable countless thousands to enjoy homeownership. The offering of adequate housing to this important segment should indeed reduce the demands for public housing facilities. The housing of moderate income families in their own homes is the superior way to meet this need. These provisions also serve to meet the tremendous housing needs of America's minority groups. These groups constitute a tremendous underdeveloped market for better and more adequate housing. It is my hope that every community will contribute by reserving adequate and suitable land areas for such housing development.

The success of the college housing program is self-evident. Federal participation in this area is approved without challenge. Almost every college campus in America boasts housing facilities built under this program. If we are to adequately prepare for the growth in the college population which is expected to double and total 8 million young people by 1970, this program needs every dollar authorized by this bill and more.

The Housing Act of 1961, in every respect, constitutes a proud step forward in fulfilling the housing needs of America. In the housing of its people and in helping its citizens house themselves, America dramatically leads the entire world. We must not yield or relax in our effort to continue our leadership and superiority. We must not relax until every American family can claim a chance at decent shelter.

Mr. RAINS. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, after the very able and brilliant analysis of the bill made by our distinguished colleague from Alabama, the chairman of the subcommittee [Mr. RAINS] I doubt that I can add very much to what has already been said in explanation of the bill.

My service on the Banking and Currency Committee began in 1947. During that time I have seen many housing bills presented—some by Republicans, some by Democrats—I cannot recall a bill that was as carefully considered in subcommittee and in full committee or that could be expected to do as fine a job as we hope this bill will do. In at least one part of the program that is presented, we are venturing into some new fields, but only by venturing into these new fields and experimenting in them can we make progress in this very important field of shelter for the American people.

I think there is no program that has done more to save this country from socialism and communism than the housing programs in which we have engaged over the course of the years past. Nothing has done more to bring us progress and prosperity and keep it here than the housing programs.

Housing is by all means the backbone of the American economy, because in this country we look upon the four walls that make a house as a home only after it is completed, furnished, and moved into by its American occupants. Housing touches every sphere of our economy.

A house without the furniture and furnishings that go into it cannot be a home. Thus we stimulate not only the housing industry but every field of industry in the country.

When the housing industry prospers the whole country prospers.

It has been said time and time again on the floor of this House that unless we build at least 1,400,000 new family units each year we cannot possibly catch up with the requirements of the people of the country for decent living as we know it and as we demand in accordance with American standards. Yet for many years now we have been building many less than that number. Some years we have hardly reached 1,200,000 new units per year. Under this program we hope we can begin to catch up, and if we can reach that annual figure of 1,400,000 family units a year maybe in 10 years every American will have a decent home in which to live, whether it be a rented house or one that he can afford to buy.

Under the provisions of this bill, as I said, there will be an experimental housing program. If it does not work out, we will backtrack and be the first to admit it is not working. We can stop it before it goes too far, and go back to the old tried and traditional methods, following along that path until we can find a better way.

It has already been emphasized that the so-called 40-year program is only a loan guarantee program. All we are going to do is insure the loan. Under this bill the borrower will still have to find a willing lender. Nothing under this bill requires any lender or lending institution, bank, savings and loan, pension fund, or investment company to lend a single dollar on that or any other program that is insured under FHA or under any of the Housing and Home Finance Agency programs. The willing lender must first approve the project, approve the borrower, approve the builder, and all of the specifications, then the loan is made. If it meets the specifications of this bill as it will be enacted, then only do they get the insurance. Only after default will there be any requirement on the part of the U.S. Government to make good under the insurance program.

If we may judge from past experience, we know that the premiums which will be paid for the insurance to be obtained under these programs will be sufficient to build up a fund that will be more than big enough, more than large enough to meet any and all losses that may be sustained. The amounts received thus far under all of these programs, as has already been indicated to you, are far in excess of any losses that we have been called upon to pay. So far as you can figure these things actuarily, every economist, every investment banker, every banker who has ever looked at the program, will tell you we are building up and have built up a fund large enough to make good any possible defaults.

I might offer this information for the benefit of those who were not on the floor earlier. In the bill as it passed the other body there is a provision for mass transportation. There is none in this bill. There is none because the committee heard no evidence on the subject, and no amendments to effect that purpose were offered either in the subcommittee or in the full committee.

However, the administration bill has been introduced today. It is H.R. 7787. Hearings have been set to begin next Tuesday and hearings on the mass transportation bills will start that day and continue daily thereafter, Tuesday, Wednesday, Thursday of next week. If we cannot finish the hearings in those 3 days they will continue the following week until completed. We then hope to bring to the House a mass transportation bill that will at least get us started with this important program. Without it all of our efforts and all of the work we are doing in the urban areas of the country will come to naught so far as housing is concerned. Without an overall plan that takes into account not only the housing needs but the transportation needs of each community we are not going to do the full job that needs doing so badly.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Kansas.

Mr. AVERY. I was just about to get to that point in my remarks during the debate on the rule, but my time ran out. I wanted to ask the gentleman, can we interpret that there will be no effort to amend this bill to include the transportation provision?

Mr. MULTER. I would express the hope that there will be none. I cannot prevent any Member from doing it, but I urge every Member please not to do it until we have completed these hearings. There is a provision calling for mass transportation lending and grants in the bill passed by the other body. The House committees have not yet considered that matter. We have had no hearings on it as yet, and we would be unable to properly legislate on the floor of this House on so important a problem. I hope the amendment will not be offered until the hearings that deal with the subject are closed, or at least until they are well underway and we have the story presented in part if not completely. Of course, we will be all through with this housing bill before those hearings are closed. If we can, as the result of those hearings, come up with some constructive legislation, I would prefer to see it

come to the floor of the House after the hearings have been concluded.

Mr. MEADER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and three Members are present, a quorum.

Mr. McDONOUGH. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman and Members of the Committee, I do not want to repeat what the chairman of the committee has had to say concerning this bill, but I do want to observe that he has softened his attitude concerning the bill considerably by proposing to amend title I to provide for 35 years instead of 40 and for a 3-percent downpayment instead of no downpayment. Now, this must have occurred since the subcommittee adjourned, because during the subcommittee's deliberations an amendment was offered and it was voted down very vigorously by the Democrat members of the committee. The efforts that my colleague, the gentleman from Alabama [Mr. RAINS] made to convince you that there was very little spending in this bill were very extensive, and every attempt was made to convince you that it was an economic measure. Now, you heard the gentleman from Virginia [Mr. SMITH] this morning comment on the bill. And, he has been around here a long time and he does not juggle figures. He said he could not decide how much money was involved in the bill before the Committee on Rules.

But he did conclude that it was certainly more than the amount that the chairman of the committee [Mr. RAINS] offered, some $4.6 billion, and the figures I have before me show that there are grants amounting to $5,284 million and loans amounting to $3,676 million, making a total of $9.51 billion. This includes the obligation which the Federal Government will assume in annual payments to the proposed 100,000 public housing units that are in the bill over a 40-year period.

The most serious objection I have to this bill is that we do not need a housing bill for 4 years. We have never heretofore passed legislation of this kind for a period of 4 years. We are committing subsequent Congresses to abide by the terms of this bill unless, of course, and they have the authority to amend, but we would be obligating them at least, and we would be giving the agencies that make certain commitments under the terms of this bill an opportunity to exercise those commitments and obligate the Government in less than 4 years' time. We are also removing the responsibility of the Congress from acting on the housing legislation for another 4 years, and we are gradually developing a pattern here, or we are moving into the action very rapidly, that the Congress is no longer necessary; that all we have to do is act upon long-term legislation.

We have a proposal before us coming up on a long-term foreign aid program. We have heard in this last week that there are efforts to be made to give the President of the United States the right to adjust the tax rates of the Nation on income tax. Here we have a housing bill for 4 years, and we have bills coming in from the Agriculture Committee that will give long-term authority to the Secretary of Agriculture.

My principal objection is to the length of time, and I want it thoroughly understood insofar as my activity on the housing bill and my knowledge of the needs which stimulate the economy of this country, is that if we need any stimulant to the housing industry of this country we should keep our finger on it rather than giving authority extending over a period of 4 years.

I have previously opposed the public housing section of the bill and I oppose this one for the same reason. I am not alone in my opposition in that insofar as Members of the House are concerned, as well as mayors of the various cities and city councils, as well as the people of the various cities of the United States, it is becoming very unpopular to the extent that some 90 cities have passed referendums to prevent public housing units to be built in their areas. So, to take care of the unpopularity of public housing, along comes a proposal in this bill for low-interest rate, 40-year mortgages for multiple housing, for low rent for people who would ordinarily occupy public housing units.

Some of the programs which this bill authorizes are these:

The public housing units of 100,000 are one-sixth as many units as we have authorized in the previous 24 years that public housing has been in effect.

The urban renewal authorization of $2 billion is as much as has been authorized in the previous 12 years under the urban renewal program.

The college housing section, which provides for $1,200 million, is 70 percent of the total authorized in the previous 11 years.

I notice that the other day the gentleman from Alabama [Mr. RAINS] inserted in the RECORD a statement indicating the various colleges in the United States that have asked for aid in college housing. The total was $42 million this year. This bill is asking for $1,200 million.

The community facilities authorization of $500 million is 10 times the amount the administration asked for in the bill that came to the Congress, and it is more than 3 times the amount authorized in the previous 5 years of this program.

The elderly housing of $100 million is double the amount allowed in 1959.

The grants for land purchases, which is a totally new program for parks, recreation areas, and greenbelts, or buffer areas to prevent urban sprawl, as the bill designates it, is $100 million. It is an area into which we have not yet ventured. There are a lot of complications as to whether or not this could be implemented because of the laws of the various States, counties, and cities that may attempt to use this, because this would proceed on the basis of condemnation, it would put land into an indefinite use for an indefinite period of time. Nobody could use that land without the authority of the Housing Administration, and if an area is used, the city must find a way to replace the amount of land that is taken out of the greenbelt and make a permanent greenbelt around the area.

Insofar as parks and recreation areas are concerned, the bill provides for parks and recreation areas in urban renewal areas. I maintain that if cities and counties find it necessary to annex areas for recreation purposes, they should do it on their own responsibility, and that this $100 million is only a beginning of the billions of dollars that we can use to promote this kind of development.

The gentleman from Alabama [Mr. RAINS] says there is a great demand for housing for the low-income group, with incomes of $4,000 to $6,000, that that market must be provided for such people to buy houses. I read here from the U.S. News & World Report of June 26, containing a survey of the principal areas of the United States as to the demand for home buying. In Dallas they say there is no hurry to buy there, that they had quite a time working off the surplus houses that were built. Reports from Boston, Chicago, San Francisco, Atlanta, and Kansas City, Kans., tell of a sluggish market. A builder in Kansas City said it is very disappointing. He thought he could dispose of 100 houses this year and says he will do well to get rid of 70 houses.

I have another statement that came to my desk last week from the Administrator of Federal Housing, Mr. Hardy. He tells about the vacancy factor in FHA-insured housing units throughout the country. The average is 5.4, but the startling thing is that in cities such as Jacksonville, Fla., Tampa, Fla., and Springfield, Ill., the percentage is over 15 percent of vacancies; in Grand Rapids, Mich., it is 13.2; in Cincinnati, 17.9; in Little Rock, Ark., 12.6; and in New Orleans, La., 28.5—vacancies in FHA-insured rental units.

Those are vacancies in FHA insured rental units. This means that if those vacancies continue, we are going to have these mortgages on our hands. Now where is this demand for the housing? Where is this demand coming from—that this kind of houses be built? I have been waiting for my mail to come in asking for this kind of legislation. As much publicity as we have had on this bill, I have had practically no demand for this kind of legislation. I have had contrary letters—yes—criticisms and opposition to the passage of this kind of legislation. In the President's own words in his message to the Congress on the 25th of May he said, and I quote:

> Moreover, if the budget deficit now increased by the needs of our security is to be held within manageable proportions—if we are to preserve our fiscal integrity and world confidence in the dollar—it will be necessary to hold tightly to prudent fiscal standards; and I must request the cooperation of the Congress in this regard—to refrain from adding funds to programs, desirable as they may be, to the budget.

The President is asking us to be prudent in the expenditures of Federal funds, and here we come along with a 4-year housing bill where many of the funds and grants and loans could be

committed within 6 months or, certainly, within a year after the bill is passed, and then we would find we are short of money to carry out the program on a broader basis. I will offer at the appropriate time a substitute bill, a substitute to provide for the requirements of all of the workable programs that are now operating with ample funds to carry them on for another year.

I may say that when the chairman of the subcommittee on housing comes here and offers something to almost everyone in every congressional district, he has a great advantage over any proposal that I may make. But, nevertheless, I am appealing to fiscal responsibility, to your conscientious responsibility as Members of the Congress to judge whether it is wise to commit the Government after the President of the United States, who certainly cannot be considered to be too conservative in his attitudes on Government spending, as I say, as the President of the United States has made the statement, and you heard it if you were here on the 25th of May to be prudent and to discourage the Congress from enacting any legislation as desirable as it may be, if it affects the value of the dollar. Here we are approaching a period within the next week or so to adjust the national debt. There, certainly, ought to be some time when we can stop and think. When is this going to stop? How much further can we go? The Secretary of the Treasury says that next year we are going to have a boom year and a reduction in taxes. Well, I cannot see how you are going to reduce taxes, if you are going to obligate yourself for some $9 billion in loans and grants for this expansive and expensive visionary housing bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BOW. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Eighty-two Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 92]

Barrett	Harris	Roberts
Blitch	Holifield	Rogers, Tex.
Boland	Hosmer	Roosevelt
Bonner	Kearns	Slack
Buckley	Kilburn	Smith, Miss.
Burke, Ky.	Kilgore	Staggers
Casey	Kirwan	Steed
Cederberg	Kluczynski	Teague, Tex.
Celler	Laird	Thomas
Coad	Machrowicz	Thompson, Tex.
Dawson	Mack	Van Pelt
Fallon	Magnuson	Vinson
Findley	Merrow	Walter
Flynt	Norrell	Winstead
Forrester	O'Neill	Wright
Grant	Poage	Young
Gray	Powell	
Green, Oreg.	Rivers, Alaska	

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BOGGS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 6028, and finding itself without a quorum, he had directed the roll to be called, when 381 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. RAINS. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. ADDONIZIO].

Mr. ADDONIZIO. Mr. Chairman, I believe that the bill now before us, H.R. 6028, is the finest piece of housing legislation we have had in my 13 years as a Member of the Congress. It is a well-balanced, comprehensive bill that will enable us to attack the full range of our problems in housing and urban affairs. It contains many of the ideas which have been advanced in past years by the Subcommittee on Housing, of which I am an original member, and it embodies all of the major recommendations of the Kennedy administration.

This bill demonstrates the benefits of a forward looking administration working together with the Congress toward the goal of improving housing conditions and making our cities better places in which to live. All too often in past years we have been confronted with opposition from an administration which considered housing legislation as nothing better than a necessary evil to be kept to a minimum. Now at last those of us in Congress who are determined to see progress made toward our national goal of a decent home in a suitable environment for every American family can work in confidence that we will have the cooperation of an administration which believes in the same ideals. The legislative proposals of the administration which are contained in this bill is clear evidence of this.

Not only will this bill mark an important forward step in the effort to improve housing conditions, it will also take advantage of the homebuilding industry's special potential for creating jobs and giving a boost to the economy. Repeatedly in the past, new construction has proven its special value in combating unemployment. While the business outlook has brightened in recent years we are still far from achieving our all important domestic goal of prosperity and full employment. The encouragement that the provisions of this legislation would give to homebuilding would create jobs not just in that industry alone, but in the many firms located in every part of the country who depend on new housing to maintain sales and employment. These two reasons—better housing and more employment—make this one of the most important bills that will be considered by the Congress at this session.

Mr. Chairman, I recognize that this is a long and complicated bill covering all of our housing program. The chairman of the Housing Subcommittee has already presented a review of the bill title by title and I do not intend to go into every detail. However, I do want to emphasize several provisions which I feel are of fundamental importance.

First, the bill would authorize the construction of approximately 100,000 low-rent housing units for families of lowest income. For many of these people this program is their only hope of obtaining decent housing. No one can dispute that the large proportion of the millions of unfortunate families now living in slums cannot afford decent private housing. Without low-rent public housing, their housing problem—which is our housing problem—is hopeless. Either we condemn these American families to a perpetual life in the slums, attended by the social disorders that slums produce or we must continue and expand our low-rent public housing program. It is as simple as that.

I have long fought for the low-rent public housing program. I have done so because, clearly, it was the only means of providing housing for a large segment of our population. Moreover, all the facts available to us through these years prove, incontestably, that we can never rid ourselves of the slums which scourge our cities unless we have a means of providing decent housing for the hundreds of thousands of very low-income families inevitably displaced by the slum-clearance programs.

Another provision of the bill which is of key importance in our efforts to make our cities better places in which to live is the additional authorization for Federal grants for the urban renewal program. Since it was created in 1949, the direct attack on city blight made possible by this measure has proven to be one of the most helpful actions for our urban population that the Federal Government has ever undertaken. So far 900 projects in nearly 500 communities of all sizes have been started to wipe out some of the worst slum areas in our country. Unfortunately, all of the funds authorized for that program have been exhausted and a backlog of $400 million in pending applications has built up.

The pace is rapidly increasing, and this administration is committed to a greatly expanded and stepped-up urban renewal program, looking, as the President has said, toward newer and brighter urban areas. For this program the House bill proposed an additional authorization of $2 billion to cover the next 4 years averaging approximately twice as much per year as in previous periods—making it possible for towns and cities to plan more effectively, in terms of a total job; to eliminate slowdowns and close the time lapse between planning and construction of urgently needed projects.

The urban renewal title of the bill contains one provision in which I take particular pride because it is something for which I have fought constantly. This is the section that would increase the proportion of urban renewal funds which could be used to improve blighted business districts from 20 to 30 percent. While the primary purpose of the urban renewal program is still the elimination of substandard housing, there has been a growing awareness of the need to overcome the problem of rundown business districts as well. These nonresidential projects have a special value to those who have responsibility for a city's financial affairs. Experience has proven that every kind of urban renewal project strengthens the city financially. Slums always mean a drain on the city because they require more public services than

they return in taxes. Rebuilding those areas inevitably changes them to community assets. This is particularly true in nonresidential projects and the result is that local government is thereby better able to meet its responsibilities toward its citizens without raising tax rates to crushing levels.

Mr. Chairman, the bill now before us also faces up squarely to the housing problems of families of modest incomes—those who earn somewhat too much for public housing and yet who cannot afford really adequate housing, on the regular private market.

First of all, the bill would authorize FHA-insured low-interest rate loans, with a long term—probably 50 years—to nonprofit and limited dividend corporations, cooperatives, and certain public agencies to provide multifamily housing for families of modest income. The interest rate on these loans would be set by the FHA Commissioner and could be as low as 3⅛ percent at present. He could also name the FHA insurance premium to reduce financing charges further. This will mean a savings of as much as $20 a month compared to housing financed at the usual interest rates. Since private lenders will not be interested in these loans, the bill authorizes the Federal National Mortgage Association to purchase them under its special assistance fund.

Another provision of the bill would make homeownership possible for many families of modest incomes. This would be done by extending the present FHA sales housing program for displaced families to lower priced housing generally. This would allow no downpayment loans with terms up to 40 years on homes selling for up to $15,000 in high cost areas. These liberal terms will enable many families to become homeowners and to have decent housing for no more than the rent they pay now on housing which may be rundown or overcrowded.

A particularly valuable addition to housing legislation would be made by the new program of FHA-insured financing for home improvement. It would be extremely shortsighted if we did not make some provision for maintaining and improving the value of the 50 million homes now in existence. Anything that can be done now to help property owners fix up this housing will improve housing conditions and save us money in the long run. In fact, back in 1956, our Housing Subcommittee recommended just such assistance as the result of intensive field studies. Therefore I am particularly pleased that we will now have an opportunity to try this plan out in action. Under the terms of the bill this will take the form of FHA-insured rehabilitation loans up to $10,000 per dwelling unit and with terms up to 20 years. The maximum interest rate on these loans would be 6 percent. This financing could be in addition to any existing first mortgage loan on the property. The FHA Commissioner would be given discretion in the type of security he required which might be a second mortgage for the larger long-term loans or it could be a simple personal note in other cases. These terms will for the first time enable families to make substantial improvements to their homes at monthly payments which the family budget can stand.

Another provision of the bill would expand and liberalize the program of direct Federal loans for housing for the elderly. It would authorize an additional $100 million for this much-needed assistance and it would eliminate the present 2-percent equity requirement so that the loans could be made for the full amount of development cost. Also the loans, which are now made only to private, nonprofit corporations, could also be made to cooperatives under the terms of the bill. These improvements will help us meet one of our most urgent housing needs, that of providing decent places to live for our growing number of elderly citzens.

Mr. Chairman, the bill also contains a number of provisions of particular benefit to suburban areas. It would liberalize FHA's regular homeownership program—section 203—to permit lower downpayments and larger mortgage amounts and to increase the maximum term from 30 to 40 years. It would also aid the orderly, healthful growth of our suburbs through additional Federal planning grants, through grants to help communities provide parks and playgrounds and by a new program of FHA mortgage insurance for land acquisition and development.

I think this new program of Federal partial grants to help communities buy park land and recreational areas is especially praiseworthy. In many parts of our cities you have to travel for miles before you can find a park or recreational area in which our children can play and our adults can rest from their daily labors. At long last we will now have a provision which will encourage and aid communities to provide the parks and recreational areas so vitally needed by our urban population.

This is a bill which will make it possible to mount a sustained attack on our whole range of housing and urban problems. It would benefit every part of our Nation and every group in our population.

I am proud to have played a part in framing this far-reaching bill which will I am sure become a milestone in the history of housing legislation. I urge the House to approve it by an overwhelming vote.

Mr. McDONOUGH. Mr. Chairman, I yield 15 minutes to the gentleman from New Jersey [Mr. WIDNALL].

Mr. WIDNALL. Mr. Chairman, in approaching this bill and actually a number of the other bills that have been offered this year to the Congress, I think of an article which appeared in the New York Times on Sunday, February 12, 1961, written by James Reston which was entitled "Fables of the Times: The Lion and the Bear." I will not read the entire article, but it ended with this moral:

> Ask and ye shall receive; ask not and ye shall receive anyway.

Now that is what is happening in this bill, "ask not and ye shall receive anyway." Here is a bill involving housing, and on programs of this type the gentleman from Alabama [Mr. RAINS] and I have been intimately associated with these matters over the years, and in my case since 1952, involving, whether it be the billions of dollars which he projects or the $9 billion that, we believe, is contained in the bill. In any event the bill involves the expenditure of a great deal of money and for the first time since I have been a Member of the Congress, I have not received a letter from my district concerning this bill, either for or against. Now this is very strange. It is particularly strange that items like this I hold in my hand should be going out through the mails trying to get support for this bill from those who have a real financial stake in it and no support received. This is a money lenders bill. This is a builders bill, and there is a tremendous amount of profit contained for them in the bill. I have in my hand the Washington letter sent out by the National Association of Home Builders of the United States. It reads in part as it refers to this housing bill:

> Advise your Congressman immediately by wire or personal letter of your views. The chances are he is deeply troubled by the seeming conflict in proposals upon which he must act. This must not be defeated.

Mr. Chairman, I have many, many home builders in my district. We probably have as great an impact in building and the problems of building in my area as any place in the United States. There has been a very, very rapid growth of all kinds of housing in my area, and up to this minute I have yet to hear from a single home builder in my district who supposedly is so vitally interested in this bill which is supposed to help the economy so much in order to provide housing.

We sat here in this Chamber several weeks ago and heard the President give us an urgent special message. In that message, he asked us to refrain from enlarging programs that were submitted to the Congress. Within 24 hours the House Committee on Banking and Currency enlarged this program by $1,250 million in just two instances. I am disturbed about this because I think this is fiscal irresponsibility. I believe the President of the United States was right in asking us to refrain from enlarging programs. But, I want to know and I try to know whether or not his administration actually believed in that, as he uttered it to the Congress. Because I so seriously felt the impact of this committee action was irresponsible, I wrote two letters—one to Mr. Bell, the Director of the Bureau of the Budget, and one to the Secretary of the Treasury, Mr. Dillon. I want to read these two letters and the replies that I received. The one to Mr. Bell was sent on June 6, 1961:

JUNE 6, 1961.

Hon. DAVID E. BELL,
Director, Bureau of the Budget,
Washington, D.C.

DEAR MR. BELL: As you doubtless know, the House Banking and Currency Committee in reporting the administration's housing bill, H.R. 6028 (a 57-page proposal), added some 40-odd additional provisions so that the amended bill has now become a bill comprising 111 pages of text. Some of these changes will have very serious budget impact and increase the budget deficit. They hardly seem in keeping with the admonition

of the President in his special message to the joint session of the Congress when he stated "I must request the cooperation of the Congress in this regard to refrain from adding funds to programs, desirable as they may be, to the budget."

The administration bill requested an increase of $750 million in the FNMA Presidential Special Assistance Authority. Such an increase is provided for in section 601(a) of the bill. The committee, however, added two new provisions, found in sections 601(b) and 601(c), the effect of which is to further increase the FNMA Presidential Special Assistance Authority by an additional estimated amount of at least $800 million, making the total increase for this authority at least $1.55 billion. When the Housing Administrator appeared before the subcommittee and was asked as to whether or not the proposed $750 million increase was enough, his response was, and I quote: "We feel that $750 million will be adequate." This appears on page 68 in the hearings. Has there been any change in the administration's position on this question? Specifically, are the increases provided for in sections 601(b) and 601(c) of the bill in accord with the program of the President?

The administration's bill requested an increase of $50 million in the authorization for public facility loans and that was the only change proposed in that program. An amendment made by the committee to the bill as reported provided a tenfold increase in that amount, namely, $500 million. Other liberalizing amendments to the program were adopted by the committee, the principal effects of which would be to substitute Federal financing for private municipal financing and at a subsidized lending rate when current costs of the Federal Government borrowing money on comparable maturities is taken into consideration. Is the $500 million increase in this loan authority in place of the $50 million increase requested in the administration bill in accord with the program of the President? Likewise, are the other liberalizing changes made by the committee amendments in accord with the program of the President?

The increased authorizations provided by committee amendments for just these two programs, namely, $800 million in the case of FNMA and $450 million in the case of community facilities loans, total $1.25 billion more than administration requests and, of course, will further increase budget deficits in the amounts by which the authorizations are used.

I will greatly appreciate your answers to the questions I have raised.

Very sincerely yours,

WILLIAM B. WIDNALL,
Member of Congress.

This was the answer I received dated June 12, 1961:

JUNE 12, 1961.

Hon. WILLIAM B. WIDNALL,
House of Representatives,
Washington, D.C.

DEAR MR. WIDNALL: This will reply to your letter of June 6, 1961, concerning the administration's position on certain of the provisions of the housing bill, H.R. 6028, as recently reported by the House Banking and Currency Committee.

The housing message of the President and the testimony of administration witnesses before the Banking and Currency Committees of both Houses have set out in some detail the position of the administration on various aspects of housing legislation. If further analysis of H.R. 6028 indicates the need to modify or expand the position already presented to the Congress, we will inform you at the earliest possible date.

Sincerely yours,

ELMER B. STAATS,
Deputy Director.

That, of course, was no answer to the questions that were posed.

Now I read a letter to the Secretary of the Treasury dated June 6, 1961:

JUNE 6, 1961.

Hon. DOUGLAS DILLON,
Secretary of the Treasury,
Washington, D.C.

DEAR MR. SECRETARY: It seems to me that several provisions of the housing bill, aside from the huge spending authorizations, should be of interest to the Treasury Department. I think it is most unfortunate that the subcommittee did not call for testimony from Treasury Department officials.

The bill would make a fundamental change in the manner in which FHA settles insurance claims arising from particular programs. As you know, the FHA from inception has settled mortgage insurance claims by payment in debentures and a certificate of claim rather than by a cash settlement. The existing debenture settlement method permits the FHA to weather a severe economic upset and hold acquired properties off the market until the economy again enters the recovery stage of the business cycle when liquidation can proceed in an orderly manner.

To my way of thinking, this is a very basic element of strength in the soundness of the FHA setup.

This bill, in sections 101, 102, 103, and 612, would permit FHA insurance claims, at the discretion of the Commissioner, to be settled by a cash payment rather than by payment in debenture and certificate of claim. In effect, the lender is permitted to receive the mortgage rate of interest return with a 100-percent Government cash takeout the moment trouble occurs. For the long-term investor that is simply buying Government credit with a bonus interest rate about 1½ percent over the Government bond rate. Potentially, it could prove disruptive to Federal bond financing quite aside from the Federal demand obligation created. I would appreciate having your views on these proposed changes. It seems to me that if cash settlement is to be permitted at all, and I do not think it should be, it would be desirable that approval of the Secretary of the Treasury be required as well as the approval of the Commissioner.

Amendments made by the committee, but not in the administration bill, would alter the character of the public facilities loan program with such loans to be made under an interest rate formula which presently works out to a rate of 3½ percent. I think it is conservative to estimate between $3 and $4 billion of municipal financing which is done each year would be eligible under the new program and would be attracted to the new program because the Federal lending rate would be slightly under the market rate available in the private market. In other words, once communities became aware of the submarket Federal rate, they would simply shift from private financing to Federal financing and the $500 million authorization would be quickly exhausted as it amounts to only about 2 months of financing by municipalities in the private market.

Another program added by amendment would permit the Small Business Administration to make 20-year loans at a 3-percent interest rate to small business concerns displaced by an urban renewal project or other governmental action.

Sight seems to be lost of the fact that in a period of budget deficits, the Federal Government must go into the market and borrow the funds with which to honor Federal commitments under these programs. Assuming the Federal Government were to borrow from $500 million to $1 billion, please give me an estimate as to the price at which a 3-percent Federal issue could be sold in the market today assuming maturities of (a) 15 years, (b) 20 years, (c) 25 years, (d) 30 years, (e) 40 years, (f) 50 years. Again, assuming an issue between $500 million and $1 billion but with a 3½-percent coupon rate, what would be the prices at which the issue could be sold under the same maturities specified in the preceding sentence?

As you can well understand, it is necessary to have some estimate of the cost of long-term money to the Government under current conditions to get some idea as to the subsidy involved in these programs.

Sincerely yours,

WILLIAM B. WIDNALL,
Member of Congress.

Here is the answer from the Treasury Department:

JUNE 16, 1961.

Hon. WILLIAM B. WIDNALL,
House of Representatives,
House Office Building,
Washington, D.C.

DEAR MR. WIDNALL: Secretary Dillon has asked that I reply to your letter of June 6 outlining a number of questions concerning financing arrangements embodied in the housing bill H.R. 6028. I have discussed this matter with representatives of the Bureau of the Budget and have learned that the Bureau has already replied to a similar letter which you directed to that agency. I have seen that reply. The Treasury Department, of course, agrees with the Bureau of the Budget which is charged with the responsibility of coordinating the administration's position on all pending legislation.

Sincerely yours,

ROBERT V. ROOSA,
Under Secretary.

Please read the RECORD tomorrow which will show these two answers. Is an iron curtain being drawn around the activities of the Government, so that the American people connot learn the true budget impact of administration proposals? The Department immediately responsible under the Kennedy administration has refused to answer questions that are vital if we are to understand the full import of this legislation.

I have also written a letter to President Kennedy, to which I have not received a response, in which I have called his attention to the unresponsive answers to the questions asked in my two letters. That letter follows:

JUNE 19, 1961.

Hon. JOHN F. KENNEDY,
The President,
The White House, Washington, D.C.

DEAR MR. PRESIDENT: Under date of June 6, 1961, I addressed letters to the Director of the Bureau of the Budget and to the Secretary of the Treasury with reference to certain aspects of the housing bill. Copies of these letters together with the replies thereto are enclosed.

I find these replies inexcusably unresponsive.

Am I to infer that it is the policy of the Bureau of the Budget to take no position on changes the Congress may care to make in administration legislative proposals? Likewise, am I to infer that the Treasury Department will not vertify the fact that in today's market it could not sell a 20-year, 3-percent Government security for a price as much as 88 cents on the dollar?

Very sincerely yours,

WILLIAM B. WIDNALL,
Member of Congress.

Since that time I have received, delivered by hand and without any reference, from the Treasury Department a slip of paper that is not identified in any way except it says "Debt Analysis June 13, 1961."

It states:

On the basis of current market yields (June 6, 1961) on outstanding Government securities, the prices on various maturities at coupon rates of 3 percent and 3½ percent would be the following:

Price of bond

Maturity	3 percent	3½ percent
15 years	89⅞	95½
20 years	87⅞	94¾
25 years	86⅛	94⅛
30 years	84¾	93⅜
40 years	82½	92¾
50 years	81	92

NOTE.—Since the Treasury has no bonds maturing beyond 37½ years, the market rate on the longest bond outstanding has been assumed as the yield for the 40- and 50-year bonds.

It should be emphasized that these are only possible prices under current market conditions. The actual prices on a new offering by the Treasury would probably be considerably lower, especially in the longer maturities, in view of the thinness of the market in those areas. In any maturity beyond 15 or 20 years, $500 million to $1 billion additional supply of new bonds would probably have an appreciable market impact.

I hope Members will pay particular attention to the table showing the prices at which long-term Treasury bonds with 3 percent and 3½ percent coupons would sell in today's market. For instance, if the Governor in making the 20-year 3-percent loan to small business concerns displaced by urban renewal action, it would cost the Government a 12-percent discount to borrow 20-year money at 3 percent. Likewise for the Government to make a 50-year community facility loan—and they can be that long—at the 3½ percent interest rate, the Government would suffer a discount of 8 percent on each dollar borrowed to make such a loan because the table shows a 50-year, 3½-percent Government bond in today's market only sells at a price of 92 cents on the dollar.

There has been some talk about public housing. I would like to mention one section of this bill that no one has touched on, section 206(c) on page 97 of the bill, and I think it is important to touch upon it. Under existing law, at the end of the 40-year period during which the Federal Government has the responsibility to make the principal and interest payments on the debentures that were issued in order to build the public housing project, the Federal Government is supposed to start getting some of its money back; some of the hundreds of millions of dollars that have been paid out. In this bill that section is repealed so that the Federal Government cannot possibly get any money back. If the existing law remained in effect, as it should, we could be getting back a reasonable amount 15 or 20 years from now when some of these projects can start to pay off. And, I see no reason at all why there should be this windfall to the local municipalities or to the local housing authority.

The gentleman from California [Mr. MCDONOUGH], has covered very well many sections of the bill. When we reach debate under the 5-minute rule I will take up other sections also as we approach them in the bill. This is a vast spending program, embarking on many new functions that I believe require far more study before the Federal Government starts with an entering wedge of $100 million here, $50 million there, $500 million there to develop projects that can mean billions and billions of dollars more spending and more and more taxes on the taxpayers back home. It is about time that I believe those in business, those in labor, those of us in politics should assume a far more responsible attitude toward the Government if we are to maintain our leadership of the free world. We cannot afford to play politics as usual in the critical world in which we live. We cannot afford to continue that tragic way of thinking, that writing out or using a blank check will cure everything that might be wrong here in the United States.

There must be priorities and we must measure up to our responsibility in determining those priorities and meeting the urgent needs of the Nation, instead of starting out on some new, fanciful projects.

Today I received, as did other Members of the House of Representatives, a letter from the Investment Bankers Association of America concerning the Federal loans for community facilities under the proposed Housing Act of 1961. I am inserting that letter in the record at this point because it clearly shows the ability of small municipalities to borrow in the present market at a favorable rate and also demonstrates that the private market would be eliminated completely by the vast new community facility program. The latter point seems to be the objective of the Democratic majority as shown in the housing report at page 57 when it says:

The administration bill requested an increase of $50 million in this authorization. The committee boosted the increase tenfold to $500 million to provide for the enlarged demands that would be made on the program because of changes proposed in the basic character of the program. These include (1) placing the program on a subsidized, submarket interest rate basis, (2) introducing a new nonmarketable type of municipal security under which interest payments could be postponed for 10 years, (3) permitting a $10 million loan limit per project, and (4) setting up a new business department to stimulate activity with the customers.

The letter follows:

INVESTMENT BANKERS
ASSOCIATION OF AMERICA,
June 19, 1961.

Re Federal loans for community facilities under the proposed Housing Act of 1961.

To Members of the House of Representatives, Congress of the United States:

The proposed Housing Act of 1961 (H.R. 6028) as reported by the House Committee on Banking and Currency would authorize $500 million of additional funds for community facility loans at 3½ percent, although President Kennedy requested (and the housing bill passed by the Senate provides) only an additional $50 million at interest rates in effect under the present program.

In support of the proposed $500 million program at 3½ percent there were statements in the CONGRESSIONAL RECORD last week that the need for the program primarily exists in municipalities under 10,000 population, that the primary purpose of the program is to end the discrimination and the severe restrictions on public improvements suffered by smaller communities because of high interest rates imposed on them, that even though they may have the soundest financial standing, smaller local governments are inevitably forced to pay higher interest rates than larger jurisdictions (p. A4234, daily RECORD of June 12); and that construction of community facility projects in many cases are being blocked by the prohibitively high interest rates which most small communities must pay on their bonds (p. 10472, RECORD of June 15).

Since our research department keeps a record of every issue of municipal bonds for which information is available, we believe that you would like to have the facts on this matter. Bear in mind as a comparative yardstick for interest rates that on June 15, 1961 the bonds of the United States (the best credit) maturing in 1968 (7 years) were quoted to yield 3.84 percent and those maturing in 1980 (19 years) were quoted to yield 3.87 percent—so that the proposed 3½ percent loans by the Federal Government with maturities up to 40 years would be at a rate lower than the rate at which the Federal Government can borrow money for comparable maturities.

During the first 3 months of 1961 (January–March), municipalities with population under 10,000 sold 305 issues of general obligation bonds aggregating $102,415,000 and 92.67 percent by dollar amount of these issues were sold at a net interest cost under 4 percent. But about 49.47 percent by dollar amount of this financing (over $50 million) which was done without Federal assistance was at an interest cost above 3½ percent, which would have made it eligible unnecessarily for Federal loans under the proposed change (if the particular facility qualified).

These facts demonstrate that small municipalities are obtaining financing for public facilities at reasonable interest rates without the proposed expansion of the Federal loan program. Since the emphasis in the community facilities loan program has been in water and sewer facilities, there is attached to this letter for illustration a partial list of issues of water or sewer bonds sold by municipalities with populations under 10,000 during the first 3 months of 1961, indicating the amount, range of maturities and net interest cost. You may also find helpful information in the following facts:

1. The sales of new issues of State and municipal bonds to provide long-term financing for the construction of public facilities during the past 3 years (1958–60) aggregated over $22 billion, and the sales of new issues of municipal bonds during the first 4 months of 1961 aggregated over $2,795 million (which was about 7.44 percent above the volume of new issues during the same period in 1960).

2. The principal effect of the proposed expansion of the program would be simply to substitute Federal financing for financing which would otherwise be obtained from other sources. During the last 6 months of 1960 when over $3 billion of municipal bonds were sold, over 60 percent of the bonds (over $1,800 million which were sold in the regular market were sold at rates which would have made them eligible for Federal loans under the program if the proposed 3½-percent rate had been in effect.

3. Federal assistance in this field is already provided in other Federal programs, including grants under the water pollution control program, and loans and grants under the Area Redevelopment Act.

Consequently, we respectfully suggest that there is no need for the proposed expansion of the program to provide $500 million in Federal loans at 3½ percent.

Respectfully,

GORDON L. CALVERT.

Partial list of new issues of bonds sold by municipalities with population under 10,000 for water or sewer facilities during the first 3 months of 1961 (January–March)

Issuer, purpose	Amount	Maturity range	Net interest cost
Maumee (Ohio) street and sewer	$125,000	2-10	2.760
Farmingdale (N.Y.) water system	150,000	1-15	2.990
Wappingers Falls (N.Y.) water	90,000	1-15	3.090
Sudbury (Mass.) Water District	35,000	1-15	3.130
Belleair (Fla.) sewer	500,000	3-12	3.154
Golden (Colo.) water	270,000	1-15	3.169
Radford (Va.) water and sewer	1,100,000	1-20	3.187
Westminster (Mass.) water	125,000	1-15	3.240
Britt (Iowa) sewer	96,000	1-19	3.257
Little Rock (Iowa) Community School District	140,000	1-18	3.273
Spencer (Iowa) sewer	350,000	1-19	3.321
Dalton (Mass.) sewer	695,000	1-29	3.350
Oak Harbor (Ohio) sewer	69,000	1-20	3.370
Morris (Minn.) sewage	340,000	2-21	3.373
Greenville (Mich.) sewage	300,000	1-20	3.391
North Baltimore (Ohio) sewer	100,000	1-19	3.450
Perrysburg (Ohio) sewage	295,000	1-20	3.460
Medina (N.Y.) water	700,000	1-29	3.480
Buhl (Minn.) sewage	112,000	2-13	3.487
Strasburg (Va.) sewer	170,000	1-20	3.528
Medina (Ohio) waterworks	150,000	2-21	3.566
Medina (Ohio) sewage	650,000	2-21	3.566
Medina (Ohio) waterworks	200,000	2-21	3.566
Fairfax (Minn.) water and sewer	49,000	2-16	3.570
Liberty (N.Y.) water	120,000	1-27	3.630
Wells (Minn.) sewage	190,000	3-20	3.645
Bedford Heights (Ohio) sewer	$398,000	1-20	3.650
West Carrollton (Ohio) sewer	175,000	2-21	3.680
New Windsor (N.Y.) water	198,000	1-20	3.710
Salem Heights (Oreg.) Water District	486,000	1-23	3.726
Enfield (N.C.) water	100,000	3-21	3.743
Bloomfield Hills (Mich.) sewer	1,330,000	1-29	3.778
St. Helens (Oreg.) sewer	125,000	1-20	3.778
Wesson (Miss.) waterworks	60,000	2-21	3.802
St. Joseph (La.) sewer	86,000	1-25	3.809
Seaside (Oreg.) sewer	271,000	1-19	3.817
Belleair (Fla.) sewer	750,000	2-31	3.877
Hazlehurst (Miss.) sewer	395,000	4-30	3.916
Riverdale (N.J.) water	175,000	1-30	3.920
Winnsboro (La.) Sewer District 1	275,000	2-25	3.930
De Quincy (La.) Improved Sewer District	157,000	2-20	3.940
Somerdale (N.J.) sewer	162,000	1-18	3.940
Old Town (Maine) Water District	800,000	1-20	3.950
Granite Falls (N.C.) sewer	50,000	1-18	3.978
Bernice (La.) sewage	65,000	1-20	4.010
Cookeville (Tenn.) waterworks revenue	600,000	6-24	4.088
Blaine (Minn.) water	533,000	3-21	4.141
White Cloud (Mich.) sewage	150,000	3-29	4.168
Arden Hills (Minn.) sewer	400,000	1-20	4.220
Fuquay Springs (N.C.) sewer	230,000	2-31	4.235
Hugo (Minn.) waterworks improvement	160,000	2-20	4.322

This bill should be defeated. I urge the enactment of the substitute bill that will be offered in the House tomorrow.

Mrs. DWYER. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentlewoman from New Jersey.

Mrs. DWYER. Mr. Chairman, like so much legislation that comes before the House, the housing bill which is now before us has much in it that is good, but it also contains much that is highly questionable. I hope that the House can improve and strengthen our housing programs.

In several respects, the committee bill violates the recent request made by President Kennedy that Congress restrain itself, in the interest of fiscal responsibility, from increasing the spending requests his administration sends to Congress. As the report of the committee minority demonstrates, the majority on the committee has cut out and added to the original administration housing proposals. In doing so, they have added new spending authorizations totaling, potentially, billions of dollars over and above the President's request. The committee's authorizations for FNMA mortgage purchases, for college housing, for community facilities, and for farm housing all exceed significantly the very generous original budget request of the administration.

In my judgment, Mr. Chairman, neither the committee hearings nor any other information that has come to the attention of Congress justifies these increases.

Mr. Chairman, I speak as a friend of Government-assisted housing. As a Member of Congress and as a member of the Banking and Currency Committee, I have consistently supported sound housing legislation. By means of Federal assistance, States, local communities, and private individuals and groups have been encouraged to accept their mutual responsibilities for helping to provide decent and badly needed housing for all our people. For this reason, I think it is extremely important that Congress exercise discretion and sound judgment in framing new and revising old housing programs.

Rather than attempting to analyze this bill in detail, I should like to emphasize two or three points which seem to me to be of special importance. The first concerns our urban renewal program. Again, I speak as a friend of housing when I say that the time has come for a comprehensive congressional review of urban renewal. There is widespread concern among Members of Congress, among those experienced in the field of urban redevelopment and among private citizens generally with the way in which this valuable program has seemed to grow away from the objectives Congress originally had in mind. Instead of eliminating slums, wiping out conditions which breed crime and delinquency and restoring residential areas to levels of decency and attractiveness which would encourage community pride, urban renewal has too often been a bonanza for private developers, a creator of new slums, a destroyer of old and potentially attractive neighborhoods, and a midwife to huge and impersonal office buildings and luxury apartments.

Congress has a grave responsibility to think through these problems, to revise statutes and regulations, as experience indicates, so as to achieve more surely our basic objectives and to strengthen the understanding and cooperation of local people in their urban renewal programs.

A major part of this problem, as I have indicated, is the need to encourage greater community understanding of and participation in urban renewal projects. I speak from the harsh experience of a proposed multimillion dollar urban renewal project, known as the Pearl Street project, in my home city of Elizabeth, N.J., when I point out that one of the major obstacles to a comprehensive community improvement program has been the failure of the planners and redevelopers and city officials to take the people into their confidence, to assure widespread understanding of the purposes of a redevelopment project sufficiently early to permit the full expression of the people's views and attitudes. Unless machinery can be developed through which the people of a community, particularly those residing in the redevelopment area, and officials in charge of redevelopment can work out their differences, then we shall be faced with more and more instances of the expensive and time-consuming delays which have plagued the Pearl Street project.

Therefore, Mr. Chairman, I look forward to the opportunity to vote in favor of an amendment to the present bill which would require the people of a community to express their approval on urban renewal projects by means of a referendum. I am familiar with the objections which have been raised against the referendum proposal, but I feel sure in specific instances thoughtful and creative local officials can overcome the obstacles of a referendum and, by so doing, further the ideals of a practicing democracy and achieve public understanding and support for urban renewal. By making local referendums mandatory, Congress will be requiring local officials to consult with their people. Because they will need the support of local voters, officials responsible for urban redevelopment will have the most effective incentive possible for assuring local cooperation by providing the information and justification on which urban renewal is based.

In at least one major respect, Mr. Chairman, the committee bill is inferior to the housing bill passed by the Senate. There is no provision in the committee bill for a program of mass transportation loans and planning grants. I realize this is due to the fact that no hearings on such a program have been held in the House this year. As a sponsor of the mass transportation bill, the committee's failure to hold hearings has been disappointing to me. There is no more urgent national problem today than the need to free our cities and metropolitan areas from the choking conditions of modern traffic through the development

of comprehensive metropolitan mass transportation systems. Just 2 months ago, the Advisory Commission on Intergovernmental Relations, which is composed of Cabinet officers, Senators, Congressmen, Governors, mayors, State legislators, county officials and private citizens, strong endorsed the purposes and provisions of the mass transportation bill passed by the Senate and pending here in the House.

I understand that no attempt will be made during consideration of the housing bill to offer the mass transportation bill as an amendment. This can be a justifiable decision only if it is accompanied by a determination on the part of leaders of the House to initiate active consideration of the bill in time for final action during the present session of Congress. I hope that the majority leadership, the chairman of the Banking and Currency Committee, and the chairman of the Housing Subcommittee will assure us today that this, indeed, is their intention.

Finally, Mr. Chairman, I believe the pending bill could be greatly improved by devoting at least a portion of the public housing authorization to the needs of elderly families of low income. Although the bill includes an expanded authorization for the program of loans to build housing for the elderly, the loan program has failed to meet the requirements of the many low-income elderly persons. While monthly rents are somewhat lower than conventional FHA rental housing, they are still out of reach of many of our older people.

It is generally appreciated that elderly persons are among those with the lowest incomes, for whom, of course, the public housing program was intended. This fact is underlined by an administration provision in the housing bill which would reimburse local housing authorities by $120 per unit per year in cases where the housing authority encountered financial deficits as a result of placing elderly families in their housing units.

While this provision in the bill confirms the fact that older people need special help, I am afraid the provision in practice will discourage local housing authorities from setting aside units for elderly families, since the local authorities must realize that the $120 subsidy would, in effect, be unavailable for alternative uses in public housing.

It seems to me, therefore, that we should require that elderly persons be given a certain priority in obtaining public housing. This is the best way to assure that the people's needs and the objectives of Congress will be met.

Mr. RAINS. Mr. Chairman, I yield such time as he may require to the gentleman from New Jersey [Mr. DANIELS].

Mr. DANIELS. Mr. Chairman, I am strongly in favor of the bill under consideration, H.R. 6028. In my view this is one of the most vital bills which come before us this year.

The crux of this legislation is title I which, for the first time, gives recognition to the plight of the low- and moderate-income family. This is the group with income too high for public housing, but too low to permit them to purchase their own homes under present downpayment requirements and monthly carrying charges.

Studies have shown that no new housing is being built today which families earning between $4,000 and $6,000 can afford. At the same time, decent, moderate-cost rental housing is in short supply in every major city. Title I contains a two-pronged attack on this problem by a program of 40 year, no-downpayment loans for home purchasers and by a program to encourage moderate-cost rental housing for the middle-income group who wish to rent.

There are many reasons for supporting this bill. It will provide a needed shot in the arm for the building industry, bolster the general economy, and create new job opportunities for the unemployed. But no reason is more important than the fundamental premise that decent shelter and human dignity are inseparable. It is our responsibility, as a democratic nation, to afford to each of our citizens the opportunity to secure adequate housing when the acquisition of such housing is financially beyond their reach.

There are many other meritorious features which I might mention briefly. The successful elderly housing program, initiated in 1958 on an experimental basis, will be increased by $100 million. Increases in the public facility and college loan funds are equally welcome. And the original public housing goals, contemplated by the Housing Act of 1949, will be restored, after the regrettable slowdown in this program in recent years.

No less important, certainly, is the urban renewal authorization included in the bill. As a Congressman from a basically urban area in New Jersey, I have seen at firsthand the phenomenal progress which this program has made possible. If the authorization in this bill is approved, action will be possible upon numerous urban renewal applications from communities throughout New Jersey, including the area which I represent. Further development throughout the country depends upon our action here today.

I believe the committee is to be commended for presenting an adequate, soundly based housing program. I urge the House to approve this bill intact.

Mr. RAINS. Mr. Chairman, I yield 10 minutes to the gentlewoman from Missouri [Mrs. SULLIVAN].

Mrs. SULLIVAN. Mr. Chairman, I have been a member of the Committee on Banking and Currency since my second term in the House, beginning in 1955, and I have served during most of these years on the Subcommittee on Housing. We have studied every possible aspect of America's housing problems, and I think this House knows the conscientious manner in which Chairman RAINS has conducted the work of our subcommittee. I am proud to serve on the subcommittee, and I am proud of the fruits of our efforts over these years.

Last year, we reported to the full committee, and the full committee reported to the House, an outstanding housing bill. We could not pass it over a certain veto, so we took it apart and enacted some portions of it—knowing all of the time that we were not giving the American people the kind of far-reaching housing legislation our country and our economy needed.

MEMBERS NEED ONLY LOOK AT NEEDS IN THEIR OWN DISTRICTS

Now we have that chance, and I hope the House will help us to make good on it. The Senate has passed a good bill. Our subcommittee and the full committee have now reported a good bill. The President stands ready to sign it, in contrast to the veto which would have been certain last year. So it is now up to the House.

Members in doubt about this legislation should ask themselves whether the people in their home districts are now able to afford, and to buy, the kind of housing they need. I know of very few areas of this country where the majority of the people who need good housing—decent housing—can readily obtain it.

This is not to say our present housing programs are a failure, or that the housing laws enacted since the FHA program went into effect 27 years ago have not accomplished their purpose. But this is not 1934, nor is it 1954. We have changed from a population composed mostly of renters into one composed largely of homeowners. And this has brought many social values all of us can understand and appreciate.

CHANGING PATTERNS IN OUR CITIES

But as our population has expanded, as our cities have grown and become horribly congested, as our urban renewal programs have wiped out vast numbers of existing homes, we have found ourselves falling behind in providing housing adequate to our needs.

Now let us get busy again, with some imaginative new programs to enable all Americans to live decently.

We must, of course, continue with the construction of some public housing to meet the needs of those at the lowest income levels, particularly those displaced by urban renewal or other mass evacuation projects. But public housing never was and never can be the full, or the main, answer to the housing needs of our people, and no one familiar with public housing's limitations ever thought otherwise. But those who qualify for public housing can live decently.

Those at the top of the income level have no trouble finding and purchasing the kind of housing they want. Millions of such families now live exceedingly well. Their environmental needs are different—faster transportation to and from the job, including improved mass transit; more parks and open spaces; effective action against air pollution; adequate public facilities such as sewer, water supply, and other utilities. In this bill, we are doing something about some of those problems.

FINANCING PROBLEMS FOR FAMILIES OF MODERATE INCOME

But there are millions of families above the income level for public housing and below the income level enabling them to go out and find and purchase good housing in good neighborhoods. These are people who could afford de-

cent housing if we can only cut through and eliminate the financing bottlenecks and the high downpayments and high interest rates, and the side payment discounts and all of the other problems of this nature.

It is to strike at these acute and serious financing problems that we have built most of the new features into the Housing Act of 1961.

First of all, of course, is the proposal for 40-year, very-small-downpayment mortgages of up to $12,000 in most areas, or up to $15,000 in high construction cost areas. All sorts of allegations have been made about the economics of this program. Actually, we have such a program already in effect now for families displaced by urban renewal projects. So it is not unprecedented. True, the purchaser over the life of a 40-year mortgage pays a lot of interest. But these things are also true: he owns a good house in which he can live decently; his monthly payments are moderate; the house itself must meet Federal standards of construction; he can pay off the mortgage in a shorter period of time if he is in a position to do so—and I hope many of them do—and people not now able to buy homes can, for the first time, find themselves actively able to enter the housing market. Therefore, I think the good far outweighs the bad.

REHABILITATION OF OLDER HOUSES

A more important feature of this bill makes possible the rehabilitation and modernization of existing, solidly-built homes in stable neighborhoods. The proposed program for 20-year loans for remodeling and rehabilitation is a great forward step. Let us keep our solidly built older homes from deteriorating into slums. Let us make it possible for the owners of such homes to fix them up into the kind of desirable quarters they were when originally constructed. To me, this is the most important new feature of the bill. The present title I FHA program, limited to 5, or in most cases, to 3-year loans, makes it impossible for the average owner of an older home to undertake any extensive rehabilitation or improvement. So the home deteriorates more.

Our cities are in a state of physical revolution—urban renewal, new high speed highways, and a surge of new luxury apartments in once blighted areas. On the fringes of every renewal area are good, older homes which could easily slide into the slum category if we don't make it feasible for the owners to modernize them and keep them as desirable places in which to live. You just cannot revive and revitalize your cities if you have bright new luxury apartments and town houses in the center areas, surrounded a few blocks away by decay. Urban renewal must include the rehabilitation of all good housing in the city. This requires not Federal grants, but reasonable loans—and under FHA, I remind the Members, the Government actually makes a profit.

If this bill had nothing else in it than the 20-year rehabilitation loan program, it would be a tremendously effective bill in helping to solve our housing needs.

RENTAL HOUSING IN NONPROFIT PROJECTS

Another very important new provision deals with rental housing projects, financed with low-interest loans extended to nonprofit corporations. Under this program, an eligible nonprofit corporation or cooperative could provide, for about $60 a month, the kind of apartment otherwise requiring a rent of about $80 a month. This is an area in which unions, religious organizations, and membership organizations of all kinds could make a great contribution to improved living conditions for their own members or for the general public—for families of moderate income, particularly. This program has many similarities to the special program we enacted in 1959 for the elderly, a program which this bill would substantially expand. But you don't have to be 65 necessarily to need a good apartment at a moderate rental, and the new program should fill an important gap in our rental housing program.

THE "OPEN SPACES" PROPOSAL

Mr. Chairman, there are many other provisions in this bill, and my time for discussing them is necessarily limited. Looking at the overall legislation from the standpoint of the needs of the people of St. Louis, I am proud and happy to say that this bill will be of tremendous help to our city and to our people. It does not make huge handouts from the Federal Treasury. It provides primarily for practical, effective financing help which will not involve any net cost in Federal funds. Most of these programs will pay their own way, and more. On the other hand, the open-spaces program, which would help the cities to acquire land for parks and recreational areas, is a long overdue recognition of one of the great problems of metropolitan areas in providing safe recreational facilities in an attractive setting. We need only look around us here in the Washington area to recognize how valuable such Federal help has been right here in providing open spaces and park settings.

A START TOWARD A BETTER CITY

There can be no controversy over the college housing loan program, which we continue and expand. The public facilities loans will enable smaller communities to modernize and improve their sewage and utilities systems to keep pace with new housing demands. The urban renewal provision, making an additional $2 billion available for our cities, will make this program much more effective. In St. Louis, we are now seeing concrete evidence of the wonders this program can achieve. It was hard going, it was difficult, it led to much dislocation and personal inconvenience and even hardship, but the results now are truly spectacular. I am proud to have had a legislative role in making this dream come true. But it is only a start toward a better city—in a better America. This bill enables us to make giant forward strides in that worthwhile direction.

Mr. Chairman, I urge the passage of H.R. 6028.

The CHAIRMAN. The time of the gentlewoman from Missouri has expired.

Mr. McDONOUGH. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, there are some things in this bill that bother me tremendously. Much of it has to do with that back-door spending scheme which is designed to wreck completely the financial structure of the United States and bankrupt the Government. I have prepared a table which shows what the situation is. The table is as follows:

Identified back-door appropriations in legislative bills and propositions, 87th Cong., 1st sess.

[In millions of dollars]

Depressed areas, enacted (S. 1)	300
Direct veterans' loans, pending (H.R. 5723)	1,200
Sale of surplus agricultural commodities for foreign currencies, enacted (H.R. 4728)	2,000
Feed grain program, enacted (H.R. 4510) (Use of CCC funds)	[1] 500
Highways, pending (H.R. 6713)	[2] 150
Special milk program, pending (S. 146) (Use of CCC funds)	105
Total	4,255
Housing bill, pending (H.R. 6028)	8,800
Total	13,055
Foreign aid, pending (administration request)	8,800
Total	21,855
Airport aid, pending (administration request)	375
Total	22,230

[1] Identifiable figure in House version. Department is to supply cost of program to Congress shortly.

[2] Estimate of diversion each year from general budget revenues to the highway trust fund.

I hope that this House when we come to face the music will stand up to the rack and that we will turn down this bill and help to keep the United States of America solvent.

Mr. McDONOUGH. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. DERWINSKI].

Mr. DERWINSKI. Mr. Chairman, the proposed Housing Act of 1961 now before us is a masterpiece of complexity, cost, and confusion. My purpose in the time allotted to me this afternoon is to try to bring some minimum amount of clarity into the situation so that the Members, at least those who have not been whipped into line to support the bill, might base their judgment on this final evaluation.

I believe, therefore, a little background would be helpful. May I remind you that the 2d session of the 86th Congress adjourned without an omnibus housing bill clearing both Houses of the Congress. The title I home repair and improvement program and the veterans' loan programs were extended and authorizations increased for a number of existing programs.

Private nonfarm housing starts showed a decline during 1960 from the previous year, though mortgage funds were in easier supply during the second half of the year. The Bureau of the

Census reports that March 1961 privately owned housing starts up 34 percent over the February total; the normal increase for this period is 25 percent.

The controversy over housing legislation in the 1st session of the 86th Congress resulted in two Presidential vetoes due to increased commitments for Federal spending. The bill finally signed into law, S. 2634—Public Law 86–372—provided $8 billion in additional FHA mortgage insurance authorization; $650 million for urban renewal for a 2-year period; an extension of the home improvement program to October 1, 1960; authorization of 37,000 public housing units; $250 million for college housing; and a new $50 million program of loans for housing for the elderly.

No omnibus housing legislation was enacted during the 2d session of the 86th Congress despite much activity in both Houses. The only housing amendments of any consequence cleared by the Congress in 1960 provided for an extension of the title I home repair and improvement program and removal of the ceiling on the insurance authorization; an increase in the college housing and other educational facilities authorizations; and an increase in the public facility loan authorization. The Congress also approved an extension of the VA-guaranteed and direct home loan programs.

Last year the House passed a bill entitled "The Emergency Home Ownership Act," which was not acted upon by the Senate. I think it is fair to presume, therefore, that the Senate did not feel there was an emergency in the home-building industry in 1960 and refused to be stampeded by the wild cries of this imaginary emergency.

However, on August 31, 1960, Senator SPARKMAN offered various housing amendments to House Joint Resolution 784, as follows:

1. To extend the title I home repair and improvement program for 1 year, until October 1, 1961, and remove the ceiling on the title I insurance authorization.

2. To increase the college housing loan authorization by $500 million, from $1.175 billion to $1.675 billion, to increase by $50 million the ceiling for "other educational facilities," from $125 million to $175 million, and to increase by $50 million the ceiling for "student-nurse and intern housing," from $50 million to $100 million; and

3. To increase the public facility loan authorization by $50 million, from $100 million to $150 million.

These amendments were approved by the Senate on August 31, 1960, and agreed to by the House of Representatives the same day. The resolution, with the housing provisions, was approved by the President on September 14, 1960, as Public Law 86–788.

Public Law 86–665 extends the veterans' guaranteed and direct home loan programs for 2 years, from July 25, 1961, to July 25, 1963.

Mr. Chairman, I feel that it is also sound for us to review former President Eisenhower's final recommendation, submitted in his proposed budget for fiscal 1962, and in his final economic report. Mr. Eisenhower, displaying his usual sound judgment, placed emphasis on private, State, and local efforts, and I quote from his budget message:

The best results will be obtained by emphasizing leadership and financial participation by private industry and by local and State public agencies. Federal assistance can be most effective, most consistent with our free institutions, and least costly to the taxpayers if it emphasizes the supplementary action needed to help overcome obstacles to private and local accomplishment.

The major needs for the immediate future can best be met by assuring private groups and local governments of the continuing availability of existing Federal programs.

Mr. Eisenhower's recommendations included legislation to provide permanent authority for major housing programs, revise ceilings on interest rates on veterans', military, and rental housing loans, and to extend direct housing loans for veterans of the Korean conflict but to terminate the program for World War II veterans. No additional authorization for construction of public housing units was recommended in the Eisenhower budget.

Mr. Chairman, the bill before us bears very little resemblance to the sound housing proposals of Mr. Eisenhower.

Mr. Chairman, I would now wish to direct myself to certain questions raised by the bill.

First of all, may I point out that housing starts in 1961 showed substantial improvement over 1960 and are a reflection of the soundness of the home building industry supported by the supply of lendable funds, slightly reduced interest rates, which I must point out are a result of supply and demand, not artificial manipulation.

The general consensus is that there will be a plentiful supply of mortgage money the remainder of this year and next year and the level of interest rates would remain stable. At this point it is well for me to remind my colleagues that approximately two-thirds of the nonfarm dwelling units started in the last 5 years were financed through conventional lending programs; therefore, are not directly affected by housing legislation. This indicates the ability and the effectiveness of the private sectors of our economy in meeting housing demands of the American public.

The Federal Reserve Board has expressed concern over artificial stimulation of residential construction and its effect on the market value of the existing stock, pointing out that—

Changes during recent years in the amount and kind of household formation, the steady rise in vacancies, and the absence of pronounced urgency in market demand for housing suggest that we may have entered a period when the total stock of housing, and its capacity to satisfy consumer wants, is numerically more nearly satisfactory then before. If this is the case, attempts to maintain additions to the supply at recent levels may have serious effects on the market value of the housing stock, followed by a substantial decline in the volume of additions that can be produced, and sold or rented, in response to market demands.

Undoubtedly, a substantial number of Americans are living in housing that should not be in use. Elimination of substandard housing, however, is not necessarily a direct consequence of building more houses than the market will absorb. Immediately after the war, an increase in supply—by repair, modernization, and conversion, as well as by new construction—did result in many families moving from makeshift to acceptable housing. For many families, however, the use of substandard housing now is a reflection of their inability to cope with individual family, social, and economic problems, or of a preference for goods and services other than housing, rather than of an overall shortage of housing.

Whether or not this is a matter of personal "fault" is immaterial; if the housing conditions of these people are to be improved in a lasting way, steps must be taken which will help to solve the problems that lie at the root of their difficulty. Experience of the past generation suggests that, although such measures may be largely ineffective unless there is a housing supply of adequate size and diversity, the measures themselves must be much broader than merely stimulating residential construction by progressively easier financing arrangements. This experience also suggests that construction needed to meet the needs of those presently occupying substandard housing cannot be used to any great extent to counteract fluctuations in residential construction activity that arise from other sources. To the extent that the problems of residents of substandard housing are housing problems, the bulk of them are likely to be associated with the functioning of the market for the existing supply, rather than with the functioning of the market for additions to the supply through new construction.[1]

Specifically, questions have been asked as to how Federal spending for housing programs affects the economy. Obviously, the effect differs in a period of recession, a boom period and in a normal period, if there is such a thing any more. A housing bill of this magnitude cannot help but have a disrupting effect upon the stability of our economy and the soundness of industries affected by the housing program. This is quite aside from the scope and magnitude of this program which would make the Federal Government administrator a czar over the administration of the smallest community in the country.

I have pointed out the availability of mortgage funds, thus disproving the need for a spending program of this size.

However, there is a basic question that must be resolved; namely, that we must isolate any action of the Congress from the entire operation of our Federal Government. Obviously, we cannot assign fiscal responsibility or the lack of it in this administration if one program is repeated in all others to the detriment of the truly forgotten American, the little taxpayer.

To keep the record straight and not be accused of making any partisan statements, I feel I would be on appropriate grounds if I quoted from a very distinguished member of the present administration. I have before me a statement made by the Assistant Secretary of the Treasury, Mr. Roosa, made before the Post Office and Civil Service Committee. Now, if we will grant the fact that regardless of another matter on which we are working there is not a single bill that we have worked on in any congressional committee that is not related to fiscal

[1] Ibid., p. 26.

responsibility and cannot be completely removed from the other operations of the Government and the Congress, then I certainly think that it is proper for us to discuss the comments of this gentleman who appeared before the Post Office and Civil Service Committee, and in doing so he described the position of the administration. I quote Mr. Roosa as follows:

The President has made quite clear the strong concern of this administration for sound financial principles—at the same time that it pursues policies to achieve high and rising levels of economic activity. Starting with his January message on the state of the Union, continuing with his messages on the balance of payments and on budget and fiscal policy, and most recently in the message of May 25 on urgent national needs, the President has time and again underscored the need for fiscal integrity, in particular by exerting every effort to hold down the budget deficit now emerging in the current recessionary period and by achieving a balanced budgetary position over the years of the business cycle.

Mr. Roosa quoted President Kennedy, stating:

If the budget deficit now increased by the needs of our security is to be held within manageable proportions—if we are to preserve our fiscal integrity and world confidence in the dollar—it will be necessary to hold tightly to prudent fiscal standards; and I must request the cooperation of the Congress in this regard—to refrain from adding funds or programs, desirable as they may be, to the budget.

Mr. Roosa again:

I cannot emphasize too strongly the harmful effects domestically and internationally of any indication that our Government does not have its fiscal affairs under control. At home, undisciplined deficits are a prime source of inflationary pressures, and they leave for the monetary authorities the full burden of placing a restraining hand on potential excessive demand. The recollection of what a large budget deficit leads to in terms of high interest rate levels and tight availability of credit is too fresh to be ignored.

Now, I would wish that all of us in the Congress would give the President and his Budget Director and the Treasury Department support in trying to achieve a reasonably balanced budget, trying to achieve some stability and fiscal responsibility in the operation of what is commonly known as the New Frontier.

The gentleman from New Jersey [Mr. WIDNALL] earlier mentioned the statement before the committee by Mr. Staats, Deputy Director, Bureau of the Budget.

He also appeared before the Post Office and Civil Service Committee discussing fiscal responsibility. At that time I asked him this question:

Now we are all aware, of course, that Congress occasionally disrupts the careful planning of the Budget Bureau by sometimes slicing appropriations, or we often add to appropriations.

Now would it not seem consistent at this point that—I am asking you to advise the Post Office Department, but wouldn't it seem consistent at this point that the Post Office Department go to the Members of Congress who are on record as being spenders and ask them to be realistic in supporting this measure and, in turn, going to the Members of Congress who have a habit of voting against handouts and saying, "Look, you have done your job to keep down the cost of Government. We are not going to pressure you to jam through this postal rate increase."

In other words, we at least want consistency. The people who spend money ought to stand up on the floor of Congress and have the guts to vote for this increase and those who are economy minded might even decide in good conscience to vote against this measure and be perfectly free and honest and not political in their vote.

I am trying to point out to you the personal attitudes that Members of Congress ought to take and should be asked to take by the administration.

Mr. STAATS. Well, I find this a reasonable approach to the problem. I would certainly suggest that anyone facing a budget situation such as we have now who is urging additional expenditures and additional programs ought to feel a double compulsion to do something about bringing the postal budget somewhere more nearly in balance than it is now.

I think if I could transpose myself to sitting where you gentlemen are on this and if I were urging expanded programs in other fields, I would feel I had an obligation to support something of this kind, even though it might hurt in the area which I came from.

If we are to add millions of dollars to the administration budget figures by this housing bill, there is a distinguished Member of the majority party on the Post Office and Civil Service Committee who is working to strike down the President's proposal to increase postal rates. In other words, the majority party spends money like drunken sailors on this bill, then turns to kill a chance for economy in another committee. In the thought, therefore, of an administration spokesman, whom I quoted previously, this is pure fiscal irresponsibility.

The chairman of the House subcommittee has made some interesting comments and observations this afternoon. As I speak at this moment, I do not think anybody in this House has any idea as to whether the bill that we have had presented to us is going to have a 40-year, no-downpayment program, a 35- or 30-year program. The way concessions are being made may eventually find a 10-percent downpayment, a 25-year mortgage plan, or some other adjustment. The committee members at this point can hardly recognize the bill. Also, I am curious to know what we will be voting on in reference to this open-space provision. The open-space provision calls for $100 million for communities to acquire land.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order a quorum is not present.

The CHAIRMAN. The Chair will count.

Sixty-two Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 93]

Barrett	Coad	Green, Oreg.
Blitch	Davis, Tenn.	Hébert
Boland	Dawson	Hosmer
Bolling	Fallon	Ichord, Mo.
Boykin	Findley	Jones, Ala.
Buckley	Flynt	Kearns
Burke, Ky.	Forrester	Kee
Cederberg	Frelinghuysen	Kilgore
Celler	Grant	Kirwan
Chiperfield	Gray	Kluczynski
Laird	Powell	Thompson, La.
McMillan	Rivers, Alaska	Thompson, N.J.
Machrowicz	Rivers, S.C.	Thompson, Tex.
Magnuson	Roberts	Trimble
Mason	Rogers, Tex.	Van Pelt
Minshall	Roosevelt	Walter
Morrison	Sheppard	Wharton
Norrell	Sisk	Willis
O'Neill	Smith, Miss.	Winstead
Passman	Spence	Wright
Pilcher	Staggers	Young
Pillion	Steed	
Poage	Teague, Tex.	

Accordingly, the Committee rose; and the Speaker having resumed the chair [Mr. BOGGS], Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 6028, and finding itself without a quorum, he had directed the roll to be called, when 367 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Illinois will proceed.

Mr. DERWINSKI. Mr. Chairman, may I repeat one of the problems we face at this time is to determine just what is in the bill we are supposed to be voting on tomorrow. We spent most of our time in the Housing Subcommittee discussing the 40-year, no-downpayment provision. I now understand that this is a thing of the past; it is going to be a 35-year provision with 3-percent downpayment. The only conclusion I can reach from this is that the House subcommittee spent two-thirds of its time discussing something which was so basically bad and indefensible that even the proponents had to drop it from the bill because no one could possibly defend it.

May I repeat, another point we discussed was the so-called open-space provision. I understand this has been considerably changed, but for the moment let us think otherwise. Let me quote this open-space land provision:

The term "open-space land" means any undeveloped or predominantly undeveloped land, including agricultural land, in or adjoining an urban area, which has economic and social value as a means of shaping the character, direction, and timing of community development; recreational value; conservation value in protecting natural resources, or historic, scenic, scientific, or esthetic value.

Mr. Chairman, as I understand our present situation, the only thing that is left in this section is a provision for parks. But evidently we have left in the bill the $100 million fund. So we now have in the housing bill this $100 million to provide parks. This is about as loose a way of writing legislation as I ever heard of.

I would like to remind you that one industry in this country which is expecting a real boom is the vacation industry. It is stated that Americans are going to spend more money traveling to more places within this country than at any time in our history. They are going to get away from the parks in their own communities, they are going to get away from the recreational areas in their own communities. They are going to travel 500 or 600 miles to the national parks

and the other geographical and historical sights of this country. If we have any degree of consistency at all, if we are going to give $100 million for this vague program of building parks in home communities, we ought to strike $100 million from the Park Service fund because they are competing against each other. If we build too many parks in our own communities, we will have empty national parks, and if we have too many traveling to national parks our own community parks will suffer.

Another idea I would like to emphasize, and it is the most important thought in the housing bill—I understand from numerous Members, both majority and minority, that very little mail has been received on the subject of this housing bill. As a matter of fact, specific industries, homebuilders, the savings and loan industry, the bankers of the country, and many other normally interested groups, have had surprisingly little to say. This is an interesting point and rather tragic. The reason, Mr. Chairman, that we have not heard from these people who normally have an opinion on these matters is because they are afraid of the tax program that may be sent down from 1600 Pennsylvania Avenue. They are afraid they will be driven out of business if they oppose any segment of these New Frontier programs. So, rather than voice their objections, they are fearful of speaking out, they fear they will arouse the vengeance of these fuzzy-headed, dictatorial bureaucrats who are now running the country. I think it is a sad thing in this country when in the operations of this Congress we sit by and permit important segments of our country to be muzzled due to the fear of revenge from an administrative branch of Government.

I repeat, we are witnessing the stifling of opposition within the country to administration policies. Opposition is being stifled in fear of the depth to which this administration may reach in its frantic, megalomaniac attempt to regiment the country. And, I would suggest that it might be well when we return home at the close of this session, returning to the people at the grassroots level, that all of us, regardless of our political faith, listen to the public, and we will understand that they are afraid of the programs that this Government is embarking upon; more than that, they want us to stand up as Members of the Congress and reassert the checks and balances system. They realize Members of Congress are being threatened with loss of Federal patronage, with loss of Federal pork-barrel projects. They realize others are being bribed with Federal judgeships for political associates. The public understands the political gyrations of the administration and are urging us to fight for a sound dollar, sound programs, and to remember that there is such a thing as a taxpayer.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. RAINS. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. SANTANGELO].

Mr. SANTANGELO. Mr. Chairman, I enthusiastically endorse and support H.R. 6028.

I rise to support H.R. 6028, a bill to assist in providing housing for moderate- and low-income families, to promote urban development, and for other purposes. This bill is an advance into the new frontiers of America—our cities. Its basis is the American private enterprise system. There are very small amounts of grants in this bill for the first year. Most of the financing is in loans which will be repaid to our Government with interest.

Our census figures indicate that over 130 cities in America have populations in excess of 100,000. These truly are our new frontiers. The problems in the cities are manifold. A major problem confronting the cities and the rural areas is adequate and decent housing. The problem has been complicated by urban renewal programs and highway construction programs, which have uprooted many old families and dislocated thousands of persons. Slums and deterioration of old buildings are blights in our cities and in our communities. In my own particular congressional district, particularly in Yorkville, over 10,000 families have been dislocated because of luxury apartments which rent for $50 to $100 per room per month. This rental is beyond the reach of the average wage earner. The residents of Yorkville have been unable to find adequate housing at reasonable rentals. They do not have the means to purchase homes or cooperative apartments at the present prices and at the present interest rates, nor can they rent apartments because none are available at reasonable rentals. Rent control, especially in the Yorkville section of my district, has been an illusory and unsatisfactory protection. Despite rent control, the tenants are not protected and have been evicted by large developments whose rentals, because of the high cost of construction and high financial interest rates, are beyond the reach of the average worker.

What does this bill, H.R. 6208, do and what are its major provisions? This bill provides rental housing for modest income families—from $4,000 to $6,500 a year—under liberal financial terms with interest rates as low as 3½ percent. These terms would lower rents by $20 a month per unit and would bring the rentals within the reach of these families of moderate income. FNMA special assistance funds are provided for this purpose and loans could be made to nonprofit and limited dividend corporations, cooperatives, and local public agencies—other than public housing authorities. These assistance programs are for a period of 2 years.

In my particular community of East Harlem, we have sought to maintain a balanced community. Twelve organizations and public-minded citizens have taken the initiative to construct cooperative apartments for the residents of the area. These cooperatives charging rent at $24 per room per month, with units purchased on the basis of $450 per room will provide a balanced community and will supplement the low-income housing projects which abound in the area. Low-income housing projects, if permitted to expand without cooperatives or urban renewal projects, will create economic ghettos where people of the same economic levels will reside together and will bring about areas of segregation.

This bill restores 100,000 units of low-rent public housing. This is the final 100,000 units of the 810,000 housing unit program which Congress enacted in 1949 and which the previous administration has refused to provide for. As you recall, a housing bill in 1959 provided for 150,000 units, but the administration vetoed such housing legislation and eventually only 37,000 units were provided for by legislation in the previous administration. Without this provision, public housing in New York City would grind to a stop because New York City, through its public housing authority, has utilized this far-reaching social program. The quota under the law permitted to any one city would be exhausted. New York City thus would be unable to build any more housing units.

Recognizing this situation, I introduced the bill (H.R. 6850) which would make New York City eligible to build additional units, notwithstanding the fact that it had exhausted its quota. The committee has adopted my section, and in section 204 of the bill, has provided an amendment to the Housing Act of 1937 and has authorized annual contributions aggregating not more than $336 million per annum and permitting contracts up to 15 percent of all units—100,000—not already guaranteed or contracted for. Thus, under the terms of this amendment, the New York City Housing Authority would be able to participate in the allocation of the newly authorized 100,000 units of low-rent public housing.

The bill also provides for the elderly. It increases by $100 million the program of direct loans to finance housing for the elderly. It also eliminates the present 2-percent equity requirement, and permits loans for full development costs.

Prior history shows that in loan programs loans are fully repaid and that the Government ultimately makes a profit on these loans and in these programs. During the depression, the HOLC was devised to protect the American homeowner who was faced with a loss of his home. Experience shows that the Federal Government not only saved the homes for the American people, but in so doing, made a profit of $30 million.

The bill also provides that when the income- and rent-paying capacity of elderly families is so low as to threaten the solvency of low income projects, an additional Federal payment of up to $120 a year could be made. These funds would come out of the overall contributions authorization.

The bill also provides an accelerated and sustained attack on slums and urban blight by authorizing $2 billion for urban renewal grants over a period of 4 years.

Much criticism has come from displaced businessmen who have been dislocated and have not been reimbursed for their losses and for moving expenses. This bill would permit the payment of full moving expenses now limited to

$3,000 for business firms displaced by urban renewal. Also such firms would be made eligible for liberal loans at 3 percent interest rate, 20-year term, through the Small Business Administration, as is now provided for firms uprooted by flood, storms, or other natural disasters.

The bill provides assistance to a public housing authority under an urban renewal program to cover rehabilitation housing. This rehabilitation would be limited to 100 units or 5 percent of the units in the project area.

The bill extends the Federal housing authority mortgage insuring authority for an additional 4 years. Home builders or prospective homeowners can borrow from banks and FHA will guarantee part of the loans. In addition, the special assistance funds of FNMA, which are necessary to the success of the efforts to urban renewal and modest income family housing, will be increased substantially by $775 million.

The college housing loan fund which is now exhausted would be increased by four annual installments of $300 million each.

All in all, this housing bill is all inclusive and takes care of the need of many Americans. It provides new housing programs, housing for the elderly and low income families, urban renewal, college housing community facilities, open space and land developments and even farm housing. These programs are bold programs. They serve the need of America for housing and will provide employment across the land—to the carpenters, to the plumbers, to the painters, to the artisans, to the tradesmen, and to the banking institutions. We in America have waited too long to complete the task which we commenced in 1937 to provide decent housing. This is our opportunity. Let us not fail to take the necessary steps. I trust that this measure will pass.

Mr. RAINS. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. ASHLEY].

Mr. ASHLEY. Mr. Chairman, I rise in support of this housing bill, although I am bound to say that initially I had very serious misgivings about various provisions of the legislation.

As our subcommittee chairman and other members of the housing committee know, I had particular reservations with respect to the 40-year no-downpayment loan about which so much has been said and will be said in the days ahead. This is a view, of course, which is shared, apparently, presently by many of the Members of this body. It seemed to me when the bill first came to the subcommittee 2 months ago that this amortization period might be too long in terms of the type and price range of homes to be constructed, and I was quite troubled by the slow rate at which the owner would acquire an equity. But, as I came to understand the provisions and the background of this program better, the misgivings and doubts I had were largely dispelled.

One of the most important things to understand—and this was pointed out by the gentleman from Alabama [Mr. RAINS]—is that this is not a new program. Quite the contrary. In 1954 the Congress authorized the FHA to insure 40-year no-downpayment loans for homes both new and those rehabilitated. This program, however, was limited to persons displaced by urban renewal or other governmental activity.

Now, since 1954 more than 24,000 homes have been insured under this section, section 221, with a net loss to FHA of less than one-quarter of 1 percent of the total loans insured, and, of course, this is considerably less dollarwise of the total mortgage insurance premiums which FHA collects annually.

Under the bill we are considering, this 40-year no-downpayment program, section 221, is broadened to include any moderate income family, that is, with incomes between $4,000 and $6,000, not just those families living in homes that have been taken for urban renewal, highways, and other governmental activities.

The issue, it would seem to me, is simply this: Are the advantages of this proposal in terms of providing for decent housing for millions of Americans in the $4,000 to $6,000 bracket offset by disadvantages which might accrue by broadening the section 221 program? As far as the 40-year amortization period is concerned, critics, of course, are quick to point out, and I would myself, that it is highly unlikely that there will be any significant value in the $10,000 or $11,000 home for the last 10 years over a 40-year period of amortization. It is certainly true that the depreciated value after 30 years will be negligible, and I do not dispute this for a minute. But it seems to me equally true that the current market value of a home—and this is a home of any price—after 30 years is a very different thing than its depreciated value.

As far as the slow buildup of equity is concerned I think there are two points to be considered. First, as I have just suggested, is that the true equity of a homeowner at any time during the amortization period is the difference between the sale value of his home and the outstanding mortgage balance at that time. Second, and of course, this is the very basis of this section, is the fact that it simply is not possible for millions of families in the $4,000 to $6,000 income bracket to buy a home under any other terms or conditions.

I grant that it would be a fine thing, Mr. Chairman, if homeownership could be made possible for very moderate income families over a shorter amortization period of, say, 20 to 25 years, but in terms of the monthly payments this requires and the monthly take-home pay of these families, this just cannot be done.

The idea of broadening the 40-year no-downpayment program to include all moderate income families was adopted by the committee because a majority felt that this provides an opportunity for at least some of the families living on between $4,000 and $6,000 to get out of the substandard housing and into decent homes which they can at least call their own.

As our subcommittee chairman the gentleman from Alabama [Mr. RAINS] has pointed out, this is not a subsidy program. On the contrary, it utilizes exactly the same procedures and mechanisms and safeguards and even the same interest rate as the basic FHA insurance program which has been used by millions of American families including, I am sure, a majority of the Members of this body, in financing their homes.

Another section of the bill which has been subject to a good deal of name calling is the section which sets up a new low-rental housing program under FHA for families again whose incomes are too high for public housing, but too low for homeownership, even under the 40-year no-downpayment program.

These are the American families who live in the no man's land of slums and substandard shelter, and, it is a shame to say, but there are millions of them.

This is not public housing, Mr. Chairman, nor is it subsidized housing. It is housing which would be made available by long-term, low-interest rate loans, using the FHA insurance machinery and providing the necessary funds through FNMA's special assistance program.

I recognize that in the past the Congress has been very careful to limit the use of special assistance funds from the Federal National Mortgage Association to programs of special importance. These are programs which would not be possible without a below-the-market interest rate. They are programs which depend on Fannie Mae funds because conventional lending sources simply are not able to make money available at less than the going rate of interest.

It is no indictment and certainly none is intended of our free enterprise system that decent rental housing is not being constructed or otherwise made available for the very limited income families involved in this program. The fact remains that decent housing for these families, and again, there are millions of them, simply has not been provided on the private market.

I think this situation meets the definition of special importance and I think it is the solemn responsibility of this legislative body to help private enterprise provide a solution.

Finally, Mr. Chairman, I would like to take just a moment to address myself to the section of the bill which provides for extension of title I home repair loans. In the past these loans have been limited to $3,500 for a 3-year period and at interest rates which, as many of you know, have been close to 10 percent. The committee proposal contained in H.R. 6028 puts a $10,000 ceiling on home improvement loans and extends maximum maturity to 20 years at a substantially reduced rate of interest.

The best argument in favor of this section, it seems to me, is the fact that of the 58 million housing units in the country today nearly 16 million, or 27 percent, are substandard. Many of these should be saved and can be if loans are available in sufficient amount and on reasonable enough terms.

We also know that more and more renewal projects that are being initiated and approved contemplate substantial amounts of conservation and rehabilitation rather than complete clearance of the project site.

As I said at the outset, Mr. Chairman, I had serious questions as to some of the sections of this bill when the housing subcommittee began its hearings in April. I support it now in its entirety because I am convinced that it utilizes the best available resources of our Government and private enterprise to further a goal subscribed to by us all, that of providing decent, safe, and sanitary housing for all Americans.

Mr. RAINS. Mr. Chairman, I yield 5 minutes to the gentlewoman from Michigan [Mrs. GRIFFITHS].

Mrs. GRIFFITHS. Mr. Chairman, I would like to make it clear at the outset, in view of the remarks of one of the previous speakers on the other side, that my brow is neither bloodied nor bowed. I support this bill because I believe in this bill. I am proud to be an American, to have an opportunity to support our method of housing our citizens. In my judgment this bill is one of the real show windows of democracy. No Communist country houses its citizens as well as we do. If we were really smart, we would be exporting our techniques into South America today for homebuilding.

I should like to say further that I think the chairman of the Subcommittee on Housing is one of the most able and one of the most gifted men in the House. If his name is not engraved along with that of the Senator from his State on the heart of every mortgagor and every mortgage banker in this country, then they are indeed an ungrateful lot. These men have done more to rehouse Americans than any other team, I am sure, in the whole country.

I should like to address myself now to title VI of the bill. It comes as some surprise to me that this is a fairly controversial section of the bill. This title adds a new program to assist State and local governments in preserving open-space land in and around urban areas which for economic, social, conservation, recreational, or esthetic reasons is essential to the proper long-range development and welfare of the Nation's urban areas and their suburban environment.

This is what the open land reservation does. It permits $100 million of Federal grants. The money is available as long as it lasts. The Government would pay on any particular project 20 percent to 30 percent of the total cost of acquiring the land to be used as permanent open space. Not more than 20 percent would be given to any one political subdivision. If two political subdivisions join together, then as much as 30 percent could be given. This would mean that the city or township, or the cities or towns, would pay as much as 70 percent to 80 percent. How do you qualify for the money? You submit a plan to the Housing Administrator with regard to the proposed acquisition of open space land where it is important to the execution of an existing comprehensive plan, applicable to the area, which includes plans for open spaces and otherwise meets criteria established by the Administrator as to detail and coverage.

Where can the open spaces be? The term "open space land" would be defined as undeveloped land, including agricultural land, in an urban area, which has—

First, economic and social value.

Second, recreational value.

Third, conservation value in protecting natural resources.

Fourth, historical or scientific value.

The term "urban area" is defined as any area which is urban in character including surrounding areas which form an economic and socially related region as determined by the Administrator.

Now what are the objections to this plan? One of the objections is that it is too vast a delegation of power. It is quite obvious that there are two quick objections to any delegation of power. One that it is too great a delegation of power or, two, that it is too small a delegation of power. These objections are met with any time any power is delegated.

In my judgment, in this instance they are not fatal objections. It is necessary, if this money that is being spent to build homes in America, is not really to be spent in the building of slums, that we have open spaces around those homes. One of the objections which is quickly raised and has been raised is—why does not the community pay for the park itself?

Permit me to point out to you that within my district in 1950, there were 10,000 people in a township. In 10 years there were 71,000 people within that township. Those people must meet the problems that any community has to deal with—the problem of sewers, hard surface roads, schools, and every other type of community facility. There is a tremendous tax burden upon them. The result will be that they will leave parks, which they will regard as a luxury, to the last possible moment and to the last possible purchase. In the meantime the value of the open land around them will go up. Now is the time that the open land can be bought cheaply. Now is the time to make the homes in which they have invested valuable homes. We know that these park areas are needed.

Permit me, also, to say that it is ridiculous for those who have vast national parks within their areas to object to a playground for children in my area, that is, the area of Detroit, or an area like Chicago. A 9-year-old boy on a hot afternoon in Detroit or Chicago cannot leave for Grand Canyon National Park to play ball. We need those parks. The national taxpayers will not pay the full bill for these parks. This is merely a lift. It is a list that is badly needed.

Second, I would like to point out that land is the greatest resource we have. It is the thing that we are going to leave to our children—this vast, untamed, wide-open America. It is not enough that we have land overgrown in hay and in corn and that those who are paying a large part of the bill read about it inside of a 9-foot-square room; it would be much more desirable if they realized that this great surplus of land that exists in this Nation exists in an area where it is of value to them.

I trust that this time this House, in which I have great confidence, shows its remarkable ability and that this part of this bill remains untouched, and that we insist that the Senate go along with the House.

Mr. McDONOUGH. Mr. Chairman, I yield 5 minutes to the gentleman from Montana [Mr. BATTIN].

Mr. BATTIN. Mr. Chairman, I hate to take issue with the gentlewoman from Michigan about whether or not the people at home can take care of themselves in providing parks and playgrounds. I certainly do not have to remind her that Montana is one of our more sparsely populated States.

In 1898 the State Legislature of Montana provided that a subdivider of land who is subdividing 20 or more acres would have to set aside one-twelfth of the net platted acreage for purposes of parks and playgrounds. The net result of that has been that as our State has grown, and certainly it does not yet even compare with the city of Detroit or the State of Michigan, we have provided now and in the future for the children of our State.

To come here and say that the people of a State are not capable, that it is the business of the Congress to provide the money for parks and playgrounds on a matching basis whether it is 10 to 1 or 2 to 1 just plain does not make any sense. There are so many things that we assume the people at home cannot do and that we get in the act—or at least try to get in the act—to make it easier. If we would let the people at home do those things they can do for themselves we would be a great deal better off, they would be better off, and we would not have to worry about our children going to the Grand Canyon to play baseball.

I see no provisions in the housing bill to allow a tax credit to those States who have done a good job in providing parks and playgrounds for their children. Are we to be penalized for using good judgment in the past—are we to be taxed for prior acts. Remember my friends—the Lord helps those who help themselves.

Mr. Chairman, I yield back the balance of my time.

Mr. ASHLEY. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. RYAN].

Mr. RYAN. Mr. Chairman, I rise in support of H.R. 6028, the proposed Housing Act of 1961.

The year 1961 is an appropriate year to pass a comprehensive housing bill. This is the year in which President Kennedy is seeking to get "the country on the move again," the year that begins the decade of "maximum danger," and the year in which Congress must recognize that we are in the midst of a housing crisis.

Today, Mr. Chairman, there is a crisis in housing because:

First. There are more than 9 million occupied substandard dwelling units in our housing inventory. It is estimated that in terms of people, some 30 million live in substandard units. Another 17

million live in the areas surrounding the slums, which because of their proximity are in danger of deterioration.

Second. Large families and elderly couples and single individuals cannot find good quality housing suited to their needs; and 45 percent of all minority group households live in dilapidated or deficient dwellings.

Third. The FHA housing insurance programs have not reached the broad group of lower middle-income families, except for a few rental projects, many of which are not in the central city where larger low-income populations seek shelter.

Fourth. The public housing program is not meeting the housing needs of the lowest income families, and many are forced into public housing because decent private low-cost housing is not available. The alternative for many is life in the slum. These groups deserve a less restricted choice than exists between institutionalized, rental public housing and the unhealthy atmosphere of a deteriorated neighborhood.

The condition of our Nation's housing affects almost every sinew and fiber in our body—social, economic, and politic. The housing crisis leads to discrimination, slums, crime, corruption, wasted resources, decreased economic growth and a lesser degree of social mobility. If we do not act now, it will be too late.

The President in his housing message said:

> Within 15 years our population will rise to 235 million and by the year 2000 to 300 million people. Most of this increase will occur in and around urban areas. We must begin now to lay the foundations for livable, efficient, and attractive communities of the future.

Perhaps never before in our history has the need been greater for a comprehensive housing act: an act which will build middle- and low-income housing, furnish housing for the elderly, provide funds for rehabilitation for urban renewal and make available grants to cities for desperately needed open spaces.

While H.R. 6028 is only a partial solution to the housing crisis, it is a major and necessary step in the right direction. It deserves our support.

Let us review some of the major features of this bill along with some suggestions for improvement. The most significant features of this proposal are the sections concerning rental housing for moderate income families, low rent public housing, housing for the elderly, the Urban Renewal program, and the open space provision. Since most of our housing problems are found in the cities and three-fifths of our population live in urban areas, these sections are among the most important ones in the bill.

First, I would like to discuss that section of the bill dealing with housing for moderate income families. These are the forgotten people. Federal programs emphasize low income public housing and title I housing. Unfortunately, experience has shown that title I housing is almost invariably luxury housing. When we speak of these forgotten people, we are referring to a sizable segment of the Nation's population. The committee report on H.R. 6028 states, at pages 2–3:

> The 1956 housing inventory found that a little over 1 million families in the $4,000 to $6,000 income group lived in housing which lacked some necessary plumbing facilities and more than 300,000 lived in housing which was outright dilapidated. Taking into account the substantial number of units for which condition was not recorded, it is clear that approximately 1.5 million families in the $4,000 to $6,000 income group were living in substandard homes.

J. Clarence Davies, chairman of the Housing and Redevelopment Board of New York City, pointed out in Senate hearings that more than 88 percent of the 2,228,000 families in the city had incomes of less than $10,000 a year, and 45 percent, almost half the population, were in the $5,000 to $10,000 a year income group.

The bill before us attempts to meet the housing needs of these moderate income families.

By increasing the scope of the FHA section 21 program, it is proposed to build rental housing for moderate income families under liberal financing terms with interest rates as low as 3½ percent. These terms would lower rents by an estimated $20 per month per unit. FNMA special assistance funds are provided for this purpose. Loans could be made to private nonprofit and limited dividend corporations, cooperatives and local public agencies—other than public housing authorities. This provision is limited to 2 years. It is expected that 50,000 additional units will be built under this program.

Two years from now the Congress will have an opportunity to review and evaluate this program. At that time it may be wise to consider changing the method of financing. One possibility is the establishment of a Treasury revolving fund out of which low interest loans are made directly to the developer and into which these loans are repaid.

Most central city families must depend upon rental accommodations for shelter—and many of modest means have not been able to find these accommodations at rents they could afford. For this reason the new section 221 low-interest rental housing provisions are of major importance to New York City residents and the residents of many of our other larger cities. This new provision should help to fill the gap between public housing and the rental projects for which private developers charge high rents. It should assist in providing for the forgotten segment of our population in the lower middle-income group. We cannot afford to ignore this large group of citizens who play such a basic part in the Nation's economic activities.

The housing bill of 1961 also seeks to ameliorate the moderate income housing problem by making moderate income families eligible for 40-year, no down-payment loans under the section 221 program, which is now restricted to families displaced by urban renewal.

There has been substantial criticism of the new and experimental features of this legislation. Some argue that they will not, in effect, increase the supply of middle-income housing because the total cost will be prohibitive. They argue that the mortgagor will pay such a large sum of interest over the life of the 40-year loan that prospective homeowners will shy away from these loans. The answer to this argument is simple. When a man has a family to house, feed and clothe on a limited sum, it is his out-of-pocket costs today that loom most important to him. Most of these prospective homeowners are interested in a decent home for their families and preferably one which they can someday call their own—such a dream has not been possible for many hard-working families. Under the new long-term, low-interest rate program this dream can be realized. The mortgagee cannot lose, nor can the mortgagor; and I believe that the Federal Housing Administration's insurance program will not suffer. The foreclosure record of the FHA and VA loan programs attest to the fact that losses will not be a great problem, barring a major depression. The slight rise in foreclosures recorded for the past year for the most part can be attributed to the depressed economic state of some of the areas of the country—not to any unsoundness of mortgage terms.

I turn to public housing. Although our low-income families and individuals are not forgotten, their needs still go unmet. The committee report states, at page 20, "In 1956 the Bureau of the Census found that 4 million families with incomes of less than $2,000 and another 2 million with incomes between $2,000 and $4,000 were living in substandard housing." The President in his housing message stated, "There are 8 million families today with incomes of less than $2,500, 7 million more with incomes between $2,500 and $4,000. Among the 10 million individuals who live alone, nearly 50 percent have incomes of less than $1,500. One-third of the 6 million nonwhite households live in substandard housing." To compound the problem, it is estimated that 45,000 low-income families eligible for public housing will be displaced by Government action in 1961.

The amount of public housing authorized and constructed has been limited by congressional action. Although the Housing Act of 1949 recommended 810,000 units in 10 years, as of January 31, 1961, only 270,000 units have been completed; 36,000 units are under construction. During 1960, 28,879 units were started, and 16,401 were completed. If you add the number of units for which annual contribution contracts have been negotiated, the total would be 380,000—less than half the total recommended in 1949. H.R. 6028 authorizes approximately 100,000 additional low-rent units by restoring the unused balance of the annual contributions authorization originally provided for in the 1949 act. While I had hoped and now suggest that Congress provide for 400,000 units, the number of units remaining under the 1949 act, I wholeheartedly support the proposal for 100,000 desperately needed units.

One of the major weapons in the war against urban blight has been the Federal urban renewal program. H.R. 6028

provides for $2 billion in urban renewal funds to meet the program's needs for a period of 4 years. I am in favor of this authorization but feel obligated to point out the ways in which the program has not achieved its goal and to make suggestions for improvements.

A major failure of the urban renewal program is that instead of building housing for low- and middle-income families, the billion-dollar title I program has built luxury housing. In the city of New York, for example, rental projects subsidized by title I write down in land costs are renting anywhere from $40 to $246 per room per month. In New York City the mean rent per room for 11 title I projects is $44.77. Such rentals can hardly accommodate middle-income families. According to an exhaustive New York State study, middle-income rentals should range from about $17 to $29 per month.

I suggest that the taxpayers should not subsidize luxury housing and that rent ceilings should be established on all title I projects in order to provide middle-income housing.

Urban renewal is a mixed blessing. For the individuals, families, and businesses displaced by the bulldozer, it can be a tragedy. To a neighborhood, urban renewal often means extinction.

H.R. 6028 recognizes to some extent the hardships that urban renewal can bring to small businesses. The bill would remove the $3,000 ceiling on moving expense payments to business firms displaced by urban renewal. Once again this is a step in the right direction, and I support it. However, it does help those concerns which are crushed under the wheels of progress and either go out of business, pay exorbitant rents in new quarters, or substantially lose profits. It is my belief that these small business concerns should receive the following considerations: First, compensation for the difference in rental cost between the old premises and the new quarters for 1 year; second, an award in an amount estimated to be reasonably equal to the first year's loss of profits due to relocation; third, compensation at a reasonable market value for a trade or business which has been unable to find suitable replacement quarters within 1 year after the concern has been forced to vacate an urban renewal project site.

Furthermore, there seems to be no reason why an individual as well as a business should not be paid actual moving expenses, and I suggest that the same consideration be extended to families and individuals.

The bill pending before us provides that small firms displaced by urban renewal are eligible for 3-percent interest rate, 20-year term disaster loans from the Small Business Administration. I am particularly pleased over this section because it incorporates the principle of my bill, H.R. 7418. The reasoning behind H.R. 7418 was that it can be just as much of a disaster for a small business to be hit by a tornado as to be displaced by urban renewal.

H.R. 6028 does not concern itself with the problems of neighborhood extinction or with the hardships of individual and family relocation which have been experienced under Title I of the Housing Act of 1949.

I believe that to the maximum extent practicable, individuals, families, and business concerns displaced from an urban renewal area should be granted priority to relocate in the area after redevelopment. This requirement would avoid the complete disintegration of neighborhood patterns and institutions. One of the most valid criticisms leveled against urban renewal operations has been the failure to take into consideration the fact that neighborhoods, even when they are deteriorated, are communities of people. The bulldozer does more than demolish old buildings, it destroys neighborhood ties—old friendships, established shopping and transportation patterns, and in some instances the livelihood of individuals.

The hardships of relocation could be partially alleviated by preventing a local public agency from disposing of property in an urban renewal area until all individuals, families, and business concerns to be displaced have been provided with dwellings and facilities. In addition, it should be firmly established by law that the local public agency shall conduct relocation activities exclusively through the use of public personnel and facilities without reliance upon private agencies, institutions, or organizations.

According to the latest data available from the Housing and Home Finance Agency, there were 107,230 families involved in the urban renewal project properties acquired through June 1960. Over 1,000 of these families had to be evicted from their homes and relocation officers do not know what happened to them. In addition, there are some 6,000 other families whose whereabouts are unknown. This makes a total of 7,000 families who, according to recorded information, have "disappeared." Whether or not these families have secured decent, standard housing cannot be ascertained until, or unless, relocation officers are able to trace them.

Past experience in relocation activities reveals that most self-relocated families are not as well-housed as those relocated by public official action, proving that adequate relocation procedures are of prime importance to the successful revitalization of cities. It also would make it doubtful that the majority of the 7,000 families for whom local public agencies cannot account have been accommodated in better dwellings than those which they were forced to vacate. The entire concept of the Government's responsibility to the people displaced by public action has been changing during the past two decades, but even greater care and consideration appears to be necessary at this point.

In my city of New York there have been some very strong criticisms voiced against the varying relocation procedures followed by title I sponsors, and these criticisms have not been without foundation. The contracting out of site management responsibilities to private agencies has not proved to be a satisfactory way to handle relocation. It has added to the costs of some redevelopers with a resulting increase in the cost of housing constructed in urban renewal areas, to say nothing of the undue mental and financial hardship to site occupants. There have even been instances when redevelopers have purposely delayed redevelopment but continued to collect rent from site tenants while putting forth a minimum of effort in relocating site families and businesses.

In the interest of justice and in order to prevent a further spread of blight and deterioration, efficient and humane relocation procedures must be a part of a city's comprehensive planning.

Now let us consider title VII of the bill—the open space provision. Ask anyone who lives or has ever visited a sizable city what is most lacking in our cities, and the answer will be open space. Today's cities are cluttered by apartment houses, stores, sidewalks, automobiles, parking lots, and gutters. To the city child the streets are his playground, and grass is rarely seen.

President Kennedy in his housing message spoke of land as "the most precious resource of the metropolitan area." He went on to say, "The present patterns of haphazard suburban development are contributing to a tragic waste in the use of a vital resource now being consumed at an alarming rate. Open space must be reserved to provide parks and recreation, conserve water and other natural resources, prevent building in undesirable locations, prevent erosion and floods, and avoid the wasteful extension of public services."

H.R. 6028 sets forth a new program of partial Federal grants to State and local governments to help them acquire land for parks and recreational areas and other permanent open space use. Such grants could extend up to 30 percent of acquisition cost. One hundred million dollars is authorized for appropriation for this aid.

A Federal program for open space acquisition must be enacted quickly. The increase in urban population makes it imperative that a program commence as soon as possible. By the year 2000 it is estimated that 107 million Americans, one-third of the population, will live in 10 metropolitan areas and another 40 percent will live in 285 metropolitan areas. In the year 2000 more than 85 percent of all Americans will live in metropolitan areas.

The program proposed is a minimal one. It will be only a beginning. I suggest that instead of an authorization of $100 million we authorize $250 million in stages over a period of 5 years. This system will prevent a rush of requests for grants during the first year and will enable localities to prepare adequate plans for open space. In addition, because of the national importance of this program I would increase the grants up to 35 percent of the acquisition cost.

If we do not want to leave our children and grandchildren the inheritance of cities without open space, we need an open space program now.

Before concluding, I would like to mention some of the other features of this bill which I feel are particularly worth while.

This bill recognizes a special and important problem—housing for the elderly. There are 16 million Americans over 65 years of age. In 1970 there will be more than 20 million. More than half of the families headed by a person over 65 have annual incomes below $3,000 and four-fifths of all people of this age living alone must live on less than $2,000 a year. There are special problems involved in housing for the elderly. Some have physical infirmities which limit their activities. Many need access to special community services. To provide housing, make life more comfortable and to enable elderly persons to continue as useful citizens, H.R. 6028 increases by $100 million the program of direct loans to finance housing for the elderly. In addition, in cases where the low income and the rent-paying capacity of elderly families might threaten the solvency of low-rent projects, an additional Federal payment of up to $120 per year for each dwelling unit occupied by an elderly family could be made to local housing authorities.

I have by design reserved my remarks regarding the new program of home improvement and rehabilitation until this point. My purpose is plain unless we have available a means for achieving extensive rehabilitation and improvement of our existing housing stock, the impact of the 40-year loans and the expanded rental housing program will not be felt. New York City needs 430,000 new housing units, but new housing units alone will not solve the problem of slums and substandard living conditions or meet new family formation. In fact, it would be extremely unwise and uneconomic to expect that they would. The Nation's investment in real estate is something in the neighborhood of $500 billion. Some of it is old; some is beyond repair and cannot be saved. However, according to the 1960 census, there are more than 8 million homes which need major repairs but are basically sound structures. Financially, we cannot stand to lose these houses in view of their total value; and numerically, we cannot afford to have them removed from the housing stock. They are necessary to meet the needs of the more than 5 million new households predicted for 1965.

This new liberalized home improvement program is needed to encourage lenders to invest in the updating of the housing stock and to lend incentive to homeowners who have been unable to make needed repairs. It is my opinion that some of the currently blighted neighborhoods would not have reached this stage had it been possible for homeowners and landlords to invest in needed improvements.

The housing crisis is a major part of the crisis of our cities. Housing problems affect and are affected by general urban problems. With the large population shift from rural to urban areas, crumbling houses, mass ownership of automobiles, inadequate highways, sewers, schools and other facilities, the housing dilemma has been a major factor in creating and exacerbating these conditions. Our cities are our Nation's nexus to higher education, cultural activities, artistic endeavors, and innovating ideas.

In 1938, Lewis Mumford said:

> The city as one finds it in history, is the point of maximum concentration for the power and culture of a community • • • the form and symbol of an integrated social relationship; it is the seat of the temple, the market, the hall of justice, the academy of learning. Here in the city the goods of civilization are multiplied and manifolded; here is where human experience is transformed into visible signs, symbols, patterns of conduct, systems of order. (Mumford, Lewis. "The Culture of Cities," 1938, p. 3.)

Mr. Chairman, 1961 is the year in which the cities are fighting for survival. H.R. 6028 provides the metropolitan areas with important weapons in this struggle.

Mr. McDONOUGH. Mr. Chairman I yield 10 minutes to the gentleman from Michigan [Mr. HARVEY].

Mr. HARVEY of Michigan. Mr. Chairman, you have heard a great deal about the bill in general, so I would just like to address my self in the short time allotted to me to a few specific sections of the bill.

This piece of legislation has quite an interesting history, because when President Kennedy was elected in November he immediately appointed a large number of task forces to investigate and come back with reports to him. Two of them are interesting here: First of all he appointed a task force to decide what to do in general about the effect of the recession; and then he appointed another task force to decide what to do in particular about housing.

The interesting thing is that in the first task force report, instructed to come back and tell them what to do about recovering from the recession in general, they particularly pointed out that the liberalization of credit in the field of housing was not the thing to do.

The tax force instructed to come back and decide what to do about housing in particular, said that certainly some stimulant in the field of housing was necessary to provide for the builders, but not even they recommended a no-down-payment 40-year mortgage.

I would like to refer to a remark of the gentleman from Alabama who so ably accounted for himself when he said that the building business was dragging on the bottom and that that was the reason for this bill. While he was talking I made a phone call to learn the number of annual starts in the house construction business for the month of May 1961. I learned that the annual rate of starts in May 1961 was 1,276,000, that the annual rate of starts in the construction business in April 1961 was also in excess of 1,200,000.

I submit to you that the construction business is not dragging on the bottom, or else the chairman has forgotten over these years what dragging on the bottom is.

I would like also to speak about another feature of the bill that was discussed so much in committee, namely, the 40-year provision. Why talk about that, you may ask, because it is going to be taken out. But in the short period I have been in Congress I have learned that frequently things that go out over here come back in in a conference report. So we ought to be well informed as to what the provision is.

All of you should look at the testimony of the representative, for example, of the Mortgage Bankers Association appearing at page 612 of the hearings. Look also at the testimony of the representative of the insurance companies who are in the lending business where they set forth what this means in the same report. I will not read that at this time.

Several things stand out in that testimony. The chairman of the committee said that by giving these people a deed we can expect the grass to grow greener, the fences will be fixed, the house repaired, and so forth, and that we are really doing him a favor. But, Mr. Chairman, I say look closely at the favor we are doing for the borrower, because all of this testimony shows very clearly that after the 29-year period of the 40-year mortgage the house will be valued at less than the balance owed on the mortgage.

The testimony shows further and clearly the difference in the interest rates we are talking about. A man with a 40-year mortgage is paying in all 150 percent, or $25,000 for a $10,000 house, as contrasted with the fact that in a 30-year mortgage he is paying 100 percent. So you can see a sharp reduction. Actually, on a $10,000 house there is a difference of $5,000 to the borrower as between a 30- and 40-year mortgage.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. HARVEY of Michigan. I yield to the gentleman from New Jersey.

Mr. WIDNALL. If we get into that program there will be a demand for appropriations for the Agriculture Department in order to develop a species of slow-chewing termites so that the house will stand up longer?

Mr. HARVEY of Michigan. The Mortgage Bankers Association itself submitted two tables. If you will look at the testimony, you will find there was a question in their minds whether or not the 40 or 50 years will be economically sound so far as the house is concerned. But, that is neither here nor there.

Another thing I want to point out in the short time allotted to me is this. Are we doing this man a favor? We are reducing his payments 8 percent per month, and on a $12,000 mortgage it amounts to $5.92 per month. See what that means to one supposedly in this income category of between $4,000 and $6,000 a year. There is no limitation in this bill. Any Congressman can get a 40-year loan. And, who will pay the realtor's commission of 5 percent during the 29 first years of that mortgage when it is worth less than the amount owed? Who is going to pay that? Who is going to pay that deficiency if the house is sold? Why, it is going to come out of the pocket of the borrower, and you all know what that means. That means it is an open invitation to default. Look at the testimony of Neil

Hardy, May 31 of this year, when he appeared before the House Subcommittee on Appropriations asking for a larger appropriation, for one simple reason, because the greater risk attached to the more liberal lending had increased the number of defaults.

Let me read to you the number of defaults in Wayne County, Mich., and I read to you from the Friday, June 16, 1961, Detroit Free Press issue. The title is "Foreclosures Reach High Point in May." As I say, Commissioner Hardy's testimony will bear this out nationally as well:

> Not since the depression have more mortgage foreclosures been started in Wayne County than during the first 5 months of 1961.
>
> The register of deeds reports 255 foreclosure notices were recorded during May, a high point for post-depression years. During the first 5 months of this year, 1,015 foreclosures have been started. During the same period last year, 591 were recorded.
>
> And during the entire years of 1956 and 1957 combined the total was only 653.

The article goes on:

> Why the increase in foreclosures? Mortgage men and real estate brokers blame the "soft" market in used homes. Homeowners who do not have much equity in their houses sometimes find it hard to sell for enough to cover the amount of the mortgage.

So, I say to you that we are actually doing a disservice when we further liberalize this credit as is attempted in the bill.

I want to talk about one other section just briefly here in my time. The chairman referred to the community facilities administration and the increase from $50 million to $500 million as bringing, I believe he said, urban renewal to the smaller cities. Well, I submit to you that what we are really doing is resurrecting the WPA of 25 years ago, because that is just what these are, WPA projects. I do not think that by any stretch of the imagination you can say that water treatment plants or public works projects are by any stretch of the imagination urban renewals.

With regard to the amount that the administration requested, the $50 million, let me just read to you a statement of Mr. Weaver, as he testified before the committee. I say this because the administration originally requested $50 million to handle what they called was a more liberal program. On page 131 this is what Mr. Weaver had to say:

> The proposed additional $50 million loan authorization plus the amount remaining under the existing authorization are needed to assure the continued operation on these more liberal terms.

Mr. ASHLEY. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Washington [Mrs. HANSEN].

Mrs. HANSEN. Mr. Chairman, I deeply appreciate the privilege of supporting the housing program so necessary to the well-being of our Nation and I would at this time like to pay a particular tribute to Chairman RAINS' able, intelligent presentation of H.R. 6028.

May I add that not only is this bill of genuine assistance to the housing problems of the low-income families, college and farm groups, our smaller towns and urban renewal areas, but I would also like particularly to point out that already my congressional district has applications in to assist the serious housing problem of our senior citizens. Our State is also, of course, deeply interested in homeownership for moderate-income families, rental housing for moderate-income families, home-improvement programs, FHA housing, college housing and urban renewal, and I would particularly like to commend the committee for their inclusion of community facilities and public works planning, for this must be a decade of planning for America's future. I also support this bill because of the assistance which it will give to our depressed areas and the important impact it will have on the economy of the Pacific Northwest which is based so largely on the lumber market and now finds itself in serious trouble.

The April report of the Bureau of Employment Security of the U.S. Department of Labor reveals that employment in the Pacific Northwest, which typically expands by about 20,000 in the seasonal upswing between January and March, rose by only 2,000 to a total of 1,415,000. At this level it was off 16,000 from March 1960.

Forest products, normally a leader in the spring upturn in employment, counted only 106,000 workers on payrolls in March of 1961—off nearly 18,000 from last year.

Employment in freight-shipment activities, geared to the pace of the lumber industry, was also down by 2,000 from last year.

This report states that the overall employment outlook for the Pacific Northwest will depend largely on nationwide residential construction and the resulting demand for lumber. Under normal conditions, 20 to 25 percent of the 100,000 seasonal employment increase in the region between March and July is centered in the volatile forest products industry.

Forest products is the Pacific Northwest's largest basic industry, employing one out of three of the region's factory workers. It has been hardest hit in a general employment downturn over the year, reaching in March of this year the lowest employment total in the industry since World War II.

Unless there is a pickup in residential construction—such as this bill would stimulate—substantial recovery of this region's economy will not be possible.

Mr. ASHLEY. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, it is late in the day and I shall not take the time to deliver the remarks which I had intended to make, but shall place them in the RECORD for those who wish to look at them. I am enclosing a table which I have prepared which does show the 40-year mortgage moratorium rates, the amount of equity, the outstanding balance of the debt, and so forth, which goes along with this arrangement.

Mr. Chairman, if I may be pardoned for referring to my own experience, in 1922 I decided to get married and built a house. It was a framehouse. When I finished it, this 4-room framehouse, it cost me about $2,500. Now, that is almost 40 years, or a little over 39 years ago. As I pass that house occasionally, driving by in my automobile, it looks just as good today as it did when I built it. When people talk about a 40-year mortgage being an unusual arrangement or an unnecessary arrangement, I often think, as I go by, the way that little framehouse looks today. The people who are living in it are enjoying it, and it looks just about as good today as when I built it. The important thing that has not been stressed in some of the speeches I have heard today is that while in terms of interest rate over a 40-year period, it does cost the home purchaser twice as much or maybe a little more as the price of the home; what has not been stressed, I say, and that I think is important, is the fact that that family has had those years to live in a house at a price which is probably cheaper in their monthly payments than they would have had to pay if they had rented this same type of house.

There are some intangible things inherent between home ownership and high rental, in my opinion. One is the spirit and the morale that obtain in a family when they have an equity, even though it be a small equity in the house. They become part of the community. They become interested in the schools. They become interested in the PTA, in the chamber of commerce, in the tax rate in the town. They become a real, living symbol of what I think is the best type of American. On the other hand, the person who has to rent, and particularly if he has to live in the slums, where he would have to live with the amount of payment required in the low-level range of housing—that man and that family do not have the chance to integrate into the social life of the community and to become part of the responsible element of our citizenry. I mean by that that they have a better chance to become a participating unit in the community life than a person who rents and moves from place to place and from slum to slum.

So, I think when we are talking about the finances of this, we should realize that there are also intangible values of citizenship, of interest in a community of bringing up a family with morale that is interested in the community to the point where they will oppose communism and these other alien philosophies and become better citizens in the community in which they reside. This is one of the great, intangible benefits that comes with home ownership. I believe the strength of America will be increased in proportion to the amount of home ownership that we have, because it builds better citizens.

There are numerous and compelling reasons for the enactment of the President's basic legislative proposal to broaden the authority for FHA insurance of 40-year mortgages secured by moderate-cost homes.

The reduction in monthly payments that would be made possible by a 40-year loan would enable many low-income families presently living in substandard rented units to acquire homes. They would gain from the amenities available

in an individual home on an individual lot, from the gradual accumulation of equity and the satisfaction of home ownership. These are the basic potential benefits to American families which make it well worth trying this program on an experimental basis for a 2-year period.

THE QUESTION OF DEPRECIATION

Although questions have been raised about the accumulation of an equity by the owner because of various calculations of depreciation, it is believed that a realistic appraisal of this matter should lay many fears to rest.

In any analysis of residential property depreciation, we must recognize that any dollar amount computation of depreciated value is only hypothetical. Although residential property may be depreciated for tax or bookkeeping purposes on a 40-year basis, census data indicate that millions of home over 40 years old are occupied in this country. Furthermore their salable value is generally much greater than the building site value, which, of course, undergoes no depreciation in a physical sense. It is the current market value of a home which will determine the true equity of the homeowner rather than the difference between a hypothetical depreciated book value and the outstanding mortgage balance.

A few years ago, a comprehensive study on "Capital Formation in Residential Real Estate" was made by Grebler, Blank & Winnick for the National Bureau of Economic Research. They found that the net changes in value resulting from physical depreciation and obsolescence on the one hand, and additions and alterations on the other, averaged about 1 percent a year in the first 52 years of the life of single-family houses. They also used available data to construct a homes price index for certain areas, and found that for long-term movements the construction cost index conforms closely to a price index, corrected for depreciation in the case of existing homes.

Assuming a 1-percent-a-year depreciation, the average $10,000 house purchased in 1920 would have depreciated to $6,000 by 1960, on the basis of physical changes, before taking account of changes in market prices. An approximate depreciation schedule, based on the average depreciation rate found by Grebler and his associates, and a related hypothetical equity accumulation, is shown in the attached table. This table is different than one presented at the hearings by FHA because it is for a 5¼ percent rather than 5½ percent mortgage and it is based on the Grebler study. If we look at the Boeckh index of residential construction costs, in lieu of an available national price index for homes, we find that the index in 1960 is 235 percent of the 1920 index. Therefore, the house worth only $6,000 based on depreciation of the 1920 cost, is probably worth over $14,000 in current market prices.

It might be argued by some that this rise in market values of older homes is all a result of inflation. Some of the rise was due to inflation as reflected in a 47-percent rise in the Consumers Price Index over the 40-year period, or a little over 1 percent a year. However, over the same period the construction cost index representative of home prices rose 135 percent or about 3½ percent a year.

There are a number of basic factors which have led to the greater increases in residential property values. We have been and continue to be a rapidly urbanizing society. As it becomes necessary to utilize land at increasing distances from urban centers to accommodate our population growth and our farm-to-city migration, the existing, closer in residential properties take on greater value. One of the early classical economists, David Ricardo, pointed out over a century ago, that as less desirable land has to be brought into use, the value of the more desirable land, already in use, will rise. This still holds true today, and probably veterans who bought homes that were already 10 years old with 30-year, no-downpayment loans after World War II could realize a measurable capital gain today, if they sold their homes.

There is also a special consideration with respect to the price class of homes that would be financed with 40-year, no-downpayment mortgages under section 221. We know from the difficulties in finding relocation housing for moderate-income families displaced by urban renewal and other public improvement actions that there is a shortage of adequate housing for moderate-income families in many areas. Therefore, we would expect a relatively firm market for such housing, even during temporary periods when the real estate market generally experiences some softening.

FHA EXPERIENCE WITH 40-YEAR MORTGAGES

As a matter of record, the FHA has had considerable, satisfactory experience in the insurance of 40-year home mortgages. In 1950 the Congress authorized such mortgage insurance under section 213 for cooperatively built sales housing on which individual mortgages may be insured after the dwellings are completed. The FHA has insured more than 28,000 home mortgages in an aggregate loan amount of over $334 million under section 213. It has had to acquire only 95 homes and on 48 of them that have been sold the FHA had a net loss of about $75,000. If FHA realizes a proportionate loss on the other acquired properties, its total losses over more than 10 years of insuring 40-year mortgages under section 213 will be less than one-half of 1 percent. Mortgage insurance premiums are collected at the rate of one-half of 1 percent annually on outstanding loan balances.

Also relevant to the question at hand is the FHA experience in insuring 40-year, no-downpayment loans under section 221 authority enacted in 1954. Almost 24,000 section 221 home mortgages in an aggregate loan amount of over $218 million have been insured. There have been 454 FHA acquisitions of homes under section 221, and 69 of these have been sold at an aggregate net loss of $80,000. If the remainder of the acquired properties are sold with proportionate losses, the total net loss to FHA under the 221 program, thus far, will be less than one-fourth of 1 percent of the total loans insured. This is far less than the total of mortgage insurance premiums, one-half of 1 percent of the outstanding loan balance that is collected by FHA each year.

BROADENED PROGRAM NEEDED TO MAINTAIN HOMEBUILDING LEVEL

A broadening of the section 221 program 221 is needed at this time to tap the large market of 11 million families with annual incomes of $4,000 to $6,000 in 1959, as reported by the Bureau of the Census. Many of these families would be able to make no more than the minimum $200 cash downpayment—including closing costs—required under section 221, and, with the 40-year term, they could meet the reduced monthly payments. We need the extra market demand that would be stimulated because World War II children will not reach the home market age in large numbers for another 3 or 4 years. The higher income housing market has been largely satisfied during recent years. Therefore only by providing terms under which moderate-income people in need of homes can purchase them, will we be able to maintain a satisfactory level of homebuilding for the stability of the building industry and the economy.

Depreciated value of $10,000 home and comparison of unpaid balance of $10,000 mortgage 40-year term at 5¼ percent interest

End of year	Depreciated value of property [1]	Outstanding balance of debt	Equity
0	$10,000	$10,000	
1	9,950	9,924	$26
2	9,900	9,845	55
3	9,850	9,761	89
4	9,800	9,672	128
5	9,750	9,579	171
6	9,700	9,481	219
7	9,650	9,377	273
8	9,600	9,268	332
9	9,550	9,153	397
10	9,500	9,032	468
11	9,450	8,905	545
12	9,400	8,770	630
13	9,300	8,628	672
14	9,200	8,479	721
15	9,000	8,321	679
16	8,900	8,156	744
17	8,800	7,981	819
18	8,700	7,797	903
19	8,600	7,603	997
20	8,500	7,398	1,102
21	8,400	7,182	1,218
22	8,300	6,955	1,345
23	8,200	6,716	1,484
24	8,100	6,464	1,636
25	8,000	6,198	1,802
26	7,850	5,918	1,932
27	7,700	5,623	2,077
28	7,550	5,312	2,238
29	7,400	4,984	2,416
30	7,250	4,639	2,611
31	7,100	4,275	2,825
32	6,950	3,891	3,059
33	6,800	3,487	3,313
34	6,650	3,061	3,589
35	6,500	2,612	3,888
36	6,400	2,139	4,261
37	6,300	1,641	4,659
38	6,200	1,116	5,084
39	6,100	562	5,538
40	6,000	0	6,000

[1] See accompanying text for assumptions.

Mr. McDONOUGH. Mr. Chairman, I ask unanimous consent that the gentleman from California [Mr. HESTAND] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HIESTAND. Mr. Chairman, I hope that the House will weigh carefully the implications of this bill and its effect on the millions of homeowners today whose savings are represented by the equities in their existing homes.

A great percentage of the homeowners who are in the market today for new homes are in the market only if they are able to sell their existing homes. If something happens to these equities, then there would be a drop in the construction and sale of new homes.

I am afraid that the proponents of this bill are not aware of the equities which moderate income families have accumulated in their existing homes.

For example, the 1956 housing inventory revealed that of the 7 million homeowners in the $4,000 to $6,000 income group, 2½ million families who had purchased homes with a mortgage now own them free and clear of any debts.

In addition, the Bureau of the Census discovered in 1956 that 1 million American families in this income group had purchased homes with cash and no mortgage. Another 2 million American families had acquired homes with mortgages that were not Government insured, and 1½ million families owned homes with FHA and VA mortgages.

These statistics, which I must emphasize, are based on the 1956 housing inventory by the Census Bureau, tell two stories. One, it underscores the tremendous equities which these moderate income families have in their present homes; and two, it rebuts the contentions of the proponents of the bill that this income group is neglected by the private market.

If this bill is enacted and speculative builders are encouraged to build a huge volume of housing to be sold with no downpayment and 40-year terms, then it is very unlikely that existing homes will be easy to sell in today's market. The result will be a drop in the prices of existing homes and a reduction or wiping out of the equities—the savings—of millions of moderate income families.

Mr. Chairman, enactment of this bill will thus be a great disservice to millions of American families.

There is another provision in this bill, the implications of which are more serious than any housing bill ever considered by the Congress. I refer to the provision which would permit local public bodies or agencies to obtain a Treasury loan at 3⅛ percent to build moderate rental housing for moderate income families. These loans will be at 100 percent of cost.

These will be direct Treasury loans notwithstanding the references in this bill to the FHA and FNMA. Both of these agencies will suffer a perversion of their statutory objectives in order to implement this program. The FHA will be required to insure a mortgage with a rate of 3⅛ percent, 2⅛ percent below the normal interest rate for FHA multifamily projects. FNMA will draw from the Treasury money with which to buy these mortgages at par.

This program is nothing more than an extension of government-owned subsidized shelter to America's middle class.

I am not exaggerating when I say public housing. There are two essential elements to public housing; one is government owenership, and the other, subsidies. This program has both elements.

"Local public bodies or agencies" means that a city could create a "local rental housing authority." Whatever instrumentality the city creates, it all adds up to the same thing, government ownership of shelter for America's middle class.

The subsidy is present in the fact that this money will be borrowed from the Treasury at 3⅛ percent. This is more than 2 percent below the present market rate for FHA loans and certainly below the rate which the Treasury must pay for money it borrows for 40-year maturities.

I hope that the House, before it votes on this provision will realize that it is voting on an extension of government-owned subsidized shelter for America's great middle class. In my opinion, this is the greatest challenge that has ever faced the House in its long and traditional resistance to public housing. I refer to the fact that this House on many occasions has voted, either to kill public housing or reduce it sharply. This provision is a much more vicious form of public housing than that which appears in this bill under the banner "Public housing."

A few moments ago, I referred to the 1956 housing inventory which rebuts the contention of the proponents of this bill that America's middle class is neglected by the private market. How about the 1960 Housing Census? In a few months we shall have complete census statistics as to the housing status of the American people.

I think it most significant that the administration wants to rush through a 4- or 5-year housing bill, involving vast costly new programs, without having before it the results of the Housing Census taken in 1960.

Mr. Chairman, this is a far-reaching bill which takes us a long way toward government ownership of family shelter for two-thirds of the American people. This is not what the American people want—it is not what the American people need.

Mr. Chairman, I have only mentioned three of the 30 important objections to this monstrous bill. It is indeed a monstrosity, the worst housing bill we have had offered to this House.

Approval of this bill would do violence to the warning of President Kennedy in his inaugural address that we face great challenges in the future, and that we must consider what we can do for the country, not what the country can do for the people.

Mr. McDONOUGH. Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, the financial impact of this omnibus housing bill H.R. 6028, according to a tabulation prepared by the National Association of Real Estate Boards, is $8.8 billion, of which only $241 million is subject to the appropriations process of the Congress. In the case of the $2 billion urban renewal capital grants, the bill authorizes contracts pledging the faith of the U.S. Government so that Congress would be legally bound to appropriate the money for this program in future years. In other words, H.R. 6028 is the biggest back-door spending bill as far as I know ever to come before this House.

I have a firm opinion that the majority of the Members of this body are opposed to abrogating congressional responsibility by the device of authorizing public debt transactions whereby an agency of Government borrows from the Treasury and spends the money outside the normal appropriations process.

I have in mind that in May 1959 our distinguished colleague from Texas [Mr. THOMAS] introduced amendments to change the method of financing of a similar but more modest housing bill to direct financing by appropriation. On a record vote the amendments were carried 222 to 201.

Subsequently, due to the fact that the conferees from the House were not in sympathy with these amendments, in the House-Senate conference, the managers on the part of the House, not to anyone's surprise, capitulated.

Mr. Chairman, I am sure history would repeat itself if today similar amendments were initiated to eliminate the back-door spending elements of this measure. I would be licked before I started if I introduced such amendments.

I hope that the Members of this House, nevertheless, will not overlook the fact that in a few days the House will be considering legislation to increase the national debt limit to $298 billion. It should be borne in mind that approximately $114 billion of the national debt has been incurred through public debt transaction authorizations. Also, it should not be overlooked that the record clearly indicates that where the appropriations committees of Congress have had jurisdiction, the line has been held on spending and the Presidents' budget requests have been kept in line. On the other hand, it is by the so-called back-door devices that Congress has lost control and expenditures of the Federal Government have exceeded the budget.

The statement has been made that the use of public debt transactions in financing public programs is simply a matter of loaning money and having it repaid. In this connection, I remind my colleagues that some $16 billion of bonds and notes of Government agencies have had to be canceled and more is in prospect.

As of June 30, 1960, the Treasurer had a balance of securities acquired from various agencies to finance back-door spending programs amounting to $33 billion. As I recall, there is an additional $26 billion authorized so that should the agencies of Government request these additional funds the Treasurer of the United States would be compelled to buy their notes and securities in this latter amount. As the national debt is close to the debt limit now, imagine the results if the Treasury is called upon to buy agency securities. It could only go into the market and issue bonds in a limited amount and would not be

able to raise the necessary funds to pay the $26 billion.

It seems to me fiscal irresponsibility to authorize borrowings by the Housing agency under this bill, which with other outstanding authorizations, would far exceed the debt limit. In other words, we either should be seeking an increase far in excess of $5 billion in the debt limit when H.R. 7677 is considered by the House in the next few days or we should cut down on back-door spending.

I repeat that the Congress has authorized back-door spending programs greatly in excess of the debt ceiling, which certainly is fiscal irresponsibility, and all the while our President has pledged to maintain a stable economy. It certainly would not be stable if a crisis arose and the Congress had to be called in special session after adjournment in order to again raise the debt limit.

I am not going to introduce amendments to change the method of financing these programs, because I realize it would just be futile and when the conference report came back there would be nothing gained. I do, however, raise my voice in protest.

As I have said before, I do not want to disrupt existing programs. Rather, I favor a return to fiscal sanity on new programs.

As our Government enters fiscal year 1962, it becomes more and more apparent that we will have a substantial budget deficit. I view the Kennedy 1962 budget requests as calling for a $90 billion plus budget, or $9 billion over President Eisenhower's 1962 recommendations. More increases are in prospect. There may be an upsurge in revenue, but of this I am sure, there will be no control over the finances of the Nation in 1962 and in the years ahead unless we adhere to the constitutional procedure of appropriations with an annual justification and review for every program.

Most earnestly, Mr. Chairman, I urge my colleagues to consider this situation and join with me somewhere, somehow, in putting a stop to new programs financed by public debt transactions.

The mutual security program and this housing bill together total some $17 billion in back-door spending. By these two bills the executive branch would obtain control and authority over how this money is spent. How can the elected representatives of the debt-ridden taxpayers, in all conscience, abrogate their responsibility in this way?

At least, when the foreign-aid bill comes up for consideration as a new program, I hope that it will be amended to conform with the appropriations process.

Meanwhile, day in and day out, like a voice in the wilderness, I raise my voice in protest, as I do today and whenever an appropriate occasion arises. I say back-door spending is wrong; I say that I, for one, and I know many others also, will never cease to oppose it until we succeed.

Mr. Chairman, I urge all Members of the House who feel as I do and who oppose back-door spending to take this to heart.

Mr. McDONOUGH. Mr. Chairman, I have no further requests for time and yield back the balance of my time.

Mr. RAINS. Mr. Chairman, I have no further requests for time and ask that the Clerk read.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the substitute amendment printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Housing Act of 1961".

Mr. RAINS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore, Mr. ALBERT, having assumed the chair, Mr. BOGGS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6028) to assist in the provision of housing for moderate- and low-income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes, had come to no resolution thereon.

MEMBERSHIP OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS AND COMMITTEE ON SCIENCE AND ASTRONAUTICS

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 355) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That during the Eighty-seventh Congress, the Committee on Interior and Insular Affairs shall be composed of thirty-three members and the Committee on Science and Astronautics shall be composed of twenty-eight members.

The SPEAKER pro tempore (Mr. ALBERT). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REENACTMENT OF BATTLE OF FIRST MANASSAS

Mr. HARDY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1342) to provide that participation by members of the National Guard in the reenactment of the Battle of First Manassas shall be held and considered to be full-time training duty under section 503 of title 32, United States Code, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CONTE. Mr. Speaker, reserving the right to object, has this matter been cleared with the minority side?

Mr. HARDY. It has been cleared on the minority side with the gentleman from Illinois [Mr. ARENDS] and the gentleman from Indiana [Mr. HALLECK].

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) any member of the Army National Guard of the United States or the Air National Guard of the United States who, in his status as a member of the National Guard, voluntarily participates in the reenactment of the Battle of First Manassas shall, while participating in and while proceeding directly to and from any such reenactment, pageant, or ceremony, be held and considered to be engaged in full-time training duty under a call or order to perform training under the provisions of section 503 of title 32, United States Code; but no such member shall be entitled to any pay or allowances from the Federal Government on account of his participation in any such reenactment, pageant, or ceremony.

(b) With respect to the transportation of members described in subsection (a) of this section, maximum utilization shall be made of transportation facilities issued to National Guard units by the Federal Government, and in any case in which such facilities are inadequate for such purpose, transportation facilities of the Armed Forces may be used to the extent deemed practicable by the Secretary of Defense.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AIRCRAFT NUCLEAR PROPULSION

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, the atomic-powered airplane is dead—assassinated by an unwise decision of the Department of Defense.

The only way for it to be brought back to life will be for the Soviets to fly one, thereby gaining another important first in scientific achievement. The Soviets are getting too many of these firsts, at the expense of American prestige.

We can build an atomic-powered plane if we want to—and a good and useful one—one which in the first model could approach the speed of our B–47 and B–52 jets. But somewhere along the line we have lost the pioneering attitude that gave us the first atomic-powered submarine.

I believe someday we will develop an atomic plane, because even the Pentagon cannot forever resist progress. The Pentagon cannot forever bury the only airplane which offers unlimited endurance and range.

I must compliment the press of the United States for the indication of its awareness of the importance of the aircraft nuclear propulsion program to American prestige, and the importance of the program in the aviation field.

Many editorials and articles have appeared in the Nation's newspapers in support of the ANP program. One such

editorial appeared recently in the Belleville, Ill., News-Democrat on Tuesday, May 23, 1961.

I would like to call this article to the attention of my colleagues and under unanimous consent, I herewith include the News-Democrat editorial with my remarks:

MORE POWER TO MEL PRICE

Among the first acts of President Kennedy after he took over as Chief Executive was to order expedited and drastic beefing up of our dangerously deteriorated national defense posture.

In the ensuing shuffle to achieve these objectives as swiftly as possible, the far-advanced development of a nuclear-powered airplane was abruptly jettisoned. Despite the fact that General Electric was at that moment ready to manufacture the revolutionary powerplant, Defense Secretary McNamara allowed himself to be misled by Pentagon derision that such a contraption would never be of any value militarily.

Seemingly covetous of the smidgen of the defense dollar invested in this vital pioneering, Air Force braid scoffed that the still-to-be-built plane would "fly too low and too slow," if indeed it flew at all. And that no subsonic, substratospheric aircraft would fit into today's defense picture. Some detractors even went so far as to damn the nuclear-powered airplane to never be anything more than a scientific freak or stunt.

Shades of the stupid old War Department that crucified Billy Mitchell for his aggressive and indefatigable championship of military air power. Or, more recently, the Navy brass-hats who arduously strove to oust Adm. Hyman Rickover, ultimately acclaimed the "father of the atomic submarine."

From the beginning, our own Representative MELVIN PRICE has been an ardent advocate of U.S. development of nuclear-powered aircraft. Now a potent member of the House Armed Services Committee and chairman of the joint Senate-House subcommittee on nuclear research and development, Congressman PRICE is not taking the arbitrary A-plane deletion lying down. Nor should his colleagues in Congress.

It would be sheer folly to write off and abandon this program now on the eve of fruition. The destiny of civilization is closely tied to the mastery of nuclear fuel. And the A-plane, on the threshold of realization, is the initial step. Its potential is terrific even by today's standards, and conceivably would lead to possibilities yet undreamt of.

Congressman PRICE is entirely correct in his campaign for reversal of Secretary McNamara's decision. We earnestly pray he will succeed and that the administration and Congress will move immediately to reinstate the A-plane program to full vigor.

EDUCATING AMERICA'S YOUTH: OUR GREATEST RESOURCE FOR THE FUTURE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, much of the mail received by Members of Congress these days relates to Federal aid to education. It is good for our country that there is so much interest, for there is nothing we can do or say to overemphasize the importance of education in this age in which we live.

Never before in our history has there been a greater premium placed upon education. The reasons are twofold. First, present-day stresses on democratic government demand that we have an educated and responsible electorate. This has been true for over 150 years. Jefferson and the Founding Fathers recognized clearly that the democracy could not otherwise survive. Second, modern technology is becoming so complex that our young men and women must be well educated if they are to achieve suitable positions for themselves and make valuable contributions to our economy. This is true whether they are youngsters from our farms or our cities. Farming is becoming more complex and demands better education than ever before. Moreover, over half of our farm youngsters will leave the farm for jobs in the cities.

Mr. Clarence Poe, senior editor of the Progressive Farmer, the leading farm journal of the South, recently wrote me:

Even under the best conditions, children in our rural States will be at a definite disadvantage in competition with boys and girls from richer States.

DISTRESSING FACTS

I looked into this situation recently and found some distressing facts concerning the number of our young men who had been rejected for military service because they failed the armed forces mental test. Between July 1950 and December 1960, 1,053,736 young men—almost 18 percent of all those examined—were disqualified for military service for this reason. There is a remarkable variation among States, and it seems to be very closely related to the amounts various States can afford to spend on educating their young people. For example, the 10 States which spent the smallest relative amount of State and local revenue for education—about $63 per capita in 1958—had about 24 percent of their young men rejected by the armed forces because they failed the mental tests. On the other hand, the 10 States which spent the most State and local revenue on education—about $124 per capita—had only 11 percent of their young men rejected for this reason. To me this demonstrated dramatically and conclusively the educational advantage given young people by the accident of their birth in rich States rather than in financially poorer ones.

LOCAL TAXES OUT OF LINE

This problem has troubled me for many years, and I have consistently voted against Federal aid to education because I believed that this is a job local communities and States could best do themselves. But as more and more of the money-making opportunities leave our local communities, it becomes increasingly difficult for them to finance their own public services. Usually the only way local communities can increase their income to support their schools is by increasing real estate taxes. These taxes are already way out of line. The magazine Nation's Agriculture points out that "the cost of operating your local school is usually the largest single factor in your property tax rate." The local communities must depend on real estate taxes because they cannot follow the large profits that absentee owners earn in their communities. Only the Federal Government can do this. Can the local people afford to double the amount they are now paying to keep up with the needs for education the next 10 years? I certainly would insist that any Federal aid to education program not interfere with local affairs. But something must be done to give equal opportunity to our youngsters, whether they are born in the richest areas or not. Jefferson expressed it well when he said that in a free society educational opportunities should be equal regardless of "wealth, birth, or other accidental condition." I am not committed to vote for or against Federal aid to education and will not be in a position to commit myself until I see the bill that is ready for final passage after all amendments.

REVITALIZING COMMUNITY LIFE—CABINET LEVEL URBAN AFFAIRS DEPARTMENT NEEDED

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, for many years I have expressed my deeply felt concern for the economies of our smaller communities—for their opportunities for normal, future growth. During recent years there has been growing concern and increasing direct action by private groups and public bodies to arrest the deterioration of our communities and restore their ebbing vitality.

In recent decades, organized development efforts usually started as private endeavors to meet local needs. When local and private efforts proved inadequate, governments intervened, usually being initiated at the State level. Because local efforts proved inadequate we now have such things as State planning and development agencies, State supported industrial financing authorities, revenue and municipal bonds for financing industrial expansion, municipal and county development agencies, local planning commissions, and local redevelopment and urban renewal agencies.

Most of our communities grew without form or pattern, and then proceeded to decline into stagnation as the sources of their revenues are drained away through absentee ownership of stores, industries, and commercial services. Professional economists generally have given no attention to the economies of our smaller communities so there is little supporting material to blueprint the many causes of community deterioration.

Studies by the House Small Business Committee attest to the crippling effect resulting from the spread of chainstores and chain banks and the concentration

of the great industrial corporations. Even the local dairies, last bulwark of the small independent business institutions, may soon be devoured by the great corporations.

LACK OF KNOWLEDGE

This growth of Wall Street ownership of what once were local, independent business institutions is a major cause of community deterioration, but it is just one. The important thing for us to consider now is that no one has given attention to the rise and fall of our local communities, and it is urgent for us to act. Donald R. Gilmore, regional economist of the Federal Reserve Bank of Boston, expressed it this way:

Little is known about what makes for local economic growth in the United States. Area development, as a field of research, has been neglected. Economic knowledge in this field is still primitive, inexact, and unorganized. The concentrations of economic thinking and policy recommendations on national economic problems has left almost unnoticed those matters which affect economic growth at the local, State, and regional levels.

National attention given to the problem has generally been limited to special situations and to depressed or chronic labor surplus areas. Attempts to deal with local economic problems by the kinds of Federal legislation that have been undertaken thus far (such as preferential treatment in awarding Government contracts and the present urban renewal program) tend to deal merely with pieces of the problem long after the crisis stage has been reached. They fail to recognize the need for local planning for local economic growth to the economies of the area, State, and Nation.

The only way we have to remedy this lack of knowledge and to revitalize our smaller communities is to establish a Division for Development of Smaller Communities within a Cabinet-level Urban Affairs Department if that administration recommendation is approved, or to create a separate Commission for Smaller Community Development if an Urban Affairs Department is not approved. One or the other is necessary.

COMMUNITIES PLEAD FOR HELP

Dr. Gilmore, reporting on the results of his study in "Developing the Little Economies," said:

On the basis of the information submitted by economic development organizations it appears that there are few programs that can be considered adequate to deal with problems already in existence, or those which are beginning to emerge. * * * The majority of development organizations do not know how they will meet the challenges of the future. Many frankly issued pleas for ideas or guidance in establishing comprehensive (community improvement) programs.

It is true that local communities must carry the heaviest part of the load in restoring our communities and enhancing community life. We do not want the Federal Government to attempt to guide and govern local communities. But the problem has been created by a lack of knowledge stemming from a lack of interest. It is our job to remedy this lack of knowledge. It is our job to show the way, and to help our local communities help themselves.

MASS TRANSPORTATION

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include a letter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, I have introduced today H.R. 7787, a bill to provide increased Federal assistance to State and local governments in planning new or improved transportation facilities and services as a part of comprehensive planning for urban areas. This is the administration's bill, transmitted to the Speaker by President Kennedy on June 19. The chairman of the Banking and Currency Committee, the gentleman from Kentucky [Mr. SPENCE], has referred the bill to Subcommitee No. 3, of which I am chairman, for hearings. Hearings will begin on June 27, and will continue at least through June 28 and 29.

This bill would help unsnarl the rush-hour traffic jams that are threatening to choke many of our cities. There is general agreement that we cannot rely on private automobiles alone to serve the transportation needs of the cities. At the same time, we are failing to push ahead imaginatively in developing other forms of transportation, and in some cases, we are even abandoning rail lines which probably could be used to great advantage in building a balanced transportation system. H.R. 7787 would authorize planning grants and demonstration grants to assist our urban communities in developing better transportation systems, and it would require the Housing and Home Finance Administrator to report to the Congress not later than January 31 of next year with recommendations for a further program of Federal financial assistance for urban mass transportation.

I am inserting in the RECORD at this point President Kennedy's letter to the Speaker transmitting this bill, together with a memorandum to the President from Housing and Home Finance Administrator Robert C. Weaver, which describes the bill in general and also includes a section-by-section analysis of its contents.

Following is the text of a letter from President John F. Kennedy to the Speaker of the House:

THE WHITE HOUSE,
Washington, June 19, 1691.

HON. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: As stated in my message to the Congress on Housing and Community Development, "nothing is more dramatically apparent than the inadequacy of transportation in our larger urban areas." We are pledged to assist in the sound development of our cities, and believe Federal financial assistance should be provided to help plan and develop the comprehensive and balanced transportation systems which they so desperately need. Such assistance will not only directly benefit our cities, but will also make more effective use of Federal funds spent for other urban development programs.

As a first step, I am submitting with this letter a proposed bill to provide increased authority for Federal assistance to urban transportation planning. The assistance to be provided would include grants for surveys, studies, planning, and experimental demonstrations.

Because mass transportation is a distinctly urban problem and one of the key factors in shaping community development, the proposed bill assigns the administration of the program to the Housing and Home Finance Agency. This responsibility, together with the other functions of the Agency, will be transferred to the new Department of Urban Affairs and Housing upon enactment of legislation which I have previously proposed.

Following the directive in my message on Housing and Community Development, the Secretary of Commerce and the Housing and Home Finance Administrator are undertaking an extensive study—due to be completed this fall—on methods and the extent of Federal financial assistance for the actual development and improvement of mass transportation systems. The proposed bill would require the Housing Administrator to submit to the Congress, early in the next session, a report and recommendation based on the findings of the study group. Non-Federal Government financing will have to provide the preponderant share of the new capital funds needed for mass transportation, and Federal assistance should therefore encourage and supplement rather than supplant such investment.

But the time required to complete the study and translate its recommendations into a legislative proposal should not be wasted. Enactment this session of the proposed bill will permit the planning and demonstration programs to be set up and will also stimulate urban areas to establish area-wide agencies empowered to plan, develop and operate transportation systems. These steps are essential to an effective transit program since two absolute requisites to Federal aid are (1) an approved comprehensive transit plan and, (2) the existence of a suitable organization representing all, or substantially all, of the local governmental units in the metropolitan area.

Although final decision on the exact nature of a Federal program of loans, loan guarantees, or grants for the purchase or modernization of transit facilities and equipment must await the results of this executive branch study, immediate emergency assistance to finance transportation equipment and facilities in a few metropolitan areas with especially urgent problems may be warranted to assure continuation of essential services. While Federal funds should not be used solely to salvage obsolete systems, emergency loans may be essential for projects found by the Administrator to be consistent with the probable comprehensive transit plan for the area, if financing is not available on reasonable terms from private sources or elsewhere in the Federal Government. Consistent with these strictly limited conditions, the Congress may wish to enact, as a part of the bill, a temporary 1-year authority for emergency loans.

Since the Senate has already concluded its consideration of the omnibus housing bill and has adopted an amendment containing a mass transportation program, I hope it will be possible for the House to hold hearings on the subject in order that a satisfactory program can be enacted during the current session.

Sincerely,

JOHN F. KENNEDY.

HOUSING AND HOME FINANCE AGENCY,
Washington, D.C., June 15, 1961.

Memorandum to the President of the United States.

In accord with your recent request, I have prepared and submit herewith a draft of a

bill to provide immediately increased Federal assistance for planning new or improved urban transportation systems and to require a report to the Congress early in the next session recommending the appropriate amount and method of Federal financial assistance for mass transportation facilities and equipment.

In many urban areas additional planning is a prerequisite to Federal mass transportation assistance if that assistance is to be utilized effectively. Unless cities prepare and adopt comprehensive community plans, including mass transportation plans as an integral part thereof, they may waste both their own and Federal funds and may aggravate rather than correct problems of urban congestion, haphazard development, and deterioration. Ill-conceived mass transportation facilities, like inappropriately planned highways, can accelerate blight and encourage undesirable development. It is only through inclusion of transportation planning as a key element in the comprehensive planning process that full benefit can be obtained from the great investment that an effective transportation system in a metropolitan center entails. Transportation studies and plans must indicate in detail the need for facilities and their type, location, size, and cost if inconsistencies and conflicts with other community development programs are to be avoided.

Transportation plans, moreover, must give consideration to all transportation media, both public and private, existing and proposed, if the most effective and economic overall system is to be obtained. Transportation systems will make provision for substantial automobile commuting and will also utilize railroad and other transit facilities if total transportation needs in most large cities are to be met successfully.

Our existing urban planning and demonstration grant programs, as strengthened by this bill, are well designed to assist such comprehensive planning. Provisions of the proposed Housing Act of 1961 will strengthen the urban planning grant program still further by increasing the Federal share of planning costs from one-half to two-thirds, and by facilitating the formation of interstate compacts and agreements for comprehensive planning in interstate areas. The increase of $80 million in the authorization for the program proposed in the administration's version of that bill should be sufficient for transportation planning as well as for other planning eligible for assistance under the program. Details of the draft bill are set forth in the accompanying section-by-section analysis.

ROBERT C. WEAVER,
Administrator.

SECTION-BY-SECTION ANALYSIS OF URBAN TRANSPORTATION BILL OF 1961

SECTION 1. SHORT TITLE

Findings and purpose

Section 2: This section would set forth congressional findings that the greater part of the Nation's population and economic wealth is located in our metropolitan and other urban areas, many of which are interstate in character, and that such areas—and housing, highway, urban renewal, and other federally aided programs in such areas—are increasingly suffering from the deterioration of urban transportation facilities and services, the intensification of traffic congestion, and the lack of integrated land-use and transportation planning on a comprehensive and continuing basis.

The section would next state it to be the belief of the Congress that Federal financial assistance for effective mass transportation systems is essential to the solution of these urban transportation problems, and that such systems can be developed only in communities with sound and comprehensive areawide transportation plans and with financing, developmental, operating, and regulatory authority adequate to carry out such plans.

In accord with these findings, this section would state the purpose of the bill to be (1) to stimulate areawide transportation planning and studies in metropolitan and other urban areas as an integral part of comprehensive land-use and community development and renewal planning, in order to assure that urban transportation systems, including federally aided highways, make a maximum contribution to sound community development and meet urban transportation needs most economically and effectively; and (2) to provide for a prompt report and recommendations to the Congress as to the proper role of Federal financial assistance in the provision of effective urban mass transportation systems.

Planning grants

Section 3: This section would amend section 701 of the Housing Act of 1954 to make it clear that the urban planning grant program carried on by the Housing Administrator under that section may provide grants for transportation planning. Grants would be specifically authorized for mass transportation surveys, studies, and planning, to be in addition to funds available for planning surveys and investigations under the Federal-aid highway program or other Federal programs, and specifically authorized to be used jointly with such funds. The Administrator would also be authorized to provide technical assistance to localities undertaking comprehensive urban transportation planning and could himself make studies and publish information on related problems.

Technical assistance could be provided in planning, as a part of comprehensive urban planning, and in carrying out all phases of a mass transportation program. Studies could, for example, be undertaken on (1) the relative costs and benefits of various land-use patterns and the transportation requirements resulting therefrom; (2) the coordination of mass transportation plans and programs with housing, urban renewal, highway, and other land-use and development plans and programs; (3) commuting patterns and travel habits; (4) costs of traffic congestion and its effect on economic productivity and urban growth; (5) the economics of mass transportation operations, both internally and in terms of overall urban transportation costs; (6) organizational, fiscal, and other problems in providing regional transportation services; and (7) technological developments in mass transportation.

The present authority of the Administrator to make grants to official State, metropolitan and regional planning agencies for metropolitan or regional planning would be broadened to authorize grants for such planning to be made to other agencies and instrumentalities designated by the Governors of all States for which the planning was to be carried out and also acceptable to the Housing Administrator. This would make clear that grants may be made to public planning bodies other than the official State or local agency for metropolitan or regional planning, where the Governor and the Administrator agreed that such grants were desirable.

Public planning bodies have, for example, been sponsored by joint action of State highway departments and local governments, for regional transportation planning and other coordinated land-use planning. The Administrator should have the authority to provide grants-in-aid for such bodies where he is satisfied (a) that their operations would not supplant those of official planning agencies, (b) that the resulting planning will, to the maximum extent feasible, include the entire metropolitan or other urban area, and (c) that their programs are designed to obtain the State and local support needed to carry out their plans.

The Administrator would be required to encourage cooperation among the affected localities, public agencies, and other interested parties in preparing and carrying out plans, in order to achieve coordinated development throughout the affected area. Also, recipients of planning assistance would specifically be required to make maximum use of previous pertinent plans and studies in order to avoid unnecessary repetition of effort and expense. These requirements would apply to any planning assisted under the section 701 program.

Finally, references to transportation facilities would be included in that portion of section 701 which refers to the scheduling of public facilities as a part of comprehensive planning.

Demonstration grants

Section 4: This section would amend the demonstration grant program carried on by the Housing Administrator under section 314 of the Housing Act of 1954 to authorize him to contract to make grants, limited to two-thirds of cost, for demonstration projects which he determines will assist in carrying out urban transportation planning and research, including but not limited to the development of generally applicable information on the reduction of urban transportation needs, the improvement of mass transportation service, and the contribution of such service toward meeting total urban transportation needs at minimum cost. It is intended that these grants be used primarily for operational studies and experiments to assist in mass transportation planning. For example, grants could be made to help determine the effect upon the cost and utilization of mass transportation if service frequency or speed were increased or transfer privileges made available. Experiments to test the effect upon mass transportation patronage of various types of regulation of highway traffic would also be eligible.

Grants to assist in financing major long-term capital improvements would specifically be forbidden. It is not intended, for example, that the grants be used to test the effect of extensive additional parking facilities or to make other changes in service which would involve more than "pilot" use of new facilities or equipment. Such projects would more properly be considered under the program of Federal assistance for mass transportation facilities which is expected to result from the Housing Administrator's recommendations next year.

The present $5 million contract authorization for grants under section 314 would be increased to $15 million, of which $10 million would be available only for the new transportation grant program.

Report and recommendations

Section 5: This section would require the Housing Administrator to submit to the Congress, at the beginning of the next session, a report and recommendations as to the appropriate form and magnitude of Federal financial assistance for urban mass transportation, the proper extent of local cost sharing, and the other conditions and requirements to be met locally to assure the most effective use of such assistance. The joint study of urban transportation problems being undertaken by the Department of Commerce and the Housing and Home Finance Agency would be completed by then and would provide a firm basis for such recommendations.

A RECORD OF EXEMPLARY SERVICE—CAPT. HOWARD J. SILBERSTEIN, U.S. NAVY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I wish to take this opportunity to express to the House my pride in the outstanding service which has been rendered the House and its Science and Astronautics Committee by Capt. Howard J. Silberstein, U.S. Navy.

The Committee on Science and Astronautics has made a practice in the 3 years of its existence of having assigned to its staff an outstanding and professionally qualified officer from one of the armed services. In turn, such officers have served a tour on loan from the Army, the Air Force, and the Navy. Captain Silberstein of the Navy is now concluding his year with the committee. He has built during that time an outstanding record which will be hard to match. In his service he has shown great professional skill and judgment, a high dedication to national service, and a continued willingness to go beyond the call of ordinary duty to serve the committee, individual Members of Congress, and the Nation in a cheerful and helpful spirit.

In tangible form he is leaving outstanding reports prepared on the problems of noise, space propulsion, the organization of the national space effort, Project Mercury, and space activities of the National Science Foundation.

What does not show on the record, and I wish to bring it to light now, is the constructive work he has done with agencies of the executive branch, Members of Congress, industry, and individual scientists, in encouraging them to take a fresh look at national problems of common interest in a spirit of cooperation for the common good. It is especially to his credit that he has served the Navy best during his stay with us not as a special pleader, but by always focusing on the national interest viewed in broad context. We have heard repeated praise of his contributions not only from the Pentagon, but also from the National Aeronautics and Space Administration and from industrial representatives.

Captain Silberstein has that special spark of initiative and dedication, coupled with outstanding ability which is seen only rarely.

We wish him well in his new assignment at the Industrial College of the Armed Forces, and in his future career in the Navy. With his background as a combat aviator and experienced administrator of research and development projects, we except to continue to hear of his accomplishments in his career. It is dedicated officers like Captain Silberstein that reflect great credit upon the U.S. Navy. I am glad that men like Captain Silberstein dedicated their lives in the armed services of our country. His loyal wife and two strapping sons can be very proud of him, and this may be some small recompense for the time his arduous duties have kept him away from normal routines.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight Saturday to file sundry reports.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SUBCOMMITTEE ON PRINTING OF COMMITTEE ON HOUSE ADMINISTRATION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent on behalf of the gentleman from Ohio [Mr. HAYS] that the Subcommittee on Printing of the Committee on House Administration may be permitted to sit tomorrow during general debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CONGRESSIONAL REVIEW OF FEDERAL GRANTS-IN-AID

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. FOUNTAIN] may extend his remarks at this point in the RECORD and include therein a copy of a bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FOUNTAIN. Mr. Speaker, I have today introduced a bill to provide for periodic congressional review of Federal grants-in-aid to State and local units of government. I am pleased to note that identical bills have been introduced by the gentleman from Texas [Mr. IKARD], the gentleman from Iowa [Mr. SMITH], and by the gentlewoman from New Jersey [Mrs. DWYER], and several of her colleagues on the other side of the aisle.

It is the purpose of this bill to establish a uniform policy and procedure whereby programs for grant-in-aid assistance from the Federal Government to the States, or to their political subdivisions, which may be enacted in the future by the Congress shall be made the subject of sufficient subsequent review to insure that grant programs are revised and redirected as necessary to meet new conditions arising subsequent to their original enactment and that grant programs are terminated when they have substantially achieved their purpose.

Much concern has been voiced in recent years over the difficulty of terminating or reorienting a grant once it has been in existence for a long period of time and has substantially served its purpose. Our Intergovernmental Relations Subcommittee studied this problem intensively in a series of hearings held throughout the country in 1957–58 when testimony was taken from public officials at all levels of government. In general, the subcommittee found a favorable acceptance of the grant-in-aid method for obtaining intergovernmental cooperation in accomplishing national legislative purposes. However, it was felt and observed by the subcommittee that a grant intended to stimulate State and local action in a given field carries with it the serious hazard that it may resist termination once the Federal objective has been achieved. This tendency weakens the utility of the grant device and deprives the Federal Government of the flexibility needed for a sound grant system.

In its 1958 report on "Federal-State-Local Relations, Federal Grants-in-Aid"—House Report No. 2533—the Committee on Government Operations suggested a number of provisions which Congress might usefully include in statutes authorizing new or revised grant programs so as to clarify program objectives and the legislative intent.

The Advisory Commission on Intergovernmental Relations, which was established in 1959 by Public Law 380 and of which I am a member, recently reexamined this problem and concluded that the most realistic approach to meeting it is through the enactment of a general statute providing for systematic review and assessment of grant programs which may be established in the future. My bill is intended to implement the Commission's recommendation in this connection.

While this bill does not apply to existing grants, the Commission has recommended that these programs also be assessed periodically by the Congress and the executive agencies in terms of: First, accomplishment of the objectives set forth in the authorizing statute; second, an estimate of the extent of unmet need; and third, where appropriate and desirable, an evaluation of alternative plans or methods for achieving the program objectives.

In its report on this subject, which will be available early next month, the Commission recognizes that grant programs are presently subject to review by the appropriate legislative committees of the Congress and in the course of the appropriation process. In addition, the respective executive agencies give close attention to the operation of programs for which they are held responsible.

It is the Commission's belief, however, that the present review machinery would be strengthened by the enactment of a statute prescribing a systematic and uniform policy and procedure for the careful reexamination of new grant programs at stated intervals.

Under the proposed legislation, any new grant program hereafter enacted by the Congress would automatically expire at the end of 5 years unless an earlier date is specifically provided, or unless application of the act has been specifically waived in recognition of the intent to provide continuing Federal assistance in a given program. The bill provides that the appropriate legislative committees of the Congress shall, at the end of 4 years, unequivocally address themselves to the question of whether or not a particular grant has served its

purpose and whether it should be allowed to terminate or should be reenacted.

It is my view, Mr. Speaker, that since Federal grants-in-aid have become an established feature in our Federal system of government, we must exercise the greatest possible care to strengthen their good points and to minimize any disruptive or undermining effects they may have. I believe this bill will help achieve that objective.

The bill that I have referred to is as follows:

A BILL TO PROVIDE FOR PERIODIC CONGRESSIONAL REVIEW OF FEDERAL GRANTS-IN-AID TO STATE AND LOCAL UNITS OF GOVERNMENT

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. It is the purpose and intent of this Act to establish a uniform policy and procedure whereby programs for grant-in-aid assistance from the Federal Government to the States or to their political subdivisions which may be enacted hereafter by the Congress shall be made the subject of sufficient subsequent review by the Congress and the President as to insure that grant programs are revised and redirected as necessary to meet new conditions arising subsequent to their original enactment and that grant programs are terminated when they have substantially achieved their purpose.

SEC. 2. Unless otherwise provided by the Congress in the specific instance, any statute hereafter enacted by the Congress which provides for a grant-in-aid from the Federal Government to States or to political subdivisions thereof shall be subject to the provisions of this Act: *Provided however,* That this Act shall not apply to authorizations for shared revenues, or loans and repayable advances, nor shall it apply to any grant-in-aid statute now in effect, except that where a new category of grant assistance is incorporated into an existing statute, the provisions of this Act shall apply with respect to the new category incorporated.

SEC. 3. (a) Whenever an Act of Congress enacted after the effective data of this Act provides for grants of funds from the United States to a State or a political subdivision thereof, the authorization for such grant shall expire on June 30th of the fifth calendar year which begins after the effective date of such Act unless an earlier date is otherwise specifically provided by law. Where such Act is extended beyond the date on which it would otherwise expire (whether by its terms or by reason of this Act) such extension shall expire on June 30 of the fifth calendar year which begins after the effective date of the Act making the extension unless an earlier expiration date is specifically provided.

(b) On or before June 30 of the calendar year preceding the year in which such program will expire by reason of subsection (a), the committees of the House and of the Senate to which legislation extending such program would be referred shall, separately or jointly, conduct studies of such program with a view to ascertaining, among other matters of concern to the committees, the following:

(1) The extent to which the purposes for which the grants-in-aid are authorized have been met.

(2) The extent to which the States or political subdivisions thereof are able to carry on such programs without further financial assistance from the United States.

(3) Whether or not any changes in purpose or direction of the original program should be made.

Each such committee shall report the results of its investigation and study to its respective House not later than March 1 of the calendar year in which the program is due to expire pursuant to subsection (a).

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentlewoman from New Jersey [Mrs. DWYER] may extend her remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mrs. DWYER. Mr. Speaker, I have today introduced a bill providing for mandatory congressional review of Federal grants-in-aid to State and local units of government. This is the kind of legislation, I believe, which can have far-reaching significance in improving our Federal system of government. It is also the kind of bill which all Members can conscientiously support, for its objective is to provide for systematic and effective congressional control of Federal aid programs. It is intended neither to encourage or discourage the use of the Federal grant-in-aid device, but only to improve it where it is found desirable by the Congress.

For this reason, Mr. Speaker, I am pleased that several of our colleagues are joining today in introducing similar bills. On this side of the aisle the gentleman from Missouri [Mr. CURTIS], and the gentleman from Washington [Mr. PELLY], and the gentleman from Minnesota [Mr. LANGEN] are sponsoring bills with me, while the distinguished chairman of the Subcommittee on Intergovernmental Relations, the gentleman from North Carolina [Mr. FOUNTAIN] and several of his colleagues on the majority side are also introducing the bill. I hope many others will join us later, for this is truly a bipartisan and constructive effort.

The need for this kind of legislation has grown—in fact and in public awareness—over the past several years. Congress has enacted at least 44 Federal grant programs, but aside from often routine review through the appropriations process there has been no systematic procedure by which the Congress determines whether the program is achieving its objectives, whether it should be redirected in emphasis, or whether it should be terminated or extended. As a result, some programs have outlived their usefulness while others could better serve the purposes of National, State, and local governments by undergoing periodic reorientation to meet changing needs. I would suggest, by way of examples, that grants-in-aid for resident instruction at land-grant colleges and for vocational education in agriculture are diminishing in importance while such problems as air pollution are generally increasing. Similarly, the various grants-in-aid for public health services should be reviewed and overhauled in keeping with the changing patterns of disease in the United States.

There is a further need for this legislation, Mr. Speaker, which arises from a growing discontent among the people at the apparent proliferation and continuation of grant programs which serve no important national purpose. If Congress is to protect the integrity of the grant-in-aid method and further the good which many such programs accomplish, then it is incumbent upon us to make certain that for every grant program there is a recognized national need which the program is serving effectively.

The present bill, while it is restricted to grants-in-aid which may be enacted in the future, may also serve as a prototype for similar legislation affecting programs now in existence.

Under the terms of the bill, any new grant-in-aid which Congress may hereafter enact would automatically expire at the end of 5 years, unless Congress specifically designated an earlier date or provided in the act that the program should be a continuing one. At the end of 4 years of the program, the bill provides that the appropriate legislative committees of the Congress shall undertake a study of the experience under the grant and determine whether to extend, terminate, or modify the program.

The present bill, Mr. Speaker, has a lengthy history. The problem to which it is directed was the subject of intensive consideration by our Subcommittee on Intergovernmental Relations during nationwide hearings on grant-in-aid programs in 1957 and 1958. In the subcommittee's report which was adopted by the Committee on Government Operations, we recommended that provisions similar to those in the present bill be incorporated in all new grant-in-aid programs.

Strong support for this position was provided earlier this year by the Advisory Commission on Intergovernmental Relations, an agency created by the Congress in 1959 and composed of representatives of all levels of government, of which I am a member. The Commission's study of the problem resulted in a recommendation to Congress that a general statute be enacted providing for a periodic, uniform, and systematic review of new grant-in-aid programs. The bill I have introduced today carries the Commission's endorsement and is designed to effectuate its recommendation.

TRADING WITH COMMUNIST CUBA

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. WILSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. WILSON of California. Mr. Speaker, this appearance before you today is the third time in recent weeks that I have called to the attention of the House the serious problem that exists with respect to continued trading with Communist Cuba.

On March 10, 1961, I read into the RECORD a copy of a wire I had sent the President of the United States urging that he immediately invoke the provi-

sions of the Trading With the Enemy Act that would completely eliminate all imports from Cuba. He has this authority within section 5B of Trading With the Enemy Act of 1917.

The reply I received, some 2 weeks later, advised that the President shared my concern and that he has the Cuban trade question under intensive study.

Again on May 17, 1961, when it was obvious that the study had not resulted in action, I again wrote the President to urge that an Executive order be promulgated immediately to stop the importation of goods from Cuba.

Again 2 weeks later, I received a letter dated June 2, 1961, from the White House which stated that—

> the Department of State and other interested agencies are now actively considering what further measures, consistent with our international obligations, should be taken to deal with the problem of Cuban trade.

Mr. Speaker, I have been hopeful and patient that the President would soon take direct action and would stop the sending of our dollars to Fidel Castro and would also allow our domestic producers to participate by fulfilling the needs of the Nation in what little gap may result by halting the importation of commodities from Cuba.

Today we find that the President has allowed the importation of some 2 million gallons of blackstrap molasses from Cuba. In response to the plea of our colleagues in the House and Senate from the State of Louisiana that this not be allowed, the President stated that he had directed his staff to look into the facts surrounding the shipment and that he had directed an aid to make a special report on the matter.

Mr. Speaker, the President of the United States should know by this date that action speaks louder than words and that his continued pronouncements that he has an intensive study underway, that the matter is being actively considered, that a special report is being prepared by an aid, and that his staff has been directed to look into the facts surrounding the shipment, must stop and a firm decision be reached to invoke the Trading With the Enemy Act. Continued delay and an unwillingness to make a decision on this matter has allowed, by conservative estimate, nearly $25 million to flow into the Castro coffers.

It is my fear, Mr. Speaker, that the President is retreating with respect to Cuba and that this question may go begging for some time to come. As I noted in my earlier remarks here, the President first stated that this question was under intensive study, then he stated that they are actively considering what to do, and then today's press states that he has asked his staff to look into the facts and prepare a report. Now the copy of Webster's Dictionary in my office states that "study" implies great concentration and more attention to details and minutiae while "consider" often implies little more than applying one's mind from one point of view or in thinking it over; and, today someone is just looking the matter over. I say it is time to stop studying and considering and let us have more action from the White House on matters involving Cuba and, for that matter, the rest of the world.

I ask you, Mr. Speaker, why is the President stalling on this important matter? Why does he not make a decision? Why does he not stop the importation of these commodities? Why does he not stop talking and start acting?

BICENTENNIAL CELEBRATION AT GREAT BARRINGTON, MASS.

Mr. CONTE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts.

There was no objection.

Mr. CONTE. Mr. Speaker, the town of Great Barrington, Mass., is celebrating its bicentennial this year. Specifically, on June 30, Great Barrington will be 200 years old, having been established as a town by an act of the General Court of the Massachusetts Bay Colony in 1761. Actually, we have to go back even further, to April 8, 1726, to find the original grants of land for the settlement of Great Barrington.

Mr. Speaker, this was 6 years before the birth of George Washington. What a rich history and heritage Great Barrington has to treasure. Few areas of our great Nation, so far inland from the source of their settlers, were inhabited at that time. To venture this distance from established settlements required even more of the extraordinary spirit of our ancestors. However, if Americans should ever lose that spirit, our future will be limited; our days will be numbered. When we fail to push on into the unknown, or lose faith in our Creator, or desert the principles of individual liberty in a free society, then we shall have betrayed the mystic spirit of the founders of Great Barrington.

Little is known of the original Indian inhabitants of this particular area of southern Berkshire except that many of their relics have been found, unusually well preserved, proving their mysterious visitations and occasional villages.

The story of Great Barrington begins on the 30th day of January 1723, when Joseph Parsons and 176 other settlers in the county of Hampshire, at the time encompassing the area of the Connecticut River Valley within Massachusetts, petitioned the great and general court at Boston for grants of two tracts of land in the southwestern portion of Massachusetts. By midyear their petition was approved. It provided for two townships, each 7 miles square, one having its southern boundary coincident with the Connecticut and Massachusetts boundary, the other to lie immediately to the north. These are the legal beginnings.

The people involved and the organization for settlement are stories as fascinating as historical novels. Col. John Stoddard and Capt. Henry Dwight, of Northampton, Capt. Luke Hitchcock, of Springfield, Capt. John Ashley, from Westfield, and Samuel Porter, from Hadley, were appointed to act as a committee for the division of the lands, for choosing and reserving lots for the first resident minister, and for setting aside properties for schools, meeting halls, and other community buildings. The committee collected, from the buyers, 30 shillings for every 100 acres of land to purchase the total tract from the Indians and pay the expenses of community development, erecting meetinghouses, and laying out lots. At an official meeting of the committee, called in Springfield on March 19, 1723, a total of 55 prospective settlers paid the prescribed prices and received their grants of land. I wonder how many Great Barrington residents are descendants of these 55 brave souls.

A month later, this same committee, to secure legal title to the land, met in Westfield with Chief Konkapot and 20 other Indians and paid the £460, 3 barrels of cider, and 30 quarts of rum. For these, then usual, items of payment, the representatives of the new owners gained a deed to a certain tract of land lying upon the Housatonack River, alias Westonhook. This area included what now comprises Great Barrington, Sheffield, Egremont, Mount Washington, and large portions of Alford, Stockbridge, West Stockbridge, and Lee. And so the land passed from its original settlers and natural owners to your ancestors.

In April of 1726, the now 59 proprietors took possession of their individual lands, collectively known as the Upper and Lower Housatonic Townships. Time passed and the persevering qualities of those pioneering folks brought our way of life to reality in western Massachusetts. But soon it became apparent that some improvements in their government and social structure were necessary. While the people of Sheffield had the benefit of a church, a settled pastor, and schools, those 200 people living in the northern part of the town and the rural areas of the upper township had no regular religious teaching and few schools. For those people, these activities were the very center of their society—their lives revolved around their religion and education. They presented the General Court of Massachusetts with a petition to grant the upper township parish privileges. In 1742 the order was passed and these vital needs were satisfied.

Following the example of the territory west of the two townships, the new North Parish attempted, in 1760, to withdraw from the parent town, Sheffield. Although considerable opposition arose, a town meeting vote decided to set off the Upper or North Parish in the town of Sheffield, to be formed into a separate district or town. The following year it became official when the general court passed an act, whereby, on the 30th of June 1761, the North Parish became a town, under the name of Great Barrington.

A colorful history. A truly American heritage.

Great Barrington grew with the Nation of which she became a part. Her contributions to our history are characteristic of our best traditions. She remained small in size, but if she had multiplied and bulged and spread over

the land, most of her inherent charm would have been absorbed and certainly would have disappeared. Gone would be the annual town meeting and the entire form of government. She might have become just another city.

I know that my fellow Members of the Congress join with me in extending sincere congratulations to historic Great Barrington on the occasion of her bicentennial. All Americans can be proud of your past and the human experience it represents. The adventure in founding a way of life, in which you have played so leading a role, is not over. It is just the beginning, and your part will be greater than ever before.

To quote from the selectmen of Great Barrington:

> Two hundred years is a long space of time. However, those before us must have taken their situation serious enough to build for the future. Let us, in their memory, do likewise, and in 1961, and all future years, build a better town for the coming generations.

So, to your citizens, our good wishes for a bright and valuable future.

EDWARD YELLIN AND THE NATIONAL SCIENCE FOUNDATION

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, National Science Foundation Director Alan T. Waterman is evading his obvious responsibility in refusing to terminate a $3,800 fellowship to Edward Yellin and in referring Yellin's case to the Department of Justice for a determination as to whether Yellin has committed perjury.

Mr. Waterman's claim that he is powerless to cancel the fellowship because the law establishing the National Science Foundation states that fellowship selections shall be made solely on the basis of ability is ridiculous.

There can be no question about the fact that Congress intended this rule to apply only if there was no doubt about the loyalty of applicants or after all such doubts had been resolved in favor of the Government. This is proved by Congress' declaration that the purpose of the act is to secure the national defense, by its stipulation that all applicants must sign an oath signifying their allegiance to the United States and their willingness to support and defend it against all enemies, and also an affidavit that they do not believe in, and are not members or supporters of, any organization believing in or teaching the violent overthrow of this Government.

Waterman's dodging of responsibility in the case also is attested to by the National Science Foundation's own policy statement that no fellowships are to be given or continued to any avowed or established Communist, or anyone convicted of a crime involving the Nation's security and that each applicant's integrity is to be weighed in the awarding of fellowships.

Today, the National Science Foundation knows beyond doubt that Yellin is identified as having been a member of the Communist Party and one of its colonizers in the steel industry; that he falsified his educational background and employment record in obtaining employment in that industry; that he stands convicted of contempt of Congress; that he concealed vital facts about his background in applying for a National Science Foundation fellowship; and that, even as he applies for a Government handout, he continues in his failure to make known to the Government the identity of enemy agents who may be working today as colonizers in an industry that is vital to our defense effort.

How can the NSF claim that these facts are not sufficient grounds for it to terminate Yellin's fellowship? What more must it know to find Yellin lacking in the kind of integrity that must be expected of those receiving Government assistance for scientific research?

In referring the Yellin case to the Department of Justice for a finding of perjury, Mr. Waterman is passing the buck. One of the witnesses who identified Yellin as a Communist Party member was an undercover informant for the Department of Justice; it was the Department of Justice which prosecuted Yellin for contempt and obtained his conviction on that ground; it was the Department of Justice that successfully fought his attempt to have his conviction reversed by the Court of Appeals; and, if the Supreme Court decides to grant Yellin a hearing, it will be the Department of Justice that will argue the case before the Supreme Court.

There is absolutely nothing in the law which says that the NSF can cancel a fellowship only if an applicant is a convicted perjurer. Yet, by taking this step, Mr. Waterman is trying to make the American people believe that this is so.

The Committee on Un-American Activities gave the NSF information on Yellin's background on April 4. But it was not until late May, after Mr. Waterman had been invited to appear as a witness before the committee on May 23—and after a continuance of the date for his appearance—that the NSF finally got around to referring the case to the Department of Justice.

Mr. Waterman has demonstrated a singular lack of interest in protecting U.S. security despite his insistence, in his appearance before this committee, that he is just as interested in this as is the committee itself. For 10 long years, Mr. Waterman has operated under a law which, he now claims, does not give him adequate authority to keep subversives out of his program. Although he has frequently testified before the Congress during these years, he has not once pointed out this inadequacy or asked the Congress to change the law.

The testimony of Mr. Waterman and other NSF officials before the committee indicates that they have been bending over backward to do nothing in the security field. The NSF application forms for fellowships do not even ask if the applicant has even been convicted of a felony or misdemeanor. The forms supplied to those giving references for applicants do not ask if they have knowledge of convictions or any other information reflecting on an applicant's personal integrity, notwithstanding the fact that the NSF's statement of policy provides that—

> In appraising a proposal [for a fellowship] the Foundation will be guided as to an individual's experience, competence and integrity by the judgment of scientists having a working knowledge of his qualifications.

Despite this, when Mr. Waterman appeared before the committee, it could not even get from him a statement that such questions would be added to these forms. If all Government officials adopted this attitude, our security would be a horrible mess.

Yellin, now a graduate student at the University of Illinois, was awarded a National Science Foundation fellowship on March 15. He was convicted of contempt of Congress for refusing to answer questions about party membership and activity in an appearance before the committee in February 1958—after he had been identified as a Communist Party member by two other witnesses, one of them an FBI undercover operative in the Communist Party. Yellin has appealed his conviction, which has been upheld by the court of appeals, to the Supreme Court.

A WELL-EARNED TRIBUTE FOR THE HONORABLE JENNINGS RANDOLPH

Mr. HECHLER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER. Mr. Speaker, at noon today an inspiring and heartwarming tribute was paid to a man whom I am proud and honored to call my friend, the distinguished senior Senator from West Virginia, JENNINGS RANDOLPH.

The Lions Club of Washington honored Senator RANDOLPH today at a luncheon at the Mayflower Hotel to mark the 25th anniversary of the passage of the Randolph-Sheppard Act, which permits blind persons to operate vending stands in Federal buildings.

It is a privilege of the highest magnitude to be able to join in this tribute to Senator RANDOLPH for his role in the writing and passage of this humanitarian and marvelously effective piece of legislation.

Today, the Randolph-Sheppard Act has proved highly workable and offers the blind of America new opportunities for financial independence, a greater degree of self-respect, and a larger sense of contributing to the well-being of their communities.

During the past fiscal year, 2,078 of these vending stands were in operation in Federal and non-Federal buildings, with 2,216 blind persons engaged in operating them. They realized from this activity gross sales amounting to

$38,219,340, with net profits for the operators totaling $7,541,304.

These figures have shown a steady growth each year since passage of the bill, and bear positive evidence of the practicability of the vending-stand program for the blind.

The role of Senator RANDOLPH in this compassionate measure has been recognized by other groups in addition to the Lions Club, which has long been interested in programs of sightsaving and of assistance to the blind.

Part of the ceremony today consisted of the presentation of the Distinguished Service Award of the President's Committee on Employment of the Physically Handicapped. This award, which was conferred by the Committee's Chairman, Gen. Melvin J. Maas, was presented to Senator RANDOLPH before more than 500 guests at the luncheon.

And in a special ceremony held in the Senator's office, B'nai B'rith presented Senator RANDOLPH with an award and a plaque, which bore this inscription:

> In recognition of the 25th anniversary of the enactment of the Randolph-Sheppard Act, bringing new hope and opportunity to the blind throughout the United States, and in appreciation of his steadfast devotion to the humanitarian needs of our country, we tender him this expression of our esteem and high regard.

Senator JENNINGS RANDOLPH indeed has shown "steadfast devotion to the humanitarian needs of our country." While a Member of the House of Representatives, he was an ardent and loyal supporter of the vital social-progress and economic-welfare programs which characterized the New Deal of President Franklin Delano Roosevelt. He has always been in the forefront of advocates of conscientious and forward-looking programs to develop, refine, and improve the human and natural resources of our great Nation. He holds the esteem, friendship, and deep respect of all West Virginians.

It is a deep honor and a heartfelt pleasure to be able to join in extending my personal congratulation to Senator RANDOLPH for his long and valuable career of public service, and to call the attention of this House to the richly deserved tributes which have been bestowed on him at this time.

HOORAY—WEST VIRGINIA GETS A CONTRACT

Mr. HECHLER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER. Mr. Speaker, there is great rejoicing in West Virginia this week. The Marietta Manufacturing Co. of Point Pleasant, W. Va., has been awarded a contract by the U.S. Maritime Administration to build two or three survey ships for the U.S. Coast and Geodetic Survey at a cost of between $3.7 million and $5.5 million—depending on whether the pending Commerce Department appropriation bill provides for two or three of these vessels.

There are about 200 people on the payroll of this fine Point Pleasant firm, and this contract could mean tripling of its payroll over a 2-year period. This will be the largest contract with Marietta Manufacturing Co. since World War II, and I hope will signalize a dynamic new growth in the Ohio River Valley and in the entire State of West Virginia.

I would like to extend my congratulations to Walter Windsor, the able young president of Marietta Manufacturing Co., who came to Washington, D.C., and spent many hours both here and back and forth over the telephone from West Virginia in ironing out the fine details of the bid application and the terms of the contract.

Mr. Speaker, many Members of Congress would not be able to do the jobs which they do were it not for loyal and effective staff members. All too frequently Members of Congress, because they are on the ballot on election day, take credit for what their staff members do. I suppose that is all in the game. But in this case, I would like publicly to acknowledge that this particular contract probably would not have been awarded had it not been for the persistence, effectiveness, and ability to follow through which was displayed by my staff assistant, Paul L. Crabtree.

Mr. Crabtree made numerous calls, day and night, to Maritime, Commerce Department, and Coast and Geodetic Survey officials to make sure that the bid application was in proper form. He attended the bid opening in person.

After the bids were opened, it was discovered that a legal and administrative snag threatened to take the contract away from the Marietta Manufacturing Co., and Mr. Crabtree effectively "bird-dogged" this problem until it was solved after numerous conferences with executive branch officials. I am proud to have fine staff members like Paul Crabtree, a graduate of the Marshall University School of Journalism and former night city editor of the Charleston, W. Va., Gazette. I am proud also of the other members of my all-West Virginia staff who have done so much to help our State.

The Washington Post recently carried a front-page article on the bid opening for these oceangoing vessels, expressing wide-eyed amazement that there was a shipbuilding firm in the landlocked State of West Virginia. The Post poked a little fun at what they termed a "dinghy of a shipyard." They related how the Marietta Manufacturing Co., which has fewer employees than most big corporations like Bethlehem Steel have vice presidents, caused a titter of laughter when this bid was read out to reveal not only round figures in dollars but also "17 cents." Yes, we have to figure things pretty close in West Virginia, right down to the pennies.

West Virginia got no special favors or special treatment on this bid, because the Marietta Manufacturing Co. was the lowest of 30 bidders. West Virginia thus is not getting this contract because Point Pleasant and the State happen to be in a distressed area with a high percentage of unemployment, and already has been designated as a distressed area by the Area Redevelopment Administration. West Virginia and the Marietta Manufacturing Co. simply outbid every other company from every other State.

Mr. Speaker, I would like the House to know that when we build oceangoing vessels on the Ohio River it is not like building a boat in the basement which you cannot get out. During World War II, Marietta Manufacturing Co. sent similar length ships down the Ohio River with barge escorts, but thanks to the improvements along the Ohio River initiated by the Corps of Engineers these oceangoing vessels can now go down the Ohio River on their own power.

The awarding of a shipbuilding contract to the Marietta Manufacturing Co. may herald the beginning of a new era of prosperity for the Point Pleasant area and West Virginia. In the past few years I have addressed the House on many occasions, pointing out that "West Virginia is being short changed." I hope that sad chapter in West Virginia's book is now closed.

Yesterday was West Virginia's 98th birthday, for on June 20, 1863, President Abraham Lincoln signed into the law the legislation conferring statehood on the mountain State of West Virginia.

This shipbuilding contract is a wonderful birthday present for West Virginia.

PROPOSED LEGISLATION FOR ESTABLISHMENT OF NEW NONAGRICULTURAL PUBLIC LAND SALES PROCEDURES AND REPEAL OF TOWNSITE LAWS AND SMALL TRACT ACT

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ASPINALL. Mr. Speaker, the ranking minority member of the Subcommittee on Public Lands [Mr. CUNNINGHAM] and I are today introducing at the request of the Department of the Interior a bill that would replace all or parts of 30 laws dealing with the disposition of public lands for nonagricultural purposes and establish a sales procedure of public lands deemed valuable for such urban and suburban purposes as residential, business, commercial, industrial, and town development utilization.

Although there are only a handful of States in which there are public lands that would be directly affected for disposal, this proposed legislation is of vital national importance because of the prospect that it holds forth for further expansion of our economy. Locally, in some areas, legislation of this type, regardless of the form it ultimately takes, will have tremendous effect on the growth that specific communities may attain.

The impact that may be felt as a result of this legislation makes it imperative that Congress and the committee have

jurisdiction to consider the bill, and alternative means of achieving the desired results, with utmost care and precision. Mr. Speaker, I assure you that the Committee on Interior and Insular Affairs will meet that responsibility. I assure the Members that when we finally bring a bill to the floor, it will be only after due consideration of all aspects and a thorough analysis of all viewpoints.

In this connection, I do not desire to take time now to give even my rough appraisal of the details of the bill drafted by the administration. However, for the record, let me state that I do have some reservations about certain provisions in the bill and as to other provisions await the explanation and justification that can only be forthcoming when the departmental witnesses appear. But I will sketch the areas that concern me, that are critical, and that will be thoroughly explored before any bill is reported out. Legislation must provide:

First. Policy determinations with adequate congressional guidelines for the proper classification of the highest and best use of property sought to be disposed of under the proposed bill.

Second. The use of technical terminology must be clearly defined.

Third. Either by definition or otherwise, the method of arriving at the price to be charged must be spelled out in language that cannot be misunderstood with such terms as "value," "fair market value," "market value," and "market rental" given specific meaning.

Fourth. Establishment of policy, but not the administrative details, of the manner and method by which sales will be conducted by the Department of the Interior as the administrative agency charged with the responsibility of carrying out that policy.

Fifth. Preservation of all rights that have been obtained or liabilities that have been incurred under existing law.

In addition to the above criteria, your committee, Mr. Speaker, will also develop data as to the fiscal impact of this legislation and be in a position to report to the House whether the legislation as proposed will result in increased expenditures or reductions in future appropriations.

The two main bodies of law to be repealed by the proposed legislation are first, the series of statutes known as the townsite laws, and second, the Small Tract Act of June 1, 1938, as amended. Both of these authorities have in their time been instrumental in the development and expansion of our country. However, previous hearings by the Committee on Interior and Insular Affairs have indicated that these laws were rapidly becoming obsolete and that they needed either revision or replacement. Further explanation of those laws in detail, together with a review of other laws that would be repealed by the proposed bill, was contained in a letter from Assistant Secretary of the Interior John A. Carver, Jr., to the Speaker of the House requesting and recommending introduction and enactment of the draft bill that I am today introducing in response to the Department's request. That letter also furnishes an outline of five other public land areas concerning which the Department proposes to recommend additional legislation during the 87th Congress. Accordingly, for the information of all Members, the letter, together with explanatory attachments, is set forth in full at this point in the RECORD:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., June 14, 1961.

Hon. SAM RAYBURN,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Enclosed is a draft of a proposed bill to authorize the classification, segregation, lease, and sale of public land for urban, business, and occupancy sites, to repeal obsolete statutes, and for other purposes.

We request that the proposed bill be referred to the appropriate committee for consideration and we recommend that it be enacted.

Through its Bureau of Land Management this Department manages the national land reserve. For the foreseeable future, our principal function with respect to these lands will continue to be that of management. However, to some extent, we will continue also to be a land disposition agency, transferring relatively small acreages each year where emerging private and governmental needs require lands from the national land reserve and the lands are not needed for more compelling purposes. The President's special message on natural resources to the Congress, dated February 23, 1961, emphasizes the importance of these lands to the national economy and refers to them as "a vital national reserve that should be devoted to productive use now and maintained for future generations."

We have been attempting to perform our management and disposition functions with inadequate means at our disposal. In some measure, this situation stems from the fact that the public land laws are the result of a series of enactments over the years, a large number of which are now obsolete or otherwise insufficient. To some extent, these laws reflect social and economic conditions of the last century and no longer accommodate themselves to today's situations. The Committees on Interior and Insular Affairs have been receptive to proposals to modernize these laws, but as yet have not been presented with any comprehensive proposal to bring the laws up to date. This we intend to do in the months to come.

Our studies to date indicate that a comprehensive, modernized system of nonmineral public land laws should probably encompass the following elements:

1. A system of disposition by lease and sale of public lands found to be chiefly valuable for private use and development other than agriculture: A draft to accomplish this is enclosed in this letter and is more fully described below.

2. Disposition of public lands considered to be chiefly valuable for agriculture: A draft of legislation for this purpose will be prepared. One approach could be to remedy some of the features of existing agricultural public land laws which have caused the greatest difficulties and to introduce to some extent at least, payment for the lands under terms more in keeping with the value of the resources to be obtained in order to eliminate speculative interest in such lands. This could include higher standards for classification, higher standards for development, and changes in details of the Homestead and Desert Land Acts. Repeal of the Pittman Act of October 22, 1919 (41 Stat. 293; 43 U.S.C. secs. 351–355, 357–360), and the act of September 22, 1922 (42 Stat. 1012; 43 U.S.C. 356) is another possibility. A proposal (H.R. 6241) for the repeal of the Pittman Act was previously submitted and a hearing held before the House Public Lands Subcommittee on April 21, 1961.

3. Modernizing and streamlining administrative procedures for exchanges of public lands with States and individuals and also exchanges of public lands for Indian trust lands in appropriate circumstances: A draft of legislation to accomplish this will be prepared.

4. Revision and extension of basic authority for the management of public lands under the administration of the Bureau of Land Management: A draft of legislation will be prepared providing specific authorization for the administration of balanced usage of such lands and for sustained-yield management of renewable range, forest and other resources. Study is also being given to administrative matters for the purpose of determining the need for legislative clarification and simplification of the general authority for the administration of public lands.

5. Easements over public land: We will prepare draft legislation for the modification of existing right-of-way laws to the extent necessary to provide modern, workable, and uniform law for granting easements affecting lands administered by the Department of Agriculture and the Department of the Interior. Existing right-of-way laws do not make provision for various uses which would seem properly to fall within their general objectives, do not always permit ready terminations of rights granted, and do not contain adequate provision for appropriate terms and conditions for proper management of the surface, and for adequate dimensions to permit necessary utilization.

6. Mineral reservations in connection with land sales: This general field will be considered in two parts. The first part would tend to relieve the difficult situation in Tucson, Ariz., and other localities where the locating of mining claims for the mineral estate in lands, the surface of which has been patented, conflicts with private development of the surface for residential, industrial, and commercial purposes. There are over 30 million acres, only the surface of which has been patented and the mineral estate may be appropriated under the U.S. mining laws regardless of surface development. We expect shortly to submit draft legislation on this first part. A draft for the second part will encompass a proposed uniform system of disposition and reservation of mineral interests in public lands. One possible approach would be the retention by the United States in all circumstances of those minerals which may be subject to lease under the Mineral Leasing Act of 1920 (41 Stat. 437; 30 U.S.C. 181), as amended, and provision for the sale of the mineral interest for nonleasable minerals, to the patentee in all instances where such mineral values are minor as compared to the surface values.

The above six subjects, of course, describe only certain major areas of concern. Other and less far-reaching proposals will also be made. Requests for legislation on these lesser proposals, together with those above, will be submitted as rapidly as they can be prepared. We anticipate, however, that the completion of all the proposals will take substantial time and accordingly urge that each proposal be given congressional consideration as it is submitted.

The above proposals reflect the opinion of this department and, except for item one, have not been as yet approved by the executive branch.

The increasing economic activity in public land States has caused a growing demand for land for commercial and industrial purposes. While this demand exists in connection with many industries, it is particularly pressed for those requiring locations within large areas of open land and climatic conditions of the type found in certain regions where a great deal of public land is situated,

such as electronics, aircraft, and missile industries. There is no means easily available for the disposal of public lands, in tracts of sufficient size for these purposes. Cumbersome and roundabout methods have to be used, such as exchanges for the acquisition of suitable lands. Occasionally special legislation for individual sites has been sought.

At the same time that there has been such an increasing demand for public land for commercial and industrial purposes, there has also been an increasing demand for public land in connection with urban and, particularly, suburban development. This development in the periphery around cities and along highways leading out from cities has been one of the most noticeable phenomena of the period since the close of the Second World War.

The proposed bill takes cognizance of these demands and would provide for the disposition of lands at their appraised fair market value to State and local governments for urban or business development under their direction or authorization. Similar provision would be made for the disposition of lands at public auction to private enterprises for urban or business development under their initiative or direction, subject to conditions which the Secretary might prescribe to insure effectuation of the purpose of the transfer.

The proposed bill would authorize this Department to subdivide lands chiefly valuable for urban or occupancy purposes, and to make disposition of such subdivided lands and other small tracts by lease or sale.

The proposed bill also contemplates the sale at public auction of public lands not suitable for disposition under other provisions of law and which are not needed for any Federal program, project, or activity.

The proposed bill does not contain to any appreciable extent operational requirements and restrictions, since these, experience amply shows, tend to impede, if not prevent, efficient and effective operations and lead to numerous amendments of law. The proposed bill would contain policy directives and authority for the Secretary to act effectively to carry out the beneficial use and disposition of the public lands consistent with the public interest. This authority would permit us to classify lands, to segregate them for planned dispositions, to grant preference rights where equity would dictate, and to make conditional conveyances.

This proposed bill, if enacted, should not be regarded as a final resolution of all questions of aboriginal title in Alaska, nor should the proposed bill be considered as prejudicing the claims now pending thereon.

Subsection 6(c) and section 9 of the proposed bill contemplates that receipts from the sale of lands equal to the costs of segregation and classification of lands, the preparation of plans and plats, the determination of improvement requirements, and the conduct of surveys will not go into the funds from which the States' allocations are computed. In other words, revenues equivalent to such costs, are impressed with a lien and are to be wholly returned to the U.S. Treasury and the States will receive their shares from the remainder of the proceeds.

Our proposal would repeal a number of laws which are now obsolete in whole or in part or which will be unnecessary if this proposed general legislation is enacted. The laws which would be affected are:

(a) The townsite laws, a hodgepodge of legislation passed over the years with varying provisions. The need for their complete revision is discussed in detail in appendix A, enclosed.

(b) The Small Tract Act (52 Stat. 609, 43 U.S.C. 682a), as amended, a general and rather simple law which contains certain objectionable features but which is otherwise incorporated in the new proposal. Objectionable features include the automatic reservation of all minerals (discussed in detail in appendix B, enclosed) and the provision for Interior employee participation in the program. With the large scale acquisition of lands by the State of Alaska in the more desirable areas, it no longer seems necessary to make Alaska an exception to the general rules.

(c) The homesite, headquarters site, and trade and manufacturing site laws of Alaska, settlement laws. The laws with their limitations are not entirely suitable for the intended purposes. Further, they serve to impede State selections and management of public lands. The low statutory prices for the lands ($2.50 per acre) are inconsistent with good public policy. The proposed bill would permit the Secretary to allow settlement where it would prove satisfactory.

(d) Section 2455, revised statutes, title 43, United States Code, section 1171, as amended, providing for the sale of "isolated" and "rough or mountainous" tracts. The fact that lands are isolated, rough, and mountainous does not necessarily mean that they are suitable for disposition. On the other hand, the fact that they lack such characteristics does not mean that they are suitable for retention. The criteria in the law are therefore obsolete. The preference right added to the law in 1934 serves to deter competition and to invite sales of adjoining lands for the purpose of creating such rights. The new proposal would permit the Secretary to grant preference rights to adjoining owners under certain conditions.

(e) The Alaska Public Sale Act, the act of August 30, 1949 (63 Stat. 679; 48 U.S.C. 364a-364e). The restrictive nature of the act makes it unsuitable for present conditions, as is discussed in detail in appendix C, enclosed.

The Bureau of the Budget has advised that there is no objection to the presentation of this proposed draft bill from the standpoint of the administration's program.

Sincerely yours,

JOHN A. CARVER, JR.,
Assistant Secretary of the Interior.

APPENDIX A

TOWNSITES

Over the years the Congress has enacted a series of laws providing for the withdrawal, location, use, and disposal of townsites upon the public lands. The varying procedures prescribed by these laws are partially interdependent, partially alternative, and partially unrelated. Many of the provisions of these laws have become obsolete by reason of such circumstances as changes in other provisions of the public land laws, dispositions of substantially all the public lands within a particular category upon which a particular set of provisions was designated to operate, or development of new and better techniques for townsite planning and management that have caused the public to lose interest in employing the older and less advantageous techniques. Practical experience has also revealed a number of particulars in which the existing laws are ambiguous, contradictory, incomplete, or otherwise in need of technical improvement.

Some of the townsite laws (e.g., Revised Statute 2389, 43 U.S.C. 720), as amended, contain limitations upon the size of townsites and upon the area of the various types of tracts in townsites. These limitations at times have tended to impede normal community growth, or the laying out of the townsite and its various public facilities in the most beneficial manner.

Some of the townsite laws contemplate a system of public sales to be followed by private sales (this latter system, except for townsites, was repealed in 1891). Private sales have resulted not uncommonly in dispositions at inordinate low prices. The proposed procedures, on the other hand, would call for disposition of townlots at fair market value, less improvements resulting from activities of bona fide claimants and their predecessors in interest and taking into consideration their equities.

Present townsite laws do not all make provision for preference rights to bona fide occupants or other meritorious claimants. The preference rights proposed to be granted would be subject to "* * * such restrictions, exceptions, and other conditions as he (the Secretary) may find to be needed in order to prevent speculation, facilitate settlement, or otherwise protect the public interest."

APPENDIX B

SMALL TRACT ACT

One of the major problems in the development of land is that the development of subsurface values is often inconsistent with the development of surface values. In particular, the development of land for residential, business, recreational, and community purposes is often inconsistent with the development of the minerals underlying those lands. The impact of the development of the leasable minerals such as oil and gas upon the surface of land can be limited, but the development of other minerals in the category of those locatable under the U.S. mining laws, such as the hard rock minerals, can greatly handicap or even prevent the proper development of the land for surface purposes.

Section 2 of the Small Tract Act of June 1, 1938, as amended (43 U.S.C., sec. 682b), provides that each patent for a tract bought under that act shall contain a reservation to the United States of all the mineral deposits together with the right to prospect for, mine, and remove them. This provision permits, subject to the promulgation of regulations by the Secretary of the Interior, the development of the reserved minerals under the applicable mining and mineral leasing laws. The Secretary of the Interior has by regulation made the reserved leasable minerals subject to the mineral leasing laws, but he has not made the mining laws applicable to the other reserved minerals. Since there is no provision in either the mining laws or the Small Tract Act to protect surface values and improvements, to permit the development of minerals under the mining laws could cause serious loss to surface owners. There is not such a great danger with respect to minerals subject to the mineral leasing laws, since under those laws there is opportunity to establish terms and conditions necessary to make reasonable adjustment between surface and subsurface development.

Even though the minerals in patented small-tract lands have not been opened to appropriation under the U.S. mining laws, the possibility thereof has probably retarded the development of the full surface potential of such lands. Prospective intensive developers could well hesitate to invest the large sums of money required for such development in the light of the possibility that surface values may be entirely destroyed by activities under the U.S. mining laws.

APPENDIX C

The Alaska Public Sale Act (61 Stat. 414; 48 U.S.C. 364a-364e) has not achieved its objective of facilitating industrial and commercial development in Alaska and to make more rapidly available lands suitable for commercial and industrial use than was possible under laws then in effect. The original bill authorized the private or public sale of certain Alaskan land which the Secretary might classify for such disposition. The bill provided that patent should not issue until survey, but contemplated the immediate passage of the entire fee in the land to the purchaser after sale, and contained no provision for the issuance of certificates of purchase, the delay of issuance

of patent after sale, or the submission of proof by a purchaser of use of the land conforming to its classification. The bill was amended to include provision for issuance of certificates of purchase and the Department objected to such inclusion, but the amendments prevailed. The law has been interpreted as requiring proof to be filed within 3 years after issuance of the certificate of purchase, otherwise forfeiture of the moneys paid to the Government for the land results (62 ID 243, 251). The Congress has recognized implicitly the difficulties attendant upon operations under the Alaska Public Sale Act by Private Law 654 (84th Cong., 2d sess.) of May 18, 1956, authorizing in certain circumstances that an extension of time to perform certain acts be granted to Matanuska Valley Lines, Inc., and to Joe Blackard and Russell Swank.

We are informed that issuance of certificates of purchase has not afforded a sufficient predicate upon which loans may be obtained. Without adequate financing, development is difficult, if not impossible.

The restrictive provisions of the Alaska Public Sale Act, requirements for publication, acreage limitation of 160 acres, and withholding of patent until proof of compliance are not conducive to effectuation of the purposes of the law.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. DINGELL, for June 22, 1961, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. CHAMBERLAIN (at the request of Mr. CONTE), for 30 minutes, on Thursday, June 22, 1961.

Mr. SILER (at the request of Mr. CONTE), for 20 minutes, on Thursday, June 22, 1961.

Mr. ALGER (at the request of Mr. CONTE), for 60 minutes each, on Thursday, June 22, 1961; Friday, June 23, 1961; and Monday, June 26, 1961.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. PATMAN.

Mr. SANTANGELO.

(The following Members (at the request of Mr. CONTE) and to include extraneous matter:)

Mr. DOOLEY.

Mr. SHORT.

Mr. CURTIS of Missouri.

Mr. HALL.

(The following Member (at the request of Mr. MCCORMACK) and to include extraneous matter:)

Mr. FARBSTEIN.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1425. An act for the relief of Marian Walczyk and Marya Marek; and

H.R. 2346. An act for the relief of Maria Cascarino and Carmelo Giuseppe Ferraro.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 32. An act for the relief of Jeno Becsey;

S. 68. An act for the relief of Kay Addis;

S. 70. An act for the relief of Mah Ngim Hay (Joe Mah);

S. 71. An act for the relief of Mah Ngim Bell (Bill Mah);

S. 186. An act for the relief of Doctor William Kwo-Wei Chen;

S. 219. An act for the relief of Doctor Nobutaka Azuma;

S. 268. An act for the relief of Hob Yuen Woo;

S. 395. An act for the relief of Fausto Lavari;

S. 400. An act for the relief of Mrs. Keum Ja Asato (Mrs. Thomas R. Asato);

S. 441. An act for the relief of Rodopi Statherou (Statheron);

S. 452. An act for the relief of Nellie V. Lohry;

S. 485. An act for the relief of Charles Edward Pifer;

S. 746. An act for the relief of Yee Mee Hong;

S. 759. An act for the relief of Sadako Suzuki Reeder;

S. 865. An act for the relief of Wieslawa Barbara Krzak;

S. 921. An act for the relief of Martha Uchacz Barras; and

S. 1093. An act for the relief of Sze-Foo Chien.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 3 minutes p.m.), the House adjourned until tomorrow, Thursday, June 22, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1054. A letter from the President of the Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill entitled "A bill to provide for the establishment of a Juvenile Division within or in connection with the District of Columbia Youth Correctional Center, and to authorize the judge of the juvenile court of the District of Columbia to commit to such Juvenile Division, subject to the provisions of the Juvenile Court Act, children 15 years of age or older"; to the Committee on the District of Columbia.

1055. A letter from the Comptroller General of the United States; transmitting a report on the review of selected activities of the Federal-aid airport program and of the program for the establishment of air navigation facilities, Region 1, New York, N.Y., Bureau of Facilities and Materiel, Federal Aviation Agency, June 1960; to the Committee on Government Operations.

1056. A letter from the Comptroller General of the United States, transmitting a report on the review of fur seal operations and administration of the Pribilof Islands, Bureau of Commercial Fisheries, U.S. Fish and Wildlife Service, Department of the Interior; to the Committee on Government Operations.

1057. A letter from the Comptroller General of the United States, transmitting a report on examination of the pricing of certain components of Corporal missiles under Department of the Army negotiated fixed-price subcontracts awarded by Gilfillan Bros., Inc., Los Angeles, Calif., to Motorola, Inc., Western Military Electronics Center, Phoenix, Ariz.; to the Committee on Government Operations.

1058. A letter from the Chief of Engineers, Department of the Army, transmitting a report pertaining to negotiations with the Crow Creek and Lower Brule Sioux Indian Tribes, which relates to a letter submitted on January 13, 1961; to the Committee on Interior and Insular Affairs.

1059. A letter from the Acting Administrator, General Services Administration, transmitting a draft of a proposed bill entitled "A bill to dissolve Federal Facilities Corporation, and for other purposes"; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of Virginia: Committee on Rules. House Resolution 351. Resolution for consideration of H.R. 7677, a bill to increase for a 1-year period the public debt limit set forth in section 21 of the Second Liberty Bond Act; without amendment (Rept. No. 555). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 352. Resolution for consideration of H.R. 5963, a bill to amend the General Bridge Act of 1946 with respect to the vertical clearance of bridges to be constructed across the Mississippi River; without amendment (Rept. No. 556). Referred to the House Calendar.

Mr. MILLS: Committee on Ways and Means. H.R. 5852. A bill to provide for the free entry of a towing carriage for the use of the University of Michigan; without amendment (Rept. No. 557). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. S. 537. An act to amend the Surplus Property Act of 1944 to revise a restriction on the conveyance of surplus land for historic-monument purposes; without amendment (Rept. No. 558). Referred to the Committee on the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. S. 539. An act to make nationals, American and foreign, eligible for certain scholarships under the Surplus Property Act of 1944, as amended; without amendment (Rept. No. 559). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. S. 540. An act to authorize agencies of the Government of the United States to pay in advance for required publications, and for other purposes; without amendment (Rept. No. 560). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. S. 796. An act to amend the Federal Property and Administrative Services Act of 1949, as amended, so as to authorize the use of surplus personal property by State distribution agencies, and for other purposes; without amendment (Rept. No. 561). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD: Joint Committee on Atomic Energy. H.R. 7576. A bill to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; without amendment (Rept. No. 562). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MULTER:

H.R. 7787. A bill to provide increased Federal assistance to State and local governments in planning new or improved transportation facilities and services as a part of comprehensive planning for metropolitan and other urban areas, and for other purposes; to the Committee on Banking and Currency.

By Mr. ASPINALL (by request):

H.R. 7788. A bill to authorize the classification, segregation, lease, and sale of public land for urban, business, and occupancy sites, to repeal obsolete statutes, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CUNNINGHAM (by request):

H.R. 7789. A bill to authorize the classification, segregation, lease, and sale of public land for urban, business, and occupancy sites, to repeal obsolete statutes, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MULTER:

H.R. 7790. A bill to amend section 9 of the Federal Reserve Act, as amended, section 18 (d) of the Federal Deposit Insurance Act, and section 5155 of the Revised Statutes, as amended, and for other purposes; to the Committee on Banking and Currency.

By Mr. MURRAY:

H.R. 7791. A bill to amend title 13 of the United States Code to provide for the collection and publication of foreign commerce and trade statistics, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. NYGAARD:

H.R. 7792. A bill to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvest of hay on conservation reserve acreage under certain conditions; to the Committee on Agriculture.

By Mr. SANTANGELO:

H.R. 7793. A bill to provide for payment for hospital services, skilled nursing home services, and home health services furnished to aged beneficiaries under the old-age, survivors, and disability insurance program, and for other purposes; to the Committee on Ways and Means.

H.R. 7794. A bill to amend the Juvenile Court Act of the District of Columbia to grant the court certain jurisdiction over parents; to the Committee on the District of Columbia.

By Mr. SIKES:

H.R. 7795. A bill to direct the Secretary of the Interior to establish a research program in order to determine means of improving the conservation of game and food fish in dam reservoirs; to the Committee on Merchant Marine and Fisheries.

By Mr. SPENCE:

H.R. 7796. A bill to amend certain lending limitations on real estate and construction loans applicable to national banks; to the Committee on Banking and Currency.

By Mr. WICKERSHAM:

H.R. 7797. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. HOLIFIELD:

H.R. 7798. A bill to amend various sections of the Atomic Energy Act of 1954, as amended, and the EURATOM Cooperation Act of 1958, and for other purposes; to the Joint Committee on Atomic Energy.

By Mrs. KELLY:

H.R. 7799. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. DEVINE:

H.R. 7800. A bill to amend the Federal Airport Act so as to extend the time for making grants under the provisions of such act, to provide for the establishment of a trust fund for the purpose of financing grants under such Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SHORT:

H.R. 7801. A bill to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvest of hay on conservation reserve acreage under certain conditions; to the Committee on Agriculture.

By Mr. FOUNTAIN:

H.R. 7802. A bill to provide for periodic congressional review of Federal grants-in-aid to State and local units of government; to the Committee on Government Operations.

By Mrs. DWYER:

H.R. 7803. A bill to provide for periodic congressional review of Federal grants-in-aid to State and local units of government; to the Committee on Government Operations.

By Mr. IKARD of Texas:

H.R. 7804. A bill to provide for periodic congressional review of Federal grants-in-aid to State and local units of government; to the Committee on Government Operations.

By Mr. SMITH of Iowa:

H.R. 7805. A bill to provide for periodic congressional review of Federal grants-in-aid to State and local units of government; to the Committee on Government Operations.

By Mr. BROOKS of Louisiana:

H.R. 7806. A bill to amend the National Science Foundation Act of 1950 to provide additional criteria for selection of persons for scholarships and fellowships, and to require additional information on the affidavit filed by each applicant for scholarship or fellowship; to the Committee on Science and Astronautics.

By Mr. CAREY:

H.R. 7807. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. CURTIS of Missouri.

H.R. 7808. A bill to provide for periodic congressional review of Federal grants-in-aid to State and local units of government; to the Committee on Operations.

By Mr. KILDAY:

H.R. 7809. A bill to improve the active duty promotion opportunity of Air Force officers from the grade of major to the grade of lieutenant colonel; to the Committee on Armed Services.

By Mr. LANGEN:

H.R. 7810. A bill to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvest of hay on conservation reserve acreage under certain conditions; to the Committee on Agriculture.

By Mr. ULLMAN:

H.R. 7811. A bill to amend the act authorizing the Crooked River Federal reclamation project to provide for the irrigation of additional lands; to the Committee on Interior and Insular Affairs.

By Mr. ZELENKO:

H.R. 7812. A bill to provide for the registration of contractors of migrant agricultural workers, and for other purposes; to the Committee on Education and Labor.

By Mr. CORBETT:

H.R. 7813. A bill to amend title 13 of the United States Code to provide for the collection and publication of foreign commerce and trade statistics, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PELLY:

H.R. 7814. A bill to provide for periodic congressional review of Federal grants-in-aid to State and local units of government; to the Committee on Government Operations.

By Mr. SAYLOR:

H.J. Res. 459. Joint resolution to provide for the preservation and protection of certain lands in Prince Georges and Charles Counties, Md., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MERROW:

H. Con. Res. 340. Concurrent resolution expressing the sense of the Congress with respect to the proposed trade by Cuba of prisoners for tractors; to the Committee on Foreign Affairs.

By Mr. SELDEN:

H. Res. 353. Resolution congratulating the Congress of the Republic of Chile for 150 years of liberty and democracy on July 4, 1961; to the Committee on Foreign Affairs.

By Mr. SHELLEY:

H. Res. 354. Resolution to provide for a flag for the Members of the House of Representatives; to the Committee on House Administration.

By Mr. ANFUSO:

H. Res. 356. Resolution urging the National Science Foundation to facilitate our scientific programs by collecting information and data derived from past Federal scientific research and development and making it available at a central location to Federal agencies currently engaged in such programs; to the Committee on Science and Astronautics.

MEMORIALS

Under clause 4 of rule XXII,

The SPEAKER presented a memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States respectfully requesting the Members of the U.S. Congress and particularly those Members of the Florida delegation to Congress, to provide additional sugar quotas for domestic growers, which was referred to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLEY:

H.R. 7815. A bill for the relief of Francesca Addeo; to the Committee on the Judiciary.

By Mr. CLARK:

H.R. 7816. A bill for the relief of Gaetanina Paola Angelone; to the Committee on the Judiciary.

H.R. 7817. A bill for the relief of Adele Anna Teresa Angelone; to the Committee on the Judiciary.

H.R. 7818. A bill for the relief of Rodolfo Spagnolo; to the Committee on the Judiciary.

By Mr. CONTE:

H.R. 7819. A bill for the relief of Mrs. Florinda M. Cristofari; to the Committee on the Judiciary.

By Mr. GLENN:

H.R. 7820. A bill for the relief of Ersilia Maria Giovanna Sabatelli; to the Committee on the Judiciary.

By Mr. KILDAY:

H.R. 7821. A bill for the relief of Mr. Robert Cermin; to the Committee on the Judiciary.

By Mrs. PFOST:

H.R. 7822. A bill for the relief of Mrs. Orsolina Cianfione Iallonardo; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H.R. 7823. A bill for the relief of Harry N. Duff; to the Committee of the Judiciary.

By Mr. SANTANGELO:

H.R. 7824. A bill for the relief of Mr. and Mrs. Hamburg Tang; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

183. By Mr. KING of Utah: Petition of the Utah Water and Power Board adopted on May 19, 1961, supporting the Dixie project; to the Committee on Interior and Insular Affairs.

184. Also, petition of the City Council of Bountiful, Utah, memorializing the Congress of the United States to expedite the planning and construction of power transmission lines of the Colorado River storage project; to the Committee on Interior and Insular Affairs.

SENATE

WEDNESDAY, JUNE 21, 1961

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father God, we thank Thee for altars of prayer where, in high moments of unclouded faith, moods of doubt which often assail us seem treason to that changeless world where Thou dost reign in the uninvaded realm of the excellent and the true. Finding here the gifts of pardon and peace, may the memory of Thy past mercies mingle like sweet incense with a strengthening assurance of Thy present nearness which no malignity, nor cruel violence of man's devising, can snatch from those whose minds are stayed on Thee.

Make this storied Chamber of our national life a place of vision, a lighthouse of hope lifted above the raging floods of human disaster and distress. May those who here speak for the Nation be the architects of a new order for peace and justice and freedom for men in all the earth. Send forth Thy servants here to waiting tasks, grateful for a precious heritage worth living for and, if need be, dying for, and with a deathless cause that no weapon that has been formed can defeat.

In Thy might lift up our hearts and make us strong. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 20, 1961, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 304) for the relief of Ana Lekos, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 1343) for the relief of Dr. Tung Hui Lin, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 1336. An act for the relief of Anna Catania Puglisi;

H.R. 1337. An act for the relief of Amelia Andreoli D'Attore;

H.R. 1338. An act for the relief of William W. Stevens;

H.R. 1383. An act for the relief of Hyacinth Louise Miller;

H.R. 1390. An act for the relief of Jung Ngon Woon;

H.R. 1391. An act for the relief of Mrs. Wong Lau Sau Kam;

H.R. 1459. An act for the relief of EN/2 Hideo Chuman, U.S. Navy;

H.R. 1486. An act for the relief of Mrs. Vicenta A. Messer;

H.R. 1499. An act for the relief of Manuel Nido;

H.R. 1507. An act for the relief of Capt. Jacob Haberle;

H.R. 1699. An act for the relief of Nick George Boudoures;

H.R. 1706. An act for the relief of Adela Michiko Flores;

H.R. 1903. An act for the relief of Mrs. Amina Youssif Cosino (nee Simaan);

H.R. 2656. An act for the relief of Capt. Leon B. Ketchum;

H.R. 3132. An act for the relief of Lucille Collins;

H.R. 3862. An act for the relief of Lt. Col. Edward C. Campbell;

H.R. 3863. An act for the relief of Woody W. Hackney, of Fort Worth, Tex.;

H.R. 4381. An act for the relief of Walter H. Hanson;

H.R. 4591. An act to continue until the close of June 30, 1962, the suspension of duties on metal scrap, and for other purposes;

H.R. 4913. An act to amend the Act of August 7, 1946, relating to the District of Columbia hospital center to extend the time during which appropriations may be made for the purposes of that act; and

H.R. 5501. An act for the relief of Mrs. David Ishmael, Manhattan, Kans.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 32. An act for the relief of Jeno Becsey;

S. 68. An act for the relief of Kay Addis;

S. 70. An act for the relief of Mah Ngim Hay (Joe Mah);

S. 71. An act for the relief of Mah Ngim Bell (Bill Mah);

S. 186. An act for the relief of Dr. William Kwo-Wei Chen;

S. 219. An act for the relief of Dr. Nobutaka Azuma;

S. 268. An act for the relief of Hob Yuen Woo;

S. 395. An act for the relief of Fausto Lavari;

S. 400. An act for the relief of Mrs. Keum Ja Asato (Mrs. Thomas R. Asato);

S. 441. An act for the relief of Rodopi Statherou (Statheron);

S. 452. An act for the relief of Nellie V. Lohry;

S. 485. An act for the relief of Charles Edward Pifer;

S. 746. An act for the relief of Yee Mee Hong;

S. 759. An act for the relief of Sadako Suzuki Reeder;

S. 865. An act for the relief of Wieslawa Barbara Krzak;

S. 921. An act for the relief of Martha Uchacz Barras;

S. 1093. An act for the relief of Sze-Foo Chien;

H.R. 1425. An act for the relief of Marian Walczyk and Marya Marek; and

H.R. 2346. An act for the relief of Maria Cascarino and Carmelo Giuseppe Ferraro.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H.R. 1336. An act for the relief of Anna Catania Puglisi;

H.R. 1337. An act for the relief of Amelia Andreoli D'Attore;

H.R. 1338. An act for the relief of William W. Stevens;

H.R. 1383. An act for the relief of Hyacinth Louise Miller;

H.R. 1390. An act for the relief of Jung Ngon Woon;

H.R. 1391. An act for the relief of Mrs. Wong Lau Sau Kam;

H.R. 1459. An act for the relief of EN/2 Hideo Chuman, U.S. Navy;

H.R. 1486. An act for the relief of Mrs. Vicenta A. Messer;

H.R. 1499. An act for the relief of Manuel Nido;

H.R. 1507. An act for the relief of Capt. Jacob Haberle;

H.R. 1699. An act for the relief of Nick George Boudoures;

H.R. 1706. An act for the relief of Adela Michiko Flores;

H.R. 1903. An act for the relief of Mrs. Amina Youssif Cosino (nee Simaan);

H.R. 2656. An act for the relief of Capt. Leon B. Ketchum;

H.R. 3132. An act for the relief of Lucille Collins;

H.R. 3862. An act for the relief of Lt. Col. Edward C. Campbell;

H.R. 3863. An act for the relief of Woody W. Hackney, of Fort Worth, Tex.;

H.R. 4381. An act for the relief of Walter H. Hanson; and

H.R. 5501. An act for the relief of Mrs. David Ishmael, Manhattan, Kans.; to the Committee on the Judiciary.

H.R. 4591. An act to continue until the close of June 30, 1962, the suspension of duties on metal scrap, and for other purposes; to the Committee on Finance.

H.R. 4913. An act to amend the act of August 7, 1946, relating to the District of Columbia hospital center to extend the time during which appropriations may be made for the purposes of that act; to the Committee on the District of Columbia.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Irrigation Subcommittee of the Committee on Interior

and Insular Affairs was authorized to meet during the session of the Senate today.

On request of Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Patents, Trademarks, and Copyrights, of the Committee on the Judiciary, was authorized to meet during the session of the Senate today.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Public Buildings Subcommittee of the Senate Committee on Public Works be permitted to sit during today's session of the Senate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION ON THURSDAY

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Subcommittee on Reorganization and International Organizations of the Committee on Government Operations be permitted to meet during the session of the Senate on Thursday to conduct hearings on a bill to create a Department of Urban Affairs.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

OIL POLLUTION ACT, 1961

A letter from the Secretary of State, transmitting a draft of proposed legislation to implement the provisions of the International Convention for the Prevention of the Pollution of the Sea by Oil, 1954 (with accompanying papers); to the Committee on Commerce.

ESTABLISHMENT OF A JUVENILE DIVISION IN CONNECTION WITH DISTRICT OF COLUMBIA YOUTH CORRECTIONAL CENTER

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to provide for the establishment of a Juvenile Division within or in connection with the District of Columbia Youth Correctional Center, and to authorize the judge of the Juvenile Court of the District of Columbia to commit to such Juvenile Division, subject to the provisions of the Juvenile Court Act, children 15 years of age or older (with an accompanying paper); to the Committee on the District of Columbia.

REPORT ON REVIEW OF FEDERAL-AID AIRPORT PROGRAM

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on review of the Federal-aid airport program and of the program for the establishment of air navigation facilities, region 1, New York, N.Y., Bureau of Facilities and Materiel, Federal Aviation Agency, June 1960 (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF FUR SEAL OPERATIONS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on review of fur seal operations and administration of the Pribilof Islands, Bureau of Commercial Fisheries, U.S. Fish and Wildlife Service, Department of the Interior, dated June 1961 (with an accompanying report); to the Committee on Government Operations.

REPORT ON EXAMINATION OF PRICING OF CERTAIN COMPONENTS OF CORPORAL MISSILES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination of the pricing of certain components of Corporal missiles under Department of the Army negotiated fixed-price subcontracts awarded by Gilfillan Bros., Inc., Los Angeles, Calif., to Motorola, Inc., Western Military Electronics Center, Phoenix, Ariz., dated June 1961 (with an accompanying report); to the Committee on Government Operations.

REPORT OF JUDICIAL CONFERENCE OF THE UNITED STATES

A letter from the Chief Justice of the United States, transmitting, pursuant to law, a report of the Judicial Conference of the United States, held at Washington, D.C., March 13–14, 1961 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the Legislature of the State of Florida; to the Committee on Finance:

"HOUSE MEMORIAL 2963

"Memorial to the Congress of the United States commending two pioneers in the U.S. sugar industry, Mr. Charles Stewart Mott, chairman of the board of the U.S. Sugar Corp. and Mr. Harry T. Vaughn, president of the U.S. Sugar Corp., and urging Congress to provide additional sugar cane quotas for domestic sugar cane growers

"Whereas the sugar cane industry in Florida has made tremendous progress over the past 30 years; and

"Whereas this sugar industry is at present showing increased growth with several new mills in the process of construction, thereby adding greatly to Florida's economy; and

"Whereas this progress has been made largely through the efforts of Mr. Charles Stewart Mott and Mr. Harry T. Vaughn as a result of their foresight, research activity, and financial backing of the U.S. Sugar Corp.; and

"Whereas their development of the sugar cane varieties which produce high yields, has made it possible for domestic growers to participate in the profitable growing of this vital agricultural crop so necessary to our health; and

"Whereas this goal has been accomplished only after years of great expenditure of funds, hard work, and efficiency of operation under the leadership of Mr. Mott and Mr. Vaughn; and

"Whereas it is now apparent that there is the opportunity for the U.S. Congress to increase sugar quotas for the mainland domestic growers as a result of the removing of the quota previously assigned Cuba; and

"Whereas the long agricultural season enjoyed throughout Florida is ideal for the maximum production of sugar cane; and

"Whereas there is a vast amount of rich and fertile soil in Florida suitable for the expansion of the sugar industry now being developed especially around the Lake Okeechobee area; and

"Whereas the Legislature of the State of Florida desires to urge the Members of Congress to assure our domestic growers that they will be able to participate in the future growth and development of this industry: Now, therefore, be it

"Resolved by the Legislature of the State of Florida, That the Florida Legislature respectfully requests the Members of the U.S. Congress and particularly those members of the Florida delegation to Congress, to provide additional sugar quotas for domestic growers; and be it further

"Resolved, That copies of this memorial be dispatched to the President of the United States; to the President of the U.S. Senate; to the Speaker of the U.S. House of Representatives; to each of the members of the Florida delegation to the U.S. Congress; and to the Governor of the State of Florida."

RESOLUTION OF RHODE ISLAND GENERAL ASSEMBLY

Mr. PASTORE. Mr. President, on behalf of the junior Senator from Rhode Island [Mr. PELL] and myself, I submit a certified copy of Resolution 687 entitled: "Resolution Memorializing Congress Requesting That the Measure To Establish a Park in Providence at the Location of the Spring Where Roger Williams, Our Founder, First Landed, Be Made a Memorial Park in Honor of His Contribution to Religious Liberty, Be Enacted," passed by the General Assembly of the State of Rhode Island at the January session 1961, and approved by the Governor.

I ask that this resolution be appropriately referred.

There being no objection, the resolution was referred to the Committee on Interior and Insular Affairs, and, under the rule, ordered to be printed in the RECORD, as follows:

RESOLUTION 687

Resolution memorializing Congress requesting that the measure to establish a park in Providence at the location of the spring where Roger Williams, our founder, first landed, be made a memorial park in honor of his contribution to religious liberty, be enacted

Whereas when Roger Williams came to Rhode Island he found it in possession of four Indian tribes. He was exiled from Massachusetts because of his insistence upon complete religious freedom which brought him into conflict with the Puritan leaders of the Massachusetts Bay Colony. He believed implicitly that there should be a separation of church and state. Warned that he was to be returned to England for his controversial doctrines, he took the wintery overland Indian path to secure protection from the Indians. Warned by his friends that he would do well to find relief from persecution, he finally settled near a spring on the banks of the Moshassuck River, near what is known now as North Main Street, diagonally across from the site of St. John's Cathedral, naming the settlement Providence. He later wrote: "And having in a sense of God's merciful providence unto me in my distress called the place Providence"; and

Whereas in a recommendation of our College Hill report which defined the pattern for the progress and growth of the ancient part of the city of Providence, it has been recommended that the establishment of a park in memory of Roger Williams, our founder, at the special spring where he first landed, the clearance of the depressed area would be the key to the renewal and development of both the College Hill area and downtown Providence: Now, therefore, be it

Resolved, That the members of the General Assembly of the State of Rhode Island and Providence Plantations now earnestly request Congress to authorize the establishment in the city of Providence of a National Roger Williams Memorial Park, asking that explicit attention be given to the measure now pending in the Congress of the United States to undertake such a memorial park,

thereby emphasizing for all time Roger Williams' adherence to religious liberty; requesting the Senators and Congressmen from Rhode Island in the Congress of the United States to work assiduously for the passage of this measure and directing the secretary of state to transmit to them and all other Members of Congress through proper authorities duly certified copies of this resolution.

RESOLUTION OF THE JUNIOR ORDER OF UNITED AMERICAN MECHANICS

Mr. ERVIN. Mr. President, Burkemont Council No. 44, Junior Order of United American Mechanics of Morganton, N.C., has adopted a resolution which is, in substance, a petition to Congress. I ask unanimous consent that such resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Junior Order of United American Mechanics has for more than a century zealously labored to defend and support the U.S. Constitution and the freedom it provides; striven to promote the welfare of the Nation and to serve the best interests of American citizens; supported the public school system and the belief in separation of church and state; opposed unrestricted immigration and combated communism, and has endeavored to make its members better men, truer citizens and strong patriots; and

Whereas the principles and ideals of the order remain unchanged and its beliefs in these matters are unalterable: Now, therefore, be it

Resolved by the Burkemont Council 44 assembled this 23d day of May 1961, in the city of Morganton, N.C., That it affirms all of the above and declares its opinion on the following specific issues:

1. That the U.S. Constitution should be supported by all; that rigid adherence and conformity to it be practiced; that every effort should be exercised to keep it intact and thus safeguard the priceless freedoms which it guarantees;

2. That liberalizing amendments to the McCarran-Walter Immigration and Naturalization Act are unalterably opposed; the continuance of admission of hordes of refugees admitted in excess of the quota and nonquota immigrants coming in under the existing law is also opposed;

3. That as longtime strong advocates of separation of church and state, we are diametrically opposed to Federal or State aid to private educational institutions; that we also hold that grants to individuals in lieu of institutions are but a subterfuge and should be denied;

4. That there is the utmost urgency for our people to be alerted and better informed; and that they act fast against the mounting Communist threats; that legislative measures be carried out to combat and curb communism in our Nation, and that they support vigorously all efforts which would forestall the intervention, domination and control and colonization by international communism in other areas of the new world;

5. That the foreign aid program, which has been declared unconstitutional by some and whose benefits have been questioned by many, be curtailed, so that relief may be granted the worker and taxpayer. We are all victims of the foreign aid and foreign trade policies followed by the United States. As taxpayers we foot the bill for foreign aid; as workers (who are also taxpayers) we find our jobs are gone because of foreign competition made possible through the shipments of dollars overseas;

6. That Flag Day should be designated a legal holiday and that the flag should be displayed on or near diplomatic establishments abroad, and should be flown more frequently at home;

7. That we favor the proposal of establishment in the United States of an advance training and development center to be known as Freedom Academy. The principal function would be the development of systematic knowledge about the international Communist conspiracy and to explore and study the methods and means to provide counteraction by private citizens, nongovernmental organizations to supplement the means and methods already being used by governmental agencies and persons in Government service;

8. That we oppose the repeal of the Connolly amendment which would decrease rights and authority of Congress and subject this country to the jurisdiction of the International Court of Justice, some of whose judges' background, purposes and ideologies are in conflict with our own; and be it further

Resolved, That the State secretary be and he is hereby directed to send copies of this resolution to our Representatives in Congress and to each Senator from this State.

Committee:

E. C. ISENHOUR,
Councilor.
R. C. HAUSER.
B. R. WHISNANT.

AFFIDAVIT PROVISION OF NATIONAL DEFENSE EDUCATION ACT—RESOLUTION

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the University of Southern California chapter of the American Association of University Professors, opposing the affidavit provision of the National Defense Education Act of 1958.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY UNIVERSITY OF SOUTHERN CALIFORNIA CHAPTER OF THE AMERICAN ASSOCIATION OF UNIVERSITY PROFESSORS

Whereas the constitutionality of the disclaimer affidavit required by the National Defense Education Act of 1958 is questionable since the affidavit attempts to restrict what one may believe as well as what one may do; and

Whereas a student is faced with the impossible task required by the affidavits of determining his belief in an organization which believes in the overthrow of the Government by unconstitutional methods; and

Whereas the affidavit imbues the act with the nature of a political test oath and thereby poses the grave issue of Federal control of education; and

Whereas the affidavit runs counter to the principle of academic freedom which permits vigorous inquiry into all points of view in rational discussion, a condition basic to the very processes of higher education; and

Whereas the act singles out university and college students from all other groups receiving Federal support in the requirement of a disclaimer affidavit to establish their innocence of unsupported suspicion of subversion; and

Whereas the affidavit and the oath can neither create nor compel loyalty, and are accordingly self-defeating; and

Whereas the affidavit violates the fundamental American principle of jurisprudence that an individual is presumed innocent until proven guilty: Therefore be it

Resolved by the University of Southern California Chapter of the American Association of University Professors:

1. That the affidavit provision of the National Defense Education Act of 1958 is unequivocally opposed and condemned; and

2. That the President of the United States and California's U.S. Senators and Members of the House of Representatives are respectfully urged to support vigorously the repeal of said affidavit, and that a copy of this resolution be furnished to each member of the Labor and Public Welfare Committee of the Senate and of the Education and Labor Committee of the House of Representatives; and

3. That the faculty senate of the University of Southern California is commended for its action of May 18, 1960, of protesting the disclaimer affidavit and is urged to reaffirm this position and to petition California's U.S. Senators and Members of the House of Representatives to work actively for the repeal of said affidavit; and

4. That the board of trustees, the president, and the student senate of the University of Southern California are respectfully urged to take a stand against said affidavit and to petition California's U.S. Senators and Members of the House of Representatives to do likewise; and

5. That the administration of the University of Southern California is respectfully requested to furnish each student applying for benefits under said act with a copy of this resolution.

Executive Council, University of Southern California, AAUP: Totten J. Anderson, Russell, L. Caldwell, Edgar Ewing, C. Roger Freberg, Willard Geer, Kenneth A. Harwood, Bernard Kantor, Arthur J. Knodel, Norman Kharasch, Edward C. McDonagh, Charles E. Meyers, Victor S. Netterville, Edwin C. Robbins, Georges Sabagh, Georgene Seward, William H. Werkmeister, Donald Wilson, Ronald Freeman, treasurer; Gerald Larue, secretary; William C. Himstreet, vice president; William H. Perkins, president.

NEW YORK RESOLUTIONS

Mr. KEATING. Mr. President, I ask unanimous consent to have printed in the RECORD three resolutions—one from the Village Board of Port Henry, Essex County, N.Y., urging increased Federal aid in constructing a sewage disposal plant; one from the County Board of Supervisors of Monroe County urging support for the Corps of Engineers project for Rochester Harbor; and one from the Young Republican Club of Ulster County concerning the tractors-for-prisoners deal.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Whereas the New York State Department of Health and the New York State Water Pollution Control Board will require the village of Port Henry to build a sewage disposal plant;

Whereas at the present time, the amount of Federal aid and State aid available for such a project would be approximately one-third of the project's total cost;

Whereas at the present time, the village of Port Henry could not burden its taxpayers with two-thirds of the cost of such a project;

Whereas the board of trustees of the village of Port Henry realizes the need for a sewage disposal plant: Now, therefore, it it hereby

Resolved, That the village of Port Henry realizing the need for the construction of the sewage disposal plant, goes on record as favoring the construction of such a facility providing the Federal and State Govern-

ments will increase the amount of aid for such a project to two-thirds of the cost; and it further be

Resolved, That a copy of this resolution be sent to the following: Hon. Jacob K. Javits, Senate Office Building, Washington, D.C.; Hon. Carleton J. King, House of Representatives, Washintgon, D.C.; Hon. Grant W. Johnson, Ticonderoga, N.Y.; Hon. Kenneth B. Keating, Senate Office Building, Washington, D.C.; Hon. Eustis Paine, the Capitol, Albany, N.Y.; Dominick Ida, supervisor, Mineville, N.Y.; and the office of the mayors of Westport, Ticonderoga, and Willsboro.

Attest:

JANE PHILLIPS,
Village Clerk.

RESOLUTION OF BOARD OF SUPERVISORS OF THE COUNTY OF MONROE

Resolution requesting the Congress of the United States to approve and appropriate moneys for a program of development and improvement of Rochester Harbor

Whereas the U.S. Army Corps of Engineers (Buffalo District) has heretofore made a study of the feasibility of developing and improving Rochester Harbor; and

Whereas as a result of said studies, their findings and recommendations were set out in an interim report dated January 1960 titled "Great Lakes Harbors Study on Rochester Harbor"; and

Whereas said report recommended an expenditure of approximately $2½ million for deepening, widening, and the construction of a 650-foot turning basin at Rochester Harbor; and

Whereas the 86th Congress on July 14, 1960, passed a Rivers and Harbors Act in which was included a development program for Rochester Harbor; and

Whereas such a program of development and improvement of Rochester Harbor would be in the best interests of the residents of the city of Rochester and the county of Monroe: Therefore be it

Resolved by the board of supervisors of the county of Monroe, as follows:

SECTION 1. That the board of supervisors of the county of Monroe requests the Congress of the United States to approve and appropriate approximately $2½ million to develop and improve Rochester Harbor.

SEC. 2. That the clerk of the board of supervisors be, and hereby is, directed to forward a copy of this resolution to the Honorable KENNETH B. KEATING, the Honorable JACOB K. JAVITS, the Honorable HAROLD C. OSTERTAG, and the Honorable JESSICA MCC. WEIS and to the congressional budget committee, and the House Appropriations Committee.

SEC. 3. This resolution shall take effect immediately.

MICHAEL D. PASTORELLE,
Clerk.

RESOLUTION BY ULSTER COUNTY YOUNG REPUBLICAN CLUB

Whereas the people of Ulster County, the State of New York, the United States of America and all other freedom-loving citizens throughout the world have become increasingly alarmed over the inhumanities and despotic rule demonstrated by the communistic Government of Cuba; and

Whereas decency, justice and liberty have been ground under the heel of Fidel Castro, the arrogant dictator of Cuba, clearly demonstrating that the Cuban nation under its present leadership has no place in the family of nations; and

Whereas the President of the United States has willingly played into the conniving hands of the ruthless Castro by encouraging American citizens to submit to undisguised blackmail by sending tractors and/or bulldozers to strengthen the insulting Cuban nation in return for the release of political prisoners: Now, therefore, be it

Resolved, That the Young Republican Club of Ulster County express its disapproval of the actions of President Kennedy for entertaining the thought, let alone the encouragement of the United States being a party to international blackmail which this organization finds so difficult to reconcile with the Nation's very recent annual tribute to the gallant war dead of many wars who fought to make our Nation great; and be it further

Resolved, That a copy of this resolution be spread at length upon the minutes of this meeting and a copy hereof be sent to our U.S. Senators JACOB JAVITS and KENNETH KEATING, and our Congressman J. ERNEST WHARTON.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

H.J. Res. 384. Joint resolution providing for acceptance by the United States of America of the Agreement for the Establishment of the Caribbean Organization signed by the Governments of the Republic of France, the Kingdom of the Netherlands, the United Kingdom of Great Britain and Northern Ireland, and the United States of America (Rept. No. 440).

AUTHORIZATION OF APPROPRIATIONS FOR ATOMIC ENERGY COMMISSION—REPORT OF A COMMITTEE—SEPARATE VIEWS (S. REPT. NO. 441)

Mr. PASTORE. Mr. President, from the Joint Committee on Atomic Energy, I report favorably, without amendment, the bill (S. 2043) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, and I submit a report thereon. I ask unanimous consent that the report be printed, together with the separate views of Senators HICKENLOOPER and BENNETT, and Representatives VAN ZANDT, HOSMER, and BATES.

The PRESIDING OFFICER (Mr. METCALF in the chair). The report will be received and printed, as requested by the Senator from Rhode Island, and the bill will be placed on the calendar.

REPORT ENTITLED "INCOMPETENCE OF STAFF DIRECTOR, COMMISSION ON CIVIL RIGHTS"—INDIVIDUAL AND SEPARATE VIEWS (S. REPT. NO. 439)

Mr. McCLELLAN. Mr. President, on behalf of the Committee on Government Operations I submit the report made to it by the Senate Permanent Subcommittee on Investigations entitled, "Incompetence of Staff Director, Commission on Civil Rights" and ask that it be printed, together with the individual views of the Senator from New York [Mr. JAVITS], and the separate views of myself, and other members of the subcommittee.

The PRESIDING OFFICER. The report will be received and printed.

Mr. McCLELLAN. Mr. President, in March of 1960, one of the Senators of the subcommittee received personal complaints made to him against Gordon Tiffany, the staff director of the Commission on Civil Rights, by employees of the Civil Rights Commission who were working under his direction and supervision. At his instance I directed the staff of the subcommittee to conduct a preliminary inquiry to ascertain if there was any basis for the complaints which had been received.

On March 8, 1960, as chairman of the subcommittee, I sent to each member of the Civil Rights Commission and to its staff director, Mr. Gordon Tiffany, and to all members of the Senate Permanent Subcommittee on Investigations, copies of a telegram which I addressed to the Chairman of the Commission on Civil Rights setting forth the nature of the complaints received, indicating that the subcommittee staff had been instructed to conduct a preliminary investigation. In this telegram I requested the cooperation of the Commission and the Commission staff. The Chairman of the Commission responded promptly to the effect that it was his feeling that the Commission should cooperate fully. Because of what developed during this preliminary inquiry, the subcommittee decided to conduct executive sessions and not public hearings so that there would be no impact or influence on the controversial Civil Rights Act of 1960, which was pending legislation before the U.S. Senate. The subcommittee met in executive session on June 3, 6, and 7, 1960.

The inquiry into this very sensitive agency was most carefully handled. At no time was any statement issued to the press concerning this subject matter.

The testimony very clearly indicated that Gordon Tiffany, the staff director, had neither the executive ability nor the competence to be entrusted with the important duties of his office in this most sensitive agency. Although he had received a copy of the aforementioned telegram from me, and although he had been furnished the rules of the subcommittee during the preliminary inquiry, on June 3, 1960, some 3 months after the inquiry was conducted, he still questioned the authority of the subcommittee to act. Even at this late date, Mr. Tiffany, while holding mental reservations regarding the subcommittee's authority, had not contacted the subcommittee with regard to clarifying the situation. He had not contacted the subcommittee staff. He had not contacted the Office of the Attorney General—in fact, he had not contacted anyone who was in any position to render him proper advice. He had refused to permit certain individuals within the Civil Rights Commission to be interviewed by the subcommittee staff at the time requested; he concurred with actions of subordinates in advising Civil Rights Commission staff members that, if they did not wish to cooperate and furnish signed statements to the subcommittee staff, no action would be taken against them, which was tantamount to warnings to subordinates not to cooperate with the subcommittee. He refused to permit the review of certain financial records of the Commission on Civil Rights by a subcommittee staff member.

Mr. Tiffany, during the time of the preliminary inquiry and during the time that he was a witness in executive session, consistently refused to make available to the subcommittee the names of 26 prominent Federal, State, and local officials and clergymen whose names, at his direction, had been checked to determine their reliability and impartiality in connection with their appearance as witnesses before the Commission on Civil Rights.

He finally, under prodding of the subcommittee, made such a list available on June 10, 1960, after the conclusion of the hearings. In his initial testimony before the subcommittee, he maintained that such Federal officials and clergymen had not been given security checks, but later admitted he had such a check made.

Original verbatim transcripts of the minutes of the Commission's meetings had been destroyed on the advice of Mr. Tiffany without obtaining necessary clearance for such action from the General Services Administration, which was a violation of the law, being in contravention of title 44, United States Code, section 368.

Mr. Tiffany had also failed to comply with civil service regulations. He had apparently relied on a General Services Administration employee without in any way making any contact with the Civil Service Commission. The subcommittee found that no performance rating plan had ever been submitted to the Civil Service Commission, thereby preventing any individual employee from receiving an efficiency report. There were other failures in connection with civil service requirements which need not be pointed out at this time.

The subcommittee is in no way criticizing the members of the Commission on Civil Rights. We were concerned exclusively with the administration of the Commission on Civil Rights; the lack of competence and the arbitrary actions of Mr. Tiffany made it quite clear that inefficiency prevailed in this agency. It is apparent to me that Gordon Tiffany's subsequent resignation from the Commission on Civil Rights was due to the investigation conducted by this subcommittee.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Robert M. McKinney, of New Mexico, to be Ambassador Extraordinary and Plenipotentiary to Switzerland;

Mercer Cook, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Niger;

Philip M. Kaiser, of New York, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Senegal, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary to the Islamic Republic of Mauritania;

Robinson McIlvaine, of Pennsylvania, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Dahomey; and

James Leonard Reinsch, of Georgia, to be a member of the U.S. Advisory Commission on Information.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MORSE (for himself and Mrs. NEUBERGER):

S. 2116. A bill to amend the act authorizing the Crooked River Federal reclamation project to provide for the irrigation of additional lands; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. PASTORE:

S. 2117. A bill to amend various sections of the Atomic Energy Act of 1954, as amended, and the EURATOM Cooperation Act of 1958, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. SMATHERS:

S. 2118. A bill for the relief of Dr. John Lopinto Arzaga; to the Committee on the Judiciary.

By Mr. KERR (for himself and Mr. MONRONEY):

S. 2119. A bill to amend the Federal Property and Administrative Services Act of 1949 so as to permit donations of surplus property to schools for the mentally retarded, schools for the physically handicapped, educational television stations, and public libraries; to the Committee on Government Operations.

By Mr. HUMPHREY:

S. 2120. A bill to amend the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914; to the Committee on the Judiciary.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. ELLENDER (by request):

S. 2121. A bill to establish Federal agricultural services to Guam, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. HRUSKA (for himself, Mr. CURTIS, Mr. MUNDT, and Mr. CASE of South Dakota):

S. 2122. A bill to consent to the Lower Niobrara River and Ponca Creek compact between the States of Nebraska and South Dakota; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. HRUSKA when he introduced the above bill, which appear under a separate heading.)

By Mr. JACKSON (by request):

S. 2123. A bill to authorize the use of funds arising from judgments in favor of any of the Confederated Tribes of the Colville Reservation; to the Committee on Interior and Insular Affairs.

By Mr. McCLELLAN (by request):

S. 2124. A bill to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the general supply fund; and

S. 2125. A bill to authorize executive agencies to grant easements in, over, or upon real property of the United States under control of such agencies, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. McCLELLAN when he introduced the above bills, which appear under separate headings.)

By Mr. ROBERTSON:

S. 2126. A bill for the relief of Nicolaos Ioannou Psaroudis; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 2127. A bill to amend section 416(b)(1) of the Federal Aviation Act of 1958; to the Committee on Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. BYRD of West Virginia (for himself and Mr. RANDOLPH):

S. 2128. A bill to authorize the Secretary of the Army to establish an annex to the Grafton National Cemetery, Grafton, W. Va.; to the Committee on Interior and Insular Affairs.

By Mr. BYRD of West Virginia:

S. 2129. A bill for the relief of certain members of the Army National Guard of the United States and the Air National Guard of the United States; to the Committee on the Judiciary.

By Mr. GOLDWATER:

S.J. Res. 108. Joint resolution to authorize the presentation of the Distinguished Flying Cross to Maj. Gen. Benjamin D. Foulois, retired; to the Committee on Armed Services.

(See the remarks of Mr. GOLDWATER when he introduced the above joint resolution, which appear under a separate heading.)

CROOKED RIVER PROJECT EXTENSION

Mr. MORSE. Mr. President, on behalf of myself and my colleague, the junior Senator from Oregon [Mrs. NEUBERGER], I introduce, for appropriate reference, a bill to amend the act authorizing the Crooked River Federal reclamation project, Oregon, to provide for the irrigation of additional lands.

The amendment is designed to authorize an extension of the existing Crooked River project to provide for irrigation of 2,890 new acres of land adjacent to the Ochoco Canal of the authorized Crooked River project. The water supply for the extension could come from Crooked River, as regulated by the Prineville Reservoir.

The total cost of the extension would be approximately $1,640,300. However, a portion of this total cost has already been included through enlargement of the capacity of the existing Crooked River project canals. The cost, chargeable to this additional capacity, is estimated at $645,300, leaving a balance of cost for the construction of the new facilities at $995,000.

A portion of the project cost would be repayable over a 50-year period by the farmers within the project area. The remaining payments would be derived from power revenues of the Dalles Dam project.

The extension of the Crooked River project is meritorious and is particularly desirable because of the crop production it will make available in the years ahead for our rapidly increasing population. It constitutes a wise investment in America's future.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2116) to amend the act authorizing the Crooked River Federal reclamation project to provide for the irrigation of additional lands, introduced

by Mr. MORSE (for himself and Mrs. NEUBERGER), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

SUPPLEMENTATION OF EXISTING LAWS AGAINST UNLAWFUL RESTRAINTS AND MONOPOLIES

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill relating to fair competition, to amend the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914.

This is a revision of a bill introduced at an earlier date. The modifications in the bill are the result of consultation with the Department of Justice and regulatory agencies.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2120) to amend the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on the Judiciary.

CONSENT TO THE LOWER NIOBRARA RIVER AND PONCA CREEK COMPACT BETWEEN THE STATES OF NEBRASKA AND IOWA

Mr. HRUSKA. Mr. President, the State of Nebraska and the State of South Dakota have concluded a compact pursuant to consent granted by the Congress of the United States as provided in the act of August 5, 1953—Public Law 191, 83d Congress, 1st session, chapter 324, 67 Stat. 365—and the act of May 29, 1958—Public Law 85-427, 85th Congress, S. 2557, 72 Stat. 147.

This compact undertakes to apportion the waters of Ponca Creek and the tributaries of the Niobrara River common to the two States. It is designated as the "Lower Niobrara River and Ponca Creek Compact."

It has been ratified by the legislatures of both States and has been approved by the Governor of South Dakota and the Governor of Nebraska, according to Dan Jones, Jr., director of water resources for Nebraska.

It is now necessary to have the compact presented to the Congress of the United States for ratification.

On behalf of myself and my colleague, the junior Senator from Nebraska [Mr. CURTIS], as well as the two Senators from the State of South Dakota [Mr. MUNDT and Mr. CASE], I introduce a bill for these purposes, and ask that it be appropriately referred.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2122) to consent to the Lower Niobrara River and Ponca Creek compact between the States of Nebraska and South Dakota, introduced by Mr. HRUSKA (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

REMOVAL OF LIMITATION ON MAXIMUM CAPITAL OF GENERAL SUPPLY FUND

Mr. McCLELLAN. Mr. President, by request, I introduce, for appropriate reference, a bill to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the capital of the general supply fund.

This bill is introduced at the request of the Administrator of General Services, who stated that enactment of this proposal will involve no additional costs to the Government. However, in accordance with existing procedures, appropriations for capital will be requested of the Congress as the needs therefor arise. This bill, therefore, will not increase the amount of the general supply fund, but will remove the ceiling in order that additional supplies, materials and funds may be transferred to the account without exceeding the ceiling imposed thereon by the Federal Property and Administrative Services Act.

I ask that a letter addressed to the President of the Senate from the Administrator of General Services, dated June 1, 1961, which sets forth additional justification and background, be inserted in the RECORD and made a part of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2124) to amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the general supply fund, introduced by Mr. McCLELLAN, by request, was received, read twice by its title, and referred to the Committee on Government Operations.

The letter presented by Mr. McCLELLAN is as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., June 1, 1961.

Hon. LYNDON B. JOHNSON,
President of the Senate,
Washington, D.C.

MY DEAR MR. PRESIDENT: There is enclosed for your consideration a draft of a bill "To amend section 109 of the Federal Property and Administrative Services Act of 1949, as amended, so as to remove the limitation on the maximum capital of the general supply fund."

The sentence which the enclosed bill proposes to delete reads as follows: "The capital of the general supply fund shall be in an amount not greater than $150,000,000."

In the 1962 budget, the capital of the fund was estimated at $139.1 million at June 30, 1962, including $25 million requested as a supplemental appropriation for 1961 and $8 million requested to be appropriated for 1962. It now appears that sales of stores stock items will be considerably higher than had been previously estimated. Even without considering sales increases to result from additional item assignments to GSA from the Department of Defense, it now appears that capital requirements will exceed the current statutory ceiling before the end of fiscal year 1962. This point, coupled with the imminence of large additional item assignments from the Department of Defense, makes it clear that the present capital ceiling is inadequate.

Careful consideration was given to developing a higher capital ceiling figure to recommend in place of the current ceiling of $150 million. In this effort, consideration was given to the desirability of establishing an amount that would have some meaning, while still leaving enough flexibility so that amendment of the Federal Property Act for this purpose would not become a regular affair. It became apparent that, under the conditions we now face, there is no logical basis for suggesting any specific amount as a capital ceiling for the general supply fund. Here are some of the considerations which led to this conclusion:

(a) We are at present unable to estimate with precision the sales increases to result from assumption of responsibility for supply of additional items to the Department of Defense.

(b) We do not know at this time how these additional sales will be handled. These decisions will have a significant impact on capital requirements. For items supplied through Federal supply schedules there is no capital requirement for this fund. The same is true of nonstores items in those cases where it is economical and feasible for the customer agency to pay the contractor directly. For other nonstores items, and for stores items shipped direct from supplier to customer, the capital requirement is equivalent to about 12.5 percent of annual sales. For stores items shipped from stock, capital equivalent to about 45.8 percent of annual sales is required.

(c) The foregoing figures relate to current GSA turnover rates and financial procedures. However, it is planned for GSA to take over Defense assets of the items involved, which are (to an extent now unknown) in longer supply than would be the case with GSA assets. It would be completely impractical for GSA to take over only a part of the stocks of items for which we are assuming supply responsibilities. The value of the relevant assets is unknown at present.

(d) Before the takeover of Defense assets can proceed, several financial policy decisions must be made. These involve whether takeover will involve GSA financial ownership in all cases; pricing; the use of reserves to cover correction of inventory records in such matters as quantity, location, and condition, and other matters. All of these points will have a bearing on immediate and ultimate capital requirements.

(e) Stores shipped sales were $145.5 million in 1959, and are now etsimated at $215 million for 1962, an increase of nearly 50 percent in 3 years without any major additional item assignments from the DOD. If this element of business should increase at a similar rate in the following 3 years, the additional capital requirements would be about $50 million.

(f) Motor pools, repair facilities, and other operations financed through the fund are growing. There is a need for capital that is difficult to predict, both to establish new facilities and to expand existing ones.

(g) The President's directives regarding accelerated procurement and restricting offshore procurement, as well as the developments regarding Defense supply discussed above, are leading examples of the factors which have a pronounced effect on our operations, but which cannot be foreseen. It is certain that there will continue to be developments which we cannot now foresee. This underscores the need for a maximum of flexibility in the General Supply Fund.

In connection with the uncertainties regarding additional supply support to the military services, referred to above, certain points should be made clear. In establishing the single managers for general supplies and industrial supplies, the Department of Defense decided to proceed on an item-by-item basis. This resulted in a wealth of information on individual items not previously available, and made it possible to

make much sounder ultimate supply-management decisions. One of the side effects of this approach, however, has been to make it difficult to develop summary financial data. These data will be forthcoming, so far as GSA is concerned, only as we make decisions on 40,000 or more items of supply in the coming months.

Because of the factors cited above, we do not feel that we could suggest any ceiling on General Supply Fund capital that would have a basis in logic. It should be noted that this proposal in itself does not provide any additional capital to the General Supply Fund. Capital can only be secured through appropriation in the regular manner, or by transfer of assets which involve no additional Federal outlays. It should be noted that the other funds most immediately involved here—the four stock funds of the Department of Defense—are not subject to statutory capital ceilings. The same is true of the three industrial funds and other revolving funds in the Department of Defense. According to informal advice from staff of the Bureau of the Budget, most revolving funds in civilian agencies do not have statutory capital ceilings. The history of the statutory ceiling on the General Supply Fund itself is instructive. There was no such ceiling on the account during the 20 years of its operation in the Treasury Department. With the establishment of GSA, the Federal Property Act established a ceiling of $75 million in 1949, raised to $150 million in 1952, amounts so far in excess of the needs then foreseeable that the ceiling has had no practical effect until now. We see no point in establishing another ceiling to cover another span of 12 years, even if the relevant amount could be estimated, nor do we see any advantage in more frequent amendment of the Federal Property Act for this purpose.

It is essential for the effective operation of the General Supply Fund that the attached legislative proposal be enacted at this session of the Congress. As noted, it appears that we would reach the present ceiling before the end of fiscal year 1962 even without additional Defense supply support. We expect to begin supplying large quantities of additional items to the military services in the next few months, and the outlook is that we will require capital in excess of the present ceiling well before the next session convenes.

Enactment of this proposal will involve no additional costs to the Government. However, in accordance with existing procedures, appropriations for capital will be requested of the Congress as the need therefor arises.

The Bureau of the Budget has advised that, from the standpoint of the administration's program, there is no objection to the submission of this legislative proposal to the Congress.

Sincerely yours,

JOHN L. MOORE,
Administrator.

EASEMENTS IN, OVER, OR UPON CERTAIN REAL PROPERTY OF THE UNITED STATES

Mr. McCLELLAN. Mr. President, by request, I introduce, for appropriate reference, a bill to authorize executive agencies to grant easements in, over, or upon real property of the United States under the control of such agencies, and for other purposes.

This bill is being introduced at the request of the Administrator of General Services as a part of the legislative program of the General Services Administration for 1961.

I ask that a letter addressed to the President of the Senate by the Administrator of the General Services Administration under date of June 12, 1961, which sets forth a statement of justification for this proposal, be inserted in the RECORD as a part of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2125) to authorize executive agencies to grant easements in, over, or upon real property of the United States under the control of such agencies, and for other purposes, introduced by Mr. McCLELLAN, by request, was received, read twice by its title, and referred to the Committee on Government Operations.

The letter presented by Mr. McCLELLAN is as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., June 12, 1961.

Hon. LYNDON B. JOHNSON,
President of the Senate,
Washington, D.C.

MY DEAR MR. PRESIDENT: There is transmitted herewith for referral, to the appropriate committee, a draft bill prepared by this agency, "to authorize executive agencies to grant easements in, over, or upon real property of the United State under the control of such agencies, and for other purposes."

This proposal is a part of the legislative program of the General Services Administration for 1961.

The enclosed draft bill was prepared after considering legislation which vests similar authority in other executive agencies of the Government. The Secretary of each military department in the Department of Defense may grant easements for rights-of-way over, in, and upon public lands permanently withdrawn or reserved for the use of that department, and other lands under his control, to a State, territory, Commonwealth, or possession, or political subdivision thereof, or to a citizen, association, partnership, or corporation of a State, territory, Commonwealth, or possession for enumerated purposes (10 U.S.C. 2668 and 2669). Both the Administrator of Veterans' Affairs and the Attorney General may grant on behalf of the United States to any State, or any agency or political subdivision thereof, or to any public service company, easements in and rights-of-way over lands belonging to the United States which are under his supervision and control (38 U.S.C. 5014 and 43 U.S.C. 931a). Similarly, the Secretary of the Army may convey all right, title, and interest of the United States in and to any Government owned or controlled approach road to any national cemetery (24 U.S.C. 289).

In the last session of the Congress the act of July 7, 1960 (74 Stat. 363), authorized the head of any executive agency having control over the affected real property of the United States to convey or otherwise transfer, with or without consideration, to any State or political subdivision for an authorized widening of a public highway, street, or alley, such interest in such real property as he determines will not be adverse to the interest of the United States, subject to such terms and conditions as he deems necessary to protect the interest of the United States. After discussions with the Bureau of the Budget and as a corollary to the foregoing authority, we are of the opinion that each executive agency should have authority similar to that now vested in the Secretaries of the military departments, the Administrator of Veterans' Affairs, and the Attorney General. Rather than limit the grant of such easements to enumerated purposes, as is done in 10 U.S.C. 2668 and 2669, it is felt advisable to permit the head of the executive agency having control of property to grant the easement for such purpose as he deems advisable so long as the interests of the United States will not be adversely affected.

Except for collateral statutes such as those referred to above, present procedures for granting such easements in real property are unsatisfactory. Under the Federal Property and Administrative Services Act of 1949, as amended, an easement in real property of the United States must be treated as excess and surplus property before the easement may be granted. Such procedure is unrealistic and unnecessarily cumbersome.

The enclosed draft bill provides in section 1 that the executive agency having control over the affected real property may grant an easement therein only when the head of such agency determines it will not be adverse to the interests of the United States. Clearly, the head of the executive agency which has control of real property can best determine whether the granting of the easement will interfere materially with the use of such property. The grant will be subject to such reservations, exceptions, limitations, terms, conditions, benefits, or burdens as he deems necessary to protect the interests of the United States. The bill further authorizes the head of the executive agency to decide whether consideration should be obtained and, if so, the type. The consideration may consist of an easement or other interest in real property.

Section 1 of the bill provides further that, in connection with such grant, the executive agency concerned may relinquish to the State in which the affected real property is located such legislative jurisdiction as the executive agency deems necessary or desirable. The relinquishment would be accomplished by filing with the Governor of the State concerned notice of the relinquishment, to take effect upon acceptance in accordance with the laws of such State.

Under section 2 of the bill the instrument granting the easement may provide for termination of the easement in whole or in any part if there has been (1) a failure to comply with any terms or conditions of the grant, or (2) a nonuse of the easement for a consecutive 2-year period for the purpose for which granted, or (3) an abandonment of the easement.

Since the proposed legislation is not intended to affect other laws relating to the granting of easements, section 3 of the bill provides that the authority therein shall be in addition to, and shall not affect or be subject to, any other law under which an executive agency may grant easements.

In our opinion, enactment of the proposed bill would not affect the budgetary requirements of GSA or any other executive agency.

For reasons outlined herein, prompt and favorable consideration of the enclosed draft bill is recommended.

The Bureau of the Budget has advised that, from the standpoint of the administration's objectives, there is no objection to the submission of this proposed legislation to the Congress.

Sincerely yours,

JOHN L. MOORE,
Administrator.

AMENDMENT OF SECTION 416(b)(1) OF THE FEDERAL AVIATION ACT OF 1958

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend section 416 (b)(1) of the Federal Aviation Act of 1958. I ask unanimous consent that a letter from the chairman of the Civil Aeronautics Board, together with a statement of purpose and need for the

proposed legislation be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter and statement of purpose will be printed in the RECORD.

The bill (S. 2127) to amend section 416(b)(1) of the Federal Aviation Act of 1958, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Commerce.

The letter and statement presented by Mr. MAGNUSON are as follows:

CIVIL AERONAUTICS BOARD,
Washington, D.C., June 19, 1961.

Hon. LYNDON B. JOHNSON,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: The Civil Aeronautics Board recommends to the Congress for its consideration the enclosed draft of a proposed bill "To amend section 416(b)(1) of the Federal Aviation Act of 1958."

The Board has been advised by letter from the Bureau of the Budget dated June 14, 1961, that there is no objection to the presentation of the proposed draft bill from the standpoint of the administration's program.

Sincerely yours,

ALAN S. BOYD,
Chairman.

STATEMENT OF PURPOSE AND NEED FOR PROPOSED LEGISLATION

Section 416(b)(1) of the act, among other things, permits the Board to exempt any air carrier or class of air carriers from the requirements of title IV of the act. To grant such exemption the Board must find:

1. That compliance with the requirements would be an undue burden on the air carrier by reason of the limited extent of, or unusual circumstances affecting, the operations of such carrier.

2. That compliance with the requirements is not in the public interest.

This section of the law has raised very difficult questions of interpretation, particularly in respect to applications for exemptions from section 401 of the act so as to permit the furnishing of certain air transportation services without the necessity for a hearing and the grant or amendment of a certificate of public convenience and necessity. The Board considers that an amendment of section 416(b) that will provide greater certainty as to the standards governing the grant of exemptions is essential in order to expedite the disposition of such matters and adequately to meet the Board's regulatory requirements.

Much of the uncertainty that exists at present stems from a recent court decision, *Pan American Airways et al.* v. *C.A.B.* (261 F. 2d 754 (C.A.D.C., 1958), cert. den. 359 U.S. 912 (1959)) which in a dictum seems to indicate that the term "limited extent" as it appears in section 416(b) has reference only to the preexisting operations of the air carrier and does not encompass the "limited extent" or scope of the operations for which exemption is sought. If this is the meaning of the court's decision, the decision is at least susceptible to the interpretation that exemptions would have to be denied to all but the small carriers for even so much as one flight, except in those cases in which a finding of "unusual circumstances" is possible. Further, under the statute the "limited extent" or "unusual circumstances" which the Board finds must be related to an "undue burden" on the carrier. As interpreted by the courts, the "undue burden" must be one that affects the actual operations of the carrier itself.

There are numerous instances in which particular operations for which exemption is sought may be of limited nature, scope, or duration because limited in time, or to particular commodities, or to particular route segments, etc., and clearly in the public interest, although the totality of the existing operations of the carrier applicant may not be of "limited extent." Also, often service requirements of a temporary or unusual nature and not appropriate for disposition through certification arise at the behest of the communities or shippers involved, under circumstances where the existence of an "undue burden" on the carrier is at least questionable. The Board believes that the required certainty can best be attained and the administration of this important area of the Board's activities facilitated by (1) replacing the "undue burden" standard with the standard of "impracticable," and (2) specifically empowering the Board to find "limited extent" or "unusual circumstances" on the basis of the operations for which exemption is sought. In our view, such a standard is entirely consonant with the overall purposes of the act. The requirement, which has been added, that the Board also find that such operations will not unduly impinge upon the certificated air transportation system gives recognition to the concern of both the Board and the courts that exemptions be utilized to supplement, and not to supplant, the certification process under which the basic air transportation system is to be developed. See, *e.g., American Airlines, Inc.* v. *C.A.B.* (235 F. 2d 845, 850 (C.A.D.C., 1956), cert. den. 353 U.S. 905 (1956)).

Under present statutory provisions the Board has power to exempt U.S. air carriers from the provisions of title IV of the Federal Aviation Act under the circumstances therein set forth, but has no corresponding power with respect to foreign air carriers. The result is that for any foreign air carrier to operate in air transportation as a common carrier, no matter under what limited or special circumstances, it is required to obtain a permit under Section 402 of the Act after compliance with all of the related procedural requirements. The resulting delay has on many occasions tended to cause ill will and to impede reciprocal exchange of operating authority with foreign nations. The draft legislation proposed therefore provides that the exemption power of section 416(b) be extended to authorize exemption of foreign air carriers and classes of foreign air carriers.

COMPARISON WITH EXISTING LAW

EXEMPTIONS

(b)(1) The Board from time to time and to the extent necessary, may (except as provided in paragraph (2) of this subsection) exempt from the requirements of this title or any provision thereof, or any rule, regulation, term, condition, or limitation prescribed thereunder, any air carrier or class of air carriers, or any foreign air carrier or class of foreign air carriers, if it finds that the enforcement of this title or such provision, or such rule, regulation, term, condition, or limitation would be impracticable by reason of the limited extent or duration of, or unusual circumstances affecting, either the existing operations or the operations, if any, for which exemption is sought, of such carrier or class of carriers and is not in the public interest, and that the operations, if any, for which exemption is sought will not unduly impinge upon the certificated air transportation system.

PRESENTATION OF DISTINGUISHED FLYING CROSS TO MAJ. GEN. BENJAMIN D. FOULOIS, RETIRED

Mr. GOLDWATER. Mr. President, I introduce, for appropriate reference, a joint resolution to authorize the presentation of the Distinguished Flying Cross to Maj. Gen. Benjamin D. Foulois, retired.

General Foulois, now nearly 82 years old, began his career in the Army Corps of Engineers on July 7, 1898, as an enlisted man. He was later commissioned in the Army. In 1908 he became associated with the Aviation Section of the Signal Corps of the Army, and he has the distinction of being the officer placed in charge of the first airplane owned and used by the Army. This assignment had its problems for General Foulois, because he had not been trained as a pilot. He secured much of his training from the Wright brothers, by correspondence. They must have furnished him with very fine instructions, because he took that airplane, learned to fly it, and proceeded to fly airplanes for the rest of his career. During the punitive expedition into Mexico in 1915 and 1916, he commanded the first aero squadron with that expedition. During World War I, he served as Chief of the Air Service of the American Expeditionary Forces in France. After that distinguished service, he served as military attaché and as military observer in various posts in Europe. When he returned to this country, he became the commanding officer of Mitchell Field, N.Y., in 1925. He was elevated to the post of Assistant Chief of the Air Corps in 1927; and in 1931 he became the Chief of the Air Corps, a post which he held until his retirement in December 1935.

During his long career in the beginning days of airpower, he played a major role in the development of the U.S. Air Force that we know today.

Despite his role, General Foulois has never been awarded a flying award by his Nation. I feel that the time has come for this omission to be corrected; and therefore, I introduce this joint resolution, which will authorize the award of the Distinguished Flying Cross to a grand old airman for his distinguished flying career.

I ask unanimous consent that the joint resolution be printed at this point in the RECORD, and that it be allowed to lie on the table for 1 week, in order that other Senators who may wish to join in sponsoring it may have an opportunity to do so.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD, and lie on the desk as requested by the Senator from Arizona.

The joint resolution (S.J. Res. 108) to authorize the presentation of the Distinguished Flying Cross to Maj. Gen. Benjamin D. Foulois, retired, introduced by Mr. GOLDWATER, was received, read twice by its title, referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representative of the United States of America in Congress assembled, That the Secretary of the Air Force is hereby authorized and directed to present the Distinguished Flying Cross to Major General Benjamin D. Foulois, (AO1590) United States Air Force, Retired, in recognition of his extraordinary and heroic achievements in aerial flight while serving

with the air arm of the Army from 1908 to 1935, and in recognition of his outstanding contributions to military aviation during that period. As Chief of the Air Service, American Expeditionary Forces during World War I and later as Chief of the Army Air Corps from 1931 to 1935 he was highly instrumental in developing the fledgling air arm of the United States from its infancy to a position of power and prestige.

IMPROVEMENT OF BENEFITS UNDER OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE PROGRAM—AMENDMENTS

Mr. CLARK submitted amendments, intended to be proposed by him to the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes, which were ordered to lie on the table and to be printed.

CHANGE OF REFERENCE

On motion of Mr. MANSFIELD, and by unanimous consent, the Committee on Government Operations was discharged from the further consideration of the bill (S. 2097) to set aside certain lands in Montana for the Indians of the Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont., and it was referred to the Committee on Interior and Insular Affairs.

EXTENSION OF TIME FOR COMMITTEE ON COMMERCE TO FILE CERTAIN REPORTS

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the time for filing reports pursuant to Senate Resolution 243 and Senate Resolution 244 of the 86th be extended to June 30, 1961. This request concerns reports resulting from studies of foreign trade and transportation by the Committee on Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. RANDOLPH:

"West Virginia's 98th Anniversary As a State Is Attended by Signs of an Economic Renaissance. Service Clubs of Welch Hold Commemorative Program"—an address delivered to intergroup meeting at Welch, W. Va.

By Mr. MUNDT:

Closing statement by himself at hearings on work stoppages at missile bases and financial waste in construction.

By Mr. HUMPHREY:

Guest editorial entitled "Where Is Our Plan for Peace?" written by Senator JOSEPH S. CLARK, of Pennsylvania, and published in Saturday Review of June 24, 1961.

The PRESIDING OFFICER. Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAX REDUCTION HINTS AND SPENDING PROGRAMS

Mr. BUSH. Mr. President, yesterday the Secretary of the Treasury made some remarks in which he predicted an economic boom by mid-1962, and hinted at a tax reduction in that year. I have no doubt that the statements of the Secretary reflect the attitude of the administration in regard to these matters; but I am disturbed by the tendency of this administration to anticipate recovery to such an extent that they feel justified in supporting heavily increased spending programs as well as holding out hope of tax reduction in anticipation of better times. Should we not actually realize a surplus before we start spending it? I think we should.

Mr. President, the attitude of this administration, as reflected in testimony before the Joint Economic Committee, is that, so long as we have unemployment in this country above a tolerable level, we must continue to spend and spend and spend so as to stimulate the entire economy.

On the other hand, the administration has also proposed a program for helping to solve unemployment problems by retraining and rehabilitation of workers in areas of chronic unemployment. The administration has thus admitted—which is the truth—that to the extent there is excessive unemployment in this country, a great deal of it is in areas where chronic unemployment has existed, but that the situation is not general. There are many areas where it is difficult to employ persons, particularly skilled workers—areas where there is an actual shortage.

So, what the administration does is to advocate a sound, wise program for retraining and rehabilitation of workers in areas of chronic unemployment, so as to give them opportunities where workers are needed.

That is a sound policy. It was provided for in the depressed areas bill. But only a very modest sum was provided for that purpose. It should have been a larger appropriation, at the expense of some of the other provisions in the bill.

That is a sound policy, but it is not sound to scatter dollars all over the Nation when the need is to take care of special unemployment situations in specific areas where they exist.

The Wall Street Journal of today contains an editorial on the subject which I am discussing, entitled "On Spending Too Much." Toward the close of the editorial is the following language:

What the Kennedy administration most urgently needs is a sense of priorities and an understanding of the dangers of spending too much too often. Its casual attitude is nothing but a flight from discipline and responsibility.

I shall ask that the editorial be printed in the RECORD at the conclusion of my remarks.

I wish to say further that I think the question of excessive spending is becoming perhaps the most important overall issue which is facing the Congress of the United States in this session, and which Congress will be facing in the next session.

It is important that this Nation conduct its fiscal management, so as to retain—and, indeed, increase—the respect of the free world for the United States. If the free world leaders in the chancelleries of Europe, in central banks, wherever they are in the free world, lose confidence in the ability of the United States to manage its own house in an orderly way, in a way that has proven over the centuries to be the right way to finance government, then we are indeed in deep trouble.

So I plead with this administration to take a more moderate view with respect to our resources for spending, and to make, in its recommendations, an unquestioned case for need, and to stop sending to Congress recommendations which simply have the purpose of scattering dollars throughout the economy, even in places where we are already suffering from inflationary pressures.

I ask unanimous consent that the editorial from the Wall Street Journal of today to which I have referred be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ON SPENDING TOO MUCH

President Kennedy made a remark a few days ago that is highly revealing of this administration's approach. He softened the comment somewhat when he actually delivered the talk, but this is how it was originally written:

"I am less concerned about the dangers of spending too much too often than I am about the dangers of too little and too late."

Well, that is blunt enough, and certainly no one can say it is not an accurate reflection of the administration's behavior. The President happened to be discussing foreign-aid spending, which he is seeking to increase and remove further from congressional control, but it is difficult to think of any spending—military, domestic, foreign—that he is not trying to boost.

In fact, some people figure that, at the rate we are going, we will see annual spending budgets of $120 billion or more not many years hence. Already we face deficits of indefinite duration. And the public debt, which is expected to reach the highest level in history within a year, is going to have its statutory ceiling jacked up again.

So is it right that the Government should be less concerned about spending too much too often than about too little and too late? In an actual war situation, the danger of too little and too late is obvious, though even then military men are aware of the dangers of spending too much too often. But, as the President often reminds us, we are in a

struggle whose end no man can see. And that is a strong argument for husbanding our resources.

Specifically it means that if we are going to spend all these extra billions on defense and space, we cannot keep adding to the billions for domestic political handouts and foreign subsidies to corrupt and socialistic governments. What the Kennedy administration most urgently needs is a sense of priorities and an understanding of the dangers of spending too much too often. Its casual attitude is nothing but a flight from discipline and responsibility.

For spending a nation into bankruptcy is, to put it mildly, a bankrupt theory on which to run the U.S. Government.

ERICA BARTH

Mr. DIRKSEN. Mr. President, I ask the Chair to lay before the Senate the amendment of the House of Representatives to the bill (S. 277).

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 277) for the relief of Erica Barth, which was, on page 1, line 7, strike out all after "fee." down to and including "available." in line 11, and insert "Upon the enactment of this Act, the Attorney General shall reduce by one number the number of refugees who may be paroled into the United States pursuant to sections 1 and 2(a) of the Act of July 14, 1960 (74 Stat. 504) during the fiscal year ending June 30, 1962."

Mr. DIRKSEN. Mr. President, what is involved in the matter before us is the conferring of permanent residence upon a person. There was a technical error that had to be corrected in the House. Otherwise the bill is not changed in substance.

I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to.

FEDERAL AID TO EDUCATION

Mr. ERVIN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement prepared by myself concerning Federal aid to education.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR SAM J. ERVIN, JR., CONCERNING FEDERAL AID TO EDUCATION

I believe that one of our most important tasks is that of educating our children. This is true for two reasons. In the first place, our youth must be educated if they are to develop their highest potentialities. In the second place, an educated electorate is absolutely necessary to the proper functioning of our Government, which derives all its just powers from the consent of the governed.

One of the most serious issues now confronting our Nation is whether or not the Federal Government should extend financial aid to the States to assist them in the education of our youth.

Many of our governmental problems are much aggravated today by our systems of taxation. Unfortunately, the Federal Government monopolizes the most productive sources of taxation and thus compels State and local governments to rely upon less productive sources for financing their essential functions.

The Federal Government's monopolization of the most productive sources of taxation seriously handicaps many of our States in the operation of their public school systems. The fact that the North Carolina Legislature has just imposed a 3-percent sales tax on food to obtain sufficient funds for school purposes indicates that this proposition is true in respect to North Carolina.

I would much prefer for the Federal Government to release some of its sources of taxation to the States and let the States impose and collect sufficient taxes on such sources and use them to finance the operation of their schools without assistance from the Federal Government. But there is no prospect that the Federal Government will take any such action at any time in the foreseeable future.

For these reasons, I favor Federal aid to education provided such aid is restricted to the public schools of the States and provided the act of Congress extending Federal aid to the public schools of the States makes it crystal clear that the Federal Government is not going to exercise any control over the public schools aided.

I am aware that many people oppose Federal aid to education because they fear that Federal control of education is necessarily inseparable from Federal aid to education.

History shows that the argument that Federal aid necessarily means Federal control has not been true in respect to Federal aid to education, which antedates the inauguration of George Washington as our first President. When the Continental Congress established the so-called Northwest Territory in 1787 in the area now embracing Ohio and adjacent States, it set aside certain public lands for school purposes in that territory.

The Federal Government has been giving financial aid to the land-grant colleges of the various States under the terms of the Morrill Act since 1862. North Carolina's land-grant institutions, State College at Raleigh, and the Agricultural and Technical College at Greensboro, have been receiving such aid under such act ever since they were created by the North Carolina Legislature. The Federal Government has been giving financial aid to the States for vocational education in their public schools under the Smith-Hughes Act since 1917. The Federal Government has been giving financial aid to the public schools of the various States in federally impacted areas, such as the Fort Bragg area, since 1950. Moreover, the Federal Government has been giving financial aid to the States for various other educational activities, such as vocational rehabilitation of disabled persons, agricultural research, and the like for some years.

The Federal Government has not undertaken in any of these instances to control the public schools or the educational institutions of the States receiving this aid.

The amount of financial aid given by the Federal Government to the State of North Carolina and its various public schools and other institutions for these educational purposes has been substantial in nature. All in all, the amount of such aid received by North Carolina for the fiscal year ending June 30, 1960, exceeded $20,500,000.

I am not a recent convert to the cause of Federal aid to education under the conditions which I have enumerated. On many occasions in times past, I have stated in speeches that I favor Federal aid to education provided the act extending the aid restricts it to the public schools of the States and declares that the Federal Government will not undertake to exercise any control over the public schools aided. I voted for such aid under such conditions when the question was before the Senate during the last Congress and again when the question was before the Senate during the present Congress. The proposal to extend Federal aid to the public schools of the States has not been partisan in nature. As a matter of fact, Presidents Truman, Eisenhower, and Kennedy have all urged Congress to enact such proposal into law.

ADDRESS BY PRESIDENT OF PERU BEFORE WORLD AFFAIRS COUNCIL

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very excellent address delivered by Hon. Manuel Prado, President of the Republic of Peru, before the World Affairs Council of the City of Los Angeles on May 27, 1961.

After returning from 3 weeks in the Far East, the President of Peru points out that he was instilled with a livelier faith than ever in the future of the democratic societies of the world and is confident of their ultimate victory over the forces of tyranny.

Peru has been a longtime ally and friend of the United States. It was, as you will recall, the first Latin American Republic to ally itself with the United States against the Axis Powers. It was the first Latin American country to break off relations with Communist-dominated Cuba. There is no question regarding its friendship and loyalty to the principles of the democratic way of life.

The address is an instilling one indeed, and merits the attention of all of us.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF HON. MANUEL PRADO, PRESIDENT OF THE REPUBLIC OF PERU, DELIVERED BEFORE THE WORLD AFFAIRS COUNCIL OF THE CITY OF LOS ANGELES, MAY 27, 1961

Mr. Chairman, distinguished officers and guests of the World Affairs Council of Los Angeles, ladies and gentlemen, it is an honor and a privilege to join with this distinguished group this evening, and I wish first of all to thank you and your fellow citizens of Los Angeles for the warm welcome they have accorded us. It was a distinct privilege to be welcomed yesterday by the mayor of your city. I know how busy he is because I am advised that next week you are holding an election. In Peru we have free democratic elections—I have been through this a few times myself, and believe me, as one campaigner to another, I understand the sacrifice that Mayor Poulson made in spending so much time with Peruvians—who do not have the right to vote in your local election.

In all events you in this great city have given us a welcome which furnishes a warm conclusion to a magnificent trip through the Far East. We feel at home here in the City of the Angels and I would like to speak with you in friendly frankness as one neighbor to another. We know of the work of your World Affairs Council, and I feel that you will be willing to share with me some reflections on the recent experiences which are so vividly in my mind tonight.

I return after 3 weeks in the Far East, ladies and gentlemen, with a livelier faith than ever in the future of the democratic societies of the world. I return with a greater faith than ever in the ideals for which your Republic and our Republic stand. I return, ladies and gentlemen, an optimist.

I say this from the point of view of a Chief of State who, like many of you, has seen crises. Twice in my lifetime it has fallen to my lot to make common cause with the United States in moments of peril. As you may know, in the Second World War, Peru—of which I was then the President—was the first Latin American Republic to ally itself with the United States against the Axis Powers. And again, more recently, we have ruptured relations with the present government of Cuba, even—may I say—before you did. So, you see, my friends, we are very much a part of the time in which we are living.

I told you I return from the Far East an optimist.

In Japan, we found a democratic country of hard working people, full of energy and ambition, and I may say to you, very conscious of the debt which they owe to your great country for its help in their reconstruction and development. We now find Japan not only in a condition in which it can export manufactured goods to all parts of the free world, but also capable of sending its technicians to the less developed countries in order to help them raise their living standards.

The welcome we were given was a splendid one; the impressions both political and economic which we formed were most encouraging; the outlook, in our judgment, is good.

We also stopped in China—that China with which both your country and ours maintain their relations—that heroic China which is now maintaining its integrity on the island of Formosa. It was, ladies and gentlemen, an inspiring experience. Every one of us felt keenly the heroism and the patriotism of these people. And once again, let me bring you the message of the gratitude and faith which these people feel towards your great country.

Under the able and patriotic direction of Generalissimo Chiang Kai-shek, and with the wise and gentle influence of that great lady, Madame Chiang, they are producing a miracle of faith and determination. Every man, woman, and child is looking forward to the day when the true Chinese will resume their just place on their own mainland territory. Renouncing luxuries, working day and night without complaint, these people from the highest official to the lowest worker, are dedicated to the ideal of a free country. God grant that they will achieve it.

From China we traveled to Hawaii—your 50th State. There again we observed hard work, productivity and progress. It was a great satisfaction in discussions with the Governor and businessmen in Hawaii to find that we were able to interest them in making investments in Peru. We found these gentlemen to be aware of the unrestricted freedom of commerce which to us Peruvians is precious. We found them to be aware of our codes of laws designed to provide for foreign investments—be they industrial, agricultural, mining, petroleum, or of whatever nature—full protection and guarantees of equal justice under law.

So, ladies and gentlemen, we are on our homeward journey, happy with what we have seen. But at the same time we realize more than ever the critical moment in which we of the Western World are living. We realize more than ever that we must demonstrate to all the world that the Christian principles of Western democracy are capable of furnishing a better life for every human being.

We realize more than ever that we must stand together against the intervention of ideologies which are foreign to our traditions. We have seen the terrible events in Cuba where Soviet and Red Chinese intervention is a reality which cannot be ignored and which must be eliminated. We in Peru have already rejected the efforts of Communist Cuban agents to subvert our government and our people.

The democratic system faces a new test. We must in both North and South America demonstrate our ability to provide progress with human liberty. In this task we count on the continued moral and material support of the United States. And in this task we pledge to you once again our best efforts, our loyal support which we have rendered in the crises of the past, and our determination to work with everything we have to make a reality of the dream of Washington and Jefferson, of Bolivar and San Martin for a new world of strength and social justice.

Ladies and gentlemen, I leave you now with a grateful heart. In September I shall return as the guest of your distinguished President, John F. Kennedy. We wish him well in the great undertaking in which he is engaged. As fellow Americans, we salute you and bid you adios.

STATEMENT BY COL. DONOVAN YEUELL, JR., BEFORE ASIAN PEOPLE'S ANTI-COMMUNIST LEAGUE

Mr. DODD. Mr. President, during the first week of May, it was my privilege to serve as keynote speaker at the Seventh Conference of the Asian People's Anti-Communist League in Manila. This organization, founded without American inspiration or support, now has branches in many Asian and African countries, and it carries on a truly impressive work of anti-Communist education in every country where it is established. In the Philippines, for example, it has local branches all over the islands which hold meetings, distribute literature, and actively expose Communist operations.

It is my conviction that this is an organization that should receive American support and one in which Americans should be encouraged to participate. At the last conference, apart from myself, there were only four Americans present, all of whom managed to get there with private resources. One of those present was Col. Donovan Yeuell, Jr., of the Executive Research Council, who has also been associated with the Strauz-Hupe group at the University of Pennsylvania. I believe that Colonel Yeuell's remarks at the Asian People's Anti-Communist League deserve the attention of all of us, and I, therefore, ask unanimous consent, Mr. President, to have them printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

REMARKS OF MR. DONOVAN YEUELL, JR., OBSERVER FROM THE UNITED STATES OF AMERICA AT THE SEVENTH CONFERENCE OF THE ASIAN PEOPLE'S ANTI-COMMUNIST LEAGUE, MANILA, PHILIPPINES

I have flown halfway around the world from my home in Washington, D.C., to accept with pride the invitation of your Conference President, Ramon Bagatsing.

Although here only as a private citizen of my country, I can perhaps give you an up-to-date feeling for our attitudes at this time.

First, the American people, although slow to be aroused, are getting sick and tired of seeing the free countries pushed and threatened by the Communist powers.

Second, the patience of the United States is not going to last forever.

Third, the events in Africa, southeast Asia, and Latin America, with the flavor of Communist intrusion, are not pleasing to the American people or to their Government.

Fourth, the American people do not want to stay forever on the defensive, for in our hearts we know that the only way out of the present mess is to destroy communism and to advance freedom.

Fifth, the people of the United States—typically reluctant to assert themselves—sooner or later will do what has to be done for freedom to win out over communism.

It would be better to win by peaceful persuasion. We would rather not have to shed blood, but if our best efforts to avoid it should fail, somehow—I cannot say just when—you can count on us to do whatever must be done.

Now I shall turn to a specific proposal for action either by or through the influence of the Asian People's Anti-Communist League.

In the face of Laos, Cuba, and Vietnam, the free world badly needs new faith and confidence. The future of freedom is very dim if the best we can do is stay on the defensive. International communism has had the initiative almost continuously since 1917.

As is well known, communism must expand constantly if it is to survive. Its appetite is insatiable and it cannot stand still. But the strategies and tactics of "containment" will not succeed against the cancerous growth of communism. The cancer must be destroyed. Once the free world nations come to realize this reality, then—and only then—will they be able to take some really effective measures in their own behalf.

Let me, then, commend to this body a suggestion for action that has been spoken of before. Mr. Ma, of Malaya, spoke of it yesterday. Senator DODD also referred to it. It is, of course, the favorite Communist technique of unorthodox warfare—guerrilla fighting, terror, subversion, civil unrest, proxy war, propaganda, etc. These methods under the shadow of organized armed forces are responsible for the vast majority of Communist conquests. Particularly in southeast Asia today, the unconventional warfare problem is not easily identifiable. Deliberately obscured by the Communists, it has no visible solution. Even if the crumbling situation in Laos were to be confronted with regular troops from the SEATO countries, the Communists would probably be able to avoid direct clashes in enough instances so that they could continue the struggle with the shadowy forces of unconventional warfare.

Long and bitter experiences with guerrilla fighting are all too familiar in the recent history of every free nation of Asia. Perhaps the clearest lesson is to be drawn from the high cost in human and material resources just to contain unorthodox operations in one's own territory. This drain on our side's energies in terms of manpower can rise to more than one hundred antiguerrillas for each guerrilla actively engaged. Experience has shown this to be a losing game for the victim. The logical inference ought to be that if the Communists can employ this method to keep us on the defensive, with relatively small cost to themselves, why cannot the free world do the same thing to them? In every part of the world, communism is making inroads. The free world will keep right on losing the overt political power struggle unless and until we begin to beat the Communists at their own covert game. (It is true that the conventional armed forces of the free world need to be enlarged and improved, but that and other strategic programs can be left apart from the subject under discussion.)

What the free world needs as a matter of very high priority, especially in Asia, is a new departure to carry unconventional warfare into the Communists' own backyard. I submit that the free countries of Asia should take it upon themselves to do two things simultaneously:

1. Infiltrate Communist territory and conduct widespread harassing covert operations against the political and military apparatus.

2. Eradicate Communist guerrilla forces and subversive operations in free world territory by covert methods, as well as overt.

The aim of these antiguerrilla and counter-Communist activities would be to divert the enemy and place him on the defensive. This technique would, at long last, restore some of the free world's lost confidence and give our political leaders a basis to exercise the initiative. By reversing the present ratio of many of us "containing" a few of them, this new approach would cause a heavy drain on the Communists. It would be more than against communism. It would be a powerful force for freedom.

For obvious reasons, the job should be done with Asian (or Middle East or African, or Latin American) nationals, as the case may be. Western countries would assist with supplies and advice, but the main effort would have to be by Asians. The freedom guerrilla activity should not be tied tightly to the known organizations like SEATO.

All existing free world pacts are for defensive purposes only whereas the freedom guerrillas would be primarily offensive. Furthermore, the less formal the effort, the less it will be inhibited by political constraints inherent in the present complex and often confused state of free world formal relationships. Finally, these forces should be kept as unidentifiable as possible in order to deny the Communists the propaganda advantage. The indirect approach would keep the level of conflict well below the nuclear threshold.

The entire undertaking could fit into the idea of the "volunteer Asian forces" proposed elsewhere at this conference. No elaborate machinery would be needed. No profound strategy is called for. The simple purpose would be to destroy communism by stealth and subversion on both sides of the line. Coordination would have to develop as time went on, and sooner or later problems of control and command and even of loyalty would arise. These matters would have to be dealt with in due course, but for the time being, it should be enough that the free peoples of Asia be willing to exercise their own initiatives enough to get this powerful force moving.

The freedom guerrillas could give the Communists a very hard time. They might even be the turning point in the struggle. These volunteer forces should expect to operate to a considerable extent on their own. They would certainly need some material aid from the free world governments, but they should be constrained by a minimum of nicely balanced political guidance. If, at some later time, events should take a turn that made it desirable to have closer coordination with governments or with regular forces, that could be dealt with as necessary. Nothing could be worse at the start than tying the volunteer freedom guerrillas rigidly to the policy of any particular free world nation or alliance.

Such an effort as this may be one of the few choices left to the free world. Nearly everything else has been tried, and has failed. Freedom is still losing and communism keeps on gaining. The volunteer freedom guerrillas may turn out to be the missing link in the chain of things that the free world needs to do. If the free peoples of Asia are not willing to make this attempt, the remaining alternatives appear to be either a wholly Communist Asia or an all-out nuclear war. The Western nations can do very little but be silent partners in such a venture.

This is something that the peoples of free Asia should and could do by themselves without the formal approval of any allies or any international body. It should be repeated that this is probably the only way it could be made to work, without strings and with minimum formal arrangements. Only free Asia can decide whether it will take charge of its own destiny, put communism on the defensive, and carry freedom forward.

I close these remarks with the words of U.S. President John F. Kennedy on April 20, 1961, in his statement on the failure of the Cuban freedom forces:

"The message of Cuba, of Laos, of the rising din of Communist voices in Asia and Latin America—these messages are all the same. The complacent, the self-indulgent, the soft societies are about to be swept away with the debris of history. Only the strong, only the courageous, only the visionary who determine the real nature of our struggle can possibly survive."

ADDITIONAL REMARKS BY MR. DONOVAN YEUELL, JR., OBSERVER FROM THE UNITED STATES OF AMERICA, AT THE SEVENTH CONFERENCE OF THE ASIAN PEOPLE'S ANTI-COMMUNIST LEAGUE, MANILA, PHILIPPINES

FREE WORLD PURPOSE AND UNITY

The time for talking vaguely about freedom and bravely damning communism is fast running out. The countries of the free world—differing widely in outlook, background, and resources—nevertheless share certain beliefs that provide a commonality of purpose. These can be roughly termed: The worth and dignity of individual man; self-government and optimum freedom of choice; the principles of democracy; the rule of law under God; and the ascendency of man over state.

A major part of the idea of freedom is that we may argue, interpret, and experiment with such ideas, subject only to those limits required for the common good. (This, of course, is the essential denial in communism.)

It would serve little purpose for this or any comparable conference to dwell too long on the philosophical basis of free world unity. If we do not, by the year 1961, feel reasonably sure that we hold in common some ideals and standards which will sustain us in a life-or-death struggle, then our world is surely in the final stages.

I cannot believe that we do lack a common foundation for a workable progress toward a world where freedom under self-determined democratic governments and its blessings are the intended general order of human society. We may find difficulty sometimes in expressing ourselves jointly on the elements of freedom, but do we not really know what we have in mind? I believe we do. Powerful as the binding force of being militantly against Sino-Soviet Communist imperialism may be, our nations will not endure without a higher and more affirmative purpose.

A more immediate problem than the philosophical debates over the meaning of freedom is the matter of political unity. This does not imply a single world government or any similar nonsense. It simply means that we should find more intelligent and workable ways to deal with the common enemy and conduct our common affairs.

Much good sense has been spoken at this conference on various things the free world must consider, and many useful proposals have been advanced. One might have wished for a higher sense of urgency, however, about the need for more vigorous and concerted action by the free-world countries. All peoples want to find themselves and make their own way. We are all more or less aware of the internal problems of our individual and collective nations, and we are all reasonably attuned to the nature of the Communist challenge to our survival. We can also cite numerous specific instances of a worthwhile policy, program, or act that will somehow or another benefit the cause of freedom and block the further advance of international communism.

But little has been said this week about the hard-headed organizational problems of extending freedom in a world besieged by the highly organized and versatile Communist movement. Our diversity could be as deadly as the enemy. (The motto of the United States is "One out of many.")

There are, of course, numerous matters concerning which unity of purpose and effort are crucial. Yesterday I spoke of one, a specific operational measure to take the initiative for freedom and against communism. The idea is to go on the offensive with paramilitary forces in Red China, North Korea, and North Vietnam. I stressed that any positive action, like a campaign of free-world guerrilla warfare and unconventional operations in Communist territory, should not be restricted by the current policies of governments or the constraints of defensive alliances. These caveats are not to suggest that Asian countries should turn loose, willy-nilly, a whole rash of irresponsible marauders all over the place. It seems advisable, however, to give a practical warning not to allow, in the guise of unity, the conflicting pressures among and within the free countries to strangle what could be a very important offensive against communism. There must, of course, be coordination of any paramilitary adventures, just as in overt military, economic, propaganda measures. I should like to make a second proposal—one suggested by the idea of "freedom guerrilla forces"—for coming to grips with the tremendous organizational problems arising out of any thought of truly concerted action by the free world across the full spectrum of conflict.

Obviously, the free world is loosely organized, with all the frustrations of the democratic way. It has no party line, no disciplined cadres, no highly responsive system of command and control. The Sino-Soviet leaders have all these and more. Our normal diplomacy and mutual security arrangements, indispensable and vital, are clearly not enough. Neither are the many worthwhile programs of economic cooperation and cultural exchange, not by themselves. And neither are conferences like this excellent gathering of the Asian People's Anti-Communist League. The day is overdue when the free world should establish a binding structure and focal points for its efforts.

The very idea of freedom is on trial for its life. There is no doubt, certainly not by the United States, that the free way is the God-given way. There is no question that the free countries of the world have the resources and the potential might to preserve the right for men to live and grow in freedom. But there are serious questions of intent and cohesiveness. The APACL can make an overriding contribution if it will take a strong stand and act as a spark to ignite a really workable basis for the unity of action which our determination of spirit demands.

It would be presumptuous to present here and now a detailed plan for organizing freedom. Suffice it to realize that there are many specific operational matters, some of which this APACL conference has generated, which clearly demand better integration and community of understanding and effort. The free world needs the outlines of a master plan. We need a grand strategy for freedom. We require a clearinghouse for the many programs of the respective free world countries, a better system of intelligence and intercommunication among ourselves. We are faced with an urgent necessity to pull together lest we fall apart in so many broken pieces. All this implies that we are compelled to do something about that subject which is normally forbidden to discuss outside our sovereign borders: "The question of free world political unity."

All the breastbeating about our failures to meet the threat of communism will be an empty travesty if we lack the wisdom and

skill to solve our organizational problem. If this admirable gathering of the APACL does no other thing, it should at least reach accord and proclaim itself on the pressing need for broader and deeper organizational structures. The APACL could insist upon better methods to coordinate and integrate and advance with unified purpose and combined vigor the common interests of the free world. Such a stand would encourage our peoples and catalyze our governments.

The APACL can hardly be expected to achieve overnight what our respective governments so far have avoided like the plague. But the APACL, and bodies of like mind, can and should raise their voices in demanding action on the vexing political-coordination aspects of free world unity.

We know that human fulfillment and progress can thrive best under freedom. We are convinced that we can and will preserve the freedom to pursue the rights of man. But it is not enough just to preach "togetherness." There must be down-to-earth arrangements for determining free world progress, resolving differences, exchanging information, and directing efforts in a positive, confident, and purposeful manner. Just how we should fashion our political linkages can be left to the experts. What needs first and foremost to be established is that survival takes precedence over sovereignty. For united we stand, but divided we fall. As a practical matter, the League Council of the APACL would be an appropriate sponsor to study and make recommendations for steps leading to a broader base for free world political action.

Freedom belongs only to those who are willing to carry its burdens. One of these may be war, but there are things worse than death. Perhaps the most trying burden is to solve the elusive problem of political action. There will be no panacea or political organization produced either by the APACL or by all the philosophical searching and statemanlike skill of mankind. But better solutions are within our reach. The free world not only can, but simply must, devise workable ways to wage the protracted conflict and extend the borders of freedom with strength and confidence. The resolve and the results we need can come only from unity of purpose and cohesiveness of action. None of this is free and easy. This calls for nothing more or less than the hard work that we should be willing to exert as the price of freedom, and an honest approach to pulling together politically against a common foe and for our cherished hope.

SIX STATES CONCLUDE BILLBOARD AGREEMENTS

Mr. COOPER. Mr. President, last Thursday in passing the Federal-Aid Highway Act of 1961, the Senate did vote to extend for 2 years the opportunity for the States to qualify for incentive payments of one-half of 1 percent by adopting agreements to conform with the national policy of regulating outdoor advertising on land adjacent to the National System of Interstate and Defense Highways.

Questions were raised during the Senate debate as to the extent of interest among the States in making these agreements with the Bureau of Public Roads. At that time, only Maryland, North Dakota, and Kentucky had concluded their agreements, although 12 other States had passed enabling legislation to do so.

I am glad to tell the Senate that agreements have now been signed with the Bureau of Public Roads by six additional States. These States are Maine, Nebraska, New York, West Virginia, Wisconsin, and Oregon—the State of the sponsor of the amendment, Senator NEUBERGER.

I know other States are also very much interested, and will continue to work toward agreements.

I think the prompt action by these six States does demonstrate the interest of the States in conforming to the national policy for the Interstate System. It shows also the need for Congress to extend the present provision of law, so that other States which are interested may become eligible for the same benefits which these States have been able to obtain. And I think it is a very hopeful sign for the effective implementation among States of the national policy adopted by the Congress in 1958.

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

ACT OF MAY 19, 1961

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 367, Senate bill 2083.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2083) to correct a technical inaccuracy in the act of May 19, 1961—Public Law 87–36.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the bill was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(e) of the Act of May 19, 1961 (Public Law 87–36), is amended by striking out "title 18" and inserting in lieu thereof "title 28".

REORGANIZATION PLAN NO. 1 OF 1961

Mr. MANSFIELD. Mr. President, I move that the Chair lay before the Senate the unfinished business, Calendar No. 366, Senate Resolution 148.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to, and the Senate resumed the consideration of the resolution (S. Res. 148) opposing Reorganization Plan No 1 of 1961.

Mr. MANSFIELD. Mr. President, as I understand, the consideration of the resolution on Reorganization Plan No. 1 now before us will be operated on a divided-time basis, with half the time allocated to the proponents and the other half to the opponents.

I ask unanimous consent that the time allocated to the opponents be in the hands of the distinguished minority leader [Mr. DIRKSEN] and the time allotted to the proponents of the Reorganization Act be in the control of the distinguished senior Senator from Arkansas [Mr. MCCLELLAN], chairman of the Committee on Government Operations, or whomever he may designate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DIRKSEN. Mr. President, it is my understanding, under the basic act, that not to exceed 5 hours are allotted to each side, but I doubt very much that the Senate will require that much time to dispose of the pending reorganization plan.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EDUCATION OF CHILDREN OF CERTAIN DECEASED VETERANS

Mr. HILL. Mr. President, on the calendar is Calendar No. 412, S. 2051, a bill to amend the War Orphans Educational Assistance Act of 1956. I ask unanimous consent that the Senate proceed to the consideration of the bill.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2051) to afford children of certain deceased veterans who were eligible for the benefits of the War Orphans Educational Assistance Act of 1956 but who, because of residence in the Republic of the Philippines, were unable to receive such assistance prior to enactment of Public Law 85–460, additional time to complete their education.

Mr. HILL. Mr. President, the bill was unanimously reported by the Committee on Labor and Public Welfare and has the approval of the State Department, the Veterans Administration, and the Bureau of the Budget.

The War Orphans Educational Assistance Act of 1956 provided for some 36 months of educational assistance for orphans of veterans who were between the ages of 18 and 23. As the act originally passed, the educational assistance was available only in the United States, but in 1958 the act was amended so as to make the educational assistance available in the Philippine Islands as well as in the United States.

The bill would permit the orphans of war veterans who are being educated in the Philippine Islands and who were between 18 and 23 years of age at the time the act was passed in 1956 to continue their education and to have 36 months of educational assistance.

Mr. DIRKSEN. Mr. President, it is my understanding that the bill was reported unanimously by the Committee on Labor and Public Welfare.

Mr. HILL. The Senator is correct.

Mr. DIRKSEN. I suggest to the distinguished chairman of the committee that the pertinent portions of the report should be printed in the RECORD, as well as the table showing the numbers involved and the funds involved.

Mr. HILL. I thank the Senator from Illinois for his suggestion.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point pertinent portions of the committee report, as well as the letter from the Veterans' Administration, the letter from the Bureau of the Budget, and the letter from the State Department, all in support of the bill.

There being no objection, the excerpt and letters were ordered to be printed in the RECORD, as follows:

The bill (S. 2051) provides additional time within which certain children may complete a program of education under the War Orphans Educational Assistance Act of 1956. The class of eligibles afforded such additional time is limited exclusively to persons whose opportunities for an education under the act have been impaired by virtue of their residence in the Republic of the Philippines. Specifically, the additional time would be available to a person who (1) had not reached his 23d birthday, on June 29, 1956, and (2) resided in the Republic of the Philippines during all, or part of the period June 29, 1956, through June 18, 1958.

NEED FOR LEGISLATION

The need for legislation arises from the following facts: The original War Orphans Educational Assistance Act of 1956 (Public Law 84–634) provides educational assistance in the form of monetary allowances for the children of certain war veterans who died of a service-connected cause. The assistance is generally available only to persons between the ages of 18 and 23. To assure equity to persons already in this age group when the law was enacted in 1956, one of the provisions of the act provided that persons under the age of 23 on the date of its enactment (June 29, 1956), would have a period of 5 years within which to complete the program of education under the act.

The original act provided also that the educational assistance could be afforded only to an eligible person enrolled in a school or other educational institution in the United States, its territories, or possessions. This provision prohibited eligible persons residing in the Republic of the Philippines from receiving assistance under the program while enrolled in a Philippine educational institution.

The bar against training in a Philippine education institution produced a tremendous practical barrier to actual enjoyment of the benefits by residents of the Philippines. The travel costs to the United States were expensive, in the light of the amount of the assistance afforded, and, in addition, parents were not particularly anxious to send their children away from home to pursue education in the United States.

To remove the practical handicap resulting from the requirement that education be pursued in the United States, the Congress amended the War Orphans Educational Assistance Act in 1958 to permit eligible war orphans residing in the Philippines to pursue their educational programs in their home country. Since enactment of this amendment approximately 3,000 Philippine war orphans enrolled in educational programs in the Philippines.

In short, the 1958 amendment took the basic step in permitting eligible war orphans to enroll in Philippine schools, but did not go far enough to enable them to complete their education.

Because of this situation, about 1,280 eligible persons in the Philippines now taking training, but with entitlement of only 36 months and 21 days, are going to have to cut short their training on June 29, 1961. If they could receive the 5-year benefit, it would enable them to complete their training.

JUNE 13, 1961.

Hon. LISTER HILL,
Chairman, Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.

DEAR SENATOR HILL: We are pleased to furnish the following report in response to your request with the views of the Veterans' Administration with respect to S. 2051, 87th Congress.

The purpose of this bill as stated in its title is to afford children of certain deceased veterans who were eligible for the benefits of the War Orphans Educational Assistance Act of 1956 but who, because of residence in the Republic of the Philippines, were unable to receive such assistance prior to enactment of Public Law 85–460, additional time to complete their education.

The War Orphans Educational Assistance Act of 1956 provided monetary allowances for the children of certain war veterans whose death was service connected. The benefits are generally available only to persons between the ages of 18 and 23. There are a few exceptions, among them a provision that persons who were under the age of 23 on the date of the enactment of the original law (June 29, 1956) could be assured of at least 5 full years thereafter during which they might take advantage of the new benefit.

Prior to June 18, 1958, benefits could only be afforded under this program to an eligible person who was enrolled in a school or other education institution, in the United States, its territories, or possessions. An amendment approved on that date (Public Law 85–460) removed the bar against training in foreign countries so far as the Philippines are concerned. Thereafter, persons pursuing courses in that country could and may receive the benefits on the same basis as persons living in the United States. No special exception to the age limits for persons who would reach the age of 23 years before completion of their education was made by the amendment. The reports of the congressional committees which considered the bill did not discuss this point.

Subsequently, two laws have been enacted which extended the program to new classes of beneficiaries. A 1959 amendment included the children of veterans of the Spanish-American War who died from service-connected causes, and further amendment in 1960 extended the program to the children of certain peacetime veterans whose deaths resulted from the service. Both of these last-mentioned laws contained a provision, patterned on the original law, to the effect that persons under 23 years of age on the date of enactment of the amendment and who first became eligible for war orphans educational benefits by reason of such enactment would have a full 5 years thereafter to pursue their programs.

S. 2051 is similar in intent to the provision referred to in the last sentence of the preceding paragraph. It would permit all eligible persons who were under the age of 23 years on the effective date of the War Orphans Educational Assistance Act of 1956 (June 29, 1956) a full 5 years after June 18, 1958, in which to avail themselves of war orphans educational benefits subject to their having resided in the Republic of the Philippines during some or all of the period between June 29, 1956, and June 18, 1958.

The estimated cost which would be attributable to the enactment of S. 2051 is:

Fiscal year	Monthly average trainees	Cost of direct benefits
1962	1,730	$2,850,000
1963	570	940,000
Total		3,790,000

If legislation along the lines here proposed is not enacted approximately two-thirds of the eligible persons who have entered training in the Philippines under the war orphans educational assistance program will have had but 3 years and 11 days in which to use their 36 months of entitlement. We believe that since the basic policy step of authorizing training in the Republic of the Philippines has already been taken, it is only proper to make the action meaningful by affording trainees in that country a full 5 years during which they might pursue this program. Accordingly, we would favor the enactment of this legislation.

We are advised by the Bureau of the Budget that there is no objection from the standpoint of this administration's program to the presentation of this report to the committee.

Sincerely,

J. S. GLEASON, Jr.,
Administrator.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., June 13, 1961.

Hon. LISTER HILL,
Chairman, Committee on Labor and Public Welfare, U.S. Senate, New Senate Office Building, Washington, D.C.

MY DEAR MR. CHAIRMAN: This is in response to your request for a report on S. 2051, a bill to afford children of certain deceased veterans who were eligible for the benefits of the War Orphans Educational Assistance Act of 1956 but who, because of residence in the Republic of the Philippines, were unable to receive such assistance prior to enactment of Public Law 85–460, additional time to complete their education.

The purpose of the bill appears to be to provide 5 full years of eligibility for educational assistance under the War Orphans Educational Assistance Act of 1956, as amended by Public Law 85–460, to certain war orphans who have entered training in the Philippines. Since such training has been authorized it would appear that the war orphans concerned should be given the full period of eligibility.

The Bureau of the Budget, therefore, does not object to the enactment of S. 2051.

Sincerely yours,

PHILLIP S. HUGHES,
Assistant Director for Legislative Reference.

DEPARTMENT OF STATE,
Washington, June 20, 1961.

Hon. LISTER HILL,
Chairman, Senate Committee on Labor and Public Welfare, U.S. Senate.

DEAR MR. CHAIRMAN: Thank you for your letter of June 15, 1961, addressed to the Secretary of State, in which you request a statement of the position of this Department concerning S. 2051, a bill to afford children of certain deceased veterans who were eligible for the benefits of the War Orphans Educational Assistance Act of 1956 but who, because of residence in the Republic of the Philippines, were unable to receive such assistance prior to enactment of Public Law 85–460, additional time to complete their education.

Copies of a note from the Philippine Ambassador dated November 7, 1960, expressing the views of his government on this general subject were forwarded to the Vice President and the Speaker of the House of Representatives by the Department on December 19, 1960. A copy of a second note from the Philippine Ambassador dated May 24, 1961, expressing the urgent interest of the Philippine Government in this matter and specifically endorsing H.R. 6268 (a bill similar to S. 2051), is enclosed for your information.

The Department of State believes that passage of S. 2051 would rectify, by extending the period within which they may utilize their educational entitlement to a full 5 years from the date of the 1958 act, an apparent oversight in the 1958 legislation (Public Law

85-460) which extended educational assistance to eligible war orphans studying in the Philippines. The Department further believes, in view of the Philippine Ambassador's notes, and of comments received from the American Embassy in Manila, that this action would not only be of great benefit to the recipients but would also have favorable impact on U.S. relations with the Philippines.

For the above reasons, the Department of State supports the passage of S. 2051.

The Department has been advised by the Bureau of the Budget that there is no objection from the standpoint of the administration's program to the submission of this report.

Sincerely yours,

BROOKS HAYS,
Assistant Secretary.

Mr. HILL. I thank the Senator from Illinois.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2051) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That the period referred to in section 1712 of title 38, United States Code, shall not end before June 18, 1963, with respect to pursuit of a program of education or special restorative training under chapter 35 of such title 38 by an eligible person who (1) had not reached his twenty-third birthday, on June 29, 1956, and (2) resided in the Republic of the Philippines during all, or part of the period June 29, 1956, through June 18, 1958.

Mr. HILL. Mr. President, I thank the distinguished Senator from Illinois for his very fine cooperation.

Mr. DIRKSEN. I thank the Senator.

REORGANIZATION PLAN NO. 1 OF 1961

The Senate resumed the consideration of the resolution (S. Res. 148) opposing Reorganization Plan No. 1 of 1961.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. Is the Senate now proceeding under controlled time to consider the reorganization plan?

The PRESIDING OFFICER. The Senator is correct.

Mr. DIRKSEN. As of now the time will be controlled?

The PRESIDING OFFICER. The Senator is correct.

Mr. DIRKSEN. Five hours are allotted each side, if it is desired that the time be used?

The PRESIDING OFFICER. The Senator is correct.

Mr. DIRKSEN. Mr. President, I yield 10 minutes to the distinguished Senator from New York [Mr. KEATING].

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. I did not hear the Presiding Officer. Is the Senate operating on controlled time now?

Mr. DIRKSEN. I was so advised.

The PRESIDING OFFICER. The Senator from Illinois is yielding time for the opposition.

Mr. McCLELLAN. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. The opposition, I understand, are those who are opposed to the resolution. As I understand, the Senator from Illinois [Mr. DIRKSEN] represents the proponents of the resolution. Is my understanding correct?

Mr. DIRKSEN. The Senator is correct. I understood the Chair to mean opposition to the plan. But the distinguished Senator from Arkansas is correct.

Mr. McCLELLAN. Is the Senate now operating under the time limitation?

The PRESIDING OFFICER. It is.

THE FREEDOM ACADEMY

Mr. KEATING. Mr. President, several weeks ago our distinguished colleague, the Senator from South Dakota [Mr. MUNDT] delivered a fine and perceptive address urging the Congress and the executive branch of the government to act promptly in setting up an institution for training in cold war tactics, to be known as the Freedom Academy.

At this point there is no place in or out of the government where a full scale study of Communist methods and the best way of counteracting them can be comprehensively carried out. Policy makers and Government executives on all levels are handicapped by the lack of coordinated training and efforts along these lines.

Fighting communism is not a spare-time hobby. It is a full-time, 24-hour-a-day, 365-day-a-year job. The sooner the American people and the American Government realize this fact, the better able we will be to fight the cold war with vigor and success. Establishment of the Freedom Academy would fill an important gap in our Government training programs. For that reason, I am proud to be a cosponsor of the bill (S. 822) that the Senator from South Dakota [Mr. MUNDT] has introduced to set up such an institution.

Mr. President, I ask unanimous consent to have the address of the Senator from South Dakota printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH DELIVERED BY HON. KARL E. MUNDT, U.S. SENATOR FROM SOUTH DAKOTA, AT THE FREEDOM INSTITUTE CONVOCATION, ST. JOHN'S UNIVERSITY, MAY 13, 1961

THE FREEDOM ACADEMY AND OUR AMERICAN WAY OF LIFE

It was said many years ago by a venerable philosopher that "there is nothing new under the sun." The longer I live and the more I observe and ponder the development and course of mankind, the more convinced I am of the truth contained in these few words.

For generations—in fact, throughout the entire history of the human species—men have been extolling the virtue of freedom and its essentiality to the spiritual, intellectual and corporeal development and advancement of man. That in part is our mission here today, but more importantly our task is to expound and deliberate on the preservation and extension of freedom. We have come to save freedom, not to praise it. As it is true that men throughout history have extolled freedom, so it is also true that since the beginning of man there have been those who have assailed and assaulted freedom and its institutions. Our generation has not been spared this anguish although in relative terms the threat to freedom today posed by Soviet-Sino communism is perhaps no greater than many of the threats and challenges which freedom has faced in the past. I say this not in an effort to minimize the proportions of the threat to freedom's existence today, but rather to emphasize the historical lesson that the quantity and quality of the assault upon freedom are not nearly as important to the outcome of the contest as are the quantity and quality of freedom's response to that assault.

Here at the Freedom Institute of St. John's University, as much and probably more than at any other American seat of learning, you have given effective recognition to this basic truism which has become so important to our survival as a self-governing country and as a free people. It is as a consequence of this fact that I am so honored by your recognition here today and so happy for the opportunity to address you on a vital topic which is of such urgent concern to all of us.

Let me now take you back 2,400 years to another occasion in history when freedom and civility and the dignity of man were under grievous assault. I refer, of course, to that period in history when the independence and freedom of ancient Greece were under attack from the barbarian hordes of Philip II of Macedon. One man, perhaps the greatest political orator of ancient Greece, Demosthenes, strove with every ounce of his forensic capacity to alert his fellowmen to the danger and to convince them that they must prepare and equip themselves to meet the Macedonian challenge to their independence. The greatest exhortations of Demosthenes were delivered in a series of epic speeches—the famous Philippics. So that no one will question the appropriateness of my comparing our present situation to that of ancient Greece, let me quote a few lines from the Third Philippic, in which Demosthenes offered his assessment of the challenge then confronting Athens: "If now we were all agreed that Philip is at war with Athens and infringing the peace, nothing would a speaker need to urge or advise but the safest and easiest way of resisting him. But since, at the very time when Philip is capturing cities and retaining divers of our dominions and assailing all people, there are men so unreasonable as to listen to repeated declarations in the assembly that some of us are kindling war, one must be cautious and set this matter right: for whoever moves or advises a measure of defense is in danger of being accused afterward as author of the war.

"I will first then examine and determine this point, whether it be in our power to deliberate on peace or war. If the country may be at peace, if it depends on us (to begin with this), I say we ought to maintain peace, and I call upon the affirmant to move a resolution, to take some measure, and not to palter with us. But if another, having arms in his hand and a large force around him, amuses you with the name of peace while he carries on the operations of war, what is left but to defend yourselves?

"You may profess to be at peace, if you like, as he does; I quarrel not with that. But if any man supposes this to be a peace, which will enable Philip to master all else and attack you last, he is a madman, or he talks of a peace observed toward him by you, not toward you by him. This it is that Philip purchases by all his expenditure, the

privilege of assailing you without being assailed in turn."

Do you not agree that this commentary and analysis by Demosthenes is startlingly apropos to the circumstances currently besetting the free world? Replace the name Philip with the name Khrushchev and these words from 24 centuries in the past might with propriety and accuracy be delivered today by the U.S. Ambassador to the United Nations General Assembly.

But let us not dwell on the words alone; let us briefly examine the events of that ancient day that preceded, prompted, and followed their utterance. The third Philippic culminated 10 years of effort by Demosthenes to awaken the Athenians from their complacency and to inspire them to action for the defense of their freedom and independence. It is significant to note that the first Philippic, spoken early in 351 B.C., was no sudden note of alarm drawing attention to an unnoticed peril. On the contrary, the assembly was weary of the subject, and the war with Philip of Macedon, which had already been in progress for 6 years, had become the theme of barren talk. Yet the Athenians could not bestir themselves to vigorous and enlightened action.

Were these the only aspects of the Athenian experience akin to our challenge of today, I would not presume on your time to recount these events from history. But there are other similarities so striking that this whole experience of the past obliges our attention, for there is, indeed, a lesson to be learned.

Take for example the fact that Athens, in 341 B.C., was enjoying the richest civilization yet known to man at that time, while the subjects of Philip II were for the most part uneducated and indigent peasants and shepherds. Add to this the fact that Philip achieved his conquests through new warfare concepts, utilizing highly-trained and rigidly disciplined militiamen, and through artful diplomacy that wooed both the unenlightened and the nonresolute into his camp.

Need I go further? Are we not the beneficiaries of the wealthiest society in the history of mankind? Are not vast numbers of those under the dominion of Soviet-Sino communism uneducated and pitifully poor peasants? Have not assemblies throughout the free world wearied of speeches on the conflict between freedom and communism? Has not this conflict become the theme of barren talk? Has not the beguiling diplomacy of the Soviets succeeded in mesmerizing and neutralizing many of the unenlightened and the nonresolute? And most importantly, have not the Communists expanded the perimeters of their tyranny through the skillful utilization of a newly-conceived form of integrated military and nonmilitary warfare, which employs highly trained and rigidly disciplined cadres as its chief agents of execution?

The manifest aggressions of Soviet communism against the free world have now proceeded virtually without important setback for 16 years. Suffice it to say that the Third Philippic by Demosthenes was delivered 16 years after Philip's first advance on Athens. That epic oration finally succeeded in enspiriting Athens and in bringing the Greek city-states together. But their tardy reconciliation and dilatory preparation was not sufficient to meet the crushing force of Macedon, and history records that Greek independence ended tragically 3 years later in 338 B.C.

Will we ignore the lessons of history and the realities of our time; or will we prepare at once to defend freedom against those who amuse us with the name of peace while carrying on the operations of war against us?

I am confident that your presence here today at this convocation of a great educational institution, which symbolizes and exemplifies the grandest traditions of a free society and which has pioneered so fruitfully with this Freedom Institute, leaves no doubt that you are joined with the affirmant and resolute who say, "Let us take those positive and demanding steps which are necessary for the preservation and extension of freedom."

I am a Member of the U.S. Senate, an elected representative of a free citizenry. As such, it is my task and my obligation to advocate a variety of causes and to minister to a multitude of needs. It is the frustration of every elected legislator that the manifold responsibilities of his vocation preclude his development or maintenance of an expertise in any particular scientific field or occupational endeavor. I do not, therefore, present myself to you as one inclined to speak with an expert's certitude on all the steps which must be taken in this hour of peril for the preservation and extension of freedom. I do, however, come before you as an earnest advocate for one step which I consider of paramount importance to the successful defense of freedom.

This step, which I recommend with every ounce of my conviction, is the immediate tablishment of a national institution wherein free men could be educated in the multiple and complex aspects of Communist ideology, tactics, and strategy and intensively trained in the broad spectrum of arts, skills and knowledge required for effective operational activity in the global conflict between freedom and totalitarian communism.

This idea has been drafted into a legislative bill, which has been introduced in both Houses of Congress and which proposes the creation of a Freedom Commission and Freedom Academy charged with the research, development and training responsibilities needed to provide the public and private sector with comprehensively trained personnel. Lest there be any misconceptions as to my assessment of the role which the Freedom Academy can play in the conflict between freedom and communism, let me hasten to emphasize that I most certainly do not look upon this agency and the functions it will execute as an easy panacea to our problems or an all-inclusive patent medicine for ridding the world of Communist tyranny. It is only one of a series of steps which must be taken so that this Nation and our free world allies can seize the initiative in the cold war conflict.

Perhaps my enthusiasm for this particular step is colored in part by my 2 years of association with the Freedom Academy idea, but I do sincerely feel that the establishment of this training and development institution is of paramount importance to the substantial and meaningful improvement of this Nation's cold war capabilities. I am joined in this conviction by the members of the Senate Judiciary Committee, who in reporting the Freedom Academy bill to the U.S. Senate during the 86th Congress, said: "The committee considers this bill to be one of the most important ever introduced in the Congress. This is the first measure to recognize that a concentrated development and training program must precede a significant improvement in our cold war capabilities. The various agencies and bureaus can be shuffled and reshuffled. Advisory committees, interdepartmental committees, and coordinating agencies can be created and recreated, but until they are staffed by highly motivated personnel who have been systematically and intensively trained in the vast and complex field of total political warfare, we can expect little improvement in our situation."

Viewed in this light, I think the Freedom Academy becomes a far more appealing and plausible idea to those who might instinctively react against it, either because they oppose the creation of new Government agencies or because they see this new agency infringing on the activities of the existing agencies in the national securty complex. Let me assure you that this is not a make-work proposal. Neither is it our intention that this new agency should infringe or encroach upon the functions or operational activities of any existing agencies in either the public or the private sector. It is because the functions envisioned for the Freedom Academy are not being done anywhere and because there is a vital need for them to be done that we have advanced this proposal in the Congress of the United States.

The Federal Government is today spending five-eighths of its annual budget or slightly more than $50 billion for equipment and activities directly related to national security. I think it is fair to say that this massive expenditure of our national treasure is probative evidence that our governmental leaders are acutely aware that Soviet-Sino communism poses a formidable threat to the survival of our Nation. Of this total $50 billion expenditure approximately $48 billion are being spent for military requirements and other defense needs. We must, of course, maintain strong and modern armaments, and although I wish it were otherwise, I do not begrudge the expenditure of one defense dollar for I recognize the essentiality of this disbursement. But let us not fail to recognize that while these expenditures are preparing us for the eventualities of a hot war—which, thank God, we are not fighting—they are contributing precious little to our preparations for the cold war, which we are fighting at this very moment in every corner of the world.

We are not only fighting this cold war; we are losing it. If anyone doubts the truth of this commentary, they have only to look to Czechoslovakia, to East Germany, to Hungary, to mainland China, and to the island of Cuba only 90 miles from our continental boundaries. These are all areas which have been swept into the Communist sphere since the end of World War II—only 16 years ago. While it is true that Soviet military action played a part in bringing some of these areas behind the Iron Curtain, the fact cannot be ignored that the military aspects of these and other conquests were far less instrumental in bringing about the final result than were the nonmilitary aspects.

What, you may ask, do I mean by the nonmilitary aspects of these Communist conquests? I refer to the well-defined and highly systematized warfare concept developed by the Communists, which utilizes, interrelates and coordinates a multiple arsenal of manipulatory skills, including subversion, infiltration, ideological persuasion, diplomatic blackmail, propaganda, and coups d'etat. With the integration of political, ideological, psychological, economic, organizational and paramilitary skills into a single, artistically coordinated warfare concept, the Communists have conceived an entirely new dimension of conflict which, operating on a foundation of military strength, paralyzes the enemy with the threat of armed combat but conquers him without the use of a shooting conflict.

The mere development of this new concept of nonmilitary aggression would, of course, be valueless to its architects without the trained artisans to apply it, and the Communists have, indeed, not overlooked this essential feature in their total program for world conquest.

For the past 40 years the Communists have been engaged in a deliberate and carefully planned political warfare training program. Today the Soviets are operating an extensive network of political warfare training schools at Moscow, Leningrad, Tashkent, Prague, and elsewhere on both sides of the Iron Curtain. Some of these schools specialize in the training of nationals from outside the Iron Curtain. The Prague center specializes in training Latin Americans and Africans, and it is worth noting that this

center has increased its training tempo since 1956. The school at Tashkent trains Communists from the Islamic countries. The training in these centers is both intensive and comprehensive; it is designed to produce a knowledgeable and hardened political warfare combatant, who can effectively execute the marching orders issued by the managers of protracted conflict. It is these individuals, my friends—these practitioners of conflict doctrine—these cadres of tyranny—who have brought Moscow and Peiping victory after victory over the past 16 years—each one narrowing the perimeters of freedom. Speaking to this very point, the Senate Judiciary Committee Report of 1960 on the Freedom Academy bill observed with frightened accuracy that "the Communists have conquered nearly a billion people during a period when their sphere was markedly inferior in industry, technology, science, and military capabilities—in fact, inferior in almost everything except power-seeking know-how."

It is this power-seeking know-how of the Communists and its tactical, ideological, strategic, and organizational elements, which we in the free world must understand in its most minute detail. Not so we can mimic it, but rather so we can develop the operational skills and frame our positive programs to effectively counter and defeat its carnivorous thrusts inside the boundaries of freedom. In a nutshell this will be the mission of the Freedom Academy.

Perhaps with this talk of conflict and political warfare, I am building a misimpression that our sole national objective is to bring about the resounding and eternal defeat of totalitarian communism. If this be so let me immediately set the record straight.

Our Nation is one of the few and possibly the only one in the history of the world which was founded on an ideal. That ideal has been phrased and rephrased countless times by philosophers and statesmen, by scholars and judges, by theologians, and poets. Its essence is this: That God created individuals, not states, and it is the individual, be he white or black, red or yellow, who is supreme. It is, therefore, the function of a government or a nation to promote and preserve a climate of freedom, justice, order, equality and civility, in which the individual can develop his intellectual and spiritual talents for his benefit and the benefit of all mankind.

A nation and its citizenry endowed with such a magnificant birthright would, indeed, be false to that birthright if its goals were limited merely to the protection and preservation of that glorious heritage within its national boundaries. I have no fear that we will violate the trust reposed in us by our national traditions, for I sense in America today a people who are earnest in their desire to share this noble heritage with all men, so that they, too, may enjoy the fruits of freedom, equality, and justice. This then is the primatial objective of America. But to pursue this objective we must survive and to survive we must destroy the tyranny that seeks to devour us.

Conflict and warfare are not comfortable topics of discussion and deliberation for Americans. We are inherently a peaceful society, and whether it be hot war or cold war, the mere contemplation of such action is repugnant to our nature. Perhaps it is even easier for us to come to grips with the realities of a hot war than a cold war, for a response to an enemy assaulting you with bullets and bombs seems to lend itself less painfully to ethical rationalization than does a response to an enemy assaulting you with subversion and diplomatic blackmail.

But, my friends, this is not a time for those seeking easy routes, comfortable solutions and painless remedies. If we are to achieve our national goals, we must come to grips with the stark realities of our time. Our situation today as a Nation is not unlike that of an individual blessed with great humanitarian instinct and skilled in the arts of resuscitation, who comes face to face with the fact that if he is to utilize his talents to the fullest, he must on occasion swim treacherous waters to rescue a drowning child. If we are sincere in our desires to utilize our talents as a Nation in assisting other people to attain their just aspirations for a better life, we then must be willing to swim the treacherous waters of international ideological conflict.

I see little evidence of our lack of will to make the swim, but I see much evidence of our lack of preparation for this perilous undertaking. I have already emphasized the fact that the Communists have literally thousands of hardened political warfare combatants in the field, who have been systematically and rigorously trained in a vast network of political warfare training institutions. By contrast, we have only a handful of individuals on our side with an equivalent knowledge and sophistication in the complex arts of political warfare, and those that we have—if I might borrow a phrase from the editors of Life magazine—are graduates of "the very dear school kept by experience." Although we have only platoon strength in the political warfare area in comparison with the division strength of the Communists, we, nevertheless, have many more experts than we have any right to expect with the present lack of training facilities for this demanding work. We must, however, have many more in the face of the grave and frightful challenge that confronts us, and to achieve the qualitative and quantitative levels required, we must have a training and development institution such as the Freedom Academy.

I am gratified to note that there is a growing recognition among our national leaders of the urgent and important need for systematic and intensive training in the multiple disciplines of political warfare. Exemplary of this growing recognition is a segment of the report submitted to President Eisenhower on December 23, 1960, by the Sprague Committee;[1] composed of distinguished and knowledgeable public servants, which states:

"There is need to provide high-level training in the interrelated economic, political, informational and military aspects of the present world struggle for more of the top officers of agencies dealing with international and security affairs. The committee therefore recommends that consideration be given to the establishment of a National Security Institute for this purpose under the National Security Council, which among other things would provide concentrated exposure to and study of Communist ideology, techniques, and operations worldwide as well as of our total governmental informational resources and how best to orchestrate and use them."

The Sprague committee limited its recommendation to the training of high echelon governmental officers, which restricts the number of individuals to be trained much more than does the Freedom Academy proposal. Nevertheless the content and subject matter recommended by the Sprague committee is nearly identical to the course of study envisioned for the Freedom Academy.

It seems to me that there are considerations which argue against the wisdom and economy of limiting this training to just high-level governmental officers. It is true that the most advanced level of training at the Freedom Academy might well be limited to top officers in the national security agencies, but I strongly believe that intermediate and primary curricula should be provided for the training of a wide range of persons in both the public and the private sectors.

To begin with, it will be essential to assemble a distinguished and rather sizable faculty to provide high-caliber political warfare training for even a limited number of top-echelon career officers. And it should be recognized that if training is restricted to upper-echelon officers, the number who can be trained at any one time will be sharply limited, due to the fact that we cannot afford to take large numbers of them off the firing line. This means that we would not be making maximum utilization of the faculty experts, at this most critical juncture in history when our total need for training is so serious that we can ill afford extravagant use of this precious talent.

Add to this the fact that it is not only the policymaker, the planner, and the administrator, but the operator and executor as well, who must comprehend the dimensions of the conflict and the tools and weapons, which victory demands of the participants. From where will we obtain the policymakers and planners of tomorrow, if we are not training and preparing them today?

Last and far from least it would be, in my opinion, a grave error to overlook the need and the considerable desire for training of individuals in the private sector. Is there anyone left today, so naive as to believe that the conflict is exclusively reserved to the public sector? I sincerely hope not. For the fact of the matter is that in the advanced nations of the free world the Communists are directing the major emphasis of their attack at institutions in the private sector. The fundamental nature and the kinetic energy of the Soviet communism require its presence and activity in the private as well as the public sector, for its central aim is the concentration of total social power in the hands of a ruling group. Prof. Philip Selznick, one of our leading students of Bolshevik strategy and tactics, points out in his outstanding book, "The Organizational Weapon," that "the Bolshevik pursuit of power * * * is not limited to the areas where constitutional responsible power is won, but is carried on everywhere in the social structure, wherever an increment of power can be squeezed from control of an institution or a portion of it * * *."

The nature of the challenge facing us and the need for trained personnel to meet the challenge has, I think, been sufficiently delineated. However, justification for the establishment of a governmentally operated training and development center does not follow ipso facto from the presentation of these two elements of proof. Some may ask, "Do we not already have institutions and programs offering this necessary training?" Others may inquire as to the wisdom of establishing a governmental agency to provide this type of training.

To the first question I must respond with an emphatic "No." It is a fact that there is no institution or agency in the United States today where an individual can receive broad spectrum training in all of the elements and disciplines of cold war activity. Certain aspects of this total complex of knowledge are offered in some of our leading schools of international affairs. Your own institute here at St. John's is a splendid example of great contributions by a private institution. In the main, however, the courses on communism offered in our private institutions are limited to the history and ideology of communism, thus ignoring the study of the tactics, strategies and organizational weapons of communism, an understanding which is so vitally essential to the person assuming an operational role in the cold war. Many of our private schools of international affairs, especially at the grad-

[1] This committee, under the chairmanship of Mansfield D. Sprague, included George V. Allen, Allen W. Dulles, Gordon Gray, Karl G. Harr, Jr., John W. Irwin II, C. D. Jackson, Livingston T. Merchant, and Philip D. Reed.

uate level, provide excellent "area studies" on the Communist bloc. Such curriculums do an outstanding job of backgrounding the student in such important areas of knowledge as surface transportation in the satellite countries or hydroelectric power production in the Soviet Union. But important as this training is, it does not expose the student to the nature of the conflict nor does it instruct him in the tactical and operational skills so that he can employ his substantive knowledge usefully in the cold war. Nor does such training in a private institution carry any assurance the individuals who are trained will thereafter be appointed to services in which their skills can be fully utilized.

Perhaps the closest we come today to providing the training proposed for presentation to public officials at the Freedom Academy is in the courses offered by the armed services' war colleges. These courses are extensive, but since political warfare training is necessarily and properly secondary to the main training missions of these institutions it must be dealt with in a rather broad and summary manner, often assuming a level of sophistication not yet attained by the student. Such training is simply not adequate for our needs today. Additionally the training offered by the various war colleges suffers from the same weakness which I see in the Sprague committee's recommendation in that it is available to only a very limited number outside the Military Establishment.

The entire gamut of governmental and private training programs in the area of cold war know-how has been reviewed by men eminently qualified to assess the qualitative and quantitative content of these curriculums. It is their conclusion that there is no single institution where all of the bits and pieces are brought together for instructional presentation in a comprehensive and all-encompassing discipline.

So we need a central comprehensive cold war training institution, but we still haven't answered the individual who questions the wisdom of locating such an agency in the Federal structure.

In the main, this individual casts a critical eye at this proposal, for he sees the Freedom Academy as a governmental institution for the propounding and propagation of dogma—a Federal factory for the production of a pat and inflexible ideology of freedom. If this were, in fact, the intent and proposed mission of the Freedom Academy, there would be no one who would oppose this proposal more vigorously than KARL E. MUNDT, of South Dakota. I have my individual concepts of freedom. Each member of this audience has his, and I dare say that no two of our concepts of freedom are identical in every respect—for this is the very essence of a free pluralistic society. The Freedom Academy proposal is premised on a perception of the conceptual multiformity of our American society and on a recognition that totalitarian communism is antithetical to every concept of freedom.

It should be clearly understood that the Freedom Academy's primary role will not be that of educating individuals in the varied conceptual content of democratic ideology. This is a task which, in the main, must be left to our secondary schools and to our private and State colleges and universities. The major mission of the Academy will be to give the student a comprehensive understanding of Communist ideology, tactics and strategies, and then to teach the student the proper tactics to be employed by us in defeating the power-seeking thrusts of the Communists and in achieving our other national goals through the inter-related use of economic, ideological, diplomatic, informational and paramilitary programs. Considering the complexity and intricacy of the multiple disciplines which will be presented in this training program, I have no fears that it will become a program for indoctrination in dogma and pat answers. For to attempt the reduction of this vast array of knowledge to a group of general rules and a fixed body of doctrine would be as futile an exercise as trying to reduce the science of nuclear physics to a few simple algebraic equations.

It seems to me, therefore, that the whole question of whether a Freedom Academy will or will not be established hinges primarily on the desire of the American people to effectively resist the relentless assault of communism on the free world. Without the desire the training will be useless. With the desire the training may well be decisive.

As I noted at the beginning of my address, history teaches that in a contest between freedom and tyranny the outcome depends not nearly so much on the quantity and quality of the assault on freedom as it does on the quantity and quality of freedom's response to that assault. To emphasize this point, let me, in closing, return briefly to another incident in the Athenian experience.

In 351 B.C., Rhodes, which had once been part of the Athenian confederacy, was trying desperately to throw off the autocratic rule imposed upon it by Caria, a tributary of the Persian dominion. The democratic party of Rhodes appealed to Athens for help, and Demosthenes, in one of the most statesmanlike acts of his career, supported their application. He failed, but in his effort he left a valuable lesson for all future generations of free nations. In his plea for the Rhodians, he warned Athens that the cause of political freedom was everywhere her own, and that, wherever that cause was forsaken, there a new danger was created for the independence of Athens.

It has been less than 5 years since the cries for help rang out to the free world from the streets of Budapest. On that occasion we were obliged to forsake the cause of freedom, because we were not prepared to do otherwise.

Since then, other areas of the world—some near at hand and some remote—have witnessed freedom fail and tyranny triumph. Clearly new devices must be developed and new cold war techniques must be employed to turn the tides of victory in the right direction.

We must, therefore, without delay, set in motion the wheels of preparation, for it is, indeed, true that the cause of political freedom is everywhere our own, and we can ill afford to forsake that cause in the future, or to trust our success to those who are inadequately trained to carry out programs of such paramount importance that civilization itself cannot outlive their failure.

REORGANIZATION PLAN NO. 1 OF 1961

The Senate resumed the consideration of the resolution (S. Res. 148) opposing Reorganization Plan No. 1 of 1961.

Mr. KEATING. Mr. President, the proposed resolution would have the effect of rejecting the President's proposals for reorganization of the Securities and Exchange Commission. In its report on Senate Resolution 148 the Committee on Government Operations states:

> The proposals contained in plan No. 1 of 1961 involve matters of serious and far-reaching importance and effect which require far more study and deliberation than was possible under the time limitations imposed upon the committee by the Reorganization Act of 1949, as amended.

The report goes on to state that the Government Operations Committee found the issues involved very complex and "so difficult to resolve in the time available, that an initial motion to report Senate Resolution 148 favorably failed of passage by a vote of three in favor and three opposed, primarily because some members felt they needed further deliberation before reaching a conclusion. The motion to report the resolution without recommendation carried by a vote of four in favor and two opposed.

This is a far-reaching proposal which requires deliberate and considerate study. The admission of the Government Operations Committee that it did not have sufficient time for such study is a powerful argument against action today which would put the President's reorganization plan into operation.

Our administrative agencies are plagued with many problems. But a sound solution of these problems will not be advanced by ramming a Presidential proposal through Congress. I would fully support steps truly designed to make the independent agencies more efficient and effective, but I emphatically disagree with the President's proposal in this field.

These agencies exercise powers delegated to them by Congress. They were never intended to function as pawns of the Chief Executive. There are many ways of improving their procedures without impairing their independence.

Under section 1 of plan No. 1, the Chairman of the Securities and Exchange Commission could be empowered to assign the agency's functions to subordinate divisions, individual Commissioners, hearing examiners, or other employees of the Commission. Under this procedure the Chairman would become a one-man czar over the agency. It would be possible for him to relegate Commissioners and other agency personnel who did not agree with his policy or philosophy to mere figureheads or errand boys. The Commission's functions as an effective, nonpartisan, deliberative body where all sides of a particular issue are presented, discussed, and considered, would be seriously imperiled.

Plan No. 1 also would substantially reduce the right of appeal within the Securities and Exchange Commission. Under the plan, the right of review would be discretionary with the Commission. Unless the Commission decided to review a case on its own motion, there would be no review unless a majority, less one member of the Commission, voted for review. Should the Commission decline to exercise its discretionary review or no review is sought within the time limitations provided, the action of the subordinate who has exercised the functions of the Commission will for all purposes be final and deemed the action of the Commission. This drastic limitation on agency review certainly should be given more study than is possible in acting on a reorganization plan.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. I yield 5 additional minutes to the Senator from New York.

Mr. KEATING. Mr. President, the limitation of administrative review within the agency would also have the effect

of increasing the burden on our courts. Under the present procedure the Commission reviews initial decisions of its subordinates and has full power to correct improper interpretations of the law and takes whatever action the facts in the record may warrant. This opportunity to correct errors frequently avoids the necessity of judicial review. In effect, the courts would now be required to deal with cases which could have been finally disposed of by the agency itself.

Plan No. 1 also raises the danger that the American public will be denied access to information that it should have a right to know. Under title 15, United States Code, section 80–b10, the Securities and Exchange Commission may keep secret certain information filed with it under the provisions of the Investment Advisers Act, if the Commission decides that disclosure of this information is neither necessary nor appropriate in the public interest or for the protection of investors. Other statutes administered by the SEC contain similar provisions. The power of delegation covered by section 1 of the President's plan includes the function of determining whether information shall be disclosed to the public under the provisions of the statute I have just related. Delegation of such a power to a subordinate of an agency would, in fact, vest the power in the Chairman since the Chairman would be responsible for the assignment of all personnel.

The provisions of the plan could also exclude the minority party members from deliberation as to what information should be made available to the public. By so doing, it would be possible for documents and other reports to be concealed, which should be disclosed. Anyone concerned with freedom of information certainly should be reluctant to support a plan with such potential for mischief.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. I yield 5 additional minutes to the Senator from New York.

Mr. KEATING. Mr. President, I have long advocated constructive changes in administrative agency practice. In that connection I expect to introduce shortly a bill which has the support of the American Bar Association to establish a new Office of Federal Administrative Practice. This new unit would provide independent and authoritative surveillance of all agency proceedings. It would serve the administrative agencies of the Government in the same way as the present Administrative Office of the U.S. Courts has served the Federal courts. It would also work for uniform agency rules and recommend, after thorough study, changes needed to shorten and cut the tremendous costs and time now required in administrative proceedings. Such an office would not be under the control of either the executive or legislative branch of Government, and would not serve in any way to undermine the independence of the agencies. This is the way to cut down on administrative agency inefficiency without imperiling needed safeguards and procedures.

Mr. President, I shall vote against this reorganization plan and in favor of Senate Resolution 148, but I hope that Congress will see fit on another occasion to take constructive and thoughtful action on the problems in this field.

THE NATIONAL DEFENSE EDUCATION ACT

Mr. DIRKSEN. Mr. President, I yield 20 minutes to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I should like to submit several amendments to S. 1726, the administration's bill to extend and expand the National Defense Education Act, which is now pending before tthe Committee on Labor and Public Welfare. I therefore ask the unanimous consent that my amendments be printed and referred to that committee.

The PRESIDING OFFICER. Without objection, the amendments will be received and printed, and referred to the Committee on Labor and Public Welfare.

Mr. GOLDWATER. Mr. President, when the bill which became the National Defense Education Act was reported to the Senate in 1958, my minority views consisted of a half dozen lines which I would like to quote because of their appropriateness at this time. Here is what I said on that occasion:

> This bill and the foregoing remarks of the majority remind me of an old Arabian proverb: "If the camel once gets his nose in the tent, his body will soon follow."
>
> If adopted, the legislation will mark the inception of aid, supervision, and ultimately control of education in this country by Federal authorities.

Mr. President, normally nothing is more keenly exhilarating than to be able to say "I told you so." But the accuracy of my forecast fills me with deep foreboding—I would much rather have been proven a false prophet. A few weeks ago this body passed a wide-ranging Federal aid-to-education bill for which no need existed, which was inequitable and discriminatory, which increases Federal spending and hence the forces of inflation, and what is most disturbing, which constitutes a serious invasion by the Federal Government into an area, where both traditionally and constitutionally, the States and the local communities have heretofore exercised an exclusive jurisdiction.

Now the administration is pushing for a measure which will add further to inflationary pressures and will broaden the role of the Federal Government with its debilitating effect on private, local, and State educational efforts and activities. Federal control of our educational system is well advanced, and unless this frightening development is halted, complete, or at any rate, predominant Federal control of education is inevitable in the United States.

Mr. President, the National Defense Education Act was adopted by the Congress in 1958 on the assumption that it was only a temporary measure designed to meet a genuine emergency seriously affecting our national defense. I am sure that no Member of this body will dispute the assertion that the act would never have become law had it not been presented as establishing a program essential to the national defense.

The new administration bill, however, scraps all pretense that the National Defense Education Act is merely a temporary measure designed exclusively to meet an urgent defense need. It contains amendments not only extending certain provisions of the act, but it makes permanent a number of programs, originally established on a temporary basis, and it uses the act as a vehicle to achieve goals and objectives which have not the remotest relationship either to national defense or even to the act itself, including a sweeping expansion of the power and authority of the Office of Education under other statutes administered by that office.

But, Mr. President, what disturbs me most about the pending bill is the utter casualness with which its proponents and supporters are determined to expand the act's scope to matters which are related to national defense only in the most indirect fashion while simultaneously proposing to eliminate other provisions which are directly related thereto. At the same time, an educational need which, in my opinion, constitutes one of the most glaring defects in our educational system during the present era of the cold war, is completely ignored. My amendments are designed to correct that defect and to eliminate at least one of the nondefense expansions proposed in the administration bill.

Thus, Mr. President, despite the professed premise of national defense upon which the act is based, the administration bill is designed to expand Federal aid to such subjects as physical fitness and English which are related to national defense only in the sense that any improvement in the mental and physical development of our children is so related.

On the other hand, the provision of the existing law, the so-called non-Communist disclaimer affidavit, which was intended to assure that no Communist or other subversive received any benefit under the Act, is repealed by the administration bill. Mr. President, it is difficult for me to see how any intelligent person can genuinely believe that improving and expanding educational courses in English and physical fitness is more essential to the national defense than a provision designed to protect the American taxpayer against having his tax money used to benefit the enemies of the Nation.

Mr. President, there are other provisions in the administration bill which are not related to national defense, either indirectly or even remotely. Thus, the bill would expand the power and authority of the Office of Education in connection with other laws administered by that office, laws which have nothing to do with national defense. The effect of these provisions is to extend the scope of the National Defense Education Act so that in effect, it becomes a general education bill which deals with matters properly belonging to the impacted areas legislation and the general Fed-

eral aid-to-education bill which passed the Senate some weeks ago.

Mr. President, I am wholly at a loss to understand why these provisions are so irrelevantly included in the proposed amendments to the National Defense Education Act but were never offered when we were considering legislation to which they would have been far more appropriate. Perhaps the administration failed to think of them a few weeks ago and is now seeking to remedy the omission by using the National Defense Education Act as a vehicle for more extensive Federal intervention into the field of education generally.

But, Mr. President, their most serious omission in legislation of this kind has never even been mentioned, either by the administration or the proponents of this bill. I refer to the complete failure to provide for, or even seek to encourage, the education of our children in the nature and objectives of the enemy which represents the most serious threat to its existence which this Nation has ever faced.

Mr. President, as the members of this body well know, I am opposed to every form of Federal aid to education. I believe that under our constitutional system, education is a matter exclusively for the States and local communities. But if the Federal Government is to intervene in the field of education under the pretext of strengthening the national defense, I say that we ought to make our professed purpose a real one instead of a mere pretext, and legislate an educational program which will fill one of our most essential, but almost entirely neglected needs—training our future citizens to know the enemy of their country.

Mr. President, during the last war, an important element of the training of our troops was carried on under the general caption of "Know Your Enemy." Films, leaflets, booklets, orientation lectures were devoted to instructing American troops in the nature of the Nazi enemy, his characteristics, his activities, and the threat that the Nazi philosophy and goals presented to freedom and civilization and the survival of our country.

Mr. President, we are now in the midst of the so-called cold war. World communism reaches its tentacles into every corner of the globe, including our own. Whether he knows it or not, every American is involved in the cold war. As Colonel Kintner once expressed it: "The front is everywhere." Unfortunately, a good many Americans are unaware of it, and a good many more either know nothing of the enemy or have the most misleading misconceptions about it. Nothing is more seriously needed in enlisting the aid of our educational system for purposes of national defense than the broadening of that system to provide instruction in knowing our enemy.

This is precisely what my amendments are designed to do. They are far more urgently needed for national defense purposes than graduate study in ceramics, folklore, Buddhism, church music, and a number of other interesting but equally irrelevant courses of study now being financed by the Federal Government under the provisions of the National Defense Education Act. My amendments would encourage students and educational institutions to embark on or to expand, where they already exist, courses of instruction dealing with—and I quote from my proposed amendments:

> The nature, objectives, strategy and methods of world communism, and the threat which it represents to the American way of life.

Mr. President, when the act was passed some 3 years ago, the Senate built into it specific functions which we thought would preclude its misuse. However in the course of the conference, the following language from page 18 of the Senate bill was stricken from the report:

> Before approving a graduate program under this title, the Commissioner must make a finding, after consultation with the National Advisory Committee, that such program will promote the national defense and is in the national interest.

I shall cite some of the courses which have been approved for fellowships under this program, to point out how completely misleading the whole approach has been. I shall not read the entire list, but I shall place it in the RECORD shortly.

Fifty courses were provided in comparative literature; 22 in drama and theater; 4 in Buddhist studies; 11 in the fine arts; 108 in sociological studies in foreign areas.

So it goes.

When we examine the field in which we are interested, namely, defense education, which includes the physical sciences and engineering, we find that only 27 percent of the fellowships have been granted in this field. In fact, only three fellowships under this program are in the field of nuclear engineering, which certainly is one of the most important areas in which fellowships could be granted today, but which is being neglected.

Mr. President, I ask unanimous consent that a table which has been compiled from statistics of the Department of Health, Education, and Welfare be printed at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Graduate training provided for prospective college and university teachers under title IV of the National Defense Education Act of 1958 from 1959 up to 1961–62

Teaching profession	Beginning training in 1959		Beginning training in 1960		To begin training in 1961		Total being trained	
	Number	Percent of 1959	Number	Percent of 1960	Number	Percent of 1961	Number	Percent
Classics	8		23		29		60	
English language and literature	81		91		96		268	
Comparative literature	12		19		19		50	
Modern European languages and literature	66		130		118		314	8.1
Linguistics and communications	8		17		16		41	
Drama and theater	6		6		10		22	
Speech	5		6		4		15	
Folklore	3		5		5		13	
Music	6		15		17		38	
Philosophy	18		43		46		107	
Religion	15		14		10		39	
Buddhist studies (cultural)	0		0		4		4	
Fine arts	5		2		4		11	
Education	47		104		122		273	7.1
Sociological studies of foreign areas	28		44		36		108	
Business administration and accounting	26		25		32		83	
Economics	44		106		85		235	
Geography	0		0		6		6	
History	38		125		96		259	
Political science	60		77		95		232	
Sociology and anthropology	33		52		53		138	
Psychology	31		16		31		78	
Zoology	21		17		18		56	
Various biological sciences	106		115		123		344	
Total all humanities and percent per year	667	70.0	1,052	73.7	1,075	72.7	2,794	72.0
Physical sciences and mathematics:								
Astronomy	9		8		7		24	
Chemistry	59		63		64		186	
Geology	5		16		18		39	
Mathematics	78		98		72		248	6.4
Oceanography	0		4		4		8	
Physics	67		53		74		194	
Subtotal and percent per year	218	22.0	242	17.0	239	16	699	18.0
Engineering:								
Chemical engineering	13		21		36		70	
Civil engineering	9		23		33		65	
Electrical engineering	23		30		25		78	
Mechanical engineering	8		31		33		72	
Aeronautical engineering: Missile and aircraft	7		2		3		12	
Nuclear engineering	0		0		3		3	
Other engineering specialties	8		26		13		47	
Subtotal and percent per year	68	7.0	133	9.0	146	10.0	347	9.0
Grand total							3,840	

Source: HEW: National defense graduate fellowship announcements, 1959, 1960, and 1961.

Mr. GOLDWATER. Mr. President, I shall now read an analysis of my amendments which describes precisely what they do. I ask unanimous consent that following my remarks, the text of my amendments be printed in full in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GOLDWATER. Mr. President, (a) section 101 of the act in the findings and declaration of policy states that, due to existing imbalances in our educational programs, the purpose of the act is to educate more of our population in science, mathematics and modern foreign languages. S. 1726, the administration bill, does not amend this section. My amendment would expand the purpose of the act to strengthen the national defense by familiarizing students and teachers with the nature, objectives, strategy, and methods of world communism and the threat which it represents to the American way of life.

(b) Title III of the act provides financial assistance to elementary and secondary schools for the purchase of equipment to be used for courses in science, mathematics and modern foreign languages. S. 1726 would amend the act to include the purchase of equipment for physical fitness instruction. My amendment would strike out the amendment proposed by S. 1726 and insert in lieu thereof a provision for the purchase of equipment to be used in courses of instruction dealing with the threat of world communism.

(c) Section 301: See (b) above.

(d) Section 303(a)(1) requires the State to submit a plan to the Commissioner giving assurance that the funds will be used solely for equipment for use in the sciences, mathematics, and modern foreign languages. S. 1726 would amend this provision by including equipment for use in a program of physical fitness. My amendment would strike out the amendment proposed by S. 1726 and insert in lieu thereof equipment for use in the study of courses dealing with the threat of world communism.

(e) Section 303(a)(1) requiring the submission of a State plan, provides that the State must use its allotment for the expansion or improvement of supervisory or related services in public schools in the fields of science, mathematics and modern foreign languages. S. 1726 would amend this section to include physical fitness. My amendment would strike the amendment proposed by S. 1726 and insert in lieu thereof courses dealing with the threat of world communism.

(f) Title VI of the act deals with language development; part A deals with centers and research and studies—language and area centers. S. 1726 proposes no amendment. My amendment changes this title to include anti-Communist research and training, and centers for anti-Communist training.

(g) Section 601(a) of the act authorizes the Commissioner to contract with institutions of higher education for the establishment and operation of centers for the teaching of any modern foreign language which the Commissioner determines that individuals trained in such language are needed by the Federal Government, business, industry or education and adequate instruction in such language is not readily available in the United States. S. 1726 proposes no change in this authority. My amendment would authorize the Commissioner to contract with institutions of higher education for the establishment and operation of centers for the teaching of courses dealing with the threat of world communism.

(h) Section 601(b) authorizes the Commissioner to pay stipends to individuals undergoing advanced training in any modern foreign language with respect to which he makes a determination under subsection (a). S. 1726 makes no change in this authority. My amendment would authorize the Commissioner also to pay stipends to individuals undergoing training in courses dealing with the threat of world communism.

(i) Section 601(b) authorizes the payment of stipends and other allowances only upon reasonable assurance that the recipient will be available for teaching a modern foreign language in an institution of higher education or for such other public service as may be permitted. S. 1726 makes no change. My amendment places this same condition upon the stipend given to an individual undergoing training in a course dealing with the threat of world communism.

(j) Section 602 authorizes the Commissioner to make studies and surveys to determine the need for increased or improved instructions in modern foreign languages. S. 1726 proposes no change in this section. My amendment would also authorize such studies and surveys with respect to courses dealing with the threat of world communism.

(k) Section 602 also authorizes the Commissioner to conduct research on more effective methods of teaching such languages, to develop specialized materials for use in such training or in training teachers of such languages. S. 1726 does not amend this provision. My amendment would also extend the Commissioner's authority in this field to courses dealing with the great threat of world communism.

(l) Part B of title VI of the act deals with language institutes. S. 1726 would expand part B to include foreign study. My amendment would further amend part B to include anti-Communist training.

(m) Section 611 authorizes the Commissioner to contract with institutions of higher education for the operation of institutes for teachers of any modern foreign language in elementary or secondary schools. Individuals attending such an institute would receive a stipend of $75 per week plus $15 for each dependent. S. 1726 would amend the act to authorize such institutes and stipends for teachers of English. My amendment would further amend the act to authorize such institutes and stipends for teachers of courses dealing with the threat of world communism.

(n) Section 761(a) establishes an Advisory Committee on New Educational Media composed of 12 persons from various fields of endeavor. S. 1726 proposes no change in this Advisory Committee. My amendment would enlarge the Committee to 15 members, 3 of whom would be individuals who are outstanding authorities on the subject of the threat of world communism.

(o) Title VIII of the act dealing with vocational education provides that payments made to the States must be used exclusively for the training of individuals designed to fit them for employment as highly skilled technicians in fields necessary for the national defense. S. 1726 does not amend this provision. My amendment would insure that these funds could be used for the conducting of courses dealing with the threat of world communism in training individuals as highly skilled technicians in fields necessary for the national defense.

(p) Section 304(a) of the Vocational Education Act sets forth programs for which funds may be used by the State in carrying out the area vocational education programs. S. 1726 makes no changes in this section. My amendment would authorize the State to use these funds, in addition to those now listed, for establishing and conducting courses of study in the threat of world communism.

(q) Section 1002(a) gives the Commissioner the authority to appoint an advisory committee to assist him in carrying out his functions under the act. Any such committee shall have 12 members composed of 4 recognized scholars from the fields of science, mathematics, and engineering, 4 from the humanities, and 4 from such fields of endeavor as the Commissioner deems appropriate. S. 1726 would completely eliminate the composition of the committees as to categories and in addition, would authorize the Commissioner to set up advisory committees to assist him in carrying out his functions under the National Defense Education Act as well as any functions he may have under any other law. My amendment would strike out all of the amendment proposed by S. 1726. In addition it would expand the advisory committees from 12 to 16 in order to provide for representation on the committees for 4 members who are outstanding authorities on the subject of the threat of world communism.

Mr. President, in closing, let me state that I believe this series of amendments is very necessary at this time.

I believe it very evident, at this point in our history, judging from the almost countless number of mistakes which have been made in our foreign policy, beginning with the Treaty of Versailles, in 1918, that we in this country need to have education in the field of communism.

Today our people are seemingly afraid of communism because they know nothing of it. People in my part of the country do not like to discuss it, because of their ignorance in this general field.

My proposal is that those who receive the proposed fellowships be trained in this field and be encouraged to continue with their teaching, or to teach in other institutions, and thereby generate interest in the subject among teachers generally, to the point that communism

could be taught, beginning in the grade schools of the country, and continuing through the high schools and the colleges, although accompanied, of course—and even though my amendments do not go to the extent of stating what would be done, this would be a natural follow-through in connection with any course on this subject—by a strong, properly taught course in American history and constitutional government. If the two courses are taught parallel to each other, I think our young people will have no difficulty in deciding which system is the more desirable.

Once Americans generally understand the purposes, threats, and strategy of worldwide communism they will be able to understand some of the incorrect attitudes which have led to the almost asinine mistakes which have been made in our relationships with other countries. It has been because of the refusal of our people to recognize the validity of the announcements, made many times by the Communists, that they wish to destroy us, that these mistakes in our foreign relationships have been made. I like to think that our mistakes in that field have been made through ignorance, rather than through any aspect of treason.

If our people are properly educated, there will be no excuse in the future for making such mistakes, which have been made thus far because of a failure to understand communism, and have been due to an almost complete ignorance on the part of the American people, particularly those charged with the conduct of our foreign affairs down through the years, on the subject of communism.

I am submitting these amendments today, and am asking that they be printed. I intend to offer them to the subcommittee, where we are now writing up the national defense education bill. I shall again offer them on the floor of the Senate if I am unsuccessful in getting them accepted by the subcommittee and the full committee.

EXHIBIT 1

AMENDMENTS INTENDED TO BE PROPOSED BY MR. GOLDWATER TO THE BILL (S. 1726) TO EXTEND AND IMPROVE THE NATIONAL DEFENSE EDUCATION ACT, AND FOR OTHER PURPOSES

(a) On page 1, between lines 5 and 6, insert the following:

"SEC. 2. (a) Strike the period at the end of the second paragraph of section 101 and insert a semi-colon and the words 'and will strengthen the national defense by familiarizing both students and teachers with the nature, objectives, strategy and methods of world communism, and the threat which it represents to the American way of life'."

Redesignate the subsections of section 2 accordingly.

(b) On page 4, amend section 4(a) to read as follows:

"SEC. 4. (a) The heading of title III of the National Defense Education Act is amended by striking 'and modern foreign language' and inserting in lieu thereof 'modern foreign language and anti-Communist'."

(c) On page 5, line 9, strike "physical fitness" and insert in lieu thereof "the nature, objectives, strategy, methods, and threat of world communism".

(d) On page 7, line 4, strike "physical fitness" and insert in lieu thereof "the nature, objective, strategy, methods, and threat of world communism".

(e) On page 7, line 8, strike "physical fitness" and insert in lieu thereof "the nature, objectives, strategy, methods, and threat of world communism".

(f) On page 17, amend section 7(a) to read as follows:

"SEC. 7. (a) The heading of title VI of the National Defense Education Act is amended to read 'TITLE VI—LANGUAGE DEVELOPMENT AND ANTI-COMMUNIST TRAINING AND RESEARCH' and the subtitle immediately preceding section 601 is amended to read 'LANGUAGE, ANTI-COMMUNIST TRAINING, AND AREA CENTERS'."

Redesignate the subsections of section 7 accordingly.

(g) (h) (i) On page 17, amend section 7(a) by striking the period at the end thereof and adding a semicolon and the following: "subsection (a) is further amended by inserting after the word 'teaching' where it first appears the words 'of courses of study dealing with the nature, objectives, strategy, methods and threat of world communism;' and subsection (b) is further amended by inserting after the word 'undergoing' the words 'training in courses of study dealing with the nature, objectives, strategy, methods and threat of world communism' and after the word 'teaching' the words 'a course of study dealing with the nature, objectives, strategy, methods and threat of world communism in an elementary or secondary school, or institution of higher education or'."

(j) (k) On page 17, between lines 20 and 21 insert the following:

"(b) Section 602 of such Act (relating to Research and Studies) is amended to read as follows:

" 'SEC. 602. The Commissioner is authorized, directly or by contract, to make studies and surveys to determine the need for increased or improved instruction in courses of study dealing with the nature, objectives, strategy, methods and threat of world communism, in modern foreign languages, and in other fields needed to provide a full understanding of the areas, regions, or countries in which such languages are commonly used, to conduct research on more effective methods of teaching such courses, such languages and in such other fields, and to develop specialized materials for use in such training, or in training teachers of such courses, languages or in such fields'."

Redesignate the subsections of section 7 accordingly.

(l) On page 18, amend subsection (c) of section 7 to read as follows:

"(c) The heading of Part B of title VI of such Act is amended to read 'PART B—LANGUAGE AND ANTI-COMMUNIST TRAINING INSTITUTES AND FOREIGN STUDY'."

(l) On page 18, amend clause (1) of subsection (d) of section 7 to read as follows:

"(d) (1) The heading of section 611 of such Act is amended to read 'LANGUAGE AND ANTI-COMMUNIST TRAINING INSTITUTES'."

(m) On page 18, amend clause (2) of subsection (d) of section 7 by inserting before the period at the end thereof the following: "and by inserting before the words 'any modern foreign language' the words 'a course of study dealing with the nature, objectives, strategy, methods and threat of world communism'."

(m) On page 18, amend clause (3) of subsection (d) of section 7 by inserting before the period at the end thereof the following: "and by inserting before the words 'any modern foreign language' the words 'a course of study dealing with the nature, objectives, strategy, methods and threat of world communism'."

(n) On page 19, between lines 18 and 19 insert the following:

"SEC. 8. (a) The second sentence of subsection (a) of section 761 of the National Defense Education Act is amended by striking out the word 'twelve' and inserting in lieu thereof the word 'fifteen', and the third sentence of such subsection is amended by inserting after the first semicolon the words 'three shall be individuals who are outstanding authorities on the subject of the nature, objectives, strategy, methods and threat of world communism;' "

Redesignate the subsections of section 8 accordingly.

(o) On page 20, between lines 2 and 3, insert the following:

"(d) Clause 3 of section 303(a) of the Vocational Education Act of 1946 is amended to read as follows:

" '(3) that funds appropriated under section 301 of this title shall be used exclusively for the training of individuals designed to fit them for useful employment as highly skilled technicians in recognized occupations requiring scientific knowledge as determined by the State board for such State, and in accordance with the provisions of section 304 (a), in fields necessary for the national defense.' "

(p) "(e) Section 304(a) of the Vocational Education Act of 1946 is amended by striking the word 'and' between clauses (9) and (10), striking the period at the end of clause 10 and inserting in lieu thereof a semicolon and the word 'and' and adding a new clause as follows:

" '(11) establishing and conducting a course of study dealing with the nature, objectives, strategy, methods and threat of world communism.' "

(q) On page 20, strike lines 24 and 25, and on page 21, strike lines 2 through 18 and insert in lieu thereof the following:

"(d) Section 1002(a) of such act (relating to advisory committees) is amended by striking out the word 'twelve' and inserting in lieu thereof the word 'sixteen' and by striking the word 'and' between clauses (2) and (3) and inserting in lieu thereof the following:

(q) " '(3) Four members who are outstanding authorities on the subject of the nature, objectives, strategy, methods and threat of world communism; and'."

Redesignate clause (3) of section 1002(b) of such act as clause (4).

THE COMMUNIST PROPOSAL ON WEST BERLIN

Mr. LAUSCHE. Mr. President——

The PRESIDING OFFICER. Is time yielded to the Senator from Ohio?

Mr. McCLELLAN. Let me ask how much time the Senator from Ohio would like to have.

Mr. LAUSCHE. Five or ten minutes.

Mr. McCLELLAN. I yield 10 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 10 minutes.

Mr. LAUSCHE. Mr. President, at the present time there is considerable discussion in regard to West Berlin.

In my opinion, our country cannot afford to give up West Berlin in accordance with the demands made by Khrushchev. According to his words, he wants West Berlin to be declared to be a free city. But West Berlin as an enclave within East Germany will never be a free city while Communist Russia continues in its policy of wanting to communize the world.

It would be folly of the worst type for our country to take the word of the Communists that West Berlin would be free while being in the very heart of East Germany. If we yield to Khrushchev in his demands that Berlin be made—allegedly—a free city, in my opinion we shall relive Munich, Hungary, and all the other experiences we had when

Stalin declared that the nations of eastern and middle Europe would have the right in free and open elections to choose their own governments.

The people of our country ought to ponder our experience in taking the word of the Communists.

It is tremendously appealing to be told that Berlin will be free and that with a free Berlin, peace for the world will be insured. But that would not happen. To yield to the demands of Khrushchev in regard to Berlin would be nothing more than to stimulate his appetite for further aggrandizement.

Mr. President, let us not forget the great courage of the people of West Berlin. In the last election, 1.9 percent of them voted in favor of communism, but 98.1 percent of them voted in favor of freedom and in favor of the philosophy of the free nations of the world.

West Berlin is 100 miles from the free nations of the world. Yet those people are standing up and are recognizing that if West Berlin falls to this demand, there will be complete communization there.

Let us not forget what was said to the Poles, to the Czechoslovaks, to the Estonians, to the Latvians, to the Lithuanians, to the Hungarians, to the Rumanians, to the Balkans, and to all of the other captive nations. Stalin said to Roosevelt, "We will give them the right to free elections, and with free elections they will choose their own type of government." Mr. President, where has there been held a free election among the people of those countries?

Would Khrushchev today agree to have free elections in East Berlin or in East Germany? He would never do it, because he knows that those people would not subscribe to the Communist philosophy.

Mr. President, I also call the attention of my colleagues to the great exodus of citizens from East Germany. They are moving to the West in such numbers that West Berlin and West Germany have had to call upon the East Germans, "Do not vacate that land. Stay there." Yet day after day they are running across the border, wanting to escape the dictatorship, the exploitation, and the suppression of human dignity, and they are trying to find refuge in the spirit of the West.

Mr. President, June 17 has just past. About 6 or 7 years ago on June 17 the East Berliners rose in revolt. Their revolt preceded that which occurred in Hungary. Without arms, fortified only by a brave spirit, those East Berliners rose in revolt and rebellion, in the face of the mighty power, iron, and fire of the Communists. Of course, the revolters were suppressed. They tried to liberate themselves; they did what the Hungarians did in 1956.

Mr. President, in the face of all these things, there now is made the proposal, "Take the word of Khrushchev. There will be a free Berlin. The East and the West will have an equal right to the use of free Berlin."

I wish that, on the basis of Stalin's word of the past, and Khrushchev's word, we could take this offer at full value. It simply cannot be done.

Finally, may I ask what will be the impact upon Hungary, Czechoslovakia, Rumania, and all the other captive peoples? What will become of their hopes? What will become of their prayers that they shall be emancipated from the domination and the shackles of the Communists? It will be a black day for those people when they are told the United States agreed to give up West Berlin. Their prayers might as well come to an end. Their hopes might as well be given up. The fact will be that we shall be belying every statement we made in the past about the coming of the day when liberty will be the lot of those people who live in the captive nations.

Mr. President, my hopes are that our President will not subscribe to this program. My hopes are that he will look back to the various broken promises made by the Communists, and recognize that they have not changed in their color. Their word is just as unreliable today as it was a year ago, and 15 years ago.

If we give up West Berlin, I venture to say that before a year has passed we shall find infiltration, subversion, provocation of disorders, and the eventual takeover of West Berlin.

The creation of an alleged free Berlin will impair our national security, erode our prestige, and encourage the Communists to further aggressions. It will not advance the cause of peace but of violence, disorder, and war.

REORGANIZATION PLAN NO. 1 OF 1961

The Senate resumed the consideration of the resolution (S. Res. 148) opposing Reorganization Plan No. 1 of 1961.

Mr. McCLELLAN. Mr. President, I assume the distinguished Senator from New York [Mr. JAVITS] intends to proceed at this time.

Mr. JAVITS. Yes. I am ready to proceed.

Mr. McCLELLAN. Very well.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. What is the present parliamentary situation?

The PRESIDING OFFICER. The question is on agreeing to Senate Resolution 148.

Mr. JAVITS. A further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. When we adjourned last night there was a unanimous-consent request that I might resume the floor to debate the measure after the expiration of the morning hour. May I know what eventuated prior to this time?

The PRESIDING OFFICER. The resolution is before the Senate.

Mr. McCLELLAN. Mr. President, I may say to the Senator that we are now operating under controlled time. The Senator may yield to himself such time as he may desire. I am in control of the time for the opposition.

Mr. JAVITS. Mr. President, I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 15 minutes.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The time for calling the quorum will have to come out of the Senator's time.

Mr. JAVITS. I understand.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I yield myself 20 minutes in addition to the time consumed by the quorum call.

The PRESIDING OFFICER. The Senator yields himself 20 additional minutes?

Mr. JAVITS. I yield myself an aggregate of 20 minutes in addition to the time consumed by the quorum call, in lieu of the previous 15 minutes yielded.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS Mr. President, the resolution I submitted, together with the Senator from Indiana [Mr. CAPEHART], Senate Resolution 128, adopts the statutory means for turning down Reorganization Plan No. 1, transmitted to the Congress April 27, 1961. We have until June 26, 1961, to act on this plan according to the law. I am rather hopeful, in view of the limitations of debate, that the plan may be acted on today.

I point out that in the other body, which also has the same authority we have under the Reorganization Act, the plan for the Federal Communications Commission was rejected but the plan for the Securities and Exchange Commission was not rejected, the vote being 176 to 212, a relatively close vote, based, it is interesting to note, upon a report of the Committee on Government Operations in the other body which approved Reorganization Plan No. 1, the plan we are discussing today.

Mr. President, this is a rather different position from that taken by our Committee on Government Operations, of which I am a member, which neither approved nor rejected the reorganization plan, but reported it without recommendation in a very fair and excellent report, I wish to say for the committee and for the staff of the committee. It was reported without recommendation, for the very obvious reason that the committee was split 3 in favor and 3 opposed.

So there was really no other course.

Mr. President, reorganization plans, of which a series of five had been submitted—and I understand others have since been submitted—are a creditable effort, on the whole, to reduce the burden of detail work which is required to be undertaken by each of the commissions affected. But I shall endeavor to demonstrate during the course of the discussion, first, that Reorganization

Plan No. 1 for the SEC has one unique factor, which I believe is fatal in respect of its being disapproved by the Senate, and, second, that the operations of the Securities and Exchange Commission are of such a character that it would be unwise to approve the reorganization plan, even if it were the traditional form plan, as it were, which is applied to a regulatory agency.

I invite attention to the text of the plan as it was transmitted by the President. The plan seeks, first, to allow the Commission to transfer any element of its authority to employees of the Commission, that is, to delegate any of its functions of whatsoever character to employees of the Commission, hearing examiners, or to any board in the Commission.

Secondly, the plan would give the Commission the right to review any action taken as a result of such delegation only if one less than a majority of the Commission grants such review. That is the second part of the plan.

The third part of the plan seeks to transfer to the Chairman the functions of the Commission with respect to the assignment of Commission personnel, including Commissioners, to the consideration of such matters as are delegated by the Commission.

The unique aspect of the SEC plan—and what to my mind makes it absolutely essential that it be rejected—is the fact that it would give the Commission the authority to delegate its rulemaking power. I repeat that statement. It would give the Commission the authority to delegate its rulemaking power; and it is my fundamental contention in submitting the resolution for the rejection of the plan that when the operations of the Commission are coupled with the power to delegate the rulemaking authority, in the particular areas in which the Commission needs help by virtue of the authority to delegate, we find the plan to be fatally defective. I agree, and the witnesses agree, that the Commission needs some authority to delegate in order to carry the heavy burden of work which it has. But the authority to delegate which it seeks is far narrower than the provisions of the plan. The provisions of the plan would open us to the dangers of delegation which are far worse in their nature than the difficulties which the Commission now faces in handling its burden of work.

I make that statement for this basic reason: The great problems which, as a practical matter, are encountered by the Securities and Exchange Commission are problems which inhere in the operations of its staff. Securities regulation is really a hold on the jugular vein of the Nation, in that most industrial and business operations today are carried on by the publicly-owned companies which, in one way or another, come under the jurisdiction of the Securities and Exchange Commission. In view of the very sensitive nature of the operations in which it is engaged, the slightest breath of concern results in shaking public confidence; and, as investment is entirely based upon public confidence, almost anyone in the Commission, even a very subordinate employee, if he is delegated authority in respect of a particular matter, can so disturb the public atmosphere as to ruin or make completely impotent any registration or any effort to sell securities, any refinancing activity, proxy solicitation activity, or other activity which comes under the jurisdiction of the Commission.

The difficulty with allowing the Commission to delegate the rulemaking power is that it would open the door not only to the staff, which, as I said, may not necessarily in and of itself be faulty and may be required—indeed, I believe such provision is required in order to speed up the work of the Commission—but the danger is that if we allow the Commission to delegate not only its normal authority, but also its rulemaking power, we could put it beyond the power of the Commission to recapture matters from the staff which ought to be recaptured in the interest of justice and in the interest of the fundamental purposes which are to be served by the SEC. We would vest in the staff a far greater power than I believe any staff ought to have, especially in an area as sensitive as this one. In essence, what I have stated is the difficulty which we face in respect of this plan. If the plan could be amended so that we could excise the rulemaking power, I probably would not be here arguing about the plan today, because we could have taken care of that subject in committee. I have little doubt—and I am expressing my own point of view—that the committee would undoubtedly have excised that power on the ground that it really would not serve the major purposes of reorganization which were sought to be effected. But we take or leave the plan as it is. If we should reject the plan, our rejection would be by no means fatal. For example, if the debate indicates that the plan is rejected for the reason that it would allow the designation of rulemaking power, the administration can submit another plan, which again will be subjected to the same procedure, and which we could disapprove or not, as we choose, but which would be a perfectly valid reorganization plan, to become effective if we did not act seasonably.

Also we could enact independent legislation, which has been done before, in respect of perfecting the operations of an agency. We could pass independent legislation which would do precisely what we wanted in a tailormade way with respect to the SEC. It is my understanding, for example, that right now, in view of the rejection——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. I yield myself another 15 minutes.

The PRESIDING OFFICER. The Senator from New York is allotted 15 additional minutes.

Mr. JAVITS. In view of the fact that the FCC plan was rejected in the other body, I understand that proposed legislation is now being prepared in order to define precisely what it is desired to do with respect to the FCC. Precisely the same thing could be done in regard to the SEC.

On the question of delegating the rulemaking power, I should like to point out that the statement has been made that very likely the power would not be used—certainly not in any appreciable way. This point is very important. I call attention in that regard to the fact that the fundamental hearings, the body of hearings on this plan, are not those before the Committee on Government Operations, but are those before a subcommittee of the Committee on Banking and Currency, of which I also happen to be a member, which has legislative oversight over the SEC, has considerable acquaintance with the detailed operation of the SEC, and therefore conducted the hearings, which are essentially the basic hearings before us on this plan, a copy of which is on every Senator's desk.

This was done by arrangement between the chairman of the Committee on Banking and Currency and the chairman of the Committee on Government Operations.

Referring to page 20 of the hearings before the Committee on Banking and Currency we find quite a frank statement by the Chairman of the Commission as to what precisely he intends to do about the rulemaking power. He stated:

Mr. Funston—

The man he refers to is Mr. G. Keith Funston, the president of the New York Stock Exchange—

Mr. Funston was quite correct this morning in indicating what I previously have stated, and I now reaffirm, that we do not plan a delegation of our general rulemaking. In this connection, however, for this plan to be amended to exclude general rulemaking poses a substantial problem in my opinion because of the fact that the word "rulemaking" is so broadly defined in the Administrative Procedure Act.

Then he goes on to say:

Now there are several other areas in which we have stated specifically that we do not plan delegation. I will just note them; namely, proposals for legislation, referral of criminal reference reports, institution of disciplinary proceedings involving attorneys or accountants.

On the other hand, there are I think, as I recall, six instances in which we have stated that we would delegate if the plan becomes effective. They are listed at page 13 and 14 of the statement.

He is referring to his own statement.

They include orders for private investigations and the uses of general subpena power in routine cases; second, rulings on applications for exemptions under the Public Utility Holding Company Act; third, the institution of broker-dealer proceedings in routine cases; fourth, the qualification of trust indentures where the case is routine; fifth, acceleration of certain listings of securities and applications for unlisted trading privileges and applications for delisting; and finally, the point that was discussed earlier this morning, the acceleration of registration statements.

I respectfully submit that these matters of rulemaking which the Commission wants to have authority to delegate are relatively minor matters. If—and this is the essential part of the argument—if it is unwise to give the Commission the power to delegate rulemaking authority generally, it would not be made wise because the Commission proposes to delegate rather minor aspects of its rulemaking power.

In other words, if the only inconvenience to the Commission from denying to it the very broad power of delegation, of which we doubt the wisdom, is to enable it to delegate some minor aspects of that power, the Commission should not be given the greater power, but should be required to absorb some of the annoyance or time which it might take to make rules upon these relatively minor matters, in the interest of the larger point, which is that the rulemaking power should not be delegated.

Not only did the Chairman of the Commission indicate that there is no intention to use in any appreciable way the authority to delegate the rulemaking power, which nonetheless was asked for, but Dean Landis, who was the general author and inspirer of these plans, and who testified before us, acting as a special White House assistant, testified to the same effect, namely, that there was no intention to delegate any material part of the rulemaking power.

If, as I have explained before, the rule-making power is a vital ingredient in the action of the Commission, and if it is our judgment, as I believe it should be, that the rulemaking power ought to be retained exclusively in the hands of the Commission, I do not see that any argument is made for allowing the Commission to delegate it, because there are few minor matters related to it which the Commission could delegate.

Especially is this true when we note that if we gave the Commission any authority to delegate functions rather than the rulemaking power, it would be doing all that they really need to do in order to relieve themselves of a heavy burden of work. Let me repeat that. If we gave the Commission the authority now to delegate certain of its functions, as distinguished from the authority to delegate any rulemaking power, they would be helping themselves to the extent of not less than two-fifths or better of the excess workload that they feel they now carry.

If we give them the right to delegate the rulemaking power, they do not go very much beyond that; yet we give them the right to delegate a very large item of authority. I think it is very unwise.

I agree with them when they want to delegate what they themselves designate as functions they perform rather as a super staff and not as Commissioners. They have actually specified that kind of function; where there is no opposition, for example, in respect of the acceleration of registration of securities, that is, the acceleration of the date; or where subpenas have to be issued in an investigation; where broker-dealer revocations are noncontroversial, involving stale registrations. These are normal, uncontested cases which the Commission now believes the Commission should not have to deal with. I thoroughly agree.

However, I do not understand why, in order to divest themselves of this kind of action they need at the same time to have the authority to divest themselves of the rulemaking power, which is fundamental to their basic control of what happens in the Commission and to the basic control of what happens to the staff.

The argument is made by the Commission that they do not have to delegate their rulemaking power even if we give them that authority.

Of course, the minute that is said, the statement answers itself, it seems to me, because what we are looking toward is this: If we feel a function is a function of such moment that we should want to deposit it in the hands of the Commission, we should not transfer that judgment to the Commission itself, but, rather, we should exercise that judgment ourselves. I respectfully submit that we should exercise that judgment quite definitely and exclusively by denying to the Commission the right to delegate the rulemaking power, for the reasons which I have explained.

I believe that the question of the delegation of the rulemaking power is so very clear that even the Chairman of the Commission and Dean Landis themselves had to concede that nothing much was going to be done if we gave them the power to delegate. As long as nothing was going to be done, we ought to deny it to them. The only way we can deny it to them is by sustaining the resolution rejecting the plan.

Again I repeat, this would in no way prevent or stop the basic idea of allowing the Commission to transfer some of its other functions. It is in no way affected by denying to them the authority to transfer the rulemaking power. I believe this is a fatal defect of the plan, and it should be rejected, if on that ground alone.

There is another aspect of the plan, in view of the fact that it is the SEC which is involved, which justifies, in the case of the SEC, the rejection of the plan, because of the unique operations of this agency, and that is the provision of the reorganization plan which would now change, and indeed change drastically—these are not my words, but the words of the counsel for the Commission itself—the present procedure by not giving anyone who was aggrieved a right to review by the Commission as a right, but requiring that reviews of actions by the Commission cculd only be taken if one less than a majority of the Commissioners gave such a review, or if the Commission, acting, I assume, by a majority, took such review on its own motion.

I would like to read the words of the counsel of the Commission by way of explaining that situation.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. JAVITS. I yield myself an additional 10 minutes.

The General Counsel of the Commission said as appears at the foot of page 3 of the Senate committee report:

> Plan No. 1 would obviously permit a drastic change as against our present practice. As we understand the plan, this Commission could delegate to a hearing examiner, an individual Commissioner or a group of two or more Commissioners any and all adjudicatory matters for final decision subject only to a certiorari-type discretionary petition for review which, if granted, would result in review of the decision by the full Commission.
>
> I am sure I need not add that the foregoing is merely a statement of our understanding of what we could do under the plan. It is not to be taken as an indication that this Commission would resort to any such broad delegation of its adjudicatory functions. In fact, I believe our Chairman has indicated in testifying before committees, both in the Senate and in the House of Representatives, that our present tentative thinking is that we would at most delegate adjudicatory functions in uncontested or relatively routine cases.

In short, the General Counsel admits that if Congress were to accept the plan, the Commission would be given the authority to make a vast and drastic change in its own procedures. But he then says that the Commission, of course, intends to use that authority but sparingly. However, the point is that the plan does provide the opportunity for a vast change in the Commission's procedures.

In the case of the SEC—and this is a very important point—because of the illness of one of the Commissioners, only four Commissioners actually are functioning. Hence, in order to get a review of a decision of any subordinate, it would be necessary to get a vote of half the Commission. It seems to me that this really places a tremendous roadblock in the way of the intention of Congress, which is that in serious matters there should be a Commission review. Congress would surrender to the Commission its judgment with respect to the propriety of that kind of review in whatever cases the Commission decided it wished to delegate that authority.

To recapitulate, one would have to pinpoint the fact that in asking Congress to approve this reorganization plan, we are being asked to change the basic mandate which we have given the SEC and the basic assurance of security which we have given the public and the people engaged in the securities business, who deal with the SEC, and to surrender that judgment to the Commission itself.

In other words, we have imposed upon the Commission certain positions with respect to review and the inability to delegate certain of the Commission's functions—with respect to review and rulemaking, as to which we do not give the Commission the authority to delegate its functions. Now we are asked to surrender our discretion and authority and to give that authority to the Commission. I respectfully submit that this spread-eagles a much broader field than the Commission has any intention of using. Indeed, it would be most improvident for the Commission to use the whole field in which we would give it authority. All we ought to do in so sensitive and difficult a field as securities, where the tree can be shaken by the slightest breeze, with disastrous effects to the economy and to the people in the business itself, is to provide carefully for the Commission only the authority which we feel the Commission legitimately needs in order to meet an undue burden of work, because we want the procedures of the Commission to be facilitated in

terms of performing promptly the work the Commission ought to be accomplishing.

That could be done if we gave the Commission solely the authority to delegate functions rather than rulemaking, and if we denied them the authority to institute review procedures in the case of SEC. They would then be able to delegate such functions as they felt were routine or noncontroversial. My estimate is that that would save two-fifths of the time of the Commissioners themselves. The Commission would have to determine, as a whole Commission, whether it would take up a case and review it, and would be unable to surrender the rulemaking power, which would mean the ultimate control of the operations of their staff and everything they did, because the retained rulemaking power would be vested in them. This is a provident exercise of our discretionary authority in respect to how the Commission should operate, rather than an improvident and dangerous—I use that word advisedly—suggested surrender of our control over the Commission, which is what would be done if Congress adopted the reorganization plan and gave the Commission a wide-open mandate to delegate anything they pleased, including the rulemaking authority, and denied, in a very drastic revision, the right to review anything that was turned down right in the Commission unless at least two Commissioners concurred. I point out that in the case of the SEC that represents half the Commission, for practical purposes.

This proposal would have made much more sense to me if it had mentioned the whole Commission, or one Commissioner, in terms of review; in other words, if it had made a review relatively easy to get, or if the whole Commission had been given authority to act whenever it wanted to. However, I cannot understand the anomaly of requiring one less than a majority of the Commission to grant the right of review. It seems to me that that gives a facade of fairness without the actuality of fairness. I think that is the fatal defect, as it relates to this particular agency, considering the nature of its operations and considering the very important point that, as distinguished from many other agencies, we are here dealing with a question of public confidence, where the slightest breath makes a very great difference.

Mr. CASE of South Dakota. Mr. President, will the Senator from New York yield for a question?

Mr. JAVITS. Yes, after I finish this one point. I shall cite an example.

The Securities and Exchange Commission announced an investigation of the American Stock Exchange. This had the most devastating effect upon the securities listed upon that exchange, without any reference to their value or lack of value. I feel certain the situation is only temporary and that it will right itself. However, it occurred, and people thought there might be something wrong. They said to themselves, "We had better patronize the New York Stock Exchange or some other exchange. The American Stock Exchange may not be so good." There is no reason for that. I am not complaining about it, because it is my understanding that in this instance the American Stock Exchange rather preferred that the investigation be announced, rather than that the idea that it was being looked into should be leaked. I do not make an issue of that point. I simply say that we are dealing with an agency as to which the slightest breath, the slightest blow of the wind, makes a very fundamental difference in respect to the economy.

It is for that reason that in allowing a delegation of functions, when we are dealing with an operation of this nature, we have to be far more careful and far more detailed and far more tailor-made, in terms of what the Commission really needs, than would be true of an agency like the FCC or one of the others, which either grants or denies a license, and the action is, in a sense, final, and as to which there is no question of shocking the public confidence, which has a substantive effect the minute it is shaken, without waiting for a final decision.

I now yield to the Senator from South Dakota.

Mr. CASE of South Dakota. The Senator from New York has analyzed the problem with his usual clarity. He has presented some serious questions which throw doubt upon the advisability of favoring Reorganization Plan No. 1.

Does the Senator from New York believe that the proposal to affect the rulemaking power constitutes a change in the basic statute, so far as the Securities and Exchange Commission is concerned?

Mr. JAVITS. I believe it does. It was one of the legal questions seriously discussed, and upon reflection, considering the general design of the SEC, I believe that in this case, where it is sought to give the right to delegate the rulemaking power, it goes to the essentials of the statute itself.

Mr. CASE of South Dakota. It seems to me that the proposal raises a question as to whether this is a proper exercise of authority to be given the President under the basic reorganization statute. At the time the reorganization statute was enacted, it was generally understood that the President could not change substantive law; that he might transfer duties, or merge, or do things of that sort. However, it was not intended that the President should write new substantive law in the sense of basic purposes, powers, and functions of the operation.

Mr. JAVITS. On the question of the proposed rulemaking power, let me say it might very well be, and probably it would be true, that if we were to allow it to happen, there would be nothing unlawful about it. But I could not agree more than I do with the Senator from South Dakota that I can hardly conceive that in connection with the securities business it would ever have been within the contemplation of Congress to permit a Commission of the SEC to delegate its power. It seems to me that the entire scheme of the SEC Act is that Congress intended to have the SEC exercise the powers given to it; and I have no doubt that the SEC bill would never have been passed by Congress if there had been the least intimation that the President intended that the SEC have the power to delegate its power. So I base my position on the possible unlawfulness of the plan as a plan.

Mr. CASE of South Dakota. The other remarks of the Senator from New York which particularly interest me are those which relate to the power of review. I agree with him that the device, as proposed, that one less than a majority of a commission or an agency should be required in order to order a review, gives the appearance of fairness, but in substance it would not be fair. In some of the agencies, the majority is a majority of the membership of the Commission, but the other members may be divided among independents and members of the minority party. In fact, in the case of the Federal Trade Commission, I think the so-called minority party has one less than one less than a majority. So it would be difficult to accept the view that the device now proposed would preserve a bipartisan or nonpartisan approach.

Will the Senator from New York permit me to request at this time that there be printed in the RECORD, following his remarks, the presentation I made before the Government Operations Committee in regard to Reorganization Plan No. 2? I should like to have it printed in the RECORD as a statement by me, in view of the fact that I discussed this review matter when I appeared before the Government Operations Committee in connection with the reorganization plan dealing with the Federal Communications Commission.

Mr. JAVITS. Mr. President, I ask unanimous consent that I may yield for that purpose without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE of South Dakota. Then, Mr. President, I ask unanimous consent that my statement be printed in the RECORD at the conclusion of the remarks of the Senator from New York.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

(See exhibit 1.)

Mr. JAVITS. Mr. President, in view of the present attendance of Senators in the Chamber, I ask for the yeas and nays on the question of agreeing to my resolution.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

EXHIBIT 1

STATEMENT OF HON. FRANCIS CASE, U.S. SENATOR FROM THE STATE OF SOUTH DAKOTA

Senator CASE. I am Senator CASE of South Dakota. I introduced Senate Resolution 142, with my colleague Senator MUNDT as a cosponsor, relative to the Federal Communications Commission Reorganization Plan No. 2 and as a cosponsor joined Senator MUNDT in his introduction of Senate Resolution 143 relative to Reorganization Plan No. 3 relating to the Civil Aeronautics Board.

Mr. Chairman, I appear today in opposition to Reorganization Plans Nos. 2 and 3, which were submitted to the Congress on April 27, 1961, and May 3, 1961, relating to the Federal Communications Commission

and the Civil Aeronautics Board, respectively. Both of these proposals ostensibly provide for greater efficiency in the dispatch of business. I would say they may expedite action, but whether so or not, in my opinion they tend to defeat the fundamental purposes of these agencies. These proposals will become effective 60 days from the date of submission unless a majority vote in opposition is adopted in either House.

At the outset, let me say my opposition to Reorganization Plan No. 2 is not prompted by disagreement with the Federal Communication Commission Chairman's recent statement with respect to television programs before the National Association of Broadcasters. I think possibly these programs serve a far greater public purpose than was accorded in the opinion of the Chairman, as expressed at that time, but I couldn't disagree that there shouldn't be improvement, as much as possible, from time to time.

Agency reorganization should be a continuing objective, as bureaucratic rigidity has a tendency to override administrative flexibility. Nevertheless, reorganization proposals should be carefully examined to see whether they will in fact cure the alleged problems they are intended to solve and, more importantly, whether such proposals are consistent with our fundamental concepts.

The plan proposed for the FCC is comprised of three parts:

First, the authority to delegate; second, the transfer of functions to the Chairman; third, abolition of the review staff.

Since the plans must be adopted or rejected in toto, all parts should be carefully considered.

One of the inherent dangers in a broad delegation of powers is that the delegating authority may become isolated or at least inaccessible to the actual operating level. Further, present authority exists in the Federal Communications Commission to make assignment or referral (47, sec. 155 (d)) to an individual Commissioner or Commissioners or to a board composed of one or more employees of the Commission. But under the plan the Commission has a discretionary right to review actions taken by those to whom authority has been delegated. Three votes, in the case of the Federal Communications Commission, one less than the majority, would be required to bring the action before the Commission for review.

Since the law states that not more than four members of the Commission shall be members of the same party, this provision would appear to pay lipservice to the bipartisan character of the Commission. But in practice there is no such assurance that one member, much less three, will be members of the minority party. I mean, speaking of minority party, politically. That was the point I discussed in interrogation of Dean Landis. Thus the protection given in the provision is something less than real. The net effect, therefore, would be to tend to transform the Federal Communications Commission, an independent regulatory agency, into an arm of the executive, which has the authority of appointment, and the designation of Chairman.

Not only does this proposal do violence to the concept of bipartisanship and independence, but it runs contrary, also, to a basic procedural concept of review. The plan proposed, plan No. 2, would deny the right of aggrieved parties to even one administrative review of the presiding officer's initial decision and to present oral argument in this review. Under the present law, an adjudicatory matter is heard by a hearing examiner as established by section 11 of the Administrative Procedure Act and the examiner's decision is subject to review as a matter of right by the full Commission (sec. 409(b)). So also all rulemaking or other regulatory actions by subordinates are subject to review as a matter of right (sec. 5 (d)(2)).

Under the present law, the Commission may delegate all of its business except the Commission's decisionmaking functions in cases of adjudication (sec. 5(d)(2)). Thus, Reorganization Plan No. 2 in basic effect merely adds to present broad powers the power to delegate the Commission's decisionmaking functions in cases of adjudication. But it destroys any right of review to persons aggrieved. The danger is that the Commission, under the press of its many responsibilities, will not exercise the discretion it has to review these adjudicatory decisions and other important matters. Parties would be forced to depend upon the opinion of any one of 15 examiners, 7 individual Commissioners, and an unlimited number of employees or boards of employees to whom their cases might be assigned. I hope the committee will give careful consideration to that fact that it isn't merely to the 7 individual Commissioners that cases might be assigned, but also to any one of 15 examiners and to an unlimited number of employees or boards of employees.

An aggrieved party should have at least some automatic right of review by one or more of the Commissioners themselves.

The CHAIRMAN. Does this plan deny that now altogether?

Senator CASE of South Dakota. It does, unless a number, one less than the majority of the Commissioners, votes to exercise the right, and with a board of seven, three could require the review, but if any one or two of the Commissioners asked for review, it would be ineffectual.

The CHAIRMAN. What I am trying to understand is this: I am an aggrieved party. The examiner made a ruling against me; it is adverse and I am aggrieved. I want to get some relief under this plan. To whom do I appeal? How do I find out whether I can get relief?

Senator CASE of South Dakota. The plan says, in paragraph (d):

"With respect to delegation of any of the functions as provided in subsection (a) of this section, the Commission shall retain a discretionary right to review the action of any such individual Commissioner, hearing examiner or employee or employee board upon its own initiative or upon petition of a party to or an intervenor in such action within such time and in such manner as the Commission shall, by rule prescribe, *Provided, however,* That the vote of the majority of the Commission, less one member thereof, shall be sufficient to bring any such action before the Commission for review."

The CHAIRMAN. As I understand, under the plan the Commission can still, in its discretion, make rules that could provide where one could be heard?

Senator CASE of South Dakota. The Commission obviously could, by a majority vote or by more than a majority or up to one less than a majority, but with a board of seven members or a Commission of seven members it would require at least three of the Commission to request it.

The CHAIRMAN. What I am trying to get fixed in my mind is, What is the limit of my right as an aggrieved person? Now, as to discretion, you explained that, but what is my right to demand it?

Senator CASE of South Dakota. You have no right to require a review. There is no mandatory right to review by one Commissioner, as there is in the present law.

The CHAIRMAN. In other words, my rights are limited. Now I do have a right to review?

Senator CASE of South Dakota. You have a mandatory right to a review by one member of the Commission. That is my understanding. If you feel aggrieved, you have a right of one review by at least one Commissioner. That is my understanding of the present law. That would be destroyed by the plan.

The CHAIRMAN. It is my understanding that some of these plans before us take away rights that an aggrieved person now has.

Senator CASE of South Dakota. That is my interpretation of the plan.

The CHAIRMAN. That is why we must have it clearly before us here. The Senate needs to know exactly what rights that now exist are being limited, restricted, or taken away. What rights will participants have—litigants before the Commission have—when these plans go into effect?

Senator CASE of South Dakota. I think that the plan destroys that mandatory review which an aggrieved party feels he has today under section 409. An aggrieved party should at least have some automatic right of review by one or more of the Commissioners themselves. The Commissioners are charged with the enforcement of the Communications Act and establishment of policy. No serious burden is imposed by demanding or requiring no decision become final until at least one or three Commissioners review the matter, if requested by an aggrieved party, and essential to this right of review should be the right of oral argument before the individual Commission or panel. The benefits of the right to oral argument are well established procedurally and judicially.

I want now to discuss the transfer of functions to the Chairman. Reorganization Plan No. 2 gives the Chairman virtually unlimited discretion in the assignment of cases to agency personnel, including the Commissioners themselves.

The Chairman, under present law, is the chief executive officer of the Commission and in this capacity exercises broad authority on behalf of the Commission. That his authority is not complete is not justification for adding to it.

The role of the FCC demands that its status as lawmaker, judge, and executive should be specially treated. The vast powers granted to the independent agencies were conferred with the intent that these agencies should be neither executive nor legislative, but in fact independent.

Historically the Federal Communications Commission was established in 1934 as a successor to the Federal Radio Commission. The hearings and reports on the legislation passed in the 69th Congress which resulted in the Radio Commission support this position. Strong differences of opinion and lengthy hard-fought disputes preceded and followed the 1926 legislation. The report of the Senate Committee on Interstate and Foreign Commerce, Senator C. C. Dill, chairman, in 1926, has special significance in the evaluation of the reorganization proposal plan No. 2.

Senate Report 772, 69th Congress, 1st session, May 6, 1926, at page 2, on the regulation of radio transmission, read as follows:

"After consideration of the facts given your committee at the hearings, the committee decided that the importance of radio and particularly the probable influence it will develop to be in the social, political, and economic life of the American people, and the many new and complex problems its administration presents, demand that Congress establish an entirely independent body to take charge of the regulation of radio communication in all its forms.

"The exercise of this power is fraught with such great possibilities that it should not be entrusted to any one man nor to any administrative department of the Government. This regulatory power should be as free from political influence or arbitrary control as possible. A Commission which would meet only occasionally would gain only a cursory and incomplete knowledge of radio problems. It would necessarily be largely dependent on

the administrative authority; namely, the Secretary of Commerce, for expert knowledge it would require."

I was interested in noting the remarks of the then Secretary of Commerce Hoover at the House hearing (cited in minority views of Ewin L. Davis, H. Rept. No. 464, 69th Cong., 1st sess.):

The minority views, as per page 20, House Report 464—these are the remarks of Mr. Davis, quoting Mr. Hoover:

"The bill as originally introduced provided for the establishment of a national Radio Commission, consisting of nine members to be appointed by the President.

"When Secretary Hoover appeared before the Committee on Merchant Marine and Fisheries with respect to said bill during the present session, he declared in part as follows:

" 'I have always taken the position that unlimited authority to control the granting of radio privileges was too great a power to be placed in the hands of any one administrative officer and I am glad to see the checks and reviews which are placed upon that power in this bill.' "

President Kennedy's Reorganization Plan No. 2 violates the principles so well stated by Mr. Hoover 35 years ago. It places the granting of radio privileges in single administrative officers, either Commissioners or examiners as the Chairman may designate and it destroys review as a matter of right by parties feeling aggrieved. In any field that is wrong procedurally, to deny the right of review; in the field of public communications, it is the road to destruction of informed Government by the people.

Mr. Hoover went on to say:

"I am opposed to the establishment of any new Commissions or the creation of any new offices except in a case of vital necessity. However, after having for several years given this subject very earnest consideration, I have reached the definite conclusion that the interests of the public and of the various citizens engaged in the radio industry cannot be adequately and efficiently protected without the establishment of a quasi-judicial tribunal to deal with certain phases of the problem."

This Reorganization Plan No. 2 would result in practice in the deterioration of the Commission-type operation, as it would, in all likelihood, result in a one-man agency. Thus, Presidential or executive control would become a reality, and a strengthening of the executive at the expense of the legislative branch. This was neither intended at the time of the establishment of the Federal Communications Commission, nor is it required today.

Furthermore, the unlimited right of assignment by the Chairman violates well-established principles of equality of treatment and rotation. For example, under section 11 of the Administrative Procedure Act, examiners must be assigned "in rotation so far as practicable." It is well known that courts adhere to a strict rotation system to assure fairness. Why should not this same fairness and rotation be demanded of administrative agencies? Section 2 of the reorganization plan gives the Chairman too much power in these matters and should not be approved.

As to the abolition of the review staff, I have less opposition. In my opinion, this may be a worthwhile proposal as the review staff has functioned to acquaint the Commissioner with the facts and arguments in the cases. This function could be handled equally well by the Commissioners' personal staffs.

There is the possibility this change may actually prove beneficial in that the Commissioners will be responsible for writing their own opinions, thus assuring greater responsibility.

If the proposed reorganization plan should be disapproved, it must be either approved or disapproved in total. The arguments set forth above in answer to the proposals (1) to delegate powers and (2) to transfer functions to the Chairman are equally applicable to the CAB reorganization plan. This plan should also be disapproved.

The regulatory agencies serve a very important function in our system of government. I believe they can operate efficiently and economically without destroying their independence or creating one-man agency organization. The difference in these agencies are too great to be remedied by a single nostrum—rather, each agency's situation should be examined carefully in order to determine the appropriate remedy to be prescribed.

The CHAIRMAN. Thank you very much. We appreciate your views, Senator, and they will certainly be given full consideration by this committee.

Mr. MAGNUSON. Mr. President, will the Senator from New York yield, so that I may submit a conference report?

Mr. JAVITS. Certainly.

ESTABLISHMENT OF U.S. TRAVEL SERVICE WITHIN DEPARTMENT OF COMMERCE — CONFERENCE REPORT

Mr. MAGNUSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 610) to strengthen the domestic and foreign commerce of the United States by providing for the establishment of a U.S. Travel Service within the Department of Commerce and a Travel Advisory Board. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of June 19, 1961, p. 10680, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MAGNUSON. Mr. President, the Senate conferees did not submit a separate report, because there was little necessity for one.

In the conference we had very little trouble ironing out the differences between the positions taken by the two Houses on this measure; and we have arrived at a very excellent report which will meet the objectives of the Senate's version of the bill.

The Senator from New York [Mr. JAVITS] participated very much in the preliminaries in regard to this measure to establish a U.S. Travel Service.

I hope the conference report will be agreed to at this time.

Let me say that the President of the United States also favors this measure, and on two occasions he has sent to Congress a message on this subject.

Mr. JAVITS. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. JAVITS. Mr. President, this is a great day—a great day for me, personally, and also a great day, I believe, for the entire country, because at last we are beginning to recognize the importance of travel as a two-way street.

I would like to say to the Senator from Washington that if it had not been for his picking up this ball and running with it as effectively as he did, nothing would have happened in regard to this subject, in my opinion.

Let me state that I began this effort in 1952, with hearings before the House Subcommittee on Foreign Economic Policy—a subcommittee of which I was then the chairman, for that was one of the rare periods when Republicans were in control of the House of Representatives. But during all that time, notwithstanding the provisions of the Mutual Security Act and notwithstanding a report by a special adviser to President Eisenhower, urging that this be done in the national interest, absolutely nothing happened along this line until the Senator from Washington got his committee to act on it. In my opinion, if it had not been for the leadership he took, no action would have been taken by the House of Representatives in connection with this subject. He literally went over there and got it done.

This measure is critically important, because for the first time our country will have an agency to encourage travel in the United States, as well as travel abroad. Certainly there is no better form of mutual aid than travel; and, in the second place, it is also very important because it makes for a more open world—something which all of us very greatly desire.

Of course much remains to be done—for instance, the cutting of the large amounts of redtape which still exist in connection with customs, visas, and so forth.

But the accomplishment of this much, by means of this measure, is to be greatly cheered. The President of the United States, who made much of this matter in his messages to the Congress, is entitled to credit for helping bring this measure into being; and I want the President to receive that credit.

I repeat that a very great deal of the credit is due the Senator from Washington, who picked up the ball and ran with it. Notwithstanding that I had tried for years to accomplish this sort of development, nothing would have happened in this field if it had not been for the contributions made by the distinguished Senator from Washington.

Certainly this measure is most important, because it will help increase understanding throughout the world and also it will help improve the situation in regard to the balance of international payments.

So again I desire to thank most sincerely the distinguished Senator from Washington.

Mr. MAGNUSON. I thank the Senator from New York. Of course, he has been a partner in all this work.

With minor modifications, this measure is the same as the one the Senator from New York proposed when he was a Member of the House of Representatives. He has joined me in our efforts in this field—along with all of our colleagues over here.

The job in the House of Representatives was a difficult one in many respects. The Senate passed the bill once before, but it encountered some trouble in the House.

This measure is a good one. I wish to say to the Senator from New York that the climate created by our hearings and by our discussions on the bill earlier in the year caused the President and the executive branch to do what they could in order to simplify and reduce the almost endless regulations and red tape which have hampered bona fide visitors who desired to travel in the United States. I understand that the executive branch has accomplished something in that regard; and I also understand that since March 15, since that work has been underway, the applications for visas received from other countries have increased approximately 9 percent, as compared with the number last year.

The deficit in the balance of trade, as it relates to travel, is still about the same as it has been; but we hope for improvement. Our balance of trade deficit is still approximately $1 billion.

I wish to pay a compliment to those in industry who were so very helpful in connection with this measure—namely, the travel agencies, the airlines, the steamship lines, the railroads, and all others who are involved in travel.

The New York newspapers did a great deal in connection with that work; and almost every newspaper in the United States—including those in Florida, for instance—has helped us.

So, Mr. President, I believe we shall see some great improvements occur in this field.

Already the bus operators and hotels are doing something about it. The buslines are working on arrangements whereby tickets can be bought on a monthly basis and punched when used. The railroads could well follow suit. The steamship lines are thinking of using their ships off season.

We are probably the only country in the world, with perhaps the exception of the Sino-Soviet bloc, where one can find any kind of weather any time of the year. Therefore, in so-called off season, people can come to this country.

Everybody is very enthusiastic about this program. I do not think the results will come about overnight, but at least it is a start. I thank the Senator.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. JAVITS. I join in expressing appreciation to private industry, which was for this proposal from the beginning. They were fearful that reservation bureaus might be set up. That fear was speedily dispelled. They are entitled to credit for bringing us as far as we have been brought in this program.

I wish to commend the Senator from Washington and others responsible for assuring us that not only will this be a law, but that it will work well.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. HUMPHREY. I wish to express appreciation to the Senator from Washington, the Senator from New York, and all others who have helped in bringing about this legislation. I would ask that the Senator from Washington keep his legislative eye on this program, in order that it may be properly staffed.

In our consular offices and other offices that will be established under the bill, the manner in which the travel or tourist program really operates will depend in no small part upon the caliber of the personnel.

Mr. MAGNUSON. The Senator is correct.

Mr. HUMPHREY. The Senator has properly noted that there are certain obstacles and obstructions in the matter of our customs and consular offices, visas, and so forth. The subject ought to be carefully examined.

I rise today merely to put the agencies concerned on notice, so far as the Senate can do so, that we want prompt action and that we say there will be a determined effort to put this program into effect quickly.

I know the Department of Commerce will move readily in the program, because the Department has been waiting for the reorganization and particular directive.

The 50 States of this Union now have an opportunity to tie in a great tourist and travel program with the new U.S. Travel Office. I hope each of the 50 States will attempt to more directly coordinate their efforts, in representing the many scenic areas and fine attributes and assets of their respective States, with the National Travel Office. I hope it will be a source of considerable income for the Nation. It can be a very practical effort in terms of our international relations and promoting international understanding.

People will be able to visit the United States and see more than just Washington, D.C., or just, may I say respectfully, cities of the eastern seaboard. Many people come to visit the United States and get only as far as New York, or Washington, or the port of entrance. This legislation will promote a program of wide understanding of people of the whole Nation. The Senator from Washington should make sure that the Office exercises some good public relations and publicity, working with private industry and other private groups.

I hope we shall do as good a job as, for example, France is doing in promoting travel to France, or as Britain is doing in promoting travel to Britain, or, may I add, even as good a job as Russia does in promoting travel to the Soviet Union.

When a visitor comes into the central depot in Washington, or to the airport, if he does not happen to speak English, he is in a difficult situation. It seems to me a city which proclaims itself as the capital city of the free world should have services available, and readily and physically available, so that when people come to visit this country, they can be greeted in a language that is understandable to them. I suppose agencies of the Government can do something about this problem, and can provide, for instance, service in terms of brochures or bulletins or other travel service and travel information at the respective points of travel contact.

I thank the Senator from Washington for his efforts. This program makes sense to me. It puts the United States somewhat in the 20th century, from the standpoint of travel and tourism.

Mr. MAGNUSON. I may point out to the Senator from Minnesota that the Department of Commerce has already asked the chairman of the subcommittee for the amount authorized in the bill. We have not marked up the bill yet, but representatives of the Department have been before the committee.

Another thing the Senate should know about the bill is that it authorizes the use of counterpart funds in places where such funds are available.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. HOLLAND. First, I compliment the Senator on his alertness and leadership in bringing before the Senate this bill, which I think will render great service to our Nation. Second, I wish to confirm what he has just said about the attitude of the Department of Commerce. The Department is quite alert in this matter and is enthusiastic about the bill. Its representatives have applied for the appropriations needed, on a contingent basis, looking forward to the early passage of the bill and its becoming law. I think we can say for certain that the Department is going to give the program a very fine administration and a very earnest effort to serve our country.

I again say I think the Senate and the people as a whole are beholden to the distinguished Senator from Washington for his leadership in this effort.

Mr. MAGNUSON. I thank the Senator.

Mr. President, I move that the conference report be agreed to.

The report was agreed to.

Mr. KEATING. Mr. President, I am delighted that, with the Senate acceptance of the conference report on S. 610 today, this measure goes to the President for signature. The establishment of an International Travel Office, will, I know, be an important innovation. I am happy to have been a supporter of this measure in the Senate, and I am hopeful that the Commerce Department will implement this fine program in an efficient and vigorous manner.

REORGANIZATION PLAN NO. 1 OF 1961

The Senate resumed the consideration of the resolution (S. Res. 148) opposing Reorganization Plan No. 1 of 1961.

Mr. JAVITS. Mr. President, it is my proposal to yield the floor and the time remaining to me so that my leader may address himself to the resolution.

DISTRESSED AREAS IN A GROWING ECONOMY

Mr. HUMPHREY. Mr. President, I call to the attention of the Senate a report entitled "Distressed Areas in a Growing Economy." This report was

made by the Research and Policy Committee of the Committee for Economic Development. The committee is made up of many distinguished business and professional people in our country, among which is Donald C. Dayton from the State of Minnesota. Mr. Dayton, I might point out, also, served on the subcommittee which concerned itself with distressed areas.

It is an excellent and comprehensive report, analyzing problems of distressed areas and recommending various solutions to these problems. It is interesting to note that the report, written before President Kennedy's proposals concerning relocation and retraining of workers were sent to Congress, recommends action in this area. Some other recommendations in the report have already been enacted into law by way of the distressed areas bill.

One of the most interesting proposals set forth in this report is the one recommending creation of Federal Reserve develpoment corporations within each Federal Reserve bank. I should like to read the specific recommendation found on page 64 of the report:

> We offer instead the proposal that in each Federal Reserve district the Federal Reserve bank establish under Federal charter a Federal Reserve development corporation which would assist in or guarantee the financing of worthwhile nonprofit development corporations, statewide development credit corporations, public projects, and private businesses in exceptional cases in distressed areas.

I ask unanimous consent that section 1, pages 7 through 13, containing the specific proposals of the committee, be printed at this point in my remarks in the RECORD.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

1. INTRODUCTION AND SUMMARY

GENERAL STATEMENT

High and stable employment is an essential goal of American life. Federal policies for many years have been directed toward that end. This committee has from its inception recommended programs which would promote that goal.

The past decade has demonstrated, however, that policies which bring the Nation to a satisfactory overall employment level still leave pockets of high unemployment which persist year after year. In fact, this problem has worsened during the last decade.

Many people living in areas of high rates of unemployment lack a gainful livelihood for prolonged periods. These individuals experience not only seasonal unemployment and the unemployment associated with periodic recessions, but also a longrun shortage of work opportunities resulting from changes in the structure of the economy.

Much personal suffering in these areas results from low income, from lack of a productive role in the economy, and frequently from loss of hope. The communities generally experience a decline in total income and in ability to provide essential services. The welfare problem in such areas is great.

When a significant segment of the working population is unable to find employment over prolonged periods, America's productive strength is not fully utilized. This is an economic waste which the Nation can ill afford. Production to increase the standard of living of large segments of our population and to support both economic growth and the requirements of national defense can use the services of these people.

Today 17 million Americans, almost 10 percent of our population, live in urban areas of chronic labor surplus. These areas have over 16 percent of national unemployment even though their labor force is not quite 9 percent of the national total. The communities range in size from small urban communities to the fifth largest metropolitan area in the country, Detroit.

To bring these chronically depressed areas up to the national average rate of employment will require either 250,000 new jobs or that number fewer workers in these areas. To bring these communities to no better than 150 percent of the national average rate of unemployment will require over 100,000 new jobs or fewer workers.

In a free society individuals are at liberty to live where they please and industries to locate where they please, subject to some necessary local controls. Each person and firm is free to seek out his own best interest, within the rules of the game laid down by law. Movement to improve one's condition is a normal activity in such an economy.

Yet the movement of workers to areas with more job opportunities and the movement of employers to areas of surplus labor have not been sufficient to wipe out these pockets of chronic unemployment.

Persistent high unemployment rates in areas which once enjoyed full employment and often were centers of economic growth are the result of causes which are deeply rooted in the dynamics of our economy. These forces can be expected to bring a similar blight to other areas if adequate remedial and preventive measures are not undertaken.

To eliminate this type of chronic distress and to prevent the development of more such areas the time has come for more conscious efforts to match jobs with workers and workers with jobs. A greater degree of participation by State, local, and Federal government agencies is necessary. But at the same time managers of private industry and leaders of labor can increase their own contributions to the matching process.

The primary objective must be to help people to help themselves. In this way human suffering will be reduced and productivity increased. Governmental participation should not infringe on the freedom of individuals or of business firms. To the greatest extent possible it should facilitate and encourage the processes of freedom of movement and of a free market.

Since the problem has long-run origins, the solutions must be found largely in longrun measures. Some can be put into effect immediately, while others will require some period of preparation. Some programs can be applied in specific geographic areas of distress. Others must apply more generally throughout the economy.

Care must be taken not to waste Government expenditure in efforts which merely provide temporary jobs. On the other hand, capital expenditure by Government in some areas may make possible an economic activity which will produce valuable returns for the citizens of the Nation as well as for the inhabitants of the area.

The goals of governmental activity—Federal, State, and local—with regard to these problems should be threefold:

1. To increase the ability of individuals in these areas to qualify for and find employment, either in these places or elsewhere;

2. To increase the number of jobs in most present chronic labor surplus areas,[1] and

3. To slow down or prevent the development of new areas of chronic high unemployment.

Our knowledge about the causes of and the cure for the condition of such areas is incomplete. We do not know how far any specific program will take the Nation on the road to solution of this problem. Of major importance is the maintenance of a satisfactory level of high employment throughout the Nation.[2] Conditions of high employment facilitate the movement of workers from distressed areas to labor shortage areas, and encourage employers to find new labor supply in areas of chronic labor surplus.

There are several specific steps we feel confident should be taken now.

SPECIFIC RECOMMENDATIONS

1. A detailed economic development program based on sound research and diagnosis should be prepared for each distressed area by the area, or if the area cannot, then by the State or region containing such an area. It should provide for the coordination of State and local governmental activities, and of some private activities. Such programs may assist existing industries to expand employment, and may help to attract new industries. They may involve such matters as changes in State highway construction, development of new recreational areas, and modifications of urban renewal programs. They should realistically state the extent of the present and prospective need for workers to find jobs outside of the area. (Pt. III, p. 39.)

2. Management and labor organizations in distressed areas should contribute to longrun employment opportunities by cooperative efforts to reduce labor and other production costs. Lower costs can make possible more competitive pricing, entry into new markets and increased production volume which will expand employment. Management should exert every effort to develop new products and new markets. Employment opportunities depend as much on sound individual leadership in the local economy as on any combination of Government programs. (Pt. III, p. 42.)

3. A high level Federal executive with prime responsibility for coordinating the efforts of the various existing Federal departments can provide substantial leadership in the solution of the problems of distressed areas. An interdepartmental committee working with such an executive can encourage and stimulate each department to make its own most appropriate contributions. Such a Federal executive can serve as a focal point for Federal contact with State and local programs.[3] (Pt. III, p. 43.)

4. A careful and limited definition of areas of chronic labor surplus in need of special Federal attention should be drawn. The definition should include a provision that unemployment in the area has been at least 50 percent above the national average for an extended period, as in the current Labor Department definition. This will screen out

---

[1] By Fred C. Foy: "I am concerned about inferences at various points in this paper that Government can, on its own, increase the number of non-Government jobs in an area. For this reason I believe this purpose could be better stated as follows: 'To do those things which Government can do to help increase the number of jobs in most present chronic labor surplus areas'."

[2] By Philip Sporn: "While high employment is important to a growing economy, it is equally important that we think in terms of low unemployment. High employment can be accompanied by high unemployment, as we are witnessing at the present time. Although this report is entitled 'Distressed Areas in a Growing Economy,' one of the major reasons for the seriousness of the distressed area problem is that the economy is not growing at a fast enough rate to maintain low unemployment."

[3] See memorandum by Walker L. Cisler, p. 71.

areas that develop labor surpluses only during national recessions. (Pt. III, p. 44.)

5. An adequate system of public education should be provided as the first basic step in helping people to qualify for employment. It is also an essential step in enabling people to grasp the opportunities and meet the responsibilities of citizenship. An earlier CED policy statement, "Paying for Better Public Schools," outlined a program to provide a more adequate general education system in States and localities with below average per capita incomes, as many distressed areas are.[4] (Pt. III, p. 45.)

6. Vocational training programs in distressed areas should prepare people for jobs in the regional or national labor market, as well as for openings in the local labor market. Vocational training and guidance in the State and local educational system should be open to individuals of all ages. Federal advice to States and depressed localities, and additional Federal financial assistance for vocational training in distressed localities should be provided. Special financial assistance to enable qualified students to take vocational training away from home may be necessary if the locality cannot provide adequate training. (Pt. III, p. 46.)

7. Eligibility for unemployment insurance should not be denied a worker because he is taking a full-time retraining course. States should modify their unemployment insurance systems to enable otherwise eligible workers to draw unemployment insurance benefits while taking necessary retraining. As a temporary measure, effective in distressed areas only, subsistence payments should be provided from Federal funds for a worker taking a full-time retraining course if he has exhausted unemployment insurance rights or is currently denied unemployment insurance while in retraining.[5] A search for modifications of unemployment insurance systems which will encourage looking for work across State lines is also highly desirable. (Pt. III, p. 53.)

8. The State employment agencies should, in cooperation with the U.S. Department of Labor, make more information available in chronic unemployment areas about job opportunities in other parts of the country. A matching of skills in surplus supply in depressed areas with shortages of the same skills in prosperous communities would be of benefit of both unemployed workers and to employers. (Pt. III, p. 55.)

9. A general national effort to encourage the reemployment of older workers—those over 45—would make it easier for unemployed older workers in distressed areas to find work in communities with high employment, as well as with new employers in their home area.[6] (Pt. III, p. 56.)

10. Federal assistance should be provided to States and depressed localities for preparing local development programs, and for land-use plans in distressed communities. Federal matching funds for the "thinking" stage have been of great value in the urban renewal program and the principle should be extended to State and local analysis of distressed areas problems.[7] (Pt. III, p. 57.)

11. Urban renewal programs in distressed areas should be used in some cases to restore land to effective commercial or industrial use. In a chronic labor surplus area the improvement of land use to maintain or help provide new employment is often a more important public purpose than an improvement in the housing supply. (Pt. III, p. 59.)

12. Each Federal Reserve bank should establish a Federal Reserve Development Corporation to assure adequate financing for sound business ventures and necessary public facilities in distressed areas. It would supplement, and where necessary provide, additional backing for existing State and private financing programs. This method of covering the financial requirements of a local economic development program is to be preferred over the establishment of a new Federal loan agency.[8] (Pt. III, p. 59.)

13. The Federal Government, in the location of new permanent Government facilities, should give special consideration to distressed areas, so long as such an area can meet the requirements of economy and efficiency in location. (Pt. III, p. 66.)

14. Special rapid amortization privileges should be made available to firms expanding or building new plants or installing new equipment in distressed areas. This type of incentive to industry has proved effective in the past and can stimulate an increase in employment in these areas.[9] (Pt. III, p. 66.)

15. Further Federal research supplementing State, local, and private research into the nature, cure, and prevention of area-wide chronic unemployment is necessary. One goal of such research should be the development of an early-warning system which could indicate potential danger to areas not now suffering from chronic high unemployment. (Pt. III, p. 68.)

16. We oppose special privileges under defense procurement, or outright Federal grants for capital construction as methods of solving this problem. Defense procurement is complicated, its contracts are temporary, and the Nation should buy at the lowest cost. Federal grants for local capital expenditure should not be necessary for a distressed area, with a sound economic development program, and they would be a waste in an area lacking a sound program.[10] (Pt. III, p. 69.)

These recommendations we believe will help achieve the threefold goals outlined above.[11]

WHAT GOVERNMENT EXPECTS OF BUSINESS IN MARKETING

Mr. HUMPHREY. Mr. President, on Friday, June 9, the Honorable Lee Loevinger, Assistant Attorney General in charge of the Antitrust Division, U.S. Department of Justice, delivered an address entitled, "What Government Expects of Business in Marketing."

His speech contains a noteworthy and significant analysis of Federal law governing business. It also explains why the legal expectations of business by Government are necessarily general rather than specific.

He very wisely explains that our laws must cover so many varying conditions that to attempt to do so specifically would result in such voluminous legislation as to be unmanageable and undesirably inflexible. Justice Loevinger goes on to explain that basically what is expected of business may be summarized in five concepts: legality, honesty, competition, fairness, and quality. The ensuing discussion of these concepts as applied to business is certainly worthy of study.

I ask unanimous consent that the speech be printed at this point in my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

WHAT GOVERNMENT EXPECTS OF BUSINESS IN MARKETING

(Address by Lee Loevinger, Assistant Attorney General in Charge of the Antitrust Division, U.S. Department of Justice)

"What Government Expects of Business in Marketing" is a wonderful topic. An adequate speech on this topic by a speaker competent to deal with it would be most enlightening, as well as entertaining. When you find such a speaker I hope that you will be kind enough to invite me to attend his presentation as I would be most interested to hear what he has to say. It is obvious that you have either been unable to find such a speaker or have been unable to persuade him to appear since your sponsoring committee has been forced to invite me to speak on this subject. I make no pretensions to being able to cover the area suggested by the title.

To begin with, it should be apparent that no one person—with the possible exception of the President of the United States—can speak for that vast trifurcated group of loosely integrated agencies that is encompassed within the term "government" any more than anyone can purport to represent the multitudinous mass of individuals and enterprises indicated by the word "business." It is self-evident that there is a wide diversity of viewpoints among those who comprise the agents of Government. There is even occasional disagreement among the courts as to what the legislative branch of Government expects of business, as witness the conflicts among decisions and the reversals on appeal. It would be not merely presumptuous but downright foolhardy for anyone in my position to undertake to speak for the Government. Therefore I'm going to have to cut this topic down to my size and tell you merely what one Government lawyer expects of business in marketing.

Even this curtailed version of the topic is rather ambitious. "Marketing" itself is a term of vague connotations. It may include buying and selling in a market. It may include all of the distributive processes involved in getting a commodity into the market. It may include advertising, the empirical and conceptual work preceding the advertising, and even such recondite arcanum as "motivational research." The concept of the market itself is neither crystal clear nor wholly free of possible dispute in all cases. Indeed, there have been a number of antitrust cases in which lengthy testimony, voluminous exhibits, and much expert effort has gone into the proof of definition of a market in a particular situation. Further, there may be a wide divergence in what one may properly expect of various kinds of enterprise, as, for examples, a large national steel producer, a corner grocery store, a radio or television network, a garment manufacturer, or an electronics company. Consequently even the statement of the personal expectations of one Government lawyer will necessarily be somewhat vague if it is to have sufficient generality to be relevant to your subject.

This fact illustrates a point that should be made to businessmen. The compaint is sometimes heard that the law is uncertain, ambiguous, or even incomprehensible. But those who voice this complaint are seldom willing to face up to the problems inherent in the promulgation of any law. If the rules

---

[4] By Fred C. Foy: "This recommendation applies to all areas of our country. It is redundant in this particular statement and has been adequately covered in the policy statement referred to. I recommend that it be deleted here and in the other two pages of supporting data in pt. III."

[5] See memorandum by Fred C. Foy, p. 54.

[6] See memorandum by William Benton, p. 57.

[7] See memorandum by Fred C. Foy, p. 58.

[8] See memorandums by Walker L. Cisler, p. 71; by Fred C. Foy, p. 59; and by Allan Sproul, p. 60.

[9] See memorandums by Allan Sproul and by Walter H. Wheeler, Jr., p. 67.

[10] See memorandum by Philip Sporn, p. 70.

[11] This statement does not discuss opportunities for better employment for low-income inhabitants of rural areas, but the Research and Policy Committee is studying the problem.

of legal conduct are written in general terms, they will necessarily be broad and vague and require considerable interpretation in the process of application. However, the general terms will be relatively simple. On the other hand, if the rules of legal conduct are written in specific terms, they will be voluminous, detailed, inflexible in application, and extremely complex. For example, consider the legal principle of negligence. The law says that if you are negligent in marketing—or in any other business activity—and if this negligence results in injury to another, you are liable for the damages to the injured party. Negligence is defined, roughly, as conduct which falls below the standrad of care that would be exercised by a reasonable man in similar circumstances in protecting others against the possibility of harm. This is a broad, general, and rather vague standard that does not specify precisely what you should or should not do in any particular situation. However, it is a flexible and adaptable standard that is applicable to a wide variety of business situations.

The alternative to the use of such a standard should be considered. If negligence were not defined in vague and general terms we would be required to promulgate an encyclopedic code of specific rules detailing the appropriate standards of conduct for every activity and function in every known kind of situation. It is highly dubious that it would be possible to compile such a specific statement. Even were this task possible, it is certain that we could not anticipate all developments constantly occurring in business or be certain that the detailed specific code was all inclusive. Therefore it would still be necessary to have some general statement covering the cases not specifically provided for. Furthermore, it is doubtful that such a detailed code could be kept current. Consequently there would have to be some provision in general terms for the situations arising out of developments subsequent to the promulgation of the statement. Consider also the scope and sheer magnitude of any code that undertook to list in detail the standard of acceptable performance for all business activities that involve any possibility of danger to others. Such a detailed specification is almost beyond conception and would surely be quite impractical of promulgation or use.

Thus, it is a matter of both logic and practical necessity that rules of widespread application should be in general, and therefore relatively vague, terms. While the notion that the law can be made definite and unmistakably clear for each situation, is an attractive one, this is an illusory ideal which is neither practical nor theoretically desirable.

This same principle applies to the legal standards governing marketing. These rules are necessarily stated in broad and general terms and are, therefore, somewhat vague and surrounded by a penumbra of uncertainty. However, to attempt to specify them in great detail would be to make them inflexible and very probably oppressive, since it would be difficult to change the detail by legislative action as rapidly as economic circumstances change. Therefore, the uncertainty, ambiguity, and difficulty in application of the general principles of law relating to business and marketing activities is not a handicap imposed upon business by virtue of the insensitivity or stupidity of lawyers and lawmakers. Rather it is an inescapable characteristic, inherent in the necessity for rules governing a wide variety of dynamic and unpredictable situations.

The things that can reasonably be expected of business from the viewpoint of the government are, of course, spelled out by the laws, and the court decisions interpreting the laws. A full statement of such expectations would involve a recital of all relevant statutes and a summary of all cases decided under them. Clearly this is not what you seek. However, to summarize the laws more briefly involves not only the risk but the certainty of even greater simplification and generalization than is involved in the statutes on the books. Therefore this tends to exaggeration of the generality and vagueness that is inherent in the legal principles themselves. With such understanding, let me suggest that what is expected of business from the government viewpoint can be summarized by five words: legality, honesty, competition, fairness, and quality.

In a sense the term "legality" represents all that government does or can expect of business. The Government's demands of business are necessarily made through the law, and so long as business complies with the law in all respects, the Government can ask no more. It should be assumed that legality can be taken for granted in business conduct and requires no comment or emphasis. Unfortunately this is not altogether the case. There have been and currently are examples in the public eye of businessmen who have taken a position that the law is something of an imposition and that it really seems quite unreasonable to expect them to comply with all of the demands of the law. I am sure that such businessmen do not feel that the necessity of studying the technical requirements of their own business or the vagaries and uncertainty of their own markets is an unreasonable difficulty to expect of those who assume executive responsibility. Just why it is less reasonable to expect them to make similar efforts to understand and adapt themselves to legal than to economic conditions has not been suggested. It seems to me that the first thing that the Government has the right to expect of businessmen is that they shall make as much effort to understand the requirements that society exacts of business as stated in the law, and shall be as much concerned to adapt their conduct to these requirements, as they are to understand the demands of the public that are expressed in economic terms in the market. If this one attitude were more generally accepted in the business community, I think that it could do much to solve many of the apparent problems with which business is concerned.

Thus in saying that legality is the first and the foremost of the things that the Government may reasonably expect of business, it is implied not merely that business shall grudgingly and technically comply with the inescapable minimum requirements imposed by police action or court order, but rather that business shall regard the standards of law as an important and respectable part of the environment within which it operates. The principles of the law should be objects of examination and study and business should recognize that its opportunity to market at all in a free society necessarily depends upon the law and the social structure which is founded upon the law. The study of and compliance with the law should be no grudging acquiescence but a wholly willing and eager desire to comply with the spirit as well as the black letter of the law itself.

Perhaps the most fundamental and most universal demand that law makes of business can be expressed in the simple word "honesty." There are numerous laws that specify the requirements of honesty in particular applications. The most general requirement of Federal law is that stated in the FTC Act which proscribes unfair methods of competition and unfair and deceptive commercial acts (15 U.S.C. 45). More specific legal rules applicable to particular commercial activities are contained in the Fur Products Labeling Act (15 U.S.C. 68 et seq.), the Securities Act of 1933, as amended (15 U.S.C. 77a et seq.), the act relating to statement of automobile prices (15 U.S.C. 1232), and the Food, Drug and Cosmetics Act (21 U.S.C. 301 et seq.). What these laws imply in specific situations can be read in a host of cases. Among many other particular things, the cases have held the following to be essentially dishonest and unfair or deceptive practices that are prohibited by the law:

Deception of any kind of advertising or labeling as in using well understood terms such as "sterling" when the goods do not in fact meet the standards thereby implied; calling a mirror "copper backed" when it is merely painted with copper paint rather than coated by an electrolytic process; or representing a pen as "guaranteed for life" when there is a service charge made for any repairs.

Making false or misleading statements in selling, the natural and probable result of which will be to mislead the purchaser. The courts have often observed that the laws are enforced to protect the ignorant, the gullible, the casual, and the negligent, as well as the vigilant, the intelligent, the discerning, and the expert purchaser. Thus even a statement of literal and technical truth that is phrased in such a manner as to mislead, is improper and illegal. An example of a highly sophisticated method of misleading in marketing is the establishment of a public expectation of a particular article in a certain dress or package followed by the substitution of a cheaper product in the same dress or package without specific warning to the public.

The use of misleading names or trademarks is similarly forbidden. In one case it was argued that it was socially desirable to label yellow pine as California white pine since this would increase the sale of yellow pine and thus help to preserve for future generations the valuable stands of white pine. Needless to say, this purportedly noble objective was held not to justify the deception involved in labeling yellow pine as white pine. A practice that arises with some frequency, locally in Washington particularly, is the use of a term implying some connection between the U.S. Government and and some private business enterprise. Such efforts are frustrated by Government agencies with fair regularity. Another case involved use of the word "rejuvenescence" for a cosmetic, which in fact had no ability whatever to restore youth or youthful appearance. This was held to be misleading. It is immaterial whether or not the word involved may or may not have been adopted as a trademark.

Deceptive pricing is likewise forbidden. Examples of deceptive pricing are the offering of goods at a price that is advertised as "introductory" or "a special offer" when the price is that at which it is normally expected to sell. A practice that has been the object of some recent attention by the FTC is that of falsely marking a price on goods that is never charged and then restamping the same ticket with a lower price to give the impression that the price has been reduced. Similarly representing a price that is commonly offered to retail customers as a "wholesale price" is regarded as deceptive and improper.

The concealment of material facts that are relevant to the purchaser's choice is unfair and deceptive. An example is the failure to disclose that motor oil had been re-refined from used oil.

The use of false testimonials is a deceptive and improper practice.

Commercial bribery is an unfair method of competition prohibited by the FTC Act.

The use of improper or immoral inducements to purchase is improper and illegal. The most common examples of this are the use of lotteries or gambling devices. A number of cases have been brought to prevent the use of punchboards in selling candy to schoolchildren.

Trade slander or the false disparagement of the goods of a competitor is likewise an unfair and illegal method of competition.

While the standard of honesty is probably well understood and accepted by most respectable businessmen, the requirement of competition is perhaps less well understood. It is the mandate of the antitrust laws that marketing shall be conducted competitively and that business enterprises shall compete with one another in the marketplace. This is required by the Sherman Act which prohibits restraint of trade (15 U.S.C., sec. 1) and monopolizing (15 U.S.C., sec. 2) and by the Clayton Act which prohibits so-called tying agreements (15 U.S.C. sec. 14), anticompetitive mergers and acquisitions (15 U.S.C., sec. 18), interlocking directorates (15 U.S.C., sec. 10), and noncompetitive purchase by common carriers (15 U.S.C., sec. 20). The provisions of these laws like those of the FTC Act have been applied in numerous cases. The cases have spelled out a number of practices that are forbidden.

Price fixing is the most notable and obvious of the specific practices that is forbidden by the antitrust laws. There are numerous variants of price fixing but they are all regarded as per se or unquestionably illegal under the antitrust laws. Horizontal price fixing is an agreement among competitors relating to the establishment of a common price or terms or conditions of sale. The basing point system and various zone delivered pricing systems have been outlawed not because of the method of pricing involved but because they were based upon agreements between competitors to observe common prices or pricing methods. Vertical price fixing is an agreement between a producer or several distributors at different levels to establish a particular resale price. Except as a resale price maintenance agreement may come within the specific terms of the fair trade law exception, it is illegal per se. It is noteworthy also that the prohibition against price fixing prohibits the fixing of either a minimum or a maximum price (see *Kiefer-Stewart* case, 340 U.S. 211) and applies equally to both sellers and buyers (see *Mandeville Island Farms* case, 334 U.S. 219).

Boycotts, or agreements between businesses to refrain from dealing with someone, are similarly illegal per se (see *Klor's* case, 359 U.S. 207).

Likewise the allocation of territories or a division of markets is prohibited by law and illegal per se (see *Timken* case, 341 U.S. 593). Any agreement by competitors to establish particular areas within which one shall be free of competition by the other is a prohibited allocation or division of markets.

Similarly an allocation of customers is prohibited and illegal per se. Examples of this have been furnished by recent antitrust cases in the electrical industry and in the sale of bakery goods in Florida. In the latter case, the evidence indicated that a group of bakeries drew slips from a hat in order to determine which one of them should get the bid on certain Government contracts and then they all scrupulously observed the decision thus made. It is immaterial how customers are allocated between competitors and whether this is done by lot, by explicit or implicit agreement, or by some other ingenious device. Any means that accomplishes this result is illegal.

The fixing of quotas is frequently related to an attempt to fix or maintain prices or to allocate customers or territories. Whether done as part of a broader plan for limiting competition or done merely by itself and for its own sake, the establishment of either production or selling quotas by agreement between or among competitors, is illegal.

Any agreement, whatever its form or method of operation, by which competitors agree not to compete with each other, is a violation of the antitrust laws.

A somewhat more sophisticated method of restricting competition, involves so-called tying agreements. These were common during the wartime period when there was a short supply of certain goods. Some stores insisted that customers desiring to purchase goods in short supply also purchase other goods that were not in short supply. This helped the seller maintain a substantial margin of profit or increased his volume. A recent case involving a tying agreement was the *Northern Pacific Railway* case, 356 U.S. 1, in which lands were leased to certain commercial enterprises along a railroad right-of-way upon condition that they use the lessor railroad for shipment of their goods. This was held to be an illegal tying agreement.

Related to the tying agreement type of illegality is the "blockbooking" practice that was outlawed in the *Paramount* case, 334 U.S. 331 involving the major motion picture producers and distributors. In block booking the motion picture distributors refused to license the exhibition of any pictures unless the exhibitors agreed to license all of a certain block of pictures. In various forms similar agreements are attempted by distributors of various commodities from time to time and they are about as regularly stricken down by the courts.

The extension of patent, copyright, or trademark rights beyond the actual scope of the legal grant is an anticompetitive practice that is contrary to the antitrust laws. Patent, copyright, or trademark rights are frequently asserted as a purported legal justification for some other practice, such as price fixing or block booking, but it is now well established that these limited legal grants do not justify an extension of control to the forbidden practices.

Restrictions on use or resale of an item are improper. Once an article is sold, the purchaser has the right to use or resell it in whatever fashion he chooses and the original producer or seller has no right to control its use or resale.

The exclusion of competitors from the market by whatever means is an improper interference with the competitive system. There are many practices that tend to have this effect and there are few per se or clear-cut rules in this area. Usually it is necessary to look at the economic conditions prevailing in a particular market in order to ascertain whether or not some practice has the effect of excluding competitors or limiting competition. Acquiring control of the supplies of a commodity is usually anticompetitive and illegal. Acquiring total or partial control of all or a substantial part of the market for a commodity tends to exclude competitors and is thus illegal. This latter situation is the one that was involved in the recent Du Pont-General Motors case, in which it was held that Du Pont had a sufficient stock interest in General Motors to exercise substantial control over the market for certain types of products that were used in automobile manufacture, and that this was an improper limitation on competition.

The acquisition of competitors through purchase, merger, or consolidation is illegal if it tends to lessen competition or lead to a monopoly. The circumstances that must be considered and are involved in judging the legal effect of acquisitions, mergers, or consolidations, are too extensive and complex for consideration here. However, this is a field in which the law expects business to conduct itself so that competition is maintained and not suppressed.

The third great general category within which the legal demands upon business may be grouped is that of fair pricing. Perhaps this term is itself misleading since the law does not in fact require that a price be fair in the sense that it is reasonably related to the economic value of the commodity. The law does, however, require that a price be fair in the sense that it be nondiscriminatory as between the customers of one seller. This is the standard that is set by the Robinson-Patman Act (15 U.S.C., § 13 et seq.). This is an example of a statute that attempts to specify its standards in some detail, although the basic principles included in the statute are stated with considerable generality. Basically the Robinson-Patman Act provides that it is unlawful to discriminate in price or in terms of sale between different customers where such discrimination may have any adverse effect upon competition. Discrimination as used in this provision means any unjustified or unfair differentiation. Differing prices for articles of differing quality or cost, are, of course, neither improper nor prohibited. Differing prices for the same or substantially identical articles are prohibited if there are no other circumstances justifying the differentiation in price.

The law does not prohibit price changes in response to changing market conditions, deterioration or obsolescence of goods, or in case of distress sales or going out of business sales. It is permissible to give quantity or functional discounts that are justified by differences resulting from the differing quantities or methods of selling. It is also legally permissible to lower one's price to meet competition even though the lower price might otherwise involve an apparent discrimination.

On the other hand, paying or receiving dummy brokerage payments or payments for brokerage services that are not actually rendered is illegal. Further, furnishing or paying for services or facilities is regarded as discriminatory if the services or facilities are not available to all purchasers on proportionately equal terms.

In the application of the price discrimination laws, there are, of course, numerous complexities and legal technicalities with which many of you are probably familiar. There are such problems as to whether or not quantity discounts must be based upon the total quantity involved in a single sale or may be based upon aggregate quantities involved in a series of sales over a period of time. There are such confusing legal terms as primary and secondary line competition that have to do with tracing the adverse effect upon competition of a discriminatory sale. Generally speaking, primary line competition means competition with the seller and secondary line competition means competition with the buyer of a commodity.

Finally to come to something that cannot properly be said to be the expectation of the Government but that does represent the viewpoint of one Government lawyer, I still have the faintly sentimental and somewhat anachronistic hope that one of those things we may expect of business in marketing is that which some of us call "quality." Perhaps you may remember that John Galsworthy, an English author now known only to the elderly like myself, wrote a story by this title. It related precisely to this topic of marketing and might be interesting for some of you to read. Since Mr. Galsworthy wrote many years ago and was even then bewailing the decline of quality in goods being offered, I suppose that it would be hard to maintain that business generally does not offer as much quality today as it has in the past. However, let me impose upon you to express an idea that may be no more than a personal idiosyncrasy. I am considerably disturbed at the quality of a good many of the things that are being marketed today for children as toys. Unless memory plays me false, when I was a boy most of our toys were made of either wood or metal and were at least sufficiently well constructed so that the parts fitted together with some degree of precision and withstood a certain amount of rough usage. Indeed it seems to me that toys in those days generally were sold and delivered in an

assembled condition. Today, however, much of that which is sold for children's use is disassembled and requires the skill of an artisan with considerably more time, patience, and ability than I have in order to be put into condition for any kind of use. More important, however, is the fact that many of the things sold for children's use, particularly the less expensive toys, are made of plastic in such a fashion that they go together, if at all, only with great difficulty and most approximately. Sometimes parts fit so badly that it is impossible to determine whether they are merely carelessly made or whether the instructions are being followed erroneously.

Aside from the annoyance that is involved in such lack of quality, I think that the sale of goods of this sort for children augurs ill for the future of society. Children are more likely to learn about the world from what they observe than from what they are told. It is all very well for us to insist that children must have high ideals, must do things properly and must deal fairly, honestly, and generously with others. However, when we offer children toys that are not well made, we say to them implicity but eloquently that we do not believe the things we tell them. The world of the future will not be directed and controlled by those of us who are now in our maturity but by our children and grandchildren. If we expect them to form a sensible, orderly and humane world, we must teach them that these are ideals that are both practical and worth striving for. We cannot do this by offering them products from our world that are poorly made, ill fitting, malfunctioning, and easily breakable. It seems to me that if there is one field of marketing above all others in which it is important that all of the standards I have mentioned should be observed, that quality above all should be sought even, if necessary, at the expense of profit, it is in the marketing of things for children.

Perhaps all of the principles that have been mentioned can be encompassed in one broad general ideal that is suggested by the word "integrity." I do not wish to discount or minimize the difficulties that may and do arise for businessmen who seek to operate, even with the best intentions, in a complex and rapidly changing society. However, I think that the standards imposed by government requirements are less difficult to cope with than those imposed by the economy of the marketplace itself. At the risk of oversimplification, I suggest that a dedicated adherence to the highest ideals of that which is represented by the term "integrity" will, in the greatest majority of cases, more than satisfy all that anyone in government expects of business in marketing.

YOUTH CONSERVATION CORPS

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a statement in support of establishment of a Youth Conservation Corps, as presented by Secretary of Agriculture, Orville L. Freeman, before the Subcommittee on Employment and Manpower, be printed in the RECORD.

I invite my colleagues' attention in particular to the description made by Secretary Freeman of the work which members of the YCC could do in the Forest Service. This statement further substantiates the very real need for such a corps to work in our parks and forests.

I note also, Mr. President, that yesterday the Secretary of the Interior gave very glowing, very sincere, and enthusiastic support to the Youth Conservation Corps proposal.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF ORVILLE L. FREEMAN, SECRETARY OF AGRICULTURE, ON S. 2036, BEFORE THE SUBCOMMITTEE ON EMPLOYMENT AND MANPOWER OF THE SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE, ON JUNE 20, 1961

Mr. Chairman and committee members, I appreciate the opportunity to appear before the committee on behalf of the Department of Agriculture in connection with S. 2036, a bill "To authorize pilot training and employment programs for youth, including on-the-job and other appropriate training, local public service programs, and conservation programs."

As a former Governor of the State of Minnesota and now as Secretary of Agriculture I am deeply concerned about the opportunities for training and employment for our youth and also the importance of building up our renewable natural resources. I wish to go on record as one who endorses S. 2036.

The purpose of the bill is to improve employment prospects for the youth of the Nation. This is one of the most compelling needs with which we are faced. Many answers to the solution of the problem are not yet known. The bill would authorize pilot programs along three lines in the hope of developing an effective solution.

I realize that the proposed program should be seen neither as a solution of all the problems pertaining to youth nor as a method of getting young folks out of the community. There must be conservation of both our human and natural resources. Job attitudes, getting along with others, new appreciation of the opportunities which America holds, acquisition of certain basic skills, counseling of an employment nature, and many other things must be included in every important comprehensive youth program.

We realize that there is an ever-increasing number of young people 16 to 21 years of age in our society who are unable to find useful and challenging employment. Many of these unemployed young people have special need to learn the habits of work, to assume responsibility, and to gain self-confidence. Idleness at this particular period of life may permanently reduce their usefulness to society, their capacity to live satisfying lives, and prevent the development of useful lifelong careers.

The impending accelerated increase in the work force in the age class that would be affected by this proposal will create a problem in the urban areas but will also create a particularly pressing problem in rural areas. The greater rate of increase in efficiency in agriculture than in industry compounded by higher birth rates in rural areas presents a training problem of greater magnitude. The program which will be required with respect to the rural areas is complicated by the necessity of training many farm and rural youth for industrial jobs, jobs which usually can be found only in urban areas. Thus, rural youth have not only the problem of training for jobs foreign to their experience, but also of learning to live in an urban culture strange to them.

In each of the programs which this legislation would propose, the help will be extended to both urban and rural areas. There must be a real effort to reach the rural youth for occupational training, particularly in the labor surplus and underdeveloped areas. In such areas, farm people usually have a very limited understanding of employment opportunities and what the educational requirements of different types of work entail. Too frequently the schools in such areas are not as well equipped to give the range and quality of training available in larger urban schools. At the same time, the benefits which are hoped to be attained through the development of an effective Youth Conservation Corps should be made available to the urban youth as well as to rural youth.

Regarding the proposed experimental program for a Youth Conservation Corps I would like to say that although the conservation of our youth is a basic and primary objective, I feel too that conservation and development of the forests, water, soil, wildlife, recreational and other natural resources will increase the wealth and attractiveness of our country as we at the same time provide work opportunities and outdoor experiences for our young people. I hope particularly that the development of an effective Youth Conservation Corps would provide a new perspective of America and its opportunities. In discussions pertaining to youth problems and the provision of training for employment, one of the general comments frequently made is that there just are not enough jobs for youngsters.

The reasons given for unemployment among youth are various. Some feel that labor laws are too restrictive. Much evidence points to the unwillingness of employers to hire young people because of lack of confidence in their skills and their responsibility. Employers also balk at hiring youngsters for fear of unemployment insurance in the event of layoffs and for fear that the youth may be drafted into military service and the employer be obliged to keep his job open. Others believe that if at all possible, folks who have the responsibilities of maintaining homes and providing for families should have first choice.

The oncoming tide of youths who will enter the labor force will reach its height in 1966. A very high percentage of these will not have completed their high school education and many of them will not even have gone through grade school. These school dropouts constitute a grave problem and it is toward them that the program is primarily directed.

One of the reasons why I stress the development of a Youth Conservation Corps is because of the experience we had in Minnesota during the depression of the thirties when there were in Minnesota alone a hundred camps for the Civilian Conservation Corps. These CCC camps throughout the Nation proved an ideal means of providing useful work for hundreds of thousands of young men who had never had work experience, of teaching them responsibility and persistence, of strengthening their muscles, of giving them self-respect and the assurance that they were needed and useful, of enabling them to save some money as a start toward independence, and of teaching them a variety of skills useful in the commercial and industrial world. It also taught them a respect for the meaning of useful labor and the importance of achievements which challenge their ability and develop their pride.

Under the experimental program for the Youth Conservation Corps, I am looking forward to the development of camps where the same objectives can be attained. In the Department of Agriculture we have the programs of the Forest Service which opportunities exist to develop a program that would be economically and socially important and at the same time provide unusually attractive facilities for the building of youth into wholesome manhood.

In my opinion the Youth Conservation Corps Program should include three major goals:

1. Adequate training for youths to acquire the necessary knowledge, skills, and aptitudes to move into the job economy.

2. A supervised, out-of-doors, group living where youths can have a chance to develop their personalities and characters while acquiring the knowledge and skills which will prepare them better to be good citizens.

3. The conservation, management, and restoration of our renewable natural resources through the efforts of youth who may otherwise miss the thrilling experience of working on useful and challenging projects.

Other Youth Conservation Corps goals would be:

1. The development of responsible attitudes toward work and toward those with whom one works.

2. To provide the psychological value of living away from home, finding oneself in a new environment and learning to make the adjustments to live successfully with others.

My statement has purposely been brief. I have with me, however, a statement which I would like to file with the committee. It describes the conservation work of the Forest Service in connection with which the proposed Youth Conservation Corps could be utilized.

CONSERVATION WORK OF THE FOREST SERVICE

GENERAL SITUATION

The Forest Service has the responsibility for the development, protection, and management under principles of multiple use and sustained yield of about 186 million acres in 155 national forests, 18 national grasslands, and other administrative units in 44 States and Puerto Rico. Much of the work in connection with the development, management, and protection of these lands is suitable for accomplishment through camps such as would be established under the proposed experimental Youth Conservation Corps program. Modern and efficient methods and equipment would be used on all work. Manpower would be used where it is the most efficient method. Much of the needed work on these lands is of the type that would utilize large amounts of manpower.

Similar types of work are carried out by State agencies. This would, of course, include work presently being performed by the States in forestry and other programs in which this Department is cooperating with the States.

READY CONSERVATION PROJECTS

For several years, the Forest Service has maintained up-to-date inventories of all Forest Service work needed on each of 804 ranger districts in the national forest system. These project work inventories are the basis of the project work in the program for the national forests. They are also the source of work projects planned, budgeted, and accomplished in the ranger districts' annual plans of work. The amount and location of the project work in these inventories is known. All of it is needed and designed to meet the present and future demands upon the national forest system if these public lands are to provide their share of the Nation's future needs.

Types of such work are:

1. Timber stand improvement.
2. Reforestation.
3. Recreation area development and maintenance.
4. Fire hazard reduction.
5. Trail construction and maintenance.
6. Fishing stream and lake improvement.
7. Wildlife habitat improvement.
8. Range water developments.
9. Range, boundary, and other fence construction and maintenance.
10. National forest boundary line maintenance.

WORK ESTIMATES

A detailed table of these work estimates follows:

Type of work	Amount	Nonrecurrent work (total man-years)	Recurrent work (annual man-years)
Nonrecurrent work (project work):			
Reforestation	Seed or plant 4,400,000 acres of nonstocked and poorly stocked lands	40,400	
Timber stand improvement	Pruning, weeding, thinning, and release cutting on 30,000,000 acres	99,700	
Recreation resource development	Rehabilitate 2,160 campgrounds, picnic, and other recreation sites. Develop 28,000 new campgrounds and picnic sites and construct 283,000 family units. Develop 43 organization sites, 870 swimming sites, 600 boating sites.	45,200	
Wildlife habitat improvement	Improve 1,500,000 acres of game range, 7,000 miles of stream, 56,000 acres of lakes. Develop 2,000 wildlife water ng facilities, 400,000 acres of wildlife openings, food patches, and gameways. 11,000,000 acres of rodent control.	5,300	
Range resource development	Revegetation and control of noxious or poisonous range plants and farm weeds on 4,000,000 acres. Construction of 16,000 miles of fence and 8,100 water developments.	7,100	
Soil and water resource improvement	9,000 miles of gully and channel stabilization, 1,300,000 acres of sheet erosion control, 10,000 acres of dune and blowout stabilization, erosion control on 13,000 miles of substandard roads and trails, 5,600 acres of water spreading, 410 structures for flood prevention, and 160 stream pollution control projects.	9,000	
Land surveys and boundary marking	Clear and mark 208,000 miles of property lines	3,100	
Forest fire protection	Reduce hazardous fuels on 4,000,000 acres, consisting of 250,000 acres of debris burning, 350,000 acres of snag removal, 3,500,000 acres of prescribed burning, and removal of roadside fuels on 39,000 acres. Construct 11,000 miles of firebreaks.	6,600	
Structural improvements for fire and general purpose	Construct 2,640 housing and related improvements, 2,500 service buildings, 455 lookouts, 13 special structures; betterment of existing structures; replacement of 3,000 miles of telephone line; construction and reconstruction of 62 landing fields; construct 1,821 heliports and helispots.	11,500	
Road and trail construction	Construct 79,400 miles of multiple purpose roads and 8,000 miles of trails	65,800	
Total		293,700	
Recurrent work:			
Forest fire protection [1]			3,500
Insect and disease control			1,400
Maintenance of resource and administrative facilities			6,300
Total			11,200

[1] Does not include fire suppression.

FOREST SERVICE ORGANIZATION TO ESTABLISH AND MANAGE CAMPS

Establishment and management of camps of all sizes, up to 500 men, is a routine operation for the Forest Service. Civilian Conservation Corps, blister-rust control, timber salvage, fire, and other innumerable emergency and regular camps have been organized by the Forest Service for 50 years. Several large camps, 25 to 150 men, are presently operated on regular conservation programs.

Camps under a pilot Youth Conservation Corps program could be established for conservation work on the national forests, national grasslands, and other lands administered by the Forest Service. Normally, such camps would be placed in or adjacent to national forests or other lands on which work would be done and would be under the supervision of the district ranger. Technical direction of projects would be provided by the district ranger and forest supervisor's staff with direct crew supervision carried on by Forest Service foremen. These foremen would be available from experienced personnel now in the yearlong and seasonal work force of skilled workers and forestry and engineering aids of the Forest Service.

Mr. HUMPHREY. Mr. President, I have in my possession a letter from one of the distinguished jurists of the State of South Dakota, the Circuit Judge of the Circuit Court of South Dakota, Second Judicial Circuit, dated June 5. I wish to read a few paragraphs:

MY DEAR SENATOR: • • •

I noted with great interest your proposed legislation for YCC camps for boys. I have been attempting for the last couple of years to get a program started here in South Dakota on a State level patterned after the old CCC camps of the 1930's.

I realize that your approach is basically economic and that my approach is from the standpoint of solving some of our juvenile problems, but I do not think that these approaches are as far apart as might appear at first glance.

In addition to this, I am sure you are aware that one of the big problems with the young people today is the fact that they are trying to keep up with young people who have plenty of money for a nice car, nice clothes, and to spend lavishly on entertainment.

For these reasons I think some serious thought should be given to coordinating your legislation with the Attorney General's program on juveniles.

I personally feel that if this administration were to turn the tide on this one problem of reestablishing a sense of responsibility in our young people, that it would go down in history as one of the better administrations on the domestic front. I am thoroughly sold on the idea of these forestry camps, no matter what they are called, for bringing about this purpose.

There is something about getting these boys out of the city and getting them close to nature that teaches them what this life is all about, and eventually gives us some good citizens. We have the precedent of these camps covering a great need in the 1930's when it would seem there was a great deal more motivation for crime than there is

now. In my answers from State legislators during the past session I was amazed at the number who stated that they were graduates of the old CCC camp, and there wasn't a one who didn't sing its praises.

Mr. President, along with the letter, from which I have read excerpts, is a statement by this esteemed and respected jurist, which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CAMPS FOR BOYS

THE PROBLEM

Most people who have the responsibility of working with boys either in social work or the more formal surroundings such as the courts, are convinced that only about 2 percent of the modern-day young people are actually criminally inclined. This is no greater percentage than ever existed. However, there are certain circumstances today which draw many of the otherwise good children into fields of crime and other misbehavior and in many instances make them look up to these few people who are criminally inclined instead of ostracizing them as was the case a few years ago.

One of the foremost reasons for this problem today is idleness. When the teenage people worked hand in hand with their parents, much of this problem took care of itself. Today most of these children have nothing constructive to occupy their time even during the school year after school is dismissed or during weekends. The usual forms of entertainment become boring and they seek less legitimate entertainment or even crime to satisfy their desire for something new to do.

There is also a very definite feeling among those who work with young people that there should be a place where misguided youngsters could be placed under proper discipline with no stigma attached and an effort made to straighten them out without using the more drastic remedies of reform school, jail, or penitentiary.

I have given some thought to a camp patterned after the old CCC camp of the 1930's where these boys can be placed under semi-army discipline, given constructive work to do in cleaning up our forests, given an opportunity for wholesome recreation, and also an opportunity to learn, not only through formal schooling, but through the proper guidance and counseling of trained people. This camp would be restricted to boys who, after screening, are considered not to be criminally inclined, but who are only getting into trouble because they are products of broken homes or homes where the parents for one reason or another have lost complete control, or just where there is too much idleness to keep the young people out of trouble.

The financing of such a project would undoubtedly have to come primarily from State funds unless the Federal Government were to move into the project again as they did in the 1930's. It could be supplemented, however, by the use of Regular Army or National Guard personnel and it seems possible that some funds would be available through the Department of Interior and the National Forestry Service.

On the subject of finance, I might say that we are now faced with the distinct possibility of enlarging reform school or building detention homes for these young people if some other means is not utilized, in order to take care of the problem. These detention homes would be far more costly and probably would not do the good that a camp would for the reason that there is real constructive work to be done in our Black Hills area which would fit well into the program, and then we have the precedent of success in the CCC camp.

As to possible sites, it would seem that Sanator in the southern hills would be a likely spot, due to the fact that recent drugs have apparently licked much of the tuberculosis problem, and I understand that the few people left at Sanator could be more economically taken care of by sending them to another State. This might be a good jumping-off place for such a program with the idea in mind of later setting up another camp in the northern hills if this one worked out satisfactorily. It is strongly recommended by those who have had dealings with these camps that no more than groups of 90 to 100 be placed in one camp.

Some details that would have to be worked out but do not seem unsurmountable would be regular classroom study during the school year, a regular counseling service, and regular chaplains of the various faiths to take care of the religious needs. I am quite certain that the various churches would cooperate as to the latter problem.

The Probation Department of Los Angeles County, Calif., presently has a number of forestry camps in operation for boys. These camps have proved very successful for a great majority of the young people who are sent there.

I realize that all of the recommendations here are for camps for boys. It is true that a problem exists also as to girls, and doubtless this should be considered in the future if the camps for boys prove successful.

There are various reasons for suggesting these camps as an in-between place for many of these youngsters, in addition to those already mentioned. First of all, I might mention that many of the people of wealth in this area now utilize similar camps for their boys, such as Shattuck up in Minnesota and Father Foley's Camp. However, these camps cost around $100 a week and are beyond the means of most parents and do not hit the problem that we have in most of the counties. Another thing that has sold me on the idea is the fact that every alumnus of the old CCC camps that I have ever talked to is very proud of his association there and sings its praises. I feel very definitely that this is worth some study and consideration by the next legislature.

FRANCIS G. DUNN,
Circuit Judge, Sioux Falls, S. Dak.

Mr. HUMPHREY. Mr. President, the Youth Conservation Corps program can relieve this Nation of much of its misery relating to impending and present delinquency. It can afford great opportunities for employment for young men. This Congress ought not go home until it does something for the young people other than to lecture them.

Congress ought to pass legislation to permit these young people to have gainful employment in our parks, in our forests, on our public lands and our State and national public domain. We can build good bodies. We can enlighten minds. We can refresh the spirit. We can conserve natural resources. We can do it for a very modest sum.

The entire program about which we are talking would not cost as much as one *Kitty Hawk* aircraft carrier, which has been made subject to certain allegations. In other words, for half of the cost of an aircraft carrier we can make it possible for 50,000 or more young men to have gainful employment in the parks and forests, building their bodies and building America. I cannot understand what is wrong with the social values in this country, to cause us to wait so long to do something about this problem. I have a feeling that we are a little more interested in sheet steel slapped on frames for aircraft carriers than in having young men who are physically fit, mentally awake, and morally straight.

I made my appeal day after day. I shall continue to do so until we bestir ourselves to do something for the young men of this Nation who desire help so desperately at this time from a Government which ought to be grateful for the caliber of its young people.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Pennsylvania.

Mr. CLARK. I congratulate the Senator from Minnesota for the strong declaration he has made in support of his Youth Conservation Corps bill, S. 404. As the chairman of the Subcommittee on Employment and Manpower of the Committee on Labor and Public Welfare, which is presently holding hearings on the bill, I assure the Senator of my personal support of his effort to get the bill passed. We have had 3 good days of hearings, including this morning. We hope to complete hearings by the end of this week.

Every witness whom I have so far interrogated has been of the view that the program advocated by the Senator from Minnesota—of a group of enrollees of 50,000 the first year, 100,000 the second year, and 150,000 the third year—is the absolute minimum program we should enact. I intended to do my very best to persuade the administration to abandon its pilot program, which would provide for only 6,000 enrollees, and to substitute the program of my friend from Minnesota.

ORDER OF BUSINESS

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. HICKEY in the chair). The Senator from Illinois is recognized.

Mr. DIRKSEN. Mr. President, without losing my right to the floor, I yield to the distinguished Senator from Pennsylvania [Mr. SCOTT].

SOME THINGS PUZZLE FRED C. FOY, CHAIRMAN OF THE BOARD, KOPPERS CO., INC.

Mr. SCOTT. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an address by Fred C. Foy, chairman of the board, Koppers Co., Inc., entitled "Some Things That Puzzle Me."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SOME THINGS THAT PUZZLE ME

(An address by Fred C. Foy)

On February 13 of this year, just 24 days after he was sworn in as Chief Executive, President Kennedy spoke to a large group of businessmen in Washington, D.C. I was fortunate enough to be one of them.

He talked to us of probems of interest to businessmen, and we liked what we heard.

For the first time in a long time we heard a top Government official say that profits

were important in America, to its economy, and to its Government.

He said, "Our revenues and thus our success are dependent upon your profits and your success—and that, far from being natural enemies, Government and business are necessary allies.

ALLIANCE SOUGHT

He said also, "We know that your success and ours are intertwined, that you have facts and know-how we need. Whatever past differences may have existed, we seek more than an attitude of truce, more than a treaty; we seek the spirit of a full-fledged alliance."

According to the President there are "three areas of common concern to which that alliance must devote its full attention in the next few years—economic growth, plant modernization, and price stability."

After some 150 days of Kennedy administration some puzzling things about both the proposed alliance with business and the economic growth objective of the new administration seem worth exploring.

For example, while the President has declared national economic growth as his No. 1 economic policy objective, he has so far not set any definite target rate of growth. Perhaps he has been content instead to fall back on the words of advisers, fellow campaigners, and other voices in the economy.

Senator HUMPHREY, Mr. Keyserling and the AFL–CIO, all have called for a 5 percent target rate of growth.[1]

FOUR AND ONE-HALF PERCENT RATE PROPOSED

The Democratic majority on the Joint Economic Committee came out in favor of a 4.5 percent growth.[2]

The latest document strongly suggesting a target rate of growth is the report by the Council of Economic Advisers to the Joint Economic Committee, the Heller report. Here the authors agree with the President's economic message to the Congress where a 3.5 percent rate of growth is called not high enough.

The Heller report leaves one with the impression that 3.5 percent is the minimum, 4 percent the tolerable and 4.5 percent the really desirable rate of growth of the U.S. gross national product.

What puzzles me here are two things: (1) Why is so much emphasis all of a sudden placed upon economic growth? (2) How valid is the attempt to exceed minimum rates and to achieve target rates of growth?

To answer the first question first—in one form or another four sets of reasons are given by the ardent proponents of accelerated economic growth:

1. The unusually high number of unemployed must be absorbed by the economy.

2. U.S. capacity to compete militarily, economically, and ideologically in the cold war must be maintained and increased.

3. We cannot afford to let Russia outrun us in the international production race.

4. Only a rapidly growing economy can provide the resources needed for additional "vital public uses for output."

What about these reasons? How good are they?

As for absorbing the unemployed, in the 1960–61 recession, the unemployment rate rose to a level no higher than in the 1957–58 recession, and the increase in the rate of unemployment was less than in three previous recessions. At the same time, the total labor force employed stayed within 1 percent of the highest peak in the history of the United States.

No one worried much about the high employment. But those who worried about the unemployment couldn't agree on what caused it.

STRUCTURAL UNEMPLOYMENT

Some analysts, among them the staff of the Federal Reserve System, tend toward the opinion that much of the unemployment is caused by structural changes in the economy, such as increased automation, changing demand and relocation of industries.

Others, including the Council of Economic Advisers, blamed the recession for the major part of unemployment, and therefore advocated increased spending programs to facilitate speedy recovery and reduction of the number of unemployed.

All analysts seem to agree that a high rate of unemployment is undesirable and wasteful. The advocates of growth argue that gross national product must be forced up to create an economy strong enough to overcome the unemployment problem.

Others believe the economy will adjust to the changed conditions; that private initiative, in combination with monetary and fiscal policies, can lead to increased employment opportunities; that this course of action will also lead to economic growth, and certainly to a better and more permanent solution of the unemployment problem than some sort of government forced feeding, on the nature of which even the experts do not agree among themselves.

As for the second reason, that we must have greater growth to compete in the cold war, it is true that the need for military preparedness, support of our allies, and aid to economically underdeveloped countries have placed increasing burdens on this country.

RUSSIAN DEFENSE COSTS

Growth proponents compare the share of U.S. real output which has been expended on these cold war needs with the proportion of Russian gross national product spent on defense. Since the percentage of Russian gross national product made available for these purposes is higher than ours, growth proponents reach the conclusion that this country is not putting forth enough effort. More and faster economic growth, they argue, would enable us to spend more in dollars on the cold war while not sacrificing any of the portions of our own gross national product presently spent on private consumption and private investment.

This line of reasoning overlooks that in absolute amounts we have been spending more than the Russians for some time.

If, in some areas, we have not been as successful as the Russians—this is not necessarily due to lack of funds. Different objectives, different methods of measurement, lack of foresight, or bureaucratic inefficiency may have been at least as responsible as lack of funds for specific areas in which we seem to have fallen behind.

BETTER DEFENSE EFFORTS

Rethinking, redirecting and reorganizing our defense efforts may prove more productive in the future than merely providing increased funds.

Next we come to reason No. 3. Some economic growth advocates are relying on the highly emotional competitive race with Russia based on Khrushchev's threat that he will bury us and that the U.S.S.R. will surpass us in per capita consumption and production, and in the economic growth race itself.

Any claim that we are falling behind Russia in this part of the cold war race seems to hit the panic button in this country. But what are the facts behind the economic race between Russia and this country?

We have heard figures for the growth of Russian gross national product as high as 13 percent annually. The real question is, How high has the Russian growth rate been over a period of time long enough and normal enough to have any meaning? Most of the growth rates of 8 percent and above seem to have been derived from the Russian postwar period, from 1948 to 1953.

Prof. Colin Clark, a British economist, states: "It should be a commonplace of economics—though many prominent economists have in fact failed to see it—that when a country is recovering from war, invasion, and similar disasters, which have reduced its productivity to a low level, there will be a recovery period in which growth is rapid, followed by a period of rapidly decelerating growth."

MODERN NATIONS REBUILT

Many of the free-world advanced industrial countries have had to rebuild from scratch as Mr. Clark describes—Japan, Germany, Italy, Netherlands and France, for instance. These five nations have also shown the highest rates of growth of their real national gross output, ranging from 7.9 percent annually for Japan, to 4.3 percent for France for the period of 1950 through 1958.[3]

According to data prepared by the U.S. State Department, Russian gross national product (in 1958 dollars) grew $62 billion from $117 billion in 1950 to $179 billion in 1957, an average annual growth rate of 6.3 percent.[4] The United States grew $127 billion—from $325 billion in 1950 to $452 billion—over the same period. Even if the Russian gross national product should continue to rise at a more likely average annual rate of 6 percent until 1970, it would reach only $378 billion, or 56 percent of the U.S. 1970 gross national product, if the United States were to grow at only 3.5 percent between now and then.

To look at this growth business another way—because we have today so much higher a gross national product base to start with, 1 percent growth for us adds $5 billion a year, 1 percent in Russia adds about $2¼ billion, in Japan $300 million, in Germany $600 million.

It is apparent that Russia must have a percentage growth rate more than twice as large as our own and continuing for at least 10 years to match us in absolute dollars in any year, much less to be able to close the gap, or to pass us.

In fact, it is probably not an exaggeration to say that the only way Russia could possibly surpass us economically, as Mr. Khrushchev has threatened, is for us to make the mistake of so tinkering with our economy as to destroy its strength and vitality from within, a danger which seems to me to be implicit in the fourth reason advanced for emphasis on national economic growth.

This reason, you will recall, was that only a rapidly growing economy can provide the resources needed for additional vital public uses for output, with the implication that only the Government knows what these needs are or how they should be provided.

NEW FEDERAL ROLE

Fortune Magazine, in a penetrating article in its April 1960 issue, labeled this last reason for growth "A New Mask for Big Government."

It said, "The original American assumption was that if Government established a firm structure of essential order, then the economy would grow through the free decisions of its citizens. Famously, it grew. But now some Democratic spokesmen have given the word 'growth' a very special meaning. For them, 'growth' signifies a conscious assumption by the Federal Government of responsibility for seeing to it that the total U.S. economy, measured by the amount of goods and services produced in a year, shall grow at a predetermined rate."

---

[1] Fortune, April 1960, p. 272.

[2] "Employment, Growth, and Price Levels," report of the Joint Economic Committee, 1960, p. 16.

[3] Joint Economic Committee, "Hearings on the January 1961 Economic Report of the President," p. 326.

[4] United Nations, "World Economic Survey," 1959, p. 26.

It is important to note that national economic growth to its ardent advocates has become a task and a responsibility for the Government.

But who in Government is really qualified to assume this grave responsibility is a question which puzzles me deeply.

Such a responsibility must carry with it, first of all, an understanding of how our business and economic system operates. Yet so far there is little evidence that our new government, in the persons of many of its administrators or advisers, has such a knowledge.

Probably no Federal Government has relied so heavily on academic sources for guidance and planning, and from no area of the academic field so heavily as on the economists.

But do these economists understand how our business system operates?

PROFIT MOTIVATED ECONOMY

Do they understand the simple truth that the driving force behind our whole economic system is profits—profits made or profits expected—that there has to be a fair profit for labor, for the investor and for management?

Do they realize that it was the combination of American management, American labor, and the American industrial machine which gave us the strength to fight two wars and to help rebuild the free world after the last one?

Or do they think instead that it was really all done by Government with a slight assist from business, industry and its citizens?

I am not an economist, but following their speaking and writing, these things about economists seem apparent to me.

First of all, they do not agree among themselves as to cause and effect in their field.

Second, much economic writing and theory seems to be devoted to explaining what has happened and why. Sometimes it even seems that the more unique the explanation, the better.

FEDERAL SPENDING PRESCRIBED

Third, many economists seem much too sure they have diagnosed ills in the economic system under which we have lived so prosperously—much too sure that gigantic doses of Government spending and planning and direction are the only prescription which will insure the long-term health and growth of the patient.

But what if they are wrong?

There are other economists, equally competent, who sincerely believe they are wrong, who believe that such a prescription would so change America that our children would inevitably live in a country so short on freedom and so long on government direction and control as to offer little contrast to Mr. Khrushchev and his Russia.

Of even greater concern is the fact that, unlike professionals in scientific fields, the protagonists of massive government have never over the years had to test the validity of their theories in the test tube of everyday practice.

Frankly, I suspect many of them do not believe that our free enterprise business system can cope with the problems facing us today. They do not view the numerous able economists who have chosen to work within the business structure as real professionals, nor do they really believe that the men who operate it have made any major contribution to our society.

Small wonder then that I am concerned as I conclude that many of the economic architects of the New Frontiers have never had to design an earthquake-proof structure, yet we are living in earthshaking times.

Again perhaps I am wrong. Perhaps it is neither fair nor reasonable to assume at this early date that the economic and business structure of the New Frontiers will be so poorly designed that it will collapse. After all, the architects have been working on the design for less than 150 days.

Perhaps instead it will be stronger than ever. Perhaps the new Government will do those things which it can do to give to the American business system new life and vitality; to create a climate in which it can continue to outperform our cocky friend in the Kremlin.

Perhaps we will develop shortly the full-fledged alliance the President urged in his February talk.

MOST IMPORTANT "PERHAPS"

Perhaps, and this is the most important "perhaps" of all, we will be able to develop a working understanding and relationship between our Government and our business, at least as good as that in other countries of the free world, instead of the relationship we have now, which is by long odds the worst in the free world.

Perhaps? But as of now there are many things that puzzle me—that fill me with misgivings.

Let's look together at some of these things which puzzle me.

First of all, because it is a subject prominently in the minds of both businessmen and the public these days—prices, price fixing, competition and all that go with them are worth a look.

Here is one area where the new administration could truly cross a New Frontier.

ANTITRUST HODGEPODGE

Our so-called antitrust laws, a hodgepodge which has been pieced and patched together for over 70 years, represent the greatest image of moral, legal and administrative inconsistency ever to arise to confuse a free people. And so-called legal Government actions have made them even more so.

Our antitrust laws state that price fixing is illegal.

Yet in my State of Pennsylvania you cannot sell a bottle of milk except at or above a minimum price set by a State commission. You cannot buy a bottle of liquor except from a State store at a price fixed to give the State a profit.

If price fixing is illegal, why does Government in its farm bill encourage farmers to fix prices on agricultural products? Why does the Government allow labor to fix prices on its services? Why does the Government fix prices for the airlines? for railroads? for trucking?

The antitrust laws today are so complicated, so confused in their interpretations, that probably neither businessmen, their lawyers, nor even the courts understand them.

The law in this area needs to be made clear. It needs to be equally applied to all. Only then can every honest businessman and citizen know how to work within the spirit of it.

Today you can go to jail for agreeing on a low price, or a high price; you can even go to jail for agreeing on a fair price. Or you can go to jail if you refuse to agree on any price at all.

What, may I ask, is the difference between following a fair price and fixing a fair price? Yet one is legal and one is illegal.

ADMINISTRATION'S OPPORTUNITY

What an opportunity for the new administration to work with business, industry and the Congress to clarify and restate these confused and conflicting laws and decisions.

Instead, I am puzzled because both the new Attorney General and the President's party in Congress seem determined to use this confusion to undermine to the greatest extent possible, in the shortest time, the confidence of the man on the street in a system of life which has given him the greatest freedom, mobility, and independence known to any nation on earth in all of its history.

I am puzzled as to whether they don't know the truth that American business has always been fundamentally honest, or whether business is simply the political whipping boy least likely to retaliate on the present horizon.

Perhaps it is some of both.

If so, I am concerned because then it must be assumed, as I have suggested earlier, that some members of the Government, the Congress, and their advisers simply do not understand the nature nor the strengths of the system on which our future in the struggle against communism must depend.

I am puzzled also as to whether they fail to sense the deadening impact of what they are doing on the increase in national economic growth they are seeking.

Investment in plant and equipment has always been regarded as an important factor in such growth. And such investment has traditionally been furnished by private enterprise in the United States.

Deadening impact on investment by business? Certainly.

This administration cannot overlook the fact that profit expectation and a political climate in which the businessman can expect with some confidence administration policies that will make that profit possible are the prime movers behind business investment.

In his February 13 speech Mr. Kennedy said he believed in profit.

PROFIT RESENTMENT STIRRED

What puzzles me then is the attitude of his Attorney General, many of whose public statements seem designed to fan the flame of public resentment against corporate profits and the continued barrage in Congress of hearings and bills supposedly protecting the public from high prices carrying with them an inferred outrageous profit.

All of this in the face of the facts that since 1947 corporate profits have dropped from 7.8 percent of our gross national product to 4.9 percent in 1959. The trend has been the same in the ratios between corporate profits and sales or rates of return on investment.[5]

Nor have actions which raised the unemployment tax, recommendations to further increase social security taxes, or many features of the proposed tax bill, done anything to lead business to believe that new investment will continue to be profitable, as this administration moves further toward the New Frontiers.

Perhaps even more important as a measure of climate are the implications in the tax bill which confirm that not only has the government redeclared itself a 52-percent partner in business profits, but now wants to write the rules of the game by deciding what expenses it will allow, regardless of reality, and to take from stockholders, the owners of these same businesses, a substantial part of the rebate it offers for building additional plants or buying new equipment.

Another thing that puzzles me:

On several different but critical occasions Mr. Kennedy has told us we must make great sacrifices if we are to maintain our strength in the free world.

NO SACRIFICES ASKED

But so far his programs do not seem to me to have called for what could truly be called national sacrifices in which we could unite as a people.

Certainly he has not asked of workers that they forgo wage or salary increases until we can redemonstrate our ability to compete throughout the world, or that they work more productively. Or of management that they forgo price and profit increases for a like period; sacrifices which taken to-

[5] Joint Economic Committee, "Comparisons of the United States and Soviet Economists," pt. II, p. 584.

gether as a package might really be great, and new, and productive.

On the contrary, most of his legislative proposals would give to people, not get from them.

Look at some of them. A higher minimum wage for more people; medical care for the aged, whether they need it or not; easier terms for new housing and more public housing; 212,500 4-year Federal college scholarships which many college administrators say are not needed; earlier retirement under the social security plan; a farm program which will increase income of farmers.

LUXURY TAXES PROPOSED

Or could he be laying the foundation for the type of sacrifices which would be called for by the preelection statements of some of his economic advisers who would use high sales taxes to force people to stop buying all manner of luxury items so the resultant savings could be diverted into goods and services identified with what they call more urgent public needs.

This might be a minor sacrifice for the people who could no longer afford the higher priced cars, clothing, radio and television sets, household equipment and other similar items which would have to be included.

But it would be a major catastrophe for the thousands of people whose jobs would be wiped out and corporate suicide for many companies whose facilities would be put out of productive use.

In time of war our people have made just such sacrifices and more. But in time of war there are other needed uses for the facilities and other jobs crying for the workers.

In times of peace, a Federal Government pursuing such a program may well find itself with neither the jobs nor the revenues and well on the way to the very economic collapse which Mr. Khrushchev has predicted for us

It is impossible for me to believe that the economists who write so provocatively would not think long and hard before imposing these types of sacrifices on the American people, or that the men of wisdom in Congress would let them get away with it if they tried.

Two more things which puzzle me are the apparent conviction that money—Federal money—and plenty of it—will cure any of our national or local problems, and that only the Federal Government can determine the problems and define their solution.

SCHOOL AID BILL

A good example lies in the aid-to-public-schools bill before Congress which provided $2.3 billion of grants to be allotted to the States over 3 years for construction of classrooms and payment of teachers' salaries.

Why?

A recent Saturday Evening Post editorial raised the question and answered it better than I could:

"Advocates of Federal aid to education contend that local authorities are financially unable either to build the classrooms required for rising enrollments or to pay decent salaries to the teaching staff.

"Five years ago the White House conference estimated that in the period 1955–60, the Nation would have to build 369,000 classrooms. Some people took this as conclusive proof that the task was too enormous for anything but a Federal program. Yet, in the last 5 years, without Federal aid, we have built an average of 68,000 classrooms annually, for a total of 340,000. If we did not quite meet the projected goal, the difference of 29,000 in 5 years is hardly big enough to justify a radical departure from the settled American policy.

"Last December the U.S. Office of Education made a forecast of school needs for 1960–70. Their total estimate: 610,000 classrooms in 10 years. The present rate of construction would provide 680,000 over the same period.

"On the question of teachers' salaries, the record is just as encouraging * * *. In 1950 the national average of teachers' salaries was $3,126. By 1956 it had risen to $4,350, and this year it is $5,389, an increase of 72.4 percent over the past decade. The trend continues upward, as it should.

"At a time when school bonds find a ready market, at rates of interest lower than the Treasury can command, it is hard to see any rational case for educational grants-in-aid. State and local authorities know their own problems far better than any bureaucracy in Washington."

AID TO SCHOOLS OPPOSED

To this could be added the fact that there is a National School Boards Association, which should be much closer to the problem than the U.S. Office of Education. It is interesting to note that it has never yet passed a resolution asking for Federal help, and at its 1961 convention voted overwhelmingly to oppose it.

Yet the Federal Government has persisted that it, and only it, can do the job.

Perhaps at this point we might be moved to conclude that only one thing really seems to be very clear on the economic scene in Washington these days—the Government stands ready to take a larger and larger part in the economic affairs of our country.

The last thing which puzzles me is that as of now, less than 120 days since President Kennedy urged on business "a full-fledged alliance" with Government, to use his exact words, we find ourselves explaining to the Congress why many of us sincerely believe measures he has proposed would be bad not only for business but for the future of America.

ALLIANCE NOT APPARENT

Somehow or other I can't help but feel that this could not be happening if the "full-fledged alliance" were really in effect, if the administration's advisers would give more serious consideration to views which may be different from their own.

Ours is a great and democratic Republic. For nearly 200 years its heart has been a dynamic, vigorous economic system to which we in business have made major contributions.

We have faith in that economic system, and we believe it can be improved and strengthened. So does labor.

It is clear that the President and his advisers share in that belief also.

What we in business would do might be different from what either of them would do. What we might do, all working together in "the spirit of a full-fledged alliance," could be even better for America than any one of us would do alone.

The goals ahead of us are clear—good overall performance in terms of employment and output, economic growth, and price stability. But never at the price of loss of freedom, of action and choice.

One of the key requirements of the sixties will be to create new job opportunities at a rate about 50 percent larger than in the fifties. This will call for a tremendous investment of private capital in productive facilities.

Concurrently, we simply must learn to keep our costs and prices from continuing to rise if we are to be competitive in our own and world markets. Improved efficiency, better machinery and processes and new and more attractive products are the basic tools we must use to insure our leadership in the world economy.

What needs to be done?

Who ought to do it?

This is not a blueprint; but here are a few thoughts.

Let's take business first.

BUSINESS MUST INNOVATE

Our job is to innovate—in improving productivity; in developing new products; in lowering costs and prices through increased efficiency; at the same time maintaining a spread between costs and prices sufficient to yield adequate profits. For without attractive profits the vast capital needs for new investment will not be met.

Then government?

Its jobs are many. To refrain from legislative programs that force up wages, costs, and prices; to spend for public needs, not public wants; to reform business taxes to stimulate greater capital investment and to make American business competitive worldwide. Most important of all, to create a climate in which business will be encouraged rather than harassed.

And labor.

To face this simple basic fact.

If American wage and salary rates are to be the highest in the world, this can continue only if unit costs of American goods are finally competitive, at home and abroad. And to realize that this suggests the bargaining table becomes, instead of an internal battleground, a council of war in the world economic struggle.

And last for all three of us—Government, business and labor—to agree that in a cold war, as in a hot war, the whole of our national strengths and energy should be devoted to winning the future for all of us instead of winning something now for some of us.

CONSTRUCTION OF THE "KITTY HAWK," AIRCRAFT CARRIER

Mr. SCOTT. Mr. President, with regard to the remarks of the distinguished majority whip with reference to the *Kitty Hawk*, I certainly cannot speak from any personal knowledge, but I suggest that the charge as to the unseaworthiness of or the improper construction of the *Kitty Hawk* was made by a single person—true, a very esteemed and respected admiral—and the charge has been denied by those responsible for the construction. I hope that judgment on this matter can be deferred until further study indicates who is correct. The New York Ship Co. has an excellent reputation for shipbuilding, and has turned out a number of our naval vessels, including other aircraft carriers which have performed effectively, safely, and satisfactorily. Therefore, I think it best that no conclusions be reached on this matter until all the facts are in hand.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. SCOTT. I am glad to yield to the Senator from Minnesota.

Mr. HUMPHREY. I understood the Secretary of the Navy to have made some comment on this subject which indicated that the charges may very well have been far beyond what the facts would justify. I made mention only of an allegation, and I surely stand corrected by the Senator.

Mr. SCOTT. I thank the Senator. I very much appreciate his fairness in elaborating on the statement.

Mr. DIRKSEN. Mr. President, reserving my right to the floor, I yield to the distinguished Senator from Nebraska.

THE FORT ROBINSON BEEF CATTLE RESEARCH STATION IN NEBRASKA

Mr. HRUSKA. Mr. President, Fort Robinson Beef Cattle Research Station in Nebraska was established in 1948 as a result of a 1946 congressional act providing for a program designed to obtain information that breeders can use to improve beef cattle.

This research station is located in Dawes and Sioux Counties in the very northwest corner of the State.

Recently it was my privilege to tour and inspect Fort Robinson; not only the research station portion but also the historical site thereof as well.

At the fort headquarters building and museum the group of visitors, of which Nebraska Governor Frank Morrison was one, was welcomed by James E. Ingalls, Superintendent of the station, and the U.S. Department of Agriculture representative there. Mr. Ingalls heads this project which is one of three of this kind in the United States.

The Nebraska station, which is the largest of them, is in the north-central region, composed of 13 States which cooperate in its operation.

Similar research stations are located at Fort Reno, Okla., and in Front Royal, Va.

IMPORTANCE OF BEEF INDUSTRY

It is not difficult to find basis for this research work. Beef is the largest volume item sold in the food stores in America. Although it is only one among some 5,000 items in these stores, beef generates upward of 10 percent of their total dollar sales.

The Nation's per capita consumption of beef on an annual basis is 85 pounds. In 1950 it was about 63.4 pounds.

Nebraska is one of the Nation's top livestock producing States. About 43 percent of its farm income comes from cattle.

In addition to its vast raising and feeding operations, it has some 60 meatpacking establishments, and of course the world's largest livestock market which is located in Omaha.

During our visit I was driven over a part of the research station by Mr. Ingalls, in company with State Senator George Gerdes who represents the senatorial district in which Fort Robinson is located.

It was a very revealing tour indeed in so many ways.

For example we were told of this statistic: by raising Nebraska's percent of calves weaned by only 5 percent—present average is 75 to 80 percent—the State's total additional income would be some $10 million.

What a boon this would be for the cattle industry which is also afflicted with the brutal price-cost squeeze which prevails throughout agriculture.

And research is pointing the way.

Nebraska is fortunate to have the resources in the right kind of land and climate to be preeminent in the beef industry which is its fundamental industry.

However, we know that it has been as a result of almost 100 years of hard and consistent work by generations of cattlemen.

It took much effort to have made the gains which are evident today. It takes much effort to hold them and to constantly improve that position.

The Fort Robinson Beef Research Center is proof of this fact.

Mr. President, I ask unanimous consent that the text of Mr. James Ingalls' welcoming remarks to our visiting group be printed in the RECORD at this point.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF JAMES E. INGALLS, SUPERINTENDENT, U.S.D.A., UNIVERSITY OF NEBRASKA BEEF CATTLE RESEARCH STATION, FORT ROBINSON, NEBR.

Senator and Mrs. Hruska, Governor Morrison, and other dignitaries, welcome to Fort Robinson.

Northwest Nebraska has been honored today with many dignitaries present for the dedication of the historical marker. I predict that in the future there will again be a dedication here at Fort Robinson commemorating the research accomplished in beef cattle breeding research and its application to the industry.

The Research and Marketing Act passed by Congress in 1946 to better promote the livestock interests of the Nation is the basis of the origin of the Fort Robinson Beef Cattle Research Station. Two other stations with similar assignments came into existence at the same time—Fort Reno, Okla., and Front Royal, Va.

Fort Robinson is the world's largest beef cattle research station devoted exclusively to the improvement of beef cattle through breeding. Nebraska is 1 of 13 cooperating States in the north-central region. The entire Nation is united in three regions in their efforts through both State and Federal cooperation in the improvement of beef cattle through breeding.

Industry used the slogan: "Research is the key to tomorrow." Always our American goals have been to make a good product better through research. The United States has led the world in total research since 1776. How many of us know that it was President Lincoln who signed into law the act creating the land-grant colleges, experiment stations, and agricultural research to explore and add to our knowledge of agriculture? It will soon be 100 years ago that President Lincoln signed the acts for this research. Can you imagine the vision and foresight of this busy President who was directing the most bloody war in the history of the United States?

Our vast land frontiers are no longer available for expansion of the livestock industry. Millions of acres in the United States have in the foreseeable future no other practical use other than to furnish grazing for beef cattle. Therefore, it behooves us to do a better job of producing livestock on land that we now have.

We have heard of the tremendous population growth in recent years and in the immediate future. What are we doing now to prepare for feeding these additional millions in the few short years ahead?

The Nation's per capita consumption of beef is 85 pounds. We enjoy being the best fed and best clothed nation on earth. What are we doing to continue this American tradition? We, too, can use the slogan: "Research is the key to tomorrow."

Instead of now raising only 100 pounds of beef per acre of grazing land, let's set our goal for 200 or 300 pounds of beef from an acre of grass. Let's have as a goal a 95 percent calf crop weaned instead of the present average of only 75 to 80 percent. Let's have each cow wean a heavier calf in 1961 than she did in 1960. Let's have calves of more uniform size, quality and grade. Let's produce animals with the genetic ability to gain more rapidly and efficiently thereby reaching market at an earlier age. This must be an animal that is potentially more desirable for the eastern Nebraska and Corn Belt feeder to market with more lean meat that is tender, juicy and appetizing.

Dr. Wiltbank, our capable and learned Animal Physiologist at Fort Robinson, has shown that by raising the percent of calves weaned only 5 percent in our State of Nebraska, the total additional income would be $10 million. This would be dollars spent here in our own communities, all benefiting thereby.

Nebraska ranks second in the Nation in the numbers of beef cattle on ranches, farms and feedlots. We have more beef cattle than humans in Nebraska. Forty-three percent of the total income from all sources in the State of Nebraska is derived from beef cattle. The research in progress in beef cattle genetics, physiology, nutrition and management at Fort Robinson is answering and will continue to answer the questions uppermost in the minds of the progressive cattlemen in the industry.

History has been recorded at Fort Robinson for three-quarters of a century. However, we are no longer fighting Indians or settling the West. Today and tomorrow Fort Robinson is dedicated to recording history in another area through research to serve the Nation.

OPEN SPACE PROVISION OF THE FEDERAL HOUSING ACT

Mr. CLARK. Mr. President, will the distinguished Senator from Illinois yield 1 minute?

Mr. DIRKSEN. I yield, without losing my right to the floor.

Mr. CLARK. Mr. President, on Tuesday, June 20, the New York Times published two important statements dealing with the general subject of open space. I ask unanimous consent that an editorial entitled "Urban Sprawl and Open Space" and a letter entitled "Open Space Law Backed," written by William H. Whyte, the author of "The Organization Man" and "The Exploding Metropolis," may be printed in the RECORD at this point in my remarks.

There being no objection, the editorial and letter were ordered to be printed in the RECORD, as follows:

URBAN SPRAWL AND OPEN SPACE

The haphazard suburban developments—"urban sprawl"—spreading with alarming speed around the perimeters of our cities present an issue of truly national proportions. The open land areas are rapidly giving way to the indiscriminate advance of the bulldozer and the real estate promoter. Yet open space is essential not only to the suburban areas themselves but also to the welfare of the cities they surround. Planning and controls are badly needed to assure that the developments which do take place provide the best possible environment for living and for efficiency in transportation and production.

Title VII of the Federal Housing Act, now before the House of Representatives, contains a sound program for Federal aid, both financial and technical, to local and State bodies in meeting these needs—incorporating for the most part the proposals of Senator HARRISON WILLIAMS, of New Jersey, referred to in a letter on this page. The assistance provided for in title VII would be

given only to projects essential to a well-conceived area development plan. This would be an effective stimulant to State and local action which otherwise might not be taken.

While the Senate passed the housing bill by the decisive vote of 64 to 25, title VII was separately voted down—without adequate consideration and by a majority of only four. The House should keep it in the bill and, if it passes, so should the conference committee in the final draft.

OPEN SPACE LAW BACKED: PROTECTION OF SUBURBAN AREAS IS PROVIDED IN HOUSING ACT

To the EDITOR OF THE NEW YORK TIMES:

The open-space provision of the Federal Housing Act needs its friends and it needs them right now. Five months ago, when Senator HARRISON WILLIAMS of New Jersey introduced the measure, it seemed like one of those ideas so good the wonder was it hadn't been passed before. It provides for $100 million in grants to State and local governments to preserve key open spaces before their metropolitan areas finally become a hopeless mess.

It is to be seed money; local governments would have to put amounts up to $3 for every dollar in grants, and they would have to come up with a plan for the area's growth.

Since the Federal Government's highway and housing dollars have helped to accelerate the urban mess, this turnabout seemed very fair play indeed, and was approved in committee in the Senate and the House.

The sailing was so smooth, unfortunately, that latent citizens' support remained largely latent. Then on June 8, on the floor of the Senate, there was an unexpected attack. Except for Senator DIRKSEN, who heaped ridicule on it, no one seemed particularly opposed to the basic idea; the trouble was the lack of information on the urgency of the problem for our urban areas.

The provision was struck out by the excruciating margin of 46 to 42.

But there is still a chance. If the House keeps the proposal in, a Senate-House conference may restore it in the final bill.

EFFECT ON STATES

There is an important fact that Congress should know: the surprisingly strong effect the open-space proposal has already had on State and local governments. In anticipation of the grant program, groups all over the country have been invigorated to press for action. Only in the last few weeks a number of States have come to the very verge of large-scale open-space programs.

Do the people want such action? Last fall New York voters approved Governor Rockefeller's $75 million open-space program by a whopping three-to-one plurality and the old "fine-idea-but-they'll-never-go-for-it" argument was destroyed. This January, Governor Meyner proposed a $60 million "green acres" bond issue for New Jersey. Several weeks ago the legislature voted unanimously to put the bond issue on the ballot this fall.

In Wisconsin, Gov. Gaylord Nelson has been barnstorming the State to rouse support for an imaginative $50 million program. Its fate in the legislature is still in the balance, but the popular support is impressive.

Many an embryo program is in the balance, too. Citizens have been using the upcoming Federal program as a lever for getting their communities to tackle planning now.

VALUE OF FEDERAL PLAN

It's not the money so much—the local governments would have to raise the bulk themselves and $100 million, spread over the United States, would mean that the initial grants would be fairly modest. But the multiplying effect would be tremendous. The great virtue of the proposal is that it uses open space as a tool for shaping future growth.

No plan, no money.

This is why the relatively modest open-space provision can be so important to the whole housing program. If we are to have billions for new subdivisions, surely we should spend a little to see that they are worth living in—and living with.

We know what will happen if the mixture continues as before: an aimless, ugly sprawl, only bigger and faster, and more hopeless. We can clean up the mess later with a vast suburban renewal program; a modest open-space program now seems a better investment.

It would be tragic if this farsighted proposal were scuttled by inadvertence. If Congress fails to pass it, it will be because citizens and officials in our urban areas have not made their case known to Congress. Senator WILLIAMS has done a magnificent job; if the rest of us pitch in—and with some good old-fashioned citizen pressure—the fight can be won.

WILLIAM H. WHYTE.

NEW YORK, *June 12, 1961.*

Mr. CLARK. Mr. President, these two documents support strongly the position of the distinguished junior Senator from New Jersey [Mr. WILLIAMS], who was the author and principal proponent of the open space section of the omnibus housing bill, which, much to my regret, was not approved by the Senate, but which I hope will be approved by the House and accepted in conference.

I thank my friend for yielding.

THE GERMAN AND BERLIN PROBLEMS

Mr. DIRKSEN. Mr. President, reserving my right to the floor, I yield to the distinguished Senator from Kentucky 6 minutes.

Mr. COOPER. Mr. President, since 1946, the United States and its allies have faced the possibility of a Berlin crisis, for it became evident then that the Soviet Union would not carry out its wartime agreements for the unification of Germany by free elections.

The status of Germany and of Berlin has been discussed with the Soviet Union many times—by the United States and its wartime allies France and the United Kingdom, by the United States through diplomatic channels, by President Eisenhower and President Kennedy, and in the General Assembly of the United Nations, but to no avail.

In 1951 at Paris I had the opportunity to represent the United States on the question of Germany, and I remember then the experience of learning of the uncompromising attitude of the leaders of East Germany as well as the Soviet Union. It was only after the blockade of Berlin and our airlift that the Soviet Union took some steps to confirm the Allied rights of access to Berlin.

Now, the positions of the Soviet Union and the United States have again been stated. Since 1958, Mr. Khrushchev has been threatening to conclude a separate peace treaty with East Germany if the United States, Great Britain, and France will not join in a peace treaty with the two Germanys. Only last week, Mr. Khrushchev reasserted his position. For the United States, President Kennedy has said that a "binding peace treaty is a matter for all who were at war with Germany, and we and our allies cannot abandon our obligation to the people of West Berlin."

It is inevitable and correct, that this issue must be debated in the Congress. The distinguished Senators from Montana [Mr. MANSFIELD] and from New Hampshire [Mr. BRIDGES] have presented views, alike in their patriotic purpose, but nevertheless apart concerning the policy our Government should undertake.

As the debate proceeds, it is possible that we will have a polarization of views in the Congress along the lines advocated by Senators MANSFIELD and BRIDGES—one to hold without deviation to the position the United States has asserted in the past, and the other to find an alternative.

I think it is possible, although I hope it will not be true, that this debate might divide along party lines.

But it is not my purpose today to discuss the speeches of the two Senators, or to discuss the substance of the German and Berlin issues. My purpose is to suggest means to best meet the crisis which looms before us. We must recognize that the German and Berlin issues are critical, dangerous, and the most important ones that confront our Nation. They hold within them the possibility of war, and as Mr. Khrushchev said, "a thermonuclear war at that."

If a showdown comes, the President will need the full support of a unified Congress and a unified country. I believe that if he is to have such support, the Congress and the country must believe that the best consideration has been given by the administration to every aspect of this issue. We have confidence in the President and in the Secretary of State, the Honorable Dean Rusk. We know that such men as Charles Bohlen, Llewellyn Thompson, and George Kennan have great knowledge of the Soviet Union and its policies. Undoubtedly there are other able men in the Department of State who have dealt with the problem of Germany and Berlin for many years.

Nonetheless, to secure the support that the President will need in the Congress and the country, I believe that he and the Secretary of State should be assisted in the review and the consideration of the issues of Germany and Berlin by men who have had specific, and practical, knowledge of the issues—men who have dealt with them face to face, who have political understanding—I think that point important—and who are broadly representative of our country. Without excluding others, I think of such men as Gen. Lucius Clay, John McCoy, and former Under Secretary of State Robert Murphy, who were in Germany and who dealt at firsthand with our allies, with the Soviet Union, and with West Germany on these very issues.

I think of others, such as former Secretary of State Acheson, Dr. Conant, the Honorable David Bruce, and the Honorable Christian Herter, all of whom have vast experience in this matter. And if it is believed that the views of these men have been expressed for the status quo, there are undoubtedly other able men

who could be joined with them. I suggest that such a group be formed as a consultative committee to work under the Secretary of State for the full review and consideration of every aspect of the German and Berlin issues.

I think that we owe that consideration to this country, as well as to Berlin and Germany and to the security of the world.

Certainly Presidents Eisenhower and Truman might be consulted upon occasion.

In summary, my suggestion has the following purposes:

First, to provide for the President and the Secretary of State the best knowledge and experience available upon the issues of Germany and Berlin and, in addition, to provide advice from men who have practical experience in facing these issues, and who have political judgment.

Second, to give confidence to the Nation and the Congress that these issues are receiving the fullest and best consideration. I have no doubt that they are receiving thorough consideration day by day, but I believe it would give more confidence to Congress and the Nation if we knew that such a committee of able men—men who have had practical experience in dealing with this issue since World War II—were being consulted and were giving the benefit of their advice and their experience.

Third, to provide for the President the broadest base of support for the decisions he will be required to make regarding Berlin and Germany.

Mr. DIRKSEN. Mr. President, I yield 1 more minute to the Senator from Kentucky.

Mr. COOPER. I know there will be debate on this subject in Congress, and I am sure consideration is being given daily to this problem in the Department of State and at the White House. I would not like to see the situation occur, some time before the first of the year—and it may not wait until the first of the year, because it could happen at any time between now and the first of the year—when the Congress would be faced with an accomplished fact, if Mr. Khrushchev should decide to act. Then we would have to begin to consider what we should do, or at least what Congress thinks it should do.

I believe that consultation such as I have suggested—with men who are known throughout the country, men belonging to both parties, men of great experience in facing this problem and in dealing with both the Russians and the Germans and with our allies—would be reassuring to all of us. It certainly would be reassuring to know that not only were they being consulted, but also that they were working steadily on this problem.

HARVESTING OF HAY ON CONSERVATION RESERVE ACREAGE

Mr. DIRKSEN. Mr. President, the distinguished Senators from North Dakota have an emergency measure which they would like to bring up at this time. It has been reported by the Committee on Agriculture and Forestry without objection. Mr. President, I would have no objection to having the matter presented now.

Mr. CLARK. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of the measure referred to by the Senator from Illinois, Senate bill 2113.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DIRKSEN. Mr. President, accordingly, in behalf of the Senators from North Dakota [Mr. YOUNG and Mr. BURDICK], I ask unanimous consent that the Senate proceed to the consideration of S. 2113, Calendar No. 409.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2113) to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. YOUNG of North Dakota. Mr. President, the bill would amend the Soil Bank Act by permitting farmers to make hay on soil bank land under the same conditions which is now possible for pasturing of soil bank land. Under emergency conditions, if the Governor of a State declares a disaster area, and it is approved by the Secretary of Agriculture, under present law farmers can have their stock graze on soil bank land. In North Dakota and Montana, and in much of the area in that part of the country, we are faced with a serious drought situation. It will mean the liquidation of many cattle unless additional forage can be found. On the soil bank land oftentimes, because nothing has been harvested for several years, and the snow has gathered on it in the wintertime, there is a pretty fair growth of hay. It would be a pity to let the hay go unused when the farmers all around very badly need hay. Unless this can be made available, hay would have to be shipped in from outside areas; and, as is so often the case, the Government would bear much of the cost.

This does not make sense. It does not make sense to let that hay go to waste, and to permit cattle and other livestock to be liquidated, and to ship in hay from a long distance away. This is a real emergency situation in North Dakota. If the bill is passed, immediate help can be afforded. I ask unanimous consent to have an excerpt from the committee report printed in the RECORD at this point in my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 2113), to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions, having considered the same, report thereon with a recommendation that it do pass without amendment.

This bill, for the period of 1 year after its enactment, would authorize the Secretary of Agriculture to permit hay to be harvested from conservation reserve acreage where necessary to alleviate hardship caused by drought or other natural disaster. Permission could be granted only after certification by the Governor of the State of the need therefor and upon the independent determination by the Secretary of such need.

Grazing of conservation reserve lands is now permitted under sections 103(a)(3) and 107(a)(4) of the Soil Bank Act under conditions such as those under which hay harvesting would be permitted by the bill. The Department of Agriculture advised the committee that under either the existing grazing provision or the proposed hay harvesting provision, the Department would ordinarily require the value of the grazing or hay to be deducted from the payment for the year, as a condition of granting permission for such grazing or haying. However, the Department has granted grazing privileges in flood areas for very short periods of time where such deductions were not warranted or made. The Department also pointed out the advisability of leaving the Secretary free to impose such conditions as might be most suitable to the particular emergency and provide for the most effective administration.

The committee had before it two bills covering the subject, S. 36, introduced by Senator YOUNG of North Dakota, and S. 2056, introduced by Senator BURDICK. The Department of Agriculture's favorable report on S. 2056 is attached.

DEPARTMENTAL VIEWS

DEPARTMENT OF AGRICULTURE,
Washington, D.C., June 19, 1961.

Hon. ALLEN J. ELLENDER,
Chairman, Committee on Agriculture and Forestry, U.S. Senate.

DEAR SENATOR ELLENDER: Bill S. 2056 on which you requested a report June 13 would amend section 107(a)(3) of the Soil Bank Act so that if a Governor of a State certifies, and the Secretary determines it is necessary to permit the sale of hay harvested from conservation reserve acreage in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, the Secretary may authorize the local county committees to sell hay on such acreage, with the consent of the producer, to the highest bidder and return the proceeds thereof to the U.S. Treasury, less such amounts as the committees deem adequate to compensate the producer for damage if any to his premises.

We approve in principle the purpose expressed in this bill; however, we would prefer that it be modified to provide that the producer would have the entire responsibility for the disposition of the hay. We recommend that the local county committee determine the fair current local market value of the hay on an unharvested basis and that the annual conservation payment which would otherwise be due the producer for that year be reduced by this value. Should the fair current local market value of the hay thus harvested exceed the conservation reserve contract rental otherwise due the producer for that year we would not recommend recovering the excess amount from the producer. These suggested modifications should not remove the Secretary's discretionary authority as to where and when the provisions would be placed in operation.

Both bill S. 2056 and the suggested modifications thereof, by requiring a loss of contract rental where hay is harvested, contemplate a return to the Government for its investment in prior establishment and maintenance of the conservation cover. It is believed the suggested modifications might (1)

obtain more participation by absentee landlords, (2) avoid controversies over damages, and (3) be generally more satisfactory to administer.

Additional costs under either approach will depend on the extent of natural disasters calling for the harvesting of hay. Administration of this proposed legislation would cost slightly more than would current legislation, but the additional amount probably would not exceed $10 per farm, taking advantage of the recommended provisions. Costs of administering the bill as introduced would be slightly larger per farm because of the competitive bidding and damage assessment features.

The Bureau of the Budget advises that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

CHARLES S. MURPHY,
Under Secretary.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SOIL BANK ACT

"SEC. 107. (a) To effectuate the purposes of this title the Secretary is hereby authorized to enter into contracts for periods of not less than 3 years with producers determined by him to have control for the contract period of the farms covered by the contract wherein the producer shall agree:

"(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay, alfalfa, and clovers, which do not require annual tillage).

"(2) To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land on the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on such remaining acreage.

"(3) Not to harvest any crop from the acreage established in protective vegetative cover, excepting timber (in accordance with sound forestry management) and wildlife or other natural products of such acreage which do not increase supplies of feed for domestic animals, *and except that the Secretary may, with the approval of the contract signers, permit hay to be removed from such acreage if the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for removal of hay from such acreage, determines that it is necessary to permit removal of hay from such acreage in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster.*[1]

"(4) Not to graze any acreage established in protective vegetative cover prior to January 1, 1959, or such later date as may be provided in the contract, except pursuant to the provisions of section 103(a)(3) hereof; and if such acreage is grazed at the end of such period, to graze such acreage during the remainder of the period covered by the contract in accordance with sound pasture management."

Mr. MANSFIELD. Mr. President, I wish to join with the distinguished senior Senator from North Dakota [Mr. YOUNG] and the junior Senator from North Dakota [Mr. BURDICK], and with the junior Senator from Montana [Mr. METCALF] in urging the passage of this vitally needed measure at this time. Because of the condition which exists in eastern Montana and in the western Dakotas, it is our hope that the bill will receive the unanimous approval of the Senate.

Mr. YOUNG of North Dakota. I might add that the bill gives discretionary authority to the Secretary of Agriculture to permit the making of hay on this land. He can make a charge for it and deduct the amount from the payments to the farmers, and he can prescribe regulations under which the hay can be made.

Mr. MUNDT. Mr. President, I would like to add that the proposed legislation is in strict harmony with legislation which Congress passed a year or two ago dealing with similar drought situations, and which provided for the utilization of feed grains at that time, at support levels.

The pending bill simply would relieve a situation of feed shortages in restricted areas, by adding hay to the feed grain situation, which was covered by previous legislation.

Mr. YOUNG of North Dakota. That legislation was sponsored by the senior Senator from South Dakota, and I was a cosponsor.

Mr. MUNDT. That is correct. I salute the Senators from North Dakota for bringing the bill to the Senate and asking for its immediate consideration, because they face a condition in North Dakota which, happily, is not very widespread, but which does affect certain areas of South Dakota. I hope not much of the State is affected. Certainly the whole State is not affected at the present time. However, it is a great problem in other areas of the United States, and it is a matter that can affect any area of the United States, because drought is no respecter of State boundaries. We all know that a drought can occur in almost any agricultural area.

Mr. BURDICK. I join in the remarks of my colleague from North Dakota, and I point out that North Dakota is facing one of the most serious droughts it has faced since the 1930's. The drought extends across the entire State and also extends into eastern Minnesota and western Montana.

Many of the cattle of our State may have to be disposed of or sold if immediate action is not taken. I add one more point, and that is, that this proposed legislation is not designed to provide permanent legislation. It is limited to 1 year. I sincerely hope that the Senate will see fit to pass the bill unanimously at this time.

Mr. McCARTHY. I should like to ask the Senator from North Dakota whether the bill also includes land that has been put into the reserve under the temporary feed grain bill which Congress approved. How would the pending bill affect land that has been taken out of production under the provisions of the Feed Grain Act?

Mr. YOUNG of North Dakota. I do not believe the bill would affect it at all. The bill only amends the Soil Bank Act. The only thing it does is to permit the making of hay on soil bank land, in the same way it is now possible to pasture that land.

Mr. McCARTHY. Was the question of extending it so as to include the acreage taken out of production under the Feed Grains Act considered?

Mr. YOUNG of North Dakota. No; it was not.

Mr. BURDICK. The matter has been discussed with the Department of Agriculture, and they are searching the law now to determine whether the proposal suggested by the Senator can be handled administratively. The last time I talked with the representatives of the Department, they were of the opinion that it could probably be handled administratively, but they wished to examine further into the particular question.

Mr. McCARTHY. Is there any objection to inclusion of such a proposal in this particular bill? Would there be a need for additional hearings?

Mr. BURDICK. I would have no objection.

Mr. YOUNG of North Dakota. If the Senate added anything more to the bill, its passage might be complicated or delayed. I would rather see this proposal handled by separate legislation. Unless this legislation can take effect either next week or not later than 10 days from now, it will be useless. Therefore, I would rather not see it amended.

Mr. McCARTHY. A number of areas in my State, and I assume in other States as well, have been rather severely affected by drought in the current crop year. There is not much grassland in those areas, and the feeling is that the provision of this act is not particularly helpful. However, there is considerable acreage which has been withdrawn from production under the Emergency Feed Grains Act which might very well be used either for grazing or as a source of hay.

I wondered whether it would be possible to include such a provision in this bill, or if the Senator from North Dakota could give me some assurance that the question will be considered further, with a view to the passage of additional legislation to modify temporarily the Feed Grains Act and thus accomplish the same purpose.

Mr. YOUNG of North Dakota. I should like to see the problem handled in a separate bill. I assure the Senator from Minnesota that I will cooperate fully toward securing such proposed legislation to accomplish the purpose he suggests.

Mr. McCARTHY. I thank the distinguished Senators from North Dakota.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2113) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)

[1] The amendment would be effective for 1 year after its enactment.

section 107(a)(3) of the Soil Bank Act is amended by changing the period at the end thereof to a comma and adding the following: "and except that the Secretary may, with the approval of the contract signers, permit hay to be removed from such acreage if the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for removal of hay from such acreage, determines that it is necessary to permit removal of hay from such acreage in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster."

(b) The amendment made by this section shall expire one year from the date of enactment of this Act.

REORGANIZATION PLAN NO. 1 OF 1961

The Senate resumed the consideration of the resolution (S. Res. 148) opposing Reorganization Plan No. 1 of 1961.

Mr. DIRKSEN. Mr. President, the pending business is Senate Resolution 148, submitted by the distinguished Senator from New York [Mr. JAVITS], for himself and the distinguished Senator from Indiana [Mr. CAPEHART], and reported by the distinguished Senator from Arkansas [Mr. MCCLELLAN]. The resolution recites that the Senate does not favor Reorganization Plan No. 1 of 1961, transmitted to Congress by the President on April 27, 1961. The proposal relates to a regulatory agency and is the first of seven reorganization plans which have been submitted by the President.

As I think of regulatory agencies, I think back to the first one, which was created in 1887, namely, the Interstate Commerce Commission. That Commission came into existence as a result of the abuses, the rebates, and one thing and another, which obtained in the West and the Middle West. It was created as a result of the efforts made by the Populists, the Grangers, and others, who finally managed to secure the legislation under which the Interstate Commerce Commission was created. That was 75 years ago, or nearly so. Since that time a good many other independent agencies enjoying administrative, legislative, and quasi-judicial power, have been created by Congress.

Congress, of course, is not an enforcing agency; it is a legislative agency or a legislative branch of the Government. If it intends to translate a given policy into action, it can place it in a department of Government or an existing agency, or it can create a new agency endowed with the various powers necessary to give effect to the will and the intent of Congress. So these agencies have been created over a period of time, all of them lumped, appropriationswise, in the independent offices appropriation bill.

I think it is a recognition by Congress of the fact that conditions do change and that situations arise which call for remedial action. I think generally that is conceded. It is conceded also that the executive branch would have an interest in the subject.

This administration has sent to Congress seven plans, the last two having come to the Senate on June 12. One of them relates to the maritime functions, the other to the housing agency and its component parts.

This is a subject of more than casual interest, because I served on the first reorganization committee which was created in the Roosevelt administration, when I was a Member of the House of Representatives. I recall that at that time a most distinguished North Carolina lawyer, a Member of the House, by the name of Lindsay Warren, who had a fine legal mind, worked out, I believe in conjunction with others, the procedure whereby these plans become effective unless they are disapproved by one branch of Congress in a period of 60 days.

The second plan submitted by this administration was acted on by the House of Representatives. It related to the reorganization of the Federal Communications Commission. The House rebuffed the administration on that plan by a vote of 323 to 77. What is involved in an identic resolution, now before the Senate, dealing with the Securities and Exchange Commission also came on for action in the House of Representatives, and that plan was approved by a vote of 212 to 176. That is a disparity of 34 votes, with respect to the reorganization plan now before the Senate. So there is a question whether the Senate, taking its part under the basic Reorganization Act, will approve or disapprove what is now before us.

I trust that the Senate will disavow, reject, and disapprove the plan which is before us at present. That requires a little look at the Securities and Exchange Commission. First I might recite that the Commission enjoys particular powers. I was in the National Legislature when every one of the acts administered by the Securities and Exchange Commission was placed upon the statute books. They include not only the Securities Act of 1933, but also the Securities and Exchange Act of 1934, the Public Utility Holding Act of 1935, the Trust Indenture Act of 1939, and the Investment Advisory Act of 1940. All of these acts, some of them highly complicated, are under the administration of the Securities and Exchange Commission.

Among other things, the Commission exercises certain rulemaking power. What they do by way of rules has the force of law; and in connection therewith, I should point out that most of these acts are criminal statutes, for a violation of which—for a violation of a rule prescribed by the agency—there can be a criminal penalty.

Frankly, the only power, actually, that Congress can exercise over the Securities and Exchange Commission or any other regulatory agency created in the same fashion is, first, by withholding the confirmation of nominations of personnel, if it chooses to do so; and second, by amending the act.

Before the Senate today, then, is the question whether these agencies should actually reorganize themselves and undertake broad powers which can have criminal effect because of the penalties provided in the basic act. What is proposed in the so-called reorganization plan now before the Senate? First, it would delegate the rulemaking function—and that is a broad power. In the first instance, Congress had to delegate this power to a quasi-judicial agency and say, in effect, "Five hundred and thirty-one Members of the House and Senate cannot administer an act of this kind, so we create you, the agency, as a kind of semicorporate body having certain powers. You are to enforce the act, and execute its provisions for us."

It is a creature of Congress, pure and simple; it is not a creature of the executive branch, as such.

In the delegation of this rulemaking function, they propose to go rather far, because, as we observe by examining the plan the President submitted, in section 1, under the authority to delegate, it is stated:

> In addition to its existing authority, the Securities and Exchange Commission, hereinafter referred to as the "Commission," shall have the power to delegate, by published order or rule any of its functions—

"Any of its functions," Mr. President. It would not make any difference what they were.

Then, when we consider where the delegated power would be lodged, the dimensions of the proposed power become even more apparent, because it is set forth that the power can be delegated to a Commissioner or to a hearing examiner or to an employee or to a group of employees. So we are asked to delegate a wide power to the Commission, as such. In fact, as I view the matter, there would be no limit, in view of the language used in the plan, which states that any such functions can be delegated. It is true that the Commission members have said they may not use that power in all cases. But, Mr. President, that makes no difference; we cannot rely upon a transient group of Commissioners to determine when the power would be used.

I believe that the Chairman of the Commission and others who appeared before the committee said that it is not proposed to use some of these powers. That may very well be; but if they do not propose to use them, why should the Congress confer on them the power to delegate them, in the first instance?

The second point I wish to make about the delegated power, as proposed, is that when it is delegated to an employee or to a hearing examiner or to a group of employees, it is in effect a delegation of power to persons whose qualifications have not been examined by the Senate of the United States and whose nominations have not been confirmed by the Senate; and, in consequence, we would not know their competence or their talents or how they would articulate this power. So, Mr. President, for all practical purposes we would have no control whatsoever over the use of the power or its delegation.

When a power is given to a Commissioner, regarding whose tenure the Senate has something to say, that is a different matter. But it is quite another matter to have the power delegated to any of the personnel of the Commission, and to provide that the power can be delegated and redelegated, clear down to the very lowest echelon.

So the first objection I would register with respect to the reorganization plan is my objection to the proposed broad delegation of power.

Mr. LAUSCHE. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. LAUSCHE. Is a conflict in reasoning regarding the principle that no person shall serve on the Securities and Exchange Commission unless his nomination has been approved by the Senate reflected in the general view that this important assignment should not be occupied by a person unless the Senate, through an examination of his integrity, his judgment, and the other attributes needed by the one who performs that job, has declared that he is fit to serve in that capacity?

In the second place, as regards the case when the one chosen and approved by the Senate delegates to subordinates this important function of government, let me put the matter in capsule form: Is there a conflict between the two situations—one, that no one shall serve in such a position unless his nomination has been approved by the Senate; the other, that the members of the Commission may delegate to any employee of the Commission the performance of these important duties?

Mr. DIRKSEN. Basically, the distinguished Senator from Ohio is absolutely correct. It might not be so material in the case of minor matters going before the Commission; but when matters of great import, involving the rights of persons and corporate entities and large amounts of money and individual interests of all kinds are involved, I believe the Congress owes it to the country and to the Congress itself to be very circumspect and careful in regard to how far such delegation of authority goes.

It is interesting to note that in times past I received the impression, from proposed reorganizations, that there would be something specific about them; and in earlier days we always insisted that the reorganization plans spell out precisely what would be done.

But in this case we have a vague and almost amorphous grant of power to various persons, even though we know nothing about their qualifications, competence, experience, and ability to reach decisions in connection with matters of great import and moment. So I quite agree with the Senator from Ohio.

Mr. LAUSCHE. Perhaps the Senator from Illinois will recall the Latin legal maxim delegāta potestas non potest delegāri—meaning that a power which has been delegated to one cannot be delegated by him to others.

Mr. DIRKSEN. Yes.

Mr. LAUSCHE. In other words, when a person is chosen, because of his judgment and integrity, to serve in a special post, basically he cannot delegate his obligations and responsibilities to someone else.

I recognize that Congress, as a principal, has the power to give to the Commissioners authority to delegate to subordinates the performance of duties. But, in my judgment, that would be in complete conflict with the proposition that the Congress has said that the members of the Securities and Exchange Commission deal with very important matters affecting the public of the United States, and that, therefore, no person shall be permitted to render judgment on such matters unless his integrity, his ability to analyze, and his ability to judge have been passed on favorably by the Senate of the United States.

Mr. DIRKSEN. And, even more important, that he judges fairly and impartially when there is an adversary interest involving the citizenry of the country.

Mr. HOLLAND. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. HOLLAND. I commend the Senator from Illinois and the Senator from Ohio on the position they have taken. I wonder whether I may read into the RECORD, at this time, a short and, I believe, very excellent description of the tremendous power the SEC has, which could be delegated to any employee under this reorganization plan. I refer to the statement made by Mr. Keith Funston, president of the New York Stock Exchange, in his testimony before the subcommittee headed by the Senator from Arkansas [Mr. MCCLELLAN].

Mr. DIRKSEN. I have no objection.

Mr. HOLLAND. All of Mr. Funston's statements are interesting; and among them we find the following:

> The Securities Exchange Act of 1934 gives the Securities and Exchange Commission very broad rulemaking power. Rulemaking power is, in the eyes of the laymen, the power to legislate. As we read Reorganization Plan No. 1, the Securities and Exchange Commission could delegate its rulemaking power to a Commissioner, to an employee, or to an employee board. Under its rulemaking authority, the Securities and Exchange Commission has adopted sound and reasonable minimum capital requirements which apply to more than 6,000 broker-dealers. A revision of these requirements could seriously restrict the ability of broker-dealers—and even the entire securities industry—to continue to serve the investing public effectively.
>
> The Commission has other vast powers. Under section 19 of the 1934 act the Commission has power to suspend or withdraw the registration of an exchange, to suspend trading in securities, and to revise the rules of exchanges in many important areas. Furthermore, section 15(b) of the 1934 act gives the Commission power to put a broker-dealer out of business by revoking his registration.
>
> In our view the Commission should not be permitted to delegate to anyone its legislative powers or its life-and-death authority over so important a segment of our economy.

I close the quotation at that point.

Does the Senator see how this Congress, which so carefully has delegated the powers to a bipartisan Commission, consisting of several well selected persons, could legislate a provision under which any of these important—these "life and death"—powers could be delegated by the whole of that Commission to a humble employee?

Mr. DIRKSEN. The Senator is exactly correct. In other days, when reorganization plans were submitted, they were spelled out in very careful detail. Congress made exceptions with respect to departments and agencies, and put a strict limit in every case upon the power to be delegated. But here is a broad power that, in the hands of any agency, even though it proclaims the fact that it probably is not going to use the power, could, if the power was used, make it subject to abuse in the sense that it fell into the wrong hands.

So I welcome the contribution by the distinguished Senator from Florida.

Mr. President, I had one other point. There has been a contention that the proviso in the reorganization plan takes the curse off it, because the proviso reads:

> Nothing herein contained shall be deemed to supersede the provisions of section 7(a) of the Administrative Procedure Act, as amended.

The amazing thing about that comment is that the Chairman of the Commission, himself, stated to the Senate committee that none of the Commission's broad rulemaking powers, through rulemaking under section 4 of the Administrative Procedure Act, is subject to the exception in the Reorganization Plan No. 1 concerning the applicability of section 7 of the Administrative Procedure Act.

So those who contend that the proviso saves the day, fly right in the face of the statement of the Chairman of the Securities and Exchange Commission, himself, to the Senate committee.

The second point I make is that the right of review is extinguished, and the review of an aggrieved person or entity before the Commission becomes nothing more than a privilege, rather than a right.

It is a fixed principle, it seems to me, in the whole field of American jurisprudence, and, for that matter, in the whole field of administrative law, that when a party comes before some kind of a tribunal and has his right contested there, he can go higher and secure a review of that right. That right is about as elementary as any I know of in the whole scheme of government. However, it becomes now, not a right, but a discretionary right, according to the President's adviser. In my judgment, there is no such thing as a discretionary right. A right either exists or it does not exist. And it does not exist by virtue of the sufferance or the discretion of any individual or group.

When the President's special assistant in this field, Dean Landis, was testifying on this matter, he said:

> There exists a right of appeal from the hearing examiner's decision to the Commission, and then this plan substitutes a discretionary right for the right of appeal that exists today under the law.

Mr. President, how can it be a right if it is discretionary and its exercise reposes in the minds of only a few people sitting on a commission?

So that is the second reason why I think the plan, in these vague and broad outlines, should be rejected by the Senate.

It has been pointed out that a person could get a review by getting enough votes on the Commission, in the same way, I suppose, that one could file a petition in certiorari to go to a higher court

from a lower court. But a person has a chance, without a petition, to go from the lower court to the second step in the circuit system. It is only when one gets to the high tribunal that he has to rely upon a writ of certiorari and a request that the record be certified to the high tribunal. That is where the analogy applies.

Mr. President, this is supposed to be a discretionary right. That is another reason why I oppose the plan. It seems to me when mistakes are made below by a hearing examiner, by an individual Commissioner, or by anybody else who may be entrusted with making a decision of that kind, the courts would be saved a great deal of work by requiring review, if possible, or making it easy to secure a review, so that the mistakes are corrected before they leave the Commission and before the record is ever reviewed by a court.

The third point that occurs to me is that, under the powers here delegated, actually the Commission can completely circumvent the whole system of hearing examiners, on which Congress has spent a great deal of time, over long years. The power can be delegated to an employee. It is said that power is subject to the provisions of section 7(a) of the Administrative Procedure Act. However, the exception is unless there is a designation by statute of employees.

The plan will have the force and effect of a statute, and, for practical purposes, the sky would be the limit.

Mr. President, we have had great concern over hearing examiners. Only a year or 2 ago, I said on the Senate floor their status ought to be raised, they ought to be better compensated, and we ought to get the best talent possible at that level, because it is highly important that, as they take testimony, an impartial and sound record is taken. It is on the basis of that record that a review can be effected and a citizen can have his day in court.

In the 79th Congress, as a matter of fact, in a report, the Judiciary Committee went into that matter at great length. I was a Member of that Congress. I have a quotation with respect to the concern we showed at that time. If any Senator is curious, he need only obtain a copy of Report No. 752, 79th Congress, 1st session. He will find this statement therein:

> Should the preservation in section 7(a) of the "conduct of specified classes of proceedings in whole or part by or before boards or other officers specially provided for by or designated pursuant to statutes" prove to be a loophole for the avoidance of the examiners system in any real sense, corrective action would be necessary.

That is what is in the Judiciary Committee report in the 79th Congress. The committee foresaw the possibility of loopholes. The committee foresaw the possibility of circumventing the so-called hearing examiner setup. That language was included in the report.

The report continued:

> That provision is not intended to permit agencies to avoid the use of examiners but to preserve special statutory types of hearing officers who contribute something more than examiners could contribute and at the same time assure the parties a fair and impartial procedure.

The distinguished former Senator from Nevada, the late Senator McCarran, with whom I served on the Judiciary Committee, and under whose chairmanship I served, stated on March 12, 1946, on the floor of the Senate:

> The committee has considered the possibility that the preservation in section 7(a) of the "conduct of specified classes of proceedings in whole or part by or before boards or other officers specially provided by or designated pursuant to statute" might prove to be a loophole for the avoidance of the examiners system. If experience should prove this true in any real sense, corrective legislation would be or might be necessary. Therefore, the committee desires that the Government agencies should be put on notice that the provision in question is not intended to permit agencies to avoid the use of examiners.

Here we observe that kind of a situation. It is not necessary to delegate to hearing examiners. The provision is worded so that the delegation can be to an employee. Perhaps under given circumstances there may be an employee whose mental inclination and whose general social viewpoint is such that certain people would like to have him sit in and test and evaluate the equities and merits of a case, bypassing the hearing examiner. That can be done under the proposed reorganization plan. That is a broad rather than a specific power. Under those circumstances, it should not be granted.

Mr. President, the fourth item as a basis for the rejection of the plan is that there are no specifics. It is up to the Congress. All five plans are in the same category.

Mr. President, there are now seven plans. I have not examined in detail the last two. Those two deal with the Housing and Home Finance Agency and the Maritime Administration. Those are plans 6 and 7. They were submitted on the 12th of June. We do not have five plans now, but we have seven plans. The same defect appears in all the plans.

What shall we say when we examine the review power, which is made discretionary? We examine the power of delegation, and can come to only one conclusion. What is that? The President is asking for a blank check, and the agencies are asking for a blank check, in order to reorganize themselves. This is to be no reorganization by the Congress.

The Senator from New York [Mr. JAVITS] very squarely put his finger on the problem when he was quizzing Dean Landis, the President's special emissary. This is what the Senator from New York said:

> So what you really want us to do is to transfer the authority from us to them? In other words, we should let them decide when, and in what cases, they are going to delegate the rulemaking power, instead of reserving to ourselves the authority to decide when we are going to let them do it?

What was the answer? Dean Landis said that was his understanding of the matter. I have his language before me. Mr. Landis, in answer to the question by the Senator from New York [Mr. JAVITS] said:

> That is correct.

The Senator from New York [Mr. JAVITS] said:

> That is really what it comes down to, is is not?

Mr. Landis then said:

> It does.

What is being asked for today is a blank check, for vague power, to sponge out the right of review and to make it discretionary. With the right number of votes on the Commission and the delegation of rulemaking power, that can go down to the veriest employee on the Commission.

For those and other reasons, Mr. President, the Senate is not justified in placing a stamp of approval upon this kind of a plan, so the Javits-Capehart resolution which is pending before the Senate, which asks the Senate to disavow the plan, ought to be approved.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. LAUSCHE. If the principle embodied in the plan is sound in its application to the Securities and Exchange Commission, would it follow, in the opinion of the Senator from Illinois, that it would be sound in application to all of the other quasi-judicial bodies?

Mr. DIRKSEN. Yes. We can reach the problem even as the Chairman of the Federal Communications Commission said on television last Sunday, and as he has said publicly in the print. Legislation could be asked for to meet the problem, and testimony could be taken. There could be a hearing on the request, with a careful measuring of power, and then an expanded authority given, under big and broad language, so that nobody could tell what would be the implications.

Mr. LAUSCHE. If we give this power to delegate to the Securities and Exchange Commission would not the argument be sound that it should then be given to the National Labor Relations Board and to other boards, so that each one of those boards, instead of exercising judgment on its own, could delegate to subordinates?

Mr. DIRKSEN. Exactly so.

I wish to add one thing before I finish, on the question of whether the power will be used.

One of the Commissioners, Mr. Robert Bradley, appeared before the House committee and said:

> The Constitution places the regulation of commerce in the Congress. Section 2 of the proposed plan could be employed, I believe, to shift the regulation of interstate and foreign communications from an independent commission to the executive branch of our Government. Whether this power would be exercised is not the question.

That is something which the Commissioner of the Federal Communications Commission said, when he testified on the plan which was rejected by the House of Representatives.

What the distinguished Senator from Ohio says about these plans is uniformly true. The same threat of making review discretionary and wiping out the right of review, with the same power to delegate down to the veriest employee, over whom we have nothing to say except to

appropriate money for his salary, obtains in every case.

The same weakness, that there is no "specific" operation, obtains in every one of these plans.

Mr. President, I sum up by saying that this is a request to extend a blank check to seven agencies of Government, including the one presently before the Senate, to organize themselves on such lines as they see fit. If we permit it, I think we shall do a rare disservice not only to the people of the country but also to the regulatory agencies themselves and to the Congress, which is the exclusive legislative body in our scheme of government.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. BUSH. I should like to compliment our minority leader, the distinguished Senator from Illinois [Mr. DIRKSEN] for his eloquence and precise argument against the recommendation of the President. I shall support the views that he has expressed and vote appropriately to support his position on the measure.

I should like to ask the minority leader if what I am about to express is not one of the real dangers in this situation. I have in my hand a copy of Public Law 86-750, which is an act to amend certain provisions of the Investment Advisors Act of 1940, as amended. In section 9 of the act is the following language:

> That the Commission shall, for purposes of this paragraph 4, by rules and regulations define and prescribe means reasonably designed to prevent such acts, practices, and courses of business as are fraudulent, deceptive, or manipulative.

In other words, the law specifically directs the Commission to enunciate these rules and regulations. The Reorganization Act proposes that the Commission should not have to do so any more, and that the Chairman could delegate an employee or a member of the staff to make such rules and regulations as might be necessary to determine whether certain business operations are fraudulent, deceptive, or manipulative. I suggest that such a delegation is a very dangerous delegation of power, and one of the reasons why we should oppose the measure. I ask the Senator from Illinois whether that statement is not correct?

Mr. DIRKSEN. The Senator is correct. His statement applies to the Trust Indenture Act, the Investors Advisory Act, the Public Utilities Holding Act, and the Securities and Exchange Act. The Commission has broad power, which reaches over into every section and interest in the United States. Of course, there must be read in its content a so-called criminal statute, for there are penalties for violation.

Mr. BUSH. I thank the Senator. I read further the language contained in section 14(a):

> The Commission shall have authority from time to time to make, issue, amend, and rescind such rules and regulations and such orders as are necessary or appropriate to the exercise of the functions or powers conferred upon the Commission elsewhere in this title.

But the Reorganization Act would provide that the Commission could duck that responsibility by delegation of power; is that not so?

Mr. DIRKSEN. Exactly. The danger is that there is actually proposed a royal road or short cut. I remember the disarming proposals that started with the language, "Notwithstanding any other provision of existing law"—bang. That is the point at which we were hit, because with one sweep of words everything on that point was wiped out in the statute books.

Then certain provisions were added, to the effect that "This obtains," or "that obtains," or we confer a right. Broad reorganization plans must be watched very carefully because of the danger which is involved.

Mr. MUSKIE. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. How much time does the Senator desire?

Mr. MUSKIE. Ten minutes.

Mr. McCLELLAN. I yield 15 minutes to the Senator from Maine.

Mr. MUSKIE. Mr. President, at the outset I should like to make a disclaimer. I am not an expert in the work of the Securities and Exchange Commission. I have never appeared before the Commission. My participation in the securities market is negligible. However, I happen to be a member of two subcommittees to which the reorganization plan was referred. They are the Subcommittee on Securities of the Committee on Banking and Currency and the Committee on Government Operations. Both of those committees held hearings on this and other reorganization plans.

I should like to express my opposition to Reorganization Plan No. 1 in my own terms. I suspect my views are somewhat different from those which were expressed on the floor by the distinguished minority leader.

I believe that at the outset we should understand why the proposed plans were sent up to the Hill by the President. They were sent here to correct a condition which has been a cause of concern not only to the President, but to the Congress, and to those who have appeared before the Commissions and worked with it.

The President defined the problem, in part, in the following words:

> A. Allocation of agency activities.—The reduction of existing delays in our regulatory agencies requires the elimination of needless work at their top levels. Because so many of them were established in a day of a less complex economy, many matters that could and should in large measure be resolved at a lower level required decision by the agency members themselves. Even where, by the force of circumstance, many of these matters are now actually determined at a lower level they still must bear the imprimatur of the agency members. Consequently, unnecessary and unimportant details occupy far too much of the time and energy of agency members, and prevent full and expeditious consideration of the more important issues.
>
> The remedy is a far wider range of delegations to smaller panels of agency members, or to agency employee boards, and to give their decisions and those of the hearing examiners a considerable degree of finality.

It is with respect to the point which I have read that I would like particularly to address my remarks. We are all concerned, of course, with the fact that there are excessive delays and very burdensome workloads in the Commissions. These are created in part at the top level—the Commission or the board level—and in part at the staff level. The answer at the staff level is to provide more staff and more appropriations to the extent that appropriate committees of Congress think necessary. But the problem with which the reorganization plan deals is the excessive delay and workload at the Commission level.

I concede at the outset that there is merit to the approach taken by the plan. I know of no other way to reduce a workload at the Commission level except to permit the Commission in some way to delegate some part of its work.

But this is the point at which I took issue with the reorganization plan. I should like now to say a word about the impact of this plan upon the Securities and Exchange Commission. The plan would do two things. First of all, it would authorize the Commission to delegate any of its functions, without restriction, to subordinates—hearing examiners, individual employees, or groups of employees. Secondly, it would limit review of the acts of the employees to whom the Commission would delegate its functions. Thus it would vest in hearing examiners or other employees a finality of decision which they do not now have. In the Securities and Exchange Commission this question is particularly important, because under its current practice hearing examiners have never had the power of initial decision. I should like to read from a letter which is printed on the third page of the committee report, which I think is revealing:

> This agency has never used the procedure of initial decisions by hearing examiners. Our hearing examiners make only recommended decisions. The full membership of the Commission participates in the final findings and opinion in every case adjudicated by this agency, except, of course, for occasional nonparticipation by an individual Commissioner because of absence, illness, or personal disqualification. The answer to your question as to our present practice with respect to review of adjudicated cases by the full Commission is, therefore, that we have no such practice. This Commission does not review any decisions made initially at lower levels. It makes the decisions initially and finally at full Commission level in all adjudicatory cases.

What we have, then, is the situation that at the present time the full Commission makes all initial decisions and all final decisions in all adjudicatory matters. Under the proposed plan the Commission could delegate all these functions to hearing examiners, who do not now exercise them, and give a degree of finality to the decisions of these hearing examiners which they do not now have, because the practice does not now obtain in the work of the Commission.

I should like to refer to some of the testimony by the Commission, and in

that regard I refer to an expert. I have pointed out that my activities in the security market are negligible. Therefore I am not an expert. However, I refer to the testimony of Mr. G. Keith Funston, president of the New York Stock Exchange, to give the Senate some idea of the importance of the matters which are involved. I quote from his testimony:

The Securities Exchange Act of 1934 gives the Securities and Exchange Commission very broad rulemaking power. Rulemaking power is, in the eyes of the laymen, the power to legislate. As we read Reorganization Plan No. 1, the Securities and Exchange Commission could delegate its rulemaking power to a commissioner, to an employee, or to an employee board. Under its rulemaking authority, the Securities and Exchange Commission—

I emphasize the full Commission—

has adopted sound and reasonable minimum capital requirements which apply to more than 6,000 broker-dealers. A revision of these requirements could seriously restrict the ability of broker-dealers—and even the entire securities industry—to continue to serve the investing public effectively.

The Commission has other vast powers. Under section 19 of the 1934 act the Commission has power to suspend or withdraw the registration of an exchange, to suspend trading in securities, and to revise the rules of exchange in many important areas. Furthermore, section 15(b) of the 1934 act gives the Commission power to put a broker-dealer out of business by revoking his registration.

In our view the Commission should not be permitted to delegate to anyone its legislative powers or its life-and-death authority over so important a segment of our economy.

I believe that testimony is significant in suggesting the importance of the matters which are involved.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. MUSKIE. I am glad to yield.

Mr. SYMINGTON. Do I understand from the able Senator's reading of the testimony of Mr. Funston that under the reorganization plan the Securities and Exchange Commission could delegate to any employee regardless of his position such power as to suspend or withdraw registration or suspend trading in securities?

Mr. MUSKIE. I can answer that question best, if I may, by reading the provision of the plan itself. Section 1 of the plan provides:

Section 1. Authority to delegate.—(a) In addition to its existing authority, the Securities and Exchange Commission, hereinafter referred to as the "Commission," shall have the authority to delegate, by published order or rule, any of its functions to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board, including functions with respect to hearing, determining, ordering, certifying, reporting or otherwise acting as to any work, business, or matter.

Mr. SYMINGTON. Then the impression of the able Senator from Maine would be the same as mine, that the Commission could delegate to any employee regardless of his position any authority in this field if it decided to do it.

Mr. MUSKIE. I agree with the Senator from Missouri. That is not to suggest that the Commission would indeed do so. I wish to read into the RECORD some of the testimony by the Commission on this point. However, the power would be there if the plan were adopted.

Mr. SYMINGTON. I thank the Senator.

Mr. MUSKIE. Returning to the testimony of Mr. Funston, let me emphasize once more that these functions which Mr. Funston describes are not now exercised by anyone in the Commission other than the Commission itself.

The question next arises whether or not it is the function of the Commission to delegate powers of this importance to hearing examiners or other employees. The chairman of the Commission made it very clear that it was not his intention to delegate powers of this importance to hearing examiners or other employees. The chairman of the Commission made it very clear that it was not his intention to so delegate. Let me read, if I may, from his testimony. He says:

Further, I would like to go to the general areas in which we do not contemplate delegation. Mr. Funston was quite correct this morning in indicating what I previously have stated, and I now reaffirm, that we do not plan a delegation of our general rulemaking.

Then we have a letter dated June 7, 1961, written by the general counsel for the Commission, Mr. Walter P. North, to the Senate Committee on Government Operations, in which the following paragraph appears:

I am sure I need not add that the foregoing is merely a statement of our understanding of what we could do under the plan. It is not to be taken as an indication that this Commission would resort to any such broad delegation of its adjudicatory functions. In fact, I believe our chairman has indicated in testifying before committees, both in the Senate and in the House of Representatives, that our present tentative thinking is that we would at most delegate adjudicatory functions in uncontested or relatively routine cases.

Let me then make these points. First of all I suggest that the testimony which I have read indicates it would be undesirable to permit the Commission to delegate broad powers of this nature to employees and, I might say, who were not employed to exercise functions of this importance. They were selected and they were evaluated and they were appointed on the basis of responsibilities and duties of a far lower level of importance than those which we are discussing here.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MUSKIE. I am happy to yield.

Mr. LAUSCHE. Is it not a fact that when these subordinate employees were chosen, they were chosen with the knowledge that ultimate decisions would not be reposed in them, but that the final judgment would have to be rendered by the Commissioners appointed by the President and confirmed by the Senate?

Mr. MUSKIE. As a matter of fact, the point could be made even more strongly, because when they were appointed they did not have the power even of initial decision, and they had only the power to recommend decisions in those matters which were delegated to them. The Commission itself by its disclaimer of any intention to use such broad powers indicates its awareness of the undesirability of such broad delegation.

The question then arises, if nobody seems to be for this kind of general delegation, Why does the plan provide for it? The answer that is given on this point is not very satisfactory. This is the testimony appearing on this point given by the Chairman of the Commission, Mr. William L. Cary.

In this connection, however, for this plan to be amended to exclude general rulemaking poses a substantial problem in my opinion because of the fact that the word "rulemaking" is so broadly defined in the Administrative Procedure Act. As a consequence, it is very difficult to draw a line and isolate out general rulemaking, the broad rulemaking, in distinction to that type of rule which concerns agency housekeeping, such as the number of copies of a registration statement, but which is considered rulemaking under section 2 of the Administrative Procedure Act.

I do not know about the ingenuity of the persons who draft these provisions for the Securities and Exchange Commission, but I have been exposed to the ingenuity of Senators and Senate committees, and I suggest, with some degree of authority, that it is possible to draw this kind of line. Indeed, I should like to refer to another statement by the Chairman, which indicates that he himself has found it possible to draw such a line. From his prepared statement, submitted at the hearing of the Subcommittee on Securities of the Committee on Banking and Currency, I quote:

On the basis of our study to date, I would place at least the following items in the category of nondelegable responsibilities:

1. The general rulemaking powers of the Commission under the acts which it administers. Under these statutes the Commission has the power to promulgate rules of general applicability which serve to implement or interpret the acts it administers. As these rules involve basic policy considerations and are applicable in a general manner, it would not be advisable, and the Commission does not intend, to delegate its rulemaking power relative to policy matters.

Mr. President, let me suggest to the Senate that the Chairman himself, in these words, has indicated that it is possible to make a distinction between the general rulemaking power and more specific powers.

Let me refer to another portion of his statement:

As I have stated, it is not the Commission's intention to delegate its general rulemaking powers. In some cases, however, it may be appropriate to delegate to a Commissioner or a staff member the authority to issue rules in limited areas which do not deal with the basic policies of the acts. I might cite as an example the mechanical requirements dealing with registration statements, e.g., the number of copies to be filed. Examples of existing rules which might have been delegated include the following—

Then he lists rules requiring marked copies of amendments to proxy material and registration statements; rules dealing with the number of copies, binding, paper, and printing of registration statements; rules dealing generally with the mechanical requirements for forms filed

under the Securities Exchange Act; rules concerning the formal requirements of registration statements or reports filed under the Investment Company Act.

The Chairman has done very well, it seems to me, and with considerable specificity, in stating what he believes could not be done, namely, to make a delineation between general broad powers, which almost everyone agrees ought not to be delegated by the Commission, and those more formal, less important powers, which almost everyone agrees probably should be delegated. So what the proponents of the plan seek to do, what they urge as the extent of their objective, can be done. Unfortunately, it cannot be done in a reorganization plan. We must vote it up or down. We cannot modify it. We cannot work on its details. But this is not a question of such urgency that we ought to allow ourselves to become a party to this kind of legislation, and this is legislation. The Commissions have been dealing with the problem of delay and overwork for a long time, and I feel certain that they could continue to do so for a while longer.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. LAUSCHE. It seems to me on the basis of what the head of the Commission stated, that he divided into two classes the functions of the Commission: That is, that the judicial, discretionary functions cannot be delegated; the mechanical and ministerial duties, which require no judgment and no discretion, can be delegated.

The position of the Senator from Maine is that in order to facilitate the disposition of the business there ought to be a delegation of powers, but that delegation ought not to center in the judicial and discretionary functions of the Commission, which are so important to the stock- and bond-buying people of the United States.

Mr. MUSKIE. I would make one qualification concerning the Senator's statement. Perhaps even in the adjudicatory field some routine matters might be delegated, if they were delegated in accordance with standards that were very carefully drawn. I would not object to that. But we are dealing here with larger organic statutes which are involved in the Securities and Exchange Commission, and certainly our committees did not have the opportunity or the time to evaluate the impact upon those statutes and the rights of the people affected by them under this reorganization plan. This formula for relieving the workload of the commissions was devised—and I see nothing objectionable in the overall purpose—and applied with almost no variation to five, and I think perhaps seven, commissions or boards at this time.

The PRESIDING OFFICER. The time of the Senator from Maine has expired.

Mr. McCLELLAN. Mr. President, I yield the Senator from Maine as much additional time as he may desire.

Mr. MUSKIE. Mr. President, I think that what is needed—and I am sure that everyone who concerns himself with the plan knows it is needed—is to have these proposals presented before committees which can give the appropriate time and study, with the necessary authority on their own part to modify the plans and to present them to the Senate. This is an objective which can be met. It is an objective which ought to be met. I am sure it is an objective that will be met if it is handled properly and referred to the appropriate committees to be handled as a legislative matter.

Since these questions have not been presented on the floor, to the best of my knowledge, I think I ought to call the attention of the Senate to some questions which were raised in the committee report concerning this plan. These are questions which the Senate ought to answer before it votes on the plan. The questions were raised at the hearings, and they ought to be raised before the Senate.

First, is it proper or desirable to delegate the exercise of the rulemaking adjudicatory functions to subordinates of a staff without providing for mandatory review of their determinations by the full agency? On this question, I make this additional comment: No one on the committees has had an opportunity to evaluate the performance of hearing examiners. Has their performance been such as to merit the confidence of Congress in handling responsibilities of this seriousness? As I pointed out earlier, when the examiners were appointed, they were not appointed to discharge such responsibilities. Congress has not really had an opportunity to evaluate their performance. I believe we ought to have such an opportunity before we act upon a proposal of this seriousness.

The second question: Would the delegation to subordinates result in policy being made by the staff instead of by the legally constituted agency?

Another question: Since the proposed delegation can result in final determinations by members of the staff, whose nominations are not subject to Senate confirmation, and who are not responsive to the public, is this a proper or desirable practice?

The next question is: By permitting only discretionary review before the full Commission, is a litigant being deprived of a substantive right?

Another question: If the present review procedures are altered, or if final determination may be made by a subordinate, will it not be more time consuming for the Commission—and we are talking about time—to have to make a determination as to whether the matter should be reviewed, and then to proceed to review it, than to leave the final decision in the Commission, where it now is?

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. JAVITS. Mr. President, if necessary, I shall be glad to yield some time to the Senator from Maine.

I have been very much heartened by the Senator's feeling that this plan should be disapproved. He is on the side of the administration; he would naturally be inclined to favor the administration.

I really had no desire, myself, in submitting the resolution and undertaking the questioning before the committee, to interfere in any way with what would be the most efficient practice. It was an important confirmation to me that he was trying to arrive at some objective judgment when the Senator indicated he was persuaded by what he heard in response to one of the questions asked. What worried me from the very inception—perhaps it is based upon the fact that I have had so much experience as a practicing lawyer in this field, long before I became a Senator or was in public life at all—was the staff question.

I have the feeling that in view of the tremendous sweep of the authority given to the Commission which could thus be delegated and in view of the operations of the SEC—which are so heavily dependent on the functioning of each staff member; and when, as Senators know, the staff is dealing with the regulation of private businesses, not with the issuance of a license by a Government agency, as in the case of the FCC or similar agencies; and when the least breath of concern or suspicion could be disastrous to such an economic situation; and when the staff alone could ruin a private organization or group, merely by calling for additional hearings, and so forth, with the result that the private organization or group concerned would be "licked," because it could not proceed within the time the market would require—we should therefore, at the least, retain in the SEC the rule-making power. In fact, I thought the final straw was the request that the SEC be given the authority to delegate that power. I wonder whether that may have had a strong effect on the position taken by the Senator from Maine.

Mr. MUSKIE. Indeed so; and I feel much more strongly about the plan in regard to the SEC than I do about some of the other plans.

Furthermore, one of the reasons why I oppose this plan, and why I may oppose the others, is that I want to see this administration succeed, and I want to see this administration approved, and I want all actions taken by the agencies for which it is responsible to be soundly based. So, Mr. President, if the friends of this administration cannot protect its interest in this respect, I do not know who will do it.

Other questions which were raised at the hearings should be called to the attention of the Senate; and I put them into the RECORD, not because all Senators will have an opportunity to read them before they vote on this plan, but in order that they may have an opportunity to read them before they vote on the others.

Another question is as follows:

Would the vesting of authority in the Chairman to determine the specific personnel who would perform the function authorized to be delegated (under sec. 1 of the plan) vest undue power and authority in the Chairman?

This is an aspect of the plan which I have not discussed this afternoon, and I shall not now take the time of the Senate to discuss it, because it is not of as much concern to me.

Then, Mr. President, one final question:

Can either procedural or substantive rights, which are established by statute, be altered or eliminated by a reorganization plan?

Mr. President, that is my case. I really did not make it for the purpose of trying to persuade anyone else that my position is the correct one. Instead, I made this presentation because, as a member of these two committees, I feel that I have some obligation to make my position clear. Even so, I would not have done so if I had not felt so strongly that what is now proposed would be the wrong thing to do.

Mr. President, I yield the floor.

Mr. BUSH. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER (Mr. HART in the chair). The Senator from Connecticut is recognized for 1 minute.

Mr. BUSH. Mr. President, I am glad to be able to state that I have followed the argument which the distinguished Senator from New York [Mr. JAVITS] has made in regard to this matter, both here on the floor and throughout the hearings; and I believe that one has only to examine the hearings in order to realize that his incisive questioning has brought out some of the weaknesses of this reorganization plan.

We are fortunate in having one such as the Senator from New York, himself an able lawyer who understands the problems of finance and, particularly, the problems of securities and stock exchanges, serve on the committee and be in a position to give leadership and understanding to all of us in connection with a plan such as this one. I believe that the argument he has made here today is most persuasive, and I am happy to support the position he takes.

Mr. McCLELLAN. Mr. President, how much time remains available to those in opposition?

The PRESIDING OFFICER (Mr. THURMOND in the chair). The Senator from Arkansas has 235 minutes remaining under his control.

Mr. McCLELLAN. Mr. President, in view of the fact that ample time remains available, I now suggest the absence of a quorum.

The PRESIDING OFFICER. Is it understood that the time required for the quorum will be charged equally to both sides?

Mr. McCLELLAN. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The absence of a quorum has been suggested; and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I yield to the Senator from Minnesota such time as he may desire.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I shall take very little time. I realize that in the discussion of the reorganization plan most of the time has been used by Members of the Senate who are in opposition to the plan and in support of the resolution of disapproval. I would caution my colleagues to remember that in the other body a considerable discussion of this plan took place and that the effort to register disapproval was defeated. This occurred despite the fact that on the Federal Communications Commission plan for reorganization, the resolution of disapproval was overwhelmingly, in that instance, accepted and approved.

The burden of the argument in reference to opposition, at least on one point, is the delegation of the rulemaking authority, and, of course, the delegation of authority to the examiner to make decisions, of course, subject to the review of the full commission.

The argument, as expounded in support of the measure, is that the reorganization plan runs along the traditional lines of other reorganization proposals.

This is the plan as I see it, and I do not claim to be an expert in it. I have reviewed the testimony very briefly. I have read the RECORD in reference to the argument in the other body. I have that RECORD before me. I have noticed that one of the most persuasive arguments which was given emphasized the fact that the plan did not trespass upon the prerogatives or in any way on the policies which have been enunciated, promulgated, and passed by the Congress.

In fact, the reorganization pattern for this particular proposal is very much along the lines of ones which have taken place in regard to other regulatory agencies.

The main point which I am sure bothers Senators is that the rulemaking power might be abused. That theoretically is a possibility. I am sure this has been gone into in detail. I gather from the testimony that the members of the Commission made it quite clear they had no intention of exercising that authority.

Under the terms of many reorganization proposals we have had, such as the Hoover Commission reports, and some of the principles enunciated in those reports, the delegation of rulemaking authority has been subscribed to.

Frankly, I think the administration would have been wiser if it had consulted a little more carefully with some of the legislative committees of the respective Houses. I wish it had. I do not believe there is anything in the plan which will be injurious to the public interest. In fact, I think it will be helpful for the public interest. It will surely improve the administration of the regulatory agency and it ought to expedite the work.

One of the complaints on regulation is the long delay which takes place in the regulatory bodies. One of the efforts being made in the reorganization program is to expedite action without at the same time losing the right of review and of appeal, and the final authority of the Commissioners themselves to review actions of their subordinates.

There is not a Senator present who has not had constituents come to him and urge that something be done in one of the regulatory bodies. The constituent does not necessarily ask, "Get a decision my way." What the constituent asks is, "Please get a decision. Get a 'yes' or a 'no.' Get a denial or an affirmation, but please get some action."

Apparently that is one of the compelling reasons for the effort being made in the reorganization program in regard to the Securities and Exchange Commission, as well as with regard to other agencies.

Mr. President, I hope the Senate will support the administration in this effort. Congress always has the power to alter any authority of any regulatory agency. If authority is abused, Congress can take corrective action. I am sure there is no evidence there will be any abuse.

My final thought on this proposal is that the testimony on behalf of the administration for Reorganization Plan No. 1 indicates that under the proposal of reorganization the work of the Securities and Exchange Commission can be expedited, the public interest can be furthered, and the administration of the regulatory commission will be improved. I hope the Senate will reject the resolution of disapproval.

Mr. JAVITS. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER (Mr. MUSKIE in the chair). The Senator from New York is recognized for 10 minutes.

Mr. JAVITS. Mr. President, we come now to the point of summing up the arguments made. I shall endeavor to do exactly that.

I wish to pay my respect to and express my appreciation to, first the chairman of the committee for the fair and very proper way in which he allowed all points of view to be developed and the way in which he guided the committee in its final judgment as to what ought to be done in the matter, as well as the fine and gracious way in which he handled the debate.

I express appreciation to my colleague from Maine, who looked into the problem and convinced himself, and therefore was all the more stalwart a supporter of the idea, which I feel is a sound one, that the reorganization plan is unacceptable.

I express appreciation to my colleagues from Ohio and from Florida who spoke on the resolution. I certainly appreciate their views.

I also express appreciation to my distinguished colleague from Connecticut, who has been so gracious in his references to the examination which took place, which forms the basis for the RECORD.

Finally, I would like to express my appreciation to my distinguished colleague, the senior Senator from Indiana [Mr. CAPEHART], who stepped aside and permitted me to be principal sponsor of this resolution, for his unfailing support.

Mr. President, one thing is very clear. It is that the Congress has a duty to decide whether it will allow an agency to

delegate a certain type of authority. This is a matter of judgment for the Congress.

Though one knows that men have volition, often men may wish to divest themselves of a tough problem on which they have volition. The authority which gives them that power may feel it wishes them to wrestle with the problem until they come to a conclusion. On that it seems to me the main sticking point is the rulemaking power which we are asked to allow the Commission to delegate. This has been referred to a number of times. The Commission itself has very grave doubts as to whether it ought to delegate more than a very small part of the rulemaking power.

As the Senator from Maine [Mr. MUSKIE] noted, the Chairman of the Commission himself, as is shown on page 31 of the record of the hearing before the Committee on Banking and Currency, spelled out the kinds of relatively minor things in regard to rulemaking which the Commission would think of delegating.

Mr. President, it seems to me that when there is so great a question, with so much concern about the authority to delegate, which is such a critical power, the proposal can hardly be saved, in terms of our view that we should not allow the Commission to delegate, by the relatively minor matters upon which the Commission may choose to exercise authority now. It may choose to exercise authority with reference to minor matters today and it may choose to exercise authority with reference to major matters tomorrow. The fact that the Commission absorbs the work on a few minor matters, it seems to me, is far the lesser of the two difficulties, when it is compared to giving authority which might very well work adversely to the public interest if overly exercised.

Mr. President, upon that point alone, upon the right to delegate rulemaking power, it seems to me we should defeat the reorganization plan.

Secondly and very importantly, it seems to me, also, is that we would fortify the powers of the staff. That is the whole direction of the reorganization plan, because it would deny the right to a review by the Commission as a right and put it only on the basis of a review which is granted by one less than a majority of the Commission. If we permit the right to delegate rulemaking power we strengthen the hands of the staff. The whole idea the Commission had, in desiring to delegate authority in noncontroversial matters, of which it has cataloged quite a few, is to make the staff do more and the Commission do less.

Theoretically at least—and this is certainly not anything to be ashamed of—this is an effort to make it possible for the Commission to concentrate upon policy and high level determinations.

Mr. President, one can be completely sympathetic with that point of view, provided there is retained in the Commission the ultimate authority to correct situations and provided the Commission has the basic authority and exercises the basic authority to lay out the course of action of the whole Commission, as well as the various authorities of its employees. This the Commission would give up if it were given the power and the authority to delegate the rulemaking power.

It seems to me this is the essence of why, in this situation, we should turn down the plan.

Further, Mr. President, let us understand, as we developed a minute ago in the colloquy, that the Securities and Exchange Commission is uniquely an agency which regulates private business. Private business, and especially the securities business, is a sensitive area, and it is possible to inflict great injustice even without intending to do so and even without any fundamental decision or determination from which an appeal might be taken to the Commission.

So, as we would fortify the staff and give the staff more responsibility, I feel that we must retain the residual authority in the Commission itself, and that residual authority is the total of the rulemaking power.

One of the former Commissioners made a very interesting point in respect to the work of the Commission as bearing upon the subject which we are now discussing. I believe he probably struck the proper note upon which to conclude. Ralph H. Demmler, former Chairman of the Securities and Exchange Commission over the years 1953 to 1955, was asked by Dean Landis what he thought about the idea of the reorganization of the SEC. His letter, which is addressed to James M. Landis, is found on page 33 of the hearing before the subcommittee of the Committee on Banking and Currency. What he had to say was very interesting. He said:

> Under existing practices, the members of the Commission have too many matters to pass upon personally.

Mr. Demmler then proceeded to develop that point. He said that the Commission must meet every day, on most days for an aggregate of 5 hours, and he said that many things passed on by the Commission could just as well be disposed of by the staff. He gave some examples. He concluded:

> When a conscientious Commissioner is multiplied by five, the time consumed by the superstaff function gets out of hand.

These were difficulties. These were impediments slowing up the work of the Commission. Mr. Demmler concluded in his last sentence as follows:

> I think, however, that a study of the subject, followed if necessary by a few statutory amendments (possibly provision for rulemaking power with respect to delegation of authority) could work wonders.

In short, even Mr. Demmler, a former Chairman of the Commission, recognized the fundamental power vested in the hands of the Commission, the use of which power could help it with its work, provided the Commission retained the ultimate rulemaking authority.

I point out also that among those who opposed the reorganization plan before the committee were the president of the New York Stock Exchange, the president of the Boston Stock Exchange, and the president of the American Stock Exchange, Edward T. McCormick, himself a former commissioner of the SEC.

There are some things that should be done about the SEC, especially the right to delegate some of the functions which Mr. Demmler called superstaff functions. Professor Cary, the new Chairman of the Commission, described the functions of the Commission in that manner also. But such changes should not go to the extent of giving the Commission the power to delegate the core of its authority, which is its rulemaking power.

In that respect, and quite apart from grave doubts as to the machinery for appeals and other provisions of the plan, I believe the plan is fatally defective, and I hope very much, therefore, that the Senate may see fit to reject it.

I point out that whatever we may do about the plan, the administration can submit another plan more properly tailored to meet the situation, as indicated by the views which I believe have been specifically expressed. Also we ourselves can initiate legislation. Such action has been taken many times. We can tailormake the type of reorganization authority which is needed for the SEC. The proposed reorganization plan is altogether too sweeping. The Commission would receive altogether too much power to delegate authority, far more than is good for the Commission, the security business, or the country.

I hope very much that the Senate will see fit to give the administration, now that it has had this attritional process of finding out what ought to be done, an opportunity to submit another plan immediately.

Mr. THURMOND. Mr. President, will the Senator for Arkansas yield to me?

Mr. McCLELLAN. I yield 10 minutes to the Senator from South Carolina.

Mr. THURMOND. I rise in opposition to the Reorganization Plan No. 1 of 1961, which provides for reorganization of the Securities and Exchange Commission.

There are various reasons why I feel that the plan should be defeated. However, I think the three reasons mentioned by the Committee on Government Operations in its report to the Senate are alone sufficient. These reasons are as follows:

First, the plan would authorize the delegation by the Commission of many of its functions to subordinates. In my judgment, that would be a very dangerous authorization and goes entirely too far.

Second, the plan would provide for only a discretionary right of review, which, if denied, would result in the action of the subordinate being final. I believe that reason speaks for itself and needs no further elaboration.

Third, the plan would vest in the Chairman of the Commission authority to choose the individuals who would exercise the delegated power. I believe that authority is too much power for the Chairman, and I am not too sure that a Chairman of the Commission would even want that much power. But if he did, the Congress should not allow him to have that much power. It seems to me Congress can consider the desire for necessary reorganization in its de-

liberations, and properly arrive at such changes as may be desirable or essential without adopting a plan of the kind proposed, which, in my judgment, would go entirely too far and would delegate entirely too much power.

I am opposed to the plan, and hope that the Senate will see fit to defeat it.

I thank my distinguished friend from Arkansas. I yield back the remainder of my time.

Mr. McCLELLAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, Reorganization Plan No. 1 of 1961, providing for the reorganization of the Securities and Exchange Commission, has been considered by the Government Operations Committee under the distinguished chairmanship of the Senator from Arkansas [Mr. McCLELLAN] and also by the Banking and Currency Committee.

The proposal was sent to Congress by the administration for the purpose of streamlining and making more effective the administration of the SEC.

I hope that, while there was no clear-cut approval expressed by the committees which considered the matter, particularly the Government Operations Committee, nevertheless the fact that it was reported by a vote of 4 to 2 will be taken into consideration and that the objectives and the provisions of Plan No. 1 will be considered when the time comes for voting on the proposal.

I hope, therefore, that after the membership of the Senate has had an opportunity to understand the effect of plan No. 1 on the operation of the Securities and Exchange Commission, and after they have had an opportunity to understand how it would streamline and make more effective the Securities and Exchange Commission they will see fit to give the administration's proposal their approval or, if they have any doubts, to give the benefit of those doubts to the administration, so that the matter may be resolved and the reorganization plan approved.

Mr. McCLELLAN. I have no further request for time on this side. Does the Senator from Illinois have any request for time on his side?

Mr. DIRKSEN. No. I am prepared to yield back the remainder of my time.

Mr. McCLELLAN. I yield back the balance of my time.

The PRESIDING OFFICER. All time has been yielded back. The yeas and nays have been ordered.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. The language of the resolution is that the Senate does not favor Reorganization Plan No. 1 of 1961. Therefore, a "yea" vote would be a vote to reject the plan. Is that correct?

The PRESIDING OFFICER. The Senator from Illinois is correct. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. HUMPHREY. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Alaska [Mr. GRUENING], the Senator from Oregon [Mr. MORSE], the Senator from Oregon [Mrs. NEUBERGER], the Senator from Utah [Mr. Moss], the Senator from Mississippi [Mr. STENNIS], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

I also announce that the Senator from New Mexico [Mr. CHAVEZ] is absent because of illness.

I further announce that, if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Oregon [Mrs. NEUBERGER], and the Senator from Alaska [Mr. GRUENING] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from New Jersey [Mr. CASE] is necessarily absent.

The Senator from Wisconsin [Mr. WILEY] is absent on official business.

If present and voting, the Senator from New Jersey [Mr. CASE] would vote "yea."

The result was announced—yeas 52, nays 38, as follows:

[No. 82]

YEAS—52

Aiken	Dworshak	Morton
Allott	Ellender	Mundt
Bartlett	Ervin	Muskie
Beall	Fong	Prouty
Bennett	Goldwater	Robertson
Boggs	Hickenlooper	Saltonstall
Bridges	Hickey	Schoeppel
Bush	Holland	Scott
Butler	Hruska	Smathers
Byrd, Va.	Javits	Smith, Maine
Capehart	Jordan	Symington
Carlson	Keating	Thurmond
Case, S. Dak.	Kuchel	Tower
Cooper	Lausche	Williams, N.J.
Cotton	Long, Mo.	Williams, Del.
Curtis	Long, La.	Young, N. Dak.
Dirksen	McClellan	
Dodd	Miller	

NAYS—38

Bible	Hartke	McNamara
Burdick	Hayden	Metcalf
Byrd, W. Va.	Hill	Monroney
Cannon	Humphrey	Pastore
Carroll	Jackson	Pell
Church	Johnston	Proxmire
Clark	Kefauver	Randolph
Douglas	Kerr	Russell
Eastland	Long, Hawaii	Smith, Mass.
Engle	Magnuson	Sparkman
Fulbright	Mansfield	Talmadge
Gore	McCarthy	Young, Ohio
Hart	McGee	

NOT VOTING—10

Anderson	Morse	Wiley
Case, N.J.	Moss	Yarborough
Chavez	Neuberger	
Gruening	Stennis	

So the resolution (S. Res. 148) was agreed to, as follows:

Resolved, That the Senate does not favor the Reorganization Plan Numbered 1 of 1961 transmitted to Congress by the President on April 27, 1961.

EXTENSION OF SPECIAL MILK PROGRAM

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar 411, Senate bill 146, to extend and increase the special milk program for children.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that an explanation of the bill be printed at this point in the RECORD.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

This bill extends the special milk program for children 1 year until June 30, 1962; and authorizes the expenditure of $105 million of Commodity Credit Corporation funds to carry out the program for that year. No report has been received from the Department of Agriculture on this bill, since its provisions are included in S. 1643, the administration farm bill, and it, therefore, clearly has the Department's approval.

In his message of March 16, the President recommended extension and improvement of the program as follows:

"To improve further our system of distribution I recommend—

"* * * * * *

"2. Extension and improvement of the special school milk program. Existing authorization for this program expires June 30. No lapse should be permitted."

Since the present authority expires June 30, passage of the bill is urgent if a lapse is to be prevented.

The program has been in effect since 1954. Under the program the Department reimburses schools participating in the school lunch program at the rate of 4 cents per half pint in excess of the half pint provided in the lunch; reimburses other schools at the rate of 3 cents per half pint; and reimburses other child care institutions 2 cents per half pint. In the fiscal year just ending it is estimated that about 85,500 schools and other institutions are participating in the program, and reimbursements will total $85,200,000 covering 2.5 billion half pints.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 146) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of the Act entitled "An Act to continue the special milk program for children in the interest of improved nutrition by fostering the consumption of fluid milk in the schools", approved July 1, 1958, as amended (7 U.S.C., sec. 1446 note), is amended by inserting immediately after "$95,000,000," the following: "and for the fiscal year beginning July 1, 1961, not to exceed $105,000,000,".

DR. TUNG HUI LIN

Mr. DIRKSEN. Mr. President, I ask that the Chair lay before the Senate the amendments of the House of Representatives to Senate bill 1343.

The PRESIDING OFFICER (Mr. METCALF in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 1343) for the relief of Dr. Tung Hui Lin, which were, in line 6, strike out "November 27, 1952," and insert "November 25, 1959,", and in line 7, strike out "head tax" and insert "visa fee".

Mr. DIRKSEN. Mr. President, the only change the House amendments make in the bill is in regard to the date when the status of the immigrant will become effective.

I move that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

EXTENSION OF EXISTING CORPORATE NORMAL AND EXCISE TAX RATES

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of House bill 7446, to provide a 1-year extension of the existing corporate normal tax rate and of certain excise tax rates.

The motion was agreed to; and the Senate proceeded to consider the bill.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to ask the distinguished majority leader about the program for the remainder of the day and the program for tomorrow.

Mr. MANSFIELD. Mr. President, there will be some debate after the senior Senator from Virginia [Mr. BYRD] makes the opening statement on House bill 7446, which has to do with extension of the existing corporate normal tax rate and of certain excise tax rates. It is not anticipated that a vote will be taken on that measure tonight; but on tomorrow the Senate will resume the consideration of that bill at the conclusion of the morning business, and at that time the Senator from Kansas will have an opportunity to submit his remarks.

Mr. CARLSON. Mr. President, do I correctly understand that no final vote will be taken on that bill until after the completion of the debate tomorrow?

Mr. MANSFIELD. That is correct.

It is hoped that following the consideration of that measure, the Senate will proceed to the consideration of Calendar No. 400, House bill 6027, to improve the benefits under the old-age, survivors, and disability insurance program; and that following that we shall be able to take up the water-pollution-control bill.

Mr. DIRKSEN. I have received a great many inquiries in regard to what is likely to be the program during the 4th of July period. I have not conferred about that with the majority leader, but I wonder whether he has reached some conclusions which he would like to disclose to the Senate.

Mr. MANSFIELD. I wish I had some definite conclusions, because in this case I know what is in the mind of every Senator.

However, I hope that if the Senate proceeds with a reasonable degree of efficiency, it may be able to go over from Thursday of next week to the following Monday. In that event, on that day there would be only a pro forma session, but not votes; and that then the Senate would go over from Monday, over the 4th of July, to Wednesday, July 5. That would give the Members 4 or 5 days. Tentatively, that is the best I can say at this time. But I am sure that even that is not too hard for Senators to swallow.

Mr. DIRKSEN. The majority leader has been indeed generous and most gracious in seeking to accommodate all Members of the Senate; and I proclaim my thanks to him for the gentle cooperation with which he has met all these requests from time to time. I think he deserves the plaudits and thanks of the Senate.

Mr. MANSFIELD. Mr. President, I am deeply appreciative of what the distinguished minority leader has just now said; but I call the attention of the Senate to the fact that this is a two-way operation, and that no one could be more cooperative, more understanding, or more tolerant than my colleague, the distinguished Senator whose seat is across the aisle from mine.

Mr. DIRKSEN. I thank my friend.

RECOMMENDATION OF LEGISLATION TO PROHIBIT NEGOTIATIONS WITH CASTRO OTHER THAN THOSE LEADING TO RETURN OF AMERICAN CITIZENS NOW HELD PRISONERS

Mr. CASE of South Dakota. Mr. President, I have received a resolution adopted by the American Legion, Department of South Dakota, which held its convention on June 16. The resolution is relative to the so-called Committee for Tractors for Freedom in exchange for certain prisoners. The resolution urges the Congress to enact such legislation as may be necessary to prohibit negotiations with Castro other than those which lead to the immediate return of all American citizens now held prisoners by Castro and those now held prisoners by any Communist government. I ask unanimous consent that the resolution, as adopted by the American Legion, Department of South Dakota, be printed at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the American Legion, Department of South Dakota, convened in convention the 16th day of June 1961, has learned of and is aware of the activities of the Committee for Tractors for Freedom in exchange for certain undesignated persons most of whom are not citizens of the United States of America; and

Whereas it appears to the American Legion, Department of South Dakota, that such action on the part of said committee only tends to weaken the position of the United States in the world picture of international relations; and

Whereas it is obvious from the very recent negotiations that Castro is using Communist tactics of not abiding by his demands but upon our acceding to even a portion thereof, his demands become greater as time goes on, and it becomes obvious that he is not going to abide by any of his commitments whether it be in this phase or any other phase of international relations; and

Whereas it appears to us that compromising with Castro is degrading to the United States of America and is only another means of lowering our international prestige; Now, therefore,

We, of the American Legion of the Department of South Dakota, in convention convened in Watertown, S. Dak., this 16th day of June 1961, do urge the Congress of the United States to enact such legislation as necessary to prohibit negotiations with Castro other than those which lead to the immediate return of all American citizens who are now held prisoners by Castro together with those now being held as prisoners by any Communist government including that of Red China and that we use such means and force as is necessary to accomplish this purpose without in any way stooping to the insincere Communist bartering which is taking place in the world today; and be it further

Resolved, That a copy of this resolution be forthwith transmitted to the President of the United States, the Secretary of State, the Ambassador to the United Nations and to each of the members of the congressional delegation of the State of South Dakota.

EXTENSION OF EXISTING CORPORATE NORMAL AND EXCISE TAX RATES

The Senate resumed the consideration of the bill (H.R. 7446) to provide a 1-year extension of the existing corporate normal tax rate and of certain excise tax rates.

Mr. BUSH. Mr. President, let me ask whether the Senator from Montana has any idea of whether any amendments of an important nature will be offered to this measure.

Mr. MANSFIELD. I do not know. I suppose that if there are, word will go around and announcements will be made, and that if any are proposed, they will be printed in the RECORD, for consideration tomorrow.

But I do not know of any. I have not made any inquiries to that effect. Let me ask whether the chairman of the committee knows of any.

Mr. BYRD of Virginia. I hope there will not be any.

Mr. BUSH. I thank the Senator.

Mr. BYRD of Virginia. Mr. President, H.R. 7446, providing for a 1-year extension of the existing corporate normal tax rate and of certain excise-tax increases, most of which were adopted as a result of the Korean war, extends for 1 more year the 30 percent normal tax rate for corporations which otherwise would be reduced to 25 percent. The income tax on corporations consists of a normal tax, which applies to all taxable income, and a surtax which applies only to income exceeding $25,000. The surtax rate is not affected by this bill. If the scheduled reduction were allowed to occur, the combined normal and surtax rate which the larger corporations pay would drop from 52 percent to 47 percent, and the tax rate for small corporations not subject to the surtax would drop from 30 percent to 25 percent.

The extension of the corporate tax rate for 1 year will yield $2,030 million.

At the time of the Korean war, a number of excise-tax rates were temporarily increased, as well as the corporate rate. We have already extended these rates seven times, and this bill makes the eighth such extension. Six Korean excise-tax rates are involved in the bill,

and two other excise-tax rates were placed in the temporary category in 1959. The Korean excise rates apply to distilled spirits, beer, wines, cigarettes, passenger cars, and automobile parts and accessories. The two taxes later included are general telephone and transportation of persons taxes. The Korean tax rate will be reduced if the bill is not enacted, and the tax on transportation also will be reduced; but the general telephone tax will be repealed completely.

I ask unanimous consent to have printed at this point in the RECORD a table showing the rates extended for both corporation and excise taxes.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Corporation and excise taxes scheduled to be reduced July 1, 1961

	Unit of tax	Present law rate	Rate to become effective July 1, 1961
Corporations	Normal tax net income	30 percent	25 percent.
Excises:			
Liquor taxes:			
Distilled spirits	Per proof gallon	$10.50	$9.
Beer	Per barrel	$9	$8.
Wine:			
Still wine:			
Containing less than 14 percent alcohol	Per wine gallon	17 cents	15 cents.
Containing 14 to 21 percent alcohol	do	67 cents	60 cents.
Containing 21 to 24 percent alcohol	do	$2.25	$2.
Containing more than 24 percent alcohol.	do	$10.50	$9.
Sparkling wines, liqueurs, etc.:			
Champagne or sparkling wine	do	$3.40	$3.
Liqueurs, cordials, etc	do	$1.92	$1.60.
Artificially carbonated wine	do	$2.40	$2.
Tobacco taxes: Cigarettes	Per 1,000	$4	$3.50.
Manufacturers excise taxes:			
Passenger cars	Manufacturers' sale price	10 percent	7 percent.
Auto parts and accessories	do	8 percent	5 percent.
Miscellaneous taxes:			
General telephone	Amount charged	10 percent	0.
Transportation of persons	Amount paid	do	5 percent.

Mr. BYRD of Virginia. Mr. President, the extension of these excise rates for 1 full year is expected to bring in $1,600 million. This, with the extension of the corporate rates, will bring in a total amount of $3,659 million.

I ask unanimous consent to have printed at this point in the RECORD a table showing the revenue increases resulting from this bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated revenue effect of extending the corporate normal tax rate, and certain excise tax rates, fiscal 1962 and full year

[Millions of dollars]

	Fiscal 1962	Full year
Increase in collections:		
Corporate normal tax	925	2,030
Excise taxes:		
Alcohol:		
Distilled spirits	155	158
Beer	87	89
Wine	11	11
Tobacco: Cigarettes (small)	244	244

Estimated revenue effect of extending the corporate normal tax rate, and certain excise tax rates, fiscal 1962 and full year—Continued

[Millions of dollars]

	Fiscal 1962	Full year
Increase in collections—Continued		
Excise taxes—Continued		
Manufacturers:		
Passenger automobiles	352	402
Parts and accessories	65	75
Miscellaneous:		
General telephone	375	500
Transportation of persons	110	150
Total excises	1,399	1,629
Grand total, corporations and excises	2,324	3,659
Decrease in refunds (excises)	178	
Total revenue effect	2,502	3,659

Mr. BYRD of Virginia. Mr. President, when we consider the budget situation, it is clear that we cannot afford to lose the revenue involved in these extensions. When the Secretary of the Treasury appeared before our committee, in executive session, he estimated that the deficit in the fiscal year 1962 would be $3,700 million. This estimate was made on the assumption that the bill we are considering would be enacted, that the postal rates would be increased in order to eliminate a postal deficit, and that all of the President's revenue requests, including the airway user charge program and the highway program, would be enacted. Failure to enact this bill would mean a deficit of more than $6 billion if it is assumed that there would be no postal deficit. If the postal rates are not increased the deficit will be further increased by $741 million, reaching a total of practically $7 billion.

In January when President Eisenhower presented his budget for fiscal 1962 a surplus of $1½ billion was predicted. In late March the officials of the new administration estimated a budget deficit of $2,800 million dollars for fiscal 1962 and that deficit estimate has now been revised up to $3,700 million. If we do not pass this bill, the budget deficit will be increased to $6,200 million, as shown by table III.

Mr. President, I ask unanimous consent to have printed in the RECORD tables showing the budget estimates for the fiscal years 1961 and 1962, the estimates in the Eisenhower budget of last January, the March estimates, and the latest estimates of the present administration.

I also ask unanimous consent to have printed in the RECORD a detailed table showing how the expenditure estimates for 1962 have increased.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE III.—*Budget estimates for fiscal 1962*

A. Assuming enactment of President's program:

	Billions
Expenditures	$85.1
Receipts	81.4
Budget deficit	3.7

B. Without passage of this bill (H.R. 7446):

	Billions
Expenditures	$85.1
Receipts	78.9
Budget deficit	6.2

The President's program includes increase in postal rates to eliminate the postal deficit, failure to enact such legislation would add $700 million to the estimated deficit for fiscal 1962.

Receipts and expenditures

[Billions of dollars]

	Receipts	Expenditures	Surplus (+) or deficit (−)
Fiscal year 1961:			
President Eisenhower's January 1961 budget estimates	79.0	78.9	+0.1
President Kennedy's March 1961 estimates	78.5	80.7	−2.2
Latest administration budget estimates	78.2	80.7	−2.5
Fiscal year 1962:			
President Eisenhower's January 1961 budget estimate	82.3	80.9	+1.5
President Kennedy's March 1961 estimate	81.4	84.3	−2.8
Latest administration budget estimates	81.4	85.1	−3.7

Budget expenditure summary, May 25, 1961

[Fiscal year 1962. In millions of dollars]

Department or agency	Jan. 16, 1961, estimate	Mar. 28, 1961, estimate	May 25, 1961, increases	Total
Legislative branch and the judiciary	203	207	----------	207
Executive Office of the President	92	92	----------	92
Funds appropriated to the President:				
Mutual security—economic and contingencies	1,875	1,875	75	1,950
Other	75	175	----------	175
Independent offices:				
Atomic Energy Commission	2,680	2,670	----------	2,670
Federal Aviation Agency	730	743	----------	743
National Aeronautics and Space Administration	965	1,050	330	1,380
Small Business Administration	98	98	88	186
U.S. Information Agency	138	146	2	148
Veterans' Administration	5,369	5,404	----------	5,404
Other	436	456	----------	456
General Services Administration	496	498	----------	498
Housing and Home Finance Agency	728	942	----------	942
Department of Agriculture	5,782	6,440	----------	6,440
Department of Commerce	566	614	19	633
Department of Defense—Military:				
Military functions	42,910	43,800	100	43,900
Military assistance	1,750	1,650	50	1,700
Department of Defense—Civil	984	1,021	----------	1,021
Department of Health, Education, and Welfare	4,005	4,798	----------	4,798
Department of the Interior	873	906	----------	906
Department of Justice	294	296	----------	296
Department of Labor	223	654	60	714
Post Office Department	63	63	----------	63
Department of State	345	351	----------	351
Treasury Department:				
Interest	8,593	8,693	----------	8,693
Other	1,095	1,120	----------	1,120
District of Columbia	66	66	----------	66
Allowance for contingencies	100	100	----------	100
Subtotal	81,532	84,926	724	85,650
Deduct interfund transactions	667	667	----------	667
Total	80,865	84,259	724	84,983

NOTE 1.—Mar. 28 figures include reestimates of expenditures under the Jan. 16 program as well as new proposals of this administration.

NOTE 2.—Excludes amount for expansion of civil defense program.

NOTE 3.—Excludes certain small modifications proposed by the President between Mar. 28 and May 25 which will affect 1962 expenditures by a smaller amount than the allowance for contingencies.

NOTE 4.—Detail may not add to totals because of rounding.

ACCEPTANCE IN PEACE CORPS OF MATTHEW M. DEFOREST, OF CHICAGO

Mr. DOUGLAS. Mr. President, a Chicagoan by the name of Matthew M. DeForest has been accepted for admission to the Peace Corps. The circumstances in connection with the admission are quite striking. Mr. DeForest is a truckdriver, 31 years of age. He has not gone beyond the 12th grade. In the examination which was given to many thousands of applicants for the Peace Corps, he scored among the upper one-third. I am informed by Mr. Sargent Schriver that his rating on the American history examination was one of the best scores made.

I ask unanimous consent that an article about Mr. DeForest, from the Chicago Daily News of June 15, 1961, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHICAGOAN ACCEPTED BY PEACE CORPS—HE WELCOMES THE CHANCE TO SERVE

(By William Braden)

A Chicago truckdriver named Matthew M. DeForest listened with interest when President Kennedy told Americans to ask what they could do for their country—not what the country could do for them.

That was last January. And, like many other citizens, the 31-year-old former Marine wondered what he could do for America. The President hadn't said exactly, and some people were complaining that the call to duty had been too vague.

But DeForest gave the matter a lot of thought. He assessed his abilities.

What could be do? He could drive a truck, and he knew how to handle other types of heavy equipment. He had some skill as an auto mechanic. He knew how to work a bulldozer.

His formal education had ended in 1948 when he graduated from St. George High School in Evanston. But he was interested in the world and in the cultures of other lands, especially Latin America.

He'd had 2 years of Spanish in high school, and he had spent some time in Mexico. He liked the Latin people. He liked to read about them in the National Geographic magazine.

Then DeForest heard about the U.S. Peace Corps. And it sounded good.

DeForest was a bachelor, living with his parents at 2215 W. Greenleaf and delivering industrial gas cylinders as a truckdriver for the Welders Supply Co., 2328 W. Touhy. He decided he could spare 2 years for a good cause, so he volunteered for the Corps—stating a preference for work in South America.

Wednesday the Corps accepted him. He will become one of a group to train at Rutgers University and then go to Colombia in South America to help improve the farms there and help build feeder roads.

A CHANCE TO DO SOMETHING

"I'm glad," he said. "I'm glad I'll have a chance to do something. With the shape the world's in, I think there has to be active, personal participation by people to solve the problems."

President Kennedy said America has a duty to aid the poor of the underdeveloped nations, not because this country wants their votes—but because it is right. DeForest said much the same thing.

"This may sound kind of corny," he said. "But I think our first duty is toward God—then toward our country and then toward ourselves.

"I think the Peace Corps is good because it can help you serve all three.

"This will be real experience for me, and I hope to benefit from it. I hope being in the Peace Corps will help make me a better person. I hope I'll learn things. And that's serving myself.

A BETTER IMAGE

"Then I think the Peace Corps will help me serve my country. We need a better image in this world. We have to communicate somehow with the people in other countries. We have to show them what Americans are really like. And the only way to do that is to have Americans go to those countries and show them.

"But the most important thing is to serve God. And you serve God by serving your fellow man."

DeForest spoke with conviction, but he seemed a little bashful about voicing such sentiments. A reporter who was interviewing him hastened to assure DeForest he didn't think there was anything corny about them.

He didn't. And anyhow, he wasn't going to argue with a Marine.

Mr. DOUGLAS. Mr. President, I should like to call attention to a comment that Mr. DeForest made when he was asked why he wanted to serve in the Peace Corps. He said:

I'm glad I'll have a chance to do something. With the shape the world's in, I think there has to be active, personal participation by people to solve the problems.

This may sound kind of corny, but I think our first duty is toward God—then toward our country and then toward ourselves.

I think the Peace Corps is good because it can help you serve all three.

It turns out that, although Mr. DeForest's formal education ended in 1948, he has studied Spanish and has spent some time in Mexico. Not only can he drive a heavy truck, but he knows how to handle other types of heavy equipment, has some skill as an automobile mechanic, and knows how to work with a bulldozer. He has enlisted for 2 years in the Colombia project, and will go to that country to help improve the farms there and help build feeder roads.

Mr. DeForest said:

* * * I think the Peace Corps will help me serve my country. We need a better image in this world. We have to communicate somehow with the people in other countries. We have to show them what Americans are really like. And the only way to do that is to have Americans go to those countries and show them.

But the most important think is to serve God. And you serve God by serving your fellow man.

I think there are many people in the country like Mr. DeForest. It is cases like this that give us renewed faith in our fellow man and in the soundness of the American people.

I know I speak for us all in expressing my personal sense of indebtedness to Mr. DeForest and wishing him a most useful and truly rewarding life.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, since a number of Senators are present in the Chamber I should like, with the cooperation of the distinguished minority leader, to make a change in the announcement in our earlier colloquy. Following consideration of the corporation and excise tax extension bill the Senate will consider noncontroversial bills on the calendar and the bill to amend the Federal Water Pollution Control Act, and Calendar No. 400, H.R. 6027, to improve benefits under the old-age, survivors, and disability insurance program, will be considered on Monday next instead of this week.

Further, the Senate will be honored tomorrow afternoon by having the Prime Minister of Japan, Mr. Ikeda, visit the Senate at about 2:45 or 3 p.m. I express the hope, on behalf of both the minority leader and myself, that as many Senators as possible will be present on that occasion.

THE FOREIGN AID PROGRAM

Mr. SCHOEPPEL. Mr. President, my views on the foreign aid program of the United States are well known. It is my belief that to a large degree the original purposes have been accomplished. For this reason time and time again I have requested a thorough reexamination of the program in order to remove from the back of the American taxpayer this staggering burden which threatens our economy.

On June 1, 1961, I inserted into the RECORD an article from Human Events concerning fees paid by the Iranian Government to American citizens. In order to preserve the continuity of my remarks, I ask unanimous consent that my comments and the article from Human Events be inserted in the RECORD at this point.

There being no objection, the comments and article were ordered to be printed in the RECORD, as follows:

FEES PAID BY IRANIAN GOVERNMENT TO AMERICAN CITIZENS

Mr. SCHOEPPEL. Mr. President, let me respectfully invite the attention of the Senate, and particularly the attention of the Foreign Relations Committee and the Appropriations Committee, to an article entitled "Iranian Gold Mine," contained in the June 2, 1961, issue of the Washington newsletter, Human Events.

Actually, I have no evidence to support the allegations contained in this article. I have, however, determined that the Development and Resources Corp. is in fact a registered agent of the Iranian Government, and that, according to the report of the Attorney General of the United States, it has received from Iran fees which total $78 million during the period 1956 through 1960.

It occurred to me that the receipt of such fees on the part of American citizens from a country which itself has been the recipient of almost $600 million of the American taxpayers' money is significant.

I sincerely request that both the Senate Foreign Relations Committee and the Senate Appropriations Committee, which are duly charged with the responsibility in these matters, thoroughly investigate this particular corporation, and answer, for the benefit of all American taxpayers, some of the questions that have been raised in this article.

I ask unanimous consent that the article be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"[From Human Events, June 2, 1961]

"Iranian gold mine: Reports filter in from one of the largest foreign aid recipients—Iran—that all is not well with that country's Government, despite mammoth handouts from Uncle Sam every year since World War II ended.

"One reason why Iran may be receiving such huge sums—$588.4 million in total aid since 1956—is the Development and Resources Corp., headed by David Lilienthal, former Atomic Energy Commissioner and leading figure in the Roosevelt and Truman administrations. This outfit is listed with the Justice Department as a foreign agent—or lobby for foreign interests. In every year since 1956, the Iranian Government has supplied the Development and Resources Corp. with all or most of its income from abroad. Lilienthal's firm has received fees from Iran totaling $78.3 million. This is about 13.3 percent of the entire amount of assistance the United States has given Iran during the corresponding period (1956–60).

"These millions, which Lilienthal receives for promoting Iranian interests, presumably come, directly or indirectly, from the foreign aid payments which U.S. taxpayers provide.

"This situation prompts several questions, such as: Isn't it unusual for a foreign agent to receive such a large sum—both in terms of dollars and percentage—from the foreign aid recipient he represents? What services does the corporation perform in the United States for the Iranian Government? How much of the $78.3 million in fees went into development projects in Iran, and how much became assets of the corporation? Does this—and possible kindred situations—call for a congressional investigation?"

Mr. SCHOEPPEL. Mr. President, on June 13, 1961, Mr. Gordon R. Clapp, president of the Development and Resources Corp., addressed a letter to me in which he commented that I had been inadvertently led into an error. He asked me to place his letter in the CONGRESSIONAL RECORD in the interests of courtesy and accuracy.

It will give me great pleasure to do so. However, I briefly comment on a few items not covered by Mr. Clapp in his letter on June 13.

According to the report of the Attorney General to the Congress of the United States on the administration of the Foreign Agents Registration Act of 1938, as amended for the period January 1, 1955, to December 31, 1959:

Individuals, organizations, corporations, and other combinations of individuals are required to file if they act or agree to act within the United States as agents of foreign governments, etc.

Mr. Clapp's letter does not mention any activities which his corporation has performed "within the United States" on behalf of the Government of Iran which would necessitate this corporation filing under the Foreign Agents Registration Act.

Furthermore, I invite the attention of the Senate to an article in the Washington Post and Times Herald of June 17, 1961, in regard to the appearance of the President of the United States before the National Conference on International Economic and Social Development. The President appealed for widespread support for his $4.8 billion aid program and particularly for authority to put it on a long-term basis.

Mr. David E. Lilienthal also addressed the conference and appealed for long-term commitment authority in the area of foreign aid.

At this point in my remarks I ask unanimous consent to insert the article from the Washington Post and Times Herald.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRESIDENT PROMISES TO END INEFFICIENCY IN FOREIGN AID PLAN—RENEWS PLEA TO PUT WHOLE PROGRAM ON LONG-TERM BASIS

(By Carroll Kilpatrick)

President Kennedy yesterday promised to correct waste and inefficiency in the foreign-aid program, but he said he was more concerned about the waste to America's security of an effort that is "too little and too late."

In this "crucial year," he said, there is no point in speaking out against the spread of communism if the American people are unwilling "to pay the price and carry the burdens" necessary to maintain their security.

Mr. Kennedy spoke at a luncheon meeting of the National Conference on International Economic and Social Development in the Shoreham Hotel. He appealed for widespread support for his $4.8 billion aid program and particularly for authority to put it on a long-term basis.

CONCEDES MISTAKES

Departing frequently from his prepared text, the President said the program "does offer hope of stemming the advance" of communism. There have been many mistakes in the execution of the aid program, the President conceded, but added that without the program some countries that are free today would be under Communist domination.

Former President Eisenhower sent the conference a message declaring that continuation of the aid program is "imperative for our country's security and the continuing strength of the free world."

The aid program is a "historic venture, completely bipartisan in origin and implementation," General Eisenhower said.

President Kennedy walked into the luncheon meeting on crutches and delivered his speech while sitting in a chair. He seemed well and at ease.

While he frequently referred to his text, much of what he said was ad libbed. The President seemed well aware that, as Secretary of State Dean Rusk told the conference Thursday, many persons believe the aid program is in serious trouble on Capitol Hill.

"I cannot understand those who are the most vigorous in wishing to stem the tide of communism around the world and who are at the same time bombarding the Congress and the administration with attacks on this program," Mr. Kennedy said.

The President said Laos might be cited as an unfortunate example of the effectiveness

of foreign aid, adding: "And perhaps it is and perhaps the money was not wisely spent."

But he said that the former Ambassador to India, Ellsworth Bunker, recently told him that "in his long experience as head of one of the most important companies in the United States he did not believe that he had ever seen money as usefully and as wisely spent as the American assistance which he saw in India."

The President emphasized the need for economic reforms and economic and social advances if the fight against communism is to be won.

"The so-called war of liberation Mr. Khrushchev has described cannot be stopped by a new B–58 squadron," the President said.

"Subversion and revolt feed on social injustice and economic chaos," Mr. Kennedy said.

"It is difficult for me to believe that in the climactic period of this great era the United States is going to fail to meet its responsibility to itself and to those who look to it."

The President said that those who oppose aid should remember that the Communists do not oppose it.

"Their aid to less-developed countries is rising sharply," he said. "Even in our own hemisphere Communist bloc aid is dangled before the eyes of those who have long been devoted to freedom but have longed for an end to their poverty."

The President said that under the long-term program he recommended to Congress this country will be asking a much greater effort by the nations receiving aid.

Also, he said, "we will be asking the other industrialized nations to undertake a much greater effort of economic aid. * * * Unless this is a long-term effort with long-term authority, we cannot convince these individuals and these other nations that we are serious about this program, now and in the years to come."

The President argued that if waste and inefficiency are to be ended and if there are to be realistic targets and stiff criteria "the new program must include long-term authority."

David E. Lilienthal, former TVA Director and former Chairman of the Atomic Energy Commission, told the conference that as a strong believer in the importance of aid for the peace of the world he thought it would be better "that Congress pass no economic aid bill at all this session than to pass legislation without this crucial long-term commitment authority."

Mr. SCHOEPPEL. Mr. President, did the President of the United States know that he was appearing on a program with a registered foreign agent of the Iranian Government?

Did the audience know that they were being addressed by Mr. Lilienthal, a registered foreign agent of the Iranian Government and chairman of the board of Development and Resources Corp., which, according to Mr. Clapp's letter, made almost a million dollars in fees from the Government of Iran in the period 1956 to 1960?

Do the people of the United States realize the extent to which some American individuals and some corporations are receiving fees and expenses from foreign principals? Could these figures perhaps explain the tremendous lobby on behalf of the continuation of the foreign aid program?

I invite the attention of the Senate again to the "Report of the Attorney General to the Congress of the United States on the administration of the Foreign Agents Registration Act of 1938, as amended for the period January 1, 1955, to December 31, 1959, dated June 1960, appendix VI," beginning on page 332.

I am perfectly willing to read into the RECORD the figures contained herein, but in the interest of conserving the time of the Senate, I ask unanimous consent that appendix VI of this report, pages 332 to 368, be inserted at this time.

There being no objection, appendix VI was ordered to be printed in the RECORD, as follows:

EXHIBIT C.—*Table showing amounts, including fees and expenses, reported as received from foreign principals by American organizations and citizens whose registration statements have been in an active status since Jan. 1, 1955*

Registrant and foreign principal	1955	1956	1957	1958	1959
Adams, John B.: [1]					
Pakistan Information Service, Washington, D.C	$16,900.00	$14,900.00	$620.00		
Legation of Laos [1]	1,250.00				
Adkins, Elmer H., Jr.: [1] George Maldonado, Caracas					$16,000.00
Aiken, Paul C.: Sultan of Muscat and Oman	None	None	733.41	None	None
Albert Frank-Gunther Law, Inc.: [1] Dominican Republic, Ciudad Trujillo		55,000.00			
Albin Dearing, Inc.: [1] Kusushige Hirasawa, Tokyo			None	$10,821.32	
Alk, Isadore G.: [1] Government of Thailand, Bangkok	8,000.00	30,173.71	17,141.90	None	
Allied Public Relations, Inc.: [1] Republic of Haiti, Port-au-Prince				2,083.33	
American Surveys: Nord Aviation, S.A., Paris					3,154.86
Anderson, Ervin O.: Embassy of Japan	6,000.00	6,200.00	7,200.00	7,200.00	7,200.00
Ansara, James M.: [1] Arab States Delegations Office			2,325.00		
Arnold, Fortas & Porter: [1] The Diplomatic Mission of the Federal Republic of Germany	10,000.00	5,000.00			
Arroyo, Julian A.: [1] Ministry of Foreign Affairs of the Republic of Venezuela	7,355.16				
Associated Detective, Inc.: [1] Rudolph Baboun, vice consul of Haiti				1,000.00	
Atlas Packers, Inc.: [1] Alex A. Kelen, Ltd., Montreal; U.S. Europa Corp., New York	2,735.29	2,483.10			
Austin, Guilford M., Jr., German Amado-Blanco, Havana, Centro Obrero Dominicano, Caracas					
Baar, Bennett & Fullen: Japan Frozen Foods Exporters Association and Japan Frozen Acquatic Product Manufacturers Association, Tokyo		2,930.57	5,061.37	2,099.96	2,457.87
Baff, William E.: [1] Mr. Vasilev, Embassy of the U.S.S.R					50.50
Barry, Frank M.: Government of Nicaragua, Managua			25,000.00	18,000.00	18,000.00
Batten, Barton, Durstine & Osborn, Inc.:					
Air France, New York				121,952.90	143,052.03
Pan American Coffee Bureau					63,212.83
Bartlett & Partners, Inc.: [1] Artex Hungarian Foreign Trading Co., Budapest				11,470.52	
Beasley, Peter: [1] Republic of Panama	None				
Bell, Bernard R.: [1]					
Ministry of Finance, Government of Israel		40,723.19	26,723.50	87,369.88	19,550.67
Government of Indonesia [1]			60,000.00		
Bellcan, Wilfrid E.: Tourist Bureau, Province of Quebec	1,300.00	1,600.00	1,600.00	1,800.00	1,800.00
Bennett Associates, Inc.:					
National Wool Textile Export Corp., England				62,525.00	97,903.00
Government of Eastern Nigeria					None
Bernard Relin & Associates, Inc.: [1] Organizacion Tecnica Publicitaria Latino Americana, S.A					26,978.06
Birnbaum, Martin T.: Inter-American Public Relations, Ltd., Rio de Janeiro					1,260.00
Boeri, Louis J.: [1] Cuban Tourist Commission		4,000.00	28,313.00	25,500.00	
Borger Associates: Republic of Haiti				5,791.85	5,919.85
Borkin, Joseph: Republic of Indonesia, Djakarta	24,110.61	28,350.33	10,123.99	9,312.49	9,434.00
Boukstein, Maurice M.:					
Government of Israel, consulate general, New York		2,750.00	6,000.00	3,000.00	5,000.00
Jewish Agency for Israel		9,900.00	9,999.96	14,166.63	18,333.29
Boykin, deFrancis, Grimes & Smith:					
Embassy of the Federal Republic of Germany	6,000.00	20,300.00	35,119.74	31,574.04	27,353.50
Mrs. Claire Hugo Stinnes, Sr., Germany	None	5,000.00	None	None	None
Studiengesellschaft fur Privatrechtliche Auslandinteressen e.V., Germany	21,666.07	14,000.00	None	10,000.00	10,000.00
Askania Werke Aktiengeselischaft, Germany	1,175.00	None	None	None	None
Dr. Rolf C. Galler, Germany			10,000.00	None	None
Carl Zeiss, Germany			5,000.00	None	None
Government of Italy					9,000.00
Braun & Co.: K.L.M. Royal Dutch Airlines, The Hague					None
Brennan, Earl:					
Dr. Gaston Jumelle, president, Parti National (of Haiti), Mexico City					None
Parti National (of Haiti)					
Brookhart, Becker & Dorsey: [1]					
Comision de Defensa del Azucar y Fomento de la Cana, Ciudad Trujillo		21,240.93	14,000.00	24,852.00	14,000.00
Agencia Industrial, C. por A., Ciudad Trujillo [1]					
Osterreichisches Seefrachtenkontar Ges., Austria [1]					

[1] Termination.

EXHIBIT C.—*Table showing amounts, including fees and expenses, reported as received from foreign principals by American organizations and citizens whose registration statements have been in an active status since Jan. 1, 1955*—Continued

Registrant and foreign principal	1955	1956	1957	1958	1959
Brown, Francis L.: K.L.M. Royal Dutch Airlines, The Hague		$3,300.00	$12,600.00	$13,200.00	$13,200.00
Brunner, Toby E. G.: [1] Embassy of Japan	$3,958.47	6,533.43			
Butrick, Richard P.: Carlos Alberto A. de Carvalho Pinto, Governor of the State of Sao Paulo, Brazil					None
Byline Newsreel Productions: Government of the Dominican Republic					19,900.00
Caples Co., the:					
East Africa Tourist Travel Association [1]	14,283.95	16,199.08	8,252.00		
British Railways [1]	74,685.83	102,804.76			
Swiss National Travel Office [1]	261.39	216.64			
Mexican Government Railway System [1]	396,057.17				
British West Indian Airways [1]	73,663.92	17,583.45			
Montego Beach Hotel Co., Ltd., Jamaica [1]	8,936.82	2,243.38			
Inverurie Hotel Co., Ltd., Bermuda	36,993.20	7,261.90			
South African Railways	4,389.56	14,666.22	24,383.63	20,262.63	18,348.49
Coras Iompair Eireann	5,879.42	None	6,753.05	10,702.44	11,647.42
South African Tourist Corp	99,644.81	108,579.89	65,037.44	81,673.84	81,653.46
African Car Hire, Ltd	1,483.86	2,034.21	1,650.00	2,831.22	630.00
European Travel Commission	251,004.11	289,380.49	142,518.93	222,587.35	87,221.00
Swedish America Line	29,285.54	93,442.35	135,138.99	205,381.52	184,668.63
Arab Information Center		16,619.59	1,940.00	705.66	None
Scandinavian Tourist Commission			33,433.24	32,634.80	54,545.30
Irish Airlines				143,182.36	223,039.56
Irish Industrial Development Association				11,275.17	52,002.56
Irish Tourist Information Office	92,500.95	84,616.06	43,085.14	46,948.51	21,479.88
Japan Tourist Association				15,641.81	20,040.21
Shannon Free Airport				31,992.57	31,192.00
City of Vienna, Austria				5,519.86	14,396.50
Carey, Edward L.: Government of the Dominican Republic, Ciudad Trujillo					None
Catto, Robert J.: [1] Tran Van Chuong, Ambassador of Vietnam	3,430.00	None	4,500.00	900.00	
Chapman, Wolfsohn & Friedman:					
Union Nacional de Productores de Azucar, S.A. de C.V., Mexico	27,498.87	24,416.32	24,129.70	27,819.63	29,937.12
Cordeleres de Mexico, S. de R.L. de I.P. y C.V., Yucatan [1]		6,000.00			
Republic of Haiti, Port-au-Prince				10,000.00	38,955.16
Camara de Minera de Mexico			5,828.65	None	2,079.95
Government of Guatemala [1]				5,014.35	None
Republic of Korea, Seoul				5,000.00	12,500.00
Empresa Guatemalteca de Aviacion					
Charles, George J.: [1] Royal Greek Information Service, Embassy	4,400.00	4,800.00	1,600.00		
Charles Snitow Organization, Inc.: [1] Chamber of Commerce of the U.S.S.R., Commercial Counselor, Embassy					17,000.00
Charles von Loewenfeldt, Inc.:					
Japan Airlines, Co., Ltd., Tokyo and San Francisco	26,765.80	40,329.35	16,314.77	41,113.91	68,430.98
Japan Trade Center, San Francisco	15,530.06	43,598.90	36,659.59	32,227.71	60,121.29
Consulate general of Japan, San Francisco [1]	4,740.04	843.12			
Charles W. Hoyt Co., Inc.:					
Royal Dutch Airlines [1]	567,559.42	723,915.55	1,123,719.97	397,668.23	None
Netherlands National Tourist Office	4,834.42	6,590.76	6,092.48	8,821.22	None
Netherlands West Indies Tourist Committee	1,919.37	3,176.62	9,987.05	3,900.38	17,966.19
Austrian State Tourist Department	2,648.81	3,542.09	831.05	921.66	383.27
Jamaica Tourist Trade Development Board [1]	65,662.31				
Switzerland Cheese Association	48,133.80	45,709.00	36,062.77	100,390.78	126,984.66
Lufthansa German Airlines				223,525.75	356,932.69
Royal Netherlands Industries Fair [1]	14,355.79				
British Industries Fair [1]	74,413.72	69,152.82			
T. B. Lee				28,440.60	7,761.39
Tower Isle and Myrtle Bank Hotels				None	None
Trimingham Bros				14,596.71	17,042.65
Surinam Tourist Bureau					1,552.71
Chenea, Virgil E.: The Development Board, Nassau	12,913.00	12,996.00	12,996.00	17,333.30	19,801.59
Citron, Wolfgang: [1] Press & Information Office, Federal Republic of Germany	240.00				
Clark, Charles Patrick: Government of Spain, Madrid	89,999.97	79,250.00	85,750.60	77,000.00	87,000.00
Cleary, Gottlieb, Friendly & Hamilton, New York					
Cleary, Gottlieb, Steen & Ball, Washington, D.C.:					
Government of the French Republic	19,354.96	8,224.86	11,414.25	17,506.92	13,599.94
Conseil National du Patronat Francais	50,027.13	30,255.88	38,694.06	36,645.28	39,604.72
High Authority European Coal & Steel Community	51,750.00	23,495.92	31,561.18	23,602.99	19,326.39
National Cuban Sugar Mill Owners Association and Cuban Sugar Cane Growers Association	172,346.54	98,989.78	None	25,610.18	None
European Economic Commission					1,107.61
Cochran, Gosselin & Associates: [1]					
H. E. Jose Maria de Areliza, Count of Matrico, Ambassador of Spain	4,000.00	None			
Embassy of Nicaragua		1,000.00			
Cohen, Dowd & Alshire, Inc.:					
Alitalia Airlines, Rome					96,351.86
Consulate General of Italy, Rome					None
Venice Tourist Bureau, Venice					484.29
European Travel Commission, Brussels					14,184.02
Collier, Robert A.: Panama Refining & Petro-Chemical Co., Inc., Panama City					None
Communications Counselors, Inc.: [1]					
Belgian Government, Consulate General, New York			95,000.00	100,000.00	84,000.00
National Planning Board of Cuba				225,000.00	None
Government of Morocco [1]				20,000.00	None
Conlon Associates, Ltd.: [1]					
Office Nationale du Tourisme, Vietnam				1,460.00	1,460.00
Tokyo International Trade Fair, Japan				None	750.00
Continental-Allied Co.: [1] Government of Guatemala, Guatemala City	5,932.00				
Convention Consultants: [1]					
Embassy of Morocco			953.64	3,755.84	460.83
Embassy of Afghanistan				None	638.13
Cooper, Harold: Liberian Embassy				3,500.00	8,425.03
Copel, Rita B.: [1] Embassy of Japan	1,430.00				
Corcoran, Howard F.: [1] His Thai Majesty's consulate, Miami		25,263.12			
Costello, William A.: [1] Government of Honduras			4,800.00		
Council for Improved United States-Japanese Trade Relations: [1] Japan Cotton Textile Exporters Association		19,200.00			
Covington & Burling:					
Government of Denmark, Embassy	52,920.83	53,628.83	None	55,000.00	55,000.00
Government of Iran, Embassy	None	None	None	None	11,200.00
Republic of Colombia	5,756.37	5,902.63	5,607.57	11,711.51	None
Government of Pakistan	215,140.62	111,556.13	154,495.80	110,000.00	113,013.80
International Nickel Co., Canada		12,005.58	None	3,912.76	None
Government of Venezuela					None
Government of the Netherlands [1]	None	None	1,947.76		
Royal Swedish Air Board [1]	None				
Dominion of Canada, Embassy [1]	30,952.60				

[1] Termination.

EXHIBIT C.—*Table showing amounts, including fees and expenses, reported as received from foreign principals by American organizations and citizens whose registration statements have been in an active status since Jan. 1, 1955*—Continued

Registrant and foreign principal	1955	1956	1957	1958	1959
Cox, Langford, Stoddard & Cutler:					
Government of Italy, Italian technical delegation	$8,762.76	$3,660.50	None	None	$11,620.11
Government of France	2,000.00	2,000.00	$7,169.62	$2,000.00	1,000.00
Government of Belgium	6,000.00	10,209.42	5,500.00	6,000.00	5,500.00
Government of Austria, Embassy and ERP Office	2,524.46	None	None	None	None
Italian Federation of Farmers' Cooperatives	None	None	None	None	None
Malek Mansour Solat Ghashghai, Iran			None	None	None
Ufficio Italiano dei Cambi, Rome [1]	None	5,299.63	None		
Cross, John W.: [1] Deutsche Amerikakohlen-Transportgesellschaft, MBH, Dusseldorf		4,000.00	5,000.00		
Crum, Bartley C.: [1] The Municipality of Tel Aviv-Yafo			None	None	None
Culbertson & Pendleton:					
Sociedad Mixta Siderurgia Argentin, Buenos Aires	1,200.00	2,400.00	2,400.00	2,400.00	2,400.00
Corporacion Argentina de Productores de Carnes	1,200.00	1,200.00	1,200.00	1,200.00	2,600.00
Embassy of the Republic of the Sudan					430.00
Dominican Sugar Institute [1]	6,000.00	3,000.00			
Cummings, Sellers, Reeves & Conner: Embassy of the Dominican Republic	15,832.90	22,326.58	26,069.48	26,000.00	24,000.00
Curtis J. Hoxter, Inc.:					
Austrian Information Service				12,000.00	10,000.00
Government of Guatemala, Foreign Minister, Guatemala				8,500.00	
Dadian, Arnold H.:					
Embassy of Japan	6,425.00	7,150.00	6,600.00	7,000.00	7,005.00
United States-Japan Trade Council			1,580.00	3,080.00	3,600.00
Danforth Investigation Bureau: [1] Indonesian Mission to the United Nations			1,940.25		
Danielson, George: [1] Branko Karadzole, Consul General of Yugoslavia					2,102.08
Davidson, I. Irving:					
President Luis Somoza, Managua, Nicaragua	6,000.00	22,000.00	22,100.00	374,035.05	89,090.77
Tavi Dar, Director, Israel Military Industries, Tel-Aviv					
Davidson, Marth Golden: Embassy of the U.S.S.R.			2,850.00	4,125.00	4,500.00
Davies, Richberg, Tydings, Landa & Duff:					
Aramayo Corp., Ltd., Switzerland (owners of tin mines in Bolivia)	None	None	None	None	None
Hochschield Corp., Ltd., Chile (owners of tin mines in Bolivia)	None	None	None	None	None
Bergantin Corp., Dominican Republic [1]	18,750.00				
Davis Polk Wardwell Sunderland & Kiendl:					
Compagnie Financiere de de Suez, Paris [1] (Suez Canal Co.)	29,207.21	26,250.00	66,242.26	162,031.24	None
Government of Jamaica				None	22,745.18
The Government of the United Kingdom of Great Britain and North Ireland [1]					1,578.25
Del Rio, Daniel A.: [1] Banco Nacional de Cuba, Havana			11,774.38	27,743.29	14,933.33
Delson, Levin & Gordon:					
Embassy of the Republic of Indonesia	40,833.24	27,830.80	39,899.16	48,929.00	20,359.81
Indonesian Mission to the U.N.					5,630.52
Embassy of the Union of Burma	250.00	None	None	None	None
Permanent Mission of Ghana to the U.N.					2,615.48
Embassy of Ghana					None
DeSvernine, Raoul E.: Association for the Return of Japanese Seized Assets in U.S.A.				None	1,500.00
De Veau, J. Harold: Embassy of Liberia				3,500.00	5,740.49
Development & Resources Corp.:					
Plan Organization of Iran, Teheran		1,811,473.92	7,351,886.60	27,062,795.40	24,990,200.00
Corporacion Autonoma Regional del Cauco, Colombia [1]		32,950.61	12,051.05		
Cassa per Opere Straordinarie di Pubblico Interesse nell 'Italia, Rome [1]		125,000.00	125,000.00		
De Vries, Henry P. (June 1959–December 1959) (see also: Hyde & De Vries):					
Netherlands Ministry of Finance, The Hague					12,569.24
Government of Surinam					4,096.62
Dewey, Ballantine, Bushby, Palmer & Wood:					
Republic of Ankara, Turkey	75,000.00	150,000.00	75,000.00	75,000.00	75,000.00
Japan Export Trade Promotion Agency (JETRO), Tokyo					50,000.00
Dodd, Thomas J.: [1] Republic of Guatemala			24,999.96	41,666.62	
Donohue, James J.: Asociacion Nacional de Ganaderos, Inc., Dominican Republic			None	16,000.00	3,500.00
Donovan, Leisure, Newton & Irvine: [1] Government of Thailand, Embassy	51,597.26	60,724.46			
Don Pryor Associates: [1] Embassy of Saudi Arabia			8,885.40		
Dow, Lohnes & Albertson: Dr. N. B. Buu-Hoi, Vietnam Embassy, Paris					None
Dowd, Redfield & Johnstone, Inc.: [1]					
Alitalia Airlines, Rome				35,194.70	113,541.21
Consulate general of Italy, Rome					7,689.00
Venice Tourist Bureau, Venice					137.86
Doyle Dane Bernbach, Inc.:					
El Al Israel Airlines, Ltd., Tel Aviv				289,570.65	145,248.29
Israel Government Tourist Office, New York				43,021.17	40,967.38
Dwight, Royall, Harris, Koegel & Caskey: [1] The Republic of Korea, Seoul		5,484.35	13,376.59		
Dye, Joseph W.: [1] Regie Nationale Des Usines Renault, France			None	2,722.60	
Edward L. Greenfield & Co.: [1] Yugoslav Information Service, New York	2,750.00				
Edward W. Barrett & Associates, Inc.: [1]					
Compagnie Universelle du Canal, Paris (the Suez Canal Co.)	32,112.98				
Office of the Consulate General of Japan, New York	37,927.19				
Eggleston, Arthur: [1] Indonesian Permanent Mission to the U.N.				1,550.00	
Einhorn, Nathan: Embassy of the Polish People's Republic	7,920.00	7,920.00	8,009.15	8,068.30	7,260.00
EMB (Ltd.):					
Commonwealth Bank of Australia					750.00
Development Bank of Brazil					750.00
Bank of Canada					750.00
Central Bank of Chile					250.00
National Bank of Cuba					3,160.45
Bank of France					250.00
Bank of Greece					750.00
Bank of Israel					250.00
Bank of Italy					250.00
Netherlands Bank					250.00
Central Bank of the Philippines					1,500.00
Reserve Bank of South Africa					250.00
Erbe, Carl: [1] Edmund C. Chester, Havana	6,500.00				
Ernst, Morris L.: [1] Dominican Republic, Ciudad Trujillo			90,000.00	111,793.00	
Feeney, Joseph G.: [1] Dominican Republic, Ciudad Trujillo		13,500.00	16,500.00	10,500.00	
Feinschreiber, Selven F.: Kingdom of Toro, Uganda			None	None	None
Feldman, Maurice:					
Osterreichischer Dundes, Pressedienst, Austria			1,000.00	6,671.21	5,083.40
Republic of Brazil [1]					1,500.00
Felt, Truman T.: [1] Embassy of the Republic of Indonesia		1,497.10			
Fernandez, Louis A.: [1] Economic Counselor's Office, Embassy of the Argentine Republic	2,400.00	600.00			
Finley, Forrest E.: [1] Embassy of Haiti	14,700.00				
Fleisher, Henry C.: [1] Embassy of Israel	150.00				
Forbes Marketing Research, Inc.:					
Japan Trade Center					13,060.00
Japan Machinery Federation					8,000.00
Forrest E. Finley & Associates: [1] Embassy of Ethiopia	15,615.23				

[1] Termination.

EXHIBIT C.—*Table showing amounts, including fees and expenses, reported as received from foreign principals by American organizations and citizens whose registration statements have been in an active status since Jan. 1, 1955*—Continued

Registrant and foreign principal	1955	1956	1957	1958	1959
Fowler, Leva, Hawes & Symington: KLM Royal Dutch Airlines, The Hague					None
Frank, John Joseph: the Government of the Dominican Republic, Ciudad Trujillo					$6,000.00
Fred Rosen Associates, Inc.: [1] Ministry of Foreign Trade of the Italian Republic, Embassy					64,000.00
Freed, William H.: Scandinavian National Travel Commission, New York	$7,003.91	$7,232.67	$7,223.11	$7,420.00	8,791.91
Friedman, Eric: [1] Embassy of the Federal Republic of Germany, Cultural Department	None	3,600.00	3,600.00	3,600.00	2,703.21
Friedman Radio & Broadcasting Co.: Consulate of the Federal Republic of Germany, Philadelphia.					1,800.00
Frontaura, Pablo: [1]					
Cuban delegation to the U.N		1,440.00	1,440.00	1,440.00	None
Indonesian delegation to the U.N		2,000.00	2,000.00	3,000.00	None
Pakistani delegation to the U.N			1,500.00	3,400.00	1,400.00
Argentinian delegation to the U.N.[1]		None	None		
Chilean delegation to the U.N.[1]		None	None		
Bolivian delegation to the U.N.[1]		100.00	200.00		
Colombian delegation to the U.N.[1]		3,000.00	None		
Nicaraguan delegation to the U.N.[1]		None	None		
Venezuelan delegation to the U. N.[1]		None	1,200.00		
Brazilian delegation to the U.N.[1]		1,000.00	None		
Galland, Kharasch & Calkins: Swissair, Swiss Air Transport Co., Zurich			8,004.66	2,500.00	9,231.73
Garretson, Albert H.: Imperial Ethiopian Government, Addis Ababa			None	3,000.00	6,000.00
Gass, Oscar: [1]					
Government of Israel	150,000.00	38,904.66	13,600.00	22,525.06	37,795.38
Government of the Union of Burma [1]	5,000.00				
Government of the Republic of Indonesia [1]			45,000.00		
George Peabody Associates:					
Secretariado National de Informacao, Cultural Popular E Turismo, Lisbon	48,300.00	48,300.00	16,100.00	48,300.00	48,300.00
Government of the Republic of Guatemala [1]		8,801.28			
Casa de Portugal, New York [1]			2,500.00		
Gerechter, Gerhard G.:					
Sozialdemokratische Partei Deutschlands, Bonn	None	None	100.00	None	None
Gleadi, Ian: [1]					
Haiti National Office of Tourism, Port-au-Prince	6,798.91				
Haiti Tourist Board, Port-au-Prince					300.00
Ginsburg, Leventhal, Brown & Morrison:					
Government of Israel, Embassy and Supply Mission	12,178.11	12,140.75	10,340.21	6,355.51	7,610.15
Society to Study Private Property Interests in Foreign Countries, Germany	9,875.00	18,250.00	31,375.00	16,000.00	12,000.00
Jean Excellent, Embassy of Haiti					1,000.00
Government of Guatemala, Embassy [1]		8,333.50	66,666.64		
Grant Advertising, Inc.: [1]					
Guatemala Government Tourist Bureau	None	8,178.84	None		
Bahamas Development Board, Nassau				53,541.00	362,831.00
Gravelle, Whitlock & Markey:					
Government of Haiti, Port-au-Prince			None	68,717.09	None
Arab Information Center, New York [1]		7,096.87			
Gregory, Gene A.: [1] Embassy of Vietnam	1,700.00				
Hagan, Mary F.:					
Syrian Broadcasting System [1]			None	1,750.00	
Bashir Kaadan, editor, Aljombour, Damascus [1]					None
Mikhil Chakravartty, editor, India Press Agency, New Delhi					None
Hamilton Wright Organization:					
Italian State Tourist Office, Rome	35,000.00	44,078.58	20,000.00	5,000.00	None
Government of Venezuela, Caracas [1]	135,954.44	176,658.52	170,080.62	68,290.71	
Republic of China, Formosa			150,000.00	262,500.00	112,500.00
Government of Ceylon Tourist Bureau, Colombo			15,000.00	10,000.00	50,000.00
Victor, Eastman Lasso, Ecuador [1]	30,000.00				
Ministry of Economy, Government of Ecuador [1]		40,000.00	3,000.00		
Ministry of Information, Government of Colombia [1]		150,000.00	249,165.12		
Hanard, Vincent J.: Capt. Marco Gil Gonzales, Dept. Investigacion Tecnico, Havana					700.00
Hank Meyer Associates, Inc.: Government of Aruba, Executive Council, Oranjestad				25,597.91	41,115.83
Harnews, Inc.:					
Willy H. Schlieker, Dusseldorf			12,000.00	12,000.00	12,000.00
Fried Krupp Essen, Germany			36,000.00	None	2,000.00
Harold L. Oram, Inc.: State of Vietnam, Saigon	None	41,144.59	52,471.10	41,713.53	37,844.44
Harry Klemfuss Associates, Inc.: [1] Dominican Republic Information Center, New York		116,209.68	151,584.72	6,034.89	
Harris & Co. Advertising, Inc.:					
Cuban Tourist Commission, Havana					198,845.34
Government of Aruba [1]					1,425.47
Hart, Donald R., Jr.: Sindicat d'Iniciativa, Andorra-la-Valla, Andorra				None	None
Hart, Edward: [1] General Fulgencio Batista, Portugal					18,785.00
Hays, Alan S.: [1] Regie Nationale Des Usines Renault, France			None	3,828.23	
Hedrick, Travis K.: [1] Embassy of the U.S.S.R., magazine U.S.S.R.		4,200.00	7,200.00	7,800.00	
Hedrick & Lane: Embassy of Peru, Comite de Productores de Azucar, Lima					None
Henley, Lillian: Embassy of the U.S.S.R.	4,125.00	4,890.00	6,000.00	6,000.00	6,750.00
Hensel, H. Struve: [1] Fried Kurpp, Essen, Germany			23,923.59		
Hickman, Paul B.: [1] Francois Dubalier, President of Haiti			None	None	
Hill & Knowlton, Inc.:					
Compagnie Universelle du Canal Maritime de Suez, Paris (Suez Canal Co.)		23,256.58	45,729.00	15,250.55	957.00
Office of the Consulate General of Japan, New York		54,336.09	44,185.72	31,471.90	37,608.56
Societe de l'Exposition Universelle et International de Bruxelles 1958, Brussels		13,250.00	53,400.66	60,424.04	2,181.12
The Development Board, Nassau			117,543.85	141,939.45	130,893.76
Hillestad, Hallvard:					
Norges Bank, Oslo	30,000.00	30,000.00	30,000.00	31,200.00	59,000.00
Government of Norway, Ministries of Finance and Commerce	None	None	None	None	None
Den Norske Credit Bank, Oslo	1,200.00	1,200.00	1,500.00	1,200.00	1,200.00
Brahoco, S.A., Panama City					None
Hillings, Patrick J.: KLM Royal Dutch Airlines					2,500.00
Hogan, Donald W.: [1] 26 de Julio, Committee in Exile, Miami					None
Hofbauer, Egon: [1] Motokov, Praha, Czechoslovakia		2,211.35			
Holte Agey Advertising, Inc.: [1] Cuban Tourist Commission	62,096.43	68,404.14			
Houghton, Evans F.: [1] Fidel Castro, Havana					2,000.00
Hull, A. Tyler: [1] Government of the Dominican Republic, Ciudad Trujillo				35,000.00	
Humphrey, Renee C.: French Financial Counselor, Embassy					1,500.00
Huntington & Napolitan: [1] Karel Nikijuluw, Republic of South Moluccas			300.00		
Hyde & DeVries (1956 to June 1959) (see also DeVries, Henry P.):					
Netherlands Ministry of Finance, The Hague		8,205.79	4,573.13	7,102.52	11,908.24
Ambassador of Afghanistan to the United States [1]		2,000.00	None		
Hynning, Clifford J.: Embassy of Japan					3,524.01
Independent Syndicate, Inc.: [1] Embassy of Korea	3,000.00				
Intercontinental Public Relations, Inc.: [1] State of Israel, Jerusalem	81,623.86	53,211.46	7,747.72		
Province of Quebec			None	None	
Desbarats Advertising Agency, Montreal			3,675.00	2,179.41	
Government of France, Paris				4,000.00	4,000.00

[1] Termination.

EXHIBIT C.—*Table showing amounts, including fees and expenses, reported as received from foreign principals by American organizations and citizens whose registration statements have been in an active status since Jan. 1, 1955*—Continued

Registrant and foreign principal	1955	1956	1957	1958	1959
International Economic Consultants, Inc.:					
United States-Japan Trade Council [1]				$1,000.00	None
Japanese Embassy [1]				None	$4,000.00
Italian Embassy				1,100.00	6,700.00
Cooperative Azucarera Salvadorena, Ltda., El Salvador					3,003.35
International Services, Inc.: [1] Government of the Dominican Republic, Ciudad Trujillo	$27,500.00	$262,500.00	$45,518.43		
Ivan Bloch & Associates: [1] Ministry of Finance, Jamaican Government		12,059.50			
James, Chauncey T.: Republic of Haiti					1,675.79
James C. Seix Co., Inc.: Government of India Tourist Office, New York			37,789.70	79,910.62	109,979.46
Iberia Air Lines of Spain			103,581.95	98,738.93	59,712.80
Air India International, New York [1]			6,474.87	40,851.66	32,853.42
Japan Trade Promotion Office: Embassy of Japan				113,566.00	158,346.54
Jenkins, Ray L.: Societe Internationale Pour Participations Industriales Et Commerciales, S.A. (Interhandel), Switzerland			20,000.00	30,000.00	61,410.09
Jerome Jacobson Associates: [1] Embassy of Italy	6,000.00	1,500.00			
John A. Clements Associates: [1] Government of Guatemala	18,370.00				
John C. Metcalfe & Associates, Inc.: [1]					
Dr. S. M. Vinocour (for Korea), Washington, D.C	1,738.20	211.00			
Finn Moe, Norway [1]	None				
John Moynahan & Associates: [1]					
Republic of Indonesia, Djakarta [1]	21,074.83				
Jamaica 300 Years Celebration Committee, Kingston	4,897.07				
Industrial Development Corp., Jamaica			14,400.00	29,238.06	31,765.45
Jones, Robert N.: [1] Denmark's Provincial Chamber of Commerce, New York					None
Julius Klein Public Relations:					
The Society for the Promotion of the Protection of Foreign Investments, e.V., Germany		20,000.00	14,400.00	29,238.00	80,000.00
European Atomic Energy Community, Brussels					15,000.00
Kangles, Constantine N.: Republic of Cuba, Havana					None
Keats, Allen & Keats: [1] Government of Guatemala	9,000.00				
Keesing, John M.:					
Ministry of War, Republic of Peru			None	None	None
Government of Haiti					
Kehr, Ernest A.: Postal Administration of Egypt, Cairo					None
Kelly, Nason, Inc.:					
The Development Board, Nassau	64,232.86	86,171.75	106,085.48	101,348.58	101,704.87
Nova Scotia Ministry of Industry and Publicity	11,233.66	20,338.08	21,265.95	20,957.10	30,187.02
Italian State Tourist Office	19,681.35	18,041.33	22,492.48	21,519.58	18,038.48
Spanish National Tourist Department	21,191.48	24,115.63	29,503.42	41,228.17	31,598.12
Yarmouth County Tourist Committee, Nova Scotia [1]	None	None	None		
Incres Cia. Navigacion, S.A., Panamá City [1]	17,362.79	8,024.20	None	18,050.60	8,370.12
Japan Travel Bureau	1,145.87	3,096.65	270.73	541.86	745.41
Nassau Yachthaven, Bahamas	None	None	None	None	111.33
Cremo Cheese Co., Denmark [1]	None	None	None	3,678.19	
Lauro Lines, Naples	3,273.08	2,516.61	None	None	None
Burns House, Ltd., Nassau	90.41	319.16	None	191.74	106.13
British Colonial Hotel, Nassau	4,703.78	304.14	None		
Kingdom of Greece, National Tourist Organization, Athens	None	None	None	None	None
Egyptian State Department of Tourism, Cairo [1]	1,499.02	2,592.00	218.05		
Perret & Berthoud, S.A., Geneva [1]	3,281.32	3,450.79	35.00		
Hotel Princess of Bermuda [1]	1,553.86	None	None		
United Arab Tourist Office				2,185.97	2,703.16
Cabo Blanco Fishing Club, Peru	632.17	437.59	355.01	319.12	1,456.27
Palmdale Villas, Nassau [1]	88.90	None	None	None	
Linjebuss International A.B., Stockholm	646.74	2,829.28	None	2,378.02	2,544.13
Italian Airlines [1]	15,752.80	17.01	None		
Autotransporte Turistico Espanol, S.A., Madrid	123.11	116.11	52.34	720.56	425.56
Japan Trade Center [1]	15,762.80	16,418.79			
Iberia Air Lines, New York	None	858.52	105.46	1,387.95	1,528.33
Japan Camera Information and Service Center, New York	804.56	1,702.98			
Japan Tourist Association			5,241.32	4,532.84	2,352.93
Lyford Cay Development Co., Ltd. [1]			1,593.34	None	
City Gift Shop, Nassau [1]		113.67	None		
Yugoslav State Tourist Office			85.46	39.49	None
Christie, Harold G			88.29	73.19	None
Montago Beach Hotel, Nassau					8,758.73
Incres Line Agency, New York					7,743.73
French Leave, Bahamas					113.63
Kem, James P.: U.S. Cuban Sugar Council	10,000.00	27,500.00	7,500.00	7,500.00	7,500.00
Kenmore Associates, The: [1] The Jewish Agency, Inc., New York and Jerusalem		65,454.55	65,454.55		
Key, Marjorie: Embassy of Japan	2,915.00	3,200.00	1,040.00	3,580.00	3,710.00
Keyserling, Leon H.: [1] Jean Richard Commercial Counselor, French Embassy	4,500.00	6,000.00	6,000.00		
Kimmel, Clarence H.: [1] Republic of Cuba, Military Intelligence Service, Havana	3,149.28				
Kinsky, Joseph: [1] Republic of Cuba, Havana			64,000.00	9,650.00	
Klein & Saks: [1] Industrias Quimincas Reunidas, S.A., Brazil	13,280.44	13,140.15			
Klein & Saks:					
Mina Valencia, Uruguay [1]					405.59
Government of Guatemala					102,000.00
Government of Haiti [1]					156,000.00
Ministerio de Sanidad y Asistencia Social, Republic of Venezuela					2,009.00
Koehler, John T.: Government of Denmark	1,506.50				
Kramer, Charles: Republic of Liberia, Monrovia	9,999.96	10,500.00	10,500.00	11,725.00	13,650.00
Kramer, Marx, Greenlee & Backus: Jamaica Industrial Development Corp., Kingston					None
Kreisinger, Robert: USSG magazine, Washington, D.C	4,680.00	4,360.00	2,500.00	5,275.00	5,700.00
Krock-Erwin Associates, Inc.: [1]					
Government of the Union of South Africa	3,500.00				
Dr. Carlos Prio Socarras	7,854.87				
Laitman, Leon: Government of Tunisia				3,471.00	22,000.00
Lamberton, Harry C.:					
Embassy of the Polish People's Republic	14,796.21	14,586.97	14,708.96	17,491.98	16,761.81
Embassy of Czechoslovakia	7,854.87	9,935.22	11,011.81	12,515.00	974.86
Rumanian Legation [1]		410.00	None		
Landis, Coen, Rubin & Schwartz: Netherlands Government, Ministry of Social Affairs and Public Health, The Hague			None	None	11,482.43
Law, Robert H., Jr.: Legation of Latvia, Charge d'Affairs and Counselor, Washington, D.C	None	15,000.00	None	None	11,500.00
Lebouf, Lamb & Leiby: [1] Republic of Argentina, Embassy				6,000.00	
Lee, Lawrence D., Jr.: [1]					
Teodoro Picado Lara, Nicaragua	135.00				
Teodoro Picado Michalski, Nicaragua	None				
Lejarza Mora, Salvador: Enrique Lacayo Farfan, Costa Rica					None
Lerman, Louis:					
USSR Illustrated Monthly, Washington, D.C		4,047.64	8,785.18	7,503.82	9,497.99
Soviet Exhibition of Science, Technology & Culture, New York					500.00
Lever, Michael: [1]					
Government of Costa Rica, Embassy	14,758.95	11,250.00			
Embassy of Uruguay	None	1,000.00			

[1] Termination.

EXHIBIT C.—*Table showing amounts, including fees and expenses, reported as received from foreign principals by American organizations and citizens whose registration statements have been in an active status since Jan. 1, 1955*—Continued

Registrant and foreign principal	1955	1956	1957	1958	1959
Levy, Joseph M.: Embassy of the French Republic	$12,000.00	$12,000.00	$12,000.00	$19,200.00	$19,200.00
Liljenquist, L. Blaine: Philippine Coconut Administration, Manila, Carlos P. Romulo, Ambassador			None	4,000.00	4,000.00
Lininger, Fred T.: Republic of Liberia, Monrovia				None	None
Lockard, Diana: [1] Embassy of Viet Nam	1,550.00				
Lockett, Edward B.: [1] His Thai Majesty's consulate, Miami	13,323.81	None	1,500.00		
Low & Stone: Consulate General of the State of Israel, Los Angeles					350.44
L.S.S. Associates: Association of Guatemalan Sugar Mills, Guatemala City					None
Luboshez, S. N., Ferris: The Central Trust of China, Taiwan & New York		2,016.00	7,846.55	6,417.57	2,535.69
Lucas, Scott W.: [1] Republic of Panama		5,000.00	10,050.11	5,000.00	
Lum, Fairlie & Foster: [1] Embassy of the Republic of Cuba				17,500.00	
Lynch, Wilde & Co., Inc.:					
Central Electrica De Furnas, S.A., Rio De Janeiro					3,928.85
Centrais Electrica De Mines Gerais, S.A., Brazil					3,753.42
Companhia Hidro Electrica Do Sao Francisco, Rio de Janeiro					2,295.05
Paraguayan Road Commission					None
Corporacion De Obras Sanitarias De Asuncion, Paraguay					1,895.90
Comision De Obras Del Aeropuerto De Asuncion, Paraguay					600.00
Lyons, Thomas E.: Colon Free Zone, Panama		13,735.50	23,091.61	21,608.54	14,470.93
MacCracken, Collins & Whitney: Compagnie Aramayo de Mines en Bolivie, Geneva				2,000.00	5,355.31
Madden, Murdaugh S.: Embassy of Saudi Arabia				None	650.60
Major, Dale R.: Office of the President, Luis A. Somoza, Government of Nicaragua					None
Margold, Stella: [1]					
J. Winterhalter, Yugoslav Information Center	200.00				
Fayez Sayegh, Arab Information Center	150.00	70.00			
Marias, Joseph F.: [1] Compania Maritima, Manila	8,876.04	4,000.00			
Martial & Co., Inc.: [1]					
Instituto Brasileiro de Cafe, Rio de Janeiro				60,000.00	15,000.00
Alitalia, New York				15,000.00	12,000.00
Embassy of the Republic of Cuba				10,000.00	5,000.00
Mission of Ecuador to the United Nations					1,500.00
Max Rogel, Inc.:					
Office of Public Information of the Republic of Korea, Seoul					5,000.00
The Minister of Foreign Relations of the Republic of Nicaragua, Managua					None
McBryde, F. Webster: Miguel Ydigoras Fuentes, Guatemala				None	None
McCarthy, Matthew E.: Republic of the Philippines				None	None
McDonnell & Slattery: [1] Commercial Office of the Embassy of Spain	36,666.63				
McDonnell, Joseph: [1] Transportes Maritimos Mexicanos, S.A., Mexico City		2,400.00			
McLaughlin, Charles A.: Government of the Dominican Republic	7,200.00	7,200.00	7,200.00	7,200.00	12,000.00
McMahon, Patrick: [1]					
The Government of Guatemala, Guatemala City and Embassy	None	21,000.00			
Republic of Guatemala			3,000.00	2,000.00	
Mel Adams & Associates, Inc.:					
Aerlinte Eireann Tta., Dublin [1]				24,538.76	12,725.64
Shannon Free Airport Development Co., Ireland [1]				200.00	None
Shannon Airport, Ireland [1]				None	None
Linea Aeropostal Venezolana					None
Meyer, Hermine H.: Embassy of Switzerland		466.66	1,200.00	3,000.00	3,400.00
Michie, Allan A.: Embassy of Ghana				8,608.45	13,500.00
Mintzer, George J.: [1] Government of Turkey, Ankara	20,000.00	20,000.00			
Moment, Samuel: Government of Jamaica			1,200.00	5,500.00	5,800.00
Moss, Edward K.:					
Republic of Liberia, Monrovia [1]	9,500.00	13,537.97	13,833.90	8,088.14	
Embassy of India				29,801.33	34,416.08
Government of Italy				74,164.62	1,580.13
Government of Ghana				1,502.87	614.00
Republic of the Sudan				1,250.00	638.40
Munson, William H.: [1] Dominican Republic, Ciudad Trujillo			25,020.76	14,863.36	
Nash, Ahern & Abell: [1] Government of Switzerland	20,000.00	15,000.00	20,000.00	2,000.00	
National Counsel Associates: Movimiento de Liberacion Dominicana de la Union Patriotica Dominicana y demas Organizaciones Asociadas, Havana					2,000.00
Newcomb-Oram International Corp.: [1] State of Vietnam, Saigon	None	14,083.00			
Nichols & Peters: [1] Israel Government Tourist Office, New York		1,700.00			
Nordlinger, Riegelman, Benetar & Charney: Republic of China, Taipei			5,053.85	10,147.74	10,159.50
North Pacific Consultants: [1] Ministry of Trade and Industry, Jamaican Government		20,022.92	1,845.50		
O'Donnell, John A.: Philippine Sugar Association, Manila					26,925.50
O'Dunne, Eugene, Jr.: [1]					
Government of Peru, Embassy	5,500.00	5,500.00	6,000.00	5,500.00	3,600.00
Comite de Productores de Azucar, Lima	8,166.71	16,433.71	13,199.67	7,968.00	13,391.66
Sociedad Nacional de Pesqueria, Lima		1,500.00	1,500.00	122.00	None
Regie Nationale des Usines Renault, France [1]			57.25		
Sociedad Nacional de Mineria y Petroles [1]				3,136.00	
Omelia & Kaye:					
Gubbins & Co., Lima					None
Certain Latin American persons and firms on pt. I of proclaimed list.					
O'Neall, Charles F.: [1] Ministry of Finance and Public Credit of the Government of Guatemala			27,353.76	None	
Osherman, Jack A.: Haitian Government					7,000.00
Overseas Management Services, Inc.: Colon Free Zone, Panama					587.90
Pan-American Public Relations, Ltd.: [1]					
Dominican Republic, Ciudad Trujillo			125,000.00	125,000.00	
Generalissimo Rafael L. Trujillo, Ciudad Trujillo				None	
Republic of Pakistan				None	
Patricia Dickerman, Inc.: Japan Airlines, Co., Ltd., Tokyo	2,861.81	12,970.26	None	8,458.27	9,933.25
Paulino, Manuel: Partido Dominicana, Ciudad Trujillo			14,000.00	None	None
Pehle, Lesser, Mann, Riemer & Luxford:					
Government of Yugoslavia, Belgrade and Embassy [1]	12,000.00	12,000.00	12,000.00	11,750.00	
City of Lucerne, Switzerland	None	None	None	None	2,293.75
Government of France, Paris	None	None	None	None	None
Government of Jamaica, Kingston [1]	None	None	362.50	None	
Etibank, Ankara					7,500.0
Government of Cuba and agencies or instrumentalities thereof					7,736.30
Comision Ejecutiva Hidroelectrica del Rio Lempa (Oficinia Arbitraje), El Salvador [1]		None	725.00		
Pan American Union Economic & Social Council [1]			2,000.00		
Philip M. Bottfeld, Inc.: Haitian Tourist Board, Port-au-Prince					None
Phillips, Wendell: Sultan Said bin Taimur of Muscat and Oman	None	None	None	None	None
Pierson, Ball & Dowd: [1] Royal Thailand Irrigation Department, Bangkok				6,396.09	4,217.49
Pierson, Ball & Dowd: Metropolitan Electricity Authority, Bangkok					1,000.00
P. K. Macker & Co.: Victorian Promotion Trust Fund, Melbourne			30,000.00	43,303.29	43,859.01
Public Relations Associates International: [1] Republic of Haiti, Port-au-Prince		13,200.00			
Quinn, Arthur L.: Asociacion de Colonos de Cuba, Havana & Asociacion Nacional de Hacendados de Cuba, Havana				12,000.00	17,863.50
Rapaport, Frederick: Austrian Federal Ministry of Finance				None	12,000.00
Rasponi Associates, Inc.: Iranian Information Center, New York					None
Rengers, Daniel D. W.: [1] Embassy of the Republic of Indonesia	5,000.00				
Rips, Serge: [1]					
Government of Thailand, Bangkok	79,029.87	60,853.93	61,152.97	None	
Republic of Haiti, President and Ambassador [1]	2,000.00				

[1] Termination.

EXHIBIT C.—*Table showing amounts, including fees and expenses, reported as received from foreign principals by American organizations and citizens whose registration statements have been in an active status since Jan. 1, 1955*—Continued

Registrant and foreign principal	1955	1956	1957	1958	1959
Robert R. Nathan Associates:					
Embassy of Israel, Government of Israel Supply Mission	$14,012.42	$15,775.32	$22,338.39	$18,110.09	$18,747.54
Government of the Union of Burma	214,575.19	203,372.67	302,844.16	312,496.08	176,243.77
Embassy of Vietnam				6,875.00	13,650.00
National Railroads of Colombia					49,015.90
Jewish Agency for Palestine [1]	6,260.35				
Robinson, Harold R.: [1] Chinese Nationalist Government, Taipei					1,000.00
Rodenberg, Robert R.: Government of the Dominican Republic, Ciudad Trujillo					None
Roosevelt, Franklin D., Jr., Clark, Charles Patrick: [1] Government of the Dominican Republic, Ciudad Trujillo		30,000.00	30,000.00		
Roosevelt, Summers & Hamilton, Inc.: [1] Republic of Haiti, Port-au-Prince				37,500.00	
Ross, John C.: Aly S. Khan, Representative of Pakistan to the U.N				12,000.00	18,000.00
Ross, Leo: [1] Press attaché, Union of South Africa	2,500.00	1,000.00	750.00		
Rumanian-American Publishing Association: [1]					
Committee for the Cultural Establishment of the Rumanian Peoples Republic, Bucharest				11,000.00	
Cartimex, Bucharest				3,570.00	
Rowe, James H.: [1] His Thai Majesty's Embassy and Miami consulate	13,250.00	17,421.73			
Royal, Koegel, Harris & Caskey: [1] The Republic of Korea				10,070.25	
Roy Bernard Co., Inc.:					
Federal Republic of Germany	144,906.00	144,100.10	152,656.68	192,988.72	220,702.26
European Economic Community					75,160.00
Rudick, Albert J.: Republic of Liberia	3,750.00	15,000.00	15,900.00	18,121.00	20,050.00
Rutherford, Richard C.: [1] Republic of Haiti					250.00
Ryan, Charles E., Jr.: [1] Fidel Castro, Havana					None
Sachs & Jacobs: Government of Venezuela					300.00
Samuel B. Stavisky & Associates, Inc.:					
United States Cuban Sugar Council				3,022.67	29,606.94
National Cuban Sugar Mill Owners Association & Cuban Sugar Cane Growers Association				41,706.59	27,580.65
Banco Nacional de Cuba				22,096.65	23,507.14
Sanders, Gravelle, Whitlock & Markey: [1] Arab Information Center	8,652.08				
Satterlee, Brown & Cherbonnier:					
Editorial Ozama, C. por A., Ciudad Trujillo				2,500.00	None
Astilleros Dominicanos Gibbs, Ciudad Trujillo [1]				2,166.66	None
Lineas Areas de Nicaragua, Managua [1]				6,602.31	6,602.31
Sayers, Elliseva: [1] Japan External Trade Recovery Organization and Japan Trade Center		2,200.00			
Schaler, Butler & Associates: [1]					
Republic of Liberia, Monrovia	33,600.00	28,246.55			
Embassy of Ethiopia	1,000.00	4,018.00			
Embassy of Austria [1]	1,300.00				
Embassy of the Republic of Indonesia [1]	7,487.00				
Schaumburger, Max M.: Miguel Ydigoras Fuentes, President of Guatemala				7,500.00	3,787.97
Scott, Robert Day: [1]					
Ethiopian Government, Addis Ababa		6,016.80			
Imperial Ethiopian Government, Addis Ababa			2,491.80		
Imperial Ethiopian Government, Addis Ababa				800.00	None
Scott, Wilson & Associates: [1]					
Government of Guatemala, Guatemala City [1]	23,850.63	15,650.48	20,500.00		
Linea Aeropostal Venezolana, Caracas				11,925.39	
Seger, Gerhard H.: German Embassy	2,940.00	1,125.00	3,000.00	3,000.00	3,750.00
Select Magazines, Inc.:					
Embassy of the U.S.S.R.			2,985.00	14,203.16	12,253.61
Embassy of the Polish People's Republic					4,532.21
Selvage & Lee, Inc.:					
Pan American Coffee Bureau	38,500.00	15,000.00	15,000.00	15,000.00	15,000.00
Government of Bolivia [1]	9,000.00	16,500.00	2,250.00		
Shannon, Palmer S.: Canadian National Exhibition Association, Toronto					None
Shaw, Pittman, Potts & Maechling: Government of the United States of Brazil					451.50
Sims, John R., Jr.: [1] Embassy of the Union of South Africa			2,623.42	640.00	
Skadden, Arps & Slate: [1] The Mutawakelite Kingdom of Yemen	1,000.00	None			
Skelly, John T.:					
Maj. Fidel Castro, Havana					None
Jorge Quintana, Havana					
Smith, Alan Dexter: Consulate general of Japan, New York	4,550.00	4,550.00	4,800.00	5,450.00	5,850.00
Smithhart, Clyde G.: Government of Nicaragua				None	None
Southern Advertising, Inc.: [1]					
Cuban Tourist Commission, Havana			45,413.74		
Presidente Hotel, Havana			780.88		
Vedado Hotel			3,360.92		
Speers, P. Carter: [1] Pakistan Information Service, Washington, D.C	6,172.20	3,096.00	6,000.00	6,500.00	
Spencer, William B.: [1] Embassy of the Republic of Indonesia	4,576.50	5,277.52			
Stan Markusen & Associates: [1] Arab States delegations office, New York			8,000.00	16,000.00	6,000.00
Standard Public Relations Service, Inc.: [1] Cuban Tourist Commission and Embassy of the Republic of Cuba				35,000.00	
Stanley Neal Productions, Inc.: [1] Arab States delegations office, New York			2,500.00		
Stavisky, Samuel B.: [1]					
National Cuban Sugar Mill Owners Association & Cuban Sugar Cane Growers Association, Havana	42,675.25	40,027.11	58,134.73		
United States Cuban Sugar Council, Washington, D.C	13,691.39	2,998.14	None		
Compania Textilera Anguanabo, S.A., Havana [1]		459.06			
Banco Nacional de Cuba, Havana			None		
Steele, Raymond E.: Japan Export Frozen Tuna Products Association & Japan Frozen Food Exporters Association, Tokyo				8,967.82	3,750.00
Stephen Goerl Associates, Inc.:					
German Tourist Information Office, New York	102,814.43	63,320.48	27,874.67	36,952.27	49,322.50
Caribbean Tourist Association, New York [1]		4,857.75	22,596.70	1,648.00	
Government Tourist Bureau, Ceylon		31,402.14	960.00	13,864.25	7,494.20
Trinidad and Tobago Tourist Board			4,455.27	23,065.90	45,225.86
Stitt & Hemmendinger: Embassy of Japan, Washington, D.C				10,400.00	8,400.00
Association to acquire compensation for damages prior to peace treaty, Okinawa and the Relief Association for Okinawa and OGA Sawara, Tokyo				7,000.00	11,615.00
Japan Canned Foods Exporters Association, Tokyo [1]					7,913.92
Stitt, Nelson A.: [1]					
Embassy of Japan	9,100.00	9,100.00	9,500.00		
Council for Improved United States-Japanese Trade Relations			3,300.00		
Stuart, John: Embassy of the Polish Peoples' Republic	8,545.00	8,523.00	8,426.00	8,620.00	8,355.00
Surrey, Karasik, Gould & Efron: [1]					
Comision de Defensa de Azucar y Fomento de la Cana, Dominican Republic	57,076.94	40,469.17			
Embassy of Sweden				None	None
Swanson, E. B.: Republic of Venezuela, Ministry of Mines and Hydrocarbons, Caracas				5,939.96	7,460.00
Sydney S. Baron & Co.: [1] Dominican Republic			262,855.39	300,000.00	
Tanaka, H. William:					
Embassy of Japan		1,800.00	3,600.00	4,400.00	6,000.00
Japan Canned Tuna Exporters Association, Tokyo [1]		None			
Teller, Judd L.: [1] Dr. Nahum Goldmann, World Zionist Organization			900.00		

[1] Termination.

EXHIBIT C.—*Table showing amounts, including fees and expenses, reported as received from foreign principals by American organizations and citizens whose registration statements have been in an active status since Jan. 1, 1955*—Continued

Registrant and foreign principa	1955	1956	1957	1958	1959
Tex McCrary, Inc.: [1]					
Government of Argentina, Ambassador				None	$15,000.00
Government of El Salvador					10,000.00
Gyalo Thondup, representative of the Dalai Lama					1,500.00
Tobolowsky, Edwin: Aztecs Films, Inc., California				$6,944.51	7,911.79
Townley, Updike, Carter & Rogers: [1] Dominican Republic Information Center, New York		$5,145.34	$2.50		
Travel Associations, Inc.: [1]					
British Honduras Government			375.00		
Windsor Hotel, Nassau			200.00		
Santa Maria del Mar Apartment Hotel, Cuba			225.00		
Cuban Tourist Commission			375.00		
Transportes Aeros Nacionales S.A., Tan, Honduras			375.00		
P. & O. Steamship Co., Liberia			125.00		
Fort George Hotel, British Honduras			150.00		
Travel Development Corp.: [1] National Tourist Office of Haiti, Port-au-Prince	$9,999.96	1,333.33			
Trian, Dimitris J.: Greek Government, Ministry of Coordination, Athens				None	None
U.S. Commercial & Distribution Corp.: [1] Glassexport, Prague			None	4,975.98	
United States-Arab-Asian Institute, Inc.:					
League of Arab States [1]			None	None	
Saudi Arabia			None	None	None
United Arab Republic				285.00	None
Jordan				None	None
Sudan					250.00
United States-Cuban Sugar Council: Member companies owning or operating sugar properties in Cuba	133,420.58	206,965.62	109,294.38	73,433.77	94,209.17
United States-Japan Trade Council: Japan Trade Promotion Office			32,880.00	87,000.00	142,557.23
United States Navigation Co., Inc.: Federal Government of West Germany			None	None	None
Universal Public Relations, Inc.: [1] Republic of Korea, Seoul	21,128.78				
Universal Research & Consultants, Inc.: [1]					
Arab States Delegations Office [1]			2,067.04	1,613.00	
Republic of Egypt [1]				160.00	
Republic of Venezuela [1]			3,000.00	9,000.00	
Republic of Cuba			6,200.00	27,456.05	15,233.05
IV Anti-Communist Congress, Guatemala				None	None
Vavin, Inc.:					
Ministry of Information and Tourism of the Sharifian Empire of Morocco				12,022.00	7,616.39
French Government Tourist Office, New York				17,522.45	48,612.16
Vinocour, S. M.: Korean Information Service, Inc, Seoul	9,300.00	9,300.00	6,070.85	4,650.00	7,179.20
Visson, Anatole: Spanish Government, Ministry of Information, Madrid	5,194.26	5,600.00	2,950.00	3,300.00	2,000.00
Von Blomberg, W. Frary: Landsmannschaft Ostpreussen, Germany					750.00
W. F. Lane Agency: [1] Cuban Government, Havana			39,166.65	1,833.33	
Wechtell, Manheim & Grouf: Republic of Austria, Vienna		5,695.00	14,500.00	32,317.65	23,447.28
Wagg, Alfred: [1] Government of the Philippines, Manila				29,702.37	None
Walsh, Bailey: Government of Nicaragua, Managua	None	None	None	None	None
Ward & Ward: Venezuelan Embassy					8,434.62
Washington Service Associates: Argentine Government Oil Fields Commission in the United States, New York	3,600.00	2,400.00	2,700.00	1,100.00	1,200.00
Wattawa, John:					
Finska Angfartyge Aktiebolaget, Helsingfors	2,000.00	None	None	None	None
Stiftung, Jng., Vaduz, Liechtenstein					
Weaver & Van Koughnet: [1] Republic of Guatemala, Guatemala City	15,000.00	18,000.00			
Weaver & Van Koughnet:					
Samuel Ciglen & Morris Black, Toronto				32,283.52	42,012.79
Titan Petroleum Corp., Ltd., Toronto				None	10,690.86
Aztecs Films, Inc., and Mexfilms, Inc., Los Angeles [1]				None	10,000.00
Weil, Gotshal & Manges:					
Aba S. Eban, Ambassador of Israel [1]	10,017.34	10,124.73	9,505.78	6,142.30	2,431.55
Government of Israel, Tel Aviv					
Avraham Harmon, Ambassador of Israel					
Wendell P. Colton Co.:					
Compania Sud American de Vapores, New York				4,203.76	568.35
Barbados Publicity Committee, B.W.I.	7,289.35	9,583.18	8,784.98	21,510.26	17,003.81
Aerovias Nacionales de Colombia, New York				231,231.52	30,572.82
Argentine State Line, New York				8,481.45	3,581.87
Israel Government Tourist Office, New York [1]	61,789.13	44,693.49	9,051.55	None	
Compania Mexicana de Aviacion, S.A., Mexico					10,010.52
Colombian National Tourist Board				953.89	3,273.66
Costa Rica, C.A., Edmond Gerli, Mario Echandi, President				None	None
Trinidad & Tobago Tourist Board, B.W.I. [1]	24,791.44	21,801.29	1,877.21		
Wentworth, John B.: Embassy of Japan			2,925.00	5,670.00	5,875.00
William J. Burns International Detective Agency, Inc., The Venezuelan Embassy					500.00
Williams, Jay Jerome: Embassy of Korea	9,000.00	12,000.00	12,000.00	12,000.00	12,000.00
Willis, Charles F., Jr., Government of Haiti, Port-au-Prince			None	51,139.24	None
Wilson & Pryor: [1] Embassy of the Union of Burma	None	4,500.00			
Win Nathanson & Associates, Inc.: [1]					
Mauricio Hochschild S.A.M.I., New York	52,721.06	41,811.18	17,717.19	28,000.00	18,000.00
Cia. Aramayo de Mines en Bolivia, New York					
Worton, Cline & Manker: Republic of Cuba, Havana					3,000.00
World Information: [1] Arab Information Center, New York	16,809.58				
Young, Richard:					
Government of Saudi Arabia	6,039.25	35,158.55	10,589.24	10,376.76	None
Government of Honduras	None	24,000.00	9,000.00	6,829.33	None
Government of Japan [1]	7,500.00	6,600.00			

[1] Termination.

Mr. SCHOEPPEL. Mr. President, there is a lot that the American people ought to know about the foreign aid program.

In my opinion there is a lot they do not know.

I again invite the attention of the Senators on the floor, and particularly members of the Senate Appropriations Committee and of the Senate Foreign Relations Committee, who are charged with responsibility in these matters, to examine this entire situation.

Now, Mr. President, as a matter of courtesy and in the interest of accuracy, I ask unanimous consent to insert in the RECORD the letter addressed to me by Mr. Gordon R. Clapp, president, Development & Resources Corp.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEVELOPMENT & RESOURCES CORP.,
New York, N.Y., June 13, 1961.

Hon. ANDREW F. SCHOEPPEL,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: The CONGRESSIONAL RECORD of June 1, 1961, at page 8607 reports you as stating that according to a report of the Attorney General, the Development & Resources Corp. received from the Government of Iran fees totaling $78 million during the period 1956 through 1960.

You mentioned that you had determined this as a matter of fact, after reading an article dated June 2, 1961, in a Washington newsletter known as Human Events which you inserted in the RECORD of June 1 as a part of your remarks.

As president of the corporation to which you refer, I wish to correct the error into which you have inadvertently been led.

It is not true that this corporation has received fees of $78 million from the Iranian Government.

From the beginning of our relationship with the Iranian Government in 1956 until December 31, 1960, our total fees (meaning profit or compensation over and above costs) have amounted to less than 1½ percent of the figure you cite.

In referring to "fees" of $78 million you cited as the source of your statement the report of the Attorney General. Perhaps you were referring to the "Report of the Attorney General to the Congress of the United States of the Administration of the Foreign Agents Registration Act of 1938, as amended, for the period January 1, 1955, to December 31, 1959" of June 1960.

Appendix VI of that report, at p. 332, is a "Table showing amounts including fees and expenses reported as received from foreign principals" by registrants under the act. If this is your source of reference, the omission in your statement of the Attorney General's characterization of the multi-million-dollar amounts you cite presents a very misleading implication which I am sure you could not possibly have intended.

The funds received by Development & Resources Corp. from the Government of Iran are received under contracts with the Plan Organization of that Government. These contracts are on file with the U.S. Department of Justice. The funds are Iranian Government funds. They are received by us, in amounts agreed upon, to commit and disburse them on account of expenses, including fees, for the execution for that Government of a development program authorized by that Government in the Khuzestan region of Iran. This corporation was requested and retained by the Plan Organization of the Government of Iran in 1956 to provide technical and managerial assistance and to supervise the work of this development program. This assignment has been an important part of the corporation's work since that time.

All the sums received by this corporation from the Iranian Government in the 5 years involved, 1956 through 1960, with the exception of the sum of $993,750 in fees for this corporation, have thus been devoted to the interests of the Iranian Government and expended by this corporation on behalf of that Government.

Pursuant to our contracts with the Iranian Government, the corporation submits semi-annually to Iranian authorities a certified independent audit report covering all expenditures the corporation makes from the Iranian funds entrusted to it for work authorized by and performed for Iran. This independent audit report is prepared by the firm of auditors, Lybrand, Ross Bros. & Montgomery and its international affiliate, Coopers & Lybrand.

It may be of interest to note that the funds thus devoted by the Government of Iran to the work it has assigned to this corporation, except for the foreign exchange loaned in mid-1960 by the International Bank for Reconstruction and Development to the Government of Iran, are a portion of Iran's oil revenues which the Government of Iran allocates to its internal economic development.

The loan agreement between the World Bank and the Government of Iran provides $42 million available as required during the construction of the Dez Dam multipurpose water control project, including the start of a substantial irrigation development, the construction of transmission lines, rehabilitation of local electric distribution systems, etc. The loan is repayable in 25 years plus annual interest at 6¼ percent.

The Khuzestan region comprises an area of some 58,000 square miles with a population of approximately 2½ million. The plan prepared and now in various stages of construction or operation includes a dam for power, irrigation, flood control, and related purposes; power transmission and local distribution systems; establishment or encouragement of local manufacturing and processing industries; expanded agricultural production, including a sugarcane plantation and refinery; and the task of training local personnel to operate and manage these undertakings. The corporation was also assigned direct responsibility for managing and supervising, on behalf of Plan Organization of Iran, the execution of the projects to be undertaken within the authorized development scheme.

The corporation's work in Iran is carried out by the corporation's Khuzestan Development Service, staffed by some 100 professional technical and managerial people, a majority of whom are Americans, and 1,000 Iranian nationals. The consultants and contractors we employ in Iran include experienced Dutch, English, Italian, American, and Iranian firms. In total, as of now, a force of some 4,800 including 4,100 Iranian nationals are at work in Iran in this development.

As a matter of courtesy and in the interest of accuracy, you may wish to put this letter into the RECORD so that whoever may be interested may be correctly informed of the facts.

Very truly yours,

GORDON R. CLAPP,
President.

PRESIDENTIAL SUPPORT OF THE GARRISON DIVERSION IRRIGATION DEVELOPMENT IN THE UPPER MISSOURI RIVER BASIN

Mr. BURDICK. Mr. President, North Dakota had a red letter day today. There was great satisfaction, if not jubilation, upon receiving the word that President Kennedy had endorsed the Garrison diversion unit in a news release today.

An endorsement of this kind is almost unprecedented. It gives the project a tremendous boost and underscores the President's determination to expand water resources development. We are on the threshold of realizing our dream of a Garrison diversion.

Mr. President, I ask unanimous consent to have the White House press release printed in the RECORD at this point.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE, *June 21, 1961.*

President John F. Kennedy today announced his support of the Garrison diversion irrigation development in the Upper Missouri River Basin. Administration approval of the project was transmitted to the Congress by the Department of the Interior in the form of a report from Secretary Stewart Udall and by testimony before a Senate subcommittee by Assistant Secretary for Water and Power Kenneth Holum.

The irrigation project, located principally in North Dakota, will, when completed, enable the farmers of the area to diversify their crops and as a consequence stabilize the economy of the region. Completion of the project, to serve 250,000 acres initially, will not bring additional land into crop production, but will make it possible for the area's farmers to change from dry farming of wheat which is in surplus to varied crops including those which will support cattle raising and yield higher incomes.

The Garrison diversion for irrigation was authorized nearly 17 years ago. Since then most of the flood control, navigation, and power feature of the project have been constructed with a loss of valuable fertile farmland in North Dakota and South Dakota. Action on the irrigation project would fulfill a longstanding obligation to the people of these States. More land, now dry farmed, would be irrigated to replace the fertile lands that have been submerged. The project will also provide the area with valuable fish and wildlife and other recreational benefits.

In commenting on the project, the President made the following statement: "As indicated in my message to the Congress on natural resources, 'wise investment in a resource program today will return vast dividends tomorrow, and failures to act now may be opportunities lost forever.' The Garrison diversion project is an excellent illustration of the principle. The investment to be made now in the upper Missouri River Basin will in the future bring to the people of the Dakotas and the Nation at large great benefits in the form of a sound agricultural economy, improved recreational facilities, and perhaps most important of all, the region will be able to retain and support its greatest resource, the young people who have in recent years been forced to leave farms in the areas in alarming numbers."

The cost of the stage of the Garrison diversion unit proposed for construction would be $183 million to be expended over a period of 10 or more years.

THE NO. 1 PUBLIC ENEMY: INFLATION

Mr. MILLER. Mr. President, almost 2 years ago I made the statement that the No. 1 public enemy of the United States, on the domestic scene, is inflation. With the loss of foreign markets for some of our manufacturers, with the increased competition in our domestic markets from foreign manufacturers, and with the balance of gold payments problem—all of which have arisen since that time—I am even more convinced today that inflation is our greatest enemy, second only to world communism. Indeed, the degree to which we conquer inflation will have a powerful bearing on our national will to resist Communist aggression.

In his special message to Congress, the President called for fiscal integrity. He asked Congress to put aside those things which are merely desirable in favor of those things which are essential. Unfortunately, he did not include in his message a request that some of his domestic programs, desirable though they might possibly appear, be delayed in favor of increased spending for national defense and foreign aid, which he states are most essential. The result is that the American people are likely to get both, along with inflation and further dilution in the value of their money.

It is encouraging for the Secretary of the Treasury to speak hopefully of increased business growth, more tax revenue, and a balanced budget someday in the future. It would be much more encouraging to people who are concerned over the value of their money, and to private business which is discouraged over the prospects of another round of inflation, to have this administration recommend action which will give us a balanced Federal budget for 1962. There is an old saying that one should not put off until tomorrow what can be done today.

In this connection, a timely article by Mr. George E. Sokolsky on "How To Go

Broke" appeared in this morning's Washington Post and Times Herald, pointing out, among other things, that money is the business of Congress and that Congress has not been keen on resuming its responsibility in this respect. I ask unanimous consent that Mr. Sokolsky's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW TO GO BROKE

(By George E. Sokolsky)

Prof. Robert Triffin of Yale writes with wisdom on how to go broke. Of course, it is not essential to go broke. This is most often avoidable, but some set out to do it without much thought of the aftermath.

There are even those who enjoy going broke, spending their way through life until nothing is left for them but to make a touch.

So the learned professor does an essay on the subject with apt applications to what has happened and is happening to the American dollar because of the improvident spending of our money. Professor Triffin says:

"There are two ways to go broke: a slow one and a fast one. The slow way is to go on, year after year, spending more money than you earn. But if you are rich to begin with, you won't go broke very fast that way. You will pay for your overspending by depleting your bank balance and other assets and by getting loans from people who trust your capacity to repay them later.

"A much faster way to go broke is to finance too much of your overspending by short-term borrowing. Even if you stop overspending, you may then still run into serious trouble if your I O U's are suddenly presented to you for repayment at a time when your bank balance has fallen too low to cover them. If you still have other, longer term assets in sufficient amount, you will remain perfectly solvent, but you will be confronted, nevertheless, with what is called a liquidity crisis."

The term, "liquidity crisis," might be translated into the simple word "tight." Many of us have been tight, or to put it another way, short of cash. When a nation gets to be short of cash, it can, of course, print more paper money. It can go on printing money until its money is worthless.

Professor Triffin makes the point: "We have, over the past decade, spent, lent, and given away about $20 billion more than we earned and covered the difference by cash payments in gold ($6 billion) and also by short-term I O U's ($14 billion), which foreign central banks, private banks, and individuals were, until recently, quite glad to invest in, since the dollar was regarded as safer than any other currency, and even for the time being, as safe as gold itself."

It was, of course, too much to give away; so the dollar depreciated in value. We were not conscious of this in the United States because we did not go hungry here. The country was rich. The people were well off. We have a high standard of living. Nevertheless, economics walked its harsh way without regard to human enthusiasms and the result was that our gold supply began to disappear.

I can remember when $25 a week was very good pay for a secretary who could take stenography, spell, add a column of figures, and say, "Good morning," politely. A girl who can do all that today might command $100 or more a week, but is she getting more? The likelihood, adding taxes, social security, and the high cost of living is that she is getting less. The same is true of all wage earners; their nominal wages go up but it is in money that is worth less.

Money is nothing to fool about and politicians have a way of covering up errors by doing the wrong thing grandiloquently. But it is our money and we need to give it watchful attention. Money is the business of Congress and Congress has not been too keen on resuming its responsibility to rest on the American dollar.

THE IOWA ADJUSTMENT PLAN

Mr. MILLER. Mr. President, I have received a number of letters requesting information on my reasons for voting against the so-called depressed areas bill. Some of these letters were undoubtedly generated by the unfortunate statement of the National Democratic Chairman in Des Moines a few weeks ago, criticising the two Senators from Iowa for voting against this legislation and implying that there are centers of unemployment in Iowa which would benefit under the legislation.

Of course, it is common knowledge that there are no depressed areas in Iowa which will qualify for assistance, which would be one reason for voting against the bill. But another and far more persuasive reason for voting against it is that artificial Federal Government stimulus of industry in areas of chronic unemployment will not provide a sustained answer to the problem. The answer will be a combination of retraining of the unemployed and movement of the unemployed to locations where jobs need to be filled in industries which are growing in accordance with sound economic demands.

This has been Iowa's approach to the problem involving numerous unemployed farmers who have left the farm as a result of the technological revolution in farm production. We have not sought to artificially stimulate industrial growth, as some other States have done. No doubt we have lost some industrial growth by our failure to do so, but when these States end up with a chronic unemployment problem resulting from their own artificial stimulation of industrial growth I do not believe that Iowa taxpayers should be called upon to bail them out. Recently there appeared a well-thought-through editorial on this subject in the Waterloo, Iowa, Daily Courier, and I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

UNITED STATES SHOULD STUDY IOWA ADJUSTMENT PLAN

The Kennedy administration is currently putting into operation a program, enacted this spring by Congress, designed to assist areas of chronic unemployment.

One $100 million loan fund will be for industrial redevelopment and another of the same amount will be for rural redevelopment. A third $100 million loan fund was established to finance public facilities in these areas.

Critics of the program insist that this program merely involves easy credit to entice industry away from areas of natural economic advantage to areas where the advantage consists of Government aid.

The publication Business Conditions of the Chicago Federal Reserve Bank points out that depressed areas are no new thing in American history and that artificial government solutions are not promising means of solving the problem where the natural economic factors are unfavorable.

The publication points out that the great lumber boom of the post-Civil War period in the Great Lakes region of Minnesota, Wisconsin and Michigan began to slump in the early days of this century as the white pine was consumed. The large work force which had been assembled for the lumbering operations was no longer needed and conditions of chronic unemployment developed.

There was a Government-sponsored attempt to develop an agricultural economy in the cutover stump land; but this attempt collapsed with the decline in farm prices following World War II. Enormous tracts of land reverted to State ownership after no purchasers could be found at tax sales.

Meanwhile, a natural economic growth developed. Grand Rapids became the furniture center of the world. Oshkosh and Saginaw became prosperous centers for manufacture of wood products and woodworking tools. And in recent years, a new boom has developed in the vacation industry with 1960 tourist expenditures in the three States calculated at a billion and a half dollars.

The question of aid to depressed areas might also be highlighted by a comparison of the Iowa and West Virginia situations. The great technological evolution which struck agriculture in the past four decades has caused a constant and sharp decline in the manpower required on farms. It is estimated that more than a million people have migrated out of Iowa since the turn of the century, most of them in search of jobs. Iowa has solved the problem by educating and exporting her children.

But the technological evolution which hit the coal mining industry has brought a lesser migration from coal States like West Virginia. Improved machinery has reduced the demand for coal miners and high wages have caused coal to decline in importance in comparison with other fuels. But the unemployed have survived on unemployment checks and relief, few having the opportunity or desire to obtain new skills for employment elsewhere.

The moral is not that the Government has no responsibility in these matters or that the alleviation of suffering is not needed. The moral is that the Iowa pattern has been more successful from both the economic and human standpoint than the West Virginia pattern.

The unemployed in the depressed areas are largely the unskilled and the poorly educated. A Government program of retraining is likely to be more effective than attempting to attract new industries which perhaps should not locate in these areas and probably would find little use for the unskilled worker if they did.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily, and that the Senate proceed to the consideration of the calendar from Calendar No. 368 to and including Calendar No. 396, without my making the request for the consideration of each item.

The PRESIDING OFFICER. Without objection, it is so ordered.

MRS TAKIMI YAMADA

The bill (S. 19) for the relief of Mrs. Takimi Yamada was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Mrs. Takimi Yamada shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this Act upon payment of the required visa fee. Upon granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

HELGA G. F. KOEHLER

The bill (S. 231) for the relief of Helga G. F. Koehler was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of paragraph (28) of section 212(a) of the Immigration and Nationality Act, Helga G. F. Koehler may be issued an immigrant visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided,* That this Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

FRANCISZEK ROSZKOWSKI

The bill (S. 332) for the relief of Franciszek Roszkowski was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Franciszek Roszkowski shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

SARA MISHAN

The bill (S. 1007) for the relief of Sara Mishan was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Sara Mishan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ARAM FAYDA AND HIS WIFE ELENA FAYDA

The bill (S. 1405) for the relief of Aram Fayda and his wife Elena Fayda was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Aram Fayda and his wife, Elena Fayda, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

WEN NONG WONG

The bill (S. 1576) for the relief of Wen Nong Wong was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That, for the purposes of section 9 of the Act entitled "An Act to amend the Immigration and Nationality Act, and for other purposes", approved September 11, 1957 (71 Stat. 639), Wen Nong Wong, who was physically present within the United States on July 1, 1957, shall be held and considered to be the beneficiary of an approved visa petition for immigrant status under section 203(a)(1)(A) of the Immigration and Nationality Act filed on his behalf prior to September 11, 1957.

CLARINDA DA VEIGA

The bill (S. 1645) for the relief of Clarinda da Veiga was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (4) of section 212(a) of the Immigration and Nationality Act, Clarinda da Veiga may be issued a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act. This Act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

EDUARDO GIRON RODRIGUEZ

The bill (S. 1785) for the relief of Eduardo Giron Rodriguez was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Eduardo Giron Rodriguez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee.

FOR RELIEF OF CERTAIN ALIENS

The bill (H.R. 1441) for the relief of certain aliens was considered, ordered to a third reading, was read the third time, and passed.

MRS. LILYAN ROBINSON

The bill (H.R. 1642) for the relief of Mrs. Lilyan Robinson was considered, ordered to a third reading, was read the third time, and passed.

ELIE HARA

The bill (H.R. 1677) for the relief of Elie Hara was considered, ordered to a third reading, was read the third time, and passed.

NARINDER SINGH SOMAL

The bill (H.R. 1710) for the relief of Narinder Singh Somal was considered, ordered to a third reading, was read the third time, and passed.

ANGELO LI DESTRI

The bill (H.R. 1717) for the relief of Angelo Li Destri was considered, ordered to a third reading, was read the third time, and passed.

JAIME E. CONCEPCION

The bill (H.R. 1718) for the relief of Jaime E. Concepcion was considered, ordered to a third reading, was read the third time, and passed.

JOVENAL GORNES VERANO

The bill (H.R. 1860) for the relief of Jovenal Gornes Verano was considered, ordered to a third reading, was read the third time, and passed.

TOMISLAV LAZAREVICH

The bill (H.R. 1888) for the relief of Tomislav Lazarevich was considered, ordered to a third reading, was read the third time, and passed.

MRS. FRANCISCA HARTMAN

The bill (H.R. 2152) for the relief of Mrs. Francisca Hartman was considered, ordered to a third reading, was read the third time, and passed.

HANS HANGARTNER

The bill (H.R. 2351) for the relief of Hans Hangartner was considered, ordered to a third reading, was read the third time, and passed.

GIOVANNA BONAVITA

The bill (H.R. 2671) for the relief of Giovanna Bonavita was considered, ordered to a third reading, was read the third time, and passed.

JOSEPH MAZ

The bill (H.R. 2991) for the relief of Joseph Maz was considered, ordered to a third reading, was read the third time, and passed.

JOZEF GROMADA

The bill (H.R. 3146) for the relief of Jozef Gromada was considered, ordered to a third reading, was read the third time, and passed.

MIECZYSLAW BAJOR

The bill (H.R. 4023) for the relief of Mieczyslaw Bajor was considered, ordered to a third reading, was read the third time, and passed.

EVANGELIA KURTALES

The bill (H.R. 4201) for the relief of Evangelia Kurtales was considered, ordered to a third reading, was read the third time, and passed.

URSZULA SIKORA, RADOSLAV VULIN, AND DESANKA VULIN

The bill (H.R. 4482) for the relief of Urszula Sikora, Radoslav Vulin, and Desanka Vulin was considered, ordered to a third reading, was read the third time, and passed.

SANG MAN HAN

The Senate proceeded to consider the bill (S. 1100) for the relief of Sang Man Han, which had been reported from the Committee on the Judiciary, with an amendment, in line 7, after the word "natural", to strike out "parents" and insert "mother", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Sang Man Han, shall be held and considered to be the natural-born alien child of Arthur E. Schneider, a citizen of the United States: *Provided,* That the natural mother of the said Sang Man Han shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

SHAU YING LIN AND OTHERS

The Senate proceeded to consider the bill (S. 1432) for the relief of Shau Ying Lin and others which had been reported from the Committee on the Judiciary, with an amendment in line 8, after the word "fees", to insert "Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota for the first year that such quota is available.", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Shau Ying Lin, Gee Chek Lin, Gee Ming Lin, and Chi Fong Lin shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

BLAGOJE POPADICH

The Senate proceeded to consider the bill (S. 1673) for the relief of Blagoje Popadich, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, Blagoje Popadich shall be held and considered to be the natural-born alien minor child of Mr. and Mrs. Lezar G. Popadich, citizens of the United States: *Provided,* That the natural parents of the said Blagoje Popadich shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

SEC. 2. That, notwithstanding the provision of section 212(a)(6) of the Immigration and Nationality Act, Blagoje Popadich may be issued a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said Act: *And provided further,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

EMMANUEL P. SKAMANGAS

The Senate proceeded to consider the bill (S. 491) for the relief of Emmanuel P. Skamangas, which had been reported from the Committee on the Judiciary, with an amendment, in line 4, after the word "Act", to strike out "Emmanuel P. Skamangas" and insert "Emmanuel Epaminondas Skamangas", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Emmanuel Epaminondas Skamangas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Emmanuel Epaminondas Skamangas."

NARDINA COCUZZA (LEONARDA COCUZZA)

The Senate proceeded to consider the bill (S. 1549) for the relief of Nardina Cocuzza (Leonarda Cocuzza), which had been reported from the Committee on the Judiciary, with an amendment in line 4, after the word "Act", to strike out "Nardina Cocuzza (Leonarda Cocuzza)" and insert "Leonarda Cocuzza", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act Leonarda Cocuzza shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Leonarda Cocuzza."

JOSHUA TREE NATIONAL MONUMENT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 404, H.R. 5416, which will be the last order of business this evening.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 5416) to include within the boundaries of Joshua Tree National Monument, in the State of California, certain federally owned lands used in connection with said monument, and for other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to; and the bill was considered, ordered to a third reading, read the third time, and passed.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 21, 1961, he presented to the President of the United States the following enrolled bills:

S. 32. An act for the relief of Jeno Becsey;

S. 68. An act for the relief of Kay Addis;

S. 70. An act for the relief of Mah Ngim Hay (Joe Mah);

S. 71. An act for the relief of Mah Ngim Bell (Bill Mah);

S. 186. An act for the relief of Dr. William Kwo-Wei Chen;

S. 219. An act for the relief of Dr. Nobutaka Azuma;

S. 268. An act for the relief of Hob Yuen Woo;

S. 395. An act for the relief of Fausto Lavari;

S. 400. An act for the relief of Mrs. Keum Ja Asato (Mrs. Thomas R. Asato);

S. 441. An act for the relief of Rodopi Statherou (Statheron);

S. 452. An act for the relief of Nellie V. Lohry;

S. 485. An act for the relief of Charles Edward Pifer;

S. 746. An act for the relief of Yee Mee Hong;

S. 759. An act for the relief of Sadako Suzuki Reeder;

S. 865. An act for the relief of Wieslawa Barbara Krzak;

S. 921. An act for the relief of Martha Uchacz Barras; and

S. 1093. An act for the relief of Sze-Foo Chien.

ADJOURNMENT

Mr. MANSFIELD. Mr. President, if there be no further business to come before the Senate at this time, I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 36 minutes p.m.) the Senate adjourned until tomorrow, Thursday, June 22, 1961, at 12 o'clock meridian.

EXTENSIONS OF REMARKS

Report to the 86th Congress on the Study of Small Business Problems

EXTENSION OF REMARKS
OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1961

Mr. CURTIS of Missouri. Mr. Speaker, in the closing days of last year, the Selected Committee on Small Business presented its final report on House Resolution 51—A Resolution Creating a Select Committee To Conduct a Study and Investigation of the Problems of Small Business. It is report No. 2235 and I should like to call it to the attention of the Congress and to excerpt from the minority views expressed therein those point which I feel are especially pertinent. These excerpts are included below:

MINORITY VIEWS

INTRODUCTION

The minority regrets to find in the final report of the committee for the 86th Congress the same type of destructive criticism which we have found in similar reports in the past. Destructive criticism is in the same category as other destructive elements in the spectrum of our national existence. Undoubtedly, destructive criticism directed at our economy becomes a savory morsel in the mouths of our enemies and detracts from our position in world affairs.

On the contrary, constructive criticism which is designed to build and impove our position is in the interest of national security and prestige. The minority believes the careful reader will find little evidence of constructive criticism in the final report of the Select Committee on Small Business in the 86th Congress.

Regrettable as are bankruptcies and business failures, the majority fails to relate such failures to the increased business population and to other factors which have a definite influence on the success or failure of a small business. The majority is reminded that the years referred to so frequently as "since 1952" are the same years covering a transition from a wartime economy to what we describe as normal times. If the comparison of the majority is to be realistic, comparison should be made to the 48 failures per 10,000 business concerns in 1920, in the period following World War I, with 42 failures per 10,000 business concerns in 1954, following the Korean war. The minority further notes that in 1940, the last peacetime year prior to World War II, the rate of failure was 63, which compares unfavorably with the rate of 52 per 10,000 businesses in 1959.

The majority had 25 years or more of almost constant control of the Congress, and if there are loopholes in our antitrust statutes, as the report would have us believe, the majority has failed to take the necessary action. As to effective enforcement of the antitrust statutes, the most vigorous enforcement in nearly a half century has taken place, as we will show, during the 8 years of the present administration.

The majority describes the decline in the proportion of Government procurement being awarded to small business as "a shocking decline." The majority also claims "neglect" in the award of contracts for research and development. The majority takes the magic date of 1953 as its benchmark in proving all of these matters when, as a matter of fact, from 1949 to 1953 small business' share of Government procurement declined from 27 percent to 16 percent primarily because of the Korean war and the type of equipment required to fight that war. Although the dollar value of awards to small business has been steadily increasing because of increased expenditures, it is true that the percentage of dollar-value awards has declined. The question is: Why? The answer is simple. When the Russians put the sputnik into orbit, dollars which had been utilized for other purposes were diverted in order to speed up our space-age requirements in missiles, antimissile missiles, and other space projects designed to add to our knowledge and power. These matters were, in truth, as the records show, given little attention prior to the present Republican administration. After sputnik, many of the ideas and plans which had previously been judged as fantastic and impractical suddenly became not only necessary, but very practical indeed. * * *

The minority does not feel that it is in the interest of small business to indulge in high-sounding, meaningless, theoretical, and philosophical phrases—many of which, as practical men, we know cannot and will not receive even passing consideration by the Congress. We prefer to stick to the hard basic facts of small business life and to meet the problems head on in an effort to find a reasonable and logical solution. * * *

ECONOMIC GROWTH

In its introduction to the final report the majority makes the following statement: "Historically, during the past 100 years, the gross national product has grown at an average rate of about 3 percent a year, computed in dollars of constant value." (More precisely, the historic annual rate of growth, according to the Joint Economic Committee of the Congress, has been 2.9 percent.)

Thereafter, the majority attempts, through the means of selective statistics, to prove that the last 8 years witnessed a decline in the growth rate of the United States—this, despite the fact that during the present administration the gross national product climbed to a record peak of over half a trillion dollars.

The juggling of statistics, of course, constitutes a distortion of economic realities. In point of fact, the record of growth during the prior administration left much to be desired. From 1945 to 1952 the GNP increased $32.7 billion in constant value dollars. Thus, the Truman years reflected an overall gain of 8.9 percent and an average annual growth rate of 1.1 percent—a disappointing rate indeed. Figures for these years, taken from chart D–2 of the 1960 Economic Report of the President, are reproduced below.

Year	Gross national product (billions)	Percent change over previous year
1944	$366.3	
1945	359.9	−1.8
1946	316.0	−12.2
1947	315.7	−.1
1948	327.9	+3.9
1949	328.2	+.09
1950	356.2	+8.5
1951	385.0	+8.1
1952	399.0	+3.6
Total gains	32.7	[1] 8.9

[1] 1.1 percent annual average.

It is interesting to note that most of the gains of the Truman administration reflect industrial growth triggered by the Korean war (1950–52). If pre-Korean war years alone are considered, the gross national product fell back in 2 years, inched ahead less than 1 percent in a third, and gained modestly in a fourth.

The story of the last 8 years is a very different one, however. For the first time in history the gross national product climbed over the $500 billion mark. A chart showing GNP figures for the Eisenhower administration is reproduced below.

Year	Gross national product (billions)	Percent change over previous year
1953	$417.1	+4.5
1954	408.8	−2.0
1955	441.5	+8.0
1956	450.9	−2.1
1957	458.9	+1.8
1958	448.6	−2.2
1959	479.5	+6.9
1960	503.0	+4.9
Total gains	124.0	[1] 25.1

[1] 3.1 percent annual average.

These figures represent an increase in constant value dollars of 124 billion, reflecting an overall increase of 25.1 percent and an average annual growth rate of 3.1 percent. Thus, the annual growth rate of the Eisenhower administration is almost three times that of the Truman administration which preceded it, and more than matches the historical annual figure of 2.9 percent previously referred to. Significantly, this rate of growth was achieved without the stimulus of war.

Americans must always be concerned with the pace of our Nation's growth. We are engaged in a life-and-death struggle with a

totalitarian force dedicated to the destruction of our way of life. In this struggle there is always room for improvement. But criticism of past performance if it is to be constructive, if it is to be valid, if it is to assist in the struggle, must be based upon fact not fancy. And statistics cited to support criticism, if they are to be worth while, must tell a full and complete story rather than a stilted, biased, wishful, or partisan one.

Regrettably, the majority, in its zeal to paint a dark picture of Republican accomplishments during the last 8 years, has chosen the latter course. This attempt, in view of claims of committee nonpartisanship, is peculiarly out of place in this report.

BANKRUPTCIES AND BUSINESS FAILURES

Chapter II of the final report

Chapter II discusses bankruptcies and business failures at length. In it the statement is made that "In fiscal year ended June 30, 1960, 110,034 bankruptcy petitions were filed in the U.S. courts. This was by far the largest number in the history of the country." Of course, only a little over 10 percent of the bankruptcy petitions are business bankruptcies. For example, in 1959, there were 10,891 business bankruptcies out of a total of 100,672 bankruptcies. To our knowledge, the exact number of business bankruptcies for fiscal 1960 is not yet available.

Without belaboring the question, because any business or individual failure is of great concern, the minority feels that the number of business failures is not as significant as the rate of failure per 10,000 business concerns. This is because of the constant increase in business population which now (1960) numbers more than 4,700,000. In 1920 there were 2,570,000 business institutions. Thus, merely to play around with the number of business failures without relating such figures to the business population and rate of failure per 10,000 businesses, is statistical sleight-of-hand.

As to the age question, the Survey of Current Business for December 1955 (p. 15 et seq.) tells us the median age of business firms in 1947 was 2.75 years and by 1954 this median age had increased to 6.75 years, a very healthy gain indeed.

In comparing business gains and losses in terms of entry into business and failure or other disposal of a business, it is appropriate to call attention to the fact that we are increasing our business population at a rate of approximately 65,000 annually. At the same time let us not confuse total bankruptcy petitions filed in U.S. courts with the 10 percent of such petitions which represent business failures.

The minority here repeats its concern and regrets that even one business or one person must find relief from unconscionable financial burdens through bankruptcy proceedings. As a committee of the Congress established to help small business solve some of its problems, the minority is certain all of our members are concerned with small-business failures. The minority is constrained to say, however, that shaking the confidence of the small-business segment of our economy is not helpful in solving small-business problems. Certainly the record of the past 8 years has, on the whole, been one of progress for small business. The minority is not convinced that any previous administration can surpass or even match the record of constructive and positive action in the interest of the small-business community of our country which has taken place during President Eisenhower's administration.

The minority includes as a part of its views two additional charts for the record: (1) "Rate of Business Failures per 10,000 Firms, 1900–60"; and (2) a reprint from Dun's Review and Modern Industry, "Why Businesses Fail."

Rate of business failures per 10,000 firms, 1900–1960

Year:	Failure rate
1900	92
1901	90
1902	93
1903	94
1904	92
1905	85
1906	77
1907	83
1908	108
1909	87
1910	84
1911	88
1912	100
1913	98
1914	118
1915	133
1916	100
1917	80
1918	59
1919	37
1920	48
1921	102
1922	120
1923	93
1924	100
1925	100
1926	101
1927	106
1928	109
1929	104
1930	122
1931	133
1932	154
1933	100
1934	61
1935	62
1936	48
1937	46
1938	61
1939	70
1940	63
1941	55
1942	45
1943	16
1944	7
1945	4
1946	5
1947	14
1948	20
1949	34
1950	34
1951	31
1952	29
1953	33
1954	42
1955	42
1956	48
1957	52
1958	56
1959	52
1960 (January through June)	53

Source: Dun & Bradstreet.

Why businesses fail—Classification of causes of business failures, 1956, based on opinions of informed creditors and information in Dun & Bradstreet's Credit Reports

Apparent causes	Manufacturing	Wholesale	Retail	Construction	Community service	Total
Neglect	3.1	5.1	4.8	3.7	3.5	4.3
Bad habits	.5	.9	1.2	.7	1.2	1.0
Poor health	2.1	3.5	2.7	2.3	1.4	2.5
Marital difficulties	.3	.5	.5	.6	.7	.5
Other	.2	.2	.4	.1	.2	.3
Fraud	2.0	4.6	1.9	1.9	1.0	2.1
Misleading name	0	.2	.1			.1
False financial statement	.3	.7	.4	.2	.1	.4
Premeditated overbuy	.1	.3	.1	.2	.1	.1
Irregular disposal of assets	1.4	3.1	1.1	1.3	.7	1.3
Other	.2	.3	.2	.2	.1	.2
Inexperience	92.7	88.0	91.1	92.2	91.8	91.3
Inadequate sales	54.5	45.7	50.4	34.2	44.6	47.9
Heavy operating expenses	8.8	6.2	4.8	13.1	7.2	7.0
Receivables difficulties	11.8	16.7	5.3	14.5	5.5	8.9
Inventory difficulties	7.2	10.2	10.4	1.9	2.0	7.9
Excessive fixed assets	9.1	3.3	6.0	4.6	12.1	6.6
Poor location	.5	1.1	5.2	.5	2.8	3.1
Competitive weakness	14.9	20.6	21.0	28.4	24.8	21.2
Other	5.1	3.9	4.0	9.4	4.7	5.0
Disaster	1.8	2.0	1.5	.6	1.3	1.4
Fire	1.1	.9	.7	.1	.4	.6
Flood	.3	.2	.3	.1	.4	.2
Burglary	0	.2	.1			.1
Employees' fraud	.1	.1	.1	.1		.1
Strike	.2	.1	0	.2		.1
Other	.1	.5	.3	.1	.5	.3
Reason unknown	.4	.3	.7	1.6	2.4	.9

NOTE.—While the percentage in the broad categories of apparent causes of failures (neglect, fraud, inexperience and so on) add to 100 percent, the sum of the specific causes may exceed the total for the category because some failures are attributed to a combination of specific causes. (Reprinted by permission of Dun's Review and Modern Industry.)

SMALL BUSINESS TAXES AND ECONOMIC GROWTH

Chapter XII of the final report

The minority members of the House Small Business Committee are not particularly in disagreement with the comment on taxes, as incorporated in chapter XII of the final report. However, we desire to further point to the fact that the minority members have introduced comprehensive tax bills in the interest of small business and small farmers in the past several Congresses. The principle embodied in this proposed legislation was based in part on the hearings held by the House Small Business Committee in the 83d Congress under the chairmanship of Hon. HORACE SEELY-BROWN, JR., of Connecticut. The minority also desires to note that at least four of its proposals have been enacted into law.

During the hearings held by the House Ways and Means Committee on general revenue revision in the 85th Congress, all minority members of the committee presented their views in detail, which we feel

very materially aided in the passage of small business tax legislation in the 85th Congress (hearings, Ways and Means Committee, pt. I, pp. 13–67, inclusive, Jan. 1958.)

In support of the remarks of Hon. TOM STEED on the floor of the House on August 10, 1959, the ranking minority member of the committee, Mr. MCCULLOCH, commended Mr. STEED for his diligence in the field of taxation and spoke of the impediments to the progress of small-business concerns that exist in the Internal Revenue Code. Mr. MCCULLOCH remarked that the passage of Public Law 866 in the 85th Congress brought about some improvements, but at the same time stressed the fact that greater tax reform was needed, and referred to his bill, H.R. 6501, and the companion bills introduced by Mr. MOORE, of West Virginia, Mr. AVERY, of Kansas, Mr. SMITH of California, Mr. ROBISON, of New York, and Mr. QUIE, of Minnesota, who at that time was a member of the committee.

Mr. MCCULLOCH further stressed that the "underlying principle of tax reform and revision contained in H.R. 6501 and companion bills is to make small business financially self-sufficient insofar as is possible. In other words, to provide small business concerns with a tax structure which will permit earnings to be plowed back into the business for growth, expansion, and modernization."

Mr. MCCULLOCH in his statement on August 10, 1959, made it clear that the minority was pleased that so many bills embodying the "plowback" principle had been introduced and that so long as the basic principle of tax reform and revision was maintained, the cause of small business would be well and properly served.

In the introduction of tax bills by the minority members of the committee we have been guided by certain basic principles which we are pleased to set forth at this point for the record.

Basic Principles

Any tax measure in the interest of small business should:

1. Provide for the retention of earnings for capital which can be utilized without penalty for growth, expansion, and modernization;

2. Apply to all forms of business enterprise, that is, to corporations, partnerships, and individuals;

3. Apply to business enterprises engaged in mining, manufacturing, wholesaling, or retailing which are engaged in trade or commerce;

4. Apply to business operations commonly characterized as "service" establishments;

5. Be confined to small business by appropriate ceilings depending upon the type of provision, namely, gross earnings, capital assets, number of shareholders, etc.;

6. Provide appropriate options to enable all small-business institutions to make periodic elections as to the various methods (corporate or proprietary) for computing income taxes under the Internal Revenue Code;

7. Be designed to encourage private investment and private loans to small-business enterprises;

8. Protect the "good will" of the business upon the demise of the owner or owners;

9. Make certain that estate taxes may be paid in such manner as to provide for the continuance of the business rather than forced liquidation, merger or sale of a small business;

10. Provide methods of amortizing and depreciating both new and used property which take into account the replacement or renewal of such property within its life expectancy; and

11. Classify family-sized farms or tenants of such farms as small-business enterprises in order to receive the benefits which would be derived by tax legislation applying to small business.

Methods of Taxation

1. In recognition of the opposition to graduated tax schedules (regardless of the extent of such gradations), any tax bill in the interest of small business should as a practical matter avoid graduated tax schedules. The so-called step method presently applicable to corporate taxes is believed to be the best approach.

2. The normal tax rate should be low.

3. Exemptions from surtaxes should be as liberal as possible but must be held within limits which will be acceptable from the standpoint of revenue.

4. Exemptions for expenditures for growth, expansion and modernization which may be deducted within a given period from ordinary income should be carefully considered.

The minority desires to reemphasize the point that tax reform and revision in the interest of small business is what is needed—not tax relief. We said in introducing minority tax bills on April 20, 1959, in part, that—

The fundamental principle which motivates us in introducing tax legislation is reform and revision of certain sections of the Internal Revenue Code in the interest of small business. We do not and cannot conceive lasting benefit from mere tax relief. We do not even like the term "tax relief." Small business is not a mendicant but represents the broad base on which our entire business economy rests. The latent strength of our small business economy of today is the assurance of a vigorous and healthy business economy in the tomorrows to come.

Unless we are willing to face up to the responsibility of providing the means by which our small business institutions may grow and expand on a sound, constructive basis, we will reach these tomorrows with a faltering business structure. This, our enemies, current and potential, desire above all else. A strong America is the keystone of a free world * * *.

MINORITY COMMENTS RESPECTING CHAPTER XV

Conclusions and recommendations of the final report

Taxation

We do not believe, as we have previously stated, that H.R. 2 and the companion bill, H.R. 13, are the final answer to the small business tax problem. We would like to see the House Small Business Committee in the 87th Congress hold hearings and consider all types of proposals which have been introduced, including the proposals previously advanced by the minority. Following such hearings and studies we would like to see a unanimous recommendation of our committee to the Ways and Means Committee and a report based on the testimony received from small business itself * * *.

Soviet Deportation of the Baltic Peoples

EXTENSION OF REMARKS

OF

HON. LEONARD FARBSTEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1961

Mr. FARBSTEIN. Mr. Speaker, the three small, but vigorous, units of the Baltic region—Estonia, Latvia, and Lithuania—were reconstituted after the First World War as independent republics. Peoples in all three countries had their own democratic governments, and with their democratic institutions, were living happily during the interwar years. Though during that time they experienced some economic difficulties, and political setbacks, they succeeded in overcoming them and were doing their utmost to maintain their freedom. They lived in peace and friendship with their neighbors and their only desire was to be allowed to work and live in peace. But their most ferocious enemy, the Communist Government of the Soviet Union, seemed to have determined to crush their freedom at the first opportune time and annex these countries. And this is what the Soviets did in mid-1940, thus causing the tragedy of the Baltic peoples.

The Soviet Government was not content with the destruction of the independence of these countries and the consequent enslavement of the people there. In their attempt to eliminate and uproot all opposition to their oppressive Communist regime, Soviet authorities began systematic and wholesale arrests and imprisonments in these countries and deportations. This large-scale man hunt continued for more than a year, until mid-1941, by which time hundreds of thousands of innocent and helpless Estonian, Latvian, and Lithuanian citizens were exiled in freight cars to distant Asiatic Russia. That was more than 20 years ago, and unfortunately to this day neither the peoples in these three countries, nor the people of the non-Communist world know much of their fate. Of course, many of them must have died in misery while laboring in Soviet slave-labor camps, but we hope that many of them are still alive, and pray, on this anniversary of their deportation, for their deliverance from Communist totalitarian enslavement.

The Housing Bill

EXTENSION OF REMARKS

OF

HON. EDWIN B. DOOLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1961

Mr. DOOLEY. Mr. Speaker, many of the provisions in H.R. 6028 will be of unquestioned benefit to families owning homes or wishing to purchase homes in the higher-cost areas of the Nation such as my district. For this reason I am pleased to see a general unanimity of view in the Banking Committee with respect to the FHA provisions of most value in my area.

There is no dissent in the committee report, for example, on the proposals—section 605, pages 123–124—in H.R. 6028 which would provide more realistic down-payment requirements on FHA-insured homes of moderate to higher valuations, and which would increase the insured mortgage limit to $27,500. In my opinion, this will put the FHA back into business in areas of the country such as mine, and yet the requirement will still be substantial for a family buying a home. On an FHA valuation of $21,000 the proposed change would still require a cash outlay by the family of a $1,200 downpayment plus

other closing costs and moving expenses. I am pleased to support these amendments.

The same section of the bill would extend from 30 to 40 years the maximum term permissible on an FHA-insured home mortgage, comparable to the 40-year term suggested for lower cost housing in the first part—section 101—of the bill. I do not share the fears of my colleagues over the extension of 10 years. I know the practical dilemma facing many families needing larger quarters or better housing, yet faced with heavily increased taxes, land and development costs. The monthly expenses of owning a home, over and above the payment of principal and interest on a mortgage, have risen rapidly in the past 10 years. Something must be done to alleviate the situation.

The proposal in this bill to extend the term limit from 30 to 40 years is a permissive measure only. It will force no one to make such loans. And in every instance the credit record and available income of a family will be examined carefully by lenders and FHA credit officials before such a mortgage can be made.

I am for homeownership for the benefit of our entire Nation, and I think that all the GI's from World War II and the Korean conflict who bought and own homes based on a no-downpayment, 30-year mortgage have been and still are good credit risks as well as solid citizens for this country. I am convinced the same will be true of the families who are enabled to buy a home under the proposals in this bill.

Another feature of the bill which I find of great interest and which I support is the proposed new program for FHA insurance of land development loans. This should enable many builders to compete with the large-scale land developers and break a monopoly which has arisen around many metropolitan areas in the possession of buildable land.

With FHA insurance, small businessmen or groups of small builders should be able to obtain the necessary financing to develop tracts of land properly and with FHA supervised planning without dependence upon the large-scale speculators in land who have done so much to add fuel to the inflation of land values. I believe this proposal will be a substantial contribution towards the improvement of federally assisted planning of suburban growth.

Drastic Postal Increase Proposed for Small Newspapers

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 21, 1961

Mr. PATMAN. Mr. Speaker, the postal rate increase bill under consideration by the House Post Office and Civil Service Committee contains such a drastic rate increase for handling the second-class material of small daily and weekly newspapers that I am afraid it will force many of them to discontinue publication if adopted.

I am particularly concerned about the so-called country weeklies of small circulation and very limited advertising revenue. These newspapers now receive free in-county mail service from post offices which do not provide letter carrier service. Other in-county rates are generally a flat rate of 1 cent per pound. Under the proposal submitted to the committee, the 1-cent rate would be increased to 1½ cents per pound, plus one-fourth cent per piece. And that would include the now free in-county mail service. Testimony before the committee by the Post Office Department said this would amount to about a 79 percent increase in second-class revenues. This, I submit, is a pretty heavy burden on the smaller newspapers and particularly the small weeklies.

DISCONTINUING PUBLICATION

Mr. Speaker, the number of smaller newspapers in our country has been on the decline for years. Those that are managing to survive depend on what little local advertising that is available and the revenue received from circulation. Their revenue from national advertising has dwindled to the point where it now is virtually nonexistent. National advertising all has gone to the metropolitan dailies, the national magazines, and the big radio and TV networks.

A sharp increase in handling second-class material leaves them with no recourse except to charge a substantially higher subscription rate—a rate that the traffic will not bear.

I am seriously concerned about the fate of any small newspaper when the editor has to announce a subscription far and above what the subscriber had been paying. Few weeklies can hang on now unless they are located in county seats where they usually have an advantage in securing what legal advertising is available. Most of them also depend substantially on revenue from job printing. Others are being swallowed up by chains, many of whom find they can publish several small weeklies from a single plant located in cities outside of the areas where their small newspapers actually are distributed.

IMPORTANT PUBLIC SERVICE

I need not dwell on the importance of these smaller newspapers to the communities they serve. They perform a unique public service that no other source can provide. The residents of their areas are dependent upon them for news and information. In a vast majority of cases these communities are too small to accommodate any kind of local radio service which, in itself, could not substitute for the small daily or weekly newspaper.

Finally, there is the historic traditional policy that second-class matter does not pay its full way. I realize that it will not pay 100 percent of the cost under the new proposals, but the proposed increase is completely out of line with what can be borne under the circumstances. It is generally agreed that public policy in regard to dissemination of second-class matter has not been fully resolved. Mr. Speaker, I urge that the present rates be permitted to continue until public policy has been fully determined. From the time of Benjamin Franklin, it has been public policy to encourage the widest possible dissemination of information and educational material as a matter of public policy and for the welfare of the general public. I sincerely hope the present proposal is not a step toward changing that policy and that it will not be accepted.

West Virginia's 98th Anniversary as a State Is Attended by Signs of an Economic Renaissance—Service Clubs of Welch Hold Commemorative Program

EXTENSION OF REMARKS
OF
HON. JENNINGS RANDOLPH
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES
Wednesday, June 21, 1961

Mr. RANDOLPH. Mr. President, it was my privilege yesterday to address a joint meeting of the civic and service clubs of Welch, W. Va., in commemoration of the 98th anniversary of President Lincoln's signing of the proclamation which created the State of West Virginia. Represented at the West Virginia Day banquet were the Lions Club, the Kiwanis Club, the Welch Chamber of Commerce, the Rotary Club, and Post No. 8 of the American Legion as well as the Welch 40 & 8.

It was my pleasure to sit near Mr. W. R. Keyser, editor of the Welch Daily News and the gentleman who introduced me to a McDowell County audience when I first visited there 35 years ago. Toastmaster for the occasion was the Reverend Howard C. Leming, president of the Welch Rotary Club.

Mr. President, this was but one of the many such gatherings being held throughout the State of West Virginia this week, all of which attest to the rebirth of vitality and spirit among our citizens and their determination to propel West Virginia once again into the mainstream of American economic life.

I ask unanimous consent that the program of the interclub meeting at Welch and the address which I delivered there be printed in the RECORD.

There being no objection, the program and address was ordered to be printed in the RECORD, as follows:

AN ADDRESS BY SENATOR JENNINGS RANDOLPH, DEMOCRAT, OF WEST VIRGINIA, WEST VIRGINIA ANNIVERSARY PROGRAM, JOINT MEETING, KIWANIS, LIONS, AND ROTARY CLUBS, CARTER HOTEL, WELCH, W. VA., JUNE 20, 1961

It is a privilege for me to address this joint gathering of Kiwanis, Lions, and Rotary members in commemoration of the 98th anniversary of the proclamation of the statehood of West Virginia. And I am gratified by the efforts throughout our State to make this week a significant one in the exploration

and the development of a new awareness of the capacities and potentialities of West Virginia and its people.

I hope, however, that the activities of the many service and civic groups during this West Virginia Week will not flounder in a sea of talk and self-congratulations about what grand people we West Virginians are. We need more than the spirit of boosterism this week. We need the same qualities of zeal, determination, and high purpose with which the West Virginia delegates were invested at the Wheeling convention which nullified the Virginia ordinance of secession 100 years ago this month. It is my hope, therefore, that we will use this time for the purpose of generating new insights and a renewed will to attack the problems before us. Though we are not confronted with the critical issue of State survival, as were our forebears a century ago, our contemporary problems are difficult and complex.

I truly believe, however, that this commemorative week can have significance for us, as a time of appraisal and dedication to the task of revitalizing West Virginia. The time is ripe for an economic renaissance in our State. For almost a decade now, large segments of the economy of West Virginia have been seriously shaken and dislocated by the processes of mechanization and automation, by technological changes in the national industrial environment, and by foreign competition. During this time we have studied, analyzed, and criticized ourselves—and defended ourselves against the unjust criticisms of others—and we have received a variety of prescriptions for our ailments. Though we have a long journey ahead, significant advances have been and are being made.

As we near the end of our first century of existence as a State, I believe we can look forward to a new phase in the development of West Virginia's economic, social, and cultural foundations. And I do not say this in the spirit of mere pollyanna optimism. There are sound reasons for this view.

There is more in the air than the balmy breeze of June. There is stirring evidence of progress in new and diversified industries in West Virginia. The announcement yesterday of the award of shipbuilding contracts to Marietta Ship Yards at Point Pleasant, the announcement earlier this month of a new plant to be constructed by North American Aviation in the Bluefield-Princeton area—these and other significant developments in private industry attest to the sound potential for economic growth in our State.

But there are other equally fundamental grounds for a hopeful view of the future. In the first place, the worst of our own transition has already passed. The tremendous reduction in employment in the coalfields since 1948—which was aggravated by the three recessions in the national economy—has probably leveled off. It is not likely to proceed much further at the present level of demand for coal, and it certainly will not again reach the precipitate rate of decline of the 1950's.

In terms of the national economy, we have learned much about the nature of recessions during the past 8 years. And though I do not offer this observation with partisan sentiment, I believe we will find that the present administration will readily apply this knowledge and information.

Just as our experience in the 1930's taught us much about the dynamics of a depression, on the basis of which we enacted many effective antidepression measures, so has our experience of the fifties taught us about recessions. And we are now in the process of enacting remedial legislation to deal with the problem of recurrent recessions and to provide for a firmer economic foundation and more effective utilization of our human and natural resources.

Our experience of the 1930's did disprove—and I believe the record which will be written of the 1960's will also disprove—the bleak generalization of the historian Nicholas Berdyaev when he wrote that "Man's historical experience has been one of steady failure, and there are no grounds for supposing that it will ever be anything else. None of the problems of any given historical epoch whatsoever have been solved, no aims attained, no hopes realized."

Though the achievements of the present Congress and administration fall short—as do the works of all men and women—of ideal perfection, they offer grounds for more than despair. And if we are to avoid such despair we must first acknowledge that the recurrent maladjustments within our economy are not cosmic accidents, they are not the acts of a vengeful God, nor are they the product of prideful men who violate some hypothetically supreme law of nature called supply and demand.

They are the result of an age of accelerated technological and social change, and they represent some of the current limitations of our system of production, distribution, and consumption in meeting the challenges of a modern urban and industrial civilization. Thus, these faults and maladjustments are subject to the analysis of our collective human intelligence. And it is on this basis that the Congress and the administration are proceeding—sometimes slowly, sometimes mistakenly, but always cautiously and carefully and I hope courageously—in the knowledge that the Federal Government has a responsibility to help maintain full employment and a high rate of national economic growth. Many of the measures that have been or will be enacted have direct application to the economic resurgence of West Virginia.

Foremost among these, of course, is the Area Redevelopment Act, concerning which there has been so much information in recent months and years that I shall not comment further on it here. In terms of immediate relief measures, we have written laws for aid to dependent children of the unemployed and extension of unemployment compensation. However, these two are admittedly palliative and emergency measures rather than long-term remedial acts.

There are, however, four measures of major significance which are well on their way to final enactment. Among these is the aid to education bill, which, in the form that it passed the Senate, will provide during the next 3 fiscal years more than $37 million for West Virginia in school construction and teachers' salaries.

Of vital importance to West Virginia is the Federal Aid Highway Act of 1961, passed by the House on May 4 and by the Senate on June 15, and now referred to a conference committee, of which I am a member. The differences between the two bills are not major, and the final version will in all likelihood retain the authorizations for the Interstate Highway System in West Virginia of $30 million in fiscal 1962, $36 million in 1963, and $39 million in 1964. In addition, a more immediate impact on our road construction will result from the President's recent decision to release $818 million which had been frozen by contract control regulations of the previous administration, of which $9.4 million is allocated to West Virginia.

Also looking toward the development of West Virginia, I would mention present and future progress in the field of water pollution control—an area of activity of vital importance not only to individual and community health standards but also to economic development and the fuller utilization of our recreational resources.

As evidenced by the number of antipollution projects under construction in West Virginia, the Federal Water Pollution Control Act has already been a major factor in helping us combat pollution. Under the authorization of this act, 35 projects have been approved in West Virginia, with total costs of more than $16 million and Federal grants of more than $4 million. As of March 31 of this year, 13 of these projects had been completed and 7 had been placed under construction.

Though this law has been an effective element in stimulating municipal construction of sewage treatment plants, our experience of recent years and the growing backlog of applications for aid indicate the need for expanding the Federal participation.

Consequently, the House of Representatives, on May 3, passed the Blatnik bill by a vote of 307 to 110. Among its most important features are these: It would increase the maximum allowable for individual construction grants, raise the total authorization of appropriations for such grants, increase grants to State and interstate agencies for water pollution control programs and advance the authorizations period to 1971. And most important for West Virginia, it would give priority to applications of less that $250,000—that is, from our smaller towns and cities.

I was privileged to chair the recent hearings of the Senate Subcommittee on Flood Control—Rivers and Harbors on this and related bills, at which time we received testimony from public health and other experts and leading conservationists. The overwhelming consensus among these authorities is in favor of the major provisions of the House bill, most of which were retained in our committee report though with less overall authorization of funds. There is reason to expect that a bill providing for substantially increased Federal participation in water pollution control will be passed by the Congress and signed by the President during this session—thus providing a major step forward toward control of a vital national and State problem.

Finally, with reference to the long-term challenge of more effective utilization of our reservoir of human skills, I would comment on S. 1991, the proposed Manpower Development and Training Act, which is designed to offer vocational retraining to unemployed persons who have been displaced by automation, foreign competition or other structural changes in the national economy.

The pending measure, of which I am a cosponsor and on which the President has sent to the Congress a special message, would extend the national commitment to full employment first established by the Employment Act of 1946. In the language of the bill itself, "It is the purpose of this Act to require the Federal Government to appraise the manpower requirements and resources of the Nation, develop and apply the information and methods needed to deal with the problems of automation and with technological and other types of persistent unemployment, and provide for the adequate training and retraining of the Nation's force."

To implement the act would require, in the estimate Secretary of Labor Goldberg presented in testimony before our subcommittee, $100 million in 1964. Though the specific allocations for the individual States have not been computed, the allocation formula will be based upon the number of long-term unemployed in a given State; on this basis it is estimated that West Virginia's allocation during the 4 years of the act's administration would be between $15 million to $18 million.

The initial responsibility will rest with the Secretary of Labor to determine, through surveys, the skill requirements of the national economy. Following this he will develop and encourage the development of on-the-job and related training programs, and in cooperation with the Department of

Health, Education, and Welfare and State vocational education institutions, encourage the development of vocational training programs. In every phase of the program, however, there will necessarily be a heavy reliance upon State and local officials and local business and civic leaders such as yourselves for the successful administration of the act.

For it will be the local industries which must provide the actual on-the-job training, and it will be the State vocational institutions and local private and public institutions which must devise the specific and diversified vocational training programs. And finally, it will be the State and local officials and leaders in business and development work who must attract the new industries to provide opportunities for the retrained worker, for as the Secretary remarked before our subcommittee, "It would compound frustration to retrain people and, after they are retrained, not have their skills utilized."

In speaking of these four measures, which are only part of the economic and resources legislation of this Congress, I have been dealing with large sums of money. I do not consider this matter lightly. But I would offer two relevant observations.

First, these are not spending bills—contrary views notwithstanding. They are investments in the future well-being of our State and Nation. It has always impressed me as a curious irony, that a private individual who builds a restaurant, or a garage or a bowling arena is considered to be investing his money, but when the Government constructs school buildings, or public housing, or sewage treatment plants, it is assailed by some as wild and improvident spending.

We are the only modern government in the world which does not maintain separate budgets for current operations and long-term investments. I am not alone in the Senate in recommending that we make this distinction. Among several of my colleagues who have also made such a recommendation is Senator HARRY F. BYRD of Virginia, chairman of the Senate Finance Committee, and a stalwart champion of economic conservatism.

But I would also add, that regardless of the accounting and the budgetary procedures we employ, the challenges which confront West Virginia and the United States today are going to cost money. We cannot provide for the economic security and development of either West Virginia or the United States at bargain basement prices. And I need not emphasize that the issues go far beyond merely economic growth. In the larger context of our struggle with international communism, the vitality and the resilience of our economic structure will be a determinant factor in the outcome of this contest.

For this reason, I have every confidence that the citizens of West Virginia, and in the country as a whole, will respond to the challenge when they are aware of the stakes at issue. We can do what we will, and we will do what is needed.

WEST VIRGINIA DAY, JUNE 20, 1961, WELCH, W. VA.

Singing of "America," led by Mr. F. W. (Bill) Hervey; pianist, Mrs. R. Pike.

Pledge of allegiance, led by Mr. J. C. (Buddy) Hunt.

Invocation, the Rev. O. C. (Oran) Zaebst.

Dinner.

Singing of "West Virginia Hills," "Hail West Virginia."

Introduction of speaker, Mr. H. C. (Howard) Leming.

Senator JENNINGS RANDOLPH.

Benediction, the Rev. O. C. (Oran) Zaebst.

The Welch civic clubs express appreciation to the members of the West Virginia Day planning committee: Mr. W. H. (Wayne) Hash, chairman; Mr. J. R. (Bob) Austin, Mr. W. W. (Woody) Boyd, Mr. J. F. (Johnny) Hurd, Jr., Mr. W. D. (Dewey) Mentz, Mr. Sam Money, Mr. W. S. (Storther) Tabor.

Representatives at Speaker's table:

Mr. Seldon Alpert, president, Welch Lion's Club.

Mr. J. C. (Buddy) Hunt, commander, Post No. 8, American Legion.

Dr. F. L. (Freeman) Johnston, president, Kiwanis Club.

Mr. W. R. (Bill) Keyser, editor, Welch Daily News.

Mr. C. K. (Claude) Kirkland, president, Welch Chamber of Commerce.

The Reverend H. C. (Howard) Leming, president, Welch Rotary Club.

Mr. H. C. (Nick) Nichols, Chef de Gare, 40 & 8.

Mr. M. G. (Mike) Polascik, president, Welch J. C.'s.

Mr. W. B. (Bill) Swope, mayor, city of Welch.

The Reverend O. C. (Oran) Zaebst, rector, St. Luke's Episcopal Church.

The Honorable JENNINGS RANDOLPH, U.S. Senator of West Virginia.

Parental Responsibility

EXTENSION OF REMARKS
OF
HON. ALFRED E. SANTANGELO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 21, 1961

Mr. SANTANGELO. Mr. Speaker, I have introduced today a bill which is designed to place the responsibility for combating juvenile delinquency where it properly belongs, that is, upon the parents. My bill grants the juvenile court of the District of Columbia jurisdiction over parents, guardians, or custodians of children and authorizes the court to impose such terms and conditions as the court determines to be necessary to prevent a repetition of those acts or conditions which resulted in the child becoming a juvenile delinquent. The bill also provides that in the event the parent, guardian, or custodian willfully fails to obey any condition which the court imposes, that the parent, guardian, or custodian shall be punishable by a fine not to exceed $200 or imprisonment not to exceed 6 months.

The rise of juvenile delinquency, not only in the District of Columbia, but throughout the United States is a cause for serious concern. Each group sees the problem in terms of its own activity. While organizations, schools, church groups, and social workers have been discussing this problem, the incidence of juvenile crime has risen. Many programs have been recommended to prevent the commission of delinquent acts. Enforcement provisions entail ever-increasing public expenditures by probation officers, social workers, psychologists, and psychiatrists. What is required in the main is a reaffirmation of the belief in the Ten Commandments and a cultivation of respect for authority, parental and state. The persons in the most favorable position to prevent children from doing wrong are the parents. Too often have parental obligations been forgotten or neglected.

The question how far the law may wisely go in compelling parents to assume their admittedly enormous responsibility in preventing the delinquency of the children has long been controversial. I believe that once the parent has become apprised of the delinquency of its child then the parent's obligations are increased to prevent a repetition of such delinquency. My proposal permits the court to impose conditions upon a parent after the child has been adjudicated a delinquent and that the parent must then take affirmative acts to prevent a repetition of the misdeed. All the States of our Union have legislation which punish parents for contributing to the neglect or delinquency of children. My proposal does not affect the nature of such a statute. Under the circumstances, in our country it is high time that parents assume their responsibilities after they have been warned that their offspring or ward has violated statutes and committed acts which, but for the age of the offender, would in most instances be considered crimes.

I believe, Mr. Speaker, that too long have we delayed in this important field, and I urge favorable consideration of this parental responsibility proposal.

A Memorable Occasion

EXTENSION OF REMARKS
OF
HON. DURWARD G. HALL
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 21, 1961

Mr. HALL. Mr. Speaker, recently over Memorial Day, I had an opportunity to visit many of our Navy installations in the Norfolk, Va., area, and I was so profoundly impressed with what I saw that, with permission to extend the following remarks in the RECORD, I should like, as a member of the Armed Services Committee, to share this experience with Members of the House:

Through the kind invitation of Vice Adm. Claude V. Ricketts, U.S. Navy, commander, 2d Fleet, I was privileged to spend a very enlightening few days visiting Navy installations in the Norfolk, Va., area and ships attached to the 2d Fleet.

Admiral Ricketts, a native of Missouri, was born in the congressional district which I have the honor to represent. His parents still live there. For this reason, and because of my membership in the Armed Services Committee, I was most anxious to avail myself of this opportunity to visit these naval units and gain firsthand knowledge of fleet capabilities and operations.

Admiral Ricketts was on hand to meet my plane on arrival in Norfolk on Sunday afternoon, May 28, and I was promptly taken on a thorough tour of the facilities of the huge naval base. That evening we had an informal dinner in the admiral's quarters and met a number of junior officers on the admiral's immediate staff.

The next 2 days were busy ones, indeed. As a general plan, we decided to visit shore-based installations on Monday, May 29, since these installations would be closed on the

following day for observance of the Memorial Day holiday. Since ships must be at least partially manned at all times, he suggested we visit them on the following day.

On Monday morning, we were up bright and early and walked from Admiral Ricketts' quarters to the U.S.S. *Northampton*, arriving before 7 a.m., and enjoyed a rather substantial breakfast before beginning our brisk but highly interesting tour. From the outset, I made it clear that I wanted to see and hear everything I could—that I wasn't afraid to bark shins and climb ladders. As a result I was given very thorough explanations and climbed into the most remote nooks and inaccessible crannies. I believe I even wore the admiral out. Under different circumstances I would have probably faltered, but I was too deeply impressed with the people I met and talked to and the things I saw that any thoughts of exhaustion never entered my mind.

To cut transit time from one activity to another so that more time could be devoted to actual visiting, we used a helicopter which was a new experience for me. Immediately after breakfast we boarded the helicopter and took off. Our first stop was at the assault evaluator of the Amphibious Training Command, U.S. Atlantic Fleet, which provides a realistic simulator of amphibious war situations for training amphibious support ships personnel and Marine landing forces. The fact that large numbers of men can be trained in many aspects of the highly complex art of amphibious warfare without the necessity of sending ships to sea is indicative of the Navy's efforts to maintain combat readiness at the least possible expense.

We next visited the Naval Air Station at Oceana and its impressive array of modern aircraft, which recalled to me much that I have heard this year during the golden anniversary of naval aviation. Oceana is the home base for carrier aircraft assigned to ships which have Norfolk as their home port. This situation provides the support necessary to train our jet pilots and crews between carrier assignments and also accomplishes major modifications and overhauls periodically required to keep our planes in peak operating condition.

Dam Neck, Va., a rather isolated area but necessarily so, is the home of the fleet antiair warfare training center. It is here that our officers and men are trained to operate and maintain the antiair weapons they will man aboard ship. The new missiles Terrier and Talos were of special interest since they are now replacing guns on many of our ships. We were also shown tow targets which are used to give realistic training to ships crews as well as aircraft pilots and gunners. The training center commanding officer, Captain Green invited us to his home for lunch where we met his charming wife and enjoyed a delightful meal and short respite from the accelerated pace we had set for ourselves. The biggest surprise of the day for me was meeting an old friend, Roger Gray, who I had not seen since our scouting days in Missouri many years ago. Now Lieutenant Gray, he is on duty with the training center.

The Norfolk Naval Shipyard in Portsmouth was a most impressive industrial complex where highly skilled civilian workers and a nucleus of naval officers can perform every task from the repair of a bilge pump to a complete facelifting of an obsolescent ship. Such complete overhauls, including the Navy's fleet remodernization and maintenance (FRAM) program have increased the life of many of our older ships and have proved an effective emergency measure to prevent block obsolescence of the fleet, since funds cannot be made available to replace aging ships with new ones at the present time.

As we moved through the shops in the shipyard, accompanied by Rear Admiral Hiward, the shipyard commander, I particularly noticed the efforts made by workers and supervisors to reduce operating costs and effect economies. One dramatic instance of this was the repair of variable pitch propellers used by amphibious ships. A new propeller would cost $40,000 but resourceful workers had devised ways of rebuilding propellers, including the forging of bronze blades, at a unit cost of $12,000. This amounted to a saving of $28,000 per propeller.

Antisubmarine warfare has become a paramount problem for the U.S. Navy since World War II, since the Communist countries are building more and better submarines. As submarines become nuclear-powered and equipped with ballistic missiles, this problem will become more acute. As an adjunct to antisubmarine hardware, there is located in the Norfolk area an antisubmarine warfare tactical school which teaches antisubmarine warfare personnel how to use most effectively the equipment at their disposal by concentrating on the most recent developments in antisubmarine tactics.

A last activity we visited, the fleet airborne electronics training unit, trains aviation personnel in the use of the latest electronic devices in use in the aircraft or navy vessels to which they will be later assigned. During this, as during all my visits both to shore-based and shipboard installations, I was very favorably impressed by the high level of training. Instructors were dedicated not only to the task of imparting technical skills, but also to stressing the importance of the skills acquired to the overall picture of the Navy's mission. Students demonstrated a high level of motivation, and seemed anxious to learn all they could about the equipment they would soon be using. It would seem that no matter how technical we get, if we can build it in the United States, the American youth can operate it. Although not on our schedule, I accepted an invitation to inspect the enlisted men's barracks. I'm glad that I did because I have never seen such well kept and clean quarters.

That evening I had a chance to meet with many of the Navy's top commanders in the Norfolk area at Admiral Ricketts' home and discuss with them the particular areas under their cognizance. Their charming ladies were also there and later we all went aboard the *Northampton* for a lovely dinner.

On Memorial Day, I visited a number of ships in the Norfolk area, trying to cover as completely as possible the range of various types in the time available. As a retired colonel in the Army Reserve, I frankly admit that I approached this prospect with excitement; for I am a complete landlubber. My only previous experience with the Navy had been a brief trip on the aircraft carrier *Shangri-La* several years ago, and an inport visit to the cruiser *Providence* in the Bay of Naples under wartime and unusual circumstances.

We began a busy holiday with breakfast on Admiral Ricketts' flagship, U.S.S. *Northampton*. This is the only ship of its type in the Navy, and is designated a tactical command ship. Its superior intelligence and communications facilities make it an excellent command post, and you will recall the discussions earlier this year of this ship as a possible command post for the Nation's highest executives in the case of nuclear war.

The first ship on our schedule was the guided missile cruiser, U.S.S. *Galveston*, the first ship to carry the deadly Talos missile. The ship itself is an example of the Navy's efforts to utilize dollars effectively in national defense efforts. Nearly completed before the end of World War II, the ship was retained in the reserve fleet until 1956. Her after portion was redesigned to house Talos while the ship was being completed. The missile is a supersonic surface-to-air missile with a range over 65 miles, but can also be used in surface-to-surface applications.

The ammunition ship, U.S.S. *Nitro*, is one of the auxiliary ships which make a task force at sea independent of shore-based facilities, creating true "islands of seapower" in ocean areas where no land appears. This type ship furnishes a task force its ammunition, while others furnish oil, another fuel, and still another supplies, spare parts and clothing.

We next visited the landing ship tank, U.S.S. *Graham County* and after completing our tour of the LST had lunch on board. I mention this because it gave me an opportunity to speak with the ship's officers concerning their recent good-will tour of African ports.

The *Graham County* was one of the five ships which took part in the first phase of a series of ship visits to Africa under the command of the commander South Atlantic. The very name given this task force—"Solant Amity"—stressed the good-will purpose of these visits. Sailors have traditionally been ambassadors of good will in places little frequented by Americans; but the ports visited by this task force were rare even on Navy itineraries. While I do not wish to detract from more formalized aid and information programs, there is certainly no doubt that the sailor's personal approach to the people-to-people program is tremendously effective. I saw pictures, and got firsthand narratives of such generous efforts as donations of sets of encyclopedias, hospital supplies, toys, food, and practically everything that would be helpful to emerging nations which, coming from American hands, do much more than reams of print or hours of broadcasting. More important, though, millions of Africans probably got their first look at a group of Americans, joined them in athletic contests, and practically swamped the ships in their eagerness to go aboard. This is especially noteworthy in that, many times, this meant they had taken a bus (or walked) 15 to 20 miles for the chance to get a glimpse of our ships—of a little bit of America visiting their shores.

As we were moving after lunch to the landing ship dock, U.S.S. *Hermitage* (which had been the flagship of the Solant Amity force), I recalled that just a year before, I had given a speech commemorating the dead of our wars. I wondered if our dead would not have been immensely pleased to see the intense dedication of the young men on these ships, whether in home or foreign ports. To me it was very reassuring to see their eager, positive-minded approach to their work, and their conviction that they—as individuals and as groups—had an important task in preserving the freedom their predecessors had won. I even pondered whether we shouldn't best turn the active management of the country over to them rather than by tradition let them await attrition.

Since the frigates had been so actively discussed during the Armed Services Committee procurement authorization hearings, I was quite anxious to visit one from stem to stern. U.S.S. *Norfolk* was the first of this new class ship and bears enough resemblance to the nuclear-powered *Bainbridge* to be useful for my purposes. The special sonar and antisubmarine rockets (Asroc) were extremely interesting. Of course, this ship does not have the guided missiles found on many later ships of this class.

I next visited two other destroyer types—U.S.S. *DuPont*, a comparatively new all-purpose destroyer and U.S.S. *Steinaker*, a radar picket destroyer. Destroyers have been traditionally known as the workhorses of the fleet, and are ideally suited to their multifaceted missions. Each had different missions, defensive and offensive armament.

Before returning to U.S.S. *Northampton* for dinner, we rounded out the tour with a visit to the submarine U.S.S. *Shark*. This nuclear-powered vessel was a convenient place from which to learn the values of nuclear-powered vessels, the role of the submarine, and antisubmarine warfare from the point of view of the hunted. The submarines officers and men were a proud lot, as expected.

Though I had seen a number of enlisted men during these days, I had not as yet had the occasion to sit down and chat with them informally. This was possible when I had dinner on the *Northampton* in the crew's general mess. I was seated with four crew members from Missouri—James E. Kiger, of St. Louis; Robert L. Bennett, of St. Charles; Robert E. Nelson, of Hannibal; and Franklin N. Hopple, of King City.

The wall plaques in my office from the 2d Fleet, from U.S.S. *Graham County* and U.S.S. *Hermitage*, and the photos of the ships and installations I visited would not be necessary to recall to me the magnificent experiences I had. We had perfect weather on the entire trip. Wednesday morning dawned bright and clear and it was back to work in Washington, D.C., for me. But before 7 a.m. aboard the *Northampton*, Admiral Ricketts was advised of the assassination of Dominican Dictator Trujillo. This incident required a change in plans. Accordingly Admiral Ricketts moved up his scheduled 1:30 p.m. address to the midshipmen at the Naval Academy to 11:30 a.m. and instead of dropping me off in Washington en route as was originally planned, we went by helicopter, land plane, and seaplane—another first for me—and dropped him off at Annapolis. I was brought to Washington from there and I have since learned that he returned to the *Northampton* immediately after addressing the midshipmen and was underway for Caribbean waters soon afterward. In the midst of jangling phone and the sparking and cracking of radios, the alertness and readiness of the seaborne first line of defense was clearly brought home to me.

The rewarding depths of participation Admiral Ricketts and I shared as well as the surge of inspiration culminating this visit will remain with me for a long time. I was so deeply moved that I cannot refrain from sharing my experience with you and encouraging others to visit our Navy ships and shore installations and meet first hand a segment of America dedicated to their job of preserving our way of life.

"Where Is Our Plan for Peace"—Guest Editorial by Senator Joseph S. Clark

EXTENSION OF REMARKS

OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 21, 1961

Mr. HUMPHREY. Mr. President, I wish to invite to the attention of the Senate the guest editorial which appeared in the June 24 issue of Saturday Review, written by one of our most able and respected colleagues, Senator JOSEPH S. CLARK.

The Senator from Pennsylvania [Mr. CLARK] has given a good deal of attention to the subject of disarmament and negotiations for the peaceful settlement of disputes between nations. He has analyzed the importance of peace through world law. He is a keen student of foreign affairs, and has directed his attention to the strengthening of the United Nations and the World Court.

His guest editorial, entitled "Where Is Our Plan for Peace," reveals a comprehensive knowledge of the current struggle between the Soviet Union and the free nations, as well as the urgent necessity for continuing negotiations in the field of disarmament.

I ask unanimous consent that the guest editorial be printed in the RECORD.

There being no objection, the guest editorial was ordered to be printed in the RECORD, as follows:

WHERE IS OUR PLAN FOR PEACE?

(EDITOR'S NOTE.—The author of the following guest editorial is the Honorable JOSEPH S. CLARK, Senator, from Pennsylvania.)

Vienna has come and gone. The air is a little clearer. The danger of war through miscalculation a little less. But the overriding problem of our time remains: How to prevent destruction of civilization through a war nobody wants.

A few things are slowly—all too slowly—becoming obvious.

1. It is as foolish to search for Russian intentions in the writings of Marx, Engels, and Lenin as it is to look for American intentions in Washington's Farewell Address. Both countries have clearly defined present and prospective objectives having only a remote connection with either traditional dialectic materialism or the foreign policy views of the Founding Fathers.

2. America's goal is a peaceful world where all people can live without hunger, in freedom, under governments that respect human rights. We are rendering massive assistance to help create that kind of a world.

3. Russia wants to export the current brand of communism, provided the cost is not too high; desires a higher standard of living for the Russian people, provided it can be achieved without danger to the Communist hegemony; fears, for the moment, any further relaxation of historic Russian secrecy; is suspicious of Western intentions and hence clings to the veto (troika); is seriously worried at the growing power of China and its acquisition of nuclear weapons; and wants to avoid world war III as much as we do. It is doubtful whether Mr. Khrushchev's belief that communism represents the wave of the future is as strongly held today as it was before Vienna.

4. Cuba, Laos, the Congo, Algeria, Angola, even Berlin—all major East-West disputes save one—can probably be resolved, or at least sterilized, by wise international leadership without seriously affecting the security of either the United States or the U.S.S.R.

5. Only the Chinese situation is dangerously explosive. Yet perhaps even it could be brought under control within the foreseeable future by joint American, British, and Russian efforts, particularly in view of critical economic and social conditions behind the Bamboo Curtain. One of the principal stumbling blocks to the initiation of such an effort is American public opinion.

6. The imperative of peace is increasingly understood by informed persons in the non-Communist world. Universal, total, controlled, and inspected disarmament, an adequately financed world police force capable of maintaining peace under a system of world law administered by a strengthened United Nations or a new international authority, is the only practical alternative to the destruction of civilization. "Arms control" may be useful as a first step, but it holds no promise as a long-range solution.

7. Russian leaders have not yet recognized that a peaceful world requires a strong international authority, but the Western World has not yet forced their hand. There is no real reason to believe they will not reach this view eventually. There are, however, no grounds for believing the Chinese Communists would accept this view except under heavy international pressure.

8. While the threat of all-out nuclear or chemical, biological, and radiological warfare is clearly the overriding present danger, problems of poverty and population control in the Southern Hemisphere also require immediate attention.

What, then, should our American policy be? How should the administration respond to the need for leadership?

A Senator from Massachusetts, speaking in December 1959 about the expectations raised around the world by the Russian proposal for far-reaching disarmament, and the considerable disappointment that this proposal did not go far enough, said:

"It is for us now to meet these expectations with far-reaching new plans of our own, and not to disappoint the world by treating this problem merely as a matter of psychological warfare. We must design and propose a program that combines disarmament with the strengthening of the United Nations and with world development. We must propose the creation of new United Nations institutions of inspection and control and of economic development. So far we have lacked the vision to present a comprehensive program for the development of a world community under law."

The President of the United States must know that those words are as true today as when he first spoke them. One may only add that the program should include realistic steps for dealing with China and for the internationalization of further exploration of outer space.

The American people should insist that the President's words be translated into action by his advisers. Time is running short. The East-West Disarmament Conference meets on July 31.

Where is the comprehensive American plan for disarmament under enforcible world law? That plan is the present imperative for peace.

How To Go Broke

EXTENSION OF REMARKS

OF

HON. DON L. SHORT

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 21, 1961

Mr. SHORT. Mr. Speaker, I have been concerned for quite a long time over the type of spending and financing being carried on by the Federal Government. I am not alone in this concern, believe me, because not only does my mail reflect the feelings of Mr. and Mrs. Private Citizen along this line—but many of my colleagues in the House and Senate are quite clear and consistent in their expression.

If it is not too pointed, may I take the liberty of saying that a Yale professor, Robert Triffin, has written with wisdom, or as we would say in our State—"horsesense," about the American dollar and what is happening to it.

We are about to be presented with a request for a supposedly temporary raise of $13 billion in our public debt limit—a raise from the permanent figure of $285 billion to $298 as a temporary figure—the highest, I might add, in all our history as a nation, both during

peacetime and wartime. As even our distinguished Chairman of the House Ways and Means Committee admitted the other day—these temporary figures have a way of becoming permanent. This raise in our debt limit is a reflection of our $3.7 billion budget deficit anticipated by our present administration, and judging from the many Federal spending plans promulgated from day to day, I have no doubt that we will be again asked to raise this debt limit temporarily at a later date, when Secretary of the Treasury Dillon feels he needs more "elbowroom," as he has been quoted as saying. It would seem that someone in this administration would have the commonsense and courage to halt this ridiculous rampage of spending, deficits, debt, and inflation.

I am not an economist, and of course the general public is always a little at sea in this field; however, common ordinary horsesense—which I referred to above—should indicate that we are trying to tread on water and we simply won't be able to do this without sinking sooner or later. And then is when our genial Russian peace-loving friend overseas will be able to carry out his promise to bury us. Or perhaps the words "drown us" might be more appropriate to use in my remarks.

President Kennedy has demonstrated already that he possesses the quality of leadership. When he asks for more billions from Congress—and states that "if we are to preserve our fiscal integrity and world confidence in the dollar—it will be necessary to hold tightly to prudent fiscal standards"—what kind of double-talk is this? Who has taken the leadership in asking for more and more Federal spending for more and more Federal programs? How can we spend and retrench all at the same time? If he really feels this way, perhaps we will see some vetoes when the bills passed by the Congress are presented to him for his signature—in which funds, in addition to those he has requested, have been added. In that way he could truly exert strong leadership—and many of us feel it would be justified. We will anxiously await his action on some of these measures to see if that leadership is to be forthcoming.

Mr. Speaker, under unanimous consent, I include with these remarks, a copy of an article written by George E. Sokolsky entitled "How To Go Broke," and published in the Washington Post on June 21, 1961:

How To Go Broke

[By George E. Sokolsky]

Prof. Robert Triffin of Yale writes with wisdom on how to go broke. Of course, it is not essential to go broke. This is most often avoidable, but some set out to do it without much thought of the aftermath.

There are even those who enjoy going broke, spending their way through life until nothing is left for them but to make a touch.

So the learned professor does an essay on the subject with apt applications to what has happened and is happening to the American dollar because of the improvident spending of our money. Professor Triffin says:

"There are two ways to go broke: a slow one and a fast one. The slow way is to go on, year after year, spending more money than you earn. But if you are rich to begin with, you won't go broke very fast that way. You will pay for your overspending by depleting your bank balance and other assets and by getting loans from people who trust your capacity to repay them later.

"A much faster way to go broke is to finance too much of your overspending by short-term borrowing. Even if you stop overspending, you may then still run into serious trouble if your I O U's are suddenly presented to you for repayment at a time when your bank balance has fallen too low to cover them. If you still have other, longer-term assets in sufficient amount, you will remain perfectly solvent, but you will be confronted, nevertheless, with what is called a liquidity crisis."

The term, "liquidity crisis," might be translated into the simple word, tight. Many of us have been tight, or to put it another way, short of cash. When a nation gets to be short of cash, it can, of course, print more paper money. It can go on printing money until its money is worthless.

Professor Triffin makes the point:

"We have, over the past decade, spent, lent, and given away about $20 billion more than we earned and covered the difference by cash payments in gold ($6 billion) and also by short-term I O U's ($14 billion), which foreign central banks, private banks, and individuals were, until recently, quite glad to invest in, since the dollar was regarded as safer than any other currency, and even, for the time being, as safe as gold itself."

It was, of course, too much to give away; so the dollar depreciated in value. We were not conscious of this in the United States because we did not go hungry here. The country was rich. The people were well off. We have a high standard of living. Nevertheless, economics walked its harsh way without regard to human enthusiasms and the result was that our gold supply began to disappear.

I can remember when $25 a week was very good pay for a secretary who could take stenography, spell, add a column of figures, and say, "Good morning," politely. A girl who can do all that today might command $100 or more a week, but is she getting more? The likelihood, adding taxes, social security, and the high cost of living is that she is getting less. The same is true of all wage earners; their nominal wages go up but it is in money that is worth less.

Money is nothing to fool about and politicians have a way of covering up errors by doing the wrong thing grandiloquently. But it is our money and we need to give it watchful attention. Money is the business of Congress and Congress has not been too keen on resuming its responsibility to rest on the American dollar.

Statement by Senator Mundt at Hearings on Work Stoppages at Missile Bases

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Wednesday, June 21, 1961

Mr. MUNDT. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of my closing statement following our committee hearings on work stoppages and financial waste in construction at America's missile bases.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CLOSING STATEMENT OF SENATOR KARL E. MUNDT—HEARINGS ON WORK STOPPAGES AT MISSILE BASES

In reviewing the testimony and evidence received in the recently terminated series of hearings concerning the problems and high cost of development in our missile program, I think a signal service has been performed in bringing to public attention and to the attention of both the legislative and executive arms of our Government some of the most shocking excesses and abuses that have been encountered in a program of such vital life and death import to our national security.

The exposure of the amount of forced overtime due to slowdowns and walkouts, the implied threats to walk out unless favorable overtime was granted, the flimsy justifications given in starting jurisdictional disputes, and the general refusal by craft union personnel to allow nonunion employees to work in States that have right-to-work statutes, have seriously deterred our defense effort to date. A total of 327 work stoppages involving 162,872 man-days lost at our various missile bases have, as of March 31, 1961, resulted from the aforementioned activities.

In addition to the disclosures which have resulted from our hearings and which have already been mentioned, I should like to enumerate a few more which I consider to be of extreme importance.

1. At Vandenberg Air Force Base, Calif., Mr. Ewell H. Hodge, ex-contracting officer, stated that on some of the Martin-Titan jobs more people were employed than could possibly be accommodated, and that frequently there was no room to work in a confined work area. These contracts were on a cost reimbursable basis. At Cape Canaveral, a small general contractor stated that other contractors and subcontractors who were to follow in sequence had their men idle, but on the payroll, for fear of losing their crews while he completed his phase of the work. It should be noted that the first contractor's project had been placed on an overtime basis due to previous walkouts on other projects. All of these costs were passed on to the Government.

2. Mr. Hodge also stated, and it was generally agreed by other witnesses, that 24 to 26 wire terminations could be done hourly in a factory, with little overtime and at a lower hourly wage rate than could be accomplished by craft electricians in the field. The latter generally did two to four terminations per hour. Tremendous savings would have resulted if the craft electricians had not insisted on doing this work at the missile site. Mr. Hodge also testified that various attempts were made to prolong contractual work in order to obtain additional, but unnecessary, employment. One situation illustrative of this occurred at Lowry Air Force Base, Colo., where the craft electricians walked out because of a jurisdictional dispute with the industrial electricians as to which union would operate the powerhouse after the completion of the project, clearly not construction work within the terms of the Davis-Bacon Act upon which the crafts had been placing so much reliance. Mr. Hodge also explained that there were other instances where a "first check-out" of equipment had been undertaken and the equipment worked perfectly but that a "second check-out," apparently for no particular reason, would be undertaken with the results of the second test then being negative. As a result, a third check-out, at added expense, would be necessitated.

3. Mr. J. C. Cannady, Cost Analyst at Convair's Cape Canaveral facility, testified to the "shadow work" that had been prevalent at the Cape until he introduced a cost surveil-

lance program to Convair's subcontractors. Under this arrangement, as Convair would go through a systems validation for one of its various Atlas series conversions, they would employ one engineer, two inspectors, and a technician as "in house" employees to do the work. At the same time, the craft electricians had a "shadow crew" standing by, consisting of one engineer, one inspector, and two journeyman electricians who were being paid to do nothing unless a difficulty arose which they were to remedy before passing the subcontracted project on to Convair. Some $238,190 in eighteen major conversions was thus unnecessarily expended in this manner.

4. The Department of Labor, since 1954, through the testimony of Mr. Lee Knack, director of labor relations for Morris-Knudson Co., Inc., has evidenced a trend to classify work which had historically been recognized as heavy construction work to be building construction work. Higher hourly wage rates and the inclusion of travel pay are generally found to be prevalent in the building trades category. For example, at Lowry Air Force Base, Colo., in performing a lump sum contract, Morris-Knudson found that in classifying the carpenters at the building construction rate of $3.44 per hour as compared with the heavy construction rate of $2.90 per hour, an increase of $7.50 per employee per day resulted which, in turn, cost an additional $1.5 million on this one item alone. Mr. Knack said this question does not arise in private industry, but that once determined by the Labor Department for Government work, there is no appeal from the ruling, although his company has resisted such liberal interpretations. Mr. Knack also indicated that, from his company's experience, the construction worker can do the job more efficiently and economically.

5. Two journeymen electricians engaged in work at Cape Canaveral received extraordinarily high wages, mostly on an overtime basis. In 1960, one of them collected $21,432 in 52 weeks and $26,843 in 50 weeks, while another received $16,154 in 1958 in 49 weeks, $24,274 in 1959 in 51 weeks, and then subsequently retired. The two men then formed a rental company, buying a used house trailer which was fitted out as a construction field office. They each invested $600 for a total purchase price of $1,200, and then rented the trailer back to Convair at $100 per month for ten months, and then to other electrical contractors at the same rate thereafter. They also bought a portable warehouse and two other collapsible buildings for $800 and then rented the warehouse to their employers at $250 a month for ten months. Although the two workmen did nothing illegal, this definitely indicates a rather loose handling of the broad field of lease-rentals.

6. Discriminatory agreements have been and are still being entered into by the various craft unions, even since the inception of the subcommittee's investigations. In Montana, an agreement was entered into between the International Brotherhood of Electrical Workers and the Montana Line Contractors' Association on March 18, 1961, providing that foremen and cable splicers will receive $4.35 per hour on "isolated projects," namely dams, powerhouses, air bases, and missile bases, while the same type of electricians would receive $3.75 per hour elsewhere. The latter would cover most of the line construction work in Montana. Journeymen electricians would receive $4.10 per hour at missile bases, etc. and $3.50 elsewhere. Other wage rates for different classifications of workers would vary from 35 cents to 63 cents per hour.

It is interesting to note that the so-called isolated area of Malmstrom Air Force Base, where our first Minuteman missiles will be housed, is approximately 5 miles from Great Falls, Mont. Additionally, various rates of travel pay have been incorporated into the agreement, ranging up to $8.40 per day. Conveniently, the post offices of Billings, Helena, and Glasgow—not Great Falls—are used as Montana focal points from which the distances are calculated, which places the Air Force base in the higher wage bracket of the isolated areas.

7. The International Brotherhood of Electrical Workers, and the Plumbers and Pipefitters of America entered into separate agreements with their respective trade associations. It is significant to note that the IBEW local that serves Cape Canaveral and Patrick Air Force Base is located at Jacksonville, Fla., and that these military bases compose a jurisdictional island within an area that is otherwise served by the IBEW local at Orlando, Fla., the latter being closer in mileage to the two defense installations. Significantly, the wage rates at Canaveral and Patrick have a higher base rate of 10 cents per hour. Also, the agreement between the Jacksonville IBEW local is entered into with the Daytona Beach Division of the North Florida Chapter of the National Electrical Contractors Association. This is made by a comparatively small number of electrical contractors in the Daytona Beach area, but all other electrical contractors doing business at Cape Canaveral and Patrick are bound by its terms.

Several witnesses testified to the effect that the International Brotherhood of Electrical Workers, the Plumbers and Pipefitters of America, and the Ironworkers were the greatest offenders in causing most of the disputes involving walkouts and work stoppages at Cape Canaveral.

8. Mr. Robert Palmer, business manager for IBEW Local 756, Daytona Beach, Fla., testified that his brother-in-law, Mr. James H. Wynn, was on the IBEW payroll. Staff members testified that Wynn started to work with Mr. Palmer's local in June 1956 as an apprentice and that he became a journeyman electrician on January 28, 1959. Meanwhile, he served as a foreman at a higher hourly wage, collecting as high as $745 per week, even though the collective bargaining agreement stated that an apprentice was not to perform work except under the supervision of a journeyman. At the same time, a foreman was not to work, but, instead, was to supervise the work of journeymen electricians. Another brother-in-law, Mr. Perry Woodson Miller, worked as a journeyman electrician, making some $9,000 in 9 months beginning in February 1960, although he had been a coal miner by trade. Palmer's nephew, Mr. Richard Johnson, also was employed through IBEW Local 756, the local in which Mr. Palmer handles the hiring.

9. Local 295 of the Plumbers and Pipefitters of America, located at Daytona Beach, Fla., up to August 1960 caused 24 work stoppages of varying lengths and degrees, according to subcommittee staff records. Additionally, the workers stayed away from their work when other crafts initiated their own walkouts, in most instances. This seemed to be a common practice amongst the craft unions.

Specifically, in January 1957, Mr. Charles Tebbe, business manager of Local 295, would not agree to a proposal by a nonunion subcontractor to reactivate a dormant company and to then do a $95,000 water and sewer installation with hired union employees. Tebbe gave as his reason that the subcontractor was operating an open shop at Orlando, Fla., at the same time. The subcontractor, when a request for assistance from Patrick Air Force Base officials proved futile, then cancelled his subcontract. In June 1956, another open shop subcontractor, in attempting to install water mains pursuant to a $25,000 subcontract, agreed to pay union wages to pipelayers even though their degree of skill need not be as great as for a plumber. The purpose was to avoid a plumber's walkout elsewhere on the cape, but the walkout developed anyway, until the subcontract was terminated by a satisfactory cancellation agreement.

In testifying before the subcommittee, Mr. Tebbe admitted under oath that "some of the walkouts were unjustifiable."

10. Local 402 of the ironworkers, located at West Palm Beach, Fla., resorted to the same type of unfair labor practice against a small nonunion contractor employed at Cape Canaveral in December 1960, on a $26,500 camera platform fabrication and installation project. In refusing to yield to union pressure, the subcontractor was actually blamed by the Air Force contracting officer for causing the resultant walkout and shutdown at the cape which lasted 1 week, with the loss of 2,688 man-days, although the subcontractor ultimately successfully completed his contract. Mr. Raymond Belcher and Mr. Willie Kitchens, past and present officials of local 402, both testified that they were "ashamed" of this walkout.

11. Local 402 of the ironworkers also refused to go on three 8-hour shifts a day when requested by another contractor, the William R. Crail Construction Co., insisting instead on two 10-hour shifts a day. This also frequently occurred amongst other craft unions in the missile program as well. Local 402 also enjoyed a special negotiated 12½ cents higher hourly wage rate, plus a travel allowance, for the workers on the cape and Patrick than elsewhere, which was not uncommon.

12. It is significant to note that, despite Florida's right-to-work statute, there were 23 work stoppages and 9,045 total man-days lost because of the presence of nonunion workmen on Cape Canaveral. This becomes especially interesting when it is noted that the business agents of the Electricians, Plumbers, and Ironworkers, serving Cape Canaveral and Patrick Air Force Base, indicated that they did not call any of these or other strikes, but rather that they were self-inspired and that the business agents could not control their men. However, most of the business agents indicated that they controlled the hiring in their locals; most of the union's constitutions and/or bylaws indicated that the business agents had the control over the removal of their men; and Mr. Sherman Hodges, business manager of the Northern Colorado Building and Construction Trades Council, indicated in his testimony that he controlled his craft unions in ordering them back to work after they had walked out.

Each business agent also testified that his union respected the picket lines of other craft unions. Yet, in most instances, the picket lines were crudely established and the wildcat strikes were not organized but still the other crafts honored such activities and generally would not return to work until the initiating craft union had done so.

13. A "compatible workweek" practice developed at Lowry Air Force Base, Colo., in 1960 due to the migratory nature of the craftworkers. In that instance, Western Electric had been on a 40-hour week, while other contractors were working 50 to 52 hours weekly. Because of this, several trained craftsmen left Western Electric to go to the other jobs, causing the former to fall behind on their readiness date. The Air Force then authorized Western Electric to go on a 53-hour week for 6 weeks, from February 1, 1961, to the middle of March, costing the Federal Government some $70,000 in extra overtime. On December 27, 1960, the Site Activation Task Force Commander at Lowry issued a memorandum, one pertinent paragraph being as follows:

"In order to prevent labor disturbances, proselyting of craftsmen by one contractor to the detriment of another, and general labor unrest on complex operations, all contractors must agree to maintain compatible

work schedules which are to be based on a 40-hour week but not to be in excess of 53 hours a week (five 9-hour days and one 8-hour day)."

14. It is interesting to note that, in furtherance of points (6) and (7), I have recently received an unsigned letter which points up further abuses in the area of discriminatory agreements entered into between the National Electrical Contractors Association and the International Brotherhood of Electrical Workers, as well as the Council on Industrial Relations for the electrical industry. It is a shockingly sad commentary on the state of affairs in the electrical industry:

"Senator KARL E. MUNDT,
"Senate Office Building,
"Washington, D.C.

"DEAR SENATOR MUNDT: I have recently read in the BNA construction labor report of your concern relative to the agreement between the Montana Line Contractors Association and the International Brotherhood of Electrical Workers.

"I and many other small businessmen, engaged in the electrical contracting industry, look with hope to men of your caliber to deliver us from an insidious situation which has developed over the years and now completely controls the Electrical Contracting Industry in these United States.

"I refer to the Council on Industrial Relations for the electrical industry. This council considers itself the Supreme Court of the electrical construction industry whose decisions are final and binding with no recourse or appeal.

"While at first glance this may seem a democratic body, on closer investigation you will find that the National Electrical Contractors Association's Field Staff and representatives on this council are members of the IBEW or chapter managers from some large city who collaborate with the IBEW in establishing unreasonable wage rates, featherbedding practices, fringe benefits and working conditions in exchange for IBEW support in applying economic pressure on any outside contractor who would attempt to perform work in that area.

"A recent indication of this collaboration was the appearance of the executive vice president of NECA before the Perkins subcommittee in support of the situs picketing bills. The membership of NECA never had an opportunity to express their opinion regarding this support.

"I am enclosing decisions of council which may give you a better understanding of this complex problem. Decision No. 574 and No. 578 are an indication of collusion between NECA and the IBEW to circumvent the intent of the labor management law of 1947, which outlaws the closed shop.

"Unfortunately, though a citizen of this country, I must shamefully admit that in fear of economic reprisals I dare not sign this letter; however, I can assure you that should the opportunity present itself, I and many others would be proud to assist in correcting the existing deplorable conditions.

"Sincerely yours,

"HOPEFUL."

RECOMMENDATIONS

Based on the foregoing disclosures, as well as those pointed out in the chairman's closing statement, I am of the opinion that certain remedies must be prescribed to correct these intolerable abuses.

First of all, most of the "disputes" that were brought out in the subcommittee hearings really constitute activities illegal under existing law because they are intended to force contractors and subcontractors to deal with unions who do not represent their employees, in violation of the Labor Relations Act. Strikes and picketing against one contractor because another contractor is utilizing members of another union, or nonunion employees constitute an unfair labor practice under section 8(b)(4) of the Taft-Hartley Act and create a cause of action for damages under that act. Also, strikes in protest against the handling of prefabricated products, of which the subcommittee took a great deal of testimony, are also unfair labor practices within the terms of the Taft-Hartley Act. I believe the Congress should clarify the Taft-Hartley Act by defining the Government as a person aggrieved who is entitled to bring an action for damages under section 303 (secondary boycotts and jurisdictional strikes) and under section 301 (breach of contract). I believe, further, that some provisions to the effect that if a contractor does not seek injunctive relief under section 10(1) of the Taft-Hartley Act for secondary boycott activity under section 8(b)(4), or seek to obtain damages for breach of contract, such right should be subrogated to the Federal Government within a specified period of time to do so.

Second, I believe that quicker action by attorneys for the National Labor Relations Board should be taken at the regional level in proceedings to stop action taken by way of illegal work stoppages, under existing legislation. The subcommittee found that in many instances important time was lost while the Washington office of the NLRB was being informed and subsequently deciding on the type of action to take in such work stoppages.

Third, I believe that in the field of work stoppages and unauthorized walkouts, serious consideration should be given to the possibility of making it a mandatory requirement that both management and labor enter into a performance bond arrangement to guarantee that the work is performed as contemplated in the contract. To this end, proper legislation should be enacted if it is not otherwise contained in future missile program contracts.

Fourth, I believe that the Davis-Bacon Act, upon which the craft unions have relied to stress that they should have exclusive jurisdiction to install and check out highly technical weapons systems and electronically equipped ground support equipment under the guise of it being construction work, should be updated. I do not feel that the suggestion by the Secretary of Labor that he will shortly bring forth new criteria in this area will solve the problem. Countless volumes of interpretations have preceded such regulations in other areas concerning the act, including the field of atomic energy, and I believe that it will only serve to compound the confusion. I think, therefore, that amendatory legislation should be enacted so as to update and to redefine either "construction" or "public works," or both, so as to more realistically determine and distinguish between the construction of a public work, as stated in the 1931 act, and the installation and operation of equipment which is an integral part of the missile facility.

Fifth, the President, on May 26, 1961, issued an Executive order setting forth procedures which would entail a no-strike pledge by the unions and which establishes a Missile Sites Labor Commission, as well as Missile Site Labor Relations Committees at the various missile sites. The Commission is to "establish procedures whereby it will be advised of any labor relations problems at any missile or space site which it appears cannot be settled by the voluntary settlement procedures in existence or by action instituted by the site Missile Labor Relations Committee. The Commission is authorized to establish special panels * * * to hold hearings in disputed matters, to make findings of fact, to make recommendations for the settlement of disputes, to obtain agreement for final and binding arbitration of such disputes, to mediate such disputes, and to issue such directives and to take such other action as the Commission may direct." The effectiveness of the Commission appears to be based on the voluntariness of the opposing groups to submit their disputes before it. The Chairman has indicated that he favors the enactment of legislation to curb strikes at missile installations. I am inclined to agree that Congress should find a way to outlaw strikes and work stoppages on Government defense contracts, especially as they concern the vital missile program. I also feel that the new Commission will serve very little purpose because it just adds one more unit to a remedy which can be invoked by the proper use of the Taft-Hartley Act and by amending the Davis-Bacon Act.

Sixth, the matter of overtime should be carefully controlled. The recent memorandum initiated by the Deputy Secretary of Defense, commensurate with the beginning of the subcommittee hearings, to limit the amount of overtime to 20 hours per week, except for compelling reasons is a step in the right direction. The implementation of this memorandum by a second Defense Department policy statement to the effect that the number of hours to be worked at Cape Canaveral would be 40 hours weekly, except for compelling reasons, was also a positive step toward controlling this problem. The number of overtime hours worked at added expense were practically unlimited, the lower efficiency for overtime hours was well demonstrated, and the willingness on the part of the union officials who appeared before our subcommittee to limit the hours to 40 per week all were strong reasons why such excessive overtime should be curtailed. It is incumbent upon labor, management, and the Department of Defense to all adhere to the proper supervision and enforcement of such no-unnecessary-overtime policies.

Seventh, I commend the Convair Co. for introducing on its own a cost surveillance program into its procedures concerning its relations with its subcontractors so as to effectuate better control of costs on the job rather than after the fact, as is done in auditing. The cost surveillance system, instituted at Cape Canaveral approximately 2 years ago and based on accepted accounting principles and audit procedures, involves four basic checks. They are: (1) Labor check, where the Convair personnel go into the field and check on the number of subcontractor employees working to assure that those charged to the payrolls are actually working; (2) material check where all material requests submitted by the subcontractor are examined to make certain that they are "good costs," reimbursable costs, and necessary costs; (3) an equipment rental check where equipment utilization logs are used to determine the amount of utilization each piece of rental equipment is capable of and what it is being used for; (4) accounting check, where, as the subcontract goes in to Convair, Convair reviews and updates quarterly the accounting, material control, and estimating procedures. I suggest that this system be utilized by other prime contractors, where appropriate, and that the Air Force in administering the contracts take it upon itself to introduce such a surveillance program uniformly as would be practicable.

Eighth, and closely related to the foregoing, is that the various types of subcontracts that the Government administers should be studied carefully, and adapted uniformly, where appropriate. For example, Mr. Ewell Hodge, who administered approximately $500 million of Martin-Titan project contracts, told our subcommittee that he found three types of subcontracts being used, namely: (1) Cost plus fixed fee; (2) fixed unit price, or, so much per foot or per installation; (3) time and material contract, plus a certain percentage for handling. Mr. Hodge stated that in his opinion the "time and materials plus a percentage for handling" type was the best type of subcontract for his type of work, in that it allowed the

Air Force to vary the supply of laborers with the particular need or requirement (this remedied point No. 1 under the earlier mentioned abuses). I suggest that the implementation of this system to other projects be undertaken by the Air Force, where appropriate.

Ninth, the recent hearings elicited information to the effect that there was a lack of a uniform bidding system between the prime contractors and the subcontractors. One small general contractor indicated that at Cape Canaveral there was no way of knowing who was the low bidder, what the other bids were, who was awarded the bid until it was seen that the work actually commenced, and that there was no formal advertising of bids nor formal bid-opening procedures. While the prime contractors should be able to decide which work may be subcontracted and which may be done by its own employees, the aforementioned practice should be immediately remedied, and I suggest that both the Army Corps of Engineers and the Air Force, in their respective positions of administering their contracts, promptly initiate uniform and fair practices in this regard.

Tenth, the subcommittee also heard testimony to the effect that there was no particular standard requirement as to whether an Air Force administrative contracting officer attended a specialized training program in the administrative contractual field. It is readily apparent that the people who administer these programs have the highest degree of skill possible and it seems, therefore, that as an absolute minimum each administrative contracting officer attend the Air Force school, or its Army equivalent, in this field. The magnitude of the contracts and the complications surrounding the administering of them make it of paramount importance that the contract officers are as well equipped for their job as is humanly possible. Additionally, I feel it is important that the labor relations advisers, employed by both the Corps of Engineers and the Air Force, possess as high a degree of skill as can possibly be obtained within the bounds of reasonable economics.

Eleventh, I feel that in the general field of contracts and the performance of work agreements between management and labor, the subcomittee has found a large number of discriminatory labor agreements and that, henceforth, all parties, including the Army Corps of Engineers and the Air Force, view with caution any agreements which tend to place a higher wage rate on work performed on a missile base or other defense facility with work immediately off of such a project. In addition, the travel time which has arbitrarily been placed in many of these agreements seems to have been done frequently without justification. Future negotiations and renegotiations of these agreements should bear these facts in mind, with the realization that such discriminatory costs are ultimately borne by the Federal Government. The ultimate responsibility for the proper performance of these contracts lier with the Department of Defense and it is incumbent upon the Secretary of Defense that a general "beefing up" of the administration of such contracts be accomplished immediately. A contractors' and subcontractors' time and progress report system should be introduced, taking into consideration the contingencies of change orders. Proper supervision of the performance of the contract on the part of the subcontractors, the contractors, and the Department of Defense is of the utmost importance. The type of contract "with teeth in it," such as is utilized by the Federal Bureau of Public Roads, should be carefully studied and utilized where appropriate. I intend to communicate these recommendations in the contractual field to the Secretary of Defense and I will ask for a report on the type of action taken on them.

Twelfth, I feel that there are certain areas which the subcommittee has merely "scratched" in the broad field of lease-rentals. Mr. J. C. Cannady, cost analyst for Convair at Cape Canaveral, illustrated the added expense involved in this area when he testified that a private company had rented small tools to a Convair subcontractor at a figure of 200 percent to 300 percent above the original value in a 10-month period. He also stated that exorbitant house trailer field office rentals were being paid by these subcontractors, with the cost being passed on to Convair and other prime contractors, but, ultimately, to the Federal Government. This whole subject should be explored in much greater detail with the thought that either the subcontractor, prime contractor, or the Federal Government purchase, rather than rent, such equipment. Recapture clauses should certainly be considered an integral part of such lease-rentals.

Thirteenth, another field of management operation should be looked into by the staff of our subcommittee. This concerns the contractual relations between the prime and associate contractors and their subcontractors, and the subcontractors who, in turn, subcontract to other subcontractors. This becomes especially important where the cost-plus-fixed-fee type of contract is involved because the "pyramiding of the contracts," with the resultant number of fees which each subcontractor receives, becomes voluminous in number and expensive in nature. This is a second management area in which I feel that great savings could result if properly explored and detailed.

Fourteenth, I believe that the Secretary of Labor should take a more realistic look and make a more realistic appraisal of the classification of work as between heavy construction and building construction so that the higher building rates, with the usual accompanying travel pay, are not automatically applied. It has been demonstrated that a great amount of money can be saved in this area if the Department of Labor bases its classifications on the historical distinction between the two classifications when considering work in the missile program.

Fifteenth, I believe immediate attention should be given to the security aspects involved in this vital program. While the technicians and scientists who work on our missiles receive security clearance, this is not true of the thousands of workers who work on the base. I do not question the patriotism of the missile workers. However, it seems to me we have opened the door wide for potential sabotage because no security clearance is required for these workers, and it is not beyond the realm of possibility that the Communists could infiltrate people into these sensitive areas.

Lastly, I do not believe that the hearings which have been suspended should automatically result in the curtailment of the staff investigations which preceded them. A vivid example for the need to continue such investigations was demonstrated by a newspaper article, dated May 10, 1961, one day after the notice to suspend hearings was issued, to the effect that a construction union strike in Philadelphia had hit the Nation's missile-space effort. The walkout and subsequent picketing by 30 members of the Operating Engineers Union caused 800 other building trades workers to leave their jobs and to halt work on a $25 million high priority space simulator project at General Electric's Valley Forge Space Technology Center. Also, the day after our hearings were suspended, 15 millwrights walked off their job on the high priority Saturn complex at Cape Canaveral. Others undoubtedly will follow until proper legislation is enacted to curb such abuses. It is significant to note that Mr. B. G. MacNabb, project manager for Convair at Cape Canaveral and one of the foremost missile experts in the country, stated during the hearings, "Since the day that members of your staff first came to Cape Canaveral to start the investigation in which we are now participating, there has not been a walkout of any kind at Cape Canaveral, and the best thing you can do is to keep the McClellan committee in session for the next 15 years or until we change the labor laws."

SENATE

THURSDAY, JUNE 22, 1961

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Almighty God, Father of all men, trusting only in Thy everlasting mercy would we seek Thy face. We lift the paeon of our gratitude for all the gentle and healing ministries which soothe our often jaded and troubled souls. We thank Thee for the bright gladness of the morning after Thou hast washed the earth with rain, for the melody of the birds, for the freedom of the wind, for the drifting clouds and for the poems we call trees and flowers.

Above all we are grateful for the tender touch of human love, for the selflessness of parents, the smiles and confidence of little children, the patience of teachers, the loyalty of friends, and the lofty integrity of public servants who pour out their dedication that our liberties may be preserved and exported to the ends of the earth.

Drawing refreshment from vineyards we did not plant, drinking at cisterns we did not dig, knowing the very freedoms for which we contend have been bought with a crimson price, make us eager in the supreme tests of these days of destiny to make our individual service part payment on an unpayable debt.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, June 21, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment,

the bill (S. 1342) to provide that participation by members of the National Guard in the reenactment of the Battle of First Manassas shall be held and considered to be full-time training duty under section 503 of title 32, United States Code, and for other purposes.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Antitrust and Monopoly Subcommittee of the Judiciary Committee was authorized to meet during the session of the Senate today.

On request of Mr. MANSFIELD, and by unanimous consent, the Committee on Post Office and Civil Service, the Subcommittee on Mines and Mining of the Committee on Interior and Insular Affairs, and the Committee on Finance were authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of the Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Dr. H. van Zile Hyde, of Maryland, to be the representative of the United States of America on the Executive Board of the World Health Organization.

The VICE PRESIDENT. If there be no further executive reports of committees, the nominations on the Executive Calendar will be stated.

AMBASSADORS

The Chief Clerk proceeded to read sundry nominations of ambassadors.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc; and, without objection, they are confirmed.

U.S. ADVISORY COMMISSION ON INFORMATION

The Chief Clerk read the nomination of James Leonard Reinsch, of Georgia, to be a member of the U.S. Advisory Commission on Information.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON 1961 FEED GRAIN PROGRAM

A letter from the Secretary of Agriculture, transmitting, pursuant to law, a report on the 1961 feed grain program (with an accompanying report); to the Committee on Agriculture and Forestry.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Acting Administrator, General Services Administration, Washington, D.C., transmitting, pursuant to law, a report of the Archivist of the United States on a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON and Mr. CARLSON members of the committee on the part of the Senate.

PETITION

The VICE PRESIDENT laid before the Senate a resolution adopted by the Harris County, Tex., Council of Organizations, commenting favorably on the appointment of Woodrow Seals to be U.S. district attorney for the southern district of Texas, which was referred to the Committee on the Judiciary.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ROBERTSON (by request):

S. 2130. A bill to repeal certain obsolete provisions of law relating to the mints and assay offices, and for other purposes; and

S. 2131. A bill to dissolve the Federal Facilities Corporation, and for other purposes; to the Committee on Banking and Currency.

By Mr. METCALF (for himself and Mr. MANSFIELD):

S. 2132. A bill to approve the revised June 1957 reclassification of land of the Fort Shaw division of the Sun River project, Montana, and to authorize the modification of the repayment contract with Fort Shaw Irrigation District; to the Committee on Interior and Insular Affairs.

By Mr. McCARTHY:

S. 2133. A bill to continue until the close of June 30, 1962, the suspension of duties on metal scrap, and for other purposes; to the Committee on Finance.

By Mr. MUNDT (for himself, Mr. MCCLELLAN, Mr. THURMOND, Mr. SCHOEPPEL, Mr. BENNETT, Mr. EASTLAND, and Mr. CASE of South Dakota):

S. 2134. A bill to strengthen democratic processes within labor organizations respecting the calling of strikes, to protect union members against unjustifiable pay losses from strikes, to protect employers from needless production interruptions arising out of strikes contrary to the wishes of union members, to minimize industrial strife interfering with the flow of commerce, and to promote the growth of the Nation's economy through reducing economic waste by providing for an impartial secret strike vote; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. MUNDT when he introduced the above bill, which appear under a separate heading.)

By Mr. WILLIAMS of New Jersey (for himself and Mr. JAVITS):

S. 2135. A bill to authorize the Securities and Exchange Commission to delegate certain functions; to the Committee on Banking and Currency.

(See the remarks of Mr. WILLIAMS of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. JAVITS:

S. 2136. A bill for the relief of Melville Moritz and Caroline M. Newmark; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 2137. A bill for the relief of Jim Anas and Olga Anas; to the Committee on the Judiciary.

By Mr. BURDICK:

S. 2138. A bill to provide that a greater percentage of the income from lands administered by the Fish and Wildlife Service of the Department of the Interior be returned to the counties in which such lands are situated; to the Committee on Commerce.

By Mr. SCOTT:

S.J. Res. 109. Joint resolution to authorize the President to proclaim April 6 of each year as National Peary Day; to the Committee on the Judiciary.

(See the remarks of Mr. SCOTT when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. SMITH of Massachusetts:

S.J. Res. 110. Joint resolution authorizing the President of the United States to proclaim the period from October 22, 1961, through October 28, 1961, as National Gifted Child Week; to the Committee on the Judiciary.

(See the remarks of Mr. SMITH of Massachusetts when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTIONS

U.S. POLICY REGARDING BERLIN

Mr. JAVITS submitted a resolution (S. Res. 164) expressing the sense of the Senate with respect to U.S. policy re-

garding Berlin, which was referred to the Committee on Foreign Relations.

(See the above resolution printed in full when submitted by Mr. JAVITS, which appears under a separate heading.)

PRINTING OF "THE CONSTITUTION OF THE UNITED STATES OF AMERICA, APPROVED BY THE CONTINENTAL CONGRESS," ETC., AS A SENATE DOCUMENT

Mr. SALTONSTALL submitted the following resolution (S. Res. 165), which was referred to the Committee on Rules and Administration:

Resolved, That the revision of the document entitled "The Constitution of the United States of America, Approved by the Continental Congress, Transmitted to State Legislatures for Ratification and Ratified by Conventions of the Original Thirteen States, Literal Print. Historical Notes by Denys P. Myers" (Senate Document Numbered 126, Eighty-third Congress, second session), by Denys P. Myers be printed as a Senate document.

PROPOSED REORGANIZATION OF THE SECURITIES AND EXCHANGE COMMISSION

Mr. WILLIAMS of New Jersey. Mr. President, for myself and the Senator from New York [Mr. JAVITS], I introduce, for appropriate reference, a bill to effect certain changes in the organization of the Securities and Exchange Commission. The language of this bill is in large part substantially that of the Reorganization Plan No. 1 which was rejected by the Senate yesterday when Senators voted to uphold the resolution of disapproval entered against the plan. The purpose of this proposed legislation is to meet the two major objections voiced in Senate debate yesterday, while at the same time allowing the Securities and Exchange Commission to delegate a wide range of functions which would go far toward allowing the Commission to make the best and most productive use of their time.

This bill would allow the Commission to delegate that wide range of functions which are named in the reorganization plan with the proviso that the rule-making power cannot be so delegated. In addition this proposed legislation would make provision for appeal if one Commissioner so requested or if it can be demonstrated that any person coming before the Commission has suffered legal wrong or been aggrieved by Commission action.

It seems to me that this proposed legislation would extend the broadest possible grant of authority to the Commission, in determining its organization and operation, while yet taking into account those reservations about plan No. 1 expressed in the Senate yesterday.

It is my hope that hearings may be held promptly on this proposed legislation and that it may be moved to the Senate during this session.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD at this point.

The bill (S. 2135) to authorize the Securities and Exchange Commission to delegate certain functions, introduced by Mr. WILLIAMS of New Jersey (for himself and Mr. JAVITS), was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in addition to its existing authority, the Securities and Exchange Commission, hereinafter referred to as the "Commission", shall have the authority to delegate, by published order or rule, any of its functions to a division of the Commission, an individual Commissioner, a hearing examiner, or an employee or employee board, including functions with respect to hearing, determining, ordering, certifying, reporting or otherwise acting as to any work, business, or matter: *Provided, however*, That nothing herein contained shall be deemed to supersede the provisions of section 7(a) of the Administrative Procedure Act of 1946 (60 Stat. 241), as amended: *And provided further*, That nothing herein contained shall be deemed to authorize the delegation of the function of rulemaking as defined in the Administrative Procedure Act of 1946, as amended.

(b) With respect to the delegation of any of its functions, as provided in subsection (a) of this section, the Commission shall retain a discretionary right to review the action of any such division of the Commission, individual Commissioner, hearing examiner, employee or employee board, upon its own initiative or upon petition of a party to or an intervenor in such action, within such time and in such manner as the Commission shall by rule prescribe: *Provided, however*, That the vote of one member of the Commission shall be sufficient to bring any such action before the Commission for review: *And provided further*, That any person suffering legal wrong because of any agency action, or aggrieved by such action within the meaning of any relevant statute, shall be entitled to review thereof by the Commission.

(c) Should the right to exercise such review be declined, or should no such review be sought within the time stated in the rules promulgated by the Commission, the action of any such division of the Commission, individual Commissioner, hearing examiner, employee or employee board, shall, for all purposes, including appeal or review thereof, be deemed the action of the Commission.

SEC. 2. In addition to the functions transferred by the provisions of Reorganization Plan No. 10 of 1950 (64 Stat. 1265), there are hereby transferred from the Commission to the Chairman of the Commission the functions of the Commission with respect to the assignment of Commission personnel, including Commissioners, to perform such functions as may have been delegated by the Commission to Commission personnel, including Commissioners, pursuant to section 1.

DESIGNATION OF NATIONAL PEARY DAY

Mr. SCOTT. Mr. President, earlier today I introduced proposed legislation to authorize the President to proclaim April 6 of each year as National Peary Day, in honor of the great naval officer and celebrated explorer who discovered the North Pole.

Adm. Robert E. Peary was born in Cresson, Pa., on May 6, 1856. He graduated from Bowdoin College in 1877, became a surveyor, and then worked for the Coast and Geodetic Survey. He later joined the Corps of Civil Engineers of the Navy.

This man, who was to become world-famous for his polar work, actually undertook his first major project for the Navy in the tropics, when he was director of the Nicaragua ship canal survey.

In 1886, at age 30, he started exploring parts of Greenland; and in 1891 the Philadelphia Academy of Natural Sciences put him in charge of a polar expedition. From then until he was 52 years old, his life centered around exploration in the cold northern latitudes.

Admiral Peary began his first try for the North Pole in 1893. In subsequent tries, he got closer and closer. Finally, in 1908, his ship, the *Roosevelt*, pushed to a record latitude of 82°30' N. Supplies then were sledged to Cape Columbia, 90 miles to the northwestward. From that cape, a party of 7 Americans and 17 Eskimos, equipped with 133 dogs and 19 sledges, began the dash over sea ice for the pole. From time to time, Peary sent back the more wornout sections of his team.

On April 6, 1909, Admiral Peary, Matthew Henson—a Negro—and four Eskimos arrived with their dog teams and sleds at the Pole. There they remained for 30 hours, taking observations and soundings; and then they returned safely to civilization.

Admiral Peary, who died in 1920, has left us with a tradition of courage that is worthy of commemoration. I urge that the Congress encourage the President to establish a National Peary Day in honor of the man and of the tradition.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 109) to authorize the President to proclaim April 6 of each year as National Peary Day, introduced by Mr. SCOTT, was received, read twice by its title, and referred to the Committee on the Judiciary.

DESIGNATION OF NATIONAL GIFTED CHILD WEEK

Mr. SMITH of Massachusetts. Mr. President, I introduce for appropriate reference, a joint resolution to authorize the President to proclaim the period from October 22, 1961, through October 28, 1961, as National Gifted Child Week.

The United States is today faced with the necessity of mobilizing all its resources to strengthen its position as leader of the free world. This country has utilized many resources to attain its present position. But one, the minds of our gifted children, has been sadly neglected.

We have spent much badly needed effort in the 20th century conserving and rehabilitating the natural resources we once so flagrantly wasted.

But this same type of waste still goes on among our finest human resources, our gifted children.

It is difficult to state this statistically because there is no rule for defining gifted children. It is known that 1,950,000 of the Nation's 30 million schoolchildren have IQ's over 125. It has been estimated, furthermore, that of the academically talented one-tenth never graduated from high school, about one-third never enter college, and about half do not graduate from college. The National Education Association and the National Manpower Council feel that 400,000 bright children each year are being denied a chance to develop their potential. This is a tragic waste of talent. And it comes at a time when this country can least afford it.

We have made some progress on this problem. Programs to provide additional or specialized training for gifted students have been set up in all parts of the country. In my own State, a variety of these programs have been undertaken by towns such as Bedford, Needham, Newton, Bracut, and Brockton. Special classes for gifted children were set up in Brockton as early as 1940.

Yet the State commissioner, Mr. Owen B. Kiernan, wrote me recently that—

> Although some of our school systems in the Commonwealth are * * * operating excellent programs * * * in general, too little has been done.

And I am sure this holds true in other States.

Foundations such as the Carnegie Corp., sponsor of the Inter-University Committee on the Superior Student, have sponsored projects and made grants to alleviate this problem. The State governments have also helped. Eight States including California, Kansas, Minnesota, New York, Oregon, Pennsylvania, Washington, and North Carolina have passed special legislation with provisions for the gifted while 10 others have investigated the problem and decided that their present laws allow them to deal with it satisfactorily.

My own State of Massachusetts has set up a commission on the academically talented to study the situation.

Some recognition has also been given to this problem on the Federal level in the form of the national merit scholarship program. Representative GREEN has proposed legislation to provide Presidential awards for academic excellence.

More, however, must be done on all levels of both public and private life, to create a nationwide awareness of this problem. Coordinated programs must be prepared to recognize gifted children at a very early age and to supply them with continual encouragement and challenging work from the beginning of grade school through high school, college, and beyond if necessary.

There should be effective guidance counseling available for these students wherever they are. Often a spark of interest from a teacher will motivate a talented student toward further education who might otherwise drop out of school or never go to college.

I ask, then, that in the interest of increasing public awareness of this problem and of awakening the American people to the tragic waste of resources which badly or half educated gifted students represent, that the President of the United States proclaim the period of October 22, 1961, through October 28, 1961, as National Gifted Child Week.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 110) authorizing the President of the United States to proclaim the period from October 22, 1961, through October 28, 1961, as National Gifted Child Week, introduced by Mr. SMITH of Massachusetts, was received, read twice by its title, and referred to the Committee on the Judiciary.

ECONOMIC AND SOCIAL DEVELOPMENT OF PEOPLES OF THE WORLD—AMENDMENT

Mr. WILLIAMS of Delaware submitted an amendment, intended to be proposed by him, to the bill (S. 1983) to promote the foreign policy, security, and general welfare of the United States by assisting peoples of the world in their efforts toward economic and social development and internal and external security, and for other purposes, which was referred to the Committee on Foreign Relations and ordered to be printed.

IMPROVEMENT OF BENEFITS UNDER OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE PROGRAM—AMENDMENT

Mr. JAVITS (for himself, Mr. COOPER, Mr. SCOTT, Mr. AIKEN, Mr. FONG, Mr. COTTON, Mr. KEATING, Mr. KUCHEL, Mr. PROUTY, and Mr. SALTONSTALL) submitted an amendment, intended to be proposed by them, jointly, to the bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes, which was ordered to lie on the table and to be printed.

EMPLOYMENT SECURITY AMENDMENTS OF 1961—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of June 15, 1961, the names of Senators GRUENING, HUMPHREY, CLARK, METCALF, CASE of New Jersey, MCGEE, HART, BARTLETT, YOUNG of Ohio, ENGLE, JAVITS, and PELL were added as additional cosponsors of the bill (S. 2084) to provide for the establishment of a permanent program of additional unemployment compensation, to provide for equalization grants, to extend coverage of the unemployment compensation program, to establish Federal requirements with respect to the weekly benefit amount and limit the tax credits available to employers in a State which does not meet such requirements, to establish a Federal requirement prohibiting States from denying compensation to workers undergoing occupational training or retraining and deny tax credits to employers in a State which does not meet such requirement, to increase the wage base for the Federal unemployment tax, to increase the rate of the Federal unemployment tax, to establish a Federal additional compensation and equalization account in the unemployment trust fund, and for other purposes, introduced by Mr. MCCARTHY on June 15, 1961.

NOTICE OF CHANGE IN TIME FOR HEARING ON NOMINATION OF ROGER J. KILEY TO BE U.S. CIRCUIT JUDGE FOR THE SEVENTH CIRCUIT

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary I wish to announce that the hearing scheduled on the nomination of Roger J. Kiley, of Illinois, to be U.S. circuit judge, seventh circuit, vice W. Lynn Parkinson, deceased, for Tuesday, June 27, 1961, at 10:30 a.m., has been rescheduled for 11:30 a.m., on the same day, in room 2228, New Senate Office Building.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, is morning business concluded?

The VICE PRESIDENT. Is there further morning business? If not, morning business is closed.

TAX RATE EXTENSION ACT OF 1961

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of the unfinished business, House bill 7446.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate resumed the consideration of the bill (H.R. 7446) to provide a 1-year extension of the existing corporate normal tax rate and of certain excise-tax rates.

AMERICA'S LUNAR ADVENTURE

Mr. JACKSON. Mr. President, on June 13, 1961, Trevor Gardner delivered a speech before the joint Institute of the Aerospace Sciences-American Rocket Society meeting in Los Angeles. The subject of the speech was "America's Lunar Adventure." I believe Members of the Congress will find this a stimulating statement, sure to provoke discussion and debate in this vital area.

Mr. Gardner, who is chairman of the board and president of the Hycon Manufacturing Co., served as Assistant Secretary of the Air Force for Research and Development from 1953 to 1956. He has been Chairman of the Air Force Space Study Committee since October 10, 1960,

and is a member of President Kennedy's Space Task Force.

I ask unanimous consent that the text of this speech be printed at this point in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

AMERICA'S LUNAR ADVENTURE

(By Trevor Gardner)

Achievements in space have created a new international index of our Nation's position in world leadership. Our allies, the uncommitted nations, and the emerging new nations watch this index. The U.S.S.R. clearly recognizes this fact. The President of the United States also clearly recognizes this fact. He has recommended to the Congress that the United States establish a major national goal of landing a man on the moon and returning him safely to earth before the end of this decade.

What is not clear, however, is that the urgency and implications of achieving this goal are understood and accepted by all Americans. The total reaction of the United States to the challenge and opportunity of space in the 3½ years since Sputnik I has been a sad and repetitious story of too little, too late. It is true that we have achieved some scientific and military progress but not enough to prevent great damage to our image of world leadership. Our recent successes do not materially alter these facts.

Unfortunately, our society has a consistent record of having underimagined the possibilities of the technological future, and of having underreacted to the ominous significance of Soviet technological and military progress—in nuclear and thermonuclear weapons, in military aviation, in intercontinental missiles, and in space developments. The President's proposal for our future in space is a dramatic, necessary and timely reversal of this trend. He now offers us the leadership and the opportunity to erase the familiar phrase, "we are behind," from the blackboard of time.

On May 25, 1961, in a special message on urgent national needs, the President requested the Congress to provide funds necessary to achieve a new national goal which he described as follows:

"I believe that this Nation should commit itself to achieving the goal, before this decade is out, of landing a man on the moon and returning him safely to the earth. No single space project in this period will be more impressive to mankind, or more important for the long-range exploration of space; and none will be so difficult or expensive to accomplish."

He further said: "Let it be clear—and this is a judgment which the Members of Congress must finally make—let it be clear that I am asking the Congress and the country to accept a firm commitment to a new course of action—a course which will last for many years and carry very heavy costs of $531 million in fiscal 1962—an estimated $7 to $9 billion additional over the next 5 years. If we are to go only half way, or reduce our sights in the face of difficulty, in my judgment it would be better not to go at all."

This daring and courageous commitment by the President and his request for support by the people and the Congress is a clear recognition of the fact that in the field of science and technology a mortal struggle for supremacy and survival has long been in progress. This decision in the nuclear space age is a haunting echo of a similar decision made by another President of the United States in a world at war in the manned aircraft—gunpowder age—the decision of Franklin Delano Roosevelt to request the Congress for authority to build 50,000 planes a year to meet the Nazi horror. Throughout the detailed language of his proposal, President Kennedy provides us with renewed hope, confidence and conviction that it is America's purpose to lead in the technological race in space.

It is my purpose today to explore with you the motivations, the costs, the degree of difficulty and the benefits and needs resulting from a national commitment to an accelerated program for an early lunar landing and return.

U.S. BACKGROUND IN SPACE ACTIVITIES

We all remember October 5, 1957—the day that the Soviet Sputnik I awakened the world to the dawn of the space age. The reaction of many of our elected and appointed officials was confused and fragmentary. We were alarmed at President Eisenhower's casual reaction to Sputnik I: "It doesn't bother me one iota." Sputnik I was called "a bauble" and we were admonished not to compete in a space age basketball game.

However, America's future in space had been assured by the Air Force intercontinental ballistic missile program under the leadership of Dr. John von Neumann, General Schriever, and Dr. Simon Ramo, and by the Army's Redstone program, under the leadership of Dr. von Braun. Many of us who had been associated with the ICBM development program since early 1953 had strong convictions that this first family of space vehicles was the immediate answer to Sputnik I and would add greatly to America's nuclear deterrent strength.

We were exultant when, on December 17, 1957 (just a little over 3 years from the date of acceleration of this project), America's first operational intercontinental ballistic missile flew to full range and landed in the waters of the South Atlantic. Since then, the ballistic missile portion of our space activities has continued with phenomenal success. It now provides our Nation with a vastly increased retaliatory power. Our military program also provides over 90 percent of the support for our civilian space experiments.

Our history in other space developments has been characterized and constrained by a cautious, unimaginative approach—symbolized by the lack of development of big boosters. Even though President Eisenhower later clarified his meaning of the word "iota" by recommending a billion dollar space budget to the Congress, we still continued to lag far behind the Soviets in the development of the propulsion systems needed for the conquest of space. Our active and articulate budget planners crippled and halted this development until finally in November 1960, under heavy pressure from the Congress, the President added sufficient funds to make a small beginning in the large chemical booster field, and a minuscule beginning in the nuclear propulsion field.

The fact still remains that we cannot talk, rationalize, or organize our way into space. We have to boost our way into space with a broad based and imaginative liquid, solid, and nuclear crash program in this field. This is the central and immediate technical urgency of the President's program.

Many of our military planners and scientists are opposed, for a variety of substantive and philosophical reasons, to committing the Nation to a space race with the U.S.S.R. This has resulted not only in a drastic limitation on the scale and scope of our planning for space experiments and space exploration, but also has resulted in a serious limitation on military space developments. Even after the U.S.S.R. has repeatedly demonstrated their ability to orbit a 10,000 pound satellite and land it at a time and place of their choosing, we still have no active satellite defense program beyond the paper planning stage.

PUBLIC REACTION

I believe the general public reaction to the President's decision has been affirmative. However, the phenomenal success of the NASA suborbital flight experiment involving Commander Shepard has tended to lull us into a state of relaxed euphoria concerning America's overall position in the space race. This could prevent a complete endorsement of the President's proposal by the Congress.

The Gallup poll taken just before the President's message to Congress, states that only 33 percent of the population were clearly in favor of a major lunar program. The question asked in the Gallup poll was:

"It has been estimated that it will cost the United States roughly $40 billion total, or an approximate average of $225 per person, to send a man to the moon. Would you like to see this amount spent for this purpose?"

The results were: Yes, 33 percent; no, 58 percent; no opinion, 9 percent.

These results were published after the President's speech as though they were a reaction to it. They were also based upon the false premise that the lunar project would cost $40 billion while the President's message asked for $7 to $9 billion additional over the next 5 years. In addition to the Gallup poll, a number of newspaper commentators have questioned the benefits and wisdom of the project while overestimating the possible cost.

Fortunately, many members of the press understand that the lunar mission is a sensible national space goal since it is a space objective which we will achieve in time in any case and which, by being well planned and placed upon an urgent time schedule, can accelerate progress in vast areas of science and technology having civilian as well as vital military importance. In addition, it is well recognized that achieving the lunar landing after the U.S.S.R. would seriously damage our prestige throughout the world.

MATERIAL BENEFITS FROM LUNAR INVESTMENT

It is important that we understand the general value of lunar exploration so that it will be manifestly clear we are not just buying a stunt for many billions of dollars, but rather are undertaking the first in a series of events which will have a profound effect upon the course of human history. It is entirely possible that in two or three decades, the scientific, economic, and technological and military importance of the moon will cause us to conside it as valuable as certain pieces of real estate on earth over which major wars have been fought or over which disputes are presently pending. It is not too fanciful to believe that in 1981, we will consider the moon more valuable than the Ruhr Valley, or Korea, or Laos, or Berlin. Certainly, in 1961, to some scientists and all lovers, the moon is already far more important than was the purchase of Louisiana or the purchase of Alaska.

The lunar project is a natural focus for vast space activity. In order to achieve a manned lunar landing and return, certain basic space capabilities must be developed. These are the same capabilities which are required for a large-scale military, scientific and technological utilization of space. They are principally:

1. Ability to orbit, maneuver, rendezvous, deorbit, reenter and land.

2. The building of space stations and the support of manned occupancy.

3. Sustained manned space flight.

4. Guidance, navigation, and communications systems necessary for large-scale space operations.

5. Development of standardized launching techniques and launch vehicles. This will greatly decrease cost of space operations.

All of these capabilities are military necessities and vital to our national security.

The lunar project will automatically result in the early attainment of certain achievements, some of which may be firsts—most of which will have high prestige value. They are:

1. Sustained manned orbital flight, and controlled reentry.
2. Demonstration of rendezvous with physical contact.
3. Use of men in space suits working outside of orbiting space vehicles.
4. Detailed high resolution photography of lunar surface.
5. Unmanned lunar soft landing.
6. Unmanned lunar soft landing with lunar surface samples returned to earth.
7. Manned circumlunar flight.

The capabilities needed for the lunar mission provide the basis for true scientific space exploration. The accelerated lunar project will increase the rate at which scientific information is obtained from a study of the moon's environment surface and subsurface. The surface environment of the moon, while hostile, is quite unique and makes the surface of the moon valuable as a base for scientific observations other than the study of the moon itself. A lunar scientific laboratory will be an invaluable resource for increasing man's knowledge of the universe.

It is difficult to assess the technological or economic value of the moon. In general, certain properties of the moon appear likely to be of significant importance in the expansion of our technology:

1. Low surface gravity—of particular importance for using the moon as a base for space operations.
2. Near vacuum conditions—important for space operations and vacuum technology.

Technological possibilities that may exist are:

1. The placement of masses of rocket propellant, produced on the moon, in various orbits crossing cislunar space as a means of drastically reducing the cost of space operations.
2. Construction of very large, high current particle accelerators on the moon's surface, for large scale production of isotopes, including plutonium and U–233.
3. Large scale production of new materials requiring near vacuum pressures for production.
4. Construction of space vehicles for very large scale exploration of deep space.

A variety of general benefits will result from space operations and the accelerated technology resulting therefrom. Service satellites will render new services to the entire world. These services are: improved meteorological information; navigation; public communication; international television; arms control communications; scientific experiments such as instrumented deep space probes or a manned or unmanned satellite observatory.

Already in the process of exploring outer space, many practical byproducts of scientific and technological research have emerged. More are on the way. These range from infrared food blanching, to woven stainless steel cloth and advanced transistors.

The new power sources being developed for space use already seem to have many applications on earth. In the not too distant future, our ability to use and store solar energy and to build small nuclear power supplies will find applications on earth. Additional examples are protective clothing; improved plastic fabrics; more efficient and longer lived lubricants; stronger and more versatile adhesives. The earthly byproducts of the lunar adventure will clearly be numerous. Their value to mankind, while now only dimly envisioned, may alone justify the cost.

COST OF LUNAR PROGRAM

Cost estimates for this project having a reasonable degree of reliability are impossible at this time. A variety of estimates exist. Cost is affected by the choice of propulsion system, option to stage from satellites, the number of passengers to be carried in the first expedition, and the number of miscalculations or mistakes which we make. Estimates made by responsible individuals and groups have ranged from $3 billion to approximately $10 billion. Other responsible individuals and groups, who have studied the subject only in a cursory manner, have tended to double or quadruple these estimates.

It seems more probable that the lunar landing and return mission can be accomplished for approximately $10 billion, rather than $40 billion. It should be noted that we are already proceeding with a military and civilian space program which spends approximately $2 billion per year. It may well be that these funds will be spent more efficiently as a result of the focus on the lunar mission. The opportunities, challenges, and demands of the space era appear to require a $5-billion-a-year civilian and military space program by about fiscal 1964.

These sums seem large, but for a Nation whose gross national product is $500 billion plus, it is approximately 1 percent of the GNP. This covers not only the downpayment but also the progress payments required to reach into this vast New Frontier at a rate limited only by the imagination and genius of our scientists, technologists, and managers.

Perhaps a more relevant observation is that a nation which spends some $40 billion a year for amusements, and some $11 billion a year on advertising of its amusements and products, clearly has the resources to support a major space program. By no stretch of the imagination or amount of prejudging can be argued that a major space program is a more trivial enterprise or one less certain to produce lasting satisfactions than either of these "sinks" for our excess energy and wealth.

We should clearly recognize that our investment in space activities has to be additive to our investment in other areas of national security, such as Polaris missiles, intercontinental ballistic missiles, limited war forces, foreign aid, strategic nuclear airpower, anti-ICBM, and space defense systems. This is the unhappy but basic reality of our time.

DEGREE OF DIFFICULTY OF LUNAR PROGRAM

There is little reason for being appalled by the sheer magnitude of the effort required to develop a major space exploration capability. Many examples exist in history of massive endeavors which were very much more prodigal and consumed a far greater fraction of available energy and resources than will be required in the proposed lunar program. Some of these are the construction of the pyramids of Egypt, the Great Wall of China, the cathedrals and monastic buildings of the Middle Ages, and even prehistoric examples such as the great constructs in Brittainy. Compared to such historic endeavors, manned lunar bases, manned artificial satellites, and exploration of the moon and planets will probably require less total human energy but will yield immensely greater benefits and satisfactions to mankind.

Compared with the major explorations of history, it is clear that the exploration of the moon, and later the planets, will dwarf all others—the great military explorations of Alexander the Great, Hannibal, Caesar, and Genghis Khan, as well as the civilian explorations of Columbus, Cabot, Darwin, and Amundsen.

None of the recent scientific and technological enterprises—atomic bomb, hydrogen bomb, nuclear powered submarine, Polaris submarine, liquid ICBM and Minuteman—compare in magnitude and complexity with the proposed lunar program. It is for this reason that the President has specified that we must marshal our scientific and technological resources and manage them with great skill in order to achieve success on a schedule which the ingenuity of the scientists of the U.S.S.R. has already established for us.

In this connection, we should recall the inadequacy of the planning, funding, and execution of our first space satellite, Project Vanguard. It is painful now to recall the prestige cost of the repeated failures of this, our first venture into space. We dare not permit a repeat performance in our lunar adventure.

MANAGEMENT AND ORGANIZATION OF THE LUNAR PROGRAM

The paramount need of the accelerated lunar program was the President's decision to proceed. This decision, when approved by the Congress, will quickly result in a chain reaction of urgencies which must be satisfied. Underlying all of these, there is the necessity, not only to succeed in an extremely difficult task, but to succeed ahead of the U.S.S.R. Since our society is an open one, and since the Soviets do not seem likely to join with us in an international lunar program, they will have two principal advantages should they select an early lunar landing as their objective. These are:

1. Their important lead in large boosters, and
2. Their Iron Curtain secrecy.

The concept of concurrency so well developed in the Atlas, Titan, and Minuteman, will have to be exploited to the fullest. It will be necessary to embark upon parallel approaches to many problems. Management will have to be alert that duplication is purposeful and not wasteful, but duplication to "buy time" will be required.

Because of the international interest in this massive national adventure, the support of the American people and of congressional committees is of the utmost importance. In the past, congressional committees have greatly assisted executive management in the execution of difficult tasks. This pattern must be repeated in the case of the lunar program. A special lunar exploration joint committee of the Congress seems warranted.

The degree of difficulty of the problem forces immediate concern with the vital details of the precise management techniques, management organization, and quality of scientific personnel which the Government will select for execution of the program. This management problem cannot be deferred or submerged by our complicated and separate space and missile organizations. The President and the program deserve the best. The country must demand it.

Only the most streamlined management channels, centralization of authority (technical, operational, and procurement), absence of "kibitzing" by ad hoc groups, and the application of our proven management resources developed in the nuclear and missile programs, can insure success.

While undoubtedly the program will develop a new group of scientists and managers of unique competence, my general confidence level in the project would be increased if I knew that the management talents of professionals with a record of success on technically difficult programs will be fully utilized. For example, the program is vital enough to fully utilize the training, experience, and genius of both such men as Gen. Bernard A. Schriever and Adm. "Red" Raborn. Scientifically, the problem is complex enough to warrant the best talents of the late greats Dr. John von Neumann, Dr. Albert Einstein, and Dr. Enrico Fermi. We must seek out their living counterparts for this program.

We must architect the management structure and its scientific, military and industrial support with the most sensitive artistry. Otherwise, we may find ourselves

in the position that we would have been in had we tried to invent the atomic bomb with just the bureaucratic entity of the Atomic Energy Commission, devoid of the wisdom, intellectual leadership, and dedication of Oppenheimer, Einstein, Fermi, Kistiakowsky, Bethe, Teller, Szillard, Lauritsen, Von Neumann and Ulam.

DEPTH OF THE RUSSIAN TECHNOLOGICAL CHALLENGE

The Soviet space program is a direct challenge to the security and prestige of this Nation:

1. In the organization of the Nation's resources to seize opportunity in the new fields of human endeavor created by the scientific revolution.

2. In the selection and achievement of national objectives.

3. In the race for leadership in ICBMs and space technology.

4. In the international competition for technological stature.

Using a vigorous program of space activities as a backdrop, the U.S.S.R. seeks to demonstrate that their political and economic system is superior to ours; that their military capability is superior to ours; and that the power and vitality of the Communist state is superior to ours. President Kennedy's space program, as proposed to the Congress on May 25, 1961, is our Nation's answer to the Soviet challenge.

Those of us assembled here today will play a large part in determining for our society the vitality of the response it can generate when so challenged. A watching world will assess the quality of our performance.

TRIBUTE TO MORRIS E. JACOBS

Mr. DIRKSEN. Mr. President, on Wednesday, May 24, the Omaha chapter of the National Conference of Christians and Jews honored Morris E. Jacobs, at its citation banquet, for his leadership, his philanthropy, his service to mankind, and for his interest in civic affairs. The citation is in itself a glowing tribute to Mr. Jacobs, and I ask unanimous consent to have it made a part of my remarks.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

THE NATIONAL CONFERENCE OF CHRISTIANS AND JEWS, DEDICATED TO THE PROMOTION OF JUSTICE, AMITY, UNDERSTANDING, AND COOPERATION AMONGST MEN OF ALL RELIGIONS AND RACES, CITES MORRIS E. JACOBS, COMMUNITY LEADER, PHILANTHROPIST, CIVIC PACE SETTER, AND EXEMPLAR OF SERVICE

Morris Elias Jacobs lives by this philosophy: "We must pay rent for the space we occupy on this earth. We pay this rent by our service to our community, our State, and our Nation * * * and to God through the religion of our choice."

Morris Jacobs is dedicated to this philosophy. He practices it today just as he has every day of his life. And he has paid his rent; Morris Jacobs has known success.

In business, he has risen from a newsboy on a corner to the head of one of the Nation's leading advertising and public relations agencies. Socially, he has been named King of Ak-Sar-Ben, Omaha's highest social distinction. In civic affairs, practically every Omahan would concede him the title of "first citizen." He is listed in "Who's Who in America" as well as "Who's Who" volumes on advertising, American Jewry, Nebraska, and commerce and industry.

But fame and fortune are only byproducts of Morris Jacobs' principal occupation of paying rent for the space he occupies on earth. Described as a "human dynamo" by friends and colleagues, by clients and employees, he maintains what seems an almost impossible schedule of public service activities. The list of his civic and welfare work runs for eight typewritten pages. Awards in recognition of his service to the brotherhood of man line the walls of his office. His philanthropic assistance to humanity knows no boundaries. Morris Jacobs is the only Jew in the United States who is on the board of regents of two Catholic universities, Creighton and St. Joseph's College of Indiana.

He has been honored by the Y.M.C.A., the Omaha Community Chest, Sister Elizabeth Kenny Foundation, Greek War Relief Association, American Legion, War Production Board, Strategic Air Command, Omaha Education Association, University of Nebraska, Nebraska PTA, Associated Retailers of Omaha, Omaha Chamber of Commerce, the University of Missouri, Nebraska Wesleyan University, Nebraska State Teachers College, and Brandeis University * * * in recognition of his leadership and personal work in behalf of these organizations and institutions.

He is an honorary citizen of the State of Texas, the city of New Orleans, and Boys Town. The Beth Israel Synagogue awarded him its Citation Award for Outstanding Humanitarian Work; he received the B'nai B'rith Americanism Citation for Meritorious Service from the Henry Monsky Lodge No. 354. He has the scroll of honor from Temple Israel and a citation from the National Jewish Welfare Board.

Honor after honor are his and still he gives freely of himself, of his talent, his leadership, his inspiration. He gives money. He gives wisdom. He serves.

THE PRESIDENT'S FOREIGN-AID PROPOSALS

Mr. FULBRIGHT. Mr. President, some days ago Mr. Arthur Krock, of the New York Times, printed a column in which he discussed the content of certain of the President's foreign-aid proposals. His column raised a good many questions about the long-range borrowing authority granted in the pending legislation.

I asked the Secretary of the Treasury to give me the benefit of his comments on Mr. Krock's article. On June 19 Mr. Dillon wrote to me and stated:

As Secretary of the Treasury I am convinced that * * * the most efficient and least costly method of providing long-term development assistance would be by the use of borrowing authority.

I ask unanimous consent that Mr. Krock's column of June 9 and Mr. Dillon's letter to me of June 19 be printed in the body of the RECORD.

There being no objection, the article and letter were ordered to be printed in the RECORD, as follows:

HANDICAPS OF THE FOREIGN-AID PROPOSAL

(By Arthur Krock)

WASHINGTON, June 8.—The administration's foreign-aid program has come before Congress for approval in the most defensive position these proposals have ever occupied. The position is that of a large borrower who, despite very unsatisfactory tangible earnings, wants not only to renew his loan at the bank, but make it annually self-renewing for 5 years.

To get even the substantial assent of Congress, the administration will have to persuade it to do the following things:

1. Delegate to the Executive for 4 years, with an involvement of the sum of about $2 billion annually, its power of the purse, the greatest and most effective of the powers specifically and exclusively vested in Congress by the Constitution.

2. By this action put itself in the position where it can neither reduce nor withhold this $8 billion without (a) incurring the charge of breaking contract, (b) obliging the Executive to leave unfinished and in the lurch foreign-aid projects undertaken on long-term commitments, and (c) being held responsible for the international ill will this inevitably will incur.

3. Increase the already large amount of Treasury back-door borrowing by granting this authority to a Government agency whose previous record has bred deep distrust in Congress of its competence and the soundness of the policy it administers.

4. By this increase of funds which can be spent by Government agencies without applying for them to Congress year by year, further undermine the sound fiscal system which requires annual appropriations to be made with knowledge of anticipated revenue.

5. Do all this on the assurance of the administration that, given a long-term fund commitment, it can and will correct the administrative and personnel-created weaknesses of the foreign-aid programs under the three preceding Presidents, during which the sphere of influence of international communism has steadily expanded in the world.

Even if President Kennedy and his aides can accomplish these extraordinary persuasions, the requested foreign-aid fund of $4.8 billion for fiscal 1962, a rise of $800 million from President Eisenhower's request for fiscal 1961, will have to surmount more obstacles if Congress is substantially to approve it. These obstacles, which can be identified by the questions committee members are asking of Secretary of State Rusk, Secretary of the Treasury Dillon, and other administration advocates, have been created by the following conditions:

The apparently widespread conviction in the country is that, without new and more painful price inflation, the economy cannot furnish $7.3 billion more for foreign aid, and also finance the welfare measures urged by the President, plus the proposed vast outflow of other billions for space exploration and strengthened military defense. Growing support among the people for those Members of Congress and publicists who are demanding that the President choose a precise list of priorities, leaving the remainder, including a man moonlanding at a cost of $20 to $40 billion, for later and more gradual attainment.

The answers made by Cabinet witnesses thus far to the questions these attitudes inspired do not seem to have been very persuasive. The additional evidence of Soviet implacability supplied by the Vienna conversation between the President and Premier Khrushchev, in combination with the continued obstructions to a Lao settlement raised by Communist troops, and to a nuclear weapons treaty by Kremlin delegates at Geneva, weight the scales against rather than for the new foreign-aid program. Senator FULBRIGHT, long a stanch defender of the concept which the United States has spent more than $45 billion since 1946 in promoting, furnished the reason when he observed to Rusk a week ago that "events of the past year have cast serious doubts" on its effectiveness. And he would have had a sound basis for reaching further back into the record.

The apparent strength of the congressional resistance suggests that the President's chances of overcoming it depend on the skills, political and otherwise, with which he uses his tools of persuasion, since the tools themselves are merely reconditioned old ones. The kit includes a new and consolidated agency, reoriented on the principle of Mr. Truman's point 4, and

strings on the money to prevent its further employment to enrich the rich, buttress dictators, be wasted by the lazy and incompetent, and stolen by the corrupt.

THE SECRETARY OF THE TREASURY,
Washington, D.C., June 19, 1961.

Hon. J. W. FULBRIGHT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR FULBRIGHT: You have requested that I comment on Mr. Arthur Krock's recent column in the New York Times in which he discussed the content and congressional reception of the President's new foreign-aid proposals.

While it would be inappropriate for the Secretary of the Treasury to comment upon congressional reaction to the program, I would like to address myself to its financial aspects, with which I have a very direct concern.

Mr. Krock deals most extensively with the President's request for authority to borrow funds from the U.S. Treasury over a 5-year period. The funds so borrowed—amounting to $900 million in fiscal year 1962 and totaling $7.3 billion for the 5 years would be used to finance the long-term development lending part of the program—referred to by the President as "the single most important tool" of the program. These loans will be repayable entirely in dollars, on liberal terms. Mr. Krock states that the provision of "borrowing authority" would "further undermine the sound fiscal system," and would be a delegation by the Congress to the Executive of "its power of the purse." This, Mr. Krock implies, would fly in the face of the Constitution since the power of the purse is "specifically and exclusively vested in Congress by the Constitution." However, the Constitution does not specify how Congress shall make appropriations. Congress has often chosen to appropriate funds to the Executive by authorizing borrowing authority from the Treasury. This practice was initiated under President Hoover in 1932 and has been used continuously ever since. A total of about $100 billion has been provided in this way to finance the programs of over 20 Federal agencies including the Export-Import Bank, the Federal Savings and Loan Insurance Corporation, the St. Lawrence Seaway Development Corporation, the Economic Cooperation Administration, the Rural Electrification Administration, and other useful programs. It is clearly a prerogative of the Congress to choose the way in which it will provide funds. Ordinarily, it would seem appropriate for the Congress to choose the method which will insure the most effective use of the funds supplied.

Long-term financing authority is vital to the success of the program over time. The President has stated that: "Real progress in economic development cannot be achieved by annual, short-term dispensations of aid and uncertainty as to future intentions."

In my judgment, from my earlier experiences as Under Secretary of State, I have no doubt that the inability to make long-term commitments has diminished the effectiveness and increased the cost of the foreign-aid program. Without assurance of continuing support, there is less incentive for the developing countries to plan ahead adequately, to undertake the difficult reforms which are frequently basic to progress, and to adapt appropriate measures of self help. The assurance that assistance would be available should such measures be taken may often mean the difference between success and failure. Up until now, the United States has not been in a position to effectively stimulate and cooperate in basic reforms since it has not been able to give this assurance. The present system of annual funding has been likened by one commentator to the provision of a series of 4-foot ladders to rescue people in a burning multistory building.

It is regrettable that public understanding of the budgetary and financial impact of providing funds through borrowing authority has been impaired by the use of the epithet back-door financing, with the implication that this is irresponsible and perhaps illegal. The fact is, however, that as far as the budget is concerned there is not the slightest difference between this method of funding and the regular appropriations process. Furthermore, borrowing from the Treasury for long-term development lending would not mean that the Treasury would be forced into any additional borrowing from the public. This is worthwhile mentioning since the method used by the Treasury to raise funds remains exactly the same—i.e., taxes, other revenues or by increasing the public debt—whether development is financed by borrowing from the Treasury or by funds otherwise appropriated.

It will be the policy of the Treasury Department to endorse the use of this method for lending programs on a selective basis when it is the best way of funding a Federal program, considering cost, efficiency and the attainment of national objectives. As Secretary of the Treasury I am convinced that this is the most efficient and least costly method of providing long-term development assistance.

One other point I should like to touch on is Mr. Krock's comment that the tools of the new program "are merely reconditioned old ones." Mr. Krock seriously understates the new departures in the President's proposals. Among these are:

1. The long-term availability of funds, rather than annual funding.

2. The fact that all development loans will be repayable in U.S dollars, on liberal terms, rather than in foreign currencies which have very limited usefulness.

3. The shift in emphasis to loans rather than grants. In fiscal year 1962, loans will comprise 40 percent of the economic program compared to 30 percent in the preceding year.

4. The establishment of a unified aid administration—the Agency for International Development—with centralized control over the new diverse segments of the program, clearer responsibilities, and high quality personnel.

5. The use of systematic research to improve the effectiveness of the assistance effort by finding newer and better ways to solve development problems.

Fundamental to the new approach is the emphasis placed on measures of self-help taken by the developing countries themselves, such as economic and fiscal reforms, land reform, improvement of social justice and other methods to channel the rewards of economic and social activity to the general population.

In closing, I should like to refer to Mr. Krock's comment that a precise list of priorities should be chosen for which large scale governmental financing is required. I would only state that in any such selection the development of the newer nations will rank near the top. I firmly believe that what we do in this program will in a large measure determine the future welfare and security of the United States and of this and succeeding generations of Americans.

Sincerely yours,

DOUGLAS DILLON.

THE PEACE CORPS

Mr. BUSH. Mr. President, when the Peace Corps was established in March, the one question most often asked was, "Can competent, qualified, mature young Americans be found and recruited to do these jobs abroad?"

This week the Peace Corps announced the names of the first persons selected to enter the final training programs for projects in Colombia and Tanganyika. If these young men are typical of the kind of Americans who are responding to the Peace Corps, the answer to that question so many of us were asked is, "Yes."

As one Washington newspaper commented Thursday, all of these young men seem experienced beyond their years. They were selected on the basis of their job competence, emotional stability, intelligence, health, personal characteristics, and willingness to work in different circumstances under what may be difficult conditions.

Two of these volunteers, I am pleased to say, are from the State of Connecticut. Peter DeSimone of Bridgeport is employed by the New York, New Haven & Hartford Railroad as a structural draftsman on bridge construction problems. He has also worked as an apprentice carpenter on frame building construction in Bridgeport. He received his bachelor's degree in engineering in June 1960, at the University of Connecticut, and he has done some graduate study in Brooklyn Polytechnic Institute. He has also worked for the National Park Service as a student engineer in Organ Pipe Cactus National Monument in Ajo, Ariz., in survey work.

The other young man is Arthur Olsh, of Fairfield. He is a student in industrial engineering at Morris Harvey College in Charleston, W. Va., and has also studied at the University of Bridgeport, Conn. He has been employed as a timekeeper and factory assistant in the Singer Manufacturing Co., of Bridgeport, and has been a leader in Boy Scout activities. He can operate a tractor, bulldozer, and radio equipment.

Both of these young men know that the final selection for Peace Corps service will come only after an intensive and rigorous training program. Nonetheless, their willingness to undergo this training course in the hopes of being sent abroad to serve their country is an encouraging sign for those of us of the older generation who have faith in our youth.

Other States are represented in the first group to be selected for the training programs—Virginia, Washington, Maryland, Illinois, Tennessee, California, to mention only a few—and I know that the Senators and Congressmen from these States, whatever their party affiliation, will be proud of the young men who have been selected by the Peace Corps. These selections all appear to be persons of proven ability.

I ask unanimous consent that the announcements of the selection for the Peace Corps training programs be printed in the RECORD.

There being no objection, the announcements were ordered to be printed in the RECORD, as follows:

PEACE CORPS,
Washington, D.C., June 14, 1961.

The names of 12 persons selected to enter the final selection and training program for the Peace Corps project in Tanganyika were

announced today by Dr. Nicholas Hobbs, Director of Selection for the Peace Corps.

A selection board headed by Dr. Joseph Coleman, Deputy Director of Selection, has been meeting since Monday to pick trainees for the Tanganyika surveying and engineering project. The board will continue to meet and will announce other selections later. About 40 are expected to be chosen for training at Texas Western College, El Paso, Tex. They will enter training June 26.

Those selected were believed to have the ability, background, technical skills and motivation which will be required for effective performance in the Tanganyika Peace Corps assignment.

A total of 28 persons will be sent to Tanganyika. The project there calls for 20 surveyors, four civil engineers, and four geologists to survey for farm-to-market roads and to assist in road construction and geological mapping.

The names of those in the initial group selected are:

Peter W. Von Christierson of 6917 Lincoln Oaks, Fair Oaks, Calif., is 28 years of age, single, and a graduate student of engineering at the University of North Carolina, Chapel Hill, N.C. He is specializing in regional and community planning and he worked in the practical application of the specialty in campus layout and planning at the University of North Carolina and for the city of Spokane, Wash. He is a graduate in civil engineering of the University of Colorado at Boulder, Colo., and a bachelor of arts in mathematics from Park College, Parkville, Mo. He graduated from high school at North Hollywood High, Calif. He has worked at Colorado in student counseling and handling 120 students' discipline and morale. He was also employed in Boulder as a construction worker in carpentry, masonry, electrical, and plumbing work. He has done some practical surveying and can handle surveying instruments as well as carpenters' and masons' tools.

Peter S. DeSimons of 195 Goldenrod Avenue, Bridgeport, Conn., is 24 years old, single, and is employed by the New York, New Haven & Hartford Railroad as a structural draftsman on bridge construction problems. He has also worked as an apprentice carpenter on frame building construction in Bridgeport. He received his bachelor's degree in engineering in June 1960, at the University of Connecticut, and he has done some graduate study at Brooklyn Polytechnic Institute. He also worked for the National Park Service as a student engineer in Organ Pipe Cactus National Monument in Ajo, Ariz., in survey work in construction and topography.

Charles J. Lester, 27, of Roscommon, Mich., who has training in geology and has worked as a soil analyst and insurance underwriter. Lester was graduated from Michigan State University in 1960, and has served in Japan with the U.S. Marine Corps. He attended Gerrish-Higgins High School in Roscommon. Lester grew up on a farm and worked his way through the university.

Gary P. Gaffner, 26, of 1928 Sunset Avenue, Seattle, Wash. Gaffner, who attended West Seattle High School, received a B.S. degree in engineering from the University of Washington (Seattle) in 1957, and a master's degree in business administration from Stanford University in 1961. He has worked as a cost accountant, engineer, and sheet metal worker. Gaffner has been living at Oak Grove Farm, 1050 High Road, Woodside, Calif., where he has a summer job. He served in the U.S. Army from 1957 to 1959, attaining the rank of first lieutenant. He has traveled in 92 countries, and has been active in Little League Baseball, Boy Scout, and YMCA work. Gaffner had asked for assignment to Tanganyika. He worked his way through college and was manager and president of his fraternity.

Peter S. Franklin, 25, of 1170 Fifth Avenue, New York, N.Y. Franklin, who is employed as an assistant engineer on missile development by the Sperry Gyroscope Co., attended the Massachusetts Institute of Technology from 1953 to 1956, and was graduated from the Columbia University with a B.S. degree in physics in 1959. He has been attending the Brooklyn Polytechnic Institute. He was formerly employed as a geophysical research technician, and has experience in surveying.

Don Roger Preston, of 140 East Columbia Avenue, Battle Creek, Mich., is 23 years of age, single, and has just been awarded his B.S. degree by Michigan College of Mining and Technology. He has worked as a surveyor in Big Bay, Mich., and has been a greenhouse caretaker at Western Michigan University of Kalamazoo and worked for General Foods Corp, in Battle Creek. He plays football, baseball, and basketball and his hobbies are hunting and hiking.

Arthur Eugene Young, of Schwenksville, Pa., is 28 years old, single, and is employed by the U.S. Forest Service in Missoula, Mont., as a highway engineer. He worked for Hazelet & Erdel of Louisville, Ky., as a civil engineer on highway design and in concrete and steel bridges and also worked for Greely & Associates of Norristown, Pennsylvania State University and also studied at the University of Louisville, Ky. He can expertly handle surveyor's tools and uses all tools employed in construction work.

Harrison P. Bresee, Jr., is 30 years old, lives in Orange, Va. Mr. Bresee graduated from the University of the South, Tennessee, in 1956. He has, for the last 4 years, traveled through Europe and the Far East, but most widely and extensively through Africa. During his travels, most of it by foot or by local conveyance, Mr. Bresee gained rare insights to the countries and people he visited. He is skilled in a variety of farm equipment and machinery, including surveying tools and radio transmitting and receiving equipment. He has worked for the U.S. Forest Service, served 2 years in the U.S. Army, and is presently giving slide shows and lectures about his travel experiences.

Roger M. Hagler, of 922 Connor Avenue, Jonesboro, La., is 23 years old, single, and is presently employed by the Louisiana State Department of Public Welfare. He is a college junior, having attended Annapolis Naval Academy for 1 year before transferring to Louisiana State University. Hagler is skilled in a great variety of tools and farm equipment due to the wide range of job experience gained through summer jobs. Specialized interests and abilities include surveying, roadbuilding, and forestry.

Jacob Feldman, of 1301 North Harrison Street, Wilmington, Del., is 21 years old, single, and a graduate in civil engineering of the University of Delaware. He also studied at the University of Pennsylvania. He has been an athletic counselor of Camp Arcady, New York, and Camp Lindenmere, of Tannersville, Pa. He was vice president of the American Society of Civil Engineers, Student Chapter, when he graduated this June at the University of Delaware. He has had on-the-job experience in handling surveyor's tools and other engineering equipment.

Charles H. Barton, 25 years old, has his home address at 905 Seventh Street, Traverse City, Mich. He is single, and is employed in Quincy, Calif., by the U.S. Forest Service as a surveying instrument man for the construction of forest roads. Barton has completed 3 years of military service in the Army, and attended the University of Michigan for 2½ years with a high average in his civil engineering major. He is an outdoor type. His job experience also includes 6 months as a full survey crew chief.

Jeremiah E. Parson, of 258 Livingston Avenue, Albany, N.Y., is 24, single and is currently employed in the materials testing lab of the Connecticut Highway Department as a technician. He is a graduate of Schuyler High School, Albany, and of State University, Farmingdale, N.Y., in construction technology. He has served in the U.S. Army as a paratrooper and worked as a longshoreman in Albany, N.Y. He can handle a tractor and construction tools. He is an expert in surveying and testing of road materials.

PEACE CORPS,
Washington, D.C., June 14, 1961.

CARE AND PEACE CORPS ANNOUNCE FIRST NAMES SELECTED FOR COLOMBIAN PROJECT

The Peace Corps and CARE, Inc., announced today the names of 16 persons to enter the final selection and training program for their joint project in Colombia.

The names selected were announced by the Advisory Board of CARE for the Colombia project, which met at CARE Headquarters in New York to pass on the selections. The Advisory Board was made up of Peace Corps representatives, Lawrence Dennis and Harry Pollack; CARE representatives Wilmer Kitchen and John E. Bowman; a representative of the Colombian Government; and public members, F. S. Hill of the Ford Foundation, Dr. John Weir of the Rockefeller Foundation, Dr. Y. C. James Yen, of International Mass Education, and Arthur K. Watson, of International Business Machines, Inc.

The selectees announced today are only the first of a larger list to be announced when the Selection Board completes its task. The individuals selected for the Colombia project will report for training at Rutgers University, New Brunswick, N.J., on June 26.

From a very thorough examination of the Peace Corps applicants' references, written test results, personal data and educational and practical experience and skills, those selected are believed to have the background, ability, technical skills and proper motivation required to undertake the tasks awaiting them in the Colombia communities.

The Peace Corps project for Colombia will send sixty-four volunteers to work with trained Colombians in community development work in small communities under the Colombian Government's Community Action Program. They will assist in activities such as construction of access roads, building village schools and small farm buildings, digging wells, raising small farm animals, cooperative farm improvement work, etc. A number of selectees, considerably in excess of the 64 required for the project, will be chosen to participate in the training program to provide for attrition by in-training selection and medical criteria.

The names of those selected thus far by the Advisory Board of CARE for the Colombia project are listed on the following pages with brief biographic extracts.

LIST OF FIRST SELECTEES FOR PEACE CORPS-CARE PROJECT IN COLOMBIA

Michael Lanigan, of 5608 Valley Road, Falls Church, Va., is 23 years old. He is currently working for the United States Steel Co., and has worked as a pharmacist's clerk in a hospital. He is a handyman by inclination, equally interested in repairing a motor, making things with carpentry tools and building radios or doing plumbing. He is also a photographer. He played football and was on the swimming and rifle teams at school. He has completed 2 years of college work at Georgetown and American Universities. He is the son of a Marine Corps general and has served in the Marine Corps as an infantry squad leader and as editor of the battalion paper.

Bruce D. Richardson, of 17106 Hamlin Road, Seattle, Wash., is 21 years old, single and a student at the University of Washington. He was president of the student body when he graduated at Shoreline High School in Seattle in 1958. He has studied biology, economics, humanities, and is an accomplished gymnast and trampoline instructor. His skills include familiarity with farm equipment and carpentry, mechanics, initial working tools and biological lab equipment. He has worked with the U.S. Coast and Geodetic Survey, assisting in taking marine observations.

Nicky Jo Huestis, of Taft, Tex., Box 784, is 20 years old and a sophomore at Southwestern University at Georgetown, Tex. He was president of his class for 4 years at Taft High School, where he graduated in 1960. He has studied biology, psychology, and languages and has achieved some fluency in Spanish and considerable experience in working with a foreign group through his summer with a Mexico work camp sponsored by the Methodist Church. He has also worked in the oilfields as a maintenance man in Tyler and Corpus Christi, where he learned to handle construction and repair equipment. He has participated in almost all types of sports.

Fred Z. Jasperson, of 4823 Cumberland Avenue, Chevy Chase, Md., is 23 years old, single and a senior at Dartmouth College. He has studied economics, government, history and international relations. His skills include those of automobile mechanic and surveyor and he handles motorized and farm equipment and handicraft tools. He rowed with the freshmen crew, was president of the International Relations Club and has been active in the National Students Association. He worked with the American Friends Service Committee in a work camp in Mexico last summer and has a working knowledge of Spanish.

Matthew M. DeForest, of 2215 Greenleaf Avenue, Chicago, Ill., is 31 years old, single and a professional tractor driver and a truck and bulldozer mechanic. He is working for the U.S. Welders Supply Co. of Chicago. He is a graduate of St. George's High School of Evanston, Ill. His skills include ability to use carpenters', electricians' and metal working tools. His hobbies include camping, hunting, bowling, fishing and electrical work and carpentry.

Charles G. Perry III, of 168 North Crest Road, Chattanooga, Tenn., is 21 years old, single, and a student in the third year at the University of Chattanooga, where he is studying electrical engineering, science and mathematics. He has been employed as a radio technician, maintaining transmitting equipment at Radio Station WDOD. He has also been employed by the Tennessee Valley Authority in Chattanooga as an engineer's aid, and by a Chattanooga dairy as a dairy chemist. His skills include ability to operate automotive, carpentry, surveyors', plumbers' and electricians' tools. His hobbies are camping and mountain climbing, boating, hiking and photography.

Vaino A. Hoffren, of 3176 Cowley Way, San Diego, Calif., is 19 years old, single and a student at San Diego State College. He was president of the student body at Clairemont High School, San Diego. He is studying humanities at college, and speaks two foreign languages. He has worked as a salesman in a drygoods store, a carpenter, and as a helper on a chicken farm. His skills include ability to operate tractors, farm equipment and he can handle plumbers' and masons' tools. He plays football and his hobbies include swimming, camping and fishing.

Victor E. Ortiz, of 105 East 102d Street, New York City, is 26 years old, single, and is presently employed as an engineer, analyzing drilling cores in the Texas oil fields. He received his bachelor of science degree from the College of the City of New York in 1957, and has a year of graduate studies in education. He is fluent in Spanish, as the language of his parents is Spanish and he has also studied Spanish for 5 years. His skills include operating tools used in surveying and he can handle chemical and biological lab equipment. He is also a qualified geologist, and he has specialized in chemistry and the physical sciences.

Richard D. Fiedler, of 8787 SW 48th Street, Miami, Fla., is 30 years old, single, and is presently employed as a park maintenance foreman by the city of Miami Beach, Fla. He studied at the University of Miami in Coral Gables in the field of horticulture, forestry, agronomy and related fields for 4 years and took a summer course at Mexico and City College in 1958. He is a graduate of Cathedral Prep School in Erie, Pa., and has served in the U.S. Navy. In addition to his practical experience in propagation of plants in the parks of Miami Beach, he has worked as a physical therapy orderly in Variety Children's Hospital, Miami. Mr. Fiedler's skills include ability to operate tractors and farm equipment. He can handle a variety of tools and can work with professional nursing therapy and biology lab equipment.

Terence T. Grant, route 3, box 656, Salem, Oreg., is 20 years old, single, and a second year student at Mount Angel College, Mount Angel, Oreg., where he is studying languages, social sciences and the humanities. He is a graduate of SERRA Catholic High School of Salem. He was president of his freshman class in college and activities president of his high school class. His skills include handling a tractor and small farm equipment, and carpenters, masons, surveyors, and handicrafters tools. He worked for the Oregon State Fair in carpentry and was a veterinary's assistant in the Animal Clinic of Oakland, Calif. He plays football and tennis and enjoys hiking, fishing and swimming and amateur dramatics..

Phillip M. Lopes, of route 1, box 150, Dos Palos, Calif., is 20 years of age, single and a student at the Coalinga Junior College of Coalinga, Calif., where he is studying industrial arts and languages. He was graduated from Dos Palos High School, where he was class president. He was president of the freshman and sophomore classes at Coalinga College. He was an Eagle Scout and an assistant scoutmaster. He also received a Bank of America Achievement Award in industrial arts and trades. He has held summer jobs as a truckdriver, hayloader and mechanic's assistant at a hometown trucking company. His skills include operating a tractor and farm equipment and he can use mechanics', carpenters' and metal working tools. He is also a welder.

Ira E. Gwin, of 25525 Bejoal Street, Barstow, Calif., is 20 years of age, single and a student at Barstow Junior College, where he is studying social sciences, with teaching as his goal. He was graduated from Barstow Union High School in 1959, where he was president of the Future Teachers Association. He has been employed as a plasterer and hod carrier in general construction work and has worked in a filling station and music store. He was active in 4–H club activities when his family owned a ranch at Hinckley, Calif. His skills include operating a tractor and farm equipment, and he can use mechanics' and carpenters' tools and he has worked with sand blasting, plastering and concerete equipment. His hobbies include mountain climbing and hunting and he enjoys electrical and other shop hobbies.

Arthur F. Olah, of Judson Road, Fairfield, Conn., is 20 years old, single, and a second-year student in industrial engineering at Morris Harvey College in Charleston, W. Va. He also studied at the University of Bridgeport, Conn., in the College of Engineering at Fairfield, Conn. He graduated from Andrew Warde High School, Fairfield, Conn., in 1959. He has been employed as a timekeeper and factory assistant in the Singer Manufacturing Co. of Bridgeport, Conn. He was a leader in Boy Scout activities. His sports include track and swimming and his hobbies are camping, mountain climbing, hunting, fishing, and photography, which he has turned to commercial use. His skills include operating a tractor, bulldozer, farming equipment, handicrafts and radio equipment. He also can handle chemistry and biology lab equipment.

Charles R. Akin, 6728 Point Drive, Minneapolis, Minn., is 24 years old, single, and has just received his B.A. degree from the University of Minnesota. He also studied at the University of Colorado. His majors were languages and political science. He has worked as shipping clerk, salesman, and day laborer. He is able to speak French and Spanish well. He uses auto mechanics', carpenters', plumbers', electricians', masons', and metal working tools, and his sports include football and track.

Stephan Leroy Honore of 345 Hill Street, Urbana, Ohio, is 23 years old, single, and a graduate student at Ohio State University. He is skilled in the use of surveyors', plumbers', electricians', and masons' tools. He received his B.S. degree in June 1960 at Capital University in Columbus, Ohio. He works part time for the State Department of Taxation of Ohio and for Ohio State University. He is presently residing at 2034 High Street, Columbus, Ohio. His experience includes a considerable amount of work in scientific labs.

Gerald P. McMahon, 6 Clearview Drive, Daly City, Calif., is 24 years old, single, and a third-year student at San Francisco State College. He formerly attended City College of San Francisco. He specialized in history, government, languages and science. He has a knowledge of French and knows some Spanish. His skills include operating a tractor, farm equipment, all types of tools and radio equipment. He has served in the U.S. Marines and worked in the Union Square Garage in San Francisco.

VOTING MACHINES AND VOTER REGISTRATION SYSTEM INSTALLED IN TRINIDAD AND TOBAGO

Mr. HUMPHREY. Mr. President, in a recent letter, Mr. Harold J. Lewison, executive vice president of the Shoup Voting Machine Corp., of New York, described to me a very encouraging development in Trinidad and Tobago, where the government of that newly independent area has contracted to purchase 1,000 voting machines. I understand that this makes Trinidad the first country in the world to be fully equipped with voting machines. At the same time, that government installed a photographic voter registration system, believed to be the world's most modern.

To quote from Mr. Lewison's letter:

Two striking facts stand out here—Trinidad is the first nation in the world outside the United States to use voting machines; it is the only nation in the world to be completely equipped with them. Amazing enough, the United States did not contribute a single dollar toward this modification of election procedures.

Senator HUMPHREY, I personally hold sentiments about the Trinidad situation which transcends its commercial aspects. This pint-sized democracy, a stone's throw from troubled Venezuela and on the same chain of submerged mountain peaks as Cuba, is an active force for our way of life in Latin

America and the Caribbean. I feel strongly that if Cuba is to be the showcase of communism in Latin America, multiracial Trinidad may well be the showcase for democracy.

In these days of mounting international tension, Americans become more and more concerned with the preservation of the democratic philosophy and ethic, particularly in our hemisphere. Trinidad, in this sense, becomes an important ideological figurehead. The United States has taken no direct participation in the events evolving in Trindad. This West Indies Island, in emerging from colonial rule, has taken this most positive step in the direction of the West purely on its own initiative.

Mr. President, at a time when there is so much attention focused on the developments in Cuba, perhaps it is well to note that in many other parts of the Western Hemisphere, vigorous, progressive movements of reform and social progress are taking place. I believe that the government of Trinidad and Tobago should be saluted for the long step forward which has been taken to demonstrate that mechanisms of democracy, particularly free elections, are of equal importance with economic development. Man, indeed, does not live by bread alone; and the secret ballot and free elections are among the most precious heritages of the free world.

I salute the initiative and leadership taken by the government of Trinidad and Tobago in this unique and path-breaking step.

Mr. President, I am very grateful to Mr. Lewison for the letter. I took the liberty of asking for the privilege of quoting from it, simply because I think it relates in a brief way some of the progress in economic development which we are observing in the Western Hemisphere.

TEXTILE IMPORTS

Mr. THURMOND. Mr. President, on Tuesday, June 19, 1961, I attended a meeting in the State Department under the direction of Mr. George W. Ball, Under Secretary of State for Economic Affairs. The meeting was concerned with the forthcoming international conference in July, in which the U.S. State Department will endeavor to negotiate with other countries on the international trade of textile products and its attendant problems, particularly as they affect the textile industry in the United States.

It had been the understanding of the domestic textile industry and legislators and others interested in the industry's increasing import problems that the administration would seek some method of decreasing the importation of low-wage foreign textile products into this country, through negotiations with foreign countries which now ship textile products into this country. At this meeting, those of us in attendance learned what I had been suspecting for some time—namely, that instead of trying to decrease imports, Mr. Ball and his State Department trade "experts" are determined to increase imports, to the further detriment of the domestic textile industry and its thousands of jobs.

When Mr. Ball's pronouncements were made public, they quite naturally caused considerable disappointment and concern in my State of South Carolina, which leads the Nation in the production of textiles.

I ask unanimous consent, Mr. President, to have printed at the conclusion of these remarks the following articles: The banner-headline news story, written by the able Washington correspondent, Mr. Frank van der Linden, published in the June 20, 1961, issue of the Greenville News; an editorial, entitled "Textile Dilemma Still Unresolved," from the June 21, 1961, issue of the Greenville News; an editorial, entitled "We Must Now Fight for Textile Survival," from the June 21, 1961, issue of the Spartanburg Herald; and a statement I issued on the Ball conference on June 19, 1961.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 1.)

Mr. THURMOND. Mr. President, if the Ball pronouncements on the international textile negotiations are any indication of the sympathetic understanding and consideration the domestic textile industry is going to receive from the New Frontier—which campaigned in part on sympathy for the domestic textile industry and a determination to help solve the industry's No. 1 problem of foreign low-wage imports—then the Congress had better resume its constitutional control over foreign commerce and trade.

When the Trade Act was approved in 1934, the Congress unconstitutionally delegated to the executive branch of government certain powers of control over foreign commerce and trade which have since been perverted by the executive branch to use as an instrument of foreign policy. The Congress has already delayed too long in regaining its control over the regulation of tariffs and quotas. We almost regained a measure of control in 1958, when legislation extending the Trade Act was up for consideration by the Senate. That was the Kerr-Thurmond amendment, which was approved by the Finance Committee, but was defeated on the Senate floor.

The Trade Act will have to be considered again in 1962, Mr. President; and that will give the Congress an opportunity to explore again the executive branch's perversion of the powers delegated to it by the Congress. I pledge to exert my utmost efforts to win legislative quotas for our hard-pressed textile industry and for other industries, such as hardwood plywood, which are being sacrificed by the State Department to appease foreign nations. I shall also renew my efforts to write into the Trade Act, if it is extended, provisions which will insure more congressional control over the trade program, as provided in article I, section 8, of the Constitution, which reads in part as follows:

The Congress shall have the power * * * to lay and collect taxes, duties, imposts, and excises * * * (and) to regulate commerce with foreign nations, and among the several States, and with the Indian tribes.

EXHIBIT 1

[From the Greenville (S.C.) News, June 20, 1961]

ADMINISTRATION PLANS STEADY HIKE IN TEXTILE IMPORTS—TEXTILE INDUSTRY IS DISAPPOINTED; SAID NO SOLUTION

(By Frank Van Der Linden)

WASHINGTON.—A roar of disappointment, from the textile industry and Congress, Monday greeted the Kennedy administration's disclosure that it is negotiating a pact for a steady increase in cotton goods imports from all low-wage countries except Hong Kong.

Under Secretary of State, George W. Ball, revealed that Hong Kong is being asked to take a 30 percent cut in its cotton textile sales to the United States, which have zoomed upward from $18.5 million in 1958 to $67.5 million in 1960.

EXECUTIVES SHOCKED

However, Ball shocked Members of Congress and textile executives in separate briefings, by telling them the Department is seeking an agreement for steadily increasing cotton textile imports from all other low-cost areas, with the high level of 1960 imports as the minimum base.

Ball also disclosed:

1. Representatives of Britain, Canada, France, Italy, West Germany, the Netherlands, and Belgium will meet here Wednesday to consider a United States request that they accept more textiles from the underdeveloped countries. France, West Germany, and Italy now buy practically none from those sources, and they could relieve the pressure on the United States by taking more.

2. A high-level conference in Geneva, starting in July or September, will seek an international pact whereby the low-cost countries will accept a limited, but steadily increasing share of the textile market in the United States and other industrial nations.

3. The administration emphatically opposes any rollback in imports from any source except Hong Kong, and any mandatory, unilateral quotas.

Congressional and industry sources protested the decision which apparently dooms their drive for mandatory textile import quotas as the surest protection against further losses of jobs and market to low-wage competitors overseas.

THURMOND PROTESTS

Senator STROM THURMOND, Democrat, of South Carolina, protested the agreement proposed by Ball might "undercut and predoom" the industry's spending request for a finding by the Office of Civil Defense Mobilization, that the imports are impairing its ability to meet essential defense needs. Such a finding could lead to import quotas, if President Kennedy would grant them. But that seems unlikely in view of Ball's statement that the administration opposes fixed quotas.

J. M. Cheatham, of Griffin, Ga., president of the American Cotton Manufacturers Institute, termed the State Department's "piecemeal" policy as "completely unacceptable" and said this reaction has been "conveyed to the White House."

Cheatham said the industry leaders were "profoundly shocked" upon learning that Ball, "without any consultation" with them, had devised the program to deal with cotton textiles only and exclude entirely wool, silk, and manmade fiber textiles.

"We were also greatly disturbed to learn further that the Department considers approximately the 1960 alltime high level of imports to be a proper level," Cheatham said. "This must mean, if carried out, thousands of new unemployed textile workers and liquidation of additional mills."

Cheatham said the required solution to the textile import problem must have these three features:

"1. It must include all fibers, cotton, wool, silk, and man-made.

"2. It must roll back imports, because the industry has been unable to digest the 1960 level of imports.

"3. It must include the closest consultation with, and technical guidance by, the industry."

The attacks by Cheatham, THURMOND, and others signaled the end of the "watch, wait, and hope for the best" policy which the textile industry has pursued since President Kennedy announced his seven-point textile program May 2.

Under Secretary Ball at last officially confirmed newspaper writers' warnings that the seven-point program would eventually wind up as increasing, rather than decreasing, the total supply of textile imports.

Representative ROBERT ASHMORE, Democrat of South Carolina, said he was "sorely disappointed but not surprised" at the policy which deeply affects his district, a textile-producing center. "The State Department's policy is to let us bleed a little at a time instead of killing the industry all at once." ASHMORE said.

Representatives W. J. BRYAN DORN, Democrat, of South Carolina, and BASIL WHITENER, Democrat, of North Carolina, members of the textile committee which got the word from Ball, said angrily that Congress should kill or amend the Reciprocal Trade Act which runs out next year.

ONLY WAY OUT

"That is the only way out," WHITENER said. "Congress must write its own tariff laws. It is sickening for a bunch of Senators and Congressmen to have to ask bureaucrats in the State Department to protect our industries."

THURMOND also said: "After attending the conference on textile matters with Under Secretary Ball, I am more convinced than ever that the State Department is not only unsympathetic to the plight of the domestic textile industry but is quite willing and ready to sacrifice the domestic textile industry, as a pawn for the furtherance of an undefined, weak, and vacillating foreign policy. I came away with several inescapable conclusions:

"1. The State Department's aim is not to decrease imports of textiles but rather to increase them. Any negotiations on textile imports at the upcoming conference in July will be predicated on a base period of 1960 when imports of textiles were at an alltime high and will be aimed at annual increases in imports in the categories on which agreements are reached.

"2. The State Department will not take an advisory committee from the domestic industry to the July conference to provide advice and counsel.

"3. Some segments of the domestic industry will be ignored in the negotiations at the July conference. Under Secretary Ball and those in charge of the negotiations in the State Department apparently have no conception of the horizontal and vertical interrelation of the entire domestic textile industry and will, therefore, probably concentrate on those specific items of imports which have reached the highest levels.

NO RELIEF SEEN

"Unless there is a broad and significant change in the attitude of the State Department, the outcome of the discussions will hold no relief for the domestic textile industry. It is quite possible that any agreements reached may undercut and predoom whatever possibility of relief exists from the pending investigation by the OCDM.

"If this is a policy of the New Frontier, I want no part of it because it is a policy that will cause unemployment by the thousands in the domestic textile industry."

DORN said Ball gave the congressional group "the same old State Department bunk" about the need of building up industries in India, Pakistan, and Japan, the bastions against communism in Asia, and otherwise encouraging the little countries to favor the United States by giving them a larger share of the American textile market.

Ball claimed the United States had a favorable trade balance of more than $2 billion annually, and quotas would lead to "retaliation" against U.S. exports.

The pending agreements must be limited to cotton, Ball said, because the program is so difficult and complicated that it would be impossible to include all types of textiles.

If Hong Kong agrees to the proposed 30-percent rollback from its 1960 exports, the total of U.S. cotton textile imports from all sources will decline, he said, but the other countries can enjoy a steady growth.

[From the Greenville News, June 21, 1961]

TEXTILE DILEMMA STILL UNRESOLVED

The dilemma of the American textile industry is not now any nearer to being resolved than it was a few weeks or months ago, or at any time since the United States set out to rebuild the war-ravished free nations of the world.

A few weeks ago textile men were hopeful that they had finally made their case and that the Kennedy administration would give them a reasonable measure of the relief from cheap-labor, cheap-raw-material competition from abroad that they have been asking for lo these many years.

But the latest announcements from the Federal Government have all but sent those hopes glimmering and present the grim possibility that the domestic textile industry may be largely, if not completely, sacrificed for the expediences of what passes for foreign policy these days.

The picture is not all black; the situation is not hopeless, but the latest developments indicate that the industry may get exactly the reverse of what it requested. Indeed, some Members of Congress are threatening to take the matter once again into their own hands, to recapture their control over tariffs and imports. That might be a good thing.

The textile industry, which is the mainstay of the industrial economy of South Carolina and other States, and which is still important in many States of the North, including New England, has been a troubled industry ever since it caught up with the pent up demand of the immediate postwar period. The brutal fact is that the industry probably is capable of producing more goods than the country can consume.

To compound this difficulty there came Marshall plan and other forms of American aid to former allies, new allies, and underdeveloped countries generally. Our foreign policy planners chose, first, the textile field in their program for aiding the industrial development and the rebuilding of the economies of those countries.

The inevitable results became apparent during the latter days of the Truman administration when business slowed down. The textile market was in trouble. Mills piled up inventories. Only a business upsurge due largely to the Korean war ended the difficulty, temporarily as it turned out.

Meanwhile, Japan, England, France, India and, later Hong Kong began to produce more cloth and finished garments. With lower production costs due to wage differentials and their ability to undersell the domestic industry, the foreign producers invaded the American market.

Textile leaders asked for invocation of Presidential powers to set import quotas. The action has not yet been forthcoming, and voluntary quotas established by Japanese manufacturers by informal agreement brought only temporary relief.

A few weeks ago, President Kennedy heard a committee of textile leaders and textile-State Congressmen headed by the venerable CARL VINSON, of Georgia. He said something needed to be done, and soon.

He left the way wide open for the Congressmen and the industrial leaders to make a case before a special White House committee and the Office of Defense Mobilization to have the textile industry declared essential to the national defense. Upon recommendation of these agencies, the President could impose import quotas.

This matter is still pending.

Meanwhile, the State Department, apparently acting independently of the other agencies, has undertaken a program which it says will lead not to a reduction of imports of foreign textiles, but to a gradual and steady increase in those imports.

This, the Department says, is essential to the development of backward countries, to the strengthening of our allies, and to the maintenance of a proper balance of trade between the United States and the rest of the world.

But the textile industry and the leaders of the Southern States can't help but feel a sense of betrayal. In a press conference after the State Department announcement, Gov. Ernest F. Hollings, who has been foremost among those trying to persuade the administration to do something, said the State Department was undermining the President's own program.

That is a matter of opinion. The final responsibility is hard to pin down. But we cannot escape the conclusion that remedial action in this matter should start with the White House and it is hard to believe the State Department would go against administration policy.

With increased automation and cheaper production methods, the textile industry can learn to live with foreign imports and still make a fair profit—so long as those imports are restricted to reasonable amounts and the men who plan American textile production schedules and those who buy finished goods know what to expect in the way of foreign competition.

As matters stand now, the textile industry is in grave danger and the loss of textile jobs continues.

The leaders of the industry, southern congressional representatives, and Governor Hollings, all of them, have every reason to be disappointed.

[From the Spartanburg (S.C.) Herald, June 21, 1961]

WE MUST NOW FIGHT FOR TEXTILE SURVIVAL

That the cotton textile industry is expendable on the New Frontier is no longer in any shade of doubt.

The time for relying on implied promises and words of empty sympathy has run out. Now we must accept the facts and the fight as they are.

This is a matter of survival—of the very existence of thousands of textile jobs, of the economic foundation they provide for every community in this section of the country. The stakes belong as much to the store clerk and the mechanic as they do to the spinner and the weaver.

The Kennedy administration, which has talked at length about its concern for the textile industry, revealed Monday that it is negotiating for a steady increase in imports of cotton goods from abroad. This would apply to all low-wage countries except Hong Kong.

Even Hong Kong (whose sales here zoomed from $18.5 million in 1958 to $67.5 million

in 1960) is being asked to take a reduction voluntarily. Haw, haw!

Little purpose would be served by hashing over the political misleading—in this State more than all others—during the presidential campaign. President Kennedy was presented as the salvation for the textile industry, by people who knew better when they were doing it.

That's in the past. Must we now accept the executive branch of the Federal Government as the final arbitrary power, without recourse?

Of course not.

Is there a way to fight this thing with any hope of success?

Certainly there is. Political heat, constantly applied.

It should be administered by every means at the command of our Governor and representatives in Washington. If this implies solid and determined opposition to other administration programs as a lever on this one, let us consider why the textile industry finds itself alone upon the sacrificial altar.

1. International politics: The United States feels, rightly so, that it must shore up the bastions against communism throughout the world. It operates on the premise that this can be done by providing backward countries with basic industry for their masses. This concept conflicts with American interest because of willingness to sacrifice one whole domestic industry to the cause, at the cost of many thousands of American jobs.

Textiles offer a low-wage operation which can employ great masses of relatively unskilled labor. Its raw material is plentiful. It can be supplied at reduced rates by the United States, at the expense of our own industry.

2. National politics: Other types of manufacturing might fit the same general requirements. But textiles are essentially a southern industry. Many firms have escaped unbearable conditions in New England by moving to the South. Politically, this section can be oppressed with impunity.

3. Big labor: The South, and more especially textile people, have never succumbed to the blandishments or coercion of huge, tyrannical organizations. Big labor's hierarchy would welcome any development that would weaken this resistance; it would oppose vehemently the sacrifice of any segment of industry in the highly industrialized areas in controls. And big labor's voice is powerful in current government circles.

The textile people of this State should refuse any longer to accept excuses and promises from their own politicians. They should demand every ounce of effort possible to protect the industry from ruination.

STATEMENT BY SENATOR THURMOND ON STATE DEPARTMENT CONFERENCE ON TEXTILES, JUNE 19, 1961

After attending the conference on textile matters this morning with the Under Secretary of State for Economic Affairs, Mr. George W. Ball, I am more convinced than ever that the State Department of the United States is not only unsympathetic to the plight of the domestic textile industry, but is quite willing and ready to sacrifice the domestic textile industry, as a pawn for the furtherance of an undefined, weak, and vacillating foreign policy. From the discussion at the conference this morning, I came away with several inescapable conclusions:

1. The State Department's aim is not to decrease imports of textiles but rather to increase them. Any negotiations on textile imports at the upcoming conference in July will, so far as the State Department is concerned, be predicated on a base period of 1960 when imports of textiles were at an alltime high and will be aimed at annual increases in imports in the categories on which agreements are reached.

2. The State Department will not take an advisory committee from the domestic industry to the July conference to provide advice and counsel.

3. Some segments of the domestic industry will be ignored in the negotiations at the July conference. Secretary Ball and those in charge of the negotiations in the State Department apparently have no conception of the horizontal and vertical interrelation of the entire domestic textile industry and will, therefore, probably concentrate on those specific items of imports which have reached the highest levels.

Unless there is a broad and significant change in the attitude of the State Department prior to the July international negotiations, the outcome of the discussions will hold no relief for the domestic textile industry. It is quite possible that any agreements reached, considering the course mapped by Mr. Ball, may undercut and predoom whatever possibility of relief now exists from the pending investigation by the Office of Civil and Defense Mobilization.

If this is a policy of the New Frontier, I want no part of it because it is a policy that will cause unemployment by the thousands in the domestic textile industry.

GLADE WHERE HEROES LIE

Mr. CASE of South Dakota. Mr. President, on May 30, 1961, there was published in the Rapid City, S. Dak., Journal an article entitled "Ranks All Equal in Sylvan Glade Where Heroes Lie." The article was written by Ken Jumper, of the Rapid City Journal staff. It is one of the most beautiful tributes I have ever read to the purpose and the concept of national memorial cemeteries. It relates to the Black Hills National Cemetery.

I ask unanimous consent that this outstanding bit of writing, a tribute to the heroes of our country, be printed at this point in the RECORD, following these remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RANKS ALL EQUAL IN SYLVAN GLADE WHERE HEROES LIE

(By Ken Jumper, Journal staff writer)

This is the sylvan glade where heroes lie, alongside wife and child, in the kind sleep of eternity.

This is the verdant dell where beveled slabs of marble, pale faces bearing the chisel's scars, proudly point their epitaphs to a benevolent blueness.

This is the solitude, the sanctuary where brave men enjoy a quiet sleep and a sweet dream.

Here, gentle Black Hills breezes play a requiem through lyres of the pine tree's branch. Here, the good earth is graced by spring's heady taste of rain, summer's mellow rays of sun, and winter's stealthy, soft snow.

Here, too, may the acute listener discern ghostly hoofbeats of Custer's Cavalry and battle cries of a man who rode with Yellow Hair.

That would be Sgt. Charles Windolph, who died in 1950 at the age of 99, a Congressional Medal of Honor winner.

Nearby, a handclasp away, rests the body of his wife, Mathilda, who left this life in 1924.

Together again, they enjoy the peace of death's slumber in a space age increasingly neurotic over the contemplations of nuclear war.

This is the Black Hills National Cemetery, 4 miles south of Sturgis.

This is where there are 1,356 persons buried, the majority of them the soldiers, sailors, marines, and airmen who serve their country in war and peace. There are other graves for their wives and children.

You can count 131 memorial stones in a special plot. These are for the men who fell in battle, never to be recovered, or who were buried at sea. Two years ago there were only four memorial headstones.

Sergeant Windolph is the senior member of the persons buried here. You can walk along the straight rows of headstones and note that general lies beside private, colonel beside corporal.

Here rank is equal.

Note the names. There are headstones for Sgt. Alfred M. Blotz, Pfc. Adolph Petersen, Lt. Col. Carl Clifford Jensen, Pvt. George French, 1st Lt. Audrey Jean Hanlon, an Army nurse, Brig. Gen. Richard Ellsworth and two members of this crew, Maj. Frank Wright and Capt. Orien F. Clark. There are many others.

Today a ceremony was held at Black Hills National Cemetery. Veterans organizations joined forces to pay tribute to their departed comrades. The Governor spoke of the sacrifice they had made.

There were words spoken of the past deeds of America's sons and daughters. But the words which would draw the applause of their silent listeners are those which decry the necessity for such a burial place.

These are the words praising a strong nation at peace and to this the tenants of Black Hills National Cemetery would utter a unanimous:

"Amen."

TAX RATE EXTENSION ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 7446) to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates.

Mr. NcNAMARA. Mr. President, once again the Congress is about to take an action which will break faith with the American people. It will do so with another virtually automatic extension of certain "temporary" excise taxes that are scheduled to be reduced on June 30.

As my colleagues know, I am particularly concerned about the extension of the 10 percent excise tax on passenger cars. During the Korean emergency this tax was raised to 10 percent from 7 percent. Without the action Congress is about to take, this tax would revert to 7 percent on July 1.

The reason why both the past and the present administrations have requested the extension of this tax is obvious: The Treasury needs the money.

If the automobile excise tax were permitted to return to the 7 percent level, the estimated revenue loss during the next full year would be about $402 million. That is a great deal of money, and I do not blame the Treasury for wanting to bring in those dollars.

But the need for those dollars completely ignores the moral and the practical damage the continuation of this tax causes.

The moral damage is plain. The administration and the Congress have literally broken a promise to the American people—not just once, but seven times since the tax was first scheduled to be reduced in 1954.

Each year that this extension bill comes before us, Congress takes practically a "ho hum" attitude and continues the unfair tax burden for another year.

Automobiles continue to carry a 10 percent tax—the only product of major importance on which the Korean excise tax rate has not been reduced in the intervening years.

While the auto purchaser shelled out $250 or $400 extra when he got his new car, the excise tax on such "essential" items as golf clubs, motorcycles, cameras, perfumes, cosmetics, and household appliances has been reduced.

I may add that Canada, in the last few days, has completely eliminated the so-called luxury tax of 7½ percent which was instituted for emergency purposes.

We in Michigan do not object to the reductions on those items, but it must be obvious to all that they do not—even as a group—come close in economic significance to the passenger car.

This is where the practical damage of this extension arises.

The national economy is, in a very real sense, an automotive economy.

More than one of every seven workers is employed in the manufacture, distribution, service, or use of motor vehicles.

One of every six businesses is automotive.

One of every $4.50 spent on the retail level is for automotive goods.

Automotive manufacturers buy 20 percent of the steel, 46 percent of the lead, 36 percent of the zinc, 64 percent of upholstery leather, and 6 percent of the copper sold in the United States.

Highway users paid more than $10.5 billion in State, local, and Federal automotive taxes in 1960.

These figures barely scratch the surface of the importance of the automobile to our economy.

Yet the Congress year after year continues this unfair tax, which has a very real and very damaging effect on the sale of automobiles.

This is extremely shortsighted.

The administration is willing to earmark more than $700 million over the next few years to retrain and relocate workers who are unable to find employment in today's economy.

Would it not be much smarter to risk the loss of $402 million in auto excise taxes to the Treasury, if the result would be that many of these persons could go back to work building cars?

Would not we more than make up for this loss with a pickup in the steel industry, among the suppliers, in the service industries, and increased corporate and personal income tax revenues?

The entire fate of the national economy does not rest upon this single excise tax, of course. But permitting the reduction is the kind of positive step that could well be taken to bolster the current economic upturn, which in too many cases is more illusionary than real.

I realize the Congress and the administration are in no mood to permit this to happen this year, so I will not press an amendment at this time.

However, I want to couple a plea and a warning to my colleagues—that simple justice and economics demand an early end to this onerous tax.

PEACE AND BERLIN

Mr. JAVITS. Mr. President, I hope now to take a few minutes of the Senate's time to discuss the speech made by our distinguished majority leader on Thursday last with respect to the German situation, and particularly with respect to Berlin.

In that connection, I send to the desk a resolution for appropriate reference.

The VICE PRESIDENT. The resolution will be received and appropriately referred.

The resolution (S. Res. 164) was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

RESOLUTION

Whereas the Soviet Union has renewed its threats to Berlin and has issued a demand for a solution by the end of the year, thereby continuing its pressure on the three powers there; and

Whereas this ultimatum is in violation of the joint undertakings of Great Britain, France, the Soviet Union, and the United States at the end of World War II to establish democratic government in all of Germany; and

Whereas the exercise of democratic rights and free political life exists in Germany only in the Western sectors of Berlin and the Federal Republic of Germany; and

Whereas the United States, in concert with Great Britain and France, and in agreement with West Germany, has repeatedly reiterated its firm intention to protect the freedom of the city of Berlin; and

Whereas these three powers have, in fact, at great sacrifice participated in the airlift when Berlin was previously subjected to similar pressure; and

Whereas these actions by the United States, France, and Great Britain have been taken at the repeated request of the free citizens of West Berlin and of their freely elected government; and

Whereas these citizens by overwhelming vote have reaffirmed their intention to remain part of the free world and to resist, at whatever cost to them, any effort to incorporate them into the East German Communist regime; and

Whereas the people of the United States regard the freedom of West Berlin to be vital to the peace, safety, and freedom of the free world; and

Whereas the abandonment of Berlin in whatever guise, would force not only free Berlin but all of Germany to seek a compromising accommodation with the Soviet Union; and

Whereas the isolation and neutralization of Germany demanded by the Soviet Union as a price of such accommodation would inescapably make that country a marshalling ground for further Soviet advances, undermining the North Atlantic Treaty Organization, destroying the painstaking constructive work toward European unification, atomizing the European continent once again into isolated and indefensible states, and threatening the ultimate destruction of the liberties of the millions of Europeans who now enjoy the blessings of freedom; and

Whereas the consequences of each of these developments would be the significant weakening of the defenses of the United States and the freedom of its people: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) The United States should continue to seek four-power negotiations with the Governments of France, the United Kingdom, and the U.S.S.R. with the Governments of the German Federal Republic and the East German regime present, respectively, in such negotiations, on the means whereby a free and united Germany may be created and within it a free and united Berlin;

(2) The United States should, in such negotiations, seek means by which the security of Europe, both East and West, may be guaranteed;

(3) The United States should not accept a unilateral abrogation by the Union of Soviet Socialist Republics of the post World War II agreements regarding access to Berlin, the rights of the people of Berlin, or the reunification of Germany as affecting in any way the rights and responsibilities of the Western powers;

(4) The United States should take whatever measures may be required—together, if possible, with France and the United Kingdom—to maintain access to West Berlin from West Germany on all the routes that have been by agreement with the Soviet Union assigned to the United Kingdom, France, and the United States for themselves and for the benefit of the people of West Berlin.

Mr. JAVITS. I quote these words at the beginning of my speech:

On Thursday last the distinguished majority leader, Senator MANSFIELD, of Montana, made an important speech in this Chamber on the German situation.

These are the very words I used on February 19, 1959, in opening my own statement in response to a speech on the German crisis made a few days earlier by Senator MANSFIELD, then deputy majority leader. At that time I spoke to precisely the same situation which faces us today. So did the Senator from Montana [Mr. MANSFIELD].

On Thursday last, June 15, 1961, some 2 years and 4 months later, the Senator from Montana delivered another speech on the German situation. But nothing appears to have changed. He again is in favor of the creation of a free city, not in West Berlin alone, but in the creation of a free city which embraces all Berlin.

Let us compare this with his speech 2 years ago. It is important to remember that Senator MANSFIELD's speech of February 1959 was within the direct context of the then existing crisis on Berlin, which occurred when the Soviet Union in November 1958 announced its intention to take unilateral action on Berlin if its proposal for an East and West German committee was rejected by the West. Now, almost 2½ years later, we have Chairman Khrushchev's new ultimatum to President Kennedy that the West must get out by the end of December or the U.S.S.R. will sign a separate peace treaty with East Germany.

The Senator from Montana [Mr. MANSFIELD] was speaking in light of Premier Khrushchev's ultimatum that the West must get out of Berlin.

A copy of my remarks have gone to the Senator from Montana [Mr. MANSFIELD]. He knows I am to make this speech. I hope, if he feels constrained to reply, he will do so, in his own good time. I merely wish to make clear that the Senator from Montana had adequate notice that I would make these remarks.

Nothing has changed—indeed. Senator MANSFIELD is recommending, as he did in early 1959, negotiations between East and West Germany, this time to establish a free city of Berlin instead of an all-Berlin government. This recommendation, just as the one in 1959, would mean the abandonment of the two main Western positions to which the West has doggedly adhered all this time: First, that negotiations between the so-called German Democratic Republic of the East and the German Federal Republic of the West are not the way to German unification, and that the unification of Berlin must be a part of the unification of Germany; and second, that the unification of Germany should be accomplished, in the final analysis, whatever might be the interim steps, by all-German elections.

The Senator from Montana quite properly defines the words, which have been used before, "stand firm at Berlin," to mean the following, and I quote again from the speech of the Senator from Montana of a week ago:

> The range of this commitment extends from a beginning of words of firmness, to a midpoint of expenditure of immense resources and enormous taxes and other sacrifices, to a final pledge of the lives and fortunes of every man, woman, and child in the Nation.

I ask, Should the range of this commitment scare us? Are there not even worse alternatives to danger—for example, the alternative of defeat? The one essential difference which points to an even greater danger now from the suggestion by Senator MANSFIELD than there was even in February 1959, is the fact that this proposal is made on the eve of an election campaign in West Germany, which will be consummated by elections on September 17, 1961.

Anybody who knows Germany knows that anything might happen in such an election, both as to issues and policies, if—and I emphasize the word "if"—the people of West Germany were to feel that the West is playing with the idea of a compromise on Berlin which would leave them out.

That is supremely important, because in a sense West Germany is, under the tutelage of the whole free world, gradually developing into a democratic state. If we did not know that, the testimony of Eichmann should remind us that we are a short time away from a very different kind of Germany, with very different ideas, and with a different kind of outlook. I do not think the free world can take for granted the difference that existed in the past and think that, no matter what we do, the Germans will permit to continue what Adenauer has done for that country in bringing it into the free world camp.

In my opinion, Mr. President, if there were new stresses and strains and uncertainties with regard to a Western position—which now to the West Germans is not uncertain—anything might happen in a new German election. Any new demagog might arise to try to lead the German people astray. We hope and pray the German people will no longer be led astray, that they will never have that experience again. That is our hope and our belief. It is certainly not anything one can put in the bank and depend upon, as we might say in the United States.

The Senator from Montana [Mr. MANSFIELD] would have us believe that it is our responsibility to seek to determine whether or not there is a third way on Berlin which corresponds more accurately to the needs of Germany today, Europe today, and the world today.

The Senator further says:

> Indeed, a third way which meets more fully the contemporary needs of both the Soviet Union and ourselves.

This is quite a reasonable statement, Mr. President, but the whole difference between the thinking of people like myself and the Senator from Montana [Mr. MANSFIELD] is this, Shall it be the aim and objective of the free world to struggle for a unified Germany or shall the free world accept a divided Germany? I respectfully submit that whatever connotation may be put on the speech of the Senator from Montana [Mr. MANSFIELD], it proposes, in the final analysis, that we accept a divided Germany.

Nor do I take this speech lightly; it was made by the majority leader, and while the majority leader has made it very clear that he speaks for himself alone, that it is not a trial balloon, that it does not represent an exploratory effort on the part of the administration, it is a fact that he is nonetheless the majority leader of the Senate—the body in the Congress most charged with foreign policy responsibility.

Now, such a proposal, Mr. President, by any Senator would be taken very seriously by the German Federal Republic and by other governments. When it is made by the majority leader it is taken doubly seriously. Therefore, whatever the Senator from Montana [Mr. MANSFIELD] may feel about his speech being a strictly personal submittal, coming as it does from him, the majority leader, it must take on not only importance but also influence in the affairs which will ensue.

In a sense, Mr. President, I think every Senator should take pride in that fact; the fact that we think we are men of some competence and that we do occupy positions in the world which causes us to be listened to. I do not think we, as Senators, would wish to say, "It is unimportant, for it is the viewpoint of only one Senator." Its effect will be most important on the people of West Germany, but it also will have a very profound effect on the peoples and the Governments of the United Kingdom and of France.

So, for all of us who do not agree—and I definitely do not agree—there is a duty to make clear our position..

Also, I believe it would be appropriate in the light of the speech for the President to restate to the American people the U.S. policy on Berlin, as I understand it is soon to be restated anyhow in answer to Chairman Khrushchev's memorandum, given to the President in Vienna. It seems to me the frame of reference we are now in would be an excellent time to do it, because it would answer both the questions raised by the Senator from Montana [Mr. MANSFIELD] in his speech, and those raised by the Khrushchev memorandum.

Mr. President, as I see it, the premise upon which our colleague proceeds is that really we have to find some way out of this dilemma, because we have been in Berlin for a long time. It was 14 years when the Senator spoke in 1959. It is now 16 years.

This is something our country must decide. We can only submit our views. I do not see that it necessarily means we must be under pressure to suggest alternatives for the solution of the Berlin problem. This is a fundamental dynamic of the aproach of the Senator from Montana [Mr. MANSFIELD].

We have tremendous regard and affection not only for the Senator from Montana but also for the luminosity of his mind. He apparently feels that since we have been in Berlin 16 years, with nothing having happened, since we are faced with an ultimatum, we have to propose some alternative.

Mr. President, it is also a policy not to propose an alternative. This is what I should like to speak about today.

Berlin is obviously irritating the Russians, because they are always in a "flap" about it. Mr. Khrushchev indicates very clearly, even as recently as this morning, that this is the case.

The Berlin problem should not irritate us, nor should we have any doubt about our legal right to be there, for we are there under the terms of the wartime agreements for occupation of Berlin, which make it very clear.

We may have left much to be desired in regard to the means of access to Berlin and the regulation of those means as well. But certainly the wartime agreements are very clear as to our right to be where we are—to be there responsibly, and not to be starved out or forced out. It is that obligation to be there which we must safeguard with the same coolness and the same determination that the Russians are using, not only on that front, but on others. I would be the last to say that this is not without risk—of course it has risk—but I would be the first to say that it is a risk which if not taken is likely to lead to reverses far worse in character, and could lead to defeat.

I think a big factor which must determine what shall be our course in Berlin is to ask first why we are in Berlin at all, 16 years after the end of World War II. We are there because we must assure the people of Berlin that we and our allies recognize our responsibilities for the unification of Germany under freedom, which we cannot relinquish.

If we agree with the Russians on that, that is all right, too. In other words, if Germany must be unified and integrated with a total Europe, and thereby we are assured she will be dedicated to peace, that will be all right.

I should like to say a word to my colleagues on the Republican side which I think is very important for all of us. Many people have the idea, because we,

or at least many of us, are so passionately anticommunistic, that we have forgotten all about the Nazis and all about what they did to the world, not once but in two World Wars. There is the same general idea even going back to the Franco-Prussian War. Nothing could be further from the fact. We do tend, because the danger is imminent, to emphasize the Communist menace, but I think it would be a great mistake for anybody to have the idea that we have forgotten about the other totalitarian menaces which we and other Americans have joined in dedicating our lives and fortunes to defeat. I think that is very important, because much is made of the fact that because one is so strongly anti-Communistic one is thereby kind of excusing another kind of totalitarian ideology. I think I can confidently say, for all of us, this is not the case, and it never was, and is not in our contemplation at all.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. BUTLER. I must leave the Chamber, but I wish to commend the Senator for the wonderful address he is making. I subscribe wholeheartedly to what the Senator is saying. I think Berlin and our presence in Berlin is a presentation of a strong front. It is a great prop for the Western World. I think we have to take any reasonable calculated risk to preserve our position there.

Mr. JAVITS. I thank my colleague for his remarks.

Mr. President, I have stated why we took our stand in Berlin. We cannot relinquish that stand. We cannot sanction a "soft," or Communist, takeover in Berlin or in any part of Germany as an aftermath of a military victory in which we had such a large share, which was so essential for the preservation of freedom in the world.

Indeed, the Senator from Montana [Mr. MANSFIELD] agrees with us in this, for he says:

> Berlin remains the symbolic hope of that [German] unification and I do not think it is unreasonable to assume that it will one day again be the actual capital of a unified Germany.

Those are his own words. Yet I feel that his proposal—this is where one may differ on what should be done—would assure the continued division of Germany and is likely to eliminate Berlin as the symbol of German unification.

Mr. President, I have been reading the documents and papers incident to the last Berlin crisis in the 1958–59 period, as well as the proposals put before the foreign ministers in conference at the Foreign Ministers Conference of the Four Powers in occupation of Berlin in June of 1959. Let us remember that that conference opened with the text of a Western peace plan which was dated May 14, 1959, and which, it seems to me, had far more promise than the plan of the Senator from Montana [Mr. MANSFIELD] for making a free city of all Berlin by negotiations between the East and West Germans.

What was proposed in Geneva in June 1959 was that East and West Berlin should be united in a free election held under the quadripartite or United Nations supervision, and that a freely elected council should be formed for the whole of Berlin, until German unification was achieved, as a first step toward it. There was to be a four-power guarantee of the freedom and integrity of the unified city of Berlin, and there was to be access to it assured by the four powers.

It was stated that the four powers would continue to be entitled, as at present, to station troops in Berlin. In addition, the proposal put forward by Secretary of State Herter called for a mixed committee of 25 members from the Federal Republic of Germany and 10 members from the so-called German Democratic Republic, decisions to be made by a three-fourths majority. This committee would be given an opportunity for a year to draft an electoral law under which the people of both Germanys could elect a constituent assembly—an all-German assembly—for the purpose of drafting an all-German constitution. If within 1 year, no such draft law had been formulated by such an all-German committee, then the members from West Germany and from East Germany would each be permitted to formulate a draft law and whichever was approved by a majority of the people of both Germanys after a plebiscite, would represent the electoral law for an all-German assembly.

The Western plan was accompanied by proposals for reduction of armaments and military forces under international inspection and control together with technical means for protection against surprise attack and for mutual withdrawal of forces from a new unified German nation. Freedom of action in that new nation was provided with respect to home defense and security arrangements and to its joining in European security arrangements—like NATO and for a four-power guarantee against aggression.

Later, when it appeared that no agreement was possible on any such plan, another proposal was made over Berlin on June 16, 1959, in which it was proposed to limit the combined total of forces in Berlin on the part of France, the United Kingdom, and the United States to the current figure at that time of 11,000. The foreign ministers also wished to reaffirm the right to freedom of movement into West Berlin and between East and West Berlin, and to restore four-power administration of Berlin under the continuing supervision of the foreign ministers of the four countries. These arrangements were to continue in force until the reunification of Germany.

These proposals were further refined on June 19, 1959, to provide that the Foreign Ministers should consider questions relating to the extension and development of contacts between the two parts of Germany. Also there was a proposal for the four powers to utilize German advisors in the course of these negotiations and contacts, in much the same way that German advisors from both parts of Germany were admitted to the Geneva Conference in June 1959, and utilized by the three Western allies and the U.S.S.R., respectively.

These efforts of June 1959, came to nothing. The Senator from Montana [Mr. MANSFIELD] said almost prophetically in respect to the position of the Soviet Union:

> Let me set forth next, Mr. President, my understanding of the position to which the Soviet Union adheres in the Berlin situation. It is, so far as I am aware, unchanged as is ours, except in time schedule, since it was first announced in November 1958.

The fact that both sides have remained where they are is very important, because the Soviet Union in its communication of November 27, 1958, announced its unilateral policy on Berlin, and said exactly what it proposed to do, and it still says so. We all agree on that point. In that November 1958 communication it charged that the Governments of the three powers—the United States, United Kingdom, and France—are seeking to keep in force the long-since obsolete parts of the wartime agreement which governed the occupation of Germany and which entitled them in the past to stay in Berlin.

In short, the Soviet Union was affirming that East-West German negotiations on Berlin could be and would be interpreted as our acceptance, implied but clear, that we join in the denunciation of the wartime agreement, by which we are in Berlin now.

Second, by way of showing what the Soviet Union now considers to be a free city—because the free city concept was something that they themselves proposed as to West Berlin—the Soviet proposal of November 27, 1958, said that if a free city is set up in West Berlin as was then proposed, it—the U.S.S.R.—will do its utmost to promote the attainment of these aims—economic viability for West Berlin especially by placing orders for such an amount of manufactured goods as would fully insure the stability and prosperity of the economy of the free city and also by regular systematic supplies to West Berlin of the necessary raw material and foodstuffs on a commercial basis. Considering the history of the U.S.S.R. and its operation in the captive nations of Eastern Europe and elsewhere, can anyone doubt for a minute that this is serving notice that the U.S.S.R. will impose promptly through its puppet Communist German Democratic Republic, which surrounds Berlin, an economic control in which is inherent the power of economic strangulation. Indeed, the economic relationship between West Berlin and West Germany is critical to West Berlin's survival.

Hence, Communist economic control would mean the end of West Berlin as far as the free world is concerned, just as it has meant the end of East Berlin up to now.

Nor is the effect on the Communist satellite nations in Central Europe of our negotiating to make Berlin a free city to be underestimated. Soviet propaganda strives constantly to convince the peoples in these captive nations that the West is preparing to accept the po-

litical status quo in Central Europe as permanent. The Soviet knows its vulnerability in these nations and seeks to develop in them a spirit of hopelessness leading to passivity and resignation; it seeks to convince these peoples that the Communists can bring about major political concessions from the free world without danger of war to the U.S.S.R. Negotiations for a free city of Berlin would fortify this thesis for the Communists in the captive nations.

The very implication of the term "free city" in its historic and legal application embodies not the freedom of its people but its historic and legal reliance for security on the respect of its status by it neighbors. Are we willing to accept that Soviet guarantee? I have heard it freely predicted by people who had escaped from Germany in connection with Hitler's activity there—and quite properly—that if we accept this proposal for a free city of Berlin, all of Berlin would be Communist within 6 months—and Germany would remain forever divided.

Let us consider another example from history. A number have been given.

Danzig, declared a "free city" by the Treaty of Versailles, is not an untypical analogy. The Nazis won "elections" there by terror supported from without—notwithstanding a League of Nations guarantee as to the free city status of Danzig. In 4 years opposition was snuffed out and in 6 years the Nazis had Danzig. And Danzig was outside of the Nazis' Reich, unlike Berlin, which is within the confines of the Soviet empire.

The question has been raised that our position cannot be inflexible.

It is not true that our position is inflexible. For example, Western forces have been reduced and have been kept reduced, and obviously represent no threat to East Berlin or the East German Communist regime. The U.S.S.R. complains about the activity of Radio Berlin which broadcasts into East Germany. Certainly should the United States and its allies be given assurances that pressure on Berlin will be relaxed, this is a matter which could be negotiated. So, too, on the question of whether there should be sessions of the German Bundestag in West Berlin. In fact, I note that a proposed session of the German Bundesrat, the upper house of their legislature, has actually been called off for West Berlin.

Perhaps the clearest indication of how the West would be pushed out of Berlin if the Communists had their way was given by East German leader Walter Ulbricht on June 15, when he openly demanded liquidation of refugee camps in West Berlin, and also hinted that new air safety rules which would cripple airline operations in and out of the city would be applied to Templehof Airport.

In essence, what the Senator from Montana [Mr. MANSFIELD] has offered us again is a quick one-package solution, because we are perhaps just tired of the impasse—or perhaps afraid of it. It is my deep conviction that we are neither tired of the impasse nor afraid of it—that we dare not be tired or afraid—and that the alternative will so seriously undermine the position of the free world with respect to the Communist bloc as to represent the most decisive reverse for the free world which could be imagined.

It is my deep conviction that the imperatives of our position require us to choose what may seem to be the harder way, but is by far the more secure and surer way. We must be willing to take time, to run risks, to enter into extended negotiations time and time again while standing by the fundamental principles upon which our whole policy is built—the principles of the self-determination of peoples and of the United Nations Charter.

At this point a quote from a speech made by President Eisenhower in 1959 may be appropriate. He said:

> All history has taught us the grim lesson that no nation has ever been successful in avoiding the terrors of war by refusing to defend its rights. The risk of war is minimized if we stand firm.

We have now been in Berlin for 16 years—this is a very long time—but as the affairs of men go, it is not a very long time at all. The Soviet Union does not seem to be hastening to solution or to the abandonment of positions which it considers to be critically important to its own security or to the policy of the Communist bloc. The imminent end of test ban negotiations, the interminable dragging on of disarmament negotiations or of negotiations with respect to supervision against surprise attack do not seem to have worried the Communists too much. Why therefore should we be in a panic about seeking a "third way" on Berlin? The answer is that we cannot afford to do so.

The distinguished Senator from Montana has invited the Senate to discuss this matter at length, and to begin the discussion now. I think that is right, and I compliment the Senator from Montana for his courage in bringing forth his proposals, which have been stimulating and provocative and therefore important to the country. A lesser man would not have done so. This is the spirit in which I am discussing them today. I do not agree with the solution which he suggests, and I think that it could be disastrous. That is entirely aside from the point that the Senator has rendered a great service in opening this matter to discussion.

As I see it, it is in the best interests of our country and of the free world that the United States should stand upon these principles on Berlin:

First. We should not accept a forced solution or be under pressure because of Chairman Khrushchev's deadlines or threats or even the actuality of the U.S.S.R. making a separate peace treaty with the East German Communist regime. They could do that. However, they would also have to make it good.

Second. We should await the outcome of the elections in the German Federal Republic in September to permit the German people themselves to give a new mandate as to their wishes on Berlin.

The attitude of both parties is important so far as Berlin is concerned. As I understand it, their views are very much the same, and that they hope and trust that the Western World will stand on the present purpose.

Third. We should recognize that the East German Communist regime is not the expression of the freely declared will of the people of East Germany.

Fourth. Negotiations on Berlin should be based upon the reunification of Germany by free elections; the security of Europe, both East and West, including a reunified Germany; and the joint responsibility of the Governments of the United States, the United Kingdom, France, and U.S.S.R. for this result.

Fifth. The United States should under no circumstances accept the unilateral abrogation of its rights and the rights of its allies for continued and assured access to Berlin and for the unification of Germany in accordance with the four-power agreements made at the end of World War II.

To indicate the sense of the Senate to this effect, I am today presenting a resolution on Germany, and I ask unanimous consent that the text may be made part of my remarks.

There being no objection, the text of the resolution was ordered to be printed in the RECORD, as follows:

Whereas the Soviet Union has renewed its threats to Berlin and has issued a demand for a solution by the end of the year, thereby continuing its pressure on the three powers there; and

Whereas this ultimatum is in violation of the joint undertakings of Great Britain, France, the Soviet Union, and the United States at the end of World War II to establish democratic government in all of Germany; and

Whereas the exercise of democratic rights and free political life exists in Germany only in the western sectors of Berlin and the Federal Republic of Germany; and

Whereas the United States, in concert with Great Britain and France, and in agreement with West Germany, has repeatedly reiterated its firm intention to protect the freedom of the city of Berlin; and

Whereas these three powers have, in fact, at great sacrifice participated in the airlift when Berlin was previously subjected to similar pressure; and

Whereas these actions by the United States, France, and Great Britain have been taken at the repeated request of the free citizens of West Berlin and of their freely elected government; and

Whereas these citizens by overwhelming vote have reaffirmed their intention to remain part of the free world and to resist, at whatever cost to them, any effort to incorporate them into the East German Communist regime; and

Whereas the people of the United States regard the freedom of West Berlin to be vital to the peace, safety, and freedom of the free world; and

Whereas the abandonment of Berlin, in whatever guise, would force not only free Berlin but all of Germany to seek a compromising accommodation with the Soviet Union; and

Whereas the isolation and neutralization of Germany demanded by the Soviet Union as a price of such accommodation would inescapably make that country a marshalling ground for further Soviet advances, undermining the North Atlantic Treaty Organization, destroying the painstaking constructive work toward European unification, atomizing the European Continent once again into isolated and indefensible states, and threatening the ultimate destruction of the liberties of the millions of Europeans who now enjoy the blessings of freedom; and

Whereas the consequences of each of these developments would be the significant weakening of the defenses of the United States and the freedom of its people: Now therefore, be it

Resolved, That it is the sense of the Senate that:

1. The United States should continue to seek four power negotiations with the governments of France, the United Kingdom, and the U.S.S.R., with the Governments of the German Federal Republic and the East German regime present, respectively, in such negotiations, on the means whereby a free and united Germany may be created and within it a free and united Berlin;

2. The United States should, in such negotiations, seek means by which the security of Europe, both East and West, may be guaranteed;

3. The United States should not accept a unilateral abrogation by the U.S.S.R. of the post World War II agreements regarding access to Berlin, the rights of the people of Berlin, or the reunification of Germany as affecting in any way the rights and responsibilities of the Western Powers;

4. The United States should take whatever measures may be required—together, if possible, with France and the United Kingdom—to maintain access to West Berlin from West Germany on all the routes that have been by agreement with the Soviet Union assigned to the United Kingdom, France, and the United States for themselves and for the benefit of the people of West Berlin.

Mr. JAVITS. Mr. President, I urge the Senate to adopt the resolution, to help erase any ambiguity of U.S. policy on Berlin that may have been caused by the interpretation placed on Senator MANSFIELD's proposal to create a free city of Berlin; or, for that matter, that may have been caused by my speech or the speech of any other Senator who has spoken on the subject. I believe it is a desirable time for the Senate to express itself. I have expressly sought not to put this resolution on the calendar. It should properly be referred to the Committee on Foreign Relations, to have that committee consider this very important subject.

I close with these words. The senior Senator from Montana has done a great service to our country and certainly to the Senate, as well as to the free world, for having had the courage and the patriotism to come forward with what is an important proposal, a provocative proposal, a very vital proposal, as is evidenced by the depth and intensity of my own disagreement with it, and by the amount of discussion which has resulted throughout the world. Knowing the Senator from Montana as I do, I know he feels as strongly about his own ideas as he does about our right to develop our ideas, so that the world may have a composite of our feelings on this very vital question.

We are dealing here with a matter which is present in men's minds and in men's hearts, and also in the resolution of the country. I join the Senator from Montana, whom I love and respect, in emphasizing to all the people of America the seriousness of what we are discussing today. This is not a light matter of high policy in which we are indulging as Senators. The United States is confronted here with an obligation of a most serious character, which could develop in the most serious way, if the Russians insist upon taking the path which Khrushchev has already laid out.

Therefore, I close as I began. Notwithstanding the intensity of my disagreement, I pay tribute to the Senator from Montana for having led us on this path where the matter may be discussed openly, and where the American people may have the benefit of an open discussion of this very serious situation, which is so portentous for our future and for the future of the whole free world.

Mr. MANSFIELD. Mr. President, I thank the distinguished Senator from New York for his kind comments and for his graciousness and consideration in sending me in plenty of time an advance copy of the speech he has made today and of the resolution which he has submitted.

If I may, I most respectfully request the Senator from New York to remain in the Chamber, because I have some comments to make on his speech, and I have some questions to ask, which I believe should be asked for the purpose of clarifying the situation which confronts us in the Senate and which confronts the people of the United States, as well as the people of Germany and Europe and, in a certain sense, the people of the world as a whole.

The Senator from New York is always gracious, always thoughtful, always considerate, and always aware of the subject to which he addresses himself. I commend him for his contribution today, because he has made a real contribution, just as he has on previous occasions, beginning with the first speech I made on this subject in February of 1959.

I must disclaim, however, any act of courage in advancing my proposals, because to me it is not an act of courage to say what is in one's mind and what one feels conscientiously. That he takes issue with the remarks which I made last Wednesday is not so important as that he has helped by his remarks to extend the Senate's consideration of this highly significant matter.

I do not wish to presume, but it seems to me that much of the Senator's statement was stimulated by what I said last week and is directed at specific aspects of that statement, or, at any rate, to his interpretations of that speech or misinterpretations which have occurred or might occur elsewhere.

Since that is the case, Mr. President, I wonder if the Senator from New York will indulge me so that I may propound a series of questions which I hope will clarify the areas in which we are in agreement and those in which we are not and which may also help to clear up some of the interpretations or misinterpretations.

On page 2 of his statement the Senator from New York quotes accurately from my speech and says:

The Senator from Montana quite properly defines the words "stand firm at Berlin." He states [that is the Senator from Montana states] "the range of this commitment extends from a beginning of the words of firmness, to a midpoint of expenditure of immense resources and enormous taxes and other sacrifices, to a final pledge of the lives and fortunes of every man, woman, and child in the Nation."

Then the Senator from New York adds:

But should that scare us?

Mr. President, "scare" is in itself a scare word. It carries a cringing, cowardly connotation. I feel certain that the Senator from New York did not wish to leave the impression by its use, that merely because the Senator from Montana described accurately the meaning of the words "stand firm at Berlin," he was cringing or being cowardly.

Let me repeat the quotation which the Senator from New York has accurately stated from my speech:

The range of this commitment extends from a beginning of the words of firmness, to a midpoint of expenditure of immense resources and enormous taxes and other sacrifices, to a final pledge of the lives and fortunes of every man, woman, and child in the Nation.

Let me now change one word in the question which the Senator from New York asks at the end of the quotation:

But should that concern us?

I must say to the Senator from New York that it concerns me very deeply that the great centers of human civilization in Europe, East and West, and in the United States, if not throughout the world, may be reduced to ruins and tens of millions of lives, Americans and others, may be snuffed out at the end of the line of any commitment.

I ask the Senator from New York, if this does not scare him, as I am sure it does not, does it not concern him?

Mr. JAVITS. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. It deeply concerns me, as it deeply concerns the Senator from Montana. I am concerned in exactly the same words and with exactly the same degree of emotion and feeling as he is concerned. I am delighted that he gives me the opportunity to state precisely what I mean.

What I mean is that I join with the Senator from Montana in evaluating the reasons, as compared with the alternatives, that the Senator from Montana proposed to us. I believe that the risk is not so great, or that, at least, in evaluating the risk, we should not be so greatly concerned about the risk as the alternative. I used the word "scare" because of the awful, and quite properly awful, alternative which is presented, should there be a conflict.

It is my judgment that the alternative which is presented leads us down a road which is more likely to end in conflict and the very holocaust which the Senator suggests.

I feel that way as sincerely as the Senator from Montana feels precisely the other way—180 degrees the other way. What I was trying to convey was not that the Senator from Montana was scared or that I was scared, or that there was any thought of cringing, or that the Senator was trying to scare us. I was trying to compare the risks which we would be accepting.

I agree that there is the risk, and I join with the Senator in pointing out to the American people that there is this

awful risk; nonetheless, I feel that the alternative which the Senator presented to us was less desirable under those circumstances and was more likely to lead us afoul of the risk than standing where we are, at least at this time, on Berlin, as I recommend doing.

Again, I welcome the opportunity the Senator from Montana has given me to make that viewpoint as pinpointed and as crystal clear as language can make it. I was only thinking of the balancing of alternatives, while joining with the Senator in his alternative that we would run a risk.

Mr. MANSFIELD. Mr. President, I appreciate the reply of the Senator from New York. I ask him to keep in mind during the course of our colloquy his statement about our being 180° apart in exactly the opposite direction.

I know the Senator from New York has read my speech carefully. Does he recall the statement in that speech?:

> We prove our courage, our steadfastness, our determination when we insist, as insist we must with all that insistence implies, that we shall not permit the Russians or anyone else to dictate unilaterally the terms under which this Nation and its Allies shall discharge the responsibilities in the wake of World War II.

Does that suggest to the Senator from New York that the Senator from Montana was advocating some kind of retreat at Berlin if the chips eventually go down and no satisfactory and acceptable alternative to the present situation can be found? Does that suggest that the Senator from Montana does not recognize, in the words of the Senator from New York that "there are even worse alternatives to danger—for example, the alternative of defeat?"

Mr. JAVITS. Since I am a lawyer, and I respect an answer "yes" or "no," my answer is decidedly "No." In other words, I join with the Senator from Montana fully in the knowledge that he was committing himself to a determined stand unless there was a resolution of the issue by agreement. When I said that we were apart on alternatives, I had in mind the actual suggestion or recommendation or proposal—whatever word one wishes to use—made by the Senator from Montana in this respect, if I may pinpoint it, because the Senator, as usual, is being very helpful in this regard. The Senator from Montana recommended negotiations for a free city of all Berlin. I have stated that at this time negotiations for a free city of all Berlin, or at least negotiations beyound the relatively modest limitations which I have described, would be most inopportune.

As the Senator from Montana so well knows from his vast experience, a policy is also a policy if one takes the position that he will not negotiate upon a certain ground because he cannot yield upon that ground. There is no point in negotiating on ground on which one cannot yield.

I say we are not apart at least as to our commitments. I say we are not apart in that we have not found a policy with respect to Berlin. I do not think that is in issue. I think we are apart on the question whether we should or should not negotiate on the issue of a free city for all of Berlin, on which I believe we are diametrically apart.

Just as I think I understand something about the basic philosophy of the Senator from Montana, so I think it is very important to state, in a word, my own basic view of our present situation with respect to Khrushchev. I believe Khrushchev thinks right now that he has us over a barrel; that he is very strong; that the Soviets are away ahead of us; and that he can treat us in a rather cavalier way. That is his opinion.

In my opinion, negotiations under those circumstances for so momentous an end as the resolution of the situation concerning Berlin are likely to be not only fruitless but are likely to become fruitless.

As I stated with respect to the Western German elections, it seems to me that this is the time when we shall have to demonstrate the strength of our position, not by words, not simply by saying how strong we are, but by integrating the free world.

As I see it, if I were the top general in this operation, I would now be driving forward in all the things the Senator from Montana believes in as completely as I do, whether it be the OECD or a closer knitting together of NATO, in terms of France, or the effort to develop the Alliance for Progress in Latin America with the aid of Europe, which I think we should have in many other areas. I would be driving forward for the integration of the free world. I would not get off, right now, at the station of negotiation with Khrushchev on a free city of Berlin, or anything else. I do not believe that is the way in which we can effectuate the best of our purposes in terms of the free world.

It is always useful to know the basis for a man's thinking. I state it quite frankly.

Mr. MANSFIELD. The Senator from New York is always frank. He said if he were the general, he would do this, that, and the other thing. I can speak only as a private, first class. That is the only rank I ever achieved in the service. I am quite proud of it, because it happened to be in the Marine Corps.

I turn now to another aspect of the speech of the Senator from New York.

The Senator from New York has noted the speeches made by the Senator from Montana in February 1959, and last week, and adds:

> The one essential difference which points to an even greater danger now from the suggestion by Senator MANSFIELD is in the fact that this proposal is made on the eve of an election campaign in West Germany.

Is the Senator from New York suggesting that the Senator from Montana should not speak his mind in the Senate of the United States, because of German politics?

Is the Senator from New York aware that both principal West German parties taken substantially the same position on the question of Berlin—both Mr. Adenauer and Mr. Brandt?

I am sure the Senator from New York would agree with that statement and would understand that position, and certainly would not say that because an election was going on in another country, when time was of the essence, a Senator of the United States, in the U.S. Senate should not have the right, the opportunity, and the privilege to speak his own mind.

If the answer to that is in the affirmative, what adverse effect in Germany does the Senator from New York anticipate from remarks made by the Senator from Montana in the Senate of the United States? Will they help Mr. Adenauer or Mr. Brandt? So far as I am aware, they can hardly help the Communists in West Germany, since that party is illegal.

Mr. JAVITS. Mr. President, will the Senator from Montana yield?

The PRESIDING OFFICER (Mr. METCALF in the chair). Does the Senator from Montana yield to the Senator from New York?

Mr. MANSFIELD. I yield.

Mr. JAVITS. I was not talking about the Senator's words, much as I respect them, and much as I admire the Senator from Montana. Instead, I was talking about adopting the Senator's suggestion or if a dozen of the other Members of the Senate supported the Senator's suggestion, rather than took the other position, I believe that could have a material effect on the West German election campaign.

Incidentally, in the course of my speech I noted—although it was not included in my prepared remarks, and thus perhaps the Senator from Montana was not aware of this—that it is a fact that, as of now, both the German parties—both the party headed by Willy Brandt and the party headed by Chancellor Adenauer—take the same position on Berlin. I pointed out that with the uncertainties of German politics being what they are, one would not know what would happen in a German election if we gave what I called in 1959 "the word" that we were caving in on Berlin—which would be my construction of the Senator's suggestion. I could be mistaken, of course; but, nonetheless, I would be less than honest if I did not say that is my view. And in that respect, I think it could have a profound effect on the German election.

Mr. MANSFIELD. Now let me turn to another aspect of the speech of the Senator from New York. He noted that—

> The whole difference in thinking between people like myself and Senator MANSFIELD is this: "Shall it be the aim and objective of the free world to struggle for a unified Germany or shall the free world accept a divided Germany?"

There are differences between the Senator from New York and the Senator from Montana, but I do not believe this particular difference is accurately stated.

The question is not "shall," but "how" shall the free world struggle for a unified Germany.

I submit that we have struggled for a decade and a half in the fashion suggested by the Senator from New York, and we have spent public funds far in excess of $1.5 billion in the city of Berlin alone. On this point, I must ask the Senator from New York whether he

thinks the unity of Germany is any closer now than it was 15 or 16 years ago.

Mr. JAVITS. Does the Senator from Montana wish me to answer the questions as he asks them?

Mr. MANSFIELD. Yes.

Mr. JAVITS. I do believe that Germany is closer to unification now than it was 15 or 16 years ago.

Mr. MANSFIELD. Why?

Mr. JAVITS. I shall state why. It is for two reasons: First, because West Germany is prosperous, has made a success as a democratic state, and has a strong government which generally is supported by its people; and it seems to me that those constitute absolutely unbelievable differences between the situation now and the situation 15 or 16 years ago; second—and also very important—a great segment of the German people, to wit, 48 million of them, has been accepted by the Western World, and, indeed, by the entire world, as respectable citizens; and this, too, in terms of what the East Germans seek, represents a very major difference between their position today and their position 16 years ago.

It seems to me that these are two enormous contributions toward the ultimate unification of Germany.

Mr. MANSFIELD. Well, Mr. President, let me say the Senator from New York is a great deal more optimistic than I am and, I think, a great deal more optimistic than most people are, because I noticed that he confined his remarks to West Germany alone, and brought in East Germany only incidentally. He did not bring out the fact that Khrushchev has stated four or five times, and has stated it this time with a deadline, that he expects to get out of East Berlin, so that control of the city would be turned over to the Pankow government, even though a symbolic segment of allied troops, including Soviet soldiers, would be retained there.

Does the Senator from New York think that the expenditure of a few more billions, some lives, or, finally, a nuclear war would bring about a unification of Germany? Or is the Senator from New York so sanguine that, on the basis of the progress made over the past 16 years, he believes it is only a matter of waiting a few more years in order to have this much-desired and much-needed—in my opinion—unification brought about?

Mr. JAVITS. On the contrary, I am not sanguine as to the time. I am only discussing whether conditions now are more promising than they were 16 years ago. I think they are more promising now.

But as to the time, it may take several more decades to do anything about the unification of Germany.

As regards our entire concept and policy, it seems to me that all our people have to gird themselves for this eventuality, because again—inasmuch as we have been discussing the spending of money and foreign aid—we are very much interested in what we spend; and I could not agree more. But we also must consider what we have to spend it for. If the free world is growing, developing, and producing more, although we may have, certainly, to invest more money in the situation that Berlin is in right now, it may be a very good investment; and I think it is.

For example, let us think what it would mean to Khrushchev if he had the kind of demonstration laboratory for communism that we have for freedom, right smack in the middle of the whole Iron Curtain. It seems to me he would not be worried whether he spent a few hundred million dollars a year for that. So we should not be worried about it, and that should not be a reason for our adopting the stated alternative, which in my opinion could only lead us "down the drain" in respect to this situation.

Of course I can understand why the Senator from Montana and all others would be very unhappy about the fact that 16 years have passed; but I have made the point as to why I believe unification is now in a better frame of reference.

But I am the first to agree that these are not the major points for negotiation; we are not getting anywhere in that respect. Nevertheless, we are engaged in a long struggle, of which this is a phase; and I believe this is one of the key phases, because what we do in Berlin, right in the heart of the Iron Curtain countries, and as it relates to all the rest of Europe, will be the key in regard to the extent of our fortitude in respect to all other phases of this matter. If we display fortitude in regard to Berlin, the world will, in the final analysis, know that we can be relied on, and thus the rest of the world will be with us. But if we did not display fortitude in regard to Berlin, I fear that we would lose the confidence and the support of the rest of the world. That is the basis of my position.

Mr. MANSFIELD. On this point, the Senator from New York notes that "the Mansfield speech proposes that we accept a divided Germany."

If the Senator from New York means by that, formal recognition of East Germany, I must respectfully request that he point out where in my speech that is suggested. And if he does not mean recognition, then I must ask what he does mean. What is implied in this speech that does not already exist and has existed for a decade or more, except that East Berlin will be taken out of the hands of the Communists and, along with West Berlin, placed under international control until such time as Germany achieves unification?

Mr. JAVITS. Where I think the Senator from Montana and I differ so sharply is that if a "free city" were made of West Berlin, under the conditions the Senator has specified, it would not be long before all of Berlin would be a Communist city thoroughly incorporated into East Germany.

What I had in mind to say—although, of course, words are always inartistic—is that by no means do I think the Senator wants a divided Germany.

Mr. MANSFIELD. Or recognition of East Germany.

Mr. JAVITS. I am sure of that, too. And if the Senator did not think so, I am sure he would not have made the speech. I am rather well acquainted with what the Senator thinks.

But regardless of whatever connotation may be placed on the speech of the Senator from Montana, and regardless of whatever he may think, I wish to state that I believe the "free city" concept would lead to precisely what the Senator from Montana does not want, any more than it is what I want; and that is why I made the speech.

Mr. MANSFIELD. Now, Mr. President, I come to still another matter raised in the speech of the Senator from New York. This refers to my role as majority leader.

Does the Senator from New York seriously believe that Bonn, London, Paris, or even Moscow, are so ignorant of our system of government that they do not recognize that a Senator is first of all a Senator and has certain obligations in that role distinct from those which he may play in the conduct of the Senate's business? Does the Senator from New York seriously believe that this Nation and other nations will pay less attention to the speech which the Senator from New York is now making than they did to the speech of the Senator from Montana? If there is any real doubt on this score, it is not necessary for the President to clear it up, for the President's prerogatives do not extend into this body. I shall clear it up myself. I have already tried to do that. I will do it once more by emphasizing that the speech of the Senator from New York should be listened to, both at home and abroad, at the very least, with just as much attention as the statement of the Senator from Montana or any other Senator.

There is only one final point which I wish to clarify with respect to the speech which the Senate has just heard by the distinguished Senator from New York.

The Senator from New York states:

> It is freely predicted and quite properly that if we accept this proposal for a free city of Berlin, all of Berlin would be Communist within 6 months—and Germany would remain forever divided.

Would the Senator from New York wish to leave the impression that the small garrisons in West Berlin alone defend the city, or would he say that the guarantees of the United States, France, and the United Kingdom, backed by NATO, have a great deal to do with it?

Mr. JAVITS. Mr. President, will the Senator yield at that point?

Mr. MANSFIELD. I yield.

Mr. JAVITS. I merely wish to say that the symbol that is our force is known to the world to be a core for all our resources to back it up. I had no doubt that, certainly, the few thousand men we have there did not represent the defense of Berlin and West Germany. What I had in mind to point out was what, in my view, would happen, and I gave the analogy of Danzig. I have spoken to people who had escaped from Nazi Germany and who had pronounced views. I thought if we got into the free

city concept, the free city would not last, and it would speedily be incorporated into Communist Germany, notwithstanding any guarantees; that our guarantees would suffer in the same way they are suffering now at the hands of the Pathet Lao in Laos, notwithstanding that we have guarantees.

The fact is that possession is more than nine-tenths of the law in terms of international affairs, unless we are prepared to go in with force.

It was my view that the country is in a better position now than it would be if we got into negotiations as a result of which West Berlin would be a free city.

Mr. MANSFIELD. Not West Berlin—all Berlin.

Mr. JAVITS. Yes. Of course, the Senator made that very clear.

May I say to the Senator from Montana, because the Senator apparently is coming to the terminal point of the interrogation, there is no sure science about this. The most we can do is do what we can to understand it by the dynamics of the present situation and by analogy.

One of the members of our committee said something that to me was very interesting. He spoke of a great newspaper editor. He had asked him, "What is the qualification of a topflight newspaperman?" This great editor had said:

Read history, read history, read history, read history. That is the best qualification.

Really, that is what we are doing here, both in terms of the past, in another totalitarian era, and in terms of contemporaneous events, which I read in terms of their connotations, and view the free city concept differently from the Senator from Montana.

That is really our main point. I see in it the basis for East Germany getting everything the Russians wanted to get for East Berlin, therefore making permanent that the Neisse-Oder line is the end of the road; that what was the most advanced and hopeful position for the nations of Europe has gone down the drain, and only thereby fortified the balance against us, rather than the other way.

I say, notwithstanding the risk, which I and the Senator from Montana agree is there, the risk must be taken, because the alternative the Senator proposes is too dire.

Mr. MANSFIELD. I appreciate what the Senator has said.

Is the Senator aware that what the Senator from Montana advocated was not the weakening of these guarantees, but an extension of them to all Berlin if it were made into a free city?

Mr. JAVITS. Mr. President, if the Senator will yield, of course, I was aware of that.

To me, the analogy goes to other places where we have had guarantees, where the Communists are in a position to get in, and will put us in the situation where the guarantees are still guarantees, but the balance of the worth of taking more risk is more the other way than it is in Berlin.

Mr. MANSFIELD. Except the Russians are now in a position to go in, and the present situation is not to have them leave East Berlin, which is the westernmost portion into which the Communists have penetrated at the present time; the present position is to have them to stay there.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. Yes.

Mr. JAVITS. Again, I am speaking as a Senator. I appreciate the kind words of the Senator from Montana about the importance of my views.

Mr. MANSFIELD. They are important.

Mr. JAVITS. I thank the Senator. But I respectfully submit the world will attach even more importance to the words of the majority leader, deeply as I feel about my own views. For me, I do not see that we have any eligibility to say to the Communists, "You must stay in East Berlin or in East Germany." They can pull out if they want to. They may be violating agreements. There may be debatable legal subjects. But it is the old story which lawyers will always remind us of. There is an old case, called Lumley against Wagner, which settled a question in the old English law. The case involved Covent Gardens, which had a contract with a singer. It was pointed out by the court that contracts with singers cannot be enforced, because singers could sing off key, and they could not be forced to sing correctly, but they could be prevented from singing for somebody else.

So far as the Russians are concerned, they can get out of East Germany or East Berlin. There is little we can do about it. But it is a different thing, when we have not taken our position on a free city or pulled out our token forces or token authority, when we depend upon the precedent of the airlift in 1948, and when, as the Senator suggests, we change the whole situation and have a free city government, with its own capacity to deal with the Russians and the East German regime, and when the East Germain regime has been recognized by us in a legal sense. I think the whole situation is radically different in terms of our staying there and defending and maintaining our position, and I think an analogy is what has happened in Laos.

Mr. MANSFIELD. Unfortunately, I do not think anybody is saying we want them out of East Berlin. We want them out of Laos, Czechoslovakia, Poland, and other countries. We want the 30 divisions in East Germany withdrawn beyond the Oder-Neisse. The only place we do not want them to pull out of is East Berlin. We want them to stay.

The entire city, I may say, would be guaranteed under what I have suggested as it really is now, with the addition of the whole weight of world opinion if its status were threatened.

Mr. President, I wish to say that this has been most fruitful, educational, and worthwhile, so far as I am concerned. I commend the Senator from New York again for joining in this discussion. He is a man of great intellect, of great ability and of great integrity. I shall study his speech carefully even as I have read it with interest. Some of his proposals are not too different from those which I suggested in February 1959 and which, indeed, were pursued at Geneva in 1959.

I wish to say that the Senator from New York has performed a service by reducing his thoughts to the form of a resolution. It deserves every consideration. I wish to study his proposals most carefully, even as the Committee on Foreign Relations will want to do the same. At first reading, it seems to contain much merit along the lines that negotiations were proceeding between the previous administration and the Soviet Union until they were brought to an abrupt halt by the ill-fated Paris Conference after the ill-fated U–2 incident.

Again I thank and commend the distinguished Senator from New York.

Mr. JAVITS. Mr. President, if my colleague will yield I should like to reciprocate fully his very warm and most gracious statements, and state my respects and regard for him. I, too, feel that by taking the interest which he has taken in reading my speech and asking these questions he has helped me to refine and present my thesis even better than I should have been able to do it unilaterally.

Mr. MANSFIELD. The Senator is always kind.

TAX RATE EXTENSION ACT OF 1961

The Senate resumed the consideration of the bill (H.R. 7446) to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates.

Mr. CARLSON. Mr. President, the Committee on Finance, under the very able leadership of its distinguished chairman, Mr. BYRD of Virginia, has reported to the Senate for action H.R. 7446 without amendment.

The committee report analyzes our budget situation and expresses the need for the continuance of the present rates on corporate and excise taxes.

As a member of the committee, I am not insensitive to the need for additional revenue as proposed in this bill. However, I believe it is time that we discuss very frankly the continuance of some of our excise taxes, particularly these excise taxes that were enacted for war revenue and have been classed as temporary taxes.

It will be argued that this is no time to repeal any taxes, but that same statement has been made year in and year out since the enactment of these World War II taxes.

These excise taxes and luxury taxes were imposed to help pay for the war effort. The implied promise of the administration in office then and the Congress was that as soon as the emergency ended, the taxes would end. It cannot be said that Congress has not acted on the repeal of any excise taxes since World War II. We have removed the cabaret tax, the tax on the employment of entertainers, the motorcycle excise tax, the tax on the motion picture industry and the tax on the transportation of property.

I believe there are two excise tax burdens that should be removed this year, namely, the excise tax on communications service and the tax on the transportation of persons. It was with this thought in mind that on April 12 I introduced S. 1550, a bill to repeal the tax on transportation of persons and S. 1551, a bill to repeal the tax on general telephone service.

These communications taxes were enacted to discourage the use of communications facilities during the World War II period.

The Federal excise tax was applied for the first time to local telephone service in 1941. In 1951 the tax on electricity was repealed, leaving the telephone tax as the only one remaining on the Federal tax books applying to what I consider to be the four essential household utilities; water, gas, electricity and telephone.

Today telephone service is supplied to approximately 40 million American homes and to more than 6 million business establishments. Every month these individuals and businesses are reminded that they are still paying emergency wartime taxes, and it occurs to me it is time this tax was removed.

The tax on transportation of persons is another one of our wartime taxes that, in my opinion, should be repealed. The reasons for this tax have completely disappeared and everyone must agree that our transportation industry is in financial difficulty.

It is paradoxical that we should continue a tax designed to discourage travel when we are seeking means of strengthening our economy and of encouraging the development of our national transportation system.

The present administration is urging the approval of bills, and Congress has passed bills which require the appropriation of and spending of billions of dollars in order to expand economic growth and to relieve unemployment.

It is my contention that if it is necessary to vote money into the hands of our American citizens for economic improvement, it is just as reasonable to let them keep some of the money they already have. In other words, instead of the Government taking the money away from the citizens through taxes, let them keep that money and spend it in order to improve the economic conditions of both themselves and our Nation.

It is generally agreed that there is no more effective way of expanding a nation's economy than a tax reduction. Now, I realize that the elimination of the excise tax on these two items I have mentioned will not bring a substantial improvement in the economic condition of our Nation, but it would be an economic stimulant.

Many of these excise taxes have been listed as luxury taxes, but certainly that cannot be said of the telephone tax. The mildest thing one can say about the telephone tax is that it is a nuisance tax; and, as I stated before, it is a monthly reminder to our citizens that they are still paying what was supposed to have been a temporary wartime tax.

In the business world of today a telephone cannot be considered a luxury. It is a necessary part of the normal office equipment found in any store or office. The telephone is a necessity in order to speed up the business transactions of day-to-day operations.

The telephone is also a necessity on the farms of this Nation. It has meant a tremendous saving of time and effort by our farmers and ranchers who live far from town, far from their markets, and far from their sources of supply. The daily operation of a modern farm could not be possible without use of the telephone.

In the millions of American homes where telephones have been installed, they have become a necessity rather than a luxury. They save time and, in many cases, make it possible for the normal operation of the home to run smoothly.

In almost every case, the telephone is a real necessity and not a luxury. It is ridiculous, therefore, to impose a luxury tax on the telephone service of the country.

I am convinced that the repeal of the passenger excise tax is justified for the reason, first, that the original justification for the tax no longer exists; second, that continuation of the tax is discriminatory; third, that the tax stifles the natural growth of the transportation industry; and, fourth, that the repeal of the tax would stimulate economic activity, help to relieve unemployment, and, over the long run, increase rather than decrease Government revenues.

Information has been furnished me that in fiscal year 1960, revenue from the passenger tax totaled $255.5 million, and it is argued that the Treasury cannot afford a revenue loss of that magnitude. The answer to the argument is that repeal of this tax would not involve a revenue loss of that magnitude.

It has been clearly demonstrated that of the $255.5 million passenger tax revenue, $119 million is revenue from business travel. The expense of business travel is tax-deductible. Assuming that the travelers were in the 50-percent tax bracket—and most business travelers are employees of corporations in the 52-percent bracket—this would mean a $60 million income revenue loss to the Federal Government. This brings the revenue loss on repeal of the passenger tax down to $195 million.

Repeal of the 10-percent passenger tax would unquestionably result in an increase in taxable income to the carriers by reason of, first, stimulation of more use of public carriers, or second, substitution of fare increases for the excise tax, or third, some combination of both. If we assume that the increase in gross income would be 5 percent and the increased cost of carrying the additional passengers would be 10 percent, the increase in taxable income would be somewhere in the neighborhood of $117.5 million. At an average income tax rate of 50 percent, this would yield the Federal Treasury an additional $58.7 million in revenue. This reduces the estimate of loss of revenue from repeal to $136.3 million.

The cost which the carriers bear in the collection of the passenger taxes are deductible for income tax purposes. These costs average about $12 million a year. Elimination of this deduction would increase revenue from the income tax by about $5.2 million. It has also been estimated that repeal would reduce the Government subsidies to which certain carriers are entitled by approximately $2.4 million. These two items reduce the repeal revenue loss estimate to $128.7 million.

It has been stated that this subject should receive further study, particularly as we deal with the transportation tax. The Senate committee report contains a quotation from the report of the House Committee on Ways and Means, as follows:

> Your committee's bill would continue for another year the tax on the transportation of persons. No action is taken in the bill on the proposal to tax aviation fuel. The public hearing conducted by the Committee on Ways and Means on these proposals developed information that indicated further study should be made of the impact of the transportation tax on the transportation industry and of the impact of the proposed aviation fuel tax on the airline segment of that industry. Therefore, the committee has directed such a study by the interested executive departments and agencies relative to the consequence of these taxing proposals on the transportation industry in general and the airlines industry in particular insofar as the aviation fuels tax is concerned. It is expected that in preparing this report representatives of the industry will be consulted and given ample opportunity to express their views and recommendations. In view of the recognized importance of this problem and the administration's concern that the civil aviation industry be required to pay a fair share of the costs of operating and improving the Federal airways system, it is expected that every effort will be made to expedite this study and that a report will be made to your committee at the earliest possible date. The Secretary of the Treasury has assured your committee that such a report will be made and that, in fact, the necessary study has already begun.

The only comment I care to make on that point is that in view of the fact that a study has been proposed, my understanding is that the agency of the Government whose responsibility it would be to study the problem of the railroads, the bus lines, and transportation in general is the Interstate Commerce Commission. Another agency of the Government, the CAB, has the responsibility to study the situation and to keep on top of problems in these particular fields. It is my understanding that both those agencies have been studying the problem as it lies within their jurisdiction, and they have come forth with a recommendation. Their recommendation is that the 10-percent tax about which we are talking today should be repealed.

I do not know what further study should be made. I can readily understand why a study might well be made as to the tax on aviation gasoline for the construction of airfields, but that is a different problem.

I now quote from a report of the Treasury Department, in which they

stated, in 1947, speaking of the ill effects of the passenger tax:

The prewar history of railroad rates indicates that coach travel is rather sensitive to changes in passenger fares. Accordingly, under normal conditions, the profits of railroads may be affected substantially by the existence of the tax. Because of large fixed costs a small decrease in passenger revenue can have an important effect on profits from passenger operations.

It is not my contention that repeal of the 10-percent passenger tax will serve as the sole remedy for the passenger deficit on our Nation's railroads. I do contend, however, that repeal of the 10-percent passenger tax will have a stimulating effect and aid immeasurably in securing an increase in the volume of passenger traffic which is sorely needed by the Nation's railroads in their battle for economic survival. We should not lose sight of the fact that during World War II we relied upon the Nation's railroads for 97 percent of all organized military travel needs. Today the future of the railroad industry is threatened by operating deficits of over $700 million a year.

One of the strongest recommendations for repeal of the excise tax on passengers is contained in the following excerpt from the Report of the Interstate Commerce Commission on Railroad Passenger Train Deficit, May 18, 1959:

The excise tax on passengers was designed primarily to discourage unnecessary wartime travel and only secondarily as a revenue measure. Obviously the reasons for its imposition no longer exist. More important, however, it is harmful to our transportation system and is highly discriminatory.

Without repeating all of the reasons advanced for the repeal of the transportation tax, we wish to emphasize that it is having a serious effect upon the passenger train service of the railroads. Since the tax on passenger travel tends to discourage the public from using common carriers, it thereby aggravates the ever-mounting passenger deficit. While we recognize that the repeal would not provide a cure-all for the passenger deficit problem, such action would remove a serious deterrent to a greater use by the traveling public.

In strongly urging that the Congress take action to repeal the tax outright, we are not unaware of the efforts which various Members of the Congress have made and are presently making in this regard. We are also not unmindful of the revenue needs of the Government. We are, however, convinced that any possible loss of revenue would be more than offset by the public interest in strengthening and preserving a transportation system capable of meeting adequately the country's need for service both in peacetime and during emergencies in conformity with the national transportation policy as declared by the Congress.

One of the chief stumbling blocks against outright repeal of the 10-percent tax on passengers is the assumption that such action would result in a loss of tax revenues. There has been no consideration of the effect of the repeal on the increased business in the resort, recreational, hotel and restaurant industries which would result in an increase in tax revenues.

Nor has there been any consideration given to the beneficial effect from the standpoint of aiding in alleviating unemployment that would result by making it possible for the airlines, bus, railroad, and ship industries to stabilize their employment.

Finally, an increase in passenger traffic on the public transportation system of the Nation would result in a tax yield that would compensate for any decrease in revenues occasioned by the repeal of the 10-percent passenger tax.

Outright repeal was sought in 1959, and, so far as I know, there has been no change in attitude up to the present time. I understand that some of the transportation organizations are not eager that action on the bill be taken this year. The only thing I can say on that subject is that I have before me a letter dated June 13, 1961, which is addressed to Hon. HARRY F. BYRD, chairman of the Senate Committee on Finance, and it reads as follows:

THE NATIONAL CONFERENCE FOR REPEAL OF TAXES ON TRANSPORTATION,
Washington, D.C. June 13, 1961.

The Honorable HARRY F. BYRD,
Chairman, Committee on Finance,
New Senate Office Building,
Washington, D.C.

MY DEAR SENATOR BYRD: The 16 undersigned organizations solicit your support for the complete repeal of the Federal excise tax on domestic passenger travel via common carrier. Such repeal is also supported by the Interstate Commerce Commission and the Civil Aeronautics Board.

The evidence recently presented in hearings before the Committee on Ways and Means of the House of Representatives clearly demonstrates the serious economic conditions prevailing for the common carrier air, rail, and bus carriers now suffering adversely in part because of the excise tax limiting effects on passenger travel. This is why a number of carrier, labor, and other interested organizations have closed ranks through the national conference to seek repeal of this temporary wartime tax, enacted 20 years ago, in working to restore healthy economic conditions in the transportation industry.

The only conceivable argument justifying a continuation of this tax in any form is its revenue-generating capacity for the Federal Treasury. Against this contention should be weighted the following arguments supporting outright repeal:

1. The tax is highly discriminatory—between commercial and private carriage as well as between domestic travelers, depending on their destination.

2. We are currently suffering from the "balance of gold" crisis which President Kennedy seeks to alleviate in his tax message by increased taxation of foreign income. Legislation creating an Office of International Travel is practically a reality which will endeavor to stimulate domestic U.S. travel by foreign tourists. Despite these actions, extension of the travel tax is urged, even though it operates to discourage such travel and to encourage U.S. citizens to take their dollars abroad.

3. The Interstate Commerce Commission also explains that more than 50 percent of the lost tax revenues resulting from complete repeal would be recovered by the Federal Government, thereby minimizing the fiscal values of continuing the 10-percent tax.

4. Complete repeal will encourage greater travel while eliminating carrier collection costs. It will help fill empty seats and produce greater carrier revenues.

5. This is a regressive tax because it falls heavily on the citizens in low income brackets who must travel, yet possess no form of private transportation—one out of every four U.S. families has no automobile.

6. In principle, the tax served its purpose 20 years ago, yet it is still collected on domestic common carrier tickets today under conditions entirely different from those obtaining in the crisis of wartime.

7. Senator MAGNUSON calls it "the tax nobody approves." Last year on the Senate floor Senator SMATHERS aptly asserted that "if we continue this tax which discourages people from riding buses, airplanes, and trains we shall have to eventually revert to subsidy in order to have a strong transportation system in time of emergency." It is a bad tax.

In short, we submit that the numerous reasons for complete repeal far outweigh the sole reason for extending the persons tax under conditions peculiar to the transportation industry and not common to any other existing excise tax.

We also call to your attention that on June 8, 1961, 189 members of the House of Representatives supported a motion which would have resulted in House support for complete repeal of the persons tax. The loss of this motion by only a seven-vote margin clearly indicates strong support for the long-overdue relief we seek.

We sincerely hope that the Committee on Finance will recommend such repeal at this time.

Sincerely yours,

CLARENCE N. SAYEZ,
President, Air Line Pilots Association International.

HENRY B. MANN,
Executive Vice President, Amalgamated Association of Street, Electric Railway & Motor Coach Employees of America.

ALVIN SHAPIRO,
Vice President, American Merchant Marine Institute, Inc.

ROCCO C. SICILIANO,
General Counsel, American Society of Travel Agents.

BRAXTON B. CARR,
President, American Waterways Operators, Inc.

A. W. KOEHLER,
Secretary-Manager, National Association of Motor Bus Owners.

MYLES E. ROBINSON,
Director, Economics & Transportation Department, National Coal Association.

A. E. LYON,
Executive Secretary-Treasurer, Railway Labor Executives Association.

S. G. TIPTON,
President, Air Transport Association of America.

M. O. RYAN,
Manager, American Hotel Association.

C. E. HUNTLEY,
President, American Short Line Railroad Association.

ART AURLINE,
Managing Director, American Trucking Associations, Inc.

GREGORY S. PRINCE,
Executive Vice President and General Counsel, Association of American Railroads.

JAMES L. BOSSEMEYER,
Executive Director, National Association of Travel Organizations.

L. J. DORR,
Executive Secretary, National Industrial Traffic League.

HAROLD HAMMOND,
Executive Vice President, Transportation Association of America.

Mr. President, it had been my intention to press this subject, but in view of the situation which confronts our committee, the Senate, and the country,

I have prepared amendments which, as I have stated, I submitted on April 12. In order to avoid some problems and difficulties on the floor of the Senate this afternoon, I wish to make my position clear. I have discussed the subject with the chairman, and I have discussed it with the Senator from Florida [Mr. SMATHERS], who has done more than any other Member of the Senate in working for the repeal of the transportation tax. I am glad he is present in the Chamber at this time.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. CARLSON. I am delighted to yield.

Mr. SMATHERS. First, I wish to thank the Senator from Kansas for his very generous reference to me and the work which I have done, but which could not have been done without his cooperation and the cooperation of other Senators, in attempting to repeal the tax on the transportation of persons.

I congratulate the able Senator from Kansas on his presentation. I share completely his basic belief that the transportation industry would be strengthened were we able to remove what I think is a pernicious transportation tax on persons.

The subject was considered by the Finance Committee last week. I again offered an amendment to repeal the tax on the transportation of persons. In the committee we were unsuccessful by a vote of 10 to 7. All of us will remember that the Senate had voted on two previous occasions to remove the tax. The difficulty we have encountered heretofore—and it apparently is the same difficulty we would meet again—is that in conference we must sit down with Members of the other body, who have not reached the same conclusions we have about the importance of removing the tax on passenger travel. From questioning Members of the other body it appeared that the House of Representatives would not join with the Senate even if we were successful in removing the tax by a vote of the Senate today. It was then the judgment of most of the members of the transportation industry—the airlines, railroads, buses and the rest of the groups making up that industry—that possibly the wisest course would be to accept the view that we forgo an effort to repeal the transportation tax on persons again this year, and that we rely upon the statement of the Secretary of the Treasury, who has already made a commitment to sit down and talk with respresentatives of the transportation industry, and particularly the airline industry, to determine what kind of tax could be placed on the airlines, which could be considered a user tax, whereby the airlines would be required to pay something for the various Federal benefits which they now receive in the form of navigational aids from the FAA and the other operations in which the airlines participate and which the Government finances.

On top of that they were greatly disturbed about the efforts of the administration to put a 2-cent tax on jet fuel. It was their feeling that if the administration persisted in this particular proposal it would have a devastating effect on the airline industry, and that they would end up paying more of a tax, finally, than they would with this 10-percent tax.

So I offered a compromise in committee whereby they would be willing to accept, after the removal of the 10-percent travel tax, a 5-percent tax which they would call a user's tax, and a 1-percent tax on air freight.

However, this proposal also was turned down by the committee.

The Secretary of the Treasury has stated that he would go further into the matter later this year. It seems to be the wish of the transportation industry as a whole that we forgo pushing the amendment on the floor at this time and await the recommendation and the development that will come out of the hearing that the Secretary of the Treasury will conduct with the representatives of the transportation industry.

That being the case, I have notified the chairman that I was not going to offer the amendment to remove the travel tax at this time. I had had a previous talk with the able Senator from Kansas [Mr. CARLSON]. He told me that he nevertheless felt so strongly about the importance of removing the travel tax that he was going to make a presentation, although he might choose not to push it when he had concluded his speech. My only comment is that he has made a wonderful presentation. I commend him for it. I know the transportation industry is in very serious straits, not only with respect to the railroads, but also with respect to the airlines.

Last year, when they made $2 billion overall, they had a net profit of less than $1 million for themselves. As they pointed out, for every ticket they sold, they collected $4 for the Federal Government, and less than 2 cents on every ticket for themselves. They now are regretfully in the same undesirable financial condition in which the railroads found themselves back in 1957 and to date.

Therefore I congratulate the able Senator from Kansas. I urge him, in the light of what has been told me by the transportation industry, that he not push his amendment, but that he await the recommendations of the transportation industry and the recommendations of the Secretary of the Treasury as to the best way to proceed.

Mr. CARLSON. I certainly appreciate the excellent statement of the Senator from Florida. The RECORD should show that when the hearing is completed, regardless of what the report may be, we should give some thought again to taking action on it on some future tax bill. I will work with the distinguished Senator from Florida on it. I have always considered him to be the leader in this field. I give him full credit for it. He has been most helpful and cooperative.

Mr. BYRD of Virginia. Mr. President, I wish to express my appreciation to the Senator from Kansas and the Senator from Florida for their attitude with respect to the amendment they have referred to. The Senator from Kansas has made the most forceful speech on this subject that I have heard in behalf of the amendments in which he is interested. I wish to say to him and to the the Senator from Florida that I am in sympathy with what they have said. These are two taxes that should be among the first taxes that should be reduced when the time comes when we can afford a reduction in taxes.

President Eisenhower, it will be remembered, reported that there would be a surplus of $500 million at the end of the fiscal year, on the 30th of June. It appears now that there will be a deficit of $3 billion, and that there will be another deficit next year of around $4½ billion.

Just as soon as it is possible to make any tax reduction, I, as chairman of the Committee on Finance, will select these two items as being those that should have first consideration for tax reduction. I realize that they are oppressive taxes and have been all through the years. I appreciate the attitude of the Senators who have done so much in this field. I assure them of my cooperation, whenever the financial condition of the country will permit, in seeking to bring about a general tax reduction.

Mr. CARLSON. Those were most encouraging words from the chairman of the committee. Those who have the privilege of serving with him on the committee realize how concerned he is about the Nation's finances and the Nation's fiscal responsibility. We as Senators and the Nation as a whole are fortunate that we have him as the chairman of that great committee. That is what makes it so difficult, when some of us attempt to offer amendments of the kind we have in mind, because one might be accused of embarrassing the chairman. There is no Member of the Senate who would want to be accused of that. Certainly I would want to be the last one to be accused of it. Therefore, I have tried to be cooperative and to work with him and with the committee.

Mr. MAGNUSON. Mr. President, like the Senator from Kansas, I am somewhat disappointed that the committee did not see fit to relieve the transportation industry of the passenger tax. The Senator from Florida has explained the situation. I am somewhat disappointed, also, because the Committee on Commerce, which handles all transportation matters, has consistently recommended to the Committee on Finance, after looking at the whole economy of the transportation system of the United States, that this is one thing that should be done.

The Senator from Florida, being a member of both committees, took the lead as long as a year ago to relieve the transportation industry of the so-called freight tax on the transportation of goods. The industry would have been in worse shape today if that action had not been taken.

I appreciate what the Senator from Kansas has said about the problem confronting the Committee on Finance this

year. Therefore I will reluctantly not propose that the amendment be considered, because I am sure adequate consideration will be given to it at the next session if the Government's finances are in such shape that we can take a look at the matter then.

After all, the transportation people themselves do not pay the tax. It is the public who pays it. If it were removed it might be necessary to put another burden upon the transportation system, with the result that the public would have to pay the tax indirectly. Therefore this whole matter poses quite a problem. I am glad it was brought up today and explained by the Senator from Florida and the Senator from Virginia and the Senator from Kansas.

Sooner or later, and the sooner the better for the health of the whole Nation's transportation system, this passenger tax should be eliminated.

Mr. CARLSON. The distinguished Senator from Washington is probably the Nation's greatest authority on transportation matters. I know his views. I was delighted to have him state that his committee has always recommended that the tax be removed at the earliest possible date.

I am concerned about the study to be made by the Treasury. This is an Interstate Commerce Commission matter, in my opinion, as well as a matter for the Civil Aeronautics Board. The committee report states, however, that this study will be made by the Treasury. I sincerely hope that the Treasury, in making the study, will give some thought to the views which have been expressed by the great committee that is headed by the Senator from Washington. I am sure that the Senator from Florida and I and others will see that this matter gets action at the earliest possible date consistent with the revenues of the country.

I ask unanimous consent that a copy of the two bills which I introduced on April 12, 1961, be made a part of my remarks at this point.

There being no objection, the text of the bills was ordered to be printed in the RECORD, as follows:

S. 1550

A bill to repeal the tax on transportation of persons

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subchapter C of chapter 33 of the Internal Revenue Code of 1954 (relating to tax on transportation of persons) is repealed.

(b)(1) The table of subchapters for chapter 33 of the Internal Revenue Code of 1954 is amended by striking out

"SUBCHAPTER C. Transportation of persons."

(2) Section 4291 of such Code (relating to collection of tax by persons receiving payment) is amended by striking out "sections 4231 and 4264(a)" and inserting in lieu thereof "section 4231".

(3) Section 4292 of such Code (relating to State and local governmental exemption) is amended—

(A) by striking out "or 4261"; and

(B) by striking out "or facilities".

(4) Section 4293 of such Code (relating to exemption for United States and possessions) is amended by striking out "subchapters B and C" and inserting in lieu thereof "subchapter B".

(5) Section 4294(a) of such Code (relating to exemption for nonprofit educational organizations) is amended—

(A) by striking out "or 4261"; and

(B) by striking out "or facilities".

(6) Section 6103(a)(2) of such Code (relating to publicity of returns and lists of taxpayers) is amended by striking out "B, C, and D" and inserting in lieu thereof "B and D".

(7) Section 6415 of such Code (relating to credits or refunds to persons who collected certain taxes) is amended by striking out "4261," each place it appears therein.

(8) Section 6416(b)(2)(H) of such Code (relating to credits or refunds in the case of certain taxes on sales and services) is amended—

(A) by striking out "tax-exempt passenger fare revenue" and inserting in lieu thereof "commutation fare revenue"; and

(B) by striking out "(not including the tax imposed by section 4261, relating to the tax on transportation of persons)".

(9) Section 6421(b) of such Code (relating to gasoline used for certain nonhighway purposes or by local transit systems) is amended—

(A) by striking out "tax-exempt passenger fare revenue" each place it appears therein and inserting in lieu thereof "commutation fare revenue"; and

(B) by striking out "(not including the tax imposed by section 4261, relating to the tax on transportation of persons)" each place it appears therein.

(10) Section 6421(d)(2) of such Code (relating to definition of tax-exempt passenger fare revenue) is amended to read as follows:

"(2) COMMUTATION FARE REVENUE.—The term 'commutation fare revenue' means revenue attributable to the transportation of persons and attributable to—

"(A) amounts paid for transportation which do not exceed 60 cents,

"(B) amounts paid for commutation or season tickets for single trips of less than 30 miles, or

"(C) amounts paid for commutation tickets for one month or less."

(c) The repeal and amendments made by subsections (a) and (b) shall apply with respect to amounts paid, on or after the first day of the first month which begins after the date of the enactment of this Act, for transportation which begins on or after such day.

S. 1551

A bill to repeal the tax on general telephone service.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 4251 of the Internal Revenue Code of 1954 (relating to tax on communications) is amended—

(1) by striking out, in subsection (a), the following: "(a) IN GENERAL.—";

(2) by striking out, in the table contained in subsection (a), the following:

"General telephone service..... 10%"; and

(3) by striking out subsection (b).

(b) The amendments made by subsection (a) shall apply—

(1) with respect to amounts paid, on or after the first day of the first month which begins after the date of the enactment of this Act pursuant to bills rendered on or after such day, for service rendered on or after such day, and

(2) with respect to amounts paid, on or after such day pursuant to bills rendered on or after such day, for services rendered before such day for which no previous bill was rendered, except with respect to such services as were rendered more than 2 months before such day.

Mr. BYRD of Virginia. Mr. President, I move that the bill be read the third time.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 7446) was ordered to a third reading, was read the third time, and passed.

SECRET STRIKE BALLOT LEGISLATION

Mr. MUNDT. Mr. President, for the past several years there has been a growing awareness that strikes and work stoppages arising out of disputes between labor and management can seriously impair our national economy and security. Public concern over this problem was widespread 2 years ago during the major strike in the steel industry, and as a result of that strike it will be recalled that numerous recommendations were advanced for the amendment and modification of the national emergency provisions of the Labor Management Relations Act.

Mr. President, I now introduce, for appropriate reference, a bill to strengthen democratic processes within labor organizations respecting the calling of strikes, to protect union members against unjustifiable pay losses from strikes, to protect employers from needless production interruptions arising out of strikes contrary to the wishes of union members, to minimize industrial strife interfering with the flow of commerce, and to promote the growth of the Nation's economy through reducing economic waste by providing for an impartial secret strike vote.

The bill is introduced for myself and the Senator from Arkansas [Mr. MCCLELLAN], the Senator from South Carolina [Mr. THURMOND], the Senator from Kansas [Mr. SCHOEPPEL], the Senator from Utah [Mr. BENNETT], the Senator from Mississippi [Mr. EASTLAND], and the Senator from South Dakota [Mr. CASE].

Mr. President, some persons recommend outlawing strikes in our basic industries, others believe compulsory arbitration provisions should be written into the Federal labor laws, while still others favor the mandatory establishment of factfinding groups. Again this year, great concern has been manifested as a consequence of serious work stoppages and overcharges during construction at our missile bases. We now have a major strike in the maritime industry, and I am certain that this dispute and these work stoppages will give rise to new demands for Federal legislation aimed at lessening the occurrence of strikes in basic industries. All of us are desirous of obtaining a workable solution to this perplexing national problem, and it is certainly the obligation and duty of Congress to give consideration to the

various proposals for solution which have been advanced. My fear is that in our eagerness to remedy an admitted problem we will adopt proposals which are contrary to our traditional private enterprise concepts—proposals which in their practical operation will make the Federal Government a third party at the collective bargaining table.

In an effort to avert any far-reaching and ill-advised action by Congress in the delicate area of collective bargaining, I am, with the support of the Senators whose names I have stated, introducing a modest proposal that has as its sole objective the reduction of needless work stoppages. We propose to help prevent these costly strikes from occurring rather than trying to develop new authorities or procedures for ending them once they have begun. This bill does nothing more than to establish in the law a thoroughly democratic procedure for the authorization of strikes. My conviction that this procedure can do much to eliminate needless and unwarranted strikes is premised on a fundamental faith in the good sense and sound judgment of the average American trade union member.

It is neither the intent nor the purpose of this bill to in any way limit the fundamental right of employees to engage in a concerted refusal to work when because of terms and conditions of employment they feel such action is required. The right to strike is carefully and fully preserved and protected. This bill merely seeks to establish a guaranteed democratic procedure, whereby the individual employee will be assured the right to participate, free from coercion or intimidation, in the collective determination by which a proposed strike action is approved or disapproved.

This right of the individual member to participate in the authorization of a strike is guaranteed by the constitutions and bylaws of certain unions. However, the constitutions and bylaws of a great many unions, representing several million workers, contain no such provisions protecting the economic rights of the union member, and in all too many cases the important strike decision is made by a handful of union officers or a collective bargaining committee. In my opinion this is both an unwholesome and an undemocratic situation, and I am certain that as a result many strikes are called each year which do not in fact represent the majority will of the affected employees.

Mr. President, in 1959 the Congress of the United States did much to ensure greater democracy in the internal affairs of labor organizations through the passage of the Landrum-Griffin Act. Much of the credit for the democratic guarantees contained in that act must go to the able and distinguished Senator from Arkansas [Mr. McCLELLAN]. The bill which I have introduced today is in complete harmony with the spirit and intent of the McClellan bill of rights for union members, and I am deeply pleased by the fact that Senator McCLELLAN has joined with me in the sponsorship of this measure.

Mr. President, the bill is by no means an attempt to deal with the entire range of potential strike situations which occur in American industry each year. The language of the bill specifically limits its applications to those situations where a collective bargaining agreement is in effect. While this limitation is far from foolproof, it has been included in an effort to limit the procedures required by the bill, so far as is practicable, to those labor-management disputes arising out of contract negotiations. For it is this type of dispute which has, in the main, given rise to the protracted work stoppage—so costly to employee and employer alike and so detrimental to the total national economy.

In this framework of circumstances our bill provides that strikes must be authorized by the affirmative approval of a majority of the employees affected and subject to the collective bargaining contract expressed through the process of an impartial secret ballot.

Briefly our bill would operate in the following manner. Under existing law the duty to bargain collectively requires that any party desiring to modify or terminate an existing contract must serve written notice on the other party to the contract of the proposed modification or termination 60 days prior to the expiration date of the existing contract. As a practical matter this allows the parties a 60-day period for negotiation of the proposed changes prior to the expiration of the existing agreement. Our bill provides that no strike ballot shall be taken during this 60-day period, but that if a labor organization desires to obtain authorization for a strike, a strike ballot shall be taken on the 60th day or as soon thereafter as is practicable. This procedure will allow approximately 60 days of honest collective bargaining negotiations in an atmosphere entirely free of strike threats since there will be no authorization on which to base the threats. Also it is fairly certain that by the 60th day the issues between the parties will be pretty clearly drawn, which means the employee will be able to make his decision on the basis of well-defined contentions and specific counterproposals.

Any strike ballot taken on or after the 60th day will be supervised by a three-member election committee. One member will be selected by the union, one member will be selected by the employer, and the third member will be selected by the union and employer members. If they cannot agree on such third member, he will be selected by the Director of the Federal Mediation and Conciliation Service. The bill requires the voting to be by secret ballot, and the committee is directed to count and process the ballots in such a way that the identity of the voter will be unknown to the election committee and to all other persons.

Where appropriate the strike ballot will be stated in terms which will reflect a choice, by the employee, between a strike and an acceptance of the employer's final offer in settlement as stated by him.

If in the balloting a majority of the affected employees vote in favor of a strike, then the union representative has full legal authority to call a strike. He is, however, under no legal obligation to call a strike immediately; and if he desires to negotiate further, the authorization granted by the balloting has a 60-day life.

If a majority of the affected employees vote to accept the employer's final offer in settlement, the employer is then legally obliged by the requirements of "good faith bargaining" to sign a contract incorporating the terms and conditions as stated by him in his final offer.

Our bill further provides that the costs of the entire balloting procedure will be borne equally by the employer and the labor organization. Additionally the bill contains effective sanctions which may be invoked against violators of its provisions and a judicial remedy for any party injured by reason of a violation. If this bill is adopted, I hope there will never be an occasion requiring the invocation of these sanctions, for it is not the purpose of this bill to penalize or punish but rather to further secure the democratic rights of the rank and file members of organized labor.

Mr. President, I dare say that the average worker faces few economic questions during his employment career that are of any greater magnitude or moment than the one raised by a proposed strike action. This decision touches directly on the fundamental right of every man to the pursuit of happiness, and it is, therefore, a decision which the affected employee should be guaranteed the right to make in his individual capacity in an atmosphere free from coercion, intimidation, and mob hysteria. It is a decision which he should have the right to make in secret. I sincerely feel that the bill establishes a fair and workable procedure to guarantee him that right.

Mr. President, I should like to express my thanks and gratitude to Maurice Franks, president of the National Labor-Management Foundation, and Charles Hook, honorary chairman of the Armco Corp., for the assistance and advice they have given to me in the development of the bill. Both Mr. Franks and Mr. Hook have had decades of practical experience in the field of labor-management relations and both of them are vigorous and dedicated advocates for the cause of union democracy.

Mr. President, I firmly believe that the enactment of the proposed legislation will further secure the rights of individual workers, as well as protect the legitimate interests of the employer and the general public. In my opinion, this is a very simple and reasonable democratic device to assure that the worker, whose livelihood is involved, will have an opportunity to express his personal views on the very important economic question raised by a proposed strike. I earnestly hope that the 87th Congress will approve this modest step in the direction of further strengthening of democratic processes within organized labor.

Mr. President, I ask unanimous consent that the bill in its entirety be printed at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2134) to strengthen democratic processes within labor organizations respecting the calling of strikes, to protect union members against unjustifiable pay losses from strikes, to protect employers from needless production interruptions arising out of strikes contrary to the wishes of union members, to minimize industrial strife, introduced by Mr. MUNDT (for himself and other Senators), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title III of the Labor-Management Relations Act of 1947, as amended, is further amended by adding at the end thereof a new section as follows:

"UNAUTHORIZED STRIKES UNLAWFUL

"SEC. 306. (a) Where there is in effect a collective bargaining contract covering employees in an industry affecting commerce, it shall be unlawful for any labor organization to engage in, or to induce or encourage the employees of any employer to engage in, any strike or any concerted refusal to work which is otherwise lawful unless such strike or refusal to work shall have been authorized by the affirmative approval of a majority of the employees affected and subject to such contract voting by secret balloting in accordance with the following:

"(1)(A) No strike ballot shall be taken prior to the sixtieth day after the date written notice is required to be served under section 8(d)(1) of the National Labor Relations Act;

"(B) Any strike ballot taken shall be taken on such sixtieth day or as soon thereafter as is practicable;

"(2) No strike ballot taken shall be deemed to authorize the calling of a strike at any time after the expiration of the sixty-day period immediately following the day such strike ballot was taken;

"(3)(A) Any strike ballot shall be conducted by an election committee consisting of one member selected by the labor organization, one member selected by the employer, and a third member selected by such members; except that, if the labor and employer members have failed to select such third member by the fiftieth day after the date written notice is required to be served under section 8(d)(1) of the National Labor Relations Act, such third member shall be selected by the Director of the Federal Mediation and Conciliation Service;

"(B) All expenses of any election committee selected under subparagraph (A) (including all expenses of conducting any strike ballot) shall be borne equally by the labor organization and the employer;

"(4) In conducting any such strike ballot, the election committee shall determine the manner and method by which such strike ballot shall be taken, including the time and place of the balloting, publication of all notices with respect thereto, the form and composition of the ballot, and whether such ballot will be taken by mail or in person;

"(5) Any such strike ballot shall where appropriate be stated in terms which will reflect a choice, by the employee casting the same, between a strike and an acceptance of the employer's final offer in settlement as stated by him;

"(6) The election committee shall so process and count the ballots, which shall be accessible only to the election committee, that the identity of the individual casting the ballot will be unknown to the election committee and to all other persons, and after the election committee has tallied the ballots and tabulated the votes, it shall certify the results of the ballot to the labor organization, the employer, the National Labor Relations Board, and the employees affected by such balloting.

"(b) If either the labor organization or the employer, as the case may be, pays any part of the share of the other party (as determined in subsection (a)(3)(B)) of the expenses of an election committee established pursuant to subsection (a)(3)(A), then it shall be entitled to recover from such other party an amount equal to the part of such share so paid and may sue therefor in any district court of the United States having jurisdiction of the defendant, without regard to the amount in controversy.

"(c)(1) Whoever shall be injured in his business or property by reason of any violation of subsection (a) may sue therefor in any district court of the United States without respect to the amount in controversy or in any other court having jurisdiction and shall recover the damages by him sustained and the cost of the suit. Such injured person may also petition any such district court for such injunctive relief or restraining order as such court may deem just and proper.

"(2) No labor organization which, during any taxable year which begins after the date of enactment of this section, violates subsection (a) shall be entitled to exemption from Federal income tax under section 501(a) of the Internal Revenue Code of 1954 for such taxable year.

"(3) No labor organization which violates subsection (a) shall, during the twelve-months' period following such violation, be certified or recognized as the representative of any employees by the National Labor Relations Board or any other department or agency of the Government, or be eligible to file an unfair labor practice charge under section 10(b) of the National Labor Relations Act, or to file with any department or agency of the Government any other charge, complaint, or petition as the representative of or on behalf of any employees.

"(d) Nothing contained in this section 306 shall affect other requirements of law as to secret ballots by labor organizations nor the conduct of votes of confidence by labor organizations."

FEDERAL WATER POLLUTION CONTROL ACT AMENDMENTS OF 1961

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 325, S. 120.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (S. 120) to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works with amendments, on page 1, after line 5, to strike out:

(b)(1) Any Federal agency which, after the date of enactment of this subsection, is initiating plans for any reservoir or other water impoundment on interstate waters shall notify the Surgeon General of the initiation of such plans. The Surgeon General shall, in any case where it would promote water pollution control in such waters, recommend storage needs, flow regulations, and other water quality control features with respect to such reservoir or impoundment which are necessary for such pollution control, and shall recommend such features to such agency for incorporation wherever possible in such plans. Any report to Congress recommending authorization of such plans shall include any such recommendations by the Surgeon General and the extent to which they were incorporated in the recommended plans.

(2) It is the intent of Congress that benefits resulting from water quality control features incorporated in any Federal reservoir or other impoundment under the provisions of this act shall be evaluated and the beneficiaries determined, and if benefits are widespread or national in scope or if the principal beneficiary is the general public in the area the costs of such features should be nonreimbursable."

And, in lieu thereof, to insert:

(b)(1) In the survey or planning of any reservoir by the Corps of Engineers, Bureau of Reclamation, or other Federal agency, consideration shall be given to inclusion of storage for regulation of streamflow for the purpose of water quality control, except that any such storage and water releases shall not be provided as a substitute for adequate treatment or other methods of controlling waste at the source.

(2) The need for and the value of storage for this purpose shall be determined by these agencies, with the advice of the Surgeon General, and his views on these matters shall be set forth in any report or presentation to the Congress proposing authorization or construction of any reservoir including such storage.

(3) The value of such storage shall be taken into account in determining the economic value of the entire project of which it is a part, and costs shall be allocated to the purpose of water quality control in a manner which will insure that all project purposes share equitably in the benefits of multiple-purpose construction.

(4) Costs of water quality control features incorporated in any Federal reservoir or other impoundment under the provisions of this Act shall be determined and the beneficiaries identified and if the benefits are widespread or national in scope, the costs of such features shall be nonreimbursable.

On page 4, at the beginning of line 7, to strike out "and", and in the same lines, after "(B)", to insert "the Surgeon General may contract or make other arrangements for the use of such facilities as he may determine, and (C)"; on page 5, line 10, after the word "exceed", to strike out "$25,000,000." " and insert "$25,000,000."; after line 10, to insert:

(c) The Surgeon General shall establish, equip, and maintain field laboratory facilities, including, but not limited to, one to be located in the northeastern area of the United States, one in the Middle Atlantic area, one in the southeastern area, one in the midwestern area, one in the southwestern area, one in the Pacific Northwest, and one in the State of Alaska, for the conduct of technical investigations, experiments, field demonstrations and studies, and training relating to the prevention and control of water pollution. Insofar as practicable, each such facility shall be located near institutions of higher learning in which graduate training in such activities might be carried out.

On page 6, line 10, after the word "exceeding", to strike out "$400,000" and insert "$500,000"; on page 7, line 7, after the word "year", to insert "following the fiscal year"; after line 23, to strike out:

(3) Subsection (d) of such section 6 is amended by striking out "$50,000,000" and inserting in lieu thereof "$75,000,000", and by striking out "$500,000,000" and inserting in lieu thereof "$750,000,000".

And, in lieu thereof, to insert:

(3) Subsection (d) of such section 6 is amended to read as follows:

"(d) There is hereby authorized to be appropriated, for the purpose of making grants under this section, $70,000,000 for the fiscal year ending June 30, 1962, $80,000,000 for the fiscal year ending June 30, 1963, $90,000,000 for the fiscal year ending June 30, 1964, $100,000,000 for the fiscal year ending June 30, 1965, and $100,000,000 for the fiscal year ending June 30, 1966. Sums so appropriated shall remain available until expended."

At the top of page 9, to insert a new section, as follows:

SEC. 5. (a) Subsection (a) of section 8 of the Federal Water Pollution Control Act is amended to read as follows:

"ENFORCEMENT MEASURES AGAINST POLLUTION OF NAVIGABLE WATERS

"SEC. 8. (a) The pollution of navigable waters in or adjacent to any State or States (whether the matter causing or contributing to such pollution is discharged directly into such waters or reaches such waters after discharge into a tributary of such waters), which endangers the health or welfare of any persons, shall be subject to abatement as provided in this Act."

(b) Paragraph (1) of subsection (c) of such section is amended to read as follows:

"(c)(1) Whenever requested by the Governor of any State or a State water pollution control agency the Surgeon General shall, if such request refers to pollution of navigable waters which is endangering the health or welfare of persons in a State other than that in which the discharge or discharges (causing or contributing to such pollution) originates, give formal notification thereof to the water pollution control agency and interstate agency, if any, of the State or States where such discharge or discharges originate and shall call promptly a conference of such agency or agencies and of the State water pollution control agency and interstate agency, if any, of the State or States, if any, which may be adversely affected by such pollution. Whenever requested by the Governor of any State, the Surgeon General shall, if such request refers to pollution of navigable waters which is endangering the health or welfare of persons only in the requesting State in which the discharge or discharges (causing or contributing to such pollution) originates, give formal notification thereof to the water pollution control agency and interstate agency, if any, of the requesting State where such discharge or discharges originate and shall promptly call a conference of such agency or agencies and of the State water pollution control agency and interstate agency, if any, of the requesting State, unless, in the judgment of the Surgeon General, the effect of such pollution on the legitimate uses of the waters is not of such significance to warrant exercise of Federal jurisdiction under this section. The Surgeon General shall also call such a conference whenever, on the basis of reports, surveys, or studies, he has reason to believe that any pollution referred to in subsection (a) and endangering the health or welfare of persons in a State other than that in which the discharge or discharges originate is occurring."

(c) Paragraph (3)(A) of subsection (c) of such section is amended by striking out "interstate" and inserting in lieu thereof "navigable".

(d) Subsection (d) of such section is amended by striking out "persons in a State other than that in which the discharge originates" and insert in lieu thereof "any persons".

And, on page 11, after line 2, to insert a new section, as follows:

SEC. 6. Section 301(b) of the Water Supply Act of 1958 (72 Stat. 319), is amended by striking out all beginning with *"Provided,"* in the first proviso to the colon at the end of the second proviso and inserting in lieu thereof the following: *"Provided,* That the cost of any construction or modification authorized under the provisions of this section shall be determined on the basis that all authorized purposes served by the project shall share equitably in the benefits of multiple purpose construction, as determined by the Secretary of the Army or the Secretary of the Interior, as the case may be: *Provided further,* That before construction or modification of any project including water supply provisions for present demand is initiated, State or local interests shall agree to pay for the cost of such provisions in accordance with the provisions of this section: *And provided further,* That not to exceed 30 per centum of the total estimated cost of any project may be allocated to anticipated future demands where State or local interests give reasonable assurances, and there is evidence, that such demands for the use of such storage will be made within a period of time which will permit paying out the costs allocated to water supply within the life of the project".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Federal Water Pollution Control Act is amended by inserting "(a)" after "SEC. 2." and inserting at the end of such section the following:

"(b)(1) In the survey or planning of any reservoir by the Corps of Engineers, Bureau of Reclamation, or other Federal agency, consideration shall be given to inclusion of storage for regulation of streamflow for the purpose of water quality control, except that any such storage and water releases shall not be provided as a substitute for adequate treatment or other methods of controlling waste at the source.

"(2) The need for and the value of storage for this purpose shall be determined by these agencies, with the advice of the Surgeon General, and his views on these matters shall be set forth in any report or presentation to the Congress proposing authorization or construction of any reservoir including such storage.

"(3) The value of such storage shall be taken into account in determining the economic value of the entire project of which it is a part, and costs shall be allocated to the purpose of water quality control in a manner which will insure that all project purposes share equitably in the benefits of multiple-purpose construction.

"(4) Costs of water quality control features incorporated in any Federal reservoir or other impoundment under the provisions of this Act shall be determined and the beneficiaries identified and if the benefits are widespread or national in scope, the costs of such features shall be nonreimbursable."

SEC. 2. (a) Section 4(a) of the Federal Water Pollution Control Act is amended by striking out "and" at the end of clause (4), by striking out the period at the end of clause (5) and inserting in lieu thereof a semicolon and the word "and", and by inserting at the end of such section the following:

"(6) establish, equip, and maintain research and field demonstration facilities, giving consideration in establishing such facilities to locations which will facilitate cooperation with institutions of higher education, and for the purposes of this clause (A) the Surgeon General may acquire land and interests therein, accept in the name of the United States donations of property, real or personal, subject to such conditions as he may deem appropriate, and utilize uncompensated services, (B) the Surgeon General may contract or make other arrangements for the use of such facilities as he may determine, and (C) there is authorized to be appropriated not more than $10,000,000."

(b) Section 4 of such Act is further amended by inserting at the end thereof the following:

"(d)(1) In carrying out the provisions of this section the Surgeon General shall develop and demonstrate under varied conditions (including conducting such basic and applied research, studies, and experiments as may be necessary):

"(A) Practicable means of treating municipal sewage and other waterborne wastes to remove the maximum possible amounts of physical, chemical, and biological pollutants in order to restore and maintain the maximum amount of the Nation's water at a quality suitable for repeated reuse;

"(B) Improved methods and procedures to identify and measure the effects of pollutants on water uses, including those pollutants created by new technological developments; and

"(C) Methods and procedures for evaluating the effects on water quality and water uses of augmented streamflows to control water pollution not susceptible to other means of abatement.

"(2) For the purposes of this subsection there is authorized to be appropriated not more than $5,000,000 for any fiscal year, and the total sum appropriated for such purposes shall not exceed $25,000,000.

"(e) The Surgeon General shall establish, equip, and maintain field laboratory facilities, including, but not limited to, one to be located in the northeastern area of the United States, one in the Middle Atlantic area, one in the southeastern area, one in the midwestern area, one in the southwestern area, one in the Pacific Northwest, and one in the State of Alaska, for the conduct of technical investigations, experiments, field demonstrations and studies, and training relating to the prevention and control of water pollution. Insofar as practicable, each such facility shall be located near institutions of higher learning in which graduate training in such activities might be carried out."

SEC. 3. Section 5(a) of the Federal Water Pollution Control Act is amended by striking out "June 30, 1961, $3,000,000" and inserting in lieu thereof "June 30, 1966, $5,000,000".

SEC. 4. Section 6 of the Federal Water Pollution Control Act is amended as follows:

(1) Clause (2) of subsection (b) of such section 6 is amended to read as follows: "(2) except as otherwise provided in this clause, no grant shall be made for any project in an amount exceeding 30 per centum of the estimated reasonable cost thereof as determined by the Surgeon General, or in an amount exceeding $500,000, whichever is the smaller: *Provided,* That the grantee agrees to pay the remaining cost: *Provided further,* That no grant of more than $250,000 shall be approved for a project in any State until all previously filed qualified applications from that State and political subdivisions thereof for grants not exceeding $250,000 have first been approved: *Provided further,* That, in the case of a project which will serve more than one municipality, the Surgeon General shall, on such basis as he determines to be reasonable and equitable, allocate to each municipality to be served by such project its share of the estimated reasonable cost of such project, and shall then apply the limitations

provided in this cause (2) to each such share as if it were a separate project to determine the maximum amount of any grant which could be made under this section with respect to each such share, and the total of all the amounts so determined shall be the maximum amount of the grant which may be made under this section on account of such project;".

(2) The third sentence of subsection (c) of such section 6 is amended to read as follows: "Sums allotted to a State under the preceding sentence which are not obligated at the end of the fiscal year following the fiscal year for which they were allotted because of a lack of projects which have been approved by a State water pollution control agency under subsection (b)(1) of this section or certified as entitled to priority under subsection (b)(4) of this section, shall be reallotted by the Surgeon General, on such basis as he determines reasonable and equitable and in accordance with regulations promulgated by him, to States having projects approved under this section for which grants have not been made because of lack of funds. Any sum made available to a State by reallotment under the preceding sentence shall be in addition to any funds otherwise allotted to such State under this Act. The allotments of a State under the second and third sentences of this subsection shall be available, in accordance with the provisions of this section, for payments with respect to projects in such State which have been approved under this section."

(3) Subsection (d) of such section 6 is amended to read as follows:

"(d) There is hereby authorized to be appropriated, for the purpose of making grants under this section, $70,000,000 for the fiscal year ending June 30, 1962, $80,000,000 for the fiscal year ending June 30, 1963, $90,000,000 for the fiscal year ending June 30, 1964, $100,000,000 for the fiscal year ending June 30, 1965, and $100,000,000 for the fiscal year ending June 30, 1966. Sums so appropriated shall remain available until expended."

(4) Section 6 is further amended by adding at the end thereof the following new subsection:

"(f) The Surgeon General shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors on projects for which grants are made under this section shall be paid wages at rates not less than those prevailing on the same type of work on similar construction in the immediate locality, as determined by the Secretary of Labor, in accordance with the Act of March 3, 1931, as amended, known as the Davis-Bacon Act (46 Stat. 1494; 40 U.S.C., secs. 276a through 276a–5)."

SEC. 5. (a) Subsection (a) of section 8 of the Federal Water Pollution Control Act is amended to read as follows:

"ENFORCEMENT MEASURES AGAINST POLLUTION OF NAVIGABLE RIVERS

"SEC. 8. (a) The pollution of navigable waters in or adjacent to any State or States (whether the matter causing or contributing to such pollution is discharged directly into such waters or reaches such waters after discharge into a tributary of such waters), which endangers the health or welfare of any persons, shall be subject to abatement as provided in this Act."

(b) Paragraph (1) of subsection (c) of such section is amended to read as follows:

"(c)(1) Whenever requested by the Governor of any State or a State water pollution control agency, the Surgeon General shall, if such request refers to pollution of navigable waters which is endangering the health or welfare of persons in a State other than that in which the discharge or discharges (causing or contributing to such pollution) orginates, give formal notification thereof to the water pollution control agency and interstate agency, if any, of the State or States where such discharge or discharges originate and shall call promptly a conference of such agency or agencies and of the State water pollution control agency and interstate agency, if any, of the State or States, if any, which may be adversely affected by such pollution. Whenever requested by the Governor of any State, the Surgeon General shall, if such request refers to pollution of navigable waters which is endangering the health or welfare of persons only in the requesting State in which the discharge or discharges (causing or contributing to such pollution) originates, give formal notification thereof to the water pollution control agency and interstate agency, if any, of the requesting State where such discharge or discharges originate and shall promptly call a conference of such agency or agencies and of the State water pollution control agency and interstate agency, if any, of the requesting State, unless, in the judgment of the Surgeon General, the effect of such pollution on the legitimate uses of the waters is not of such significance to warrant exercise of Federal jurisdiction under this section. The Surgeon General shall also call such a conference whenever, on the basis of reports, surveys, or studies, he has reason to believe that any pollution referred to in subsection (a) and endangering the health or welfare of persons in a State other than that in which the discharge or discharges originate is occurring."

(c) Paragraph (3)(A) of subsection (c) of such section is amended by striking out "interstate" and inserting in lieu thereof "navigable".

(d) Subsection (d) of such section is amended by striking out "persons in a State other than that in which the discharge originates" and insert in lieu thereof "any persons".

SEC. 6. Section 301(b) of the Water Supply Act of 1958 (72 Stat. 319), is amended by striking out all beginning with *"Provided,"* in the first proviso to the colon at the end of the second proviso and inserting in lieu thereof the following: *"Provided,* That the cost of any construction or modification authorized under the provisions of this section shall be determined on the basis that all authorized purposes served by the project shall share equitably in the benefits of multiple purpose construction, as determined by the Secretary of the Army or the Secretary of the Interior, as the case may be: *Provided further,* That before construction or modification of any project including water supply provisions for present demand is initiated, State or local interests shall agree to pay for the cost of such provisions in accordance with the provisions of this section: *And provided further,* That not to exceed 30 per centum of the total estimated cost of any project may be allocated to anticipated future demands where State or local interests give reasonable assurances, and there is evidence, that such demands for the use of such storage will be made within a period of time which will permit paying out the costs allocated to water supply within the life of the project".

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE MUTUAL SECURITY ACT

Mr. WILLIAMS of Delaware. Mr. President, I send to the desk an amendment to Senate bill 1983, the Mutual Security Act.

The purpose of the amendment is to require a greater degree of accountability on the part of the ICA and all the other agencies of the Government in regard to their expenditure of the counterpart funds and the various other foreign currencies which are in the possession of the U.S. Government. I was very much concerned to learn that under existing conditions there is no real accounting being made of these currencies. Much to my surprise, and I think to the surprise of most of the members of our committee, we found that there is at the moment no agency of Government, nor anyone connected with any agency of Government, who can with any degree of accuracy tell the President of the United States or Congress how many of these currencies we have on hand as of any given day.

For example, the report which the ICA sent to the Congress, giving the dollar equivalent of their holdings of foreign currencies as of the close of the fiscal year, June 30, 1959, showed that they had $1,698,343,000 in dollar equivalents of foreign currencies on hand when they closed business on the night of June 30, 1959. However, when they opened up for business on the following day, the first day of the new fiscal year, July 1, 1959, the report showed they had on hand the dollar equivalent of $1,344,440,000, or a drop of some $300 million overnight.

First they atempted to explain this wide variation on the basis that there was a difference in the evaluation of these currencies and that they had reevaluated them. However, I found in several instances that the currencies of the respective countries had not changed in valuation. Yet in the report to the Congress concerning these countries they lost several million dollars.

For example, Germany has had a stable currency; yet in their report ending June 30, 1959, they reported holdings with a dollar equivalent of $33,541,000. The same agency's report—International Cooperation Administration—showed holdings of only $29,443,000—a drop overnight of over $4 million.

The German mark had not changed in value to account for this discrepancy.

The Treasury Department and Mr. Labouisse speaking for ICA finally admitted that their accounting systems were inadequate and that none of them knew what they had on hand. I am not saying that they cannot produce records to show what they have on hand in these currencies or what they have spent them for, but I do say that there is a wide discrepancy in the accounting systems of the agencies as they are now being reported to the Congress.

Another alarming situation which I found was that in one specific instance we have agencies of the Government operating in one country using five different exchange rates simultaneously. For

example, in Yugoslavia, the exchange rates of the Yugoslav dinar were fixed at 300 to the dollar, 350, 475, 525, and 632 to the American dollar—all in one report.

And in one instance they used these exchange rates as high as 1,500 to a dollar.

The result is that none of them knew what they were doing. The Government could not get enough accountants to keep the records straight under such circumstances.

I emphasize again that I am not making any charges of impropriety, but a situation such as this is wide open for mismanagement and abuse. Certainly no one knows what they are doing. No agency with any degree of accuracy can handle these currencies in any country at four or five different exchange rates on the same day.

The amendment which I am introducing would designate the Secretary of the Treasury to have sole responsibility for accounting and evaluation with respect to all foreign currencies or credits owed to or owned by the United States. In order to carry out such responsibility the Secretary is instructed to issue regulations which would be binding upon all agencies of the Government.

The Secretary of the Treasury would have sole authority to establish for all foreign currencies or credits the exchange rates at which such currencies were to be used by all agencies of the Government.

Today each agency fixes its own exchange rate. That is why we have the situation of different agencies using different rates at the same time.

The amendment would give to the Secretary of the Treasury the responsibility to establish and fix all rates of exchange. If he wanted to change the exchange rates as the markets fluctuated he would have the authority to do so, but only he would have such authority. With all agencies using the same rates of exchange the chance for abuse would be reduced.

In addition, the amendment provides that each agency or department will be required to report to the Secretary of the Treasury an inventory as of June 30, 1961, showing the amount of all foreign currencies on hand in each of the respective countries, and the Secretary of the Treasury is then instructed to consolidate these reports as of the same date and submit to the Congress this consolidated report, broken down by agencies, countries, and units of foreign currencies and their dollar equivalents. Thereafter, semiannually similar reports are to be submitted by the agencies to the Treasury Department and then a consolidated report submitted to the Congress by the Secretary of the Treasury.

Under the amendment the Comptroller General is instructed to audit this first Treasury Department's report being submitted as of June 30, 1961, and to report to the Congress his findings. Thereafter, the Comptroller General is given discretionary authority on the auditing of subsequent reports as they are filed by the various departments with the Congress.

This amendment is being offered to the mutual security bill, and I am hopeful that the committee will see fit to approve it.

For the last several months I have been trying to find out the status of these foreign currencies, how many we have on hand, and what we are doing with them. I have come to one conclusion. I cannot reconstruct their operations. I cannot find out what we have on hand or what they are worth. I have come to one further conclusion, and that is that nobody else in the Government knows how much we have on hand.

The disturbing part of it is that there is no real concern at the executive level to find out. In the last 5 years these foreign currencies have amounted, in dollar equivalent, to $6¾ billion. We are supposed to have on hand, in dollar equivalent, somewhere between $1½ billion and $2 billion. Certainly, it is a sad state of affairs when Members of Congress or members of the committee must stand up and state that they cannot give within a few hundred million dollars the amount of these foreign currencies which we have on hand. This condition exists because of the loose bookkeeping practices of the agencies making the reports.

The Secretary of the Treasury and Mr. Labouisse, the Director of ICA, in testifying before the committee, acknowledged that their records are inadequate. They admit they do not have proper records. They also endorsed the enactment of a law which puts in the hands of the Secretary of the Treasury the responsibility to fix the rates at which the foreign currencies will be sold and bought by all agencies.

I do not mean to leave the impression that the language of this particular amendment has been endorsed by these agencies, but the principle of the need for placing in the hands of the Secretary of the Treasury such authority has been confirmed.

The language of the amendment which I am introducing here today is very necessary.

The American taxpayers are entitled to an accurate accounting by these agencies which spend their money.

Certainly, if the U.S. Government found the books of a taxpayer being kept in any such loose manner the Department of Justice would raise a howl.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred.

The amendment was referred to the Committee on Foreign Relations.

FORT VANCOUVER NATIONAL MONUMENT, WASH.

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 403, H.R. 3283.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 3283) to revise the boundaries and to change the name of Fort Vancouver National Monument in the State of Washington, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement in regard to the purpose of the measure.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The principal purpose of H.R. 3283 is to permit the addition to the Fort Vancouver National Monument, Wash., of approximately 130 acres of land most of which is already in Federal ownership. H.R. 3283 will also redesignate the monument as the Fort Vancouver National Historic Site. Introduction was requested by the Department of the Interior in an executive communication dated January 12, 1961, and the request was confirmed by Secretary Stewart Udall in writing on March 3, 1961.

NEED

The act of June 19, 1948 (62 Stat. 532), by which Fort Vancouver was established as a national monument, limited the monument area to 90 acres. Fort Vancouver was headquarters for trading operations of the Hudson's Bay Co. from 1829 to about 1850. It was also the site of an important Army post for many years.

The Interior Department has conducted further studies of Fort Vancouver and its immediate vicinity since 1948 and has concluded that there is need for the inclusion of additional lands within the monument boundaries if its purposes are to be fully served. The executive communication referred to above points up the need thus:

"Much of the historically significant land associated with the old fort lies outside the present monument boundary. This land in 1845 contained important facilities of the Hudson's Bay Co. such as residences, schools, a stable, and mill. In addition, a substantial portion of these lands lies between the old fort site and the Columbia River. To interpret successfully the historic features and scene of Fort Vancouver, it is essential that a clear view of the Columbia River be maintained, since the proximity of the river was a primary factor in the location of the fort at this point."

COST

All except 5 of the 130 acres covered by H.R. 3283 are already in Federal ownership and subject to transfer to National Park Service administration as they become excess to the needs of the agencies administering them. The other 5 acres are now within a highway right-of-way which may soon be abandoned. If this occurs it may be found that they are also in Federal ownership; if they are not so found, the cost of acquiring them will be very low.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 3283) was ordered to a third reading, was read the third time, and passed.

BLUE RIDGE PARKWAY, VA.

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 405, H.R. 5475.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 5475) to transfer a section of Blue Ridge Parkway to the Shenandoah National Park, in the State of Virginia, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement in regard to the purpose of the measure.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The purpose of this bill is to transfer the administration of about 1,000 acres of land, some of which is owned in fee by the United States and some of which is covered by scenic easements held by the United States, from the Blue Ridge Parkway to the Shenandoah National Park, Va.

H.R. 5475 was introduced by Representative HARRISON of Virginia following the request that this be done contained in the executive communication from the Department of the Interior dated January 12, 1961. The request was affirmed by Secretary Udall in his letter dated March 3, 1961.

NEED

The committee was advised that enactment of H.R. 5475 will permit more effective and more efficient administration and protection of the lands to which it pertains than is now the case. The laws establishing the park and the parkway are such, the committee understands, that the transfer cannot be effected administratively.

COST

Enactment of H.R. 5475 will not entail any cost to the United States.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 5475) was ordered to a third reading, was read the third time, and passed.

SCOTTS BLUFF NATIONAL MONUMENT, NEBR.

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 406, H.R. 5760.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 5760) to revise the boundaries of the Scotts Bluff National Monument, Nebr., and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement in regard to the purpose of the measure.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

H.R. 5760, if enacted, will permit revision of the present boundaries of the Scotts Bluff National Monument to exclude certain lands from it and to include others within it. The net result of the revision will be a reduction in the size of the monument by somewhat more than 350 acres. The result will also be a reduced cost of acquiring private lands within its boundaries.

The bill was introduced by Congressman MARTIN following receipt of an Executive communication that this be done.

NEED

The Scotts Bluff National Mounment was created in 1919 to preserve a well-known site on the Oregon Trail and the scenic and geological values which made this site a landmark for the thousands of migrants who went west through Mitchell Pass between 1843 and 1869. The present boundaries of the monument follow straight lines without regard to topography. The revised boundaries will eliminate these artificialities. In addition, they will substitute an area of fine badlands for good farming land, will furnish a scenic approach to the monument, and will protect the prominent geological structure known as Dome Rock by including it in its entirety within the monument.

A summary of the present ownership of lands within the present and the proposed monument boundaries is as follows:

Present ownership of lands

[Acres]

	Within present boundaries	Within proposed boundaries	To be excluded or included
Federal	2,211	2,188	−23
Private	1,240	896	−553 +209
Total	3,451	3,084	−367

COST

Although it is estimated that the cost of acquiring the private lands which the boundary revision authorized in H.R. 5760 will add to the monument area will be about $15,000 minus whatever will be saved through exercising the exchange authority contained in the bill, enactment of the bill will allow an overall reduction in the cost of acquiring inholdings since the boundary revision will exclude more and higher priced lands than it adds to the monument.

DEPARTMENTAL RECOMMENDATIONS

The letter from the Department of the Interior to the Speaker requesting the introduction of this legislation (a report which was confirmed by a further letter dated March 3, 1961, from Secretary Udall) follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY.
Washington, D.C., January 18, 1961.

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Enclosed is a draft of a proposed bill to revise the boundaries of Scotts Bluff National Monument, Nebr., and for other purposes.

We suggest that this bill be referred to the appropriate committee for consideration and we recommend that it be enacted.

The proposed legislation will revise the boundaries of the Scotts Bluff National Monument, in the State of Nebraska, by excluding certain private and Federal lands from the monument and adding other private lands outside the present boundary of the monument, the net effect of which would be to reduce the size of the monument by about 350 acres.

The Scotts Bluff National Monument was established on December 13, 1919, by proclamation of the President to preserve Scotts Bluff and Mitchell Pass because of their scenic, historical, and geological significance. The old Oregon Trail traversed Mitchell Pass and thousands of immigrants who followed this trail relied upon the bluff as a landmark or rendezvous.

The boundaries of the monument were revised by Executive order of May 9, 1924, and Presidential proclamations of June 1, 1932, and March 29, 1940. Since then the Department of the Interior has made careful studies to determine what lands are essential to the preservation, protection, and effective interpretation of the scenic, historical, and geological features and values commemorated at the Scotts Bluff National Monument. Those studies have disclosed that certain privately owned and Federal lands within the proclaimed boundary are not used for monument purposes and that acquisition of certain private lands outside the present boundary would contribute to preservation of the area's basic values.

Portions of the existing boundaries of the Scotts Bluff National Monument are not satisfactory to this Department because they run in straight lines across all types of terrain without regard to existing natural features. Enactment of the proposed legislation will enable the Secretary of the Interior to make greatly needed boundary adjustments. Such a measure would authorize the Secretary to designate new boundaries by which natural and developed features of the terrain such as major draws, ridges, rivers, and irrigation ditches could be utilized. With a more practicable boundary this Department could facilitate protection, obviate the need for considerable fencing, and provide a more esthetic transition from the natural conditions of the monument to the cultivated or developed areas beyond its boundaries.

A new boundary for the monument would have other advantages over the present boundary. Those private lands proposed for addition to the monument lie generally to the east and southeast of the existing boundary and total about 210 acres. One such tract contains a large area of fine badlands which presently is threatened with destruction through use as a dumping ground. Other additions would protect the foreground of Scotts Bluff and the scenic approach to the Dome Rock-South Bluff saddle area from the nearby county road. Also the important natural feature known as Dome Rock, which is now only partially within the monument boundary, and its eastern projection would be protected. Furthermore, with a new boundary this Department could prevent further intrusions by powerlines, radio towers, and borrow pits upon these scenic and historic features. Finally, under the provisions of the proposed legislation, it would be possible to avoid payment of severance costs by purchasing entire parcels of land in private ownership which extend beyond the revised boundaries, if the owners agreed to such acquisition.

Much of the privately owned land proposed for exclusion is located in the western and northwestern portion of the existing monument and has no known scenic, scientific, or historic values. Some of it is highly productive irrigated land which does not appear prominently in the view of a visitor to the monument. Also, in establishing a more suitable boundary for the monument, about 23 acres of Federal land would be excluded from the western portion of the monument. These excluded Federal lands and lands acquired outside the revised boundary to avoid payment of severance costs could be exchanged by the Secretary for lands of approximately equal value within the revised boundaries.

If this proposed legislation is enacted, we estimate that the land acquisition costs for the additions to the monument would be about $15,000.

The Bureau of the Budget on January 6, 1961, advised that there is no objection to

the submission of this proposed legislation to the Congress.

Sincerely yours,

GEORGE W. ABBOTT,
Assistant Secretary of the Interior.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 5760) was ordered to a third reading, was read the third time, and passed.

LAND ACQUISITION ON BLUE RIDGE AND NATCHEZ TRACE PARKWAYS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 407, H.R. 5765.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 5765) to authorize the purchase and exchange of land and interests therein on the Blue Ridge and Natchez Trace Parkways.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement in regard to the purpose of the measure.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

H.R. 5765 authorizes the purchase and exchange of land and interests in land on the Blue Ridge and Natchez Trace Parkways. The legislation requires that property rights exchanged under this authority shall be approximately equal in value.

NEED

The Department of the Interior, both under Secretary Seaton's administration and under Secretary Udall's administration, requested introduction of this measure. An identical bill was considered during the 86th Congress and was reported favorably by the committee on August 29, 1960.

Enactment of the legislation is needed to consolidate the landholdings for the two parkways, to adjust ownership lines, and to eliminate hazardous crossing of, and accesses to, the parkways. Under the terms of the bill, the purchases and exchanges authorized by it are limited to these purposes. The proposal results from a number of years' experience which has demonstrated the need for such legislation.

An explanation of the many problems involved in connection with the Blue Ridge and Natchez Trace Parkways and the manner in which the problems would be resolved through the authority contained in the reported legislation is contained in the letter from the former Assistant Secretary of the Interior requesting the introduction of this bill, set forth below.

COST

Representatives of the National Park Service assured the committee that cash expenditures expected to be incurred under the bill will be nominal inasmuch as most of the transactions will be exchanges.

DEPARTMENTAL RECOMMENDATIONS

The letter from the Department of the Interior to the Speaker requesting the introduction of this legislation (a report which was confirmed by a further letter dated March 3, 1961, from Secretary Udall) follows:

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., January 12, 1961.

Hon. SAM RAYBURN,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Enclosed is a draft of a proposed bill, to authorize the purchase and exchange of land and interests therein on the Blue Ridge and Natchez Trace Parkways.

We suggest that this bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

The purpose of this proposed legislation is to authorize the purchase and exchange of land and interests in land on the Blue Ridge and Natchez Trace Parkways. The legislation is needed to consolidate the land forming both of the parkways, to adjust ownership lines, and to eliminate hazardous crossings of and accesses to the parkways. The proposal results from a number of years experience which has demonstrated the need for such legislation.

Lands and interests in lands for the parkways have been donated by the States on the basis of 100 acres in fee simple, and 50 acres in scenic easement, per mile of parkway. Experience has demonstrated that more efficient boundaries could be established if there were authority to consolidate lands. Likewise, scenic easements have been difficult to administer and ineffectual in some instances. The parkways were designed as limited access roadways, yet we have found that accesses reserved at the time the land was acquired present hazards to parkway visitors. Often the owners are willing to dispose of such access rights but the Department has no authority to compensate them or make other provisions therefor.

One example of the difficulties heretofore encountered occurred during the Blue Ridge Parkway right-of-way acquisition. In this instance the State acquired by error a strip of land approximately 50 feet wide which was a part of a church cemetery, and this was then deeded to the United States. Later the church fenced the cemetery on the original boundary, causing an encroachment on parkway lands.

The church disputed the Department of the Interior's claims of ownership and thus far the State has been unable to work out a settlement or solution short of condemnation.

The church authorities and this Department are prepared to effect an exchange whereby the 50-foot strip would be returned to the church in exchange for a triangular parcel of church land. This adjustment, in addition to being satisfactory to the church, would benefit the parkway by giving complete control of the private road which is already located on parkway right-of-way except at this one point, by giving additional protection to scenic values, as well as resolving this longstanding dispute.

Problems have occurred in connection with the efforts of the National Park Service to keep private crossings of and accesses to the motor road to a minimum. In spite of this policy many dangerous and otherwise undesirable interruptions to the intended use of the parkways were reserved in the deeds, due to the necessity of providing a "way in or out" for land residues with no other access to the State road system, and for other reasons. From time to time there are opportunities to eliminate especially troublesome situations of this type by land exchange or by purchasing a residue.

One of these problems has arisen in connection with the Louemma Guynn home in Virginia. Here a private road crossing was reserved in the deed for access to the home on one side of the parkway and to a 4-acre residue on the other side. Later the 4-acre residue was sold so that now the crossing, which is no longer needed by the original owner is required by the present owner for access to a State road, and is used as access to the parkway from that State road. Efforts to negotiate an arrangement whereby the National Park Service would build a 1,300-foot road from this 4-acre residue along the parkway right-of-way to the public road connection have been unsuccessful. Such a solution, however, will be considerably more costly than purchasing the 4-acre tract from the present owner. The proposed legislation would authorize the purchase of that tract and provide a relatively inexpensive solution to the problem.

Difficulties have also been encountered in connection with the scenic easements which were acquired by the States and conveyed to the National Park Service for the parkways. These scenic easements were for the purpose of restricting use of lands involved to prevent the addition of undesirable features or adverse use of the land. Experience has demonstrated many difficulties of administration, and a lack of effectiveness of these easements. In many cases landowners are willing to convey a portion of their land to the Government in exchange for the relinquishment of the scenic easement on the remainder.

An example of this is in connection with a scenic easement on lands owned by a Mr. Homer Anderson. Mr. Anderson harvested trees on the land covered by the scenic easement, in an unintentional violation of its terms. The resulting negotiations brought an offer from Mr. Anderson to convey fee title to a part of this land in return for the relinquishment of scenic easement over the remainder. Such an arrangement is satisfactory to this Department and the property rights involved are approximately equal in value. Such an exchange, however, cannot be accomplished under the present law.

Legislation such as is proposed herein would result in the ready solution of the many problems involved in connection with these parkways and accomplish the desired results in a manner that is to the best interests of the public.

The Bureau of the Budget on January 6, 1961, advised that there is no objection to the submission of this proposed legislation to the Congress.

Sincerely yours,

GEORGE W. ABBOTT,
Assistant Secretary of the Interior.

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., March 3, 1961.

Hon. WAYNE N. ASPINALL,
Chairman, Committee on Interior and Insular Affairs, House of Representatives,
Washington, D.C.

DEAR MR. ASPINALL: This will supplement our letter of February 14, 1961, regarding a review of the legislative materials that were submitted to Congress by this Department before January 20, 1961.

We have completed our review, and we concur in the comments and recommendations made by the prior administration with respect to the following proposed bills and introduced bills.

* * * * * *

8. Proposed bill, to authorize the purchase and exchange of land and interests therein on the Blue Ridge and Natchez Trace Parkways.

* * * * * *

The foregoing recommendations apply, of course, to any bills that may have been introduced as a result of the Executive communications from this Department.

The Bureau of the Budget has advised us that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

STEWART L. UDALL,
Secretary of the Interior.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 5765) was ordered to a third reading, was read the third time, and passed.

CEDAR BREAKS NATIONAL MONUMENT, UTAH

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 408, H.R. 6422.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 6422) to add federally owned lands to, and exclude federally owned lands from, the Cedar Breaks National Monument, Utah, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement in regard to the purpose of the measure.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The purpose of this bill is to adjust the boundaries of the Cedar Breaks National Monument and the Dixie National Forest, both in the State of Utah. The bill will add to the monument 111 acres which are now in the forest and to the forest 129 acres which are now in the monument. All of the lands involved are already in Federal ownership.

H.R. 6422 was introduced by Congressman PETERSON following receipt of an executive communication requesting that this be done. Legislation to accomplish this same objective was introduced in the Senate by Senator FRANK MOSS, the bill being S. 1647.

NEED

The boundary adjustment proposed in H.R. 6422 will improve administration of the monument and forest, will delete from the monument certain lands which are not valuable for park purposes, and will add to it other lands which are. The new boundaries will better conform to the topography of the area than do the present ones and will include within the monument the whole of a scenic drive which is now divided between the forest and the park as well as a scenically important alpine flower meadow.

COST

Enactment of the bill will require no expenditures for land acquisition. Costs of fencing, the committee was advised, will be less than $10,000.

DEPARTMENTAL RECOMMENDATIONS

The letter from the Department of the Interior to the Speaker requesting the introduction of this legislation follows:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., April 10, 1961.

Hon. SAM RAYBURN,
Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Enclosed is a draft of a proposed bill to add federally owned lands to, and exclude federally owned lands from, the Cedar Breaks National Monument, Utah, and for other purposes.

We suggest that this bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

The bill proposes certain boundary adjustments which would exclude approximately 129 acres of land from the northwest section of the monument and add to its southeast portion approximately 111 acres.

The Cedar Breaks National Monument, situated high on the Markagunt Plateau in southwest Utah, was established by proclamation of the President on August 22, 1933, for the preservation of spectacular cliffs, canyons, and features of scenic, scientific, and educational interest. The lands proposed for addition to the monument are in Federal ownership as a part of the Dixie National Forest. We understand that their transfer for the purposes of the monument meets with the approval of the U.S. Forest Service. Their inclusion would place within the monument those relatively short sections of the rim drive which now lie outside its boundary, on national forest lands. This drive is the route by which visitors to the monument reach main points of interest on the rim of the canyon bowl. These lands would provide an adequate buffer zone between the boundary and the rim of the canyon within which grazing could be eliminated. Protection would also be afforded a spectacular alpine flower meadow and unsightly fencing could be relocated beyond the view of visitors.

The lands proposed for exclusion would become a part of the Dixie National Forest. The park values of the lands proposed for exclusion are secondary and are not required for any foreseeable use. Their exclusion will result in a more natural boundary for this section of the monument; namely, the vertical ledge which forms the rim of the canyon.

No land acquisition costs are involved in this proposal. Approximately $8,400 would be needed for the relocation of boundary fencing.

The Bureau of the Budget has advised that there is no objection to the presentation of this draft bill from the standpoint of the administration's program.

Sincerely yours,

JOHN A. CARVER, Jr.,
Assistant Secretary of the Interior.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 6422) was ordered to a third reading, was read the third time, and passed.

USE OF SURPLUS GRAIN FOR EMERGENCY FEEDING OF BIRDS AND WILDLIFE

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 410, Senate 614.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 614) to authorize the use of surplus grain by the States for emergency use in feeding of resident game birds and other wildlife and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry, with amendments, on page 1, line 6, after the word "upon", to insert "the request of the State fish and game authority or other State agency having similar authority and"; in line 10, after the word "other", to insert "resident," and on page 2, after line 11, to insert a new section, as follows:

SEC. 2. Upon a finding by the Secretary of the Interior that migratory birds are threatened with starvation in any area of the United States, the Secretary is authorized to requisition from the Commodity Credit Corporation grain acquired by that Corporation through price support operations in such quantities as may be mutually agreed upon. The Corporation shall be reimbursed by the Secretary for its expense in packaging and transporting of such grain for purposes of this Act.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of meeting emergency situations caused by adverse weather conditions or other factors destructive of important wildlife resources, the States are hereby authorized, upon the request of the State fish and game authority or other State agency having similar authority and a finding by the Secretary of the Interior that any area of the United States is threatened with serious damage or loss to resident game birds and other resident wildlife from starvation, to requisition from the Commodity Credit Corporation grain acquired by the Corporation through price support operations. Such grain may thereafter be furnished to the particular State for direct and sole utilization by the appropriate State agencies for purposes of this Act in such quantities as mutually agreed upon by the State and the Commodity Credit Corporation and subject to such regulations as may be considered desirable by the Corporation. The Corporation shall be reimbursed by the particular State in each instance for the expense of the Corporation in packaging and transporting such grain for purposes of this Act.

SEC. 2. Upon a finding by the Secretary of the Interior that migratory birds are threatened with starvation in any area of the United States, the Secretary is authorized to requisition from the Commodity Credit Corporation grain acquired by that Corporation through price support operations in such quantities as may be mutually agreed upon. The Corporation shall be reimbursed by the Secretary for its expense in packaging and transporting of such grain for purposes of this Act.

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to reimburse the Commodity Credit Corporation for its investment in grain transferred pursuant to this Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed

in the RECORD at this point a statement in regard to the purpose of the measure.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

This bill, with the committee amendments, permits the States in emergency situations to obtain grain from Commodity Credit Corporation to prevent starvation of resident game birds and other resident wildlife. Such grain would be furnished only upon (1) the request of the State fish and game authority or other State agency having similar authority, (2) a finding by the Secretary of the Interior of the threat of loss from starvation, (3) requisition by the State, and (4) agreement by the State and the Commodity Credit Corporation. The Corporation would be reimbursed for its expense in packaging and transporting the grain.

The Secretary of the Interior would similarly be authorized to obtain grain to prevent starvation of migratory birds.

The committee amendments would—

(1) Require concurrence by the State fish and game authority, since, as indicated in the attached report from the Department of the Interior, unneeded feeding may be harmful to wildlife;

(2) Restrict State operations under the bill to resident wildlife;

(3) Provide the Secretary of the Interior with authority to obtain grain to prevent starvation of migratory birds; and

(4) Amend the title so as to describe the provisions of the bill as amended more precisely.

The last three enumerated amendments were suggested by the Departments of the Interior and Agriculture.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The bill (S. 614) was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill to authorize the use of Commodity Credit Corporation owned surplus grain by the States for emergency use in the feeding of resident game birds and other resident wildlife; to authorize the use of such surplus grain by the Secretary of the Interior for emergency use in the feeding of migratory birds, and for other purposes."

ACCEPTANCE OF AGREEMENT ESTABLISHING THE CARIBBEAN ORGANIZATION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 413, House Joint Resolution 384.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (H.J. Res. 384) providing for acceptance by the United States of America of the agreement for the establishment of the Caribbean Organization signed by the Governments of the Republic of France, the Kingdom of the Netherlands, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement in regard to the purpose of the measure.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The main purpose of the joint resolution is to dissolve the Caribbean Commission, which is composed of France, the Netherlands, the United Kingdom, and the United States, and to create the Caribbean Organization, which will be composed of the Caribbean territories of the aforementioned states. This purpose is accomplished through acceptance by the United States of an agreement among the four metropolitan powers authorizing their Caribbean dependencies to participate in the Caribbean Organization.

BACKGROUND

In 1942, the United States and Great Britain established through executive action the Anglo-American Caribbean Commission, primarily to deal with wartime problems of the British and American islands in the Caribbean. In 1946, these two powers were joined by France and the Netherlands in establishing the Caribbean Commission with the broader purpose of carrying on research and technical assistance aimed at promoting regional development. U.S. participation in the Caribbean Commission was authorized by Congress in a joint resolution approved March 4, 1948.

One of the subsidiary organizations of the Caribbean Commission has been the West Indian Conference in which the dependent territories of the four powers in the Caribbean have been represented directly. The conference has met biennially, and beginning in 1952 it has repeatedly requested the four member governments of the Commission to revise the agreement so as to reflect the growth of self-government in the Caribbean since 1946. Negotiations to this end culminated in 1960 with the signing of an agreement by the four powers to create the Caribbean Organization.

PROVISIONS

The joint resolution itself contains only four operative provisions: (1) It authorizes the President to accept on behalf of the United States the agreement establishing the Caribbean Organization; (2) it authorizes the participation of Puerto Rico and the Virgin Islands in the Organization; (3) it makes available to the Organization, upon promulgation of an Executive order, the privileges, exemptions, and immunities conferred by the International Organizations Immunities Act; and (4) it authorizes the Secretary of State to appoint a U.S. observer to the Organization.

The statute of the Caribbean Organization is an integral part of the agreement among the four powers. Except for the French territories, which will continue to be represented by France, the members of the Caribbean Organization will be, not the metropolitan powers, but the territories, commonwealths, or other possessions of those powers in the Caribbean area. So far as the United States is concerned, the members will be Puerto Rico and the Virgin Islands. Other territories eligible to participate are the Netherlands Antilles, Surinam, British Guiana, the West Indies, the Bahamas, British Honduras, and the British Virgin Islands, though the last three have indicated that they do not intend to participate at this time. In addition, French Guiana, Guadeloupe, and Martinique, which are constitutionally Departments of the Republic of France, will participate and will be represented by France.

Each member of the Organization will have one delegate with one vote, except that France will have one delegation with three votes, reflecting French membership on behalf of three departments.

The Organization is to concern itself with "social, cultural, and economic matters of common interest to the Caribbean area, particularly agriculture, communications, education, fisheries, health, housing, industry, labor, music and the arts, social welfare, and trade." It may make studies and recommendations, assist in the coordination of local projects of regional significance, arrange for or provide technical guidance not otherwise available, and, subject to certain conditions, make contracts or agreements for technical assistance with other international or national organizations. It may also establish auxiliary bodies.

Expenses of the Organization are to be met by its members—not the four powers—in proportions to be unanimously agreed to. A preliminary agreement has been reached for an annual budget of $316,000, of which Puerto Rico would contribute $140,000 (44.3 percent) and the Virgin Islands $25,000 (7.98 percent). The United States currently contributes 38.4 percent of the Caribbean Commission's budget (in 1959, $140,476 out of $365,823).

The agreement specifically provides that nothing in it is to affect "the present or future constitutional status of the Members of the Organization." Further, any of the four powers signatory to the agreement can withdraw from the agreement at any time on 1 year's notice, and such action would automatically deprive its territories of membership in the Organization. Each of the four powers is also entitled to be represented at all meetings held under the auspices of the Organization by observers with the right to speak but not to vote. No other governments may be represented without the unanimous approval of the observers as well as a unanimous vote of the Organization. Finally, amendment of the statute of the Organization requires the unanimous approval of the members of the Organization as well as of the four powers.

It is contemplated that when the Organization comes into being, the headquarters of the Commission, which are now located in Trinidad, will be moved to Puerto Rico. It is also expected that, at this time, the President will issue an Executive order, under the terms of the joint resolution, extending to the Organization the privileges, exemptions, and immunities conferred by the International Organizations Immunities Act. These are the same privileges now extended to 29 international organizations (including the Caribbean Commission). The precise nature of these privileges is spelled out in a statement submitted to the committee by the Department of State and included in the hearings. In general, the organizations themselves are given legal capacity to contract, to acquire and dispose of property, and to institute legal proceedings. Their alien employees are exempt from certain taxes, as are individuals representing foreign governments in such organizations.

COMMITTEE ACTION

Congressional approval of the agreement establishing the Caribbean Organization was requested by the Secretary of State January 19, 1961, and the administration draft joint resolution was introduced by Senator FULBRIGHT, by request, on April 18 as Senate Joint Resolution 75. On May 2, the Foreign Relations Committee held a hearing at which Antonio Fernós-Isern, the Resident Commissioner of Puerto Rico; John W. Hanes, Jr., U.S. Cochairman, Caribbean Commission; and Abram Chayes, legal adviser, Department of State, all supported the joint resolution.

On June 21, the committee considered the matter further. In the meantime, a companion resolution, House Joint Resolution

384, had passed the House on May 15; and accordingly, it is the House resolution which the committee agreed to report to the Senate.

CONCLUSION

The committee regards the formation of the Caribbean Organization as a logical progression in the growth of self-government among the dependent territories of the area since World War II. In this period, for example, Puerto Rico has become a Commonwealth; Surinam and the Netherlands Antilles are self-governing within the Kingdom of the Netherlands; French Guiana, Guadeloupe, and Martinique have become Departments of France; and the West Indies are self-governing and scheduled for independence next May.

The Caribbean Commission has provided a useful mechanism for regional consultation and economic research as well as for modest amounts of technical assistance. Residents of the area have played an increasing role in the work of the Commission, and it seems to the committee appropriate that this role now be formalized and carried a step further through disbanding the Commission and replacing it with the Organization.

This will give the islands involved additional responsibility (which, in the committee's judgment, they are well qualified to assume), but it will not alter constitutional relationships.

In the opinion of the legal adviser of the Department of State, in which the committee concurs, the Caribbean Organization does not fall within the prohibition of article I, section 10, of the Constitution to the effect that "No State shall enter into any Treaty Alliance or Confederation." The same section provides that "No State shall, without the Consent of Congress * * * enter into any Agreement or Compact with another State, or with a foreign Power * * *." Further, article IV, section 3, of the Constitution provides that, "The Congress shall have Power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States."

The Caribbean Organization is not a "treaty, alliance, or confederation," but rather an "agreement or compact," and approval of participation by Puerto Rico and the Virgin Islands is a legitimate exercise of the congressional power to "make all needful Rules and Regulations respecting the Territory * * * belonging to the United States." It should also be emphasized that the Organization is to be purely advisory and that the United States can withdraw from the agreement at any time on a year's notice, thereby automatically terminating the membership of Puerto Rico and the Virgin Islands.

For the reasons set forth above, the committee recommends that the Senate give its approval to House Joint Resolution 384.

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 384) was ordered to a third reading, was read the third time, and passed.

RED CHINA AND THE UNITED NATIONS

Mr. CAPEHART. Mr. President, as a member of the Committee on Foreign Relations it is my personal judgment that very, very strenuous efforts will be made to bring the Red Chinese into the United Nations. This body—and every individual Senator—should be giving serious thought to this problem. I am one who believes that we in the Congress—particularly we in the Senate, who have to act on treaties—should meet the problem head on.

FEDERAL WATER POLLUTION CONTROL ACT AMENDMENTS OF 1961

The Senate resumed the consideration of the bill (S. 120) to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, and I suggest that the attachés call the offices of Senators and ask them to please be in the Chamber as soon as possible.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

VISIT TO THE SENATE BY HAYATO IKEDA, PRIME MINISTER OF JAPAN

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I move that the Chair be authorized to appoint a committee to escort the Prime Minister of Japan into the Senate Chamber to address the Senate, if he so desires, while the Senate stands in recess.

The PRESIDING OFFICER (Mr. BURDICK in the chair). Is there objection? The Chair hears none, and it is so ordered.

The Chair appoints, as a committee to escort the Prime Minister into the Chamber, the Senator from Montana [Mr. MANSFIELD], the Senator from Illinois [Mr. DIRKSEN], the Senator from Arkansas [Mr. FULBRIGHT], and the Senator from Iowa [Mr. HICKENLOOPER].

Whereupon, at 2 o'clock and 39 minutes p.m., the Senate took a recess, subject to the call of the Chair.

The Senate being in recess, His Excellency, Hayato Ikeda, Prime Minister of Japan, escorted by the committee appointed by the Presiding Officer, entered the Chamber, and took the seat assigned to him immediately in front of the Presiding Officer.

The VICE PRESIDENT. The Senate will be in order. The book of history will deal most prominently with the names of the men who dedicate their lives to bringing about peace and plenty for their people.

We are highly privileged and greatly honored to have such a man in our midst today. It is a great tribute to our civilization, our society, and the institutions that serve it that we can meet here in such a peaceful and cordial surrounding with the great leader and spokesman of a nation with whom we were at war only 16 years ago.

The Prime Minister of Japan has had fruitful and profitable discussions with the President of our country and with the legislative leaders in both parties in both branches.

We welcome him warmly to the Senate this afternoon. It is now my great honor and my prized privilege to present to the Members of the Senate the Prime Minister of Japan, Mr. Ikeda.

[Applause, Senators rising.]

Prime Minister Hayato Ikeda thereupon addressed the Senate in Japanese, at the conclusion of which his address was interpreted by Mr. Toshiro Shimanouchi, Counselor of the Foreign Ministry, as follows:

Mr. President, Members of the Senate. It is a great honor that you have bestowed upon me in inviting me to this time-honored Hall of freedom and democracy. On this present trip to the United States I have had the great pleasure of meeting with your President and other leaders of your Government to discuss freely, frankly, and in friendly fashion the problems of mutual interest and concern to both our countries.

I am happy to report to you today that we have agreed on a common approach to the problems of peace and security in this world. [Applause.]

I believe that by our talks and intimate contact we have laid the basis for a stronger and a more effective partnership between the United States and Japan. [Applause.]

Thank you very much for your warm reception. [Applause, Senators rising.]

The VICE PRESIDENT. I know the Senate will be pleased to welcome the very gracious and charming wife of the distinguished Prime Minister who sits in the front row of the diplomatic gallery. [Applause, Senators rising.]

The distinguished majority leader has suggested that the Prime Minister go to the well of the Chamber, accompanied by the minority leader, the chairman of the Committee on Foreign Relations, the majority leader, and the ranking member of the Committee on Foreign Relations, there to exchange greetings with each individual Senator at this time.

The Prime Minister was escorted to a position on the floor of the Senate in front of the Vice President's desk and was there greeted by Members of the Senate, who were introduced to him by Mr. MANSFIELD, Mr. DIRKSEN, Mr. FULBRIGHT, and Mr. HICKENLOOPER.

Following the informal reception, the Prime Minister was escorted from the Chamber.

At 3 o'clock and 2 minutes p.m., the Senate reassembled, when called to order by the Vice President.

FEDERAL WATER POLLUTION CONTROL ACT AMENDMENTS OF 1961

The Senate resumed the consideration of the bill (S. 120) to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control.

Mr. KERR. Mr. President, I rise to address myself to Senate bill 120, the pending business.

The 1956 Water Pollution Control Act broadened and strengthened earlier legislation by providing grants for the construction of municipal waste treatment facilities, grants to improve and strengthen State and interstate programs, more workable Federal

enforcement, more effective research, and collection of basic data.

During the 5 years preceding passage of the 1956 act, the construction of municipal waste treatment works averaged only $222 million annually. For the ensuing 5 years that the grants provisions have been in effect, contract awards for this construction have averaged $360 million annually, and over 2,600 projects costing $1.2 billion have been approved. This is a 62-percent increase in construction. Also, for each Federal grant dollar, there has been an expenditure of $4.80 in local funds. A 1960 survey by the State water pollution control agencies shows that the present backlog is still more than 5,000 projects, with an estimated cost of nearly $2 billion. To eliminate this longstanding backlog, and to keep up with the new needs due to population growth and continuing obsolescence of existing plants, will require annual average construction levels of $600 million.

The acceleration of the program of sewage plant construction is certainly one of the most necessary activities in order to clear up our streams and lakes. However, sewage treatment as it has been practiced in American communities, too often consists of treating the sewage by mechanical and biological means to remove the more objectionable solids and discharge the residual or effluent to a watercourse, such as a stream or lake. The treatment methods in use today are generally those which were developed some 30 to 40 years ago, and have been reasonably adequate for meeting past needs.

Even with today's intensity of water use, it is necessary for water to be used and reused. The rate of reuse will continue to increase with growing demands for water. With each reuse, new foreign substances are added so that even after sewage treatment, the suitability of the water for further use is progressively impaired. This means that water must be freed of all undesirable foreign substances, including viral and harmful bacteria, new organic materials resistant to treatment, detergents, nutrients, mineral salts, radioactive contaminants, and other pollutants. Very little research money has been put into this field due to the fact that sewage research activities are almost entirely dependent on public support. By comparison, the biological know-how in industry has been relatively far advanced by the heavy investments industry has allocated to scientific research.

The highest degree of sewage treatment by present methods is generally called complete treatment, that is, a high percentage of suspended solids and biochemical oxygen demand—b.o.d.—is removed. In complete treatment employing the activated sludge process, removals of 85 to 90 percent of the b.o.d. and 85 to 90 percent of the suspended solids are possible. Generally, the percentage of removal is about 85 percent. It has been mentioned that in 1957, the discharge of treated sewage by our larger metropolitan areas, which realized over 85-percent removals, often has the same effect as discharging the raw sewage from over 1 million people.

There is every reason to believe that a vigorous research attack on waste treatment problems would lead to breakthroughs and new processes which will make it possible to handle ever-increasing wasteloads, and even to restore streams to a state approaching their original natural purity. Present and predicted needs reveal that a basic research project should be initiated immediately, because it would no doubt take some time before the results would have a significant impact on munipical sewage treatment facilities.

If all waste or all water deteriorating elements could be removed by treatment, a region's water supply could be used over and over. Even though removal or treatment could approach 100 percent, there would still be an oxygen demand induced by treatment itself, which under presently known technology, can be offset only by an adequate flow of water in the stream. Also, water being stored and released at the proper time, can do much toward reducing the temperature of water, thus reducing the polluting effect of heat. Water of good quality could be stored and released and mixed with water of lesser quality, thereby perhaps making it suitable for various uses.

The committee felt that extension of Federal enforcement to include navigable waters, as well as interstate waters, would seem to be needed in view of the limitation imposed in connection with enforcement laws now in effect. In other words, many coastal waters are now excluded, as well as waters, although they may be navigable, which do not cross or form parts of State boundaries. In addition, it would be helpful to States, in coping with water pollution problems, if the Federal Government were permitted, upon request of the Governor, to enter into intrastate cases. The States should, however, exhaust every resource available to them before asking for Federal assistance.

The Water Supply Act of 1958 authorizes the Corps of Engineers and the Bureau of Reclamation to include capacity in reservoirs for municipal and industrial water supplies, along with capacity for other purposes. The act provides for the repayment of these costs with interest. It provides that capacity may be included for present and anticipated future demands and that not to exceed 30 percent of the total cost of any project constructed by these agencies may be allocated to anticipated future demands. The present law has been interpreted, in certain instances, to mean that firm contracts must be entered into for that portion set aside for future demands, as well as present demands; however, the original intention was that only reasonable assurances of use and repayment need to be obtained with respect to the capacity set aside for future demands. There is a need to amend this particular provision because in many instances, projects are being planned which, along with flood control, hydropower, and so forth, offer opportunities for the storage of water for future municipal and industrial demands, but there is no entity with whom to contract. In many cases, it is probable that if an adequate quantity of water is available, the natural resources of an area will be developed, whereas, without the availability of such a supply, there would be no opportunity for such development. It would seem that when reservoir projects are being planned, the full potentials of the site should be developed as an "insurance" for the future. It would appear to be appropriate to include capacity for future demands on the basis of studies and analysis of future potential uses without requiring a firm contract.

One purpose of S. 120, as amended, is to extend the authorization for grants to States and interstate agencies to assist them in meeting the costs of establishing and maintaining adequate measures for the prevention and control of water pollution. The present authorization in the amount of $3 million annually will expire during fiscal year 1961 and this bill would authorize a continuation of this program for an additional 5 fiscal years and would increase the grants to $5 million annually.

The bill would authorize an increase in construction grants from $50 million annually to $70 million for fiscal year 1962, $80 million for fiscal year 1963, $90 million for fiscal year 1964, $100 million for fiscal year 1965, and $100 million for fiscal year 1966.

It would increase a top limit on individual grants at $500,000 or 30 percent of the project cost, whichever is the smaller. It would also permit several communities to join together in constructing joint facilities and each could obtain the maximum allowable grant. Thus, in the case of three communities a total grant of up to $1.5 million might be obtained. The bill would protect communities having filed qualified applications which do not exceed $250,000. It provides for a reallocation of funds among the States; however, such reallocation is not permitted during a period of 2 years.

The bill has several provisions not in existing law which are of great importance.

First. Authority for Federal agencies to include capacity in reservoirs for water quality control. This capacity not to be a substitute for adequate treatment of sewage. A determination would be made of the benefits of such capacity and an appropriate share of the cost allocated to this purpose. Beneficiaries would be determined and if the benefits are widespread or national in scope, the costs of such capacity would be nonreimbursable.

Second. There would be authorized the establishment of research and demonstration facilities to study and determine practicable means of treating municipal sewage and other waterborne waste to remove the maximum amount of physical, chemical, and biological pollutants. There would be authorized $10 million for the establishment of a research and demonstration center and $5 million annually would be authorized for 5 years for the purpose of conducting required studies and developing new methods of treatment or treatment plant construction. The program would also include the development of prototypes or models to demonstrate results of research findings.

Third. Authority for the establishment of field laboratories in various parts of the country for research and demonstrations in water pollution control.

Fourth. The requirement that such action as may be necessary be taken to insure payment of wages on treatment construction projects, at not less than those prevailing on construction in the immediate locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act.

Fifth. The expansion of Federal pollution abatement authority to all navigable waters, including authority to enter into intrastate water pollution cases upon request of the Governor.

The bill would also make changes in the Water Supply Act of 1958, which would permit the inclusion of capacity in Corps of Engineers or Bureau of Reclamation reservoirs for future water supplies on the basis that repayment contracts need not be entered into until such capacity is first used.

Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, and that the bill as thus amended be considered as original text for the purpose of amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma?

Mr. CASE of South Dakota. Mr. President, reserving the right to object, I have been asked some questions as to the effect of the so-called Moss amendment, which was an amendment in controversy in the committee.

I wonder if the chairman of the committee would object to excluding from his request the so-called Moss amendment, in order that it might be voted upon automatically and separately.

Mr. KERR. I say to the Senator, I hope the amendments agreed to by the committee may be, by unanimous consent, agreed to en bloc and considered a part of the text of the bill, reserving to any Member of the Senate the right to make a motion to strike any amendment if he so desires. Of course, the request can be made only for unanimous consent.

THE PRESIDING OFFICER (Mr. MCNAMARA in the chair). Is there objection to the request of the Senator from Oklahoma?

Mr. CASE of South Dakota. Mr. President, I should like to have that one amendment held up temporarily. There have been some questions asked concerning it. I should like to insure consideration of the amendment without the necessity of having a separate motion to strike.

Mr. KERR. Mr. President, I ask unanimous consent that all of the other committee amendments be agreed to en bloc, and that the bill as thus amended be considered as original text for the purpose of amendment.

The PRESIDING OFFICER. Is there objection to the present request of the Senator from Oklahoma? The Chair hears none, and, without objection, the committee amendments, except the first, are agreed to en bloc, and consdered original text.

Mr. KERR. Mr. President, I now ask unanimous consent that I may offer an amendment which I regard as a technical amendment: On page 11, line 21, add the word "reasonable" after the word "is".

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma? The Chair hears none.

The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KERR. Mr. President, with the amendments thus provided, and the bill subject to further amendment, I urge the passage of S. 120.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

Mr. KUCHEL. Mr. President, the problem of inadequate sewage treatment works and trunk lines is one which faces almost every city in our Nation, but these inadequacies are especially critical in areas of exploding population. With the high costs of construction and the need to plan and to develop systems to a capacity capable of handling the estimated populations of two decades or more from now, it is especially difficult for the smaller cities near a major metropolitan center to meet their responsibilities in this area. Certainly, the great purpose of the original Water Pollution Control Act has been particularly to aid these smaller communities. On page 8 of the report of the Senate Committee on Public Works on S. 120 which is now before us, it states that—

> The committee encourages adjacent communities to band together for the construction and operation of joint treatment and disposal works, utilizing such financial arrangements and methods as authorized by State statute. In addition, the committee encourages adjacent communities to avail themselves of service capacity available in presently operating projects serving more than one municipality.

In my own State of California, a unique experiment is now underway. In the San Diego urbanized area, the population has grown from almost 433,000 in 1950 to over 850,000 in the early part of this decade. There is no sign of a letup in this growth. With this increasing population, as in many cities and towns throughout America, came pollution problems. The result has been that the California State Water Pollution Control Board has served San Diego and several of the surrounding communities with a cease and desist order with reference to pollution of the San Diego Bay.

Because of the excellent cooperative relationship which exists between San Diego and the smaller towns adjacent to it, a pioneering effort to remedy this pollution problem was undertaken. The smaller cities of Chula Vista, Coronado, El Cajon, Imperial Beach, La Mesa, National City, and three sanitation districts of Lemon Grove, Rolando, and Spring Valley banded together under the leadership of the city of San Diego and agreed to a 50-year contract—40 years plus an option for 10 years—to construct the necessary works to meet their sewage disposal needs. The system will be constructed initially to its estimated capacity in 1980. Each city has agreed upon its share of the construction costs based on a determination as to existing population, estimated growth, and other factors such as their industrial capacity. The proportion of the total project for each of these entities is approximately as follows:

	Percent
San Diego	72
Chula Vista	11.2
Coronado	1.3
El Cajon	4.3
Imperial Beach	1.3
National City	3.4
Lemon Grove	1.2
Rolando	.13
Spring Valley	2.5
La Mesa	2.5

Under the sewage disposal agreement of 1960, which these jurisdictions entered into, the city of San Diego will administer the contract and works. An advisory body is created with each jurisdiction represented. This body has recommending powers. An arbitration clause is provided. The project is to be built to a designed capacity of 233,920,000 gallons per day. The entire cost over the 50-year period, including principal and interest, will be approximately $106,933,511. Next Tuesday, the sealed bids on a bond issue of $42,500,000 will be opened.

However, as I stated, the city of San Diego will own the works. Actually, the city would have no objection to joint ownership, but the belief was that they would not be able to sell their revenue bonds, which are needed if the project is to be constructed, unless the full credit of a single governmental unit, in this case the city of San Diego, stood behind these bonds. The communities also decided that they did not want an overriding sewage disposal district which would mean another taxing agency and also a possible loss of direction by the communities involved. Consequently, because of the excellent cooperative spirit which exists between the central city and the surrounding municipalities, this pioneering venture was undertaken. It might well set a pattern as to how other metropolitan problems could be solved within the framework of existing local government.

Since the communities do not own the works, they have agreed contractually to a "capacity service charge" based on their share of the cost of the ultimate designed capacity. For example, in the case of La Mesa, the current capacity of the La Mesa sewage system is approximately 3 million gallons per day. Under the contract I have discussed, La Mesa has reserved a capacity of 6 million gallons per day. Under the contract I have discussed, La Mesa has reserved a capacity of 6 million gallons per day out of the total designed capacity of the system of almost 234 million gallons per day. This is 2.56 percent of the total and it will cost La Mesa $2,742,823 over the 50-year period. Besides these "capacity service charges," each jurisdiction pays additional charges based on the transportation and treatment of the sewage. The "capacity service charges" relate only to the cost of these works.

I have discussed this matter with the representatives of the small communities involved. Each of these officials has told me that by cooperating in such a project they are able to solve their pollution

problems more efficiently and at a lower cost. I would like to say that, in my judgment, it is our intention to enact this legislation in order to encourage joint projects by smaller communities using all the devices open to them under State law.

Secondly, I believe that the fact that these smaller communities do not actually own the central system to which they are contractually obligated for the initial capital construction and additional improvements of the treatment works and trunklines is not a bar to their eligibility in applying for a Federal grant under this legislation.

I ask my esteemed friend the Senator from Oklahoma [Mr. KERR] if he concurs in my judgment of the intention of the proposed legislation.

Mr. KERR. I ask the Senator from California briefly to restate the principle that he had in mind.

Mr. KUCHEL. I believe it is the intention of the Senator from Oklahoma [Mr. KERR], as well as other members of his committee, and of the proposed legislation itself, to encourage joint projects by smaller communities using all the devices open to them under State law as I have discussed them here. The situation is illustrated in San Diego, where a number of small communities have banded together for a cooperative effort with respect to their common water pollution problem. I have said that in my opinion the proposed legislation is designed, and is intended to be available to each of those communities which have banded together in a joint effort, and I ask the Senator if he would confirm my understanding of the intention of the bill.

Mr. KERR. The benefits are designed to be available in more than one grant for joint sewage treatment facilities where more than one incorporated areas participates jointly in the development of such facility. Under the language of the bill, each separate incorporated community participating in a joint project would be eligible for a grant of up to 30 percent of its proportionate cost, or up to $500,000, whichever is less, and two or more such grants would be permitted to be used by the cooperating communities in the joint facility. Does that statement answer the Senator's question?

Mr. KUCHEL. Very clearly. I ask the Senator whether the eligibility of a given community under the terms and intent of the bill rests on the obligation which the community assumes with respect to such a joint project in San Diego as I have outlined.

Mr. KERR. I do not believe I understand the question.

Mr. KUCHEL. For example, assume that city A, city B, city C, city D, city E, and city F enter into a contract. City A is a large community. Title to the works may vest in city A. City B agrees to pay a moiety percentage of the cost of the joint construction or operation, under a contract with city A. I ask my friend if the obligation which city B assumes under the contract is sufficient to qualify city B for the benefits of the proposed legislation?

Mr. KERR. As I understand, if an individual project were contemplated, the program would work in the following way: For example, if city B were eligible for an individual contract or grant, it would be eligible to participate in a joint facility. The benefit that it could hope to receive under the bill would be calculated thus: The obligation of city B in the joint facility would be determined. It would be eligible for a grant of up to $250,000, or 30 percent of its pro rata part of the cost, whichever is less. Under the proposed legislation it would be eligible for an amount up to $500,000, or 30 percent of its pro rata part of the cost of the joint operation, whichever of the two is less.

Mr. KUCHEL. In our hypothetical situation let us assume that title to the actual works involved were vested entirely in city A. I do not believe there is any question, but I wish simply to be assured, that under the terms and intent of the bill, in the opinion of the Senator from Oklahoma that fact would be no bar to the benefits under the bill being available to city B or city C, and the other municipal participants, which would participate in the venture actually owned by city A.

Mr. KERR. In my opinion, if community B were paying as much as 70 percent of the cost of the part allocated to it, it would then be eligible to participate under the bill; and what it did with its facility after the project was constructed would be a matter for its determination.

Mr. KUCHEL. Mr. President, I thank the Senator very much. This is an excellent provision in this legislation. I want the Senator from Oklahoma to know of my congratulations to him and to the committee for fashioning the bill and bringing it to the Senate.

Mr. KERR. For and on behalf of the committee I accept the congratulations.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

Mr. CASE of South Dakota. Mr. President, I have a question which I should like to present to the Senator from Oklahoma. Suppose a community has had a project built already under the provisions of the Act and then the community grows and finds that it has a requirement for a larger project. Would the city be eligible for a second project to accommodate the needs established by the new growth?

Mr. KERR. I would say that if the city had built a project under the provisions of the 1956 Act and then found itself requiring additional facilities, under the provisions of the proposed Act it would be eligible to receive a grant, provided that the one it had originally received and the one sought do not exceed $500,000, or, in connection with the additional project, 30 percent of its cost, whichever is less.

Mr. CASE of South Dakota. The answer is in the affirmative, then, that the city might receive a second grant if it was an additional project that was required by the growth of the city, provided that the amount of the grant came within the limitations of the new Act.

Mr. KERR. The Senator is correct.

Mr. CASE of South Dakota. Mr. President, I withdraw the objection I made earlier to the consideration of the so-called Moss amendment as original text.

The PRESIDING OFFICER. Without objection, all committee amendments are agreed to, with the bill as amended to be treated as original text for purpose of further amendment.

Mr. FULBRIGHT. Mr. President, the Committee on Public Works has presented a good bill to the Senate, and I shall be pleased to support it.

The existing pollution control program has been of great assistance to many Arkansas communities in enabling them to install or improve their sewage treatment facilities. I recently received a tabulation from the Public Health Service showing the importance of the sewage treatment works grant program to Arkansas. As of May 15 of this year, 89 applications from communities throughout Arkansas had been approved for which the Federal grants totaled almost $5 million. The fact that 57 applications are now pending in various stages illustrates the great need for continuation of this program in my State. I ask unanimous consent that the tabulation listing the applications which have been approved and those which are pending be inserted in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FULBRIGHT. Mr. President, under the committee's bill, Arkansas will receive a total of $8,359,020 in grants for construction of waste treatment facilities in the 5-year period beginning with the next fiscal year These additional funds will insure that Arkansas communities are given the needed encouragement and assistance in improving their sewage facilities and will greatly help us in clearing up and keeping clean Arkansas rivers and streams.

The committee is to be commended for its inclusion of the provision in the bill which liberalizes the Water Supply Act of 1958. This provision which allows the Corps of Engineers and the Bureau of Reclamation, as the case may be, to include water supply capacity in Federal reservoirs without definite contractual commitments from State or local interests is a realistic approach to meeting the water supply needs of the future. The number of good reservoir sites in this country is dwindling rapidly, and it is in the national interest that any reservoirs constructed in the future should include provision for water supply if there is some indication that the water will be needed in the area in the reasonable future, notwithstanding the fact that firm contractual obligations have not been entered into between the local agencies and the Government for use of the water from the reservoir. The people of Arkansas are growing increasingly aware of the importance of adequate water supply in our industrial development program, and this provision in the bill should insure that water supply is included as a project purpose in any additional reservoirs constructed in the State.

I am also pleased that the committee has added language to the bill which would permit the inclusion in reservoirs of capacity for water which would improve low-flow conditions, and thus alleviate danger to fish and wildlife, as well as decrease pollution dangers. This is a needed addition to the few items which can be considered in determining the economic feasibility of a reservoir project.

I hope that this bill will pass the Senate by an overwhelming margin.

EXHIBIT 1

ARKANSAS

Construction grants for sewage treatment works as of May 15, 1961

ALLOCATIONS

Fiscal year	Amount
1957	$1,047,925
1958	1,030,100
1959	1,024,975
1960	1,011,250
1961	1,007,675
Total	5,121,925

APPLICATIONS

Status	Number	Estimated eligible project costs	Grant offer or request
Approved to date	89	$19,708,068	$4,798,867.82
Pending (total)	57	11,349,128	2,077,298.00
In PHS regional office	3	382,528	111,098.00
In State agency [1]	0	0	0
In preparation in municipalities [1]	54	10,966,600	1,966,200.00

[1] As reported by the State agency.

APPLICATIONS APPROVED

Altheimer	------	$58,771	$17,631.00
Bay	------	50,443	15,132.90
Bearden	------	46,530	13,959.00
Benton	------	229,335	68,800.62
Benton (hospital)	------	141,048	42,211.50
Bentonville	------	310,000	93,000.00
Do	------	115,595	34,678.47
Bradford	------	59,785	17,935.00
Brinkley	------	35,291	10,587.37
Camden	------	478,571	143,571.00
Caraway	------	79,843	23,953.00
Carlisle	------	85,996	25,798.80
Charleston	------	19,814	5,944.00
College Heights	------	75,276	22,582.88
Conway	------	83,584	25,063.31
Do	------	121,748	35,722.50
Crawfordsville	------	69,406	20,821.77
Crossett	------	32,424	9,727.12
Danville	------	70,193	21,058.20
DeQueen	------	198,034	59,410.07
Decatur	------	51,617	15,485.16
Des Arc	------	52,642	15,792.55
DeWitt	------	44,012	13,203.51
El Dorado	------	469,201	140,760.23
Elaine	------	59,850	17,954.99
Faulkner Lake	------	1,124,500	250,000.00
Fayetteville	------	923,680	250,000.00
Fordyce	------	17,817	5,344.98
Forrest City	------	58,573	17,571.80
Geyer Springs	------	36,130	10,839.08
Gillett	------	41,957	12,587.03
Gould	------	98,603	29,580.99
Green Forest	------	66,570	19,970.96
Greenwood	------	88,750	26,625.01
Hamburg	------	106,343	31,902.96
Harrison	------	62,907	18,871.98
Helena	------	508,722	152,616.70
Holly Grove	------	56,293	16,725.38
Hope	------	25,961	7,788.25
Humphrey	------	74,521	22,356.17
Huttig	------	38,232	11,469.69
Jacksonville	------	76,846	23,053.80
Do	------	171,016	51,304.93
Jonesboro	------	624,823	187,500.00
Judsonia	------	72,727	21,818.00
Junction City	------	78,150	22,630.57
Kensett	------	71,598	20,000.00
Lake Village	------	184,800	55,439.85
Little Rock	------	2,126,000	250,000.00
Do	------	2,697,997	250,000.00
Do	------	102,514	30,754.06
Malvern	------	55,575	16,672.45

Construction grants for sewage treatment works as of May 15, 1961—Continued

APPLICATIONS APPROVED—continued

Status	Number	Estimated eligible project costs	Grant offer or request
Marmaduke	------	$48,000	$14,400.00
Marshall	------	46,514	13,954.26
McGehee	------	217,819	65,345.67
Mena	------	194,142	58,242.64
Mineral Springs	------	31,704	9,511.17
Morrilton	------	256,468	76,940.49
Murfreesboro	------	46,036	13,810.81
Do	------	12,787	3,836.16
North Little Rock	------	54,600	16,380.00
Pangburn	------	30,680	9,168.60
Parkin	------	14,099	4,229.83
Pea Ridge	------	57,400	17,220.00
Piggott	------	153,663	46,098.90
Pine Bluff	------	790,782	237,234.60
Pocahontas	------	183,000	54,900.00
Pulaski County	------	167,152	50,145.50
Rogers	------	430,000	129,000.00
Searcy	------	102,738	30,821.44
Sheridan	------	136,767	41,030.00
Sherwood	------	146,604	43,981.10
Shilcotte Bayou (North Little Rock)	------	816,080	244,824.00
Siloam Springs	------	185,471	55,641.20
Do	------	29,000	8,700.00
Smackover	------	205,704	61,711.32
Sparkman	------	44,372	13,311.60
Springdale	------	40,000	12,000.00
Do	------	242,677	72,803.24
Stephens	------	23,890	7,167.00
Stuttgart	------	95,722	28,716.55
Texarkana	------	67,168	19,716.60
Do	------	990,696	250,000.00
Turrell	------	66,628	19,988.33
Van Buren	------	572,284	171,685.20
Walnut Ridge	------	165,455	49,636.38
Warren	------	295,572	88,671.74
Weiner	------	55,691	16,707.19
Wynne	------	60,089	18,026.71
Total	89	19,708,068	4,798,867.82

PENDING IN REGIONAL OFFICE

Magnolia	------	$66,003	$17,551.00
Forbing Rd.	------	271,308	81,392.00
Waldron	------	45,217	12,155.00
Total	3	382,528	111,098.00

Pending in State agency: None.

REPORTED IN PREPARATION

Beebe	------	$60,000	$18,000.00
Berryville	------	61,000	18,000.00
Cabot	------	60,000	18,000.00
Clarendon	------	60,000	18,000.00
Clarksville	------	150,000	45,000.00
Dardanell	------	50,000	15,000.00
Dermott	------	60,000	18,000.00
Ashdown	------	100,000	30,000.00
Atkins	------	80,000	18,000.00
Earle	------	70,000	20,000.00
Fort Smith	------	600,000	180,000.00
Harrisburg	------	80,000	25,000.00
Hazen	------	30,000	9,000.00
Lewisville	------	45,000	13,500.00
Mammoth Springs	------	100,000	30,000.00
McCrory	------	39,000	11,700.00
Mount Ida	------	50,000	16,000.00
Marked Tree	------	80,000	20,000.00
Nashville	------	60,000	18,000.00
Norphlet	------	100,000	20,000.00
Paragould	------	460,000	138,000.00
Ozark	------	98,000	29,400.00
Rector	------	80,000	20,000.00
Rison	------	390,000	9,000.00
Russellville	------	100,000	25,000.00
Strong	------	80,000	20,000.00
Waldo	------	45,000	13,500.00
West Helena	------	410,000	122,000.00
Barling	------	33,600	10,000.00
Clinton	------	100,000	25,000.00
Cotton Plant	------	60,000	18,000.00
DuValls Bluff	------	80,000	20,000.00
England	------	70,000	15,000.00
Fort Smith	------	1,500,000	250,000.00
Gentry	------	45,000	13,500.00
Heber Springs	------	85,000	25,000.00
Hughes	------	45,000	13,500.00
Joiner	------	75,000	22,500.00
Keiser	------	28,000	8,400.00
Lake City	------	44,000	13,000.00
Leachville	------	65,000	15,000.00
Lepanto	------	45,000	13,500.00
Little Rock	------	4,000,000	250,000.00
Lonoke	------	75,000	22,500.00
Mulberry	------	64,000	19,200.00
New Port	------	90,000	27,000.00

Construction grants for sewage treatment works as of May 15, 1961—Continued

REPORTED IN PREPARATION—continued

Status	Number	Estimated eligible project costs	Grant offer or request
Prairie Grove	------	$30,000	$8,000.00
Prescott	------	139,000	41,000.00
Star City	------	45,000	13,500.00
Tuckerman	------	30,000	9,000.00
West Memphis	------	410,000	122,000.00
Wilmot	------	65,000	19,500.00
Wilson	------	65,000	15,000.00
Yellville	------	80,000	20,000.00
Total	54	10,966,600	1,966,200.00

Mr. MOSS. Mr. President, water—too long considered to be in endless abundance—has become the No. 1 resource problem confronting the United States today. The Nation is not running out of water as is frequently heard—the amount of water is not declining—there is just as much as there ever was. But as other nations have done, we have simply come to that point in our own history where we must recognize that the amount of water which can be made available for our use is not unlimited; indeed, it is rather rigidly fixed. Since we cannot manufacture water to increase our supply—although we are working on desalinization of sea water and cloud seeding to bring more rain—it is imperative that we learn to manage our limited supply so that this Nation may continue its growth and prosperity, may provide for an adequate national defense, and may continue its leadership of the free world.

The water problem is directly related to the very rapid population and economic growth which this country is experiencing, and which is expected to extend into the predictable future. It is related also to the physical limitations of our national water resource; to the enormous increases in water use in support of national growth and increasing standards of living; to the resulting discharges of vast amounts of pollution of a changing and complex nature; and to our failure to keep up with water pollution control needs in the years behind us.

In the past, we met rising demands for water largely through construction of storage facilities to increase the amount of water available for use and did not give enough attention to conserving water quality. Now, with the limit of the amount of dependable water supply in sight, and total water use approaching this limit, a high priority in water resources developments must be given to the all-important need of providing for the cleanliness of the limited supply so that it can be used and reused in meeting the Nation's increasing requirements for water for all purposes.

Oversimplifying a very complex situation: the water resources problem of the United States from now on is one of making the relatively fixed supply of water meet a rapidly increasing demand by providing the right quantity of water of the right quality where it is needed.

To meet needs, our capturable water resources must be developed to their

maximum amounts and effective programs of pollution prevention and control must be aggressively pursued which will maintain a high level of water quality in the lakes and streams across the country—the Nation's fresh water supply.

Most present water pollution problems are the result of too little attention in the past. Many States have not been provided with pollution abatement programs commensurate with their pollution problems. The Federal Government has dealt with the problem only in recent years and then on a small scale. Municipalities and industries have resisted constructing needed waste treatment works, regarding them as a benefit only to the fellow downstream and as an unnecessary or unbearable financial burden. The public has been allowed to retain too much of the "water purifies itself every 7 miles" philosophy. It has been oversold on the cheapness and plentifulness of water and undersold on the value and necessity for pollution control. The engineer has relied on the stream to do much of the waste treatment job rather than having tailored treatment to keep the stream as clean as possible.

The Nation is entering a critical water supply situation that requires immediate attention if it is to continue to move forward, a situation seriously complicated by the problem of water pollution. The speed with which this situation is developing has caught us relatively unprepared to deal with the problems—sociologically, economically, legally, and technically.

Mr. President, the measure before the Senate today represents a composite, many-sided approach to the pressing solution of the Nation's No. 1 water-resources problem—the restoration and maintenance of the quality of our water supplies. Water-supply storage to augment streamflows for water-quality purposes—intensified research into specific water pollution aspects—establishment of research and field demonstration facilities and field laboratory facilities—increased aid to the State program administering agencies, and increased stimulation of waste treatment plant construction by municipalities, each constitutes an integral portion of the total effort.

Surpassing these in need and potential, however, is the proposal for extending the Federal enforcement jurisdiction to abate pollution of the navigable streams of the country.

The 1956 Federal Water Pollution Control Act significantly improved Federal enforcement procedures. They have proven workable and successful in the 13 enforcement actions taken to date. Dealing with situations involving municipal and industrial wastes—including radioactive wastes—these actions will have accounted for cleaning up 4,000 miles of seriously polluted streams and will have been responsible for construction of necessary remedial facilities amounting in cost to approximately one-half billion dollars. Innumerable smaller communities have followed their larger upstream neighbors in installing treatment facilities in a sort of chain reaction.

These enforcement actions have been taken in full conformity with the procedures spelled out so judiciously in the act. State rights and responsibilities in enforcing their own water pollution control laws have been carefully safeguarded.

The States engage directly in the conduct of the enforcement conferences and hearings, the first two stages of the procedures. During the postconference and posthearing intervals reasonably scheduled for remedial action, the ability of the States to act within their own laws is not only preserved from challenge and displacement, but, indeed, is actively urged and encouraged. Only once has it been found necessary to resort to the ultimate stage of the procedures, Federal court action, to secure compliance. In this case, compliance was obtained after filing of suit but without the necessity of full court proceedings.

Under existing law, these procedures and the Federal jurisdiction to enforce abatement are applicable only to pollution of interstate waters, which endangers the health or welfare of persons in a State other than that in which the pollutional discharges originate. Thus the full protection of the Federal Government is available to grant relief to injured persons on the basis of geographical whims and is constrained within artificial boundaries which are not recognized by our flowing waters.

As was pointed out in the House Report on H.R. 6441, the present law, for instance, excludes from enforcement jurisdiction the greater part of the Great Lakes and their tributaries, the coastal waters of the Nation, many important coastal streams, intrastate water bodies such as the Detroit River, those of Florida, and all rivers, streams, lakes, and coastal waters of Alaska, Hawaii, and the Virgin Islands and Puerto Rico. International boundary streams such as the St. Lawrence, Niagara, lower Colorado, and Rio Grande Rivers are untouchable under the act.

The same situation exists as to international streams flowing across the northern and southern borders of the United States into our international neighbors. Examples are the Red River of the North in Minnesota, Lake Champlain in New York, the Souris and Riviere Rivers in North Dakota, and the Flathead and Kootenai Rivers in Montana.

In addition, the Missouri River from the Kansas State line to just above St. Louis is an untouchable area under existing law. The greater part of the Hudson River is excluded, as are important reaches of the Tennessee, Columbia, Colorado, and Merrimack Rivers. Of the estimated 26,000 water bodies in the United States, only an estimated 4,000 are of an interstate nature.

In addition, Federal enforcement authority at present covers only pollution of interstate waters, defined as above, which "endangers the health or welfare of persons in a State other than that in which the discharge originates * * *." Thus only pollution having an interstate effect is subject to abatement under the existing law.

The effect of this limitation is to require Federal enforcement officials to trace the noxious effects of some polluter's discharge through the discharges of often hundreds of other polluters to some point in another State where the effect can be segregated from its host of acquired companions and found to endanger the health or welfare of persons. The enforcement process is then, by reason of the wording of the present law, intrinsically slow, expensive, and far less efficient than possible.

The three-stage enforcement procedures—conference, hearing, and court action—are retained intact and made applicable as well to actions involving intrastate pollution of navigable waters, when requested by a Governor and adjudged to be of sufficient significance to warrant the application of Federal powers.

Mr. President, Utah is a water-short area requiring the use and reuse of available water supplies many times. Limitations in Federal enforcement jurisdictions have precluded the giving of needed assistance to the State.

For example, in 1958, the Utah State Water Pollution Control Board requested the Public Health Service to hold a conference under the enforcement provisions of the Federal Water Pollution Control Act on the interstate waters of the Bear River. The Bear River flows from Idaho into Utah and thence into Great Salt Lake. It is the largest stream on this continent which does not empty into the ocean.

However, the Federal Government does not have jurisdiction over the wastes originating in Utah, as such discharges and their effects are entirely intrastate in character. It would not be equitable to ask sources in Idaho to abate pollution without securing similar abatement in Utah, since the abatement of the Idaho sources alone would not materially change the polluted character of the Bear River.

In order to effectuate a satisfactory pollution abatement program the Public Health Service and the Utah State Water Pollution Control Board recognize that a regularized and continuing program of surveillance will have to be established which will take into account waste discharges from both Idaho and Utah in conjunction with stream flows. The Utah water pollution control authorities believe that such a program is beyond the resources of the State alone and have requested the Public Health Service to cooperate with them in this activity. Extension of Federal enforcement authority to all navigable streams will give the PHS a firm statutory basis for doing so. In addition such a program should include sources of pollution in the Malad River which joins the Bear, but which cannot be undertaken at present since the sources and effects of pollution there are solely intrastate—within Utah.

If the Federal law were extended to cover all navigable waters, the State of Utah could ask the Federal Government

for enforcement in abating pollution of Great Salt Lake from Salt Lake City and the surveillance and protection of Utah Lake from industrial sources of pollution. There are other water areas in Utah, such as the Jordan and the Weber Rivers, which are used as sources of water supply, and which the Federal Government could, if asked, assist in abating pollution if jurisdiction were extended to include all navigable waters.

The bill, in my estimation, gives the necessary and desirable expression to the Federal interest and responsibility in maintaining the quality of our water supplies. Senators are fully aware of the report submitted by the Select Committee on National Water Resources, on which I had the distinct honor to serve. Three of my colleagues on the committee joined with me in expressing supplemental views to the report. We acknowledge the bill's provisions for reservoir storage to regulate flows and for increased construction of facilities for waste treatment—provisions which accord with these views. The extension of enforcement jurisdiction to navigable waters relates directly to our additional consideration that municipalities and industries must refrain from discharging wastes that degrade water quality beyond tolerable limits, either voluntarily or, to the extent required by the public interest, by force of legal sanction. The extent of the public interest today demands that the Federal role be enlarged along the lines of the bill's provisions.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. MOSS. I yield.

Mr. CASE of South Dakota. The Senator from Utah had in mind submitting an amendment on page 9, lines 4 and 5, to insert the words "interstate and" before "navigable." Has the Senator submitted that amendment?

Mr. MOSS. It is my intention to do so. I am prepared to submit an amendment of wording.

Mr. CASE of South Dakota. I wondered whether the Senator from Utah had considered making the amendment read "interstate or" rather than "interstate and." I am not certain of the entire context, but by using the word "and," a requirement may be established that the stream be both interstate and navigable.

Mr. MOSS. I accept the suggestion. I believe the Senator is correct.

Mr. CASE of South Dakota. The intent was that the stream be either interstate or navigable.

Mr. MOSS. I thank the Senator from South Dakota, and I modify my proposed amendment in that regard.

Mr. President, I submit perfecting amendments to a portion of the bill, defining the streams which would be covered in the enforcement procedure. I ask that the amendments be read.

The PRESIDING OFFICER. The amendments will be stated.

The LEGISLATIVE CLERK. On page 9, line 4, before "NAVIGABLE", it is proposed to insert "INTERSTATE or".

On page 9, line 5, before "navigable" insert "interstate or".

On page 9, between lines 11 and 12, insert the following:

(b) Subsection (b) of such section is amended by striking out "interstate" and inserting in lieu thereof "interstate or navigable".

On page 9, line 12, in lieu of "(b)" insert "(c)".

On page 9, line 16, strike out "navigable".

On page 10, line 4, before "navigable" insert "interstate or".

On page 10, line 22, in lieu of "(c)" preceding "Paragraph" insert "(d)".

On page 10, line 24, in lieu of "navigable" insert "interstate or navigable".

On page 10, line 25, in lieu of "(d)" preceding "Subsection" insert "(e)".

Mr. MOSS. Mr. President, the purpose of the corrective amendments is to define properly the waters which would be subject to enforcement procedures. All interstate waters, waters that flow across State boundaries, are covered in the enforcement procedure. In addition, all navigable waters, whether they be interstate or intrastate, are subject to the procedure, provided that when the waters are intrastate only, the Federal procedure may go forward only upon the invitation of the Governor of the State in which the pollution occurs. This was covered in particular by the prepared remarks which I delivered to the Senate.

The PRESIDING OFFICER. Without objection, the amendments, en bloc, are agreed to.

Mr. MOSS. Mr. President, I yield the floor.

Mr. CARLSON. Mr. President, as we consider the amendments of 1961 to the Federal Water Pollution Control Act, I call attention to the testimony of Dr. Dwight F. Metzler, chief engineer, Kansas State Board of Health, before the Committee on Public Works in the House of Representatives, beginning on page 276 of the printed House hearings.

I do so because Dr. Metzler is an experienced and outstanding authority in the field of water pollution control. The evidence of this is the outstanding progress that has taken place in Kansas under his leadership. His appearance before the House committee, representing the views of the American Public Health Association, is proof of his standing nationally in this field.

Dr. Metzler in his testimony points out that in Kansas, because of the limited constructions grants available, it was necessary to have a very aggressive State pollution enforcement program, because actually a part of our communities were receiving Federal aid and a substantial part of them were not.

In the year 1960, out of $8 million of sewage treatment facilities which were placed under contract in Kansas, only $2 million had any Federal participation. Six million dollars of this amount was financed entirely locally.

During the period 1956–59, our State appropriations for water pollution control increased more than 50 percent. There is no doubt that a part of this increase was due to stimulation from the program grants.

Under the present program in Kansas with assistance from the Federal Government, it is estimated that by January 1, 1963, Kansas will have eliminated its backlog of needed sewage treatment facilities. Beyond that date, it is anticipated that 20 new municipal projects a year will be needed to keep up with the increasing load and obsolescence of equipment, and another 7 to 10 projects will be required for new communities building their first sewer system.

Water from four adjacent States flows into Kansas; therefore, our State, under the leadership of Dr. Metzler, has been able to cooperate with adjoining States in the field of cooperative control of water pollution. His experience in this field is most valuable.

I should like to stress the fact that Kansas is the leading State in the Nation in the control of water pollution; and I give much credit for our progress in this field to Dr. Metzler, the State board of health, and the State water resources board.

The need for water pollution control can best be demonstrated by referring to the ever-increasing demands on the use of water. Water use is increasing enormously. Since 1900, while our population tripled, fresh water use has jumped eightfold, from 40 billion gallons to 322 billion gallons a day. It is estimated that by 1980, water needs will be 600 billion gallons a day, almost twice the present usage.

More than 100 million Americans get their drinking water from rivers that are carrying sewage, industrial waste, and anything else that can be flushed down a sewer or thrown from a bridge.

From an industrial standpoint, the water requirements by 1980 will be twice as much as they are today. Water recreation has grown enormously during recent years, as the leisure time and the income of the American people have increased.

Truly, one of the great shames of this country is the abuse of one of our greatest assets; namely, our streams, our rivers, our lakes, and all of our water.

In the early days of our country this was no great problem, of course; but with our ever-increasing population, our industrial expansion, and the increased daily needs of water use, it is essential that we act now in order to preserve a clean water supply for our future.

Few people realize how many times we use water over and over again as it comes out of the ground or as it flows down the streams of our Nation.

Mr. President, I yield the floor.

Mr. CARROLL. Mr. President, I rise to urge the passage of S. 120, the bill now before the Senate, which would extend and strengthen the Water Pollution Control Act.

This measure would be a vast improvement over existing legislation, which has been most beneficial despite certain deficiencies.

It would be especially helpful to the newly organized Metropolitan Denver Sewage Disposal District, but it also would benefit the State as a whole.

The Metropolitan Denver Sewage Disposal District is probably the most hopeful venture in area-wide cooperation ever initiated in the fast-growing Denver metropolitan area. It proposes to build an efficient sewage treatment system which would serve both the city and county of Denver and a number of its rapidly growing neighbors.

Such a plant would be infinitely more efficient and economical than any collection of separately built, separately financed, and separately operated sewage disposal plants. It would cost in the neighborhood of $25 million, according to the best present estimates, and it would serve 10 or more individual cities, towns, and sanitation districts.

Mr. Jerrold Park, a city councilman of Arvada, Colo., who has been one of the prime organizers of this metropolitan district, estimates that S. 120 could entitle the new district to as much as $3.2 million of Federal assistance in construction grants.

This would be a boon to overburdened property taxpayers, already saddled with rising costs for schools, roads, and other services in their hometowns.

The House has passed H.R. 6441, which could help the new district in the metropolitan area to the extent of $2.4 million. This in itself would be a great help, for under existing legislation the district would receive only nominal Federal construction assistance. But the Senate bill appears to be far more helpful.

The House bill probably would help large individual cities more. Its ceiling for construction grants to participating cities is $800,000—which is $300,000 higher than the provisions of S. 120. But the Senate bill would be of far greater assistance to the metropolitan area as a whole, and particularly to the suburbs and sanitation districts of Westminster, Arvada, North Washington, Alameda, Northwest Lakewood, Baker, and North Table Mountain.

As Senators know, the present ceiling for a Federal construction grant is $250,000, or 30 percent, whichever is the lesser. This limit applies whether the plant is initiated by a single unit of government, or by a joint or metropolitan authority.

This ceiling was designed to protect smaller cities in outlying areas. It has worked well in their behalf, although it has discouraged metropolitan systems. Under this 5-year-old law, Colorado cities, towns, and sanitation districts have undertaken 42 projects costing a total of $12,630,335, of which the Federal share has totaled $3,141,876. Most of the money has been spent in small and medium-sized cities and towns. There are more than 30 cities and districts in Colorado outside the Denver area which still want to build sewage treatment systems with Federal participation. Most of them are relatively small.

The sanitation division of the State department of public health assures me that S. 120 could stretch far enough to give full Federal assistance to the Denver metropolitan district, while leaving ample allowance for the projects requested by outlying Colorado cities.

As an additional safeguard to smaller or outlying areas, S. 120 provides that grants exceeding $250,000 are not to be made until all pending qualified applications under the existing law have received grants.

At present, Colorado is entitled to a maximum of $662,275 in construction grants in any one year. Under S. 120, cities and sanitation districts in my State could qualify to receive $927,185 during fiscal 1962; $1,059,640 in fiscal 1963; $1,192,095 in fiscal 1964; $1,324,550 in fiscal 1965; and $1,324,550 in fiscal 1966.

The most helpful feature of S. 120 from the standpoint of my State and its people is the removal of any total Federal grant ceiling from a metropolitan sewage disposal system. This is the way to encourage metropolitan pooling of resources. I strongly recommend passage of this bill.

The PRESIDING OFFICER (Mr. PELL in the chair). The bill is open to further amendment.

WATER POLLUTION CONTROL PROGRAM IS IMPORTANT TO BUILDING A BETTER AMERICA—SENATOR KERR GIVES LEADERSHIP

Mr. RANDOLPH. Mr. President, the knowledgeable senior Senator from Oklahoma [Mr. KERR] has given a clear and articulate explanation of S. 120. He has, in this body and throughout the Nation, drawn attention to the urgency of moving forward in the field of water conservation and pollution control.

One cannot easily overemphasize the importance of water pollution control. This becomes apparent when we acknowledge that the per capita use of water has grown from 540 gallons per day in 1900 to approximately 1,500 gallons today, and it is estimated that it will be 2,100 gallons per day by 1975. During the same period our population will have increased from some 76 million to 215 million.

Thus, we are faced with a growing population and an advancing industrial technology which make increasingly heavy demands upon a finite supply of water. It is therefore a national problem of the most urgent and fundamental nature, encompassing a wide variety of issues concerning individual and community health, fish, and wildlife preservation, and industrial development.

I wish to indicate that this work involves cooperative efforts between the Federal Government, the State governments, and the local governments. I think the proof that these programs have been effective, nationwide, is best indicated by citing the fact that following enactment of the Federal Water Pollution Control Act, in 1956, the construction of sewage treatment plants in the United States almost doubled, whereas in the 5-year period preceding the passage of the act—that is to say, in the years 1952 through 1956—approximately $222 million was expended annually on the construction of sewage treatment plants in the Nation.

The record indicates that since this act went into effect in 1957, such construction in that year totaled $351 million; in 1958 it was $389 million; in 1959, the amount was $349 million; and it is estimated that in 1960 the expenditures were approximately $350 million. And, Mr. President, we are told by the Public Health Service that in the years which are immediately ahead, the annual expenditures should be at the rate of approximately $557 million.

The State of West Virginia is known as the fountainhead of rivers, for in the mountainous area of West Virginia originate scores of streams, and West Virginia has been designated a mother of waters.

In our State there is ample proof of the benefit of the purification of water and the development of more adequate supplies of water, not only to recreation and wildlife, including fowl, but also to industrial expansion, which likewise is dependent on better and purer supplies of water.

As evidenced by the number of antipollution projects under construction in West Virginia, the act which would be amended and expanded by the pending measure has already been a major factor in helping us combat pollution. Under the authorization of this act, projects have been approved in West Virginia, with total costs of more than $16 million and Federal grants of more than $4 million. As of March 31 of this year, 13 of these projects had been completed and 7 had been placed under construction.

Though this law has been an effective element in stimulating municipal construction of sewage treatment plants, our experience of recent years and the growing backlog of applications for Federal aid indicate the need for expanding the Federal participation in this field.

With the increasing need for reusing water two or three times or more, the mechanical and biological treatment methods of 30 or 40 years ago become ever more inadequate. It was declared during subcommittee hearings on the pending measure that the discharge of treated sewage from such a city as Chicago, under present methods of treatment, has the same effect as discharging the raw sewage from a population of over a million people.

It is evident, Mr. President, that the proposed funds for research facilities under the pending measure are a vital necessity in spearheading an aggressive research attack on waste treatment problems.

In the provision for research facilities, in the grants for plant construction, and in the strengthened enforcement measures—to name but the most important of the act's provisions—S. 120 offers a sound and realistic foundation for the conservation of our most precious natural resource, and one might add, for the protection of the health of the American people. We cannot afford to do less than this bill provides, if we are to fulfill our responsibilities to the citizens of this country.

I wish to express further my personal appreciation for being privileged to serve on the Flood Control and Rivers and Harbors Subcommittee of the Committee on Public Works, under the astute leadership of the senior Senator from Oklahoma [Mr. KERR]. I know of no member of this forum who has been more effective in the advancement of water-pollution control than has my esteemed colleague from Oklahoma, who

handles this measure in the Senate this afternoon. He has been more than a student of this subject; he is an expert in this field. Not only have his words been affirmative in regard to the need for this particular legislation, but his writings and public addresses over a period of many, many years have brought notable contributions to the knowledge of the American people and to their realization that we must move forward in this area.

So, Mr. President, it is my hope that what we are doing will benefit not only one State or one community, but, as has already been proved, practically the entire Nation. We are thus building a better America.

Whereas we had a veto of legislation of this type when we sought to expand it last year, we are assured that the passage of this legislation in the 87th Congress will receive the prompt and enthusiastic approval of the President of the United States.

Mr. KERR. Mr. President, I thank the distinguished Senator from West Virginia for his generous remarks. No man on the committee has been more effective or diligent in helping prepare this bill and bringing it to the Senate floor than has the distinguished Senator from West Virginia. All members of the committee have served with diligence and patience and effectiveness. I am extremely grateful to each one of them for their contributions.

Mr. President, the committee had before it for consideration two similar bills.

Before continuing with my statement, I ask for the third reading of the bill.

Mr. CASE of South Dakota. Mr. President, will the Senator withhold that request for a moment? The Senator from South Dakota was endeavoring to prepare an amendment, about which he has not had an opportunity to consult the Senator from Oklahoma.

Mr. KERR. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. I would like to offer the amendment and have it taken to conference, with the assurance that if it does not meet with the approval of the members of the committee or seems impractical, it will not be considered in conference. In order to make it available, I will explain just what it means before offering it.

On page 7 of the bill there is the following language:

> Sums allotted to a State * * * which are not obligated at the end of the fiscal year following the fiscal year for which they were allotted because of a lack of projects * * * shall be reallotted by the Surgeon General, on such basis as he determines reasonable and equitable and in accordance with regulations promulgated by him, to States having projects approved under this section for which grants have not been made because of lack of funds.

That is a suggestion, in effect, that where a State has not used all the money to which it would be entitled under the formula of 50 percent on one basis, and 50 percent on the per capita income basis, and the State has not had projects enough to consume the money within the grants authorized, that money will be allocated to other States on the pretty general proposition "as the Surgeon General determines reasonable and equitable."

It has come to the attention of the Senator from South Dakota that some communities have had an abnormal need created for pollution control by reason of Federal institutions, in some instances a military base, and in some instances other types of projects. But, in any event, where the demand on the community has been made greater by reason of a Federal activity—one might say a federally impacted area—what the Senator from South Dakota had in mind was suggesting an amendment which would add a proviso at the end of the sentence on line 16, page 7, to read as follows:

> *Provided, however,* That whenever the Surgeon General finds that the need for a project in a community is due in part to Federal institutions or Federal construction activity, he may, prior to such reallotment, make an additional allocation to such project in the community which will in his judgment reflect an equitable contribution for the need caused by the Federal activity.

The equity of that provision would be that any community, without regard to a federally created need, can qualify, under the terms of the act, for a grant. In the same way that we have certain laws to provide for special grants to aid in the construction of schools which are needed because of a Federal activity, as to communities which have an extraordinarily large requirement, or whose requirement for pollution control has been increased due to Federal activity before money which is allotted to a State under the basic is transferred from that State to another State, there ought to be an opportunity for the Surgeon General to say, with reference to these communities where an abnormal case has been created by reason of a Federal activity, he will permit an additional allotment to be made to that State or community which would reflect equitably the need created by the Federal activity.

Mr. KERR. Is it the essence of the Senator's amendment that it would apply only to the funds which had been allocated to a State under the basic formula of allocation in the law?

Mr. CASE of South Dakota. That is correct. It would not add to the allotment of any State.

Mr. KERR. Nor would it apply to an allotment for the State, under the expiration of the time herein provided, which is at the end of the fiscal year following the fiscal year for which the funds were allotted because of a lack of projects which have been approved by a State water pollution control agency.

In other words, the money, as provided by the Senator's amendment, would not be subject to an allocation, even within the State to which it was originally allocated, until the end of the fiscal year following the fiscal year for which the funds were allotted, those funds not having been used under the basic provisions of the act?

Mr. CASE of South Dakota. That is correct, following the language of the committee amendment, on page 7, although I think if this amendment were adopted there would not be quite the necessity of adding the additional year. It would require that funds would not be available for the additional allotment until they had not been used at the end of the fiscal year for which they had been allotted.

Mr. KERR. I believe the amendment could be accepted and taken to conference if it were an alternate to the authority granted in lines 12 through 16, for the Surgeon General to allot the residue to the other States.

Mr. CASE of South Dakota. That is the only place where it would apply.

Mr. KERR. Is the purpose of the Senator's amendment to be an alternate authority for the Surgeon General, under which, upon his determination of its merit, he could make the alternate reallotment provided for by the Senator's amendment within the State to which the funds were originally allotted?

Mr. CASE of South Dakota. That is correct.

Mr. KERR. But under the provisions of the committee amendment, they would not be available for such alternate allotment until the end of the fiscal year following the fiscal year for which they were allotted.

Mr. CASE of South Dakota. That is correct. I would have no objection to dropping the words "following the fiscal year," if the Senator concurs.

Mr. KERR. It occurs to me, from the committee action, that the funds remain eligible for use in the State, under the provisions of the bill, until the end of the fiscal year following the fiscal year for which they were allotted.

I would not think that we would be justified in adopting an amendment which would change that provision worked out by the committee. I would have no objection to the amendment if it provided an alternate allotment available to the Surgeon General following the end of the fiscal year after the fiscal year for which the funds were allotted.

Mr. CASE of South Dakota. Mr. President, I defer to the opinion of the chairman of the committee in that regard, and I should like to offer the amendment formally.

Mr. KERR. It would be a proviso beginning after the word "funds" on line 16, page 7.

Mr. CASE of South Dakota. If I may, Mr. Chairman, I should like to read the amendment, because I can read my notes more readily than can the clerk, at this stage of the proceedings.

Mr. President, I offer an amendment on page 7, line 16, as follows:

Strike out the period, insert a colon and the following:

> *Provided, however,* That whenever the Surgeon General finds that the need for a project in a community is due in part to Federal institutions or Federal construction activity, he may, prior to such reallotment, make an additional allocation to such project which will in his judgment reflect an equitable contribution for the need caused by the Federal activity.

Mr. KERR. I think the words "in such State" ought to be in the amendment. It could read:

> *Provided, however,* That whenever the Surgeon General finds that the need for a project in a community in such State * * *

Mr. CASE of South Dakota. I think that is a good suggestion.

Mr. President, I offer the amendment.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 7, line 16, it is proposed to strike out the period, insert a colon and the following:

Provided, however, That whenever the Surgeon General finds that the need for a project in a community in such State is due in part to Federal institutions or Federal construction activity, he may, prior to such reallotment, make an additional allocation to such project which will in his judgment reflect an equitable contribution for the need caused by the Federal activity.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 120) was ordered to be engrossed for a third reading.

Mr. KERR. Mr. President, the Committee on Public Works had before it for consideration two similar bills; namely, S. 120 and H.R. 6441, which is a bill to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control, which passed the House of Representatives. The committee reported S. 120 with amendments.

I ask unanimous consent that the Committee on Public Works be discharged from further consideration of H.R. 6441, and that the Senate immediately proceed to consider the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma?

There being no objection, the Committee on Public Works was discharged from further consideration of the bill (H.R. 6441), and the Senate proceeded to consider the bill.

Mr. KERR. Mr. President, I move to strike out all after the enacting clause of H.R. 6441 and to insert in lieu thereof the language of S. 120, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oklahoma.

The motion was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 6441) was read the third time, and passed.

The title was amended, so as to read: "A bill to amend the Federal Water Pollution Control Act to provide for a more effective program of water pollution control, and for other purposes."

Mr. KERR. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MOSS. Mr. President, I move to lay that motion on the table.

Mr. CASE of South Dakota. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. KERR. Mr. President, I move that the Senate insist on its amendment, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oklahoma.

The motion was agreed to; and the Presiding Officer appointed Messrs. CHAVEZ, KERR, MCNAMARA, RANDOLPH, CASE of South Dakota, COOPER, and SCOTT conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, S. 120 will be indefinitely postponed.

Mr. KERR. Mr. President, I ask unanimous consent that the bill, with the Senate amendment, be printed, as passed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma? The Chair hears none, and it is so ordered.

Mr. MONRONEY. Mr. President, since the bill, which will do so much in the effort to protect the surface waters of this great Nation against pollution, has been passed, I should like to pay tribute to my distinguished senior colleague [Mr. KERR] for his ever present, continuing and vigorous efforts over the years to preserve American water resources. No man has done more, through service as Governor of his State or as a Member of the Senate, than has my colleague, who serves as chairman of the important Subcommittee on Public Works, for the preservation of pure water and for the cleaning up of water which has been contaminated. My senior colleague has been in the forefront of the fight. He continues, not only with unlimited interest but also by his words and writings and every resource at his command, to make a great effort to bring to the attention of the people of the Nation the necessity for preserving a most valuable resource, the water of this great Nation.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield to the majority leader.

Mr. MANSFIELD. I join the junior Senator from Oklahoma in what he has had to say about his distinguished senior colleague. This is not the first time this year that the senior Senator from Oklahoma [Mr. KERR] has shown his ability or his knowledge of the subject which he has brought before the Senate for consideration.

I compliment and commend the Senator, and I express the hope that the great work he has done so far will be continued not only in this year, but also for many years to come.

Mr. KERR. Mr. President, I thank my great friend from Montana and my esteemed and cherished colleague from Oklahoma. I shall make no statement with respect to the accuracy of their kind remarks, but I hope to be able to fulfill the expressed wish of the Senator from Montana with reference to service in the future.

Mr. GRUENING. Mr. President, I wish to pay tribute to the leadership and to the Senator from Oklahoma [Mr. KERR] for the action taken by the Senate today on the bill to amend the Federal Water Pollution Control Act. I am satisfied that this bill will become law and not be vetoed as a similar bill was by the previous administration. It is legislation which I have warmly supported.

We in Alaska, perhaps, are fortunate in that we do not have, to any considerable degree, polluted streams, lakes, and coastal waters. One reason, obviously, therefor lies in the fact that Alaska is a young State and as yet is thinly populated. However, we in Alaska have taken some proper precautions in this regard, while Alaska was still a Territory. Those wise precautions have been continued now that Alaska has become a State.

It is important, Mr. President, that we forestall any possible pollution of our waters and practices which have, regrettably, prevailed in some of the older and more populous areas of the country. Alaska can serve as a laboratory for the prevention of water pollution—an ounce of which, as the proverb states, is worth a pound of cure.

For this reason I am pleased the Senate Committee on Public Works saw fit to include in the bill the provision for a laboratory for Alaska, in one of five areas which will have such a laboratory. The bill provides that a laboratory will be established, equipped, and maintained by the Surgeon General, U.S. Public Health Service, in Alaska, and will take part in a nationwide effort to combat and to prevent pollution of our once pure and undefiled waters, one of our great natural and national heritages which should be preserved.

ORDER FOR ADJOURNMENT UNTIL MONDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations this afternoon, it stand in adjournment to meet at 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY AMENDMENTS OF 1961

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 400, H.R. 6027.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance

program by increasing the minimum benefits and aged widows' benefits and by making additional persons eligible for benefits under the program, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill (H.R. 6027), which had been reported from the Committee on Finance with amendments.

Mr. MANSFIELD. Mr. President, there will be no extended debate on the bill, so far as I know. No action will be taken on H.R. 6027 today. It is intended we shall consider the bill immediately following morning business on Monday next.

Mr. BYRD of West Virginia. Mr. President, whenever we ponder over social security legislation, I am mindful of the keen philosophy once uttered by that distinguished 18th century British statesman, Henry Melville:

> We cannot live only for ourselves. A thousand fibers connect us with our fellow men; and along those fibers, as sympathetic threads, our actions run as causes, and they come back to us as effects.

In America, there are many threads which connect us to each other. But the most sympathetic thread of them all, and the one which comes back to us as a noble effect in the form of social fulfillment, is our system of social security. It is a system we designed for ourselves and for each other—to secure for each of us a measure of welfare in our old age, or for the security of our widows, our disabled, and our dependent children.

In America, too, our actions run as causes—the end results of which are progress—for we have never been a people comfortably satisfied with the status quo. Rather, we are an alert people, ready to make required changes in keeping with changing conditions.

Today, for example, the 20-league steps which technology has been taking has given us cause to reconsider many aspects of our national posture. We are reexamining our offensive and defensive capabilities in the interest of stronger national security, our system of education in the interest of more pronounced national progress, our natural resources picture in the interest of more plentiful future supplies, our housing situation in the interest of wholesome family life for more of our people.

By the same token, we are now reexamining our social security system to that we may effect for it a more wholesome adjustment to the rapidly changing conditions in our economic and industrial life.

In this reexamination of our social security system, I would like to address myself to a particular provision in the legislation before us—a provision which, in somewhat similar form, I have been relentlessly pressing the Congress to enact since February 12, 1953, when I introduced H.R. 2925 in the 1st session of the 83d Congress. I refer to the provision which affords the voluntary retirement of men at the age of 62, with reduced actuarial benefits.

In H.R. 2925, I proposed that the retirement age for both men and women be reduced to 60 without any reduction in benefits. I saw the need for this provision in my own State of West Virginia, where, at that time, the fester of chronic unemployment was already beginning its progression, and where both men and women who were close to retirement age, and who had lost their jobs, were being overlooked for employment opportunities so long as younger workers were available. In short, I saw in the arbitrary age 65 a kind of economic limbo into which we were casting workers who were too old for employment opportunities and too young for retirement benefits.

In my proposed age 60 retirement provision, I saw for our elderly unemployed an alternate source of income, even though a small one—income which would at least provide them with the bare necessities of life, and which would also help maintain the economies of local communities. A dollar in hand is certainly better than none at all.

This proposal, I am sorry to say, found little favor in the 83d Congress.

But a good cause is one worth fighting for. I felt that the technological progress of the country, especially in automation and the way it has been displacing workers with increasing frequency, would soon make it apparent to all that the natural law of survival of the fittest applied with grinding reality to the elderly men and women of our labor force, and that we could not continue to ignore this situation without paying a perilous price in economic regression and national discontent. Therefore, at the convening of the 84th Congress, I reintroduced my bill, and at the same time supported H.R. 7225, a bill which became law.

Parenthetically, I might add, H.R. 7225, which provided monthly benefit payments at or after age 50 to workers who are totally and permanently disabled, also provided for the voluntary retirement of women at age 62 at reduced benefits, and this was a partial victory for the legislation for which I had been vigorously campaigning.

At the beginning of the 85th Congress, on January 3, 1957, I introduced H.R. 579, which again called for retirement benefits to start at age 60 for both men and women, and which included an additional provision for widows to be eligible for their deceased husbands' benefits at age 55. This latter proposal was based on the belief that a woman who has devoted her lifetime to homemaking and the rearing of a family is not only ill equipped to enter the working world when her husband has died, but that her chances for gainful employment are practically nil. Neither of these proposals found general favor in the Congress or in the administration in office.

The immortal Shakespeare once said:

> An enterprise, when fairly once begun, should not be left till all that ought is won.

This is a sentiment to which I fully subscribe. Thus, commencing my Senate term at the start of the 86th Congress, I reintroduced my bill providing for voluntary retirement by all workers at age 60, with full benefits. Again, the proposal met with no general acceptance in the Congress, and it was expressly opposed by the administration in office.

The opposition of the administration in office, I might add, was very strong—so strong, in fact, that in 1960 I decided to seek a partial acceptance of my proposal by modifying it. Therefore, on June 17, 1960, I introduced S. 3692 and S. 3693, which would have permitted men to retire voluntarily at age 62 with reduced benefits, and women at age 60 with actuarially reduced benefits.

In addition to these two bills, I decided to try a new approach, in my efforts on behalf of our elderly citizens, by submitting an amendment to H.R. 12580, which was an omnibus social security bill approved by the House of Representatives. My amendment proposed that men be treated the same as women, and that they be allowed to voluntarily retire at age 62 with reduced benefits. In this instance I succeeded in getting 18 other Senators to cosponsor my amendment—substantial backing for a proposal whose worthiness was becoming more evident with each passing day.

The Senate Finance Committee, before which I appeared, adopted the amendment, and subsequently the Senate gave its approval. Regrettably, this amendment was eliminated in the joint Senate-House conference action on the omnibus social security bill, which is now Public Law 86–778. I was not a conferee.

Mr. President, I have detailed my long and somewhat arduous labors, since 1953, on behalf of congressional adoption of my social security proposals, because I wish to demonstrate that these years of effort were not in vain. In fact, they were paced by a growing awareness in the Congress of the need for relieving the destitution of increasing numbers of elderly unemployed men and women—an awareness which also extended to leading citizens outside of Government. This is attested to by the action of the special task force on depressed areas problems, which President Kennedy appointed immediately after his election, and to which I had the honor to serve as a consultant. This task force unanimously accepted as one of its recommendations to the President my proposal to lower the voluntary age of retirement for men to 62.

This proposal, in turn, was recommended to the Congress by the President in a special message dealing with administration-desired changes in the Social Security Act. I am happy to state that it is now incorporated in H.R. 6027, which was passed by the House on April 20, and which is now pending action in the Senate.

There are a great many merits to the proposal that men be allowed to voluntarily retire at age 62, not the least of which is the fact that there would be no level-premium cost for this proposal.

Second, and again because of the provision for reduced benefits, the incentive for workers to continue on their jobs as long as they are able is safeguarded, because for each additional month they work after age 62, they are assured of a

slightly higher lifetime benefit. For example, a man who decides to apply for retirement on his 62d birthday can draw social security benefits equal to 80 percent of the amount he would have received if he had waited until he reached his 65th birthday. He also has the option of receiving a proportionate increase—five-ninths of 1 percent—for each month he delays retirement after age 62.

To put it in terms of dollars and cents, a man entitled to a monthly benefit of $100 at age 65 can, under this provision, retire at age 62 with a monthly benefit of $80. If he decides to wait until he is 63 to apply, the benefit he will receive for the rest of his life will be increased to $86.67. If he applies at age 64, the amount of his benefit will come up to $93.34. If he does not choose to retire before age 65, he will, of course, receive his full benefit of $100.

The most important aspect of this proposal is that it will help an estimated 560,000 Americans who are desperately in need of help. These are men who, because of disabilities connected with age—disabilities which prevent them from holding down a job, but who are not so disabled as to qualify for disability benefits—or who are unemployed because of technological displacement or age discrimination, are no longer able to support themselves and their families by their own labor.

Mr. President, the problem of the older worker, the able as well as the disabled, must be recognized as an economic reality in the United States today. A man may have a quick mind, but a tired body, and if the only work he has known is physical labor, there is little chance for him in today's labor market.

Then, too, the older worker is often the first victim of advancing technology, especially if he does not have the basic educational background or the special training needed to compete with younger men on the job market. Today, a college degree, or at least a high school diploma, is becoming indispensable for meeting job requirements. Most younger workers can meet these requirements, but older men—men who grew up in an era when a high school education was not the commodity that it is today—are not so fortunate, even though the school of experience has skilled their hands and enriched their minds with knowledge.

The impact of automation has posed a double threat to the older workers. Not only have many lost their jobs when machines took over, but, moreover, in most instances they have been unable to gain other kinds of employment for lack of necessary training. I have seen this happen in my own State of West Virginia, where machinery capable of producing the work of 10 or more men has been moved into the mines, and the displaced miners have moved onto the breadlines.

Of course, automation hits the younger worker as well as the elderly one. But it is the older worker who is most often overlooked when new job opportunities are at hand. This is borne out by a recent survey of displaced textile workers in a number of Massachusetts communities. The survey found that while 45 percent of all the displaced workers had been reemployed, only 28 percent of the workers between the ages of 56 and 65 were able to gain reemployment.

It has always been a fact of industrial life that there is widespread discrimination against the employment of elderly workers. Gray hair and a lined face are often insurmountable handicaps in finding employment. This kind of discrimination, I believe, is no less insidious and unfair than discrimination on the basis of religion or sex or color of skin.

That such discrimination against age does exist is attested to in a survey conducted by the U.S. Department of Labor in 1956. Of the more than 21,000 job openings filed with employment offices in a seven-city area during April of that year, more than half specified age limits under 55 years, 41 percent specified age limits under 45 years, and 20 percent wanted workers under 35 years.

In a report entitled "Too Old To Work—Too Young To Retire," prepared for the Senate's Special Committee on Unemployment Problems, and issued in 1959, there is a sentence which is worth repeating, because it highlights the problem of elderly workers. It says:

> If discrimination against older workers exists in time of labor shortages, it is even more intensified during times of mass unemployment, as in the 1957–59 period in Detroit and many other industrial centers.

Mr. President, the evidence of employment discrimination against the older worker is too compelling to ignore—too challenging to let stand without some measure of relief. The bill before us offers such relief in that it provides for the voluntary retirement of men at age 62.

There should be no fear that this provision would encourage premature retirement of individuals who are physically able to work and who are able to find and maintain employment. Most men who have been self-supporting throughout their adult lives prefer work to idleness, and will continue to work as long as circumstances permit. The Social Security Administration says that today the average age at which persons begin drawing their old age benefits is 68, although they are eligible as soon as they reach age 65. It also notes that in June of 1959, the number of persons age 65 and over who were entitled to benefits but not yet drawing them, was nearly 1½ million.

Indeed, there are a great many older Americans who have chosen to continue in active employment as long as possible. Perhaps the most realistic reason for their not seeking early retirement is the fact that the low average retirement benefit of $74 a month is too small. Few men would willingly give up their salaries for this kind of benefit payment.

Nonetheless, there are some persons for whom even this amount could mean the difference between maintaining an independent existence, or being forced to resort to charity or general assistance. It is these people that we are concerned with—persons who have had to quit their jobs because of poor health, or who have lost their jobs and cannot gain new employment. It is for them that I urge the passage of this bill.

By enacting this measure, the Senate would be helping our older workers to share in the benefits of the rich and strong society they have helped to build. Most assuredly, it is a share they have earned. Certainly, it is a share they have helped to pay for, too.

AUTHORIZATION FOR SIGNING OF ENROLLED BILLS DURING ADJOURNMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Vice President or the President pro tempore be authorized to sign enrolled bills after the adjournment of the Senate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO MONDAY

Mr. JAVITS. Mr. President, I move that the Senate stand in adjournment, under the previous order, until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 4 o'clock and 29 minutes p.m.) the Senate adjourned, pursuant to the previous order, until Monday, June 26, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 22, 1961:

In the Navy

Adm. Arleigh A. Burke, U.S. Navy, to be placed on the retired list in the grade of admiral, under the provisions of title 10, United States Code, section 5083.

Vice Adm. George W. Anderson, U.S. Navy, to be Chief of Naval Operations in the Department of the Navy for a term of 2 years with the rank of admiral under the provisions of title 10, United States Code, section 5081.

Office of Civil and Defense Mobilization

Charles S. Brewton, of Alabama, to be an Assistant Director of the Office of Civil and Defense Mobilization, vice J. Roy Price, resigned.

Bureau of Customs

John E. Streitzer, of Colorado, to be collector of customs for Customs Collection District No. 47, with headquarters at Denver, Colo.

Coast and Geodetic Survey

Subject to qualifications provided by law, the following for permanent appointments to the grades indicated in the Coast and Geodetic Survey:

To be captains

Philip A. Weber
Horace G. Conerly
Charles A. Schoene
William N. Martin
Harold J. Seaborg

To be commanders

John O. Boyer
John R. Plaggmier
Leonard S. Baker
Eugene W. Richards
Harley D. Nygren

To be lieutenants

George F. Wirth
Bernard R. Berson
Wesley V. Hull
Wayne L. Mobley
Charles A. Burroughs
Richard E. Alderman
Ray M. Sundean
Lawrence S. Brown
George M. Poor
Charles K. Townsend
Ronald L. Newsom
Ray E. Moses

To be lieutenants (junior grade)

Bruce I. Williams
Robert M. Hagan

To be ensigns

Charles L. Brown, Jr.
Frederick H. Gramling

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

James W. West, Falkville, Ala., in place of A. K. B. Patterson, retired.
Starns L. Hall, Hackleburg, Ala., in place of F. K. Frederick, retired.
James R. Willingham, Wedowee, Ala., in place of J. F. Wilson, retired.

ARKANSAS

John C. Milum, Batesville, Ark., in place of E. F. Crutchfield, transferred.
Jessie J. Lowerins, Luxora, Ark., in place of F. R. Rogers, transferred.
James E. White, Saint Joe, Ark., in place of Pleas Fowler, deceased.

CALIFORNIA

Florence L. McQueen, Big Sur, Calif., in place of E. J. Ewoldsen, resigned.
Willis W. Brown, Bijou, Calif., in place of L. F. Hillhouse, removed.
Richard J. Williamson, Camino, Calif., in place of A. B. Peirsol, resigned.
Royal C. Brown, Chico, Calif., in place of J. H. Vaughan, retired.
Maxwell M. Jamieson, Dana Point, Calif., in place of L. G. Jamieson, deceased.
Alberta F. Kinne, Douglas City, Calif., in place of V. M. Davison, resigned.
Lulu Ellen Spradlin, Homeland, Calif. Office established December 16, 1949.
Rowland D. Eastwood, June Lake, Calif., in place of G. A. Deininger, retired.
Diana L. Gauthey, Mammoth Lakes, Calif., in place of A. M. Webb, resigned.
Walter T. Robinson, Mariposa, Calif., in place of W. C. Quigley, retired.
Irene E. Pringle, New Cuyama, Calif., in place of Eugene Stutz, retired.
John B. Silva, Newman, Calif., in place of M. E. Walden, retired.
Ola R. Morgan, Niland, Calif., in place of D. E. Shaw, retired.
Libby A. Medaris, Orleans, Calif., in place of J. E. Kuenster, resigned.
Valda L. Daniel, Plaster City, Calif., in place of A. G. Ackley, resigned.
Jean F. Johnson, Proberta, Calif., in place of F. M. Mills, retired.
Butler R. Ferrier, Raymond, Calif., in place of V. H. Lollich, retired.
Forrest L. Vehrencamp, Wrightwood, Calif., in place of L. C. Mason, resigned.

COLORADO

Adelyn R. Burdick, Lyons, Colo., in place of L. A. Drage, retired.
Edmond L. Suher, Olney Springs, Colo., in place of Gladys Hininger, retired.
Frank A. Batman, Jr., Pierce, Colo., in place of E. F. Huitt, retired.

CONNECTICUT

Louis P. Gage, Washington Depot, Conn., in place of J. F. Connerty, retired.

FLORIDA

Gladys M. Clifton, Barberville, Fla., in place of M. V. Biggs, retired.
James E. Combs, Glen Saint Mary, Fla., in place of J. E. Franklin, retired.
Howard H. Babb, Umatilla, Fla., in place of J. A. Morrell, retired.

GEORGIA

Howard D. Dumas, Morven, Ga., in place of R. A. Lawson, retired.
Henry B. English, Oglethorpe, Ga., in place of S. K. Scovill, retired.

ILLINOIS

P. Eileen Hanson, Cameron, Ill., H. R. Terpening, deceased.
Joseph F. Alfeld, Carrollton, Ill., in place of M. D. Dowdall, retired.
John R. Frymire, Enfield, Ill., in place of C. M. Jordan, deceased.
William A. Guthrie, Farmington, Ill., in place of Owen Kelly, retired.
Raimason F. Smith, Galva, Ill., in place of J. L. Haines, retired.
Harold H. Kiester, Garden Prairie, Ill., in place of C. L. Doll, retired.
Edwin D. Rinkenberger, Gridley, Ill., in place of O. O. Rathbun, transferred.
Edythe A. Grover, Hamburg, Ill., in place of E. F. Day, retired.
Walter L. Randall, Lewistown, Ill., in place of E. D. Henry, retired.
Ora K. Reid, Media, Ill., in place of R. E. Sullivan, deceased.
Wenscel A. Bieschke, Oswego, Ill., in place of G. C. Bartholomew, resigned.
Lawrence H. Dreyer, Percy, Ill., in place of J. L. McCuen, resigned.
Norbert W. Haberer, Pocahontas, Ill., in place of H. F. Mounger, transferred.
John B. Rushing, Simpson, Ill., in place of C. V. Kerley, retired.
Carl L. Hileman, Tamms, Ill., in place of R. O. Lackey, deceased.
John R. Graves, Virginia, Ill., in place of C. R. Wilson, retired.
Charles E. Organ, Waynesville, Ill., in place of A. E. Swan, retired.

INDIANA

William E. Alexander, Carthage, Ind., in place of J. E. Porter, removed.
Thomas R. Lain, Edinburg, Ind., in place of R. K. Auxier, retired.
James R. Smith, Gosport, Ind., in place of Earl Asher, Retired.
Edwin L. Hussung, Lanesville, Ind., in place of J. L. Green, retired.
Henry V. Nickell, Marshall, Ind., in place of H. E. Delp, retired.
Robert J. Long, Spencer, Ind., in place of J. C. Rice, retired.
Cecil R. Sellers, Springport, Ind., in place of W. C. Bunner, deceased.
Wanda L. Grimes, Tangier, Ind., in place of H. L. S. Peters, removed.
Harry Loy, Jr., Union City, Ind., in place of E. T. Livengood, retired.

IOWA

Cleo L. Evans, Davis City, Iowa, in place of V. M. Hill, transferred.
James R. Purcell, Fertile, Iowa, in place of A. M. Eikenbary, retired.
Iva M. Mauck, Garwin, Iowa, in place of E. L. Ochs, retired.
Vernon F. Copenhaver, Glidden, Iowa, in place of F. W. Franzwa, deceased.
Marjorie M. Mrzena, Somers, Iowa, in place of L. I. Brayton, retired.

KANSAS

John L. Ruff, Attica, Kans., in place of L. F. Heath, transferred.
June M. Kofford, Bloom, Kans., in place of J. W. Minor, Jr., transferred.
Donald E. Smith, Chetopa, Kans., in place of M. M. Sheddy, resigned.
Marion A. Kramer, Geneseo, Kans., in place of Cornelius Foster, retired.
James E. Wright, Moscow, Kans., in place of E. M. O'Dea, retired.
Charles E. Knedlik, Narka, Kans., in place of W. V. Joy, transferred.
Elizabeth G. Venable, Rock, Kans., in place of E. E. Kunkle, retired.
Edna M. Dibble, Woodston, Kans., in place of F. C. McNutt, deceased.

KENTUCKY

Clifford L. Hibbs, Fairdale, Ky., in place of O. H. Martin, deceased.
C. Raymond Stewart, New Castle, Ky., in place of E. L. Bailey, retired.
James G. Dismuke, Salvisa, Ky., in place of N. M. Ramsdell, retired.

MAINE

David L. Whitney, Damariscotta Mills, Maine, in place of H. E. Cunningham, retired.
Charles A. James, Woodland, Maine, in place of M. J. Kennedy, retired.

MARYLAND

John R. Smith, Funkstown, Md., in place of R. E. Howard, removed.

MICHIGAN

Victor B. LaCombe, Carp Lake, Mich., in place of G. R. Athearn, retired.
M. Rhoda Hyliard, Concord, Mich., in place of A. L. Hyliard, deceased.
John T. Cotter, Pewamo, Mich., in place of M. E. Doane, retired.
Charlena Shaver, Silverwood, Mich., in place of L. P. Temple, deceased.
George R. Mazur, Trout Lake, Mich., in place of E. C. Hudson, retired.

MINNESOTA

Robert G. Somers, Avoca, Minn., in place of L. I. Westby, retired.
Mary Bogdanovich, Calumet, Minn., in place of P. F. Preice, retired.
James F. McNally, Chokio, Minn., in place of E. C. Wensman, transferred.
Jerome L. Schnettler, Clarissa, Minn., in place of L. M. Berczyk, retired.
Bernard G. Gould, Coleraine, Minn., in place of W. L. Franti, deceased.
Lura Mae Myers, Cottage Grove, Minn., in place of R. G. Johnson, resigned.
Kenneth J. Hasskamp, Crosby, Minn., in place of H. M. Koop, retired.
Traverse G. Tommervik, Gary, Minn., in place of C. J. Eeg, deceased.
Ernest L. Swanson, Goodridge, Minn., in place of C. E. Peterson, transferred.
George W. Knutson, Graceville, Minn., in place of V. P. Fermoyle, deceased.
Stanley M. Griebel, Harmony, Minn., in place of T. A. Brokken, retired.
Alfred H. Rustad, Jr., Humboldt, Minn., in place of J. S. Easter, retired.
Sam Platisha, Keewatin, Minn., in place of O. A. Olson, retired.
Dean L. Schultz, Litchfield, Minn., in place of A. G. Johnson, retired.
Robert J. Bennett, Lowry, Minn., in place of Vern Weaver, deceased.
Carl W. Renaldo, Meadowlands, Minn., in place of Ross Andrews, retired.
James L. Holt, Osakis, Minn., in place of G. W. Gresty, retired.
Raymond A. Kratzke, Pelican Rapids, Minn., in place of H. N. Halvorson, retired.
Curtis W. Johnson, Peterson, Minn., in place of R. L. Rislove, resigned.
Raymond M. Guck, Royalton, Minn., in place of H. L. Fisher, transferred.

MISSOURI

Kenneth W. Hackman, Owensville, Mo., in place of E. E. Smith, retired.
Edward T. West, Queen City, Mo., in place of R. B. Sloop, transferred.
Richard D. Cook, Revere, Mo., in place of E. A. Blakely, retired.
Russell G. Brown, Risco, Mo., in place of J. J. Anders, retired.
Louis C. Fricke, Rockville, Mo., in place of A. C. Bennett, retired.
Kenneth C. Vanzandt, Washburn, Mo., in place of G. B. Windes, retired.

MONTANA

Daniel E. O'Leary, Harlem, Mont., in place of J. E. Brennan, retired.
Ernest R. Shamley, Wolf Point, Mont., in place of W. B. McCracken, transferred.

NEBRASKA

Ronald D. Hostetter, Murray, Nebr., in place of M. L. Brendel, retired.

NEW JERSEY

Marie J. Holloway, Magnolia, N.J., in place of J. M. Schmidt, retired.
Elwood B. Croll, Milford, N.J., in place of Wilmer Lawrence, retired.
Joseph L. Yearly, Riverton, N.J., in place of M. E. Haas, retired.

NEW MEXICO

Salomon O. Telles, La Mesa, N. Mex., in place of Daniel Moreno, removed.

NEW YORK

John L. Kress, Jr., Galway, N.Y., in place of J. T. Hunter, retired.

Lois E. McKeon, Pattersonville, N.Y., in place of M. A. Cunningham, retired.

John T. Wallace, Pine Hill, N.Y., in place of M. J. Passenar, retired.

Maurie G. Flanigan, Slingerlands, N.Y., in place of W. P. Degenaar, retired.

Robert A. Nussbaum, West Hurley, N.Y., in place of L. E. Joyce, retired.

NORTH CAROLINA

William A. Burch, Jr., Bat Cave, N.C., in place of D. T. Freeman, retired.

Herman M. Wilson, Brasstown, N.C., in place of Iowa Green, retired.

Mary I. McLeod, Buies Creek, N.C., in place of H. L. Avent, retired.

Gilbert M. Bailey, Carthage, N.C., in place of C. B. Shaw, retired.

Joseph B. Wall, Chocowinity, N.C., in place of E. B. Godley, retired.

Herbert Q. Hocutt, Clayton, N.C., in place of P. A. Williams, retired.

Clyde D. Stowe, Jr., Dallas, N.C., in place of G. L. Friday, resigned.

Della M. Galloway, Grimesland, N.C., in place of B. M. Godley, retired.

Elmer V. Wood, Jr., Stokesdale, N.C., in place of H. G. Cook, retired.

Clifford G. Watts, Taylorsville, N.C., in place of C. C. Munday, retired.

OHIO

Robert H. Cassel, Aurora, Ohio, in place of M. P. Mowl, retired.

Charles J. Sonnhalter, Canal Fulton, Ohio, in place of F. G. Schalmo, retired.

OKLAHOMA

James E. Fesperman, Bokoshe, Okla., in place of O. C. Broking, retired.

Ford H. Sims, Martha, Okla., in place of W. O. Rowsey, deceased.

Josephine R. Bayliff, Rosston, Okla., in place of R. J. Price, retired.

PENNSYLVANIA

Richard Wasser, Bedminster, Pa., in place of M. F. Wasser, retired.

Dorothy R. Karpyn, Egypt, Pa., in place of E. A. Breinig, retired.

Henry R. Beitler, Old Zionsville, Pa., in place of H. S. Miller, retired.

Glen E. Cluck, Waynesboro, Pa., in place of C. L. Johnston, retired.

Carl F. Hynek, Jr., Willow Grove, Pa., in place of H. T. McEvoy, removed.

PUERTO RICO

Juan Sanchez De Jesus, Vega Baja, P.R., in place of R. O. Colon, removed.

SOUTH CAROLINA

W. Robert Cooper, Jr., Lane, S.C., in place of J. A. Montgomery, retired.

Bette J. Perritt, Peedee, S.C., in place of T. M. Perritt, retired.

Guy H. Smith, York, S.C., in place of G. C. Cartwright, retired.

SOUTH DAKOTA

Elvera Pitzl, Eden, S. Dak., in place of G. A. Pitzl, deceased.

TENNESSEE

Joseph T. Coffman, Cedar Grove, Tenn., in place of W. L. Wildridge, transferred.

Joseph M. Little, Clarkrange, Tenn., in place of E. M. Peters, retired.

Robert H. Van Hooser, Huntland, Tenn., in place of A. E. Staples, retired.

Faylah D. Looney, Iron City, Tenn., in place of Ruby Hensley, transferred.

George M. Koontz, Petros, Tenn., in place of W. E. Hobbs, retired.

Norman L. Thomas, Trade, Tenn., in place of T. R. Grayson, retired.

TEXAS

Clyde C. Crews, Alvord, Tex., in place of W. E. Howell, transferred.

Delbert C. Amos, Bellaire, Tex., in place of L. L. Rosner, retired.

Malcolm O. Daugherty, Cherokee, Tex., in place of Graves Burke, retired.

Russell W. Smith, Floresville, Tex., in place of E. W. Franklin, retired.

James W. McMillan, Kingsville, Tex., in place of P. D. Cauley, Sr., retired.

Lee M. Robertson, Lakeview, Tex., in place of L. A. Leggitt, transferred.

Easter L. Sikes, La Villa, Tex., in place of L. B. Burke, retired.

Leslie L. Sansom, Leakey, Tex., in place of Sallye Godbold, retired.

Henry N. Mullins, Malone, Tex., in place of G. M. Mann, transferred.

Irene F. Pfluger, Pflugerville, Tex., in place of G. L. Fowler, deceased.

William C. Copeland, Purdon, Tex., in place of A. W. Mosley, transferred.

David F. Renfro, Zavalla, Tex., in place of C. A. Barge, Jr., transferred.

VIRGINIA

Edward A. Coleburn, Accomac, Va., in place of K. C. Ross, retired.

Bernard R. Shrader, Cedar Bluff, Va., in place of R. L. Williams, resigned.

Eva B. Toner, Claremont, Va., in place of Rudolph Shiffer, deceased.

Robert T. Gillette, Courtland, Va., in place of B. A. Williams, Jr., resigned.

Murphy H. Elder, Cullen, Va., in place of J. R. Williams, retired.

Mary O. Padgett, Goode, Va., in place of J. S. McCauley, retired.

Arleigh P. Surface, Selma, Va., in place of T. R. Apperson, removed.

WASHINGTON

Dorothy D. Eldridge, Fox Island, Wash., in place of C. R. Bowyer, retired.

John R. Atherton, Sunnyside, Wash., in place of W. K. Munson, deceased.

Raymond J. Marr, Touchet, Wash., in place of M. L. Hanson, retired.

Helen K. Grantham, Yacolt, Wash., in place of E. S. Baccus, retired.

WEST VIRGINIA

Margaret M. McCormick, Anawalt, W. Va., in place of Wash Hornick, Jr., resigned.

Chloe Stevenson, Capels, W. Va., in place of M. A. Arnold, resigned.

Joseph E. Vasil, Cassville, W. Va., in place of Michael Hando, deceased.

Charles A. Crumrine, Middlebourne, W. Va. in place of H. H. Crumrine, deceased.

WISCONSIN

Ellsworth J. Honish, Camp Douglas, Wis., in place of R. W. Singleton, resigned.

David B. Johnson, Chaseburg, Wis., in place of J. W. Johnson, transferred.

Ernest R. Overman, Pembine, Wis., in place of A. C. Swanson, retired.

James P. Meyers, Potter, Wis., in place of R. G. Duchow, deceased.

Clarence J. Scharpf, Rubicon, Wis., in place of W. J. Sonnentag, retired.

James N. Pomes, Three Lakes, Wis., in place of Gaylord Helmick, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 22, 1961:

DIPLOMATIC AND FOREIGN SERVICE

AMBASSADORS

Robert M. McKinney, of New Mexico, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

Mercer Cook, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Niger.

Philip M. Kaiser, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Senegal, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Islamic Republic of Mauritania.

Robinson McIlvaine, of Pennsylvania, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Dahomey.

U.S. ADVISORY COMMISSION ON INFORMATION

James Leonard Reinsch, of Georgia, to be a member of the U.S. Advisory Commission on Information for the term expiring January 27, 1964, and until his successor has been appointed and qualified.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 22, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

The prayer of King Solomon, I Kings 3: 9: *Give Thy servant an understanding heart to judge Thy people, that I may discern between good and bad.*

Eternal God, in whom our life finds its source of power and the secret of all hope, grant that daily we may receive the insight that discerns Thy ways and the inspiration that renews our strength to walk in them.

Bestow upon us the blessing of Thy companionship and consolation when our hearts are wounded and desolate by reason of some bitter sorrow and our very faith seems to be eclipsed by the dark clouds of fear and foreboding.

Enable us to bear our trials and tribulations with such a strong and intrepid confidence that all with whom we come into contact may see and know that we are being sustained by Thy grace.

May we be coworkers in attaining unto a noble life and comrades in the task of encouraging mankind to hold with tenacity and perseverance those precepts and principles which are incumbent upon all alike.

Hear us in the name of our blessed Lord in whom Thou hast revealed Thy mind and heart. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1441. An act for the relief of certain aliens;

H.R. 1642. An act for the relief of Mrs. Lilyan Robinson;

H.R. 1677. An act for the relief of Elie Hara;

H.R. 1710. An act for the relief of Narinder Singh Somal;

H.R. 1717. An act for the relief of Angelo Li Destri;

H.R. 1718. An act for the relief of Jaime E. Concepcion;

H.R. 1860. An act for the relief of Jovenal Gornes Verano;

H.R. 1888. An act for the relief of Tomislav Lazarevich;

H.R. 2152. An act for the relief of Mrs. Francisca Hartman;

H.R. 2351. An act for the relief of Hans Hangartner;

H.R. 2671. An act for the relief of Giovanna Bonavita;

H.R. 2991. An act for the relief of Joseph Maz;

H.R. 3146. An act for the relief of Jozef Gromada;

H.R. 4023. An act for the relief of Mieczyslaw Bajor;

H.R. 4201. An act for the relief of Evangelia Kurtales;

H.R. 4482. An act for the relief of Urszula Sikora, Radoslav Vulin, and Desanka Vulin; and

H.R. 5416. An act to include within the boundaries of Joshua Tree National Monument, in the State of California, certain federally owned lands used in connection with said monument, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 19. An act for the relief of Mrs. Takimi Yamada;

S. 146. An act to extend and increase the special milk program for children;

S. 231. An act for the relief of Helga G. F. Koehler;

S. 332. An act for the relief of Franciszek Roszkowski;

S. 491. An act for the relief of Emmanuel Epaminondas Skamangas;

S. 1007. An act for the relief of Sara Mishan;

S. 1100. An act for the relief of Sang Man Han;

S. 1405. An act for the relief of Aram Fayda and his wife, Elena Fayda;

S. 1432. An act for the relief of Shau Ying Lin, and her children, Gee Chek Lin, Gee Ming Lin, and Chi Fong Lin;

S. 1549. An act for the relief of Leonarda Cocuzza;

S. 1576. An act for the relief of Wen Nong Wong;

S. 1645. An act for the relief of Clarinda da Veiga;

S. 1673. An act for the relief of Blagoje Popadich;

S. 1785. An act for the relief of Eduardo Giron Rodriguez;

S. 2051. An act to afford children of certain deceased veterans who were eligible for the benefits of the War Orphans Educational Assistance Act of 1956 but who, because of residence in the Republic of the Philippines, were unable to receive such assistance prior to enactment of Public Law 85-460, additional time to complete their education;

S. 2083. An act to correct a technical inaccuracy in the act of May 19, 1961 (Public Law 87-36); and

S. 2113. An act to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions.

The message also announced that the Senate had passed a resolution, as follows:

SENATE RESOLUTION 148

Resolved, That the Senate does not favor the Reorganization Plan Numbered 1 of 1961 transmitted to Congress by the President on April 27, 1961.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 277. An act for the relief of Erica Barth; and

S. 1343. An act for the relief of Dr. Tung Hui Lin.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 610) entitled "An act to strengthen the domestic and foreign commerce of the United States by providing for the establishment of a U.S. Travel Service within the Department of Commerce and a Travel Advisory Board.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1962

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight Friday night to file a report on the bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1962.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. FORD reserved all points of order on the bill.

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 94]

Buckley	Grant	Norrell
Cederberg	Gray	Powell
Coad	Green, Oreg.	Rivers, Alaska
Davis, Tenn.	Hosmer	Roberts
Dingell	Kearns	Roosevelt
Dominick	Kilburn	Tupper
Flynt	Laird	Van Pelt
Forrester	Merrow	Young

The SPEAKER. On this rollcall 412 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ANNOUNCEMENT

The SPEAKER. Those committees or subcommittees that think they have permission to sit during the session of the House this afternoon do not have it because that permission is hereby revoked.

HOUSING ACT OF 1961

Mr. RAINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6028) to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 6028, with Mr. Boggs in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read section 1 of the committee substitute beginning line 5, page 58.

Mr. McDONOUGH. Mr. Chairman, I offer an amendment in the form of a substitute.

The Clerk read as follows:

Substitute amendment offered by Mr. McDONOUGH of California:

Strike out all after the enacting clause and insert the following: "That this Act may be cited as the 'Housing Act of 1961'."

"FHA INSURANCE PROGRAMS

"SEC. 2. (a) Section 2(a) of the National Housing Act is amended by striking out in the first sentence '1961' and inserting in lieu thereof '1962'.

"(b) Section 203(a) of such Act is amended by striking out the colon and all that follows the colon and inserting in lieu thereof a period.

"(c) Section 217 of such Act is amended—

"(1) by striking out 'all mortgages which may be insured' and inserting in lieu thereof 'all mortgages and loans which may be insured';

"(2) by striking out 'shall not exceed' and the remainder of the first paragraph and inserting in lieu thereof the following: 'after October 1, 1962, shall not exceed the sum of (1) the outstanding principal balances as of that date of all insured mortgages and loans (as estimated by the Commissioner based on scheduled amortization payments without taking into consideration prepayments or delinquencies), and (2) the principal amount of all outstanding commitments to insure on that date.';

"(3) by inserting 'after October 1, 1962' before the period at the end of the first sentence in the third paragraph; and

"(4) by striking out 'hereafter' in the second sentence of the third paragraph and inserting in lieu thereof 'after that date'.

"(d) Section 803(a) of such Act is amended by striking out '1961' and inserting in lieu thereof '1962'.

"DIRECT LOANS FOR THE ELDERLY

"SEC. 3. Section 202(a)(4) of the Housing Act of 1959 is amended by striking out '$50,000,000' and inserting in lieu thereof '$100,000,000':

"URBAN RENEWAL CAPITAL GRANT AUTHORIZATION

"SEC. 4. Section 103(b) of the Housing Act of 1949 is amended by striking out the first sentence and inserting in lieu thereof the following: 'The Administrator may, with the approval of the President, contract to make grants under this title aggregating not to exceed $2,000,000,000. In addition to amounts authorized under the preceding sentence, there is authorized to be appropriated for the purpose of making contracts, after appropriations therefor, for grants under this title, the sum of $500,000,000; and amounts so appropriated shall remain available until expended.'

"COLLEGE HOUSING LOAN AUTHORIZATION

"SEC. 5. Section 401(d) of the Housing Act of 1950 is amended by striking out the first colon and all that follows and inserting in lieu thereof the following: ', which amount shall be increased on and after July 1, 1961, by such amounts, not exceeding $300,000,000

in the aggregate, as may be specified from time to time in appropriation Acts: *Provided*, That the amount outstanding for other educational facilities, as defined herein, shall not exceed $175,000,000, which limit shall be increased on and after July 1, 1961, by such amounts, not exceeding $30,000,000 in the aggregate, as may be specified from time to time in appropriation Acts: *Provided further*, That the amount outstanding for hospitals, referred to in clause (2) of section 404(b) of this title, shall not exceed $100,000,000, which limit shall be increased on and after July 1, 1961, by such amounts, not exceeding $30,000,000 in the aggregate, as may be specified from time to time in appropriation Acts.'

"AUTHORIZATION FOR PUBLIC FACILITY LOANS

"SEC. 6. Section 203(a) of the Housing Amendments of 1955 is amended by inserting after '$150,000,000' the following: 'which limit shall be increased by such amounts, not exceeding $50,000,000 in the aggregate, as may be specified from time to time in appropriation Acts.'.

"FARM HOUSING LOANS

"SEC. 7. Sections 511, 512, and 513 of the Housing Act of 1949 are each amended by striking out '1961' and inserting in lieu thereof '1962'.

"VOLUNTARY HOME MORTGAGE CREDIT PROGRAM

"SEC. 8. Section 610(a) of the Housing Act of 1954 is amended by striking out '1961' and inserting in lieu thereof '1962'."

Mr. McDONOUGH. Mr. Chairman, those of you who were here during general debate have heard the details of the bill before you thoroughly explained. It is a bill that incorporates many things that we have heretofore not experienced in financing under FHA and in appropriating funds under the previous housing acts. It is a 4-year bill, and the amounts for the various agencies of the Housing Administration are consequently increased not four times in some cases but many more times than will be required for 4 years.

There is no limitation so far as the bill before you is concerned as to how soon these sums could be committed. Although it is a 4-year bill many of the funds could be committed within 6 months after the bill is passed.

This substitute provides a 1-year housing bill. You may hear that this is suddenly thrust upon the Congress, that we have not had a chance to consider it, that there have not been adequate hearings on it, and so forth. But there have been adequate hearings on this substitute, because there is nothing in this substitute that is not in the bill before you. All the features of the bill before you have been thoroughly gone over and all of the agencies that are provided with moneys for a 4-year operation are in this substitute provided moneys for a 1-year operation.

It has been variously estimated that the bill that was debated yesterday would carry an obligation of some $9 billion in total moneys that we would be obligated for if we assumed 100,000 public housing units that are included in it. A comparison between that and the substitute before you would show a difference of about $7.5 billion. This substitute will obligate the Government for not more than approximately $1.1 billion, while the bill before you will obligate the Government for more than $9 billion and would subordinate the authority of the Congress from any further consideration of housing bills for another 4 years.

In other words, title I, for home repair and improvement insurance would be included in this substitute. The FHA mortgage insurance authorization is also included.

The Capehart military housing program is included in this substitute. The elderly housing direct loan program would be provided an additional $50 million of loan authority.

The urban renewal grant authorization would be increased by $500 million. The bill before you is asking for $1.2 billion. The college housing authorization program is increased by $300 million.

On urban renewal the bill before you is asking for $2 billion. For college housing they are asking $1.2 billion. The public facilities loan program—that is, the community facilities program—is increased by $50 million. And, incidentally, that is the amount that the administration asked for, but the committee increased it to 10 times that amount. The bill before you calls for $500 million and this substitute calls for $50 million.

Let me say that I know I am not informing you of anything. I am sure you will agree that if we had $2 billion in here for community facilities you would have orders from the cities and the States asking for that money. If you had $5 billion for college housing you would have demands for it. If you had twice the amount for urban renewal you would have demands for it.

If the Federal Government is going to adopt the grandiose idea of offering the taxpayers' money to the various States and counties under subsidized interest rates, or low interest rates, and long terms, I do not know how carefully those terms will be abided by. But over the years they say they have been rather conscientious in repaying them.

The CHAIRMAN. The time of the gentleman from California [Mr. McDONOUGH] has expired.

Mr. McDONOUGH. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McDONOUGH. Mr. Chairman, I do not want to leave the subject of this substitute without the Committee having full knowledge of what it contains. I think we have to consider the responsibility of fiscal order in the administration of this Government. We are going to have to vote on an increase in the national debt next week, by another $5 billion. We have passed bills to retain taxes that we thought we were going to be able to repeal. We are getting down in deficit spending to the point where the value of the dollar is declining rapidly.

This bill before you is an encouragement to the cities and the counties to subordinate their authority to the Federal Government by asking for funds to do things that they say they cannot do for themselves.

Do you know that in addition to the urban renewal we are now financing in the country there are millions of dollars of urban renewal going on as a result of large office buildings and shopping centers being constructed under private enterprise in certain areas, where homes, even desirable homes, are being purchased and removed to make room for these improvements? These things are done under private enterprise. We have increased the grants and loans under urban renewal to the point that we are now obligated up to more than $2 billion, and this adds $2 billion to that amount.

This substitute provides for $500 million for continuing urban renewal, but not the $2 billion asked for. The community facilities are taken care of.

I appeal to your sense of reason, your sense of economy, your sense of responsibility to support this substitute because no one is going to be injured if the substitute passes and the present bill is defeated. If the present bill is passed we are simply saying to the country that here is a 4-year program to spend approximately $9 billion if all of the features of the bill are implemented and taken up by the cities, the counties, and the States.

Mr. RAINS. Mr. Chairman, I rise in opposition to the substitute amendment.

Mr. Chairman, I have been around here for a good many years, but, very frankly, this is the most incredible maneuver affecting a substitute that I have ever been confronted with. It has been kept some kind of secret. It has not even been printed as of now. It was slipped out by the rumor factory to various reporters and even the reporters apparently were not given the details of it. It is brought here before the Congress of the United States dealing through its committees and suddenly read and described for barely 8 minutes by one Member, and it is suggested that you throw in the trash can the long months of hard toil of one of your hardest working committees, and that you throw away entirely the recommendations of the administration and President Kennedy.

I assume the sponsors of the amendment could not have much hope that it had any possible way of passing, because there is not a man sitting here today, including myself, and I keep up with it very well, who knows what is in it.

I will tell you what I understand the substitute will do. It cuts out of the bill every single item in which my southern colleagues are interested, and I lay that on the line. It cuts out of the bill the items in which the Far West is interested. It completely robs the bill of any semblance of being a housing bill, because time after time I have heard the mayor of the great city of Los Angeles, a close personal friend of the distinguished gentleman from California, occupy the witness stand before my committee and say that the main thing that urban renewal needs is a continuing authority so that cities can plan ahead.

Yet, a distinguished Congressman from that great city seeks to limit urban renewal to a 1-year operation.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I decline to yield, I did not interrupt the gentleman.

Mr. McDONOUGH. That is a defeated mayor that you are talking about.

Mr. RAINS. Yes, and I understand he was defeated by a Democrat—that is a good trend.

The idea here is to cut down, for instance, the farm housing program. I did not get to mention that yesterday. I do a lot of work and toil for the great cities of this country as a Member of Congress, and I hail from a small town, as you Members know. But, one of the things I think you should not forget is that there are more slums, and I measure my words, on the farms of America than there are in the cities of America, and the best we have ever been able to do for them is a program through the Farmers Home Administration which was strangled to death by the preceding administration.

Today, we have put back in this bill some money to be used for the Farmers Home Administration to help farmers get low cost, well built homes. Yet, this substitute would cut it to practically nothing. The result being, if you adopt the substitute, you are going to kill for all intents and purposes the 4-year program for the farmers of this country for farm homes.

Let me tell you something about it. Somebody said "Will the farmers pay for the loans?" They are 116 percent overpaid. The program does not cost the Government a dollar. Yet, my good friend from California, for some mysterious purpose, would deny those of us who hail from the rural regions any consideration at all in his great secretive substitute amendment. This substitute is not meant to be a housing bill—it is actually meant to be an insult to the people who think we ought to have some type of program to meet the housing needs of the people of America.

One other thing, Mr. Chairman. I have been, as I said yesterday, a little bit amazed at the heat that was put on the so-called 40-year loan.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. RAINS. Mr. Chairman, I ask unanimous consent that I may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. RAINS. Mr. Chairman, I am not going to argue the pros and cons of the 40-year loan now because, actually, we have two or three 40-year programs in the law now, and they have been in the law for a long time and they are going along well. In any case for reasons I explained yesterday if the substitute, if it may be called that, is voted down, and I certainly trust that it will be voted down, I intend to offer an amendment to reduce the 40-year loan to a 35-year loan with a 3-percent downpayment, which will put it in line with other FHA loans. When that is done, then I cannot understand how anyone could oppose that kind of straight private enterprise mortgage loan system to help people in the $4,000 to $6,000 group.

Mr. Chairman, it is absolutely essential then, if we are really going to work on the housing bill, that has had arduous and careful study and consideration, that we vote down the amendment or the substitute and then get to whatever amendments we ought to put in the committee bill. I respectfully request that the Committee of the Whole uphold the hand of your committee and then, if you want to vote for amendments to the committee bill, that would be the proper procedure, and I would greatly appreciate it.

Mr. Chairman, I yield back the balance of my time.

Mr. WIDNALL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the committee substitute, because I think it will more than adequately take care of the necessary housing needs of the United States, of the proven programs and the needed funds for those programs, and will maintain within control of the Congress the power of review of operation of the programs as they progress.

I would like to call the attention of the distinguished chairman of the subcommittee to the fact that in the past we have offered substitute bills that have been printed well in advance, available to all Members of the House, yet we have always been met with the excuse that there was no opportunity to study the bill even when the substitute bill has been based on exactly the same information produced before the committee, like this one, available to all. It does not change an existing program, and it meets the needs that we require at this time.

I want to read for the RECORD what is in the substitute, summarized so that everybody can understand.

First. The FHA title I home repair and improvement insurance authority would be extended for 1 year.

Second. The FHA mortgage insurance authorization would be extended for a period of 1 year.

Third. The FHA Capehart military housing program would be extended for 1 year.

Fourth. The elderly housing direct loan program would be provided an additional $50 million of loan authority.

This is important. That was the amount requested by the administration.

Fifth. The urban renewal grant authorization would be increased by $500 million to provide for a 1-year program.

In the current bill there is $2 billion which is supposed to be for 4 years, so how is urban renewal being gutted if we give exactly the same amount for the first year as was in the committee bill presented to the Congress?

Sixth. The college housing loan authorization would be increased by $300 million to provide for a 1-year program.

Seventh. The public facility loan program would be granted an additional $50 million of loan authority to provide for a 1-year program. This was the amount of increase requested by the administration.

Eighth, and this is important, I would say to the gentleman from Alabama. The gentleman just made what I believe was an incorrect statement to the House when he called upon his southern colleagues to realize that the farm housing program had been gutted.

Ninth. The farm housing loan program would be extended for a 1-year period through reviving loan authorization otherwise expiring June 30 of this year. The amount available would approximate $207 million. The administration did not request any additional increase.

Mr. HALLECK. Mr. Chairman, if the gentleman will yield, I hope the Members will pay attention to this for it relates to the matter of rural operations about which the gentleman from Alabama talked just a moment ago.

Mr. WIDNALL. Tenth, the substitute would extend the voluntary home mortgage credit program for 1 year.

In all cases where there are new authorizations of funds, the authorizations would require approval of the Appropriations Committee before funds could be committed by contract or before funds could be withdrawn from the Treasury. In other words, the substitute completely eliminates back-door spending.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

By unanimous consent, Mr. WIDNALL was allowed to proceed for 5 additional minutes.

Mr. WIDNALL. Mr. Chairman, on June 20, 1961, the distinguished chairman of the Housing Subcommittee inserted on pages 10888–10890 of the RECORD a list of applications pending in the Urban Renewal Administration central office for which funds are not available as of June 9, 1961. The statement was made by the gentleman from Alabama that the fate of these new projects "depends on prompt approval" of this housing bill.

My staff has had an opportunity to review only the applications in regions I and IV, and we find some amazing evidence.

For example, there is a total of 27 project applications in 22 cities in region I, which comprises all of the New England States and New York. The total dollar volume of applications is $109,571,368, according to the RECORD.

However, according to the December 31, 1960, Urban Renewal Project Directory, 12 of these 22 cities already have a total of 45 projects, the funds for which were earmarked or contracted for in past years. These projects represent a total of $138,485,105—money which, according to the latest available URA Directory, still remains undisbursed.

In region IV, comprising Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin, there are 23 project applications pending in 19 cities, representing a dollar amount of $40,241,417. However, 15 of these same cities have already received urban renewal contracts for 59 projects and of the money involved $161,832,198 remains undisbursed.

The city of Chicago is listed as having an application for three projects involving almost $3 million in capital grants. Yet, Chicago has now pending 25 projects involving $86,424,075, which still remains undisbursed.

One must wonder, therefore, why the rush to approve a 4-year bill. Certainly the facts do not substantiate the allegation that the urban renewal program will be retarded if the Congress enacts a 1-year housing bill.

Mr. Chairman, may I say to my colleague from Alabama [Mr. RAINS], that many members of the House Banking and Currency Committee have thought for months it would be great wisdom if our subcommittee would look into the misuse and abuse of funds in the urban renewal program. We have not done that, we have not accepted the challenge that is there for us from the evidence that has been submitted to the committee and that which has appeared in the press.

I take as a typical example an article which appeared in the New York Times of June 10, 1961, headlined, "Gracious Living in Tuxedo Park Aided by Urban Renewal Grant."

Tuxedo Park has for years been known as the spot where only the wealthy could live. It has gracious living, it is a beautiful place, there are no slums in Tuxedo Park, yet $5,000 is now being given Tuxedo Park so that gracious living may continue. Is that the original purpose of urban renewal

Mrs. ST. GEORGE. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentlewoman from New York.

Mrs. ST. GEORGE. I want to point out to the gentleman from New Jersey who I think does know Tuxedo Park slightly at least that he has been grossly misinformed if he thinks it is a home of the wealthy. I can show him that that $5,000 is as badly needed there as at any other place in the country.

Mr. WIDNALL. An attitude is being built up that creates in the minds of the people back home a desire to have the great white father in Washington solve all of their problems. A Republican mayor in my district sent word to the school board in that district advising them not to go ahead with any school projects until they have received the money from Washington. They were perfectly able and capable of taking care of their own needs.

In the same way a city in my district participated in the water pollution program and received $125,000 from the Federal Government. It prides itself in advertising that it is the wealthiest city per capita of any in the United States.

This program was never intended for municipalities with the wealth that municipality has. I think it is dangerous to encourage this type of thinking. Yet we are doing it and making it a wide-open grab bag when we try to provide $500 million more for subsidized community facility loans in the committee bill for this purpose.

The $50 million in the substitute bill is perfectly adequate. That was in the Kennedy administration request. And, I believe, the responsible action of the Congress will be to vote for and enact the substitute.

Mr. CLEM MILLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to address myself to the 40-year mortgage program. I believe that section of the substitute deleting the 40-year mortgage certainly is most wrong. The 40-year mortgage is being looked on with a great deal of favor by builders throughout the country. To many builders, this section gives the greatest promise. I know that this is being described as a builder's bill, but I would like to ask my colleagues, What is wrong with a builder's bill if it does no harm to any segment of our economy? If it does no harm to the taxpayers of this country, or the U.S. Government, or to homebuyers or lenders, why should we not assist the builders? Homebuilding at the present time is in the doldrums. For the California area I am familiar with there is no activity at all. Take a builder who customarily puts up 2,000 homes in 6 months, the last 6 months built only 250. This is a typical sample. Homes are not moving, prospects are poor, and buyers are not buying.

The provisions in this bill do not hurt the U.S. Government. The experience gained during the last several years with 40-year mortgages has shown a loss of less than one-half of 1 percent for the United States. Second, the lenders do not have to lend to anyone if they do not wish to, so they are not going to be hurt. Third, buyers are not going to be hurt. They are not going to be hurt because they will have a chance to own a home rather than a drawer full of rent receipts. In fact, the buyer will be benefited. He will be able to buy a better house than he can rent at a lower price than his rent money. Let us look at this a moment. The 40-year mortgage will save a buyer $7.50 a month over what he would have to pay at the present time. He could qualify for a new home with a lower salary, lower by $40, than he can now qualify. It means, in total, that a family can live in a new house for $90 a month, when used, inferior shelter units for comparable income families will be renting for $115, which is more than this income bracket should be paying out for shelter.

I must say with regret that the 35-year, 3-percent downpayment plan proposed is not going to help anyone. It is not going to lower the downpayment which must be paid today to any significant degree. It must be realized that homeowners now pay a substantial amount to move into a $15,000 house—$750 to $1,000. Tack the downpayment on top of that, and the total is $1,500. Buyers cannot stand it, so I must conclude that the proposed amendment will do the industry no good, and make no new home buyers. I say this 40-year program does not hurt the lenders; it does not hurt the buyers; it does not hurt the U.S. Government, and it certainly helps the builders. I say, therefore, it should be included in this bill.

Mr. DERWINSKI. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there seems to be the usual confusion here this afternoon. The gentleman from California [Mr. MILLER] who preceded me, I presume, was speaking for the bill and against the substitute; yet I judge from his remarks as I listened that he really should be on the side of those of us who are supporting the substitute.

For example, the gentleman referred to the 40-year no-downpayment plan. The mystery about this bill before us is that, as I understand, there will not be a 40-year no-downpayment plan any longer.

The gentleman from Alabama [Mr. RAINS], in speaking against the substitute, referred to the mystery of the substitute. There is more mystery in the bill before you than there is in the substitute that we advocate. First of all, the bill before you calls for a 40-year no-downpayment provision. Somewhere in the Committee of the Whole you are going to be offered a change; we do not know what it is. We who served on the Housing Subcommittee and the full committee of the Committee on Banking and Currency were not advised as to these changes. The changes will come at this point.

The bill before you calls for an open-space program, and somewhere along the line we are going to get an amendment to change that language.

I still do not know, and you do not know if we are going to get language to change the dollar amount involved. If there is a mysterious bill before the House, it is the bill as approved by the Banking and Currency Committee, and not the bill that we intend to perfect by means of this solid, substantial substitute.

The gentleman from Alabama [Mr. RAINS] I am sure, without intending to do so, added to the possible confusion that exists by saying that the purpose of the substitute was to gut the bill. This is technically impossible because when the House adopts the substitute, as we hope in its wisdom it will, obviously we have to go to conference. We are not gutting that bill. We are going to conference with the Senate bill. You are going to have a substantial House bill. This substitute offered by the gentleman from California [Mr. MCDONOUGH], is a good, solid, substantial congressional housing bill.

I would like to remind the House that we are going to be in session in 1962. We are not going to be back home in the slums of the little villages, which the gentleman from Alabama so eloquently described. We will be here representing the people who elected us.

Under the committee bill you are abdicating your responsibility in the field of housing for 4 years. Basically what we do with this substitute bill is give you a chance year after year to review the housing program, to come up with a substantial housing program in order to do the things that are actually needed. This is a program of responsibility. This is a responsible, sound housing proposal.

An awful lot has been said in the last few days about the condition of the Federal Treasury with reference to the deficit and national debt. The Secretary of the Treasury in recent days was quoted as predicting a budget surplus in fiscal 1963 and 1964 in anticipation of a certain boom in the economy. However, he added a word of caution; namely, that this anticipated budget surplus

depended upon the action of the Congress in providing $831 million in postal rate increases. I mention this because this morning the Committee on Post Office and Civil Service, a committee dominated by the majority party, gutted the administration's postal rate increase, adding to the deficit of 1961, 1962, 1963, and 1964, and possibly many other years. I point this out because here again in 1961 as we debate this housing bill, all we are asking you to do in the substitute bill, as responsible Members of the House of Representatives, is to take an annual look at the program. We have given you a good, substantial bill. It is deserving of support. It is completely nonpolitical. It is a bill that every Member of the House could actually be proud of having voted for.

I would hope, Mr. Chairman, that we would let politics go by the board and think of the taxpayers, the homeowners, the home building industry. Support this substitute and then you have got yearly congressional control and review of housing. You will have a progressive bill, and you will have actually done a good day's work here in the Congress.

Mr. BARRETT. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I rise in support of H.R. 6028, the Housing Act of 1961. This is probably the best housing bill reported to the floor since the basic Housing Act of 1949. I take deep personal pride in having played a role in the long legislative process which brings this bill to the floor today. Since we were blocked by the administration last year in our attempts to bring out a general housing bill, the bill before us really represents the product of at least 2 years of hard work in committee, investigations, and hearings. Mr. Chairman, I think both our Banking and Currency Committee and the Housing Subcommittee, of which I am proud to be a member, and the administration have every right to be proud of this great bill.

First, in general terms, this excellent bill should help stimulate our economic recovery to help us reach our objective of full employment. It will help us step up our fight on slums, provide housing for families of modest and low incomes, and generally improve the housing standards of the American people.

There are a number of provisions, particularly the liberalization of the FHA homeownership program, which should step up the rate of economic activity and cut down the ranks of the unemployed created by the last two serious recessions.

It is especially pleasing to me that the bill will give us the necessary funds as well as new weapons to help us in the unending fight on the terrible slum problem which affects Philadelphia as well as all other American cities.

Unfortunately, during the past administrations, our efforts to authorize an adequate supply of Federal funds for slum clearance grants were rarely successful. In the past we have usually only been able to obtain enough funds to keep going on a 1- or 2-year basis. It is most gratifying to us, Mr. Chairman, that the bill which we have reported authorized $2 billion in Federal funds for slum clearance grants. Under this program the Federal Government pays two-thirds of the net cost of clearing slums with the city contributing the remaining one-third. For the first time we have given the slum clearance program the push it needs and I think we can confidently look forward to a more effective program in our cities to clean up slums and to rehabilitate our supply of existing housing.

Also, Mr. Chairman, I am extremely pleased that for the first time we have before us legislation which will provide the housing needed by our families of modest income. The bill does this in a number of important ways.

First, for our very lowest income families who are just unable to afford decent private housing, the bill would breathe new life into the low-rent public housing program. By restoring the unused units originally authorized in the Taft-Ellender-Wagner Act of 1949, the bill would permit the construction of approximately 100,000 units of low-rent public housing. Personally, I would like to see an even larger authorization because this is the only kind of housing that helps the lowest income families in our cities. We need at least this total to supply the housing needed by families displaced by urban renewal and highway building operations. But at least this is a strong step forward and is a far cry from the completely inadequate programs recommended by the preceding administration.

In addition to the increased authorization for low-rent public housing, the bill provides an entirely new program of rental housing for families of modest means whose incomes are a notch above the eligibility levels for public housing and yet too low to afford decent rental housing in the private market. This would be achieved by a new FHA rental housing program which would be supported by Government funds through the Federal National Mortgage Association's special assistance program.

Without going into the mechanics of how it would work, the end result would make available to nonprofit corporations and cooperatives the funds to build housing at rentals which people in these income brackets can afford. Under the program, loans would be made available at 3¼- to 3½-percent interest and for a term of 50 years. Because of the low interest rate and the long term, the sponsoring corporation or cooperative would be able to reduce rentals by as much as $20 a unit per month. Mr. Chairman, this would really help us get at the heart of the housing problem in our cities. We have needed a program of this kind for many years and I am extremely proud that our long years of effort have finally paid dividends.

Another means of providing good quality housing to families of modest income is offered by the bill's provision which would permit families to buy FHA sales housing on extremely liberal terms. Under the bill any family—not just a family displaced by urban renewal—could obtain a 40-year FHA insured loan to buy houses up to $15,000. Recognizing that many hard working families who have the ability to repay a mortgage loan nonetheless have modest cash resources, the bill would enable them to obtain these houses with a 40-year loan with only a $200 cash downpayment required. The 40-year term would permit lower monthly financing charges and taken together with the ability to buy with a cash payment not exceeding $200, this new program should help thousands and thousands of American families of modest means for the first time to enjoy the benefits of homeownership.

Mr. Chairman, I am also pleased that another provision of the bill would provide additional funds for the program of housing for elderly families which we succeeded in authorizing for the first time in the Housing Act of 1959. This program enables nonprofit corporations to build housing at rent levels which most of our senior citizens can afford. It permits 50-year loans at a 3½-percent interest rate, so that these corporations instead of charging $70 or $80 a month rent to senior citizens can charge $50 or $60 a month. We originally authorized $50 million to get this program started and I am happy that the bill before us would increase the loan funds available to this most deserving program by an additional $10 million.

Mr. Chairman, there is also an entirely new program designed to help families repair and rehabilitate existing housing which offers tremendous potential in helping to preserve and improve our huge stock of existing dwellings. Presently we have only available the FHA title I home improvement loan program. This program, of course, is quite helpful to families who want to modernize their kitchen or paint their house. But because these loans are of short term—normally 3 years—and carry a high interest rate—about 9½ percent—they are just not workable for more extensive repair and rehabilitation loans.

There has long been a gap in the field of rehabilitation financing and families have just been unable to obtain a long-term, low-interest loan to rehabilitate their homes with extensive repairs. Our subcommittee discovered the lack of financing for loans of this kind in past years and I am pleased that as a result of our recommendations the bill contains an entirely new program designed to get at the roots of the problem. It would permit rehabilitation loans for as much as $10,000 per dwelling unit for a term as long as 20 years. Special assistance support from the FNMA would be made available in urban renewal areas to make sure that the financing means are available. For the first time, Mr. Chairman, we will have an effective rehabilitation and home repair financing method which will allow families to improve their homes at a cost within the means of their family budgets.

Another provision in the bill deserving special comment would help small businesses uprooted by urban renewal operations to reestablish themselves. Displaced small business firms would be eligible for liberal loans—20-year term with a 3 percent interest rate—to reestablish their businesses through the Small Business Administration as is now

provided for firms uprooted by floods, storms, or other natural disasters.

Another extremely important new program would for the first time authorize Federal grants to local governments to help them buy land for parks and recreational areas. These grants could cover up to 30 percent of the cost and the bill would authorize $100 million for this purpose. Mr. Chairman, one of the most distressing problems in our cities is how to provide our children with the parks and playgrounds in which to play and develop. Too often our children are forced to play in the streets or alleys and this new provision would provide the means to assure that our communities will have the parks and recreational areas so essential to healthy community life.

Mr. Chairman, I have touched upon some of the outstanding features of this great bill. All of its titles meet extremely worthwhile objectives. It is a bill that will give the American people an opportunity to have the decent housing they need and it contains the tools to help our cities rebuild their slums. It is a bill truly in keeping with the national housing policy set forth in the Housing Act of 1949 which sets as our goal the realization as soon as feasible of a decent, safe, and sanitary home for every American family.

Mr. Chairman, I strongly urge the passage of this outstanding housing bill which I am sure will stand as a landmark in the history of housing legislation.

Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. REUSS].

Mr. REUSS. Mr. Chairman, I oppose the substitute amendment because it would jeopardize one of the finest provisions of H.R. 6028—the language in title I—FHA section 221—which authorizes FHA mortgage insurance for the purchase of existing housing in modest neighborhoods by moderate income families.

Under title I, if the Rains amendment is adopted, such mortgages would carry a downpayment of 3 percent—including closing costs—of the purchase price. The limitations on the amount which can be insured would be $11,000 for a single family residence, with the amount increased to $15,000 in high cost areas.

Title VI of the bill increases the special assistance authority of FNMA by a substantial amount. I have been assured by Mr. Hugh Mields, Jr., Assistant Administrator for Congressional Liaison, Housing and Home Finance Agency, that it is the administration's intention to use a portion of these special assistance funds in furtherance of that part of the section 221 program that is concerned with the purchase of existing homes. The committee report is to the same effect.

Why is the existing home mortgage insurance provision necessary? Under the FHA law as it has existed for many years, mortgage insurance cannot be obtained unless the home is in an area of "economic soundness." This has meant that most "gray areas"—decent residential neighborhoods which have begun to deteriorate but which may still be saved—have been found unacceptable to FHA underwriters. As was said in "The Exploding Metropolis," by the editors of "Fortune":

> The Federal Government has to show much more understanding of the city's unique housing problems. * * * It needs to overhaul discriminatory rules by which its housing program has been encouraging private investment in suburbia and discouraging it in the city.

The existing housing mortgage insurance provision will greatly stimulate home ownership in older neighborhoods. It will be a great day when any American with the ability to meet mortgage payments can acquire a $10,000 home, with plenty of room for his children, for a $300 downpayment, including closing costs. By increasing the number of homeowners, we will increase the number of citizens with a tangible stake in the welfare of their community.

The provision will prevent the deterioration of decent neighborhoods into slums. Homeownership encourages the owner to keep up his home and his neighborhood. The high downpayments—often as much as $5,000 on a $10,000 home—which are now so often exacted in older neighborhoods cut down on homeownership. If the money for a downpayment can be found at all, it tends to absorb the homeowner's liquid assets for years to come and prevents his maintaining and improving his home.

The provision will widen the number of people able to purchase homes in older neighborhoods, and thus improve their market price and market value. In time, this will result in an improved tax base for our hard-pressed cities.

The provision will be particularly helpful to older people, who rattle around in houses far too big for them now that their families are grown, but who cannot sell because they cannot get a decent purchase price. The provision, by making it possible for families with children to get a home of needed size, will at the same time enable the older people to sell their homes without a sharp loss.

The provision will help minority groups, who tend to live within the central city, whether by wish or restrictive practices. Finding the money for a large downpayment is a principal handicap to homeownership by minority groups today.

The provision is substantially identical with an amendment which I proposed last year, and which was adopted in the Housing Act which passed the House, but died in the other body. The benefits of the proposal are well summarized in an editorial in the Dayton (Ohio) Daily News of January 22, 1960:

> CITY EXODUS—FLIGHT OR PUSH?
>
> Pointing with alarm at the national crisis being generated by urban sprawl has become fashionable. Rare, however, are those who offer a solution.
>
> Representative HENRY S. REUSS, Democrat, of Wisconsin, strikes a refreshingly positive note when he urges a Federal mortgage program for buying or building homes in older urban centers.
>
> Much of what has been described as a flight to the suburbs is not so much a flight as a push. Residents have been pushed out by Government credit partiality toward new suburban homes, and Representative REUSS' bill is aimed at this inequity.
>
> As the prospective home buyer shops around, he discovers that he cannot get an FHA loan or a reasonable downpayment agreement for the house he would like to have fairly close to town, even though it is substantial and not very old.
>
> Out along the overextended highways and utility lines, however, the Government-insured interest rates and low downpayments make homes in new subdivisions financially attractive. City population is lured away from the central city.
>
> Because new homes (except those in older sections) are so markedly favored over old homes, the metropolitan population is scattered in uneconomic land patterns. Good recreation and farmland is gobbled up unnecessarily. Central facilities and services are used less intensively.
>
> Builders, meanwhile, have no incentive to erect homes in vacant city sites. Owners of city dwellings also face a dilemma. If they must move, they seldom can find a family that can afford the terms. They turn instead to investors who can afford high initial cost and who then crowd in as many tenants as the space and law permit.
>
> The Reuss bill would eliminate a special class of privileged homeowners and builders. It also would remove one of the basic economic causes of urban sprawl and housing blight.

Mr. Chairman, I hope that the substitute amendment will be voted down, so that the bill's "existing homes" mortgage insurance provisions may take effect.

Mr. ALGER. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I take the floor only because I am forced to do so after listening to some of the comments. I have been hearing and reading the language of the committee bill.

For whatever it is worth to my colleagues, as a former realtor, builder, and land developer, I cannot agree that this language will accomplish the goals set out by the committee.

I wish there were time for me to develop at some length the fallacies of the urban renewal, public housing, community facilities back-door spending, but the other programs are doing that better than I think I could, anyway.

However, as to this 40-year loan, for any man to take the floor of this House and tell this Nation that is a good business proposition for whomever it may benefit, he is making a grave error. After paying for 20 years, these folks we would like to help would owe more on the house than the house would be worth on the market. This is just saddling on the back of the homeowner a tremendous load that is being paid in interest. It is directly contradictory to what the more radical Members of the House think they should do to help the little man or those in the middle brackets who would like to benefit by this bill.

I specifically want to devote my remarks to the open-space program. Look at some of the language here, and think of the severe problems that are being created to curb urban sprawl. Texas delights in urban sprawl, and we are going to keep on sprawling. How any Texan could be for a bill to prevent urban sprawl I cannot understand. To any-

body who believes in the modern ranch-style type of living, where you can get a little room to play and let the kids enjoy themselves, this does not make sense.

Talk about long-range planning, they make grants on criteria the Administrator may establish, and who knows what they will be. Then they say that the local bodies must preserve a maximum of open space. The Dallas authorities know better how to do this than any agency we may set up here to tell Dallas what to do about land development.

If you believe in free enterprise, you believe in men going out and building communities that include churches, schools, and shopping centers. I have developed a small area of 80 acres that was planted to cotton and wheat, but no longer profitable for farming because the land was at the edge of Dallas. I saw that turned into an area of beautiful homes, where children played, where there were schools, churches, shopping centers, and so forth. You now turn over to the Federal Government the control of land that, in order to be well developed, must be developed by people who believe in free enterprise.

Some have said this is a builders' bill. I say it is a bill to destroy the builders. I just cannot believe it is your intention to absolutely destroy the segment of our economy that is represented by the building industry.

As to "conversions to other uses," I refer you to page 144 of the bill, where it is stated:

> No open-space land for which a grant has been made under this part shall, without the approval of the Administrator, be converted to uses other than those originally approved by him.

Who is this kingmaker? Who is this man that is allwise, that will let the land be turned back to be developed at the local level?

I think this bill is a shame, and no credit to this body. I say that with all due credit to those members of the committee who think they are helping people. I think you are hurting people and destroying the possibility of aid to these people you say you would like to help.

Further, I want to join with those colleagues who wrote the minority report and those Members who have shown the fiscal irresponsibility of this housing bill.

As a former builder, I am aware more than most that this will not help the building industry. These are the tools of destruction of private enterprise. This bill will not help people secure better homes, rather it will make them dependent upon Government and assure slum-living conditions and, in time, respectable and respectful homeownership, the backbone of American family life, will be destroyed.

I just do not believe that Members of this body can conceive that this bill will help our citizens. Basically the tremendous increase of Federal spending means necessarily an increase in taxes and/or inflation of currency through deficit financing, which, in turn, will further handicap and hamper private enterprise in all fields of construction which, in turn, will mean more business failures, more unemployment, less production; indeed, less tax revenue for the Government.

Unfortunately, the expedient, temporary help given the building industry and the lending institutions through this bill will not help permanently, but will harm permanently, both our citizens and the building industry itself.

The increase of urban renewal by over $2 billion increases the danger of the taking over of property under the power of eminent domain "for spiritual and esthetic reasons" as decreed by the Supreme Court decision.

This is a frontal attack on the right to own private property wherein further subsidies will destroy human character and dignity, and create slums of the future.

The aid for community facilities is redundant to the same aid in other programs and transgresses against the prerogatives of local governments.

Back-door spending of $8.8 billion further transfers government control into the hands of the executive and prevents Congress from exercising constitutional prerogatives as the watchdogs of the purse strings.

I can only assume that those colleagues and those in the administration who insist on the passage of this bill are misinformed and misunderstand the building industry and, indeed, the entire nature of free and private enterprise.

It is my earnest hope that this bill will be defeated and replaced by a more sensible version, greatly reduced in size, and without the new experimental departures, which in this bill have not even been subject to public hearings. This is a bad bill and should be defeated.

Mr. HALLECK. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I rise in support of the McDonough substitute, and hope it is adopted.

Some suggestion was made earlier that possibly the membership could not understand what is in it. I think it has been very well explained, and I think there is pretty general understanding of what it is. It is a good bill. It is a balanced bill. It will meet the upcoming necessities, as many of us see it, with respect to housing.

I can support this bill if the substitute is adopted. I cannot support the committee bill as reported because, in my opinion, it is reckless, unnecessary, extravagant, and irresponsible in many of its features.

As I say, there has been talk about confusion here. Well, I think most of the confusion is about what the committee bill contains. As a matter of fact, the gentleman from Alabama on yesterday in the debate voiced his apprehension that probably many Members did not know what was in the bill. I thought that was something in the nature of an apology. I want to say I share his apprehension except that I understand very well there are a number of very bad features in the bill, and that it is a tremendously expensive bill. Nobody knows how much it is going to cost the taxpayers, and I still happen to believe that is a fairly important consideration that we ought to have before us in our minds in whatever we do here. I have heard estimates of the cost running from $5 billion to $11 billion, which is quite a spread. Others have called attention to what I refer to as ridiculous features of the bill. Then strangely enough on yesterday, and reiterated here today by the chairman of the subcommittee who has spoken to us about what a magnificent job the committee did, lo and behold, before we really get to bat, he backs off on one of the most ridiculous provisions and one of the most indefensible provisions of the bill.

You know, as a matter of fundamentals, I am concerned about this committee bill because I am wondering what it is doing to one of the great things about America, and that is the incentive to homeownership. I have supported housing bills here that have seemed to me to be reasonable, through the years. I remember years ago when we had the first one, to meet what was then a real emergency in the nature of mortgage loans on homes. I supported that. But, today we are considering a multi-billion-dollar bill, which, in my opinion, goes way beyond anything anybody ever dreamed would be considered here in the Congress. The foot in the door of Federal intervention is moving inevitably, in my opinion, in the shape of too much Federal domination of great segments of our economy. I think it is high time we asked ourselves just where we are going to stop. Are we striving for the day when everyone will live in a house that is owned by the Government? I hope not. Is there no limit to the ends to which we will go to spend the taxpayers' money for him? I received a letter, and I checked on it to be sure it was authentic, from a young lady, a librarian. She said, "You know on my take-home pay of $38 a week, I have come to the point where I cannot afford to have the Federal Government doing anything more for me."

We ought to think that statement over. But, here in this Congress we are talking about spending more and more of the taxpayers' money. In the next few days, a bill will be before us providing for a $13 billion increase in the national debt limit. May I say parenthetically I shall support that increase, as I have supported increases heretofore, but in supporting it I must again raise my voice against the reckless, extravagant and irresponsible spending that makes it necessary for us year after year after year to increase the debt limit. Nobody knows how much money we are going to spend. We have a multibillion-dollar school bill coming on. Nobody knows what the omnibus farm bill will cost, if it ever gets out here and if it is ever passed, which I rather hope will not happen. We have a national defense budget spending bill coming along that is going to curl our hair when we find out what that amounts to. Why, you know, Mr. Khrushchev has predicted on more than one occasion that he would not have to take military action against us.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. HALLECK. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. He said that our grandchildren would be living under socialism without any action on his part. Of course, Mr. Khrushchev interchanges somewhat in general terms, but I have never shortchanged him on his powers of observation. So here we are appropriating and spending billions and billions of dollars to protect ourselves against the threat of military attack by militant communism.

We are spending more billions of dollars, and we have to do it, to try and prevent the spread of communism around the world. But I say to you the time has come when we had better take a good, hard, long look at what we are doing here at home. By the sheer power of taxation you can socialize a man. If you take so much in taxes that he does not have enough left to provide the medical care, education, clothing, shelter, and food for his family, he must turn to the state, and I do not know any one of us and I include all of my Democratic friends, who want to see that come to pass, who want that to happen.

There is no emergency, in my opinion, that justifies a housing bill of the magnitude that is here presented by the committee. Even the administration economists say now that the country is coming along as far as our economic situation is concerned, coming along very well. I sometimes think that the greatest threat to the continuing prosperity and progress of our country are some of the things that are proposed by some people who believe there is too slow an upturn in our economy. It certainly could be a threat to our economic well-being if we undertake to go too far and too fast. I think this committee bill undertakes to go too far and too fast. It goes beyond anything that is really needed. The substitute, in my opinion, is sound. Let us provide for the next year, then take a look at what we need to do after that time. I think in that way we will best serve the interests of our great country.

The CHAIRMAN. For what purpose does the gentleman from Alabama rise?

Mr. RAINS. To see if we can reach an agreement as to the time for debate on the substitute. I have but one more speaker.

Mr. McDONOUGH. I must object to any limitation at this time for the reason that there are many Members on this side who want to be heard on it.

Mr. RAINS. I am not trying to move it, I am just trying to see if we cannot agree on some reasonable time. Would the gentleman agree to 20 minutes or 30 minutes?

Mr. McDONOUGH. One hour. That is the least limitation I can agree to because of the number of Members who want to be heard over here.

Mr. RAINS. I am sure we do not want to debate it for a full hour. I will drop it for the present but will submit a request a little later.

(By unanimous consent the pro forma amendments were withdrawn.)

Mr. HARVEY of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise also in support of the substitute bill. If there was one thing that all of us in the minority on this committee agreed upon for certain it was that the overriding issue in this housing bill is the issue of fiscal responsibility and our duty as Congressmen to act accordingly.

The gentleman from Indiana [Mr. HALLECK], has told you of some of the heavy spending that all of us should be cognizant of at this time, not only in the field of defense, the field of foreign aid, but also in the field of domestic programs which we have had before us within recent weeks.

I wish to speak on one aspect of the administration bill and how the substitute bill will correct it. I refer to title V, the section pertaining to community facilities.

Just recently I had a mayor of one of the small Michigan cities seek me out because I happened to have been a mayor myself at one time, and mentioned to me that his community was interested in building a water treatment plant. He wondered what help, if any, the Federal Government could give him. I said, "Mr. Mayor, it so happens that in the few weeks I have been in Congress I have worked on three bills, all proceeding under the myth that these municipalities must have help to build public facilities."

The first bill was a depressed areas bill. I told him he could see Mr. Hodges, Secretary of Commerce; that he has $100 million for loans and $75 million more for grants to build public facilities in these depressed areas. I told him, if he does not give you a good deal, you can go and see the Secretary of Health, Education, and Welfare, Mr. Ribicoff, because just recently we voted $1 billion for water treatment plants where we give grants of 30 percent or $800,000.

Finally, I told him, if that does not help you, we are working right now on a housing bill in which President Kennedy asked that we increase it $50 million, yet the committee has seen fit to multiply that by ten times, to $500 million, to help municipalities that are now selling bonds, tax exempt if you please, and at lower interest rates than ever before.

I do not think this myth can go on much longer. That is exactly what the administration bill would do. This country is going down the road to insolvency as long as we proceed to subsidize municipalities by lending them money at less than we can borrow it ourselves, and as long as we proceed to not let the right hand know what the left hand is doing. That is more than any mayor of any small town or city can understand today.

Mr. YOUNGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I realize that this bill is technical. The gentleman from Alabama [Mr. RAINS], has said that the committee labored long and arduously on the bill. Yet I want to point out one of the difficulties which misleads the public.

On page 13 of the committee report, in speaking of improvement loans, there is this sentence:

> Thus, a homeowner would not be permitted to undertake a home improvement debt burden that would be excessive.

That is not consistent with the bill in any sense of the word. Here is what the bill says in regard to the limit on that type of loan, page 62 of the bill:

> In the case of repair and rehabilitation, the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation.

There is not a qualified real estate appraiser that I know of in the United States who would say that in an improvement loan you could add the value of the property prior to the improvement and the cost of the improvement and the sum would be the value of the property after the improvement is made. I have seen improvements where the value of the property has increased twice the cost of the improvement.

I have seen other cases where the value of the property has not increased one iota, and yet a great deal of money was spent on it. So, it is possible under this section to give to a lender an insured loan, guaranteed by the Government, that is in excess of the value of the property.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. YOUNGER. I yield to the gentleman from California.

Mr. McDONOUGH. And also in the event of default of this type of improvement loan, the FHA is authorized to provide cash for the balance.

Mr. YOUNGER. That is right.

Mr. McDONOUGH. Not a debenture but cash.

Mr. YOUNGER. That is correct.

Mr. McDONOUGH. And the builder and the buyer cannot lose anything.

Mr. YOUNGER. That is right. There is no protection in the original bill whatsoever for the homeowner in connection with a rehabilitated loan, but there is in the substitute bill, and that is why I will support the substitute bill or one of the reasons why I will support the substitute bill as against the committee bill.

Now yesterday the gentleman from Alabama [Mr. RAINS], pointed out in his talk—and I quote from the RECORD on page 10910—that:

> This is the first time in 10 years, since 1949, that we have been able to review our housing laws and the housing needs of the Nation without the impending threat of a veto hanging over us.

Now that is a terrible condemnation of Presidents Truman and Eisenhower and it seems to assure us, that the President now in the White House has no intention of vetoing the bill. In other words, we here in the House are tampering with precommitting the Executive power. I also believe that the Executive has no right to tamper with our power. That is why I am against these 4-year extensions, because if we continue as we did the other day in these

various reorganization plans—and, thank goodness, the other body is beginning to save us as was shown by their action yesterday—and we add 4-year authorization here and we add 4 or 5 years onto the mutual aid bill and to the various other bills, then we ought to make the congressional term 4 years so that we would need only to come back every 4 years; there would be no use having an election in between times, because what we are really doing is giving to these executive agencies all of the money they need to operate for a long period of time.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. YOUNGER. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Maybe on the basis of the gentleman's reasoning, we ought to run every year, because you are proposing that we just extend this for 1 year.

Mr. YOUNGER. The gentleman well knows that the Members of Congress now run from the day of one election to the day of the next election, and I am sure that the gentleman from Oklahoma would agree to that.

Mr. THOMAS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, may I talk briefly to my colleagues about the cost of this bill, and I use the word "cost" in those instances where the taxpayer reaches down in his pocket and picks up the tab. So we have to differentiate between cost to the taxpayer and a spending program. And, there is a lot of difference.

As far as the substitute and the regular bill goes, the two big items in the bill, which, incidentally, cover at least three-quarters of it, that is, of all the cost that the taxpayer is going to have to pay, are public housing and urban renewal. You leave out in your substitute FNMA. FNMA does not cost the taxpayers one red penny. It is a money-maker for the taxpayers, besides its other useful functions. So, I think it is an error to leave FNMA out of your substitute.

Now in regard to public housing, all the old timers know that that talk has gone on for years. I am not going to repeat it.

This bald spot on my head was partly caused as the result of butting it up against the walls of this ancient and honorable Chamber when the majority voted us down time and time again.

You have 500,000 public housing units today occupied and you are paying a subsidy on them. You have another 100,000, in round figures, building. You have about 825,000 authorized and in another 15 years, and mark my word, if you and I are here, you will see 1 million to 1.5 million occupied and your subsidy bill will not be $350 million a year, but it will be nearer $500 million a year—each unit to cover a period of 40 years.

The only thing in the original bill which would have the slightest tendency to take the load off public housing about which my able, distinguished and lovable friend is concerned, is something I have been talking about for years, and this is your long-range, no-downpayment, cheap money proposition. The new program may not be the complete answer to public housing, but it will cut the need for more units in the future. Take your pencil and balance it out anyway you want to. Anyway you figure it you will save the taxpayers' money on the new program, as compared to public housing. Every unit under this new program that you build will cost the taxpayers less than one unit in your public housing program. They are both 40-year programs.

Outside of the dollar value, is there anything else to be said for this new program? Yes. You are making kings through the adoption of this program. You are making homeowners out of the purchaser. The only difference—and you can use words and words and pages to express it—between a Communist and a non-Communist is the fact that the Communist does not own anything, much less a home. The purchaser of a home is a king. He is the owner of a castle. You are overlooking two things. One is the dollar savings to the taxpayer, and the other is the fact that you are making a king out of the purchaser rather than a vassal of the city hall, which controls public housing. When he walks into the city hall, he will say "You vote as I would like to have you vote." As it is now, in many, many instances, and you know it is true, he walks in with his hat in his hands and says "May I move into one of your public housing units?"

Mr. RAINS. Mr. Chairman, I ask unanimous consent that all debate on the pending substitute and all amendments thereto close at 2:25 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. SCRANTON].

Mr. SCRANTON. Mr. Chairman, I rise in support of this substitute amendment primarily for one reason. As most of you know, I believe in the benefits that some housing programs produce for the people of this Nation. As you well know, the bill before us from the committee covers a great many things, some of which are very important to the district I represent, as some others are to that of the gentlewoman from Michigan who yesterday spoke on the open-space provision, and the gentlewoman from New Jersey who spoke on housing for the elderly, and other Members of the House on other provisions.

Ever since we came to this Congress we have been presented over and over again with great problems affecting the whole free world, first Cuba, then Laos, now Berlin. There is no doubt in my mind, as I am sure there is none in yours, that over the next 4 years during which this bill will be in effect our national security will undergo "agonizing reappraisals." There will be need for tremendous outlays in order to meet this Communist threat not only here on earth but in outer space.

Therefore, I ask all of you who represent districts such as mine, where certain provisions of the bill are of importance, to bear in mind that we will be asked to do these things. We will all want to do them. It is important under this world threat to set aside meeting specific needs temporarily and follow what is obviously best for the overall need of our entire free world; namely a policy of conserving our fiscal resources. This substitute will help to do just that.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. EDMONDSON].

Mr. EDMONDSON. Mr. Chairman, any way you look at this substitute proposal which is before us today it fails completely to provide help of any substance in four major problems confronting the Nation. I talk particularly at this time to Members who represent districts with small towns, small communities, and with farms in their districts. The substitute before us today does absolutely nothing to help the Fannie Mae situation in the practically total absence of present capacity and authority by FNMA to buy FHA and GI loans. Unless you have a strong and well-funded Fannie Mae you are not going to have the Nation moving forward with loans for home building. They do nothing about increasing Fannie Mae authority and capacity. The committee bill adds $750 million in authority to Fannie Mae.

They do practically nothing about another problem, and that is community facilities. They add only $50 million in the McDonough substitute for community facilities. The committee bill adds $500 million in this vital category.

They do practically nothing except to give us some further time in the field of farm housing. The committee bill adds $200 million for farm housing loans across the country. They add nothing but time. They do not add a single dollar to this program.

Finally, Mr. Chairman, in the field of housing for the elderly, to help the old people of our country, they add only $50 million to meet this very serious problem. The committee bill doubles the figure that is provided in the so-called McDonough substitute and gives twice as much toward solving this urgent problem that faces our elderly people.

So, Mr. Chairman, on these four grounds, on the basis of what is provided in additional FNMA authority, for housing for the elderly, for community facilities, and for farm housing, I urge the House to reject the substitute amendment and support the committee bill.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. ROUSSELOT].

Mr. ROUSSELOT. Mr. Chairman, I rise to support this substitute amendment by my collegue Mr. MCDONOUGH It is a proper amendment. The statements by the gentleman from Oklahoma, though I respect him, are totally incorrect. I have served in the Federal Housing Administration and I can tell you, you are totally wrong in what you have just said. Let me point out very specifically, there is almost a billion dollars of authority today in Fannie May.

We should recognize right now that we have more than adequate amounts in housing agencies today, even if we take no further legislative action.

Let us get right to the heart of the matter. This substitute bill is a far better alternative than the Rains bill. It continues programs we now have in effect. It goes as far in those cases as the President asked. As a matter of fact, on the farm housing loan program, the President, your leader, asked for $207 million. That is what is in this bill. Now let us get down to some other facts.

The Federal Housing Administration authority is extended, college housing is continued, present urban renewal authority is extended, and there is not one person in this Chamber who could not vote for this McDonough substitute and know that he is continuing the present programs. What is the main complaint against this vast committee spending bill we have before us in the form of this other bill? I sat in on these committee hearings. Many people came before that committee and said, "We do not need all of this vast spending." And where does that money come from? It comes from the taxpayers. I say the time is coming when we had better start looking out for the taxpayers in our districts instead of always taxing and taxing, spending and spending at this Federal level when local people and individuals are perfectly capable of taking care of themselves and taking care of their own housing programs on a local level. That is one reason the mayor of whom you were speaking a moment ago was defeated—because he was spending too much money and the Democratic party backed him—and that is why they backed him—because he was spending too much money.

I urge the support of the McDonough substitute.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HIESTAND].

Mr. HIESTAND. Mr. Chairman, the substitute bill very briefly extends only the needed provisions in the present law. We have gone over it very carefully and it extends all of the needed provisions. I am well aware that wonderful eloquence has been used to hypnotize the House, saying that this is not going to cost us anything and that we even make money on it. Well, the problem we face, of course, is one of finances. If we draw $8 thousand million over the years from the backdoor of the Treasury, we do have a financial problem. That money has to be raised. Whether it is raised by taxes directly or indirectly, is immaterial; it has to be raised and that presents a real problem to the Treasury. Raising taxes or borrowing more money is necessary; the latter of course raises the cost of living most cruel to the lower income groups.

There are several parts of this committee bill to which I object most emphatically.

It is a stimulus to tremendous housing, added home building, unneeded in many places. There are Congressional districts in the United States where we have many thousands of unoccupied new homes, yes, homes that never have been occupied. It will also break down the trade-in value of existing homes. Most people who buy a home have to sell a home to do it. Once you bring down that value by putting in a tremendous number of new houses, you hurt the present homeowners of the United States.

There is another matter to consider: the matter of local public bodies being permitted to draw on the Treasury at 3⅛ percent—2⅛ percent below what has been paid to finance moderate rental housing; in effect, subsidies, almost like public housing, to a large group of people.

This committee bill, Mr. Chairman, is a monstrosity. It is the wildest and worst housing bill I have ever known in all my years on the Banking and Currency Committee, and since.

It is completely irresponsible fiscally; it would, if fully implemented, be disastrous.

I am opposed to the committee bill most emphatically and recommend the substitute.

(By unanimous consent Mr. PELLY yielded his time to Mr. JONAS.)

Mr. JONAS. Mr. Chairman, I tried to obtain recognition immediately following the speech of the distinguished gentleman from Texas [Mr. THOMAS]. He and I have served together for many years on the Independent Offices Subcommittee of the Committee on Appropriations and I have profound respect for his opinions. I was interested in what he had to say a little while ago about making a king out of a man when he becomes a homeowner. I completely agree with him about that because I do not know of anything more calculated to make good citizens out of people than for them to become homeowners. When a man owns his home he becomes a convert to capitalism if he did not believe in it before. He then feels that he has a stake in our country, that he is participating in its growth and development, and above all that he is taking advantage of the priceless opportunities provided by our system to improve his station in life by hard work, by being industrious, and by practicing thrift.

I have always been a strong supporter of the FHA program. Its record has been good. It has helped many a prospective homeowner to acquire a home who otherwise might not have been able to do so, and it is a fine example of how a government can help an individual help himself. But I would sound a word of caution here. Let us not go too far in liberalizing our housing programs so as to leave the impression on people who wish to use them that nothing is required of them but that it is the responsibility of the Federal Government to carry the laboring oar. Let us be careful to keep incentive alive so that those who use these programs may continue to feel that they own the houses and that the Government is not providing them. If initiative and incentive are ever destroyed in this country, the result will be tragic indeed.

I appreciate the yielding of his time to me by the gentleman from Washington [Mr. PELLY], but even with his 2 minutes added to mine I will have sufficient time only to mention a point and not elaborate it. I think I shall just try to do that by telling a true story. It is based on a letter I received late in October of 1960 right in the midst of the campaign. It came to me from a lady I had never met and who does not even live in my district. She does live in an adjoining county, however, and she wrote me the letter following the first of two television debates I had with my opponent. Something had been said in the first debate that attracted her interest and she wrote me this letter which I hold in my hand and display to the committee today, in order to illustrate what she and her husband had been able to accomplish for themselves under the incentive system which has been so much a part of the American way of life.

I will not read the entire letter because in it she compares the wages her husband received while working at the same job, in the same cotton mill, for the same number of hours, under the administration then in power and the two preceding ones. I might add that the comparison was greatly in favor of the administration in power in 1960. But if I should read that part of the letter I might be accused of talking politics and I do not wish to bring politics into the discussion of the issue before the committee today. The part I do read does have a bearing upon this issue and I ask you to listen to what this lady had to say out of her own personal experience:

> My husband works in the cotton mill here in High Shoals and has ever since 1927. In 1956 the company sold the houses here to the employees. The one we live in was one of the first built here. It is over 50 years old, it has four rooms and bath, it cost us $3,375. We live beside the old Baptist church at No. 26 Lincoln Street. They built a new Baptist church up near Kiser's Store. Well, we paid up the debt on our old house back in July. We spent over $1,000 in repairs to it. * * * But, of course, we have done without lots of things in order to pay for it. It isn't a fine house but it is home and it is better than it was when we bought it. I am not bragging about it but I am happy in the thought that we did.

This lady went on to praise the administration then in power and to give the policies it advocated and followed some of the credit for making it possible for her family to acquire and pay for this home. But that is not the reason I tell the story. I think it has far more significance than that. I think it demonstrates what can be accomplished under our free enterprise system which is based upon incentive and which rewards hard work and industry. In our zeal to help people, I hope we do not make the mistake of destroying initiative and the incentive to get ahead by encouraging the development of a feeling that industry, hard work, and thrift are not necessary because Uncle Sam will take care of the problems.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, I am going to vote for this substitute to continue for 1 year the existing housing program with certain improvements; but primarily for other reasons than I have heard discussed thus far.

The President of the United States was recently asked if we were going to get into a war and his answer as reported in the press was to the effect that we are already in a war.

The Chairman of the Joint Chiefs of Staff on June 8 stated to our committee his "belief—as also expressed before other committees of the Congress—that the decade of the sixties could be decisive to the survival of this Nation and its allies."

Last month the President of the United States called the House and the Senate into a special session to which he came personally in order to underline the seriousness of the Communist threat to our very existence and to tell us we must increase appropriations for certain essential weapons and projects, including civil defense, if we are going to avert disaster.

Now, Mr. Chairman, either our country is at war or it is not at war. If it is at war, then I think we have no business embarking on any additional long-term spending programs such as this or others like it.

If Russia were so foolish as to attack us in another Pearl Harbor, we would not consider for a moment either this bill or any like it. We would concentrate every resource and energy on winning the war.

Our leaders tell us that is the kind of dangerous situation we face—but we apparently have not recognized it. We have no right to be expanding domestic programs, no matter how good or desirable or beneficial, that are not absolutely necessary to the survival of our country during this war.

If we are not at war, and do not face a life and death threat this very year, then the President should not be asking us to expand our spending for missiles and other weapons and our foreign aid program way beyond what it has ever been.

If we do not spend more and more for arms, we are told we invite insecurity—and disaster. If we do spend more and more for arms, and also for everything else that we would like to have right now, we make sure a renewal of inflation—and disaster. Either way, disaster.

This is why Mr. Khrushchev is so confident that he will win. No wonder he dances his jig. He is convinced we are already too soft to be willing to discipline ourselves to put first things first.

It is not a choice between good and bad programs. It is between what is first and what is second. Survival in a deadly war is first.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, while listening to two of my good eloquent friends, the gentleman from Alabama [Mr. RAINS], and the gentleman from Texas [Mr. THOMAS], I became very much confused.

On the one hand, my good friend from Texas, under whose able chairmanship I have the honor of serving, has said that the section to make 40-year loans will make every man a king and that we will then be able to do away with public housing.

On the other hand, my friend, the gentleman from Alabama [Mr. RAINS] says that this provision of the bill will probably have to come out because nobody will make loans for 40 years, anyway.

I am a little astounded as to the lack of cohesion which seems to be inherent in these two statements. I am most amazed as to why the great Committee on Banking and Currency could have done a vain thing which the chairman of the subcommittee now labels the 40-year loan provision.

If, as the chairman has said, people will not lend money for 40 years, there is no reason for this provision to be in the bill.

So I can only ask this question: Why is this provision in the bill in the first place? I am sorry I do not have the answer to it. If anybody has, I will be happy to yield to him at this time. Why is this provision in the bill when the chairman of the subcommittee says people will not loan money for 40 years?

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Indiana.

Mr. HALLECK. If people will not lend money for 40 years, has the gentleman any idea they will lend it for 35 years? I do not think so.

Mr. RHODES of Arizona. I wonder myself. It is a matter of degree just how far those who lend money will go.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from California.

Mr. McDONOUGH. As a matter of fact, the 40-year no downpayment was part of the task force the President of the United States appointed shortly after he was elected. It was considered by them and turned down and termed ridiculous by one of the members of that committee I spoke to. He said it is a ridiculous proposition.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. GUBSER].

Mr. GUBSER. Mr. Chairman, I am presently engaged in reading a most fascinating book, Mr. Shirer's "Rise and Fall of the Third Reich." One of the things that has impressed me is the fact that for a long period during the lifetime of Adolph Hitler, he was considered as a joke, and not as a serious threat nor a serious trend.

The Chinese Communists at one time were called "agrarian reformers" and were not considered a serious threat or trend.

I suspect Lenin and Trotsky and "good old Joe" Stalin were not taken seriously.

Today some of us are being laughed at, and accused of seeing bogey men when we think we recognize a trend toward socialism. I, for one, am afraid of it, and that is why I am opposed to the committee bill.

I believe Nikita Khrushchev was serious when he said just 3½ months before coming to the United States:

> We cannot expect the Americans to jump from capitalism to communism, but we can assist their elected leaders in giving Americans small doses of socialism until they suddenly awake to find they have communism.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. RAINS].

Mr. RAINS. Mr. Chairman, I was not going to take any time, but after the fantastic statement of the gentleman from California I am compelled to speak.

I would like to say—and I am sure the American people believe this—that the best way to get communism in this country is to keep on allowing people to live in slums, in huts, and in poverty. I think I know that the record speaks that more Communists have come out of poverty than have ever come from any other place. And, I think I know that one of the best antidotes for communism is not speeches but a Government that believes that the people ought to have an opportunity to become capitalists, to own their own homes, to have the opportunity to acquire some interests that communism is directly, eternally, and forever opposed to. I do not object to arguments against the bill, but I resent, as I think any true American ought to, the insinuation that if you support a bill such as this, that as the result you are invoking all of these strange and foreign "isms" upon the American people.

The CHAIRMAN. The chair recognizes the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, I am sorry the debate has gotten off the issue. I certainly do not think the last speech pertained to what was said before.

The point that I am concerned about and which I think is a basic point was pointed out in the minority report on page 65:

> The overriding issue in this housing bill, in our opinion, is the issue of fiscal responsibility.

And, I believe that is so. We are going to have a bill on the floor of the House, on Monday, I believe, to increase the Federal debt to $298 billion. We are going, gentlemen, into deficit financing in a period of prosperity, which is directly contrary to the theories of those who have advocated deficit financing.

One of the members of the Committee on Rules suggested that the minority views on the debt limitation bill were political.

I hope they were not political in the sense of narrow partisanship. I think we are trying to point out that we do face very, very serious fiscal problems in this country, and that if someone wants to make a political issue out of it I think that perhaps the two political parties should join that issue. This particular bill and the substitute bear right on that subject.

Mr. Chairman, I am for the substitute primarily because it is a little more fiscally responsible in these times. I think we must relate this to fiscal policy and the statements of the President of the United States with reference to its importance in these trying days. The gentleman from Minnesota [Mr. JUDD], pointed it out. These are not times to increase many of the things that might

be desirable in our society: $298 billion in debt and going into a period of prosperity with further deficit financing predicted. Now is the time, with this spending bill, to demonstrate fiscal responsibility. I plead with the gentlemen in the Democratic Party not to make a political issue out of this. Join with us in this fight for fiscal responsibility.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. TOLL].

Mr. TOLL. Mr. Chairman, I rise in opposition to the McDonough substitute. I support the committee bill and the magnificent presentations of the purposes and contents of the committee bill by the gentleman from Alabama [Mr. RAINS], and the gentleman from Texas [Mr. THOMAS].

I received a letter from the National Housing Conference, Inc., which was established in 1931 to promote slum clearance and to provide decent homes for all Americans, urging my support of the omnibus housing bill which was reported by the majority of the committee. The executive vice president of the National Housing Conference stated that he believed this legislation embodies a sound and intelligent program to meet the housing needs of this country during this period of rapid growth. He further stated that it is important to remember that the bill is based upon more than 27 years of experience. In most respects the measure carries on existing programs that have been highly successful.

I hope that the House will pass the committee bill because it would support the basic national objectives presented by President Kennedy in his housing message. First. To renew our cities and assure sound growth of our rapidly expanding metropolitan areas. Second. To provide decent housing for all of our people. Third. To encourage a prosperous and efficient construction industry as an essential component of general economic prosperity and growth.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut [Mr. SEELY-BROWN].

Mr. SEELY-BROWN. Mr. Chairman, I am voting for the substitute for the committee's housing bill, H.R. 6028, because I am in favor of continuing the housing programs which we have now, and because I am in favor of maintaining the fiscal integrity of our Government.

Every program now being operated by the Housing and Home Finance Agency and its numerous components will continue, under a 1-year extension provided for in the substitute bill.

In this time of crisis, no longer extension is needed, and, therefore, no longer extension should be granted.

I believe that all of us need to pay particular heed to the words of President Kennedy when he addressed the joint session of the Congress on May 25, and said:

> If the budget deficit now increased by the needs of our security is to be held within manageable proportions—if we are to preserve our fiscal integrity and world confidence in the dollar—it will be necessary to hold tightly to prudent fiscal standards; and I must request the cooperation of the Congress in this regard—to refrain from adding funds to programs, desirable as they may be, to the budget.

That is sound and sobering advice. I, for one, intend to take it, and I earnestly hope that this House takes it when the question is on the passage of this amendment and upon the passage of the bill as amended.

No one can say, if we pass this bill, that we are not meeting the instant and continuing need of the millions of people who will benefit by the passage of this legislation.

One of the features of the Housing Act now on the books, the FHA title I home repair and improvement insurance program, that has worked well, has been a part of our national life for 25 years. Homeowners can borrow for the repair and improvement of their homes, and repay the loan over a period of years without adding to their mortgage. We want this to continue. The substitute bill proposes to continue it.

The FHA mortgage insurance authorization would be extended for 1 year, and would continue just as it is now.

The FHA Capehart military housing program would be extended for 1 year. This is a program in which there is particular interest in my district, because of the great increase in personnel at the New London Submarine Base. I want that program to continue, and it will be continued under the substitute bill which I favor.

For direct loans for the construction by private industry of housing for the elderly, the substitute bill provides an additional $50 million, which is the amount requested by the administration. I am in favor of that.

For urban renewal grants, an increase of $500 million is provided in the substitute bill, and the program is extended for 1 year. I am in favor of that.

The loan authorization to build college housing, which has been in operation for 11 years, would be increased by $300 million in the substitute bill and I am in favor of that.

The administration requested an additional $50 million for the public facility loan program. I am for that, and the substitute bill provides that and continues the program for 1 year.

The farm housing loan program would be extended for a year in the substitute bill by reviving the loan authorization which otherwise would expire at the end of this month. The amount available would be approximately $207 million. The administration did not request any additional increase.

I am in favor of extending the voluntary home mortgage credit program for a year. The substitute does that.

The public housing program, like all the other programs, is continued, and during the coming year there will be nearly 20,000 dwelling units available for allocation by the Public Housing Administration to local housing authorities. This is more homes in public housing than have been placed under contract during the past 2 years.

Existing authorizations for borrowing from the Treasury to finance the various programs which involve loans, will be continued, but new authorizations of funds will require the approval of the Appropriations Committee before funds can be committed by contract or before funds can be withdrawn from the Treasury. We will know what we are spending, and for what. This precaution, it seems to me, is directly in line with President Kennedy's admonition to the Congress in his May 25 message.

To sum it all up, I believe that we should go forward with our housing programs. We should go forward, but we must go forward with this, as with all other plans that involve the home front, with full awareness of the priorities which are necessary in order to assure that we have the resources at hand which we need to invest in our determination for survival.

We can see our way clear to go ahead with all these programs for a year. Next year, we may hope, and in fact, may confidently expect that once again we can see our way clear. That is the prudent way. But for Congress to delegate its authority for 3, 4, or 5 years, to executive agencies, so that the operations are beyond the reach of the people of this country, through their elected Representatives in the Congress, is reckless and lacking in commonsense.

I urge this House to keep our Government in the housing business that it is in now, by adopting the substitute bill and extending the programs for a year.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. BECKER].

Mr. BECKER. Mr. Chairman, listening to the gentleman from Alabama, my colleague [Mr. RAINS], for whom I have the greatest respect, talking about the necessity for Government intervention in our times, I wonder what made this country the greatest nation in the world in the first 150 years without Government intervention. Without that intervention we became the greatest nation on earth. We had no Government intervention then. It has been only in the last few years, since the Government has taken a hand in all these things, that we have accumulated the greatest national debt in history.

Mr. Chairman, I should like to read from the minority views.

On May 25, in his special message to the joint session of the Congress, the President stated:

> Moreover, if the budget deficit now increased by the needs of our security is to be held within manageable proportions—if we are to preserve our fiscal integrity and world confidence in the dollar—it will be necessary to hold tightly to prudent fiscal standards; and I must request the cooperation of the Congress in this regard—to refrain from adding funds to programs, desirable as they may be, to the budget.

I support what he said. I shall vote for this substitute, and against these spending bills at all times until our Nation is secure in the future.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield to the gentleman from California.

Mr. McDONOUGH. In reference to the slums that we have assisted in alleviating in previous House bills spon-

sored by the Republican Party this certainly ought to be observed, that 20 of the past 30 years the Democratic Party has had control of the Congress and if there had to be removal of slums, it should have been their responsibility as much as ours; and not much was done in that direction.

Mr. BECKER. That is certainly true. I might also correct the statement of the gentleman from Alabama that communism emanates from the slums or from the poor people. Communism has been started by the intellectuals throughout the world. It has never come from the poor people. It will never come from the poor people. They do not want to be regimented. They want to be free people. They want to be able to earn their way in the world, they want the right to own their homes, support their families, educate their children. They do not want to be supported by the Government. I reject the statement that the poor people, the working men start communism in any part of the world.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, I cannot help laughing at some of the arguments made in support of this substitute. Let us analyze the charge of fiscal irresponsibility leveled at our committee bill as against the claim of fiscal responsibility made for the amendment. What are they trying to do in this substitute? Everything we want to do in the committee bill, except they want to do it for only 1 year. In other words, if we do this just for 1 year it is fiscal responsibility, but if we intelligently plan for a period of years then it becomes fiscal irresponsibility.

If they knew the least thing about housing, even those who tell us they worked in the housing agency, they will have to admit you cannot program ahead for 1 year at a time for this type of endeavor. Construction work requires advance planning. You have to lay out your plans communitywise not for 1 year but 2, 3, and 4 years. The erection of a building is but a small part of the overall problem.

What we are seeking to do is fiscally responsible. Every city planner, every builder, will tell you, as they have repeatedly told our committee, that a 1-year authorization is almost useless. The only way you can do this properly is to pass the committee bill and reject the substitute.

This talk about keeping the Government out of private enterprise is utter nonsense. Is not the Government in it, when they say, "Let us get the Government into this only a year at a time." How senseless can one be as to say about a good program now more than 24 years old that we want the Government in it for only 1 year at a time in order to save the free enterprise system.

Let us look at this business about never helping anybody—we have had homestead laws, public works laws, public roads laws, public welfare laws, and public education laws since this country was founded.

This program is nothing more than the Government helping people to help themselves. We are not interfering with private enterprise. We are helping private enterprise do the American job in the American way. This substitute will defeat the program.

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired.

Mr. ROBISON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROBISON. Mr. Chairman, an evening's work spent studying the provisions of H.R. 6028—otherwise known as the Housing Act of 1961—created an urge to resort to Webster's New Collegiate Dictionary the next morning in order to check on my recollection of the meaning of the word, "Hydra" as used in ancient Greek mythology.

Mr. Webster obliged by advising me that a "Hydra" was a serpent or monster, supposedly slain by Hercules, which had nine heads, any one of which when cut off was succeeded by two others, unless the wound was cauterized. It does not take a great deal of imagination for any Member of this body to relate that definition to the legislative package of nine titles now before us, which runs the gamut of things supposedly encompassed under the one heading of "housing" all the way from something called "open-space land" to the question of disposal of the Passyunk war housing project—whatever and wherever that may be.

This is not to say that this package—which may have only nine titles, but has a great many more than nine heads at least, at this point prior to the beginning of any attempt to cut some off—is all bad. Quite the contrary, many of those heads represent sound, going programs that have heretofore proved their value and are eminently worth saving and continuing. One of the best of those, of course, by any standards and by any test, is the one dealing with the extension of FHA mortgage-insurance authority, which program has been one of the most outstanding examples of cooperation between Government and private enterprise in the best American tradition.

Another example of an area of need, demanding responsible governmental participation, is the public housing field and there may here well be much that we can and should consider doing in behalf of our elder citizens of limited means, but I believe it is necessary for us to recognize that we must be always vigilant—in moving further into this area—lest we interfere with the proper activities of the free market and smother private enterprise. Thus, the emphasis on "responsible" governmental action.

That same emphasis on responsible governmental action applies with equal force concerning whatever we may decide to do with respect to funding and extending certain other programs, included in this bill, such as the urban renewal program, the college housing program, the FNMA special assistance mortgage-purchase authority, and so on, in which programs I find much that is good and much that is useful in order that we may progress toward our common goal of better communities and better housing for all segments of our population.

Who among us can question the President's recent statement that meeting such a goal, "will contribute to the Nation's economic recovery and its long-term economic growth," or his further comments that "a nation ill housed is not as strong as a nation with adequate homes for every family," and, "a nation with ugly, crime-infested cities and haphazard suburbs does not present the same image to the world as a nation characterized by bright and orderly urban development."

Nevertheless, notwithstanding those fine, brave words, unless we act here today in a sound and responsible manner, consistent with the principles upon which this Nation was founded and has flourished, we will awake tomorrow only to find that, truly, we have "built upon the sand."

In the interests of time, I shall not try to address myself to all that I find that is irresponsible in this bill. Suffice it to say that I cannot vote for it in its present form, and that, as efforts are made to improve it, I can only hope that in the end the good will more than balance the bad so that I can lend my support to the final product in order to show my deep concern for better homes and better communities for all Americans.

However that may be, Mr. Chairman, I would like to briefly address myself to a few of the worse features of H.R. 6028, at least as I see them.

May I start with that 40-year, no-downpayment mortgage provision, to which so many of my colleagues have addressed themselves. As has already been pointed out, there is a serious question here as to whether or not—by permitting some of our citizens to make this sort of a sacrifice for their country, we really have their welfare in mind. This proposal may sound fine but it makes little economic sense, and makes even less sense from the standpoint of social responsibility. Although holding forth an illusory promise of easy homeownership for millions of our people, the only way in which such a project for those millions would represent a sound investment would be for us to have, as a nation, a very substantial amount of inflation in the next 40 years. I say this because, without inflation, the purchaser of a $13,500 home on such terms would have, at the end of 40 years, and after paying a total of $33,383, exclusive of taxes, maintenance, insurance, and so on, a property worth only $7,020 at its properly depreciated value. Even if the general price level only doubled in the next 40 years, which would mean inflation at the rate of 2½ percent a year, the depreciated value of that home at the end of those 40 years would be only $14,040.

It could well be—from what we have so far seen of the economic theorists who populate the New Frontier—that the new administration has firmly fixed in its mind that sort of a galloping inflation as one of the otherwise unspecified sacrifices we all are expected to be willing

to make. Let us hope that that is not the case.

However, in any event, this program practically holds forth an open invitation to any such borrower to walk out on his obligation. In fact, his doing so may well become an economic necessity. Consider such a home buyer attempting to sell or trade his property in order to buy another at the end of 9 years of his occupancy; he will find that his equity accumulation is $670 short of the remaining balance due on his mortgage. In addition to that, he would presumably be liable to pay a real estate commission on the sale of his house and, if that amounted to 6 percent or thereabouts including closing costs, or another $705, he would find that he would be $1,375 short, a deficit which relatively few real estate owners would be willing to accept as a downpayment on another home—much better, then, to simply walk out on his original property and his obligation. Based on my own more than 10 years' experience as a director of a Federal savings and loan association, I have serious doubts as to whether any responsible such association would even consider such a loan. Where will the money come from then? Only from "Fannie Mae," as FNMA is known to the building trade, and we can thus only anticipate a great deal more deficit financing to provide Fannie Mae with the necessary funds. In all honesty, then, if it is to be our decision that such a program as this is essential, we might better do whatever is necessary to finance the program directly, as another kind of public housing where the buyer is not really a buyer at all, but only a renter, courtesy of Uncle Sam.

One other aspect of this proposal deserves attention before I leave it. We are presently considering a $2-billion authorization in this same package to further fund our urban renewal program. If the 40-year, no-downpayment gimmick should become law, it will, in my judgment, destroy any sense of responsibility that is normally associated with homeownership. If it is going to take a man 12 years before he has even built up enough equity to pay for the bathroom, he is not likely to take much pride in ownership. Therefore, we may well find that we are creating new slum conditions faster than we can attack the problem of cleaning up existing ones. At best, if we are going to have these 40-year mortgages we better also vote through a grant to our scientist friends to do the necessary research toward developing a slower chewing termite.

The package also includes some tinkering with FHA which may prove to be equally unsound. As is pointed out in the minority report, one of the basic reasons why FHA has worked so well so far is that both borrower and lender have been required to have a measure of self-interest in the transaction. I have touched on the values of having a borrower with self-interest. Now, the suggestion for a 100-percent cash takeout the moment trouble occurs—in lieu of the existing program of requiring a lender to foreclose on a defaulted loan and take his loss in FHA debentures and certificate of claim, shifts the entire risk to the FHA. In effect, it comes close to making FHA a direct lending program on the part of the Government. Aside from what this does to the concept of free enterprise, as most of us have always understood it, it also opens wide the door to unsound loans and to unheard-of bonanzas for unscrupulous land developers and lenders.

Another item in this package—which seems to include something for everybody but the American taxpayer—would permit FHA home improvement loans, unsecured in nature, of up to $10,000 per dwelling unit with a maximum maturity of 20 years. This, again, smacks of irresponsibility cloaked in the disguise of encouraging easy home repair and rehabilitation, and the same argument can be made against it as are made with respect to the 40-year, no-downpayment pipedream.

All of us want to see America grow, but the America we know was not built in this fashion, and I do not believe that the America we hope to have can be so constructed.

Now, let us look at the community facilities loan program authorization—upped from a budgeted $50 million to $500 million by a most generous committee majority—10 times what the President has asked for, and what his representative testified was adequate to keep this program going in competition with the antipollution program and, now, the depressed areas law. Could it be that none of those members serving on the majority side of this committee were present in the House Chamber when the President recently admonished us all to "hold tightly to prudent fiscal standards, to refrain from adding funds to programs, desirable as they may be"? If they were, this is certainly an odd way of responding to the Presidential warning.

As for the authorizations here for public housing, I was brought up—perhaps in a different sort of America than we know today—not to buy what I could not afford, and certainly not more than I actually needed. Maybe this was an old-fashioned point of view. Or, and maybe more likely, this new administration prefers to remove our public housing program out from under congressional review and control, in the same manner it seeks to now relieve us from the bother of trying to fashion workable farm programs. I am not against the concept of public housing. I believe that, kept within proper bounds, it serves a real need. However, all available statistics, even when properly weighed, indicate that we have as of this date enough units of authorized public housing to last some 19 months, and that the schedule of programed units is badly clogged and bogged down by virtue of local failures to follow through. Why, then, the sudden need to authorize another 100,000 new units, the real need for which will not even become apparent for at least a year? I confess, I do not know the answer, and the committee has so far been unable to further enlighten me. Therefore, why not strike this item and look at it again when the true need to do so is more apparent?

And so, though there is much more that I would like to say about other unnecessary or overgenerous items in this package, we come to urban renewal. This is a program concerning which many of us have had serious reservations. However, where properly applied, with careful advance planning and strong community interest and support, it holds forth great promise of revitalizing our urban areas. I have noted, with approval, the fact that my two major cities, Binghamton and Elmira, N.Y., are both moving forward with worthwhile projects under this program in just such a fashion, and that there is growing interest in the program stirring in other smaller cities in my district.

Of course, I am desirous of seeing those local projects carried through to successful conclusions. Nevertheless, I believe it extremely important, on a national level, that we keep this and other similar Federal programs in proper perspective and in line with the many other burdens which only the Federal Government can carry in this troubled world.

As all of us are, of course, fully aware, the President has recently brought home from Vienna a somber report concerning the growing Communist challenge and Mr. Khrushchev's mounting intransigence. If any further evidence of this is needed, it has been furnished by Khrushchev, himself, in the form of a new ultimatum concerning Berlin. Today's headlines also tell us that Ambassador Stevenson is about to deliver to the President a grim report concerning what he has found on his recent trip through South America.

The President, himself, speaks of our urgent need to devote more of our attention and our money to our own national security, and to such things—which he seeks to relate to national security—as sending a man to the moon before the Russians can. It seems necessary, therefore, for this Congress to carefully consider just how far this Nation's resources can be stretched and over how wide an area they can be spread. If I have any fault to find with this new administration of ours so far, it would center around its failure to recognize that this is an area in which certain judgments must be made, certain priorities established. If the President continues to neglect to provide us with leadership of this sort, it is up to the Congress to do so, itself, in behalf of national security.

Let us look at urban renewal. Over the 12 years this program has been in existence, total grants of $2 billion have been authorized and virtually all of that is presently committed. Remember that this is over a 12-year period. Now, in H.R. 6028 we are asked to approve a further authorization of $2 billion which is supposed to last for the next 4 years, although all of it could—as the bill is written—be committed as soon as this bill becomes law. So, in essence, we are stepping up our attack on city blight very sharply, pouring in Federal funds for the supposedly next 4 years at a rate equivalent to what we have done in the past 12.

This is in line with the President's demand that we must have "a broader

and more effective program to remove blight," but an indication of the magnitude of the task we have set for ourselves is furnished by New York City where slum prices are so inflated by overcrowding and undertaxation that redevelopment purchases there have averaged $481,000 an acre. So you can see that with its estimated 7,000 acres of remaining blight and decay to be reclaimed, New York City, alone, could use up all and more of the authorization we now consider.

Despite the evident good that this program can and will do—once the lessons we have learned concerning waste, poor planning, and inefficiency that have marred our progress so far have been assimilated—there is a serious question whether we can afford to go full speed ahead just now. I have never been greatly impressed by the argument that annual congressional reviews and authorizations tend to create local uncertainties and slow renewal progress. That may be the case to a limited extent, but it ought by now to be obvious to all our city fathers that this program is here to stay, and that this and future Congresses will do the best they can to keep it going.

In my judgment, therefore, it is much better for us to give our approval to the substitute measure that I understand will soon be offered, which will accept that same figure of $2 billion as a 4-year program, but will cut that amount in quarters, thus authorizing $500 million for the next fiscal year. Who can find fault with that, outside of those downtown who seek, for whatever reason, to further remove this and other matters from congressional control. That is a trend that I have and will always continue to resist so long as I am privileged to serve in this body, because I am convinced that much of America's underlying strength rests on the very principle of checks and balances that is here endangered.

In voting for that substitute—at least insofar as the urban renewal part of it is concerned—I want only to further say that I wish more attention was being given here in Washington to the questions of why slums in so many places are still spreading faster than new homes can be built to replace them, why cities are disintegrating in suburban sprawl instead of expanding in a plannable way, why slums are the most profitable property anyone can buy, and why cities subsidize slums by undertaxation and penalize improvements by overtaxation. I would also wish to know why so many roadblocks are thrown by big government—that says it is dedicated to the promotion of the growth factors inherent in a free economy—in the way of a private enterprise system that stands ready, willing, and able to do what must be done. These are questions that cannot be answered by bigger subsidies or more liberal spending, but can be answered at little or no cost to the taxpayer by that sort of new fresh thinking and new vigorous leadership that so many expected of the New Frontiersmen, but which so far they have utterly failed to produce.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. McDONOUGH].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. HALLECK. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. McDONOUGH and Mr. RAINS.

The Committee divided and the tellers reported that there were—ayes 164, noes 197.

So the amendment was rejected.

The Clerk read as follows:

TITLE I—NEW HOUSING PROGRAMS

Housing for moderate-income families

SEC. 101. (a) Section 221 of the National Housing Act is amended by—

(1) inserting before the text of such section a section heading as follows:

"HOUSING FOR MODERATE-INCOME AND DISPLACED FAMILIES";

(2) striking out subsection (a) and inserting in lieu thereof the following:

"(a) This section is designed to assist private industry in providing housing for low- and moderate-income families and families displaced from urban renewal areas or as a result of governmental action.";

(3) inserting in subsection (b) after "any mortgage" the following: "(including advances during construction on mortgages covering property of the character described in paragraphs (3) and (4) of subsection (d) of this section)";

(4) striking out in subsection (d)(2) "(A) not to exceed" and all that follows down through "the succeeding provisos:" and inserting in lieu thereof the following: "(A) not to exceed (i) $11,000 in the case of a property upon which there is located a dwelling designed principally for a single-family residence, (ii) $18,000 in the case of a property upon which there is located a dwelling designed principally for a two-family residence, (iii) $27,000 in the case of a property upon which there is located a dwelling designed principally for a three-family residence, or (iv) $33,000 in the case of a property upon which there is located a dwelling designed principally for a four-family residence: *Provided*, that the Commissioner may increase the foregoing amounts to not to exceed $15,000, $25,000, $32,000, and $38,000, respectively, in any geographical area where he finds that cost levels so require; and (B) (i) in the case of new construction, not to exceed the appraised value (as of the date the mortgage is accepted for insurance) of any such property, less such amount, in the case of any mortgagor, as may be necessary to comply with the succeeding provisos, and (ii) in the case of repair and rehabilitation, the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation:";

(5) striking out the last proviso in subsection (d)(2);

(6) striking out subsection (d)(3) and inserting in lieu thereof the following:

"(3) if executed by a mortgagor which is a public body or agency (other than a public housing agency under the United States Housing Act of 1937), a cooperative (including an investor-sponsor who meets such requirements as the Commissioner may impose to assure that the consumer interest is protected), or a limited dividend corporation (as defined by the Commissioner), or a private nonprofit corporation or association regulated or supervised under Federal or State laws or by political subdivisions of States, or agencies thereof, or by the Commissioner under a regulatory agreement or otherwise, as to rents, charges, and methods of operation, in such form and in such manner as in the opinion of the Commissioner will effectuate the purposes of this section—

"(i) not exceed $12,500,000;

"(ii) not exceed for such part of such property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Commissioner), $2,250 per room (or $8,500 per family unit if the number of rooms in such property or project is less than four per family unit), except that the Commissioner may in his discretion increase the dollar amount limitation of $2,250 per room to not to exceed $2,750 per room, and the dollar amount limitation of $8,500 per family unit to not to exceed $9,000 per family unit, as the case may be, to compensate for higher costs incident to the construction of elevator type structures of sound standards of construction and design, and except that the Commissioner may increase any of the foregoing dollar amount limitations contained in this paragraph by not to exceed $1,000 per room without regard to the number of rooms being less than four, or four or more, in any geographical area where he finds that cost levels so require; and

"(iii) not exceed (1) in the case of new construction, the amount which the Commissioner estimates will be the replacement cost of the property or project when the proposed improvements are completed (the replacement cost may include the land, the proposed physical improvements, utilities within the boundaries of the land, architect's fees, taxes, interest during construction, and other miscellaneous charges incident to construction and approved by the Commissioner), or (2) in the case of repair and rehabilitation, the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation: *Provided*, That such property or project, when constructed, or repaired and rehabilitated, shall be for use as a rental or cooperative project, and low- and moderate-income families or families displaced by urban renewal or other governmental action shall be eligible for occupancy in accordance with such regulations and procedures as may be prescribed by the Commissioner and the Commissioner may adopt such requirements as he determines to be desirable regarding consultation with local public officials where such consultation is appropriate by reason of the relationship of such project to projects under other local programs; or";

(7) striking out in subsection (d)(4) "which is not a nonprofit organization" and inserting in lieu thereof "other than a mortgagor referred to in subsection (d)(3)";

(8) striking out subsection (d)(4)(ii) and inserting in lieu thereof the following:

"(ii) not exceed, for such part of the property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Commissioner), $2,250 per room (or $8,500 per family unit if the number of rooms in such property or project is less than four per family unit), except that the Commissioner may in his discretion increase the dollar amount limitation of $2,250 per room to not to exceed $2,750 per room, and the dollar amount limitation of $8,500 per family unit to not exceed $9,000 per family unit, as the case may be, to compensate for higher costs incident to the construction of elevator type structures of sound standards of construction and design, and except that the Commissioner may increase any of the foregoing dollar amount limitations contained in this paragraph by not to exceed $1,000 per room without regard to the number of rooms being less than four, or four or more, in any geogaphical area where he finds that cost levels so require;";

(9) striking out in subsection (d)(4)(iv) all that follows "iv)" down through "*And*

provided further" and inserting in lieu thereof the following: "not exceed 90 per centum of the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation if the proceeds of the mortgage are to be used for the repair and rehabilitation of a property on project: *Provided*";

(10) striking out in subsection (d)(5) "but not to exceed forty years from the date of insurance of the mortgage" and inserting in lieu thereof "but as to mortgages coming within the provisions of subsection (d)(2) not to exceed forty years from the date of beginning of amortization of the mortgage";

(11) inserting before the period at the end of subsection (d)(5) the following: ": *Provided*, That a mortgage insured under the provisions of subsecton (d)(3) shall bear interest (exclusive of any premium charges for insurance and service charge, if any) at not less than the annual rate of interest determined, from time to time by the Secretary of the Treasury at the request of the Commissioner, by estimating the average market yield to maturity on all outstanding marketable obligations of the United States, and by adjusting such yield to the nearest one-eighth of 1 per centum, and there shall be no differentiation in the rate of interest charged under this proviso as between mortgagors under subsection (d)(3) on the basis of differences in the types or classes of such mortgagors";

(12) inserting the following at the end of subsection (f): "A property or project covered by a mortgage insured under the provisions of subsection (d)(3) or (d)(4) shall include five or more family units. The Commissioner is authorized to adopt such procedures and requirements as he determines are desirable to assure that the dwelling accommodations provided under this section are available to families displaced from urban renewal areas or as a result of governmental action. Notwithstanding any provision of this Act, the Commissioner, in order to assist further the provision of housing for low- and moderate-income families, in his discretion and under such conditions as he may prescribe, may insure a mortgage which meets the requirements of subsection (d)(3) of this section as in effect after the date of enactment of the Housing Act of 1961, with no premium charge, with a reduced premium charge, or with a premium charge for such period or periods during the time the insurance is in effect as the Commissioner may determine, and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to reimburse the Section 221 Housing Insurance Fund for any net losses in connection with such insurance; but in any case where the premium charge is waived or reduced (either as to amount or as to period payable) or where the interest rate as determined under the proviso in subsection (d)(5) is below the market rate for similar mortgages as determined by the Commissioner, initial occupancy of a project covered by such a mortgage shall be limited under regulations of the Commissioner to families and individuals whose incomes make it impossible for them to obtain decent, safe, and sanitary housing in the private market. No mortgage shall be insured under this section after July 1, 1963, except pursuant to a commitment to insure before that date, or except a mortgage covering property which the Commissioner finds will assist in the provision of housing for families displaced from urban renewal areas or as a result of governmental action.";

(13) redesignating paragraph (3) of subsection (g) as paragraph (4) and inserting after paragraph (2) of subsection (g) a new paragraph as follows:

"(3) as to mortgages meeting the requirements of this section which are insured or initially endorsed for insurance on or after the date of enactment of the Housing Act of 1961, notwithstanding the provisions of paragraphs (1) and (2) of this subsection, the Commissioner in his discretion, in accordance with such regulations as he may prescribe, may make payments pursuant to such paragraphs in cash or in debentures (as provided in the mortgage insurance contract), or may acquire a mortgage loan that is in default and the security therefor upon payment to the mortgagee in cash or in debentures (as provided in the mortgage insurance contract) of a total amount equal to the unpaid principal balance of the loan plus any accrued interest and any advances approved by the Commissioner and made previously by the mortgagee under the provisions of the mortgage, and after the acquisition of any such mortgage by the Commissioner the mortgagee shall have no further rights, liabilities, or obligations with respect to the loan or the security for the loan. The appropriate provisions of sections 204 and 207 relating to the issuance of debentures shall apply with respect to debentures issued under this paragraph, and the appropriate provisions of sections 204 and 207 relating to the rights, liabilities, and obligations of a mortgagee shall apply with respect to the Commissioner when he has acquired an insured mortgage under this paragraph, in accordance with and subject to regulations (modifying such provisions to the extent necessary to render their application for such purposes appropriate and effective) which shall be prescribed by the Commissioner, except that as applied to mortgages so acquired (A) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Section 221 Housing Insurance Fund, (B) all references in section 204 to section 203 shall be construed to refer to this section, and (C) all references in section 207 to the Housing Insurance Fund, the Housing Fund, or the Fund shall be construed to refer to the Section 221 Housing Insurance Fund; or";

(14) striking out in paragraph (4) of subsection (g) (as redesignated by the preceding paragraph) the phrase "this paragraph (3)", each place it appears, and inserting in lieu thereof "this paragraph"; and

(15) inserting in the last sentence of subsection (h) after "cash adjustments," the following: "cash payments,".

(b) Section 101(c) of the Housing Act of 1949 is amended by—

(1) striking out "under section 220 or 221" and inserting in lieu thereof "under section 220 or section 221(d)(3)";

(2) striking out "of section 220(d), or under section 221 of the National Housing Act, as amended, if the mortgaged property is in an area described in clause (3) of section 221(a) of said Act or in a community referred to in clause (2)(B) of said section" and inserting in lieu thereof "of section 220(d) of the National Housing Act"; and

(3) striking out clause (iii) and renumbering clause (iv) as clause (iii).

(c) Section 305 of the National Housing Act is amended by adding at the end thereof a new subsection as follows:

"(h) Notwithstanding clause (2) of section 302(b) and any provision of this Act which is inconsistent with this subsection, the Association is authorized (subject to Presidential action as provided in subsection (a), as limited by subsection (c)) to purchase pursuant to commitments or otherwise, and to service, sell, or otherwise deal in, mortgages insured under the provisions of section 221(d)(3) of this Act."

(d) Section 223 of the National Housing Act is amended by redesignating subsection (b) as subsection (c), and by inserting after subsection (a) the following new subsection:

"(b) Notwithstanding any of the provisions of this title and without regard to limitations upon eligibility contained in section 221, the Commissioner may in his discretion insure under section 221(d)(3) any mortgage executed by a mortgagor of the character described therein where such mortgage is given to refinance a mortgage covering an existing property or project (other than a one- to four-family structure) located in an urban renewal area, if the Commissioner finds that such insurance will facilitate the occupancy of dwelling units in the property or project by families of low or moderate income or families displaced from an urban renewal area or displaced as a result of governmental action."

Home improvement and rehabilitation loans

SEC. 102. (a) Section 220 of the National Housing Act is amended by—

(1) striking out the provisos in subsections (d)(3)(A)(i) and (d)(3)(B)(ii) and inserting in lieu thereof in each subsection the following: ": *Provided*, That in the case of properties other than new construction, the foregoing limitations upon the amount of the mortgage shall be based upon the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation rather than upon the Commissioner's estimate of the replacement cost";

(2) striking out "mortgage insurance" in subsection (a) and inserting in lieu thereof "loan and mortgage insurance"; and

(3) adding at the end thereof the following subsection:

"(h)(1) To assist further in the conservation, improvement, repair, and rehabilitation of property located in the area of an urban renewal project, as provided in paragraph (1) of subsection (d) of this section, the Commissioner is authorized upon such terms and conditions as he may prescribe to make commitments to insure and to insure home improvement loans (including advances during construction or improvement) made by financial institutions on and after the date of enactment of the Housing Act of 1961. As used in this subsection, 'home improvement loan' means a loan, advance of credit, or purchase of an obligation representing a loan or advance of credit made for the purpose of financing the improvement of an existing structure (or in connection with an existing structure) used or to be used primarily for residential purposes; 'improvement' means conservation, repair, restoration, rehabilitation, conversion, alteration, enlargement, or remodeling; and 'financial institution' means a lender approved by the Commissioner as eligible for insurance under section 2 or a mortgage approved under section 203(b)(1).

"(2) To be eligible for insurance under this subsection, a home improvement loan shall—

"(i) not exceed the Commissioner's estimate of the cost of improvement, or $10,000 per family unit, whichever is the lesser;

"(ii) be limited to an amount which when added to any outstanding indebtedness related to the property (as determined by the Commissioner) creates a total outstanding indebtedness which does not exceed the limits provided in subsection (d)(3) for properties (of the same type) other than new construction;

"(iii) bear interest at not to exceed a rate prescribed by the Commissioner, but not in excess of 6 per centum per annum of the amount of the principal obligation outstanding at any time, and such other charges (including such service charges, appraisal, inspection, and other fees) as may be approved by the Commissioner;

"(iv) have a maturity satisfactory to the Commissioner, but not to exceed twenty

years from the beginning of amortization of the loan or three-quarters of the remaining economic life of the structure, whichever is the lesser;

"(v) comply with such other terms, conditions, and restrictions as the Commissioner may prescribe; and

"(vi) represent the obligation of a borrower who is the owner of the property improved, or a lessee of the property under a lease for not less than 99 years which is renewable or under a lease having a period of not less than 50 years to run from the date of the loan.

"(3) Any home improvement loan insured under this subsection may be refinanced and extended in accordance with such terms and conditions as the Commissioner may prescribe, but in no event for an additional amount or term in excess of the maximum provided for in this subsection.

"(4) There is hereby created a separate Section 220 Home Improvement Account to be maintained under the Section 220 Housing Insurance Fund and to be used by the Commissioner as a revolving fund for carrying out the provisions of this subsection. The Commissioner is authorized to transfer to such fund the sum of $1,000,000 from the War Housing Insurance Fund established pursuant to the provisions of section 602 of this Act. Any premium charges and appraisal and other fees received on account of the insurance of any home improvement loan accepted for insurance under this subsection, and the receipts derived from the sale, collection, deposit, or compromise of any evidence of debt, contract, claim, property, or security assigned to or held by the Commissioner in connection with the payment of insurance under this subsection, shall be credited to the Section 220 Home Improvement Account. Insurance claims under this subsection and expenses incurred in the handling, management, renovation, and disposal of any properties acquired by the Commissioner under this subsection shall be charged to the Section 220 Home Improvement Account. General expenses of operation of the Federal Housing Administration and other expenses incurred under this subsection may be charged to the Section 220 Home Improvement Account. Moneys in the Account not needed for the current operation of the Federal Housing Administration under this subsection shall be deposited with the Treasurer of the United States to the credit of the Account, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by the United States. In order to protect the solvency of the Section 220 Home Improvement Account, adequate security shall be taken in connection with loans insured under this subsection in such manner as the Commissioner may require.

"(5) The Commissioner is authorized to fix a premium charge for the insurance of home improvement loans under this subsection but in the case of any such loan such charge shall not be less than an amount equivalent to one-half of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the loan outstanding at any time, without taking into account delinquent payments or prepayments. Such premium charges shall be payable by the financial institution either in cash or in debentures (at par plus accrued interest) issued by the Commissioner as obligations of the Section 220 Home Improvement Account, in such manner as may be prescribed by the Commissioner, and the Commissioner may require the payment of one or more such premium charges at the time the loan is insured, at such discount rate as he may prescribe not in excess of the interest rate specified in the loan. If the Commissioner finds upon presentation of a loan for insurance and the tender of the initial premium charge or charges so required that the loan complies with the provisions of this subsection, such loan may be accepted for insurance by endorsement or otherwise as the Commissioner may prescribe. In the event the principal obligation of any loan accepted for insurance under this subsection is paid in full prior to the maturity date, the Commissioner is authorized to refund to the financial institution for the account of the borrower all, or such portions as he shall determine to be equitable, of the current unearned premium charges theretofore paid.

"(6) In cases of defaults on loans insured under this subsection, upon receiving notice of default, the Commissioner, in accordance with such regulations as he may prescribe, may acquire the loan and any security therefor upon payment to the financial institution in cash or in debentures (as provided in the loan insurance contract) of a total amount equal to the unpaid principal balance of the loan, plus any accrued interest, any advances approved by the Commissioner made previously by the financial institution under the provisions of the loan instruments, and reimbursement for such collection costs, court costs, and attorney fees as may be approved by the Commissioner.

"(7) Debentures issued under this subsection shall be executed in the name of the Section 220 Home Improvement Account as obligor, shall be signed by the Commissioner, by either his written or engraved signature, shall be negotiable, and shall be dated as of the date the loan is assigned to the Commissioner and shall bear interest from that date. They shall bear interest at a rate established by the Commissioner pursuant to section 224, payable semiannually on the 1st day of January and the 1st day of July of each year, and shall mature ten years after their date of issuance. They shall be exempt from taxation as provided in section 207(i) with respect to debentures issued under that section. They shall be paid out of the Section 220 Home Improvement Account which shall be primarily liable therefor and they shall be fully and unconditionally guaranteed as to principal and interest by the United States, and the guaranty shall be expressed on the face of the debentures. In the event the Section 220 Home Improvement Account fails to pay upon demand, when due, the principal of or interest on any debentures so guaranteed, the Secretary of the Treasury shall pay to the holders the amount thereof which is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and thereupon, to the extent of the amount so paid, the Secretary of the Treasury shall succeed to all the rights of the holders of such debentures. Debentures issued under this subsection shall be in such form and denominations in multiples of $50, shall be subject to such terms and conditions, and shall include such provisions for redemption, if any, as may be prescribed by the Commissioner with the approval of the Secretary of the Treasury, and they may be in coupon or registered form. Any difference between the amount of the debentures to which the financial institution is entitled, and the aggregate face value of the debentures issued, not to exceed $50, shall be adjusted by the payment of cash by the Commissioner to the financial institution from the Section 220 Home Improvement Account.

"(8) The provisions of subsections (c), (d), and (h) of section 2 shall apply to home improvement loans insured under this subsection, and for the purposes of this subsection references in subsections (c), (d), and (h) of section 2 to 'this section' or 'this title' shall be construed to refer to this subsection.

"(9)(A) Notwithstanding any other provisions of this Act, no home improvement loan executed in connection with the improvement of a structure for use as rental accommodations for five or more families shall be insured under this subsection unless the borrower has agreed (i) to certify, upon completion of the improvement and prior to final endorsement of the loan, either that the actual cost of improvement equaled or exceeded the proceeds of the home improvement loan, or the amount by which the proceeds of the loan exceeded the actual cost, as the case may be, and (ii) to pay forthwith to the financial institution, for application to the reduction of the principal of the loan, the amount, if any, certified to be in excess of the actual cost of improvement. Upon the Commissioner's approval of the borrower's certification as required under this paragraph, the certification shall be final and incontestable, except for fraud or material misrepresentation on the part of the borrower.

"(B) As used in subparagraph (A), the term 'actual cost' means the cost to the borrower of the improvement, including the amounts paid for labor, materials, construction contracts, off-site public utilities, streets, organization and legal expenses, such allocations of general overhead items as are acceptable to the Commissioner, and other items of expense approved by the Commissioner, plus a reasonable allowance for builder's profit if the borrower is also the builder, as defined by the Commissioner, and excluding the amount of any kickbacks, rebates, or trade discounts received in connection with the improvement.

"(10) Notwithstanding any other provision of this Act, the Commissioner is authorized and empowered (i) to make expenditures and advances out of funds made available by this Act to preserve and protect his interest in any security for, or the lien or priority of the lien securing, any loan or other indebtedness owing to, insured by, or acquired by the Commissioner or by the United States under this subsection, or section 2 or 203(k); and (ii) to bid for and to purchase at any foreclosure or other sale or otherwise acquire property pledged, mortgaged, conveyed, attached, or levied upon to secure the payment of any loan or other indebtedness owing to or acquired by the Commissioner or by the United States under this subsection, or section 2 or 203(k). The authority conferred by this paragraph may be exercised as provided in the last sentence of section 204(g)."

(b) Section 203 of the National Housing Act is amended by—

(1) striking out in subsection (e) "of the mortgage" and inserting in lieu thereof "of the loan or mortgage";

(2) striking out in subsection (e) "approved mortgagee" each place it appears and inserting in lieu thereof "approved financial institution or approved mortgagee"; and

(3) adding at the end thereof the following subsection:

"(k) To supplement the mortgage insurance provisions of this section in order to assist the conservation, improvement, and alteration of housing, the Commissioner is authorized to make commitments to insure and to insure a home improvement loan (including advances during construction or improvement) under this subsection in accordance with the provisions of section 220(h), except that (1) the structure improved shall be designed for occupancy by not more than four families and shall not be required to be located in the area of an urban renewal project, (2) the Commissioner shall find that the project with respect to which the loan is executed is economically sound, (3) all funds received and all disbursements

made shall be credited or charged, as appropriate, to a separate Section 203 Home Improvement Account to be maintained as hereinafter provided under the Mutual Mortgage Insurance Fund, and (4) insurance benefits shall be paid in debentures executed in the name of the Section 203 Home Improvement Account. For the purposes of this subsection, the Commissioner shall have all the authority provided in section 220(h). Debentures issued with respect to loans insured under this subsection shall be issued in accordance with sections 220(h)(6) and 220(h)(7), except that as applied to those loans references in section 220(h) to 'this subsection' shall be construed to refer to this section 203(k), references to the Section 220 Home Improvement Account shall be construed to refer to the Section 203 Home Improvement Account, and references to the Section 220 Housing Insurance Fund shall be construed to refer to the Mutual Mortgage Insurance Fund. All of the provisions in section 220(h)(4) relative to the Section 220 Home Improvement Account shall be equally applicable to the Section 203 Home Improvement Account. There is hereby created a separate Section 203 Home Improvement Account under the Mutual Mortgage Insurance Fund which shall be used by the Commissioner as a revolving fund for carrying out the provisions of this subsection, and the Commissioner is authorized to transfer to such Account the sum of $1,000,000 from the War Housing Insurance Fund established pursuant to the provisions of section 602 of this Act. The provisions of section 205(c) shall not be applicable to loans insured under this subsection."

(c) Section 305 of the National Housing Act is amended by adding at the end thereof (after the new subsection added by section 101(c) of this Act) the following new subsection:

"(i) Notwithstanding any other provision of this Act, the Association is authorized (subject to Presidential action as provided in subsection (a), as limited by subsection (c)) to purchase pursuant to commitments or otherwise, and to service, sell, or otherwise deal in, any home improvement loans insured under section 220(h) of this Act."

Experimental housing mortgage insurance

SEC. 103. Title II of the National Housing Act is amended by adding at the end thereof the following section:

"Experimental housing

"SEC. 233. (a) In order to assist in lowering housing costs and improving housing standards, quality, livability, or durability, or neighborhood design through the utilization of advanced housing technology, or experimental property standards, the Commissioner is authorized to insure and to make commitments to insure, under this section, mortgages (including, in the case of mortgages insured under subsection (b)(2) of this section, advances on such mortgages during construction) secured by properties including dwellings involving the utilization and testing of advanced technology in housing design, materials, or construction, or experimental property standards for neighborhood design if the Commissioner determines that (1) the property is an acceptable risk, giving consideration to the need for testing advanced housing technology, or experimental property standards, (2) the utilization and testing of the advanced technology or experimental property standards involved will provide data or experience which the Commissioner deems to be significant in reducing housing costs or improving housing standards, quality, livability, or durability, or improving neighborhood design, and (3) the mortgages are eligible for insurance under the provisions of this section and under any further terms and conditions which may be prescribed by the Commissioner to establish the acceptability of the mortgages for insurance.

"(b) To be eligible for insurance under this section a mortgage shall—

"(1) meet the requirements of section 203(b), except that the maximum principal obligation of the mortgage as computed under clauses (i), (ii), and (iii) of section 203(b)(2) shall be determined on the basis of the Commissioner's estimate of the cost of replacing the property using comparable conventional design, materials, and construction rather than value, and the proviso in section 203(b)(8) shall not be applicable to mortgages insured under this section; or

"(2) meet the requirements of section 207(b) and section 207(c), except that the maximum principal obligation of the mortgage as computed under section 207(c)(2) shall be determined on the basis of the Commissioner's estimate of the cost of replacing the property using comparable conventional design, materials, and construction rather than value.

"(c) The Commissioner may enter into such contracts, agreements, and financial undertakings with the mortgagor and others as he deems necessary or desirable to carry out the purposes of this section, and may expend available funds for such purposes, including the correction (when he determines it necessary to protect the occupants), at any time subsequent to insurance of a mortgage, of defects or failures in the dwellings which the Commissioner finds are caused by or related to the advanced housing technology utilized in their design or construction or experimental property standards.

"(d) The Commissioner may make such investigations and analyses of data, and publish and distribute such reports, as he determines to be necessary or desirable to assure the most beneficial use of the data and information to be acquired as a result of this section.

"(e) Any mortgagee under a mortgage insured under subsection (b)(1) of this section shall be entitled to the benefits of the insurance as provided in section 204(a) with respect to mortgages insured under section 203, and the provisions of subsections (b), (c), (d), (e), (f), (g), (h), (j), and (k) of section 204 shall apply to the mortgages insured under subsection (b)(1), except that as applied to those mortgages (1) all references therein to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Experimental Housing Insurance Fund, and (2) all references therein to section 203 shall be construed to refer to this section.

"(f) Any mortgagee under a mortgage insured under subsection (b)(2) of this section shall be entitled to the benefits of the insurance as provided in section 207(g) with respect to mortgages insured under section 207, and the provisions of subsections (d), (e), (h), (i), (j), (k), (l), (m), (n), and (p) of section 207 shall apply to the mortgages insured under subsection (b)(2) of this section, except that as applied to those mortgages (1) all references therein to the Housing Insurance Fund, the Housing Fund, or the Fund shall be construed to refer to the Experimental Housing Insurance Fund, and (2) all references therein to 'this section' shall be construed to refer to this section 233.

"(g) Notwithstanding the provisions of subsections (e) and (f) of this section, in the case of default of any mortgage insured under this section, the Commissioner in his discretion, in accordance with such regulations as he may prescribe, may make payments pursuant to such subsections in cash or in debentures (as provided in the mortgage insurance contract), or may acquire a mortgage loan that is in default and the security therefor upon payment to the mortgagee in cash or in debentures (as provided in the mortgage insurance contract) of a total amount equal to the unpaid principal balance of the loan plus any accrued interest and any advances approved by the Commissioner made previously by the mortgagee under the provisions of the mortgage. After the acquisition of the mortgage by the Commissioner the mortgagee shall have no further rights, liabilities, or obligations with respect to the mortgage. The appropriate provisions of sections 204 and 207 relating to the issuance of debentures shall apply with respect to debentures issued under this subsection, and the appropriate provisions of sections 204 and 207 relating to the rights, liabilities, and obligations of a mortgagee shall apply with respect to the Commissioner when he has acquired an insured mortgage under this subsection, in accordance with and subject to regulations (modifying such provisions to the extent necessary to render their application for such purposes appropriate and effective) which shall be prescribed by the Commissioner, except that as applied to mortgages insured under this section (1) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Experimental Housing Insurance Fund, (2) all references in section 204 to section 203 shall be construed to refer to this section, and (3) all references in section 207 to the Housing Insurance Fund, the Housing Fund, or the Fund shall be construed to refer to the Experimental Housing Insurance Fund.

"(h) There is hereby created an Experimental Housing Insurance Fund to be used by the Commissioner as a revolving fund to carry out the provisions of this section, and the Commissioner is directed to transfer the sum of $1,000,000 to the Fund from the War Housing Insurance Fund created by section 602 of this Act. General expenses of operation of the Federal Housing Administration and other expenses incurred under this section may be charged to the Experimental Housing Insurance Fund."

Individually owned units in multifamily structures

SEC. 104. Title II of the National Housing Act is amended by adding after section 233 (as added by section 103 of this Act) the following section:

"Mortgage insurance for individually owned units in multifamily structures

"SEC. 234. (a) The purpose of this section is to provide an additional means of increasing the supply of privately owned dwelling units where, under the laws of the State in which the property is located, real property title and ownership are established with respect to a one-family unit which is part of a multifamily structure.

"(b) The terms 'mortgage', 'mortgagee', 'mortgagor', 'maturity date', and 'State' shall have the meanings respectively set forth in section 201, except that the term 'mortgage' for the purposes of this section may include a first mortgage given to secure the unpaid purchase price of a fee interest in, or a long-term leasehold interest in, a one-family unit in a multifamily structure and an undivided interest in (or share in cooperative ownership of) the common areas and facilities which serve the structure where the mortgage is determined by the Commissioner to be eligible for insurance under this section. The term 'common areas and facilities' as used in this section shall be deemed to include the land and such commercial, community, and other facilities as are approved by the Commissioner.

"(c) The Commissioner is authorized, in his discretion and under such terms and conditions as he may prescribe (including the minimum number of family units in the structure which shall be offered for sale and provisions for the protection of the

consumer and the public interest), to insure any mortgage covering a one-family unit in a multifamily structure and an undivided interest in (or share in cooperative ownership of) the common areas and facilities which serve the structure, if (1) the mortgage meets the requirements of this section and of section 203(b), except as that section is modified by this section; (2) the structure is or has been covered by a mortgage insured under another section (except section 213) of this Act, notwithstanding any requirements in any such section that the structure be constructed or rehabilitated for the purpose of providing rental housing; and (3) the mortgagor is acquiring a one-family unit for his own use and occupancy and not for speculative purposes. Any project proposed to be constructed or rehabilitated after the date of enactment of the Housing Act of 1961 with the assistance of mortgage insurance under this Act, where the sale of family units is to be assisted with mortgage insurance under this section, shall be subject to such requirements as the Commissioner may prescribe. To be eligible for insurance pursuant to this section a mortgage shall (A) involve a principal obligation in an amount not to exceed the limits per room and per family dwelling unit provided by section 207(c)(3), and not to exceed the sum of (i) 97 per centum of $13,500 of the amount which the Commissioner estimates will be the appraised value of the family unit including common areas and facilities as of the date the mortgage is accepted for insurance, (ii) 90 per centum of such value in excess of $13,500 but not in excess of $18,000, and (iii) 70 per centum of such value in excess of $18,000, and (B) have a maturity satisfactory to the Commissioner but not to exceed, in any event, thirty years from the date of the beginning of amortization of the mortgage or three-fourths of the Commissioner's estimate of the remaining economic life of the structure, whichever is the lesser. In determining the amount of a mortgage in the case of a nonoccupant mortgagor the reference to paragraph (2) of section 203(b) in section 203(b)(8) shall be construed to refer to the preceding sentence in this section. The mortgage shall contain such provisions as the Commissioner determines to be necessary for the maintenance of common areas and facilities and the multifamily structure. The mortgagor shall have exclusive right to the use of the one-family unit covered by the mortgage and, together with the owners of other units in the multifamily structure, shall have the right to the use of the common areas and facilities serving the structure and the obligation of maintaining all such common areas and facilities. The Commissioner may require that the rights and obligations of the mortgagor and the owners of other dwelling units in the structure shall be subject to such controls as he determines to be necessary and feasible to promote and protect individual owners, the multifamily structure, and its occupants. For the purposes of this section, the Commissioner is authorized in his discretion and under such terms and conditions as he may prescribe to permit one-family units and interests in common areas and facilities in multifamily structures covered by mortgages insured under any section of this Act (other than section 213) to be released from the liens of those mortgages.

"(d) Any mortgagee under a mortgage insured under this section is entitled to receive the benefits of the insurance as provided in section 204(a) of this Act with respect to mortgages insured under section 203, and the provisions of subsections (b), (c), (d), (e), (f), (g), (h), (j), and (k) of section 204 shall be applicable to the mortgages insured under this section, except that (1) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Apartment Unit Insurance Fund, (2) all references therein to section 203 shall be construed to refer to this section, and (3) the excess remaining, referred to in section 204(f)(1), shall be retained by the Commissioner and credited to the Apartment Unit Insurance Fund.

"(e) There is hereby created the Apartment Unit Insurance Fund which shall be used by the Commissioner as a revolving fund for carrying out the provisions of this section. The Commissioner is authorized to transfer to the Fund the sum of $1,000,000 from the War Housing Insurance Fund established pursuant to the provisions of section 602 of this Act. General expenses of operation of the Federal Housing Administration under this section may be charged to the Apartment Unit Insurance Fund. The provisions of the second and third paragraphs of section 220(g) shall be applicable to the Apartment Unit Insurance Fund and to this section, all references therein to the Section 220 Housing Insurance Fund or the Fund shall be construed to refer to the Apartment Unit Insurance Fund, and all references therein to 'this section' shall be construed to refer to this section 234.

"(f) The provisions of section 225, 229, and 230 shall be applicable to the mortgages insured under this section."

Mr. RAINS (interrupting the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. RAINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RAINS: Page 58, strike out line 7 and all that follows down through page 70, line 5, and insert the following:

"HOUSING FOR MODERATE INCOME FAMILIES

"SEC. 101. (a) Section 221 of the National Housing Act is amended by—

"(1) inserting before the text of such section a section heading as follows:

"'HOUSING FOR MODERATE INCOME AND DISPLACED FAMILIES'

"(2) striking out subsection (a) and inserting in lieu thereof the following:

"'(a) This section is designed to assist private industry in providing housing for low and moderate income families and families displaced from urban renewal areas or as a result of governmental action.';

"(3) inserting in subsection (b) after 'any mortgage' the following: '(including advances during construction on mortgages covering property of the character described in paragraphs (3) and (4) of subsection (d) of this section)';

"(4) striking out all of subsection (d)(2) down through 'other prepaid expenses:' and inserting in lieu thereof the following:

"'(2) be secured by property upon which there is located a dwelling designed principally for a single-family residence, conforming to applicable standards prescribed by the Commissioner under subsection (f) of this section, and meeting the requirements of all State laws, or local ordinances or regulations, relating to the public health or safety, zoning, or otherwise, which may be applicable thereto, and shall involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount (A) not to exceed $11,000, except that the Commissioner may increase such amount to not to exceed $15,000 in any geographical area where he finds that cost levels so require; and (B)(i) in the case of new construction, not to exceed the appraised value (as of the date the mortgage is accepted for insurance) of any such property, less such amount, in the case of any mortgagor, as may be necessary to comply with the succeeding provisos, and (ii) in the case of repair and rehabilitation, the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation: *Provided*, That if the mortgagor is the owner and occupant of the property at the time of insurance, he shall have paid on account of the property at least $200 in the case of a family displaced from an urban renewal area or as a result of governmental action, or at least 3 per centum of the appraised value of the property as of such time in any other case, which amount may include amounts to cover settlement costs and initial payments for taxes, hazard insurance, mortgage insurance premium, and other prepaid expenses:';

"(5) striking out the last proviso in subsection (d)(2);

"(6) striking out subsection (d)(3) and inserting in lieu thereof the following:

"'(3) if executed by a mortgagor which is a public body or agency (other than a public housing agency under the United States Housing Act of 1937), a cooperative (including an investor-sponsor who meets such requirements as the Commissioner may impose to assure that the consumer interest is protected), or a limited dividend corporation (as defined by the Commissioner), or a private nonprofit corporation or association regulated or supervised under Federal or State laws or by political subdivisions of States, or agencies thereof, or by the Commissioner under a regulatory agreement or otherwise, as to rents, charges, and methods of operation, in such form and in such manner as in the opinion of the Commissioner will effectuate the purposes of this section—

"'(i) not exceed $12,500,000;

"'(ii) not exceed for such part of such property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Commissioner), $2,250 per room (or $8,500 per family unit if the number of rooms in such property or project is less than four per family unit), except that the Commissioner may in his discretion increase the dollar amount limitation of $2,250 per room to not to exceed $2,750 per room, and the dollar amount limitation of $8,500 per family unit to not to exceed $9,000 per family unit, as the case may be, to compensate for higher costs incident to the construction of elevator type structures of sound standards of construction and design, and except that the Commissioner may increase any of the foregoing dollar amount limitations contained in this paragraph by not to exceed $1,000 per room without regard to the number of rooms being less than four, or four or more, in any geographical area where he finds that cost levels so require; and

"'(iii) not exceed (1) in the case of new construction, the amount which the Commissioner estimates will be the replacement cost of the property or project when the proposed improvements are completed (the replacement cost may include the land, the proposed physical improvements, utilities within the boundaries of the land, architect's fees, taxes, interest during construction, and other miscellaneous charges incident to construction and approved by the Commissioner), or (2) in the case of repair and rehabilitation, the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation: *Provided*, That such property or project, when constructed, or repaired and rehabilitated, shall be for use as a rental or cooperative project, and low and moderate income families or families displaced by urban renewal or other governmental action shall

be eligible for occupancy in accordance with such regulations and procedures as may be prescribed by the Commissioner and the Commissioner may adopt such requirements as he determines to be desirable regarding consultation with local public officials where such consultation is appropriate by reason of the relationship of such project to projects under other local programs; or';

"(7) striking out in subsection (d)(4) 'which is not a nonprofit organization' and inserting in lieu thereof 'other than a mortgagor referred to in subsection (d)(3)';

"(8) striking out subsection (d)(4)(ii) and inserting in lieu thereof the following:

"'(ii) not exceed, for such part of the property or project as may be attributable to dwelling use (excluding exterior land improvements as defined by the Commissioner), $2,250 per room (or $8,500 per family unit if the number of rooms in such property or project is less than four per family unit), except that the Commissioner may in his discretion increase the dollar amount limitation of $2,250 per room to not to exceed $2,750 per room, and the dollar amount limitation of $8,500 per family unit to not to exceed $9,000 per family unit, as the case may be, to compensate for higher costs incident to the construction of elevator type structures of sound standards of construction and design, and except that the Commissioner may increase any of the foregoing dollar amount limitations contained in this paragraph by not to exceed $1,000 per room without regard to the number of rooms being less than four, or four or more, in any geographical area where he finds that cost levels so require;';

"(9) striking out in subsection (d)(4)(iv) all that follows '(iv)' down through *'And provided further'* and inserting in lieu thereof the following: 'not to exceed 90 per centum of the sum of the estimated cost of repair and rehabilitation and the Commissioner's estimate of the value of the property before repair and rehabilitation if the proceeds of the mortgage are to be used for the repair and rehabilitation of a property or project: *Provided*';

"(10) striking out in subsection (d) (5) 'but not to exceed forty years from the date of insurance of the mortgage' and inserting in lieu thereof 'but as to mortgages coming within the provisions of subsection (d)(2) not to exceed forty years from the date of beginning of amortization of the mortgage in the case of a family displaced from an urban renewal area or as a result of governmental action or thirty-five years from such date in any other case,';

"(11) inserting before the period at the end of subsection (d)(5) the following: ': *Provided*, That a mortgage insured under the provisions of subsection (d)(3) shall bear interest (exclusive of any premium charges for insurance and service charge, if any) at not less than the annual rate of interest determined, from time to time by the Secretary of the Treasury at the request of the Commissioner, by estimating the average market yield to maturity on all outstanding marketable obligations of the United States, and by adjusting such yield to the nearest one-eighth of 1 per centum, and there shall be no differentiation in the rate of interest charged under this proviso as between mortgagors under subsection (d)(3) on the basis of differences in the types or classes of such mortgagors';

"(12) inserting the following at the end of subsection (f): 'A property or project covered by a mortgage insured under the provisions of subsection (d)(3) or (d)(4) shall include five or more family units. The Commissioner is authorized to adopt such procedures and requirements as he determines are desirable to assure that the dwelling accommodations provided under this section are available to families displaced from urban renewal areas or as a result of governmental action. Notwithstanding any provision of this Act, the Commissioner, in order to assist further the provision of housing for low and moderate income families, in his discretion and under such conditions as he may prescribe, may insure a mortgage which meets the requirements of subsection (d)(3) of this section as in effect after the date of enactment of the Housing Act of 1961, with no premium charge, with a reduced premium charge, or with a premium charge for such period or periods during the time the insurance is in effect as the Commissioner may determine, and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to reimburse the Section 221 Housing Insurance Fund for any net losses in connection with such insurance; but in any case where the premium charge is waived or reduced (either as to amount or as to period payable) or where the interest rate as determined under the proviso in subsection (d)(5) is below the market rate for similar mortgages as determined by the Commissioner, initial occupancy of a project covered by such a mortgage shall be limited under regulations of the Commissioner to families and individuals whose incomes make it impossible for them to obtain decent, safe, and sanitary housing in the private market. No mortgage shall be insured under this section after July 1, 1963, except pursuant to a commitment to insure before that date, or except a mortgage covering property which the Commissioner finds will assist in the provision of housing for families displaced from urban renewal areas or as a result of governmental action.';

"(13) redesignating paragraph (3) of subsection (g) as paragraph (4) and inserting after paragraph (2) of subsection (g) a new paragraph as follows:

"'(3) as to mortgages meeting the requirements of this section which are insured or initially endorsed for insurance on or after the date of enactment of the Housing Act of 1961, notwithstanding the provisions of paragraphs (1) and (2) of this subsection, the Commissioner in his discretion, in accordance with such regulations as he may prescribe, may make payments pursuant to such paragraphs in cash or in debentures (as provided in the mortgage insurance contract), or may acquire a mortgage loan that is in default and the security therefor upon payment to the mortgagee in cash or in debentures (as provided in the mortgage insurance contract) of a total amount equal to the unpaid principal balance of the loan plus any accrued interest and any advances approved by the Commissioner and made previously by the mortgagee under the provisions of the mortgage, and after the acquisition of any such mortgage by the Commissioner the mortgagee shall have no further rights, liabilities, or obligations with respect to the loan or the security for the loan. The appropriate provisions of sections 204 and 207 relating to the issuance of debentures shall apply with respect to debentures issued under this paragraph, and the appropriate provisions of sections 204 and 207 relating to the rights, liabilities, and obligations of a mortgagee shall apply with respect to the Commissioner when he has acquired an insured mortgage under this paragraph, in accordance with and subject to regulations (modifying such provisions to the extent necessary to render their application for such purposes appropriate and effective) which shall be prescribed by the Commissioner, except that as applied to mortgages so acquired (A) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Section 221 Housing Insurance Fund, (B) all references in section 204 to section 203 shall be construed to refer to this section, and (C) all references in section 207 to the Housing Insurance Fund, the Housing Fund, or the Fund shall be construed to refer to the Section 221 Housing Insurance Fund; or';

"(14) striking out in paragraph (4) of subsection (g) (as redesignated by the preceding paragraph) the phrase 'this paragraph (3)', each place it appears, and inserting in lieu thereof 'this paragraph'; and

"(15) inserting in the last sentence of subsection (h) after 'cash adjustments,' the following: 'cash payments,'.

"(b) Section 101(c) of the Housing Act of 1949 is amended by—

"(1) striking out 'under section 220 or 221' and inserting in lieu thereof 'under section 220 or section 221(a)(3)';

"(2) striking out 'of section 220(d), or under section 221 of the National Housing Act, as amended, if the mortgaged property is in an area described in clause (3) of section 221(a) of said Act, or in a community referred to in clause (2)(B) of said section' and inserting in lieu thereof 'of section 220(d) of the National Housing Act'; and

"(3) striking out clause (iii) and renumbering clause (iv) as clause (iii).

"(c) Section 305 of the National Housing Act is amended by adding at the end thereof a new subsection as follows:

"'(h) Notwithstanding clause (2) of section 302(b) and any provision of this Act which is inconsistent with this subsection, the Association is authorized (subject to Presidential action as provided in subsection (a), as limited by subsection (c)) to purchase pursuant to commitments or otherwise, and to service, sell, or otherwise deal in, mortgages insured under the provisions of section 221(d)(3) of this Act.'

"(d) Section 223 of the National Housing Act is amended by redesignating subsection (b) as subsection (c), and by inserting after subsection (a) the following new subsection:

"'(b) Notwithstanding any of the provisions of this title and without regard to limitations upon eligibility contained in section 221, the Commissioner may in his discretion insure under section 221(d)(3) any mortgage executed by a mortgagor of the character described therein where such mortgage is given to refinance a mortgage covering an existing property or project (other than a one- to four-family structure) located in an urban renewal area, if the Commissioner finds that such insurance will facilitate the occupancy of dwelling units in the property or project by families of low or moderate income or families displaced from an urban renewal area or displaced as a result of governmental action'."

Mr. RAINS (interrupting the reading). Mr. Chairman, I am sure the Members are familiar with the purport of this amendment. I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. DERWINSKI. Mr. Chairman, reserving the right to object, will there be ample time to discuss this amendment and know what it is about?

Mr. RAINS. I have only 5 minutes but I will do the best I can to explain it. I am sure there will be plenty of time to debate it.

Mr. Chairman, in all of the discussion on the housing bill, and in all the talks I have had about it since it was reported, no single subject seems to have touched off as much steam as the proposal to permit 40-year loans with a $200 downpayment for families of modest income.

Frankly, I am at a loss to understand why so much heat has been generated on this one topic. For one thing, we have

had an FHA 40-year loan on the statute books for many years. Since 1950 a 40-year loan has been available to sales type cooperatives under the section 213 program. Forty-year loans have been available for displaced families under section 221 since 1954, a provision I should point out which was authorized in the Housing Act of 1954 during a time when our colleagues on the other side of the aisle were in control of the Congress.

No one seems to realize that the repayment experience on these loans has been excellent. Losses on 40-year loans insured to date by FHA have been minimal, no more than one-fourth of 1 percent.

All that section 101 of the bill proposes to do is to expand the eligible groups that can benefit by the terms of a 40-year loan with a $200 cash payment. Under the terms of the bill, any family, not just a displaced family, would be able to buy a house on these terms, provided the house does not cost more than $15,000.

I do not intend at this time to discuss the merits and demerits of the 40-year loan with a $200 cash payment. All of us know that after yesterday's general debate there is not much new that can be said on the subject.

Mr. Chairman, after 16 years in this great representative body, I have learned that at times a realistic compromise is the only answer. It became clear that for various reasons a majority of this body is reluctant to authorize a more general application of what is called the 40-year, no-downpayment loan, although for many families the $200 cash payment is certainly a substantial downpayment in their minds. For this reason, Mr. Chairman, as I stated yesterday, I am now offering an amendment to the amendment to strike section 101 which I hope will reconcile the differences and objections on this controversial subject.

My amendment, Mr. Chairman, is a redraft of section 101. It incorporates most of the present section 101 and makes only the following changes:

First, it limits section 221 financing to single-family dwellings. I have always had reservations about the desirability of permitting this liberal form of financing to be used by a single person buying a 2-, 3-, or 4-family unit; and, accordingly, my amendment confines the sales housing provision of section 221 to single-family homes.

Second, my amendment reduces the permissible maturity from 40 to 35 years. The 35-year term will not permit as substantial a reduction in monthly financing charges as a 40-year loan, but it will still offer lower payments than the present 30-year maximum.

Third, my amendment would require the same downpayment factor as is prescribed for the regular FHA section 203 sales housing program. In other words, each family would have to pay a minimum of 3 percent of the purchase price of the home. However, to give some measure of preference to moderate income families my amendment would permit the 3-percent payment to cover closing costs. In other words 3 percent of the price would be the total cash payment required. Under section 203 part of the closing costs have to be paid in cash as well.

I should emphasize, Mr. Chairman, that these restrictive amendments will apply only to the new eligible groups under section 221 and will not affect the existing financing terms available to displaced families for single-family homes: Forty years with a $200 cash payment.

Mr. Chairman, I believe that these three amendments to section 101 should remove most, if not all, of the features which so many Members of this body have apparently found objectionable. With these amendments I cannot conceive of a majority of this body rejecting section 101 of the bill and I hope that with the adoption of my amendment all of the furor and controversy over this provision will be laid to rest.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from Iowa.

Mr. JENSEN. Does the committee bill provide that a borrower of money to build a home under the provisions of this act must live in the home?

Mr. RAINS. Yes.

It has always been in the basic FHA law and is required by FHA regulations that it must be his residence.

Mr. JENSEN. Can this borrower sell that home at his own discretion at any time?

Mr. RAINS. Why, that has always been the law. This is a straight FHA program. You certainly cannot say he could not sell his house.

Mr. JENSEN. Then he can borrow to build another home?

Mr. RAINS. Certainly. He does not borrow it from the Government.

Mr. JENSEN. Of course, that would create speculation in homebuilding.

Mr. RAINS. I never heard that before.

Mr. JENSEN. By a borrower.

Mr. RAINS. I never heard that argument advanced.

Mr. JENSEN. Certainly. I was in the lumber business for 24 years, and I know all about it.

Mr. RAINS. Would the gentleman be willing to restrict FHA loans and say you can only have one of these loans? If you did, you would strangle the homebuilding industry in this country and the lumber business also.

Mr. JENSEN. I believe there should be a provision in the bill that would keep a borrower from being a speculator in homes.

Mr. RAINS. I do not think that should be in the bill at all.

Mr. CLEM MILLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it has been generally agreed by spokesmen from varying points of view that a major housing need in the United States today is housing for moderate-income or middle-income families.

Families in this group, whose incomes are too high to qualify them for public assistance housing and too low to enable them to enter the open market for privately constructed housing have nowhere to turn. We feel that the new housing bill goes a long way to meet the needs of these families with the special provisions for 40-year mortgages, no downpayments, and lower interest rates.

We all recognize that the housing market has increasingly become a selective market. It is no longer possible, as it once was, to meet a vast unfilled backlog of demand for housing by simply providing ample credit. Credit must be used selectively in such a manner as to encourage private industry to meet the unfulfilled demands of moderate income families.

It is here, among the moderate- and middle-income families that the largest unfulfilled demand for housing exists.

We face the problem of determining the limits of this sector of the American economy. Who are the moderate income? And is it not true that as we move from one section of the country to another we find that the composition of this group by occupation and wage levels changes.

VARIATIONS IN CITY WORKERS' BUDGETS

As the following illustrates, the cost of the family budget of a city worker varies widely from city to city. To provide the same size family with the same "modest but adequate" level of living cost $5,370 in Houston, Tex., in the autumn of 1959 and $6,567 in Chicago, Ill. San Francisco is $6,304, Los Angeles, $6,285, Portland, $6,222, and so on.

The Department of Labor defines a city worker's budget as follows:

> The city worker's family budget was originally developed by the Bureau of Labor Statistics in 1946–47 at the request of the Congress and with the assistance of a technical advisory committee. It relates to a family of 4 persons, consisting of an employed husband, aged 38, with a wife not employed outside the home, and 2 children, a girl aged 8 and a boy aged 13, who live in a rented dwelling in a large city or its suburbs. It was designed to estimate the dollar amount required to maintain such a family at a level of adequate living, according to prevailing standards of what is needed for health, efficiency, the nurture of children, and for participating in social and community activities—a level of living described as modest but adequate.
>
> The modest but adequate level of living described by this budget standard is neither a minimum maintenance nor a luxury level. The budget does not show how an average family actually spends its money; neither does it show how a family should spend its money. Rather, it is an estimate of the total cost of a representative list of goods and services considered necessary by 4-person city families of the budget type to maintain a level of adequate living according to standards prevailing in large cities of the United States in recent years.

SAN FRANCISCO BAY AREA

In the bay area of San Francisco, figures are available, as provided by the Heller Committee for Research in Social Economics of the University of California, for the budget for a salaried worker and wage earner family. This budget, which is a more appropriate measure for this area, shows the following:

HELLER BUDGETS FOR SALARIED WORKER AND WAGE EARNER, SAN FRANCISCO DEFINITIONS AND AMOUNTS, SEPTEMBER 1960

THE BUDGET DEFINED

The Heller committee budgets are an attempt to measure the cost of maintaining the commonly accepted standards of living

of families in two different occupational groups. The difficulty in defining this concept precisely, so that there can be no doubt as to what should or should not be included in the budgets, has been pointed out many times. There is, however, general agreement that the budget items should be determined by conventional and social as well as by biological needs. The Heller committee has attempted to describe the "commonly accepted" standard of living as the sum of those goods and services that public opinion currently recognizes as necessary to health and reasonably comfortable living. The term "necessary" as used here includes far more than a minimum of physical needs. It represents what men commonly expect to enjoy, what "is urgently desired and striven for, special gratification attending substantial success and substantial failure yielding bitter frustration."

Cost of budget for a family of 4, September 1960

Salaried worker, homeowner	$9,816
Wage earner, homeowner	6,892
Wage earner, home renter	6,488

HOUSING COSTS

For this same area I have obtained some very significant figures on housing costs which indicate the range of the middle-income families whose special housing needs this bill will, in part, meet:

First. Public housing: The maximum net family incomes for a family of four qualifying for public housing in San Francisco cannot exceed $4,200.

Second. Private housing: Private housing, for sale or rent, in the bay area comes on the market at the following approximate levels, (a) sale: Under FHA eligibility standards, the net family income required for the purchase of medium priced dwellings in San Francisco after 10 percent down and a 25-year mortgage at 6 percent is $8,500; (b) rent: Although rental data is less accurate, the lowest rentals announced for apartments to be built in San Francisco redevelopment areas are $165 per month for 2 bedrooms, and $175 for 3 bedrooms. Based on FHA eligibility standards a family must have minimum net incomes of $7,900 and $8,500 annually to be eligible for such housing.

It is therefore clear that in this particular area, middle and moderate income families will fall within the wide range of $4,200 and $8,500. Any family falling within this spread must of necessity qualify for the middle and moderate income housing to be provided by this bill. Unless the qualifications are so drawn to encompass both ends of this group, the intent of Congress will surely be frustrated.

CONCLUSION

I believe that we are, in the moderate income housing provisions of the 1961 bill, meeting to some degree the need of the types of people I have been talking about.

It is essential that the middle-income bracket eligible to qualify for the new program be carefully scrutinized to provide for that group it is intended to serve. The gap may well be a lot broader than now believed.

A typical example is the nonprofit, cooperative housing project, jointly sponsored by the International Longshoremen's and Warehousemen's Union and the employer group, the Pacific Maritime Association. This cooperative project is proposed to build three-story, garden-style apartments for moderate incomes. If the gap between public housing and private is not carefully surveyed, this most eligible-type project may be jeopardized.

I hope that in light of the program that the HHFA will carefully consider regional differences and the extent of the gap which exists for the middle-income family.

Mr. Chairman, I take this time to direct an inquiry to the chairman of the subcommittee, the gentleman from Alabama [Mr. RAINS] on the important point relating to incomes and what would be regarded as a "middle income." Some areas are designated as high-cost-of-living areas and others as low-cost-of-living areas. There was considerable discussion in the committee and elsewhere in regard to this subject of what constitutes middle income, and I believe there should be some clarification in the RECORD as it relates to section 103 of the bill amending section 221.

Mr. RAINS. I think that it varies by sections, as the gentleman so well stated. But, on the basis generally accepted, it is from $4,000 to $6,500 as the average of the so-called modest income.

Mr. CLEM MILLER. Does the gentleman feel that in certain sections of the country, where evidence may be present of high costs, that it might vary from these limits?

Mr. RAINS. The committee bill recognizes that fact, because there is a difference, as the gentleman knows, in the amount of the two. The house could cost up to $15,000 in the high-cost area and in the low-cost area, $11,000. I certainly agree to that.

Mr. CLEM MILLER. In a study of the San Francisco region we learn that the median worker's income was in the vicinity of $6,500, yet private housing is not available for incomes of that level.

Mr. RAINS. I can see absolutely no reason as to why, the place where incomes are on the average higher, they could not participate, because there is no Government participation other than in the insurance.

Mr. DERWINSKI. Mr. Chairman, may I first direct an inquiry to the gentleman from Alabama?

In the amendment that is now before the House do you make any changes in the definition or figures applying to high-cost areas? May I ask if in this amendment before the House there is any change in the definition or description of what is a moderate- or low-income family?

Mr. RAINS. None whatever. That language is the same.

Mr. DERWINSKI. Then the changes, basically, are the 35-year loan at 3 percent, plus the closing costs as downpayment?

Mr. RAINS. That is correct.

Mr. DERWINSKI. And the amendment is restricted to single-family units?

Mr. RAINS. That is correct. It does not apply to two-, three-, and four-family units. That is the amendment exactly.

Mr. DERWINSKI. Mr. Chairman, I rise in favor of the amendment. However, in supporting this amendment and one other substantially good amendment which the gentleman from Alabama [Mr. RAINS] will offer at another point in the bill, we should not be deluded into thinking that we have perfected the bill and produced a good bill from what was previously a bad bill.

As I understand the gentleman from Alabama, the reason we have this constructive amendment is because the portion of the bill as written aroused so much opposition that it could not be defended.

At another point, as I have indicated, we are to be offered another amendment by the gentleman for the very same reason—the bill in that portion has drawn too much heat. But this does not detract from the fact that we have basically an extremely costly, cumbersome, questionable, unworkable bill that might best be described as a legislative monstrosity and later will be described to you as an administrative monstrosity.

I would like to point out in the years to come when we as Members of Congress are approached by our constituents complaining about the administrative interpretation of this housing bill, the only answer we could give is to throw up our hands and say we will not be able to adjust problems with the new housing bill in Congress until 1965. For the next 4 years you are going to be at the mercy of the administration and the bureaucrats administrating this program. Therefore, despite this sound amendment the gentleman from Alabama has submitted to you, basically this is an unsound bill and all we are doing is taking a little bit of bad from a completely impractical, unsound proposal. Even though I rise to support this amendment I remind you in the best interest of the taxpayers, the best interest of good, solid, substantial housing development across the country, we should still defeat this bill and accept the McDonough amendment which will be offered in the form of a motion to recommit, and then we will still write a good housing bill here today.

Mr. HIESTAND. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. HIESTAND of California, to the amendment offered by Mr. RAINS of Alabama, for the pending amendment to H.R. 6028:

In paragraph (10) of the proposed section 101(a) (appearing on page 8 of the substitute), strike out "35 years from such date in any other case" and insert "30 years from such date in any other case."

Mr. HIESTAND. Mr. Chairman, this is a very simple amendment and explains itself. It is introduced to preserve the veterans' preference thinking in this whole bill.

Some years ago, when I was a member of the Committee on Banking and Currency the proposition first came up for a no-downpayment provision. There was violent objection, because that would run into competition with veterans' loans.

It seems to me it would make sense to make this change. The very eloquent gentleman from Alabama [Mr. RAINS], with his amendment, would improve the

bill; if his amendment is adopted, there is no doubt it will improve the bill. I do think, however, my amendment would improve it further. I think it is our duty to do all we can to improve the bill. I think the amendment is a very simple one, easily understood, and I ask a favorable vote upon it.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. HIESTAND. I yield to the gentleman.

Mr. MULTER. All the gentleman's amendment does is to change the 35-year provision as contained in the Rains amendment to 30 years; is that correct?

Mr. HIESTAND. That is correct.

Mr. MULTER. Actually, it does not touch any of the veterans' preferences?

Mr. HIESTAND. No, but it would make it more parallel with the veterans' preferences.

Mr. MULTER. What the gentleman is really seeking to do is to modify the 35-year mortgage plan under the Rains amendment to 30 years.

Mr. HIESTAND. That is correct.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HIESTAND] to the amendment offered by the gentleman from Alabama [Mr. RAINS].

The question was taken; and on a division (demanded by Mr. HALLECK) there were—ayes 122, noes 133.

Mr. BYRNES of Wisconsin. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. MCDONOUGH and Mr. RAINS.

The Committee again divided, and the tellers reported that there were—ayes 156, noes 171.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Alabama.

The amendment was agreed to.

Mr. McDONOUGH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MCDONOUGH: On page 60, lines 7 through 9, strike out "a public body or agency other than a public housing agency."

Mr. RAINS. Mr. Chairman, I make a point of order against the amendment on the ground that we have already passed the section. This is part of title I.

The CHAIRMAN. That section has been stricken, and an amendment would be out of order.

The amendment was offered to a section which was stricken by the amendment offered by the gentleman from Alabama, which has now been adopted by the Committee. The amendment, therefore, is out of order.

Mr. McDONOUGH. The action just taken by the Committee was on an amendment to the amendment.

The CHAIRMAN. Section 101 in its entirety was stricken and new language adopted. The gentleman from California offers an amendment to language appearing on page 60 of the printed version of the bill which is no longer the language of the bill.

Mr. McDONOUGH. Does the language which was inserted as the result of the amendment include the language that was previously in the bill in reference to public bodies?

The CHAIRMAN. That is not within the knowledge of the Chair. The Chair does not know.

Mr. McDONOUGH. If the Chair please, if it is, I think my amendment would be in order.

The CHAIRMAN. The Chair rules that an amendment offered to insert language which has now been changed is out of order. If the gentleman has an amendment to offer to the amendment offered by the gentleman from Alabama, that also is out of order.

Mr. HALLECK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HALLECK. The substantive effect, as I understand, of the amendment offered by the gentleman from Alabama [Mr. RAINS], was to reduce the 40 years to 35 years and provide for a downpayment, and then to reduce to a single unit from four units. Did it go beyond that and restate all the rest of title I in such fashion as that now any further amendment to title I is precluded? I must say if that is the result it is something of a shock to those of us who had other amendments to offer.

The CHAIRMAN. The Chair regrets that it comes as a shock. The gentleman from Alabama moved to substitute the entire language in section 101, and the House has now done just that, so amendments thereto are out of order.

Mr. McDONOUGH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McDONOUGH. If the amendment offered by the gentleman from Alabama was to amend section 101 of the bill——

The CHAIRMAN. The gentleman from Alabama offered an amendment to section 101 of the bill, that struck out all of section 101 and inserted new language which has now been adopted by the Committee.

Mr. DERWINSKI. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DERWINSKI. If we have adopted a complete substitute are not amendments in order to any language in the substitute?

The CHAIRMAN. Not at this time. They were in order when the gentleman from California offered his amendment reducing the time from 35 years to 30 years, but there were no further amendments. The amendment offered by the gentleman from Alabama has now been adopted.

Mr. LINDSAY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LINDSAY. Mr. Chairman, I regret that the Chair saw fit to rule out of order further amendments to section 101. I had sent to the desk my amendment to section 101(a), which was in the nature of a substitute for the administration's 40-year, no-downpayment mortgage provision. In my judgment it was a far preferable proposal for supplying middle-income housing to our great urban and suburban centers.

Possibly I would be free at a later time during this debate to offer this amendment as an addition to the entire bill. I shall not do so, however, as I do not wish to add to the cost of the bill, in view of the fact that title I, as amended, remains in the bill. I think that title I, as amended, or my proposal is necessary. I prefer my proposal. I do not think, however, that we can have both.

Mr. Chairman, I am one of those who feels that the Federal Government has a very positive role to play in the field of housing—particularly as the subject affects the exploding metropolis. Let us remember that 70 percent of our population live in the great urban and suburban centers of our country. This is a mobile population, which is all the more reason why the Federal Government has an important role. I agree that the investment that we make in our cities in terms of their planned growth—the elimination of blight, the building of housing that people can reasonably afford, the promotion of parks and playgrounds—is an investment for the benefit of all Americans, whether or not they live in cities.

The great need for middle-income housing is in the urban and suburban centers of the United States. Federal legislation should be pinpointed to need. My proposal, which I had planned to offer as a substitute, would have met this specific need. It is a program that has been tried and found to work. It has been proven. A week ago I wrote a letter to each Member of the House describing the proposal, and in yesterday's RECORD I inserted a full and complete description of the proposal. I urge every Member who may be interested to read the RECORD on this subject on pages 10867 to 10876, for I shall press for the program in the future.

The amendment would have created a Federal Limited Profit Mortgage Corporation which would make loans secured by housing projects for moderate-income families or for elderly persons. The Corporation would be started with a $100 million stock subscription by the Treasury and would obtain its funds by borrowing in the private market.

The loans would be made for periods of up to 50 years at interest rates equivalent to the rates at which tax-exempt Treasury bonds are sold, but not to exceed 4 percent. These loans could not exceed 90 percent of development cost, and the Corporation would charge one-half of 1 percent in addition to the cost of money to the Corporation.

Borrowers would be limited to a return of 6 percent, and rents and carrying charges would be regulated to insure the production of housing to rent at levels within the means of elderly persons and moderate-income families.

Families of moderate income are defined to mean families, or individuals,

whose incomes preclude them from purchasing or renting conventionally financed new housing with total monthly housing expenditures of 20 percent of their normal stable income, as defined by the Federal Housing Administration. Elderly persons are defined to mean a person 60 years of age or over, or a family, the head of which or his spouse is 60 years of age or over.

Yesterday my distinguished colleague, the gentleman from New York [Mr. MULTER] made the honest statement that the administration's proposal for moderate-income families is "experimental," and, to use his words:

"If it doesn't work we will backtrack and find a new way." The proposal that I would have offered by an amendment, had it been in order, is not experimental. It has been proven. It is modeled on a program developed in my own State of New York, called the Mitchell-Lama program, under which there have been financed some 30,000 housing units and approximately $450 million has been raised precisely in the fashion described in my amendment. This has resulted in cooperative apartments, for example, under which there is individual ownership. There is no reason why the proposal, beginning with unitary sponsorship, could not be made to work in terms of individual homes in the suburban areas. However, the difference in practical effect is that there is mutuality of risk under my proposal. Under the 40-year program of the administration, each project would stand on its own feet, which weakens the entire picture.

The middle-income family is, in a sense, the backbone of any community. We have recognized that New York, following a pattern common to many American cities, has lost more than 900,000 middle-income families during the past decade. Of course, a like number came into the city, but their income level was much lower. This significant change bears heavily upon the city's need to provide special services and facilities, and of course affects our general economy. It is commonly stated that New York is becoming a city of the very rich and the very poor. While this is only partially true, there is good reason to take the necessary steps to insure that the middle-income resident is not taken for granted at a time when construction costs and a tight housing market have placed him in a vice which we can and must remove.

The proposal which I sponsor and which I would prefer to title I would make available, on a national scale, and for the first time, Federal support for the kinds of programs that New York State and New York City have proved to be successful. On the basis of the numbers of units completed and planned in New York it is evident that there has been little difficulty in developing the kind of responsible and enthusiastic private sponsorship for the kind of moderate-rental and cooperative housing that is so desperately needed.

New York City is not atypical. A federally backed program along these lines would bring new housing hope to America's forgotten majority—its middle-income families. Our cities need to retain their middle-income families. This proposal would have given them the best hope.

Mr. Chairman, I have my disagreements with the Rains bill—the committee bill. I have just talked at length about one of them—my preference for the creation of a Federal Limited Profit Mortgage Corporation over the 35-year mortgage provision. However, the deficiencies with the substitute bill are even greater. In my judgment, a single year does not permit good planning. I have talked with responsible housing people in my district—not, incidentally, of this administration or indeed of the administration's party—and I am persuaded that urban renewal cannot be intelligently planned or programed on a year-to-year basis.

Second. There must be some provision for public housing. In my view, 100,000 new units as contained in the administration's bill is too high. But there clearly is need for a new authorization to the extent of not more than 50,000. I would settle for 25,000. But I cannot settle for nothing.

Third. I would have hoped that my proposal for a Federal Limited Profit Mortgage Corporation would have been made a part of the substitute bill. This offers a productive, effective program for one that is less effective. The substitute in this area would not fill the gap.

For these reasons, Mr. Chairman, I must support the committee bill over the substitute.

The CHAIRMAN. The Clerk will read.

Mr. McDONOUGH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this situation is getting into what I expected, a total state of frustration and confusion, and I mean that on the other side of the aisle as well as on our side of the aisle.

The amendment I have proposed has to do with the elimination of a public body as a public renting authority. It has nothing to do with the 40-year or 35-year, no-downpayment proposition. If the amendment that the gentleman from Alabama presented to the House did have to do with the elimination of a public body or permitting a public body to control rents on Government-owned units, it was not thoroughly understood insofar as its passage was concerned, because there was no reference to a public body controlling rental units of a subsidized rental house. That is what I am talking about here.

As a matter of fact, the Subcommittee on Housing amended that section of the bill with the consent of the gentleman from Alabama to remove public housing authorities as an agency to control these low-rent subsidized housing units provided in the bill. The bill provides that $750 million of FNMA money is in there for the purpose of subsidizing these mortgages. I want to say we should not permit other public bodies in addition to the Public Housing Authority to become the mortgagors on these kinds of units because you are setting up a Government-controlled rental authority in every city of the Nation if you do it.

Mr. Chairman, I am disturbed that my amendment has been ruled out of order, because there was no reference by the gentleman from Alabama to that section of the bill that it had to do with public bodies having control of subsidized units.

The CHAIRMAN. The Chairman has already ruled on the point of order.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Chairman, I said a moment ago that I was rather shocked at the situation, but maybe no one should be taken by surprise here today. This is a bill reported by a committee. The normal procedure would have been for the gentleman from Alabama to offer the amendment having specific language that dealt with the change. As I understand it, now—I was not conscious of it and I doubt if anyone on our side was—he rewrote the whole section with the changes that were involved in the amendment that he really wanted to accomplish. After that amendment was adopted all other amendments are shut off.

It is according to the Rules of the House, there is no question about that, and the Chairman has so ruled.

I may say to the gentleman from California that under the procedure the amendment is not in order. The only thing for us to do now is to go to the consideration of title II and further consideration of the bill. When the time comes we will work out something in the way of a motion to recommit.

Mr. McDONOUGH. The fact my amendment has been held not in order is not a desire on the part of the House not to consider an amendment of this kind. The committee itself amended this section of the bill removing public housing bodies.

I propose further that public bodies be removed as mortgagors and that, as I say, was not referred to by the gentleman from Alabama.

Mr. RAINS. Mr. Chairman, if the gentleman will yield, here are the exact words. I said: "My amendment, Mr. Chairman, is a redraft of section 101. It incorporates most of the present section 101 and makes only the following changes."

Mr. McDONOUGH. All right. What are the following changes?

Mr. RAINS. The 3-percent downpayment and the others.

Mr. McDONOUGH. But you did not refer to the other section.

Mr. RAINS. Of course not. I was not amending that section. I was incorporating it because it was part of the whole section.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. LINDSAY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Chair has just ruled that all amendments to section 101 are out of order.

Mr. LINDSAY. No point of order has been raised against this amendment.

The CHAIRMAN. The Chair has raised the point, and the amendment is out of order.

The Clerk will read.

The Clerk read as follows:

TITLE II—HOUSING FOR ELDERLY PERSONS AND LOW INCOME FAMILIES

Housing for the elderly

Direct Loans

SEC. 201. (a) Section 202 of the Housing Act of 1959 is amended by—

(1) inserting in subsection (a)(1) after the words "private nonprofit corporations" the following: "or consumer cooperatives";

(2) striking out in subsection(a)(2) the words "for the provision of rental housing" and inserting in lieu thereof the following: "or to any consumer cooperative for the provision of rental or cooperative housing";

(3) striking out in subsection (a)(2) "unless the corporation" and inserting in lieu thereof "unless the applicant";

(4) striking out in subsection (a)(3) "A loan to a corporation under this section" and inserting in lieu thereof "A loan under this section"; and

(5) striking out in subsection (c)(3) "corporation undertaking" and inserting in lieu thereof "corporation or consumer cooperative undertaking".

(b) Section 202(a)(3) of such Act is amended by striking out "98 per centum of".

(c) Section 202(a)(4) of such Act is amended by striking out "$50,000,000" and inserting in lieu thereof "$150,000,000", and by striking out the second sentence.

(d) Section 202(d)(4) of such Act is amended by striking out "sixty-two years of age or over" each place it appears and inserting in lieu thereof "sixty years of age or over".

(e) Section 202 of such Act is further amended by adding at the end thereof the following new subsection:

"(e) Nothing in this section or in regulations promulgated under this section shall prevent a corporation or consumer cooperative from obtaining a loan under this section for the provision of housing and related facilities for elderly families and elderly persons, notwithstanding the fact that such corporation or cooperative has theretofore obtained a commitment from the Federal Housing Administration for mortgage insurance under section 231 of the National Housing Act with respect to the housing involved, if (1) such corporation or cooperative is otherwise eligible for such loan under this section, (2) such commitment was obtained prior to the date of enactment of the Housing Act of 1961, and (3) the Administrator determines that the financing of such housing through a loan under this section rather than through mortgage insurance under such section 231 is necessary or desirable in order to avoid hardship for the elderly families and elderly persons who are the prospective tenants of such housing."

Low-rent public housing

Eligibility Requirement for Disabled Persons

SEC. 202. Section 2 of the United States Housing Act of 1937 is amended by striking out the words "has attained the age of fifty and" in the second and third sentences of paragraph (2).

Additional Subsidy for Elderly Tenants

SEC. 203. Section 10(a) of the United States Housing Act of 1937 is amended by inserting the following proviso before the period at the end of the third sentence thereof: ": *Provided*, That the Authority may, in addition to the payments guaranteed under the contract, pay not to exceed $120 per annum per dwelling unit occupied by an elderly family on the last day of the project fiscal year where such amount, in the determination of the Authority, was necessary to enable the public housing agency to lease the dwelling unit to the elderly family at a rental it could afford and to operate the project on a solvent basis".

Mr. RAINS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. MCCORMACK] having assumed the chair, Mr. BOGGS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 6028) to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes, had come to no resolution thereon.

COMMITTEE TO ESCORT HIS EXCELLENCY HAYATO IKEDA

The SPEAKER pro tempore. The Chair appoints the following committee to escort our distinguished guest, the Prime Minister of Japan, into the House: The gentleman from Oklahoma, Mr. ALBERT; the gentleman from Pennsylvania, Mr. MORGAN; the gentleman from Hawaii, Mr. INOUYE; the gentleman from Indiana, Mr. HALLECK; the gentleman from Illinois, Mr. CHIPERFIELD; and the gentleman from Illinois, Mr. ARENDS.

The House will stand in recess subject to the call of the Chair.

Accordingly (at 3 o'clock and 12 minutes p.m.), the House stood in recess subject to the call of the Chair.

During the recess the following occurred:

His Excellency Hayato Ikeda, Prime Minister of Japan, entered the Hall of the House of Representatives at 3 o'clock and 22 minutes p.m., and the Prime Minister of Japan was escorted to the Speaker's rostrum by the committee appointed for that purpose.

The SPEAKER pro tempore [Mr. MCCORMACK]. Members of the House of Representatives, I have the great pleasure, the high privilege, and the distinguished honor of presenting to you His Excellency the Prime Minister of Japan, whom we are so glad to welcome here today. Mr. Prime Minister. (Applause, the Members rising.)

(The Prime Minister of Japan addressed the House in Japanese. A translation of his speech follows:)

The PRIME MINISTER of Japan. Mr. Speaker, Members of the House of Representatives, it is with a profound sense of honor and pleasure that I come today to this great seat of democratic government to receive your warm welcome and to address a few words in behalf of the Government and people of Japan.

These are extraordinary times in which we live—times which demand extraordinary exertions by all freemen. The tensions of the cold war may rise or fall but the basic conflict goes on. Whatever may be the climate today or the climate tomorrow, there can be no change in our unswerving devotion to the cause of peace with justice and freedom. [Applause.]

Now in this unstable restless world, what is Japan doing? What can she do in the free world's endeavors for peace?

The ideal of Japan is to build a strong and stable nation dedicated to the principles of democracy. Respect for freedom and the basic human rights, and for the dignity of man has been deeply implanted in the hearts of the Japanese people. It may be a long road that we in Japan must yet travel before we learn truly to live up to these principles, but let me assure you that we are on the march. [Applause.]

From the destruction and privation of war, the people of Japan—industrious, enterprising and inspired by timely American help—have rebuilt a new and vigorous economy. In the last 10 years we have maintained, under our free enterprise system, an economic growth rate rivaled by no other country in our world. We now propose to double our gross national product in 10 years or even less and thereby raise our living standards by maintaining an average annual rate of growth of 7.2 percent. This program is well within our capabilities and I am fully confident that we will achieve our goal.

We are making these efforts not only to build a free and healthy society but to increase our capacity to play a more positive and purposeful role in the international community and thereby contribute to the larger task of insuring world peace and human progress. [Applause.]

Since the war, a number of Japanese political leaders, including myself, have come to this country to ask for help in the rehabilitation of our nation's economy. I want to avail myself of this opportunity to express our profound thanks for the aid we have received. This time, I am glad to say, and perhaps you are glad to know, I have not come to ask for aid. I have come to tell you with confidence that with the growth of our economy Japan at last has reached a stage where she can contribute, even though modestly, to the joint efforts of the free world to help hasten social and economic development and raise living standards in the newly developing nations which hold the key to world peace and stability. [Applause.]

I have had a series of friendly talks with President Kennedy and other leaders of your Government, and I believe that by these talks we have been able to deepen our mutual understanding and to strengthen our partnership.

In closing, I wish to express to you and through you to the people of America my sincere good wishes for the prosperity of this great democracy. I also wish to pay my high respects to President Kennedy for his devoted efforts for peace under justice and freedom, and to assure you that in these efforts we will unsparingly cooperate. [Applause, the Members rising.]

At 3 o'clock and 36 minutes p.m., the Prime Minister of Japan and his party retired from the Hall of the House of Representatives.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. McCORMACK) at 3 o'clock and 50 minutes p.m.

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess of the House may be printed in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H.R. 3283. An act to revise the boundaries and to change the name of Fort Vancouver National Monument, in the State of Washington, and for other purposes;

H.R. 5475. An act to transfer a section of Blue Ridge Parkway to the Shenandoah National Park, in the State of Virginia, and for other purposes;

H.R. 5760. An act to revise the boundaries of the Scotts Bluff National Monument, Nebr., and for other purposes;

H.R. 5765. An act to authorize the purchase and exchange of land and interests therein on the Blue Ridge and Natchez Trace Parkways;

H.R. 6422. An act to add federally owned lands to, and exclude federally owned lands from, the Cedar Breaks National Monument, Utah, and for other purposes;

H.R. 7446. An act to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates; and

H.J. Res. 384. Joint resolution providing for acceptance by the United States of America of the Agreement for the Establishment of the Caribbean Organization signed by the Governments of the Republic of France, the Kingdom of the Netherlands, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.

The message also announced that the Vice President has appointed Mr. JOHNSTON and Mr. CARLSON members of the Joint Select Committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the U.S. Government," for the disposition of executive papers referred to in the Report of the Archivist of the United States No. 61–10.

FEDERAL-AID HIGHWAY ACT OF 1961—CONFERENCE REPORT

Mr. FALLON submitted a conference report and statement on the bill (H.R. 6713) to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes.

HOUSING ACT OF 1961

Mr. RAINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 6028) to assist in the provision of housing for moderate- and low-income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 6028, with Mr. BOGGS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose, the Clerk had read through section 203 of the committee substitute amendment ending on line 2, page 95.

Mr. McDONOUGH. Mr. Chairman, I ask unanimous consent that the bill be considered as read and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. TABER. I object.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DWELLING UNIT AUTHORIZATION

SEC. 204. (a) Section 10(e) of the United States Housing Act of 1937 is amended by striking out the first three sentences and inserting in lieu thereof the following: "The Authority is authorized to enter into contracts for annual contributions aggregating not more than $336,000,000 per annum, but any such contracts for additional units for any one State shall not, after the date of enactment of the Housing Act of 1961, be entered into for more than 15 per centum of the aggregate amount not already guaranteed under contracts for annual contributions on such date: *Provided*, That no such new contract for additional units shall be entered into after the date of enactment of the Housing Act of 1961 except with respect to low-rent housing for a locality respecting which the Administrator has made the determination and certification relating to a workable program as prescribed in section 101(c) of the Housing Act of 1949, and the Authority shall enter into only such new contracts for preliminary loans as are consistent with the number of dwelling units for which contracts for annual contributions may be entered into."

(b) Section 10(1) of such Act is repealed; and section 15(10) of such Act is redesignated as section 10(1) and transferred (as so redesignated) to the place heretofore occupied by the section so repealed.

(c) Section 21(d) of such Act is repealed.

Mr. HERLONG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HERLONG: On page 95, strike out all of line 3 and all that follows down through page 96, line 5.

Mr. HERLONG. Mr. Chairman, this amendment, as you know, eliminates from this bill the additional authorization for more public housing units. There seems to be some question as to how many are actually authorized in this bill. In the debate in the other body they said 75,000 to 80,000. The green sheet prepared by the committee in explanation of this bill says 100,000 units. On page 118 of the printed hearings the House and Home Finance Administrator said 115,615. I do not suppose it makes any particular difference which figure is correct, but it may be of some significance that even the proponents cannot agree as to what is provided in the bill.

Permit me to call your attention to a few facts in the brief time that I have. There are 470,000 public housing units now under actual management. There is authorization now on the books for 127,000 more that are not affected by this amendment or this bill. These are in the pipeline and will be available for occupancy by low-income families in the next few years, regardless of whether this bill is passed or not. Public housing today is costing an admitted Federal subsidy of $160 million a year. These additional, already authorized and in-the-pipeline units, will increase this subsidy to over $257 million a year. This subsidy continues for 40 years. If the present provision for additional public housing is passed it will cost an additional $78 million a year for 40 years, or a total of $3.1 billion.

Now if something is really necessary, we in America take the position that we don't care what it costs—we will get it—but does public housing at this time come under the head of what is really necessary? I hope you will all bear in mind when you vote on this amendment and on this bill that on next Monday you are going to be asked to vote to increase the debt ceiling to $298 billion. This debt ceiling bill passed out of the Ways and Means Committee a few days ago and frankly just about the only question in connection with it in the committee was: Is it big enough? Is it big enough to take care of these spending programs that are really not of an emergency nature with which we are going to be confronted during the rest of this session? I submit that, even if you favor public housing, there is ample public housing already authorized prior to this bill so that it is not a must at this particular time even to those who are fearful of what might happen to the urban renewal program. Further, my information is that even some of the most ardent advocates of public housing in the past have come to realize that what they expected this program to do it has not done.

Mr. Charles Abrams, of MIT, a former State housing official and United Nations adviser on housing, in collaboration with Mr. Morton Schussheim, of the New York State Rent Commission, prepared a report from which quotations were made a few days ago in the CONGRESSIONAL RECORD. Mr. Abrams contended that public housing, in which rents are subsidized by the Federal Government, is not the answer to better housing for low and moderate income families.

On page 215 of the printed hearings there are quotations from Mr. Joe McMurray, chairman of President Kennedy's task force on housing. In a special report to the homebuilders last January Mr. McMurray said, and I quote:

In general, it may be said that this program, begun in depression years of the 1930's, no longer offers an adequate solution

in view of changed economic conditions and the dynamic changes taking place in our cities.

Subsequently he referred to the program as "an inadequate, moribund public housing program, largely tailored to the needs and standards of a past era, and some incidental benefits for special groups."

Mr. Chairman, these are the words of the President's task force chairman, they are not my words. I quote him further:

Here it need only be said that there is almost unanimous agreement that the program is not doing the job which it set out to do in 1937. Significantly, this view is shared by the dedicated and able men who pioneered the program and supported it through its turbulent history.

Of course the chairman of this task force went ahead and recommended a limited extension of the program which he described as moribund, or on its last legs. Why he recommended this, I do not know.

Mr. Chairman, here we have an example where we have been giving the patient a very expensive treatment through the years, and he is, according to the doctors, near death. The treatment, therefore, is not curing the patient, it is making him worse, and yet in this bill we are asked to give another $3.1 billion dose of the same medicine that is making him worse now.

Mr. Chairman, here is a chance for the Congress to save at least $3.1 billion and not hurt anybody.

Mr. Chairman, I hope my amendment will be agreed to.

Mr. RAINS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Florida [Mr. HERLONG].

Mr. Chairman, I wish I could be as positive in my remarks as the gentleman from Florida seems to be of his. The gentleman from Florida says that the medicine we are giving the patient is not doing him any good, and he recommends, I assume, by this amendment that the thing to do is to kill the patient. Instead of giving him any medicine, just finish him off. That is what the amendment would do.

I will say to the gentleman from Florida that he made a very good statement. But what would you do? Would you just cut it off and let these people who are being uprooted by Government action not be taken care of, these people who are not able to buy a decent home for themselves?

Mr. HERLONG. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from Florida.

Mr. HERLONG. We have 127,000 units already authorized. That will take care of the program for at least a year or two. The gentleman knows that. Then we can see at that time what we should do.

Mr. RAINS. But the gentleman is in error. These units are already committed. Every single unit is or soon will be committed. The PHA reports that by June 30 every last available unit will be all signed up.

As a matter of fact, I had something to do with the report which the gentleman read, and out of context. I long to see the day when we will be able, as my good friend from Texas [Mr. THOMAS] said, do something for these people by some other method. And it will be subsidized, no matter what we do. You cannot have a man who is in the extreme low group and have a house for him to live in today under private enterprise. I have asked people all over the country, I have asked people in your State, Pensacola for instance, "You give me the answer and we will do it. Can you build a house for a man who makes $2,000 a year with 5 kids, can you build a house for him under the private enterprise method at a profit?" Of course not.

What can we do then? Until we can get such a program as I hope will come about and as we have made a step toward in this very bill, we cannot afford to continue the urban renewal program, the highway program, through the poor sections of the cities of America without giving them some place to go. We have to provide for these poor people.

I said in debate on this bill that I wish that every family could own its own home, but there are people in this country who simply cannot afford decent housing without help. One man may be able to pay for good housing without any assistance, but through some quirk of fate we also have these poor people, and the good Lord says that we will have them in the future. This is not new public housing. It is the last increment of the public housing authorized by the Congress in 1949. We have made a start in this very bill to arrive at a program to help lower income families in other ways. Later on, I am convinced, it may take subsidized interest rates, or it may take the same type of thing we have done in welfare cases, in order to get some kind of housing for these people. The gentleman ought to vote for it if he is against public housing. But, until that day comes, we must have at least a reasonable amount of low rent housing over the next few years to take care of the people that we, by the laws we enact, uproot in these cities and for our older citizens and other low-income families. And I am sincere and I know the gentleman is. I thought he made a very good statement, and I agree that this is a problem that we must continue to study. But, this is certainly not the time, under the present circumstances, with all of the present units committed, to cut out of this bill the one thing that will help our lowest income families.

Mr. McDONOUGH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this amendment would strike 100,000 units which are provided in the committee bill, and it would strike the largest obligation that we will assume in the whole bill in the way of grants if the 100,000 units are implemented. Now, the only reason for the 40-year, no-downpayment section in the bill was to do away with public housing.

Mr. YATES. Mr. Chairman, will the gentleman yield on that point?

Mr. McDONOUGH. I yield.

Mr. YATES. The 40-year program could not do away with public housing, because there is still need in the cities of the country to house people who live in the cities, and you cannot build houses in the cities themselves because the land is too expensive.

Mr. McDONOUGH. I know the land in the cities is expensive, and it is difficult for that reason. But, the chairman of the committee contends this is the last increment of the last authorization in conection with public housing. Now, this country got along for a long, long time before we had subsidized governmental public housing. If we are going to say that 100,000 units is going to take care of all of the people in the low-rent classification in the cities for an indefinite period, what are we going to do with them from then on if you continue to provide this kind of housing for this kind of people? And, I do not say that all of them are in that class, but you are demoralizing and subordinating these people to a patronizing position of the Government. We have had experience in some of the public housing units not controlled by the Federal Government but controlled, for instance, by the State of Massachusetts, where the firemen and policemen were housed in public housing units, and there was a referendum on the ballot for an increase in pay which would disqualify them for occupancy, and they argued against it, because with the increased pay they were not entitled to occupancy. Now, this 100,000 units we are talking about is one-sixth as many units as we have had over the previous 24 years. It certainly is going to take care of all of the people, so-called people, that we have to take care of in this category. The chairman of the committee himself took the 40-year, no-downpayment out of the bill and increased it to 3 percent and made it 35 years, and he did make reference to another form of public housing where we got the subsidized rate of interest for multiple dwellings for low rent in cities under long-term mortgages. This is another form of public housing which public bodies can sponsor. It was the purpose of my last attempt on this floor to amend that so that public bodies could not sponsor that kind of mortgage.

But if we are going to take care of all these people we are going to need more than 100,000 units. We had better go back to the period when we did not have any public housing units at all and give these people something to do for themselves, to stand up on their own responsibility. The amount that we will be assuming if these 100,000 units are approved is $3,146 million in grants or annual contributions over a 40-year period. That is the largest amount of grants in the bill. I urge the adoption of the amendment because I think we can get along without these units.

Mr. YATES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it seems that this amendment is offered every time a housing bill comes before the House. It is interesting that the amendment is offered ordinarily by one whose district does not contain any or many public housing units. I remember a few years

ago the amendment was offered by the gentleman from Texas [Mr. FISHER]. From what I have learned about Mr. FISHER's district, there are no public housing units in that area. Yet, he led the fight against the program. Similarly—and the gentleman from Florida may correct me if I am wrong—there are not many public housing units in his area. The gentleman comes from bright, sunny Florida and his slums are not as acute as those in the North. The need of help for slum dwellers is not nearly as critical. But he wants to deprive those who need sympathetic understanding of new housing problems from receiving help.

Mr. HERLONG. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Florida.

Mr. HERLONG. Mr. Chairman, I tell the gentleman that there have been many attempts to get public housing in my district, but when I get through explaining to them what it is going to cost them, they do not ask for it.

Mr. YATES. Then the gentleman confirms what I said, that there are no public housing units in his district.

Mr. HERLONG. There are quite a few that were there before I got there.

Mr. YATES. I am sure that the gentleman went through his district like a blight.

The gentleman from California [Mr. MCDONOUGH] says that offering these housing units to the people who will live in them demoralizes them. Is it more demoralizing to a person who lives in a public housing project to live in a clean, sanitary home, than to live in a rotten slum? Is it more demoralizing to live with a group of his neighbors in clean surroundings where his children may play in a bright, clean, pleasant environment than to live in an area which was replaced by the public housing unit, where there was filth, dirt, spilled garbage, and rats? In my own district 12 years ago, at the time I was elected to the Congress for the first time, I went through the worst slums in the country—filth, garbage, decrepit housing, housing of the worst type, where several families were living in one room. The people there lived in despair and in misery. They raised their children in a dirty, disease-ridden area. Today in that area they have new public housing units. And I tell the gentleman those people are not more demoralized for living in those units than they were when they lived in the slums.

Mr. MCDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman.

Mr. MCDONOUGH. In the first instance, the insanitary and unsafe conditions in which they lived before was the fault of the city in which they lived, because there was no enforcement. On the other hand, they were renting from private ownership and had the incentive to get out of it, which they do not have when they live in public housing units.

Mr. YATES. But, where were they to go?

Mr. MCDONOUGH. Where does anybody go to improve himself?

Mr. YATES. Where can these people with limited incomes go, if they want to buy housing on the market today? I tell the gentleman that he does not appreciate the facts of life. He does not know what goes on in the big cities. The people who live in these projects are on the lowest rungs of the ladder and we have to take care of them.

Mr. Chairman, I agree completely with the gentleman from Alabama [Mr. RAINS] when he says that there are many Americans who have not been able to win the economic battle and gather sufficient material benefits to live well. This is an expensive program, there is no question about it. This is an expensive program. But the fact remains that this is not nearly as expensive as the cost would be in crime, in disease and all the other conditions of a slum area.

I say to the House that here we are considering a bill for all America, a bill to provide a decent place to live for all Americans. The statement is in the preamble to the Housing Act. If this amendment were to prevail we would do away with the lone opportunity to provide housing for the people who cannot now buy decent housing.

There is housing in this bill for those with money who can afford to buy housing. There are provisions in this bill which would help those who have money, who can get insurance and provide themselves with beautiful housing. This amendment shuts the door to hope to those with no funds. It condemns them to continued slum living.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from New York.

Mr. MULTER. I think the gentleman ought to point out, too, that those living in the slums do not move out until the slum is torn down and they are forced to move. The fact that we are helping these people to a better life is shown by the fact that at least one out of three people in public housing buy better housing as soon as their income permits them to get it.

Mr. YATES. The gentleman is exactly right.

Mr. MCCORMACK. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Massachusetts.

Mr. MCCORMACK. Mr. Chairman, this program has been one of the greatest programs in connection with strengthening the family life of America. I know from experience as a young man what it is to live under substandard conditions. I have experienced it. I know from having lived under such actual conditions.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MCCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois [Mr. YATES] may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MCCORMACK. I can assure my colleague that this program has brought inestimable good to the communities that have entered into it. The first low-cost housing project in Boston was built in the district where I was born and brought up as a young man. I know what it is to live in a multiple three-family house, where they paid not more than $1.50 a week rent, and where the common facilities were down in the basement, the cellar, as we called it. Those are conditions that I know of. I know the great benefit this program has brought to people who live in the public housing projects that were built in part of the very area in which I played as a youngster in South Boston, in Boston, Mass.

All I can say is that I know of no program that has done more to bring hope to people, and they are Americans, they are human beings, and to strengthen family life. When we strengthen family life we strengthen our own Government and our own society, by this particular program. I can assure the gentleman I speak from actual experience as a young man, growing up under the very conditions this program has improved. I sincerely hope the program started in 1949 will be carried on as provided in this bill.

Mr. YATES. I thank the gentleman.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Indiana.

Mr. MADDEN. I think something has been overlooked here today in regard to the housing situation and the people who are unable financially through no fault of their own to purchase adequate housing. Statistics show there are approximately 5 million persons out of work, but that is just a drop in the bucket compared to the working people and factory workers who are and have been for several years just working part time. A factory worker or an industrial worker who is working only part time has only money enough to support his family with food, shelter, and clothing. A part-time worker cannot have any money set aside to buy homes. When you add to the 5 million unemployed the several more millions who are working part time, it is a serious situation to provide homes for them. We have slums in my district, but there is no place for the unemployed or part-time workers that are living in these slums to live if their dilapidated dwellings are condemned.

I think everybody will agree, as I mentioned yesterday afternoon, that the Caterpillar Tractor Co. has a special organization on research, and they run these facts and findings in their ads. I wish everybody would read the statement by the Caterpillar Tractor Co. of Peoria, Ill., appearing in the Saturday Evening Post of this week, to the effect that 30 million people could be living in slums and substandard homes within the next 15 years unless something is done.

That is by 1975. Then it goes on and it says in this advertisement "by 1975 our population will increase by 55 million"—that is 15 years from now—"unless the pace of urban renewal slum clearance is increased, 30 million Americans will be living in slums."

Now, that comes not from any real estate organization and not from any political organization, it comes from a conservative, well-established business, the Caterpillar Tractor Co., that has investigated and made research on these problems. So I think that this Congress certainly would be negligent in our duty to milli ns of people not only this year, but in future years if we adopted an amendment like this.

Mr. YATES. I thank the gentleman.

Mr. Chairman, I just want to say in further reply to the gentleman from California who said that these people can go out and buy homes on the private regular market that they are doing that as soon as they can get a job that provides enough money to do so. They are going out and they are buying homes in the community when they can afford it. Many of them are doing so.

Mr. DERWINSKI. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it appears when we get into this annual debate about public housing, there is a tendency to take off on semiemotional tangents and not to discuss the facts.

So for those of you who may be interested in the facts, I would like to say to you to please take a look at the report of the Committee on Banking and Currency, page 55 of the minority views. There they tell you specifically the exact condition of the public housing units in the pipeline. Certainly, if we delete the public housing provisions from this bill, and then adopt our substitute in the motion to recommit for a 1-year program, if the pipeline shows signs of being exhausted, you can come in in 1962 and add more public housing. So that is no worry at the present time.

But here is the point we ought to consider. There is not any program that we have ever adopted which is all perfect—any more than it is a complete failure. Certainly, there are accomplishments and virtues as well as failures in the field of public housing. I think just to add units indiscriminately year after year without attempting to correct the abuses and problems in the existing administration of public housing, is not responsible legislating. The gentleman mentioned the city of Chicago and the development of public housing. He should also have mentioned that public housing has not eradicated slums and as a matter of fact, we can produce statistics to show that we have more slums today despite the public housing than we did when public housing was first developed.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Illinois.

Mr. YATES. The gentleman knows that public housing units have replaced many slums that existed previously.

Mr. DERWINSKI. Yes, but because of the inability of the local government to enforce their ordinances, slums continue to multiply despite this public housing. There has also been discussed the ability of residents of public housing units to go on and purchase homes which they would own in their own right. We have had a number of abuses throughout the country where residents in a public housing project have been permitted to live in these units although they had incomes far exceeding any limitations. In other words, these were not needy families, these were families with a substantial income.

Furthermore, we have statistics to show you that families with less income than the present occupants of public housing units are putting out substantial downpayments and buying their own homes. They do not need a Government subsidy; they have enough spirit and enough drive and enough initiative to save their own money and to purchase their own homes. All we are asking you to do is to remember that you have all the public housing you need at the present time and that you can come back in a year or two and add to the public housing units, if you so desire. This is not going to end public housing. It does not hurt any existing projects. It does not hurt any existing plans. All it does is to bring a little financial responsibility into this monstrous housing bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FARBSTEIN. Mr. Chairman, I rise in opposition to the pro forma amendment. The reason is that I could not sit by and listen to some statements that have been made here during the debate. The last gentleman said we had all the public housing we needed. Let me inform him that the local authorities of the city of New York have advised me that they have come to the end of their line, they have authorized all the public housing they had the right to authorize; that if nothing is done here today there will be no more public housing built in the city of New York. I assure you that we certainly need plenty of public housing in the city, especially with new roads and highways that are being built displacing people, as has been suggested by the chairman of the subcommittee.

You have talked about abuses; let me assure you, Mr. Chairman, that in the city of New York, just as soon as the earnings of a family go beyond the maximum permitted under the law they are compelled to move; and it is only those families that are in the lowest income bracket that are permitted to live in these public housing units.

It seemed peculiar to me to hear one of the Members say we have gotten along for quite a long while without subsidized housing. That is true. We also got along for a very long time without subsidizing wheat and without subsidizing corn and cotton. All we seek to do here is to subsidize human beings, to subsidize human life. Certainly, if human life is not to be subsidized and permitted to continue and exist, there should be no subsidies for anyone.

What would happen if someone should come here and propose that we end all subsidies? I can imagine the holocaust that would take place within these walls.

Someone said when they found out what it would cost that they no longer wanted public housing. The people who need this public housing cannot possibly be concerned with cost, because they have not got the money to pay for housing. It is people who are on relief, it is the people whose furniture is on the streets because they are unable to pay rent, that we provide this public housing for. Certainly if we cannot stand for a little humanity in this House I do not understand what we can possibly stand for. If there was ever a crying need for assistance in this country, Mr. Chairman, it is for the assistance provided in this bill. I think it would be a sad state of affairs if we failed to pass a public housing bill; therefore, I plead with you to vote down this amendment.

Mr. Chairman, I want to add my voice to those Members of this body who have expressed their deep interest and enthusiasm for the liberal provisions which are proposed under the Housing Act of 1961, as presented by the very able chairman of the Housing Subcommittee, ALBERT RAINS.

There are many features contained in this proposed legislation which will receive my wholehearted support. However, the pressing need for more low- and middle-income housing has made this area of housing and community development one of the deepest concern to me. Low-income and lower middle-income families constitute the bulk of those families displaced by urban renewal, highway construction, and other public improvements. Yet, new housing construction has consisted predominantly of the kind of apartments and one-family houses which only the very rich or at best the upper-income family could afford. This is a tragic circumstance and one which this Democratic Government should no longer cease to acknowledge. H.R. 6028 does acknowledge this circumstance by providing for liberal FHA loans, experimental rehabilitation programs, and stepped-up public housing construction, among other features.

The road to final passage has always been a rocky one for housing legislation, and apparently the 1961 legislation is to be no exception. But, gentlemen, we must face up to the fact that the state of our cities—the lack of housing accommodations, and the continued growth of slums—looms as one of the most important of all domestic problems today. The failure to adequately accommodate the explosive growth of urban population, as it exists today will mean that the urban problems of the future will have been multiplied and expanded far beyond any possibility of reasonable solution.

We have made considerable progress since the passage of the National Housing Act in 1934, the public housing legislation of 1937, and the singularly progressive Housing Act of 1949. Nevertheless, 20 percent of our housing inventory today consists of deteriorating or dilapidated dwellings, and more than 24 percent of the country's family units have incomes of less than $3,000. These two statistical statements combined present a clear indication of the housing needs of the low-income and moderate-income families, for it is they who cannot find decent, safe, sanitary housing—at a price they can afford.

Previous attempts to stimulate production of moderately priced housing have not met with much success in the Congress. I am convinced that this will not be true of the provisions contained in the housing legislation for 1961. There are several good reasons for my confidence in this matter.

First, the 40-year, 3-percent loans which are proposed will not be a drain on the revenue of the Federal Government as some of the previous proposals would have been. The Federal housing insurance loan program is a self-supporting operation which currently has a sufficiently adequate reserve to meet any contingency.

Second, private enterprise will take a predominant role in meeting the housing needs of the moderate-income families.

Third, there is clear and overwhelming evidence that substandard housing is abhorrent to most American citizens and they recognize the importance of creating the correct and appropriate image of American living standards in this crucial period of world history.

Fourth, congressional Members and others realize that the investment in urban renewal must be protected through the provision of decent, safe, sanitary housing for those displaced by urban renewal and other public improvements and for the increased population.

Fifth, and not the least of the reasons for my confidence that the Housing Act of 1961 will become reality, is the fact that nonfulfillment of the avowed goal of the Congress of a "decent home in a suitable living environment for every American family," would be tragic, costly, and a serious indictment of the integrity of this body which has been charged with the responsibility of representing the public interest.

In addition to the provision of moderately priced housing through the expansion of the requirements of section 221, it is proposed that a brandnew, liberal program of insurance for home rehabilitation loans be inaugurated. This new provision should serve as a stimulant to the upgrading of neighborhoods, an area which has been neglected, chiefly because of the reluctance of some financial institutions to invest in rehabilitating structures located in neighborhoods which contain many dwelling units which were in need of repair and proper maintenance. It will serve as an incentive to many homeowners and landlords who have been unable to secure the necessary financing at a cost which was not prohibitive. Demolitions, abandonments and conversions have removed an average of 130,000 dwelling units annually—a decrease in our housing inventory which we can ill afford. With an adequate supply of financial assistance for rehabilitation and conservation of basically sound structures, additional housing can be made available for moderate-income families.

Public housing is apparently the only avenue of relief for the larger families and the elderly couples whose incomes are below $3,000. It is therefore important that the limitations on construction and authorization of these units be eliminated and that communities be encouraged to use the authorizations to remove the lowest-income families from the unhealthy atmosphere of the slum and the overcrowded dwelling.

In addition to special public housing units, the 1961 Housing Act increases by $100 million the program of direct loans for the construction of housing for the elderly—another important facet of the complex housing and community redevelopment problem.

A continuing program of urban renewal and urban planning assistance is imperative to the life of the urban centers of the country, and the Congress must assure the local levels of government that the necessary assistance will continue to be available for the long-term planning which is involved in the process of renewing our cities. Such an assurance is implicit in the increased Federal assistance envisioned by H.R. 6028.

The successful elimination of slums and blight can only be achieved if there is an increase in the supply of low and moderately priced housing; coupled with general planning and renewal financial and technical assistance from the Federal Government—this the Housing Act of 1961 would do, and I call upon every Member of this body to recognize the urgent necessity for the passage of this piece of legislation.

Mr. RAINS. Mr. Chairman, I wonder if we could agree on a time for closing debate on this section.

I ask unanimous consent that all debate on this section and all amendments thereto close at 4:45.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ASHLEY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ASHLEY. Mr. Chairman, I rise in opposition to the amendment before us.

Nothing could be more clear than the issue which this amendment presents. Are we today, 12 years after birth of the program in the Housing Act of 1949, going to scuttle public housing or are we going to affirm it as a necessary means of providing decent housing for low-income families in America?

Year after year, Mr. Chairman, we have been confronted with similar amendments, similar efforts to destroy public housing. Why is this? Is it because public housing represents an intrusion by the Federal Government into a field which properly can and should be handled by private industry? Those who support the amendment say the answer to this is "yes," but neither now nor in years past have they produced a scintilla of evidence to support their position.

Mr. Chairman, I wish it were the case that private industry could supply housing for low-income families but the plain fact of the matter is that they cannot do so—or at least they have not done so to date. I have said repeatedly—and I believe that I express the feelings of all of us here who oppose this amendment—that I will be the first to vote against public housing and get Government out of this field when and if there is some indication of a readiness, desire, and ability to produce the needed housing by private industry.

Let me just add one thing, Mr. Chairman. It is hard for me to understand how Republicans can support this amendment to the last man. They know that decent housing for millions of American families in the lower income bracket is not being supplied privately. If their efforts to kill public housing are successful, they will have removed the only source of hope which these unfortunate families have for decent shelter.

Mr. Chairman, the amendment must be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. SANTANGELO].

(By unanimous consent, the time allotted Mr. ANFUSO was given to Mr. SANTANGELO.)

Mr. SANTANGELO. Mr. Chairman, I am opposed to the pending amendment which would strike public housing from this housing bill.

Some of you gentlemen who have come to the city of New York have noticed, when you came in on your last party, that in my particular area of Yorkville, N.Y., there are over 10,000 families who have been dislocated and displaced by luxury apartments renting at $75 to $100 per room per month in these new houses. These people have come begging for assistance, because they do not have the funds, they do not have the homes, they do not have the finances to move into a house which they can afford as a low-income group. These are the victims of luxury projects.

We find the gentleman from Florida saying, in essence, he does not want to give charity to these people. What will it cost us? One hundred thousand units at $500 a unit, will cost $50 million as a subsidy under the terms of this bill. New York State and New York City would receive not more than 7,500 units. Your charity begins in Florida, that beautiful place, with waving palms and coconut trees. The Member who is offering this amendment comes from Florida. What is the grant-in-aid situation there. We find $157 million in grants-in-aid going to Florida. When I am on the Committee on Agriculture, I have to appropriate to protect your citrus fruits, and I have to appropriate funds for other people in the farm areas. I expect the same kind of consideration from the people on the farms, from the citrus growers of Florida, from California, I expect them to come here and give the people of my community, the people of the big cities and big States the opportunity to live in dignity, in cleanliness, and in comfort.

Mr. HERLONG. Mr. Chairman, will the gentleman yield?

Mr. SANTANGELO. I yield to the gentleman from Florida.

Mr. HERLONG. I would like to have the gentleman point out where he has appropriated anything for Florida citrus in appropriations for agriculture.

Mr. SANTANGELO. We have made appropriations for research for citrus fruits in your State, and in many other States we have provided funds for research in many agricultural areas throughout the United States.

The four big States of California, Illinois, New Jersey, and New York contribute 40 percent of the tax collections of this country. We are paying more for this program than any of you. New York State pays 19 percent of the tax collections of the country, and we ask you to do a little something for the people of my State whose public housing quota is being exhausted. The report of the city of New York is that we cannot have any more units unless this measure is approved, unless we get the 15-percent limitation.

This is a humanitarian cause. I would like to live like those in California where you have your beautiful homes, with landscaped gardens, or in the corn country in Illinois where we would have some grass, some light, and fresh air. But what happens? You say this is charity. But charity begins at home. Since we are paying the taxes for these programs, I say to you gentlemen whom we have helped in the past in your wheat programs and your corn programs, show us the same kind of Americanism and consideration that we have given to your people.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. SANTANGELO. I yield to the gentleman from California.

Mr. McDONOUGH. Is there not a State public housing authority in the State of New York?

Mr. SANTANGELO. We have a New York City Housing Authority?

Mr. McDONOUGH. I said State.

Mr. SANTANGELO. We have a State housing authority which has helped build State aid public housing projects.

Mr. McDONOUGH. But you have a city authority?

Mr. SANTANGELO. We have city and State funds, but nevertheless we still have a need for housing in New York. In my district alone 10,000 people have been uprooted, dislocated, and displaced. We ask you to give us the same sympathetic consideration that we have given you in the past.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I am confused. Only yesterday the gentleman from New York [Mr. MULTER], stood here in the well of the House and told us about the wonderful prosperity in this country. I assumed that New York was prosperous; both the city and the State. He told us about all the splendid prosperity throughout the country and ability to afford all the beautiful things of life. Now we hear of vast numbers of impoverished. What has happened in 24 hours to this prosperity, I ask my friend?

Mr. MULTER. That prosperity is still with us, but we still have the poor of this land with us in New York City and every other part of the country, and this bill will take care of those poor unfortunates who cannot help themselves.

Mr. GROSS. Now I hear from another gentleman that New York is broke.

Mr. MULTER. He did not say that at all.

Mr. GROSS. What did he say?

Mr. MULTER. He said the low-income groups——

Mr. GROSS. Wait a minute. Let me have a few seconds of my time. It was either the gentleman from New York [Mr. SANTANGELO], or the gentleman from New York [Mr. FARBSTEIN] who said we are at the end of the row or our rope.

Mr. SANTANGELO. Mr. Chairman, if the gentleman will yield, the gentleman did not understand the end of the row, because under the authority granted under this housing program we can build more than a couple of thousand units, and unless this bill is passed, we are at the end of the line. And, I did not say that New York City was broke, because New York City is not broke and is also constructing low-cost public housing for some people. But, we need the assistance of the Federal Government in order to help the poor people of this country, that is all.

Mr. GROSS. I want to say one other thing in the short time allotted to me, and I hope the distinguished majority leader is on the floor. He spoke about conditions under which he lived as a youngster. I will guarantee the distinguished majority leader that as a youngster I went barefoot more years than he did, and ate more salt pork than he ever thought of eating. Yet somehow we lived and thrived without the Government in Washington attending to our every need.

I regret that I have only 2 minutes for I would like to say more on this subject.

The CHAIRMAN. The chair recognizes the gentleman from California [Mr. ROUSSELOT].

Mr. ROUSSELOT. Mr. Chairman, I will say that I have tremendous respect for the people of the big cities that have this problem of housing. But, we do not need additional authority for Federal public housing units. There are over 17,000 units under the authority of the Public Housing Administration today that have not been used. In the last year and a half, in any one month, there have never been more than 1,100 units authorized by the P.H.A. Now, the point is simply this, that the Federal Government has more than enough authorization right now to cover so-called public housing needs far beyond another 2 years. We do not need 100,000 units of public housing, and because it is a big spending item that we are encouraging unnecessarily, I shall support this Herlong amendment because it is necessary. If you want to go back to your district and say "I am not a big spender," vote for this Herlong amendment. This amendment will eliminate an unnecessary 3.5 billion of unneeded expenditure.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, I would like the distinguished gentleman from Alabama [Mr. RAINS], the chairman, to hear this, because this is the way the act operates in certain instances. I have a good place called Stowe Township in my district in Pennsylvania.

In 1941 the Federal Housing Administrator built a Government housing project on a plot of ground called Ohio View Acres and they had 15 acres left unused. The project later came under the low-rent program, and because the plans of the Administrator did not take proper care of the storm sewer from the project there was a suit against both the township and the Federal Housing Administrator. The Housing Administrator refused to pay, so the township received a judgment against it for $15,255.55 with interest about $8,800 making a total of $23,000 damage in favor of the railroad on which the debris was washed in a storm.

This damage occurred in 1941, 1942, and 1943 and the Federal Housing Administrator has paid no contribution yet. The commissioners of this township saw that the local housing authority all this time had 15 acres of unused land. So, they said to the Allegheny County Housing Authority "Give it to us for a park or swimming pools." The authority then informed the township commissioners that the request could not be acceded to, saying "We may need the land in the future." How long is the Federal Housing Administration and the local authority going to hold the 15 acres of unused land? There has been no decision yet.

I read from part of the correspondence on the subject of the storm damages and the correspondence and resolution of the housing authority regarding the unused land. Why can't these problems be worked out? I believe that intelligent people can come to a successful conclusion and all parties will be happy.

WILLIAM F. CERCONE,
Pittsburgh, Pa., January 21, 1954.

Hon. JAMES GROVE FULTON,
New Federal Building,
Pittsburgh, Pa.

DEAR MR. FULTON: In my several conversations with you concerning the above case, you asked me to set forth a detailed account of the township's request for reimbursement from the Federal Government of money which the township, by reason of judgment obtained against it in the above captioned case, is compelled to pay to the Pittsburgh & Lake Erie Railroad Co. for damages it incurred because of the Federal Housing Authority's negligent maintenance of its drainage system situate in the Stowe Township project known as Ohio View Acres.

In 1941, the Federal Housing Administrator, acting under the authority of the Federal Government, began building the Government housing project on a plot of ground in Stowe Township. At that time, the township was assured that if any damages were incurred by the township because of any of the functions of the project, the township would be reimbursed for said damages. A

letter to that effect was sent to the township. However, it has been mislaid and I am certain that a copy of the letter will be found in the file of the Federal Housing Administrator concerning this project.

Drainage from the Government project was directed into the township's sewers and, since the area on which Ohio View Acres was built was so graded, sloped and drained, approximately 70 percent of all the drainage was directed toward the Nichol's Hollow sewer. The project drainage was conducted by connecting pipes and ditches lined with paving block running into the township sewer. The township sewer ran down Nichol's Hollow along Tunnel and Margaret Streets and eventually into the sewer system of the railroad and ultimately to the Ohio River.

In the years 1941, 1942 and 1943, during and after the construction of Ohio View Acres, the concentrated drainage from the area of the project flowed down Nichol's Hollow through the township sewer and into the railroad sewers.

In July 1943, the railroad's drainage facilities became blocked with debris and the paving blocks from Ohio View Acres which had become dislodged and flowed through the township sewers down to the entrance of the railroad sewers. The paving blocks blocked the drainage facilities of the railroad and caused debris and water to overflow onto the railroad tracks, at a cost to the railroad of $15,255.55 for the removal of the accumulations.

The railroad sued the township for this damage and the township attempted to join the Federal Housing Administrator as codefendant in the case, but the Housing Administrator refused to be joined. Because of the Housing Administrator's immunity from suit, the township was compelled to defend an action in which the Federal Government could very well have been more justifiably held accountable.

The railroad obtained judgment against the township and now the township faces the heavy burden of payment of the judgment in the sum of $15,255.55, with interest in excess of $8,800, which makes a total amount in excess of $23,000.

Judge Sarah Soffel, of the court of common pleas of Allegheny County, before whom the case was tried, stated in her opinion:

"In the instant case it is clear to the court that the Federal Government failed to provide proper and adequate drainage facilities for the Ohio View Acres project. Logically it should be held responsible and made to account for the damage done."

The opinion reveals how strongly the court felt that the Authority should pay the damages.

In the agreement between the township and the Federal Housing Authority, there appears a clause stating as follows:

"It is understood and agreed that the township will not be required to make any capital expenditures for the development of any sewer in connection with the construction of the development."

This agreement certainly establishes the fact that the burden of responsibility for the wrongful and negligent maintenance of drainage systems by the Federal Government should not be shifted to the township. At the time the railroad sued the township, the township officials were assured by representatives of the Federal Housing Authority that the township would not be burdened with any financial loss. But no help or aid has been forthcoming from the Authority.

The inability of the township to bring the Federal Housing Authority in as codefendant in the case should not impose upon it an obligation for which it is not responsible. The township should not be called upon to indemnify the railroad under the circumstances of this case, for damages which it suffered through the fault of the Federal Housing Administration.

The execution of the agreements between the township and the Federal Housing Administration was brought about by a series of circumstances over which the township had no control and which it could not escape. When the Government chose a location for its project, it did so without permission or leave and made its own regulations. In this case the Federal Housing Administration (1) secured no permit to build from the township; (2) submitted no plans to the township for approval; (3) submitted no plans for the construction of its streets and sewers; (4) constructed streets, sewers, and building according to plans and specifications, in a manner which did not conform with the township's requirements; (5) the township has never accepted the housing project known as Ohio View Acres and will not accept its streets and sewers because they do not comply with township specifications; (6) the housing project does not pay for itself through taxes, and receives services from the township in excess of the taxes which are paid.

Prior to this damage sustained by the railroad, the township and the railroad had enjoyed peaceful relationships in their respective functions and particularly with regard to their sewer systems since 1901. There was no trouble between the township and the railroad, nor had the railroad ever sustained any damages over the drainage of the township sewers into the railroad sewers prior to the existence of this project. It does not seem equitable that the township should be harnessed with this huge expense when, in fact, the damage to the railroad was brought about by the malfunction of the Federal project's drainage system.

It is the respectful opinion of the township that the Federal Government should in all justice reimburse the township for at least the face amount of the judgment, $15,255.55.

The township officials respectfully seek your able assistance in procuring for it the reimbursement of the $15,255.55, the judgment amount which it is compelled to pay to the Pittsburgh & Lake Erie Railroad Co. for damages brought about by the negligence of the Federal Housing Authority.

I shall be at your service to do whatever is necessary to expedite this matter.

With kindest regards, I am,

Sincerely yours,

WILLIAM F. CERCONE,
Solicitor for Stowe Township (now Judge).

MAY 31, 1960.

Hon. JAMES G. FULTON,
Pittsburgh, Pa.

DEAR CONGRESSMAN FULTON: About 20 years ago the Ohio View Acres project in Stowe Township was built on what was known as the Nichol farm. Approximately 15 acres were left unused.

The township of Stowe would like to have the Government donate this 15 acres of land so that it could be developed as a badly needed recreational park in our township. We plan to build a swimming pool, tennis courts and picnic shelters, outdoor grills, etc.

These facilities are sorely needed here as there is no other pool in our township or the surrounding ones and no means whatsoever of recreation for the people, especially the young people who live in this project and the area which surrounds it; a semirural area.

We enclose a copy of a plan of this 15 acre plot of land.

Any help you can give us in getting this land will be appreciated greatly not only by the correspondent but by the residents of the township.

Sincerely yours,

STANLEY BACHOWSKI,
Chairman, Board of Stowe Township Commissioners.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 11, 1960.

Mr. STANLEY BACHOWSKI,
Chairman, Board of Stowe Township Commissioners, McKees Rocks, Pa.

DEAR BACHOWSKI: Your letter of May 31, 1960, has been forwarded to me in Washington, D.C., and I have read it with care and have gone over the blueprint which you have submitted.

As I had advised you and your members at our personal meeting, I am deeply interested in assisting Stowe Township in working out some arrangement with the Federal Government for the use of 15 acres of land in the Ohio View Acres project in Stowe Township, which was built on what was known as the Nichol farm. I agree with you that the best use of this land, now unused, would be for the development of a badly needed recreational park in Stowe Township. I have made special note of your comments that these facilities are sorely needed as there is no other swimming pool in the township or the surrounding townships. Likewise, there is no means whatsoever of recreation for the people, especially the young people who live in this project, in the area which surrounds it.

You have stated in your letter of May 31, 1960, that the township plans to build a swimming pool, tennis courts, picnic shelters, outdoor grills, etc., in this area if it is made available for these purposes. At your convenience, could you give me an estimate of the amount the township is willing to spend on the development of this area for these purposes, provided the land is made available to it? Also, I would like to have what use the land might be put to in connection with needed recreation areas for the Stowe Township School District.

I am immediately contacting the Federal authorities in Washington, D.C., and will be glad to advise you promptly when I have made a preliminary survey to see what course we should follow in approaching this proposed development. Count on my continued full cooperation and deep interest.

With personal regards.

Sincerely,

JAMES G. FULTON.

CONGRESS OF THE UNITED STATES,
HOUSES OF REPRESENTATIVES,
Washington, D.C., November 22, 1960.

Mr. C. HOWARD MCPEAK,
Executive Director, Allegheny County Housing Authority, Pittsburgh, Pa.

DEAR MR. MCPEAK: I am writing to you further in regard to the proposed acquisition by Stowe Township of 15 acres of land which is part of Project PA–6–20 owned by your authority.

Paul R. Boesch, regional attorney of the Housing and Home Finance Agency, in his letter to you of February 5, 1960, had outlined the procedure for disposition of such land, if found to be excess to your needs, stating that it is set forth in section 121 of your administration contract (Form PHA–2243, Revised July 1952) and the Low Rent Housing Manual, section 509.1. Mr. Boesch had further stated that he understands that you have requested Mr. Emil R. Pecori to arrange a meeting between representatives of the township and your authority to discuss this matter and that you will advise him after such meeting is held.

Emil R. Pecori has now advised our office that you had talked with him the latter part of August 1960 about this property, and that we understand from that conversation that no definite decision has been made by your agency as yet, whether the land might be surplus now or at a future date. Your office understood that there might be some chance at a future date that the land could be used as a housing project for the aged similar to one in Homestead.

I would strongly urge that some decision be made on this land, as it is better to have it in use as a recreation area than to have the land idle for years with no decision as to use having been made at a governmental level. This is said without criticism and merely on the basis that this land is so suitable for a recreation area and is desired by the local officials and community for that purpose, and I would recommend that such procedure be instituted at present. In addition, I would like to assure you that you will receive my full support for the acquisition of further land in this area or in our congressional district for housing projects for the aged which might come up in the future, and I will also continue my full support and cooperation for the funds for such projects.

Under these circumstances, I would request a further consideration of the situation in Stowe Township, in order that the governmental representatives of Stowe Township might proceed with such a constructive proposal for making the Stowe Township area a better and more pleasant place to live.

Sincerely,

JAMES G. FULTON.

ALLEGHENY COUNTY
HOUSING AUTHORITY,
Pittsburgh, Pa.

The following resolution was adopted by the board on December 1, 1960:

"RESOLUTION 60-37

"Resolution retaining unused land at Ohio View Acres for future development:

"Whereas the township of Stowe has requested Allegheny County Housing Authority to convey to the township, three parcels of vacant land at Ohio View Acres public housing project, PA-6-20, so that the township might develop the same as a public park; and

"Whereas the members and staff attorney of Allegheny County Housing Authority, pursuant to the housing authority policy of cooperating in the public interest with local communities whenever possible, have studied the township request, examined the land in question, and looked into the legal aspects and potential use of said land: Now, therefore, be it

"*Resolved*, That the township of Stowe be advised:

"1. That the land in question was deeded for a specific purpose to Allegheny County Housing Authority by the Federal Government as part of the housing project at the time the project was converted from a Federal defense project to a low-rent housing project, namely for use in connection with and for the purpose of low-rent public housing.

"2. That the land is such that it might be developed and used for the purpose specified in the deed of conveyance, and therefore cannot be alienated.

"3. That it is the present policy of the Government to make provision in public housing for elderly people, whose income is not sufficient to provide them with decent standard housing, and this land at Ohio View Acres might well be used for the construction of low-rent housing for the elderly.

"4. That the members of Allegheny County Housing Authority regret that the request of the township of Stowe cannot be complied with and the land in question must be held by Allegheny County Housing Authority for use in connection with low-rent public housing."

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, I wish to raise my voice, a small and humble voice, for a man who 12 years ago was the idol on the other side of the aisle and now that he is dead those who cheered and followed him 12 short years ago seek to tumble into rubbish his monument.

We hear the ringing of the chimes in the memorial they built of material things that money can buy, but the imperishable monument to Bob Taft is the Housing Act of 1949, and its program for roofs over families that otherwise would be roofless. That monument, those who addressed him with pride and adoration as "Mr. Republican" when he was among us, now would raze to the ground.

I wonder how quietly with their conscience they will be resting tonight—I wonder when again they listen to the chimes ringing into the Washington air from the Taft Memorial what thoughts will haunt their minds. History already has written the Housing Act of 1949, which never would have been enacted but for Bob Taft's herculean support, the outstanding legislative accomplishment of a long and distinguished career. Does not conscience prick when those who acclaimed him, now assail as something odious, the program of housing for the homeless that he put in the Housing Act of 1949 and which was very close to his heart.

Just one other thought. I am 79 years old and all my life I have known public housing. When I was a boy public housing was the poorhouse, and the poorhouse was the biggest house in every county. The people did not have much money, but they supported the poorhouse. They did not call it public housing, but that is exactly what it was.

How ridiculous it is today that people should say that public housing is a new concept and that people always got along without public housing until the Housing Act of 1949. Why, they never got along without public housing. Thank goodness, this great land of ours has always been peopled with men and women with hearts and they always have responded to the needs of those who were in need. Call it a poorhouse, as they did in my boyhood, and no one grumbled over its support, or a public housing project, as it is termed in an era of the more expansive vocabulary, it is the same expression of the unchanging will of the American people to give shelter to men and women and children whom misfortune has made dependent on the helping hand of their brothers. Together we walk the paths of life. We cannot walk alone.

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from Florida [Mr. HERLONG].

Mr. HERLONG. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. HERLONG and Mr. RAINS.

The Committee divided and the tellers reported that there were—ayes 141, noes 168.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. McDONOUGH. Mr. Chairman, I ask unanimous consent that the bill be considered as read, and open to amendment at any point.

The CHAIRMAN. Is there any objection to the request of the gentleman from California?

Mr. HALLECK. Mr. Chairman, reserving the right to object, and I am not going to object, of course, however, if this unanimous consent is granted, then the majority, if they have the votes, could move to shut off debate on the entire bill and all amendments thereto. I sincerely hope, if we dispense with the reading of the bill that those who want to offer amendments will at least have an opportunity to have 5 minutes pro and con on their amendments, without the threat of debate being shut off.

Mr. RAINS. Certainly, I would not make any such move unless I had an agreement with my colleagues on the other side.

Mr. HALLECK. Mr. Chairman, I withdraw my reservation of objection.

Mr. McDONOUGH. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and open to amendment at any point.

Mr. MULTER. Mr. Chairman, of course, that means that the remainder of the bill which has not yet been read will be open for amendment and not the entire bill.

The CHAIRMAN. The gentleman is correct.

Is there objection to the request of the gentleman from California?

There was no objection.

The remainder of the bill is as follows:

Extension of waiver in case of veterans and servicemen

SEC. 205. The proviso in section 15(8)(b) of the United States Housing Act of 1937 is amended by striking out "October 1, 1961" and inserting in lieu thereof "October 1, 1965".

Miscellaneous public housing amendments

SEC. 206. (a) Section 15 of the United States Housing Act of 1937 is amended by—

(1) inserting in paragraph (5) after the second parenthetical clause the following: "on which the computation of any annual contributions under this Act may be based";

(2) striking out "$2,500" in paragraph (5) and inserting in lieu thereof "$3,000";

(3) striking out paragraph (6), redesignating paragraph (9) as paragraph (6), and transferring paragraph (9), as so redesignated, to place heretofore occupied by the paragraph so stricken out; and

(4) striking out "or 5 per centum in the case of any family entitled to a first preference as provided in section 10(g)" in paragraph (7)(b) and inserting in lieu thereof "except in the case of a family displaced by urban renewal or other governmental action or an elderly family".

(b) Section 10(h) of such Act is amended by inserting the following after the word "project" the third time it appears therein: "(exclusive of any portion thereof which is not assisted by annual contributions under this Act)".

(c) Section 10(j) of such Act is repealed.

TITLE III—URBAN RENEWAL AND PLANNING

Increased Federal aid for small communities; pooling grants-in-aid between projects

SEC. 301. (a) Section 103(a) of the Housing Act of 1949 is amended by inserting "(1)" after "(a)", by striking out the last two sentences, and by inserting at the end thereof the following:

"(2) The aggregate of such capital grants with respect to all of the projects of a local

public agency (or of two or more local public agencies in the same municipality) on which contracts for capital grants have been made under this title shall not exceed the total of—

"(A) two-thirds of the aggregate net project costs of all such projects to which neither subparagraph (B) nor subparagraph (C) applies, and

"(B) three-fourths of the aggregate net project costs of any of such projects which are located in a municipality having a population of fifty thousand or less (one hundred fifty thousand or less in the case of a municipality situated in an area which, at the time the contract or contracts involved are entered into or at such earlier time as the Administrator may specify in order to avoid hardship, is designated as a redevelopment area under the second sentence of section 5(a) of the Area Redevelopment Act) according to the most recent decennial census, and

"(C) three-fourths of the aggregate net project costs of any of such projects (not falling within subparagraph (B)) which the Administrator, upon request, may approve on a three-fourths capital grant basis.

"(3) A capital grant with respect to any individual project shall not exceed the difference between the net project cost and the local grants-in-aid actually made with respect to the project."

(b) Section 104 of such Act is amended by striking out the second sentence and inserting in lieu thereof the following: "Such local grants-in-aid, together with the local grants-in-aid to be provided in connection with all other projects of the local public agency (or two or more local public agencies in the same municipality) on which contracts for capital grants have theretofore been made, shall be at least equal to the total of one-third of the aggregate net project costs of such projects undertaken on a two-thirds capital grant basis and one-fourth of the aggregate net project costs of such projects undertaken on a three-fourths capital grant basis."

(c) The third and fourth sentences of section 110(e) of such Act are each amended by striking out "pursuant to the proviso in the second sentence of section 103(a)" and inserting in lieu thereof "pursuant to section 103(a)(2)(C)".

Capital grant authorization

SEC. 302. Section 103(b) of the Housing Act of 1949 is amended by striking out the first sentence and inserting in lieu thereof the following: "The Administrator may, with the approval of the President, contract to make grants under this title aggregating not to exceed $4,000,000,000."

Relocation payments

SEC. 303. Section 106(f)(2) of the Housing Act of 1949 is amended—

(1) by inserting after "$3,000" the following: "(or, if greater, the total certified actual moving expenses)"; and

(2) by inserting "and actual direct losses of property" before the period at the end of the last sentence.

Financial assistance for displaced business concerns

SEC. 304. Section 7(b) of the Small Business Act is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(3) by adding after paragraph (2) a new paragraph as follows:

"(3) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to any small-business concern if the Administration determines that such concern has suffered substantial economic injury (for which reimbursement or compensation is not otherwise made, exclusive of relocation payments, if any, under section 106(f) of the Housing Act of 1949) as a result of its displacement by an urban renewal project included in an urban renewal area respecting which a contract for capital grant has been executed under such Act."

Resale of property in urban renewal areas for housing for moderate income families

SEC. 305. (a) Section 107 of the Housing Act of 1949 is amended by—

(1) changing the title thereof to read "PROPERTY TO BE USED FOR PUBLIC HOUSING OR HOUSING FOR MODERATE INCOME FAMILIES";

(2) inserting "(a)" before the first sentence and striking out the words "to be" in such sentence;

(3) striking out "is incorporated" and inserting in lieu thereof "was incorporated on or after September 23, 1959,"; and

(4) adding at the end thereof the following new subsection:

"(b) Upon approval of the Administrator and subject to such conditions as he may determine to be in the public interest, any real property held as part of an urban renewal project may be made available to (1) a limited dividend corporation, nonprofit corporation or association, cooperative, or public body or agency, or (2) a purchaser who would be eligible for a mortgage insured under section 221(d)(4) of the National Housing Act, for purchase at fair value for use by such purchaser in the provision of new or rehabilitated rental or cooperative housing for occupancy by families of moderate income."

(b) Clause (4) of the second sentence of section 110(c) of the Housing Act of 1949 is amended by inserting before the semicolon at the end thereof the following: "or as provided in section 107".

Rehabilitation

SEC. 306. (a) The second sentence of section 110(c) of the Housing Act of 1949 is amended by—

(1) striking out "and" at the end of paragraph (5);

(2) striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and"; and

(3) adding after paragraph (6) a new paragraph as follows:

"(7) acquisition and repair or rehabilitation for guidance purposes, and resale by the local public agency, of structures which are located in the urban renewal area and which, under the urban renewal plan, are to be repaired or rehabilitated for dwelling use or related facilities: *Provided*, That the local public agency shall not acquire for such purposes, in any urban renewal area, structures which contain or will contain more than (A) one hundred dwelling units, or (B) 5 per centum of the total number of dwelling units in such area which, under the urban renewal plan, are to be repaired or rehabilitated, whichever is the lesser."

(b) The third sentence of section 110(c) of such Act is amended by inserting after "include" the following: "(except as provided in paragraph (7) above)".

Increase in nonresidential exception

SEC. 307. The fifth sentence of section 110(c) of the Housing Act of 1949 is amended by—

(1) striking out "Housing Act of 1959" and inserting in lieu thereof "Housing Act of 1961"; and

(2) striking out "20 per centum" and inserting in lieu thereof "30 per centum".

Eligibility of certain local grants-in-aid

SEC. 308. Section 110(d) of the Housing Act of 1949 is amended by adding at the end thereof the following new paragraph:

"Notwithstanding the provisions of section 312 of the Housing Act of 1954 or any request previously made by any local public agency pursuant to such section, upon request of the local public agency the eligibility of the local grants-in-aid for any project of such local public agency in connection with which the final capital grant payment has not been made shall be determined in accordance with the provisions of this subsection (and, if applicable, section 112)."

Urban renewal areas involving colleges, universities, or hospitals

SEC. 309. Section 112 of the Housing Act of 1949 is amended to read as follows:

"Urban renewal areas involving colleges, universities, or hospitals

"SEC. 112. (a) In any case where an educational institution or a hospial is located in or near an urban renewal project area and the governing body of the locality determines that, in addition to the elimination of slums and blight from such area, the undertaking of an urban renewal project in such area will further promote the public welfare and the proper development of the community (1) by making land in such area available for disposition, for uses in accordance with the urban renewal plan, to such educational institution or hospital for redevelopment in accordance with the use or uses specified in the urban renewal plan, (2) by providing, through the redevelopment of the area in accordance with the urban renewal plan, a cohesive neighborhood environment compatible with the functions and needs of such educational institution or hospital, or (3) by any combination of the foregoing, the Administrator is authorized to extend financial assistance under this title for an urban renewal project in such area without regard to the requirements in section 110 hereof with respect to the predominantly residential character or predominantly residential reuse of urban renewal areas. The aggregate expenditures made by any such institution or hospital (directly or through a private redevelopment corporation or municipal or other public corporation) for the acquisition within, adjacent to, or in the immediate vicinity of the project area, of lands, buildings, and structures to be redeveloped or rehabilitated by such institution for educational uses or by such hospital for hospital uses, in accordance with the urban renewal plan (or with a development plan proposed by such institution, hospital, or corporation, found acceptable by the Administrator after considering the standards specified in section 110(b), and approved under State or local law after public hearing) and for the demolition of such buildings and structures if, pursuant to such urban renewal or development plan, the land is to be cleared and redeveloped, and for the relocation of occupants from buildings and structures to be demolished or rehabilitated, as certified by such institution or hospital to the local public agency and approved by the Administrator, shall be a local grant-in-aid in connection with such urban renewal project: *Provided*, That no such expenditure shall be eligible as a local grant-in-aid in any case where the property involved is acquired by such educational institution or hospital from a local public agency which, in connection with its acquisition or disposition of such property, has received, or contracted to receive, a capital grant pursuant to this title.

"(b) No expenditure made by any educational institution or hospital, as provided in subsection (a), shall be deemed ineligible as a local grant-in-aid in connection with

any urban renewal project if made not more than five years prior to the authorization by the Administrator of a contract for a loan or capital grant for such project.

"(c) The aggregate expenditures made by any public authority, established by any State, for acquisition, demolition, and relocation in connection with land, buildings, and structures acquired by such public authority and leased to an educational institution for educational uses or to a hospital for hospital uses shall be deemed a local grant-in-aid to the same extent as if such expenditures had been made directly by such educational institution or hospital.

"(d) As used in this section—

"(1) the term 'educational institution' means any educational institution of higher learning, including any public educational institution or any private educational institution, no part of the net earnings of which inures to the benefit of any private shareholder or individual; and

"(2) the term 'hospital' means any hospital licensed by the State in which such hospital is located, including any public hospital or any nonprofit hospital, no part of the net earnings of which inures to the benefit of any private shareholder or individual."

Urban planning assistance

SEC. 310. Section 701 of the Housing Act of 1954 is amended by—

(1) striking out "50 per centum" in the first sentence of subsection (b) and inserting in lieu thereof "two-thirds";

(2) striking out "$20,000,000" in the last sentence of subsection (b) and inserting in lieu thereof "$50,000,000";

(3) inserting after "public facilities" in clause (1) of subsection (d) ", including transportation facilities"; and

(4) adding at the end thereof the following new subsection:

"(f) The consent of the Congress is hereby given to any two or more States to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative efforts and mutual assistance in the comprehensive planning for the physical growth and development of interstate metropolitan or other urban areas, and to establish such agencies, joint or otherwise, as they may deem desirable for making effective such agreements and compacts."

Historical site in urban renewal area

SEC. 311. (a) Notwithstanding section 110 (c)(4) of the Housing Act of 1949, as amended, or any other provision of law, the urban renewal project in Knoxville, Tennessee, known as the Riverfront-Willow Street redevelopment project, may include the donation by the Knoxville Housing Authority to the James White's Fort Association, by a suitable instrument of conveyance, of all right, title, and interest of the authority in and to the following described tract of land, constituting a portion of tract T-2 of the said project and containing 0.985 acres more or less:

Beginning at an iron pin located at the intersection of the east property line of Collins Alley and the south property line of Rouser Alley; thence in a northerly direction, north 32 degrees 35 minutes west, 111.0 feet to an iron pin located in the east property line of Collins Alley; thence in a westerly direction, south 55 degrees 20 minutes west, 207.0 feet to an iron pin; thence in a southwesterly direction, south 35 degrees 05 minutes west, 80 feet to an iron pin; thence in a southerly direction south 27 degrees 25 minutes east, 193.40 feet to an iron pin located in the north property line of Hill Avenue; thence in an easterly direction, north 67 degrees 43 minutes east, 33.54 feet to an iron pin; thence in an easterly direction, north 60 degrees 02 minutes east, 31.64 feet to an iron pin; thence in an easterly direction, north 58 degrees 30 minutes 30 seconds east, 53 feet to an iron pin located in the north property line of Hill Avenue; thence in a northerly direction, north 30 degrees 22 minutes 30 seconds west, 134.03 feet to an iron pin; thence in an easterly direction, north 59 degrees 21 minutes 30 seconds east, 175.61 feet to the point of beginning.

(b) The conveyance authorized to be included in the Riverfront-Willow Street redevelopment project under subsection (a) of this section shall be made only if the James White's Fort Association represents, and furnishes such assurances as may be required by the Knoxville Housing Authority, that such association (1) will undertake the reconstruction on the site conveyed of General James White's cabin and fort, and (2) will develop, preserve, and operate such property on a nonprofit basis as a historical site or monument.

Credit for cost of school construction

SEC. 312. No public facility, the provision of which is otherwise eligible as a local grant-in-aid for any urban renewal project receiving assistance under title I of the Housing Act of 1949 in the city of Roanoke, Virginia, and the construction of which was commenced prior to January 1, 1961, shall be deemed to be ineligible as a local grant-in-aid because of any change in the urban renewal plan for such project which is determined by the Housing and Home Finance Administrator to have resulted from the proposed location within the urban renewal area in which such project was undertaken of a federally aided highway. For the purpose of computing the portion of the cost of any such facility which may be allowed as a local grant-in-aid, the degree of benefit of the facility to such urban renewal area shall be based on the latest estimate of benefit submitted by the local public agency and accepted by the Administrator prior to such change in the urban renewal plan.

Technical amendments

SEC. 313. (a) Section 101(c) of the Housing Act of 1949 is amended by inserting in clause (1) after "workable program" the words "for community improvement".

(b) Section 102(a) of such Act is amended by inserting in the second proviso after "demolition and removal" the first place it appears the following: ", together with administrative, relocation, and other related costs and payments,".

(c) Clause (4) of the second sentence of section 110(c) of such Act is amended by striking out "initial".

Parks and recreational facilities

SEC. 314. Section 105(a) of the Housing Act of 1949 is amended by striking out "and" preceding clause (iii), and by adding at the end thereof the following: "and (iv) the urban renewal plan gives due consideration to the provision of adequate park and recreational areas and facilities, as may be desirable for neighborhood improvement, with special consideration for the health, safety, and welfare of children residing in the general vicinity of the site covered by the plan;".

TITLE IV—COLLEGE HOUSING

Loan authorization

SEC. 401. Section 401(d) of the Housing Act of 1950 is amended by striking out the first colon and all that follows and inserting in lieu thereof the following: ", which amount shall be increased by $300,000,000 on July 1 in each of the years 1961 through 1964: *Provided*, That the amount outstanding for other educational facilities, as defined herein, shall not exceed $175,000,000, which limit shall be increased by $30,000,000 on July 1 in each of the years 1961 through 1964: *Provided further*, That the amount outstanding for hospitals, referred to in clause (2) of section 404(b) of this title, shall not exceed $100,000,000, which limit shall be increased by $30,000,000 on July 1 in each of the years 1961 through 1964."

Apportionment by States

SEC. 402. Section 403 of the Housing Act of 1950 is amended by striking out "10 per centum" and inserting in lieu thereof "12½ per centum".

Housing provided by nonprofit corporations

SEC. 403. (a) Clause (3) of section 404(b) of the Housing Act of 1950 is amended—

(1) by striking out "established by any institution included in clause (1) of this subsection for the sole purpose" and inserting in lieu thereof "established for the sole purpose"; and

(2) by striking out "such institution" where it first appears and inserting in lieu thereof "one or more institutions included in clause (1) of this subsection".

(b) Clause (3) of section 404(b) of such Act is further amended by striking out "will pass to such institution" and inserting in lieu thereof "will pass to such institution (or to any one or more of such institutions) unless it is shown to the satisfaction of the Administrator that such property or the proceeds from its sale will be used for some other nonprofit educational purpose".

(c) Section 404(b) of such Act is further amended by adding at the end thereof the following new sentence: "In the case of any loan made under section 401 to a corporation described in clause (3) of this subsection which was not established by the institutions or institutions for whose students or students and faculty it would provide housing, the Administrator shall require that the note securing such loan be cosigned by such institution (or by any one or more of such institutions)."

TITLE V—COMMUNITY FACILITIES

Public facility loans

SEC. 501. (a)(1) The first paragraph of section 201 of the Housing Amendments of 1955 is amended by striking out "the States and their political subdivisions" and inserting in lieu thereof "municipalities and other political subdivisions of States".

(2) The third paragraph of section 201 of such Amendments is amended by striking out "States, municipalities, or" and inserting in lieu thereof "municipalities and".

(3) The first sentence of section 202(a) of such Amendments is amended to read as follows: "The Housing and Home Finance Administrator, acting through the Community Facilities Administration, is authorized to purchase the securities and obligations of, or make loans to, municipalities and other political subdivisions of States (including public agencies and instrumentalities of one or more municipalities or other political subdivisions in the same State), to finance specific projects for public works or facilities under State, municipal, or other applicable law."

(b) Section 202(b)(2) of such Amendments is amended by adding at the end thereof the following new sentence: "Subject to such maximum maturity, the Administrator in his discretion may provide for the postponement of the payment of interest on not more than 50 per centum of any financial assistance extended to an applicant under this section for a period up to ten years where (A) such assistance does not exceed 50 per centum of the development cost of the project involved, and (B) it is determined by the Administrator that such applicant will experience above-average population growth and the project would contribute to orderly community development, economy, and efficiency; and any amounts so postponed shall be payable with interest in annual installments during the remaining maturity of such assistance."

(c)(1) Section 202(b) of such Amendments is further amended by adding at the end thereof the following new paragraph:

"(3) Financial assistance extended under this section shall bear interest at a rate determined by the Administrator which shall be no more than the higher of (A) 2¾ per centum per annum, or (B) the total of one-quarter of 1 per centum per annum added to the rate of interest paid by the Administrator on funds obtained from the Secretary of the Treasury as provided in section 203(a)."

(2) The third sentence of section 203(a) of such Amendments is amended to read as follows: "Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury which shall be not more than the higher of (1) 2½ per centum per annum, or (2) the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt as computed at the end of the fiscal year next preceding the issuance by the Administrator and adjusted to the nearest one-eighth of 1 per centum."

(d) Section 202(b) of such Amendments is further amended by adding at the end thereof (after the paragraph added by subsection (c)(1) of this section) the following new paragraph:

"(4) No financial assistance shall be extended under this section to any municipality or other political subdivision having a population of fifty thousand or more (one hundred fifty thousand or more in the case of a community situated in an area designated as a redevelopment area under the second sentence of section 5(a) of the Area Redevelopment Act) according to the most recent decennial census, or to any public agency or instrumentality of one or more municipalities or other political subdivisions having a population (or an aggregate population) equal to or exceeding that figure according to such census."

(e) Section 202(b) of such Amendments is further amended by adding at the end thereof (after the paragraph added by subsection (d) of this section) the following new paragraph:

"(5) Financial assistance extended under this section to any applicant with respect to any one project shall not exceed $10,000,000 outstanding at any one time."

(f) Section 202 of such Amendments is further amended by adding at the end thereof the following new subsection:

"(d) The types of public works and facilities for which financial assistance under this section may be extended on and after the date of enactment of the Housing Act of 1961 shall be the same as those for which such assistance could be extended in accordance with regulations of the Administrator immediately prior to such date."

(g) Section 203(a) of such Amendments is amended by striking out "$150,000,000" and inserting in lieu thereof "$650,000,000".

(h) Title II of such amendments is further amended by adding at the end thereof the following new section:

"SEC. 207. The Administrator is authorized to establish technical advisory services to assist municipalities and other political subdivisions in the budgeting, financing, planning, and construction of community facilities. There are hereby authorized to be appropriated such sums as may be necessary, together with any fees that may be charged, to cover the cost of such services."

Advances for public works planning

SEC. 502. Section 702 of the Housing Act of 1954 is amended by—

(1) striking out in subsection (a) "10" and inserting in lieu thereof "12½";

(2) striking out the first sentence of subsection (b) and inserting in lieu thereof the following: "No advance shall be made hereunder with respect to any individual project, including a regional or metropolitan or other area-wide project, unless (1) it is planned to be constructed within or over a reasonable period of time considering the nature of the project, (2) it conforms to an overall State, local, or regional plan approved by a competent State, local, or regional authority, and (3) the public agency formally contracts with the Federal Government to complete the plan preparation promptly and to repay such advance or part thereof when due.";

(3) inserting after "1958;" in subsection (e) the following: $10,000,000 which may be made available to such fund on or after July 1, 1961;"; and

(4) striking out in subsection (e) "$48,000,000" and inserting in lieu thereof "$58,000,000".

TITLE VI—AMENDMENTS TO THE NATIONAL HOUSING ACT

Federal National Mortgage Association

Special Assistance Authorization

SEC. 601. (a) Section 305(c) of the National Housing Act is amended to read as follows:

"(c) The total amount of purchases and commitments authorized by the President pursuant to subsection (a) of this section shall not exceed $1,700,000,000 outstanding at any one time."

(b) Section 305(g) of such Act is amended by adding before the period at the end thereof the following: ": *Provided further*, That the authority of the Association to make purchases and commitments under this subsection shall terminate on the date of enactment of the Housing Act of 1961, and any portion of the total amount of such authority as specified in the first proviso in this subsection which on such date would otherwise be available for making such purchases and commitments shall be transferred to and merged with the authority granted by subsection (a) and added to the amount of such authority as specified in subsection (c)".

(c) Section 306 of such Act is amended by adding at the end thereof the following new subsection:

"(f) Notwithstanding any of the provisions of this Act or of any other law, an amount equal to the net decrease for the preceding fiscal year in the aggregate principal amount of all mortgages owned by the Association under this section shall, as of July 1 of each of the years 1961 through 1964, be transferred to and merged with the authority provided under section 305(a), and the amount of such authority as specified in section 305(c) shall be increased by any amounts so transferred."

Limitation on Mortgage Amount

SEC. 602. (a) Section 302(b) of the National Housing Act is amended by striking out "or 803" and inserting in lieu thereof "or title VIII".

(b) Section 302(b) of such Act is further amended by inserting before "or a mortgage covering property" the following: "or insured under section 213 and covering property located in an urban renewal area,".

Federal National Mortgage Association Lending Authority

SEC. 603. (a) Section 302(b) of the National Housing Act is amended by striking out "to make commitments" and all that follows down through the first colon and inserting in lieu thereof the following: ", pursuant to commitments or otherwise, to purchase, lend (under section 304) on the security of, service, sell, or otherwise deal in any mortgages which are insured under the National Housing Act, or which are insured or guaranteed under the Servicemen's Readjustment Act of 1944 or chapter 37 of title 38, United States Code:".

(b) The first sentence of section 303(b) of such Act is amended by inserting immediately before the period at the end thereof the following: "; and by requiring each borrower to make such payments, equal to not more than one-half of 1 per centum of the amount lent by the Association to such borrower under section 304".

(c) Section 303(c) of such Act is amended by striking out the first sentence and by inserting in lieu thereof the following: "The Association shall issue from time to time, to each mortgage seller or borrower, its common stock (only in denominations of $100 or multiples thereof) evidencing any capital contributions (adjusted by reason of any payments into surplus required by the Association) made by such seller or borrower pursuant to subsection (b) of this section."

(d) Section 304(a) of such Act is amended by inserting "(1)" before "To carry out", and by adding at the end thereof the following new paragraph:

"(2) In the further interest of assuring sound operation, any loan made by the Association in its secondary market operations under this section, and any extension or renewal thereof, shall not exceed 80 per centum of the unpaid principal balances of the mortgages securing the loan, and shall bear interest at a rate consistent with general loan policies established from time to time by the Association's board of directors. Any such loan shall mature in not more than twelve months and the term of any extension or renewal shall not exceed twelve months. The volume of the Association's lending activities and the establishment of its loan ratios, interest rates, maturities, and charges or fees, in its secondary market operations under this section, should be determined by the Association from time to time; and such determinations, in conjunction with determinations made under paragraph (1), should be consistent with the objectives that the lending activities should be conducted on such terms as will reasonably prevent excessive use of the Association's facilities, and that the operations of the Association under this section should be within its income derived from such operations and that such operations should be fully self-supporting. Notwithstanding any Federal, State, or other law to the contrary, the Association is hereby empowered, in connection with any loan under this section, whether before or after any default, to provide by contract with the borrower for the settlement or extinguishment, upon default, of any redemption, equitable, legal, or other right, title, or interest of the borrower in any mortgage or mortgages that constitute the security for the loan; and with respect to any such loan, in the event of default and pursuant otherwise to the terms of the contract, the mortgages that constitute such security shall become the absolute property of the Association."

(e) Section 304(b), section 309(c) and section 310 of such Act are each amended by inserting "or other security holdings" after "mortgages".

FHA insurance programs

Limitations on Insurance Authorizations

SEC. 604. (a) Section 2(a) of the National Housing Act is amended by striking out in the first sentence "1961" and inserting in lieu thereof "1965".

(b) Section 203(a) of such Act is amended by striking out the colon and all that follows the colon and inserting in lieu thereof a period.

(c) Section 217 of such Act is amended—

(1) by striking out "all mortgages which may be insured" and inserting in lieu thereof "all mortgages and loans which may be insured";

(2) by striking out "shall not exceed" and the remainder of the first paragraph and inserting in lieu thereof the following: "after October 1, 1965, shall not exceed the sum of (1) the outstanding principal balances as of that date of all insured mortgages and loans

(as estimated by the Commissioner based on scheduled amortization payments without taking into consideration prepayments or delinquencies), and (2) the principal amount of all outstanding commitments to insure on that date.";

(3) by inserting "after October 1, 1965" before the period at the end of the first sentence in the third paragraph; and

(4) by striking out "hereafter" in the second sentence of the third paragraph and inserting in lieu thereof "after that date".

(d) Section 803(a) of such Act is amended by striking out "1961" and inserting in lieu thereof "1962".

Section 203 Residential Housing Insurance

SEC. 605. (a) Section 203(b)(2) of such Act is amended—

(1) by striking out "$13,500" each place it appears and inserting in lieu thereof "$15,000";

(2) by striking out "$18,000" each place "or $35,000" and inserting in lieu thereof "$20,000"; and

(3) by striking out "70 per centum" and inserting in lieu thereof "75 per centum".

(b) Section 203(b)(2) of such Act is amended by striking out all that precedes "or $35,000" and inserting in lieu thereof the following:

"(2) Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $27,500 in the case of property upon which there is located a dwelling designed principally for a one-, two-, or three-family residence (whether or not such residence may be intended to be rented temporarily for school purposes);".

(c) Section 203(b)(3) of such Act is amended by striking out "thirty years" and inserting in lieu thereof "forty years".

Authority To Reduce Premium Charges

SEC. 606. The first sentence of section 203(c) of the National Housing Act is amended to read as follows: "The Commissioner is authorized to fix premium charges for the insurance of mortgages under the separate sections of this title but in the case of any mortgage such charge shall be not less than an amount equivalent to one-fourth of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments: *Provided*, That any reduced premium charge so fixed and computed may, in the discretion of the Commissioner, also be made applicable in such manner as the Commissioner shall prescribe to each insured mortgage outstanding under the section or sections involved at the time the reduced premium charge is fixed."

Section 207 Rental Housing Insurance

SEC. 607. Section 207 of the National Housing Act is amended by—

(1) striking out the first paragraph of subsection (b)(2) and inserting in lieu thereof the following:

"(2) any other mortgagor approved by the Commissioner which, until the termination of all obligations of the Commissioner under the insurance and during such further period of time as the Commissioner shall be the owner, holder, or reinsurer of the mortgage, is regulated or restricted by the Commissioner as to rents or sales, charges, capital structure, rate of return, and methods of operation to such extent and in such manner as to provide reasonable rentals to tenants and a reasonable return on the investment. The Commissioner may make such contracts with and acquire, for not to exceed $100, such stock or interest in the mortgagor as he may deem necessary to render effective the regulations or restrictions. The stock or interest acquired by the Commissioner shall be paid for out of the Housing Fund, and shall be redeemed by the mortgagor at par upon the termination of all obligations of the Commissioner under the insurance.";

(2) inserting in subsection (c)(3) after the words "attributable to dwelling use" the following: "(excluding exterior land improvements as defined by the Commissioner)";

(3) striking out "$1,500 per space" in subsection (c)(3) and inserting in lieu thereof "$1,800 per space"; and

(4) inserting in the first sentence of subsection (i) after the words "of this section" the following: ", except that debentures issued pursuant to the provisions of section 220(f), 221(g), and section 233 may be dated as of the date the mortgage is assigned (or the property is conveyed) to the Commissioner".

Section 213 Cooperative Housing Insurance

SEC. 608. (a) Section 213 of the National Housing Act is amended by—

(1) inserting in paragraph (2) of subsection (b) after the words "as may be attributable to dwelling use" the following: "(excluding exterior land improvements as defined by the Commissioner)";

(2) striking out "eight or more family units" in subsection (d) and inserting in lieu thereof "five or more family units"; and

(3) striking out in subsection (h) "such mortgagor shall not thereafter be eligible by reason of such paragraph (3) for insurance of any additional mortgage loans pursuant to this section" and inserting in lieu thereof the following: "the Commissioner is authorized to refuse, for such period of time as he shall deem appropriate under the circumstances, to insure under this section any additional investor-sponsor type mortgage loans made to such mortgagor or to any other investor-sponsor mortgagor where, in the determination of the Commissioner, any of its stockholders were identified with such mortgagor".

(b) Section 213(b)(2) of such Act is amended by adding at the end thereof the following new sentence: "In determining the economic feasibility of a project in the case of a mortgagor of the character described in paragraph (3) of subsection (a), the sole test of such feasibility shall be the availability of people in the community who need the housing to be provided by the project and who can afford such housing at the monthly charges applicable under its continued use as a cooperative."

(c) Section 213 of such Act is further amended by adding at the end thereof the following new subsection:

"(j)(1) With respect to any property covered by a mortgage insured under this section, the Commissioner is authorized, upon such terms and conditions as he may prescribe, to make commitments to insure and to insure supplementary cooperative loans (including advances during construction or improvement) made by financial institutions approved by the Commissioner. As used in this subsection, 'supplementary cooperative loan' means a loan, advance of credit, or purchase of an obligation representing a loan or advance of credit made for the purpose of financing any of the following:

"(A) Improvements or repairs of the property covered by such mortgage; or

"(B) Community facilities necessary to serve the occupants of the property.

"(2) To be eligible for insurance under this subsection, a supplementary cooperative loan shall—

"(A) be limited to an amount which, when added to the outstanding mortgage indebtedness on the property, creates a total outstanding indebtedness which does not exceed the original principal obligation of the mortgage;

"(B) have a maturity satisfactory to the Commissioner but not to exceed the remaining term of the mortgage;

"(C) be secured in such manner as the Commissioner may require;

"(D) contain such other terms, conditions, and restrictions as the Commissioner may prescribe; and

"(E) represent the obligation of a borrower of the character described in paragraph (1) of subsection (a)."

(d) Section 305(e) of such Act is amended by adding at the end thereof the following new sentences: "Whenever the Federal Housing Commissioner shall have issued pursuant to section 213 a statement of feasibility on a project including an estimate as to the maximum amount of the mortgage involved, and an application for mortgage insurance under such section is thereafter filed with the Commissioner with respect to such project, the Association is authorized to enter into a commitment contract to reserve funds for the purchase of such mortgage; and such reservation shall be for such period as may be certified by the Commissioner as being necessary, taking into account the estimated time required to issue a commitment for mortgage insurance. The Association, at the time the Commissioner issues a commitment to insure such mortgage, may impose a charge equal to one-half of the fee which would be payable to it under the last sentence of subsection (b) of this section at the time of the issuance of its advance commitment to purchase the mortgage, with the amount of such charge being credited toward such fee if and when the advance commitment is later issued by the Association."

Section 220 Sales Housing Mortgage Insurance

SEC. 609. (a) Section 220(d)(3)(A)(i) of the National Housing Act is amended—

(1) by striking out "$13,500" each place it appears and inserting in lieu thereof "$15,000";

(2) by striking out "$18,000" each place it appears and inserting in lieu thereof "$20,000"; and

(3) by striking out "70 per centum" and inserting in lieu thereof "75 per centum".

(b) Section 220(d)(3)(A) of such Act is further amended by striking out all that precedes "or $35,000" and inserting in lieu thereof the following:

"(A)(i) involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $27,500 in the case of property upon which there is located a dwelling designed principally for a one-, two-, or three-family residence;".

Nursing homes

SEC. 610. Section 232(d)(2) of the National Housing Act is amended by striking out the words following the comma and inserting in lieu thereof the following: "and not to exceed 90 per centum of the estimated value of the property or project when the proposed improvements are completed."

Housing for defense-impacted areas

SEC. 611. (a) Section 810(1) of the National Housing Act is repealed.

(b)(1) Section 305 of such Act is amended by adding at the end thereof (after the new subsection added by section 102(c) of this Act) the following new subsection:

"(j) Notwithstanding any other provision of this Act, the Association is authorized to make commitments to purchase, and to purchase, service, or sell, any mortgage or participation therein which is insured under section 810; but the total amount of purchases and commitments authorized by this subsection shall not exceed $25,000,000 outstanding at any one time."

(2) Section 305(f) of such Act is amended by striking out "title VIII of this Act" and inserting in lieu thereof "section 803 or 809 of this Act".

(c) Section 406(a) of the Act of August 30, 1957 (71 Stat. 556), is amended by striking out ", and no certificates with respect to any family housing units shall be issued by the Secretary of Defense or his designee under section 810 of the National Housing Act, as amended,".

Miscellaneous and FHA amendments

SEC. 612. (a) Section 203 of the National Housing Act is amended by—

(1) striking out in subsection (b)(3) the words "insurance of the mortgage" and inserting in lieu thereof "beginning of amortization of the mortgage", and

(2) striking out in the first proviso of the second sentence of subsection (c) the words "particular insurance fund" and inserting in lieu thereof "particular insurance fund or account".

(b) The second sentence of section 204(d) of such Act is amended by inserting after "mortgagee after default," the following: "except that debentures issued pursuant to the provisions of section 220(f), section 221(g), and section 233 may be dated as of the date the mortgage is assigned (or the property is conveyed) to the Commissioner,".

(c) The last sentence of section 204(g) of such Act is amended to read as follows: "The power to convey and to execute in the name of the Commissioner deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real or personal property or any interest therein heretofore or hereafter acquired by the Commissioner pursuant to the provisions of this Act, may be exercised by the Commissioner or by any Assistant Commissioner appointed by him, without the execution of any express delegation of power or power of attorney: *Provided*, That nothing in this subsection shall be construed to prevent the Commissioner from delegating such power by order or by power of attorney, in his discretion, to any officer, agent, or employee he may appoint: *And provided further*, That a conveyance or transfer of title to real or personal property or an interest therein to the Federal Housing Commissioner, his successors and assigns, without identifying the Commissioner therein, shall be deemed a proper conveyance or transfer to the same extent and of like effect as if the Commissioner were personally named in such conveyance or transfer."

(d) Section 209 of such Act is amended by striking out in the second sentence "shall be charged as a general expense of the Fund, the Housing Fund, and the Defense Housing Insurance Fund in such proportion as the Commissioner shall determine" and inserting in lieu thereof "shall be charged as a general expense of such insurance fund or funds, or account or accounts, as the Commissioner shall determine".

(e) Section 212 of such Act is amended by—

(1) striking out in the second sentence of subsection (a) "any mortgage under section 220" and inserting in lieu thereof "any loan or mortgage under section 220 or section 233"; and

(2) striking out in the third sentence of subsection (a) "in subsection (d)(4)" and inserting in lieu thereof "in subsection (d)(3) in the case of a cooperative or a limited profit mortgagor, or in subsection (d)(4)".

(f) Section 219 of such Act is amended to read as follows:

"SEC. 219. Notwithstanding any limitations contained in other sections of this Act as to the use of moneys credited to the Title I Insurance Account, the Title I Housing Insurance Fund, the Section 203 Home Improvement Account, the Housing Insurance Fund, the War Housing Insurance Fund, the Housing Investment Insurance Fund, the Armed Services Housing Mortgage Insurance Fund, the National Defense Housing Insurance Fund, the Section 220 Housing Insurance Fund, the Section 220 Home Improvement Account, the Section 221 Housing Insurance Fund, the Experimental Housing Insurance Fund, the Apartment Unit Insurance Fund, or the Servicemen's Mortgage Insurance Fund, the Commissioner is hereby authorized to transfer funds from any one or more of such insurance funds or accounts to any other such fund or account in such amounts and at such times as the Commissioner may determine, taking into consideration the requirements of such funds or accounts, separately and jointly to carry out effectively the insurance programs for which such funds or accounts were established."

(g) Section 220(f) of such Act is amended by—

(1) striking out "or" at the end of paragraph (1),

(2) striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or", and

(3) adding at the end thereof the following:

"(3) as to mortgages meeting the requirements of this section that are insured or initially endorsed for insurance on or after the date of enactment of the Housing Act of 1961, notwithstanding the provisions of paragraphs (1) and (2) of this subsection, the Commissioner in his discretion, in accordance with such regulations as he may prescribe, may make payments pursuant to such paragraphs in cash or in debentures (as provided in the mortgage insurance contract), or may acquire a mortgage loan that is in default and the security therefor upon payment to the mortgagee in cash or in debentures (as provided in the mortgage insurance contract) of a total amount equal to the unpaid principal balance of the loan plus any accrued interest and any advances approved by the Commissioner and made previously by the mortgagee under the provisions of the mortgage. After the acquisition of the mortgage by the Commissioner the mortgagee shall have no further rights, liabilities, or obligations with respect to the loan or the security for the loan. The appropriate provisions of sections 204 and 207 relating to the rights, liabilities, and obligations of a mortgagee shall apply with respect to the Commissioner when he has acquired an insured mortgage under this paragraph, in accordance with and subject to regulations (modifying such provisions to the extent necessary to render their application for such purposes appropriate and effective) which shall be prescribed by the Commissioner, except that as applied to mortgages so acquired (A) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the Section 220 Housing Insurance Fund, (B) all references in section 204 to section 203 shall be construed to refer to this section, and (C) all references in section 207 to the Housing Insurance Fund, the Housing Fund, or the Fund shall be construed to refer to the Section 220 Housing Insurance Fund."

(h)(1) Section 223(a) of such Act is amended by striking out "213, or 222" each place it appears and inserting in lieu thereof "213, 220, 221, 222, 231, 232, or 233".

(2) Section 223(a)(7) of such Act is amended—

(A) by striking out "section 903 or section 908 of title IX" and inserting in lieu thereof "section 220, 221, 903, or 908"; and

(B) by striking out "insured under section 608 or 908".

(3) Section 223 of such Act is further amended by adding at the end thereof the following new subsection:

"(d) With respect to any mortgage, other than a mortgage covering a one- to four-family structure, heretofore or hereafter insured by the Commissioner, and notwithstanding any other provision of this Act, when the taxes, interest on the mortgage debt, mortgage insurance premiums, hazard insurance premiums, and the expense of maintenance and operation of the project covered by such mortgage during the first two years following the date of completion of the project, as determined by the Commissioner, exceed the project income, the Commissioner may, in his discretion and upon such terms and conditions as he may prescribe, permit the excess of the foregoing expenses over the project income to be added to the amount of such mortgage, and extend the coverage of the mortgage insurance thereto, and such additional amount shall be deemed to be part of the original face amount of the mortgage."

(i) The first sentence of section 224 of such Act is amended to read as follows: "Notwithstanding any other provisions of this Act, debentures issued under any section of this Act with respect to a loan or mortgage accepted for insurance on or after thirty days following the effective date of the Housing Act of 1954 (except debentures issued pursuant to paragraph (4) of section 221(g)) shall bear interest at the rate in effect on the date the commitment to insure the loan or mortgage was issued, or the date the loan or mortgage was endorsed for insurance, or (when there are two or more insurance endorsements) the date the loan or mortgage was initially endorsed for insurance, whichever rate is the highest, except that debentures issued pursuant to section 220(f), section 220(h)(7), section 221(g), or section 233 may, at the discretion of the Commissioner, bear interest at the rate in effect on the date they are issued."

(j) Section 226 of such Act is amended by—

(1) striking out in the first sentence "222, or" and inserting in lieu thereof "222, 233, 234, or"; and

(2) striking out in the third sentence the words "that a written statement setting forth such estimate" and inserting in lieu thereof the following: "or on the basis of any other estimates of the Commissioner, that a written statement setting forth such estimate or estimates, as the case may be,".

(k) Section 227 of such Act is amended by—

(1) striking out in subsection (a) "or (vi) under section 810 if the mortgage meets the requirements of subsection (f)" and inserting in lieu thereof "(vi) under section 233 if the mortgage meets the requirements of subsection (b)(2), or (vii) under section 810 if the mortgage meets the requirements of subsection (f)";

(2) striking out in subsection (b) the word "value" and inserting in lieu thereof "value, cost,"; and

(3) striking out in the second and third sentences of subsection (c) "section 221 if the mortgage meets the requirements of paragraph (4) of subsection (d) thereof, or section 231," and inserting in lieu thereof "section 221(d)(3), section 221(d)(4), section 231, or section 233(b)(2),".

(l) Section 229 of such Act is amended to read as follows:

"VOLUNTARY TERMINATION OF INSURANCE

"SEC. 229. Notwithstanding any other provision of this Act and with respect to any loan or mortgage heretofore or hereafter insured under this Act, except under section 2, the Commissioner is authorized to terminate any insurance contract upon request by the borrower or mortgagor and the financial institution or mortgagee and upon payment of such termination charge as the Commissioner determines to be equitable, taking into consideration the necessity of protecting the various insurance Funds and Accounts. Upon such termination, borrowers and mortgagors and financial institutions and mortgagees shall be entitled to the

rights, if any, to which they would be entitled under this Act if the insurance contract were terminated by payment in full of the insured loan or mortgage.

(m) Section 231(c)(2) of such Act is amended to read as follows:

"(2) not exceed, for such part of such property or project as may be attributable to dwelling use (excluding exterior and land improvements as defined by the Commissioner), $2,250 per room (or $9,000 per family unit if the number of rooms in such property or project is less than four per family unit): *Provided*, That as to projects to consist of elevator type structures, the Commissioner may, in his discretion, increase the dollar amount limitation of $2,250 per room to not to exceed $2,750 per room and the dollar amount limitation of $9,000 per family unit to not to exceed $9,400 per family unit, as the case may be, to compensate for the higher costs incident to the construction of elevator-type structures of sound standards of construction and design; except that the Commissioner may, by regulation, increase any of the foregoing dollar amount limitations contained in this paragraph by not to exceed $1,250 per room, without regard to the number of rooms being less than four, or four or more, in any geographical area where he finds that cost levels so require;".

TITLE VII—OPEN SPACE AND LAND DEVELOPMENT

Part 1—Permanent open land

Findings and Purpose

SEC. 701. (a) The Congress finds that a combination of economic, social, governmental, and technological forces have caused a rapid expansion of the Nation's urban areas, which has created critical problems of service and finance for all levels of government and which, combined with a rapid population growth in such areas, threatens severe problems of urban and suburban living, including the loss of valuable open-space land in such areas, for the preponderant majority of the Nation's present and future population.

(b) It is the purpose of this part to help curb urban sprawl and prevent the spread of urban blight and deterioration, to encourage more economic and desirable urban development, and to help provide necessary recreational, conservation, and scenic areas by assisting State and local governments in taking prompt action to preserve open-space land which is essential to the proper long-range development and welfare of the Nation's urban areas, in accordance with plans for the allocation of such land for open-space purposes.

Federal Grants

SEC. 702. (a) In order to encourage and assist in the timely acquisition of land to be used as permanent open-space land, as defined herein, the Housing and Home Finance Administrator (hereinafter referred to as the "Administrator") is authorized to make grants to State and local public bodies acceptable to the Administrator as capable of carrying out the provisions of this part to help finance the acquisition of title to, or other permanent interests in, such land. The amount of any such grant shall not exceed 20 per centum of the total cost, as approved by the Administrator, of acquiring such interests: *Provided*, That this limitation may be increased to not to exceed 30 per centum in the case of a grant extended to a public body which (1) exercises responsibilities consistent with the purposes of this part for an urban area as a whole, or (2) exercises or participates in the exercise of such responsibilities for all or a substantial portion of an urban area pursuant to an interstate or other intergovernmental compact or agreement.

(b) The Administrator may make grants under this part aggregating not to exceed $100,000,000. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, the amounts necessary to provide for such payments as well as to carry out all other purposes of this part.

(c) No grants under this part shall be used to defray development costs or ordinary State or local governmental expenses, or to help finance the acquisition by a public body of land located outside the urban area for which it exercises (or participates in the exercise of) responsibilities consistent with the purpose of this part.

(d) The Administrator may set such further terms and conditions for assistance under this part as he determines to be desirable.

(e) The Administrator shall consult with the Secretary of the Interior on the general policies to be followed in reviewing applications for grants. To assist the Administrator in such review, the Secretary of the Interior shall furnish him appropriate information on the status of recreational planning for the areas to be served by the open-space land acquired with the grants. The Administrator shall provide current information to the Secretary from time to time on significant program developments.

Planning Requirements

SEC. 703. (a) The Administrator shall make grants for the acquisition of land under this part only if he finds that (1) the proposed use of the land for permanent open space is important to the execution of a comprehensive plan for the urban area meeting criteria he has established for such plans, and (2) a program of comprehensive planning (as defined in section 701(d) of the Housing Act of 1954) is being actively carried on for the urban area.

(b) In extending financial assistance under this part, the Administrator shall take such action as he deems appropriate to assure that local governing bodies are preserving a maximum of open-space land, with a minimum of cost, through the use of existing public land; the use of special tax, zoning, and subdivision provisions; and the continuation of appropriate private use of open-space land through acquisition and leaseback, the acquisition of restrictive easements, and other available means.

Conversions to Other Uses

SEC. 704. No open-space land for which a grant has been made under this part shall, without the approval of the Administrator, be converted to uses other than those originally approved by him. The Administrator shall approve no conversion of land from open-space use unless he finds that such conversion is essential to the orderly development and growth of the urban area involved and is in accord with the then applicable comprehensive plan, meeting criteria established by him. The Administrator shall approve any such conversion only upon such conditions as he deems necessary to assure the substitution of other open-space land of at least equal fair market value and of as nearly as feasible equivalent usefulness and location.

Technical Assistance, Studies, and Publication of Information

SEC. 705. In order to carry out the purpose of this part the Administrator is authorized to provide technical assistance to State and local public bodies and to undertake such studies and publish such information, either directly or by contract, as he shall determine to be desirable. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such amounts as may be necessary to provide for such assistance, studies, and publication. Nothing contained in this section shall limit any authority of the Administrator under any other provision of law.

Definitions

SEC. 706. As used in this part—

(1) The term "open-space land" means any undeveloped or predominantly undeveloped land, including agricultural land, in an urban area, which has (A) economic and social value as a means of shaping the character, direction, and timing of community development; (B) recreation value; (C) conservation value in protecting natural resources; or (D) historic, scenic, scientific, or esthetic value.

(2) The term "urban area" means any area which is urban in character, including those surrounding areas which, in the judgment of the Administrator, from an economic and socially related region, taking into consideration such factors as present and future population trends and patterns of urban growth, location of transportation facilities and systems, and distribution of industrial, commercial, residential, governmental, institutional, and other activities.

(3) The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, and Guam.

Part 2—FHA insurance for site preparation and development

Land Development Insurance

SEC. 710. The National Housing Act is amended by adding at the end thereof the following new title:

"TITLE X—LAND DEVELOPMENT INSURANCE

"SEC. 1001. As used in this title—

"(1) the term 'mortgage' means a lien on real estate in fee simple, or on the interest of either the lessor or lessee thereof (A) under a lease for not less than ninety-nine years which is renewable, or (B) under a lease having a period of not less than fifty years to run from the date the mortgage was executed; and the term 'first mortgage' includes such classes of first liens as are commonly given to secure advances (including but not being limited to advances during construction) on, or the unpaid purchase price of, real estate under the laws of the State in which the real estate is located, together with the credit instrument or instruments, if any, secured thereby, and may be in the form of trust mortgages or mortgage indentures or deeds of trust securing notes, bonds, or other credit instruments;

"(2) the terms 'mortgagee', 'mortgagor', and 'State' shall have the same meaning as when used in section 207 of this Act;

"(3) the term 'improvements' means water lines and water supply installations, sewer lines and sewer disposal installations, utilities, pavements, curbs, gutters, and other installations or work, whether on or off the site, (A) which are necessary or desirable to convert raw land in an urban or suburban community into building sites primarily for the construction of structures designed for residential use, and (B) which are in keeping with applicable governmental requirements and with standards not lower than those reflected in general practice in the community; and

"(4) the term 'development' means the process of making and installing improvements.

"SEC. 1002. (a) The Commissioner is authorized upon application by the mortgagee to insure under this title as hereinafter provided any first mortgage (including advances during construction) which is eligible for insurance as hereinafter provided and, upon such terms and conditions as he may prescribe, to make commitments for the insurance thereof prior to the date of insurance; but no mortgage shall be insured under this

title after July 1, 1963, except pursuant to a commitment to insure issued before such date.

"(b) To be eligible for mortgage insurance under this title a mortgage shall—

"(1) cover the land and improvements unless they are in public ownership or are excepted or released from the lien of the mortgage with the approval of the Commissioner;

"(2) involve an original principal obligation in an amount not to exceed $2,500,000 and not to exceed 75 per centum of the estimated value of the security covered thereby as of the completion of the development to be financed with the proceeds of the mortgage; but in no event shall any such mortgage exceed 75 per centum of the estimated value of the land as of the date of commitment plus 75 per centum of the estimated cost of development thereof;

"(3) have a maturity satisfactory to the Commissioner but not to exceed five years;

"(4) contain repayment provisions satisfactory to the Commissioner and bear interest (exclusive of premium charges for mortgage insurance) at a rate satisfactory to the Commissioner, but not to exceed 6 per centum per annum, on the amount of the principal obligation outstanding at any time;

"(5) contain such other conditions as the Commissioner may prescribe with respect to protection of the security, payment of taxes, delinquency charges, prepayment, additional and secondary liens, release of a portion or portions of the mortgaged property from the lien of the mortgage, and other matters as the Commissioner may in his discretion prescribe; and

"(6) be executed by, and cover property held by, a mortgagor approved by the Commissioner and have been made to and be held by a mortgagee approved by the Commissioner.

"(c) No mortgage shall be accepted for insurance under this title unless the Commissioner finds that—

"(1) it will aid in the development of land owned by or to be acquired by the mortgagor, and the development of such land is economically sound;

"(2) the assistance provided by this title is needed to meet the housing and related needs of moderate income families; and

"(3) the mortgagor will develop the land under a schedule reasonably assuring the timely completion of all desirable neighborhood facilities and either will construct upon the land, within a reasonable period after its development, structures primarily for residential use by moderate income families, or will make the developed land available to other persons for such purpose; and the Commissioner shall require the mortgagor to enter into such agreements or covenants as the Commissioner in his discretion may deem appropriate to assure that such construction will take place within such period.

"(d) The mortgage may include a provision permitting the mortgagee to make advances subsequent to full disbursement of the original principal: *Provided*, That the total amount of such advances outstanding at any one time shall not exceed the face amount of the mortgage.

"(e) The Commissioner shall collect a premium charge for the insurance of mortgages under this title, but in the case of any mortgage such charge shall not be less than an amount equivalent to one-half of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments. Such charge shall be payable by the mortgagee, either in cash or in debentures of the Land Development Insurance Fund issued by the Commissioner under this title at par plus accrued interest. In addition to the premium charge herein provided for, the Commissioner is authorized to charge and collect such amounts as he may deem reasonable for the appraisal of the property offered for insurance and for the inspection of such property and the development thereof during construction, but such charges for appraisal and inspection shall not aggregate more than 1 per centum of the original principal face amount of the mortgage.

"(f) The provisions of subsections (e), (g), (h), (i), (j), (k), (l), (m), (n), and (p) of section 207 of this Act shall be applicable to mortgages insured under this title, except that as applied to such mortgages (1) all references therein to the Housing Insurance Fund or the Housing Fund shall be construed to refer to the Land Development Insurance Fund, and (2) all references therein to section 207 or 210 shall be construed to refer to this section.

"(g) There is hereby created a Land Development Insurance Fund which shall be used by the Commissioner as a revolving fund for carrying out the provisions of this title. The Commissioner is hereby authorized and directed to transfer immediately to such fund the sum of $10,000,000 from the War Housing Insurance Fund created by section 602 of this Act, which sum shall be reimbursed to the War Housing Insurance Fund from appraisal and inspection fees and charges hereafter collected under this title. General expenses of operation of the Federal Housing Administration under this title may be charged to the Land Development Insurance Fund.

"SEC. 1003. Any contract of insurance executed by the Commissioner under this title with respect to a mortgage shall be conclusive evidence of the eligibility of such mortgage for insurance, and the validity of any contract of insurance so executed shall be incontestable in the hands of an approved mortgagee from the date of the execution of such contract, except for fraud or misrepresentation on the part of such approved mortgagee.

"SEC. 1004. Nothing in this title shall be construed to exempt any real property acquired and held by the Commissioner under this title from taxation by any State or political subdivision thereof, to the same extent, according to its value, as other real property is taxed.

"SEC. 1005. The Commissioner is authorized and directed to make such rules and regulations as may be necessary to carry out the provisions of this title.

"SEC. 1006. Notwithstanding any other provision of this Act, no mortgage shall be finally endorsed for insurance under this title nor shall any advance thereon during construction be insured under this title unless the mortgagor has executed an agreement in form and content satisfactory to the Commissioner that he will certify to the Commissioner (and shall submit such records and data in support of such certification as the Commissioner shall prescribe) the actual cost of the development of the land (being the cost of constructing the on-site and off-site improvements reasonable and necessary for such development, including amounts paid for labor, materials, construction contracts, organizational and legal expenses, professional fees, a reasonable allowance for builders' profit if the mortgagor is also the builder as defined by the Commissioner, and other items of expense approved by the Commissioner). Notwithstanding any other provisions of this title (1) no mortgage shall be finally endorsed for insurance if the principal amount thereof exceeds 75 per centum of the Commissioner's estimate of the value of the land when the proposed development is completed and (2) no advance on such mortgage shall be insured if such advance, when added to previous insured advances, exceeds 75 per centum of the Commissioner's estimate of the value of the land as of the date of commitment plus 75 per centum of the cost of such development to the date of such disbursement as shown by the mortgagor's certificate; but in no event shall more than 90 per centum of the principal obligation of the loan be disbursed prior to the completion of the development contemplated by the Commissioner's commitment. The mortgagor shall also agree that, in the event the final amount of the mortgage or the amount of any advance exceeds the amount permitted under clause (1) or (2) (as the case may be) of the preceding sentence, he will reduce the mortgage or the insured advance by the amount of the excess."

Conforming amendments

SEC. 711. (a) Section 219 of the National Housing Act (as amended by section 612(f) of this Act) is amended by inserting after "the Section 221 Housing Insurance Fund," the following: "the Land Development Insurance Fund,".

(b) Section 215 of such Act is amended by striking out "or title IX" and inserting in lieu thereof "title IX, or title X".

(c) The first paragraph of section 24 of the Federal Reserve Act is amended by inserting before the last sentence the following new sentence: "Notwithstanding the limitations and restrictions in this section, any national banking association may make loans for site preparation and development which are secured by mortgages insured under title X of the National Housing Act."

TITLE VIII—FARM HOUSING

SEC. 801. (a) Section 502(b)(1) of the Housing Act of 1949 is amended by striking out "and such additional security" and inserting in lieu thereof the words "or such other security".

(b) Sections 511, 512, and 513 of such Act are each amended by striking out "1961" and inserting in lieu thereof "1965".

SEC. 802. The second sentence of section 511 of the Housing Act of 1949 is amended by striking out "$450,000,000" and inserting in lieu thereof "$650,000,000".

SEC. 803. (a) Section 501(a) of the Housing Act of 1949 is amended by inserting "(1)" before "to owners of farms", and by inserting before the period at the end thereof the following: ", and (2) to owners of other real estate in rural areas to enable them to provide dwellings and related facilities for their own use and buildings adequate for their farming operations".

(b) Section 501(c) of such Act is amended by inserting before the semicolon at the end of clause (1) the following: ", or that he is the owner of other real estate in a rural area without an adequate dwelling or related facilities for his own use or buildings adequate for his farming operations."

(c) Section 501 of such Act is further amended by adding at the end thereof the following new subsection:

"(d) As used in this title (except in sections 503 and 504(b)), the terms 'farm', 'farm dwelling', and 'farm housing' shall include dwellings or other essential buildings of eligible applicants."

SEC. 804. (a) Title V of the Housing Act of 1949 is further amended by adding at the end thereof the following new section:

"INSURANCE OF LOANS FOR THE PROVISION OF HOUSING AND RELATED FACILITIES FOR DOMESTIC FARM LABOR

"SEC. 514. (a) The Secretary is authorized to insure and make commitments to insure loans made by lenders other than the United States to the owner of any farm, any association of farmers, any State or political subdivision thereof, or any public or private nonprofit organization for the purpose of

providing housing and related facilities for domestic farm labor in accordance with terms and conditions substantially identical with those specified in section 502; except that—

"(1) no such loan shall be insured in an amount in excess of the value of the farm involved less any prior liens in the case of a loan to an individual owner of a farm, or the total estimated value of the structures and facilities with respect to which the loan is made in the case of any other loan;

"(2) no such loan shall be insured if it bears interest at a rate in excess of 5 per centum per annum;

"(3) out of interest payments by the borrower the Secretary shall retain a charge in an amount not less than one-half of 1 per centum per annum of the unpaid principal balance of the loan;

"(4) the insurance contracts and agreements with respect to any loan may contain provisions for servicing the loan by the Secretary or by the lender, and for the purchase by the Secretary of the loan if it is not in default, on such terms and conditions as the Secretary may prescribe; and

"(5) the Secretary may take mortgages creating a lien running to the United States for the benefit of the insurance fund referred to in subsection (b) notwithstanding the fact that the note may be held by the lender or his assignee.

"(b) The Secretary shall utilize the insurance fund created by section 11 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1005a) and the provisions of section 13 (a), (b), and (c) of such Act (7 U.S.C. 1005c (a), (b), and (c)) to discharge obligations under insurance contracts made pursuant to this section, and

"(1) the Secretary may utilize the insurance fund to pay taxes, insurance, prior liens, and other expenses to protect the security for loans which have been insured hereunder and to acquire such security property at foreclosure sale or otherwise;

"(2) the notes and security therefore acquired by the Secretary under insurance contracts made pursuant to this section shall become a part of the insurance fund. Loans insured under this section may be held in the fund and collected in accordance with their terms or may be sold and reinsured. All proceeds from such collections, including the liquidation of security and the proceeds of sales, shall become a part of the insurance fund; and

"(3) of the charges retained by the Secretary out of interest payments by the borrower, amounts not less than one-half of 1 per centum per annum of the unpaid principal balance of the loan shall be deposited in and become a part of the insurance fund. The remainder of such charges shall be deposited in the Treasury of the United States and shall be available for administrative expenses of the Farmers Home Administration, to be transferred annually to and become merged with any appropriation for such expenses.

"(c) Any contract of insurance executed by the Secretary under this section shall be an obligation of the United States and incontestable except for fraud or misrepresentation of which the holder of the contract has actual knowledge.

"(d) The aggregate amount of the principal obligations of the loans insured under this section shall not exceed $25,000,000 in any one fiscal year.

"(e) Amounts made available pursuant to section 513 of this Act shall be available for administrative expenses incurred under this section.

"(f) As used in this section—

"(1) the term 'housing' means (A) new structures suitable for dwelling use by domestic farm labor, and (B) existing structures which can be made suitable for dwelling use by domestic farm labor by rehabilitation, alteration, conversion, or improvement; and

"(2) the term 'related facilities' means (A) new structures suitable for use as dining halls, community rooms or buildings, or infirmaries, or for other essential services facilities, and (B) existing structures which can be made suitable for the above uses by rehabilitation, alteration, conversion, or improvement; and

"(3) the term 'domestic farm labor' means citizens of the United States who receive a substantial portion (as determined by the Secretary) of their income as laborers on farms situated in the United States."

(b) Title V of such Act is further amended—

(1) by inserting in section 506(a) "and section 514," immediately after "501 to 504, inclusive," each place it appears; and

(2) by striking out "under this title" in section 507 and inserting in lieu thereof "under sections 501 to 504, inclusive".

(c) The first paragraph of section 24 of the Federal Reserve Act (12 U.S.C. 371) is amended by inserting after "the Act of August 28, 1937, as amended" the following: ", or title V of the Housing Act of 1949, as amended".

SEC. 805. (a) Section 506 of the Housing Act of 1949 is amended—

(1) by striking out the last sentence of subsection (a);

(2) by redesignating subsection (b) as subsection (e); and

(3) by inserting after subsection (a) the following new subsections:

"(b) The Secretary is further authorized to conduct research and technical studies including the development, demonstration, and promotion of construction of adequate farm dwellings and other buildings for the purpose of stimulating construction, improving the architectural design and utility of such dwellings and buildings, and utilizing new and native materials, economies in materials and construction methods, and new methods of production, distribution, assembly, and construction, with a view to reducing the cost of farm dwellings and buildings and adapting and developing fixtures and appurtenances for more efficient and economical farm use.

"(c) The Secretary is further authorized to carry out a program of research, study, and analysis of farm housing in the United States to develop data and information on—

"(1) the adequacy of existing farm housing;

"(2) the nature and extent of current and prospective needs for farm housing, including needs for financing and for improved design, utility, and comfort, and the best methods of satisfying such needs;

"(3) problems faced by farmers and other persons eligible under section 501 in purchasing, constructing, improving, altering, repairing, and replacing farm housing;

"(4) the interrelation of farm housing problems and the problems of housing in urban and suburban areas; and

"(5) any other matters bearing upon the provision of adequate farm housing.

"(d) To the extent determined by him to be advisable, the Secretary may carry out the research and study programs authorized by subsections (b) and (c) through grants made by him on such terms, conditions, and standards as he may prescribe to land-grant colleges established pursuant to the Act of July 2, 1862 (7 U.S.C. 301–308) or through such other agencies as he may select."

(b) Section 513 of such Act is amended by striking out "and (c)" and inserting in lieu thereof the following: "(c) not to exceed $250,000 per year for research and study programs pursuant to subsections (b), (c), and (d) of section 506 during the period beginning July 1, 1961, and ending June 30, 1965; and (d)".

TITLE IX—MISCELLANEOUS

Home Owners' Loan Act of 1933

SEC. 901. (a) Section 5(c) of the Home Owners' Loan Act of 1933 is amended by striking out "in loans insured under title I of the National Housing Act, as amended," in the first sentence of the second paragraph and inserting in lieu thereof "in loans insured under title I of the National Housing Act, in home improvement loans insured under title II of the National Housing Act,".

(b) Section 5(c) of such Act is further amended by adding at the end thereof the following new paragraph:

"Without regard to any other provision of this subsection except the area restriction and the $35,000 limitation, any such association may invest an amount not exceeding at any one time 5 per centum of its assets in nonamortized loans which are made on the security of first liens upon homes or combinations of homes and business property and which (1) are repayable within a period of eighteen months, (2) provide that interest payments be made at least semiannually, and (3) do not exceed 80 per centum of the appraised value of the property involved. For the purposes of this paragraph the term 'first liens' includes the assignment of the whole of the beneficial interest in a trust having a corporate trustee whereunder real estate held in the trust can be subjected to the satisfaction of the obligation or obligations secured with the same priority as a first mortgage, a first deed of trust, or a first trust deed in the jurisdiction where the real estate is located."

(c) Section 5(c) of such Act is further amended by adding at the end thereof (after the paragraph added by subsection (b) of this section) the following new paragraph:

"Without regard to any other provision of this subsection except the area restriction, any such association is authorized to invest an amount not exceeding at any one time 5 per centum of its assets in amortized loans or participating interests therein which are secured by first liens upon improved real estate used to provide housing facilities for the aging, subject to the following qualifications:

"(1) each such loan shall be repayable within a period of 30 years;

"(2) no such loan shall exceed 90 per centum of the appraised value of the improved real estate given as security therefor; and

"(3) each such loan—

"(A) shall be made upon and secured by real estate which is improved by housing accommodations, individual or multiple, designed for the purpose of providing accommodations for occupancy by aging persons, or of providing rest homes or nursing homes, so constructed or altered as to be suitable primarily for the occupancy of persons over fifty-five years of age and limited principally to the occupancy of such persons; and

"(B) shall be made for the implementation of the purpose described in clause (A)."

(d) Section 5(c) of such Act is further amended by adding at the end thereof (after the paragraph added by subsection (c) of this section) the following new paragraph:

"Without regard to any other provision of this subsection, any such association is authorized to invest not more than 5 per centum of its assets in certificates of beneficial interest issued by any urban renewal investment trust. For the purposes of this paragraph the term 'urban renewal investment trust' means an unincorporated trust established by written agreement between the authorized officers of two or more savings institutions the savings or share accounts of which are insured by an agency of the Federal Government, which agreement—

"(1) expressly limits the purposes of the trust and the investment powers of the trustees to the elimination or prevention of the

spread of slums and blighted or deteriorated or deteriorating areas and the redevelopment, renewal, rehabilitation, or conservation of such areas by private enterprise through financing the purchase or rehabilitation of real property, or the construction of improvements thereon, designed or usable for industrial, commercial, or housing purposes within the confines of an urban renewal area (as defined in section 110 of the Housing Act of 1949);

"(2) expressly limits the beneficial ownership of the trust to savings and loan associations or banks the savings or share accounts of which are insured by an agency of the Federal Government;

"(3) provides that such beneficial ownership be evidenced by certificates of beneficial interest, which certificates shall have first claim at all times on the assets of the trust without preference between the holders thereof, and shall be fully transferable and assignable between any such banks and savings and loan associations at all times; and

"(4) expressly provides that it shall be effective and binding between the parties thereto only upon being approved by the board.

Any association chartered under the provisions of this section may become a party to any urban renewal investment trust. The Federal Home Loan Bank Board shall prescribe such rules and regulations, not inconsistent with the provisions of this paragraph, as it may deem necessary for the proper establishment of urban renewal investment trusts, for the effective operation thereof, and the participation in such operations of eligible institutions either as parties, as trustees, or as the holders of certificates of beneficial interest."

Federal Reserve Act

SEC. 902. Section 24 of the Federal Reserve Act is amended by inserting at the end of the next to the last paragraph a new sentence as follows: "Home improvement loans which are insured under the provisions of section 203(k) or 220(h) of the National Housing Act may be made without regard to the first lien requirements of this section."

Voluntary home mortgage credit program

SEC. 903. Section 610(a) of the Housing Act of 1954 is amended by striking out "1961" and inserting in lieu thereof "1956".

Disposal of Passyunk war housing project

SEC. 904. Section 802(a) of the Housing Act of 1959 is amended by striking out "five" in the first sentence and inserting in lieu thereof "seven".

Hospital construction

SEC. 905. (a) Section 605(b) of the Housing Act of 1956 is amended by striking out "1960" and inserting in lieu thereof "1962".

(b) Section 605(c) of such Act is amended by striking out "and June 30, 1961" and inserting in lieu thereof "June 30, 1961, and June 30, 1962".

Payment in lieu of taxes by Holyoke Housing Authority

SEC. 906. Notwithstanding the provisions of any other law or any contract or rule of law, the Public Housing Commissioner shall approve the payment in lieu of taxes, in the amount of $9,933.47, made by the Holyoke Housing Authority to the city of Holyoke, Massachusetts, under section 10(h) of the United States Housing Act of 1937, for its fiscal year ended December 31, 1956.

Administrative

SEC. 907. Section 502 of the Housing Act of 1948 is amended by—

(1) striking out in subsection (c)(3) the first proviso, the colon thereafter, and the words *"And provided further,"* and inserting in lieu thereof *"Provided";* and

(2) adding at the end thereof the following subsection;

"(d) The Housing and Home Finance Administrator, the Federal Housing Commissioner, and the Public Housing Commissioner, respectively, may utilize funds made available to them for salaries and expenses for payment in advance for dues or fees for library memberships in organizations (or for membership of the individual librarians of the respective agencies in organizations which will not accept library membership) whose publications are available to members only, or to members at a price lower than to the general public, and for payment in advance for publications available only upon that basis or available at a reduced price on prepublication order."

Mr. FULTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take the floor because a man's name has been mentioned earlier in the debate for whom I have great respect. He is a good friend of mine. He has been the good mayor of the city of Los Angeles, Calif., Mr. Norris Poulson, a former Member of this House. I like Norris. I think he is a grand guy.

I believe Norris Poulson made a good fight for reelection as mayor against our friend, Sam Yorty, also a former Member of the House, in the last election, but Sam won. Out of over a million votes cast, Norris Poulson lost only by about a 10,000- to 20,000-vote margin which is a really close fight and a creditable showing for both candidates. I believe Norris Poulson has been a good mayor. I wrote to Norris and congratulated him on the good fight he made, and when he lost I felt that was the decision of the people of Los Angeles and we should all respect that decision.

I must say when we look into California politics from the Pennsylvania point of view, that, to say the least, they are peculiar. I understand Sam Yorty, the Democratic candidate, or should I say the mayor candidate personally of Democratic persuasion, had backed for President not the present President, Mr. Jack Kennedy, a former Congressman here, but had backed another former Congressman here, Mr. Richard Nixon of California, the Republican Vice President. Mirabile dictu.

I would say that the Los Angeles mayor's election was quite a mixed situation and not between Democrats and Republicans, because it was mixed as to what the national position of the candidates was, as well as their local position.

For the terms he has served Norris Poulson has been a good mayor. As one of his former associates, I want him to know that we are proud of the graduates of this House and of his record. I believe he did an excellent job. I hope Norris will soon be in fine health and spirits, because during the campaign he had a throat infection and lost his voice and was unable to make campaign speeches. It is almost worse than death, as every one of us knows, to lose one's voice during a hard campaign, and this was a real disadvantage.

I hope the references to Norris Poulson in the discussions we have had on the floor today are remembered as commendable statements of him.

Mr. Chairman, I yield back the balance of my time.

Mr. O'NEILL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'NEILL: On page 106 line 6, after "not more than" strike out the word "five" and insert the word "seven" so as to read "not more than seven years."

Mr. O'NEILL. Mr. Chairman, this comes under the urban renewal part of the bill. I have already spoken to the chairman of the committee. It affects the city of Cambridge, the Universities of Harvard and MIT, and I believe one or two other cities in the United States.

Section 112 became effective on September 23, 1959. For much of the period since its enactment, the program was handicapped by a general policy of reducing commitments for Federal expenditures, efforts to stretch out available capital grant authorizations, and, more recently, lack of any capital grant authorization. This has resulted in inability, due to circumstances entirely beyond the control of any local public renewal agency, for many cases to reach authorization for loan or capital grant contract during this 2-year period. This means, of course, a loss of credit for expenditures made during a 2-year period as a result of circumstances over which neither the educational institutions nor the local public renewal agencies had any control.

Mr. RAINS. Mr. Chairman, we have had an opportunity to go over this amendment and, so far as I personally am concerned I can see no objection to it.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. RAINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RAINS: Page 131, strike out lines 2 and 3 and insert the following:

"SEC. 611. (a)(1) Section 810(b) of the National Housing Act is amended (A) by striking out "the Secretary of Defense or his designee shall have certified to the Commissioner that", and (B) by striking out the last sentence.

"(2) Section 810(d) of such Act is amended (A) by striking out 'until advised by the Secretary of Defense or his designee' and inserting in lieu thereof 'until he finds', and (B) by striking out ', as evidenced by certification' and all that follows and inserting in lieu thereof a period.

"(3) Section 810(l) of such Act is repealed."

Mr. RAINS. Mr. Chairman, this amendment is offered at the instance of the chairman and the members of the Armed Services Committee. The original intent of the section was to have the Secretary of Defense certify the need of this housing program near service bases. This would strike out any obligation on the part of the Secretary to participate and would leave it a straight FHA program of rental housing in those areas where specifically needed. It re-

moves any action by the Secretary of Defense.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. WIDNALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIDNALL: Page 111, after line 6, insert the following:

"SEC. 315(a). Section 101(c) of the Housing Act of 1949 is amended by—

"(1) striking out 'unless (1)' and inserting in lieu thereof the following: 'unless (1) the locality with respect to which an application for assistance under this title is made has had in effect for at least one year prior to the filing of such application a minimum standards housing code related but not limited to health, sanitation, and occupancy requirements, which is deemed adequate by the Administrator and which he determines has been satisfactorily enforced, with regard for avoiding undue hardship, from the time of its adoption or for at least one year prior to the filing of such application, whichever is the lesser, (2),' and

"(2) striking out 'and (2)' and inserting in lieu thereof 'and (3)'."

On page 97, line 13, strike out "301" and insert "302".

Mr. WIDNALL. Mr. Chairman, I was very pleased a few minutes ago to hear the gentleman from Indiana [Mr. MADDEN] refer to an ad that had been placed by the Caterpillar Tractor Co. which contained in it a very wise statement, and undoubtedly a true statement, in which it said that 30 million people will be living in slums unless something is done about it. They did not say that public housing was the answer. The answer is having and enforcing minimum standards housing codes within the various cities, because as it is today we are multiplying our slums faster than we are curing them, and I do not believe any amount of public housing will ever cure the slums in this country unless we prevent future slums from being formed. We have to get at the bottom of it and prevent the decay and blight that has been taking place.

Mr. Chairman, my amendment is very simple. It would require cities applying for Federal urban renewal or public housing grants to have a minimum standard housing code on their statute books and a record of enforcement for at least a year prior to application.

Under present law, communities applying for Federal aid for these programs must submit a workable program setting out the means by which they expect to eliminate the spread of urban slums and blight. Yet a city can get Federal money for these high sounding goals even though they have not adopted any kind of housing code to prevent the spread of slums and blight. Enforcement of a housing code is the one thing which communities can do on their own to show they are as interested in getting rid of slums as they are in getting Federal financial assistance.

Mr. Chairman, I was shocked and amazed to see in the hearings before the House Housing Subcommittee the data supplied by the Housing Administrator on pages 156 and 158 of the hearings, showing public housing annual contributions contracts and urban renewal capital grants contracts which were signed with communities not having minimum standards housing codes. Why should communities be eligible for taxpayers' money for projects designed to combat slums, when they themselves do not even have the initiative to enact and enforce a housing code?

The data referred to show that between July 1, 1959, and March 31, 1961, annual contribution contracts were executed in 191 communities, and 102 of these had not adopted a housing code at the time the contracts were executed. These 102 communities represent over 50 percent of all public housing contracts executed in the time specified.

Between these same dates, July 1, 1959, and March 31, 1961, urban renewal loan and grant contracts were signed with 136 communities of which 16 did not have housing codes at the time the contracts were signed. Although the number of communities is small, the total amount of money involved in these planning advances, loans, and capital grants is approximately $89 million.

Mr. Chairman, we could spend the entire Federal budget on urban renewal programs and public housing and not halt the spread of slums.

The distinguished chairman of the House Housing Subcommittee before the House Rules Committee hit the nail on the head when he said that "slum ownership is profitable." This amendment would make slums unprofitable.

Slums can proliferate even as the Federal projects are being constructed. What is needed is housing code enforcement at the local level to start reducing this inventory of slum housing. Preliminary 1960 census figures show a 40 percent reduction in substandard housing since 1950. This amendment requiring communities to take the initiative before Federal funds are committed would accelerate this trend.

This amendment contains language which would permit a community to avoid undue hardship in enforcing a minimum standards housing code and still qualify for Federal assistance.

Mr. Chairman, we here in the House have been listening for the past 16 years to the pleas of those who want to do something about the slums. Let us make it clear once and for all time that if a community wants public housing or urban renewal capital grants, it must enforce a safety and sanitation housing code.

I urge the House and adopt this amendment which is, in every sense of the word, an antislum amendment.

I include in the RECORD as part of these remarks two editorials in support of this amendment, one from the Reading, Pa., Eagle of June 6, 1961. The editorial takes sharp issue with the other body for rejecting a similar amendment. Referring to the amendment as one "to discourage the perpetuality of slums," the editorial goes on to say:

It has long been the belief—and rightly so—that one of the main purposes of urban renewal and housing is to help get rid of substandard housing or slums.

It would be a sad and deplorable misuse of public housing and urban renewal loans and grants to encourage the growth of slums, so that they may be used as an excuse for more and more Government spending and Federal control.

The second editorial is from the Cedar Rapids, Iowa, Gazette:

[From the Reading (Pa.) Eagle, June 6, 1961]

WRONG SLUM SLANT

The Senate Banking and Currency Committee's rejection of an "antislum amendment" to the omnibus housing bill now before Congress has been labeled "tragic" by O. G. Powell, president of the National Association of Real Estate Boards.

He said the rejection "means that the American taxpayer will be required to pour untold billions of dollars into our communities for public housing and urban renewal, and slum landlords will be permitted to flourish and exact their profit."

Speaking at the recent convention of the Washington, D.C., real estate board in Bedford Springs, Pa., the NAREB president pointed out this will allow local city governments to permit the spread of slums on their own doorsteps and still be eligible for Federal urban renewal funds.

Disclosing that such an antislum amendment was recommended by NAREB in testimony last month before the Senate Housing Subcommittee, Mr. Powell expressed hope that the House of Representatives will react differently to such an amendment.

He emphasized that the proposed amendment would provide that no community would be eligible for public housing and urban renewal loans and grants until it had adopted a minimum standards housing code and was enforcing such a code.

"In other words," he said, "why should the Federal Government concern itself with helping a community solve a problem at its doorstep, if the community itself is not concerned enough to adopt a minimum standards housing code?"

He explained that NAREB was requesting that Congress put some teeth into a requirement that has been on statute books for 7 years—that a community have a workable program against the spread of slums before it can qualify for urban renewal or public housing.

Mr. Powell quoted these words from a report by Dr. Robert C. Weaver, Administrator of the administration's Housing and Home Finance Agency.

"Between July 1, 1959, and March 31, 1961, the Federal Government executed binding contracts for public housing in 191 communities. One hundred and two of these communities did not have a minimum housing code when these contracts were executed."

Mr. Powell then said, "I contend that the Public Housing Administration's executing these contracts certainly violated the spirit of the law—but then the PHA was so anxious to get public housing going in these communities that it was willing to overlook such an antislum requirement.

"Also between these dates, loans and grant contracts for urban renewal were executed for 136 communities. Sixteen of these had not adopted minimum housing codes by the date these binding contracts were executed.

"According to the record submitted to Congress, one of these cities had executed contracts for five projects involving an expenditure of Federal grants of almost $26 million. Yet it had not adopted a minimum standards housing code at the time those contracts were executed."

The NAREB spokesman noted from the report that one State, "a pivotal one in the last election," contained seven cities—none of which had minimum standards housing

codes—which were permitted to execute binding contracts for more than $13 million in urban renewal grants.

"Yet when the National Association of Real Estate Boards asked the Senate Banking and Currency Committee to make the adoption and enforcement of such a minimum standards housing code a prerequisite to public housing and urban renewal," he said, "the committee did not even give it serious consideration."

In conclusion, Mr. Powell issued this warning: "There is still a chance that the House of Representatives will react differently to such an amendment. If it does not, then I am afraid that slums will continue to grow in order that they may be used as the excuse for more and more Federal spending and Federal control."

We think the NAREB president has made some telling points for an amendment to discourage the perpetuality of slums.

It has long been the belief—and rightly so—that one of the main purposes of urban renewal and housing is to help get rid of substandard housing or slums.

It would be a sad and deplorable misuse of public housing and urban renewal loans and grants to encourage the growth of slums, so that they may be used as an excuse for more and more Government spending and Federal control.

[From the Cedar Rapids (Iowa) Gazette, May 31, 1961]

MINIMUM SAFEGUARD

The president of the National Association of Real Estate Boards is sharply critical of the Senate Banking and Currency Committee for rejecting an "antislum amendment" to the omnibus housing bill now before Congress, and the criticism strikes us as highly valid. The proposed amendment would have made adoption of a minimum-standard housing code a prerequisite to any city's participation in the public housing and urban renewal programs.

Leaders in many communities, including Cedar Rapids, have been proceeding on the assumption that such a housing code already is a legal prerequisite to participation in the urban renewal program. As a matter of fact, it probably is, and certainly it should be.

But the head of NAREB says 102 of 191 communities with which the Federal Government made binding contracts for public housing from July 1959 through March 1961 did not have such codes when the contracts were executed. He says the same was true of 16 of 136 communities which executed urban renewal contracts during the same period.

One of the obvious vulnerable spots of the Federal urban renewal program is the possibility that the available funds may be used for partisan political purposes to get votes in key areas. Surely a minimum safeguard against such abuse is firm assurance that a community that receives such funds already is making a reasonable effort to prevent further neglect of local housing.

Mr. RAINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment was offered in the subcommittee and, I think, in the full committee, and was turned down. This is an ingenious method thought up—and I do not mean to be discourteous to my good friend from New Jersey—by those who would kill the urban renewal program. It would also add on a lot of redtape. It is an attempt to tell a city or small town to have a minimum property standard. Whose minimum property standard? They now have to have a workable program, which is set out by regulation, and the effort here is to add another restriction on top of what is already required. The people at the local level ought to have something to say about it. I do not understand exactly what you would do with a minimum property standards code. Over the years I remember, for instance in 1948, when I served on the housing committee headed by the then Congressman, Joe McCarthy, we traveled this country over, and our intent and purpose was to attempt to get a uniform housing code in America. The hearings cover 8 volumes; big, thick ones. We found out in the city of New Orleans, when the distinguished chairman of the Committee of the Whole was a member of the investigating committee, that you could not have the same kind of a code in New Orleans or Alabama that you would have in Vermont or Maine. It cannot be done. It is a matter that must be operated at the local level. This is an unworkable amendment.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from New Jersey.

Mr. WIDNALL. There is nothing in this provision that will require a uniform code throughout the United States. This is something that must be approved by the Administrator, just like he is required to approve a workable program at the present time. May I say this, all throughout this bill you are giving more and more authority and discretion to the Administrator because you have confidence in him and what he will do. Now, here is another case where he would have the power and the discretion, and if you have that same confidence in him, there is no reason why this could not be a very sound and workable arrangement.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from New York.

Mr. MULTER. I think the manner in which the distinguished gentleman from New Jersey has not answered the question on what is a minimum standard points to the fatal defect of the amendment. There is no definition as to what is a minimum standard, and nobody can ever find out unless it is defined in the law, and if you do that in law, then you are writing into this bill the impossible.

Mr. RAINS. In addition to that, I believe the distinguished gentleman had a great deal to do with putting into effect his program. Apparently his minimum standards would not be any different from what they are today. In other words, how much more would a minimum standard be than a workable program, and who would know?

Mr. WIDNALL. Do not the FHA and the VA set up minimum standards and minimum requirements? Are they not required to be met before commitments are made? This can be done in exactly the same way. Sanitation and health, heaven knows, we all ought to be for.

Mr. RAINS. We have it now under regulation. We have had it for a long time, and it has worked. Why should something else be done about it?

Mr. Chairman, I ask that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. WIDNALL].

The question was taken; and on a division (demanded by Mr. WIDNALL) there were—ayes 92, noes 141.

So the amendment was rejected.

Mr. RAINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RAINS, of Alabama: On page 123, lines 14 and 15, delete subsection 604(d) and insert in lieu thereof the following:

"(d) Section 803(a) of the National Housing Act, as amended, is amended by striking out the last proviso and inserting in lieu thereof the following: '*And provided further*, That no more mortgages shall be insured under this title after October 1, 1962, except pursuant to a commitment to insure before such date, and not more than twenty-eight thousand family units shall be contracted for after June 30, 1959, pursuant to any mortgage insured under section 803 of this title after such date.'"

Mr. RAINS. Mr. Chairman, this is a conforming amendment that will make this bill as it relates to so-called Capehart housing conform exactly to the language that was enacted into law in the military public works bill. It is also the language, as I understand it, that they arrived at in conference. It is offered at the instance of the gentleman from Georgia, the chairman of the Committee on Armed Services [Mr. VINSON], and conforms to the law which we have already enacted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. RAINS].

The amendment was agreed to.

Mr. McDONOUGH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McDONOUGH: Page 111, after line 6, insert the following:

"REQUIREMENT OF LOCAL APPROVAL

"SEC. 315. Section 101 of the Housing Act of 1949 is amended by adding at the end thereof the following new subsection:

" '(e) No contract shall be entered into for any loan or capital grant under this title after the date of enactment of the Housing Act of 1961 with respect to an urban renewal project in any locality unless and until such project has been approved by majority vote in a referendum of all the residents of such locality.' "

Mr. McDONOUGH. Mr. Chairman, the chairman of the committee a moment ago referred to States rights. This amendment gives the cities a little right to determine whether they will have a renewal project in their area, whether Federal funds will be permitted to be used. There are a number of cities in which urban renewal is now operating where the people of these cities wish they had had an opportunity to express themselves before they permitted the urban renewal project to start.

If a city is considering a bond issue for the construction of a sewage project or a water project or many other projects, there are requirements for a referendum

by the people before such a project is initiated. Of course, I know that where there is the desire to expend Federal funds and where there are bureaucrats, they are educating the cities on how to obtain Federal funds for urban renewal projects. Nevertheless, there are cities where urban renewal has become more or less a revolution and in some cases a disaster to the people, because it is not only a fiscal upset to the community, it is a social upset to the community where these people have to be replaced in other types of housing, where there is resistance in the courts against condemnation proceedings, the acquisition of land and property, where there is contention between the people who are in the urban renewal projects and do not want to conform to the plan that the Federal planners have outlined, and the only authority that has been granted for the use of Federal funds in those projects is by the governing body by resolution.

We do have basic law where if a referendum is taken to oppose public housing, no public housing can be built in that area.

Urban renewal is getting to be a big project, a big obligation on the part of many cities. A lot of Federal funds are being used in that connection. I think the people ought to have the opportunity to express themselves before they enter into such a project.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from Illinois.

Mr. YATES. I was not clear about the import of the gentleman's amendment. Is it his intention that the referendum apply to the area which is the subject of the urban renewal program, or to the entire city?

Mr. McDONOUGH. To the city.

Mr. YATES. The entire city?

Mr. McDONOUGH. That is right.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from New York.

Mr. MULTER. Do I correctly understand that the amendment calls for this referendum in a special election?

Mr. McDONOUGH. That would be up to the governing body setting up a special election.

Mr. MULTER. Can the gentleman give us any idea what it would cost to put this on the ballot in a city of 100,000 or in a city of half a million people?

Mr. McDONOUGH. I have not the slightest idea of what it would cost. It is sometimes costing the people a lot of money to let a renewal project go ahead.

Mr. MULTER. In a city like New York it would cost several hundred thousand dollars to conduct such a referendum.

Mr. McDONOUGH. It always costs more to do anything in New York City.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from New York.

Mr. TABER. It would require $400 million to build the kind of parks in Greater New York.

Mrs. DWYER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from California [Mr. McDONOUGH]. I do so as a convinced and longtime supporter of urban renewal, in the conviction that a referendum requirement could be one of the most effective ways of strengthening the program.

As I indicated in my remarks to the House yesterday, there is increasing concern among many of us that in specific instances urban renewal projects have been moving away from earlier concepts and objectives approved by Congress. The cooperation and support of the people of a community depend on information and on an understanding of the purposes and means of urban redevelopment. It requires that the people be taken into the confidence of the city planners and informed, step by step, of what is proposed to be done in the community.

In too many cases, however, city planners and local officials have adopted what seems to be an excessively professional attitude toward urban redevelopment. That attitude reflects a belief that professional planners have the answers and the people should be wise enough to accept those answers without questioning them.

Certainly, Mr. Chairman, city planning and urban redevelopment are professional undertakings of the highest order, but they cannot be divorced from popular opinion or conducted in an ivory tower shut off from the view of the people. Nothing is of more vital and immediate personal concern to people than their homes. The social, financial, and emotional investment which people have in the houses and neighborhoods in which they live exceeds almost any other consideration. This is a fact which the professionals in the field of urban redevelopment must recognize.

In my remarks yesterday I referred to the Pearl Street urban renewal project in Elizabeth, N.J. It is a classic case of local discord arising from the failure to achieve an early understanding of the objectives of urban renewal. For 4 years, the people of the area have fought this project to a standstill. They have done so because from the very beginning local officials failed to convince them that their neighborhood was blighted, that it needed comprehensive redevelopment as opposed to other areas of blight, or that the redevelopment plan required the total elimination of all the houses in the area and their replacement by large luxury apartment buildings. In fact, a review of the 4-year battle reveals that city officials made little effort to inform the people of their plans or persuade them of the need for the project.

The amendment of the gentleman from California, I believe, will do much to prevent such situations from developing in the future. To require a referendum on urban renewal projects is to consult the people of a community. To win that referendum, local officials must seek the understanding and cooperation of the people. Knowing that a referendum must be held, local officials will have a powerful incentive to enlist popular cooperation at an early stage of the planning and to assure continued cooperation by informing the people at every step of the project's development.

We often preach, Mr. Chairman, about the advantages of democracy. Why, then, do we so often act as though we feared and distrusted democracy in action? Local democracy, in the sense of real popular participation in community action, is still the finest form of government. Democracy makes demands and presents obstacles. But when the demands have been met and the obstacles overcome, a stronger and better community will be the result.

Mr. MOOREHEAD of Ohio. Mr. Chairman, I ask unanimous consent that the gentleman from Washington [Mr. MAGNUSON] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MAGNUSON. Mr. Chairman, I support H.R. 6028, the Housing Act of 1961.

Today, there are millions of American families living in substandard, inadequate and dilapidated housing, forced by low incomes to reside in rural hovels or city tenements. Here they must raise their children. For many of these families the only hope that they will ever be able to occupy decent homes is the low-rent public housing program.

Nor are the problems of inadequate housing limited to the working poor. Many of our senior citizens, who are no longer able or permitted to work, find it impossible to acquire accommodations suitable to their special needs at rates they can afford.

Many students suffer equally from an incapacity to obtain housing to meet their requirements, modest though they may be. Each shares in common an inadequate income. This vacuum is filled, at least in part, by the provisions of H.R. 6028.

In part, the problem of lack of housing stems from lack of opportunity for full employment. It is the contention of organized labor, and in this, I quite concur, that unemployed and underemployed workers will benefit economically from the measures proposed within this legislation. Programs designed to rebuild our aging cities and to provide homes for the American people will also mean jobs in the factories and at the building site. It provides a stimulus to the lumber industry, to materials producers, and in the allied industries which depend upon homebuilding for a market.

Throughout the bill, emphasis is placed upon planning and local initiative. Comprehensive areawide planning for orderly urban growth is the keynote. The open-space provisions encourage the conservation of natural areas for recreational and other public purposes. Local initiative and planning responsibility are retained throughout, with incentives to stimulate local action where desirable—but always the initiative remains with local people.

The bill is comprehensive, encompassing separate and diversified programs. I have reservations and doubts with regard to particular aspects of the

bill. Some doubt remains with regard to financing arrangements. However, the bill at large appears sound and vitally important for the national welfare. I support it and urge its acceptance by this body.

There are three particularly important portions of the bill which I should like to recommend to the House for its consideration and support. They are: Under title II, housing for the elderly; title IV, college housing; and under title VII, the provisions for permanent "open space" areas.

HOUSING FOR THE ELDERLY

One of the most urgent needs in the housing field is the provision of accommodations for our senior citizens, suitable to their special needs and within their somewhat limited means. Title II of the general housing bill extends and enlarges the program for the elderly. I urge its acceptance.

The bill, as reported from committee, would increase the provision of direct loans to nonprofit corporations including consumer cooperatives from $50 million to $100 million. These loans may extend over a 50-year period and bear a minimal interest rate—presently 3½ percent. The 50-unit ceiling imposed by the administration was lifted in January of this year. With the availability of additional funds, we may hope for a speedup in the development of this badly needed housing. I am happy to note that the committee has reduced the minimum age for occupancy eligibility from 62 to 60 years of age.

Since the direct loan program was activated in July of 1960, there have been 22 project approvals, 3 of which are located in the State of Washington: the Lidon Foundation, Seattle; Mid-Columbia Manor, Vancouver; and the Lodoro Foundation, Olympia. These 3 are small projects, in conformity with the administration ruling, the largest being 50 units.

The housing needs of the elderly are urgent and specialized. This, I cannot emphasize strongly enough. As many of our senior citizens are on small pensions or fixed incomes, one must scale down rentals to a minimum when providing housing. The Fresno Senior Citizens' Village in California, which because of its size—557 units—was unable to benefit under the direct loan program, is able to provide an efficiency unit for $70 and a one-bedroom apartment for $80 a month. Mid-Columbia Manor in Vancouver, Wash., which fell under the direct loan program, proposes to do considerably better, to provide housekeeping facilities for between $50 and $52 per month. But what of the people who can't be accommodated or who can't afford the higher rents?

It is my sincere hope that Congress will give full consideration to the problems facing our senior citizens when voting upon title II of this bill.

COLLEGE HOUSING

Title IV of the general housing act provides an authorization of $300 million a year for the next 4 years for college housing, plus increased funds for 2 dining halls and cafeterias, student centers, and for the housing of student nurses and interns. This program is of vital importance to our expanding system of higher education.

Mr. Chairman, the Housing Act of 1950 authorized the Housing Administrator to make loans to institutions of higher learning to provide housing and related facilities for students and faculty. These loans were to be of long duration and were to carry low-interest rates. Since the inauguration of this program, assistance has been provided for about 1,550 projects for housing and 500 additional projects for related facilities. This is a commendable record.

Equally commendable is the sound economic base upon which the program rests. Funds authorized under this program are not grants but rather loans, repayable to the Treasury. To date, there have been no defaults in principal or interest under this program. Two points are worth emphasizing. First, the loans are to extend over a maximum period of 50 years. Second, the rate of interest charged is equal to the average interest rate on the entire Treasury debt, plus one-fourth of 1 percent to cover management costs. These long-term low-interest loans are substantially more favorable than could be provided elsewhere.

By providing assistance of this nature to our institutions of higher education, the Government is in turn aiding in the training of our young people, that their skills and talents may be increased for the general betterment of society. While the colleges and universities are gradually repaying these Government loans, the graduates enter the mainstream of our economic and social complex as productive citizens. From a program such as this, there is no loss but only benefits—to the students, to the institutions, and to society at large.

The State of Washington has benefited handsomely under this authorization. Seattle is served by three institutions of higher learning, all of which have been participants under the act. Seattle University, under the administration of the Jesuit Fathers, has received $5 million; the University of Washington, $8 million; and Seattle Pacific College, a Free Methodist college, over $3 million. This brings the total benefits under the act to about $16½ million for the Seattle area alone; the total for the entire State of Washington reaches over $40 million with another $15 million reserved.

This assistance is significant to the non-tax-supported colleges and universities, which hold so prominent a place in the framework of higher education in Washington State. These non-tax-supported colleges and universities must rely upon grants from charitable foundations, donations from alumni and other interested parties, research assistance, and tuition. As tuition and living costs rise at these private schools, greater numbers of students are forced into the State universities, jamming their facilities while diminishing the revenues of the non-tax-supported schools they might have attended. It is encouraging to note that the non-tax-supported colleges and universities of Washington State received over $17 million in loans for housing and related facilities under the act during the past 10 years.

The increasing enrollments of our colleges make the program of loans for the construction of student facilities particularly important. Enrollment is expected to increase from its 1960 level of 3.6 million to over 6 million by 1970. By authorizing annual expenditures spread over the next 4 years in equal payments of $3 million per year, college administrators will be better able to plan for necessary expansion with an assurance that funds will be available.

PROVISION FOR OPEN SPACE

Mr. Chairman, title VII of the general housing bill, initiates a new concept in Federal planning in the urban development field. This section provides a program of partial grants to State and local governments to assist them in the acquisition of land for parks, recreational areas and other "open space" use. Grants up to 30 percent of acquisition cost would be permitted, an authorization of $100 million being asked. Title VII embodies the best principles of conservation and should result in immeasurable savings to local areas which participate in this program. I very strongly endorse the "open space" provisions and urge their retention in the bill.

"Open space" is defined by the proponents of this section as predominantly undeveloped land in an urban area which has first, economic and social value as a means of shaping the character, direction, and timing of community development; second, recreational value; third, conservation value in protecting natural resources; or fourth, historic, scenic, scientific, or esthetic value. The open-space provisions of the housing bill are essentially conservationist in tone, and in varied instances, reiterate implicitly conservationist policy.

Comprehensive areawide planning is the heart of orderly and efficient urban growth. The authors of this bill have recognized the proportions of the "urban sprawl" which is presently turning cities into super metropolitan blocks. Title VII is designed to offer incentives to State and local governments to plan carefully the use of their remaining open areas—to encourage public planning—at the local level—for public progress, that urban growth may be orderly, that natural areas may be preserved, that lands may be systematically set aside for public use, and that future generations may not grow up in teeming cities without the benefit of open space.

It is hoped that the incentives granted in this portion of the bill will encourage local officials to engage in comprehensive areawide planning to include preservation of open space.

The committee report defines urban area as "any area which is urban in character, including those surrounding areas which form an economic and socially related region." Thus, planners, taking into account population trends and patterns of urban growth, are able to go beyond the immediate confines of the city, beyond the presently congested areas, to set aside parks, parkways, watersheds, and open space for other future public use, specifically not to be

developed in the sense of building projects. Open space, to qualify under this bill, would have to be clearly and directly a part of a comprehensive growth plan. Once established as an open space area, such an area could not be converted to development use without compensation in kind and as part of a general alteration of the overall growth plan.

Senator JOSEPH CLARK has referred to the open space provision of the housing bill as an "insurance policy for urban sanity." I would quite concur with the distinguished senior Senator from Pennsylvania. In at least two phases, it constitutes an insurance policy for urban sanity. First, it contributes, as we have seen, to the promotion of sane urban planning. Second, and more literally, it contributes to the promotion of mental and social health.

America has been blessed with areas that are among the most beautiful, the most ruggedly grandiose of any in the world; and equally important, America has been blessed with statesmen of sufficient vision to set these areas aside for posterity as a public trust. Yet, it is an interesting anomaly that in most cases these parks, national forests and preserves are so far removed from 90 percent of our population that it is virtually impossible for them to enjoy the esthetic values of these areas. A trip to Olympic National Park or a cruise through the San Juan Islands in Puget Sound makes an extremely enjoyable vacation, but for most Americans, it is necessarily a two-week excursion.

Title VII is concerned with the day-to-day living of the millions of Americans crowded into housing developments, apartments and tenements—hot, teeming, and oppressive. Its intent is to encourage the preservation for public use of areas—determined through comprehensive local planning—such as Rock Creek Park and the C and O Canal in Washington, Pennypack Park in Philadelphia, the University of Washington Arboretum and Seward Park in Seattle, and Central Park in New York City.

The inclusion of title VII in the housing bill, if properly used, can mean financial saving to the local and Federal Government. The cost of building freeways through some of our cities and suburban areas may run up to $5 million a mile and more. The cost of acquiring right-of-way for these highways could have been greatly reduced had some early city father thought to reserve open space for a growing city. With the advantage of present growth statistics and planning analysis, there can be no excuse for a repetition of this failure. Parks and other open-space areas can be reasonably provided if they are set aside before urbanization sets in. Once natural beauty has been destroyed, it is nearly impossible to restore it. Once an area has been developed, property values make the consideration of human values almost prohibitive.

The time for thoughtful planning and bold action has arrived. In most areas of our country, open space is still available. However, our sprawling urban complexes are rapidly limiting this availability in their environs—cutting forests, polluting air and streams, constructing row upon row of crackerbox housing without consideration for the human values of the people who must live there. As our Secretary of Interior, Stewart Udall, has so wisely stated,

> America's land and water are on the block. The highest bidder is seldom the wisest user. Short-term developments and short-term gains will be debited a thousandfold against the assets of future generations, whose claim on America is as valid as ours.

Mr. CORMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I believe I have never heard so peculiar a suggestion for an invasion by the Federal Government of the rights of local governments. I must say I can only suggest to those who feel that city councils are remote from the people and not responsive to their desires that they have never served on a city council, at least on the city council of Los Angeles. I would like to say this provision of the law has been a tool for the city of Los Angeles to eradicate a great number of slums and to prevent other slums from developing, and has made it possible for us to avoid at least for the last 8 years the necessity for any additional public housing. This was done through the efforts of my good friend, Mayor Norris Poulson, and by 15 members of the city council, I would say that my colleague from Los Angeles, Mr. ROUSSELOT, seems to have misinterpreted the last election in Los Angeles—14 of those councilmen who supported a great number of projects were returned to office, and the only exception was the one they sent here.

Mr. RAINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we had this amendment before us in committee. What this amendment would do in my judgment would be to completely take this out of the hands of the elected city officials. And if you think they do not hold elections and vote on these urban renewal projects, you should just take the returns of the cities and check them. This becomes an issue in the various campaigns, and in certain cities they hold a referendum. But I think you would not generally expect somebody to vote favorably in an area where houses are going to be torn down or where a superhighway is going to be put through. In the case of small towns the cost of holding an election would be unreasonable.

So after looking at all sides of it I believe the House will agree that it would strike down the urban renewal program. I hope the House will defeat the amendment.

The CHAIRMAN. The question is on the amendment.

The question was taken, and on a division (demanded by Mr. MCDONOUGH) there were—ayes 101, noes 138.

So the amendment was rejected.

Mr. CAHILL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. CAHILL: On page 99, before the period in line 16, insert a colon and the following:
>
> "*Provided*, That of such sum the Administrator may, without regard to other provisions of this title, contract to make grants aggregating not to exceed $50,000,000 for mass transportation demonstration projects which he determines would contribute significantly to the development of data and information of general applicability on the reduction of urban transportation needs, the improvement of mass transportation service, and the contribution of such service toward meeting total urban transportation needs at minimum cost. Such grants shall not exceed two-thirds of the cost, as determined or estimated by the Administrator, of the project for which the grant is made and shall be subject to such other terms and conditions as he may prescribe."
>
> And on page 107, line 4, insert "(a)" after "SEC. 310.".
>
> On page 107, after line 24, insert the following:
>
> (b) Section 701 of such Act is further amended by—
>
> (1) striking out the matter preceding paragraph (1) of subsection (a) and inserting in lieu thereof the following:
>
> "SEC. 701. (a) In order to assist State and local governments in solving planning problems resulting from the increasing concentration of population in metropolitan and other urban areas, including smaller communities, to facilitate comprehensive planning for urban development on a continuing basis by such governments for urban development and the coordination of transportation systems in urban areas, and to encourage such governments to establish and improve planning staffs, the Administrator is authorized to make planning grants to—"; and
>
> (2) adding at the end of subsection (a) the following: "Planning which may be assisted under this section includes the preparation of comprehensive mass transportation surveys and plans to aid in solving problems of traffic congestion and facilitating the circulation of people and goods in urban and metropolitan areas through the development of comprehensive and coordinated mass transportation systems. Funds available under this section shall be in addition to funds available for planning surveys and investigations under other Federally aided programs, and nothing contained in this section shall be construed as affecting the authority of the Secretary of Commerce under section 307 of title 23, United States Code."
>
> And on page 114, line 1 after "State" insert " , and including interstate agencies and instrumentalities".
>
> And on page 115, lines 17 and 18, strike out "this section" and insert "clause (1) of subsection (a) of this section".
>
> And on page 116, line 13, strike out "this section" and insert "clause (1) of subsection (a) of this section".
>
> And on page 116, strike out lines 18 through 20 and insert the following:
>
> (g) Section 203(a) of such Amendments is amended by striking out the words "in an amount not exceeding $150,000,000, notes and other obligations" in the first sentence and inserting in lieu thereof the following: "notes and other obligations in an amount not to exceed $650,000,000: *Provided*, That, of the funds obtained through the issuance of such notes and other obligations, $100,000,000 shall be available only for purchases and loans pursuant to clause (2) of section 202(a) of this title".
>
> And on page 117, after line 5, insert the following new subsection:
>
> (i) (1) Section 201 of such Amendments is amended by adding after "public works or facilities" in the second sentence the following: "(including mass transportation facilities and equipment)".

(2) The first sentence of section 202(a) of such Amendments, as amended by subsection (a)(3) of this section, is amended by—

(A) striking out ", acting through the Community Facilities Administration,";

(B) inserting "(1)" before "to finance"; and

(C) inserting the following before the period at the end thereof: ", and (2) to finance the acquisition, construction, reconstruction, and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass transportation service in urban areas, and for use in coordinating highway, bus, surface-rail, underground, parking and other transportation facilities in such areas. Such facilities and equipment may include land, but not public highways, and any other real or personal property needed for an economic, efficient, and coordinated mass transportation system".

(3) Section 202(c) of such Amendments is amended by striking out "this section" in the first sentence and inserting in lieu thereof "clause (1) of subsection (a) of this section".

(4) Section 202 of such Amendments is further amended by adding at the end thereof (after the new subsection added by subsection (f) of this section) the following new subsection:

"(e) No loans may be made for transportation facilities or equipment, pursuant to clause (2) of subsection (a) of this section, unless the Administrator determines that there is being actively developed for the urban or other metropolitan area served by the applicant a positive program, meeting criteria established by the Administrator, for the development of a comprehensive and coordinated mass transportation system, and unless such facilities or equipment can reasonably be expected to be required for such a system. Subsequent to three years after the date of enactment of the Housing Act of 1961, no such loans shall be made unless the urban or metropolitan area served by the applicant has such a positive program and the project is part of such program."

Mr. CAHILL. Mr. Chairman, I would like to briefly state what these amendments provide.

First of all, let me say this has to do with mass transportation. It is a subject I would assume every one in the House, regardless of how they feel about the balance of the bill, will agree should be in the bill.

The amendments that you heard read briefly do these things: They amend title III of the bill by permitting the Administrator to use $50 million of the funds already provided for in the bill for mass transportation pilot projects.

Second, they authorize the Administrator to use money already authorized in the bill for urban planning for planning for mass transportation in communities.

And, lastly, it amends title V of the bill relating to community facilities providing that loans may be made up to $100 million at the interest rate provided in the bill for the purpose of construction, reconstruction, and improvement facilities and equipment in mass transportation.

Mr. Chairman, may I say very frankly I know there are many in the House who have introduced bills which will take care of mass transportation. I know the subcommittee headed by the gentleman from New York is presently working on this problem. But I would call the attention of the House to the fact that in the other body the housing bill by an amendment offered by the Senator from New Jersey included these provisions. Therefore, if we accept this amendment and pass the bill, as amended, we will be in a position to start our work on mass transportation right now. We will not have to wait until the committee reports the bill, the bill is printed, and is scheduled for consideration, which may well be in the next session of the Congress.

I need not tell the Members of the House of the need for studies and pilot projects in mass transportation. In every Member's district I dare say this problem exists. One has only to look at the city of Washington and every other city in America to realize the great need for some solution of this mass transportation problem.

It seems to me, Mr. Chairman, if we are going to develop urban communities and bring more people in there, we had better start finding a way to get them in and out.

Mr. Chairman, I urge the Members of the House to accept these amendments, that they pass the bill as amended, so that we can start immediately to solve this problem. I think the time for study is over and I think the time for action is here.

Mr. Chairman, I urge the adoption of the amendment.

Mr. RYAN. Mr. Chairman, will the gentleman yield?

Mr. CAHILL. I yield to the gentleman from New York.

Mr. RYAN. Is your amendment drawn in the same language as the amendment introduced in the Senate?

Mr. CAHILL. Yes. This is almost the identical language of the amendment introduced by Senator WILLIAMS.

Mr. Chairman, let me further say I do not suppose there is a Member in the House who will not admit that transportation is one of the most serious problems in his district. In my own district, we are faced at the present time with an application by a railroad to discontinue all passenger service in south Jersey. Our highway department is swamped with requests from irate citizens for immediate action in the construction of new highways and the modernization of old ones. Every avenue of ingress and egress to our cities is jammed with automobiles. One but has to think of the conditions of traffic here in Washington in the morning and in the evening to fully recognize the great need for a solution to mass transportation.

There is no great need for me to belabor the House with arguments in favor of these amendments. I am sure that every Member in the House agrees as to their need and that the only disagreement might come as to the manner in which it should be provided. The question, it seems to me, is, Shall we do it by amendment to the housing bill or shall we do it by separate legislation?

I would agree that a better plan might be a separate bill if we could vote on that bill today but contend with all of the sincerity and forcefulness I possess that even 1 more day's delay is inexcusable. I doubt very much if any separate transportation bill could be ready for floor action during this session of the Congress and thus whatever aids are necessary in the immediate future will be necessarily postponed for another year. This has been the history of mass transportation. Everybody agrees that something must be done but it is always put off until next year.

I would call the Members' attention to the fact that Senator WILLIAMS, in the other body, presented an amendment to the housing bill which was accepted by the other body and is now part of the Senate housing bill. In his statement Senator WILLIAMS forcefully and completely made the case for mass transportation. He pointed out the problems facing our citizens, the effect upon our merchants, and on real estate firms, how the failure to solve this problem has discouraged investment in big cities, how it has aided in spreading urban blight, how it has increased the cost of moving goods in interstate commerce, how it has increased accident insurance rates and costs, and most importantly, how it has deprived the individual citizen of peace of mind. As he said in his public statement:

> Never has anyone devised any more cunning device of human torture than the traffic jam.

I would agree completely with the Senator from New Jersey and say to the House that we should follow the example of the other Body and incorporate into our housing bill this amendment which would be the first step toward the solution of this vital problem.

I would call the attention of the House to the fact that the U.S. Conference of Mayors, the National Association of Home Builders, the AFL–CIO, the American Municipal Association, and, literally, hundreds of other civic-minded organizations have endorsed this type legislation. Studies by the hundreds have been made, all of which are in agreement that immediate action is essential. All that is happening by way of further studies is that traffic daily grows worse and the problem daily becomes more acute.

It seems to me absolutely ridiculous to suggest that we should have urban redevelopment, new homes for cities, and the other aids suggested in this Housing bill if we are not at the same time going to provide a way for people to get into and out of these cities. I suggest that this amendment would encourage the continuance rather than cause the abandonment of vital rail service, of necessary bus service. It would provide a ray of hope for people in the transportation field.

Among the existing problems that need immediate attention and solution we can, I think, include such things as modernization of railway cars and equipment, joint use of stations and terminals by all transportation agencies, coordination of parking facilities with mass transportation facilities so that outlying districts can be properly serviced and masses can be economically and speedily transported to urban employment. These are but a few of the multitudes of problems. Senator WILLIAMS in his speech before the other body presented

some 15 specific problems which, in his judgment, needed immediate solution. I would agree with the Senator and say that he listed only those which, in his judgment, were the most important.

I am sure Members of the House remember the recent NBC television show concerning the great problem of our railroads and our transportation system. Every national magazine and alert newspaper has been for many years pointing up this problem and suggesting means of solving it. We know that no city, that no State can solve this problem by itself. It is indeed a national problem and a national disgrace.

I again urge, therefore, the Members of the House to accept this amendment so that immediate attention can be given to this pressing problem.

Mr. MULTER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, during the course of the debate on the rule on this bill I caused to be inserted in the RECORD, and it appears on page 10941 of the RECORD of June 21, a statement indicating that the administration bill on mass transportation had been introduced; it is H.R. 7787. There you will find the bill and an explanation of the bill and my statement about it. On Tuesday next we start hearings on the bill before my subcommittee of the Committee on Banking and Currency. We now have scheduled witnesses for Tuesday, Wednesday, and Thursday of next week. We will continue hearings until we have completed them, and then go into executive session and report a bill to the full committee which I think will warrant reporting by the full committee to the House for action.

Mr. Chairman, no amendment was offered in the subcommittee to this bill along the lines of that just offered. There have been no hearings in the House or by any House committee on this subject. No such amendment was offered in the full committee. I think this House should not attempt to pass an amendment of this kind that calls for the expenditure of $100 million which will go to municipalities, to railroads and to others engaged in the mass transportation business. This may be the thing to do, but with the recommendation at this time of the administration for $10 million, I think certainly we need full hearings on the subject. After that we can come up with a bill which will cover this matter and nothing else. In that way we can devote the proper attention to it and do the job that needs doing.

Mr. CAHILL. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from New Jersey.

Mr. CAHILL. Am I not right and does the gentleman not agree that this amendment does not provide any additional money, but that it merely utilizes the money that is already in the bill and permits the administrator to utilize some of those funds for a mass-transportation study?

Mr. MULTER. I will take the gentleman's word that that is what he is doing here, but I do see staring me in the face an allocation of $100 million for mass transportation. I do not think we ought to allocate $100 million, whether it is already authorized or will be authorized or appropriated by this bill until we have had full and complete hearings, indicating what the problem is and how much money should be allocated to this program.

Mr. CAHILL. I want to assure the gentleman that this $100 million is coming out of the $500 million that is new money appropriated in the bill.

Mr. MULTER. I am sure the gentleman is in no position to assure the House that the $100 million allocated in another part of the housing bill is not needed for housing facilities. I would be the last one in the world to urge that we take that money out of the housing program and allocate it to mass transportation. If we need $100 million or any other sum for mass transportation, let the hearings that we will hold establish that fact and then come before this House with a bill that will do the job.

Mr. Chairman, I urge the defeat of the amendment.

Mrs. DWYER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I strongly support the proposed amendment which would add to the committee bill a mass transportation program similar to that contained in the Senate bill.

As I stated in my remarks before the House yesterday, there is no more urgent national problem today than the need to free our cities and metropolitan areas from the choking conditions of modern traffic by developing comprehensive metropolitan mass transit systems.

I recognize that the House has held no hearings on mass transportation legislation this year. As a sponsor of such a bill, I have urged the committee to hold hearings and I have regretted the committee's failure to do so. I remind the House, however, that hearings were held on similar legislation last year by the Committee on Banking and Currency. The Senate has also held extensive hearings on the subject for 2 successive years. Moreover, the platforms adopted last year by both the Republican and Democratic Conventions specifically recommended enactment of legislation similar to the pending amendment.

I can conceive of no subject upon which more attention and greater study has been lavished. The problem has been recognized increasingly to be one of the most serious domestic problems facing our Nation, and there is virtually no disagreement about the fundamental means of attacking it.

As evidence of this unanimity, Mr. Chairman, I consider it especially significant that the Advisory Commission on Intergovernmental Relations just 2 months ago strongly endorsed the purposes and provisions of the mass transportation bill—the same bill passed by the Senate and pending before the Banking and Currency Committee.

The bill and the pending amendment would authorize long-term loans up to $100 million, provide for Federal technical assistance and research, and make available to State and local agencies aid in planning and testing alternative ways of improving urban transportation systems. The program would be administered by the Housing and Home Finance Agency.

As the Commission and many other groups have recognized, the provision of loans and planning grants of moderate size will stimulate State and local governments to assume their rightful responsibilities with respect to mass transportation planning and development.

The time for action, Mr. Chairman, is now. The metropolitan area mass transportation problem is a national one. The economic loss due to traffic congestion in the 10 major urban centers of the country approaches $5 billion a year. The present decline in urban mass transportation facilities represents an immediate threat to the survival of metropolitan areas as we know them.

The need to strengthen commuter transportation service by improving facilities, stabilizing fares, providing more convenient schedules, and attracting more satisfied customers is probably the most important single problem facing heavily populated urban areas.

Equally important, however, is the need to balance all forms of urban transportation, to develop an overall transportation system which will serve effectively and efficiently the divers requirements of the entire area, and to integrate such a system with all other land-use considerations in the area.

This amendment faces up to these needs by providing sound criteria for essential long-term loans and by establishing the machinery necessary for better planning at local, State, and National levels—planning that will assure us the best use of our resources at lowest possible costs and with maximum advantages for all our people.

Mr. RAINS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from New York, who I know is as much concerned with this problem as anyone else, has well stated the case. There is to be some consideration of the legislation on it in the near future.

But certainly this frail bark is no place to put this type of amendment and I certainly hope those who want to case an economy vote will do so because here is a real good spot.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. CAHILL].

The amendment was rejected.

Mr. HALPERN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HALPERN of New York: Page 127, line 23, after "section" insert the following: "(or any cooperative housing project covered by a mortgage insured under section 207 as in effect prior to the enactment of the Housing Act of 1950)".

Mr. HALPERN. Mr. Chairman, I rise in support of this amendment.

Mr. Chairman, my amendment applies to a relatively small class of cooperative housing constructed under section 207 of the Housing Act, largely

for veterans, between 1947 and 1950. These dwellings are now 11 to 14 years old and in many cases in need of substantial improvement or installation of community facilities. In order to facilitate loans for this kind of work, my amendment would permit the FHA to insure loans, made to section 207 cooperatives, for improvement of existing facilities. The loans would be limited in amount to the equivalent of the paid-off portion of the existing mortgage, and in length of time to the remaining term of the existing mortgage. A similar provision with regard to section 213 cooperatives has already been included in the bill by the committee, and in all fairness, I think the same supplemental financing should be extended to the cooperatives built under the earlier section 207 cooperative program.

The committee has been studying this amendment, and I would like to ask the views of the gentleman from Alabama [Mr. RAINS].

Mr. Chairman, right after the Second World War, provision was made for construction of cooperatives under section 207 of the Housing Act. The aim was to provide housing rapidly and economically for returning veterans. Under the program, the FHA insured cooperative mortgages under section 207 between 1947 and 1950. Cooperatives whose participants were primarily veterans received special terms. I understand that there are in existence today 752 section 207 cooperative mortgages, covering 87,593 dwelling units.

In 1950, Congress established the section 213 cooperative mortgage insurance program, superseding the earlier 207 cooperative program. The latter was discontinued. However, cooperatives originally built under the 207 program between 1947 and 1950 are still insured under section 207.

In the bill before us, there is a vitally needed provision that applies to section 213 cooperatives. It permits the FHA to insure loans, made to these cooperatives, to be used for improving existing property and providing needed community facilities. The loan is limited to the equivalent of the paid off portion of the existing mortgage, and to the remaining term of that mortgage. This provision, which is already in the bill with regard to section 213 cooperatives, is truly vitally needed because without it, many cooperatives will not be able to obtain funds to provide important community facilities and improvements—and I am speaking of things like kitchen improvements, not of swimming pools.

The amendment I am now offering would simply make section 207 cooperatives eligible for the same type of improvement loans, under the same terms, as are already provided in the bill for section 213 cooperatives. I want to make it clear that the amendment applies only to section 207 cooperatives, and not to other types of housing covered by section 207. Moreover, it is an amendment whose effects would be limited because, as I said, the 207 cooperative program expired 11 years ago and no new cooperatives can be built under section 207.

In all fairness, Mr. Chairman, I think this amendment should be accepted. Section 207 cooperatives are older than section 213, and in some cases are in greater need of improvements. It is only just that they, too, should be given an opportunity to enhance their facilities.

Mr. RAINS. Mr. Chairman, the staff of the committee and the staff of the agency have looked this amendment over. We have no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. HALPERN].

The amendment was agreed to.

Mr. McDONOUGH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McDONOUGH of California: Page 141, strike line 1 and all that follows down through page 146, line 10, and insert the following:

"TITLE VII—FHA INSURANCE FOR SITE PREPARATION AND DEVELOPMENT"

Page 146, line 12, strike out "710" and insert "701".

Page 154, line 16, strike out "711" and insert "702".

Page 155, after line 5, add the following new section:

"STUDY OF OPEN-SPACE LAND USE

"SEC. 703. The Housing and Home Finance Administrator shall make a study of open-space land in the Nation's urban areas, giving particular attention to the danger that existing open-space land will be lost to such areas, the factors contributing to such danger, and the feasibility of encouraging more economic and desirable urban development in the United States through a Federal program of assistance to State and local governments to preserve open-space land which is essential to the proper long-range development and welfare of such areas. The Administrator shall report to the Congress at the earliest practicable time the results of such study, together with his findings and recommendations for legislative and other action.

Mr. McDONOUGH. Mr. Chairman, this applies to the section of the bill that provides $100 million for the acquisition of open-space areas in urban sections of the country. Instead of assuming the obligation of acquiring these lands, which will run into a great deal of legal problems because of condemnation proceedings and State and local laws that are opposed to this kind of land acquisition, I propose that the Housing Administrator be authorized to make a study of it.

In the bill on page 110 under "Parks and Recreational Facilities" an amendment was agreed to by the committee that no urban renewal project could be established without due consideration being given to adequate park and recreational facilities as may be desirable for neighborhood improvement, with special consideration for the health, safety, and welfare of children residing in the general vicinity of the site covered by the plan.

There is a provision in the bill, and there is no attempt to remove it from the bill, to provide recreation facilities for urban renewal projects. This is not going to cost $100 million to do what is already in the bill, but it will cost $100 million to acquire these lands if this open section remains empty.

I think we are entering into an area which is supplemental to housing but not specifically housing, because this will remove from the tax rolls in many cases many, many acres of land around a small or large city that could otherwise be used and preserved as the hope was expressed in the bill for future use for a greenbelt or recreation or park area. This is new legislation. I recommend that the study be made, but I do not think we should assume the cost of $100 million. Therefore, I urge that the amendment be adopted.

Mrs. GRIFFITHS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I feel that the time for study on this issue has passed, that while a study continues the price of the land would go up so that the people involved would in the long run pay a higher price. I urge that the amendment be defeated. I feel that the place where we need the parks is where the people are. I hope that everyone will vote against this amendment.

Mr. RAINS. Mr. Chairman, in the general debate on this subject I stated to the Members of the House that at the proper time I intended to offer an amendment to limit strictly the definition of this to the following, and if and when this amendment offered by the gentleman from California is voted down I expect to offer this brief amendment:

The term "open-space land" means any undeveloped or predominantly undeveloped land in an urban area which has (A) recreational value; (B) conservation value in protecting natural resources; or (C) historic or scenic value.

You are talking about developing a city with urban renewal. That is what the words "urban renewal" mean, to renew rundown, outworn, outmoded sections of a city. I think to curtail that part of the program for these purposes only, to say that open-space land is not essential to it, is to shut one's eyes to the facts of modern urban living. I said before and I say again that I believe that one of the greatest things in the program is the provision for more open space for kids to play in. I also believe that there ought to be some provision made whereby the people in an urban area could preserve to themselves the scenic beauty. I think that adds to it. I also believe we ought to be able to preserve sites of historic value. These are essentials to the renewal program of a modern city.

Mr. Chairman, I ask that the amendment be voted down. Then I expect to offer this amendment.

Mr. MOORHEAD of Pennsylvania. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to oppose the amendment. This term "open spaces" is a technical term which may be meaningful to conservationists, but to the people generally and particularly to those of us of Irish descent, I think it would be better understood not as "the wearing of the green" but the "saving of the green."

Green is a disappearing color in our cities. Green trees disappear before the

bulldozers of the real estate developers whom we are helping with this legislation. Green bushes wither from the carbon monoxide and the fumes in our cities. The green grass is trampled to death as a result of the high population density in our cities and it is replaced by black asphalt. Oh, must it be by the law of economics that the growing of the green is prevented in our cities? Today in this Chamber we can strike a blow for the green. We can correct the shortsightedness of the other body. We can retain title VII, as it is in this bill. The opponents of this legislation claim we are saddling our children and our grandchildren with a large debt. I say without this title VII, we will be bequeathing to our children and our children's children an asphalt jungle which will cost them not 10 times but 100 times as much to correct in the future.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. MOORHEAD of Pennsylvania. I am glad to yield to my colleague.

Mr. WIDNALL. I would just like to add that the taxpayers' green money is withering too and has reached the point where the Treasurer of the United States was suggesting that we print it in red.

Mr. MOORHEAD of Pennsylvania. I would like to suggest to the gentleman that by amending this, we would be pennywise and pound foolish. Think what it would cost the city of New York if they had to create Central Park today. Why do we saddle our children with that kind of obligation? Give us green grass and a chance for the people in the cities to be out in the open air where they can have picnics and where Boy Scouts can go. Mr. Chairman, that is essential for the people in the cities today. I know this from our experience in the city of Pittsburgh. After the war we had no parks in our city. We had no green. We had to create two parks. One was a park of 36 acres and it cost $12 million, and another was a smaller park which cost $4 million. Now we do have green in our city, but at a cost of $16 million and that amounts to 16 percent of the cost of this bill.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. MOORHEAD of Pennsylvania. I am glad to yield to my colleague.

Mr. McDONOUGH. You referred to the city of New York. On this particular question, the mayor of the city of New York appeared before the committee and he was asked particularly about the implementation of the open-space section in this bill and he said to the committee that he doubted the city of New York could use it at all. As a matter of fact, he felt there were State laws against the use of it. That same answer was made by others who appeared before the committee from St. Louis and several other cities.

Mr. MOORHEAD of Pennsylvania. I will tell the gentleman that in my city of Pittsburgh, there is a great support for this. In the central business district of our city, we have no green. We have to go outside of the central business district to find our parks. This provision can be used in Allegheny County because there the people can drive a few minutes and get to a green area where they and their families can be outdoors and enjoy the green grass and the open sky. All this title does is to make the Federal Government a junior partner in providing help to cities in this field.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. MOORHEAD of Pennsylvania. I am glad to yield to my colleague.

Mr. MADDEN. In view of the fact that we are on the subject of green, meaning greenback money, I might remind the Members that J. Edgar Hoover made a statement about a year ago that it cost between $3 billion and $4 billion a year to fight crime and juvenile delinquency. I think that these parks and open spaces would do more to combat juvenile delinquency than anything we could do. It will take youth off the streets, poolhalls, and joints. I oppose the amendment.

Mr. MOORHEAD of Pennsylvania. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KYL. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, the Members of this great body are concerned with so many matters of importance we sometimes forget actions not yet completed, which have been instituted by the House. I would remind the Members of this body that 2 years ago the Congress established a commission which is called the Outdoor Recreation Resources Review Commission. This group was given a period in which to study the very important matter we now have before the House—the entire question of open space, esthetic values, delinquency, and with special attention to all of the varied and involved legal questions. These studies are being made; they are almost concluded, and the volumes are about ready for publication. Only shortness of memory causes us to say "It is too late to study this proposition."

For that reason, Mr. Chairman, I suggest that the House should abide by its previous wisdom in setting up a study commission and should let this matter rest until we interpret answers the Commission has found.

Mr. DERWINSKI. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. DERWINSKI. Mr. Chairman, if there is any portion in this housing bill which should have calm study it is this section. First of all, there is no demand, or plea, or request whatsoever for open space land development; as a matter of fact, the opposite is true. If any Member would check the records of the Housing Subcommittee you will find that in the last 3 years the homebuilders and others have each year objected to the fact that in the vast majority of suburban communities of the country they are being requested and in some instances forced by the local city fathers to set aside substantial areas of land for parks, for open space, for schools, and playground purposes.

In effect, what this provision would really do is multiply problems, not solve problems. Take the economic cost possibility in just suburban communities, and should the program be diverted to create greenbelts or open space in the centers of major cities, you would have to spend every penny of the appropriation putting a little bit of heaven—or green, pardon me—into that one city, and the demand for funds would be uncontrollable. As a matter of fact, the original argument to justify this section of the bill was advanced on the proposition that we have suburban sprawl, and that it is a horrible, terrible, treacherous, dastardly thing, and that this provision would stop this suburban sprawl. This overexaggerated suburban sprawl is being effectively controlled by community managers and village fathers, for in any city or town of any size builders planning on developing a subdivision are required to set aside a certain percentage of land for recreational facilities, for parks, school buildings, and so forth, to the extent as I have indicated, that the builders are complaining that they are presently asked to set aside too much land for those purposes. Many areas over the last 40 or 50 years have had a policy of setting aside land for community recreational purposes. There is not a single major city or town in America that has not done something along this line. If we are going to be at all reasonable about what we do we should eliminate this provision for open space at least until we study the problem. The provision in the bill before us is completely unworkable. If we are going to have any reasonable commonsense approach in this area we should await the report of the committee that has been set up by Congress and has been studying this question.

Mr. KYL. This study which was authorized by the Congress is almost concluded at the present time and there is in process of accumulation and printing 24 volumes on this very subject.

Mr. DERWINSKI. Most certainly we should await the results of this study before acting on this subject or we may find ourselves having already legislated against the very recommendations this committee might propose. May I reemphasize there is no demand or emergency necessitating this provision, and may I vigorously reemphasize that county governments, forest preserve districts, and park districts are doing the job.

Mr. ALGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I guess I have got to hit one more lick against the open-space provision. So, on this one, as far as the land developer is concerned, I cannot believe yet my colleagues understand what they are doing because of the very basic nature of this type of a business transaction. I heard, for example, someone say that the Government is a junior partner in these things. The Government is not and will not be a junior partner because as a level of government it must put all 50 States in the same position by one law. Therefore, it is supreme in this sense. Certainly, Federal power grows, at the expense of local and State government, once established in any area.

I also heard the chairman of the committee say that this redefinition of

open space will be recreational, conservational, historic, or scenic. Now, that covers all land, does it not? In the present bill I see the word "economic" is used, too. Its elimination will not release land from Federal consideration. But I appeal to you that under this definition it can cover all land.

For a moment, let us look at the basic realities of the situation. When a development is to be attempted a man first finds land. Then in order to get the development OK'd, in almost any civic section of our country covering urban areas, he has to go before the council or the city fathers, whoever the governing board is. He has to dedicate land for rights-of-way, he has to put in utilities, he has to put most of the money down in advance out of his own pocket. He has to comply with all the street plans, all of the topographic surveys, he has to consider subsoil, drainage, storm sewers, all of which he pays for himself. He has to provide land for schools, parks, and playgrounds or he cannot get the plan OK'd. That is the law of the locality.

I am sure in our zeal to have green grass and blue skies for children, and all of these things, the best way is not to do this in haste in the late afternoon but to await the studies now going on. I think you will have on study greater confidence in the localities and in local action than by what has been evidenced here late in the afternoon. It is late, we want to wind up consideration of the bill, but that is not the way to enact legislation in a field where economic considerations as well as the laudatory ones involving children playing in parks, and so forth, are concerned. My city, as well as other cities, has parks. But this legislation is not the proper way to get good land development. Our local officials can, as they have in the past, accomplish sound development better than Federal planners. Local officials know best the local problems.

The bill would require the Administrator to encourage local governing bodies to preserve the open land looking to orderly community development. We have this already. How the Federal Government is going to improve on this, I do not know.

Then it is stated, in the middle of page 43:

> The pioneering nature of this proposed grant program is also reflected in the administrative discretion which has of necessity been provided in determining the criteria which must be met by the required comprehensive development plan.

Mr. Chairman, we do not need this particular section, because what we are going to do is to actually stultify and negate present development efforts. A developer will not buy land if he thinks the Federal Government is going to block him. If you want to block future development of our cities, this is the way to do it. So vote for this amendment, that we will then have time to give it more sober consideration. We should study in the future the views of land developers rather than now adopt new law. Federal judgment is not always the best. State and local government can best control the development of our urban areas.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. McDONOUGH].

The question was taken; and on a division (demanded by Mr. McDONOUGH) there were—ayes 112, noes 151.

So the amendment was rejected.

Mr. RAINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. RAINS: Page 145, strike out lines 15 through 21 and insert the following:
>
> "(1) The term 'open-space land' means any undeveloped or predominantly undeveloped land in an urban area which has (A) recreational value; (B) conservation value in protecting natural resources; or (C) historic or scenic value.

Mr. RAINS. Mr. Chairman, I do not intend to use any time on this amendment. I have already discussed it a moment ago with the gentleman from California. This is language in connection with the definition of "open space" as far as historic or scenic value is concerned.

Mr. Chairman, I ask that the Committee adopt the amendment.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from Illinois.

Mr. DERWINSKI. Do I recollect correctly that either yesterday in debate or earlier this afternoon the statement was made that the change in language in this section would make this provision applicable only to parks adjacent to urban renewal projects?

Mr. RAINS. I made the statement exactly as I made it on this amendment. I do not know who made some other statement. But the statement I made on the RECORD was the description of this exact language. I did not hear the other statement.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from California.

Mr. McDONOUGH. Well, is it your intention in this amendment that the open-space area acquired under this section would be adjacent to urban renewal?

Mr. RAINS. It speaks for itself. It says: "The term 'open-space land' means any undeveloped or predominantly undeveloped land in an urban area."

Mr. McDONOUGH. In an urban area?

Mr. RAINS. Yes.

Mr. McDONOUGH. It does not mean an urban renewal project?

Mr. RAINS. Of course not.

Mr. McDONOUGH. We have provided in the bill for parks in urban renewal projects.

Mr. RAINS. This is not that and never has been. This is the same term that has been in the bill anyway.

Mr. McDONOUGH. Of course, everyone knows that such an urban area is adjacent to a city.

Mr. RAINS. It is not open land outside of the area. It is limited to these three purposes in an urban program. It is a restrictive amendment. If the gentleman wanted his amendment adopted, this is a better amendment than he had offered, in my judgment.

Mr. McDONOUGH. My amendment was to strike out the whole section.

Mr. RAINS. And since we did not do that, it certainly seems to me you would favor one of restriction.

Mr. McDONOUGH. But we should find out what an urban area is.

Mr. RAINS. That is what it is.

Mr. McDONOUGH. What area is it? Is it an urban renewal area?

Mr. RAINS. Anything that is not in the urban area would not be in it.

Mr. McDONOUGH. What is an urban area? We have not defined that yet.

Mr. RAINS. The gentleman knows as well as I do what the law defines as an urban area.

Mr. McDONOUGH. I do not know that the law defines what is an urban area.

Mr. RAINS. If you will read the law, you will find it described in a good many places.

Mr. McDONOUGH. Under the urban renewal law any city is an urban area.

Mr. RAINS. Absolutely; and that means just that, inside that area they can do this. That is what it means.

Mr. McDONOUGH. Then the gentleman is proposing to amend the section to provide that the parks acquired under this section shall be within the city limits.

Mr. RAINS. Within the urban area.

Mr. McDONOUGH. Of the urban area.

Mr. RAINS. That was in the amendment the entire time. I shall be glad to read the definition, if the gentleman wishes. I refer him to page 145, line 22:

> The term "urban area" means any area which is urban in character, including those surrounding areas which, in the judgment of the Administrator, form an economic and socially related region, taking into consideration such factors as present and future population trends and patterns of urban growth,

Mr. McDONOUGH. They do not necessarily have to be within the city limits.

Mr. RAINS. But they have to be in the urban area, of course.

Mr. DERWINSKI. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, so that there may be no misunderstanding, I should like to point out that this is the frosting on the cake. This adds to the complete confusion and misunderstanding that are symbolic in this entire bill; the gentleman from California, Mr. McDONOUGH, and I have been asking questions for some minutes and the answers requested are not forthcoming, and I say this with due respect to the gentleman from Alabama [Mr. RAINS]. The gentleman read his perfecting language and the definition of urban area, but truly this amendment does not change the section at all. All it does literally is to permit any municipality, with the approval of the Administrator, to grab off a portion of these funds whether or not there is a need, because your values are so broad, your definitions are so vague, that the sky is the limit. I predict that the problem you are going to have—and I hope for

once the majority party Members have compassion and mercy on the executive branch of the Government of your party. For if you give them a monstrosity like this to administer, all you do is to create a caseload of ulcers down in the executive department, and you will not be solving the problem you pretend exists and is needed in this section. There is no basis, study, or even representative basis on which to enact a new program of this tremendous nature with the cost beyond our ability to estimate.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. RAINS].

The amendment was agreed to.

LEGISLATIVE PROGRAM FOR THE WEEK OF JUNE 26

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time for the purpose of inquiring of the majority leader as to the program for the balance of the day. It is my understanding that it is expected that action on this measure can be completed this evening. So I have asked for this time in order that the membership may be informed as to the program for the balance of the week and for next week; and if I may respectfully suggest to the majority leader, any word he may give us as to the 4th of July.

Mr. McCORMACK. The pending bill is the remaining piece of legislation for this week. If disposed of and passed tonight, I shall ask unanimous consent to go over until Monday. You will notice that I say if disposed of and passed. What I mean is that it can pass, but I am assuming nobody will demand an engrossed copy of the bill. That is what I had in mind.

Mr. HALLECK. I was about to suggest facetiously that if the bill failed on final passage, then there would be no reason for meeting tomorrow.

Mr. McCORMACK. Of course, there are imponderables in connection with any bill. If we dispose of the bill and it is passed, then I shall ask unanimous consent to go over until Monday.

Next week, Monday is District Day, and there will be seven bills called up, perhaps more. They are as follows:

H.R. 4669, relating to gambling.

H.R. 4670, concerning indecent publications.

H.R. 7044, to amend section 35 of chapter 3 of the Life Insurance Act.

H.R. 6495, amending the Life Insurance Act.

H.R. 7482, to amend the Life Insurance Act, as amended.

H.R. 318, relating to taxes, exempt foreign corporations.

H.R. 7052, relating to criminal conduct.

These bills may not be called up in the order I have announced them.

Mr. HALLECK. May I suggest that we put all these in the housing bill and dispose of them tonight?

Mr. McCORMACK. Then there is H.R. 7677, to increase the public debt, and H.R. 5963, the General Bridge Act, governing clearances, which was introduced by the gentleman from Mississippi [Mr. SMITH].

Also, a conference report on roads will be brought up on Monday.

Then on Tuesday, Wednesday, and Thursday—I see on this paper I hold here "Friday," but I am not going to mention Friday—there is the Defense Department appropriation bill for 1962. If H.R. 5963 is not reached on Monday it will come up after the Defense Department appropriation bill.

Then there is the continuing resolution in relation to the appropriations for 1962 that might be called up any time. That is the result of the unanimous consent granted on June 21, 1961.

If a rule is reported out on H.R. 7576, relating to an authorization for the Atomic Energy Commission, we will try to get that bill up for consideration.

I make the usual reservation that conference reports may be brought up at any time, and that any further program may be announced later.

In relation to the inquiry of the distinguished minority leader about July 4, it is the hope of the leadership that the legislative business for next week will be disposed of by Thursday of next week, in which event, with July 4 coming on the following Tuesday, I will ask unanimous consent that the House adjourn from next Thursday until the following Monday, and then link that up with a unanimous-consent request that on the following Monday there be no business and that when the House adjourns on that day it adjourn to meet the following Thursday, July 6. In other words, we are hopeful we will dispose of the legislative business by Thursday of next week, in which event there will be no legislative business until the following Thursday, or a week later.

Mr. HALLECK. I thank the gentleman.

Mr. FARBSTEIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FARBSTEIN, of New York: Page 97, after line 9, insert the following new section:

"INCLUSION OF STORES AND OTHER NONDWELLING FACILITIES IN LOW-RENT HOUSING

"SEC. 207. The first sentence of paragraph (1) of section 2 of the United States Housing Act of 1937 is amended to read as follows: 'The term "low-rent housing" means decent, safe, and sanitary dwellings within the financial reach of families of low income, and developed and administered to promote serviceability, efficiency, economy, and stability, and embraces all necessary appurtenances thereto, including such stores, offices, and other nonhousing facilities as well as social, recreational, and communal facilities as may be deemed by the public housing agency (with the approval of the authority) to be necessary or desirable for such housing.'"

Mr. FARBSTEIN. Mr. Chairman, this is a very simple amendment. All it seeks to do is to give permission to the local authorities to build stores in public housing projects. This may or may not be a world shaking matter, however, it is very important to the housewives who presently have to walk six and eight blocks in order to buy a loaf of bread or to buy milk. I do hope the amendment will prevail.

Mr. RAINS. Mr. Chairman, I rise in opposition to the amendment.

There is some merit to the amendment offered by the distinguished gentleman, but I cannot imagine this House, without going into a study of it, being willing to put public housing money into the bill to go into the building of stores in these particular places. So with much regret, I must oppose the amendment and I hope it will be voted down.

Mr. FARBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from New York.

Mr. FARBSTEIN. Is it not true that this amendment has been before the House for the last 5 or 6 years?

Mr. RAINS. It has.

Mr. FARBSTEIN. And does the gentleman not think that that is sufficient time to study it?

Mr. RAINS. We have studied it and, so far, have come up with an adverse answer. I do not believe the amendment ought to be approved.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. FARBSTEIN].

The amendment was rejected.

Mr. RYAN. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. RYAN, of New York: On page 111, after line 6, insert the following new section:

"PROHIBITION OF LUXURY HOUSING IN REDEVELOPMENT OF URBAN RENEWAL AREAS

"SEC. 315. (a) Section 105(b) of the Housing Act of 1949 is amended by striking out 'and (iii)' and inserting in lieu thereof the following: '(iii) to give satisfactory assurances (with appropriate provision for enforcement) that, in order to insure that any rental housing or cooperative housing which may be constructed on such property in the redevelopment of the area will assist in fulfilling the housing needs of persons from the middle-income segment of the population, the monthly rentals (or, in the case of cooperative housing, the monthly amount payable as carrying charges) to be established for living accommodations in such housing will not exceed $35 per room or such lower amount as the local public agency may determine to be appropriate in view of the accommodations offered and the income levels of the persons who will be the occupants thereof; and (iv)'.

"(b) Section 110(c)(4) of such Act is amended by striking out 'for uses in accordance with the urban renewal plan' and inserting in lieu thereof 'for uses in accordance with (A) the urban renewal plan, and (B) the applicable contract made with the local public agency as provided in section 105,'.

Mr. RYAN. Mr. Chairman, I should like to commend the distinguished chairman and the distinguished members of the Subcommittee on Banking and Currency for the excellent presentation of the bill which is before us. My amendment would add a provision to the bill and is concerned with the title I program of the Housing Act of 1949. I am concerned because through experience we have seen there are many inequities in that program, as it has been applied and administered by the various cities which have come under the program.

Mr. Chairman, I offer an amendment which will correct what I believe to be a flagrant abuse in the title I housing program. It would prohibit the subsidy of luxury housing in urban renewal areas and establish a ceiling on rents in residential housing constructed with the benefit of a title I land write-down.

More than a decade after the enactment of the Housing Act of 1949, one of the major problems facing our cities is the lack of decent safe living accommodations for low- and middle-income families. This is so in New York and across the Nation.

In general, there is public housing for low-income groups—not sufficient—but H.R. 6028 will authorize 100,000 more units. The private developers both with and without title I have built luxury housing for high-income groups. However, we have failed to meet the needs of the middle-income citizen, the average urban dweller. The provisions of H.R. 6028 which extend the scope of section 221(d)(3) certainly should help. But this is not the answer.

My amendment is consistent with the declaration of national housing policy set forth in the Housing Act of 1949:

> The Congress hereby declares that the general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family.

The assistance provided localities through land cost write-down was designed to provide housing particularly for moderate-income and low-income families. It was not intended for upper income groups, nor was it intended exclusively for low-income families. The Housing Act of 1937 and title II of the act of 1949 sought to provide housing for low-income families.

Title I was intended to provide a means to combine the efforts of private industry and public housing authorities to redevelop slum areas and blighted city neighborhoods. At the same time, it was to provide suitable living accommodations for all American families who could not afford luxury housing.

As originally conceived, title I projects were supposed to develop predominantly middle-income housing.

This has not been true in practice.

Rental projects subsidized by title I write-down in land costs are renting in New York City anywhere from $40 to $246 per room per month. In New York City the mean rent per room for 11 title I projects is $44.77. Such rentals can hardly accommodate middle-income families. According to an exhaustive New York State study, middle-income rentals should range from about $17 to $29 per room per month, not from $40 to nearly $250.

Obviously, when title I is used for such luxury housing, accommodating the displaced, low-income-site tenants is completely out of the question. Instead, they are all too often driven to worse slums.

Let me cite two examples. A title I project originally called Manhattantown is now nearing completion after 10 years. After they had milked the property without building and scandalously exploited the site tenants, the original sponsors were removed. The site was turned over to Webb & Knapp which produced luxury housing. Today rents are $49 per room and up.

The original sponsors, who had already cleared $600,000 were awarded with a half-million dollars a year on the Webb & Knapp profits.

After the Wall Street Journal interviewed Mr. Zeckendorf, it reported that he "also predicts profits of $1.5 million a year from the 2,522 apartments plus shopping center Park West Village, on New York's upper West Side, just off Central Park, after the project is completed in 1960."

"That is equal to all the cash we put in it," said Mr. Zeckendorf.

Let us look at the Washington Square Village development in Greenwich Village. This title I project cost the city and the Federal Government $15 million in subsidies. Apartments rent for up to $246 per room per month, and penthouses for $6,000 each per year.

Since in the larger cities, it is rental housing which is most needed, it seems fairly obvious that those most affected by urban renewal operations—the aged, those with low income, the minorities, and the lower middle income larger families—are not the groups for whom the majority of redevelopment housing is designed to accommodate. With the exception of public housing there have been few instances in the history of slum clearance and urban renewal in which private housing in an urban renewal area has been sufficiently low in cost to permit the return of those displaced—either as homeowners or renters.

Title I should be used to achieve the avowed purpose of the Congress in setting up the program—a decent home for every American family.

In order to do so, I propose that monthly rents be no higher than $35 per room per month.

This figure is based upon the New York City Planning Commission's middle income housing averages of $21 to $30 per room per month, and the New York State task force report on middle income housing which found middle income housing to be $17 to $29 per room per month. Since it is difficult to arrive at a fair formula for all localities, I have added $5 a month to the top limit of $30 per room, and my amendment provides that each local public agency may determine a lower limit. It is obvious that a maximum of $35 per month per room does not necessarily provide middle income housing. Medium income for families in 1960 was estimated at $5,600. Under the maximum $35 per room a five-room apartment—the average family needs two bedrooms—would rent for $175 per month.

According to the National Housing Conference and other housing experts rent should equal one-fifth to one-quarter of annual income. For a family to be able to afford to pay $175 per month, the family income should be approximately between $8,400 and $10,500. A great number of families in this income group have difficulty in finding new rental housing at prices they can afford. However, I fully realize that housing at $35 per room would still not help many of those families who earn above the income limit for public housing and below the income level necessary to afford private rental housing. It must be remembered that this is a maximum figure intended as a guide and a measure to prevent the building of luxury housing with taxpayers' money.

If the citizens of the United States are to pay the costs of renewing and revitalizing the Nation's urban centers, then the majority of the citizens should reap the benefits—not a minority of high-income families and investors and developers.

Whether we wish to face it or not, Mr. Speaker, we do have a crisis in housing. We have not provided adequate housing for the lower middle-income and low-income families. These citizens have not been accorded the right to a decent home in a suitable living environment, in keeping with the general rise in the Nation's standard of living. This is true, in spite of the fact that the Federal housing programs have as one of their major objectives the improvement of housing conditions of all American families.

The solution of the housing crisis is within our grasp. In the fight against slums, urban blight, overcrowding, and the critical housing shortage, the Federal Urban Renewal Program can be a potent weapon. This program, however, can be an effective weapon in our cities' struggle for survival only if we exclude luxury type housing from urban renewal areas.

The rebuilding of urban renewal areas with high-cost rental and sales housing has been justified by the arguments that the cities need to attract the upper middle-income families back into the city to help pay for the high cost of services; that the only way to build low-cost housing on the cleared slum sites is through a subsidy—and that this would be unwise.

What greater and more wasteful subsidy can there be than that which many cities are currently paying in the form of increased costs of municipal services to slums and deteriorating neighborhoods? Statistics have been assembled which show that an overcrowded, deteriorated neighborhood requires greater expenditures for police and fire protection and prevention and other services. The social costs of poor physical and mental health, and the general personal and family disintegration which occurs in a slum environment, have been cited time and time again.

The process of urbanization of the country has brought more and more low-income rural families into the cities. All indications point to a continuation of this in migration. Where will they be housed if some of the new construction is not within their means? In most

cities new construction is taking place in the urban renewal areas. If newcomers are unable to benefit from this housing, their main choice is an established slum. If one is not available, one will be created, because traditionally there have been landlords who were eager to maximize their profits by converting single family homes into multifamily dwellings. Once this happens in one house on a block, and once the newcomers discover that this housing is available, the machinery of slum building has been put in motion—all because there is insufficient housing at a cost within the means of low-income families and individuals.

Charles Abrams and others have repeatedly warned that present housing policy geared as it is to the welfare of the greater pressures instead of the greater number, has grave social and economic implications for the future. I join this housing expert in pleading for a reexamination of our housing programs with a view to devising some new formulas which will provide housing for those whose need is the most urgent—the lower-income family, the large, middle-income family, the aging couples and single individuals—and last but not least the slum dweller. A step in this direction would be to require the rebuilding of urban renewal areas to meet the needs of these groups—let them enjoy the benefit of the write-down in land costs now allotted almost exclusively to the luxury-type homebuilding and his upper-income tenants.

We must make the cities—the nerve centers of our progress and our life as a nation—desirable, places in which to live, work, and play. We cannot do so if we do not redevelop our worn-out neighborhoods to accommodate a cross section of the population.

We can move toward this goal by adopting this amendment and closing the era of housing history when the Federal Government subsidized luxury housing.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield?

Mr. RYAN. I yield.

Mr. LINDSAY. The gentleman is on the right track. The difficulty with his amendment, however, is that the ceiling is too high.

Mr. RYAN. I agree with the gentleman.

Mr. LINDSAY. Rentals in this area should be kept around $20 to $26 per room per month.

Mr. RYAN. I agree with the gentleman, but what I am trying to do is to set a maximum, which would serve as a guide to local authorities. My amendment authorizes them to fix a lower limit. What I am trying to do is prohibit luxury housing. The construction of luxury housing with Federal subsidies seems to me to be a misuse of the taxpayers' money.

Mr. RAINS. Mr. Chairman, regretfully I rise in opposition to the gentleman's amendment. The purpose of his amendment is, really, rent control, and I suggested to the gentleman that he take the time to bring the amendment before the committee and let us study the matter. I am quite sure it would be extremely detrimental to this section of the bill. I ask for a vote and hope the Committee will vote the amendment down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. RYAN].

The amendment was rejected.

Mr. MARSHALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARSHALL: Page 162, line 21, after line 21, insert the following new section:

"SEC. 806. (a) Section 508 of the Housing Act of 1949 is amended by striking out 'of $5 per day' in subsection (a) and inserting in lieu thereof 'determined by the Secretary'.

"(b) Section 508 of such Act is amended by striking out 'their opinions of the reasonable values of the farms' in the second sentence of subsection (b) and inserting in lieu thereof 'as to the amount of the loan or grant'."

Mr. WIDNALL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WIDNALL. Do I understand this to be an amendment to title I?

The CHAIRMAN. No; the amendment is offered to the language on page 162.

Mr. MARSHALL. This has to do with the farm housing part of the program.

The CHAIRMAN. The gentleman from Minnesota is recognized in support of his amendment.

Mr. MARSHALL. Mr. Chairman, this amendment is offered for the purposes of simplifying the administration of the farm housing title of the act. The amendment consists of two sections. The working of both sections is intended for much the same purpose of making administration easier.

The first has as its purpose to make the pay of committeemen comparable with that for other work which these same committeemen perform in carrying out Farmers Home Administration activities.

In many counties in the United States, committeemen doing work assigned to them for the USDA in approving production and subsistence loans and farm-ownership loans for the Farmers Home Administration will be called upon to do some work on the same day and in the same location in approving loans under the same housing provision of the act we are now considering. The Secretary of Agriculture, it seems to me, ought to have the privilege of setting the same per diem rate for these activities. When he is unable to set the same rate of pay it makes unnecessary and complicated bookkeeping.

The Secretary of Agriculture selects these committeemen to approve loans and applicants for loans. These committees are rendering a fine service by their knowledge of local conditions and their ability to bring good management into these programs. As long as the Secretary of Agriculture, through the FHA, administers these related programs, it is hoped that he will have the privilege of setting an identical rate of pay for this similar work. That is what my amendment intends to make possible.

The second part of my amendment also relates to the committees and deals with the certification of the amount of the loan. I am sure it was never intended by the Congress that the county committees should be entering into the mechanics of the farm appraisal. This part of the amendment is to make it clear that the mechanics of the appraisal should be done by the technicians of the Department of Agriculture and made available for the use of the committee when they certify the amount of the loan. The committee must continue to certify the applicant's eligibility, including his character, ability, and experience and shall have at their disposal all of the technical information relating to the loan itself of which the appraisal is an important part.

By clarifying and clearing this omission in the act, it will greatly expedite the making of farm housing loans and enable the county committees to act in an economical and efficient manner.

I urge the adoption of the amendment since I sincerely believe it to be a time-saving and money-saving improvement that will provide more efficiency and better service.

Mr. RAINS. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Alabama.

Mr. RAINS. I will say to the distinguished gentleman I think he has an exceptionally fine amendment to both sections, and the amendment ought to be adopted and I hope it will be adopted. It is better language than we have in the bill and also conforms with the practice which they now use and have been using. I hope the Committee will vote for the amendment.

Mr. MARSHALL. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. MARSHALL].

The amendment was agreed to.

Mr. LINDSAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LINDSAY, of New York: An page 97, after line 9, add the following new section:

"NONDISCRIMINATION IN PUBLIC HOUSING

"SEC. 207. Notwithstanding any other provision of law, no contract for annual contributions for additional dwelling units shall be entered into under the United States Housing Act of 1937 after the date of enactment of this Act, and no annual contributions or other assistanc. shall be provided with respect to dwelling units covered by such a contract, if there is or (under the contract and related instruments) is permitted to be any discrimination in the admission to or occupancy of such dwelling units on account of race, religion, color, ancestry, or national origin."

Mr. LINDSAY. Mr. Chairman, this amendment does not require much elaboration. It applies to public housing and says that public housing Federal funds shall not be used for discriminatory purposes.

Mr. RAINS. Mr. Chairman, I think the gentleman has offered an amendment to another part of the bill which has already been acted on. He had better check his amendment.

Mr. McDONOUGH. Mr. Chairman, the bill was considered read and open for amendment.

Mr. RAINS. It was not open to what already had taken place.

Mr. LINDSAY. Mr. Chairman, I do not yield further.

Mr. RAINS. Mr. Chairman, I make a point of order against the amendment.

Mr. GROSS. Mr. Chairman, a point of order. The gentleman's point of order comes too late. The gentleman from New York had already been recognized.

The CHAIRMAN. Will the gentleman restate his point of order?

Mr. RAINS. I will state my only fault was I did not get up in time. It was correct, but I failed to get up in time.

The CHAIRMAN. The Chair was going to overrule the point of order anyway because the gentleman from New York had been recognized.

Mr. LINDSAY. Mr. Chairman, I am a pro housing man and have been ever since I have been a Member of Congress. I have also been a pro public housing man because I know what it means to my district and to the city of New York and to all of the great urban centers of this country.

And, I will say to the distinguished gentleman from Alabama, that I have walked up the aisle with him on housing matters; I have done so in connection with public housing. At times I assure my friends on the Democratic side that it was not easy, because there is some disagreement on my side of the aisle on the public housing question. Having done so, now let me say this: that I will vote for programs when I think that they are important to the health and future of this country. But at the same time I will expect that you on the majority side will stand up and be counted on a matter of principle regardless of the special provincial pressures you might be under. Why should we provide Federal funds to perpetuate practices of discrimination in one-third of the country and, indeed, in many other areas of the country? And, do not let anybody suggest for one moment that this amendment to the public housing section of the bill will kill the whole bill, because it will not. In the first place, it is limited to one section of the bill. In the second place the distinguished chairman of the committee, the author of the bill, is too much of a statesman and has pride in his bill; in the third place, the leadership would not allow it at this stage of the game and you know that as well as I. So, I can assure you that anybody who suggests to you that you must vote against the amendment, which says that Federal funds in public housing shall not be used where there is discrimination, is way off the track, because this housing bill will pass, and you know it as well as I do. I will vote for the bill and I am willing to take the abuse that I may possibly have to take from my side of the aisle for voting for it. All I ask is that you on the majority side stop this unholy coalition when it comes to matters involving individual rights. The President of the United States on three occasions in the campaign stated that in January he would have a civil rights bill before the Congress. January came, February, March, April, and May. No civil rights bill. And then, when the distinguished chairman of the House Committee on the Judiciary, the gentleman from New York [Mr. CELLER], introduced a bill, the administration went out of its way to disassociate itself from the bill. So, when they suggest to you that there is Executive power here to do what I seek to do by legislation, think twice, because we have had broken promises down the line since January on this question. I need not talk further. I have walked up the aisle with you. Now let us see you walk up the aisle with me.

Mr. RAINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I will say to the distinguished gentleman that he was very generous in his remarks. Why did he not put his amendment across the board? Why not put it on FHA? Why not put it on other programs? It is limited only to public housing in an effort to kill it. I have been here and I have watched this maneuver time after time, but at the same time the real intent and purpose of it is to kill the bill. All right. Experience is a dear teacher, and when you have faced it as many times as I have, you know that is true. Yes, the gentleman from New York knows it, too, and so do we all.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from Indiana.

Mr. HALLECK. Well, I have heard that sort of an argument when there was the Powell amendment offered to the school bill here in the House last year. The Powell amendment was adopted, as I remember it, and the bill went on to passage.

Mr. RAINS. I also saw this very same maneuver many times fail because we know that it was meant to kill the bill.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. The gentleman from Indiana is correct in that the amendment was adopted here and the bill passed, but thanks to the gentleman from Indiana and his friends on the Rules Committee a conference was refused and the bill never became law largely on that account.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman.

Mr. LINDSAY. I would like to say that anything that has been said by the distinguished chairman or by the distinguished gentleman from New Jersey [Mr. THOMPSON], has absolutely nothing on earth to do with this amendment that I have proposed.

Mr. RAINS. That is your opinion. You know there are other people who have different opinions and who have observed this long enough, and they do not agree with that observation.

Mr. LINDSAY. Does the gentleman wish to continue the practices of discrimination in public housing?

Mr. RAINS. We are interested in passing this bill for the poor people in the gentleman's district regardless of who they are, and he does not think the gentleman is doing them a service when the gentleman seeks to scuttle it by this kind of maneuver.

Mr. McDONOUGH. Mr. Chairman, will the gentleman from Alabama yield to me?

Mr. RAINS. I yield to the gentleman.

Mr. McDONOUGH. The gentleman knows that all through this debate I have been quite active in attempting to defeat his bill.

Mr. RAINS. Yes; I will agree with that.

Mr. McDONOUGH. I will say this, so that the House may know: The gentleman from New York [Mr. LINDSAY] never introduced that amendment at my request, nor with any urging on my part, and as far as the other members of the committee are concerned, I doubt if they were consulted. I believe he is sincere in his efforts to accomplish what he believes should be the law in public housing.

Mr. RAINS. I am not charging him with insincerity.

Mr. RYAN. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, without delaying the proceedings, I merely want to say that I believe this is an issue of principle; and I intend to support the amendment. I introduced legislation in the House which would, if adopted, affect all housing and require nondiscrimination across the board. If this amendment were across the board, I would support that.

I am also very much concerned that this housing bill pass, and I believe it will.

Mr. MULTER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I take my hat off to no Member of this House on my stand for civil rights.

This amendment is completely unnecessary in this bill. The gentleman who offered it knows he does not need it in the State of New York nor in the city of New York where we have local statutes against discrimination and there they are across the board. Why does he offer it to this bill, and why only to the public housing provision? Perhaps he would like to see the bill carry with it; I doubt it.

The fact of the matter is in offering this amendment—and I say this from long years of experience—because in my early days of service I offered a similar amendment to a housing bill.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield?

Mr. MULTER. Not at the moment.

Mr. LINDSAY. The gentleman mentioned my name. I think the gentleman ought to yield.

Mr. MULTER. Not at the moment.

I offered a similar amendment to a housing bill, but across the board, and I know from that experience that a housing bill cannot prevail with this

kind of amendment. When you bring a civil rights bill before the House, and present the issue, we will all stand up and be counted, as we have done in the past.

There is no need to complicate this legislation with an amendment of this kind, offered against a particular part of the bill, when all it can do is garner some votes against the bill.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from New York.

Mr. LINDSAY. The gentleman has impugned my motives in offering this amendment. The gentleman should take time to examine my voting record on housing.

Mr. MULTER. I did not impugn the motives of the gentleman from New York. He may have offered his amendment in the best of faith, but if he did, then it was with lack of knowledge that the adoption of this amendment will kill this bill. I urge all of my colleagues who are as strong for civil rights as I am to vote this amendment down. This will add nothing to this bill. It may prevent its passage.

There is more than ample authority in existing law for the executive departments to prevent discrimination of any kind for any reason whatsoever, in every Federal program including all of our housing programs.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LINDSAY].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. LINDSAY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. LINDSAY and Mr. RAINS.

The committee divided, and the tellers reported that there were—ayes 132, noes 178.

So the amendment was rejected.

Mr. HAGAN of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAGAN of Georgia: Page 168, after line 10, insert the following new section:

"DISPOSAL OF NATHANAEL GREENE VILLA HOUSING PROJECT

"SEC. 905. Notwithstanding the provisions of section 606 of the Act entitled "An Act to expedite the provision of housing in connection with national defense, and for other purposes", approved October 14, 1940, as amended, and any agreements entered into thereunder, the Housing and Home Finance Administrator and the Public Housing Administration are authorized and directed to agree to the sale by the Housing Authority of Savannah, Georgia, to the city of Savannah, Georgia, of all right, title, and interest in and to Nathanael Greene Villa (low-rent Housing project GA-2-8; formerly war housing project GA-9041), for a total price of $275,000, which shall be paid to the Administration and deposited by the Administration in the Treasury as miscellaneous receipts in accordance with section 606(d) of such Act."

And redesignate the succeeding sections accordingly.

Mr. RAINS. Mr. Chairman, this amendment has been cleared with the Agency. It is the usual way in which they dispose of some Lanham Act housing. There are always items of this nature in the bill.

I have no objection to the amendment.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. WIDNALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIDNALL: Page 118, strike out line 15 and all that follows down through page 119, line 11.

And on page 118, line 9, strike out "(a)".

Mr. WIDNALL. Mr. Chairman, this is a very short and simple amendment and gives you an opportunity to save $800 million. It gives you a chance to support your President and my President when he recommended that the special assistance Fannie May section of this bill contain $750 million, and not $1,550 million as it came out of the House Banking and Currency Committee.

I just want to remind the House that we in this chamber heard President Kennedy at a special joint session ask us to refrain from enlarging programs, and this does enlarge the housing program by $800 million.

I wish to read a very short part of the Senate debate. Senator ROBERTSON of the Senate Banking and Currency Committee said:

I call the Senator's attention to the fact that the subcommittee wanted to extend the section to moderate incomes, and evidently felt the same way about it, because it put in $750 million for FNMA to buy them, plus $750 million to be used at the discretion of the President.

I ask you to please pay special attention to this statement that Senator ROBERTSON made:

The President sent word, "Do not give me this $750 million; $750 million is enough. I do not want the additional $750 million." Therefore $750 million was put in here to finance the program with 100 percent Government money. That shows how much they think banks and savings and loans will take these mortgages.

Seven hundred and fifty million dollars was put in here to finance the program 100 percent. There is no need for an additional amount.

There was in the FNMA special assistance function only $3,604,431 this year as of March 31, 1961, so there is undoubtedly less today. In the management and liquidating function there was only $2,076,773 on the same date.

And it is proposed under this bill to take funds that would normally go to the Treasury to be applied on the budget. We would take it and use it to create a further deficit as far as our own national budget is concerned.

I urge the adoption of this amendment. It is in conformity with the request of President Kennedy as the bill was presented to the House Banking and Currency Committee for consideration.

Mr. RAINS. Mr. Chairman, the two items which the distinguished gentleman seeks to cut out of FNMA are not new and additional appropriations. It is money already in the possession of FNMA for housing. It includes $200 million remaining from the Emergency Housing Act of 1958, and about $150 million in annual repayments on the liquidation portfolio of FNMA for a period of 4 years. It seeks to give to FNMA a sufficient amount of mortgage-buying capacity to take care of the programs which this House has already adopted. It does it without taking an extra dollar because the money is already in FNMA. It is a bookkeeping entry and a bookkeeping entry only.

I may say, if the program on rental housing under title I is to be carried out, and if these other programs which have been enacted into law are to be carried out over this period of time, it is clearly evident that FNMA will need the right to use this money which is already in the FNMA program.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from New Jersey.

Mr. WIDNALL. I read into the record figures from the balance sheet of the Federal National Mortgage Association as of March 31, 1961. The latest figures show there was $3,400,000 available in the special assistance fund and in the liquidating fund, a segment of that, $2,673,000. Where will they get the $800 million to buy these mortgages except by further borrowing by the Treasury?

Mr. RAINS. They will get the $750 million which the gentleman does not seem to object to as new authority, and the additional amount of money he objects to, put in by this committee, is only a bookkeeping arrangement. The vast amount of all of the FNMA purchases which are needed and necessary in this sales housing have been in the South and West where it is almost impossible to get a loan without extremely high and unreasonable discounts. The purpose of this money in FNMA is to eliminate the terrible discounts which exists in those sections.

Mr. WIDNALL. Has the gentleman received word from the President of the United States that he needs additional money to operate FNMA during the next budgetary period?

Mr. RAINS. I can put it this way: I have not received word from the President of the United States that he is opposed to this in the bill. I do not know that he will sign it, he has not told me, but I thought we had separate divisions of Government and I assumed we could do a little legislating on our own.

Mr. WIDNALL. I thought that, too.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. WIDNALL].

The amendment was rejected.

Mr. JENSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENSEN of Iowa: After the last section of the bill, add a new section as follows: "It will be unlawful for any borrower under the provisions of this act to utilize same for the purpose of speculation."

Mr. JENSEN. Mr. Chairman, I am sure that every Member of this House who wants this bill to become law desires it for the people who need a home. I have been informed that there is considerable speculation going on at the present time under existing law. Certainly this sort of speculation in my book almost borders on the criminal when so many people need roofs over their heads. My amendment is plain, understandable, and I hope it will be adopted.

Mr. RAINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am quite sure that the intent and purpose of this amendment of my distinguished friend is good, but under present FHA regulations before a man can get a loan he must certify that he is going to live in the house. And, no one would want to say to him that since you have gone out and borrowed your money, that you are fastened with this house; you cannot sell this house for more than you gave for it; therefore you have to stay in it all the time.

Mr. JENSEN. I just cannot take that as an answer.

Mr. RAINS. Why not?

Mr. JENSEN. You know what a speculator is.

Mr. RAINS. Yes, I know, but you are not getting after him in this amendment.

Mr. JENSEN. Oh, yes, you are.

Mr. RAINS. By whose definition?

Mr. JENSEN. Whose? Webster tells you who he is, and I will read the definition: One who speculates in business, one who engages in speculation as in bonds, stocks, and real estate. And, any judge and any court will soon decide who a speculator is.

Mr. RAINS. I will say to the gentleman that the man he has described cannot qualify for FHA loans.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. JENSEN].

The amendment was rejected.

Mr. RYAN. Mr. Chairman, I offer an amendment.

Mr. RAINS. Will the gentleman from New York yield so that I may inquire of the distinguished gentleman from California if there is any chance that we can arrive at a time when all debate will cease?

Mr. McDONOUGH. Yes. I would agree to 7:15.

Mr. RAINS. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto close at 7:15.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. RYAN: On page 99, strike out lines 17 through 24 and insert the following:

"RELOCATION PAYMENTS

"SEC. 303. (a) Section 106(f)(2) of the Housing Act of 1949 is amended by striking out the last two sentences and inserting in lieu thereof the following: 'Such payments shall be in amounts sufficient to cover such moving expenses and losses of property, and shall be made in accordance with rules and regulations prescribed by the Administrator.'

"(b)(1) The first sentence of section 106(f)(2) of such act is amended by striking out 'except goodwill or profit' and inserting in lieu thereof 'including losses and expenses described in paragraph (4).'

"(2) Section 106(f) of such act is further amended by adding at the end thereof the following new paragraph:

"'(4) In determining losses of property for purposes of paragraph (2)—

"'(A) a tenant who is displaced from the project area may include an amount equal to the difference in cost for 1 year between the rental paid for his accommodations in such area and the rental required to be paid for his accommodations at the replacement site;

"'(B) a business concern which is displaced from the project area and relocated at a replacement site may include an amount equal to its loss of profit for the first year after such relocation as determined by the Administrator; and

"'(C) a business concern which is displaced from the project area and which, after reasonable efforts, is unable to obtain a suitable replacement site within 1 year after the date it is required to vacate the project area may include an amount equal to the fair and reasonable market value of its trade or business unless it is offered a priority of opportunity to purchase or lease substitute facilities to be constructed or provided in connection with the development project.'"

Mr. RYAN. Mr. Chairman, this amendment is directed at some of the problems which have been created in the relocation of residential and commercial tenants on urban renewal sites. I believe that this is an area which also needs correction.

I believe that the urban renewal program should provide priority of opportunity for tenants to return to and relocate in the urban renewal area. I also believe that the local public agency should be required to complete the relocation of displaced individuals, families, and business concerns before turning property over to the sponsors. I hope that there will be future legislation to accomplish this.

I now turn to my pending amendment.

The amendment which I propose is one which is vital to the continued efficiency of the urban renewal process. This change in the relocation compensation requirements of title I of the 1949 Housing Act seeks to lift some of the burden of urban renewal operations off the shoulders of the ordinary citizen. Section 106(f)(2) of the 1949 act would be amended to require that relocation payments be in amounts sufficient to equitably cover the moving expenses and losses of property of both families and business concerns.

H.R. 6028 now pending before this body has recognized, in part, the hardship suffered by some small business concerns. However, its provisions do not include compensation for the full loss incurred by business enterprises; and it does not increase the allowance for moving costs for families. It does not provide for those concerns, which are stripped of all assets beyond fixtures and equipment, and for those families which incur moving expenses in excess of $200. Small business concerns on urban renewal sites which have rented or leased their accommodations are only paid for the cost of moving. Only the landowners are paid for the value of land and buildings. Payments for the losses sustained during the period leading up to the time when they must vacate their premises; the lack of income during the time required to relocate; and costs involved in the process of adjusting to new neighborhoods and in finding new customers are not allowed.

Moving costs for families have been documented as being in excess of $200 in many instances, and relocation records reveal that the majority of the displaced families experience increases in rental costs.

Data collected and analyzed by Dr. Kinnard of Connecticut University under an SBA grant indicate that many small business concerns have been adversely affected by the urban renewal operations of cities. Even before it is necessary for the small business to vacate their premises, their clientele diminishes as more and more families and individuals relocate outside of the urban renewal area. No compensation is available for this loss. Added to this loss is the lower income received while they are reestablishing their enterprises in new quarters where they are not known.

Some theorists will say that marginal operations which characterize some of these small concerns would not have a long business life under any circumstances. Be that as it may, if the business represents a man's livelihood—no one, not even a public agency operating in the public interest has the moral right to take it away without some remuneration. Fortunately, some of these small concerns have fared considerably better in the quarters to which they have relocated, but these are isolated incidences. Most of the small business enterprises found in prospective urban renewal areas were established with a minimum of capital and have been able to continue in business because they were located in low-rent commercial premises. The financial burden of increased rentals, coupled with decreased clientele has made it necessary for some of them to cease their business operations. Under these circumstances, they should not be forced to bear the full financial strain of their forced discontinuation.

It is my belief that these small business concerns should receive the following compensation:

First. The difference in rental cost for 1 year between the old premises and the new quarters;

Second. The first year's loss of profit due to relocating their operations;

Third. Compensation at a reasonable market value for a trade or business which has been unable to find suitable replacement quarters, within 1 year after displacement unless offered a priority to purchase or lease facilities in the development project.

These considerations should be granted the small business concerns affected by urban renewal operations, in addition to their receiving technical advice and personal assistance in securing

a replacement site. My particular interest is, of course, the city of New York, but the problem of small business relocation is not confined to the larger cities. The records of the Housing and Home Finance Agency reveal that 60 percent of the cities undertaking urban renewal have populations under 50,000 and 100 urban renewal projects are in process in towns of 10,000 or less.

This represents a national problem. The corner grocer, the cleaner, the barber, the druggist, the small dress shop, the little bookstore all have a contribution to make to the national economy. They are necessary to the people who buy from them and are vital sources of income for their wholesalers and the manufacturers. The fact that we have a separate Federal agency which operates in the interest of small business attests to the importance of this segment of our economy, and fortifies the traditional democratic principle of encouraging individual enterprise. The specific problems of the small business entities affected by urban renewal operations should be accorded full consideration in keeping with this principle.

Lewis Mumford, a scholar and historian, who is probably better informed on the processes of urban living than anyone in this country, made the following observation at a recent meeting of the American Institute of Architects:

> The things that give meaning to life are not included in the budget of big urban renewal projects. The great boulevards of Paris need the cafe to translate the large-scale order of movement into the intimate order of repose, conservation, and human stimulation. The off-Broadway theaters and the espresso bars have done more for the culture of the city of New York than acres of pretentious estheticism.

On a somewhat different scale, the corner grocer and the barber and the lunchroom make their contributions to the culture of particular neighborhoods. They have both a social and an economic service to render their community. One of the conclusions reached by Dr. Kinnard was that—

> When businesses do relocate successfully, an economic gain for both the community and the firm is likely to result. The problem is to keep the economically defensible firm in existence long enough to survive the relocation.

One way to assist in the survival of these firms is to make available adequate financial compensations for losses attributable to relocation. Such compensations would be available under my proposed amendment. This amendment would also reduce the financial and mental strain of the families and individuals who are forced to move from their low-rent accommodations.

Mr. LINDSAY. Mr. Chairman, will the gentleman yield?

Mr. RYAN. I yield to the gentleman from New York.

Mr. LINDSAY. The gentleman's amendment is a good one, and he should be commended for it. It is deserving of support.

Mr. RAINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have all of the aids about which the gentleman talks for small businesses in the bill. He asked about payment for goodwill, which is not practicable. The amendments have not been studied by the committee. We invited the distinguished gentleman to bring them to the committee and present us with testimony, which has not been done.

I therefore ask the Committee to vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is my understanding that the motion to recommit is going to be with instruction to substitute the bill offered earlier to continue for one year the existing housing programs with certain improvements. I urge you to vote for that motion.

The main reason is indicated by this big headline on the front page of today's Washington Daily News, entitled "J.F.K.'s No. 1 Priority: How To Alert United States to the Dangers in Berlin."

The story inside begins:

> Top priority matter on President Kennedy's agenda today was how to alert and unify the country on the danger of Berlin.
>
> "We're on collision course," said one of Mr. Kennedy's close associates, "and the United States must be told how serious the situation is."

Mr. Chairman, Mr. Khrushchev has declared war on us. He is proceeding on a course which, unless he is jarred off it or unless we are going to give in ourselves, is bound to lead to collision and war this year.

Do we dare imagine that Mr. Khrushchev is going to abandon that course unless he is convinced by actions on our part that we are dead in earnest when our President says, when the Congress says, and when other Americans say that we will never back down on Berlin?

Do we think he is going to believe we are serious about the threat of war this year, when he sees us embarking upon new programs that involve, for example, 40-year, low downpayment, long grace period loans for houses? Why do we not adopt this substitute and thereby show him that we do mean business and that nothing is going to be considered of prior importance by this Congress until he removes his threat to the freedom of West Berlin?

To continue the existing housing programs 1 year will injure no one. It will not deny anyone housing who is eligible under present standards, and certainly millions of homes have been and are being built under existing programs. To continue it as it is for the present in order to alert and unify the country on the danger that overrides everything else, will send this man in the Kremlin a message he will understand.

If we are to start any new program, it ought to be a crash program on civil defense, so we can save more of the lives of our own people. As long as he sees that we are making very little preparations to save our own lives, naturally he is encouraged to consider cutting loose with a surprise atomic attack on us, because it might kill so many and cripple us so hopelessly that we could not recover or successfully retaliate.

Someone here will charge that to vote for the substitute would mean opposition to more and better housing. No, it would mean that we are for saving our country from war and destruction. It is more important in this crisis year to have peace than to have more houses for people who may otherwise be dead, and the homes destroyed, too. To vote for the substitute would mean that we are putting first things first. And Mr. Khrushchev's threat is first.

Let us tighten our belts for a year, accept his challenge, make everything secondary to meeting his ultimatum over Berlin, and I dare predict we can help mightily to knock him off his collision course.

Mr. ALGER. Mr. Chairman, I want to join with those colleagues who wrote the minority report and those Members who have shown the fiscal irresponsibility of this housing bill.

As a former land developer, realtor, and builder, I am aware more than most that this will not help the building industry. These are the tools of destruction of private enterprise. This bill will not help people secure better homes, rather it will make them dependent upon Government and assure slum-living conditions and, in time, respectable and respectful homeownership, the backbone of American family life, will be destroyed.

I just do not believe that Members of this body can conceive that this bill will help our citizens. Basically the tremendous increase of Federal spending means necessarily an increase in taxes and/or inflation of currency through deficit financing, which in turn will further handicap and hamper private enterprise in all fields of construction which in turn will mean more business failures, more unemployment, less production; indeed, less tax revenue for the Government.

Unfortunately, the expedient, temporary help given the building industry and the lending institutions through this bill will not help permanently, but will harm permanently, both our citizens and the building industry itself.

The increase of urban renewal by over $2 billion increases the danger of the taking over of property under the power of eminent domain "for spiritual and aesthetic reasons" as decreed by the Supreme Court decision.

This is a frontal attack on the right to own private property wherein further subsidies will destroy human character and dignity, and create slums of the future.

The aid for community facilities is redundant to the same aid in other programs and transgresses again the prerogatives of local governments.

Back-door spending of $8.8 billion further transfers Government control into the hands of the executive and prevents Congress from exercising constitutional prerogatives, as the watchdogs of the purse strings.

Finally, the open space and land development title of the bill, title VII, allows the Federal Government to control the future development of land around urban areas and be a roadblock to private entrepreneurs, whose development efforts necessarily must flourish in order to fill the need for new housing, school, and marketing facilities.

I can only assume that those colleagues and those in the administration who insist on the passage of this bill are misinformed and misunderstand the building industry and, indeed, the entire nature of free and private enterprise.

It is my earnest hope that this bill will be defeated and replaced by a more sensible version, greatly reduced in size, and without the new experimental departures, which in this bill have not even been subject to public hearings. This is a bad bill and should be defeated.

Mr. RODINO. Mr. Chairman, as a longtime supporter of progressive, enlightened housing legislation, I am proud to stand up and be counted among those favoring the passage of H.R. 6028. I believe we have before us today a legislative program which makes giant strides toward our national goal of a decent home for every American family.

Some of our learned colleagues would have us believe that this carefully drawn up housing program is excessive both in its cost and in the amount of new housing construction it will foster. Further, they claim that the demand for the improved housing conditions envisioned in this bill has fallen off. We have only to cite the 1960 Census of Housing to refute these claims. Despite the recent decade in which the American people have generally enjoyed unprecedented prosperity, in 1960 one out of every six households reside in housing that is dilapidated or lacks some or all plumbing facilities. Three million housing units are considered to be dilapidated. Yet we are told that H.R. 6028's provision authorizing the Public Housing Administration to contract for the construction of an additional 100,000 public housing units is unsound and unnecessary. Clearly the facts speak for themselves.

The census also shows another 8.4 million housing units are deteriorating because of deficiencies which need correcting if the units are to continue to provide adequate shelter. The new liberalized 20-year, limited interest home improvement loans—up to a maximum of $10,000 per family—reflect a sound solution to further threatened deterioration. It would be extravagant and foolhardy to allow 8 million housing units to slip into the status of slums through neglect. For they represent an important segment of our national investment in real estate and they will be needed to meet the housing demands of our ever-growing population.

When we talk of the costs of a proposed Government program, we must consider both sides of the issue. While it may seem to some that the administration's housing proposal has a high price tag, it is not large when you balance it against the cost of doing nothing—and in terms of returns to our national economy.

We must look at this bill in terms of what it means to the economy of the Nation at large. We are just emerging from the third postwar recession. Although there are many signs of economic resurgence, unemployment remains at a most serious level, with well over 6 percent of the labor force still without jobs. There is no economic activity which can do more to stimulate the economy than a thriving homebuilding industry. And this bill, through its multiple provisions, particularly in stimulating housing to fill the need where it is the greatest, can do much to give the economy the added impetus it now needs. When more homes become available, as we all know, not only is the demand for lumber, brick, glass, steel, and the other materials that go into a house stimulated, but also the need for all of the furnishings and appliances that go into a house.

This bill is not a threat to private business. It does not offer Government competition with private business. On the contrary by its very terms it does a great deal to uphold and foster the homebuilding industry and all of the other businesses related to it.

I do not need to go further into the detailed provisions of the bill. The goals of the bill are clear and the means toward reaching these goals are eminently reasonable and practical. This housing bill is needed by our low- and middle-income families. It is needed by the housing industry. It is important for the American economy. I therefore wish to add my voice to those who call for its speedy approval by the House.

Mr. LESINSKI. Mr. Chairman, I am glad that the chairman of the Subcommittee on Housing [Mr. RAINS] has submitted his amendment because it will allow the housing program to move ahead without causing such an inflation in land prices that would make it impossible to buy a $10,000 home because of the high cost of lots. It will give protection to the Government and will also protect to a greater extent the present residential homeowners who have rental units.

Being an individual who believes in feeling out my constituents about their attitudes toward legislation on various subjects, I asked a number of people in various walks of life how they felt about the housing bill under consideration. I talked with bankers, builders, labor people, officials who have had experience with FHA and GI mortgages, and various other individuals.

The banker's reaction was, naturally, conservative, as he felt 40 years was too long to be paying on a home because the homeowner would be paying over 2½ times the cost of his home, especially at today's high interest rates. He was concerned especially about a no-downpayment provision.

The investor in the insurance business felt that there was need for a 40-year term to help the lower income group purchase thier own homes, but there should be some kind of downpayment so as to discourage those who would not be capable of maintaining their homes and to prevent the development of slum areas in those new subdivisions which would be built with this type of mortgage.

I made a special point of asking whether or not he felt a 40-year mortgage would tie up an excessive amount of money so that other businesses could not borrow. His feeling was that there would be some adverse effect immediately, but in the long run it would not be too severe.

A conservative Republican made the statement that a 40-year loan was very good because it would encourage homeownership, which is our intent in America, and do away with public housing. He insisted upon a downpayment and said it should be at least 10 percent, which seems excessive to me.

In talking to mortgagors, I found they are all for a no-downpayment 40-year mortgage. Of course, their business is to make mortgages and the more mortgages they handle for a longer period of time, the more money they make, especially if these are Government guaranteed.

Labor representatives are all for the bill, because they feel it will spur employment, which I can understand and am for, and also promote homeownership.

Most of the individuals with whom I spoke felt it would be outrageous, first of all, to have to pay the high interest rates today, and they would be prone not to buy because it is foolish to pay today's high interest on a 40-year basis and thereby pay 2½ times the actual cost of the house. They were concerned that a no-downpayment provision would tend to lure irresponsible people into purchasing homes which would deteriorate into slums for lack of care and attention.

In speaking with people who have had experience with GI loans in the Detroit area, I find that they are opposed to the no-downpayment provision and have some doubts about the wisdom of a 40-year mortgage. The experience has been that when times are good, there is no problem. But when there is a recession, a veteran who bought a home with no downpayment and a 30-year mortgage, upon trying to sell his house, finds that he has no equity, nothing to fall back on. It is felt the situation would be worse under a no-downpayment, 40-year mortgage. I understand that as of the present time the Veterans' Administration has been breaking about even on its repossessions, but that the trend is starting in the direction of losing money.

In Michigan, there is a 12-month redemption period after foreclosure; but actually a veteran can live in the house from 18 to 20 months before he has to leave. In the meantime, the Government has to pay taxes on the property and then when foreclosure is final, has to spend $300 to $400, or even more in current repossessions, to make necessary repairs before putting it on the market for resale.

While not true in all cases, the feeling generally is that people who purchase a home with no downpayment, having no equity in it, really have no incentive to maintain or retain the house during adverse times.

There is another problem that might be aggravated by a too rapidly expanded housing program. In the metropolitan

Detroit area today, as is true in other sections of the country, the rapid expansion of population has created a huge demand on the water and sanitary systems in those areas. In the State of Michigan today there is a ban on new home construction in certain areas because of lack of sewage facilities. So that the 40-year program to accelerate the construction of new homes will only aggravate the situation. In this bill provision is made for construction of sewage and water facilities which is needed today.

It appears, therefore, to be the consensus that with respect to the housing program, there should be a downpayment requirement so that the individual will have an equity and an interest in the house for his own benefit, and the Government which is guaranteeing the loan will not be forced to take a loss if required to repossess and resell the house.

In view of the foregoing, I am very happy to have supported the amendment offered by the gentleman from Alabama [Mr. RAINS].

Mr. DADDARIO. Mr. Chairman, those of us who live in the rapidly growing complex of cities on the eastern seaboard are fully aware of the way in which housing and development are moving inexorably over the land. This decade is faced with a dramatic challenge to uphold the ideals of conservation and preservation that America has established.

Our metropolis on the east coast, running from Portland, Maine, to Norfolk, Va., is not unique. The lady from Michigan has noted her concern, and the west coast as well has felt the impact of growing populations. It has been true of this Nation from the start that America moves on, to consume land as it moves.

We need to recognize the importance of setting aside and protecting open spaces. In my home city of Hartford, we have a park system that is one of the finest in the Nation, but as our buildings grow and the population increases, we need to emphasize the necessity to set aside open space land in and around urban areas for social, recreational, and economic purposes.

This housing legislation offers a chance to start in such an effort. It would point up congressional interest in seeing that communities plan to hold scenic areas within reach of the many millions who live in our urban communities today. It would encourage municipal and local authorities to make even more vigorous efforts to save some breathing space for their people.

My home community of Hartford has one of the oldest and most respected park and recreation systems in the country. With the growing population in the metropolitan area, this system has been developed intensively to provide athletics and recreation for all.

There is, however, persistent pressure on these parks for further development which tends to erode the heavily wooded character of those parks which have succeeded in retaining that beauty. As they stand today, however, providing large park areas within walking distance of more than 70 percent of the population, they have been a mighty bulwark in stabilizing land values, in relieving our city of a sense of crowding that is too often noticeable in urban centers, and in retarding neighborhood blight and decay.

I do not say that the Hartford system is perfect, but I believe it offers much that would be desirable for all cities. And we must encourage our city planners and especially our fiscal planners to seek ways to preserve open space and beauty as housing development continues.

The real question is one of incentive and a recognition of the importance of the problem. That is what the clause in this housing bill would accomplish and I urge the House to favor it as a means of conservation of natural beauty in the American land.

Mr. DONOHUE. Mr. Chairman, I most earnestly hope this House, without extended delay, will approve this housing bill of 1961, H.R. 6028, designed to assist in the provision of housing for moderate and low income families, to promote orderly urban development, to extend and amend existing laws relating to housing, urban renewal, community facilities and other purposes.

As one who has, in patriotic concern and consistency, supported an adequate housing program for the American people over the past 14 years here, I sincerely believe the measure now before us contains the most comprehensive and most commonsense program in my experience. Its embracement of a 4-year period is a sensible and practical attempt to rescue us from the emergency housing legislation phases that have confronted us in the past.

The various sections and provisions of this bill have been clearly and specifically spelled out in detail by proponents and opponents and there is no need for repetition now. With but one or two innovations all the basic provisions of this measure have been passed, in one form or another, by this House before. It is strongly supported by the industries involved, civic officials, most housing authorities, the majority of economic experts and the President himself.

The testimony and the statistics revealed here demonstrate beyond reasonable doubt that there is a vital and imperative need for more housing in this country; the evidence further shows, and clearly, that the impetus that will be provided to the construction and related industries will encouragingly accelerate our advancing economic recovery and further reduce the unfortunately great number of American workers still unemployed.

Despite the hesitation of some sincere and conscientious questions here there can be no doubt, on the record, of the essential national benefit already derived from our previous programs of urban renewal and slum clearance, college housing, housing for the elderly, community facilities, farm housing, FHA mortgage insuring authority extensions, and related activities. I submit it is unhappily too seldom that we have such a realistic record of actual performance and experience upon which to base our continuing legislative judgment in promotion of the general welfare.

Mr. Chairman, I most earnestly feel that most, if not all, of us agree that our basic ingredient for eventual success over the sustained Communist challenge is the promotion and maintenance of a high morale among the American people. I personally cannot think of any one factor more pertinently important to such promotion and maintenance than the encouragement of homeownership and wholesome living accommodations for American families. Let us not be in the position of today denying essential needs to the American taxpayers and tomorrow asking these same people to contribute untold millions to the rehabilitation and welfare of strangers in foreign lands. Let us approve this measure in the national interest and get on to our further important work.

Mrs. GRANAHAN. Mr. Chairman, I am pleased to see some straightforward attention in this new housing bill to the problems of small businesses forced to relocate because of urban renewal projects. In the housing bill debate in the last Congress, I raised the question about more equitable relocation payments, and attempted to put through an amendment which would have permitted the payment of good will where justified.

While I could not get the chairman of the Housing Subcommittee, or the House, to go along with me on that amendment, at least I did receive a pledge that the Housing Subcommittee would go into this whole matter of small business hardship resulting from urban renewal dislocations, and I am now glad to see some concrete results in this bill. Of course, it is not all that I would want, but it is a good forward step.

I can understand the difficulties of establishing goodwill determinations; nevertheless, I hope to see that problem worked out in a satisfactory manner. When a man has invested a lifetime in a small business in a particular neighborhood, and suddenly is forced to close up his business and move to another location, he is paying a tremendously high price—out of proportion—for the community improvement program. For he is losing his established business in an established neighborhood, and is starting out all over again in strange surroundings, with his old customers perhaps dispersed to the four winds.

We have had a problem of that kind in the huge Eastwick project in Philadelphia, in my district. Established businesses built up over the years—family businesses—are forced to relocate. Under present law, they receive their moving expenses up to a maximum of $3,000, and that is all. If they rent present quarters, they receive nothing further. If they own the building, they receive the fair value as determined under the law, but it is seldom comparable to what they would then have to pay for similar accommodations in other established neighborhoods.

Consequently, this bill will be very helpful in such situations. The $3,000 top limitation on moving expenses is repealed, and those businesses with heavy

machinery and equipment will be able to collect their actual certified moving costs.

In addition, and far more important to most firms affected, is the provision in this bill which would make them eligible for very low interest small business loans under the same terms now available to a small business affected by a catastrophe. For many of our long-established small businesses dislocated by urban renewal, it is a catastrophe. This bill now recognizes that fact.

Such loans may be made for periods not exceeding 20 years and for interest rates not exceeding 3 percent per year. If a participation loan is worked out with private banks or other lending institutions acting jointly with the Small Business Administration, then the interest ceiling of 3 percent applies only to the Government's share of the loan.

I am happy to know that my efforts in the previous Congress to get help for the small businessmen affected by urban renewal have now brought us a long step forward toward justice and equity for these firms. And I thank the Housing Subcommittee for holding to its promise to me to go into this issue as it has.

Mr. ELLIOTT. Mr. Chairman, as one who has supported the farm housing program since its inception in 1949, I am pleased to rise in support of the farm housing provisions of the Housing Act of 1961.

The underlying philosophy that supports this legislation is that rural families need and deserve decent, safe, and sanitary housing as much as city families do. The various housing programs that have done so much to improve living conditions in cities are not generally adapted to rural needs. President Kennedy recognized this problem when he said that "almost a fifth of the occupied houses in the rural areas of America are so dilapidated that they must be replaced. Hundreds of thousands of other rural homes are far below the level of comfort and convenience considered adequate in our Nation."

The concept of the farm housing program is simple. Loans are made by the Farmers Home Administration for the construction and repair of farm homes and other essential farm buildings to families who need better housing and who are unable to obtain the necessary financing from conventional sources. The new bill also provides for a grant to be used in research to develop lower cost rural housing and for loan insurance to back loans made by nongovernment lenders.

The loans for farm service buildings, such as poultry and dairy buildings, help to place the borrower's farm on a sound operational basis. Thus, farmers will be able to keep pace with the changing requirements of agriculture such as meeting grade A milk market regulations, and to change from the production of commodities which are in surplus to those which are in lively demand.

Under the provisions of this bill, all rural residents—not necessarily farmers—who do not have access to the financial assistance provided through other housing programs, will be able to qualify for farm housing loans. This will be a great boon to families who live in the country but make their living in towns and have previously been bypassed by other types of housing programs. They, along with the others eligible for loans, will no longer be required to give a mortgage on their farms, a provision which has unnecessarily slowed the pace and increased the expense of obtaining a farmhouse improvement loan in the past.

As for the contribution that the farm housing loan program can make to the development of rural areas, I can think of no single measure that will be more useful. The construction and repair of farmhouses not only raises the standard of living of the families concerned but provides employment for plumbers, electricians, carpenters, and masons as well as it stimulates the contracting, building supply, and household furnishing businesses in nearby communities.

In Alabama, as of December 31, 1960, 2,593 loans totaling $17,405,328 had been made, of which $3,500,000 were made in the district I have the privilege to represent in the Congress. One-fifth of these loans have already been repaid, while those still in debt are meeting their installments even faster than the rate requires. At present, 533 loan applications from my State are pending—almost twice as many as were pending just 1 year ago.

The present authority for making farm housing loans expires on June 30. The Housing Act of 1961 would extend the program for 4 years. This bill would also enable the Farmers Home Administration to lend funds which the Congress had previously made available for this purpose but which a short-sighted policy of the previous administration had withheld from the farmers who are so desperately in need of this service.

The farm housing program has proven itself to be sound throughout the country as well as in Alabama. The need for these loans is clear, and I strongly recommend the continuation and improvement of this service to farmers as provided in H.R. 6028, the Housing Act of 1961.

Mr. DURNO. Mr. Chairman, I live in an area of this great country that is quite unlike that of the remainder of my colleagues. I come from a land that furnishes the raw material for homes. Our economy, our prosperity, and our future is inseparably linked with housing, with the orderly construction of homes and with the production of other finished products of the wood processing industry.

My State of Oregon has the largest stands of virgin timber left in this country. Two-thirds of that timber is in the Federal reservoir of the national forests. My congressional district alone manufactures 75 percent of the plywood produced in the United States. Of the 8 communities of the Fourth District of Oregon, ranging in population from 5,000 to 50,000, there has been in the past 12 to 18 months 10 to 20 percent of unemployment in our labor force. I have seen hunger, poverty, and distress. We have lived in a truly depressed area.

The interests of my district require that I vote for a housing bill. I would like to vote for a bill that would not compromise my sanity, my business judgment, and jeopardize the financial solvency of my country. My desire to vote for a legitimate bill prompts the writing of these thoughts. I can see little difference between reaching down in one's trouser pocket and paying for something or going to the bank and borrowing it on your reputation. In either event you are going to have to pay for what you want to spend. I can see very little incentive for a man to own his home when it is going to cost him two and one-half times what he thinks it will and at the end of 10 years have an equity of less than $400 in that home. In my opinion, there will be few castles created. Rather we will be moving the slums into modern suburbia for their future demolition. It is indeed alarming to know that the American taxpayer is going to be called upon to pay in subsidizing public housing rental units $120 a year for 40 years. When one takes into consideration the additional feature of $2 billion for urban renewal it is easy to arrive at a figure which is fantastic and which we would load on to our children and our children's children. They undoubtedly will have problems of their own and it is totally unfair, in my opinion, for us to create and leave this legacy to them.

Another fantastic creation is this purchase of the great outdoors in our urban areas. The Federal Government has no business in the real estate market. Far better would be the solution if the creation of parks and public lands were made a part of the program from the local level and made mandatory to real estate speculators in subdivision projects. Finally, in the face of the tense international situation of today we have no business in legislating for future Congresses.

That is not all. We are about to raise the debt limit $13 billion. We are soon to have before us three educational bills involving additional billions. We will have the omnibus farm proposal, the cost of which can only be speculative. Finally, we are going to be asked to appropriate moneys for mutual security and economic aid to more than 70 nations. That, Mr. Chairman, and Members of the Congress, is the reason that I am frightened, frightened about the future of my country.

I have voted for a housing bill of 1 year's duration which would do the same thing H.R. 6028 would do. At this time we should reevaluate the problem which confronts us. I have voted for the many amendments which would take some of the financial sting out of the monstrous bill that undoubtedly will pass on the floor of this House today. I have voted for a recommittal of H.R. 6028 to the committee for a restudy in the hopes that they might come up with a more conservative plan which would be acceptable to this body. If all of these things that I have voted for fail in their designed purpose then I shall finally vote

for the passage of this bill because I feel that the people of my district and my State must have relief from the present doldrums which exist in our lumber industry. It is with deep regret that I have to do this. I can only hope that the Congress, in its infinite wisdom, will see fit to provide tax moneys to pay for the extravaganza we are creating today.

The CHAIRMAN. All time has expired.

The question is on the committee amendment as amended.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. BOGGS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 6028) to assist in the provision of housing for moderate- and low-income families, to promote orderly urban development, to extend and amend laws relating to housing, urban renewal, and community facilities, and for other purposes, pursuant to House Resolution 350, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. McDONOUGH. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. The Chair assumes the gentleman is opposed to the bill?

Mr. McDONOUGH. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. McDONOUGH moves to recommit the bill H.R. 6028 to the Committee on Banking and Currency with instructions to report the same back to the House forthwith with the following amendment: Strike out all after the enacting clause and insert the following: "That this Act may be cited as the 'Housing Act of 1961'.

"FHA INSURANCE PROGRAMS

"SEC. 2. (a) Section 2(a) of the National Housing Act is amended by striking out in the first sentence '1961' and inserting in lieu thereof '1962'.

"(b) Section 203(a) of such Act is amended by striking out the colon and all that follows the colon and inserting in lieu thereof a period.

"(c) Section 217 of such Act is amended—

"(1) by striking out 'all mortgages which may be insured' and inserting in lieu thereof 'all mortgages and loans which may be insured';

"(2) by striking out 'shall not exceed' and the remainder of the first paragraph and inserting in lieu thereof the following: 'after October 1, 1962, shall not exceed the sum of (1) the outstanding principal balances as of that date of all insured mortgages and loans (as estimated by the Commissioner based on scheduled amortization payments without taking into consideration prepayments or delinquencies), and (2) the principal amount of all outstanding commitments to insure on that date:';

"(3) by inserting 'after October 1, 1962' before the period at the end of the first sentence in the third paragraph; and

"(4) by striking out 'hereafter' in the second sentence of the third paragraph and inserting in lieu thereof 'after that date'.

"(d) Section 803(a) of such Act is amended by striking out '1961' and inserting in lieu thereof '1962'.

"DIRECT LOANS FOR THE ELDERLY

"SEC. 3. Section 202(a)(4) of the Housing Act of 1959 is amended by striking out '$50,000,000' and inserting in lieu thereof '$100,000,000';

"URBAN RENEWAL CAPITAL GRANT AUTHORIZATION

"SEC. 4. Section 103(b) of the Housing Act of 1949 is amended by striking out the first sentence and inserting in lieu thereof the following: 'The Administrator may, with the approval of the President, contract to make grants under this title aggregating not to exceed $2,000,000,000. In addition to amounts authorized under the preceding sentence, there is authorized to be appropriated for the purpose of making contracts, after appropriations therefor, for grants under this title, the sum of $500,000,000; and amounts so appropriated shall remain available until expended.'

"COLLEGE HOUSING LOAN AUTHORIZATION

"SEC. 5. Section 401(d) of the Housing Act of 1950 is amended by striking out the first colon and all that follows and inserting in lieu thereof the following: ', which amount shall be increased on and after July 1, 1961, by such amounts, not exceeding $300,000,000 in the aggregate, as may be specified from time to time in appropriation Acts: *Provided*, That the amount outstanding for other educational facilities, as defined herein, shall not exceed $175,000,000, which limit shall be increased on and after July 1, 1961, by such amounts, not exceeding $30,000,000 in the aggregate, as may be specified from time to time in appropriation Acts: *Provided further*, That the amount outstanding for hospitals, referred to in clause (2) of section 404(b) of this title, shall not exceed $100,000,000, which limit shall be increased on and after July 1, 1961, by such amounts, not exceeding $30,000,000 in the aggregate, as may be specified from time to time in appropriations Acts.'

"AUTHORIZATION FOR PUBLIC FACILITY LOANS

"SEC. 6. Section 203(a) of the Housing Amendments of 1955 is amended by inserting after '$150,000,000,' the following: "which limit shall be increased by such amounts, not exceeding $50,000,000 in the aggregate, as may be specified from time to time in appropriation Acts,'.

"FARM HOUSING LOANS

"SEC. 7. Sections 511, 512, and 513 of the Housing Act of 1949 are each amended by striking out '1961' and inserting in lieu thereof '1962'.

"VOLUNTARY HOME MORTGAGE CREDIT PROGRAM

"SEC. 8. Section 610(a) of the Housing Act of 1954, is amended by striking out '1961' and inserting in lieu thereof '1962.'"

The SPEAKER. The question is on the motion to recommit.

Mr. McDONOUGH. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 197, nays 215, answered "present" 2, not voting 23, as follows:

[Roll No. 95]

YEAS—197

Abbitt	Fisher	Murray
Abernethy	Ford	Nelsen
Adair	Fountain	Norblad
Alexander	Frelinghuysen	Nygaard
Alford	Garland	O'Konski
Alger	Gary	Osmers
Andersen, Minn.	Gathings	Ostertag
	Gavin	Passman
Anderson, Ill.	Glenn	Pelly
Arends	Goodell	Pillion
Ashbrook	Goodling	Pirnie
Ashmore	Griffin	Poff
Auchincloss	Gross	Quie
Avery	Haley	Ray
Ayres	Hall	Reece
Baldwin	Halleck	Reifel
Barry	Harrison, Va.	Rhodes, Ariz.
Bass, N.H.	Harrison, Wyo.	Riehlman
Bates	Harsha	Riley
Battin	Harvey, Ind.	Rivers, S.C.
Becker	Harvey, Mich.	Robison
Beermann	Herlong	Roudebush
Belcher	Hiestand	Rousselot
Bell	Hoeven	St. George
Berry	Hoffman, Ill.	Saylor
Betts	Hoffman, Mich.	Schadeberg
Bolton	Horan	Schenck
Bow	Hull	Scherer
Bray	Jarman	Schneebeli
Bromwell	Jensen	Schweiker
Brooks, La.	Johansen	Schwengel
Broomfield	Jonas	Scott
Brown	Jones, Mo.	Scranton
Broyhill	Judd	Seely-Brown
Bruce	Keith	Short
Burleson	Kilburn	Shriver
Byrnes, Wis.	Kilgore	Sibal
Cahill	King, N.Y.	Siler
Chamberlain	Kitchin	Smith, Calif.
Chenoweth	Knox	Smith, Va.
Chiperfield	Kunkel	Springer
Church	Kyl	Stafford
Clancy	Langen	Taber
Collier	Latta	Teague, Calif.
Colmer	Lennon	Thompson, La.
Conte	Lipscomb	Thomson, Wis.
Corbett	McCulloch	Tollefson
Cramer	McDonough	Tuck
Cunningham	McIntire	Tupper
Curtin	McSween	Utt
Curtis, Mass.	McVey	Van Zandt
Curtis, Mo.	MacGregor	Wallhauser
Dague	Mahon	Weaver
Davis, James C.	Mailliard	Weis
	Martin, Mass.	Westland
Derounian	Martin, Nebr.	Whalley
Derwinski	Mathias	Wharton
Devine	May	Whitener
Dole	Meader	Whitten
Dominick	Miller, N.Y.	Widnall
Dorn	Milliken	Williams
Dowdy	Minshall	Willis
Durno	Moore	Wilson, Calif.
Dwyer	Moorehead, Ohio	Wilson, Ind.
Ellsworth		Winstead
Fenton	Morse	Younger
Findley	Mosher	

NAYS—215

Addabbo	Carey	Farbstein
Addonizio	Casey	Fascell
Albert	Chelf	Feighan
Andrews	Clark	Finnegan
Anfuso	Cohelan	Fino
Ashley	Cook	Flood
Aspinall	Cooley	Fogarty
Bailey	Corman	Frazier
Baker	Daddario	Friedel
Baring	Daniels	Fulton
Barrett	Davis, John W.	Gallagher
Bass, Tenn.	Davis, Tenn.	Garmatz
Beckworth	Dawson	Giaimo
Bennett, Fla.	Delaney	Gilbert
Blatnik	Dent	Granahan
Blitch	Denton	Gray
Boggs	Diggs	Green, Pa.
Boland	Dingell	Griffiths
Bolling	Donohue	Hagan, Ga.
Bonner	Dooley	Hagen, Calif.
Boykin	Downing	Halpern
Brademas	Doyle	Hansen
Breeding	Duiski	Harding
Brewster	Edmondson	Hardy
Brooks, Tex.	Elliott	Harris
Burke, Ky.	Everett	Hays
Burke, Mass.	Evins	Healey
Byrne, Pa.	Fallon	Hechler

Hemphill	Magnuson	Rogers, Tex.
Henderson	Marshall	Rooney
Holifield	Matthews	Rostenkowski
Holland	Miller, Clem	Roush
Holtzman	Mills	Rutherford
Huddleston	Moeller	Ryan
Ichord, Mo.	Monagan	St. Germain
Ikard, Tex.	Montoya	Santangelo
Inouye	Moorhead, Pa.	Saund
Jennings	Morgan	Selden
Joelson	Morris	Shelley
Johnson, Calif.	Morrison	Shipley
Johnson, Md.	Moss	Sikes
Johnson, Wis.	Moulder	Sisk
Jones, Ala.	Multer	Slack
Karsten	Murphy	Smith, Iowa
Karth	Natcher	Smith, Miss.
Kastenmeier	Nix	Spence
Kearns	O'Brien, Ill.	Staggers
Kee	O'Brien, N.Y.	Steed
Kelly	O'Hara, Ill.	Stephens
Keogh	O'Hara, Mich.	Stratton
Kilday	Olsen	Stubblefield
King, Calif.	O'Neill	Sullivan
King, Utah	Patman	Taylor
Kirwan	Perkins	Thomas
Kluczynski	Peterson	Thompson, N.J.
Kornegay	Pfost	Thompson, Tex.
Kowalski	Philbin	Thornberry
Landrum	Pike	Toll
Lane	Pilcher	Trimble
Lankford	Poage	Udall
Lesinski	Powell	Ullman
Libonati	Price	Vanik
Lindsay	Pucinski	Vinson
Loser	Rabaut	Walter
McCormack	Rains	Watts
McDowell	Randall	Wickersham
McFall	Reuss	Wright
McMillan	Rhodes, Pa.	Yates
Macdonald	Rivers, Alaska	Young
Machrowicz	Rodino	Zablocki
Mack	Rogers, Colo.	Zelenko
Madden	Rogers, Fla.	

ANSWERED "PRESENT"—2

Cannon	Gubser

NOT VOTING—23

Bennett, Mich.	Hébert	Roberts
Buckley	Hosmer	Roosevelt
Cederberg	Laird	Sheppard
Celler	Mason	Teague, Tex.
Coad	Merrow	Van Pelt
Flynt	Michel	
Forrester	Miller, George P.	
Grant	Norrell	
Green, Oreg.		

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Cannon for, with Mr. Buckley against.

Mr. Gubser for, with Mr. George P. Miller against.

Mr. Van Pelt for, with Mr. Sheppard against.

Mr. Laird for, with Mrs. Green of Oregon against.

Mr. Hosmer for, with Mr. Roosevelt against.

Mrs. Norrell for, with Mr. Celler against.

Mr. Michel for, with Mr. Hébert against.

Mr. Cederberg for, with Mr. Roberts against.

Mr. Mason for, with Mr. Coad against.

Until further notice:

Mr. Teague of Texas with Mr. Merrow.

Mr. Flynt with Mr. Bennett of Michigan.

Mr. CANNON. Mr. Speaker, I have a live pair with the gentleman from New York [Mr. BUCKLEY]. If he were present, he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

Mr. PASSMAN changed his vote from "nay" to "yea."

Mr. GUBSER. Mr. Speaker, I have a live pair with the gentleman from California [Mr. GEORGE P. MILLER]. If he were present, he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on passage of the bill.

Mr. RAINS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 235, nays 178, answered "present" 2, not voting 22, as follows:

[Roll No. 96]

YEAS—235

Addabbo	Green, Pa.	Norblad
Addonizio	Griffiths	O'Brien, Ill.
Albert	Hagan, Ga.	O'Brien, N.Y.
Alexander	Hagen, Calif.	O'Hara, Ill.
Andrews	Halpern	O'Hara, Mich.
Anfuso	Hansen	O'Konski
Ashley	Harding	Olsen
Aspinall	Hardy	O'Neill
Bailey	Harris	Patman
Baker	Harsha	Perkins
Baring	Hays	Peterson
Barrett	Healey	Pfost
Barry	Hechler	Philbin
Bass, Tenn.	Hemphill	Pike
Beckworth	Henderson	Pilcher
Bennett, Fla.	Holifield	Poage
Blatnik	Holland	Powell
Blitch	Holtzman	Price
Boggs	Huddleston	Pucinski
Boland	Ichord, Mo.	Rabaut
Bolling	Ikard, Tex.	Rains
Bonner	Inouye	Randall
Boykin	Jarman	Reuss
Brademas	Jennings	Rhodes, Pa.
Brewster	Joelson	Riehlman
Brooks, Tex.	Johnson, Calif.	Rivers, Alaska
Burke, Ky.	Johnson, Md.	Rodino
Burke, Mass.	Johnson, Wis.	Rogers, Colo.
Byrne, Pa.	Jones, Ala.	Rooney
Cahill	Karsten	Rostenkowski
Carey	Karth	Roush
Chelf	Kastenmeier	Rutherford
Clark	Kearns	Ryan
Cohelan	Kee	St. Germain
Cook	Kelly	Santangelo
Cooley	Keogh	Saund
Corbett	Kilday	Saylor
Corman	King, Calif.	Scranton
Curtis, Mass.	King, Utah	Seely-Brown
Daddario	Kirwan	Selden
Daniels	Kluczynski	Shelley
Davis, John W.	Kornegay	Shipley
Davis, Tenn.	Kowalski	Sikes
Dawson	Landrum	Sisk
Delaney	Lane	Slack
Dent	Lankford	Smith, Iowa
Denton	Lennon	Smith, Miss.
Diggs	Lesinski	Spence
Dingell	Libonati	Staggers
Donohue	Lindsay	Steed
Dooley	Loser	Stephens
Downing	McCormack	Stratton
Doyle	McDowell	Stubblefield
Dulski	McFall	Sullivan
Durno	Macdonald	Taylor
Dwyer	Machrowicz	Thomas
Edmondson	Mack	Thompson, La.
Elliott	Madden	Thompson, N.J.
Ellsworth	Magnuson	Thompson, Tex.
Everett	Marshall	Thornberry
Evins	Matthews	Toll
Fallon	Miller, Clem	Trimble
Farbstein	Mills	Udall,
Fascell	Moeller	Morris K.
Feighan	Monagan	Ullman
Finnegan	Montoya	Vanik
Fino	Moore	Van Zandt
Flood	Moorehead,	Vinson
Fogarty	Ohio	Wallhauser
Fountain	Moorhead, Pa.	Walter
Frazier	Morgan	Watts
Friedel	Morris	Whitener
Fulton	Morrison	Wickersham
Gallagher	Moss	Willis
Garmatz	Moulder	Wright
Giaimo	Multer	Yates
Gilbert	Murphy	Young
Granahan	Natcher	Zablocki
Gray	Nix	Zelenko

NAYS—178

Abbitt	Auchincloss	Berry
Abernethy	Avery	Betts
Adair	Ayres	Bolton
Alford	Baldwin	Bow
Alger	Bass, N.H.	Bray
Andersen, Minn.	Bates	Breeding
	Battin	Bromwell
Anderson, Ill.	Becker	Brooks, La.
Arends	Beermann	Broomfield
Ashbrook	Belcher	Brown
Ashmore	Bell	Broyhill
Bruce	Hoeven	Poff
Burleson	Hoffman, Ill.	Quie
Byrnes, Wis.	Hoffman, Mich.	Ray
Casey	Horan	Reece
Chamberlain	Hull	Reifel
Chenoweth	Jensen	Rhodes, Ariz.
Chiperfield	Johansen	Riley
Church	Jonas	Rivers, S.C.
Clancy	Jones, Mo.	Robison
Collier	Judd	Rogers, Fla.
Colmer	Keith	Rogers, Tex.
Conte	Kilburn	Roudebush
Cramer	Kilgore	Rousselot
Cunningham	King, N.Y.	St. George
Curtin	Kitchin	Schadeberg
Curtis, Mo.	Knox	Schenck
Dague	Kunkle	Scherer
Davis, James C.	Kyl	Schneebeli
	Langen	Schweiker
Derounian	Latta	Schwengel
Derwinski	Lipscomb	Scott
Devine	McCulloch	Short
Dole	McDonough	Shriver
Dominick	McIntire	Sibal
Dorn	McMillan	Siler
Dowdy	McSween	Smith, Calif.
Fenton	McVey	Smith, Va.
Findley	MacGregor	Springer
Fisher	Mahon	Stafford
Ford	Mailliard	Taber
Frelinghuysen	Martin, Mass.	Teague, Calif.
Garland	Martin, Nebr.	Teague, Tex.
Gary	Mathias	Thomson, Wis.
Gathings	May	Tollefson
Gavin	Meader	Tuck
Glenn	Miller, N.Y.	Tupper
Goodell	Millikin	Utt
Goodling	Minshall	Weaver
Griffin	Morse	Weis
Gross	Mosher	Westland
Haley	Murray	Whalley
Hall	Nelsen	Wharton
Halleck	Nygaard	Whitten
Harrison, Va.	Osmers	Widnall
Harrison, Wyo.	Ostertag	Williams
Harvey, Ind.	Passman	Wilson, Calif.
Harvey, Mich.	Pelly	Wilson, Ind.
Herlong	Pillion	Winstead
Hiestand	Pirnie	Younger

PRESENT—2

Cannon	Gubser

NOT VOTING—22

Bennett, Mich.	Green, Oreg.	Miller, George P.
Buckley	Hébert	Norrell
Cederberg	Hosmer	Roberts
Celler	Laird	Roosevelt
Coad	Mason	Sheppard
Flynt	Merrow	Van Pelt
Forrester	Michel	
Grant		

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Buckley for, with Mr. Cannon against.

Mr. George P. Miller for, with Mr. Gubser against.

Mr. Sheppard for, with Mr. Van Pelt against.

Mrs. Green of Oregon for, with Mr. Laird against.

Mr. Roosevelt for, with Mr. Hosmer against.

Mr. Celler for, with Mrs. Norrell against.

Mr. Hébert for, with Mr. Michel against.

Mr. Merrow for, with Mr. Cederberg against.

Mr. Roberts for, with Mr. Mason against.

Until further notice:

Mr. Coad with Mr. Bennett of Michigan.

Mr. CANNON. Mr. Speaker, I have a pair with the gentleman from New York [Mr. BUCKLEY]. If he had been present he would have voted "yea." I withdraw my vote of "nay" and vote "present."

Mr. GUBSER. Mr. Speaker, I have a live pair with my colleague from California [Mr. GEORGE P. MILLER]. Had he been present he would have voted "yea." I withdraw my vote of "nay" and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. RAINS. Mr. Speaker, pursuant to the rule, I call up S. 1922 and move to strike out all after the enacting clause of said Senate bill and to insert in lieu thereof the provisions contained in H.R. 6028 as passed by the House.

The Clerk read the title of the Senate bill.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Strike out all after the enacting clause of S. 1922 and insert in lieu thereof the provisions of H.R. 6028 as passed by the House.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed.

A similar House bill (H.R. 6028) was laid on the table.

A motion to reconsider was laid on the table.

Mr. RAINS. Mr. Speaker, I move that the House insist on its amendment to the Senate bill and request a conference with the Senate.

The motion was agreed to, and the Speaker appointed the following conferees: Messrs. SPENCE, PATMAN, RAINS, MULTER, KILBURN, MCDONOUGH, and WIDNALL.

GENERAL LEAVE TO EXTEND

Mr. RAINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

WE MUST MOVE TO PROTECT CONSUMERS AGAINST SKYROCKETING NATURAL GAS RATES

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. HECHLER], is recognized for 30 minutes.

Mr. HECHLER. Mr. Speaker, we must take action to protect the consumers of this Nation against skyrocketing natural gas rates.

In my State of West Virginia, we produce more natural gas than we consume. However, because of the need of transporting gas over long distances—particularly from the southwest to the northeastern seaboard—and the "zone formula" used by the Federal Power Commission in fixing rates, West Virginians have been among the many victims of the inflationary temporary-increase spiral. This has been true even though, from a strict standpoint of supply and demand, we ought to be in pretty good shape under the current practices and procedures and workings of the economic system.

Under the present law, rate increases may be suspended by the Federal Power Commission for up to 5 months. I submit that this is too short a period, and it is highly unrealistic under present-day circumstances. It works a hardship on all those involved in gas production and consumption except the transmission companies.

This 5-month provision of the law is simply an invitation to the pipeline operators to seek exorbitant rate increases, and before the cases are decided or are dragged out through the courts, to ask for more and more increases and to collect the extra money from the consumers while these cases are pending. Because of the tremendous case backlog which has piled up on the FPC's docket in the past few years, it will take many more years before a majority of these pending cases will be finally resolved. And while these cases are pending, consumers and distributors are paying through the nose.

Unless some sharp changes are made in the current situation, the big natural gas producers and transmitters are going to grow fatter and fatter at the expenses of the consumer and distributor.

When it takes months and years for the Federal Power Commission to get down to action on these rate increase applications, often followed by lengthy court tests, the pipeline operators are during this delay period collecting at the requested higher rate from the consumer. Suppose the FPC or the courts disallow the increase; then the overcharged amounts collected must be returned to the consumer plus 7 percent interest. This may sound fair, but 7 percent is a very mild rate of interest for the pipeline companies to pay when you consider that the normal return on equity capital is 10 or 11 percent. So it is easy to see that even if a rate increase petition is disallowed, the pipeline operator is making a clear profit of 3 or 4 percent on the transaction. Thus he is making a neat return through the use of cumbersome delaying tactics of the rate increase procedure.

If his petition is disallowed, he makes 3 or 4 percent in the clear. But think how much more gravy he can wipe up in equity capital if the rate increase is approved. All the time, mind you, he can forcibly borrow these funds from the consumer and invest them as he pleases in plant expansion or anything you please. The hapless consumer provides a constant source of capital like a captive bank.

For a number of years the gas pipeline companies of America have enjoyed a "dream" situation. It seems to me it is high time this "pipedream" is shattered.

It is high time we give more consideration to the consumer, who has for too long been the forgotten man in the long-drawn-out battles over natural gas rate increases. In effect, the taxpayers of the Nation through decisions of the Federal Power Commission have been subsidizing holders of common stock in the natural gas transmission companies.

Now what is the solution? Of course we will have to take steps administratively to cut down the huge backlog of cases and to develop a formula to arrive at quicker devisions on rate applications before the Federal Power Commission. I am not one who feels this is simply a matter of spending more money to add more staff. I think it is important to sweep out all the minor cases which now clutter the desks of the FPC. In other words, we should free small producers from regulations.

But I believe it is important to establish in the statute itself the time-honored principle that once a decision has been made, it ought to stand until a possible change in conditions may demonstrate that the decision is unfair or should be revised. Stated another way, I firmly believe that the pipeline companies should not be allowed to collect any money from consumers, until the FPC has ruled that the proposed rate is sound and justifiable.

Mr. Speaker, I believe we have reached a crisis in skyrocketing natural gas rates, and pyramiding and delayed rate increase cases, which demand sharp and decisive action.

NATIONAL SAFE BOATING WEEK

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. CHAMBERLAIN] is recognized for 30 minutes.

Mr. CHAMBERLAIN. Mr. Speaker, once again the nationwide observance of National Safe Boating Week will take place during the week of July 4. Last year I presented a comprehensive report to my colleagues in the House—a review of the responsibilities and efforts of the Federal Government in the promotion of boating safety. This report was printed in the CONGRESSIONAL RECORD of June 23, 1960. This year I will review the activities and further developments that have taken place since that time.

Pursuant to Public Law 85–911, which I sponsored during the 85th Congress, the President of the United States, on March 4 of this year, signed the following proclamation:

Whereas increasing numbers of our citizens are participating in boating for health and relaxation; and

Whereas this increase in recreational boating has greatly increased the use of our waterways and has intensified the need for close adherence to accepted safe boating practices to prevent needless loss of life and damage to property; and

Whereas continued cooperation among persons and organizations interested in boating is necessary to maintain our steady progress toward the ultimate goal of courteous and safe boating throughout the year; and

Whereas in recognition of the importance of safe boating practices, the Congress, by a joint resolution approved June 4, 1958 (72 Stat. 179), has requested the President to proclaim annually the week that includes July 4 as National Safe Boating Week:

Now, therefore, I, John F. Kennedy, President of the United States of America, do hereby designate the week beginning July 2, 1961, as National Safe Boating Week; and I urge all persons and organizations interested in recreational boating, and the boating industry, Government agencies, and other groups, to observe National Safe Boating Week.

I also invite the Governors of the States, the Commonwealth of Puerto Rico, and other areas subject to the jurisdiction of the United States to join in this observance in an effort to make this year the safest in the history of recreational boating.

In witness whereof, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

Done at the City of Washington this 4th day of March in the year of our Lord 1961, and of the Independence of the United States of America the 185th.

JOHN F. KENNEDY.

FEDERAL BOATING ACT OF 1958

The Federal Boating Act of 1958, 46 United States Code 527, provides for a standardized system for the numbering and identification of undocumented vessels—including pleasure boats of 10 horsepower and above—and for participation in this program by the several States. Since the effective date of this legislation, April 1, 1960, 39 States have enacted into law numbering systems which have been approved by the Commandant, U.S. Coast Guard, as meeting the standards set forth in this act.

As I reported to you last year, the numbering provisions of the Federal Boating Act were not made applicable to the Commonwealth of Puerto Rico, the Virgin Islands, and Guam, and I recommended that these areas should be incorporated into the act by early congressional action. It is my pleasure to advise that legislation to accomplish this purpose has been introduced and as of this date has been passed in the Senate and early action is indicated in the House.

Another most important facet of the Federal Boating Act is the specific directive to the Coast Guard that it shall compile, analyze and publish information obtained from the accident reports which that law made mandatory. The reporting of boating accidents became compulsory on March 10, 1959. Since that time the Coast Guard has published three statistical reports. The first report covered the period of March 10, 1959, to December 31, 1959. The second report covered the period January 1, 1960, to June 30, 1960. To be of real value to the Members of Congress and the boating public, the Coast Guard realized that such a report would be more meaningful based on a calendar year rather than a fiscal year basis. To that end, on May 1 of this year the third report was published, which includes all the data gathered during the calendar year 1960. I understand every Member of Congress has received a copy of this report and I should like to call your attention to several pertinent portions thereof.

In 1960, the Coast Guard and those States with approved numbering systems had numbered 2,450,484 boats, of which my own State of Michigan numbered 343,968. Of these nearly 2½ million boats, 3,785 were involved in reportable accidents resulting in 819 fatalities, 929 personal injuries incapacitating the victim for more than 72 hours, and $3,192,000 in property damage. It is sad to note that by far the greatest number of lives were lost due to capsizing, a total of 332.

As would be expected, boating accidents occur in direct proportion to the activity. That is, the summer months account for the greatest number of boating accidents. In 1960 the months of June, July, and August, with the addition of Labor Day weekend in September, accounted for 41 percent of the reported accidents. Similarly, the time of day during which most accidents occurred was the middle of the afternoon.

COAST GUARD EDUCATION PROGRAM

What is being done to halt this national tragedy? The Commandant of the Coast Guard, Adm. A. C. Richmond, recently stated:

Safety afloat is a combination of education, commonsense, and courtesy. The Coast Guard and the Coast Guard Auxiliary endeavor to assist boat owners and operators by recommending safe boating practices and sponsoring educational materials and classes. The remaining safety elements of commonsense and courtesy must be supplied by you—the boating public. Only with your help can we make our partnership in boating safety a success. Help us to halt the growing record of needless death and injury.

The educational program by the Coast Guard in the field of boating safety continues to receive major emphasis at all levels of command. During the year 1960 the Coast Guard developed and produced two educational films for use by boating groups. The first, "Coast Guard Auxiliary," presents the story of the auxiliary, its mission, origin, history, organization, functions, and accomplishments, with emphasis on current and projected activities in the field of promotion of boating safety. The second, "Search and Rescue—Pleasure Craft," reveals the existence and explains the operation of the search and rescue network as it applies to surface craft, especially pleasure boats. It details specifically the proper procedure to be followed by vessels in distress in obtaining search and rescue assistance. In 1961, the Coast Guard expects to release two additional films on safe boating. One, "Boating Safety—A," provides information regarding proper utilization of safety equipment aboard pleasure craft such as various types of life preservers, fire extinguishers, communications, flame arrestors and ventilators, electrical circuits, and batteries. It demonstrates the "how" as well as the "what" of safety equipment. The other, "Boating Safety—B," covers additional safety subjects. These two films will provide sound training for the novice boat operator and his passengers to meet emergencies when they occur.

These films, together with several others covering boating safety, are available for public showing upon application to the Commandant or any of the Coast Guard district commanders.

A guide manual for the beginning boatman entitled "Recreational Boating Guide" was published last year and went on sale at 40 cents a copy through the Government Printing Office. The initial printing of this publication was 57,500 copies. These copies were all sold by the end of the year 1960 and a new issue has just recently become available, 25,500 copies of the new issue have already been sold, and of the 30,000 on hand the Government Printing Office expects they will be sold in 3 months. All Members of the Congress were furnished copies of this guide by the Coast Guard. The contents of the guide include: Numbering your boat; minimum equipment requirements; other recommended equipment; responsibilities when operating; aids to navigation; hints on safety afloat; under sail; paddle and oars; emergency procedures; and Coast Guard Auxiliary. As appendixes to the guide are the Federal Boating Act of 1958; act of April 25, 1940, Motorboat Act; Coast Guard district offices, Rescue Coordination Center telephone numbers, and marine inspection offices; maps of the United States showing Coast Guard district boundaries; and Government publications of interest to the boatman.

In addition to the foregoing, the Coast Guard published pamphlets and booklets setting forth various requirements and information for the guidance of the boating public. During the fiscal year 1961, the Coast Guard published and distributed the following:

Title:	*Number of copies*
Pleasure Craft	1,500,000
Rules and Regulations for Uninspected Vessels	25,000
Rules and Regulations for the Numbering of Undocumented Vessels and the Reporting of Boating Accidents	100,000
Rules and Regulations for Small Passenger Vessels	20,000
Rules of the Road (International, Inland)	150,000
Rules of the Road (Great Lakes)	25,000
Rules of the Road (Western Rivers)	10,000
Pleasure Boat Safety, 1961	200,000

I should like to call your attention to a monthly magazine published by the Coast Guard. It is the "Proceedings of the Merchant Marine Council." This magazine is published under the auspices of the Office of Merchant Marine Safety in the interest of safety at sea. Articles on safety for both the commercial operator and recreational boatman are to be found in each issue. The Coast Guard is very proud of this magazine, and deservedly so, as the National Safety Council, for the past 4 years, has presented an award of merit in recognition of exceptional service in the promotion of safety.

Of especial interest at this time is the April 1961 issue which is confined solely to recreational boating. The response to this issue by industry and the public resulted in the Coast Guard's decision to reprint it as "Pleasure Boat Safety." The Commandant has advised that copies are available upon request. There are three articles of particular interest to everyone interested in boating safety—"Boating Safety—Everyone's Business," "The Small Boat v. the Large Vessel," and "This Can Happen to You."

COAST GUARD AUXILIARY

The Coast Guard Auxiliary, established by the Congress in 1939 to promote small boat safety and education, continued its growth in membership and public services.

The 20,000 members of the auxiliary contributed to the small boating safety program by conducting educational programs, performing courtesy motorboat

examinations, and rendering prompt aid and assistance when practical. During 1960, the auxiliary activities were as follows:

Number of persons instructing in safe boating practices	121,000
Number of persons shown boating safety films	627,631
Number of courtesy motorboat examinations	121,000
Number of cases assistance rendered	3,525
Number of races and regattas patroled	890
Number of lives saved	142

The courtesy motorboat examination is of especial interest concerning boating safety. Qualified members of the auxiliary make this examination upon request of the boatowner. The auxiliary examiner has a checkoff list of legal equipment requirements and other equipment recommended for greater safety afloat. There is no charge and no report of deficiencies is made to the regular Coast Guard. If the boat qualifies in all respects, an auxiliary decal, good for 1 year, is awarded. Boats that have this decal will not normally be boarded by Coast Guard law enforcement personnel unless there is evidence of a violation.

It may be of interest to you who represent States having an approved numbering system, that the law enforcement personnel in the following 27 States will also accept the auxiliary decal as evidence of compliance with the State laws: Alabama, California, Delaware, Florida, Illinois, Indiana, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Nebraska, Nevada, New York, North Carolina, Ohio, Oregon, Rhode Island, South Carolina, Texas, Utah, Vermont, Virginia, West Virginia, and Wisconsin.

LAW ENFORCEMENT

Closely alined with the Coast Guard's education program regarding small boats is its enforcement program. The Coast Guard has no separate organization established solely for small boat law enforcement duties. The task is accomplished by its operating units in conjunction with their many other jobs. These regular operating units are located along our coasts, the Great Lakes, and the western rivers.

The Federal laws regarding motorboats apply to all the navigable waters of the United States. Many of these waters are located out of range of existing Coast Guard units. To cover these waters, far from an existing unit, the Coast Guard has established mobile boarding units. These units, consisting of four enlisted men, a lightweight outboard motorboard with trailer, and a vehicle suitable for hauling both personnel and trailer, travel overland from one water area to another, operating in each area for various lengths of time, depending upon local need. Together with their primary duty of law enforcement, they conduct training courses for the boating public, and search and rescue work within their capabilities.

As an experiment last year, the 9th Coast Guard District, in which my home State is located, leased a houseboat and based a boarding unit thereon. This houseboat was located in the Put-in-Bay area on Lake Erie. This summer the houseboat will be located at Put-in-Bay for several weeks and will then be moved to a location near Grosse Isle, Mich.

One important tool provided the Coast Guard in its law-enforcement work is the provision of the Federal Boating Act of 1958 which authorizes the imposition of a penalty of $100 on one who operates his vessel in a reckless or negligent manner. Prior to the enactment of this act, an operator cited for reckless or negligent operation could be proceeded against only under a criminal action. This provision permits appropriate action to be taken against those whose actions are not serious enough to warrant criminal action.

During the year 1960, a total of 314 citations were issued which charged individuals with reckless or negligent operation.

By far the largest number of violations noted during the past year had to do with the lack of, or improper type of, equipment required by the act of April 25, 1940. These equipment requirements are minimal for safety, and a total of 6,492 violations were found, primarily lack of proper lifesaving appliances.

STATE AND COAST GUARD COOPERATION

In all phases of marine safety the Commandant of the Coast Guard is authorized to promulgate such regulations as he considers necessary. To carry out this function, the Coast Guard has established the Merchant Marine Council, which serves as a deliberative body to advise the Commandant as to policy in connection with and affecting maritime safety.

To effectively carry out these functions the Merchant Marine Council coordinates these matters with groups of experts in various fields through established advisory panels. To assist in cooperative measures with States toward implementing the Federal Boating Act of 1958, and to assist in carrying out the intent of Congress, the Advisory Panel of State Officials was established in 1959.

The panel has held two important meetings during the past year, one in Chicago on November 28 and 29, in which some 35 States participated, and the other on April 7 of this year. This last meeting was attended by panel members only.

At the Chicago meeting the problem of a uniform system of waterway markers, similar to highway traffic signs, was brought up for discussion. It was pointed out that for many years, in fact since the automobile was first introduced, a uniform nationwide system of highway signs did not exist. In the interests of the boating public, it was decided that this disparity should not be permitted on the waters of our country.

A special committee was appointed to study the problem and to recommend to the panel a system that could be used nationwide. The chairman of this committee is Keith Wilson, director of the Michigan State Waterways Commission, who is also a member of the panel. The committee held several meetings and presented their findings to the panel on April 7 of this year, which were adopted unanimously. Following the panel meeting, the Governors and the boating law administrators of each State were advised of this decision, with the request that the system be made effective immediately. Basically, the standards adopted will permit the use of these symbols—a diamond, a circle, and a rectangle. The diamond shape indicates "danger" and no entry of boats. A circle indicates "control," such as speed limitations, "no wake" areas, etc. The rectangular shape is for information only, such as directions, distances, etc. To complete this program there are remaining a few minor details that the committee is working on and it is expected these will be ironed out in time for the next panel meeting on October 31 of this year in San Francisco.

FORWARD PLANNING

Last year the board of directors of the National Safety Council directed the chairman of the board to appoint a public safety committee to promote a nationwide safety program in the fields of recreational boating and water safety, recreational shooting, and general aviation. The recreational boating and water safety committee has as its first chairman Adm. A. C. Richmond, Commandant, U.S. Coast Guard.

The initial meeting of the committee was held at Chicago on October 20, 1960. An organizational meeting was held in the morning, followed by three panel discussions on "Accident Statistics," "Safety Information," and "Construction Standards." That afternoon six very interesting papers were presented covering the entire gamut of water safety. The program for this year's meeting has not as yet been firmed up, but it is anticipated that many worthwhile proposals will be suggested to improve our Nation's safety program in and on the water.

National Safe Boating Week—focusing attention upon the need of pleasure boatmen to know and comply with safe boating practices and regulations—will get underway on Sunday, July 2. The growing success of this annual observance is particularly gratifying to the Coast Guard and its civilian affiliate, the Coast Guard Auxiliary—original sponsors—and to the many who previously supported the event. In the 85th Congress it was my pleasure to assist in this important program by sponsoring a joint resolution authorizing National Safe Boating Week as an annual observance by Presidential proclamation.

To legislate commonsense and carefulness into the minds of almost 40 million boatmen is an impossible task. To attempt to do so by education and persuasion is a tremendous assignment and obviously beyond the capabilities of any one organization to carry out alone. A National Safe Boating Week Committee, whose membership includes the Coast Guard, Coast Guard Auxiliary, American Boat & Yacht Council, American National Red Cross, American Yachtsmen's Association, National Council, Boy Scouts of America, Girl Scouts, National Association of Engine & Boat Manufacturers,

National Association of Marine Dealers, National Safe Boating Association, National Safety Council, Outboard Boating Club of America, U.S. Power Squadrons, and the Yacht Safety Bureau, sponsors this annual event. The committee solicits and coordinates the cooperative programs of the marine industry, boating, and safety groups. It is especially gratifying to know that this year the effective strength of the local safe boating committee system has topped 1,000 units. Capt. Richard Baxter, U.S. Coast Guard, national committee chairman, in a press release on June 17 announced:

This is the most successful boat safety campaign in the history of National Safe Boating Week. Committees working on the community level have programs designed to be operational all year long, and much of the safety material produced for National Safe Boating Week will be used throughout the boating season.

To those organizations that are members of the national and local committees for National Safe Boating Week I should like to extend a "well done." I urge all groups concerned with boating safety to join in the activities and promotions of National Safe Boating Week. Remember, boating safety is everyone's business.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

U.S. COMMISSION ON NORTH ATLANTIC TREATY ORGANIZATION

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H.J. Res. 463) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

JOINT RESOLUTION TO EXTEND THROUGH JUNE 30, 1962, THE LIFE OF THE U.S. CITIZENS COMMISSION ON NORTH ATLANTIC TREATY ORGANIZATION

Resolved, by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6 of the joint resolution approved September 7, 1960 (Public Law 86–719, 74 Stat. 818), is amended by striking out "January 31, 1962" and inserting in lieu thereof "June 30, 1962".

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, I wonder if the gentleman could tell me how much money this Commission for NATO has had to spend on a staff to produce a report at the time it was supposed to make this report?

Mr. McCORMACK. My recollection is that the authorization amounted to $250,000; that $125,000 was appropriated for the present fiscal year, but on account of the lateness of the Commission starting they probably will not use the full amount this year. There is $100,000 in the appropriation bill for the next fiscal year; in other words, the remainder of the appropriation will be $125,000.

Mr. GROSS. Well, I hope before this Commission comes in for another appropriation that we might have a little better evidence of proficiency on the part of the Commission and its staff in meeting the date that they set for the report.

I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point a letter sent by Secretary Rusk to Hon. William L. Clayton and also a letter sent by Secretary Rusk to the Honorable Christian A. Herter, who were both members of this Commission.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The letters are as follows:

THE SECRETARY OF STATE,
Washington, June 16, 1961.

Hon. WILLIAM L. CLAYTON,
Cochairman, U.S. Citizens Commission on NATO, Washington, D.C.

DEAR WILL: Thank you for your letter of May 8, 1961, concerning a possible extension of Public Law 86–719, as well as your letter of May 23, covering the results of your European trip.

Mr. Ivan B. White, Deputy Assistant Secretary for European Affairs, discussed a possible extension with the staff of the Senate Foreign Relations Committee on May 23, and it was suggested then that the Commission either approach the committee directly or through those Members of Congress who were the sponsors of the original legislation. We are, of course, prepared to support an extension of the legislation if the committee calls upon us to express our views.

I also understand that Senator WILEY has meanwhile already submitted Senate Joint Resolution 93 to extend the life of the Commission until June 30, 1962. It seems, therefore, that the necessary action is already underway. However, if the Department can be helpful in any other way in this matter, please do not hesitate to let me know.

The President did not have an opportunity to raise this subject with President de Gaulle. However, we understand from the Embassy in Paris that Gaston Monnerville did discuss the formation of a French commission with President de Gaulle and that the latter appeared quite interested.

I enjoyed talking with you and Chris Herter the other day and appreciate your interest in Atlantic affairs.

With warm personal regards,

Sincerely,

DEAN RUSK.

THE SECRETARY OF STATE,
Washington, June 16, 1961.

Hon. CHRISTIAN A. HERTER,
Cochairman, U.S. Citizens Commission on NATO, Washington, D.C.

DEAR CHRIS: Thank you for your letter of May 8, 1961, concerning a possible extension of Public Law 86–719, as well as your letter of May 23, covering the results of your European trip.

Mr. Ivan B. White, Deputy Assistant Secretary for European Affairs, discussed a possible extension with the staff of the Senate Foreign Relations Committee on May 23, and it was suggested then that the Commission either approach the committee directly or through those Members of Congress who were the sponsors of the original legislation. We are, of course, prepared to support an extension of the legislation if the committee calls upon us to express our views.

I also understand that Senator WILEY has meanwhile already submitted Senate Joint Resolution 93 to extend the life of the Commission until June 30, 1962. It seems, therefore, that the necessary action is already underway. However, if the Department can be helpful in any other way in this matter, please do not hesitate to let me know.

The President did not have an opportunity to raise this subject with President de Gaulle. However, we understand from the Embassy in Paris that Gaston Monnerville did discuss the formation of a French commission with President de Gaulle and that the latter appeared quite interested.

I enjoyed talking with you and Will Clayton the other day and appreciate your interest in Atlantic affairs.

With warm personal regards,

Sincerely,

DEAN RUSK.

TREASURY DEPARTMENT TAX PROPOSALS

The SPEAKER. Under previous order of the House, the gentleman from Kentucky [Mr. SILER] is recognized for 20 minutes.

Mr. SILER. Mr. Speaker, I would like to quote for you and the RECORD an important statement of President Harold S. Geneen of the International Telephone & Telegraph Corp. that was made before the House Ways and Means Committee on June 7, 1961. This is the statement of Mr. Geneen pertaining to the very important matter of certain tax proposals as they may affect his company. Here is his statement:

STATEMENT OF HAROLD S. GENEEN, PRESIDENT OF INTERNATIONAL TELEPHONE & TELEGRAPH CORP.

Mr. Chairman, gentlemen of the committee, I appreciate the opportunity of appearing before you today with regard to the Treasury proposals to tax the unrepatriated earnings of U.S.-owned foreign corporations.

ITT is the largest American-owned international enterprise in the electronics and telecommunications field. It is 92 percent owned by approximately 150,000 U.S. shareholders. Unlike many American companies doing foreign business, our operations are two-thirds abroad and one-half in Europe—so that the proposed legislation would have an unusual impact on our company.

We operate 22 plants and laboratories in the United States in the States of California,

Illinois, Indiana, Massachusetts, Mississippi, New Jersey, Rhode Island, Virginia, Missouri, and North Carolina, and we are about to break ground for one in Tennessee.

We employ 18,000 people in the United States, and the payroll of these U.S. companies since inception has been approximately $1 billion. These companies were started with and supported by our foreign capital and earnings. These earnings were U.S. taxed on repatriation before investment.

In Latin America we operate 13 plants, laboratories, and radio and telephone operating companies in 8 countries. We have 17,000 employees in this area. Value of our assets there at replacement would approach $300 million. We have been an average of 33 years in these countries, in Argentina for 36 years. These are underdeveloped countries, and our plants were largely financed by European earnings. Such earnings were U.S. taxed on repatriation before investment.

We have other plants in Australia and sales and communication operations throughout the Far East.

In Europe we operate 70 plants and laboratories in 14 countries. We have operating plants, not sales offices, in every country in Europe except Luxembourg. We have 93,000 employees in Europe. Our assets at cost in Europe are $450 million. We have been in these countries for an average of 36 years; our company in Belgium has been in business for 79 years. These companies have largely financed themselves through partial reinvestment of earnings and local borrowings in Europe. This growth has enabled them to finance United States and Latin American development as well as their own.

I.T. & T.'s foreign subsidiaries have remitted 50 percent of earnings except when blocked by currency restriction. They have remitted net $215 million to the U.S. economy in the last 10 years—$166 million of it from Western Europe alone. Last year these subsidiaries remitted $48 million of which $34 million came from Western Europe.

I.T. & T. has incurred serious risks and losses in exposed positions during World War II and recently in Cuba. Our stockholders have taken the brunt of these risks in all these periods. We import little into the United States and maintain an export surplus from the United States. All of our companies are operating or true service performing companies with substance.

SUMMARY

Without going further, the history of this company shows enlightened U.S.-foreign commerce at work.

It proves by example, not words, that under existing law:

1. Foreign companies do remit dividends generously—I.T. & T. 50 percent, all U.S. domestic companies 57 percent.
2. They do not add to the balance of payments problem. They create a favorable flow.
3. They aid trade—and make jobs.
4. They support underdeveloped countries.
5. They borrow capital abroad.
6. Whatever competitive tax methods are available, they do not abuse, and do remit from them.
7. They compete in foreign markets against foreign competition; they support and create jobs in the United States.
8. They add immeasurable value to U.S. prestige and leadership abroad as an example of our economic and political philosophy.

This is an actual example of what responsible U.S.-owned foreign investment, representing the great majority of such investment, actually does—in contrast to the few minor exceptions toward which this proposed legislation would seem to be aimed.

At the outset let me say that I am very much in sympathy with the responsibilities of the Treasury, but I sincerely believe that the methods suggested will not accomplish the purposes claimed. On the contrary, I am convinced that this legislation will result in serious injury to the U.S. economy, to U.S. prestige abroad, and to confidence in the U.S. dollar.

First, while it may be argued that this legislation would result in some short-term increase in U.S. tax collections, I submit that the amount would be insignificant and the benefits very short lived. The long-term effect would be a substantial decrease in U.S. tax revenues. Our foreign competition will force these issues.

At the present time, a U.S.-owned corporation in Belgium, for example, pays no more income tax than its Belgian-owned competitor. If the U.S.-owned corporation is now, in effect, required to pay incomes taxes at the higher U.S. rate, its competitive position in Belgium will be damaged.

There has been some suggestions before your committee that the added tax burden on our foreign operations—an added burden not paid by our competition—is not really a significant or measurable burden because (a) it is an income tax, a tax on profits not a cost, and (b) it is going to be levied against the parent corporation in the United States and merely measured by the earnings of its foreign subsidiaries.

On the first of these points, it should be enough to say that any company consistently carrying large discriminatory tax burdens against large and capable competitors will lose its competitive position, and the demise when effected will be sharp and irretrievable. Anyone in business knows this.

On the second point, I want to make it clear that semantics will not change the true character of the burden.

The theory is that the proposed tax would not be imposed upon the Belgium corporation but upon its owners. From the point of view of a practical operating executive, the internal as well as external decisions will be based on the true facts of the incidence of the tax burden and it will soon be acknowledged in actions at all levels, internally and externally, that the tax is on the Belgium company because this is where the liability arises.

Obviously, such a tax cannot be passed on to the Belgian consumer, because it is a tax levied only against American-owned corporations in Belgium.

It is abundantly clear also that in other ways these proposals would fail to bring in new revenues to the United States in any significant amount, while at the same time placing our foreign operations at a competitive disadvantage on the local scene.

For example, in the case of Belgium. No mention was made in the testimony of Belgian withholding taxes. The proposed tax on the retained earnings would increase under the new legislation from approximately 30 percent to 52 percent. However, on the actual payment of the dividends, a withholding tax of 30 percent would be applied resulting in an overall Belgian tax on repatriated earnings of approximately 45 percent.

Hence these earnings of the Belgian company would now be taxed at an increased rate of 22 percentage points over our competitors' rates in order to bring only a net increase of 7 percent to the Treasury of the United States. Moreover, for the company to insure prompt U.S. tax credits applicable to these Belgian taxes, it would be necessary to physically pay these dividends to the United States and then to return the remainder after tax to Belgium, plus the additional amounts from the United States needed to make up the 22-percent increase in the tax.

The transaction itself is sufficient to identify these proposed new U.S. taxes as being literally imposed upon the Belgian operations and, moreover, they present an open invitation to increased retaliatory taxes through higher withholding rates by the local governments.

Thus, this additional tax will realistically become another cost chargeable to the Belgian operation and will render it noncompetitive.

I.T. & T. subsidiaries will be less able to compete in terms of prices since they will have lesser profit margins after taxes. Our competitors will have greater flexibility to meet price competitions.

Lower earnings will reduce our ability to attract capital. Our competitors will be able to raise money more easily and cheaply.

We will have less retained earnings than our competitors for expansion, modernization, research, and development.

Customers, especially those many customers that are public bodies peculiarly sensitive to national considerations, will become dissatisfied. The morale of local management and employees will be adversely affected.

Host governments, resenting the action, may be expected to take their business elsewhere and retaliate by raising their own taxes to 52 percent in order to frustrate U.S. levies on these local unrepatriated earnings.

A very substantial percentage of the production of I.T. & T.'s foreign subsidiaries is sold to the governments of the countries in which they operate. They supply a large share of the telephone equipment of all European administrations. These markets are open only to suppliers located within the countries themselves. Our records show that approximately 85 percent of our European sales are made in the countries in which we manufacture.

We have lived for a long time with the problem of being a foreign-owned company in these countries and selling largely to the postal, telephone, and telegraph administrations of these countries. We have weathered the problems of selling in such markets and repatriating earnings and research and development funds, basing our performance upon reasonable judgment in handling our local responsibilities. We have actual agreements on file with the governments of all of these countries regarding certain aspects of remittance of funds for research and development and costs of home office operations that were long in being worked out.

We certainly cannot handle our foreign companies now in a manner that would break the spirit of these understandings of long duration and that would tend to indicate to such countries that the United States is going to exert a sovereign right to dictate to these national companies regardless of the interests of the local host country.

Someone on this committee has used the phrase "Yankee go home"—we do not want this to happen to these valuable contributing properties. We should not, therefore, reach over into such countries' own corporations and tax in a manner that destroys the relationships of these companies—with their customers, their governments and, since these are loyal nationals, with employees.

The tax would be a severe penalty assessed against a corporation simply because a certain percentage of its stock is held by Americans. The end result would not only be that such a corporation could no longer compete effectively and raise capital for its future, but also that its stock would immediately become more valuable to foreign owners than to Americans. Obviously, one of two things would happen. The corporation would be forced to sell out of the foreign market or the American owners would sell their interests to nationals of other countries who would find the investment more attractive. In either event, the United States would lose the income tax it now derives from these earnings when they are repatriated.

This is the operative effect of the tax proposals under consideration. Contrary to the Treasury testimony, no other nation in the world, including West Germany and England, taxes the foreign earnings of its locally managed foreign enterprises prior to their repatriation. If the United States takes this course, it will stand alone.[1]

The next purpose to be discussed is correction of the present imbalance in our balance of payments. It can be easily demonstrated that mature foreign investment consistently contributes materially to a favorable balance of payments. Let me cite to you some of the figures relating to the experience of I.T. & T. on this subject.

In the last decade I.T. & T. has remitted over $215 million to help the U.S. balance of payments. This is the net amount of the dividends and other receipts from our foreign subsidiaries remitted to the United States after deducting the amount we have sent overseas during the same period.

I.T. & T. has remitted $166 million to the United States through the decade 1951–60 from Europe alone.

The experience of I.T. & T. in this regard is somewhat typical. The Commerce Department statistics show that the largest part of the earnings of U.S.-foreign subsidiaries is derived, naturally, from the developed areas. This is more commonly true in the case of manufacturing operations which are normally conducted through foreign subsidiaries and tend to be heavier in developed markets, than it is in the case of extractive industries, which are more frequently carried on as a branch operation and tend to be established in less developed areas.

The reference in the Treasury testimony to the $400 million deficit attributable to European subsidiaries of U.S. companies in the years 1957–60 is misleading. The European figure, for example, contains an isolated nonrecurring outflow of $370 million in 1960, the Ford purchase of the interests of its British minority.

These are not typical years nor typical situations. In the first 3 of those 4 years, a surplus occurred in the Western European account.

Furthermore, this so-called deficit in Western Europe is computed by taking account only of remitted dividends. It does not include such remittances to the United States from foreign subsidiaries as patent royalties and home office overhead charges, which have risen to nearly $400 million per year now. Of these remittances, $125 million come from subsidiaries of U.S. corporations in Western Europe.

Additionally, these investments in Europe actually generate U.S. exports that would not otherwise be made at all. The I.T. & T. foreign subsidiaries consistently purchase more from the United States than they sell to it, thus contributing net exports to our balance of payments accounts. This is true of all of our foreign business. U.S. exports to U.S.-controlled industry in Europe, mainly conducted through subsidiaries rather than branches, regularly exceed U.S. imports traceable to the same source, the net excess amounting to at least $245 million in 1957, for example.

In summation, if the one-time Ford transaction is eliminated and the above mentioned remittances, other than dividends and the net gains from subsidiary related exports are included, U.S. subsidiaries in Western Europe in 4 years contribute at least $1.4 billion net to our balance of payments, a far cry from the 4-year $400 million deficit portrayed in the Treasury testimony.

Our long-term direct investments through subsidiaries overseas, particularly in Western Europe, are not a balance-of-payments culprit. They regularly contribute a substantial surplus to our international account. If they are burdened with new taxes which make them noncompetitive in the areas in which they operate, our balance of payments will be worsened.

In these circumstances, one wonders why this particular sector of our balance of payments is singled out, especially for a kind of tax treatment usually directed at permanent rather than temporary situations. The Treasury says that the total effect might be $390 million per year. This is less than the annual U.S. outflow on purchase of new issues of foreign securities alone which amounts to an average $500 million per year and which is not covered at all by this legislation.

It is far less than all U.S. oversea portfolio investments annually, and is only a fraction of last year's hot-money flow. Of course, this $390 million figure is also small as compared to our military and other nonremunerative aid expenditures. In any case, it seems most unwise to retard and stunt long-term private direct investment, a sector of the balance of payments which regularly assists in financing the parts which cannot pay their own freight.

This is an example of what U.S. mature private investment contributes to the balance of payments.

It is here that the distinction between mature capital used for legitimate purposes and new portfolio capital becomes especially important. In my opinion, gentlemen, the income tax laws should not be used for this purpose. Other controls would appear better suited for the task of reducing new portfolio and capital outflow and dealing with a temporary balance-of-payments problem.

A third announced objective of the Treasury proposals is to increase domestic investment and, thus, to provide more jobs here at home.

The Treasury proposals will not, in the case of I.T. & T., result in the creation of more investments inside the United States. I.T. & T.'s U.S. plant has been built and financed by earnings made abroad, returned to the United States, subjected to U.S. tax here and then invested in job-producing factories. Destroy or retard these revenues and I.T. & T.'s growth inside the United States will be reduced.

Conceivably, divesture of foreign investments of American owners could produce substantial amounts of unemployed capital. In the present situation, there is no shortage of investment capital in the United States today. Generally speaking, the money can be found for any worthwhile domestic investment. In view of the sizable contribution that these investments are already making to our balance of payments, it would appear that they are already being used in their optimum location.

There can be no assurance that U.S. shareholders divested of American-owned foreign subsidiaries would not find themselves owners of foreign portfolio securities. This is not purely theoretical. One of I.T. & T.'s major competitors and one of Europe's largest companies is Philips of Holland, and the percentage of it which is now U.S. owned has risen from a small proportion to 31 percent in the past few years.

The Treasury testimony also contains the concept that the factory built by U.S. interests abroad simply displaces a U.S. factory which otherwise would produce the same goods for export to the foreign market—that such investment affects the export of job opportunities. This idea is wholly incorrect.

No businessman who is aware of the difficulties and risks of direct foreign investment would ever send his capital abroad if he could use it at home to turn out goods which would be competitive for the foreign market or in domestic markets. The factors which influence expansion by direct investment abroad as opposed to further investment at home are innumerable. Labor and transportation costs and tariffs are frequently most important, as well as close responsiveness to customers' requests. The foreign income tax picture is rarely significant. As long as the U.S. enterprise and its foreign competitors are treated alike, the tax factor is neutral.

It is not, therefore, going to increase American job opportunities if we are forced to divest ourselves of investment developed in foreign countries. If the economics of the situation dictate the goods we are selling abroad be made abroad, they will be made abroad. Substituting other nationals as owners of factories we presently own abroad will not add one iota to job opportunities in America or foreign demand for U.S. goods. In fact, such substitution would make the problem of U.S. exporters even more difficult.

A further purpose of the proposed legislation is to stimulate aid to underdeveloped countries.

As far as I.T. & T. itself is concerned, the proposed new tax structure would decrease our investments in underdeveloped nations. Since the end of World War II, we have been expanding our South American and Far Eastern operations largely with the aid of earnings from our European subsidiaries, earnings which were subjected to U.S. tax in the process of transfer. If the principal source of our investment funds, that is, our European earnings, is substantially diminished, we will obviously be unable to make the contributions we have made in the past to the development of the economics of our Latin American neighbors.

Obviously the imposition of greater tax burdens on earnings from European investments than earnings from South America or Africa will make the latter comparatively more attractive so far as taxation alone is concerned. Under this proposed legislation, grossed-up taxes would become higher on investments in underdeveloped countries, not lower. The theory of the proposal that capital which otherwise would have gone to Europe will now find these areas attractive is subject to question because it does not do so even under the present lower rates of taxes. There is ample capital for these markets if insurance against risks were obtainable. Economic opportunity, and more important still, the political climate, are the crucial factors affecting investments in these areas.

We would question, furthermore, why such countries as Spain and Portugal are included on a list of developed countries, or what fair tests can be devised that will be reliable for investors.

There is talk of eliminating tax "preferences." Presumably, the "preference" involved is that the foreign corporation pays less tax on its unrepatriated earnings than it would if it were a domestic U.S. corporation. This comparison is completely irrelevant. The U.S.-owned foreign corporation is not operating in the American economy. It is operating in the foreign country under the same conditions as its foreign competitors. There is no preference. While the investment is abroad, it is equalized with its competition abroad; when it is brought to the United States, it is equalized with its competitors here. If such a cor-

---

[1] Testimony to the effect that Germany, England, and in some instances, France, place a tax upon unrepatriated earnings of their foreign subsidiaries appears to be incorrect. In Germany, the law permits such a tax but it is not enforced. In England, unrepatriated earnings are taxed only if directed management control is conducted in England and this is commonly avoided. Furthermore, England encourages offshore operations free of tax whenever they involve the export of British goods. In France, the cited instance of an administrative requirement for repatriation from Switzerland appears to be an isolated case.

poration is forced to pay higher income taxes on its earnings than its competitor by virtue of U.S. ownership—earnings it legitimately needs for expansion and working capital—the result will be not the removal of a preference, but the imposition of inequity. Nor will this crippling move against U.S. enterprise abroad result in any offsetting advantage to our domestic busi- U.S. dollars. Typically unrepatriated foreign competitors abroad. If the proposed legislation is adopted, Congress will be appropriating American capital in order to make an unwarranted gift to foreign nationals.

Our foreign subsidiaries are subject to many risks and unstable political situations. In my judgment, it is completely unrealistic to treat foreign earnings which have not yet been repatriated as income in relation to U.S. tax. In the case of a legitimate foreign operation, these earnings are not represented by cash which can be readily converted to U.S. dollars. Typically unrepatriated foreign earnings are tied up in plant and equipment which is physically incapable of being removed from the foreign locale, and inventories produced for sale in the foreign market, and accounts receivable payable in the foreign currency. These assets remain subject to a variety of hazards, hazards which are real and grave, which have inflicted serious losses on I.T. & T. and other operations in every like operation in every decade of this century.

In World War II, many of our foreign establishments, in other words our unrepatriated foreign earnings, suffered seizure as well as physical damage and destruction. After World War II our installations in Czechoslovakia, Hungary, Poland, Rumania, and China were seized without compensation. In both postwar years, our foreign currency assets were subjected to the attrition of repeated currency devaluations. And now we have Cuba. As many of you know, our installations there have been expropriated by the Castro government.

We can certainly hope that these misfortunes will not be repeated, yet, if there is any lesson in history, it is that we can expect more of the same although we may not know what form disaster will take or where it will strike. I repeat, it is a completely unrealistic concept which treats as income earnings abroad while they remain in the form of plant or necessary working capital, subject to the hazards mentioned.

Finally, there is the purpose to eliminate so-called tax-haven abuses. We readily concede that Congress should move to close loopholes by which people are unfairly avoiding U.S. taxes, by siphoning off U.S. income normally subject to tax. We believe, however, that this whole area of tax abuses through the use of foreign corporations is grossly misunderstood.

If the American-owned operating company is to be denied the use of tax-saving companies which are legitimately approved by the countries whose own taxes are involved and these methods are open to our foreign competitors it is again being unfairly discriminated against. Moreover, as long as remittances are generous, these additional earnings otherwise paid as foreign taxes, will be remitted to the United States at high taxable rates.

I have already stated that I.T. & T. uses every means it can consistent with good business practice to effect the payment of maximum dividends from its foreign subsidiaries. This is after all why we are in business—to earn income from our foreign investments. We leave income abroad only where necessary to finance expansion of plant working capital or to repay local borrowings.

I.T. & T.'s subsidiaries have consistently remitted to the United States approximately 50 percent or more of their oversea earnings.

All of these countries have strict administrative procedure to cover the diversion of income from their jurisdictions and taxes and usually these call for performance of real services. The statement has been made to this committee that it is necessary to tax foreign retained earnings as an administrative necessity to cope with this problem. It is significant that control through administration of these situations has evidently not caused undue problems in Europe since none of these countries—in Europe or elsewhere—has found it necessary to tax unrepatriated earnings in order to administer this problem of "tax havens."

We believe ample authority already exists in the U.S. law to carry out the same administrative control by the United States.

However, the definition of "tax havens" included in this legislation, which would class all companies as such if more than 20 percent of their revenues are derived from sources outside of the country in which incorporated, is unrealistic and far too sweeping in that it would include many legitimate operating companies. All of our companies are operating or service-performing companies and we have no brief to protect incorporated pocketbooks or purely paper companies formed to avoid taxes. If legislation is required to reach such specific transparent nonperforming companies, we would support such legislation.

Gentlemen, in the very brief time I have attempted to deal with a very complex subject. I have made every effort to limit myself to constructive criticism and to give you the benefit of my company's international operating experience going back over many years.

I would like to leave with you this one further thought. Wherever I.T. & T. has an operation abroad, the United States has a point of contact with the peoples of the government of that country. The insights we gain, the influence we can exert, the friendships we make are invaluable contributions to the solidarity of the Western alliance. The loyalty of our employees to our companies has been repeatedly demonstrated. Many of them risked and lost their lives in attempting to protect our property from the Nazis during World War II and from the Communists in Eastern Europe after the war.

Whenever I.T. & T. is forced to give up its investments in a NATO country, the United States gives up valuable cold war assets it can ill afford to lose. It seems only plain commonsense that we are better off with these properties in U.S. hands than in the hands of foreign ownership.

Gentlemen, I ask your permission to file with these remarks a longer document, going into some further detail. To the best of my ability, I shall be pleased to answer any questions you may have.

TAX RATE EXTENSION ACT

Mr. CHAMBERLAIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, since the House recently passed the Tax Rate Extension Act of 1961 and, I understand, the bill is now being debated in the other body, I think it is pertinent to mention that our neighbor to the north, Canada, just this week repealed its 7½-percent automobile excise tax.

As my colleagues may remember, when the excise tax extension was being debated on June 8, I discussed at some length the inadvisability and inequity of continuing the 10-percent excise tax on automobiles. This tax, which restricts the sale of automobiles, is a drag on our economy. With the unemployment in the country today and particularly during recent months when so many automobile workers have been out of work, I feel we should consider doing something about the cause of our problems rather than dealing only with the effects.

Canada's repeal of its automobile excise tax was preceded by a study of the question, and a report on it, by a Royal Commission headed by Professor Bladen. The Canadians recognized, correctly, that the automobile manufacturers excise tax can serve only to slow down, and retard, automobile production. Such a Government-imposed slowdown is intolerable when the need is to increase our economic growth.

Rather than employ artificial stimulants to increase production, the Canadian Government has decided to remove this tax barrier. I commend this action by the Canadian Government and its Finance Minister, Donald Fleming. It should be noted that the excise tax was repealed despite the fact there have been demands that some other taxes be increased.

While I recognize it is too late this year for us to repeal our automobile excise tax, I would hope that the forward-looking example set by Canada will be observed by our taxing authorities and that it will not be long before we have similar action taken in this country.

REA SECRECY

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. MICHEL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MICHEL. Mr. Speaker, on June 3, prior to the debate on the agriculture appropriation bill, I wrote to Norman Clapp, Administrator of the REA, requesting an up-to-date list of the applications for power-type borrowers and for generation and transmission facilities for distribution-type borrowers indicating that I wanted the applications on hand and the applications reported to REA to be under preparation in the field.

Mr. Richard Dell, acting for the Administrator, wrote to me on June 5:

> We do not feel it would be possible at this time to compile for you a current list which would have appreciable significance in indicating the probable course of our program for individual borrowers.

I submit that this statement provided a convenient block to objective examination—which might reveal, for example, that the public would be better served by some other avenue than a loan to a generation-and-transmission co-op. If nothing else, Mr. Dell's letter demonstrates a flagrant disregard for the right of the citizenry to know the uses to which its funds are put.

But what is even more ridiculous, is the following editorial which I read in the June 1961 issue of Rural Electrification on page 32 entitled "It Takes All Kinds":

IT TAKES ALL KINDS

One Walter Bouldin, president of Alabama Power Co., protested to the Agriculture Subcommittee of the Senate Appropriations Commitee last month that REA would not give him information on a pending loan application of Alabama Electric Cooperative for funds to expand their generating plant.

Mr. Bouldin's cry was somewhat less than pity producing since it is longstanding REA policy not to give information on loan applications until they have been sent to Appropriations Committees in the House and Senate.

After the Alabama loan application was sent to the committees, Mr. Bouldin—or anyone else—could have received information about it. As a matter of fact, one newspaper correspondent for the Birmingham News did ask for, and was given the information that the loan application was for $12 million to add a 50,000 kilowatt steam unit to the co-op's plant.

That Mr. Bouldin either didn't know about or disagreed with REA policy concerning loan applications is not the most ridiculous part of his statement. He seemed to be crying because his somehow inalienable right to make a profit from a captive customer was challenged. "Apparently we are not even to be told when an application has been filed to take business from us," he wailed.

To make such a fuss about "losing" a customer who is already taking care of himself more economically doesn't seem entirely in keeping with the utilities' perpetual harangue about "competitive free enterprise."

You will note, Mr. Speaker, that part of the information I requested in my letter to the REA Administrator was released to the Birmingham News, obviously for publicity purposes, but for some reason the REA was unable to provide this information to a Member of Congress. This points up the very issue I emphasized in my remarks on the bill that millions in public funds are loaned each year by the REA under a cloak of secrecy so complete that the public has no knowledge of amount of detail until the loan is an accomplished fact.

Certainly, existing power suppliers should have the right to present testimony as to how they could meet a co-op's needs before a loan is approved and that is why I called the Alabama situation to the attention of my colleagues on the subcommittee and inserted Mr. Bouldin's letter into the RECORD.

The REA Administrator now says he'll make a G. & T. loan if only he is satisfied that the cooperative principle is threatened. Secrecy is made to order for this new criterion.

Determining economic and engineering feasibility of generation and transmission is complex. To rule on these matters, much less to decide whether the cooperative principle is threatened, without considering opinions and bona fide offers by all concerned is dangerously arbitrary.

I shall most certainly place Mr. Dell's letter in my pending file along with the Rural Electrification editorial when I will have an opportunity to review this situation during the hearings in the next session, personally, with Mr. Clapp and Mr. Dell.

ROLL CALL

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HIESTAND] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HIESTAND. Mr. Speaker, the masthead of Roll Call each week contains this line:

Roll Call is the only newspaper written for, by, and about the U.S. Congress.

In that, this lively weekly fulfills a unique and valuable role. Its wide-ranging stories are packed with information and feature highlights of Capitol Hill.

This week, Roll Call celebrates its sixth anniversary. The paper, under the editorship of Sid Yudsan, figures to have a lucky seventh year.

Each issue of Roll Call is looked to with anticipation. Already we are looking with anticipation to its seventh anniversary issue.

FIRST IMPRESSIONS ARE SOMETIMES WRONG

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, today some reporters, instead of putting facts on the wire, which was their original principal duty, under the guise of statements of fact give their personal conclusions or opinions which the inexperienced reader accepts as facts.

A typical current example is an AP story carried yesterday, which states that it took a lot of pleading and a little "crying" in the House for me to "get approval for a weekend fishing trip." Figuratively, that statement is true but less than a half-truth. Work was pressing. Fishing was out. Consent for consideration of a bill was the objective.

As the House was about to adjourn Wednesday, the Democratic leadership asked unanimous consent that the Rules Committee might have until midnight to file a report on the housing bill—a report which was necessary to enable the leadership to bring up, as it desired, the housing bill for action on Thursday and Friday. Dispose of it this week without a session on Saturday.

For reasons which seemed sound to him, our colleague from Iowa, Mr. GROSS, who long ago proved to be the champion Treasury watchdog for the taxpayer, who opposes wasteful spending, prefers sound constitutional policies, objected.

Under House practice, which he faithfully endeavors to observe, Democratic Leader JOHN MCCORMACK was honor bound, when objection was made, not to renew his request unless objection was withdrawn.

The result was that the housing bill could not be brought up the next day, and going over for final vote might require not only Thursday, Friday, and Saturday sessions, but postponement of final action until next Monday.

As every Member knows, but as few constituents realize, days when the House is not in session, as is usual on Saturday, and sometimes on Sunday, Members have their individual noses to the national grindstone, endeavoring to take care of committee and office work.

Leadership on both sides and not a few Members endeavored to persuade Mr. GROSS to withdraw his objection. Being a man who never acts without due consideration and to him sound reason, they were not successful.

Having been actively associated with Mr. GROSS for some time, he being aggresive, his convictions being much the same as those held by me, it has been my privilege on occasion to back his efforts on the floor, especially when appropriations were being considered. Mr. GROSS obviously reads more reports put out by Appropriations Committees than any other Member.

Because of his knowledge of appropriation bills he has frequently, by raising points of order, offering amendments, saved the taxpayers of this country millions of dollars. Unfortunately, sometimes when the Parliamentarian has sustained his point of order or the House has accepted his amendment, when a bill came back from conference, it was found the Senate had restored the needless item.

Sometimes when, in my judgment, leaders sought unduly to pressure Mr. GROSS, I have voluntarily gone to his aid by either telling him that, if he withdrew his objection, I would make it, or have myself made the objection.

Late Wednesday, Members of the House who had pressing workloads appealed to me to personally intercede with my friend, the gentleman from Iowa [Mr. GROSS]. Knowing he was a man of sincere convictions and of the utmost tenacity, I knew that only by a personal appeal added to some very sound reasons could he be induced to yield.

So it was that, speaking from the floor, the House was told I wanted to conserve my health, catch up on the office work; advanced certain reasons when he asked me if I wanted to go fishing on Saturday, I replied I did and also wanted to attend church Sunday.

After some light talk in which other Members joined, Mr. GROSS, being convinced that we could save time as well as a few tax dollars if the bill was brought up the next day, very graciously and generously said that he had no objection to Mr. MCCORMACK, the majority leader, renewing his request.

The request was made, consent was granted, and so it was that yesterday the housing bill came on and after consideration yesterday and today the bill was disposed of, thus avoiding postponing final consideration until Monday.

As for the fishing trip publicized by the AP, unfortunately, because of work on a minority report on Reorganization Plan No. 5, and other work, the trip will be postponed until my return to Michigan where occasionally we catch gamey, edible fish, from clear, spring-fed streams or lakes, in beautiful country and invigorating climate, which I hope Members will find opportunity to enjoy.

THE FIFTH WHEEL

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. STAGGERS], is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, back in 1900, the politicians nominated Theodore Roosevelt for the Vice Presidency with the purpose of burying him, politically. They hoped to reduce him to a condition of innocuous desuetude, in Grover Cleveland's phrase. It is safe to say that no mortician's instinct impelled Jack Kennedy last July to urge LYNDON JOHNSON to share the national ticket with him. No one, least of all Kennedy, could conjure up an image of LBJ in any RIP pose. And no one in the United States, least of all Kennedy, would wish to view him in such a pose.

In the automobile age, the fifth wheel has somewhat illogically become a symbol of innocuous desuetude. The manufacturers usually supply a fifth wheel with a new car, and they tend to hide it away in the trunk where nobody ever sees it except the mechanic called to fix a flat. It is always in the way when the owner tries to stuff his trunk with excess baggage. More correctly, a fifth wheel is, as the dictionary sees it, "a horizontal segment made up of two parts rotating on each other above the fore axle of a carriage, forming a support to prevent careening." In other words, the fifth wheel makes the whole darned vehicle both manageable and stable.

The dictionary accurately defines the function of the Vice President in the Kennedy administration. He contributed importantly to the success of the ticket last November, and he is as indispensable in carrying the responsibilities of the Chief Executive in office. His unmatched tact and skill in dealing with all kinds of people and his intuitive grasp of the real truth in any given situation, characteristics which won him outstanding success and admiration in the Senate, are being exercised with redoubled precision in his new post. LYNDON JOHNSON makes no mistakes. Whatever he sees, he sees with clear vision, with no distortion to make facts fit a preconceived theory. He possesses a sort of charism which enables him to communicate his views clearly and unmistakably without stirring up contention and antagonism. Whatever he reports can be relied on for accuracy and completeness. There is no doubt that he wields a power and influence enjoyed by no previous Vice President.

A fifth wheel is more or less invisible unless one stoops to look under the works. In proper condition, it is also inaudible. Here are two more attributes which characterize the Vice President. No high official in government in recent years has managed to achieve so high a degree of anonymity. He goes and comes with no passion for publicity. His work is done unaided by the pressure of public opinion. His proposals prevail because he appeals to what is right and reasonable. This has been his method of attack through a long political career, and it does not fail him in his new post.

In May the Vice President made a long 2-week, 27,000-mile survey tour through southeast Asia. His report on that tour is emerging piece by piece. None of it is spectacular. Southeast Asia is probably the most difficult and mystifying spot on the globe. Our information regarding its physical resources, its economic condition, its political direction and stability, the cultural interests of its people, have always been vague, unreliable, and sporadic. Hence our action in that area has generally seemed to be ill-advised, poorly timed, and ineffective. For the first time we may have reports that go to the grassroots of problems. The Vice President gathered his information from direct contact with the peoples themselves. He braved the heat and the rain, the primitive methods of travel, the unfamiliar food, and social practices in order to meet people at their normal work and in their normal manner of living. There is no pretense that he has penetrated the inner minds and the driving motives of the natives. It is evident that they speak a different language and no mode of communication is adequate to insure complete understanding.

With characteristic insight and caution, Mr. JOHNSON proposes no "miraculous solutions" to the problems of southeast Asia. He finds peoples with no Communist instincts. At the same time they are neither ready nor disposed to leap into a highly mechanized and intricate Western civilization. They are "worried as to how to counter the vicious tactics of murder and intimidation now being employed against innocent people." It is important that the Congress and the American people "support the efforts of free Asians to banish poverty, illness, and illiteracy. There must be reforms that will give them a better opportunity to educate their children, to improve their health, to have better housing." Yet in spite of assurances of military aid, if desired, "nowhere was there a request for American troops." Evidently the presence of any troops, American or Communist, simply means to them more trouble, more civic and economic dislocation, more danger to their local institutions.

One periodical sums up the recommendations of the Vice President in this way:

Make sure Asians know the United States is not merely seeking satellites.

Strengthen frontline nations, such as Vietnam. They have the manpower. What they really need from us is management and material.

Work to raise living standards.

Redouble efforts to see that U.S. aid gets to the people who need it.

Go directly to the people themselves and remove the image of America as a well-dressed official who whizzes through the streets in a chrome-plated Cadillac to an air-conditioned palace to drink tea and make a deal.

These ideas help to explain the apparent apathy of the SEATO countries toward direct military intervention in southeast Asia, especially in dealing with Laos. The present promise of an acceptable solution of the Laos problem may be a direct result of Mr. Johnson's approach. His voice of reason has long been effective in domestic affairs. Why not equally so in our difficult and often frustrating relations with the various peoples who are struggling toward freedom and economic well-being?

A FEDERAL EDUCATION AGENCY FOR THE FUTURE

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. FOGARTY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Speaker, recent statements in the RECORD have referred to a study recently completed by a committee of career employees of the Office of Education entitled "A Federal Education Agency for the Future." During the recent hearings of the Subcommittee on Appropriations which I have the honor to chair we received testimony on this study. Therefore, I wish to set the RECORD straight on what the study was intended to accomplish, what the report actually recommends, and the status of the recommendations.

First of all, this study is completely nonpartisan and nonpolitical. It was initiated by the previous administration under President Eisenhower and the members of the committee were designated by the previous Commissioner of Education. The study was modeled after a similar one conducted last year by a career group in the Public Health Service. With commendable vision the previous Commissioner requested the committee to look ahead to the problems facing the Federal Government in education for the decade of the 1960's. Committee members were requested to develop a clear-cut and balanced statement of the mission of the Office of Education as it could be seen for the next decade and to assess the responsibilities facing the Office of Education without regard to existing organization structure or personal interest of the present staff. The present administration has carried the study to completion and now has the recommendation under consideration. Objectivity of reporting has been maintained by the committee.

In conducting its study the committee reviewed background information including, generally, material about the history and extent of the involvement of the Federal Government in education and, particularly, about the development and changing roles of the Office of Education through the 93 years of its existence. Also, the committee, in attempting to anticipate the job that the Office would be faced with during the next decade, examined the record of legislative considerations and enactments of the Congress in recent years and the statements of individuals and groups highly respected in public affairs. Among the statements that guided the committee in its assessment of the proper role and functions of the Office of Education over the next decade were the educational platforms of both the Democratic and Republican Parties from

the 1960 campaign, and additional statements by both of the candidates for President. The committee also drew guidance from such documents as the report entitled "The University and World Affairs," developed by persons of outstanding repute in industry, public affairs, and education appointed in July of 1959 at the request of former Secretary of State Herter, and the report of the President's Commission on National Goals, submitted by a similarly outstanding committee appointed by former President Eisenhower. A fact that emerges clearly from these studies is the recognition of a significantly larger role for Federal assistance to education as essential to our national welfare; a strengthening of the U.S. Office of Education is likewise acknowledged as necessary to educational progress. For example, the report of the President's Commission on National Goals presented in November 1960 contains in its chapter on Goals in Education the following statement:

The Federal Government: The Federal Government has been a factor in education for almost all of our national history. But its role is changing—and where the change is taking us no one can say. No one knows how best to design the role of the Federal Government in education. But one thing is certain: with education playing a vastly more crucial role in our national life, there is no likelihood that the Federal Government can escape greater involvement in it. Nor need we be alarmed at such involvement. Our tradition of local control in education is a healthy one, but we must not let it thwart us in accomplishing important national purposes.

The urgent requirements—and opportunities—of modern life make it necessary that we handle some problems at the State and national levels, whether the field be transportation, communication, commerce, law enforcement, or education. We are facing tasks of the gravest import for our future as a Nation. Some of these tasks require long-term planning at the highest level. In such matters, we must act as a Nation.

* * * * *

(18) The most important task for the Federal Government is to suplement State funds in those States whose per capita income is too low to maintain adequate education. (Legislation to this end was proposed by the late Senator Taft some years ago.)

(19) The Federal Government should provide funds to the other States on a matching basis—to be used for construction or for other educational purposes as the State may choose.

Education has become a centrally important activity in our national life. It must be represented at a high level in Government. The present organizational structure is inadequate and should be altered.

(20) We must have either a separate Department of Education at Cabinet level or a National Educational Foundation (patterned after the National Science Foundation).

Next the report of the Committee on the University and World Affairs in December 1960, made the following recommendation:

In the Federal Government, the upgrading of educational competence at all levels is indispensable and overdue. In order to manage properly the enlarged role of the Government in this field, the attention of the Government agencies concerned needs to be focused on more effective use of university resources in program planning and implementation, and on the provision of Government support to help build university competence in world affairs. The following additional steps are urged for consideration in plans for Government organization and legislation:

In the Department of State, enhancement of the authority and functions of the Special Assistant to the Secretary for the Coordination of International Educational and Cultural Relations.

Upgrading the authority and competence of the Office of Education in the field of support to American higher education for world affairs activities.

During its deliberations, the committee kept in mind the growth in the responsibilities of the Office of Education over the past decade, during which time no major reorganization had taken place. The committee was particularly aware of the stresses these additional duties had placed on the more traditional activities of the Office and the consequent need for reviewing the internal structure.

At the conclusion of the first phase of this study, the committee developed a statement of the mission that it saw for the Office of Education during the 1960's. This statement was designed to guide the committee in its subsequent construction of an organizational framework. It represented, quite naturally, an internal assessment of the role of the Office; nevertheless, it had as its immediate background statements such as those referred to above.

In this statement the committee projected the activities of the Office of Education in half a dozen areas.

First, it stated that the earliest responsibilities of the Office, those for the development of educational statistics, for research, and for the dissemination of educational information, would have to be performed far more effectively in the next decade. This was a frank acknowledgment of the inadequate job now being performed by the Office in this area and of the increasing need by the public and their representatives—school boards and legislative bodies—to have available to them timely and accurate information on which to base their educational decisions.

Second, the committee recognized that the services of the Office to education as it is organized must be continued but in a more efficient and well-considered manner than before.

Third, the committee acknowledged the substantial responsibilities the Office has had placed on it for the administration of assistance programs in the last decade. It was particularly cognizant of the need to administer both these programs and those that might be enacted in the future in the most efficient manner.

Fourth, the committee proposed a new role for the Office of Education in speaking within the Federal Government for the long-term interest of the people in a sound educational system.

Fifth, the committee stated its belief that the Office should orient its activities more toward the general public than has previously been the case. To take a phrase from the report, the Office should be one "of education, not an office of educators." Finally, the committee stated its conviction that the Office should play an important role in international activities that affect education. It anticipated that education would become a more significant part of foreign policy and that consequently demands would be placed upon the Office of Education as the prime educational resource of the Federal Government.

Subsequent to this consideration of the job to be accomplished, in the view of the committee, the group turned its attention to an organizational arrangement that would permit the Office to carry out its duties in the best possible manner. It recommended a bureau structure in which the traditional functions of research, consultation, and the collection and dissemination of information would be organizationally separate from the responsibilities for administering assistance programs. It further recommended that there be established a major organizational component to give its full attention to international education activities. The report of the committee, containing both its assessment of the role of the Office in the next decade and its recommendations for an organizational arrangement was made to the Commissioner of Education in April of 1961.

In recognizing the need for a new type of structure in the Office to accommodate new responsibilities the report recommends the establishment of four bureaus and had this to say about them:

Two of the bureaus contemplated in this report are designed, as we have said, primarily to execute established policies of the Federal Government—to administer laws. The arguments for separating grant administration from other professional activities such as research are several. The committee has found some of these persuasive. There is the advantage of separating Federal funds from consultant services on educational problems to avoid any suggestion that the agency seeks to use its grant funds to effect modification of educational practices unintended by Congress. More important to the committee, however, are the arguments that (a) different kinds of personnel are required to perform the very different functions of research and administration, and (b) the mingling of grant administration and professional research in a single unit inevitably leads to the undermining of the latter.

Clearly, not all program administration can be separated from research or advisory services; in some cases the separation of the two would be damaging to both. But the committee is of the opinion that there are several major programs, and the prospect of others, in which the Congress has given sufficiently explicit instructions, and in which the amounts and administrative tasks are so significant, that they can wisely and efficiently be grouped together under a program administration bureau.

It is possible, under present circumstances, to think of one bureau for all such grant programs. But the rate of growth of these programs in recent years is sufficient warning not to plan for the accommodation of present responsibilities only. The prospect of probable future growth leads the committee to conclude that the aggregate of major grant programs is already beyond the span of effective control of a single bureau. Added support for the concept of two grant bureaus flows from the significant differences in patterns of Federal relationships

with States on the one hand, and colleges and universities on the other.

Clearly, the intention of the report is to divorce the administration of grant programs enacted by the Congress from the performance of educational research so as to avoid the possibility of using Federal funds as a means for influencing education programs. Alarmist statements about Federal control of education are not justified in any way by this report.

Another recommendation of significance made in the subject report relates to policy formulation. The role of the Office of Education in policy formulation within the Federal Government is an advisory one. As the report points out:

> Every agency of the executive branch of Government serves, to a greater or lesser degree, in a staff capacity to the President of the United States. The President alone is responsible for the formulation of executive branch policy, but he can be and is aided enormously by the staff of his executive agencies.

It should be noted that this role in assisting policy formulation will be reinforced through the establishment of a National Board of Advisers, appointed by the President and reporting to the Commissioner of Education. This Board, composed primarily of outstanding representatives of the lay public, would be of major assistance to the Commissioner in his role as an adviser on Federal policy matters.

Following the practice of a similar Committee on the Mission and Organization of the Public Health Service that reported to the Surgeon General in June of 1960, this report was printed and distributed within the Office of Education in order that the widest possible consideration could be given to the recommendations. While the report at no time since its printing has been considered confidential, it was not designed for nor given initial public distribution. On the other hand, it has been furnished to those persons who have requested it.

The consideration of the internal reorganization of the Office of Education is continuing within the Office, with the advice of interested persons in the Department of Health, Education, and Welfare and the Bureau of the Budget. It is anticipated that some changes toward a more satisfactory organizational structure may be initiated during the summer of 1961.

Finally, may I recommend that those who are interested in this subject read the report entitled "A Federal Education Agency for the Future," in its entirety rather than relying on portions of the report taken out of context. These reports are available currently from the Office of Education.

WASHINGTON SALUTES SEQUOYAH

Mr. O'BRIEN of New York. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. EDMONDSON] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, today the Capitol provided the setting for a series of ceremonies and events honoring a great American, the Cherokee scholar and leader known as Sequoyah.

Members of the congressional delegations of three great States joined two modern-day Cherokee leaders and a group of distinguished Americans in commemorating the 200th anniversary of Sequoyah's birth.

The ceremonies began at the handsome bronze statue of Sequoyah in Statuary Hall, where beautiful wreaths were placed by Chief W. W. Keeler, of the Cherokee Nation of Oklahoma, and by Vice Chief Newman Arneach, of the Eastern Band of Cherokee Indians of North Carolina.

Senators SAM J. ERVIN, JR., and B. EVERETT JORDAN, of North Carolina, and Congressmen TOM STEED, VICTOR WICKERSHAM, and PAGE BELCHER, of Oklahoma, were among the distinguished guests present at the wreath-laying ceremonies.

In a reception given by Oklahoma's senior Senator, the Honorable ROBERT S. KERR, the chiefs were greeted and salutes to Sequoyah were delivered by a series of speakers, including Oklahoma's Senator A. S. MIKE MONRONEY; the Honorable JAMES DAVIS, of Georgia; the Honorable ROY TAYLOR, of North Carolina; and others.

Both Chief Keeler and Vice Chief Arneach gave eloquent tributes to the great Cherokee, who is the only man in history known to have invented a complete alphabet to be adopted by a great people.

Another feature of the reception program was a moving speech by Mrs. Sidney Henry Ruskin, of Decatur, Ga., who is chairman of the nationwide observances of Sequoyah's 200th anniversary, and who with Mr. Ruskin provided a Sequoia Gigantia seedling to be planted on the Capitol Grounds.

The Honorable Clarence Wesley, president of the National Congress of American Indians, also joined in saluting the contributions of Sequoyah and the Cherokees to our Nation's culture and traditions.

At approximately 4:30 this afternoon, the two chiefs and more than a score of distinguished Americans joined in traditional ceremonies in the west court of the Capitol Conservatory for the actual tree planting.

In a beautiful ritual prepared by Mrs. Ruskin, featured by a series of seven tributes and salutes, the Sequoia tree was impressively dedicated.

May it stand on these honored grounds for more than a thousand years, as a living memorial to a truly great American, Sequoyah.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. FORRESTER (at the request of Mr. ANDREWS), for today, and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HOFFMAN of Michigan, for 10 minutes, today.

Mr. ALGER (at the request of Mr. CONTE), on June 27, for 60 minutes.

Mr. ALGER (at the request of Mr. CONTE), on June 28, for 60 minutes.

Mr. FRELINGHUYSEN (at the request of Mr. CONTE), on June 29, for 2 hours.

Mr. WEAVER (at the request of Mr. CONTE), on June 29, for 60 minutes.

Mr. STAGGERS (at the request of Mr. O'BRIEN of New York), to revise and extend his remarks, and to include extraneous matter, today, for 5 minutes.

Mr. HEMPHILL (at the request of Mr. O'BRIEN of New York), on Wednesday, June 28, for 1 hour.

Mr. ASPINALL (at the request of Mr. O'BRIEN of New York), on Tuesday, June 27, for 30 minutes.

Mr. LINDSAY, on Thursday, June 29, for 1 hour.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. SCHWENGEL (at the request of Mr. CONTE) and to include extraneous matter, notwithstanding it will exceed two pages of the RECORD and is estimated by the Public Printer to cost $513.

(The following Members (at the request of Mr. CONTE) and to include extraneous matter:)

Mr. HORAN.

Mr. WALLHAUSER.

Mr. FRELINGHUYSEN.

Mr. O'KONSKI.

(The following Members (at the request of Mr. O'BRIEN of New York) and to include extraneous matter:)

Mr. OLSEN.

Mr. KOWALSKI.

Mr. CAREY.

Mr. DULSKI.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 19. An act for the relief of Mrs. Takimi Yamada; to the Committee on the Judiciary.

S. 146. An act to extend and increase the special milk program for children; to the Committee on Agriculture.

S. 231. An act for the relief of Helga G. F. Koehler; to the Committee on the Judiciary.

S. 332. An act for the relief of Franciszek Roszkowski; to the Committee on the Judiciary.

S. 491. An act for the relief of Emmanuel Epaminondas Skamangas; to the Committee on the Judiciary.

S. 1007. An act for the relief of Sara Mishan; to the Committee on the Judiciary.

S. 1100. An act for the relief of Sang Man Han; to the Committee on the Judiciary.

S. 1405. An act for the relief of Aram Fayda and his wife, Elena Fayda; to the Committee on the Judiciary.

S. 1432. An act for the relief of Shau Ying Lin, and her children, Gee Chek Lin, Gee Ming Lin, and Chi Fong Lin; to the Committee on the Judiciary.

S. 1549. An act for the relief of Leonarda Cocuzza; to the Committee on the Judiciary.

S. 1576. An act for the relief of Wen Nong Wong; to the Committee on the Judiciary.

S. 1645. An act for the relief of Clarinda da Veiga; to the Committee on the Judiciary.

S. 1673. An act for the relief of Blagoje Popadich; to the Committee on the Judiciary.

S. 1785. An act for the relief of Eduardo Giron Rodriguez; to the Committee on the Judiciary.

S. 2051. An act to afford children of certain deceased veterans who were eligible for the benefits of the War Orphans Educational Assistance Act of 1956 but who, because of residence in the Republic of the Philippines, were unable to receive such assistance prior to the enactment of Public Law 85-460, additional time to complete their education; to the Committee on Veterans' Affairs.

S. 2113. An act to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvesting of hay on conservation reserve acreage under certain conditions; to the Committee on Agriculture.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1441. An act for the relief of certain aliens;

H.R. 1642. An act for the relief of Mrs. Lliyan Robinson;

H.R. 1677. An act for the relief of Elie Hara;

H.R. 1710. An act for the relief of Narinder Singh Somal;

H.R. 1717. An act for the relief of Angelo Li Destri;

H.R. 1718. An act for the relief of Jamie E. Concepcion;

H.R. 1860. An act for the relief of Jovenal Gornes Verano;

H.R. 1888. An act for the relief of Tomislav Lazarevich;

H.R. 2152. An act for the relief of Mrs. Francisca Hartman;

H.R. 2351. An act for the relief of Hans Hangartner;

H.R. 2671. An act for the relief of Giovanna Bonavita;

H.R. 2991. An act for the relief of Joseph Maz;

H.R. 3146. An act for the relief of Jozef Gromada;

H.R. 4023. An act for the relief of Mieczyslaw Bajor;

H.R. 4201. An act for the relief of Evangelia Kurtales;

H.R. 4482. An act for the relief of Urszula Sikora, Radoslav Vulin, and Desanka Vulin; and

H.R. 5416. An act to include within the boundaries of Joshua Tree National Monument, in the State of California, certain federally owned lands used in connection with said monument, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 277. An act for the relief of Erica Barth;

S. 610. An act to strengthen the domestic and foreign commerce of the United States by providing for the establishment of a U.S. Travel Service within the Department of Commerce;

S. 1342. An act to provide that participation by members of the National Guard in the reenactment of the Battle of First Manassas shall be held and considered to be full-time training duty under section 503 of title 32, United States Code, and for other purposes; and

S. 1343. An act for the relief of Dr. Tung Hui Lin.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on June 21, 1961, present to the President, for his approval, bills of the House of the following titles:

H.R. 1425. An act for the relief of Marian Walczyk and Marya Marek;

H.R. 2346. An act for the relief of Maria Cascarino and Carmelo Giuseppe Ferraro;

H.R. 2972. An act for the relief of Mrs. Cornelia Fales; and

H.R. 7218. An act to provide that the authorized strength of the Metropolitan Police Force of the District of Columbia shall be not less than 3,000 officers and members.

ADJOURNMENT

Mr. O'BRIEN of New York. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 14 minutes p.m.), under its previous order, the House adjourned until Monday, June 26, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1060. A letter from the Chairman, U.S. Advisory Commission on Educational Exchange, transmitting the 26th semiannual report on the educational exchange activities conducted under the U.S. Information and Educational Exchange Act of 1948 for the period January to June 1961, pursuant to Public Law 402, 80th Congress (H. Doc. No. 199); to the Committee on Foreign Affairs and ordered to be printed.

1061. A letter from the Secretary of Agriculture, transmitting a report on the 1961 feed grain program, pursuant to Public Law 5, 87th Congress; to the Committee on Agriculture.

1062. A letter from the Acting Administrator, General Services Administration, transmitting the report of the Archivist of the United States on records proposed for disposal under the law; to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McMILLAN: Committee on the District of Columbia. H.R. 7052. A bill to amend section 927 of the act of March 3, 1901, relating to responsibility for criminal conduct, and for other purposes; without amendment (Rept. No. 563). Referred to the Committee of the Whole House on the State of the Union.

Mr. FALLON: Committee of conference. H.R. 6713. A bill to amend certain laws relating to Federal-aid highways, to make certain adjustments in the Federal-aid highway program, and for other purposes (Rept. No. 564). Ordered to be printed.

Mr. MOORE: Committee on the Judiciary. H.R. 187. A bill to provide for the judicial review of orders of deportation; without amendment (Rept. No. 565). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON of New Jersey: Joint Committee on the Disposition of Executive Papers. House Report No. 566. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. S. 1931. An act to extend the provisions of title XIII of the Federal Aviation Act of 1958, relating to war risk insurance; without amendment (Rept. No. 567). Referred to the Committee of the Whole House on the State of the Union.

Mr. LESINSKI: Committee on Post Office and Civil Service. H.R. 7043. A bill to extend to employees subject to the Classification Act of 1949 the benefits of salary increases in connection with the protection of basic compensation rates from the effects of downgrading actions, to provide salary protection for postal field service employees in certain cases of reduction in salary standing, and for other purposes; with amendment (Rept. No. 568). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BATTIN:

H.R. 7825. A bill to amend the act of April 6, 1937, as amended, to provide for the effective control of grasshoppers and other insect pests on land idled under the conservation reserve program; to the Committee on Agriculture.

By Mr. BERRY:

H.R. 7826. A bill to authorize and direct the Secretary of the Interior to conduct studies of the genetics of sport fishes and to carry out selective breeding of such fishes to develop strains with inherent attributes valuable in programs of research, fish hatchery production, and management of recreational fishery resources; to the Committee on Merchant Marine and Fisheries.

By Mr. BREEDING:

H.R. 7827. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. DULSKI:

H.R. 7828. A bill to amend the Tariff Act of 1930 to impose a duty upon the importation of bread; to the Committee on Ways and Means.

By Mr. KEOGH:

H.R. 7829. A bill to amend titles I and II of the act of September 14, 1959, entitled "State Income Taxes—Interstate Commerce"; to the Committee on the Judiciary.

H.R. 7830. A bill to make permanent the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm kernel oil, and fatty acids, salts, combinations or mixtures thereof; to the Committee on Ways and Means.

By Mr. LANKFORD:

H.R. 7831. A bill to provide that employees whose basic compensation is fixed and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose, shall be paid on a weekly basis; to the Committee on Post Office and Civil Service.

By Mr. MacGREGOR:

H.R. 7832. A bill to amend the Soil Bank Act so as to authorize the Secretary of Agriculture to permit the harvest of hay on conservation reserve acreage under certain conditions; to the Committee on Agriculture.

H.R. 7833. A bill to amend title II of the Career Compensation Act of 1949 so as to provide that certain members of the uniformed services shall not be entitled to receive any pay or allowances from the United

States after engaging in any activity or conduct, while a prisoner of war, which results in the giving of aid or comfort to an enemy of the United States; to the Committee on Armed Services.

By Mr. MONTOYA:

H.R. 7834. A bill to amend title II of the National Housing Act to establish a new program of mortgage insurance for smaller rental housing projects; to the Committee on Banking and Currency.

H.R. 7835. A bill to amend the Internal Revenue Code of 1954 to provide an exemption from the communications and transportation taxes for amounts paid by nonprofit boys' homes; to the Committee on Ways and Means.

By Mr. OLSEN:

H.R. 7836. A bill to provide readjustment assistance to veterans who serve in the Armed Forces between January 31, 1955, and July 1, 1963; to the Committee on Veterans' Affairs.

By Mr. SILER:

H.R. 7837. A bill to provide for an appropriation of a sum not exceeding $175,000 with which to make a survey of proposed national parkway extensions or connections to Blue Ridge Parkway, Great Smoky Mountains National Park, Foothills Parkway, Mammoth Cave National Park, and Natchez Trace Parkway, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STEED:

H.R. 7838. A bill to assist the States to provide additional facilities for research at the State agricultural experiment stations; to the Committee on Agriculture.

By Mr. WALLHAUSER:

H.R. 7839. A bill to amend the Agricultural Trade Development and Assistance Act, and certain other provisions of law, to require consultation with the Secretary of Commerce before commodities are designated surplus agricultural commodities; to the Committee on Agriculture.

H.R. 7840. A bill to amend title 38, United States Code, to provide that the Administrator of Veterans' Affairs shall provide convalescent and nursing home care in facilities provided at Veterans' Administration hospitals; to the Committee on Veterans' Affairs.

By Mr. ZELENKO:

H.R. 7841. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. DANIELS:

H.R. 7842. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act, as amended; to the Committee on Education and Labor.

By Mr. GILBERT:

H.R. 7843. A bill to provide for planning the participation of the United States in the New York World's Fair, to be held at New York City in 1964 and 1965, and for other purposes; to the Committee on Foreign Affairs.

By Mr. ST. GERMAIN:

H.R. 7844. A bill to provide for the establishment of the Roger Williams National Monument; to the Committee on Interior and Insular Affairs.

By Mr. LESINSKI:

H.J. Res. 460. Joint resolution to provide for the issuance of a special postage stamp in honor of Taras Shevchenko; to the Committee on Post Office and Civil Service.

By Mr. PASSMAN:

H.J. Res. 461. Joint resolution expressing a declaration of war against the 98 Communist Parties constituting the international Communist conspiracy; to the Committee on Foreign Affairs.

By Mr. THOMPSON of New Jersey:

H.J. Res. 462. Joint resolution authorizing the President of the United States to proclaim the period from October 22, 1961, through October 28, 1961, as National Gifted Child Week; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H. Con. Res. 341. Concurrent resolution expressing the sense of the Congress with respect to the proposed trade by Cuba of prisoners for tractors; to the Committee on Foreign Affairs.

By Mr. BURLESON:

H. Res. 357. Resolution providing additional funds for the Committee on House Administration; to the Committee on House Administration.

By Mr. DULSKI:

H. Res. 358. Resolution establishing a Special Committee on the Captive Nations; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALGER:

H.R. 7845. A bill for the relief of John Andrew Nichols and Anna Sophia Nichols; to the Committee on the Judiciary.

By Mr. DOOLEY:

H.R. 7846. A bill for the relief of Niall Michael Cullen; to the Committee on the Judiciary.

By Mr. KASTENMEIER:

H.R. 7847. A bill for the relief of Walter A. Denning; to the Committee on the Judiciary.

By Mr. KLUCZYNSKI:

H.R. 7848. A bill for the relief of Ivanka Stalcer Vlahovic; to the Committee on the Judiciary.

By Mr. NORBLAD (by request):

H.R. 7849. A bill for the relief of the United States National Bank of Portland, Oreg.; to the Committee on the Judiciary.

By Mr. PATMAN:

H.R. 7850. A bill to provide for the conveyance of certain lands by the United States to W. M. Fricks and J. F. Fricks; to the Committee on Public Works.

PETITIONS, ETC.

Under clause 1 of rule XXII,

185. Mrs. GRIFFITHS presented a petition of 300 citizens of the State of Michigan urging the Congress of the United States to stand fast against appeasement of Red China, which was referred to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Soviet Enslavement of Lithuanians

EXTENSION OF REMARKS

OF

HON. FRANK KOWALSKI

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1961

Mr. KOWALSKI. Mr. Speaker, soon after the outbreak of World War II, when Lithuania's friends in the West were fighting nazism and fascism, Stalin and his hordes began enslaving free peoples in countries bordering the Soviet Union.

Lithuania, along with Latvia and Estonia, was overrun by the Red army. Lithuanians were robbed of their freedom and in mid-1940 their country became part of the Soviet Union.

Thousands of Lithuanians were imprisoned and then exiled to Siberia.

By the end of June 1941, more than 35,000 Lithuanians were in exile. Many more thousands were deported after the war, so that in 1948–49 an estimated 10 percent of the population suffered this fate.

To this day, unfortunately, these patriotic Lithuanians are still in exile, suffering in the desolate areas of Asiatic Russia, while their compatriots in the homeland also suffer under the ruthlessness of Communist totalitarian rule.

So while the last world war brought death and destruction to many peoples, it brought terror and tragedy to Lithuania. And in observing the anniversary of Soviet deportation of these innocent Lithuanians, we echo the genuine patriotic sentiments of their liberty-loving compatriots everywhere.

Soviet Deportation of Lithuanians

EXTENSION OF REMARKS

OF

HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1961

Mr. CAREY. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to add my statement in commemoration of the tragic deportation of Lithuanians by the Soviet Union during the years 1940–41. This act illustrates to all of us once again the great inhumanity of the Soviet regime.

At the end of the First World War when Lithuanians regained their freedom they and their friends everywhere hoped that they would live in their ancient homeland in peace and prosperity. During the interwar years they did create prosperity, and enjoyed it in freedom as long as they were allowed to have freedom. But their most powerful and ferocious adversary, the leaders of the Soviet Union, had decided that Lithuanians should have no more freedom than the people of the Soviet Union. Thus they decided to eliminate Lithuania, along with its two neighboring Baltic States, as an independent and free state. This they did in 1940. At that time the Western Powers were deeply involved in the war. Thus Moscow carried out its evil designs with impunity.

By mid-1940 helpless Lithuania lay at the feet of her invaders, Red army troops, and her people enslaved under Communist tyranny. Then the new masters of Lithuania made a clean sweep of all

Lithuanian leaders; they all were arrested, imprisoned and, in many cases without the knowledge of their relatives and friends, shipped to far-off corners of Asiatic Russia. There in these desolate and inhospitable lands these innocent Lithuanians have been suffering for more than two decades. Today we do not know of their unenviable lot, but in observing the anniversary of their deportation by Soviet authorities, we think of them as the victims of Soviet inhumanity toward true lovers of liberty and freedom.

The Silver Spurs

EXTENSION OF REMARKS
OF
HON. WALT HORAN
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 22, 1961

Mr. HORAN. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I am extremely pleased to report on the latest tour of an outstanding group from my congressional district, the Silver Spurs, of Spokane, Wash.

This group was organized by a remarkable man, Mr. Edwin S. "Red" Henderson, consultant in physical education, Spokane public schools, as a way to interest high school youngsters in the healthy, pleasurable activity provided by square and folk dancing. Since their organization in 1947, the Silver Spurs have become nationally known and, may I add, nationally loved.

Annually, they take summer tours and have entertained enthusiastic and appreciative audiences throughout the United States. Last night they entertained a large audience in the gymnasium of the Bethesda-Chevy Chase High School. This year's appearance was one of many they have made in the Nation's Capital The name "Silver Spurs" has become one to hearten everyone who believes in the wholesome art of folk dancing.

This organization is a peculiar one in that it is entirely voluntary on the part of those who participate, and most of their preparations and schooling in the acts and dances which they present take place on Saturday mornings. These talented youngsters are drawn from all of the public schools in Spokane, Wash. None of them smoke or drink, and all of them are required to have high grades. These youngsters leave the Silver Spurs organization upon graduation from high school, so the personnel of this very talented organization changes with the years, but the quality of their presentations remains. And, the record reveals that the alumnus of the Silver Spurs are continuously making good.

I commend the Silver Spurs as one of the fine groups of teenagers who contribute to the coming generation. As for myself, I believe that our young people are purposeful and that they are determined to benefit from their opportunities as free Americans. They are contributing greatly by helping to keep this Nation the hope of the world. As I review such contributions as those made by the Silver Spurs and observe the rising generation now in their teens and twenties, I have high hopes for the future.

Those on this tour, headed by Mr. Henderson, are:

Silver Spurs: Jackie Burchett, Judy Burchett, Bev Fager, Ann Ferbrache, Midge Ferbrache, Eileen Garrett, Adrienne Haffner, Lo Rita Solseng, Karen Trent, Terry Chamberlain, Jim Curtis, Allen Haffner, Roy Kincaid, Ivor McCoy, Jeff Menitz, Jim Sherrill, Don Westerman, Gary Westerman; chaperons, Mrs. C. M. Westerman and Mrs. J. L. Trent; driver, Claire Hamilton; and the director, Edwin S. "Red" Henderson.

I might add that in addition to voluntary participation in the activities of the Silver Spurs, this group is entirely self-supported. They do make a slight charge for their appearance, but this is entirely directed toward the cost of their transportation and other expenses.

Again, Mr. Speaker, may I conclude in expressing my great pleasure in having the Silver Spurs once again visit the Nation's Capital. Today they were in the Gallery and had it not been for an old, and, of course, reasonable rule of decorum in this body, I would have been extremely proud to have made a 1-minute speech to point out this fine group of young Americans.

Rail Mergers

EXTENSION OF REMARKS
OF
HON. THADDEUS J. DULSKI
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 22, 1961

Mr. DULSKI. Mr. Speaker, I am greatly concerned over the pending railroad merger movement which threatens to eliminate thousands and thousands of jobs throughout the Nation.

At a time when our Nation has not yet fully recovered from its most recent period of recession, and some areas are still suffering from a very serious unemployment situation, I am opposed to any action, economic or otherwise, which would either further retard or hinder recovery. This administration and the Congress have taken steps to check the recess by extending unemployment benefits, providing aid for depressed areas, and so forth.

I am of the firm belief that the proposed rail mergers would do nothing to aid our economy or promote our return to prosperity.

In the first place, these mergers inevitably result in the loss of employment by thousands of railroad workers. Mechanization and automation have already taken their toll in the loss of thousands and thousands of jobs in the railroading industry. Many of these men have spent their entire lives in railroad service, some are getting along in years, and their prospects for obtaining other employment would be very dim, particularly at a time when the Nation is still confronted with a labor surplus in many areas. Often, too, such mergers call for a change in the location of employment for these railroad employees which more often than not results in hardship or inability to move.

Next, we must consider the value of this arm of our transportation network. If business activity is stimulated within the next year or two and conditions improve gradually, there will be an increased demand for transportation facilities. I strongly feel that a consolidated railroad will have so impaired or weakened its capacity to handle increased traffic that it could not meet the demands.

Mergers, too, result in curtailment of services by the railroads. The public suffers from less efficient means of transportation, and the cost is greater.

It is plain to see that railroad consolidations do not benefit our Nation's economy, but only those stockholders and financiers who are in control of the railroads. Those now seeking consolidations are not in financial straits—on the contrary, they are showing a good profit. They claim better service and lower rates will result from the mergers, but past history reveals the opposite. We must preserve competition.

I wish to go on record as being opposed to the consolidation of the Pennsylvania and the New York Central Railroads, as well as any further railroad consolidations. The public interest must be protected. We cannot afford to trifle with any moves which would impede or harass our Nation's efforts to regain and expand its economy.

Veterans' Readjustment Assistance Act

EXTENSION OF REMARKS
OF
HON. ARNOLD OLSEN
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 22, 1961

Mr. OLSEN. Mr. Speaker, more than 6 years have elapsed since the termination of the period, on January 31, 1955, for establishing eligibility under the Korean GI bill. Since then, with the exception of those who were in service on or before that date and those who received service-connected disabilities during the Korean conflict, none of the men and women who have honorably served their country in the armed services and have been discharged have received any postservice educational or vocational assistance.

The consequent inability of many of these veterans to acquire added skills has meant a loss not only to them personally but to the Nation as a whole. For no matter by what name you choose to call it, we are engaged in a war of survival in which we can ill afford recklessly to squander the talents of our gifted citizens. The extent of the national loss since January 1955, can be appreciated when it is considered that of the more than 7,800,000 veterans of

World War II who received training under the first GI bill, 450,000 went into communications and 380,000 into highly technical construction work; 100,000 became lawyers, 63,000 doctors, 180,000 mechanics, 238,000 schoolteachers, 145,000 engineers, and 75,000 farmers.

In the words of the Bradley Commission:

The veterans' education program was a major contribution to the national welfare, and the country would be weaker educationally, economically, and in terms of national defense if educators, veterans organizations, the President, and the Congress had not seen fit to embark upon this new and momentous educational enterprise.

But, instead of retaining this splendid program with its many advantages we have allowed it to terminate and die.

In 1959, the Senate adopted a bill reestablishing the program for veterans with service between January 31, 1955, and July 1, 1963, the termination date of the draft law. It also provided for vocational rehabilitation training on a permanent basis for veterans with service-connected disabilities and it authorized loan guarantee assistance for the purchase of homes, farmlands, livestock, et cetera, by veterans. Regrettably the bill was never brought to the floor of the House for consideration.

I have today introduced a bill which is substantially the same as S. 1138, the measure which passed the Senate in 1959, with the exception that it does not contain the section in that bill providing for loans instead of grants to veterans who fail to place in the top half of their class after the first year of college.

As stated in the report of the Senate Committee on Labor and Public Welfare on S. 1138 of the 86th Congress:

The need for this legislation is clear, compelling and urgent. Today's cold war conditions are such that thousands of young Americans are required by the compulsory draft law to serve on active duty in the Armed Forces for a specific period of time. * * * Absent the exigencies of the cold war, the majority of these young people would not enter military service—normally they would remain in civil life, pursuing their individual goals. (Since January 31, 1955) young people entering the Armed Forces * * * have been called upon to make the personal sacrifices associated with military service; yet they have been denied the readjustment aids so vitally needed to help them catch up with those of their contemporaries who were not asked to serve but who instead continued the more lucrative and comfortable pursuits of civil life.

It is often argued that we are not actually engaged in a so-called hot war and therefore we should not grant readjustment benefits to our peacetime veterans. This argument, I submit, must have a hollow sound to those who waded ashore on the strange beaches of Lebanon in 1958, or who were violently assaulted by Congolese while delivering supplies to that unhappy country this year, or, who are even now daily exposing their lives in Laos. I cannot believe that many of these Americans are not risking as much now as their brothers did during World War II and the Korean conflict.

Finally, Mr. Speaker, we cannot ignore the fact that the GI benefits program is a self-liquidating program if there ever was one; a program that in the long run will not cost the American taxpayer one penny. In listing the specific achievements of the program, in a press release issued on June 22, 1954, the 10th anniversary of the World War II bill, the Veterans' Administration stated:

Through the GI bill, World War II veterans have become the best educated group of people in the history of the United States.

Because of their training, they have raised their income level to the point where they are now paying an extra billion dollars a year in income taxes to Uncle Sam.

At this rate, GI-bill-trained veterans alone will pay off the entire $15 billion cost of the GI education and training program within the next 15 years.

Mr. Speaker, I appeal to the Members of this House and of Congress to once more authorize educational and vocational training and rehabilitation for the members of our Armed Forces who have entered the service subsequent to January 31, 1955. In so doing we would continue to recognize the obligation which prior Congresses appreciated in respect to veterans of World War II and the Korean conflict. We would not be initiating a new program for which there are no precedents.

We owe it to the continuation of the American dream to take this action now, but most of all we owe it to the gallant men and women in our Armed Forces who stand ready in these days of uncertainty to undertake the greatest risks of all that this Nation and free Government will continue to endure.

Why the Nuclear Test Ban Talks Have Not Succeeded

EXTENSION OF REMARKS

OF

HON. PETER FRELINGHUYSEN, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1961

Mr. FRELINGHUYSEN. Mr. Speaker, the President's recall to Washington of Arthur Dean, chief negotiator of the nuclear test ban talks at Geneva, is further evidence of the fateful decision which must soon be made—whether or not to resume nuclear testing. As a member of the House Foreign Affairs Committee, I should like to make some observations on this situation.

One of the hardest foreign policy decisions facing President Kennedy is whether or not to resume nuclear tests, and thus end the unpoliced moratorium which has been in effect unofficially since negotiations began at Geneva on October 31, 1958.

At Geneva there has been a considerable measure of agreement between East and West, enough to provide some 17 articles for a treaty. However, the fundamental points of view of the two sides are quite different. The U.S.S.R. advocates adoption of a document in which the United States, Britain, and Russia would agree simply to reduce nuclear armaments. The United States and Britain have insisted on measures for the verification of any treaty concerning the limitation of armaments, primarily through a technical program of inspection.

HOW DID WE COME TO GENEVA?

Early in 1958 President Eisenhower initiated the long effort to reach a nuclear test agreement. As a first step, a committee of United States and Soviet scientific experts met during the summer of that year; they reported that it was technically feasible to detect atomic tests. The United States, United Kingdom, and U.S.S.R. then agreed to begin treaty negotiations at the end of October in Geneva. They agreed also to suspend voluntarily any further testing to await the results of the talks.

Throughout almost the whole period since the talks began, and right up to the present, the central issue has been the kind of inspection system necessary to police a test ban. The West believes that an effective system requires a substantial number of control posts in the territory of each of the treaty countries. These would be staffed by technicians of several countries who would be empowered to make onsite inspections of a percentage of unidentified ground tremors or seismic events.

After first denouncing the inspection proposal as a scheme for spying, the Soviets relented to a limited degree. However, they never modified their position to the extent of coming close to minimum Western desires for inspection.

New and complicating circumstances were introduced into the test talks by U.S. scientists' discovery early in 1959 that small underground nuclear explosions might be difficult to detect. The result was a new U.S. treaty proposal in the spring of 1960, suggesting the banning of tests in the atmosphere, in space, and underwater. In all these areas there could be no question of the adequacy of control measures. All underground tests above a specified and relatively low explosive power would also be banned. This plan proposed also a joint research program on detection so as eventually to bring smaller tests within control capabilities. The Soviets found the new proposal acceptable as a basis for negotiation; they also proposed that there be no smaller tests pending the completion of this research program.

Negotiations have rested more or less at this point. This spring the Kennedy administration offered several modifications of the Western position, designed to provoke the Soviets into compromise.

The present Western proposals call for an involved technical apparatus to assure effective inspection and control. A massive system of one hundred and eighty 30-man control posts, estimated to cost about $2 billion to install, would be set up on land and sea within 3 years after signing of the treaty. Within this same period, earth and solar satellite systems would be established to detect explosions in outer space. Unidentified seismic events would be inspected by teams of specialists. Control operations would be undertaken by an international staff so constituted as to avoid self-inspection. Nuclear

explosions for research and peaceful purposes would be permitted under safeguards. The whole program would be under the direction of a test ban administrator and 5 assistants, operating under the direction of an 11-member International Control Commission.

WHY SHOULD THERE BE A TEST BAN

Behind President Kennedy's decision to continue to talk at Geneva there lies what many believe to be the necessity to go "the last mile" in proving our willingness to negotiate a nuclear test ban treaty.

By making every reasonable effort to come to an effective agreement with the Russians, the President has given his support to the thesis that a test ban treaty offers the best hope of a start toward arms reduction and a general relaxation of tensions between East and West. Certainly, too, the administration appreciates that breaking off the talks and resuming testing would probably intensify the cold war and stimulate the arms race. Such developments would weaken greatly, if not doom, any chance of arms reduction.

If, furthermore, the three current nuclear powers fail to reach agreement, future efforts to reach an effective system of arms control may be fatally handicapped. The door is already open for others to become members of the so-called nuclear club. France has made real progress, and reportedly Red China and Israel are not far behind. Some 10 nations are thought to be capable of perfecting their own bomb over the next 10 years. Such a spread of nuclear weapons would render effective arms control all but impossible.

At the present time, it is argued, we have a weapon stockpile more than adequate to satisfy military requirements. It is generally believed also that we hold a lead in warhead technology over the Russians. A return to testing, then, could mean a loss of this lead, the certain obsolescence of our stockpile, and new and massive expenditures for development to keep ahead of, or even abreast of, the Russian efforts.

On the side of those who feel we must begin testing again are ranged a strong series of counterarguments. Perhaps most important is the fact that the 2½-year moratorium has constituted what amounts to a test ban, as the Soviets might have hoped, free from any controls or inspection requirements. The longer the negotiations continue this moratorium, the greater will be the Soviets' advantage through the progressive weakening of the U.S. case for controls.

Then too, many experts present convincing arugments that the Soviets can be and are cheating. They assert that the Soviet Union is making advances in technology and strengthening its position to the detriment of the United States. If this is true the need to test, in order to improve our own technology, is all the more pressing.

WHERE THE DISAGREEMENT LIES

In any event the breaking off of test talks must come, if it does, as a result of disagreement between East and West across the negotiating table. Increasing Western doubt of Russian sincerity in the negotiations have been compounded as the result of the introduction by the Soviet Union of a demand for a three-man, or "troika," directorate for the administration of the test ban, replacing the single neutral administrator agreed to last year. This plan would give the Soviets veto power over the operations under a treaty, and is obviously unacceptable to the West.

Behind this new and basic disagreement are several important specific points on which the two sides have never been able to come together over the full term of the talks. It is this continued inability to reach a compromise on basic issues, despite real Western efforts at concessions, that makes any further progress seem unlikely.

First. The first of these issues is the duration of the proposed research program for detecting underground testing of small weapons, and the length of the moratorium on this type of testing. The Soviet Union had proposed a period of 4 to 5 years. The United States originally proposed a 2-year research program and a 27-month moratorium; more recently Western proposals call for a 3-year research program. The operation of a joint research program is itself in question due to Soviet refusal to participate. This is the case even though the West would now accede to a Soviet demand for observers of our research, in exchange for similar rights if Russia decided to carry its own research. The Soviets apparently are not ready to accept these renewed proposals and have not advanced new positions of their own.

A related area of disagreement concerns a control system for high altitude or space testing. A three-power technical conference in 1959 recommended a system of satellite surveillance which the West has accepted. The Soviets have taken no position.

Second. Several of the most discussed areas of disagreement have to do with control posts and establishing the number of onsite inspections to be made each year. Originally the Soviet Union proposed that all control post staffs would be nationals of the country where the post was located. The counterproposal of the West suggested that each post staff he composed one-third from each of the three political blocs, with the post directors not to be nations of the host country. Although the Soviet position has moved close to the West's here, no agreement is in sight.

On the matter of control posts—the very heart of the inspection system—the West has proposed 21 post sites in the Soviet Union, 17 in the United States, and 14 in Britain and her dependencies. The Russians want only 15 posts in the Soviet Union. The West has offered to cut the number in the U.S.S.R. to 19, a minimum number, at the same time reducing posts in the United States to 16. This concession has not seemed to interest the U.S.S.R.

Regarding the number of onsite inspections of unidentified seismic events, the West has proposed an annual quota of 20 inspections, based on a study of the normal seismic activity in the Soviet Union. The Russians have offered three. Though a compromise has been hinted at, there is still a sizable gap in the figures.

A related area of dispute involves the technical criteria which would be required for making onsite inspections of suspicious events. Also in contention is the staffing of inspection teams and the operation of special inspection aircraft flights.

Third. Another important area of disagreement has been over Soviet insistence on a two-thirds vote or veto power over budget and fiscal matters. This problem lies within the broader subject of the size and composition of the International Control Commission. Originally it was agreed that the Commission should have seven members. A dispute then arose over the political composition of the four members beside those of the three treaty powers. The U.S.S.R.'s plan proposed three Western, three Soviet bloc, and one neutral member. The West then argued for three Western, two Soviet bloc, and two neutral members in an effort to circumvent the veto. Most recently, Western counterproposals reportedly would offer an 11-man commission composed of 4 Western members, 4 Soviet bloc members, and 3 neutrals. This concession would constitute recognition that each of the treaty powers could veto the annual budget.

WHERE DO WE GO FROM HERE?

Last week the administration's white paper made known the U.S. views on the Soviet position regarding the test ban. In urging further efforts toward an agreement and at the same time giving warning that we might be forced to end the testing moratorium, the President made clear that we cannot take the risk of foregoing testing indefinitely while waiting for the Soviets to decide to sign an agreement. This thinking, apparently, is largely based on the fear that the Soviets may be advancing through covert underground testing. At the same time we have rejected a Soviet offer to combine the test talks with the general disarmament discussions, scheduled to open next month.

Thus we have adopted the course of continuing to talk at Geneva, while preparing at the same time to resume underground tests. There are no signs yet of a definite decision to resume underground testing, but this appears likely. In the meantime it is useful both diplomatically and psychologically to keep talking. As the United States has developed its position in recent months, we have acquired the favored position in world opinion. Continuing the talks now will reemphasize to the world Soviet unwillingness to match U.S. concessions. That this factor is bearing heavily on Soviet negotiators is reflected in their increasingly noisy denunciations of our position. Certainly, both sides recognize that the nation which resumes testing first will suffer a real propaganda loss.

The President must make a fateful decision, and a difficult one. If we do in the end resume testing, we must do so in a way to convince world opinion that we are acting in the interests of our own security and to insure the strength of the free world.

Governor Thomson Talks Sense on Taconite Development

EXTENSION OF REMARKS
OF
HON. ALVIN E. O'KONSKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 22, 1961

Mr. O'KONSKI. Mr. Speaker, the development of taconite in northern Wisconsin is the only answer to the economic ills that confront that area. For the past 6 years former Governor THOMSON has been leading an effort to do something about it. I ask that former Governor THOMSON's statement before a Senate subcommittee be printed following these remarks:

JOINT STATEMENT OF SENATOR WILEY, CONGRESSMEN BENNETT OF MICHIGAN, O'KONSKI, AND THOMSON OF WISCONSIN, TO THE SENATE SUBCOMMITTEE ON MINERALS MATERIALS AND FUELS OF THE SENATE INTERIOR COMMITTEE

Members of Congress from States bordering on Lake Superior welcome this hearing by your honorable committee of the problems of our iron ore industry. Many of us, whether in Congress, State or local government, or in private life, are looking for answers to these problems. We work separately, and together, to solve them. Coming as we do from the States where the ore is produced, we surely are learning at first hand of the imperative need for national concern about them.

A century or longer Lake Superior ranges have been our Nation's primary source of ore in steelmaking. It is America in steel—and the steel in Americans—that forge the mightiest force for freedom on this planet. Let us keep it that way. Most of us know, too, that the Superior iron ranges comprise the only developed major source of ore in the United States. We also realize that any threat to their unimpeded development can impair our national security. Yet, this contradiction persists: while use of ore in steel manufacture mounts steadily, the share of Superior ore in our production steadily declines.

Why should this be so? Is it because Lake Superior ores are decreasing in quality, although increasing in known reserves? Can it be said truthfully that demands of either labor or capital—or of both—are unrealistic in the mining operation? Or that tax rates, local and State, are excessive? Or that freight rates are exorbitant? Investors are timid? Foreign ores are too cheap? Or can it be said that technology in treating low-grade ores is lagging?

Mr. Chairman, these queries lash at every desk and job in every home and plant in every community on Lake Superior. Congress is not the first, nor alone, in contending with them. And the time is past when we can afford to run away from them. In the 2 hours available here, much can and should be told about recent and impending advances in technology. But what about other basic problems of this industry? The Members presenting this statement have participated in on-the-site hearings of our ore problems. Senator WILEY and Representatives BENNETT, O'KONSKI, and THOMSON (Mr. THOMSON was then attorney general of Wisconsin) joined with mining officials at such a hearing at Ashland, Wis., in October 1956. Also, they took the lead in 1953 in enlisting the aid of officials of the Government of Canada to obtain Alberta natural gas, because the fuel is a valuable help in ore processing.

At Ashland, too, as they do here, researchers and technologists spoke to us. Mining firms, public utility and pipeline companies, municipal and county governments were represented. Members of a Michigan Senate committee reported on efforts to obtain natural gas for the Upper Peninsula. Wisconsin's public service commission chairman, Mr. George P. Steinmetz, and Prof. Edwin Shorey, ore research director, University of Wisconsin, assisted us. The Special Committee for Development of Iron Ore Resources in Northern Wisconsin, appointed by Governor Kohler, with Attorney General THOMSON as chairman, called the meeting. In every way it was worth while, as this meeting is worth while.

We learned that Minnesota is far ahead in processing low-grade ores because of pioneering in research. But we are compelled to ask why its preeminence is widening so swiftly today over Michigan and Wisconsin, where research is also flourishing. Minnesota is in a giant stride this year.

We learned that the Upper Peninsula in 1956 was about to embark on a strong program of ore upgrading, subject to availability of natural gas. We are now compelled to ask why the Michigan program has been curtailed, relatively speaking, despite advances in technology. Is it because a blockade has been imposed against the entrance of competitive natural gas supplies?

About Wisconsin, we learned that while primary ores of rich content are nearing exhaustion on the Gogebic range, its low-grade deposits are more extensive even than Michigan's, and can be marketed profitably if—and this still remains the big if these 5 years later—low-cost natural gas can be obtained. The mining firms, supported by their research experts, listed the natural gas requirement as a basic need. They told us that economic supplies of natural gas for treating low-grade ores would enable the Superior ranges to compete vigorously with foreign ores at American mills.

Consider these contentions of the industry, as reflected by natural gas events on the ranges since 1956. The fight of Wisconsin and Michigan to procure Canadian natural gas for our mining areas has failed. We wanted and worked for a supply low in price—as promised; and for a supply independent in control and genuinely competitive—as promised. The supply has come. It is in Wisconsin. It is even at Menominee, Mich. But it is not low in price, because it is not independent. The Canadian gas has not been piped to the Wisconsin and Michigan iron ranges because it is so high in price that our low-grade mining processors cannot use it. Insofar as benefits to them are concerned, the gas might just as well have remained underground in distant Alberta, because it has been monopolized and hiked in price, a usual consequence.

Nevertheless, a tangential value has developed. In the brief period when Canadian gas posed as a competing supply, its posture did rouse one American pipeline company from its torpor. The company moved ahead with pipeline service it had long proposed to Duluth and Superior, so that natural gas from the Southwest is now in use there. A major taconite processor negotiated successfully for a supply and a pipeline is to be constructed before next winter to the "taconite towns" of Silver Bay and Two Harbors, Minn.

Owners of the Canadian supply had talked about it with enthusiasm at our Ashland meeting. Three months later they told us that their rivals were demanding that they surrender majority control, and these demands formed the basis of a complaint by the State of Wisconsin to the Attorney General of the United States. A grand jury at Milwaukee, after examining the scheme, indicted three major pipeline firms and their chief executives. Charged with criminal violations of the Federal antitrust laws, they are awaiting trial at Chicago. It is true, however, that the projected piping of Canadian gas by its owner directly across Wisconsin to Chicago, and across Wisconsin to the ore-processing plants of the Michigan Upper Peninsula, has been abandoned. Instead, two of the rivals who opposed the competitive pipeline—and are under indictment—absorb most of the Canadian gas.

Mr. Chairman, thousands of new jobs in Minnesota are expected to result from the planned increase in taconite production, and the availability of American-produced, low-priced natural gas is an important cause for the increased production. There is a need for new jobs also in northern Wisconsin and the Michigan Upper Peninsula, and an increase in the processing of low-grade iron ores there can help to provide them. Hence, the availability of a low-priced natural gas supply is correspondingly required. The mining people and their experts tell us so.

We ask that the Congress and the Government assist our mining firms in obtaining American-produced gas from the pipeline that will provide supplies for taconite processing at Silver Bay and Two Harbors, which is a known, contracted price very substantially below the price proposed for delivery of Canadian gas in the Upper Peninsula. Originally, when the Canadian supply was offered for ore processing in the Upper Peninsula as an independent and competitive service, the price for it which was proposed to ore processors was very close to the price which will be paid at Silver Bay and Two Harbors. Since the Canadian supply became monopolized, it is no longer economically available and a pipeline to the Upper Peninsula mining centers has not even been built. We further ask the Congress and the Government to take note of and examine into the circumstances of this situation.

If American-produced gas becomes available in northern Wisconsin and the Michigan Upper Peninsula, new jobs for our citizens will be created in ore processing, a new triumph for research and technology can be observed, and an American bastion of defense will be fortified.

A means must be found for attracting independent and competitive supplies of low-cost natural gas to our low-grade ore reserves, even at a risk of slight return during an initial period of pipeline sales. Our colleague, Mr. BENNETT, of Ontonagon, Mich., urged this course directly to pipeline operators at the Ashland meeting. Our colleague, Mr. O'KONSKI, of Mercer, Wis., and, Mr. Chairman, Ontonagon and Mercer are in the mining areas, has proposed that a natural gas pipeline be constructed from Duluth and Superior across northern Wisconsin and eastward to Marquette, Mich., in order to supply the fuel for ore treatment—and also to a large copperplant at White Pine, Mich. To this program, also, the attention and support of Congress are invited.

May we extend to you, Mr. Chairman, and to the Subcommittee on Minerals, Materials and Fuels, the grateful appreciation of our fellow citizens in the wonderful Lake Superior country. Your consideration of the iron ore problems of this region can bring new hope and fresh zeal to an economically distressed region.

The Massachusetts Road Scandals

EXTENSION OF REMARKS
OF
HON. FRED SCHWENGEL
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 22, 1961

Mr. SCHWENGEL. Mr. Speaker, on Monday, Tuesday, and Wednesday of

this week the New York Times has carried a series of front-page articles on the rampant graft and corruption in highway construction and other public works in the State of Massachusetts. I commend these articles to every Member who has concern about waste of public funds and the corruption of public officials.

The news carried in this exposé is not a great shock to me or to the other minority members of the Special Subcommittee on the Federal Aid Highway Program. We have known about this for a long time and we have tried desperately to have our subcommittee investigate this thoroughly so that the people who have misused Federal funds can be brought to justice and made accountable for their wrongdoing.

As long ago as August 26, 1960, I took to the floor of the House to call attention to many of the facts which had been brought to light in these scandals. At that time I asked the special subcommittee, of which I am a member, to make this a matter of immediate investigation. I have had no acknowledgment from the leadership of the subcommittee, which I have always contended has been dominated by political motives and which shys away from any issue where the evidence might reflect unfavorably on the members of a certain political party.

Because I did not have any confidence in a subcommittee so politically motivated, I introduced a resolution this year calling for a bipartisan committee which would be properly organized and would carry out these investigations in the best interests of the taxpayer. On our present staff we do not even have an engineer and the Interstate Highway System is one of the greatest engineering design projects in operation in this country.

But this is just one of the shortcomings of the subcommittee. There are many more and I took the floor again on May 11 of this year to point these out and to call for some action on the Massachusetts program which is probably the worst that has been brought to light.

The series in the New York Times prompts me to make another effort to get the special subcommittee into the middle of this matter. It is my sincere hope that the subcommittee will plan immediately to investigate the Massachusetts scandals thoroughly and completely and let the chips fall where they may. Unless we can get into this right away, I am more convinced than ever that the subcommittee is not interested in doing a job and will continue to languish and deteriorate even though its aggressive prosecution of such investigations is something which is sorely needed.

Under leave to extend my remarks, I include the series of articles from the New York Times of June 19, 20, and 21, 1961, in the CONGRESSIONAL RECORD so that the Members who might have missed them will have an opportunity to appraise the scope of this corruption.

I also include in the RECORD a statement signed by Mr. WILLIAM C. CRAMER, our ranking minority member of our subcommittee, and by all other Republican members thereof, myself included, and released on June 20, 1961:

[From the New York Times, June 19, 1961]

MASSACHUSETTS IS AROUSED BY CORRUPTION SCANDALS—CONFLICTS OF INTEREST AND CRIMINAL ACTS BY OFFICIALS STIR A REVULSION TOWARD POLITICS—BOTH PARTIES INVOLVED

(By Anthony Lewis)

BOSTON, June 16.—A wave of public resentment against corruption in government is rising in Massachusetts.

There is a tangible feeling in the air of revulsion toward politics. The taxi driver taking the visitor from the airport remarks that politicians in the State are "all the same."

"It's 'See Joe, see Jim,'" he says. "The hand is out."

A political scientist writes of the growth of "alienated voters," who "believe that voting is useless because politicians or those who influence politicians are corrupt, selfish and beyond popular control. These voters view the political process as a secret conspiracy, the object of which is to plunder them."

Corruption is hardly a recent development in the city and State that were widely identified as the locale of Edwin O'Connor's novel, "The Last Hurrah." But there are reasons for the current spotlight on the subject.

A succession of highly publicized scandals has aroused the public within the last year. Graft in the construction of highways and other public works has brought on State and Federal investigations. And the election of President Kennedy has attracted new attention to the ethical climate of his home State.

A reader of the Boston newspapers can hardly escape the impression that petty chicanery, or worse, is the norm in Massachusetts public life. Day after day some new episode is reported.

The State public works department is accused of having spent $8,555 to build a private beach for a State judge on his waterfront property. An assistant attorney general is directed to investigate.

Then it turns out that the assistant attorney general is the business partner of a man registered with the Federal Government as a bookmaker. And the bookmaker heads a marine dredging company that has received contracts from the public works department. The assistant attorney general in turn is suspended and investigated.

Members of the legislature and government officials engage openly in quaint political practices that no one in the Federal Government would dream of attempting.

THE TESTIMONIAL DINNER

One idea is the testimonial dinner to a public official. The guests pay, and the official gets the proceeds. Thus, last year, more than 1,000 persons—many from the food industry—paid $15 each to honor an official of the State's public health department.

Members of the legislature who lose their seats usually find their former colleagues ready to get them a public job—and then freeze them into it by statute, so that no Governor can remove them.

Even an undefeated legislator may want more permanent employment. State Representative Charles E. Shepard, a Republican, was a member of the ways and means committee in 1946 when the committee prevailed on the legislature to hire a budget director. The committee gave Mr. Shepard the job, and he still has it.

A Democratic State senator, John J. Beades, holds a $13,200-a-year job with an arm of the State government, the metropolitan district commission. Mr. Beades is also chairman of a senate committee that is responsible for reviewing the work of the commission.

SOLD VOTING MACHINES

A former State senator, Philip G. Bowker, a Republican, made his living selling voting machines. The Boston Globe, which ran a series on conflicts of interest in public life, said of him:

"He sought to sell voting machines to municipal officers who might later seek favorable votes for municipal legislation in the senate."

A former State attorney general, Francis E. Kelly, a Democrat, represented a number of private clients in damage suits against a State agency while he was the State's chief legal officer in the early 1950's.

But these are relatively trivial incidents compared with the major Massachusetts scandals the last year.

The first concerned the metropolitan district commission, which has charge of parks, parkways, water and sewage disposal in and around Boston. As a result of a State senate inquiry and other proceedings, two top officials of the commission stand convicted on criminal charges.

The senate inquiry found that the commission had spent its money in unusual ways.

FIVE THOUSAND DOLLARS TO REPORT ON POOL

For example, it paid a swimming coach $5,000 for a report on the "desirable characteristics of a pool" it was going to build. The senate inquiry said the need for such advice was "obscure, because the metropolitan district commission had already built several pools."

Another consultant on a different swimming pool was paid $17,000. All he did, according to the investigators, was to use specifications that had been given to him free by a pool manufacturer and, in suggesting a bathhouse design, to copy the plan of another commission bathhouse.

The investigating committee found that the commission had ordered items from contractors that it did not need, apparently to make the contracts more profitable. One contract required the contractor to supply a $1,000-calculating machine "for which there was no use at the site," according to the committee.

A constant practice of the district commission was to break its projects into contracts of less than $1,000 each. The senate committee suggested that the reason was that State law requires competitive bidding on all contracts of more than $1,000.

BILLING DENOUNCED

Contractors, the investigating committee said, "billed the metropolitan district commission without regard to the fair value of the work done or a fair profit to themselves. Each took as a yardstick the starting point of $1,000 (and) picked some figure as close to $1,000 as their courage permitted."

The committee found that on some jobs the contractors had done no work, and on most jobs only part of the contracted project. In "an overwhelming majority" of instances, the committee said, the work done "was sloppy, shoddy, unworkmanlike and an outright public disgrace."

The head of the agency, Commissioner John E. Maloney, was also the 40-percent owner of an insurance agency that received many commissions on the agency's performance bonds.

Charles J. McCarty, an associate commissioner, was the local distributor for one kind of highway guard rail. The metropolitan district commission bought large quantities of this kind of rail, producing net profits of about 60 percent for the distributing company on each sale.

COMMISSIONERS FINED

Maloney and McCarty resigned from the commission as a result of the inquiry, and both were indicted on conflict-of-interest charges. Maloney pleaded guilty and was

fined $16,000. McCarty was convicted, fined $7,000 and given a suspended jail sentence of 18 months.

One item in the inquiry is unresolved. State Representative Charles Ianello, a Democrat, is on trial along with his wife and daughter on charges of larceny and conspiracy.

The charge is that, while Mr. Ianello was vice chairman of a legislative commission to investigate the commission, construction companies of the Ianello family got most of the commission's sidewalk contracts—and charged the commission for work not done.

A second highly publicized inquiry centers on the State public works department, which builds Massachusetts' highways.

A series of articles in the Boston Herald in 1958 first called attention to the ways of political patronage in the public works department.

The department, it was reported, did favors for a favored few by renting equipment from them—trucks, lawn mowers, and the like. Members of the legislature, their relatives, Gov. Foster Furcolo's military aide, town political chairmen, campaign managers, State and city employees—Republicans and Democrats alike—were among the lessors.

Representative Ianello's wife, Dorothy, rented what Mr. Ianello called a "couple of broken-down trucks" to the department. He explained that they had made no profit and were doing it only "to create a couple of jobs for a couple of married guys in my district."

ONE HUNDRED AND SIXTY DOLLARS FOR A SAW

A legislator's son made $140 a week driving his station wagon for the department. Another man rented an electric saw to the agency for $160 a week, without an operator. Newspapermen were hired as "traffic consultants."

A highly placed politician was quoted as having advised a club that was in financial difficulties to buy a steam shovel.

"Rent it to the State," he is reported to have said. "It will solve all your problems. You won't even have to charge any more dues."

Another idea was the hiring of politicians' friends as "highway inspectors." Groups of four were paid $70 a week each to sit in a car 5 hours a day and count traffic.

Last fall a State Senate committee conducted an inquiry into the public works department that was widely denounced as a whitewash.

ENGINEER CRITICIZED

The committee found the practice of dividing contracts into pieces of less than $1,000. It noted that surveyors had collected per diem fees on the day of a record blizzard.

It criticized a consulting engineer, J. L. Hayden, because he could not show how he had arrived at a fee of $84,000 that he charged on one job. In 3 years Mr. Hayden collected nearly $2,500,000 from the State in consulting fees.

Representative Ianello was subpenaed by the senate committee. But he refused to appear, claiming legislative immunity. The committee said it could not find his daughter or son-in-law to serve them subpenas.

Meanwhile, the Federal Government moved in. Its main interest was in the prices paid by the public works department for rights of way on highways aided by Federal funds.

More than a year ago the Bureau of Public Roads in Washington froze all Federal funds for land acquisition on Massachusetts highways. Bureau officials said they had found that some appraisals in the State had been "far in excess of true market values."

WANT FUNDS RELEASED

More than $12 million has now accumulated in these frozen funds. Massachusetts officials have demanded that the money be released and have denounced the bureau for refusing to tell them whom it suspects.

The Federal case has been put to a Federal grand jury. The jury has been sitting intermittently since last fall, examining witnesses and hearing reports from the Federal Bureau of Investigation.

In April the U.S. attorney, Elliot L. Richardson, was reported ready to recommend some indictments. Then Mr. Richardson, a Republican holdover from the Eisenhower administration, was replaced on short notice by a Democrat, W. Arthur Garrity, Jr.

The circumstances of this shift are in dispute. Some Republicans charge that it was a move to block action on highway wrongdoing. Some Democrats say Mr. Richardson was pressing for indictments on insufficient evidence. In any case, Mr. Garrity is continuing the investigation.

HOUSE INQUIRY BEGUN

A parallel Federal inquiry is being conducted by a House Highways Subcommittee headed by Representative JOHN A. BLATNIK, Democrat, of Minnesota. It has two investigators working full time in Massachusetts on the federally aided highways program.

The House committee, however, has conducted no hearings in its Massachusetts investigation.

Republicans have charged "whitewash." They have suggested that Mr. BLATNIK is deferring to the wishes of the House majority leader, Representative JOHN W. MCCORMACK of Massachusetts.

Mr. BLATNIK calls this "blatant Republican hypocrisy." He says the information in hand does not justify public hearings.

The one agency that has not investigated the Public Works Department thus far is the one with the broadest powers to do the job—the State attorney general's office.

ATTORNEY GENERAL EXPLAINS

The attorney general is Edward J. McCormack, Jr., Representative MCCORMACK'S nephew. He explained that he had held off because so many other inquiries were in progress.

Others suggested that Mr. McCormack might be reluctant for other reasons. One observer said:

"I don't question his honesty. But why dig things up? You never can tell where it will end."

One reason for suspicion about the Public Works Department is the testimony on past practices in the department in the most important of the scandal explosions to hit Massachusetts in the last year—the case of Thomas Worcester.

Worcester, a consulting engineer, designed highways and other projects for the Public Works Department and other State agencies. He was indicted by a Federal grand jury for tax evasion in deducting bribes as business expenses.

OFFERED LENIENCY

Last summer Worcester was tried and convicted by a jury. Federal Judge Charles E. Wyzanski, Jr., offered to give him a suspended sentence if he would tell the truth about the bribes. Worcester agreed, and testified before a grand jury. The judge ordered the testimony made public.

Worcester's story was that he had been approached by the late Francis Norton, a "salesman" who said he had an "in" with public officials and could get business for Worcester's concern. Worcester hired Norton.

Between 1948 and 1952 Worcester received $2,750,000 in contracts from public agencies. He testified that he had given 10 percent of that total, $275,000, to Norton.

Worcester also testified that he had hired a number of political figures, either at Norton's suggestion or because it appeared to be the thing to do. Most of these men later corroborated Worcester's testimony about them.

A Boston city councilor, Vincent J. Shanley, was paid $50 a week for 77 weeks as a public relations man. He said Gov. Paul Dever, a Democrat, had sent him to Thomas Worcester, Inc., for the job. All he did, he said, was to interview a few persons on their attitude on regional incinerators.

SAYS HE DID NO WORK

John G. Curley, a Democratic State Representative at the time, said he was sent over by a girl in Governor Dever's office. He made $75 a week for 6 weeks and testified that he had done no work.

Edward M. Rowe, a former Republican State senator, was on the payroll for $20,000—because, Worcester said, the Democrats wanted Mr. Rowe in the Republican primary for Governor to divide the Republicans.

Mr. Rowe ran in the primary, in 1950, and lost.

JAMES A. BURKE, then a member of the legislature, now a Democrat in the National House of Representatives, said Governor Dever sent him to the Worcester concern in 1950, when he needed work. He made $450 in 6 weeks as a clerk and said he had earned it.

The testimony of these men was given at an extraordinary hearing conducted by Judge Wyzanski. The purpose was to see whether Worcester had kept his part of the bargain for the suspended sentence—whether he had been truthful.

After Worcester's grand jury testimony was made public, some of those he accused were subpenaed. They gave their versions and were questioned by Worcester's counsel, by Mr. Richardson and by Judge Wyzanski.

FINDS TESTIMONY CREDIBLE

Judge Wyzanski handed down an opinion saying that he believed Worcester. The judge said he had "found Worcester's testimony before me candid, credible, complete."

In the opinion, Judge Wyzanski went on to discuss what he termed the "sordid racket of extortion, bribery and corruption." He raised a number of questions that, in effect, suggested the existence of widespread moral decay.

"Can it be true," he asked, "that of the successful bidders for contracts with the State, Worcester alone paid bribes and took them as deductions from Federal income tax?"

The Internal Revenue Service has undertaken to answer that question. It is conducting a large-scale investigation of persons connected with Massachusetts public works projects in the years since Worcester's operations.

The judge was also implicitly critical of the press, the bar and other parts of society.

"How much has the press thought of itself as the protector of civic integrity?" he asked.

"How far has the bar initiated reform based upon its daily experience with the sufferings its clients have undergone at the hands of a network of corruption?

"Were sophisticated lawyers unaware, before this case began, that to secure certain types of public business a contractor had to get his performance bond, or his materialman's bond, or his bond for wages, or his trustees' bond, from a relative of a judge, or a public official, or of a legislator?"

CONDUCT CRITICIZED

Judge Wyzanski's conduct of the Worcester hearing has been widely criticized. The complaint is that he pilloried witnesses in public and that he acted, in general, more like a prosecuting attorney than a judge.

On the other hand, many persons believe that Judge Wyzanski performed what one lawyer called "a great public service." They believe that the judge said things that

desperately needed saying and brought forcefully into public view practices that had always been kept under cover.

In any event, it is clear that the Worcester case had an effect in arousing the public in Massachusetts to the issue of corruption.

Another effect of the case was to focus attention on a powerful but secluded figure in Massachusetts government, the man who headed the public works department during the years at issue in the Worcester case. His name is William F. Callahan.

[From the New York Times, June 20, 1961]

MASSACHUSETTS TURNPIKE CHIEF CRITICIZED IN RISING SCANDALS

(By Anthony Lewis)

BOSTON, June 16.—The most important official touched so far by mushrooming public scandal in Massachusetts is William F. Callahan, a man of many public jobs and remarkable influence over politicians.

"He gets things done" is the slogan most often applied to Mr. Callahan by his admirers. What he gets done is public works. For more than 20 years, in a succession of high public offices, he has had charge of building highways and other projects.

He was commissioner of public works, supervising Massachusetts highway construction, from 1934 to 1939. Then, as a Democrat, he lost out when the Republicans took over the State government for a time. Gov. (now Senator) LEVERETT SALTONSTALL discharged him after a formal hearing and a finding that Mr. Callahan had squandered public funds.

Mr. Callahan was returned to the job by Gov. Paul Dever, a Democrat, in 1949, and held it until 1953. In those years he presided over the great postwar highway construction boom, including the building of the circumferential highway around Boston, Route 128.

In 1952 Governor Dever named Mr. Callahan to an 8-year term as chairman of the new Massachusetts Turnpike Authority. The authority floated $239 million in bonds and built an east-west toll road across the State.

From the beginning of his public career Mr. Callahan has been criticized by civic groups and newspapers as extravagant and highhanded. Republicans have charged him with "favoritism, laxity, and poor administrative policies" and called him a "Frankenstein [growing] so big it will control the legislature and the State."

But Mr. Callahan has had the confidence of the legislature, which has stifled attacks on him. At critical points he has picked up needed Republican votes—as when four Republicans in the State senate provided the margin in 1952 to kill a motion requiring Mr. Callahan to account in detail for his highway spending.

The legislature has vested unusual power in Mr. Callahan.

The legislation creating the turnpike authority does not allow any State official to look at the turnpike's books, and the legislature has ignored suggestions that it give the State auditor access to them. Nor does the turnpike legislation require competitive bidding on authority contracts.

BUILDING A TUNNEL

In 1958 the legislature gave the turnpike authority the job of building a second tunnel under Boston Harbor. Construction is underway.

Also in 1958 the legislature created a three-man State office building association to construct a $30 million office building for the State government. The association was to raise money by bonds and rent the structure to the State for 23 years at $2,500,000 a year, with the State paying all maintenance expenses.

The legislation named Mr. Callahan and two other officials as members of the association. Furthermore, the three were given the jobs for life and were empowered to appoint their own successors.

This statute was held unconstitutional by the Supreme Judicial Court of Massachusetts. The legislature then created a Government Center Commission to construct the office building with Mr. Callahan given a 5-year term as chairman.

The money was raised and demolition of existing buildings has begun on the site.

TWENTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS IN SALARIES

Mr. Callahan is paid $12,000 a year as chairman of the turnpike authority, $8,000 for his tunnel duties, and $7,500 for his post on the Government Center Commission. The total of $27,500 is $7,500 more than the Governor's salary.

The bond of affection between the legislature and Mr. Callahan is one of the phenonema of Massachusetts politics. Along with the motto "He gets things done," a popular saying is that "he's never lost a vote in the legislature."

In 1951 a Republican legislator said Mr. Callahan was "more powerful than any elected official in the State." In 1959 another blamed Mr. Callahan for the killing of a metropolitan planning bill. Asked how he had done this, the legislator said:

"Callahan can get anything he wants in the legislature."

The reason for Mr. Callahan's hold on the legislature has been the subject of much speculation. It has been pointed out that, as Public Works Commisisoner and Turnpike chairman, he has had approximately $1 billion in public funds at his disposal.

THE WORCESTER CASE

Many persons believe that this "club of patronage that Mr. Callahan wields," as the Boston Herald has called it, is responsible for the legislators' affection. But there was little light on the question until the case of Thomas Worcester erupted last fall.

Worcester, a prominent engineer in private practice, testified in Federal court that he had paid cash to a "bagman" to get contracts from the Public Works Department while Mr. Callahan headed the department.

The "bagman"—the name was applied to him by the presiding judge, Charles E. Wyzanski, Jr.—was Francis Norton, who died January 1, 1952. Worcester testified that Norton had said "he knew Mr. Callahan very well and felt certain he would be able to get some engineering work from the Public Works Department."

In 4 years after that conversation with Norton, in 1948, the Worcester concern received $2,750,000 in State contracts. Worcester said he had given Norton 10 percent, $275,000, most of it in bundles of small bills.

There also was testimony that members of the legislature and other political figures had been put on the payroll of Thomas Worcester, Inc., and had done little or no work. Asked why he thought Norton had put them on the payroll, Worcester said:

"I don't know, but I assume it was to influence their votes or be sure of their votes on these bond issues on highway programs that were before the legislature to appropriate these huge sums for highway work."

Mr. Callahan admitted under examination at the hearing that members of the legislature had participated in the turnpike's insurance business. At this time more than 35 legislators are insurance brokers.

The business for insurance brokers came on performance bonds required of contracts working on the turnpike. Commissions totaled about $300,000.

Percy G. Cliff, an insurance man who said he was a friend of Mr. Callahan and Norton, testified that he had handled much of the turnpike's performance bond business. He was said to have received 60 percent of the total.

The testimony was that Mr. Cliff had shared his commissions with others—including members of the legislature. Mr. Callahan said he knew this. When Mr. Callahan was asked to name the legislators, Judge Wyzanski ruled the question out.

Mr. Callahan testified that part of the commissions had gone to John A. Shea, who was personnel director under Mr. Callahan at the public works department and now has the same job at the turnpike authority. Some of the money also went to Mrs. Callahan's nephew, Francis R. Murphy, Jr.

PUBLIC RELATIONS PAYMENT

William A. Beale, president of a company known as Public Relations, Inc., testified at the hearing that his concern was paid $29,000 by the Worcester company in 3 years. He said the only work his organization had done was a $2,000 job on a brochure; the additional $27,000, he said, was paid for being available.

Mr. Beale was recommended to the Worcester concern by Governor Dever. On the witness stand, Mr. Beale said he thought he had been taken on in the belief that he was a friend of Mr. Callahan.

A former accountant for Thomas Worcester, Inc., Mrs. Ruth M. Gilmore, testified that she had lost her job when she discovered that figures were being juggled to hide the payments to Norton. But she said the company had agreed to give her 4 months' severance pay after intercession by John L. Murphy.

Mr. Murphy is Mr. Callahan's brother-in-law. He is a lawyer who has received large legal fees from the turnpike authority. Mrs. Gilmore said she had heard Mr. Murphy telephone someone named "Bill" about her case; Mr. Murphy testified that he had phoned Mr. Callahan, but not about this matter.

The former controller of Thomas Worcester, Inc., Philip W. Murphy, testified that he had helped juggle the books. During the hearing it was disclosed that he was working for a company known as Highway Traffic Engineers, Inc.

Half the stock in Highway Traffic Engineers, Inc., is owned by Mr. Callahan's son-in-law, John J. Kelley, Jr. There was testimony that the concern does 80 to 90 percent of its business with the Massachusetts Turnpike.

Norton's son used to work for Worcester, too, but then went with Bay State Dredging Co. Mr. Callahan testified that he paid $1 for an option to buy Bay State in November 1953, and sold the option in August 1954 for $70,000. The buyer was the construction company of Lou Perini, owner of the Milwaukee Braves baseball team. Mr. Perini's daughter is married to Francis Murphy, Mr. Callahan's nephew.

The hearing also explored the question of what had happened to the cash that went to Norton. Worcester testified that Norton had told him, before their arrangement began, that the money would "go in and out of his pocket."

LINK TO CALLAHAN

The implication was that the money had been passed on to others. The only attempted answer at the hearing was dramatic testimony by Worcester connecting the cash and Mr. Callahan.

Worcester said he brought a package of money to Norton's wife one day in 1949, when Norton was in a hospital. Worcester said Mrs. Norton had told him that Mr. Callahan was in the next room and that she would put the money in the pocket of his overcoat, which was hanging in the hall.

Mrs. Norton denied Worcester's story. She testified that she had never put any money in Mr. Callahan's overcoat pocket.

Mr. Callahan, who prefers to remain out of the public eye, tried to avoid testifying. When he received a subpena, he waged a

long legal fight to quash it. But eventually he took the stand and denied having received any money from Mrs. Norton.

Because Mr. Callahan was such a mysterious figure to most of the public, his appearance was the high point of the Worcester hearing. It also drew pointed comment from Judge Wyzanski.

In his opinion at the end of the hearing the judge said he had found Mrs. Norton's testimony full of "direct falsehoods and inexplicable failures to remember." Then he said:

"No one who reads in full Callahan's testimony would care to stake much on Callahan's oath. I unhesitatingly stamp Callahan as an untrustworthy witness. And I accept Worcester's story of the episode at Mrs. Norton's home."

JUDGE DENOUNCED

Mr. Callahan and his friends deny that the hearing proved anything, and they denounce Judge Wyzanski's conduct of the case. Mr. Wyzanski's "Nazi trial" was the description of the hearing given by Mr. Callahan's public relations man, Gordon McLean.

In a recent interview, Mr. Callahan dismissed his current critics as uninformed and said there had "never been one iota of a charge of corruption against the turnpike authority." He noted that the First National Bank of Boston was trustee of the turnpike and said:

"Every cent I spend must be approved by a turnpike trustee, and that trustee has never held up one bill we've sent to it."

An officer of the bank said its function as trustee was simply to see that requisitions for funds were properly signed. He said the bank never saw the authority's contracts, had no power to pass on the wisdom of authority expenditures and was forbidden by its agreement with the authority to approve or disapprove authority operations.

During the interview Mr. Callahan kept snapping a pocketknife open and shut. He was asked about his own admission in the Worcester hearing that some of the turnpike insurance commissions went to members of the State legislature.

ON INSURANCE BROKERS

"You know it's funny," he said, "when the Republicans are in, the big insurance brokers get all the business—the little fellows don't get a look. But there's nothing wrong with that."

He smiled.

"Somebody has to get the insurance business. Should we give it to the big guys? Everyone chooses his own insurance broker. You do, and it don't cost you any more whether you insure through John Smith or Mike McCarty."

There are still critics, however. In fact, the Worcester case and other recent developments have made Mr. Callahan a more controversial figure than ever.

For many citizens, Mr. Callahan has become a symbol of the way government works in Massachusetts. These citizens say they are tired of having public business conducted through nephews, sons-in-law, friends, and members of the legislature. They say they are tired of politicians who are, in the local jargon, "practical."

Even more important, Mr. Callahan is a symbol for many voters of a system that seems to be beyond their control—of a government that the voters cannot affect. The issue is Mr. Callahan's power.

COMPARED TO CZAR

Mr. Callahan is accused of being arbitrary, of caring nothing for what the public thinks, of refusing even to disclose his plans in advance. The Boston Herald compared him to Czar Alexander III of Russia, who "drew a ruler across a map and said 'I want a railroad here.' "

The Herald asked:

"How did Massachusetts come to create something above itself?"

Mr. Callahan is now in one of the toughest struggles of his career, one that both he and his opponents see as a crucial test of his power. The battle arises from his desire to extend the Massachusetts Turnpike, which now ends in suburban Weston, as an eight-lane expressway through downtown Boston.

The proposal has been challenged on the grounds that it will attract automobiles into the already overburdened, narrow streets of Boston and that it will despoil good areas of the city with cloverleafs and other trappings of the superhighway.

The critics say a nontoll road should be built, with 90 percent Federal aid, to connect the turnpike and the proposed inner belt. The inner belt is a loop approved years ago but slow to come off the drawing board of the public works department—some suspect because of Mr. Callahan's continuing influence there.

Mr. Callahan's view is that people will always drive into the heart of Boston and that an expressway will relieve local streets. He has also contended that he could complete a turnpike extension long before a nontoll road and inner loop could be completed.

EXTENSION STILL UNBUILT

The legislature approved a turnpike extension in 1955. From year to year since Mr. Callahan has promised an early start on construction, but nothing has happened. In the meantime no progress has been made on an alternative scheme.

Last spring the turnpike tried to float $175 million in bonds for the extension, but the issue failed. The official reason given was unfavorable circumstances in the bond market, but Mr. Callahan says three young faculty members at Harvard and the Massachusetts Institute of Technology had something to do with the failure.

The three, all specialists in city planning and transportation, are Prof. Charles M. Haar, of the Harvard Law School, and A. Sheffer Lang and Martin Wohl, assistant professors of transportation engineering at MIT.

The professors issued a statement analyzing the financial feasibility of the turnpike extension. They said it would cost more a mile than any other toll road in the country. And they said that to cover those costs the extension would have to carry far more cars than any other turnpike anywhere.

In a second statement the professors charged that, to make the project seem workable, the turnpike's consulting engineers had projected "astounding" traffic volumes, drastically overestimated revenues, and underestimated costs.

The consultants, among them Coverdale & Colpitts, of New York, held to their figures and said the professors did not know much about the subject. Critics of the turnpike extension retorted that Coverdale & Colpitts had helped plan many turnpikes and had almost always grossly overestimated revenues.

The professors' statement was mailed to leading investment houses and was published in the Wall Street Journal. Mr. Callahan believes it had an effect in deterring investors from buying the bonds.

Some believed, too, that the Worcester case was a contributing factor, tarnishing Mr. Callahan's reputation in the business community. The business editor of the Boston Herald wrote that "the underwriters surely could not have ignored the Worcester case."

Mr. Callahan still insists that he will float the bonds and build the extension. But he has suffered some more setbacks.

Originally the turnpike extension was closely tied to Boston's biggest redevelopment project, the $150 million Prudential Center to be built by the Prudential Insurance Co. The right of way went under the center, and Prudential conditioned its plans on construction of the turnpike extension.

PRUDENTIAL TO PROCEED

On May 3 Prudential cut this tie. It announced that it would proceed with the center no matter what happened to the turnpike plans.

Mr. Callahan then asked the Republican Governor, John A. Volpe, to ask the legislature for an increase in the interest ceiling on turnpike bonds from 5 to 5¼ percent. The idea was to make the bonds more attractive to investors.

Governor Volpe, before his election last fall, was an opponent of the turnpike extension. After taking office, and after a meeting with Mr. Callahan, he "reluctantly" endorsed it because of the Prudential connection.

When Mr. Callahan asked the Governor to increase the interest ceiling on the bond rate, the Massachusetts Citizens Committee, a civic group, suggested that more was at stake than a road. Its treasurer, Neil R. Ayer, said:

"The basic question is: Does William F. Callahan or the people of Massachusetts control our State officials?"

Governor Volpe turned down Mr. Callahan's request. He again called for a nontoll connection between the turnpike and the proposed inner belt.

Mr. Callahan has not given up on the turnpike extension. The State attorney general, Edward J. McCormack, expressed a widespread view when he said:

"I would never underestimate Bill Callahan's ability to do just about anything."

But it is possible that Mr. Callahan will not have his way. If that is the outcome, not only the turnpike extension but also the future of government in Massachusetts may be affected.

BOSTON STRONG MAN—WILLIAM FRANCIS CALLAHAN

BOSTON, June 16.—The secluded figure regarded by some as the most powerful force in Massachusetts government creates a disarming impression. A round face, prominent jowls, and a fringe of gray hair give William Francis Callahan an almost pixie-ish look. But a conversation with Mr. Callahan quickly discloses the shrewdness, the force, and the determination that have brought him his power.

A speech difficulty emphasizes his strength of will. Nine years ago Mr. Callahan had an operation for cancer of the throat that left him without a voice. He learned to speak again through an opening in his chest and he struggles to form every word.

"In 1952," he told an interviewer recently, "I had my throat cut—by a doctor. I've had it cut in other ways many times since.

"Some people like to climb over your back politically. You've got to have critics. But usually they're people who haven't accomplished anything in their lives. I call them grocery-store philosophers, penpushers."

A FREQUENT THEME

This is a theme often sounded by Mr. Callahan during his long career as State public works commissioner and, today, as chairman of the Massachusetts Turnpike Authority. He has always seemed to regard attack as the best defense against critics.

In 1936, 2 years after he became public works commissioner, he termed charges of faulty construction "absolutely false and vicious propaganda." In 1937, accused of wasteful spending, he said he was the victim of "wild statements, innuendoes, and distortions."

In 1939 Mr. Callahan opposed as "redtape" legislation to require competitive bids on public works projects. He said:

"There are grocery-store philosophers from Maine to California. But they never do anything constructive."

In the same year a commission appointed by Gov. LEVERETT SALTONSTALL charged Mr. Callahan with "squandering public funds." He commented:

"This is the most prejudiced and biased report ever submitted to any Governor or legislative body anywhere at any time."

In 1958 he said only "minority pressure groups" were against a toll-road plan of his. In 1956 he said opponents of the plan were "penpushers or grocery-store philosophers, who never build anything in their lives."

Mr. Callahan was 42 years old when he first went into public office. He was born in Stoughton, Mass., the son of a shoe factory superintendent. He attended public school and went from high school to a marine dredging company, where he was an accountant. He quickly rose to treasurer.

In his years out of office—1939 to 1949—he was manager of the Crandall Engineering Co., which built drydocks and other marine projects around the world. He has continued to do some work for Crandall and receive payments while in his public posts but transferred his substantial stock interest to his relatives.

He is married to the former Kathleen Murphy, of Chelsea, Mass. Their only son, William, Jr., was killed in World War II. A new tunnel whose construction Mr. Callahan is supervising has been named for him. A daughter, Jane, is married to John J. Kelley, Jr., and lives in Wellesley.

According to his friends, Mr. Callahan's interests are work, politics, and his family. He does not drink, smoke, golf, or play cards.

An admirer of Mr. Callahan's says:

"I imagine he's like Robert Moses—he wouldn't know what to do if he didn't have another road to build."

Mr. Callahan has long been a big political fund raiser. He sold many of the advertisements in the souvenir program for President Kennedy's birthday dinner here May 29. He was also reported to have been among a select group of 60 invited to a private predinner cocktail party with the President.

Mr. Callahan turned 70 on June 12. His age, and the serious illness through which he passed, raise the question why he is determined to stay in his various jobs and fight off mounting criticism.

"There is a certain pride in building bridges, building roads," Mr. Callahan says. "One thing in life—I want to finish some of these jobs. Then I don't care."

Others suggest that men who have power seldom relinquish it voluntarily. Mr. Callahan has had an extraordinary ability to accumulate power, and there is no sign that he wants to give it up.

[From the New York Times, June 21, 1961]

REFORMS PRESSED IN MASSACHUSETTS—DRIVE FOR NEW LEADERS AND NEW SETUP IS GROWING

(By Anthony Lewis)

BOSTON, June 17.—"The people are fed up."

That is a reform politician's estimate of the political mood in Massachusetts today. And there is evidence to support the view that the voters are sick of corruption, tired of the old ways of doing things.

Last fall, while John F. Kennedy was carrying his home State in the presidential race by 500,000 votes, a Republican who campaigned against corruption—John A. Volpe—took the governorship from the Democrats.

The biggest statewide vote of all was polled by a Democrat who had exposed graft in government, State Auditor Thomas J. Buckley. His margin was more than 750,000 votes.

A year earlier a political unknown running on a clean government platform, John F. Collins, upset every forecast by winning election as mayor of Boston. His opponent, John E. Powers, president of the State senate, had the endorsement of leading Democrats and Republicans, from Senator Kennedy down.

In Massachusetts, as elsewhere, it takes more than an election or two to change a political way of life. Many thoughtful persons are discussing the longrun causes of bad government in Massachusetts, and the cures.

It is widely agreed that there has been failure at both ends of the political process—among the people as well as among those who govern them. Analysts say that at all levels in Massachusetts there have been selfishness, narrowness, and irresponsibility instead of any broad sense of community purpose.

What's in it for me? That has been the unspoken standard motivating most of the organized blocs of power in the community.

It is not unusual for an interest group to fight for its own ends. But the parochialism of the blocs in Massachusetts, their mutual antagonism, and their rejection of any larger community view appear to be extraordinary.

Thus, labor unions seem not to have produced the public-spirited leaders who have nourished policies elsewhere. Instead, unions have clung wholly to bread-and-butter objectives.

A recent example was a measure passed by the legislature to keep the New Haven Railroad out of bankruptcy by relieving it of certain taxes.

PROHIBITS LAYOFFS

Under union pressure, the legislature added to the bill a proviso that no railroad receiving tax relief shall discharge, suspend, or lay off any person * * * except for just cause and with the consent of a justice of the superior court after a hearing.

In short, the New Haven will have to go through a formal hearing before a State judge to lay off a worker for reasons of economy—or because he is corrupt, inefficient, or insubordinate. If it fails to do so, it forfeits its tax exemption.

The business community, like labor, has too often shunned public responsibility. Businessmen who could provide enlightened community leadership have stayed out of public affairs on the ground that the system is hopeless.

Property owners have met the problem of the crippling tax rate by seeking tax abatements for themselves; many opposed the general tax concessions necessary for large-scale redevelopment schemes.

Many of the middle- and upper-class residents of the Boston area have tried to ignore the difficulties gripping the great city that creates their livelihood. They have moved to the suburbs and have resolutely wished that Boston would stop bothering them.

SUBURBS RELUCTANT

Because Boston is much smaller in geographic area than most big cities, it is in even more desperate need than most for metropolitan help to solve its problems of transportation and urban decay. But the surrounding suburbs have had to be dragged into even the most minimal planning and cooperation.

Town and suburban votes in the legislature hold down State aid for schools, because the richer towns can take care of their own. It is Boston that needs State help—and does not get it.

An overdeveloped racial consciousness is another separatist element. The immigrant era seems closer here than in other States, and voters much more consciously think of themselves as members of a racial bloc that must watch out for its own.

For years the Irish-Americans have controlled the Democratic Party. Now there is deep bitterness between them and the Italian-Americans. Yankee Protestants who have tried to rise in the Democratic Party, without much success, resent the fact that the Democrats have not for years nominated anyone but a Roman Catholic for statewide office.

Actually, there is no such thing in Massachusetts as a Democratic Party, in the sense that Democrats in most other States would underatand the term.

LOCAL FIEFDOMS

Instead, there are Democratic politicians with varying numbers of supporters. The tradition has been for a man to start by controlling a petty local fiefdom in a Boston ward and then to make deals with other leaders to move on to larger fields.

Massachusetts politics is oriented not to ideas but to personalities. Nowhere is this illustrated more acutely than in the process by which candidates for statewide office are nominated.

First there is a convention. Republicans, as in most places, behave with decorum at their meetings. But the Democrats, at their convention, rip themselves apart in an orgy of racial and personal hatreds.

Finally someone is nominated for, say, Governor.

But the convention winner is promptly challenged by all the losers in a primary. Last year seven Democrats contested for the gubernatorial nomination in the primary. For months they denounced one another, posted every tree with their signs—and hardly raised an issue.

The personal nature of politics carries over into government. It is at the heart of the tradition that a politician supports X's program not because the program is good but because he owes X a favor—or wants X to owe him one.

This brand of rogue politics was the subject of Edwin O'Connor's novel, "The Last Hurrah." In the novel, a banker holds out against a loan desperately needed by the city until the corrupt but delightful mayor produces embarrassing information on the banker's son.

The personal flavor and corrupt tone of politics and government that Mr. O'Connor portrayed are still to be found in Massachusetts. One seeking the flavor need go no farther than the statehouse, where dozens of men circulate all day between the Governor's office and the legislative chambers nearby, jam the corridors and even the stairwells in a scene of extraordinary intimacy.

Politics, for most politicians in Massachusetts, is a way to make a living. A man starts in the legislature as he would in the dry goods business, with the same objective—to make money.

EDUCATOR'S APPRAISAL

A political scientist who is a student of Massachusetts government offers this appraisal:

"The 'in' group of politics here is still playing 19th century politics. The problem is how to divide the spoils, not how to manage society.

"That attitude didn't matter much in the old days, when the important decisions were made by private business. But as the public sector grows in importance, corruption really begins to hurt.

"These men don't understand that in transportation, allocation of land use, urban renewal, open spaces, the level of taxation—in the important things today they and not the business community are making the key decisions about the quality of our society."

In almost every expert analysis of what is wrong with Massachusetts government, a principal villian is the legislature—or to give it its formal name, the great and general court.

The legislature is the headquarters of the old-style politician. Its philosophy, the Boston Herald's political columnist, David Farrell, said recently, is "You scratch my back and I'll scratch yours." The tradition is bipartisan.

Members of the legislature consider themselves entitled to a certain number of jobs for constitutents in any government office. When the legislature takes a particular fancy to a government employee, it freezes him into his job by statute, so that he can never be removed. Defeated members get particular care from their former colleagues.

The legislature is large—240 members in the house, 40 in the senate. Unlike most State legislatures, it has no time limit on its sessions. It meets every year, and usually for much more than half the year. Last year's session ran for 11 months. This year's, from January 4 to May 27, was the shortest since 1927.

One reason for these prolonged sessions is an unusual constitutional provision that allows any citizen of the State to file a petition with the legislature. Each such petition must be considered in committee and on the floor.

The most trivial local matters are considered. Weeks were spent this year in a bitter battle over whether Cambridge should be allowed to sell public land near Harvard Square to a private developer who wanted to build an office building on stilts. The legislature ignored Harvard and passed the bill, but Governor Volpe vetoed it.

BILLS PASS MANY STAGES

Another confusing element is the fact that every bill has to go through innumerable stages before it finally passes. It may win at one stage, then suddenly and inexplicably lose. Or it may be apparently killed, then be suddenly revived.

The effect of the lengthy legislative process and the long sessions is to increase the legislature's power to hold up needed bills and thus increase its bargaining advantage over the Governor. The advantage is considerable to start with.

In theory the overall responsibility for the State government's performance lies with the Governor. In fact, he is hamstrung in many ways.

He cannot choose his own cabinet. Many other major State officials are elected and consider themselves independent of the Governor. The legislature has provided that other department heads serve a fixed term of years, so that, for example, Governor Volpe has been unable to choose his own public works commissioner to take charge of all State construction projects.

THE GOVERNOR'S COUNCIL

In addition to the legislature's constant efforts to control appointments and otherwise mix into executive business, the Governor must reckon with an archaic elective body known as the Governor's council. The task of Governor Volpe, a Republican, is not made easier by the fact that all nine members of the council are now Democrats.

The council has a veto over appointments and some other actions, a function that lends itself to corruption. One councilor in the modern era was impeached and ousted for selling pardons. There are well-authenticated reports of others demanding cash to approve nominations.

"Why do they fight for these $3,000-a-year jobs?" one political observer asks of the Governor's councilors, raising his eyebrow.

"It is a disastrous situation," Governor Volpe says of the limitations on his power.

"The Governor in this State—the people look to him for leadership, but the authority given him is negligible compared with his responsibility. I have, for example, practically no control over department heads who are spending most of our money."

INDEPENDENT AUTHORITIES

Governmental power has been transferred also to independent authorities over which the Governor has no control. William F. Callahan, chairman of the Massachusetts Turnpike Authority, has been called more powerful than any Governor of the State.

Against that background it is hardly surprising that the citizens of Massachusetts are suffering today from that most acute symptom of political malaise, the feeling that government is beyond their control.

A Governor elected to "clean things up" turns out to have little power to affect anything. Major governmental decisions are made by independent public authorities that have no responsibility to the voters.

The result was described by Murray Levin, a political scientist at Boston University, in a book called "The Alienated Voter." He writes that the voters of Massachusetts are feeling increasingly hopeless and powerless.

"This feeling of powerlessness," Mr. Levin says, "arises from and contributes to the belief that the community is not controlled by the voters but rather by a small group of powerful and influential persons who remain in control regardless of the outcome of elections."

AMATEUR PREFERRED

Mr. Levin's book is a study of the 1959 mayoralty election in Boston. He says one of Mayor Collins' greatest assets, as an underdog, was his anonymity. As an "amateur" he was considered less likely to be corrupt.

In such a mood of despair, what can be done to lift the politics and government of Massachusetts out of the depths?

One idea is to change the structure. There are groups working for constitutional revision to increase the power of the Governor and so focus responsibility on one man subject to popular control.

The proposals are to eliminate the Governor's council, increase the appointive powers of the Governor and extend his term from 2 to 4 years, eliminate many elective offices, reduce the size of the legislature and the length of its sessions.

NEW LEADERSHIP SOUGHT

Some believe that real reform must come not only through a change in structure but also through a change in men. That means new political leadership.

Both parties have sins to answer for, but at the moment the Republicans are dealing more successfully with the corruption issue. The Democrats—or their old-line leaders, at least—are ignoring the issue.

But the GOP has its troubles, too. In the words of a leading young Republican, "The party has failed in energy and will. We're a bunch of amateurs, turning out casually at campaign time, doing people a favor to run."

The responsibility is heavier on the Democrats because they are the majority party in Massachusetts today. And they also have a larger share of the old-style politicians.

Can the Democratic Party be reformed? A youthful reform group known as COD—for Commonwealth Organization of Democrats—is trying to work from the bottom up, by remaking town and ward committees. But, inevitably, much of the answer must lie with John F. Kennedy.

AVOIDED STATE POLITICS

During his rise to the Presidency, Mr. Kennedy largely avoided entanglement in Massachusetts State politics. As a local observer put it, "he stayed out of the swamp." There is every indication that his younger brother Edward, who is acting like a candidate here, will seek national rather than State office.

Some reform Democrats criticize the President for, as they see it, going along with politics as usual in Massachusetts on patronage and other matters.

One said the biggest thing that could be done to improve the party locally would be "for Jack Kennedy to behave in Massachusetts in line with those ideals he talks about in Washington."

When the President was here for his birthday dinner May 29, the Boston Globe addressed a full-page open letter to him about what was wrong with Massachusetts. The letter spoke of the "cloud of corruption" over the State and said the situation "cries out for leadership."

The men around the President who are familiar with Massachusetts politics say the President would intervene strongly if the occasion were right. What is needed, they say, is "the candidate"—a figure who, as Governor, could transform the Democratic Party and the Government.

In Massachusetts there is considerable agreement with this view. Short of total change in the membership of the legislature—an unlikely event—the feeling is that real reform is most likely to come from a Governor who is not only impeccably honest but also has the drama, like Fiorello H. La Guardia, to capture the public imagination and outmaneuver the legislature.

The President's advisers do not see such a candidate on the scene at the moment. They suggest that these things are a matter of time.

Those in Massachusetts who are eager for a change make this comment:

"The time can be vastly shortened by persistent Presidential indication that he supports reform—at least in Massachusetts, his own State."

PUBLIC READY FOR CHANGE

Beyond reform in governmental structure and political leadership is the need for a new mood among the people—for less cynicism and narrow self-interest, more involvement in public affairs and concern for the community at large.

The politicians are slow to realize it, but this mood is in the air. The public is ready for change. It is, at last, stirring itself against moral decay and its handmaiden, the physical decay that has dragged down the State's economy.

A symbol of the change in public attitude is the excitement over urban redevelopment in Boston. Over violent objections Mayor Collins appointed as redevelopment administrator the man who did the job in New Haven, Edward J. Logue.

Mr. Logue has made it clear he will run things without political interference or quit. As a result, he has developed a large personal following that treats him like a sheriff who has just come to town in a white hat.

A former resident of Massachusetts, now in Washington, once made the cynical estimate that in this State "the corrupted are more numerous than the uncorrupted."

Behind that exaggeration was the fact that, in the past, the Massachusetts public has been tolerant of corruption. But with the rise of middle-class values among the descendants of immigrants, that attitude is changing.

The citizens of this historic State may rescue it yet.

MINORITY POSITION PAPER—MINORITY MEMBERS OF THE SPECIAL SUBCOMMITTEE ON THE FEDERAL-AID HIGHWAY PROGRAM

The constant and endless statements questioning the motives and objectives of the minority members, particularly of the Special Subcommittee on the Federal-Aid Highway Program, have been thoroughly discussed and considered by the minority, and the following statement of position is made:

The Republicans on this committee have jealously guarded the prerogatives of the committee and of the members thereof, while asserting our position that we have certain duties and obligations that must be carried out as Members of Congress representing all of the people and as members of the minority as well.

In carrying out these duties and accepting these responsibilities, we have refused

to permit our committee's activities to be dictated to by outside influences and, likewise, we have refused to be dictated to by the majority Democratic membership on the committee.

This position comes into focus most dramatically in the case of the minority on the Special Subcommittee on the Federal-Aid Highway Program. This subcommittee was directed by the House to investigate any and all wrongdoing involved in this program. Consistent with this duty, the Republican minority has demanded investigations and public hearings in any and all cases and States where evidence of wrongdoing has been called to our attention.

The most flagrant example of the unwillingness of the majority to carry out this responsibility, even when prodded by the minority, is in Massachusetts.

The minority has stated previously that it believes the Massachusetts scandals are the worst in the country. They have been known the longest to the committee, but despite this the least has been done about them.

The minority became fed up with this inaction, and what appears to be an obvious whitewash attempt was dealt with in a recent executive session. The minority moved that the investigation in Massachusetts be given priority. This motion was voted down on a party line basis.

Following this party line refusal to adequately staff the Massachusetts investigation, the minority, represented by the ranking Republican member, the Honorable WILLIAM C. CRAMER, and minority counsel, Robert E. Manuel, visited the subcommittee's staff office in Boston and talked with a number of confidential informers to develop the facts in Massachusetts.

The disclosures made to the minority, in addition to those already known to the subcommittee, fully warrant the Republican position that—

First, the Democrat majority has no intentions of making a thorough investigation of all areas of wrongdoing in Massachusetts, as evidenced by the fact that the committee has only three of its investigators and two GAO helpers presently investigating; and that this skeleton force, which has been in Massachusetts only since January, is operating under directions dictated by the Democrat majority, which limit them solely to real estate appraisals which have largely already been investigated by the Bureau of Public Roads, and which resulted in the Beasley & Beasley report;

Second, that the Republican minority, fortified with some of the information that must be known to the majority which has repeatedly denied the minority access to subcommittee files, reiterates its demand that the committee forthwith provide an adequate staff, without straitjacket limitations, to go into all matters of fraud, malpractice, corruption, and wrongdoing in the Federal-aid highway program in Massachusetts, including the vital areas of kickbacks and political contributions, relating to highway contracts, specifically including kickbacks from certain engineering consultants who do highway design work on a negotiated basis. These must include the operations of Thomas Worcester, a highway consultant, and several companies which he owns or controls;

Third, that the committee thoroughly investigate questions of alleged conspiracy between some State highway officials, contractors, and engineering consultants that have resulted in inflated highway costs, political favoritism, and conspiracy to cheat the Government through the use of overruns, inflated winter work bonuses, payments for work not actually done, and other techniques by which fraud can easily be accomplished.

The record of the investigating subcommittee, under Democrat control, which is one of foot dragging in all areas of investigations into highway scandals in Massachusetts, speak more loudly than any charge we could make. This record includes the fact that the present administration has removed the U.S. attorney who was seeking indictments by the grand jury in the Federal court, and for 1½ months failed to issue a simple Executive order authorizing an inspection by the subcommittee of the income tax returns of persons suspected of fraud and bribetaking, and then only after this delay was criticized; and thus far the Chair has declined to rule that either the minority or its staff can examine these income tax records.

This deliberate refusal of our subcommittee to do its plain duty is inexcusable. The Beasley & Beasley reports were submitted to the subcommittee last August, and the Bureau of Public Roads commenced its investigation early in 1960, an investigation in which our subcommittee refused timely to join.

Likewise, it is public record that Thomas Worcester was convicted of income tax evasion last August for fraudulently evading $180,000 in income taxes, by deducting $275,000 in "commissions" which he stated were paid to a former State official and influence peddler who obtained consulting contracts for him from the Massachusetts Department of Public Works. The court in that case found these payments were in fact bribes passed on by this bagman to various high officials, both elected and appointed. These bribes were exactly 10 percent of the $2,750,000 in consulting contracts which Worcester was awarded in 1951, 1952, and 1953. We note with concern that Worcester's defense was that paying these bribes was an "ordinary and necessary" cost of doing consulting business with the Massachusetts Department of Public Works. This record speaks for itself and is a logical starting point for a thorough investigation.

The revelations in the Worcester case are fully described in an article entitled "Dirty Money in Boston," which appeared in the March 1961 issue of the Atlantic magazine along with the judge's written opinion. See also front page stories in the New York Times on June 19, 20, and 21, 1961. Apparently everyone can find wrongdoing in Massachusetts except our subcommittee and its expert staff. Furthermore, the CONGRESSIONAL RECORD of January 13, 1961 (pp. 707–708), contains a speech by Senator WILLIAMS, of Delaware, which shows that such kickbacks and political contributions are not limited solely to Massachusetts. Senator WILLIAMS there documented a similar practice in his own State of Delaware. Interestingly, no effort whatsoever has been made by our committee to follow up this exposé.

When the Worcester matter was raised in committee by the Republicans, we were told that the Democrats believe there is no jurisdiction. Our own independent investigation showed that there is no excuse for sweeping this Worcester case under the rug and that the committee has failed to exhaust the facts sufficiently to resolve properly even the question of jurisdiction. After only a few days in Boston, the minority found clear evidence that the committee does have jurisdiction because Worcester did substantial work in the engineering phases of Federal-aid highway projects.

In view of the circumstances, we have previously charged and we repeat the charge, that the Democrat majority is preparing a whitewash of the major aspects of the Massachusetts highway scandals, which, in our opinion, could only be accomplished as a result of direct orders from the top Democratic Party leadership. The only answer to this charge is a full and exhaustive investigation, followed by public hearings. Our motion for such action has already been refused and voted down by the Democrats on the subcommittee in the past, and we are not optimistic about the future.

We Republicans have issued this position paper to establish for the record the manner in which the dictatorial majority is manipulating important committees of Congress to accommodate their own narrow political interest, at the expense of both truth and the public interest, and to register our determination not to be accessories either before or after the fact to practices that threaten to subvert the very committee system of Congress and many cherished concepts of representative government.

Veterans Convalescent Home Care

EXTENSION OF REMARKS
OF
HON. GEORGE M. WALLHAUSER
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1961

Mr. WALLHAUSER. Mr. Speaker, I have today introduced a bill calling for the establishment of adjunct facilities at Veterans' Administration hospitals to provide veterans with convalescent care, nursing care, and special care for long-term chronic illnesses.

This, I believe strongly, is a most important bill from the viewpoint of those who served their Nation so well in the military forces of our Nation.

From my own observation of veterans hospitals in the New Jersey area and discussions I have had with physicians and with leaders of veterans organizations, I believe there are two compelling reasons for the establishment of convalescent or nursing homes adjacent to Veterans' Administration hospitals.

One, the establishment and use of such homes would provide a better atmosphere for ailing veterans who are on the road to recovery and for those with lingering illnesses not requiring emergency or constant medical treatment or extensive hospital care.

Two, the establishment of such convalescent or nursing homes would make beds and facilities available in the veterans hospitals proper for those requiring extensive medical treatment and care. In this connection, I would like to point out that on many occasions our veterans hospitals have long lists of veterans waiting for admittance for treatment.

What I have proposed is in line with modern medical and hospital practices. By locating the convalescent or nursing homes adjacent to hospitals, veterans assigned to them would be under the direct supervision of veterans hospital staffs and they would have the finest medical and nursing care close by if the need for it should arise.

